

2024-2025

PROPOSED

OPERATING BUDGET

**Prepared by the Office of the City Manager
May 2024**

Mayor



Matt Mahan

City Council

District 1



Rosemary Kamei

District 2



Sergio Jimenez

District 3



Omar Torres

District 4



David Cohen

District 5



Peter Ortiz

District 6



Devora "Dev" Davis

District 7



Bien Doan

District 8



Domingo Candelas

District 9



Pam Foley

District 10



Arjun Batra

Office of the City Manager

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California Society of Municipal Finance Officers

Certificate of Award

Operating Excellence Fiscal Year 2023-2024

Presented to the

City of San José

For meeting the criteria established to achieve a CSMFO Award in Budgeting.

January 29, 2024



A handwritten signature in black ink, appearing to read "RILEE".

Rich Lee
2023 CSMFO President

A handwritten signature in black ink, appearing to read "James Russell-Field".

James Russell-Field, Chair
Recognition Committee

Dedicated to Excellence in Municipal Financial Reporting



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

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**City of San Jose
California**

For the Fiscal Year Beginning

July 01, 2023

Christopher P. Morrill

Executive Director

2024-2025 PROPOSED OPERATING BUDGET

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Honorable Mayor and City Council:

I am proud to present the 2024-2025 Proposed Operating Budget, a balanced budget that performs the difficult task of strategically investing resources to meet important objectives of the City Council while also bringing the General Fund into closer structural alignment. This budget follows the direction provided by the Mayor and City Council with their approval of the Mayor’s March Budget Message for Fiscal Year 2024-2025, and considers other City Council and Administration priorities, recent community outreach and surveys, and the impacts of service reductions to the community.

The General Fund 2025-2029 Five-Year Forecast was used as the starting point in the development of the budget. For the General Fund, a revised Base Budget shortfall of \$4.5 million is projected for 2024-2025, followed by a shortfall of \$37.6 million in 2025-2026, with subsequent small shortfalls over the remaining three years of the Forecast. This relative lack of resources is exacerbated by the need to also consider substantial investments to implement the State of California’s regulatory requirements regarding the City’s Stormwater Permit, including addressing the impacts of unhoused individuals experiencing homelessness living adjacent to waterways, and the cost of programs funded on a one-time basis in 2023-2024 whose discontinuation would likely cause negative service impacts that no one would want. When taken together, it is appropriate to broaden the Base Budget shortfall amount and state that the City faces an estimated \$50 million service level/structural shortfall in the General Fund to resolve for planning purposes.

Keeping these considerations in mind, the Proposed Budget follows City Council direction to focus on targeted, strategic spending, while also addressing the service level/structural shortfall in 2024-2025 and setting aside enough ongoing resources to substantially address the estimated shortfall in 2025-2026. It is important to note that, even with a number of cost reductions and service delivery efficiencies, and corresponding position eliminations necessary to address the budget shortfall, the Administration anticipates that most, if not all, impacted employees will still have a place in the City – layoffs are not anticipated in this Proposed Operating Budget.

For the City’s many other dedicated funds (e.g., Airport Funds, Integrated Waste Management Fund, San José Clean Energy Fund, Sanitary Sewer Funds) budget actions considered various service delivery and infrastructure needs balanced within the available resources of each fund. All budgeted service levels considered associated impacts to rate payers during the Proposed Operating Budget’s preparation.

Budget Town Halls



- May 4** **12:30pm**
Evergreen Islamic Center, 2486 Ruby Ave
- May 6** **6:00pm**
Holy Family Catholic Parish, 4848 Pearl Ave
- May 9** **6:00pm**
Bethel Church, 1201 S Winchester Blvd
- May 13** **7:00pm**
3050 Berryessa Rd
- May 15** **7:30pm**
Joyce Ellington Branch Library, 491 E Empire St
- May 20** **6:30pm**
St Francis Episcopal Church, 1205 Pine Ave
- May 23** **7:00pm**
Grace Church of Evergreen, 2650 Aborn Rd

Budget Decision Milestones

- May 8 -16**
City Council Study Sessions
- May 14/June 10**
Public Hearings on 2024-2025 Proposed Budgets and Fees & Charges
- June 3**
2024-2025 Mayor’s June Budget Message Released
- June 11**
Council Review/Approval of the 2024-2025 Mayor’s June Budget Message
- June 18**
Adoption of the 2024-2025 Capital and Operating Budgets, 2025-2029 CIP, and the 2024-2025 Fees & Charges

2024-2025 PROPOSED OPERATING BUDGET

As guided by City Council's approval of the Mayor's March Budget Message for Fiscal Year 2024-2025, this Proposed Budget prioritizes and reallocates the City's limited General Fund and other fund resources to continue work on some of our most challenging issues, including urgent action on homelessness, improving community safety, cleaning up San José, and attracting jobs and investment. Allocations also address select areas of urgent, important, and continuing core service work within other community services, strategic support services, and deferred infrastructure areas. A summary of the recommended key actions for these investment priorities is discussed later in this transmittal memorandum.

Summary information items that can easily be found in this transmittal memorandum include: Total Proposed Budget; Position Impacts; General Fund Forecast; Proposed Budget Development Considerations; General Fund Budget Balancing Plan; Measure E, Interim Housing, Affordable Housing, and Stormwater Permit Implementation; Summary of Homeless Spending in 2024-2025, City Service Area Highlights and Key Budget Actions with detailed budget proposals outlined by title and the section where they can be found throughout the Proposed Operating Budget document; and Fees and Charges Adjustments.

It is important to note that though this transmittal memorandum primarily discusses the incremental changes to the budget and new or reallocated funding to implement new, or modify and enhance, existing services levels, the 2024-2025 Proposed Operating Budget is a comprehensive document that contains budgetary and performance data for each City Service Area (CSA) and department, linking the expected service delivery environment to expected actions and outcomes, facilitated through the spending in dozens of Core Services and hundreds of Budget Programs.

Based on the hard work of City staff, this Proposed Operating Budget successfully and responsibly allocates ongoing funding to the priorities identified in the March Budget Message, continues to make progress on bringing the General Fund into structural alignment with service level demands, and considers existing funding sources across the over 140 City funds. Each funding source is brought into balance to sustainably continue City programming and services in accordance with City Council direction, priorities, and policies.

Investment Priorities

The Mayor's March Budget Message, as approved by the City Council, identified the following investment priorities:

- ✓ *Urgent Action on Homelessness*
- ✓ *Improving Community Safety*
- ✓ *Cleaning Up San José*
- ✓ *Attracting Jobs and Investment*

Other investment priorities included select areas of important and ongoing core service work within other community services, strategic support services, and deferred infrastructure areas.

2024-2025 PROPOSED OPERATING BUDGET

Total Proposed Budget

The 2024-2025 Proposed Budget totals \$5.3 billion for all City funds (General, Special, and Capital). This amount is \$764.0 million (12.5%) less than the 2023-2024 Adopted Budget (Table 1 below). The Proposed Budget, however, does not yet include funds that will be rebudgeted and added to the final 2024-2025 Adopted Budget to complete multi-year projects. Once these rebudgets are included, the total amount of the budget will increase.

2024-2025 Proposed Budget — All Funds (Table 1)			
	2023-2024 Adopted	2024-2025 Proposed	% Change
General Fund	\$ 2,092,480,477	\$ 1,615,128,471	(22.8%)
Special Funds	3,362,611,337	3,434,414,734	2.1%
<Less: Operating Transfers>	(940,383,884)	(857,113,680)	(8.9%)
Net Operating Funds	4,514,707,930	4,192,429,525	(7.1%)
Capital Funds	1,588,248,927	1,149,492,039	(27.6%)
<Less: Capital Transfers>	(4,030,000)	(6,952,000)	72.5%
Net Capital Funds	1,584,218,927	1,142,540,039	(27.9%)
Total	\$ 6,098,926,857	\$ 5,334,969,564	(12.5%)

Position Impacts

The Proposed Budget includes a net decrease to the overall position count throughout the organization. The Base Budget included the elimination of 66 positions, as these positions were funded on a one-time basis only in the 2023-2024 Adopted Budget. The Proposed Budget adds a net 12 positions, primarily due to the investments in Beautify San José and in support of the City's Stormwater Permit implementation. Overall, the net level of staffing decreases by 54 positions, from 7,040 full-time equivalent (FTE) positions in the 2023-2024 Adopted Budget to 6,986 positions in the 2024-2025 Proposed Budget, as shown in Table 2 below.

Changes in Position Count (All Funds) from 2023-2024 Adopted to 2024-2025 Proposed Budget (Table 2)	
2023-2024 Adopted Budget	7,040 positions
<i>2024-2025 Base Budget Changes</i>	<i>(66) positions</i>
<i>2024-2025 Proposed Budget Changes – General Fund</i>	<i>20 positions</i>
<i>2024-2025 Proposed Budget Changes – Other Funds</i>	<i>(8) positions</i>
Total Net 2024-2025 Position Changes	(54) positions
2024-2025 Proposed Budget	6,986 positions

2024-2025 PROPOSED OPERATING BUDGET

General Fund Forecast

In February 2024, the Administration released the 2024-2025 City Manager’s Budget Request and 2025-2029 Five-Year Forecast and Revenue Projections document to estimate the budget condition of the General Fund and selected Capital Funds over the next five years. The Forecast initially anticipated an ongoing shortfall of \$3.6 million in 2024-2025. That shortfall has been revised slightly downward to \$4.5 million due to a number of factors, including corrections to personal services costs within the Base Budget and minor revisions to several revenue categories.

Table 3 below displays the incremental General Fund shortfalls estimated over the next five years. It is important to note that the shortfall anticipated in 2025-2026 assumes that the \$4.5 million shortfall for 2024-2025 is fully resolved with ongoing solutions. Any portion of a shortfall not fully resolved would be carried over to the following year.

2025-2029 Revised General Fund Five-Year Forecast

(\$ in millions)¹

(Table 3)

	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Five-Year Surplus/ (Shortfall)
Incremental Surplus/ (Shortfall)	(\$4.5) ²	(\$37.6)	(\$17.8)	(\$13.9)	(\$6.7)	(\$80.5)

¹ Does not include 1) costs associated with services funded on a one-time basis in 2023-2024; 2) costs associated with unmet/deferred infrastructure and maintenance needs; and 3) one-time revenue sources or expenditure needs.

² This figure was revised from the \$3.6 million shortfall as presented in the February 2024 Forecast as a result of continued analysis of projected revenues and expenditures.

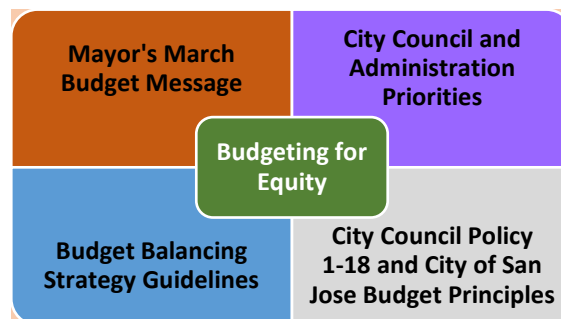
As described previously and in greater detail in the 2025-2029 Five-Year Forecast¹, the projected shortfalls omitted significant new expenditures necessary to implement the State of California’s regulatory requirements for the new Stormwater Permit, as well as the cost of programs previously funded on a one-time basis in the General Fund. When considering these two categories of service level needs, from a practical perspective, the projected service level/structural shortfall in 2024-2025 grows to over \$50 million.

To make matters more challenging, even if the 2024-2025 shortfall is fully addressed on an ongoing basis, additional ongoing solutions of \$37.6 million would be required to resolve the shortfall currently projected for 2025-2026. As a result, City Council’s approval of the Mayor’s March Budget Message directed the Administration to take a multiyear approach to balancing the General Fund. The Proposed Operating Budget fully meets this direction by establishing a 2025-2026 Future Deficit Reserve, setting aside ongoing funding of \$20.0 million. This prudent approach positions the City to better weather another difficult budget development process next fiscal year by significantly reducing the currently-projected shortfall in 2025-2026 from \$37.6 million to \$17.6 million.

¹ 2024-2025 City Manager’s Budget Request and 2025-2029 Five-Year Forecast and Revenue Projections: <https://www.sanjoseca.gov/home/showpublisheddocument/109520/638448994635200000>

Proposed Budget Development Considerations

The Proposed Budget must balance a variety competing community and organizational needs while ensuring that the resources contained within all City funds remain in balance and thoughtfully deployed. While the budget development process was informed by a variety of factors, the inputs shown at right are the key drivers that provided the strategic approach to address these needs.



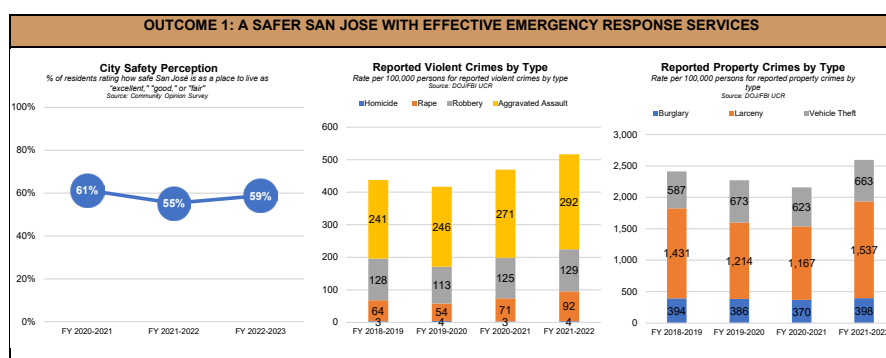
The Mayor’s March Budget Message for Fiscal Year 2024-2025, as approved by the City Council, identified the main investment priorities for the budget process, and directed us to employ the Budget Balancing Strategy Guidelines² that outlined a number of general approaches to use in the development of the budget. City Council Policy 1-18³ and the City of San José Budget Principles² further ensured that the Administration applied best budgetary practices and worked to align ongoing revenues with ongoing expenditures. Throughout the year, the City Council also identified new or revised desired service levels to benefit the community, and the Administration identified areas for additional investment or reallocation to address organizational risks and service delivery gaps.

Unfortunately, budgetary constraints significantly limit the City’s ability to meet desired service levels in all areas and, in fact, require ongoing cost and service reductions along with some minimal revenue increases to bring the General Fund into structural alignment while also continuing or enhancing those services consistent with City Council direction as included in the March Budget Message. Due to the nature of the City’s work, service reductions could have a disproportionate impact on already disadvantaged communities. As a result our obligation during the budget process was to intentionally consider equity regarding budget actions, asking questions such as: who is burdened by the action, what steps could be taken to mitigate the impact, and are there other feasible cost reduction strategies that would have less of an impact? All of these factors, and others, were included in the Proposed Budget development process.

CITY SERVICE AREA

To deepen our ability to understand the impact of services within different segments of the community, we are in the second of a three-year process to revamp the outcomes, strategic objectives, performance measures, and activity and workload highlights displayed in the Proposed and Adopted Budgets. This approach was piloted in the 2023-2024

PUBLIC SAFETY



Adopted Operating Budget with revisions to the Neighborhood Services CSA, at both the CSA and Department Core Service level, along with the development of a “Community Indicators Dashboard” that aligns with the revised outcomes. This process continues in the 2024-2025 Proposed Operating Budget, with revisions and updates to the Community and Economic Development and Public Safety CSAs. Actions are included in this budget to complete this work with the remaining CSAs and their associated Department Core Services for presentation in the 2025-2026 Proposed Budget.

² Included at the end of this transmittal memorandum.

³ Included in the *Budget Policies and Practices* section of this budget document.

2024-2025 PROPOSED OPERATING BUDGET

General Fund Budget Balancing Plan

The City Council's approval of the Mayor's March Budget Message for Fiscal Year 2024-2025 directed the City Manager to bring forward a Proposed Budget that addresses the \$4.5 million Base Budget shortfall and allows for investments the areas identified in the March Budget Message by considering the following strategies:

- ❖ Identifying cost savings and efficiencies that do not result in service impacts;
- ❖ Eliminating vacant positions, the removal of which is expected to have minimal service impacts;
- ❖ Reducing or eliminating current services, including the consideration of budget reductions for Mayor and City Council Offices, that – while important and valued by many – must be considered in order to bring the General Fund into structural alignment and still fund the City Council's most critical priorities as identified in this message; and
- ❖ Identifying any revenue sources that could be used to offset these service reductions, including new contributions from state and regional partners and the potential reallocation of a portion of Measure E resources over a multi-year period, for the provision of necessary services to our homeless residents and to meet stormwater permit requirements.

The City Manager's 2024-2025 Proposed Operating Budget complies with this direction by leveraging all four strategies, including:

- General Fund cost and service reductions of \$12.1 million in 2024-2025 and \$18.1 million ongoing;
- An organization-wide reduction of full-time equivalent (FTE) positions of a net 54 positions, moving from 7,040 FTE in the 2023-2024 Adopted Operating Budget to 6,986 FTE in the 2024-2025 Proposed Operating Budget;
- Recognizing \$29.1 million of new revenues in the General Fund in 2024-2025 and \$4.0 million ongoing, and another \$8.0 million in the Low and Moderate-Income Housing Asset Fund for future affordable housing development; and
- Reallocating a portion of Measure E revenues over a two-year period to provide sheltering and support services to unhoused residents currently living along waterways and to support interim housing operations and other services, while also preserving some funding to support future affordable housing projects.

The 2024-2025 Proposed General Fund Budget Balancing Plan that resolves the \$4.5 million shortfall forecasted for 2024-2025 is displayed in Table 4 below, which shows the matrix of balancing strategies and the dollars associated with each action. A discussion of the balancing strategies can be found in *Attachment A* to this message and is discussed in detail throughout the Proposed Budget. *Attachment B* provides the status of Mayor and City Council referrals approved as part of the Mayor's March Budget Message for Fiscal Year 2023-2024. *Attachment C* provides information regarding any actions included in the budget that specifically addressed a recommendation issued by the City Auditor.

2024-2025 PROPOSED OPERATING BUDGET

General Fund Budget Balancing Plan (Cont'd)

2024-2025 Proposed Operating Budget General Fund Budget Balancing Plan (in 000's) (Table 4)		
	2023-2024	Ongoing
2024-2025 General Fund Shortfall	(\$ 4,452)	(\$ 4,452)
Balancing Strategy		
Source of Funds		
Beginning Fund Balance:		
2023-2024 Excess Revenue/Expenditure Savings	5,000	0
Unobligated Small Business Recovery Grant (C/O Encumbrance Liquidation)	1,326	0
Solid Waste Enforcement Reserve	680	0
Fund Balance to Support 2023-2024 Projects	648	0
Grants/Reimbursements/Fees:		
State Grant Funding (City's Interim Housing Portfolio)	16,000	0
Ambulance Transport and User Fee	1,700	1,700
Fees and Charges Changes	1,088	1,088
Rue Ferrari Emergency Interim Housing Site Expansion (Federal)	1,000	0
Parking Citation Fines	800	800
Regulatory Compliance and Purified Water Program	580	565
Commercial Solid Waste CPI Adjustment	577	578
Cannabis Regulation Program Staffing	(901)	(901)
Other Fee Programs/Reimbursements/Grants	308	(147)
Accounts Receivable Amnesty Program	300	300
Construction Excise Tax Fund Transfer	300	300
Overhead Reimbursements	(273)	(237)
Subtotal Source of Funds	\$ 29,133	\$ 4,046
Use of Funds		
2025-2026 Future Deficit Reserve	\$ 0	\$ 20,000
Other Important and Ongoing Core Service Work	12,625	3,587
Increasing Community Safety	11,651	3,040
Cleaning Up San José	10,823	8,816
Stormwater Permit Implementation	10,044	8,129
Attracting Investments in Jobs and Housing	3,575	0
Cost Reductions/Service Delivery Efficiencies/Funding Shifts	(12,070)	(18,069)
Interim Housing – Reallocation to Measure E	(8,000)	(22,500)
Transfer of Monterey/Bernal EIH to Santa Clara County	0	(2,500)
Use of Reserves (Committed Additions, Deferred Infrastructure and Maintenance, Fire and Police Equipment Sinking Fund)	(3,967)	(909)
Subtotal Use of Funds	\$ 24,681	\$ (406)
Total Balancing Strategy	\$ 4,452	\$ 4,452
Remaining Balance	\$ 0	\$ 0

2024-2025 PROPOSED OPERATING BUDGET

Measure E, Interim Housing, Affordable Housing, and Stormwater Permit Implementation

As discussed above, the City Council directed the Administration to consider the reallocation of a portion of Measure E resources over a multi-year period to provide necessary services to the unhoused community and to meet Stormwater Permit requirements while also seeking to preserve as many resources as practical for affordable housing development. The Proposed Budget recommends reallocating a portion of Measure E funding in 2024-2025 and in 2025-2026 only, while also assuming the potential receipt of external resources that can fund homeless support activities and affordable housing development. However, because not all of the revenues may be received, in addition to approving the 2024-2025 Proposed Operating Budget, the Administration will also recommend that the City Council approve a larger change to the Measure E spending allocations included in City Council Policy 1-18, Section 22, as a contingency.

As shown below in Table 5, the Proposed Budget assumes \$17.0 million of new external funding to support the City's interim housing portfolio and \$8.0 million to support future affordable housing development.

New External Resources for Interim Housing and Affordable Housing (\$ Millions) (Table 5)	
New Interim Housing Funding	
Federal Earmark - Rue Ferrari Expansion Project	\$1.0
Santa Clara County - State Housing and Homeless Incentive Program*	\$5.0
State of California Grant Funding*	\$11.0
Valley Water - Safe Sleeping Sites	TBD
Total	\$17.0
New Affordable Housing Funding	
Santa Clara County – California Health Facilities and Finance Authority (CHFFA)* (acquire and operate the Vermont House and Monterey/Bernal EIH)	\$8.0
Total	\$8.0
Total New Resources in 2024-2025	\$25.0

*Not yet a specific commitment or terms need to be negotiated.

The City has successfully secured a federal earmark of \$1.0 million that will support the Rue Ferrari Expansion Project. As a partner in addressing homelessness, Santa Clara County has been actively seeking to leverage grant funding from the State of California for homeless support services, including seeking the allocation of \$5.0 million of the Housing and Homeless Incentive Program to the City; though not yet officially approved by the State and the local Medi-Cal Managed Care Plans, these resources are likely to be received. Less certain, the Administration will also continue to seek additional State funding in collaboration with all of our system partners to generate an additional \$11.0 million to support the City's interim housing portfolio. The City is also optimistic that Valley Water will continue to be a financial partner as we work to address Stormwater Permit compliance related to unhoused residents along the waterways, but conversations have not yet progressed to the point where additional funding can be recognized.

2024-2025 PROPOSED OPERATING BUDGET

Measure E, Interim Housing, Affordable Housing, and Stormwater Permit Implementation

The Proposed Budget also assumes \$8.0 million of new external funding for affordable housing development. The County approached the City to utilize funds from the California Health Facilities and Finance Authority (CHFFA) to acquire the Vermont House, a 17-unit permanent supportive housing facility operated by the City, and the Monterey/Bernal Emergency Interim Housing (EIH) site, while ensuring that they continue to serve formerly and currently homeless residents. As most of the potential sale proceeds would likely be generated from the value of the Vermont House property, which was formerly acquired with federal funds, sale proceeds from these sites would be received in the Low and Moderate-Income Housing Asset Fund and be redeployed to support future affordable housing. Further, transitioning operational responsibility of the Monterey/Bernal EIH to the County would lower the City's ongoing costs in the General Fund by \$2.5 million. While the transfer of City property is subject to appraisal and negotiation, both the County and the City would like to move this deal forward.

Table 6 below summarizes the recommended reallocation of Measure E revenues as included in the 2024-2025 Proposed Operating Budget, and a contingency plan for a larger reallocated amount should the additional \$11.0 million of grant funding from the State of California and the \$8.0 million of CHFFA funding not be received. It is important to note that, while the reallocation of Measure E resources in 2025-2026 is substantially greater than in 2024-2025, the City will continue to aggressively pursue other external funding sources over the course of the next year, which could result in the partial restoration of resources for affordable housing in the 2025-2026 budget development process.

Recommended Reallocation of Measure E Resources (\$ Millions) (Table 6)				
	Proposed Budget Include All New Revenues/Cost Reduction		Contingency Plan Does Not Include Additional State Grant Funds (\$11 M) or CHFFA (\$8 M)	
	2024-2025	2025-2026	2024-2025	2025-2026
Base Budget Affordable Housing Production Allocation* [A]	35.6	39.2	35.6	39.2
Interim Housing Construction and Operations	8.0	22.5	19.0	25.0
Stormwater Permit Implementation	15.0	10.6	15.0	10.6
Safe or Alternative Sleeping Sites	10.0	5.0	10.0	5.0
Outreach, Sanitation and Other Support Services	3.6	3.9	3.6	3.9
Recreational Vehicle Pollution Prevention Program Expansion	1.4	1.7	1.4	1.7
Lived-In Vehicle Safe Parking Site	1.0	-	1.0	-
City Outreach Team (Reactive)	0.6	-	0.6	-
Total [B]	24.6	33.1	35.6	35.6
Remaining Measure E for Affordable Housing [A] – [B] = [C]	11.0	6.1	0.0	3.6

*The estimate for Real Property Transfer Tax (Measure E) revenues in 2024-2025 and 2025-2026 is \$50.0 million and \$55.0 million, respectively. In accordance with City Council Policy 1-18, Section 22, 75% of revenues are set aside for affordable housing production after subtracting a 5% for program administration.

2024-2025 PROPOSED OPERATING BUDGET

Measure E, Interim Housing, Affordable Housing, and Stormwater Permit Implementation

The General Fund Base Budget currently assumes expenditures of \$25.0 million to support the City's interim housing portfolio. This cost is partially offset in 2024-2025 by the \$17.0 million of new resources for interim housing as shown above in Table 5. The remaining \$8.0 million of costs for the interim housing portfolio is recommended to shift to Measure E. In 2025-2026, the shift to Measure E increases to \$22.5 million, which is the full ongoing General Fund Base Budget amount of \$25.0 million less \$2.5 million due to the savings anticipated by no longer operating the Monterey/Bernal EIH site.

A total of \$15.0 million from Measure E is recommended to help meet the City's Stormwater Permit obligations for: 1) the development and operation of safe or alternative sleeping sites to allow for the relocation of up to 500 unhoused residents from the waterways (\$10.0 million in 2024-2025 and \$5.0 million in 2025-2026); 2) outreach, sanitation, and other support services to meet basic needs of residents along the waterways and conduct housing assessments to refer and place individuals into shelter and housing opportunities (\$3.6 million in 2024-2025 and \$3.9 million in 2025-2026); and 3) the expansion of the Recreational Vehicle Pollution Prevention Program from 150 to 600 vehicles served every two weeks so that waste from vehicles is prevented from entering the waterways (\$1.4 million in 2024-2025 and \$1.7 million in 2025-2026).

Stormwater Permit Implementation

The San Francisco Bay Regional Water Quality Control Board, a State agency, recently required that the City implement an ambitious plan for eliminating the direct discharge of pollutants into waterways from encampments and lived-in vehicles near storm drains. This significant requirement, as well as other regulations included in the City's Stormwater Permit, necessitates significant new spending in the 2024-2025 Proposed Operating Budget.

Described in more detail in *Attachment D, Stormwater Permit Implementation Funding Summary*, a total of \$27 million is required in 2024-2025 to meet State regulatory requirements, including \$15 million from Measure E, \$10 million from the General Fund, and \$2 million from other Special Funds.

This combined funding supports both the Direct Discharge components related to the City's waterways of \$24 million, and a variety of actions to support other permit requirements of \$3 million.

As directed by City Council's approval of the Mayor's March Budget Message, \$1.0 million of Measure E funds will also be used in 2024-2025 to open one safe parking site for residents of lived-in vehicles. In contrast to the future Berryessa Safe Parking Site, this new site will provide a minimally serviced, controlled environment for lived-in vehicles to be parked off streets and into safety. Finally, an amount of \$600,000 of Measure E funding will support a pilot program in 2024-2025 that provides reactive outreach services in response to concerns received from San José 311, the homelessness concerns hotline, or other sources, about an individual or encampment.

These recommended reallocations would leave \$11.0 million remaining of 2024-2025 Measure E funds for affordable housing, and \$6.1 million of 2025-2026 Measure E funds. However, the amount of affordable housing funding expected to be available in 2024-2025 also needs to account for the expected sale proceeds from the Vermont House and Monterey/Bernal EIH (\$8.0 million), the remaining available uncommitted Measure E proceeds received in prior years (\$4.0 million), and the available resources expected from the City's other Housing Funds (\$17.6 million).

2024-2025 PROPOSED OPERATING BUDGET

Measure E, Interim Housing, Affordable Housing, and Stormwater Permit Implementation

Including all of these resources would yield an estimated \$41 million for affordable housing development in 2024-2025, as shown in Table 7 below. However, if the contingency plan is needed in the fall, \$21.6 million would be available for affordable housing. After all funding is secured, staff expects to dedicate these funds to the construction of waitlisted developments from the October 2023 Notice of Funding Availability, which is currently over \$200 million.

Available Resources for New Affordable Housing Commitments in 2024-2025 (\$ Millions) (Table 7)		
	2024-2025 Proposed Budget	Contingency Plan
2024-2025 Measure E Funds	11.0	0.0
California Health Facilities Finance Authority (CHFFA)	8.0	0.0
Available Current and Prior Year Measure E Funds	4.0	4.0
Other Housing Funds	17.6	17.6
Total Available Funding	40.6	21.6

Summary of Homelessness Spending in 2024-2025

In addition to the new or reallocated funding in the 2024-2025 Proposed Budget directed by City Council's approval of the Mayor's March Budget Message for Fiscal Year 2024-2025, past direction by the City Council has resulted in a range of City programs and projects related to homelessness. Much of the City's direct spending on homelessness is captured within the Housing Department's *Homelessness Response and Solutions* Core Service and the Parks, Recreation and Neighborhood Services' *Encampment Management* Budget Program, and can be found within the respective department section. However, other departments and offices, such as the Public Works Department and the City Manager's Office, are also allocated funding to address homelessness.

For ease of reference, Table 8 below provides high-level spending categories for homelessness-related work across departments and funds. The total amount estimated for spending in the 2024-2025 Proposed Operating Budget is \$120.0 million, of which \$49.6 million is budgeted in the General Fund, \$41.8 million is budgeted with Measure E resources in the Real Property Transfer Tax Fund, and \$28.6 million is allocated in various Housing Funds. This amount does not include additional funding that may be in reserve or anticipated savings from allocations in 2023-2024 that will be rebudgeted into 2024-2025 as part of the Adopted Budget process in June. Further, the complexity of the City's funding sources, it is likely that not all of the budgeted spending is captured; the Administration expects to further refine the tracking and reporting of this spending in the future. Even still, Table 8 provides useful information regarding the scale of the City's investment in homelessness-related work.



2024-2025 PROPOSED OPERATING BUDGET

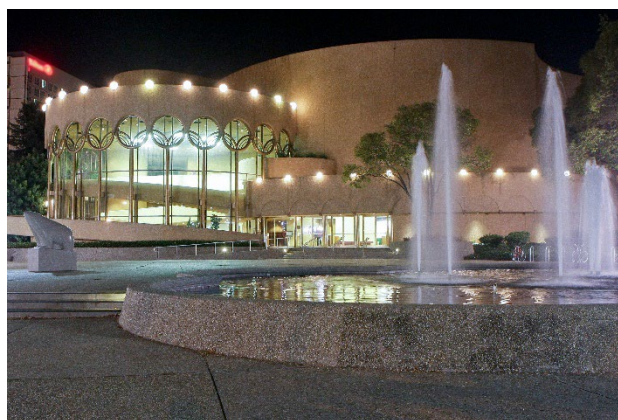
Summary of Homelessness Spending in 2024-2025

Homelessness Spending in the 2024-2025 Proposed Operating Budget (\$ Millions) (Table 8)	
Spending Category	2024-2025 Proposed Budget
Interim Housing / Safe or Alternative Sleeping	58.5
Encampment Management and Abatement	30.0
Prevention and Rapid Rehousing	16.7
Outreach and Supportive Services	12.9
Administration and Programmatic Support	1.9
Total	120.0

City Service Area Highlights and Key Budget Actions

While much of this message and conversations surrounding the budget involve incremental changes to existing service levels, it is important to keep in mind that most of the City's budget is allocated to delivering basic services, year after year. In the context of a \$1.6 billion General Fund budget and \$4.2 billion total operating budget, only a small percentage is allocated to new actions. The overwhelming majority of the City's limited resources are dedicated to the daily – and critical – effort to serve the San José community.

The 2024-2025 Proposed Operating Budget document provides a comprehensive review of the resources – both funding and positions – allocated to provide services by CSA, Department, Core Service, and Budget Program. Each CSA section and Department section contains a wide range of outcomes, performance measures, and activity and workload highlights by which City services can be measured. The discussion below covers each CSA, excerpting two performance measures from the CSA dashboard, giving an overview of the key service delivery expectations for 2024-2025 and highlighting key budget actions related to the direction from the City Council-approved Mayor's March Budget Message for Fiscal Year 2024-2025, investments to support other services, and actions that reduce costs in the General Fund and other funds to ensure a structural alignment between ongoing revenues and expenditures. For a more in-depth information, please review the CSA and Department sections in the Proposed Operating Budget.



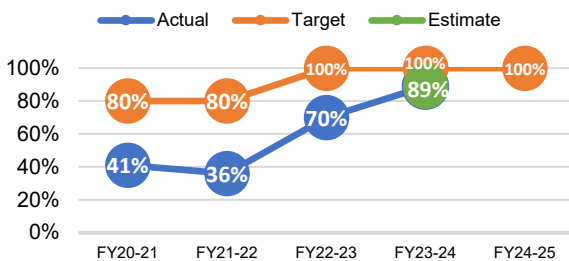
City Service Area Highlights and Key Budget Actions

Community and Economic Development CSA

Expected 2024-2025 Service Delivery Highlights and Key Budget Actions

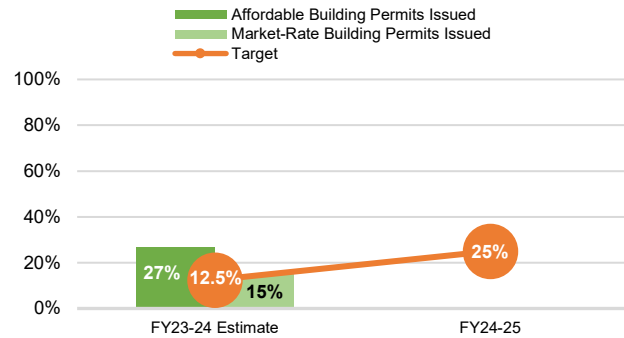
Development Project On-Time Reviews for Planning Permit Process

% of development projects completed within published timelines for first review for planning permit process



Housing Production Rates

% of affordable and market-rate housing production¹ measured against annual Regional Housing Needs Allocation (RHNA) targets^{2,3}



¹ The City uses building permit issued as the standard for unit production.

² RHNA is the part of the Housing Element process used to determine how many housing units each local government must plan for in its Housing Element. The current RHNA target for San José is 62,200 new housing units produced for the period from 2023 to 2031, which includes 34,486 overall for affordable housing units and 27,714 overall for market-rate housing units.

³ Year 1 of the eight-year Housing Element cycle corresponds with 1/8th of the overall RHNA target being met.

The 2024-2025 Proposed Operating Budget allocates \$187.9 million and 483.1 authorized positions to the Community and Economic Development CSA, consisting of Core Services from the Office of Economic Development and Cultural Affairs, the Fire Department, the Housing Department, the Planning Building and Code Enforcement Department, and the Public Works Department. The CSA-supported outcomes include: *a Thriving, Inclusive, and Attractive Communities and Vibrant Public Spaces; S Strong, Responsive and Equitably Economy; and an Accessible and Diverse Range of Housing and Business Opportunities.*

CSA priorities and highlights of expected service delivery in 2024-2025 include the following:

- Engage and assist businesses that create jobs and expand the City’s tax base, with a focus on small business recovery and resiliency, anchor employers, and revenue-generators.
- Assist arts organizations, cultural facilities, and outdoor event producers to sustain, innovate, and adapt in a changing fiscal environment.
- Develop for Council consideration, a streamlined ministerial approval process for a wider range of housing development than is currently eligible for statewide streamlining.
- As part of the Housing Catalyst Team Work Plan, advance near-term strategies, programs, and policies from the 2023-2031 Housing Element.
- Continue to digitally transform the Development Services operations with an upgraded portal to allow customers to start their applications online, integrate electronic plan submission and review for the building permits, improve permit fee payment process, and provide additional self-administered permits on the public portal.
- Continue to advance funding commitments for four affordable housing developments, totaling 519 new apartments, as part of the implementation of a previous \$150 million Notice of Funding Availability (NOFA), and advance the funding commitments for the four new affordable housing developments awarded from the \$50 million 2023 NOFA creating 338 new apartments, and begin construction on six major projects that will produce 681 affordable apartments.

2024-2025 PROPOSED OPERATING BUDGET

City Service Area Highlights and Key Budget Actions

- Implement the 2020-25 Consolidated Plan and the FY 2024-2025 Annual Action Plan authorizing \$14.3 million in annual allocations of federal funding to increase and preserve affordable housing, respond to homelessness, strengthen neighborhoods, and promote fair housing.

The Proposed Budget includes a variety of actions that align with the March Message priority investment area of *Attracting Investments in Jobs and Housing* that primarily leverage one-time funding allocations from the General Fund or other funds. It is important to note that the City expects relatively low levels of development activity in the near term, which will result in reduced revenues received within the City's various Development Fee Funds. To better align expected revenues and expenditures, a number of vacant positions in the Planning, Building and Code Enforcement Department are recommended for deletion due to the low anticipated activity levels. However, should activity rebound, the City can quickly add back staffing as necessary.

Attracting Investments in Jobs and Housing	
Storefront Activation Grant Program (\$650,000 million)/City-Wide Expenses	Neighborhood Economic Grants (\$200,000)/ Office of Economic Development and Cultural Affairs
Rent Stabilization and Eviction Prevention Staffing (\$619,000)/Housing	AI Manufacturing Incentive (\$250,000)/City-Wide Expenses
Destination Marketing (\$500,000)/City-Wide Expenses and Airport	East San José Small Business Corridor Support Manager (\$177,000)/Office of Economic Development and Cultural Affairs
Supplemental Arts and Cultural Funding (\$500,000)/City-Wide Expenses	Microbusiness Startup Grants (\$150,000)/ Office of Economic Development and Cultural Affairs
Downtown Street Beautification (\$400,000)/City-Wide Expenses	Office and Commercial Building Adaptive Re-Use Ordinance (\$100,000)/Planning, Building and Code Enforcement
General Plan Update – Environmental Justice Mandatory Element Consultant Services (\$375,000)/Planning, Building and Code Enforcement	

Cost Reductions/Service Delivery Efficiencies/Funding Shifts/Revenues	
Vacant Position Elimination (-\$3.2 million)/ Planning Building and Code Enforcement	Workforce Development Staffing Realignment (-\$96,000)/Office of Economic Development and Cultural Affairs
Citywide Planning – Ordinance and Policy Staffing (-\$220,000)/Planning, Building and Code Enforcement	Non-Personal/Equipment Reduction (-\$50,000) /Office of Economic Development and Cultural Affairs
Vacant Position Elimination (-\$148,000)/Fire	Joint Venture Silicon Valley Reduction (-\$26,000)/City-Wide Expenses

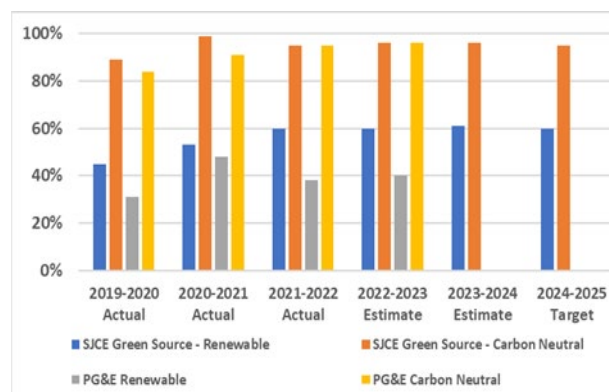
2024-2025 PROPOSED OPERATING BUDGET

City Service Area Highlights and Key Budget Actions

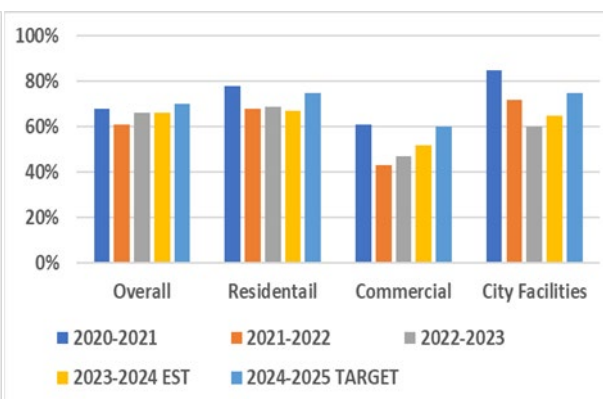
Environmental and Utility Services CSA

Expected 2024-2025 Service Delivery Highlights and Key Budget Actions

San José Clean Energy and PG&E Power Content¹



% of Waste Diverted from Landfills



¹ 2023-2024 Estimate and 2024-2025 Target data not available from PG&E. Data is expected to become available in July 2024.

The 2024-2025 Proposed Operating Budget allocates \$1.0 billion and 812.0 authorized positions to the Environmental and Utility Services CSA, consisting of Core Services from the Energy Department, the Environmental Services Department, and the Transportation Department. The CSA-supported outcomes include: *Reliable Utility Infrastructure; Healthy Streams, Rivers, Marsh, and Bay; “Clean and Sustainable” Air, Land, and Energy; and Safe, Reliable, and Sufficient Water Supply.*

CSA priorities and highlights of expected service delivery in 2024-2025 include the following:

- Build, operate, and maintain the City’s wastewater, stormwater, recycled water, and potable water utility infrastructure to ensure system reliability and public health and safety.
- Oversee programs to collect, process, recycle, compost, and dispose of solid waste to maximize diversion from landfills and protect public health, safety, and the environment.
- Provide leadership on climate action through policy, measures, and programs that reduce greenhouse gases and ensure a long-term water supply. Support environmentally sustainable practices throughout the community through education, public-private partnerships, and the implementation of the Climate Smart San José plan.
- Continue operating the City’s Community Choice Aggregation program with the goals of providing residents and businesses with a choice of electricity providers while progressing towards meeting greenhouse gas emissions reduction goals.
- Develop San José-specific energy and programs that reduce carbon, maintain and expand utility programs for low-income customers, and support local renewable energy projects in compliance with regulatory obligations.
- Continue to meet National Pollutant Discharge Elimination (NPDES) Wastewater and Stormwater Permit compliance.

2024-2025 PROPOSED OPERATING BUDGET

City Service Area Highlights and Key Budget Actions

While several of the proposed actions within the *Cleaning Up San José* March Message priority investment area are included in the Environmental and Utility Services CSA, primarily related to Stormwater Permit requirements, this CSA is responsible for a wide array of infrastructure and programs that maintain a healthy environment for residents, and ensure safe, sustainable, and efficient utility services. A number of investments are included that will incentivize electrification and reduce carbon emissions, support new infrastructure to improve wastewater treatment, and conduct necessary planning efforts to support future infrastructure construction efforts.

Cleaning Up San José

Trash Capture Devices Maintenance (\$1.3 million)/ Transportation	Municipal Regional Stormwater Permit Inspection Programs (\$482,000)/Environmental Services
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Other Important and Ongoing Core Service Work

Customer Program Staffing (\$5.4 million)/Energy	Sanitary Sewer Vehicle Replacement (\$1.0 million)/ Transportation
Dewatered Biosolids Hauling Support (\$4.3 million)/Environmental Services	Regulatory Compliance and Purified Water Program (\$730,000)/Environmental Services
Regional Wastewater Facility Capital Plan Update (\$2.5 million)/Environmental Services	Solid Waste Contamination Reduction Staffing and Resources (\$564,000)/Environmental Services
South Bay Water Recycling System Improvements (\$1.9 million)/Environmental Services	City Energy Resiliency Study (\$400,000)/Energy
Sanitary Sewer Flow Study (\$1.5 million)/ Environmental Services	Climate Smart San José (\$200,000)/Environmental Services

Cost Reductions/Service Delivery Efficiencies/Funding Shifts/Revenues

Vacant Position Elimination (-\$1.1 million)/ Environmental Services	Vacant Position Elimination (-\$124,000)/ Transportation
Vacant Position Elimination (-\$216,000)/Energy	Municipal Environmental Compliance Staffing (-\$109,000 in the General Fund)/Environmental Services



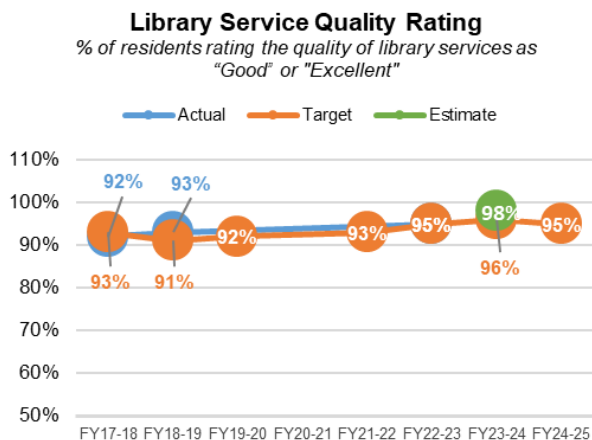
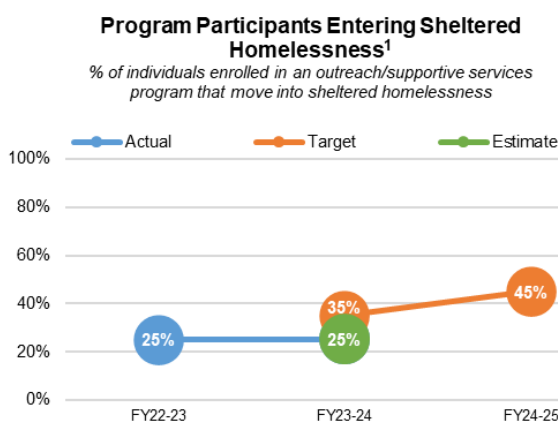
New sludge storage tanks

2024-2025 PROPOSED OPERATING BUDGET

City Service Area Highlights and Key Budget Actions

Neighborhood Services CSA

Expected 2024-2025 Service Delivery Highlights and Key Budget Actions



¹ The Continuum of Care 2023-2024 performance benchmark of 45% pertains to street outreach successful housing placements and does not include supportive services outcomes to housing. This measure will be revisited in Fiscal Year 2024-2025.

The 2024-2025 Proposed Operating Budget allocates \$336.0 million and 1,465.4 authorized FTEs to the Neighborhood Services CSA, consisting of Core Services from the Housing Department, Library Department, Parks, Recreation and Neighborhood Services Department, Planning, Building and Code Enforcement Department, and the Public Works Department. The CSA-supported outcomes include: *Safe and Clean Neighborhoods and Public Spaces*; *Welcoming and Vibrant Neighborhoods and Public Life*; *Equitable Access to Community Opportunities to Flourish*; and *Housing Security through Supportive Solutions*.

CSA priorities and highlights of expected service delivery highlights in 2024-2025 include the following:

- Provide access to information and knowledge resources for all San José residents, students, educators, and families including access to technology and print materials, classes, afterschool homework help for students, and educational and literacy programs for all ages.
- Provide access to healthy lifestyles through public parks and trails and public recreational programs and opportunities for people of all ages and abilities. This includes the provision of leisure classes and activities at community centers, offering safe and fun summer camps, educational and outdoor experiences at facilities such as Happy Hollow Park and Zoo and Family Camp, and health and social activities in our therapeutics and senior service programs.
- Respond to complaints and conduct inspections for code violations city-wide to address blight, substandard housing, illegal occupancy, unpermitted construction, etc., contributing to the overall health, safety, and quality of life of our residents, businesses, and the community.
- Operationalize the growth of Beautify San José to meet neighborhood cleanliness and stormwater permit priorities by addressing pollution from RVs on streets and encampments near waterways. Other service areas include graffiti removal, neighborhood dumpster days, illegal dumping, deterrents, gateway beautification, homeless encampment trash/biowaste removal, abatements, and No Return Zones.

2024-2025 PROPOSED OPERATING BUDGET

City Service Area Highlights and Key Budget Actions

- Implement the reimagined homeless outreach program through agreements with two service providers providing enhanced services and coordinated resources to individuals and households experiencing homelessness in target areas across the City.
- Through the Animal Care and Services Center, provide care for 12,000 incoming animals with an estimated 17,000 calls for service while targeting a live release rate of 90%.

The Proposed Budget includes a variety of actions that align with the March Message priority investment area of *Cleaning up San José* and *Urgent Action on Homelessness*. A significant portion of this effort is driven by the continuation and expansion of the Beautify San José program, with particular focus on the Stormwater Permit Implementation Strategy. *Other Important and Ongoing Core Service Work* continues previous commitments in areas such as child and youth programming, as well as Animal Care and Services. A number of actions are also included here to recognize new revenue to support interim housing and other homeless support services, and to reflect cost and service reductions to help bring the General Fund into structural alignment.

Cleaning Up San José

Beautify San José Stormwater Permit Implementation (\$8.2 million)/Parks, Recreation and Neighborhood Services	Beautify/SJ Grant Program (\$150,000)/City-Wide Expenses
Beautify San José Continuation and Expansion (\$7.5 million)/Parks, Recreation and Neighborhood Services	Creek Clean-up Partners (\$75,000)/Parks, Recreation and Neighborhood Services
	Illegal Dumping and Graffiti Response (\$50,000)/Planning, Building and Code Enforcement

Urgent Action on Homelessness

Outreach, Sanitation and Other Service Provision (\$3.6 million)/Attachment D	Homelessness Prevention (\$1.0 million)/Housing
Emmanuel House Shelter Redevelopment (\$1.0 million)/Housing	Rent Stabilization and Eviction Prevention Staffing (\$619,000)/Housing
	Homeward Bound Pilot Program (\$200,000)/Housing

Other Important and Ongoing Core Service Work

Child and Youth Programming Staffing (\$544,000)/Parks, Recreation and Neighborhood Services	Animal Care and Services Technical Staffing (\$296,000)/Public Works
Gardner Community Center Staffing (\$364,000)/City-Wide Expenses	Starbird and Berryessa Youth Center Staffing (\$283,000)/Parks, Recreation and Neighborhood Services
Animal Care and Services Medical Services Staffing (\$322,000)/Public Works	Neighborhood Associations Engagement Model (\$280,000)/Parks, Recreation and Neighborhood Services
Integrated Library System Migration, Optimization, and Staffing (\$300,000)/Library	Code Enforcement Operational Assessment (\$200,000)/Planning, Building and Code Enforcement

2024-2025 PROPOSED OPERATING BUDGET

City Service Area Highlights and Key Budget Actions

Cost Reductions/Service Delivery Efficiencies/Funding Shifts/Revenues

State Grant Funding for Interim Housing (\$16.0 million)/General Fund Revenues

Rue Ferrari Emergency Interim Housing Site Expansion Federal Earmark Revenue (\$1.0 million) /General Fund Revenues

Placemaking Program (-\$465,000)/Parks, Recreation and Neighborhood Services

Partners in Reading, Adult & Family Literacy (-\$460,000)/Library

Community Center Fitness Centers (-\$397,000)/ Parks, Recreation and Neighborhood Services

Nature Program Staffing (Almaden Lake and Alum Rock Park) (-\$391,000)/Parks, Recreation and Neighborhood Services

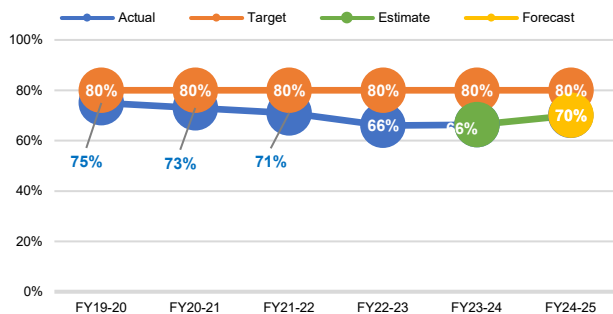
Vacant Position Elimination (-\$357,000)/Parks, Recreation and Neighborhood Services



Public Safety CSA Expected 2024-2025 Service Delivery Highlights and Key Budget Actions

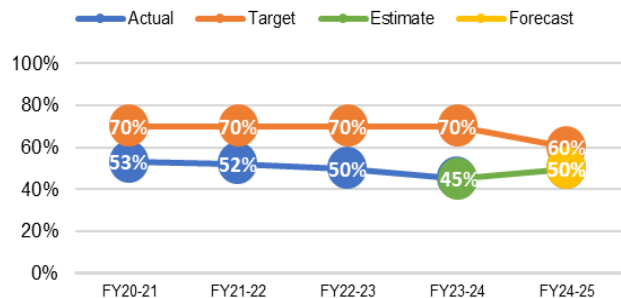
Fire Emergency Responsiveness

% of time the initial responding Fire unit arrives to Priority 1 calls within eight minutes (red lights/siren)¹



Police Emergency Responsiveness

% of time the first dispatched Police unit arrives to Priority 1 calls in less than six minutes (present or imminent danger)²



¹ Fire Emergency Responsiveness -- The Department's target of responding to 80% of calls within 8 minutes is an interim step toward achieving the industry standard. The National Fire Protection Association (NFPA) 1710 (2020) requires alarm answering in 40 seconds 99% of the time, alarm processing in 106 seconds 99% of the time, allows 80 seconds of turnout time for fires, 60 seconds for EMS responses, and 240 seconds (4 minutes) 90% of the time for travel time with a first due engine arriving in 7.4 to 7.76 minutes.

² Police Emergency Responsiveness -- Priority 1 calls may be immediately updated to a lesser priority if incident circumstances change. This measure currently reports the Police Department's response time of all calls initially assigned Priority 1 (including those subsequently downgraded), leading to a substantial decrease in the reported metric. The Police Department intends to address this reporting issue in the next fiscal year's report. Additionally, updating the 2024-2025 target to 60% aligns this performance measure with those in the Envision San Jose 2040 General Plan.

2024-2025 PROPOSED OPERATING BUDGET

City Service Area Highlights and Key Budget Actions

The 2024-2025 Proposed Operating Budget allocates \$853.3 million and 2,582.7 authorized FTEs to the Public Safety CSA, consisting of Core Services from the Police Department, Fire Department, Office of the Emergency Management, and the Independent Police Auditor's Office. The CSA-supported outcomes include: *a Safer San José with Effective Emergency Response Services and Resilient Communities that are Prepared for Emergencies.*



CSA priorities and highlights of expected service delivery highlights in 2024-2025 include the following:

- Respond to calls for service of essential emergency services (patrol, fire suppression, rescue, and emergency medical services) in a safe, efficient, and effective manner.
- Continue regional all-hazard emergency management planning, training, and exercises.
- Provide a police misconduct complaint process that is thorough, objective, and fair.
- Effectively investigate crimes and seek successful prosecution of suspects.
- Advance the deployment and use of technology to enhance the delivery of public safety services where possible.

As one of the primary functions of a city is to provide public safety and emergency response services to its community, the City seeks in each budget cycle to make improvements in this critical service delivery area. Even with budgetary constraints, targeted investments in the Police and Fire Departments are recommended, especially with regard to recruitment of a highly-qualified and diverse workforce and replacement or acquiring necessary equipment. However, the Public Safety CSA also provides significant solutions to address the General Fund shortfall by recognizing new fee revenue from the Ambulance Transport and User Fee program and reducing costs within the Police Department that do not impact existing service levels by deferring the addition of new sworn staff until existing vacant positions are filled, and implementing a staffing realignment within the Community Services Officer program.

Increasing Public Safety

Fire Stations 8 and 32 Furniture, Fixtures and Equipment (\$2.5 million)/General Fund Capital, Transfers, Reserves

Sworn and Non-Sworn Backgrounding and Recruiting (\$1.4 million) /Police Department

Police Department Helicopter Camera Replacement (\$575,000)/Police Department

Police Department Cadet Program (\$178,000)/Police Department

Real-Time Crime Center (RTCC) Equipment (\$200,000)/Police Department

Emergency Preparedness and Response: Communication and Community Recovery Professional Services (\$150,000)/City Manager's Office

Fire Station Network Switches Replacement (\$150,000)/Fire Department

Women Recruitment (\$100,000)/Fire

Police Women's Bootcamp (\$25,000)/Police

2024-2025 PROPOSED OPERATING BUDGET

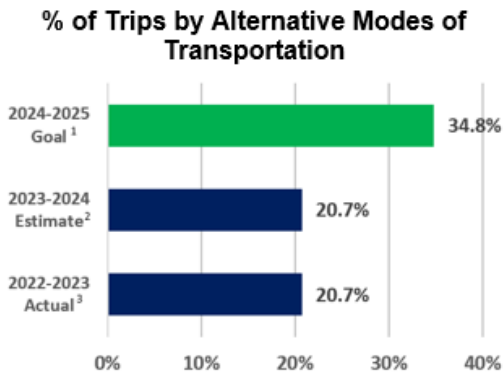
City Service Area Highlights and Key Budget Actions

Cost Reductions/Service Delivery Efficiencies/Funding Shifts/Revenues

Ambulance Transport and User Fee Program (\$1.7 million)/General Fund Revenues	Police Staffing Addition Reserve (\$1.9 million)/General Fund Capital, Transfers, Reserves
Police Department Sworn Staffing (-\$2.2 million)/Police Department	Community Service Officers Staffing (-\$1,283,000)/Police Department
	Cannabis Regulation Program Staffing (-\$730,000)/Police Department

Transportation and Aviation Services CSA

Expected 2024-2025 Service Delivery Highlights and Key Budget Actions



¹ Based on the Climate Smart Plan target of 75% by 2040.

² Assumed to be the same as the previous year because the American Community Survey (ACS) data for 2023 was unavailable at time of reporting.

³ Based on results from 2022 ACS 5-year survey data.

The 2024-2025 Proposed Operating Budget allocates \$324.1 million and 599.5 authorized FTEs to the Transportation and Aviation Services CSA, consisting of Core Services from the Airport Department and Transportation Department. The CSA-supported outcomes include: *Provide Safe and Secure Transportation Systems; Provide Viable Transportation Choices that Promote a Strong Economy; Travelers have a Positive, Reliable, and Efficient Experience; Preserve and Improve Transportation Assets and Facilities; and Provide a Transportation System that Enhances Community Livability.*

CSA priorities and highlights of expected service delivery highlights in 2024-2025 include the following:

- Provide a safe transportation system for the traveling public through effective engineering, education, and enforcement. Prioritize implementation of Vision Zero Action Plan strategies to reduce traffic fatalities.
- Continue the efficient and effective repair and maintenance of the City's approximately 2,500 miles of transportation infrastructure, including streetlights, traffic signals, traffic and street signs, pavement, roadway markings, trees, landscaping, street sweeping, sidewalks, curb ramps, sewers, and storm drains.

2024-2025 PROPOSED OPERATING BUDGET

City Service Area Highlights and Key Budget Actions

- Continue work on implementing balanced, multimodal goals of the Envision San José 2040 General Plan to provide a transportation network for all users that is safe, efficient, and sustainable.
- Provide parking for business, retail, and event customers and employees in Downtown parking facilities, as well as parking compliance services in support of businesses and programs.
- Operate San José Mineta International Airport (SJC) efficiently while meeting all regulatory requirements for security and safety.
- Continue recovery and restoration of flights and passenger traffic while providing exceptional customer service with new, modern, up-to-date services and amenities.
- Work collaboratively with Airport tenants and other stakeholders to grow the number of passengers and meet the needs of the current aviation travel market.



The Proposed Budget includes several actions that align with the March Message priority investment areas of *Increasing Community Safety* and *Cleaning Up Our Neighborhoods*, as well as other key City priorities such as the Vision Zero Action Plan, regional transportation projects, and targeted operational and maintenance improvements at San José Mineta. Notably, included in the Proposed Budget is an increase to Parking Citation fines, which will help align the City's parking fines with other local municipalities and help discourage motorists from parking in otherwise restricted areas.

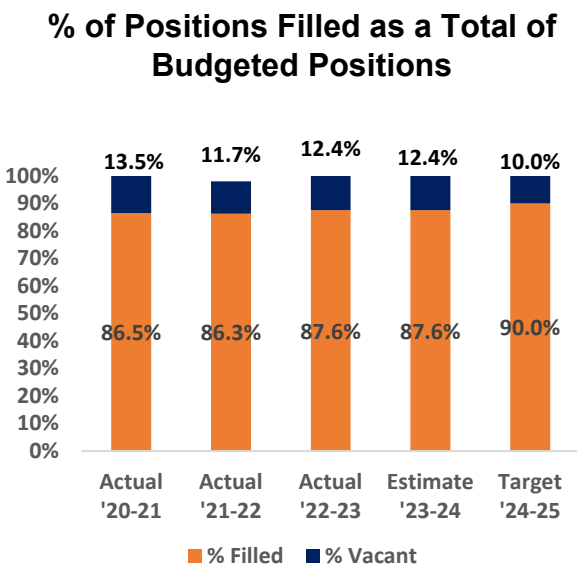
Increasing Community Safety	
Automated Speed Enforcement Pilot (\$415,000)/Transportation	New Traffic Infrastructure Assets Operations and Maintenance (\$164,000)/Transportation
Red Light Running Pilot (\$200,000)/Transportation	Safe Routes to School (\$106,000)/Transportation
Cleaning Up Our Neighborhoods	
Oversized Vehicle Regulation Reserve (\$1.5 million)/General Fund Capital, Transfers, Reserves	Vehicle Abatement Program (\$460,000)/Transportation
Other Important and Ongoing Core Service Work	
Aircraft Rescue and Firefighting Foam Disposal (\$270,000)/Airport	Local Project Delivery and Grants Management (\$180,000)/Transportation
TSA Mandated Screening (\$225,000)/Airport	Airport Planning and Development Division Staffing (\$177,000)/Airport
Airport Generator Transfer Switch Maintenance (\$200,000)/Airport	
Cost Reductions/Service Delivery Efficiencies/Funding Shifts/Revenues	
Parking Citation Fine Revenue (\$800,000)/General Fund Revenues	Vacant Position Elimination (-\$530,000)/Airport
Vacant Position Elimination (-\$1.1 million)/Transportation	Front Desk Support (-\$106,000)/Transportation

2024-2025 PROPOSED OPERATING BUDGET

City Service Area Highlights and Key Budget Actions

Strategic Support CSA

Expected 2024-2025 Service Delivery Highlights and Key Budget Actions



City's Bond Ratings (General Obligation Bond Rating)

	Moody's	Standard & Poor's	Fitch
Actual '19-20	Aa1	AA+	AA+
Actual '20-21	Aa1	AA+	AAA
Actual '21-22	Aa1	AA+	AAA
Actual '22-23	Aa1	AA+	AAA
Actual '23-24	Aa1	AA+	AAA
Target '24-25	Aa1	AA+	AAA

¹ Data was not collected in 2020-2021 due to COVID-19 emergency work prioritization.

The 2024-2025 Proposed Operating Budget allocates \$549.8 million and 1,043 authorized FTEs to the Strategic Support CSA, consisting of Core Services from the Finance Department, the Human Resources Department, the Information Technology Department, and the Public Works Department. The CSA-supported outcomes include: *sound fiscal management that facilitates meeting the needs of the community*, *A High Performing Workforce Committed to Exceeding Internal and External Customer Expectations*; *Technology and Data Tools that Enable a Collaborative, Responsive, and Productive City*; and *Safe and Functional Public Infrastructure, Facilities, and Equipment*. Also included in this CSA are the Mayor and Council, and the City Council appointees: City Attorney, City Auditor, City Clerk, City Manager, Independent Police Auditor, and Retirement Services.

CSA priorities and highlights of expected service delivery highlights in 2024-2025 include the following:

- Ensure the City's financial resources are protected and available to address the short-term and long-term needs of the community; make accurate and timely payments to City employees and vendors; provide accurate and timely financial reports; procure and deliver top-notch products and services; and deploy efficient business systems and processes for timely billing and collection efforts.
- Continue to reduce vacancies by evaluating, streamlining, and innovating for effective hiring practices and building long-term capacity through strategic pipeline programs.
- Maintain City facilities, equipment, and vehicles, and manage space usage; oversee the City's capital projects, ensuring on-time and on-budget delivery of facilities that meet both customers and City staff needs.
- Champion City priorities and equity solutions using technology and data to transform City services. Execute initiatives with City departments that identify and resolve service needs that lift San José's people.

2024-2025 PROPOSED OPERATING BUDGET

City Service Area Highlights and Key Budget Actions

- Provide the data and analytics resources for City departments to drive towards decision-making informed by data. Enable teams that train and practice service design skills that improve the accessibility, responsiveness, and positive outcomes for City residents and businesses.

All City services – from emergency response, to street sweeping, to branch library services, to recreational services, to pavement maintenance, to airport operations, and others – rely on the day-to-day work of the Core Services within our Strategic Support departments. While a select few proposals are recommended for funding and are in alignment with the Mayor’s March Budget Message for Fiscal Year 2024-2025, as approved by the City Council, the Proposed Budget also includes a number of cost and service reductions. Though this budget includes the reductions highlighted below and others not shown included elsewhere, there is a practical limit to the ability of Strategic Support partners to cut costs without impacting community-facing core services.

Cleaning Up San José	
San José 311 Program (\$603,000)/Information Technology	Stormwater Fee Study (\$300,000)/City-Wide Expenses
Other Important and Ongoing Core Service Work	
Executive Leadership/City Management – Customer Service Vision and Standards Implementation (\$3.0 million)/City-Wide Expenses	Disability Accessibility and Community Engagement Staffing (\$286,000)
Essential Services Reserve (\$2.0 million)/General Fund Capital, Transfers, Reserves	Animal Care and Services – Various Improvements (\$250,000)/General Fund Capital, Transfers, Reserves
Capital Project Management System Program Support (\$469,000)/Public Works	Equity through Data Staffing (\$244,000)/Information Technology
Hyperconverged Infrastructure (\$440,000)/Information Technology	Cybersecurity Staffing (\$215,000)/Information Technology
Recruitment Staffing (\$412,000)/Human Resources	Classification and Compensation Staffing (\$158,000)/Human Resources
Disaster Recovery and Grant Management Staffing (\$398,000)/Finance	Fleet Supervision Staffing (\$150,000)/Public Works
City Hall Audio Visual Program Management Staffing (\$292,000)/Public Works	
Cost Reductions/Service Delivery Efficiencies/Funding Shifts/Revenues	
Accounts Receivable Amnesty Program (\$300,000)/General Fund Revenues	Vacant Position Elimination (-\$262,000)/Information Technology
Public Works Department Staffing Plan – Capital Improvement Plan (-\$1.7 million)/Public Works	Personal Services Realignment (-\$216,000)/City Manager’s Office
Vacant Position Elimination (-\$735,000)/Public Works	Debt Management Staffing (-\$209,000)/Finance
Janitorial Contract Services Savings (-\$630,000)/Public Works	Transfer to the Vehicle Maintenance and Operations Fund (-\$200,000)/General Fund Capital, Transfers, Reserves
Non-Personal/Equipment Savings (-\$415,000)/Information Technology	Fellowship Program (-\$177,000)/City-Wide Expenses
Legal Transactions Staffing (-\$359,000)/City Attorney’s Office	Revenue Management Staffing (-\$145,000)/Finance

2024-2025 PROPOSED OPERATING BUDGET

Fees and Charges Adjustments

The 2024-2025 Proposed Budget included a range of adjustments to fees and charges to provide the resources necessary to pay for operating and capital improvement expenses. For utility rates, no rate increase is included for the Storm Sewer Service Charge. The Sanitary Sewer Service rates is expected to have a 9% increase for 2024-2025. The Municipal Water Utility System assumes a revenue increase of approximately 5% for 2024-2025, and for Recycle Plus rates, a 4.0% increase is included for single-family dwellings and 2.0% increase is included for multi-family dwellings.

In the Development Fee Programs, fee adjustments of approximately 5.5% and 8.0% are included for the Building Fee and Planning Fee Programs, 7.5% for the Public Works Program, and 10% for the Fire Program to align program revenues with costs, maintain works-in-progress reserves, and enhance service levels where appropriate. Other upward and downward adjustments to various other departmental fee programs are included to generally maintain City Council-approved cost recovery rates. The fee changes are described in the 2024-2025 Proposed Fees and Charges document.



Sheltering Wing
(Heinlerville Park, Japantown)
Artist: Roger Stoller

CONCLUSION

The 2024-2025 Proposed Budget performs the difficult task of strategically investing resources to meet important objectives of the City Council while also bringing the General Fund into closer structural alignment. As has been the City's long-standing practice, we must continue the solid financial discipline and leadership exhibited by our elected officials, City management, and our outstanding employees. This also includes a commitment to the principles of equity, partnership, and innovation that provides a strong foundation upon which to create, maintain, and strategically expand vital public services over the long term.

Finally, I want to call attention and express my gratitude to our extremely dedicated and talented staff who helped prepare this budget document. This budget represents an organization-wide effort from the front lines of each department, back-of-house strategic support staff, management staff, and the incredibly hard-working members of the City Manager's Budget Office, and it remains a reflection of our *One Team* commitment to ensure that San José remains the best City it can be for our residents, businesses, visitors, and employees.

Respectfully Submitted,

Jennifer A. Maguire
City Manager

2024-2025 Budget Balancing Strategy Guidelines

1. As directed by the priorities identified in the City Council-approved Mayor's March Budget Message, develop a budget that balances the City's delivery of the most essential services to the community with the resources available. Consider current needs in the context of long-term service delivery priorities.
2. Pose explicit questions of equity – including who benefits and who is burdened – when considering changes to City services to achieve a balanced budget.
3. Balance ongoing expenditures with ongoing revenues to maximize service delivery within existing resources, to ensure no negative impact on future budgets, and to maintain the City's high standards of fiscal integrity and financial management. As appropriate, establish a Future Deficit Reserve in the General Fund to cover any projected budgetary shortfall in the following year as a stopgap measure; and, maintain or increase the Budget Stabilization Reserve as a buffer against a further weakening of future economic conditions or unanticipated cost increases.
4. Evaluate program-level budgets and identify opportunities to shift resources or reconfigure operations from the least influential contributors to the strongest contributors of achieving outcomes related to City Council-approved Focus Areas, critical CSA services and programs, and Foundational Strategic Support Focus Areas.
5. Prioritize limited resources to address truly significant community or organizational risks, critical services funded on a one-time basis in 2023-2024 in the General Fund, and/or respond to specific City Council direction.
6. Review existing vacancies for opportunities to reorganize work groups to realize cost savings or to achieve current service level demands through alternative means. Factor in performance measure data in proposal development.
7. Focus on business process redesign to improve employee productivity and the quality, flexibility, and cost-effectiveness of service delivery (e.g., streamlining, reorganizing functions, and reallocating resources).
8. Explore alternative service delivery models (e.g., partnerships with non-profit, public, or private sector for out-or in-sourcing services) to ensure no service overlap, reduce and/or share costs, and use City resources more efficiently and effectively.
9. Identify City policy changes that would enable/facilitate service delivery improvements or other budget balancing strategies to ensure equity and inclusion for how services are delivered.
10. Analyze non-personal/equipment/other costs for cost savings opportunities. Contracts should be evaluated for their necessity to support City operations and to identify negotiation options to lower costs.
11. Explore expanding existing revenue sources and/or adding new revenue sources.
12. Establish a fees, charges and rates structure designed to fully recover operating costs, while considering the impacts on fee and rate payers whereby a cost recovery structure may be lower in certain circumstances, and explore opportunities to establish new fees and charges for services, where appropriate.
13. Focus any available one-time resources on investments that 1) continue a very small number of high-priority programs funded on a one-time basis in 2023-2024 for which ongoing funding is not available; 2) address the City's unmet or deferred infrastructure needs; 3) leverage resources to improve efficiency/effectiveness through technology and equipment or other one-time additions; 4) accelerate the pay down of existing debt obligations where applicable and appropriate; 5) increase budget stabilization reserves to address future budget uncertainty; and/or 6) provide for funding needs for non-bond eligible furniture, fixtures, and equipment associated with the continued implementation of Measure T.
14. Engage employees in department and/or city-wide budget proposal idea development.
15. Continue a community-based budget process where the City's residents and businesses are educated and engaged, as well as have the opportunity to provide feedback regarding the City's annual budget.
16. Use the General Plan as a primary long-term fiscal planning tool and link ability to provide City services to development policy decisions.

CITY OF SAN JOSE BUDGET PRINCIPLES

The Mission of the City of San José is to provide quality services, facilities and opportunities that create, sustain and enhance a safe, livable and vibrant community for its diverse residents, businesses and visitors. The General Fund Budget shall be constructed to support the Mission.

1) STRUCTURALLY BALANCED BUDGET

The annual budget for the General Fund shall be structurally balanced throughout the budget process. A structurally balanced budget means ongoing revenues and ongoing expenditures are in balance each year of the five-year budget projection. Ongoing revenues shall equal or exceed ongoing expenditures in both the Proposed and Adopted Budgets. If a structural imbalance occurs, a plan shall be developed and implemented to bring the budget back into structural balance. The plan to restore balance may include general objectives as opposed to using specific budget proposals in the forecast out years.

2) PROPOSED BUDGET REVISIONS

The annual General Fund Proposed Budget balancing plan shall be presented and discussed in context of the five-year forecast. Any revisions to the Proposed Budget shall include an analysis of the impact on the forecast out years. If a revision(s) creates a negative impact on the forecast, a funding plan shall be developed and approved to offset the impact.

3) USE OF ONE-TIME RESOURCES

Once the General Fund budget is brought into structural balance, one-time resources (e.g., revenue spikes, budget savings, sale of property, and similar nonrecurring revenue) shall not be used for current or new ongoing operating expenses. Examples of appropriate uses of one-time resources include rebuilding the Economic Uncertainty Reserve, early retirement of debt, capital expenditures without significant operating and maintenance costs, and other nonrecurring expenditures. One time funding for ongoing operating expenses to maintain valuable existing programs may be approved by a majority vote of the Council.

4) BUDGET REQUESTS DURING THE YEAR

New program, service or staff requests during the year that are unbudgeted shall be considered in light of the City's General Fund Unfunded Initiatives/Programs List and include a spending offset at the time of the request (if costs are known) or before final approval, so that the request has a net-zero effect on the budget.

5) RESERVES

All City Funds shall maintain an adequate reserve level and/or ending fund balance as determined annually as appropriate for each fund. For the General Fund, a contingency reserve amount, which is a minimum of 3% of the operating budget, shall be maintained. Any use of the General Fund Contingency Reserve would require a two-thirds vote of approval by the City Council. On an annual basis, specific reserve funds shall be reviewed to determine if they hold greater amounts of funds than are necessary to respond to reasonable calculations of risk. Excess reserve funds may be used for one-time expenses.

CITY OF SAN JOSE BUDGET PRINCIPLES

6) DEBT ISSUANCE

The City shall not issue long-term (over one year) General Fund debt to support ongoing operating costs (other than debt service) unless such debt issuance achieves net operating cost savings and such savings are verified by appropriate independent analysis. All General Fund debt issuances shall identify the method of repayment (or have a dedicated revenue source).

7) EMPLOYEE COMPENSATION

Negotiations for employee compensation shall focus on the cost of total compensation (e.g., salary, step increases, benefit cost increases) while considering the City's fiscal condition, revenue growth, and changes in the Consumer Price Index (cost of living expenses experienced by employees.)

8) CAPITAL IMPROVEMENT PROJECTS

Capital Improvement Projects shall not proceed for projects with annual operating and maintenance costs exceeding \$100,000 in the General Fund without City Council certification that funding will be made available in the applicable year of the cost impact. Certification shall demonstrate that funding for the entire cost of the project, including the operations and maintenance costs, will not require a decrease in existing basic neighborhood services.

9) FEES AND CHARGES

Fee increases shall be utilized, where possible, to assure that fee program operating costs are fully covered by fee revenue and explore opportunities to establish new fees for services where appropriate.

10) GRANTS

City staff shall seek out, apply for and effectively administer federal, State and other grants that address the City's priorities and policy objectives and provide a positive benefit to the City. Before any grant is pursued, staff shall provide a detailed pro-forma that addresses the immediate and long-term costs and benefits to the City. One-time operating grant revenues shall not be used to begin or support the costs of ongoing programs with the exception of pilot projects to determine their suitability for long-term funding.

11) GENERAL PLAN

The General Plan shall be used as a primary long-term fiscal planning tool. The General Plan contains goals for land use, transportation, capital investments, and service delivery based on a specific capacity for new workers and residents. Recommendations to create new development capacity beyond the existing General Plan shall be analyzed to ensure that capital improvements and operating and maintenance costs are within the financial capacity of the City.

12) PERFORMANCE MEASURES

All requests for City Service Area/departmental funding shall include performance measurement data so that funding requests can be reviewed and approved in light of service level outcomes to the community and organization.

13) FIRE STATION CLOSURE, SALE OR RELOCATION

The inclusion of the closure, sale or relocation of a fire station as part of the City Budget is prohibited without prior assessment, community outreach, and City Council approval on the matter.

General Fund Balancing Strategy Detail

2024-2025 Proposed Operating Budget

INTRODUCTION

This attachment is intended to provide a more detailed summary of the key actions taken to balance the 2024-2025 Proposed General Fund Budget. Revisions to the February Base Budget Forecast, as well as the key elements of the strategy to bring the General Fund into balance in the Proposed Budget, are described.

In February 2024, the Administration prepared formal projections for the 2024-2025 Proposed General Fund Budget as part of the *2024-2025 City Manager's Budget Request & 2025-2029 Five-Year Forecast and Revenue Projections* document that was released to the City Council. In that document, the 2024-2025 February Base Budget Forecast projections estimated a 2024-2025 General Fund shortfall of approximately \$3.6 million. This shortfall represented the difference between projected 2024-2025 General Fund resources and the expected cost of approved 2024-2025 Base Budget services in next year's dollars, as well as several City Council "committed" additions (e.g., additional operating and maintenance costs for capital projects in the 2024-2025 Capital Improvement Program or for projects approved by the City Council during 2023-2024).

Subsequent to the release of the February Forecast and based on updated information, a number of revisions to both expenditures and revenue estimates were made, which constitutes the "Revised Base Budget Forecast" included in the Proposed Budget.

The revisions to the February Base Budget Forecast included a series of changes that revised the shortfall slightly downward due to a number of factors, including corrections to personal services costs within the Base Budget and minor revisions to several revenue categories. These changes resulted in the shortfall growing from \$3.6 million to \$4.5 million in 2024-2025. These adjustments to the February Base Budget Forecast are described in more detail later in this section.

The Proposed Budget contained a set of actions that increased both the General Fund sources (by \$29.1 million) and uses (by \$24.7 million) from the Revised Base Budget Forecast, bringing the overall General Fund into balance for 2024-2025. The increase in sources of \$29.1 million included several major components, including: grant revenue anticipated to be received from local, State, and federal agencies (\$18.0 million); excess revenue and expenditure savings from 2023-2024 that will be available for use in 2024-2025 (\$5.0 million); and other revenue changes (\$6.1 million). The increase in uses of \$24.7 million in 2024-2025 included additional funding for the following: continuation of 2023-2024 one-time funded services (\$19.3 million); service level enhancements (\$18.7 million); earmarked reserves (\$5.0 million); new infrastructure or equipment operations and maintenance (\$3.4 million); critical unmet/deferred infrastructure and maintenance needs (\$1.5 million); other fee programs, grants, and reimbursements (\$949,000).

General Fund Balancing Strategy Detail

2024-2025 Proposed Operating Budget

INTRODUCTION

These increases were partially offset by savings realized from cost reductions, service delivery efficiencies, and funding shifts (\$949,000) and the use of reserves that had been established for specific purposes (\$4.0 million) that were included in the February Forecast. The result of these actions was a balanced 2024-2025 Proposed General Fund Budget of \$1.6 billion.

Table I below displays the overall projections for the 2024-2025 General Fund as they changed between the February Base Budget Forecast and the Proposed Budget. Table II summarizes the changes from the February Base Budget Forecast to the Revised Base Budget Forecast, excluding carryover for prior year encumbrances. The specific elements of the City Manager's Proposed Budget balancing strategy are summarized in Table III.

Table I
2024-2025 PROPOSED OPERATING BUDGET
Forecast to Proposed Budget Reconciliation (in \$000s)

	Total Sources	Total Uses	(Shortfall)/ Surplus
February Base Budget Forecast	\$ 1,628,215	\$ 1,631,803	(\$3,587)
Forecast Revisions	(42,220)	(41,356)	(864)
Revised Base Budget Forecast (no fee impact)	\$1,585,995	\$1,590,447	(\$4,452)
Proposed Revisions	29,133	24,682	4,452
2024-2025 Proposed Budget	\$1,615,128	\$1,615,128	\$0

General Fund Balancing Strategy Detail

2024-2025 Proposed Operating Budget

REVISED BASE BUDGET FORECAST

As discussed previously, following the issuance of the February Base Budget Forecast, detailed analysis of the status of General Fund revenues and expenditures continued. Based on this review, the Proposed Budget incorporated a series of changes to the February Base Budget Forecast estimates for both sources and uses to form a Revised Base Budget Forecast. These changes resulted in an increase of \$864,000 to the estimated General Fund shortfall, for a revised shortfall of \$4.5 million. Changes are detailed in Table II below.

Table II
2024-2025 REVISED BASE BUDGET FORECAST
Summary of Changes (in \$000s)

Sources	Revision
Beginning Fund Balance (Expenditure Savings)	\$ 4,044
Transfers and Reimbursements	2,685
Fees, Rates, and Charges	1,265
Other Revenue	1
Real Property Transfer Tax (Fund Shift)	(50,000)
Revenue from Local Agencies	(215)
Net Change in Sources	\$ (42,220)
Uses	Revision
Position and Fund Realignments/Corrections	\$ 4,967
Non-Personal/Equipment, City-Wide Expenses, Capital Contributions, Transfers	1,177
Earmarked Reserves Adjustments	(47,500)
Net Change in Uses	\$ (41,356)
Total Change (Shortfall)/Surplus	\$ (864)

General Fund Balancing Strategy Detail

2024-2025 Proposed Operating Budget

REVISED BASE BUDGET FORECAST

Source of Funds

A summary table is provided below for the revenue changes incorporated into the Revised Base Budget Forecast, which were used as the starting point in preparing the 2024-2025 Budget.

Category	\$ Change	Description
Beginning Fund Balance	\$ 4,043,944	Increase of \$4.0 million reflects savings from various Measure E appropriations that are not anticipated to be expended by the end of 2023-2024 and will be rebudgeted to 2024-2025 and then transferred to the Real Property Transfer Tax Fund.
Transfers and Reimbursements	2,685,313	Net increase of \$2.7 million reflects updated overhead reimbursements from capital and operating funds based on the final 2024-2025 base budget and overhead rates (\$1.9 million) and higher transfers and reimbursements to the General Fund (810,719).
Fees, Rates, and Charges	1,265,218	Increase of \$1.3 million aligns revenues with estimated base costs and activity levels for Miscellaneous fees (\$545,218), Parks, Recreation and Neighborhood Services Department fees (\$500,000), and Police Department fees (\$220,000).
Other Revenue	110	Increase of \$110 aligns revenues with the estimated base costs and activity levels for reimbursement revenue.
Real Property Transfer Tax	(50,000,000)	Decrease of \$50.0 million reflects the movement of the Real Property Transfer Tax revenue from the General Fund to the Real Property Transfer Tax Fund. The associated expenditures have also been transferred to the Real Property Transfer Tax Fund as part of the Revised General Fund Forecast.
Revenue from Local Agencies	(215,000)	Decrease of \$215,000 reflects a reduction of payments from other agencies for Animal Care Services as the Town of Los Gatos has opted to not renew their contract with the City of San José.
Total	(\$ 42,220,415)	

General Fund Balancing Strategy Detail

2024-2025 Proposed Operating Budget

REVISED BASE BUDGET FORECAST

Use of Funds

Provided below is a listing for all expenditure changes incorporated into the Revised Base Budget Forecast, which were used as the starting point in preparing the 2024-2025 Budget.

Category	\$ Change	Department
Personal Services Adjustments		
Salaries and Benefits Adjustments (Costing Correction)	\$6,541,001	Citywide
Mayor and Council Salary Adjustments	271,890	Mayor and City Council
Climate Smart Staffing Shifts	144,798	Environmental Services and Transportation
Fund Shift: Housing Department Staffing	9,008	Housing
Classification and Compensation Studies	(2,000,000)	Citywide
Non-Personal/Equipment Adjustments		
Transfer to the Real Property Transfer Tax Fund	4,043,944	Housing
Annualization: Vehicle Abatement Enhancement	300,000	Transportation
Annualization: Emergency Operations Center Facility Costs	132,000	Public Works and Information Technology
Certified Access Specialist Program - ADA Compliance	(10,797)	Finance
Vehicle Operations and Maintenance	(38,000)	Citywide
Transfer to the Communications Construction and Conveyance Tax Fund	(750,000)	Public Works
Fund Shift: Real Property Transfer Tax Fund	(50,000,000)	Citywide
Total	\$ (41,356,156)	

General Fund Balancing Strategy Detail

2024-2025 Proposed Operating Budget

PROPOSED BUDGET BALANCING STRATEGY

Table III
2024-2025 PROPOSED OPERATING BUDGET
General Fund Balancing Strategy (in \$000s)

	2024-2025	Ongoing
2024-2025 Revised General Fund Surplus	(\$ 4,452)	(\$ 4,452)
Balancing Strategy		
Source of Funds		
Beginning Fund Balance:		
2023-2024 Excess Revenue/Expenditure Savings	\$ 5,000	\$ 0
Unobligated Small Business Recovery Grant (C/O Encum. Liquidation)	1,326	0
Solid Waste Code Enforcement Reserve	680	0
Fund Balance to Support 2023-2024 Projects	648	0
Grants/Reimbursements/Fees:		
State Grant Funding (City's Interim Housing Portfolio)	16,000	0
Ambulance Transport and User Fee	1,700	1,700
Fees and Charges Changes	1,088	1,088
Rue Ferrari Emergency Interim Housing Site Expansion	1,000	0
Parking Citation Fines	800	800
Regulatory Compliance and Purified Water Program	580	565
Commercial Solid Waste CPI Adjustment	577	578
Cannabis Regulation Program Staffing	(901)	(901)
Other Fee Programs/Reimbursements/Grants	308	(147)
Accounts Receivable Amnesty Program	300	300
Construction Excise Tax Fund Transfer	300	300
Overhead Reimbursements	(273)	(237)
Subtotal Source of Funds	\$ 29,133	\$ 4,046
Use of Funds		
2023-2024 Previously One-Time Funded Services	\$ 19,360	\$ 7,294
Service Level Enhancements	18,699	15,277
Earmarked Reserves (Essential Services, Police Department Sworn Backfill Reserve)	5,000	0
New Infrastructure/Equipment Operations and Maintenance	3,372	909
Unmet/Deferred Technology, Infrastructure, and Maintenance	1,495	50
Other Fee Programs/Grants/Reimbursements	949	201
2025-2026 Future Deficit Reserve	0	20,000
Use of Reserves (Deferred Infrastructure and Maintenance, Police Equipment Replacement Sinking Fund, Fire Equipment Replacement Sinking Fund, New Parks and Recreation Facilities Operations and Maintenance, New Traffic Infrastructure Assets Operations and Maintenance, New Police Facilities Operations and Maintenance, New Fire Facilities Operations and Maintenance)	(3,967)	(909)
Cost Reductions/Service Delivery Efficiencies/Fund Shifts	(20,226)	(43,227)
Subtotal Use of Funds	\$ 24,682	\$ (406)
Total Balancing Strategy	\$ 4,452	\$ 4,452
Remaining Balance	\$ 0	\$ 0

General Fund Balancing Strategy Detail

2024-2025 Proposed Operating Budget

PROPOSED BUDGET BALANCING STRATEGY

Specific City Council direction regarding the preparation of the Proposed Budget was provided in the Mayor's March Budget Message for Fiscal Year 2024-2025, as approved by the City Council (see Appendices Section of this document). The details of the specific direction of that Message and the corresponding responses contained in this budget are provided in Attachment B following this section in the City Manager's Message. Attachment C contains information regarding the status of City Auditor recommendations with funding impacts.

Source of Funds

From the Revised Forecast of \$1.50 billion, a net increase of \$29.1 million to the General Fund revenue estimates is included in the Proposed Budget, bringing the 2024-2025 revenue estimate to \$1.53 billion (including fund balance). The components of this change include an increase to the estimate for the 2023-2024 Ending Fund Balance/2024-2025 Beginning Fund Balance (\$7.7 million) and an increase to various revenue categories (\$21.5 million). The revenue changes are summarized in the table below.

Category	\$ Change	Description
Revenue from the State of California	\$ 16,000,000	Increase of \$16.0 million reflects new grant funding that is anticipated to be received in 2024-2025 from the State of California to support the City's Interim Housing Portfolio.
Beginning Fund Balance	7,653,198	Increase of \$7.7 million reflects various adjustments, including: fund balance from additional revenue and expenditure savings that is anticipated to be received in 2023-2024 and be available for use in 2024-2025 (\$5.0 million); the liquidation of carry-over encumbrances (\$1.3 million); the liquidation of the Solid Waste Code Enforcement Reserve (\$680,000); and the rebudget of funds for expenditure-related items that are not anticipated to occur until 2024-2025 (\$647,830).
Revenue from Federal Government	1,384,000	Increase of \$1.4 million reflects two new federal grants that are anticipated to be received in 2024-2025, including Transportation, Housing and Urban Development funding for the Rue Ferrari Emergency Interim Housing Site Expansion (\$1.0 million) and Clean Creeks, Healthy Watersheds program (\$384,000).
Fees, Rates, and Charges	934,727	Net increase of \$934,727 reflects various fee changes to align revenues with estimated activity levels, reflect fee revisions, and maintain cost recovery levels for Miscellaneous fee revenue (\$1.0 million), Transportation Department fee revenue (\$80,273), Police Department fee revenue (\$15,963), and Parks, Recreation, and Neighborhood Services department fee revenue (-\$174,917).

General Fund Balancing Strategy Detail

2024-2025 Proposed Operating Budget

PROPOSED BUDGET BALANCING STRATEGY

Source of Funds

Category	\$ Change	Description
Licenses and Permits	\$ 864,899	Net increase of \$864,899 reflects various license and permit changes to align revenues with estimated activity levels, reflect fee revisions, and maintain cost recovery levels for the Fire Department (\$469,700) and other licenses and permits (\$395,199).
Fines, Forfeitures, and Penalties	800,000	Increase of \$800,000 reflects a revision to the parking fines program that will result in increased revenue generation.
Revenue from Local Agencies	580,381	Increase of \$580,381 reflects a new local agency reimbursement from Valley Water for the Regulatory Compliance and Purified Water program.
Franchise Fees	577,624	Increase of \$577,624 reflects an increase in the Commercial Solid Waste fees by 4.1% based on cost changes including a Consumer Price Index adjustment.
Other Revenue	311,810	Increase of \$311,810 reflects revenue anticipated to be received from the Accounts Receivable Amnesty Program that will be conducted by the Finance Department (\$300,000), and reflects various fee changes to align revenues with estimated activity levels, reflect fee revisions, and maintain cost recovery levels for the Transportation Department (\$11,810).
Transfers and Reimbursements	26,811	Net increase of \$26,811 reflects a transfer from the Construction Excise Tax Fund to the General Fund (\$300,000) and reduced overhead from budget actions that change the staffing levels funded by special and capital funds (-\$273,189).
Total	\$ 29,133,450	

General Fund Balancing Strategy Detail

2024-2025 Proposed Operating Budget

PROPOSED BUDGET BALANCING STRATEGY

Use of Funds

From the Revised Base Budget Forecast of \$1.51 billion, a net increase of \$24.7 million to the General Fund expenditures was brought forward, bringing the 2024-2025 Proposed Budget Use of Funds estimate to \$1.53 billion. A listing of the Proposed Budget modifications is provided by specific categories in Table III and briefly discussed in the following table. Further detail is incorporated into the CSA and departmental sections of this document.

Category	\$ Change	Description
2023-2024 Previously One-Time Funded Services	\$19,359,921	Funding is included to continue services that were funded on a one-time basis in the 2023-2024 Adopted Budget, including programs originally funded by the American Rescue Plan Act in accordance with the Community and Economic Recovery spending plan. The largest investments in this category include the: Beautify San José (\$5.9 million); Customer Service Vision and Standards (\$3.0 million); Deterrents Installation and Maintenance for Beautify San José Stormwater Permit Implementation (\$1.0 million); and Police Sworn and Non-Sworn Background (\$902,312). Other previously one-time funded services are described in the Department and City-Wide sections of this document.
Service Level Enhancements	18,699,046	Total funding of \$18.7 million is included in the Proposed Budget for service level enhancements. The largest investments in this category include: Waterways and Encampment Management (\$4.7 million) Mitigating Impacts to Neighborhood (\$1.7 million) for Beautify San José Stormwater Permit Implementation; Oversized Vehicle Regulation Reserve (\$1.5 million); and Encampment Trash Team for Beautify San José Continuation and Expansion (\$1.4 million). Other service level enhancements are described in the Department and City-Wide sections of this document.

General Fund Balancing Strategy Detail

2024-2025 Proposed Operating Budget

PROPOSED BUDGET BALANCING STRATEGY

Use of Funds

Category	\$ Change	Description
Earmarked Reserves	\$5,000,000	One-time Earmarked Reserves, totaling \$5.0 million, include the following: Police Department Sworn Backfill Reserve (\$3.0 million) and the Essential Services Reserve (\$2.0 million). In addition, 2024-2025 Proposed Budget planning provides for the allocation of \$20.0 million of ongoing funding in 2025-2026 for the 2025-2026 Future Deficit Reserve.
New Infrastructure / Equipment Operations and Maintenance	3,372,000	The Proposed Budget includes \$2.3 million for Fire Station 32 furniture, fixtures, and equipment, \$325,000 for a new Police Department air support hangar fixtures, furniture and equipment, \$247,000 for new Parks and Recreation facilities operations and maintenance, \$205,000 for Fire Station 8 furniture, fixtures, and equipment, \$164,000 for new traffic infrastructure assets operations and maintenance, \$101,000 for new police facilities operations and maintenance, and \$60,000 for new fire facilities operations and maintenance.
Unmet/Deferred Technology, Infrastructure, and Maintenance	1,494,831	To address a portion of the backlog for unmet and deferred technology, infrastructure and maintenance needs, funding of \$1.5 million is included in the 2024-2025 Proposed Budget for the City's most urgent repairs needs, including, among others, the: Police Department Helicopter Camera Replacement (\$575,000), Police Department Equipment (\$417,331), Animal Care and Services – Various Improvements (\$250,000), and Fire Station Network Switches Replacement (\$150,000). These and additional investments are described in more detail in the respective department sections of this document.

General Fund Balancing Strategy Detail

2024-2025 Proposed Operating Budget

PROPOSED BUDGET BALANCING STRATEGY

Use of Funds

Category	\$ Change	Description
Other Fee Programs, Grants, and Reimbursements	\$949,001	The actions in this category are partially offset by revenue from fees, grants, or reimbursements and include: Regulatory Compliance and Purified Water Program (\$580,381); Clean Creeks and Healthy Watersheds (\$384,000); Gardner Community Center Staffing (\$364,330), Non-Development Fee Program Realignment (\$362,090); Ambulance Transport and User Fee Program (\$156,470); Code Enforcement Multiple Housing Fee Program Staffing (\$99,499); and Cannabis Regulation Program Staffing (-\$997,769).
Use of Reserves	(3,967,000)	The Proposed Budget includes the use of the Deferred Infrastructure and Maintenance Reserve (\$2.0 million); Police Equipment Replacement Sinking Fund Reserve (\$1.0 million); Fire Equipment Replacement Sinking Fund Reserve (\$395,000); New Parks and Recreation Facilities Operations and Maintenance Reserve (\$247,000); New Traffic Infrastructure Assets Operations and Maintenance Reserve (\$164,000); New Police Facilities Operations and Maintenance Reserve (\$101,000); and New Fire Facilities Operations and Maintenance Reserve (\$60,000).
Cost Reductions/Service Delivery Efficiencies/Fund Shifts from Other Funds	(20,226,020)	Net decrease of \$20.2 million primarily resulting from efficiencies and other cost saving measures, including the: shift of Interim Housing Construction and Operation to Measure E funding (-\$8.0 million); Police Department Sworn Staffing (-\$2.1 million); Police Staffing Addition Reserve (-\$1.9 million); Vacant Position Eliminations (-\$1.3 million); and Community Service Officers Staffing (-\$1.3 million). These and additional cost reductions are described in more detail in the respective department sections of this document.
Total	\$ 24,681,779	

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Status of Mayor and City Council Referrals 2024-2025 Proposed Operating Budget

The Mayor's March Budget Message for Fiscal Year 2024-2025, as approved by City Council on March 19, 2024, contains policy direction and a framework of priorities for the City Manager to use in the development of the 2024-2025 Proposed Operating and Capital Budgets. The complete Budget Message can be found in the Appendix section of this document. The matrix below provides responses by category for how the direction was addressed in the development of the 2024-2025 Proposed Budget.

Included in the 2024-2025 Proposed Budget

This column is marked if the referral was addressed through an action included in the 2024-2025 Proposed Operating or Capital Budget.

Addressed in an Upcoming Manager's Budget Addendum

This column is marked if the response to the referral will be included in a Manager's Budget Addendum scheduled for release later in the budget process.

Current or Future Referral/Policy Work

This column is marked if the response to the referral does not require a budget action, but is considered direction to the Administration. An update on the referral/policy work will be provided at a future City Council meeting, a City Council Committee meeting, through an Information Memorandum, or through some other means. A status on these referrals will be provided several times throughout the fiscal year.

Not Included or Subject to Further Evaluation

One referral was not included in the 2024-2025 Proposed Budget.

Status of Mayor and City Council Referrals

2023-2024 Adopted Operating Budget

	Referral	Response Category		
		Included in the 2024-2025 Proposed Budget	Addressed in an Upcoming Manager's Budget Addendum	Current or Future Referral/Policy Work
<i>Urgent Action on Homelessness - Emergency Interim Housing</i>	Engage all relevant City departments to complete the four remaining EIH projects in the pipeline (Via Del Oro, Rue Ferrari expansion, Cherry Avenue, and Cerone) by the end of fiscal year 2024-2025, and apply cost and time-saving learnings from Berryessa Safe Parking and Via del Oro to deliver Cherry and Cerone.	X		
<i>Urgent Action on Homelessness - Emergency Interim Housing</i>	Evaluate further cost reductions and design enhancements to the Via del Oro project — as well as potential and modest gap funding, if necessary — to ensure we bring these beds and services online as soon as possible.	X		
<i>Urgent Action on Homelessness - Emmanuel House Shelter Interim Housing Project</i>	Pending the County's allocation of \$4 million to the Salvation Army's interim housing project, explore providing one-time funding of up to \$1 million to supplement the County's contribution for the 74 bed Emmanuel House Shelter interim housing project.	X		
<i>Urgent Action on Homelessness - Emergency Interim Housing</i>	Continue evaluating reasonable, efficient ways to trim interim housing operating costs without compromising critical case management services, and pursue opportunities to bring down the City's contribution towards operations costs, including CalAIM for reimbursement and quality health services, partnerships with Valley Water in line with AB 1469, further Housing Authority coordination, and behavioral health service integration.	X		
<i>Urgent Action on Homelessness - County-wide Coordinated Entry</i>	Work with the County and regional partners to explore bringing the homeless shelter capacity we've added into the countywide coordinated entry system and maximize support from these key partners.			X
<i>Urgent Action on Homelessness - Safe Sleeping Sites</i>	Identify one-time and ongoing funding to bring basic, low-cost, low-barrier safe sleeping sites online by the end of December 2024 — conditioned upon the Council approving one or more sites before July 2024 — with enough capacity to significantly reduce the number of unmanaged encampments along our waterways.	X		

Status of Mayor and City Council Referrals

2023-2024 Adopted Operating Budget

	Referral	Response Category		
		Included in the 2024-2025 Proposed Budget	Addressed in an Upcoming Manager's Budget Addendum	Current or Future Referral/Policy Work
<i>Urgent Action on Homelessness - Low-barrier Solutions to Homelessness</i>	In a Manager's Budget Addendum (MBA) that responds to the direction included in the Rules Committee memorandum from Councilmembers Doan and Batra on low-barrier solutions to homelessness, the City Manager should include a broader evaluation of low-cost strategies and potential sites — including Valley Water sites — with the goal of moving people out of our waterways over time while preventing homeless residents from being displaced into other neighborhoods.		X	
<i>Urgent Action on Homelessness - Homeward Bound Program</i>	Identify one-time funds to implement a pilot "Homeward Bound" program whereby outreach workers have access to flexible funding to reunite homeless residents with their loved ones by paying for transportation or other relocation costs, potentially including rental deposits and associated costs of securing housing within or outside of San José. This pilot should include outcome measurements to ensure Homeward Bound strategies are effective in helping vulnerable residents achieve greater stability and opportunity.	X		
<i>Urgent Action on Homelessness - Eviction Diversion</i>	Explore a one-time increase to the current level of funding dedicated towards homelessness prevention and identify one-time funding to continue the Eviction Diversion Program for another year.	X		
<i>Urgent Action on Homelessness - Coordinated Intervention and Prevention</i>	Accelerate work with the County, Housing Authority and regional partners like Destination: Home to develop a more formal and coordinated implementation plan for intervention and prevention among high-risk groups for homelessness that may include cash assistance, housing navigation, workforce development, and access to behavioral health care, and identify associated funding needs for implementation. The City Manager is directed to report back to the Council on these efforts by October 2024.			X
<i>Urgent Action on Homelessness - SJBridge</i>	Restructure SJBridge's referral process in line with the Housing Department's recommendations, and spread the program across every emergency interim housing.			X

Status of Mayor and City Council Referrals

2023-2024 Adopted Operating Budget

	Referral	Response Category		
		Included in the 2024-2025 Proposed Budget	Addressed in an Upcoming Manager's Budget Addendum	Current or Future Referral/Policy Work
	<p><i>Urgent Action on Homelessness - Enhanced Neighborhoods and Waterways</i></p> <p>Refine the original \$25 million estimate presented to Council on March 5 for compliance with Municipal Regional Stormwater permit to provide the Council greater clarity on strategies and expected measurable impact, and propose one-time and ongoing funding — including potential cost sharing with Valley Water — to implement an approach that helps people transition out of our waterways without simply sending them into unmanaged encampments down the road.</p>	X		
	<p><i>Urgent Action on Homelessness - Framework for Shared Public Spaces</i></p> <p>Engage all relevant City departments and explore the allocation of existing and new resources to implement an expanded encampment management strategy within this Framework, including 1) providing weekly trash pickup services at the estimated 50 encampments that are currently not serviced; 2) establishing and prioritizing abatement where appropriate based on concrete thresholds for fire risk and criminal activity; 3) enforcing good neighbor policies related to encampment footprints (12’x12’), biowaste and unsanitary conditions, and blight and trash generation; and 4) enforcing park and trail rules, including enforcement of existing prohibitions on driving vehicles on trails and in parks. In addition, to minimize the cost and impact of biowaste, the City Manager is directed to include in the Framework implementation increased access to water, sanitation and hygiene services.</p>	X		X
	<p><i>Urgent Action on Homelessness - Pedestrian Facilitation Zone</i></p> <p>Enforce the rules of the Pedestrian Facilitation Zone — starting with Santa Clara Street between Market and 4th Street and expanding outward in phases — and explore how to best engage the “Co-Lab” partners, including PATH and the Social Impact Team, to provide a compassionate initial response.</p>	X		X
	<p><i>Urgent Action on Homelessness - Interagency Agreements (BeautifySJ)</i></p> <p>Work directly with partner agencies, including Caltrans, Valley Water and Valley Transportation Authority, to amend existing or establish new interagency agreements that allow the City to conduct escalated clean-ups or abatements in a timely manner on their properties. The City Manager should prioritize securing a reasonable cost-sharing framework between agencies and evaluate whether additional BeautifySJ resources are needed to implement our shared vision of a consistently clean and safe city irrespective of who owns a given parcel.</p>			X

Status of Mayor and City Council Referrals

2023-2024 Adopted Operating Budget

Referral	Response Category		
	Included in the 2024-2025 Proposed Budget	Addressed in an Upcoming Manager's Budget Addendum	Current or Future Referral/Policy Work
Urgent Action on Homelessness - Abandoned Shopping Carts		X	
Urgent Action on Homelessness - Oversized Vehicle Regulation	X	X	
Urgent Action on Homelessness - Safe Parking Program			X
Urgent Action on Homelessness - RV Pollution Prevention Program	X		
Urgent Action on Homelessness - RV Buy-back and Disposal	X	X	
Urgent Action on Homelessness - No Return Zones	X		
Urgent Action on Homelessness - No-encampment Zones	X		
Improving Community Safety - Police Recruitment & Backgrounding	X		

Status of Mayor and City Council Referrals

2023-2024 Adopted Operating Budget

Referral	Response Category		
	Included in the 2024-2025 Proposed Budget	Addressed in an Upcoming Manager's Budget Addendum	Current or Future Referral/Policy Work
Improving Community Safety - Women's Bootcamp	Identify ongoing funding to establish a Women's Bootcamp with capacity for at least 15 women per cohort providing them with additional exposure to the profession, mentorship and setting them up for success in our Police Academy.	X	
Improving Community Safety - SJPD Cadet Program	Explore funding a stipend for Police cadets aged 18-21 to maintain engagement between young adulthood and when interested residents are eligible to apply for the Police Academy at age 21.	X	
Improving Community Safety - Lateral Hiring Bonus	Explore increasing the lateral hiring bonus for Police to encourage recruitment of qualified talent within the state of California.	X	
Improving Community Safety - Backgrounding	Maintain current investments in streamlining our Police hiring process and explore other means of being a preferred employer.	X	
Improving Community Safety - AIR3 Maintenance & Replacement / Air Support Expansion	Develop a Manager's Budget Addendum summarizing projected maintenance costs for Police's AIR3 Helicopter with recommendations for the optimal timing and method for replacing the unit, and additional analysis on the financial viability and associated funding options for future expansion of the Air Support Unit.		X
Improving Community Safety - Real Time Crime Centers	Explore deeper integration of Department of Transportation cameras and SJPD enforcement activities through investments in recording capabilities and remote access to live camera feeds for appropriate SJPD personnel while adhering to the City's privacy and data retention policies and state law.	X	
Improving Community Safety - Speed Safety Pilot	Allocate one-time or ongoing funding, as appropriate, to establish an equitable speed safety pilot program that deploys as many automated speed safety cameras as is fiscally feasible on priority safety corridors or near school sites, as informed by our Vision Zero Action Plan.	X	
Improving Community Safety - Quick Build Traffic Safety Interventions	Explore accelerating the deployment of quick build traffic safety interventions and ensure that there is sufficient funding to deploy quick build projects within the foreseeable future. Quick build projects should be prioritized on priority safety corridors in alignment with the Vision Zero Action Plan.		X
Improving Community Safety - Ambulance Transport User Fee	Expedite the implementation of the Ambulance Transport User Fee as soon as practical.	X	
Improving Community Safety - Fire Equipment Replacement	Allocate one-time funding of at least \$500,000 to ensure SJFD timely replacement of equipment offset by the reserve set-aside for this purpose in the 2024-2025 Base Budget.	X	

Status of Mayor and City Council Referrals

2023-2024 Adopted Operating Budget

Referral	Response Category		
	Included in the 2024-2025 Proposed Budget	Addressed in an Upcoming Manager's Budget Addendum	Current or Future Referral/Policy Work
<i>Improving Community Safety - Alternative Response Framework</i>			X
<i>Clean Up San José - Clean Gateways Sponsorship</i>	X		X
<i>Clean Up San José - SJ 311 Enhancements</i>	X		
<i>Clean Up San José - SJ 311 Enhancements</i>			X
<i>Clean Up San José - Neighbor-to-Neighbor/Beautify Your Block</i>	X		X
<i>Clean Up San José - BSJ Grant Program</i>	X		
<i>Clean Up San José - Graffiti Deterrence and Enforcement</i>	X		X
<i>Clean Up San José - Illegal Dumping</i>	X		

Status of Mayor and City Council Referrals

2023-2024 Adopted Operating Budget

Referral	Response Category		
	Included in the 2024-2025 Proposed Budget	Addressed in an Upcoming Manager's Budget Addendum	Current or Future Referral/Policy Work
Clean Up San José - P3 Mobile Crime Stoppers Incentives			X
Clean Up San José - Diversion and Restorative Justice			X
Clean Up San José - Code Enforcement Operational Assessment	X		
Attracting Jobs and Investment - EIR Requirements and Process Enhancements			X
Attracting Jobs and Investment - Expedited Permitting Assessment			X
Attracting Jobs and Investment - Comprehensive Development Fee Estimation			X
Attracting Jobs and Investment - Development Fee Assessment	X		

Status of Mayor and City Council Referrals

2023-2024 Adopted Operating Budget

Referral	Response Category		
	Included in the 2024-2025 Proposed Budget	Addressed in an Upcoming Manager's Budget Addendum	Current or Future Referral/Policy Work
Attracting Jobs and Investment - Planning & Permitting Enhancements	Councilmembers Davis and Jimenez identified and brought forth a number of recommendations in a memo to the November 1, 2023 Rules Committee meeting, outlining a number of areas in which the City might improve development services, including streamlined review processes and an assessment of the cost implications of the City's regulatory framework. The City Manager is directed to complete the recommendations in the memo, allocating additional resources if necessary, and report to the Community and Economic Development Committee by the first quarter of 2025 for a discussion of findings and implementation options.		X
Attracting Jobs and Investment - Urban Villages Pre-Clearance	Continue the work initially funded last year to enable CEQA pre-clearance for market-ready urban villages, ideally borrowing any additional streamlining strategies identified as the City Manager evaluates the current Downtown EIR and associated review process.		X
Attracting Jobs and Investment - Manufacturing Incentives	Propose specific incentives to encourage companies, including artificial intelligence and advanced manufacturing companies, with fewer than 100 employees to start up in or relocate to San José.	X	
Attracting Jobs and Investment - SJSU Partnerships	Explore workforce, technology and especially AI-focused partnerships with San José State University, including the potential for a co-working space for aspiring technologists at the (MLK) King Library.	X	
Attracting Jobs and Investment - Innovative Technology Pilot	Explore the allocation of one-time funding to expand the Government AI Coalition and lay the groundwork for a Civic Sandbox Initiative that facilitates regular piloting of innovative technologies by City Departments in collaboration with outside entrepreneurs and academics.	X	
Attracting Jobs and Investment - Parkland Lease Revenue Measure	Explore placing a measure on the upcoming November 2024 ballot that would allow the City to enter long-term retail and commercial leases on City park land and direct the resulting revenues back into our parks, returning to Council no later than the end of May 2024 with a status update and any polling results.		X
Attracting Jobs and Investment - Night Markets & Special Events	Explore municipal code changes that can make it easier to host special events on private property and explore reducing red tape and fees for event permitting. The City Manager is further directed to explore expanding the ability for the Office of Economic Development and Cultural Affairs to permit outdoor special events on private property.		X

Status of Mayor and City Council Referrals

2023-2024 Adopted Operating Budget

Referral	Response Category		
	Included in the 2024-2025 Proposed Budget	Addressed in an Upcoming Manager's Budget Addendum	Current or Future Referral/Policy Work
Attracting Jobs and Investment - San José Sports Authority	X		
Attracting Jobs and Investment - Sports Tourism Planning	X		X
Attracting Jobs and Investment - San José Sports Authority			X
Attracting Jobs and Investment - Unpermitted Vendor Enforcement	X		
Attracting Jobs and Investment - San José Downtown Association	X		
Attracting Jobs and Investment - San Pedro Street Pedestrian Mall Upgrades			X
Attracting Jobs and Investment - Digital Wayfinding Ordinance			X
Attracting Jobs and Investment - Storefront Activation Grants Program	X		

Status of Mayor and City Council Referrals

2023-2024 Adopted Operating Budget

Referral	Response Category		
	Included in the 2024-2025 Proposed Budget	Addressed in an Upcoming Manager's Budget Addendum	Current or Future Referral/Policy Work
Attracting Jobs and Investment - Destination Marketing and Content Creation Initiative	Explore providing Team San José one-time funding for destination marketing and content creation to grow tourism.	X	
Attracting Jobs and Investment - Convention Center Solar Panel Installation	Evaluate the potential for long-term cost savings by adding solar panels on top of the convention center paired with on-site storage.		X
Attracting Jobs and Investment - Small Business Recovery - Supplemental Arts + Cultural Funding	Continue to provide one-time supplemental arts and cultural funding to partially bridge the gap.	X	
Attracting Jobs and Investment - Event Admissions Fee	Return with an MBA evaluating the establishment of an admissions fee and other revenue opportunities for San José events that could serve as a new revenue stream for arts and cultural organizations and cultural facilities.		X
Attracting Jobs and Investment - San José Earthquakes Sports Complex Development	Bring forth an MBA analyzing how the City might best support development of the San José Earthquakes Sports Complex in a way that maximizes benefits for the community.		X
Other Important and Ongoing Work - Council Appointee Review	Allocate sufficient ongoing funding to enable the Mayor's Office to work with the Council and an outside consultant to overhaul and manage the annual Council Appointee review and feedback process.	X	
Other Important and Ongoing Work - Youth Services	Explore the development of a budget and implementation plan to pilot this work in Poco Way/Mayfair and Seven Trees/Santee communities, and fund staffing at both the Starbird and Berryessa Youth Centers.	X	X
Other Important and Ongoing Work - San José Animal Care and Services	Transition the temporary veterinarian position into an ongoing role to ensure the long-term success of shelter operations. Additionally, the City Manager is directed to explore supplementing existing spay and neuter programs with one-time funding, including resources for Trap, Neuter, and Release.	X	

Status of Mayor and City Council Referrals

2023-2024 Adopted Operating Budget

	Referral	Response Category		
		Included in the 2024-2025 Proposed Budget	Addressed in an Upcoming Manager's Budget Addendum	Current or Future Referral/Policy Work
<i>Other Important and Ongoing Work - Digital Equity & Empowerment</i>	Continue to prioritize and remove barriers to advancing the Digital Empowerment priority. This must include looking inward at process improvements to support our public-private partnerships with telecommunications companies, providing strong advocacy at the State and federal level on the multitude of legislative items related to broadband infrastructure and funding, reevaluating the existing programs and services available through our Library and community partners to ensure they meet community needs, and bringing the full program assessment back to the City Council as soon as possible.			X
<i>Other Important and Ongoing Work - 2025-2026 Future Deficit Reserve</i>	Establish a 2025-2026 Future Deficit Reserve to set aside some of the funding anticipated to help address the projected shortfall for that year.	X		
<i>Other Important and Ongoing Work - Multiple</i>	Evaluate programs funded on a one-time basis in 2023-2024 for continuation in 2024-2025.	X		
<i>Other Important and Ongoing Work - Essential Services Reserve</i>	Set aside \$2,000,000 in the Essential Services Reserve.	X		
<i>Other Important and Ongoing Work - Budget Balancing Strategy Guidelines</i>	Deploy the familiar Budget Balancing Strategy Guidelines, as described in Appendix A, to guide the City Manager's approach to crafting a balanced budget in the year ahead.	X		

Status of Mayor and City Council Referrals

2023-2024 Adopted Operating Budget

Referral	Response Category		
	Included in the 2024-2025 Proposed Budget	Addressed in an Upcoming Manager's Budget Addendum	Current or Future Referral/ Policy Work

Not Included or Subject to Further Evaluation

<i>Attracting Jobs and Investment - City Free Use</i>	Explore allocating a small amount of additional funding for City Free Use within the Convention and Cultural Affairs Fund, which may allow Team San José greater flexibility in targeted instances to attract new and large events.	After evaluation of available resources within the Convention and Cultural Affairs Fund, it was determined that there is insufficient funding to increase City Free Use at this time. However, the Administration will continue to monitor the health of the fund and, if conditions improve, will bring forward actions to increase the City Free Use as part of a future budget process.	
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Status of City Auditor Recommendations with Funding Impact 2024-2025 Proposed Operating Budget

There are audit recommendations that are addressed in actions included in the 2024-2025 Proposed Budget. The table below provides a summary of those audit recommendations. While this report focuses on audit recommendations with budget actions in 2024-2025, there are numerous outstanding audit recommendations with financial implications that are not being implemented as part of the 2024-2025 Proposed Budget. The City Auditor's Office reports on all outstanding audit recommendations on a semi-annual basis. These status reports along with an interactive dashboard can be found on the Auditor's Office website at: <https://www.sanjoseca.gov/your-government/appointees/city-auditor/audit-recommendations>.

Department	Item	Remarks
Planning, Building, and Code Enforcement (PBCE)	Residential Building Permits: Additional Resources and Further Process Enhancements Can Reduce Wait Times and Improve Service Delivery (Report 23-07 Issued 11/17/2023, #01)	The 2024-2025 Proposed Operating Budget eliminates 1.0 Associate Engineer and adds 1.0 Engineer I/II position within the Building Development Fee Fund, and realigns 1.0 Planner IV funded by the Building Development Fee Fund to the Planning Development Fee Fund. The City Auditor's Report 23-07 recommended continuing and potentially prioritizing recruitment for entry-level positions, such as Engineer I/II, as part of a long-term staffing strategy to improve timeliness of the building permit process. More detail on this action can be found in the City Departments/Council Appointees section of the 2024-2025 Proposed Operating Budget for the Planning, Building, and Code Enforcement Department.

Status of City Auditor Recommendations with Funding Impact 2024-2025 Proposed Operating Budget

Department	Item	Remarks
Housing	<p>Housing Performance Measures: The City Should Focus and Align Measure to Support Decision-Making</p> <p>(Report 23-04 Issued 09/15/2023, #01)</p>	<p>The 2024-2025 Proposed Operating Budget updates the Housing Department's performance measures to address a recommendation from City Auditor's Report 23-04 on streamlining and improving performance measures. The changes better align with current programs, priorities, and recurring reports that leverage Housing Department performance measures. The performance measure modernization utilizes the City Service Area structure as a type of logic model that aligns measures around inputs (budget resources), activities (core services and budget programs), outputs (activity and workload highlights), processes (performance measures), and outcomes (community indicators).</p> <p>More detail on this change can be found in the City Departments/Council Appointees section of the 2024-2025 Proposed Operating Budget for the Housing Department.</p>

Status of City Auditor Recommendations with Funding Impact 2024-2025 Proposed Operating Budget

Department	Item	Remarks
Finance	<p>COVID-19 Food Distribution Expenditures: The City Should Address Gaps in Emergency Documentation and Procedures</p> <p>(Report 22-06 Issued 10/06/2022, #01)</p> <p>Citywide Grant Management: Improved Coordination Can Increase Federal Grant Opportunities and Standardize Grant Administration</p> <p>(Report 22-03 Issued 04/14/2022, #01)</p>	<p>The 2024-2025 Proposed Operating Budget continues the staffing needs for the Disaster Recovery and Grants Management group within the Finance Department by converting a temporary 1.0 Analyst I position to permanent status, adding one-time funding for 1.0 Analyst I through June 30, 2025, and extending 1.0 Accounting Technician through June 30, 2025. Adding funding for the Disaster Recovery and Grants Management team is consistent with City Auditor Report 22-06 to identify staffing resources that develop and maintain Citywide administrative guidelines or procedures, and City Auditor Report 22-03 to document information in emergency cost recovery files to comply with federal funded expenditure requirements.</p> <p>More detail on this action can be found in the City Departments/Council Appointees section of the 2024-2025 Proposed Operating Budget for the Finance Department.</p>

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**2024-2025 Proposed Operating Budget
Stormwater Permit Implementation Funding Summary**

This document summarizes the additional funding included in the 2024-2025 Proposed Operating Budget to meet the requirements of the City's Municipal Regional Permit (Stormwater Permit). While these resources are primarily focused on the impacts to the City's waterways (Direct Discharge), there are various other requirements that need to be addressed and are included below.

The San Francisco Bay Regional Water Quality Control Board previously rejected the City's third submittal of the Direct Discharge Plan, which in accordance to the Stormwater Permit requirements, shall demonstrate a commitment to and a plan for increasing housing and addressing trash, sanitary and other services to reduce discharges associated with unsheltered homeless populations living in waterways and in vehicles near storm drains. The San Francisco Bay Regional Water Quality Control Board concluded that the City shall prioritize housing and services to people experiencing unsheltered homelessness who are living near receiving waters (within 500 feet) and needs to incorporate this as a criterion for encampment abatement. Failure to comply with these mandates could expose the City to significant legal and financial risks. The City resubmitted its fourth revised plan on March 6, 2024. Though the Board has not yet responded, the 2024-2025 Proposed Operating Budget includes significant investment for new or enhanced services to meet Stormwater Permit requirements. Consistent with City Council's direction in their approval of the Mayor's March Budget Message for Fiscal Year 2024-2025, the Proposed Budget leverages several funding sources to address Stormwater Permit requirements.

While preliminary resource needs and initial implementation strategies are outlined below, the Administration will be refining this approach over the next several months. As the approach is refined, the allocation of resources may need to shift. In particular, depending on the timing of establishing safe/alternative sleeping sites, the allocation of resources within and between strategies 1-3 below may shift. The Administration will bring forward adjustments as part of a future budget process, as necessary. However, Measure E resources will only be used for safe/alternative sleeping sites or service provision to unhoused residents - Measure E will not be used for encampment management and abatement activities.

Stormwater Permit Implementation Strategies	FTE	2024-2025 Amount	Ongoing Amount	Funding Source
1. Safe or Alternative Sleeping Sites		10,000,000	5,000,000	Measure E
This allocation funds the identification, design, construction, and operation of safe sleeping or other alternative sites for homeless residents to relocate 500 unsheltered community members that are currently in encampments along waterways. While the scope and operational model of these sites are under development, the identified goal is to move these unsheltered community members to a managed environment within a tent or other minimal temporary shelter. This funding is also inclusive of staffing and consultant services costs for Public Works to expedite interim housing and safe sleeping site development, both of which will be critical to comply with Stormwater Permit requirements.				
It is important to note that the scope and operational model of these sites are under development. Preliminary scoping exercises have yielded development costs that range from \$18,000 to \$40,000 per tent, which would result in a range of \$9 - \$20 million for 500 tent sites. Examples of operating costs for safe sleeping sites in other jurisdictions range from approximately \$10,000 to \$13,000 per tent annually. While work is ongoing to arrive at construction and operating cost models to the placement of 500 residents at safe sleeping sites, given the City's significant budgetary constraints, the City may need to consider a mix of sleeping options, including smaller, minimally supported sites that receive very few services. Depending on the operational model for these sites, the ongoing funding need may be significantly higher and will need to be reevaluated in subsequent budget cycles.				
2. Outreach, Sanitation and Other Service Provision	-	3,600,000	3,500,000	Measure E
This allocation funds sanitation services to encampments along waterways, as well as outreach and other support services to help meet the basic needs of residents along the waterways and conduct housing assessments to refer and place individuals into shelter and housing opportunities. This funding will also allow for a more accurate count for those living along waters. Preliminary estimates of these services are shown below, though the exact amount may shift.				
<i>Encampment Sanitation Services</i>		<i>2,000,000</i>	<i>2,000,000</i>	
<i>Outreach Team</i>		<i>1,500,000</i>	<i>1,500,000</i>	
<i>Count of Unhoused Individuals</i>		<i>100,000</i>		

**2024-2025 Proposed Operating Budget
Stormwater Permit Implementation Funding Summary**

Stormwater Permit Implementation Strategies	FTE	2024-2025 Amount	Ongoing Amount	Funding Source
3. Encampment Management and Abatement	11.0	7,833,263	7,376,028	General Fund
This allocation provides resources for the Beautify San José team to abate and clean encampments along waterways, institute "no return zones" once encampments have been removed and cleaned, and to provide clean-up and abatement services to surrounding neighborhoods, as necessary. This allocation generally assumes that operations begin toward the end of calendar year 2024 after the opening of alternative or safe sleeping sites. Preliminary estimates of these services are shown below. To the extent that alternative sites or other locations are not available to receive unsheltered residents, the implementation of some of these teams will be pushed out later in the fiscal year, with any savings in 2024-2025 redeployed for safe or alternative sleeping site development. Additional information is included in the Parks, Recreation and Neighborhood Services Department section of the budget document.				
<i>Waterways Abatement</i>	6.0	4,662,567	4,973,342	
<i>Mitigating Impacts to Neighborhoods</i>	2.0	1,763,811	1,854,811	
<i>Deterrents Installation and Maintenance</i>		1,000,000		
<i>No Return/No Encampment Zones</i>	3.0	406,885	547,875	
4. Recreational Vehicle Pollution Prevention Program	3.0	1,425,000	1,654,120	Measure E
This allocation expands the Recreational Vehicle (RV) Pollution Prevention Program to increase the number of RVs and other lived in vehicles served from 150 to 600 every two weeks. This program removes and disposes of human waste from RVs and lived in vehicles, preventing these discharges from entering waterways. Additional information is included in the Parks, Recreation and Neighborhood Services Department section of the budget document.				
5. Police Presence and Security	-	1,200,000	500,000	General Fund
This allocation continues the proactive Police Department patrols, funded on an overtime basis, along the Coyote Creek and Guadalupe River Trail, and allocates funds for Police Department presence during abatement and clean-ups. Additional information is included in the Police Department section of the budget document.				
<i>Coyote and Guadalupe River Trail Patrol</i>		700,000		
<i>Security</i>		500,000	500,000	
6. Other Required Activities	8.0	2,853,616	1,345,529	Multiple Funds
This category includes a number of new investments needed to implement the Stormwater Permit, including the maintenance of Large and Small Trash Capture Devices, inspections of stormwater connections on private and public property, an evaluation of fire stations for the presence of PFAS, and mitigating PCBs within certain storm drain sections. This category also allocates additional ongoing funding for creek clean-ups to non-profit partners and staffing in Public Works Development Services Program to coordinate the implementation of policies and programs to address new state requirements for new and redevelopment projects. Finally, this category includes funding for an engineering assessment study for the potential development of a fee program to offset the costs of Stormwater Permit implementation.				
<i>Trash Capture Devices Maintenance (DOT)</i>	5.0	1,348,702	681,133	Special Fund
<i>Municipal Regional Stormwater Permit Inspection Programs (ESD)</i>	2.0	481,930	348,396	General Fund/Special Fund
<i>Stormwater Assessed Fee Engineering Report (City-Wide Expenses)</i>		300,000		General Fund
<i>Aircraft Rescue and Firefighting Foam Disposal (Airport)</i>		270,000		Special Fund
<i>Development Services Coordination (Public Works)</i>	1.0	172,984	241,000	General Fund/Special Fund
<i>PFAS Evaluation (ESD)</i>		165,000		General Fund
<i>Creek Clean-up Partners (PRNS)</i>		75,000	75,000	General Fund
<i>Polychlorinated Biphenyls (PCB) Mitigation (DOT)</i>		40,000		General Fund
Total	22.0	26,911,879	19,375,677	
Direct Discharge	14.0	24,058,263	18,030,148	
Other Requirements	8.0	2,853,616	1,345,529	
By Funding Source				
<i>Measure E</i>	3.0	15,025,000	10,154,120	
<i>General Fund</i>	13.0	10,043,462	8,128,976	
<i>Other Special Funds</i>	6.0	1,843,417	1,092,581	

CITY OF SAN JOSE

2024-2025 PROPOSED OPERATING BUDGET

SAN JOSE AT A GLANCE

STRATEGIC LOCATION

Situated between the Diablo and Santa Cruz mountain ranges, San José encompasses approximately 181 square miles at the southern tip of the San Francisco Bay. San José's central location between San Francisco to the north and Monterey/Carmel to the south makes the "Capital of Silicon Valley" a gateway to adventures throughout California.

With a population of roughly one million, San José is the 12th largest city in the nation.¹ Roughly 1.9 million people reside in Santa Clara County, of which San José is the county seat.

HISTORY

In November 1777, El Pueblo San José de Guadalupe became the first civil settlement in California. The settlement was mostly occupied by the Ohlone Indians along the Guadalupe River and Spanish settlers. At that time, San José was a farming community cultivating a number of different crops, which served the military communities in San Francisco and Monterey. In 1850, San José became the first capital of California, but this honor remained for only two years due to flooding in downtown and the lack of hotel capacity. Furthering San José's difficulties, the city was plagued with floods, earthquakes, and fires in the early 1900s. However, over the next century, San José experienced one of the most significant economic changes in California history, transforming from an agricultural community to what is known today as the "Capital of Silicon Valley."



QUALITY OF LIFE

San José's quality of life is unsurpassed. With an average of 300 days of sunshine per year and temperature averages varying from 50 degrees in January to 70 degrees in July, those living and working in San José can enjoy the city's many attractions, cultural and performing arts, sports and recreation opportunities, and year-round festivals and celebrations. San José has received accolades from The Milken Institute, Forbes, The Atlantic, and other national media as the place to live and do business.

CULTURAL AND ETHNIC DIVERSITY

Diversity is a hallmark of San José; a city proud of the cultural and ethnic diversity of its population and workforce and the rich cultural identity of its many neighborhoods. City residents speak more than 50 different languages. A full 40% of San José residents were born in a country outside the US, including 52% of adult residents over the age of 25.² Japantown is a popular tourist stop and a cornerstone neighborhood full of tradition.



¹ U.S. Source: Census Bureau, Population Division, Annual Estimates of the Resident Population for Incorporated Places of 50,000 or More, Ranked by July 1, 2022 Population (Released May 2023)

² City of San José, Office of Economic Development and Cultural Affairs

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
SAN JOSE AT A GLANCE

CULTURAL AND ETHNIC DIVERSITY

Little Saigon is a haven of Vietnamese-owned and operated businesses where customers and tourists can experience unique shopping experiences and diverse restaurants. Biblioteca Latinoamericana, one of the City's innovative library branches, boasts one of the largest collections of Spanish language materials in northern California. The city hosts many cultural festivals and numerous ethnic chambers of commerce are active in the community. According to the United States Census Bureau as of July 2022, San José residents are 37.5% Asian, 31.0% Hispanic, 24.4% White, 3% African American, and 4.1% other/two or more races.



EDUCATION



Sixteen public school districts and an estimated 300 private and parochial schools provide families with a range of educational choices. Innovative programs in local school districts include a nationally acclaimed performing arts magnet and concentrations in aerospace, international studies, math and science, and radio and television. Higher education facilities in and around San José are distinguished. San José State University (SJSU) is California's oldest public university, founded in 1857. It offers strong programs in business, information technology, journalism, mass communications, and engineering, with SJSU graduating twice as many engineers annually as any nearby university. In addition, the collaboration between SJSU and the City of San José to construct and operate the Dr. Martin Luther King, Jr. Library (King Library), the first joint City/University library, earned the prestigious national title of Gale/Library Journal 2004 Library of the Year. The King Library also received the National Medal for Museum and Library Service from the Institute of Museum and Library Services in 2011.

Seven community colleges serve the County of Santa Clara, including two in San José – San José City College and Evergreen Valley College – which are part of the San José Evergreen Community College District. The two colleges educate more than 26,000 students per year so that they can transfer to universities, enter the workforce, or embark on a path of lifelong learning. They offer a variety of two-year programs and work-ready certificate programs. The district's Community College Center for Economic Mobility is a training partner that works with many corporations to develop and maintain a vital South Bay economy. The Metropolitan Education District and the Center for Employment Training also fill the need for basic skills and job training.

San José also benefits from its proximity to major research universities and institutions. Stanford University, University of California at Berkeley, Santa Clara University, University of California at San Francisco, and University of California Santa Cruz are within a 45-minute to one-hour drive. These universities produce discoveries that drive innovation and startup creation.

CITY OF SAN JOSE

2024-2025 PROPOSED OPERATING BUDGET

SAN JOSE AT A GLANCE

ECONOMIC DIVERSITY

Perhaps more important than rankings and statistics, the term “Capital of Silicon Valley” describes not only a city and geographic region, but also a culture, an entrepreneurial energy, a spirit of innovation, and a symbol of opportunity. Investment in new industries such as battery technology, electric vehicles, and AI are occurring in San José. San José attracts talent, with 46% of all residents aged over 25 educated to a bachelor’s degree level or above. While San José and the greater Silicon Valley are largely associated with the technology industry, the city’s business profile is diverse and healthy. San José is home to approximately 66,000 businesses employing a total of 439,000 workers in sectors ranging from advanced manufacturing to healthcare to software.³ Commercial, retail, industrial, professional, and service businesses all thrive in San José. Today, San José is the biggest generator of sales tax in the Bay Area.

INTERNATIONAL

On the international front, San José attracts significant foreign investment from throughout the globe, particularly in information technology industrial sectors. San José is also a leading city in exporting goods and services. The City’s Office of Economic Development and Cultural Affairs also administers the Foreign Trade Zone, which allows manufacturing companies like Tesla, Lam Research, and Maxar Space to import parts used in manufacturing advanced technologies with reduced or delayed tariff assessment.

TOURISM



Residents and visitors enjoy the city’s many attractions year-round: museums, parks, sports, multicultural festivals, theme parks, shopping, and, of course, great hotels and restaurants. Attractions include the Tech Interactive, San José Museum of Art, Raging Waters, Happy Hollow Park & Zoo, Japanese Friendship Garden, Winchester Mystery House, and Children’s Discovery Museum of San José.

SPORTS

Several professional sports teams call San José home: the Sharks, National Hockey League; the Earthquakes, Major League Soccer; the Barracuda, Minor League Hockey; Giants, Minor League Baseball; and the new Bay FC, National Women’s Soccer League. The city also has a state-of-the-art community ice center, golf courses, and parklands, including over 61 miles of beautiful walking and biking trails.



³ City of San José, Office of Economic Development and Cultural Affairs

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET

SAN JOSE AT A GLANCE

TRANSPORTATION

San José/Silicon Valley has the following transportation options:

- The San José Mineta International Airport (SJC), located within minutes of downtown, served 12.1 million passengers in fiscal year 2022-2023 and estimates to serve 12.3 million passengers in fiscal year 2023-2024. As of June 30, 2023, there were 11 major passenger airlines operating service to 41 nonstop domestic and international destinations at SJC.
- The Santa Clara Valley Transportation Authority (VTA) carried an estimated total of 25.4 million passenger trips in 2023 on its bus and light rail system.
- Caltrain, a commuter rail service with 31 stations, runs from Gilroy through San José and north to San Francisco. The average weekday ridership increased 26% from 16,829 in February 2023 to 21,193 in February 2024. In late 2023, Caltrain unveiled its new plan for electrified service, which includes faster transit times and more frequent service including on the weekends. The service improvements are the result of Caltrain replacing all the aging diesel trains between San Francisco and San José with world class electric trains that provide better service performance and quality. The new service schedule is slated to begin with the completion of the Electrification Project in fall 2024.
- Bay Area Rapid Transit (BART) and California High-Speed Rail both have planned routes to Diridon Station in San José. Phase II six-mile extension from Berryessa Station to Santa Clara Station was environmentally approved on April 5, 2018. Construction activities are anticipated to begin in summer of 2024.



CITY OF SAN JOSE 2024-2025 PROPOSED OPERATING BUDGET

SAN JOSE AT A GLANCE

Basic City Facts

Founded: 1777; California's first civilian settlement

Incorporated: March 27, 1850; California's first incorporated City, and site of the first State capital

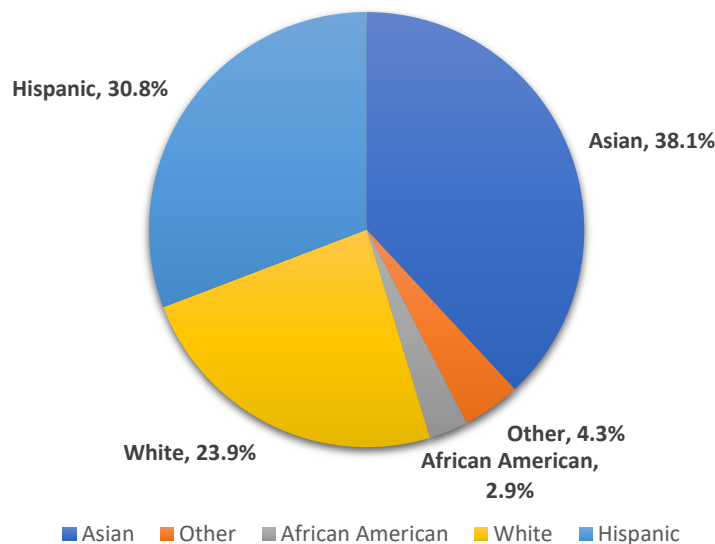
General Data

Population ⁴	959,256
Registered Voters ⁵	566,709
Median Household Income ⁶	\$136,010
Miles of Streets	2,519
Miles of Alleys	2.58
Area of City (square miles)	180.7
Land Use:	
Single-Family	34%
Two-Family	2%
Multi-Family	4%
Mobile Home	1%
Commercial	4%
Industrial	10%
Public/Quasi-Public	0.75%
Airports	1%
Schools	3%
Parks/Open Space	17%
Roadways	16%
Downtown	0.25%
Other	7%



Demographics

Breakdown of Race/Ethnicities⁷



⁴ State of California, Department of Finance, E-1 Population Estimates for Cities, Counties, and the State, January 1, 2022 and 2023 (Released May 2023)

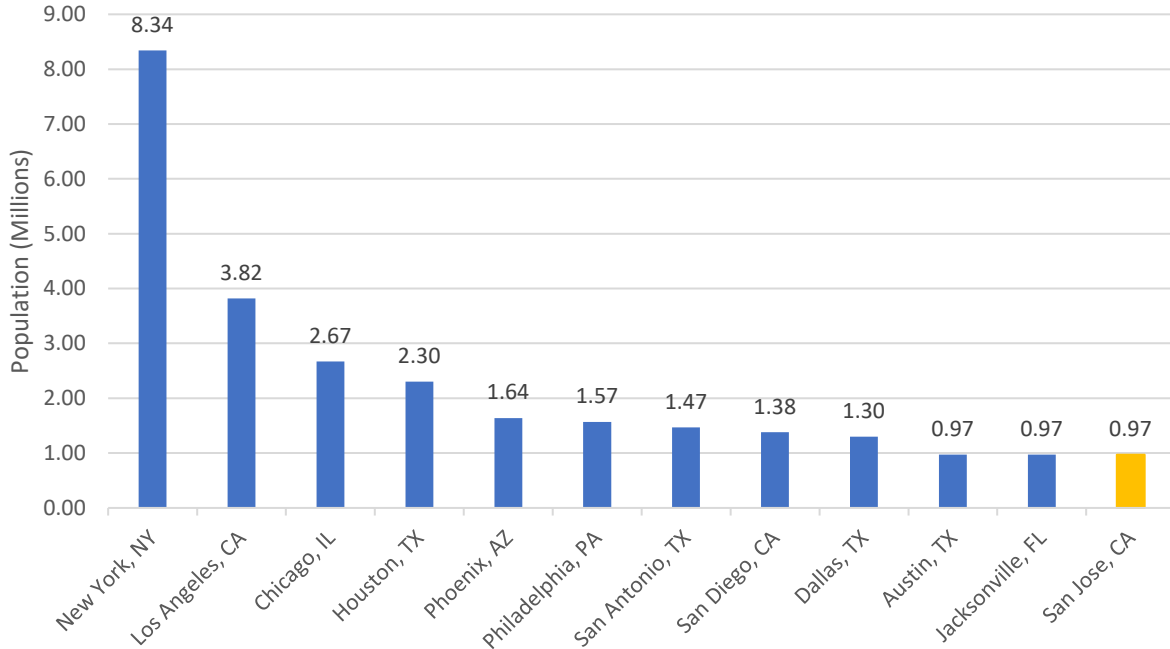
⁵ Santa Clara County Registrar of Voters as of April 5, 2023

⁶ United States. Census Bureau, American Community Survey (ACS), 5-Year Estimates

⁷ United States. Census Bureau, Population Estimates Program (PEP) as of July 1, 2023

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
SAN JOSE AT A GLANCE

Population of 10 Largest U.S. Cities Compared to San Jose*



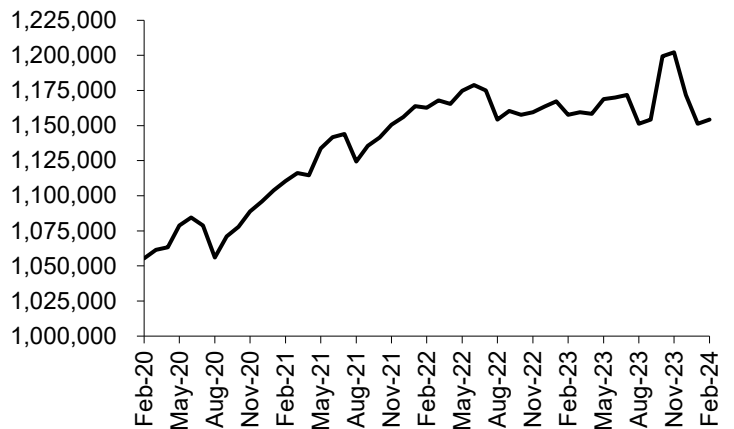
U.S. Source: Census Bureau, Population Division, Annual Estimates of the Resident Population for Incorporated Places of 50,000 or More, Ranked by July 1, 2022 Population (Released May 2023)

* San Jose is ranked the 12th largest U.S. City as of July 1, 2022, after Jacksonville, Florida with 0.97 million people

Major Employers⁸

<u>Company</u>	<u>Number of Employees</u>
County of Santa Clara	22,732
Cisco Systems	7,500
City of San José	7,440
Adobe Systems Inc.	4,100
San José State University	4,086
Kaiser Permanente	3,969
San Jose Unified School District	3,609
eBay	3,088
Paypal, Inc.	2,808
Broadcom	2,736
TikTok	2,601
Target Stores	2,437
Super Micro Computer	2,422
IBM	2,300
Western Digital	2,159
Cadence Design Symptoms	1,870
Good Samaritan Hospital	1,850
Eastside School District	1,817
Safeway	1,629

San José Employment - MSA⁹



⁸ Source: City of San José, Office of Economic Development and Cultural Affairs Estimates as of April 2024. The information was gathered on an informal basis from sources believed to be reliable. The City can provide no assurances as to the accuracy or completeness of the information shown.

⁹ Source: U.S. Census Bureau, California Employment Development Department

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
SAN JOSE AT A GLANCE

Airport*

Approx. Acres	1,050
Terminals	2
Runways	2
Hours of Operation	24
Flights in 2023-2024 (estimated):	
Commercial Airline Operations	110,011
Cargo Commercial Airlines Operations	1,475
General Aviation	53,497
Military Flights	149
Landings per Day in 2023-2024 (estimated):	
Commercial	151
General Aviation	73
Number of Passengers in 2023-2024 (estimated):	12.3 Million
Public Parking Spaces:	
Hourly Parking/Daily Parking	2,966
Economy Parking	2,458
Services:	
Passenger Airlines	11
All-Cargo Airlines	2
General Aviation Based Aircraft	152



Environment and Utilities*

Miles of Municipal Sanitary Sewer Mains	2,039
Number of Water Pollution Control Plants ¹⁰	1
Number of Square Miles the Sanitary Sewer System Spans	180.7
Gallons of Wastewater the Plant has the Capacity to Treat Per Day	167 Million
Gallons of Wastewater Treated Per Day	104.12 Million
Number of Municipal Water Systems ¹¹	1
Water Services in Municipal Water Service Area	26,986
Miles of Water Mains	347.3
Gallons of Potable Municipal Water Delivered	4.7 Billion
Gallons of Recycled Municipal Water Delivered	1.2 Billion
2022-2023 Recycled Materials:	
Tons of Paper	36,136.4
Tons of Glass	22,032.2
Tons of Cardboard	12,479.1
Tons of Metals	4,097.3
Tons of Plastics	6,317.8
Tons of Other Materials	703.6
Total Tons of Recyclables	81,766.4



* Current Counts or 2023-2024 Year-End Estimates

¹⁰ Serving the San José, Santa Clara, Milpitas, Campbell, Cupertino, Los Gatos, Saratoga, and Monte Sereno areas.

¹¹ Serving the Evergreen, North San José, Alviso, Edenvale, and Coyote Valley areas. Other areas served by private water companies.

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
SAN JOSE AT A GLANCE

Environment and Utilities*

2022-2023 Recycled Materials	
Multi-Family Dwelling Tons Composted	37,028.6
Single Family Dwelling Tons Composted	80,340.5
Tons of Yard Trimmings	125,817.9
Tons of Used Motor Oil	167.4
Tons of Used Oil Filters	3.5

Fire*

Fire Stations	34
Companies	44
Squad Units	3
Equipment	
Engines:	
Front Line	33
Relief	18
Trucks:	
Front Line	9
Relief	5
Brush Patrol Apparatus:	
Front Line	7
Relief	6
Aircraft Rescue and Firefighting Apparatus:	
Front Line	2
Relief	1
Urban Search/Rescue and Hazmat Apparatus:	
Front Line	3
Auxiliary Apparatus	95
Emergency Medical Calls	70,000
Fire Safety Code Inspections	16,900
Fires	5,300



Libraries*

Number of Outlets:	
Main Library	1
Branches	24
Items Checked Out (Circulation)	8,395,391
Electronic Resources Checked Out (Circulation)	2,600,000
Books (Inventory)	1,650,000
Audio Visual Materials (Inventory)	305,000



*Current Counts or 2023-2024 Year-End Estimates

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET

SAN JOSE AT A GLANCE

Parking*

Parking Meters	2,504
City Parking Lots (1,107 total spaces)	6
City Parking Garages (6,186 total spaces)	8

Parks, Recreation and Neighborhood Services*

Park Sites	215
Basketball Hoops	165
Bocce Ball Courts	22
Exercise Courses	43
Handball Courts	11
Horseshoe Pits	52
Lawn Bowling Greens	1
Volleyball Courts	18
Skate Parks	7
Bike Parks	2
Multi-Use Fields	110
Swimming Pools	6
Tennis Courts	85.5
Park Acreage ¹²	3,621
Playgrounds	298
City-Operated Community Centers	12
Neighborhood Center Partner Program Operated Sites	29
Public Golf Courses	3
Gymnasiums	8
Fitness Rooms	7
Youth Centers	11
Walking and Biking Trails (miles)	64.93
Total Participation in Recreation Programs at Community Centers	812,582
Total Participation in Recreation Programs at Neighborhood Center Partners Program (formerly Re-Use Centers)	5,743



Police*

Police Stations	1
Police Marked Vehicles	320
Motorcycles	51
Dogs ¹³	16
Aircraft:	
Helicopter	1
Fixed Wing	0
Number of Emergency Calls Received	642,974
Number of Non-Emergency Calls Received	469,454
Cases Assigned Per Year	30,000



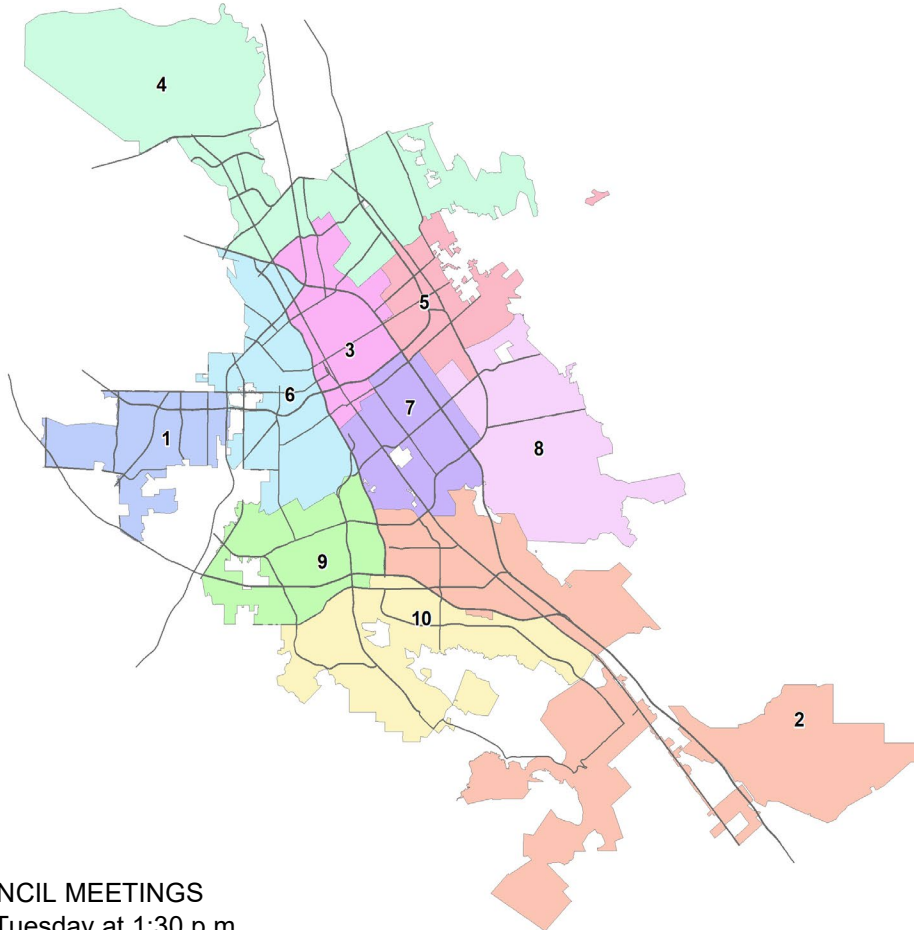
*Current Counts or 2023-2024 Year-End Estimates

¹² Data represents City services (excludes school data)

¹³ Out of 16 dogs mentioned, one (1) is designated as a therapy dog assigned to the Communications Unit.

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
ROSTER OF ELECTED OFFICIALS

CITY COUNCIL	DISTRICT	TELEPHONE	E-MAIL
Matt Mahan	Mayor	535-4800	<u>mayoremail@sanjoseca.gov</u>
Rosemary Kamei	1	535-4901	<u>district1@sanjoseca.gov</u>
Sergio Jimenez	2	535-4902	<u>district2@sanjoseca.gov</u>
Omar Torres	3	535-4903	<u>district3@sanjoseca.gov</u>
David Cohen	4	535-4904	<u>district4@sanjoseca.gov</u>
Peter Ortiz	5	535-4905	<u>district5@sanjoseca.gov</u>
Dev Davis	6	535-4906	<u>district6@sanjoseca.gov</u>
Bien Doan	7	535-4907	<u>district7@sanjoseca.gov</u>
Domingo Candelas	8	535-4908	<u>district8@sanjoseca.gov</u>
Pam Foley	9	535-4909	<u>district9@sanjoseca.gov</u>
Arjun Batra	10	535-4910	<u>district10@sanjoseca.gov</u>



CITY COUNCIL MEETINGS

- Every Tuesday at 1:30 p.m.
- Evening meetings at 6:00 p.m. in addition to the afternoon meeting twice a month, as listed in the approved City Council Meeting Schedule.
- Closed sessions every Tuesday at 9:30 a.m.
- No meetings are held in July when the City Council is in recess.

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET

STATE AND LOCAL LEGISLATIVE HIGHLIGHTS

Following is a list of significant State and local voter-approved initiatives.

2020s Initiatives

Measure I was placed on the ballot by the City Council. It amended the City Charter to (1) add the City’s Ethics and Elections Commission (Board of Fair Campaign and Political Practices) to the charter; (2) remove requirements that members of the Planning, Civil Service, and Salary Setting Commissions be electors and/or citizens; (3) remove gender-specific language; and (4) require the City Council to adopt equity values, standards and assessments in making certain decisions. Measure I was approved by the voters in November 2022.

Measure B was placed on the ballot by the City Council. It amended the City Charter to (1) move the mayoral election from the gubernatorial election cycle to the presidential election cycle beginning in 2024 and (2) to limit the person elected to the Office of the Mayor in 2022 to a two-year term with the option to run for the Office of Mayor and serve as such for two additional successive four-year terms. Measure B was approved by the voters in June 2022.

Measure G was placed on the ballot by the City Council. It amended the San José City Charter to expand the Independent Police Auditor’s oversight, including review of officer-involved shootings and use of force incidents causing death or great bodily injury, review of department-initiated investigations against officers, and other technical amendments; increase the Planning Commission to 11 members with the City Council appointing one member from each Council District and one “at-large” member; and allow the City Council to establish timelines for redistricting when Census results are late. Measure G was approved by the voters in November 2020.

Measure H, Cardroom Tax, was placed on the ballot by the City Council. It amended the San José Municipal Code to increase the cardroom tax on the gross revenues of cardrooms, add a new tax on the gross revenues of third-party providers of proposition player services, and increase the number of card tables. The increased tax imposed on the cardrooms and the new tax imposed on third-party providers of proposition player services are general taxes. The revenues received from these taxes may be used for general governmental purposes. Measure H was approved by the voters in November 2020.

Measure E, Real Property Transfer Tax, was placed on the ballot by the City Council. It amended the San José Municipal Code to enact a tax on the transfer of any real property valued over \$2 million, subject to a CPI adjustment every five years. While the revenue is deposited into the General Fund and may be used for any City purpose, City Council Policy 1-18 allocates this funding for affordable housing, homelessness prevention, and homeless support. Measure E was approved by the voters in March 2020.

2010s Initiatives

Measure S, Construction Contract Procurement Modernization, was placed on the ballot by the City Council. It allowed the City to amend the City Charter to modify construction contract procurement and the bidding process. Measure S was approved by the voters in November 2018.

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET

STATE AND LOCAL LEGISLATIVE HIGHLIGHTS

Measure T, Disaster Preparedness, Public Safety, and Infrastructure Bond, was placed on the ballot by the City Council. It authorized the issuance of up to \$650 million in general obligation bonds to upgrade 9-1-1 communications, police, fire, and paramedics facilities to improve emergency disaster response; repair deteriorating bridges vulnerable to earthquakes; repave streets and potholes in the worst condition; prevent flooding and water quality contamination; and repair critical infrastructure. Measure T was approved by the voters in November 2018.

Measure U was placed on the ballot by the City Council. It allowed the City Charter to be amended to remove the City Council from voting on their own salaries, require the Salary Setting Commission to adjust the base salaries for the Mayor and City Council once every five years, and limit base salary increases after each five-year adjustment to annual adjustments for inflation based on the Consumer Price Index. Additionally, Measure U amended the City Charter to align with State Law, allowing Council to submit an alternative measure to a citizen initiative. Measure U was approved by the voters in November 2018.

Measure C, an Act to Limit Urban Sprawl and the Fiscal and Environmental Effects of Specified Development in Outlying Areas, was placed on the ballot by the City Council. This measure restricts the development of non-employment uses on designated lands in outlying areas near San Jose's Urban Growth Boundary, including Almaden Valley, Coyote Valley, and Evergreen Foothills, unless City Council determines such development will not adversely affect the City financially, will satisfy increased affordable housing requirements, and will mitigate environmental impacts, and pay appropriate fees for road improvements to address traffic impacts. Measure C was approved by the voters in June 2018.

Proposition 64 legalized recreational marijuana for persons aged 21 years or older under state law. Effective January 1, 2018, Proposition 64 allowed for the sale and taxation of recreational marijuana. Proposition 64 was approved by California voters in November 2016.

Measure E, Opportunity to Work, a citizen initiative measure, amended the San José Municipal Code to require employers to offer additional work hours to existing qualified part-time employees before hiring new employees, including sub-contractors and use of temporary staffing services. The requirement to offer additional work hours does not apply where the existing qualified part-time employees would be paid overtime or other premium rate under any law or collective bargaining agreement. Measure E was approved by the voters in November 2016.

Measure F, Alternative Pension Reform Act, was placed on the ballot by the City Council. It amended the San José City Charter to change employee retirement contributions and benefits and retiree healthcare benefits. This measure superseded the Measure B modifications approved by the voters in 2012 and included the following components: retirement benefits for Tier 2 members were improved to levels similar to other Bay Area agencies and the costs of the benefit will be shared 50/50 between the City and employees; the defined benefit retiree healthcare plan was closed to new members; Tier 1 employees who return after leaving the City will be Tier 1 employees; the pre-Measure B definition of disability was reinstated; an independent medical panel will be created to determine eligibility for disability retirements; the elimination of the Supplemental Retiree Benefit Reserve will continue and it will be replaced with a Guaranteed Purchasing Power benefit to protect retirees against inflation; both the City and employees will be required to make the full annual required

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET

STATE AND LOCAL LEGISLATIVE HIGHLIGHTS

plan contributions calculated by the applicable retirement board; voter approval is required for any future enhancements to defined retirement benefits; and retroactive benefit enhancements are prohibited. Measure F was passed by the voters in November 2016.

Measure G, Business Tax Modernization, was placed on the ballot by the City Council. It enacted an ordinance to revise San José's 1986 Business Tax. Effective July 1, 2017, the revised ordinance 1) increases the minimum base tax; 2) requires payment of the minimum base tax by all businesses; 3) sets graduated rates for businesses with more employees paying higher rates and residential and commercial landlords paying more per unit, lot, and square feet of leased space; 4) requires water companies to pay an amount per San José meter connection; and 5) raises the annual caps on the maximum amount of tax payable. Where a business owes the tax based on both its number of employees and leased number of units, lots, or square feet, the business is required to pay the higher of the two calculations. The revised ordinance also provides for an annual adjustment for inflation based on a consumer price index beginning on July 1, 2018, subject to specified limits. Measure G was approved by the voters in November 2016.

Measure B, Local Sales Tax, enacted a ¼ percent sales tax in San José beginning October 1, 2016 for 15 years to fund essential City services, such as: improving public safety (e.g., additional police officers to improve emergency response times, reduce violent and non-violent crimes, increase neighborhood patrols, and increase fire resources to improve fire and emergency medical response times); maintaining and repairing major streets (e.g., increase pavement maintenance funding for major streets to significantly slow the incidence of pothole formation and general pavement deterioration); and increasing neighborhood services (e.g.,

additional resources for reducing homelessness, increasing youth and senior services, and other high priority neighborhood services, such as blight eradication and gang prevention). Measure B was passed by the voters in June 2016.

Measure B, Library Parcel Tax, authorized the collection of a parcel tax to enhance the City's library services and facilities. The tax is collected twice per year on each parcel of real property and deposited into the Library Parcel Tax Fund. All proceeds, including interest, must be expended for Library purposes. Measure B was approved by voters in 2014 and will sunset in 2039. This measure follows two prior voter approved measures to support library services. In November 1994, voters approved Measure E (sunset in 2005), and in November 2004 voters approved Measure S (sunset in 2015).

Measure D requires the payment of minimum wages in San José at \$10 per hour with an annual increase, if any, based on the Consumer Price Index beginning January 1, 2014; City enforcement through fines, penalties, civil actions, or revocation or suspension of permits or licenses; voter approval of substantive changes to the ordinance; and allows private enforcement through civil actions. Measure D was passed by the voters in 2012.

Measure B allowed the City Charter to be amended to modify retirement benefits of City employees and retirees by increasing employees' contributions, establishing a voluntary reduced pension plan for current employees, establishing pension cost and benefit limitations for new employees, modifying disability retirement procedures, temporarily suspending retiree Cost of Living Adjustments during emergencies, and requiring voter approval for increases in future pension benefits. This Measure was superseded by Measure F in November 2016. Measure B was passed by the voters in 2012.

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET

STATE AND LOCAL LEGISLATIVE HIGHLIGHTS

Measure K increased the Cardroom Tax rate on gross revenues from 13% to 15%, allowed each cardroom to seek City approval to increase the number of tables from 40 to 49, removed the limit on the number of permissible card games to allow any card game permissible under State law consistent with City regulations, and increased the betting limit from \$200 to that allowed under State law. Measure K was passed by the voters in 2010.

Measure U allowed the City Council to impose a business tax on marijuana businesses in San José at a rate of up to 10% of gross receipts. The revenues from the marijuana business tax are subject to an annual audit. Measure U was passed by the voters in 2010.

Measure V changed the mandatory arbitration process regarding the selection of the Chair of the Board and required all hearings and documents submitted in arbitration to be accessible to the public. Further, it requires that the Arbitration Board consider the City's financial condition and ability to pay; provide consideration to the rate of increase or decrease of compensation approved by the City Council for other bargaining units; be precluded from rendering a decision or issuing an award that increases the projected cost of compensation at a rate that exceeds the rate of increase in certain revenues, retroactively increases or decreases compensation, creates a new or additional unfunded liability, or interferes with the discretion of the Police or Fire Department to make managerial, operational, or staffing decisions. Measure V was passed by the voters in 2010.

Measure W allowed the City Council to adopt an ordinance to exclude future City officers and employees from any existing retirement plans or benefits and establish retirement plans for future employees that do not provide for the current minimum requirements set forth in the San José City

Charter. Measure W was passed by the voters in 2010.

Proposition 22 reduces or eliminates the State's authority to delay or redirect the distribution of tax revenues for transportation, redevelopment, or local government projects and services, even during periods of severe fiscal hardship. The proposition requires the State Controller to reimburse local governments or accounts if a court rules that the State violated a provision of Proposition 22. Proposition 22 was passed by the voters in 2010.

Proposition 26 requires that certain State fees be approved by a two-thirds vote of the State legislature and certain local fees be approved by two-thirds of voters. The proposition broadened the definition of a State or local tax to include some fees and charges that governments previously could impose with a majority vote. Proposition 26 was passed by the voters in 2010.

2000s Initiatives

Measure J replaced the Emergency Communication System Support Fee of \$1.75 per telephone line per month with a tax of \$1.57 per telephone line per month. The City ceased collecting the fee and began collecting the tax on April 1, 2009. The tax is collected from telephone users on their phone bills. Exemptions to the tax include low-income seniors and disabled persons who receive lifeline telephone service. Measure J was passed by the voters in 2008.

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET

STATE AND LOCAL LEGISLATIVE HIGHLIGHTS

Measure K reduced the telephone utility rate from 5.0% to 4.5% (10% reduction) in San José. This measure broadened the base for the utility tax and the definition of technologies covered by the tax. The utility company collects the tax from consumers on a monthly basis and is required to remit the tax to the City by the 25th of the following month. The tax is not applicable to State, County, or City agencies. Measure K was passed by the voters in 2008.

Proposition 1A prohibits the State from reducing local governments' property tax revenue. The provisions may be suspended only if the governor declares a fiscal necessity and two-thirds of the State legislature approves the suspension. Suspended funds must be repaid within three years. Proposition 1A also requires local sales tax revenues to remain with local governments and for the State to fund legislative mandates. Proposition 1A was passed by the voters in 2004 and became effective in 2006.

Measure A, the Airport Security and Traffic Relief Act, authorized the City to implement infrastructure improvements at the Airport to meet federally mandated security requirements, improve passenger facilities, and add nine new gates once the Airport street system is within three years of completion and funding has been identified for the implementation of the Airport People Mover transit connection. Measure A was passed by the voters in 2003.

Measure O authorized the issuance of a \$159 million general obligation bond (Neighborhood Security Act Bond Measure) to improve San José's fire, police, and paramedic response times by adding and improving fire stations, police stations, and training facilities and creating state-of-the-art 9-1-1 communications facilities. Measure O was passed by the voters in 2002.

Measure K approved an update to San José's General Plan to modify greenline/urban boundaries. Measure K was passed by the voters in 2000.

Measure O authorized the issuance of \$212 million in bonds over 10 years for the establishment of six new and 14 expanded branch libraries in San José. Measure O was passed by the voters in 2000.

Measure P authorized the issuance of \$228 million in general obligation bonds for the establishment of new and improved existing public parks and facilities in San José. Measure P was passed by the voters in 2000.

1990s Initiatives

Measure I authorized the construction of a new City Hall, located in downtown San José. Measure I was passed by the voters in 1996.

Proposition 218 extended the two-thirds majority vote requirement for any new user fees or new taxes to be levied at the local level. Assessments, fees, and charges must be submitted to property owners for approval or rejection after notice and public hearing. Proposition 218 was passed by the voters in 1996.

Proposition 172 enacted a half-cent sales tax increase. Monies derived from this tax must be utilized solely for public safety services. Revenue is distributed to cities and counties for purposes such as police, sheriffs, fire, district attorneys, and corrections. Proposition 172 was passed by the voters in 1993.

Measure I established term limits for the City. City Council members and the mayor can only serve for two successive four-year terms in office. Measure I was passed by the voters in 1990.

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET

STATE AND LOCAL LEGISLATIVE HIGHLIGHTS

Proposition 8 allowed a property owner to file an assessment appeal when the market value of the property is less than the current assessed value. If the appeal is successful, the assessed valuation is lowered to reflect current market conditions. Proposition 8 also provided that the value of reassessed properties may be increased to previous levels when market values increase. Proposition 8 was passed by the voters in 1990.

Proposition 111 enacted a state-wide traffic congestion relief program and changed the procedures for calculating the Gann Limit by updating the spending limit on state and local government to better reflect the needs of a growing California population. It provided new revenues to reduce traffic congestion by building state highways, local streets and roads, and public mass transit facilities. Proposition 111 was passed by the voters in 1990.

1980s Initiatives

Measure C authorized the City to use public funds to build low-rent housing. Measure C was passed by the voters in 1988.

Measure H authorized the City to build a sports arena, currently known as the SAP Center at San José. Measure H was passed by the voters in 1988.

Measure J clarified the City Auditor's investigatory powers, create an independent Policy Analyst to review administration recommendations, increased the Mayor and City Council's investment in administrative oversight and budgeting, instruct the Salary Setting Commission to consider the full-time nature of Council positions, and transfer the Public Information Officer to the Mayor's Office. Measure J was passed by the voters in 1986.

1970s Initiatives

Proposition 4, otherwise known as the "Gann Limit," stipulated that the City must compute an annual appropriations limit, which places a ceiling on the total amount of tax revenues the City can appropriate annually. The limit is adjusted each year using the following criteria: (1) the percentage change in California Per Capita Income or the change in the City's Assessed Valuation due to new non-residential construction, whichever is greater and (2) the percentage change in the city-wide population, whichever is greater. Proposition 4 was passed by the voters in 1979.

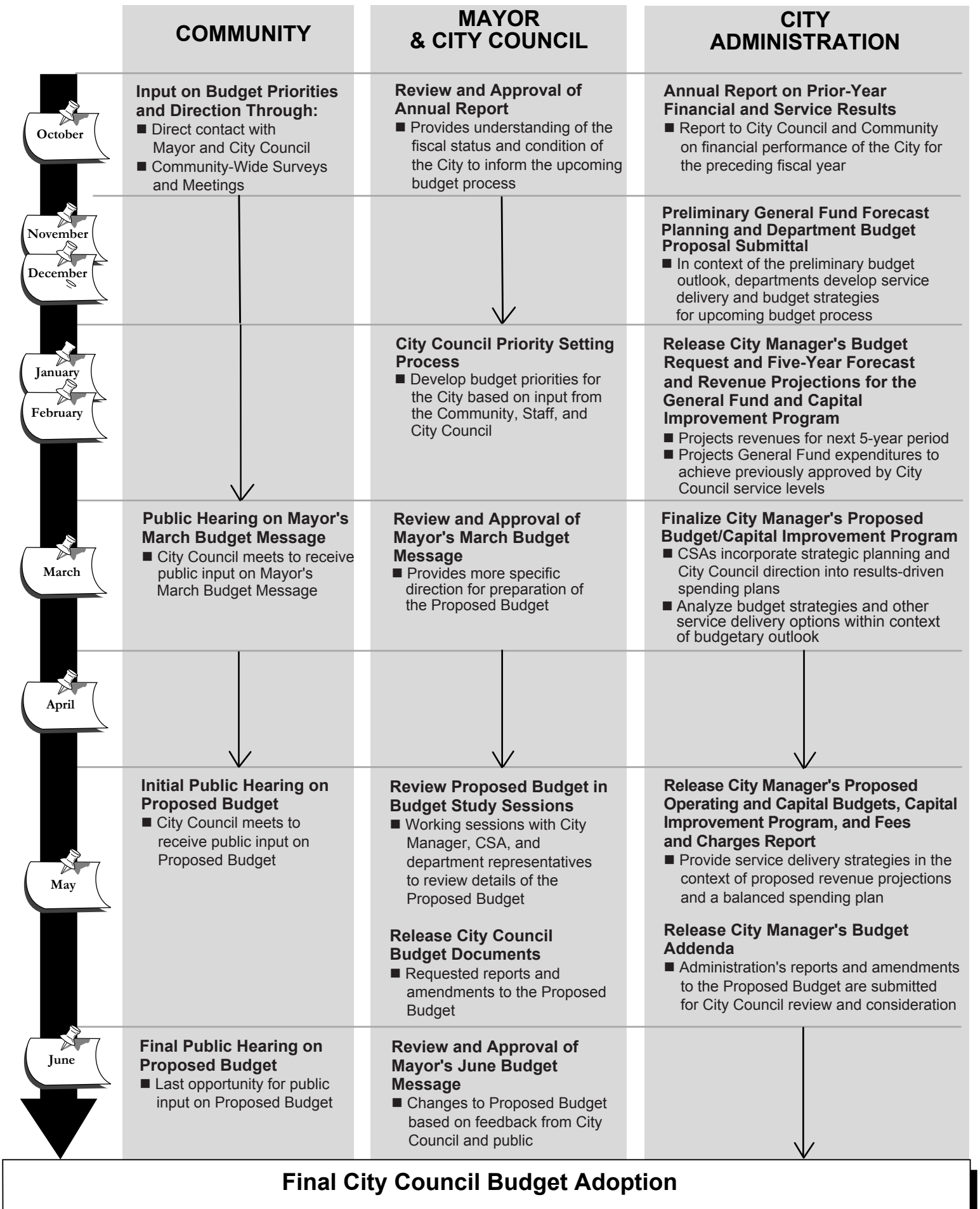
Proposition 13 placed a substantial limitation on the ability of local governments to collect sufficient property taxes commensurate with the historical role this revenue source has played in funding both municipal operations and new public facilities. Proposition 13 specified that an assessed value may increase at the rate of the Consumer Price Index, not to exceed two percent per year based on the 1979 value, unless the property is improved or sold aligning the newly assessed value to the market value. Proposition 13 was passed by the voters in 1979.

1890 – 1970 Initiatives

1965 – Passed by the voters in 1965, the City Charter reaffirms the Council-Manager form of government in San José. The City consists of 10 council members elected by district and a mayor elected at large.

1897 – The City Charter was adopted in 1897. The Charter generally establishes the organization and structure of City government. The Charter also empowers the City Council to make and enforce all ordinances and regulations with respect to municipal affairs, subject only to the limitations specified in the Charter.

CITY OF SAN JOSE ANNUAL BUDGET PROCESS



CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
CITY ORGANIZATION BY CITY SERVICE AREA

Community and Economic Development

Economic Development and Cultural Affairs
 Arts and Cultural Development
 Business Development and Economic Strategy
 Real Estate Services
 Regional Workforce Development

Fire
 Fire Safety Code Compliance

Housing
 Affordable Housing Portfolio Management
 Housing Production and Preservation
 Neighborhood Investments
 Rent Stabilization and Tenant Protections

Planning, Building and Code Enforcement
 Citywide Land Use Planning
 Development Plan Review and Building Construction

Public Works
 Regulate/Facilitate Private Development

Environmental and Utility Services

Energy Department
 Providing Clean Energy to the Community
 Energy Customer Support
 Energy Community Programming

Environmental Services
 Potable Water Delivery
 Recycled Water Management
 Recycling and Garbage Services
 Stormwater Management
 Sustainability and Environmental Health
 Wastewater Management

Transportation
 Sanitary Sewer Maintenance
 Storm Sewer Maintenance

Neighborhood Services

Housing
 Homelessness Response and Solutions

Library
 Access to Information, Library Materials, and Digital Resources
 Literacy and Learning, Formal and Lifelong Self-Directed Education

Parks, Recreation and Neighborhood Services
 Community Facilities Development
 Community Services
 Parks Maintenance and Operations
 Recreation Services

Planning, Building and Code Enforcement
 Code Enforcement

Public Works
 Animal Care and Services

Public Safety

City Manager
 City-Wide Emergency Management

Fire
 Emergency Response
 Fire Prevention

Independent Police Auditor
 Independent Police Oversight

Police
 Crime Prevention and Community Education
 Investigative Services
 Regulatory Services
 Respond to Calls for Service and Patrol Support

Transportation and Aviation Services

Airport
 Airport Marketing and Communications
 Airport Facilities
 Airport Operations

Transportation
 Parking Services
 Pavement Maintenance
 Street Landscape Maintenance
 Traffic Maintenance
 Transportation Planning and Project Delivery
 Transportation Safety and Operations

Strategic Support

<p>Finance Debt and Treasury Management Disbursements Financial Reporting Purchasing and Risk Management Revenue Management</p> <p>Human Resources Employee Benefits Employment Services Health and Safety Training and Development</p>	<p>Information Technology Business Solutions San José 311 Technology Infrastructure and Operations</p> <p>Public Works Facilities Management Fleet and Equipment Services Plan, Design, and Construct Public Facilities and Infrastructure</p>
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Mayor, City Council, and Appointees

<p>Mayor and City Council City Council Council General Office of the Mayor</p> <p>City Attorney Legal Services</p> <p>City Auditor Audit Services</p>	<p>City Clerk City Clerk Services</p> <p>City Manager Lead and Manage the Organization</p> <p>Retirement Services Retirement Plan Administration</p>
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CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET

**CITY ORGANIZATION BY DEPARTMENT/
CITY SERVICE AREA/CORE SERVICE/PROGRAM**

Airport
Transportation and Aviation Services CSA Airport Marketing and Communications Airport Marketing and Communications Airport Facilities Airport Facilities Administration Airport Facilities Parking and Roadways Maintenance Airport Planning and Capital Development Airport Terminals Maintenance Airside Maintenance Airport Operations Airport Parking and Roadways Operations Airside Operations Operations Administration Terminals Operations Strategic Support*

City Manager
Public Safety CSA City-Wide Emergency Management Emergency Management Emergency Preparedness and Planning Strategic Support CSA Lead and Manage the Organization Administration, Policy, and Intergovernmental Relations Budget Office Civic Innovation Communications Employee Relations Executive Leadership/City Management Racial Equity Strategic Support*

City Attorney
Strategic Support CSA Legal Services Legal Representation Legal Transactions Strategic Support*

Energy
Environmental and Utility Services CSA Providing Clean Energy to the Community Energy Conventional Energy Supply Energy Hydro Power Supply Energy Power Scheduling and Other Supply Energy Regulatory Compliance Energy Renewable Energy Supply Energy Risk Management Energy Customer Support Energy Data and Call Center Management Energy Marketing and Public Affairs Energy Community Programming Local Energy Programs Strategic Support*

City Auditor
Strategic Support CSA Audit Services Performance Audits Strategic Support*

City Clerk
Strategic Support CSA City Clerk Services Facilitate the City's Legislative Process Strategic Support*

Economic Development and Cultural Affairs
Community and Economic Development CSA Arts and Cultural Development Arts and Cultural Development Administration Convention and Visitors Bureau Cultural Grants Cultural Facilities Operations and Maintenance Outdoor Events Public Art/Placemaking Business Development and Economic Strategy Business District Management Business Outreach and Assistance Development Attraction and Facilitation Downtown Management Economic Policy Analysis/Communications Real Estate Services City Lease Administration City Property Acquisition and Sales Regional Workforce Development Workforce Development Services Workforce Innovation and Opportunity Act Board Support and Administration Strategic Support*

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET

**CITY ORGANIZATION BY DEPARTMENT/
CITY SERVICE AREA/CORE SERVICE/PROGRAM**

Environmental Services

Environmental and Utility Services CSA

Potable Water Delivery

Municipal Water System Operations and Maintenance
Municipal Water System Planning and Capital Project
Delivery

Recycled Water Management

South Bay Water Recycling Operations and
Maintenance

Recycling and Garbage Services

Civic/Other Solid Waste Collection Services
Commercial Solid Waste Collection Services
Recycling and Garbage Services Administration
Residential Solid Waste Collection Services

Stormwater Management

Stormwater Administration
Stormwater Enforcement
Stormwater Policy and Compliance

Sustainability and Environmental Health

Environmental Compliance and Safety
Policy, Legislative Advocacy, and Education

Wastewater Management

Facility Land Use and Planning
Laboratory Services
Pretreatment
Regulatory Compliance and Safety
San José-Santa Clara Treatment Plant Capital Project
Delivery
San José-Santa Clara Treatment Plant Operations and
Maintenance

Strategic Support*

Finance

Strategic Support CSA

Debt and Treasury Management

Banking Management
Cashiering and Payment Processing
Debt Management
Investment Management

Disbursements

Accounts Payable
Payroll

Financial Reporting

General Accounting
Special Accounting

Purchasing and Risk Management

Purchasing
Risk Management

Revenue Management

Accounts Receivable
Business Tax
Revenue Audit and Compliance
Utility Billing System

Strategic Support*

Fire

Public Safety CSA

Fire Department Emergency Response

Fire and Emergency Medical Services Dispatch
Fire and Emergency Medical Services Response
Fire Stations/Apparatus Operations and Maintenance
Fire Sworn Training
Special Operations Airport Rescue & Fire Firefighting
Special Operations - Hazardous Incident Team
Special Operations - Urban Search and Rescue

Fire Prevention

Fire Cause Investigation
Fire Safety Education, Review, and Inspections

Strategic Support*

Community and Economic Development CSA

Fire Safety Code Compliance

Fire Development Services

Strategic Support*

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET

**CITY ORGANIZATION BY DEPARTMENT/
CITY SERVICE AREA/CORE SERVICE/PROGRAM**

Housing

Community and Economic Development CSA
Affordable Housing Portfolio Management
Loan Collections
Loan Compliance
Property Maintenance and Inspection
Housing Production and Preservation
Affordable Housing Development Loans
Homeownership Opportunities
Inclusionary Housing
Rehabilitation Loans and Grants
Permanent Supportive Housing
Neighborhood Investments
Community Development Block Grant -
Infrastructure Investments
Neighborhood Stabilization
Non-Profit Service Grants to Support Housing and
Community Development Needs
Place-Based Neighborhood Strategy
Rent Stabilization and Tenant Protections
Apartment Rent Ordinance Administration
Mobilehome Rent Ordinance Administration
Neighborhood Services CSA
Homelessness Response and Solutions
Homeless Administrative Support
Congregate Shelter
Interim Housing Construction and Operations
Homeless Hygiene and Meals
Homeless Supportive Services
Homeless Prevention, Shelter Diversion and Rental
Assistance
Homeless Outreach and Engagement
Rapid Rehousing
Strategic Support*

Human Resources

Strategic Support CSA
Employee Benefits
Deferred Compensation
Dental Benefits
Medical Benefits
Other Benefits
Employment Services
Classification Services
Recruiting/Hiring
Health and Safety
Employee Health Services
Employee Safety
Workers' Compensation Administration
Training and Development
Employee Training and Development
Strategic Support*

Independent Police Auditor

Public Safety CSA
Independent Police Oversight
Oversight of Police Misconduct Complaints and Public
Outreach
Strategic Support*

Information Technology

Strategic Support CSA
Business Solutions
Advanced Applications and Services
Data Services
Enterprise Resource Management
Productivity and Collaboration Applications
San José 311
City Customer Contact Center
Technology Infrastructure and Operations
Cybersecurity Office
IT Customer Care
IT Systems and Operation
Voice and Data Network Infrastructure
Strategic Support*

Library

Neighborhood Services CSA
**Access to Information, Library Materials, and Digital
Resources**
Access and Borrower Services
Electronic Resources Implementation and Maintenance
Library Facilities and Security
Main Library Operations
Materials Acquisitions and Processing
**Literacy and Learning, Formal and Lifelong Self-
Directed Education**
Early Education and Family Learning
Partners in Reading/Adult Literacy
Strategic Support*

Mayor and City Council

Strategic Support CSA
City Council
Council General
Office of the Mayor

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET

**CITY ORGANIZATION BY DEPARTMENT/
CITY SERVICE AREA/CORE SERVICE/PROGRAM**

Parks, Recreation, and Neighborhood Services

Neighborhood Services CSA

Community Facilities Development

- Major Capital Improvement Projects Management
- Minor Parks Capital Improvement Projects

Community Services

- Anti-Graffiti & Anti-Litter
- Encampment Management
- Illegal Dumping and Homeless Encampment Trash Collection and Abatement Services
- Neighborhood Blight Reduction and Beautification
- Youth Gang Prevention and Intervention

Parks Maintenance and Operations

- Family Camp
- Happy Hollow Park & Zoo
- Municipal Golf Courses
- Neighborhood Parks and Regional Parks
- Park Rangers
- Parks Administration
- Sports Fields Maintenance & Reservations
- Volunteer, Adopt a Park, and Community Gardens

Recreation Services

- Aquatics
- Community Center Operations
- Neighborhood Center Partners Program
- Park Activation/Placemaking
- Recreation Administration (includes Youth Commission)
- Senior Services
- Youth Services

Strategic Support*

Planning, Building and Code Enforcement

Community and Economic Development CSA

Development Plan Review and Building Construction

- Building Development Services
- Development Services Administration
- Planning Development Services

Citywide Land Use Planning

- Citywide Planning
- Planning Administration
- Planning Environmental Review and Historic Preservation

Strategic Support*

Neighborhood Services CSA

Code Enforcement

- Code Enforcement Administration
- Community Code Enforcement
- Multiple Housing Code Enforcement
- Solid Waste Code Enforcement

Strategic Support*

Police

Public Safety CSA

Crime Prevention and Community Education

- Crime Prevention
- School Liaison/Truancy Abatement
- School Safety

Investigative Services

- Assaults
- Court Liaison
- Crime Analysis
- Family Violence
- Financial Crimes/Burglary
- Gang Investigations
- Homicide/Crime Scene
- Internal Affairs
- Investigations Administration
- Juvenile/Missing Persons
- Robbery
- Sexual Assaults
- Special Investigations

Regulatory Services

- Cannabis Regulation
- Gaming
- Permits

Respond to Calls for Service and Patrol Support

- 9-1-1 Call Taking & Police Dispatch
- Air Support
- Airport Division
- Downtown Services
- Field Operations Administration
- Field Patrol
- Metro
- Police - Reserves Unit
- Special Operations
- Traffic Enforcement
- Violent Crimes Enforcement

Strategic Support*

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
**CITY ORGANIZATION BY DEPARTMENT/
CITY SERVICE AREA/CORE SERVICE/PROGRAM**

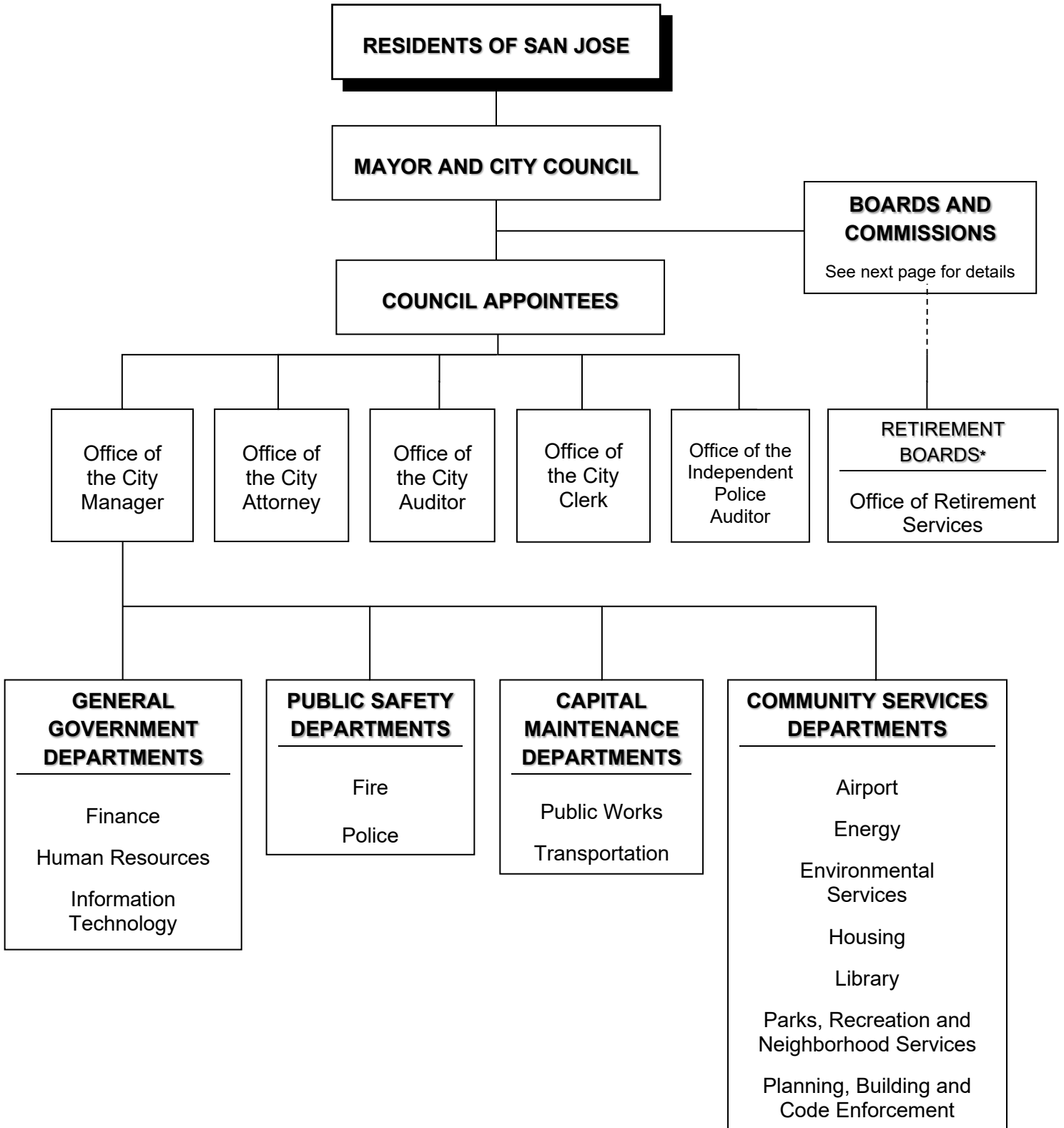
Public Works
Neighborhood Services CSA
Animal Care and Services
Animal Licensing and Customer Services
Animal Services Field Operations
Strategic Support*
Community and Economic Development CSA
Regulate/Facilitate Private Development
Public Works Development Services
Strategic Support*
Strategic Support CSA
Facilities Management
City Facilities Repairs and Minor Capital Improvements
Energy and Water Conservation
Facility Maintenance and Operations - City Hall
Facility Maintenance and Operations – Non-City Hall
Fleet and Equipment Services
Fleet Maintenance and Operations
Fleet Replacement
Radio Communication
Plan, Design, and Construct Public Facilities and Infrastructure
City Facilities Architectural Services and Capital Project Administration
City Facilities Engineering and Inspection Services
Transportation and Storm Sewer Capital
Strategic Support*

Retirement Services
Strategic Support CSA
Retirement Plan Administration
Retirement Benefits
Retirement Investments
Strategic Support*

Transportation
Transportation and Aviation Services CSA
Parking Services
Off-Street Parking
On-Street Downtown Operations
On-Street Parking
Pavement Maintenance
Corrective Pavement Repair
Pavement Maintenance Administration and Capital Project Delivery
Street Landscape Maintenance
Special District Landscape Services
Streetscape Services
Traffic Maintenance
Traffic Signal Maintenance
Traffic Signs and Markings Maintenance
Traffic Streetlights Maintenance
Transportation Planning and Project Delivery
Transportation Capital Project Delivery
Transportation Multi-Modal Alternatives
Transportation Planning and Policy
Transportation Safety and Operations
Neighborhood Traffic
Traffic Safety
Traffic Signals and Systems Management
Strategic Support*
Environmental and Utility Services CSA
Sanitary Sewer Maintenance
Sanitary Sewer System Maintenance
Storm Sewer Maintenance
Storm Sewer Operation and Maintenance
Street Sweeping
Strategic Support*

* Strategic Support General Categories	
Strategic Support Emergency Response and Recovery Financial Management Human Resources Information Technology Management and Administration Strategic Support – Fund Balance & Reserves Ending Fund Balance Reserves	Strategic Support – Other Capital Debt/Financing Costs Gifts Other Departmental – Administration Other Departmental – City-Wide Other Departmental – Grants Overhead Transfers Workers' Compensation

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
CITY ORGANIZATION BY FUNCTION



*Federated City Employees Retirement System Board of Administration and Police and Fire Department Retirement Plan Board of Administration

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
BOARDS, COMMISSIONS AND COMMITTEES

Airport Commission
Appeals Hearing Board
Arts Commission
Bicycle Pedestrian Advisory Committee
Board of Fair Campaign and Political Practices
Charter Review Commission
Civil Service Commission
Clean Energy Community Advisory Commission
Climate Advisory Commission
Community Stabilization and Opportunity Pathways Fund Commission
Council Appointment Advisory Commission
Council Salary Setting Commission
Deferred Compensation Advisory Committee
Downtown Parking Board
Federated City Employees' Retirement Board
Historic Landmarks Commission
Housing and Community Development Commission
Innovation and Technology Advisory Board
Library and Education Commission
Measure T Community Oversight Committee
Oversight Board – RDA (SARA)
Parks and Recreation Commission
Planning Commission
Planning Director's Hearing
Police and Fire Department Retirement Board
Redistricting Commission 2020
San José Arena Authority
San Jose-Santa Clara Clean Water Financing Authority
San José Youth Empowerment Alliance
Small Business Development Commission
Small Business Advisory Committee
Senior Citizens Commission
Smart City Advisory Board
Station Area Advisory Group (SAAG)
Treatment Plant Advisory Committee (TPAC)
Voluntary Employees Beneficiary Association Advisory Committee
Work2Future Board
Youth Commission

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET

OPERATING BUDGET GUIDE

The Operating Budget document includes the **City Manager’s Budget Message**, outlining major policy issues and changes to City programs, including the General Fund Balancing Strategy Detail, status of Mayor and City Council referrals, and status of City Auditor recommendations with funding impact. The **Community Profile** section includes the roster of elected officials, as well as a listing of State and local legislative highlights. The **Budget Guide** section provides a flow chart of the City of San José’s annual budget process; City organization charts by City Service Area, Function, and Department/Core Service/Program; this operating budget guide; a list of boards, commissions, and committees; fund descriptions; a glossary of terms; and an acronyms index. **Summary Information** of expected revenues, expenditures and staffing is then presented, along with comparative five-year **History and Trend** information on revenues, expenditures, and staffing for the Adopted Budget. The **Budget Policies and Practices** section includes budgeting policies, a City Service Area policy framework, and significant accounting practices. The **General Fund Revenue Estimates** section contains assumptions used in budget development, as well as descriptions of major General Fund revenue sources. The remaining Operating Budget document is organized by the following sections as discussed below.

City Service Areas (CSAs) align services provided in individual departments into the City’s six key lines of business as viewed from the community’s perspective. A collection of core services from various partner departments, CSAs show the results of the collaboration among the departments at a higher organizational level:

- Community and Economic Development
- Environmental and Utility Services
- Neighborhood Services
- Public Safety
- Transportation and Aviation Services
- Strategic Support

Strategic Support represents functions that provide organization-wide guidance and support to enable the delivery of the City’s direct services.

As an introduction to the CSA section, an **Overview** of the CSA concept, structure, and role in strategic planning and cross-departmental management of service delivery is included. Also, a **City Service Area/Core Service Map** is provided.

CITY SERVICE AREAS (CSA)

Individual sections on each of the six CSAs follow. Each individual CSA section begins with a **Cover Page** that lists the **CSA Mission Statement, Outcomes, and Primary Partners**, followed by a **Service Delivery Framework** that maps the linkage between the CSA mission, outcomes, and core services. A **CSA Dashboard** highlights key performance measures for the CSA.

A **Budget Summary** follows, which includes the **CSA’s Expected 2024-2025 Service Delivery and 2024-2025 Key Budget Actions** for the next year, and a detailed **City Service Area Budget Summary**.

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET

OPERATING BUDGET GUIDE

CITY SERVICE AREAS (CSA)

The CSA Overview continues with the **Budget Dollars At Work: Performance Goals** section, which focuses on strategic goals and performance measures by outcome. A chart is displayed under each outcome outlining the current year, subsequent year, and five-year Strategic Goals and associated performance measures. The **Budget Changes** section provides a listing of actions including position and budget changes.

Public Safety and Community and Economic Development City Service Areas and the corresponding departmental Core Services, as well as the Housing Department's Homelessness Response and Solutions Core Service in the Neighborhood Services City Service Area, underwent a performance management modernization in 2023-2024. This initiative started in 2022-2023 and included modernizing the elements of the City Service Areas structure and the corresponding departmental Core Services performance measures and activity and workload highlights, as well as adding **Community Indicators** in the CSA section that informs the equity, efficiency, and effectiveness of the City's service delivery system. For 2024-2025, the remaining three City Service Areas (Environmental and Utilities Services, Transportation and Aviation Services, and Strategic Support) and those related departmental Core Services will undergo performance management modernization.

CITY DEPARTMENTS/COUNCIL APPOINTEES

Next, the **City Departments** section, organized alphabetically, reflects technical budget information for each department and provides a full description of budget changes. Each department section begins with a brief synopsis of the department, including the department's **Mission Statement**, listing of the **City Service Areas** supported by the department, and listing and description of the department's **Core Services**. A **Service Delivery Framework** follows, which maps the linkage between the department's **Core Services** and **Programs** and provides program descriptions.

This framework is followed by a **Department Budget Summary**, which includes a summary description of expected 2024-2025 service delivery, impacts of 2024-2025 key budget actions, and a list of operating funds managed by the department (if applicable). A table reflecting funding by core service, category, and funding source for four separate points in time: 2022-2023 Actual Expenditures, 2023-2024 Adopted Budget, 2024-2025 Forecast (Base Budget), and 2024-2025 Proposed Budget, follows. Starting in 2017-2018, the data included in this section has been expanded to include all operating costs managed by the department (e.g., City-Wide Expenses, debt service/financing costs) except Transfers, Reserves and Ending Fund Balances. Total Authorized Positions by Core Service are also provided. This section also includes a Dollars by Program that reflects the budget by Core Service and Budget Program.

Next, the **Budget Reconciliation** is presented, which reconciles the Personal Services and Non-Personal/Equipment budget from the 2023-2024 Adopted Budget to the 2024-2025 Proposed Budget. The significant Base Budget adjustments are described (such as negotiated salary and benefit changes and contractual obligations) from the prior year's Adopted Budget and a listing of Budget Actions for 2024-2025 is included.

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
OPERATING BUDGET GUIDE

CITY DEPARTMENTS/COUNCIL APPOINTEES

The details of **Budget Changes by Department** are provided next. Included for each change is a budget action title; the action’s impact on positions, all funds, and the General Fund; a list of the CSAs, core services and programs impacted; followed by a description of what will be added or deleted, the need for the change, and the amount and nature of the funding involved.

The **Performance Summary** charts are next. These charts present the measures and data used in evaluating core service results. Most core services include performance measures that describe expected results in four key measurement areas:



Quality – How well is the service doing what it is intended to do?



Cost – What resources are used to achieve results?



Cycle Time – Timeliness of service delivery.



Customer Satisfaction – How customers view the City’s service efforts.

As stated previously, some City Service Areas and associated departmental Core Services underwent a performance management modernization, which included the addition of these new key budget performance measure measurement areas:

Four Key Budget Performance Measure Measurement Areas			
Access - How well does a service enable access, participation, visitation, and usage? How well does the service lead to its intended outcome or opportunity pathway?	Customer Satisfaction - How well does a service meet customer needs? How well does a service resolve a customer’s problem? How well does a service deliver its intended experience for a customer?	Reliability and Responsiveness - How well does a service meet response time targets? How well does a service deliver resolution? How well does a service meet its efficiency goals?	Cost Effectiveness - How well does a service resource deliver its intended outcome? How well does a service resource deliver its intended output?

The **Activity and Workload Highlights** chart shows the scope and extent of the workload demand and the activities completed. For example, while the Performance Summary section focuses on percentages of workload accomplished successfully, the Activity and Workload Highlights section may provide a count of the total workload attempted/completed.

The City Departments section ends with a **Departmental Position Detail** that provides the authorized positions for the department and a one-year history of changes.

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET

OPERATING BUDGET GUIDE

CITY-WIDE

The next major section of the budget document includes technical budget information. **City-Wide Expenses** are General Fund allocations that relate to more than one department or are not directly associated with ongoing departmental operations. These expenses are categorized to align to the CSAs to which they primarily contribute. **General Fund Capital, Transfers, and Reserves** includes budget information regarding capital contributions, transfers to other funds, earmarked reserves, and the contingency reserve. Both the City-Wide Expenses and General Fund Capital, Transfers, and Reserves sections include a **Mission Statement**, listing of **City Service Areas** and **Expense Types** supported by these allocations, **Budget Summary**, **Budget Reconciliation**, **Budget Changes by Expense Type**, and **Detail of Costs Description** (a listing of all allocations for each Expense Type).

SOURCE AND USE OF FUNDS STATEMENTS

The **Source and Use of Funds Statements** detail projected revenues, expenditures, and fund balances and are included for all budgeted special funds.

APPENDICES

In the Proposed Budget, the appendices section includes the Mayor's March Message and the Community Development Block Grant (CDBG) Fund 2024-2025 Funding Allocation.

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
FUND DESCRIPTIONS

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.

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.

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, Self-Insured Medical 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 state grant monies received from the Department of Housing and Community Development under the Building Homes and Jobs Act (SB2).

Business Improvement District Fund

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

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
FUND DESCRIPTIONS

Cash Reserve Fund

In the City's Annual Comprehensive 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.

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.

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET

FUND DESCRIPTIONS

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.

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 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 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

This Special Revenue Fund accounts for funding authorized by the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act.

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.

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET

FUND DESCRIPTIONS

**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.

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.

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET

FUND DESCRIPTIONS

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 Homeless Housing, Assistance and Prevention grant funding from the State of California to address immediate homelessness challenges.

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 Expansion Bond Fund

This Capital Fund accounts for the lease revenue bond proceeds to fund costs related to the expansion of the Solar4America Ice Rink.

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.

Improvement District Fund

This Special Revenue 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.

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.

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET

FUND DESCRIPTIONS

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.

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
FUND DESCRIPTIONS

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.

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.

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
FUND DESCRIPTIONS

Real Property Transfer Tax Fund

This Special Revenue Fund accounts for revenues from a voter-approved ballot measure, Measure E, in March 2020 that passed a general purpose tax. While the revenues may be used for any City purpose, City Council Policy 1-18 allocates this funding for affordable housing, homelessness prevention, and homeless support.

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.

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 Opioid Response Fund

This Special Revenue Fund accounts for revenues from the State of California for the use of prevention, intervention, harm reduction, treatment, and recovery services in the community.

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET

FUND DESCRIPTIONS

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 Improvement Fund

This Capital Fund accounts for revenues from the sale of recycled water to South Bay Water Recycling (SBWR) retail customers and supports the expenditures for acquisition, construction, and installation of SBWR capital improvements.

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
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.

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET

FUND DESCRIPTIONS

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.

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.

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.

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
GLOSSARY OF TERMS

Accrual Basis

Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

Amortization

The process of spreading out the cost of an expense or investment over time.

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.

Audit

The methodical examination and verification of financial records, transactions, and processes to ensure accuracy, compliance with regulations, and proper use of funds.

Balanced Budget

Budgeted revenue levels are equivalent to budgeted expenditure levels, including use of reserves and fund balance.

Base Budget

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

Bonds

A written promise to pay a specified sum of money (called the face value or principal amount), at a specified date or dates in the future (called maturity dates) together with a periodic interest at a

specific rate. Used to secure funds for specific projects or expenses.

Capital Budget

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

Capital Expenditures

Expenditures to acquire, rehabilitate, or construct general fixed assets and major improvements.

Capital Improvement Program (CIP)

On December 18, 1986, the City Council, in order to delineate the purpose of the Five-Year Capital Improvement Plan, adopted the following definition: The Five-Year Capital Improvement Plan (Program) is a long-range study of financial wants, needs, expected revenues, and policy intentions. It provides the necessary information for prudent budget recommendations. It compares the organization's various needs over a period of five years with the various anticipated revenues and puts them into a single focus for analytical purposes. It is not law, such as an annual budget, but a planning tool that provides a collection of facts, trends, and suggestions to the City Administration and Council. After it is adopted by the City Council, it is a non-binding assertion of future intent only. However, when an appropriation for the annual capital budget is adopted as part of the regular budget, it represents the amount which will be used to implement part of the Program in the coming year.

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
GLOSSARY OF TERMS

Carryover

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

City Service Area (CSA)

City Service Areas integrate Core Services provided by individual departments into the City's key lines of business, as viewed from the community's perspective. CSAs enable the City to plan and show results of the collaboration among the departments at a higher organizational level. There are six CSAs, five of which deliver direct services (Community and Economic Development, Environmental and Utility Services, Neighborhood Services, Public Safety, and Transportation and Aviation Services). The sixth, Strategic Support, represents functions that provide guidance and support contributing to the delivery of direct services.

CSA Primary Partners

City departments with Core Services most directly responsible for overall CSA service delivery.

CSA Outcome

A desirable overall condition or "Picture of Success." At the CSA level, the specified outcomes are the "ends" toward which the plans, efforts, resources, and results of the CSA are directed.

Contingency Reserve

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

Contractual Services

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

Core Services

The City departments' key lines of business. Core Services produce the primary deliverables of a department.

Debt Service

The amount required to pay interest on and to retire the principal of outstanding debt. A complete discussion of the City's Debt Service Obligations as well as a description of its Debt Management Policy are included in the Budget Policies and Practices section.

Deficit

Occurs when expenditures exceed revenues, in a given period.

Encumbrance

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

Enterprise Fund

A fund, similar to those found in the private sector, structured to be revenue generating and self-supporting (e.g., utility, gas, airport, towing, etc.).

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
GLOSSARY OF TERMS

Fiduciary Fund

Used to account for assets held by a governmental unit in a trustee capacity and/or as an agent for individuals, private organizations, other governmental units, and/or other funds. Fiduciary Funds are classified as Pension Trust Funds, Private-Purpose Trust Funds, and Agency Funds.

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, which are not related to special or capital funds.

Governmental Fund

Typically used to account for governmental activities. Governmental Funds include the General Fund, Special Revenue Funds, Capital Project Funds, and Debt Service Funds.

Infrastructure Management System (IMS)

The City's computerized system used to identify the condition of streets, sewers, and other infrastructure, forecast maintenance needs, and project future replacement expenditures.

Mission

A unifying statement of why an organization exists.

Modified Accrual Basis

Revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the fiscal period.

Non-Personal/Equipment Expenses

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

Ongoing Cost/Savings

The 12-month value of partial year additions or reductions.

Operating Budget

An annual financial plan for the provision of direct services and support functions to the community. Per the City Charter, it shall begin with a clear general summary of its contents; shall show in detail all estimated income, including the amount proposed to be raised by property taxation, estimated unencumbered balances of funds to be carried over from the preceding year, estimated unencumbered available reserves, and all proposed expenditures, including debt service for the ensuing year.

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
GLOSSARY OF TERMS

Operational Services

Elements necessary to accomplish the Core Services of the organization; the “front line” of service delivery.

Overhead

Administrative costs associated with city-wide operations, which cannot be attributed to any specific department (such as Finance or Human Resources). These costs are subject to a city-wide overhead cost allocation plan to distribute costs on an equitable basis to departments and funds that are the beneficiaries of such expenses.

Performance Measure

Measures the results of services delivered to customers. Performance measures fall into the four Key Measurement Areas of Quality, Cost, Cycle Time, and Customer Satisfaction. Performance measures are developed at the CSA, Core Service, and Operational Service levels.

Performance Measure Goals and Targets

Quantitative benchmarks for each Performance Measure (PM). **PM Goals** represent the optimum performance level, or the long-range planned level of performance identified in the CSA Overview. **PM Targets**, for CSAs and departmental Core Services, represent the one-year performance level commitment, given allocated resources.

Personal Services

Salary and fringe benefit costs of City employees.

Program

A group of people working together to deliver a discrete service to identifiable users as part of an operational service.

Proprietary Fund

Used to account for services charged to external or internal customers through fees. Proprietary Funds are classified as either Enterprise Funds or Internal Service Funds. The City accounts for its airport, wastewater treatment, water supply, and parking management operations as Enterprise Funds. The City uses the Internal Service Funds to account for the employee benefits, cost for operating a vehicle maintenance facility, and the public works support program.

Rebudget

Unspent or 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

Funds, exclusive of the General Fund and capital funds, which are separately administered because they are associated with a distinct function or enterprise.

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET

GLOSSARY OF TERMS

Strategic Goals/Objectives

Represent elements or sub-elements of a strategic plan. The City's planned response to address service delivery needs and priorities. Strategic Goals and Objectives are guided by the related Outcomes, but represent only the City's contribution toward those Outcomes. Strategic Goals and Objectives also determine how the City's Core Services, Operational Services, and special projects should be aligned and directed toward producing the planned service delivery response.

Strategic Support

Includes various functions that support and/or guide delivery of direct services. Examples include financial and human resources administration, purchasing and training, as well as strategic leadership and policy development.

Successor Agency

Successor Agency to the former San Jose Redevelopment Agency, a public entity.

Transfers

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

Vision

A guiding statement describing a desirable future state toward which efforts should be directed. An effective vision statement inspires creativity while keeping an organization "on track" for the future by aligning its priorities.

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET

ACRONYMS INDEX

A	ADA	Americans with Disabilities Act
	AFR	Automated Field Reporting
	AIP	Airport Improvement Program
	ARFF	Airport Rescue and Fire Fighting
	ARP	American Rescue Plan
B	BACWA	Bay Area Clean Water Agencies
	BART	Bay Area Rapid Transit
	BD	Budget Document (Mayor/City Council)
C	C&C	Construction and Conveyance
	CAD	Computer-Aided Dispatch System
	CAFR	Comprehensive Annual Financial Report
	CAPS	City Administrative Project System
	CBO	Community-Based Organization
	CCF	Convention and Cultural Facilities
	CDBG	Community Development Block Grant
	CDDD	Construction and Demolition Diversion Deposit
	CDI	Community Development Improvements
	CDLAC	California Debt Limit Allocation Committee
	CED	Community and Economic Development CSA
	CEQA	California Environmental Quality Act
	CFC	Customer Facility Charges
	CIO	Chief Information Officer
	CIP	Capital Improvement Program
	CIWMB	California Integrated Waste Management Board
	CNEL	Community Noise Equivalent Level
	CNG	Compressed Natural Gas
	COPS	Citizens Option for Public Safety (State)
	CPE	Cost Per Enplaned Passenger
	CPMS	Capital Project Management System
	CSA	City Service Area
	CSMFO	California Society of Municipal Finance Officers
	CVB	Convention and Visitors Bureau
	CWFA	Clean Water Financing Authority
	D	DCAC
DMV		Department of Motor Vehicles
E	EUS	Environmental and Utility Services CSA
	EHS	Employee Health Services
	EIR	Environmental Impact Report
	EMS	Emergency Medical Services
	EOC	Emergency Operations Center
	EPA	Environmental Protection Agency

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET

ACRONYMS INDEX

F	FAA FCERS FEMA FEHA FF&E FMS FT FTE	Federal Aviation Administration Federated City Employee Retirement System Federal Emergency Management Agency Fair Employment and Housing Act Fixtures, Furnishings, and Equipment Financial Management System Full-Time Full-Time Equivalent
G	GAAP GASB GIS	Generally Accepted Accounting Principles Government Accounting Standards Board Geographic Information System
H	HBRR HHW HUD HVAC	Highway Bridge Replacement and Rehabilitation Program Household Hazardous Waste Housing and Urban Development Heating, Ventilation, and Air Conditioning
I	I&I IBS ICC ICMA IDC IMS IPA ITD ITI ITS IWM	Inflow and Infiltration Integrated Billing System International Code Council International City/County Management Association International Disposal Corporation Infrastructure Management System Independent Police Auditor Information Technology Department Industrial Tool Installation Intelligent Transportation System Integrated Waste Management
J		
K		
L	LED LEED LLEBG LOCC LOI LPT LRT	Light-Emitting Diode Leadership in Energy and Environmental Design Program Local Law Enforcement Block Grant League of California Cities Letter of Intent Library Parcel Tax Light Rail Transit

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET

ACRONYMS INDEX

M	MBA	Manager's Budget Addendum
	MCA	Master Contract Agreement
	MFD	Multi-Family Dwelling
	MGPTF	Mayor's Gang Prevention Task Force
	MMRS	Metropolitan Medical Response System
	MWS	Municipal Water System (San José)
N	NAC	Neighborhood Action Coalition
	NDC	Neighborhood Development Center
	NEPA	National Environmental Policy Act
	NIMS	National Incident Management System
	NPDES	National Pollutant Discharge Elimination System
	NS	Neighborhood Services CSA
O	O&M	Operations and Maintenance
	OBAG	One Bay Area Grant
	OED	Office of Economic Development and Cultural Affairs
	OES	Office of Emergency Services
	OSA	Open Space Authority
	OTS	Office of Traffic Safety
P	P&CFD	Parks and Community Facilities Development
	P&F	Police and Fire
	PAB	Police Administration Building
	PAC	Project Area Committee
	PBCE	Planning, Building and Code Enforcement
	PBID	Property and Business Improvement District Fund
	PCI	Pavement Condition Index
	PDO	Parkland Dedication Ordinance
	PFC	Passenger Facility Charge
	PG&E	Pacific Gas and Electric Company
	PIO	Park Impact Ordinance
	PLF	Public Library Fund
	PM	Performance Measure
	PMMS	Parks Maintenance Management System
	PMP	Parking Management Plan
	PMP	Plant Master Plan
	PS	Public Safety CSA
	PT	Part-Time
PWCAP	Public Works Cost Allocation Plan	
Q		

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET

ACRONYMS INDEX

R	RCTCF	Residential Construction Tax Contribution Fund
	RECS	Registration and E-Commerce System
	RFP	Request for Proposal
	RFQ	Request for Quote
	RLF	Revolving Loan Fund
	RMS	Records Management System
	RSBAP	Revised South Bay Action Plan
	RWF	Regional Wastewater Facility
	RWQCB	Regional Water Quality Control Board
S	SAFER	Staffing for Adequate Fire and Emergency Response
	SAN	Storage Area Network
	SARA	Successor Agency to the Redevelopment Agency of the City of San José, a public entity
	SBAP	South Bay Action Plan
	SBWR	South Bay Water Recycling
	SCADA	Supervisory Control and Data Acquisition
	SCBA	Self Contained Breathing Apparatus
	SCVWD	Santa Clara Valley Water District (now known as Valley Water)
	SDMS	Storm Drain Management System
	SERAF	Supplemental Education Revenue Augmentation Fund
	SFD	Single-Family Dwelling
	SJC	San José Mineta International Airport
	SJDA	San José Downtown Association
	SJMWS	San José Municipal Water System
	SJPD	San José Police Department
	SJRA	San José Redevelopment Agency
	SJSU	San José State University
	SRTF	Sunshine Reform Task Force
	SS	Strategic Support CSA
	SS&UC	Sewer Service and Use Charge
	SSMP	Sanitary Sewer Management Plan
	SSO	Sanitary Sewer Overflow
	STI	Special Tenant Improvements
	SUASI	Super Urban Area Security Initiative
	SV-ITS	Silicon Valley Intelligent Transportation Systems
	SVRIA	Silicon Valley Regional Interoperability Authority
	SVRCS	Silicon Valley Regional Communication System
	SVWIN	Silicon Valley Workforce Investment Network
	SWRCB	State Water Resources Control Board

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET

ACRONYMS INDEX

T	TAS	Transportation and Aviation Services CSA
	TMC	Transportation Management Center
	TLC	Technology Leadership Council
	TOT	Transient Occupancy Tax
	TSA	Transportation Security Administration
	TSJ	Team San José
U	UAAL	Unfunded Accrued Actuarial Liability
	UASI	Urban Area Security Initiative
	URMP	Urban Runoff Management Plan
	USGBC	United States Green Building Council
	USPTO	United States Patent and Trademark Office
	UUT	Utility Users Tax
V	VoIP	Voice over Internet Protocol
	VTA	Valley Transportation Authority (Santa Clara)
W	WEP	Water Efficiency Program
	WIB	Workforce Investment Board (work2future Board)
	WPCP	Water Pollution Control Plant (San José/Santa Clara) (name changed to San José/Santa Clara Regional Wastewater Facility)
X		
Y		
Z		

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET

TOTAL CITY SOURCE AND USE OF FUNDS

	<u>2022-2023</u> <u>Adopted</u>	<u>2023-2024</u> <u>Adopted</u>	<u>2024-2025</u> <u>Proposed</u>
GENERAL FUND			
Fund Balance			
Encumbrance Reserve	\$ 57,027,730	\$ 53,352,941	\$ 84,474,436
Carryover	507,133,721	629,626,855	96,871,142
Beginning Fund Balance	<u>564,161,451</u>	<u>682,979,796</u>	<u>181,345,578</u>
General Revenue			
Property Tax	427,000,000	460,400,000	492,000,000
Sales Tax	331,000,000	336,400,000	344,000,000
Transient Occupancy Tax	11,000,000	16,000,000	16,000,000
Franchise Fees	49,168,393	51,825,008	55,022,632
Utility Tax	107,450,000	126,550,000	136,000,000
Business Taxes	86,000,000	87,500,000	87,000,000
Real Property Transfer Tax	65,000,000	50,000,000	0
Telephone Line Tax	20,000,000	22,000,000	22,000,000
Licenses and Permits	20,993,100	22,005,622	22,179,390
Fines, Forfeitures, and Penalties	12,232,000	15,080,000	17,604,797
Fees, Rates, and Charges	23,914,232	22,372,680	26,740,860
Revenue from the Use of Money/Property	8,779,000	14,864,000	18,735,000
Revenue from Local Agencies	17,107,945	18,975,403	17,951,649
Revenue from the State of CA	26,889,687	22,110,719	29,100,000
Revenue from Federal Government	7,111,452	7,391,504	1,384,000
Other Revenue	16,823,368	10,257,667	9,050,067
Subtotal General Revenue	<u>1,230,469,177</u>	<u>1,283,732,603</u>	<u>1,294,768,395</u>
Transfers and Reimbursements			
Overhead Reimbursements	73,800,407	78,154,889	87,108,786
Transfers	31,962,064	29,782,087	32,678,526
Reimbursements for Services	16,296,377	17,831,102	19,227,186
Subtotal Transfers and Reimbursements	<u>122,058,848</u>	<u>125,768,078</u>	<u>139,014,498</u>
Total General Fund	<u>1,916,689,476</u>	<u>2,092,480,477</u>	<u>1,615,128,471</u>
Less Transfers, Loans, and Contributions	<u>(198,460,534)</u>	<u>(218,438,741)</u>	<u>(177,667,264)</u>
NET GENERAL FUND TOTAL	\$ 1,718,228,942	\$ 1,874,041,736	\$ 1,437,461,207
SPECIAL FUNDS			
Affordable Housing Impact Fee Fund	16,403,489	16,041,355	4,769,050
Airport Customer Facility and Transportation Fee Fund	24,380,612	32,917,906	40,147,607
Airport Fiscal Agent Fund	121,151,014	146,227,830	152,667,041
Airport Maintenance and Operation Fund	155,736,961	168,893,547	181,155,462
Airport Revenue Fund	288,018,382	351,822,651	358,570,888
Airport Surplus Revenue Fund	83,704,771	54,291,196	54,873,403
American Rescue Plan Fund	88,854,302	0	0
Benefit Funds - Benefit Fund	87,360,211	93,217,184	105,152,001
Benefit Funds - Dental Insurance Fund	19,392,047	15,870,629	17,267,026
Benefit Funds - Life Insurance Fund	2,087,005	2,341,093	2,583,068

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET

TOTAL CITY SOURCE AND USE OF FUNDS

	<u>2022-2023</u> <u>Adopted</u>	<u>2023-2024</u> <u>Adopted</u>	<u>2024-2025</u> <u>Proposed</u>
SPECIAL FUNDS			
Benefit Funds - Unemployment Insurance Fund	\$ 3,696,150	\$ 1,620,469	\$ 1,544,080
Building Development Fee Program Fund	65,118,942	72,361,450	69,675,107
Building Homes and Jobs Act Fund	11,074,788	6,976,294	8,042,991
Business Improvement District Fund	3,121,706	3,927,078	4,190,871
Cash Reserve Fund	6,317	6,384	6,672
City Hall Debt Service Fund	25,653,262	25,213,000	25,205,000
Citywide Planning Fee Program Fund	7,633,953	9,803,604	7,535,161
Community Development Block Grant Fund	23,842,136	22,705,185	14,320,904
Convention and Cultural Affairs Fund	13,322,777	16,882,528	17,428,409
Convention Center Facilities District Revenue Fund	31,958,925	43,578,378	39,622,334
Downtown Property and Business Improvement District Fund	6,802,354	7,867,924	8,177,110
Economic Development Administration Loan Fund	7,395	7,483	7,670
Edward Byrne Memorial Justice Assistance Grant Trust Fund	1,124,334	1,245,778	0
Emergency Reserve Fund	13,455,706	4,579,869	3,958,632
Federal Drug Forfeiture Fund	9,416	7,966	426,992
Fire Development Fee Program Fund	11,047,004	11,709,823	11,351,094
Gas Tax Maintenance and Construction Fund - 1943	6,300,000	7,900,000	8,400,000
Gas Tax Maintenance and Construction Fund - 1964	3,400,000	3,300,000	3,700,000
Gas Tax Maintenance and Construction Fund - 1990	5,800,000	5,800,000	6,300,000
General Purpose Parking Fund	19,203,462	23,507,068	22,893,371
Gift Trust Fund	1,680,584	1,784,735	1,246,463
Home Investment Partnership Program Trust Fund	20,628,881	21,841,021	12,012,636
Homeless Housing, Assistance, and Prevention Fund	35,680,742	46,187,348	31,444,427
Housing Trust Fund	8,657,102	6,543,676	3,016,987
Ice Centre Revenue Fund	6,242,620	9,181,285	10,395,143
Inclusionary Fee Fund	45,612,691	83,859,989	50,160,394
Integrated Waste Management Fund	221,504,723	235,228,845	246,605,642
Library Parcel Tax Fund	14,719,930	13,476,709	13,435,826
Low and Moderate Income Housing Asset Fund	145,935,335	120,741,329	105,990,382
Multi-Source Housing Fund	53,908,823	59,501,678	21,816,821
Municipal Golf Course Fund	3,074,976	3,466,493	4,957,680
Planning Development Fee Program Fund	12,380,261	11,801,328	11,255,947
Public Works Development Fee Program Fund	19,883,037	20,893,293	21,163,589
Public Works Program Support Fund	23,590,664	24,948,934	27,717,682
Public Works Small Cell Permitting Fee Program Fund	3,127,683	860,519	104,110
Real Property Transfer Tax Fund	0	0	54,043,944
Rent Stabilization Program Fee Fund	5,725,921	4,819,165	5,935,598
San José Arena Capital Reserve Fund	8,608,654	6,833,329	8,619,355
San José Clean Energy Operating Fund	513,589,394	707,669,937	838,039,521
San José Opioid Response Fund	0	0	345,000
San José-Santa Clara Treatment Plant Income Fund	857,982	1,116,705	1,442,526
San José-Santa Clara Treatment Plant Operating Fund	174,532,106	218,096,718	222,368,714
Sewage Treatment Plant Connection Fee Fund	24,214,235	25,090,914	25,729,835
Sewer Service and Use Charge Fund	281,537,886	285,264,275	261,126,159

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET

TOTAL CITY SOURCE AND USE OF FUNDS

	<u>2022-2023</u> <u>Adopted</u>	<u>2023-2024</u> <u>Adopted</u>	<u>2024-2025</u> <u>Proposed</u>
SPECIAL FUNDS			
Special Assessment Maintenance District Funds:			
Community Facilities District No. 1 (Capitol Auto Mall) Fund	\$ 657,569	\$ 816,984	\$ 897,115
Community Facilities District No. 2 (Aborn - Murillo) and No. 3 (Silverland - Capriana) Fund	2,963,638	3,219,108	2,582,451
Community Facilities District No. 8 (Communications Hill) Fund	1,417,825	1,781,235	2,217,268
Community Facilities District No. 11 (Adeline - Mary Helen) Fund	145,214	84,361	156,549
Community Facilities District No. 12 (Basking Ridge) Fund	508,232	376,216	374,692
Community Facilities District No. 13 (Guadalupe Mines) Fund	433,283	433,387	440,954
Community Facilities District No. 14 (Raleigh - Charlotte) Fund	1,555,556	1,875,432	2,013,186
Community Facilities District No. 15 (Berryessa - Sierra) Fund	713,523	850,000	815,027
Community Facilities District No. 16 (Raleigh - Coronado) Fund	1,177,704	1,704,628	1,850,453
Community Facilities District No. 17 (Capitol Expy - Evergreen Place Maint. District No. 1 (Los Paseos) Fund	247,811	394,622	434,535
Maint. District No. 2 (Trade Zone Blvd. - Lundy Ave.) Fund	756,427	906,820	987,108
Maint. District No. 5 (Orchard Parkway - Plumeria Dr.) Fund	329,522	295,458	254,063
Maint. District No. 8 (Zanker - Montague) Fund	250,651	270,659	258,980
Maint. District No. 9 (Santa Teresa - Great Oaks) Fund	195,626	162,150	182,454
Maint. District No. 11 (Brokaw Rd. from Junction Ave. to Old Oakland Rd.) Fund	496,236	455,273	543,420
Maint. District No. 13 (Karina - O'Nel) Fund	240,766	275,557	244,779
Maint. District No. 15 (Silver Creek Valley) Fund	234,345	252,546	279,485
Maint. District No. 18 (The Meadowlands) Fund	1,724,977	1,984,062	2,370,232
Maint. District No. 19 (River Oaks Area Landscaping) Fund	253,160	305,396	344,428
Maint. District No. 20 (Renaissance - N. First Landscaping) Fund	353,328	400,672	429,568
Maint. District No. 21 (Gateway Place - Airport Parkway) Fund	182,242	146,164	105,364
Maint. District No. 22 (Hellyer Ave. - Silver Creek Valley Rd.) Fund	304,396	347,944	377,063
South Bay Water Recycling Operating Fund	191,013	162,437	181,303
St. James Park Management District Fund	23,093,091	44,441,482	26,520,895
State Drug Forfeiture Fund	5,018,684	4,533,854	4,187,659
Storm Sewer Operating Fund	435,523	1,049,207	1,149,290
Supplemental Law Enforcement Services Fund	51,217,217	56,295,618	53,854,428
Transient Occupancy Tax Fund	5,833,167	5,866,597	3,840,832
Vehicle Maintenance and Operations Fund	20,573,848	29,248,012	29,749,158
Water Utility Fund	33,170,321	46,066,133	44,032,931
Workforce Development Fund	80,290,798	86,049,257	92,669,468
Total Special Funds	<u>3,012,492,461</u>	<u>3,362,611,337</u>	<u>3,434,414,734</u>
Less Transfers, Loans, and Contributions	<u>(674,178,873)</u>	<u>(721,945,143)</u>	<u>(679,446,416)</u>
NET SPECIAL REVENUE FUNDS TOTAL	\$ 2,338,313,588	\$ 2,640,666,194	\$ 2,754,968,318

**CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET**

TOTAL CITY SOURCE AND USE OF FUNDS

	<u>2022-2023</u> <u>Adopted</u>	<u>2023-2024</u> <u>Adopted</u>	<u>2024-2025</u> <u>Proposed</u>
CAPITAL IMPROVEMENT PROGRAM FUNDS			
Beginning Fund Balance	\$ 915,561,029	\$ 851,366,115	\$ 612,783,222
Commercial Paper Proceeds/Sale of Bonds	480,265,000	108,900,000	60,031,000
Taxes, Fees, and Charges	107,425,000	101,810,000	99,145,000
Revenue from Other Agencies	202,266,182	282,551,617	183,612,817
Transfers, Loans, and Contributions	229,068,232	222,976,195	172,392,000
Interest Income	11,818,240	18,896,000	19,539,000
Miscellaneous Revenue	534,000	489,000	489,000
Development Contribution	963,000	1,260,000	1,500,000
Total Capital Improvement Program Funds	1,947,900,683	1,588,248,927	1,149,492,039
Less Transfers, Loans, and Contributions	(13,065,000)	(4,030,000)	(6,952,000)
NET CAPITAL FUNDS TOTAL	\$ 1,934,835,683	\$ 1,584,218,927	\$ 1,142,540,039
NET CITY SOURCE OF FUNDS	\$ 5,991,378,213	\$ 6,098,926,857	\$ 5,334,969,564
GENERAL FUND EXPENDITURES			
City Attorney	17,719,807	17,856,689	19,031,941
City Auditor	2,775,838	2,922,493	2,940,006
City Clerk	3,289,189	3,857,447	3,811,716
City Manager	22,021,692	23,042,825	23,371,186
Community Energy	0	0	0
Economic Development and Cultural Affairs	5,903,054	6,409,746	6,914,853
Environmental Services	5,337,414	5,745,638	6,106,043
Finance	21,781,539	23,363,689	23,086,220
Fire	271,113,754	280,269,287	287,367,493
Housing	617,658	600,949	657,969
Human Resources	12,572,164	15,048,902	15,167,206
Independent Police Auditor	1,599,974	1,628,604	1,645,463
Information Technology	29,768,282	32,629,136	30,771,895
Library	40,945,754	46,409,083	50,359,758
Mayor and City Council	17,369,004	17,929,545	14,978,919
Parks, Recreation and Neighborhood Services	104,521,534	123,327,077	140,564,430
Planning, Building and Code Enforcement	17,641,914	17,742,369	18,039,011
Police	486,732,157	505,804,637	532,006,892
Public Works	42,885,678	48,460,868	54,902,823
Transportation	43,854,486	47,797,113	49,001,289
Subtotal Departmental Charges	1,148,450,892	1,220,846,097	1,280,725,113
City-Wide Expenses	213,412,689	326,519,800	104,418,248
Capital Contributions	50,932,732	62,264,195	8,565,000
Transfers	25,468,954	30,406,468	30,087,766
Earmarked Reserves	380,396,479	352,090,976	56,857,908
Contingency Reserve	41,000,000	47,000,000	50,000,000
Encumbrance Reserve	57,027,730	53,352,941	84,474,436
Subtotal Non-Departmental Charges	768,238,584	871,634,380	334,403,358
Total General Fund Expenditures	\$ 1,916,689,476	\$ 2,092,480,477	\$ 1,615,128,471

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET

TOTAL CITY SOURCE AND USE OF FUNDS

	<u>2022-2023</u> <u>Adopted</u>	<u>2023-2024</u> <u>Adopted</u>	<u>2024-2025</u> <u>Proposed</u>
SPECIAL FUNDS			
Affordable Housing Impact Fee Fund	\$ 16,403,489	\$ 16,041,355	\$ 4,769,050
Airport Customer Facility and Transportation Fee Fund	24,380,612	32,917,906	40,147,607
Airport Fiscal Agent Fund	121,151,014	146,227,830	152,667,041
Airport Maintenance and Operation Fund	155,736,961	168,893,547	181,155,462
Airport Revenue Fund	288,018,382	351,822,651	358,570,888
Airport Surplus Revenue Fund	83,704,771	54,291,196	54,873,403
American Rescue Plan Fund	88,854,302	0	0
Benefit Funds - Benefit Fund	87,360,211	93,217,184	105,152,001
Benefit Funds - Dental Insurance Fund	19,392,047	15,870,629	17,267,026
Benefit Funds - Life Insurance Fund	2,087,005	2,341,093	2,583,068
Benefit Funds - Unemployment Insurance Fund	3,696,150	1,620,469	1,544,080
Building Development Fee Program Fund	65,118,942	72,361,450	69,675,107
Building Homes and Jobs Act Fund	11,074,788	6,976,294	8,042,991
Business Improvement District Fund	3,121,706	3,927,078	4,190,871
Cash Reserve Fund	6,317	6,384	6,672
City Hall Debt Service Fund	25,653,262	25,213,000	25,205,000
Citywide Planning Fee Program Fund	7,633,953	9,803,604	7,535,161
Community Development Block Grant Fund	23,842,136	22,705,185	14,320,904
Convention and Cultural Affairs Fund	13,322,777	16,882,528	17,428,409
Convention Center Facilities District Revenue Fund	31,958,925	43,578,378	39,622,334
Downtown Property and Business Improvement District Fund	6,802,354	7,867,924	8,177,110
Economic Development Administration Loan Fund	7,395	7,483	7,670
Edward Byrne Memorial Justice Assistance Grant Trust Fund	1,124,334	1,245,778	0
Emergency Reserve Fund	13,455,706	4,579,869	3,958,632
Federal Drug Forfeiture Fund	9,416	7,966	426,992
Fire Development Fee Program Fund	11,047,004	11,709,823	11,351,094
Gas Tax Maintenance and Construction Fund - 1943	6,300,000	7,900,000	8,400,000
Gas Tax Maintenance and Construction Fund - 1964	3,400,000	3,300,000	3,700,000
Gas Tax Maintenance and Construction Fund - 1990	5,800,000	5,800,000	6,300,000
General Purpose Parking Fund	19,203,462	23,507,068	22,893,371
Gift Trust Fund	1,680,584	1,784,735	1,246,463
Home Investment Partnership Program Trust Fund	20,628,881	21,841,021	12,012,636
Homeless Housing, Assistance, and Prevention Fund	35,680,742	46,187,348	31,444,427
Housing Trust Fund	8,657,102	6,543,676	3,016,987
Ice Centre Revenue Fund	6,242,620	9,181,285	10,395,143
Inclusionary Fee Fund	45,612,691	83,859,989	50,160,394
Integrated Waste Management Fund	221,504,723	235,228,845	246,605,642
Library Parcel Tax Fund	14,719,930	13,476,709	13,435,826
Low and Moderate Income Housing Asset Fund	145,935,335	120,741,329	105,990,382
Multi-Source Housing Fund	53,908,823	59,501,678	21,816,821
Municipal Golf Course Fund	3,074,976	3,466,493	4,957,680
Planning Development Fee Program Fund	12,380,261	11,801,328	11,255,947
Public Works Development Fee Program Fund	19,883,037	20,893,293	21,163,589
Public Works Program Support Fund	23,590,664	24,948,934	27,717,682

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET

TOTAL CITY SOURCE AND USE OF FUNDS

	<u>2022-2023</u> <u>Adopted</u>	<u>2023-2024</u> <u>Adopted</u>	<u>2024-2025</u> <u>Proposed</u>
SPECIAL FUNDS			
Public Works Small Cell Permitting Fee Program Fund	\$ 3,127,683	\$ 860,519	\$ 104,110
Real Property Transfer Tax Fund	0	0	54,043,944
Rental Stabilization Program Fee Fund	5,725,921	4,819,165	5,935,598
San José Arena Capital Reserve Fund	8,608,654	6,833,329	8,619,355
San José Clean Energy Operating Fund	513,589,394	707,669,937	838,039,521
San José Opioid Response Fund	0	0	345,000
San José-Santa Clara Treatment Plant Income Fund	857,982	1,116,705	1,442,526
San José-Santa Clara Treatment Plant Operating Fund	174,532,106	218,096,718	222,368,714
Sewage Treatment Plant Connection Fee Fund	24,214,235	25,090,914	25,729,835
Sewer Service and Use Charge Fund	281,537,886	285,264,275	261,126,159
Special Assessment Maintenance District Funds:			
Community Facilities District No. 1 (Capitol Auto Mall) Fund	657,569	816,984	897,115
Community Facilities District No. 2 (Aborn - Murillo) and No. 3 (Silverland - Capriana) Fund	2,963,638	3,219,108	2,582,451
Community Facilities District No. 8 (Communications Hill) Fund	1,417,825	1,781,235	2,217,268
Community Facilities District No. 11 (Adeline - Mary Helen) Fund	145,214	84,361	156,549
Community Facilities District No. 12 (Basking Ridge) Fund	508,232	376,216	374,692
Community Facilities District No. 13 (Guadalupe Mines) Fund	433,283	433,387	440,954
Community Facilities District No. 14 (Raleigh - Charlotte) Fund	1,555,556	1,875,432	2,013,186
Community Facilities District No. 15 (Berryessa - Sierra) Fund	713,523	850,000	815,027
Community Facilities District No. 16 (Raleigh - Coronado) Fund	1,177,704	1,704,628	1,850,453
Community Facilities District No. 17 (Capitol Expy - Evergreen Place)	247,811	394,622	434,535
Maint. District No. 1 (Los Paseos) Fund	756,427	906,820	987,108
Maint. District No. 2 (Trade Zone - Lundy Ave.) Fund	329,522	295,458	254,063
Maint. District No. 5 (Orchard Parkway - Plumeria Drive) Fund	250,651	270,659	258,980
Maint. District No. 8 (Zanker - Montague) Fund	195,626	162,150	182,454
Maint. District No. 9 (Santa Teresa - Great Oaks) Fund	496,236	455,273	543,420
Maint. District No. 11 (Brokaw Rd. from Junction Ave. to Old Oakland Rd.) Fund	240,766	275,557	244,779
Maint. District No. 13 (Karina - Onel) Fund	234,345	252,546	279,485
Maint. District No. 15 (Silver Creek Valley) Fund	1,724,977	1,984,062	2,370,232
Maint. District No. 18 (The Meadowlands) Fund	253,160	305,396	344,428
Maint. District No. 19 (River Oaks Area Landscaping) Fund	353,328	400,672	429,568
Maint. District No. 20 (Renaissance - N. First Landscaping) Fund	182,242	146,164	105,364
Maint. District No. 21 (Gateway Place - Airport Parkway) Fund	304,396	347,944	377,063
Maint. District No. 22 (Hellyer Ave. - Silver Creek Valley Rd.) Fund	191,013	162,437	181,303
South Bay Water Recycling Operating Fund	23,093,091	44,441,482	26,520,895
St. James Park Management District Fund	5,018,684	4,533,854	4,187,659
State Drug Forfeiture Fund	435,523	1,049,207	1,149,290
Storm Sewer Operating Fund	51,217,217	56,295,618	53,854,428
Supplemental Law Enforcement Services Fund	5,833,167	5,866,597	3,840,832
Transient Occupancy Tax Fund	20,573,848	29,248,012	29,749,158
Vehicle Maintenance and Operations Fund	33,170,321	46,066,133	44,032,931
Water Utility Fund	80,290,798	86,049,257	92,669,468
Workforce Development Fund	12,165,117	11,728,169	11,123,271
Total Special Funds	\$ 3,012,492,461	\$ 3,362,611,337	\$ 3,434,414,734

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET

TOTAL CITY SOURCE AND USE OF FUNDS

	<u>2022-2023</u> <u>Adopted</u>	<u>2023-2024</u> <u>Adopted</u>	<u>2024-2025</u> <u>Proposed</u>
CAPITAL IMPROVEMENT PROGRAM FUNDS			
Airport Capital Improvement Fund	\$ 37,361,941	\$ 93,864,404	\$ 37,873,140
Airport Passenger Facility Charge Fund	32,834,114	50,496,279	54,880,097
Airport Renewal and Replacement Fund	88,058,857	105,200,925	52,157,043
Airport Revenue Bond Improvement Fund	23,000,000	29,200,000	30,000,625
Branch Libraries Bond Projects Fund	5,350,517	5,487,672	3,218,646
Building and Structure Construction Tax Fund	182,652,165	165,073,534	146,304,961
Construction and Conveyance Tax Funds:			
Communications C&C Tax Fund	8,325,799	5,886,789	5,011,535
District 1 Parks C&C Tax Fund	7,087,821	5,821,905	2,840,102
District 2 Parks C&C Tax Fund	2,782,534	2,340,475	1,890,000
District 3 Parks C&C Tax Fund	2,874,454	2,047,379	1,535,782
District 4 Parks C&C Tax Fund	4,214,865	2,411,030	2,884,229
District 5 Parks C&C Tax Fund	7,760,829	6,939,973	3,054,314
District 6 Parks C&C Tax Fund	6,357,428	5,340,434	3,396,578
District 7 Parks C&C Tax Fund	8,206,111	5,413,753	4,267,098
District 8 Parks C&C Tax Fund	4,746,057	4,650,154	3,590,747
District 9 Parks C&C Tax Fund	6,720,219	6,443,097	5,522,801
District 10 Parks C&C Tax Fund	2,189,313	2,562,931	778,669
Fire C&C Tax Fund	14,669,093	13,810,751	6,152,067
Library C&C Tax Fund	18,759,684	22,077,987	21,208,145
Park Yards C&C Tax Fund	5,580,341	5,555,064	4,510,397
Parks Central C&C Tax Fund	35,275,865	29,881,099	31,067,470
Parks City-Wide C&C Tax Fund	30,798,185	26,303,843	21,768,499
Service Yards C&C Tax Fund	18,300,168	17,514,289	9,051,225
Construction Excise Tax Fund	188,264,144	186,261,789	162,754,858
Contingent Lien District Fund	2,184,621	3,171,039	3,241,032
Convention and Cultural Affairs Capital Fund	923,527	1,133,249	847,139
Convention Center Facilities District Capital Fund	1,411,748	1,462,738	627,195
Emma Prusch Fund	623,639	473,953	556,849
General Fund Capital Improvement	50,932,732	62,264,195	8,755,000
General Purpose Parking Capital Fund	27,248,210	24,414,311	13,234,228
Ice Center Expansion Bond Fund	17,688,620	354	0
Improvement District Fund	189	20,322	0
Lake Cunningham Fund	1,473,849	1,924,231	3,180,258
Library Parcel Tax Capital Fund	1,800,636	320,000	76,108
Major Collectors and Arterial Fund	1,512,998	1,029,615	1,117,510
Major Facilities Fund	6,371,455	6,584,085	2,349,215
Parks and Recreation Bond Projects Fund	17,024,019	17,290,951	16,071,926
Public Safety and Infrastructure Bond Fund - Municipal Improvements	6,456,235	858,105	2,400,000
Public Safety and Infrastructure Bond Fund - Parks	7,001,701	3,464,404	1,699,000
Public Safety and Infrastructure Bond Fund - Public Safety	99,915,030	102,200,900	71,681,884
Public Safety and Infrastructure Bond Fund - Storm Sewer	34,821,148	32,174,878	22,424,000
Public Safety and Infrastructure Bond Fund - Traffic	70,504,596	11,418,827	(25,139,800)
Residential Construction Tax Contribution Fund	2,760,935	2,955,431	3,168,239
San José-Santa Clara Treatment Plant Capital Fund	619,529,987	208,668,510	99,600,303
Sanitary Sewer Connection Fee Fund	3,019,506	2,761,910	2,159,496

**CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET**

TOTAL CITY SOURCE AND USE OF FUNDS

	<u>2022-2023</u>	<u>2023-2024</u>	<u>2024-2025</u>
	<u>Adopted</u>	<u>Adopted</u>	<u>Proposed</u>
CAPITAL IMPROVEMENT PROGRAM FUNDS			
Sewer Service and Use Charge Capital Improvement Fund	\$ 82,591,087	\$ 105,261,998	\$ 124,779,530
South Bay Water Recycling Capital Fund	3,967,914	4,097,802	4,249,505
Storm Drainage Fee Fund	707,407	650,928	512,076
Storm Sewer Capital Fund	24,325,605	16,851,848	44,244,328
Subdivision Park Trust Fund	95,710,573	89,849,980	73,636,737
Underground Utility Fund	9,573,429	10,240,601	12,146,530
Water Utility Capital Fund	15,648,783	76,118,204	46,154,724
Total Capital Improvement Program Funds	\$ 1,947,900,683	\$ 1,588,248,927	\$ 1,149,492,039
 GRAND TOTAL (Gross City Use of Funds)	 \$ 6,877,082,620	 \$ 7,043,340,741	 \$ 6,199,035,244
Less Transfers, Loans, and Contributions	<u>(885,704,407)</u>	<u>(944,413,884)</u>	<u>(864,065,680)</u>
 NET CITY USE OF FUNDS	 \$ 5,991,378,213	 \$ 6,098,926,857	 \$ 5,334,969,564

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET

SUMMARY OF TRANSFERS, LOANS, & CONTRIBUTIONS

	2024-2025 Proposed
TRANSFERS TO GENERAL FUND FROM:	
Airport Maintenance and Operation Fund	\$ 20,671,870
Construction and Conveyance Tax Funds	7,612,000
Construction Excise Tax Fund	2,050,000
Convention and Cultural Affairs Fund	267,659
Convention Center Facilities District Revenue Fund	120,000
Gas Tax Maintenance and Construction Fund - 1943	8,400,000
Gas Tax Maintenance and Construction Fund - 1964	3,700,000
Gas Tax Maintenance and Construction Fund - 1990	6,300,000
General Purpose Parking Fund	619,164
Ice Centre Revenue Fund	106,000
Lake Cunningham Fund	226,000
Municipal Golf Course Fund	7,421
Overhead from Various Funds	87,108,786
Other Various Operating Funds (Deferred Compensation, VEBA, Special Assessments)	1,017,186
Residential Construction Tax Contribution Fund	95,000
Storm Sewer Drainage Fee Fund	15,000
Transient Occupancy Tax Fund	48,412
Vehicle Maintenance and Operations Fund	150,000
Water Utility Fund	500,000
 TRANSFER TO AIRPORT FISCAL AGENT FUND FROM:	
Airport Revenue Fund	36,667,321
Airport Customer Facilities and Transportation Fee Fund	11,999,126
Airport Passenger Facility Charge Fund	22,743,000
 TRANSFER TO AIRPORT MAINTENANCE AND OPERATION FUND FROM:	
Airport Revenue Fund	142,602,185
 TRANSFER TO AIRPORT REVENUE FUND FROM:	
Airport Fiscal Agent Fund	1,152,000
General Fund	500,000
 TRANSFER TO AIRPORT SURPLUS REVENUE FUND FROM:	
Airport Revenue Fund	53,576,000
 TRANSFER TO BENEFIT FUNDS-BENEFIT FUND FROM:	
Various City Funds - Insurance Premium	104,512,000
 TRANSFER TO BENEFIT FUNDS-DENTAL INSURANCE FUND FROM:	
Various City Funds - Insurance Premium	6,190,000
Retirement Funds	6,730,000

**CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET**

SUMMARY OF TRANSFERS, LOANS, & CONTRIBUTIONS

	2024-2025 Proposed
TRANSFER TO BENEFIT FUNDS-LIFE INSURANCE FUND FROM:	
Various City Funds - Insurance Premium	930,000
TRANSFER TO BENEFIT FUNDS-UNEMPLOYMENT INSURANCE FUND FROM:	
Various City Funds - Insurance Premium	600,000
TRANSFER TO BUSINESS IMPROVEMENT DISTRICT FUND FROM:	
General Fund	\$ 15,138
TRANSFER TO CITY HALL DEBT SERVICE FUND FROM:	
General Fund	17,731,609
Capital Improvement Program Funds	2,051,000
Various City Funds	5,095,300
TRANSFER TO COMMUNITY FACILITIES DISTRICT FUNDS FROM:	
Storm Sewer Operating Fund	65,041
TRANSFER TO CONVENTION AND CULTURAL AFFAIRS FUND FROM:	
Transient Occupancy Tax Fund	11,757,365
TRANSFER TO DOWNTOWN PROPERTY AND BUSINESS IMPROVEMENT DISTRICT FUND FROM:	
General Fund	1,323,969
General Purpose Parking Fund	77,447
TRANSFER TO MAINTENANCE DISTRICTS FUNDS FROM:	
General Fund	123,106
Storm Sewer Operating Fund	22,118
TRANSFER TO PUBLIC WORKS PROGRAM SUPPORT FUND FROM:	
Various Capital Funds	26,362,000
TRANSFER TO REAL PROPERTY TRANSFER TAX FUND FROM:	
General Fund	4,043,944
TRANSFER TO SAN JOSÉ ARENA CAPITAL RESERVE FUND FROM:	
General Fund	2,300,000
TRANSFER TO SAN JOSÉ/SANTA CLARA TREATMENT PLANT OPERATING FUND FROM:	
Sewer Service and Use Charge Fund	51,490,177

**CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET**

SUMMARY OF TRANSFERS, LOANS, & CONTRIBUTIONS

	2024-2025 Proposed
TRANSFER TO SEWER SERVICE AND USE CHARGE FUND FROM:	
South Bay Water Recycling Operating Fund	2,000,000
TRANSFER TO VEHICLE MAINTENANCE AND OPERATIONS FUND FROM:	
Departmental Charges - Operating and Maintenance Costs	26,725,088
Replacement Charges - Special Funds	11,664,250
Replacement Charges - General Fund	1,800,000
TRANSFER TO CAPITAL IMPROVEMENT PROGRAM FUNDS FROM:	
General Fund for the following programs:	
Communications	\$ 2,250,000
Municipal Improvements	2,340,000
Public Safety	6,225,000
TRANSFER TO CAPITAL IMPROVEMENT PROGRAM FUNDS FROM:	
Airport Operating Funds	45,576,000
General Purpose Parking Operating Fund	2,500,000
Convention and Cultural Affairs Fund	100,000
Convention Center Facilities District Revenue Fund	580,000
Parks Central Construction and Conveyance Tax Fund	6,927,000
Parks Maintenance Yards Construction and Conveyance Tax Fund	25,000
Sewer Service and Use Charge Fund	90,879,000
Storm Sewer Operating Fund	6,000,000
Water Utility Fund	8,800,000
TOTAL TRANSFERS TO: \$	864,065,680

**CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET**

SUMMARY OF TRANSFERS, LOANS, & CONTRIBUTIONS

	2024-2025 Proposed
TRANSFERS FROM GENERAL FUND TO:	
Airport Revenue Fund	\$ 500,000
Business Improvement District Fund	15,138
City Hall Debt Service Fund	17,731,609
Downtown Property and Business Improvement District Fund	1,323,969
Maintenance Districts Funds	123,106
Real Property Transfers Tax Fund	4,043,944
San José Arena Capital Reserve Fund	2,300,000
Various Capital Improvement Program Funds	10,815,000
Communications C&C	2,250,000
General Fund Capital Improvements	8,565,000
Vehicle Maintenance and Operations Fund	1,800,000
 TRANSFER FROM AIRPORT CUSTOMER FACILITIES AND TRANSPORTATION FEE FUND TO:	
Airport Fiscal Agent Fund	11,999,126
 TRANSFER FROM AIRPORT FISCAL AGENT FUND TO:	
Airport Revenue Fund	1,152,000
 TRANSFER FROM AIRPORT MAINTENANCE AND OPERATION FUND TO:	
General Fund - Aircraft Rescue/Fire Fighting	9,323,537
General Fund - Police Services	11,348,333
 TRANSFER FROM AIRPORT REVENUE FUND TO:	
Airport Fiscal Agent Fund	36,667,321
Airport Maintenance and Operation Fund	142,602,185
Airport Surplus Revenue Fund	53,576,000
 TRANSFER FROM AIRPORT SURPLUS REVENUE FUND TO:	
Capital Improvement Program Fund	45,576,000

**CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET**

SUMMARY OF TRANSFERS, LOANS, & CONTRIBUTIONS

	2024-2025 Proposed
TRANSFER FROM VARIOUS CAPITAL IMPROVEMENT PROGRAM FUNDS TO:	
Airport Fiscal Agent Fund	\$ 22,743,000
City Hall Debt Service Fund	2,051,000
Public Works Program Support Fund	26,362,000
Various Capital Improvement Program Funds	25,000
Parks City-Wide Construction and Conveyance Tax Fund	2,309,000
 TRANSFER FROM CONSTRUCTION AND CONVEYANCE TAX FUND TO:	
General Fund	7,612,000
Capital Improvement Program Fund	4,618,000
 TRANSFER FROM CONSTRUCTION EXCISE TAX FUND TO:	
Park Council District 4 Construction and Conveyance Tax Fund	0
General Fund	2,050,000
 TRANSFER FROM CONVENTION AND CULTURAL AFFAIRS FUND TO:	
General Fund	267,659
Convention and Cultural Affairs Capital Fund	100,000
 TRANSFER FROM CONVENTION CENTER FACILITIES DISTRICT REVENUE FUND TO:	
Capital Improvement Program Fund	580,000
General Fund	120,000
 TRANSFER FROM GAS TAX MAINTENANCE AND CONSTRUCTION FUND - 1943 TO:	
General Fund	8,400,000
 TRANSFER FROM GAS TAX MAINTENANCE AND CONSTRUCTION FUND - 1964 TO:	
General Fund	3,700,000
 TRANSFER FROM GAS TAX MAINTENANCE AND CONSTRUCTION FUND - 1990 TO:	
General Fund	6,300,000
 TRANSFER FROM GENERAL PURPOSE PARKING FUND TO:	
Downtown Property and Business Improvement District Fund	77,447
General Fund	619,164
General Purpose Parking Capital Fund	2,500,000
 TRANSFER FROM ICE CENTRE REVENUE FUND TO:	
General Fund	\$ 106,000

**CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET**

SUMMARY OF TRANSFERS, LOANS, & CONTRIBUTIONS

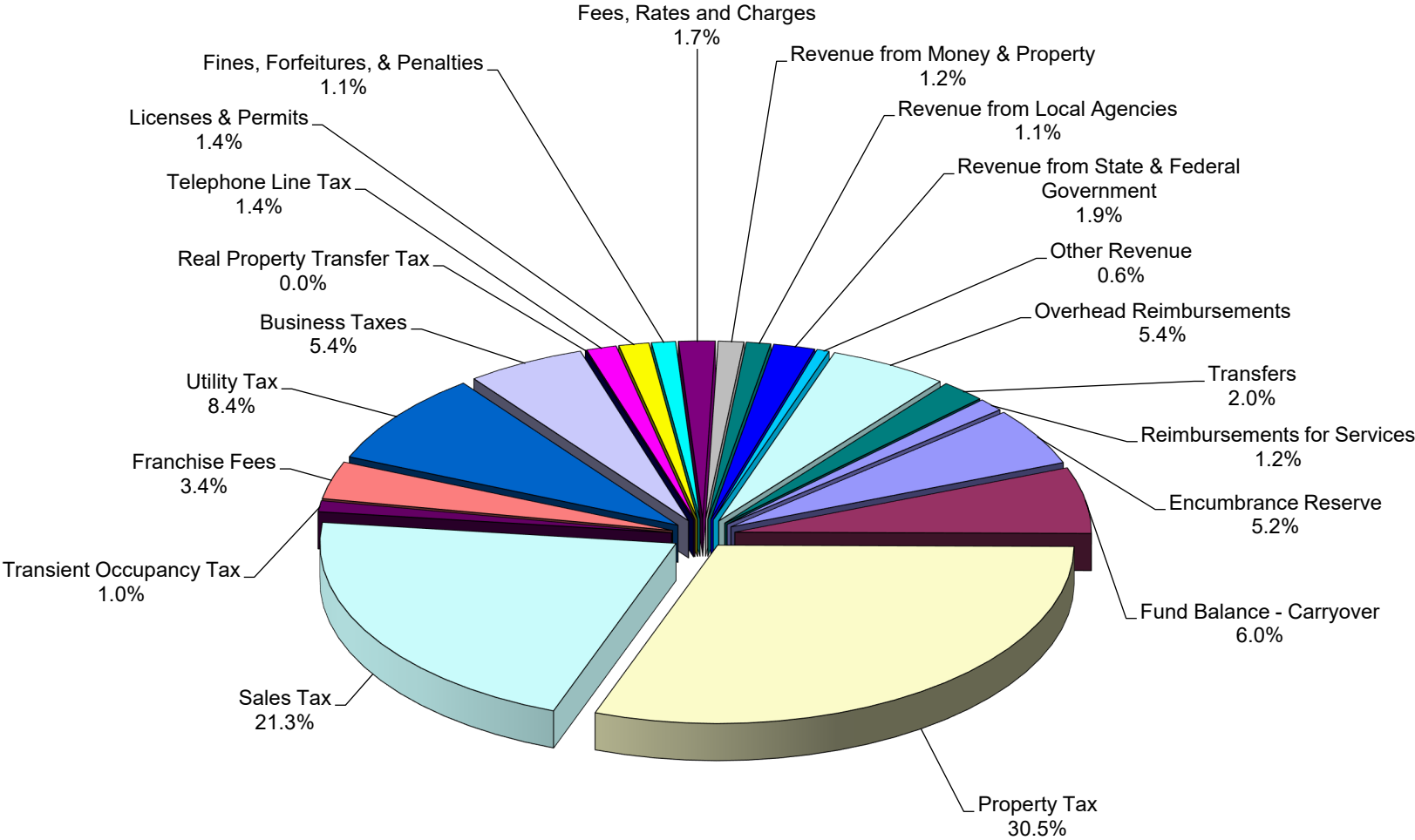
	2024-2025 Proposed
TRANSFER FROM LAKE CUNNINGHAM FUND TO:	
General Fund	226,000
TRANSFER FROM MUNICIPAL GOLF COURSE FUND TO:	
General Fund	7,421
TRANSFER FROM RESIDENTIAL CONSTRUCTION TAX CONTRIBUTION FUND TO:	
General Fund	95,000
TRANSFER FROM SEWER SERVICE AND USE CHARGE FUND TO:	
San Jose-Santa Clara Treatment Plant Capital Fund	55,879,000
San José/Santa Clara Treatment Plant Operating Fund	51,490,177
Sewer Service and Use Charge Capital Improvement Fund	35,000,000
TRANSFER FROM STORM DRAINAGE FEE FUND TO:	
General Fund	15,000
TRANSFER FROM STORM SEWER OPERATING FUND TO:	
Capital Improvement Program Fund	6,000,000
Community Facilities District #13 (Guadalupe-Mines) Fund	10,121
Community Facilities District #15 (Berryessa-Sierra) Fund	26,920
Community Facilities District #16 (Raleigh-Coronado) Fund	28,000
Maintenance District #15 Fund	22,118
TRANSFER FROM SOUTH BAY WATER RECYCLING OPERATING FUND TO:	
Sewer Service and Use Charge Fund	2,000,000

**CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET**

SUMMARY OF TRANSFERS, LOANS, & CONTRIBUTIONS

	2024-2025 Proposed
TRANSFER FROM TRANSIENT OCCUPANCY TAX FUND TO:	
General Fund	\$ 48,412
Convention and Cultural Affairs Fund	11,757,365
 TRANSFER FROM WATER UTILITY FUND TO:	
General Fund	500,000
Capital Improvement Program Fund	8,800,000
 TRANSFER FROM VARIOUS CITY FUNDS TO:	
Benefit Funds - Benefit Fund	104,512,000
Benefit Funds - Dental Insurance Fund	12,920,000
Benefit Funds - Life Insurance Fund	930,000
Benefit Funds - Unemployment Insurance Fund	600,000
City Hall Debt Service Funds	5,095,300
General Fund - Interest	160,000
General Fund - Operating Transfers	180,000
General Fund - Overhead	87,108,786
General Fund - Reimbursements	827,186
General Fund - Other	0
Vehicle Maintenance and Operations Fund	38,389,338
TOTAL TRANSFERS FROM:	\$ 864,065,680

**CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
SUMMARY OF GENERAL FUND SOURCES**



TOTAL GENERAL FUND SOURCES \$1,615,128,471

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
SUMMARY OF GENERAL FUND SOURCES

SOURCE OF FUNDS	1 2022-2023 Actuals	2 2023-2024 Adopted Budget	3 2023-2024 Modified Budget*	4 2024-2025 Forecast Budget	5 2024-2025 Proposed Budget	2 TO 5 % Increase/ (Decrease)
FUND BALANCE						
Encumbrance Reserve	\$ 53,352,941	\$ 53,352,941	\$ 84,474,436	\$ 84,474,436	\$ 84,474,436	58.3%
Carryover	639,359,298	629,626,855	639,359,298	89,217,944	96,871,142	(84.6%)
Total Fund Balance	\$ 692,712,239	\$ 682,979,796	\$ 723,833,734	\$ 173,692,380	\$ 181,345,578	(73.4%)
GENERAL REVENUE						
Property Tax	\$ 449,014,347	\$ 460,400,000	\$ 473,900,000	\$ 492,000,000	\$ 492,000,000	6.9%
Sales Tax	343,472,084	336,400,000	336,400,000	344,000,000	344,000,000	2.3%
Transient Occupancy Tax	14,936,816	16,000,000	16,000,000	16,000,000	16,000,000	0.0%
Franchise Fees	44,823,852	51,825,008	51,825,008	54,445,008	55,022,632	6.2%
Utility Tax	124,266,765	126,550,000	126,550,000	136,000,000	136,000,000	7.5%
Business Taxes	89,626,955	87,500,000	87,500,000	87,000,000	87,000,000	(0.6%)
Real Property Transfer Tax	56,279,648	50,000,000	50,000,000	0	0	(100.0%)
Telephone Line Tax	21,093,889	22,000,000	22,000,000	22,000,000	22,000,000	0.0%
Licenses and Permits	17,756,820	22,005,622	21,803,666	21,314,491	22,179,390	0.8%
Fines, Forfeitures, and Penalties	17,352,624	15,080,000	15,080,000	16,804,797	17,604,797	16.7%
Fees, Rates, and Charges	23,595,906	22,372,680	24,369,280	25,806,133	26,740,860	19.5%
Revenue from Use of Money/Property	19,157,555	14,864,000	18,364,000	18,735,000	18,735,000	26.0%
Revenue from Local Agencies	25,497,190	18,975,403	22,014,607	17,371,268	17,951,649	(5.4%)
Revenue from the State of California	19,912,631	22,110,719	41,284,382	13,100,000	29,100,000	31.6%
Revenue from Federal Government	4,962,143	7,391,504	12,123,181	0	1,384,000	(81.3%)
Other Revenue	291,249,120	10,257,667	11,900,598	8,738,257	9,050,067	(11.8%)
Total General Revenue	\$ 1,562,998,345	\$ 1,283,732,603	\$ 1,331,114,722	\$ 1,273,314,954	\$ 1,294,768,395	0.9%

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
SUMMARY OF GENERAL FUND SOURCES

SOURCE OF FUNDS (Cont'd.)	1 2022-2023 Actuals	2 2023-2024 Adopted Budget	3 2023-2024 Modified Budget*	4 2024-2025 Forecast Budget	5 2024-2025 Proposed Budget	2 TO 5 % Increase/ (Decrease)
TRANSFERS AND REIMBURSEMENTS						
Overhead Reimbursements	\$ 75,799,618	\$ 78,154,889	\$ 78,154,889	\$ 87,381,975	\$ 87,108,786	11.5%
Transfers	47,176,528	29,782,087	32,410,621	32,378,526	32,678,526	9.7%
Reimbursements for Services	17,772,186	17,831,102	17,831,102	19,227,186	19,227,186	7.8%
Total Transfers and Reimbursements	\$ 140,748,332	\$ 125,768,078	\$ 128,396,612	\$ 138,987,687	\$ 139,014,498	10.5%
TOTAL SOURCE OF FUNDS	\$ 2,396,458,916	\$ 2,092,480,477	\$ 2,183,345,068	\$ 1,585,995,021	\$ 1,615,128,471	(22.8%)

* As of March 31, 2024

**CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
SUMMARY OF GENERAL FUND USES**

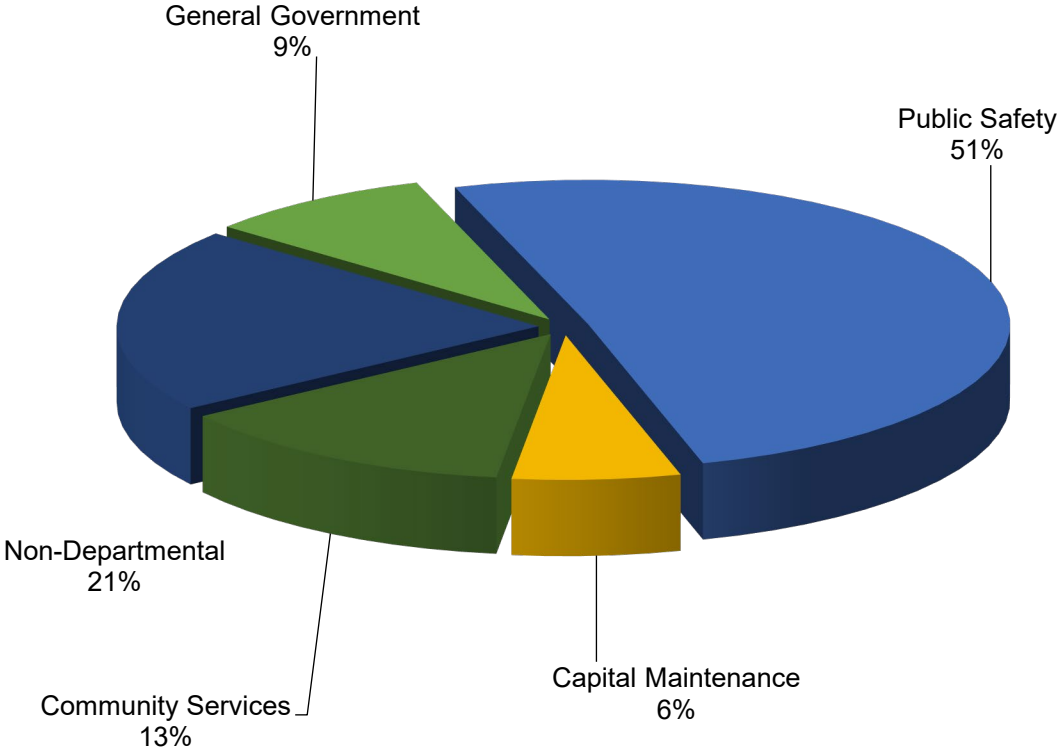
Public Safety Departments - provide for the safety of the public through crime and fire prevention and suppression efforts of the Police and Fire Departments.

Capital Maintenance Departments - provide for the construction and maintenance of the City's infrastructure by the Public Works and Transportation Departments.

Community Services Departments - provide programs that affect citizens on a daily basis, such as Environmental Services, Community Energy, Housing, Parks, Recreation and Neighborhood Services, Library, and Planning, Building and Code Enforcement Departments.

General Government Departments - provide for the overall management and administrative functions of the City, including Human Resources, Economic Development and Cultural Affairs, Information Technology, Finance, Independent Police Auditor, City Manager, City Auditor, City Clerk, Mayor and City Council, and City Attorney.

Non-Departmental - include City-Wide expenses, capital contributions, transfers and reserves.



TOTAL GENERAL FUND USES \$1,615,128,471

**CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET**

SUMMARY OF GENERAL FUND USES

USE OF FUNDS	1 2022-2023 Actuals	2 2023-2024 Adopted Budget	3 2023-2024 Modified Budget*	4 2024-2025 Forecast Budget	5 2024-2025 Proposed Budget	2 TO 5 % Increase/ (Decrease)
GENERAL GOVERNMENT DEPARTMENTS						
City Attorney's Office	\$ 18,075,975	\$ 17,856,689	\$ 18,616,510	\$ 19,069,994	\$ 19,031,941	6.6%
City Auditor's Office	2,496,588	2,922,493	2,983,957	3,081,911	2,940,006	0.6%
City Clerk's Office	3,329,181	3,857,447	3,989,150	3,914,112	3,811,716	(1.2%)
City Manager's Office	20,613,002	23,042,825	24,000,005	22,748,483	23,371,186	1.4%
City Manager - Office of Economic Development and Cultural Affairs	5,872,128	6,409,746	6,948,471	6,435,546	6,914,853	7.9%
Finance Department	20,070,729	23,363,689	24,163,525	23,308,662	23,086,220	(1.2%)
Human Resources Department	12,479,307	15,048,902	15,484,363	14,671,826	15,167,206	0.8%
Independent Police Auditor's Office	1,203,337	1,628,604	1,717,444	1,654,463	1,645,463	1.0%
Information Technology Department	24,953,926	32,629,136	33,436,079	29,988,019	30,771,895	(5.7%)
Mayor and City Council	14,365,798	17,929,545	18,232,254	15,207,320	14,978,919	(16.5%)
Total General Government Departments	\$ 123,459,972	\$ 144,689,076	\$ 149,571,758	\$ 140,080,336	\$ 141,719,405	(2.1%)
PUBLIC SAFETY DEPARTMENTS						
Fire Department	\$ 278,490,449	\$ 280,269,287	\$ 283,405,766	\$ 286,511,358	\$ 287,367,493	2.5%
Police Department	410,220,497	505,804,637	521,769,023	530,365,242	532,006,892	5.2%
Total Public Safety Departments	\$ 688,710,947	\$ 786,073,924	\$ 805,174,789	\$ 816,876,600	\$ 819,374,385	4.2%
CAPITAL MAINTENANCE DEPARTMENTS						
Public Works Department	\$ 45,039,818	\$ 48,460,868	\$ 53,515,546	\$ 53,882,728	\$ 54,902,823	13.3%
Transportation Department	42,441,222	47,797,113	48,998,255	48,051,913	49,001,289	2.5%
Total Capital Maintenance Departments	\$ 87,481,040	\$ 96,257,981	\$ 102,513,801	\$ 101,934,641	\$ 103,904,112	7.9%

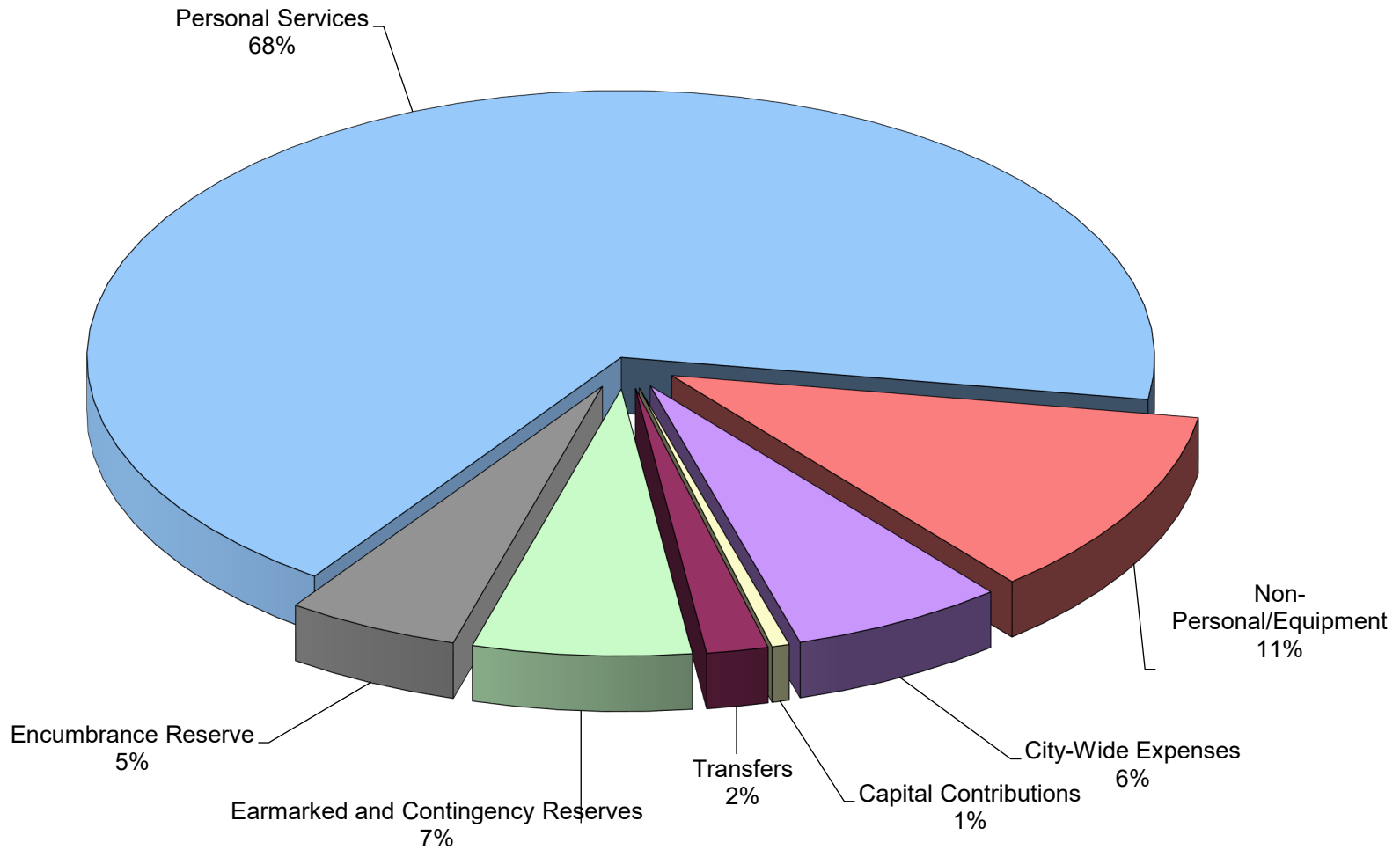
*As of March 31, 2024

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
SUMMARY OF GENERAL FUND USES (CONT'D.)

USE OF FUNDS (Cont'd.)	1 2022-2023 Actuals	2 2023-2024 Adopted Budget	3 2023-2024 Modified Budget*	4 2024-2025 Forecast Budget	5 2024-2025 Proposed Budget	2 TO 5 % Increase/ (Decrease)
COMMUNITY SERVICES DEPARTMENTS						
Environmental Services Department	\$ 4,060,918	\$ 5,745,638	\$ 5,912,720	\$ 5,084,290	\$ 6,106,043	6.3%
Housing Department	516,242	600,949	624,284	657,969	657,969	9.5%
Library Department	41,200,332	46,409,083	48,265,633	50,639,428	50,359,758	8.5%
Parks, Recreation and Neighborhood Services Department	96,474,595	123,327,077	125,523,476	124,963,876	140,564,430	14.0%
Planning, Building and Code Enforcement Department	14,883,996	17,742,369	19,000,209	18,121,014	18,039,011	1.7%
Total Community Services Departments	\$ 157,136,082	\$ 193,825,116	\$ 199,326,322	\$ 199,466,577	\$ 215,727,211	11.3%
Total Departmental Uses	\$ 1,056,788,041	\$ 1,220,846,097	\$ 1,256,586,670	\$ 1,258,358,154	\$ 1,280,725,113	4.9%
NON-DEPARTMENTAL						
City-Wide Expenses	\$ 468,021,896	\$ 326,519,800	\$ 381,361,930	\$ 105,361,428	\$ 104,418,248	(68.0%)
Capital Contributions	27,331,261	62,264,195	64,538,195	\$ 5,840,000	\$ 8,565,000	(86.2%)
Transfers	37,810,639	30,406,468	30,472,131	30,287,766	30,087,766	(1.0%)
Earmarked Reserves	N/A	352,090,976	315,911,706	56,124,908	56,857,908	(83.9%)
Contingency Reserve	N/A	47,000,000	50,000,000	50,000,000	50,000,000	6.4%
Encumbrance Reserve	84,474,436	53,352,941	84,474,436	84,474,436	84,474,436	58.3%
Total Non-Departmental Uses	\$ 617,638,232	\$ 871,634,380	\$ 926,758,398	\$ 332,088,538	\$ 334,403,358	(61.6%)
TOTAL USE OF FUNDS	\$ 1,674,426,274	\$ 2,092,480,477	\$ 2,183,345,068	\$ 1,590,446,692	\$ 1,615,128,471	(22.8%)

*As of March 31, 2024

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
SUMMARY OF GENERAL FUND USES BY CATEGORY



TOTAL GENERAL FUND USES \$1,615,128,471

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
SUMMARY OF GENERAL FUND USES BY CATEGORY

USE OF FUNDS	1 2022-2023 Actuals	2 2023-2024 Adopted Budget	3 2023-2024 Modified Budget*	4 2024-2025 Forecast Budget	5 2024-2025 Proposed Budget	2 TO 5 % Increase/ (Decrease)
DEPARTMENTAL						
Personal Services	\$ 914,739,484	\$ 1,033,231,654	\$ 1,061,246,306	\$ 1,089,162,827	\$1,095,133,094	6.0%
Non-Personal/Equipment	142,048,557	187,614,443	195,340,364	169,195,327	185,592,019	(1.1%)
Departmental Total	\$ 1,056,788,041	\$ 1,220,846,097	\$ 1,256,586,670	\$ 1,258,358,154	\$ 1,280,725,113	4.9%
NON-DEPARTMENTAL						
City-Wide Expenses	\$ 468,021,896	\$ 326,519,800	\$ 381,361,930	\$ 105,361,428	\$104,418,248	(68.0%)
Capital Contributions	27,331,261	62,264,195	64,538,195	5,840,000	8,565,000	(86.2%)
Transfers	37,810,639	30,406,468	30,472,131	30,287,766	30,087,766	(1.0%)
Earmarked Reserves	N/A	352,090,976	315,911,706	56,124,908	56,857,908	(91.5%)
Contingency Reserve	N/A	47,000,000	50,000,000	50,000,000	50,000,000	6.4%
Encumbrance Reserve	84,474,436	53,352,941	84,474,436	84,474,436	84,474,436	58.3%
Total Non-Departmental	\$ 617,638,232	\$ 871,634,380	\$ 926,758,398	\$ 332,088,538	\$ 334,403,358	(61.6%)
TOTAL EXPENDITURES	\$ 1,674,426,274	\$2,092,480,477	\$2,183,345,068	\$1,590,446,692	\$1,615,128,471	(22.8%)

*As of March 31, 2024

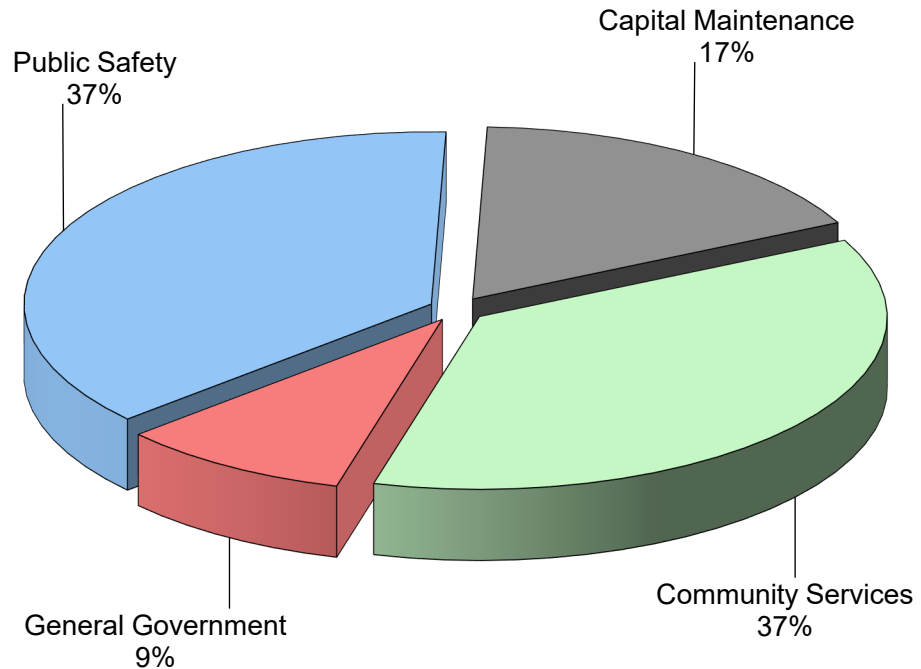
CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
SUMMARY OF TOTAL STAFFING BY DEPARTMENT

Public Safety Departments - provide for the safety of the public through crime and fire prevention and suppression efforts of the Police and Fire Departments.

Capital Maintenance Departments - provide for the construction and maintenance of the City's infrastructure by the Transportation and Public Works Departments.

Community Services Departments - provide for programs that affect citizens on a daily basis, such as Airport, Energy, Environmental Services, Housing, Parks, Recreation and Neighborhood Services, Library, and Planning, Building and Code Enforcement Departments.

General Government Departments - provide for the overall management and administrative functions of the City, including Human Resources, Finance, Economic Development and Cultural Affairs, Independent Police Auditor, Information Technology, Retirement Services, City Attorney, City Manager, Mayor and City Council, City Auditor, and City Clerk.



TOTAL STAFFING BY DEPARTMENT 6,985.47

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
SUMMARY OF TOTAL STAFFING BY DEPARTMENT

	2023-2024 Adopted	Changes in 2024-2025 Forecast	Net-Zero Inter-department Transfers	Changes in 2024-2025 Proposed	Total Changes	2024-2025 Proposed
GENERAL GOVERNMENT DEPARTMENTS						
City Attorney	88.50	(1.00)	0.00	1.00	0.00	88.50
City Auditor	14.00	0.00	0.00	(1.00)	(1.00)	13.00
City Clerk	18.00	0.00	0.00	(1.00)	(1.00)	17.00
City Manager	92.50	(7.00)	0.00	2.50	(4.50)	88.00
City Manager - Office of Economic Development and Cultural Affairs	61.00	(1.00)	(3.00)	0.00	(4.00)	57.00
Finance	134.99	(5.00)	0.00	0.67	(4.33)	130.66
Human Resources	61.50	(6.00)	0.00	4.00	(2.00)	59.50
Independent Police Auditor	7.00	0.00	0.00	0.00	0.00	7.00
Information Technology	115.00	(4.00)	0.00	0.00	(4.00)	111.00
Mayor and City Council	27.00	0.00	0.00	0.00	0.00	27.00
Retirement Services	43.00	0.00	0.00	2.00	2.00	45.00
Total General Government Departments	662.49	(24.00)	(3.00)	8.17	(18.83)	643.66
PUBLIC SAFETY DEPARTMENTS						
Fire	858.48	(3.00)	0.00	0.00	(3.00)	855.48
Police	1,750.17	14.94	0.00	(22.50)	(7.56)	1,742.61
Total Public Safety Departments	2,608.65	11.94	0.00	(22.50)	(10.56)	2,598.09
CAPITAL MAINTENANCE DEPARTMENTS						
Public Works	669.27	(5.00)	0.00	(5.00)	(10.00)	659.27
Transportation	538.50	(6.00)	0.00	3.00	(3.00)	535.50
Total Capital Maintenance Departments	1,207.77	(11.00)	0.00	(2.00)	(13.00)	1,194.77
COMMUNITY SERVICES DEPARTMENTS						
Airport	228.00	0.00	0.00	0.00	0.00	228.00
Energy	53.00	0.00	1.00	2.00	3.00	56.00
Environmental Services	591.00	(1.00)	(1.00)	3.00	1.00	592.00
Housing	109.50	(7.00)	1.00	8.00	2.00	111.50
Library	404.17	0.00	0.00	(8.15)	(8.15)	396.02
Parks, Recreation and Neighborhood Services	853.97	(33.32)	0.00	39.78	6.46	860.43
Planning, Building and Code Enforcement	321.00	(2.00)	2.00	(16.00)	(16.00)	305.00
Total Community Services Departments	2,560.64	(43.32)	3.00	28.63	(11.69)	2,548.95
TOTAL DEPARTMENT STAFFING	7,039.55	(66.38)	0.00	12.30	(54.08)	6,985.47

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CITY OF SAN JOSE

2024-2025 PROPOSED OPERATING BUDGET

BUDGET POLICIES

The Operating and Capital Budgets and the Capital Improvement Program are prepared and administered in accordance with several sources of policy direction. First, the City Charter requires that the budget be balanced, include a complete financial plan for all City funds, and meet certain legal deadlines for submittal. Second, the City Council has established two budget policies: (1) [the Operating Budget and Capital Improvement Program Policy \(Council Policy 1-18\)](#), which includes guidelines, standards, and requirements for preparation and monitoring of both the Operating and Capital Budgets; and (2) [the Estimating Construction Costs and Development of Project Budget Policy \(Council Policy 8-12\)](#), which establishes guidelines for estimating construction project costs and developing project budgets (the complete text of the adopted policies is presented below). Third, the budget is developed in accordance with the Mayor's budget priorities and direction as approved by the City Council in March and June of each year. Fourth, recommendations of special studies by Council-appointed task forces, boards, commissions, and committees may be considered upon the direction of the City Council. Finally, public input is considered throughout the process, with scheduled public hearings at key City Council decision points.

OPERATING BUDGET AND CAPITAL IMPROVEMENT PROGRAM POLICY (COUNCIL POLICY 1-18)

OPERATING BUDGET

1. General

The budget should be a performance, financing, and spending plan agreed to by the Mayor, City Council, City Manager, and other Council Appointees. It should contain information and data regarding expected revenues and resources (inputs), expected expenditures, and expected performance (outcomes). During the fiscal year, actual experience (revenues, expenditures, and performance) will be periodically measured against the plan.

The City will prepare and annually refine written goals and policies to guide the preparation of financing, spending, and performance plans for the City budget. Proposed budgets will comply with the adopted budget policies and Council priorities.

The City uses a performance-based budget. The core service is the lowest level in the organization for which budgets are prepared. Each core service budget will include financing and spending plans. Each core service will also propose an annual performance plan. The plan must identify ongoing performance targets and corresponding indicators, which measure performance. The plan should also include specific performance targets, which will have results during the budget year. All performance at the core service level must be consistent with the mission statements at the department level and the outcomes of the City Service Area at the City level, meeting the performance as well as budget goals and policies established by the Mayor and City Council.

Department and program managers will not exceed the Council-approved appropriations in any fund. Appropriations for departmental operations are approved by the City Council in two categories: Personal Services and Non-Personal/Equipment.

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
BUDGET POLICIES

OPERATING BUDGET AND CAPITAL IMPROVEMENT PROGRAM POLICY (COUNCIL POLICY 1-18)

OPERATING BUDGET

1. *General (Cont'd.)*

These appropriations are shown in the departmental budgets. In addition, appropriations are approved for Capital Projects, City-Wide projects, and other targeted functions with special and capital funds.

The City Council may approve modifications to these appropriations throughout the year as warranted by revenue collections and activity demands.

2. *Fiscal Integrity*

The City will maintain the fiscal integrity of its operating, debt service, and capital improvement budgets, which provide services and maintain public facilities, streets, and utilities.

Ongoing operating program costs will not exceed the amount of ongoing revenue to finance those costs. Interfund loans will not be used as a funding mechanism to address ongoing gaps between revenues and costs. If a new program is added on an ongoing basis, an ongoing revenue source will be identified to fund the program costs. Any available carryover balance will only be used to offset one-time costs.

3. *Contingency Funds or Accounts*

Several different contingency funds or accounts are established:

a) General Purpose Reserves

Within the General Fund, unrestricted reserves shall be set aside as a safety net for general city operations. Currently, the Contingency Reserve, Budget Stabilization Reserve, and Workers' Compensation/General Liability Catastrophic Reserve are available for general purposes. The combined funding goal for these reserves in the aggregate shall be 10 percent of General Fund Operating Budget expenditures. Within capital and special funds, reserves may be set aside as a safety net for city operations pertaining to the respective fund or to provide stability for customer rates when there are fluctuations to revenue and expenditures.

1) Contingency Reserve

Within the General Fund, a contingency reserve, which is a minimum of 3% of the General Fund operating budget, is established. The purpose of this reserve is to meet unexpected circumstances arising from financial and/or public emergencies that require immediate funding that cannot be met by any other means.

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
BUDGET POLICIES

OPERATING BUDGET AND CAPITAL IMPROVEMENT PROGRAM POLICY (COUNCIL POLICY 1-18)

OPERATING BUDGET

3. *Contingency Funds or Accounts (Cont'd.)*

Any use of the General Fund Contingency Reserve shall require two-thirds vote of approval by the City Council. The Contingency Reserve shall be budgeted at a minimum of 3% of the General Fund operating budget in the annual Adopted Budget. This allocation will include replenishment of any amounts expended or appropriated to another fund during the previous year.

Appropriate levels of contingency funds will be determined and maintained in the capital and special funds as part of the City Council's adoption of the annual Capital Budget or the Operating Budget, as applicable.

2) Budget Stabilization Reserve

Within the General Fund, a Budget Stabilization Reserve may be maintained at a level as determined by the City Council to be adequate. The purpose of this reserve is to provide budget stability when there are fluctuations that result in lower than projected revenues and/or higher than projected expenditures that cannot be re-balanced within existing budget resources in any given year. This reserve is intended to provide a buffer, or bridge funding, to protect against reducing service levels when these fluctuations occur. Any use of the General Fund Budget Stabilization reserve shall require majority vote by the City Council through the adoption of the Operating Budget or by appropriation action during the fiscal year. The City Council will set the reserve amount annually as part of the City Council's adoption of the Operating Budget. The replenishment or use of this reserve shall be incorporated into the annual Adopted Operating Budget as resources are available to replenish and/or increase this reserve, or as funds are needed to address a budget shortfall.

Appropriate levels of Budget Stabilization Reserve funds will be determined and maintained in the capital and special funds, as applicable.

3) Workers' Compensation/General Liability Catastrophic Reserve

Within the General Fund, a Workers' Compensation/General Liability Catastrophic Reserve may be maintained at a level as determined by the City Council to be adequate. The purpose of this reserve is to provide funding for potential workers' compensation or general liability claims that exceed the budgeted amounts as the City, for the most part, is self-insured.

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
BUDGET POLICIES

OPERATING BUDGET AND CAPITAL IMPROVEMENT PROGRAM POLICY (COUNCIL POLICY 1-18)

OPERATING BUDGET

3. *Contingency Funds or Accounts (Cont'd.)*

Any use of the General Fund Workers' Compensation/General Liability Catastrophic Reserve shall require majority vote by the City Council through the adoption of the Operating Budget or by appropriation action during the fiscal year. The City Council will set the reserve amount annually as part of the City Council's adoption of the Operating Budget. The replenishment of this reserve shall be incorporated into the annual Adopted Operating Budget as resources are available to replenish and/or increase this reserve.

Appropriate levels of Workers' Compensation and/or General Liability Catastrophic Reserves will be determined and maintained in the capital and special funds, as applicable.

b) Cash Reserve Fund

An adequate revolving fund (Cash Reserve Fund 002), as mandated by the City Charter, shall be determined and maintained at an adequate level as determined by the City Council. The purpose of this reserve fund is for the payment of any authorized expenditures of the City for any fiscal year in anticipation of and before the collection of taxes and other revenues of the City for such fiscal year.

c) Emergency Reserve Fund

An adequate emergency reserve fund (Emergency Reserve Fund 406), as mandated by the City Charter, shall be determined and maintained at an adequate level as determined by the City Council. The purpose of this reserve fund is to meet any public emergency involving or threatening the lives, property, or welfare of the people of the City or property of the City.

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
BUDGET POLICIES

OPERATING BUDGET AND CAPITAL IMPROVEMENT PROGRAM POLICY (COUNCIL POLICY 1-18)

OPERATING BUDGET

4. *Fund Balance*

The appropriation of carryover fund balances must be approved judiciously. This should ensure that ongoing expenditures will be budgeted only to the extent that proven revenue streams exist.

In the annual budget, and in subsequent reports, there will be a presentation on fund balances and their anticipated uses.

- a) The first increment of any General Fund “Ending Fund Balance” identified in the City Manager’s Annual Report shall be allocated to offset any projected deficit for the following fiscal year, after necessary appropriation adjustment actions to re-budget funds, correct errors, or reflect updated cost information have been accounted for in the fund balance reconciliation.
- b) After setting aside funding to address the projected deficit for the following year, if applicable, the remaining funds shall be allocated for the following uses:
 - 1) Budget Stabilization Reserve and/or Contingency Reserve.
 - 2) Unmet/deferred infrastructure and maintenance needs.
 - 3) Other one-time urgent funding needs.
- c) Annual surplus funds shall not be used for ongoing expenditures, unless those expenditures can be accommodated in Year Two and possibly Year Three of the five-year financial forecast. Any available carryover balance should only be used to offset one-time costs or to increase revenues.

5. *Mid-Year Adjustments*

Mid-Year budget adjustments recommended by Council Committees, task forces, or the full Council, should be referred to the Mid-Year Budget Review or the annual budget process for consideration along with other competing budgets needs and priorities. In general, ongoing budget changes should be dealt with during the annual budget process while one-time budget changes may be considered during either the Mid-Year Budget Review or during the annual budget process.

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5. *Mid-Year Adjustments (Cont'd.)*

The authority to make expenditures in accordance with a City Council-approved spending plan is only valid as long as revenue for the budgets is equal to or greater than estimated expenditures.

All appropriation amendments and revenue estimate changes will be reported in the monthly financial report.

6. *Overhead Cost Allocation*

All overhead costs shall be allocated to the appropriate program within the limits of local, State, and federal laws. The City utilizes a two step method (double step down method) where costs are first allocated among the central service support programs to arrive at the total cost of the central service programs. These total costs are then allocated down in priority order to the departments and funds that are benefitting from their services. The allocating support program costs are charged to the associated departmental funding source and corresponding revenue is received by the General Fund.

7. *Budget System*

The City will maintain a budget control system to adhere to the budget.

There will be delivery of a Proposed Budget, in accordance with the Adopted Budget schedule, that accurately depicts the financial condition and goals of the City. This budget should be in a form that enables decision makers to set the direction and policy of the City.

The Proposed Budget will illustrate the General Fund, special funds, and capital funds so that the entire resources of the City may be viewed comprehensively for decision-making.

Decision-making for capital improvements will be coordinated with the operating budget to make effective use of the City's overall resources for operating and maintaining facilities.

The adoption of the annual appropriations ordinance will coincide with the adoption of the resolution setting forth the annual revenue estimates.

Budget detail shall contain line-item detail for the core service spending plan, a personnel summary report listing the types of positions for each department, and a corresponding core service performance plan. It shall also contain department and fund summaries for spending and personnel as well as a detailed financing plan for the core service.

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8. Debt

The City Council adopted a Debt Management Policy (Council Policy 1-15) that establishes the following equally important objectives:

- a) Minimize debt service and issuance costs.
- b) Maintain access to cost-effective borrowing.
- c) Achieve the highest practical credit rating.
- d) Full and timely repayment of debt.
- e) Maintain full and complete financial disclosure and reporting.
- f) Ensure compliance with applicable State and Federal laws.

As described in Council Policy 1-15, prior to bringing forward a lease financing (financing the acquisition, construction, or improvement by the City of real property or equipment) to the City Council for approval, the Finance Department shall perform initial due diligence on the project to be financed. The due diligence will include identifying the revenue source for repayment and performing a feasibility study to determine the volatility of the revenue and provide a sensitivity analysis on project revenue projections, including worst/best case scenarios and the impact on any repayment source identified as the backstop to the project revenues. In order to proceed with the preparation of the documents necessary for the lease financing, two-thirds majority approval by the City Council of the proposed plan of finance is required. When the lease financing is brought forward for City Council approval, the Finance Department will provide the City Council with an update to the due diligence report and any feasibility study. Approval of the lease financing will require two-thirds majority approval by the City Council. These provisions do not apply to a refunding of a lease financing transaction.

In order to reduce principal on outstanding debt and minimize debt service costs, one-time savings generated from debt restructurings and refundings should be used to pay down the outstanding principal of other existing City debt, whenever possible, taking into consideration any fund restrictions.

9. Self Insurance

The budget will provide for the adequate funding for the City's self-insurance programs.

10. Capital and Equipment Maintenance

The budget will provide for the adequate maintenance and orderly replacement of capital, plant, and equipment.

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11. Retirement

The budget will provide for the adequate funding of all retirement systems.

12. Monthly Report

The Administration will prepare regular monthly reports comparing actual revenues and expenditures to budgeted amounts.

The budget will be produced so that it can be directly compared to the actual results of the fiscal year and presented in a timely monthly report.

All budget amendments, both for revenues and expenditures, will be noted in the monthly report.

13. Multi-Year Estimates

Each year the City will update expenditure and revenue projections for the next five years. Projections will include estimated maintenance and operating costs of future capital improvements that are included in the capital budget.

This budget data will be presented to elected officials in a form that will facilitate annual budget decisions, based on a multi-year strategic planning perspective.

14. Performance and Productivity

The City will integrate performance measurement and productivity indicators within the budget. Prior to implementation, performance objectives and service levels will be submitted for all new and existing programs established during the budget process. The selection of performance standards should be made on the basis of information reliability, relevance to current year budget change proposals, value to Mayor/City Council decision making, and utility for program management.

The City will promote the understanding that City employees are the most valuable resource of the City and that their understanding and involvement in the budget process is crucial to the City's continuing success on behalf of the community.

The City will employ good management practices when planning for service delivery by including money in budget requests to pursue activities such as:

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14. Performance and Productivity (Cont'd.)

- a) office automation and computer applications that increase productivity;
- b) equipment modernization;
- c) work-flow simplification;
- d) risk management, exposure reduction, and employee safety;
- e) preventive maintenance;
- f) energy conservation;
- g) life-cycle costing in purchasing of equipment;
- h) lease-purchase options for high-cost equipment and purchases that reduce operating expenses;
- i) performance planning, reporting, and evaluation; and
- j) employee training.

The City will prepare and evaluate program performance plans that relate to financing and spending plans in the annual City budget.

15. Public Involvement

Public involvement shall be encouraged in the annual budget decision making process through public hearings, public outreach and information, and informal meetings.

For ballot measures approved by the voters that result in increased tax revenues available to be spent for any governmental purpose, the Neighborhoods Commission shall serve as the primary resident oversight body over how such revenues are allocated by the City Council within the General Fund on an annual basis. Subsequent to the release of the City Manager's Annual Report, the Neighborhoods Commission will perform the following tasks for each ballot measure identified by the City Council to be reviewed by the Neighborhoods Commission:

- a) Compare the actual revenue received with the budgeted estimate.
- b) If the City Council approved specific uses for the revenue through a budget action, compare actual expenditures with the budgeted amount.
- c) If the City Council did not approve specific uses of the revenue through a budget action, provide a high-level review of the General Fund budget to assess how the increased revenues from the ballot measure were allocated to support and make a positive impact on community priorities.
- d) Produce a report to the City Council summarizing all findings and stating whether and how the revenues were used to support previously identified uses and/or community priorities.

As deemed appropriate, the City Council may designate a separate commission or other body of San Jose residents to provide oversight of ballot measures that increase City revenues.

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16. “Distinguished Budget” Presentation

The approved budget shall be submitted to the Government Finance Officers Association and the California Society of Municipal Finance Officers for consideration for professional awards and recognition for Distinguished Budget Presentation.

17. Fees

Fees shall be set to cover 100% of the cost of service delivery, unless such amount prevents residents from obtaining an essential service. Fees or service charges should not be established to generate money in excess of the costs of providing services.

Fees may be less than 100% if Council determines that other factors (e.g., market forces, competitive position, etc.) need to be recognized.

18. Non-Profit Organizations

Future funding decisions regarding non-profit organizations will be based on guidelines, policies and priorities determined by the Mayor/City Council and availability of funding based on spending priorities.

The City shall execute performance contracts with those agencies that receive City funding.

19. Master Plans

Master plans for specific service areas brought forward for Council consideration shall include options for capital and operating financing. Master plans shall be required to propose funding mechanisms for all recommendations.

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20. Office of the Mayor and City Council District Office Budgets in Transition Years

For fiscal years in which the term of office of the Mayor or Councilmember(s) will expire and, as a result, the official may leave office due to election results or term limits (a “Transition Year”), two separate appropriations to maintain separate budget allocations for the outgoing and incoming elected officials shall be established. The total budget allocation will include: (a) office general budget; (b) constituent outreach budget; and (c) any carryover available from the prior fiscal year, from both office general and constituent outreach budgets. The first appropriation shall be for the July through December period for the Mayor and Councilmember(s) whose terms expire in December of that year, representing 50% of the total allocation. The second appropriation shall be for the January through June period for the newly elected Mayor and Councilmember(s), representing the remaining 50% of the total allocation. Outgoing Mayor and Councilmember(s) shall take into account the costs associated with any contracts entered into and all of their office’s personnel costs, including leave balance payouts for their staff so as not to reduce the amount budgeted for the incoming official. Any remaining budget allocation at the conclusion of the first appropriation shall be reappropriated to the second appropriation for that specific office as part of the annual Mid-Year Budget Review process. Should an election result in no change in the office holder, as part of the Mid-Year Budget Review process, the second appropriation shall be combined into the first for continuity of operations.

21. Interfund Loans

Interfund loans are loans from one City fund to another City fund for a designated purpose. To ensure that all interfund loans are appropriate, properly documented, and not established to the detriment of the fund issuing the loan, the following interfund loan eligibility and documentation requirements are established.

- a) Interfund Loan Eligibility Requirements – Interfund loans may not be used to solve ongoing structural budget problems. Interfund loans must have an identified repayment source and date; include an interest component that equals the investment earnings the fund would have received had the loan not occurred; and be immediately due and payable if needed by the fund that provided the loan.
- b) Interfund Loan Documentation Requirements – Loan amount, term, and repayment source will be identified any time a loan is recommended. Loans will be coordinated with the City Attorney’s Office to ensure compliance with the Municipal Code and will be approved by the City Council. Payments made on outstanding loans shall be reflected in the Proposed and Adopted Budget and Annual Report, as applicable. A summary of all outstanding loans will also be included in the annual Proposed and Adopted Operating Budget and the Comprehensive Annual Financial Report (CAFR). The CAFR will also consistently include the loan term, rate of interest, and the interest amount due in its calculation of the total liability associated with the loan.

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22. Real Property Transfer Tax Revenues

On March 3, 2020, the voters of San José passed Measure E to enact a new real property transfer tax (“Transfer Tax”) on the transfer of certain real property in the City. The provisions of this section shall apply to the budgeting of Transfer Tax revenues. The Transfer Tax is a general tax and the revenues derived from the tax are unrestricted, which means the City can use the Transfer Tax revenues for any governmental purpose. While these revenues are deposited in the General Fund and can be used for any governmental purpose, the City Council intends for the revenues to be allocated towards addressing the homelessness crisis and the City’s most urgent issues including, but not limited to, homeless prevention and developing new affordable housing. The approach for estimating and budgeting Transfer Tax revenues is described below.

- a) Estimating Revenue from the Transfer Tax – Due to the volatile nature of a real property transfer tax such as the Transfer Tax, the City will conservatively estimate revenue from the Transfer Tax as part of the Proposed Budget process. During the course of the fiscal year, revisions to the Transfer Tax revenue estimate may be recommended to the City Council to align with the pace of actual collections.

- b) Spending Allocations of Transfer Tax – The spending priorities for the Transfer Tax are listed below.
 - 1) Up to 5% of the revenues may be allocated for the administration of funding related to increased workload resulting from more robust homeless prevention efforts and the creation of more affordable housing, including, but not limited to, financial, legal, or administrative and policy programmatic support.

 - 2) The remaining revenue is allocated as follows:
 - i. 10% for homelessness prevention, gender-based violence programs, legal services, and rental assistance;

 - ii. 40% for creation of new affordable housing for Extremely Low-Income (ELI) households earning less than 30% of area median income (AMI) as defined by the U.S. Department of Housing and Urban Development;

 - iii. 30% for creation of new affordable housing for Low-Income households earning less than 80% of AMI households as defined by the U.S. Department of Housing and Urban Development;

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22. Real Property Transfer Tax Revenues (Cont'd.)

- iv. 5% for creation of new affordable housing for moderate-income rental housing up to and including 120% AMI, including but not limited to, rent-restricted Accessory Dwelling Units (ADU) forgivable loans, down payment assistance, land trusts, shared equity programs, and first-time homeownership opportunities for households up to 120% AMI; and
 - v. 15% primarily for homeless support programs, shelter construction and operations, that may include, but is not limited to, case management, outreach teams, encampment services, safe parking, homeless shelters and interim housing construction and operations. In addition, should the City Manager's Five-Year General Fund Forecast determine that sufficient resources are available to support the aforementioned programs in accordance with prior City Council direction over the five-year forecast horizon, any residual funds are eligible for homelessness prevention.
- c) Modifications to Spending Allocation – Any revisions to the revenue estimate, as well as a reconciliation of year-end actuals to budgeted estimates, will be proportionally applied to the spending categories described above. Modifying the percentage allocations during the Proposed Budget process or during the year requires:
- 1) A 60-day notice in advance of the effective date of the proposed allocation change posted on the City's website and at least two public hearings prior to City Council action on the proposed allocation change, with a notice of each public hearing posted on the City's website at least 10 days in advance of the public hearing; and
 - 2) A two-thirds vote of the City Council.

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CAPITAL IMPROVEMENT PROGRAM

1. *Fiscal Policies*

- a) Capital project proposals should include complete, reliable, and attainable cost estimates. Based upon a thorough analysis of the project, project cost estimates for the Five-Year Capital Improvement Plan will vary in reliability depending upon whether they are to be undertaken in the first or fifth year of the Plan. Project estimates for the Five-Year Capital Improvement Plan should include the basis on which the project costs were prepared (conceptual design, master plan, etc.), and the relative reliability of those estimated costs.
- b) Capital project proposals should include a comprehensive resource plan. This plan should include the amount and type of resources required, and the funding and financing strategies to be employed. The specific fund and timing should be outlined. The plan should indicate resources needed to complete any given phase of a project in addition to the total project. The City Manager's Office is responsible and accountable for providing Council with an accurate, comprehensive resource plan.
- c) Changes in project estimates for the comprehensive resource plan shall be fully reported to the City Council for review and approval.
- d) Project proposals should indicate the project impact on the operating budget. Each project that is proposed in any year of the Five-Year Capital Improvement Program shall have an estimate of the costs for furniture, fixtures, equipment, and technology and the annual operations and maintenance costs in the appropriate year of the Operating Budget or in the Five-Year Forecast and Revenue Projections.
- e) During the annual Capital Budget process for multi-year budgeted projects, the City Manager will provide the Council with more information regarding the project including the original budget, budget addendums, and the projected schedule in spreadsheet format.
- f) At the time of award of the construction contract, each project shall include reasonable provision for contingencies.
- g) At the time of award of the construction contract, each project shall include reasonable provisions for furniture, fixtures, equipment, and technology that are separately identified in a line item or items in the construction budget and those costs shall be noted in the staff report to the Council.

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CAPITAL IMPROVEMENT PROGRAM

1. Fiscal Policies (Cont'd.)

- h) At the time of award of the construction contract, each project's estimated annual operating and maintenance costs shall be identified in the staff report to the Council and shall be included in the Operating Budget or in the Five Year Forecast and Revenue Projections for projects expected to be completed after the end of the budget year.
- i) The contingency amounts to be used for various types of projects were approved by the City Council on December 3, 2002 and amended on December 15, 2009, and are as follows:
 - 5% of the total contract for street, sidewalk and park projects;
 - 10% of the total contract amount for trails, utilities and building projects;
 - 15% of the total contract amount for building renovation projects; or
 - Such other amounts as approved by the Mayor/City Council for a particular project.
- j) Project contingencies may, unless otherwise determined by the City Council, be used only to compensate for unforeseen circumstances requiring additional funds to complete the project within the original project scope and identified needs.
- k) For budgeting purposes, project contingencies are a reasonable estimating tool. At the time of contract award, the project's budgeted appropriation, including contingency, will be replaced with a new appropriation equal to the approved project contract contingency developed in the manner described above.
- l) The City Administration shall seek ways of ensuring that administrative costs of carrying out the Capital Improvement Program are kept at appropriate levels.
- m) The Annual Capital Budget shall include only those projects that can reasonably be accomplished in the indicated timeframe. Multi-year budgeting of projects shall be used to ensure a reasonable timeframe for projecting costs. The detail sheet for each budgeted capital project should include a projected schedule.
- n) The status of all capital projects, and the entire Capital Budget, will be monitored by the Mayor/Council as part of the Mid-Year Budget Review. Large projects of crucial importance may be monitored on a more frequent basis as determined by the City Council.

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CAPITAL IMPROVEMENT PROGRAM

1. Fiscal Policies (Cont'd.)

- o) Capital projects that are not encumbered or completed during the fiscal year will be re-budgeted to the next fiscal year except as reported to and subsequently approved by the City Council. All re-budgeted capital projects should be so noted in the Proposed Capital Budget.

2. Capital Improvement Plan Policies

Public participation in the Capital Improvement Program is a priority concern for the City. Among the activities conducted to address this need are the following:

- a) The Capital Improvement Plan shall be provided to the City Council in a timely manner as required by the City Charter to allow for Council members to review the proposal with constituents before it is considered for adoption.
- b) Council budget review study sessions on the Capital Improvement Plan shall be open to the public and advertised sufficiently in advance of the meetings to allow for public attendance.
- c) Prior to the adoption of the Capital Improvement Plan, the City Council shall hold noticed public hearings to provide an opportunity for residents to express their opinions on the proposed plan.
- d) The City Planning Commission shall review the proposed Capital Improvement Plan and provide their comments on its contents before the Council considers the plan for final adoption.
- e) All projects included in the Capital Improvement Program shall be consistent with the City's General Plan and the City's Energy and Water Policies. The goals and policies within the General Plan relating to community development, housing, services and facilities, transportation, solid waste, aesthetic, cultural and recreational resources, natural resources and hazards should be followed in the development of the Capital Improvement Plan. The General Plan service-level goals will be clearly stated in the Capital Improvement Program.
- f) Capital projects shall be financed to the greatest extent possible through user fees and benefit districts where construction of the project results in direct benefit to users.

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CAPITAL IMPROVEMENT PROGRAM

2. *Capital Improvement Plan Policies (Cont'd.)*

- g) The Council will annually review and establish criteria for measuring proposed capital improvement projects. Among the factors that will be considered for priority ranking are the following:
- Projects that have a positive impact on the operating budget, such as reduced expenditures or increased revenues.
 - Projects that are programmed in the Five-Year Operating Budget Forecast.
 - Projects that can be completed or significantly advanced during the Five-Year Capital Improvement Plan.
 - Projects that can realistically be accomplished during the year they are scheduled.
 - Projects that implement prior Council-adopted reports and strategies.
- h) Projects that involve inter-governmental cooperation in planning and funding should be established by an agreement that sets forth the basic responsibilities of the parties involved.

3. *Debt*

The City Council has adopted a Debt Management Policy (Council Policy 1-15) that establishes the following equally important objectives:

- a) Minimize debt service and issuance costs.
- b) Maintain access to cost-effective borrowing.
- c) Achieve the highest practical credit rating.
- d) Full and timely repayment of debt.
- e) Maintain full and complete financial disclosure and reporting.
- f) Ensure compliance with applicable state and federal laws.

As described in Council Policy 1-15, prior to bringing forward a lease financing (financing the acquisition, construction, or improvement by the City of real property or equipment) to the City Council for approval, the Finance Department shall perform initial due diligence on the project to be financed. The due diligence will include identifying the revenue source for repayment, and performing a feasibility study to determine the volatility of the revenue and provide a sensitivity analysis on project revenue projections, including worst/best case scenarios and the impact on any repayment source identified as the backstop to the project revenues. In order to proceed with the preparation of the documents necessary for the lease financing, two-thirds majority approval by the City Council of the proposed plan of finance is required. When the lease financing is brought forward for City Council approval, the Finance Department will provide the City Council with an update to the due diligence report and any feasibility study.

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CAPITAL IMPROVEMENT PROGRAM

3. Debt (Cont'd.)

Approval of the lease financing will require two-thirds majority approval by the City Council. These provisions do not apply to a refunding of a lease financing transaction.

In order to reduce the principal on outstanding debt and minimize debt service costs, one-time savings generated from debt restructurings and refundings should be used to pay down the outstanding principal of other existing City debt, whenever possible, taking into consideration any fund restrictions.

ESTIMATING CONSTRUCTION COSTS AND DEVELOPMENT OF PROJECT BUDGET POLICY (COUNCIL POLICY 8-12)

The City Council adopted on August 22, 2000, an Estimating Construction Costs and Development of Project Budget Policy (Council Policy 8-12) to improve the quality and effectiveness of the City's Capital Budget Process and accuracy of capital project construction by assuring that:

1. Capital projects have realistic budgets.
2. The City Council has enough information and data to establish the budget once a project is approved.
3. The public is clearly informed about project "budgets".

This policy improves the Capital planning and budgeting process by setting definitions of project estimation relative to the degree of project design definition and level of completion. The policy establishes a consistent and uniform approach for estimating and reporting construction project costs and establishing realistic construction project budgets.

POLICY

"Program" and "Preliminary" level estimates are useful tools in a long-term capital budget planning process. However, an estimate must have a level of certainty provided by a "Budget" level estimate to realistically establish a final project.

From project initiation as a concept through the award of a construction contract, there are six essential milestones or steps in the development of a project. These steps are shown below.

At various points within these steps, four different kinds of estimates that are prepared as the project progresses from start to finish. As more detail, specificity and definition are developed through the stages of design, these estimates become more certain and realistic as noted below.

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ESTIMATING CONSTRUCTION COSTS AND DEVELOPMENT OF PROJECT BUDGET POLICY (COUNCIL POLICY 8-12)

POLICY

The six milestones or steps in a project and the point at which these estimates are prepared are as follows:

<u>Project Milestone/Phase</u>	<u>Type of Estimate</u>
1. Project Initiation	Program Estimate
2. Planning/Programming	Preliminary Estimate
3. Design	
Conceptual Design	
Schematic Design	Budget Estimate
4. Construction Documents/ Bidding/Contract Award	Engineer's Estimate
5. Construction	
6. Occupancy/Opening	

The four estimates are defined by this policy as follows:

- **The “Program Estimate”** is created in the Project Initiation Phase for the long-term, multi-year planning and for initial feasibility studies. It is based on a general description of the project as a concept and does not include any design, architectural work or detailed scope. It may typically include components for land acquisition, design, construction, and construction management.
Level of Certainty: ± 35%
- **The “Preliminary Estimate”** is prepared during the Planning/Programming Phase and is based on an initial program containing building and site square footages and general site work. It is typically not based on any formal engineering or architectural work, which usually has not yet occurred. The Preliminary Estimate is most commonly used to develop the next year's budget or to add a project to a current year budget to allow for further design development. For smaller projects of shorter duration and minimal complexity, the Program Estimate step may be eliminated in favor of the Preliminary Estimate.
Level of Certainty: ± 20%

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**ESTIMATING CONSTRUCTION COSTS AND DEVELOPMENT OF PROJECT BUDGET
POLICY (COUNCIL POLICY 8-12)**

POLICY

- **The “Budget Estimate”** is prepared during the Schematic Design Phase and is based on a defined scope and schematic design work. It is prepared using estimated material quantities and unit prices taken from the plans and applying a general unit cost to each item. This estimate includes all changes in definition and scope that have been identified and incorporated into the project design since the Preliminary Estimate. Items associated with the commencement of construction such as bonds, insurance, mobilization and overhead costs are also included. This estimate is used for evaluating project alternatives, value engineering, and evaluation of the project budget established by the Preliminary Estimate in the Planning/Programming Phase. For projects of a multi-year duration, the Budget Estimate should include an inflationary factor that escalates the cost to the dollar value at the mid-point of the construction schedule.
Level of Certainty: ± 10%
- **The “Engineer’s Estimate”** is a detailed estimate prepared using the final construction documents prior to bidding and contract award. It is prepared using unit prices for exact quantities of materials and labor taken from the plans. The Engineer’s Estimate is used to establish the final funding within the budget and to evaluate bids received.
Level of Certainty: ± 5%

Smaller projects of shorter duration may not require all four levels of estimates. In most cases, however, a larger project would require as a minimum “Preliminary”, “Budget”, and “Engineer’s” estimates.

To support the establishment and implementation of this policy, a set of detailed administrative procedures to be followed for project managers and staff engaged in capital construction projects will be developed. These procedures are to provide specific and detailed instructions and guidelines on how and when estimates are prepared, reviewed and approved in accordance with this Council Policy.

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CITY SERVICE AREA POLICY FRAMEWORK

A variety of master plans, strategic plans, regulations, and City Council direction comprise a City Service Area policy framework that guides City operations and the development of the Capital and Operating Budgets. A listing of the framework's major components is provided below.

- ActivateSJ Strategic Plan
- Airline Master Lease Agreements
- Airport Master Plan
- Airport Public Art Master Plan (2005)
- Airport Security and Traffic Relief Act (ASTRA) Ballot Measure A
- Aquatics Master Plan (2007)
- Blue Ribbon Report (2008)
- Business Process Transformation/Infrastructure Optimization Information Technology 10 Year Investment Roadmap
- City Charter and Municipal Code
- City Council Policies
- City Council Priorities
- City of San José Consolidated Plan
- City of San José Traffic Calming Policy and Traffic Signal Warrant Policy
- City of San José Transportation Impact Policy
- Cultural Connection: San José's Cultural Plan for 2011-2020
- Deferred Maintenance and Infrastructure Backlog Status Report
- Destination: Home Community Plan to End Homelessness (2015)
- Economic Development Strategy
- Education and Digital Literacy Strategy
- Environmental Management Policies as set by regulatory agencies including CalTrans Aeronautics Program, California Air Resources Board, Bay Area Air Quality Management District, Regional Water Quality Control Board, California Department of Fish and Game, Santa Clara Valley Water District, and Santa Clara County Department of Environmental Health
- Envision San José 2040 General Plan
- Federal Aviation Administration and Transportation Security Administration Policies and Mandates
- Framework for Evaluating Proposed Conversions of Industrial Lands (updated 2007)
- Greenprint: A 20-Year Strategic Plan for Parks and Community Facilities and Programs (2009)
- Information Technology Operations – Green Technology Initiatives
- Investment and Debt Management Policies
- Local Area Development Policies (i.e., North San José, Edenvale, and Evergreen)
- National Pollutant Discharge Elimination System Stormwater Permit (2022)
- National Pollutant Discharge Elimination System Wastewater Permit (2020)
- Neighborhood Security Bond Act (2002)
- “One Voice” Development Services

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
CITY SERVICE AREA POLICY FRAMEWORK

- Parks and Library Bond Measures (2000)
- Priority Street Network (2012)
- Public Art Master Plan (2007)
- Public Art Policy
- San José Greater Downtown Strategy for Development: Downtown Parking Management Plan (2007)
- San José Green Vision (2007)
- San José Public Library Master Plan and Branch Facilities Master Plan (2008)
- San José City Roadmap (2021)
- San José Smart City Vision
- San José Youth Empowerment Alliance
- Santa Clara County Emergency Medical Services Contract (2010)
- Santa Clara Valley Habitat Conservation Plan/Natural Community Conservation Plan (2013)
- Schools and City Collaborative Policy
- Strategic Plan for Persons with Disabilities (2000)
- Sustainable City Major Strategy
- Taxi Regulatory and Service Model Study
- Ten-Year Strategic Plan to Advance the Well-Being of Older Adults in Santa Clara County
- Trail Master Plans
- Transportation 2035 Plan for the San Francisco Bay Area (Metropolitan Transportation Commission)
- Transportation Level of Service Policy
- Tree Preservation Policy
- Urban Environmental Accords
- Urban Runoff Management Plan (URMP)
- Use of Plant Buffer Lands Policy
- Valley Transportation Plan 2040 (VTA)
- Vision Zero San Jose
- Water Pollution Control Plant Master Plan (2013)
- Various City of San José policies, ordinances, and studies
- Zero Waste Strategic Plan 2022

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET

**SIGNIFICANT ACCOUNTING PRACTICES AND BUDGET
PRODUCTION TOOLS**

The following information summarizes the significant accounting practices of the City of San José.

BUDGETARY BASIS

The budget is prepared in accordance with Generally Accepted Accounting Principles, except for encumbrances being recognized as expenditures. The budget for governmental funds has been prepared on a modified accrual basis. The modified accrual basis recognizes expenditures when the related fund liability is incurred. Revenues are recognized when they become both measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

FUND STRUCTURE AND BASIS OF ACCOUNTING

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balance or equity, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. Under the modified accrual basis of accounting, revenues are recognized only to the extent that they are susceptible to accrual, which means “when they become both measurable and available to be used to finance expenditures of the fiscal period.” Revenue is considered to be available when it is “collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.” If accrued revenues are not yet available, the related receivable is matched by a deferred inflow of resources for unavailable revenue, and revenue recognition occurs only when the revenue becomes available. Under the accrual basis of accounting, transactions are recognized when they occur, regardless of when cash is received or disbursed. The various funds are grouped into three broad fund categories (governmental, proprietary, and fiduciary). A general description of each follows:

- ***Governmental Fund Types***

Governmental funds are those through which most governmental functions of the City are financed. The acquisition, use, and balances of the City’s expendable financial resources and the related liabilities (except those accounted for in proprietary funds) are accounted for through governmental funds. Governmental funds include the General Fund, Special Revenue, Debt Service, and Capital Project funds of the City. These funds are maintained on a modified accrual basis where the measurement focus is on the current financial resources and the recognition of revenue in the period when the revenue becomes both measurable and available to finance expenditures of the fiscal period.

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET

**SIGNIFICANT ACCOUNTING PRACTICES AND BUDGET
PRODUCTION TOOLS**

FUND STRUCTURE AND BASIS OF ACCOUNTING

- ***Proprietary Fund Types***

Proprietary funds, which include Enterprise and Internal Service funds, are used to account for the City's business-type activities. Proprietary funds use the economic resources measurement focus and accrual basis of accounting, which are the same as used for private-sector business enterprises. These funds are used where the City has decided that periodic determination of revenues earned, expenses incurred, and/or net position is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

- ***Fiduciary Fund Types***

Fiduciary funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds; therefore, these funds cannot be used to support the City's own programs and are not included in the government-wide financial statements. Fiduciary funds include pension (and other post-employment benefits) trust funds, investment trust funds, private-purpose trust funds, and agency funds. Investment trust funds are used to report on the external portion of investment pools. Private-purpose trust funds are used to report on trust arrangements under which principal and income benefit individuals, private organizations, or other governments, and to report the assets and liabilities of the dissolved Redevelopment Agency. Agency funds are used to account for resources held in a purely custodial capacity. Agency funds typically involve only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments.

OVERHEAD COST ALLOCATION

All overhead costs are allocated to the appropriate program within the limits of local, state, and federal laws. The City utilizes a two-step method (double-step-down method) where costs are first allocated among the central service support programs to arrive at the total cost of the central service programs. These total costs are then allocated down to the departments and funds that are benefiting from these expenses. The Finance Department uses this process to develop overhead rates that recover these central support program costs borne by the General Fund from various funds and fee programs. The corresponding revenue is collected by the General Fund.

BUDGET PRODUCTION TOOLS

The City uses a variety of software tools to develop and monitor the budget. Hyperion is an integrated budgeting platform to develop, monitor and adjust the capital budget, including an interface with the City's Financial Management System, which houses all of the City's financial transactions. Hyperion allows for detailed budgeting and tracking by cost element, revenue source, and operations and maintenance costs associated with the projects once they are completed. Nearly all of the detailed tables produced in this budget document are produced from Hyperion.

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET

**SIGNIFICANT ACCOUNTING PRACTICES AND BUDGET
PRODUCTION TOOLS**

The Capital Program Management System (CPMS) is a web-based project management system that serves both City staff and members of the public. It provides project tracking, reporting, and communication tools that allow project managers to effectively coordinate and manage resources across large, complex capital improvement projects, while keeping City staff and members of the public informed. The system has three core functional components: Project Life-Cycle Management, Cost/Resource Management, and File Management. Overseen by the Public Works Department, CPMS is accessible at <https://www.sanjoseca.gov/your-government/departments-offices/public-works/resources/construction-projects-records-search>.

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CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
GENERAL FUND OVERVIEW

Introduction

For 2024-2025, General Fund revenue estimates (excluding Fund Balance) total \$1.4 billion, representing a 1.7% increase from the 2023-2024 Adopted Budget level. When the Fund Balance-Carryover is included, General Fund resources total \$1.5 billion, which is 24.9% below the prior year. This comparison, however, is misleading as the Proposed Budget does not yet contain estimates for carryover rebudget funding, which was a significant portion of the 2023-2024 Adopted Budget Fund Balance total. Rebudgets for the 2024-2025 budget will be brought forward later in the budget process.

Estimates for the 2024-2025 Beginning Fund Balance and for over 450 separate General Fund revenue accounts were formulated as part of the 2025-2029 Five-Year Forecast that was released at the end of February 2024. These estimates have been reviewed continually since the Forecast document was released and have been revised, as appropriate, in the Proposed Budget based on updated information. Estimates for each account are based upon a careful examination of the collection history and patterns as they relate to such factors as seasonality and performance in the economic environment that the City is most likely to encounter in the coming year. Most estimates involve two projections: an estimate for the amount to be collected in 2023-2024; and an estimate for the increase or decrease in activity, resulting in the anticipated receipts for 2024-2025. Each source of revenue can be influenced by external (outside of the City's control) and/or internal factors. The 2024-2025 General Fund revenue estimates are summarized below and discussed in detail in the material that follows.

Revenue Category	1 2022-2023 Actuals	2 2023-2024 Adopted	3 2024-2025 Forecast	4 2024-2025 Proposed	2 to 4 % Change	% of Total
Property Tax	\$ 449,014,347	\$ 460,400,000	\$ 492,000,000	\$ 492,000,000	6.9%	32.1%
Sales Tax	343,472,084	336,400,000	344,000,000	344,000,000	2.3%	22.5%
Transient Occupancy Tax	14,936,816	16,000,000	16,000,000	16,000,000	0.0%	1.0%
Franchise Fees	44,823,852	51,825,008	54,445,008	55,022,632	6.2%	3.6%
Utility Taxes	124,266,765	126,550,000	136,000,000	136,000,000	7.5%	8.9%
Business Taxes	89,626,955	87,500,000	87,000,000	87,000,000	(0.6%)	5.7%
Real Property Transfer Tax	56,279,648	50,000,000	0	0	N/A	0.0%
Telephone Line Tax	21,093,889	22,000,000	22,000,000	22,000,000	0.0%	1.4%
Licenses and Permits	17,756,820	22,005,622	21,314,491	22,179,390	0.8%	1.4%
Fees, Rates, and Charges	23,595,906	22,372,680	25,806,133	26,740,860	19.5%	1.7%
Fines, Forfeitures and Penalties	17,352,624	15,080,000	16,804,797	17,604,797	16.7%	1.2%
Rev. from Money and Property	19,157,555	14,864,000	18,735,000	18,735,000	26.0%	1.2%
Rev. from Local Agencies	25,497,190	18,975,403	17,371,268	17,951,649	(5.4%)	1.2%
Rev. from State of California	19,912,631	22,110,719	13,100,000	29,100,000	31.6%	1.9%
Rev. from Federal Government	4,962,143	7,391,504	0	1,384,000	(81.3%)	0.1%
Other Revenue	291,249,120	10,257,667	8,738,257	9,050,067	(11.8%)	0.6%
Transfers and Reimbursements	140,748,332	125,768,078	138,987,687	139,014,498	10.5%	9.1%
Subtotal	\$ 1,703,746,677	\$ 1,409,500,681	\$ 1,412,302,641	\$ 1,433,782,893	1.7%	93.6%
Fund Balance-Carryover ⁽¹⁾	639,359,298	629,626,855	89,217,944	96,871,142	(84.6%)	6.4%
Total General Fund Sources	\$ 2,343,105,975	\$ 2,039,127,536	\$ 1,501,520,585	\$ 1,530,654,035	(24.9%)	100.0%

⁽¹⁾ The Fund Balance figure does not include the Reserve for Encumbrances.

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET

GENERAL FUND OVERVIEW

Economic Performance

The following is a discussion of both the national and local economic outlooks used to develop the 2024-2025 revenue estimates. Various economic forecasts and models were reviewed in the development of the 2024-2025 revenue estimates. The City also uses an economic forecasting consultant and consultants that focus on particular revenue categories, such as Sales Tax and Transient Occupancy Tax, to assist in the development of the revenue estimates and provide information on the future outlook in these areas. A more detailed discussion on forecasted economic conditions can be found in the 2025-2029 Five-Year General Fund Forecast.

National Outlook

The U.S. economy remains remarkably resilient despite the prevailing high interest rate environment. One year ago, there were widespread concerns of an impending recession, yet a recession never materialized. Currently, the economy continues to expand at a modestly positive pace, with recent indicators showing no imminent signs of recession. Policy wise, the economy is transitioning from a period of Federal Reserve interest rate hikes to a more stable rate environment, with expectations of rate cuts in the coming months. Although economic growth remains subdued compared to recent historical standards, the latest GDP estimate indicates a 3.3% annual rate, with an overall rate hovering around 2.5% for the past year.

Much of the ongoing economic strength can be attributed to substantial deficit spending by the federal government, injecting billions of dollars into the economy annually. Besides regular social spending, the spending has notably increased investments in alternative energy and infrastructure. However, concerns are rising as deficits approach unsustainable levels, nearing \$2 trillion annually. While domestic fiscal and monetary policies remain stable, global uncertainties, particularly the conflicts in Ukraine and the Middle East, pose significant threats to the national economic outlook.

United States economic growth is anticipated to slow down enough to mitigate inflationary pressures without precipitating a recession. Inflation and interest rates are anticipated to remain lower compared to recent years, with the lower interest rates anticipated to stabilize the housing sector and bolster the economy's resilience against recessionary pressures. However, despite the absence of a recession, economic growth is anticipated to be sluggish. Gross Domestic Product (GDP) is expected to hover around 1% for most of 2024, then modestly grow to 2% in 2025 and 2026.

As of December 2023, per the U.S. Bureau of Labor Statistics, the national unemployment rate of 3.5% has shown little net movement since early 2023. As a recession is not anticipated to occur, unemployment levels are anticipated to remain low, between 3.5%-4% over the next several years.

On a national level, consumer confidence increased in December after experiencing a decline in November. According to Dana Peterson, Chief Economist at The Conference Board, "December's increase in consumer confidence reflected more positive ratings of current business conditions and job availability, as well as less pessimistic views of business, labor market, and personal income prospects over the next six months."¹

¹ The Conference Board, Consumer Confidence Survey, December 2023.

CITY OF SAN JOSE 2024-2025 PROPOSED OPERATING BUDGET GENERAL FUND OVERVIEW

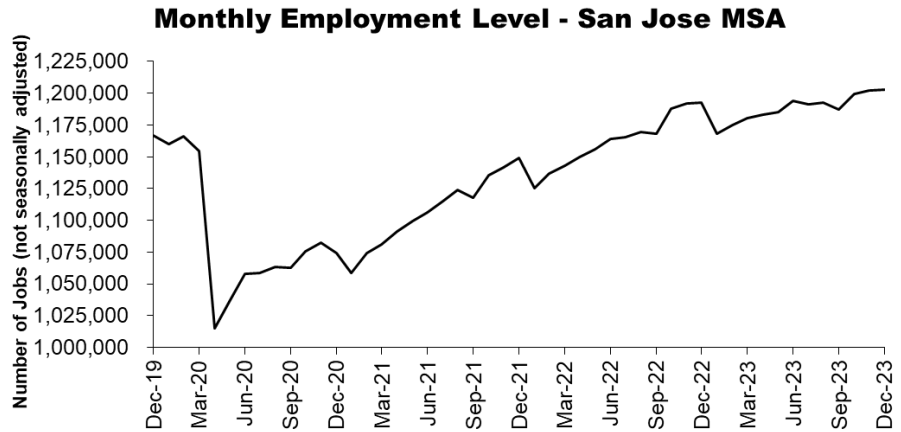
Economic Performance

City of San José Outlook

While Silicon Valley continues to show an overall positive economic performance, there are several areas that have shown signs of concern. Over the last year, layoff notices in the technology sector were consistently being publicized, indicating a slowdown in Silicon Valley's economy. In addition, due to interest rates consistently raising, transactions in the local real estate market have been sluggish.

The December 2023 employment level of 1.20 million in the San José-Sunnyvale-Santa Clara Metropolitan Statistical Area (San José MSA) grew by 10,500 jobs, or 0.9%, from the December 2022 level of 1.19 million. This increase includes private education and health services adding 10,900 jobs; leisure and hospitality growing by

8,500 jobs; manufacturing decreasing by 3,600 jobs; the information sector eliminating 3,500 jobs; construction dropping 2,600 jobs, and financial activities decreasing by 2,400 jobs.²



Unemployment Rate (Unadjusted)			
	Dec. 2022	Nov. 2023	Dec. 2023**
San José Metropolitan Statistical Area*	2.4%	3.9%	4.0%
State of California	3.9%	4.9%	5.1%
United States	3.3%	3.5%	3.5%
* San Benito and Santa Clara Counties Source: California Employment Development Department. ** December 2023 estimates are preliminary and may be updated.			

The local unemployment rate for December 2023 was 4.0%, which is slightly higher than the November 2023 rate of 3.9% and is significantly higher than the prior year unemployment rate of 2.4%. While the December 2023 San José Metropolitan Statistical Area unemployment rate continues to be lower than the unadjusted unemployment rate for the State (5.1%), it is higher than the national rate (3.5%).

Overall construction activity through December 2023 decreased 8.7% from prior-year levels primarily due to activity for the commercial and industrial land use categories experiencing significant year-over-year decreases. The decrease would be more prominent if it were not for the significant increase in residential construction, which is showing a 90.8% increase when compared to the prior year. If current trends continue, construction activity will underperform the activity projected by the Planning, Building and Code Enforcement Department in the 2024-2028 Five-Year Forecast, which was released in February 2023.

² State of California Employment Development: Labor Market Information Division Press Release, January 19, 2024.

CITY OF SAN JOSE 2024-2025 PROPOSED OPERATING BUDGET

GENERAL FUND OVERVIEW

Economic Performance

City of San José Outlook

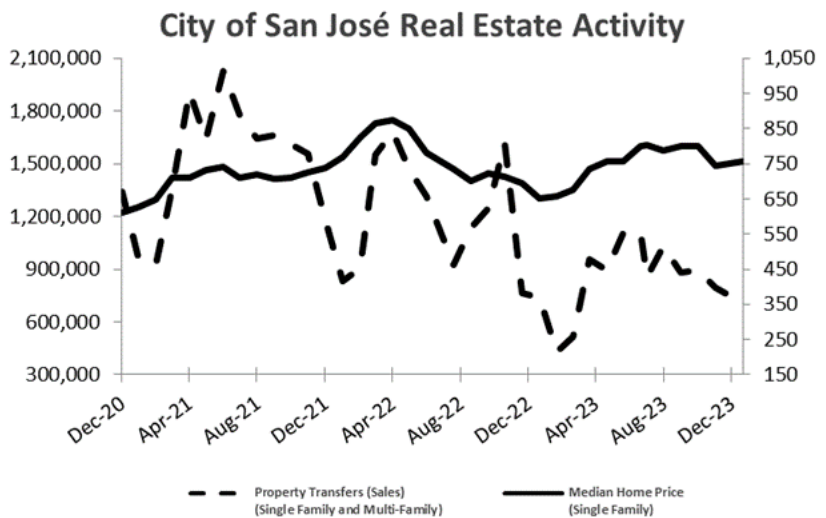
Through December, residential permit valuation has increased 90.8% from prior-year levels, primarily driven by a 137% increase in new construction (\$156.2 million in 2023-2024 from \$65.9 million in 2022-2023). Residential activity through December included 739 multi-family units and 241 units of single-family construction for a total of 980 units (45% increase). Notable projects for November and December include permits for a 64-unit affordable residential project located on North Bascom Avenue, near the intersection with Heatherdale Avenue, a 90-unit 100% affordable residential project located on Race Street, between West San Carlos Street and Park Avenue, and an 81-unit 100% affordable project including 17,000 square feet of social services (Parkmoor Hub Youth Center) located at the corner of Parkmoor Avenue and Meridian Avenue.

Private Sector Construction Activity (Valuation in \$ Millions)			
	YTD Dec. 2022	YTD Dec. 2023	% Change
Residential	\$ 121.4	\$ 231.7	90.8
Commercial	\$ 363.6	\$ 221.0	(39.2%)
Industrial	\$ 184.7	\$ 159.0	(13.9%)
	\$ 669.8	\$ 611.8	(8.7%)

Commercial valuation through December 2023 was 39.2% lower than the 2022-2023 level, led by a 62% drop in new construction (\$50.4 million in 2023-2024 from \$131.1 million in 2022-2023). Alterations accounted for 77% (\$170.6 million) of the commercial activity through December. A notable project for November and December includes a permit issued for a new service station located on Evergreen Loop, west of East Capital Expressway.

Industrial construction valuation through December was 13.9% lower than prior-year levels. Alterations accounted for 80% of activity through December (\$127.8 million).

According to data from the Santa Clara County Association of Realtors, in December 2023, the median single-family home price totaled \$1.5 million, which is 16.5% above the December 2022 price of \$1.3 million. In addition, these more expensive homes are selling at a quicker rate. The average days-on-market through December 2023 totaled 19 days, while the average days through December 2022 totaled 25 days.



Conversely, through the first half of the fiscal year, property transfers have fallen almost 20% from the prior year's level. On a positive note, the pace of decline has lessened, with November and December transactions showing only single digit percentage declines, as opposed to double digit year-over-year drops over the prior year.

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET

GENERAL FUND OVERVIEW

Revised General Fund Forecast

Between the issuance of the Five-Year Forecast in February 2024 and the release of the Proposed Budget in May 2024, revenue collections for 2024-2025 continued to be reviewed and updated. Based on this analysis, several of the revenue estimates presented in the February Forecast were revised in this budget to reflect more recent information. These adjustments resulted in a net \$42.2 million reduction to the General Fund Forecast, decreasing the revenue estimate from \$1.54 billion to \$1.50 billion (including fund balance). Below is a summary table of the changes incorporated into the Revised Forecast, which were used as the starting point in preparing the 2024-2025 Proposed Budget.

Category	\$ Change	Description
Beginning Fund Balance	\$ 4,043,944	Increase of \$4.0 million reflects savings from various Measure E appropriations that are not anticipated to be expended by the end of 2023-2024 and will be rebudgeted to 2024-2025 and then transferred to the Real Property Transfer Tax Fund.
Transfers and Reimbursements	2,685,313	Net increase of \$2.7 million reflects updated overhead reimbursements from capital and operating funds based on the final 2024-2025 base budget and overhead rates (\$1.9 million) and higher transfers and reimbursements to the General Fund (810,719).
Fees, Rates, and Charges	1,265,218	Increase of \$1.3 million aligns revenues with estimated base costs and activity levels for Miscellaneous fees (\$545,218), Parks, Recreation and Neighborhood Services Department fees (\$500,000), and Police Department fees (\$220,000).
Other Revenue	110	Increase of \$110 aligns revenues with the estimated base costs and activity levels for reimbursement revenue.
Real Property Transfer Tax	(50,000,000)	Decrease of \$50.0 million reflects the movement of the Real Property Transfer Tax revenue from the General Fund to the Real Property Transfer Tax Fund; the revenue estimate itself remains unchanged. The associated expenditures have also been transferred to the Real Property Transfer Tax Fund as part of the Revised General Fund Forecast.
Revenue from Local Agencies	(215,000)	Decrease of \$215,000 reflects a reduction of payments from other agencies for Animal Care Services as the Town of Los Gatos has opted to not renew their contract with the City of San José.
Total	<u>(\$ 42,220,415)</u>	

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET

GENERAL FUND OVERVIEW

Changes from Revised Forecast to Proposed Budget

From the Revised Forecast of \$1.50 billion, a net increase of \$29.1 million to the General Fund revenue estimates is included in the Proposed Budget, bringing the 2024-2025 revenue estimate to \$1.53 billion (including fund balance). The components of this change include an increase to the estimate for the 2023-2024 Ending Fund Balance/2024-2025 Beginning Fund Balance (\$7.7 million) and an increase to various revenue categories (\$21.5 million). The revenue changes are summarized in the table below.

<u>Category</u>	<u>\$ Change</u>	<u>Description</u>
Revenue from the State of California	\$ 16,000,000	Increase of \$16.0 million reflects new grant funding that is anticipated to be received in 2024-2025 from the State of California to support the City's Interim Housing Portfolio.
Beginning Fund Balance	7,653,198	Increase of \$7.7 million reflects various adjustments, including: fund balance from additional revenue and expenditure savings that is anticipated to be received in 2023-2024 and be available for use in 2024-2025 (\$5.0 million); the liquidation of carry-over encumbrances (\$1.3 million); the liquidation of the Solid Waste Code Enforcement Reserve (\$680,000); and the rebudget of funds for expenditure-related items that are not anticipated to occur until 2024-2025 (\$647,830).
Revenue from Federal Government	1,384,000	Increase of \$1.4 million reflects two new federal grants that are anticipated to be received in 2024-2025, including Transportation, Housing and Urban Development funding for the Rue Ferrari Emergency Interim Housing Site Expansion (\$1.0 million) and Clean Creeks, Healthy Watersheds program (\$384,000).
Fees, Rates, and Charges	934,727	Net increase of \$934,727 reflects various fee changes to align revenues with estimated activity levels, reflect fee revisions, and maintain cost recovery levels for Miscellaneous fee revenue (\$1.0 million), Transportation Department fee revenue (\$80,273), Police Department fee revenue (\$15,963), and Parks, Recreation, and Neighborhood Services department fee revenue (-\$174,917).
Licenses and Permits	864,899	Net increase of \$864,899 reflects various license and permit changes to align revenues with estimated activity levels, reflect fee revisions, and maintain cost recovery levels for the Fire Department (\$469,700) and other licenses and permits (\$395,199).

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET

GENERAL FUND OVERVIEW

Changes from Revised Forecast to Proposed Budget

Category	\$ Change	Description
Fines, Forfeitures, and Penalties	\$ 800,000	Increase of \$800,000 reflects a revision to the parking fines program that will result in increased revenue generation.
Revenue from Local Agencies	580,381	Increase of \$580,381 reflects a new local agency reimbursement that is anticipated to be received in 2024-2025 from Valley Water for the Regulatory Compliance and Purified Water program.
Franchise Fees	577,624	Increase of \$577,624 reflects an increase in the Commercial Solid Waste fees by 4.1% based on cost changes including a Consumer Price Index adjustment.
Other Revenue	311,810	Increase of \$311,810 reflects revenue anticipated to be received from the Accounts Receivable Amnesty Program that will be conducted by the Finance Department (\$300,000), and reflects various fee changes to align revenues with estimated activity levels, reflect fee revisions, and maintain cost recovery levels for the Transportation Department (\$11,810).
Transfers and Reimbursements	26,811	Net increase of \$26,811 reflects a transfer from the Construction Excise Tax Fund to the General Fund (\$300,000) and reduced overhead from budget actions that change the staffing levels funded by special and capital funds (-\$273,189).
Total	\$ 29,133,450	

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE ESTIMATES

PROPERTY TAX

2022-2023 Actual	\$ 449,014,347
2023-2024 Adopted	\$ 460,400,000
2023-2024 Estimate*	\$ 474,000,000
2024-2025 Forecast	\$ 492,000,000
2024-2025 Proposed	\$ 492,000,000
% of General Fund	32.1 %
% Change from 2022-2023 Adopted	6.9 %

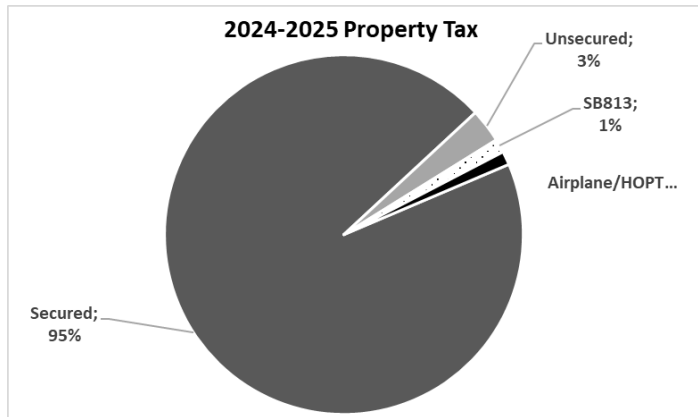
* The 2023-2024 Estimate is developed as part of the Proposed Budget and reflects information known at that time.

Revenue Estimates

Property Tax Category	2024-2025 Proposed Budget
Secured Property Tax	\$ 465,000,000
Unsecured Property Tax	15,000,000
SB 813 Property Tax	6,000,000
Aircraft Property Tax	5,000,000
Homeowner’s Property Tax Relief	1,000,000
Total	\$ 492,000,000

The Property Tax category consists of Secured Property Tax, Unsecured Property Tax, SB 813 Property Tax (retroactive collections back to the point of sale for reassessments of value due to property resale), Aircraft Property Tax, and Homeowner’s Property Tax Relief.

In 2023-2024 Property Tax receipts of \$474.0 million are projected, which is consistent with the modified budget estimate, and is \$25.0 million (5.6%) above the 2022-2023 actual collection level of \$449.0 million. In 2024-2025, Property Tax receipts are anticipated to total \$492.0 million, which reflects overall growth of 4% from estimated 2023-2024 levels. Additional information about each of the Property Tax sub-categories is provided on the following pages.



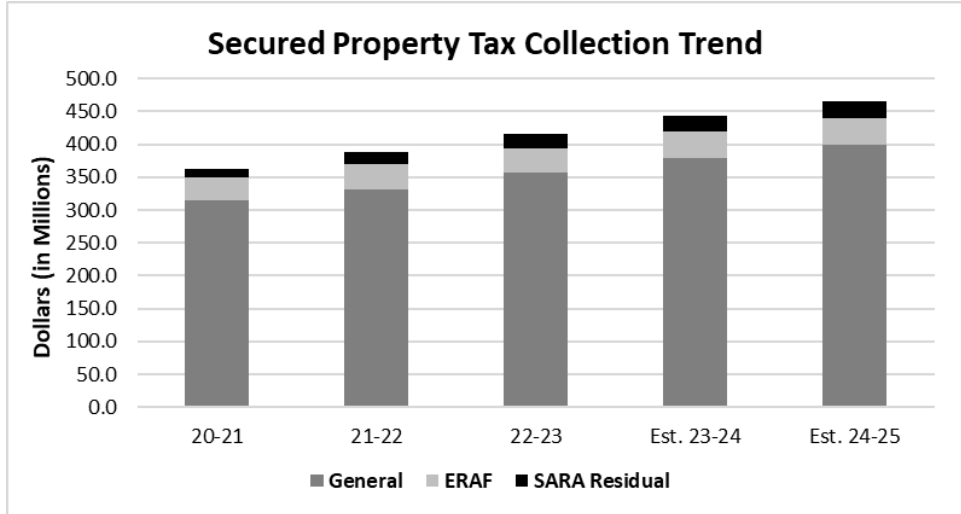
Secured Property Taxes account for over 90% of the revenues in this category. The Secured Property Tax category includes general Secured Property Tax, Educational Revenue Augmentation Fund (ERAF) revenues, and Successor Agency to the Redevelopment Agency (SARA) Residual Property Tax. In 2023-2024, Secured Property Tax receipts are anticipated to total \$444.0 million, including \$379.0 million in general Secured Property Taxes, \$41.0 million in ERAF revenue, and \$24.0 million from SARA Residual Property Tax receipts. In 2024-2025, Secured Property Tax receipts, which will be based on real estate activity through December 31, 2023, are expected to increase by 5% to \$465.0 million.

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE ESTIMATES

PROPERTY TAX

Secured Property Tax

The general Secured Property Tax receipts are estimated at \$379.0 million in 2023-2024, which is 6.4% above the 2022-2023 collection level. This growth 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 2023-2024 roll growth was driven primarily by changes in ownership (52.1%), changes in the CCPI (19.8%), and new construction (16.5%).

In 2024-2025, the general Secured Property Tax receipts are estimated to grow by 5.5% to \$400.0 million, reflecting a 2.0% CCPI and 3.5% increased valuation. The CCPI adjustment for the 2024-2025 tax roll is 2.0%, which is consistent with the prior year level. In addition, even though the activity within the local real estate market has slowed down, residential sale prices continue to be high, which will continue to be a positive factor driving growth in this category, albeit at a more moderate level. In calendar year 2023 the average median single-family home price in the City of San José totaled \$1.5 million, which was consistent with the calendar year 2022 average median single-family home price. However, the number of single-family and multi-family sales transactions dropped over 28% in calendar year 2023; down by 2,001 sales from 2022's level of 7,089 sales. Moving into 2024, home prices are anticipated to remain high, and with interest rates anticipated to slightly drop, activity levels may improve, resulting in a stronger residential real estate market. The commercial sector, however, is expected to weaken in the future and will exert some downward pressure within this category.

In addition to the changes in assessed value, Secured Property Tax collections are impacted by excess ERAF revenue. Beginning in 1992, agencies have been required to reallocate a portion of property tax receipts to the 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 2023-2024 ERAF receipts are estimated at \$41.0 million, which is 8.6% above the 2022-2023 collection level of \$37.7 million and in 2024-2025

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE ESTIMATES

PROPERTY TAX

Secured Property Tax (Cont'd.)

ERAF revenue is estimated at \$40.0 million. The 2024-2025 figure anticipates slight growth, offset by the anticipated passage of new legislation that is included in the State of California's Budget that would revise the ERAF calculation, resulting in an approximately \$3 million decrease to previously expected ERAF receipts. It is important to note, however, that 22% of ERAF revenue is at risk on both an ongoing basis beginning in 2024-2025 (\$8 million annually) and a claw back to 2020-2021 (\$33 million) due to an anticipated audit from the State Controller's Office that will challenge the ERAF calculation used by Santa Clara County. The County has preemptively filed litigation to dispute the actions taken by the State Controller, however, a decision on this litigation is not likely to occur until after this fiscal year.

The final component of the Secured Property Tax category is the 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 2023-2024, SARA Residual Property Tax receipts are estimated to total \$24.0 million, which is 7.3% above the 2022-2023 receipts. In 2024-2025, SARA Residual Property Tax receipts are anticipated to grow 5% from 2023-2024 collections and total \$25.0 million.

It should be noted that final data on the actual tax levy for 2024-2025 is not yet available as adjustments are made through June 30, 2024. Each month, the County of Santa Clara provides information on the status of the property tax roll for the upcoming year. Some of the adjustments, however, are not reflected until the latter months of a given fiscal year, such as the reassessments of commercial property, which may experience a spike in activity due to a softening commercial real estate market. As updated information becomes available, refinements to the Property Tax estimates may be brought forward during future budget process.

Unsecured Property Tax

Unsecured Property Taxes are the second largest revenue source in this category. Changes in this category are driven primarily by increases or decreases in the value of personal property (e.g., equipment and machinery used by business and industry for manufacturing and production). During the last decade, performance in this category has been volatile with annual growth or declines reaching double-digit levels based primarily on the strength of the local business sector. Based on actual collections through January and information provided by Santa Clara County, Unsecured Property Tax receipts are estimated at \$17.0 million in 2023-2024, which is 6.4% above the prior year collection level of \$16.0 million. In 2024-2025 Unsecured Property Taxes are estimated to drop by approximately 10% and total \$15.0 million.

Other Property Taxes

For the other Property Tax categories, collections are estimated at \$13.0 million in 2023-2024 and \$12.0 million in 2024-2025. SB 813 Property Tax receipts are estimated at \$7.1 million in 2023-2024 and \$6.0 million in 2024-2025; Aircraft Property Tax receipts are estimated at \$5.0 million in 2023-2024 and 2024-2025; and Homeowners Property Tax Relief revenue are anticipated to total approximately \$900,000 in 2023-2024 and \$1.0 million in 2024-2025.

**CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE ESTIMATES**

SALES TAX

2022-2023 Actual	\$ 343,472,084
2023-2024 Adopted	\$ 336,400,000
2023-2024 Estimate*	\$ 333,000,000
2024-2025 Forecast	\$ 344,000,000
2024-2025 Proposed	\$ 344,000,000
% of General Fund	22.5 %
% Change from 2023-2024 Adopted	2.3 %

* The 2023-2024 Estimate is developed as part of the Proposed Budget and reflects information known at that time

Distribution of Sales Tax

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%

Revenue Estimates

The Sales Tax category includes General Sales Taxes, Local Sales Taxes, and Proposition 172 Sales Taxes. Information related to Sales Tax payments are distributed from the California Department of Tax and Fee Administration (CDTFA) four times throughout the year: November (representing July-September activity); February (representing October-December activity); May (representing January-March activity); and August (representing April-June activity). Based on information received through February 2024 (which reflects two quarters of Sales Tax activity; from July 2023 through December 2023), it is anticipated that 2023-2024 Sales Tax revenue will total \$333.0 million. The 2023-2024 Sales Tax estimate is 3% below the prior year receipts of \$343.5 million, which is reflective of the slowdown in the economy. In 2024-2025, the economy is anticipated to rebound slightly resulting in Sales Tax growing by 3.3% to \$344.0 million. Additional information about each of the Sales Tax sub-categories is provided on the following pages.

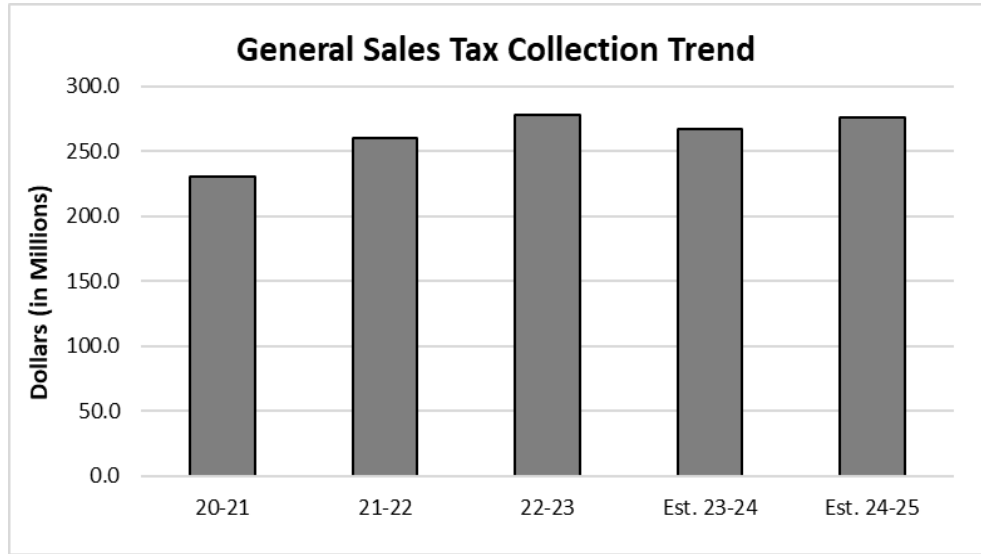
Sales Tax Category	2024-2025 Proposed Budget
General Sales Tax	\$276,000,000
Local Sales Tax	60,000,000
Proposition 172 Sales Tax	8,000,000
Total	\$344,000,000

**CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE ESTIMATES**

SALES TAX

General Sales Tax

General Sales Tax is the largest driver of the Sales Tax category and accounts for approximately 80% of all Sales Tax receipts. General Sales Tax receipts for the first quarter (sales tax activity for July-September) and second quarter (sales tax activity for October-December) were



received in November 2023 and February 2024; both quarters declined from the prior year (-0.7% and -10%, respectively), reflecting a slowdown of the economy. Receipts are anticipated to be suppressed for the remainder of the year, therefore third quarter receipts (which will be received in May 2024) are estimated to decline 3%, and the final quarter of 2023-2024 is anticipated to decline 2% from the same time period in 2022-2023. Based on these assumptions, General Sales Tax collections are anticipated to total \$267.0 million in 2023-2024, which reflects an overall decrease of 3.8% from the 2022-2023 collection level.

In 2024-2025, General Sales Tax is anticipated to grow between 1%-6% per quarter compared to the prior year receipts for the same time period. Overall, in 2024-2025, General Sales Tax revenue is estimated at \$276.0 million; reflecting growth of approximately 3.5%.

The City's Sales Tax consultant, Avenu Insights & Analytics, has provided performance data for General Sales Tax revenue, as displayed on the chart on the following page. This analysis measures the first and second quarter General Sales Tax receipts for 2022-2023 and 2023-2024, excluding Sales Tax associated with the Revenue Capture Agreement.

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE ESTIMATES

SALES TAX

General Sales Tax (Cont'd.)

General Sales Tax Revenue Economic Performance
First – Second Quarter Payments

Category	2023-2024 % of Total Revenue	2022-2023 % of Total Revenue	% Change by Category
General Retail	28.9%	28.4%	(3.5%)
Business-to-Business	17.8%	16.7%	1.2%
Transportation	15.0%	15.8%	(9.9%)
Food Products	12.5%	11.5%	3.0%
Construction	7.9%	7.9%	(4.6%)
Miscellaneous	1.7%	0.6%	151.7%
County Pool	16.1%	19.1%	(20.0%)
Total	100.0%	100.0%	

As can be seen in the table above, many of the Sales Tax categories experienced year-over-year declines. Categories experiencing drops include Transportation (-9.9%), Construction (-4.6%), and General Retail (-3.5%; includes apparel stores, department stores, furniture/appliance stores, drug stores, recreation products, and florists/nurseries). Partially offsetting these declines was growth in Food Products (3.0%) and Business-to-Business (1.2%). In addition, the County Pool, which is where the majority of online transactions are captured, declined through the first half of the fiscal year compared to the prior year (-20.0%). The County Pool revenue is distributed to all cities within Santa Clara County based on a distribution formula administered by the 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.

Local Sales Tax

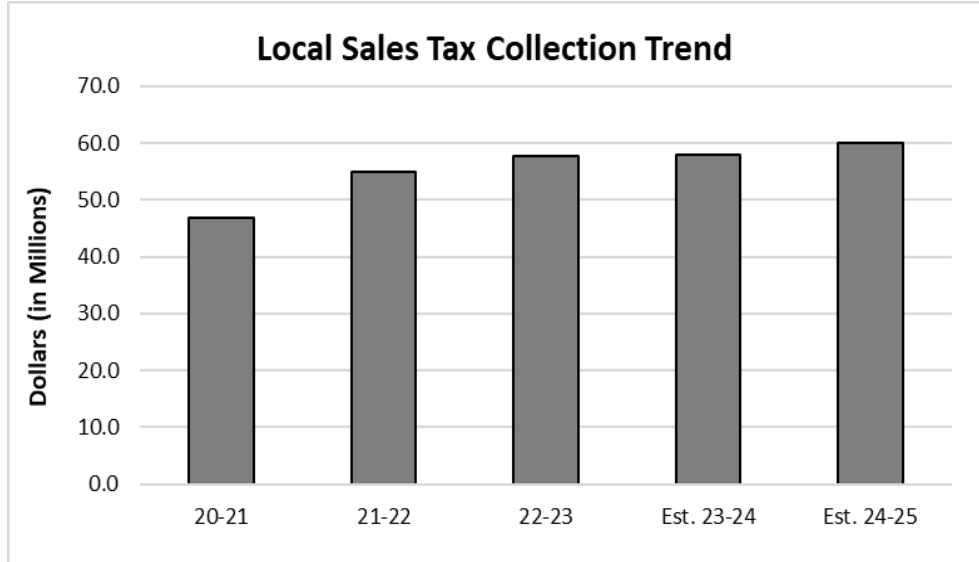
In June 2016, San José voters approved a ¼ cent Local Sales Tax, which was implemented in October 2016. Local Sales Tax is generated based on the destination of the purchased product; therefore, all out-of-state online retailers (including marketplace facilitators) sales tax collections are directly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

**CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE ESTIMATES**

SALES TAX

Local Sales Tax (Cont'd.)

Similar to General Sales Tax, Local Sales Tax receipts for the first quarter (sales tax activity for July-September) and for the second quarter (sales tax activity from October-December) were received in November 2023 and February 2024; both quarters declined from the prior year



(-1.1% and -3.2%, respectively), reflecting a slowdown of the economy. For the remainder of the year, third quarter receipts (which will be received in May 2024) are estimated to grow by 1% and the final quarter of 2023-2024 is anticipated to grow by 3% from the same time period in 2022-2023. Based on these assumptions, Local Sales Tax collections are anticipated to total \$58.0 million in 2023-2024, which is consistent with the prior year collection level.

Public Safety (Proposition 172) Sales Tax

Proposition 172 Sales Tax collections (representing the ½ cent tax that is allocated to counties and cities on an ongoing basis for funding public safety programs) are expected to total \$8.0 million in 2023-2024 and 2024-2025.

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE ESTIMATES

TRANSIENT OCCUPANCY TAX	
2022-2023 Actual	\$ 14,936,816
2023-2024 Adopted	\$ 16,000,000
2023-2024 Estimate*	\$ 16,000,000
2024-2025 Forecast	\$ 16,000,000
2024-2025 Proposed	\$ 16,000,000
% of General Fund	1.0 %
% Change from 2023-2024 Adopted	0.0 %

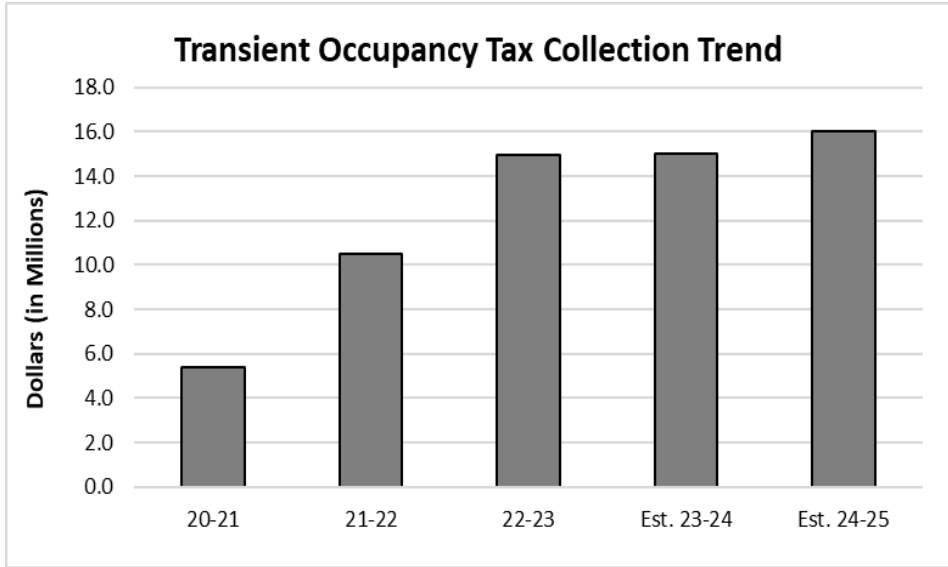
* The 2023-2024 Estimate is developed as part of the Proposed Budget and reflects information known at that time.

Distribution of Transient Occupancy Tax

The City of San José assesses a 10% Transient Occupancy Tax (TOT) on the rental price for transient lodging. Of this 10%, 6% is placed in the Transient Occupancy Tax Fund and 4% is deposited in the General Fund. This discussion addresses the portion of the Transient Occupancy Tax that is allocated to the General Fund.

Revenue Estimates

In 2023-2024, Transient Occupancy Tax (TOT) receipts in the General Fund (which represent 40% of the total tax) are estimated to reach \$15.0 million, which is fairly consistent with the 2022-2023 collection level. In 2024-2025, TOT revenue is anticipated to grow slightly to \$16.0 million, which is still significantly below



the pre-pandemic annual collections of approximately \$20 million.

Based on December 2023 data, the cumulative average hotel occupancy rate reported for the San José market was 64.21%, a slight increase from the average of 64.01% through the same period in 2022-2023. The average daily room rate increased slightly (0.6%), from \$158.67 as of December 2022 to \$159.58 as of December 2023; and the year-to-date average revenue-per-available room (RevPAR) increased by 0.89%, from \$101.57 to \$102.47, relative to the same period in 2022-2023.

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE ESTIMATES

FRANCHISE FEES	
2022-2023 Actual	\$ 44,823,852
2023-2024 Adopted	\$ 51,825,008
2023-2024 Estimate*	\$ 50,925,008
2024-2025 Forecast	\$ 54,445,008
2024-2025 Proposed	\$ 55,022,632
% of General Fund	3.6 %
% Change from 2023-2024 Adopted	6.2 %

* The 2023-2024 Estimate is developed as part of the Proposed Budget and reflects information known at that time.

Revenue Estimates

Franchise Category	2024-2025 Proposed Budget
Electric	\$ 25,000,000
Gas	8,000,000
Commercial Solid Waste	14,597,632
Cable Television	7,000,000
Great Oaks Water	300,000
Nitrogen Gas Pipeline Fees	85,000
City-Generated Tow	40,000
Total	\$ 55,022,632

Franchise Fees are collected in the Electricity, Gas, Commercial Solid Waste, Cable, Water, Nitrogen Gas Pipeline, and City-Generated Tow categories. Overall, collections are projected at \$50.9 million in 2023-2024, which are 13.6% above the prior year receipts of \$44.8 million. In 2022-2023 PG&E changed their timing of Electric and Gas Franchise Fee payments. Previously, PG&E provided 3 advance payments and then a clean-up payment for these franchise fees; however, under the new system PG&E only provides one payment per year, based on the calendar year. As a result of this timing change, no Electric or Gas Franchise Fee information is known until April of each year. In 2024-2025, Franchise Fees are estimated to total \$55.0 million, which is 8% above the 2023-2024 estimated level. The 2024-2025 level reflects increased revenue of \$577,624 related to a Consumer Price Index (CPI) adjustment for the Commercial Solid Waste Franchise Fee. Additional information about each of the Franchise Fees sub-categories is provided below.

Electricity Franchise Fee

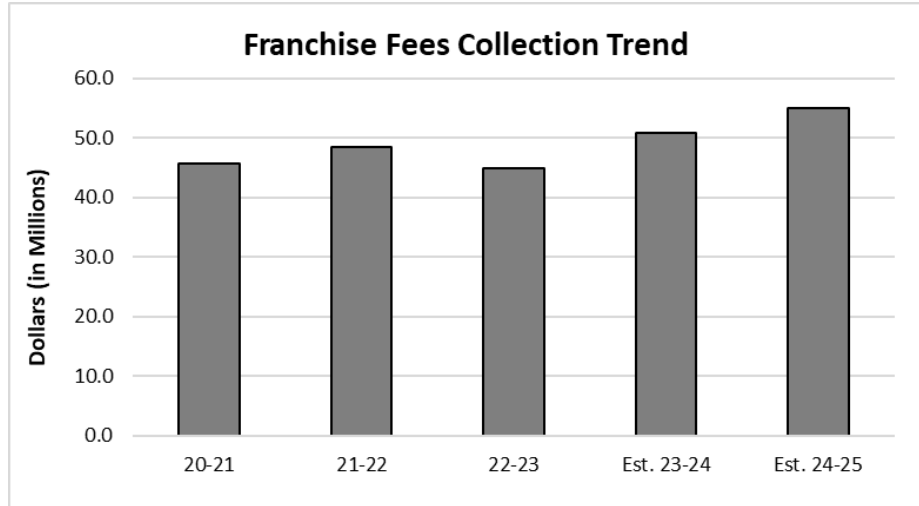
In the Electricity Franchise Fee category, collections in 2023-2024 are anticipated to reach \$22.0 million, which is significantly above the prior year receipt of \$17.0 million. This increase is due to the changing of the timing of PG&E's franchise fee payments in 2022-2023. In 2024-2025, the Electricity Franchise Fee category is estimated to grow to \$25.0 million.

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE ESTIMATES

FRANCHISE FEES

Gas Franchise Fee

In the Gas Franchise Fee category, collections in 2023-2024 are estimated at \$7.5 million, which is 7.4% above the prior year receipt of \$7.0 million. This increase is due to the changing of the timing of PG&E's franchise fee payments. In 2024-2025, the Gas Franchise Fee category is estimated to grow to \$8.0 million; however, it is important to note, that receipts can fluctuate significantly due to consumption changes associated with the weather and future rate changes.



Commercial Solid Waste Fee

Commercial Solid Waste (CSW) Franchise Fee collections are estimated to reach \$14.0 million in 2023-2024, 7.5% above the prior year collections, which is primarily due to the 2023-2024 CPI-based increase. Collections reflect the revised methodology for assessing this fee that became effective July 1, 2012. On October 19, 2010, the City Council amended the CSW fee to charge franchises based on geographic collection districts rather than volume. The fee structure is a base of \$5 million per year for each of two geographic collection districts plus a supplemental fee of \$1.0 million for the right to conduct CSW services in both the North District and the South District. This revised structure is subject to an annual increase based on the percentage change in the CPI rate during the prior two calendar years. It should be noted that this increase is not automatic, and is subject to City Council approval each year. Therefore, the 2024-2025 Forecast estimate of \$14.0 million does not automatically assume an adjustment. However, the 2024-2025 Proposed Budget includes an action to increase the CSW fee by 4.1%, which will generate an additional \$577,624, bringing the budget estimate to \$14.6 million in 2024-2025.

Cable Television Fee

In the Cable Franchise Fee category, collections in 2023-2024 and 2024-2025 are estimated at \$7.0 million, which is slightly below the \$7.5 million received in 2022-2023.

Other Franchise Fees

Remaining franchise fees include the City-Generated Tow, Great Oaks Water, and Nitrogen Gas Pipeline categories. City-Generated Tow receipts are estimated at \$40,000 in 2023-2024 and 2024-2025, Great Oaks Water receipts are estimated at \$280,000 in 2023-2024 and \$300,000 in 2024-2025, and Nitrogen Gas Pipeline receipts are estimated at \$85,000 in 2023-2024 and 2024-2025.

**CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE ESTIMATES**

UTILITY TAXES

2022-2023 Actual	\$ 124,266,765
2023-2024 Adopted	\$ 126,550,000
2023-2024 Estimate*	\$ 128,650,000
2024-2025 Forecast	\$ 136,000,000
2024-2025 Proposed	\$ 136,000,000
% of General Fund	8.9 %
% Change from 2023-2024 Adopted	7.5 %

* The 2023-2024 Estimate is developed as part of the Proposed Budget and reflects information known at that time.

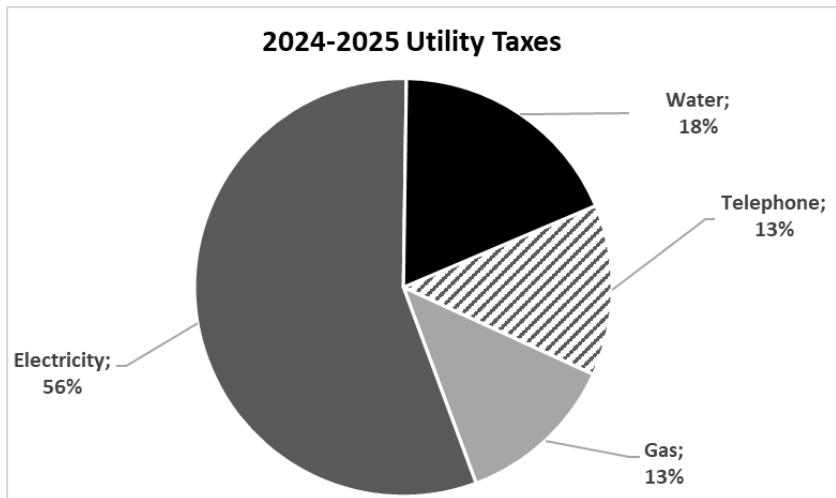
Revenue Estimates

Utility Taxes Category	2024-2025 Proposed Budget
Electricity	\$ 76,000,000
Gas	17,000,000
Water	25,000,000
Telephone	18,000,000
Total	\$ 136,000,000

Utility Taxes are imposed on electricity, gas, water, and telephone usage. Collections in 2023-2024 are anticipated to total \$128.7 million, which is 3.5% above the 2022-2023 collection level of \$124.3 million. This increase is due to higher usage and increased rates, primarily related to the Electricity and Gas Utility Tax categories. In 2024-2025, Utility Tax collections are projected at \$136.0 million. Additional information about each of the Utility Tax sub-categories is provided below.

Electricity Utility Tax

The Electricity Utility Tax is anticipated to generate \$72.0 million in 2023-2024 and grow by 5% to \$76.0 million in 2024-2025. This increase is anticipated due to electricity rate increases, which will drive up Electricity Utility Tax receipts. As rates have been consistently increasing for several years, however, customers may begin decreasing consumption. The Administration will continue to monitor Electricity Utility Tax receipts and revise estimates based on updated information, as appropriate.



CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE ESTIMATES

UTILITY TAXES

Gas Utility Tax

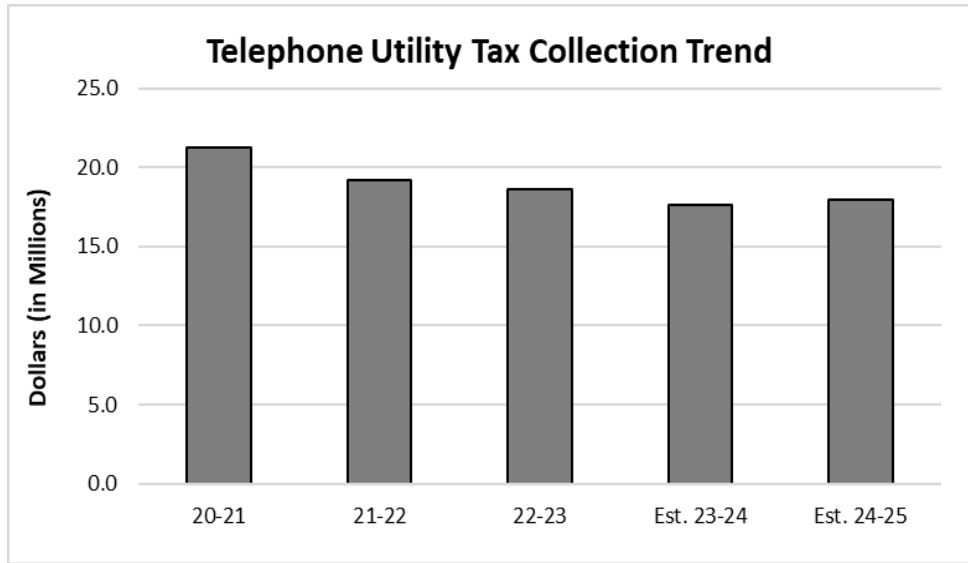
The Gas Utility Tax is anticipated to generate \$16.0 million in 2023-2024 and grow by approximately 5% to \$17.0 million in 2024-2025. This increase is anticipated due to gas rate increases, which will drive up Gas Utility Tax receipts. As rates have been consistently increasing for several years, however, customers may begin decreasing consumption. The Administration will continue to monitor Gas Utility Tax receipts and revise estimates based on updated information, as appropriate.

Water Utility Tax

Based on current year collection levels, Water Utility Tax receipts of \$23.0 million are anticipated to be received in 2023-2024. In 2024-2025, water rates are anticipated to rise, therefore Water Utility Tax receipts are estimated at \$25.0 million, which reflects a 7.5% increase from the 2023-2024 anticipated collection level.

Telephone Utility Tax

In the Telephone Utility Tax category, revenues are collected on landlines, wireless, VoIP, and prepaid wireless services sold at retail locations. Receipts in 2023-2024 are projected at \$17.7 million, a 2% drop from the 2022-2023 collection level. In 2024-2025, receipts are projected to remain fairly flat and



total \$18.0 million. The Telephone Utility Tax category has experienced continuous declines as a result of wireless consumers shifting to less expensive prepaid wireless plans, competition with cellular companies that keep prices down, and that the data component of wireless plans not being taxable.

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE ESTIMATES

BUSINESS TAXES

2022-2023 Actual	\$ 89,626,955
2023-2024 Adopted	\$ 87,500,000
2023-2024 Estimate*	\$ 87,000,000
2024-2025 Forecast	\$ 87,000,000
2024-2025 Proposed	\$ 87,000,000
% of General Fund	5.7 %
% Change from 2023-2024 Adopted	(0.6 %)

* The 2023-2024 Estimate is developed as part of the Proposed Budget and reflects information known at that time.

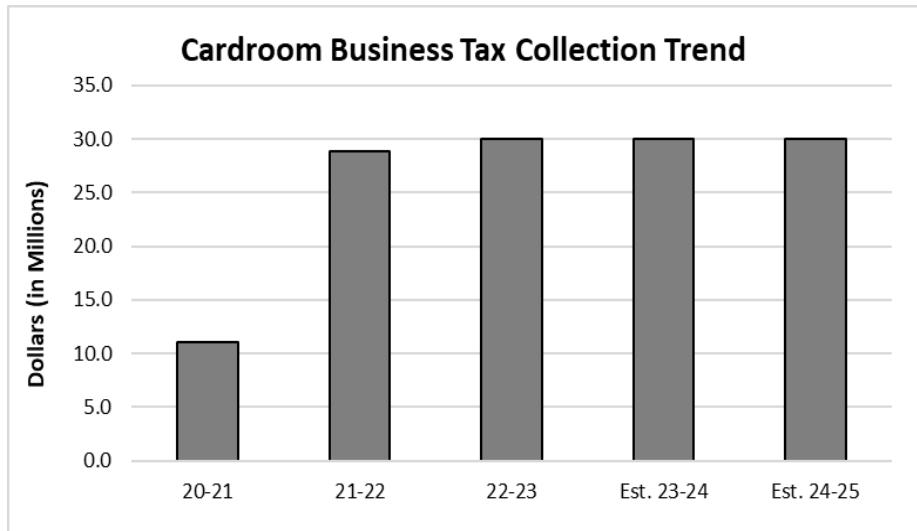
Revenue Estimates

Business Taxes Category	2024-2025 Proposed Budget
Cardroom Business Tax	\$ 30,000,000
General Business Tax	29,000,000
Cannabis Business Tax	15,000,000
Disposal Facility Tax	13,000,000
Total	\$ 87,000,000

This category includes Cardroom Business Tax, General Business Tax, Cannabis Business Tax, and Disposal Facility Tax. Business Taxes are estimated to reach \$87.0 million in 2023-2024, a 2.9% decrease from prior year levels, which is primarily due to decreased General Business Tax revenue. In 2024-2025, Business Taxes revenues are anticipated to remain flat at \$87.0 million. Additional information about each of the Business Taxes sub-categories is provided below.

Cardroom Business Tax

Cardroom Business Tax receipts are estimated at \$30.0 million in 2023-2024 and 2024-2025, which is consistent with the 2022-2023 collections of \$29.9 million. The estimates for Cardroom Tax receipts are inclusive of the ballot measure approved by voters in November 2020 that increased taxes on cardroom operators beginning in January 2021.

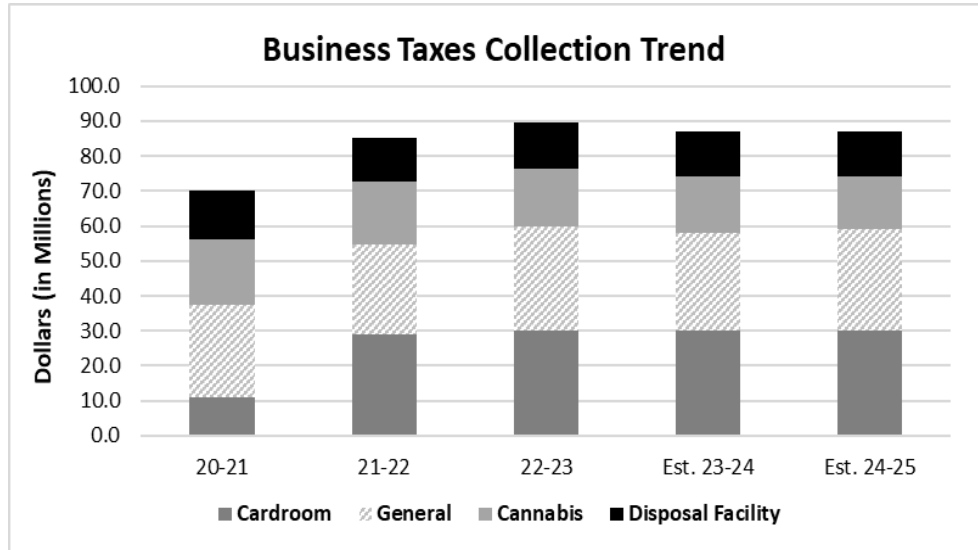


CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE ESTIMATES

BUSINESS TAXES

General Business Tax

Beginning in 2017-2018, General Business Tax collections reflect the modernization of 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 2023-2024, General Business Tax proceeds are anticipated to reach \$28.0 million, which is 6% below the 2022-2023 collection level of \$29.8 million. In 2024-2025, General Business Tax revenue is anticipated to grow by approximately 2% to \$29.0 million, which reflects a Consumer Price Index (CPI) increase and slightly higher activity levels.

Cannabis Business Taxes

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 licensed dispensaries began in San José in January 2018. Based on current collections, it is anticipated Cannabis Business Tax receipts will total \$16.0 million in 2023-2024, which includes \$1.0 million in compliance revenue. In 2024-2025 receipts are projected at \$15.0 million as compliance revenue isn't budgeted on an ongoing basis due to its inconsistent collection level.

Disposal Facility Tax

Disposal Facility Taxes (DFT) are business taxes based on the tons of solid waste disposed at landfills within the City. This revenue stream can vary due to factors that affect the amount of waste generated and how it is disposed including: economic activity, weather, diversion programs, and price sensitivity to disposal rates. Based on current collection trends, 2023-2024 DFT collections are estimated at \$13.0 million, which is slightly below the 2022-2023 collection level of \$13.3 million. In 2024-2025, receipts are anticipated to remain flat at \$13.0 million.

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE ESTIMATES

REAL PROPERTY TRANSFER TAX	
2022-2023 Actual	\$ 56,279,648
2023-2024 Adopted	\$ 50,000,000
2023-2024 Estimate*	\$ 45,000,000
2024-2025 Forecast**	\$ 0
2024-2025 Proposed	\$ 0
% of General Fund	0.0 %
% Change from 2023-2024 Adopted	N/A

* The 2023-2024 Estimate is developed as part of the Proposed Budget and reflects information known at that time.

** The 2024-2025 Forecast was decreased by \$50.0 from the February Forecast; additional details can be found in the General Fund Overview section and is further described below.

Revenue Estimates

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 2023-2024 collections are projected at \$45.0 million, which is significantly below the prior year collections of \$56.3 million. While the number of real estate transactions have experienced year-over-year increases compared to 2022-2023, fewer high-value commercial property transfers have occurred, resulting in the significant estimated year-over-year decline in collections. The Real Property Transfer Tax is significantly impacted by high dollar commercial property transactions, if those sales decrease, the tax revenue is impacted. In 2024-2025, transactions are anticipated to continue growing slightly, pushing up collections up slightly to \$50.0 million.

Beginning in 2024-2025, Real Property Transfer Tax revenue and its associated expenditures for new affordable housing, homeless prevention, and homelessness support programs have been transferred from the General Fund to the Real Property Transfer Tax Fund.

Additional information regarding the use of funds related to the Real Property Transfer Tax is provided in the Housing Department under the *City Departments* section of this document.

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE ESTIMATES

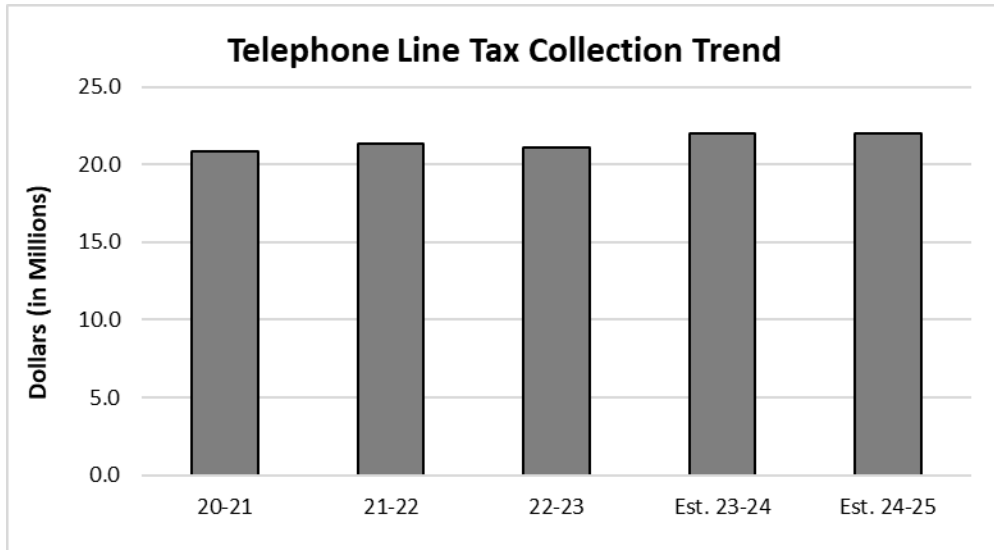
TELEPHONE LINE TAX

2022-2023 Actual	\$ 21,093,889
2023-2024 Adopted	\$ 22,000,000
2023-2024 Estimate*	\$ 22,000,000
2024-2025 Forecast	\$ 22,000,000
2024-2025 Proposed	\$ 22,000,000
% of General Fund	1.4 %
% Change from 2023-2024 Adopted	0.0 %

* The 2023-2024 Estimate is developed as part of the Proposed Budget and reflects information known at that time.

Revenue Estimates

In November 2008, voters approved Measure J, a tax that is collected from telephone users on their telephone bills. The tax amount, which does not grow with inflation, is \$1.57 per telephone line per month and \$11.82 per commercial type trunk line. Exemptions to the tax include low-income seniors and disabled persons who receive lifeline telephone service. Based on the current collection trend, receipts (excluding compliance revenue) in 2023-2024 and 2024-2025 are estimated to total \$22.0 million.



CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE ESTIMATES

LICENSES AND PERMITS	
2022-2023 Actual	\$ 17,756,820
2023-2024 Adopted	\$ 22,005,622
2023-2024 Estimate*	\$ 21,335,176
2024-2025 Forecast	\$ 21,314,491
2024-2025 Proposed	\$ 22,179,390
% of General Fund	1.4 %
% Change from 2023-2024 Adopted	0.8 %

* The 2023-2024 Estimate is developed as part of the Proposed Budget and reflects information known at that time.

Revenue Estimates

Licenses and Permits Category	2024-2025 Proposed Budget
Fire Permits	\$7,179,700
Other Licenses and Permits	14,999,690
Total	\$ 22,179,390

The Licenses and Permits category contain non-development fees and charges collected by various City departments, the largest of which are Fire Permits. Licenses and Permits are projected based on City Council-approved cost-recovery policies with the goal of a net-zero impact on the General Fund.

The Licenses and Permits category is estimated to total \$21.3 million in 2023-2024 and grow to \$22.2 million in 2024-2025. The 2024-2025 Proposed Budget includes actions to increase the Fire Department Non-Development Fee revenue by \$469,700 (from \$6.7 million to \$7.2 million) which reflects a 7% fee increase to all Fire Department Non-Development fees to maintain cost recovery levels.

In addition, the 2024-2025 Proposed Budget includes actions to increase the Other Licenses and Permits category by \$395,199 (from \$14.6 million to \$15.0 million) to align revenues with estimated activity levels, reflect fee revisions, and maintain cost recovery levels. Licenses and permits changes are reflected for the Planning, Building and Code Enforcement Department (\$940,179), Public Works Department; Animal Care and Services (\$270,495), Finance Department (\$1,070), and Police Department (-\$816,545). The Planning, Building and Code Enforcement Department change includes an action to increase revenue by \$99,499 (ongoing revenue of \$100,176) and add 1.0 Community Activity Worker to assist the Tenant/Landlord Resources Center. In addition, the Police Department changes includes an action to decrease revenue by \$900,942 to reflect the reduction of the Cannabis Program. Per City Council direction, a reduction in the Annual Operating Fee is included, which requires a corresponding reduction in positions allocated to the Cannabis Program, as this program is cost-neutral. Additional detail on this budget action is provided in the Planning, Building and Code Enforcement Department and the Police Department under the *City Departments* section of this document. A Manager’s Budget Addendum will be released later in the budget process that describes the impact of the fee change and explores alternatives for the City Council’s consideration.

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE ESTIMATES

FEES, RATES, AND CHARGES

2022-2023 Actual	\$ 23,595,906
2023-2024 Adopted	\$ 22,372,680
2023-2024 Estimate*	\$ 24,525,210
2024-2025 Forecast**	\$ 25,806,133
2024-2025 Proposed	\$ 26,740,860
% of General Fund	1.7 %
% Change from 2023-2024 Adopted	19.5 %

* The 2023-2024 Estimate is developed as part of the Proposed Budget and reflects information known at that time.

** The 2024-2025 Forecast was increased \$1.3 million from the February Forecast; additional details can be found in the General Fund Overview section.

Revenue Estimates

Fees, Rates, and Charges Category	2024-2025 Proposed Budget
Parks, Recreation and Neighborhood Services	\$ 19,825,083
Transportation	1,491,652
Police	1,071,081
Library	108,000
Miscellaneous	4,245,044
Total	\$ 26,740,860

The Fees, Rates, and Charges revenue category includes various fees and charges levied to recover costs of services provided by several City departments, the largest of which are Parks, Recreation, and Neighborhood Services (PRNS) Department Fees. All fees and charges are projected based on City Council-approved cost-recovery policies with the overall goal of a net-zero impact on the General Fund, though exceptions of lower cost recovery levels for a number of fees also exist. In 2023-2024, the Fees, Rates, and Charges category is estimated at \$24.5 million, which is slightly higher than the 2022-2023 collection level of \$23.6 million.

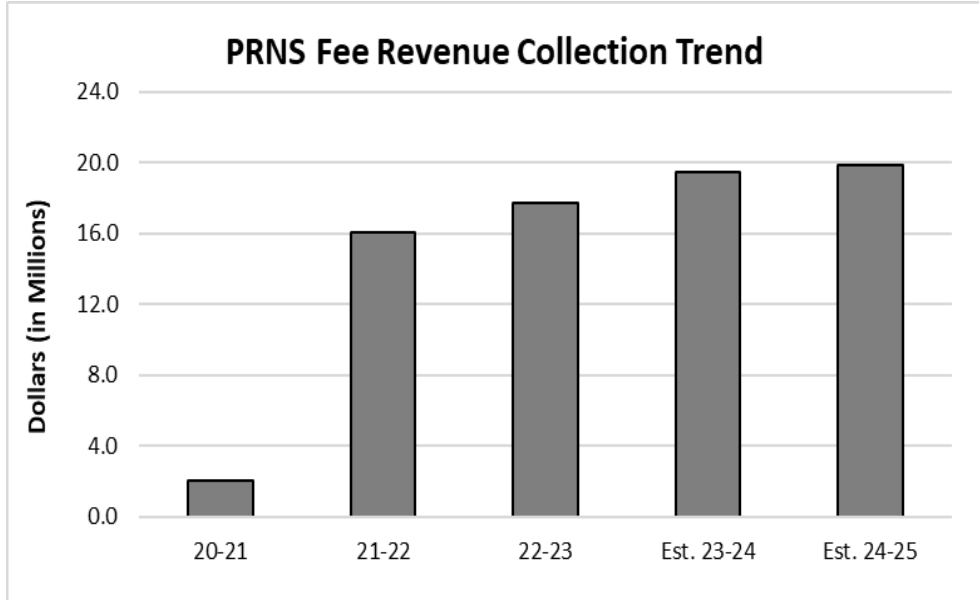
In 2024-2025, the Fees, Rates, and Charges category is estimated at \$26.7 million. The 2024-2025 Proposed Budget includes actions to increase Miscellaneous Fee revenue by a net of \$1.0 million. This net change includes an increase to revenue associated with the Ambulance Transport and User Fee (\$1.7 million) and a decrease to the Solid Waste Enforcement fee (-\$680,000). Actions recommended to increase the Police Department fee revenue (\$15,963), and Transportation Department fee revenue (\$80,273) align various revenues with estimated activity levels, reflect fee revisions, and maintain cost recovery levels. The 2024-2025 Proposed Budget also includes actions to decrease PRNS fee revenue by \$174,917 related to Happy Hollow Park and Zoo (\$34,452), Gym and Fitness revenue (-\$115,000), and Fee Activity revenue (-\$94,369), which are further described below.

**CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE ESTIMATES**

FEES, RATES, AND CHARGES

Parks, Recreation and Neighborhood Services Fees

PRNS fee collections are estimated at \$20 million in 2023-2024 and \$19.8 million in 2024-2025. PRNS program delivery and revenue generation fee categories 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. The 2024-2025 Proposed Budget includes several actions that impact fee revenue. A recommendation to add 1.0 Senior Recreation Leader at Happy Hollow Park and Zoo to assist with the new Brew at the Zoo events will generate additional revenue of \$34,452. In addition, a recommendation to close community center fitness centers will result in a loss of Gym and Fitness revenue of \$115,000. Finally, a recommendation to eliminate all nature programming at Almaden Lake and Alum Rock Park, which includes outdoor experiences, leisure classes, and camps, results in a reduction to Fee Activity revenue of \$94,369. Additional details on these budget actions are provided in the Parks, Recreation and Neighborhood Services Department under the *City Departments* section of this document.

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE ESTIMATES

FINES, FORFEITURES, AND PENALTIES

2022-2023 Actual	\$ 17,352,624
2023-2024 Adopted	\$ 15,080,000
2023-2024 Estimate*	\$ 16,300,797
2024-2025 Forecast	\$ 16,804,797
2024-2025 Proposed	\$ 17,604,797
% of General Fund	1.2 %
% Change from 2023-2024 Adopted	16.7 %

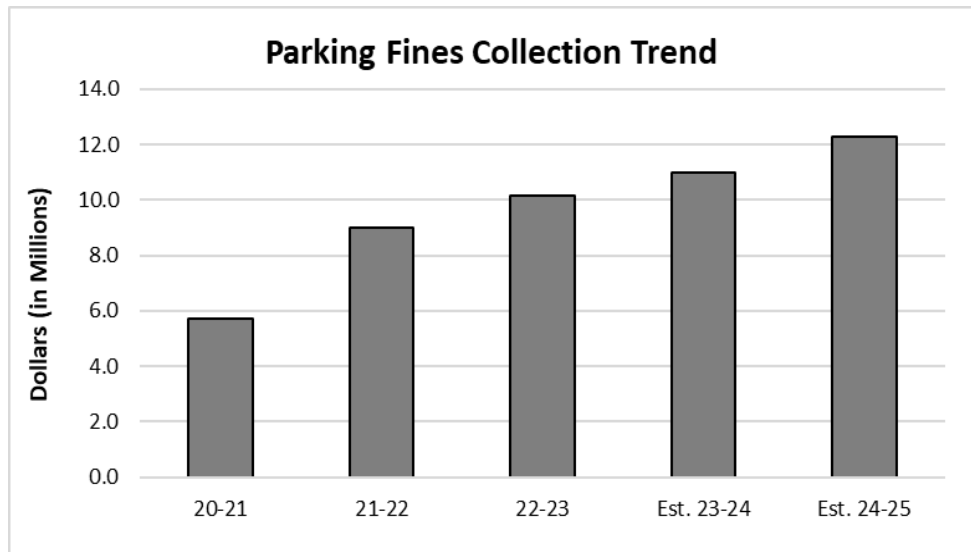
* The 2023-2024 Estimate is developed as part of the Proposed Budget and reflects information known at that time.

Revenue Estimates

Fines, Forfeitures, and Penalties category in 2023-2024 is estimated at \$16.3 million, which is 6.1% below the 2022-2023 actual collection level. This drop is primarily due an unusually high level of \$4.3 million being received in 2022-2023 for Business License Penalties; however, receipts are anticipated to return to the normal level of \$2.0 million in 2023-2024. In 2024-2025, Fines, Forfeitures, and Penalties are anticipated to grow from the estimated 2023-2024 collection level and total \$17.6 million. This growth is primarily attributable to increased Parking Fines, which is further discussed below.

Parking Fines

Parking Fines are the largest driver in the Fines, Forfeitures, and Penalties revenue category. The 2023-2024 estimate for Parking Fines totals \$11.0 million and revenue is anticipated to grow to \$12.3 million in 2024-2025. This growth is attributable to increasing parking violations by \$5 for



bike lanes, street sweeping zones, Residential Permit Parking (RPP) zones, and metered parking spots. Parking Fines have not been increased since 2014-2015 and current fines are not at a level believed to discourage parking violations.

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE ESTIMATES

REVENUE FROM USE OF MONEY AND PROPERTY	
2022-2023 Actual	\$ 19,157,555
2023-2024 Adopted	\$ 14,864,000
2023-2024 Estimate*	\$ 19,044,000
2024-2025 Forecast	\$ 18,735,000
2024-2025 Proposed	\$ 18,735,000
% of General Fund	1.2 %
% Change from 2023-2024 Adopted	26.0 %

* The 2023-2024 Estimate is developed as part of the Proposed Budget and reflects information known at that time.

Revenue Estimates

The Revenue from the Use of Money and Property category consists of revenue associated with the rental of City-owned property, subrogation recovery efforts, interest income, and small cell lease revenue. Overall revenue in this category is anticipated to generate \$19.0 million in 2023-2024 and drop slightly to \$18.7 million in 2024-2025, primarily due to slightly lower interest earnings. Additional information about the largest Revenue from Use of Money and Property components is provided below.

Rental of City-Owned Property

Collections reflected in the Rental of City-Owned Properties category include revenue related to the City Hall lease to the United States Patent and Trademark Office (USPTO), rental of communications facilities, and rental of various City-owned properties. Rental of City-Owned Property revenue is anticipated at \$2.9 million in 2023-2024, growing slightly to \$3.0 million in 2024-2025.

General Fund Interest Earnings

The interest earnings collection on the General Fund in 2023-2024 is estimated at \$14.4 million. In 2024-2025, General Fund interest earnings are estimated to drop slightly to \$14.0 million, primarily due to slightly less interest earnings on the General Fund due to the partial spend down of accumulated balances.

Small Cell Lease Revenue

Lease revenue received for small cells represents revenue for lease of City-owned light poles from wireless carriers including Verizon, Mobilitie, and AT&T. In 2024-2025 revenues are anticipated to total \$730,000, which is set aside in the Digital Inclusion Fund allocation in *City-Wide Expenses* section of this document.

**CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE ESTIMATES**

REVENUE FROM LOCAL AGENCIES

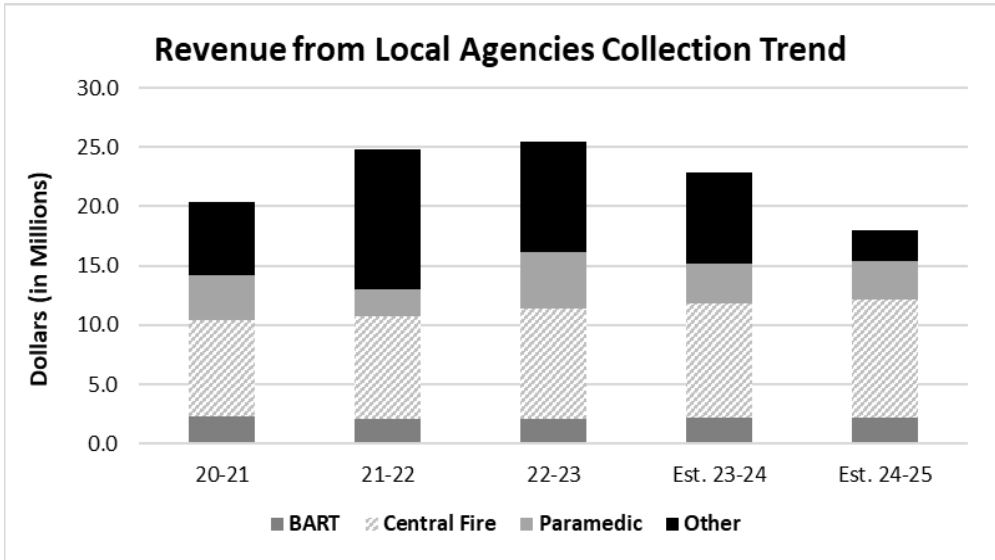
2022-2023 Actual	\$ 25,497,190
2023-2024 Adopted	\$ 18,975,403
2023-2024 Estimate*	\$ 22,838,765
2024-2025 Forecast**	\$ 17,371,268
2024-2025 Proposed	\$ 17,951,649
% of General Fund	1.2 %
% Change from 2023-2024 Adopted	(5.4 %)

* The 2023-2024 Estimate is developed as part of the Proposed Budget and reflects information known at that time.

** The 2024-2025 Forecast was decreased \$215,000 from the February Forecast; additional details can be found in the General Fund Overview section.

Revenue Estimates

In 2023-2024, revenue of \$22.8 million is projected from other local agencies, such as the Central Fire District payment for fire services provided to County residents by the San José Fire Department, the County of Santa Clara payments for the Paramedic



Program and Senior Nutrition, and the Valley Transportation Authority reimbursement for police services at the Berryessa BART station. In 2024-2025, revenue in this category is projected at \$18.0 million, which is \$4.9 million below the 2023-2024 estimate. This decrease is primarily due to reimbursements and grants that are not secured on an ongoing basis being eliminated, partially offset one new grant anticipated to be received in 2024-2025 from Valley Water. Additional information about the largest Revenue from Local Agencies components is provided below.

Central Fire District

The City receives reimbursement from the Central Fire District for the County areas covered by the San José Fire Department. These payments are based on the property tax assessments for fire services collected in those areas, which are passed on to the City. Based on information provided by the Central Fire District, payments of \$9.7 million are anticipated in 2023-2024 and receipts of \$9.9 million are anticipated in 2024-2025.

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE ESTIMATES

REVENUE FROM LOCAL AGENCIES

Paramedic Program

A reimbursement from the County of Santa Clara for the first responder advanced life support program (Paramedic Program) is estimated at \$3.3 million in 2023-2024 and 2024-2025, which includes the equipment reimbursement component (Annex B, Category A funds; \$1.7 million) and service-related component (Annex B, Category B; \$1.6 million).

Berryessa BART Station Police Services

Beginning in 2020-2021, reimbursement revenue is received annually from the VTA for supplemental law enforcement support services at the Berryessa/North San José BART Station. Reimbursement revenue of \$2.2 million is anticipated in 2023-2024 and 2024-2025 from the VTA.

Other Local Agency

In 2023-2024, the remaining local agency funding is estimated at \$7.7 million, which reflects one-time grant or reimbursements (\$5.3 million) and reimbursements that are received on an annual basis (\$2.4 million). In 2024-2025, the budgeted estimate totals \$2.5 million, which includes ongoing reimbursement funding anticipated to be received from various local agencies (\$1.9 million) and new grant funding (\$580,381). The City receives several reimbursements from local agencies on an annual basis, the largest of which includes reimbursements from other agencies for services related to Animal Care and Services (ACS). This reimbursement, which is estimated at \$1.3 million in 2023-2024, is anticipated to decrease to \$1.1 million in 2024-2025 due to the Town of Los Gatos not renewing their ACS contract with the City of San José in 2024-2025. The Proposed Budget also includes an action to reflect a new grant anticipated to be received from Valley Water (\$580,381) for the Regulatory Compliance and Purified Water Program. Additional details on this budget action is provided in the Environmental Services Department under the *City Departments* section of this document.

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE ESTIMATES

REVENUE FROM STATE OF CALIFORNIA	
2022-2023 Actual	\$ 19,912,631
2023-2024 Adopted	\$ 22,110,719
2023-2024 Estimate*	\$ 40,500,887
2024-2025 Forecast	\$ 13,100,000
2024-2025 Proposed	\$ 29,100,000
% of General Fund	1.9 %
% Change from 2023-2024 Adopted	31.6 %

* The 2023-2024 Estimate is developed as part of the Proposed Budget and reflects information known at that time.

Revenue Estimates

Funding reflected in the Revenue from the State of California category includes Tobacco Settlement funds, State grant revenue, and other State reimbursements. Collections in this category are estimated to reach \$40.5 million in 2023-2024 and \$29.1 million in 2024-2025. The decrease in 2024-2025 revenue is primarily due to reimbursements and grants that are not secured on an ongoing basis being eliminated. Additional information about the largest Revenue from the State components is provided below.

Tobacco Settlement Revenue

Beginning in 2010-2011, Tobacco Settlement revenue from the State has been deposited in the General Fund. This payment is received from the State of California in April of each year. The 2023-2024 payment was recently received and totaled \$9.6 million, which is \$1.2 million below the 2022-2023 receipts of \$10.7 million. The 2024-2025 budget assumes collections will return to the 2022-2023 collection level of \$10.7 million.

State Grants/Reimbursements

The City receives several reimbursements from the State on an annual basis, which total \$2.4 million in 2024-2025, which is consistent with the 2023-2024 estimated collection levels. These ongoing revenues include: Auto Theft reimbursement (\$800,000); Abandoned Vehicle Abatement (\$500,000); and Highway Maintenance Charges reimbursement (\$100,000). In addition, funding received from the State for Vehicle License Fees Collection in Excess is included in this revenue category. This funding, which is estimated at \$1.0 million in 2024-2025, accounts for the Vehicle License Fee revenues that are collected by the Department of Motor Vehicles as a result of certain compliance procedures that are equally apportioned to counties and cities on a population basis.

The 2024-2025 Proposed Budget also includes actions to recognize new grant funding totaling \$16.0 million from the State to support the City's Interim Housing Portfolio, including \$5.0 million from the Housing and Homeless Incentive Program (though not yet officially approved by the State and the local Medi-Cal Managed Care Plans), and an additional \$11.0 million of additional funding that will be sought in collaboration with the City's regional partners. To the extent that the \$11.0 million is not be received, a corresponding amount of resources in the Real Property Transfer Tax Fund will be reallocated from affordable housing production to support the Interim Housing portfolio as part of a future budget process. Additional details on these budget actions, including the expenditures associated with the programs, are provided in the Housing Department under the *City Departments* section of this document.

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE ESTIMATES

REVENUE FROM FEDERAL GOVERNMENT	
2022-2023 Actual	\$ 4,962,143
2023-2024 Adopted	\$ 7,391,504
2023-2024 Estimate*	\$ 11,971,116
2024-2025 Forecast	\$ 0
2024-2025 Proposed	\$ 1,384,000
% of General Fund	0.1 %
% Change from 2022-2023 Adopted	(81.3 %)

* The 2023-2024 Estimate is developed as part of the Proposed Budget and reflects information known at that time.

Revenue Estimates

The Revenue from the Federal Government category accounts for grants and reimbursements that are received from the Federal Government. Collections in this category are estimated to reach \$12.0 million in 2023-2024 and \$1.4 million in 2024-2025. The decrease in 2024-2025 revenue is primarily due to reimbursements and grants that are not secured on an ongoing basis being eliminated.

The 2024-2025 Proposed Budget includes actions to recognize new grant funding totaling \$1.4 million from the Federal Government for two grant programs. These new grants include funding from the Transportation, and Housing and Urban Development, and Related Agencies (THUD) for the Rue Ferrari Emergency Interim Housing (\$1.0 million) and the Environmental Protection Agency for the Clean Creeks, Healthy Watersheds (\$384,000).

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE ESTIMATES

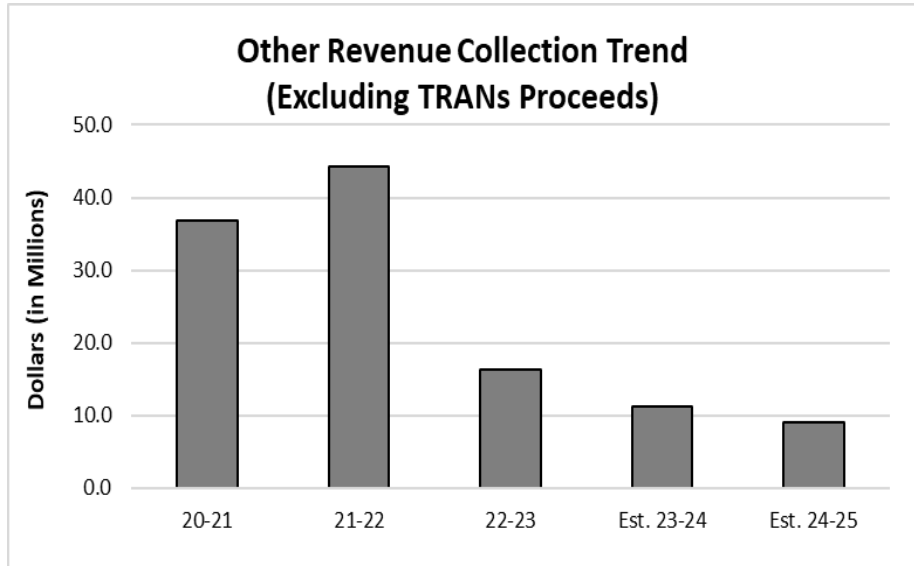
OTHER REVENUE	
2022-2023 Actual	\$ 291,249,120
2023-2024 Adopted	\$ 10,257,667
2023-2024 Estimate*	\$ 11,141,361
2024-2025 Forecast**	\$ 8,738,257
2024-2025 Proposed	\$ 9,050,067
% of General Fund	0.6 %
% Change from 2023-2024 Adopted	(11.8 %)

* The 2023-2024 Estimate is developed as part of the Proposed Budget and reflects information known at that time.

** The 2024-2025 Forecast was increased \$110 from the February Forecast; additional details can be found in the General Fund Overview section.

Revenue Estimates

The Other Revenue category consists of miscellaneous revenues received from a variety of sources, including payments from Comcast and AT&T required under the Franchise Agreement, cost reimbursements for the Investment Program, proceeds from the Sale of Surplus Property, Sidewalk Repair and Tree Maintenance Activities, and Miscellaneous Other Revenue.



In 2023-2024, this category is expected to generate \$11.1 million and the 2024-2025 estimate totals \$9.1 million. The 2024-2025 Other Revenue estimate assumes the continuation of current year activity levels with revisions, where appropriate, for 2024-2025 costs or agreements and the elimination of one-time funding sources.

In 2024-2025, the Other Revenue category includes an action to recognize funding of \$300,000 that will be received as the result of the Finance Department conducting an Accounts Receivable Amnesty Program. As part of this program, customers with delinquent invoices will be notified that if the invoiced amount is paid, all penalties, interest, and late fees will be waived. In addition, the 2024-2025 budgeted estimate includes actions in the Transportation Department to align revenues with estimated activity levels, reflect fee revisions, and maintain cost recovery levels (\$11,810).

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE ESTIMATES

OTHER REVENUE

Revenue Estimates (Cont'd.)

The major ongoing components of the Other Revenue category are described below.

Investment Program Reimbursement

The 2024-2025 revenue estimate for Investment Program Reimbursements is \$1.0 million based on the estimated costs of Investment Program in the Finance Department that will be reimbursed from investment earnings. This reimbursement amount is slightly below the 2023-2024 estimated level of \$1.1 million.

Public, Education, and Government (PEG) Access Facilities

In 2024-2025, payments from Comcast and AT&T required under the Franchise Agreement are estimated at \$1.4 million, which is consistent with the 2023-2024 estimate. As defined in the Franchise Agreement, these funds will be used to support the Public, Education, and Government (PEG) Access Facilities. There is an associated City-Wide Expenses allocation for this purpose, which is further described in the *City-Wide Expenses* section of this document.

Sale of Surplus Property

The proceeds from the sale of surplus properties are estimated to generate \$500,000 in 2024-2025 based on City assets that are anticipated to be sold.

Sidewalk Repair

When the City performs sidewalk repair services for non-owner occupied residences, the property owners reimburse the City for those costs. The 2024-2025 revenue estimate for this category is \$2.5 million, which is consistent with the 2023-2024 budgeted estimate. There is a corresponding City-Wide Expenses allocation to fund the contractual sidewalk repairs, which is further described in the *City-Wide Expenses* section of this document.

Tree Maintenance Activities

Property owners are also assessed for the costs of tree services provided by the City. If the City performs emergency tree services, such as removing a tree that has fallen in the street, the property owner is assessed a fee to cover the cost of this service. In 2024-2025 this fee revenue is estimated at \$500,000, which is consistent with the 2023-2024 budgeted estimate. There is a corresponding City-Wide Expenses allocation to provide this service, which is further described in the *City-Wide Expenses* section of this document.

**CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE ESTIMATES**

TRANSFERS AND REIMBURSEMENTS

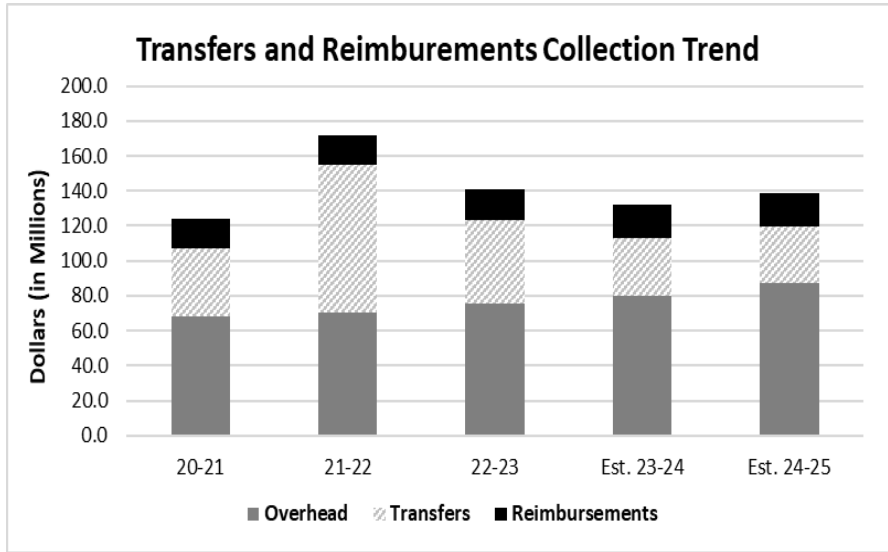
2022-2023 Actual	\$ 140,748,332
2023-2024 Adopted	\$ 125,768,078
2023-2024 Estimate*	\$ 131,839,030
2024-2025 Forecast**	\$ 138,987,687
2024-2025 Proposed	\$ 139,014,498
% of General Fund	9.1 %
% Change from 2023-2024 Adopted	10.5 %

* The 2023-2024 Estimate is developed as part of the Proposed Budget and reflects information known at that time.

** The 2024-2025 Forecast was increased by \$2.7 million from the February Forecast; additional details can be found in the General Fund Overview section.

Revenue Estimates

The Transfers and Reimbursements revenue category accounts for funds received by the General Fund from other City funds through a combination of means, including overhead charges, reimbursements for services rendered, or transfers. In total, Transfers and Reimbursements are anticipated to generate approximately \$139.0 million in 2024-2025. The following is a discussion of



the three major subcategories included in the Transfers and Reimbursements revenue category: Overhead Reimbursements; Transfers; and Reimbursements for Services.

Overhead Reimbursements

The Overhead Reimbursements category includes overhead reimbursements from both operating and capital funds. In 2024-2025, a total of \$87.1 million in overhead reimbursements are projected based on 2024-2025 overhead rates prepared by the Finance Department applied against the budgeted 2024-2025 applicable salaries. This figure reflects the following: an increase of \$1.9 million incorporated into the Revised Forecast based on final overhead rates and updated allocations of staff across funds; and a decrease of \$273,189 million incorporated into the 2024-2025 Proposed Budget generated from various budget actions that changed the staffing

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE ESTIMATES

TRANSFERS AND REIMBURSEMENTS

Overhead Reimbursements (Cont'd.)

levels funded by capital and special funds. Descriptions of the budget actions that generate these overhead reimbursement changes can be found in the *City Departments* Section of this document. A summary of the overhead reimbursement between the Revised Forecast and the Proposed Budget by fund is detailed below.

Fund	Overhead Adjustment
Public Works Development Fee Program Fund (241)	\$ 165,760
Multi-Source Housing Fund (448)	79,937
Public Works Program Support Fund (150)	65,136
Water Utility Fund (515)	56,349
San José Clean Energy Fund (501)	47,713
Integrated Waste Management Fund (423)	22,478
Homeless Housing, Assistance, and Prevention Fund (454)	22,078
Housing Authority Litigation Award Fund (484)	22,078
Storm Sewer Operating Fund (446)	22,029
Vehicle Maintenance and Operations Fund (552)	15,565
Community Development Block Grant Fund (441)	8,717
Home Investment Partnership Program Fund (445)	6,018
St. James Park Management District Fund (345)	4,710
South Bay Water Recycling Operating Fund (570)	1,063
Building Development Fee Program Fund (237)	(388,184)
Public Works Small Cell Permitting Fee Program Fund (242)	(121,298)
Capital Funds	(117,060)
Fire Development Fee Program Fund (240)	(75,549)
Sewer Service and Use Charge Fund (541)	(45,511)
Planning Development Fee Program Fund (238)	(19,737)
Low and Moderate Income Housing Asset Fund (346)	(19,289)
Airport Maintenance and Operation Fund (523)	(17,630)
San José/Santa Clara Treatment Plant Operating Fund (513)	(7,608)
City-Wide Planning Fee Program Fund (239)	(954)
Total Adjustments	\$ (273,189)

Transfers

The Transfers category is projected at \$32.7 million in 2024-2025. The largest component of this category is a transfer from the Airport Maintenance and Operating Fund totaling \$20.7 million to reimburse the General Fund for police and aircraft rescue and firefighting services provided by the Police and Fire Departments. These reimbursements have been built to cover the 2024-2025 direct and indirect costs associated with these emergency services. Additional large 2024-2025 revenues include transfers from Construction and Conveyance Tax Funds (\$4.0 million) for park maintenance costs and methane monitoring, interest earnings that are transferred from various funds to the General Fund (\$3.9 million), and Construction Excise Tax Fund (\$2.1 million). The funding received from the Construction Excise Tax Fund includes \$300,000 to help address the General Fund shortfall. This transfer amount will continue in 2025-2026.

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE ESTIMATES

TRANSFERS AND REIMBURSEMENTS

Reimbursements for Services

The largest single source of revenue in the Reimbursement for Services category is reimbursements from the Gas Tax Funds for the cost of City street-related expenses. Gas Tax Fund collections are based on a per gallon charge, regardless of gasoline prices, therefore revenue is heavily reliant on activity levels. Higher gasoline consumption levels positively impact revenue collections. In addition, a portion of the Gas Tax revenue is allocated to cover various State-wide expenses, which affects net receipts as well. In 2023-2024 Gas Tax receipts are estimated at \$18.0 million, which is higher than the 2022-2023 actual collections of \$17.2 million. In 2024-2025, Gas Tax receipts are estimated to grow slightly from the 2023-2024 estimated level and total \$18.4 million.

The Reimbursements for Services category reimburses the City for actual costs associated with the Deferred Compensation Program, Voluntary Employee Beneficiary Association (VEBA) Fund, and the Maintenance Assessment District Funds. These amounts have been set to recover costs in 2024-2025 of \$827,186.

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE ESTIMATES

BEGINNING FUND BALANCE	
Rebudget: Contingency Reserve	\$ 50,000,000
Rebudget: Expenditures	\$ 647,830
Unexpended Earmarked Reserves*	\$ 854,000
2023-2024 Ending Fund Balance Reserve*	\$ 13,450,000
2023-2024 Expenditure Savings/Additional Revenue*	\$ 30,093,944
Liquidation of Prior Year Encumbrances*	\$ 1,825,368
Fund Balance Subtotal:	\$ 96,871,142
Reserve for Encumbrances	\$ 84,474,436
Fund Balance Total:	\$ 181,345,578
% of General Fund**	6.4%

* Used for 2024-2025 Proposed Budget balancing purposes.

** Excludes Reserve for Encumbrances.

Estimates for both the unrestricted and restricted (reserve for encumbrances) portions of the 2023-2024 Ending Fund Balance/2024-2025 Beginning Fund Balance, totaling \$181.3 million, are included as part of the 2024-2025 Proposed Budget. The estimate for the encumbrance reserve is set at the 2022-2023 actual level (\$84.5 million). The Proposed Budget includes a matching expenditure amount intended to reflect the corresponding encumbrances that are estimated for 2024-2025.

The estimate for unrestricted Beginning Fund Balance is set at \$96.9 million in 2024-2025, which represents a \$7.7 million increase from the 2024-2025 Forecast level of \$89.2 million. When the Forecast was initially developed, the Beginning Fund Balance projection totaled \$85.2 million and included the following: an unexpended (rebudgeted) Contingency Reserve estimate of \$50.0 million; a combination of excess revenues and expenditure savings totaling \$34.5 million; liquidation of reserve funding (\$174,000) from the Citywide Business Development Staffing Reserve, which will support specific costs programmed in 2024-2025; and the liquidation of prior year encumbrances (\$500,000). After the release of the Five-Year Forecast in February 2024, the Beginning Fund Balance was increased by \$4.0 million to reflect expenditure savings from various Measure E appropriations that are not anticipated to be expended by the end of 2023-2024 and will be rebudgeted to 2024-2025 in the General Fund and then transferred to the newly established Real Property Transfer Tax Fund to support the corresponding Base Budget costs that will be expended in the Real Property Transfer Tax Fund instead of the General Fund. As a result of this action, the 2024-2025 Revised Forecast Beginning Fund Balance totaled \$89.2 million.

In the Proposed Budget, Beginning Fund Balance adjustments totaling \$7.7 million are included, which is primarily attributable to increased estimated revenue and expenditure savings (\$5.0 million), the liquidation of prior year encumbrances (\$1.3 million), the liquidation of the Solid Waste Code Enforcement Reserve (\$680,000). As a result of these actions, the Beginning Fund Balance increased from the Revised Forecast level of \$89.2 million to \$96.9 million (excluding the Reserve for Encumbrances).

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PROPERTY TAX

On June 6, 1978, California voters approved Proposition 13, which added Article XIII A to the State Constitution and placed restrictions on the valuation of real property and on the imposition of ad valorem property tax. Under current law, all taxable real and personal property is subject to a tax rate of one percent of the assessed value. (In June 1986, California voters approved a Constitutional Amendment, which provides for an exception to the one-percent limitation. The Amendment allows local governments and school districts to raise property taxes above one percent to finance general obligation bond sales. A tax increase can only occur if two-thirds of those voting in a local election approve the issuance of bonds.) The assessed value of real property that has not changed ownership adjusts by the change in the California Consumer Price Index up to a maximum of two percent per year. Property which changes ownership, property which is substantially altered, newly-constructed property, State-assessed property, and personal property are assessed at the full market value in the first year and subject to the two percent cap, thereafter.

In 1979, in order to mitigate the loss of property tax revenues after approval of Proposition 13, the State Legislature approved Assembly Bill 8 (AB 8). This action was approved to provide a permanent method for allocating the proceeds from the 1% property tax rate, by allocating revenues back to local governments based on their historic shares of property tax revenues. AB 8 shifted approximately \$772 million of school district property tax revenue to local governments and backfilled schools' lost revenue with subsidies from the State General Fund. Actions taken by the State in order to balance the 1992-1993 and 1993-1994 State budgets partially reversed the AB 8 formula. The 1992-1993 action reduced the City's Property Tax proceeds by nine percent, and shifted this funding to schools in order to reduce the amount of State backfill required. As part of the State's 1993-1994 Budget, the AB 8 formula was again altered requiring another ongoing shift in City Property Tax revenue to K-12 schools and community colleges.

In November 1993, the City Council elected to participate in the Teeter Plan, which is an alternative method for County property tax apportionment. Under this alternative method authorized by the State Legislature in 1949, the County apportions property tax on the basis of the levy without regard for delinquencies. With the adoption of the Teeter Plan in 1993-1994, the City received a one-time buy out of all current, secured property tax delinquencies as of June 30, 1993, which totaled \$3.5 million. Under this system, the City's current secured tax payments are increased for amounts that typically were delinquent and flowed to the secured redemption roll, but the City gave up all future penalties and interest revenue derived from the delinquencies.

In 2004-2005, the State budget included a permanent reduction of the Motor Vehicle In-Lieu (MVLIF) tax rate from 2% to 0.65% (its current effective rate). As part of the State budget action, the loss of MVLIF was approved to be replaced with a like amount of property tax revenue, on a dollar-for-dollar basis, which now grows based on assessed valuations.

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SALES TAX

The Sales Tax is an excise tax imposed on retailers for the privilege of selling tangible personal property. The Use Tax is an excise tax imposed on a person for the storage, use, or other consumption of tangible personal property purchased from any retailer. The local Sales and Use Tax is collected and administered by the California Department of Tax and Fee Administration and is authorized by the Uniform Local Sales and Use Tax Law and the Bradley-Burns Uniform Local Sales and Use Tax Law. The proceeds of sales and use taxes imposed within the boundaries of San José are distributed by the State to various agencies, with the City of San José receiving one percent.

On November 2, 1993, Proposition 172 (Public Safety Fund) was approved allowing for the permanent extension of the half-cent State sales tax that was originally imposed on July 15, 1991, and was to sunset on June 30, 1993. (On July 1, 1993, a six-month extension of the tax was granted by the State in order to provide a source of one-time funding for cities and counties to partially offset 1993-1994 ongoing property tax reductions.) The passage of the Proposition 172 legislation, effective January 1, 1994, required that the proceeds from the 0.5% tax be diverted from the State to counties and cities on an ongoing basis for funding public safety programs.

The current distribution of the sales tax proceeds is outlined below, which includes a voter-approved 1/4 percent local transaction and use tax enacted by the City of San José effective October 1, 2016 (limited to 15 years) to fund essential City services such as: improving police response to reduce violent crimes and burglaries; improving 911/emergency medical and fire response times; repairing potholes and streets; expanding gang prevention; and maintaining the City’s long-term financial stability.

Sales Tax Rates	
State – General Fund	3.9375%
State – Local Revenue Fund	1.5625
State – County Transportation Funds	0.2500
State – City of San José	1.0000
Public Safety Fund (Proposition 172) ⁽¹⁾	0.5000
Sub-Total Statewide Sales and Use Tax	7.2500
Local – City of San José ⁽²⁾	0.2500
Santa Clara County Transit District ⁽³⁾	0.5000
Santa Clara County Valley Transportation Authority ⁽⁴⁾	0.5000
Santa Clara VTA BART Operating and Maintenance Transactions and Use Tax ⁽⁵⁾	0.1250
Santa Clara County Retail Transactions and Use Tax ⁽⁶⁾	0.1250
Silicon Valley Transportation Solutions Tax ⁽⁷⁾	0.5000
Peninsula Corridor Joint Powers Board (Caltrain) ⁽⁸⁾	0.1250
Total Sales and Use Tax	9.3750%
⁽¹⁾ City of San José receives a portion of this Sales and Use Tax revenue that varies from year to year. ⁽²⁾ Approved by voters in June 2016, and effective October 1, 2016, (limited to 15 years) to fund essential City services. ⁽³⁾ Approved by voters in 1976; does not expire. Imposed by VTA. ⁽⁴⁾ Approved by voters in November 2000, and effective April 1, 2006 (limited to 30 years). Imposed by VTA. ⁽⁵⁾ Approved by voters in November 2008 to support BART and effective on July 1, 2012 (limited to 30 years). Imposed by VTA. ⁽⁶⁾ Approved by voters in November 2012 and effective April 1, 2013 (limited to 10 years). ⁽⁷⁾ Approved by voters in June 2016, and effective April 1, 2017 (limited to 30 years). Imposed by VTA. ⁽⁸⁾ Approved by voters in November 2020, and effective July 1, 2021 (limited to 30 years). Imposed by Peninsula Corridor Joint Powers Board, which owns and operates Caltrain.	

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SALES TAX

Major items, such as services, are exempt from the tax code. As part of a 1991-1992 legislative action, tax exemptions were removed from candy and snack foods, bottled water, newspapers and periodicals, and fuel and petroleum products sold to certain carriers. The removal of these exemptions became effective July 1991. On November 3, 1992, however, the voters approved Proposition 163, which partially repealed the prior action, re-establishing the exemption for snack foods, candy, and bottled water effective December 1, 1992.

TRANSIENT OCCUPANCY TAX

The Transient Occupancy Tax is assessed as a percentage of the rental price for transient lodging charged when the period of occupancy is 30 days or less. The combined tax rate is currently 10%, of which 6% is placed in the Transient Occupancy Tax Fund and 4% is deposited in the General Fund. The General Fund portion (4% of rent) of the tax is authorized by Title 4 of the Municipal Code, Section 4.74, Ordinance number 21931. The Transient Occupancy Tax Fund portion of the revenues (6% of rent) is authorized by Title 4 of the Municipal Code, Section 4.72, Ordinance number 23481, with the use of funds restricted to the following uses:

- 1) Approximately 50% shall support the City's operating subsidy to the convention and cultural facilities of the City of San José.
- 2) The remaining 50% shall support the following uses, with respective funding levels determined by the City Council:
 - a. Funding of the Convention and Visitors Bureau (historically, approximately 25%); and
 - b. Funding for the cultural grant program and fine arts division programs, including funding of cultural grants and expenses of the fine arts division, including, but not limited to, personal and non-personal/equipment expenses, fringe benefits, and overhead (historically, approximately 25%).

The General Fund portion, or 40% of the Transient Occupancy Tax, was enacted as a general tax. The other 60% of the Transient Occupancy Tax is restricted for the support of arts and cultural development, operation of a convention and visitors bureau and the convention and cultural facilities of San José. Although not specifically related to the Transient Occupancy Tax, many hotels in San José also belong to the Convention Center Facilities District, which assesses an additional special tax on daily room rates of 4%. Revenues from the Convention Center Facilities District are restricted for debt service payments or capital improvements related to the Convention Center. Of the approximately 14% total tax assessed on room rates at most hotels, only the 4% portion of the Transient Occupancy Tax is deposited into the General Fund.

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FRANCHISE FEES

The City collects compensation from Pacific Gas and Electric Company (PG&E) for the use of City streets in the distribution of natural **gas** and **electricity**. PG&E is assessed 2.0% of the gross receipts representing its sale of electricity and natural gas for a calendar year within the City limits. The taxes are authorized by Title 15 of the Municipal Code, Chapter 15.32, and no authorized exemptions exist.

On February 9, 2010, the City Council approved ordinances amending the franchises with PG&E for the sale of natural gas and the sale of electricity. These amendments added a franchise fee surcharge of 0.3%, resulting in a total franchise fee remitted to the City of 2.3% of gross receipts from the sale of gas and electricity in the City through 2021. The 0.3% surcharge was approved by the California Public Utilities Commission (CPUC) effective May 5, 2010. Implementation of the surcharge began in September 2010.

From the sale of **nitrogen gas**, the City collects an annual fee of \$0.119/linear foot of gas-carrying pipe installed within public streets. In addition, each customer is required to pay an annual per connection fee of \$118.76 multiplied by the inside diameter of pipe expressed in inches at the property line. A minimum of \$1,000 total franchise fees per calendar year is required. The fee is authorized by City Ordinance number 20822 and amended by Ordinance number 25054; there are no authorized exemptions.

On July 1, 1996, **Commercial Solid Waste** (CSW) collection franchise fees were converted to a volume basis. This revision amended the previous structure (which had been in effect since January 1, 1995) that assessed a franchise fee equal to 28.28% of gross receipts in excess of \$250,000. With that change, fees were set at \$1.64 per cubic yard per collection for cubic yards in excess of 43,000 (the cubic yard basis is tripled if the waste has been compacted) in a fiscal year, and were assessed on any commercial business engaged in the collection, transportation, or disposal of garbage and/or rubbish (solid waste) accumulated or generated in the City of San José. In December 1997, the City Council increased the rate to \$2.41 effective on January 1, 1998. In 1999-2000, this fee was increased to \$2.84 per cubic yard. In 2002-2003, a three-year gradual shift in the revenue distribution between the CSW and AB 939 fees (also known as the “commercial source reduction and recycling fee” collected and deposited in the Integrated Waste Management Fund) was approved, which increased the amount collected for CSW to \$3.34 per cubic yard in 2004-2005. In 2005-2006, the City Council increased the fee by 4.5% (\$0.15 per cubic yard) to \$3.49 per cubic yard.

In 2006-2007, an additional 5.0% increase was approved by the City Council, which brought the fee to \$3.67 per cubic yard. In 2009-2010, the elimination of the fee exclusion for the first 20,000 cubic yards hauled in the fiscal year was approved.

On October 19, 2010, the City Council amended the CSW franchise fee to a fee for franchises based on geographic collection districts rather than volume. The volume-based fee remains for franchisees that do not have a franchise based on geographic collection district, such as non-exclusive franchise holders that collect construction and demolition and residential clean-out material. However, this fee is Zero Dollars (\$0.00) per cubic yard, or fraction thereof, of construction and demolition debris or residential clean-out material with twenty percent (20%) or

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FRANCHISE FEES

less incidental contamination. The base fee of \$5.0 million per year for each of two geographic collection districts, plus a supplemental fee of \$1.0 million for the right to conduct CSW services in both the North District and the South District became effective July 1, 2012, and is subject to an annual adjustment not to exceed the percentage increase in the annual Consumer Price Index (CPI). The CSW fee is authorized by Title 9 of the Municipal Code, Chapter 9.10.1710.

The City collects a **Cable Television Franchise Fee** from any company that provides cable television (Municipal Code, Title 15, Chapter 15.34). The current fee requires each State video franchise holder to pay the city a franchise fee that is 5% of gross revenues derived from subscriptions. Excluded from the gross receipts are amounts derived from installation, late charges, advertising, taxes, line extensions, and returned check charges.

The **Water Franchise Fee** was established in 1995-1996 (effective July 27, 1995, Title 15 of the Municipal Code, Section 15.40). The assessment of the fee is allowable under State law, which asserts that a city can collect a franchise fee from a water utility company for laying pipelines and operating them in public right-of-ways. The fee is equal to the greater of either: 1) 2% of the utility's gross annual receipts arising from the use, operation, or possession of facilities located in public streets within the City limits established on or after October 10, 1911, or 2) 1% of all gross receipts derived from the sale of water within the City limits. Those portions of the water company's system that are established in private right-of-ways or utility easements granted by private developers are exempted from the franchise fee assessment. It should be noted that the City is not assessing a Water Franchise Fee on the San Jose Water Company due to a Santa Clara County Superior Court ruling that states San José cannot impose a franchise fee on that company.

UTILITY TAX

The Utility Tax is charged to all users of a given utility (gas, electricity, telephone, and water) other than the corporation providing the utility (i.e., a utility company's consumption of all utilities used in the production or supply of their service is not taxed). For the electricity, gas, and water categories, consumers pay 5% of their utility charges to the utility company that acts as a collection agent for the City. For the telephone utility tax, consumers pay 4.5% on all intrastate, interstate, and international communication services regardless of the technology used to provide such services. Private communication services, voice mail, paging, and text messaging are treated the same as traditional telephone services. In November 2008, voters approved Measure K that reduced the telephone utility rate from 5.0% to 4.5% and broadened the base for the tax and the definition of technologies covered by the tax. The tax is not applicable to State, County, or City agencies. Also, per State regulations, insurance companies and banks are exempted from the tax. This tax is authorized by Title 4 of the Municipal Code, Section 4.68.

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BUSINESS TAXES

The **General Business Tax** was first adopted on July 15, 1963. The methodology used for calculating the Business Tax (Chapter 4.76 of the San José Municipal Code) was adopted in 1984 and adjusted in 1986. In November 1996, the rates were increased to reflect an annual inflation factor as part of the New Realities Task Force recommendations contingent on voter approval. Because the voters did not approve the continuation of the increase in November 1998, the rates were returned to the levels prior to November 1996. Those rates stayed in effect until San José voters approved the Business Tax Modernization measure on November 8, 2016. In addition to expanding the application of tax to more business classes, the Business Tax Modernization measure increased the base tax, the incremental tax, and the cap (the maximum amount of tax affecting large businesses). The Business Tax Modernization measure rates went into effect July 1, 2017, and will be adjusted annually on July 1st for inflation changes.

The following charts present the business tax rate structure after the Business Tax Modernization, along with the inflation adjusted rates for the periods listed.

Employee Count

Every person engaged in business in the City shall pay a business tax based on employee count, unless the basis of the tax is otherwise prescribed in the San José Municipal Code.

Businesses: Employee Count¹	July 2023 - June 2024	Effective July 1, 2024³
Base Tax: 1-2 employees	\$213.15	\$216.35
Incremental Tax: 3-35 ²	\$35.24	\$36.09
Incremental Tax: 36-100 ²	\$46.98	\$48.11
Incremental Tax: 101-500 ²	\$58.72	\$60.13
Incremental Tax: 501+ ²	\$70.52	\$72.21
Cap	\$176,439.71	\$180,674.26

¹ Businesses choose between calculating the number of employees based on full-time equivalent (FTE) or based on the number employers report to the California Employment Development Department (EDD).

² Incremental tax rates are applicable per employee.

³ As prescribed in San José Municipal Code Section 4.76.485, the base tax rate shall be adjusted annually if the cost of living in the City has increased over the base period, as shown by the Consumer Price Index (All Urban Consumers for All Items for the San Francisco-Oakland-Hayward, CA Area), using February to February data; limited to 1.5% per year on the minimum base tax, 3.0% per year on the incremental tax brackets, and 3.0% per year on the cap. For the period February 2023 to February 2024, the CPI grew by 2.4%, which resulted in the minimum base tax increasing by 1.5% and the incremental tax bracket increasing to 2.4%, in line with the prescribed limits.

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BUSINESS TAXES

Residential Rental Property Units

Every person in the City engaged in the business of renting or leasing any residential real estate shall pay a business tax based on the number of rental units held for rental, unless the basis of the tax is otherwise prescribed in the San José Municipal Code.

Residential Landlords: Rental Units	July 2023 - June 2024	Effective July 1, 2024²
Base Tax: 1-2 units	\$213.15	\$216.35
Incremental Tax: 3-35 ¹	\$11.74	\$12.02
Incremental Tax: 36-100 ¹	\$17.61	\$18.03
Incremental Tax: 101-500 ¹	\$23.48	\$24.04
Incremental Tax: 501+ ¹	\$29.36	\$30.06
Cap	\$176,439.71	\$180,674.26

¹ Incremental tax rates are applicable per unit.

² As prescribed in San José Municipal Code Section 4.76.485, the base tax rate shall be adjusted annually if the cost of living in the City has increased over the base period, as shown by the Consumer Price Index (All Urban Consumers for All Items for the San Francisco-Oakland-Hayward, CA Area), using February to February data; limited to 1.5% per year on the minimum base tax, 3.0% per year on the incremental tax brackets, and 3.0% per year on the cap. For the period February 2023 to February 2024, the CPI grew by 2.4%, which resulted in the minimum base tax increasing by 1.5% and the incremental tax bracket increasing to 2.4%, in line with the prescribed limits.

Commercial (Non-Residential) Rental Property Units

Every person in the City engaged in the business of renting or leasing any non-residential real estate shall pay a business tax based on the square footage of space held for rental, unless the basis of the tax is otherwise prescribed in the San José Municipal Code.

Commercial Landlords	July 2023 - June 2024	Effective July 1, 2024²
Base Tax	\$213.15	\$216.35
Flat Incremental Tax: per Square Foot ¹	\$0.0293	\$0.0300
Cap	\$176,439.71	\$180,674.26

¹ Incremental tax rates are applicable per square foot.

² As prescribed in San José Municipal Code Section 4.76.485, the base tax rate shall be adjusted annually if the cost of living in the City has increased over the base period, as shown by the Consumer Price Index (All Urban Consumers for All Items for the San Francisco-Oakland-Hayward, CA Area), using February to February data; limited to 1.5% per year on the minimum base tax, 3.0% per year on the incremental tax brackets, and 3.0% per year on the cap. For the period February 2023 to February 2024, the CPI grew by 2.4%, which resulted in the minimum base tax increasing by 1.5% and the incremental tax bracket increasing to 2.4%, in line with the prescribed limits.

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BUSINESS TAXES

Mobile Home Parks Rental Units

Every person in the City engaged in the business of renting or leasing any mobile home parks shall pay a business tax based on the number of lots held for rental, unless the basis of the tax is otherwise prescribed in the San José Municipal Code.

Mobile Home Parks – Rental Lot	July 2023 - June 2024	Effective July 1, 2024 ²
Base Tax: 1-2 lots	\$213.15	\$216.35
Incremental Tax: 3+ lots ¹	\$11.74	\$12.02
Cap	\$176,439.71	\$180,674.26

¹ Incremental tax rates are applicable per unit.

² As prescribed in San José Municipal Code Section 4.76.485, the base tax rate shall be adjusted annually if the cost of living in the City has increased over the base period, as shown by the Consumer Price Index (All Urban Consumers for All Items for the San Francisco-Oakland-Hayward, CA Area), using February to February data; limited to 1.5% per year on the minimum base tax, 3.0% per year on the incremental tax brackets, and 3.0% per year on the cap. For the period February 2023 to February 2024, the CPI grew by 2.4 %, which resulted in the minimum base tax increasing by 1.5% and the incremental tax bracket increasing to 2.4 %, in line with the prescribed limits.

Water Meter Connections

Every person engaged in the business of a public water utility in the City shall pay a business tax based upon the number of active metered connections within the city, unless the basis of the tax is otherwise prescribed in the San José Municipal Code.

Water Companies	July 2023 - June 2024	Effective July 1, 2024 ²
Base Tax	\$213.15	\$216.35
Flat Incremental Tax: per connection ¹	\$1.16	\$1.19
Cap	\$176,439.71	\$180,674.26

¹ Incremental tax rates are applicable per unit.

² As prescribed in San José Municipal Code Section 4.76.485, the base tax rate shall be adjusted annually if the cost of living in the City has increased over the base period, as shown by the Consumer Price Index (All Urban Consumers for All Items for the San Francisco-Oakland-Hayward, CA Area), using February to February data; limited to 1.5% per year on the minimum base tax, 3.0% per year on the incremental tax brackets, and 3.0% per year on the cap. For the period February 2023 to February 2024, the CPI grew by 2.4 %, which resulted in the minimum base tax increasing by 1.5% and the incremental tax bracket increasing to 2.4 %, in line with the prescribed limits.

Out of Town Businesses

Every person engaged in business in the City shall pay a business tax based on an employee count, unless the basis of tax is otherwise prescribed in the San José Municipal Code.

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BUSINESS TAXES

Out of Town Businesses

Out of Businesses:	Effective July 1, 2024 ³				
Employee Count ¹	120+ days	90-119 Days	30-89 days	6-29 days	5 or less days ⁴
Base Tax: 1-2 employees	\$216.35	\$108.17	\$81.13	\$54.09	\$0.00
Incremental Tax: 3-35 ²	\$36.09	\$18.04	\$13.53	\$9.02	\$0.00
Incremental Tax: 36-100 ²	\$48.11	\$24.05	\$18.04	\$12.03	\$0.00
Incremental Tax: 101-500 ²	\$60.13	\$30.06	\$22.55	\$15.03	\$0.00
Incremental Tax: 501+ ²	\$72.21	\$36.11	\$27.08	\$18.05	\$0.00
Cap	\$180,674.26	\$180,674.26	\$180,674.26	\$180,674.26	\$0.00

¹ Businesses choose between calculating the number of employees based on full-time equivalent (FTE) or based on the number employers report to the California Employment Development Department (EDD).

² Incremental tax rates are applicable per employee.

³ As prescribed in San José Municipal Code Section 4.76.485, the base tax rate shall be adjusted annually if the cost of living in the City has increased over the base period, as shown by the Consumer Price Index (All Urban Consumers for All Items for the San Francisco-Oakland-Hayward, CA Area), using February to February data; limited to 1.5% per year on the minimum base tax, 3.0% per year on the incremental tax brackets, and 3.0% per year on the cap. For the period February 2023 to February 2024, the CPI grew by 2.4 %, which resulted in the minimum base tax increasing by 1.5% and the incremental tax bracket increasing to 2.4 %, in line with the prescribed limits.

⁴ For businesses in San José only 5 or less days, there is no fee, but the business is still required to submit registration. They will receive an account number, but a certificate will not be issued. These accounts automatically expire annually.

Exclusions and Exemptions

There are several exclusions (by Federal or State regulations) or exemptions (by the City Council) from the General Business Tax. The major types of exempt organizations include banks and insurance companies, charitable and non-profit organizations, interstate commerce, and low revenue generation businesses.

Specialty Business Taxes

On May 26, 1987, the City Council enacted a new **Disposal Facility Tax**, which became effective July 1, 1987. The rate structure is based on the weight of solid waste disposed. On July 1, 1992, the City Council increased the Disposal Facility Tax from \$3.00 per ton of disposed waste to \$13.00 per ton. This tax is assessed on landfills located in the City of San José. Beginning 2002-2003, waste previously classified as alternate daily cover was made subject to the Disposal Facility Tax. After a legal challenge, the City reinstated the alternate daily cover exemption in August 2005.

During 1991-1992, the City Council approved a cardroom ordinance, which contained the provision of a **Cardroom Business Tax** to tax gross receipts from cardrooms located in the City.

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BUSINESS TAXES

Specialty Business Taxes

On June 9, 1992, the City Council amended the cardroom ordinance, increasing the tax rate schedule and expanding the permissible games authorized. A gross receipt monthly tax schedule was established with taxes ranging from 1% to 13% of gross receipts. In 1993-1994, the City Council approved a revision to the cardroom ordinance, instituting a flat 13% gross receipts tax for all cardrooms located in the City with annual gross revenues in excess of \$10,000. In June 2010, voters approved a ballot measure that increased the tax rate from 13% to 15% and increased the maximum number of card tables from 80 to 98. In November 2020 voters approved a ballot measure to increase the tax rate from 15% to 16.5%, increase the maximum number of card tables from 98 to 128, and extend the cardroom tax to those businesses providing Third-Party Proposition Player Services in the cardrooms.

On November 2, 2010, San José voters approved Ballot Measure U, which allowed the City to tax all marijuana businesses (medical and non-medical; legal and illegal) at a rate of up to 10% of gross receipts. On December 13, 2010, the City Council approved an ordinance that set the **Cannabis Business Tax** (formerly Marijuana Business Tax) at 7%, and on June 4, 2013, the City Council increased the rate to 10% effective on July 1, 2013. On May 21, 2019, the City Council approved an ordinance that amended Chapter 4.66 to rename the Marijuana Business Tax to the Cannabis Business Tax (CBT) and to establish a tiered CBT rate structure for various categories of cannabis business activities. Effective July 1, 2019, the following CBT rates are applicable on the gross receipts:

Business Activity	July 2013 - June 2019	Effective July 1, 2019
Cultivation	10%	4%
Manufacturing	10%	3%
Distribution	10%	2%
Laboratory Testing	10%	0%
Retail / Delivery Sales	10%	10%

REAL PROPERTY TRANSFER TAX

On March 3, 2020, San José voters approved Measure E, Real Property Transfer Tax. This new tax, which becomes effective on July 1, 2020, is imposed at a tiered level for property transfers (sales) over \$2.0 million. The Real Property Transfer Tax is a general tax, which means the City of San José can use the revenue for any governmental purpose.

The rate for the Real Property Transfer Tax is as follows:

- 1) Under \$2.0 million – Exempt;¹
- 2) \$2.0 million to \$5.0 million – 0.75% of the transferred property value;
- 3) \$5.0 million to \$10.0 million – 1.0% of the transferred property value; and
- 4) Over \$10.0 million – 1.5% of the transferred property value

¹ Beginning July 1, 2025, the exemption threshold of under \$2,000,000 will automatically adjust based on a consumer price index every five years. The Finance Director will publish the exemption threshold as adjusted no later than April 30 prior to the July 1 date on which the adjustment to the exemption threshold becomes effective.

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE DESCRIPTIONS

TELEPHONE LINE TAX

In November 2008, voters approved Measure J that replaced the Emergency Communication System Support (ECSS) Fee with a tax in an amount that is 10% less than the ECSS Fee. The tax amount is \$1.57 per telephone line per month and \$11.82 per commercial type trunk line. The City ceased collecting the fee and began collecting the tax by April 1, 2009. The tax is collected from telephone users on their telephone bills. Exemptions to the tax include low-income seniors and disabled persons who receive lifeline telephone service.

LICENSES AND PERMITS

The City requires payment for the issuance of various health and safety-related licenses and permits. For most licenses and permits, the various fees charged by a given department are based on full recovery of the estimated costs for providing each service. For example, the City requires fire safety inspections of all commercial property. The fee provides for inspection charges and a number of special charges. Authorized exceptions include the addition and/or alteration of under 20 sprinkler heads and the installation of portable extinguishers. The fee is authorized by Title 17 of the Municipal Code, Chapter 17.12. Where appropriate, license and permit fees take into consideration approved exceptions to the City Council's full cost recovery policy, as well as applicable State laws. Specific prices and rates are determined by ordinance and each of the charges is fully explained in the City's Fees and Charges Report, which is released in May of each year.

Prior to 2020-2021, this category included development-fee revenue related to the Fire Department and Planning, Building and Code Enforcement Department. However, beginning in 2020-2021, all revenue and expenditures related to the Development Fee Programs are no longer captured in the General Fund, and are instead allocated to specific Development Fee Program Funds. As before, the Development Fee Programs remain at 100% cost recovery.

FEES, RATES, AND CHARGES

Fees, Rates, and Charges are comprised of fees charged for services, which are primarily provided by the following departments: Police; Transportation; Library; and Parks, Recreation and Neighborhood Services. Prior to 2020-2021, this category included development-fee revenue related to the Planning, Building and Code Enforcement Department and Public Works Department. However, beginning in 2020-2021, all revenue and expenditures related to the Development Fee Programs are no longer captured in the General Fund, and are instead allocated to specific Development Fee Program Funds. As before, the Development Fee Programs remain at 100% cost recovery.

The fees in this category are determined by ordinance and described in the City's annual Fees and Charges Report, which is released in May of each year. In addition, it should be noted that the fees assessed by the Parks, Recreation and Neighborhood Services Department can be found on the internet (www.sanjoseca.gov/your-government/departments/parks-recreation-neighborhood-services).

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE DESCRIPTIONS

FINES, FORFEITURES AND PENALTIES

The City receives a portion of the fines collected in connection with violations of the State Vehicle Code on city streets. Various fines may be assessed in addition to those imposed by the Santa Clara County bail schedule and judges' sentences. The County court system collects the fines as authorized by the State Vehicle Code and makes monthly remittances to the City. Only "on call" emergency vehicles are exempt from Vehicle Code street laws. State legislative action in 1991-1992 reduced the amount (by approximately 50%) of Vehicle Code fine and forfeiture revenue forwarded to the City. On October 10, 1997, however, the Governor signed Assembly Bill 233 (AB 233), which became effective on July 1, 1998. AB 233 changed how the State and its counties and cities share in traffic citation fine revenues. This legislation essentially resulted in the doubling of the City's revenue collections in this area, reversing the impact of the 1991-1992 State legislative action.

The City receives fines and forfeitures of bail resulting from violation of State Health and Safety Codes and City Ordinances. These fees, authorized by the State Criminal Code and City Ordinances, are collected by the County and remitted to the City on a monthly basis. The City also receives revenue collected in connection with violations of the City's vehicle parking laws. These fines vary according to the nature of the violation. The City pays an agency to process and collect the fines. The only authorized exemption is for "on call" emergency vehicles.

REVENUE FROM USE OF MONEY AND PROPERTY

The City invests idle funds in order to earn interest. The total income varies with the market rates for interest and the funds available to invest. The City has established a formalized and conservative investment policy with objectives emphasizing safety and liquidity. This policy provides guidelines for the type, size, maturity, percentage of portfolio, and size of security issuer (among others) of each investment. In addition, the policy statement outlines several responsibilities of the City Council, City Manager, City Auditor, and Finance Director. These policy and monitoring units interact and produce investment performance reports and an annually updated investment policy. All reports and policies must be reviewed and approved by both the City Manager and City Council. Investment of funds is authorized by the City Charter, Section 8066. Revenue is also received from the rental of City-owned property.

REVENUE FROM LOCAL AGENCIES

This revenue category includes revenue received from a variety of other local government agencies. For example, the City receives payments from Santa Clara County/Central Fire District for fire services provided to District residents by the San José Fire Department, reimbursement from Santa Clara County for the first responder of advanced life support (Paramedics Program), and reimbursement from the Valley Transportation Authority (VTA) for police services at the Berryessa Bay Area Rapid Transit (BART) station.

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE DESCRIPTIONS

REVENUE FROM THE STATE OF CALIFORNIA

The City receives revenue from the State of California in a number of different forms. While the State provides the City with funds through grants and contracts for services, by far the largest source of funds is the Tobacco Settlement payments.

On November 23, 1998, the attorneys general of most states and the major United States tobacco companies signed a Master Settlement Agreement (MSA) to settle more than 40 pending lawsuits brought by states against the tobacco industry. In exchange for the states dropping their lawsuits, and agreeing not to sue in the future, the tobacco companies agreed to pay, in perpetuity, various annual payments to the states to compensate them for some of the medical costs of caring for persons with smoking-related illnesses. Further, the companies have restricted their marketing activities and established new efforts to curb tobacco consumption. The City, along with the other states and local government entities, joined in the settlement. In the MSA, the Original Participating Manufacturers agreed to pay a minimum of \$206 billion over the first twenty-five years of the agreement.

The City has also previously received Motor Vehicle In-Lieu (MVLf) Tax revenues, which are license fees collected by the California Department of Motor Vehicles (DMV). Until 1998-1999, the annual license fee was 2% of the market value of the vehicle as determined by the DMV.

In 1998-1999, the State reduced the license fees by 25%, but agreed to backfill local jurisdictions for the loss in revenue, which represented 67.5% of MVLf revenues received by the City at the time. In 2004-2005, as part of State budget actions, the MVLf rate was permanently reduced from 2% to 0.65% and all future receipts of the backfill were approved to be in the form of increased Property Tax receipts and are reflected in that category. Thus, the backfill amount due to the City has permanently become property tax revenue that now grows based on assessed valuations. The State withholds a portion of these fees for the support of the DMV. The remaining fees are divided equally between counties and cities, and their aggregate shares are distributed in proportion to the respective populations of the cities and counties of the State. The exemptions authorized by the State Constitution, Article 13, include vehicles owned by insurance companies and banks, publicly owned vehicles, and vehicles owned by certain veterans with disabilities. The tax is authorized by the State Revenue and Taxation Code. In late June 2011, the State Legislature approved SB 89, which shifted over \$130 million in annual General Fund Motor Vehicle In-Lieu revenue from cities to support State law enforcement grants effective July 1, 2011. State legislative action in 1992-1993 eliminated local Trailer Coach In-Lieu Tax revenues. These funds were shifted to the State General Fund.

REVENUE FROM THE FEDERAL GOVERNMENT

Federal grants account for a significant portion of federal revenues. Grant programs must be specifically outlined and proposed for federal sponsorship. Due to the grant process, the volume of grants and level of revenue has been and will be sporadic.

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE DESCRIPTIONS

OTHER REVENUE

This revenue category contains revenue received from a variety of miscellaneous sources. Significant sources of revenue include reimbursement related to Finance Department staff in the Investment Program, sale of surplus property receipts, one-time and/or varied levels of reimbursements, and miscellaneous revenues associated with the Office of the City Attorney.

TRANSFERS AND REIMBURSEMENTS

The Transfers and Reimbursements revenue category is used to account for funds received by the General Fund from other City funds through a combination of means, including operating and capital fund overhead charges, transfers, and reimbursements for services rendered.

Overhead charges are assessed to recover the estimated fair share of indirect General Fund support services costs (staff and materials) that benefit other City program and fund activities. Examples of support activities included in the charges are services provided by the following departments: Finance, Human Resources, Information Technology, Mayor and City Council, the Office of the City Attorney, and the Office of the City Manager. Each year the charges are calculated using Finance Department developed overhead rates applied to projected salary costs in most City funds. The most significant sources of overhead reimbursements are the Airport Maintenance and Operation Fund, Integrated Waste Management Fund, San José Clean Energy Fund, Sewer Service and Use Charge Fund, Storm Sewer Operating Fund, and San José/Santa Clara Treatment Plant Operating Fund.

Transfers consist of both one-time and ongoing revenue sources to the General Fund. Ongoing transfers include capital fund transfers for maintenance and operating expenses incurred by the General Fund. One-time transfers occur on a sporadic basis and have included the disposition of uncommitted fund balances in several special funds and the transfer of monies to fund a variety of City projects.

Reimbursements from other funds represent the cost to the General Fund for services provided on behalf of the other City funds. This category also includes the State Gas Tax funds that are used to reimburse the General Fund for eligible expenditures. The State Gas Tax is described in the following section.

CITY OF SAN JOSE
2024-2025 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE DESCRIPTIONS

STATE GAS TAX

A portion of the State Gas Tax is shared with cities and counties under separate sections of the Streets and Highways Code. The 1964 Gas Tax (Section 2106) provides for a \$0.0104 charge on every gallon of gasoline. Revenue is then allocated according to the following formula:

County Allocation : **a** No. of Registered Vehicles in County
 ÷ b No. of Registered Vehicles in State
 x c \$0.0104
 x d Gallons of Gas Sold

City Allocation: **a** Incorporated Assessed Value in County
 ÷ b Total Assessed Value in County
 x c County Allocation

Individual City Allocation: **a** Population in City
 ÷ b Population of all Cities in County
 x c City Allocation

The 1943 Gas Tax (Section 2107) authorized a per gallon charge of \$0.00725. The State allocates part of these revenues for snow removal; the balance is distributed by calculating the portion of the State population represented by the city's population.

As a result of the passage of Proposition 111, gas and diesel taxes were increased \$0.05 per gallon on August 1, 1990, and increased by \$0.01 per gallon each January 1 until and including January 1, 1994. For the 1990 Gas Tax (Section 2105), cities are apportioned a sum equal to the net revenues derived from 11.5% of highway users taxes in excess of \$0.09 per gallon in the proportion that the total city population bears to the total population of all cities in the State.

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INTRODUCTION

CITY SERVICE AREAS

What is a City Service Area?

City Service Areas (CSAs) integrate services provided in individual departments into the City's five key lines of business – Community and Economic Development, Environmental and Utility Services, Neighborhood Services, Public Safety, and Transportation and Aviation Services. An additional CSA, referred to as "Strategic Support," represents the internal functions that enable the other five CSAs to provide services to the community. These cross-departmental CSAs provide a forum for strategic planning and investment decisions within the context of the Mayor and City Council policy priorities. Plans, policies, and investment decisions at the CSA level are then carried out through departmental core and operational services.

Each CSA is guided by a Mission Statement, which is informed by the City's Mission Statement. The City's Mission Statement can be found on the City Service Area – Core Service Map at the end of this section.

The following pages present an overview of the CSA framework and how it is used in San José's operating and capital budgets and in performance reporting to the City Council and the public.

CITY SERVICE AREAS

COMMUNITY AND ECONOMIC DEVELOPMENT

ENVIRONMENTAL AND UTILITY SERVICES

NEIGHBORHOOD SERVICES

PUBLIC SAFETY

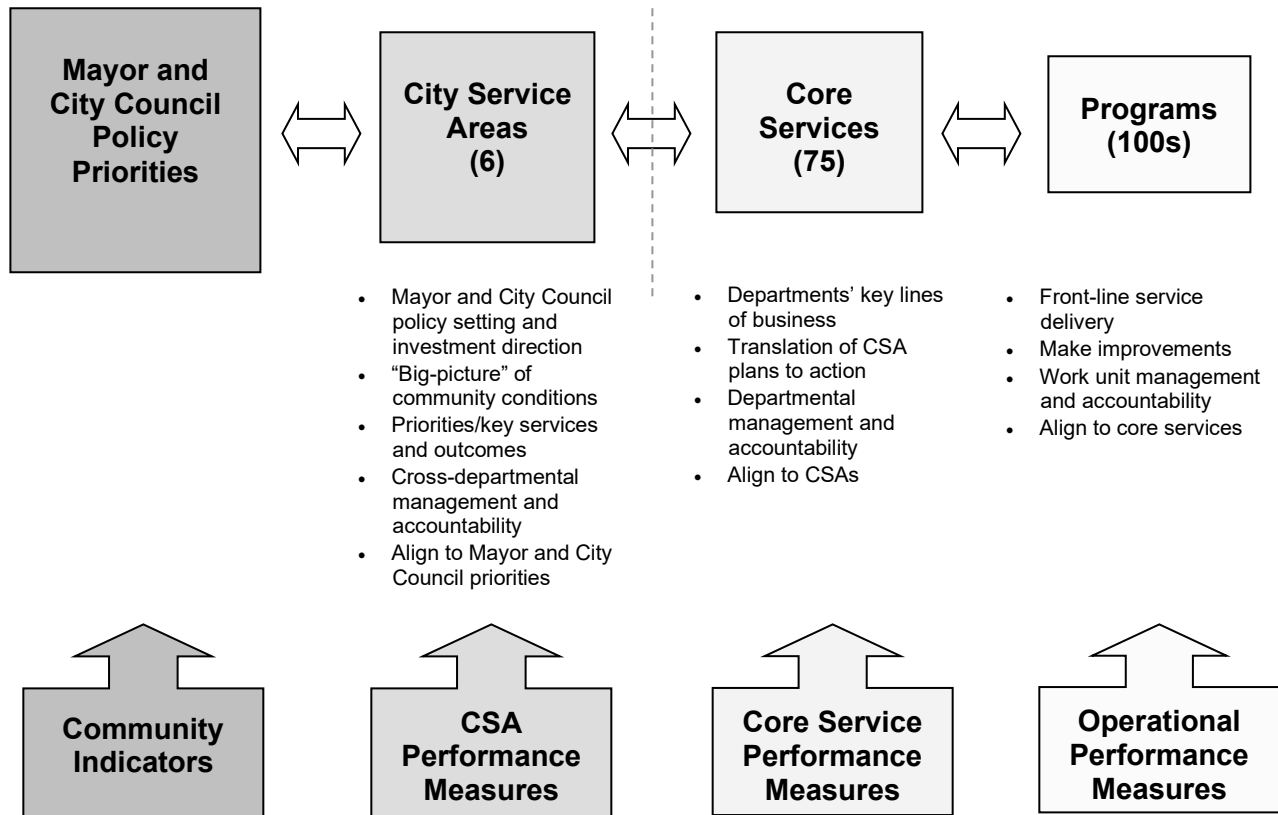
TRANSPORTATION AND AVIATION SERVICES

STRATEGIC SUPPORT

INTRODUCTION

CITY SERVICE AREAS

City of San José's Service Delivery Framework for Performance-Driven Government



The City of San José's Service Delivery Framework for Performance-Driven Government aligns front line services (or programs) to the Mayor and City Council Policy Priorities. This structure acknowledges the complexity of the organization and the wide variety of services delivered and provides tools at all levels of the organization to plan, manage, and measure the results that customers experience.

The 2002-2003 Operating Budget was San José's first performance-based budget developed by City Service Area (CSA). CSAs enable the City to strategically plan and show results of the collaboration among departments. Each CSA aligns the efforts of a number of core services (each with its own set of performance measures) into the City's key lines of business. In 2017-2018, programs were identified and aligned to the Core Services.

Both the operating and capital budget documents are aligned to the CSA framework. A CSA-based capital project reporting system has been implemented along with consistent performance measures to ensure that the City meets its on-time and on-budget goals for project delivery.

INTRODUCTION

CITY SERVICE AREAS

CSA Alignment for the Budget Document

The operating budget document reflects San José's service delivery-based framework for performance-driven government. In that framework, each of the 75 departmental core services are aligned to one of six CSAs to which it contributes. A "map" detailing the alignment of the 75 core services to the six CSAs, including a description of the CSA mission and a listing of the CSA outcomes (the "ends" to which the plans, efforts, resources, and results of the CSA are directed) is provided at the end of this Introduction.

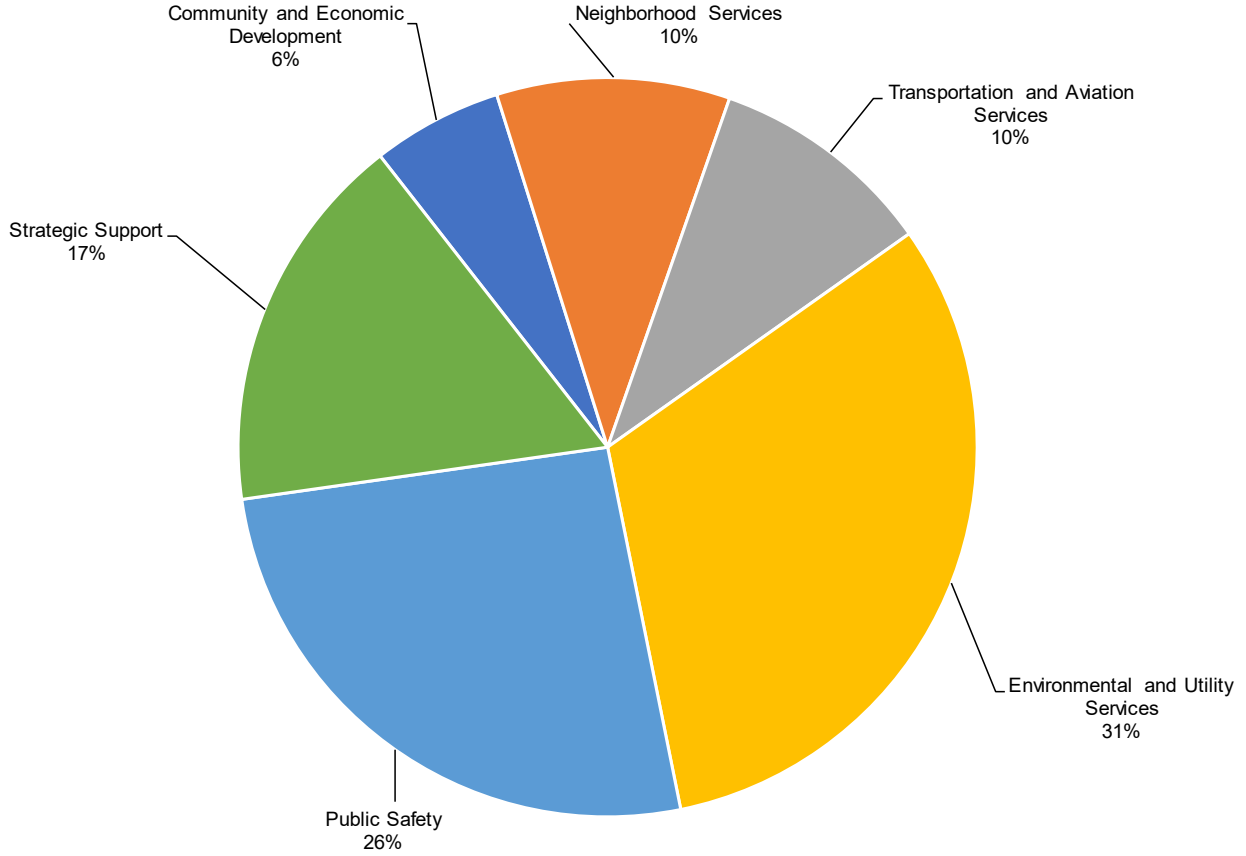
Each of the CSA overview sections that follow includes a description of the CSA's mission, partner departments, and a CSA outcome listing. The Service Delivery Framework displays the CSA's mission, outcomes, and the Core Services for each of the partner departments. A CSA Dashboard is also included to highlight key performance measures for the CSA.

INTRODUCTION

CITY SERVICE AREAS

CITY SERVICE AREA BUDGET

City Service Area Budget Summary



	2022-2023 Actuals 1	2023-2024 Adopted 2	2024-2025 Forecast 3	2024-2025 Proposed 4	% Change (2 to 4)
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Dollars by CSA*

Community and Economic Development	\$ 268,559,300	\$ 423,800,675	\$ 187,620,096	\$ 187,867,882	-55.67%
Neighborhood Services	268,688,805	350,747,097	316,439,475	336,015,522	-4.20%
Transportation and Aviation Services	283,746,803	293,565,435	322,559,782	324,080,032	10.39%
Environmental and Utility Services	870,968,524	972,931,464	1,014,837,529	1,041,213,297	7.02%
Public Safety	818,890,847	844,043,531	848,129,931	853,337,173	1.10%
Strategic Support	741,591,441	583,089,873	546,838,053	549,815,576	-5.71%
Total	\$ 3,252,445,720	\$ 3,468,178,075	\$ 3,236,424,866	\$ 3,292,329,482	-5.07%

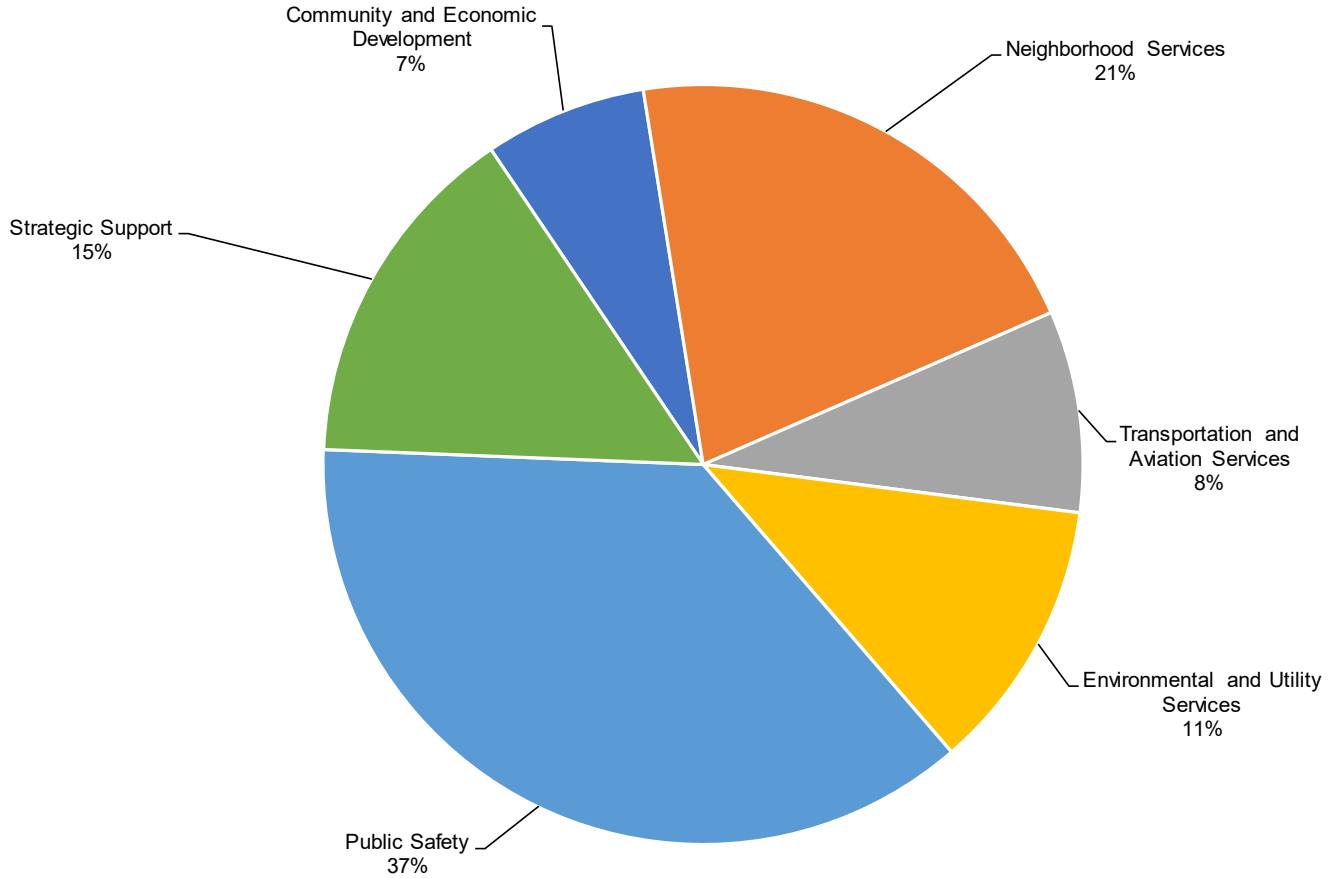
* Fund Balance, Transfers, Reserves, and Capital Project expenditures for funds that may be managed by the departments in this CSA have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

INTRODUCTION

CITY SERVICE AREAS

CITY SERVICE AREA POSITION SUMMARY

City Service Area Budgeted Staffing Summary



	2022-2023 Actuals*	2023-2024 Adopted	2024-2025 Forecast	2024-2025 Proposed	% Change (2 to 4)
	1	2	3	4	(2 to 4)

Staffing by CSA

Community and Economic Development	514.01	513.67	497.19	483.14	-5.94%
Neighborhood Services	1,392.33	1,451.39	1,424.05	1,465.38	0.96%
Transportation and Aviation Services	588.94	606.26	600.51	599.51	-1.11%
Environmental and Utility Services	780.56	804.24	802.99	811.99	0.96%
Public Safety	2,576.25	2,593.30	2,603.24	2,582.74	-0.41%
Strategic Support	1,032.00	1,070.69	1,045.19	1,042.71	-2.61%
Total	6,884.09	7,039.55	6,973.17	6,985.47	-0.77%

* The positions displayed in the 2022-2023 Actuals column reflect those included in the 2022-2023 Adopted Budget.

INTRODUCTION

CITY SERVICE AREAS

COMMUNITY AND ECONOMIC DEVELOPMENT CSA

Mission: Facilitate the equitable and focused evolution of the City to foster strong communities and a diverse economy with shared prosperity for all

Outcomes:

- Thriving, inclusive, and attractive communities and vibrant public spaces
- Strong, responsive, and equitable economy
- Accessible and diverse range of housing and business opportunities

Core Services

- ECONOMIC DEVELOPMENT AND CULTURAL AFFAIRS
 - Arts and Cultural Development
 - Business Development and Economic Strategy
 - Real Estate Services
 - Regional Workforce Development
- FIRE
 - Fire Safety Code Compliance
- HOUSING
 - Affordable Housing Portfolio Management
 - Housing Production and Preservation
 - Neighborhood Investments
 - Rent Stabilization and Tenant Protections
- PBCE
 - Citywide Land Use Planning
 - Development Plan Review and Building Construction Inspection
- PUBLIC WORKS
 - Regulate/Facilitate Private Development

ENVIRONMENTAL AND UTILITY SERVICES CSA

Mission: Provide environmental leadership through policy development, program design, and reliable utility services

Outcomes:

- Reliable Utility Infrastructure
- Healthy Streams, Rivers, Marsh, and Bay
- “Clean and Sustainable” Air, Land, and Energy
- Safe, Reliable, and Sufficient Water Supply

Core Services

- ENERGY
 - Providing Clean Energy to the Community
 - Energy Customer Support
 - Energy Community Programming
- ENVIRONMENTAL SERVICES
 - Potable Water Delivery
 - Recycled Water Management
 - Recycling and Garbage Services
 - Stormwater Management
 - Sustainability and Environmental Health
 - Wastewater Management
- TRANSPORTATION
 - Sanitary Sewer Maintenance
 - Storm Sewer Maintenance

NEIGHBORHOOD SERVICES CSA

Mission: To serve, foster, and strengthen the community by providing access to lifelong learning, supportive services, opportunities to enjoy life, and preserving and stewarding healthy neighborhoods with shelter and housing opportunities for all

Outcomes:

- Safe and Clean Neighborhoods and Public Spaces
- Welcoming and Vibrant Neighborhoods and Public Life
- Equitable Access to Community Opportunities to Flourish
- Housing Security through Supportive Solutions

Core Services

- HOUSING
 - Homelessness Response and Solutions
- LIBRARY
 - Access to Information, Library Materials, and Digital Resources
 - Literacy and Learning, Formal and Life-Long Self-Directed Education
- PRNS
 - Community Facilities Development
 - Community Services
 - Parks Maintenance
 - Recreation Services
- PBCE
 - Code Enforcement
- PUBLIC WORKS
 - Animal Care and Services

The Mission of the City of San José is to provide quality public services, facilities and opportunities that create, sustain, and enhance a safe, livable and vibrant community for its diverse residents, businesses and visitors.

INTRODUCTION

CITY SERVICE AREAS

PUBLIC SAFETY CSA

Mission: Engage the community to partner on public safety and emergency prevention, mitigation, preparedness, response, and recovery

Outcomes:

- A safer San José with effective emergency response services
- Resilient communities that are prepared for emergencies

Core Services

CITY MANAGER

- City-Wide Emergency Management

FIRE

- Fire Department Emergency Response
- Fire Prevention

INDEPENDENT POLICE AUDITOR

- Independent Police Oversight

POLICE

- Crime Prevention and Community Education
- Investigative Services
- Regulatory Services
- Respond to Calls for Service and Patrol Support

TRANSPORTATION AND AVIATION SERVICES CSA

Mission: To provide the community with safe, secure, and efficient surface and air transportation systems that support San José’s livability and economic vitality

Outcomes:

- Provide Safe and Secure Transportation Systems
- Provide Viable Transportation Choices that Promote a Strong Economy
- Travelers Have a Positive, Reliable, and Efficient Experience
- Preserve and Improve Transportation Assets and Facilities
- Provide a Transportation System that Enhances Community Livability

Core Services

AIRPORT

- Airport Marketing and Communications
- Airport Facilities
- Airport Operations

TRANSPORTATION

- Parking Services
- Pavement Maintenance
- Street Landscape Maintenance
- Traffic Maintenance
- Transportation Planning and Project Delivery
- Transportation Safety and Operations

STRATEGIC SUPPORT CSA

Mission: To effectively develop, manage, and safeguard the City’s fiscal, physical, technological, and human resources to enable and enhance the delivery of City services and projects

Outcomes:

- A High Performing Workforce that is Committed to Exceeding Internal and External Customer Expectations
- Safe and Functional Public Infrastructure, Facilities, and Equipment
- Technology and Data Tools that Enable a Collaborative, Responsive, and Productive City
- Sound Fiscal Management that Facilitates Meeting the Needs of the Community

Core Services

FINANCE

- Debt and Treasury
- Disbursements
- Financial Reporting
- Purchasing and Risk Management
- Revenue Management

HUMAN RESOURCES

- Employee Benefits
- Employment Services
- Health and Safety
- Training and Development

INFORMATION TECHNOLOGY

- Business Solutions
- San José 311
- Technology Infrastructure and Operations

PUBLIC WORKS

- Facilities Management
- Fleet and Equipment Services
- Plan, Design, and Construct Public Facilities and Infrastructure

MAYOR, CITY COUNCIL AND APPOINTEES

MISSION: The Mayor and City Council serve as the policy body that provides direction to the City Manager and all Council Appointees in the delivery of City services. Council Appointees support and advance the collective work of the City organization through leadership, communication, and coordination

MAYOR AND CITY COUNCIL

- Office of the Mayor
- City Council
- Council General

CITY ATTORNEY

- Legal Services

CITY AUDITOR

- Audit Services

CITY CLERK

- Legislative Services

CITY MANAGER

- Lead and Manage the Organization
- City-Wide Emergency Management aligned to the Public Safety CSA

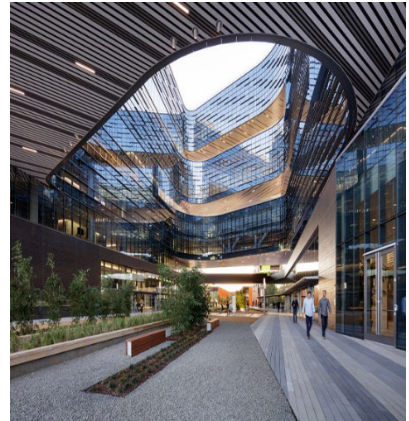
RETIREMENT

- Retirement Plan Administration

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CITY SERVICE AREA

COMMUNITY AND ECONOMIC DEVELOPMENT



MISSION

Facilitate the equitable and focused evolution of the City to foster strong communities and a diverse economy with shared prosperity for all

Primary Partners

Economic Development and Cultural Affairs

Fire

Housing

Planning, Building and Code Enforcement

Public Works

CSA OUTCOMES

- Thriving, inclusive, and attractive communities and vibrant public spaces
- Strong, responsive, and equitable economy
- Accessible and diverse range of housing and business opportunities

CITY SERVICE AREA

COMMUNITY AND ECONOMIC DEVELOPMENT

SERVICE DELIVERY FRAMEWORK

CITY SERVICE AREA
A cross-departmental collection of core services that form one of the City's 6 key "lines of business"

MISSION STATEMENT
Why the CSA exists

Community & Economic Development CSA

Mission:
Facilitate the equitable and focused evolution of the City to foster strong communities and a diverse economy with shared prosperity for all.

CSA OUTCOMES
The high-level results of service delivery sought by the CSA partners

Outcomes:

- Thriving, inclusive, and attractive communities and vibrant public spaces
- Strong, responsive, and equitable economy
- Accessible and diverse range of housing and business opportunities

PRIMARY PARTNERS
Departments with Core Services that contribute to achievement of CSA Outcomes

CORE SERVICES
Primary deliverables of the organization

City Manager - Office of Economic Development and Cultural Affairs

Core Services:

Arts and Cultural Development

Business Development and Economic Strategy

Real Estate Services

Regional Workforce Development

Fire Department

Core Services:

Fire Safety Code Compliance

CITY SERVICE AREA

COMMUNITY AND ECONOMIC DEVELOPMENT

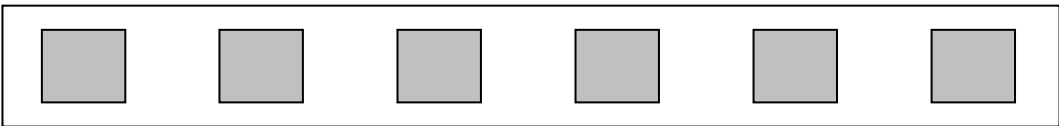
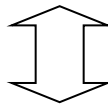
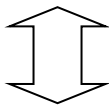
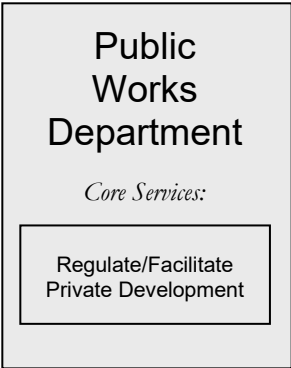
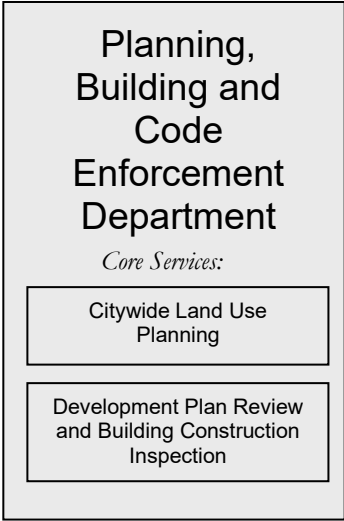
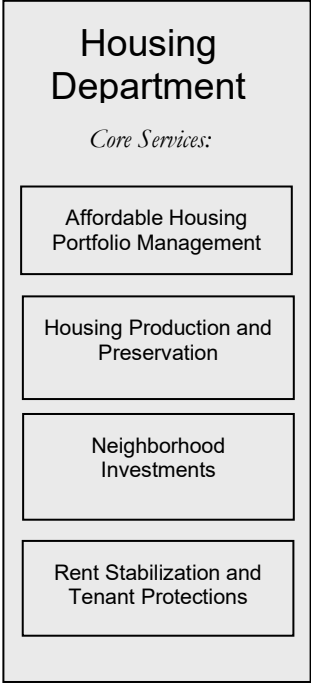
SERVICE DELIVERY FRAMEWORK

PRIMARY PARTNERS
Departments with Core Services that contribute to achievement of CSA Outcomes

CORE SERVICES
Primary deliverables of the organization

PROGRAMS
Elements of Core Services; the "front-line" of service delivery

STRATEGIC SUPPORT
Organization-wide guidance and support to enable direct service delivery

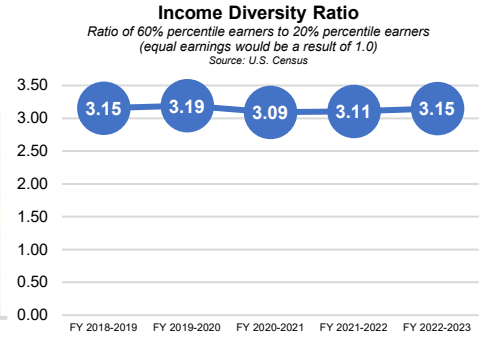
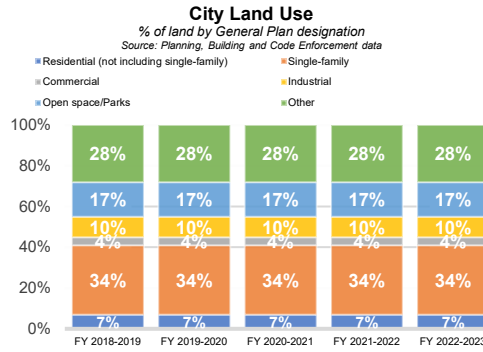
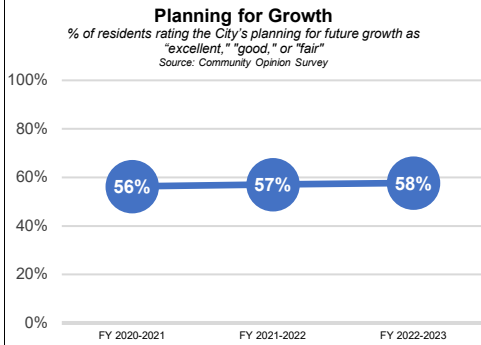


CITY SERVICE AREA

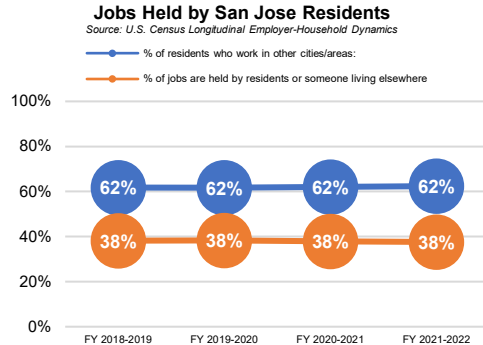
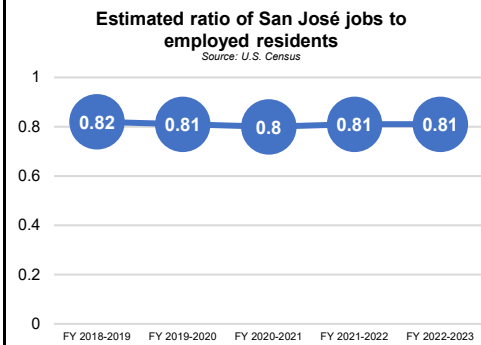
COMMUNITY AND ECONOMIC DEVELOPMENT

COMMUNITY INDICATORS DASHBOARD

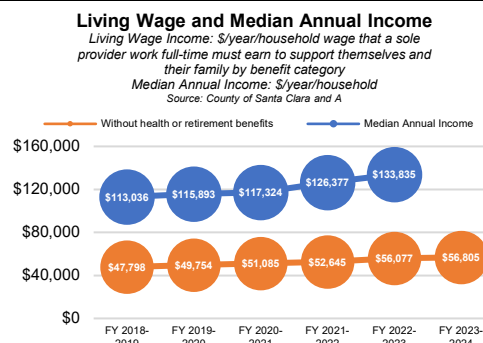
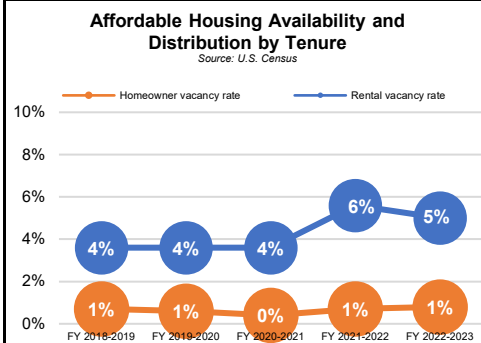
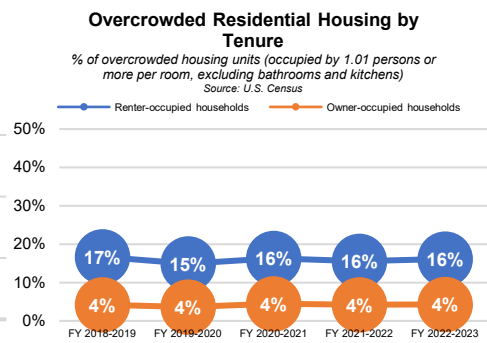
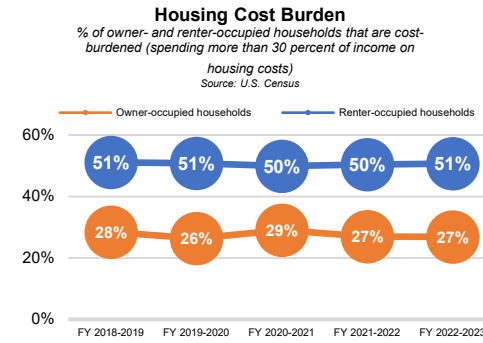
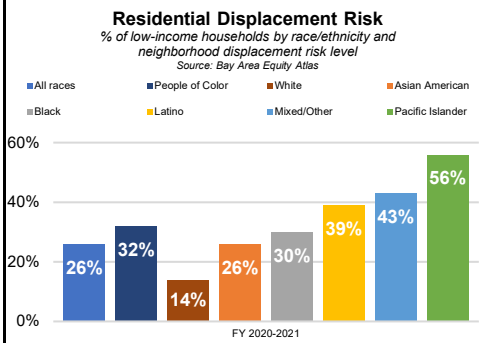
OUTCOME 1: THRIVING, INCLUSIVE, AND ATTRACTIVE COMMUNITIES AND VIBRANT PUBLIC SPACES



OUTCOME 2: STRONG, RESPONSIVE, AND EQUITABLE ECONOMY



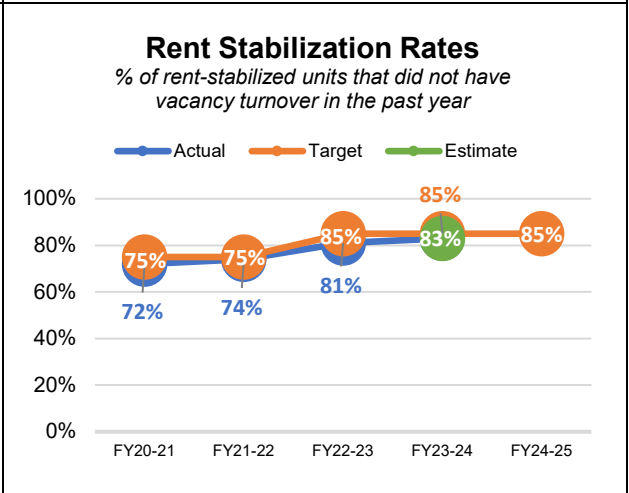
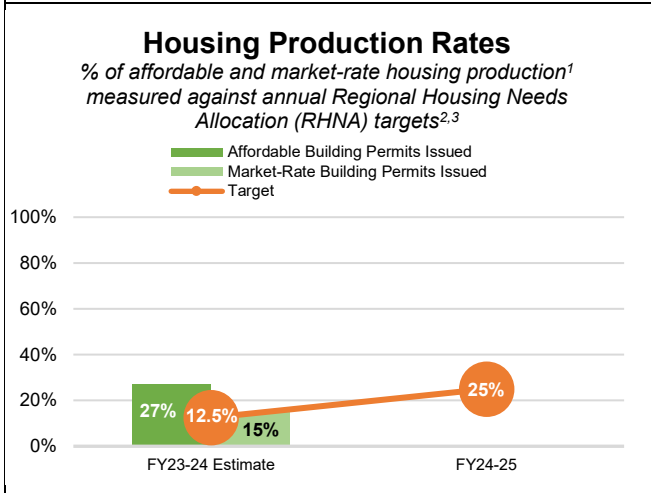
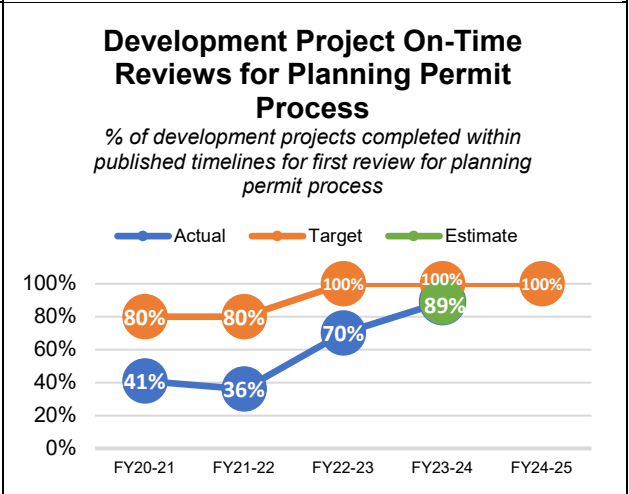
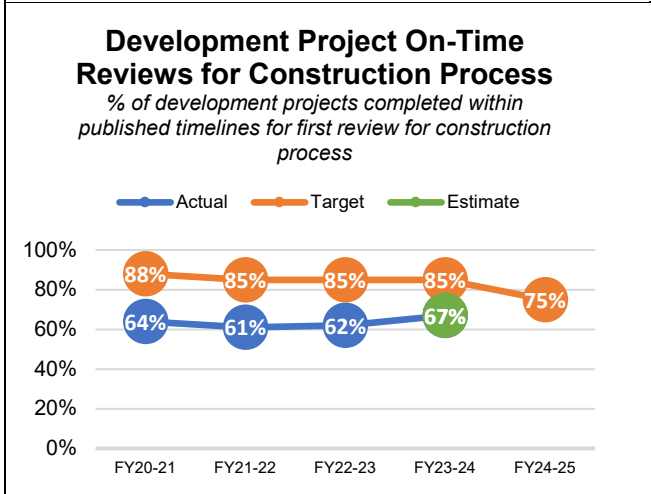
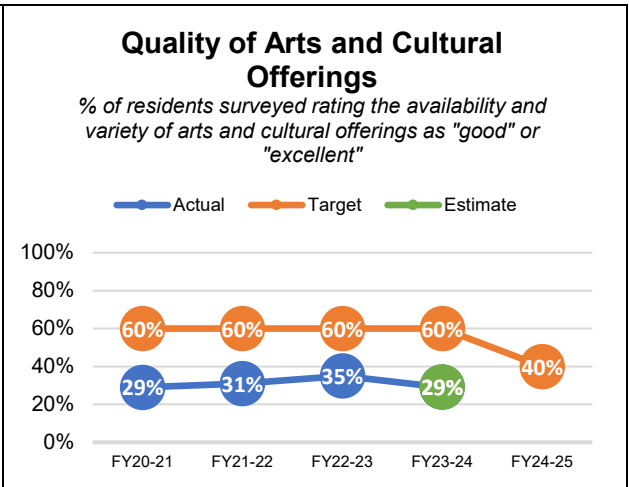
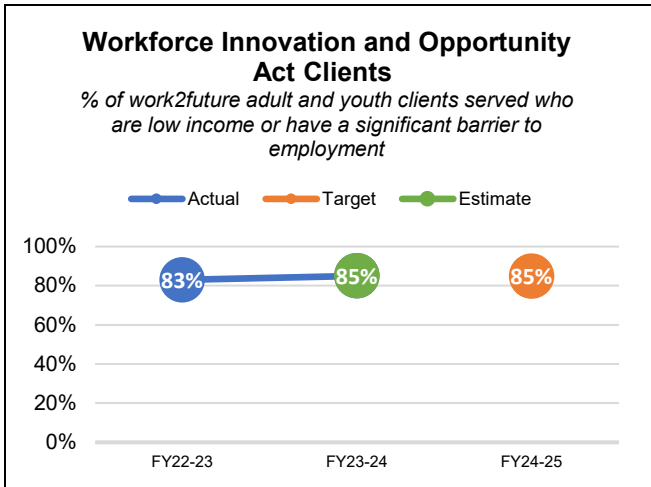
OUTCOME 3: ACCESSIBLE AND DIVERSE RANGE OF HOUSING AND BUSINESS OPPORTUNITIES



CITY SERVICE AREA

COMMUNITY AND ECONOMIC DEVELOPMENT

PERFORMANCE MEASURE DASHBOARD



¹ The City uses building permit issued as the standard for unit production.
² RHNA is the part of the Housing Element process used to determine how many housing units each local government must plan for in its Housing Element. The current RHNA target for San José is 62,200 new housing units produced for the period from 2023 to 2031, which includes 34,486 overall for affordable housing units and 27,714 overall for market-rate housing units.
³ Year 1 of the eight-year Housing Element cycle corresponds with 1/8th of the overall RHNA target being met.

CITY SERVICE AREA

COMMUNITY AND ECONOMIC DEVELOPMENT

BUDGET OVERVIEW

CSA Priorities/Expected 2024-2025 Service Delivery

- Focus on delivery of services to San José businesses and support arts, culture, and sports in Downtown and throughout San José.
- Develop for Council consideration, a streamlined ministerial approval process for a wider range of housing development than is currently eligible for statewide streamlining.
- As part of the Housing Catalyst Team Work Plan, advance near-term strategies, programs, and policies from the 2023-2031 Housing Element.
- Continue to digitally transform the Development Services operations to improve the public search of permit records online and permit fee payment process, launch a permit fee estimator, and provide additional self-administered permits on the public portal.

2024-2025 Key Budget Actions

- As directed by the Mayor's March Budget Message for Fiscal Year 2024-2025, as approved by the City Council, provides one-time funding in the General Fund of \$500,000 for arts and cultural grants administered by OEDCA, supplementing projected allocations from Transient Occupancy Tax revenues for 2024-2025.
- As directed by the Mayor's March Budget Message for Fiscal Year 2024-2025, as approved by the City Council, provides one-time funding in the General Fund of \$400,000 to support a destination marketing/tourism campaign.
- As directed by the Mayor's March Budget Message for Fiscal Year 2024-2025, as approved by the City Council, adds one-time funding in the General Fund of \$400,000 to improve downtown San José by beautifying Santa Clara Street and upgrading the San Pedro Street pedestrian mall.
- As directed by the Mayor's March Budget Message for Fiscal Year 2024-2025, as approved by the City Council, adds one-time funding in the General Fund of \$200,000 to support the City's efforts to promote major sporting events coming to San José in 2026 through the San José Sports Authority and other complimentary initiatives, and adds one-time funding of \$100,000 for initial planning and coordination efforts related to those events.
- As directed in the Mayor's March Budget Message for 2024-2025, as approved by the City Council, adds one-time funding of \$250,000 to develop an incentive program to attract companies focused on artificial intelligence and manufacturing to San José, and also incentivize companies in these two industry sectors looking to expand their operations.
- Adds one-time funding of \$200,000 for a Neighborhood Economic Grants project and one-time funding of \$150,000 for a Microbusiness Start-Up Grants project.
- Adds one-time non-personal/equipment funding of \$100,000 to develop a citywide adaptive reuse ordinance to make it easier to convert vacant office and commercial spaces into housing and encourage the conversion of underutilized building that are at least fifteen years old.
- Adds one-time non-personal/equipment funding of \$375,000 to comply with the State law to update the Safety and Open Space sections of City's General Plan, and add a new mandatory Element related to Environmental Justice.
- Continues 3.0 Analyst II and 1.0 Staff Specialist positions, through June 30, 2025, in the Housing Department to support contract development and management, performance tracking, non-profit agency support, community engagement and federal reporting to distribute and monitor the influx of grant funding related to federal and State programs.

CITY SERVICE AREA

COMMUNITY AND ECONOMIC DEVELOPMENT

BUDGET OVERVIEW

City Service Area Budget Summary**

	2022-2023 Actuals **	2023-2024 Adopted	2024-2025 Forecast	2024-2025 Proposed
Dollars by Core Service *				
<i>City Manager - Office of Economic Development and Cultural Affairs</i>				
Strategic Support - Other - Community & Economic Development	4,686,796	5,029,523	547,440	1,347,440
Strategic Support - Community & Economic Development	6,873,039	7,462,328	2,585,263	2,648,202
Arts and Cultural Development	33,501,703	36,849,735	40,770,498	41,270,498
Business Development and Economic Strategy	8,094,175	10,419,329	8,328,442	10,218,810
Regional Workforce Development	9,615,901	12,022,082	10,663,055	10,585,980
Real Estate Services	2,799,254	3,047,238	3,119,396	3,119,396
<i>Fire Department</i>				
Fire Safety Code Compliance	7,869,906	8,463,860	9,077,321	8,567,367
Strategic Support - Other - Community & Economic Development	477,450	0	0	0
Strategic Support - Community & Economic Development	377,646	0	0	0
<i>Housing Department</i>				
Strategic Support - Other - Community & Economic Development	44,711,823	108,437,536	2,510,578	2,651,792
Strategic Support - Community & Economic Development	26,035,967	30,213,365	5,786,471	5,786,471
Rent Stabilization and Tenant Protections	2,502,180	3,334,336	3,707,080	3,707,080
Neighborhood Investments	22,599,372	36,549,509	8,564,095	8,752,071
Affordable Housing Portfolio Management	3,772,596	4,199,442	4,670,045	4,670,045
Housing Production and Preservation	29,999,794	78,452,929	4,718,332	4,718,332
<i>Planning, Building and Code Enforcement Department</i>				
Strategic Support - Other - Community & Economic Development	6,013,624	9,133,143	7,429,470	7,036,249
Strategic Support - Community & Economic Development	2,949,072	2,840,046	2,731,771	2,883,736
Development Plan Review and Building Construction Inspection	33,269,948	40,029,278	45,421,104	42,528,016
Citywide Land Use Planning	5,878,075	8,897,680	7,897,587	7,783,649
<i>Public Works Department</i>				
Strategic Support - Other - Community & Economic Development	175,595	1,862,319	608,118	608,118
Regulate/Facilitate Private Development	16,355,385	16,556,997	18,484,030	18,984,630
Total CSA	\$268,559,300	\$423,800,675	\$187,620,096	\$187,867,882
 Authorized Positions	 514.01	 513.67	 497.19	 483.14

* Fund Balance, Transfers, and Reserves for funds that may be managed by the departments in this CSA have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** The positions displayed in the 2022-2023 Actuals column reflect those included in the 2022-2023 Adopted Budget. 2022-2023 Actuals may not subtotal due to rounding.

CITY SERVICE AREA

COMMUNITY AND ECONOMIC DEVELOPMENT

BUDGET OVERVIEW

Development Services Budget Summary

**2024-2025 Proposed Operating Budget
Development Fee Program Summary**

	Revenue	Cost	% Cost Recovery*	Positions	Ending Fund Balance/Works-in-Progress Funding**
2023-2024 Modified					
Building	\$ 38,428,697	\$ 45,248,146	84.9%	36.55	\$ 30,801,728
Fire	8,940,600	10,785,098	82.9%	71.26	572,505
Planning	7,720,152	9,302,630	83.0%	173.34	2,538,732
Public Works	15,300,000	17,583,881	87.0%	39.82	5,424,732
Total	\$ 70,389,449	\$ 82,919,755	84.9%	320.97	\$ 39,337,697
2024-2025 Proposed					
Building	\$ 36,604,300	\$ 43,850,912	83.5%	33.43	\$ 25,136,841
Fire	9,570,000	10,475,406	91.4%	74.62	499,295
Planning	7,700,657	9,404,563	81.9%	159.86	1,828,980
Public Works	16,720,500	19,334,716	86.5%	39.02	1,756,952
Total	\$ 70,595,457	\$ 83,065,597	85.0%	306.93	\$ 29,222,068

- * In 2023-2024 and in 2024-2025, all programs reach 100% cost recovery once the use of Ending Fund Balance/ Works-in-Progress funding are incorporated.
- ** The Ending Fund Balance/Works-in-Progress Funding for 2024-2025 are the estimated levels and will be trued up once 2023-2024 revenues and expenditures are reconciled and 2023-2024 balancing actions are included.

Development Services is a \$83.1 million business for the City of San José, providing integrated technical plan review and inspection services across Planning, Building, Public Works, and Fire (Development Services Partners). Businesses, homeowners, and other customers use Development Services when remodeling, building new structures, or making other investments to their properties. These investments bring tax revenue, jobs, and other direct benefits to the City. Development Services are provided in an efficient, thorough, and quality-driven manner. While each partner’s budget is discussed within their Department section, all partners are committed to working closely together to provide “one voice” to Development Services customers.

CITY SERVICE AREA

COMMUNITY AND ECONOMIC DEVELOPMENT

BUDGET OVERVIEW

Budget Dollars at Work: Performance Goals

OUTCOME 1: THRIVING, INCLUSIVE, AND ATTRACTIVE COMMUNITIES AND VIBRANT PUBLIC SPACES

Strategic Goals	CSA Performance Measures	2022-2023 Actual	2023-2024 Target	2023-2024 Estimate	2024-2025 Target	5-Year Goal
SG 1.1 Support inclusive policy and decisions to shape healthy, thriving, and attractive neighborhoods with access to community opportunities and resources	PM 1.1.1 City Growth and Development Management. % of residents rating the City's management of growth and development as "good" or "excellent."	23%	30%	26%	30%	45%
	PM 1.1.2 Eviction Help Center Utilization Rate. Number of tenants facing eviction who are served by the Eviction Help Center and Court Clinic.	6,822	5,000	6,750	4,500	N/A ¹
SG 1.2 Support diverse private and public art, cultural assets, and public entertainment offerings	PM 1.2.1 Quality and Diversity of Arts and Cultural Activities. % of residents surveyed rating the availability and variety of arts and cultural offerings as "good" or "excellent"	34%	60%	29%	40%	40%
	PM 1.2.2 Outdoor Special Events Availability and Variety. % of residents rating the City's efforts at providing an adequate number and variety of outdoor special events as "good" or "excellent."	36%	40%	35%	40%	40%
	PM 1.2.3 Downtown Attractiveness and Viability. % of residents rating the City's efforts to make downtown attractive and viable as "good" or "excellent."	23%	50%	26%	50%	60%
	PM 1.2.4 San José as a Shopping and Dining Destination. % of residents rating San José as a place to shop and dine as "good" or "excellent."	55%	65%	55%	70%	75%

¹ There is proposed funding for 2024-2025 but no funding secured beyond that date.

CITY SERVICE AREA

COMMUNITY AND ECONOMIC DEVELOPMENT

BUDGET OVERVIEW

Budget Dollars at Work: Performance Goals

OUTCOME 2: STRONG, RESPONSIVE, AND EQUITABLE ECONOMY

Strategic Goals	CSA Performance Measures	2022-2023 Actual	2023-2024 Target	2023-2024 Estimate	2024-2025 Target	5-Year Goal
SG 2.1: Cultivate and support a diverse business ecosystem and workforce.	Workforce Innovation and Opportunity Act Clients. % of work2future adult and youth clients served who are low income or have a significant barrier to employment <i>PM 2.1.1</i>	83%	N/A ¹	85%	85%	85%
	Business Development Assistance Tax Changes. Estimated % change in sales and business tax revenue from businesses receiving Business Development assistance: <i>PM 2.1.2</i>					
	- Taxes from attracted or expanded companies	(26%)	52%	88%	10%	10%
	- Taxes from retained companies	37%	60%	(4%)	10%	10%
	Specialized Building Project Reviews. % of total Building projects that utilize specialized application and permit review programs: <i>PM 2.1.3</i>					
	- Streamlined Restaurant Program (SRP)	N/A ¹	N/A ¹	N/A ¹	75%	85%
	- Streamlined Tenant Alteration Review (STAR)	N/A ¹	N/A ¹	N/A ¹	75%	90%
	- Mall Thursday	N/A ¹	N/A ¹	N/A ¹	75%	90%
	Attracting Businesses and Good Paying Jobs. % of residents rating the City's efforts at attracting businesses and good paying jobs as "good" or "excellent" <i>PM 2.1.4</i>	40%	40%	37%	40%	50%

¹ New performance measure for 2024-2025.

CITY SERVICE AREA

COMMUNITY AND ECONOMIC DEVELOPMENT

BUDGET OVERVIEW

OUTCOME 2: STRONG, RESPONSIVE, AND EQUITABLE ECONOMY

Strategic Goals	CSA Performance Measures	2022-2023 Actual	2023-2024 Target	2023-2024 Estimate	2024-2025 Target	5-Year Goal
	Consistent Staff Feedback. % of projects that receive consistent staff feedback throughout project review:					
	- Entitlement Process:					
	o Planning Review	68%	80%	N/A ¹	80%	80%
	o Public Works Review	66%	70%	N/A ¹	75%	80%
	o Fire Review	57%	79%	N/A ¹	84%	90%
	- Construction Process:					
PM 2.2.1	o Building Plan Check	66%	80%	N/A ¹	80%	90%
	o Building Inspectors Consistent with Building Plan Check	76%	80%	N/A ¹	80%	90%
	o Building Inspectors Consistent among Multiple Inspectors	62%	80%	N/A ¹	80%	90%
	o Fire Plan Check	82%	79%	N/A ¹	85%	85%
	o Public Works Improvement Permit	68%	70%	N/A ¹	75%	80%
	Development Project On-Time Reviews. % of development projects completed within published timelines for first review:					
	- Planning Permit Process:					
	o Planning Review (30 calendar days)	67%	100%	90%	100%	100%
	o Environmental Review (21 business days)	N/A ¹	N/A ¹	N/A ¹	N/A ¹	N/A ¹
	o Historic Preservation Review (21 business days)	N/A ¹	N/A ¹	N/A ¹	N/A ¹	N/A ¹
	o Building Review (19 business days)	62%	75%	69%	80%	100%
	o Public Works Review (15-20 business days)	89%	85%	85%	85%	85%
PM 2.2.2	o Fire Review (19 business days)	N/A ¹	N/A ¹	N/A ¹	N/A ¹	N/A ¹
	- Construction Process:					
	o Planning Review of Building Permits (10-40 days)	N/A ¹	N/A ¹	N/A ¹	80%	80%
	o Building Plan Check (10-40 days)	62%	75%	70%	75%	80%
	o Building Inspection Scheduling within 24 hours	80%	85%	85%	85%	90%
	o Building Inspection Scheduling within 48 hours	84%	95%	87%	95%	95%
	o Fire Plan Check (10-40 days)	N/A ²	N/A ²	N/A ²	N/A ²	N/A ²
	o Public Works Plan Review (5-30 business days)	93%	85%	85%	85%	85%

¹ New performance measure for 2024-2025.

² 2023-2024 Development Survey is in progress. It is anticipated that the performance measure data for 2023-2024 will be available for inclusion in the 2024-2025 Adopted Budget.

CITY SERVICE AREA

COMMUNITY AND ECONOMIC DEVELOPMENT

BUDGET OVERVIEW

OUTCOME 2: STRONG, RESPONSIVE, AND EQUITABLE ECONOMY

Strategic Goals	CSA Performance Measures	2022-2023 Actual	2023-2024 Target	2023-2024 Estimate	2024-2025 Target	5-Year Goal
	Development Services Customer Service Satisfaction. % of customers surveyed who:					
	- Discretionary Projects ² :					
	o Rated service as “good” or better	61%	75%	N/A ⁴	75%	80%
PM 2.2.3	o “strongly agree” or “somewhat agree” the City improved service in the past 12 months	46%	70%	N/A ⁴	70%	75%
	- Ministerial Projects ³ :					
	o Rated service as “good” or better	53%	80%	N/A ⁴	75%	80%
	o “strongly agree” or “somewhat agree” the City improved customer service in the past 12 months	41%	80%	N/A ⁴	75%	80%
PM 2.2.4	Resident Perception of Building and Safety Code Compliance. % of residents rating the City’s efforts of ensuring new construction follows codes as “good” or “excellent”	36%	N/A ¹	N/A ¹	39%	45%

¹ New performance measure for 2024-2025.

² Discretionary projects are those that require a public hearing (e.g. zoning change, General Plan amendment).

³ Ministerial projects are administrative in nature and do not require a public hearing (e.g. water heater replacements).

⁴ 2023-2024 Development Survey is in progress. It is anticipated that the performance measure data for 2023-2024 will be available for inclusion in the 2024-2025 Adopted Budget.

CITY SERVICE AREA

COMMUNITY AND ECONOMIC DEVELOPMENT

BUDGET OVERVIEW

Budget Dollars at Work: Performance Goals

OUTCOME 3: ACCESSIBLE AND DIVERSE RANGE OF HOUSING AND BUSINESS OPPORTUNITIES

Strategic Goals	CSA Performance Measures	2022-2023 Actual	2023-2024 Target	2023-2024 Estimate	2024-2025 Target	5-Year Goal	
SG 3.1 Steward the production and preservation of a mix of housing types, tenure, and affordability	Affordable Housing Production Rates. % of target achieved for total affordable housing units produced in:						
	PM 3.1.1	- Overall	214	737	515	340	1,700
		o Continued Investment Areas	79%	88%	83%	100%	1,105
		o Housing Expansion Area	21%	12%	17%	0% ¹	595
	PM 3.1.2	Extremely Low-Income Household Funding Rates. % of Housing Department funds committed to extremely low-income households	44%	38%	38%	56%	45%
		Housing Production Rates. % of San José housing production compared to regional fair share number (RHNA) target for total units/affordable units/market rate units:					
	PM 3.1.3	- Planning Permit Issued (%/%/%)	62%/19%/43% ²	12.5%	92%/28%/64%	12.5%	62.5%
		- Building Permit Issued (%/%/%)	85%/62%/23% ²	12.5%	42%/27%/15%	12.5%	62.5%
		- Certificate of Occupancy Issued (%/%/%)	53%/8%/45% ²	12.5%	19%/5%/14%	12.5%	62.5%
	PM 3.1.4	Affordable Housing Units Receiving Subsidies. % of affordable housing units receiving City subsidy by phase:					
	- Entitled	N/A ³	N/A ³	N/A ³	N/A ³	N/A ³	
	- Building permit issued	N/A ³	N/A ³	N/A ³	N/A ³	N/A ³	
	- Certificate of Occupancy issued	N/A ³	N/A ³	N/A ³	N/A ³	N/A ³	
PM 3.2.1	Businesses in Neighborhood Business Districts. Ratio of sales tax to number of small businesses (with a sales tax license):	N/A ³	N/A ³	N/A ³	N/A ³	N/A ³	
	- With City investment						
	- City Wide						
SG 3.2: Strengthen and stabilize our community through neighborhood investment and displacement prevention.	Housing Rehabilitation Completion Units. Rehabilitation projects completed by Area Median Income:						
	PM 3.2.2	- Residents earning 30% Area Median Income or less:	222	230	230	230	230
		- Residents earning 50% Area Median Income or less:	128	130	130	130	130
		- Residents earning 80% Area Median Income or less:	70	75	75	75	75
		- Residents earning 80% Area Median Income or less:	24	25	25	25	25
PM 3.2.3	Rent Stabilization Rates. % of rent-stabilized units that did not have vacancy turnover in the past year	81%	85%	83%	85%	85%	

¹ Affordable housing production is a multi-year process and in any given year though progress is being made it will not be reflected in a specific measurable field until completion or some other milestone.

² FY 2022-2023 covered two Housing Element cycles with different RHNA goals.

³ This is a new performance measure for 2024-2025 and further analysis is needed to establish targets.

CITY SERVICE AREA

COMMUNITY AND ECONOMIC DEVELOPMENT

BUDGET OVERVIEW

CED CSA-Level Data Sources

Identifier	Data Source
PM 1.1.1	True North City of San Jose Community Opinion Survey Summary Report (October 2023) Page 55
PM 1.1.2	EHC data trackers for phone, email, walk-in and superior court interactions
PM 1.2.1	True North City of San Jose Community Opinion Survey Summary Report (October 2023) Page 35
PM 1.2.2	True North City of San Jose Community Opinion Survey Summary Report (October 2023) Page 15
PM 1.2.3	True North City of San Jose Community Opinion Survey Summary Report (October 2023) Page 54
PM 1.2.4	True North City of San Jose Community Opinion Survey Summary Report (October 2023) Page 52
PM 2.1.1	work2future internal tracking report (Based on intake, client interviews, case management)
PM 2.1.2	Business Development outreach tracking
PM 2.1.3	AMANDA Yellowfin report
PM 2.14	True North City of San Jose Community Opinion Survey Summary Report (October 2023) Page 15
PM 2.2.1	True North City of San Jose Community Opinion Survey Summary Report (October 2023) Page 55
PM 2.2.2	AMANDA Analytics report
PM 2.2.3	True North City of San Jose Community Opinion Survey Summary Report (October 2023) Page 9, 70, 72
PM 2.2.4	True North City of San Jose Community Opinion Survey Summary Report (October 2023) Page 55
PM 3.1.1	Project Tracker, City Council Memos, Siting Policy
PM 3.1.2	Project pipeline, Project description, Salesforce data
PM 3.1.3	Housing Element Annual Performance Report
PM 3.1.4	Project Tracker, City Council Memos
PM 3.2.1	This is a new performance measure to be established for 24-25. Further analysis is needed to establish targets. Measurement is anticipated to begin in July of 2024
PM 3.2.2	Project Tracker, Affordability Restrictions
PM 3.2.3	Rent Registry Salesforce data - Methodology: total # of units w/"same tenant" registration/ total # of units registered during period

CITY SERVICE AREA

COMMUNITY AND ECONOMIC DEVELOPMENT

PROPOSED BUDGET CHANGES

Proposed Changes	Positions	All Funds (\$)	General Fund (\$)
CITY MANAGER - OFFICE OF ECONOMIC DEVELOPMENT AND CULTURAL AFFAIRS			
• Neighborhood Economic Grants		200,000	200,000
• East San José Small Business Corridor Support Manager	1.00	175,368	175,368
• Microbusiness Start-Up Grants		150,000	150,000
• Downtown Peddler Mitigation Pilot Program		100,000	100,000
• Workforce Development Staffing		6	(96,061)
• work2future Staffing	(1.00)	(173,142)	0
• Non-Personal/Equipment Savings		(50,000)	(50,000)
• Office of Cultural Affairs Staffing		(37,133)	0
<i>Subtotal</i>	0.00	365,099	479,307
FIRE			
• Non-Development Fee Program Realignment	(1.00)	(362,090)	0
• Vacant Position Elimination	(1.00)	(147,864)	0
<i>Subtotal</i>	(2.00)	(509,954)	0
HOUSING			
• Housing Grants Program Management Staffing	1.30	187,976	0
<i>Subtotal</i>	1.30	187,976	0

CITY SERVICE AREA

COMMUNITY AND ECONOMIC DEVELOPMENT

PROPOSED BUDGET CHANGES

Proposed Changes	Positions	All Funds (\$)	General Fund (\$)
PLANNING, BUILDING AND CODE ENFORCEMENT			
• General Plan Update - Environmental Justice Mandatory Element Consultant Services		375,000	0
• Policy and Technology Support Staffing	1.00	151,965	0
• Office and Commercial Buildings Adaptive Re-use Ordinance Consultant Services		100,000	0
• Vacant Position Elimination	(16.00)	(3,215,055)	0
• Citywide Planning - Ordinances and Policy Staffing	(1.00)	(219,660)	(219,660)
• Building Development Fee Program Staffing (Engineering and Plan Review)		(47,311)	0
<i>Subtotal</i>	(16.00)	(2,855,061)	(219,660)
PUBLIC WORKS			
• Public Works Department Staffing Plan - Capital Improvement Program	1.65	327,616	0
• Public Works Department Development Services Coordination (Direct Discharge)	1.00	172,984	172,984
• Small Cell to Development Services Utilities Program Staffing	0.00	0	0
<i>Subtotal</i>	2.65	500,600	172,984
<i>Subtotal Departments</i>	(14.05)	(2,311,340)	432,631
CITY-WIDE EXPENSES			
• Storefront Activation Grant Program		650,000	650,000
• Small Business Recovery - Supplemental Arts + Cultural Funding		500,000	500,000
• Downtown Pedestrian Quality of Life		400,000	400,000
• Destination Marketing Incentive		400,000	400,000
• AI + Manufacturing Incentive		250,000	250,000
• Sports Authority		200,000	200,000
• Economic Development Pre-Development Activities		200,000	200,000
• 2026 Sporting Events Preparation		100,000	100,000
• Neighborhood Business Districts		50,000	50,000
• Interpretive Amplification and Marketing		25,000	25,000
• Paseo de San Antonio Wayfinding		25,000	25,000
• Joint Venture Silicon Valley		(26,000)	(26,000)
<i>Subtotal Other Changes</i>	0.00	2,774,000	2,774,000
Total Proposed Budget Changes	(14.05)	462,660	3,206,631

CITY SERVICE AREA

ENVIRONMENTAL AND UTILITY SERVICES



MISSION

Provide environmental leadership through policy development, program design, and reliable utility services

Primary Partners

Energy
Environmental Services
Transportation

CSA OUTCOMES

- Reliable Utility Infrastructure
- Healthy Streams, Rivers, Marsh, and Bay
- “Clean and Sustainable” Air, Land, and Energy
- Safe, Reliable, and Sufficient Water Supply

CITY SERVICE AREA

ENVIRONMENTAL AND UTILITY SERVICES

SERVICE DELIVERY FRAMEWORK

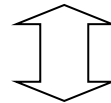
CITY SERVICE AREA
A cross-departmental collection of core services that form one of the City's six key "lines of business"

MISSION STATEMENT
Why the CSA exists

Environmental & Utility Services CSA

Mission:

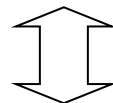
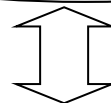
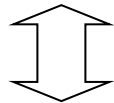
Provide environmental leadership through policy development, program design, and reliable utility services.



Outcomes:

- Reliable Utility Infrastructure
- Healthy Streams, Rivers, Marsh, and Bay
- "Clean and Sustainable" Air, Land, and Energy
- Safe, Reliable, and Sufficient Water Supply

CSA OUTCOMES
The high-level results of service delivery sought by the CSA partners



PRIMARY PARTNERS
Departments with Core Services that contribute to achievement of CSA Outcomes

CORE SERVICES
Primary deliverables of the organization

Energy Department

Core Services:

Providing Clean Energy to the Community

Energy Customer Support

Energy Community Programming

Environmental Services Department

Core Services:

Potable Water Delivery

Recycled Water Management

Recycling and Garbage Services

Stormwater Management

Sustainability and Environmental Health

Wastewater Management

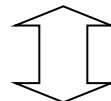
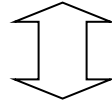
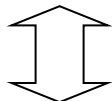
Transportation Department

Core Services:

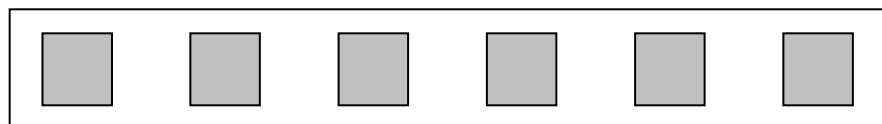
Sanitary Sewer Maintenance

Storm Sewer Maintenance

PROGRAMS
Elements of Core Services; the "front-line" of service delivery



STRATEGIC SUPPORT
Organization-wide guidance and support to enable direct service delivery



CITY SERVICE AREA

ENVIRONMENTAL AND UTILITY SERVICES

DASHBOARD



¹ Information not available from PG&E. Data is reported to become available in July 2024.

² Reduction greater than 100% represents the amount of credit given to implement control actions. The new stormwater permit, effective July 1, 2022, refers to a goal of 100% Trash Load Reduction (TLR) or no adverse impact to receiving waters from trash by June 30, 2023. The TLR percentage is expected to increase slightly due to the planned installation of small and large trash capture devices.

CITY SERVICE AREA

ENVIRONMENTAL AND UTILITY SERVICES

BUDGET SUMMARY

CSA Priorities/Expected 2024-2025 Service Delivery

- Utility Infrastructure Management – Build, operate, and maintain the City’s wastewater, stormwater, recycled water, and potable water utility infrastructure to ensure system reliability and public health and safety.
- Solid Waste Diversion – Oversee programs to collect, process, recycle, compost, and dispose of solid waste to maximize diversion from landfills and protect public health, safety, and the environment.
- Promote Climate Action in the Community – Provide leadership on climate action through policy, measures, and programs that reduce greenhouse gases and ensure a long-term water supply. Support environmentally sustainable practices throughout the community through education, public-private partnerships, and the implementation of the Climate Smart San José plan.
- Promote Clean Energy – Continue operating the City’s Community Choice Aggregation program with the goals of providing residents and businesses with a choice of electricity providers while progressing towards meeting greenhouse gas emissions reduction goals.

2024-2025 Key Budget Actions

- Environmental Services Department - Utility Rates
 - Storm Sewer Service Rates – Maintains current rates in 2024-2025.
 - Sanitary Sewer Service Rates – 9% increase in sanitary sewer service revenue will enable the City to continue to treat wastewater in accordance with environmental standards, transition to mechanical drying of biosolids, and procure vehicles and equipment necessary for ongoing maintenance of sanitary sewer infrastructure.
 - Residential Garbage and Recycling Rates – 4% increase in single-family dwelling rates and a 2% increase in multi-family dwelling rates will maintain cost recovery as contract expenditures increase due to annual cost-of-living adjustments for solid waste haulers. Additionally, these increases will enable the City to implement contamination reduction efforts.
 - Municipal Water System – A revenue increase of approximately 5% is necessary, primarily to account for the increased cost of wholesale water.
- Adds 1.0 Deputy Director for Regulatory Affairs and Water Supply, as well as 1.0 Senior Environmental Program Manager and 1.0 Supervising Environmental Services Specialist that will lead development of a purified water project and other drought-proof water supply solution.
- Adds 1.0 Environmental Services Specialist position and \$4.25 million in non-personal/equipment funding to support the management and disposal of mechanically dewatered biosolids produced by the San José-Santa Clara Regional Wastewater Facility.
- Adds \$2.5 million of one-time funding to support an update to the Plant Master Plan, to address current and future regulatory and capacity infrastructure requirements.
- Adds 1.0 Staff Specialist and part-time staffing to inspect and reduce recycling contamination in the Environmental Services Department.
- Adds 1.0 Senior Power Resources Specialist and 1.0 Power Resources Specialist I/II to support the Energy Programs team. These positions will support the development and implementation of new programs and initiatives, including a master plan to guide electrification of the City fleet and installation of accompanying infrastructure, electric vehicle charging, building electrification incentives, workforce development, and home energy storage incentives.
- Adds 5.0 positions (3.0 Maintenance Worker I/II, 1.0 Associate Engineering Technician, and 1.0 Engineering Technician) for the maintenance of new trash capture devices; increases by \$1.0 million in non-personal/equipment funding for the replacement of the Transportation Department’s sanitary sewer maintenance fleet, and adds one-time overtime funds of \$40,000 for additional storm sewer cleaning to mitigate legacy Polychlorinated Biphenyls pollutants.

CITY SERVICE AREA

ENVIRONMENTAL AND UTILITY SERVICES

BUDGET SUMMARY

City Service Area Budget Summary**

	2022-2023 Actuals **	2023-2024 Adopted	2024-2025 Forecast	2024-2025 Proposed
Dollars by Core Service *				
<i>Energy Department</i>				
Strategic Support - Other - Environmental & Utility Services	46,166,558	25,826,056	4,200,637	4,240,477
Strategic Support - Environmental & Utility Services	4,834,517	6,489,799	5,863,470	6,188,670
Providing Clean Energy to the Community	368,370,315	427,432,822	496,293,029	496,293,029
Energy Customer Support	6,992,839	8,302,563	8,516,494	8,516,494
Energy Community Programming	2,893,983	8,567,248	3,808,506	9,202,088
<i>Environmental Services Department</i>				
Strategic Support - Fund Balance and Reserves - Environ & Util Services	2,895,518	0	0	0
Strategic Support - Other - Environmental & Utility Services	24,835,557	23,126,903	28,179,402	27,949,903
Strategic Support - Environmental & Utility Services	15,620,248	16,952,753	18,151,015	20,362,780
Recycling & Garbage Services	188,362,941	201,201,853	209,026,401	209,749,961
Potable Water Delivery	47,434,522	53,322,695	55,790,696	55,951,086
Recycled Water Management	12,419,013	29,165,533	15,341,629	17,454,629
Wastewater Management	98,466,878	107,563,059	107,577,588	119,250,849
Stormwater Management	9,120,394	10,806,839	10,737,360	11,943,417
Sustainability and Environmental Health	5,711,355	7,985,393	7,823,364	7,841,281
<i>Transportation Department</i>				
Sanitary Sewer Maintenance	21,047,541	28,136,506	25,790,190	26,865,190
Storm Sewer Maintenance	7,254,968	9,453,590	8,497,097	9,761,595
Strategic Support - Other - Environmental & Utility Services	6,283,478	6,186,629	6,603,813	7,005,010
Strategic Support - Environmental & Utility Services	2,257,898	2,411,223	2,636,838	2,636,838
Total CSA	\$870,968,524	\$972,931,464	\$1,014,837,529	\$1,041,213,297
Authorized Positions	780.56	804.24	802.99	811.99

* Fund Balance, Transfers, and Reserves for funds that may be managed by the departments in this CSA have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** The positions displayed in the 2022-2023 Actuals column reflect those included in the 2022-2023 Adopted Budget. 2022-2023 Actuals may not subtotal due to rounding.

CITY SERVICE AREA

ENVIRONMENTAL AND UTILITY SERVICES

OVERVIEW

Budget Dollars at Work: Performance Goals

OUTCOME 1: RELIABLE UTILITY INFRASTRUCTURE

Strategic Goals	CSA Performance Measures	2022-2023 Actual	2023-2024 Target	2023-2024 Estimate	2024-2025 Target	5-Year Goal
Preserve the City's utility infrastructure to optimize service delivery capabilities	1. % of utility assets in working condition:					
	-SJ/SC Water Pollution Control Plant ¹	97%	95%	99%	95%	95%
	- Storm Sewer Inlets	96%	96%	98%	96%	96%
	- SJ Municipal Water	99%	100%	100%	100%	99%
	- South Bay Water Recycling	98%	98%	100%	100%	99%
	2. Ratio of Municipal Water System average residential water bill to weighted average residential water bill of the San José water retailers ²	88%	<100%	<100%	<100%	88%
	3. # of sanitary sewer overflows per 100 miles of sanitary sewer mains (annualized)	2.0	2.0	1.6	2.0	2.0
Provide for collection, disposal & processing of solid waste	1. % of waste diverted from landfills (State Goal: 50%) ³					
	- Overall ⁴	66%	70%	66%	70%	90%
	- Residential	69%	85%	67%	75%	90%
	- Commercial	47%	60%	52%	60%	75%
	- City Facilities	72%	85%	70%	75%	90%
	2. # of debris removals that address safety and obstructions in the public right-of-way (Priority 1 illegal dumping resources)	920	1,751	1,040	1,260	1,200
	3. Cubic yards of debris removed (Priority 1 illegal dumping requests)	5,225	2,759	8,780	4,840	5,000
	4. Tons of items collected through the Junk Pickup Program	8,913	10,715	8,896	9,163	10,313
	5. Per Capita Disposal (includes residential and commercial)	5.0 Lbs	4.4 Lbs	4.7 Lbs	4.1 Lbs	3.7 Lbs

¹ The % of utility assets in working condition for the Water Pollution Control Plant is calculated based on an average number of hours critical equipment is unavailable during the year due to repairs.

² Other San José water retailers include San José Water Company and Great Oaks Water Company.

³ To continue increasing solid waste diversion and support the Council-approved Zero Waste Strategic Plan, new solid waste management infrastructure and programs will be necessary in the coming decade. The private sector has invested over \$100 million in recycling facilities in San José since 2007 and this level of investment will need to continue.

⁴ The measurement for the Overall diversion category is based upon the State's guidelines, which use a per-capita standard. Moreover, the Overall measurement for the City includes solid-waste streams outside of the Department's collection, and includes construction, demolition, and self-haul categories. The remaining three categories are those directly within the City's collection process, and diversion in these are measured by total collected versus total recycled.

CITY SERVICE AREA

ENVIRONMENTAL AND UTILITY SERVICES

OVERVIEW

Budget Dollars at Work: Performance Goals

OUTCOME 2: HEALTHY STREAMS, RIVERS, MARSH, AND BAY

Strategic Goals	CSA Performance Measures	2022-2023 Actual	2023-2024 Target	2023-2024 Estimate	2024-2025 Target	5-Year Goal
Manage stormwater for suitable discharge into creeks, rivers, and the Bay	1. % of residents surveyed who understand that any substances that get washed down the street end up in the Bay without treatment through the storm drain system ¹	N/A	65% ¹	65% ¹	65%	70%
	2. % of trash reduced from the storm sewer system. ²	96%	90%	113% ²	123% ²	100%
Manage wastewater for suitable discharge into the Bay	1. Mgd discharged to Bay during the average dry weather effluent flows (ADWEF) season ^{3/4}	60.6 mgd	<120 mgd	75.4 mgd	<120 mgd	<120 mgd
	2. % of time pollutant discharge requirements for wastewater NPDES permit are met or surpassed	100%	100%	100%	100%	100%
Develop, operate, and maintain a recycled water system that reduces effluent to the Bay	1. Millions of gallons per day diverted from flow to the Bay for beneficial purposes during the dry weather period ^{3/4}	14.8 mgd	16.6 mgd	18 mgd	18 mgd	18 mgd

¹ Data for this measure is collected through a biennial survey, last conducted by the Environmental Services Department in February 2024, with the results reflected in the 2023-2024 Estimate column. The next survey is planned to be completed in 2025-2026, and those results will be reported in the 2026-2027 Proposed Budget.

² The 100% or greater total represents the amount of credit given for implementing control actions.

³ In accordance with the NPDES permit, the maximum effluent to the Bay during the dry weather period is restricted to 120 mgd. These measures continue to be below this trigger point, which is set by the State to protect wildlife habitat. The RWF continues to consistently meet permit discharge requirements.

⁴ Dry weather period is defined as the lowest continuous three months average rainfall between May and October.

CITY SERVICE AREA

ENVIRONMENTAL AND UTILITY SERVICES

OVERVIEW

Budget Dollars at Work: Performance Goals

OUTCOME 3: “CLEAN AND SUSTAINABLE” AIR, LAND, AND ENERGY

Strategic Goals	CSA Performance Measures	2022-2023 Actual	2023-2024 Target	2023-2024 Estimate	2024-2025 Target	5-Year Goal
Reduce, reuse, and recycle solid waste at home, work, and play ¹	1. % of residents rating the City's job of providing information on how to recycle as good or excellent ²	N/A ²	75% ²	75% ²	75%	75%
Promote energy efficiency and clean, renewable energy in the community	2. Citywide greenhouse gas (GHG) emissions ³	4,239,801	N/A ⁴	4,018,955	5,464,347	5,272,619

¹ San José has one of the highest diversion rates among large cities in the country. The structure of the City's commercial and residential programs facilitate effective sorting of garbage and recycling by residents and businesses. Customer outreach to neighborhoods, schools, and businesses will continue to help reduce recycle cart contamination and blight, as well as account for commercial customers.

² Data for this measure is collected through a biennial survey, last conducted by the Environmental Services Department in February 2024, with the results reflected in the 2023-2024 Estimate column. The next survey is planned to be completed in 2025-2026, and those results will be reported in the 2026-2027 Proposed Budget.

³ Actuals, Targets, Estimates, and Goals for this Performance Measure are measured in Metric Tons of Carbon Dioxide Equivalent (MT CO₂e).

⁴ Due to limited staffing and budget constraints, the Climate Smart program was unable to establish a 2023-2024 Target in the development of the 2023-2024 Adopted Operating Budget.

OUTCOME 4: SAFE, RELIABLE AND SUFFICIENT WATER SUPPLY

Strategic Goals	CSA Performance Measures	2022-2023 Actual	2023-2024 Target	2023-2024 Estimate	2024-2025 Target	5-Year Goal
Ensure availability of future water supplies.	1. Millions of gallons of recycled water delivered annually ^{1/2}	4,082	4,150	4,054	4,100	4,500
Public is educated regarding water conservation, and the safe and appropriate use of recycled water and water resources	1. % of Municipal Water System customers demonstrating water conservation knowledge ³	NA ³	95% ³	95% ³	95%	95%
	2. % of Municipal Water System customers with water saving fixtures in their home or property ³	NA	95% ³	95% ³	95%	95%
	3. % of residents who are in favor of using recycled water ^{2/3}	NA	90% ³	90% ³	95%	95%

¹ The South Bay Water Recycling Program (SBWR) delivers more than 10,000 acre feet per year of recycled water from the Water Pollution Control Plant to over 700 customers for reuse in irrigation, industrial cooling, and other beneficial purposes. SBWR supplies more than 75% of all recycled water used in Santa Clara County.

² Data reported is based on county-wide water savings from both indoor and outdoor water conservation programs, passive water savings (from behavioral, policies, and code changes), and recycled water use. The county-wide data is collected and provided by Valley Water.

³ Data for this measure is collected through a biennial survey, last conducted by the Environmental Services Department in February 2024, with the results reflected in the 2023-2024 Estimate column. The next survey is planned to be completed in 2025-2026, and those results will be reported in the 2026-2027 Proposed Budget.

CITY SERVICE AREA
ENVIRONMENTAL AND UTILITY SERVICES

PROPOSED BUDGET CHANGES

Proposed Changes	Positions	All Funds (\$)	General Fund (\$)
ENERGY DEPARTMENT			
• Customer Program Staffing	2.00	5,393,582	0
• City Energy Resiliency Study		400,000	0
• Energy Department Accounting Staffing	1.00	141,078	0
• Vacant Positions Elimination	(1.00)	(215,878)	0
<i>Subtotal</i>	2.00	5,718,782	0
ENVIRONMENTAL SERVICES DEPARTMENT			
• Chemical Costs Increase (Regional Wastewater Facility and South Bay Water Recycling)		5,230,000	0
• Dewatered Biosolids Hauling Support (New Digested Sludge Dewatering Facility Implementation)		4,250,000	0
• Regional Wastewater Facility Capital Plan Update		2,500,000	0
• South Bay Water Recycling System Improvements		1,850,000	0
• Sanitary Sewer Flow Study		1,500,000	0
• Regulatory Compliance and Purified Water Program	3.00	729,933	580,381
• Solid Waste Contamination Reduction Staffing and Resources	1.00	563,560	0
• Municipal Regional Stormwater Permit Inspection Programs (Direct Discharge)	2.00	481,930	257,215
• Environmental Enforcement Vehicle Replacements		324,000	0
• Regional Wastewater Facility Capital Improvement Program Administration Staffing	1.00	300,580	0
• Climate Smart San José		200,000	200,000
• Fiscal Program Staffing	1.00	181,234	0
• PFAS Evaluation (Direct Discharge)		165,000	165,000
• Advanced Metering Infrastructure Staffing	1.00	160,390	0
• Environmental Innovation Center Facility Improvements		160,000	0
• Municipal Environmental Compliance Staffing	0.00	2	(109,250)
• Vacant Position Elimination	(5.00)	(1,092,449)	(71,593)
• Laboratory Administrative Staffing	(1.00)	(68,604)	0
<i>Subtotal</i>	3.00	17,435,576	1,021,753

CITY SERVICE AREA
ENVIRONMENTAL AND UTILITY SERVICES

PROPOSED BUDGET CHANGES

TRANSPORTATION DEPARTMENT

• Trash Capture Devices Maintenance (Direct Discharge)	5.00	1,348,702	0
• Sanitary Sewer Vehicle Replacement		1,000,000	0
• Sewer Lateral Replacment Grant		75,000	0
• Polychlorinated Biphenyls (PCB) Mitigation (Direct Discharge)		40,000	40,000
• Vacant Position Elimination	(1.00)	(124,204)	0
<i>Subtotal</i>	4.00	2,339,498	40,000

***Subtotal Departments* 9.00 25,493,856 1,061,753**

CITY-WIDE EXPENSES

• Clean Creeks and Healthy Watersheds		384,000	384,000
<i>Subtotal Other Changes</i>	0.00	384,000	384,000

Total Proposed Budget Changes 9.00 25,877,856 1,445,753

CITY SERVICE AREA

NEIGHBORHOOD SERVICES



MISSION

To serve, foster, and strengthen the community by providing access to lifelong learning, supportive services, opportunities to enjoy life, and preserving and stewarding healthy neighborhoods with shelter and housing opportunities for all

Primary Partners

Housing
Library
Parks, Recreation and Neighborhood Services
Planning, Building and Code Enforcement
Public Works

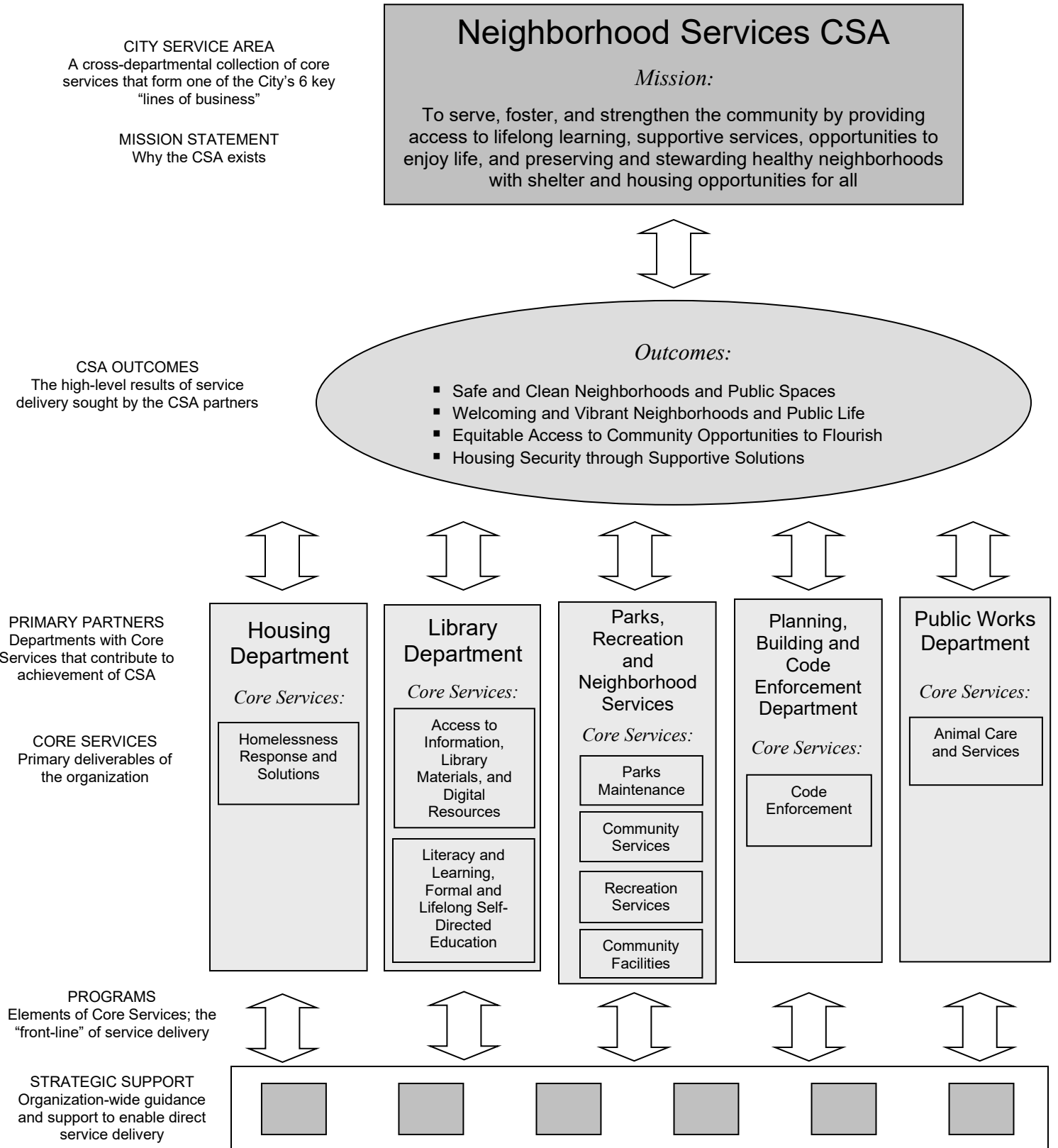
CSA OUTCOMES

- Safe and Clean Neighborhoods and Public Spaces
- Welcoming and Vibrant Neighborhoods and Public Life
- Equitable Access to Community Opportunities to Flourish
- Housing Security through Supportive Solutions

CITY SERVICE AREA

NEIGHBORHOOD SERVICES

SERVICE DELIVERY FRAMEWORK

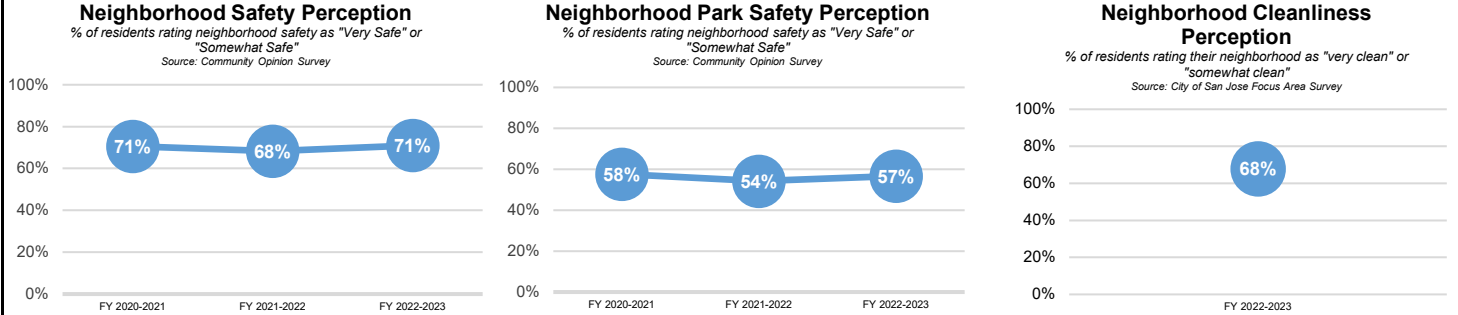


CITY SERVICE AREA

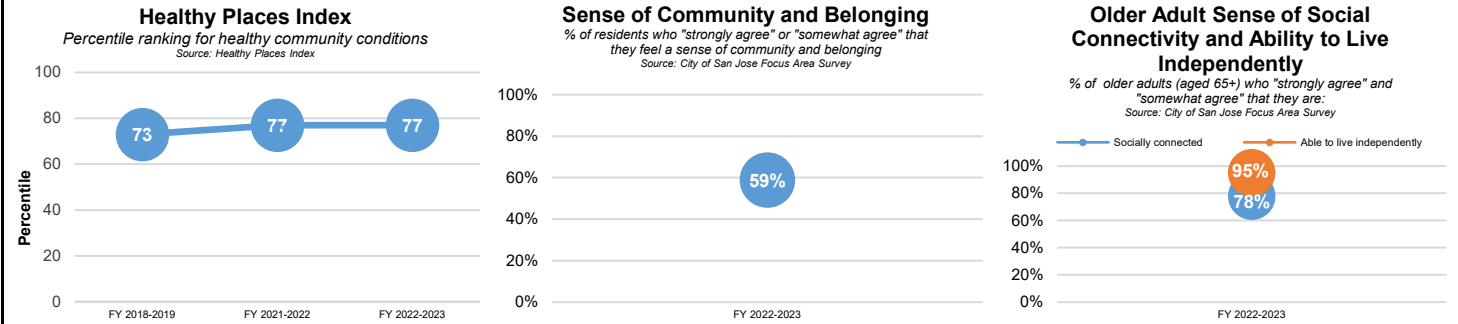
NEIGHBORHOOD SERVICES

COMMUNITY INDICATORS DASHBOARD

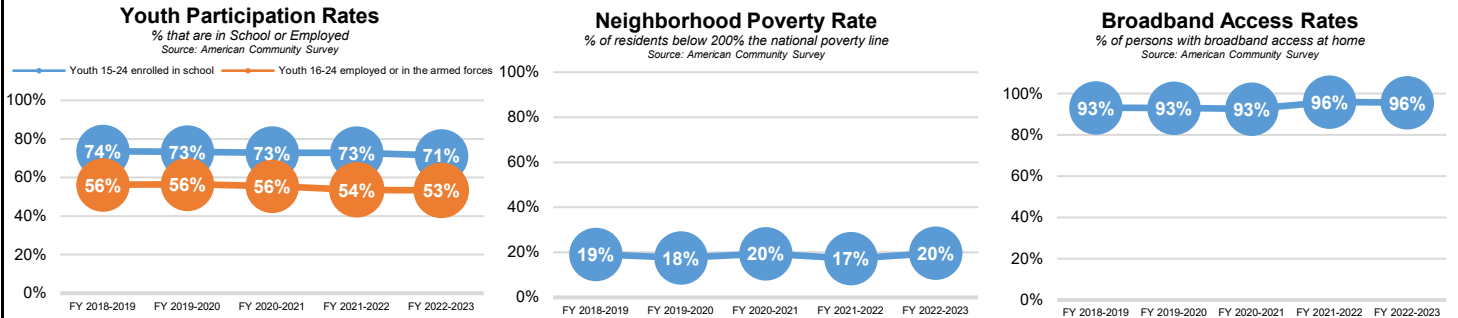
OUTCOME 1: SAFE AND CLEAN NEIGHBORHOODS AND PUBLIC SPACES



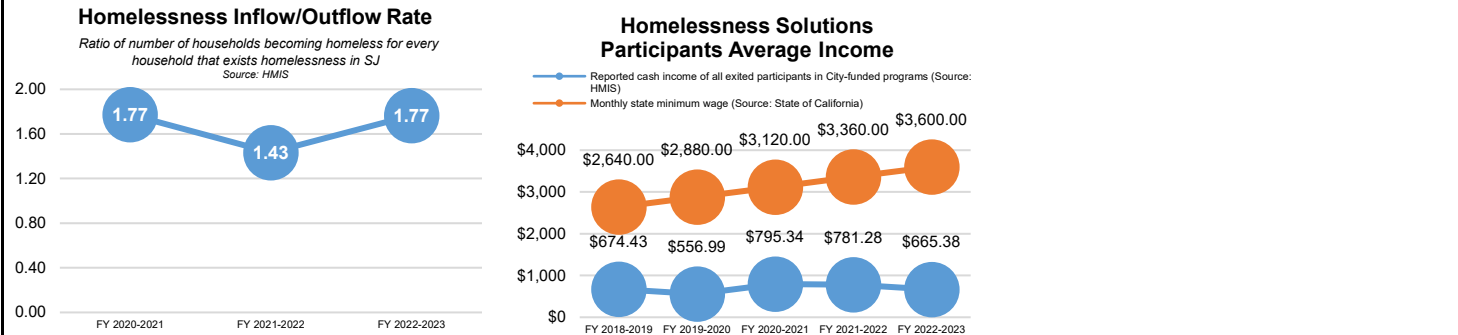
OUTCOME 2: WELCOMING AND VIBRANT NEIGHBORHOODS AND PUBLIC LIFE



OUTCOME 3: EQUITABLE ACCESS TO COMMUNITY OPPORTUNITIES TO FLOURISH



OUTCOME 4: HOUSING SECURITY THROUGH SUPPORTIVE SOLUTIONS

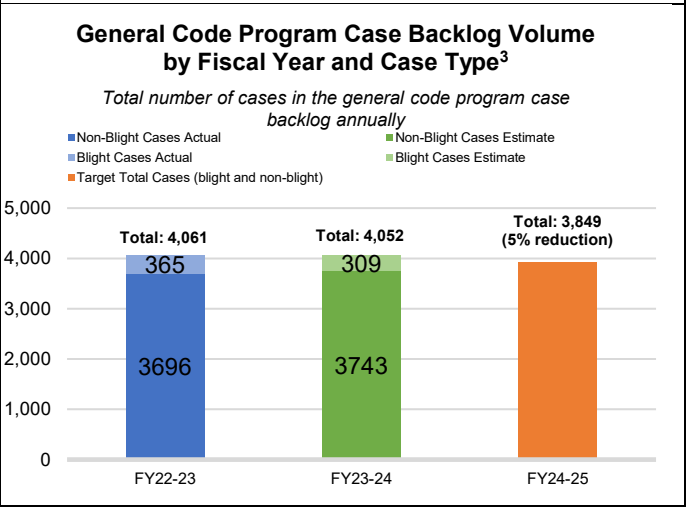
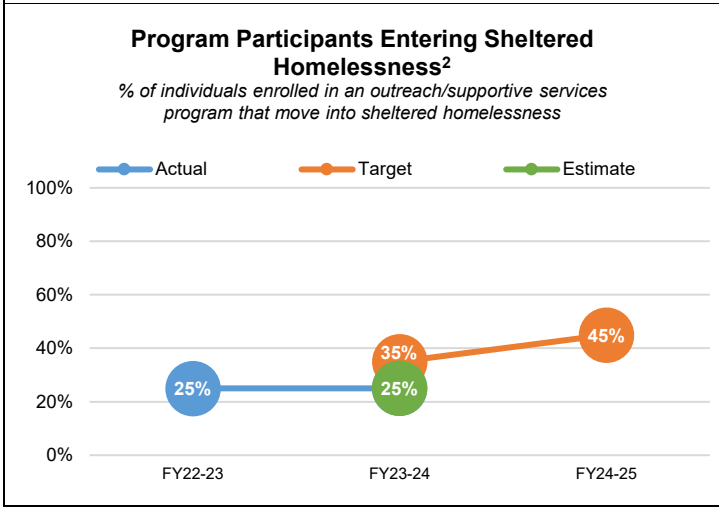
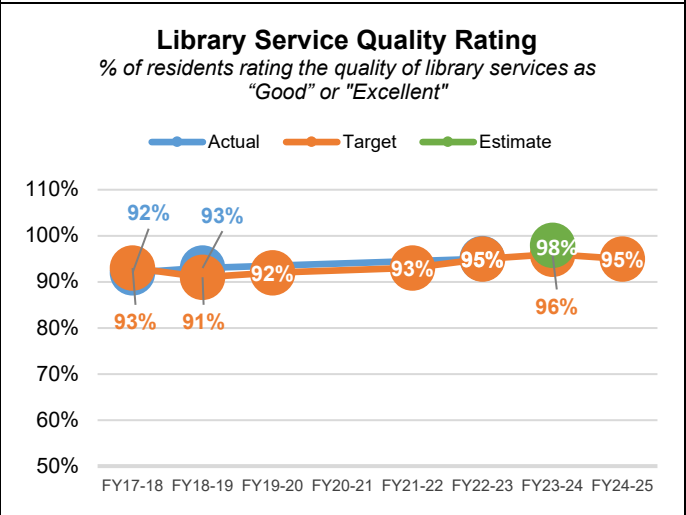
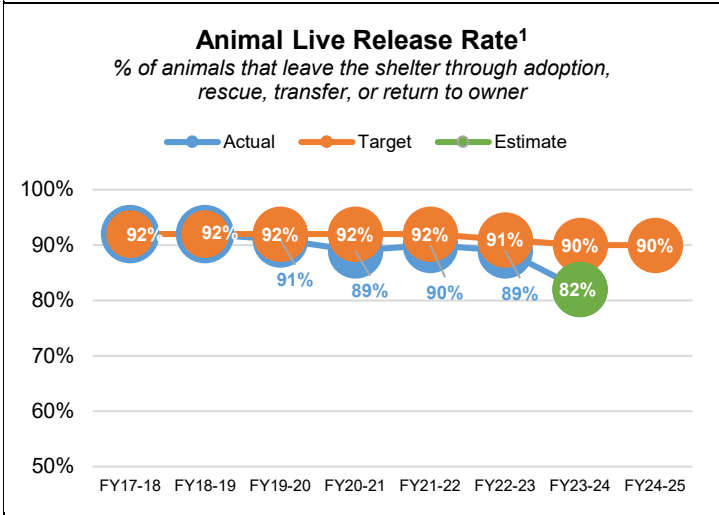
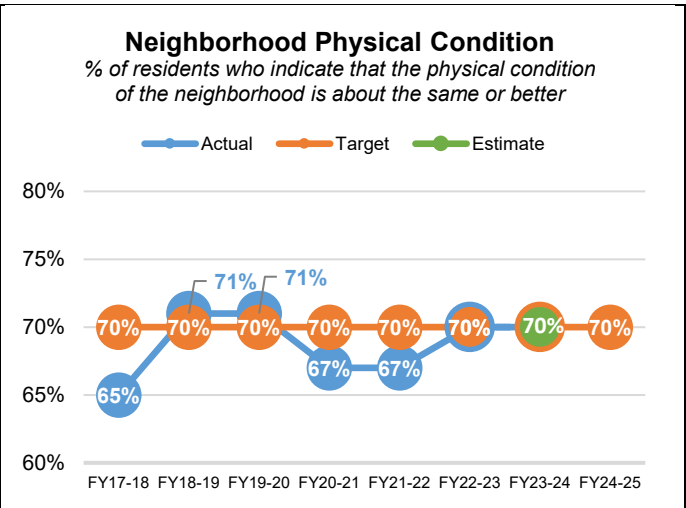
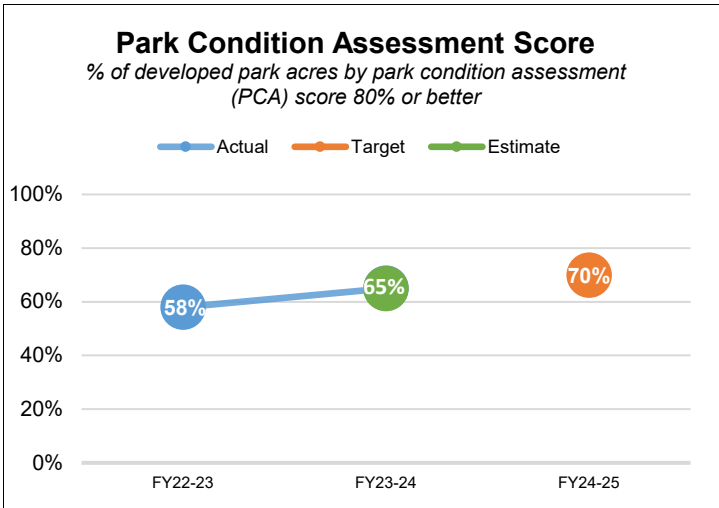


Note: All community indicator data can be disaggregated by race/ethnicity or geographic location.

CITY SERVICE AREA

NEIGHBORHOOD SERVICES

PERFORMANCE MEASURE DASHBOARD



¹ Live release rate is influenced by a number of factors external to the City, such as the type and condition of the animals received by the shelter. Staff will continue to evaluate the appropriate live release target based on trends in these external factors.

² The Continuum of Care 2023-2024 performance benchmark of 45% pertains to street outreach successful housing placements and does not include supportive services outcomes to housing. This measure will be revisited in Fiscal Year 2024-2025.

³ As directed in the Mayor's March Budget Message for Fiscal Year 2024-2025, as approved by the City Council, \$200,000 is provided for the Code Enforcement reengineering project that will identify strategies to make more rapid progress on reducing the case backlog. At the end of the reengineering project, separate targets will be set for blight and non-blight cases.

CITY SERVICE AREA

NEIGHBORHOOD SERVICES

BUDGET SUMMARY

CSA Priorities/Expected 2024-2025 Service Delivery

- The Library will continue to provide access to information and knowledge resources for all San José residents, students, educators, and families, including access to technology and print materials, classes, afterschool homework help for students, and educational and literacy programs for all ages. The Library, in partnership with the San José Public Library Foundation, will administer the Digital Inclusion Fund Grant Program.
- PRNS will continue its efforts to provide access to healthy lifestyles through public parks and trails and public recreational programs and opportunities for people of all ages and abilities. This includes the provision of leisure classes and activities at community centers, safe and fun summer camps, educational and outdoor experiences at facilities such as Happy Hollow Park and Zoo and Family Camp, and health and social activities in our therapeutics and senior service programs.
- Code Enforcement will continue to respond to complaints and conduct inspections for code violations city-wide to address blight, substandard housing, illegal occupancy, unpermitted construction, etc., contributing to the overall health, safety, and quality of life of our community.
- PRNS will continue to operationalize the growth of BeautifySJ to meet neighborhood cleanliness and stormwater permit priorities by addressing pollution from RVs on streets and encampments near waterways. Other service areas include graffiti removal, neighborhood dumpster days, illegal dumping, deterrents, gateway beautification, homeless encampment trash/biowaste removal, abatements, and No Return/No Encampment Zones.
- Housing will implement the reimagined homeless outreach program through agreements with two service providers providing enhanced services and coordinated resources to individuals and households experiencing homelessness in target areas across the City.
- The Animal Care and Services Center anticipates caring for 12,000 incoming animals with an estimated 17,000 calls for service while targeting a live release rate of 90%.

2024-2025 Key Budget Actions

- Reallocates Measure E revenues of \$24.6 million to develop safe or alternative sleeping sites; support interim housing construction and operation; provide outreach, sanitation, and other support services focused on waterways; expansion of the recreational vehicle pollution prevention; pilot a lived-in safe parking program; and provide temporary staffing for a reactive City outreach team.
- Continues 2.0 Analyst I/II and adds 1.0 Analyst I/II and 1.0 Staff Specialist positions through June 30, 2025 to support the Eviction Diversion Program which provides landlords and tenants a continuum of services to help avoid eviction court orders by reaching a settlement plan that works for both parties.
- Adds 1.0 Senior Analyst by deleting vacant 1.0 Library Assistant and 0.4 Library Page in the Library to serve as the Integrated Library System Manager; adds \$300,000 in one-time non-personal/equipment funding to procure a new Integrated Library System to provide more secure and robust materials management system that improves staff efficiency and the customer experience.
- Adds \$15.9 million and 37.3 positions to BeautifySJ to meet the requirements along waterways in accordance with the City's Municipal Regional Stormwater Permit and to continue and expand existing programmatic efforts of encampment maintenance, abatement, and blight reduction.
- Adds 1.0 Community Activity worker to the Multiple Housing team to assist the Tenant Landlord Resource Centers in providing all Code Enforcement related functions, customer service and support to tenants and customers of multiple housing units.
- Continues and makes permanent 1.0 Animal Services Veterinarian position to increase the surgical capacity for animals in the community, primarily expanding the Trap-Neuter-Return (TNR) program to operate five days a week.

CITY SERVICE AREA

NEIGHBORHOOD SERVICES

OVERVIEW

City Service Area Budget Summary**

	2022-2023 Actuals **	2023-2024 Adopted	2024-2025 Forecast	2024-2025 Proposed
Dollars by Core Service *				
<i>Housing Department</i>				
Strategic Support - Other - Neighborhood Services	0	0	323,459	323,459
Homelessness Response and Solutions	24,641,093	91,382,787	68,776,157	69,821,297
<i>Library Department</i>				
Strategic Support - Other - Neighborhood Services	7,296,929	2,549,181	1,607,066	1,607,066
Strategic Support - Neighborhood Services	15,816,166	14,343,062	10,606,492	10,706,492
Literacy and Learning, Formal and Lifelong Self-Directed Education	3,805,116	4,588,401	4,927,122	4,313,022
Access To Information, Library Materials, and Digital Resources	40,531,396	42,498,545	47,630,079	47,806,089
<i>Parks, Recreation and Neighborhood Services Department</i>				
Strategic Support - Other - Neighborhood Services	10,347,925	15,314,951	5,745,693	5,900,403
Strategic Support - Neighborhood Services	14,328,090	7,684,184	7,401,136	7,579,625
Recreation Services	26,516,023	33,946,673	34,883,426	35,140,387
Community Services	33,324,790	42,010,588	33,298,649	50,205,900
Parks Maintenance and Operations	54,533,151	61,143,154	61,191,980	61,122,593
Community Facilities Development	6,590,309	7,624,229	7,955,096	7,955,096
<i>Planning, Building and Code Enforcement Department</i>				
Strategic Support - Other - Neighborhood Services	30,502	0	161,659	161,659
Strategic Support - Neighborhood Services	860,384	809,989	631,465	631,465
Code Enforcement	10,885,670	13,387,663	14,198,516	14,336,173
<i>Public Works Department</i>				
Animal Care and Services	10,826,558	12,188,866	14,133,686	15,437,002
Strategic Support - Other - Neighborhood Services	6,710,608	320,000	2,048,850	2,048,850
Strategic Support - Neighborhood Services	1,644,094	954,824	918,944	918,944
Total CSA	\$268,688,805	\$350,747,097	\$316,439,475	\$336,015,522
Authorized Positions	1,392.33	1,451.39	1,424.05	1,465.38

* Fund Balance, Transfers, and Reserves for funds that may be managed by the departments in this CSA have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** The positions displayed in the 2022-2023 Actuals column reflect those included in the 2022-2023 Adopted Budget. 2022-2023 Actuals may not subtotal due to rounding.

CITY SERVICE AREA

NEIGHBORHOOD SERVICES

OVERVIEW

Budget Dollars at Work: Performance Goals

OUTCOME 1: SAFE AND CLEAN NEIGHBORHOODS AND PUBLIC SPACES

Strategic Goals	CSA Performance Measures	2022-2023 Actual	2023-2024 Target	2023-2024 Estimate	2024-2025 Target	5-Year Goal
1.1 Clean and maintain the City's public spaces and community resources	<i>PM 1.1.1</i> Park Condition Assessment Score. % of developed park acres by park condition assessment (PCA) score 80% or better (<i>PRNS</i>)	58%	NA	65%	70%	70%
	<i>PM 1.1.2</i> BeautifySJ Response Times. % of graffiti removal, illegal dumping, and encampment trash services inquiries responded to within response time targets (<i>PRNS</i>)	81%	80%	81%	80%	85%
	<i>PM 1.1.3</i> Neighborhood Physical Condition Perception. % of residents who indicate that the physical condition of the neighborhood is about the same or better (<i>Code Enforcement</i>)	70%	70%	70%	70%	80%
	<i>PM 1.1.4</i> Library Facility Condition Rating. % of customers rating Library facility condition as "Good" or "Excellent" (<i>Library</i>)	90%	52%	89%	90%	93%
1.2 Promote and protect the health, safety, and welfare of residents, businesses, and animals through education and compliance services	<i>PM 1.2.1</i> Animal Live Release Rate. % of animals that leave the shelter through adoption, rescue, transfer, or return to owner (<i>ACS</i>)	89%	90%	82%	90%	90%
	<i>PM 1.2.2</i> Code Enforcement Case Resolution. % of Code Enforcement issues reported that were corrected with a rating of "Strongly Agree" or "Agree" (<i>Code Enforcement</i>)	NA ²	45%	45%	50%	60%
	<i>PM 1.2.3</i> Code Enforcement Case Backlog. % of Change in Code Enforcement Case Backlog: - General Code Program	+0.7%	0%	+0.3%	-5% ¹	-30%
	<i>PM 1.2.4</i> Library Facility Safety Rating. % of customers rating library facility safety as "Good" or "Excellent" (<i>Library</i>)	90%	N/A	89%	90%	92%

¹ As directed in the Mayor's March Budget Message for Fiscal Year 2024-2025, as approved by the City Council, \$200,000 is provided for the Code Enforcement reengineering project that will identify strategies to make more rapid progress on reducing the case backlog. At the end of the reengineering project, separate targets will be set for blight and non-blight cases.

CITY SERVICE AREA

NEIGHBORHOOD SERVICES

OVERVIEW

Budget Dollars at Work: Performance Goals

OUTCOME 2: WELCOMING AND VIBRANT NEIGHBORHOODS AND PUBLIC LIFE

Strategic Goals	CSA Performance Measures	2022-2023 Actual	2023-2024 Target	2023-2024 Estimate	2024-2025 Target	5-Year Goal
2.1 Build and activate vibrant spaces for people to celebrate identity and community	PM 2.1.1 Public Life Identify and Belonging. % of participants in public life programs reporting an increase in their sense of identity and belonging ¹ (PRNS)	N/A	N/A	N/A	N/A	N/A
	PM 2.1.2 Public Life Community Building. % of participants in public life programs reporting an increase in community interactions ¹ (PRNS)	N/A	N/A	N/A	N/A	N/A
2.2 Cultivate welcoming neighborhoods and public facilities	PM 2.2.1 Disability Participant Connection Rating. % of participants with disabilities who feel connected to community center resources (PRNS)	82%	75%	75%	75%	75%
	PM 2.2.2 Library Service Quality Rating. % of residents rating the quality of library services as “Good” or “Excellent” (Library)	95%	96%	98%	95%	96%
	PM 2.2.3 Code Enforcement Customer Service Rating. % of customers who feel they received courteous treatment and timely service from their interaction with Code Enforcement staff (Code Enforcement)	NA ²	70%	60%	70%	75%
	PM 2.2.4 Animal Care Customer Service Rating. % of residents rating the City providing animal control services as “Good” or better (ACS)	37%	50%	40%	50%	60%

¹ PRNS is building the collection methodology to report this data in 2024-2025. Future Targets and Forecasts will be developed once a baseline is established in 2024-2025.

² Data for this measure is collected through the annual Development Services Survey. The survey for the 2023 calendar year was conducted but is not available as of the publication of this book. Survey results will be included in the 2024-2025 Adopted Operating Budget.

CITY SERVICE AREA

NEIGHBORHOOD SERVICES

OVERVIEW

Budget Dollars at Work: Performance Goals

OUTCOME 3: EQUITABLE ACCESS TO COMMUNITY OPPORTUNITIES TO FLOURISH

Strategic Goals	CSA Performance Measures	2022-2023 Actual	2023-2024 Target	2023-2024 Estimate	2024-2025 Target	5-Year Goal
3.1 Connect people to the learning resources they need	PM 3.1.1 Library Customer Service Rating. % of Library customers rating staff assistance as “Good” or “Excellent” <i>(Library)</i>	95%	93%	94%	95%	95%
	PM 3.1.2 Code Enforcement Customer Service Rating. % of customers who “Agree” or “Strongly Agree” that Code Enforcement staff are responsive and helpful <i>(Code Enforcement)</i>	N/A ²	75%	60%	75%	80%
	PM 3.1.3 Library WiFi Hotspot Usage. % of Wi-Fi hotspots checked out <i>(Library)</i>	98%	N/A	99%	N/A ¹	N/A ¹
3.2 Strengthen communities and enrich lives through education, literacy, play, health, and youth empowerment	PM 3.2.1 Recreation Physical Activity Rating. % of recreation program participants reporting an increase in their physical activity level to at least 2.5 hours (150 minutes) per week <i>(PRNS)</i>	72%	75%	75%	75%	75%
	PM 3.2.2 Older Adult Independent Living Rating. % of participants rating City program effectiveness at helping older adults that live on their own, as “Good” or “Excellent” <i>(PRNS)</i>	71%	65%	65%	65%	65%
	PM 3.2.3 Library Program Education Rating. % of participants who report improved knowledge or skills following participation in a Library educational program or study <i>(Library)</i>	86%	N/A	75%	75%	80%
	PM 3.2.4 Youth Empowerment Purpose Rating. % of Youth Empowerment Alliance (Bringing Everyone’s Strengths Together (BEST)) participants who feel a sense of belonging/sense of purpose with a rating of “Often” or “Always” <i>(PRNS)</i>	85%	80%	80%	80%	80%

¹ This program utilizes one-time funding from the American Rescue Plan Fund, which will be no longer available beyond 2023-2024. A different performance measure will be developed to measure this outcome and will be included in the 2025-2026 budget.

² Data for this measure is collected through the annual Development Services Survey. The survey for the 2023 calendar year was conducted but is not available as of the publication of this book. Survey results will be included in the 2024-2025 Adopted Operating Budget.

CITY SERVICE AREA

NEIGHBORHOOD SERVICES

OVERVIEW

Budget Dollars at Work: Performance Goals

OUTCOME 4: HOUSING SECURITY THROUGH SUPPORTIVE SERVICES

Strategic Goals	CSA Performance Measures	2022-2023 Actual	2023-2024 Target	2023-2024 Estimate	2024-2025 Target	5-Year Goal
4.1: Prevent people from entering or returning to homelessness	<i>PM 4.1.1</i> Homelessness Prevention Retention Rate. % of San Jose households receiving prevention services that retain housing after one year of accessing services (Housing)	95%	95%	94%	94%	94%
	<i>PM 4.1.2</i> Outreach Program Participants Return to Homelessness. % of individuals housed in City of San José-funded outreach programs who return to homelessness within 12 months of exit (Housing)	0%	2%	13%	13%	13%
	<i>PM 4.1.3</i> Emergency Interim Housing Program Participants Return to Homelessness. % of individuals housed in City of San José-funded emergency interim housing programs who return to homelessness within 12 months of exit (Housing)	1%	3%	17%	17%	17%
4.2 Provide access to the temporary and interim housing system	<i>PM 4.2.1</i> Homelessness Program Occupancy Rate. % occupancy of all Temporary and Interim Housing throughout the system (Housing)	90% Units	88% Units	90% Units	90% Units	90% Units
	<i>PM 4.2.2</i> Annual Change in Persons Served. % change in the number of people served through Temporary and Interim Housing over last year (Housing)	20%	23%	20%	25%	22%
	<i>PM 4.2.3</i> Clients Entering Permanent Housing. % of people clients that exited to permanent housing for all San Jose-funded programs (Housing)	40%	25%	37%	37%	37%
4.3 Support individuals experiencing unsheltered homelessness	<i>PM 4.3.1</i> Program Participants Entering Sheltered Homelessness. Overall % of individuals enrolled in an outreach/supportive services program that move into sheltered homelessness (Housing)	25%	35%	25%	45% ¹	45%
	<i>PM 4.3.2</i> Clients Engaging in Service Programs. % of clients reported engagement in outreach, SafeParking, and Supportive Service Programs (Housing)	84%	83%	83%	87%	87%

¹ The Continuum of Care 2023-2024 performance benchmark of 45% pertains to street outreach successful housing placements and does not include supportive services outcomes to housing. This measure will be revisited in Fiscal Year 2024-2025.

CITY SERVICE AREA

NEIGHBORHOOD SERVICES

OVERVIEW

Neighborhood Services CSA-Level Data Sources	
Identifier	Data Source
<i>PM 1.1.1</i>	Park Condition Assessment Score
<i>PM 1.1.2</i>	PRNS Data Systems (App Order, SJ311, Survey123)
<i>PM 1.1.3</i>	Annual Code Enforcement Customer Survey
<i>PM 1.1.4</i>	Library Customer Satisfaction Survey
<i>PM 1.2.1</i>	Chameleon Database Kennel Statistics Report
<i>PM 1.2.2</i>	Annual Code Enforcement Customer Survey
<i>PM 1.2.3</i>	Code Enforcement Division Dashboard
<i>PM 1.2.4</i>	Library Customer Satisfaction Survey
<i>PM 2.1.1</i>	PRNS Public Life Survey
<i>PM 2.1.2</i>	PRNS Public Life Survey
<i>PM 2.2.1</i>	PRNS Recreation Survey
<i>PM 2.2.2</i>	Library Customer Satisfaction Survey
<i>PM 2.2.3</i>	Annual Code Enforcement Customer Survey
<i>PM 2.2.4</i>	City Auditor's Annual Report on City Services
<i>PM 3.1.1</i>	Library Customer Satisfaction Survey
<i>PM 3.1.2</i>	Annual Code Enforcement Customer Survey
<i>PM 3.1.3</i>	Library integrated library system
<i>PM 3.2.1</i>	PRNS Recreation Survey
<i>PM 3.2.2</i>	PRNS Recreation Survey
<i>PM 3.2.3</i>	Library Programming Patron Survey
<i>PM 3.2.4</i>	BEST Annual Report
<i>PM 4.1.1</i>	Clarity Human Services Homeless Management Information System (HMIS)
<i>PM 4.1.2</i>	Clarity Human Services Homeless Management Information System (HMIS)
<i>PM 4.1.3</i>	Clarity Human Services Homeless Management Information System (HMIS)
<i>PM 4.2.1</i>	Clarity Human Services Homeless Management Information System (HMIS)
<i>PM 4.2.2</i>	Clarity Human Services Homeless Management Information System (HMIS)
<i>PM 4.2.3</i>	Clarity Human Services Homeless Management Information System (HMIS)
<i>PM 4.3.1</i>	Clarity Human Services Homeless Management Information System (HMIS)
<i>PM 4.3.2</i>	Clarity Human Services Homeless Management Information System (HMIS)

CITY SERVICE AREA
NEIGHBORHOOD SERVICES

PROPOSED BUDGET CHANGES

Proposed Changes	Positions	All Funds (\$)	General Fund (\$)
HOUSING DEPARTMENT			
• Rent Stabilization and Eviction Prevention Staffing	4.00	618,950	0
• Housing Grants Program Management Staffing	2.70	426,190	0
<i>Subtotal</i>	6.70	1,045,140	0
LIBRARY DEPARTMENT			
• Integrated Library System Migration, Optimization, and Staffing	(0.45)	300,000	300,000
• San José Public Library Foundation Support		100,000	0
• Family, Friend, & Neighbor Caregiver Network Program Staffing	2.00	0	0
• Library Branch Staffing Service Coverage	(3.69)	0	0
• Partners in Reading, Adult & Family Literacy	(3.50)	(460,330)	(324,410)
• Maker[Space]Ship	(1.50)	(186,591)	(164,091)
• Vacant Position Elimination	(1.00)	(91,169)	(91,169)
<i>Subtotal</i>	(8.15)	(338,090)	(279,670)
PARKS, RECREATION AND NEIGHBORHOOD SERVICES DEPARTMENT			
• Beautify San José Stormwater Permit Implementation	14.00	8,153,041	7,833,263
• Beautify San José Continuation and Expansion	23.25	7,408,924	7,408,924
• Child and Youth Program Staffing	4.25	543,781	543,781
• Starbird and Berryessa Youth Center Staffing	3.75	283,083	283,083
• New Parks and Recreation Facilities Operations and Maintenance	4.18	247,000	247,000
• Neighborhood Associations Engagement Model	1.00	229,000	161,000
• Alum Rock Vegetation Management and Dam Oversight Staffing	1.00	212,144	212,144
• Racial Equity Senior Analyst	1.00	178,489	178,489
• Urban Canopy Enhancement Staffing	1.00	83,000	83,000
• Creek Clean-up Partners		75,000	75,000
• Happy Hollow Park and Zoo Staffing	(0.47)	34,452	34,452
• Vehicle Operations and Maintenance (Fleet Staffing)		19,001	19,001
• St. James Park Placemaking Staff	0.25	10,124	0
• Family Camp Maintenance Staffing	0.20	0	0
• Placemaking Program	(2.50)	(464,633)	(464,633)
• Community Center Fitness Centers	(5.30)	(397,060)	(397,060)

CITY SERVICE AREA
NEIGHBORHOOD SERVICES

PROPOSED BUDGET CHANGES

Proposed Changes	Positions	All Funds (\$)	General Fund (\$)
PARKS, RECREATION AND NEIGHBORHOOD SERVICES DEPARTMENT			
• Nature Program Staffing (Almaden Lake and Alum Rock Park)	(3.78)	(391,022)	(391,022)
• Vacant Position Elimination	(4.80)	(356,626)	(356,626)
<i>Subtotal</i>	37.03	15,867,698	15,469,796
PLANNING, BUILDING AND CODE ENFORCEMENT DEPARTMENT			
• Code Enforcement Operational Assessment		200,000	200,000
• Code Enforcement Multiple Housing Fee Program Staffing	1.00	99,499	99,499
• Illegal Dumping and Graffiti Response		50,000	50,000
• Cannabis Regulation Program Staffing	(1.00)	(211,842)	(211,842)
<i>Subtotal</i>	-	137,657	137,657
PUBLIC WORKS DEPARTMENT			
• Animal Care and Services Medical Services Staffing	1.00	321,508	321,508
• Animal Care and Services Technical Staffing	1.00	295,846	295,846
• Animal Care and Services Animal Adoption Pop-Up Events		200,000	200,000
• Animal Care and Services Administration Staffing	1.00	153,462	153,462
• Animal Care and Services Community Outreach		150,000	150,000
• Animal Care and Services Medical Contract Services		120,000	120,000
• Animal Care and Services Radio Replacements		62,500	62,500
<i>Subtotal</i>	3.00	1,303,316	1,303,316
<i>Subtotal Departments</i>	38.58	18,015,721	16,631,099
CITY-WIDE EXPENSES			
• BeautifySJ Grants		150,000	150,000
• Interim Housing Construction and Operation		(8,000,000)	(8,000,000)
• San Jose BEST and Safe Summer Initiative Programs	(1.00)	(131,936)	(131,936)
• Rebudgets	3.75	432,330	432,330
GENERAL FUND CAPITAL, TRANSFERS AND RESERVES			
• Artificial Intelligence, Workforce, and Technology – SJSU Partnership Reserve		100,000	100,000
• Earmarked Reserves: New Parks and Recreation Facilities Operations and Maintenance Reserve		(247,000)	(247,000)
<i>Subtotal Other Changes</i>	2.75	(7,696,606)	(7,696,606)
Total Proposed Budget Changes	41.33	10,319,115	8,934,493

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CITY SERVICE AREA

PUBLIC SAFETY



Mission: Engage the community to partner on public safety and emergency prevention, mitigation, preparedness, response, and recovery

CSA OUTCOMES

Primary Partners

City Manager's Office
Fire

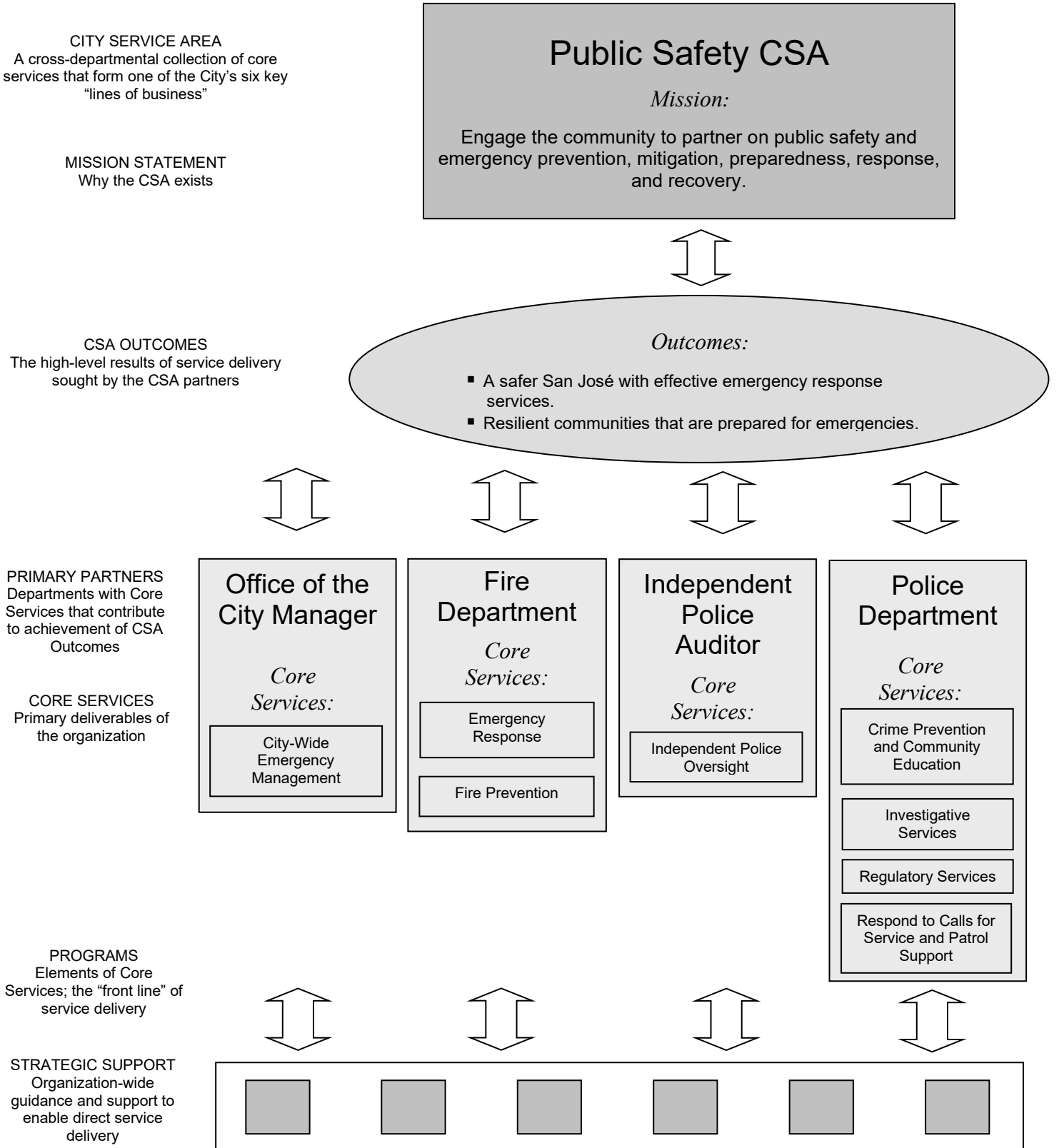
Independent Police Auditor
Police

- A safer San José with effective emergency response services
- Resilient communities that are prepared for emergencies

CITY SERVICE AREA

PUBLIC SAFETY

SERVICE DELIVERY FRAMEWORK

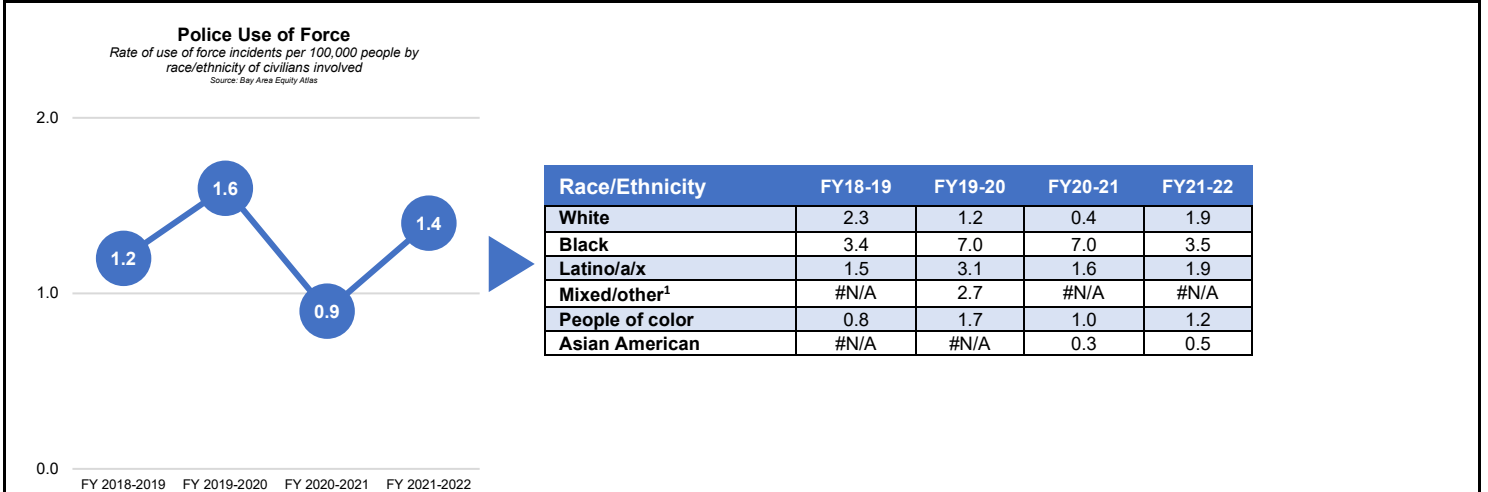
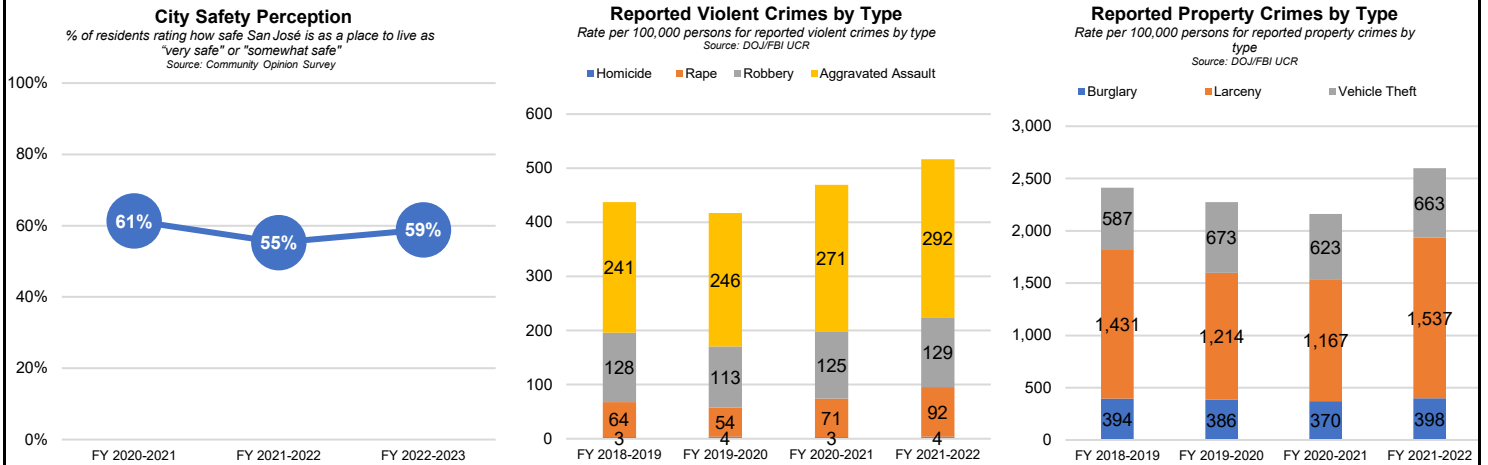


CITY SERVICE AREA

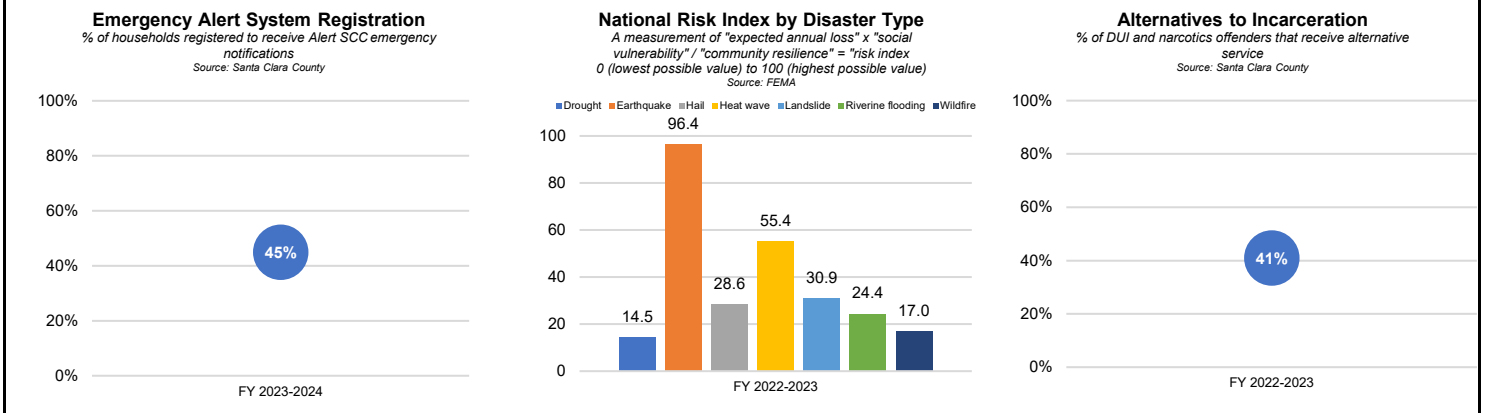
PUBLIC SAFETY

COMMUNITY INDICATORS DASHBOARD

OUTCOME 1: A SAFER SAN JOSÉ WITH EFFECTIVE EMERGENCY RESPONSE SERVICES



OUTCOME 2: RESILIENT COMMUNITIES THAT ARE PREPARED FOR EMERGENCIES



¹ The Bay Area Equity Atlas implemented a significant change to its race/ethnicity categorization. Starting in 2020-2021, the Atlas introduced a dedicated category for Asian American individuals providing a more comprehensive representation of this demographic group.

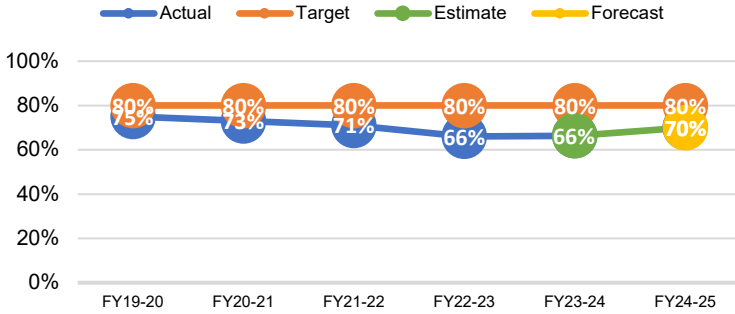
CITY SERVICE AREA

PUBLIC SAFETY

PERFORMANCE MEASURE DASHBOARD

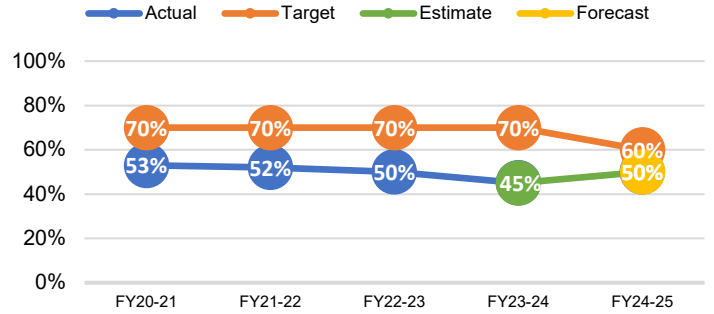
Fire Emergency Responsiveness

% of time the initial responding Fire unit arrives to Priority 1 calls within eight minutes (red lights/siren)¹



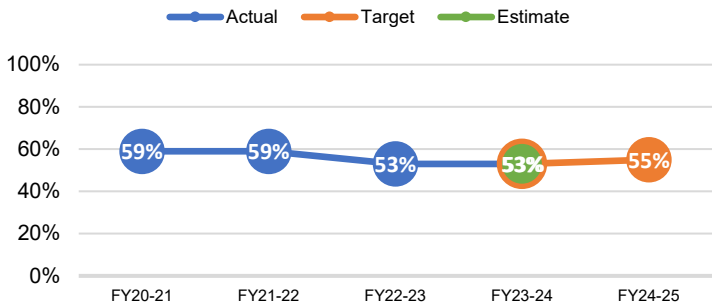
Police Emergency Responsiveness

% of time the first dispatched Police unit arrives to Priority 1 calls in less than six minutes (present or imminent danger)²



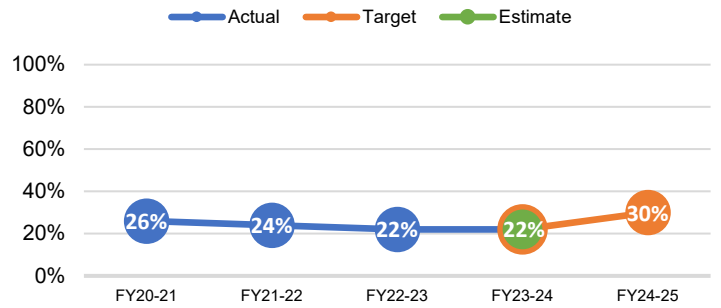
Quality of Fire Protection and Prevention

% of residents surveyed who rate the quality of fire protection and prevention as "good" or "excellent"³



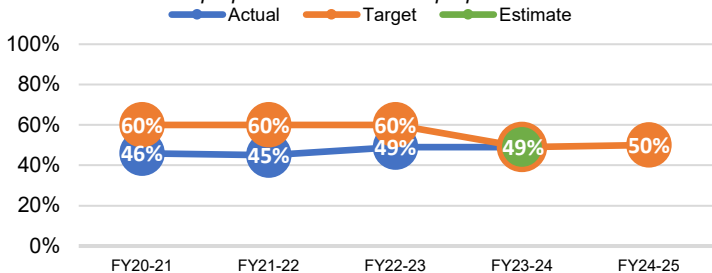
Quality of Police Protection

% of residents surveyed who rate the quality of police protection in their neighborhood as "good" or "excellent"³



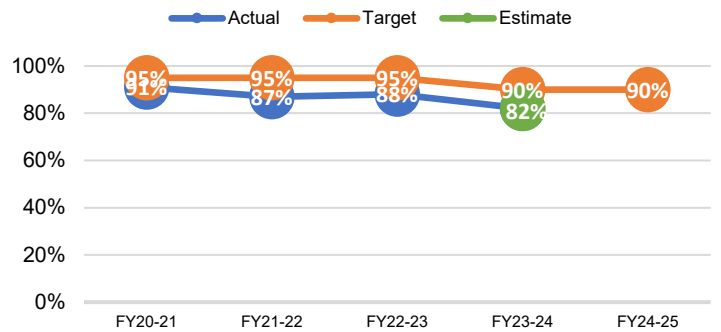
Resident Household Emergency Preparedness

% of residents surveyed rating of household preparedness for a natural disaster or other citywide emergency as "well prepared" or "somewhat prepared"



Emergency Calls for Service

% of 9-1-1 calls that are answered in less than 15 seconds⁴



¹ Fire Emergency Responsiveness -- The Department's target of responding to 80% of calls within 8 minutes is an interim step toward achieving the industry standard. The National Fire Protection Association (NFPA) 1710 (2020) requires alarm answering in 40 seconds 99% of the time, alarm processing in 106 seconds 99% of the time, allows 80 seconds of turnout time for fires, 60 seconds for EMS responses, and 240 seconds (4 minutes) 90% of the time for travel time with a first due engine arriving in 7.4 to 7.76 minutes.

² Police Emergency Responsiveness -- Priority 1 calls may be immediately updated to a lesser priority if incident circumstances change. This measure currently reports the Police Department's response time of all calls initially assigned Priority 1 (including those subsequently downgraded), leading to a substantial decrease in the reported metric. The Police Department intends to address this reporting issue in the next fiscal year's report. Additionally, updating the 2024-2025 target to 60% aligns this performance measure with those in the Envision San Jose 2040 General Plan.

³ Quality of Fire Protection and Prevention and Quality of Police Protection -- Estimates are not provided before 2023-2024 as the baseline will be established based on survey data. Targets will be populated in future Budget cycles.

⁴ Emergency Calls for Service -- These are 9-1-1 calls that are answered initially by the primary Public Safety Answering Point (PSAP) (dialed to 9-1-1) and include calls that will be transferred to Fire or other agencies after the initial contact. The California Governor's Office of Emergency Service standard is to answer 90% of calls for service within 15 seconds. Additionally, the Mayor's March Budget Message for 2024-2025 directed the City Administration to continue coordination with the County of Santa Clara to identify 9-1-1 calls for service that can be directed to alternative responses, which could impact overall call volume.

CITY SERVICE AREA

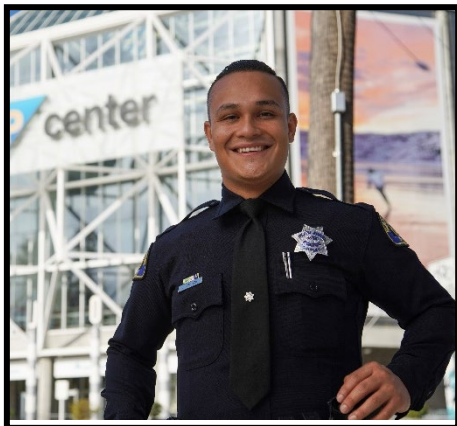
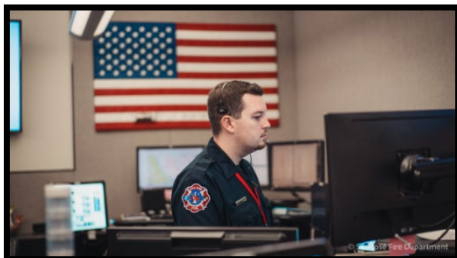
PUBLIC SAFETY

BUDGET SUMMARY

CSA Priorities/Expected 2024-2025 Service Delivery

- Respond to calls for service of essential emergency services (patrol, fire suppression, rescue, and emergency medical services) in a safe, efficient, and effective manner.
- Continue regional all-hazard emergency management planning, training, and exercises.
- Provide a police misconduct complaint process that is thorough, objective, and fair.
- Effectively investigate crimes and seek successful prosecution of suspects.
- Advance the deployment and use of technology to enhance the delivery of public safety services where possible.

2024-2025 Key Budget Actions



- In recognition that the Police Department has approximately 100 sworn vacancies of existing positions which would be filled prior to filling new positions, eliminates 17.0 Police Officer, 2.0 Police Sergeant and 1.0 Police Lieutenant positions from the Field Patrol Unit that had previously been added as part of the 2023-2024 Adopted Budget, but were not set to start until Fiscal Year 2024-2025.
- Adds one-time funding of \$575,000 to the Air Support Unit for a helicopter camera replacement.
- Adds 3.0 Background Investigator positions to complete the required background investigations for new Police Department hires.
- Adds 2.5 Police Cadet PT positions to the new Police Cadet Program to recruit, encourage, and prepare individuals for a successful career as a San José Police Officer.
- Adds one-time funding of \$100,000 to develop strategies to attract and hire more women in the Fire Department and add \$25,000 in ongoing funding for the Police Department to establish and run a Police Women's Bootcamp.
- Adds 1.0 Analyst position to advance departmental efforts to recover costs for authorized transport services through the Ambulance Transport and User Fee Program, with projected annual revenue of \$1.7 million.
- Adds \$2.3 million of one-time funding to assist with the purchase of a new truck for Fire Station 32 that is scheduled to come online in January 2026.
- Adds one-time non-personal/equipment funding of \$150,000 to replace 35 network switches at 33 fire stations that are approaching the end of their operational lives.

CITY SERVICE AREA

PUBLIC SAFETY

BUDGET SUMMARY

City Service Area Budget Summary**

	2022-2023 Actuals **	2023-2024 Adopted	2024-2025 Forecast	2024-2025 Proposed
Dollars by Core Service *				
<i>Office of the City Manager</i>				
City-Wide Emergency Management	6,034,660	4,248,899	2,704,297	2,851,297
<i>Fire Department</i>				
Strategic Support - Other - Public Safety	13,737,332	26,440,993	16,012,501	18,418,058
Strategic Support - Public Safety	6,939,406	7,770,882	8,008,364	8,414,834
Emergency Response	265,440,767	263,986,974	270,067,043	270,154,618
Fire Prevention	6,887,120	9,081,091	8,950,506	9,312,596
City-Wide Emergency Management	420	0	0	0
<i>Independent Police Auditor's Office</i>				
Independent Police Oversight	1,203,337	1,492,428	1,506,654	1,497,654
Strategic Support - Other - Public Safety	67,405	1,819	0	0
Strategic Support - Public Safety	0	136,176	147,809	147,809
<i>Police Department</i>				
Strategic Support - Other - Public Safety	19,007,413	19,537,824	9,621,130	9,621,130
Strategic Support - Public Safety	63,249,104	60,614,093	60,869,333	64,116,106
Crime Prevention and Community Education	6,009,244	7,396,741	8,007,298	8,007,298
Investigative Services	98,312,671	100,125,947	104,261,283	104,627,183
Regulatory Services	5,181,930	5,122,344	5,453,939	4,723,940
Respond To Calls For Service and Patrol Support	326,820,038	337,787,320	352,519,774	351,444,650
<i>Public Works Department</i>				
Strategic Support - Other - Public Safety	0	300,000	0	0
Total CSA	\$818,890,847	\$844,043,531	\$848,129,931	\$853,337,173
Authorized Positions	2,576.25	2,593.30	2,603.24	2,582.74

* Fund Balance, Transfers, and Reserves for funds that may be managed by the departments in this CSA have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** The positions displayed in the 2022-2023 Actuals column reflect those included in the 2022-2023 Adopted Budget. 2022-2023 Actuals may not subtotal due to rounding.

CITY SERVICE AREA

PUBLIC SAFETY

OVERVIEW

Budget Dollars at Work: Performance Goals

The Public Safety CSA encompasses City services focusing on crime, fire, emergency medical, hazardous, and disaster-related needs of the San José community. The CSA partners continuously evaluate public safety data to assess operational changes necessary to resolve crime, medical, or fire-related situations successfully. Despite the challenges of limited staff and increased demand for service, the CSA is engaged in an ongoing effort to organize and analyze data in the development of resource deployment strategies.

OUTCOME 1: A SAFER SAN JOSÉ WITH EFFECTIVE EMERGENCY RESPONSE SERVICES

Strategic Goals	CSA Performance Measures	2022-2023 Actual	2023-2024 Target	2023-2024 Estimate	2024-2025 Target	5-Year Goal
SG 1.1: Sustain a vibrant, safe community	Quality of Fire Protection and Prevention. % of residents surveyed who rate the quality of fire protection and prevention services as “good” or “excellent.” ¹ (<i>Fire</i>) PM 1.1.1	53%	53%	53%	55%	55%
	Quality of Emergency Medical Services. % of residents surveyed who rate the quality of Emergency Medical Services (EMS) as “good” or “excellent” (<i>Fire</i>) PM 1.1.2	47%	47%	47%	50%	50%
	Resident Household Emergency Preparedness. % of residents rating of household preparedness for a natural disaster or other citywide emergency as “well prepared” or “somewhat prepared.” (<i>OEM</i>) PM 1.1.3	49%	49%	49%	50%	50%
	Quality of Police Protection. % of residents surveyed who rate the providing of police protection in their neighborhood as “good” or “excellent.” ¹ (<i>Police</i>) PM 1.1.4	22%	22%	22%	30%	40%
	Quality of Traffic Law Enforcement. % of residents surveyed who rate the enforcing of traffic laws to protect the safety of pedestrians, cyclists, and drivers as “good” or “excellent.” (<i>Police</i>) PM 1.1.5	30%	30%	30%	35%	40%
SG 1.2: Build community trust through responsive safety services	Fire Emergency Responsiveness. % of time the initial responding Fire unit arrives to calls: PM 1.2.1					
	- Priority 1 (red lights/sirens; within eight minutes) ²	66%	80%	66%	70%	80%
	- Priority 2 (no red lights/sirens; within 13 minutes) (<i>Fire</i>)	91%	94%	90%	92%	94%
	Emergency Medical Services Responsiveness. % of Emergency Medical Services (EMS) response time compliance: PM 1.2.2					
	- EMS Code 3 (red lights/sirens; within eight minutes)	88%	95%	87%	90%	95%

CITY SERVICE AREA

PUBLIC SAFETY

OVERVIEW

Strategic Goals	CSA Performance Measures	2022-2023 Actual	2023-2024 Target	2023-2024 Estimate	2024-2025 Target	5-Year Goal
	- EMS Code 2 (no red lights/sirens; within 12 minutes) <i>(Fire)</i>	96%	95%	95%	95%	95%
	Police Emergency Responsiveness. % of time first dispatched Police unit arrives to calls:					
SG 1.2: Build community trust through responsive safety services	PM 1.2.3 - Priority 1 (present or imminent danger; less than six minutes) ³	50%	70%	45%	50%	60%
	- Priority 2 (actual or potential injury or property damage; less than 11 minutes) <i>(Police)</i>	38%	70%	34%	40%	60%
	Police Emergency Calls for Service and Reports:					
	- % of 9-1-1 calls that are answered less than 15 seconds ⁴	88%	90%	82%	90%	90%
	EM 1.2.4 - Average time in which emergency calls, including 9-1-1 calls, are answered (in seconds)	6.64	6.50	8.24	6.50	6.50
	- Average time in which Telephone Report Center (TRAC) calls are answered (in minutes) <i>(Police)</i>	3.62	6.00	3.33	5.00	5.00
	Change in Crime Incidents. % change in incidents of selected crime types (change in # of incidents) ⁵ <i>(Police and Fire)</i>	N/A	N/A	N/A	N/A	N/A
	PM 1.3.1					
	Police Case Clearance Rate. % of FBI Uniform Crime Reporting crime cases cleared ⁶ <i>(Police)</i>	N/A	N/A	N/A	N/A	N/A
	PM 1.3.2					
SG 1.3: Safeguard life, property, and the environment	PM 1.3.3 Motor Vehicle Collisions. Ratio of motor vehicle collisions ⁷ by type per 1,000 residents ⁸ <i>(Police)</i>	N/A	N/A	N/A	N/A	N/A
	Emergency Plans and Annexes Status:					
	- % of plans and annexes identified in the Emergency Operations Plan that have been completed	50%	90%	90%	90%	90%
	PM 1.3.4 - % of Emergency Operations Plans-related procedures, protocols, operating guides that have been completed	50%	75%	75%	90%	80%
	- % of plans that are current (updated within the past 5 years) <i>(OEM)</i>	50%	100%	100%	75%	90%

¹ Quality of Fire Protection and Prevention and Quality of Police Protection – Estimates are not provided prior to 2023-2024, as the baseline will be established based on survey data. Targets will be populated in future Budget cycles.

² Fire Emergency Responsiveness -- The Department's target of responding to 80% of calls within 8 minutes is an interim step toward achieving the industry standard. The National Fire Protection Association (NFPA) 1710 (2020) requires alarm answering in 40 seconds 99% of the time, alarm processing in 106 seconds 99% of the time, allows 80 seconds of turnout time for fires, and 60 seconds for EMS responses, and 240 seconds (4 minutes) 90% of the time for travel time with a first due engine arriving in 7.4 to 7.76 minutes.

³ Police Emergency Responsiveness – Priority 1 calls may be immediately updated to a lesser priority if incident circumstances change. This measure currently reports the Police Department's response time of all calls initially assigned Priority 1 (including those subsequently downgraded), leading to a substantial decrease in the reported metric. The Police Department intends to address this reporting issue in the next fiscal year's report. Additionally, updating the 2024-2025 target to 60% aligns this performance measure with those in the Envision San Jose 2040 General Plan.

⁴ These are 9-1-1 calls that are answered initially by the primary Public Safety Answering Point (PSAP) (dialed to 9-1-1) and include calls that will be transferred to Fire or other agencies after the initial contact. The California Governor's Office of Emergency Service standard is to answer 90% of calls for service within 15 seconds. Additionally, the March Budget Message for 2024-2025 directed the City Administration to continue coordination with the County of Santa Clara to identify 9-1-1 calls for service that can be directed to alternative responses, which could impact overall call volume.

⁵ New measure – data was not previously tracked and/or reported for the 2023-2024 Budget. The measure will include: Crimes Against Persons (i.e., Assault; Homicide Offenses; Human Trafficking Offenses; Kidnapping/Abduction Sex Offenses, Forcible); Crimes Against Property (i.e., Arson; Burglary/Breaking & Entering; Damage/Vandalism; Larceny; Motor Vehicle Theft; Robbery); and Crimes Against Society (i.e., Drug/Narcotic Offenses; Weapon Law Violations). Targets are anticipated to be further developed in 2024-2025.

⁶ Data is not available due to the implementation of the National Incident Based Reporting System (NIBRS). The Police Department's goal is to improve clearance rates. The measure will include: Homicide; Rape; Robbery; Aggravated Assault; Burglary; Larceny; Vehicle Theft; and Total Cleared. Targets are anticipated to be further developed in 2024-2025.

⁷ Motor vehicle collisions can be between a motor vehicle and an object (e.g., wall, tree, etc.; another motor vehicle; a pedestrian; or a bicyclist). Targets are anticipated to be further developed in 2024-2025.

⁸ New measure – data was not previously tracked and/or reported for the 2023-2024 Budget. The measure will include: Fatal, Injury, and Total. Targets are anticipated to be further developed in 2024-2025.

CITY SERVICE AREA

PUBLIC SAFETY

OVERVIEW

Budget Dollars at Work: Performance Goals

Residents are a critical link to community disaster preparedness in areas where first response may be several minutes away, requiring some self-reliance at the neighborhood level. The goal of crime, fire, and life safety education is to provide awareness and informational services to the community through multiple programs, including Police oversight, Police Volunteer Program, Neighborhood Watch, and Community Emergency Response Team (CERT) program.

OUTCOME 2: RESILIENT COMMUNITIES THAT ARE PREPARED FOR EMERGENCIES

Strategic Goals	CSA Performance Measures	2022-2023 Actual	2023-2024 Target	2023-2024 Estimate	2024-2025 Target	5-Year Goal	
SG 2.1: Prepare the community for emergencies through public safety education.	Types of Fire Safety Incidents. % change in fire safety incidents by type:						
	PM 2.1.1	- Wildfire preparedness	N/A ¹	N/A ¹	N/A ¹	N/A ¹	N/A ¹
		- Fire prevention in the home	N/A ¹	N/A ¹	N/A ¹	N/A ¹	N/A ¹
		- Fire safety equipment	N/A ¹	N/A ¹	N/A ¹	N/A ¹	N/A ¹
		- Seasonal and holiday safety (<i>Fire</i>)	N/A ¹	N/A ¹	N/A ¹	N/A ¹	N/A ¹
	Police Call Service Types. % of Police calls for service by type:						
	PM 2.1.2	- Online Reports	N/A ¹	N/A ¹	N/A ¹	N/A ¹	N/A ¹
		- Field Events (e.g., traffic stops)	N/A ¹	N/A ¹	N/A ¹	N/A ¹	N/A ¹
		- Non-Emergency Calls	N/A ¹	N/A ¹	N/A ¹	N/A ¹	N/A ¹
		- Emergency Calls (e.g., 9-1-1 calls) (<i>Police</i>)	N/A ¹	N/A ¹	N/A ¹	N/A ¹	N/A ¹
SG 2.2: Cultivate community-led partnerships to respond to emergencies.	PM 2.2.1	Community Emergency Response Team Certifications. % of Community Emergency Response Team (CERT) enrollees that graduate with a certification to provide basic disaster response (<i>OEM</i>)					
		54%	60%	58%	70%	85%	
SG 2.3: Mitigate and prepare for disasters and crime through planning and prevention.	PM 2.3.1	Completed Disaster Service Worker Trainings. % of all City employees completing required disaster service worker trainings:					
		- State Standardized Emergency Management System (SEMS) Accepted Courses of Instruction (ACI) training	25% ²	75%	94%	95%	95%
		- National Incident Management System (NIMS) training (<i>OEM</i>)	25% ²	75%	94%	95%	95%

¹ New measure – data was not previously tracked and/or reported for the 2023-2024 Budget and targets are anticipated to be further developed in 2024-2025.

² New measure – data provided is an estimate as it was not formally tracked and/or reported for the 2022-2023 Budget.

CITY SERVICE AREA

PUBLIC SAFETY

OVERVIEW

Public Safety CSA-Level Data Sources

Identifier	Data Source
PM 1.1.1	City of San José Community Survey Report -2023
PM 1.1.2	City of San José Community Survey Report -2023
PM 1.1.3	City of San José Community Survey Report -2023
PM 1.1.4	City of San José Community Survey Report -2023
PM 1.1.5	City of San José Community Survey Report -2023
PM 1.2.1	Firehouse and Computer Aided Dispatch System CAD
PM 1.2.2	Firehouse and Computer Aided Dispatch System CAD
PM 1.2.3	Computer Aided Dispatch System (CAD)
PM 1.2.4	Computer Aided Dispatch System (CAD)
PM 1.3.1	National Incident Based Reporting System (NIBRS)
PM 1.3.2	National Incident Based Reporting System (NIBRS)
PM 1.3.3	Versadex – records management system
PM 1.3.4	Internal Tracker
PM 2.1.1	Fire house and Computer Aided Dispatch System CAD
PM 2.1.2	Computer Aided Dispatch System (CAD)
PM 2.2.1	Class Registrations; Tracking Spreadsheets
PM 2.3.1	Disaster Service Worker Reports

CITY SERVICE AREA

PUBLIC SAFETY

PROPOSED BUDGET CHANGES

Proposed Changes	Positions	All Funds (\$)	General Fund (\$)
FIRE DEPARTMENT			
• Ambulance Transport and User Fee Program	1.00	156,470	156,470
• Fire Station Network Switches Replacement		150,000	150,000
• Women Recruitment Efforts		100,000	100,000
• Vehicle Operations and Maintenance (Fleet Staffing)		41,575	41,575
• Breathing Air Support Unit Retrofit		40,000	40,000
• New Fire Facilities Operations and Maintenance		6,000	6,000
• Non-Development Fee Program Realignment	0.00	0	362,090
<i>Subtotal</i>	1.00	494,045	856,135
OFFICE OF THE CITY MANAGER			
• Office of the Emergency Management - Emergency Preparedness and Response: Communication and Community Recovery Professional Services		150,000	150,000
• Office of Administration, Policy, and Intergovernmental Relations - Agenda Services Support Staffing		(3,000)	(3,000)
<i>Subtotal</i>	0.00	147,000	147,000
OFFICE OF THE INDEPENDENT POLICE AUDITOR			
• Non-Personal/Equipment Savings		(9,000)	(9,000)
<i>Subtotal</i>	0.00	(9,000)	(9,000)

CITY SERVICE AREA

PUBLIC SAFETY

PROPOSED BUDGET CHANGES

Proposed Changes	Positions	All Funds (\$)	General Fund (\$)
POLICE DEPARTMENT			
• Sworn and Non-Sworn Backgrounding	3.00	902,312	902,312
• Coyote and Guadalupe River Trail Patrol (Direct Discharge)		700,000	700,000
• Police Department Helicopter Camera Replacement		575,000	575,000
• Police Department Recruiting		520,000	520,000
• Police Security		500,000	500,000
• Police Department Equipment		417,331	417,331
• Police Department Equipment Replacement		380,200	380,200
• Police Public Records Team Staffing		350,000	350,000
• New Police Department Air Support Hangar Fixtures, Furniture and Equipment		325,000	325,000
• Real Time Crime Center (RTCC) Equipment		200,000	200,000
• Racial Equity Staffing	1.00	182,130	182,130
• Police Department Cadet Program	2.50	178,240	178,240
• Department of Justice Multi-Factor Authentication		175,000	175,000
• New Police Facilities Operations and Maintenance		101,000	101,000
• Traffic Safety and Illegal Sideshows		100,000	100,000
• Tow Program Staffing	1.00	91,065	91,065
• Vehicle Operations and Maintenance (Fleet)		83,064	83,064
• Police Women's Bootcamp		25,000	25,000
• Cannabis Regulation Program Staffing	(3.00)	(729,999)	(729,999)
• Community Service Officers Staffing	(7.00)	(1,283,442)	(1,283,442)
• Police Department Sworn Staffing	(20.00)	(2,150,251)	(2,150,251)
<i>Subtotal</i>	(22.50)	1,641,650	1,641,650
<i>Subtotal Departments</i>		(21.50)	2,273,694
		2,635,784	2,635,784
CITY-WIDE EXPENSES			
• Northern California Regional Intelligence Center Staffing		165,900	165,900

CITY SERVICE AREA

PUBLIC SAFETY

PROPOSED BUDGET CHANGES

Proposed Changes	Positions	All Funds (\$)	General Fund (\$)
GENERAL FUND CAPITAL, TRANSFERS AND RESERVES			
• Earmarked Reserves: Police Department Sworn Backfill Reserve		3,000,000	3,000,000
• Capital Contributions: Fire Station 32 Furniture, Fixtures and Equipment		2,270,000	2,270,000
• Capital Contributions: Fire Station 8 Furniture, Fixtures and Equipment		205,000	205,000
• Earmarked Reserves: Police Staffing Addition Reserve		(1,900,000)	(1,900,000)
• Earmarked Reserves: Police Equipment Replacement Sinking Fund Reserve		(1,000,000)	(1,000,000)
• Earmarked Reserves: Fire Equipment Replacement Sinking Fund Reserve		(395,000)	(395,000)
• Earmarked Reserves: New Police Facilities Operations and Maintenance Reserve		(101,000)	(101,000)
• Earmarked Reserves: New Fire Facilities Operations and Maintenance Reserve		(60,000)	(60,000)
Subtotal Other Changes	0.00	2,184,900	2,184,900
	(21.50)	4,458,594	4,820,684

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CITY SERVICE AREA

TRANSPORTATION AND AVIATION SERVICES



To provide the community with safe, secure, and efficient surface and air transportation systems that support San José's livability and economic vitality

CSA OUTCOMES

Primary Partners

Airport
Transportation

- Provide Safe and Secure Transportation Systems
- Provide Viable Transportation Choices that Promote a Strong Economy
- Travelers Have a Positive, Reliable, and Efficient Experience
- Preserve and Improve Transportation Assets and Facilities
- Provide a Transportation System that Enhances Community Livability

CITY SERVICE AREA

TRANSPORTATION AND AVIATION SERVICES

CITY SERVICE AREA
A cross-departmental collection of core services that form one of the City's 6 key "lines of business"

MISSION STATEMENT
Why the CSA exists

Transportation & Aviation Services CSA

Mission:

To provide the community with safe, secure, and efficient surface and air transportation systems that support San José's livability and economic vitality

CSA OUTCOMES
The high level results of service delivery sought by the CSA partners

Outcomes:

- Preserve and Improve Transportation Assets and Facilities
- Provide a Transportation System that Enhances Community Livability
- Provide Safe and Secure Transportation Systems
- Provide Viable Transportation Choices that Promote a Strong Economy
- Travelers Have a Positive, Reliable, and Efficient Experience

PRIMARY PARTNERS
Departments with Core Services that contribute to achievement of CSA Outcomes

CORE SERVICES
Primary deliverables of the organization

Airport Department

Core Services:

Airport Marketing and Communications

Airport Facilities

Airport Operations

Transportation Department

Core Services:

Parking Services

Pavement Maintenance

Street Landscape Maintenance

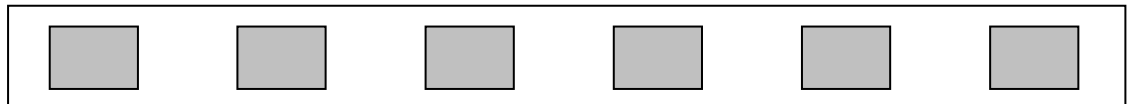
Traffic Maintenance

Transportation Planning and Project Delivery

Transportation Safety and Operations

PROGRAMS
Elements of Core Services; the "front-line" of service delivery

STRATEGIC SUPPORT
Organization-wide guidance and support to enable direct service delivery



CITY SERVICE AREA

TRANSPORTATION AND AVIATION SERVICES

DASHBOARD

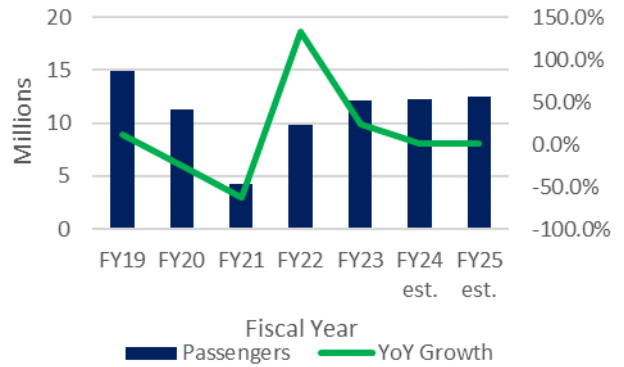
SJC Passenger Rating of Overall Satisfaction with the Airport

2023-2024 Estimate 2024-2025 Goal
83% **87%**

SJC Passengers Reporting Satisfaction with Airport Restaurant/Eating and Shopping Facilities

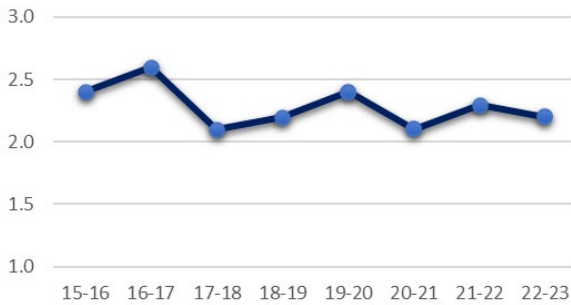
2023-2024 Estimate 2024-2025 Goal
67% **70%**

Annual Airport Passengers



Injury Crashes per 1,000 Population

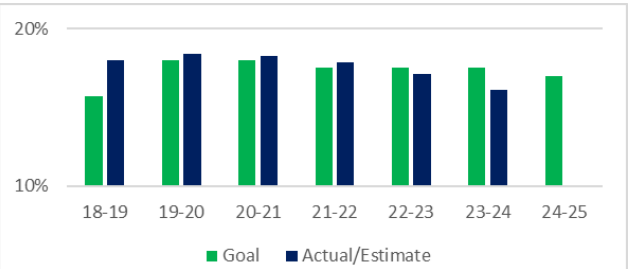
2023-2024 Estimate 2024-2025 Goal
2.2 **2.2**



of Regional Air Service Market

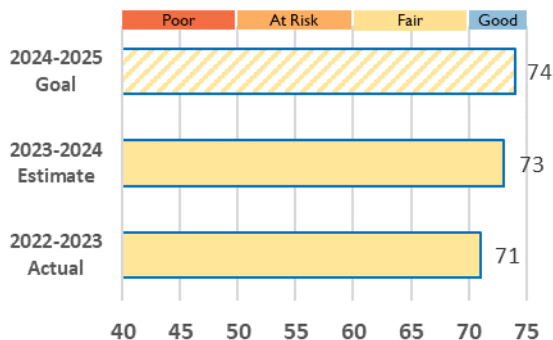
Bay Area Market Share

2023-2024 Estimate 2024-2025 Goal
16.1% **17.0%**

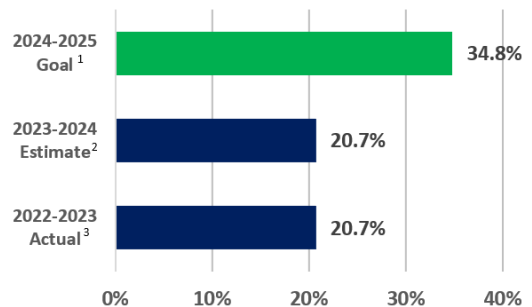


Pavement Condition Index (PCI) Rating

(MTC Recommended PCI = 75)



% of Trips by Alternative Modes of Transportation



1. Based on the Climate Smart Plan target of 75% by 2040.
2. Assumed to be the same as the previous year because the American Community Survey (ACS) data for 2023 was unavailable at time of reporting.
3. Based on results from 2022 ACS 5-year survey data.

CITY SERVICE AREA

TRANSPORTATION AND AVIATION SERVICES

BUDGET SUMMARY

CSA Priorities/Expected 2024-2025 Service Delivery

- Provide a safe transportation system for the traveling public through effective engineering, education, and enforcement. Prioritize implementation of Vision Zero Action Plan strategies to reduce traffic fatalities.
- Continue the efficient and effective repair and maintenance of the City's approximately 2,500 miles of transportation infrastructure, including streetlights, traffic signals, traffic and street signs, pavement, roadway markings, trees, landscaping, street sweeping, sidewalks, curb ramps, sewers, and storm drains.
- Provide parking for business, retail, and event customers and employees in Downtown parking facilities, as well as parking compliance services in support of businesses and programs.
- Operate San José Mineta International Airport (SJC) efficiently while meeting all regulatory requirements for security and safety.
- Continued recovery and restoration of flights and passenger traffic while providing exceptional customer service with new, modern, up-to-date services and amenities.
- Work collaboratively with Airport tenants and other stakeholders to grow the number of passengers and meet the needs of the current aviation travel market.

2024-2025 Key Budget Actions

- As directed by the Mayor's March Budget Message for Fiscal Year 2024-2025, as approved by the City Council, adds 1.0 Associate Engineer and 1.0 Senior Transportation Specialist and non-personal/equipment funding in the General Fund to develop and implement the City's Automated Speed Enforcement pilot program.
- Adds 1.0 Associate Engineer to support the Transportation Department's Pavement Engineering section and to lead coordination efforts with external stakeholders such as utility companies and private development projects.
- In alignment with City Council's focus area for increasing community safety around schools, adds 1.0 Engineer II position for the Safe Routes to School project in the Transportation Department.
- Eliminates 8.0 positions in the Transportation Department – 1.0 Associate Engineering Technician, 2.0 Associate Construction Inspectors, 1.0 Maintenance Worker I, 3.0 Maintenance Worker IIs, and 1.0 Transportation Specialist – as part of an organization-wide effort to evaluate the elimination of vacant positions in consideration of vacancy status and recruitment history, operational priority, and forecasted supporting revenues for 2024-2025, including Development Fee Programs, other supporting revenues, and capital project funding.
- As a cost reduction to help bring the General Fund into structural alignment, eliminates 1.0 Senior Office Specialist from the Transportation Department's Administrative Services Division.
- Adds 1.0 Division Manager position to provide the bandwidth necessary for the Airport's Planning and Development team to successfully manage and implement the Airport Tenant Improvement projects, the Airport's Sustainability Program, and the Airport's Capital Improvement Program.
- Adds one-time funding of \$270,000 for the removal and replacement of Per- and Polyfluorinated Substances (PFAS)-based firefighting foam in the Airport's Aircraft Rescue and Fire Fighting tanks in compliance with the Municipal Regional Stormwater Permit.
- Adds one-time non-personal/equipment funding of \$375,000 related to regulatory maintenance to procure automatic generator transfer switches to increase the Airport's emergency response preparedness efforts and for sweeping, power washing, and testing of the airfield runway area to support efficient, effective, and safe operations at the Airport.
- Adds ongoing non-personal/equipment funding of \$225,000 to conduct required Transportation Security Administration randomized screening of aviation employees.
- Adds one-time non-personal/equipment funding of \$100,000 in the Airport Department, as directed by the Mayor's March Budget Message for Fiscal Year 2024-2025, as approved by City Council, to support a destination marketing/tourism campaign managed by Team San Jose as the City's Convention and Visitors Bureau, and in partnership with hospitality and arts stakeholders.

CITY SERVICE AREA

TRANSPORTATION AND AVIATION SERVICES

BUDGET SUMMARY

City Service Area Budget Summary**

	2022-2023 Actuals **	2023-2024 Adopted	2024-2025 Forecast	2024-2025 Proposed
Dollars by Core Service *				
<i>Airport Department</i>				
Strategic Support - Other - Transportation & Aviation	91,393,285	77,991,500	88,224,536	88,206,906
Strategic Support - Transportation & Aviation	16,083,552	18,121,851	19,780,613	19,904,480
Airport Facilities	35,785,043	39,545,441	43,160,336	43,513,015
Airport Operations	27,076,757	36,758,384	38,876,873	39,158,059
Airport Marketing and Communications	3,787,857	3,745,992	3,920,707	4,020,707
<i>Transportation Department</i>				
Street Landscape Maintenance	19,012,186	25,773,970	23,610,957	23,167,404
Parking Services	19,349,283	22,350,069	22,411,328	23,019,562
Pavement Maintenance	12,709,004	11,274,294	12,127,120	11,786,746
Traffic Maintenance	16,297,296	18,428,199	20,023,074	20,187,074
Transportation Safety and Operations	17,137,056	15,775,593	16,122,189	16,446,956
Transportation Planning and Project Delivery	11,497,508	10,666,208	11,417,242	11,597,651
Strategic Support - Other - Transportation & Aviation	9,074,470	9,237,418	18,894,752	18,894,752
Strategic Support - Transportation & Aviation	4,543,505	3,896,516	3,990,055	4,176,720
Total CSA	\$283,746,803	\$293,565,435	\$322,559,782	\$324,080,032
 Authorized Positions	 588.94	 606.26	 600.51	 599.51

* Fund Balance, Transfers, and Reserves for funds that may be managed by the departments in this CSA have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** The positions displayed in the 2022-2023 Actuals column reflect those included in the 2022-2023 Adopted Budget. 2022-2023 Actuals may not subtotal due to rounding.

CITY SERVICE AREA

TRANSPORTATION AND AVIATION SERVICES

OVERVIEW

Budget Dollars at Work: Performance Goals

The TAS CSA facilitates the movement of people and goods in a manner that both strengthens the economy and enhances the quality of life for San José residents. The TAS CSA is responsible for a wide range of services, operations, and infrastructure that support other City Service Areas, chiefly Community and Economic Development and Public Safety.

OUTCOME 1: PROVIDE SAFE AND SECURE TRANSPORTATION SYSTEMS

Strategic Goals	CSA Performance Measures	2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target	5-Year Goal
Improve Surface Transportation System Safety	1. % of residents rating traffic conditions as safe while:					
	Driving	70%	82%	82%	82%	85%
	Bicycling	49%	48%	48%	48%	60%
	Walking	60%	75%	75%	75%	78%
	2. # of injury crashes per 1,000 population	2.5	2.2	2.2	2.2	2.0
	3. # of pedestrian and bicycle-related injury crashes per 1,000 population ¹	0.57	0.47	0.50	0.50	0.45
Achieve Safe and Secure Air Transportation System and Infrastructure	1. Pass Annual Federal Aviation Regulation FAR 139 inspection with no discrepancies identified ²	0%	100%	0%	100%	100%

¹ Pedestrian and bicycle related injury crashes include scooters.

² The FAR 139 inspections assess the Airport's adherence to operational and safety standards ensuring safety in air transportation. The FAR 139 inspection will not pass Airport unless there are zero discrepancies. A 0% means at least one minor discrepancy was found, and a 100% means zero discrepancies were found.

CITY SERVICE AREA

TRANSPORTATION AND AVIATION SERVICES

OVERVIEW

Budget Dollars at Work: Performance Goals

OUTCOME 2: PROVIDE VIABLE TRANSPORTATION CHOICES THAT PROMOTE A STRONG ECONOMY

Strategic Goals	CSA Performance Measures	2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target	5-Year Goal
Facilitate Completion of Planned Local and Regional Transportation System	1. % of planned roadway network changes in the Envision San José 2040 General Plan complete	75%	70%	77%	74%	79%
	2. % of planned bikeway network complete ¹	42%	47%	46%	50%	86%
	3. % of residents rating the City service in providing bike lanes and paths as good or better	55%	60%	60%	60%	60%
Expand Use of Alternate Commute Options	1. % of trips by alternative modes of transportation	21%	30%	21%	35%	49%
	2. % reduction in citywide daily vehicle-miles traveled per service population from the 2018 level	25%	8%	30%	11%	14%
Meet Communities' Needs for Air Service Destinations and Frequencies	1. SJC Passenger rating of overall satisfaction with the Airport	85%	87%	83%	83%	85%
	2. % of regional air service market	17.1%	17.5%	16.1%	17.0%	18.0%
Cost to Airlines of Operating at the Airport is Competitive with other Airports in the Region	1. Airline cost per enplaned passenger	\$13.67	\$15.91	\$15.22	\$16.50	\$20.00

¹ Progress on current Bike Plan, which is called Better Bike Plan 2025.

CITY SERVICE AREA

TRANSPORTATION AND AVIATION SERVICES

OVERVIEW

Budget Dollars at Work: Performance Goals

OUTCOME 3: TRAVELERS HAVE A POSITIVE, RELIABLE, AND EFFICIENT EXPERIENCE

Strategic Goals	CSA Performance Measures	2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target	5-Year Goal
Passengers Have a Positive Experience When Using the Airport	1. SJC passengers reporting satisfaction of Airport restaurant/eating and shopping facilities	74%	77%	57%	70%	70%
Improve Traffic Flow on Major Streets	1. % of residents rating commute traffic flow on city streets as "acceptable" or better	63%	55%	N/A ¹	64%	65%

¹ Data for this measure is collected through the annual City-Wide Community Survey. The survey is issued late summer, which is after the publication of the budget document; data will not be available in time. However, 2023-2024 community survey data will be reported as part of the City Auditor's Annual Report on City Services in the winter of 2024-2025 and as 2023-2024 Actuals in the 2025-2026 Proposed Budget. The next community survey will be conducted in late summer 2024.

CITY SERVICE AREA

TRANSPORTATION AND AVIATION SERVICES

OVERVIEW

Budget Dollars at Work: Performance Goals

OUTCOME 4: PRESERVE AND IMPROVE TRANSPORTATION ASSETS AND FACILITIES

Strategic Goals	CSA Performance Measures	2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target	5-Year Goal
Maintain Pavement Surfaces in Good Condition	1. % of residents rating "neighborhood" streets in "Excellent" or "Good" condition	45%	60%	60%	65%	75%
	2. % of streets rated in "good" or better condition (70 or greater on a 1-100 scale)					
	Major Streets	78%	77%	78%	79%	76%
	Local/Residential Streets	67%	56%	69%	70%	70%
	3. City average Pavement Condition Index (PCI) rating (Metropolitan Transportation Commission recommended condition level is a PCI of 70-79)	71	72	73	74	76
Maintain Traffic Devices in Good Condition	1. % of traffic signals, signs, and markings in "good" or better condition (visible and functioning properly)	59%	60%	57%	60%	60%
Preserve and Enhance Neighborhood Streetscape	1. % of residents rating streetscapes in "good" or better condition (includes: sidewalks, street lights, landscaping, and trees)	46%	50%	45%	60%	60%
	2. % of residents rating adequacy of street lighting as "good" or better	49%	70%	68%	70%	70%

OUTCOME 5: PROVIDE A TRANSPORTATION SYSTEM THAT ENHANCES COMMUNITY LIVABILITY

Strategic Goals	CSA Performance Measures	2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target	5-Year Goal
Provide Neighborhood-Friendly Traffic Operations	1. % of residents rating traffic impacts in their neighborhood as "acceptable" or better	79%	75%	75%	75%	75%

CITY SERVICE AREA

TRANSPORTATION AND AVIATION SERVICES

PROPOSED BUDGET CHANGES

Proposed Changes	Positions	All Funds (\$)	General Fund (\$)
AIRPORT DEPARTMENT			
• Aircraft Rescue and Firefighting Foam Disposal		270,000	0
• TSA Mandated Screening		225,000	0
• Airport Generator Transfer Switch Maintenance		200,000	0
• Airport Planning and Development Division Staffing	1.00	176,876	0
• Airfield Maintenance Enhancement		175,000	0
• Airport Accounting Staffing	1.00	122,407	0
• Airport Sign Shop Staffing	1.00	118,135	0
• Airport Destination Marketing		100,000	0
• Vacant Position Elimination	(3.00)	(529,686)	0
<i>Subtotal</i>	0.00	857,732	0
TRANSPORTATION DEPARTMENT			
• Vehicle Abatement Program	1.00	459,835	459,835
• Automated Speed Enforcement Pilot	2.00	415,281	415,281
• Red Light Running Pilot		200,000	200,000
• Racial Equity Staffing	1.00	186,665	186,665
• Local Project Delivery and Grants Management	1.00	180,409	0
• New Traffic Infrastructure Assets Operations and Maintenance		164,000	164,000
• Pavement Program Asset and Utility Management	1.00	153,968	0
• Safe Routes to School	1.00	136,197	0
• Vacant Position Elimination	(7.00)	(1,077,355)	(410,553)
• Front Desk Support	(1.00)	(105,852)	(105,852)
• Special Assessment District Landscape Maintenance		(33,000)	0
<i>Subtotal</i>	(1.00)	680,148	909,376
Subtotal Departments	(1.00)	1,537,880	909,376
GENERAL FUND CAPITAL, TRANSFERS AND RESERVES			
• Earmarked Reserves: Oversized Vehicle Regulation Reserve		1,500,000	1,500,000
• Earmarked Reserves: New Traffic Infrastructure Assets Operations and Maintenance Reserve		(164,000)	(164,000)
Subtotal Other Changes	0.00	1,336,000	1,336,000
Total Proposed Budget Changes	(1.00)	2,873,880	2,245,376

CITY SERVICE AREA

STRATEGIC SUPPORT



MISSION

To effectively develop, manage, and safeguard the City's fiscal, physical, technological, and human resources to enable and enhance the delivery of City services and projects

Primary Partners

Finance

Human Resources

Information Technology

Public Works

CSA OUTCOMES

- ❑ Sound Fiscal Management that Facilitates Meeting the Needs of the Community
- ❑ A High Performing Workforce Committed to Exceeding Internal and External Customer Expectations
- ❑ Technology and Data Tools that Enable a Collaborative, Responsive, and Productive City
- ❑ Safe and Functional Public Infrastructure, Facilities, and Equipment

CITY SERVICE AREA

STRATEGIC SUPPORT

SERVICE DELIVERY FRAMEWORK

CITY SERVICE AREA
Cross-departmental core services that form one of the City's six (6) key "lines of business"

MISSION STATEMENT
Why the CSA exists

CSA OUTCOMES
The high-level results of service delivery sought by the CSA partners

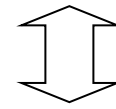
PRIMARY PARTNERS
Departments with Core Services that contribute to achievement of CSA Outcomes

CORE SERVICES
Primary deliverables of the organization

Strategic Support CSA

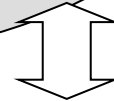
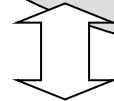
Mission:

To effectively develop, manage, and safeguard the City's fiscal, physical, technological, and human resources to enable and enhance the delivery of City services and projects



Outcomes:

- Sound Fiscal Management that Facilitates Meeting the Needs of the Community
- A High Performing Workforce Committed to Exceeding Internal & External Customer Expectations
- Technology and Data that Enable a Collaborative, Responsive, & Productive City
- Safe and Functional Public Infrastructure, Facilities, & Equipment



Finance Department

Core Services:

Debt and Treasury Management

Disbursements

Financial Reporting

Purchasing and Risk Management

Revenue Management

Human Resources Department

Core Services:

Employee Benefits

Employment Services

Health and Safety

Training and Development

CITY SERVICE AREA

STRATEGIC SUPPORT

SERVICE DELIVERY FRAMEWORK

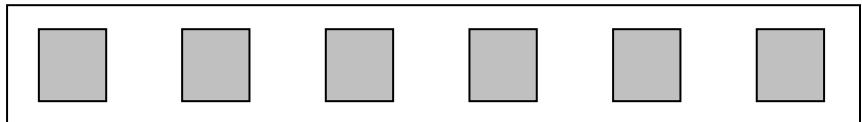
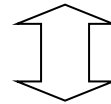
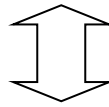
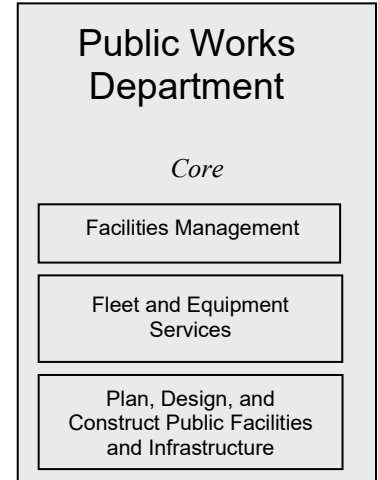
PRIMARY PARTNERS
Departments with Core Services that contribute to achievement of CSA Outcomes

Residents accessing Citywide informational and business services

CORE SERVICES
Primary deliverables of the organization

PROGRAMS
Elements of Core Services; the "front-line" of service delivery

STRATEGIC SUPPORT
Organization-wide guidance and support to enable direct service delivery



CITY SERVICE AREA

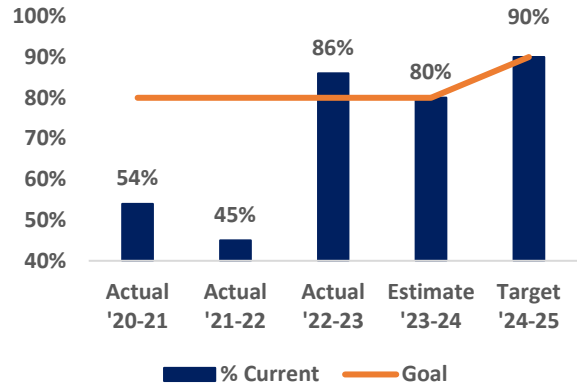
STRATEGIC SUPPORT

DASHBOARD

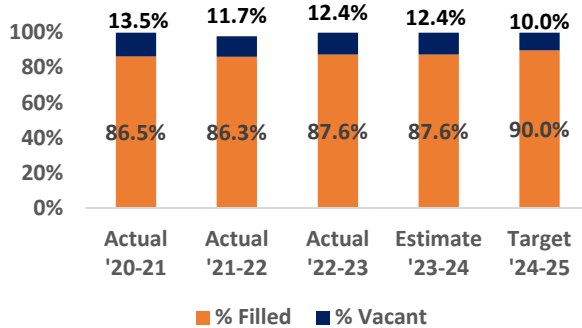
**City's Bond Ratings
(General Obligation Bond Rating)**

	Moody's	Standard & Poor's	Fitch
Actual '19-20	Aa1	AA+	AA+
Actual '20-21	Aa1	AA+	AAA
Actual '21-22	Aa1	AA+	AAA
Actual '22-23	Aa1	AA+	AAA
Actual '23-24	Aa1	AA+	AAA
Target '24-25	Aa1	AA+	AAA

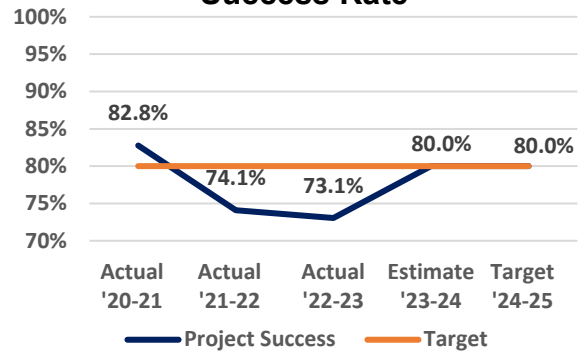
% of Non-Management Employee Performance Reviews Submitted within 60 days of rating period



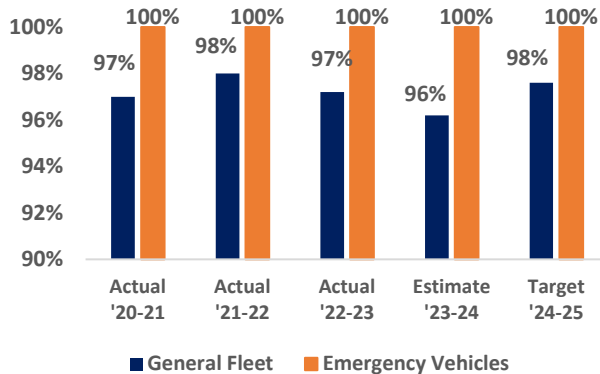
% of Positions Filled as a Total of Budgeted Positions



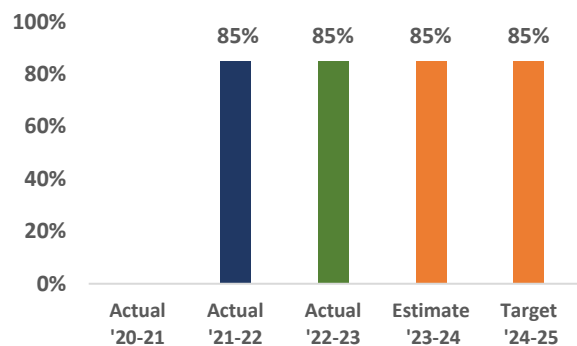
% of Information Technology Project Success Rate



% of Vehicles and Equipment that is Available for Use When Needed



% of Facilities with a Condition Assessment Rating of Good or Better¹



¹ Data was not collected in 2020-2021 due to COVID-19 emergency work prioritization.

CITY SERVICE AREA

STRATEGIC SUPPORT

BUDGET SUMMARY

CSA Priorities/Expected 2024-2025 Service Delivery

- Ensure the City's financial resources are protected and available to address the short-term and long-term needs of the community; make accurate and timely payments to City employees and vendors; provide accurate and timely financial reports; procure and deliver top-notch products and services; and deploy efficient business systems and processes for timely billing and collection efforts.
- Hiring for Talent: Continue to reduce vacancies by evaluating, streamlining, and innovating for effective hiring practices and building long-term capacity through strategic pipeline programs.
- Maintain City facilities, equipment, and vehicles, and manage space usage; oversee the City's capital projects, ensuring on-time and on-budget delivery of facilities that meet both customers and City staff needs.
- Champion City priorities and equity solutions using technology and data to transform City services. Execute initiatives with City departments that identify and resolve service needs that lift San José's people. Provide the data and analytics resources for City departments to drive towards decision-making informed by data. Enable teams that train and practice service design skills that improve the accessibility, responsiveness, and positive outcomes for City residents and businesses.

2024-2025 Key Budget Actions

- Makes permanent 1.0 Analyst position and extends 1.0 Analyst and 1.0 Accounting Technician positions through June 30, 2025 in the Finance Disaster Recovery and Grants Management group.
- Adds 1.0 Enterprise Supervising Technology Analyst position to provide additional capacity in the Cybersecurity Team under the Chief Information Security Officer to evaluate and respond to cybersecurity threats.
- Eliminates 1.0 vacant Program Manager position, extends 3.0 Analyst I/II positions and adds 1.0 Senior Analyst position, through June 30, 2025, in the Employment Division to advance recruitment efforts previously initiated under the Recruitment Centralization Pilot Program.
- Continues and makes permanent 1.0 Senior Analyst position, adds 1.0 Senior Analyst through June 30, 2025, and adds \$250,000 to support the San José 311 Program.
- Adds 1.0 Enterprise Supervising Technology Analyst position to provide additional capacity in the Cybersecurity Team under the Chief Information Security Officer to evaluate and respond to cybersecurity threats.
- Makes permanent 1.0 Senior Systems Applications Programmer (SSAP) position and extends 1.0 System Application Programmer position in Public Works Technology Services Division's Capital Project Management System (CPMS) team to support CPMS development.
- Adds 1.0 Equipment Maintenance Supervisor position to provide strategic support to the Fleet Manager focusing on fleet sustainability and energy resiliency and resource the division to continue to maintain current service levels to the growing fleet of vehicles.

CITY SERVICE AREA

STRATEGIC SUPPORT

BUDGET SUMMARY

City Service Area Budget Summary**

	2022-2023 Actuals **	2023-2024 Adopted	2024-2025 Forecast	2024-2025 Proposed
Dollars by Core Service *				
<i>Finance Department</i>				
Debt and Treasury Management	296,075,123	6,044,562	6,241,980	6,032,828
Disbursements	2,996,373	3,420,545	3,308,624	3,282,939
Financial Reporting	3,487,700	4,487,586	3,657,257	3,747,257
Purchasing and Risk Management	5,942,440	7,555,781	8,091,271	8,091,271
Revenue Management	8,874,659	12,555,250	9,022,742	8,838,829
Strategic Support - Other - Strategic Support	30,191,470	50,922,448	51,640,702	51,648,575
Strategic Support - Strategic Support	3,356,031	3,454,456	2,609,264	3,041,794
<i>Human Resources Department</i>				
Employee Benefits	98,445,588	108,633,830	121,081,930	121,081,930
Employment Services	4,106,078	4,874,239	4,630,608	5,200,988
Health and Safety	6,841,565	6,847,355	7,626,689	7,626,689
Strategic Support - Other - Strategic Support	1,934,776	2,348,498	2,308,903	2,131,687
Strategic Support - Strategic Support	2,078,225	2,502,425	1,633,749	1,633,749
Training and Development	1,018,400	1,957,997	2,263,931	2,188,931
<i>Information Technology Department</i>				
Business Solutions	11,090,130	13,821,333	15,222,258	14,874,002
San José 311	2,904,638	3,373,658	2,808,164	3,411,494
Strategic Support - Other - Strategic Support	82,545	821,987	983,962	895,091
Strategic Support - Strategic Support	6,299,925	8,198,723	5,996,588	6,288,282
Technology Infrastructure and Operations	10,776,751	16,992,122	12,183,983	12,529,748
<i>Public Works Department</i>				
Facilities Management	36,638,800	37,239,632	47,145,123	46,645,238
Fleet and Equipment Services	31,719,002	43,865,142	39,466,773	39,616,690
Plan, Design, and Construct Public Facilities and Infrastructure	39,285,580	48,776,496	54,371,755	52,145,835
Strategic Support - Other - Strategic Support	23,025,947	60,637,545	38,080,541	38,267,870
Strategic Support - Strategic Support	25,602,710	13,057,455	13,437,453	13,992,526
Dollars by Core Service Subtotal	\$652,774,454	\$462,389,065	\$453,814,250	\$453,214,243
MAYOR, CITY COUNCIL, AND APPOINTEES	\$88,816,988	\$120,700,808	\$93,023,803	\$96,601,333
Total CSA	\$741,591,441	\$583,089,873	\$546,838,053	\$549,815,576

* Fund Balance, Transfers, and Reserves for funds that may be managed by the departments in this CSA have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** The positions displayed in the 2022-2023 Actuals column reflect those included in the 2022-2023 Adopted Budget. 2022-2023 Actuals may not subtotal due to rounding.

CITY SERVICE AREA

STRATEGIC SUPPORT

OVERVIEW

Budget Dollars at Work: Performance Goals

OUTCOME 1: A HIGH PERFORMING WORKFORCE COMMITTED TO EXCEEDING INTERNAL AND EXTERNAL CUSTOMER EXPECTATIONS

Strategic Goals	CSA Performance Measures	2022-2023 Actuals	2023-2024 Target	2023-2024 Estimate	2024-2025 Target	5-Year Goal
Develop and encourage supervisors and managers that support a high-performing workforce	1. % of employee performance reviews submitted within 60 days of the end of the rating period ¹	86%	90%	80%	90%	95%
Attract, hire, and retain employees	1. Citywide vacancy rate	12.4%	10%	12.4%	10%	9%
Provide the necessary and required safety & health services that ensure employee health, safety and well-being	1. # of open Workers' Compensation claims	2,491	2,650	1,941	2,650	2,300
Foster a shared vision with employees about the characteristics of a high-performing workforce	1. % of the public having contact with City employees who are satisfied or very satisfied with the:					
	- timeliness of City employees	61%	70%	N/A ²	70%	83%
	- courtesy of City employees	75%	75%	N/A ²	75%	83%
	- competency of City employees	61%	70%	N/A ²	70%	83%

¹ Reflects the revised common standard for the timely completion of performance appraisals, in accordance with Recommendation #4 of the City Auditor's February 2024 audit report, "Non-Management Performance Appraisals: The Administration Should Improve and Clarify Appraisal Processes."

² Data for this measure is collected through the annual City-Wide Community Survey. The next survey will be issued late summer, which is after the publication of this budget document. However, 2023-2024 community survey data will be reported as part of the City Auditor's Annual Report on City Services for 2023-2024 and the 2023-2024 Actuals will be included in the 2025-2026 Proposed Budget. The next community survey will be conducted in late summer 2024.

CITY SERVICE AREA

STRATEGIC SUPPORT

OVERVIEW

Budget Dollars at Work: Performance Goals

OUTCOME 2: SAFE AND FUNCTIONAL PUBLIC INFRASTRUCTURE, FACILITIES, AND EQUIPMENT

Strategic Goals	CSA Performance Measures	2022-2023 Actuals	2023-2024 Target	2023-2024 Estimate	2024-2025 Target	5-Year Goal
Provide well-maintained facilities that meet customer needs	1. % of facilities with a condition assessment rating of good or better (3 or better on a 5-point scale)	85%	85%	85%	85%	85%
	2. % of customers who rate facility services as good or excellent based on timeliness of response and quality of work	76%	85%	85%	85%	85%
	3. % of health & safety concerns mitigated within 24 hours	81% ¹	100%	85% ¹	100%	100%
Provide and maintain equipment that meets customer needs	1. % of vehicles and equipment that is available for use when needed:					
	• Emergency Vehicles	100%	100%	100%	100%	100%
	• General Fleet	97%	97%	98%	98%	98%
	2. % of fleet in compliance with replacement cycle:					
	• Emergency Vehicles	100%	100%	100%	100%	100%
• General Fleet	83%	83%	85%	85%	85%	

¹ Some work orders had been miscategorized as Priority One (those with health and safety concerns), causing the metric to track below its standard of 100%. Public Works continues to respond to all health and safety emergencies within 24 hours.

OUTCOME 3: EFFECTIVE USE OF TECHNOLOGY

Strategic Goals	CSA Performance Measures	2022-2023 Actuals	2023-2024 Target	2023-2024 Estimate	2024-2025 Target	5-Year Goal
Deploy technology resources effectively	1. % of customers rating services as "Good" or "Excellent"					
	-IT Overall	92.07%	≥80%	85%	≥80%	≥80%
	-Business Solutions	90.57%	≥80%	85%	≥80%	≥80%
	-Strategic Support	92.72%	≥80%	85%	≥80%	≥80%
	-Technology Infrastructure and Operations	92.41%	≥80%	85%	≥80%	≥80%
	-Help Desk	93.60%	≥80%	85%	≥80%	≥80%
	-Products-Projects Management	N/A ¹	≥80%	80%	≥80%	≥80%
	2. Uptime and availability					
	-Business applications	98.31%	≥99.9%	99.9%	≥99.9%	≥99.8%
	-Systems	99.31%	≥99.9%	99.8%	≥99.9%	≥99.8%
	-Network	99.80%	≥99.9%	99.9%	≥99.9%	≥99.8%
	3. % of project success (schedule, cost, scope, value)	73.05%	≥80%	80%	≥80%	≥80%

¹ The data was not available for 2022-2023 actuals. The department will conduct a separate survey for Products-Projects Management starting in 2024-2025.

CITY SERVICE AREA

STRATEGIC SUPPORT

OVERVIEW

Budget Dollars at Work: Performance Goals

OUTCOME 4: SOUND FISCAL MANAGEMENT THAT FACILITATES MEETING THE NEEDS OF THE COMMUNITY

Strategic Goals	CSA Performance Measures	2022-2023 Actuals	2023-2024 Target	2023-2024 Estimate	2024-2025 Target	5-Year Goal
Maintain City's bond ratings ¹	1. City's bond ratings: (General Obligation Bond Rating)					
	• Moody's	Aa1	Aa1	Aa1	Aa1	Aa1
	• Standard & Poor's	AA+	AA+	AA+	AA+	AA+
	• Fitch	AAA	AAA	AAA	AAA	AAA
Improve and protect the financial management system and have it available to address short- and long-term needs	1. % of vendor disbursements paid accurately and timely	95%	91%	95%	95%	95%
	2. % of payroll disbursements paid accurately and timely	99%	99%	99%	99%	99%
Ensure customers have the financial information they need to make informed decisions	1. % of financial reports that are produced on time	98%	99%	98%	98%	99%

¹ The City's general credit rating is rated Aa1/AA+/AAA by all three leading national rating agencies, Moody's, Standard & Poor's, and Fitch, respectively. The Finance Department will continue efforts to maintain favorable bond ratings.

**CITY SERVICE AREA
STRATEGIC SUPPORT**

PROPOSED BUDGET CHANGES

Proposed Changes	Positions	All Funds (\$)	General Fund (\$)
FINANCE DEPARTMENT			
• Disaster Recovery and Grant Management Staffing	3.00	397,939	134,717
• Specialized Accounting Staffing		90,000	27,000
• Administrative Services Staffing		34,591	34,591
• Debt Management Staffing	(1.00)	(209,152)	(209,152)
• Revenue Management Staffing	(1.00)	(145,084)	(145,084)
• Revenue Compliance Staffing	(0.33)	(38,829)	(38,829)
• Accounting Staffing		(25,685)	(25,685)
<i>Subtotal</i>	0.67	103,780	(222,442)
HUMAN RESOURCES DEPARTMENT			
• Recruitment Staffing	3.00	412,314	412,314
• Classification and Compensation Staffing	1.00	158,066	158,066
• Learning and Development		(75,000)	(75,000)
<i>Subtotal</i>	4.00	495,380	495,380
INFORMATION TECHNOLOGY DEPARTMENT			
• San José 311 Program	2.00	603,330	603,330
• Hyperconverged Infrastructure		440,000	440,000
• Equity through Data Staffing	1.00	243,694	243,694
• Cybersecurity Staffing	1.00	214,736	107,368
• Government AI Coalition		100,000	100,000
• Case and Data Management Platform Pilot		69,000	69,000
• Development Services Staffing and Contractual Resources	(3.00)	(51,956)	(27,245)
• Microsoft Azure Cloud Computing Platform and Services		(75,000)	(75,000)
• Vacant Position Elimination	(1.00)	(261,971)	(261,971)
• Non-Personal/Equipment		(415,300)	(415,300)
<i>Subtotal</i>	0.00	866,533	783,876

**CITY SERVICE AREA
STRATEGIC SUPPORT**

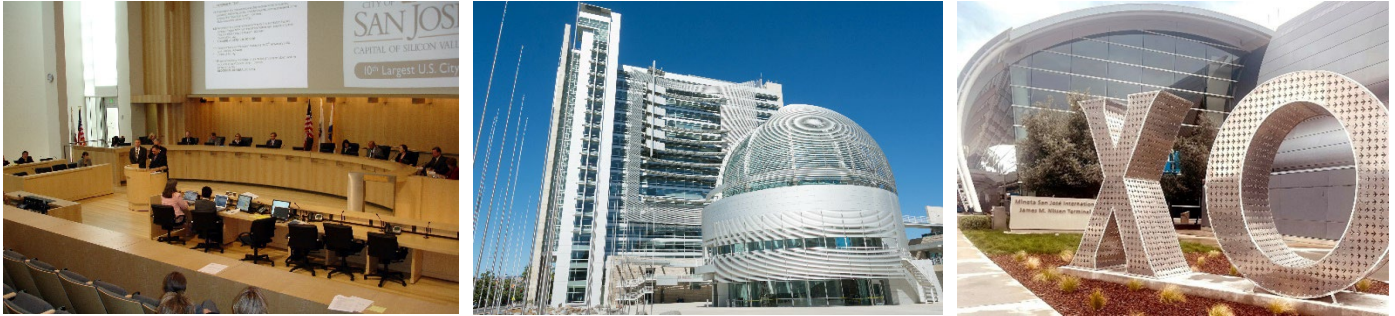
PROPOSED BUDGET CHANGES

Proposed Changes	Positions	All Funds (\$)	General Fund (\$)
PUBLIC WORKS DEPARTMENT			
• Capital Project Management System Program Support	2.00	468,797	0
• City Hall Audio Visual Program Management Staffing	2.00	292,114	292,114
• Fleet Supervision Staffing	1.00	149,917	0
• GIS Enterprise Aerial Services		80,000	80,000
• New Fire Facilities Operations and Maintenance		54,000	54,000
• Vehicle Operations and Maintenance (Fleet Staffing)		6,276	6,276
• Public Works Department Staffing Plan - Capital Improvement Program	(10.65)	(1,706,851)	(42,596)
• Vacant Position Elimination	(5.00)	(735,068)	(215,999)
• Janitorial Contract Services Savings		(630,000)	(630,000)
<i>Subtotal</i>	(10.65)	(2,020,815)	(456,205)
Subtotal Departments	(5.98)	(555,122)	600,609
MAYOR, CITY COUNCIL, AND APPOINTEES			
Approved changes appear in the next section of this document	3.50	3,570,592	3,255,448
CITY-WIDE EXPENSES			
• Stormwater Fee Study		300,000	300,000
• Fellowship Support		(177,216)	(177,216)
GENERAL FUND CAPITAL, TRANSFERS AND RESERVES			
• Capital Contributions: Animal Care and Services - Various Improvements		250,000	250,000
• Transfer to the Vehicle Maintenance and Operations Fund		(200,000)	(200,000)
Subtotal Other Changes	0.00	172,784	172,784
Total Proposed Budget Changes	(2.48)	3,188,254	4,028,841

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STRATEGIC SUPPORT

MAYOR, CITY COUNCIL AND APPOINTEES



MISSION

The Mayor and City Council serve as the policy body that provides direction to the City Manager and all Council Appointees in the delivery of City services. Council Appointees support and advance the collective work of the City organization through leadership, communication, and coordination

Mayor and City Council

- Office of the Mayor
- City Council
- Council General

Office of the City Attorney

- Legal Services

Office of the City Auditor

- Audit Services

Office of the City Clerk

- Legislative Services

Office of the City Manager

- City-Wide Emergency Management aligned to the Public Safety CSA
- Lead and Manage the Organization

Office of the Independent Police Auditor

- Core Service aligned to the Public Safety CSA

Office of Retirement Services

- Retirement Plan Administration

STRATEGIC SUPPORT

MAYOR, CITY COUNCIL AND APPOINTEES

BUDGET SUMMARY

CSA Priorities/Expected 2024-2025 Service Delivery

- The Office of the Mayor provides leadership and guidance to the City Council. Using a variety of tools to engage the public, the Office of the Mayor will continue to ensure that the City's budget reflects the community's spending priorities and major initiatives of the City, including homeless and affordable housing, public safety, battling blight, climate and seismic resilience, equitable economic recovery, and fiscal sustainability.
- The City Council will continue to exercise its power in determining policy through adoption of ordinances, resolutions, and motions, subject to the provisions of the City Charter and the State Constitution.
- The Office of the City Manager will provide strategic leadership and facilitate service delivery through executive management. The office supports the Mayor and City Council and challenges the organization to deliver high quality, cost-effective services that meet the needs of the community.
- The Office of the City Attorney will provide advice to the City, its Council, boards and commissions, and employees; will represent the same parties in all matters pertaining to their powers and duties; and will advocate, defend, and prosecute legal matters on behalf of the City.
- The Office of the City Auditor will conduct program performance audits; identify ways to increase the economy, efficiency, effectiveness, and accountability of City government; and provide independent, reliable, accurate, and timely information to the City Council and other stakeholders.
- The Office of the City Clerk will maintain compliance with open government, campaign finance, lobbyist registration, statements of economic interest, and other public disclosure requirements as well as conduct elections for City Council, Retirement Boards, Civil Service Commission, City Charter amendments, potential issuance of bonds, and ballot measures in accordance with the City Charter and the State of California elections code.
- The Office of Retirement Services will work with the Retirement Plans' actuaries to ensure the plans have adopted and implemented the most appropriate rates, assumptions, and methodologies to remove risk from the plans, decrease volatility, and reduce intergenerational shifting of liabilities.

STRATEGIC SUPPORT

MAYOR, CITY COUNCIL AND APPOINTEES

BUDGET SUMMARY

2024-2025 Key Budget Actions

- Continues and makes permanent 1.0 Assistant to the City Manager position in the Office of Racial and Social Equity to oversee a disability accessibility portfolio. Responsibilities include assessing accessibility gaps, conducting community outreach, partnering with stakeholders, implementing city-wide training for organizational awareness, and advancing policy analysis and advocacy through a disability lens.
- Continues 1.0 Senior Executive Analyst position through June 30, 2025, in the City Manager's Office of Administration, Policy, and Intergovernmental Relations, and provides one-time non-personal/equipment funding of \$95,000 for outside professional services to design and implement an information dashboard for City Council Focus Area delivery.
- Makes permanent 1.0 Associate Deputy City Attorney position to continue the support of Gun Violence Restraining Orders.
- Eliminates 1.0 vacant Senior Deputy City Attorney position assigned to support the Planning, Building and Code Enforcement Department.
- Eliminates 1.0 Program Performance Auditor position, resulting in fewer audits per year and fewer recommendations to improve operations, enhance equity, or reduce risks to the City.
- Eliminates 1.0 Analyst position that supports Citywide contract management and Public Records Act requests for the Mayor and Council Offices in the Office of the City Clerk.
- Adds non-personal/equipment funding in the Office of the City Clerk to pilot use of Artificial Intelligence interpretation services for all City Council meetings and City Council Committee meetings.
- Adds ongoing funding in City-Wide Expenses for the Office of the City Clerk to pilot an external review of City Council Appointee performance with an outside consultant.
- Reduces funding ongoing to the Office of the Mayor's Budget and each of the City Council Office Budget.
- Adds 1.0 Senior Office Specialist position in the Retirement Benefits Division for the Office of Retirement Services to provide customer service for ongoing, pension-related inquiries and requests.
- Makes permanent 1.0 Analyst I/II position in the Retirement Benefits Division to support timely delivery of retiree health benefits to approximately 11,651 retirees, dependents and survivors who are currently enrolled in one or more sponsored or voluntary benefit plans.

STRATEGIC SUPPORT

MAYOR, CITY COUNCIL AND APPOINTEES

BUDGET SUMMARY

Mayor, City Council and Appointees Budget Summary

	2022-2023 Actuals **	2023-2024 Adopted	2024-2025 Forecast	2024-2025 Proposed
<i>Dollars by Core Service *</i>				
<i>Mayor & City Council</i>				
City Council	9,901,207	12,727,420	10,114,876	9,962,456
Council General	49,832	49,670	49,670	49,670
Office Of The Mayor	4,522,728	5,152,455	5,042,774	4,966,793
<i>Office of the City Attorney</i>				
Legal Services	21,576,869	22,424,504	24,289,913	24,289,972
Strategic Support - City Council Appointees	1,833,928	1,919,016	2,049,310	2,049,310
Strategic Support - Other - Council Appointees	3,624,298	20,261,174	7,159,325	7,166,263
<i>Office of the City Auditor</i>				
Audit Services	2,621,234	3,456,225	3,652,052	3,510,147
Strategic Support - City Council Appointees	173	184,872	201,964	201,964
Strategic Support - Other - Council Appointees	406,861	0	0	0
<i>Office of the City Clerk</i>				
City Clerk Services	2,928,138	3,690,851	3,720,967	3,618,571
Strategic Support - City Council Appointees	548,928	197,596	209,145	209,145
Strategic Support - Other - Council Appointees	5,563,952	6,203,926	5,406,102	5,481,102
<i>Office of the City Manager</i>				
Lead & Manage The Organization	18,217,602	22,399,724	20,888,506	24,423,269
Strategic Support - City Council Appointees	4,209,088	5,683,473	223,039	163,979
Strategic Support - Other - Council Appointees	4,350,785	7,543,029	400,151	615,651
<i>Independent Police Auditor's Office***</i>				
<i>Office of Retirement Services</i>				
Retirement Plan Administration	5,264,657	5,765,124	6,323,436	6,600,468
Strategic Support - City Council Appointees	3,180,600	3,011,749	3,262,573	3,262,573
Strategic Support - Other - Council Appointees	16,107	30,000	30,000	30,000
Core Service Subtotal	\$88,816,988	\$120,700,808	\$93,023,803	\$96,601,333
 Authorized Positions****	 261.00	 271.00	 265.00	 268.50

* Fund Balance, Transfers, and Reserves for funds that may be managed by the departments in this CSA have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** The positions displayed in the 2022-2023 Actuals column reflect those included in the 2022-2023 Adopted Budget. 2022-2023 Actuals may not subtotal due to rounding.

*** This Independent Police Auditor's Office Core Service is aligned to the Public Safety CSA. Please refer to that section of this document for budget summary information.

**** Authorized Positions do not include unclassified staff for the Mayor's Office and City Council Districts.

CITY SERVICE AREA
MAYOR, CITY COUNCIL AND APPOINTEES

PROPOSED BUDGET CHANGES

Proposed Changes	Positions	All Funds (\$)	Fund (\$)
MAYOR AND CITY COUNCIL			
• Office of the Mayor		(75,981)	(75,981)
• City Council Offices		(152,420)	(152,420)
<i>Subtotal</i>		(152,420)	(152,420)
OFFICE OF THE CITY ATTORNEY			
• Gun Violence Restraining Order Staffing	2.00	356,386	356,386
• Cannabis Regulation Program Staffing		0	(55,928)
• Legal Transaction Staffing	(1.00)	(356,327)	(338,511)
<i>Subtotal</i>	1.00	59	(38,053)
OFFICE OF THE CITY AUDITOR			
• Program Performance Audit Staffing	(1.00)	(141,905)	(141,905)
<i>Subtotal</i>	(1.00)	(141,905)	(141,905)
OFFICE OF THE CITY CLERK			
• Automated Interpretation Services		80,000	80,000
• Contracts and Public Records Staffing	(1.00)	(182,396)	(182,396)
<i>Subtotal</i>	(1.00)	(102,396)	(102,396)
OFFICE OF THE CITY MANAGER			
• Outcomes, Equity Indicators, and Performance Management Staffing & Dashboard	1.00	359,276	359,276
• Disability Accessibility and Community Engagement Staffing	1.00	285,927	285,927
• Fire Department Assessment		150,000	150,000
• Office of Administration, Policy, and Intergovernmental Relations - Surveys			
• Office of Administration, Policy, and Intergovernmental Relations - Agenda Services Support Staffing	0.50	3,000	3,000
• Office of Employee Relations – Employee Engagement and Labor Negotiations Staffing Realignment		0	0
• Office of the City Manager – Non-Personal/Equipment		(107,000)	(107,000)
• Office of the City Manager – Personal Services Realignment	(1.25)	(215,500)	(215,500)
<i>Subtotal</i>	1.25	475,703	475,703
OFFICE OF RETIREMENT SERVICES			
• Benefits Program Staffing	1.00	161,110	
• Customer Service Staffing	1.00	115,922	
<i>Subtotal</i>	2.00	277,032	0
<i>Subtotal Departments</i>	2.25	356,073	40,929

CITY SERVICE AREA
MAYOR, CITY COUNCIL AND APPOINTEES

PROPOSED BUDGET CHANGES

Proposed Changes	Positions	All Funds (\$)	Fund (\$)
CITY-WIDE EXPENSES			
• Executive Leadership/City Management – Customer Service Vision and Standards Implementation		3,000,000	3,000,000
• Homelessness Services and Solutions		215,500	215,500
• Council Appointee Review Process		75,000	75,000
• Office of the City Manager – Personal Services Realignment	1.25	0	0
GENERAL FUND CAPITAL, TRANSFERS AND RESERVES			
• Earmarked Reserves: Essential Services Reserve		2,000,000	2,000,000
• Earmarked Reserves: 2025-2026 Future Deficit Reserve		0	0
• Earmarked Reserves: Deferred Infrastructure and Maintenance Reserve		(2,000,000)	(2,000,000)
<i>Subtotal Other Changes</i>	1.25	3,290,500	3,290,500
<hr/>			
Total Proposed Budget Changes	3.50	3,646,573	3,331,429

STRATEGIC SUPPORT

OFFICE OF THE CITY ATTORNEY



MISSION

The Office of the City Attorney is committed to providing excellent legal services, consistent with the highest professional and ethical standards, with the goal of protecting and advancing the City's interests in serving the people of San José.

Primary Partners

Mayor and City Council
Office of the City Attorney
Office of the City Auditor
Office of the City Clerk
Office of the City Manager
Office of the Independent Police Auditor

CSA OUTCOMES

- City Business is Conducted Lawfully
- City's Interests are Protected and Advanced

STRATEGIC SUPPORT

OFFICE OF THE CITY ATTORNEY

OVERVIEW

Budget Dollars at Work: Performance Goals

OUTCOME 1: CITY BUSINESS IS CONDUCTED LAWFULLY

- ✓ Provide legal counsel at all City Council and Council Committee meetings and certain meetings of major boards and commissions, as necessary. The Office continues to provide staffing at all Planning Commission, Civil Service Commission, and Appeals Hearing Board Commission meetings. In addition, the Office provides legal counsel to all other Boards and Commissions.
- ✓ Prepare and review ordinances, resolutions, permits, contracts, and other legal documents.
- ✓ Perform analyses on relevant federal and state legislative actions.
- ✓ Provide oral and written legal advice and opinions.
- ✓ Provide legal services to assist City staff in identifying additional revenue sources, including analysis and implementation of revenue sources (e.g., taxes, assessments, and fees).
- ✓ Continue to provide significant construction related legal services for the various Public Works capital projects as well as implementation of the Water Pollution Control Capital Program and the Sanitary Sewer System Capital Program.
- ✓ Respond, review, and coordinate complex Public Records Act requests. Considerable resources are dedicated to increasingly complex Public Records Act requests involving electronic data.

OUTCOME 2: CITY'S INTERESTS ARE PROTECTED AND ADVANCED

- ✓ Initiate and defend lawsuits and other legal actions involving the City.
- ✓ Initiate collection actions on behalf of the City for matters where the debt is over \$5,000.
- ✓ Provide legal representation at administrative hearings.
- ✓ Prosecute select municipal code violations to address serious health and safety concerns.
- ✓ Investigate and respond to claims filed against the City.
- ✓ Conduct and coordinate confidential internal City investigations.
- ✓ Devote considerable resources to respond to increasingly complex discovery and Public Records Act requests involving electronic data.

STRATEGIC SUPPORT

OFFICE OF THE CITY AUDITOR



MISSION

To independently assess and report on City operations and services

Primary Partners

Mayor and City Council
Office of the City Attorney
Office of the City Auditor
Office of the City Clerk
Office of the City Manager
Office of the Independent Police Auditor
Office of Retirement Services

CSA OUTCOMES

- ❑ Identify Ways to Increase the Economy, Efficiency, Effectiveness, Equity, and Accountability of City Government
- ❑ Provide Independent, Reliable, Accurate, and Timely Information to the City Council and Other Stakeholders

STRATEGIC SUPPORT

OFFICE OF THE CITY AUDITOR

OVERVIEW

Budget Dollars at Work: Performance Goals

OUTCOME 1: IDENTIFY WAYS TO INCREASE THE ECONOMY, EFFICIENCY, EFFECTIVENESS, AND ACCOUNTABILITY OF CITY GOVERNMENT

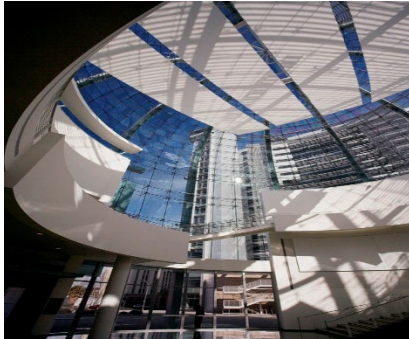
- ✓ Conduct performance audits, special audits, and reviews that identify ways to increase the economy, efficiency, effectiveness, and equity of City government. The Office's 2024-2025 Audit Workplan will target City Council and other City Appointee concerns and areas identified in the City Auditor's City-Wide risk assessment model.
- ✓ Conduct recommendation follow-up. The Office prepares a status report of all open audit recommendations as of June 30 and December 31 each year. Through December 2023 approximately 79% of the 669 recommendations made over the last 10 years have been implemented.
- ✓ The Office will continue to work to improve the availability and usage of audited performance data and focus audit recommendations on improving City services through better use of technology and data.

OUTCOME 2: PROVIDE INDEPENDENT, RELIABLE, ACCURATE, AND TIMELY INFORMATION TO THE CITY COUNCIL AND OTHER STAKEHOLDERS

- ✓ Prepare audit reports and memoranda that provide independent, reliable, accurate, and timely information to the City Council. The 2023-2024 Audit Workplan was approved by the City Council in August 2023. The 2024-2025 Audit Workplan will be submitted to City Council in August 2024.
- ✓ Provide performance reporting and enhance the display of online performance information. In December 2023, the Office published the City's sixteenth *Annual Report on City Services*. The Office will continue this project in 2024-2025 and will continue to work with City staff on audit projects designed to improve the City's performance management and reporting systems.
- ✓ Continue to improve the City Auditor website. The Office's website includes copies of audit reports issued by the Office since 1985 and links to the City Council Committee archive video of the hearings where available. The Office will continue to ensure that information on the site is current and relevant, and work toward translating audit results into multiple languages.

STRATEGIC SUPPORT

OFFICE OF THE CITY CLERK



MISSION

Provide strategic support services and leadership to maximize public access to municipal government

Primary Partners

Mayor and City Council
Office of the City Attorney
Office of the City Auditor
Office of the City Clerk
Office of the City Manager
Office of the Independent Police Auditor
Office of Retirement Services

CSA OUTCOMES

- The Municipal Legislative Process is Accessible and Open to the Community

STRATEGIC SUPPORT

OFFICE OF THE CITY CLERK

OVERVIEW

Budget Dollars at Work: Performance Goals

OUTCOME: THE MUNICIPAL LEGISLATIVE PROCESS IS ACCESSIBLE AND OPEN TO THE COMMUNITY

The Office of the City Clerk has three strategic goals and objectives:

- ✓ Deploy technology resources effectively;
- ✓ Increase efficiency of service delivery; and
- ✓ Maintain high levels of customer service.

The Office of the City Clerk will provide the following services directly related to this outcome:

- ✓ Successfully conducting municipal elections for the City Council members and ballot measures;
- ✓ Creating and distributing agenda packets, synopses, and minutes for all City Council meetings and City Council Rules and Open Government Committee meetings; additionally, provide legislative services to all other Council Committees by writing and distributing minutes pertaining to Ordinances, Resolutions, and Charter Amendments;
- ✓ Continuing to conduct in-person, hybrid, or virtual City Council Meetings and City Board, Commissions, and Committee meetings as needed in coordination with the Office of the City Manager, and ensure the availability of Spanish and Vietnamese interpretation services for City Council meetings, study sessions, and committee meetings;
- ✓ Posting all changes to the San José Municipal Code and the City Council Policy Manual on the web; publishing and distributing hard-copy supplements;
- ✓ Creating and maintaining a legislative history of City Council, Successor Agency to the Redevelopment Agency, the Oversight Board, and related entities' actions; and indexing and filing all public records such that the records can be retrieved in a timely manner and the history is readily available;
- ✓ Conducting the recruitment, application, and selection processes for boards and commissions through the Council Appointment Advisory Commission; directing City Council interview and appointment; and facilitating the City Council's appointment of public members to the Retirement Boards and the Civil Service Commission;
- ✓ Conducting employee and retiree elections for the employee and retiree members, as applicable, of both Retirement Boards and the Civil Service Commission;
- ✓ Providing administrative support services to the Board of Fair Campaign and Political Practices, Civil Service Commission, City Council Salary Setting Commission, and City Council Appointment Advisory Commission;
- ✓ Researching City Council actions and records from the adoption of the City Charter to the present;
- ✓ Providing administrative support including fiscal management, human resources administration, budgeting, grant administration, and procurements for the Mayor and City Council Offices; and
- ✓ Accepting and making available all Statements of Economic Interests, campaign finance disclosure forms, lobbyist registration and reporting forms, and all disclosures required of the Mayor and City Council members (calendars, fundraising solicitations, and outside income disclosure).

STRATEGIC SUPPORT

OFFICE OF THE CITY MANAGER



MISSION

Provide strategic leadership that supports the Mayor and the City Council and motivates and challenges the organization to deliver high quality services that meet the community's needs

Primary Partners

Mayor and City Council
Office of the City Attorney
Office of the City Auditor
Office of the City Clerk
Office of the City Manager
Office of the Independent Police Auditor

CSA OUTCOMES

- The Community Receives Customer-Focused, Results-Driven Services
- The Mayor and Council are Effectively Supported in Making Public Policy Decisions
- Support Employees to Actively Engage With and Achieve the City's Mission

STRATEGIC SUPPORT

OFFICE OF THE CITY MANAGER

OVERVIEW

Budget Dollars at Work: Performance Goals

Performance goals for department City Service Areas (CSA) and Core Services are described throughout this document. This section describes what is needed from a leadership perspective to guide and achieve those goals and is organized around key efforts and objectives of the Office of the City Manager based on three outcomes.

OUTCOME 1: THE COMMUNITY RECEIVES CUSTOMER-FOCUSED, RESULTS-DRIVEN SERVICES

- ✓ Focus on providing the leadership necessary for organizational initiatives that continue to position the City as a more focused, efficient, and sustainable organization for the future.
- ✓ Focus on recruiting, hiring, and retaining City employees so that service-delivery is maximized to the community.
- ✓ Provide organizational and customer service improvement efforts through implementation of the Customer Service Vision and Standards Initiative to improve how we do business, streamline processes, increase employee empowerment, and achieve results in an environment of constant change, increasing complexity, and constrained financial resources.
- ✓ Pursue public-private partnerships both directly with community and corporate partners, as well as convene City departments and offices to develop more effective workforce support and development practices.
- ✓ Pursue grants and partnerships as a top priority given the significantly limited City funding available for infrastructure and new initiatives, and unprecedented new availability of federal infrastructure funding.
- ✓ Work with regional governance partners on Bay Area inter-agency issues.
- ✓ Provide organizational strategic support, training, tools, and capacity building that advances racial and social equity, through decision-making that strongly considers historically underserved communities through the intersections of race, ethnicity, national origin, immigration status, gender, sexual orientation, disability, religion, and other forms of marginalization.
- ✓ Implement a culturally sensitive communication plan for community outreach, ensuring the City's diverse population has access to City services and critical information in their native language.
- ✓ Provide safe service delivery when the City recovers from extreme weather events to ensure community and economic recovery efforts are equitable and comprehensive.

STRATEGIC SUPPORT

OFFICE OF THE CITY MANAGER

OVERVIEW

Budget Dollars at Work: Performance Goals

OUTCOME 2: THE MAYOR AND CITY COUNCIL ARE EFFECTIVELY SUPPORTED IN MAKING PUBLIC POLICY DECISIONS

- ✓ Coordinate City agenda items for City Council consideration, including preparation and development of City Council and Committee meeting scheduling.
- ✓ Provide staff expertise, written memorandums, reports, and general staffing support for City Council Committees, Commissions, and working groups.
- ✓ Disseminate City Information Memoranda that support monitoring the organization's work as well as track and monitor City Council referrals for appropriate departmental follow-up.
- ✓ Strengthen the City-County partnership by meeting regularly, supporting meetings between key City and County elected officials and staff, and focusing attention on issues of shared services between the organizations.
- ✓ Promote intergovernmental relations with strong advocacy for the City's financial, policy, and community needs at the regional, state, and federal levels.
- ✓ Modernize and update the City Service Areas outcomes, community indicators, and performance measures.
- ✓ Provide City Council, Department, and public access to performance management and evaluation tools for policy making and priority setting within the budget process and service delivery to ensure accountability and transparency.
- ✓ Provide support to the City Council in implementing fiscal sustainability and other potential ballot measures or initiatives.
- ✓ Monitor the fiscal and economic environment and adjust the 2024-2025 Adopted Budget, as appropriate, to ensure adequate resources to meet approved expenditure levels.
- ✓ Bring forward balanced budgets for the General Fund and all other City funds for 2024-2025 that reflect City Council and community goals, have an applied equity lens, and help ensure fiscal stability for the \$5.3 billion budget, with close to 140 Operating and Capital funds, impacting approximately 7,000 budgeted positions.

STRATEGIC SUPPORT

OFFICE OF THE CITY MANAGER

OVERVIEW

Budget Dollars at Work: Performance Goals

OUTCOME 3: SUPPORT EMPLOYEES TO ACTIVELY ENGAGE WITH, AND ACHIEVE, THE CITY'S MISSION

- ✓ Provide strategic leadership for the organization, support the City Council, and motivate the workforce to deliver high quality services in an environment of increasing demands and limited resources.
- ✓ Continue to strategically target efforts that challenge the organization to develop innovative ways to deliver services and streamline operations to be more efficient, including the digital delivery of City services and operations.
- ✓ Engage the workforce through ongoing, structured communication and ongoing implementation of an overarching workforce support and development strategy to effectively engage, recruit, and retain top talent.
- ✓ Work with employees to develop the organization's capacity in civic engagement and make a difference in the civic life of our community.
- ✓ Invest in employees by aligning their development needs with the current and future needs of the City.
- ✓ Ensure employees have access to training and the resources needed to feel safe and supported in the workplace, including providing and promoting programs that foster employee health and wellness.
- ✓ Foster constructive and professional working relationships with the City's employee labor unions.
- ✓ Champion the City's Mentorship program as an opportunity for City leadership to support employee growth and development in their career with the City.

STRATEGIC SUPPORT

OFFICE OF RETIREMENT SERVICES



MISSION

Provide quality services in the delivery of pension and related benefits and maintain financially sound pension plans

Primary Partners

Mayor and City Council
Office of the City Attorney
Office of the City Auditor
Office of the City Clerk
Office of the City Manager
Office of the Independent Police Auditor
Office of Retirement Services

CSA OUTCOMES

- Retirement plans are properly administered.
- Investment of assets to satisfy Retirement Plans' obligations.

STRATEGIC SUPPORT

OFFICE OF RETIREMENT SERVICES

OVERVIEW

Budget Dollars at Work: Performance Goals

OUTCOME 1: RETIREMENT PLANS ARE PROPERLY ADMINISTERED

- ✓ Work with the Retirement Plans' actuaries to ensure the plans have adopted and implemented rates, assumptions, and methodologies reflective of the plans' liabilities and with appropriate contribution volatility.
- ✓ Conduct and manage approximately 100 board meetings annually to provide the information necessary to assist the board members in fulfilling their fiduciary duties.
- ✓ Provide quality customer service by working with members to ensure excellent retirement planning and counseling through educational classes and meetings via an average of a thousand phone inquiries and seventy walk-in visits per month.
- ✓ Publish annual financial reports, which include the ACFR and the PAFR, to maintain accountability and provide fiscal transparency.

OUTCOME 2: INVESTMENT OF ASSETS TO SATISFY PLANS' OBLIGATIONS

- ✓ Manage Retirement Plan assets in a manner that seeks to achieve long-term net returns in more than the actuarial investment return assumption and adopted benchmarks, while maintaining a reasonable level of investment risk.
- ✓ Work with investment consultants to review and adopt asset allocations reflective of the Retirement Boards' risk tolerances, developing enhanced framework for determining the appropriate level of risk.
- ✓ Monitor and evaluate performance and attribution of Retirement Plan assets to determine areas for potential improvement and focus.
- ✓ Perform in-depth analysis on investment managers, ensuring that investment managers are performing within acceptable parameters and delivering anticipated value-add. Source and perform due diligence on prospective investment managers and retain when appropriate.
- ✓ Develop, implement, and ensure compliance with Retirement Board-adopted investment policies.

Airport Department

Mukesh Patel, Director of Aviation

MISSION

To connect, serve, and inspire

CITY SERVICE AREA

Transportation and Aviation Services

CORE SERVICES

AIRPORT FACILITIES

Maintenance of all Airport facilities including public spaces, oversight of airfield lighting and maintenance, building automation controls, electrical and mechanical systems, baggage handling systems, central plant, grounds, and landscaping; janitorial services; and manage the Capital asset replacement program and implement the Capital Improvement Program, including planning and coordinating construction activities at the Airport, in compliance with applicable federal, State, and local regulations and environmental requirements.

AIRPORT MARKETING AND COMMUNICATIONS

Promote new air service to business and leisure travelers; inform Airport customers of our wide variety of traveler services; build the Airport's brand through advertisements, sponsorships, and community engagement; communicate effectively with passengers, the public, and the media.

AIRPORT OPERATIONS

Day-to-day management and oversight of the Airport to ensure safe and efficient operations such as operation of the airfield, general aviation facilities, emergency planning and coordination, Airport Operations Center, badging and security coordination, parking facilities, shuttle operations, ground transportation, roadway/curbside enforcement programs, and Automatic Vehicle Identification system.

Strategic Support: Financial Management; Human Resources; Information Technology; Training, and Emergency Response and Recovery

Airport Department

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Airport Facilities Core Service</i>	
Airport Facilities Administration	Provides services necessary for the administration of the Facilities Division, as well as management and oversight of the Facilities Division functions.
Airport Facilities Parking and Roadways Maintenance	Manages the maintenance and repair of infrastructure necessary for the proper operation of all Airport roadways, parking facilities, grounds, and landscaping.
Airport Planning and Capital Development	Implements the Airport's Capital Improvement Program; plans and coordinates design and construction activities at the Airport; ensures compliance with applicable federal, State and local codes and environmental regulations and requirements; and coordinates with the Federal Aviation Administration, regional transportation planning agencies and providers.
Airport Terminals Maintenance	Manages the maintenance and repair of infrastructure necessary for the proper operation of all Airport terminal facilities, including public and common space, electrical and mechanical systems, HVAC and utilities, custodial services and baggage handling systems.
Airside Maintenance	Manages the maintenance and repair of infrastructure necessary for the proper operation of the airfield including pavement, runways and taxiways, paint, lighting, and grounds.
<i>Airport Marketing and Communications Core Service</i>	
Airport Marketing and Communications	Supports the Airport by informing passengers traveling through the Airport of service options; promoting new air service and airlines; publicizing the Airport to travelers and growing the Airport's market share; developing and building the Airport's brand; and communicating effectively with passengers, the public, and the media.
<i>Airport Operations Core Service</i>	
Airport Parking and Roadway Operations	Supports and manages landside operational activities, including parking facilities, airport shuttle bus operations, ground transportation and roadway/curbside management and enforcement programs.
Airside Operations	Supports and manages airside operational activities, including oversight of the airfield, airfield security and access control, noise monitoring, wildlife control, emergency planning and compliance with Federal Aviation Administration (FAA) Regulations.
Operations Administration	Provides services necessary for the administration of the Operations Division, as well as support for General Aviation and other non-commercial activities.
Terminals Operations	Provides on-site terminal support and management, including coordination with airlines and other terminal tenants. Staff provide management of shared-use services (gates, ticket counters), customer service for passenger related activities, terminal access and security controls, and compliance with Transportation Security Administration (TSA) and Customs and Border Protection (CBP) regulations.

Airport Department

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Strategic Support Core Service</i>	
Airport Financial Management	Manages the budget and all financial transactions for the department; assists in annual budget development; provides airport property management for all tenants and property development for all airport land.
Airport Human Resources	Manages personnel-related functions for the department, including hiring (in coordination with the Human Resources Department), employee development, employee discipline (in coordination with the Office of Employee Relations), and personnel transactions.
Airport Information Technology	Provides information technology services, planning, system development and maintenance for the department in coordination with the Information Technology Department.
Airport Management and Administration	Provides executive-level, analytical and administrative support to the department.
Airport Emergency Response and Recovery	Provides for the coordination and delivery of emergency services and recovery activities.

Airport Department

Department Budget Summary

Expected 2024-2025 Service Delivery

- Operate San José Mineta International Airport (SJC) efficiently while meeting all regulatory requirements for security and safety.
- Continued recovery and restoration of flights and passenger traffic while providing exceptional customer service with new, modern, up-to-date services and amenities.
- Work collaboratively with Airport tenants and other stakeholders to grow the number of passengers and meet the needs of the current aviation travel market.
- Operate the Airport as a good neighbor and ensure environmental stewardship of resources.
- Continue to provide efficient and safe services for passengers, airlines, and tenants; regulatory compliance; priority maintenance and operations; and cost-effective operation of the Airport's shared-use model.

2024-2025 Key Budget Actions

- Adds 1.0 Division Manager position to provide the bandwidth necessary for the Airport's Planning and Development team to successfully manage and implement the Airport Tenant Improvement projects, the Airport's Sustainability Program, and the Airport's Capital Improvement Program.
- Adds 1.0 Associate Engineering Technician position to address a growing backlog of regulatory signage and graphic design work necessary at the Airport.
- Adds one-time funding of \$270,000 for the removal and replacement of Per- and Polyfluorinated Substances (PFAS)-based firefighting foam in the Airport's Aircraft Rescue and Fire Fighting tanks in compliance with the Municipal Regional Stormwater Permit.
- Adds one-time non-personal/equipment funding of \$375,000 for Airport infrastructure and regulatory maintenance to automatic transfer switches and airfield surfaces to support efficient, effective, and safe operations at the Airport.
- Adds ongoing non-personal/equipment funding of \$225,000 to conduct required Transportation Security Administration randomized screening of aviation employees.
- Adds one-time non-personal/equipment funding of \$100,000, as directed by the Mayor's March Budget Message for Fiscal Year 2024-2025, as approved by City Council, to support a destination marketing/tourism campaign managed by Team San Jose as the City's Convention and Visitors Bureau, and in partnership with hospitality and arts stakeholders.

Operating Funds Managed

- Airport Customer Facility and Transportation Fee Fund
- Airport Fiscal Agent Fund
- Airport Maintenance and Operation Fund
- Airport Revenue Fund
- Airport Surplus Revenue Fund

Airport Department

Department Budget Summary

	2022-2023 Actuals ***	2023-2024 Adopted ****	2024-2025 Forecast	2024-2025 Proposed
Dollars by Core Service				
Airport Facilities	35,785,043	39,545,441	43,160,336	43,513,015
Airport Marketing and Communications	3,787,857	3,745,992	3,920,707	4,020,707
Airport Operations	27,076,757	36,758,384	38,876,873	39,158,059
Strategic Support - Other - Transportation & Aviation	91,393,285	77,991,500	88,224,536	88,206,906
Strategic Support - Transportation & Aviation	16,083,552	18,121,851	19,780,613	19,904,480
Total	\$174,126,494	\$176,163,168	\$193,963,065	\$194,803,167
Dollars by Category				
<i>Personal Services and Non-Personal/Equipment</i>				
Salaries/Benefits	36,671,461	40,663,879	44,468,673	44,353,215
Overtime	597,779	455,062	455,062	455,062
Subtotal Personal Services	\$37,269,240	\$41,118,941	\$44,923,735	\$44,808,277
Non-Personal/Equipment	45,445,869	57,041,227	60,803,294	61,776,484
Total Personal Services & Non-Personal/Equipment	\$82,715,109	\$98,160,168	\$105,727,029	\$106,584,761
<i>Other Costs *</i>				
City-Wide Expenses	64,172	0	0	0
Debt Service/Financing	82,353,337	70,404,781	79,409,236	79,409,236
Housing Loans and Grants	0	0	0	0
Other	5,079,356	1,919,629	1,611,500	1,611,500
Other - Capital	0	0	0	0
Overhead Costs	3,622,387	5,045,090	6,581,800	6,564,170
Workers' Compensation	292,133	633,500	633,500	633,500
Total Other Costs	\$91,411,385	\$78,003,000	\$88,236,036	\$88,218,406
Total	\$174,126,494	\$176,163,168	\$193,963,065	\$194,803,167

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** The position counts displayed in the 2022-2023 Actuals column reflect those included in the 2022-2023 Adopted Budget.

*** 2022-2023 Actuals may not subtotal due to rounding.

**** The amounts in the 2023-2024 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

Airport Department

Department Budget Summary

	2022-2023 Actuals ***	2023-2024 Adopted ****	2024-2025 Forecast	2024-2025 Proposed
Dollars by Fund				
General Fund (001)	64,172	0	0	0
Airport Customer Facility And Transportation Fee Fund (519)	1,912,381	2,340,960	2,338,733	2,338,733
Airport Fiscal Agent Fund (525)	47,479,853	69,404,781	71,409,236	71,409,236
Airport Maintenance And Operation Fund (523)	89,456,551	103,417,427	112,215,096	113,055,198
Airport Surplus Revenue Fund (524)	34,873,484	1,000,000	8,000,000	8,000,000
Emergency Reserve Fund (406)	1,343	0	0	0
Capital Funds	338,710	0	0	0
Total	\$174,126,494	\$176,163,168	\$193,963,065	\$194,803,167
Positions by Core Service **				
Airport Facilities	91.00	94.00	94.00	94.00
Airport Marketing and Communications	8.00	8.00	8.00	8.00
Airport Operations	67.00	67.00	67.00	66.00
Strategic Support - Transportation & Aviation	57.00	59.00	59.00	60.00
Total	223.00	228.00	228.00	228.00

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*** 2022-2023 Actuals may not subtotal due to rounding.

**** The amounts in the 2023-2024 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

Airport Department

Department Budget Summary

	2022-2023 Actuals **	2023-2024 Adopted	2024-2025 Forecast	2024-2025 Proposed	2024-2025 Proposed Positions
Dollars by Program*					
Airport Facilities					
Airport Facilities Administration	1,870,654	2,441,815	2,585,574	2,553,988	9.85
Airport Facilities Parking and Roadways Maintenance	3,171,281	3,376,226	3,846,118	3,838,419	4.75
Airport Planning and Capital Development	5,265,594	5,991,307	6,487,857	6,781,408	26.00
Airport Terminals Maintenance	23,065,445	25,046,180	27,425,898	27,480,224	40.95
Airside Maintenance	2,412,070	2,689,913	2,814,889	2,858,976	12.45
Sub-Total	35,785,043	39,545,441	43,160,336	43,513,015	94.00
Airport Marketing and Communications					
Airport Marketing and Communications	3,787,857	3,745,992	3,920,707	4,020,707	8.00
Sub-Total	3,787,857	3,745,992	3,920,707	4,020,707	8.00
Airport Operations					
Airport Parking and Roadway Operations	12,826,252	19,100,009	19,546,762	19,546,762	10.90
Airside Operations	6,477,680	7,646,640	8,405,226	8,900,226	28.92
Operations Administration	1,174,014	1,444,138	1,563,939	1,457,032	7.50
Terminals Operations	6,598,811	8,567,597	9,360,946	9,254,039	18.68
Sub-Total	27,076,757	36,758,384	38,876,873	39,158,059	66.00
Strategic Support - Other - Transportation & Aviation					
Airport Funds Debt/Financing Costs	82,327,857	70,404,781	79,409,236	79,409,236	0.00
Airport Other Operational - Administration	5,150,908	1,908,129	1,600,000	1,600,000	0.00
Airport Overhead	3,622,387	5,045,090	6,581,800	6,564,170	0.00
Airport Workers' Compensation	292,133	633,500	633,500	633,500	0.00
Sub-Total	91,393,285	77,991,500	88,224,536	88,206,906	0.00
Strategic Support - Transportation & Aviation					
Airport Emergency Response and Recovery	(8,160)	0	0	0	0.00
Airport Financial Management	7,323,671	8,764,390	9,575,001	9,696,678	35.00
Airport Human Resources	927,873	1,045,099	1,170,820	1,170,820	5.00
Airport Information Technology	5,437,652	5,985,361	6,509,229	6,511,419	14.00
Airport Management and Administration	2,402,517	2,327,001	2,525,563	2,525,563	6.00
Sub-Total	16,083,552	18,121,851	19,780,613	19,904,480	60.00
Total	\$174,126,494	\$176,163,168	\$193,963,065	\$194,803,167	228.00

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** 2022-2023 Actuals may not subtotal due to rounding.

Airport Department

Budget Reconciliation

Personal Services and Non-Personal/Equipment

(2023-2024 Adopted to 2024-2025 Proposed)

	Positions	All Funds (\$)
Prior Year Budget (2023-2024):	228.00	98,160,168
Base Adjustments		
One-Time Prior Year Expenditures Deleted		
• Airport Facilities and Environmental Divisions Staffing		(2,190)
• Airport Information Systems Analyst		(730)
One-time Prior Year Expenditures Subtotal:	0.00	(2,920)
 Technical Adjustments to Costs of Ongoing Activities		
• Salary/benefit changes		3,804,794
• Utilities: Gas, Electricity, and Water		1,840,960
• Contract Services: Janitorial Services		536,966
• Contract Services: Security and Traffic Control		516,973
• Insurance		230,010
• Contract Services: Baggage System Maintenance		225,533
• Contract Services: Airport Technology Services		159,433
• Contract Services: Facilities Maintenance		131,509
• Vehicle Operations & Maintenance		86,000
• Contract Services: Operations		82,113
• Contract Services: VTA Flyer		44,343
• Marketing and Communications		31,147
• Director's Office		26,000
• Contract Services: Smarte Carte		(146,000)
Technical Adjustments Subtotal:	0.00	7,569,781
 2024-2025 Forecast Base Budget:	 228.00	 105,727,029
Budget Proposals Recommended		
1. Aircraft Rescue and Firefighting Foam Disposal		270,000
2. TSA Mandated Screening		225,000
3. Airport Generator Transfer Switch Maintenance		200,000
4. Airport Planning and Development Division Staffing	1.00	176,876
5. Airfield Maintenance Enhancement		175,000
6. Airport Accounting Staffing	1.00	122,407
7. Airport Sign Shop Staffing	1.00	118,135
8. Airport Destination Marketing		100,000
9. Vacant Position Elimination	(3.00)	(529,686)
Total Budget Proposals Recommended	0.00	857,732
2024-2025 Proposed Budget Total	228.00	106,584,761

Airport Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)
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1. Aircraft Rescue and Firefighting Foam Disposal		270,000
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Transportation and Aviation Services CSA
Airport Operations Core Service
Airside Operations Program

This action adds \$270,000 of one-time non-personal/equipment funding for firefighting foam removal, disposal, and cleaning from Airport's Aircraft Rescue and Fire Fighting (ARFF) tanks (\$165,000), as well as the replacement of new fluorine free foam (\$105,000). The current Aqueous Film-Forming Foam (AFFF) contains harmful Per- and Polyfluorinated Substances (PFAS)-based compounds, which have been classified as a hazardous substance, increasing hazardous waste disposal and cleanup costs. Making a transition away from these compounds to fluorine-free alternatives is cost-effective, more environmentally friendly, and complies with the Municipal Regional Stormwater Permit. A licensed hazardous waste contractor will remove and dispose of approximately 1,500 gallons of AFFF from all four firefighting trucks and the 1,260-gallon reserve tank. Both the tank and the truck systems will also undergo a triple rinse to remove contaminants. Finally, the full quantity of fluorine-free foam will be replaced on all four trucks and the 1,260-gallon reserve tank. (Ongoing costs: \$0)

2. TSA Mandated Screening		225,000
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Transportation and Aviation Services CSA
Airport Operations Core Service
Airside Operations Program

This action adds ongoing non-personal/equipment funding of \$225,000 for additional daily private security hours to provide randomized employee screening per the newly implemented Transportation Security Administration mandate. This directive, originally authorized in September 2023, requires medium-sized and larger airports to implement randomized employee screening at access points to sterile and security identification display areas. Enforcement of the mandate will begin in September 2024. The Airport currently averages 254 security hours daily throughout the airfield, terminal, and parking and roadway areas. This additional funding will increase the total daily security hours by 16 hours, bringing the total hours to 270, achieving compliance with the new mandate. During this planning and implementation phase, the Airport is looking at ways to close or limit the number of access points to reduce the number of security hours needed to maintain compliance and operational efficiency, which may allow for fewer security hours in future years. (Ongoing costs: \$225,000)

Airport Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)
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3. Airport Generator Transfer Switch Maintenance		200,000
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Transportation and Aviation Services CSA
Airport Facilities Core Service
Airport Terminals Maintenance Program

This action adds one-time non-personal/equipment funding of \$200,000 (\$100,000 ongoing) for Airport Generator Automatic Transfer Switch (ATS) maintenance. The ATS units ensure the safe operations of the Airport can continue in both normal service and emergency operations as required by the Federal Aviation Administration. Their function is to switch electrical loads that enable the generators to come online and connect to the load when the normal utility company power is lost. If these switches are not maintained and a power outage occurs, the likelihood of service delays increases. The 18 current ATS units are of varying age and condition, and there has been an increase of planned and unplanned power outages. The one-time allocation of \$200,000 in 2024-2025 provides sufficient capacity for a contractor to provide a full comprehensive evaluation of all 18 ATS switches. The ongoing cost of \$100,000 covers the inspection, testing, and cleaning of the switches on an annual rotational basis in future years. (Ongoing costs: \$100,000)

4. Airport Planning and Development Division Staffing	1.00	176,876
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Transportation and Aviation Services CSA
Airport Facilities Core Service
Strategic Support – Transportation & Aviation Core Service
Airport Planning and Capital Development and Airport Information Technology Programs

This action adds 1.0 Division Manager position, effective October 2024, to the Airport's Planning and Development (P&D) Division. The P&D Division, led by the Deputy Director, encompasses seven distinct functional work groups at the Airport: Architectural, Engineering, Environmental, GIS/Mapping, Planning, Sign Shop, Tenant Improvements, and Finance. This organizational structure results in a total of eight direct reports to the Deputy Director. Further, the Architectural, Engineering, and Planning groups comprise the Master Plan and Capital Improvement Program development functions of the Airport. The Airport Master Plan identifies over 40 capital development projects to be constructed through 2037. To ensure adequate leadership and oversight of the Division and provide focused expertise, the Deputy Director will provide direct management of the Master Plan and Capital Improvement functions, and the Division Manager will oversee the sections not directly related to capital project delivery – Environmental, GIS/Mapping, Sign Shop, Tenant Improvements and Finance. By distributing staff between the Deputy Director and the Division Manager, the span of control is better balanced, allowing the Deputy Director to dedicate more capacity to focus on capital project delivery and ensuring all sections receive adequate leadership and managerial support. (Ongoing costs: \$210,776)

Airport Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)
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5. Airfield Maintenance Enhancement		175,000
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Transportation and Aviation Services CSA
Airport Facilities Core Service
Airside Maintenance Program

This action adds one-time non-personal/equipment funding of \$175,000 for airfield maintenance. Currently, the airfield infrastructure includes two fully operational runways and several taxiways and aprons. In accordance with the Federal Aviation Administration, the Airport must ensure these areas are properly maintained in a safe and serviceable condition, and are inspected annually. These standards and requirements are met through a preventative maintenance program that includes airfield sweeping, power washing, rubber removal, marking removal, painting, and friction testing. The Airport's in-house maintenance team is responsible for providing the servicing to ensure airfield compliance; however, recent turnover and increasing breakdowns of the outdated machinery has impacted the continuity and efficiency of the airfield maintenance operations. This funding will provide for third-party service that will serve as a supplement for when staff is unavailable or during machinery repairs to ensure continuity of regulatory compliance. The Airport currently has funding to replace the outdated machinery. This one-time funding allocation for contractual airfield maintenance service will be reevaluated as part of the 2025-2026 budget development process, depending on the timing of receipt of the new machinery and team vacancy levels. (Ongoing costs: \$0)

6. Airport Accounting Staffing	1.00	122,407
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Transportation and Aviation Services CSA
Strategic Support – Transportation & Aviation Core Service
Airport Financial Management and Airport Information Technology Programs

This action adds 1.0 Accountant position, effective September 2024, to Airport's Finance Division – Finance & Accounting group, which consists of 16 positions. This Accountant will work with an existing Senior Accountant to complete the following weekly, monthly, and annual tasks: operating profit and loss statements, journal entries, cash deposit reviews, and collaborating with Finance and Budget teams. The ongoing workload of existing GASB pronouncements, such as GASB 87 and GASB 96 pertaining to lease agreement reporting, and the continuous introduction of new pronouncements, have created a substantial influx of accounting work. Current staffing levels are insufficient to continue to deliver financial work in a timely manner. Additionally, the Airport has been managing two financial software systems to develop the Annual Comprehensive Financial Report (ACFR), which has been a substantial workload for the current accounting team. This new Accountant position will better align staffing levels to meet current financial oversight needs. (Ongoing costs: \$146,460)

Airport Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)
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7. Airport Sign Shop Staffing	1.00	118,135
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Transportation and Aviation Services CSA

Airport Facilities Core Service

Strategic Support – Transportation & Aviation Core Service

Airport Planning and Capital Development and Airport Information Technology Programs

This action adds 1.0 Associate Engineering Technician position, effective October 2024, to the Planning and Development Division’s Sign Shop team. The Sign Shop team consists of three positions whose focus is ensuring passengers have a positive experience navigating the airport with clear, customer-friendly signage. The Sign Shop is responsible for designing, developing, updating, and producing all signage including regulatory, warnings, advisories, and wayfinding and language access signage for the terminals, parking lots, roadways, and adjacent Airport parcels. This team has been experiencing a consistently growing workload leading to a backlog that current staffing levels cannot address, with over 30 capital projects and over 20 tenant improvement projects currently underway, requiring evaluation for signage standards and needs. This work is in addition to a growing list of non-regulatory signage requests. The Airport has prioritized regulatory signage over non-regulatory signage, such as sign requests related to the Airport’s recent rebranding. Each request requires an extensive process to develop the project scope, evaluate field conditions and standards compliance, and create layout options and graphic illustrations for review and production. The Associate Engineering Technician position will support the existing Senior Engineering Technician to reduce the backlog of development and graphic design work and improve turn-around time of requests. This addition will allow Airport to continue enhancing the customer experience while also continuing to maintain compliance with regularly changing regulatory standards. (Ongoing costs: \$141,318)

8. Airport Destination Marketing		100,000
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Transportation and Aviation Services CSA

Airport Marketing and Communications Core Service

Airport Marketing and Communications Program

This action adds one-time non-personal/equipment funding of \$100,000, as directed by the Mayor’s March Budget Message for Fiscal Year 2024-2025, as approved by City Council, to support a destination marketing/tourism campaign managed by Team San Jose as the City’s Convention and Visitors Bureau, and in partnership with hospitality and arts stakeholders. The recommended funding will allow the Airport to actively engage in marketing efforts, including the promotion of the new branding, with the aim of attracting more travelers and boosting passenger levels at San José Mineta International Airport. (Ongoing costs: \$0)

Airport Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment




2024-2025 Proposed Budget Changes	Positions	All Funds (\$)
9. Vacant Position Elimination	(3.00)	(529,686)
<i>Transportation and Aviation Services CSA</i>		
<i>Airport Facilities Core Service</i>		
<i>Airport Operations Core Service</i>		
<i>Airport Facilities Administration, Terminals Operations, Operations Administration, Airside Maintenance, Airport Facilities Parking and Roadways Maintenance, and Airport Terminals Maintenance Programs</i>		
<p>This action eliminates 3.0 positions – 1.0 Program Manager, 1.0 Senior Airport Equipment Mechanic, and 1.0 Senior Painter – as part of an organization-wide effort to evaluate the elimination of vacant positions in consideration of vacancy status and recruitment history, operational priority, and forecasted supporting revenues for 2024-2025, including Development Fee Programs, other supporting revenues, and capital project funding. A total of 64 positions in the City are recommended to be eliminated as part of this effort, a reduction of approximately 1% of the Base Budget level. While these position eliminations will reduce Departments’ future service delivery capacity – and will be reevaluated as necessary – because these positions have been vacant for an extended period of time or are no longer supported by existing service demands, impacts to current service delivery is expected to be minimal. The eliminated positions in the Airport Department result in savings of \$529,686 in the Airport Maintenance and Operations Fund. (Ongoing savings: \$534,450)</p>		
2024-2025 Proposed Budget Changes Total	0.00	857,732

Airport Department

Performance Summary

Airport Business Development

Performance Measures

	2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
 Air service market share	17.1%	17.5%	16.1%	17.0%
 % of passengers rating overall satisfaction with the Airport	87%	87%	83%	87%
 % of passengers reporting satisfaction of Airport restaurant/eating and shopping facilities ¹	74%	77%	57%	70%

Activity and Workload Highlights

	2022-2023 Actual	2023-2024 Forecast	2023-2024 Estimated	2024-2025 Forecast
Total regional air service market (passengers)	70.8M	75.4M	76.3M	79.2M
Total number of annual Airport passengers	12.1M	13.2M	12.3M	12.5M


¹ 2023-2024 and 2024-2025 estimated decrease in passengers reporting satisfaction of restaurant/eating and shopping facilities can be attributed to ongoing construction at multiple food and retail locations, temporarily impacting availability.

Airport Department

Performance Summary

Airport Facilities Maintenance

Performance Measures

	2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
 % of SJC passengers rating cleanliness of the Airport terminal as good or excellent ¹	83%	88%	80%	80%

Activity and Workload Highlights

	2022-2023 Actual	2023-2024 Forecast	2023-2024 Estimated	2024-2025 Forecast
Total number of facilities maintenance work orders completed	11,034	12,500	12,036	12,875
Number of hours spent addressing Federal Aviation Regulation Part 139 (FAR 139) issue work orders	49	57	64	59


¹ 2023-2024 and 2024-2024 estimated decrease in passengers rating cleanliness of the Airport terminal can be attributed to ongoing construction within the terminal, temporarily affecting maintenance and cleanliness standards.

Airport Department

Performance Summary

Airport Operations

Performance Measures

	2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
 % of on-time flights	79%	84%	83%	80%

Activity and Workload Highlights


	2022-2023 Actual	2023-2024 Forecast	2023-2024 Estimated	2024-2025 Forecast
Total number of annual operations (take offs and landings)	168,280	175,000	165,000	168,000
Total number of environmental noise complaints	17,128	19,002	21,627	22,485
Total number of non-compliant curfew intrusions	37	47	45	47

Airport Department

Performance Summary

Airport Planning and Capital Development

Performance Measures

	2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
 % of capital projects contingent upon grant funding	35.7%	44.6%	45.9%	40.9%

Activity and Workload Highlights

	2022-2023 Actual	2023-2024 Forecast	2023-2024 Estimated	2024-2025 Forecast
Airport Capital Program:				
- Construction Projects	\$27.2M	\$54.2M	\$205.8M ¹	\$92.6M
- Non-Construction Projects	\$22.7M	\$13.5M	\$32.8M	\$20.7M
Percent of Airport locations that received fewer than three discrepancies in the County of Santa Clara Hazardous Materials Inspection ²	100%	80%	50%	80%






- ¹ 2023-2024 estimated amount of Construction Projects significantly higher than the 2023-2024 Forecast due to the addition of the new Airport Short-Term Parking Garage project reflected in the 2025-2029 Airport Proposed Capital Improvement Program
- ² 2023-2024 estimated decrease is attributed to the County of Santa Clara conducting two hazardous materials inspections. In a typical year, the County of Santa Clara conducts approximately 25 inspections, and inspections are expected to return to typical levels in 2024-2025.

Airport Department

Performance Summary

Strategic Support

Performance Measures

	2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
 Airline cost per enplaned passenger ¹	\$13.67	\$15.91	\$15.22	\$16.50
 Food and beverage sales per enplaned passenger ¹	\$6.24	\$6.70	\$6.80	\$6.70
 Retail sales per enplaned passenger ¹	\$3.07	\$3.35	\$3.35	\$3.35
 Parking revenue per enplaned passenger ¹	\$5.25	\$5.10	\$5.08	\$5.10
 Rental car gross revenue per enplaned passenger ¹	\$27.39	\$27.39	\$26.19	\$26.00

¹ Enplaned passengers are those passengers boarding an aircraft in scheduled service, including originating, stop-over, or connecting service.

Activity and Workload Highlights

	2022-2023 Actual	2023-2024 Forecast	2023-2024 Estimated	2024-2025 Forecast
Total airline cost	\$88.8M	\$105.1M	\$104.9M	\$115.4M

Airport Department

Department Position Detail

Position	2023-2024 Adopted	2024-2025 Proposed	Change
Accountant I/II	3.00	4.00	1.00
Accounting Technician	3.00	3.00	-
Administrative Assistant	1.00	1.00	-
Administrative Officer	1.00	1.00	-
Air Conditioning Mechanic	2.00	2.00	-
Air Conditioning Supervisor	1.00	1.00	-
Air Service Development Manager	1.00	1.00	-
Airport Equipment Mechanic	6.00	6.00	-
Airport Maintenance Supervisor	4.00	4.00	-
Airport Operations Manager I/II	4.00	4.00	-
Airport Operations Superintendent I/II	4.00	4.00	-
Airport Operations Supervisor I/II/III	18.00	18.00	-
Analyst I/II	7.00	7.00	-
Assistant Director of Aviation	1.00	1.00	-
Associate Engineer	4.00	4.00	-
Associate Engineering Technician	0.00	1.00	1.00
Associate Structure/Land Designer	1.00	1.00	-
Aviation Security and Permit Specialist	5.00	5.00	-
Building Management Administrator	1.00	1.00	-
Carpenter	1.00	1.00	-
Dept Information Tech Manager	1.00	1.00	-
Deputy Director	5.00	5.00	-
Director of Aviation	1.00	1.00	-
Division Manager	2.00	3.00	1.00
Electrician I/II	3.00	3.00	-
Electrician Supervisor	1.00	1.00	-
Engineer I/II	4.00	4.00	-
Environmental Services Program Manager	1.00	1.00	-
Environmental Services Specialist	2.00	2.00	-
Geographic Info Systems Specialist I/II	2.00	2.00	-
Information Systems Analyst	3.00	3.00	-
Maintenance Assistant/Maintenance Worker I	14.00	14.00	-
Maintenance Superintendent	1.00	1.00	-
Maintenance Worker II	13.00	13.00	-
Network Engineer	2.00	2.00	-
Network Technician I/II/III	2.00	2.00	-
Office Specialist I/II	2.00	2.00	-
Painter	3.00	3.00	-
Planner I/II/III	1.00	1.00	-
Planner IV	1.00	1.00	-
Principal Accountant	1.00	1.00	-
Principal Property Manager	1.00	1.00	-
Program Manager	4.00	3.00	(1.00)
Property Manager I/II	6.00	6.00	-
Public Information Manager	2.00	2.00	-
Public Information Representative I/II	3.00	3.00	-

Airport Department

Department Position Detail

Position	2023-2024 Adopted	2024-2025 Proposed	Change
Senior Account Clerk	3.00	3.00	-
Senior Accountant	4.00	4.00	-
Senior Air Conditioning Mechanic	1.00	1.00	-
Senior Airport Equipment Mechanic	3.00	2.00	(1.00)
Senior Airport Operations Specialist I/II/III	27.00	27.00	-
Senior Analyst	9.00	9.00	-
Senior Architect/Landscape Architect	1.00	1.00	-
Senior Electrician	1.00	1.00	-
Senior Electronic Systems Technician	1.00	1.00	-
Senior Engineer	2.00	2.00	-
Senior Engineering Technician	2.00	2.00	-
Senior Geographic Information Systems Specialist	1.00	1.00	-
Senior Maintenance Worker	4.00	4.00	-
Senior Painter	1.00	0.00	(1.00)
Senior Property Manager I/II	2.00	2.00	-
Senior Public Information Representative	2.00	2.00	-
Senior Systems Applications Programmer	1.00	1.00	-
Senior Warehouse Worker	1.00	1.00	-
Sign Shop Technician	1.00	1.00	-
Staff Specialist	5.00	5.00	-
Supervising Accountant	2.00	2.00	-
Supervising Applications Analyst	2.00	2.00	-
Supervisor, Trades	2.00	2.00	-
Systems Application Programmer I/II	1.00	1.00	-
Total Positions	228.00	228.00	0.00

Office of the City Attorney

Nora Frimann, City Attorney

MISSION

The Office of the City Attorney is committed to providing excellent legal services, consistent with the highest professional and ethical standards, with the goal of protecting and advancing the City's interests in serving the people of San José

CITY SERVICE AREA

Strategic Support

CORE SERVICES

LEGAL SERVICES

Advocate, defend, and prosecute on behalf of the City's interests. Provide oral and written advice on legal issues and prepare documents to implement official City actions.

Strategic Support: Administrative Support and Emergency Response and Recovery.

Office of the City Attorney

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Legal Services Core Service</i>	
Legal Representation	Provides legal representation to advocate, defend, and prosecute matters on behalf of the City and the Successor Agency to the Redevelopment Agency. This involves a variety of activities, including defense of lawsuits; general liability claims management; prosecution of municipal code violations; workers' compensation investigations and litigation; seeking injunctions for general nuisance, gang, and drug abatements; alternative dispute resolution and contract dispute assistance; and initiation of litigation which can result in significant revenue collections.
Legal Transactions	Provides oral and written legal counsel and advice to the Mayor, City Council, Council Appointees, City departments, City boards, commissions, and committees, and to the Successor Agency to the Redevelopment Agency, and is responsible for review and preparation of ordinances, resolutions, contracts, permits, and other legal documents to implement official City and Agency actions.
<i>Strategic Support Core Service</i>	
City Attorney Management and Administration	Provides administrative oversight for the department, including executive management, financial management, and human resources.
City Attorney Emergency Response and Recovery	Provides for the coordination and delivery of emergency services and recovery activities.

Office of the City Attorney

Department Budget Summary

Expected 2024-2025 Service Delivery

- The City Attorney's Office (CAO) will continue to provide legal representation and advice while facing the challenge of meeting legal services demands largely driven by outside factors.
- Transactional legal assignments are generated by City Council direction and department requests that are often driven by technology innovations, economic conditions, and state and federal mandates. Transactional legal services will continue to be delivered by the Office with priority given to matters that reflect Council priorities and will provide the greatest benefit to the City or have the potential for increasing revenue. Lower-priority assignments will be performed as time and staffing allow.
- Litigation matters often originate from claims and lawsuits against the City; consequently, workloads and liability exposure are largely out of the CAO's control. In addition, the Office prosecutes criminal cases and files Gun Violence Restraining Orders and various affirmative lawsuits. The Office will continue to provide in-house legal services while managing unpredictable fluctuations in demand for these services. Litigation defense services will continue to take priority over proactive suits by the City.
- Airport, Clean Energy, Sanitary Sewer and Storm, Solid Waste enterprise programs: prepay power purchase conduit financing; advise on new programs; power procurement and regulatory compliance; advise on project development for Airport connector project, belly freight, recreation and commercial development of Guadalupe Gardens; advise on public-private financing, biosolids facility; ongoing monitoring of new state regulatory requirements relating to sanitary sewer and storm programs.
- Economic Development: Negotiations of Sharks and SAP Center agreements; Microsoft development agreement; billboard lease agreements; negotiations of Team San Jose agreement; advise on revenue opportunities at San Jose events; advise on unpermitted vendors at cultural facility events.
- Housing: advise on implementing over 100 policies and strategies in Housing Element; assist City departments in implementing Shelter Crisis Resolution and development of interim housing sites; enforcement of buffer zones; advise on implementation of large vehicle and overnight parking prohibitions; day-to-day crisis resolution on interim housing sites.
- Labor Enforcement: advise on implementation of private responsible construction program, and any potential regulation involving fast food workers.
- Tax Revenue: monitor and advocate on ongoing tax disputes, negotiate banking services agreements, advise on tax audits including TOT, utility user, telecommunication, and Measure E.
- Election: advise on election-related issues before November 2024.
- Transportation: update micro-mobility device regulatory scheme.
- Building: draft soft story seismic retrofit ordinance and continue legal guidance on approximately 30 Builder's Remedy applications and work with HCD on pro-housing designation.
- Provide legal support for potential City Charter amendments affecting Retirement Services.
- Advise on Development Fee Framework and Council Policy to align City fees.
- Provide legal support regarding Ambulance Transport Services and EMS Review and Overhaul.

2024-2025 Key Budget Actions

- Makes permanent 1.0 Associate Deputy City Attorney position to continue the support of Gun Violence Restraining Orders.
- Extends 1.0 Legal Analyst position, through June 30, 2025, to address the continuing demands of the Gun Violence Restraining Orders and support other areas involving City policy and procedures.
- Shifts portions of 2.0 Legal Administrative Assistant positions from General Fund to other funds to reflect a reduced Cannabis Regulation program.
- Eliminates 1.0 vacant Senior Deputy City Attorney position assigned to support the Planning, Building and Code Enforcement Department.

Operating Funds Managed

N/A

Office of the City Attorney

Department Budget Summary

	2022-2023 Actuals ***	2023-2024 Adopted ****	2024-2025 Forecast	2024-2025 Proposed
Dollars by Core Service				
Legal Services	21,576,869	22,424,504	24,289,913	24,289,972
Strategic Support - City Council Appointees	1,833,928	1,919,016	2,049,310	2,049,310
Strategic Support - Other - Council Appointees	3,624,298	20,261,174	7,159,325	7,166,263
Total	\$27,035,095	\$44,604,694	\$33,498,548	\$33,505,545
Dollars by Category				
Personal Services and Non-Personal/Equipment				
Salaries/Benefits	20,801,445	22,582,711	24,603,153	24,568,212
Overtime	21,138	0	0	0
Subtotal Personal Services	\$20,822,582	\$22,582,711	\$24,603,153	\$24,568,212
Non-Personal/Equipment	2,244,321	1,760,809	1,709,809	1,744,809
Total Personal Services & Non-Personal/Equipment	\$23,066,904	\$24,343,520	\$26,312,962	\$26,313,021
Other Costs *				
City-Wide Expenses	3,568,420	19,259,000	6,000,000	6,000,000
Housing Loans and Grants	0	0	0	0
Other	199,623	0	26,261	26,261
Other - Capital	0	0	0	0
Overhead Costs	200,148	1,002,174	1,159,325	1,166,263
Total Other Costs	\$3,968,191	\$20,261,174	\$7,185,586	\$7,192,524
Total	\$27,035,095	\$44,604,694	\$33,498,548	\$33,505,545

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** The position counts displayed in the 2022-2023 Actuals column reflect those included in the 2022-2023 Adopted Budget.

*** 2022-2023 Actuals may not subtotal due to rounding.

**** The amounts in the 2023-2024 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

Office of the City Attorney

Department Budget Summary

	2022-2023 Actuals ***	2023-2024 Adopted ****	2024-2025 Forecast	2024-2025 Proposed
Dollars by Fund				
General Fund (001)	21,644,396	37,115,689	25,069,994	25,031,941
Airport Maintenance And Operation Fund (523)	654,016	935,966	833,515	833,515
Building Development Fee Program Fund (237)	75,090	78,579	85,317	85,317
Community Development Block Grant Fund (441)	28,121	21,451	38,825	38,825
Home Investment Partnership Program Trust Fund (445)	8,239	11,515	0	0
Housing Trust Fund (440)	52,300	40,410	58,011	58,011
Integrated Waste Management Fund (423)	181,290	72,520	233,742	233,742
Low And Moderate Income Housing Asset Fund (346)	1,116,075	1,357,739	1,764,264	1,790,107
Multi-Source Housing Fund (448)	88,835	117,208	125,097	125,097
Planning Development Fee Program Fund (238)	390,277	418,934	447,804	447,804
Real Property Transfer Tax Fund (404)	0	0	550,179	550,179
Rental Stabilization Program Fee Fund (450)	344,702	527,941	550,467	550,467
San José Clean Energy Operating Fund (501)	662,701	1,250,951	1,234,338	1,234,338
San José-Santa Clara Treatment Plant Operating Fund (513)	153,192	73,961	294,600	294,600
Sewer Service And Use Charge Fund (541)	691,037	1,646,573	1,275,964	1,295,171
Storm Sewer Operating Fund (446)	162,000	0	180,123	180,123
Water Utility Fund (515)	91,010	168,559	187,039	187,039
Workforce Development Fund (290)	110,451	129,199	135,659	135,659
Capital Funds	581,363	637,499	433,610	433,610
Total	\$27,035,095	\$44,604,694	\$33,498,548	\$33,505,545
Positions by Core Service **				
Legal Services	79.70	80.70	79.80	80.80
Strategic Support - City Council Appointees	6.80	7.80	7.70	7.70
Total	86.50	88.50	87.50	88.50

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** The position counts displayed in the 2022-2023 Actuals column reflect those included in the 2022-2023 Adopted Budget.

*** 2022-2023 Actuals may not subtotal due to rounding.

**** The amounts in the 2023-2024 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

Office of the City Attorney

Department Budget Summary

	2022-2023 Actuals **	2023-2024 Adopted	2024-2025 Forecast	2024-2025 Proposed	2024-2025 Proposed Positions
Dollars by Program*					
Legal Services					
Legal Representation	11,242,767	10,772,664	11,501,939	11,650,493	37.99
Legal Transactions	10,334,102	11,651,840	12,787,974	12,639,479	42.81
Sub-Total	21,576,869	22,424,504	24,289,913	24,289,972	80.80
Strategic Support - City Council Appointees					
City Attorney Management and Administration	1,833,928	1,919,016	2,049,310	2,049,310	7.70
Sub-Total	1,833,928	1,919,016	2,049,310	2,049,310	7.70
Strategic Support - Other - Council Appointees					
City Attorney Other Departmental - City-Wide	3,376,543	19,259,000	6,000,000	6,000,000	0.00
City Attorney Other Operational - Administration	110,878	0	0	0	0.00
City Attorney Overhead	136,878	1,002,174	1,159,325	1,166,263	0.00
Sub-Total	3,624,298	20,261,174	7,159,325	7,166,263	0.00
Total	\$27,035,095	\$44,604,694	\$33,498,548	\$33,505,545	88.50

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** 2022-2023 Actuals may not subtotal due to rounding.

Office of the City Attorney

Budget Reconciliation

Personal Services and Non-Personal/Equipment

(2023-2024 Adopted to 2024-2025 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
Prior Year Budget (2023-2024):	88.50	24,343,520	17,856,689
Base Adjustments			
One-Time Prior Year Expenditures Deleted			
• Gun Violence Restraining Order Staffing (1.0 Associate Deputy City Attorney)	(1.00)	(161,571)	(161,571)
• Outside Counsel		(60,000)	(60,000)
One-time Prior Year Expenditures Subtotal:	87.50	(221,571)	(221,571)
Technical Adjustments to Costs of Ongoing Activities			
• Salary/benefit changes		1,770,121	1,140,095
• Contract Services: Legal Counsel		9,000	9,000
• Fund Shift: Legal Transactions and Representation		(138,287)	285,781
• Fund Shift: Measure E - 5% Program Administration		550,179	0
Technical Adjustments Subtotal:	0.00	2,191,013	1,434,876
2024-2025 Forecast Base Budget:	87.50	26,312,962	19,069,994
Budget Proposals Recommended			
1. Gun Violence Restraining Order Staffing	2.00	356,386	356,386
2. Cannabis Regulation Program Staffing	0.00	0	(55,928)
3. Legal Transaction Staffing	(1.00)	(356,327)	(338,511)
Total Budget Proposals Recommended	1.00	59	(38,053)
2024-2025 Proposed Budget Total			
	88.50	26,313,021	19,031,941

Office of the City Attorney

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
1. Gun Violence Restraining Order Staffing	2.00	356,386	356,386

***Strategic Support – Council Appointees CSA
Legal Services Core Service
Legal Representation and Legal Transactions Programs***

This action makes permanent 1.0 Associate Deputy City Attorney position, extends 1.0 Legal Analyst position through June 30, 2025, and adds one-time non-personal/equipment funding of \$35,000 to support Gun Violence Restraining Order cases. The San José Police Department (SJPD) leads the County in requests for Gun Violence Restraining Orders (GRVOs), and the Associate Deputy City Attorney position is responsible for evaluating, filing, pursuing, and making court appearances when required for all GRVOs initiated by SJPD. Extension of the Legal Analyst position will assist with managing caseloads that have increased significantly due to the volume of GVROs and also serve as a resource by supporting other areas involving City policies and procedures. The one-time non-personal/equipment funding will support consulting services for a case management software optimization project. This project will assess current workflows, design efficient processes, implement improvements, and develop training materials, with the goals of ensuring consistency in reporting, data gathering, and ultimately, more effective GVRO case management. (Ongoing costs: \$163,108)

2. Cannabis Regulation Program Staffing	0.00	0	(55,928)
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***Strategic Support – Council Appointees CSA
Legal Services Core Service
Legal Representation and Legal Transactions Programs***

This action shifts funding for portions of 2.0 Legal Administrative Assistant positions from the General Fund to the Sewer Service and Use Charge Fund and to the Low and Moderate Income Housing Asset Fund to realign resources to reflect the adjustments to the Cannabis Regulation Annual Operating Fee, as directed by City Council. Staff that previously supported cannabis regulation will be reassigned to provide legal support services to other programs. The City Attorney’s Office will continue to provide legal support for cannabis regulation but at a lower level to keep the program at full cost recovery as a result of the reduced annual operating fee. (Ongoing costs: \$0)

Office of the City Attorney

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
3. Legal Transaction Staffing	(1.00)	(356,327)	(338,511)

*Strategic Support – Council Appointees CSA
Legal Services Core Service
Legal Transactions Program*

As a cost reduction to help bring the General Fund into structural alignment, this action eliminates 1.0 vacant Senior Deputy City Attorney position. This position serves as trusted counsel to the Mayor and City Council, City Manager, and boards and commissions through its support of the Planning, Building and Code Enforcement Department.
(Ongoing savings: \$353,166)










2024-2025 Proposed Budget Changes Total	1.00	59	(38,053)
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Office of the City Attorney

Performance Summary

Legal Services

Performance Measures

	2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
 % of time final case results are within staff analyses and/or recommendations	N/A ¹	90%	91%	90%
 Cost of representation compared to law offices of similar size, practice, and expertise, including other governmental law offices				
- City Attorney's Office average hourly rate	\$160	\$160	\$153	\$165
- Outside Legal Counsel average hourly rate	\$416	\$416	\$436	\$460
 % of time client is timely informed of significant developments in a case	N/A ¹	80%	94%	85%
 % of survey respondents rating legal services satisfactory or better based on quality, cycle time, and professionalism	N/A ¹	86%	90%	90%
 % of time final documents accurately reflect the approval of City action	N/A ¹	96%	93%	90%
 % of time that advice identifies and analyzes legal issues and risks	N/A ¹	90%	89%	90%
 % of time that advice provides alternatives where appropriate	N/A ¹	75%	84%	80%
 Cost of advice and documentation compared to law offices of similar size, practice, and expertise including other governmental offices				
- City Attorney's Office average hourly rate	\$160	\$160	\$153	\$165
- Outside Legal Counsel average hourly rate	\$416	\$416	\$436	\$460
 % of time client receives advice/document within mutually accepted time frames	N/A ¹	80%	93%	90%

¹ The survey was not conducted in 2022-2023.

Office of the City Attorney

Performance Summary

Legal Services

Activity and Workload Highlights

	2022-2023 Actual	2023-2024 Forecast	2023-2024 Estimated	2024-2025 Forecast
# of claims filed against the City	550	508	447	564
# of lawsuits filed against the City	125	130	124	131
# of lawsuits and administrative actions filed or initiated by the City	720 ¹	630	518	620
# of Council/Board/Manager memoranda:				
- Prepared	1,215	2,000	1,000	1,606
- Reviewed	546	657	562	574
# of formal Opinions issued	0	1	4	1
# of Resolutions	412	454	362	433
# of Ordinances	134	139	126	138
# of Agreements	2,130	2,050	2,181	2,130

¹ Relatively higher 2022-2023 lawsuits and administrative actions were driven by sideshow citations and Gun Violence Restraining Orders (GVRO) enforced by the City.

Office of the City Attorney

Department Position Detail

Position	2023-2024 Adopted	2024-2025 Proposed	Change
Assistant City Attorney	2.00	2.00	-
Associate Deputy City Attorney	3.00	3.00	-
Chief Deputy City Attorney	4.00	4.00	-
City Attorney	1.00	1.00	-
Deputy City Attorney I/II/III/IV	12.00	12.00	-
Executive Assistant	1.00	1.00	-
Legal Administrative Assistant	9.50	9.50	-
Legal Analyst I/II/III	16.00	17.00	1.00
Legal Services Administrator	1.00	1.00	-
Legal Services Manager	1.00	1.00	-
Network Engineer	1.00	1.00	-
Office Specialist I/II	2.00	2.00	-
Senior Deputy City Attorney I/II/III/IV	31.00	30.00	(1.00)
Senior Legal Analyst	3.00	3.00	-
Senior Supervisor, Administration	1.00	1.00	-
Total Positions	88.50	88.50	0.00

Office of the City Auditor

Joe Rois, City Auditor

MISSION

Independently assess and report on City operations and services

CITY SERVICE AREA

Strategic Support

CORE SERVICES

AUDIT SERVICES

Identify ways to increase the economy, efficiency, effectiveness, equity, and accountability of City government and provide independent, reliable, accurate, and timely information to the City Council and other stakeholders.

Strategic Support: Administrative Support and Emergency Response and Recovery.

Office of the City Auditor

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Audit Services Core Service</i>	
Performance Audits	Identify ways to increase the economy, efficiency, effectiveness, equity, and accountability of City government and provide independent, reliable, accurate, and timely information to the City Council and other stakeholders.
<i>Strategic Support Core Service</i>	
City Auditor Management and Administration	Provides administrative oversight for the department, including executive management, financial management, and human resources.
City Auditor Emergency Response and Recovery	Provides for the coordination and delivery of emergency services and recovery activities.

Office of the City Auditor

Department Budget Summary

Expected 2024-2025 Service Delivery

- Conduct program performance audits identifying ways to increase the economy, efficiency, effectiveness, equity, and accountability of City government and provide independent, reliable, accurate, and timely information to the City Council and other stakeholders. The 2024-2025 Audit Workplan will be submitted to the Rules and Open Government Committee in August 2024, with a continued focus on searching for operational efficiencies, revenues, and cost-saving opportunities.
- Issue the Annual Report on City Services. This report details the cost, workload, and performance data for City services and is intended to improve government transparency and accountability and provide consolidated performance information to the public, allowing informed decision making by City officials, staff, and the public.
- Provide oversight of external auditors on the City of San José Annual Financial Audit and Single Audit; the Audits of Parks and Recreation Bond, Library Bond, Public Safety and Infrastructure Bond, and Parcel Tax Funds; the Annual Compliance Review of San José Clean Energy's Risk Management Practices; and the Semi-Annual Reviews for Compliance with the City's Investment Policy.
- Monitor the status of open audit recommendations and provide status updates through the online dashboard of audit recommendations and the issuance of two Status of Open Audit Recommendations reports.

2024-2025 Key Budget Actions

- Eliminates 1.0 Program Performance Auditor as a cost reduction measure, resulting in fewer audits per year and fewer recommendations to improve operations, enhance equity, or reduce risks to the City.

Operating Funds Managed

N/A

Office of the City Auditor

Department Budget Summary

	2022-2023 Actuals ***	2023-2024 Adopted ****	2024-2025 Forecast	2024-2025 Proposed
Dollars by Core Service				
Audit Services	2,621,234	3,456,225	3,652,052	3,510,147
Strategic Support - City Council Appointees	173	184,872	201,964	201,964
Strategic Support - Other - Council Appointees	406,861	0	0	0
Total	\$3,028,268	\$3,641,097	\$3,854,016	\$3,712,111
Dollars by Category				
<i>Personal Services and Non-Personal/Equipment</i>				
Salaries/Benefits	2,447,050	2,875,255	3,034,673	2,892,768
Subtotal Personal Services	\$2,447,050	\$2,875,255	\$3,034,673	\$2,892,768
Non-Personal/Equipment	49,539	47,238	47,238	47,238
Total Personal Services & Non-Personal/Equipment	\$2,496,588	\$2,922,493	\$3,081,911	\$2,940,006
<i>Other Costs *</i>				
City-Wide Expenses	406,861	472,649	526,150	526,150
Housing Loans and Grants	0	0	0	0
Other	124,819	245,955	245,955	245,955
Other - Capital	0	0	0	0
Overhead Costs	0	0	0	0
Total Other Costs	\$531,680	\$718,604	\$772,105	\$772,105
Total	\$3,028,268	\$3,641,097	\$3,854,016	\$3,712,111

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** The position counts displayed in the 2022-2023 Actuals column reflect those included in the 2022-2023 Adopted Budget.

*** 2022-2023 Actuals may not subtotal due to rounding.

**** The amounts in the 2023-2024 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

Office of the City Auditor

Department Budget Summary

	2022-2023 Actuals ***	2023-2024 Adopted ****	2024-2025 Forecast	2024-2025 Proposed
Dollars by Fund				
General Fund (001)	2,903,450	3,395,142	3,608,061	3,466,156
Airport Maintenance And Operation Fund (523)	69,837	83,033	83,033	83,033
San José Clean Energy Operating Fund (501)	54,982	130,650	130,650	130,650
Sewer Service And Use Charge Fund (541)	0	32,272	32,272	32,272
Total	\$3,028,268	\$3,641,097	\$3,854,016	\$3,712,111
Positions by Core Service **				
Audit Services	13.00	13.00	13.00	12.00
Strategic Support - City Council Appointees	1.00	1.00	1.00	1.00
Total	14.00	14.00	14.00	13.00

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** The position counts displayed in the 2022-2023 Actuals column reflect those included in the 2022-2023 Adopted Budget.

*** 2022-2023 Actuals may not subtotal due to rounding.

**** The amounts in the 2023-2024 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

Office of the City Auditor

Department Budget Summary

	2022-2023	2023-2024	2024-2025	2024-2025	2024-2025
	Actuals **	Adopted	Forecast	Proposed	Proposed Positions

Dollars by Program*

Audit Services

Performance Audits	2,621,234	3,456,225	3,652,052	3,510,147	12.00
Sub-Total	2,621,234	3,456,225	3,652,052	3,510,147	12.00

Strategic Support - City Council Appointees

City Auditor Management and Administration	173	184,872	201,964	201,964	1.00
Sub-Total	173	184,872	201,964	201,964	1.00

Strategic Support - Other - Council Appointees

City Auditor Other Departmental - City-Wide	406,861	0	0	0	0.00
Sub-Total	406,861	0	0	0	0.00

Total	\$3,028,268	\$3,641,097	\$3,854,016	\$3,712,111	13.00
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* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** 2022-2023 Actuals may not subtotal due to rounding.

Office of the City Auditor

Budget Reconciliation

Personal Services and Non-Personal/Equipment

(2023-2024 Adopted to 2024-2025 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
Prior Year Budget (2023-2024):	14.00	2,922,493	2,922,493
<hr/> Base Adjustments <hr/>			
One-Time Prior Year Expenditures Deleted			
• N/A		0	0
One-time Prior Year Expenditures Subtotal:	0.00	0	0
<hr/> Technical Adjustments to Costs of Ongoing Activities			
• Salary/benefit changes:		159,418	159,418
Technical Adjustments Subtotal:	0.00	159,418	159,418
2024-2025 Forecast Base Budget:	14.00	3,081,911	3,081,911
<hr/> Budget Proposals Recommended <hr/>			
1. Performance Audits Staffing	(1.00)	(141,905)	(141,905)
Total Budget Proposals Recommended	(1.00)	(141,905)	(141,905)
<hr/>			
2024-2025 Proposed Budget Total:	13.00	2,940,006	2,940,006

Office of the City Auditor

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
1. Performance Audits Staffing	(1.00)	(141,905)	(141,905)

Strategic Support – Council Appointees CSA
Audit Services Core Service
Performance Audits Program

This action eliminates 1.0 filled Program Performance Auditor I/II position. The Office of the City Auditor conducts audits annually in key areas including the City-Council approved Focus Areas, critical City Service Area services and key programs, and Foundational Strategic Support Focus Areas. The Office sets a target to complete 1.5 audits per auditor and to generate two dollars in estimated monetary benefits for every one dollar in audit costs. The elimination of this position will result in fewer audits per year and fewer recommendations to improve operations, enhance equity, or reduce risks to the City. The foregone monetary benefits imply potential losses in budgetary savings, additional revenues, and efficiency gains. (Ongoing savings: \$140,580)




2024-2025 Proposed Budget Changes Total	(1.00)	(141,905)	(141,905)
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Office of the City Auditor

Performance Summary

Audit Services

Performance Measures

	2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
 % of audit recommendations implemented (cumulative over 10 years)	79%	80%	79%	80%
 Ratio identified monetary benefit to audit cost	\$5.58 to \$1	\$2 to \$1	\$3.11 to \$1	\$2 to \$1
 % of proposed workplan completed or substantially completed during the fiscal year	79%	80%	70%	80%

Activity and Workload Highlights

	2022-2023 Actual	2023-2024 Forecast	2023-2024 Estimated	2024-2025 Forecast
# of audit reports issued	14	18	17	16
# of audit recommendations adopted	28	50	49	45
# of audit reports per auditor	1.5 to 1	1.5 to 1	1.5 to 1	1.5 to 1
Estimated monetary benefits ¹	\$15,492,500 ²	\$5,845,000	\$9,077,000 ³	\$5,561,000

¹ The measure has been revised to more accurately reflect the methodology used for calculating monetary benefits and will be consistent with how this measure is reported elsewhere. The measure includes potential cost savings, revenue enhancements, and estimated value from efficiency gains or protecting City assets.

² The 2022-2023 Estimated monetary benefits is based on findings and improvements recommended in the Audit of COVID-19 Food Distribution Expenditures, Audit of Tree Removals and Replacements, Audit of Firearm Regulations, and Audit of the San Jose Conservation Corps.

³ The 2023-2024 Estimated monetary benefits is based on findings and improvements recommended in the Audit of Integrated Waste Management Enforcement Program and Audit of Residential Building Permits.

Office of the City Auditor

Department Position Detail

Position	2023-2024 Adopted	2024-2025 Proposed	Change
Assistant City Auditor	1.00	1.00	-
City Auditor	1.00	1.00	-
Executive Assistant to City Auditor	1.00	1.00	-
Program Performance Auditor I/II	6.00	5.00	(1.00)
Senior Program Performance Auditor	3.00	3.00	-
Supervising Auditor	2.00	2.00	-
Total Positions	14.00	13.00	(1.00)

Office of the City Clerk

Toni J. Taber, City Clerk

MISSION

Maximize public access to municipal government

CITY SERVICE AREA

Strategic Support

CORE SERVICES

CITY CLERK SERVICES

Maximize public access to the City's legislative processes by administering the democratic processes such as elections, access to City records, and all legislative actions ensuring transparency to the public, and serve as a compliance officer and administrator for federal, State, and local statutes including the Political Reform Act, the Brown Act, and the Public Records Act.

Strategic Support: City Clerk Management and Administration and Emergency Response and Recovery.

Office of the City Clerk

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>City Clerk Services Core Service</i>	
Facilitate the City's Legislative Process	Maximizes public access to the City's legislative process by administering the democratic processes such as elections, access to City records, and all legislative actions ensuring transparency to the public. Serves as a compliance officer and administrator for federal, State, and local statutes including the Political Reform Act, the Brown Act, and the Public Records Act.
<i>Strategic Support Core Service</i>	
City Clerk Management and Administration	Provides administrative oversight for the department and City Council Offices, including financial management, human resources, and analytical support.
City Clerk Emergency Response and Recovery	Provides for the coordination and delivery of emergency services and recovery activities.

Office of the City Clerk

Department Budget Summary

Expected 2024-2025 Service Delivery

- Administer Sunshine/Open Government Reforms to provide transparent legislative services.
- Ensure the public has access to information regarding meetings and open deliberations by creating and distributing agenda packets, synopses, and minutes for all City Council meetings and City Council Rules and Open Government Committee meetings. Additionally, provide legislative services to all other Council Committees by writing and distributing minutes about Ordinances, Resolutions, and Charter Amendments.
- Deliver fiscal, grant, budget, human resources, payroll, administrative, and technical support services to the Mayor's Office, City Council Offices, and for the City's Boards, Commissions, and Committees.
- Supply access to information regarding government business records including the City's legislative records and documents.
- Administer access to information regarding financial interests of officials and candidates by providing and improving compliance with open government, campaign finance, lobbyist registration, statements of economic interest, and other public disclosure requirements.
- Conduct elections for City Council, Retirement Boards, Civil Service Commission, City Charter amendments, potential issuance of bonds, and ballot measures in accordance with City Charter and the State of California elections code.

2024-2025 Key Budget Actions

- Eliminates 1.0 Analyst position that support City-wide contract management and Public Records Act (PRA) requests for the Mayor and Council Offices.
- Adds one-time non-personal/equipment funding of \$80,000 to pilot the use of Artificial Intelligence interpretation services for all City Council and Council Committee meetings.
- Adds ongoing funding of \$75,000 through a new City-Wide Expenses appropriation to pilot an external review of Council Appointee performance with an outside consultant.

Operating Funds Managed

N/A

Office of the City Clerk

Department Budget Summary

	2022-2023 Actuals ***	2023-2024 Adopted ****	2024-2025 Forecast	2024-2025 Proposed
Dollars by Core Service				
City Clerk Services	2,928,138	3,690,851	3,720,967	3,618,571
Strategic Support - City Council Appointees	548,928	197,596	209,145	209,145
Strategic Support - Other - Council Appointees	5,563,952	6,203,926	5,406,102	5,481,102
Total	\$9,041,019	\$10,092,373	\$9,336,214	\$9,308,818
Dollars by Category				
Personal Services and Non-Personal/Equipment				
Salaries/Benefits	2,905,533	3,058,986	3,394,499	3,212,103
Overtime	21,729	0	0	0
Subtotal Personal Services	\$2,927,261	\$3,058,986	\$3,394,499	\$3,212,103
Non-Personal/Equipment	401,919	798,461	519,613	599,613
Total Personal Services & Non-Personal/Equipment	\$3,329,181	\$3,857,447	\$3,914,112	\$3,811,716
Other Costs *				
City-Wide Expenses	5,711,838	6,234,926	5,422,102	5,497,102
Housing Loans and Grants	0	0	0	0
Other	0	0	0	0
Other - Capital	0	0	0	0
Overhead Costs	0	0	0	0
Total Other Costs	\$5,711,838	\$6,234,926	\$5,422,102	\$5,497,102
Total	\$9,041,019	\$10,092,373	\$9,336,214	\$9,308,818

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** The position counts displayed in the 2022-2023 Actuals column reflect those included in the 2022-2023 Adopted Budget.

*** 2022-2023 Actuals may not subtotal due to rounding.

**** The amounts in the 2023-2024 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

Office of the City Clerk

Department Budget Summary

	2022-2023 Actuals ***	2023-2024 Adopted ****	2024-2025 Forecast	2024-2025 Proposed
Dollars by Fund				
General Fund (001)	9,041,019	10,092,373	9,336,214	9,308,818
American Rescue Plan Fund (402)	0	0	0	0
Total	\$9,041,019	\$10,092,373	\$9,336,214	\$9,308,818
Positions by Core Service **				
City Clerk Services	16.00	17.00	17.00	16.00
Strategic Support - City Council Appointees	2.00	1.00	1.00	1.00
Total	18.00	18.00	18.00	17.00

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** The position counts displayed in the 2022-2023 Actuals column reflect those included in the 2022-2023 Adopted Budget.

*** 2022-2023 Actuals may not subtotal due to rounding.

**** The amounts in the 2023-2024 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

Office of the City Clerk

Department Budget Summary

	2022-2023	2023-2024	2024-2025	2024-2025	2024-2025
	Actuals **	Adopted	Forecast	Proposed	Proposed Positions

Dollars by Program*

City Clerk Services

Facilitate the City's Legislative Process	2,928,138	3,690,851	3,720,967	3,618,571	16.00
Sub-Total	2,928,138	3,690,851	3,720,967	3,618,571	16.00

Strategic Support - City Council Appointees

Clerk Emergency Response and Recovery	134,436	15,000	0	0	0.00
Clerk Management and Administration	414,493	182,596	209,145	209,145	1.00
Sub-Total	548,928	197,596	209,145	209,145	1.00

Strategic Support - Other - Council Appointees

Clerk Other Departmental - City-Wide	5,563,952	6,203,926	5,406,102	5,481,102	0.00
Sub-Total	5,563,952	6,203,926	5,406,102	5,481,102	0.00

Total	\$9,041,019	\$10,092,373	\$9,336,214	\$9,308,818	17.00
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* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** 2022-2023 Actuals may not subtotal due to rounding.

Office of the City Clerk

Budget Reconciliation

Personal Services and Non-Personal/Equipment

(2023-2024 Adopted to 2024-2025 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
Prior Year Budget (2023-2024):	18.00	3,857,447	3,857,447
<hr/> Base Adjustments <hr/>			
One-Time Prior Year Expenditures Deleted			
• City Council and Committee Meeting Interpretation Services		(325,000)	(325,000)
One-time Prior Year Expenditures Subtotal:	0.00	(325,000)	(325,000)
Technical Adjustments to Costs of Ongoing Activities			
• Salary/benefit changes		335,513	335,513
• Software/Information Services: GILES		33,645	33,645
• Contract Services: Elected Official Ethics Training		7,000	7,000
• Contract Services: Agenda Management System		2,984	2,984
• Contract Services: Disclosure Documentation		2,523	2,523
Technical Adjustments Subtotal:	0.00	381,665	381,665
2024-2025 Forecast Base Budget:	18.00	3,914,112	3,914,112
<hr/> Budget Proposals Recommended <hr/>			
1. Automated Interpretation Services		80,000	80,000
2. Contracts and Public Records Staffing	(1.00)	(182,396)	(182,396)
Total Budget Proposals Recommended	(1.00)	(102,396)	(102,396)
2024-2025 Proposed Budget Total	17.00	3,811,716	3,811,716

Office of the City Clerk

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
1. Automated Interpretation Services		80,000	80,000

Strategic Support – Council Appointees CSA
City Clerk Services Core Service
Facilitate the City’s Legislative Process Program

This action adds one-time non-personal/equipment funding of \$80,000 to fund contractual services for an Artificial Intelligence (AI) interpretation services software, which provides Spanish, Vietnamese, and over 50 other languages for interpretation services for City Council and Council Committee meetings and study sessions. The 2023-2024 Adopted Operating Budget allocated one-time non-personal/equipment funding of \$400,000 – of which \$75,000 was ongoing – to fund both in-person and online Spanish and Vietnamese interpretation services for all City Council Committee meetings including the City Council Rules and Open Government Committee meetings, and City Council meetings and study sessions. Last year’s allocation provided sufficient funding to provide one-time bridge funding for live interpretation services until a technology-based and more cost-effective solution could be explored. This action adds \$80,000 one-time to an approved Base Budget level of \$125,000 for interpretation services. To ensure the seamless transition of accurate interpretations services, the recommended funding of \$80,000 will allow for the deployment of AI functionality at all City Council Committee meetings, while the existing funding of \$125,000 will support continued live in-person interpretation services at all City Council meetings through 2024-2025. Should the AI interpretation services software prove effective, it will be deployed in City Council meetings beginning in 2025-2026; total funding for these services will be evaluated as part of next year’s budget process. In person interpretation for other languages will continue to be available upon request. (Ongoing costs: \$0)

Office of the City Clerk

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
2. Contracts and Public Records Staffing	(1.00)	(182,396)	(182,396)

***Strategic Support – Council Appointees CSA
City Clerk Services Core Service
Facilitate the City’s Legislative Process Program***

As a cost reduction to help bring the General Fund into structural alignment, this action eliminates 1.0 vacant Analyst I/II position from the Records, Contracts, and Public Records Act (PRA) Compliance team, dedicated to supporting the Mayor and City Council Offices. This position coordinates Mayor and City Council PRA request responses, maintains an electronic document management system, and manages the filing of executed City-wide contracts. Prior to 2023-2024, PRA request responses were managed directly between the Mayor and City Council Offices and the City Manager’s Office Open Government Manager. Elimination of this position will shift PRA-related duties to Mayor and Council Office staff to ensure compliance and timely completion of PRA requests in accordance with City Council Policy or State mandates. (Ongoing savings: \$184,706)








2024-2025 Proposed Budget Changes Total	(1.00)	(102,396)	(102,396)
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Office of the City Clerk

Performance Summary

Facilitate the City's Legislative Process

Performance Measures

	2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
 % of complete City Council Agenda packets available online 10 days before the Council meeting	100%	100%	100%	100%
 Estimated cost to document and track legislative actions per Council meeting	\$4,798	\$4,962	\$4,941	\$4,941
 % of Public Records Act requests received and fulfilled by the Clerk's Office within 10 days of request	87% ¹	100%	70% ¹	100%
 % of City contracts that have all required documents after a compliance check	80%	95%	95%	95%
 % of Council synopses completed and posted online within 3 business days after the Council meeting	95%	95%	90%	95%
 % of Resolutions/Ordinances posted online within 3 business days of receipt from the City Attorney's Office	100%	100%	100%	100%
 % of customers rating customer service experience with the Clerk's Office as good or excellent	92%	95%	90%	95%

¹ Reflects both Clerk's and Mayor-Council requests. For part of 2022-2023 and all of 2023-2024, the Clerk's Office assumed responsibility for tracking and coordinating Mayor-Council PRA requests.

Office of the City Clerk

Performance Summary

Facilitate the City's Legislative Process

Activity and Workload Highlights

	2022-2023 Actual	2023-2024 Forecast	2023-2024 Estimated	2024-2025 Forecast
# of meetings staffed ¹	173	200	200	200
# of board/commission applications processed	262	250	150	250
# of contracts processed ²	2,723	3,926	2,600	2,408
# of grants processed (Council Office and Arena Community Fund)	306	290	200	292
# of Statements of Economic Interest/Family Gift Reports processed	3,715	2,500	2,500	2,633
# of campaign filings processed	91	339	200	283
# of ads placed in legal publications	337	300	300	300
# of Lobbyist Reports processed	532	660	600	747
# of Ordinances and Resolutions processed	621	680	500	613
# of Council Actions recorded, processed, and tracked	913	1,500	2,000	2,000
# of Public Records Act requests processed	192 ³	310 ³	180 ³	100
# of internal requests for information/documents processed	147	250	400	300

¹ Meetings are defined as City Council meetings and study sessions, Council Committees, Civil Service, Council Salary Setting, Council Appointment Advisory Commission, and Board of Fair Campaign and Political Practices.

² Data includes contracts and grants processed.

³ The numbers reflect both Clerk's and Mayor-Council requests. For part of 2022-2023 and all of 2023-2024, Clerk's Office assumed responsibility for tracking and coordinating Mayor-Council PRA requests. It is important to note that a single request could result in hundreds of responsive documents.

Office of the City Clerk
Department Position Detail

Position	2023-2024 Adopted	2024-2025 Proposed	Change
Analyst I/II	5.00	4.00	(1.00)
Assistant City Clerk	1.00	1.00	-
City Clerk	1.00	1.00	-
Legislative Secretary	3.00	3.00	-
Principal Account Clerk	1.00	1.00	-
Principal Office Specialist	1.00	1.00	-
Records Specialist	1.00	1.00	-
Senior Analyst	1.00	1.00	-
Senior Supervisor of Administration	1.00	1.00	-
Staff Specialist	3.00	3.00	-
Total Positions	18.00	17.00	(1.00)

Office of the City Manager

Jennifer A. Maguire, City Manager

MISSION

Provide strategic leadership that supports the Mayor and the City Council, and motivates and challenges the organization to deliver high quality services that meet the community's needs

CITY SERVICE AREA

Public Safety

Strategic Support

CORE SERVICES

CITY-WIDE EMERGENCY MANAGEMENT

Lead efforts to protect life, property, and the environment by developing, coordinating, and managing programs that prevent, prepare for, respond to, recover from, and mitigate natural and man-made disasters and emergencies.

LEAD AND MANAGE THE ORGANIZATION

Provide professional expertise and support to the City Council in the formulation, interpretation, and application of public policy. Advance organizational mission, determine accountability, set organizational goals, and build organizational capacity. Provide strategic direction and management for city-wide operations and service delivery.

Strategic Support: Management and Administration and Emergency Response and Recovery

Office of the City Manager

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>City-Wide Emergency Management Core Service</i>	
Emergency Management	Oversees emergency management efforts throughout the City, including preparedness, response, recovery, and mitigation; maintains a citywide Emergency Management Roadmap to address preparedness gaps; ensures comprehensive all hazards planning, exercises, and training comply with state and federal requirements; and engages the community through culturally-specific public education and training to encourage preparation for the next emergency.
<i>Lead and Manage the Organization Core Service</i>	
Administration, Policy, and Intergovernmental Relations	Supports city-wide leadership by resolving complex administrative matters and supporting city-wide strategic initiatives, policy analysis, and implementation; leads office hiring; provides fiscal and purchasing services; oversees contract management and execution; tracks state and federal legislation; provides committee and special workgroup staffing and policy support; manages agenda services; and coordinates multi-departmental Public Record Act requests.
Budget	Develops and monitors the City's operating and capital budgets which, for 2024-2025, totals \$5.3 billion and includes 6,986 budgeted positions; working with City departments, ensures budget meets the highest community and organizational priority needs while maintaining fiscal integrity; responds to and tracks budget-related City Council direction; works with departments to improve operational efficiency; and supports city-wide performance measure tracking and data-driven service delivery.
Communications	Directs and implements the City's communications strategy to inform and engage San José residents in an inclusive, culturally specific manner; provides strategic counsel to the City Manager and Department Directors and monitors media relations; oversees internal communications; supports emergency public information; and provides digital, social, and creative services.
Employee Relations	Represents the City Council and City Manager in various labor relations issues and negotiates on behalf of the City with 12 bargaining units on wages, hours, and other terms and conditions of employment; and manages employee relations matters and advises and assists departments regarding strategies and due process requirements when dealing with employee sub-performance or misconduct.
Executive Leadership/City Management	Provides strategic leadership that supports the Mayor and City Council in making public policy decisions and ensures the organization delivers cost-effective services that meet the needs of our community with the highest standards of quality and customer service; and guides fiscal and change management, performance measurement, the building and development of the City's workforce, and development of long term, equity-focused, data-driven strategies to invest in the City's future.
Racial and Social Equity	Provides organizational strategic support, training, tools, and capacity building that advances racial and social equity in decision-making that strongly considers the intersections of race, ethnicity, national origin, immigration status, gender, sexual orientation, disability, religion, and other forms of marginalization for historically underserved communities.

Office of the City Manager

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Strategic Support Core Service</i>	
City Manager Management and Administration	Provides administrative support for the office, including front desk and other general office functions.
City Manager Emergency Response and Recovery	Provides for the coordination and delivery of emergency services and recovery activities.

Office of the City Manager

Budget Summary

Expected 2024-2025 Service Delivery

- The City Manager's Office will provide strategic leadership to ensure the effective and efficient delivery of services to the community through 14 different City departments and eight offices within the City with a Proposed Budget totaling \$5.3 billion and 6,986 budgeted positions; advise and make recommendations to the City Council on a wide variety of issues; and implement City Council priorities and policies. In addition to delivering the City's Core Services and Capital Projects contained in the Proposed Operating and Capital Budgets as approved by the City Council, Focus Areas for 2024-2025 as directed by the City Council will include: 1) Increasing Community Safety; 2) Reducing Unsheltered Homelessness; 3) Cleaning Up Our Neighborhoods; and 4) Attracting Investment in Jobs and Housing.
- The City Manager's Office will also continue advancing the City Manager's Foundational Strategic Support Focus Areas including: 1) Delivering Excellent Customer Service through the multi-year effort of implementing the City Council approved Customer Service Vision and Standards; 2) Closing Racial Inequities through strategic support, capacity building, and training; 3) Structurally Balancing the General Fund Budget; 4) Driving Organizational Performance through modernizing the performance measurement and management system and increasing the use of data; and 5) Making San José a Great Place to Work through the City's recruitment, hiring, and retention efforts.
- The Office of Administration, Policy, and Intergovernmental Relations will resolve complex administrative matters, support city-wide policy analysis, implementation, and performance management, protect the best interest of the City through legislative advocacy at the federal, state, and local levels, oversee contract management and execution, manage agenda services; and coordinate multi-departmental Public Record Act requests, and ensure the City Council's strategic and transformational initiatives are operationalized.
- The Budget Office will effectively forecast and monitor both revenues and expenditures in approximately 140 City funds totaling \$5.3 billion, continue to modernize the City Service Area and associated departmental Core Services performance measures, and continue embedding equity in the development of the 2025-2026 City budget for City Council consideration.
- The Communications Office will develop and improve effective communication channels; lead city-wide campaigns and keep the community informed about City services, achievements, emergency services and recovery, and other timely issues; provide communication and language access trainings, and support departmental communication efforts, including website and social media.
- The Office of Employee Relations will engage in labor relations with the City's twelve bargaining units representing approximately 7,000 employees; manage employee relations matters, including conducting personnel investigations; coordinate the City's disability accommodation program; manage citywide administrative policies, and provide training on a variety of subjects to the organization.
- The Office of Emergency Management will lead efforts to protect life, property, and the environment by developing, coordinating, and managing programs that prevent, prepare for, respond to, recover from, and mitigate natural and man-made disasters and emergencies.
- The Office of Racial and Social Equity will support the City organization by embedding a racial equity practice that examines City policies, programs, and investments to ultimately improve outcomes for historically underserved and/or excluded communities through staff trainings, workshops, development of tools and community engagement, as well as advance immigrant affairs issues and a disability accessibility portfolio.

Office of the City Manager

Department Budget Summary

2024-2025 Key Budget Actions

- Adds one-time funding of \$3.0 million to the Customer Service Vision and Standards project (reflected in the City-Wide Expenses section of this document) to implement year two of three of professional services and software licensing and support for the development of a city-wide customer relationship management system. The second year of the project will front-load the effort to integrate the customer relationship management system with appropriate departmental systems and migrate data to deliver a city-wide 360-degree view of San José customers.
- Continues and makes permanent 1.0 Assistant to the City Manager position in the City Manager's Office of Racial and Social Equity to oversee a proactive disability accessibility portfolio that will continue assessing gaps and opportunities for improved accessibility; conduct community outreach and partner with the community and key stakeholder organizations; build organizational awareness by designing and implementing a city-wide training program; and advance policy analysis and advocacy with a disability accessibility lens.
- Continues and adds one-time personal services funding for 1.0 limit-dated Senior Executive Analyst position through June 30, 2025, in the City Manager's Office of Administration, Policy, and Intergovernmental Relations, and provides one-time non-personal/equipment funding of \$95,000 for outside professional services to design and implement an information dashboard for City Council Focus Area delivery. This Senior Executive Analyst will complete the modernization of the remaining City Service Areas (Transportation and Aviation Services, Environmental and Utilities Services, and Strategic Support) and associated departmental Core Service performance measures, activity and workload highlights, and community indicators that inform the efficiency, effectiveness, and equity of the City's service delivery system.
- Adds one-time non-personal/equipment funding of \$150,000 to the Office of Emergency Management, with \$75,000 allocated to Listos California to focus on culturally specific emergency preparedness training program coordination, presentations, and first aid kits for the most vulnerable communities, and \$75,000 will be dedicated to secure professional services to advance the efforts to continue developing emergency preparedness plans to augment the City's evacuation and post-disaster housing programs.
- Adds \$150,000 of non-personal/equipment funding to the Office of Employee Relations to support the hiring of a consultant to assess the Fire Department related to living arrangements, schedule, and other aspects of the Fire Department organization that may be affecting culture and the recruitment/retention of a diverse workforce, including women.
- Adds 1.0 Deputy Director position and eliminates 1.0 Assistant to the City Manager position to the City Manager's Office of Employee Relations to serve as a labor relations lead to reduce the reliance on contractual services and restructure management and supervision of labor functions; this action is offset by an ongoing reduction of \$20,000 non-personal/equipment funding in the City Manager Office, with minimal service-level impacts expected and a net-zero impact on the General Fund.
- Implements a two-year reallocation from the General Fund to the Homelessness Services and Solutions City-Wide Expenses appropriation for the partial costs associated with two positions, 0.75 Senior Executive Analyst in the Office of Administration, Policy, and Intergovernmental Relations and 0.50 Staff Specialist in the City Manager's Executive Leadership/City Management to align funding with staff activity.
- Reduces the City Manager's Office's non-personal/equipment appropriation by \$107,000 with limited service-level impacts expected by reducing spending activity that includes employee training, professional development opportunities, sponsorship for events, supplies and subscriptions, and professional consulting services.

Operating Funds Managed

N/A

Office of the City Manager

Department Budget Summary

	2022-2023 Actuals ***	2023-2024 Adopted ****	2024-2025 Forecast	2024-2025 Proposed
Dollars by Core Service				
City-Wide Emergency Management	6,034,660	4,248,899	2,704,297	2,851,297
Lead & Manage The Organization	18,217,602	22,399,724	20,888,506	24,423,269
Strategic Support - City Council Appointees	4,209,088	5,683,473	223,039	163,979
Strategic Support - Other - Council Appointees	4,350,785	7,543,029	400,151	615,651
Total	\$32,812,135	\$39,875,125	\$24,215,993	\$28,054,196
Dollars by Category				
<i>Personal Services and Non-Personal/Equipment</i>				
Salaries/Benefits	19,118,375	20,597,076	21,861,684	22,270,852
Overtime	29,280	30,000	35,000	35,000
Subtotal Personal Services	\$19,147,655	\$20,627,076	\$21,896,684	\$22,305,852
Non-Personal/Equipment	1,945,604	2,817,924	1,777,924	1,991,459
Total Personal Services & Non-Personal/Equipment	\$21,093,259	\$23,445,000	\$23,674,608	\$24,297,311
<i>Other Costs *</i>				
City-Wide Expenses	11,361,941	16,331,097	379,000	3,594,500
Gifts	240	63,000	1,235	1,235
Housing Loans and Grants	0	0	0	0
Other	316,589	0	140,000	140,000
Other - Capital	0	0	0	0
Overhead Costs	40,106	36,028	21,150	21,150
Total Other Costs	\$11,718,876	\$16,430,125	\$541,385	\$3,756,885
Total	\$32,812,135	\$39,875,125	\$24,215,993	\$28,054,196

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** The position counts displayed in the 2022-2023 Actuals column reflect those included in the 2022-2023 Adopted Budget.

*** 2022-2023 Actuals may not subtotal due to rounding.

**** The amounts in the 2023-2024 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

Office of the City Manager

Department Budget Summary

	2022-2023 Actuals ***	2023-2024 Adopted ****	2024-2025 Forecast	2024-2025 Proposed
Dollars by Fund				
General Fund (001)	31,974,943	39,373,922	23,127,483	26,965,686
Airport Maintenance And Operation Fund (523)	24,500	24,500	24,500	24,500
American Rescue Plan Fund (402)	0	0	0	0
Coronavirus Relief Fund (401)	0	0	0	0
Emergency Reserve Fund (406)	316,589	0	0	0
Gift Trust Fund (139)	104,667	207,364	160,000	160,000
Low And Moderate Income Housing Asset Fund (346)	18,375	18,375	18,375	18,375
Real Property Transfer Tax Fund (404)	0	0	572,972	572,972
San José Clean Energy Operating Fund (501)	152,778	226,464	148,163	148,163
San José Opioid Response Fund (130)	0	0	140,000	140,000
San José-Santa Clara Treatment Plant Operating Fund (513)	18,375	18,375	18,375	18,375
Sewer Service And Use Charge Fund (541)	6,125	6,125	6,125	6,125
Capital Funds	195,783	0	0	0
Total	\$32,812,135	\$39,875,125	\$24,215,993	\$28,054,196
Positions by Core Service **				
City-Wide Emergency Management	12.00	12.00	10.00	10.00
Lead & Manage The Organization	66.50	74.50	70.50	73.00
Strategic Support - City Council Appointees	6.00	3.00	2.00	2.00
Strategic Support - Other - Council Appointees	0.00	3.00	3.00	3.00
Total	84.50	92.50	85.50	88.00

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** The position counts displayed in the 2022-2023 Actuals column reflect those included in the 2022-2023 Adopted Budget.

*** 2022-2023 Actuals may not subtotal due to rounding.

**** The amounts in the 2023-2024 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

Office of the City Manager

Department Budget Summary

	2022-2023 Actuals **	2023-2024 Adopted	2024-2025 Forecast	2024-2025 Proposed	2024-2025 Proposed Positions
Dollars by Program*					
City-Wide Emergency Management					
Emergency Management	6,034,660	3,963,899	2,704,297	2,851,297	10.00
Emergency Preparedness and Planning	0	285,000	0	0	0.00
Sub-Total	6,034,660	4,248,899	2,704,297	2,851,297	10.00
Lead & Manage The Organization					
Administration, Policy, and Intergovernmental Relations	3,463,682	6,493,099	4,149,632	4,698,277	18.50
Budget Office	4,210,148	4,539,111	4,986,425	4,972,425	19.00
Civic Innovation	354,760	106,600	1,235	1,235	0.00
Communications	1,343,246	1,465,333	1,710,941	1,710,941	6.00
Employee Relations	2,541,244	2,611,700	2,846,717	2,863,717	10.50
Executive Leadership/City Management	4,518,055	4,934,454	5,187,548	8,230,666	12.00
Racial and Social Equity	1,786,466	2,249,427	2,006,008	1,946,008	7.00
Sub-Total	18,217,602	22,399,724	20,888,506	24,423,269	73.00
Strategic Support - City Council Appointees					
City Manager Emergency Response and Recovery	4,059,265	5,532,000	0	0	1.00
City Manager Management and Administration	149,823	151,473	223,039	163,979	1.00
Sub-Total	4,209,088	5,683,473	223,039	163,979	2.00
Strategic Support - Other - Council Appointees					
City Manager Other Departmental - City-Wide	4,326,378	7,507,001	379,001	594,501	3.00
City Manager Other Operational - Administration	24,407	0	0	0	0.00
City Manager Overhead	0	36,028	21,150	21,150	0.00
Sub-Total	4,350,785	7,543,029	400,151	615,651	3.00
Total	\$32,812,135	\$39,875,125	\$24,215,993	\$28,054,196	88.00

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** 2022-2023 Actuals may not subtotal due to rounding.

Office of the City Manager

Budget Reconciliation

Personal Services and Non-Personal/Equipment

(2023-2024 Adopted to 2024-2025 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
Prior Year Budget (2023-2024):	92.50	23,445,000	23,042,825
Base Adjustments			
One-Time Prior Year Expenditures Deleted			
• Rebudgets		(941,000)	(941,000)
• Office of the Emergency Management - Urban Area Security Initiative Grant Staffing	(2.00)	(403,000)	(403,000)
• Office of Administration, Policy, and Intergovernmental Relations - Disability Community Engagement and Service Evaluation	(1.00)	(180,000)	(180,000)
• Office of Administration, Policy, and Intergovernmental Relations – Surveys		(100,000)	(100,000)
• Office of the Emergency Management - Emergency Preparedness: Communications and Mass Care		(85,000)	(85,000)
• Office of Administration, Policy, and Intergovernmental Relations – Agenda Services		(40,000)	(40,000)
• Office of the Emergency Management - CERT Supplies for D8 Community Emergency Preparedness		(15,000)	(15,000)
• Office of the Racial and Social Equity - Bill DeFrank LGBTQ+ Community Center		(10,000)	(10,000)
• Office of Administration, Policy and Intergovernmental Relations - Climate and Seismic Resilience Planning and Development	(1.00)	(74,927)	0
• Office of Administration, Policy, and Intergovernmental Relations – Children and Youth Services Master Plan – Phase 2	(1.00)	0	0
• Office of Administration, Policy, and Intergovernmental Relations – Outcomes, Equity Indicators, and Performance Management	(1.00)	0	0
• Build Back Better and COVID-19 Recovery - COVID-19 Recovery Taskforce	(1.00)	0	0
One-time Prior Year Expenditures Subtotal:	(7.00)	(1,848,927)	(1,774,000)

Office of the City Manager

Budget Reconciliation

Personal Services and Non-Personal/Equipment

(2023-2024 Adopted to 2024-2025 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
Technical Adjustments to Costs of Ongoing Activities			
• Salary/benefit changes and the following position reallocation:		1,444,563	1,418,658
• Fund Shift: Measure E - Homelessness Coordination Team (Program Admin)	0.00	572,972	-
• Software/Information Services: Public Records Tracking and Management		55,000	55,000
• Overtime Adjustment		5,000	5,000
• Vehicle Operations & Maintenance		1,000	1,000
Technical Adjustments Subtotal:	0.00	2,078,535	1,479,658
2024-2025 Forecast Base Budget:	85.50	23,674,608	22,748,483
Budget Proposals Recommended			
1. Office of the Administration, Policy, and Intergovernmental Relations - Outcomes, Equity Indicators, and Performance Management Staffing & Dashboard	1.00	359,276	359,276
2. Office of the Racial and Social Equity - Disability Accessibility and Community Engagement Staffing	1.00	285,927	285,927
3. Office of the Emergency Management - Emergency Preparedness and Response: Communication and Community Recovery Professional Services		150,000	150,000
4. Office of the Employee Relations - Fire Department Assessment		150,000	150,000
5. Office of Administration, Policy, and Intergovernmental Relations - Agenda Services Support Staffing	0.50	0	0
6. Office of Employee Relations - Employee Engagement and Labor Negotiations Staffing Realignment	-	0	0
7. Office of the City Manager - Personal Services Realignment		(215,500)	(215,500)
8. Office of the City Manager - Non-Personal/Equipment		(107,000)	(107,000)
Total Budget Proposals Recommended	2.50	622,703	622,703
2024-2025 Proposed Budget Total:	88.00	24,297,311	23,371,186

Office of the City Manager

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
1. Office of Administration, Policy, and Intergovernmental Relations – Outcomes, Equity Indicators, and Performance Management Staffing & Dashboard	1.00	359,276	359,276

***Strategic Support – Council Appointees CSA
Lead and Manage the Organization Core Service
Administration, Policy, and Intergovernmental Relations Program***

This action adds one-time funding to continue 1.0 limit-dated Senior Executive Analyst position in the City Manager’s Office of Administration, Policy, and Intergovernmental Relations through June 30, 2025, and adds \$95,000 one-time non-personal/equipment funding for outside professional services to design and implement a dashboard for City Council Focus Area delivery. The Senior Executive Analyst is responsible for completing the modernization of the remaining City Service Areas (Transportation and Aviation Services, Environmental and Utilities Services, and Strategic Support) and associated departmental Core Service performance measures, activity and workload highlights, and community indicators that inform the efficiency, effectiveness, and equity of the City’s service delivery system. (Ongoing costs: \$0)

2. Office of Racial and Social Equity – Disability Accessibility and Community Engagement Staffing	1.00	285,927	285,927
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***Strategic Support – Council Appointees CSA
Lead and Manage the Organization Core Service
Racial and Social Equity Program***

This action continues and makes permanent 1.0 Assistant to the City Manager position in the City Manager’s Office of Racial and Social Equity that was previously funded on a one-time basis. The position’s work is focused on continuing to embed a proactive disability accessibility practice in the organization by conducting assessments for programs and policies; conducting community outreach to further identify gaps and opportunities, and designing and implementing a city-wide training program. (Ongoing costs: \$288,927)

Office of the City Manager

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
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- | | | | |
|---|--|----------------|----------------|
| 3. Office of Emergency Management –
Emergency Preparedness and Response:
Communications and Community Recovery
Professional Services | | 150,000 | 150,000 |
|---|--|----------------|----------------|

Public Safety CSA

City-Wide Emergency Management Core Service

Emergency Management Program

This action adds \$150,000 one-time non-personal/equipment funding to the City Manager's Office of Emergency Management, where \$75,000 will be allocated to the Listos California Program to focus on culturally specific emergency preparedness training program coordination, presentations, and first aid kits for the most vulnerable communities; and \$75,000 will be used for professional services to continue developing plans to augment the City's evacuation and post-disaster housing programs. (Ongoing costs: \$0)

- | | | | |
|---|--|----------------|----------------|
| 4. Office of Employee Relations – Fire
Department Assessment | | 150,000 | 150,000 |
|---|--|----------------|----------------|

Strategic Support – Council Appointees CSA

Lead and Manage the Organization Core Service

Employee Relations Program

This action adds \$150,000 one-time non-personal/equipment funding to the Office of Employee Relations to support the hiring of a consultant to do an assessment of the San Jose Fire Department related to schedules, living arrangements, and other aspects of the Fire Department organization that may be affecting its culture and the recruitment/retention of a diverse workforce, including women. (Ongoing costs: \$0)

Office of the City Manager

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
5. Office of Administration, Policy, and Intergovernmental Relations – Agenda Services Support Staffing	0.50	0	0

*Public Safety CSA
City-Wide Emergency Management Core Service
Emergency Management Program*

*Strategic Support – Council Appointees CSA
Lead and Manage the Organization Core Service
Strategic Support – City Council Appointees Core Service
Executive Leadership/City Management, Administration, Policy, and Intergovernmental Relations, and City Manager Management and Administration Programs*

This action adds 0.5 Executive Analyst position to the City Manager’s Office of Administration, Policy, and Intergovernmental Relations to continue organizational improvements in memorandum writing that advance timely, informative, high-quality reports and memorandums for the City Council and the public, and to support Agenda Services on memorandum and agenda processing. This action is offset by an ongoing reduction in non-personal/equipment that was previously used for rental equipment, data processing, training, and other equipment and consulting needs for staff, with minimal service-level impacts expected, for a net-zero impact on the General Fund. (Ongoing costs: \$1,723)

6. Office of Employee Relations – Employee Engagement and Labor Negotiations Staffing Realignment	0.00	0	0
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*Strategic Support – Council Appointees CSA
Lead and Manage the Organization Core Service
Employee Relations*

This action adds 1.0 Deputy Director to the City Manager’s Office of Employee Relations and eliminates 1.0 Assistant to the City Manager position in the City Manager’s Office of Employee Relations to serve as labor relations lead and to reduce reliance on contractual services. This realignment added cost is offset by an ongoing reduction of \$20,000 from the City Manager’s Office’s non-personal/equipment funding previously used for sponsorships of events. The Deputy Director addition will allow the Office of Employee Relations to restructure management and supervision of its labor function, as the Deputy Director would serve as the dedicated labor relations lead in support of the Director position. This position will also continue to perform employee relations functions as capacity allows. (Ongoing costs: \$0)

Office of the City Manager

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
7. Office of the City Manager – Personal Services Realignment	0.00	(215,500)	(215,500)

*Strategic Support – Council Appointees CSA
 Strategic Support – Other - City Council Appointees Core Service
 City Manager Other Departmental – City-Wide Program*

This action implements a two-year reallocation from the General Fund to the Homelessness Services and Solutions City-Wide Expenses appropriation for the partial costs associated with two positions, 0.75 Senior Executive Analyst in the Office of Administration, Policy, and Intergovernmental Relations and 0.50 Staff Specialist in the City Manager’s Executive Leadership/City Management to align funding with staff activity. The Senior Executive Analyst is focused on advancing efforts at the state and federal level that address homelessness and align with the City’s implementation plan for the Community Plan to End Homelessness, including building housing solutions along a continuum from emergency interim housing to affordable housing, securing funding for homelessness related services, and addressing root causes that lead to homelessness. The Staff Specialist supports the administrative and coordinating activities related to the City’s Homelessness Portfolio, which falls under the purview of the Deputy City Manager. (Ongoing savings: \$214,074)

8. Office of the City Manager – Non-Personal/Equipment Savings		(107,000)	(107,000)
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*Strategic Support – Council Appointees CSA
 Lead and Manage the Organization Core Service
 Strategic Support – City Council Appointees Core Service
 Department-wide*

This action reduces the City Manager’s Office’s non-personal/equipment appropriation by \$107,000 with limited service-level impacts expected by reducing spending activity that includes employee training, professional development opportunities, sponsorship for events, supplies and subscriptions, and professional consulting services. These reductions are part of the overall strategy to balance the General Fund. (Ongoing savings: \$107,000)





2024-2025 Proposed Budget Changes Total	2.50	\$622,703	\$622,703
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Office of the City Manager

Performance Summary

Lead and Manage the Organization

Performance Measures

		2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
	% of core services meeting or exceeding levels established by the City Council	59%	70%	64%	65%
	% of core services meeting or exceeding their cycle time targets	52%	60%	50%	65%
	% of residents that are “satisfied” or “very satisfied” with the quality of City services ¹	49%	65%	50%	65%
	% of residents contacting the City who say they are “satisfied” or “very satisfied” with the:				
	- Timeliness of City employees ¹	60%	70%	63%	70%
	- Courtesy of City employees ¹	75%	80%	78%	85%
	- Competency of City employees ¹	60%	75%	63%	75%
	% of residents rating the overall quality of life in San José as “excellent” or “good” ¹	48%	75%	50%	75%

¹ Data for this measure is collected through the annual City-Wide Community Survey.

Office of the City Manager

Performance Summary

Lead and Manage the Organization

Activity and Workload Highlights

	2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Forecast
# of Meet and Confer issues	31	37	37	35
# of training sessions offered by the Office of Employee Relations	93	91	91	95
# of formal disciplines received	51	50	50	45
# of investigations conducted by the Office of Employee Relations	86	90	90	90
# of City Council agenda reports approved ¹	400	450	692	710
# of City Council referrals assigned ²	53	50	139	150
# of City positions taken on legislation ³	75	75	70	80
# of legislative items reviewed	2,300	2,400	2,200	2,300
# of contracts/agreements approved	767	775	784	775
# of public record act requests processed by the City Manager's Office ⁴	406	325	400	400
% of employees who completed mandatory racial equity training	98%	100%	98%	98%
% of racial equity training participants that rated the training as "very good" or "excellent"	86%	90%	90%	90%
% of employees who confirm they feel comfortable talking about racial equity at work after a racial equity training	80%	80%	86%	80%
% of Departments/Offices with active or in-progress activities related to their racial equity action plan	91%	100%	100%	100%

¹ Previous to 2023-2024, reports included City Council, Study Sessions, and Information Memorandums. 2024-2025 also includes Committee Reports.

² Previous to 2023-2024, this metric only included referrals given at City Council meetings. With the introduction of a new council referral database, staff can better track City Council, Committee, and Budget Referrals.

³ Positions include sponsorship, support, opposition and/or amendments of proposed or existing legislation.

⁴ Beginning in 2022-2023, the City Manager's Office began using GovQA to process Public Records Act requests, allowing more accurate counts.

Office of the City Manager

Performance Summary

Four Key Budget Performance Measure Measurement Areas



Access - How well does a service enable access, participation, visitation, and usage? How well does the service lead to its intended outcome or opportunity pathway?



Customer Satisfaction - How well does a service meet customer needs? How well does a service resolve a customer's problem? How well does a service deliver its intended experience for a customer?

Reliability and Responsiveness - How well does a service meet response time targets? How well does a service deliver resolution? How well does a service meet its efficiency goals?

Cost Effectiveness - How well does a service resource deliver its intended outcome? How well does a service resource deliver its intended output?

City-Wide Emergency Management

Performance Measures

	2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
 % of assigned Operations Center staff who have completed required Emergency Management Training:				
- Emergency Operations Center (EOC) staff	34%	54%	32%	50%
- Department Operations Center (DOC) staff*	N/A	N/A	N/A	25%
 % of all City employees who have completed basic Disaster Service Worker trainings:				
- State Standardized Management System (SEMS) Accepted Courses of Instruction (ACI) training	25%	75%	94%	95%
- National Incident Management System (NIMS) training (OEM)	25%	75%	94%	95%

* New measure - data was not previously tracked and/or reported for the 2022-2023 and 2023-2024 budgets.

Office of the City Manager

Performance Summary

City-Wide Emergency Management

Activity and Workload Highlights

	2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Forecast
# of courses, trainings, and exercises coordinated by the Office of Emergency Management:				
- Courses/Trainings	N/A*	N/A*	6	10
- Exercises	N/A*	N/A*	5	6
- Public Outreach Events	26	N/A*	18	24
- Total			29	40
# of activations of the Emergency Management Organization:				
- Level 4 (Normal)	3	N/A ¹	2	N/A ¹
- Level 3 (Monitor Event – potential threat)	3	N/A ¹	2	N/A ¹
- Level 2 (Partial Activation – major scheduled event, limited evacuations)	2	N/A ¹	2	N/A ¹
- Level 1 (Full Activation – regional disaster, extensive evacuations)	0	N/A ¹	0	N/A ¹
# of Community Emergency Response Team (CERT) program participants that:				
- Enroll	552	N/A*	284	300
- Request and utilize language access resources	N/A*	N/A*	0	100
- Complete certification	282	N/A*	156	300
Emergency Management Communications and Outreach:				
- # of social media and website interactions	PIO: 78,000+ Website Visits, 6M+ social media interactions; OEM: 29,867 Website Visits	N/A*	PIO: 18,000+ Website Visits, 18M+ social media interactions; OEM: 16,789 Website Visits	N/A ²
- # of Emergency Operation Center flash report/bulletins issued	13 Flash Reports	N/A*	6 Flash Reports	N/A ²
- # of public outreach events	77	N/A*	101	111
- # of public outreach event attendees	2,221	N/A*	6,300	6,800

* New measure - data was not previously tracked and/or reported for the 2022-2023 and 2023-2024 budgets.

¹ OEM can only document activations after they happen; OEM does not project a target number for unknown events.

² OEM and PIO can only document social media/website interactions/reports after they happen; OEM does not project a target # for unknown events.

Office of the City Manager

Department Position Detail

Position	2023-2024 Adopted	2024-2025 Proposed	Change
Accounting Tech	1.00	1.00	-
Analyst I/II	5.00	5.00	-
Assistant Budget Director	1.00	1.00	-
Assistant Employee Relations Director	1.00	1.00	-
Assistant City Manager	1.00	1.00	-
Assistant to the City Manager	20.00	16.00	(4.00)
Budget Director	1.00	1.00	-
City Manager	1.00	1.00	-
Deputy City Manager	5.00	5.00	-
Deputy Director	4.00	5.00	1.00
Director, City Manager's Office	3.00	3.00	-
Director of Communication	1.00	1.00	-
Director of Emergency Management	1.00	1.00	-
Employee Relations Director	0.50	0.50	-
Executive Analyst I/II	10.00	9.50	(0.50)
Executive Assistant	2.00	2.00	-
Executive Assistant to the City Manager	1.00	1.00	-
Senior Executive Analyst	26.00	25.00	(1.00)
Senior Office Specialist	1.00	1.00	-
Senior Supervisor, Administration	1.00	1.00	-
Staff Specialist	6.00	6.00	-
Total Positions	92.50	88.00	(4.50)

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City Manager – Office of Economic Development and Cultural Affairs

Nanci Klein, Director

MISSION

Catalyze job creation, private investment, revenue generation, talent development and attraction, and a diverse range of arts, cultural and entertainment offerings

CITY SERVICE AREA

Community and Economic Development

CORE SERVICES

ARTS AND CULTURAL DEVELOPMENT

Support diverse cultural amenities, offerings, and organizations, commission and maintain public art, and authorize and coordinate outdoor special events on public and private property

BUSINESS DEVELOPMENT AND ECONOMIC STRATEGY

Assist business location and expansion, advance San José's Economic Strategy; and support council policy making

REAL ESTATE SERVICES

Manage the City's real estate assets and facilitate real estate-related transactions to support City projects and generate revenue

REGIONAL WORKFORCE DEVELOPMENT

Assist business in hiring a quality workforce through assessment, supportive services, and skills training

Strategic Support: Budget/Fiscal Management and Administrative Support, Emergency Response and Recovery

City Manager – Office of Economic Development and Cultural Affairs

Service Delivery Framework

PROGRAM	DESCRIPTION
Arts and Cultural Development Core Service	
Arts and Cultural Development Administration	Presents an annual arts leadership award event, sets priorities and plans for cultural development, addresses policy issues, manages cultural initiatives and programs, assists external initiatives that affect San José arts and culture, and supports the Arts Commission.
Convention and Visitors Bureau	Provides for the operation of the San José Convention and Visitors Bureau (Visit San José) by Team San Jose, supporting marketing, sales & destination services, media/press and additional CVB functions to attract tourism, special events, and promote commerce in San José.
Cultural Grants	Awards and administers over 100 grants annually for non-profit arts organizations, special events, and creative entrepreneurs with services that include technical assistance to arts organizations and creative entrepreneurs in achieving their goals.
Cultural Facilities Operations and Maintenance	Provides stewardship of city-owned cultural facilities such as the Convention Center, the Hammer Theatre Center, and Mexican Heritage Plaza, including the management of operations and maintenance agreements with non-profit partners and the monitoring of those partners; coordinates with the Public Works Department on maintenance and capital needs of the cultural facilities; and manages legal agreements and the relationship with Team San José.
Outdoor Events	Authorizes and oversees over 500 annual outdoor special events citywide; produces special events such as CityDance series; leads the inter-departmental and inter-agency Special Events Team; provides event information to the public, businesses and neighborhood organizations; builds relationships with regional, national, and international event producers; and creates beneficial event sponsorship opportunities for the San José business community.
Public Art / Placemaking	Supports the commissioning of art for the public realm, City Hall exhibits, and the 250 artworks in the City’s collection and encourages street life activation.
Business Development and Economic Strategy Core Service	
Business District Management	Manages relationships, legal agreements, joint projects, and policy changes between the City and major downtown partners, including San José Downtown Association, San José Sports Authority, San José State University, San José Hotels, and Japantown and Downtown Business Improvement Districts; manages the City's free use program and plays a role in public space activation in the Downtown; supports the development of new neighborhood business centers citywide and the strengthening of existing neighborhood commercial districts; and increases retail amenities (in Neighborhood Business Districts and urban villages) including management of the wayfinding banner program.
Business Outreach and Assistance	Works with existing and potential San José businesses and entrepreneurs to encourage business and job attraction, retention, expansion, and creation, including driving industry outreach and small business assistance; administers the Sister City and Foreign Trade Zone programs; provides technical assistance through the BusinessOwnerSpace network and other resources; and assists with business inter-departmental coordination.

City Manager – Office of Economic Development and Cultural Affairs

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Business Development and Economic Strategy Core Service</i>	
Development Attraction and Facilitation	Serves as a single point of contact for key economic development projects going through the development review process; coordinates with development services partners on initiatives that simplify development regulations and/or accelerate permit processing schedules; meets, develops, and maintains relationships with developers, contractors, investors, and other development stakeholders; and assists in the creation of housing development opportunities and policy in collaboration with internal and external partners.
Economic Policy Analysis / Communications	Leads development of economic development-related strategies (e.g., Downtown Highrise Incentive, Development Fee Framework, and North San José policies), performs economic and data analysis to support policy development, business intelligence activities, and decision-making by numerous departments and City Council; collaborates and coordinates communications strategies with internal and external communications staff around shared projects/initiatives; and manages the development of business and economic development-related public information collateral materials, graphic design and production, and audio-visual production in a variety of media.
<i>Real Estate Services Core Service</i>	
City Lease Administration	Manages leasing with the City as a lessee or lessor for facilities and/or telecommunications, including maintenance of City-owned properties that are being leased to other entities or are vacant.
City Property Acquisition and Sales	Works with real estate brokers, developers, and property owners to encourage new leasing and development activity, including acquisition of temporary or permanent property rights for City projects and initiatives; manages the sale of surplus property.
<i>Regional Workforce Development Core Service</i>	
Workforce Development Services	Provides client assessments, career counseling, workshops, training (e.g. Occupational Skills Training, On-the-Job Training, Incumbent Worker Training, Group Training), supportive services, and job development support to approximately 3,000 youth and adult clients annually, while at the same time supporting hundreds of businesses with recruiting, on-the-job training, layoff avoidance, and technical assistance.
Workforce Innovation and Opportunity Act Board Support and Administration	Supports effective decision-making of the 19-member, federally mandated work2future Board and its committees through the preparation of memos, presentations and updates, and development of board and committee packets; manages recruitment and onboarding of new board members; and ensures compliance with the Workforce Innovation and Opportunity Act Board governance requirements, Brown Act, Sunshine rules, Form 700, etc.
<i>Strategic Support Core Service</i>	
Economic Development Management and Administration	Provides administrative oversight for the office, including executive management, financial management, human resources, and analytical support.
Economic Development and Cultural Affairs Emergency Response and Recovery	Provides for the coordination and delivery of emergency services and recovery.

City Manager – Office of Economic Development and Cultural Affairs

Department Budget Summary

Expected 2024-2025 Service Delivery

- Engage and assist businesses that create jobs and expand the City's tax base, with a focus on small business recovery and resiliency, anchor employers, and revenue-generators. Facilitate development projects that can generate property tax and sales tax revenues.
- Provide a range of training and employment services to residents by creating opportunities to learn job skills and earn credentials.
- Assist arts organizations, cultural facilities, and outdoor event producers to sustain, innovate, and adapt in a changing fiscal environment.
- Manage the City's real estate assets with a focus on revenue generation, cost minimization, and timely transaction services in support of all City Departments.

2024-2025 Key Budget Actions

- Adds one-time funding of \$200,000 for a Neighborhood Economic Grants project and one-time funding of \$150,000 for a Microbusiness Start-Up Grants project.
- Continues 1.0 Senior Executive Analyst position through June 30, 2025 to support East San José business corridors such as Alum Rock and Story Road.
- As directed by the Mayor's March Budget Message for Fiscal Year 2024-2025, as approved by the City Council, provides one-time funding in the General Fund within City-Wide Expenses for the following:
 - \$500,000 for arts and cultural grants administered by OEDCA, supplementing projected allocations from Transient Occupancy Tax revenues for 2024-2025.
 - \$400,000 to support a destination marketing/tourism campaign.
 - \$400,000 to improve downtown San José by beautifying Santa Clara Street and upgrading the San Pedro Street pedestrian mall.
 - \$200,000 to support the City's efforts to promote major sporting events coming to San José in 2026 through the San José Sports Authority and other complimentary initiatives, and \$100,000 for initial planning and coordination efforts related to those events.
 - \$250,000 to develop an incentive program to attract companies focused on artificial intelligence and manufacturing to San José, and incentivize companies in these two industry sectors looking to expand their operations.

Operating Funds Managed

- Business Improvement District Fund
- Convention and Cultural Affairs Fund
- San José Arena Capital Reserve Fund
- Transient Occupancy Tax Fund
- Workforce Development Fund

City Manager – Office of Economic Development and Cultural Affairs

Department Budget Summary

	2022-2023 Actuals ***	2023-2024 Adopted ****	2024-2025 Forecast	2024-2025 Proposed
Dollars by Core Service				
Arts and Cultural Development	33,501,703	36,849,735	40,770,498	41,270,498
Business Development and Economic Strategy	8,094,175	10,419,329	8,328,442	10,218,810
Real Estate Services	2,799,254	3,047,238	3,119,396	3,119,396
Regional Workforce Development	9,615,901	12,022,082	10,663,055	10,585,980
Strategic Support - Community & Economic Development	6,873,039	7,462,328	2,585,263	2,648,202
Strategic Support - Other - Community & Economic Development	4,686,796	5,029,523	547,440	1,347,440
Total	\$65,570,868	\$74,830,235	\$66,014,094	\$69,190,326
Dollars by Category				
Personal Services and Non-Personal/Equipment				
Salaries/Benefits	10,820,981	12,242,345	12,344,299	12,309,398
Overtime	1,011	0	0	0
Subtotal Personal Services	\$10,821,992	\$12,242,345	\$12,344,299	\$12,309,398
Non-Personal/Equipment	1,118,622	959,690	763,690	1,163,690
Total Personal Services & Non-Personal/Equipment	\$11,940,614	\$13,202,035	\$13,107,989	\$13,473,088
Other Costs *				
City-Wide Expenses	19,976,459	21,157,102	9,243,905	12,017,905
General Fund Capital	27,489	0	0	0
Gifts	2,352	28,000	28,000	28,000
Housing Loans and Grants	0	0	0	0
Other	33,284,781	40,219,411	43,390,262	43,427,395
Other - Capital	0	0	0	0
Overhead Costs	339,171	173,687	193,938	193,938
Workers' Compensation	0	50,000	50,000	50,000
Total Other Costs	\$53,630,254	\$61,628,200	\$52,906,105	\$55,717,238
Total	\$65,570,868	\$74,830,235	\$66,014,094	\$69,190,326

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** The position counts displayed in the 2022-2023 Actuals column reflect those included in the 2022-2023 Adopted Budget.

*** 2022-2023 Actuals may not subtotal due to rounding.

**** The amounts in the 2023-2024 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

City Manager – Office of Economic Development and Cultural Affairs

Department Budget Summary

	2022-2023 Actuals ***	2023-2024 Adopted ****	2024-2025 Forecast	2024-2025 Proposed
Dollars by Fund				
General Fund (001)	25,876,077	27,566,848	15,679,451	18,932,758
Airport Maintenance And Operation Fund (523)	0	5	0	0
American Rescue Plan Fund (402)	0	0	0	0
Building Development Fee Program Fund (237)	109,462	156,033	65,971	65,971
Business Improvement District Fund (351)	3,156,676	3,927,078	4,182,789	4,182,789
Convention and Cultural Affairs Fund (536)	11,435,295	13,893,000	14,766,000	14,766,000
Coronavirus Relief Fund (401)	0	0	0	0
Fire Development Fee Program Fund (240)	23,169	27,234	0	0
Gift Trust Fund (139)	5,001	28,000	28,000	28,000
Low And Moderate Income Housing Asset Fund (346)	226,044	452,950	0	0
Planning Development Fee Program Fund (238)	79,611	93,812	0	0
Public Works Development Fee Program Fund (241)	120,307	140,541	90,245	90,245
San José Arena Capital Reserve Fund (459)	5,190,076	3,720,000	6,885,000	6,885,000
Transient Occupancy Tax Fund (461)	10,612,094	13,922,636	14,647,636	14,647,636
Workforce Development Fund (290)	7,943,129	10,296,557	8,828,604	8,751,529
Capital Funds	793,928	605,541	840,398	840,398
Total	\$65,570,868	\$74,830,235	\$66,014,094	\$69,190,326
Positions by Core Service **				
Arts and Cultural Development	12.00	12.00	12.00	12.00
Business Development and Economic Strategy	16.00	17.00	13.00	14.00
Real Estate Services	4.00	4.00	4.00	4.00
Regional Workforce Development	20.45	20.45	20.55	19.75
Strategic Support - Community & Economic Development	7.55	7.55	7.45	7.25
Total	60.00	61.00	57.00	57.00

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*** 2022-2023 Actuals may not subtotal due to rounding.

**** The amounts in the 2023-2024 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

City Manager – Office of Economic Development and Cultural Affairs

Department Budget Summary

	2022-2023	2023-2024	2024-2025	2024-2025	2024-2025
	Actuals **	Adopted	Forecast	Proposed	Proposed Positions

Dollars by Program*

Arts and Cultural Development

Arts and Cultural Development Administration	1,274,136	936,431	1,000,084	962,951	2.75
Convention and Visitors Bureau	6,259,324	6,072,000	6,072,000	6,072,000	0.00
Cultural Grants	6,262,239	6,439,105	5,967,367	6,504,500	0.00
Cultural Facilities Operations and Maintenance	17,735,452	21,746,022	25,929,751	25,929,751	1.25
Outdoor Events	974,732	786,039	843,465	843,465	4.00
Public Art/Placemaking	995,819	870,138	957,831	957,831	4.00
Sub-Total	33,501,703	36,849,735	40,770,498	41,270,498	12.00

Business Development and Economic Strategy

Business District Management	406,519	1,236,964	1,606,809	2,054,809	5.20
Business Outreach and Assistance	5,799,299	7,538,637	6,098,291	7,542,659	6.37
Development Attraction and Facilitation	491,572	638,869	71,334	71,334	0.20
Downtown Management	791,584	333,000	0	0	0.00
Economic Policy Analysis/Communications	605,200	671,859	552,008	550,008	2.23
Sub-Total	8,094,175	10,419,329	8,328,442	10,218,810	14.00

Real Estate Services

City Lease Administration	1,977,765	2,019,243	2,041,695	2,041,695	0.00
City Property Acquisition and Sales	821,489	1,027,995	1,077,701	1,077,701	4.00
Sub-Total	2,799,254	3,047,238	3,119,396	3,119,396	4.00

Regional Workforce Development

Workforce Development Services	9,214,554	11,529,660	10,183,171	10,033,858	16.55
Workforce Innovation and Opportunity Act Board Support and Administration	401,346	492,422	479,884	552,122	3.20
Sub-Total	9,615,901	12,022,082	10,663,055	10,585,980	19.75

Strategic Support - Community & Economic Development

Economic Development Emergency Response and Recovery	5,084,391	4,197,500	0	0	0.00
Economic Development Management and Administration	1,788,649	3,264,828	2,585,263	2,648,202	7.25
Sub-Total	6,873,039	7,462,328	2,585,263	2,648,202	7.25

Strategic Support - Other - Community & Economic Development

Economic Development Capital	190,079	0	0	0	0.00
Economic Development Gifts	2,350	28,000	28,000	28,000	0.00
Economic Development Other Departmental - City-Wide	4,484,522	4,622,836	275,502	1,075,502	0.00

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** 2022-2023 Actuals may not subtotal due to rounding.

City Manager – Office of Economic Development and Cultural Affairs

Department Budget Summary

	2022-2023 Actuals **	2023-2024 Adopted	2024-2025 Forecast	2024-2025 Proposed	2024-2025 Proposed Positions
Economic Development Other Departmental - Grants	0	155,000	0	0	0.00
Economic Development Other Operational - Administration	(583)	0	0	0	0.00
Economic Development Overhead	10,428	173,687	193,938	193,938	0.00
Economic Development Workers' Compensation	0	50,000	50,000	50,000	0.00
Sub-Total	4,686,796	5,029,523	547,440	1,347,440	0.00
Total	\$65,570,868	\$74,830,235	\$66,014,094	\$69,190,326	57.00

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** 2022-2023 Actuals may not subtotal due to rounding.

City Manager - Office of Economic Development and Cultural Affairs

Budget Reconciliation

Personal Services and Non-Personal/Equipment

(2023-2024 Adopted to 2024-2025 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
Prior Year Budget (2023-2024):	61.00	13,202,035	6,409,746
Base Adjustments			
One-Time Prior Year Expenditures Deleted			
• East San José Small Business Corridor Support Manager (1.0 Senior Executive Analyst)	(1.00)	(172,727)	(172,727)
• El Corazón de Mi Familia		(50,000)	(50,000)
• Latina Economic Advancement Program		(50,000)	(50,000)
• Small Business Marketing Pilot		(30,000)	(30,000)
• Little Italy San José Cultural Center & Museum		(25,000)	(25,000)
• Amigos de Guadalupe Center for Justice and Empowerment		(10,000)	(10,000)
• Latino Business Foundation Silicon Valley (LBFSV) Mujeres Imparables Program		(10,000)	(10,000)
• LGBTQ+ Youth Space		(10,000)	(10,000)
• San José Downtown Perception Survey		(10,000)	(10,000)
One-time Prior Year Expenditures Subtotal:	(1.00)	(367,727)	(367,727)
Technical Adjustments to Costs of Ongoing Activities			
• Salary/benefit changes and the following position reallocations:		913,550	394,527
• Shift to Housing Department for Housing Catalyst Staffing (1.0 Senior Executive Analyst)	(1.00)	(230,284)	0
• Shift to Planning, Building and Code Enforcement Department for Housing Navigator Staffing (1.0 Senior Executive Analyst)	(1.00)	(178,159)	0
• Shift to Planning, Building and Code Enforcement Department for Development Services Facilitation Staffing (1.0 Senior Executive Analyst)	(1.00)	(230,426)	0
• Utilities: Gas, Electricity, Water		(1,000)	(1,000)
Technical Adjustments Subtotal:	(3.00)	273,681	393,527
2024-2025 Forecast Base Budget:	57.00	13,107,989	6,435,546
Budget Proposals Recommended			
1. Neighborhood Economic Grants		200,000	200,000
2. East San José Small Business Corridor Support Manager	1.00	175,368	175,368
3. Microbusiness Start-Up Grants		150,000	150,000
4. Downtown Peddler Mitigation Pilot Program		100,000	100,000
5. Workforce Development Staffing	0.00	6	(96,061)
6. Office of Cultural Affairs Staffing	0.00	(37,133)	0
7. Non-Personal/Equipment Savings		(50,000)	(50,000)
8. work2future Staffing	(1.00)	(173,142)	0
Total Budget Proposals Recommended	0.00	365,099	479,307
2024-2025 Proposed Budget Total	57.00	13,473,088	6,914,853

City Manager – Office of Economic Development and Cultural Affairs

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
1. Neighborhood Economic Grants		200,000	200,000

***Community and Economic Development CSA
Business Development and Economic Strategy Core Service
Business Outreach and Assistance Program***

This action adds one-time non-personal/equipment funding of \$200,000 for a Neighborhood Economic Grants project focused on larger investments than what is typically covered in the Storefront Grants program. As recommended by the City’s Small Business Advisory Committee, this action repurposes funding previously supplied by the American Rescue Plan, since reallocated to the General Fund, to encourage business corridors with active business associations to tackle blighted sites and bigger economic projects by leveraging private and philanthropic capital, to achieve business attraction and job creation within the local area. Currently, the City lacks a grant-based tool to catalyze investment across multiple partners and investors for medium-scale projects with greater potential returns in underserved neighborhoods. This project will award approximately four grants up to \$50,000 each to encourage business corridors with active business associations to improve blighted sites with more significant economic projects that would also leverage private and philanthropic capital, with the ultimate goal of business attraction and job creation within traditionally lower resourced areas. The City anticipates requesting proposals for this funding approximately every six months for two years to encourage neighborhoods to pitch ideas, fundraise with partners and have a credible implementation plan that effectively leverage public dollars for broader neighborhood and local economic benefit. (Ongoing costs: \$0)

City Manager – Office of Economic Development and Cultural Affairs

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
2. East San José Small Business Corridor Support Manager	1.00	175,368	175,368

*Community and Economic Development CSA
 Business Development and Economic Strategy Core Service
 Business Outreach and Assistance Program*

This action continues 1.0 Senior Executive Analyst position through June 30, 2025 to support the East San José Business Corridor. As previously directed by the City Council, two-year funding for this position was included in the 2022-2023 Adopted Budget. However, the position was not filled until July 2023. This funding will ensure the position continues work for the full two-year period. The addition of an East San José Manager will continue to support business corridors such as Alum Rock and Story Road. The position has been responsible for supporting the creation and growth of business associations and assisting small business owners and entrepreneurs to access technical assistance services. San Jose’s Eastside is one of the City's most diverse neighborhoods containing census tracts with some of the lowest household income, lowest educational attainment, and lowest life expectancy in Silicon Valley. The Eastside has a strong entrepreneurial tradition and retained a significant small business community. Over the next 10 years the area will witness the impact of major investment with construction of BART Phase II, major residential development including revised Urban Village plans, and large affordable housing projects along Alum Rock Avenue. The focus for this position will continue to be identifying and working to secure new resources to the Eastside; organizing and delivering business outreach, hosting business education events and making referrals for service; strengthening partnerships and engagement between business leaders/groups, CBOs and the City; monitoring the economic impact of planned major physical developments including BART Phase II and affordable housing projects; and promoting access to city services relevant to the business community. (Ongoing costs: \$0)

City Manager – Office of Economic Development and Cultural Affairs

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
3. Microbusiness Start-Up Grants		150,000	150,000
<p><i>Community and Economic Development CSA Business Development and Economic Strategy Core Service Business Outreach and Assistance Program</i></p>			

This action adds one-time non-personal/equipment funding of \$150,000 for a Microbusiness Start-Up Grants project focused on entrepreneurs, particularly immigrants and low-income residents, who lack collateral to secure small sums of startup capital at low rates of interest. While a home to 20,000 active home-based businesses that provide jobs and economic benefits to their community, San José is also the most unbanked city in the country per head of population. As recommended by the City’s Small Business Advisory Committee, this action repurposes funding previously supplied by the American Rescue Plan, since reallocated to the General Fund, to offer grants between \$1,000 to \$3,000 targeting specific neighborhoods and industry sectors that would benefit from a small-scale grant, such as a new food business, and each grantee would have a business mentor. A minimum of 50 grants would be awarded over a two-year, with the baseline goal of 50 jobs created, each with new business licenses, that can provide a foundation for future investment. (Ongoing costs: \$0)

4. Downtown Peddler Mitigation Pilot Program		100,000	100,000
<p><i>Community and Economic Development CSA Business Development and Economic Strategy Core Service Business Outreach and Assistance Program</i></p>			

As directed by the Mayor’s March Budget Message for Fiscal Year 2024-2025, as approved by the City Council, this action adds one-time non-personal/equipment funding of \$100,000 for the continuation of a pilot program to implement and enforce unpermitted vendors in alignment with City municipal code to promote the health and safety of patrons and vendors in downtown San José in time for the 2024 holiday season. The funding will provide for proactive outreach to the vendor community, enhanced signage to maintain clear passage of certain public right of way areas, and enforcement by Police Department and Code Enforcement overtime staffing, and other City staff as needed. (Ongoing costs: \$0)

City Manager – Office of Economic Development and Cultural Affairs

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
5. Workforce Development Staffing	0.00	6	(96,061)

*Community and Economic Development CSA
 Regional Workforce Development Core Service
 Strategic Support - Community & Economic Development Core Service
 Workforce Development Services and Economic Development Management and Administration Programs*

As a cost reduction to help bring the General Fund into structural alignment, this action reallocates 20% of the funding for an Assistant Director position in the Office of Economic Development and Cultural Affairs from the General Fund to the Workforce Development Fund, and provides savings to the General Fund of approximately \$96,000. Currently, the position is funded 70% by the General Fund and 30% by the Workforce Development Fund. This action will result in the position being funded 50% by the General Fund and 50% by WIOA funds and better aligns funding with the actual work performed by the Assistant Director. Based on an annual cost per client of approximately \$5,000, the reallocation of costs to WIOA funds will potentially result in a decrease in funding availability to service approximately 15-20 WIOA clients. (Ongoing costs: \$0)

6. Office of Cultural Affairs Staffing	0.00	(37,133)	0
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*Community and Economic Development CSA
 Arts and Cultural Development Core Service
 Arts and Cultural Development Administration Program*

This action adds 1.0 Executive Analyst I/II position and eliminates 1.0 Arts Programs Coordinator position to support the administration of art programming in the Office of Cultural Affairs. The Executive Analyst position will support contract execution and monitoring; budget and fiscal planning, management and compliance; performance measure tracking; serve as Arts Commission Secretary; and provide other administrative/program support needs. Annually, the Office of Cultural Affairs executes over 100 grant agreements as well as manages eight City-wide multi-year agreements with seven nonprofit partners that operate 11 City-owned facilities. There is a regular ongoing need to manage payments and compliance with all contracts. This position will allow the Assistant Director to focus more on arts programming by delegating more of the administrative functions such as fiscal, budget, and contract administration. (Ongoing savings: \$35,471)

City Manager – Office of Economic Development and Cultural Affairs

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
7. Non-Personal/Equipment Savings		(50,000)	(50,000)
<p><i>Community and Economic Development CSA Business Development and Economic Strategy Core Service Strategic Support - Community & Economic Development Core Service Business Outreach and Assistance, Economic Policy Analysis/Communications, Business District Management, and Economic Development Management and Administration Programs</i></p> <p>As a cost reduction to help bring the General Fund into structural alignment, this action decreases non-personal/equipment funding in the General Fund by \$50,000, primarily related to training and travel. Staff will attend less training classes and seek alternative training providers. (Ongoing savings: \$50,000)</p>			
8. work2future Staffing	(1.00)	(173,142)	0
<p><i>Community and Economic Development CSA Regional Workforce Development Core Service Workforce Development Services and Workforce Innovation and Opportunity Act Board Support and Administration Programs</i></p> <p>This action realigns work2future staffing levels by: adding 1.0 Senior Accountant position and eliminating 1.0 vacant Senior Account Clerk position in the Fiscal Unit; adding 1.0 Analyst I/II position and eliminating 1.0 vacant Staff Specialist position in the Management Information Systems (MIS) Unit; and eliminating 1.0 vacant Staff Specialist position supporting the MIS and Contracts Units. This realignment will improve the financial management and organizational reporting structure within the accounting group, provide a dedicated full-time MIS administrator to better ensure compliance with all Workforce Innovation and Opportunity Act (WIOA) regulations, and track WIOA metrics in real time to identify the extent to which the provider is effectively and efficiently meeting contractual obligations and goals. The MIS administrator position will also assist in implementing work2future’s plan for a more holistic approach to its programmatic oversight of its subrecipients and contractors. (Ongoing savings: \$95,671)</p>			
2024-2025 Proposed Budget Changes Total	0.00	365,099	479,307

Performance Summary

Four Key Budget Performance Measure Measurement Areas



Access - How well does a service enable access, participation, visitation, and usage? How well does the service lead to its intended outcome or opportunity pathway?



Customer Satisfaction - How well does a service meet customer needs? How well does a service resolve a customer's problem? How well does a service deliver its intended experience for a customer?

Reliability and Responsiveness - How well does a service meet response time targets? How well does a service deliver resolution? How well does a service meet its efficiency goals?

Cost Effectiveness - How well does a service resource deliver its intended outcome? How well does a service resource deliver its intended output?

Arts and Cultural Development

Performance Measures

		2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
	PM 1	% of public art works that are in the City's permanent collection that are in "good" to "excellent" condition based on their physical and operational condition	80%	80%	80%
	PM 2	% of responding funded cultural organizations rating the arts grants program "good" to "excellent" based on responsiveness and timelines	95%	90%	90%

City Manager - Office of Economic Development and Cultural Affairs

Performance Summary

Arts and Cultural Development

Activity and Workload Highlights

		2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Forecast
	Arts and cultural grants:				
AWH 1	- # of awarded grants	96	100	100	114
	- Grant funding for special events (\$)	\$510K	\$716K	\$795K	\$830K
	- Total Office of Cultural Affairs grant awards (\$)	\$5.5M	\$5.5M	\$5.1M	\$5.5M
AWH 2	# of public art works in the City's permanent collection	417	466	466	474
	Outdoor special events coordinated by Office of Cultural Affairs:				
AWH 3	- # of events	127	145 ¹	140	130
	- # of event days	401	380	350	355
	- # of reported attendees	2.2M	2.3M	1.9M	2.0M
	Economic Impact of Convention Center, San José Civic, Center for the Performing Arts, California Theater, and Montgomery Theater (attendance by type):				
AWH 4	- # of Local/Social visitors	732,892	688,800	777,036	795,620
	- # of Out-of-Town visitors	32,847	38,260	42,707	46,175
	- # of Exhibitors	4,777	5,020	4,403	4,830

¹ The 2023-2024 Target is higher since a new Downtown Vibrancy Event Pilot was implemented, which is expected to bring in additional small-scale events with smaller attendance. Also, Event Days are lower as there were a couple of combined events and activations during the winter holidays.

Data Sources: Arts and Cultural Development




Number	Data Source
PM 1	City of San José Community Survey
PM 2	2022-2023 Grants Survey sent to all grantees via Survey Monkey
AWH 1	Office of Cultural Affairs Grants Tracking Database; Manager's Budget Addendum #23 dated May 27, 2022
AWH 2	Office of Cultural Affairs Public Art Database
AWH 3	Office of Cultural Affairs Events Database
AWH 4	Team San Jose

City Manager - Office of Economic Development and Cultural Affairs

Performance Summary

Business Development and Economic Strategy

Performance Measures

		2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target	
	<i>PM 1</i>	Estimated % change in jobs by type of business receiving Business Development assistance:				
		- From attracted or expanded companies	20%	(21%)	(1%)	10%
		- From retained companies	5%	85%	(51%)	33%
	<i>PM 2</i>	Ratio of Business Development outreach expenditures to generated sales and business tax revenues	1:2	1:3	1:3	1:3
	<i>PM 3</i>	% of Business Development grants distributed to woman or minority-owned businesses	85%	80%	92%	82%

City Manager - Office of Economic Development and Cultural Affairs

Performance Summary

Business Development and Economic Strategy

Activity and Workload Highlights

		2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Forecast
AWH 1	# of companies receiving Office of Economic Development permitting assistance	100	90	90	90
AWH 2	Estimated \$ change in sales and business tax revenue from businesses receiving Business Development assistance:				
	- Taxes from attracted or expanded companies	\$740,000	\$1M	\$1.4M	\$1.5M
	- Taxes from retained companies	\$1.2M	\$2M	\$946,000	\$1M
AWH 3	Estimated # of jobs from businesses receiving Business Development assistance:				
	- New jobs from attracted or expanded companies	3,658	2,000	3,621	3,985
	- Jobs from retained companies	1,233	2,000	602	800
AWH 4	# of Business Owner Space participants receiving assistance (access to capital, technical or human resources support, or information)	19,662	13,000	19,600	15,000
AWH 5	# of meetings held with businesses receiving Business Development support	534	524	550	575

Data Sources: Business Development and Economic Strategy


Number	Data Source
PM 1	Business Development outreach tracker
PM 2	Business Development outreach tracker
PM 3	Grants tracking database
AWH 1	Business Development team tracking
AWH 2	Business Development analysis of sales and business tax
AWH 3	Annual BOS survey of service providers
AWH 4	Business Development team tracking

City Manager - Office of Economic Development and Cultural Affairs

Performance Summary

Real Estate Services

Performance Measures

		2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
Revenue generated by type (%):					
 PM 1	- Facility Leases	33%	35%	31%	34%
	- Telecommunication Leases	46%	48%	44%	50%
	- Surplus Property Sales	21%	17%	25%	16%

Activity and Workload Highlights

		2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Forecast
Revenue generated by type (\$):					
AWH 1	- Facility Leases	1,096,967	1,000,000	1,060,941	1,100,000
	- Telecommunication Leases	1,524,973	1,400,000	1,524,973	1,600,000
	- Surplus Property Sales	722,969	500,000	846,783	500,000
- # of leased properties managed (sq.ft.):					
AWH 2	- City as landlord (sq.ft.)	N/A ¹	N/A ¹	96,151	96,151
	- City as tenant (sq.ft.)	N/A ¹	N/A ¹	131,503	131,503
	- Macro telecommunication leases	N/A ¹	N/A ¹	35	35
AWH 3	# of other managed properties	N/A ¹	N/A ¹	12	12
# of real estate transactions executed:					
AWH 4	- Acquisitions/ Dispositions	N/A ¹	N/A ¹	12	12
	- Easements	N/A ¹	N/A ¹	6	6
	- Leases	N/A ¹	N/A ¹	20	20
	- Other real estate requests	N/A ¹	N/A ¹	57	57
	- Access and license agreements	N/A ¹	N/A ¹	12	12

¹ New performance measure and does not have 2023-2024 Target or prior year data.

Data Sources: Real Estate Services



Number	Data Source
PM 1	Budget tracking, Internal tracking. Includes General Fund and other funds
AWH 1	Budget tracking, Internal tracking. Includes General Fund and other funds
AWH 2	Internal tracking; new performance metric does not have 23-24 target or prior year history
AWH 3	Internal tracking; new performance metric does not have 23-24 target or prior year history
AWH 4	Internal tracking; new performance metric does not have 23-24 target or prior year history

City Manager - Office of Economic Development and Cultural Affairs

Performance Summary

Regional Workforce Development

Performance Measures

		2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target	
	PM 1	Estimated % of clients employed 6 months after initial placement.				
		- Adults	74.3	65	70	TBD ¹
		- Dislocated Workers	74.3	68	70	TBD ¹
		- Youth	81.2	71	71	TBD ¹
	PM 2	Estimated % of clients employed 12 months after initial placement				
		- Adults	70	62	65	TBD ¹
		- Dislocated workers	73.3	67	67	TBD ¹

¹ Targets for 2024-2025 will be available in Fall 2024 and will be included in the 2025-2026 Operating Budget.

Activity and Workload Highlights

		2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Forecast	
AWH 1	# of work2future clients receiving discrete services (counseling, job placement, and occupational training)		1228	1150	1250	1250 ¹
	- Adults	704	700	735	700 ¹	
	- Dislocated Workers	309	200	300	300 ¹	
	- Youth	215	250	250	250 ¹	
AWH 2	# of business clients served by the Business Services Unit		337	300	300	300
AWH 3	# of San Jose Works (work2future clients)		829	775	775	775

¹ 2024-2025 Forecast assumes no more than 5% reduction in the Workforce Innovation and Opportunity Act allocation, which is determined by the State in the May-June timeframe.

Data Sources: Regional Workforce Development

Number	Data Source
PM 1	CalJOBS
PM 2	CalJOBS
AWH 1	CalJOBS
AWH 2	CalJOBS
AWH 3	San José Works Enrollment Report

City Manager - Office of Economic Development and Cultural Affairs

Department Position Detail

Position	2023-2024 Adopted	2024-2025 Proposed	Change
Accountant I/II	2.00	2.00	-
Administrative Officer	1.00	1.00	-
Analyst I/II	8.00	9.00	1.00
Arts Programs Coordinator	1.00	0.00	(1.00)
Assistant Director	2.00	2.00	-
Assistant to the City Manager	4.00	4.00	-
Deputy Director	1.00	1.00	-
Director of Economic Development	1.00	1.00	-
Division Manager	1.00	1.00	-
Economic Development Manager	1.00	1.00	-
Events Coordinator I/II	1.00	1.00	-
Executive Analyst I/II	3.00	4.00	1.00
Executive Assistant	1.00	1.00	-
Public Information Manager	1.00	1.00	-
Senior Account Clerk	1.00	0.00	(1.00)
Senior Accountant	0.00	1.00	1.00
Senior Analyst	1.00	1.00	-
Senior Arts Program Coordinator	4.00	4.00	-
Senior Events Coordinator	2.00	2.00	-
Senior Executive Analyst	19.00	16.00	(3.00)
Staff Specialist	6.00	4.00	(2.00)
Total Positions	61.00	57.00	(4.00)

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Energy Department

Lori Mitchell, Director

MISSION

To procure clean, cost-effective energy for the benefit of its customers

CITY SERVICE AREA

Environmental and Utility Services

CORE SERVICES

ENERGY COMMUNITY PROGRAMMING

Establish San José-specific renewable energy and local renewable energy efficiency programs.

ENERGY CUSTOMER SUPPORT

Provide exceptional customer experience by educating and communicating effectively with customers, the public, and the media.

PROVIDING CLEAN ENERGY TO THE COMMUNITY

Promote enhanced sustainable energy practices by providing the community with cleaner energy options, resources, and education.

Strategic Support: Administration, Financial Management, Information Technology, Human Resources, and Emergency Response and Recovery

Energy Department

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Energy Community Programming Core Service</i>	
Local Energy Programs	Provides San José-specific energy programs to reduce carbon and provide additional benefits to the community.
<i>Energy Customer Support Core Service</i>	
Energy Marketing and Public Affairs	Provides direct communication to customers, the public, and media.
Energy Data and Call Center Management	Manages energy data and billing accuracy and provides resolution to Call Center customer escalations.
<i>Providing Clean Energy to the Community Core Service</i>	
Energy Conventional Energy Supply	Procures conventional energy, such as natural gas.
Energy Hydro Power Supply	Procures hydro power supply energy, such as large hydro and Greenhouse Gas-free energy.
Energy Power Scheduling and Other Supply	Manages grid and California Independent System Operator (ISO) charges.
Energy Risk Management	Manages and mitigates potential power supply risk to which the Department and City are exposed.
Energy Regulatory Compliance	Manages local, State, and federal regulatory compliance and advocacy to ensure compliance with all regulations and to advance City objectives.
<i>Strategic Support Core Service</i>	
Energy Management and Administration	Provides executive-level, analytical, and administrative support to the Department.
Energy Financial Management	Manages the budget and all financial transactions for the department; assists in annual budget development.
Energy Human Resources	Manages personnel-related functions for the department, including hiring (in coordination with the Human Resources Department), employee development, employee discipline (in coordination with the Office of Employee Relations), and personnel transactions.
Energy Information Technology	Provides information technology services, security, planning, system development, and maintenance for the department in coordination with the Information Technology Department.
Energy Legal Support	Manages all legal support functions for the Department in coordination with the City Attorney's Office.
Energy Emergency Response and Recovery	Provides for the coordination and delivery of emergency services and recovery activities.

Energy Department

Department Budget Summary

Expected 2024-2025 Service Delivery

- Provide cost effective electric generation rates by procuring cleaner electric supplies. Offer customers at least one power mix option at ten percent or more renewables than PG&E and at least one power mix option that is 100 percent renewable.
- Ensure new electrical infrastructure constructed as part of major development projects is designed and constructed to improve grid resiliency and enable high utilization of renewable energy resources.
- Execute prudent financial management practices, including the implementation of effective cost controls and engagement in the regulatory and legislative process. Ensure the long-term financial stability of the San José Clean Energy (SJCE) program by achieving the financial reserves policy goal of 180 days of operating expenses and securing an investment-grade credit rating.
- Develop San José-specific energy and programs that reduce carbon, maintain and expand utility programs for low-income customers, and support local renewable energy projects in compliance with regulatory obligations.
- Support Climate Smart San José by aiming to reduce carbon emissions.

2024-2025 Key Budget Actions

- Adds 1.0 Principal Accountant position to provide financial accounting leadership and support to meet the complex accounting needs of the Energy Department. Accurate and timely financial reporting strengthen fiscal operations within the Department
- Adds 1.0 Senior Power Resources Specialist position and 1.0 Power Resources Specialist II position to support the development and implementation of new programs and initiatives, including a master plan to guide electrification of the City fleet and installation of accompanying infrastructure, electric vehicle charging, building electrification incentives, workforce development, and home energy storage incentives.
- Adds one-time non-personal/equipment funding of \$5.0 million to support SJCE'S efforts to develop and implement energy programs for residential and commercial customers that reduce carbon emissions, incentivize electrification, promote equity, and progress toward San José's carbon neutrality goal by 2030.

Operating Funds Managed

- San José Clean Energy Operating Fund

Energy Department

Department Budget Summary

	2022-2023 Actuals ***	2023-2024 Adopted ****	2024-2025 Forecast	2024-2025 Proposed
Dollars by Core Service				
Energy Community Programming	2,893,983	8,567,248	3,808,506	9,202,088
Energy Customer Support	6,992,839	8,302,563	8,516,494	8,516,494
Providing Clean Energy to the Community	368,370,315	427,432,822	496,293,029	496,293,029
Strategic Support - Environmental & Utility Services	4,834,517	6,489,799	5,863,470	6,188,670
Strategic Support - Other - Environmental & Utility Services	46,166,558	25,826,056	4,200,637	4,240,477
Total	\$429,258,213	\$476,618,488	\$518,682,136	\$524,440,758
Dollars by Category				
Personal Services and Non-Personal/Equipment				
Salaries/Benefits	7,387,132	11,033,169	12,335,012	12,653,794
Overtime	2,018	0	0	0
Subtotal Personal Services	\$7,389,151	\$11,033,169	\$12,335,012	\$12,653,794
Non-Personal/Equipment	7,529,269	12,416,487	9,136,487	14,536,487
Total Personal Services & Non-Personal/Equipment	\$14,918,420	\$23,449,656	\$21,471,499	\$27,190,281
Other Costs *				
City-Wide Expenses	352,301	980,000	0	0
Debt Service/Financing	43,049,336	23,700,000	2,147,000	2,147,000
Housing Loans and Grants	0	0	0	0
Other	367,820,934	426,362,776	493,010,000	493,010,000
Other - Capital	0	0	0	0
Overhead Costs	3,117,222	2,126,056	2,053,637	2,093,477
Total Other Costs	\$414,339,793	\$453,168,832	\$497,210,637	\$497,250,477
Total	\$429,258,213	\$476,618,488	\$518,682,136	\$524,440,758

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** The position counts displayed in the 2022-2023 Actuals column reflect those included in the 2022-2023 Adopted Budget.

*** 2022-2023 Actuals may not subtotal due to rounding.

**** The amounts in the 2023-2024 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

Energy Department

Department Budget Summary

	2022-2023 Actuals ***	2023-2024 Adopted ****	2024-2025 Forecast	2024-2025 Proposed
Dollars by Fund				
General Fund (001)	352,301	980,000	0	0
American Rescue Plan Fund (402)	0	0	0	0
San José Clean Energy Operating Fund (501)	428,905,912	475,638,488	518,682,136	524,440,758
Total	\$429,258,213	\$476,618,488	\$518,682,136	\$524,440,758
Positions by Core Service **				
Energy Community Programming	2.00	4.00	5.00	7.00
Energy Customer Support	8.00	10.00	10.00	10.00
Providing Clean Energy to the Community	13.00	20.00	20.00	20.00
Strategic Support - Environmental & Utility Services	17.00	19.00	19.00	19.00
Total	40.00	53.00	54.00	56.00

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*** 2022-2023 Actuals may not subtotal due to rounding.

**** The amounts in the 2023-2024 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

Energy Department

Department Budget Summary

	2022-2023 Actuals **	2023-2024 Adopted	2024-2025 Forecast	2024-2025 Proposed	2024-2025 Proposed Positions
Dollars by Program*					
Energy Community Programming					
Local Energy Programs	2,893,983	8,567,248	3,808,506	9,202,088	7.00
Sub-Total	2,893,983	8,567,248	3,808,506	9,202,088	7.00
Energy Customer Support					
Energy Data and Call Center Management	5,838,459	6,567,133	6,633,951	6,633,951	3.50
Energy Marketing and Public Affairs	1,154,380	1,735,430	1,882,543	1,882,543	6.50
Sub-Total	6,992,839	8,302,563	8,516,494	8,516,494	10.00
Providing Clean Energy to the Community					
Energy Conventional Energy Supply	255,699,496	331,855,179	354,459,867	354,459,867	0.75
Energy Hydro Power Supply	64,345,608	61,300,357	61,309,726	61,309,726	1.50
Energy Power Scheduling and Other Supply	6,325,661	16,629,360	16,600,493	16,600,493	0.25
Energy Regulatory Compliance	940,600	2,325,246	2,513,167	2,513,167	10.00
Energy Renewable Energy Supply	40,798,785	14,597,298	60,632,682	60,632,682	3.50
Energy Risk Management	260,165	725,382	777,094	777,094	4.00
Sub-Total	368,370,315	427,432,822	496,293,029	496,293,029	20.00
Strategic Support - Environmental & Utility Services					
Energy Emergency Response and Recovery	49,867	240,000	0	0	0.00
Energy Financial Management	1,659,926	2,089,485	2,263,187	2,404,265	12.00
Energy Human Resources	225	0	0	0	0.00
Energy Legal Support	815,985	500,000	500,000	500,000	0.00
Energy Management and Administration	2,308,514	3,660,314	3,100,283	3,284,405	7.00
Sub-Total	4,834,517	6,489,799	5,863,470	6,188,670	19.00
Strategic Support - Other - Environmental & Utility Services					
Energy Debt/Financing Costs	43,049,336	23,700,000	2,147,000	2,147,000	0.00
Energy Overhead	3,117,222	2,126,056	2,053,637	2,093,477	0.00
Sub-Total	46,166,558	25,826,056	4,200,637	4,240,477	0.00
Total	\$429,258,213	\$476,618,488	\$518,682,136	\$524,440,758	56.00

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** 2022-2023 Actuals may not subtotal due to rounding.

Energy Department Budget Reconciliation

Personal Services and Non-Personal/Equipment

(2023-2024 Adopted to 2024-2025 Proposed)

	Positions	All Funds (\$)
Prior Year Budget (2023-2024):	53.00	23,449,656
Base Adjustments		
One-Time Prior Year Expenditures Deleted		
• Rebudgets		(3,000,000)
• Customer Program Staffing and City Electrification Study		(253,000)
• San José Clean Energy Regulatory Compliance, Policy and Legislative Affairs Staffing		(9,000)
• Risk Management and Contract Staffing		(6,000)
• San José Clean Energy Budget and Financial Planning Staffing		(6,000)
• Power Resources Staffing		(3,000)
• San José Clean Energy Account Management Staffing		(3,000)
One-time Prior Year Expenditures Subtotal:	0.00	(3,280,000)
Technical Adjustments to Costs of Ongoing Activities		
• Salary/benefit changes and the following position reallocations:		1,033,600
- 1.0 Program Manager to 1.0 Senior Power Resources Specialist	0.00	
- 1.0 Planner IV, shifted from Environmental Services Department for Climate Smart Staffing	1.00	268,243
Technical Adjustments Subtotal:	1.00	1,301,843
2024-2025 Forecast Base Budget:	54.00	21,471,499
Budget Proposals Recommended		
1. Customer Program Staffing	2.00	5,393,582
2. City Energy Resiliency Study		400,000
3. Energy Department Accounting Staffing	1.00	141,078
4. Vacant Position Elimination	(1.00)	(215,878)
Total Budget Proposals Recommended	2.00	5,718,782
2024-2025 Proposed Budget Total	56.00	27,190,281

Energy Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)
1. Customer Program Staffing	2.00	5,393,582

***Environmental and Utility Services CSA
Energy Community Programming Core Service
Local Energy Programs Program***

This action adds 1.0 Senior Power Resources Specialist and 1.0 Power Resources Specialist positions, effective October 2024, and \$5.0 million of non-personal/equipment funding to support San José Clean Energy (SJCE) Customer Programs team. SJCE's recent Programs Roadmap memorandum to the Transportation and Environmental Committee identified four program areas - Building Electrification & Energy Efficiency, Transportation Electrification, Distributed Energy Resources, and Equity & Community Engagement - and a total of \$12.0 million of anticipated customer programs investment through 2024-2025, including the new funding recommended in this action. Collectively, the programs are anticipated to result in over \$18.5 million lifetime customer savings and 44,000 metric tons of carbon dioxide reductions, with 56% of program incentive funds distributed to priority communities (e.g., households earning less than 80% of area median income). Supplementing the existing team of six positions, the addition of the Senior Power Resources Specialist ensures focused leadership on the Distributed Energy Resources sub-group and will focus primarily on residential and commercial rooftop demand and solar and battery storage projects. The new Power Resources Specialist will be added to the Building Electrification & Energy Efficiency group supporting those efforts. Additionally, one-time non-personal/equipment funding of \$5.0 million will be allocated to fund several new customer programs, including emergency bill relief, expansion of the demand response pilot, battery storage incentive, and a residential super off-peak charging rate pilot. Continuation of the non-personal/equipment funding will be reevaluated during the 2025-2026 budget development process. (Ongoing costs: \$393,582)

2. City Energy Resiliency Study		400,000
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***Environmental and Utility Services CSA
Strategic Support – Environmental & Utility Services Core Service
Energy Management and Administration Program***

This action adds \$400,000 of non-personal/equipment funding one-time to be spent over a two-year period to further study energy resiliency of City facilities. This funding will allow for the onboarding of consulting services to advance the City's energy resiliency efforts currently underway, which include coordination with stakeholders such as PG&E to explore, develop, and ultimately deliver a comprehensive package of strategies to set energy resiliency at critical City-owned facilities. The consulting services will also support efforts to evaluate the development feasibility of microgrids and City-owned electric transmission and distribution systems, as well as renewable energy generation, storage and backup systems. (Ongoing costs: \$0)

Energy Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment



2024-2025 Proposed Budget Changes	Positions	All Funds (\$)
3. Energy Department Accounting Staffing	1.00	141,078
<i>Environmental and Utility Services CSA Strategic Support – Environmental & Utility Services Core Service Energy Financial Management Program</i>		
<p>This action adds 1.0 Principal Accountant position to the Energy Department's Budget, Financial Planning and Human Resources Division. The Principal Accountant will provide leadership to the existing accounting team of five and continue the development of the Energy Department's in-house accounting team as the Department scales its operational structure to meet its increasing volume and complexity of work. Over the past two years, the Department has been working closely with the Finance Department to advance efforts to grow its accounting operations as energy operations and contractual obligations scale upward. This action continues the transition of high-level accounting functions from the Finance Department to the Energy Department. (Ongoing costs: \$188,105).</p>		
4. Vacant Position Elimination	(1.00)	(215,878)
<i>Environmental and Utility Services CSA Strategic Support – Environmental & Utility Services Core Service Energy Management and Administration Program</i>		
<p>This action eliminates 1.0 Associate Engineer position as part of an organization-wide effort to evaluate the elimination of vacant positions in consideration of vacancy status and recruitment history, operational priority, and forecasted supporting revenues for 2024-2025, including Development Fee Programs, other supporting revenues, and capital project funding. A total of 64 positions in the City are recommended to be eliminated as part of this effort, a reduction of approximately 1% of the Base Budget level. While these position eliminations will reduce Departments' future service delivery capacity – and will be reevaluated as necessary – because these positions have been vacant for an extended period of time or are no longer supported by existing service demands, impacts to current service delivery is expected to be minimal. The eliminated position in the Energy Department results in savings of \$215,878 in the San José Clean Energy Fund. (Ongoing savings: \$214,048)</p>		
2024-2025 Proposed Budget Changes Total	2.00	5,718,782

Energy Department

Performance Summary

Energy Customer Support

Performance Measures

	2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
 % of customers who opt out ¹	2.37%	<5%	2.55%	<5%
 % of customers that opt up to TotalGreen (100% renewable energy service)	0.49%	0.56%	0.51%	0.55%

¹ When the San José Clean Energy (SJCE) program initially launched, San José customers were automatically enrolled, or opted in to the program. Customers do have the option to leave or opt out of SJCE service at any time.

Activity and Workload Highlights



	2022-2023 Actual	2023-2024 Forecast	2023-2024 Estimated	2024-2025 Forecast
Number of customers that opt up to TotalGreen (100% renewable energy service)	1,722	1,960	1,800	1,930
Number of San José Clean Energy customers	349,970	351,000	350,300	351,000

Energy Department

Performance Summary

Providing Clean Energy to the Community


Performance Measures

	2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
 San José Clean Energy mix supplied:				
Renewable Energy	60%	60%	61%	66%
Carbon Free	96%	95%	96%	100%
 PG&E mix supplied (as compared with San José Clean Energy above):				
Renewable Energy	40%	N/A ¹	N/A ¹	N/A ¹
Carbon Free	96%	N/A ¹	N/A ¹	N/A ¹

¹ Information reported for actual data only.

Strategic Support

Performance Measures

	2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
 % customer savings compared to PG&E	-2.0%	5.2%	5.2%	7.4%

Activity and Workload Highlights

	2022-2023 Actual	2023-2024 Forecast	2023-2024 Estimated	2024-2025 Forecast
Total customer savings compared to PG&E	-\$10.7M	\$29.6M	\$30.1M	\$45.4M

Energy Department

Department Position Detail

Position	2023-2024 Adopted	2024-2025 Proposed	Change
Accountant II	1.00	1.00	-
Accounting Technician	2.00	2.00	-
Analyst I/II	6.00	6.00	-
Assistant Director	1.00	1.00	-
Associate Engineer	1.00	0.00	(1.00)
Deputy Director	3.00	3.00	-
Director of Community Energy	1.00	1.00	-
Division Manager	3.00	3.00	-
Planner IV	0.00	1.00	1.00
Power Resources Specialist I/II	9.00	10.00	1.00
Principal Accountant	0.00	1.00	1.00
Principal Power Resources Specialist	3.00	3.00	-
Program Manager I	1.00	0.00	(1.00)
Public Information Manager	1.00	1.00	-
Public Information Representative II	3.00	3.00	-
Senior Account Clerk	1.00	1.00	-
Senior Accountant	1.00	1.00	-
Senior Analyst	2.00	2.00	-
Senior Environmental Program Manager	1.00	1.00	-
Senior Power Resources Specialist	9.00	11.00	2.00
Senior Public Information Representative	1.00	1.00	-
Staff Specialist	3.00	3.00	-
Total Positions	53.00	56.00	3.00

Environmental Services Department

Kerrie Romanow, Director

MISSION

Delivering world class utility services and programs to improve our health, environment, and economy

CITY SERVICE AREA

Environmental Utility Services

CORE SERVICES

POTABLE WATER DELIVERY

Develop, operate, and maintain the City's municipal potable water system.

RECYCLED WATER MANAGEMENT

Develop, operate, and maintain a recycled water system that reduces effluent to the Bay and provides a reliable and high quality alternative water supply.

RECYCLING AND GARBAGE SERVICES

Collect, process, and dispose of solid waste to maximize diversion from landfills and protect public health, safety, and the environment.

STORMWATER MANAGEMENT

Protect the health of the South Bay watershed through regulatory programs that prevent pollution from entering the storm sewer system and waterways.

SUSTAINABILITY AND ENVIRONMENTAL HEALTH

Provide innovative solutions to tackle climate change and reduce emissions by promoting enhanced air quality, environmentally responsible land use, sustainable energy practices, and conservation of water and energy resources.

WASTEWATER MANAGEMENT

Manage wastewater for suitable discharge into the south San Francisco Bay and for beneficial reuse to protect the environment and public health.

Strategic Support: Public Education, Long Range Planning, Human Resources, Facility Management, Financial Management, Information Technology Services, Clerical Support, Materials Management, and Emergency Response and Recovery

Environmental Services Department

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Potable Water Delivery Core Service</i>	
Municipal Water System Operations and Maintenance	Operates and maintains the Municipal Water System to ensure a reliable, safe, and potable water supply.
Municipal Water System Planning and Capital Project Delivery	Plans, coordinates, and executes capital projects within the Municipal Water System service area.
<i>Recycled Water Management Core Service</i>	
South Bay Water Recycling Operations and Maintenance	Operates and maintains the South Bay Water Recycling system.
<i>Recycling and Garbage Services Core Service</i>	
Civic / Other Solid Waste Collection Services	Provides management and oversight of all solid waste services generated from City facilities and includes funding from non-rate-payer funds to provide waste diversion services to restrict or redirect waste from entering local landfills.
Commercial Solid Waste Collection Services	Provides management and oversight of all solid waste collections, sorting, recycling, outreach, program compliance, and disposal services related to commercial accounts within the City and includes inspection services, outreach, and the maintenance of public litter cans within the right-of-way.
Recycling and Garbage Services Administration	Administers and manages all solid waste services.
Residential Solid Waste Collection Services	Provides management and oversight of all solid waste collections, sorting, recycling, outreach, customer service, program compliance, disposal services, and inspection activities related to single-family households and multi-family households within the City.
<i>Stormwater Management Core Service</i>	
Stormwater Administration	Provides executive-level management and administration of the Stormwater Management Core Service. Also provides mid-level and clerical administrative support.
Stormwater Enforcement	Educates and regulates approximately 10,000 businesses and construction sites in San José regarding stormwater practices to ensure compliance with federal and State requirements for the City's storm sewer system.
Stormwater Policy and Compliance	Facilitates City compliance with its stormwater the National Pollutant Discharge Elimination Program (NPDES) permit for the storm sewer system, including requirements for municipal operations, new development and redevelopment requirements, and control programs for specific pollutants such as trash, PCBs, and mercury. Supports compliance with the requirements of the Baykeeper Consent Decree and other agreements.

Environmental Services Department

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Sustainability and Environmental Health Core Service</i>	
Environmental Compliance and Safety	Provides oversight of ESD employee health and safety at all ESD facilities, as well as providing professional compliance services for City lands, including closed landfills, such that both aspects fully comply with all State and federal laws.
Policy, Legislative Advocacy, and Education	Leads the City's efforts to implement Climate Smart San José strategies that address the challenges of climate change for the City. Climate Smart San José has set multiple goals to take meaningful action to reduce carbon emissions through strategic planning, policy implementation, community outreach, and public/private partnerships. Coordinates the City's efforts related to energy efficiency, renewable energy, and Green House Gas reductions, including administration of the Silicon Valley Energy Watch and other programs. Environmental legislation advocacy and policy development is led by this group as well as external partner relationships for sustainability, water, and wastewater policy and projects.
<i>Wastewater Management Core Service</i>	
Facility Land Use and Planning	Performs environmental permitting and review for CIP, and coordinates with State and federal agencies and external partners on capital and land use projects. Oversees habitat and buffer land improvements.
Laboratory Services	Performs analysis for monitoring operations and compliance at the San José-Santa Clara Regional Wastewater Facility as well as monitoring industrial discharges to the Facility; supports various studies aimed at understanding and monitoring water quality issues in the Bay and urban tributaries.
Pretreatment	Permits, regulates, and monitors approximately 250 industrial wastewater dischargers and nearly 900 dental practices, across the San José-Santa Clara Regional Wastewater Facility's service area to ensure compliance with local, State, and federal pretreatment requirements. Also educates and regulates approximately 4,300 food service establishments in San José to ensure proper management of fats, oils, and grease to minimize sanitary sewer overflows.
Regulatory Compliance and Safety	Manages regulatory compliance for the San José-Santa Clara Regional Wastewater Facility's two major permits: the National Pollutant Discharge Elimination Program (NPDES) permit for the Facility's treated wastewater effluent, and the Title V permit for all of the Facility's major air emissions sources.
San José-Santa Clara Treatment Plant Capital Project Delivery	Provides services for both capital project planning, design and construction of major projects as well as process engineering services within the San José-Santa Clara Regional Wastewater Facility.
San José-Santa Clara Treatment Plant Operations and Maintenance	Treating an average wastewater influent of over 100 million gallons per day, this program is responsible for the management, and daily operations and maintenance of the San José-Santa Clara Regional Wastewater Facility, with the primary objective of ensuring compliance with the NPDES.

Environmental Services Department

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Strategic Support Core Service</i>	
Environmental Services Communications	Performs community outreach, marketing, and media relations to advance key environmental priorities including garbage and recycling services, watershed protection and pollution prevention, municipal drinking water and recycled water, community sustainability initiatives, and the San José-Santa Clara Regional Wastewater Facility.
Environmental Services Financial Management	Manages the budget and all financial transactions for the department; assists in annual budget development.
Environmental Services Human Resources	Manages personnel-related functions for the department, including hiring (in coordination with the Human Resources Department), employee development, employee discipline (in coordination with the Office of Employee Relations), and personnel transactions.
Environmental Services Information Technology	Provides information technology services, planning, system development and maintenance for the Department in coordination with the Information Technology Department.
Environmental Services Management and Administration	Provides executive-level, analytical and administrative support to the department.

Environmental Services Department

Department Budget Summary

Expected 2024-2025 Service Delivery

- Build, operate, and maintain the City's wastewater, recycled water, and potable water utility infrastructure to ensure system reliability and public health and safety.
- Promote the health of the environment and South Bay watershed through collection, treatment, and management of wastewater and stormwater runoff.
- Oversee programs to collect, process, recycle, compost, and dispose of solid waste to maximize diversion from landfills and protect public health, safety, and the environment.
- Reduce the City's environmental footprint through energy efficiency, waste reduction, and environmentally preferable purchases.
- Support sustainable infrastructure, equipment, and behaviors throughout the community through education, and public-private partnerships.
- Lead implementation of the City Council-approved Climate Smart San José Plan and Carbon Neutrality by 2030 Goal which includes partnering with city departments and other agencies to pursue grants to promote a variety of goals such as energy efficiency, building electrification, and clean, renewable energy in the community.

2024-2025 Key Budget Actions

- Increases Residential Garbage and Recycling rates up to 4% for single-family and 2% for multi-family households, to maintain cost recovery as contract expenditures will increase due to annual cost-of-living adjustments for solid waste haulers.
- Increases Sanitary Sewer rates by 9% to maintain cost recovery for maintenance, operations, and capital improvements for the Sanitary Sewer System and San José's portion of Regional Wastewater Facility costs.
- Includes a revenue adjustment for the Municipal Water System of approximately 5% for 2024-2025, primarily to account for the increased cost of wholesale water.
- Adds 1.0 Deputy Director for Regulatory Affairs and Water Supply, as well as 1.0 Senior Environmental Program Manager and 1.0 Supervising Environmental Services Specialist positions, that will lead the development of a purified water project and other drought-proof water supply solutions.
- Adds 1.0 Environmental Services Specialist position and \$4.25 million in non-personal/equipment funding to support the management and disposal of mechanically dewatered biosolids produced by the San José-Santa Clara Regional Wastewater Facility.
- Adds 2.0 Environmental Inspectors I/II positions to comply with the Municipal Regional Stormwater Permit Compliance, addressing provisions related to Private Land Drainage Areas and Stormwater Treatment Measures.
- Adds \$2.5 million of one-time funding to support an update to the Plant Master Plan, to address current and future regulatory and capacity infrastructure requirements.
- Adds \$200,000 of one-time funding in the General Fund for the Climate Smart and Carbon Neutrality program to support consultant services for initiatives such as the Carbon Neutrality goal by 2030, workforce development, outreach, and building electrification.

Operating Funds Managed

- Integrated Waste Management Fund
- San José-Santa Clara Treatment Plant Income Fund
- San José-Santa Clara Treatment Plant Operating Fund
- Sewer Service and Use Charge Fund
- Storm Sewer Operating Fund
- South Bay Water Recycling Operating Fund
- Sewage Treatment Plant Connection Fee Fund
- Water Utility Fund

Environmental Services Department

Department Budget Summary

	2022-2023 Actuals ***	2023-2024 Adopted ****	2024-2025 Forecast	2024-2025 Proposed
Dollars by Core Service				
Potable Water Delivery	47,434,522	53,322,695	55,790,696	55,951,086
Recycled Water Management	12,419,013	29,165,533	15,341,629	17,454,629
Recycling & Garbage Services	188,362,941	201,201,853	209,026,401	209,749,961
Stormwater Management	9,120,394	10,806,839	10,737,360	11,943,417
Strategic Support - Environmental & Utility Services	15,620,248	16,952,753	18,151,015	20,362,780
Strategic Support - Fund Balance and Reserves - Environ & Util Services	2,895,518	0	0	0
Strategic Support - Other - Environmental & Utility Services	24,835,557	23,126,903	28,179,402	27,949,903
Sustainability and Environmental Health	5,711,355	7,985,393	7,823,364	7,841,281
Wastewater Management	98,466,878	107,563,059	107,577,588	119,250,849
Total	\$404,866,426	\$450,125,028	\$452,627,455	\$470,503,906
Dollars by Category				
Personal Services and Non-Personal/Equipment				
Salaries/Benefits	98,679,249	109,316,527	117,361,845	118,014,831
Overtime	2,940,607	1,081,546	1,081,546	1,081,546
Subtotal Personal Services	\$101,619,856	\$110,398,073	\$118,443,391	\$119,096,377
Non-Personal/Equipment	263,517,489	287,197,288	289,348,747	306,131,337
Total Personal Services & Non-Personal/Equipment	\$365,137,345	\$397,595,361	\$407,792,138	\$425,227,714
Other Costs *				
City-Wide Expenses	1,882,016	1,616,708	1,315,000	1,699,000
Housing Loans and Grants	0	0	0	0
Other	12,916,404	29,914,369	16,854,546	16,854,546
Other - Capital	0	0	0	0
Overhead Costs	23,883,079	19,954,590	25,541,771	25,598,646
Workers' Compensation	1,047,581	1,044,000	1,124,000	1,124,000
Total Other Costs	\$39,729,081	\$52,529,667	\$44,835,317	\$45,276,192
Total	\$404,866,426	\$450,125,028	\$452,627,455	\$470,503,906

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** The position counts displayed in the 2022-2023 Actuals column reflect those included in the 2022-2023 Adopted Budget.

*** 2022-2023 Actuals may not subtotal due to rounding.

**** The amounts in the 2023-2024 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

Environmental Services Department

Department Budget Summary

	2022-2023 Actuals ***	2023-2024 Adopted ****	2024-2025 Forecast	2024-2025 Proposed
Dollars by Fund				
General Fund (001)	5,942,934	7,362,346	6,399,290	7,805,043
American Rescue Plan Fund (402)	0	0	0	0
Emergency Reserve Fund (406)	268	0	0	0
Integrated Waste Management Fund (423)	192,993,232	203,275,485	211,761,278	212,511,221
Multi-Source Housing Fund (448)	29,798	0	0	0
San José Clean Energy Operating Fund (501)	0	0	0	0
San José-Santa Clara Treatment Plant Operating Fund (513)	111,742,453	132,627,970	126,059,292	139,334,830
Sewer Service And Use Charge Fund (541)	3,385,037	5,716,703	5,425,009	5,292,765
South Bay Water Recycling Operating Fund (570)	13,658,825	21,394,100	16,809,185	18,932,220
Storm Sewer Operating Fund (446)	17,298,746	17,193,936	17,365,263	17,725,042
Water Utility Fund (515)	50,068,346	56,041,036	59,943,680	60,193,499
Capital Funds	9,746,786	6,513,452	8,864,458	8,709,286
Total	\$404,866,426	\$450,125,028	\$452,627,455	\$470,503,906
Positions by Core Service **				
Potable Water Delivery	40.80	40.95	40.95	41.95
Recycled Water Management	29.29	30.04	30.04	30.04
Recycling & Garbage Services	38.00	40.00	40.00	41.00
Stormwater Management	40.60	41.60	41.60	43.10
Strategic Support - Environmental & Utility Services	74.65	76.90	76.90	79.90
Strategic Support - Other - Environmental & Utility Services	0.00	1.10	1.10	0.10
Sustainability and Environmental Health	34.35	34.10	32.10	31.10
Wastewater Management	324.31	326.31	326.31	324.81
Total	582.00	591.00	589.00	592.00

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*** 2022-2023 Actuals may not subtotal due to rounding.

**** The amounts in the 2023-2024 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

Environmental Services Department

Department Budget Summary

	2022-2023	2023-2024	2024-2025	2024-2025	2024-2025
	Actuals **	Adopted	Forecast	Proposed	Proposed Positions

Dollars by Program*

Potable Water Delivery

Municipal Water System Operations and Maintenance	46,240,064	52,422,658	54,775,518	54,935,908	36.65
Municipal Water System Planning and Capital Project Delivery	1,194,458	900,037	1,015,178	1,015,178	5.30
Sub-Total	47,434,522	53,322,695	55,790,696	55,951,086	41.95

Recycled Water Management

South Bay Water Recycling Operations and Maintenance	12,419,013	29,165,533	15,341,629	17,454,629	30.04
Sub-Total	12,419,013	29,165,533	15,341,629	17,454,629	30.04

Recycling & Garbage Services

Civic/Other Solid Waste Collection Services	2,664,328	3,778,285	3,061,244	3,784,804	5.23
Commercial Solid Waste Collection Services	2,257,151	2,605,258	2,705,457	2,705,457	11.21
Recycling and Garbage Services Administration	5,628,150	8,220,991	7,575,340	7,575,340	24.56
Residential Solid Waste Collection Services	177,813,312	186,597,319	195,684,360	195,684,360	0.00
Sub-Total	188,362,941	201,201,853	209,026,401	209,749,961	41.00

Stormwater Management

Stormwater Administration	861,126	865,237	925,147	869,774	3.30
Stormwater Enforcement	3,649,040	4,658,692	4,084,262	4,796,692	23.80
Stormwater Policy and Compliance	4,610,228	5,282,910	5,727,951	6,276,951	16.00
Sub-Total	9,120,394	10,806,839	10,737,360	11,943,417	43.10

Strategic Support - Environmental & Utility Services

Environmental Services Communications	3,284,309	4,299,980	4,533,931	4,533,931	13.94
Environmental Services Emergency Response and Recovery	(1,633)	0	0	0	0.00
Environmental Services Financial Management	1,558,130	1,773,945	1,919,136	1,919,136	8.00
Environmental Services Human Resources	388,581	638,808	686,310	686,310	5.00
Environmental Services Information Technology	1,734,960	2,313,326	2,510,259	2,510,259	10.50
Environmental Services Management and Administration	8,655,901	7,926,694	8,501,379	10,713,144	42.46
Sub-Total	15,620,248	16,952,753	18,151,015	20,362,780	79.90

Strategic Support - Fund Balance and Reserves - Environ & Util Services

Environmental Services Reserves	2,895,518	0	0	0	0.00
Sub-Total	2,895,518	0	0	0	0.00

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** 2022-2023 Actuals may not subtotal due to rounding.

Environmental Services Department

Department Budget Summary

	2022-2023 Actuals **	2023-2024 Adopted	2024-2025 Forecast	2024-2025 Proposed	2024-2025 Proposed Positions
Strategic Support - Other - Environmental & Utility Services					
Environmental Services Capital	1,521	0	0	0	0.00
Environmental Services Other Departmental - City-Wide	1,100,835	2,128,313	1,513,631	1,227,257	0.10
Environmental Services Other Operational - Administration	95,370	0	0	0	0.00
Environmental Services Overhead	22,590,250	19,954,590	25,541,771	25,598,646	0.00
Environmental Services Workers' Compensation	1,047,581	1,044,000	1,124,000	1,124,000	0.00
Sub-Total	24,835,557	23,126,903	28,179,402	27,949,903	0.10
Sustainability and Environmental Health					
Environmental Compliance and Safety	2,345,175	3,883,935	4,063,633	3,881,550	15.00
Policy, Legislative Advocacy and Education	3,366,180	4,101,458	3,759,731	3,959,731	16.10
Sub-Total	5,711,355	7,985,393	7,823,364	7,841,281	31.10
Wastewater Management					
Facility Land Use and Planning	5,087	0	0	0	0.00
Laboratory Services	4,781,199	6,806,707	6,772,762	6,905,413	29.42
Pretreatment	5,484,216	6,817,958	6,474,216	6,512,341	31.50
Regulatory Compliance and Safety	631,666	0	0	0	0.00
San José-Santa Clara Treatment Plant Capital Project Delivery	13,380,267	13,656,176	13,300,198	20,183,736	53.00
San José-Santa Clara Treatment Plant Operations and Maintenance	74,184,443	80,282,218	81,030,412	85,649,359	210.89
Sub-Total	98,466,878	107,563,059	107,577,588	119,250,849	324.81
Total	\$404,866,426	\$450,125,028	\$452,627,455	\$470,503,906	592.00

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** 2022-2023 Actuals may not subtotal due to rounding.

Environmental Services Department

Budget Reconciliation

Personal Services and Non-Personal/Equipment

(2023-2024 Adopted to 2024-2025 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
Prior Year Budget (2023-2024):	591.00	397,595,361	5,745,638
Base Adjustments			
One-Time Prior Year Expenditures Deleted			
• Rebudgets		(3,967,002)	(205,000)
• South Bay Water Recycling Operational Improvements		(3,436,000)	0
• Biosolids Management Strategy Support		(1,150,000)	0
• Large Garbage Cart Pilot Program Expansion		(609,650)	0
• Storm and Sanitary Sewer Infrastructure and Regulatory Investment Needs		(550,000)	(137,713)
• Recycling Contamination Reduction		(475,000)	0
• Climate Smart San José Contractual Services		(400,000)	(400,000)
• Regional Wastewater Facility Capital Improvement Program (1.0 Deputy Director U)	(1.00)	(366,177)	0
• Climate Resilience Planning and Development (1.0 Principal Engineer/Architect)	(1.00)	(269,554)	(269,554)
• Environmental Enforcement Data Management System and Laboratory Information Management System Procurement Extension		(214,239)	0
• Internal Server Replacement and Server Storage Expansion		(200,000)	(2,000)
One-Time Prior Year Expenditures Subtotal:	(2.00)	(11,637,622)	(1,014,267)
Technical Adjustments to Costs of Ongoing Activities			
• Salary/benefit changes and the following position reallocations: -1.0 Account Clerk II to 1.0 Senior Account Clerk -9.0 Senior Engineer to 9.0 Wastewater Facility Senior Engineer -5.0 Principal Engineer/Architect to 5.0 Wastewater Facility Principal Engineer -1.0 Deputy Director to 1.0 Wastewater Facility Deputy Director -1.0 Wastewater Facility Deputy Director to 1.0 Regional Wastewater Facility General Manager	0.00	8,797,658	595,769
• Amendment to the City Pay Plan (City Council approval on January 9, 2024): Adds 1.0 Chief Plant Operator	1.00	258,741	0
• Shift to the Energy Department for Climate Smart Staffing (1.0 Planner IV)	(1.00)	(237,850)	(237,850)

Environmental Services Department

Budget Reconciliation

Personal Services and Non-Personal/Equipment

(2023-2024 Adopted to 2024-2025 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
• Contract Services: Single-Family Recycle Plus		4,109,091	0
• Utilities: Gas, Electricity, Water		3,031,505	0
• Contract Services: Yard Trimming		2,191,483	0
• Contract Services: Multi-Family Recycle Plus		1,780,642	0
• Contract Services: Single Family Dwelling Processing		965,099	0
• Contract Services: Biosolids Legacy Hauling Costs		600,000	0
• County of Santa Clara Household Hazardous Waste		200,000	0
• Contract Services: Janitorial Costs		120,000	0
• Vehicle Operations and Maintenance		15,000	(5,000)
• Printing: Single Family Recycle Plus		3,030	0
Technical Adjustments Subtotal:	0.00	21,834,399	352,919
2024-2025 Forecast Base Budget:	589.00	407,792,138	5,084,290
Budget Proposals Recommended			
1. Chemical Costs Increase (Regional Wastewater Facility and South Bay Water Recycling)		5,230,000	0
2. Dewatered Biosolids Hauling Support (New Digested Sludge Dewatering Facility Implementation)		4,250,000	0
3. Regional Wastewater Facility Capital Plan Update		2,500,000	0
4. South Bay Water Recycling System Improvements		1,850,000	0
5. Sanitary Sewer Flow Study		1,500,000	0
6. Regulatory Compliance and Purified Water Program	3.00	729,933	580,381
7. Solid Waste Contamination Reduction Staffing and Resources	1.00	563,560	0
8. Municipal Regional Stormwater Permit Inspection Programs (Direct Discharge)	2.00	481,930	257,215
9. Environmental Enforcement Vehicle Replacements		324,000	0
10. Regional Wastewater Facility Capital Improvement Program Administration Staffing	1.00	300,580	0
11. Climate Smart San Jose		200,000	200,000
12. Fiscal Program Staffing	1.00	181,234	0
13. PFAS Evaluation		165,000	165,000
14. Advanced Metering Infrastructure Staffing	1.00	160,390	0
15. Environmental Innovation Center Facility Improvements		160,000	0
16. Municipal Environmental Compliance Staffing	0.00	2	(109,250)
17. Vacant Position Elimination	(5.00)	(1,092,449)	(71,593)
18. Laboratory Administrative Staffing	(1.00)	(68,604)	0
Total Budget Proposals Recommended	3.00	17,435,576	1,021,753
2024-2025 Proposed Budget Total	592.00	425,227,714	6,106,043

Environmental Services Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
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1. Chemical Costs Increase (Regional Wastewater Facility and South Bay Water Recycling)		5,230,000	0
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Environmental and Utility Services CSA

Recycled Water Management and Wastewater Management Core Services

South Bay Water Recycling Operations and Maintenance and San José-Santa Clara Treatment Plant Operations and Maintenance Programs

This action adds ongoing non-personal/equipment funding of \$5.2 million, distributed between the San Jose-Santa Clara Treatment Plant Operating Fund (\$5.0 million) and the South Bay Water Recycling Fund (\$263,000), to support increased chemical costs for the Regional Wastewater Facility and the South Bay Water Recycling system. Chemicals such as ferric chloride (used in the digestion and sludge dewatering processing) and sodium hypochlorite and sodium bisulfite (used in the filtration and disinfection processes) are used by the RWF and SBRW systems in large quantities annually. Due to supply chain disruption since the beginning of the COVID pandemic, inflation, and other market factors, chemical costs have risen precipitously over recent years. Between 2018-2019 and 2019-2020, costs increased by 30%; between 2021-2022 and 2022-2023, costs increased by 65%; and between 2022-2023 and 2023-2024, costs increased by 18%. Previous increases have been absorbed using one-time savings, but these cost increases are not able to be absorbed on an ongoing basis without additional support. (Ongoing costs: \$5.2 million)

2. Dewatered Biosolids Hauling Support (New Digested Sludge Dewatering Facility Implementation)		4,250,000	0
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Environmental and Utility Services CSA

Wastewater Management Core Service

San José -Santa Clara Treatment Plant Capital Project Delivery Program

This action adds ongoing non-personal/equipment funding of \$4.3 million for contractual hauling costs in the San Jose-Santa Clara Treatment Plant Operating Fund to support the implementation of a new hauling program for the Digested Sludge Dewatering Facility, expected to come online in February 2025. The Digested Sludge Dewatering Facility is a new facility at the San José-Santa Clara Regional Wastewater Facility that is expected to substantially replace the legacy lagoon biosolid drying mechanism where biosolids have historically been transported to drying beds where they would air dry outdoors over a period of years. The new system uses a series of centrifuges to separate liquid from solid waste mechanically and in an enclosed space. This funding will be used to transport mechanically dried biosolids to their destinations. Because of the fact that the legacy biosolid drying mechanism operates over a matter of years, there will exist an overlap period between the two hauling activities. When the last dried biosolids have been removed from the legacy drying beds, it is expected that cost savings will be realized as the hauling costs associated with the legacy system will end. The hauling costs for the Digested Sludge Dewatering Facility are programmed in 2024-2025 to support costs from mid-February to June of 2025. Fully annualized costs in the amount of \$10.7 million will be incorporated into the ongoing base budget starting in 2025-2026. (Ongoing costs: \$10.7 million)

Environmental Services Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Adopted Budget Changes	Positions	All Funds (\$)	General Fund (\$)
<p>3. Regional Wastewater Facility Capital Plan Update</p> <p><i>Environmental and Utility Services CSA Wastewater Management Core Service San José -Santa Clara Treatment Plant Capital Project Delivery Program</i></p> <p>This action adds one-time non-personal/equipment funding of \$2.5 million in the San José-Santa Clara Treatment Plant Operating Fund to support an update to the Plant Master Plan. With the last update to the Plant Master Plan completed in 2013, substantial changes to Plant infrastructure have been constructed and implemented through the Water Pollution Control Capital Program. The previous update identified approximately \$2 billion in capital needs at the RWF, with approximately \$1 billion in projects and improvements were completed subsequently. This funding will support identifying consultant services to update the Plant Master Plan with the goal of capturing and addressing current and future regulatory and capacity infrastructure requirements. This update is expected to be completed this winter, with the expectation that the results will inform the development of the 2026-2030 Water Pollution Capital Improvement Program. (Ongoing costs: \$0)</p>		2,500,000	0
<p>4. South Bay Water Recycling System Improvements</p> <p><i>Environmental and Utility Services CSA Recycle Water Management Core Service South Bay Water Recycling Operations and Maintenance Program</i></p> <p>This action adds one-time non-personal/equipment funding of \$1.9 million in the South Bay Water Recycling Fund to support improvements to the recycled water supply and distribution system. Funding is provided for the installation of three isolation valves for the supply system estimated to cost \$250,000 each, five isolation valves for the distribution system estimated to cost \$150,000 each, and \$350,000 to support the completion of a condition assessment of the South Bay Water Recycling system. This condition assessment will comprehensively evaluate the system, assets, and operations staffing complement; develop estimates of the remaining useful life of system infrastructure; and identify estimates for capital rehabilitation and replacement costs and timelines. (Ongoing costs: \$0)</p>		1,850,000	0
<p>5. Sanitary Sewer Flow Study</p> <p><i>Environmental and Utility Services CSA Strategic Support – Environmental & Utility Services Core Service Environmental Services Management and Administration Program</i></p> <p>This action adds one-time non-personal/equipment funding of \$1.5 million in the San José-Santa Clara Treatment Plant Operating Fund to support a Sanitary Sewer Flow Study. Two audit recommendations in and around 2012 established a standard for updating the assumptions driving sanitary sewer rates for residential customers every 10 years. The most recent study was performed in 2014-2015. This funding will support the work to update these assumptions using a variety of data regarding factors that impact sanitary sewer flows, including residential household sizes, population totals and densities, and other factors, with completion anticipated by the end of 2024-2025. (Ongoing costs: \$0)</p>		1,500,000	0

Environmental Services Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
6. Regulatory Compliance and Purified Water Program	3.00	729,933	580,381

***Environmental and Utility Services CSA
Strategic Support – Environmental & Utility Services Core Service
Environmental Services Management and Administration Program***

This action adds 1.0 Senior Environmental Program Manager and 1.0 Supervising Environmental Services Specialist in the General Fund; and 1.0 Deputy Director (50% in the General Fund, 33% in the San José-Santa Clara Treatment Plant Operating Fund, 6% in the Storm Sewer Operating Fund, 5% in the Water Utility Fund, 3% in the Sewer Service and Use Charge Fund, and 3% in the South Bay Recycled Water Fund) to support a comprehensive water conservation program spanning all water-related utilities operated by the City of San José. This team of positions will interface with Valley Water in the pursuit of a variety of projects and activities within the "One Water" strategy, such as the implementation of water conservation programs, and the coordination and development of plans for a substantial water recycling project for the production of potable water from wastewater effluent. This team will work closely with statewide representatives and decision-makers at various regulatory bodies (including the California Public Utilities Commission), partner agencies, and other stakeholders, to ensure that the City of San José is represented appropriately in a variety of legislative and regulatory bodies and contexts. This action includes offsetting revenue from Valley Water to support the General Fund component of the team as described in the *General Fund Revenue Estimates* section. The Deputy Director position will also assume oversight of the Wastewater Compliance and Air Compliance sections of work across departments to serve as the City's lead to proactively and reactively engage with various federal, State, and local regulatory bodies whose decisions impact the City's environmental utility systems. (Ongoing costs: \$714,933)

7. Solid Waste Contamination Reduction Staffing and Resources	1.00	563,560	0
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***Environmental and Utility Services CSA
Recycling & Garbage Services Core Service
Civic/Other Solid Waste Collection Services Program***

This action adds 1.0 Staff Specialist position, limit dated through June 30, 2025, and one-time non-personal/equipment funding of \$431,080 in the Integrated Waste Management Fund to establish a pilot program with the goal of reducing recycling contamination through the solid waste collection and processing stream. Contamination, or the inclusion of unrecyclable material in recycling collection containers, contributes to increased contractual costs for the Recycle Plus program through both hauling contract negotiations, as well as penalties owed by the City to haulers when contamination rates are particularly high. This team, consisting of one Staff Specialist position for administrative oversight, as well as temporary staffing, will proactively inspect recycling containers throughout the City, evaluate found materials, and provide informational literature to households found to be including unrecyclable material. The non-personal/equipment funding will provide \$290,000 for contractual staffing to perform inspection activity, \$70,000 for the design and production of printed contamination education materials, \$50,000 for a subscription to the software platform used to track and maintain records of inspection activities, \$15,600 for the procurement of a rental vehicle, and \$5,480 for additional protective equipment, computer hardware, and communications equipment. (Ongoing costs: \$0)

Environmental Services Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
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8. Municipal Regional Stormwater Permit Inspection Programs (Direct Discharge)	2.00	481,930	257,215
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***Environmental and Utility Services CSA
Stormwater Management Core Service
Stormwater Enforcement Program***

This action adds 1.0 Environmental Inspector (EI) position and associated nonpersonal/equipment funding in the General Fund to meet the new requirements of the Municipal Regional Stormwater Permit 3.0. Provision C.10.a.ii (b) Private Land Drainage Areas of the Municipal Regional Stormwater Permit requires private parcels directly connected to the City's storm sewer system to install full trash capture or equivalent controls. Inspection of the Private Land Drainage Areas every five years will be the majority of the EI's workload. A small amount of the EI's workload will support investigations and possible abatement and implementation of best management practices at properties identified as having PCBs in Old Industrial areas of the City under Provisions C.12.b and C.12.c of the permit. The permit requires the City to implement specific actions to investigate, abate, and enforce on old industrial areas with high concentrations of PCBs entering the storm sewer system. In the upcoming year, staff will focus on developing a fee structure to recuperate General Fund costs from the property owners.

Funding is provided for a second Environmental Inspector position, vehicle, and associated nonpersonal/equipment. Provision C.3 of the Stormwater Permit requires both private and publicly owned new development and redevelopment projects, above a certain threshold, to install post-construction stormwater treatment measures (STMs) to treat stormwater runoff. The EI, funded in the Storm Sewer Operating Fund, will assist the current team of 4.0 EIs and 1.0 Assistant EI, to inspect all projects that are at or above the threshold in perpetuity at least once every five years. (Ongoing costs: \$348,396)

9. Environmental Enforcement Vehicle Replacements		324,000	0
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***Environmental and Utility Services CSA
Stormwater Management and Wastewater Management Core Services
Stormwater Enforcement and Pretreatment Programs***

This action adds one-time non-personal/equipment funding of \$230,500 in the Storm Sewer Operating Fund and \$93,500 in the Sewer Service and Use Charge Fund to support the purchase of vehicles in order to replace redlined and beyond-useful lifetime vehicles. This funding will be used to purchase a Fats, Oils, and Grease (FOG) program truck to replace an existing FOG truck that has been in service for 24 years, as well as five Watershed Protection Program SUVs used to perform stormwater inspection activities that have been in service between 14 and 15 years. (Ongoing costs: \$0)

Environmental Services Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
10. Regional Wastewater Facility Capital Improvement Program Administration Staffing	1.00	300,580	0

***Environmental and Utility Services CSA
Wastewater Management Core Service
San José-Santa Clara Treatment Plant Capital Project Deliver Program***

This action continues and makes permanent 1.0 Deputy Director position, funded by the San José-Santa Clara Treatment Plant Operating Fund, to continue to oversee the Capital Improvement Program for the Regional Wastewater Facility. This position was added on a one-time basis for a period of five years in 2014-2015, and was renewed for another five-year period in 2019-2020. Over this period of time, this Deputy Director has led the expansive effort to renovate the Regional Wastewater Facility (RWF), including planning, executing, and completing more than \$1 billion in capital projects to ensure the RWF remains safe and effective; support expanding sanitary wastewater processing needs; and maintain a technological level that ensures the quality of facility operations. While the Water Pollution CIP has successfully completed many high-value projects in the past five-year CIP window, capital projects are expected to only modestly slow in the foreseeable future, and senior leadership will be necessary on an ongoing basis to lead RWF capital investments for the foreseeable future. (Ongoing costs: \$300,580)

11. Climate Smart San José		200,000	200,000
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***Environmental and Utility Services CSA
Sustainability and Environmental Health Core Service
Policy, Legislative Advocacy and Education Program***

This action adds one-time non-personal/equipment funding of \$200,000 in the General Fund to support Climate Smart activities. Funding of \$177,000 will support consultant services to develop Climate Smart department annual workplans. These workplans will document planned departmental Climate Smart initiatives, analyze associated greenhouse gas emissions reductions associated with these initiatives, compare projected emissions reductions with Climate Smart goals, and identify any gaps. In addition, consultant services will be utilized to complete building reach code updates which are required on the 3-year CA building code cycle to keep the City's Building Reach Code requirements in place. Work on building reach codes will be initiated in 2024-2025 to align with the 2025 CA building code cycle. This action will provide \$14,000 to continue the City's subscription to the Climate Smart Challenge platform. The platform engages individuals, teams and groups on identifying climate actions, documenting when action is taken, and tracking results (in terms of greenhouse gas emissions reductions, cost savings, water savings, energy savings, etc.). The City's GoGreen Teams program utilizes the platform to track progress and the City works with community-based partners to facilitate uptake. Funding of \$9,000 will be used to continue participation in the International Council for Local Environmental Initiatives (ICLEI) program. ICLEI is a nonprofit that specializes in supporting cities with greenhouse gas inventories and planning using its ClearPath tool. With its membership, the City will utilize these support services to ensure it can continue to provide timely inventories. Additional infusions of nonpersonal/equipment funding to continue climate Smart work and leverage grant funding will be evaluated as part of future budget development cycles. (Ongoing costs: \$0)

Environmental Services Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
12. Fiscal Program Staffing	1.00	181,234	0

***Environmental and Utility Services CSA
Strategic Support – Environmental & Utility Services Core Service
Environmental Services Management and Administration Program***

This action adds 1.0 Senior Accountant position (90% in the Sewer Service and Use Fund and 10% in the Water Utility Fund) effective October 2024 to support ongoing requirements for reporting and auditing of bond and commercial paper financing mechanisms used to support capital improvements at the Regional Wastewater Facility and the Municipal Water System. This Senior Accountant will join an existing Senior Accountant in the Regional Wastewater Facility Fiscal team, and will alleviate the existing Senior Accountant's workload, which has expanded substantially with the addition of new bond and commercial paper financing mechanisms. With the expansion of the Water Pollution and Water Utility Capital Improvement Programs, and specifically the addition of the Water Resources Administration and Operations Facility, the Advanced Metering Infrastructure project, and the use of bond funding to repay outstanding Wastewater Revenue Notes, the complexity of financing mechanisms utilized by the Environmental Services Department has increased substantially, leading to an unsustainable workload for the existing staff. The new Senior Accountant will be responsible for bond compliance reporting for external agencies; bond auditing operations, including new annual Single Financial Audit and Financial Statement production; RWF cash position accounting for the Tributary Agencies; oversee Wastewater Revenue Note draw and debt service; oversee future bond issuance operations, including the expected bond draw in 2025-2026; and oversee cash position of Municipal Water System funds (Water Utility Fund, Water Utility Capital Fund, and the Major Facilities Fund). The current Senior Accountant will continue to lead, train, and manage the RWF Fiscal Team, which currently consists of 6 staff (1.0 Accountant, 1.0 Accounting Technician, and 4.0 Senior Account Clerks); oversee source and use statement development for the Plant Capital Fund (512); prepare RWF budget and accounting information for presentation to the Treatment Plant Advisory Committee; perform fixed and liquid asset accounting for the RWF; and coordinate and assist in internal and external financial audits. (Ongoing costs: \$178,734)

13. PFAS Evaluation		165,000	165,000
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***Environmental and Utility Services CSA
Stormwater Management Core Service
Stormwater Policy and Compliance Program***

This action adds one-time non-personal/equipment funding of \$165,000 for contractual services to support the evaluation of seven fire stations that may have contributed to contamination by PFAS. PFAS are a large class of chemicals known as perfluoroalkyl and polyfluoroalkyl substances. PFAS are commonly used in fire retardant and suppression systems for use against high-intensity gasoline, oil, and jet fuel fires. Staff at the San Francisco Bay Regional Water Quality Control Board (Regional Water Quality Control Board) is investigating PFAS in groundwater and groundwater that has reached nearby supply wells for drinking water at the seven fire stations. The contractual services will be used to complete a comprehensive evaluation of potential PFAS contamination sources and provide an investigation report to the Regional Water Quality Control Board. (Ongoing costs: \$0)

Environmental Services Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
14. Advanced Metering Infrastructure Staffing	1.00	160,390	0

***Environmental and Utility Services CSA
Potable Water Delivery Core Service
Municipal Water System Operations and Maintenance Program***

This action adds 1.0 Analyst I/II position in the Water Utility Fund to evaluate Request for Proposal submissions from contractor candidates, act as the main point of contact through the selection and award process, and coordinate the interdepartmental activities required to fully take advantage of the Advanced Metering Infrastructure (AMI) project, prior to their ongoing assignment to conduct data analysis and provide essential support for the AMI system. The AMI project, expected to be substantially completed in 2024-2025, will modernize the metering infrastructure for the Municipal Water System. Implementation of the AMI technology will allow for automatic cellular-based transmittal of hourly or sub-hourly water consumption information for each meter. The project will allow customers to view their real-time water use trends, allow for leak notifications to customers, and collect additional consumption data that Muni Water can use to optimize its operations and reporting. Once the project is complete, this Analyst position will perform analysis on collected usage data, establish standards for communication with customers to provide them with consumption data and leak notifications, and serve as the initial point of contact while the operational needs of the program are evaluated. This position is expected to contribute to a reduction in water consumption and provide cost savings to customers and the Municipal Water System. (Ongoing costs: \$159,208)

15. Environmental Innovation Center Facility Improvements		160,000	0
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***Environmental and Utility Services CSA
Recycling and Garbage Services Core Service
Civic/Other Solid Waste Collection Services Program***

This action adds one-time non-personal/equipment funding of \$140,000 and \$20,000 ongoing in the Integrated Waste Management Fund to support improvements at the Environmental Innovation Center (EIC) Facility. These improvements include the installation of exterior security cameras to address security concerns at the facility, the replacement of concrete slab surfacing that has deteriorated and has caused issues with the movement of garbage and recycling dumpsters on site, restriping the parking lot, renovating the HVAC system which is unable to heat and cool some portions of the facility effectively, improve facility conference rooms which are in need of technology updates, moving an exterior water access spigot inside the facility to prevent unauthorized usage, and the purchase of a mobile scissor lift to support interior and exterior maintenance activities at the EIC. The ongoing funding will support the maintenance and operations of the new camera system as well as operating costs of the scissor lift. This action is offset by an ongoing increase to EIC tenant lease revenues. (Ongoing costs: \$20,000)

Environmental Services Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
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16. Municipal Environmental Compliance Staffing		2	(109,250)
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***Environmental and Utility Services CSA
Sustainability and Environmental Health and Wastewater Management Core Services
Environmental Compliance and Safety and San José-Santa Clara Treatment Plant Capital Project
Delivery Program***

As a cost reduction to help bring the General Fund into structural alignment, this action shifts 1.0 Environmental Services Specialist position from the Municipal Environmental Compliance team in the General Fund to the San José-Santa Clara Treatment Plant Operating Fund to support the implementation of the Biosolids Strategy. This Environmental Services Specialist will oversee contracts with biosolids hauling contractors, expected to span upwards of five hauling contractors at any given time for a total annual cost expected to be \$10.7 million annually and work with operations and engineering staff to ensure that Facility throughput is coordinated with hauling schedules to ensure cost savings in hauling contracts and effective capacity usage of the Facility. Existing Municipal Environmental Compliance workload will be distributed across existing resources. (Ongoing costs: \$0)

17. Vacant Position Elimination	(5.00)	(1,092,449)	(71,593)
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***Environmental and Utility Services CSA
Wastewater Management, Strategic Support – Environmental & Utility Services, and
Strategic Support – Other – Environmental & Utility Services Core Services
Environmental Services Management and Administration, Environmental Services Other
Departmental – City-Wide, San José-Santa Clara Treatment Plant Capital Project Delivery, and
San José-Santa Clara Treatment Plant Operations and Maintenance Programs***

This action eliminates 5.0 positions – 1.0 Wastewater Facility Senior Engineer, 1.0 Senior Engineering Technician, 1.0 Instrument Control Technician II, 1.0 Assistant to the Director, and 1.0 Principal Engineer/Architect – as part of an organization-wide effort to evaluate the elimination of vacant positions in consideration of vacancy status and recruitment history, operational priority, and forecasted supporting revenues for 2024-2025, including Development Fee Programs, other supporting revenues, and capital project funding. A total of 64 positions in the City are recommended to be eliminated as part of this effort, a reduction of approximately 1% of the Base Budget level. While these position eliminations will reduce Departments’ future service delivery capacity – and will be reevaluated as necessary – because these positions have been vacant for an extended period of time or are no longer supported by existing service demands, impacts to current service delivery is expected to be minimal. The eliminated positions in the Environmental Services Department result in savings of \$71,593 in the General Fund, \$451,501 in the San José-Santa Clara Treatment Plant Operating Fund, \$342,590 in the Sewer Service and Use Charge Fund, \$155,172 in the San José-Santa Clara Treatment Plant Capital Fund, and \$71,593 in the Storm Sewer Operating Fund. (Ongoing savings: \$1.1 million)

Environmental Services Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment



2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
18. Laboratory Administrative Staffing	(1.00)	(68,604)	0
<p><i>Environmental and Utility Services CSA</i> <i>Stormwater Management and Wastewater Management Core Services</i> <i>Laboratory Services, Pretreatment, San José-Santa Clara Treatment Plant Capital Project Delivery, and Stormwater Administration Programs</i></p> <p>This action deletes 2.0 vacant Office Specialist II positions and adds 1.0 Staff Specialist position in the San José-Santa Clara Treatment Plant Operating Fund to support the Laboratory. A reevaluation of staffing complements has determined that the two vacant Office Specialist positions are no longer needed in the Department. At the same time, with increased usage of the Regional Wastewater Facility's Laboratory for the purpose of analysis of biological samples, including the testing of wastewater for COVID and other pathogens, workload increases in the Laboratory have required Chemist and Biologist staff who have previously been able to assist in administrative tasks for the Laboratory to stop performing those administrative tasks. This has caused a backlog in administrative work that the existing team has not been able to absorb. Because of this, the addition of a Staff Specialist position to ensure that Lab administrative tasks are performed in a timely manner is recommended. (Ongoing savings: \$69,632)</p>			
2024-2025 Proposed Budget Changes Total	3.00	17,435,576	1,021,753

Environmental Services Department

Performance Summary

Sustainability and Environmental Health






Performance Measures

	2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
 (Energy) % of energy used at the Water Pollution Control Plant that is renewable	59%	55%	56%	55%
 (Water) % of Municipal Water System (MWS) Customers demonstrating water conservation knowledge	N/A ¹	95%	95%	95%

¹ Data for this measure is collected through a biennial survey, last conducted in February 2022. Actual survey results for 2022-2023 are thus not available.

Potable Water Delivery

Performance Measures

	2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
 % of water samples meeting or surpassing State and federal water quality standards	100%	100%	100%	100%
 Ratio of MWS average residential water bill to weighted average residential water bill of other San José water retailers	<100	<100	<100	<100
 % of water delivered to customers that is non-potable ¹	20%	20%	20%	20%
 % of customer service requests handled within 24 hours	N/A ²	71%	71%	75%
 % of MWS customers rating service as good or excellent, based on reliability, water quality, and responsiveness	N/A ²	71%	71%	75%

¹ San José water retailers include San José Water Company and Great Oaks Water Company.

² Data for this measure is collected through a biennial survey, last conducted in February 2022. Actual survey results for 2022-2023 are thus not available.

Activity and Workload Highlights






	2022-2023 Actual	2023-2024 Forecast	2023-2024 Estimated	2024-2025 Forecast
Millions of gallons of water delivered per year to MWS customers	5,671	6,000	5,885	6,100

Environmental Services Department

Performance Summary

Recycled Water Management

Performance Measures

	2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
 Millions of gallons of recycled water delivered to customers annually	4,082	4,150	4,054	4,150
 % of time recycled water quality standards are met or surpassed	100%	100%	100%	100%
 % of wastewater influent recycled for beneficial purposes during the dry-weather period ¹	19%	19%	19%	19%
 Cost per million gallons of recycled water delivered	\$4,056	\$6,624	\$4,799	\$4,687
 % of recycled water customers rating service as good or excellent based on reliability, water quality, and responsiveness	N/A ²	90%	90%	90%

¹ Dry-weather period is defined as the lowest continuous three-month average rainfall between May and October, which during the fiscal year reporting period is July-September.

² Data for this measure is collected through a biennial survey, last conducted in February 2022. Actual survey results for 2022-2023 are thus not available.

Activity and Workload Highlights



	2022-2023 Actual	2023-2024 Forecast	2023-2024 Estimated	2024-2025 Forecast
Total number of South Bay Water Recycling customers	1,026	1,035	1,030	1,040

Environmental Services Department

Performance Summary

Recycling and Garbage Services

Performance Measures

	2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
 # of household hazardous waste disposal appointments available for San José				
- Residents	19,288	20,000	21,000	21,000
- Small Businesses	155	200	200	210
 % of customers rating recycling and garbage services as good or excellent, based on reliability, ease of system use, and lack of disruption				
- Single-Family Dwelling	N/A ¹	90%	80%	90%
- Multi-Family Dwelling	N/A ¹	75%	60%	75%
- Commercial Facilities	N/A ¹	75%	78%	75%

¹ Data for this measure is collected through a biennial survey, last conducted in February 2022. Actual survey results for 2022-2023 are thus not available.

Activity and Workload Highlights

	2022-2023 Actual	2023-2024 Forecast	2023-2024 Estimated	2024-2025 Forecast
Total tons of residential solid waste diverted from landfills	348,432	379,526	328,205	331,815
Total tons of residential solid waste landfilled	159,495	127,005	177,290	182,254
Total number of residential households served	335,620	337,656	336,585	337,931
Average # of residential pickups not completed as scheduled per week ¹	551	100	682	250




¹ Pickups are completed the next day.

Environmental Services Department

Performance Summary

Stormwater Management

Performance Measures

	2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
 % of residents surveyed who understand that any substances washed down the street end up in the Bay without treatment through the storm sewer system	N/A	65%	65%	65%
 % of trash reduced from the storm sewer system ¹	96%	90%	99%	100%
 % of stormwater violations identified at industrial/commercial facilities resolved within ten business days ^{2/3}	90%	99%	90%	99%

1 The 100% or greater total represents the amount of credit given for implementing control actions.

2 Trash load reduction is expected to increase slightly due to planned installations of small and large trash capture devices and implementation/expansion of on-land trash control measures through the BeautifySJ program.

3 Actuals and Estimates are lower than Target due to businesses not achieving compliance within 10 business days.

Activity and Workload Highlights

	2022-2023 Actual	2023-2024 Forecast	2023-2024 Estimated	2024-2025 Forecast
Tons of trash/litter collected by City led creek cleanup efforts ¹	1,666	N/A	889	869






1 ESD does lead some cleanups due to BayKeeper consent decree at trash hotspots; however, most City led creek cleanup efforts are performed by the Parks, Recreation, and Neighborhood Services Department. ESD performs outreach, data collection, and reporting for all cleanups.

Environmental Services Department

Performance Summary

Wastewater Management

Performance Measures

	2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
 Millions of gallons per day discharged to the Bay during average dry-weather season State order: 120 mgd or less ¹	60.6mgd	<120mgd	75.4mgd	<120mgd
 % of time pollutant discharge requirements are met or surpassed	100%	100%	100%	100%
 # of requirement violations				
- Pollutant discharge	0	0	0	0
- Air emissions	0	0	0	0
 % of significant industrial facilities in consistent compliance with federal pretreatment requirements	94.95%	90.00% ²	93.65%	90.00%
 Cost per million gallons treated	\$1,862	\$2,118	\$2,118	\$2,039

¹ Average dry-weather season is defined as the lowest three-month continuous average between May and October, which during the fiscal year reporting period is July-September.

² The 90% target is built off of an EPA metric used to assess pretreatment program effectiveness. The Pretreatment Program continues to work closely with regulated industries to help them maintain consistent compliance with Federal requirements.

Activity and Workload Highlights

	2022-2023 Actual	2023-2024 Forecast	2023-2024 Estimated	2024-2025 Forecast
Average millions of gallons per day treated	96	90	104	100
Total population in service area ¹	1,359,538	1,340,650	1,319,170	1,317,408

¹ The Regional Wastewater Facility is a regional wastewater treatment facility serving eight South Bay cities and four sanitation districts including: San José, Santa Clara, Milpitas, Cupertino Sanitation District (Cupertino), West Valley Sanitation District (Campbell, Los Gatos, Monte Sereno and Saratoga), County Sanitation Districts 2-3 (unincorporated), and Burbank Sanitary District (unincorporated).

Environmental Services Department

Department Position Detail

Position	2023-2024 Adopted	2024-2025 Proposed	Change
Account Clerk I/II	1.00	0.00	(1.00)
Accountant I/II	2.00	2.00	-
Accounting Technician	2.00	2.00	-
Administrative Assistant	1.00	1.00	-
Administrative Officer	1.00	1.00	-
Air Conditioning Mechanic	3.00	3.00	-
Analyst I/II	17.00	18.00	1.00
Assistant Director	1.00	1.00	-
Assistant Environmental Services Specialist	3.00	3.00	-
Assistant Heavy Diesel Equipment Operator Mechanic	1.00	1.00	-
Assistant to the Director	1.00	0.00	(1.00)
Associate Construction Inspector	1.00	1.00	-
Associate Engineer	22.00	22.00	-
Associate Engineering Technician	8.00	8.00	-
Associate Environmental Services Specialist	11.00	11.00	-
Biologist	2.00	2.00	-
Chemist	19.00	19.00	-
Chief Plant Operator	0.00	1.00	1.00
Cross Connection Specialist	1.00	1.00	-
Department Information Technology Manager	1.00	1.00	-
Deputy Director	6.00	6.00	-
Director Environmental Services	1.00	1.00	-
Division Manager	5.00	5.00	-
Engineer I/II	8.00	8.00	-
Engineering Technician I/II	1.00	1.00	-
Environmental Compliance Officer	1.00	1.00	-
Environmental Inspector I/II	37.00	39.00	2.00
Environmental Inspector, Assistant	5.00	5.00	-
Environmental Inspector, Senior	7.00	7.00	-
Environmental Laboratory Supervisor	5.00	5.00	-
Environmental Program Manager, Senior	7.00	8.00	1.00
Environmental Services Program Manager	7.00	7.00	-
Environmental Services Specialist	30.00	30.00	-
Geographic Information Systems Specialist I/II	2.00	2.00	-
Heavy Equipment Operator	5.00	5.00	-
Industrial Electrician	11.00	11.00	-
Industrial Electrician Supervisor	1.00	1.00	-
Industrial Process Control Specialist I/II	3.00	3.00	-
Industrial Process Control Supervisor	1.00	1.00	-
Information Systems Analyst	4.00	4.00	-
Instrument Control Supervisor I/II	1.00	1.00	-

Environmental Services Department

Department Position Detail

Position	2023-2024 Adopted	2024-2025 Proposed	Change
Instrument Control Technician I/II/III/IV	14.00	13.00	(1.00)
Maintenance Assistant/Maintenance Worker I	2.00	2.00	-
Microbiologist	5.00	5.00	-
Network Engineer	2.00	2.00	-
Network Technician I/II/III	3.00	3.00	-
Office Specialist I/II	7.00	5.00	(2.00)
Painter Supervisor Water Pollution Control	1.00	1.00	-
Painter Water Pollution Control	6.00	6.00	-
Planner I/II/III	1.00	1.00	-
Planner IV	1.00	0.00	(1.00)
Principal Accountant	1.00	1.00	-
Principal Construction Inspector	1.00	1.00	-
Principal Engineer/Architect	11.00	4.00	(7.00)
Principal Engineering Technician	1.00	1.00	-
Principal Office Specialist	4.00	4.00	-
Program Manager	3.00	3.00	-
Public Information Manager	1.00	1.00	-
Public Information Representative I/II	9.00	9.00	-
Regional Wastewater Facility General Manager	0.00	1.00	1.00
Sanitary Engineer	9.00	9.00	-
Senior Account Clerk	4.00	5.00	1.00
Senior Accountant	4.00	5.00	1.00
Senior Air Conditioning Mechanic	1.00	1.00	-
Senior Analyst	7.00	7.00	-
Senior Construction Inspector	1.00	1.00	-
Senior Engineer	12.00	3.00	(9.00)
Senior Engineering Technician	10.00	9.00	(1.00)
Senior Geographic Information Systems Specialist	1.00	1.00	-
Senior Heavy Equipment Operator	2.00	2.00	-
Senior Industrial Electrician	2.00	2.00	-
Senior Industrial Process Control Specialist I/II	3.00	3.00	-
Senior Maintenance Worker	2.00	2.00	-
Senior Office Specialist	10.00	10.00	-
Senior Painter	1.00	1.00	-
Senior Public Information Representative	3.00	3.00	-
Senior Systems Applications Programmer	1.00	1.00	-
Senior Warehouse Worker	1.00	1.00	-
Staff Specialist	10.00	12.00	2.00
Supervising Environmental Services Specialist	17.00	18.00	1.00
Supply Clerk	1.00	1.00	-
Systems Applications Programmer I/II	2.00	2.00	-
Warehouse Supervisor	1.00	1.00	-

Environmental Services Department

Department Position Detail

Position	2023-2024 Adopted	2024-2025 Proposed	Change
Warehouse Worker I/II	3.00	3.00	-
Wastewater Attendant	19.00	19.00	-
Wastewater Facility Manager	1.00	1.00	-
Wastewater Facility Principal Engineer	0.00	5.00	5.00
Wastewater Facility Senior Engineer	0.00	8.00	8.00
Wastewater Maintenance Superintendent	4.00	4.00	-
Wastewater Mechanic I/II	31.00	31.00	-
Wastewater Mechanical Supervisor I/II	6.00	6.00	-
Wastewater Operations Foreperson I/II	21.00	21.00	-
Wastewater Operations Superintendent I/II	6.00	6.00	-
Wastewater Operator I/II/III	42.00	42.00	-
Wastewater Senior Mechanic I/II	11.00	11.00	-
Water Systems Assistant Operator I/II	5.00	5.00	-
Water Systems Operations Foreperson I/II	3.00	3.00	-
Water Systems Operations Manager	1.00	1.00	-
Water Systems Operations Superintendent I/II	2.00	2.00	-
Water Systems Operator I/II/III	12.00	12.00	-
Total Positions	591.00	592.00	1.00

Finance Department

Rick Bruneau, Director

MISSION

To manage, protect, and report on City of San José financial resources to enhance the City's financial condition for residents, businesses, and investors

CITY SERVICE AREA

Strategic Support

CORE SERVICES

DISBURSEMENTS

Facilitate timely and accurate payment of the City's financial obligations.

FINANCIAL REPORTING

Provide accurate and meaningful reporting on the City's financial condition.

PURCHASING AND RISK MANAGEMENT

Purchase and provide quality products and services in a cost-effective manner and ensure insurance coverage for the City's assets.

REVENUE MANAGEMENT

Bill and collect City resources to enhance the City's financial condition.

DEBT AND TREASURY MANAGEMENT

Provide cost-effective financing, investment, and cash collection of the City's resources to maintain and enhance the City's financial condition.

Strategic Support: Analytical Support, Budget/Fiscal Management, Human Resources Management, Contract Administration, Administrative Support, and Emergency Response and Recovery

Finance Department

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Disbursements Core Service</i>	
Accounts Payable	Facilitates timely and accurate payment of the City's non-payroll disbursements. Customers of this service include City departments, employees, government agencies, non-profit corporations, consultants, contractors, and vendors who provide goods and services to the City.
Payroll	Facilitates timely and accurate payment of payroll to City employees and provides responses to information requests City-wide. The City has employees divided among many different bargaining units with various compensation requirements contained in each respective unit's Memoranda of Agreement.
<i>Financial Reporting Core Service</i>	
General Accounting	Provides accurate and meaningful reporting on the City's financial condition and primarily responsible for the accounting of City-wide financial activity for all City funds, with services including management of the Financial Management System, preparation of the Annual Comprehensive Financial Report, preparation of various Cost Allocation Plans, capital assets accounting, monthly financial information publications, City-wide reports for audit purposes, and coordination of stand-alone audits.
Special Accounting	Manages accounting responsibilities related to special facility districts, grant programs, assessment districts, loans, debt transactions, bank reconciliations, investments, and deferred compensation; and prepares and submits legally mandated reports including the City's Federal Single Audit Report.
<i>Purchasing and Risk Management Core Service</i>	
Purchasing	Following transparent and competitive procurement procedures, supports the operations of all City departments by ensuring the timely procurement and delivery of products and services other than construction and consulting services. Establishes City-wide procurement policies and procedures and provides City-wide training and guidance to departments to enable them to facilitate procurements that are decentralized. Manages the P-Card program to enable the procurement of small dollar purchase transactions.
Risk Management	Ensures insurance coverage for City assets, establishes City-wide risk management policies and procedures, and provides City-wide training and guidance to departments on risk-related programs. Manages property and casualty claims from inception to conclusion and performs the centralized subrogation function to recapture losses resulting from third-party wrongdoing or negligence resulting in loss of or damage to City-owned property.

Finance Department

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Revenue Management Core Service</i>	
Accounts Receivable	Develops, maintains, and updates business systems and processes to support the delivery of City services through timely collection of payments due to the City, including services, taxes, fees, and other revenues.
Business Tax	Enforces the general business tax ordinance by ensuring that taxes and related fees are collected. Issues business tax certificates and processes applications for the following regulatory permits: amusement devices, carnivals/circuses, Christmas tree lots, flower vendors, handbills, pawnbrokers, pool and billiard rooms, pumpkin patches, and second-hand dealers.
Revenue Audit and Compliance	Monitors and conducts compliance reviews of various tax and fee programs related to the following: Transient Occupancy Tax, Convention Center Facility District Tax, Hotel Business Improvement District Fees, Utility Users Tax, Franchise Fees, Telephone Line Tax, Tow agreements, Solid Waste Enforcement Fees, Disposal Facility Tax, Cardroom Tax, Marijuana Business Tax, and Sales and Use Taxes.
Utility Billing System	Develops and streamlines business systems and processes that support the delivery of City services through timely billing and collection of storm, sewer, garbage, and water fees. This program provides billing and customer support related to storm and sanitary sewer charges, garbage, water, and associated liens.
<i>Debt and Treasury Management Core Service</i>	
Banking Management	Manages the City's centralized banking relationships and cash operations for multiple programs throughout the City. Oversees payments of various tender types processed on multiple billing systems, including Building Permits, Business Taxes, Utility Billing, Airport Fees, and Fire Citations.
Cashiering and Payment Processing	Manages over-the-counter payments made for various programs, including Business Tax, Transient Occupancy Tax and Hotel Business Improvement District, Utility Billing, Airport, and Utility Users Tax.
Debt Management	Responsible for City debt issuance, credit facilities, and other borrowing, debt management projects, and debt administration activities, including performing compliance activity related to statutory, regulatory, and contractual requirements for 90 different obligations, including bonds, commercial paper, credit facilities, a lease-purchase agreement, and conduit bonds for affordable housing projects. Finances the construction of new facilities and improvements to existing City facilities through various bond measures and other financing tools. Public infrastructure and affordable housing are also facilitated through special taxes and various types of bonds.
Investment Management	Manages the City's cash flow and invests the City's operating funds in accordance with the Investment Policy mandates of safety, liquidity, and yield. Responsible for cash flow forecasts, portfolio management, Investment Policy updates and compliance, interest earnings forecasts, and related reporting. Performs counterparty credit risk analysis of the City clean energy program.

Finance Department

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Strategic Support Core Service</i>	
Finance Management and Administration	Provides administrative oversight for the department, including executive management, financial management, human resources, and analytical support.
Finance Successor Agency to the Redevelopment Agency Administration	Supports the general winding down of the former Redevelopment Agency in an orderly manner, pursuant to AB X1 26. Responsibilities include all aspects of the financial management of the San José Successor Agency to the Redevelopment Agency, such as accounts payable, accounts receivable, debt management, investments, cash management, financial reporting, and preparation of Recognized Obligation Payments Schedule (ROPS).
Finance Emergency Response and Recovery	Provides for the coordination and delivery of emergency financial services and recovery activities.

Finance Department

Department Budget Summary

Expected 2024-2025 Service Delivery

- Ensure City financial resources are protected and available to address the short-term and long-term needs of the community, provide accurate and timely payments to City employees and vendors, deliver accurate and timely financial reports, and maintain efficient business systems and processes for timely billing and collection efforts.
- Ensure prudent use of public funds through competitive processes and cooperative purchasing with other government agencies and cooperative purchasing organizations.
- Maintain favorable bond ratings to ensure lowest cost of capital, provide financial modeling and analysis to meet the increasingly complex needs of the City, and ensure effective management of the City investment portfolio.
- Maintain adequate insurance coverage by monitoring the insurance market and assessing the City's risk exposure to ensure the best value and coverage economically possible.

2024-2025 Key Budget Actions

- Makes permanent 1.0 Analyst position and extends 1.0 Analyst and 1.0 Accounting Technician positions through June 30, 2025 in the Disaster Recovery and Grants Management group to extend and realign staffing responsible for grant funds management, reporting, audit support, and reimbursement efforts.
- Adds one-time funding to continue temporary staffing in the Specialized Accounting group - 70% funded by the San José Clean Energy Fund to support accounting operations in the Energy Department and 30% funded by the General Fund to support financial statement preparation, audit support, and bank account reconciliation.
- Makes permanent 1.0 Analyst position and eliminates 1.0 vacant Senior Account Clerk position in the Finance Administration group to provide additional capacity for public records management and other internal administrative support.
- Eliminates 1.0 vacant Senior Financial Analyst from the Debt Management group in the Debt and Treasury Management Division and 1.0 vacant Investigator Collector position from the Accounts Receivable group in the Revenue Management Division.

Operating Funds Managed

- American Rescue Plan Fund
- Cash Reserve Fund
- City Hall Debt Service Fund
- Community Facilities Revenue Fund
- Convention Center Facilities District Revenue Fund
- Coronavirus Relief Fund
- Emergency Reserve Fund
- Gift Trust Fund
- Ice Centre Revenue Fund

Finance Department

Department Budget Summary

	2022-2023 Actuals ***	2023-2024 Adopted ****	2024-2025 Forecast	2024-2025 Proposed
Dollars by Core Service				
Debt and Treasury Management	296,075,123	6,044,562	6,241,980	6,032,828
Disbursements	2,996,373	3,420,545	3,308,624	3,282,939
Financial Reporting	3,487,700	4,487,586	3,657,257	3,747,257
Purchasing and Risk Management	5,942,440	7,555,781	8,091,271	8,091,271
Revenue Management	8,874,659	12,555,250	9,022,742	8,838,829
Strategic Support - Other - Strategic Support	30,191,470	50,922,448	51,640,702	51,648,575
Strategic Support - Strategic Support	3,356,031	3,454,456	2,609,264	3,041,794
Total	\$350,923,796	\$88,440,628	\$84,571,840	\$84,683,493
Dollars by Category				
Personal Services and Non-Personal/Equipment				
Salaries/Benefits	20,750,302	23,163,283	24,654,167	24,751,747
Overtime	101,793	53,615	53,615	53,615
Subtotal Personal Services	\$20,852,095	\$23,216,898	\$24,707,782	\$24,805,362
Non-Personal/Equipment	1,303,433	2,693,992	1,379,692	1,385,892
Total Personal Services & Non-Personal/Equipment	\$22,155,528	\$25,910,890	\$26,087,474	\$26,191,254
Other Costs *				
City-Wide Expenses	6,966,934	16,720,102	11,467,198	11,467,198
Debt Service/Financing	321,120,853	43,772,000	44,613,253	44,613,253
Housing Loans and Grants	0	0	0	0
Other	655,445	1,573,776	1,853,258	1,853,258
Other - Capital	0	0	0	0
Overhead Costs	25,037	463,860	550,657	558,530
Total Other Costs	\$328,768,268	\$62,529,738	\$58,484,366	\$58,492,239
Total	\$350,923,796	\$88,440,628	\$84,571,840	\$84,683,493

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** The position counts displayed in the 2022-2023 Actuals column reflect those included in the 2022-2023 Adopted Budget.

*** 2022-2023 Actuals may not subtotal due to rounding.

**** The amounts in the 2023-2024 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

Finance Department

Department Budget Summary

	2022-2023 Actuals ***	2023-2024 Adopted ****	2024-2025 Forecast	2024-2025 Proposed
Dollars by Fund				
General Fund (001)	310,559,120	41,109,791	35,784,860	35,562,418
American Rescue Plan Fund (402)	0	0	0	0
Building Development Fee Program Fund (237)	75,750	79,218	84,082	84,082
City Hall Debt Service Fund (210)	25,190,712	25,209,000	25,201,000	25,201,000
Community Facilities Revenue Fund (422)	0	0	0	0
Convention and Cultural Affairs Fund (536)	0	450,000	682,000	682,000
Convention Center Facilities District Revenue Fund (791)	7,614,728	10,162,000	10,605,000	10,605,000
Emergency Reserve Fund (406)	166,915	50,000	778	264,000
Fire Development Fee Program Fund (240)	6,534	7,033	7,481	7,481
Ice Centre Revenue Fund (432)	4,900,045	7,489,088	7,915,045	7,915,045
Integrated Waste Management Fund (423)	775,946	1,084,066	1,053,680	1,053,680
Low And Moderate Income Housing Asset Fund (346)	64,985	86,041	94,306	94,306
Planning Development Fee Program Fund (238)	27,426	28,953	30,570	30,570
Public Works Development Fee Program Fund (241)	16,210	17,343	18,340	18,340
Public Works Program Support Fund (150)	16,320	20,000	20,000	20,000
Real Property Transfer Tax Fund (404)	0	0	307,608	307,608
San José Clean Energy Operating Fund (501)	256,506	477,479	313,709	384,582
San José-Santa Clara Treatment Plant Operating Fund (513)	114,316	162,374	180,372	180,372
Sewer Service And Use Charge Fund (541)	263,603	904,938	1,037,987	1,037,987
Storm Sewer Operating Fund (446)	72,660	217,783	231,873	231,873
Water Utility Fund (515)	763,674	867,497	979,292	979,292
Capital Funds	38,346	18,024	23,857	23,857
Total	\$350,923,796	\$88,440,628	\$84,571,840	\$84,683,493

Positions by Core Service **				
Debt and Treasury Management	23.20	23.56	23.56	22.56
Disbursements	16.50	16.36	16.36	16.36
Financial Reporting	18.63	18.41	17.41	17.41
Purchasing and Risk Management	22.00	23.00	23.00	23.00
Revenue Management	38.99	38.99	38.99	37.66
Strategic Support - Strategic Support	14.67	14.67	10.67	13.67
Total	133.99	134.99	129.99	130.66

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*** 2022-2023 Actuals may not subtotal due to rounding.

**** The amounts in the 2023-2024 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

Finance Department

Department Budget Summary

	2022-2023	2023-2024	2024-2025	2024-2025	2024-2025
	Actuals **	Adopted	Forecast	Proposed	Proposed Positions

Dollars by Program*

Debt and Treasury Management

Banking Management	1,050,070	1,391,279	1,300,439	1,300,439	1.35
Cashiering and Payment Processing	1,309,274	1,184,925	1,267,607	1,267,607	8.90
Debt Management	292,660,939	2,351,846	2,486,073	2,276,921	7.25
Investment Management	1,054,840	1,116,512	1,187,861	1,187,861	5.06
Sub-Total	296,075,123	6,044,562	6,241,980	6,032,828	22.56

Disbursements

Accounts Payable	1,248,121	1,271,489	1,269,902	1,244,217	6.76
Payroll	1,748,252	2,149,056	2,038,722	2,038,722	9.60
Sub-Total	2,996,373	3,420,545	3,308,624	3,282,939	16.36

Financial Reporting

General Accounting	2,228,044	3,480,041	2,644,230	2,644,230	11.45
Special Accounting	1,259,656	1,007,545	1,013,027	1,103,027	5.96
Sub-Total	3,487,700	4,487,586	3,657,257	3,747,257	17.41

Purchasing and Risk Management

Purchasing	3,277,737	3,408,832	3,641,062	3,641,062	18.80
Risk Management	2,664,702	4,146,949	4,450,209	4,450,209	4.20
Sub-Total	5,942,440	7,555,781	8,091,271	8,091,271	23.00

Revenue Management

Accounts Receivable	1,445,073	2,047,852	2,349,551	2,204,467	7.70
Business Tax	1,998,140	6,472,450	2,519,740	2,519,740	12.30
Revenue Audit and Compliance	1,556,746	2,274,634	2,370,283	2,331,454	8.36
Utility Billing System	3,874,700	1,760,314	1,783,168	1,783,168	9.30
Sub-Total	8,874,659	12,555,250	9,022,742	8,838,829	37.66

Strategic Support - Other - Strategic Support

Finance Funds Debt/Financing Costs	0	43,772,000	44,613,253	44,613,253	0.00
Finance Other Departmental - City-Wide	3,147	6,572,500	6,360,000	6,360,000	0.00
Finance Other Operational - Administration	194,855	114,088	116,792	116,792	0.00
Finance Overhead	17,651	463,860	550,657	558,530	0.00
Finance Transfers	29,975,817	0	0	0	0.00
Sub-Total	30,191,470	50,922,448	51,640,702	51,648,575	0.00

Strategic Support - Strategic Support

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** 2022-2023 Actuals may not subtotal due to rounding.

Finance Department

Department Budget Summary

	2022-2023 Actuals **	2023-2024 Adopted	2024-2025 Forecast	2024-2025 Proposed	2024-2025 Proposed Positions
Finance Emergency Response and Recovery	1,280,086	1,302,283	688,716	1,086,655	6.00
Finance Management and Administration	2,075,945	2,152,173	1,920,548	1,955,139	7.67
Sub-Total	3,356,031	3,454,456	2,609,264	3,041,794	13.67
Total	\$350,923,796	\$88,440,628	\$84,571,840	\$84,683,493	130.66

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** 2022-2023 Actuals may not subtotal due to rounding.

Finance Department

Budget Reconciliation

Personal Services and Non-Personal/Equipment

(2023-2024 Adopted to 2024-2025 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
Prior Year Budget (2023-2024):	134.99	25,910,890	23,363,689
Base Adjustments			
One-Time Prior Year Expenditures Deleted			
• Rebudgets		(1,335,200)	(1,232,200)
• Accounts Receivable Staffing		67,500	67,500
• Disaster Recovery and Grants Management Temporary Staffing (3.0 Accounting Technician and 1.0 Analyst I/II)	(4.00)	(693,361)	(693,361)
• San José Clean Energy Accounting Staffing (1.0 Supervising Accountant)	(1.00)	(203,535)	(61,060)
• Enterprise Resource Planning Replacement Project Management Staffing		(4,400)	(4,400)
One-time Prior Year Expenditures Subtotal:	(5.00)	(2,168,996)	(1,923,521)
Technical Adjustments to Costs of Ongoing Activities			
• Salary/benefit changes and the following position reallocations: - 1.0 Accountant I/II to 1.0 Analyst I/II		2,010,472	1,840,994
• Fund Shift: Measure E - 5% Program Administration		307,608	0
• Software/Information Services: Bloomberg Terminal		20,000	20,000
• Software/Information Services: Public Resource Advisory Group (PRAG)		7,500	7,500
Technical Adjustments Subtotal:	0.00	2,345,580	1,868,494
2024-2025 Forecast Base Budget:	129.99	26,087,474	23,308,662
Budget Proposals Recommended			
1. Disaster Recovery and Grants Management Staffing	3.00	397,939	134,717
2. Specialized Accounting Staffing		90,000	27,000
3. Administrative Services Staffing	0.00	34,591	34,591
4. Debt Management Staffing	(1.00)	(209,152)	(209,152)
5. Revenue Management Staffing	(1.00)	(145,084)	(145,084)
6. Revenue Compliance Staffing	(0.33)	(38,829)	(38,829)
7. Accounting Staffing	0.00	(25,685)	(25,685)
Total Budget Proposals Recommended	0.67	103,780	(222,442)
2024-2025 Proposed Budget Total			
	130.66	26,191,254	23,086,220

Finance Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
1. Disaster Recovery and Grants Management Staffing	3.00	397,939	134,717

Strategic Support CSA
Strategic Support – Strategic Support Core Service
Finance Emergency Response and Recovery Program

This action makes permanent 1.0 Analyst position and extends 1.0 Analyst and 1.0 Accounting Technician positions through June 30, 2025 to continue staffing in the Disaster Recovery and Grants Management team. This reflects a realignment of the group, which currently consists of 1.0 Division Manager and 2.0 Senior Analyst permanent positions, and 3.0 Accounting Technician and 1.0 Analyst temporary positions that will expire on June 30, 2024. The Analyst add will permanently support and enhance the use of the WebGrants system, which is the current City grants system for multiple departments and was formerly support by the Office of Economic Development and Cultural Affairs. The position will assist in grant fund management, monitor subrecipient compliance and reporting, administer desk reviews and site audits, and produce reports used by other departments and the City Council. The temporary Analyst and Accounting Technician positions will continue the management of Citywide grants and reimbursement efforts with various Federal Emergency Management Agency project applications for public assistance; assist with compliance of desk review and audits for external grantors, which includes but not limited to the U.S. Treasury Office of Inspector General, State Audit of Homelessness Funding, and Work2Future; and aid in the implementation of recommendations from the internal Citywide Grants Management audit report. (Ongoing costs: \$147,969)

2. Specialized Accounting Staffing		90,000	27,000
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Strategic Support CSA
Financial Reporting Core Service
Special Accounting Program

This action adds one-time personal services funding for temporary staffing, funded 70% by the San José Clean Energy Fund and 30% by the General Fund. The temporary position will continue to play a pivotal role in bolstering the accounting operations within the Energy Department, with a key focus on streamlining accounts payable processes to drive operational efficiency. Other responsibilities include technical and managerial support for auditing the Energy Department's standalone financial statements; implementing software solutions for the automation of the annual financial statements; the development and maintenance of accounting policies, procedures, and business processes in strict adherence to generally accepted accounting principles (GAAP); the establishment of policies for accounts receivable, such as but not limited to the reserves for uncollectible accounts and write-offs; and provide training to team members. The temporary position will also assist the Finance Department's Specialized Accounting division by consolidating the Energy Department's standalone financial statements into the City's Annual Comprehensive Financial Report (ACFR), reviewing financial statements of other City funds, and providing support for audits of the Successor Agency to the Redevelopment Agency of the City of San José. (Ongoing costs: \$0)

Finance Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
3. Administrative Services Staffing	0.00	34,591	34,591
<p><i>Strategic Support CSA</i> <i>Strategic Support – Strategic Support Core Service</i> <i>Finance Management and Administration Program</i></p> <p>This action makes permanent 1.0 Analyst position and eliminates 1.0 vacant Senior Account Clerk position within the Finance Department’s Administration division. The Analyst position supports the Finance Department’s Administration division by absorbing the Senior Account Clerk responsibilities and also serving as the Finance Department’s Public Records Liaison. The Public Records Liaison complies with regulations for 120 public requests annually for sensitive information, tracks and manages those public requests, and coordinates with multiple departments. In addition, this position will coordinate the storage of confidential documents for the Accounting, Debt Management, Treasury, Revenue Management, and Purchasing divisions; manage and maintain the Web Services and SharePoint Hub; maintain and approve department timecards; lead Finance Department staff through trainings; support recruiting, onboarding and offboarding employees; and aid with employee retention, engagement, and safety. (Ongoing costs: \$44,470)</p>			
4. Debt Management Staffing	(1.00)	(209,152)	(209,152)
<p><i>Strategic Support CSA</i> <i>Debt and Treasury Management Core Service</i> <i>Debt Management Program</i></p> <p>As a cost reduction to help bring the General Fund into structural alignment, this action eliminates 1.0 vacant Senior Financial Analyst position from the Debt Management group in the Debt and Treasury Management Division of the Finance Department. The Finance Department has not been able to successfully recruit a Senior Financial Analyst to fill this position over the past two years. Elimination of the Senior Financial Analyst position will make permanent the increased workload for the Deputy Director of the Debt and Treasury Management Division, Debt Administrator, and the remaining 3.0 Financial Analysts within the group, which could potentially cause delays in the implementation of a debt management software system, refining private activity monitoring practices, developing advanced analytics and progressing special projects, such as creation of the Flea Market Community Facilities District. (Ongoing savings: \$207,424)</p>			
5. Revenue Management Staffing	(1.00)	(145,084)	(145,084)
<p><i>Strategic Support CSA</i> <i>Revenue Management Core Service</i> <i>Accounts Receivable Program</i></p> <p>As a cost reduction to help bring the General Fund into structural alignment, this action eliminates 1.0 vacant Investigator Collector position from the Accounts Receivable (AR) group in the Revenue Management Division within the Finance Department. As this position has been vacant for an extended period of time, revenue collections are not anticipated to be impacted. The AR group will need to continue to rely on a third-party collection agency, which historically has a nominal success rate of 4.3% collections on delinquent accounts, which can lead to an increase in lost revenue for the City. (Ongoing savings: \$146,880)</p>			

Finance Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment







2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
6. Revenue Compliance Staffing	(0.33)	(38,829)	(38,829)
<i>Strategic Support CSA Revenue Management Core Service Revenue Audit and Compliance Program</i>			
<p>As a cost reduction to help bring the General Fund into structural alignment, this action eliminates 0.33 vacant Hearing Officer Part-Time unbenefited position from the Revenue Compliance group in the Revenue Management Division within the Finance Department. Based on existing demand, this position is no longer needed. (Ongoing savings: \$38,455)</p>			
7. Accounting Staffing	0.00	(25,685)	(25,685)
<i>Strategic Support CSA Disbursements Core Service Accounts Payable Program</i>			
<p>This action makes permanent 1.0 Accountant position and eliminates 1.0 Principal Account Clerk position within the Accounts Payable (AP) group. The Accountant position will support the AP group by absorbing the Principal Account Clerk responsibilities and take on additional responsibilities such as monitoring of new and existing Automated Clearing House (ACH) requests; aid in generating reports, such as but not limited to quarterly and annual AP performance measure reporting and compiling funds financial statements for the Annual Comprehensive Financial Report (ACFR); resolve internal third-party auditing variance discrepancies; coordination of reporting accuracy and preventive fraudulent incidents with the General Ledger group; lead process improvements, such as the FMS 9.1 accounts, AP operations, SimplyGov's Employee Reimbursement system, and Travel Request BPA's; and the development of automation for existing accounting procedures. (Ongoing savings: \$13,388)</p>			
2024-2025 Proposed Budget Changes Total	0.67	103,780	(222,442)

Finance Department

Performance Summary

Disbursements

Performance Measures

	2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
 % of disbursements paid accurately and timely	95%	91%	95%	95%
 % of reimbursements paid to employees accurately and timely	99%	99%	99%	99%
 % of payroll disbursements paid accurately and timely	99%	99%	99%	99%
 % of disbursements paid to vendors accurately and within 45 days ¹	81%	N/A	80%	80%
 Cost per payment	\$11.13	\$11.88	\$11.58	\$11.58
 Average number of days from invoice date to check issuance	27	27	27	27

¹ The department has revised this measure from 30 days to 45 days to accommodate both invoices that are due by 30 days and 45 days. The 2023-2024 Adopted Target of 68% was developed based on invoices due by 30 days; and no value was set for the 2023-2024 Adopted Target based on invoices due by 30 days and 45 days but will start to be measured as part of the 2024-2025 Proposed operating budget.

Activity and Workload Highlights




	2022-2023 Actual	2023-2024 Forecast	2023-2024 Estimated	2024-2025 Forecast
Total number of payments made	268,763	254,500	268,763	268,763
Vendor invoices paid	77,489	75,000	75,000	75,000

Finance Department

Performance Summary

Financial Reporting

Performance Measures

	2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
 % of financial reports that are produced accurately and timely	98%	99%	98%	98%
 Received Government Financial Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting award.	100%	100%	100%	100%
 Received unmodified audit opinion on the Annual Comprehensive Finance Report (ACFR) ¹	Yes	N/A	Yes	Yes

¹ This new department measure reports the Annual Comprehensive Finance Report (ACFR) has received an unmodified audit opinion, which is the highest accounting standard for all industries. The 2023-2024 Adopted Target was not developed and will start to be measured as a part of the 2024-2025 Proposed operating budget.

Activity and Workload Highlights





	2022-2023 Actual	2023-2024 Forecast	2023-2024 Estimated	2024-2025 Forecast
Total number of financial reports provided	2,152	2,150	2,150	2,150

Finance Department

Performance Summary

Purchasing and Risk Management

Performance Measures

	2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
 % of cost savings achieved through the centralized purchasing process	3.6%	4.1%	3.6%	3.6%
 Cost of purchasing services as a percentage of the total dollars procured	1.41%	1.41%	1.41%	1.41%
 % of purchase orders (POs) processed within established timeframes				
- 8 business days for POs ≤ \$10K	51%	80%	51%	70%
- 26 business days for POs >\$10K and ≤ \$100K	77%	80%	76%	80%
- 38 business days for POs >100K and ≤ \$250K	84%	80%	84%	80%
- 83 business days for POs >\$250K and ≤ \$1.0M	94%	95%	94%	95%
- 108 business days for POs > \$1.0M	97%	85%	98%	95%
 Percentage of contracts processed for insurance clearance within five days of receipt	99%	92%	98%	90%

Activity and Workload Highlights

	2022-2023 Actual	2023-2024 Forecast	2023-2024 Estimated	2024-2025 Forecast
Total dollars procured	\$270.4M	\$258.5M	\$268.1M	\$276.1M
Total cost savings achieved through the centralized purchasing process	\$9.7M	\$10.6M	\$9.6M	\$9.9M
# of purchase orders (POs) processed within:				
- 8 business days for POs ≤ \$10K	174	320	163	263
- 26 business days for POs >\$10K and ≤ \$100K	578	669	542	586
- 38 business days for POs >100K and ≤ \$250K	180	180	169	167
- 83 business days for POs >\$250K and ≤ \$1.0M	178	162	167	174
- 108 business days for POs > \$1.0M	41	25	39	35
Total insurable value of the City's assets	\$5.5B	\$5.8B	\$6.5B	\$7.0B
Total number of contracts processed for insurance clearance	1,912	1,787	2,227	2,450

Finance Department

Performance Summary

Revenue Management

Performance Measures

	2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
\$ Return on Investment (ROI)				
- Revenue Management	5.84	5.00	5.94	5.00

¹ The 2021-2022 Actual ROI calculation included large one-time payments.

Activity and Workload Highlights

	2022-2023 Actual	2023-2024 Forecast	2023-2024 Estimated	2024-2025 Forecast
Revenue Management Aging Receivable ¹ Balance				
Current Receivables ²				
- 0 – 30 days ⁴	\$28,979,720	\$8,849,993	\$8,637,559	\$8,603,855
- 31 – 60 days	\$5,471,791	\$5,284,106	\$5,403,971	\$5,437,881
- 61 – 90 days	\$7,747,603	\$4,251,157	\$4,626,012	\$4,725,592
Delinquent Receivables ³				
- 91 – 120 days	\$2,942,278	\$2,554,117	\$2,685,525	\$2,813,902
- 121 – 365 days	\$13,817,162	\$10,680,332	\$13,065,150	\$13,441,156
- 366 – 730 days	\$17,765,606	\$16,683,580	\$16,857,071	\$15,311,338
- 731 – 999+ days	\$23,312,368	\$22,420,781	\$20,852,165	\$18,082,266

¹ Includes Business Tax, Fire, Administrative Citations, miscellaneous accounts receivable, and Utility Billing.

² Current = 90 days or less

³ Delinquent = 91 days or more




⁴ Total amount for 2022-2023 Actual includes a one-time \$20.0 million Department of Transportation grant collection.

Finance Department

Performance Summary

Debt and Treasury Management

Performance Measures

	2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
City's General Obligation Bond rating				
 - Moody's	Aa1	Aa1	Aa1	Aa1
- Standard & Poor's	AA+	AA+	AA+	AA+
- Fitch	AAA	AAA	AAA	AAA
Average return on investments				
 Comparison Benchmarks	2.350%	2.900%	2.900%	2.900%
- Local Agency Investment Fund (LAIF)	2.170%	N/A ¹	N/A ¹	N/A ¹
- Bank of America Merrill Lynch (BAML)	4.310%	N/A ¹	N/A ¹	N/A ¹
 Cost of Investment Program as a percentage of the City's total investment portfolio	0.042%	0.045%	0.049%	0.049%

¹ Due to volatility in market conditions, targets and estimates cannot be determined. Bank of America Merrill Lynch (BAML) and Local Agency Investment Fund (LAIF) release these figures on an annual and monthly basis.

Activity and Workload Highlights

	2022-2023 Actual	2023-2024 Forecast	2023-2024 Estimated	2024-2025 Forecast
Total debt portfolio managed	\$4.600B	\$4.200B	\$4.750B	\$4.900B
Total of the City's investment portfolio	\$2.622B	\$2.500B	\$2.500B	\$2.500B

Finance Department

Department Position Detail

Position	2023-2024 Adopted	2024-2025 Proposed	Change
Accountant I/II	17.00	16.00	(1.00)
Accounting Technician	13.00	11.00	(2.00)
Administrative Officer	1.00	1.00	-
Analyst I/II	13.00	17.00	4.00
Assistant Director	1.00	1.00	-
Buyer I/II/III	6.00	6.00	-
Debt Administrator	1.00	1.00	-
Department Information Technology Manager	1.00	1.00	-
Deputy Director	4.00	4.00	-
Director of Finance	1.00	1.00	-
Division Manager	1.00	1.00	-
Financial Analyst	5.00	5.00	-
Hearing Officer U PT	0.99	0.66	(0.33)
Investigator Collector I/II	11.00	10.00	(1.00)
Investment Officer	1.00	1.00	-
Principal Account Clerk	3.00	2.00	(1.00)
Principal Accountant	3.00	3.00	-
Principal Office Specialist	1.00	1.00	-
Program Manager	6.00	6.00	-
Risk Manager	1.00	1.00	-
Senior Account Clerk	13.00	12.00	(1.00)
Senior Accountant	7.00	7.00	-
Senior Analyst	10.00	10.00	-
Senior Financial Analyst	1.00	0.00	(1.00)
Senior Investigator Collector	2.00	2.00	-
Senior Office Specialist	4.00	4.00	-
Staff Specialist	3.00	3.00	-
Supervising Accountant	4.00	3.00	(1.00)
Total Positions	134.99	130.66	(4.33)

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Fire Department

Robert Sapien, Jr., Fire Chief

MISSION

To serve the community by protecting life, property, and the environment through prevention and response

CITY SERVICE AREA

*Community and Economic Development
Public Safety*

CORE SERVICES

EMERGENCY RESPONSE

Provide comprehensive life safety services to residents and visitors by responding to emergencies in San José's incorporated and the County of Santa Clara's unincorporated areas, totaling approximately 200 square miles.

FIRE PREVENTION

Educate the community to reduce injuries, loss of life, and property damage from fires and other accidents; investigate fire cause; and provide regulatory enforcement of fire and hazardous materials codes through inspection activities.

FIRE SAFETY CODE COMPLIANCE

Minimize loss of life and property from fires and hazardous materials releases; provide on-site code inspections and code plan review services to the City of San José business community and residents in the San José area, resulting in a fire and chemical-safe environment.

Strategic Support: Administration, Equipment/Facilities, Information Technology, Strategic Planning, Multilingual Services, Safety/Wellness, Training, and Emergency Response and Recovery

Fire Department

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Emergency Response Core Service</i>	
Fire and Emergency Medical Services Dispatch	Receives calls from 9-1-1 call-takers and other sources, dispatches appropriate resources, triages calls using Medical Priority Dispatch System (MPDS) and Fire Priority Dispatch System (FPDS), relays critical information, provides detailed life safety assistance and instructions to callers (e.g. CPR, childbirth, choking), and provides critical communications support for Incident Commanders.
Fire and Emergency Medical Services Response	Responds to fire, rescue, medical emergencies, and other public assist calls for service; implements appropriate mitigation efforts and incident command system (ICS) scaled to the needs of the emergency.
Fire Stations / Apparatus Operations and Maintenance	Ensures availability of response-ready fire apparatus, tools and equipment, and personal protective equipment (PPE); maintains facilities including fire stations, training facilities, emergency generators, and fueling sites; provides necessary supplies, utilities, furnishings, and fuel.
Fire Sworn Training	Ensures the response-readiness of all sworn fire personnel through comprehensive annual mandated training; provides initial required trainings through Fire Fighter and Fire Engineer Academies.
Special Operations - Airport Rescue and Fire Fighting	Provides dedicated Aircraft Rescue and Fire Fighting (ARFF) certified Fire Captains, Engineers, and Fire Fighters as required by the Federal Aviation Administration at San José Mineta International Airport. (Program costs are offset by a transfer from the Airport.)
Special Operations - Hazardous Incident Team	Provides Hazardous Materials specialist-level trained responders and equipment for response to incidents requiring technical expertise to comply with Title 8 CCR §5192: Hazardous Waste Operations and Emergency Response; reviews and inspects facilities with hazardous materials storage. (Majority of the budget and FTE for this program is displayed in Fire and Emergency Medical Services Response Program.)
Special Operations - Urban Search and Rescue	Provides responses to incidents requiring technical expertise including confined space rescue, low/high angle (cliff) rescue, trench rescue, water rescue, structure collapse, and other technical rescue situations. (Majority of the budget and FTE for this program is displayed in Fire and Emergency Medical Services Response Program.)

Fire Department

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Fire Prevention Core Service</i>	
Fire Cause Investigation	Investigates suspicious fires to determine the origin; collects and processes evidence, develops detailed reports to assist in criminal prosecution, and provides expert testimonies at court trials.
Fire Safety Education, Review, and Inspections	Provides fire safety inspections of permitted occupancies and provides Fire Watch and inspections during special events throughout the City. (Program costs are offset by revenues from the Fire Department Non-Development Fee Program.) Provides public safety information and education to the community through multiple education and awareness programs.
<i>Fire Safety Code Compliance Core Service</i>	
Fire Development Services	Provides the City of San José business community and residents with fire code plan review services before construction and on-site fire code inspections during construction phases to ensure compliance with approved permits. (Program costs are offset by revenues from the Fire Department Development Fee Program.)
<i>Strategic Support Core Service</i>	
Fire Human Resources	Manages personnel-related functions for the department, including hiring (in coordination with the Human Resources Department), employee development, employee discipline (in coordination with the Office of Employee Relations), and personnel transactions.
Fire Information Technology	Provides information technology services, planning, and system development and maintenance for the department in coordination with the Information Technology Department.
Fire Management and Administration	Provides executive-level, analytical, and administrative support to the department; manages the budget and all financial transactions for the department.
Fire Emergency Response and Recovery	Provides for the coordination and delivery of emergency services and recovery activities.

Fire Department

Department Budget Summary

Expected 2024-2025 Service Delivery

- Provide essential emergency services, such as fire suppression, rescue, and emergency medical services, in a timely and effective manner.
- Deliver timely development review and inspection services.
- Provide life safety and fire prevention services to the community.

2024-2025 Key Budget Actions

- Adds \$2.3 million of one-time funding, as described within the General Fund Capital, Transfers, Reserves section of this document, to assist with the purchase of a new truck for Fire Station 32, a dual company station funded by Measure T that is scheduled to come online in January 2026. Additional funding of \$500,000 is included within the Fire Construction and Conveyance Tax Fund for a total investment of \$2.8 million.
- Adds 1.0 Analyst position to advance departmental efforts to recover costs for authorized transport services through the Ambulance Transport and User Fee Program, which is expected to generate \$1.7 million of General Fund revenue.
- Adds one-time non-personal/equipment funding of \$150,000 to replace 35 network switches at 33 fire stations that are approaching the end of their operational lives.
- Adds one-time non-personal/equipment funding of \$100,000 to hire a consultant specializing in fire service recruitment to develop strategies to attract and hire more women in the department.
- Adds one-time non-personal/equipment funding of \$40,000 to replace two air-breathing support unit compressors nearing the end of their useful lives.
- Shifts funding for 1.0 Fire Prevention Inspector position from the Fire Development Fee Program Fund to the Non-Development Fee Program in the General Fund to realign staffing with anticipated workload.

Operating Funds Managed

- Fire Development Fee Program Fund

Fire Department

Department Budget Summary

	2022-2023 Actuals ***	2023-2024 Adopted ****	2024-2025 Forecast	2024-2025 Proposed
Dollars by Core Service				
City-Wide Emergency Management	420	0	0	0
Emergency Response	265,440,767	263,986,974	270,067,043	270,154,618
Fire Prevention	6,887,120	9,081,091	8,950,506	9,312,596
Fire Safety Code Compliance	7,869,906	8,463,860	9,077,321	8,567,367
Strategic Support - Community & Economic Development	377,646	0	0	0
Strategic Support - Other - Community & Economic Development	477,450	0	0	0
Strategic Support - Other - Public Safety	13,737,332	26,440,993	16,012,501	18,418,058
Strategic Support - Public Safety	6,939,406	7,770,882	8,008,364	8,414,834
Total	\$301,730,047	\$315,743,800	\$312,115,735	\$314,867,473
Dollars by Category				
<i>Personal Services and Non-Personal/Equipment</i>				
Salaries/Benefits	244,238,437	264,252,745	272,663,530	272,672,136
Overtime	32,181,849	12,233,157	11,874,915	11,874,915
Subtotal Personal Services	\$276,420,286	\$276,485,902	\$284,538,445	\$284,547,051
Non-Personal/Equipment	10,417,175	13,326,149	12,427,836	12,765,411
Total Personal Services & Non-Personal/Equipment	\$286,837,461	\$289,812,051	\$296,966,281	\$297,312,462
<i>Other Costs *</i>				
City-Wide Expenses	1,030,497	626,252	0	0
General Fund Capital	2,800,952	14,712,000	3,750,000	6,225,000
Housing Loans and Grants	0	0	0	0
Other	18,613	303,023	179,000	179,000
Other - Capital	0	0	0	0
Overhead Costs	1,330,685	1,290,474	1,720,454	1,651,011
Workers' Compensation	9,711,838	9,000,000	9,500,000	9,500,000
Total Other Costs	\$14,892,585	\$25,931,749	\$15,149,454	\$17,555,011
Total	\$301,730,047	\$315,743,800	\$312,115,735	\$314,867,473

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** The position counts displayed in the 2022-2023 Actuals column reflect those included in the 2022-2023 Adopted Budget.

*** 2022-2023 Actuals may not subtotal due to rounding.

**** The amounts in the 2023-2024 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

Fire Department

Department Budget Summary

	2022-2023 Actuals ***	2023-2024 Adopted ****	2024-2025 Forecast	2024-2025 Proposed
Dollars by Fund				
General Fund (001)	292,033,737	304,607,539	299,761,358	303,092,493
Emergency Reserve Fund (406)	6,661	0	0	0
Fire Development Fee Program Fund (240)	8,246,779	9,781,847	10,498,482	9,919,085
San José Opioid Response Fund (130)	0	0	29,000	29,000
Storm Sewer Operating Fund (446)	77,932	175,000	175,000	175,000
Capital Funds	1,364,939	1,179,414	1,651,895	1,651,895
Total	\$301,730,047	\$315,743,800	\$312,115,735	\$314,867,473
Positions by Core Service **				
Emergency Response	755.20	759.20	756.20	756.20
Fire Prevention	28.95	28.99	28.99	29.99
Fire Safety Code Compliance	35.40	34.35	34.35	32.35
Strategic Support - Other - Public Safety	4.18	4.23	4.23	4.23
Strategic Support - Public Safety	28.75	31.71	31.71	32.71
Total	852.48	858.48	855.48	855.48

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** The position counts displayed in the 2022-2023 Actuals column reflect those included in the 2022-2023 Adopted Budget.

*** 2022-2023 Actuals may not subtotal due to rounding.

**** The amounts in the 2023-2024 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

Fire Department

Department Budget Summary

	2022-2023	2023-2024	2024-2025	2024-2025	2024-2025
	Actuals **	Adopted	Forecast	Proposed	Proposed Positions

Dollars by Program*

City-Wide Emergency Management					
Emergency Preparedness and Planning	420	0	0	0	0.00
Sub-Total	420	0	0	0	0.00

Emergency Response					
Fire and Emergency Medical Services Dispatch	7,945,075	12,997,048	13,947,150	13,947,150	47.48
Fire and Emergency Medical Services Response	228,732,060	220,356,180	225,981,844	225,981,844	661.41
Fire Stations/Apparatus Operations and Maintenance	9,568,352	10,446,987	10,312,285	10,399,860	5.76
Fire Sworn Training	9,135,351	9,703,035	8,925,661	8,925,661	12.95
Special Operations - Airport Rescue and Fire Fighting	6,897,994	6,277,912	6,363,144	6,363,144	18.34
Special Operations - Hazardous Incident Team	1,364,503	2,146,327	2,369,088	2,369,088	5.13
Special Operations - Urban Search and Rescue	1,797,432	2,059,485	2,167,871	2,167,871	5.13
Sub-Total	265,440,767	263,986,974	270,067,043	270,154,618	756.20

Fire Prevention					
Fire Cause Investigation	1,751,167	2,128,390	2,133,309	2,133,309	5.25
Fire Safety Education, Review, and Inspections	5,135,953	6,952,701	6,817,197	7,179,287	24.74
Sub-Total	6,887,120	9,081,091	8,950,506	9,312,596	29.99

Fire Safety Code Compliance					
Fire Development Services	7,869,906	8,463,860	9,077,321	8,567,367	32.35
Sub-Total	7,869,906	8,463,860	9,077,321	8,567,367	32.35

Strategic Support - Community & Economic Development					
Fire Management and Administration - Community and Economic Development	377,646	0	0	0	0.00
Sub-Total	377,646	0	0	0	0.00

Strategic Support - Other - Community & Economic Development					
Fire Capital - Community and Economic Development	5,632	0	0	0	0.00
Fire Other Departmental - City-Wide - Community and Economic Development	(3,543)	0	0	0	0.00
Fire Other Operational - Administration - Community and Economic Development	475,361	0	0	0	0.00
Sub-Total	477,450	0	0	0	0.00

Strategic Support - Other - Public Safety

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** 2022-2023 Actuals may not subtotal due to rounding.

Fire Department

Department Budget Summary

	2022-2023 Actuals **	2023-2024 Adopted	2024-2025 Forecast	2024-2025 Proposed	2024-2025 Proposed Positions
Fire Capital - Public Safety	3,598,980	15,727,228	4,792,047	7,267,047	4.23
Fire Gifts - Public Safety	0	10,000	0	0	0.00
Fire Other Departmental - Grants - Public Safety	293,164	413,291	0	0	0.00
Fire Other Operational - Administration - Public Safety	133,091	0	0	0	0.00
Fire Overhead	258	1,290,474	1,720,454	1,651,011	0.00
Fire Workers' Compensation - Public Safety	9,711,838	9,000,000	9,500,000	9,500,000	0.00
Sub-Total	13,737,332	26,440,993	16,012,501	18,418,058	4.23
Strategic Support - Public Safety					
Fire Emergency Response and Recovery	78,574	0	0	0	0.00
Fire Financial Management - Public Safety	8,390	0	0	0	0.00
Fire Human Resources - Public Safety	169,782	599,601	347,251	347,251	0.00
Fire Information Technology - Public Safety	1,979,561	2,657,404	2,767,934	2,917,934	12.05
Fire Management and Administration - Public Safety	4,703,099	4,513,877	4,893,179	5,149,649	20.66
Sub-Total	6,939,406	7,770,882	8,008,364	8,414,834	32.71
Total	\$301,730,047	\$315,743,800	\$312,115,735	\$314,867,473	855.48

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** 2022-2023 Actuals may not subtotal due to rounding.

Fire Department

Budget Reconciliation

Personal Services and Non-Personal/Equipment (2023-2024 Adopted to 2024-2025 Proposed)

	<u>Positions</u>	<u>All Funds (\$)</u>	<u>General Fund (\$)</u>
Prior Year Budget (2023-2024):	858.48	289,812,051	280,269,287
Base Adjustments			
One-Time Prior Year Expenditures Deleted			
• Rebudgets		(362,241)	(352,870)
• Firefighter/Paramedic Lateral Recruiting Academy		(1,600,000)	(1,600,000)
• Emergency Medical Services Field Coordinator Staffing Transition (3.0 Fire Captain)	(3.00)	(633,107)	(633,107)
• Fire Battalion Staffing		(236,778)	(236,778)
• Multi-Factor Authentication for Mobile Data Computers		(84,332)	(84,332)
• Fire Station Alerting Cradlepoint Routers		(39,098)	(39,098)
• Fire Information Technology Staffing		(21,475)	(21,475)
• Bureau of Support Services Facility Maintenance Staffing		(4,390)	(4,390)
One-time Prior Year Expenditures Subtotal:	(3.00)	(2,981,421)	(2,972,050)
Technical Adjustments to Costs of Ongoing Activities			
• Salary/benefit changes and the following position reallocations: - 1.0 Office Specialist II to 1.0 Senior Office Specialist		9,167,485	8,285,720
• Overtime Adjustment		672,165	662,200
• Utilities: Gas, Electricity, and Water		39,000	39,000
• Vehicle Operations & Maintenance		37,101	36,101
• Supplies and Materials: Air Mask Repair Parts		29,000	29,000
• Contract Services: Fire Development Fee Program		28,800	-
• Supplies and Materials: Fire Apparatus		24,000	24,000
• Supplies and Materials: Turnout Coats and Pants		20,000	20,000
• Supplies and Materials: Exam Gloves		17,500	17,500
• Contract Services: Fire Communications		13,000	13,000
• Supplies and Materials: Janitorial and Cleaning Supplies		13,000	13,000
• Supplies and Materials: Wildland Pants, Coats and Boots		13,000	13,000
• Contract Services: Annual Ground Test/Ladders		10,000	10,000
• Training: Paramedic Recertification		10,000	10,000
• Urban Search and Rescue		10,000	10,000
• Contract Services: Narcan Vending Machine		7,800	7,800
• Software/Information Services: WebEx Survivability		4,800	4,800
• Software/Information Services: Hazardous Incident Team		4,000	4,000
• Contract Services: Face Mask Fitting		4,000	4,000
• Training: Paramedic Training		4,000	4,000
• Rent: Fire Station 20 Land Lease		4,000	4,000
• Supplies and Materials: Turnout Boots		3,000	3,000
Technical Adjustments Subtotals	0.00	10,135,651	9,214,121

Fire Department

Budget Reconciliation

Personal Services and Non-Personal/Equipment (2023-2024 Adopted to 2024-2025 Proposed)

	<u>Positions</u>	<u>All Funds (\$)</u>	<u>General Fund (\$)</u>
2024-2025 Forecast Base Budget:	855.48	296,966,281	286,511,358
Budget Proposals Recommended			
1. Ambulance Transport and User Fee Program	1.00	156,470	156,470
2. Fire Station Network Switches Replacement		150,000	150,000
3. Women Recruitment Efforts		100,000	100,000
4. Vehicle Operations and Maintenance (Fleet Staffing)		41,575	41,575
5. Breathing Air Support Unit Retrofit		40,000	40,000
6. New Fire Facilities Operations and Maintenance		6,000	6,000
7. Non-Development Fee Program Realignment	0.00	0	362,090
8. Vacant Position Elimination	(1.00)	(147,864)	0
Total Budget Proposals Recommended	0.00	346,181	856,135
2024-2025 Proposed Budget Total	855.48	297,312,462	287,367,493

Fire Department

Budget Changes by Department Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
<p>1. Ambulance Transport and User Fee Program</p> <p><i>Public Safety CSA</i> Strategic Support – Public Safety Core Service <i>Fire Management and Administration – Public Safety Program</i></p> <p>This action adds 1.0 Analyst position to support the Ambulance Transport and User Fee Program through revenue processing, program analytics and forecasting, and coordination with a third-party billing vendor. Due to rising ambulance unavailability, the Department provided over 700 emergency medical transports and accompanied County ambulances for 800 transports to maintain critical Advance Life Support care. The Ambulance Transport and User Fee Program allows the City of San José to recover costs for conducting authorized ambulance transport services, with projected annual revenues of \$1.7 million as included in the General Fund Revenue section of this document. (Ongoing costs: \$157,799)</p>	1.00	156,470	156,470
<p>2. Fire Station Network Switches Replacement</p> <p><i>Public Safety CSA</i> Strategic Support – Public Safety Core Service <i>Fire Information Technology - Public Safety Program</i></p> <p>This action adds one-time non-personal/equipment funding of \$150,000 to replace 35 network switches at 33 Fire Stations. These switches are rapidly approaching the end of their operational lifespan and are scheduled to be decommissioned before February 7, 2025. The current switches are slated to lose access to critical security updates and support from the manufacturer, posing increased network vulnerabilities and performance degradation. This replacement is essential to sustain network security and counter cyber threats, and is supported by a reduction to the Fire Equipment Replacement Sinking Fund Reserve established in the 2025-2029 General Fund Five-Year Forecast to set aside funding for equipment replacements, as described in the General Fund Capital, Transfers, Reserves section of this document. (Ongoing costs: \$0)</p>		150,000	150,000
<p>3. Women Recruitment Efforts</p> <p><i>Public Safety CSA</i> Strategic Support – Public Safety Core Service <i>Fire Management and Administration – Public Safety Program</i></p> <p>This action adds one-time non-personal/equipment funding of \$100,000 for consulting services, specializing in fire service recruitment, to evaluate current hiring practices and recommend a strategic plan informed by industry best practices to increase the representation of women in the Fire Department. (Ongoing costs: \$0)</p>		100,000	100,000

Fire Department

Budget Changes by Department Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
<p>4. Vehicle Operations and Maintenance (Fleet Staffing)</p> <p><i>Public Safety CSA Emergency Response Core Service Fire Stations/Apparatus Operations and Maintenance Program</i></p> <p>This action adds non-personal/equipment funding of \$41,575 for vehicle and operations costs related to the addition of 1.0 Equipment Maintenance Supervisor position in the Public Works Department, as described in the Public Works City Department section. This position will provide strategic support to the Fleet Division by focusing on fleet sustainability, managing two Fleet locations, overseeing the California Continuous Testing Program Smog program expansion, and managing the division's rental program. The addition of this position will improve operational deficiencies, regulatory compliance coordination, and work order auditing, with related costs offset by internal service charges to supported departments. (Ongoing costs: \$48,226)</p>		41,575	41,575
<p>5. Breathing Air Support Unit Retrofit</p> <p><i>Public Safety CSA Emergency Response Core Service Fire Stations/Apparatus Operations and Maintenance Program</i></p> <p>This action adds one-time non-personal/equipment funding of \$40,000 to undertake a critical retrofit of two breathing support units (BSUs) with new air compressor components. BSU emergency response vehicles are equipped with air compressors capable of providing remote breathing air supply and filling multiple self-contained berating apparatus (SBCA) bottles simultaneously at an emergency scene. Additionally, BSUs connect directly to firefighter breathing air replenishment systems (FBARS) required in the San José Municipal Code (Chapter 17.12 - City of San José Fire Code) in specific buildings to support continuous interior operations. The current air compressors have become unreliable, causing extended out-of-service times for the BSUs. This action seeks to reduce BSU response delays, support critical personal protective equipment functionality, and ensure continuous mitigation operations in hazardous environments. This action is supported by a reduction to the Fire Equipment Replacement Sinking Fund Reserve established in the 2025-2029 General Fund Five-Year Forecast to set aside funding for equipment replacements, as described in the General Fund Capital, Transfers, Reserves section of this document. (Ongoing costs: \$0)</p>		40,000	40,000
<p>6. New Fire Facilities Operations and Maintenance</p> <p><i>Public Safety CSA Emergency Response Core Service Fire Stations/Apparatus Operations and Maintenance Program</i></p> <p>This action adds ongoing non-personal/equipment funding of \$6,000 for operations and maintenance costs associated with the relocation of Fire Station 8, which is anticipated to become operational in 2024-2025. This funding is supported through the liquidation of the New Fire Facilities Operations and Maintenance Reserve established in the 2025-2029 General Fund Five-Year Forecast, as described in the General Fund, Transfers, Reserves section of this document. (Ongoing costs: \$19,000)</p>		6,000	6,000

Fire Department

Budget Changes by Department Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
7. Non-Development Fee Program Realignment <i>Community and Economic Development CSA</i> <i>Fire Safety Code Compliance Core Service</i> <i>Fire Development Services Program</i> This action shifts funding for 1.0 Fire Prevention Inspector position from the Fire Development Fee Program Fund to the Non-Development Fee Program in the General Fund to address the increased workload for compliance inspections. The Department has identified several businesses with past due maintenance and testing reports for fire alarms, fire suppression systems, standpipes, risers, hoods, and duct cleaning, in addition to pursuing facilities in non-compliance due to not having current operation permits. The cost of this position is offset by an increase in anticipated revenue within the Non-Development Fee Program. (Ongoing costs: \$0)	0.00	0	362,090
8. Vacant Position Elimination <i>Community and Economic Development CSA</i> <i>Fire Safety Code Compliance Core Service</i> <i>Fire Development Services Program</i> This action eliminates 1.0 Senior Permit Specialist position in the Fire Development Fee Program Fund as part of an organization-wide effort to evaluate the elimination of vacant positions in consideration of vacancy status and recruitment history, operational priority, and forecasted supporting revenues for 2024-2025, including Development Fee Programs, other supporting revenues, and capital project funding. A total of 64 positions in the City are recommended to be eliminated as part of this effort, a reduction of approximately 1% of the Base Budget level. While these position eliminations will reduce Departments' future service delivery capacity – and will be reevaluated as necessary – because these positions have been vacant for an extended period or are no longer supported by existing service demands, impacts to current service delivery are expected to be minimal. The eliminated position in the Fire Department results in savings of \$147,864 within the Fire Development Fee Program Fund. (Ongoing savings: \$149,732)	(1.00)	(147,864)	0
2024-2025 Proposed Budget Changes Total	0.00	346,181	856,135

Fire Department

Performance Summary

Four Key Budget Performance Measure Measurement Areas



Access - How well does a service enable access, participation, visitation, and usage? How well does the service lead to its intended outcome or opportunity pathway?




Customer Satisfaction - How well does a service meet customer needs? How well does a service resolve a customer's problem? How well does a service deliver its intended experience for a customer?

Reliability and Responsiveness - How well does a service meet response time targets? How well does a service deliver resolution? How well does a service meet its efficiency goals?

Cost Effectiveness - How well does a service resource deliver its intended outcome? How well does a service resource deliver its intended output?

Emergency Response

Performance Measures

		2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target	
	% of fires contained:					
	<i>PM 1</i>	- In room of origin	68%	80%	67%	80%
		- In structure of origin	89%	92%	87%	80%
	% of response time breakdown for Priority 1 calls (red lights/sirens; within eight minutes):					
	<i>PM 2</i>	- Dispatch time (less than 2 minutes)	84%	85%	86%	85%
		- Turnout time (less than 2 minutes)	83%	85%	86%	85%
		- Travel time (less than 4 minutes)	38%	45%	35%	45%
	<i>PM 3</i>	Average Dispatch Response Times	N/A ¹	N/A ¹	N/A ¹	N/A ¹

¹ New measure – data was not previously tracked and/or reported for the 2023-2024 budget and targets are anticipated to be further developed in 2024-2025.

Fire Department

Performance Summary

Emergency Response

Activity and Workload Highlights

		2022-2023 Actual	2023-2024 Forecast	2023-2024 Estimated	2024-2025 Forecast
<i>AWH 1</i>	# of SJFD Emergency Incidents Received	N/A ²	N/A ²	N/A ²	N/A ²
	# of SJFD Emergency Incidents Dispatched				
<i>AWH 2</i>	- # of Priority 1 SJFD Responses (red lights/sirens; within eight minutes):	86,918	85,000	87,000	87,000
	- # of Priority 2 SJFD Responses (no red lights/sirens; within 13 minutes):	22,218	20,000	23,000	23,000
<i>AWH 3</i>	# of patient transports for Rescue Medic Unit Response ¹	10,353	10,000	11,000	11,000
<i>AWH 4</i>	# of Emergency by Type Found on Arrival:	109,136	105,000	110,000	110,000
	- Fires (i.e., Structure Fires; Vehicles/Aircraft Fires; Vegetation Fires; Other Fires)	4,589	5,400	5,300	5,300
	- Medical Emergencies	67,752	64,000	70,000	70,000
	- Rescue, HAZMAT, USAR, non-fire hazards	6,318	6,100	6,500	6,500
	- Service Requests & Good Intent (incident type reported but no threat or issue found):	10,773	10,000	8,200	8,200
	o Assist invalid	N/A ²	N/A ²	N/A ²	N/A ²
	o Assist other agency	N/A ²	N/A ²	N/A ²	N/A ²
	o Lock out (rescue child or animal in locked vehicle)	N/A ²	N/A ²	N/A ²	N/A ²
	o Other	N/A ²	N/A ²	N/A ²	N/A ²
	- False Alarm/False Call	1,265	1,300	1,300	1,300
	- No incident, wrong location, cancelled enroute	6,460	6,700	6,700	6,700
	- Uncategorized	11,979	11,500	12,000	12,000

¹ Resource Deployment denotes deployment of Medic Unit Responses and not exclusively of transports.

² New measure – data was not previously tracked and/or reported for the 2023-2024 budget and forecasts are anticipated to be further developed in 2024-2025.

Data Sources: Emergency Response





Number	Data Source
<i>PM 1</i>	Power BI supplied with data from Fire House and CADD data
<i>PM 2</i>	Power BI supplied with data from Fire House and CADD data
<i>PM 3</i>	N/A
<i>PM 4</i>	N/A
<i>AWH 1</i>	N/A
<i>AWH 2</i>	Power BI supplied with data from Fire House and CADD data
<i>AWH 3</i>	Power BI supplied with data from Fire House and CADD data
<i>AWH 4</i>	Power BI supplied with data from Fire House and CADD data

Fire Department

Performance Summary

Fire Prevention

Performance Measures

			2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
	<i>PM 1</i>	% of arson investigations with determination of cause	53%	53%	40%	50%
		% of occupancies receiving an inspection:				
		- State-mandated	97%	100%	95%	100%
	<i>PM 2</i>	- Assemblies (Buildings used to gather 50 or more persons or motion picture buildings for 10 or more persons)	66% ¹	100%	77% ¹	77%
		- Non-mandated	61%	85%	75%	85%
	<i>PM 3</i>	% of inspections not requiring a re-inspection	87%	85%	85%	85%
	<i>PM 4</i>	% of Fire Prevention Code Enforcement complaints investigated (within 1 week)	94%	100%	100%	100%

¹Onboarding of new personnel created deficiencies in conducting Assembly inspections, as such, the Fire Department does not anticipate achieving 100% in 2023-2024.

Fire Department

Performance Summary

Fire Prevention

Activity and Workload Highlights

		2022-2023 Actual	2023-2024 Forecast	2023-2024 Estimated	2024-2025 Forecast
Arson incidents:					
	- # of investigations conducted by Arson Unit ¹	361	300	367	400
<i>AWH 1</i>	- # of investigations resulting in arson determination	194	160	150	200
	- # of total arson fires in structures	89	80	75	80
	- # of total estimated dollar loss due to arson	\$12,926,000	\$9,300,000	\$9,300,000	\$9,300,000
# of inspections by type:					
	- State-mandated:				
	o Firefighters	5,582	5,692	5,692	5,692
	o Bureau of Fire Prevention staff	638	613	641	641
<i>AWH 2</i>	- Assemblies inspected by Bureau of Fire Prevention staff:				
	o Initial	1,207	1,350	1,680	1,680
	o Re-inspection	545	367	740	740
	- Non-mandated inspected by Bureau of Fire Prevention staff:				
	o Initial	3,208	2,883	3,210	3,640
	o Re-inspection	821	538	640	730
# of total annual permitted occupancies:					
<i>AWH 3</i>	- Hazardous Materials (facilities that store or handle hazardous materials)	2,903	3,015	2,910	2,910
	- Fire & Life Safety ²	5,616	5,876	5,900	6,130
<i>AWH 4</i>	# complaints investigated	103	72	120	112
<i>AWH 5</i>	Public Safety Education ³	N/A	N/A	N/A	N/A

¹ The Fire Department investigates every fire incident. If any investigation is determined to be other than accidental, it is referred to the Arson Unit for further investigation.

² Fire & Life Safety permits are completed annually for all new and existing buildings and structures.

³ New measure – data was not previously tracked and/or reported for the 2023-2024 budget report. The measure will include: Overall # of social media interactions and website visits (i.e., Fireworks safety; storm and flood safety; wildfire safety; swimming pool; Halloween safety; kitchen safety; Christmas tree safety; general education); # of public outreach events; and # of public outreach event attendees. Forecasts are anticipated to be further developed in 2024-2025.

Data Sources: Fire Prevention



Number	Data Source
<i>PM 1</i>	Fire House Web-Based Billing System
<i>PM 2</i>	Fire House Web-Based Billing System
<i>PM 3</i>	Fire House Web-Based Billing System
<i>PM 4</i>	Fire House Web-Based Billing System
<i>AWH 1</i>	Fire House Web-Based Billing System
<i>AWH 2</i>	Fire House Web-Based Billing System
<i>AWH 3</i>	Fire House Web-Based Billing System
<i>AWH 4</i>	Fire House Web-Based Billing System
<i>AWH 5</i>	In House Data

Fire Department

Performance Summary

Fire Safety Code Compliance

Performance Measures

		2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
	<i>PM 1</i> % of Fire Code Compliance Plan Reviews that are completed within time targets ¹	N/A	N/A	N/A	N/A
	<i>PM 2</i> Fire Code Compliance Plan Review and Inspections ²	N/A	N/A	N/A	N/A

¹ New measure – data was not previously tracked and/or reported for the 2023-2024 Budget. The measure will include: Initial reviews for Fire Architectural (Fire Life Safety and Hazardous Materials) Review (up to 40 business days); Fire Sprinkler System Review (10 business days); Fire Alarm System Review (10 business days); and Hazardous Materials System Review (10 business days). Revision reviews for Architectural and System Revision Reviews (5 business days). Targets are anticipated to be further developed in 2024-2025.

² New measure – data was not previously tracked and/or reported for the 2023-2024 Budget. The measure will include: Average # of days for initial plan review; Average # of days to next available inspection; and Inspection utilization (daily capacity vs daily assignments dispatched).

Activity and Workload Highlights

		2022-2023 Actual	2023-2024 Forecast	2023-2024 Estimated	2024-2025 Forecast
<i>AWH 1</i>	# of new construction and tenant improvement plan checks performed	6,448	6,500	6,100	6,300
<i>AWH 2</i>	# of new construction and tenant improvement inspections performed	5,635	6,200	5,691	5,975
<i>AWH 3</i>	# of special event permits reviewed by Bureau of Fire Prevention	309	140	140	140

Data Sources: Fire Safety Code Compliance

Number	Data Source
<i>PM 1</i>	AMANDA database
<i>PM 2</i>	AMANDA database
<i>AWH 1</i>	AMANDA database
<i>AWH 2</i>	AMANDA database
<i>AWH 3</i>	Fire House Web-Based Billing System

Fire Department

Department Position Detail

Position	2023-2024 Adopted	2024-2025 Proposed	Change
Account Clerk I/II	1.00	1.00	
Accounting Technician	2.00	2.00	-
Administrative Assistant	1.00	1.00	-
Administrative Officer	1.00	1.00	-
Analyst I/II	12.00	13.00	1.00
Arson Investigator	4.00	4.00	-
Assistant Fire Chief	1.00	1.00	-
Associate Engineer	15.00	15.00	
Automotive Equipment Specialist	1.00	1.00	-
Battalion Chief	24.00	24.00	
Building Maintenance Superintendent	1.00	1.00	-
Department Information Technology Manager	1.00	1.00	-
Deputy Director	1.00	1.00	-
Deputy Fire Chief	4.00	4.00	-
Division Manager	2.00	2.00	-
Facility Repair Worker	1.00	1.00	
Fire Captain	175.00	172.00	(3.00)
Fire Chief	1.00	1.00	-
Fire Engineer	234.00	234.00	-
Fire Equipment Technician	2.00	2.00	-
Fire Fighter	267.00	267.00	-
Fire Prevention Inspector	13.00	13.00	-
Geographic Information Systems Specialist	1.00	1.00	-
Hazardous Materials Inspector I/II	6.00	6.00	-
Information Systems Analyst	2.00	2.00	-
Network Engineer	2.00	2.00	
Network Technician I/II/III	2.00	2.00	
Nurse Practitioner	1.00	1.00	-
Office Specialist I/II	1.00	0.00	(1.00)
Principal Account Clerk	2.00	2.00	
Principal Office Specialist	1.00	1.00	-
Principal Permit Specialist	1.00	1.00	-
Program Manager	2.00	2.00	-
Public Information Manager	1.00	1.00	-
Public Information Representative	1.00	1.00	-
Public Safety Radio Dispatcher	30.00	30.00	-
Public Safety Radio Dispatcher PT	0.48	0.48	-
Senior Account Clerk	2.00	2.00	-
Senior Analyst	4.00	4.00	-
Senior Engineer	4.00	4.00	-
Senior Geographic Information Systems Specialist	1.00	1.00	-
Senior Office Specialist	3.00	4.00	1.00

Fire Department

Department Position Detail

Position	2023-2024 Adopted	2024-2025 Proposed	Change
Senior Permit Specialist	4.00	3.00	(1.00)
Senior Public Safety Dispatcher	11.00	11.00	-
Senior Systems Applications Programmer	2.00	2.00	-
Staff Specialist	4.00	4.00	-
Supervising Public Safety Dispatcher	3.00	3.00	-
Training Specialist	1.00	1.00	-
Video/Multimedia Producer	1.00	1.00	-
Warehouse Worker I/II	1.00	1.00	-
Total Positions	858.48	855.48	(3.00)

Note: Of the 855.48 positions in the Fire Department in 2024-2025, 720 are sworn positions and 135.48 are civilian positions.

Housing Department

Erik L. Soliván, Director

MISSION

To make housing and neighborhood investments that create a more just community where all people thrive.

CITY SERVICE AREA

*Community and Economic Development
Neighborhood Services*

CORE SERVICES

AFFORDABLE HOUSING PORTFOLIO MANAGEMENT

Manage the City's affordable housing loan portfolio, including loan servicing and monitoring, compliance of income restricted apartments; retain and extend the length of the restrictions to preserve the long-term affordability of the apartments.

HOUSING PRODUCTION AND PRESERVATION

Implement the strategies in the City's Housing Element. Manage the Housing Catalyst Work Plan for market-rate and affordable housing production. Provide financing for the rehabilitation, development, and construction of affordable housing; offer limited homeownership loans and administer Inclusionary and Housing Impact fee programs.

HOMELESSNESS RESPONSE AND SOLUTIONS

Provide a coordinated response to homeless residents including street-based outreach, case management, essential services, referrals, and housing options; invest in interim short-term housing solutions.

NEIGHBORHOOD INVESTMENTS

Invest in at-risk residents and neighborhoods, provide funding for housing and community development capital projects, and provide support to public service organizations.

RENT STABILIZATION AND TENANT PROTECTIONS

Administer rent stabilization programs and requirements that stabilize rents, while assuring landlords a fair return, protect tenants, mitigate impacts of displacement, and prevent retaliation.

Strategic Support: Planning and Policy Development, Public Education, Budget, Financial Management, Clerical Support, Human Resources, Audit Supervision, and Emergency Response and Recovery

Housing Department

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Affordable Housing Portfolio Management Core Service</i>	
Loan Compliance	Manages and oversees the City's affordable housing loan portfolio, including loan servicing and monitoring and compliance of affordable deed-restricted apartments.
Property Maintenance and Inspection	Works with existing developments to retain and preserve the long-term viability of affordable apartments.
<i>Housing Production and Preservation Core Service</i>	
Affordable Housing Development Loans	Provides financing and technical assistance for the construction of new affordable housing, the acquisition and rehabilitation of existing housing, and the restructuring of existing financing to create new and preserve existing affordable housing opportunities for low-income households and individuals. Assist in the application of State programs such as Homekey and Affordable Housing and Sustainable Communities Grants.
Homeownership Opportunities	Provides loan servicing for recipients of lending programs.
Inclusionary Housing	Provides technical assistance to market-rate residential and commercial developers in meeting their affordable housing requirements.
Rehabilitation Loans and Grants	Funds minor home repairs for low-income homeowners and mobile homeowners.
Permanent Supportive Housing	Housing with no limit on length of stay, that is occupied by a target population, and that is linked to onsite or offsite services that assist supportive housing residents in retaining housing, improving their health status, and maximizing their ability to live and, when possible, work in the residents' community.
<i>Homelessness Response and Solutions Core Service</i>	
Homeless Administrative Support	Provides community engagement, leadership, program and grant development and oversight, as well as regional systems support.
Congregate Shelter	Provides grants to non-profit organizations to operate mass emergency shelter for individuals experiencing homelessness during inclement weather and other natural emergencies and disasters.
Interim Housing Construction and Operations	Supports the construction and maintenance of, as well as provides grants to non-profit organizations to operate, temporary programs for households experiencing homelessness, which includes emergency interim housing communities, converted motels, and supportive parking sites.
Homeless Hygiene and Meals	Supports access to basic needs services which includes water, food, showers, restrooms and laundry resources for individuals experiencing homelessness.
Homeless Supportive Services	Provides grants that offer individualized supportive services that assists individuals experiencing homelessness to attain and/or maintain self-sufficiency and stable housing.
Homeless Prevention, Shelter Diversion and Rental Assistance	Supports access to supportive services and financial assistance, fair housing and tenant legal services, and other resources to assist households at risk of becoming homeless.

Housing Department

Department Budget Summary

PROGRAM	DESCRIPTION
<i>Homelessness Response and Solutions Core Service (Cont'd.)</i>	
Homeless Outreach and Engagement	Provides grants to non-profit organizations to support interventions that address the homelessness crisis, which includes outreach and engagement, supportive parking, participant engagement, and other programs to support individuals to end their homelessness episodes.
Rapid Rehousing	Provides grants to non-profit organizations to operate programs serving households experiencing homelessness with time-limited supportive services and/or financial and rental assistance.
<i>Neighborhood Investments Core Service</i>	
Community Development Block Grant – Infrastructure Investments	Funds City infrastructure improvements in low-income neighborhoods and facility upgrades for non-profits that serve low-income communities.
Non-Profit Service Grants to Support Housing and Community Development Needs	Provides grants to non-profit organizations to support fair housing and tenant legal services, senior programs, homeless programs, minor repair program for homeowners and mobile homeowners, and operating support.
Place-Based Neighborhood Strategy	Provides community engagement and leadership development services in low-income neighborhoods.
<i>Rent Stabilization and Tenant Protections Core Service</i>	
Apartment Rent Ordinance Administration	Promotes stable, longer-term tenancies by limiting excessive rent increases and evictions while assuring landlords a fair return; provides balanced treatment for both tenants and landlords through efficient and consistent administration of the Apartment Rent Ordinance program.
Mobilehome Rent Ordinance Administration	Supports mobilehome residents in maintaining affordable housing by limiting excessive rent increases while assuring park owners receive a fair return through efficient and consistent administration of the Mobilehome Rent Ordinance program.
<i>Strategic Support Core Service</i>	
Housing Planning and Policy Development	Analyzes, develops and recommends public policy to strengthen affordable housing and community development programs. Provides research support for advancement of new and one-time programs. Tracks and coordinates the Department’s legislative response to legislation and program regulations at both the State and Federal levels.
Housing Management and Administration	Provides administrative oversight for the department, including executive management, financial management, human resources, and analytical support.
Housing Emergency Response and Recovery	Provides for the coordination and delivery of emergency services and recovery activities.

Housing Department

Department Budget Summary

Expected 2024-2025 Service Delivery

- Continue to advance funding commitments for four affordable housing developments, totaling 519 new apartments, as part of the implementation of a previous \$150 million Notice of Funding Availability (NOFA), and advance the funding commitments for the four new affordable housing developments awarded from the \$50 million 2023 NOFA creating 338 new apartments.
- Begin construction on six major projects that will produce 681 affordable apartments.
- Implement the reimaged homeless outreach program through agreements with two service providers providing enhanced services and coordinated resources to individuals and households experiencing homelessness in target areas across the City.
- Implement the Rent Stabilization Program Strategic Plan, 2024-2025 Racial Equity Implementation Plan, and the approved Tenant Preferences to Fight Displacement in forthcoming properties.
- Create an Assessment of Fair Housing Plan and Moderate-Income Housing Strategy for City Council approval; as well as creating the City's First Housing Balance Report.

2024-2025 Key Budget Actions

- As directed by the Mayor's March Budget Message for Fiscal Year 2024-2025, as approved by the City Council, allocates \$2.2 million in one-time non-personal/equipment funding in the Multi-Source Housing Fund for: homeless prevention (\$1.0 million), Emmanuel House Shelter Redevelopment project (\$1.0 million), and the Homeward Bound pilot program (\$200,000) where outreach workers have access to flexible funding to reunite homeless residents with their loved ones by paying for transportation or other relocation costs.
- Allocates \$50.0 million of Measure E funding collected in the newly established Real Property Transfer Tax Fund for the following:
 - \$31.75 million towards Homeless Support Programs: construction and operations of interim housing (\$10.4 million); safe or alternative sleeping sites (\$10.0 million); outreach, sanitation, and other support services focused on waterways and stormwater permit compliance (\$3.6 million); maintenance and operations at First Street Interim Housing (\$3.0 million); development of a safe parking site at Berryessa Road (\$1.7 million); recreational vehicle pollution prevention program expansion (\$1.4 million); pilot a lived-in vehicle safe parking program (\$1.0 million); and temporary staffing for a City outreach team supporting enhanced homeless outreach services (\$600,000).
 - \$11.0 million for development of housing for extremely low- and low-income households.
 - \$4.75 million for homeless prevention and rental assistance.
 - \$2.5 million in administrative costs for personnel and outside costs that support initiatives within Measure E.
- Continues 3.0 Analyst II and 1.0 Staff Specialist positions through June 30, 2025, to support contract development and management, performance tracking, non-profit agency support, community engagement and federal reporting to distribute and monitor the influx of grant funding related to federal and State programs.
- Continues 2.0 Analyst I/II and adds 1.0 Analyst I/II and 1.0 Staff Specialist positions through June 30, 2025, to support the Eviction Diversion Program.

Operating Funds Managed

- Affordable Housing Impact Fee Fund
- Building Home and Jobs Act Fund
- Community Development Block Grant Fund
- Economic Development Administration Loan Fund
- Home Investment Partnership Program Trust Fund
- Homeless Housing, Assistance, & Prevention Fund
- Housing Trust Fund
- Inclusionary Fee Fund
- Low and Moderate Income Housing Asset Fund
- Multi-Source Housing Fund
- Real Property Transfer Tax Fund
- Rent Stabilization Fee Fund

Housing Department

Department Budget Summary

	2022-2023 Actuals ***	2023-2024 Adopted ****	2024-2025 Forecast	2024-2025 Proposed
Dollars by Core Service				
Affordable Housing Portfolio Management	3,772,596	4,199,442	4,670,045	4,670,045
Homelessness Response and Solutions	24,641,093	91,382,787	68,776,157	69,821,297
Housing Production and Preservation	29,999,794	78,452,929	4,718,332	4,718,332
Neighborhood Investments	22,599,372	36,549,509	8,564,095	8,752,071
Rent Stabilization and Tenant Protections	2,502,180	3,334,336	3,707,080	3,707,080
Strategic Support - Community & Economic Development	26,035,967	30,213,365	5,786,471	5,786,471
Strategic Support - Other - Community & Economic Development	44,711,823	108,437,536	2,510,578	2,651,792
Strategic Support - Other - Neighborhood Services	0	0	323,459	323,459
Total	\$154,262,824	\$352,569,904	\$99,056,217	\$100,430,547
Dollars by Category				
<i>Personal Services and Non-Personal/Equipment</i>				
Salaries/Benefits	13,732,433	16,680,346	20,802,213	22,035,329
Overtime	102,393	34,830	34,830	34,830
Subtotal Personal Services	\$13,834,825	\$16,715,176	\$20,837,043	\$22,070,159
Non-Personal/Equipment	2,329,423	2,331,140	2,236,140	2,236,140
Total Personal Services & Non-Personal/Equipment	\$16,164,248	\$19,046,316	\$23,073,183	\$24,306,299
<i>Other Costs *</i>				
City-Wide Expenses	43,690,209	157,879,592	29,100,000	21,100,000
Housing Loans and Grants	33,905,324	68,702,841	8,097,168	8,097,168
Other	56,432,103	104,962,767	36,465,678	44,465,678
Other - Capital	0	0	0	0
Overhead Costs	4,070,940	1,903,388	2,245,188	2,386,402
Workers' Compensation	0	75,000	75,000	75,000
Total Other Costs	\$138,098,576	\$333,523,588	\$75,983,034	\$76,124,248
Total	\$154,262,824	\$352,569,904	\$99,056,217	\$100,430,547

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** The position counts displayed in the 2022-2023 Actuals column reflect those included in the 2022-2023 Adopted Budget.

*** 2022-2023 Actuals may not subtotal due to rounding.

**** The amounts in the 2023-2024 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

Housing Department

Department Budget Summary

	2022-2023 Actuals ***	2023-2024 Adopted ****	2024-2025 Forecast	2024-2025 Proposed
Dollars by Fund				
General Fund (001)	44,206,450	158,480,541	29,757,969	21,757,969
Affordable Housing Impact Fee Fund (452)	5,635,690	10,437,277	119,309	119,309
American Rescue Plan Fund (402)	0	0	0	0
Building Homes and Jobs Act Fund (456)	4,353,579	6,876,063	7,482,685	7,482,685
Community Development Block Grant Fund (441)	10,806,410	15,736,542	6,493,684	6,595,689
Emergency Reserve Fund (406)	1,490,515	0	0	0
Home Investment Partnership Program Trust Fund (445)	355,104	12,213,334	3,670,212	3,730,302
Homeless Housing, Assistance, and Prevention Fund (454)	8,423,279	38,301,994	11,761,666	11,975,338
Housing Trust Fund (440)	2,949,612	4,403,407	1,312,146	1,312,146
Inclusionary Fee Fund (451)	385,839	13,880,220	273,172	273,172
Low And Moderate Income Housing Asset Fund (346)	34,999,309	50,429,126	14,235,561	14,235,561
Multi-Source Housing Fund (448)	37,194,404	38,085,041	7,424,091	8,422,654
Real Property Transfer Tax Fund (404)	0	0	12,292,739	20,292,739
Rental Stabilization Program Fee Fund (450)	3,462,635	3,726,359	4,232,983	4,232,983
Total	\$154,262,824	\$352,569,904	\$99,056,217	\$100,430,547
Positions by Core Service **				
Affordable Housing Portfolio Management	12.50	11.50	13.00	13.00
Homelessness Response and Solutions	13.00	18.00	25.89	32.59
Housing Production and Preservation	13.00	19.00	13.10	13.10
Neighborhood Investments	8.60	7.60	6.45	7.75
Rent Stabilization and Tenant Protections	17.07	18.07	17.77	17.77
Strategic Support - Community & Economic Development	26.58	26.58	25.49	25.49
Strategic Support - Other - Community & Economic Development	14.75	8.75	1.80	1.80
Total	105.50	109.50	103.50	111.50

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*** 2022-2023 Actuals may not subtotal due to rounding.

**** The amounts in the 2023-2024 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

Housing Department

Department Budget Summary

	2022-2023	2023-2024	2024-2025	2024-2025	2024-2025
	Actuals **	Adopted	Forecast	Proposed	Proposed Positions

Dollars by Program*

Affordable Housing Portfolio Management

Loan Collections	31,678	0	0	0	0.00
Loan Compliance	2,838,627	2,314,978	2,768,657	2,768,657	12.00
Property Maintenance and Inspection	902,290	1,884,464	1,901,388	1,901,388	1.00
Sub-Total	3,772,596	4,199,442	4,670,045	4,670,045	13.00

Housing Production and Preservation

Affordable Housing Development Loans	29,493,427	76,874,644	2,952,783	2,952,783	5.90
Homeownership Opportunities	137,019	270,000	0	0	0.00
Inclusionary Housing	197,678	342,888	399,527	399,527	2.00
Permanent Supportive Housing (PSH)	0	0	514,386	514,386	1.00
Rehabilitation Loans and Grants	171,670	965,397	851,636	851,636	4.20
Sub-Total	29,999,794	78,452,929	4,718,332	4,718,332	13.10

Homelessness Response and Solutions

Congregate Shelter	0	0	0	0	0.00
Homeless Administrative Support	0	0	1,363,583	1,363,583	6.47
Homeless Hygiene & Meals	0	0	2,000,715	2,016,681	0.10
Homeless Outreach and Case Management	9,691,640	63,545,168	0	0	0.00
Homeless Outreach and Engagement	0	0	11,263,854	11,647,042	15.76
Homeless Prevention, Shelter Diversion and Rental Assistance	0	0	6,746,992	7,365,942	9.06
Homeless Supportive Services	0	0	225,000	225,000	0.00
Interim Housing Construction and Operations	0	0	42,629,355	42,656,391	0.60
Interim Supportive Housing Development	554,340	15,401,842	0	0	0.00
Joint Encampment Response Team	925,319	265,482	0	0	0.00
Rapid Rehousing (RRH)	0	0	4,546,658	4,546,658	0.60
Tenant Based Rental Assistance and Rapid Rehousing	13,469,793	12,170,295	0	0	0.00
Sub-Total	24,641,093	91,382,787	68,776,157	69,821,297	32.59

Neighborhood Investments

Community Development Block Grant - Infrastructure Investments	2,987,694	8,299,166	3,886,141	3,977,043	4.55
Neighborhood Stabilization	174,357	0	0	0	0.00
Non-Profit Service Grants to Support Housing and Community Development Needs	19,215,460	28,240,843	4,668,454	4,765,528	3.20
Place-Based Neighborhood Strategy	221,861	9,500	9,500	9,500	0.00
Sub-Total	22,599,372	36,549,509	8,564,095	8,752,071	7.75

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Housing Department

Department Budget Summary

	2022-2023 Actuals **	2023-2024 Adopted	2024-2025 Forecast	2024-2025 Proposed	2024-2025 Proposed Positions
Dollars by Program*					
Rent Stabilization and Tenant Protections					
Apartment Rent Ordinance Administration	2,021,757	3,107,258	2,756,275	2,756,275	12.52
Housing Anti-Retaliation and Protection	0	0	731,694	731,694	4.10
Mobilehome Rent Ordinance Administration	480,423	227,078	219,111	219,111	1.15
Sub-Total	2,502,180	3,334,336	3,707,080	3,707,080	17.77
Strategic Support - Community & Economic Development					
Housing Emergency Response and Recovery	19,355,147	24,127,245	0	0	0.00
Housing Management and Administration	5,551,139	4,726,815	4,325,690	4,325,690	19.09
Housing Planning and Policy Development	1,129,681	1,359,305	1,460,781	1,460,781	6.40
Sub-Total	26,035,967	30,213,365	5,786,471	5,786,471	25.49
Strategic Support - Other - Community & Economic Development					
Housing Other Departmental - City-Wide	15,769,182	106,081,601	479,302	479,302	1.80
Housing Other Departmental - Grants	25,020,983	34,547	34,547	34,547	0.00
Housing Other Operational - Administration	3,395	0	0	0	0.00
Housing Overhead - Community and Economic Development	3,917,582	1,903,388	1,921,729	2,062,943	0.00
Housing Transfers	682	343,000	0	0	0.00
Housing Workers' Compensation	0	75,000	75,000	75,000	0.00
Sub-Total	44,711,823	108,437,536	2,510,578	2,651,792	1.80
Strategic Support - Other - Neighborhood Services					
Housing Overhead - Neighborhood Services	0	0	323,459	323,459	0.00
Sub-Total	0	0	323,459	323,459	0.00
Total	\$154,262,824	\$352,569,904	\$99,056,217	\$100,430,547	111.50

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Housing Department

Budget Reconciliation

Personal Services and Non-Personal/Equipment

(2023-2024 Adopted to 2024-2025 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
Prior Year Budget (2023-2024):	109.50	19,046,316	600,949
Base Adjustments			
One-Time Prior Year Expenditures Deleted			
• Housing Grants Management Staffing (4.0 Analyst II, 1.0 Staff Specialist)	(5.00)	(856,190)	0
• West Valley Community Services		(75,000)	0
• Community Seva		(10,000)	(10,000)
• Recovery Café San José Nutrition-Dense Meal Program		(10,000)	(10,000)
• Rent Stabilization Program – Non-Rent Controlled Apartment Units Fee		116,000	0
One-Time Prior Year Expenditures Subtotal:	(5.00)	(835,190)	(20,000)
Technical Adjustments to Costs of Ongoing Activities			
• Salary/Benefit changes		1,473,344	77,020
• Amendment to the City Pay Plan for Various Classifications (City Council approval on March 5, 2024) (2.0 Therapeutic Specialist)	(2.00)	0	0
• Shift from the Office of Economic Development and Cultural Affairs for Housing Catalyst Staffing (1.0 Senior Development Officer)	1.00	227,300	0
• Fund Shift: Measure E - 5% Program Administration	0.00	1,606,690	0
• Fund Shift: Housing Department Staffing	0.00	804,197	0
• Fund Shift: Measure E - Housing Homeless Response Staff (Program Admin)	0.00	750,526	0
• Budget Program Realignment: Interim Housing, Homeless Prevention, Sheltering, and Rehousing	0.00	0	0
Technical Adjustments Subtotal:	(1.00)	4,862,057	77,020
2024-2025 Forecast Base Budget:	103.50	23,073,183	657,969
Budget Proposals Recommended			
1. Rent Stabilization and Eviction Prevention Staffing	4.00	618,950	0
2. Housing Grants Program Management Staffing	4.00	614,166	0
Total Budget Proposals Recommended	8.00	1,233,116	0
2024-2025 Proposed Budget Total	111.50	24,306,299	657,969

Housing Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
1. Rent Stabilization and Eviction Prevention Staffing <i>Neighborhood Services CSA</i> <i>Homelessness Response and Solutions Core Service</i> <i>Homeless Prevention, Shelter Diversion and Rental Assistance Program</i>	4.00	618,950	0
<p>This action continues 2.0 Analyst II positions and adds 1.0 Analyst II and 1.0 Staff Specialist positions, through June 30, 2025, funded by a State of California grant received in fiscal year 2023-2024. Funds were allocated to support the Eviction Diversion Program which 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. Functions performed by staff include attending the Santa Clara Superior Court two to three times a week during the unlawful detainer (eviction) calendar and for the weekly courthouse clinic; screening cases for eligibility; case management of eviction diversion cases including coordinating with court staff, mediators, parties, landlord and tenant attorneys and community service organizations; and responding to eviction prevention inquiries via phone, emails, and walk-in. The Program will continue efforts to connect at least 3,000 households facing eviction with resources and services, hold at least 40 weekly workshops at the Santa Clara County Superior courthouse to assist tenants and landlords involved in eviction court actions, and stabilize at least 125 low-income households and compensate landlords involved in eviction court actions through the Program. (Ongoing costs: \$0)</p>			
2. Housing Grants Program Management Staffing <i>Community and Economic Development CSA</i> <i>Neighborhood Investments Core Service</i> <i>Community Development Block Grant – Infrastructure Investments and Non-Profit Service Grants to Support Housing and Community Development Needs Programs</i> <i>Neighborhood Services CSA</i> <i>Homelessness Response and Solutions Core Service</i> <i>Homeless Hygiene & Meals, Homeless Outreach and Engagement, and Interim Housing Construction and Operations Programs</i>	4.00	614,166	0
<p>This action continues 3.0 Analyst II and 1.0 Staff Specialist positions, through June 30, 2025, funded by a combination of Multi-Source Housing Fund, federal grant programs (Community Development Block Grant, Emergency Shelter Grant, Home Investment Partnership Program, and Housing Opportunities for Persons with AIDS Program), and State grant programs (Homeless Housing, and Assistance and Prevention grant and Encampment Resolution Funding grant) to administer contracts with various agencies and vendors. Staff will perform agreement development and management, performance tracking, non-profit agency support, community engagement, and reporting to distribute and monitor influx of grant funding related to federal and State programs to support community response and recovery for vulnerable residents. The Grants Program Management Team is currently managing 85 agreements and will manage an additional five or more new agreements in 2024-2025. (Ongoing costs: \$0)</p>			
2024-2025 Proposed Budget Changes Total	8.00	1,233,116	0

Housing Department

Performance Summary

Four Key Budget Performance Measure Measurement Areas



Access - How well does a service enable access, participation, visitation, and usage? How well does the service lead to its intended outcome or opportunity pathway?

Customer Satisfaction - How well does a service meet customer needs? How well does a service resolve a customer's problem? How well does a service deliver its intended experience for a customer?

Reliability and Responsiveness - How well does a service meet response time targets? How well does a service deliver resolution? How well does a service meet its efficiency goals?

Cost Effectiveness - How well does a service resource deliver its intended outcome? How well does a service resource deliver its intended output?

Affordable Housing Portfolio Management

Performance Measures

		2022-2023 Actual	2023-2024 Target	2023-2024 Estimate	2024-2025 Target	
★★★	PM 1	# of portfolio units brought into compliance with safe and sanitary condition requirements within 90 days:				
		- Projects inspected	79	95	102	105
		- Units inspected	1,116	1,342	1,442	1,470
	PM 2	% of affordable housing units occupied				
		99%	95%	99%	97%	

Housing Department

Performance Summary

Affordable Housing Portfolio Management

Activity and Workload Highlights

		2022-2023 Actual	2023-2024 Forecast	2023-2024 Estimate	2024-2025 Forecast
<i>AWH</i> 1	# of single-family Loan Management transactions (refinances, subordinations, assumptions, payoffs)	59	40	37	45
	Single Family Rehabilitation and/or Homebuyer loans:				
	- Total loan principal (\$):				
	o Project Loans	\$603,255,479	\$691,993,305	\$691,993,305	\$772,684,305
	o Rehabilitation and Homebuyer Loans	\$49,257,419	\$46,636,773	\$46,636,773	\$45,000,000
<i>AWH</i> 2	o Multi-family Acquisition/Rehabilitation loans	0	0	0	\$5,000,000
	o Total	\$652,512,898	\$738,630,078	\$738,630,078	\$822,684,305
	- Total number of loans:				
	o Project Loans	163	166	166	171
	o Rehabilitation and Homebuyer Loans	843	809	809	774
	o Multi-family Acquisition/Rehabilitation loans	0	0	0	1
	o Total	1,006	975	975	946
	# of City invested and issued bonds for affordable rental units:				
<i>AWH</i> 3	- Direct investment/loans	639	145	145	529
	- Issued bonds	559	145	145	529
<i>AWH</i> 4	# of income restricted for sale homes	0	4	4	0
<i>AWH</i> 5	# of existing units refinanced to keep them affordable	0	227	227	148

Data Sources: Affordable Housing Portfolio Management






Number	Data Source
<i>PM</i> 1	Asset Management
<i>PM</i> 2	Asset Management
<i>AWH</i> 1	Asset Management
<i>AWH</i> 2	Asset Management
<i>AWH</i> 3	Project Tracker, City council memos
<i>AWH</i> 4	Project Tracker
<i>AWH</i> 5	Project Tracker, Amended Affordability Restrictions

Housing Department

Performance Summary

Housing Production and Preservation

Performance Measures

			2022-2023 Actual	2023-2024 Target	2023-2024 Estimate	2024-2025 Target
	PM 1	% of funding committed to Black, Indigenous, and People of Color (BIPOC)/Emerging Developers in the last fiscal year	0%	0%	0%	0%
	PM 2	% City annual moderate housing Regional Housing Needs Allocation (RHNA) goal met through Accessory Dwelling Unit permits approved	N/A ¹	30%	30%	30%
	PM 3	Average per unit subsidy in funding commitments for new construction projects	\$200,950	\$125,000	\$140,500	\$125,000
	PM 4	<p>PM 4a: % of housing units preserved by type:</p> <ul style="list-style-type: none"> - Permanent Supportive housing: 0% 44% 44% 30% <p>PM 4b: % of housing units preserved by type:</p> <ul style="list-style-type: none"> - Family 100% 100% 75% 74% - Seniors 0% 0% 25% 26% 				
	PM 5	<p>PM 5a: % of housing units completed by type:</p> <ul style="list-style-type: none"> - Permanent Supportive Housing 21% 30% 29% 18% - Rapid Rehousing 0% 3% 4% 33% <p>PM 5b: % of housing units completed by type:</p> <ul style="list-style-type: none"> - Disabled 0% 5% 6% 0% - Family 62% 72% 64% 88% - Seniors 38% 20% 28% 0% - Veterans 0% 4% 2% 0% - Youth 0% 0% 0% 12% 				

¹ Data not available. Tracking beginning in 2023-2024.

Housing Department

Performance Summary

Housing Production and Preservation

Activity and Workload Highlights

		2022-2023 Actual	2023-2024 Forecast	2023-2024 Estimate	2024-2025 Forecast
AWH 1	# of affordable housing units completed	214	737	515	340
	New Construction Funding Subsidy:				
AWH 2	- # of affordable units	240	574	574	271
	- \$ in funding commitments	\$50,060,000	\$79,151,066	\$79,151,066	\$45,275,000
	Funding committed for total affordable housing units by area:				
AWH 3	- Overall	\$50,060,000	\$79,151,066	\$79,151,066	\$45,275,000
	o Continued investment areas	\$40,610,000	\$51,448,193	\$52,700,000	\$29,428,750
	o Housing Expansion Area	\$9,450,000	\$27,702,873	\$26,451,066	\$15,846,250
	AWH 4a: # of housing units preserved by type:				
	- Permanent Supportive Housing	0	134	134	40
AWH 4	AWH 4b # of housing units preserved by type:				
	- Family	261	303	227	239
	- Seniors	0	0	76	84
	AWH 5a: # of housing units completed by type:				
	- Permanent Supportive Housing	46	225	155	60
	- Rapid Rehousing	0	23	23	109
AWH 5	AWH 5b: # of housing units completed by type:				
	- Disabled	0	34	34	0
	- Family	133	539	335	290
	- Seniors	81	147	147	0
	- Veterans	0	31	11	0
	- Youth	0	0	0	40

Housing Department

Performance Summary

Data Sources: Housing Production and Preservation

Number	Data Source
<i>PM 1</i>	Project Tracker, City Council memos
<i>PM 2</i>	Housing Element Annual Performance Report
<i>PM 3</i>	Project tracker, City Council memos
<i>PM 4a</i>	Project Tracker, Project Descriptions
<i>PM 4b</i>	Project Tracker, Project Descriptions
<i>PM 5a</i>	Project Tracker, Project Descriptions
<i>PM 5b</i>	Project Tracker, Project Descriptions
<i>AWH 1</i>	Project Tracker, Temporary/Final Certificate of Occupancy
<i>AWH 2</i>	Project Tracker, City Council memos
<i>AWH 3</i>	Project Tracker, City council memos, Siting policy
<i>AWH 4a</i>	Project Tracker, Project Descriptions
<i>AWH 4b</i>	Project Tracker, Project Descriptions
<i>AWH 5a</i>	Project Tracker, Project Descriptions
<i>AWH 5b</i>	Project Tracker, Project Descriptions

Housing Department

Performance Summary

Homelessness Response and Solutions

Performance Measures

		2022-2023 Actual	2023-2024 Target	2023-2024 Estimate	2024-2025 Target
	Average length of stay (days) for San José funded Temporary / Interim Housing and Safe Parking:				
PM 1	- Temporary Programs	18	6	6	7
	- Interim Programs	175	200	210	220
	- Safe Parking Programs	N/A ²	50	75	98
	% of clients based on exits for all San José funded shelter programs:				
PM 2	- Permanent	40%	35%	35%	35%
	- Temporary	27%	35%	35%	35%
	- Refused to notify	19%	17%	17%	17%
	- Unsuccessful	12%	12%	13%	13%
	- Death	1%	1%	0%	0%
	% Unit occupancy of each shelter type:				
PM 3	- Interim Housing/Temporary Sites ¹	89%	88%	90%	90%
	- Safe Parking	N/A ²	61%	80%	95%
	% of individuals who return to homelessness from San José funded programs by program type:				
PM 4	- Interim and Temporary Housing Programs	11%	10%	10%	11%
	- Outreach and Safe Parking Programs	10%	9%	10%	10%
	- Rapid ReHousing programs	9%	18%	17%	16%
	% of clients that moved to sheltered homelessness by program enrollment:				
PM 5	- Outreach Programs	19%	18%	17%	17%
	- Safe Parking Programs	N/A ²	N/A ²	N/A ²	5%

¹ SureStay Interim Shelter excluded from calculation due to data quality.

² Safe Parking Program enrolled first client on July 17, 2023.

Housing Department

Performance Summary

Homelessness Response and Solutions

Activity and Workload Highlights

		2022-2023 Actual	2023-2024 Forecast	2023-2024 Estimate	2024-2025 Forecast
<i>AWH 1</i>	# of San José affiliated homeless individuals who secured new permanent housing:				
	- Chronically	751	424	800	800
	- Non-chronically	1,274	564	1,000	1,000
<i>AWH 2</i>	# of San José affiliated households accessing prevention services	1,684	899	1,800	1,800
<i>AWH 3</i>	# of San José affiliated homeless individuals assessed with Vulnerability Index – Service Prioritization Decision Assistance Tool (VISPDAT) and entered the Santa Clara County Homeless Management Information System (HMIS) system for the first time	4,650	1,650	3,000	3,000

Data Sources: Homelessness Response and Solutions



Number	Data Source
<i>PM 1</i>	Clarity Human Services Homeless Management Information System (HMIS)
<i>PM 2</i>	Clarity Human Services Homeless Management Information System (HMIS)
<i>PM 3</i>	Clarity Human Services Homeless Management Information System (HMIS)
<i>PM 4</i>	Clarity Human Services Homeless Management Information System (HMIS)
<i>PM 5</i>	Clarity Human Services Homeless Management Information System (HMIS)
<i>AWH 1</i>	Clarity Human Services Homeless Management Information System (HMIS)
<i>AWH 2</i>	Clarity Human Services Homeless Management Information System (HMIS)
<i>AWH 3</i>	Clarity Human Services Homeless Management Information System (HMIS)

Housing Department

Performance Summary

Neighborhood Investments

Performance Measures

			2022-2023 Actual	2023-2024 Target	2023-2024 Estimate	2024-2025 Target
	PM 1	% of Community Development Block Grants (CDBG) reimbursement invoices processed within 30 days of receipt containing required documentation	90%	90%	90%	90%
	PM 2	% of Community Development Block Grants (CDBG) funds used for projects by type:				
		- Public Services	15%	15%	15%	15%
		- Community Development Investment (CDI) Non-Construction Projects	33%	33%	33%	33%
		- Community Development Investment (CDI) Construction Projects	55%	42%	42%	17%

Housing Department

Performance Summary

Neighborhood Investments

Activity and Workload Highlights

		2022-2023 Actual	2023-2024 Forecast	2023-2024 Estimate	2024-2025 Forecast
	# of rehabilitation projects completed:				
AWH 1	- Rehabilitation projects	2	1	1	1
	- Minor repair	222	230	230	230
	- Total	224	231	231	231
	Grant funding for low-income residents to provide Senior Nutrition meals:				
AWH 2	- Amount (\$)	\$302,875	\$452,530	\$452,530	\$302,530
	- # of residents	270	300	300	300
	# of U.S. Department of Housing and Urban Development (HUD) grants disbursed to the community:				
AWH 3	- # of residents impacted by Housing disbursed grants (approximate)	20,799 ¹	6,500	6,500	6,500
	- # programs supported by Housing disbursed grants	22 ²	17	17	17
	- # of organizations supported by Housing disbursed grants	28 ²	18	18	18
	# of enhanced code enforcement program for multifamily housing inspections funded by Community Development Block Grants (CDBG) by neighborhood:				
AWH 4	- Enhanced Code Program	427	430	430	430

¹ The total number of participants was higher than usual in 2022-2023 due to inclusion of the Food Distribution Program.

² The 2022-2023 Actual include programs using federal COVID-19 funds.

Data Sources: Neighborhood Investments




Number	Data Source
PM 1	Fiscal Team tracking reports
PM 2	Quarterly Reports
AWH 1	Quarterly Reports
AWH 2	N/A
AWH 3	Quarterly Reports
AWH 4	Quarterly Reports

Housing Department

Performance Summary

Rent Stabilization and Tenant Protection

Performance Measures

			2022-2023 Actual	2023-2024 Target	2023-2024 Estimate	2024-2025 Target
	PM 1	% of households stabilized by eviction diversion program of total cases received	84%	84%	83%	84%
★★★	PM 2	% of tenant/landlord petitions resolved	81%	90%	72%	90%
★★★	PM 3	% of tenant/landlord petitions that resulted in voluntary agreement without an appeal	45%	50%	31%	50%
	PM 4	% of rent-stabilized units registered annually with the Rent Stabilization Program Rent Registry	96%	90%	95%	90%
	PM 5	% of Rent Stabilization Program inquires received by intake channel:				
		- Rent Stabilization program	43%	44%	37%	45%
		- Legal Services advice and neutral tenant/landlord counseling hotlines	11%	13%	8%	25%
		- Eviction Prevention Program	46%	44%	55%	35%

Housing Department

Performance Summary

Rent Stabilization and Tenant Protections

Activity and Workload Highlights

		2022-2023 Actual	2023-2024 Forecast	2023-2024 Estimate	2024-2025 Forecast
<i>AWH 1</i>	# of mobilehome and apartment client interactions with the Rent Stabilization Program:				
	- Mobile Home	128	125	83	125
	- Apartment	5,742	5,000	4,829	6,000
	# of tenant petitions submitted for:				
<i>AWH 2</i>	- Housing services reduction	75	70	52	75
	- Unlawful rent	15	10	8	10
<i>AWH 3</i>	# of Rent Stabilization and Tenant Protection outreach events:				
	- Number of events	97	100	120	100
<i>AWH 4</i>	# of Rent Stabilization and Tenant Protection property owner workshops and meetings:				
	- Number of events	N/A ¹	4	7	4
	- Number of attendees	N/A ¹	100	130	100
	Eviction Prevention:				
	- # of eviction concern interactions with the tenants and property owners	6,160	5,000	7,100	4,000
<i>AWH 5</i>	- # of tenants and property owners assisted during the unlawful detainer (eviction) calendar at Santa Clara County Superior Court	662	300	335	300
	- # of eviction diversion assistance requests received	235	175	200	175
	- # of households stabilized by eviction diversion program	197	125	135	125

¹ Data is not available as this did not become a work item until 2023-2024.

Data Sources: Rent Stabilization and Tenant Protections

Number	Data Source
<i>PM 1</i>	EDSP Combined Data FY23-24.xlsx; EDSP Combined Data.xlsx
<i>PM 2</i>	Salesforce
<i>PM 3</i>	Salesforce
<i>PM 4</i>	Salesforce
<i>PM 5</i>	Salesforce; Tenants' Rights Reports; 01.Data Tracker FY23-24; Reference files for FY21-23 Report
<i>AWH 1</i>	Salesforce
<i>AWH 2</i>	Salesforce
<i>AWH 3</i>	Salesforce
<i>AWH 4</i>	Housing Provider Meeting & Workshops.xlsx
<i>AWH 5</i>	Data Tracker FY23-24; Reference files for FY21-23 Report

Housing Department

Department Position Detail

Position	2023-2024 Adopted	2024-2025 Proposed	Change
Account Clerk I/II	1.00	1.00	-
Accountant I/II	1.00	1.00	-
Accounting Technician	1.00	1.00	-
Administrative Assistant	1.00	1.00	-
Administrative Officer	1.00	1.00	-
Analyst I/II	28.00	30.00	2.00
Assistant Director	1.00	1.00	-
Assistant to the Director	1.00	1.00	-
Building Maintenance Superintendent	1.00	1.00	-
Building Rehabilitation Inspector I/II	3.00	3.00	-
Building Rehabilitation Supervisor	0.00	0.00	-
Deputy Director	2.00	2.00	-
Development Officer	17.00	17.00	-
Development Specialist	4.00	4.00	-
Development Specialist PT	0.50	0.50	-
Director of Housing	1.00	1.00	-
Division Manager	4.00	4.00	-
Housing Policy and Plan Administrator	3.00	3.00	-
Information Systems Analyst	1.00	1.00	-
Office Specialist I/II	3.00	3.00	-
Public Information Manager	1.00	1.00	-
Public Information Representative I/II	2.00	2.00	-
Senior Accountant	1.00	1.00	-
Senior Analyst	4.00	4.00	-
Senior Development Officer	14.00	15.00	1.00
Senior Supervisor, Administration	1.00	1.00	-
Senior Systems Applications Programmer	1.00	1.00	-
Staff Specialist	8.00	9.00	1.00
Student Intern PT	1.00	1.00	-
Therapeutic Specialist	2.00	0.00	(2.00)
Total Positions	109.50	111.50	2.00

Human Resources Department

Jennifer Schembri, Director

MISSION

Our Human Resources team recognizes that our employees power the City of San José and our success as a City is dependent on our ability to create a dynamic and engaged workforce. Our employees' ability to provide excellent service is strengthened when we invest in attracting talent, providing opportunities for career growth, enabling an environment focused on health, safety, and wellness, and retaining a diverse workforce in a workplace that is equitable and inclusive.

CITY SERVICE AREA

Strategic Support

CORE SERVICES

EMPLOYEE BENEFITS

Provide benefit programs that best meet the needs of employees, retirees, their dependents, and the City, and assist participants in effectively utilizing their plans.

EMPLOYMENT SERVICES

Facilitate the City's ability to attract and hire a diverse and talented workforce.

HEALTH AND SAFETY

Provide services that promote employee health, safety, and well-being.

TRAINING AND DEVELOPMENT

Provide Citywide employee training and pipeline development programs that support employee recruitment, growth, engagement, and retention.

Strategic Support: Citywide Human Resources Systems Management and Records Management, Departmental Administration, Customer Service, Personnel Management, Financial Management, and Emergency Response and Recovery

Human Resources Department

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Employee Benefits Core Service</i>	
Deferred Compensation	Manages the Voluntary and Non-Voluntary Employee Deferred Compensation contribution and related non-personal and personal administrative expenses.
Dental Benefits	Manages the City's dental benefits provided to City employees and their dependents.
Medical Benefits	Manages the City's medical benefits provided to City employees and their dependents.
Other Benefits	Manages the other City benefits provided to City employees and their dependents, such as Life Insurance, Unemployment, Vision, etc.
<i>Employment Services Core Service</i>	
Classification Services	Ensures that positions are properly classified, described, and aligned to support organizational effectiveness and efficiency. In addition, this program determines appropriate salary ranges for new and existing classifications by conducting market and internal equity analyses.
Recruiting/Hiring	Manages recruitment, assessment, and hiring processes to meet the City's staffing needs. In addition, this program is responsible for managing placements, bumping, redeployment, and layoffs, as necessary.
<i>Health and Safety Core Service</i>	
Employee Safety	Provides comprehensive safety services for 16 City Departments, various City-wide safety trainings, and analysis of work injury data for accident prevention.
Employee Health Services	Provides occupational medical services, including pre-employment physicals, medical testing and surveillance, blood-borne pathogen testing, and general wellness screenings.
Workers' Compensation Administration	Provides state-mandated benefits for employees injured on the job.
<i>Training and Development Core Service</i>	
Employee Training and Development	Provides training for employees City-wide and coordination with departments to support retention and workforce development activities by engaging local educational institutions (K-12 to universities) in activities that will encourage the next generation to consider the City of San José as an attractive career opportunity.
<i>Strategic Support Core Service</i>	
Human Resources Management and Administration	Provides city-wide Human Resources Systems Management and Records Management as well as administrative oversight for the department, including executive management, financial management, and human resources.
Human Resources Emergency Response and Recovery	Provides for the coordination and delivery of emergency services and recovery activities.

Human Resources Department

Department Budget Summary

Expected 2024-2025 Service Delivery

- Hiring for Talent: Continue to reduce vacancies by evaluating, streamlining, and innovating for effective hiring practices and building long-term capacity through strategic pipeline programs.
- Offer a Diverse Menu of Benefits: Improve the City's strategy for offering an attractive package of benefits to our employees, including streamlining our systems, policies, and practices to be employee-centric and efficient, and implement targeted wellness programs.
- Injury Prevention and Supporting Injured Workers: In partnership with departments, build a city-wide culture and series of programs that are focused on keeping employees safe and well. In the event of an injury, ensure that the Third-Party Administrator (TPA) for the City's Workers' Compensation Program provides responsible and appropriate workers' compensation services.
- Citywide Training and Development: Prioritize a robust set of programs to complement departmental offerings and support employee growth and development.

2024-2025 Key Budget Actions

- Eliminates 1.0 vacant Program Manager position, extends 3.0 Analyst I/II and adds 1.0 Senior Analyst positions, through June 30, 2025, in the Employment Division to advance recruitment efforts previously initiated under the Recruitment Centralization Pilot Program.
- Extends 1.0 Analyst I/II position through June 30, 2025 to continue supporting classification and salary analyses on a case-by-case basis in response to requests by departments, generally prompted by difficulty to hire certain classifications, or as a result of a meet and confer process.
- Eliminates the City-Wide Expenses budget for Fellowship Support, which provides ongoing funding for fellowships, such as with FUSE and the Packard Foundation, delegating sponsorship to departments, as desired.
- Decreases ongoing non-personal/equipment funding for Learning and Development initiatives by \$75,000.

Operating Funds Managed

- Benefit Funds – Benefit Fund
- Benefit Funds – Dental Insurance Fund
- Benefit Funds – Life Insurance Fund
- Benefit Funds – Unemployment Insurance Fund
- Benefit Funds – Self Insured Medical Fund

Human Resources Department

Department Budget Summary

	2022-2023 Actuals ***	2023-2024 Adopted ****	2024-2025 Forecast	2024-2025 Proposed
Dollars by Core Service				
Employee Benefits	98,445,588	108,633,830	121,081,930	121,081,930
Employment Services	4,106,078	4,874,239	4,630,608	5,200,988
Health and Safety	6,841,565	6,847,355	7,626,689	7,626,689
Strategic Support - Other - Strategic Support	1,934,776	2,348,498	2,308,903	2,131,687
Strategic Support - Strategic Support	2,078,225	2,502,425	1,633,749	1,633,749
Training and Development	1,018,400	1,957,997	2,263,931	2,188,931
Total	\$114,424,631	\$127,164,344	\$139,545,810	\$139,863,974
Dollars by Category				
Personal Services and Non-Personal/Equipment				
Salaries/Benefits	9,161,032	11,472,805	11,146,079	11,716,459
Overtime	32,033	28,018	28,018	28,018
Subtotal Personal Services	\$9,193,066	\$11,500,823	\$11,174,097	\$11,744,477
Non-Personal/Equipment	6,227,633	6,723,273	6,845,810	6,770,810
Total Personal Services & Non-Personal/Equipment	\$15,420,699	\$18,224,096	\$18,019,907	\$18,515,287
Other Costs *				
City-Wide Expenses	663,022	434,400	317,216	140,000
Employee/Retiree Benefits	95,461,464	105,019,140	117,767,000	117,767,000
Housing Loans and Grants	0	0	0	0
Other	0	449,610	0	0
Other - Capital	0	0	0	0
Overhead Costs	531,052	537,098	591,687	591,687
Workers' Compensation	2,348,394	2,500,000	2,850,000	2,850,000
Total Other Costs	\$99,003,932	\$108,940,248	\$121,525,903	\$121,348,687
Total	\$114,424,631	\$127,164,344	\$139,545,810	\$139,863,974

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** The position counts displayed in the 2022-2023 Actuals column reflect those included in the 2022-2023 Adopted Budget.

*** 2022-2023 Actuals may not subtotal due to rounding.

**** The amounts in the 2023-2024 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

Human Resources Department

Department Budget Summary

	2022-2023 Actuals ***	2023-2024 Adopted ****	2024-2025 Forecast	2024-2025 Proposed
Dollars by Fund				
General Fund (001)	15,490,723	17,983,302	17,839,042	18,157,206
Benefits Funds - Benefit Fund (160)	83,098,309	92,317,639	104,286,552	104,286,552
Benefits Funds - Dental Insurance Fund (155)	12,511,661	13,108,848	13,360,533	13,360,533
Benefits Funds - Life Insurance Fund (156)	1,834,929	1,879,134	1,973,519	1,973,519
Benefits Funds - Unemployment Insurance Fund (157)	581,582	734,502	832,585	832,585
Building Development Fee Program Fund (237)	30,708	35,862	39,753	39,753
Integrated Waste Management Fund (423)	27,894	37,000	41,733	41,733
Library Parcel Tax Fund (418)	72,473	91,772	87,856	87,856
Low And Moderate Income Housing Asset Fund (346)	37,093	37,258	50,007	50,007
Planning Development Fee Program Fund (238)	18,361	23,908	26,516	26,516
Public Works Program Support Fund (150)	201,939	231,545	234,244	234,244
San José-Santa Clara Treatment Plant Operating Fund (513)	319,885	428,165	477,246	477,246
Sewer Service And Use Charge Fund (541)	38,201	44,672	56,950	56,950
Storm Sewer Operating Fund (446)	54,330	75,431	86,219	86,219
Vehicle Maintenance And Operations Fund (552)	91,085	114,883	128,109	128,109
Water Utility Fund (515)	15,458	20,423	24,946	24,946
Total	\$114,424,631	\$127,164,344	\$139,545,810	\$139,863,974
Positions by Core Service **				
Employee Benefits	12.00	12.00	12.00	12.00
Employment Services	20.50	26.50	21.50	25.50
Health and Safety	6.00	6.00	6.00	6.00
Strategic Support - Strategic Support	10.00	11.00	8.00	8.00
Training and Development	3.00	6.00	8.00	8.00
Total	51.50	61.50	55.50	59.50

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** The position counts displayed in the 2022-2023 Actuals column reflect those included in the 2022-2023 Adopted Budget.

*** 2022-2023 Actuals may not subtotal due to rounding.

**** The amounts in the 2023-2024 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

Human Resources Department

Department Budget Summary

	2022-2023 Actuals **	2023-2024 Adopted	2024-2025 Forecast	2024-2025 Proposed	2024-2025 Proposed Positions
Dollars by Program*					
Employee Benefits					
Deferred Compensation	1,839,174	2,203,047	2,450,799	2,450,799	1.55
Dental Benefits	12,445,458	13,060,760	13,307,602	13,307,602	1.11
Medical Benefits	67,028,605	75,439,763	86,629,000	86,629,000	6.06
Other Benefits	17,132,351	17,930,260	18,694,529	18,694,529	3.28
Sub-Total	98,445,588	108,633,830	121,081,930	121,081,930	12.00
Employment Services					
Classification Services	491,485	559,168	503,832	661,898	3.00
Recruiting/Hiring	3,614,593	4,315,071	4,126,776	4,539,090	22.50
Sub-Total	4,106,078	4,874,239	4,630,608	5,200,988	25.50
Health and Safety					
Employee Health Services	359,727	592,831	992,403	992,403	1.50
Employee Safety	663,575	808,917	778,132	778,132	2.50
Workers' Compensation Administration	5,818,263	5,445,607	5,856,154	5,856,154	2.00
Sub-Total	6,841,565	6,847,355	7,626,689	7,626,689	6.00
Strategic Support - Other - Strategic Support					
Human Resources Other Departmental - City-Wide	340,236	311,400	217,216	40,000	0.00
Human Resources Other Operational - Administration	4,476	0	0	0	0.00
Human Resources Overhead	531,052	537,098	591,687	591,687	0.00
Workers' Compensation - Other Departments	1,059,012	1,500,000	1,500,000	1,500,000	0.00
Sub-Total	1,934,776	2,348,498	2,308,903	2,131,687	0.00
Strategic Support - Strategic Support					
Human Resources Emergency Response and Recovery	(24,922)	0	0	0	0.00
Human Resources Management and Administration	2,103,146	2,502,425	1,633,749	1,633,749	8.00
Sub-Total	2,078,225	2,502,425	1,633,749	1,633,749	8.00
Training and Development					
Employee Training and Development	1,018,400	1,957,997	2,263,931	2,188,931	8.00
Sub-Total	1,018,400	1,957,997	2,263,931	2,188,931	8.00
Total	\$114,424,631	\$127,164,344	\$139,545,810	\$139,863,974	59.50

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** 2022-2023 Actuals may not subtotal due to rounding.

Human Resources Department

Budget Reconciliation

Personal Services and Non-Personal/Equipment

(2023-2024 Adopted to 2024-2025 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
Prior Year Budget (2023-2024):	61.50	18,224,096	15,048,902
Base Adjustments			
One-Time Prior Year Expenditures Deleted			
• Rebudgets		(377,890)	(377,890)
• Recruitment Centralization Pilot Program (1.0 Program Manager; 3.0 Analyst I/II; 1.0 Staff Specialist)	(5.00)	(801,876)	(801,876)
• Employee Training and Development Staffing		(200,000)	(200,000)
• Classification and Compensation Staffing (1.0 Analyst I/II)	(1.00)	(156,625)	(156,625)
	(6.00)	(1,536,391)	(1,536,391)
Technical Adjustments to Costs of Ongoing Activities			
• Salary/benefit changes		781,775	677,088
• Contract Services: Employee Health Services Third-Party Administration		382,121	382,121
• Contract Services: Workers' Compensation Claims Administration		80,106	80,106
• Contract Services: Dental Plan Administration and Actuarial Services		68,200	0
• Contract Services: Fingerprinting - State		20,000	20,000
	0.00	1,332,202	1,159,315
2024-2025 Forecast Base Budget:	55.50	18,019,907	14,671,826

Human Resources Department

Budget Reconciliation

Personal Services and Non-Personal/Equipment

(2023-2024 Adopted to 2024-2025 Proposed)

	<u>Positions</u>	<u>All Funds (\$)</u>	<u>General Fund (\$)</u>
<hr/> Budget Proposals Recommended <hr/>			
1. Recruitment Staffing	3.00	412,314	412,314
2. Classification and Compensation Staffing	1.00	158,066	158,066
3. Learning and Development		(75,000)	(75,000)
Total Budget Proposals Recommended	4.00	495,380	495,380
<hr/>			
2024-2025 Proposed Budget Total	59.50	18,515,287	15,167,206

*2023-2024 Adopted Budget totals presented in this publication include minor technical adjustments to personal services values that were calculated as unrounded during the development of the 2023-2024 Operating Budget. The net total of these adjustments were incorporated into Manager's Budget Addendum #61, Adoption of the 2023-2024 Operating and Capital Budgets.

Human Resources Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
1. Recruitment Staffing	3.00	412,314	412,314

***Strategic Support CSA
Employment Services Core Service
Recruiting/Hiring Program***

This action eliminates 1.0 vacant Program Manager position, extends 3.0 Analyst I/II, and adds 1.0 Senior Analyst positions, through June 30, 2025, in the Employment Division to advance recruitment efforts previously initiated under the Recruitment Centralization Pilot Program. This program was initially funded with City Council's approval of the 2022-2023 Mid-Year Budget Review to pilot strategies that advance recruitment efforts in the City and reduce the organization's vacancy rate. The City has been developing strategies in multiple areas in the Employment Division to modernize the hiring process, prepare and implement a new employment application, and advance efforts towards more strategic marketing and a more active recruiting model. The program was initially approved as an 18-month pilot with six temporary positions that began in mid-2022-2023 and were scheduled to end on June 30, 2024. The extension of the 3.0 Analyst positions and addition of 1.0 Senior Analyst position will provide continued recruiting support for departments with high vacancy rates. This action will end the Recruitment Centralization Pilot Program and shift to a program where additional resources are added to departments on an as needed basis. (Ongoing savings: \$239,961)

2. Classification and Compensation Staffing	1.00	158,066	158,066
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***Strategic Support CSA
Employment Services Core Service
Classification Services Program***

This action extends 1.0 Analyst I/II position, through June 30, 2025, to continue supporting classification and salary analyses on a case-by-case basis in response to requests by departments, generally prompted by difficulty to hire certain classifications, or as a result of a meet and confer process. This position also supports job postings, development of employment ladders, and promoting inclusive employment entry points to ensure the minimum qualifications, desirable qualifications, job classification, job title/working job title, job description, and salaries are inclusive, equitable, current, and consistent with the marketplace. As the City is still working through multiple classification studies, the position is recommended for a one-year extension. (Ongoing costs: \$0)

Human Resources Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
3. Learning and Development		(75,000)	(75,000)

Strategic Support CSA

Training and Development Core Service

Employee Training and Development Program

As a cost reduction to help bring the General Fund into structural alignment, this action reduces ongoing non-personal/equipment funding for Learning and Development initiatives by \$75,000, from \$550,000 to \$475,000. This funding supplements the prior addition of 1.0 Senior Analyst and 1.0 Analyst positions in the 2023-2024 Adopted Operating Budget to focus on pipeline efforts by engaging local educational institutions (K-12 to universities) in activities that will encourage the next generation to consider public service, local government, and the City of San José as an attractive career opportunity. This funding also supports pipeline efforts such as the San Jose State Career Day and other Career Fairs and Pipeline Events. Reduced levels will impact trainings, as well as potential pipeline events. (Ongoing savings: \$75,000)



2024-2025 Proposed Budget Changes Total	4.00	495,380	495,380
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Human Resources Department

Performance Summary

Employee Benefits

Performance Measures

	2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
 Cost of benefits administration per FTE	\$390	\$389	\$405	\$419
 % of benefited employees enrolled in the City healthcare plan with the highest employee enrollment	79%	79%	78%	78%

Activity and Workload Highlights



	2022-2023 Actual	2023-2024 Forecast	2023-2024 Estimated	2024-2025 Forecast
% of employees contributing to Deferred Compensation	72%	76%	73%	74%

Human Resources Department

Performance Summary

Employment Services

Performance Measures

	2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
 Citywide Vacancy Rate	12.40%	10%	12%	10%
 Employee Turnover Rate ¹	7.90%	6%	6.75%	6%

¹ Turnover rate excludes retirement separation.

Activity and Workload Highlights





	2022-2023 Actual	2023-2024 Forecast	2023-2024 Estimated	2024-2025 Forecast
# of positions filled:				
- New Hires	544	600	536	600
- Promotions & Laterals	688	750	633	750

Human Resources Department

Performance Summary

Health and Safety

Performance Measures

	2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
 Workers Compensation Claims Closure Rate ¹	106%	100%	103%	100%
 Timely Completion of 3-Point Contact for New Workers' Compensation Claims ²	92%	100%	95%	100%
 # of Workers' Compensation disability hours	216,107	155,000	175,950	155,000
 Expenditure for Workers' Compensation per \$100 of total City salaries, benefits, and retirement	\$2.59	\$3.10	\$2.80	\$3.10

¹ Measures the number of Workers' Compensation claims closed compared to the number of new and reopened cases.

² 3-Point Contact is a best practice in the handling of workers' compensation claims. Proper contact involves an exchange of information with the employee, the City, and the treating physician. Timely completion of 3-Point Contact started with the outsource of claims to the Third-Party Administrator in September 2018.

Activity and Workload Highlights


	2022-2023 Actual	2023-2024 Forecast	2023-2024 Estimated	2024-2025 Forecast
# of open Workers' Compensation claims	2,491	2,650	1,941	2,650
# of new Workers' Compensation claims	1,554	1,100	1,218	1,100
# of closed Workers' Compensation claims	1,353	1,110	1,254	1,100
# of employees trained in safety	1,410	2,000	4,251	2,000
Total Workers' Compensation claims costs	\$22.8M	\$23.8M	\$24.9M	\$23.8M

Human Resources Department

Performance Summary

Strategic Support

Performance Measures

	2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
 % of employee performance reviews submitted within 60 days of the end of the rating period ¹	86%	90%	80%	90%

Activity and Workload Highlights

	2022-2023 Actual	2023-2024 Forecast	2023-2024 Estimated	2024-2025 Forecast
# of Human Resources Information Systems Transactions ²	24,195	20,000	31,200	20,000

¹ Reflects the revised common standard for the timely completion of performance appraisals, in accordance with Recommendation #4 of the City Auditor's February 2024 audit report, "Non-Management Performance Appraisals: The Administration Should Improve and Clarify Appraisal Processes."

² Some transactions have been automated with staff shifting to an audit function versus data entry.

Human Resources Department

Department Position Detail

Position	2023-2024 Adopted	2024-2025 Proposed	Change
Account Clerk I/II	1.00	1.00	-
Administrative Officer	1.00	1.00	-
Analyst I/II	23.00	23.00	-
Assistant Director	1.00	1.00	-
Deputy Director	1.00	1.00	-
Director, Human Resources	0.50	0.50	-
Division Manager	3.00	3.00	-
Principal Account Clerk	1.00	1.00	-
Principal Office Specialist	2.00	2.00	-
Program Manager	5.00	3.00	(2.00)
Senior Analyst	13.00	14.00	1.00
Senior Office Specialist	2.00	2.00	-
Staff Specialist	8.00	7.00	(1.00)
Total Positions	61.50	59.50	(2.00)

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Office of the Independent Police Auditor

Eddie Aubrey, Independent Police Auditor

MISSION

To provide independent oversight of police misconduct investigations to ensure fairness, thoroughness, and objectivity

CITY SERVICE AREA

Public Safety

CORE SERVICES

INDEPENDENT POLICE OVERSIGHT

Independent civilian oversight of the San José Police Department (SJPD) by taking in complaints from members of the public about San José police officers, auditing internal and external misconduct investigations, preparing annual public reports, making recommendations to improve SJPD policies, participating in the Department's review of officer-involved shooting incidents, and conducting community outreach and engagement.

Strategic Support: Administrative Support, Independent Police Auditor Emergency Response and Recovery

Office of the Independent Police Auditor

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Independent Police Oversight Core Service</i>	
Oversight of Police Misconduct Complaints and Public Outreach	Independent civilian oversight of the San José Police Department (SJPD) by taking in complaints from members of the public about San José police officers, auditing internal and external misconduct investigations, preparing annual public reports, making recommendations to improve SJPD policies, participating in the Department's review of officer-involved shooting incidents, and conducting community outreach and engagement.
<i>Strategic Support Core Service</i>	
IPA Management and Administration	Provides administrative oversight for the department, including financial management, human resources, and analytical support.
Independent Police Auditor Emergency Response and Recovery	Provides for the coordination and delivery of emergency services and recovery activities.

Office of the Independent Police Auditor

Department Budget Summary

Expected 2024-2025 Service Delivery

- Provide mandated oversight services: conduct community outreach, perform intake of complaints from the public, audit the San José Police Department's (SJPD) Internal Affairs complaint investigations, and make recommendations to improve SJPD policies and procedures.
- Review and analyze SJPD's use of force reports.
- Leverage a mix of traditional and technological community engagement tools (e.g., social media, informational flyers/updates) to connect and reach residents of San José with an emphasis on racial equity.

2024-2025 Key Budget Actions

- Decreases non-personal/equipment funding by \$9,000 as a cost reduction to help bring the General Fund into structural alignment.

Operating Funds Managed

N/A

Office of the Independent Police Auditor

Department Budget Summary

	2022-2023 Actuals ***	2023-2024 Adopted ****	2024-2025 Forecast	2024-2025 Proposed
Dollars by Core Service				
Independent Police Oversight	1,203,337	1,492,428	1,506,654	1,497,654
Strategic Support - Other - Public Safety	67,405	1,819	0	0
Strategic Support - Public Safety	0	136,176	147,809	147,809
Total	\$1,270,742	\$1,630,423	\$1,654,463	\$1,645,463
Dollars by Category				
<i>Personal Services and Non-Personal/Equipment</i>				
Salaries/Benefits	1,181,725	1,594,532	1,619,391	1,619,391
Overtime	0	1,000	1,000	1,000
Subtotal Personal Services	\$1,181,725	\$1,595,532	\$1,620,391	\$1,620,391
Non-Personal/Equipment	21,612	33,072	34,072	25,072
Total Personal Services & Non-Personal/Equipment	\$1,203,337	\$1,628,604	\$1,654,463	\$1,645,463
<i>Other Costs *</i>				
City-Wide Expenses	67,405	1,819	0	0
Housing Loans and Grants	0	0	0	0
Other	0	0	0	0
Other - Capital	0	0	0	0
Overhead Costs	0	0	0	0
Total Other Costs	\$67,405	\$1,819	\$0	\$0
Total	\$1,270,742	\$1,630,423	\$1,654,463	\$1,645,463

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** The position counts displayed in the 2022-2023 Actuals column reflect those included in the 2022-2023 Adopted Budget.

*** 2022-2023 Actuals may not subtotal due to rounding.

**** The amounts in the 2023-2024 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

Office of the Independent Police Auditor

Department Budget Summary

	2022-2023 Actuals ***	2023-2024 Adopted ****	2024-2025 Forecast	2024-2025 Proposed
Dollars by Fund				
General Fund (001)	1,270,742	1,630,423	1,654,463	1,645,463
Total	\$1,270,742	\$1,630,423	\$1,654,463	\$1,645,463
Positions by Core Service **				
Independent Police Oversight	6.50	6.50	6.50	6.50
Strategic Support - Public Safety	0.50	0.50	0.50	0.50
Total	7.00	7.00	7.00	7.00

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** The position counts displayed in the 2022-2023 Actuals column reflect those included in the 2022-2023 Adopted Budget.

*** 2022-2023 Actuals may not subtotal due to rounding.

**** The amounts in the 2023-2024 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

Office of the Independent Police Auditor

Department Budget Summary

	2022-2023 Actuals **	2023-2024 Adopted	2024-2025 Forecast	2024-2025 Proposed	2024-2025 Proposed Positions
Dollars by Program*					
Independent Police Oversight					
Oversight of Police Misconduct Complaints and Public Outreach	1,203,337	1,492,428	1,506,654	1,497,654	6.50
Sub-Total	1,203,337	1,492,428	1,506,654	1,497,654	6.50
Strategic Support - Other - Public Safety					
Independent Police Auditor Other Departmental - City-Wide	67,405	1,819	0	0	0.00
Sub-Total	67,405	1,819	0	0	0.00
Strategic Support - Public Safety					
Independent Police Auditor Management and Administration	0	136,176	147,809	147,809	0.50
Sub-Total	0	136,176	147,809	147,809	0.50
Total	\$1,270,742	\$1,630,423	\$1,654,463	\$1,645,463	7.00

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** 2022-2023 Actuals may not subtotal due to rounding.

Office of the Independent Police Auditor

Budget Reconciliation

Personal Services and Non-Personal/Equipment

(2023-2024 Adopted to 2024-2025 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
Prior Year Budget (2023-2024):	7.00	1,628,604	1,628,604
<hr/> Base Adjustments <hr/>			
One-time Prior Year Expenditures Deleted			
• NONE			
One-time Prior Year Expenditures Subtotal:	0.00	0	0
<hr/> Technical Adjustments to Costs of Ongoing Activities			
• Salary/benefit changes		24,859	24,859
• Leases: Toshiba Copier/Multi-Function Devices		1,000	1,000
Technical Adjustments Subtotal:	0.00	25,859	25,859
2024-2025 Forecast Base Budget:	7.00	1,654,463	1,654,463
<hr/> Budget Proposals Recommended <hr/>			
1. Non-Personal/Equipment Savings		(9,000)	(9,000)
Total Budget Proposals Recommended	0.00	(9,000)	(9,000)
<hr/> 2024-2025 Proposed Budget Total <hr/>			
	7.00	1,645,463	1,645,463

Office of the Independent Police Auditor

Budget Changes by Department





Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
1. Non-Personal/Equipment Savings		(\$9,000)	(\$9,000)
<i>Public Safety CSA</i>			
<i>Independent Police Oversight Core Service</i>			
<i>Oversight of Police Misconduct Complaints and Public Outreach Program</i>			
<p>As a cost reduction to help bring the General Fund into structural alignment, this action decreases non-personal/equipment funding in the Independent Police Auditor’s Office by \$9,000 on an ongoing basis. This action will require the Independent Police Auditor’s Office to defer the printing of the “Student Guides to Police Practice” booklet until sufficient funding is identified to undertake necessary revisions. The content of the booklet requires updates or revisions to reflect the latest information, developments, or changes in law enforcement practices. Deferring the printing of these documents will allow more time for content to be updated, accurate, relevant, and in alignment with evolving police practices, such that when future funding is identified, the booklets can be printed. (Ongoing savings: \$9,000)</p>			
2024-2025 Proposed Budget Changes Total	0.00	(\$9,000)	(\$9,000)

Office of the Independent Police Auditor




Performance Summary

Four Key Budget Performance Measure Measurement Areas

			
Access - How well does a service enable access, participation, visitation, and usage? How well does the service lead to its intended outcome or opportunity pathway?	Customer Satisfaction - How well does a service meet customer needs? How well does a service resolve a customer's problem? How well does a service deliver its intended experience for a customer?	Reliability and Responsiveness - How well does a service meet response time targets? How well does a service deliver resolution? How well does a service meet its efficiency goals?	Cost Effectiveness - How well does a service resource deliver its intended outcome? How well does a service resource deliver its intended output?

Independent Police Oversight

Performance Measures

			2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
	PM 1	% of Independent Police Auditor recommendations accepted by Police Chief to change policy	100%	100%	100%	100%
	PM 2	% of San Jose Police Department Internal Affairs Investigation interviews attended by Independent Police Auditor ¹	N/A ¹	N/A ¹	N/A ¹	100%
	PM 3	% of San Jose Police Department Use of Force Reports:				
		- Reviewed and analyzed by Independent Police Auditor	N/A ¹	N/A ¹	N/A ¹	100%
		- Included in Independent Police Auditor Annual Report	N/A ¹	N/A ¹	N/A ¹	100%

¹ During this period, the IPA did not track 2022-2023 actuals, set 2023-2024 targets, or have 2023-2024 estimates for PM2 and PM3 as these are new performance measures.

Office of the Independent Police Auditor

Performance Summary

Independent Police Oversight

Activity and Workload Highlights

		2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Forecast
<i># of classified complaints:</i>					
<i>AWH 1</i>	- Received	397	350	310	317
	- Audited ³	198	N/A ¹	320	331
<i># of outreach presentations/events and attendees:</i>					
<i>AWH 2</i>	- Total (#)	1,098	1,000	1,312	1,747
	- To youth (#)	3	6	4	6
	- To immigrant and minority communities (#)	3	6	8	10
<i># of Independent Police Auditor policy recommendations:</i>					
<i>AWH 3</i>	- Recommendations made to Police Chief	5	6	6	5
	- Accepted by Police Chief to change policy	5	6	6	5
<i># of San José Police Department Internal Affairs Investigation interviews:</i>					
<i>AWH 4</i>	- Investigation Interviews conducted	N/A ²	N/A ¹	218	290
	- Attended by Independent Police Auditor	N/A ²	N/A ¹	65 ³	290
<i># of San José Police Department Use of Force Reports:</i>					
<i>AWH 5</i>	- Reviewed and analyzed by Independent Police Auditor	N/A ²	N/A ¹	N/A ⁴	10
	- Included in Independent Police Auditor Annual Report	N/A ²	N/A ¹	N/A ⁴	10

¹ During this period, the IPA did not have a designed target for the number of audit complaints as per the previous performance measures.

² During this period, the IPA did not track this data as per the previous performance measures.

³ The number of interviews includes cases open in 2022 when interview attended was low.

⁴ During this period, the IPA did not have an estimated figure for this data as per the previous performance measures.

Data Sources: Independent Police Oversight

Number	Data Source
<i>PM 1</i>	The IPA 2022 Year End Report and memorandum from SJPD Chief of Police to the Mayor and City Council – Council Agenda 9/19/2023.
<i>PM 2</i>	Data regarding officers' interview invitations and IPA attendance during the interviews was obtained from the IPA Audit Tracker application.
<i>PM 3</i>	Data on the Use of Force was extracted from the shared IA-IPA IAPro database.
<i>AWH 1</i>	Data regarding received complaints was retrieved from the shared IA-IPA IAPro database, and data on audited complaints was obtained from the IPA Audit Tracker application.
<i>AWH 2</i>	Data pertaining of outreach presentations/events were collected and retrieved from IPA's internal tracking spreadsheet.
<i>AWH 3</i>	The IPA 2022 Year End Report and memorandum from SJPD Chief of Police to the Mayor and City Council – Council Agenda 9/19/2023.
<i>AWH 4</i>	Data regarding officers' interview invitations and IPA attendance during the interviews was obtained from the IPA Audit Tracker application.
<i>AWH 5</i>	Data on the Use of Force was extracted from the shared IA-IPA IAPro database.

Office of the Independent Police Auditor

Department Position Detail

Position	2023-2024 Adopted	2024-2025 Proposed	Change
Analyst I/II, Independent Police Auditor	2.00	2.00	-
Assistant Independent Police Auditor	1.00	1.00	-
Independent Police Auditor	1.00	1.00	-
Office Specialist I/II	1.00	1.00	-
Senior Analyst, Independent Police Auditor	2.00	2.00	-
Total Positions	7.00	7.00	0.00

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Information Technology Department

Khaled Tawfik, Chief Information Officer

MISSION

Deliver the technologies and data that help sustain an equitable, engaged, effective, and resilient City

CITY SERVICE AREA

Strategic Support

CORE SERVICES

BUSINESS SOLUTIONS

Deliver technology solutions that support superior municipal services and achieve the City of San José Smart City Vision, successfully achieve business goals, sustain, and optimize the City's technology portfolio, enable continuous innovation throughout the organization through civic technologies and partnerships.

SAN JOSE 311

Serve as the City's central customer contact resource for San José residents, provide City information and services to residents, businesses, utilities customers, and employees, support amazing customer experiences through open data, mobile application, online, chat, virtual agent, social, and public network platforms.

TECHNOLOGY INFRASTRUCTURE AND OPERATIONS

Support superior municipal services through reliable, high-performance, and secure technology services, provide technology infrastructure for business solutions, analytics, data/voice/video communications, plan and coordinate services that sustain City operations.

Strategic Support: Information Technology and Management, and Emergency Response and Recovery

Information Technology Department

Department Budget Summary

PROGRAM	DESCRIPTION
<i>Business Solutions Core Service</i>	
Advanced Applications and Services	Develops, implements, and supports software applications and system integrations for multi-departmental to division level business solutions. These business solutions are required to directly support specific City operations.
Data Services	Enables data administration, use, analytics, transparency and reporting by staff and the public, through strong data platforms, tools, and support.
Enterprise Resource Management	Manages and supports use of Human Resources, Payroll, Talent, Financials, Budgeting, and Tax Systems impacting all City personnel and fiscal actions. Enables data transparency, analytics, decision-support, and reporting by staff and the public.
Productivity and Collaboration Applications	Administers and supports citywide use of collaboration and productivity software that multiply the efficiency and effectiveness of City contributors. Collaboration tools enhance group performance through information access, tracking assignments through delivery, and in-group communications. Productivity solutions enable work with high efficiency through documents, spreadsheets, analytics, presentations, electronic messaging, and mobile work enhancement. Business process automation services digitize City workflows to process faster, with less staff time, and with auditability.
<i>San José 311 Core Service</i>	
City Customer Contact Center	Serves as the digital contact point for the majority of non-emergency interactions with the City's residents and businesses as San José 311. Intakes and processes utility billing cases. Provides access to City information and offices via mobile, chat, online portal, and telephone means. Coordinates across departments to administer main call trees, the frequently asked questions manifest, and response scripts. Administers overflow vendor contract(s) for after-hours and special events call handling.
<i>Technology Infrastructure and Operations Core Service</i>	
Cybersecurity Office	Secures City information and systems assets to ensure business value, compliance, and resilience for all departments. Serves as incident response command for cyber disasters. Leads planning, testing, and attesting for City information and systems assurance activities.
IT Customer Care	Supports the customer-side use of information and communications technologies by City staff across all departments, including computers and mobile devices. Resolves Help Desk service requests. Supports City employees and contractors in working remotely effectively.
IT Systems and Operations	Administers and supports the underlying data/voice/video network, hardware systems, storage resources, virtualization, and cloud services fabric on which City software, communications, and collaboration solutions are built.
Voice and Data Network Infrastructure	Manages citywide telephone costs, charges/billing, procurement, enterprise voice, and data network infrastructure for quality voice and data communication abilities.

Information Technology Department

Department Budget Summary

PROGRAM	DESCRIPTION
<i>Strategic Support Core Service</i>	
Information Technology Management and Administration	Provides strategic direction, analytical insights, and administrative support for departmental activities. Manages all fiscal activities, directs budget development and implementation, and administers IT-related policy adherence. Manages personnel functions for the department, including hiring, employee development, discipline, and personnel transactions, all in coordination with the Human Resources Department and Office of Employee Relations. Provides oversight and status reporting for strategic technology deployments in the City.
Information Technology Emergency Response and Recovery	Provides for the coordination and delivery of emergency services and recovery activities.

Information Technology Department

Department Budget Summary

Expected 2024-2025 Service Delivery

- Champion City priorities and equity solutions using technology and data to transform City services. Execute initiatives with City departments that identify and resolve service needs that uplift the people of San José. Provide the data and analytics resources for City departments to drive towards decision-making informed by data.
- Provide resilient City services against cybersecurity risks and natural disasters affecting communities at increasing rates. Maintain cybersecurity planning, coverage, and exercise maturity in all essential City operations. Successfully pass all financial, technical, and security audits. Minimize risks of evolving cybersecurity threats to prevent outages and operational disruption, lost trust, and financial loss.
- Maximize efficiencies and the impact of limited resources through service innovation in partnership with City departments. Provide a City technology environment that is technically sound, operationally strong, secure, and fiscally optimized. Maintain a long-range architecture that maps the City's key technology transitions and investments.
- Support the City's transition to a digital workforce, embracing digital public participation and augmenting collaboration. Incorporate customer-centric experience into the design and operation of technology products. Enhance and improve the City's redundancy and disaster recovery posture through highly available virtualized technology and City-owned fiber infrastructure. Automate and optimize the City's common business processes to ease the lives of staff, residents, and businesses. Continue progress on the Green IT Plan to minimize environmental impacts from utilities usage and e-waste.
- Execute City priorities through masterful partnership and procurement. Work with departments and Purchasing to execute technology procurements and contracts with speed, value, transparency, and fairness.
- Respond to service requests and inquiries from San José residents and businesses, achieving high customer experience ratings through robust 311 access spanning phone, mobile app, direct chat, virtual agent, and online portal channels.

2024-2025 Key Budget Actions

- Continues and makes permanent 1.0 Senior Analyst, continues 1.0 Senior Analyst limited through June 30, 2025, and adds \$250,000 to support the San José 311 Program.
- Adds ongoing funding of \$440,000 to renew and update licensing for the Hyperconverged Infrastructure environment, with the goal of consolidating server infrastructure and increasing power and resource efficiency for computing services across the City.
- Continues 1.0 Enterprise Technology Manager through June 30, 2025, to support the ongoing effort to integrate equity into the development and deployment of City technology.
- Adds 1.0 Enterprise Supervising Technology Analyst to provide additional capacity in the Cybersecurity Team under the Chief Information Security Officer to evaluate and respond to cybersecurity threats.
- Decreases non-personal/equipment funding by \$415,300 (\$146,000 on a one-time basis, \$269,300 ongoing), that will limit capacity for contractual services and will result in some instances of extending computer hardware beyond expected lifecycles.

Operating Funds Managed: N/A

Information Technology Department

Department Budget Summary

	2022-2023 Actuals ***	2023-2024 Adopted ****	2024-2025 Forecast	2024-2025 Proposed
Dollars by Core Service				
Business Solutions	11,090,130	13,821,333	15,222,258	14,874,002
San José 311	2,904,638	3,373,658	2,808,164	3,411,494
Strategic Support - Other - Strategic Support	82,545	821,987	983,962	895,091
Strategic Support - Strategic Support	6,299,925	8,198,723	5,996,588	6,288,282
Technology Infrastructure and Operations	10,776,751	16,992,122	12,183,983	12,529,748
Total	\$31,153,989	\$43,207,823	\$37,194,955	\$37,998,617
Dollars by Category				
<i>Personal Services and Non-Personal/Equipment</i>				
Salaries/Benefits	19,203,106	22,561,013	24,911,666	24,785,499
Overtime	133,873	128,664	128,664	128,664
Subtotal Personal Services	\$19,336,979	\$22,689,677	\$25,040,330	\$24,914,163
Non-Personal/Equipment	9,436,095	15,448,791	10,440,663	11,433,363
Total Personal Services & Non-Personal/Equipment	\$28,773,074	\$38,138,468	\$35,480,993	\$36,347,526
<i>Other Costs *</i>				
City-Wide Expenses	2,070,469	4,247,368	730,000	730,000
Housing Loans and Grants	0	0	0	0
Other	0	0	0	0
Other - Capital	0	0	0	26,000
Overhead Costs	310,446	821,987	983,962	895,091
Total Other Costs	\$2,380,915	\$5,069,355	\$1,713,962	\$1,651,091
Total	\$31,153,989	\$43,207,823	\$37,194,955	\$37,998,617

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** The position counts displayed in the 2022-2023 Actuals column reflect those included in the 2022-2023 Adopted Budget.

*** 2022-2023 Actuals may not subtotal due to rounding.

**** The amounts in the 2023-2024 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

Information Technology Department

Department Budget Summary

	2022-2023 Actuals ***	2023-2024 Adopted ****	2024-2025 Forecast	2024-2025 Proposed
Dollars by Fund				
General Fund (001)	27,024,394	36,876,504	30,718,019	31,501,895
Airport Maintenance And Operation Fund (523)	36,724	40,753	45,106	45,106
Building Development Fee Program Fund (237)	1,440,231	1,928,503	2,022,475	2,032,967
Citywide Planning Fee Program Fund (239)	23,086	62,209	68,032	84,830
Federated Retirement Funds	0	0	0	53,684
Fire Development Fee Program Fund (240)	198,189	318,131	286,624	274,680
General Purpose Parking Fund (533)	17,587	22,828	22,641	22,641
Integrated Waste Management Fund (423)	642,197	916,503	960,405	943,393
Low And Moderate Income Housing Asset Fund (346)	143,565	191,041	183,950	186,612
Planning Development Fee Program Fund (238)	314,447	399,611	401,489	343,326
Police and Fire Retirement Funds	0	0	0	53,684
Public Works Development Fee Program Fund (241)	256,153	403,004	404,478	385,724
Public Works Program Support Fund (150)	25,526	130,738	107,213	107,213
San José Clean Energy Operating Fund (501)	0	201,892	268,990	268,990
San José-Santa Clara Treatment Plant Operating Fund (513)	79,030	290,550	169,714	169,714
Sewer Service And Use Charge Fund (541)	128,528	192,264	206,147	206,147
South Bay Water Recycling Operating Fund (570)	339	7,521	521	521
Storm Sewer Operating Fund (446)	120,503	194,484	197,287	197,287
Vehicle Maintenance And Operations Fund (552)	430	66,630	630	630
Water Utility Fund (515)	620,223	866,099	1,002,226	1,002,226
Capital Funds	82,837	98,558	129,008	117,347
Total	\$31,153,989	\$43,207,823	\$37,194,955	\$37,998,617
Positions by Core Service **				
Business Solutions	33.00	36.00	38.00	35.00
San José 311	17.00	18.00	15.00	17.00
Strategic Support - Strategic Support	24.00	25.00	24.00	25.00
Technology Infrastructure and Operations	35.00	36.00	34.00	34.00
Total	109.00	115.00	111.00	111.00

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*** 2022-2023 Actuals may not subtotal due to rounding.

**** The amounts in the 2023-2024 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

Information Technology Department

Department Budget Summary

	2022-2023 Actuals **	2023-2024 Adopted	2024-2025 Forecast	2024-2025 Proposed	2024-2025 Proposed Positions
Dollars by Program*					
Business Solutions					
Advanced Applications and Services	867,605	1,865,239	3,972,997	3,867,041	11.00
Data Services	534,023	1,186,090	1,243,075	1,243,075	3.00
Enterprise Resource Management	4,316,772	5,150,383	5,609,493	5,526,993	14.00
Productivity and Collaboration Applications	5,371,730	5,619,621	4,396,693	4,236,893	7.00
Sub-Total	11,090,130	13,821,333	15,222,258	14,874,002	35.00
San José 311					
City Customer Contact Center	2,904,638	3,373,658	2,808,164	3,411,494	17.00
Sub-Total	2,904,638	3,373,658	2,808,164	3,411,494	17.00
Strategic Support - Other - Strategic Support					
Information Technology Other Departmental - City-Wide	18,412	0	0	0	0.00
Information Technology Other Operational - Administration	15,267	0	0	0	0.00
Information Technology Overhead	48,865	821,987	983,962	895,091	0.00
Sub-Total	82,545	821,987	983,962	895,091	0.00
Strategic Support - Strategic Support					
Information Technology Emergency Response and Recovery	692,921	1,000,000	0	0	0.00
Information Technology Management and Administration	5,607,004	7,198,723	5,996,588	6,288,282	25.00
Sub-Total	6,299,925	8,198,723	5,996,588	6,288,282	25.00
Technology Infrastructure and Operations					
Cybersecurity Office	2,705,117	3,006,821	3,250,605	3,435,341	6.00
IT Customer Care	4,345,559	8,710,911	4,528,194	4,550,194	16.00
IT Systems and Operations	1,943,100	1,773,027	1,615,463	2,055,463	6.00
Voice and Data Network Infrastructure	1,782,975	3,501,363	2,789,721	2,488,750	6.00
Sub-Total	10,776,751	16,992,122	12,183,983	12,529,748	34.00
Total	\$31,153,989	\$43,207,823	\$37,194,955	\$37,998,617	111.00

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** 2022-2023 Actuals may not subtotal due to rounding.

Information Technology Department

Budget Reconciliation

Personal Services and Non-Personal/Equipment

(2023-2024 Adopted to 2024-2025 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
Prior Year Budget (2023-2024):	115.00	38,138,468	32,629,136
Base Adjustments			
One-Time Prior Year Expenditures Deleted			
• Rebudgets		(1,869,560)	(1,869,560)
• Windows 11 Upgrade, Equipment, and Resources		(3,186,000)	(2,738,000)
• Homeless Encampment Management System		(250,000)	(250,000)
• PeopleSoft Upgrade		(195,000)	(195,000)
• Reallocation from Personal Services to Non-Personal/Equipment for Temporary Staffing		(138,240)	(8,640)
• Mobile Device Management Platform Migration		(76,000)	(22,040)
• San José 311 Program (1.0 Enterprise Supervising Technology Analyst, 2.0 Senior Analysts)	(3.00)	0	0
One-time Prior Year Expenditures Subtotal:	(3.00)	(5,714,800)	(5,083,240)
Technical Adjustments to Costs of Ongoing Activities			
• Salary/benefit changes and the following position reallocation: -1.0 Analyst II to 1.0 Senior Analyst		2,547,963	1,932,761
• Approval of the Terms of an Agreement between the City of San Jose and Various Bargaining Units (City Council approval on September 12, 2023): Deletes 1.0 Enterprise Information Technology Engineer II	(1.00)	(197,310)	(197,310)
• Software/Information Services: San José 311 Enhancements		350,000	350,000
• Software/Information Services: Email Protection		106,000	106,000
• Software/Information Services: Microsoft O365 Licensing		72,172	72,172
• Software/Information Services: Microsoft Unified Support		63,000	63,000
• Software/Information Services: Homeless Encampment Management System		55,200	55,200
• Software/Information Services: Oracle Cloud Contract Increase		34,000	34,000
• Software/Information Services: EOC Phone Service		12,000	12,000
• Software/Information Services: Harris Computer Contract Increases		9,300	9,300
• Software/Information Services: Timekeeping Solution for Parks, Recreation and Neighborhood Services and Police Departments		5,000	5,000
Technical Adjustments Subtotal:	(1.00)	3,057,325	2,442,123
2024-2025 Forecast Base Budget:	111.00	35,480,993	29,988,019

Information Technology Department

Budget Reconciliation

Personal Services and Non-Personal/Equipment

(2023-2024 Adopted to 2024-2025 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
Budget Proposals Recommended			
1. San José 311 Program	2.00	603,330	603,330
2. Hyperconverged Infrastructure		440,000	440,000
3. Equity through Data Staffing	1.00	243,694	243,694
4. Cybersecurity Staffing	1.00	214,736	107,368
5. Government AI Coalition		100,000	100,000
6. Case and Data Management Platform Pilot		69,000	69,000
7. Non-Personal/Equipment Savings		(415,300)	(415,300)
8. Vacant Position Elimination	(1.00)	(261,971)	(261,971)
9. Microsoft Azure Cloud Computing Platform and Services		(75,000)	(75,000)
10. Development Services Staffing and Contractual Resources	(3.00)	(51,956)	(27,245)
Total Budget Proposals Recommended	0.00	866,533	783,876
2024-2025 Proposed Budget Total	111.00	36,347,526	30,771,895

Information Technology Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
1. San José 311 Program	2.00	\$603,330	\$603,330

Strategic Support CSA
San José 311 Core Service
City Customer Contact Center Program

This action continues and makes permanent 1.0 Senior Analyst position and continues 1.0 Senior Analyst limit-dated through June 30, 2025, as well as provides \$250,000 in one-time non-personal/equipment funding for contractual services in the General Fund to support the SJ311 Program. The Senior Analyst position recommended to be made permanent was added in 2023-2024 and has supported the SJ311 Program by performing analysis on data collected by SJ311 and other sources, developing performance dashboards and reports using Power BI, interfacing with other City databases, and validates data to ensure accuracy. The Senior Analyst recommended to be added through June 30, 2025, will support user experience and interface improvements to the SJ311 system, working closely with technical staff to implement improvements determined by the careful evaluation of user behavior, process flow evaluations, and user feedback. The additional non-personal/equipment funding will be used to secure contractual support to ensure that technical development and improvements to SJ311 continue, focusing on the implementation of new functionality and the refining of existing functionality. (Ongoing costs: \$176,665)

2. Hyperconverged Infrastructure		\$440,000	\$440,000
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Strategic Support CSA
Technology Infrastructure and Operations Core Service
IT Systems and Operations Program

This action adds \$440,000 in ongoing non-personal/equipment funding in the General Fund to support the renewal and update licensing for the Hyperconverged Infrastructure (HCI) environment, with a goal of consolidating the existing physical server hardware into fewer machines that host virtual machines, serving essentially the same functionality as previous infrastructure but with the benefit of smaller footprints. Rather than providing departmental partners with numerous physical computer servers, virtual servers can be set up as needed on centralized hardware and portioned out as needed. This hyperconverged architecture reduces overall power consumption and wasted computing power, as resources are shared between departmental users. (Ongoing costs: \$440,000)

3. Equality through Data Staffing	1.00	\$243,694	\$243,694
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Strategic Support CSA
Strategic Support – Strategic Support Core Service
Information Technology Management and Administration Program

This action continues 1.0 Enterprise Technology Manager position, through June 30, 2025, to support ongoing equity work in the development and deployment of technology in the IT Department and other departments. This position will provide support to the Equity through Data program by coordinating with the Office of Racial and Social Equity and multiple other departments to assist with building data-driven decision-making tools and capacity, necessary to integrate insights for better service to communities traditionally underserved. (Ongoing cost: \$0)

Information Technology Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
4. Cybersecurity Staffing	1.00	\$214,736	\$107,368

Strategic Support CSA
Technology Infrastructure and Operations Core Service
Cybersecurity Office Program

This action adds 1.0 Enterprise Supervising Technology Analyst position (50% in the General Fund and 50% supported by Retirement Services Funds) to support the Cybersecurity Team. This new position will report to the City Information Security Officer (CISO) and will provide additional capacity to the four existing Enterprise Supervising Technology Analyst positions currently reporting to the CISO. With the dynamic landscape of cybersecurity threats facing the City, the Cybersecurity Office has taken on an increasingly complex workload. This position will provide direct support to the Office of Retirement Services functions to shore up defenses against cyberattacks threatening City infrastructure as recommended in an audit report. (Ongoing costs: \$214,736)

5. Government AI Coalition		\$100,000	\$100,000
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Strategic Support CSA
Strategic Support – Strategic Support Core Service
Information Technology Management and Administration Program

As directed by the Mayor's March Budget Message for Fiscal Year 2024-2025, as approved by the City Council, this action adds one-time non-personal/equipment funding of \$100,000 to lay the groundwork for a Civic Sandbox Initiative that facilitates regular piloting of innovative technologies by City Departments in collaboration with outside entrepreneurs and academics. (Ongoing costs: \$0)

6. Case and Data Management Platform Pilot		\$69,000	\$69,000
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Strategic Support CSA
Technology Infrastructure and Operations Core Service
IT Customer Care Program

This action adds one-time non-personal/equipment funding of \$69,000 to support one year of annual licenses for a pilot platform that supports the management of IT services, operations, and assets. It also provides the Department with a centralized platform for tracking and management of activities and assets to improve customer service efficiency, inventory accuracy, and workflow process efficiency and automation. This funding will support the pilot through 2024-2025 while the plan going forward is determined. (Ongoing costs: \$0)

Information Technology Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
7. Non-Personal/Equipment Savings		(\$415,300)	(\$415,300)

*Strategic Support CSA
Department-wide Core Services
Department-wide Programs*

As a cost reduction to help bring the General Fund into structural alignment, this action decreases non-personal/equipment funding by \$415,300 (\$146,000 on a one-time basis, \$269,300 ongoing). The savings identified will result in reductions for contractual services, equipment, and subscription/licensing. The most significant items include: 1) a decrease of \$137,300 (\$91,300 on an ongoing basis) due to identified savings with little to no significant impact on services, such as decreases to contractual services for Oracle support, multifactor authentication services that are being replaced, software licenses determined to be surplus, and one-time savings due to contract renegotiations with a telecom system billing vendor; 2) a decrease of \$121,000 on an ongoing basis to reduce hardware replacement costs, with the expected impact of stretching computer hardware further past expected lifecycles; 3) a decrease of \$100,000 on a one-time basis to recognize expected savings in ServiceNow support contracting costs as utilization of the support contract is reduced; and 4) \$57,000 due to a variety of smaller infrastructural and service changes. (Ongoing savings: \$269,300)

8. Vacant Position Elimination	(1.00)	(\$261,971)	(\$261,971)
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*Strategic Support CSA
Technology Infrastructure and Operations Core Service
Voice and Data Network Infrastructure Program*

This action eliminates 1.0 Enterprise Technology Manager position as part of an organization-wide effort to evaluate the elimination of vacant positions in consideration of vacancy status and recruitment history, operational priority, and forecasted supporting revenues for 2024-2025, including Development Fee Programs, other supporting revenues, and capital project funding. A total of 64 positions in the City are recommended to be eliminated as part of this effort, a reduction of approximately 1% of the Base Budget level. While these position eliminations will reduce Departments' future service delivery capacity – and will be reevaluated as necessary – because these positions have been vacant for an extended period of time or are no longer supported by existing service demands, impacts to current service delivery is expected to be minimal. The eliminated position in the Information Technology Department results in savings of \$261,971 in the General Fund. (Ongoing savings: \$259,692)

Information Technology Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment





2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
<p>9. Microsoft Azure Cloud Computing Platform and Services</p> <p><i>Strategic Support CSA Business Solutions Core Service Advanced Applications and Services Program</i></p> <p>As a cost reduction to bring the General Fund into structural alignment, this action decreases the non-personal/equipment funding allocation on an ongoing basis by \$75,000 to reduce support for Microsoft Azure cloud computing services, which provides hosting services for data storage and processing, including development and deployment platforms for applications and database systems used across many City departments. This decrease is expected to moderately impact the ongoing effort to consolidate and standardize City information technology infrastructure, resulting in reduced flexibility of services and ability to scale up or down depending on demand. (Ongoing savings: \$75,000)</p>		(\$75,000)	(\$75,000)
<p>10. Development Services Staffing and Contractual Resources</p> <p><i>Strategic Support CSA Business Solutions and Strategic Support Core Services Advanced Applications and Services and Information Technology Management and Administration Programs</i></p> <p>This action deletes 1.0 vacant Information Systems Analyst position and 2.0 vacant Senior Systems Application Programmer positions and adds \$650,000 in ongoing non-personal/equipment funding to reallocate resources and ensure the provision of complex technical support for the Development Services Program. As qualified candidates have been difficult to recruit for these three positions, and the reallocation of vacancy savings to non-personal/equipment funding to support contractual services has been required in recent years, this action makes permanent the reallocation of resources to fund contractual services for these purposes. These services will provide ongoing development and support for a variety of software systems used by the interdepartmental Development Services Program to ensure the efficient and effective use of personnel and resources in the permitting and inspection of building and development permittees. (Ongoing savings: \$50,555)</p>	3.00	(\$51,956)	(\$27,245)
2024-2025 Proposed Budget Changes Total	0.00	\$866,533	\$783,876

Information Technology Department

Performance Summary

Customer Contact Center

Performance Measures

	2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
 % of Customer Contact Center contacts answered ¹	97.56%	85%	95.5%	90%
 % of San José 311 phone contacts resolved at first call ²	82.41%	≥82%	77.8%	80%
 % of customers satisfied with San José 311 contact	63.53%	65%	65.1%	80%
 % of customers satisfied with San José 311 website and application	76.4%	80%	77.3%	80%

¹ Includes calls answered by staff, self-serviced calls and after-hours service, direct chats, walk-ins, and mobile and web portal requests.

² This percentage is based on San José 311 calls resolved at first contact and excludes calls resolved by the City's after-hours and weekend call service.

Activity and Workload Highlights

	2022-2023 Actual	2023-2024 Forecast	2023-2024 Estimated	2024-2025 Forecast
# of Customer Contact Center Contacts ¹ :				
- Received	313,185	400,000	320,000	350,000
- Answered	305,547	340,000	305,600	310,000
# of active SJ311 users ²	70,147	70,000	75,000	100,000
Average caller wait time	1:09 minute	3 minutes	2 minutes	2 minutes

¹ Includes phone calls, direct chats, walk-ins, and mobile and web portal requests. Mobile and web portal numbers include calls for one of the five SJ 311 services where call handlers entered the service request into the SJ 311 application on the resident's behalf. In some cases – these numbers are also reflected in the number of phone calls.






² This is a measure of San José 311 active users that have requested at least one service within the last 12 months through the application and website.

Information Technology Department

Performance Summary

Business Solutions

Performance Measures

	2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
 % of customers rating services as "Good" or "Excellent" ¹ :				
- overall satisfaction	90.75%	≥80%	85%	≥80%
- quality of work	90.34%	≥80%	85%	≥80%
- timeliness	87.70%	≥80%	85%	≥80%
- customer service	94.43%	≥80%	85%	≥80%
 % of uptime and availability:				
- business applications	98.31%	99.9%	99.9%	99.9%
- databases	100.00%	99.9%	100%	99.9%
 % of successful financials cycles closed on systems	100%	100%	100%	100%
 % of successful payroll cycles processed on systems	100%	100%	100%	100%
 % of successful pay, benefits, tax, and union agreement changes implemented prior to Finance/Human Resources/Employee Relations deadlines	100%	100%	100%	100%

¹ Annual city-wide IT Customer Service Survey conducted in September of each year.

Activity and Workload Highlights

	2022-2023 Actual	2023-2024 Forecast	2023-2024 Estimated	2024-2025 Forecast
# of centralized E-mail mailboxes	7,488	7,900	8,000	8,100
# of FMS users	505	505	510	510
# of PeopleSoft users (HR/Payroll)	7,665	7,756	8,050	8,100
# of business systems managed ¹ :				
- Critical	15	15	17	17
- Essential	43	43	43	43
# of successful financials cycles closed on systems	16	16	16	16
# of successful payroll cycles processed on systems	26	26	26	26
# of successful pay, benefits, tax, and union agreement changes implemented prior to Finance/Human Resources/Employee Relations deadlines	37	40	37	37






¹ In the event of a major disaster, Critical Systems have a Recovery Time Objective (RTO) of 30 minutes and Essential Systems have an RTO of <3 days. All other business systems which are Standard routine have an RTO of <2 weeks. ITD will continue to work with Citywide emergency management efforts related to business continuity and disaster recovery.

Information Technology Department

Performance Summary

Technology Infrastructure and Operations

Performance Measures

	2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
 % of customers rating network, systems, and voice services as "Good" or "Excellent":				
- overall satisfaction	92.41%	≥80%	85%	≥80%
- quality of work	93.37%	≥80%	85%	≥80%
- timeliness	89.07%	≥80%	85%	≥80%
- customer service	95.77%	≥80%	85%	≥80%
 % of uptime and availability:				
- systems	99.31%	≥99.9%	99.8%	≥99.9%
- network	99.80%	≥99.9%	99.9%	≥99.9%
- voice	99.94%	≥99.9%	99.9%	≥99.9%
 % of Technology Help Desk tickets resolved	99.04%	≥99.9%	99.0%	≥99.9%
 % of Technology Help Desk tickets resolved within 2 business days	49.93%	80%	60%	80%
 % of cybersecurity events responded to within 4 hours	100%	100%	100%	100%

Activity and Workload Highlights

	2022-2023 Actual	2023-2024 Forecast	2023-2024 Estimated	2024-2025 Forecast
# of unplanned network outages	2	2	1	2
Average time of unplanned network outages	5.16 hours	3 hours	4 hours	2 hours
# of Severity 1 infrastructure service outages ¹	7	3	2	3
# of Technology Help Desk tickets	22,788	23,900	23,500	24,000

¹ Severity 1 is: a) all users of a specific service; b) personnel from multiple departments are affected; c) public facing service is unavailable; or d) services that are directly impacting public safety.

Information Technology Department

Department Position Detail

Position	2023-2024 Adopted	2024-2025 Proposed	Change
Administrative Assistant	1.00	1.00	-
Administrative Officer	1.00	1.00	-
Analyst I/II	5.00	4.00	(1.00)
Assistant Director	1.00	1.00	-
City Information Security Officer	1.00	1.00	-
Department Information Technology Manager	1.00	1.00	-
Deputy Director	2.00	2.00	-
Director of Information Technology	1.00	1.00	-
Division Manager	1.00	1.00	-
Enterprise Information Technology Engineer I/II	11.00	10.00	(1.00)
Enterprise Principal Technology Analyst	7.00	7.00	-
Enterprise Supervising Technology Analyst	34.00	34.00	-
Enterprise Technology Manager	5.00	5.00	-
Information Systems Analyst	3.00	2.00	(1.00)
Network Technician I/II/III	11.00	11.00	-
Principal Office Specialist	3.00	3.00	-
Program Manager	1.00	1.00	-
Senior Account Clerk	1.00	1.00	-
Senior Analyst	3.00	4.00	1.00
Senior Office Specialist	10.00	10.00	-
Senior Systems Application Programmer	9.00	7.00	(2.00)
Staff Specialist	1.00	1.00	-
Supervising Applications Analyst	1.00	1.00	-
Systems Application Programmer I/II	1.00	1.00	-
Total Positions	115.00	111.00	(4.00)

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Library Department

Jill Bourne, City Librarian

MISSION

The San José Library enriches lives by fostering lifelong learning and by ensuring that every member of the community has access to a vast array of ideas and information

CITY SERVICE AREA

Neighborhood Services

CORE SERVICES

ACCESS TO INFORMATION, LIBRARY MATERIALS, AND DIGITAL RESOURCES

Link customers to the information they need through access to books, videos, digital, and other information resources.

LITERACY AND LEARNING, FORMAL AND LIFELONG SELF-DIRECTED EDUCATION

Provide programs that promote reading, literacy, and learning for all ages and support school readiness and success.

Strategic Support: Administration, Business Office, Community Awareness and Outreach, Data Analytics, Library Bond Program, Technology Services, and Emergency Response and Recovery

Library Department

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Access to Information, Library Materials, and Digital Resources Core Service</i>	
Access and Borrower Services	Provides materials handling, materials delivery, and customer service at all Library branches and the Dr. Martin Luther King, Jr. Library, including fines and fees collections, check out, check in, hold processing, customer account maintenance, materials maintenance, shelving, and transport of library materials between the 25 library facilities, including the Dr. Martin Luther King, Jr. Library, and Mount Pleasant Neighborhood Library.
Electronic Resources Implementation and Maintenance	Applies the Library's e-Resources strategy, which includes the production and management of the Library's websites (sjpl.org, events.sjpl.org, and SharePoint), the management of the Library online catalog (sjpl.bibliocommons.com), and the management and curation of all the Library's electronic resource platforms for eBooks, eMagazines, and databases.
Library Facilities and Security	Ensures residents have access to safe, welcoming, accessible, well-equipped, and well-maintained facilities; this includes management and implementation of facility improvements, maintenance, and patron security.
Main Library Operations	Ensures that Dr. Martin Luther King, Jr. Library remains fully operational and maintained, including ongoing support of the unique joint partnership with San José State University.
Materials Acquisitions and Processing	Includes the selection, purchase, and processing of all Library materials to reflect the diversity and needs of the community.
<i>Literacy and Learning, Formal and Lifelong Self-Directed Education Core Service</i>	
Early Education and Family Learning	With the Library's system-wide Early Education Strategy and nine branch Family Learning Centers, provides dedicated resources to young children (birth to kindergarten), parents, caregivers, and early educators in order to close opportunity gaps and ensure all children receive a strong start in learning and preparation for successful school experiences.
Partners in Reading/ Adult Literacy	Provides free one-to-one and small group tutoring, by volunteers, for adults whose reading or writing skills are below the ninth-grade level.
<i>Strategic Support Core Service</i>	
Library Financial Management	Manages the budget, contracts, and all financial transactions for the department; assists in annual budget development.
Library Human Resources	Manages personnel-related functions for the department, including hiring (in coordination with the Human Resources Department), employee development, employee discipline (in coordination with the Office of Employee Relations), and personnel transactions.
Library Information Technology	Provides information technology services, planning, system development and maintenance for the department in coordination with the Information Technology Department.
Library Management and Administration	Provides executive-level, analytical, and administrative support to the department.
Emergency Response and Recovery	Provides for the coordination and delivery of emergency services and recovery activities.

Library Department

Department Budget Summary

Expected 2024-2025 Service Delivery

- Ten Library branches will operate 52 hours, 7 days per week on an ongoing basis (Bascom, Alum Rock, Edenvale, Educational Park, Evergreen, Hillview, Joyce Ellington, Seven Trees, Tully, and West Valley). Six Library branches will operate 48 hours, 7 days per week on an ongoing basis (Alviso, Berryessa, Biblioteca Latinoamericana, Cambrian, Carnegie, and Vineland). Seven Library branches will operate 43 hours, 6 days per week (Almaden, Calabazas, Pearl Avenue, Rose Garden, Santa Teresa, Village Square, and Willow Glen). Dr. Martin Luther King, Jr. Library weekly public service hours are continuing at 73 hours, 7 days per week and Mount Pleasant weekly public service hours will remain at 24 hours, 6 days per week.
- The Library will continue to provide access to knowledge resources and information, computers, hotspots, electronic and print materials, afterschool homework help, classes, educational, literacy, citizenship, and workforce development programs, and promote lifelong learning for all ages.
- The Library will continue to lead the City's Education and Digital Literacy Strategy and provide programs in alignment with Early Education, Expanded Learning, College and Career Pathways, Digital Literacy, and Equity and Inclusion Quality Standards, including the Friends, Family and Neighborhood Support Network.
- The Library, in partnership with the San José Public Library Foundation, will administer the San José (SJ) Learns and Digital Inclusion Fund Grant Programs.

2024-2025 Key Budget Actions

- Adds 1.0 Senior Analyst to serve as the Integrated Library System Manager, supported by the deletion of 1.0 Library Assistant and 0.45 Library Page PT.
- Provides \$300,000 in one-time non-personal/equipment funding to complete a procurement for a new Integrated Library System to provide a more secure and robust materials management system that improves staff efficiency and the customer experience searching for materials.
- Reallocates \$257,000 in non-personal/equipment funding to support 1.0 Library Clerk and 1.0 Literacy Program Specialist for the Family, Friend, and Neighbor Caregiver Network program, which helps childcare providers build skills, enhance program quality, and earn their childcare license.
- Eliminates positions dedicated to the Partners in Reading Program and redistributes filled positions to existing vacancies (1.0 Office Specialist II, 0.5 Office Specialist PT, 1.0 FTE Principal Office Specialist, and 1.0 FTE Literacy Program Specialist) without impacting service levels.
- Eliminates operating and maintenance funding of \$22,500 and positions dedicated to the Maker[Space]Ship program (0.5 Librarian PT and 1.0 Library Clerk). Equipment from the Maker[Space]Ship, which has spent a significant time out of service and has experienced increased maintenance costs, will be redistributed to branch library using an equity lens to help mitigate the impact to lower resourced communities.

Operating Funds Managed

- Library Parcel Tax Fund

Library Department

Department Budget Summary

	2022-2023 Actuals ***	2023-2024 Adopted ****	2024-2025 Forecast	2024-2025 Proposed
Dollars by Core Service				
Access To Information, Library Materials, and Digital Resources	40,531,396	42,498,545	47,630,079	47,806,089
Literacy and Learning, Formal and Lifelong Self-Directed Education	3,805,116	4,588,401	4,927,122	4,313,022
Strategic Support - Neighborhood Services	15,816,166	14,343,062	10,606,492	10,706,492
Strategic Support - Other - Neighborhood Services	7,296,929	2,549,181	1,607,066	1,607,066
Total	\$67,449,608	\$63,979,189	\$64,770,759	\$64,432,669
Dollars by Category				
<i>Personal Services and Non-Personal/Equipment</i>				
Salaries/Benefits	45,546,652	47,744,615	53,811,718	53,353,308
Overtime	107,107	41,796	41,796	41,796
Subtotal Personal Services	\$45,653,758	\$47,786,411	\$53,853,514	\$53,395,104
Non-Personal/Equipment	7,117,465	10,406,519	9,459,608	9,579,928
Total Personal Services & Non-Personal/Equipment	\$52,771,223	\$58,192,930	\$63,313,122	\$62,975,032
<i>Other Costs *</i>				
City-Wide Expenses	14,318,241	5,597,259	1,112,600	1,112,600
Gifts	177,715	172,000	115,000	115,000
Housing Loans and Grants	0	0	0	0
Other	14,745	17,000	20,000	20,000
Other - Capital	0	0	0	0
Overhead Costs	167,684	0	210,037	210,037
Total Other Costs	\$14,678,384	\$5,786,259	\$1,457,637	\$1,457,637
Total	\$67,449,608	\$63,979,189	\$64,770,759	\$64,432,669

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** The position counts displayed in the 2022-2023 Actuals column reflect those included in the 2022-2023 Adopted Budget.

*** 2022-2023 Actuals may not subtotal due to rounding.

**** The amounts in the 2023-2024 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

Library Department

Department Budget Summary

	2022-2023 Actuals ***	2023-2024 Adopted ****	2024-2025 Forecast	2024-2025 Proposed
Dollars by Fund				
General Fund (001)	55,518,572	52,006,342	51,752,028	51,472,358
American Rescue Plan Fund (402)	0	0	0	0
Emergency Reserve Fund (406)	18,456	0	0	0
Gift Trust Fund (139)	176,412	172,000	115,000	115,000
Library Parcel Tax Fund (418)	10,863,298	11,007,255	11,781,430	11,723,010
San José Opioid Response Fund (130)	0	0	3,000	3,000
Capital Funds	872,869	793,592	1,119,301	1,119,301
Total	\$67,449,608	\$63,979,189	\$64,770,759	\$64,432,669
Positions by Core Service **				
Access To Information, Library Materials, and Digital Resources	327.74	326.62	326.62	322.17
Literacy and Learning, Formal and Lifelong Self-Directed Education	20.18	23.36	22.86	19.17
Strategic Support - Neighborhood Services	42.85	47.49	47.99	47.99
Strategic Support - Other - Neighborhood Services	5.70	6.70	6.70	6.70
Total	396.47	404.17	404.17	396.02

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** The position counts displayed in the 2022-2023 Actuals column reflect those included in the 2022-2023 Adopted Budget.

*** 2022-2023 Actuals may not subtotal due to rounding.

**** The amounts in the 2023-2024 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

Library Department

Department Budget Summary

	2022-2023 Actuals **	2023-2024 Adopted	2024-2025 Forecast	2024-2025 Proposed	2024-2025 Proposed Positions
Dollars by Program*					
Access To Information, Library Materials, and Digital Resources					
Access and Borrower Services	33,317,533	33,909,367	38,391,895	38,578,262	290.36
Electronic Resources Implementation and Maintenance	869,765	1,280,708	1,426,289	1,426,289	7.86
Library Facilities and Security	879,525	1,245,661	1,404,476	1,404,476	9.00
Main Library Operations	2,955,176	3,756,874	3,947,777	3,947,777	0.00
Materials Acquisition and Processing	2,509,397	2,305,935	2,459,642	2,449,285	14.95
Sub-Total	40,531,396	42,498,545	47,630,079	47,806,089	322.17
Literacy and Learning, Formal and Lifelong Self-Directed Education					
Early Education and Family Learning	2,831,684	3,128,316	3,394,518	3,240,748	14.17
Partners in Reading/Adult Literacy	973,433	1,460,085	1,532,604	1,072,274	5.00
Sub-Total	3,805,116	4,588,401	4,927,122	4,313,022	19.17
Strategic Support - Neighborhood Services					
Library Emergency Response and Recovery	6,784,842	3,301,000	0	0	0.00
Library Financial Management	724,324	667,104	695,409	795,409	4.00
Library Human Resources	567,761	605,179	589,413	589,413	2.50
Library Information Technology	2,599,638	2,566,291	2,804,998	2,804,998	13.50
Library Management and Administration	5,139,600	7,203,488	6,516,672	6,516,672	27.99
Sub-Total	15,816,166	14,343,062	10,606,492	10,706,492	47.99
Strategic Support - Other - Neighborhood Services					
Library Capital	884,428	1,144,920	1,262,027	1,262,027	4.70
Library Gifts	176,260	172,000	115,000	115,000	0.00
Library Other Departmental - City-Wide	5,387,028	981,002	3,002	3,002	2.00
Library Other Departmental - Grants	819,320	234,259	0	0	0.00
Library Other Operational - Administration	29,893	17,000	17,000	17,000	0.00
Library Overhead	0	0	210,037	210,037	0.00
Sub-Total	7,296,929	2,549,181	1,607,066	1,607,066	6.70
Total	\$67,449,608	\$63,979,189	\$64,770,759	\$64,432,669	396.02

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** 2022-2023 Actuals may not subtotal due to rounding.

Library Department Budget Reconciliation

Personal Services and Non-Personal/Equipment

(2023-2024 Adopted to 2024-2025 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
Prior Year Budget (2023-2024):	404.17	58,193,733	46,409,083
<hr/>			
Base Adjustments			
<hr/>			
One-Time Prior Year Expenditures Deleted			
• Digital Equity Program		(1,483,210)	(1,483,210)
• Silicon Valley Education Foundation		(75,000)	(75,000)
• San José Public Library Foundation Fundraising Support		(50,000)	0
• Escuela Popular		(15,000)	(15,000)
One-time Prior Year Expenditures Subtotal:	0.00	(1,623,210)	(1,573,210)
Technical Adjustments to Costs of Ongoing Activities			
• Salary/benefit changes:		5,416,015	4,375,345
• Living Wage Adjustment		528,689	387,816
• Fund Shift: Computer Data Processing		268,217	204,250
• Contract Services: SJSU/City of San José Joint Agreement for Dr. Martin Luther King, Jr. Library		186,772	186,772
• Budget Realignment: Digital Inclusion	0.00	118,383	118,383
• Utilities: Gas, Electricity, and Water		113,000	81,000
• GASB 87 Leases: Toshiba Copiers		106,000	53,000
• Software/Information Services: Software Licenses		13,924	0
• Part-Time Sick Leave Adjustment		3,213	3,213
• Fund Shift: Access and Borrower Services and Library Facilities and Security		386	133,100
• Fund Shift: Library Management and Administration	0.00	0	269,676
• Vehicle Operations & Maintenance		(12,000)	(9,000)
Technical Adjustments Subtotal:	0.00	6,742,599	5,803,555
2024-2025 Forecast Base Budget:	404.17	63,313,122	50,639,428
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Budget Proposals Recommended			
1. Integrated Library System Migration, Optimization, and Staffing	(0.45)	300,000	300,000
2. San José Public Library Foundation Support		100,000	0
3. Family, Friend, & Neighbor Caregiver Network Program Staffing	2.00	0	0
4. Library Branch Staffing Service Coverage	(3.70)	0	0
5. Partners in Reading, Adult & Family Literacy	(3.50)	(460,330)	(324,410)
6. Maker[Space]Ship	(1.50)	(186,591)	(164,091)
7. Vacant Position Elimination	(1.00)	(91,169)	(91,169)
Total Budget Proposals Recommended	(8.15)	(338,090)	(279,670)
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2024-2025 Proposed Budget Total	396.02	62,975,032	50,359,758

Library Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
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1. Integrated Library System Migration, Optimization, and Staffing	(0.45)	300,000	300,000
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Neighborhood Services CSA

Access to Information, Library Materials, and Digital Resources Core Service

Access and Borrower Services Program

This action adds 1.0 Senior Analyst, deletes 1.0 vacant Library Assistant and 0.45 Library Page PT positions, and adds \$300,000 in one-time non-personal/equipment funding to migrate, implement, and optimize the Library’s Integrated Library System (ILS). The ILS or library catalog is the software tool that serves as the central controlling repository of all records related to library materials and the personal information for all library members. The Library procured its current ILS more than 20 years ago when the Library and San José State University (SJSU) managed a joint catalog. The Library assumed sole operation of the ILS in 2017 when SJSU migrated systems to align with the CSU network.

The one-time funding in this action allows for the RFP and procurement process to move forward for a new ILS that will be more targeted to modern Library-specific needs. In conjunction with this process, the Senior Analyst, serving as the ILS Manager, will structure the software customization, further enhancing the ILS features and functions to suit the Library’s needs and improve customer service to patrons. The current, decentralized nature of the Library’s ILS operating staff is a carry-over structure from the shared SJSU model. The new ILS Manager will streamline data systems, both for internal department purposes, and Library patrons. The position is expected to leverage customer engagement metrics to increase engagement and enhance the customer service experience. (Ongoing costs: \$0)

2. San José Public Library Foundation Support		100,000	0
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Neighborhood Services CSA

Strategic Support – Neighborhood Services Core Service

Library Financial Management Program

This action continues and increases one-time non-personal/equipment funding, from \$50,000 to \$100,000, in the Library Parcel Tax Fund to support the San José Public Library Foundation's (SJPLF) efforts to raise funding for the City Library's operations and programming. This one-time funding supports SJPLF's commitment to raise a minimum of \$250,000 for City Library operations and programming in 2024-2025. Additionally, this expense funds a capital planning study and facility evaluation. This study will inform certain fundraising targets and strategies for the SJPLF in the coming years. (Ongoing costs: \$0)

Library Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
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3. Family, Friend, & Neighbor Caregiver Network Program Staffing	2.00	0	0
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Neighborhood Services CSA

Access to Information, Library Materials, and Digital Resources Core Service

and Access and Borrower Services Programs

Literacy and Learning, Formal and Lifelong Self-Directed Education Core Service

Early Education and Family Learning Program

This action decreases the Library's ongoing non-personal/equipment funding by \$257,180 and reallocates it to add 1.0 Library Clerk and 1.0 Literacy Program Specialist positions, previously funded by the First 5 California grant, to support the Family, Friend, & Neighbor (FFN) Caregiver Network program. The FFN program is comprised of non-professional home childcare providers, including extended family members and friends. Around 80% of children ages 0-2, and 40% ages 0-5, are cared for by these family, friend, and neighbor caregivers. The FFN Caregiver Support Network is the City's first-ever initiative dedicated to supporting the work of FFNs. Launched in 2019, this program serves as a one-stop shop for FFNs to access caregiving resources, supplies, professional networks, and individualized support to empower them while caring for children. Since the program's inception, the Library has found that staff support better aligns with the needs and requirements of the FFN. The face-to-face interaction is crucial to developing and maintaining the skillsets and resourcefulness for the current cohort of 126 home-based caregivers. Funding was previously available through the First 5 California grant, but the unavailability of that funding source led to funding reallocation to add the new positions. (Ongoing costs: \$0)

4. Library Branch Staffing Service Coverage	(3.70)	0	0
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Neighborhood Services CSA

Access to Information, Library Materials, and Digital Resources Core Service

Access and Borrower Services and Materials Acquisition and Processing Programs

Literacy and Learning, Formal and Lifelong Self-Directed Education Core Service

Early Education and Family Learning Program

This action adds 2.0 Librarian PT, 2.4 Library Page PT unbenefited, and deletes 8.1 Library Aide PT unbenefited positions to ensure a sufficient level of staff coverage at Library branches including rotations in the evenings and weekends. The strategy optimizes Library Aide position vacancies, converting them to Librarian and Library Page classifications, which can perform additional duties, including direct customer service. (Ongoing costs: \$0)

Library Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
5. Partners in Reading, Adult & Family Literacy	(3.50)	(460,330)	(324,410)

Neighborhood Services CSA

Literacy and Learning, Formal and Lifelong Self-Directed Education Core Service

Partners in Reading/Adult Literacy Program

As a cost reduction to help bring the General Fund into structural alignment, this action reduces adult literacy program and administrative support staffing with the elimination of 1.0 Office Specialist, 0.5 Office Specialist PT, 1.0 Principal Office Specialist, and 1.0 Literacy Program Specialist positions from the Partners in Reading unit centralized at King Library, and restructures programs and services at the Family Learning Centers in designated branch libraries. Partners in Reading (PAR) delivers adult and family literacy services, including reading, writing, and computer and life skills, through one-to-one and small group instruction. Partial funding for PAR services is provided by California Library Literacy Services (CLLS) grant funding and the General Fund; adult and family literacy and English as a Second Language (ESL) programs are supported by CLLS and ESL grants. To ensure that services levels are unaffected by this reduction, Library would retain 1.0 Community Programs Administrator, 1.0 Literacy Program Specialist, and 1.5 grant-funded Literacy Program Specialist positions to continue to provide adult and family literacy and ESL programs and leverage staff at branch locations. (Ongoing savings: \$459,951)

6. Maker[Space]Ship	(1.50)	(186,591)	(164,091)
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Neighborhood Services CSA

Access to Information, Library Materials, and Digital Resources Core Service

Access and Borrower Services Program

As a cost reduction to help bring the General Fund into structural alignment, this action eliminates 0.5 Librarian PT, 1.0 Library Clerk, and \$22,500 in non-personal/equipment funding for the operations and maintenance expenses associated with the Maker[Space]Ship (MSS) vehicle, a converted Winnebago offering Science, Technology, Engineering, Arts, & Math (STEAM) programs for all ages. Since the MSS launch in 2016, the mobile workshop has brought more than 800 high-quality, tech-related programs to more than 90,500 San José residents at schools, community events, community centers, and parks. However, due to the vehicle's age, maintenance costs have significantly increased in recent years (\$40,000 in the prior year) and the vehicle has spent a significant time out of service. While the Maker[Space]Ship will be retired, the equipment within will be deployed to branch libraries using an equity lens, to help mitigate the impact to lower resourced communities. (Ongoing savings: \$185,172)

Library Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
7. Vacant Position Elimination	(1.00)	(91,169)	(91,169)

Neighborhood Services CSA

Access to Information, Library Materials, and Digital Resources Core Service




Access and Borrower Services Program

This action eliminates 1.0 positions – 0.5 Library Clerk PT, and 0.5 Warehouse Worker PT – as part of an organization-wide effort to evaluate the elimination of vacant positions in consideration of vacancy status and recruitment history, operational priority, and forecasted supporting revenues for 2024-2025, including Development Fee Programs, other supporting revenues, and capital project funding. A total of 64 positions in the City are recommended to be eliminated as part of this effort, a reduction of approximately 1% of the Base Budget level. While these position eliminations will reduce Departments' future service delivery capacity – and will be reevaluated as necessary – because these positions have been vacant for an extended period of time or are no longer supported by existing service demands, impacts to current service delivery is expected to be minimal. The eliminated positions in the Library Department result in savings of \$91,169 in the General Fund. (Ongoing savings: \$92,167)

2024-2025 Proposed Budget Changes Total	(8.15)	(338,090)	(279,670)
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Library Department

Performance Summary

Four Key Budget Performance Measure Measurement Areas			
	★★★		
Access - How well does a service enable access, participation, visitation, and usage? How well does the service lead to its intended outcome or opportunity pathway?	Customer Satisfaction - How well does a service meet customer needs? How well does a service resolve a customer's problem? How well does a service deliver its intended experience for a customer?	Reliability and Responsiveness - How well does a service meet response time targets? How well does a service deliver resolution? How well does a service meet its efficiency goals?	Cost Effectiveness - How well does a service resource deliver its intended outcome? How well does a service resource deliver its intended output?

Access to Information, Library Materials, and Digital Resources

Performance Measures

			2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
	PM 1	% of households with a library card used within the last 2 years	38%	38%	38%	40%
★★★	PM 2	% of customers that “agree” or “strongly agree” that the variety of library collections and resources are “good” or “excellent”	89%	85%	88%	85%
★★★	PM 3	% of customers rating facilities as “good” or “excellent” in terms of hours	81%	81%	80%	80%
★★★	PM 4	% of customers rating technology (e.g., computers, internet access, and WiFi) in facility as “good” or “excellent”	95%	91%	94%	95%
	PM 5	% of customers rating the availability and ease of access to a variety of electronic materials (e.g., downloadable/online eBooks and music) as “good” or “excellent”	88%	86%	87%	86%

Library Department

Performance Summary

Access to Information, Library Materials, and Digital Resources

Activity and Workload Highlights

		2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
<i>AWH 1</i>	# of visitors to main and branch libraries	2,878,710	3,250,000	3,420,843	3,500,000
<i>AWH 2</i>	Number of items circulated to the public (children, youth and adults) system-wide for:				
	- Physical Items (physical books, materials)	5,728,158	5,750,000	5,795,031	5,854,473
	- Digital Resources (eBooks, eMedia)	1,527,618	1,400,000	2,600,000	2,600,000
<i>AWH 3</i>	# of items purchased for circulation				
	- Physical Items (physical books, materials)	249,456	190,000	200,000	200,000
	- Digital Resources (eBooks, eMedia)	45,399	38,000	40,000	35,000
<i>AWH 4</i>	# of reference questions answered	329,096	350,000	318,431	350,000
<i>AWH 5</i>	# of public access computer sessions at library facilities	215,999	200,000	261,108	300,000

Data Sources: Access to Information, Library Materials, and Digital Resources



Number	Data Source
<i>PM 1</i>	Library integrated library system and City's master address database
<i>PM 2</i>	Library Customer Satisfaction Survey
<i>PM 3</i>	Library Customer Satisfaction Survey
<i>PM 4</i>	Library Customer Satisfaction Survey
<i>PM 5</i>	Library Customer Satisfaction Survey
<i>AWH 1</i>	Library gate count database
<i>AWH 2</i>	Library integrated library system
<i>AWH 3</i>	Library integrated library system
<i>AWH 4</i>	Library reference desk system
<i>AWH 5</i>	Library computer reservation system

Library Department

Performance Summary

Literacy and Learning, Formal and Lifelong Self-Directed Education

Performance Measures

		2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
	<i>PM 1</i> % of library Early Education program/class participants whose knowledge or skills have improved and resulted in more quality literacy experiences with a child	91%	88%	87%	85%
	<i>PM 2</i> % of Partners in Reading (PAR) program participants that succeed in achieving self-defined learning goals	57%	65%	55%	60%

Activity and Workload Highlights

		2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
	# of attendees at Library Programs:				
<i>AWH 1</i>	- Early Education	76,502	48,000	93,614	102,975
	- Expanded Learning at Schools	64,565	54,400	69,462	76,408
	- College & Career Readiness	2,123	3,900	1,945	2,148
	- Adult	42,422	23,700	29,452	32,397
<i>AWH 2</i>	# of attendees at Family Learning Centers	21,064	14,500	26,950	29,645
<i>AWH 3</i>	# of programs at Family Learning Centers	2,009	1,500	2,254	2,479
<i>AWH 4</i>	# of participants in Reading and Learning Challenges	67,100	18,000	72,000	75,000
<i>AWH 5</i>	Cost per capita to promote lifelong learning and educational support (20% of Library budget)	\$0.82	\$1.60	\$1.52	\$1.60

Data Sources: Literacy and Learning, Formal and Lifelong Self-Directed Education

Number	Data Source
<i>PM 1</i>	Library Early Education Program Survey
<i>PM 2</i>	Library PAR survey
<i>AWH 1</i>	Library program database
<i>AWH 2</i>	Library program database
<i>AWH 3</i>	Library program database
<i>AWH 4</i>	Library program database
<i>AWH 5</i>	Approved Budget and California State Finance Department Population Estimates

Library Department

Department Position Detail

Position	2023-2024 Adopted	2024-2025 Proposed	Change
Accounting Technician	2.00	2.00	-
Administrative Assistant	1.00	1.00	-
Administrative Officer	1.00	1.00	-
Analyst I/II	9.00	9.00	-
City Librarian	1.00	1.00	-
Community Programs Administrator	8.00	8.00	-
Deputy Director	2.00	2.00	-
Division Manager	4.00	4.00	-
Information Systems Analyst	2.00	2.00	-
Librarian I/II	66.00	66.00	-
Librarian I/II PT	9.80	11.30	1.50
Library Aide PT	19.09	10.99	(8.10)
Library Assistant	31.00	30.00	(1.00)
Library Clerk	49.00	49.00	-
Library Clerk PT	31.50	31.00	(0.50)
Library Page PT	85.78	87.73	1.95
Literacy Program Specialist	17.00	17.00	-
Network Engineer	3.00	3.00	-
Network Technician I/II/III	8.00	8.00	-
Network Technician I/II/III PT	0.50	0.50	-
Office Specialist II	1.00	0.00	(1.00)
Office Specialist II PT	0.50	0.00	(0.50)
Principal Office Specialist	1.00	0.00	(1.00)
Program Manager I	1.00	1.00	-
Public Information Representative I/II	3.00	3.00	-
Security Officer PT	0.50	0.50	-
Security Services Supervisor	1.00	1.00	-
Senior Account Clerk	3.00	3.00	-
Senior Analyst	1.00	2.00	1.00
Senior Librarian	17.00	17.00	-
Senior Library Clerk	1.00	1.00	-
Senior Office Specialist	2.00	2.00	-
Senior Public Information Representative	2.00	2.00	-
Senior Security Officer	8.00	8.00	-
Staff Specialist	1.00	1.00	-
Supervising Applications Analyst	1.00	1.00	-
Training Specialist	0.00	0.00	-
Volunteer Coordinator	1.00	1.00	-
Warehouse Supervisor	1.00	1.00	-
Warehouse Worker I PT	0.50	0.00	(0.50)
Warehouse Worker I/II	7.00	7.00	-
Total Positions	404.17	396.02	(8.15)

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Mayor and City Council

MISSION

The San José City Council consists of ten Councilmembers elected by district and a Mayor elected at-large, each for four-year terms. The Mayor and Council are responsible for representing the residents of San José, providing accountability, reviewing public policy and programs, and adopting those policies which best meet the needs of the residents, visitors, and businesses in San José

Matt Mahan, Mayor

Rosemary Kamei
District 1 (Vice Mayor)

Devora “Dev” Davis
District 6

Sergio Jimenez
District 2

Bien Doan
District 7

Omar Torres
District 3

Domingo Candelas
District 8

David Cohen
District 4

Pam Foley
District 9

Peter Ortiz
District 5

Arjun Batra
District 10

Mayor and City Council

Department Budget Summary

Expected 2024-2025 Service Delivery

- The Office of the Mayor provides leadership and guidance to the City Council. Using a variety of tools to engage the public, the Office will continue to ensure that the City's budget reflects the community's spending priorities and major initiatives of the City, including urgent action on homelessness, improving community safety, cleaning up San José, and attracting jobs and investment.
- The City Council will continue to exercise its power in determining policy through adoption of ordinances, resolutions, and motions, subject to the provisions of the City Charter and the State Constitution.
- Council General will provide central funding resources to the Office of the Mayor and City Council.

2024-2025 Key Budget Actions

- Reduces ongoing funding in the Office of the Mayor by \$75,981, and ongoing funding for each City Council Office by \$15,242 for a total of \$152,420.

Operating Funds Managed

N/A

Mayor and City Council

Department Budget Summary

	2022-2023 Actuals 1	2023-2024 Adopted 2	2024-2025 Forecast ¹ 3	2024-2025 Proposed 4	% Change (2 to 4)
Office of the Mayor					
Office of the Mayor	4,522,728	5,152,455	5,042,774	4,966,793	(3.6%)
City Council					
Council District #1	1,007,409	1,207,180	1,006,417	991,175	(17.9%)
Council District #2 (July - December) ²	927,094	1,077,672	525,710	518,089	(3.9%)
Council District #2 (January - June) ²	0	0	525,710	518,089	
Council District #3	915,439	1,141,316	994,801	979,559	(14.2%)
Council District #4	1,010,594	1,611,139	1,006,950	991,708	(38.4%)
Council District #5	1,064,944	1,241,316	969,730	954,488	(23.1%)
Council District #6 (July - December) ²	1,178,354	1,187,119	522,055	514,434	(13.3%)
Council District #6 (January - June) ²	0	0	522,055	514,434	
Council District #7	954,995	1,302,723	1,015,843	1,000,601	(23.2%)
Council District #8 (July - December) ²	863,463	1,183,570	505,300	497,679	(15.9%)
Council District #8 (January - June) ²	0	0	505,300	497,679	
Council District #9	1,056,807	1,405,909	1,031,716	1,016,474	(27.7%)
Council District #10 (July - December) ²	922,109	1,369,476	491,645	484,024	(29.3%)
Council District #10 (January - June) ²	0	0	491,645	484,024	
Council General	49,832	49,670	49,670	49,670	0.0%
Total	14,473,768	17,929,545	15,207,320	14,978,919	(16.5%)
Operating Expenditures	\$ 14,473,768	\$ 17,929,545	\$ 15,207,320	\$ 14,978,919	(16.5%)
Total	\$ 14,473,768	\$ 17,929,545	\$ 15,207,320	\$ 14,978,919	(16.5%)
General Fund	\$ 14,473,768	\$ 17,929,545	\$ 15,207,320	\$ 14,978,919	(16.5%)
Total	\$ 14,473,768	\$ 17,929,545	\$ 15,207,320	\$ 14,978,919	(16.5%)
Authorized Positions³	27.00	27.00	27.00	27.00	0.0%

¹ The amounts reflected in the 2024-2025 Forecast column for the Office of the Mayor and City Council District budgets are detailed below:

Office of the Mayor (\$5,042,774)

- Salary and benefits for the Mayor (\$250,895), Mayor's Office classified staff (\$855,381), unclassified staff and non/personal equipment expenses (\$3,911,497).
- Constituent Outreach (\$25,000).

City Council (\$10,114,876)

- Salary and benefits for each City Council Member (average \$175,569), and City Council Office classified staff (average \$143,448). Each City Council District also receives a base allocation of \$682,471 for unclassified staff and non/personal equipment expenses.
- Constituent Outreach per Council District (\$10,000).

Council General (\$49,670)

- The ongoing Council General allocation pays for central expenses for the Mayor and Council Districts such as photocopiers or other office resources.

² The Office of the Mayor and Council Districts 2, 6, 8 and 10 budget allocations in the 2024-2025 Forecast and Proposed Budget reflect City direction related to budgeting during election years. The 2024-2025 budget includes two appropriations for each office subject to an election to maintain separate budget allocations for the outgoing and incoming elected officials.

³ Does not include unclassified staff for Office of the Mayor and City Council Districts.

Mayor and City Council

Budget Reconciliation

Personal Services and Non-Personal/Equipment

(2023-2024 Adopted to 2024-2025 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
Prior Year Budget (2023-2024):	27.00	17,929,545	17,929,545
<hr/> Base Adjustments <hr/>			
One-Time Prior Year Expenditures Deleted			
• Rebudgets		(3,127,300)	(3,127,300)
One-time Prior Year Expenditures Subtotal:	0.00	(3,127,300)	(3,127,300)
Technical Adjustments to Costs of Ongoing Activities			
• Salary/benefit changes		405,075	405,075
Technical Adjustments Subtotal:	0.00	405,075	405,075
2024-2025 Forecast Base Budget:	27.00	15,207,320	15,207,320
<hr/> Budget Proposals Recommended <hr/>			
1. City Council Offices		(152,420)	(152,420)
2. Office of the Mayor		(75,981)	(75,981)
Total Budget Proposals Recommended	0.00	(228,401)	(228,401)
<hr/> 2024-2025 Proposed Budget Total	<hr/> 27.00	<hr/> 14,978,919	<hr/> 14,978,919

Mayor and City Council

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
1. City Council Offices		(152,420)	(152,420)
<i>Strategic Support – Council Appointees CSA</i> <i>City Council</i>			
To bring the General Fund into structural alignment, this action reduces each City Council Office's budget ongoing by 1.5%, or \$15,242 in each Office, for a total of \$152,420 for all ten Districts. This reduction means Council Offices may need to scale back, or potentially cancel, plans for some community events and outreach projects scheduled for next year. Funding allocated for non-personal/equipment expenses, including supplies and materials, subscriptions, and professional services, will also be impacted. (Ongoing savings: \$152,420)			
2. Office of the Mayor		(75,981)	(75,981)
<i>Strategic Support – Council Appointees CSA</i> <i>Office of the Mayor</i>			
To bring the General Fund into structural alignment, this action reduces the budget for the Office of the Mayor ongoing by 1.5%, or \$75,981. This reduction means fewer resources to support strategic partnerships, communications, and policy development. (Ongoing savings: \$75,981)			
2024-2025 Proposed Budget Changes Total		(228,401)	(228,401)

Mayor and City Council

Department Position Detail

Position	2023-2024 Adopted	2024-2025 Proposed	Change
Administrative Assistant	2.00	2.00	-
Councilmember	10.00	10.00	-
Executive Assistant	9.00	9.00	-
Mayor	1.00	1.00	-
Principal Office Specialist	1.00	1.00	-
Secretary To Mayor	1.00	1.00	-
Senior Office Specialist	2.00	2.00	-
Staff Specialist	1.00	1.00	-
Total Positions¹	27.00	27.00	0.00

¹ Does not include Mayor and City Council Unclassified Staff.

Parks, Recreation and Neighborhood Services Department

Jon Cicirelli, Director

MISSION

*Connecting People through Parks, Recreation and Neighborhood
Services for an Active San José*

CITY SERVICE AREA
Neighborhood Services

CORE SERVICES

COMMUNITY FACILITIES DEVELOPMENT

Create uniquely San José places that foster relationships with people and nature and offer a civic presence.

COMMUNITY SERVICES

Empower and support residents, schools, and local organizations to make the City more livable, safe and clean.

PARKS MAINTENANCE AND OPERATIONS

Ensure the proper maintenance and operation of City parks, trails and open spaces that provide opportunities for residents to connect to nature and lead active, healthy lifestyles.

RECREATION SERVICES

Through recreation, promote play and health, strengthen communities and enrich lives.

Strategic Support: Budget and Financial Management Services, Contracting Services, Employee Services, Marketing and Public Information, and Emergency Response and Recovery

Parks, Recreation and Neighborhood Services Department

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Community Facilities Development Core Service</i>	
Major Capital Improvement Projects Management	Oversees and manages approximately 150 projects in the City's community centers, trail network, and park system, focusing on large developments, construction of turnkey parks, and planning efforts to identify and acquire new parkland.
Minor Parks Capital Improvement Projects	Dedicated design staff, repair workers, and construction teams focus their project planning, design, and implementation efforts on small-scale projects.
<i>Community Services Core Service</i>	
Encampment Management	Provides services at homeless encampment locations throughout the City, including trash management, biowaste removal, encampment engagement and education, and encampment abatement.
Illegal Dumping and Homeless Encampment Trash Collection and Abatement	In partnership with neighborhoods, businesses, and non-profit partners, provides neighborhood and environmental beautification and cleanup services by eliminating blight caused by illegal dumping and homeless encampment trash accumulation throughout the City.
Neighborhood Blight Reduction and Beautification	Provides services and support for litter clean up, graffiti removal, illegal dumping removal, city-wide beautification, outreach and education, and neighborhood association engagement and support.
Youth Gang Prevention and Intervention	Comprised of a broad coalition of school officials, community and faith-based organizations, local residents, representatives of local law enforcement agencies, and City, County, and State government leaders that leverage each group's expertise as part of a coordinated, interagency effort to curb gang-related violence.
<i>Parks Maintenance and Operations</i>	
Family Camp	Provides campers with reservable wood-framed canvas tents, a dining hall, food services, recreation programs, a swimming area, and a nature center at an all-inclusive, 51.2-acre campground located in the Sierra Nevada wilderness.
Happy Hollow Park & Zoo	Focuses on conservation, education, animal welfare, and fun by providing animal exhibits and interactive, multi-generational attractions that create connections that inspire a strong sense of community.
Municipal Golf Courses	Provides outdoor recreation and community access to golf play at reasonable rates at City-owned Municipal Golf Courses - including San José Municipal Golf Course, Los Lagos Golf Course, and Rancho del Pueblo Golf Course.
Neighborhood Parks and Regional Parks	Maintains and operates 203 neighborhood parks and many other civic spaces as well as 10 regional parks to provide safe, clean, and green public spaces for the community to live and play.
Park Rangers	Protect, preserve, and enhance the natural and cultural resources of the City's parks, trails, and open spaces.

Parks, Recreation and Neighborhood Services Department

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Parks Maintenance and Operations</i>	
Parks Administration	Provides the central management of 203 neighborhood parks and many other civic spaces, including 10 regional parks; 64.93 miles of trails; San José Family Camp; Special Parks Use and facility rentals; City-Wide Sports; the Volunteer Management Unit; Community Gardens; Emma Prusch Farm Park; and Happy Hollow Park & Zoo.
Sports Fields Maintenance and Reservations	Provides community access to outdoor play and recreation at Arcadia Ballpark, PAL Stadium, and 83 sports fields in 47 parks; also known as "City-Wide Sports."
Volunteer, Adopt a Park, and Community Gardens	Includes the Volunteer Corporate Connections, Adopt-A-Park, and One Day events that promote community engagement by working directly with the community members and organizations to supplement park maintenance, and provide opportunities to connect with nature and members of their larger community by helping keep San José clean and beautiful. Community Gardens provide space for San José residents to grow fruits and vegetables to supplement a healthy lifestyle, also providing benefits by creating community and decreasing social isolation and improving environmental education.
<i>Recreation Services Core Service</i>	
Aquatics	Offers San José residents and surrounding communities access to pools for swim lessons and recreational swim at affordable costs.
Community Center Operations	Offers a multi-service Community Center Hub model in order to improve all residents' health and quality of life through dynamic recreational opportunities and high-quality facilities.
Park Activation/ Placemaking	Repurposes and reimagines underused public space through creative and innovative programming, utilizing the City of San José assets, community inspiration, and resident potential to create public life that promotes health, happiness, and well-being in San José.
Neighborhood Center Partners Program (formerly PRNS Re-Use)	Allows community-based nonprofits, neighborhood associations, school districts, and other government agencies or community service providers to use City-owned facilities in exchange for providing San José residents with low or no-cost services.
Recreation Administration	Oversees and manages recreation programs and facilities that are used to promote play and health; strengthen communities and enrich lives throughout San José in an effort to foster healthier lifestyles; improve quality of living; and connect, inform, and engage residents.
Senior Services	Strives to decrease social isolation, encourage healthy aging, provide nutritional meals, and offer additional resource connections for older adults through wrap-around services provided at City of San José community centers.
Youth Services	Offers enrichment, healthy recreation, developmental assets, homework assistance, safety, and fun in the provision of afterschool programming to students.

Parks, Recreation and Neighborhood Services Department

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Strategic Support Core Service</i>	
Capital Budget and Project Management	Oversees the capital budget process and grant support team.
PRNS Financial Management	Manages the budget and all financial transactions for the department and drives the Department's annual budget development.
PRNS Human Resources	Manages personnel-related functions for the department, including hiring (in coordination with the Human Resources Department), employee development, employee discipline (in coordination with the Office of Employee Relations), and personnel transactions.
PRNS Management and Administration	Provides executive-level, leadership, analytical and administrative support to the department. Manages public information to promote and elevate the community's awareness of the department through web management, graphic design services, translation services, photography, videography, social media engagement, crisis communications, and public relations.
PRNS Emergency Response and Recovery	Provides for the coordination and delivery of emergency services and recovery activities.

Parks, Recreation and Neighborhood Services Department

Department Budget Summary

Expected 2024-2025 Service Delivery

- Implement ActivateSJ, through Stewardship, Nature, Equity & Access, Identity, and Public Life.
- Maintain clean and safe parks and trails, providing extra attention to parks with the lowest assessment ratings.
- Protect, preserve, and enhance the natural and cultural resources of parks, trails, watersheds, and open spaces through the Park Ranger Program.
- Provide outdoor experiences and opportunities to interact with nature by maintaining unique facilities such as Happy Hollow Park & Zoo, Lake Cunningham Action Sports Park, and activating public spaces through Viva Parks and Viva CalleSJ.
- Provide residents of all ages access to community health and recreational programs.
- Provide scholarship opportunities for eligible families to ensure that cost is not a barrier to accessing healthy recreational opportunities.
- Continue cultivating healthy and resilient neighborhoods through Youth Intervention and Community Services Programs.
- Manage the BeautifySJ program to address issues of blight and quality of life in coordination with departments, community-based nonprofits, volunteers, and service providers.

2024-2025 Key Budget Actions

- As directed by the Mayor's March Budget Message for Fiscal Year 2024-2025, as approved by the City Council, adds \$15.9 million and 37.3 positions to BeautifySJ to meet the requirements along waterways in accordance with the City's Municipal Regional Stormwater Permit and to continue and expand existing programmatic efforts of encampment maintenance, abatement, and blight reduction.
- Previously funded on a one-time basis, as directed by the Mayor's March Budget Message for Fiscal Year 2024-2025, as approved by the City Council, continues and makes permanent 4.25 positions for child and youth programming – these positions support City-wide Out of School programs serving more than 15,000 youth participants throughout the year – and continues and makes permanent 1.0 Recreation Program Specialist, 0.75 Senior Recreation Leader, and 2.0 Recreation Leader positions to continue offering a full range of free programs to youth at Starbird and Berryessa Youth Centers.
- Continues and makes permanent 1.0 Parks, Recreation, and Facilities Supervisor for management and oversight of the Alum Rock Park Vegetation Management Plan and Cherry Flat Dam inspection and maintenance.
- Eliminates one Viva CalleSJ and 25 Viva Parks events through the deletion of 1.0 Events Coordinator and 1.5 Recreation Leader positions and the deletion of \$242,000 in non-personal/equipment funding.
- Closes all six fitness centers at the Almaden, Bascom, Camden, Mayfair, Roosevelt, and Seven Trees Community Centers by eliminating 4.30 Recreation Leader PT and 1.00 Recreation Program Specialist positions and \$13,000 of non-personal/equipment for supplies.

Operating Funds Managed

- Municipal Golf Course Fund
- St. James Park Management District Fund

Parks, Recreation and Neighborhood Services Department

Department Budget Summary

	2022-2023 Actuals ***	2023-2024 Adopted ****	2024-2025 Forecast	2024-2025 Proposed
Dollars by Core Service				
Community Facilities Development	6,590,309	7,624,229	7,955,096	7,955,096
Community Services	33,324,790	42,010,588	33,298,649	50,205,900
Parks Maintenance and Operations	54,533,151	61,143,154	61,191,980	61,122,593
Recreation Services	26,516,023	33,946,673	34,883,426	35,140,387
Strategic Support - Neighborhood Services	14,328,090	7,684,184	7,401,136	7,579,625
Strategic Support - Other - Neighborhood Services	10,347,925	15,314,951	5,745,693	5,900,403
Total	\$145,640,287	\$167,723,779	\$150,475,980	\$167,904,004
Dollars by Category				
Personal Services and Non-Personal/Equipment				
Salaries/Benefits	75,200,459	89,980,336	95,802,250	100,769,417
Overtime	2,826,229	388,218	388,218	388,218
Subtotal Personal Services	\$78,026,688	\$90,368,554	\$96,190,468	\$101,157,635
Non-Personal/Equipment	29,252,761	44,306,642	41,175,123	52,206,412
Total Personal Services & Non-Personal/Equipment	\$107,279,449	\$134,675,196	\$137,365,591	\$153,364,047
Other Costs *				
City-Wide Expenses	32,838,023	25,039,200	8,637,199	8,956,835
General Fund Capital	1,164,783	6,075,000	0	0
Gifts	396,283	212,001	208,636	208,636
Housing Loans and Grants	1,937	0	0	0
Other	716,858	58,000	114,000	1,219,222
Other - Capital	0	0	0	0
Overhead Costs	2,376,650	164,382	2,650,554	2,655,264
Workers' Compensation	866,304	1,500,000	1,500,000	1,500,000
Total Other Costs	\$38,360,838	\$33,048,583	\$13,110,389	\$14,539,957
Total	\$145,640,287	\$167,723,779	\$150,475,980	\$167,904,004

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** The position counts displayed in the 2022-2023 Actuals column reflect those included in the 2022-2023 Adopted Budget.

*** 2022-2023 Actuals may not subtotal due to rounding.

**** The amounts in the 2023-2024 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

Parks, Recreation and Neighborhood Services Department

Department Budget Summary

	2022-2023 Actuals ***	2023-2024 Adopted ****	2024-2025 Forecast	2024-2025 Proposed
Dollars by Fund				
General Fund (001)	131,343,705	155,941,277	135,101,075	151,021,265
Airport Maintenance And Operation Fund (523)	1,115	66,582	74,980	74,980
American Rescue Plan Fund (402)	0	0	0	0
Community Development Block Grant Fund (441)	13,670	0	0	0
Community Facilities District No. 14 (Raleigh-Charlotte) Fund (379)	345,465	452,729	475,356	475,356
Community Facilities District No. 16 (Raleigh-Coronado) Fund (344)	20,369	59,901	59,901	59,901
Emergency Reserve Fund (406)	384,256	0	0	0
Gift Trust Fund (139)	459,649	394,417	378,000	378,000
Municipal Golf Course Fund (518)	449,747	0	0	0
Real Property Transfer Tax Fund (404)	0	0	261,516	1,686,516
San José Opioid Response Fund (130)	0	0	54,000	122,000
St. James Park Management District Fund (345)	561,604	720,988	768,770	783,604
Capital Funds	12,060,708	10,087,885	13,302,382	13,302,382
Total	\$145,640,287	\$167,723,779	\$150,475,980	\$167,904,004
Positions by Core Service **				
Community Facilities Development	39.06	40.06	39.06	39.06
Community Services	126.48	141.15	123.15	160.40
Parks Maintenance and Operations	367.39	370.47	365.76	364.61
Recreation Services	253.72	261.73	252.12	254.80
Strategic Support - Neighborhood Services	35.21	37.21	37.51	38.51
Strategic Support - Other - Neighborhood Services	4.35	3.35	3.05	3.05
Total	826.21	853.97	820.65	860.43

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** The position counts displayed in the 2022-2023 Actuals column reflect those included in the 2022-2023 Adopted Budget.

*** 2022-2023 Actuals may not subtotal due to rounding.

**** The amounts in the 2023-2024 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

Parks, Recreation and Neighborhood Services Department

Department Budget Summary

	2022-2023 Actuals **	2023-2024 Adopted	2024-2025 Forecast	2024-2025 Proposed	2024-2025 Proposed Positions
Dollars by Program*					
Community Facilities Development					
Major Capital Improvement Projects Management	4,422,921	4,500,026	4,648,042	4,648,042	20.25
Minor Parks Capital Improvement Projects	2,167,387	3,124,203	3,307,054	3,307,054	18.81
Sub-Total	6,590,309	7,624,229	7,955,096	7,955,096	39.06
Community Services					
Anti-Graffiti and Anti-Litter	4,611,345	6,605,403	0	0	1.00
Encampment Management	0	0	14,731,205	29,853,674	78.00
Illegal Dumping and Homeless Encampment Trash Collection and Abatement Services	17,933,606	23,927,736	0	0	1.00
Neighborhood Blight Reduction and Beautification	0	0	7,331,093	9,378,569	32.00
Youth Gang Prevention and Intervention	10,779,838	11,477,449	11,236,351	10,973,657	50.40
Sub-Total	33,324,790	42,010,588	33,298,649	50,205,900	160.40
Parks Maintenance and Operations					
Family Camp	1,064,115	1,370,453	1,098,614	1,056,407	7.55
Happy Hollow Park & Zoo	10,977,058	10,043,054	10,862,101	10,920,158	98.85
Municipal Golf Courses	449,747	0	0	0	0.00
Neighborhood Parks and Regional Parks	28,771,734	36,413,878	37,598,232	37,581,672	193.04
Park Rangers	2,216,165	3,431,419	3,696,703	3,696,703	22.71
Parks Administration	6,692,854	6,001,492	3,522,124	3,522,124	12.60
Sports Fields Maintenance and Reservations	3,365,292	2,814,000	3,250,537	3,181,860	23.62
Volunteer, Adopt a Park, and Community Gardens	996,184	1,068,858	1,163,669	1,163,669	6.24
Sub-Total	54,533,151	61,143,154	61,191,980	61,122,593	364.61
Recreation Services					
Aquatics	701,545	1,230,704	1,408,701	1,408,701	13.91
Community Center Operations	18,163,157	22,414,751	23,116,254	23,857,691	201.52
Neighborhood Center Partners Program	2,462,355	2,801,823	3,015,676	3,015,676	18.10
Park Activation/Placemaking	2,321,653	3,078,907	2,898,649	2,419,342	11.27
Recreation Administration	1,746,635	1,877,208	2,048,600	2,043,431	7.50
Senior Services	1,120,421	2,431,239	2,395,546	2,395,546	2.50
Youth Services	256	112,041	0	0	0.00
Sub-Total	26,516,023	33,946,673	34,883,426	35,140,387	254.80
Strategic Support - Neighborhood Services					

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** 2022-2023 Actuals may not subtotal due to rounding.

Parks, Recreation and Neighborhood Services Department

Department Budget Summary

	2022-2023 Actuals **	2023-2024 Adopted	2024-2025 Forecast	2024-2025 Proposed	2024-2025 Proposed Positions
Capital Budget and Project Management	627,834	644,988	936,880	936,880	4.85
PRNS Emergency Response and Recovery	6,369,018	1,000,000	0	0	0.00
PRNS Financial Management	4,012,828	3,100,787	3,299,794	3,299,794	17.40
PRNS Human Resources	1,097,751	1,078,707	1,211,665	1,211,665	8.73
PRNS Management and Administration	2,220,659	1,859,702	1,952,797	2,131,286	7.53
Sub-Total	14,328,090	7,684,184	7,401,136	7,579,625	38.51
Strategic Support - Other - Neighborhood Services					
PRNS Capital	5,327,892	6,992,714	988,503	988,503	3.05
PRNS Gifts	337,766	270,001	268,636	268,636	0.00
PRNS Other Departmental - City-Wide	2,861,533	6,387,854	338,000	488,000	0.00
PRNS Other Operational - Administration	826,712	0	0	0	0.00
PRNS Overhead	127,717	164,382	2,650,554	2,655,264	0.00
PRNS Workers' Compensation	866,304	1,500,000	1,500,000	1,500,000	0.00
Sub-Total	10,347,925	15,314,951	5,745,693	5,900,403	3.05
Total	\$145,640,287	\$167,723,779	\$150,475,980	\$167,904,004	860.43

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** 2022-2023 Actuals may not subtotal due to rounding.

Parks, Recreation and Neighborhood Services

Budget Reconciliation

Personal Services and Non-Personal/Equipment

(2023-2024 Adopted to 2024-2025 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
Prior Year Budget (2023-2024):	853.97	134,675,196	123,327,079
Base Adjustments			
One-Time Prior Year Expenditures Deleted			
• Rebudgets (1.0 Senior Analyst)	(1.00)	(895,000)	(895,000)
• CaliforniansForAll Youth Workforce Program - Climate Change Pathway (1.0 Senior Analyst)	(1.00)	-	-
• Beautify San José (5.0 Community Activity Worker, 3.0 Community Coordinator, 8.0 Maintenance Worker II, 1.0 Senior Maintenance Worker, and 1.0 Staff Specialist)	(18.00)	(4,222,013)	(4,222,013)
• Child and Youth Programming Staffing (1.0 Parks, Recreation & Facilities Supervisor, 1.0 Analyst I/II, 2.25 Senior Recreation Leader PT)	(4.25)	(528,727)	(528,727)
• Youth Scholarship Funding		(500,000)	(500,000)
• Enhanced Blight Response Near Emergency Interim Housing (EIH) Communities		(350,000)	(350,000)
• Starbird Youth Center and Berryessa Youth Center Out of School Programming (0.75 Senior Recreation Leader PT, 1.0 Recreation Program Specialist, and 2.0 Recreation Leader PT-U)	(3.75)	(266,775)	(266,775)
• Beautify San José Consolidated Model Staffing (2.0 Therapeutic Specialist)	(2.00)	(243,273)	(243,273)
• Park Wildland Fire Engine Replacement		(200,000)	(200,000)
• Alum Rock Park Staffing (1.0 Parks, Recreation & Facilities Supervisor)	(1.00)	(169,255)	(169,255)
• Youth Intervention Services/Project Hope Vehicles		(90,000)	(90,000)
• Commingled Waste in Publicly Maintained Waste Receptacles		(64,000)	(64,000)
• R.O.C.K. Scholarships (District #7)		(50,000)	(50,000)
• Assistant Arborist Light-Duty Vehicle		(40,000)	(40,000)
• Special Park Use/Park Reservation Staffing		(26,662)	(26,662)
• East San José Culture Night Market		(25,000)	(25,000)
• Friends of Levitt Pavilion San José		(25,000)	(25,000)
• Improving Educational Outcomes for Latino Youth - East Side Education Initiative		(25,000)	(25,000)
• Improving Educational Outcomes for Latino Youth - LEAF		(25,000)	(25,000)
• SJ Makers for Friday Night Activation at Backesto Park		(20,000)	(20,000)
• Increasing Dog Waste Disposal in City Parks		(18,000)	(18,000)
• Park Maintenance Management Restructuring		(6,000)	(6,000)
• San José Recreation Preschool Program Grant		(5,000)	(5,000)
• Aquatics Program		(3,000)	(3,000)
• Fiscal Team Staffing		(3,000)	(3,000)
• Happy Hollow Education Staffing		(3,000)	(3,000)
• Safety Officer Staffing		(3,000)	(3,000)
One-time Prior Year Expenditures Subtotal:	(31.00)	(7,806,704)	(7,806,704)

Parks, Recreation and Neighborhood Services

Budget Reconciliation

Personal Services and Non-Personal/Equipment

(2023-2024 Adopted to 2024-2025 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
Technical Adjustments to Costs of Ongoing Activities			
• Salary/benefit changes and the following position reallocations:		6,908,692	6,098,480
- 1.0 Gerontology Specialist to 1.0 Recreation Program Specialist			
- 1.0 Senior Engineer to 1.0 Assoc Structure/Land Designer			
- 1.0 Recreation Superintendent to 1.0 Parks Manager			
- 5.46 Park Ranger PT-U to 5.46 Park Ranger Assistant PT-U			
- 0.10 Park Ranger Assistant PT-U to 0.10 Park Ranger PT-U			
• Utilities: Gas, Electricity, Water		1,721,000	1,704,000
• Living Wage Adjustment		1,608,707	1,607,086
• Vehicle Operations & Maintenance		154,934	151,934
• Contract Services: Janitorial Services		28,060	28,060
• Supplies and Materials: Chemicals		6,000	6,000
• Part-Time Sick Leave Adjustment		5,356	5,356
• Contract Services: Small Park Bayscape		5,006	5,006
• Contract Services: Pacific Water Art		5,000	5,000
• Computer Data Processing: Arcadia Radios and Wi-Fi Maintenance Fees		2,000	2,000
• Amendment to the City Pay Plan for Various Classifications (City Council approval on March 5, 2024):	2.00	261,516	0
- Add 2.0 Community Activity Specialist			
• Parks, Recreation and Neighborhood Services Department Staffing (City Council approval on September 19, 2023):	(1.32)	13,530	53,281
- Add 1.0 Assistant to the Director			
- Delete 1.0 Staff Specialist			
- Delete 1.32 Recreation Leader PT			
• Approval of the Terms of an Agreement between the City of San José and Various Bargaining Units (City Council approval on September 12, 2023):	(3.00)	(222,702)	(222,702)
- Delete 2.5 Recreation Leader PT			
- Delete 0.5 Events Coordinator II PT			
Technical Adjustments Subtotal:	(2.32)	10,497,099	9,443,501
2024-2025 Forecast Base Budget:	820.65	137,365,591	124,963,876
Budget Proposals Recommended			
1. Beautify San José Stormwater Permit Implementation	14.00	8,153,041	7,833,263
2. Beautify San José Continuation and Expansion	23.25	7,539,682	7,539,682
3. Child and Youth Program Staffing	4.25	543,781	543,781
4. Starbird and Berryessa Youth Center Staffing	3.75	283,083	283,083
5. New Parks and Recreation Facilities Operations and Maintenance	4.18	247,000	247,000
6. Neighborhoods Associations Engagement Model	1.00	229,000	161,000
7. Alum Rock Vegetation Management and Dam Oversight Staffing	1.00	212,144	212,144
8. Racial Equity Senior Analyst	1.00	178,489	178,489
9. Urban Canopy Enhancement Staffing	1.00	83,000	83,000
10. Creek Clean-up Partners		75,000	75,000
11. Happy Hollow Park and Zoo Staffing	(0.47)	34,452	34,452

Parks, Recreation and Neighborhood Services

Budget Reconciliation

Personal Services and Non-Personal/Equipment

(2023-2024 Adopted to 2024-2025 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
Budget Proposals Recommended			
12. Vehicle Operations and Maintenance (Fleet Staffing)		19,001	19,001
13. St. James Park Placemaking Staff□	0.25	10,124	0
14. Family Camp Maintenance Staffing	0.20	0	0
15. Gardner Community Center Staffing	3.75	0	0
16. Trauma to Triumph Program	(1.00)	0	0
17. Placemaking Program	(2.50)	(464,633)	(464,633)
18. Community Center Fitness Centers	(5.30)	(397,060)	(397,060)
19. Nature Program Staffing (Almaden Lake and Alum Rock Park)	(3.78)	(391,022)	(391,022)
20. Vacant Position Elimination	(4.80)	(356,626)	(356,626)
Total Budget Proposals Recommended	39.78	15,998,456	15,600,554
2024-2025 Proposed Budget Total	860.43	153,364,047	140,564,430

Parks, Recreation and Neighborhood Services Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
1. Beautify San José Stormwater Permit Implementation	14.00	8,153,041	7,833,263

*Neighborhood Services CSA
Community Services Core Service
Encampment Management Program*

As directed in the Mayor's March Budget Message for Fiscal Year 2024-2025, as approved by the City Council, this action adds 14.0 positions – 1.0 Program Manager, 1.0 Senior Analyst, 1.0 Community Services Supervisor, 3.0 Community Coordinator, 4.0 Community Activity Specialist, and 4.0 Maintenance Workers (all positions start November 2024 unless noted otherwise) – and \$6,755,000 of non-personal/equipment funding to support Beautify San José's Stormwater Permit Implementation strategy. This team will focus on key areas, dedicating resources to the efforts discussed below. However, it is important to note that the Administration will be refining its overall approach to Stormwater Permit implementation activities over the next several months and the allocation of resources may need to shift. The Administration will bring forward adjustments as part of a future budget process, as necessary.

Waterways Abatement and Encampment Management – adds 1.0 Program Manager position to manage the Waterways and Recreational Vehicles Pollution Prevention Programs and 1.0 Senior Analyst for high-level analytical support for implementation of the Direct Discharge Plan. A new Waterways Abatement Team (2.0 Community Coordinators and 2.0 Maintenance Workers) and supporting contractual services will conduct escalated cleanups, and abate encampments in areas of the creek that block access to critical infrastructure or other maintenance roads. A vendor will be used to assist with the collection and removal of trash from the encampment abatements, breakdown and dismantle encampments along the waterways, and properly dispose of biowaste and junked vehicles (\$4.7 million).

Mitigating Impacts to Neighborhoods - adds 1.0 Community Coordinator and 1.0 Community Activity Specialist positions to quickly react to new encampments and schedule trash pickup services and abatement activities as needed. As abatement service increases along creeks, people may self-relocate to neighborhoods. Total non-personal/equipment funding of \$1.6 million will be used for contractual services such as sorting trash and debris and bagging personal property, vehicle rentals, and supplies and materials (\$1.8 million).

No Return / No Encampment Zones - adds a team (1.0 Community Services Supervisor and 2.0 Community Activity Specialist positions,) and \$126,000 of non-personal/equipment funding ongoing to establish and maintain No Return / No Encampment Zones along waterways and within other select areas of San José. This team will work to ensure that areas where significant investments have been made will remain clear of encampments. A current team of 2.0 Community Activity Specialists positions will continue to focus on the Guadalupe River, while the newly added 2.0 Community Activity Specialists team will focus on managing zones on land and to comply with the Municipal Regional Stormwater Permit. Staff will interact directly with unhoused residents who may have moved into a No Return / No Encampment Zone to notify them of planned abatements, trash collection and biowaste removal; and engage with housed residents on impacts of encampments and with businesses on strategies to address encampments on their property along the waterways. The Community Services Supervisor position will lead abatement teams and coordinate with City partner departments. There are 11 No Return / No Encampment Zones currently identified: Guadalupe River (S. Julian to Woz Way), six current and three planned Emergency Interim Housing sites, and one Safe Parking site. The number

Parks, Recreation and Neighborhood Services Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
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Beautify San José Stormwater Permit Implementation (Cont'd.)

and location of sites may vary over time depending on operational priorities and available resources (\$407,000).

Recreational Vehicle Pollution Prevention Program Expansion – A separate allocation in the Real Property Transfer Tax Fund, increases the number of Recreational Vehicles (RVs) / lived-in vehicles serviced from 150 vehicles to 600 vehicles and increase the frequency of the service. The program is able to scale due to the ability to lease a vacuum truck, whereas in the past, the program was reliant on a vendor-only service model. The program removes and disposes human waste from RVs / lived-in vehicles, preventing these discharges from entering the waterways. With the addition of 1.0 Community Activity Specialist and 2.0 Maintenance Worker positions (September 2024) and contractual services, the RVs/ lived-in vehicles will be serviced approximately once every two weeks compared to once every four to six weeks previously (\$1.4 million in the Real Property Transfer Tax Fund).

Deterrents Installation and Maintenance – adds one-time non-personal/equipment funding of \$1.0 million to install and maintain deterrents such as bollards and rocks near the waterways as well as throughout the city.

(Ongoing costs: \$7,761,748)

2. Beautify San José Continuation and Expansion	23.25	7,539,682	7,539,682
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Neighborhood Services CSA

Community Services Core Service

Encampment Management and Neighborhood Blight Reduction and Beautification Programs

As directed in the Mayor's March Budget Message for Fiscal Year 2024-2025, as approved by the City Council, this action continues and makes permanent 15.0 positions previously funded on a one-time basis; adds 3.25 ongoing positions – 1.0 Program Manager (November 2024), 1.0 Community Coordinator, 1.0 Maintenance Worker (February 2025), and the net addition of 0.25 Community Activity Specialist (February 2025); extends 4.0 Maintenance Workers positions and 1.0 Community Activity Worker position previously funded on a one-time basis through June 30, 2025; and allocates \$4.5 million of non-personal/equipment funding.

Programs piloted in 2023-2024 will now continue ongoing, including: two teams for **waterways trash pickup** at encampments located along waterways (\$1.6 million), the **RV Pollution Prevention Program** (\$1.6 million, servicing up to 150 vehicles), and the expanded **Cash for Trash Program** (\$692,000, 700 participants). In 2024-2025, a fourth **encampment trash management team** (1.0 Community Coordinator, 1.0 Maintenance Worker II, and vendor support) will be added on an ongoing basis (\$1.4 million). There are currently three encampment trash teams (1.0 Community Coordinator, 1.0 Maintenance Worker, and vendor support) operating in the North, East, and Southwest Zones. Each team provides weekly trash pickup at 38 sites for a total of 114 sites per week; the new team will add 50 encampment locations weekly that are not currently being serviced. Tasks completed by the team members include educating encampment residents on bagging trash, managing vendor staff, managing the logging of personal property into the encampment management system, collecting and coordinating with vendor removal of containers of human waste, distributing litter bags to residents, and completion of minor landscaping projects and/or the repair or replacement of deterrents if needed.

The addition of 1.0 Program Manager position will create needed oversight for the **Blight Reduction**

Parks, Recreation and Neighborhood Services Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
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Beautify San José Continuation and Expansion (Cont'd.)

Program (\$133,000). Blight Reduction encompasses graffiti removal, the anti-litter program, dumpster days, RAPID illegal dumping, neighborhood engagement and outreach, and coordination with interjurisdictional partners to remove blight. This position will provide day-to-day management and guidance to a team of approximately 40 staff, who currently report directly to the BSJ Division Manager position. This operating structure will be reevaluated as BSJ continues to develop.

The addition of 1.0 Community Activity Specialist position and one-time non-personal/equipment funding for the purchase of two cameras are recommended to **monitor illegal dumping and graffiti** activities throughout the City (\$121,000). BSJ currently has eight cameras, with 0.75 vacant Community Activity Worker (CAW) positions to view and monitor the cameras. This action deletes 0.75 CAW position and adds 1.0 Community Activity Specialist position who will review footage captured from the cameras to determine the correct next level of response (either the Police Department for graffiti or Planning, Building, Code Enforcement Department for illegal dumping or an inter-jurisdictional partner such as Caltrans where applicable). BSJ will also initiate a pilot program that uses technology to monitor and identify illegal dumping and graffiti activity.

Finally, this action provides one-time funding and extends 1.0 Community Activity Worker for the **Beautify Your Block** program (\$181,000) and 4.0 Maintenance Worker II positions through June 30, 2025 and non-personal/equipment funding (\$1.5 million, of which is \$100,000 ongoing) to complete implementation of the **Clean Gateways Pilot Program** for removal of weed, debris, and graffiti, and complete the beautification efforts at the 11 heavily trafficked gateways across Districts 3, 5, 6, and 7.

(Ongoing costs: \$5,987,507)

3. Child and Youth Program Staffing	4.25	543,781	543,781
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Neighborhood Services CSA
Recreation Services Core Service
Community Center Operations Program

As directed in the Mayor's March Budget Message for Fiscal Year 2024-2025, as approved by the City Council, this action makes permanent 1.0 Parks, Recreation, & Facilities Supervisor (PRFS), 1.0 Analyst I/II and 2.25 Senior Recreation Leader PT-Benefited positions, \$13,500 of ongoing non-personal/equipment funding, and \$6,000 in one-time non-personal/equipment funding for City youth services that were previously funded on a one-time basis. The PRFS position oversees planning and delivery of Out of School Time programs (OOST), including ROCK Afterschool programs serving 1,117 kids, Break Camps serving 1,118 youths, and Summer Camps serving over 10,000 preschool and school-aged children. The position also supervises Teen Centers — a gathering place for teens that keeps nearly 4,100 participants positively engaged and away from negative activities such as gang association.

The Analyst I/II is responsible for tracking and managing the budget for childcare programs, including federal, State, and local government funding sources and meeting all reporting and financial requirements. The Senior Recreation Leader positions are each responsible for the supervision of two ROCK sites during the school year. This ensures proper supervision and adequate time spent at each location, as well as development of relationships with school administration, parents, and supervising staff. This structure maintains the quality standards expected of the OOST programs. (Ongoing costs: \$540,542)

Parks, Recreation and Neighborhood Services Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
4. Starbird and Berryessa Youth Center Staffing	3.75	283,083	283,083

*Neighborhood Services CSA
Recreation Services Core Service
Community Center Operations Program*

As directed in the Mayor's March Budget Message for Fiscal Year 2024-2025, as approved by the City Council, this action continues and makes permanent 1.0 Recreation Program Specialist, 0.75 Senior Recreation Leader, 2.0 Recreation Leader PT positions, and \$14,000 of non-personal/equipment funding to support youth Out of School Time programming at Starbird and Berryessa Youth Centers. These positions will continue to provide a full range of youth programs at these sites including ROCK After School, Break Camps, Summer Camps, Leisure programming, and special events. The continued activation of these sites support the Department's mission to promote community spaces for a safe, fun, and healthy San José. (Ongoing costs: \$285,423)

5. New Parks and Recreation Facilities Operations and Maintenance	4.18	247,000	247,000
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*Neighborhood Services CSA
Parks Maintenance and Operations Core Service
Neighborhood Parks and Regional Parks Program*

This action adds 3.1 Maintenance Assistant PT, 1.0 Maintenance Assistant FT, and 0.08 Park Ranger PT positions and \$42,886 in non-personal/equipment funding for operating and maintenance costs associated with new facilities coming online in 2024-2025. These facilities include Alviso Park Expansion, Hanchett Park Development, Old Orchard Park, River Oaks Regional Stormwater Capture, Coyote Creek Trail (Mabury to Empire), Coyote Creek Trail (Phelan to Tully), Guadalupe River Trail (Thousand Oaks), and Winchester Orchard Park. This funding is supported through the liquidation of the New Parks and Recreation Facilities Operations and Maintenance Reserve, as described in the *General Fund, Transfers, Reserves* section of this document. (Ongoing costs: \$336,000)

6. Neighborhood Association Engagement Model	1.00	229,000	161,000
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*Neighborhood Services CSA
Community Services Core Service
Neighborhood Blight Reduction and Beautification Program*

This action adds 1.0 Program Manager position, partly funded in 2024-2025 by the General Fund, a rebudget of unexpended Build Back Better COVID-19 Recovery Taskforce funds from 2023-2024, and Opioid Settlement Funds. This Program Manager will be dedicated to the Neighborhoods Association Engagement Model (formerly Neighborhoods Commission) to lead its consolidation and expansion to better engage residents with a focus on strengthening neighborhood associations, coordinate services to reduce blight in neighborhoods, work with neighborhoods to beautify spaces impacted by blight, coordinate City service delivery, and increase neighbor-to-neighbor engagement. The Program Manager position will spend the remaining time on oversight of the disbursement of the opioid settlement funds, including opioid overdose prevention in neighborhoods, beginning with the most vulnerable, as well as focus on work related to the COVID-19 Recovery Taskforce. On an ongoing basis, the Program Manager position will be dedicated 50/50 to Neighborhoods Associations Engagement Model and work associated with the oversight of the use of the opioid settlement funds. (Ongoing costs: \$297,000)

Parks, Recreation and Neighborhood Services Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
7. Alum Rock Vegetation Management and Dam Oversight Staffing	1.00	212,144	212,144

*Neighborhood Services CSA
Parks Maintenance and Operations Core Service
Neighborhood Parks and Regional Parks Program*

This action continues and makes permanent 1.0 Parks, Recreation, and Facilities Supervisor position, and \$40,000 in non-personal/equipment funding to support the Alum Rock Park Vegetation Management Plan and implementation and inspection of Cherry Flat Dam. Execution of the federally mandated Vegetation Management Plan at Alum Rock Park include efforts to reduce fire fuels, support fire prevention and mitigation, and trail safety. This position is also responsible for ongoing inspections, management, and needed repairs and maintenance of Cherry Flat Dam for community flood prevention, including Emergency Action Plan training and exercises in coordination with the Fire Department, Park Rangers, and other responsible agencies, such as Conservation Corps and Valley Water. The PRFS has already been active in grant acquisition, securing \$500,000 in grant funding from the US Forest Service set for 2025, with an application pending for an additional award from Cal Fire. These grants are intended to support temporary positions reporting to the PRFS that are expected to further accelerate progress in Alum Rock Park. (Ongoing costs: \$212,144)

8. Racial Equity Senior Analyst	1.00	178,489	178,489
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*Neighborhood Services CSA
Strategic Support - Neighborhood Services Core Service
PRNS Management and Administration Program*

This action continues 1.0 Senior Analyst, limit-dated through June 30, 2025, to further enhance departmental efforts in achieving measurable and sustainable progress to advance racial equity. A key component of the City's commitment to addressing systemic racism is advancing racial equity through internal policies, programs and practices and making racial equity work the responsibility of all City employees, including both external customer-facing roles and departments, as well as internal facing roles and departments. Efforts to embed a racial equity lens in every aspect of City service will continue even after the position ends. The position will facilitate actions within the department to create and maintain a racial equity and inclusion framework and a Racial Equity Action Plan; support department leadership and staff through equity-focused strategic planning, policies and practices; assist the department to develop key departmental indicators of racial equity, including indicators tied to community objectives and outcomes and implement a system to track progress and report on these indicators; and integrate community input into decision-making and departmental strategies. (Ongoing costs: \$0)

Parks, Recreation and Neighborhood Services Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
9. Urban Canopy Enhancement Staffing <i>Neighborhood Services CSA</i> <i>Parks Maintenance and Operations Core Service</i> <i>Neighborhood Parks and Regional Parks Program</i> This action adds 1.0 Associate Construction Inspector position, decreases ongoing non-personal/equipment funding by \$117,318, and adds \$83,000 in one-time non-personal/equipment funding to enhance the Department's arboriculture staffing. The Associate Construction Inspector position will address urgent and emergency contracted tree work and implement a long-term tree maintenance schedule with contractors, initiating preventative measures to reduce risk and promote the City's urban canopy health. The position is also key in working with partner agency Our City Forest to plant new trees in underserved areas. The non-personal funding reduced in this proposal provided for contractual spending for tree planting; however, this will be replaced with revenue from Google tree donation funds, supplemented with mitigation fee revenue in partnership with DOT. The result of this action is more efficient beautification and expansion for the City's estimated inventory of 60,000 trees. (Ongoing costs: \$0)	1.00	83,000	83,000
10. Creek Clean-up Partners <i>Neighborhood Services CSA</i> <i>Community Services Core Service</i> <i>Encampment Management Program</i> As directed in the Mayor's March Budget Message for Fiscal Year 2024-2025, as approved by the City Council, this action adds a total of \$75,000 ongoing, \$25,000 each, to support the efforts of our Clean Creek Partners - Keep Coyote Creek Beautiful, South Bay Clean Creeks Coalition and Trash Punx. This action increases funding levels from \$100,000 to \$125,000 per creek clean-up partner. (Ongoing costs: \$75,000)		75,000	75,000
11. Happy Hollow Park and Zoo Staffing <i>Neighborhood Services CSA</i> <i>Parks Maintenance and Operations Core Service</i> <i>Family Camp and Happy Hollow Park & Zoo Programs</i> This action adds 1.0 full-time Cook and 1.0 Senior Recreation Leader, and deletes 1.0 Food Service Coordinator PT, 0.72 Cook PT and 0.75 Senior Recreation Leader PT positions, with the net cost increase offset by fee revenue, to enhance services at Happy Hollow Park and Zoo's Picnic Basket eatery. Having the additional full-time Cook will allow Happy Hollow to create more meal specials at the Picnic Basket, give consistent leadership and training to staff, and capacity to commit to more catering events. The position will also be responsible for coordinating two Brew at the Zoo events, a significant revenue generator for the City. (Ongoing costs: \$42,998)	(0.47)	34,452	34,452

Parks, Recreation and Neighborhood Services Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
12. Vehicle Operations and Maintenance (Fleet Staffing)		19,001	19,001

*Neighborhood Services CSA
Parks Maintenance and Operations Core Service
Neighborhood Parks and Regional Parks Program*

This action adds non-personal/equipment funding of \$19,001 for vehicle and operations costs in support of the Fleet Supervision Staffing budget action, as described in the Public Works Department section of this document. The Public Works Department position will provide strategic support to the Fleet Division by focusing on fleet sustainability and managing two Fleet locations. This action will improve operational deficiencies, improve regulatory compliance coordination, and work order auditing. (Ongoing costs: \$22,041)

13. St. James Park Placemaking Staff	0.25	10,124	0
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*Neighborhood Services CSA
Recreation Services Core Service
Park Activation/Placemaking Program*

This action adds 0.25 Recreation Leader PT positions funded by the St. James Park Management District Fund for support and oversight of events at the park. In the upcoming fiscal year, the PRNS Placemaking team will take on expanded responsibilities, particularly in spearheading the production of Movie Nights at St. James Park. This initiative involves the setup of advanced audio/visual equipment and supplementary measures to elevate the attendee experience. Augmenting Recreation Leader hours through this action meets the evolving need to execute these programs. (Ongoing costs: \$10,230)

14. Family Camp Maintenance Staffing	0.20	0	0
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*Neighborhood Services CSA
Parks Maintenance and Operations Core Service
Family Camp Program*

This action adds a 1.0 part-time Maintenance Assistant position and deletes 0.84 vacant part-time Recreation Leader positions to support Family Camp maintenance. The current model of using temporary staff is not sustainable because employees require extensive training and are typically unavailable during the off-season months of October to April to assist at the camp. The addition of the part-time resident Maintenance Assistant ensures that Family Camp has the resources needed to safely and effectively maintain the grounds. (Ongoing costs: \$0)

Parks, Recreation and Neighborhood Services Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
15. Gardner Community Center Staffing	3.75	0	0

Neighborhood Services CSA
Recreation Services Core Service
Community Center Operations Program

This action adds 1.0 Parks, Recreation, & Facilities Supervisor, 1.0 Recreation Program Specialist, and 1.75 Recreation Leader PT positions, limit-dated through June 30, 2025, and allocates \$74,681 of non-personal/equipment funding one-time for activation at Gardner Community Center. In May of 2021, City Council approved the Downtown West Mixed-Use Plan, including an allocation of \$1 million to invest in programs at Gardner to uplift individuals, support economic recovery, and build community among residents of the broader Diridon Station Area. This funding supports the positions and non-personal budget in this action, which allows PRNS to offer all-ages programming at the center. Programming includes activities at the Teen Tech Room, programming for seniors, digital programming for youth, recreation and leisure programs such as Youth Summer Camps, and special events and cultural celebrations. Funding for this budget action is provided by a rebudget of unexpended 2023-2024 funds in the Google Community Benefits – Economic Development appropriation in the *City-Wide Expenses* section of this document. Google Community Benefit funds are anticipated to be sufficient to pay for this expanded level of service through 2025-2026. (Ongoing costs: \$0)

16. Trauma to Triumph Program	(1.00)	0	0
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Neighborhood Services CSA
Community Services Core Service
Youth Gang Prevention and Intervention Program

This action is a net-zero shift that deletes 1.0 vacant Youth Outreach Specialist position from San José Youth Empowerment Alliance’s (SJYEA) Digital Arts Program and reallocates \$131,000 of funding to support the Trauma to Triumph (T2T) program. Previously grant funded, T2T connects intervention staff with hospitalized victims of gang activity or domestic abuse. By connecting clients to services and support, T2T aims to prevent or reduce the risk of retaliatory violence and reinjury and stabilize clients’ lives, moving them toward achieving their personal goals. The program supports approximately 90 at-risk youths per year. The elimination of the Youth Outreach Specialist position effectively ends the City’s operation of the Digital Arts Program at Roosevelt Community Center and Sunol Community School; however, the Department is exploring different means to continue the program, including working with Sunol for the school to take over operations and relocating the equipment at Roosevelt Community Center to Seven Trees Community Center, and continue operation at the alternate site. The T2T program funding is allocated in the San Jose BEST and Safe Summer Initiatives program budget in the *City-Wide Expenses* section. (Ongoing costs: \$0)

Parks, Recreation and Neighborhood Services Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
17. Placemaking Program <i>Neighborhood Services CSA Recreation Services Core Service Park Activation/Placemaking Program</i>	(2.50)	(464,633)	(464,633)
<p>As a cost reduction to help bring the General Fund into structural alignment, this action eliminates one Viva CalleSJ and 25 Viva Parks events through the deletion of 1.0 Events Coordinator and 1.5 Recreation Leader positions and the deletion of \$242,000 in non-personal/equipment funding. The remaining budgeted staff in the PRNS Placemaking team and non-personal/equipment funding, combined with department fundraising efforts, will support two Viva CalleSJ and 50 Viva Parks events on a yearly basis. (Ongoing savings: \$468,202)</p>			
18. Community Center Fitness Centers <i>Neighborhood Services CSA Parks Maintenance and Operations and Recreation Services Core Services Community Center Operations, Recreation Administration, Family Camp, and Sports Fields Maintenance and Reservations Programs</i>	(5.30)	(397,060)	(397,060)
<p>As a cost reduction to help bring the General Fund into structural alignment, this action closes all six fitness centers, which are located at the Almaden, Bascom, Camden, Mayfair, Roosevelt, and Seven Trees Community Centers, by eliminating 4.30 Recreation Leader PT and 1.00 Recreation Program Specialist positions and \$13,000 of non-personal/equipment for supplies. Fitness center participants include 198 annual and 576 monthly membership holders who would no longer have access to fitness centers, locker rooms, and showers. The fitness centers range in type and age of equipment that may include treadmills, elliptical trainers, and free weights. The community served includes 306 seniors, 332 adults, 104 youth, and 19 participants with disabilities. The estimated loss of revenue in the General Fund is \$115,000 annually. (Ongoing savings: \$404,668)</p>			
19. Nature Programming Staffing (Almaden Lake and Alum Rock Park) <i>Neighborhood Services CSA Parks Maintenance and Operations Core Service Family Camp, Neighborhood Parks and Regional Parks, and Sports Fields Maintenance and Reservations Programs</i>	(3.78)	(391,022)	(391,022)
<p>As a cost reduction to help bring the General Fund into structural alignment, this action eliminates nature programming at Almaden Lake Park and Alum Rock Park, including outdoor experiences, camps, and leisure classes/activities like fishing and gardening. To continue some level of this programming, PRNS would seek external vendors to provide nature-oriented recreation programs, though that process to identify the vendor may take nine to 12 months to complete. Following 2024 summer programming, this action eliminates 2.0 Senior Recreation Leaders, 0.78 Recreation Leader PT, and 1.0 Recreation Program Specialist positions and \$10,400 of non-personal/equipment funding beginning September 2024. Revenue loss in 2024-2025 for both Almaden Lake and Alum Rock Parks is estimated at \$94,000. (Ongoing savings: \$474,869)</p>			

Parks, Recreation and Neighborhood Services Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
20. Vacant Position Elimination	(4.80)	(356,626)	(356,626)

Neighborhood Services CSA

Parks Maintenance and Operations and Recreation Services Core Services

Community Center Operations, Neighborhood Parks and Regional Parks, Park Activation/Placemaking, and Sports Fields Maintenance and Reservations Programs

This action eliminates 4.8 positions – 1.0 Groundswoker, 1.0 Maintenance Assistant, and 2.8 Recreation Leader PT – as part of an organization-wide effort to evaluate the elimination of vacant positions in consideration of vacancy status and recruitment history, operational priority, and forecasted supporting revenues for 2024-2025, including Development Fee Programs, other supporting revenues, and capital project funding. A total of 64 positions in the City are recommended to be eliminated as part of this effort, a reduction of approximately 1% of the Base Budget level. While these position eliminations will reduce Departments' future service delivery capacity – and will be reevaluated as necessary – because these positions have been vacant for an extended period of time or are no longer supported by existing service demands, impacts to current service delivery is expected to be minimal. The eliminated positions in the Parks, Recreation, and Neighborhood Services Department result in savings of \$356,626 in the General Fund. (Ongoing savings: \$362,568)

2024-2025 Proposed Budget Changes Total	39.78	15,998,456	15,600,554
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Parks, Recreation and Neighborhood Services Department

Performance Summary

Four Key Budget Performance Measure Measurement Areas



Access - How well does a service enable access, participation, visitation, and usage? How well does the service lead to its intended outcome or opportunity pathway?



Customer Satisfaction - How well does a service meet customer needs? How well does a service resolve a customer's problem? How well does a service deliver its intended experience for a customer?



Reliability and Responsiveness - How well does a service meet response time targets? How well does a service deliver resolution? How well does a service meet its efficiency goals?



Cost Effectiveness - How well does a service resource deliver its intended outcome? How well does a service resource deliver its intended output?

Parks Maintenance and Operations

Performance Measures

			2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
	PM 1	% of park concerns completed within time standards established by PRNS	44%	60%	48%	60%
	PM 2	% of residents reporting they visited a park more than seven times in the last year.	51%	50%	51%	55%
	PM 3	Maintenance dollars per developed park acre maintained (includes regional and neighborhood parks, trails, community centers and civic grounds, and community gardens)	\$15,262	\$15,246	\$15,237	\$15,720

¹ This performance measure was updated and will be reported starting FY 23-24.

Activity and Workload Highlights

		2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
AWH 1	# of customer parks concerns received	1,495	1,000	1,600	1,800
AWH 2	# of Adopted Parks	90	90	95	100
AWH 3	# of Volunteers (unduplicated total, department-wide)	19,330	15,000	20,000	25,000

Data Sources: Parks Maintenance and Operations






Number	Data Source
PM 1	Hexagon; park maintenance tracking system
PM 2	San José Community Survey 2022
AWH 1	Hexagon; park maintenance tracking system
AWH 2	Adopt-A-Park Map: https://csj.maps.arcgis.com/apps/webappviewer/index.html?id=dd3542d532a642b398e60f3324a5c526
AWH 3	Better impact and internal tracking

Parks, Recreation and Neighborhood Services Department

Performance Summary

Community Services

Performance Measures

			2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
	PM 1	% of graffiti service requests completed within 72 hours by graffiti eradication vendor (service requests reported by the public)	85%	80%	97%	85%
	PM 2	% of encampments receiving on-time trash pickup (all encampments within the City's jurisdiction)	83%	80%	88%	85%
	PM 3	% of Illegal Dumping (Priority 2) work orders completed within 5 business days	75%	80%	80%	80%
	PM 4	% of participants who completed Youth Intervention Services (YIS) programs ¹	85%	85%	80%	85%
	PM 5	% of participants who completed Bringing Everyone's Strengths Together (BEST) programs	96%	80%	74%	70%

¹ Includes Safe Schools Campus Initiative school incident response, Female Intervention Team Xinachtli Groups, Digital Arts, Clean Slate, and San José Works programs

Activity and Workload Highlights

			2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
AWH 1	# of Neighborhood Litter clean-up events coordinated/ # of locations (neighborhood, businesses, and waterways)		<u>260/239</u>	<u>600/500</u>	<u>300/250</u>	<u>400/275</u>
AWH 2	# of tons of illegal dumping collected (priority 2)		<u>3,525</u>	<u>3,500</u>	<u>4,900</u>	<u>4,500</u>
AWH 3	# of neighborhood dumpster days/ # of locations		<u>96/78</u>	100/65	<u>140/110</u>	<u>150/110</u>
AWH 4	# of interagency coordinated blight reduction activities (trash, dumping, graffiti)		<u>594</u>	300	<u>500</u>	<u>500</u>
AWH 5	# of residents enrolled in Cash for Trash		<u>257</u>	700	<u>750</u>	<u>800</u>

Parks, Recreation and Neighborhood Services Department

Performance Summary

Community Services




Data Sources: Community Services	
Number	Data Source
<i>PM 1</i>	PRNS App Order
<i>PM 2</i>	PRNS Survey123
<i>PM 3</i>	SJ311
<i>PM 4</i>	PRNS tracking
<i>PM 5</i>	BEST Demographics Workbooks
<i>AWH 1</i>	Better Impact and PRNS tracking
<i>AWH 2</i>	SJ311
<i>AWH 3</i>	PRNS tracking
<i>AWH 4</i>	PRNS Survey123
<i>AWH 5</i>	PRNS tracking

Parks, Recreation and Neighborhood Services Department

Performance Summary

Recreation Services

Performance Measures

		2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
★★★	PM 1 % of community center participants rating overall quality of programs and services as "good" or "excellent"	93%	80%	81%	80%
	PM 2 % of youth participants that make healthier decisions as a result of their participation in summer camps and after school programs	84%	80%	81%	80%
	PM 3 % of youth recreation classes and camps that utilize a scholarship opportunity	100%	100%	100%	100%
	PM 4 % of community center participants who feel connected to community center resources	81%	75%	80%	80%
★★★	PM 5 % of community center participants reporting that services have positively impacted their quality of life	90%	90%	90%	90%

Activity and Workload Highlights

		2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
AWH 1	# of scholarships granted	19,093	18,500	13,037	5,000 ¹
AWH 2	# of meals distributed through Senior Nutrition program	193,509	232,435	214,420	213,064
AWH 3	# of youth who participated in swim lessons ²	840	1,250	1,200	1,200
AWH 4	# of youth participating in PRNS after school programs	2,613	2,200	2,619	2,400

¹ Funds from the American Rescue Plan and Coronavirus Relief Funds were used to increase the number of scholarships due to pandemic-related financial hardship. As a result of the federal funding no longer being available, the number of scholarships provided is also expected to be reduced.

² This represents the numbers for the summer season of Aquatics and not fiscal year numbers. For reference, the numbers used for 2022-2023 would be for summer season of 2022 (June, July, August 2022) and the target for 2023-2024 would be for the summer season of 2023 (June, July, August 2023).

Parks, Recreation and Neighborhood Services Department

Performance Summary


Recreation Services

Data Sources: Recreation Services

Number	Data Source
PM 1	PRNS Community Center Survey
PM 2	PRNS Community Center Survey
PM 3	PRNS Database Registration System (ActiveNet)
PM 4	PRNS Community Center Survey
PM 5	PRNS Community Center Survey
AWH 1	PRNS Database Registration System (ActiveNet)
AWH 2	Reimbursement Contract with the County of Santa Clara
AWH 3	PRNS Database Registration System (ActiveNet)
AWH 4	PRNS Database Registration System (ActiveNet)

Strategic Support

Performance Measures

		2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
	PM 1 % of grant agreements ready for agency signature before services begin (Safe Summer Initiative Grant (SSIG): June 1, Bringing Everyone's Strengths Together: September 1, Senior Health & Wellness: October 1, BeautifySJ: date varies)	22%	80%	17%	70% ¹

¹ 2024-2025 Target represents a stretch goal resulting from a slight reorganization in Department Grants Unit staff structure.

Activity and Workload Highlights

		2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
AWH 1	# of grant agreements with various agencies (Safe Summer Initiative Grant (SSIG), Bringing Everyone's Strengths Together, Senior Health & Wellness, BeautifySJ)	139	145	134	115
AWH 2	Miles of trails under construction	.58	0.58	1.98	0
AWH 3	Miles of trails open to the public ¹	64.9	64.9	64.9	66.9

Data Sources: Strategic Support

Number	Data Source
PM 1	PRNS Grants Contracts Tracker
AWH 1	PRNS Grants Payment Tracker
AWH 2	PRNS GIS
AWH 3	PRNS GIS

Parks, Recreation and Neighborhood Services Department

Department Position Detail

Position	2023-2024 Adopted	2024-2025 Proposed	Change
Account Clerk I/II	4.00	4.00	-
Account Clerk I/II PT	0.97	0.97	-
Accounting Technician	3.00	3.00	-
Administrative Officer	1.00	1.00	-
Amusement Park Supervisor	1.00	1.00	-
Analyst I/II	28.00	28.00	-
Analyst I/II PT	0.50	0.50	-
Animal Health Technician	1.00	1.00	-
Assistant Arborist	1.00	1.00	-
Assistant Director	1.00	1.00	-
Assistant Swim Pool Manager PT	0.69	0.69	-
Assistant To The Director	0.00	1.00	
Associate Architect/Landscape Architect	2.00	2.00	-
Associate Construction Inspector	0.00	1.00	
Associate Structure Landscape Designer	2.00	3.00	1.00
Automotive Equipment Specialist	1.00	1.00	-
Building Management Administrator	1.00	1.00	-
Class Instructor PT	25.50	25.50	-
Community Activity Specialist	0.00	7.00	
Community Activity Worker	27.00	26.00	(1.00)
Community Activity Worker PT	0.75	0.00	(0.75)
Community Coordinator	21.00	26.00	5.00
Community Programs Administrator	1.00	1.00	-
Community Services Aide PT	22.05	22.05	-
Community Services Supervisor	5.00	6.00	1.00
Cook FT	1.00	2.00	1.00
Cook PT	2.00	1.28	(0.72)
Deputy Director	4.00	4.00	-
Director, Parks, Recreation and Neighborhood Services	1.00	1.00	-
Division Manager	7.00	7.00	-
Entertainment Coordinator	1.00	1.00	-
Events Coordinator I/II	8.00	7.00	(1.00)
Events Coordinator I/II PT	0.50	0.00	(0.50)
Exhibit Designer/Builder	1.00	1.00	-
Food and Beverage Services Supervisor	1.00	1.00	-
Food Service Coordinator	2.00	2.00	-
Food Service Coordinator PT	1.00	0.00	(1.00)
Gardener	28.00	28.00	-
Gerontology Specialist	2.00	1.00	(1.00)
Geographic Information Systems Specialist I/II	1.00	1.00	-
Golf Course Manager	1.00	1.00	-

Parks, Recreation and Neighborhood Services Department

Department Position Detail

Position	2023-2024 Adopted	2024-2025 Proposed	Change
Groundskeeper	7.00	7.00	-
Groundswoker	55.00	54.00	(1.00)
Heavy Equipment Operator	3.00	3.00	-
Instructor Lifeguard PT	8.46	8.46	-
Kitchen Aide PT	2.20	2.20	-
Lifeguard PT	2.26	2.26	-
Maintenance Assistant	28.00	28.00	-
Maintenance Assistant PT	28.24	32.34	4.10
Maintenance Worker I/II	34.00	39.00	5.00
Office Specialist I/II	6.00	6.00	-
Park Ranger	11.00	11.00	-
Park Ranger Assistant PT	0.00	5.36	5.36
Park Ranger PT	5.46	0.18	(5.28)
Parks Maintenance Repair Worker I/II	19.00	19.00	-
Parks Manager	8.00	9.00	1.00
Parks, Recreation, & Facilities Supervisor	30.00	31.00	1.00
Planner I/II/III	2.00	2.00	-
Planner IV	1.00	1.00	-
Program Manager	8.00	11.00	3.00
Public Information Manager	1.00	1.00	-
Public Information Representative I/II	4.00	4.00	-
Puppeteer PT	1.50	1.50	-
Recreation Leader PT	148.30	136.30	(12.00)
Recreation Program Specialist	49.00	49.00	-
Recreation Specialist	1.00	1.00	-
Recreation Superintendent	6.00	5.00	(1.00)
Recreation Supervisor	0.00	0.00	-
Regional Park Aide PT	10.65	10.65	-
Rides and Attractions Safety Coordinator	1.00	1.00	-
Security Officer	1.00	1.00	-
Security Officer PT	1.00	1.00	-
Senior Account Clerk	4.00	4.00	-
Senior Analyst	10.00	10.00	-
Senior Architect/Landscape Architect	1.00	1.00	-
Senior Construction Inspector	2.00	2.00	-
Senior Engineer	1.00	0.00	(1.00)
Senior Engineering Technician	1.00	1.00	-
Senior Events Coordinator	2.00	2.00	-
Senior Geographic Information Systems Specialist	1.00	1.00	-
Senior Maintenance Worker	19.00	19.00	-
Senior Office Specialist	3.00	3.00	-

Parks, Recreation and Neighborhood Services Department

Department Position Detail

Position	2023-2024 Adopted	2024-2025 Proposed	Change
Senior Park Ranger	3.00	3.00	-
Senior Recreation Leader	19.00	18.00	(1.00)
Senior Recreation Leader PT	10.92	10.17	(0.75)
Senior Recreation Leader Teacher PT	1.92	1.92	-
Senior Therapeutic Treatment Specialist	1.00	1.00	-
Senior Zoo Keeper	2.00	2.00	-
Staff Specialist	8.00	7.00	(1.00)
Supervising Environmental Services Specialist	1.00	1.00	-
Supervising Park Ranger	2.00	2.00	-
Swimming Pool Manager PT	1.50	1.50	-
Therapeutic Specialist	13.00	13.00	-
Volunteer Coordinator	2.00	2.00	-
Youth Outreach Specialist	9.00	8.00	(1.00)
Youth Outreach Worker I	13.00	13.00	-
Youth Outreach Worker I PT	0.10	0.10	-
Youth Outreach Worker II	7.00	7.00	-
Zoo Curator	1.00	1.00	-
Zoo Education Specialist	1.00	1.00	-
Zoo Educator	3.00	3.00	-
Zoo Keeper	12.00	12.00	-
Zoo Keeper PT	2.50	2.50	-
Zoo Manager	1.00	1.00	-
			-
Total Positions	853.97	860.43	6.46

Planning, Building and Code Enforcement Department

Chris Burton, Director

MISSION

Facilitate the preservation and building of a safe, attractive, vibrant and sustainable San José through partnership with and exceptional service to our diverse communities and customers

CITY SERVICE AREA

*Community and Economic Development
Neighborhood Services*

CORE SERVICES

CITYWIDE LAND USE PLANNING

Develop land use plans and policies to guide the future physical growth of the City.

DEVELOPMENT PLAN REVIEW AND BUILDING CONSTRUCTION INSPECTION

Manage and review private development and construction applications to allow issuance of permits in compliance with applicable codes and policies.

CODE ENFORCEMENT

Enforce and promote compliance with local and State codes to ensure a safe, healthy, and attractive community.

Strategic Support: Administration, Clerical Services, Budget Preparation, Fiscal Services, Human Resources, Information Systems, Marketing and Outreach, Emergency Response and Recovery, and Safety/Wellness

Planning, Building and Code Enforcement Department

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Citywide Land Use Planning Core Service</i>	
Citywide Planning	Guides the physical design and development of San José by maintaining and updating the Envision San José 2040 General Plan; preparing and updating Urban Village Plans, Area Development Policies, and Specific Plans; conducting long-range planning studies and participating with local partners on regional planning; and updating City ordinances and policies as they relate to land use and development; and conducting data analysis.
Planning Environmental Review and Historic Preservation	Ensures environmental protection and considerations are included in San José's land use planning and Development Review decision-making process. The Historic Preservation Program seeks to identify, preserve, and protect buildings and resources of historical significance in San José.
Planning Administration	Provides administrative support to Planning Development Services for preparation of public hearings and land use entitlement documents.
<i>Development Plan Review and Building Construction Inspection Core Service</i>	
Building Development Services	Ensures private development building projects in San José are built to meet City and State standards by providing customer information, supporting small businesses, issuing building permits, conducting plan reviews, and inspecting building projects to ensure compliance with applicable codes and policies.
Planning Development Services	Ensures development within the City is consistent with the City's General Plan by processing land use entitlement applications for consistency with the City's General Plan, zoning regulations and land use policies; reviewing building permit applications for consistency with the City's requirements and permit approvals; and providing land use and permitting information to the public.
Development Services Administration	Supports the Shared Resources Programs by providing oversight of information technology system development and maintenance support for the department and AMANDA integrated permit and electronic content management systems, imaging documents and processing customer document requests, scheduling building inspections, and assisting customers in person and by phone for appointments.
<i>Code Enforcement Core Service</i>	
Community Code Enforcement	Ensures the health and safety and quality of life for San José residents and businesses by enforcing the municipal code and land use requirements on private property.
Multiple Housing Code Enforcement	Ensures multifamily buildings are maintained in safe, decent, and sanitary conditions by conducting proactive, routine, and complaint-based inspections under the Multiple Housing Residential Occupancy Permit Program.
Solid Waste Code Enforcement	Regulates and inspects solid waste facilities to ensure that each permitted facility is in full compliance with federal, state, and local regulations governing health and operational standards.

Planning, Building and Code Enforcement Department

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Code Enforcement Core Service</i>	
Code Enforcement Administration	Provides management and oversight to the Code Enforcement Division along with administrative and analytical support, budget preparation, billing, and monitoring.
<i>Strategic Support Core Service</i>	
PBCE Financial Management	Manages the budget and all financial transactions for the department; assists in annual budget development.
PBCE Management and Administration	Provides administrative oversight for the department, including executive management, employee services, human resources, grant tracking/reconciliation, contract management and analytical support.
PBCE Emergency Response and Recovery	Provides for the coordination and delivery of emergency services and recovery activities.

Planning, Building and Code Enforcement Department

Department Budget Summary

Expected 2024-2025 Service Delivery

- Complete the EIR for the draft Five Wounds Urban Village Plan and bring draft Plan and EIR to Council for consideration.
- Complete the Coyote Valley Corridor Study and EIR and bring recommendations to Council.
- Complete recommendations on allowing SB 9 type housing on R-2 zoned properties and historic properties.
- Complete proposed zoning framework and design standards to allow housing in Neighborhood Business Districts.
- The Development Review team will continue to process entitlements and quickly adapt to new state laws.
- Complete entitlement processing – development and environmental review for major real estate development projects.
- Continue Historic Preservation activities to support the analysis of Development Review, Permit Center and Environmental Review projects and to contribute to the development of Citywide urban villages.
- Continue to support the construction of ADUs with the ADU Ally service.
- Complete Code Enforcement field inspection services for Emergency complaints within 24 hours and Priority complaints within 72 hours.
- Code Enforcement will continue to respond to complaints and conduct inspections for code violations citywide to address blight, substandard housing, illegal occupancy, unpermitted construction, etc., contributing to the overall health, safety, and quality of life of our residents, businesses, and the community.

2024-2025 Key Budget Actions

- As directed in the Mayor's March Budget Message for Fiscal Year 2024-2025, as approved by the City Council, this adds one-time non-personal/equipment funding of \$200,000 to fund an assessment of Code Enforcement operations.
- Adds one-time non-personal/equipment funding of \$100,000 to develop a citywide adaptive reuse ordinance to make it easier to convert vacant office and commercial spaces into housing and encourage the conversion of underutilized building that are at least fifteen years old.
- Adds one-time non-personal/equipment funding of \$375,000 to comply with State requirements to update the Safety and Open Space sections of City's General Plan, and add a new mandatory Element related to Environmental Justice.
- Eliminates 1.0 Associate Engineer and adds 1.0 Engineer I/II position within the Building Development Fee Fund as recommended in the City Auditor's Report 23-07 to develop a long-term staffing strategy that continues and potentially prioritizes recruitment of entry-level positions.
- Adds 1.0 Community Activity Worker position to the Multiple Housing team to assist the Tenant Landlord Resource Centers in providing all Code Enforcement related functions, customer service and support to tenants and customers of multiple housing units.

Operating Funds Managed

- Building Development Fee Program Fund
- Citywide Planning Fee Program Fund
- Planning Development Fee Program Fund

Planning, Building and Code Enforcement Department

Department Budget Summary

	2022-2023 Actuals ***	2023-2024 Adopted ****	2024-2025 Forecast	2024-2025 Proposed
Dollars by Core Service				
Citywide Land Use Planning	5,878,075	8,897,680	7,897,587	7,783,649
Code Enforcement	10,885,670	13,387,663	14,198,516	14,336,173
Development Plan Review and Building Construction Inspection	33,269,948	40,029,278	45,421,104	42,528,016
Strategic Support - Community & Economic Development	2,949,072	2,840,046	2,731,771	2,883,736
Strategic Support - Neighborhood Services	860,384	809,989	631,465	631,465
Strategic Support - Other - Community & Economic Development	6,013,624	9,133,143	7,429,470	7,036,249
Strategic Support - Other - Neighborhood Services	30,502	0	161,659	161,659
Total	\$59,887,277	\$75,097,799	\$78,471,572	\$75,360,947
Dollars by Category				
Personal Services and Non-Personal/Equipment				
Salaries/Benefits	48,238,340	60,264,612	67,359,818	63,907,414
Overtime	767,962	181,622	181,622	231,622
Subtotal Personal Services	\$49,006,303	\$60,446,234	\$67,541,440	\$64,139,036
Non-Personal/Equipment	3,641,253	5,879,831	3,785,772	4,470,772
Total Personal Services & Non- Personal/Equipment	\$52,647,556	\$66,326,065	\$71,327,212	\$68,609,808
Other Costs *				
City-Wide Expenses	1,873,548	1,796,333	35,000	35,000
Housing Loans and Grants	0	0	0	0
Other	0	35,833	35,833	35,833
Other - Capital	0	0	0	0
Overhead Costs	5,366,174	6,939,568	7,073,527	6,680,306
Total Other Costs	\$7,239,721	\$8,771,734	\$7,144,360	\$6,751,139
Total	\$59,887,277	\$75,097,799	\$78,471,572	\$75,360,947

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** The position counts displayed in the 2022-2023 Actuals column reflect those included in the 2022-2023 Adopted Budget.

*** 2022-2023 Actuals may not subtotal due to rounding.

**** The amounts in the 2023-2024 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

Planning, Building and Code Enforcement Department

Department Budget Summary

	2022-2023 Actuals ***	2023-2024 Adopted ****	2024-2025 Forecast	2024-2025 Proposed
Dollars by Fund				
General Fund (001)	16,757,543	19,538,702	18,156,014	18,074,011
Airport Maintenance And Operation Fund (523)	48,390	84,408	101,730	101,730
Building Development Fee Program Fund (237)	32,284,066	39,429,017	43,516,395	40,502,210
Citywide Planning Fee Program Fund (239)	2,638,644	5,076,053	4,722,078	5,208,550
Community Development Block Grant Fund (441)	566,225	1,349,259	1,428,319	1,406,400
Fire Development Fee Program Fund (240)	102,367	282,785	124,343	124,343
Inclusionary Fee Fund (451)	0	22,355	24,398	24,398
Integrated Waste Management Fund (423)	171,380	276,381	286,518	286,518
Low And Moderate Income Housing Asset Fund (346)	196,992	485,458	738,097	541,364
Multi-Source Housing Fund (448)	0	28,054	0	0
Planning Development Fee Program Fund (238)	6,479,600	7,580,091	8,364,576	8,273,073
Public Works Development Fee Program Fund (241)	204,016	305,331	217,516	217,516
Rental Stabilization Program Fee Fund (450)	61,353	35,600	71,361	71,361
San José-Santa Clara Treatment Plant Operating Fund (513)	76,075	157,195	162,347	58,569
Sewer Service And Use Charge Fund (541)	73,511	133,137	156,345	156,345
Storm Sewer Operating Fund (446)	44,444	118,895	144,861	144,861
Capital Funds	182,670	195,078	256,674	169,698
Total	\$59,887,277	\$75,097,799	\$78,471,572	\$75,360,947
Positions by Core Service **				
Citywide Land Use Planning	33.59	33.59	33.55	30.55
Code Enforcement	71.11	71.31	71.64	71.64
Development Plan Review and Building Construction Inspection	184.75	192.75	198.34	184.34
Strategic Support - Community & Economic Development	14.87	15.27	12.15	13.15
Strategic Support - Neighborhood Services	4.47	4.87	3.13	3.13
Strategic Support - Other - Community & Economic Development	3.21	3.21	2.19	2.19
Total	312.00	321.00	321.00	305.00

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*** 2022-2023 Actuals may not subtotal due to rounding.

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Planning, Building and Code Enforcement Department

Department Budget Summary

	2022-2023	2023-2024	2024-2025	2024-2025	2024-2025
	Actuals **	Adopted	Forecast	Proposed	Proposed Positions

Dollars by Program*

Citywide Land Use Planning

Citywide Planning	5,288,129	7,827,728	6,929,191	6,989,205	27.94
Planning Administration	330,541	478,435	591,064	591,064	1.82
Planning Environmental Review and Historic Preservation	259,405	591,517	377,332	203,380	0.79
Sub-Total	5,878,075	8,897,680	7,897,587	7,783,649	30.55

Code Enforcement

Code Enforcement Administration	668,183	439,969	466,432	666,432	2.57
Community Code Enforcement	5,409,844	7,033,194	7,536,218	7,231,500	36.34
Multiple Housing Code Enforcement	3,832,553	4,595,675	4,801,448	5,043,823	25.78
Solid Waste Code Enforcement	975,090	1,318,825	1,394,418	1,394,418	6.95
Sub-Total	10,885,670	13,387,663	14,198,516	14,336,173	71.64

Development Plan Review and Building Construction Inspection

Building Development Services	26,075,143	31,777,697	36,532,535	33,748,342	141.74
Development Services Administration	1,402,216	2,353,814	2,365,234	2,365,234	10.45
Planning Development Services	5,792,590	5,897,767	6,523,335	6,414,440	32.15
Sub-Total	33,269,948	40,029,278	45,421,104	42,528,016	184.34

Strategic Support - Community & Economic Development

PBCE Emergency Response and Recovery	30,419	0	0	0	0.00
PBCE Information Technology - Community and Economic Development	201,878	0	0	0	0.00
PBCE Management and Administration - Community and Economic Development	2,716,775	2,840,046	2,731,771	2,883,736	13.15
Sub-Total	2,949,072	2,840,046	2,731,771	2,883,736	13.15

Strategic Support - Neighborhood Services

PBCE Management and Administration - Neighborhood Services	860,384	809,989	631,465	631,465	3.13
Sub-Total	860,384	809,989	631,465	631,465	3.13

Strategic Support - Other - Community & Economic Development

PBCE Other Departmental - City-Wide - Community and Economic Development	431,595	1,314,296	517,602	517,602	2.19
PBCE Other Departmental - Grants - Community and Economic Development	1,326,059	879,279	0	0	0.00
PBCE Other Operational - Administration - Community and Economic Development	59,021	0	0	0	0.00

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** 2022-2023 Actuals may not subtotal due to rounding.

Planning, Building and Code Enforcement Department

Department Budget Summary

	2022-2023 Actuals **	2023-2024 Adopted	2024-2025 Forecast	2024-2025 Proposed	2024-2025 Proposed Positions
PBCE Overhead - Community and Economic Development	4,196,949	6,939,568	6,911,868	6,518,647	0.00
Sub-Total	6,013,624	9,133,143	7,429,470	7,036,249	2.19
Strategic Support - Other - Neighborhood Services					
PBCE Other Departmental - Grants - Neighborhood Services	30,502	0	0	0	0.00
PBCE Overhead - Neighborhood Services	0	0	161,659	161,659	0.00
Sub-Total	30,502	0	161,659	161,659	0.00
Total	\$59,887,277	\$75,097,799	\$78,471,572	\$75,360,947	305.00

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** 2022-2023 Actuals may not subtotal due to rounding.

Planning, Building and Code Enforcement Department

Budget Reconciliation

Personal Services and Non-Personal/Equipment

(2023-2024 Adopted to 2024-2025 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
Prior Year Budget (2023-2024):	321.00	66,326,065	17,742,369
Base Adjustments			
One-Time Prior Year Expenditures Deleted			
• Rebudgets		(1,188,849)	(700,969)
• Market Ready Urban Villages (CEQA Pre-Clearance)		(300,000)	0
• SJ Permits (Smart Guide) Software Upgrade		(192,000)	(10,000)
• Vacant Building Blight Enforcement		(170,000)	(170,000)
• AMANDA - Geocortex Software Upgrade		(150,000)	(21,000)
• Policy Support Staffing (1.0 Analyst I/II)	(1.00)	(144,148)	0
• Re-Zone Land Use Streamline Resources		(117,210)	0
• Environmental Review Process Consultant Services		(110,000)	0
• Schiele Avenue and Alameda Park Historic District		(100,000)	(100,000)
• City Planning Post-Secondary Fellowship Program		(50,000)	0
• Destination Home Silicon Valley Staffing (1.0 Planner III)	(1.00)	0	0
One-time Prior Year Expenditures Subtotal:	(2.00)	(2,522,207)	(1,001,969)
Technical Adjustments to Costs of Ongoing Activities			
• Salary/benefit changes and the following position reallocations:		7,034,770	1,489,425
-1.0 Planner IV to 1.0 Program Manager			
-1.0 Planner IV to 1.0 Principal Planner			
-1.0 Permit Specialist to 1.0 Permit Specialist PT			
Shift from the Office of the Economic Development and Cultural Affairs for Housing Navigator Staffing (1.0 Senior Analyst)	1.00	228,293	0
Shift from the Office of the Economic Development and Cultural Affairs for Development Services Facilitation Staffing (1.0 Planner IV)	1.00	191,291	0
• Contract Services: Legal Publishing		50,000	0
• Vehicle Operations & Maintenance		19,000	(5,000)
• Fund Shift: Development Services		0	(103,811)
Technical Adjustments Subtotal:	2.00	7,523,354	1,380,614
2024-2025 Forecast Base Budget:	321.00	71,327,212	18,121,014

Planning, Building and Code Enforcement Department

Budget Reconciliation

Personal Services and Non-Personal/Equipment

(2023-2024 Adopted to 2024-2025 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
Budget Proposals Recommended			
1. General Plan Update - Environmental Justice Mandatory Element Consultant Services		375,000	0
2. Code Enforcement Operational Assessment		200,000	200,000
3. Policy and Technology Support Staffing	1.00	151,965	0
4. Office and Commercial Buildings Adaptive Re-use Ordinance Consultant Services		100,000	0
5. Code Enforcement Multiple Housing Fee Program Staffing	1.00	99,499	99,499
6. Illegal Dumping and Graffiti Response		50,000	50,000
7. Vacant Position Elimination	(16.00)	(3,215,055)	0
8. Citywide Planning - Ordinances and Policy Staffing	(1.00)	(219,660)	(219,660)
9. Cannabis Regulation Program Staffing	(1.00)	(211,842)	(211,842)
10. Building Development Fee Program Staffing (Engineering and Plan Review)	0.00	(47,311)	0
Total Budget Proposals Recommended	(16.00)	(2,717,404)	(82,003)
2024-2025 Proposed Budget Total	305.00	68,609,808	18,039,011

Planning, Building and Code Enforcement Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
1. General Plan Update - Environmental Justice Mandatory Element Consultant Services		375,000	0

*Community and Economic Development CSA
 Citywide Land Use Planning Core Service
 Citywide Planning Program*

This action adds one-time non-personal/equipment funding in the Citywide Planning Fee Program Fund of \$375,000 for consultant services to comply with State requirements. This will require updating the Safety and Open Space sections to add Environmental Justice mandatory elements to the City’s General Plan. California state law mandates each city and county to adopt a general plan that must include nine required elements – Air Quality, Circulation, Conservation, Environmental Justice, Housing, Land Use, Noise, Open Space, and Safety. The Envision San José 2040 General Plan will require mandatory element updates within Open Space by January 2026 and the Safety element due to the City’s Local Hazard Mitigation Plan revision. The Open Space element aims to preserve natural resources, promote recreational opportunities, enhance public health, mitigate climate change, bolster economic benefits, and safeguard cultural and historic landscapes within the urban environment. The Safety element aims to mitigate risks and hazards, such as natural disasters and human activities, by identifying, addressing, and minimizing potential threats to public safety and community well-being. The Environmental Justice element became a requirement in 2016 with California Senate Bill 1000, triggering the new element once the adoption or revision of two or more elements occurring in a jurisdiction’s General Plan. The Environmental Justice element aims to address historical and ongoing environmental inequities by ensuring fair treatment and meaningful involvement of all communities in environmental decision-making processes and promoting equitable distribution of environmental benefits and protections. This action will provide funding for consultant services to work on the General Plan Update, consisting of community engagement, equity-based framework identification, data analysis, policy development and CEQA analysis. (Ongoing costs: \$0)

2. Code Enforcement Operational Assessment		200,000	200,000
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*Neighborhood Services CSA
 Code Enforcement Core Service
 Code Enforcement Administration Program*

As directed in the Mayor’s March Budget Message for Fiscal Year 2024-2025, as approved by the City Council, this action adds one-time non-personal/equipment funding of \$200,000 to fund an assessment of Code Enforcement operations. The City will seek to identify how to modernize the code enforcement process and organizational structure including assessing fees and fines structure to allow for a more rapid and effective resolution of code enforcement issues throughout the City of San José. This action will lead to identifying future actions in helping Code Enforcement efficiently close cases, reduce the backlog, and ensure more responsive delivery of services. (Ongoing costs: \$0)

Planning, Building and Code Enforcement Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
3. Policy and Technology Support Staffing	1.00	151,965	0

***Community and Economic Development CSA
Strategic Support – Community & Economic Development Core Service
PBCE Management and Administration – Community & Economic Development Program***

This action makes permanent 1.0 Analyst I/II position, funded by the Development Fee Program Funds, to continue supporting and implementing updates to the Planning, Building and Code Enforcement Department’s Policy and Procedure Hub and Customer Service Charter, launched in 2022, and assist with maintaining and improving Development Services Information Technology systems. The Policy and Procedure Hub is the central location for department operational policies. The Customer Service Charter is a webpage that includes the services, metrics, and resources that illustrate the pursuit to provide excellent customer service and help make informed management decisions. The position will assist supervisors in updating and maintaining the Customer Service Charter and communicating it to the public; manage the Policy and Procedure Hub ensuring consistency, timeliness, and access to all department policies to provide clear expectations of work; and work with policy owners/authors to create and share new policies, maintain the customer support system, ensure timely responses, and implement improvements such as automation and knowledge base articles. Key upcoming deliverables include: building operational policies, creating productivity measures, developing a customer-centric dashboard, establishing a business continuity plan, and expanding customer support software. (Ongoing costs: \$153,217)

4. Office and Commercial Buildings Adaptive Re-use Ordinance Consultant Services		100,000	0
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***Community and Economic Development CSA
Citywide Land Use Planning Core Service
Citywide Planning Program***

This action adds one-time non-personal/equipment funding of \$100,000 in the Citywide Planning Fee Fund to develop a citywide adaptive reuse ordinance to facilitate converting vacant office and commercial buildings into housing. The proposed adaptive reuse ordinance seeks to simplify code requirements, focusing on alignment with the General Plan to facilitate project approvals and maximize building conversions for housing. This involves accommodating various unit configurations, mezzanine spaces, and shared amenities, as well as incentivizing reuse through exceptions for certain building parameters. This funding will support consultant services to develop this policy, aiming to streamline approval processes and encourage the conversion of underutilized buildings of at least fifteen years old, fostering economic growth and housing opportunities while preserving the City of San José’s unique identity. (Ongoing costs: \$0)

Planning, Building and Code Enforcement Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
5. Code Enforcement Multiple Housing Fee Program Staffing	1.00	99,499	99,499

Neighborhood Services CSA
Code Enforcement Core Service
Multiple Housing Code Enforcement Program

This action adds 1.0 Community Activity Worker position to assist the Tenant/Landlord Resource Centers in providing Code Enforcement related functions, customer service, and support to tenants and customers of multiple housing units. The Multiple Housing Program serves rental housing of three units or more in San José through proactive and complaint-based services. The City's Housing Element Work Plan aims to enhance affordable housing quality, preservation, and accessibility, notably through Strategy S-1, which involves establishing Tenant/Landlord Resource Centers to address Code Enforcement issues, support tenant associations, and facilitate Code violation reporting. By 2025, the Housing Element aims to have at least 3 Tenant Resource Centers operational. Other strategies include updating relocation assistance ordinances (S-4) and developing a Proactive Code Enforcement model (S-6). This position will support the execution of S-4 and S-6 by conducting outreach, research, and assistance on Code matters to tenants. This position will also collaborate with tenant associations, community organizations, and Code Enforcement, aiming to expedite case resolution, increase service access, and improve housing quality. The cost of this position will be offset by revenues from the Multiple Housing Fee Program. (Ongoing costs: \$100,176)

6. Illegal Dumping and Graffiti Response		50,000	50,000
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Neighborhood Services CSA
Code Enforcement Core Service
Community Code Enforcement Program

As directed in the Mayor's March Budget Message for Fiscal Year 2024-2025, as approved by the City Council, this action adds ongoing overtime funding of \$50,000 to engage in enforcement activities at illegal dumping and graffiti hotspots in coordination with the Beautify San José team. In 2022-2023, Beautify San José collected 7.5 million pounds of debris and abated 2.9 million square feet of graffiti. (Ongoing costs: \$50,000)

Planning, Building and Code Enforcement Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
7. Vacant Position Elimination	(16.00)	(3,215,055)	0

Community and Economic Development CSA

Citywide Land Use Planning Core Service

Citywide Planning and Planning Environmental Review and Historic Preservation Programs

Development Plan Review and Building Construction Inspection Core Service

Building Development Services and Planning Development Services Programs

This action eliminates 16.0 positions – 1.0 Building Inspection Manager, 8.0 Building Inspector Combination Certified I/II/III/Sr, 1.0 Permit Specialist, 4.0 Planner I/II/III, 1.0 Principal Permit Specialist, and 1.0 Senior Engineer – as part of an organization-wide effort to evaluate the elimination of vacant positions in consideration of vacancy status and recruitment history, operational priority, and forecasted supporting revenues for 2024-2025, including Development Fee Programs, other supporting revenues, and capital project funding. A total of 64 positions in the City are recommended to be eliminated as part of this effort, a reduction of approximately 1% of the Base Budget level. The eliminated positions in the Planning, Building and Code Enforcement Department are primarily driven by the reduction of current and forecasted development. The recommended deletion of these positions will ensure that future expenditures are aligned with forecasted revenues and activity level. It is important to note that the Administration will bring forward recommendations to City Council to restore any Development Fee Program staffing, as necessary, once development activity rebounds. This action result in savings of \$2.5 million in the Building Development Fee Program Fund, \$356,595 in the Planning Development Fee Program Fund, \$175,793 in the Low and Moderate Income Housing Asset Fund, \$86,976 in the San José -Santa Clara Treatment Plant Operating Fund, \$86,976 in the San José-Santa Clara Treatment Plant Capital Fund, and \$19,533 in the Community Development Block Grant Fund. (Ongoing savings: \$3,243,148)

Planning, Building and Code Enforcement Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
8. Citywide Planning - Ordinances and Policy Staffing	(1.00)	(219,660)	(219,660)

***Community and Economic Development CSA
Citywide Land Use Planning Core Service
Citywide Planning Program***

As a cost reduction to help bring the General Fund into structural alignment, this action eliminates 1.0 Planner I/II/III position from the Ordinance and Policy team in the Citywide Division, which is responsible for regularly updating the ordinances within the Municipal Code that govern land use and development in the City of San José. This action reduces the Ordinance and Policy team down to three members, consisting of 1.0 Planner IV and 2.0 Planner I/II/III positions. Ordinance and policy updates will experience a slight delay as the Citywide Division prioritizes other projects. Key projects such as the billboard and tree replacement projects will be completed by the Planner IV, supervisor of the Ordinance and Policy team. The Citywide Division key projects for the coming year will be amendments to implement the Council approved Housing Element, City initiated private property rezonings as required by the Senate Bill 1333, preparing Urban Village Plans - Alum Rock East (grant funded), Saratoga Urban Villages, and Five Wounds Urban Villages (grant funded), initial process for the redevelopment of the Pleasant Hills Golf Course, and conducting a study with land use recommendations for the Coyote Valley Corridor. Additionally, the Division will add General Plan amendments to the Open Space and Safety elements while having to develop an Environmental Justice element. (Ongoing savings: \$222,540)

9. Cannabis Regulation Program Staffing	(1.00)	(211,842)	(211,842)
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***Neighborhood Services CSA
Code Enforcement Core Service
Community Code Enforcement and Multiple Housing Code Enforcement Programs***

This action eliminates 1.0 Code Enforcement Inspector position and shifts various positions between the Cannabis Regulation Program and Multiple Housing Fee Program in the Planning, Building and Code Enforcement Department to address reductions in the Cannabis Regulation Annual Operating Fee. The staff that previously supported the Cannabis Regulation program will now focus on providing support to the Multiple Housing Fee Program. The Planning, Building and Code Enforcement Department will still provide a lower level of services to the Cannabis Regulation Program, but it will no longer be tied to the annual operating fee and will be recovered through other fees and permits. Additional information regarding the Cannabis Regulation Program, including alternative fee reductions, will be included in a forthcoming Manager’s Budget Addendum to be issued later in the budget process. (Ongoing savings: \$209,982)

Planning, Building and Code Enforcement Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
10. Building Development Fee Program Staffing (Engineering and Plan Review)	0.00	(47,311)	0

Community and Economic Development CSA

Development Plan Review and Building Construction Inspection Core Service

Building Development Services and Planning Development Services Programs

This action eliminates a 1.0 Associate Engineer position and adds 1.0 Engineer I/II position within the Building Development Fee Program Fund, and realigns 1.0 Planner IV position by shifting funds from the Building Development Fee Program Fund to the Planning Development Fee Program Fund. The City Auditor's Report 23-07, completed in November 2023, recommended the Planning, Building and Code Enforcement Department develop a long-term staffing strategy that continues and potentially prioritizes recruitment of entry-level positions, such as Engineer I/II. In addition, the Department has had success in retaining staff with the latest Engineer I/II recruitments in which staff have the opportunity for career growth into the Associate Engineer classification within the Building Division. The Permit Center requires on-the-spot decisions on complex inquiries and higher level oversight on legal non-conforming verifications, staff work load assessments, administrative permits review, complex plan conformance reviews, and public record requests, which are now processed at the permit counter. This action better aligns the Building and Planning Development funding sources with various roles and responsibilities within the Building and Planning Divisions. (Ongoing savings: \$45,407)

2024-2025 Proposed Budget Changes Total	(16.00)	(\$2,717,404)	(\$82,003)
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Planning, Building and Code Enforcement Department

Performance Summary

Four Key Budget Performance Measure Measurement Areas



Access - How well does a service enable access, participation, visitation, and usage? How well does the service lead to its intended outcome or opportunity pathway?




Customer Satisfaction - How well does a service meet customer needs? How well does a service resolve a customer's problem? How well does a service deliver its intended experience for a customer?

Reliability and Responsiveness - How well does a service meet response time targets? How well does a service deliver resolution? How well does a service meet its efficiency goals?

Cost Effectiveness - How well does a service resource deliver its intended outcome? How well does a service resource deliver its intended output?

Code Enforcement

Performance Measures

			2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
	PM 1	% of new General Code Program cases receiving an initial inspection within targeted response times:				
		- Emergency Inspection within Target Response Times	98%	100%	100%	100%
		- Priority Inspection within Target Response Times	81%	75%	80%	75%
		- Routine Inspections within Target Response Times	44%	60%	45%	50%
	PM 2	% of Multiple Housing Program buildings receiving a proactive, routine inspection within annual target by tier:				
		- Tier 1 (must be inspected once every 6 years)	6%	100% (204 buildings)	24%	96%
		- Tier 2 (must be inspected once every 5 years)	45%	100% (600 buildings)	146%	82%
		- Tier 3 (must be inspected once every 3 years)	147%	100% (876 buildings)	92%	94%
★★★	PM 3	% of General Code Program cases resolved within processing time targets, based on case type	57%	65%	64%	65%
★★★	PM 4	Violations Closed per Month (Multiple Housing Program)	N/A ¹	550	1,075	850
	PM 5	% of annual proactive inspections completed on schedule for fee-based Code Enforcement programs:				
		- Special Programs	91%	100%	98%	100%
		- Multiple Housing Program	89%	100%	75%	80%

¹ This is a new performance measure for 2023-2024 and historical targets are not applicable.

Planning, Building and Code Enforcement Department

Performance Summary

Code Enforcement

Activity and Workload Highlights

		2022-2023 Actual	2023-2024 Forecast	2023-2024 Estimated	2024-2025 Forecast
	General Code Program Complaint Cases:				
<i>AWH</i> 1	- Opened	3,067	2,500	3,300	3,200
	- Resolved	2,765	2,800	3,500	3,500
<i>AWH</i> 2	Total # of Multiple Housing Program buildings proactively inspected	1,448	1,700	1,300	1,600
<i>AWH</i> 3	# of units inspected annually (Multiple Housing Program)	6,769	7,000	8,450	7,600
	Total # of inspections conducted for complaints (including initial, compliance, and re-inspections):				
<i>AWH</i> 4	- General Code Program (nonfee-based programs)	794	1,500 ¹	3,100	3,000
	- Multiple Housing Program	640	250 ¹	700	700
<i>AWH</i> 5	# of calls received by support staff	11,190	11,000	11,000	11,000

¹ The 2023-2024 Forecast is restated from what was published in the 2023-2024 Adopted Budget due to report generation being updated. In the 2023-2024 Adopted Budget, the 2023-2024 Forecast for General Code Programs and Multiple Housing Program were recorded as TBD.

Data Sources: Code Enforcement





Number	Data Source
<i>PM</i> 1	Code Enforcement Division Dashboard Crystal Report
<i>PM</i> 2	AMANDA database report
<i>PM</i> 3	Code Enforcement Division Dashboard Crystal Report
<i>PM</i> 4	Code Enforcement Division Dashboard Crystal Report
<i>PM</i> 5	AMANDA database report
<i>AWH</i> 1	Code Enforcement Division Dashboard Crystal Report
<i>AWH</i> 2	AMANDA database report
<i>AWH</i> 3	AMANDA database report
<i>AWH</i> 4	Code Enforcement Division Dashboard Crystal Report
<i>AWH</i> 5	Antigen Report

Planning, Building and Code Enforcement Department

Performance Summary

Development Plan Review & Building Construction Inspection

Performance Measures

		2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target	
Building Plan Review and Inspections:						
	PM 1	- Average # of days for Single Family Residential initial plan review:				
		o New construction	22	20	24	20
		o Additions or alterations	31	10	14	10
		- Average # of days for Commercial/Industrial tenant improvement initial plan review	30	10	14	10
		- Average # of days to next available inspection	12	2	6	2
		- Inspection utilization (daily capacity vs daily assignments dispatched)	106%	100%	105%	100%
Development Services Call Center:						
★★★★	PM 2	- Average call duration				
		5.56	5.0	5.3	5.0	
		- Average hold time				
		3.06	2.5	2.6	2.5	
Average response time to initial email inquiries:						
	PM 3	- Planning General Questions				
		3-5 bus. day ¹	3-5 bus. day	3-5 bus. day	3-5 bus. day	
		- Building's Customer Success Team	N/A ²	3	4.5	2
Planning Development Review:						
	PM 4	- Average wait time for application submittal appointment (in months)				
		1 ³	1	2	1.5	
		- % of 45-day comment letter issued on time	84.37%	80%	90%	90%
		- Average review cycle for completed projects				
		N/A ⁴	2.5	2.9	2.5	
Average weekly review rates of Planning Permit Center projects and inquiries processed by type:						
	PM 5	- Planning Review of Building Permits:				
		o Received	67 ¹	61	62	60
		o Reviewed	81 ¹	89	86	89
		- Administrative Planning Permits and Applications:				
		o Submitted	24 ¹	23	22	25
		o Completed	24 ¹	25	23	25
		- Planning General Questions:				
		o Received	127 ¹	114	108	111
		o Answered	90 ¹	86	84	85

¹ This is a new performance measure for 2023-2024 and data does not represent a full year as tracking began in August 2022.

² This is a new performance measure for 2023-2024 and Building Division did not have a Customer Success Team.

³ This is a new performance measure for 2023-2024 and data does not represent a full year as tracking began in October 2022.

⁴ This is a new performance measure for 2023-2024 and data tracking began in May 2023. Staff will have data available and report 2023-2024 actuals in the 2025-2026 Proposed Budget.

Planning, Building and Code Enforcement Department

Performance Summary

Development Plan Review & Building Construction Inspection

Activity and Workload Highlights

	2022-2023 Actual	2023-2024 Forecast	2023-2024 Estimated	2024-2025 Forecast
Building Plan Review and Inspections:				
- # building application intakes received (online portal and by staff in-person)				
o Residential	27,800	28,000	24,000	25,000
o Commercial/Industrial	1,550	1,600	1,500	1,600
- # of plan checks				
o Residential	3,300	3,400	3,300	3,300
o Commercial/Industrial	1,275	1,375	1,200	1,200
- # of building permits issued through SJPermits online portal				
AWH 1 o Residential	22,800	23,000	18,300	19,000
o Commercial/Industrial	250	300	250	300
- # of building permits issued by staff in person				
o Residential	4,000	4,200	4,630	4,700
o Commercial/Industrial	1,250	1,350	1,280	1,300
- # of field inspections				
o Combination (Single Family Residential)	86,339	86,950	88,192	89,845
o Specialty (Multifamily/Commercial/Industrial)	16,960	17,080	15,808	16,104
Development Services Call Center:				
AWH 2 - # of calls answered	62,207	57,000	54,737	55,000
- # of calls lost (hung up)	9%	5%	7%	5%
# of Planning Permit Center projects and inquires processed by type:				
- Planning Review of Building Permits:				
o Submitted	3,086 ¹	3,216	3,183	3,120
o Reviewed	3,757 ¹	4,548	4,467	4,508
AWH 3 - Administrative Planning Permits and Applications:				
o Submitted	1,130 ¹	1,200	1,180	1,225
o Completed	937 ¹	1,243	1,223	1,263
- Planning General Questions:				
o Received	5,843 ¹	5,928	5,632	5,780
o Answered	4,160 ¹	4,467	4,383	4,425

Planning, Building and Code Enforcement Department

Performance Summary

Development Plan Review & Building Construction Inspection

Activity and Workload Highlights

		2022-2023 Actual	2023-2024 Forecast	2023-2024 Estimated	2024-2025 Forecast
AWH 4	Planning Development Review:				
	- # of applications submitted	538	532	610	534
	- # of 45-day comment letters sent	256	150	147	125
	- # of community meeting, ministerial project, and public hearing notices sent (initial and re-notices)	427,004	N/A ²	350,000	375,000
	- # of projects approved	408	325	329	360

¹ This is a new performance measure for 2023-2024 and data does not represent a full year as tracking began in August 2022.

² This is a new performance measure for 2023-2024 and 2023-2024 Forecast was not identified in in 2023-2024 Adopted Budget.

Data Sources: Development Plan Review & Building Construction Inspection





Number	Data Source
PM 1	Yellowfin report 'Building RS_CI Application Process' for plan review data Inspection Module for inspection data
PM 2	Antigen Report
PM 3	Customer success Freshdesk data and Reporting, Outlook (zoningquestions@sanjoseca.gov
PM 4	Fullslate online appointment, AMANDA – PL-30 day letter report, ProjectDox and Tracking sheets
PM 5	AMANDA manual queries & AMANDA report – “Completed Planning Review in Building Folders,” Outlook manual count (zoningquestions@sanjoseca.gov)
AWH 1	AMANDA database for intake, plan review, permit data Inspection activity (Checkerboard) Report) for inspection data.
AWH 2	Antigen Report
AWH 3	AMANDA manual queries & AMANDA report – “Completed Planning Review in Building Folders,” Outlook manual count (zoningquestions@sanjoseca.gov)
AWH 4	Planning Application Submittals Total Counts, AMANDA – PL-30 day letter report, Logs, Hearing Agendas

Planning, Building and Code Enforcement Department

Performance Summary

Citywide Land Use Planning

Performance Measures

		2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
	PM 1 % of work programs (i.e., General Plan Amendments, Urban Village Plans, Ordinances, etc.):				
	- Total in workplan (active and backlog)	N/A ¹	45 (100%)	45 (100%)	N/A ²
	- Total active	N/A ¹	12 (62%)	12(62%)	70%
	- Total completed	N/A ¹	13	13	15
	PM 2 % of development entitled inside of growth areas by type:				
	- Residential (# units)	91%	95%	80%	95%
	- Commercial (sq.ft.)	98%	85%	60%	85%
	PM 3 Environmental Review:				
	- % of administrative drafts completed per time targets	47% ³	80%	60%	80%
	- Average review timelines for major environmental review documents (in months):				
	o Environmental Impact Report (EIR)	27.8	20	48.5	20
	o Mitigated Negative Declaration (MND) and Negative Declaration (ND) ⁴	19.3	15	22.8	15
	o Addendum	14.8	12	16.7	12
	PM 4 % of historic preservation projects by type:				
	- Historic Resource Surveys	N/A ¹	20%	20%	23%
	- Historic Resource Inventory Updates	N/A ¹	20%	20%	15%
	- Property designations	N/A ¹	2%	2%	5%
	- Mills Act	N/A ¹	2%	2%	5%
	- Environmental review	N/A ¹	7%	7%	5%
	- Review of Discretionary Development projects:				
	o Planning	N/A ¹	7%	7%	10%
	o Other City Departments	N/A ¹	2%	2%	2%
	- Review of Administrative Planning and Building Permits	N/A ¹	15%	15%	15%
- Historic Landmarks Commission Administration	N/A ¹	25%	25%	15%	

¹ This is a new performance measure for 2023-2024 and data was not tracked for 2022-2023.

² Future targets are not established for workload levels and fluctuate based on many factors.

³ This is a new performance measure for 2023-2024 and data does not represent a full year as tracking began in August 2022.

⁴ Mitigated Negative Declaration and Negative Declaration use the same review process and have similar review times.

Planning, Building and Code Enforcement Department

Performance Summary

Citywide Land Use Planning

Activity and Workload Highlights

		2022-2023 Actual	2023-2024 Forecast	2023-2024 Estimated	2024-2025 Forecast
	# of work programs (i.e., General Plan Amendments, Urban Village Plans, Ordinances, etc.):				
AWH 1	- Total in workplan (active and backlog)	N/A ¹	45	45	N/A ²
	- Total active	N/A ¹	28	28	N/A ²
	- Total completed	N/A ¹	13	13	N/A ²
AWH 2	# of privately-initiated General Plan Amendments	4	N/A ³	2	5
	Community outreach efforts:				
AWH 3	- # of attendees	772	N/A ⁴	N/A ⁴	N/A ⁴
	- # of meetings held	41	N/A ⁴	N/A ⁴	N/A ⁴
	Environmental Review:				
	- # of administrative drafts completed	75	N/A ³	106	120
	- Total # of approved major environmental review documents:				
AWH 4	o Environmental Impact Report (EIR) ⁵	19	N/A ³	4	6
	o Mitigated Negative Declaration (MND)	14	N/A ³	28	24
	o Negative Declaration (ND)	2	N/A ³	3	1
	o Addendum	15	N/A ³	13	12
	# of historic preservation projects by type:				
	- Historic Resource Surveys	1	2	2	2
	- Historic Resource Inventory Updates	133	100	100	100
	- Property designations	3	3	2	3
	- Mills Act	3	3	2	3
AWH 5	- Environmental review	40	40	40	50
	- Review of Discretionary Development projects				
	o Planning	40	30	40	40
	o Other City Departments	7	10	12	5
	- Review of Administrative Planning and Building Permits	70	70	75	75
	- Historic Landmarks Commission Administration Hours	N/A ¹	N/A ²	300	250

¹ This is a new performance measure for 2023-2024 and data was not tracked for 2022-2023.

² Future targets are not established for workload levels and fluctuate based on many factors.

³ This is a new performance measure for 2023-2024 and 2023-2024 Forecast was not identified in in 2023-2024 Adopted Budget.

⁴ City staff do not organize community meetings for private development projects. Many are initiated as the result of privately initiated development project timelines.

⁵ Environmental Impact Report (EIR) data does not include Class 32 In-Fill exemptions included in Major Environmental Reviews.

Planning, Building and Code Enforcement Department

Performance Summary

Data Sources: Citywide Land Use Planning

Number	Data Source
<i>PM 1</i>	Citywide Planning Dashboard
<i>PM 2</i>	Amanda Permit Data Analysis by General Plan team on Citywide Planning
<i>PM 3</i>	PBCE CSC Measures Data, AMANDA, Environmental Tracking Sheet
<i>PM 4</i>	AMANDA & Self tracking on excel
<i>AWH 1</i>	Citywide Planning Dashboard
<i>AWH 2</i>	Envision San Jose 2040 General Plan Annual Report
<i>AWH 3</i>	Envision San Jose 2040 General Plan Annual Report
<i>AWH 4</i>	Environmental Tracking Sheet
<i>AWH 5</i>	AMANDA & Self tracking on excel

Planning, Building and Code Enforcement Department

Department Position Detail

Position	2023-2024 Adopted	2024-2025 Proposed	Change
Accountant I/II	1.00	1.00	-
Accounting Technician	1.00	1.00	-
Administrative Assistant	1.00	1.00	-
Administrative Officer	1.00	1.00	-
Analyst I/II	8.00	8.00	-
Assistant Director of Planning, Bldg and Code Enforceme	1.00	1.00	-
Assistant to the Director	1.00	1.00	-
Associate Engineer	18.00	17.00	(1.00)
Building Inspection Manager	4.00	3.00	(1.00)
Building Inspector Combination Certified I/II/III/Sr	62.00	54.00	(8.00)
Building Inspector, Supervisor Certified I/II	15.00	15.00	-
Code Enforcement Inspector I/II	46.00	45.00	(1.00)
Code Enforcement Supervisor	7.00	7.00	-
Community Activity Worker	0.00	1.00	1.00
Deputy Director	4.00	4.00	-
Director of Planning, Building and Code Enforcement	1.00	1.00	-
Division Manager	9.00	9.00	-
Engineer I/II	2.00	3.00	1.00
Environmental Inspector I/II	3.00	3.00	-
Office Specialist	6.00	6.00	-
Permit Specialist	5.00	3.00	(2.00)
Permit Specialist PT	0.00	1.00	1.00
Planner I/II/III	36.00	30.00	(6.00)
Planner IV	14.00	13.00	(1.00)
Planning Technician	4.00	4.00	-
Principal Account Clerk	1.00	1.00	-
Principal Office Specialist	3.00	3.00	-
Principal Permit Specialist	7.00	6.00	(1.00)
Principal Planner	3.00	4.00	1.00
Program Manager	3.00	4.00	1.00
Public Information Manager	1.00	1.00	-
Public Information Representative I/II	1.00	1.00	-
Senior Accountant	1.00	1.00	-
Senior Account Clerk	1.00	1.00	-
Senior Analyst	3.00	4.00	1.00
Senior Engineer	7.00	6.00	(1.00)
Senior Office Specialist	11.00	11.00	-
Senior Permit Specialist	17.00	17.00	-
Senior Public Information Representative	1.00	1.00	-
Senior Supervisor, Administration	2.00	2.00	-
Staff Specialist	8.00	8.00	-
Supervising Environmental Services Specialist	1.00	1.00	-
Total Positions	321.00	305.00	(16.00)

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Police Department

Paul Joseph, Acting Police Chief

MISSION

The San José Police Department is dedicated to providing public safety through community partnerships and 21st Century Policing practices, ensuring equity for all. The Department is committed to treating all of San Jose's diverse community members with dignity, fairness, and respect, while protecting their rights and providing equal protection under the law.

CITY SERVICE AREA

Public Safety

CORE SERVICES

CRIME PREVENTION AND COMMUNITY EDUCATION

Provide programs and services through community education and partnerships to reduce criminal activity and enhance public safety.

INVESTIGATIVE SERVICES

Provide for the objective examination of events through the collection of evidence, interviewing of witnesses, the interrogation of suspects, and other activities, to arrive at a resolution or successful prosecution.

REGULATORY SERVICES

Provide for the mandated regulation of businesses and activities and the issuance of those attendant mandated permits that are in the public interest.

RESPOND TO CALLS FOR SERVICE AND PATROL SUPPORT

Provide for 24-hour emergency and non-emergency police calls, which include but are not limited to crimes against persons and property, disturbances, traffic accidents, disasters, and medical emergencies.

Strategic Support: Department Management, Public Information, Fiscal Integrity, Systems Availability, Recruiting/Training, Facilities and Vehicle Management, Wellness of the Workforce, Safety, and Emergency Response and Recovery

Police Department

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Crime Prevention and Community Education Core Service</i>	
Crime Prevention	Provides community-oriented policing, community education programs, and problem-solving support for the Police Department and the community.
School Liaison / Truancy Abatement	Develops and maintains positive communications and relationships between the Police Department and the school districts within the city; supports truancy abatement services.
School Safety	Provides for the safety of school age children as they travel to and from school.
<i>Investigative Services Core Service</i>	
Assaults	Investigates assault cases, hate crimes, criminal threats, and brandishing weapons cases.
Court Liaison	Liaisons with the District Attorney's Office, seeks and processes criminal citations, and coordinates witnesses.
Crime Analysis	Identifies crime trends and crime patterns through analysis of crime data.
Family Violence	Uses a collaborative approach to provide a secure, comfortable and convenient location for victims of family violence in order to facilitate the investigation of their cases and seek the services necessary to ensure their continued safety and well-being.
Financial Crimes / Burglary	Provides police services to the community by investigating economic crimes.
Gang Investigations	Investigates gang-related crimes committed by members of criminal street gangs.
Homicide / Crime Scene	Provides for the investigation of all homicides, suspicious deaths, child deaths, in-custody deaths, and officer-involved fatal incidents.
Internal Affairs	Responsible for receiving, documenting, and investigating all citizen complaints, as well as Department-initiated investigations involving Department members.
Investigations Administration	Provides leadership and management for investigative services.
Juvenile / Missing Persons	Responsible for investigating a wide variety of cases involving juvenile offenders and for locating persons who are formally reported as missing from within the city.
Robbery	Conducts investigations of robberies, extortions, kidnappings, grand theft "purse snatch" cases, and other robbery-related crimes.

Police Department

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Investigative Services Core Service</i>	
Sexual Assaults	Investigates sex offenses reported in the city.
Special Investigations	Collects, analyzes, and disseminates information on the criminal activities of organized crime groups, emerging criminal groups, public disorder and terrorist groups, and threats to public officials or private citizens.
<i>Regulatory Services Core Service</i>	
Cannabis Regulation	Maintains regulatory oversight for cannabis collectives including site inspections, background investigations on collectives' employees, investigation of Municipal Code violations, and conducting analysis of criminal activity related to cannabis operations.
Gaming Control	Maintains regulatory oversight for cardrooms including site inspections, background investigations on cardrooms' employees, investigation of Municipal Code violations, and conducting analysis of criminal activity relating to cardroom operations.
Permits	Maintains regulatory oversight for business permits such as taxi companies, tow companies, massage parlors, entertainment venues, gaming establishments, bingo parlors, and peddlers in accordance with the Municipal Code.
<i>Respond to Calls for Service and Patrol Support Core Service</i>	
9-1-1 Call Taking & Police Dispatch	Serve as the vital link between public safety and those who need assistance by answering and dispatching emergency and non-emergency calls in a timely, precise, and skilled manner.
Air Support	Provides aerial support for police ground units on matters relating to public and officer safety.
Airport Division	Provides basic police services as well as coordinates with partners to enforce the Airport Security Plan and ensure compliance with all FAA and TSA security directives, existing regulations, and emergency amendments at San José Mineta International Airport.
Downtown Services	Manages policing activities for events associated with the Downtown Entertainment Zone, including regulatory enforcement of the City's Entertainment and Conditional Use Permits at nightclubs and bars, enforcement of Alcoholic Beverage Control violations, cruise management traffic diversion, and patrol checks at parking garages in the Entertainment Zone.
Field Operations Administration	Provides leadership and management for field operations.
Field Patrol	Performs continuous patrol and response to calls for service to ensure immediate public safety.

Police Department

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Respond to Calls for Service and Patrol Support Core Service</i>	
Metro	Performs a variety of functions, including street level narcotics enforcement, prostitution enforcement, tactical support for the MERGE Unit, augmenting the VCET Unit during upticks in violent gang crime, and various special assignments as needed.
Reserves / Volunteers	Manages volunteers who assist the Department for relief, special functions and community events.
Special Operations	Responds to high-risk incidents, including hostage/barricade situations, with specially trained and equipped staff.
Traffic Enforcement	Enforces traffic laws in order to reduce traffic collisions, their resulting injuries, and facilitates the safe and expedient flow of vehicular and pedestrian traffic.
Violent Crimes Enforcement	With a highly skilled and trained team, provides enforcement of crimes associated with violence related to criminal gang activity in an effort to reduce and prevent youth crime and violence.
<i>Strategic Support Core Service</i>	
Police Financial Management	Manages the budget and all financial transactions for the department; assists in annual budget development.
Police Human Resources	Manages personnel-related functions for the department, including hiring (in coordination with the Human Resources Department), employee development, employee discipline (in coordination with the Office of Employee Relations), and personnel transactions.
Police Information Technology	Provides information technology services, planning, system development and maintenance for the department in coordination with the Information Technology Department.
Police Department Management and Administration	Provides executive-level, analytical and administrative support to the department.
Police Records	Manages and maintains local, state and federal databases in order to assist in the identification, apprehension and prosecution of criminal offenders, and to ensure officer and public safety.
Police Research and Development	Performs research and preparation of complex reports and projects involving inter-departmental issues and intergovernmental topics as well as coordinates release of information in accordance with the California Public Records Act.
Police Training and Academy	Delivers constantly updated training programs that support the Department's commitment to excellence, reflecting the highest professional standards in managerial, operational, and personal performance.
Police Emergency Response and Recovery	Provides for the coordination and delivery of emergency services and recovery activities.

Police Department

Department Budget Summary

Expected 2024-2025 Service Delivery

- Maintain a vibrant, safe community by delivering high quality police services.
- Continue to provide effective and timely response to calls for service.
- Improve the positive relationship the community has with the Police Department, which is critical in patrolling the City and investigating crimes and enabling quick resolution of the most serious crimes.
- Strive to reduce crime rates, conduct investigations effectively, and continue efforts to deter violence.
- Work collaboratively with the community to reimagine public safety, finding innovative and effective strategies for problem solving.
- Continue the redistricting project to realign the Police Department division, district, and beat boundaries to effectively distribute police resources that account for future population growth, economic development, and community needs. The updated patrol model will ensure optimal availability of resources and efficient delivery of police services.

2024-2025 Key Budget Actions

- Adds 2.5 Police Cadet PT positions to establish the Police Cadet Program to recruit, encourage and prepare individuals for a successful career as a San José Police Officer.
- As directed in the City Council-approved Mayor's March Budget Message for Fiscal Year 2024-2025, adds one-time funding of \$200,000 (\$50,000 ongoing) for a new video management system to develop a Real Time Crime Center (RTCC).
- As directed in the City Council-approved Mayor's March Budget Message for Fiscal Year 2024-2025, adds \$25,000 in ongoing funding for the Police Department to establish and run a Police Women's Bootcamp.
- Adds one-time funding of \$575,000 to the Air Support Unit for a helicopter camera replacement.
- Adds 3.0 Background Investigator positions and \$350,000 in one-time personal services funding to support background investigations to fill vacancies.
- In recognition that the Department has approximately 100 sworn vacancies of existing positions which would be filled prior to filling new positions, eliminates 17.0 Police Officer, 2.0 Police Sergeant and 1.0 Police Lieutenant positions from the Field Patrol Unit that had previously been added as part of the 2023-2024 Adopted Budget, but were not set to start until Fiscal Year 2024-2025.
- Eliminates 6.0 Senior Community Service Officer and 1.0 Supervising Community Service Officer positions to better realign the Community Service Officer program while maintaining the same level of service to the community.
- Eliminates 1.0 Police Sergeant, 1.0 Staff Specialist and 1.0 Analyst positions due to a reduction in the Cannabis Regulation Program annual operating fee.

Operating Funds Managed

- Edward Byrne Memorial Justice Assistance Grant
- Federal Drug Forfeiture Fund
- Supplemental Law Enforcement Services Fund
- State Drug Forfeiture Fund

Police Department

Department Budget Summary

	2022-2023 Actuals ***	2023-2024 Adopted ****	2024-2025 Forecast	2024-2025 Proposed
Dollars by Core Service				
Crime Prevention and Community Education	6,009,244	7,396,741	8,007,298	8,007,298
Investigative Services	98,312,671	100,125,947	104,261,283	104,627,183
Regulatory Services	5,181,930	5,122,344	5,453,939	4,723,940
Respond To Calls For Service and Patrol Support	326,820,038	337,787,320	352,519,774	351,444,650
Strategic Support - Other - Public Safety	19,007,413	19,537,824	9,621,130	9,621,130
Strategic Support - Public Safety	63,249,104	60,614,093	60,869,333	64,116,106
Total	\$518,580,400	\$530,584,269	\$540,732,757	\$542,540,307
Dollars by Category				
Personal Services and Non-Personal/Equipment				
Salaries/Benefits	409,639,165	435,767,583	468,976,804	466,698,407
Overtime	55,991,798	25,726,444	24,405,737	25,730,737
Subtotal Personal Services	\$465,630,963	\$461,494,027	\$493,382,541	\$492,429,144
Non-Personal/Equipment	33,401,648	45,553,089	37,678,086	40,273,133
Total Personal Services & Non-Personal/Equipment	\$499,032,611	\$507,047,116	\$531,060,627	\$532,702,277
Other Costs *				
City-Wide Expenses	7,788,145	8,039,627	83,500	249,400
General Fund Capital	0	3,665,000	0	0
Gifts	4,657	0	0	0
Housing Loans and Grants	0	0	0	0
Other	3,107,967	2,817,748	401,000	401,000
Other - Capital	0	0	0	0
Overhead Costs	25,445	14,778	187,630	187,630
Workers' Compensation	8,621,573	9,000,000	9,000,000	9,000,000
Total Other Costs	\$19,547,789	\$23,537,153	\$9,672,130	\$9,838,030
Total	\$518,580,400	\$530,584,269	\$540,732,757	\$542,540,307

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** The position counts displayed in the 2022-2023 Actuals column reflect those included in the 2022-2023 Adopted Budget.

*** 2022-2023 Actuals may not subtotal due to rounding.

**** The amounts in the 2023-2024 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

Police Department

Department Budget Summary

	2022-2023 Actuals ***	2023-2024 Adopted ****	2024-2025 Forecast	2024-2025 Proposed
Dollars by Fund				
General Fund (001)	426,630,216	526,509,264	539,448,742	541,256,292
Airport Maintenance And Operation Fund (523)	111,761	127,646	147,842	147,842
American Rescue Plan Fund (402)	87,928,858	0	0	0
Edward Byrne Memorial Justice Assistance Grant Trust Fund (474)	673,121	914,128	0	0
Emergency Reserve Fund (406)	117,889	0	0	0
General Purpose Parking Fund (533)	298,407	350,000	350,000	350,000
Gift Trust Fund (139)	4,657	0	0	0
San José Opioid Response Fund (130)	0	0	51,000	51,000
State Drug Forfeiture Fund (417)	0	300	0	0
Supplemental Law Enforcement Services Fund (414)	2,715,195	2,175,563	0	0
Capital Funds	100,295	507,368	735,173	735,173
Total	\$518,580,400	\$530,584,269	\$540,732,757	\$542,540,307
Positions by Core Service **				
Crime Prevention and Community Education	68.67	68.67	64.61	64.61
Investigative Services	316.50	321.50	321.50	321.50
Regulatory Services	23.00	23.00	23.00	20.00
Respond To Calls For Service and Patrol Support	1,113.50	1,119.50	1,139.50	1,116.00
Strategic Support - Public Safety	218.50	217.50	216.50	220.50
Total	1,740.17	1,750.17	1,765.11	1,742.61

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*** 2022-2023 Actuals may not subtotal due to rounding.

**** The amounts in the 2023-2024 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

Police Department

Department Budget Summary

	2022-2023 Actuals **	2023-2024 Adopted	2024-2025 Forecast	2024-2025 Proposed	2024-2025 Proposed Positions
Dollars by Program*					
Crime Prevention and Community Education					
Crime Prevention	1,616,980	2,059,105	2,272,029	2,272,029	13.00
School Liaison/Truancy Abatement	1,755,286	2,266,804	2,388,727	2,388,727	6.00
School Safety	2,636,979	3,070,832	3,346,542	3,346,542	45.61
Sub-Total	6,009,244	7,396,741	8,007,298	8,007,298	64.61
Investigative Services					
Assaults	4,220,500	4,173,918	4,293,053	4,293,053	15.00
Court Liaison	2,267,114	1,997,804	2,186,194	2,186,194	12.00
Crime Analysis	2,367,322	2,958,606	3,333,462	3,333,462	18.00
Family Violence	6,511,585	6,430,398	6,758,303	6,758,303	23.00
Financial Crimes/Burglary	4,691,215	6,058,963	6,774,074	6,774,074	22.00
Gang Investigations	5,239,079	6,125,422	6,406,517	6,406,517	21.00
Homicide/Crime Scene	14,144,682	11,549,902	11,951,041	11,951,041	34.00
Internal Affairs	7,016,778	6,413,233	6,836,581	6,836,581	18.00
Investigations Administration	9,438,190	12,011,115	12,490,042	12,655,942	27.00
Juvenile/Missing Persons	1,337,591	1,509,758	1,576,999	1,576,999	5.50
Robbery	5,538,017	4,549,886	4,655,311	4,655,311	14.00
Sexual Assaults	18,096,552	17,843,412	17,965,847	17,965,847	56.00
Special Investigations	17,444,046	18,503,530	19,033,859	19,233,859	56.00
Sub-Total	98,312,671	100,125,947	104,261,283	104,627,183	321.50
Regulatory Services					
Cannabis Regulation	1,435,570	1,511,418	1,638,485	908,486	3.00
Gaming	1,695,742	1,537,417	1,733,959	1,733,959	7.00
Permits	2,050,618	2,073,509	2,081,495	2,081,495	10.00
Sub-Total	5,181,930	5,122,344	5,453,939	4,723,940	20.00
Respond To Calls For Service and Patrol Support					
9-1-1 Call Taking & Police Dispatch	22,191,859	34,298,921	33,933,257	33,933,257	165.50
Air Support	3,658,868	3,553,746	2,987,672	3,413,672	7.00
Airport Division	9,399,159	10,004,160	10,205,000	10,205,000	11.00
Downtown Services	2,225,176	2,843,912	3,037,402	3,037,402	7.00
Field Operations Administration	7,395,617	5,779,806	6,363,336	6,363,336	22.00
Field Patrol	240,021,048	236,687,735	250,501,684	248,022,320	767.00
Metro	7,607,181	9,078,301	9,609,490	9,609,490	29.00
Police - Reserves Unit	1,641,849	1,228,635	1,270,218	1,448,458	7.50
Special Operations	20,520,215	19,619,839	19,251,280	19,951,280	54.00

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** 2022-2023 Actuals may not subtotal due to rounding.

Police Department

Department Budget Summary

	2022-2023 Actuals **	2023-2024 Adopted	2024-2025 Forecast	2024-2025 Proposed	2024-2025 Proposed Positions
Traffic Enforcement	7,042,057	9,467,548	9,930,672	10,030,672	30.00
Violent Crimes Enforcement	5,117,009	5,224,717	5,429,763	5,429,763	16.00
Sub-Total	326,820,038	337,787,320	352,519,774	351,444,650	1,116.00
Strategic Support - Other - Public Safety					
Police Capital	100,295	0	0	0	0.00
Police Gifts	4,657	0	0	0	0.00
Police Other Departmental - City-Wide	414,086	1,942,664	367,500	367,500	0.00
Police Other Departmental - Grants	7,392,471	8,580,382	66,000	66,000	0.00
Police Other Operational - Administration	2,474,330	0	0	0	0.00
Police Overhead	0	14,778	187,630	187,630	0.00
Police Workers' Compensation	8,621,573	9,000,000	9,000,000	9,000,000	0.00
Sub-Total	19,007,413	19,537,824	9,621,130	9,621,130	0.00
Strategic Support - Public Safety					
Police Department Management and Administration	7,594,692	7,580,510	7,847,467	8,029,597	12.00
Police Emergency Response and Recovery	129,849	0	0	0	0.00
Police Financial Management	3,148,957	2,948,814	3,282,942	3,282,942	16.00
Police Human Resources	10,897,668	9,635,501	8,950,950	10,173,262	31.00
Police Information Technology	9,103,904	11,639,962	9,478,235	10,853,466	24.00
Police Records	9,755,740	10,570,332	11,575,959	11,575,959	80.50
Police Research and Development	4,554,020	4,280,595	4,386,275	4,736,275	17.00
Police Training and Academy	18,064,273	13,958,379	15,347,505	15,464,605	40.00
Sub-Total	63,249,104	60,614,093	60,869,333	64,116,106	220.50
Total	\$518,580,400	\$530,584,269	\$540,732,757	\$542,540,307	1,742.61

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** 2022-2023 Actuals may not subtotal due to rounding.

Police Department

Budget Reconciliation

Personal Services and Non-Personal/Equipment

(2023-2024 Adopted to 2024-2025 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
Prior Year Budget (2023-2024):	1,750.17	507,047,116	505,804,637
Base Adjustments			
One-Time Prior Year Expenditures Deleted			
• Rebudgets (1.0 Senior Analyst)	(1.00)	(7,531,633)	(6,909,390)
• Sworn and Non-Sworn Recruiting and Backgrounding		(1,250,000)	(1,250,000)
• Field Patrol Staffing		(982,750)	(982,750)
• Coyote Creek and Guadalupe River Trail Patrol		(800,000)	(800,000)
• Police Records Management System Virtual Machine Server Replacement		(650,000)	(650,000)
• Police Public Records Team Staffing		(350,000)	(350,000)
• Stream Stewardship Law Enforcement Program		(320,000)	(320,000)
• WiFi Upgrade and Installation		(320,000)	(320,000)
• Police Technology Demonstration Pilot		(250,000)	(250,000)
• Community Service Officer Downtown Ambassador Staffing		(242,780)	(242,780)
• Psychiatric Emergency Response Team		(180,000)	(180,000)
• Quality Assurance and Training Software		(160,400)	(160,400)
• Police Officer Lateral Incentive Program		(150,000)	(150,000)
• Children's Advocacy Center Forensic Interviewer		(148,281)	(148,281)
• Digital Crime Scene Server Hardware Replacement and Software Upgrade		(100,000)	(100,000)
• Traffic Safety and Illegal Sideshows		(100,000)	(100,000)
• Gun Buyback Program		(35,000)	(35,000)
• Crime Intelligence Data Center Expansion		(16,980)	(16,980)
One-Time Prior Year Expenditures Subtotal:	(1.00)	(13,587,824)	(12,965,581)
Technical Adjustments to Costs of Ongoing Activities			
• Salary/benefit changes and the following position reallocations:		32,783,537	32,708,388
- 1.0 Analyst II to 1.0 Police Forensic Analyst II			
- 1.0 Staff Specialist to 1.0 Systems Applications Programmer II			
• 2023-2024 Adopted Budget (City Council approval on June 13, 2023) (17.0 Police Officer, 2.0 Police Sergeant, 1.0 Police Lieutenant)	20.00	2,150,251	2,150,251
• Approval of the Terms of an Agreement between the City of San Jose and Various Bargaining Units (City Council approval on September 12, 2023) (4.06 School Crossing Guard PT)	(4.06)	(179,175)	(179,175)
• Overtime Adjustment		885,470	885,470
• Vehicle Replacements: Police Fleet		500,000	500,000
• GASB 96 SBITA: Less Lethal Weapons - Tasers		350,000	350,000
• Vehicle Operations & Maintenance		214,961	214,961

Police Department

Budget Reconciliation

Personal Services and Non-Personal/Equipment

(2023-2024 Adopted to 2024-2025 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
• Living Wage Adjustment		191,889	191,889
Technical Adjustments to Costs of Ongoing Activities			
• Software/Information Services: Police Force Management and Early Intervention System		159,650	159,650
• Supplies and Materials: Rifles and Ammunition		100,000	100,000
• Software/Information Services: Mobile ID Equipment Maintenance		72,000	72,000
• Software/Information Services: Intergraph		70,000	70,000
• Software/Information Services: Department Websites		53,970	53,970
• Rent: Aircraft Hangar and Office		43,328	43,328
• GASB 87 Leases: Toshiba Copier/Multi-Function Devices		37,846	37,846
• Field Training Officer Overtime Adjustment		33,176	33,176
• Contract Services: County Crime Lab		26,478	26,478
• Software/Information Services: Various Software Subscriptions		24,500	24,500
• Contract Services: Domestic Violence High Risk Response Team and Improving Criminal Justice		19,358	19,358
• Insurance: Aircraft - Helicopter and Drones		10,000	10,000
• Software/Information Services: Axon Enterprise		9,700	9,700
• Software/Information Services: LEFTA Systems		8,850	8,850
• Community-Based Organization: YWCA Solutions to Domestic Violence		6,638	6,638
• MERGE Unit Overtime Adjustment		5,430	5,430
• Contract Services: Hazardous Material Disposal		5,000	5,000
• Motorcycle Unit Overtime Adjustment		4,592	4,592
• Canine Unit Overtime Adjustment		4,091	4,091
• Contract Services: Facility Operations & Maintenance		4,000	4,000
• Community-Based Organization: Truancy Abatement and Burglary Suppression		3,440	3,440
• Software/Information Services: eResource Planner		1,980	1,980
• Bomb Squad Overtime Adjustment		1,874	1,874
• Community-Based Organization: San Jose Police Chaplaincy Program		1,506	1,506
• Software/Information Services: County of Santa Clara Connections		1,000	1,000
• Community-Based Organization: Crisis Intervention for Youth		995	995
• Utilities: Gas, Electricity, and Water		(5,000)	(5,000)
Technical Adjustments Subtotal:	15.94	37,601,335	37,526,186
2024-2025 Forecast Base Budget	1,765.11	531,060,627	530,365,242

Police Department Budget Reconciliation

Personal Services and Non-Personal/Equipment

(2023-2024 Adopted to 2024-2025 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
Budget Proposals Recommended			
1. Sworn and Non-Sworn Backgrounding	3.00	902,312	902,312
2. Coyote and Guadalupe River Trail Patrol		700,000	700,000
3. Police Department Helicopter Camera Replacement		575,000	575,000
4. Police Department Recruiting		520,000	520,000
5. Police Security		500,000	500,000
6. Police Department Equipment		417,331	417,331
7. Police Department Equipment Replacement		380,200	380,200
8. Police Public Records Team Staffing		350,000	350,000
9. New Police Department Air Support Hangar Fixtures, Furniture and Equipment		325,000	325,000
10. Real Time Crime Center (RTCC) Equipment		200,000	200,000
11. Racial Equity Staffing	1.00	182,130	182,130
12. Police Department Cadet Program	2.50	178,240	178,240
13. Department of Justice Multi-Factor Authentication		175,000	175,000
14. New Police Facilities Operations and Maintenance		101,000	101,000
15. Traffic Safety and Illegal Sideshows		100,000	100,000
16. Tow Program Staffing	1.00	91,065	91,065
17. Vehicle Operations and Maintenance (Fleet Staffing)		83,064	83,064
18. Police Department Women's Bootcamp		25,000	25,000
19. Police Department Sworn Staffing	(20.00)	(2,150,251)	(2,150,251)
20. Community Service Officers Staffing	(7.00)	(1,283,442)	(1,283,442)
21. Cannabis Regulation Program Staffing	(3.00)	(729,999)	(729,999)
Total Budget Proposals Recommended	(22.50)	1,641,650	1,641,650
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2024-2025 Proposed Budget Total	1,742.61	532,702,277	532,006,892

Police Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
1. Sworn and Non-Sworn Backgrounding	3.00	902,312	902,312

Public Safety CSA
Strategic Support – Public Safety Core Service
Police Human Resources Program

As directed by the Mayor's March Budget Message for Fiscal Year 2024-2025, as approved by the City Council, this action makes permanent 3.0 Police Background Investigator positions and adds one-time personal services funding of \$350,000 for backgrounding. Funded on a one-time basis for many years, this action makes ongoing the core elements of the Department's backgrounding efforts. The 3.0 Background Investigator positions will be added to the existing ongoing 8.0 staff positions that perform backgrounding functions for a total of 11.0 ongoing positions in 2024-2025. The one-time personal services funding of \$350,000 allows for the use of temporary staff to supplement the work effort given the high priority to fill vacancies.

Backgrounding new hires can average between 3-5 months depending on psychological and medical examination for sworn positions and between 2-3 months of other non-sworn positions. The Police Department has had a backlog of backgrounds which have reduced recently due to the continued surge of funding and the implementation of new technology, such as the software purchased this year that allows background investigators to manage pre-employment background investigations online in one central location, with little to no paper handling, saving the Department significant time and allowing applicants to be hired more quickly. Over the last three fiscal years, the number of completed backgrounds has increased from 470 in 2020-2021 to an estimated 648 in 2023-2024. (Ongoing costs: \$546,765)

2. Coyote and Guadalupe River Trail Patrol		700,000	700,000
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Public Safety CSA
Respond to Calls for Service and Patrol Core Service
Special Operations Program

This action adds one-time overtime funding of \$700,000 to continue supporting the Coyote Creek and Guadalupe River Trail Patrol program. Previously funded on a one-time basis in 2022-2023 and 2023-2024, this continued funding provides a focused law enforcement presence by the San José Police Department at a newly opened section of trail running along Coyote Creek between William Street and Tully Road, and the Guadalupe River and the adjacent Guadalupe Gardens area. The City of San José will continue to support the trail patrol program through this one-time allocation of funding, allowing one Police Officer and one Police Sergeant to perform eight-hour shift patrols for 3 to 4 days a week through 2024-2025. This action also helps the City comply with the direct discharge regulatory requirements of its Stormwater Permit. (Ongoing costs: \$0)

Police Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
3. Police Department Helicopter Camera Replacement		575,000	575,000

Public Safety CSA

Strategic Support – Public Safety Core Service

Police Information Technology Program

This action adds one-time non-personal/equipment funding of \$575,000 to the Police Department to fund a replacement camera system for the helicopter. The Police Department Air Support Unit operates an Airbus H125 helicopter for its missions. There are ongoing, mandatory maintenance cycles as well as several pieces of specialized equipment installed on the aircraft, which are critical for the helicopter to perform its function in support of ground units. One of the most significant pieces of equipment is the MX-10 camera system, a high-resolution camera that can see infrared or heat and can zoom in from a great distance. Without the camera, the aircraft would have to fly as low as 300 feet for the crew to see with the naked eye what the camera can see at 1,000 feet. This allows the aircraft/crew to maintain observation while still maneuvering around obstructions, other air traffic and weather, that would not be possible if flying without the camera. During darkness, the crew/aircraft would be almost completely ineffective without the ability to see in the dark without the infrared functionality. This funding allows the Police Department to replace the MX-10 camera system on the current helicopter and continue critical air support throughout the City. This cost is offset by the liquidation of the Police Equipment Replacement Sinking Fund Reserve (currently \$1.0 million), established in the 2025-2029 General Fund Five-Year Forecast to set aside funding for equipment replacements, as described in the General Fund Capital, Transfers, Reserves section of this document. (Ongoing costs: \$0)

Police Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
4. Police Department Recruiting		520,000	520,000

Public Safety CSA
Strategic Support – Public Safety Core Service
Respond to Calls for Service and Patrol Support Core Service
Police Human Resources and Field Patrol Programs

As directed by the Mayor's March Budget Message for Fiscal Year 2024-2025, as approved by the City Council, this action adds funding of \$520,000 for recruiting and for the lateral incentive program. The funds include non-personal/equipment funding of \$320,000 (\$220,000 ongoing) for recruiting and \$200,000 in one-time funding to continue the lateral incentive program. Funded on a one-time basis for many years, this action makes the core elements of the Department's recruiting efforts ongoing, supplemented by targeted one-time investments, to hire civilian staff and fill three 50-recruit academies a year.

Ongoing non-personal/equipment funding of \$200,000 continues the use of a consultant to conduct a comprehensive recruiting marketing plan that includes various targeted radio, print, and social media marketing; one-time funding of \$100,000 will support enhanced marketing efforts; and ongoing funding of \$20,000 will pay for annual subscriptions for software to communicate to, recruit, and hire applicants. This includes a text-based communication application, which is the primary way of communicating with applicants and potential applicants. The Recruiting Unit recently switched to hosting all recruit testing in-house, utilizing software tools to schedule the written test, physical agility test and oral boards. Other software tools provide access to surveys for statistical purposes to report to the Administration and the Public Safety, Finance and Strategic Support Committee. The Police Department will perform targeted recruitments in the Central Valley and Central Coast, as well as targeting major criminal justice colleges for applicants interested in joining the law enforcement field.

The one-time personal services funding of \$200,000 will be used to continue a hiring incentive program for lateral hired police officers. Lateral hires of street-ready police officers from other agencies yield savings to the City by reducing training and academy costs. Previously funded at \$150,000, this funding gives the capacity to provide incentive bonuses for each lateral sworn officer that is hired into the San José Police Department, subject to meet and confer. (Ongoing costs: \$220,000)

5. Police Security		500,000	500,000
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Public Safety CSA
Respond to Calls for Service and Patrol Core Service
Field Patrol Program

This action adds overtime funding of \$500,000 for the Police Department to support the Parks, Recreation and Neighborhood Services Department's waterways abatement team. The abatement team will work cohesively to abate abandoned encampments, conduct escalated cleanups, and abate encampments in areas of the creek that block access to critical infrastructure or other maintenance roads. The funding will provide overtime in the Police Department to provide assistance as needed. This includes 1) Water Resources Protection Zone/No Return Zone staffing at the Cherry emergency interim housing site; 2) waterways support for abatement and other No Return Zones; 3) tows related to oversized vehicle/lived-in vehicle and associated work towing; and 4) Beautify SJ and illegal activities caught on camera. This action also helps the City comply with the direct discharge regulatory requirements of its Stormwater Permit. (Ongoing costs: \$500,000)

Police Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
6. Police Department Equipment		417,331	417,331

Public Safety CSA

Strategic Support – Public Safety Core Service

Police Information Technology Program and Police Training Academy Programs

This action adds non-personal/equipment funding of \$417,331 and ongoing funding of \$34,852 to support critical new equipment. The funding will help pay for the Police Department Badge Access Control System Upgrade (\$250,000) that will help ensure the Police Department is in compliance with the United States Department of Justice, Federal Bureau of Investigation, and Criminal Justice Information System security system policy regarding physical campus security requirements on law enforcement agencies properties. The badge access readers are designed to meet the City's cybersecurity standards, offering enhanced protection for the Department network and an elevated level of safety for City and Police Department facilities.

Purchases for less lethal equipment (\$92,100) will allow for the purchase of additional 40mm launchers, slings, launcher bags, foam batons, bean bags and tow-sided less lethal targets. The new equipment will enable the Police Department to better equip more officers with less lethal options to be able to handle every individual situation with the most appropriate response.

The Hexagon Person Level Tracking Interface (\$75,231) is a radio hand pack tracking interface that feeds the officer location will bridge the gap and give dispatch visibility into each officer's location. It could also help limit potential crossfire situations and moving officers to better locations for perimeter surveillance. This funding will provide an added layer of safety to the Police Department sworn officers when responding to calls for services. Of the total amount, \$44,800 is offset by the liquidation of the Police Equipment Replacement Sinking Fund Reserve (currently \$1.0 million), established in the 2025-2029 General Fund Five-Year Forecast to set aside funding for equipment replacements, as described in the General Fund Capital, Transfers, Reserves section of this document. The Helicopter Camera Replacement (\$575,000) and Police Department Equipment Replacement (\$380,200) actions described elsewhere in this section account for the remaining use of the reserve. (Ongoing costs: \$34,852)

Police Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
7. Police Department Equipment Replacement		380,200	380,200

Public Safety CSA

Strategic Support – Public Safety Core Service

Respond to Calls for Service and Patrol Core Service

Police Information Technology and Field Patrol Programs

This action adds non-personal/equipment funding of \$380,200 and ongoing funding of \$80,200 to support replacement equipment consisting of the following: 1) \$130,000 to replace 13 existing Computer Aided Dispatch (CAD) and automated information system (AIS) network core switches installed in the Network Operation Center. Initially installed in 2016, these core switches have experienced failures during the update processes, leading to service disruptions for both the CAD and AIS systems. 2) \$120,000 to replace the existing firewall originally deployed in 2015. The Police and Fire Department 9-1-1 CAD and patrol car and fire apparatus currently relies on the firewall deployed, which serves as the backbone for the mobile data terminal and integral to the body worn camera systems. The Police Department seeks funding to replace the existing firewall with one that adheres to the United States Department of Justice, Federal Bureau of Investigation, Criminal Justice Information Services Security Policy 5.9.2. 3) \$80,200 for a high-quality video and audio technology recording system in the Police Department's eight interview rooms. A new interview room video solution can provide critical, defensible evidence for the prosecution. Interviews capture video of witness and suspect interviews, protecting both the interviewee and the interviewer from a potential debate of the events that transpired in the room. 4) \$50,000 for a midrange stackable network switch to replace the existing legacy network switch, ensuring ongoing support from the manufacturer for timely security patch releases. The total of \$380,200 is offset by the liquidation of the Police Equipment Replacement Sinking Fund Reserve (currently \$1.0 million), established in the 2025-2029 General Fund Five-Year Forecast to set aside funding for equipment replacements, as described in the General Fund Capital, Transfers, Reserves section of this document. The Helicopter Camera Replacement (\$575,000) and Police Department Equipment (\$44,800) actions described elsewhere in this section account for the remaining use of the reserve. (Ongoing costs: \$80,200)

Police Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
<p>8. Police Public Records Team Staffing</p> <p>Public Safety CSA Strategic Support – Public Safety Core Service <i>Police Research and Development Program</i></p> <p>This action continues one-time personal services funding of \$350,000 for temporary staffing to address the increasing workload associated with recent amendments to the California Public Records Act (CPRA) and the volume of records requested. Over the last year, the efforts by the City of San José have seen public records requests move to completed status in the various phases that they are categorized under and significantly reduce the backlog. The Police Department Public Records team is currently staffed with 5.0 full time staff (1.0 Senior Analyst, 2.0 Analysts, and 2.0 Forensic Analysts) and 6 temporary rehired retiree positions funded with one-time funds. City policy (Public Records Policy & Protocol– 6.1.1) requires a response no later than three business days from the date of receipt, except for extensive or demanding requests. Consequences for an untimely response or improper withholding or redaction of CPRA records may result in an appeal to the City or the Santa Clara County Superior Court. Multiple State legislative changes to CPRA requirements have impacted the department's workload. The additional funding for temporary staffing will allow the department to return current staff temporarily assigned to CPRA workloads to their normal duties. (Ongoing costs: \$0)</p>		350,000	350,000
<p>9. New Police Department Air Support Hangar Fixtures, Furniture and Equipment</p> <p>Public Safety CSA Respond To Calls For Service and Patrol Support <i>Air Support Program</i></p> <p>This action adds one-time non-personal/equipment funding of \$325,000 to cover the furniture, fixtures and equipment costs related to the Measure T Police Air Support Hangar project. While the construction of the expanded facility is funded by Measure T proceeds, expenditures for fixtures, furniture and equipment are not bond eligible. This project relocates the Air Support Unit into a 7,500 square-foot building, inclusive of aircraft hangar space and offices. This funding covers the costs of 12 workstations, office furniture, conference room furniture, breakroom/quiet room and janitor room equipment, additional equipment for the helicopter bay and storage spaces, moving expenses and building security. (Ongoing costs: \$0)</p>		325,000	325,000
<p>10. Real Time Crime Center (RTCC) Equipment</p> <p>Public Safety CSA Investigative Services Core Service <i>Special Investigations Program</i></p> <p>This action adds one-time non-personal/equipment funding of \$200,000 (\$50,000 ongoing) for a new video management system to develop a Real Time Crime Center (RTCC). The Crime Data Intelligence Center is in the process of becoming an RTCC, employing professional staff who have access to Department databases, video technology, and Automatic License Plate Reader hits to assist officers in the field and detectives in the Bureau of Investigations. The funding will help integrate public and/or private cameras with permission and in compliance of the City's digital privacy policy. The creation of the RTCC is expected to add new efficiencies and better deployment of services in the community. (Ongoing costs: \$50,000)</p>		200,000	200,000

Police Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
11. Racial Equity Staffing	1.00	182,130	182,130

Public Safety CSA
Strategic Support – Public Safety Core Service
Police Department Management and Administration Program

This action continues 1.0 Senior Analyst position, through June 30, 2025, to accelerate departmental efforts in achieving measurable and sustainable progress to advance racial equity and reimaging policing efforts. A key component of the City's commitment to addressing systemic racism is advancing racial equity through internal policies, programs and practices and making racial equity work the responsibility of all City employees, including both external customer-facing and internal-facing roles and departments. Efforts to embed a racial equity lens in every aspect of City services will continue even after the position ends. The position will facilitate actions within the department to create and maintain a racial equity and inclusion framework and a Racial Equity Action Plan; support department leadership and staff through equity-focused strategic planning, policies and practices; assist the department to develop key departmental indicators of racial equity, including indicators tied to community objectives and outcomes and implement a system to track progress and report on these indicators; and integrate community input into decision-making and departmental strategies. This position's work will also include coordinating the provision of racial equity training and creating a diversity outreach plan to ensure racial equity in hiring and recruiting efforts. (Ongoing costs: \$0)

12. Police Department Cadet Program	2.50	178,240	178,240
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Public Safety CSA
Respond to Calls for Service and Patrol Support Core Service
Police – Reserves Unit Program

This action adds 2.5 Police Cadet part-time unbenefited positions and ongoing non-personal/equipment funding of \$8,000 to the Police Department to implement a Police Cadet Program, effectively providing funding for five part-time Cadets. The primary goal of the Police Cadet Program is to recruit, encourage, and prepare individuals who are attending college for a successful career as a San José Police Officer. This Cadet Program will complement the Explorer Volunteer Program based and housed in the Police Reserves Unit. The San José Cadet Program will be comprised of supervision, training, counseling, and evaluation to develop the police cadet's leadership qualities and prepare them for a career in the Department. For maximum exposure to the Department, Police Cadets would spend up to six months assigned to a unit prior to rotating to another unit and would assist the units in a manner that provides maximum exposure to job duties of the unit. Within this time frame, Police Cadets would also be available for special assignments or projects that may arise. Police Cadets will not be sworn law enforcement officers and will not have any peace officer laws of arrest or powers. It is expected the staff in this Program would not exceed 5 years in the program and will be required to test for the position of Police Officer Recruit upon reaching 24 years of age. Continued expansion of the program over a multi-year period will be contemplated as part of future budget cycles. (Ongoing costs: \$178,240)

Police Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
<p>13. Department of Justice Multi-Factor Authentication</p> <p><i>Public Safety CSA</i> Strategic Support – Public Safety Core Service <i>Police Information Technology Program</i></p> <p>This action adds one-time non-personal/equipment funding of \$175,000 (\$76,000 ongoing) for the Police Department to implement mandated changes to all desktop and laptop computers. The U.S. Department of Justice, Federal Bureau of Investigation, Criminal Justice Information Service Security Policy version 5.9.2 has imposed an unfunded security mandate that requires multi-factor authentication (MFA) at the device level for all law enforcement agencies throughout the nation. MFA requires two or more ways to authenticate a user providing something the employee has like an ID badge/HID card and something the employee knows, like a password or personal identification number. The MFA is required on all department networked, Computer Aided Dispatch, and laptop computers. The Department is required to have a solution in place by October 1, 2024. (Ongoing costs: \$76,000)</p>		175,000	175,000
<p>14. New Police Facilities Operations and Maintenance</p> <p><i>Public Safety CSA</i> Respond to Calls for Service and Patrol Support Core Service <i>Air Support Program</i></p> <p>This action adds non-personal/equipment funding of \$101,000 for maintenance and operation costs associated with the new Police Department Air Support hangar, planned to come online in late 2024-2025. The new hangar will expand the footprint the Police Department currently has and will allow for future expansion of the Air Support Unit. This action is offset by the liquidation of the New Police Facilities Operations and Maintenance Reserve established in the 2025-2029 General Fund Five-Year Forecast, as described in the General Fund, Transfers, Reserves section of this document. (Ongoing costs: \$312,000)</p>		101,000	101,000
<p>15. Traffic Safety and Illegal Sideshows</p> <p><i>Public Safety CSA</i> Responds to Calls for Service and Patrol Support Core Service <i>Traffic Enforcement Program</i></p> <p>This action adds ongoing overtime funding of \$100,000, previously funded on a one-time basis, to continue supporting the investigation and violation enforcement of illegal street racing and sideshows. The funding provides as needed overtime resources for special enforcement details. In 2023, the program was funded on a one-time basis and resulted in 2 arrests, 233 citations, and 2 impounded vehicles. (Ongoing costs: \$100,000)</p>		100,000	100,000

Police Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
16. Tow Program Staffing	1.00	91,065	91,065

Public Safety CSA
Respond to Calls for Service and Patrol Support Core Service
Field Patrol Program

This action adds 1.0 Senior Analyst position within the Police Department to manage city-wide towing services beginning January 2025. A 2018 City Auditor's Report recommended conducting a Request for Proposals (RFP) to develop and implement a new, modernized towing services delivery model that includes streamlined data tracking, billing, and reporting capabilities, modifications to performance measures and program requirements, and transferring oversight of the tow program to the Police Department. On August 15, 2023, City Council approved the request for City-generated tow service administration to execute an agreement with a new contractor. The Department is working with Planning, Building, and Code Enforcement Department to implement the new program in 2023-2024 and complete the transition to the Police Department in 2024-2025. The City currently requires an average of 13,000 City-generated tows annually and this position will be critical to make sure the tow program runs smoothly and effectively. (Ongoing costs: \$182,130)

17. Vehicle Operations and Maintenance (Fleet Staffing)		83,064	83,064
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Public Safety CSA
Respond to Calls for Service and Patrol Support Core Service
Field Patrol Program

This action adds non-personal/equipment funding of \$83,064 for operations and maintenance costs related to the Fleet Supervision Staffing budget action, as described in the Public Works Department section of this document. This position will provide strategic support to the Fleet Division by focusing on fleet sustainability and managing two Fleet locations. This action will improve operational deficiencies, improve regulatory compliance coordination, and work order auditing. (Ongoing costs: \$96,352)

18. Police Department Women's Bootcamp		25,000	25,000
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Public Safety CSA
Strategic Support - Public Safety Core Service
Police Training and Academy Program

As directed by the Mayor's March Budget Message for Fiscal Year 2024-2025, as approved by the City Council, this action adds ongoing personal services funding of \$25,000 to the Police Department to move forward with the development and deployment of a sworn women's bootcamp. The Women's Bootcamp would have the capacity for at least 15 women per cohort and will provide additional exposure to the profession, mentorship and help to set them up for success in the Police Academy. The San José Police Department has joined the 30x30 Initiative by signing the pledge to increase the representation of women in police recruit classes to 30% by 2030, and to ensure police policies and culture intentionally support the success of qualified women officers throughout their careers and in all ranks. Currently, women make up only 12% of sworn officers and 3% of police leadership in the United States. Women make up 13% of sworn officers in the San José Police Department. Research has shown that women officers benefit the community and create better outcomes for crime victims, especially in gender-based violence cases. This funding will help the department fulfill its goal to have 30% of the academy recruits be represented by women. (Ongoing costs: \$25,000)

Police Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
19. Police Department Sworn Staffing	(20.00)	(2,150,251)	(2,150,251)

Public Safety CSA
Respond to Calls for Service and Patrol Support Core Service
Field Patrol Program

In recognition that the Department has approximately 100 sworn vacancies of existing positions which would be filled prior to filling new positions, this action eliminates 20.0 sworn positions, which were approved as part of the 2023-2024 Adopted Budget to take effect in February 2025, and were included as part of the 2024-2025 Base Budget. Existing service levels are unaffected by this action. The composition of the 20.0 sworn positions include 17.0 Police Officer, 2.0 Police Sergeant, and 1.0 Police Lieutenant. As the number of recruits within academies have begun to increase, the City expects to resume previous City Council direction to increase sworn staffing levels, in consideration of budgetary constraints and other critical City Council priorities. (Ongoing savings: \$5,209,488)

20. Community Service Officers Staffing	(7.00)	(1,283,442)	(1,283,442)
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Public Safety CSA
Respond to Calls for Service and Patrol Support Core Service
Field Patrol Program

This action will reorganize the Community Service Officers (CSO) Program by eliminating 6.0 Senior Community Service Officer and 1.0 Supervising Community Service Officer positions, while continuing to maintain the same level of service provided to the community. The 1.0 Supervising CSO and 1.0 Senior CSO positions are vacant. The remaining 5.0 filled Senior CSOs will fill currently vacant CSO positions, and will continue to receive their current compensation but will receive no future increases until the general CSO classification pay rate reaches the pay rate of the aforementioned Senior CSOs. While a cost savings measure, this reorganization makes formal the existing in-field CSO reporting structure to the team Sergeants, ensuring aligned communication and supervision in the field, and overall program oversight will continue to remain under the Support Services Captain in the Bureau of Field Operations. The administrative work performed by the Senior CSOs – Senior CSOs are not currently deployed to the field – will be absorbed by the Sergeants. (Ongoing savings: \$1,274,984)

Police Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
21. Cannabis Regulation Program Staffing	(3.00)	(729,999)	(729,999)

*Public Safety CSA
Regulatory Services Core Service
Cannabis Regulation Program*

This action eliminates 1.0 Police Sergeant, 1.0 Staff Specialist and 1.0 Analyst positions from the Police Department's Cannabis Regulation Division. This action is taken simultaneously with a reduction in the Cannabis Regulation Program annual operating fee from \$139,406 to \$35,000 per year, for first business activity per location, per business, and \$20,000 per year, for each additional business activity per location, per business. The fee change is being brought forward as part of the 2024-2025 Proposed Fees and Charges. The reduction in the operating fee results in a decrease of revenues by \$900,942, from \$2.1 million to \$1.2 million and because the Cannabis Regulation Program is a cost-recovery program, a corresponding reduction to the program costs is needed. As a result, this action brings forward the elimination of three positions and corresponding actions are also included in the City Attorney's Office and Planning, Building, and Code Enforcement Department, which also account for reduction in costs tied to the Cannabis Regulation Program. This action will bring the costs in the Cannabis Regulation Program in alignment with the projected revenues to bring the program to full cost recovery. Additional information regarding the Cannabis Regulation Program, including alternative fee reductions, will be included in a forthcoming Manager's Budget Addendum to be issued later in the budget process. (Ongoing savings: \$719,453)

2024-2025 Proposed Budget Changes Total	(22.50)	\$1,641,650	\$1,641,650
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Police Department

Performance Summary

Four Key Budget Performance Measure Measurement Areas



Access - How well does a service enable access, participation, visitation, and usage? How well does the service lead to its intended outcome or opportunity pathway?


Customer Satisfaction - How well does a service meet customer needs? How well does a service resolve a customer's problem? How well does a service deliver its intended experience for a customer?

Reliability and Responsiveness - How well does a service meet response time targets? How well does a service deliver resolution? How well does a service meet its efficiency goals?

Cost Effectiveness - How well does a service resource deliver its intended outcome? How well does a service resource deliver its intended output?

Crime Prevention and Community Education

Performance Measures

		2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
	<i>PM 1</i> % change in incidents by education program type ¹ :	N/A	N/A	N/A	N/A

¹ This measure is being deferred until the 2025-2026 Proposed Budget. This measure will include: Crime Prevention; School Liaison/Truancy Abatement; and School Safety.

Activity and Workload Highlights

		2022-2023 Actual	2023-2024 Forecast	2023-2024 Estimated	2024-2025 Forecast
<i>AWH 1</i>	# of patrol hours spent on proactive community policing	9,626	6,500	14,168 ¹	13,000
	Community Presentations (excluding schools):				
<i>AWH 2</i>	- # of presentations	250	230	244	247
	- # of participants	6,607	6,800	7,270	6,939
	School Presentations:				
<i>AWH 3</i>	- # of Crime Prevention presentations	754	600	892	823
	- # of School Liaison presentations	194	N/A ²	142	150
	- # of School Safety presentations	39	N/A ²	36	35

¹ Procedures for tracking proactive community hours were revisited and resulted in an increase.

² New measure – data was not previously reported for 2023-2024 Budget.

Data Sources: Crime Prevention and Community Education




Number	Data Source
<i>PM 1</i>	(Item deferred)
<i>AWH 1</i>	BTS exports a report from CAD and provides it to BFO Admin in Excel format. The number of hours include officer-initiated calls with a final call type of Community Policing Citizen Assist (CPC), Community Policing Foot Patrol (CPF), Community Policing Meeting (CPM), Community Policing Office (CPO), Community Policing School (CPS), and Community Policing Bike (CPB).
<i>AWH 2</i>	Blue Sheet hard copy forms – transferred to MS Access database
<i>AWH 3</i>	Blue Sheet hard copy forms – transferred to MS Access database

Police Department

Performance Summary

Investigative Services

Performance Measures

		2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
	PM 1 % of cases that are assigned the following disposition ¹	N/A	N/A	N/A	N/A
	% of Bureau of Investigations I cases by type:				
	- Family Violence	37.1%	N/A ²	35.9%	35.8%
	- Juvenile Crimes	5.0%	N/A ²	4.1%	4.3%
	- Missing Persons	9.8%	N/A ²	8.6%	9.0%
	PM 2				
	- Gang Investigations	1.4%	N/A ²	1.4%	1.3%
	- Assaults	20.8%	N/A ²	22.0%	20.8%
	- Sexual Assaults	11.1%	N/A ²	9.5%	10.0%
	- Human trafficking, sex registration enforcement, and internet crimes	1.6%	N/A ²	1.5%	1.5%
	- Gun and Hazardous Offender Suppression Team (GHOST)	N/A ²	N/A ²	N/A ²	N/A ²
	% of Bureau of Investigations II cases by type:				
	PM 3				
	- Court Liaison	29.2%	N/A ²	26.2%	27.5%
	- Covert Response	0.1%	N/A ²	0.2%	0.2%
	- Fraud/Burglary	30.3%	N/A ²	23.2%	25.0%
	- Homicide	0.3%	N/A ²	0.3%	0.3%
	- Vehicular Crimes	39.0%	N/A ²	35.6%	36.7%
	- Robbery	4.7%	N/A ²	4.7%	4.7%

¹ New measure - data will begin reporting in the 2025-2026 Proposed Budget for the following disposition types: Complaint filed with County of Santa Clara District Attorney, Lack of Investigative Resources, Non-Worker: No Leads to Continue Investigation, All Leads Exhausted, Deferred by District Attorney (e.g., narcotics cases), Reject by District Attorney, and All Other Disposition Types.

² New measure – data was not previously tracked and/or reported for 2023-2024 Budget.

Activity and Workload Highlights

		2022-2023 Actual	2023-2024 Forecast	2023-2024 Estimated	2024-2025 Forecast
	Investigative Services Cases:				
AWH 1	- # of cases received	58,173	56,000	56,770	57,000
	- # of cases assigned	28,302	27,500	31,616	30,000
	- # of outstanding cases (cases currently open)	6,728	5,750	8,000	7,000
AWH 2	# of cases that result in criminal filings	10,184	10,000	10,206	10,000
AWH 3	# of cases operationally closed ¹	53,790	53,000	52,912	53,000

¹ Number of cases operationally closed reflects cases that were resolved (solved, cleared, or closed) within the fiscal year, regardless of when they were assigned. As a result, this number may include cases initially assigned in a prior fiscal year.

Police Department

Performance Summary

Investigative Services

Data Sources: Investigative Services



Number	Data Source
<i>PM 1</i>	RMS
<i>PM 2</i>	BOI Caseload Summary
<i>PM 3</i>	BOI Caseload Summary
<i>AWH 1</i>	BOI Caseload Summary
<i>AWH 2</i>	BOI Caseload Summary
<i>AWH 3</i>	BOI Caseload Summary

Police Department

Performance Summary

Regulatory Services

Performance Measures

		2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target	
	PM 1	% of staff time spent on cannabis regulatory activities:				
		- Regulatory investigations and inspections	N/A ¹	N/A ¹	N/A ¹	95.2%
		- Background investigations	N/A ¹	N/A ¹	N/A ¹	4.8%
	PM 2	% of regulatory permits issued by type:				
		- Street Closure/Block Parties	14%	N/A ¹	19%	17%
		- One-Day Liquor Permits	11%	N/A ¹	11%	11%
		- Massage Businesses	4%	N/A ¹	4%	4%
		- Taxi Permits and Inspections	25%	N/A ¹	24%	25%
		- Secondary Employment	13%	N/A ¹	10%	12%
		- Peddlers	2%	N/A ¹	2%	2%
		- Other	31%	N/A ¹	30%	29%

¹ New measure – data was not previously tracked and/or reported for 2023-2024 Budget.

Activity and Workload Highlights

		2022-2023 Actual	2023-2024 Forecast	2023-2024 Estimated	2024-2025 Forecast
AWH 1	# of new cannabis employee/manager badge applications processed	N/A ¹	N/A ¹	N/A ¹	500
AWH 2	# of cannabis delivery vehicles inspected and approved	71	70	58	60
	Gaming Permits:				
AWH 3	- # of gaming permit applications processed	673	592	700	700
	- # of gaming permits issued	624	524	670	670
AWH 4	# of cardroom/key employee license applications	30	40	24	24
AWH 5	# of cardroom denials and revocations	6	6	0	0

¹ New measure – data was not previously tracked and/or reported for 2023-2024 Budget.

Data Sources: Regulatory Services




Number	Data Source
PM 1	Fees and Charges MSEXcel worksheet
PM 2	Simply.gov
AWH 1	Badging System Access database
AWH 2	GPS Tracking Device MSEXcel worksheet
AWH 3	SalesForce database
AWH 4	SalesForce database
AWH 5	SalesForce database

Police Department

Performance Summary

Respond to Calls for Service and Patrol Support

Performance Measures

		2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target	
Average citywide response time to calls (in minutes) for:						
	PM 1	- Priority 1 (present or imminent danger) ¹	7.69	6.00	8.18	6.00 ²
		o Average call processing time	1.35	1.50	1.42	1.50
		o Average call queuing time	0.81	0.50	0.87	0.50
		o Average call travel time	5.53	4.00	5.90	4.00
		- Priority 2 (actual or potential injury or property damage)	25.41	11.00	28.84	11.00 ²
		o Average call processing time	1.67	1.50	1.74	1.50
		o Average call queuing time	13.00	3.50	15.81	13.00
		o Average call travel time	10.75	6.00	11.28	10.00
	PM 2	Annual cost per service call for Police service	\$128.44	\$135.77	\$158.34	\$164.67
	PM 3	Average time in which non-emergency calls are answered (in seconds)	141.00	25.00	135.00	90.00
★★★★	PM 4	% of Off-duty Officer Secondary Employment Services special event hours requested that are filled ¹	62%	N/A ³	48%	55%

¹ Priority 1 calls may be immediately updated to a lesser priority if incident circumstances change. This measure currently reports the Police Department's response time of all calls initially assigned Priority 1 (including those subsequently downgraded), leading to a substantial decrease in the reported metric. The Police Department intends to address this reporting issue in next fiscal year's report.

² The actual target for this measure is referenced in the Envision San Jose 2040 General Plan Policy ES-3.1. The 2024-2025 Target is intended to be the long-term target.

³ New measure – data was not reported for 2023-2024 Budget.

Police Department

Performance Summary

Respond to Calls for Service and Patrol Support

Activity and Workload Highlights

		2022-2023 Actual	2023-2024 Forecast	2023-2024 Estimated	2024-2025 Forecast
	Service Calls, Officer-Initiated Calls, and Online Reports Received:				
<i>AWH 1</i>	- # of emergency calls received	635,470	650,000	634,356	640,000
	- # of non-emergency calls received	467,389	700,000	478,838	480,000
	- # of online reports received	26,226	28,000	26,906	28,000
	- # of officer-initiated calls received	66,870	73,000	68,384	70,000
	- Annual cost of Police to respond to all calls for service (in millions)	\$158.81	\$166.76	\$173.86	\$179.07
	Traffic Collisions:				
<i>AWH 2</i>	- # of total traffic collisions	7,794	9,700	8,888	8,250
	- # of injury traffic collisions	2,781	3,500	3,288	3,000
	- # of fatal traffic collisions	36	50	54	40
<i>AWH 3</i>	# of neighborhood traffic enforcement requests received	1,124	1,362	1,348	1,360
	Moving Violations (Issued for Cars in Motion):				
<i>AWH 4</i>	- # of Driving Under the Influence (DUI) arrests (Traffic Enforcement generated)	11	20	24	20
	- # of hazardous and non-hazardous moving violation citations (Traffic Enforcement Unit)	21,632	22,612	17,204	20,086
	Off-duty Officer Secondary Employment Services:				
<i>AWH 5</i>	- # of special events coordinated	793	900	618	706
	- # of officer work permits processed	1,198	900	440	819
	- Cost of providing Secondary Employment capability	\$714,221	\$896,088	\$965,218	\$839,720

Data Sources: Respond to Calls for Service and Patrol Support

Number	Data Source
<i>PM 1</i>	CAD
<i>PM 2</i>	Financial Management System (FMS) expenses
<i>PM 3</i>	ECATS & Power MIS
<i>PM 4</i>	EResource, Fiscal – Responsibility Center Report “Cost of providing SEU capability”
<i>AWH 1</i>	Number of calls: ECATS & Power MIS
	Annual Cost to Respond: Financial Management System (FMS) expenses & 9-1-1 / 3-1-1 Call Total
<i>AWH 2</i>	RMS
<i>AWH 3</i>	Various sources, including City Council, City/Dept. personnel, and the community
<i>AWH 4</i>	DUI data: TEU Excel spreadsheet Hazardous citations: Crossroads Analytics citations software system
<i>AWH 5</i>	EResource, Fiscal – Responsibility Center Report “Cost of providing SEU capability”

Police Department

Department Position Detail

Position	2023-2024 Adopted	2024-2025 Proposed	Change
Account Clerk I/II	1.00	1.00	-
Accounting Technician	2.00	2.00	-
Administrative Assistant	1.00	1.00	-
Administrative Officer	1.00	1.00	-
Analyst I/II	22.00	20.00	(2.00)
Assistant Chief of Police	1.00	1.00	-
Assistant Communications Manager	1.00	1.00	-
Background Investigator	5.00	8.00	3.00
Chief of Police	1.00	1.00	-
Community Service Officer I/II	67.00	67.00	-
Crime and Intelligence Analyst	9.00	9.00	-
Crime and Intelligence Data Administrator	1.00	1.00	-
Crime and Intelligence Data Technician	3.00	3.00	-
Crime Prevention Specialist	12.00	12.00	-
Crime Prevention Supervisor	1.00	1.00	-
Crisis Intervention Training Manager	1.00	1.00	-
Department Information Technology Manager	3.00	3.00	-
Deputy Chief of Police	4.00	4.00	-
Deputy Director U	2.00	2.00	-
Digital Media Technician	1.00	1.00	-
Division Manager	5.00	5.00	-
Information Systems Analyst	4.00	4.00	-
Latent Fingerprint Examiner II/III	6.00	6.00	-
Latent Fingerprint Examiner Supervisor	1.00	1.00	-
Maintenance Worker II	1.00	1.00	-
Messenger Clerk	1.00	1.00	-
Network Engineer	4.00	4.00	-
Network Technician I/II/III	3.00	3.00	-
Office Specialist I/II	9.00	9.00	-
Office Specialist II PT	0.50	0.50	-
Police Cadet PT	0.00	2.50	2.50
Police Captain	9.00	9.00	-
Police Communications Manager	1.00	1.00	-
Police Communication Specialist	58.00	58.00	-
Police Communication Specialist PT	1.50	1.50	-
Police Data Specialist I/II	69.00	69.00	-
Police Data Specialist PT	1.50	1.50	-
Police Forensic Analyst I/II	15.00	16.00	1.00
Police Lieutenant	41.00	41.00	-
Police Officer	927.00	927.00	-
Police Property Specialist I/II	19.00	19.00	-
Police Property Supervisor	2.00	2.00	-
Police Sergeant	190.00	189.00	(1.00)
Police Radio Dispatcher	79.00	79.00	-
Police Radio Dispatcher PT	2.00	2.00	-
Principal Office Specialist	8.00	8.00	-
Program Manager	4.00	4.00	-

Police Department

Department Position Detail

Position	2023-2024 Adopted	2024-2025 Proposed	Change
School Crossing Guard PT	44.67	40.61	(4.06)
School Safety Supervisor	4.00	4.00	-
Senior Account Clerk	4.00	4.00	-
Senior Analyst	11.00	12.00	1.00
Senior Auditor	3.00	3.00	-
Senior Crime and Intelligence Analyst	2.00	2.00	-
Senior Community Service Officer	6.00	0.00	(6.00)
Senior Office Specialist	15.00	15.00	-
Senior Police Data Specialist	10.00	10.00	-
Senior Police Dispatcher	14.00	14.00	-
Senior Public Information Representative	1.00	1.00	-
Senior Systems Applications Programmer	2.00	2.00	-
Staff Specialist	16.00	14.00	(2.00)
Supervising Applications Analyst	1.00	1.00	-
Supervising Auditor	1.00	1.00	-
Supervising Community Services Officer	1.00	0.00	(1.00)
Supervising Police Data Specialist	4.00	4.00	-
Supervising Police Dispatcher	6.00	6.00	-
Supply Clerk	1.00	1.00	-
Systems Applications Programmer I/II	2.00	3.00	1.00
Training Specialist	1.00	1.00	-
Total Positions	1,750.17	1,742.61	(7.56)

Note: Of the 1,742.61 positions in the Police Department in 2024-2025, 1,172.00 are sworn positions and 570.61 are civilian positions.

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Public Works Department

Matthew Loesch, Director

MISSION

To provide excellent service in building a smart and sustainable community, maintaining and managing city assets, and serving the animal care needs of the community

CITY SERVICE AREA

*Community & Economic Development
Neighborhood Services
Strategic Support*

CORE SERVICES

ANIMAL CARE AND SERVICES

Promote and protect the health, safety and welfare of animals and people in the City of San José.

FACILITIES MANAGEMENT

Provide safe, efficient, comfortable, attractive, and functional buildings and facilities.

FLEET AND EQUIPMENT SERVICES

Manage operations which provide a safe and reliable fleet of vehicles and equipment.

PLAN, DESIGN, AND CONSTRUCT PUBLIC FACILITIES AND INFRASTRUCTURE

Plan, design, and construct public facilities and infrastructure, Materials Testing Laboratory, and Surveying Services.

REGULATE/FACILITATE PRIVATE DEVELOPMENT

Review private development to ensure that new development contributes to the safety and welfare of the residents as well as the City's economic development.

Strategic Support: Infrastructure and Mapping, Financial and Contractual Administration, Technology Services, Equality Assurance, Human Resources, and Emergency Response and Recovery

Public Works Department

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Animal Care and Services Core Service</i>	
Animal Licensing and Customer Services	Provides licensing, adoption and customer service support, such as spay and neuter, quarantine, and owner surrender for customers at the Animal Care Center.
Animal Services Field Operations	Provides field services to ensure the health, safety and welfare of animals and people in the City.
<i>Facilities Management Core Service</i>	
City Facilities Repairs and Minor Capital Improvements	Addresses City facility needs, including tracking and conducting repairs and minor capital improvements, managing improvement and remodel projects, performing building system repairs and improvements, and maintaining the work order database.
Energy and Water Conservation	Provides support to ensure the latest energy and water conservation technologies and methodologies are incorporated for all major capital projects.
Facility Maintenance and Operations – City Hall	Provides maintenance, event services and security for City Hall; maintenance includes programmed preventive maintenance and corrective maintenance.
Facility Maintenance and Operations – Non-City Hall	Provides maintenance for City-owned facilities (not City Hall), including programmed preventive maintenance and corrective maintenance through requests and building assessments, and repairs in areas such as locksmith work, carpentry, electrical, HVAC, painting, and plumbing.
<i>Fleet and Equipment Services Core Service</i>	
Fleet Maintenance and Operations	Provides preventive maintenance, repairs, and statutory inspections for over 2,800 vehicles and equipment that support public safety, public health, and general government operations citywide.
Fleet Replacement	Manages the acquisition and disposal of all vehicles and equipment, including vehicle procurement and build-up.
Radio Communication	Provides reliable, necessary public and non-public safety-related communications equipment, maintains existing radio equipment and ensures optimal functionality, strategically plans for future upgrades and technology changes while supporting the Silicon Valley Regional Interoperability Authority.

Public Works Department

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Plan, Design, and Construct Public Facilities and Infrastructure Core Service</i>	
City Facilities Architectural Services and Capital Project Administration	Provides architectural services and project administration for the delivery of capital improvements for City-owned facilities, including recreational facilities, parks, trails, libraries, public safety facilities, and various cultural and municipal facilities.
City Facilities Engineering and Inspection Services	Provides engineering and surveying services to determine roadway pavement sections and develop topographic map; provides quality assurance during construction to ensure compliance with the contract documents, the California Building Standard Code, and industry standards of care.
Transportation, Sanitary and Storm Sewer Capital	Supports the design and construction of right-of-way capital infrastructure projects, general engineering plan review for regional projects, and electrical engineering review for projects constructed by private developers.
<i>Regulate / Facilitate Private Development Core Service</i>	
Public Works Development Services	Provides support to ensure new development projects comply with applicable regulations and provide the necessary public infrastructure including, but not limited to: streets, sidewalks, storm and sanitary sewers, streetlights, landscaping in frontages and street islands, and traffic signals.
<i>Strategic Support Core Service</i>	
Public Works Emergency Response and Recovery	Provides for the coordination and delivery of emergency services and recovery activities.
Public Works Management and Administration	Provides administrative oversight for the department, including executive management, financial management, information technology support, human resources, and analytical support.

Public Works Department

Department Budget Summary

Expected 2024-2025 Service Delivery

- Oversee the City's capital projects, ensuring on-time and on-budget delivery that meet the needs of San José residents.
- Maintain City facilities, equipment, and vehicles.
- Provide expedited and quality plan review services for the development community.
- Provide animal care and services resources with concentrated focus on public health and safety.

2024-2025 Key Budget Actions

- As directed by the Mayor's March Budget Message for Fiscal Year 2024-2025, as approved by City Council, makes permanent 1.0 Animal Shelter Veterinarian position to increase the surgical capacity for animals in the community, primarily expanding the Trap-Neuter-Return (TNR) program to operate five days a week.
- Adds 1.0 Senior Systems Application Programmer position to provide technical support at the Animal Care and Services division. This position will focus on four key areas for Animal Care and Services which includes platform administration, implementation of new technology tools, reporting, and technical support.
- Makes permanent 1.0 Analyst position to provide administrative supervision and support, oversee the division's budget, human resources support, and handling other standard administrative functions, as well as support the Program Manager with administrative activities as needed.
- Makes permanent 1.0 Senior Systems Applications Programmer (SSAP) and extends 1.0 System Application Programmer position in Public Works Technology Services Division's Capital Project Management System (CPMS) team to support CPMS development.
- Makes permanent 1.0 Audio Visual Engineer and 1.0 Facility Sound and Light Technician positions to support Fire Training Center and Emergency Operations Center, as well as growing number of public meetings in the hybrid format.
- Adds 1.0 Equipment Maintenance Supervisor position to provide strategic support to the Fleet Manager focusing on fleet sustainability and energy resiliency and resource the division to continue to maintain current service levels to the growing fleet of vehicles.
- Adds 1.0 Senior Engineer position to assist with the implementation of policies and programs aimed at addressing new state requirements concerning stormwater management in new and redevelopment projects.
- Decreases non-personal/equipment costs by \$630,000 for janitorial contract services. Janitorial services reductions will primarily occur at City Hall and Police Department facilities, reducing one janitorial custodian per site during the weekly cleaning schedule, with no impacts to the health and safety of staff and customers.

Operating Funds Managed

- Public Works Program Support Fund
- Public Works Development Fee Program Fund
- Public Works Small Cell Permitting Fee Program Fund
- Vehicle Maintenance and Operations Fund

Public Works Department

Department Budget Summary

	2022-2023 Actuals ***	2023-2024 Adopted ****	2024-2025 Forecast	2024-2025 Proposed
Dollars by Core Service				
Animal Care and Services	10,826,558	12,188,866	14,133,686	15,437,002
Facilities Management	36,638,800	37,239,632	47,145,123	46,645,238
Fleet and Equipment Services	31,719,002	43,865,142	39,466,773	39,616,690
Plan, Design, and Construct Public Facilities and Infrastructure	39,285,580	48,776,496	54,371,755	52,145,835
Regulate/Facilitate Private Development	16,355,385	16,556,997	18,484,030	18,984,630
Strategic Support - Neighborhood Services	1,644,094	954,824	918,944	918,944
Strategic Support - Other - Community & Economic Development	175,595	1,862,319	608,118	608,118
Strategic Support - Other - Neighborhood Services	6,710,608	320,000	2,048,850	2,048,850
Strategic Support - Other - Public Safety	0	300,000	0	0
Strategic Support - Other - Strategic Support	23,025,947	60,637,545	38,080,541	38,267,870
Strategic Support - Strategic Support	25,602,710	13,057,455	13,437,453	13,992,526
Total	\$191,984,278	\$235,759,276	\$228,695,273	\$228,665,703
Dollars by Category				
Personal Services and Non-Personal/Equipment				
Salaries/Benefits	101,654,254	112,091,147	124,379,948	123,915,273
Overtime	3,564,113	1,340,782	1,418,229	1,418,229
Subtotal Personal Services	\$105,218,367	\$113,431,929	\$125,798,177	\$125,333,502
Inventory	10,162,474	10,598,000	10,711,000	10,711,000
Non-Personal/Equipment	24,226,867	24,933,376	28,207,089	28,454,865
Total Personal Services & Non-Personal/Equipment	\$139,607,708	\$148,963,305	\$164,716,266	\$164,499,367
Other Costs *				
City-Wide Expenses	3,415,036	11,122,109	2,651,118	2,951,118
General Fund Capital	22,127,506	37,023,695	2,090,000	2,340,000
Gifts	727,479	320,000	174,000	174,000
Other	11,731,176	31,042,008	38,554,772	38,554,772
Other - Capital	0	0	0	0
Overhead Costs	13,567,447	6,838,159	20,059,117	19,696,446
Workers' Compensation	807,926	450,000	450,000	450,000
Total Other Costs	\$52,376,570	\$86,795,971	\$63,979,007	\$64,166,336
Total	\$191,984,278	\$235,759,276	\$228,695,273	\$228,665,703

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Public Works Department

Department Budget Summary

	2022-2023 Actuals ***	2023-2024 Adopted ****	2024-2025 Forecast	2024-2025 Proposed
Dollars by Fund				
General Fund (001)	71,352,729	96,956,672	58,973,846	60,543,941
Airport Maintenance And Operation Fund (523)	113,588	231,532	268,285	268,285
American Rescue Plan Fund (402)	0	0	0	0
Building Development Fee Program Fund (237)	38,382	63,628	72,499	72,499
Business Improvement District Fund (351)	275,256	0	0	0
Citywide Planning Fee Program Fund (239)	12,113	74,638	90,364	90,364
Community Development Block Grant Fund (441)	2,800,501	185,993	207,157	207,157
Community Facilities District No. 8 (Communications Hill) Fund (373)	79,724	100,000	150,000	150,000
Convention and Cultural Affairs Fund (536)	21,637	9,000	9,000	9,000
Downtown Property And Business Improvement District Fund (302)	19,373	10,000	20,000	20,000
Emergency Reserve Fund (406)	1,043,630	0	0	0
Fire Development Fee Program Fund (240)	13,508	14,737	15,889	15,889
General Purpose Parking Fund (533)	7,526	79,488	79,488	79,488
Gift Trust Fund (139)	800,513	320,000	174,000	174,000
Homeless Housing, Assistance, and Prevention Fund (454)	1,033,021	0	0	0
Integrated Waste Management Fund (423)	528,263	688,517	732,811	732,811
Low And Moderate Income Housing Asset Fund (346)	150,202	192,726	215,564	215,564
Planning Development Fee Program Fund (238)	24,884	49,125	57,054	57,054
Public Works Development Fee Program Fund (241)	15,254,948	15,749,385	17,270,352	18,392,869
Public Works Program Support Fund (150)	23,106,364	22,177,715	24,457,325	24,991,258
Public Works Small Cell Permitting Fee Program Fund (242)	2,612,819	681,471	734,804	0
Real Property Transfer Tax Fund (404)	0	0	12,458,930	12,458,930
San José Clean Energy Operating Fund (501)	122,999	209,772	0	0
San José-Santa Clara Treatment Plant Operating Fund (513)	256,128	148,129	151,645	151,645
Sewage Treatment Plant Connection Fee Fund (539)	356,794	640,351	714,455	714,455
Sewer Service And Use Charge Fund (541)	2,339,913	3,431,256	3,659,464	3,659,464
Storm Sewer Operating Fund (446)	870,346	944,870	984,323	984,323
Vehicle Maintenance And Operations Fund (552)	31,317,627	43,639,768	39,313,897	39,479,379
Water Utility Fund (515)	39,819	39,547	39,547	39,547
Capital Funds	37,391,673	49,120,956	67,844,574	65,157,781
Total	\$191,984,278	\$235,759,276	\$228,695,273	\$228,665,703

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Public Works Department

Department Budget Summary

2022-2023 Actuals ***	2023-2024 Adopted ****	2024-2025 Forecast	2024-2025 Proposed
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Positions by Core Service **

Animal Care and Services	78.57	90.57	90.57	93.57
Facilities Management	86.65	92.65	90.65	91.65
Fleet and Equipment Services	72.55	74.55	74.55	75.55
Plan, Design, and Construct Public Facilities and Infrastructure	249.80	253.00	253.00	239.35
Regulate/Facilitate Private Development	89.69	82.00	82.00	84.65
Strategic Support - Neighborhood Services	2.50	2.50	2.00	2.00
Strategic Support - Other - Neighborhood Services	0.00	6.00	6.00	6.00
Strategic Support - Other - Strategic Support	5.75	5.75	5.75	5.75
Strategic Support - Strategic Support	61.76	62.25	59.75	60.75
Total	647.27	669.27	664.27	659.27

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Public Works Department

Department Budget Summary

	2022-2023 Actuals **	2023-2024 Adopted	2024-2025 Forecast	2024-2025 Proposed	2024-2025 Proposed Positions
Dollars by Program*					
Animal Care and Services					
Animal Licensing and Customer Services	7,381,047	8,734,946	10,416,251	11,719,567	69.57
Animal Services Field Operations	3,445,511	3,453,920	3,717,435	3,717,435	24.00
Sub-Total	10,826,558	12,188,866	14,133,686	15,437,002	93.57
Facilities Management					
City Facilities Repairs and Minor Capital Improvements	8,689,539	5,912,174	3,841,907	3,841,907	18.50
Energy and Water Conservation	49,298	185,569	215,100	215,100	1.00
Facility Maintenance and Operations - City Hall	6,632,532	9,899,688	10,429,323	10,361,437	29.00
Facility Maintenance and Operations - Non City Hall	21,267,431	21,242,201	32,658,793	32,226,794	43.15
Sub-Total	36,638,800	37,239,632	47,145,123	46,645,238	91.65
Fleet and Equipment Services					
Fleet Maintenance and Operations	22,491,385	23,564,644	24,182,132	24,332,049	66.55
Fleet Replacement	7,607,856	18,521,486	13,464,250	13,464,250	0.00
Radio Communication	1,619,760	1,779,012	1,820,391	1,820,391	9.00
Sub-Total	31,719,002	43,865,142	39,466,773	39,616,690	75.55
Plan, Design, and Construct Public Facilities and Infrastructure					
City Facilities Architectural Services and Capital Project Administration	7,773,441	8,639,425	9,702,972	9,237,107	38.00
City Facilities Engineering and Inspection Services	3,420,229	15,557,647	17,522,760	17,342,173	78.50
Transportation, Sanitary and Storm Sewer Capital	28,091,910	24,579,424	27,146,023	25,566,555	122.85
Sub-Total	39,285,580	48,776,496	54,371,755	52,145,835	239.35
Regulate/Facilitate Private Development					
Public Works Development Services	16,355,385	16,556,997	18,484,030	18,984,630	84.65
Sub-Total	16,355,385	16,556,997	18,484,030	18,984,630	84.65
Strategic Support - Neighborhood Services					
Public Works Management and Administration - Neighborhood Services	1,644,094	954,824	918,944	918,944	2.00
Sub-Total	1,644,094	954,824	918,944	918,944	2.00
Strategic Support - Other - Community & Economic Development					
Public Works Capital - Community and Economic Development	83,649	0	0	0	0.00
Public Works Other Departmental - City-Wide - Community and Economic Development	91,946	1,862,319	608,118	608,118	0.00
Sub-Total	175,595	1,862,319	608,118	608,118	0.00

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Public Works Department

Department Budget Summary

	2022-2023 Actuals **	2023-2024 Adopted	2024-2025 Forecast	2024-2025 Proposed	2024-2025 Proposed Positions
Dollars by Program*					
Strategic Support - Other - Neighborhood Services					
Public Works Capital - Neighborhood Services	5,928,778	0	0	0	0.00
Public Works Gifts - Neighborhood Services	798,409	320,000	174,000	174,000	0.00
Public Works Other Departmental - City-Wide - Neighborhood Services	(16,580)	0	1,874,850	1,874,850	6.00
Sub-Total	6,710,608	320,000	2,048,850	2,048,850	6.00
Strategic Support - Other - Public Safety					
Public Works Capital - Public Safety	0	300,000	0	0	0.00
Sub-Total	0	300,000	0	0	0.00
Strategic Support - Other - Strategic Support					
Public Works Capital - Strategic Support	16,229,751	34,387,695	1,940,000	2,190,000	4.75
Public Works Other Departmental - City-Wide - Strategic Support	425,525	7,331,691	2,131,424	2,431,424	1.00
Public Works Other Operational - Administration - Strategic Support	234,172	11,630,000	13,500,000	13,500,000	0.00
Public Works Overhead	6,098,942	6,838,159	20,059,117	19,696,446	0.00
Public Works Workers' Compensation - Strategic Support	37,556	450,000	450,000	450,000	0.00
Sub-Total	23,025,947	60,637,545	38,080,541	38,267,870	5.75
Strategic Support - Strategic Support					
Public Works Emergency Response and Recovery	666,369	0	0	0	0.00
Public Works Information Technology - Strategic Support	1,619,918	2,551,243	2,199,816	2,748,613	12.06
Public Works Management and Administration - Strategic Support	23,316,423	10,506,212	11,237,637	11,243,913	48.69
Sub-Total	25,602,710	13,057,455	13,437,453	13,992,526	60.75
Total	\$191,984,278	\$235,759,276	\$228,695,273	\$228,665,703	659.27

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Public Works Department

Budget Reconciliation

Personal Services and Non-Personal/Equipment

(2023-2024 Adopted to 2024-2025 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
Prior Year Budget (2023-2024):	669.27	148,963,305	48,460,868
Base Adjustments			
One-Time Prior Year Expenditures Deleted			
• Inventory Purchases		(1,685,000)	0
• Capital Project Management System Program Support (1.0 Senior Systems Applications Programmer and 1.0 Systems Application Programmer)	(2.00)	(338,470)	0
• GIS Enterprise Aerial Contract		(232,000)	(232,000)
• Animal Care and Services		(209,000)	(209,000)
• Climate and Seismic Resilience Planning and Development (1.0 Program Manager)	(1.00)	(175,800)	(58,600)
• Measure T Operations and Maintenance Staffing		(10,500)	(10,500)
• Information Technology Services Support Staffing		(5,000)	0
• Workers' Compensation, Health and Safety Staffing		(5,000)	0
• Administration Division Staffing		(4,000)	(4,000)
One-time Prior Year Expenditures Subtotal:	(3.00)	(2,664,770)	(514,100)
Technical Adjustments to Costs of Ongoing Activities			
• Salary/Benefit Changes and the following position reallocations: - 1.0 Associate Engineer to 1.0 Program Manager - 1.0 Associate Structure/Land Designer to 1.0 Associate Architect/Land Architect - 1.0 Program Manager to 1.0 Senior Analyst - 1.0 Senior Public Information Representative to 1.0 Public Information Manager - 6.0 Survey Field Supervisor to 6.0 Survey Party Chief		11,227,857	2,382,207
• Approval of the Terms of an Agreement between the City of San Jose and Various Bargaining Units (City Council approval on September 12, 2023) (1.0 Facility Attendant and 1.0 Network Engineer)	(2.00)	(294,529)	(294,529)
• Contract Services: Janitorial Services		2,100,000	2,100,000
• Inventory Purchases (Fuel Projection)		1,598,000	0
• Fund Shift: Measure E - Interim Housing Maintenance (15% HSP)		1,374,850	0
• Contract Services: Security		713,255	713,255
• Fund Shift: Measure E - Interim Shelter Site Identification and Development (15% HSP)		434,080	0
• Contract Services: Trade Services		283,000	283,000
• Contract Services: Fleet Vendor Pricing		231,000	0
• Supplies and Materials: Food Supplies (ACS)		200,000	200,000

Public Works Department

Budget Reconciliation

Personal Services and Non-Personal/Equipment

(2023-2024 Adopted to 2024-2025 Proposed)

Technical Adjustments to Costs of Ongoing Activities

• Utilities: Gas, Electricity, Water	182,000	167,000	
• Contract Services: Emergency Operations Center - Janitorial & Utilities	120,000	120,000	
• Contract Services: Medical Services (Medvet)	100,000	100,000	
• Overtime Adjustment	77,447	52,459	
• Supplies and Materials: Animal Supplies (ACS)	50,000	50,000	
• Supplies and Materials: Medical Supplies (ACS)	50,000	50,000	
• Living Wage Adjustment	47,610	47,610	
• Software/Information Services: Chameleon (Maintenance and Licensing)	40,000	40,000	
• Contract Services: Animal Care Services	17,000	17,000	
• Contract Services: Underground Service Alert System	10,000	0	
• Downtown PBID Adjustment	10,000	0	
• Night Shift Differential Adjustment	3,203	0	
• Vehicle Operations & Maintenance	(81,042)	(92,042)	
• Contract Services: ESRI Contract	(66,000)	0	
• Supplies and Materials: Small Cell Permit Fee	(10,000)	0	
Technical Adjustments Subtotal:	(2.00)	18,417,731	5,935,960

2024-2025 Forecast Base Budget:	664.27	164,716,266	53,882,728
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Budget Proposals Recommended

1. Animal Care and Services	3.00	1,303,316	1,303,316
2. Capital Project Management System Program Support	2.00	468,797	0
3. City Hall Audio Visual Program Management Staffing	2.00	292,114	292,114
4. Public Works Department Development Services Coordination (Direct Discharge)	1.00	172,984	172,984
5. Fleet Supervision Staffing	1.00	156,193	6,276
6. GIS Enterprise Aerial Services		80,000	80,000
7. New Fire Facilities Operations and Maintenance		54,000	54,000
8. Small Cell to Development Services Utilities Program Staffing		0	0
9. Public Works Department Staffing Plan - Capital Improvement Program	(9.00)	(1,379,235)	(42,596)
10. Vacant Position Elimination	(5.00)	(735,068)	(215,999)
11. Janitorial Contract Services Savings		(630,000)	(630,000)
Total Budget Proposals Recommended	(5.00)	(216,899)	1,020,095

2024-2025 Proposed Budget Total	659.27	164,499,367	54,902,823
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Public Works Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
1. Animal Care and Services	3.00	1,303,316	1,303,316

Neighborhood Services CSA

Animal Care and Services Core Service

Animal Licensing and Customer Services Program

- **Medical Services Staffing:** As directed by the Mayor’s March Budget Message for Fiscal Year 2024-2025, as approved by the City Council, this action continues and makes permanent 1.0 Animal Shelter Veterinarian position and non-personal/equipment funding of \$75,000 to increase the medical services capacity for the Animal Care and Services division. In September 2023, the onboarding of two Animal Services Veterinarian positions was finalized with a focus on backlog of in-house surgeries, resuming spay and neuter services, veterinary exams, and emergencies due to unprecedented volume of resident animal population within the shelter experienced during summer 2023. The addition of this position will bring the veterinarians to a total of three positions, providing, additional capacity to perform spay and neuter services and perform other duties including intake exams and vaccinations, morning and evening treatments, and foster scheduling and appointments. (Ongoing costs: \$316,508)
- **Technical Staffing:** This action adds 1.0 Senior Systems Applications Programmer position to provide technical support for the Animal Care and Services division, focusing on platform administration, implementation of new technology tools, reporting, and technical support. This action will address and improve critical data, reporting, and visualization tools to understand complex data and identify patterns for key operational decisions; implement new technology tools to expand capabilities and improve customer service promoting transparency and partner coordination; and improve technology training and assistance. (Ongoing costs: \$195,175)
- **Administration Staffing:** This action continues and makes permanent 1.0 Analyst I/II position and adds one-time non-personal/equipment funding of \$5,000, to support the Animal Care and Services division. The division currently does not have dedicated permanent analytical support. This position will focus on procurement, purchase order management, streamline onboarding and training of volunteers and staff by preparing training resources, improve documentation processes, analyze animal intake data, implement customer service improvements, and provide administration supervision and support. (Ongoing costs: \$149,730)
- **Community Outreach Staffing:** This action adds one-time personal services funding of \$150,000 for temporary staffing to support Animal Care and Services communications with social media engagement and website content across various platforms. This action will ensure a consistent social media presence, provide regular updates to the Animal Care and Services website, create educational resources, organize promotional events, promote volunteer opportunities and donation events, and handle other communication matters as needed. (Ongoing costs: \$0)
- **Contract Services:** As directed by the Mayor’s March Budget Message for Fiscal Year 2024-2025, as approved by the City Council, this action adds one-time non-personal/equipment funding of \$120,000 to fund spay and neuter medical contract services and ongoing non-personal/equipment funding of \$150,000 to further support adoption and rescue outcomes. (Ongoing costs: \$150,000)

Public Works Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
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- **Animal Adoption Pop-Up Events:** This action adds one-time non-personal/equipment funding of \$200,000 for space preparation and materials to offer Pop-up Adoption Centers and events. This action will reduce the numbers of animals housed at the Animal Shelter, bring adoptable animals closer to the community, through the utilization empty city-owned spaces or low-cost privately-owned spaces. This action will allocate funding. (Ongoing costs: \$0)

- **Radio Replacements:** This action adds one-time non-personal/equipment funding of \$47,500 and ongoing non-personal/equipment funding of \$15,000 to replace Animal Care and Services radios. The San José Animal Care and Shelter is over 40,000 square feet and has on average 75 staff members and volunteers on site per day. This action will provide funding to purchase 25 radios to improve communication amongst all staff members and volunteers in the shelter. (Ongoing costs: \$15,000)

2. Capital Project Management System Program Support	2.00	468,797	0
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Strategic Support CSA
Strategic Support – Strategic Support Core Service
Public Works Information Technology – Strategic Support Program

This action continues and makes permanent 1.0 Senior Systems Applications Programmer and 1.0 Systems Application Programmer positions and adds ongoing non-personal/equipment funding of \$120,000 to support the Capital Project Management System (CPMS) implementation and upgrades. CPMS is integral to managing the City's Capital Improvement Program (CIP), enabling project managers to oversee project costs and budgets, track and monitor activities throughout project lifecycles, provide crucial reports for executive decision-making, and store project-related documents centrally. In February 2020, the department initiated a three-year CPMS-NextGen program to reconstruct and modernize the legacy CPMS to a more intuitive, user-friendly, and comprehensive one stop portal for all CIPs. These technical positions are needed for continued support of both front-end and back-end developments of the new system. The non-personal/equipment allocation will fund user licenses costs for Carahsoft's Smartsheet in CMPS, a cloud-based platform which enhances CPMS with an innovative CIP Project Planner that facilitates construction project management through standardized templates and intuitive dashboards. (Ongoing costs: \$471,888)

3. City Hall Audio Visual Program Management Staffing	2.00	292,114	292,114
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Strategic Support CSA
Facilities Management Core Service
Facility Maintenance and Operations – City Hall Program

This action continues and makes permanent 1.0 Audio Visual Engineer and 1.0 Facility Sound and Light Technician positions to support audio visual services needed for public meetings and events. These positions were previously temporary positions added in 2021-2022 to support the increased demand for audio visual services. As meetings have shifted back to in-person, new challenges must be addressed such as overflow rooms and translation services. The Facility Sound and Light Technician position will be responsible for setting up and monitoring meetings while the Audio Visual Engineer position is tasked with reviewing infrastructure and equipment needs. These positions will also manage and maintain audiovisual systems at the new Fire Training Center/Emergency Operations Center. (Ongoing costs: \$294,632)

Public Works Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
<p>4. Public Works Department Development Services Coordination (Direct Discharge)</p> <p><i>Community and Economic Development CSA Regulate/Facilitate Private Development Core Service Public Works Development Services Program</i></p> <p>This action adds 1.0 Senior Engineer position to assist with the implementation of policies and programs aimed at addressing new state requirements concerning stormwater management in new and redevelopment projects. This position will focus on meeting the requirements outlined in Municipal Regional Stormwater Permit Provision C.10 regarding the installation of trash capture devices in private developments, as well as Provision C.3 Alternate Compliance. This position will support data collection and verification efforts; and engage with developers to identify collaborative solutions that satisfy both regulatory standards and private development objectives. In 2024-2025, the Public Works Department will work towards establishing a new fee for this activity, including the design of regulatory policies and understanding the permit lifecycle. Beginning in 2025-2026, this position will be incorporated into the Public Works Development Fee Program Fund and be fully fee funded. (Ongoing costs: \$230,643)</p>	1.00	172,984	172,984
<p>5. Fleet Supervision Staffing</p> <p><i>Strategic Support CSA Fleet and Equipment Services Core Service Fleet Maintenance and Operations Program Strategic Support – Strategic Support Core Service Public Works Management and Administration – Strategic Support Program</i></p> <p>This action adds 1.0 Equipment Maintenance Supervisor position to improve management supervision and oversight of the Fleet Management Division and non-personal/equipment funding of \$6,276 for vehicle operations and maintenance costs. The Fleet Division currently operates with three supervisors overseeing nine locations across the City and a current fleet total of 2,763 vehicles/equipment. This position will provide strategic support to the Fleet Division by focusing on fleet sustainability, managing two Fleet locations, overseeing the California Continuous Testing Program (CTP) Smog program expansion, and managing the division's rental program. This action will improve operational deficiencies, improve regulatory compliance coordination, and work order auditing. (Ongoing costs: \$180,175)</p>	1.00	156,193	6,276
<p>6. GIS Enterprise Aerial Services</p> <p><i>Strategic Support CSA Strategic Support – Strategic Support Core Service Public Works Information Technology – Strategic Support Program</i></p> <p>This action adds one-time non-personal/equipment funding of \$80,000 to support a geographic information system data capture and processing project. This project, which will be entering its fifth and final year, has been funded on a one-time basis to capture high-resolution aerial and oblique imagery and Light Detection and Ranging (LiDAR) data and generate a set of LiDAR-derived three-dimensional products, including building footprints, digital elevation model, and digital surface model. This project will provide critical datasets that add value across nearly all City departments. By collaborating with the County and other local municipalities on this project, the City receives data for a larger geographic area at a fraction of the cost of independently acquiring it. (Ongoing costs: \$0)</p>		80,000	80,000

Public Works Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
7. New Fire Facilities Operations and Maintenance <i>Strategic Support CSA</i> <i>Facilities Management Core Service</i> <i>Facility Maintenance and Operations – Non-City Hall Program</i> This action adds ongoing non-personal/equipment funding of \$54,000 for operations and maintenance costs associated with the relocated Fire Station 8 coming online in 2024-2025. This funding is supported through the liquidation of the New Fire Facilities Operations and Maintenance Reserve as described in the General Fund, Transfers, Reserves section of this document. (Ongoing costs: \$67,000)	0.00	54,000	54,000
8. Small Cell to Development Services Utilities Program Staffing <i>Community and Economic Development CSA</i> <i>Regulate/Facilitate Private Development Core Service</i> <i>Public Works Development Services Program</i> This action shifts 1.0 Senior Construction Inspector position, 1.0 Senior Engineer position, and 0.5 Engineering I/II position from the Small Cell Permitting Fee Program Fund to the Public Works Development Fee Program Fund. This action will realign positions with available resources as the Small Cell Permitting Fee Program Fund is anticipated to have a reduced workload in 2024-2025 because the program will be winding down. It is anticipated that there will be an increase in workload in the Utility Fee Program and these positions will support the delivery of the City's Utilities Fee Program, such as the VTA and BART Phase II projects. Other duties include geologic and transportation analysis, environmental clearance, sanitary models, and site developments. (Ongoing costs: \$0)	0.00	0	0
9. Public Works Department Staffing Plan – Capital Improvement Program <i>Community and Economic Development CSA</i> <i>Regulate/Facilitate Private Development Core Service</i> <i>Public Works Development Services Program</i> <i>Strategic Support CSA</i> <i>Plan, Design, and Construct Public Facilities and Infrastructure Core Service</i> <i>City Facilities Architectural Services and Capital Project Administration, City Facilities Engineering and Inspection Services, and Transportation, Sanitary and Storm Sewer Capital Programs</i> This action eliminates 13.0 Engineering Technicians I/II positions, 6.0 Associate Engineering Technician positions, 1.0 Construction Manager position, 2.0 Engineer I/II positions, 1.0 Principal Construction Inspector position, 1.0 Program Manager position, and 1.0 Senior Architect/Landscape Architect position; adds 16.0 Associate Construction Inspector positions; and realigns various capital funded positions to support the delivery of the City's Capital Improvement Programs for 2024-2025 based upon review and analysis of the project delivery needs included in the 2024-2025 Proposed Operating and Capital Budgets. It is anticipated that in 2024-2025, a reduction of resources results from projects nearing completion, scaling down construction management, and shifting resources to new projects. Public Works will continue to support Measure B and Measure T bonds for transportation and safety projects; enhance safety facilities, repair infrastructure, and align staffing for pavement efforts; support project construction, reviews, and inspection services for airport projects like the SJC New Belly	(9.00)	(1,379,235)	(42,596)

Public Works Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
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Freight Facility and Terminal A Exit Lane Technology; scale down construction management at Regional Wastewater Facility; support the Bascom Ave Highway-Rail Crossing and Downtown Bikeways Hardscape Conversions projects; continue collaborating with PRNS for sustainable projects in parks and community buildings; support Alum Rock Mineral Springs Bridge and Japanese Friendship Garden Koi Ponds projects aim to mitigate future flooding; support Family Friendly Facilities and San José Museum of Art Cooling Tower Replacement projects; continue work on Interim Housing and fire station construction; and continue supporting ongoing funding improvements in Fire, PRNS, Library, Municipal Improvements, and Service Yards. (Ongoing savings: \$1,377,603)

10. Vacant Position Elimination	(5.00)	(735,068)	(215,999)
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Strategic Support CSA
Facilities Management Core Service
Facility Maintenance and Operations – Non-City Hall Program

Strategic Support CSA
Plan, Design, and Construct Public Facilities and Infrastructure Core Service
Transportation, Sanitary and Storm Sewer Capital and City Facilities Architectural Services and Capital Project Administration Programs

Strategic Support CSA
Strategic Support – Strategic Support Core Service
Public Works Information Technology – Strategic Support Program

This action eliminates 5.0 positions – 1.0 Associate Structure/Landscape Designer, 1.0 Engineering Technician I/II, 1.0 Geographic Information Systems Specialist I/II, 1.0 Program Manager, and 1.0 Senior Engineering Technician – as part of an organization-wide effort to evaluate the elimination of vacant positions in consideration of vacancy status and recruitment history, operational priority, and forecasted supporting revenues for 2024-2025, including Development Fee Programs, other supporting revenues, and capital project funding. A total of 64 positions in the City are recommended to be eliminated as part of this effort, a reduction of approximately 1% of the Base Budget level. While these position eliminations will reduce Departments’ future service delivery capacity – and will be reevaluated as necessary – because these positions have been vacant for an extended period of time or are no longer supported by existing service demands, impacts to current service delivery is expected to be minimal. The eliminated positions in the Public Works Department result in savings of \$215,999 in the General Fund, \$163,534 in the Construction Excise Tax Fund, \$137,454 in the Sewer Service and Use Charge Capital Improvement Fund, and \$218,081 in the Subdivision Park Trust Fund. (Ongoing savings: \$735,126)

Public Works Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment



2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
11. Janitorial Contract Services Savings		(630,000)	(630,000)
<i>Strategic Support CSA</i>			
<i>Facilities Management Core Service</i>			
<i>Facility Maintenance and Operations – City Hall and Facility Maintenance and Operations – Non-City Hall Programs</i>			
<p>As a cost reduction to help bring the General Fund into structural alignment, this action decreases non-personal/equipment funding of \$630,000 for janitorial contract services. Janitorial services reductions will primarily occur at City Hall and Police Department facilities. A targeted approach of those facilities was selected as the facilities will result in the least service impacts due to staff hybrid schedules. This action will reduce one janitorial custodian per site during the weekly cleaning schedule. The Department will continue to work with the vendor to improve the invoice submittal process and monitor facility utilization among all City buildings in order to shift services as reductions are implemented in 2024-2025 without impacting the health and safety of staff and customers. (Ongoing savings: \$630,000)</p>			
2024-2025 Proposed Budget Changes Total	(5.00)	(216,899)	1,020,095

Public Works Department

Performance Summary

Animal Care and Services




Performance Measures

		2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target	
	PM 1	Average length of stay per fiscal year (days) for:				
		- dogs	23	18	25	22
		- cats	15	15	20	18
		- other	13	12	22	20
	PM 2	% of Priority 1 calls with response time in one hour or less. (Priority 1: injured or aggressive animal, or public safety assist)				
		96%	96%	96%	96%	

Activity and Workload Highlights

		2022-2023 Actual	2023-2024 Forecast	2023-2024 Estimated	2024-2025 Forecast
AWH 1	Current Animals Licensed in San Jose	61,072	60,000	60,358	60,500
AWH 2	# of animals adopted/rescued/returned	7,287	10,000	8,755	9,000
AWH 3	# of incoming animals	10,358	12,000	11,371	12,000
AWH 4	# of calls for service completed	16,916	19,000	15,797	17,000
AWH 5	# of low-cost spay/neuter surgeries provided to public	4,322	2,000	5,731	6,000

Four Key Budget Performance Measure Measurement Areas

	★★★☆☆		
Access - How well does a service enable access, participation, visitation, and usage? How well does the service lead to its intended outcome or opportunity pathway?	Customer Satisfaction - How well does a service meet customer needs? How well does a service resolve a customer's problem? How well does a service deliver its intended experience for a customer?	Reliability and Responsiveness - How well does a service meet response time targets? How well does a service deliver resolution? How well does a service meet its efficiency goals?	Cost Effectiveness - How well does a service resource deliver its intended outcome? How well does a service resource deliver its intended output?

Data Sources









Number	Data Source
PM 1	Chameleon Database Animal's Average Stay at Shelter Report
PM 2	Chameleon Database Activity Statistics with Response Time Report
AWH 1	Chameleon Database Current SJ Lics-year end Report
AWH 2	Chameleon Database Kennel Statistics Report
AWH 3	Chameleon Database Kennel Statistics Report
AWH 4	Chameleon Database Activity Statistics with Response Time Report
AWH 5	Chameleon Database Spay Neuter Surgeries Report

Public Works Department

Performance Summary

Facilities Management

Performance Measures

	2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
 % of facilities with a condition assessment rating of good or better (3 or better on a 5-pt scale)	85%	85%	85%	85%
 % of change in energy usage in all City Accounts from 2007 baseline	(7.7%)	(10%)	(15.5%)	(10%)
 % of energy use that is renewable ¹	10.9%	50%	14.3%	15%
 % of preventative maintenance work orders completed	57%	60%	60%	60%
 % of health and safety concerns mitigated within 24 hours	81%	100%	85%	100%
 % of non-health and safety work completed within time standards	43%	75%	45%	75%
 % of time a request for record retention item is delivered within one day	84%	95%	85%	95%
 % of customers who rate service as good or excellent based on timeliness of response and quality of work	100%	85%	85%	85%

¹ Data are undercounted due to lack of meters to track solar output at many sites. 2023-2024 increase attributed to newly available Central Service Yard solar data and an increase in biogas production.

Public Works Department

Performance Summary

Facilities Management

Activity and Workload Highlights





	2022-2023	2023-2024	2023-2024	2024-2025
	Actual	Forecast	Estimated	Forecast
Total number of corrective and preventative work orders completed	25,515	13,000	13,000	13,000
Total cost for services				
- Materials Management Services	\$358,226	\$400,000	\$360,000	\$400,000
Total dollars recovered from surplus sales	\$957,939	\$750,000	\$1,000,000	\$750,000
# of record retention requests completed	2,366	3,500	3,200	3,500
Total square footage maintained	2,720,000	2,770,000	2,840,000	2,840,000

Public Works Department

Performance Summary

Fleet and Equipment Services

Performance Measures

	2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
 % of fleet that is alternate fuel vehicles	51%	49%	50%	51%
 % of fleet in compliance with replacement cycle:				
- Emergency Vehicles	100%	100%	100%	100%
- General Fleet	83%	83%	85%	84%
 Cost per mile or hours, by class (of equipment)				
- Police (miles)	\$0.45	\$0.43	\$0.46	\$0.44
- Fire (miles)	\$2.67	\$2.81	\$1.69	\$1.75
- General Fleet Light (miles)	\$0.40	\$0.42	\$0.38	\$0.38
- General Fleet Heavy (miles)	\$1.46	\$2.01	\$1.94	\$1.68
- Off Road Light (hours)	\$1.12	\$1.10	\$1.01	\$1.07
- Off Road Heavy (hours)	\$1.31	\$1.06	\$2.03	\$1.67
 % of customers who rate service good or better based on:				
- Timeliness	91%	94%	87%	94%
- Convenience	97%	98%	93%	98%
- Courtesy	97%	100%	99%	100%

Activity and Workload Highlights





	2022-2023 Actual	2023-2024 Forecast	2023-2024 Estimated	2024-2025 Forecast
Total number of repair and preventative work orders	18,928	18,900	19,000	19,500
Total number of vehicles and equipment	2,870	2,925	2,800	2,900

Public Works Department

Performance Summary

Plan, Design, and Construct Public Facilities and Infrastructure

Performance Measures

	2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
 % of projects completed within the approved baseline budget ¹	92%	90%	85%	90%
 Departmental project delivery costs compared to target industry norm:				
- Projects ≤ \$500,000	101%	64%	69%	64%
- Projects > \$500,000	43%	44%	28%	44%
 % of projects designed and constructed by Public Works within approved baseline schedule ²	88%	85%	84%	85%
 % of projects rated as good or excellent based on the achievement of project goals and the quality of the overall final product	96%	85%	90%	85%
¹ Projects are considered “completed” when final cost accounting has occurred, and the project has been accepted; projects are considered “on budget” when the total expenditures do not exceed 101% of the baseline budget. Data may not match similar performance measures identified in the 2025-2029 Capital Improvement Program as this section in the 2024-2025 Proposed Operating Budget only incorporates Public Works Department managed projects while the former includes all citywide projects.				
² Projects are considered “delivered” when they are available for the intended used; projects are considered “on schedule” if delivered within two months of the baseline schedule. Data may not match similar performance measures identified in the 2025-2029 Capital Improvement Program as this section in the 2024-2025 Proposed Operating Budget only incorporates Public Works Department managed projects while the former includes all citywide projects.				

Activity and Workload Highlights

	2022-2023 Actual	2023-2024 Forecast	2023-2024 Estimated	2024-2025 Forecast
# of construction projects delivered	37	55	45	40
Total construction cost of projects ¹	\$49,160,000	\$100,000,000	\$135,000,000	\$150,000,000
¹ For multi-year projects, the total construction costs are reflected in the year that the project is completed rather than spread over multiple years.				

Public Works Department

Performance Summary

Four Key Budget Performance Measure Measurement Areas



Access - How well does a service enable access, participation, visitation, and usage? How well does the service lead to its intended outcome or opportunity pathway?



Customer Satisfaction - How well does a service meet customer needs? How well does a service resolve a customer's problem? How well does a service deliver its intended experience for a customer?






Reliability and Responsiveness - How well does a service meet response time targets? How well does a service deliver resolution? How well does a service meet its efficiency goals?



Cost Effectiveness - How well does a service resource deliver its intended outcome? How well does a service resource deliver its intended output?

Regulate / Facilitate Private Development

Performance Measures

		2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
	PM 1 % of Underground Service Alert (USA) tickets closed	75,011	77,000	75,000	75,000
	Utility Permits:				
	PM 2 - Average # of business days for Utility plan reviews	2	10	2	10 ¹
	- % on-time response to plan reviews/ permitting (10-day target)	98%	85%	85%	85%
	PM 3 % of Geologic Hazard Applications by average processing time:				
	- Simple Reviews (six weeks or fewer)	99%	85%	85%	85%
	- Complex Reviews (up to six months)	100%	85%	85%	85%

¹ This is a new performance measure and staff will review target again next budget cycle once a baseline is established in 2024-2025.

Public Works Department

Performance Summary

Regulate / Facilitate Private Development

Activity and Workload Highlights

		2022-2023 Actual	2023-2024 Forecast	2023-2024 Estimated	2024-2025 Forecast
Underground Service Alert (USA) Tickets:					
<i>AWH 1</i>	- Received	75,011	77,000	75,000	75,000
	- Closed	75,011	77,000	75,000	75,000
# of Public Works Development Services Permit Types:					
	- Utilities Permits Issued	4,259	4,000	4,000	4,000
<i>AWH 2</i>	- Building Clearances Issued	2,453	2,600	2,500	2,550
	- Flood Clearances Issued	516	600	550	600
	- Geologic Hazard Letter of Responses/Clearances	229	208	208	230
# of Public Works Development Fee and Utility Inspections:					
	- Development Projects Accepted	N/A ¹	110	105	100
<i>AWH 3</i>	- Stormwater Treatment Control Measures Signed Off	N/A ¹	125	120	110
	- Pre-Construction Meetings Conducted	N/A ¹	110	105	100
	- Utility Permits Accepted ²	3,909	3,600	3,500	3,200
	- New Utility Permits Received	4,259	4,000	4,000	4,000
<i>AWH 4</i>	\$ value of accepted public improvements ³	\$10,507,025	\$6,000,000	\$29,000,000	\$6,000,000
# of Public Works Development Services Counter Operations by Type:					
<i>AWH 5</i>	- General Responses (phone/email)	2,887	3,000	2,900	3,000
	- Counter Appointments Held	315	400	350	400

¹ This is a new performance measure for 2023-2024 and data was not tracked for 2022-2023.

² Utility Permits Accepted data is collected based on calendar year (January 2023 – December 2023).

³ The value of accepted improvements can vary significantly from year to year due to the diverse scope of projects and the fluctuating completion schedules of developers. 2023-2024 and 2024-2025 Forecasts are based on expected projects.

Data Sources: Regulate / Facilitate Private Development


Number	Data Source
<i>PM 1</i>	USA BOSS 811 System
<i>PM 2</i>	AMANDA Analytics Report
<i>PM 3</i>	AMANDA Analytics Report
<i>AWH 1</i>	US BOSS 811 System
<i>AWH 2</i>	AMANDA Analytics Report
<i>AWH 3</i>	Amanda/ Excel Log
<i>AWH 4</i>	AMANDA Analytics Report
<i>AWH 5</i>	Excel Log/Qmatic

Public Works Department

Performance Summary

Strategic Support

Performance Measures

	2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
 % of reviewed projects that attain established labor compliance goals by project completion	100%	100%	100%	100%

Activity and Workload Highlights

	2022-2023 Actual	2023-2024 Forecast	2023-2024 Estimated	2024-2025 Forecast
# of contracts with wage requirements	165	130	141	150
# of contracts with labor compliance violations identified	11	10	18	25
Minimum wage compliance cases:				
- # Opened	12	5	8	12
- # Resolved	12	5	9	12
# of contractors' employees owed restitution	129	40	48	45
Total \$ amount of restitution owed to employees	\$448,708	\$40,000	\$54,000	\$65,000

Public Works Department

Department Position Detail

Position	2023-2024 Adopted	2024-2025 Proposed	Change
Accountant I/II	1.00	1.00	-
Accounting Technician	1.00	1.00	-
Administrative Assistant	1.00	1.00	-
Administrative Officer	1.00	1.00	-
Air Conditioning Mechanic	5.00	5.00	-
Air Conditioning Supervisor	1.00	1.00	-
Analyst I/II	11.00	12.00	1.00
Animal Care Attendant	19.00	19.00	-
Animal Care Attendant PT	13.07	13.07	-
Animal Health Technician	5.00	5.00	-
Animal Health Technician PT	3.80	3.80	-
Animal Services Officer	13.00	13.00	-
Animal Shelter Coordinator	6.00	6.00	-
Animal Shelter Veterinarian	2.00	3.00	1.00
Animal Shelter Veterinarian PT	1.40	1.40	-
Assistant Director	1.00	1.00	-
Associate Architect/Landscape Architect	2.00	3.00	1.00
Associate Construction Inspector	23.00	39.00	16.00
Associate Engineer	56.00	55.00	(1.00)
Associate Engineering Technician	19.00	13.00	(6.00)
Associate Structure/Landscape Designer	15.00	13.00	(2.00)
Audio Visual Engineer	0.00	1.00	1.00
Automotive Equipment Specialist	1.00	1.00	-
Building Inspector Supervisor	2.00	2.00	-
Building Inspector/Combination Certified	10.00	10.00	-
Building Management Administrator	3.00	3.00	-
Carpenter	4.00	4.00	-
Chief of Surveys	2.00	2.00	-
Communications Installer	4.00	4.00	-
Communications Technician	4.00	4.00	-
Construction Manager	6.00	5.00	(1.00)
Contract Compliance Assistant	1.00	1.00	-
Contract Compliance Coordinator	4.00	4.00	-
Contract Compliance Specialist	7.00	7.00	-
Deputy Director of Public Works	5.00	5.00	-
Director of Public Works	1.00	1.00	-
Dispatcher	5.00	5.00	-
Division Manager	10.00	10.00	-
Electrician I/II	6.00	6.00	-
Electrician Supervisor	1.00	1.00	-
Engineer I/II	56.00	54.00	(2.00)
Engineering Geologist	1.00	1.00	-
Engineering Technician II/I	26.00	12.00	(14.00)
Equipment Maintenance Supervisor	3.00	4.00	1.00

Public Works Department

Department Position Detail

Position	2023-2024 Adopted	2024-2025 Proposed	Change
Equipment Mechanic Assistant I/II	22.00	22.00	-
Events Coordinator I/II	1.00	1.00	-
Facility Attendant	3.00	2.00	(1.00)
Facility Repair Worker	4.00	4.00	-
Facility Sound and Light Technician	1.00	2.00	1.00
Fleet Manager	1.00	1.00	-
Geographic Information Systems Specialist I/II	5.00	4.00	(1.00)
Information Systems Analyst	6.00	6.00	-
Instrument Person	5.00	5.00	-
Land Surveyor	1.00	1.00	-
Maintenance Contract Supervisor	1.00	1.00	-
Maintenance Assistant/Maintenance Worker I	4.00	4.00	-
Maintenance Worker II	1.00	1.00	-
Mechanic I/II	22.00	22.00	-
Mechanical Parts Supervisor	1.00	1.00	-
Network Engineer	4.00	3.00	(1.00)
Network Technician	1.00	1.00	-
Office Specialist I/II	5.00	5.00	-
Office Specialist II PT	1.00	1.00	-
Painter	3.00	3.00	-
Plumber	3.00	3.00	-
Principal Account Clerk	2.00	2.00	-
Principal Construction Inspector	9.00	8.00	(1.00)
Principal Engineer/Architect	4.00	4.00	-
Principal Engineering Technician	5.00	5.00	-
Program Manager	13.00	10.00	(3.00)
Public Information Manager	0.00	1.00	1.00
Radio Communications Supervisor	1.00	1.00	-
Recreation Leader PT	1.00	1.00	-
Security Officer	7.00	7.00	-
Security Services Supervisor	1.00	1.00	-
Senior Account Clerk	5.00	5.00	-
Senior Accountant	1.00	1.00	-
Senior Air Conditioning Mechanic	3.00	3.00	-
Senior Analyst	6.00	7.00	1.00
Senior Animal Services Officer	4.00	4.00	-
Senior Architect/Landscape Architect	4.00	3.00	(1.00)
Senior Auto Equipment Specialist	1.00	1.00	-
Senior Carpenter	2.00	2.00	-
Senior Communications Technician	1.00	1.00	-
Senior Construction Inspector	36.00	36.00	-
Senior Electrician	8.00	8.00	-
Senior Engineer	15.00	16.00	1.00
Senior Engineering Technician	18.00	17.00	(1.00)

Public Works Department

Department Position Detail

Position	2023-2024 Adopted	2024-2025 Proposed	Change
Senior Events Coordinator	1.00	1.00	-
Senior Facility Attendant	2.00	2.00	-
Senior Facility Repair Worker	5.00	5.00	-
Senior Geographic Information Systems Specialist	1.00	1.00	-
Senior Mechanic I/II	6.00	6.00	-
Senior Office Specialist	7.00	7.00	-
Senior Public Information Representative	1.00	0.00	(1.00)
Senior Security Officer	1.00	1.00	-
Senior Systems Applications Programmer	3.00	4.00	1.00
Senior Transportation Specialist	3.00	3.00	-
Senior Warehouse Worker	1.00	1.00	-
Staff Specialist	9.00	9.00	-
Structure/Landscape Designer I/II	4.00	4.00	-
Supervising Applications Analyst	2.00	2.00	-
Supervising Environmental Services Specialist	1.00	1.00	-
Supervisor, Animal Services Operations	4.00	4.00	-
Survey Field Supervisor	6.00	0.00	(6.00)
Survey Party Chief	1.00	7.00	6.00
Systems Application Programmer I/II	1.00	1.00	-
Trades Supervisor	2.00	2.00	-
Volunteer Coordinator	1.00	1.00	-
Warehouse Worker I/II	2.00	2.00	-
Warehouse Supervisor	1.00	1.00	-
Total Positions	669.27	659.27	(10.00)

Office of Retirement Services

Roberto L. Peña, Chief Executive Officer

MISSION

Provide quality services in the delivery of pension and related benefits and maintain financially sound pension plans

CITY SERVICE AREA

Strategic Support

CORE SERVICES

RETIREMENT PLAN ADMINISTRATION

Management and administration of the retirement trust funds, administration of retirement benefits, and supervision of investment assets.

Strategic Support: Retirement Boards' Support, Training, and Contract Administration

Office of Retirement Services

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Retirement Plan Administration Core Service</i>	
Benefits	Provides retirement planning and counseling services to plan members and administers health care and other benefits for retirees and beneficiaries.
Investments	Manages retirement plan assets in a manner which seeks to achieve long-term net returns in excess of the actuarial investment return assumption and adopted benchmarks while maintaining a reasonable level of investment risk.
<i>Strategic Support Core Service</i>	
Retirement Financial Management	Prepares annual comprehensive financial reports for the retirement plans; runs monthly payroll for retirees and beneficiaries; manages the budget and all other financial transactions for the department.
Retirement Human Resources	Manages personnel-related functions for the department, including hiring, employee development, employee discipline, and personnel transactions.
Retirement Information Technology	Manages the Pension Administration System which houses all retirement data and runs most of the retirement business transactions; provides other information technology services, planning, system development and maintenance for the department.
Retirement Management and Administration	Provides executive-level, analytical, and administrative support to the department and retirement boards.

Office of Retirement Services

Department Budget Summary

Expected 2024-2025 Service Delivery

- Manage Retirement Plans' assets and seek solutions to increase investment returns and reduce volatility and cost, while mitigating risk.
- Work with the Retirement Plans' actuaries to ensure the plans have adopted and implemented the most appropriate rates, assumptions, and methodologies to remove risk from the plans, and decrease volatility.
- Provide quality retirement planning, counseling, and financial reporting.

2024-2025 Key Budget Actions

- Adds 1.0 Senior Office Specialist position to provide customer service for ongoing, pension-related inquiries and requests and to address the increased responsibilities of the positions assigned to manage Front Office responsibilities.
- Adds 1.0 Analyst position to assist with reviewing and resolving weekly and monthly health discrepancy reports within 30 days that result in a variety of issues for the Plan and retirees including loss of health coverage for elderly retirees, accumulation of debt over time, and the inability to recover outstanding debts owed due to death of the retiree and to support the timely delivery of retiree health benefits to approximately 11,600 retirees, dependents, and survivors who are currently enrolled in one or more sponsored or voluntary benefits plans.

Operating Funds Managed

- Federated Retiree Health Care Trust Fund
- Federated Retirement Fund
- Fire Retiree Health Care Trust Fund
- Police and Fire Retirement Fund
- Police Retiree Health Care Trust Fund

Office of Retirement Services

Department Budget Summary

	2022-2023 Actuals ***	2023-2024 Adopted ****	2024-2025 Forecast	2024-2025 Proposed
Dollars by Core Service				
Retirement Plan Administration	5,264,657	5,765,124	6,323,436	6,600,468
Strategic Support - City Council Appointees	3,180,600	3,011,749	3,262,573	3,262,573
Strategic Support - Other - Council Appointees	16,107	30,000	30,000	30,000
Total	\$8,461,363	\$8,806,873	\$9,616,009	\$9,893,041
Dollars by Category				
<i>Personal Services and Non-Personal/Equipment</i>				
Salaries/Benefits	8,370,000	8,691,873	9,501,009	9,778,041
Subtotal Personal Services	\$8,370,000	\$8,691,873	\$9,501,009	\$9,778,041
Total Personal Services & Non-Personal/Equipment	\$8,370,000	\$8,691,873	\$9,501,009	\$9,778,041
<i>Other Costs *</i>				
City-Wide Expenses	91,363	115,000	115,000	115,000
Housing Loans and Grants	0	0	0	0
Other	0	0	0	0
Other - Capital	0	0	0	0
Overhead Costs	0	0	0	0
Total Other Costs	\$91,363	\$115,000	\$115,000	\$115,000
Total	\$8,461,363	\$8,806,873	\$9,616,009	\$9,893,041

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** The position counts displayed in the 2022-2023 Actuals column reflect those included in the 2022-2023 Adopted Budget.

*** 2022-2023 Actuals may not subtotal due to rounding.

**** The amounts in the 2023-2024 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

Office of Retirement Services

Department Budget Summary

	2022-2023 Actuals ***	2023-2024 Adopted ****	2024-2025 Forecast	2024-2025 Proposed
Dollars by Fund				
General Fund (001)	91,363	115,000	115,000	115,000
Federated Retirement Funds	3,931,000	4,347,907	4,752,708	4,891,224
Police and Fire Retirement Funds	4,439,000	4,343,966	4,748,301	4,886,817
Total	\$8,461,363	\$8,806,873	\$9,616,009	\$9,893,041
Positions by Core Service **				
Retirement Plan Administration	28.80	28.80	28.80	30.80
Strategic Support - City Council Appointees	14.20	14.20	14.20	14.20
Total	43.00	43.00	43.00	45.00

Note: The budget figures reflected in this summary account for a small portion of the total budget for the Office of Retirement Services, including the cost of the civil service positions in the Office of Retirement Services and General Fund City-Wide expenses of \$115,000. Additional budget information on the Federated and Police and Fire Retirement Funds and the Office of Retirement Services can be found in this budget document as follows:

1. Source and Use of Funds: There are five Source and Use of Funds Statements included for display purposes, consisting of Federated Retirement Fund, Federated Retiree Health Care Trust Fund, Fire Retiree Health Care Trust Fund, Police and Fire Retirement Fund, and Police Retiree Health Care Trust Fund.
2. Summary Information: A summary of the City contributions to the Retirement Funds is included in the Summary Information section of this document.

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** The position counts displayed in the 2022-2023 Actuals column reflect those included in the 2022-2023 Adopted Budget.

*** 2022-2023 Actuals may not subtotal due to rounding.

**** The amounts in the 2023-2024 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

Office of Retirement Services

Department Budget Summary

	2022-2023 Actuals **	2023-2024 Adopted	2024-2025 Forecast	2024-2025 Proposed	2024-2025 Proposed Positions
Dollars by Program*					
Retirement Plan Administration					
Retirement Benefits	2,714,357	3,152,128	3,483,740	3,760,772	19.55
Retirement Investments	2,550,300	2,612,996	2,839,696	2,839,696	11.25
Sub-Total	5,264,657	5,765,124	6,323,436	6,600,468	30.80
Strategic Support - City Council Appointees					
Retirement Services Financial Management	1,383,600	1,257,293	1,373,547	1,373,547	6.45
Retirement Services Information Technology	837,000	826,034	917,313	917,313	3.45
Retirement Services Management and Administration	960,000	928,422	971,713	971,713	4.30
Sub-Total	3,180,600	3,011,749	3,262,573	3,262,573	14.20
Strategic Support - Other - Council Appointees					
Retirement Services Other Departmental - City-Wide	16,107	30,000	30,000	30,000	0.00
Sub-Total	16,107	30,000	30,000	30,000	0.00
Total	\$8,461,363	\$8,806,873	\$9,616,009	\$9,893,041	45.00

Note: The budget figures reflected in this summary account for a small portion of the total budget for the Office of Retirement Services, including the cost of the civil service positions in the Office of Retirement Services and General Fund City-Wide expenses of \$115,000. Additional budget information on the Federated and Police and Fire Retirement Funds and the Office of Retirement Services can be found in this budget document as follows:

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2. Summary Information: A summary of the City contributions to the Retirement Funds is included in the Summary Information section of this document.

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** 2022-2023 Actuals may not subtotal due to rounding.

Office of Retirement Services

Budget Reconciliation

Personal Services and Non-Personal/Equipment

(2023-2024 Adopted to 2024-2025 Proposed)

	Positions	All Funds (\$)
Prior Year Budget (2023-2024):	43.00	8,691,873
<hr/> Base Adjustments		
One-Time Prior Year Expenditures Deleted		
NONE		
One-time Prior Year Expenditures Subtotal:	43.00	8,691,873
Technical Adjustments to Costs of Ongoing Activities		
• Salary/benefit changes		809,136
Technical Adjustments Subtotal:	0.00	809,136
2024-2025 Forecast Base Budget:	43.00	9,501,009
<hr/> Budget Proposals Recommended		
1. Benefits Program Staffing	1.00	161,110
2. Customer Service Staffing	1.00	115,922
Total Budget Proposals Recommended	2.00	277,032
<hr/> 2024-2025 Proposed Budget Total	<hr/> 45.00	<hr/> 9,778,041

Office of Retirement Services

Budget Changes by Department

Personal Services and Non-Personal/Equipment





2024-2025 Proposed Budget Changes	Positions	All Funds (\$)
<p>1. Benefits Program Staffing</p> <p><i>Strategic Support CSA</i> Retirement Plan Administration Core Service <i>Retirement Benefits Program</i></p> <p>This action makes permanent 1.0 Analyst I/II position in the Retirement Benefits Division to support timely delivery of retiree health benefits to approximately 11,651 retirees, dependents and survivors who are currently enrolled in one or more sponsored or voluntary benefit plans. Workload in the unit has increased over the past several years due to additional ongoing work related to the Medicare Mandate (which requires continuous Medicare enrollment after age 65), health in-lieu credits (which require monthly reconciliations and adjustments and have doubled the annual open enrollment workload) as well as an increased population of retirees enrolled in sponsored or voluntary health plans. Participants in retirement health plans have increased almost 20% in the past 10 years, from approximately 9,816 to about 11,651, creating additional workload for customer service, issue resolution, life events, open enrollment, and vendor audit activities. With close to 2,000 active employees eligible for sponsored retirement health benefits, new enrollment in sponsored plans is also expected to continue for at least the next ten years as eligible employees retire. This position will continue to enable the Benefits Division to perform the monthly reconciliation activities in 30 days. Timely, ongoing reconciliations are inherent for proper health benefits administration, and the discrepancies should be resolved within 30 days so that the proper premiums are being collected, errors are corrected timely, and members are immediately informed of issues with their enrollments and benefit coverage. (Ongoing costs: \$162,456)</p>	1.00	161,110
<p>2. Customer Service Staffing</p> <p><i>Strategic Support CSA</i> Retirement Plan Administration Core Service <i>Retirement Benefits Program</i></p> <p>This action adds 1.0 Senior Office Specialist position in the Retirement Benefits Division to provide customer service for ongoing, pension-related inquiries and requests. This position will replace temporary staffing that was used to create a Customer Service Team of two staff (one existing Senior Office Specialist position and one temporary agency staff) and will allow the department to continue the team on an ongoing basis. With the establishment of the Customer Service Team, customers are receiving a faster response time and customer complaints have decreased. Also, the addition of an ongoing Senior Office Specialist position will enable the Customer Service Team to continue to perform the routine, pension-related inquiries that had been handled by Analyst staff since the single Senior Office Specialist at the front desk did not have the capacity to complete those tasks. Due to the Analyst position workloads on higher priority tasks, response time to routine inquiries were delayed resulting in customer complaints as well as misunderstandings. Because the Analyst positions are no longer handling the routine inquiries, their response time on more complex pension issues and tasks (such as new retirement counseling and setups, service purchases, disability application, death and survivorships, and divorce processing) has improved and customer complaints have decreased. (Ongoing costs: \$116,796)</p>	1.00	115,922
<p>2024-2025 Proposed Budget Changes Total</p>	2.00	277,032

Office of Retirement Services

Performance Summary

Retirement Plan Administration

Performance Measures

	2022-2023	2023-2024	2023-2024	2024-2025
	Actual	Target	Estimated	Target
 Actuarial Funded Status				
• Federated Pension Plan	58.2%	55.0%	59.0%	60.0%
• Police and Fire Pension Plan	80.2%	80.0%	81.0%	82.0%
 Investment Rate of Returns ¹				
• Federated Pension Plan				
- 1 year	7.4%	6.625%	6.625%	6.625%
- 3-year average	9.8%	N/A ²	3.09%	N/A ²
- 5-year average	7.4%	N/A ²	7.95%	N/A ²
- 10-year average	6.3%	N/A ²	5.52%	N/A ²
• Police and Fire Pension Plan				
- 1 year	7.7%	6.625%	6.625%	6.625%
- 3-year average	8.8%	N/A ²	2.95%	N/A ²
- 5-year average	6.7%	N/A ²	7.28%	N/A ²
- 10-year average	6.2%	N/A ²	5.53%	N/A ²
 % of members (active and retired) that rate department services as very good or excellent based on accuracy and usefulness of work	95%	100%	91%	100%
 Administrative costs per plan member in total for both plans	\$856	\$773	\$911	\$969

¹ There is a greater than 50% probability in any year that the portfolio will match the target return.

² There is not a separate target for 3-year, 5-year, and 10-year average returns.

Activity and Workload Highlights

	2022-2023	2023-2024	2023-2024	2024-2025
	Actual	Forecast	Estimated	Forecast
# of active and retired members surveyed ¹	60	150	55	75

¹ Survey response has decreased since the COVID-19 pandemic when the Office of Retirement Services switched from paper to online surveys. A new survey method will be implemented in 2024-2025, which is anticipated to increase the response rate.

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Transportation Department

John Ristow, Director

MISSION

The mission of the Transportation Department is to plan, develop, operate, and maintain transportation facilities, services, and related systems which contribute to the livability and economic health of the City

CITY SERVICE AREA

*Environmental and Utility Services
Transportation and Aviation Services*

CORE SERVICES

SANITARY SEWER MAINTENANCE

Provide timely and effective cleaning and repair of the sanitary sewer collection system to ensure uninterrupted sewage flow to the San José-Santa Clara Regional Wastewater Facility.

STORM SEWER MAINTENANCE

Maintain and operate the storm sewer system in a way that ensures proper flow and is environmentally sensitive to the regional water tributary system and the South San Francisco Bay.

PARKING SERVICES

Provide well-maintained and operated public on-street and off-street parking facilities, implement effective policies and regulations, and encourage compliance with posted regulations and State and local codes.

PAVEMENT MAINTENANCE

Maintain and repair the street network pavement to allow for optimum street service life and the safe and efficient travel of the public.

STREET LANDSCAPE MAINTENANCE

Provide for the management and maintenance of street landscapes, street trees, and sidewalks in order to provide a safe and aesthetically pleasing streetscape.

TRAFFIC MAINTENANCE

Ensure the proper operation of the City's traffic devices and streetlights by providing maintenance and repair of traffic signals, streetlights, traffic safety devices, signs, and roadway markings.

TRANSPORTATION PLANNING AND PROJECT DELIVERY

Plan and develop the City's transportation system, prioritizing complete streets projects, programs and policies that advance sustainability and equity.

TRANSPORTATION SAFETY AND OPERATIONS

Provide for the safe and efficient movement of all roadway users by applying a Safe System Approach in designing and operating the road system.

Strategic Support: Budget and Financial Services, Information Technology, Marketing & Outreach, Personnel, Training and Safety, and Emergency Response and Recovery

Transportation Department

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Sanitary Sewer Maintenance Core Service</i>	
Sanitary Sewer System Maintenance	Provides maintenance and engineering services for the 2,000+ mile sanitary sewer system.
<i>Storm Sewer Maintenance Core Service</i>	
Storm Sewer Operation and Maintenance	Provides maintenance and engineering services for the City's 1,250+ mile storm sewer system and interdepartmental coordination on water quality issues and storm response.
Street Sweeping	Provides in-house street sweeping on the City's mayor arterial and business district streets and inspects street sweeping.
<i>Parking Services Core Service</i>	
Off-Street Parking	Manages the City's public parking facilities including planning, maintenance, security, and operations of parking facilities, and implementation of the annual capital improvement program.
On-Street Downtown Operations	Provides transportation planning and operations support for special events in the Downtown area and City-wide, including developing and implementing event transportation and parking management plans.
On-Street Parking	Provides on-street parking compliance services in metered zones, school zones, residential permit parking zones, and supports street sweeping, construction activities, and enhanced traffic safety; collects revenue for parking fees and fines; and provides meter maintenance. Manages vehicle abatement program with an equity lens.
<i>Pavement Maintenance Core Service</i>	
Corrective Pavement Repair	Responds to urgent service requests and complaints to repair potholes and other minor damage to the pavement network.
Pavement Maintenance Administration and Capital Project Delivery	Assesses and manages the City's 2,500+ mile pavement network, including planning and delivering the annual pavement maintenance projects, managing and developing the capital pavement budget, installing ADA curb ramps and maintaining the City's bridges.
<i>Street Landscaping Maintenance Core Service</i>	
Special District Landscape Services	Oversees contractual landscape maintenance in 23 special-funded maintenance districts that have been established in the City.
Streetscape Services	Provides in-house and contractual landscape maintenance on City-owned median islands and frontage properties, tree and sidewalk inspections and repair, special event support, and roadway illegal dumping response for street and traffic safety. Assesses and manages the urban forest to protect, enhance, and grow the City's tree canopy.

Transportation Department

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Traffic Maintenance Core Service</i>	
Traffic Signal Maintenance	Performs maintenance and repairs on the City's 950+ traffic signals, maintains communications between traffic infrastructure and the centralized traffic management system, and performs special project work for traffic signal infrastructure upgrades in addition to funding utility costs for signals city-wide.
Traffic Signs and Markings Maintenance	Performs preventive and corrective maintenance on traffic signs and roadway markings and performs banner installations; installs and repairs traffic safety and traffic calming improvements.
Traffic Streetlights Maintenance	Performs maintenance and repairs on the City's 65,600+ streetlights in addition to funding utility costs for streetlights city-wide.
<i>Transportation Planning and Project Delivery Core Service</i>	
Transportation Capital Project Delivery	Manages the development of major local street improvement and regional transit, rail, and highway projects throughout the City, including grant pursuit, grant management, policy review, project planning, CEQA review, engineering and design, roadway geometric design, and construction.
Transportation Multi-Modal Alternatives	Designs streets for all transportation modes (walking, bicycling, transit, driving) to increase safety and multi-modal travel. Coordinates with new development applicants for the department, in close coordination with the City's Development Services.
Transportation Planning and Policy	Plans and implements the transportation elements of the General Plan, coordinates transportation and land use planning studies, analyzes the performance of the transportation system, supports policy and technical committees for regional transportation organizations, and reviews and advocates for transportation legislation and funding serving San José interests. Supports implementation of Climate Smart San José, through programs to electrify the transportation system and increase the use of sustainable, emerging transportation modes.
<i>Transportation Safety and Operations Core Service</i>	
Neighborhood Traffic	Responds to an average of 1,200 traffic safety service requests annually. Services include traffic studies which may result in the installation of traffic control devices, pedestrian and bicycle improvements, or physical roadway features, including signage, pavement striping, and/or pavement markings.
Traffic Safety	Constructs traffic safety improvement projects for pedestrian safety and traffic calming. Provides traffic safety education to children, adults, and older adults. Implements the Vision Zero Action Plan to build a culture of safety through community outreach and engagement, data analytics, quick build data-driven safety improvements and prioritizing resources on high corridors and districts with high fatal and severe injury crashes.
Traffic Signals, Streetlights and Systems Management	Operates the City's 950+ traffic signals to ensure safe and efficient movement of all roadway users. Manages associated traffic systems (communication and video network) to support remote traffic management capabilities, transit signal priority, emergency vehicle preemption priority and smart city operations. Manages streetlight LED conversion and smart control update.

Transportation Department

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Strategic Support Core Service</i>	
Transportation Financial Management	Manages the budget and all financial transactions for the department; assists in annual budget development.
Transportation Human Resources	Manages personnel-related functions for the department, including hiring (in coordination with the Human Resources Department), employee development, employee discipline (in coordination with the Office of Employee Relations), and personnel transactions.
Transportation Information Technology	Provides information technology services, planning, system development and maintenance for the department in coordination with the Information Technology Department.
Transportation Management and Administration	Provides executive-level, analytical and administrative support to the department. Performs community outreach, strategic communications, and media relations to advance priorities.

Transportation Department

Department Budget Summary

Expected 2024-2025 Service Delivery

- Provide a safe transportation system for the traveling public through effective engineering, education, and enforcement. Prioritize implementation of Vision Zero Action Plan strategies to reduce traffic fatalities.
- Continue work on implementing balanced, multimodal goals of the Envision San José 2040 General Plan to provide a transportation network for all users that is safe, efficient, and sustainable.
- Facilitate a variety of regional transportation projects, including BART Silicon Valley Phase II, California High Speed Rail, Caltrain Modernization, Airport Connector, the expanded Diridon Integrated Station, and numerous highway interchange and overcrossing improvements.
- Continue the efficient and effective repair and maintenance of the City's approximately 2,500 miles of transportation infrastructure, including streetlights, traffic signals, traffic and street signs, pavement, roadway markings, trees, landscaping, street sweeping, sidewalks, curb ramps, sewers, and storm drains.
- Provide parking for business, retail, and event customers and employees in Downtown parking facilities, as well as parking compliance services in support of businesses and programs.
- Support the development, demonstration, and implementation of new technologies and innovations that help advance critical transportation goals.
- Continue to effectively manage the Department's budget; hire and effectively train employees; manage information technology to maximize productivity; and continually improve employee safety.

2024-2025 Key Budget Actions

- As directed by the Mayor's March Budget Message for Fiscal Year 2024-2025, as approved by the City Council, adds \$1.5 million ongoing in the General Fund Capital, Transfers, Reserves section to establish the Oversized Vehicle Regulation Reserve, which provides funding to allow the City to begin implementation of a regulatory program to address the impacts of oversized vehicles on City streets. The specific allocation of this funding will be recommended in a forthcoming Manager's Budget Addendum.
- Adds 5.0 positions (2.0 Maintenance Worker I, 1.0 Maintenance Worker II, 1.0 Associate Engineering Technician, and 1.0 Engineering Technician) and non-personal/equipment in the Storm Sewer Operating Fund for the maintenance and operations of new trash capture devices.
- As directed by the Mayor's March Budget Message for Fiscal Year 2024-2025, as approved by the City Council, adds 1.0 Associate Engineer and 1.0 Senior Transportation Specialist positions and non-personal/equipment funding in the General Fund to develop and implement the City's Automated Speed Enforcement pilot program.
- Adds one-time personal services funding of \$200,000 to continue temporary staffing to manage the implementation and evaluation of a red-light running camera enforcement system at four city intersections as directed by the City Council-approved Mayor's June Budget message for Fiscal Year 2022-2023, and in alignment with the City Council's focus area for increasing community safety and the City's Vision Zero Action Plan.
- As described in the Manager's Budget Addendum #38 for Fiscal Year 2022-2023 and in alignment with City Council's focus area for increasing community safety around schools, adds 1.0 Engineer II position for the Safe Routes to School project.
- Eliminates 1.0 Senior Office Specialist position from the Department's Administrative Services Division.

Operating Funds Managed

- Community Facilities District/Maintenance Assessment District Funds
- Downtown Property Business and Improvement District Fund
- General Purpose Parking Fund

Transportation Department

Department Budget Summary

	2022-2023 Actuals ***	2023-2024 Adopted ****	2024-2025 Forecast	2024-2025 Proposed
Dollars by Core Service				
Parking Services	19,349,283	22,350,069	22,411,328	23,019,562
Pavement Maintenance	12,709,004	11,274,294	12,127,120	11,786,746
Sanitary Sewer Maintenance	21,047,541	28,136,506	25,790,190	26,865,190
Storm Sewer Maintenance	7,254,968	9,453,590	8,497,097	9,761,595
Strategic Support - Environmental & Utility Services	2,257,898	2,411,223	2,636,838	2,636,838
Strategic Support - Other - Environmental & Utility Services	6,283,478	6,186,629	6,603,813	7,005,010
Strategic Support - Other - Transportation & Aviation	9,074,470	9,237,418	18,894,752	18,894,752
Strategic Support - Transportation & Aviation	4,543,505	3,896,516	3,990,055	4,176,720
Street Landscape Maintenance	19,012,186	25,773,970	23,610,957	23,167,404
Traffic Maintenance	16,297,296	18,428,199	20,023,074	20,187,074
Transportation Planning and Project Delivery	11,497,508	10,666,208	11,417,242	11,597,651
Transportation Safety and Operations	17,137,056	15,775,593	16,122,189	16,446,956
Total	\$146,464,194	\$163,590,215	\$172,124,655	\$175,545,498
Dollars by Category				
Personal Services and Non-Personal/Equipment				
Salaries/Benefits	77,936,297	89,515,562	94,632,973	94,770,369
Overtime	3,475,308	1,862,593	1,919,376	2,038,176
Subtotal Personal Services	\$81,411,605	\$91,378,155	\$96,552,349	\$96,808,545
Non-Personal/Equipment	39,285,426	51,749,256	47,507,301	50,270,751
Total Personal Services & Non-Personal/Equipment	\$120,697,031	\$143,127,411	\$144,059,650	\$147,079,296
Other Costs *				
City-Wide Expenses	3,479,246	4,973,257	3,517,440	3,517,440
General Fund Capital	1,210,531	788,500	0	0
Housing Loans and Grants	0	0	0	0
Other	4,275,783	5,232,071	5,487,885	5,487,885
Other - Capital	0	0	0	0
Overhead Costs	16,333,468	8,963,976	18,554,680	18,955,877
Workers' Compensation	468,135	505,000	505,000	505,000
Total Other Costs	\$25,767,163	\$20,462,804	\$28,065,005	\$28,466,202
Total	\$146,464,194	\$163,590,215	\$172,124,655	\$175,545,498

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Transportation Department

Department Budget Summary

	2022-2023 Actuals ***	2023-2024 Adopted ****	2024-2025 Forecast	2024-2025 Proposed
Dollars by Fund				
General Fund (001)	47,588,845	54,058,870	52,069,353	53,018,729
American Rescue Plan Fund (402)	0	0	0	0
Comm Fac Dist No. 2 (Aborn-Murillo) and No. 3 (Silverland-Capriana) Fund (369)	1,889,921	2,382,269	2,443,928	2,443,928
Community Development Block Grant Fund (441)	0	0	0	0
Community Facilities District No. 1 (Capitol Auto Mall) Fund (371)	192,394	222,707	238,537	238,537
Community Facilities District No. 11 (Adeline-Mary Helen) Fund (374)	13,090	61,922	68,596	68,596
Community Facilities District No. 12 (Basking Ridge) Fund (376)	371,464	290,061	341,366	341,366
Community Facilities District No. 13 (Guadalupe Mines) Fund (310)	97,216	57,797	61,350	61,350
Community Facilities District No. 14 (Raleigh-Charlotte) Fund (379)	194,038	188,957	188,714	188,714
Community Facilities District No. 15 (Berryessa-Sierra) Fund (370)	63,501	199,336	193,115	193,115
Community Facilities District No. 16 (Raleigh-Coronado) Fund (344)	212,036	276,970	281,509	281,509
Community Facilities District No. 17 (Capitol Expy – Evergreen Place) (496)	6,286	126,334	143,542	143,542
Community Facilities District No. 8 (Communications Hill) Fund (373)	896,606	1,219,718	1,300,315	1,300,315
Downtown Property And Business Improvement District Fund (302)	4,275,783	5,232,071	5,487,885	5,487,885
Emergency Reserve Fund (406)	113,394	0	0	0
General Purpose Parking Fund (533)	9,942,423	11,991,272	12,128,643	12,128,643
Maintenance District No. 1 (Los Paseos) Fund (352)	389,046	349,144	366,223	366,223
Maintenance District No. 11 (Brokaw Rd/Junction Ave/Old Oakland Rd) Fund (364)	89,997	136,493	139,189	139,189
Maintenance District No. 13 (Karina-O'Nel) Fund (366)	38,514	41,535	43,176	43,176
Maintenance District No. 15 (Silver Creek Valley) Fund (368)	1,503,499	1,491,965	1,577,741	1,577,741
Maintenance District No. 18 (The Meadowlands) Fund (372)	86,163	57,923	58,341	58,341
Maintenance District No. 19 (River Oaks Area Landscaping) Fund (359)	161,924	170,815	185,956	185,956
Maintenance District No. 2 (Trade Zone Blvd.-Lundy Ave.) Fund (354)	115,161	131,542	149,127	149,127

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Transportation Department

Department Budget Summary

	2022-2023 Actuals ***	2023-2024 Adopted ****	2024-2025 Forecast	2024-2025 Proposed
Dollars by Fund				
Maintenance District No. 20 (Renaissance-N. First Landscaping) Fund (365)	113,507	135,488	124,856	91,856
Maintenance District No. 21 (Gateway Place-Airport Parkway) Fund (356)	90,109	103,765	111,806	111,806
Maintenance District No. 22 (Hellyer Ave.-Silver Creek Valley Rd.) Fund (367)	103,353	131,002	145,712	145,712
Maintenance District No. 5 (Orchard Parkway-Plumeria Drive) Fund (357)	74,246	151,728	153,607	153,607
Maintenance District No. 8 (Zanker-Montague) Fund (361)	155,798	119,474	129,588	129,588
Maintenance District No. 9 (Santa Teresa-Great Oaks) Fund (362)	203,096	249,976	228,045	228,045
Sewer Service And Use Charge Fund (541)	28,736,330	34,009,393	32,125,798	33,200,798
Storm Sewer Operating Fund (446)	8,638,992	12,585,401	12,133,614	13,366,557
Capital Funds	40,107,465	37,416,287	49,505,023	49,701,547
Total	\$146,464,194	\$163,590,215	\$172,124,655	\$175,545,498
Positions by Core Service **				
Parking Services	72.84	72.84	71.84	73.84
Pavement Maintenance	64.30	66.30	66.00	64.00
Sanitary Sewer Maintenance	106.80	107.55	107.55	107.55
Storm Sewer Maintenance	41.81	41.66	41.41	45.41
Strategic Support - Environmental & Utility Services	9.95	11.03	11.03	11.03
Strategic Support - Transportation & Aviation	15.65	16.94	15.59	16.59
Street Landscape Maintenance	52.05	53.08	52.33	49.33
Traffic Maintenance	47.65	47.65	47.65	47.65
Transportation Planning and Project Delivery	43.40	47.20	46.85	47.85
Transportation Safety and Operations	70.05	74.25	72.25	72.25
Total	524.50	538.50	532.50	535.50

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Transportation Department

Department Budget Summary

	2022-2023	2023-2024	2024-2025	2024-2025	2024-2025
	Actuals **	Adopted	Forecast	Proposed	Proposed Positions

Dollars by Program*

Parking Services					
Off-Street Parking	8,046,723	7,780,300	8,941,887	8,941,887	6.60
On-Street Downtown Operations	846,682	1,163,291	34,322	190,601	1.25
On-Street Parking	10,455,878	13,406,478	13,435,119	13,887,074	65.99
Sub-Total	19,349,283	22,350,069	22,411,328	23,019,562	73.84

Pavement Maintenance					
Corrective Pavement Repair	2,765,709	574,321	621,215	621,215	4.40
Pavement Maintenance Administration and Capital Project Delivery	9,943,295	10,699,973	11,505,905	11,165,531	59.60
Sub-Total	12,709,004	11,274,294	12,127,120	11,786,746	64.00

Sanitary Sewer Maintenance					
Sanitary Sewer System Maintenance	21,047,541	28,136,506	25,790,190	26,865,190	107.55
Sub-Total	21,047,541	28,136,506	25,790,190	26,865,190	107.55

Storm Sewer Maintenance					
Storm Sewer Operation and Maintenance	5,480,415	7,298,870	6,619,439	7,883,937	35.80
Street Sweeping	1,774,553	2,154,720	1,877,658	1,877,658	9.61
Sub-Total	7,254,968	9,453,590	8,497,097	9,761,595	45.41

Strategic Support - Environmental & Utility Services					
Transportation Financial Management - Environmental and Utility Services	448,430	568,781	617,514	617,514	3.78
Transportation Human Resources - Environmental and Utility Services	290,973	351,380	391,698	391,698	1.80
Transportation Information Technology - Environmental and Utility Services	608,221	600,440	667,694	667,694	2.05
Transportation Management and Administration- Environmental and Utility Services	910,275	890,622	959,932	959,932	3.40
Sub-Total	2,257,898	2,411,223	2,636,838	2,636,838	11.03

Strategic Support - Other - Environmental & Utility Services					
Transportation Overhead - Environmental and Utility Services	6,283,478	6,186,629	6,603,813	7,005,010	0.00
Sub-Total	6,283,478	6,186,629	6,603,813	7,005,010	0.00

Strategic Support - Other - Transportation & Aviation					
Transportation Capital - Transportation and Aviation	84,631	160,000	0	0	0.00

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Transportation Department

Department Budget Summary

	2022-2023	2023-2024	2024-2025	2024-2025	2024-2025
	Actuals **	Adopted	Forecast	Proposed	Proposed Positions

Dollars by Program*

Strategic Support - Other - Transportation & Aviation

Transportation Other Departmental - City-Wide - Transportation and Aviation	1,225	563,000	513,000	513,000	0.00
Transportation Other Operational - Administration - Transportation and Aviation	4,356,503	5,232,071	5,925,885	5,925,885	0.00
Transportation Overhead - Transportation and Aviation	4,621,822	2,777,347	11,950,867	11,950,867	0.00
Transportation Workers' Compensation - Transportation and Aviation	10,289	505,000	505,000	505,000	0.00
Sub-Total	9,074,470	9,237,418	18,894,752	18,894,752	0.00

Strategic Support - Transportation & Aviation

Transportation Emergency Response and Recovery	106,533	0	0	0	0.00
Transportation Financial Management - Transportation and Aviation	1,630,638	1,159,129	1,345,537	1,345,537	7.69
Transportation Human Resources - Transportation and Aviation	505,865	531,757	449,411	449,411	2.15
Transportation Information Technology - Transportation and Aviation	1,261,694	1,216,497	1,358,388	1,358,388	3.70
Transportation Management and Administration - Transportation and Aviation	1,038,775	989,133	836,719	1,023,384	3.05
Sub-Total	4,543,505	3,896,516	3,990,055	4,176,720	16.59

Street Landscape Maintenance

Special District Landscape Services	6,302,493	7,812,411	7,911,992	7,878,992	12.93
Streetscape Services	12,709,693	17,961,559	15,698,965	15,288,412	36.40
Sub-Total	19,012,186	25,773,970	23,610,957	23,167,404	49.33

Traffic Maintenance

Traffic Signal Maintenance	4,144,403	5,407,159	5,610,174	5,610,174	17.20
Traffic Signs and Markings Maintenance	3,297,639	4,070,685	4,194,659	4,194,659	22.00
Traffic Streetlights Maintenance	8,855,255	8,950,355	10,218,241	10,382,241	8.45
Sub-Total	16,297,297	18,428,199	20,023,074	20,187,074	47.65

Transportation Planning and Project Delivery

Transportation Capital Project Delivery	6,834,714	6,005,986	7,285,230	7,465,639	30.04
Transportation Multi-Modal Alternatives	2,266,138	1,582,793	1,232,640	1,232,640	5.70
Transportation Planning and Policy	2,396,656	3,077,429	2,899,372	2,899,372	12.11
Sub-Total	11,497,508	10,666,208	11,417,242	11,597,651	47.85

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Transportation Department

Department Budget Summary

2022-2023 Actuals **	2023-2024 Adopted	2024-2025 Forecast	2024-2025 Proposed	2024-2025 Proposed Positions
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Dollars by Program*

Transportation Safety and Operations

Neighborhood Traffic	2,604,815	2,551,864	2,708,026	2,453,775	9.65
Traffic Safety	6,082,089	4,301,749	4,994,993	5,297,123	26.35
Traffic Signals and Systems Management	8,450,152	8,921,980	8,419,170	8,696,058	36.25
Sub-Total	17,137,056	15,775,593	16,122,189	16,446,956	72.25
Total	\$146,464,194	\$163,590,215	\$172,124,655	\$175,545,498	535.50

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Transportation Department

Budget Reconciliation

Personal Services and Non-Personal/Equipment

(2023-2024 Adopted to 2024-2025 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
Prior Year Budget (2023-2024):	538.50	143,127,411	47,797,113
Base Adjustments			
One-Time Prior Year Expenditures Deleted			
• Rebudgets (1.0 Senior Analyst)	(1.00)	(4,799,050)	(1,927,000)
• Sanitary Sewer Maintenance Replacement Vehicles		(2,082,000)	0
• Traffic Safety Team Staffing (1.0 Associate Engineer, 1.0 Engineer I)	(2.00)	(369,847)	0
• Airport Connector Project Staffing (1.0 Senior Transportation Specialist)	(1.00)	(223,058)	0
• Transit Priority Signal Program (1.0 Engineer I)	(1.00)	(161,692)	0
• Vehicle Abatement and Pavement Parking Compliance Staffing (1.0 Parking & Traffic Control Officer)	(1.00)	(117,655)	(117,655)
• Vehicle Abatement Enhancement		(300,000)	(300,000)
• Urban Forestry Trimming Project		(117,000)	(117,000)
• Commercial Corridor Power Washing		(100,000)	(100,000)
• Street Trees in Luna Park Business District		(52,800)	(52,800)
• Street Trees in Calle Willow Business District		(25,000)	(25,000)
• Parking Program Staffing		(5,800)	(3,400)
• Transportation Department Administrative Services Staffing		(1,900)	(1,900)
• Sanitary Sewer Engineering Staffing		(1,700)	0
One-time Prior Year Expenditures Subtotal:	(6.00)	(8,357,502)	(2,644,755)
Technical Adjustments to Costs of Ongoing Activities			
• Salary/benefit changes and the following position reallocations: - 2.0 Street Sweeper Operator to 2.0 Maintenance Worker II		6,430,663	1,343,207
• Utilities: Gas, Electricity, and Water		1,239,000	1,229,000
• Vehicle Rentals		300,000	0
• Tech Adjust: Vehicle Abatement Enhancement Annualization		300,000	300,000
• Contract Services: Sewer Odor Control		286,000	0
• Vehicle Operations & Maintenance		275,000	51,000
• Contract Services: Landscaping Services		143,600	46,000
• Overtime		106,783	27,440
• Software/Information Services: Kadence Software		74,000	74,000
• Software/Information Services: ESRI (GIS) Software		70,086	23,362
• Community-Based Organization: Our City Forest		23,024	23,024
• Supplies and Materials: Corrective Sanitary Sewer Maintenance and Sidewalk Repair		22,300	0
• Software/Information Services: Salesforce Licenses and Cloud Storage		8,400	8,400
• Contract Services: Verizon Wireless		5,640	5,640
• Software/Information Services: FLIR (Cameleon Video Management Licenses)		5,245	5,245
• Fund Shift: Micro Mobility	0.00	0	17,700

Transportation Department

Budget Reconciliation

Personal Services and Non-Personal/Equipment

(2023-2024 Adopted to 2024-2025 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
Technical Adjustments to Costs of Ongoing Activities			
• Fund Shift: Climate Smart	0.00	0	(208,820)
• Fund Shift: Capital Project Delivery	0.00	0	(45,643)
Technical Adjustments Subtotal:	0.00	9,289,741	2,899,555
2024-2025 Forecast Base Budget:	532.50	144,059,650	48,051,913
 Budget Proposals Recommended			
1. Trash Capture Devices Maintenance (Direct Discharge)	5.00	1,348,702	0
2. Sanitary Sewer Vehicle Replacement		1,000,000	0
3. Vehicle Abatement Program	1.00	459,835	459,835
4. Automated Speed Enforcement Pilot	2.00	415,281	415,281
5. Red Light Running Pilot		200,000	200,000
6. Racial Equity Staffing	1.00	186,665	186,665
7. Local Project Delivery and Grants Management	1.00	180,409	0
8. New Traffic Infrastructure Assets Operations and Maintenance		164,000	164,000
9. Pavement Program Asset and Utility Management	1.00	153,968	0
10. Safe Routes to School	1.00	136,197	0
11. Sewer Lateral Replacement Grant		75,000	0
12. Polychlorinated Biphenyls (PCB) Mitigation (Direct Discharge)		40,000	40,000
13. Tow-Away and Residential Parking Permit Staffing	0.00	0	0
14. Vacant Position Elimination	(8.00)	(1,201,559)	(410,553)
15. Front Desk Support	(1.00)	(105,852)	(105,852)
16. Special Assessment District Landscape Maintenance		(33,000)	0
Total Budget Proposals Recommended	3.00	3,019,646	949,376
2024-2025 Proposed Budget Total	535.50	147,079,296	49,001,289

Transportation Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
1. Trash Capture Devices Maintenance (Direct Discharge)	5.00	1,348,702	0

*Environmental and Utility Services CSA
Storm Sewer Maintenance Core Service
Storm Sewer Operation and Maintenance Program*

This action adds five positions: 2.0 Maintenance Worker I, 1.0 Maintenance Worker II, 1.0 Associate Engineering Technician, and 1.0 Engineering Technician and non-personal/equipment funding (one-time of \$1,189,330 and ongoing of \$47,243) in the Storm Sewer Operating Fund for the maintenance and operations of new full trash capture devices to meet the Municipal Regional Stormwater Permit (MRP 3.0) Provision C.10 requirements to achieve 100% trash load reduction and Provision C.12 requirements to mitigate Polychlorinated Biphenyls (PCB) pollutants. The non-personal/equipment funding will be used to purchase one positive displacement sewer combination truck, one crane truck, and one utility truck, as well as the ongoing costs related to the vehicles' operations and maintenance costs. This team will focus on the maintenance of up to eight new large trash capture devices and approximately 500 new inlet trash capture devices that will begin design and construction in 2024-2025 (Phase 8). The inlet trash capture devices are anticipated to be operational in the summer of 2025, whereas the large trash capture devices are expected to be of beneficial use in fall of 2025. In total, once the new devices are installed, there will be approximately 48 large trash capture devices and 640 inlet trash capture devices across the City. To adjust for the construction and implementation schedule of the devices, the new positions will have different start dates. One Maintenance Worker I and one Maintenance Worker II positions are expected to start in March 2024 to support the expanded inventory in Phase 7 of device implementation. The Associate Engineering Technician and Engineering Technician positions are expected to start effective April 2025 to help begin planning the inspection cycles for inlet trash capture devices. The remaining Maintenance Worker I position will begin effective June 2025 to help support the expanded inventory and wave of added devices for Phase 8. (Ongoing costs: \$681,133)

2. Sanitary Sewer Vehicle Replacement		1,000,000	0
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*Environmental and Utility Services CSA
Sanitary Sewer Maintenance Core Service
Sanitary Sewer System Maintenance Program*

This action adds non-personal/equipment funding of \$1.0 million, from \$1.7 million to \$2.7 million, in the Sewer Service and Use Charge Fund for the replacement of the Transportation Department's sanitary sewer maintenance fleet. Over the last few years, due to inflationary pressures and supply chain issues, the costs of vehicles have increased significantly. This funding will allow the Department to maintain forecasted levels of vehicle replacements, including but not limited to pickup trucks, combo sewer trucks, and dump trucks, with an average of nine replacement vehicles per year for the next four years. This will also help address the increased costs associated with electrification of fleet vehicles in future budget years. The California Air Resources Board has set new requirements from new regulation requiring public fleets to phase out gas-powered vehicles and purchase electric vehicles. The base budget does not accommodate this transition. (Ongoing costs: \$1,000,000)

Transportation Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
3. Vehicle Abatement Program	1.00	459,835	459,835

*Transportation and Aviation Services CSA
 Parking Services Core Service
 On-Street Parking Program*

This action makes permanent 1.0 Parking Traffic Control Officer (PTCO) position and continues overtime funding (\$78,800), and non-personal/equipment funding (\$250,000) on an ongoing basis in the General Fund for vehicle abatement. This action continues three work efforts within the Vehicle Abatement Program that were initially funded over a two-year period in the 2022-2023 Adopted Operating Budget. The first is the continuation of the Vehicle Abatement Hot Spot Enforcement program by continuing the PTCO position, funding for 1,040 overtime hours (\$46,800), and non-personal/equipment funding for the deployment of Automated License Plate Reader (ALPR) technology (\$14,000). The program has allowed the City to identify and proactively support highly impacted and often underreported areas affected by vehicle blight and non-compliant parking issues in the community. Since implementation, the program has demonstrated effectiveness over the last two fiscal years, allowing for 583 Hot Spot cases worked in 2022-2023 and 178 towed vehicles, and 405 cases worked in 2023-2024 and 121 towed vehicles through the end of February 2024. The ALPR technology allows the City's Hot Spot Enforcement PTCO to facilitate more rapid identification of problem vehicles and emphasize enforcement along small business corridors. The second work effort is the continuation of three contractual positions (\$250,000) that are part of the City's Extended Parking Stay Enforcement Program. Between August 2023 and March 2024, over 9,745 investigations have been conducted and the Department has seen significant positive improvement in San José 311 customer satisfaction ratings. As a benchmark, during 2021-2022, only 17% of customers rated the City's Vehicle Abatement service as "Good" or "Very Good." Since the implementation of the pilot program in 2023-2024, customer satisfaction has increased 26%, with 43% of customers rating Vehicle Abatement service as "Good" or "Very Good." The third work effort is the continuation of overtime funding (\$32,000) to conduct the Vehicle Abatement Special Operations Enforcement Program. This overtime funding will continue to give the Department capacity to identify and enforce vehicle abatement in densely populated and often underserved neighborhoods throughout the City. It is anticipated 16 special operations can be conducted on an ongoing basis. (Ongoing costs: \$460,811)

Transportation Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
4. Automated Speed Enforcement Pilot	2.00	415,281	415,281

Transportation and Aviation CSA
Transportation Safety and Operations Core Service
Traffic Safety and Traffic Signals, Streetlights and Systems Management Programs

As directed by the Mayor’s March Budget Message for Fiscal Year 2024-2025, as approved by the City Council, this action adds 1.0 Associate Engineer and 1.0 Senior Transportation Specialist positions, effective October 2024, and non-personal/equipment funding to purchase computer equipment for data management and translation services, camera software, adjudication services, and signs (\$102,000 in 2024-2025 and \$600,000 in 2025-2026), funded by the General Fund, to develop and implement the City’s Automated Speed Enforcement pilot program. On October 13, 2023, California Governor Gavin Newsom signed Assembly Bill 645 (AB 645) which authorized six California cities, including the City of San José, to conduct a five-year Automated Speed Enforcement pilot within the period of January 1, 2024 and January 1, 2032. AB 645 allows the City of San José to have up to 33 speed enforcement systems in priority safety corridors, school zones and/or areas with a history of speed racing and sideshows. Over the course of the pilot program, the Transportation Department will implement 33 speed cameras throughout the community, driven with an equity focused lens and guided by the priorities designated under AB 645. If the department successfully completes and awards a Request for Proposal (RFP) within the first year of the pilot, the Department will target to have the cameras implemented over the course of the second year of the pilot. The City of San José’s investment in this pilot is central to prioritizing its commitment the Vision Zero Action Plan, using tools to reduce fatal and severe injuries to pedestrians and motorists. Over the course of the pilot’s eight-to-ten year timeline, the total cost is estimated at approximately \$16.0 million, of which \$2.0 million of which will be covered by Traffic Capital funding for contractual services and hardware for the camera system in 2024-2025 and 2025-2026. When all 33 speed cameras are operating, the program is expected to cost approximately \$2.7 million, annually. (Ongoing costs: \$1,018,059)

5. Red Light Running Pilot		200,000	200,000
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Transportation and Aviation Services CSA
Transportation Safety and Operations Core Service
Traffic Signals, Streetlights and Systems Management Program

This action adds one-time personal services funding of \$200,000 in the General Fund to continue temporary staffing to manage the implementation and evaluation of a red-light running camera enforcement system at four city intersections as directed by the City Council-approved Mayor’s June Budget Message for Fiscal Year 2022-2023, and in alignment with the City Council’s focus area for increasing community safety and the City’s Vision Zero Action Plan. The procurement process for the vendor contract associated with the red-light running camera system is ending and is expected to be implemented in 2024-2025. Changes in the available technology created challenges for the request for proposals process, and the program is taking longer to implement than originally estimated in 2022-2023. As previously directed, the Department will provide its evaluations to the City Council on the Red-Light Running program once complete. (Ongoing costs: \$0)

Transportation Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
6. Racial Equity Staffing	1.00	186,665	186,665

***Transportation and Aviation Services CSA
Strategic Support – Transportation & Aviation Core Service
Transportation Management and Administration – Transportation and Aviation Program***

This action extends 1.0 Senior Analyst position, through June 30, 2025, to continue to expand and coordinate the implementation of efforts to address issues of race and equity within the Transportation Department. The Senior Analyst will focus on completing the Department’s existing workplan, as well as efforts to develop Department staff, internal policies, and infrastructure to prioritize equity and equity analysis in all aspects of project development, implementation, administration, community engagement, and outreach. The desired outcome for investment is to comprehensively integrate an equity focus and framework throughout the Department. (Ongoing costs: \$0)

7. Local Project Delivery and Grants Management	1.00	180,409	0
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***Transportation and Aviation Services CSA
Transportation Planning and Project Delivery Core Service
Transportation Capital Project Delivery Program***

This action adds 1.0 Senior Transportation Specialist position in the Planning and Project Delivery Division (effective October 2024), and adds 1.0 Associate Transportation Specialist position (effective October 2024) and deletes 1.0 Transportation Specialist position in the Grants Management team within the Traffic Capital Program. The Senior Transportation Specialist will lead the Capital Improvement Program (CIP) Project Delivery Team, which consists of four engineering positions. Over the last several years, the Transportation Department has pursued an increased number of funding opportunities to support the City’s Traffic Capital, Parking Capital, and General Fund programs. The Department was recently awarded funding for 22 projects totaling \$140 million of CIP safety improvement projects. Out of the 22 projects, 13 are in the grant acceptance and feasibility phases, while the other nine are in the parallel environmental and design phases. An additional seven projects valued at \$33 million are in the bid/award and construction phases. The addition of the Associate Transportation Specialist and deletion of the Transportation Specialist reorganizes the Grants Management team to support grant strategic development, coordinate grant pursuits, finalize and implement a data-based evaluations program, and support GIS mapping needs of the grants program. (Ongoing costs: \$238,284)

Transportation Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
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8. New Traffic Infrastructure Assets Operations and Maintenance		164,000	164,000
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*Transportation and Aviation Service CSA
Traffic Maintenance Core Service
Traffic Streetlights Maintenance Program*

This action adds non-personal/equipment funding of \$164,000 in the General Fund for operations and maintenance (O&M) impacts associated with new capital improvements that are scheduled to come on-line during 2024-2025 as part of the five-year Traffic CIP such as the Downtown San José Bikeways (Quick Strike) and Route 101/Trimble/De La Cruz Interchange Improvement projects. Additionally, this includes increased O&M obligations associated with new cost elements requested by Council, including the new decorative fencing for previously approved Traffic CIP projects such as the McKee Road Safety Corridor Improvements (OBAG), Senter Road Safety Improvements, and Tully Road Safety Corridor Improvements (OBAG) projects. This funding is supported through the liquidation of the New Traffic Infrastructure Assets Operations and Maintenance Reserve established in the 2025-2029 General Fund Five-Year Forecast, as described in the General Fund Capital, Transfers, Reserves section of this document. (Ongoing costs: \$175,000)

9. Pavement Program Asset and Utility Management	1.00	153,968	0
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*Transportation and Aviation Services CSA
Pavement Maintenance Core Service
Pavement Maintenance Administration and Capital Project Delivery Program*

This action makes permanent 1.0 Associate Engineer position funded by and VTA Measure B revenues and local City revenues within the Construction Excise Tax Fund. The Associate Engineer supports all teams within the Pavement Engineering section and leads coordination efforts with external stakeholders such as utility companies and private development projects. This coordination is critical for the efficient delivery of pavement projects with the goal to reduce remobilization costs incurred by the City and schedule creeping caused by delays on private utility projects. The Associate Engineer will also proactively oversee planning and coordination with utility companies with the goal of better pavement restoration and avoiding all non-emergency cuts in a systematic fashion citywide. Additionally, this position will work closely with the City's initiative of establishing a restoration impact fee from utility companies, which presents an opportunity for future cost recovery for this position and work. (Ongoing costs: \$205,289)

Transportation Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
10. Safe Routes to School	1.00	136,197	0

*Transportation and Aviation Services CSA
 Transportation Safety and Operations Core Service
 Traffic Safety Program*

As described in the Manager’s Budget Addendum #38 for Fiscal Year 2022-2023 and in alignment with City Council’s focus area for increasing community safety around schools, this action adds 1.0 Engineer II position, effective October 2024, funded by the VTA Measure B 2016 Pavement Maintenance Fund for the Safe Routes to School (SRTS) project. With this funding, the Department will assess the traffic conditions at approximately 35 schools in San José annually over the next eight years to plan and implement needed traffic safety improvements, including speed humps, high visibility thermoplastic crosswalks, and other marking and strip improvements. The Department has determined prioritization for these improvements by using several tools, including a survey to all San José K-12 schools, including public, charter and private schools to better understand each school’s top traffic safety concerns, the City’s Walk n Roll program, and Geographic Information System (GIS) mapping which helps identify crosswalk enhancements needs and help prioritize proactive enhancements. Measure B funds are eligible to be used for the School Traffic Safety Program as an element of Measure B Complete Streets requirements. During 2023-2024, the Department’s Traffic Safety Division has been developing the model that will guide the implementation of traffic safety improvements. The Engineer II position will help ensure that technical implementation of traffic safety improvements is aligned with the model designated by the Traffic Safety Division. Four overstrength Maintenance Worker I/II positions will provide a crew that is needed to build and maintain these traffic safety improvements. (Ongoing costs: \$181,596)

Transportation Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
11. Sewer Lateral Replacement Grant		75,000	0

*Environmental and Utility Services CSA
Sanitary Sewer Maintenance Core Service
Sanitary Sewer System Maintenance Program*

This action adds one-time non-personal/equipment funding of \$75,000 for the Sewer Lateral Repair Grant Program, funded by the Sewer Service and Use Charge Fund. The funding will provide financial assistance by reimbursing a portion of the property owner’s cost to repair damage to the upper portion of the sewer lateral, which is a pipeline that carries wastewater from a building to the public sewer main. The City launched the Sewer Lateral Repair Grant Program in 2018 with \$300,000 to meet requirements of a consent decree between the City and Northern California River Watch. The program was designed to provide grants to property owners who need to conduct repairs in the portion of the sewer lateral when damage is identified that impedes the flow of sewage from their property into the sewer main lines to be carried to the Regional Wastewater Facility. Each grant reimburses property owners up to half of the cost of repair, not to exceed \$3,500. Since sewer lateral line repairs can range from a few thousand dollars up to \$50,000 per repair, the assistance from the City has helped offset a portion of the cost to repair damage. Since start of the grant program over 80 grants have been distributed through March 2024, using up almost all the original funding. The one-time amount of \$75,000 is based on the estimates of the expected number and cost of applications in 2024-2025. Although the City has met the needed requirement as detailed in the Consent Decree by funding this program on a one-time basis, with this one-time funding, the City seeks to assess the program’s desirability and continued need from the community. During the 2024-2025 fiscal year, the program will focus on expanding equity for this grant program by engaging in community outreach and education about the grant program and will focus on gathering meaningful data that the Department can use to assess equity in the administration and distribution of these grants. (Ongoing costs: \$0)

12. Polychlorinated Biphenyls (PCB) Mitigation (Direct Discharge)		40,000	40,000
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*Environmental and Utility Services CSA
Storm Sewer Maintenance Core Service
Storm Sewer Operation and Maintenance Program*

This action adds one-time overtime funding of \$40,000 in the General Fund to support existing Transportation Department storm sewer line crews to conduct additional street sweeping to mitigate legacy Polychlorinated Biphenyls (PCB) pollutants as part of the enhanced operations and maintenance compliance requirements of Stormwater Permit MRP 3.0 Provision C.12. This funding will also allow the City to clean storm lines and increase the frequency of catch basin cleanings which aligns the City with requirements set by Provision C.12 and helps prevent PCB pollutants from entering local waterways. (Ongoing costs: \$0)

Transportation Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment

2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
13. Tow-Away and Residential Parking Permit Staffing	0.00	0	0

***Transportation and Aviation Services CSA
Parking Services and Transportation Safety and Operations Core Services
Neighborhood Traffic, On-Street Parking, and On-Street Downtown Operations Programs***

This action adds 1.0 Analyst I/II position effective October 2024 to the Transportation Department's Parking Division and deletes 1.0 Staff Specialist position within the Administrative Services Division. This action will facilitate the shift of the Residential Permit Parking and Tow Away Permit programs from the Administrative Services division to the Parking Division. Additionally, this action decreases non-personal/equipment funding for supplies by \$7,800 to offset the cost difference associated with the position changes. The Analyst I/II position, will supervise a Senior Office Specialist position that will move from the Administrative Services Division to the Parking Division; intake, review and analyze over 700 annual, city-wide tow-away permits; oversee aspects of the Residential Permit Parking Program; provide analysis of the effectiveness of the City's street-sweeping zone parking restrictions and enforcement operations; and coordinate with internal City departments and external stakeholders to ensure department processes align and can support the City's programs and policies. The new Analyst position and the reassigned Senior Office Specialist positions, as part of the Parking Division, will be able to enhance customer services for citation adjudication, provide detailed analysis of vendor provided services, and ensure continued effectiveness of the Department's parking permit programs. (Ongoing costs: \$0)

14. Vacant Position Elimination	(8.00)	(1,201,559)	(410,553)
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***Environmental and Utility Services CSA
Storm Sewer Maintenance Core Service
Storm Sewer Operation and Maintenance Program***

***Transportation and Aviation Services CSA
Pavement Maintenance, Street Landscape Maintenance, and Transportation Safety and Operations Core Services
Pavement Maintenance Administration and Capital Project Delivery, Streetscape Services, and Traffic Signals and Systems Management Programs***

This action eliminates 8.0 positions – 1.0 Associate Engineering Technician, 2.0 Associate Construction Inspector, 1.0 Maintenance Worker I, 3.0 Maintenance Worker II, and 1.0 Transportation Specialist – as part of an organization-wide effort to evaluate the elimination of vacant positions in consideration of vacancy status and recruitment history, operational priority, and forecasted supporting revenues for 2024-2025, including Development Fee Programs, other supporting revenues, and capital project funding. A total of 64 positions in the City are recommended to be eliminated as part of this effort, a reduction of approximately 1% of the Base Budget level. While these position eliminations will reduce Departments' future service delivery capacity – and will be reevaluated as necessary – because these positions have been vacant for an extended period of time or are no longer supported by existing service demands, impacts to current service delivery is expected to be minimal. The eliminated positions in the Transportation Department result in savings of \$410,553 in the General Fund, \$494,342 in the Construction Excise Tax Fund, \$172,460 in the Building and Structure Construction Tax Fund, and \$124,204 in the Storm Sewer Operating Fund. (Ongoing savings: \$1,214,311)

Transportation Department

Budget Changes by Department

Personal Services and Non-Personal/Equipment







2024-2025 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
15. Front Desk Support	(1.00)	(105,852)	(105,852)
<p><i>Transportation and Aviation Services CSA Transportation Safety and Operations Core Service Neighborhood Traffic Program</i></p> <p>As a cost reduction to help bring the General Fund into structural alignment, this action eliminates 1.0 Senior Office Specialist position from the Transportation Department’s Administrative Services Division. This position currently processes the Tow-Away Permits and staffs the front desk of the Department’s office in City Hall. The Tow-Away Permit program is expected to shift to a vendor-support service by October 2024, which will result in reduced staffing need to support the permit issuance. After this shift, the position duties would have been to support Public Records Act (PRA) requests received by the Department, as well continue to support the Traffic Safety email inbox, answering the telephone, and other administrative duties as assigned. While the Department will work to provide front desk coverage on the 8th floor with existing staff to the extent feasible, walk-in customers and answering the telephone will also still be served on the 7th floor by the Permit Center Senior Office Specialist position in the Parking Division. The Traffic Safety email will continue to be directly supported by the Traffic Safety staff. This reduction, however, might lead to more requests for extensions on PRA requests due to a reduced level of dedicated customer service support. (Ongoing savings: \$107,445)</p>			
16. Special Assessment District Landscape Maintenance		(33,000)	0
<p><i>Transportation and Aviation CSA Street Landscape Maintenance Core Service Special District Landscape Services Program</i></p> <p>This action decreases non-personal/equipment funding in the Maintenance District No. 20 (Renaissance – N. First Landscaping) by \$33,000. The cost reduction in the District is needed to better align costs with the available resources. The decrease in funding will reduce the frequency of scheduled lawn maintenance by 50%, from once per week to once every two weeks. As a result, the landscaping may look less maintained during the weeks the work is not performed. During the 2024-2025 Fiscal Year, the Transportation Department, in collaboration with Public Works, is seeking to present a ballot measure to the District which, if passed, will increase property assessments and allow for more revenue to restore services to prior levels of maintenance. (Ongoing savings: \$33,000)</p>			
2024-2025 Proposed Budget Changes Total	3.00	3,019,646	949,376

Transportation Department

Performance Summary

Parking Services

Performance Measures

	2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
 % of on-street parkers in compliance with all regulations	78%	90%	90%	90%
 Parking System revenue to operating cost ratio	1.18	1.25	1.25	1.25
 % of meter repair service requests completed in 1 day	98%	100%	100%	100%
 % of citation appeal requests completed in 14 days	76% ¹	95%	80% ²	90%
 % of reported abandoned or stored vehicles in voluntary compliance by staff's second visit	79%	75%	80%	80%
 % of customers rating services good or better based upon satisfaction, appearances, comfort (4 or better on a 1-5 scale)	N/A ³	85%	80%	85%

¹ Decrease in percentage of citation appeal requests being completed within 14 days was due to staffing vacancies. The position was filled in late 2022-2023.

² While the timeliness of citation appeals has improved, limited staffing availability continues to impact the processing of requests.

³ Due to vendor staffing challenges along with reduced parking activity, a meaningful survey sample size was not collected.

Activity and Workload Highlights




	2022-2023 Actual	2023-2024 Forecast	2023-2024 Estimated	2024-2025 Forecast
# of monthly parking customers served	47,811	50,000	45,000	45,000
# of parking visitors served	1,105,928	1,200,000	1,300,000	1,300,000
# of parking meter service activities completed	13,157	12,300	15,000	15,000
# of parking citations issued	188,921	190,000	210,000	210,000
# of parking citations appealed/adjudicated	6,359	6,500	7,300	7,300

Transportation Department

Performance Summary

Pavement Maintenance

Performance Measures

	2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
 City average Pavement Condition Index (PCI) rating (Metropolitan Transportation Commission recommended condition level is 75)	71	72	73	74
 % of corrective pavement repairs completed within established time guidelines:				
- Priority: Completed within 2 days	99%	100%	100%	100%
- Non-Priority: Completed within 30 days	88%	90%	80%	90%
 Ratio of the Weighted Average Pavement Condition Index (WAPCI) of Local Streets in Equity Priority Communities (EPC) over the WAPCI of Local Streets in Non-EPC.	N/A ¹	1.00	1.03	1.01

¹ New measure for 2023-2024.

Activity and Workload Highlights

	2022-2023 Actual	2023-2024 Forecast	2023-2024 Estimated	2024-2025 Forecast
Miles of paved roadway to maintain	2,519	2,519	2,519	2,519
Miles of streets receiving surface seal application ¹	81	165	92	179
Miles of street resurfacing completed ¹	143	98	150	91
# of pothole repairs completed	4,653	5,500	5,000	5,500
Square yards of large pavement repairs completed	45,992	50,000	50,000	50,000
Average sealing maintenance cost per mile of street (includes preparation work)	\$142,956	\$105,000	\$200,000	\$220,000





¹ The number of miles sealed or resurfaced varies annually based on need and optimum use of available funds.

Transportation Department

Performance Summary

Sanitary Sewer Maintenance

Performance Measures

	2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
 # of sanitary sewer overflows per 100 miles of sanitary sewer mains (annualized)	2.0	2.0	1.5	2.0
 % of reported sanitary sewer problems responded to within 30 minutes ¹	44%	60%	40%	60%
 % of in-house repairs completed within established time guidelines:				
- Priority A: Service completely severed Full service restored – 24 hours; final repairs – 5 days	85%	90%	87%	90%
- Priority B: Service exists at a limited capacity Final repair – 20 days	73%	90%	90%	90%
- Priority C: Future service impact identified Corrective actions – 90 days	59%	90%	14% ²	90%
 % of customers rating services good or better based upon timeliness and effectiveness (rating of 4 or greater on a 1 – 5 scale)	100%	100%	100%	100%

¹ The Transportation Department is transitioning to a new database and analyzing the data related to this measure. Data may be updated after the transition is completed, which is targeted for 2023-2024.

² The Transportation Department changed how sewer repairs are delivered, but didn't take the change into account when calculating this data. This is the estimate for 2023-2024 based on the new delivery model for sewer repairs.

Transportation Department

Performance Summary

Sanitary Sewer Maintenance

Activity and Workload Highlights

	2022-2023 Actual	2023-2024 Forecast	2023-2024 Estimated	2024-2025 Forecast
Miles/number of sewer line segments ¹	2,040/46,437	2,045/46,310	2,039/46,456	2,045/46,456
Miles of sanitary sewer lines cleaned	708	1,000	802	1,000
# of sanitary sewer main line stoppages cleared	267	200	200	200
Miles of sanitary sewer lines inspected by video to support maintenance and repair	97	80	80	80
# of reported sanitary sewer problems	4,132	4,000	3,000	4,000
# of sewer repairs completed	726	700	700	700
# of sanitary sewer overflows	40	40	30	40





¹ Mileage and segment numbers are managed by the Public Works Department and may vary based on when reports are prepared.

Transportation Department

Performance Summary

Storm Sewer Maintenance

Performance Measures

	2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
 % of storm sewer inlets without obstruction	96%	96%	98%	96%
 % of swept curb miles rated by City as good or better based upon effectiveness and satisfaction with street appearance (4 or greater on a 1 – 5 scale)	54%	75%	57%	75%
 % of high priority storm sewer service requests/repairs addressed within 4 hours	74%	90%	72%	90%
 % of customers rating street sweeping services as good or better based upon effectiveness and satisfaction with street appearance (4 or greater on a 1 – 5 scale)	44%	55%	53% ¹	55%

¹ Environmental Services Department survey discontinued in 2023-2024, Transportation Department collaborating with City Manager's Office to use Focus Area survey question 11f (rating cleanliness of residential streets and sidewalks clean + somewhat clean).

Activity and Workload Highlights

	2022-2023 Actual	2023-2024 Forecast	2023-2024 Estimated	2024-2025 Forecast
Miles/number of storm sewer segments ¹	1,079/31,196	1,130/31,000	1,082/31,310	1,082/31,310
# of storm sewer inlets ¹	35,686	35,690	35,694	35,690
# of storm sewer inlet stoppages identified and cleared	1,690	1,000	500	1,000
# of curb miles swept	58,807	67,000	59,006	67,000
Thousands of tons of sweeping debris collected	5.1	9.0	7.0	9.0





¹ Mileage and segment numbers are managed by the Public Works Department and may vary based on when reports are prepared.

Transportation Department

Performance Summary

Street Landscape Maintenance

Performance Measures

	2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
 % of general benefit street landscapes in good condition	93%	90%	90%	90%
 % of sidewalks, curbs, gutters, and parkstrips repaired within 90 days of the notification of damage	23%	40%	37%	40%
 % of unimproved rights-of-way that are rated as fire safe by June 30 th	100%	100%	100%	100%
 % of customers rating tree and sidewalk services good or better (4 or better on a 1 – 5 scale) ¹	N/A	N/A	N/A	N/A

¹ The Transportation Department no longer reports customer ratings for tree services. The Community Forest program needs time to establish before creating a new customer survey.

Activity and Workload Highlights

	2022-2023 Actual	2023-2024 Forecast	2023-2024 Estimated	2024-2025 Forecast
Acres of general benefit-maintained street landscapes	289	289	289	289
# of street tree emergency responses	1,645	1,200	1,416	1,200
# of sidewalk repairs completed	5,576	6,500	3,546	6,000
Acres/districts of Special District street landscapes	337/23	342/24	338/24	338/24
# of street tree pruning permits issued / # of trees pruned	1,470/219	2,000/14,000	2,524/872	2,000/14,000
# of street tree removal permits issued / # of trees removed	907/1,056	900/1,000	318/396	900/1,000
# of tree plantings	N/A ¹	1,300	2,136	2,000









¹ No data to provide as this is a new performance measure starting in 2023-2024.

Transportation Department

Performance Summary

Traffic Maintenance

Performance Measures

	2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
 % of traffic signal preventative maintenance activities completed within established guidelines	27%	33%	33%	33%
 % of traffic and street name signs meeting visibility and operational guidelines	71%	80%	69%	80%
 % of traffic roadway markings meeting visibility and operational guidelines	80%	80%	62%	64%
 % of time streetlights are operational	99%	99%	99%	99%
 % of traffic signal malfunctions responded to within 30 minutes	36%	32%	41%	45%
 % of traffic signs and street name signs service requests completed within prioritized operational guidelines	95%	98%	98%	98%
 % of all roadway marking service requests completed within prioritized operational guidelines	77%	100%	84%	100%
 % of reported streetlight malfunctions repaired within 7 days ¹	55%	65%	49%	40%

¹ Streetlights with burned out low-pressure sodium (LPS) bulbs have been replaced with LED fixtures as of 2019-2020. LED fixtures have a longer cycle-time than simply replacing bulbs. Since there are fewer malfunctions over time, malfunctions can be addressed more quickly.

Transportation Department

Performance Summary

Traffic Maintenance

Activity and Workload Highlights

	2022-2023 Actual	2023-2024 Forecast	2023-2024 Estimated	2024-2025 Forecast
# of traffic signals	967	966	970	969
# of streetlights	65,600	65,380	65,600	65,600
# of traffic and street name signs	125,912	129,000	129,000	133,170
# of square feet of markings (in millions)	6.08	6.25	6.50	6.90
# of traffic signal repair requests completed	1,775	2,250	1,900	2,000
# of traffic signal preventive maintenance activities completed	772	964	900	964
# of traffic and street name signs repair/replacement requests completed	1,316	1,200	1,448	1,200
# of traffic and street name signs preventively maintained	591	1,700	524	7,000 ¹
# of roadway markings maintenance requests completed	220	200	268	300
# of roadway markings preventively maintained (sq.ft)	117,147	700,000	476,066	700,000 ²
# of streetlight repair requests completed	6,392	4,000	4,240	4,000

¹ The increase in the 2024-2025 Forecast reflects a change in focus to maintaining regulatory signs, such as stop signs and speed limit signs, from mast arm signs, such as no U turn signs and left arrow signs, which are more limited in number. A replacement of regulatory signs was completed in 2014, and the signs are reaching their end of life. The Transportation Department is finishing the replacement of mast arm signs and transitioning back to replacing regulatory signs that are expiring in terms of visibility.


² The 2024-2025 Forecast of 700,000 square feet reflects a focus on work that adds square feet at a slower rate (crosswalks/intersections vs marking long stretches of road), compared to 2021-2022 Forecast of 1.2 million square feet.

Transportation Department

Performance Summary

Transportation Planning and Project Delivery

Performance Measures

	2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
 % of local Transportation CIP projects delivered within 2 months of approved baseline schedule	75%	80%	100%	100%

Activity and Workload Highlights




	2022-2023 Actual	2023-2024 Forecast	2023-2024 Estimated	2024-2025 Forecast
# of local Transportation Capital projects in CPMS Database	69	75	73	112
Dollar amount of Transportation grant reimbursements (in millions)	\$85.02M	\$109.0M	\$145.6M	\$93.1M
# of regional projects in the City	16	16	16	16

Transportation Department

Performance Summary

Transportation Safety and Operations

Performance Measures

	2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
 % of traffic signals proactively re-timed along commute corridors to minimize wait times	29%	15%	6% ¹	15%
 % of signs and markings installed within 35 days from initial study request	65%	65%	65%	65%
 % of customers rating services as good or better based upon timeliness, added safety, and satisfaction with solution	98%	85%	85%	85%

¹ The 2023-2024 Estimated for traffic signal retiming is lower than the 2023-2024 Target due to a decrease in grant funding availability for traditional signal retiming projects.

Activity and Workload Highlights

	2022-2023 Actual	2023-2024 Forecast	2023-2024 Estimated	2024-2025 Forecast
# of pedestrian safety enhancement/traffic calming projects completed	35	40	40	40
# of pedestrian and bike fatalities ¹ :	40	28	31	25
- Children ages 5 to 17	1	1	1	0
- Seniors ages 65+	12	7	10	5
# of traffic fatalities (all causes) ¹	65	54	49	45
# of pedestrian and bike injuries ¹ :	564	390	489	475
- Children ages 5 to 17	90	72	81	40
- Seniors ages 65+	62	30	59	40
# of traffic congestion projects completed	670	600	600	600
# of traffic studies completed and implemented	1,289	1,200	1,200	1,200
# of people receiving traffic safety education:				
- Children ages 5 to 17	28,491	25,000	25,000	25,000
- Adults	8,056	7,000	7,000	7,000
# of special events managed	459	450	450	450



¹ The number of pedestrian and bike fatalities/ injuries is being reported on a calendar year basis (Q1: Jan-Mar., Q2: April-June, Q3: July-Sept., Q4: Oct.-Dec.).

Transportation Department

Performance Summary

Strategic Support

Performance Measures

	2022-2023 Actual	2023-2024 Target	2023-2024 Estimated	2024-2025 Target
 % of invoices paid within 30 days	67%	85%	79%	85%
 % of customers whose service quality expectations are met or exceeded (4 or better on a 1 – 5 scale)	89%	95%	95%	95%

Activity and Workload Highlights

	2022-2023 Actual	2023-2024 Forecast	2023-2024 Estimated	2024-2025 Forecast
# of financial/budget transactions	20,077	19,500	19,500	19,500
# of employees hired	158	160	130	150
# of responses to information technology issues	1,685	1,600	2,041	2,400

Transportation Department

Department Position Detail

Position	2023-2024 Adopted	2024-2025 Proposed	Change
Accounting Technician	1.00	1.00	-
Administrative Assistant	1.00	1.00	-
Administrative Officer	1.00	1.00	-
Analyst I/II	10.00	11.00	1.00
Arborist	1.00	1.00	-
Arborist Technician	3.00	3.00	-
Assistant Arborist	4.00	4.00	-
Assistant Director	1.00	1.00	-
Associate Construction Inspector	22.00	20.00	(2.00)
Associate Engineer	36.00	37.00	1.00
Associate Engineering Technician	5.00	5.00	-
Associate Transportation Specialist	10.00	11.00	1.00
Communications Technician	1.00	1.00	-
Concrete Finisher	3.00	3.00	-
Construction Manager	1.00	1.00	-
Department Information Technology Manager	1.00	1.00	-
Deputy Director	3.00	3.00	-
Director of Transportation	1.00	1.00	-
Division Manager	8.00	8.00	-
Electrical Maintenance Superintendent	1.00	1.00	-
Electrician I/II	13.00	13.00	-
Electrician Supervisor	3.00	3.00	-
Engineer I/II	38.00	37.00	(1.00)
Engineering Technician I/II	4.00	5.00	1.00
Engineering Trainee PT	1.50	1.50	-
Geographic Information Systems Specialist II	3.00	3.00	-
Heavy Equipment Operator	10.00	10.00	-
Information Systems Analyst	4.00	4.00	-
Maintenance Assistant/Maintenance Worker I	64.00	65.00	1.00
Maintenance Assistant PT/Maintenance Worker I PT	1.50	1.50	-
Maintenance Superintendent	4.00	4.00	-
Maintenance Supervisor	12.00	12.00	-
Maintenance Worker II	79.00	79.00	-
Network Engineer	2.00	2.00	-
Network Technician I/II/III	2.00	2.00	-
Office Specialist I/II	2.00	2.00	-
Operations Manager	1.00	1.00	-
Parking and Traffic Control Officer	43.00	43.00	-
Parking and Traffic Control Officer PT	3.50	3.50	-
Parking and Traffic Control Supervisor	3.00	3.00	-
Parking/Ground Transportation Administrator	3.00	3.00	-
Parking Manager I/II	2.00	2.00	-
Principal Account Clerk	1.00	1.00	-

Transportation Department

Department Position Detail

Position	2023-2024 Adopted	2024-2025 Proposed	Change
Principal Construction Inspector	3.00	3.00	-
Principal Engineer/Architect	1.00	1.00	-
Program Manager	3.00	3.00	-
Public Information Manager	1.00	1.00	-
Public Information Representative I/II	1.00	1.00	-
Senior Account Clerk	3.00	3.00	-
Senior Analyst	7.00	7.00	-
Senior Construction Inspector	8.00	8.00	-
Senior Electrician	3.00	3.00	-
Senior Engineer	16.00	16.00	-
Senior Engineering Technician	2.00	2.00	-
Senior Geographic Information Systems Specialist	1.00	1.00	-
Senior Heavy Equipment Operator	2.00	2.00	-
Senior Maintenance Worker	24.00	24.00	-
Senior Office Specialist	5.00	4.00	(1.00)
Senior Parking and Traffic Control Officer	5.00	5.00	-
Senior Transportation Specialist	8.00	9.00	1.00
Staff Specialist	7.00	6.00	(1.00)
Street Sweeper Operator	5.00	3.00	(2.00)
Structure/Landscape Designer I/II	1.00	1.00	-
Systems Application Programmer II	2.00	2.00	-
Transportation Specialist	17.00	15.00	(2.00)
Total Positions	538.50	535.50	(3.00)

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City-Wide Expenses

MISSION

To provide for City-Wide expenses that relate to more than one department or are not directly associated with ongoing departmental operations

CITY SERVICE AREAS

Community and Economic Development

Neighborhood Services

Transportation and Aviation Services

Environmental and Utility Services

Public Safety

Strategic Support

City-Wide Expenses

Department Budget Summary

	2022-2023 Actuals <u>1</u>	2023-2024 Adopted <u>2</u>	2024-2025 Forecast <u>3</u>	2024-2025 Proposed <u>4</u>	% Change <u>2 to 4</u>
Dollars by Core Service					
Community and Economic Development	52,005,791	\$151,145,355	\$9,987,023	\$12,761,023	(91.6%)
Environmental and Utility Services	2,234,317	2,596,708	1,315,000	1,699,000	(34.6%)
Neighborhood Services	62,104,177	63,686,450	40,249,799	32,569,435	(48.9%)
Public Safety	29,762,040	27,724,325	18,583,500	18,749,400	(32.4%)
Transportation and Aviation Services	4,001,264	5,473,257	4,017,440	4,017,440	(26.6%)
Strategic Support	299,680,315	34,537,660	18,766,414	18,889,198	(45.3%)
Strategic Support - Council Appointees	18,233,992	41,356,045	12,442,252	15,732,752	(62.0%)
Total	\$468,021,896	\$326,519,800	\$105,361,428	\$104,418,248	(68.0%)
Dollars by Category					
City-Wide Expenses	\$468,021,896	\$326,519,800	\$105,361,428	\$104,418,248	(68.0%)
Total	\$468,021,896	\$326,519,800	\$105,361,428	\$104,418,248	(68.0%)
Dollars by Category					
General Fund	\$468,021,896	\$326,519,800	\$105,361,428	\$104,418,248	(68.0%)
Total	\$468,021,896	\$326,519,800	\$105,361,428	\$104,418,248	(68.0%)
Authorized Positions	N/A	N/A	N/A	N/A	N/A

City-Wide Expenses

Budget Reconciliation

(2023-2024 Adopted to 2024-2025 Proposed)

	Positions	General Fund (\$)
Prior Year Budget (2023-2024):	0.00	326,519,800
Base Adjustments		
One-Time Prior Year Expenditures Deleted		
Community and Economic Development CSA		
• Rebudget: 4th Street Garage Banquet Facility Maintenance and Operations		(200,000)
• Rebudget: Adobe Sponsored Artist Support		(2,500)
• Rebudget: Art and Mural Beautification		(150,000)
• Rebudget: BeautifySJ and Encampment Waste Pickup - San José Bridge Program		(1,500,000)
• Rebudget: Berryessa Flea Market Vendor Business Transition Fund		(103,000)
• Rebudget: Blight Busters		(114,000)
• Rebudget: Cannabis Equity Program		(500,000)
• Rebudget: Child and Youth Services - Childcare Tenant Improvement		(900,000)
• Rebudget: City-wide Retail Attraction Program		(17,000)
• Rebudget: CreaTV - Hybrid Event Space		(96,000)
• Rebudget: Destination: Home SV Grant		(43,134)
• Rebudget: Diridon Station Area Development Planning		(637,000)
• Rebudget: District 10 Murals		(67,000)
• Rebudget: District 7 Murals		(27,000)
• Rebudget: Downtown Pedestrian Quality of Life		(133,000)
• Rebudget: East San José Business Improvement District		(5,000)
• Rebudget: Emergency Housing - Downtown Homeless Health Response and Support		(300,000)
• Rebudget: Emergency Housing - Emergency Housing Construction and Operation		(13,500,000)
• Rebudget: Emergency Housing - Sheltering and Enhanced Encampment Services		(198,000)
• Rebudget: Google Community Benefits - Economic Development		(2,300,000)
• Rebudget: Historic Preservation		(129,436)
• Rebudget: Housing Stabilization - Eviction Help Center		(450,000)
• Rebudget: Housing Stabilization - Hotel Sheltering Operations + Services		(3,400,000)
• Rebudget: Local Early Action Planning - Housing and Community Development Grant		(130,000)
• Rebudget: Measure E - 5% Moderate-Income Households		(2,557,937)
• Rebudget: Measure E - 30% Low-Income Households		(29,684,120)
• Rebudget: Measure E - 40% Extremely Low-Income Households		(25,611,581)
• Rebudget: Measure E - Guadalupe River Park Housing Support (10% HPRA)		(2,880,000)
• Rebudget: Measure E - Homeless Legal Services		(575,000)
• Rebudget: Measure E - Homeless Support Programs (15% HSP)		(1,000,000)
• Rebudget: Measure E - Housing Properties Maintenance (15% HSP)		(1,500,000)
• Rebudget: Measure E - Non-Profit Agency Refund (5% MI)		(500,000)
• Rebudget: Measure E - Non-Profit Agency Refund (30% LI)		(500,000)
• Rebudget: Measure E - Non-Profit Agency Refund (40% ELI)		(500,000)
• Rebudget: Measure E - Pavilion Inn Rehabilitation (40% ELI)		(576,283)

City-Wide Expenses

Budget Reconciliation

(2023-2024 Adopted to 2024-2025 Proposed)

	Positions	General Fund (\$)
Base Adjustments		
One-Time Prior Year Expenditures Deleted		
Community and Economic Development CSA		
• Rebudget: Measure E - Project Homekey 2.0 (40% ELI)		(35,000,000)
• Rebudget: Measure E - Storm Evacuee Transition Facilities (15% HSP)		(500,000)
• Rebudget: Measure E - SureStay Hotel Repairs (40% ELI)		(4,000,000)
• Rebudget: Mexican Heritage Plaza Capital Maintenance		(200,000)
• Rebudget: Mobile Home Park Protections		(55,800)
• Rebudget: Neighborhood Business Districts		(200,000)
• Rebudget: Non-Profit Food Provider Permitting Costs		(466,532)
• Rebudget: Office of Equality Assurance Labor Compliance System		(850,000)
• Rebudget: Re-Employment and Workforce Development - Small Business Resilience Corps		(158,000)
• Rebudget: Regional Early Action Planning - Housing and Community Development Grant		(223,150)
• Rebudget: Safe RV Parking		(19,452)
• Rebudget: Senate Bill 2 - Housing and Community Development Grant		(16,127)
• Rebudget: Small Business Anti-Displacement Research		(18,000)
• Rebudget: Small Business Recovery - San José Al Fresco		(290,000)
• Rebudget: Small Business Recovery - Shop Local Hub to Support Neighborhood Business		(100,000)
• Rebudget: Small Business Recovery - Small Business + Manufacturing Recovery Initiative		(484,000)
• Rebudget: Small Business Recovery - Small Business Displacement Index Study		(60,000)
• Rebudget: Small Business Recovery - Small Business Technical Assistance Revamp		(117,000)
• Rebudget: Small Business Recovery - Supplemental Arts + Cultural Funding		(73,500)
• Rebudget: Small Business Recovery - Supplemental Business Development Communications		(68,000)
• Rebudget: Small Business Recovery - Supplemental Economic Development Association		(1,375,000)
• Rebudget: Small Business Recovery - Supplemental Legal Assistance for Tenant		(300,000)
• Rebudget: Small Business Recovery - Underwrite Creation of New Property Business		(997,000)
• Rebudget: Small Business Recovery - Virtual Accelerator Program for New Businesses		(175,000)
• Rebudget: Thomas Fallon Statue Deaccession		(19,000)
• Rebudget: VTA Eastridge to BART Regional Connector Public Art		(32,000)
• Rebudget: work2future San José Job Center Relocation		(65,000)
• 4th of July Celebration		(400,000)
• Alum Rock Village Placemaking		(53,000)
• CaliforniansForAll Youth Workforce Program - Administration		(50,649)
• CHIPS Act Facilitation		(200,000)
• Destination: Home SV Grant		(180,000)
• Economic Development Pre-Development Activities		(100,000)
• Enhanced Downtown Lighting		(100,000)

City-Wide Expenses

Budget Reconciliation

(2023-2024 Adopted to 2024-2025 Proposed)

	Positions	General Fund (\$)
Base Adjustments		
One-Time Prior Year Expenditures Deleted		
Community and Economic Development CSA		
• Measure E - 5% Moderate-Income Households		2,557,937
• Measure E - 30% Low-Income Households		1,314,835
• Measure E - Homeless Support Programs (15% HSP)		1,000,000
• Measure E - Housing Properties Maintenance (15% HSP)		1,500,000
• Measure E - Interim Housing Construction and Operations - SureStay Operations (15% HSP)		(500,000)
• Measure E - Supportive Parking Site Berryessa Road (15% HSP)		(1,450,000)
• Measure E - Supportive Services - CARE Coordination Program (15% HSP)		(1,000,000)
• Measure E - Supportive Services - Overnight Warming Locations (15% HSP)		(1,500,000)
• Mobile Home Park Protections		(240,000)
• Arena Peddler Mitigation Pilot Program		(100,000)
• Regional Early Action Planning - Housing and Community Development Grant		(163,154)
• San José Climate Art		(200,000)
• San Jose Downtown Association		(230,000)
• San José State University/City Downtown Co-Branding Pilot Campaign		(100,000)
• Small Business Recovery - Supplemental Arts + Cultural Funding		(1,000,000)
• Sports Authority		(150,000)
• Storefront Activation Grant Program		(750,000)
• Story Road Corridor Small Business Support		(120,000)
• Workforce Development Service Enhancement		(120,000)
Subtotal:	0.00	(138,983,583)
Environmental and Utility Services CSA		
• Rebudget: Burrowing Owl Habitat Management		(128,954)
• Rebudget: Diridon Station Area Development Planning - Electric Microgrid		(740,000)
• Rebudget: Energy Saving Retrofits		(240,000)
• Rebudget: Expedited Purified Water Program		(121,754)
• Rebudget: Low-Income Household Water Assistance Payment Program		(120,000)
Subtotal:	0.00	(1,350,708)
Neighborhood Services CSA		
• Rebudget: Alviso Community Garden		(35,313)
• Rebudget: BeautifySJ and Encampment Waste Pickup - BeautifySJ Consolidated Model		(3,910,000)
• Rebudget: CaliforniansForAll Youth Workforce Program - Learning Loss Mitigation Pathway		(45,000)
• Rebudget: Child and Youth Services - Family, Friend & Neighborhood Program		(160,000)
• Rebudget: Child and Youth Services - Library		(1,200,000)
• Rebudget: Child and Youth Services - PRNS (Programs, Experiences, and Scholarships)		(800,000)
• Rebudget: Childcare Facilities and Training		(177,600)
• Rebudget: Coyote Creek Project Reaches 5-7 (Valley Water)		(2,818,541)
• Rebudget: Digital Divide		(276,000)
• Rebudget: Digital Equity - Community WiFi		(486,000)

City-Wide Expenses

Budget Reconciliation

(2023-2024 Adopted to 2024-2025 Proposed)

	Positions	General Fund (\$)
Base Adjustments		
One-Time Prior Year Expenditures Deleted		
Neighborhood Services CSA		
• Rebudget: Digital Equity - Device Access		(1,280,000)
• Rebudget: Digital Equity - Digital Equity Communications, Outreach, + Education		(275,000)
• Rebudget: Digital Inclusion		(500,000)
• Rebudget: Emergency Interim Housing Construction and Operation		(14,500,000)
• Rebudget: Emotional Support in Evergreen Elementary School District		(100,000)
• Rebudget: Homeless Rapid Rehousing		(900,000)
• Rebudget: Homelessness Management Services		(3,000,000)
• Rebudget: Measure E - Rental Assistance (10% HPRA)		(400,000)
• Rebudget: Outdoor Equity Grant		(42,640)
• Rebudget: Re-Employment and Workforce Development - Environment Resilience Corps		(200,000)
• Rebudget: San José Aspires Administrative Support		(60,000)
• Rebudget: San José BEST Accountability and Oversight Improvements		(330,296)
• Rebudget: San José BEST and Safe Summer Initiative Programs		(445,000)
• BeautifySJ Grants		(150,000)
• Blue Zones Project San José Readiness Assessment		(150,000)
• CaliforniansForAll Youth Workforce Program - Climate Change Pathway		(2,847,855)
• CalOES Innovative Response to Marginalized Victims Program Grant 2023		(84,413)
• CalTrans Clean California Maintenance Agreement		(750,000)
• Hispanic Foundation of Silicon Valley		(25,000)
• Library Grants		(234,259)
• Measure E - Homeless Response and Outreach Contractual Services (15% HSP)		(3,700,000)
• Measure E - Homeless Response and Outreach Staffing (15% HSP)		(827,520)
• Measure E - Housing Homeless Response Staff (Program Admin)		(2,472,471)
• Measure E - Rental Assistance (10% HPRA)		(4,750,000)
• Outdoor Equity Grant		(318,012)
• Park and Open Street Activation - Council District #02		(76,000)
• Park and Open Street Activation - Council District #03		(54,000)
• Park and Open Street Activation - Council District #08		(107,296)
• Park and Open Street Activation - Council District #10		(58,709)
• Santa Clara County Homeless Encampment Cleanup		(230,000)
• Senior Nutrition Program		(40,000)
• Summer Youth Nutrition Program		(112,041)
• Youth Commission		(11,000)
Subtotal:	0.00	(48,939,966)

City-Wide Expenses

Budget Reconciliation

(2023-2024 Adopted to 2024-2025 Proposed)

	Positions	General Fund (\$)
Base Adjustments		
One-Time Prior Year Expenditures Deleted		
Public Safety CSA		
• Rebudget: Bureau of Emergency Medical Services and Training Center Relocation		(100,000)
• Rebudget: Byrne Discretionary Community Project Grant 2022-2023		(232,366)
• Rebudget: Car Break-in Prevention Program		(456,354)
• Rebudget: City-Generated Tow Services Program		(655,000)
• Rebudget: Collaborative Approaches Toward Preventing and Addressing Hate Grant		(456,562)
• Rebudget: CrimeStoppers		(36,300)
• Rebudget: Department of Alcohol Beverage Control (ABC) Grant		(16,652)
• Rebudget: Fire Station 26		(10,000)
• Rebudget: Gun Safety with the California Department of Justice		(142,763)
• Rebudget: Hazard Mitigation Grant Program		(755,627)
• Rebudget: Hazardous Materials Consent Judgment		(102,961)
• Rebudget: Internet Crimes Against Children State Grant 2021-2022		(4,050)
• Rebudget: Internet Crimes Against Children State Grant 2022-2023		(562,925)
• Rebudget: Internet Crimes Against Children Task Force Invited Awards - Police 2020		(361,741)
• Rebudget: Law Enforcement Mental Health and Wellness Act (LEMHWA) Project - 2022		(140,250)
• Rebudget: Mobile Data Computer Replacements		(897,824)
• Rebudget: National Sexual Assault Kit Initiative		(931,733)
• Rebudget: Northern California Regional Intelligence Center - Police 2022		(14,489)
• Rebudget: Police Reforms Workplan		(285,000)
• Rebudget: Public Safety Power Shutoff Resiliency		(16,000)
• Rebudget: Selective Traffic Enforcement Program 2022-2023		(165,869)
• Rebudget: Silicon Valley Community Foundation Strengthening Community Relations		(1,819)
• Rebudget: State Homeland Security Grant Program - Police 2021		(153,047)
• Rebudget: State Homeland Security Grant Program - Police 2022		(215,000)
• Rebudget: Urban Areas Security Initiative Grant - Fire 2021		(101,047)
• Rebudget: Urban Areas Security Initiative Grant - Fire 2022		(312,244)
• Rebudget: Urban Areas Security Initiative Grant - Police 2021		(6,309)
• Rebudget: Urban Areas Security Initiative Grant - Police 2022		(650,000)
• Rebudget: Warmline 211 System		(100,000)
• Byrne Discretionary Community Project Grant 2022-2023		(401,327)
• Camera Pilot Program		(95,000)
• Collaborative Approaches Toward Preventing and Addressing Hate		(275,372)
• National Sexual Assault Kit Initiative		(489,136)
• Northern California Regional Intelligence Center - Police 2022		(131,073)
• Northern California Regional Intelligence Center Staffing		(158,195)
• Parent Project - Santa Clara County		(66,000)
• Urban Areas Security Initiative Grant - Police 2021		(216,790)
Subtotal:	0.00	(9,716,825)

City-Wide Expenses

Budget Reconciliation

(2023-2024 Adopted to 2024-2025 Proposed)

	Positions	General Fund (\$)
Base Adjustments		
One-Time Prior Year Expenditures Deleted		
Transportation and Aviation Services CSA		
• Rebudget: Contractual Street Tree Planting		(229,257)
• Rebudget: Electric Vehicle Charging Stations (LCFS Credits)		(10,000)
• Rebudget: Internet of Things (IoT) Speed Dashboard		(47,000)
• Rebudget: Park Strip Tree Planting		(120,000)
• Rebudget: Safest Driver Program		(50,000)
• Rebudget: Tree Mitigation		(1,000,000)
Subtotal:	0.00	(1,456,257)
Strategic Support CSA		
• Rebudget: Arena Community Fund		(250,000)
• Rebudget: Bond Project Audits		(16,713)
• Rebudget: Build Back Better and COVID-19 Recovery - Community Engagement		(500,000)
• Rebudget: Build Back Better and COVID-19 Recovery - COVID-19 Recovery Taskforce		(2,112,000)
• Rebudget: Business Tax System Replacement		(4,130,000)
• Rebudget: Child and Youth Services - Child and Youth Service Master Plan		(2,820,000)
• Rebudget: City Auditor's Office Performance Audit		(3,000)
• Rebudget: City Council Participatory Budgeting - District #01		(37,541)
• Rebudget: City Council Participatory Budgeting - District #03		(261,905)
• Rebudget: City Council Participatory Budgeting - District #05		(122,378)
• Rebudget: City Facilities Security Improvements		(300,000)
• Rebudget: City Initiatives Roadmap: Outcomes, Equity Indicators, + Performance Management		(313,000)
• Rebudget: City Manager Special Projects		(375,000)
• Rebudget: City of San José Disparity Study		(34,500)
• Rebudget: City Outreach and Education Efforts		(175,000)
• Rebudget: City Website and Intranet Redesign		(130,000)
• Rebudget: Climate and Seismic Resilience Planning		(635,000)
• Rebudget: Council District Outdoor Activation		(150,000)
• Rebudget: Customer Service Vision and Standards		(160,000)
• Rebudget: Data Capacity Expansion Project		(400,000)
• Rebudget: Elections and Ballot Measures		(450,000)
• Rebudget: Employee Resource Groups		(23,000)
• Rebudget: ERP System Feasibility Assessment		(200,000)
• Rebudget: ESUHSD Community WiFi - Mt Pleasant		(1,435,000)
• Rebudget: ESUHSD Community WiFi - Silver Creek		(1,225,000)
• Rebudget: Fair Labor Standards Act System Configuration		(325,000)
• Rebudget: False Claims Act Litigation Settlement		(259,000)
• Rebudget: Fellowship Support		(105,000)
• Rebudget: Financial Management System (FMS) Upgrade		(171,000)
• Rebudget: Flood Emergency Response Plans		(85,000)
• Rebudget: General Liability Claims		(13,000,000)
• Rebudget: Homelessness Services and Solutions		(890,000)
• Rebudget: Internal Financial Controls Evaluation		(102,000)
• Rebudget: Police Garage Key Storage		(250,000)

City-Wide Expenses

Budget Reconciliation

(2023-2024 Adopted to 2024-2025 Proposed)

	Positions	General Fund (\$)
Base Adjustments		
One-Time Prior Year Expenditures Deleted		
Strategic Support CSA		
• Rebudget: Recovery Foundation and Drive to Digital - Hybrid Workplace		(100,000)
• Rebudget: Recovery Foundation and Drive to Digital - OneCity Workplace		(900,000)
• Rebudget: Recovery Foundation and Drive to Digital - Recovery Management, Coordination and Compliance		(100,000)
• Rebudget: San José 311 Enhancements		(650,000)
• Rebudget: Small Business, Non-Profits, and Arts - Council District Outdoor Activation		(15,000)
• City Initiatives Roadmap: Outcomes, Equity Indicators, + Performance Management		(70,000)
• Climate and Seismic Resilience Planning		(463,000)
• Community-Based Violence Solutions		(400,000)
• Customer Service Vision and Standards		(3,715,000)
• ERP System Feasibility Assessment		(50,000)
• ESUHSD Community WiFi - Network Maintenance		(941,368)
• Measure E - Homelessness Coordination Team (Program Admin)		(1,852,470)
• Measure E - Interim Housing Maintenance (15% HSP)		(2,000,000)
• Measure E - Interim Shelter Site Identification and Development (15% HSP)		(2,006,790)
• San José 311 Enhancements		(150,000)
Subtotal:	0.00	(44,859,665)
One-time Prior Year Expenditures Subtotal:	0.00	(245,307,004)
 Technical Adjustments to Costs of Ongoing Activities		
Community and Economic Development CSA		
• Arena Authority		16,815
• Business Incentive - Samsung		15,000
• Children's Discovery Museum		10,736
• Children's Discovery Museum Capital Maintenance		5,165
• Hammer Theater Center Operations and Maintenance		10,130
• History San José		27,864
• Joint Venture Silicon Valley		1,588
• Local Sales Tax - San José Works - Youth Jobs Initiative		111,338
• Measure E - 5% Program Administration		(2,500,000)
• Mexican Heritage Plaza Maintenance and Operations		14,800
• Property Leases		22,452
• San Jose Downtown Association		18,467
• San José Museum of Art		17,734
• Sports Authority		8,947
• The Tech Interactive		44,215
Subtotal:	0.00	(2,174,749)
 Environmental and Utility Services CSA		
• City Facilities Solid Waste Collection and Processing		29,000
• Sanitary Sewer Fees		40,000
Subtotal:	0.00	69,000

City-Wide Expenses

Budget Reconciliation

(2023-2024 Adopted to 2024-2025 Proposed)

	Positions	General Fund (\$)
Base Adjustments		
Technical Adjustments to Costs of Ongoing Activities		
Neighborhood Services CSA		
• Interim Housing Construction and Operation		25,000,000
• San José BEST and Safe Summer Initiative Programs		435,715
• San José Learns		67,600
Subtotal:	0.00	25,503,315
Public Safety CSA		
• City-Generated Tow Services Program		10,000
• Parent Project - Santa Clara County		66,000
• Workers' Compensation Claims - Fire		500,000
Subtotal:	0.00	576,000
Transportation and Aviation Services CSA		
• Contractual Street Tree Planting		440
Subtotal:	0.00	440
Strategic Support CSA		
• ACFR Annual Audit		6,158
• Banking Services		(100,000)
• Bond Project Audits		3,597
• Certified Access Specialist Program		(10,798)
• City Dues / Memberships		27,000
• City-Owned Property Management and Maintenance		200,000
• Commercial Paper Program Fees		71,000
• Council District Outdoor Activation		(250,000)
• Customer Satisfaction Survey		100,000
• Customer Service Vision and Standards		(285,000)
• Digital Inclusion Program		(26,000)
• Elections and Ballot Measures		700,000
• Energy Services Company (ESCO) Debt Service		(17,000)
• Fellowship Support		10,816
• Government Access - Capital Expenditures		(50,000)
• Grant Compliance Single Audit		60,459
• Insurance Premiums		91,938
• Police Officers' Professional Liability Insurance		4,956
• Property Tax Administration Fee		437,500
• Public, Educational, and Government (PEG) Access Facilities - Capital		(150,000)
• San José 311 Enhancements		(350,000)
• Sick Leave Payments Upon Retirement		(650,000)
• Workers' Compensation State License		350,000
Subtotal:	0.00	174,626
Technical Adjustments Subtotal:	0.00	24,148,632
2024-2025 Forecast Base Budget:	0.00	105,361,428

City-Wide Expenses

Budget Reconciliation

(2023-2024 Adopted to 2024-2025 Proposed)

	Positions	General Fund (\$)
Budget Proposals Recommended		
Community and Economic Development CSA		
1. 2026 Sporting Events Preparation		100,000
2. AI + Manufacturing Incentive		250,000
3. Destination Marketing		400,000
4. Downtown Pedestrian Quality of Life		400,000
5. Economic Development Pre-Development Activities		200,000
6. Interpretive Amplification and Marking		25,000
7. Joint Venture Silicon Valley		(26,000)
8. Neighborhood Business Districts		50,000
9. Paseo de San Antonio Wayfinding		25,000
10. Supplemental Arts + Cultural Funding		500,000
11. Sports Authority		200,000
12. Storefront Activation Grant Program		650,000
Community and Economic Development Subtotal:	0.00	2,774,000
Environmental & Utility Services CSA		
1. Clean Creeks and Healthy Watersheds		384,000
Environmental & Utility Services Subtotal:	0.00	384,000
Neighborhood Services CSA		
1. BeautifySJ Grants		150,000
2. Interim Housing Construction and Operation		(8,000,000)
3. San José BEST and Safe Summer Initiative Programs		(262,694)
4. Rebudgets		432,330
Neighborhood Services Subtotal:	0.00	(7,680,364)
Public Safety CSA		
1. Northern California Regional Intelligence Center Staffing		165,900
Public Safety Subtotal:	0.00	165,900
Strategic Support CSA		
1. Council Appointee Review Process		75,000
2. Customer Service Vision and Standards		3,000,000
3. Fellowship Support		(177,216)
4. Stormwater Fee Study		300,000
5. Rebudget		215,500
Strategic Support Subtotal:	0.00	3,413,284
Total Budget Proposals Recommended	0.00	(943,180)
2024-2025 Proposed Budget Total		
	0.00	104,418,248

City-Wide Expenses

Budget Changes by City Service Area

2024-2025 Proposed Budget Changes	Positions	General Fund (\$)
Community and Economic Development CSA		
1. 2026 Sporting Events Preparation		100,000
<p>This action allocates one-time funding of \$100,000 for initial planning and coordination efforts related to the marquee sporting events taking place in 2026, including Super Bowl 60, NCAA Men's West Regional Basketball Tournament, and the 2026 FIFA World Cup events. As directed by the Mayor's March Message for Fiscal Year 2024-2025, as approved by the City Council, staff will need to undertake a multi-departmental effort to anticipate and remove barriers related to super graphics, wayfinding, sponsorship, and marketing and activation campaigns, as well as engage in emergency planning for the large influx of visitors these 2026 events will bring. This allocation provides as-needed assistance for these efforts, which will be described in greater detail with a report out to the City Council by December 2024. This action is offset by the repurposing of \$100,000 of funding previously provided by the American Rescue Plan since reallocated to the General Fund. (Ongoing costs: \$0)</p>		
2. AI + Manufacturing Incentive		250,000
<p>As directed in the Mayor's March Budget Message for 2024-2025, as approved by the City Council, this action adds one-time funding of \$250,000 to develop an incentive program to attract companies focused on artificial intelligence (AI) and manufacturing to San José, and also incentivize companies in these two industry sectors looking to expand their operations. The continued development, strengthening, and expansion of the City's manufacturing industry, as well as the facilitation of an AI ecosystem, are key strategies in San José's economic growth. Currently, San José companies are subject to conventional San José Clean Energy rates, a tax on electricity, gas, telecommunications, and water (utility users tax), along with planning and permitting regulations. Funding will be used to explore approaches to expedite permit processes and possibly provide utility tax rebates or reduce energy rates for manufacturers and AI companies. Additionally, some of this funding will be focused on facilitating the establishment of one or more AI incubators, accelerators or co-working spaces in the city and also strengthening the City's connection to new and expanding manufacturers in San José. These efforts would foster a conducive environment for enterprise businesses in both sectors to locate to San José. (Ongoing costs: \$0)</p>		
3. Destination Marketing		400,000
<p>As directed in the Mayor's March Budget Message for Fiscal Year 2024-2025, as approved by the City Council, this action provides one-time funding of \$400,000 to support Team San Jose as the City's Convention and Visitors Bureau, and in partnership with hospitality and arts stakeholders, in their work to generate marketing and tourism campaigns. Driving demand for increased leisure and cultural tourism activities is expected to generate local economic impact in the form of hotel and flight bookings, visitor spending, and increased City revenues. The Airport Department will also provide one-time funding of \$100,000 for marketing efforts, as described in the Airport Department section, for a total allocation of \$500,000. This action is partially offset by the repurposing of \$300,000 of funding previously provided by the American Rescue Plan since reallocated to the General Fund. (Ongoing costs: \$0)</p>		

City-Wide Expenses

Budget Changes by City Service Area

2024-2025 Proposed Budget Changes	Positions	General Fund (\$)
Community and Economic Development CSA		
4. Downtown Pedestrian Quality of Life		400,000
<p>As directed in the Mayor's March Budget Message for Fiscal Year 2024-2025, as approved by the City Council, this action adds one-time funding of \$400,000 to improve downtown San José by beautifying Santa Clara Street (\$250,000) and upgrading the San Pedro Street pedestrian mall (\$150,000). Beautification funding for Santa Clara Street will be focused on the stretch from First through Fifth Streets and invest in low-cost high impact improvements that may include repainted buildings, enhanced lighting, and new signage. The Downtown Property Based Improvement District (PBID) will lead the project, and the cost is estimated at \$1 million, including the City's contribution, the Downtown PBID's commitment, and potentially other private sector funders. With City Council's approval to permanently close vehicular travel on San Pedro Street from Santa Clara to St. John Streets, the recommended funding will be leveraged for the installation of streetscape enhancements that could include an upgraded street surface, overhead festoon lighting, and permanent, aesthetically enhanced, and removable bollards. The City's investment on San Pedro Street of \$150,000 is anticipated to be matched by downtown business and property owners as well as philanthropic contributors for a total project cost of \$500,000. (Ongoing costs: \$0)</p>		
5. Economic Development Pre-Development Activities		200,000
<p>This action adds one-time funding of \$200,000 for consultant services to assist with key economic development activities anticipated to occur over the next two years, including expected updates to the Arena Management Agreement with San José Sharks, modifications to development activity around Diridon Station, the future development of land adjacent to the Regional Wastewater Facility, and a feasibility assessment to locate a headquarters hotel at the current South Hall site adjacent to the Convention Center. (Ongoing costs: \$0)</p>		
6. Interpretive Amplification and Marking		25,000
<p>This action adds one-time funding of \$25,000 for the purpose of a "Learn from the Past to Shape a More Equitable Future" initiative to mark and amplify historic places and history in Downtown San José. This action is part of a partnership with San José State University (SJSU), and this amount would be paired with a matching \$25,000 investment by SJSU. (Ongoing costs: \$0)</p>		
7. Joint Venture Silicon Valley		(26,000)
<p>As a cost reduction to help bring the General Fund into structural alignment, this action decreases the financial commitment to Joint Venture Silicon Valley (JVSU) by \$26,000, from \$52,918 to \$26,918, on an ongoing basis. The current contract with JVSU funds the annual Silicon Valley Economic Development Alliance (SVEDA) subscription, which includes attendance at the annual Innovating Commerce Serving Communities conference, three CoStar subscriptions (commercial real estate information, analytics and news), and additional JVSU research services. Funding remains to retain the SVEDA subscription, which is most valued by the Office of Economic Development and Cultural Affairs, but eliminates funding for the CoStar subscriptions and JVSU research. (Ongoing savings: \$26,000)</p>		

City-Wide Expenses

Budget Changes by City Service Area

2024-2025 Proposed Budget Changes	Positions	General Fund (\$)
Community and Economic Development CSA		
8. Neighborhood Business Districts		50,000
<p>This action repurposes \$100,000 of one-time funding previously supplied by the American Rescue Plan, since reallocated to the General Fund, to fund the Business Districts Grants program through 2025-2026, which allows for a temporary reduction of the annual \$50,000 contribution for a two-year period without programmatic impact. The ongoing \$50,000 will be restored with the 2026-2027 budget development cycle. The funding provides for financial support of the districts, including funding for association meetings, local activity, and marketing. The neighborhoods are: East Santa Clara Street, Calle Willow, Alum Rock Village, Alum Rock/East Santa Clara, The Alameda, Tully Road, Monterey Road, Japantown, Willow Glen, and Winchester. (Ongoing savings: \$50,000)</p>		
9. Paseo de San Antonio Wayfinding		25,000
<p>This action adds one-time funding of \$25,000 to support efforts to improve the vibrancy and usability of the Paseo de San Antonio in Downtown San José, which will soon be home to 800 students at the former Signia annex tower. This initiative could support efforts such as new wayfinding signs/systems to help students and visitors navigate downtown; programming to enhance activation; and strategic lighting, branding or public-space improvements. This amount would be paired with a matching \$25,000 investment by San José State University. (Ongoing costs: \$0)</p>		
10. Supplemental Arts + Cultural Funding		500,000
<p>As directed in the Mayor's March Budget Message for Fiscal Year 2024-2025, as approved by the City Council, this action provides one-time funding of \$500,000 for arts and cultural grants administered by OEDCA, supplementing projected allocations from Transient Occupancy Tax revenues (TOT) for 2024-2025. Combined with funding from projected TOT revenues (\$3.65 million), anticipated savings to be rebudgeted from 2023-2024 (\$1.50 million), and use of the Cultural Grants Reserve set aside for this purpose in the TOT Fund (\$850,000), this allocation will ensure the overall funding levels for arts and cultural grants at \$6.5 million in 2024-2025 matches the amount appropriated in the 2023-2024 budget to help mitigate the pandemic's lingering negative impact on TOT revenues, which have historically provided funding to the City's arts partners. (Ongoing costs: \$0)</p>		
11. Sports Authority		200,000
<p>As directed in the Mayor's March Budget Message for Fiscal Year 2024-2025, as approved by the City Council, this action adds one-time funding of \$200,000 to support the City's efforts to promote the major national and international events coming to San José in 2026 through the San Jose Sports Authority (SJSA) and other complementary initiatives. The 2026 events include Super Bowl 60, NCAA Men's West Regional Basketball Tournament, and the month-long 2026 FIFA World Cup. SJSA serves as the City's sports marketing and event delivery arm and brings regional, national, and international events to San José. The funds will be used to market and promote the "Road to San José 2026" events as well as the COPA America soccer games in 2024 and other upcoming sporting events that will be hosted in San José (\$75,000); add a dedicated Event Specialist position at the SJSA that will focus on event build-up, activations, communications (social media and digital) and manage the San José Sports Ambassador program (\$60,000); host sporting events in San José, such as the USA Water Polo Junior Olympics, Rock-n-Roll Street Races and Health Expo, and USA Fencing North America Cup (\$50,000); and measure the economic impact of these promotions and activations (\$15,000). (Ongoing costs: \$0)</p>		

City-Wide Expenses

Budget Changes by City Service Area

2024-2025 Proposed Budget Changes	Positions	General Fund (\$)
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12. Storefront Activation Grant Program		650,000
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As directed in the Mayor’s March Budget Message for Fiscal Year 2024-2025, as approved by the City Council, this action adds one-time funding of \$650,000 to continue the Storefronts Activation Grants program. The program provides immediate assistance for those businesses that occupy a vacant storefront or need assistance to activate and enhance exterior spaces, reduce blight and create/retain jobs. Over 80% of grant recipients are Black, Indigenous, and people of color (BIPOC) business owners. A total of 197 businesses have been awarded \$2.4 million, with \$1.4 million awarded in the past two years alone as businesses have struggled to recover from the impacts of the pandemic. In 2023-2024, 45 grants have been awarded, of which 33 have been paid out and the remaining 12 are in the process of execution or payment. Currently, there are 32 requests for funding on the waitlist. The recommended continuation of this funding program into 2024-2025 would fully address the existing applicant backlog (\$350,000), and provide a modest allocation for new grant allocations in 2024-2025 (\$300,000). This action is partially offset by the repurposing of \$300,000 of funding previously provided by the American Rescue Plan, since reallocated to the General Fund. (Ongoing costs: \$0)

Subtotal Community and Economic Development CSA:	0.00	2,774,000
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Environmental & Utility Services CSA

1. Clean Creeks and Healthy Watersheds		384,000
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This action adds one-time funding of \$384,000 for the Clean Creeks and Healthy Watersheds program, offset by revenue from the Federal Government. This is the fourth year of the Environmental Protection Agency’s grant supporting the program, as approved by the City Council on June 22, 2021. This program supports cleanup activities along Coyote Creek, the Guadalupe River, and Los Gatos Creek. These activities are primarily performed by Keep Coyote Creek Beautiful and the South Bay Clean Creeks Coalition, two non-profit organizations dedicated to keeping trash and pollution out of waterways. (Ongoing costs: \$0)

Subtotal Environmental & Utility Services CSA:	0.00	384,000
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City-Wide Expenses

Budget Changes by City Service Area

2024-2025 Proposed Budget Changes	Positions	General Fund (\$)
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Neighborhood Services CSA

1. BeautifySJ Grant **150,000**

As directed in the Mayor's March Budget Message for Fiscal Year 2024-2025, as approved by the City Council, this action adds \$150,000 of one-time funding to the BeautifySJ Grants program that currently receives ongoing funding of \$100,000 annually. The total amount of \$250,000 matches the funding level included in the 2023-2024 Adopted Operating Budget. The funds will support neighborhood associations to plant trees, add landscaping and gardening projects, paint murals, and complete other small scale beautification projects. (Ongoing costs: \$0)

2. Interim Housing Construction and Operation **(8,000,000)**

As directed by the Mayor's March Budget Message for Fiscal Year 2024-2025, as approved by the City Council, to consider the reallocation of a portion of Measure E resources over a multi-year period to provide necessary services to the unhoused community and to meet Stormwater Permit requirements while also seeking to preserve as many resources as practical for affordable housing development, this action decreases funding of the City's Interim Housing Portfolio in the General Fund by \$8.0 million, from \$25.0 million to \$17.0 million, to reflect \$8.0 million that will be funded from Measure E revenues collected in the new Real Property Transfer Tax Fund. For 2025-2026, the reallocated amount will increase to \$22.5 million. As described in more detail in the City Manager's transmittal message of this document, and as previously directed by the City Council, the 2024-2025 Proposed Budget recognizes \$17.0 million in revenue to support interim housing from Federal and State funding sources, and anticipates ongoing cost reductions starting in 2025-2026 of \$2.5 million by transitioning the Monterey/Bernal EIH site to Santa Clara County. The remaining \$8.0 million of costs in 2024-2025 and \$22.5 million of costs in 2025-2026 will be supported with Measure E resources. It is important to note that, should the City fail to receive a portion of the anticipated revenues, the Administration will recommend increasing the amount reallocated in 2024-2025 to \$19.0 million and the amount reallocated in 2025-2026 to \$25.0 million as part of a future budget action. (Ongoing savings: \$22.5 million)

City-Wide Expenses

Budget Changes by City Service Area

2024-2025 Proposed Budget Changes	Positions	General Fund (\$)
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3. San José BEST and Safe Summer Initiative Programs		(262,694)
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As a cost reduction to help bring the General Fund into structural alignment, this action reduces the allocation for the San José BEST and Safe Summer Initiative Program allocation by \$262,694 ongoing, and is comprised of three actions. The first reduces the Emergency Reserve in the Bringing Everyone’s Strengths Together (BEST) allocation by \$200,000, leaving approximately \$133,000 in the BEST Reserve to cover unplanned but critical programming needs. The BEST Emergency Reserve is for unforeseen expenditures associated with San José Youth Empowerment Alliance (SJYEA) programming, such as the Safe School Campus Initiative or the Female Gang Intervention Unit. In the rare anticipated instance where an unforeseen expenditure greater than \$133,000 arises, the Administration will work to identify alternative resources to mitigate any potential impact to partners. The second action reduces the Safe Summer Initiative Grant (SSIG) program by 10%, or \$62,694. The SSIG program aims to provide opportunities and a safe environment for youth during the summer months to keep them active and engaged in positive activities. This action equates to a reduction of approximately six non-profit agencies and 417 participants served during the summer months. The Department will seek to mitigate a portion of this loss of service by redirecting impacted participants to other programs. The third action is a net-zero shift that eliminates 1.0 Youth Outreach Specialist position in the Parks, Recreation, and Neighborhood Services Department and reallocates the \$131,000 of funding for this position from San José Youth Empowerment Alliance’s Digital Arts Program – a program designed to educate and engage youth through digital media – to the Trauma to Triumph program, which is a partnership with the Santa Clara Valley Medical Center and Regional Medical Center of San José to reach victims of violence within 48 hours of admission to the hospital to help break the cycle of violence. In total, \$6.9 million remains in the BEST allocation to continue to provide ongoing support for BEST programming, which is still a net increase to the 2023-2024 ongoing budget of \$6.7 million. (Ongoing savings: \$262,694)

4. Rebudgets		432,330
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The rebudget of unexpended 2023-2024 funds will allow for the completion of previously approved projects or other expenditure items in 2024-2025. The items listed below were approved by the City Council as part of a previous budget action. (Ongoing costs: \$0)

Build Back Better and COVID-19 Recovery – COVID-19 Recovery Task Force	68,000
Google Community Benefits – Economic Development	364,330

Subtotal Neighborhood Services CSA:	0.00	(7,680,364)
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Public Safety CSA

1. Northern California Regional Intelligence Center Staffing		165,900
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This action adds one-time funding of \$165,900 to support a portion of the cost of a temporary Police Lieutenant position in the Police Department assigned to the Northern California Regional Intelligence Center (NCRIC). NCRIC is an all-crimes/all-threats fusion center providing analytic and technical resources to collect, evaluate, analyze, and disseminate timely information related to terrorist threats, criminal events, organized criminal activity, narcotics organizations, gang activity, and serial crime events to government and private sector agencies. (Ongoing costs: \$0)

Subtotal Public Safety CSA:	0.00	165,900
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City-Wide Expenses

Budget Changes by City Service Area

2024-2025 Proposed Budget Changes	Positions	General Fund (\$)
Strategic Support CSA		
1. Council Appointee Review Process		75,000
<p>As directed in the Mayor's March Budget Message for Fiscal Year 2024-2025, as approved by the City Council, this action adds total ongoing funding of \$75,000, \$15,000 for each Council Appointee, to enable the Mayor's Office to work with the City Council and an outside consultant to overhaul and manage the annual City Council Appointee review and feedback process. (Ongoing costs: \$75,000)</p>		
2. Customer Service Vision and Standards		3,000,000
<p>This action adds one-time funding of \$3.0 million, increasing the total program allocation from \$4.0 million to \$7.0 million, to support the Customer Service Vision and Standards project led by the City Manager's Office. Funding will be used for year two of three for implementation of professional services and software licensing and support for a city-wide customer relationship management system. After conducting a discovery of the current customer service experience, challenges, and future opportunity areas, a Vision and a set of Standards for a three-year transformation plan of the customer service experience for San José residents, businesses, and guests was formulated and approved by the City Council in March 2023. The first year focused on cultural change, staff development, process reengineering, initial centralized governance, and technology planning and pilot implementation of a centralized customer relationship management system, all alongside implementing incremental improvement projects in support of customer service opportunities. The second year of the project will front-load the effort to integrate the customer relationship management system with appropriate departmental systems and migrate data to deliver a city-wide 360-degree view of San José customers. The third year will sustain the momentum to complete the implementation as soon as possible. The three-year project total is estimated at \$12.7 million. The last year of non-personal/equipment funding will be identified in a future budget process once the design phase is complete. (Ongoing costs: \$0)</p>		
3. Fellowship Support		(177,216)
<p>As a cost reduction to help bring the General Fund into structural alignment, this action eliminates the budget for Fellowship Support, which provides ongoing funding for fellowships, such as FUSE and Packard Foundation, that allows for high-impact professionals with unique perspectives and talents into the City organization to improve or expand community services. Eliminating this program will refocus pipeline work for the Employment and Learning and Development groups in the Human Resources Department, delegating Fellowship sponsorship to departments, as desired. Departments may elect to sponsor Fellowships in lieu of the Human Resources Department coordinating city-wide sponsorships. (Ongoing savings: \$177,216)</p>		
4. Stormwater Fee Study		300,000
<p>This action adds one-time non-personal/equipment funding of \$300,000 to conduct an Engineered Fee Assessment to study the establishment of a new Stormwater Fee and provide technical work related to a potential ballot measure. As summarized in Attachment D to the City Manager's transmittal message of this document, the cost to implement the regulatory requirements of the Stormwater Permit as required by the State is nearly \$27 million in 2024-2025. This study seeks to determine the feasibility of generating fee revenue to offset some of these costs in the future. Results from the study are anticipated to be presented to the City Council in 2024-2025. (Ongoing costs: \$0)</p>		

City-Wide Expenses

Budget Changes by City Service Area

2024-2025 Proposed Budget Changes	Positions	General Fund (\$)
Strategic Support CSA		
4. Rebudget		215,500
The rebudget of unexpended 2023-2024 funds will allow for the completion of this previously approved expenditure in 2024-2025. This item listed below was approved by the City Council as part of a previous budget action. (Ongoing costs: \$0)		
Homelessness Services and Solutions		215,500
Subtotal Strategic Support CSA:	0.00	3,413,284
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2024-2025 Proposed Budget Changes Total	0.00	(943,180)

City-Wide Expenses

Detail of Costs Description

	2022-2023 Actuals	2023-2024 Adopted	2024-2025 Forecast	2024-2025 Proposed
Community and Economic Development				
<i>City Manager - Office of Economic Development and Cultural Affairs</i>				
2026 Sporting Events Preparation	0	0	0	100,000
4th of July Celebration	158,896	400,000	0	0
Adobe Sponsored Artist Support	25,815	2,500	0	0
AI + Manufacturing Incentive	0	0	0	250,000
Alum Rock Village Placemaking	0	53,000	0	0
Arena Authority	248,737	258,687	275,502	275,502
Arena Peddler Mitigation Pilot Program	0	100,000	0	0
Art and Mural Beautification	47,887	150,000	0	0
Berryessa Flea Market Vendor Business Transition Fund	566,848	103,000	0	0
Build Back Better and COVID-19 Recovery - COVID-19 Recovery Taskforce	395,000	0	0	0
Business Incentive - Samsung	110,781	130,000	145,000	145,000
CaliforniansForAll Youth Workforce Program - Administration	67,387	50,649	0	0
Cannabis Equity Program	0	500,000	0	0
Cesar Chavez Home	500,000	0	0	0
Children's Discovery Museum	522,868	357,789	368,524	368,524
Children's Discovery Museum Capital Maintenance	36,601	79,481	84,647	84,647
CHIPS Act Facilitation	0	200,000	0	0
City-wide Retail Attraction Program	58,764	17,000	0	0
Creating Connections	120,128	0	0	0
CreaTV Hybrid Event Space	3,930	96,000	0	0
Cultural Affairs Special Project	1,027	0	0	0
Destination Marketing Initiative	0	0	0	400,000
Diridon Station Area Development Planning	615,581	637,000	0	0
District 10 Murals	9,675	67,000	0	0
District 7 Murals	0	27,000	0	0
Donor Wall	14,897	0	0	0
Downtown Pedestrian Quality of Life	56,855	133,000	0	400,000
East San José Business Improvement District	2,000	5,000	0	0
Eastridge/Tully Business Association	100,000	0	0	0
Economic Development Pre-Development Activities	7,017	200,000	100,000	300,000
Enhanced Downtown Lighting	0	100,000	0	0
Google Community Benefits - Economic Development	1,521,874	2,300,000	0	0
Hammer Theater Center Operations and Maintenance	327,849	337,684	347,815	347,815
Hammer Theatre Capital Maintenance	0	30,000	30,000	30,000
History San José	901,765	928,818	956,682	956,682

City-Wide Expenses

Detail of Costs Description

	2022-2023 Actuals	2023-2024 Adopted	2024-2025 Forecast	2024-2025 Proposed
Interpretive Amplification and Marking	0	0	0	25,000
Joint Venture Silicon Valley	60,000	52,918	54,506	28,506
Local Assistance	9,725	0	0	0
Local Sales Tax - San José Works - Youth Jobs Initiative	1,560,937	1,712,880	1,824,217	1,824,217
Mesa Redonda	60,000	0	0	0
Monterey Corridor Gateway Revitalization	57,790	0	0	0
Museum Place Project	60,000	0	0	0
Neighborhood Business Districts	0	250,000	50,000	100,000
Paseo de San Antonio Wayfinding	0	0	0	25,000
Pocket Park in the Tropicana-Lanai Neighborhood	2,140	0	0	0
Property Leases	1,905,098	1,990,234	2,012,686	2,012,686
Re-Employment and Workforce Development - Small Business Resilience Corps	159,208	158,000	0	0
San Jose Al Fresco - San Pedro and Post Streets Closure	140,881	0	0	0
San Jose Climate Art	0	200,000	0	0
San José Downtown Association	473,182	514,109	302,576	302,576
San José Museum of Art	573,916	591,133	608,867	608,867
San Jose Regional Transportation Hub Project	29,833	0	0	0
San José State University/City Downtown Co-Branding Pilot Campaign	0	100,000	0	0
School of Arts and Culture Expansion	1,000,000	0	0	0
Small Business Anti-Displacement Research	0	18,000	0	0
Small Business Recovery - Downtown Outdoor Activities Marketing Campaign	155,000	0	0	0
Small Business Recovery - Quetzal Gardens Operations	75,000	0	0	0
Small Business Recovery - San José Al Fresco	307,552	290,000	0	0
Small Business Recovery - Shop Local Hub to Support Neighborhood Business Districts	0	100,000	0	0
Small Business Recovery - Small Business + Manufacturing Recovery Initiative	282,913	484,000	0	0
Small Business Recovery - Small Business Displacement Index Study	0	60,000	0	0
Small Business Recovery - Small Business District Outreach (Spanish + Vietnamese)	1,570,896	0	0	0
Small Business Recovery - Small Business Technical Assistance Revamp	0	117,000	0	0
Small Business Recovery - Supplemental Business Development Communications	45,198	68,000	0	0
Small Business Recovery - Supplemental Economic Development Association Capacity Building	66,747	1,375,000	0	0
Small Business Recovery - Supplemental Legal Assistance for Tenant	0	300,000	0	0
Small Business Recovery - Underwrite Creation of New Property Business Improvement Districts	16,150	997,000	0	0

City-Wide Expenses

Detail of Costs Description

	2022-2023 Actuals	2023-2024 Adopted	2024-2025 Forecast	2024-2025 Proposed
Small Business Recovery - Virtual Accelerator Program for New Businesses	0	175,000	0	0
Sports Authority	678,233	595,365	454,312	654,312
Storefront Activation Grant Program	510,000	750,000	0	650,000
Story Road Corridor Small Business Support	0	120,000	0	0
Supplemental Arts + Cultural Funding	2,001,000	1,073,500	0	500,000
The Tech Interactive	1,430,926	1,473,855	1,518,071	1,518,071
The Tech Interactive Capital Maintenance	46,438	110,500	110,500	110,500
T-Mobile Macro Site Permitting	70	0	0	0
Vitality Grants for Small Businesses	70,000	0	0	0
VTA Eastridge to BART Regional Connector Public Art	32,088	32,000	0	0
Weavers' Gift Ohlone Sculpture Restoration	41,000	0	0	0
work2future San Jose Job Center Relocation	132,353	65,000	0	0
Workforce Development Service Enhancement	0	120,000	0	0
<i>Fire Department</i>				
Diridon Station Area Development Planning	(3,543)	0	0	0
Sick Leave Payments Upon Retirement	475,361	0	0	0
<i>Housing Department</i>				
BeautifySJ and Encampment Waste Pick Up - San Jose Bridge Program	3,511,880	1,500,000	0	0
Child and Youth Services - Childcare Tenant Improvement	0	900,000	0	0
CommUniverCity Program	0	100,000	100,000	100,000
Emergency Housing - Downtown Homeless Health Response and Support	468,236	300,000	0	0
Emergency Housing - Emergency Housing Construction and Operation	2,385,373	13,500,000	0	0
Emergency Housing - Sheltering and Enhanced Encampment Services	2,840,915	198,000	0	0
Friends from Meals on Wheels	8,384	0	0	0
Google Community Benefits	576,325	0	0	0
Housing Stabilization - Eviction Help Center	1,389,220	450,000	0	0
Housing Stabilization - Hotel Sheltering Operations + Services	16,366	3,400,000	0	0
Housing Stabilization - South Hall Demobilization + Housing Assistance Center	1,895,605	0	0	0
Measure E - 30% Low-Income Households	0	28,369,285	0	0
Measure E - 40% Extremely Low-Income Households	0	25,611,581	0	0
Measure E - 5% Program Administration	1,745,852	2,500,000	0	0
Measure E - African American Cultural Center (30% LI)	560,000	0	0	0
Measure E - Guadalupe River Park Housing Support (10% HPRA)	0	2,880,000	0	0
Measure E - Homeless Legal Services (10% HPRA)	0	575,000	0	0

City-Wide Expenses

Detail of Costs Description

	2022-2023 Actuals	2023-2024 Adopted	2024-2025 Forecast	2024-2025 Proposed
Measure E - Homeless Student Housing	55,389	0	0	0
Measure E - Homeless Support Programs (15% HSP)	853,132	0	0	0
Measure E - Housing Properties Maintenance (15% HSP)	356,081	0	0	0
Measure E - Interim Housing Construction & Op - Surestay Operations (15% HSP)	0	500,000	0	0
Measure E - Non-Profit Agency Refund (30% LI)	0	500,000	0	0
Measure E - Non-Profit Agency Refund (40% ELI)	0	500,000	0	0
Measure E - Non-Profit Agency Refund (5% MI)	0	500,000	0	0
Measure E – Pavilion Inn Rehabilitation (40% ELI)	0	576,283	0	0
Measure E - Project HomeKey 2.0 (40% ELI)	849,928	35,000,000	0	0
Measure E - Quetzal Gardens (30% LI)	2,601,067	0	0	0
Measure E - Rental Assistance (10% HPRA)	9,071,546	0	0	0
Measure E - Storm Evacuee Transition Facilities (15% HSP)	0	500,000	0	0
Measure E - Supportive Parking Site Berryessa Road (15% HSP)	0	1,450,000	0	0
Measure E - Supportive Services - CARE Coordination Program (15% HSP)	0	1,000,000	0	0
Measure E - Supportive Services - Overnight Warming Locations (15% HSP)	0	1,500,000	0	0
Measure E – SureStay Hotel Repairs (40% ELI)	0	4,000,000	0	0
Responsible Landlord Engagement Initiative	403,325	0	0	0
Safe RV Parking	0	19,452	0	0
Sick Leave Payments Upon Retirement	3,395	0	0	0
<i>Planning, Building and Code Enforcement Department</i>				
BeautifySJ and Encampment Waste Pick Up - BeautifySJ Consolidated Model	25,510	0	0	0
Blight Busters	48,918	114,000	0	0
Certified Access Specialist Program	1,628	0	0	0
Destination: Home SV Grant	261,031	223,134	0	0
Development Fee Program Integrated Permitting System	201,878	0	0	0
Diridon Station Area Development Planning	5,202	0	0	0
Historic Preservation	45,479	129,436	0	0
Local Early Action Planning - Housing and Community Development Grant	836,420	130,000	0	0
Mobile Home Park Protections	3,640	295,800	0	0
Non-Profit Food Provider Permitting Costs	31,202	466,532	0	0
Planning Commission	29,780	35,000	35,000	35,000
Regional Early Action Planning - Housing and Community Development Grant	71,161	386,304	0	0
Senate Bill 2 - Housing and Community Development Grant	83,653	16,127	0	0
Sick Leave Payments Upon Retirement	59,021	0	0	0

City-Wide Expenses

Detail of Costs Description

	2022-2023 Actuals	2023-2024 Adopted	2024-2025 Forecast	2024-2025 Proposed
T-Mobile Macro Site Permitting	169,023	0	0	0
<i>Public Works Department</i>				
4th Street Garage Banquet Facility Maintenance and Operations	0	200,000	0	0
Diridon Station Area Development Planning	70,906	0	0	0
Mexican Heritage Plaza Capital Maintenance	0	300,000	100,000	100,000
Mexican Heritage Plaza Maintenance and Operations	0	493,319	508,118	508,118
Office of Equality Assurance Labor Compliance System	21,040	850,000	0	0
Thomas Fallon Statue Deaccession	0	19,000	0	0
TOTAL	\$52,005,791	\$151,145,355	\$9,987,023	\$12,761,023

City-Wide Expenses

Detail of Costs Description

	2022-2023 Actuals	2023-2024 Adopted	2024-2025 Forecast	2024-2025 Proposed
Environmental and Utility Services				
<i>Energy Department</i>				
Diridon Station Area Development Planning - Electric Microgrid	302,433	740,000	0	0
Energy Saving Retrofits	49,867	240,000	0	0
<i>Environmental Services Department</i>				
Burrowing Owl Habitat Management	0	128,954	0	0
City Facilities Solid Waste Collection and Processing	101,954	91,000	120,000	120,000
Clean Creeks, Healthy Watersheds	522,237	0	0	384,000
Climate and Seismic Resilience Planning	3,636	0	0	0
Expedited Purified Water Program	1,547	121,754	0	0
Low-Income Household Water Assistance Payment Program	83,854	120,000	0	0
Sanitary Sewer Fees	792,656	830,000	870,000	870,000
Sick Leave Payments Upon Retirement	69,500	0	0	0
Storm Fees	306,632	325,000	325,000	325,000
TOTAL	\$2,234,317	\$2,596,708	\$1,315,000	\$1,699,000

City-Wide Expenses

Detail of Costs Description

	2022-2023 Actuals	2023-2024 Adopted	2024-2025 Forecast	2024-2025 Proposed
Neighborhood Services				
<i>Housing Department</i>				
Emergency	2,435,925	0	0	0
Housing - Emergency Housing Construction and Operation				
Emergency Interim Housing Construction and Operation	5,870,696	14,500,000	0	0
Homeless Rapid Rehousing	3,071,166	4,900,000	4,000,000	4,000,000
Interim Housing Construction and Operation	0	0	25,000,000	17,000,000
Measure E - Guadalupe River Park Housing Support (10% HPRA)	300,000	0	0	0
Measure E - Homeless Outreach and Engagement (15% HSP)	611,013	0	0	0
Measure E - Homeless Response and Outreach Contractual Services (15% HSP)	0	3,700,000	0	0
Measure E - Homeless Response and Outreach Staffing (15% HSP)	0	827,520	0	0
Measure E - Homeless Support Programs (15% HSP)	150,031	0	0	0
Measure E - Housing Homeless Response Staff (Program Admin)	0	2,472,471	0	0
Measure E - Rental Assistance (10% HPRA)	0	5,150,000	0	0
Measure E - Storm Evacuee Transition Facilities (15% HSP)	341,651	0	0	0
Measure E - Supportive Services and Operations (15% HSP)	1,317,159	0	0	0
Safe RV Parking	548	0	0	0
<i>Library Department</i>				
CaliforniansForAll Youth Workforce Program – Learning Loss Mitigation Pathway	3,575,117	45,000	0	0
Child and Youth Services - PRNS (Programs, Experiences, and Scholarships)	3,065,658	0	0	0
Child and Youth Services - Family, Friend, & Neighborhood Program	446,651	160,000	0	0
Child and Youth Services - San Jose Learns	500,000	0	0	0
Child and Youth Services - Library	1,191,370	1,200,000	0	0
Digital Equity - Community WiFi	0	486,000	0	0
Digital Equity - Device Access	1,312,010	1,280,000	0	0
Digital Equity - Digital Equity Communications, Outreach, + Education	250,697	275,000	0	0
Digital Inclusion	551,271	500,000	0	0
Digital Divide	0	276,000	0	0
Google Community Benefits - Economic Development	140,937	0	0	0
Hispanic Foundation of Silicon Valley	50,000	25,000	0	0
Library Grants	819,298	234,259	0	0
San José Learns	1,000,000	1,040,000	1,107,600	1,107,600

City-Wide Expenses

Detail of Costs Description

	2022-2023 Actuals	2023-2024 Adopted	2024-2025 Forecast	2024-2025 Proposed
San José Aspires Administrative Support	189,443	60,000	0	0
Sick Leave Payments Upon Retirement	15,149	0	0	0
SJPL Foundation Grants	1,205,713	0	0	0
Youth Commission	4,927	16,000	5,000	5,000
<i>Parks, Recreation and Neighborhood Services Department</i>				
2022-2023 Santa Clara County Teen Programming Grant	53,519	0	0	0
Affordable Housing and Sustainable Communities Grant – Coyote Creek Trail	153,024	0	0	0
After School Education and Safety Programs for 2021-2022	(3,157)	0	0	0
After School Education and Safety Programs for 2022-2023	126,499	0	0	0
Alum Rock Park 150th Anniversary	(4,988)	0	0	0
Alviso Community Garden	27,375	35,313	0	0
Beautify SJ - Illegal Dumping	346,008	0	0	0
BeautifySJ and Encampment Waste Pick Up - BeautifySJ Consolidated Model	11,992,885	3,910,000	0	0
BeautifySJ Grants	0	250,000	100,000	250,000
Behavior Change Campaign and Beautification	1,372	0	0	0
Blue Zones Project San Jose Readiness Assessment	0	150,000	0	0
Build Back Better and COVID-19 Recovery - COVID-19 Recovery Taskforce	0	0	0	68,000
CaliforniansForAll Youth Workforce Program - Climate Change Pathway	3,768,715	2,847,855	0	0
CalOES Innovative Response to Marginalized Victims Program Grant 2023	30,021	84,413	0	0
CalOES Trauma to Triumph at Santa Clara Valley Medical Center Program 2020-2021	(1,672)	0	0	0
CalOES Trauma to Triumph at Santa Clara Valley Medical Center Program 2022	63,185	0	0	0
CalTrans Clean California Maintenance Agreement	0	750,000	0	0
CalVIP Trauma to Triumph at Regional Medical Center Program 2020-2021	79,155	0	0	0
Cash for Trash 2021-2024	124,823	0	0	0
Child and Youth Services - PRNS (Programs, Experiences, and Scholarships)	88,388	800,000	0	0
Childcare Facilities and Training	0	177,600	0	0
Coyote Creek Project Reaches 5-7 (Valley Water)	23,760	2,818,541	0	0
Department of Justice - Bureau of Justice Assistance Grant Category 3	21,229	0	0	0
Department of Justice - Bureau of Justice Assistance Grant Category 7	16,043	0	0	0
Food and Necessities Distribution - Food Services	3,754,759	0	0	0
Google Community Benefits - Economic Development	0	0	0	364,330

City-Wide Expenses

Detail of Costs Description

	2022-2023 Actuals	2023-2024 Adopted	2024-2025 Forecast	2024-2025 Proposed
Homelessness Management Services	0	3,000,000	0	0
Local Sales Tax - San José Works - Youth Jobs Initiative	36,982	0	0	0
Outdoor Equity Grant	6,483	360,652	0	0
Outdoor Park Activation	92,099	0	0	0
Park and Open Street Activation - Council District #02	1,871	76,000	0	0
Park and Open Street Activation - Council District #03	4,948	54,000	0	0
Park and Open Street Activation - Council District #08	0	107,296	0	0
Park and Open Street Activation - Council District #10	0	58,709	0	0
PG&E Summer Cooling Shelter Program Grant	(795)	0	0	0
Placemaking and Public Space Activations	144,000	144,000	144,000	144,000
Re-Employment and Workforce Development - Environment Resilience Corps	213,751	200,000	0	0
Re-Employment and Workforce Development - Food Distribution Resilience Corps	561,919	0	0	0
San Jose BEST Accountability and Oversight	165,283	330,296	0	0
San José BEST and Safe Summer Initiative Programs	6,596,676	7,148,313	7,139,028	6,876,334
Santa Clara County Homeless Encampment Cleanup	222,055	230,000	0	0
Senior Nutrition Program	2,536,161	1,294,171	1,254,171	1,254,171
Sick Leave Payments Upon Retirement	18,028	0	0	0
Small Business, Non-Profits, and Arts - San José Abierto	1,365,649	0	0	0
Social and Emotional Support in Evergreen Elementary School District	0	100,000	0	0
Summer Youth Nutrition Program	42,010	112,041	0	0
Workers' Compensation Claims - PRNS	866,304	1,500,000	1,500,000	1,500,000
Youth Reinvestment Grant	169,958	0	0	0
<i>Public Works Department</i>				
Public Works Unfunded Projects	(16,580)	0	0	0
TOTAL	\$62,104,177	\$63,686,450	\$40,249,799	\$32,569,435

City-Wide Expenses

Detail of Costs Description

	2022-2023 Actuals	2023-2024 Adopted	2024-2025 Forecast	2024-2025 Proposed
Public Safety				
<i>Office of the City Manager</i>				
2021 EMPG Grant - OEM	46,214	0	0	0
CalOES Mobile Operations Satellite Expeditionary System	1,968,750	0	0	0
FirstNet Emergency Communications Network	6,715	0	0	0
Hazard Mitigation Grant Program	411,485	755,627	0	0
Police Reforms Workplan	251,038	285,000	0	0
Public Safety Power Shutoff Resiliency	330,198	16,000	0	0
<i>Fire Department</i>				
Assistance to Firefighters Grant - COVID-19 Supplemental 2020	15,767	0	0	0
Bureau of EMS and Training Center Relocation	263,719	100,000	0	0
County of Santa Clara EMS Trust Fund – 2022	40,416	0	0	0
Fire Station 26	0	10,000	0	0
Hazardous Materials Consent Judgment	1,795	102,961	0	0
State Homeland Security Grant – Fire 2019	131,700	0	0	0
State Homeland Security Grant – Fire 2020	15,215	0	0	0
Urban Areas Security Initiative Grant - Fire 2020	90,066	0	0	0
Urban Areas Security Initiative Grant - Fire 2021	0	101,047	0	0
Urban Areas Security Initiative Grant - Fire 2022	0	312,244	0	0
Workers' Compensation Claims - Fire	9,711,838	9,000,000	9,500,000	9,500,000
<i>Independent Police Auditor's Office</i>				
Independent After Action Incident Report	67,405	0	0	0
Silicon Valley Foundation Strengthening Community Relations Project	0	1,819	0	0
<i>Police Department</i>				
Bay Area Regional Interoperability Communication System (BAYRICS)	0	7,500	7,500	7,500
Beautify SJ - Illegal Dumping	1,681	0	0	0
Bulletproof Vest Partnership 2021	119,736	0	0	0
Bulletproof Vest Partnership 2022	30,724	0	0	0
Byrne Discretionary Community Project Grant 2022-2023	137,698	633,693	0	0
Camera Pilot Program	0	95,000	0	0
Capture Crime Program	5,013	0	0	0
Car Break-in Prevention Program	51,635	456,354	0	0
City Law Enforcement Grant 2016-2017	6,514	0	0	0
City-Generated Tow Services Program	0	655,000	10,000	10,000
Collaborative Approaches Toward Preventing and Addressing Hate Grant	73,080	731,934	0	0
Coyote Creek Trail Patrol	1,005,131	0	0	0
CrimeStoppers	0	36,300	0	0

City-Wide Expenses

Detail of Costs Description

	2022-2023 Actuals	2023-2024 Adopted	2024-2025 Forecast	2024-2025 Proposed
Department of Alcohol Beverage Control (ABC) Grant	39,924	16,652	0	0
Gun Safety with the California Department of Justice	7,237	142,763	0	0
Internet Crimes Against Children (ICAC) Task Force Invited Awards - Police 2020	764,103	361,741	0	0
Internet Crimes Against Children State Grant 2021-2022	858,630	4,050	0	0
Internet Crimes Against Children State Grant 2022-2023	355,698	562,925	0	0
Justice and Mental Health Collaboration Program	119,640	0	0	0
Law Enforcement Mental Health and Wellness Act (LEMHWA) Project – 2022	9,750	140,250	0	0
Local Sales Tax - Mobile Data Computer Replacements	122,315	0	0	0
Mobile Data Computer Replacement	1,347	897,824	0	0
National Sexual Assault Kit Initiative	2,799	1,420,869	0	0
Northern California Regional Intelligence Center - Police 2021	164,138	0	0	0
Northern California Regional Intelligence Center - Police 2022	152,065	145,562	0	0
Northern California Regional Intelligence Center Staffing (City Match)	107,000	158,195	0	165,900
OVW Improving Criminal Justice Response Program	120,999	0	0	0
Parent Project - Santa Clara County	21,432	66,000	66,000	66,000
Selective Traffic Enforcement Program 2021-2022	51,570	0	0	0
Selective Traffic Enforcement Program 2022-2023	112,577	165,869	0	0
Sick Leave Payments Upon Retirement	2,474,330	0	0	0
State Homeland Security Grant Program	307,863	0	0	0
State Homeland Security Grant Program - Police 2021	240,207	153,047	0	0
State Homeland Security Grant Program – Police 2022	10,266	215,000	0	0
Untested Sexual Assaults Evidence Grant (USAEG) Backlog Reduction 2021	39,679	0	0	0
Urban Areas Security Initiative Grant - Police 2020	226,100	0	0	0
Urban Areas Security Initiative Grant - Police 2021	47,264	223,099	0	0
Urban Areas Security Initiative Grant - Police 2022	0	650,000	0	0
Warmline 211 System	0	100,000	0	0
Workers' Compensation Claims - Police	8,621,573	9,000,000	9,000,000	9,000,000
TOTAL	\$29,762,040	\$27,724,325	\$18,583,500	\$18,749,400

City-Wide Expenses

Detail of Costs Description

	2022-2023 Actuals	2023-2024 Adopted	2024-2025 Forecast	2024-2025 Proposed
Transportation and Aviation Services				
<i>Airport Department</i>				
BeautifySJ & Encmpmnt Wste Pck-Up - Veh Abtmnt Prog, Prctve Ptrl, + Cmplnt Resp	(9,584)	0	0	0
Build Back Better and COVID-19 Recovery - Emergency Public Information	81	0	0	0
Sick Leave Payments Upon Retirement	73,676	0	0	0
<i>Transportation Department</i>				
BeautifySJ & Encmpmnt Wste Pck-Up - Veh Abtmnt Prog, Prctve Ptrl, + Cmplnt Resp	(6,861)	0	0	0
Behavior Change Campaign and Beautification	18,475	0	0	0
Citywide Tree Inventory Study	117,216	0	0	0
Community Video Cameras	10,305	0	0	0
Contractual Street Tree Planting	0	233,257	4,440	4,440
Electric Vehicle Charging Stations (LCFS Credits)	12,680	10,000	0	0
Emergency Street Tree Services	499,028	500,000	500,000	500,000
General Employee Tuition	1,225	0	0	0
Internet of Things (IoT) Speed Dashboard	0	47,000	0	0
Park Strip Tree Planting	59,678	120,000	0	0
Safest Driver Program	0	50,000	0	0
Sick Leave Payments Upon Retirement	78,477	0	0	0
Sidewalk and Tree Hardship	194,342	513,000	513,000	513,000
Sidewalk Repairs	2,251,244	2,500,000	2,500,000	2,500,000
Story Road Corridor Banner Installation	4,113	0	0	0
Tree Mitigation	239,326	1,000,000	0	0
Workers' Compensation Claims - Transportation	457,846	500,000	500,000	500,000
TOTAL	\$4,001,264	\$5,473,257	\$4,017,440	\$4,017,440

City-Wide Expenses

Detail of Costs Description

	2022-2023 Actuals	2023-2024 Adopted	2024-2025 Forecast	2024-2025 Proposed
Strategic Support				
<i>Finance Department</i>				
Banking Services	548,142	724,000	624,000	624,000
Business Tax System Replacement	0	4,130,000	0	0
Certified Access Specialist Program	28,100	266,198	255,400	255,400
City of San José Disparity Study	12,467	34,500	0	0
Commercial Paper Program Fees	287,555	400,000	471,000	471,000
Energy Services Company (ESCO) Debt Service	1,022,834	1,026,000	1,009,000	1,009,000
ERP System Feasibility Assessment	0	250,000	0	0
Fair Labor Standards Act System Configuration	0	400,000	75,000	75,000
Financial Management System (FMS) Upgrade	0	171,000	0	0
Flood Emergency Response Plans	0	85,000	0	0
Human Resources/Payroll Budget Systems Upgrades	222	0	0	0
Insurance Premiums	2,093,148	2,704,526	2,796,464	2,796,464
Internal Financial Controls Evaluation	0	102,000	0	0
Police Officers' Professional Liability Insurance	113,349	128,378	133,334	133,334
Property Tax Administration Fee	2,456,242	2,572,500	3,010,000	3,010,000
Recovery Foundation and Drive to Digital - Recov Mngt, Coord and Compliance	1,113,171	0	0	0
Revenue Enhancement Consulting Services	229,210	752,000	752,000	752,000
Sick Leave Payments Upon Retirement	85,328	4,000,000	3,350,000	3,350,000
TRANS Debt Service	282,498,624	0	0	0
<i>Human Resources Department</i>				
Employee Resource Group	2,016	23,000	0	0
Fellowship Support	50,476	271,400	177,216	0
General Employee Tuition	93,232	100,000	100,000	100,000
Learning and Development Roadmap	287,743	0	0	0
Organizational Effectiveness	0	40,000	40,000	40,000
Planned Parenthood Mar Monte	250,000	0	0	0
Recovery Foundation and Drive to Digital - Effective Teams	(24,922)	0	0	0
Sick Leave Payments Upon Retirement	4,476	0	0	0
Workers' Compensation Claims - Other Departments	1,059,012	1,500,000	1,500,000	1,500,000
Workers' Compensation State License	1,289,382	1,000,000	1,350,000	1,350,000
<i>Information Technology Department</i>				
Data Capacity Expansion Project	0	400,000	0	0
Digital Inclusion Program	504,154	756,000	730,000	730,000
Diridon Station Area Development Planning	2,909	0	0	0
ESUHSD Community WiFi - Network Maintenance	86,603	941,368	0	0
Local Sales Tax - My San José 2.0	15,503	0	0	0

City-Wide Expenses

Detail of Costs Description

	2022-2023 Actuals	2023-2024 Adopted	2024-2025 Forecast	2024-2025 Proposed
Recovery Fndtion & Drive to Digital - Omchnl Strtgy, Prcss Eng & Svc Dlrvy Auto	207,402	0	0	0
Recovery Foundation and Drive to Digital - Hybrid Workplace	485,472	100,000	0	0
Recovery Foundation and Drive to Digital - OneCity Workplace	0	900,000	0	0
San José 311 Enhancements	628,158	1,150,000	0	0
Sick Leave Payments Upon Retirement	15,267	0	0	0
T-Mobile Macro Site Process Reimbursement	125,000	0	0	0
<i>Public Works Department</i>				
4th Street Garage Banquet Facility Maintenance and Operations	27,814	0	0	0
Chinese Historical Society	3,000	3,000	3,000	3,000
City Facilities Security Improvements	175,056	300,000	0	0
City Facilities Safety Assessment	14,149	0	0	0
City Hall Audio System Enhancements	8,063	0	0	0
City-Owned Property Management and Maintenance	0	0	200,000	200,000
Digital Equity - Community WiFi	729,724	0	0	0
Digital Inclusion	14,754	0	0	0
Digital Divide	361,114	0	0	0
Electric Vehicle Charging Stations (LCFS Credits)	3,413	0	0	0
Emergency Housing - Emergency Housing Construction and Operation	176,883	0	0	0
ESUHSD Community WiFi - Mt Pleasant	224,280	1,435,000	0	0
ESUHSD Community WiFi - Silver Creek	484,545	1,225,000	0	0
General Employee Tuition	2,390	0	0	0
Government Access - Capital Expenditures	0	400,000	350,000	350,000
Measure E - Interim Housing Maintenance (15% HSP)	0	2,000,000	0	0
Measure E - Interim Shelter Site Identification and Development (15% HSP)	0	2,006,790	0	0
Mexican Heritage Plaza Maintenance and Operations	478,950	0	0	0
PEG - CreaTV	0	240,000	240,000	240,000
Police Garage Key Storage	0	250,000	0	0
Public, Educational, and Government (PEG) Access Facilities - Capital	0	1,200,000	1,050,000	1,050,000
Public Works Unfunded Projects	213,721	200,000	200,000	200,000
Sick Leave Payments Upon Retirement	62,977	0	0	0
Small Business Recovery - Underwrite Creation of New Property Business Improvem	2,353	0	0	0
Stormwater Fee Study	0	0	0	300,000
Thomas Fallon Statue Deaccession	356,484	0	0	0
Workers' Compensation Claims - Public Works	770,369	350,000	350,000	350,000
<i>Office of the City Attorney</i>				
False Claims Act Litigation Settlement	2,004	259,000	0	0

City-Wide Expenses

Detail of Costs Description

	2022-2023 Actuals	2023-2024 Adopted	2024-2025 Forecast	2024-2025 Proposed
General Liability Claims	3,376,543	19,000,000	6,000,000	6,000,000
Measure E - 5% Program Administration	189,873	0	0	0
<i>Office of the City Auditor</i>				
ACFR Annual Audit	238,411	284,966	291,124	291,124
Bond Project Audits	75,746	87,488	74,372	74,372
Grant Compliance Single Audit	92,703	100,195	160,654	160,654
<i>Office of the City Clerk</i>				
Arena Community Fund	228,280	500,000	250,000	250,000
Board of Fair Campaign and Political Practices	52,655	40,000	40,000	40,000
Cadillac Winchester Neighborhood	4,000	0	0	0
City Auditor's Office Performance Audit	0	9,000	6,000	6,000
City Council Participatory Budgeting - Administration	4,000	0	0	0
City Council Participatory Budgeting - Council District #01	0	37,541	0	0
City Council Participatory Budgeting - Council District #03	44,235	261,905	0	0
City Council Participatory Budgeting - Council District #05	3,782	122,378	0	0
City Dues / Memberships	549,206	528,102	555,102	555,102
Civil Service Commission	13,450	16,000	16,000	16,000
Council Appointee Review Process	0	0	0	75,000
Council District Outdoor Activation	0	400,000	0	0
Elections and Ballot Measures	4,562,467	4,250,000	4,500,000	4,500,000
Mayor and City Council Travel	9,122	10,000	10,000	10,000
Small Business, Non-Profits, and Arts - Council District Outdoor Activation	134,436	15,000	0	0
State of the City Convocation	106,205	45,000	45,000	45,000
<i>Office of the City Manager</i>				
2-1-1 Call Center	75,000	75,000	75,000	75,000
Build Back Better and COVID-19 Recovery - Community Engagement	767,539	500,000	0	0
Build Back Better and COVID-19 Recovery - COVID-19 Recovery Taskforce	134,316	2,112,000	0	0
Build Back Better and COVID-19 Recovery - Emergency Public Information	744,720	0	0	0
Cannabis Equity Assistance Program	661,272	0	0	0
Child and Youth Services - Child and Youth Services Master Plan	456,166	2,820,000	0	0
Child and Youth Services - Child and Youth Success	342,238	0	0	0
City Council Participatory Budgeting - Council District #03	68	0	0	0
City Initiatives Roadmap: Outcomes, Equity Indicators, + Performance Management	143,778	383,000	0	0
City Manager Special Projects	(10,153)	375,000	0	0
City Outreach and Education Efforts	112,438	275,000	100,000	100,000

City-Wide Expenses

Detail of Costs Description

	2022-2023 Actuals	2023-2024 Adopted	2024-2025 Forecast	2024-2025 Proposed
City Website and Intranet Redesign	7,772	130,000	0	0
Climate and Seismic Resilience Planning	461,910	1,098,000	0	0
Community-Based Violence Solutions	0	400,000	0	0
CommUniverCity Program	118,497	0	0	0
Customer Satisfaction Survey	38,900	79,000	179,000	179,000
Customer Service Vision and Standards	388,443	4,160,000	0	3,000,000
Data Capacity Expansion Project	325,649	0	0	0
Digital Inclusion Program	253,889	0	0	0
E-Ideas Program	0	25,000	25,000	25,000
Emergency	433,469	0	0	0
Housing - Emergency Housing Construction and Operation				
Government Access - Capital Expenditures	236,057	0	0	0
Homelessness Services and Solutions	299,927	890,000	0	215,500
Labor / Employee Relations Consultant Funding	27,569	0	0	0
Local Sales Tax - My San José 2.0	153	0	0	0
Measure E - Homelessness Coordination Team (Program Admin)	0	1,852,470	0	0
Organizational Effectiveness	26,910	0	0	0
PEG - CreaTV	240,000	0	0	0
Public, Educational, and Government (PEG) Access Facilities - Capital	1,172,448	0	0	0
Recovery Foundation and Drive to Digital - Recov Mngt, Coord and Compliance	864,228	100,000	0	0
Sick Leave Payments Upon Retirement	24,339	0	0	0
<i>Mayor & City Council</i>				
4th of July Celebration	20,000	0	0	0
Council District Outdoor Activation	87,969	0	0	0
<i>Office of Retirement Services</i>				
1970, 1980, and 1990 COLA Federated, Police & Fire Retirees	16,107	30,000	30,000	30,000
Police Retirees' Health / Dental Fees	75,257	85,000	85,000	85,000
TOTAL	\$317,914,307	\$75,893,705	\$31,208,666	\$34,621,950

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General Fund Capital, Transfers, Reserves

MISSION

To provide necessary funding for: (1) capital projects not funded by a dedicated funding source, (2) transfers to other funds, (3) reserves earmarked for known future needs, and (4) a reserve for unforeseen contingencies

CITY SERVICE AREAS

Community and Economic Development
Environmental and Utility Services
Neighborhood Services
Public Safety
Transportation and Aviation Services
Strategic Support

EXPENSE TYPE

Capital Contributions
Transfers to Other Funds
Earmarked Reserves
Contingency Reserve

General Fund Capital, Transfers, Reserves

Budget Summary

	2022-2023 Actuals	2023-2024 Adopted	2024-2025 Forecast	2024-2025 Proposed	% Change
	1	2	3	4	2 to 4
Dollars by Expense Type					
Capital Contributions	27,331,261	62,264,195	5,840,000	8,565,000	(86.2%)
Transfers to Other Funds	37,810,639	30,406,468	30,287,766	30,087,766	(1.0%)
Earmarked Reserves	N/A	352,090,976	56,124,908	56,857,908	(83.9%)
Contingency Reserve	N/A	47,000,000	50,000,000	50,000,000	6.4%
Total	\$65,141,900	\$491,761,639	\$142,252,674	\$145,510,674	(70.4%)
Dollars by Category					
Capital, Transfers, Reserves	65,141,900	491,761,639	142,252,674	145,510,674	(70.4%)
Total	\$65,141,900	\$491,761,639	\$142,252,674	\$145,510,674	(70.4%)
Dollars by Fund					
General Fund	65,141,900	491,761,639	142,252,674	145,510,674	(70.4%)
Total	\$65,141,900	\$491,761,639	\$142,252,674	\$145,510,674	(70.4%)
Authorized Positions	N/A	N/A	N/A	N/A	N/A

General Fund Capital, Transfers, Reserves

Budget Reconciliation

(2023-2024 Adopted to 2024-2025 Proposed)

	Positions	General Fund (\$)
Prior Year Budget (2023-2024):	0.00	491,761,639
Base Adjustments		
One-Time Prior Year Expenditures Deleted		
• Capital Contributions: Rebudgets		(34,131,000)
• Capital Contributions: 280 Almaden Ave Beautification Improvement Project		(1,850,000)
• Capital Contributions: 911 Call Center Fixtures, Furniture and Equipment		(3,665,000)
• Capital Contributions: African American Community Services Agency Upgrades		(80,695)
• Capital Contributions: Animal Care and Services - Various Improvements		(500,000)
• Capital Contributions: Center for Performing Arts Chiller, Cooling Tower, and Boilers Replacement		(7,600,000)
• Capital Contributions: Children's Discovery Museum - Curb and Walkway Rehabilitation		(350,000)
• Capital Contributions: City Facilities Security Enhancements		(1,000,000)
• Capital Contributions: City Facilities Seismic Shut-off Valves		(50,000)
• Capital Contributions: City Hall Backup Generator Switch Replacement		(100,000)
• Capital Contributions: City Hall Equipment Replacement		(100,000)
• Capital Contributions: Crosswalk and Safety Improvements at Blossom Hill and Leigh Avenue		(52,500)
• Capital Contributions: De Anza Park Restroom Renovation		(65,000)
• Capital Contributions: Electric Vehicle Site Assessment		(300,000)
• Capital Contributions: Electronic Smart Speed Radar Sign on Meridian Avenue		(12,500)
• Capital Contributions: Enhanced Crosswalk at Canoas Garden VTA Lot		(61,500)
• Capital Contributions: Fire Station 32 Furniture, Fixtures, & Equipment		(1,800,000)
• Capital Contributions: Fire Training Center Relocation		125,000
• Capital Contributions: Fleet Shop Improvements		(500,000)
• Capital Contributions: Hammer Theatre Center HVAC Condensing Unit Replacement		(28,000)
• Capital Contributions: Radar Display Signs on Payne Avenue		(36,000)
• Capital Contributions: Radio Service Monitors		(175,000)
• Capital Contributions: San José Museum of Art Cooling Tower Replacement		(2,850,000)
• Capital Contributions: The Tech Interactive Chiller and Cooling Tower Replacement		(1,200,000)
• Capital Contributions: Vietnamese Cultural Heritage Garden Enhancements		(50,000)
• Transfers to Other Funds: Vehicle Maintenance and Operations Fund (Vehicle Replacements)		(3,875,000)
• Transfers to Other Funds: Communications C&C Tax Fund (Radio Replacements)		250,000
• Earmarked Reserves: Rebudgets		(238,318,622)
• Earmarked Reserves: 2024-2025 Citywide Business Development Staffing Reserve		(173,712)
• Earmarked Reserves: Alum Rock Community Benefit Improvement District Reserve		(59,573)
• Earmarked Reserves: Animal Care and Services Foundation Reserve		(100,000)
• Earmarked Reserves: City Attorney's Office Outside Litigation Reserve		60,000
• Earmarked Reserves: IT Sinking Fund Reserve		(4,500,000)

General Fund Capital, Transfers, Reserves

Budget Reconciliation

(2023-2024 Adopted to 2024-2025 Proposed)

Base Adjustments	Positions	General Fund (\$)
One-Time Prior Year Expenditures Deleted		
• Earmarked Reserves: Measure E - 10% Homeless Prevention and Rental Assistance Reserve		0
• Earmarked Reserves: Measure E - 15% Homeless Support Programs Reserve		14,004,809
• Earmarked Reserves: Measure E - 30% Low-Income Households Reserve		(15,828,488)
• Earmarked Reserves: Measure E - 40% Extremely Low-Income Households Reserve		(28,321,577)
• Earmarked Reserves: Measure E - 5% Moderate-Income Households Reserve		(3,000,722)
• Earmarked Reserves: Measure E - Interim Housing Construction and Operations Reserve (15% HSP)		(13,145,500)
• Earmarked Reserves: Measure E - Interim Housing Maintenance Reserve (15% HSP)		(3,000,000)
• Earmarked Reserves: Police Department Sworn Backfill Reserve		(5,000,000)
• Earmarked Reserves: Salaries and Benefits Reserve		(24,257,591)
	0.00	(381,698,171)
Technical Adjustments to Costs of Ongoing Activities		
• Capital Contributions: Capital Program and Public Works Department Support Service Costs		8,000
• Transfers to Other Funds: Business Improvement District Fund		2,501
• Transfers to Other Funds: City Hall Debt Service Fund		38,189
• Transfers to Other Funds: Communications Construction and Conveyance Tax Fund		(750,000)
• Transfers to Other Funds: Downtown Property and Business Improvement District Fund		71,664
• Transfers to Other Funds: Local Sales Tax - Transfer to the Airport Revenue Fund (Jet Fuel)		100,000
• Transfers to Other Funds: Real Property Transfer Tax Fund		4,043,944
• Earmarked Reserves: Cultural Facilities Capital Maintenance Reserve		1,250,000
• Earmarked Reserves: Deferred Infrastructure and Maintenance Reserve		2,000,000
• Earmarked Reserves: Fire Equipment Replacement Sinking Fund Reserve		500,000
• Earmarked Reserves: Information Technology Sinking Fund Reserve		300,000
• Earmarked Reserves: New Fire Facilities Operations and Maintenance Reserve		60,000
• Earmarked Reserves: New Parks and Recreation Facilities Operations and Maintenance Reserve		247,000
• Earmarked Reserves: New Police Facilities Operations and Maintenance Reserve		101,000
• Earmarked Reserves: New Traffic Infrastructure Assets Operations and Maintenance Reserve		164,000
• Earmarked Reserves: Police Equipment Replacement Sinking Fund Reserve		1,000,000
• Earmarked Reserves: Police Staffing Addition Reserve		1,900,000
• Earmarked Reserves: Salaries and Benefits Reserve		18,152,908
• Contingency Reserve		3,000,000
	0.00	32,189,206
2024-2025 Forecast Base Budget:	0.00	142,252,674

General Fund Capital, Transfers, Reserves

Budget Reconciliation

(2023-2024 Adopted to 2024-2025 Proposed)

Budget Proposals Recommended	Positions	General Fund (\$)
Capital Contributions		
1. Capital Contributions: Animal Care and Services - Various Improvements		250,000
2. Capital Contributions: Fire Station 8 Furniture, Fixtures and Equipment		205,000
3. Capital Contributions: Fire Station 32 Furniture, Fixtures and Equipment		2,270,000
	0.00	2,725,000
Transfers to Other Funds		
1. Transfer to Vehicle Maintenance and Operations Fund		(200,000)
	0.00	(200,000)
Earmarked Reserves		
1. Earmarked Reserves: Deferred Infrastructure and Maintenance Reserve		(2,000,000)
2. Earmarked Reserves: Oversized Vehicle Regulation Reserve		1,500,000
3. Earmarked Reserves: Essential Services Reserve		2,000,000
4. Earmarked Reserves: Fire Equipment Replacement Sinking Fund Reserve		(395,000)
5. Earmarked Reserves: New Fire Facilities Operations and Maintenance Reserve		(60,000)
6. Earmarked Reserves: New Parks and Recreation Facilities Operations and Maintenance Reserve		(247,000)
7. Earmarked Reserves: New Police Facilities Operations and Maintenance Reserve		(101,000)
8. Earmarked Reserves: New Traffic Infrastructure Assets Operations and Maintenance Reserve		(164,000)
9. Earmarked Reserves: Police Department Sworn Backfill Reserve		3,000,000
10. Earmarked Reserves: Police Equipment Replacement Sinking Fund Reserve		(1,000,000)
11. Earmarked Reserves: Police Staffing Addition Reserve		(1,900,000)
12. Earmarked Reserves: Artificial Intelligence, Workforce, and Technology – SJSU (San José State University) Partnership Reserve		100,000
	0.00	733,000
Total Budget Proposals Recommended	0.00	3,258,000
2024-2025 Proposed Budget Total	0.00	145,510,674

General Fund Capital, Transfers, Reserves

Budget Changes by Expense Type

2024-2025 Proposed Budget Changes	Positions	General Fund (\$)
Capital Contributions		
1. Capital Contributions: Animal Care and Services - Various Improvements Improvement Project		250,000
<i>Strategic Support CSA</i>		
<p>This action adds one-time funding of \$250,000 for various improvement projects at the Animal Care and Services facility. Since 2016-2017, a total of \$1.9 million has been allocated, with \$1.6 million having been expended to date. The funding will support replacement of HVAC chillers and package units (\$150,000), new appliances such as sanitizers, dishwashers, washer/dryers, surgical vacuum system, and cadaver refrigerator (\$65,000), lighting control panel and LED retrofit throughout facility (\$25,000), and upgrading kennel door hardware (\$10,000). The improvements towards these projects will provide a safer environment for staff, animals, and the public at the Animal Care Center. (Ongoing costs: \$0)</p>		
2. Capital Contributions: Fire Station 8 Furniture, Fixtures and Equipment		205,000
<i>Public Safety CSA</i>		
<p>This action adds one-time funding of \$205,000 for the relocated Fire Station 8. Currently located on the Coyote Creek creekbank at East Santa Clara and 17th Street, Fire Station 8 is slated to move to a new facility at 601 East Santa Clara Street within District 3. This funding allocation will ensure the newly relocated station is well-equipped, providing fire personnel with essential resources like new kitchen and laundry appliances, office, dorms, day room and living room furniture, workout equipment, a fire station alerting system, and other necessary equipment. This cost is offset by partially liquidating the Fire Equipment Sinking Fund Reserve as further described in the Earmarked Reserves section. (Ongoing costs: \$0)</p>		
3. Capital Contributions: Fire Station 32 Furniture, Fixtures, & Equipment		2,270,000
<i>Public Safety CSA</i>		
<p>This action adds one-time funding of \$2,270,000 to partially cover the estimated \$2.8 million cost of a new fire truck for Fire Station 32, located in District 7. The remaining \$500,000 will be funded by the Fire Construction and Conveyance Tax Fund. Fire Station 32 is projected to be a dual company station and fully operationalized by January 2026. As a dual company station, there is a requirement of a Fire Truck and a Fire Engine. This investment follows an allocation of \$2.0 million in 2023-2024 for the procurement of a Type 1 Engine, emergency medical services equipment, and personal protective equipment. (Ongoing costs: \$0)</p>		
Subtotal Capital Contributions:	0.00	2,725,000

General Fund Capital, Transfers, Reserves

Budget Changes by Expense Type

2024-2025 Proposed Budget Changes	Positions	General Fund (\$)
Transfers to Other Funds		
1. Transfer to Other Funds: Transfer to Vehicle Maintenance and Operations Fund		(200,000)
<i>Strategic Support CSA</i>		
<p>As a cost reduction to help bring the General Fund into structural alignment, this action decreases the transfer from the General Fund to the Vehicle Maintenance and Operations Fund by \$200,000, from \$2.0 million to \$1.8 million, on an ongoing basis for general fleet replacement. The Vehicle Maintenance and Operations Fund is used to maintain and repair current fleet inventory of 2,763 vehicles, purchase replacement vehicles, parts, fuel, inventory, and fleet staff costs. This funding is primarily used to purchase new vehicles that meet the replacement criteria of 100,000 miles or 12 years for heavy trucks over 12,000 pounds in gross vehicle weight and 90,000 miles or eight years for general fleet vehicles under 12,000 pounds in gross vehicle weight. Depending on procurement timing, this action may delay the purchase of vehicles based on the latest inventory forecast. (Ongoing savings: \$200,000)</p>		
Subtotal Transfers to Other Funds:	0.00	(200,000)

General Fund Capital, Transfers, Reserves

Budget Changes by Expense Type

2024-2025 Proposed Budget Changes	Positions	General Fund (\$)
Earmarked Reserves		
1. Earmarked Reserves: Deferred Infrastructure and Maintenance Reserve		(2,000,000)
<i>Strategic Support CSA</i>		
This action liquidates the Deferred Infrastructure and Maintenance Reserve that was established in the 2025-2029 General Fund Forecast to be allocated to deferred maintenance and technology projects included as part of the 2024-2025 Proposed Budget. (Ongoing savings: \$0)		
2. Earmarked Reserves: Oversized Vehicle Regulation Reserve		1,500,000
<i>Transportation and Aviation Services CSA</i>		
As directed by the Mayor’s March Budget Message for Fiscal Year 2024-2025, as approved by the City Council, this action allocates \$1.5 million ongoing to establish the Oversized Vehicle Regulation Reserve. This funding source will allow the City to begin implementation of a regulatory program to address the impacts of oversized vehicles on City streets. Regulatory program elements may include an enhanced street cleaning program to allow for the establishment of temporary “Tow-Away” zones to perform cleaning and sweeping services in areas within the public rights-of-way particularly affected by oversized vehicle blight; assessing, establishing, and addressing the enforcement of prohibited “overnight” and “oversized” parking and implementing 150-ft setbacks for the City’s most impacted schools; and a program to potentially pay for RV tow liens and an RV buy-back and disposal program. The Administration will bring forward a Manager’s Budget Addendum that will recommend a specific program to be funded by the reserve. This reserve assumes that planning and implementation will begin effective September 2024. (Ongoing costs: \$1,800,000)		
3. Earmarked Reserves: Essential Services Reserve		2,000,000
<i>Strategic Support CSA</i>		
As directed in the Mayor’s March Budget Message for Fiscal Year 2024-2025, as approved by the City Council, this action establishes an Essential Services Reserve in the amount of \$2.0 million that will be used to support services that are of essential importance to our residents. Services deemed essential by the City Council will be funded with the use of these one-time funds. (Ongoing costs: \$0)		
4. Earmarked Reserves: Fire Equipment Sinking Fund Reserve		(395,000)
<i>Public Safety CSA</i>		
This action liquidates \$395,000 of the \$500,000 from the Fire Equipment Sinking Fund Reserve that was established in the 2025-2029 General Fund Forecast to be allocated for equipment replacement and upgrade initiatives as part of the 2045-2025 Proposed Budget. (Ongoing savings: \$0)		

General Fund Capital, Transfers, Reserves

Budget Changes by Expense Type

2024-2025 Proposed Budget Changes	Positions	General Fund (\$)
<p>5. Earmarked Reserves: New Fire Facilities Maintenance and Operations Reserve</p> <p><i>Public Safety CSA</i></p> <p>This action liquidates the New Fire Facilities Maintenance and Operations Reserve that was established in the 2025-2029 General Fund Forecast for projected operations and maintenance expenses of \$60,000 related to fire facilities. (Ongoing savings: \$86,000)</p>		(60,000)
<p>6. Earmarked Reserves: New Parks and Recreation Maintenance and Operations Reserve</p> <p><i>Neighborhood Services CSA</i></p> <p>This action liquidates the New Parks Infrastructure and Maintenance Reserve that was established in the 2025-2029 General Fund Forecast for projected operations and maintenance expenses of \$247,000 related to new and expanded parks and recreation facilities. (Ongoing savings: \$336,000)</p>		(247,000)
<p>7. Earmarked Reserves: New Police Facilities Maintenance and Operations Reserve</p> <p><i>Public Safety CSA</i></p> <p>This action liquidates the New Police Facilities Maintenance and Operations Reserve that was established in the 2025-2029 General Fund Forecast for projected operations and maintenance expenses of \$101,000 related to police facilities. (Ongoing savings: \$312,000)</p>		(101,000)
<p>8. Earmarked Reserves: New Traffic Infrastructure Assets Maintenance and Operations Reserve</p> <p><i>Transportation and Aviation CSA</i></p> <p>This action liquidates the New Traffic Infrastructure Assets Maintenance and Operations Reserve that was established in the 2025-2029 General Fund Forecast for projected operations and maintenance expenses of \$164,000 related to transportation projects included in the Traffic Capital Improvement Program, including new traffic signals and streetlights (including those installed by developers), landscaping, and other traffic infrastructure. These funds are allocated for operations and maintenance expenses in the Transportation Department. (Ongoing savings: \$175,000)</p>		(164,000)
<p>9. Earmarked Reserves: Police Department Sworn Backfill Reserve</p> <p><i>Public Safety CSA</i></p> <p>This action establishes one-time funding of \$3.0 million for a Police Department Sworn Backfill Reserve to provide overtime funding as needed to ensure patrol services experience minimal disruption while sworn position vacancies are being filled. The funding can be accessed once vacancies drop to a level where overtime expenditures cannot be absorbed by vacancy savings. (Ongoing costs: \$0)</p>		3,000,000

General Fund Capital, Transfers, Reserves

Budget Changes by Expense Type

2024-2025 Proposed Budget Changes	Positions	General Fund (\$)
<p>10. Earmarked Reserves: Police Equipment Replacement Sinking Fund Reserve</p> <p><i>Public Safety CSA</i></p> <p>This action liquidates the Police Equipment Replacement Sinking Fund Reserve that was established in the 2025-2029 General Fund Forecast to be allocated for equipment replacement and upgrade initiatives included as part of the 2024-2025 Proposed Budget. (Ongoing savings: \$0)</p>		(1,000,000)
<p>11. Earmarked Reserves: Police Staffing Addition Reserve</p> <p><i>Public Safety CSA</i></p> <p>This action liquidates the Police Staffing Reserve that was established in the 2025-2029 General Fund Forecast that was originally allocated for the planned addition of police sworn and civilian personnel in the 2024-2025 Proposed Budget. Given the current budgetary forecast for the General Fund, the annual addition of up to 15.0 positions in the Police Department annually will be paused as the Department has approximately 100 sworn vacancies. The City will need to first fill the vacant sworn positions before adding more staff. Furthermore, the action is consistent with prior City Council direction in Manager’s Budget Addendum #41 approved as part of the 2022-2023 Adopted Operating Budget, the cost of any new positions assumed in the Base Budget would only be brought forward for City Council considered if the additional ongoing expense would not impact other basic City Services. Given both the level of vacancies and the General Fund structural or service level shortfall, a pause in staffing adds is warranted. Police Department staffing additions will be recommended to resume once vacancy levels drop and General Fund resource capacity improves. (Ongoing savings: \$4.5 million)</p>		(1,900,000)
<p>12. Earmarked Reserves: Artificial Intelligence, Workforce, and Technology – SJSU (San José State University) Partnership Reserve</p> <p><i>Neighborhood Services CSA</i></p> <p>As directed by the Mayor’s March Budget Message for Fiscal Year 2024-2025, as approved by the City Council, this action establishes the Artificial Intelligence (AI), Workforce, and Technology SJSU Partnership Reserve in the amount of \$100,000 for the purpose of an AI Pilot for Civic and Social Good. The City and SJSU expect to work together to develop a large, joint grant proposal to invest in and transform San José and its downtown. One concept is a co-working space for aspiring technologists at Dr. Martin Luther King, Jr. Library (MLK Library). Paired with a matching \$100,000 investment by SJSU, placing the City-funded \$100,000 amount in a one-time reserve allows time for project development and implementation in accordance with the Joint Operating Agreement between the City and SJSU for ownership and operations of MLK Library. Staff will return to City Council with coordinated and agreed plans for the use of the funds once a project is defined and agreed to by both the City and SJSU. Based on past construction and project costs at MLK Library, \$200,000 is insufficient for significant building/space improvements. The City and SJSU will size and develop options for resourcing any project(s) proposed. (Ongoing costs: \$0)</p>		100,000
Subtotal Earmarked Reserves:	0.00	733,000
2024-2025 Proposed Budget Changes Total	0.00	3,258,000

General Fund Capital, Transfers, Reserves

Expense Type: Capital Contributions

Detail of Costs Description

Capital Contributions	2022-2023 Actuals	2023-2024 Adopted	2024-2025 Forecast	2024-2025 Proposed
Community and Economic Development CSA				
Parks & Community Facilities Dev. Capital Program				
Fire Training Center Relocation	27,489	0	0	0
Total Parks & Community Fac. Dev. Capital Pgm.	\$27,489			
Total Neighborhood Services CSA	\$27,489			
 Neighborhood Services CSA				
Parks & Community Facilities Dev. Capital Program				
Vietnamese Heritage Garden Enhancements	0	50,000	0	0
De Anza Park Restroom Renovation	0	65,000	0	0
Almaden Winery Building Fundraising Feasibility Study	0	50,000	0	0
Alum Rock Park Playground Renovation	0	207,000	0	0
Canoas Park Playground Renovation	0	207,000	0	0
Chris Hotts Park Playground Renovation	0	206,000	0	0
De Anza Park Playground Renovation	0	206,000	0	0
Guadalupe River Park Improvements	32,198	0	0	0
Happy Hollow Park and Zoo Exhibit Improvements	113,554	0	0	0
La Ragione Playground Renovation	157,092	46,000	0	0
Meadowfair Park Master Plan	149,316	0	0	0
Park Furniture Improvements	4,477	0	0	0
Parks Rehabilitation Strike and Capital Infrastructure Team	(20,527)	0	0	0
Police Athletic League Stadium Master Plan	0	400,000	0	0
Police Athletic League Stadium Turf Replacement	42,605	2,775,000	0	0
Ramac Park Turf Replacement	476,521	0	0	0
Re-Use Facilities Improvements	231,025	266,000	0	0
Vietnamese American Cultural Center Improvements	0	50,000	0	0
Vietnamese-American Cultural Center Playground Renovation	0	191,000	0	0
Thank You Monument	163,600	0	0	0
Guadalupe River Park Ranger Station Rehabilitation	58,639	56,000	0	0
Glenview Park Expansion	21,055	34,000	0	0
TJ Martin and Jeffrey Fontanan Park Turf Replacement	0	20,000	0	0
Vehicle Prevention Program	107,693	765,000	0	0
Alviso Community Garden Irrigation	24,778	0	0	0
Emma Prusch Electrical and Infrastructure Upgrades	0	100,000	0	0
Capital Program and Public Works Department Support Service Costs	2,483	0	0	0
Alviso Park Improvements	30,352	181,000	0	0
Agnews Property Development	0	200,000	0	0
Total Parks & Community Fac. Dev. Capital Pgm.	\$1,594,863	\$6,075,000	\$0	\$0
Total Neighborhood Services CSA	\$1,594,863	\$6,075,000	\$0	\$0

Public Safety CSA

General Fund Capital, Transfers, Reserves

Expense Type: Capital Contributions

Detail of Costs Description

	2022-2023 Actuals	2023-2024 Adopted	2024-2025 Forecast	2024-2025 Proposed
Capital Contributions				
Public Safety Capital Program				
Fire Station 8 Furniture, Fixtures, and Equipment	0	0	0	205,000
Fire Station 32 FF&E	0	1,800,000	0	2,270,000
911 Call Center Upgrades FF&E (PD)	0	3,665,000	0	0
Fire Training Center Relocation	2,142,166	1,375,000	0	0
Emergency Operations Center Relocation	0	300,000	0	0
Fire Apparatus Replacement	658,786	11,537,000	3,750,000	3,750,000
Total Public Safety Capital Program	\$2,800,952	\$18,677,000	\$3,750,000	\$6,225,000
Total Public Safety CSA	\$2,800,952	\$18,677,000	\$3,750,000	\$6,225,000
Transportation & Aviation Services CSA				
Traffic Capital Program				
Electronic Smart Speed Radar Sign on Meridian Ave	0	12,500	0	0
Crosswalk and Safety Improvements on Blossom Hill and Leigh Ave	0	52,500	0	0
Enhanced Crosswalk at Canoas Garden VTA Lot	0	61,500	0	0
Radar Display Signs on Payne Ave	0	36,000	0	0
Branham Lane Vision Zero Quick Build Projects	33,000	0	0	0
Council District 3 Traffic Calming Enhancements	17,422	73,000	0	0
Council District 6 Traffic Calming Enhancements	28,639	60,000	0	0
Steven's Creek Corridor Vision Study	50,000	0	0	0
Monterey Road and Valleyhaven Way Traffic Signal Design	47,637	0	0	0
Thornwood Drive Safety Improvements	47,438	0	0	0
Naglee Avenue and Dana Avenue Traffic Signal	0	100,000	0	0
Canoas Garden Avenue Crosswalk	99,189	16,000	0	0
Monterey Road Transit Study	80,183	0	0	0
Vision Zero: Data-Driven Safety Improvements	1,573	17,000	0	0
Soundwall at the Bernal Way Terminus	14,992	11,000	0	0
Branham and Monterey Sideshow Deterrents	50,000	0	0	0
Cropley Avenue Crosswalk	0	25,000	0	0
Downtown Neighborhoods Traffic Calming	72,570	50,000	0	0
Kooser Road Crosswalk	12,226	99,000	0	0
Monterey Road Wildlife Corridor Improvements	0	100,000	0	0
Sideshow Mitigation in District 10	8,352	75,000	0	0
Capital Program and Public Works Department Support Service Costs	6	0	0	0
Pavement Maintenance Program	647,306	0	0	0
Total Traffic Capital Program	\$1,210,531	\$788,500	\$0	\$0
Total Transportation & Aviation Services CSA	\$1,210,531	\$788,500	\$0	\$0
Strategic Support CSA				
Municipal Improvements Capital Program				
The Tech Interactive Chiller and Cooling Tower Replacement	0	1,200,000	0	0
San José Museum of Art Cooling Tower Replacement	0	2,850,000	0	0

General Fund Capital, Transfers, Reserves

Expense Type: Capital Contributions

Detail of Costs Description

Capital Contributions	2022-2023 Actuals	2023-2024 Adopted	2024-2025 Forecast	2024-2025 Proposed
Electric Vehicle Charging Site Assessment	0	300,000	0	0
City Hall Backup Generator Switch Replacement City Hall Equipment Replacement	0	100,000	0	0
City Hall Equipment Replacement	0	100,000	0	0
City Facilities Security Enhancements	0	1,000,000	0	0
Center for Performing Arts Chiller, Cooling Tower, and Boilers Replacement	0	7,600,000	0	0
Fleet Shop Improvements	0	500,000	0	0
Radio Service Monitors	0	175,000	0	0
Children's Discovery Museum - Curb and Walkway Rehabilitation	0	350,000	0	0
280 Almaden Ave Beautification Improvement Project	53,540	2,150,000	0	0
City Hall Office Renovation	62,784	520,000	0	0
City Hall Network Operations Center - Electrical Switch Replacement	377,146	320,000	0	0
Hammer Theatre Center HVAC Controls	0	0	0	0
Police Administration Building Boiler and Chiller Replacement	0	870,000	0	0
San José Museum of Art HVAC Controls Upgrades	1,574	8,000	0	0
Closed Landfill Compliance	709,112	2,550,000	450,000	450,000
African American Community Services Agency Upgrades	0	188,695	0	0
Children's Discovery Museum Air Handler Unit Replacement	87,000	0	0	0
Fire Training Center Environmental Monitoring	46,832	58,000	0	0
City Hall Antenna and Rotunda Audio	0	300,000	0	0
City Hall Fire Alarm Upgrade	0	100,000	0	0
City Hall Security Upgrades	15,483	890,000	0	0
Hammer Theatre Center Chiller Replacement	27,904	0	0	0
Local Sales Tax - PAB/PCC Phase I Elevator Modernization	339,009	20,000	0	0
PAB/PAC Phase I Elevator Modernization	17,723	0	0	0
Fire Training Center Relocation	11,474,599	0	0	0
Emergency Power Generation for City Facilities	115,091	850,000	0	0
The Tech Interactive Fire Alarm System	964,955	100,000	0	0
Children's Discovery Museum Elevator System	92,692	280,000	0	0
History San José High-Priority Capital Improvements	0	80,000	0	0
History San José ADA Compliance	15,883	360,000	0	0
Mexican Heritage Plaza Patio	41,195	0	0	0
Hammer Theatre Center Improvements	38,024	90,000	0	0
Electric Vehicles Charging Stations for Police Hybrid-Electric Vehicles	0	204,000	0	0
South Yard Fence Replacement	0	177,000	0	0
Remote Sensing Equipment for Generators	4,794	122,000	0	0
Monterey Road and Valleyhaven Way Traffic Signal Design	(212)	0	0	0
4th Street Garage Fire Pump Replacement	0	233,000	0	0
PAB Fire Protection System	0	300,000	0	0
Emergency Operations Center Relocation	810,111	0	0	0
Ice Centre Expansion Project	248,722	0	0	0

General Fund Capital, Transfers, Reserves

Expense Type: Capital Contributions

Detail of Costs Description

Capital Contributions	2022-2023 Actuals	2023-2024 Adopted	2024-2025 Forecast	2024-2025 Proposed
Animal Care and Services Water Softener Replacement	80,000	0	0	0
Children's Discovery Museum Pavement Repairs	13,873	31,000	0	0
Hammer Theatre Center Boiler Replacement	0	77,000	0	0
Hammer Theatre Center Fire Detection Alarm and Devices Design	2,957	394,000	0	0
Hammer Theatre Center Roofing	5,162	40,000	0	0
History San José Miscellaneous Repairs	27,748	350,000	0	0
San José Museum of Art Door and Window Improvement	43,830	180,000	0	0
San José Museum of Art Server Room Upgrade	48,557	0	0	0
Cultural Facilities Condition Assessment	30,357	90,000	0	0
Recovery Foundation & Drive to Digital - AV Upgrades to Chambers & Committee Rms	738,654	170,000	0	0
Downtown Neighborhoods Traffic Calming	1,168	0	0	0
Hammer Theatre Center HVAC Condensing Unit Replacement	0	168,000	0	0
The Tech Interactive Skylight Replacement	8,541	85,000	0	0
Old Fire Training Center Environmental Cleanup	0	200,000	0	0
Police Administration Building Gate Improvements	0	200,000	0	0
City Hall Garage Pump Replacement	0	100,000	0	0
San Jose Municipal Stadium LED Lighting	800,000	0	0	0
City Hall Carpet Replacement	0	650,000	0	0
City Hall Exterior Restoration	0	300,000	0	0
Municipal Garage Ceiling Repair and Light Upgrades	0	150,000	0	0
City Facilities Seismic Shut-off Valves	99,783	50,000	0	0
City Hall Rehabilitation Projects	194,706	1,095,000	0	0
Unanticipated/Emergency Maintenance	1,726,164	1,250,000	1,250,000	1,250,000
City Hall Audio/Visual Upgrade	96,896	110,000	0	0
Police Administration Building Fencing - Employee Parking Lot Perimeter	6,884	0	0	0
Arc Flash Hazard Analysis	102,600	0	0	0
Capital Program and Public Works Department Support Service Costs	95,878	82,000	90,000	90,000
Arena Repairs	349,860	100,000	100,000	100,000
City Hall and Police Communications Uninterrupted Power Supply Cap. Maint.	77,121	200,000	200,000	200,000
Police Communications Emergency Uninterrupted Power Supply	210,313	20,000	0	0
City Hall Waterproofing	11,651	900,000	0	0
Police Communications Center Elevator Retrofit	0	230,000	0	0
Hammer Theatre Center Upgrades	105,375	106,000	0	0
East Side Union High School District Community Wireless Network Project	74,375	0	0	0
Animal Care and Services - Various Improvements	562,847	630,000	0	250,000
Children's Discovery Museum Skylight Replacement	77,101	170,000	0	0
City Hall HVAC Control System Replacement	239,962	20,000	0	0
Hammer Theatre Miscellaneous HVAC & Electrical Upgrades	9,306	130,000	0	0
San José Municipal Stadium Improvements	5,768	0	0	0
The Tech Interactive Controls Module Improvements	306,026	3,400,000	0	0

General Fund Capital, Transfers, Reserves

Expense Type: Capital Contributions

Detail of Costs Description

	2022-2023 Actuals	2023-2024 Adopted	2024-2025 Forecast	2024-2025 Proposed
Capital Contributions				
Family-Friendly City Facilities (General Fund)	0	100,000	0	0
Total Municipal Improvements Capital Program	\$21,697,425	\$36,723,695	\$2,090,000	\$2,340,000
Total Strategic Support CSA	\$21,697,425	\$36,723,695	\$2,090,000	\$2,340,000
TOTAL CAPITAL CONTRIBUTIONS	\$27,331,261	\$62,264,195	\$5,840,000	\$8,565,000

General Fund Capital, Transfers, Reserves

Expense Type: Transfers to Other Funds

Detail of Costs Description

	2022-2023 Actuals	2023-2024 Adopted	2024-2025 Forecast	2024-2025 Proposed
Transfers to Other Funds				
<i>Community and Economic Development CSA</i>				
Transfer to the Business Improvement District Fund	12,618	12,637	15,138	15,138
Transfer to the Real Property Transfer Tax Fund	0	0	4,043,944	4,043,944
Transfer to the San José Arena Capital Reserve Fund	2,300,000	2,300,000	2,300,000	2,300,000
<i>Total Community and Economic Development CSA</i>	\$2,312,618	\$2,312,637	\$6,359,082	\$6,359,082
<i>Transportation and Aviation Services CSA</i>				
Local Sales Tax - Transfer to the Airport Revenue Fund (Jet Fuel)	702,034	400,000	500,000	500,000
Transfer to the Downtown Property and Business Improvement District Fund	1,044,854	1,252,305	1,323,969	1,323,969
Transfer to the Maint. District No. 11 (Brokaw - Junction to Old Oakland) Fund	6,354	6,354	6,354	6,354
Transfer to the Maint. District No. 20 (Renaissance - N. First Landscaping) Fund	21,461	21,461	21,461	21,461
Transfer to the Maint. District No. 21 (Gateway Place - Airport Parkway) Fund	8,996	8,996	8,996	8,996
Transfer to the Maint. District No. 22 (Hellyer - Silver Creek Valley) Fund	35,223	35,223	35,223	35,223
Transfer to the Maintenance District No. 15 (Silver Creek Valley) Fund	16,636	16,636	16,636	16,636
Transfer to the Maintenance District No. 19 (River Oaks Area Landscaping) Fund	6,195	6,195	6,195	6,195
Transfer to the Maintenance District No. 2 (Trade Zone Blvd. - Lundy Ave.) Fund	2,408	2,408	2,408	2,408
Transfer to the Maintenance District No. 8 (Zanker - Montague) Fund	2,353	2,353	2,353	2,353
Transfer to the Maintenance District No. 9 (Santa Teresa - Great Oaks) Fund	23,480	23,480	23,480	23,480
<i>Total Transportation and Aviation Services CSA</i>	\$1,869,994	\$1,775,411	\$1,947,075	\$1,947,075
<i>Strategic Support CSA</i>				
Transfer to the City Hall Debt Service Fund	16,188,376	0	0	0
Transfer to the Vehicle Maintenance and Operations Fund	1,660,000	5,875,000	2,000,000	1,800,000
Transfer to the Communications Construction and Conveyance Tax Fund	4,000,000	2,750,000	2,250,000	2,250,000
Transfer to the Emergency Reserve Fund	8,000,000	0	0	0
Transfer to the City Hall Debt Service Fund	3,779,651	17,693,420	17,731,609	17,731,609
<i>Total Strategic Support CSA</i>	\$33,628,027	\$26,318,420	\$21,981,609	\$21,781,609
TOTAL TRANSFERS TO OTHER FUNDS	\$37,810,639	\$30,406,468	\$30,287,766	\$30,087,766

General Fund Capital, Transfers, Reserves

Expense Type: Earmarked Reserves

Detail of Costs Description

Earmarked Reserves	2022-2023 Actuals	2023-2024 Adopted	2024-2025 Base Budget	2024-2025 Proposed	Type of Reserve*
Community and Economic Development CSA					
2024-2025 Citywide Business Development Staffing Reserve		173,712	0	0	C
Alum Rock Community Benefit Improvement District Reserve		59,573	0	0	C
Berryessa Flea Market Vendor Business Transition Fund Reserve		1,875,000	0	0	B
Code Enforcement Permit System Reserve		2,758,000	0	0	B
Development Fee Program Technology Reserve		570,000	0	0	B
Google Parking Lots Option Payment Reserve		3,800,000	0	0	B
Measure E - 10% Homeless Prevention and Rental Assistance Reserve		2,712,628	0	0	B
Measure E - 30% Low-Income Households Reserve		44,263,621	0	0	B
Measure E - 40% Extremely Low-Income Households Reserve		43,553,478	0	0	B
Measure E - 5% Moderate-Income Households Reserve		4,708,416	0	0	B
Measure E - Interim Housing Construction and Operations Reserve (15% HSP)		13,145,500	0	0	B
Total Community and Economic Development CSA	N/A	\$117,619,928	\$0	\$0	
Environmental and Utility Services CSA					
Low-Income Household Water Assistance Payment Program Reserve		300,000	0	0	C
Total Environmental and Utility Services CSA	N/A	\$300,000	\$0	\$0	
Neighborhood Services CSA					
Artificial Intelligence, Workforce, and Technology - SJSU Partnership		0	0	100,000	C
Artificial Turf Capital Replacement Reserve		3,848,457	450,000	450,000	C
New Parks and Recreation Facilities Operations and Maintenance Reserve		0	247,000	0	C
Total Neighborhood Services CSA	N/A	\$3,848,457	\$697,000	\$550,000	
Public Safety CSA					
Fire Equipment Replacement Sinking Fund Reserve		0	500,000	105,000	C
New Fire Facilities Operations and Maintenance Reserve		0	60,000	0	C
New Police Facilities Operations and Maintenance Reserve		0	101,000	0	C
Police Department Sworn Backfill Reserve		5,000,000	0	3,000,000	C
Police Equipment Replacement Sinking Fund Reserve		0	1,000,000	0	C
Police Redistricting Implementation Reserve		1,000,000	0	0	C
Police Staffing Reserve		0	1,900,000	0	C
Total Public Safety CSA	N/A	\$6,000,000	\$3,561,000	\$3,105,000	
Transportation and Aviation Services CSA					
Creative Center for the Arts Parking Reserve		750,000	0	0	C
Enhancement Street Sweeping Program Reserve		0	0	1,500,000	C
New Traffic Infrastructure Assets Operations and Maintenance Reserve		0	164,000	0	C
Total Transportation and Aviation Services CSA	N/A	\$750,000	\$164,000	\$1,500,000	

General Fund Capital, Transfers, Reserves

Expense Type: Earmarked Reserves

Detail of Costs Description

Earmarked Reserves	2022-2023 Actuals	2023-2024 Adopted	2024-2025 Base Budget	2024-2025 Proposed	Type of Reserve*
Strategic Support CSA					
Animal Care and Services Foundation Reserve		100,000	0	0	C
Budget Stabilization Reserve		61,000,000	0	0	A
City Attorney's Office Outside Litigation Reserve		490,000	0	0	C
Community and Economic Recovery Reserve		10,150,000	0	0	C
Cultural Facilities Capital Maintenance Reserve		0	1,250,000	1,250,000	C
Deferred Infrastructure and Maintenance Reserve		0	2,000,000	0	C
Essential Services Reserve		0	0	2,000,000	C
FEMA Non-Reimbursable Expenses Reserve		2,000,000	0	0	A
IT Sinking Fund Reserve		11,000,000	300,000	300,000	C
Measure E - Interim Housing Maintenance Reserve (15% HSP)		3,000,000	0	0	C
Office of Equality Assurance Labor Compliance System Reserve		550,000	0	0	C
Pension Obligation Bonds Consulting Services Reserve		25,000	0	0	C
Revenue Loss Reserve		90,000,000	30,000,000	30,000,000	A
Salaries and Benefits Reserve		29,257,591	18,152,908	18,152,908	A,C
Sick Leave Payments Upon Retirement Reserve		1,000,000	0	0	C
Workers Compensation / General Liability Catastrophic Reserve		15,000,000	0	0	A
Total Strategic Support CSA		\$223,572,591	\$51,702,908	\$51,702,908	
TOTAL EARMARKED RESERVES	N/A	\$352,090,976	\$56,124,908	\$56,857,908	

* Type of Reserve:

A: Contingency/Safety Net Reserve (set aside to address unanticipated circumstances arising from financial and/or public emergencies, to provide budget stability, and to address particular risks associated with potential claims against the City).

B: Restricted Reserve (set aside for a specified purpose from a restricted funding source).

C: Programmatic Reserve (set aside to deliver a particular program/project; many are multi-year projects).

General Fund Capital, Transfers, Reserves

Expense Type: Contingency Reserve

Detail of Costs Description

Contingency Reserve	2022-2023 Actuals	2023-2024 Adopted	2024-2025 Forecast	2024-2025 Proposed	Type of Reserve*
Strategic Support CSA					
Contingency Reserve	N/A	47,000,000	50,000,000	50,000,000	A
Total Strategic Support CSA	N/A	\$47,000,000	\$50,000,000	\$50,000,000	
TOTAL CONTINGENCY RESERVE	N/A	\$47,000,000	\$50,000,000	\$50,000,000	

* Type of Reserve:

A: Contingency/Safety Net Reserve (set aside to address unanticipated circumstances arising from financial and/or public emergencies, to provide budget stability, and to address particular risks associated with potential claims against the City).

B: Restricted Reserve (set aside for a specified purpose from a restricted funding source).

C: Programmatic Reserve (set aside to deliver a particular program/project; many are multi-year projects).

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Affordable Housing Impact Fee Fund (452)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Housing Project Reserve (Source)	2,800,000	0	0	0	4,000,000
Unrestricted Beginning Fund Balance (Source)	11,637,045	15,001,355	13,310,578	13,310,578	519,050
Total Beginning Fund Balance	14,437,045	15,001,355	13,310,578	13,310,578	4,519,050
Revenue from the Use of Money/Property					
Interest	272,237	40,000	40,000	250,000	250,000
Total Revenue from the Use of Money/Property	272,237	40,000	40,000	250,000	250,000
Fees, Rates, and Charges					
Affordable Housing Impact Fee	4,236,986	1,000,000	1,000,000	0	0
Total Fees, Rates, and Charges	4,236,986	1,000,000	1,000,000	0	0
TOTAL SOURCE OF FUNDS	18,946,268	16,041,355	14,350,578	13,560,578	4,769,050
USE OF FUNDS					
Expenditures					
Housing Loans and Grants	5,400,000	10,223,101	8,814,091	8,814,091	0
Housing Personal Services	179,632	189,859	197,830	197,830	105,704
Overhead	56,058	24,317	24,317	24,317	13,605
Total Expenditures	5,635,690	10,437,277	9,036,238	9,036,238	119,309
Transfers					
Transfer to the City Hall Debt Service Fund	0	5,290	5,290	5,290	5,223
Total Transfers	0	5,290	5,290	5,290	5,223
Ending Fund Balance					
Housing Project Reserve (Use)	0	5,000,000	5,000,000	4,000,000	4,000,000
Unrestricted Ending Fund Balance (Use)	13,310,578	598,788	309,050	519,050	644,518
Total Ending Fund Balance	13,310,578	5,598,788	5,309,050	4,519,050	4,644,518
TOTAL USE OF FUNDS	18,946,268	16,041,355	14,350,578	13,560,578	4,769,050

* Actuals may not subtotal due to rounding.

Airport Customer Facility And Transportation Fee Fund (519)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Debt Service Coverage Reserve (Source)	1,991,666	2,249,427	2,249,427	2,249,427	2,498,780
Future Debt Service Reserve (Source)	7,769,994	12,445,979	13,779,199	13,779,199	18,920,034
Reserve for Encumbrances (Source)	697,887	697,886	276,473	276,473	276,473
Total Beginning Fund Balance	10,459,547	15,393,292	16,305,099	16,305,099	21,695,287
Revenue from the Use of Money/Property					
Interest	258,195	217,849	217,849	393,249	524,432
Total Revenue from the Use of Money/Property	258,195	217,849	217,849	393,249	524,432
Fees, Rates, and Charges					
Customer Transport Fee	16,489,951	17,306,765	17,306,765	17,333,020	17,927,888
Total Fees, Rates, and Charges	16,489,951	17,306,765	17,306,765	17,333,020	17,927,888
Other Revenue					
Miscellaneous	6,836	0	0	0	0
Total Other Revenue	6,836	0	0	0	0
TOTAL SOURCE OF FUNDS	27,214,529	32,917,906	33,829,713	34,031,368	40,147,607
USE OF FUNDS					
Expenditures					
Airport Non-Personal/Equipment	1,910,256	2,229,460	2,229,460	2,229,460	2,227,233
CFC Audit	2,124	11,500	11,500	11,500	11,500
Operations Contingency	0	100,000	100,000	100,000	100,000
Total Expenditures	1,912,381	2,340,960	2,340,960	2,340,960	2,338,733
Transfers					
Transfer to the Airport Fiscal Agent Fund	8,997,049	9,995,121	9,995,121	9,995,121	11,999,126
Total Transfers	8,997,049	9,995,121	9,995,121	9,995,121	11,999,126
Ending Fund Balance					
Debt Service Coverage Reserve (Use)	2,249,427	2,498,780	2,498,780	2,498,780	2,999,782
Future Debt Service Reserve (Use)	13,779,199	17,385,159	18,718,379	18,920,034	22,533,493
Reserve for Encumbrances (Use)	276,473	697,886	276,473	276,473	276,473
Total Ending Fund Balance	16,305,099	20,581,825	21,493,632	21,695,287	25,809,748
TOTAL USE OF FUNDS	27,214,529	32,917,906	33,829,713	34,031,368	40,147,607

* Actuals may not subtotal due to rounding.

Airport Fiscal Agent Fund (525)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Debt Service Reserve (Source)	72,157,356	74,322,626	74,178,171	74,178,171	77,478,594
Total Beginning Fund Balance	<u>72,157,356</u>	<u>74,322,626</u>	<u>74,178,171</u>	<u>74,178,171</u>	<u>77,478,594</u>
Revenue from the Use of Money/Property					
Interest	2,103,121	2,500,000	2,500,000	3,800,000	3,779,000
Total Revenue from the Use of Money/Property	<u>2,103,121</u>	<u>2,500,000</u>	<u>2,500,000</u>	<u>3,800,000</u>	<u>3,779,000</u>
Transfers					
Airport Customer Facility and Transportation Fee Fund	8,997,049	9,995,121	9,995,121	9,995,121	11,999,126
Airport Passenger Facility Charge Fund	13,640,003	23,072,000	23,072,000	23,072,000	22,743,000
Airport Revenue Fund	24,760,495	36,338,083	36,338,083	36,338,083	36,667,321
Total Transfers	<u>47,397,547</u>	<u>69,405,204</u>	<u>69,405,204</u>	<u>69,405,204</u>	<u>71,409,447</u>
TOTAL SOURCE OF FUNDS	<u>121,658,024</u>	<u>146,227,830</u>	<u>146,083,375</u>	<u>147,383,375</u>	<u>152,667,041</u>
USE OF FUNDS					
Expenditures					
Principal and Interest Payments	47,479,853	69,404,781	69,404,781	69,404,781	71,409,236
Total Expenditures	<u>47,479,853</u>	<u>69,404,781</u>	<u>69,404,781</u>	<u>69,404,781</u>	<u>71,409,236</u>
Transfers					
Transfer to the Airport Revenue Fund	0	500,000	500,000	500,000	1,152,000
Total Transfers	<u>0</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>1,152,000</u>
Ending Fund Balance					
Debt Service Reserve (Use)	74,178,171	76,323,049	76,178,594	77,478,594	80,105,805
Total Ending Fund Balance	<u>74,178,171</u>	<u>76,323,049</u>	<u>76,178,594</u>	<u>77,478,594</u>	<u>80,105,805</u>
TOTAL USE OF FUNDS	<u>121,658,024</u>	<u>146,227,830</u>	<u>146,083,375</u>	<u>147,383,375</u>	<u>152,667,041</u>

* Actuals may not subtotal due to rounding.

Airport Maintenance And Operation Fund (523)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Master Trust Agreement Reserve (Source)	20,825,576	26,011,327	23,922,800	23,922,800	26,368,090
Reserve for Encumbrances (Source)	13,352,540	13,352,540	10,045,000	10,045,000	10,045,000
Workers' Compensation Claims Reserve (Source)	2,288,883	2,288,883	2,140,187	2,140,187	2,140,187
Total Beginning Fund Balance	36,466,999	41,652,750	36,107,987	36,107,987	38,553,277
Transfers					
Airport Revenue Fund	108,740,006	127,240,797	127,240,797	127,240,797	142,602,185
Total Transfers	108,740,006	127,240,797	127,240,797	127,240,797	142,602,185
TOTAL SOURCE OF FUNDS	145,207,005	168,893,547	163,348,784	163,348,784	181,155,462
USE OF FUNDS					
Expenditures					
Airline Reserve Funds Distribution	5,077,232	0	0	0	0
Airport Non-Personal/Equipment	43,535,613	54,811,767	54,811,767	54,811,767	59,549,251
Airport Personal Services	36,929,186	41,118,941	42,367,147	42,367,147	44,808,277
Annual Audit	69,837	83,033	83,033	83,033	83,033
City Attorney Non-Personal/Equipment	2,474	4,000	4,000	4,000	4,000
City Attorney Personal Services	651,542	830,772	854,000	854,000	721,962
City Manager Non-Personal/Equipment	24,500	24,500	24,500	24,500	24,500
ITD Non-Personal/Equipment	5,042	7,686	7,686	7,686	7,686
ITD Personal Services	31,682	29,593	30,864	30,864	32,568
Operations Contingency	0	1,808,129	520,662	520,662	1,500,000
Overhead	3,622,387	5,205,653	5,205,653	5,205,653	6,751,624
PBCE Personal Services	48,390	75,203	76,847	76,847	88,540
Police Personal Services	111,761	112,868	117,749	117,749	128,673
PRNS Personal Services	1,115	60,102	60,102	60,102	65,260
PW Non-Personal/Equipment	8,092	14,000	14,000	14,000	14,000
PW Personal Services	105,496	192,105	200,342	200,342	221,315
Workers' Compensation Claims	292,133	633,500	633,500	633,500	633,500
Total Expenditures	90,516,482	105,011,852	105,011,852	105,011,852	114,634,189
Transfers					
Transfer to the General Fund	156,928	0	0	0	0
Transfer to the General Fund - Aircraft Rescue/Fire Fighting Services	8,286,269	8,911,639	8,911,639	8,911,639	9,323,537
Transfer to the General Fund - Police Services	10,139,339	10,872,016	10,872,016	10,872,016	11,348,333
Total Transfers	18,582,536	19,783,655	19,783,655	19,783,655	20,671,870
Ending Fund Balance					
Master Trust Agreement Reserve (Use)	23,922,800	28,456,617	26,368,090	26,368,090	33,664,216
Reserve for Encumbrances (Use)	10,045,000	13,352,540	10,045,000	10,045,000	10,045,000
Workers' Compensation Claim Reserve (Use)	2,140,187	2,288,883	2,140,187	2,140,187	2,140,187
Total Ending Fund Balance	36,107,987	44,098,040	38,553,277	38,553,277	45,849,403
TOTAL USE OF FUNDS	145,207,005	168,893,547	163,348,784	163,348,784	181,155,462

* Actuals may not subtotal due to rounding.

Airport Revenue Fund (521)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Airline Agreement Reserve (Source)	109,365,539	113,382,910	112,685,165	112,685,165	118,524,087
Total Beginning Fund Balance	<u>109,365,539</u>	<u>113,382,910</u>	<u>112,685,165</u>	<u>112,685,165</u>	<u>118,524,087</u>
Revenue from Federal Government					
American Rescue Plan Act	28,910,633	20,000,000	20,000,000	10,000,000	10,000,000
Total Revenue from Federal Government	<u>28,910,633</u>	<u>20,000,000</u>	<u>20,000,000</u>	<u>10,000,000</u>	<u>10,000,000</u>
Fees, Rates, and Charges					
Airfield Area	6,273,231	4,291,292	4,291,292	4,188,915	4,290,272
Landing Fees	28,524,729	32,969,705	32,969,705	28,630,110	35,679,533
Miscellaneous	17,093,997	20,946,489	20,946,489	22,839,656	25,764,502
Parking and Roadway	59,877,060	63,575,276	63,575,276	60,350,533	61,377,947
Petroleum Products	2,506,363	387,225	387,225	87,835	88,300
Terminal Building	22,432,059	23,259,536	23,259,536	27,144,797	21,459,013
Terminal Rental	60,313,753	72,110,218	72,110,218	68,065,293	79,735,234
Total Fees, Rates, and Charges	<u>197,021,192</u>	<u>217,539,741</u>	<u>217,539,741</u>	<u>211,307,139</u>	<u>228,394,801</u>
Transfers					
Airport Fiscal Agent Fund	0	500,000	500,000	500,000	1,152,000
General Fund	702,034	400,000	715,663	715,663	500,000
Total Transfers	<u>702,034</u>	<u>900,000</u>	<u>1,215,663</u>	<u>1,215,663</u>	<u>1,652,000</u>
TOTAL SOURCE OF FUNDS	<u>335,999,398</u>	<u>351,822,651</u>	<u>351,440,569</u>	<u>335,207,967</u>	<u>358,570,888</u>
USE OF FUNDS					
Transfers					
Transfer to the Airport Fiscal Agent Fund	24,760,495	36,338,083	36,338,083	36,338,083	36,667,321
Transfer to the Airport Maintenance and Operation Fund	108,740,006	127,240,797	127,240,797	127,240,797	142,602,185
Transfer to the Airport Surplus Revenue Fund	89,813,732	53,105,000	53,105,000	53,105,000	53,576,000
Total Transfers	<u>223,314,233</u>	<u>216,683,880</u>	<u>216,683,880</u>	<u>216,683,880</u>	<u>232,845,506</u>
Ending Fund Balance					
Airline Agreement Reserve (Use)	112,685,165	135,138,771	134,756,689	118,524,087	125,725,382
Total Ending Fund Balance	<u>112,685,165</u>	<u>135,138,771</u>	<u>134,756,689</u>	<u>118,524,087</u>	<u>125,725,382</u>
TOTAL USE OF FUNDS	<u>335,999,398</u>	<u>351,822,651</u>	<u>351,440,569</u>	<u>335,207,967</u>	<u>358,570,888</u>

* Actuals may not subtotal due to rounding.

Airport Surplus Revenue Fund (524)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Airline Agreement Reserve (Source)	1,127,475	1,155,811	1,242,572	1,242,572	1,263,471
Total Beginning Fund Balance	<u>1,127,475</u>	<u>1,155,811</u>	<u>1,242,572</u>	<u>1,242,572</u>	<u>1,263,471</u>
Revenue from the Use of Money/Property					
Interest	136,849	30,385	30,385	20,899	33,932
Total Revenue from the Use of Money/Property	<u>136,849</u>	<u>30,385</u>	<u>30,385</u>	<u>20,899</u>	<u>33,932</u>
Transfers					
Airport Revenue Fund	89,813,732	53,105,000	53,105,000	53,105,000	53,576,000
Total Transfers	<u>89,813,732</u>	<u>53,105,000</u>	<u>53,105,000</u>	<u>53,105,000</u>	<u>53,576,000</u>
TOTAL SOURCE OF FUNDS	<u>91,078,056</u>	<u>54,291,196</u>	<u>54,377,957</u>	<u>54,368,471</u>	<u>54,873,403</u>
USE OF FUNDS					
Expenditures					
Commercial Paper Principal and Interest	34,873,484	1,000,000	1,000,000	1,000,000	8,000,000
Total Expenditures	<u>34,873,484</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>8,000,000</u>
Transfers					
Transfer to the Airport Renewal and Replacement Fund	54,962,000	52,105,000	52,105,000	52,105,000	45,576,000
Total Transfers	<u>54,962,000</u>	<u>52,105,000</u>	<u>52,105,000</u>	<u>52,105,000</u>	<u>45,576,000</u>
Ending Fund Balance					
Airline Agreement Reserve (Use)	1,242,572	1,186,196	1,272,957	1,263,471	1,297,403
Total Ending Fund Balance	<u>1,242,572</u>	<u>1,186,196</u>	<u>1,272,957</u>	<u>1,263,471</u>	<u>1,297,403</u>
TOTAL USE OF FUNDS	<u>91,078,056</u>	<u>54,291,196</u>	<u>54,377,957</u>	<u>54,368,471</u>	<u>54,873,403</u>

* Actuals may not subtotal due to rounding.

American Rescue Plan Fund (402)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Encumbrances (Source)	12,843,432	0	0	0	0
Unrestricted Beginning Fund Balance (Source)	(12,226,287)	0	1,702,137	1,702,137	0
Total Beginning Fund Balance	617,145	0	1,702,137	1,702,137	0
Revenue from the Use of Money/Property					
Interest	1,626,987	0	0	30,300	0
Total Revenue from the Use of Money/Property	1,626,987	0	0	30,300	0
Revenue from Federal Government					
American Rescue Plan Act	105,921,827	0	0	0	0
Total Revenue from Federal Government	105,921,827	0	0	0	0
TOTAL SOURCE OF FUNDS	108,165,959	0	1,702,137	1,732,437	0
USE OF FUNDS					
Expenditures					
BeautifySJ and Encampment Waste Pick Up - San Jose Bridge Program	0	0	0	0	0
Build Back Better and COVID-19 Recovery - Emergency Public Information	0	0	0	0	0
Child and Youth Services - PRNS (Programs, Experiences, and Scholarships)	0	0	0	0	0
Child and Youth Services - Child and Youth Services Master Plan	0	0	0	0	0
Digital Equity - Community WiFi	0	0	0	0	0
Emergency Housing - Emergency Housing Construction and Operation	0	0	0	0	0
Encampment Services: BeautifySJ - Encampment Waste Pick Up and BeautifySJ	0	0	0	0	0
Public Safety Personal Services	87,928,858	0	0	0	0
Small Business, Non-Profits, and Arts - San José Abierto	0	0	0	0	0
Total Expenditures	87,928,858	0	0	0	0
Transfers					
Transfer to the Convention and Cultural Affairs Fund	2,500,000	0	0	0	0
Transfer to the General Fund	16,034,964	0	1,702,137	1,732,437	0
Total Transfers	18,534,964	0	1,702,137	1,732,437	0
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	1,702,137	0	0	0	0
Total Ending Fund Balance	1,702,137	0	0	0	0
TOTAL USE OF FUNDS	108,165,959	0	1,702,137	1,732,437	0

* Actuals may not subtotal due to rounding.

Benefits Funds - Benefit Fund (160)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Encumbrances (Source)	90,763	90,763	54,563	54,563	54,563
Unrestricted Beginning Fund Balance (Source)	953,907	1,551,421	948,526	948,526	585,438
Total Beginning Fund Balance	1,044,670	1,642,184	1,003,089	1,003,089	640,001
Revenue from the Use of Money/Property					
Interest-Demutualization Funds	0	5,000	5,000	0	0
Total Revenue from the Use of Money/Property	0	5,000	5,000	0	0
Other Revenue					
Flexible Spending Accounts Forfeitures	65,501	0	0	100,000	0
Interest-Demutualization Funds	0	0	0	250,000	0
Contractual Performance Guarantee Penalties	214,330	0	0	20,000	0
Total Other Revenue	279,832	0	0	370,000	0
Transfers					
401(a) Defined Contribution Retirement Plan	306,578	300,000	400,000	350,000	370,000
Benefits Administration Fee	1,774,900	1,836,000	1,836,000	1,900,000	2,011,000
Employee Assistance Program	498,417	537,000	747,000	700,000	703,000
FICA - Medicare	12,500,197	12,735,000	13,135,000	13,020,000	13,861,000
General Employee Vision	356,212	380,000	380,000	380,000	408,000
General Purpose Parking Fund	2,330	2,000	2,000	2,000	2,000
Health Plans	65,821,424	74,191,000	74,191,000	74,120,000	85,409,000
MEF Legal	84,468	87,000	107,000	90,000	94,000
PTC 457	1,475,348	1,502,000	1,612,000	1,560,000	1,654,000
Total Transfers	82,819,875	91,570,000	92,410,000	92,122,000	104,512,000
TOTAL SOURCE OF FUNDS	84,144,377	93,217,184	93,418,089	93,495,089	105,152,001
USE OF FUNDS					
Expenditures					
401(a) Defined Contribution Retirement Plan	306,578	300,000	400,000	350,000	370,000
Benefits Consultant Fee	236,757	265,000	265,000	260,000	268,000
Employee Assistance Program	470,023	537,000	747,000	700,000	703,000
Employee Benefit Payout	0	47,000	47,000	0	0
FICA-Medicare	12,500,689	12,735,000	13,135,000	13,020,000	13,861,000
General Employee Vision	356,941	380,000	380,000	380,000	408,000
Health Plans	65,959,287	74,191,000	74,191,000	74,120,000	85,409,000
Healthcare Incentive Program	0	449,610	449,610	449,000	0
HR Non-Personal/Equipment	18,235	25,000	25,000	25,000	25,000
HR Personal Services	1,102,862	1,176,763	1,238,098	1,230,000	1,195,000
MEF Legal	84,460	87,000	107,000	90,000	94,000
Overhead	372,704	279,805	279,805	279,805	299,552
PTC 457	1,475,348	1,502,000	1,612,000	1,560,000	1,654,000
Wellness Program	214,425	342,461	342,461	342,000	0
Total Expenditures	83,098,309	92,317,639	93,218,974	92,805,805	104,286,552
Transfers					
Transfer to the City Hall Debt Service Fund	38,549	49,283	49,283	49,283	42,884
Transfer to the General Fund	4,430	0	0	0	0
Total Transfers	42,979	49,283	49,283	49,283	42,884

* Actuals may not subtotal due to rounding.

Benefits Funds - Benefit Fund (160)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
USE OF FUNDS					
Ending Fund Balance					
Reserve for Encumbrances (Use)	54,563	90,763	54,563	54,563	54,563
Unrestricted Ending Fund Balance (Use)	948,526	759,499	95,269	585,438	768,002
Total Ending Fund Balance	1,003,089	850,262	149,832	640,001	822,565
 TOTAL USE OF FUNDS	 84,144,377	 93,217,184	 93,418,089	 93,495,089	 105,152,001

* Actuals may not subtotal due to rounding.

Benefits Funds - Dental Insurance Fund (155)
STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Dental Claims Reserve (Source)	1,425,000	1,425,000	1,425,000	1,425,000	1,425,000
Reserve for Encumbrances (Source)	1,115	1,115	20,562	20,562	20,562
Unrestricted Beginning Fund Balance (Source)	3,681,830	1,700,926	2,708,540	2,708,540	2,501,464
Total Beginning Fund Balance	5,107,945	3,127,041	4,154,102	4,154,102	3,947,026
Revenue from the Use of Money/Property					
Interest	102,122	40,000	40,000	50,000	50,000
Total Revenue from the Use of Money/Property	102,122	40,000	40,000	50,000	50,000
Fees, Rates, and Charges					
Participant Contributions (Employees)	289,358	325,606	325,606	320,000	340,000
Total Fees, Rates, and Charges	289,358	325,606	325,606	320,000	340,000
Transfers					
COBRA Revenue	6,971	8,010	8,010	10,000	10,000
Reimbursement from City Funds	5,248,384	5,862,662	5,862,662	5,800,000	6,190,000
Reimbursement from Retirement Funds	5,919,376	6,507,310	6,507,310	6,430,000	6,730,000
Total Transfers	11,174,732	12,377,982	12,377,982	12,240,000	12,930,000
TOTAL SOURCE OF FUNDS	16,674,157	15,870,629	16,897,690	16,764,102	17,267,026
USE OF FUNDS					
Expenditures					
Dental HMO Plan	327,765	381,624	381,624	360,000	320,000
HR Non-Personal/Equipment	590,438	592,000	632,000	630,000	660,200
HR Personal Services	186,773	205,136	216,177	210,000	207,402
Overhead	66,203	48,088	48,088	48,088	52,931
Payment of Claims	11,340,482	11,882,000	11,882,000	11,560,000	12,120,000
Total Expenditures	12,511,661	13,108,848	13,159,889	12,808,088	13,360,533
Transfers					
Transfer to the City Hall Debt Service Fund	8,394	8,988	8,988	8,988	7,814
Total Transfers	8,394	8,988	8,988	8,988	7,814
Ending Fund Balance					
Dental Claims Reserve (Use)	1,425,000	1,425,000	1,425,000	1,425,000	1,520,000
Reserve for Encumbrances (Use)	20,562	1,115	20,562	20,562	20,562
Unrestricted Ending Fund Balance (Use)	2,708,540	1,326,678	2,283,251	2,501,464	2,358,117
Total Ending Fund Balance	4,154,102	2,752,793	3,728,813	3,947,026	3,898,679
TOTAL USE OF FUNDS	16,674,157	15,870,629	16,897,690	16,764,102	17,267,026

* Actuals may not subtotal due to rounding.

Benefits Funds - Life Insurance Fund (156)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	247,373	355,805	375,324	375,324	496,068
Total Beginning Fund Balance	247,373	355,805	375,324	375,324	496,068
Revenue from the Use of Money/Property					
Interest	11,350	6,600	6,600	7,000	7,000
Total Revenue from the Use of Money/Property	11,350	6,600	6,600	7,000	7,000
Fees, Rates, and Charges					
Participant Contributions (Employees)	460,201	480,075	480,075	470,000	480,000
Total Fees, Rates, and Charges	460,201	480,075	480,075	470,000	480,000
Other Revenue					
Benefits Administration Fee	228,725	217,276	217,276	230,000	220,000
Participant Contributions (Retirees)	440,576	442,765	442,765	450,000	450,000
Total Other Revenue	669,301	660,041	660,041	680,000	670,000
Transfers					
Reimbursement from City Funds	827,212	838,572	913,572	910,000	930,000
Total Transfers	827,212	838,572	913,572	910,000	930,000
TOTAL SOURCE OF FUNDS	2,215,437	2,341,093	2,435,612	2,442,324	2,583,068
USE OF FUNDS					
Expenditures					
HR Non-Personal/Equipment	0	2,140	2,140	2,000	2,140
HR Personal Services	82,240	87,275	92,091	90,000	88,940
Life Insurance Premiums	1,723,801	1,769,055	1,844,055	1,830,000	1,860,000
Overhead	28,888	20,664	20,664	20,664	22,439
Total Expenditures	1,834,929	1,879,134	1,958,950	1,942,664	1,973,519
Transfers					
Transfer to the City Hall Debt Service Fund	5,184	3,592	3,592	3,592	3,121
Total Transfers	5,184	3,592	3,592	3,592	3,121
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	375,324	458,367	473,070	496,068	606,428
Total Ending Fund Balance	375,324	458,367	473,070	496,068	606,428
TOTAL USE OF FUNDS	2,215,437	2,341,093	2,435,612	2,442,324	2,583,068

* Actuals may not subtotal due to rounding.

Benefits Funds - Self-Insured Medical Fund (158)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	54,389	0	0	0	0
Total Beginning Fund Balance	<u>54,389</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL SOURCE OF FUNDS	<u>54,389</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
USE OF FUNDS					
Transfers					
Transfer to the General Fund	54,389	0	0	0	0
Total Transfers	<u>54,389</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL USE OF FUNDS	<u>54,389</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

* Actuals may not subtotal due to rounding.

Benefits Funds - Unemployment Insurance Fund (157)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Encumbrances (Source)	5,577	5,577	0	0	0
Unemployment Insurance Claims Reserve (Source)	500,000	500,000	500,000	500,000	500,000
Unrestricted Beginning Fund Balance (Source)	1,663,154	1,094,892	1,124,022	1,124,022	414,080
Total Beginning Fund Balance	2,168,731	1,600,469	1,624,022	1,624,022	914,080
Revenue from the Use of Money/Property					
Interest	41,528	20,000	20,000	30,000	30,000
Total Revenue from the Use of Money/Property	41,528	20,000	20,000	30,000	30,000
Transfers					
Reimbursement from City Funds	0	0	0	0	600,000
Total Transfers	0	0	0	0	600,000
TOTAL SOURCE OF FUNDS	2,210,259	1,620,469	1,644,022	1,654,022	1,544,080
USE OF FUNDS					
Expenditures					
HR Non-Personal/Equipment	7,003	13,604	13,604	13,000	13,604
HR Personal Services	84,836	98,945	103,718	100,000	94,999
Overhead	24,834	21,953	21,953	21,953	23,982
Payment of Claims	464,909	600,000	600,000	600,000	700,000
Total Expenditures	581,582	734,502	739,275	734,953	832,585
Transfers					
Transfer to the City Hall Debt Service Fund	4,655	4,989	4,989	4,989	4,366
Total Transfers	4,655	4,989	4,989	4,989	4,366
Ending Fund Balance					
Reserve for Encumbrances (Use)	0	5,577	0	0	0
Unemployment Insurance Claims Reserve (Use)	500,000	500,000	500,000	500,000	500,000
Unrestricted Ending Fund Balance (Use)	1,124,022	375,401	399,758	414,080	207,129
Total Ending Fund Balance	1,624,022	880,978	899,758	914,080	707,129
TOTAL USE OF FUNDS	2,210,259	1,620,469	1,644,022	1,654,022	1,544,080

* Actuals may not subtotal due to rounding.

Building Development Fee Program Fund (237)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Encumbrances (Source)	478,557	478,557	687,354	687,354	687,354
Unrestricted Beginning Fund Balance (Source)	34,026,542	32,854,196	37,021,177	37,021,177	31,783,453
Total Beginning Fund Balance	34,505,099	33,332,753	37,708,531	37,708,531	32,470,807
Licenses and Permits					
Building Development Program Fees	37,237,465	38,428,697	38,428,697	35,196,442	36,604,300
Total Licenses and Permits	37,237,465	38,428,697	38,428,697	35,196,442	36,604,300
Revenue from the Use of Money/Property					
Interest	759,337	600,000	600,000	600,000	600,000
Total Revenue from the Use of Money/Property	759,337	600,000	600,000	600,000	600,000
TOTAL SOURCE OF FUNDS	72,501,901	72,361,450	76,737,228	73,504,973	69,675,107
USE OF FUNDS					
Expenditures					
Building Development Fee Program - Non-Personal/Equipment (PBCE)	1,824,055	1,553,669	2,553,669	2,300,000	1,581,469
Building Development Fee Program - Personal Services (OED)	(16,284)	53,167	54,425	68,290	58,254
Building Development Fee Program - Personal Services (PBCE)	25,485,502	31,629,503	33,048,662	29,403,030	33,000,648
Building Development Fee Program - Personal Services (PW)	32,830	54,722	57,122	30,000	64,018
City Attorney Personal Services	75,090	68,409	71,338	84,335	75,337
Development Fee Program - Shared Resources Non-Personal/Equipment (ITD)	141,582	162,965	162,965	360,000	420,465
Development Fee Program - Shared Resources Non-Personal/Equipment (PBCE)	242,873	624,024	624,024	370,000	459,024
Development Fee Program - Shared Resources Personal Services (Finance)	65,409	68,680	71,511	51,222	74,246
Development Fee Program - Shared Resources Personal Services (HR)	26,973	31,162	32,565	34,905	35,103
Development Fee Program - Shared Resources Personal Services (ITD)	1,119,881	1,520,906	1,588,912	1,190,265	1,422,942
Development Fee Program - Shared Resources Personal Services (PBCE)	659,733	729,198	757,487	902,795	969,360
OED Personal Services	126,904	80,649	84,024	97,883	0
Overhead	4,269,141	5,193,786	5,193,786	5,193,786	4,721,933
Total Expenditures	34,053,689	41,770,840	44,300,490	40,086,510	42,882,799
Transfers					
Transfer to the City Hall Debt Service Fund	605,449	947,656	947,656	947,656	968,113
Transfer to the General Fund	134,232	0	0	0	0
Total Transfers	739,681	947,656	947,656	947,656	968,113
Ending Fund Balance					
Reserve for Encumbrances (Use)	687,354	478,557	687,354	687,354	687,354
Unrestricted Ending Fund Balance (Use)	37,021,177	29,164,397	30,801,728	31,783,453	25,136,841
Total Ending Fund Balance	37,708,531	29,642,954	31,489,082	32,470,807	25,824,195
TOTAL USE OF FUNDS	72,501,901	72,361,450	76,737,228	73,504,973	69,675,107

* Actuals may not subtotal due to rounding.

Building Homes and Jobs Act Fund (456)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Encumbrances (Source)	0	0	212,176	212,176	212,176
Unrestricted Beginning Fund Balance (Source)	20,231	70,231	(197,804)	(197,804)	317,589
Total Beginning Fund Balance	20,231	70,231	14,372	14,372	529,765
Revenue from the Use of Money/Property					
Interest	61,052	30,000	30,000	100,000	75,000
Total Revenue from the Use of Money/Property	61,052	30,000	30,000	100,000	75,000
Revenue from State of California					
Grant Revenue	4,286,668	6,876,063	6,876,063	6,876,063	7,438,226
Total Revenue from State of California	4,286,668	6,876,063	6,876,063	6,876,063	7,438,226
TOTAL SOURCE OF FUNDS	4,367,951	6,976,294	6,920,435	6,990,435	8,042,991
USE OF FUNDS					
Expenditures					
Housing Personal Services	341,568	67,232	70,241	70,241	39,165
Housing Shelter	4,012,010	6,808,831	6,387,820	6,387,820	7,438,226
Overhead	0	0	0	0	5,294
Total Expenditures	4,353,579	6,876,063	6,458,061	6,458,061	7,482,685
Transfers					
Transfer to the City Hall Debt Service Fund	0	2,609	2,609	2,609	2,503
Total Transfers	0	2,609	2,609	2,609	2,503
Ending Fund Balance					
Reserve for Encumbrances (Use)	212,176	0	212,176	212,176	212,176
Unrestricted Ending Fund Balance (Use)	(197,804)	97,622	247,589	317,589	345,627
Total Ending Fund Balance	14,372	97,622	459,765	529,765	557,803
TOTAL USE OF FUNDS	4,367,951	6,976,294	6,920,435	6,990,435	8,042,991

* Actuals may not subtotal due to rounding.

Business Improvement District Fund (351)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Downtown BID Reserve (Source)	245,091	0	289,742	289,742	0
Hotel BID Reserve (Source)	475,293	0	525,529	525,529	0
Japantown BID Reserve (Source)	14,306	0	17,491	17,491	0
Willow Glen CBID Reserve (Source)	19,673	19,673	27,755	27,755	8,082
Total Beginning Fund Balance	754,363	19,673	860,517	860,517	8,082
Revenue from the Use of Money/Property					
Interest	11,426	0	0	0	0
Total Revenue from the Use of Money/Property	11,426	0	0	0	0
Other Revenue					
Willow Glen Business Association	0	0	31,366	31,366	0
Total Other Revenue	0	0	31,366	31,366	0
Special Assessments					
Downtown BID Assessment	584,336	630,000	630,000	630,000	680,000
Hotel Benefit Assessment District	2,627,816	2,935,593	2,935,593	2,861,164	3,005,140
Japantown Benefit Assessment District	32,048	30,475	30,475	30,475	28,575
Willow Glen CBID Assessment	269,843	298,700	298,700	298,700	453,936
Total Special Assessments	3,514,043	3,894,768	3,894,768	3,820,339	4,167,651
Transfers					
General Fund	12,618	12,637	12,637	12,637	15,138
Total Transfers	12,618	12,637	12,637	12,637	15,138
TOTAL SOURCE OF FUNDS	4,292,449	3,927,078	4,799,288	4,724,859	4,190,871
USE OF FUNDS					
Expenditures					
Administration Services	245	15,000	56,366	56,366	10,000
Downtown Business Improvement District	541,585	630,000	1,445,271	919,742	680,000
Hotel Business Improvement District	2,586,124	2,935,593	2,935,593	3,386,693	3,005,140
Japantown Business Improvement District	28,967	30,475	47,966	47,966	28,575
Willow Glen Community Benefit District	275,011	316,010	314,092	306,010	459,074
Total Expenditures	3,431,932	3,927,078	4,799,288	4,716,777	4,182,789
Ending Fund Balance					
Downtown BID Reserve (Use)	289,742	0	0	0	0
Hotel BID Reserve (Use)	525,529	0	0	0	0
Japantown BID Reserve (Use)	17,491	0	0	0	0
Willow Glen CBID Reserve (Use)	27,755	0	0	8,082	8,082
Total Ending Fund Balance	860,517	0	0	8,082	8,082
TOTAL USE OF FUNDS	4,292,449	3,927,078	4,799,288	4,724,859	4,190,871

* Actuals may not subtotal due to rounding.

Cash Reserve Fund (002)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	6,184	6,284	6,322	6,322	6,497
Total Beginning Fund Balance	6,184	6,284	6,322	6,322	6,497
Revenue from the Use of Money/Property					
Interest	138	100	100	175	175
Total Revenue from the Use of Money/Property	138	100	100	175	175
TOTAL SOURCE OF FUNDS	6,322	6,384	6,422	6,497	6,672
USE OF FUNDS					
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	6,322	6,384	6,422	6,497	6,672
Total Ending Fund Balance	6,322	6,384	6,422	6,497	6,672
TOTAL USE OF FUNDS	6,322	6,384	6,422	6,497	6,672

* Actuals may not subtotal due to rounding.

Citywide Planning Fee Program Fund (239)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Encumbrances (Source)	207,046	207,046	150,578	150,578	150,578
Unrestricted Beginning Fund Balance (Source)	4,782,344	5,730,277	5,650,784	5,650,784	3,819,022
Total Beginning Fund Balance	4,989,390	5,937,323	5,801,362	5,801,362	3,969,600
Revenue from the Use of Money/Property					
Interest	120,320	90,000	90,000	109,500	90,000
Total Revenue from the Use of Money/Property	120,320	90,000	90,000	109,500	90,000
Fees, Rates, and Charges					
Citywide Planning Program Fees	3,433,795	3,776,281	3,776,281	3,231,577	3,475,561
Total Fees, Rates, and Charges	3,433,795	3,776,281	3,776,281	3,231,577	3,475,561
TOTAL SOURCE OF FUNDS	8,543,505	9,803,604	9,667,643	9,142,439	7,535,161
USE OF FUNDS					
Expenditures					
Citywide Planning Fee - Non-Personal/Equipment (PBCE)	484,934	1,302,147	1,302,147	1,300,000	872,357
Citywide Planning Fee - Personal Services (PBCE)	1,807,889	2,965,522	3,072,827	2,893,655	3,356,972
Development Fee Program - Shared Resources Non-Personal/Equipment (ITD)	6,207	13,060	13,060	27,856	33,800
Development Fee Program - Shared Resources Non-Personal/Equipment (PBCE)	5,390	22,784	22,784	16,279	12,784
Development Fee Program - Shared Resources Personal Services (ITD)	15,421	38,555	40,412	22,155	41,781
Development Fee Program - Shared Resources Personal Services (PBCE)	47,371	65,445	68,272	63,243	152,697
Overhead	296,251	745,761	745,761	745,761	839,992
PW Personal Services	10,381	59,626	62,215	18,017	73,361
Total Expenditures	2,673,844	5,212,900	5,327,478	5,086,966	5,383,744
Transfers					
Transfer to the City Hall Debt Service Fund	56,840	85,873	85,873	85,873	89,503
Transfer to the General Fund	11,459	0	0	0	0
Total Transfers	68,299	85,873	85,873	85,873	89,503
Ending Fund Balance					
Reserve for Encumbrances (Use)	150,578	207,046	150,578	150,578	150,578
Unrestricted Ending Fund Balance (Use)	5,650,784	4,297,785	4,103,714	3,819,022	1,911,336
Total Ending Fund Balance	5,801,362	4,504,831	4,254,292	3,969,600	2,061,914
TOTAL USE OF FUNDS	8,543,505	9,803,604	9,667,643	9,142,439	7,535,161

* Actuals may not subtotal due to rounding.

City Hall Debt Service Fund (210)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Encumbrances (Source)	4,000	4,000	4,000	4,000	4,000
Unrestricted Beginning Fund Balance (Source)	214,563	413,063	636,154	636,154	223,091
Total Beginning Fund Balance	218,563	417,063	640,154	640,154	227,091
Revenue from the Use of Money/Property					
Interest	406,967	100,000	100,000	100,000	100,000
Total Revenue from the Use of Money/Property	406,967	100,000	100,000	100,000	100,000
Transfers					
Capital Funds	1,289,697	1,845,000	1,845,000	1,845,000	2,051,000
General Fund	19,968,027	17,693,420	17,693,420	17,693,420	17,731,609
Special Funds	3,947,612	5,157,517	5,157,517	5,157,517	5,095,300
Total Transfers	25,205,336	24,695,937	24,695,937	24,695,937	24,877,909
TOTAL SOURCE OF FUNDS	<u>25,830,866</u>	<u>25,213,000</u>	<u>25,436,091</u>	<u>25,436,091</u>	<u>25,205,000</u>
USE OF FUNDS					
Expenditures					
City Hall Debt Service	23,201,338	23,201,000	23,201,000	23,201,000	23,200,000
City Hall Garage Debt Service	1,989,374	2,008,000	2,008,000	2,008,000	2,001,000
Total Expenditures	25,190,712	25,209,000	25,209,000	25,209,000	25,201,000
Ending Fund Balance					
Reserve for Encumbrances (Use)	4,000	4,000	4,000	4,000	4,000
Unrestricted Ending Fund Balance (Use)	636,154	0	223,091	223,091	0
Total Ending Fund Balance	640,154	4,000	227,091	227,091	4,000
TOTAL USE OF FUNDS	<u>25,830,866</u>	<u>25,213,000</u>	<u>25,436,091</u>	<u>25,436,091</u>	<u>25,205,000</u>

* Actuals may not subtotal due to rounding.

Community Development Block Grant Fund (441)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Encumbrances (Source)	4,970,310	4,970,310	2,950,529	2,950,529	2,950,529
Unrestricted Beginning Fund Balance (Source)	1,362,264	9,234,674	3,226,769	3,226,769	2,870,174
Total Beginning Fund Balance	6,332,574	14,204,984	6,177,298	6,177,298	5,820,703
Revenue from the Use of Money/Property					
Housing Rehab Loan Repayments	256,537	100,000	100,000	125,000	100,000
Other Loan Repayments	134,639	50,000	50,000	31,000	50,000
Total Revenue from the Use of Money/Property	391,176	150,000	150,000	156,000	150,000
Revenue from Federal Government					
Coronavirus Aid, Relief, and Economic Security (CARES) Act	4,629,648	0	3,663,810	3,663,810	0
CDBG Grant Entitlement	8,454,606	8,350,201	8,350,201	8,350,201	8,350,201
Total Revenue from Federal Government	13,084,254	8,350,201	12,014,011	12,014,011	8,350,201
Transfers					
Low and Moderate Income Housing Asset Fund	584,220	0	0	0	0
Total Transfers	584,220	0	0	0	0
TOTAL SOURCE OF FUNDS	20,392,224	22,705,185	18,341,309	18,347,309	14,320,904
USE OF FUNDS					
Expenditures					
CARES Act	1,768,735	3,314,614	0	0	0
Code Enforcement Operations	542,321	1,260,174	1,260,174	1,260,174	1,335,303
Community Development Block Grant CV3	4,600,301	2,500,000	0	0	0
Community Wireless Network Infrastructure	2,784,920	2,784,920	0	0	0
Contractual Community Services	942,001	1,252,530	1,252,530	1,252,530	1,252,530
Haven Rehabilitation	0	1,400,000	1,400,000	1,400,000	0
Housing Emergency and Minor Repair Program	1,544,746	1,650,000	1,650,000	1,650,000	1,650,000
Housing Program Development and Monitoring	1,391,417	1,468,478	1,468,478	1,468,478	984,986
Housing Rehabilitation Loans and Grants	112,785	0	0	0	0
Job Readiness Training Project	9,786	0	0	0	0
Legal Aid Fair Housing Program	426,938	200,000	200,000	200,000	200,000
Legal Services	28,121	21,451	21,451	21,451	73,165
Microenterprise Loans	0	0	0	0	1,048,394
Neighborhood Infrastructure Improvements	38,951	1,166,000	5,184,888	5,184,888	1,425,439
Planning Studies	23,904	89,085	89,085	89,085	71,097
Transportation Neighborhood Infrastructure Improvements	0	185,993	185,993	0	207,157
Total Expenditures	14,214,926	17,293,245	12,712,599	12,526,606	8,248,071
Ending Fund Balance					
Reserve for Encumbrances (Use)	2,950,529	4,970,310	2,950,529	2,950,529	2,950,529
Unrestricted Ending Fund Balance (Use)	3,226,769	441,630	2,678,181	2,870,174	3,122,304
Total Ending Fund Balance	6,177,298	5,411,940	5,628,710	5,820,703	6,072,833
TOTAL USE OF FUNDS	20,392,224	22,705,185	18,341,309	18,347,309	14,320,904

* Actuals may not subtotal due to rounding.

Community Facilities District No. 1 (Capitol Auto Mall) Fund (371)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Encumbrances (Source)	27,596	27,596	7,596	7,596	7,596
Unrestricted Beginning Fund Balance (Source)	523,871	566,588	548,558	548,558	652,119
Total Beginning Fund Balance	551,467	594,184	556,154	556,154	659,715
Revenue from the Use of Money/Property					
Interest	11,261	10,000	10,000	13,496	14,000
Total Revenue from the Use of Money/Property	11,261	10,000	10,000	13,496	14,000
Special Assessments					
Special Assessments Revenue	185,820	212,800	212,800	212,800	223,400
Total Special Assessments	185,820	212,800	212,800	212,800	223,400
TOTAL SOURCE OF FUNDS	748,548	816,984	778,954	782,450	897,115
USE OF FUNDS					
Expenditures					
DOT Non-Personal/Equipment	136,142	139,250	139,250	79,060	131,250
DOT Personal Services	41,002	67,716	69,901	27,934	86,237
Overhead	15,250	15,741	15,741	15,741	21,050
Total Expenditures	192,394	222,707	224,892	122,735	238,537
Ending Fund Balance					
Reserve for Encumbrances (Use)	7,596	27,596	7,596	7,596	7,596
Unrestricted Ending Fund Balance (Use)	548,558	566,681	546,466	652,119	650,982
Total Ending Fund Balance	556,154	594,277	554,062	659,715	658,578
TOTAL USE OF FUNDS	748,548	816,984	778,954	782,450	897,115

* Actuals may not subtotal due to rounding.

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

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	1,324,059	1,297,108	1,262,019	1,262,019	662,951
Total Beginning Fund Balance	<u>1,324,059</u>	<u>1,297,108</u>	<u>1,262,019</u>	<u>1,262,019</u>	<u>662,951</u>
Revenue from the Use of Money/Property					
Interest	19,159	9,000	9,000	16,750	6,500
Total Revenue from the Use of Money/Property	<u>19,159</u>	<u>9,000</u>	<u>9,000</u>	<u>16,750</u>	<u>6,500</u>
Special Assessments					
Special Assessments Revenue	1,811,776	1,913,000	1,913,000	1,913,000	1,913,000
Total Special Assessments	<u>1,811,776</u>	<u>1,913,000</u>	<u>1,913,000</u>	<u>1,913,000</u>	<u>1,913,000</u>
TOTAL SOURCE OF FUNDS	<u>3,154,994</u>	<u>3,219,108</u>	<u>3,184,019</u>	<u>3,191,769</u>	<u>2,582,451</u>
USE OF FUNDS					
Expenditures					
DOT Non-Personal/Equipment	1,506,649	1,798,800	1,972,800	1,962,186	1,735,800
DOT Personal Services	241,266	448,250	467,110	429,811	543,193
Overhead	142,006	135,219	135,219	135,219	164,935
Total Expenditures	<u>1,889,921</u>	<u>2,382,269</u>	<u>2,575,129</u>	<u>2,527,216</u>	<u>2,443,928</u>
Transfers					
Transfer to the City Hall Debt Service Fund	1,519	1,602	1,602	1,602	3,513
Transfer to the General Fund	1,535	0	0	0	0
Total Transfers	<u>3,054</u>	<u>1,602</u>	<u>1,602</u>	<u>1,602</u>	<u>3,513</u>
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	1,262,019	835,237	607,288	662,951	135,010
Total Ending Fund Balance	<u>1,262,019</u>	<u>835,237</u>	<u>607,288</u>	<u>662,951</u>	<u>135,010</u>
TOTAL USE OF FUNDS	<u>3,154,994</u>	<u>3,219,108</u>	<u>3,184,019</u>	<u>3,191,769</u>	<u>2,582,451</u>

* Actuals may not subtotal due to rounding.

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

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Encumbrances (Source)	21,788	21,788	8,593	8,593	8,593
Unrestricted Beginning Fund Balance (Source)	460,911	492,447	561,881	561,881	771,975
Total Beginning Fund Balance	482,699	514,235	570,474	570,474	780,568
Revenue from the Use of Money/Property					
Interest	7,393	7,000	7,000	12,813	15,000
Total Revenue from the Use of Money/Property	7,393	7,000	7,000	12,813	15,000
Special Assessments					
Special Assessments Revenue	1,058,011	1,260,000	1,260,000	1,260,000	1,421,700
Total Special Assessments	1,058,011	1,260,000	1,260,000	1,260,000	1,421,700
TOTAL SOURCE OF FUNDS	1,548,103	1,781,235	1,837,474	1,843,287	2,217,268
USE OF FUNDS					
Expenditures					
DOT Non-Personal/Equipment	631,822	844,880	844,880	620,898	841,880
DOT Personal Services	178,799	288,351	300,423	223,790	352,787
Overhead	85,985	86,487	86,487	86,487	105,648
Security Services	79,724	100,000	130,000	130,000	150,000
Total Expenditures	976,331	1,319,718	1,361,790	1,061,175	1,450,315
Transfers					
Transfer to the City Hall Debt Service Fund	1,298	1,544	1,544	1,544	1,135
Total Transfers	1,298	1,544	1,544	1,544	1,135
Ending Fund Balance					
Reserve for Encumbrances (Use)	8,593	21,788	8,593	8,593	8,593
Unrestricted Ending Fund Balance (Use)	561,881	438,185	465,547	771,975	757,225
Total Ending Fund Balance	570,474	459,973	474,140	780,568	765,818
TOTAL USE OF FUNDS	1,548,103	1,781,235	1,837,474	1,843,287	2,217,268

* Actuals may not subtotal due to rounding.

Community Facilities District No. 11 (Adeline-Mary Helen) Fund (374)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	37,797	30,961	77,993	77,993	100,249
Total Beginning Fund Balance	37,797	30,961	77,993	77,993	100,249
Revenue from the Use of Money/Property					
Interest	1,185	100	100	1,939	1,000
Total Revenue from the Use of Money/Property	1,185	100	100	1,939	1,000
Special Assessments					
Special Assessments Revenue	52,102	53,300	53,300	53,300	55,300
Total Special Assessments	52,102	53,300	53,300	53,300	55,300
TOTAL SOURCE OF FUNDS	91,083	84,361	131,393	133,232	156,549
USE OF FUNDS					
Expenditures					
DOT Non-Personal/Equipment	13,090	40,400	40,400	24,303	40,400
DOT Personal Services	0	16,829	16,829	3,987	21,851
Overhead	0	4,693	4,693	4,693	6,345
Total Expenditures	13,090	61,922	61,922	32,983	68,596
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	77,993	22,439	69,471	100,249	87,953
Total Ending Fund Balance	77,993	22,439	69,471	100,249	87,953
TOTAL USE OF FUNDS	91,083	84,361	131,393	133,232	156,549

* Actuals may not subtotal due to rounding.

Community Facilities District No. 12 (Basking Ridge) Fund (376)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Encumbrances (Source)	6,102	6,102	3,188	3,188	3,188
Unrestricted Beginning Fund Balance (Source)	210,720	112,214	98,459	98,459	95,604
Total Beginning Fund Balance	216,822	118,316	101,647	101,647	98,792
Revenue from the Use of Money/Property					
Interest	1,348	700	700	1,768	700
Total Revenue from the Use of Money/Property	1,348	700	700	1,768	700
Special Assessments					
Special Assessments Revenue	257,546	257,200	257,200	257,200	275,200
Total Special Assessments	257,546	257,200	257,200	257,200	275,200
TOTAL SOURCE OF FUNDS	475,716	376,216	359,547	360,615	374,692
USE OF FUNDS					
Expenditures					
DOT Non-Personal/Equipment	61,204	74,400	74,400	70,814	75,400
DOT Personal Services	202,574	168,037	174,461	141,900	205,091
Overhead	107,686	47,624	47,624	47,624	60,875
Total Expenditures	371,464	290,061	296,485	260,338	341,366
Transfers					
Transfer to the City Hall Debt Service Fund	1,494	1,485	1,485	1,485	0
Transfer to the General Fund	1,111	0	0	0	0
Total Transfers	2,605	1,485	1,485	1,485	0
Ending Fund Balance					
Reserve for Encumbrances (Use)	3,188	6,102	3,188	3,188	3,188
Unrestricted Ending Fund Balance (Use)	98,459	78,568	58,389	95,604	30,138
Total Ending Fund Balance	101,647	84,670	61,577	98,792	33,326
TOTAL USE OF FUNDS	475,716	376,216	359,547	360,615	374,692

* Actuals may not subtotal due to rounding.

Community Facilities District No. 13 (Guadalupe Mines) Fund (310)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	359,864	355,466	342,367	342,367	360,733
Total Beginning Fund Balance	359,864	355,466	342,367	342,367	360,733
Revenue from the Use of Money/Property					
Interest	7,740	7,000	7,000	9,049	9,300
Total Revenue from the Use of Money/Property	7,740	7,000	7,000	9,049	9,300
Special Assessments					
Special Assessments Revenue	61,858	60,800	60,800	60,800	60,800
Total Special Assessments	61,858	60,800	60,800	60,800	60,800
Transfers					
Storm Sewer Operating Fund	10,121	10,121	10,121	10,121	10,121
Total Transfers	10,121	10,121	10,121	10,121	10,121
TOTAL SOURCE OF FUNDS	439,583	433,387	420,288	422,337	440,954
USE OF FUNDS					
Expenditures					
DOT Non-Personal/Equipment	33,393	35,160	35,160	37,771	35,160
DOT Personal Services	45,521	17,251	17,251	18,447	19,907
Overhead	18,302	5,386	5,386	5,386	6,283
Total Expenditures	97,216	57,797	57,797	61,604	61,350
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	342,367	375,590	362,491	360,733	379,604
Total Ending Fund Balance	342,367	375,590	362,491	360,733	379,604
TOTAL USE OF FUNDS	439,583	433,387	420,288	422,337	440,954

* Actuals may not subtotal due to rounding.

Community Facilities District No. 14 (Raleigh-Charlotte) Fund (379)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Encumbrances (Source)	0	0	2,217	2,217	2,217
Unrestricted Beginning Fund Balance (Source)	1,114,699	1,204,432	1,221,978	1,221,978	1,299,969
Total Beginning Fund Balance	1,114,699	1,204,432	1,224,195	1,224,195	1,302,186
Revenue from the Use of Money/Property					
Interest	22,362	14,000	14,000	30,490	30,000
Total Revenue from the Use of Money/Property	22,362	14,000	14,000	30,490	30,000
Special Assessments					
Special Assessments Revenue	627,475	657,000	657,000	657,000	681,000
Total Special Assessments	627,475	657,000	657,000	657,000	681,000
TOTAL SOURCE OF FUNDS	1,764,536	1,875,432	1,895,195	1,911,685	2,013,186
USE OF FUNDS					
Expenditures					
DOT Non-Personal/Equipment	105,581	103,700	103,700	84,086	77,700
DOT Personal Services	52,070	65,951	68,633	48,757	85,870
Overhead	36,387	28,495	28,495	28,495	35,821
PRNS Non-Personal/Equipment	314,816	411,214	411,214	411,214	428,214
PRNS Personal Services	30,648	32,326	32,326	36,947	36,465
Total Expenditures	539,503	641,686	644,368	609,499	664,070
Transfers					
Transfer to the City Hall Debt Service Fund	838	0	0	0	0
Total Transfers	838	0	0	0	0
Ending Fund Balance					
Reserve for Encumbrances (Use)	2,217	0	2,217	2,217	2,217
Unrestricted Ending Fund Balance (Use)	1,221,978	1,233,746	1,248,610	1,299,969	1,346,899
Total Ending Fund Balance	1,224,195	1,233,746	1,250,827	1,302,186	1,349,116
TOTAL USE OF FUNDS	1,764,536	1,875,432	1,895,195	1,911,685	2,013,186

* Actuals may not subtotal due to rounding.

Community Facilities District No. 15 (Berryessa-Sierra) Fund (370)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	644,675	710,480	722,823	722,823	669,807
Total Beginning Fund Balance	644,675	710,480	722,823	722,823	669,807
Revenue from the Use of Money/Property					
Interest	15,041	13,000	13,000	19,757	15,000
Total Revenue from the Use of Money/Property	15,041	13,000	13,000	19,757	15,000
Special Assessments					
Special Assessments Revenue	99,688	99,600	99,600	99,600	103,300
Total Special Assessments	99,688	99,600	99,600	99,600	103,300
Transfers					
Storm Sewer Operating Fund	26,920	26,920	26,920	26,920	26,920
Total Transfers	26,920	26,920	26,920	26,920	26,920
TOTAL SOURCE OF FUNDS	786,324	850,000	862,343	869,100	815,027
USE OF FUNDS					
Expenditures					
DOT Non-Personal/Equipment	45,325	166,000	166,000	165,957	157,000
DOT Personal Services	12,897	25,990	25,990	25,990	27,593
Overhead	5,279	7,346	7,346	7,346	8,522
Total Expenditures	63,501	199,336	199,336	199,293	193,115
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	722,823	650,664	663,007	669,807	621,912
Total Ending Fund Balance	722,823	650,664	663,007	669,807	621,912
TOTAL USE OF FUNDS	786,324	850,000	862,343	869,100	815,027

* Actuals may not subtotal due to rounding.

Community Facilities District No. 16 (Raleigh-Coronado) Fund (344)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Encumbrances (Source)	3,053	3,053	0	0	0
Unrestricted Beginning Fund Balance (Source)	988,347	1,232,775	1,224,676	1,224,676	1,352,353
Total Beginning Fund Balance	991,400	1,235,828	1,224,676	1,224,676	1,352,353
Revenue from the Use of Money/Property					
Interest	23,121	21,000	21,000	30,593	33,000
Total Revenue from the Use of Money/Property	23,121	21,000	21,000	30,593	33,000
Special Assessments					
Special Assessments Revenue	414,560	419,800	419,800	419,800	437,100
Total Special Assessments	414,560	419,800	419,800	419,800	437,100
Transfers					
Storm Sewer Operating Fund	28,000	28,000	28,000	28,000	28,000
Total Transfers	28,000	28,000	28,000	28,000	28,000
TOTAL SOURCE OF FUNDS	1,457,081	1,704,628	1,693,476	1,703,069	1,850,453
USE OF FUNDS					
Expenditures					
DOT Non-Personal/Equipment	142,923	182,000	182,000	163,610	165,000
DOT Personal Services	50,017	72,924	75,985	105,159	90,326
Overhead	19,096	22,046	22,046	22,046	26,183
PRNS Non-Personal/Equipment	20,369	59,901	59,901	59,901	59,901
Total Expenditures	232,405	336,871	339,932	350,716	341,410
Ending Fund Balance					
Reserve for Encumbrances (Use)	0	3,053	0	0	0
Unrestricted Ending Fund Balance (Use)	1,224,676	1,364,704	1,353,544	1,352,353	1,509,043
Total Ending Fund Balance	1,224,676	1,367,757	1,353,544	1,352,353	1,509,043
TOTAL USE OF FUNDS	1,457,081	1,704,628	1,693,476	1,703,069	1,850,453

* Actuals may not subtotal due to rounding.

Community Facilities District No. 17 (Capitol Expy – Evergreen Place) (496)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	196,822	293,322	287,523	287,523	326,835
Total Beginning Fund Balance	196,822	293,322	287,523	287,523	326,835
Revenue from the Use of Money/Property					
Interest	4,945	4,500	4,500	7,307	7,300
Total Revenue from the Use of Money/Property	4,945	4,500	4,500	7,307	7,300
Special Assessments					
Special Assessments Revenue	92,042	96,800	96,800	96,800	100,400
Total Special Assessments	92,042	96,800	96,800	96,800	100,400
TOTAL SOURCE OF FUNDS	293,809	394,622	388,823	391,630	434,535
USE OF FUNDS					
Expenditures					
DOT Non-Personal/Equipment	6,286	110,500	110,500	46,463	119,500
DOT Personal Services	0	15,834	15,834	18,332	18,284
Overhead	0	0	0	0	5,758
Total Expenditures	6,286	126,334	126,334	64,795	143,542
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	287,523	268,288	262,489	326,835	290,993
Total Ending Fund Balance	287,523	268,288	262,489	326,835	290,993
TOTAL USE OF FUNDS	293,809	394,622	388,823	391,630	434,535

* Actuals may not subtotal due to rounding.

Community Facilities Revenue Fund (422)
STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Hayes Close Out Costs Reserve (Source)	35,000	0	0	0	0
Reserve for Encumbrances (Source)	59	0	59	59	0
Unrestricted Beginning Fund Balance (Source)	295,998	0	2,675	2,675	0
Total Beginning Fund Balance	331,057	0	2,734	2,734	0
Revenue from the Use of Money/Property					
Interest	2,675	0	0	75	0
Total Revenue from the Use of Money/Property	2,675	0	0	75	0
TOTAL SOURCE OF FUNDS	333,732	0	2,734	2,809	0
USE OF FUNDS					
Transfers					
Transfer to the General Fund	330,998	0	0	2,809	0
Total Transfers	330,998	0	0	2,809	0
Ending Fund Balance					
Reserve for Encumbrances (Use)	59	0	59	0	0
Unrestricted Ending Fund Balance (Use)	2,675	0	2,675	0	0
Total Ending Fund Balance	2,734	0	2,734	0	0
TOTAL USE OF FUNDS	333,732	0	2,734	2,809	0

* Actuals may not subtotal due to rounding.

Convention and Cultural Affairs Fund (536)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Encumbrances (Source)	117,151	117,151	365,834	365,834	365,834
Unrestricted Beginning Fund Balance (Source)	2,416,326	4,958,012	4,459,141	4,459,141	5,255,210
Total Beginning Fund Balance	2,533,477	5,075,163	4,824,975	4,824,975	5,621,044
Revenue from the Use of Money/Property					
Interest	64,743	50,000	50,000	200,000	50,000
Total Revenue from the Use of Money/Property	64,743	50,000	50,000	200,000	50,000
Transfers					
American Rescue Plan Fund	2,500,000	0	0	0	0
Transient Occupancy Tax Fund	12,132,013	11,757,365	11,706,778	11,706,778	11,757,365
Total Transfers	14,632,013	11,757,365	11,706,778	11,706,778	11,757,365
TOTAL SOURCE OF FUNDS	17,230,233	16,882,528	16,581,753	16,731,753	17,428,409
USE OF FUNDS					
Expenditures					
City Facilities Safety Assessment	12,637	0	0	0	0
Convention Center City Free Use	33,500	75,000	75,000	60,000	50,000
Convention Facilities Industry Advisor	0	50,000	50,000	25,000	25,000
Convention Facilities Operations	9,717,426	12,468,000	12,468,000	8,410,000	13,391,000
Insurance Expenses	434,369	450,000	452,000	452,000	682,000
PW Non-Personal/Equipment	9,000	9,000	9,000	9,000	9,000
Team San José Incentive Fee	250,000	250,000	250,000	250,000	250,000
Team San José Management Fee	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Workers' Compensation Claims	0	50,000	50,000	10,000	50,000
Total Expenditures	11,456,931	14,352,000	14,354,000	10,216,000	15,457,000
Transfers					
Transfer to the Convention and Cultural Affairs Capital Fund	100,000	100,000	100,000	100,000	100,000
Transfer to the General Fund - Contract Oversight	286,578	186,596	186,596	186,596	198,159
Transfer to the General Fund - Overhead	492,249	538,613	538,613	538,613	560,386
Transfer to the General Fund- Cultural Facilities Cap. Maint. Cost Sharing	69,500	69,500	69,500	69,500	69,500
Total Transfers	948,327	894,709	894,709	894,709	928,045
Ending Fund Balance					
Reserve for Encumbrances (Use)	365,834	117,151	365,834	365,834	365,834
Unrestricted Ending Fund Balance (Use)	4,459,141	1,518,668	967,210	5,255,210	677,530
Total Ending Fund Balance	4,824,975	1,635,819	1,333,044	5,621,044	1,043,364
TOTAL USE OF FUNDS	17,230,233	16,882,528	16,581,753	16,731,753	17,428,409

* Actuals may not subtotal due to rounding.

Convention Center Facilities District Revenue Fund (791)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Revenue Stabilization Reserve (Source)	12,297,552	12,297,552	12,297,552	12,297,552	12,297,552
Unrestricted Beginning Fund Balance (Source)	11,348,853	15,680,826	14,354,782	14,354,782	14,824,782
Total Beginning Fund Balance	23,646,405	27,978,378	26,652,334	26,652,334	27,122,334
Revenue from the Use of Money/Property					
Interest	606,272	100,000	100,000	761,000	500,000
Total Revenue from the Use of Money/Property	606,272	100,000	100,000	761,000	500,000
Convention Center Facilities District Special Tax					
Convention Center Facilities District Special Tax Revenue	11,343,885	15,500,000	15,500,000	12,000,000	12,000,000
Total Convention Center Facilities District Special Tax	11,343,885	15,500,000	15,500,000	12,000,000	12,000,000
TOTAL SOURCE OF FUNDS	35,596,562	43,578,378	42,252,334	39,413,334	39,622,334
USE OF FUNDS					
Expenditures					
Debt Service: Lease Revenue Bonds (Series 2022A)	7,614,728	10,162,000	10,162,000	10,162,000	10,605,000
Total Expenditures	7,614,728	10,162,000	10,162,000	10,162,000	10,605,000
Transfers					
Transfer to the Convention Center Facilities District Capital Fund	1,209,500	350,000	2,009,000	2,009,000	580,000
Transfer to the General Fund	120,000	120,000	120,000	120,000	120,000
Total Transfers	1,329,500	470,000	2,129,000	2,129,000	700,000
Ending Fund Balance					
Revenue Stabilization Reserve (Use)	12,297,552	12,297,552	12,297,552	12,297,552	12,297,552
Unrestricted Ending Fund Balance (Use)	14,354,782	20,648,826	17,663,782	14,824,782	16,019,782
Total Ending Fund Balance	26,652,334	32,946,378	29,961,334	27,122,334	28,317,334
TOTAL USE OF FUNDS	35,596,562	43,578,378	42,252,334	39,413,334	39,622,334

* Actuals may not subtotal due to rounding.

Coronavirus Relief Fund (401)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	29,032	0	29,622	29,622	0
Total Beginning Fund Balance	29,032	0	29,622	29,622	0
Revenue from the Use of Money/Property					
Interest	590	0	0	607	0
Total Revenue from the Use of Money/Property	590	0	0	607	0
TOTAL SOURCE OF FUNDS	29,622	0	29,622	30,229	0
USE OF FUNDS					
Expenditures					
COVID-19 Personal Services	0	0	29,622	30,229	0
Total Expenditures	0	0	29,622	30,229	0
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	29,622	0	0	0	0
Total Ending Fund Balance	29,622	0	0	0	0
TOTAL USE OF FUNDS	29,622	0	29,622	30,229	0

* Actuals may not subtotal due to rounding.

Downtown Property And Business Improvement District Fund (302)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Encumbrances (Source)	76,699	76,699	128,321	128,321	128,321
Unrestricted Beginning Fund Balance (Source)	1,726,015	2,370,949	2,261,506	2,261,506	2,384,166
Total Beginning Fund Balance	1,802,714	2,447,648	2,389,827	2,389,827	2,512,487
Revenue from the Use of Money/Property					
Interest	23,976	18,000	18,000	36,000	40,000
Total Revenue from the Use of Money/Property	23,976	18,000	18,000	36,000	40,000
Special Assessments					
Special Assessments Revenue	3,735,993	4,072,524	4,072,524	4,072,524	4,223,207
Total Special Assessments	3,735,993	4,072,524	4,072,524	4,072,524	4,223,207
Transfers					
General Fund	1,044,854	1,252,305	1,252,305	1,252,305	1,323,969
General Purpose Parking Fund	77,447	77,447	77,447	77,447	77,447
Total Transfers	1,122,301	1,329,752	1,329,752	1,329,752	1,401,416
TOTAL SOURCE OF FUNDS	6,684,983	7,867,924	7,810,103	7,828,103	8,177,110
USE OF FUNDS					
Expenditures					
Additional Services	0	69,695	69,695	46,027	72,483
Downtown Property and Business Improvement District	3,879,820	4,653,168	4,653,168	4,653,168	4,885,826
Downtown Transit Mall	395,963	460,105	500,818	500,818	478,509
General Benefit Contribution	0	49,103	95,603	95,603	51,067
PW Personal Services	19,373	10,000	20,000	20,000	20,000
Total Expenditures	4,295,156	5,242,071	5,339,284	5,315,616	5,507,885
Ending Fund Balance					
Reserve for Encumbrances (Use)	128,321	76,699	128,321	128,321	128,321
Unrestricted Ending Fund Balance (Use)	2,261,506	2,549,154	2,342,498	2,384,166	2,540,904
Total Ending Fund Balance	2,389,827	2,625,853	2,470,819	2,512,487	2,669,225
TOTAL USE OF FUNDS	6,684,983	7,867,924	7,810,103	7,828,103	8,177,110

* Actuals may not subtotal due to rounding.

Economic Development Administration Loan Fund (444)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	7,233	7,358	7,395	7,395	7,520
Total Beginning Fund Balance	7,233	7,358	7,395	7,395	7,520
Revenue from the Use of Money/Property					
Interest	162	125	125	125	150
Total Revenue from the Use of Money/Property	162	125	125	125	150
TOTAL SOURCE OF FUNDS	7,395	7,483	7,520	7,520	7,670
USE OF FUNDS					
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	7,395	7,483	7,520	7,520	7,670
Total Ending Fund Balance	7,395	7,483	7,520	7,520	7,670
TOTAL USE OF FUNDS	7,395	7,483	7,520	7,520	7,670

* Actuals may not subtotal due to rounding.

Edward Byrne Memorial Justice Assistance Grant Trust Fund (474)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Encumbrances (Source)	(229,023)	229,733	0	0	0
Unrestricted Beginning Fund Balance (Source)	229,733	101,917	442	442	0
Total Beginning Fund Balance	710	331,650	442	442	0
Revenue from the Use of Money/Property					
Interest	16	0	0	0	0
Total Revenue from the Use of Money/Property	16	0	0	0	0
Revenue from Federal Government					
Federal Government Revenue	672,837	914,128	1,273,663	1,273,663	0
Total Revenue from Federal Government	672,837	914,128	1,273,663	1,273,663	0
TOTAL SOURCE OF FUNDS	673,563	1,245,778	1,274,105	1,274,105	0
USE OF FUNDS					
Expenditures					
2017 Justice Assistance Grant	104,148	0	0	0	0
2018 Justice Assistance Grant	208,259	73,707	73,514	73,514	0
2019 Justice Assistance Grant	149,065	10,517	1,349	1,349	0
2020 Justice Assistance Grant	8,902	281,668	281,668	281,668	0
2021 Justice Assistance Grant	202,747	180,720	154,218	154,218	0
2022 Justice Assistance Grant	0	367,516	367,516	367,516	0
2023 Justice Assistance Grant	0	0	395,840	395,840	0
Total Expenditures	673,121	914,128	1,274,105	1,274,105	0
Ending Fund Balance					
Reserve for Encumbrances (Use)	0	229,733	0	0	0
Unrestricted Ending Fund Balance (Use)	442	101,917	0	0	0
Total Ending Fund Balance	442	331,650	0	0	0
TOTAL USE OF FUNDS	673,563	1,245,778	1,274,105	1,274,105	0

* Actuals may not subtotal due to rounding.

Emergency Reserve Fund (406)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Encumbrances (Source)	3,896,820	3,896,820	2,550,934	2,550,934	2,550,934
Unrestricted Beginning Fund Balance (Source)	<u>(31,711,616)</u>	<u>663,049</u>	<u>(26,876,252)</u>	<u>(26,876,252)</u>	<u>(28,802,302)</u>
Total Beginning Fund Balance	<u>(27,814,796)</u>	<u>4,559,869</u>	<u>(24,325,318)</u>	<u>(24,325,318)</u>	<u>(26,251,368)</u>
Revenue from the Use of Money/Property					
Interest	0	20,000	20,000	20,000	0
Total Revenue from the Use of Money/Property	<u>0</u>	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>0</u>
Revenue from Local Agencies					
Reimbursements	<u>(850,607)</u>	0	0	0	0
Total Revenue from Local Agencies	<u>(850,607)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Revenue from Federal Government					
Emergency Rental Assistance	0	0	4,220,793	997,842	0
Federal Emergency Management Agency (FEMA)	<u>0</u>	<u>0</u>	<u>30,210,000</u>	<u>0</u>	<u>30,210,000</u>
Total Revenue from Federal Government	<u>0</u>	<u>0</u>	<u>34,430,793</u>	<u>997,842</u>	<u>30,210,000</u>
Transfers					
General Fund	<u>8,000,000</u>	0	0	0	0
Total Transfers	<u>8,000,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL SOURCE OF FUNDS	<u>(20,665,403)</u>	<u>4,579,869</u>	<u>10,125,475</u>	<u>(23,307,476)</u>	<u>3,958,632</u>
USE OF FUNDS					
Expenditures					
2022-2023 Storm Response and Recovery	1,812,108	0	3,187,892	2,923,892	264,000
COVID-19 Emergency Response	427,510	50,000	35,249	0	0
Emergency Rental Assistance	1,071,645	0	4,220,793	0	0
Food and Necessities Distribution - Food Services	<u>(67,168)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Resident Relief - Rent Relief Program	<u>415,821</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>3,659,915</u>	<u>50,000</u>	<u>7,443,934</u>	<u>2,923,892</u>	<u>264,000</u>
Transfers					
Transfer to the General Fund - Interest Income	0	20,000	20,000	20,000	0
Total Transfers	<u>0</u>	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>0</u>
Ending Fund Balance					
Reserve for Encumbrances (Use)	2,550,934	3,896,820	2,550,934	2,550,934	2,550,934
Unrestricted Ending Fund Balance (Use)	<u>(26,876,252)</u>	<u>613,049</u>	<u>110,607</u>	<u>(28,802,302)</u>	<u>1,143,698</u>
Total Ending Fund Balance	<u>(24,325,318)</u>	<u>4,509,869</u>	<u>2,661,541</u>	<u>(26,251,368)</u>	<u>3,694,632</u>
TOTAL USE OF FUNDS	<u>(20,665,403)</u>	<u>4,579,869</u>	<u>10,125,475</u>	<u>(23,307,476)</u>	<u>3,958,632</u>

* Actuals may not subtotal due to rounding.

Federal Drug Forfeiture Fund (419)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	7,966	7,966	426,992	426,992	426,992
Total Beginning Fund Balance	<u>7,966</u>	<u>7,966</u>	<u>426,992</u>	<u>426,992</u>	<u>426,992</u>
Revenue from Federal Government					
Federal Revenue	418,678	0	0	0	0
Interest	348	0	0	0	0
Total Revenue from Federal Government	<u>419,025</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL SOURCE OF FUNDS	<u>426,992</u>	<u>7,966</u>	<u>426,992</u>	<u>426,992</u>	<u>426,992</u>
USE OF FUNDS					
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	426,992	7,966	426,992	426,992	426,992
Total Ending Fund Balance	<u>426,992</u>	<u>7,966</u>	<u>426,992</u>	<u>426,992</u>	<u>426,992</u>
TOTAL USE OF FUNDS	<u>426,992</u>	<u>7,966</u>	<u>426,992</u>	<u>426,992</u>	<u>426,992</u>

* Actuals may not subtotal due to rounding.

Federated Retiree Healthcare Trust Fund (124)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actual	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Claims (Source)	349,121,000	360,791,000	374,608,000	374,608,000	383,890,600
Total Beginning Fund Balance	349,121,000	360,791,000	374,608,000	374,608,000	383,890,600
Revenue from the Use of Money/Property					
Participant Income	9,841,000	8,578,000	8,578,000	8,577,600	8,685,000
Investment Income	24,268,000	16,873,000	16,873,000	17,044,000	17,421,000
Total Revenue from the Use of Money/Property	34,109,000	25,451,000	25,451,000	25,621,600	26,106,000
Transfers					
City Contributions	22,997,000	18,500,000	18,500,000	19,095,000	20,400,000
Total Transfers	22,997,000	18,500,000	18,500,000	19,095,000	20,400,000
TOTAL SOURCE OF FUNDS	406,227,000	404,742,000	418,559,000	419,324,600	430,396,600
USE OF FUNDS					
Expenditures					
Health Insurance	30,869,000	32,401,000	32,401,000	35,034,000	36,093,000
Professional Fees	750,000	200,000	200,000	400,000	500,000
Total Expenditures	31,619,000	32,601,000	32,601,000	35,434,000	36,593,000
Ending Fund Balance					
Reserve for Claims (Use)	374,608,000	372,141,000	385,958,000	383,890,600	393,803,600
Total Ending Fund Balance	374,608,000	372,141,000	385,958,000	383,890,600	393,803,600
TOTAL USE OF FUNDS	406,227,000	404,742,000	418,559,000	419,324,600	430,396,600

This Statement of Source and Use is for display purposes only. The Federated City Employees Retirement Plan Board of Administration approved the annual administrative budget on 4/18/24.

Federated Retirement Fund (134)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actual	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Claims (Source)	2,708,027,000	2,808,052,000	2,907,315,000	2,907,315,000	3,020,606,000
Total Beginning Fund Balance	2,708,027,000	2,808,052,000	2,907,315,000	2,907,315,000	3,020,606,000
Revenue from the Use of Money/Property					
Participant Income	30,561,000	30,832,000	30,832,000	30,834,000	35,708,000
Investment Income	222,101,000	140,974,000	140,974,000	146,769,000	155,284,000
Total Revenue from the Use of Money/Property	252,662,000	171,806,000	171,806,000	177,603,000	190,992,000
Transfers					
City Contributions	199,440,000	216,118,000	216,118,000	194,744,000	234,326,000
1980 COLA	500	500	500	500	500
1990 COLA	7,000	7,000	7,000	4,000	4,000
Total Transfers	199,447,500	216,125,500	216,125,500	194,748,500	234,330,500
TOTAL SOURCE OF FUNDS	3,160,136,500	3,195,983,500	3,295,246,500	3,279,666,500	3,445,928,500
USE OF FUNDS					
Expenditures					
Retirement Personal Services	3,931,000	4,306,000	4,456,000	4,411,000	5,111,000
Retirement Non-Personal/Equipment	1,337,000	872,000	872,000	748,000	894,000
Benefits	247,356,000	255,466,000	255,466,000	253,031,000	263,433,000
Professional Fees	190,000	876,000	1,176,000	866,000	757,000
1980 COLA	500	500	500	500	500
1990 COLA	7,000	7,000	7,000	4,000	4,000
Total Expenditures	252,821,500	261,527,500	261,977,500	259,060,500	270,199,500
Ending Fund Balance					
Reserve for Claims (Use)	2,907,315,000	2,934,456,000	3,033,269,000	3,020,606,000	3,175,729,000
Total Ending Fund Balance	2,907,315,000	2,934,456,000	3,033,269,000	3,020,606,000	3,175,729,000
TOTAL USE OF FUNDS	3,160,136,500	3,195,983,500	3,295,246,500	3,279,666,500	3,445,928,500

This Statement of Source and Use is for display purposes only. The Federated City Employees' Retirement Plan Board of Administration approved the annual administrative budget on 4/18/24. It should be noted that the personal services costs reflected in this statement can vary from the budget presented to the Board due to revised salary, retirement, and benefit costs when compared to those that were projected in March.

Fire Development Fee Program Fund (240)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Encumbrances (Source)	403,685	403,685	376,393	376,393	376,393
Unrestricted Beginning Fund Balance (Source)	2,886,777	2,330,538	2,382,003	2,382,003	1,369,701
Total Beginning Fund Balance	3,290,462	2,734,223	2,758,396	2,758,396	1,746,094
Licenses and Permits					
Fire Development Program Fees	8,176,541	8,940,600	8,940,600	8,700,000	9,570,000
Total Licenses and Permits	8,176,541	8,940,600	8,940,600	8,700,000	9,570,000
Revenue from the Use of Money/Property					
Interest	47,752	35,000	35,000	60,000	35,000
Total Revenue from the Use of Money/Property	47,752	35,000	35,000	60,000	35,000
TOTAL SOURCE OF FUNDS	11,514,756	11,709,823	11,733,996	11,518,396	11,351,094
USE OF FUNDS					
Expenditures					
Development Fee Program - Shared Resources Non-Personal/Equipment (ITD)	9,280	15,270	15,270	15,000	45,630
Development Fee Program - Shared Resources Personal Services (Finance)	5,641	6,008	6,008	4,000	6,436
Development Fee Program - Shared Resources Personal Services (ITD)	162,798	213,908	223,373	171,000	196,053
Fire Development Fee Program - Non-Personal/Equipment (Fire)	115,345	148,728	177,528	31,000	197,957
Fire Development Fee Program - Non-Personal/Equipment (PBCE)	41,279	107,917	107,917	45,000	79,917
Fire Development Fee Program - Personal Services (Fire)	7,023,711	8,012,109	8,290,109	7,886,000	8,248,210
Fire Development Fee Program - Personal Services (PBCE)	52,857	150,097	155,889	12,000	38,222
Fire Development Fee Program - Personal Services (PW)	11,546	12,454	12,454	12,000	13,670
Fire Inspection Improvements	18,613	303,023	156,205	7,000	150,000
Fire Non-Personal/Equipment	0	28,800	0	0	0
ITD Non-Personal/Equipment	0	51,000	51,000	0	0
OED Personal Services	19,982	23,043	23,043	23,000	0
Overhead	1,129,493	1,359,410	1,359,410	1,359,410	1,365,383
Total Expenditures	8,590,545	10,431,767	10,578,206	9,565,410	10,341,478
Transfers					
Transfer to the City Hall Debt Service Fund	130,398	206,892	206,892	206,892	133,928
Transfer to the General Fund	35,417	0	0	0	0
Total Transfers	165,815	206,892	206,892	206,892	133,928
Ending Fund Balance					
Reserve for Encumbrances (Use)	376,393	403,685	376,393	376,393	376,393
Unrestricted Ending Fund Balance (Use)	2,382,003	667,479	572,505	1,369,701	499,295
Total Ending Fund Balance	2,758,396	1,071,164	948,898	1,746,094	875,688
TOTAL USE OF FUNDS	11,514,756	11,709,823	11,733,996	11,518,396	11,351,094

* Actuals may not subtotal due to rounding.

Fire Retiree Healthcare Trust Fund (126)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actual	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Claims (Source)	92,783,000	106,254,000	106,475,000	106,475,000	120,136,000
Total Beginning Fund Balance	92,783,000	106,254,000	106,475,000	106,475,000	120,136,000
Revenue from the Use of Money/Property					
Investment Income	6,892,000	6,702,000	6,702,000	6,717,000	7,565,000
Total Revenue from the Use of Money/Property	6,892,000	6,702,000	6,702,000	6,717,000	7,565,000
Transfers					
City Contributions	10,574,000	10,926,000	10,926,000	10,977,000	11,917,000
Total Transfers	10,574,000	10,926,000	10,926,000	10,977,000	11,917,000
TOTAL SOURCE OF FUNDS	110,249,000	123,882,000	124,103,000	124,169,000	139,618,000
USE OF FUNDS					
Expenditures					
Health Insurance	3,752,000	3,297,000	3,297,000	4,006,000	4,096,000
Professional Fees	22,000	50,000	50,000	27,000	27,000
Total Expenditures	3,774,000	3,347,000	3,347,000	4,033,000	4,123,000
Ending Fund Balance					
Reserve for Claims (Use)	106,475,000	120,535,000	120,756,000	120,136,000	135,495,000
Total Ending Fund Balance	106,475,000	120,535,000	120,756,000	120,136,000	135,495,000
TOTAL USE OF FUNDS	110,249,000	123,882,000	124,103,000	124,169,000	139,618,000

This Statement of Source and Use is for display purposes only. The Police and Fire Retirement Plan Board of Administration approved the annual administrative budget on 4/4/24.

Gas Tax Maintenance And Construction Fund - 1943 (409)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Gas Tax					
Gas Tax Revenue	7,945,431	7,900,000	7,900,000	8,300,000	8,400,000
Total Gas Tax	<u>7,945,431</u>	<u>7,900,000</u>	<u>7,900,000</u>	<u>8,300,000</u>	<u>8,400,000</u>
TOTAL SOURCE OF FUNDS	<u>7,945,431</u>	<u>7,900,000</u>	<u>7,900,000</u>	<u>8,300,000</u>	<u>8,400,000</u>
USE OF FUNDS					
Transfers					
Street Maintenance on a monthly basis as available	7,945,431	7,900,000	7,900,000	8,300,000	8,400,000
Total Transfers	<u>7,945,431</u>	<u>7,900,000</u>	<u>7,900,000</u>	<u>8,300,000</u>	<u>8,400,000</u>
TOTAL USE OF FUNDS	<u>7,945,431</u>	<u>7,900,000</u>	<u>7,900,000</u>	<u>8,300,000</u>	<u>8,400,000</u>

* Actuals may not subtotal due to rounding.

Gas Tax Maintenance And Construction Fund - 1964 (410)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Gas Tax					
Gas Tax Revenue	3,422,331	3,300,000	3,300,000	3,600,000	3,700,000
Total Gas Tax	<u>3,422,331</u>	<u>3,300,000</u>	<u>3,300,000</u>	<u>3,600,000</u>	<u>3,700,000</u>
TOTAL SOURCE OF FUNDS	<u>3,422,331</u>	<u>3,300,000</u>	<u>3,300,000</u>	<u>3,600,000</u>	<u>3,700,000</u>
USE OF FUNDS					
Transfers					
Street Maintenance on a monthly basis as available	3,422,331	3,300,000	3,300,000	3,600,000	3,700,000
Total Transfers	<u>3,422,331</u>	<u>3,300,000</u>	<u>3,300,000</u>	<u>3,600,000</u>	<u>3,700,000</u>
TOTAL USE OF FUNDS	<u>3,422,331</u>	<u>3,300,000</u>	<u>3,300,000</u>	<u>3,600,000</u>	<u>3,700,000</u>

* Actuals may not subtotal due to rounding.

Gas Tax Maintenance And Construction Fund - 1990 (411)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Gas Tax					
Gas Tax Revenue	5,818,999	5,800,000	5,800,000	6,100,000	6,300,000
Total Gas Tax	<u>5,818,999</u>	<u>5,800,000</u>	<u>5,800,000</u>	<u>6,100,000</u>	<u>6,300,000</u>
TOTAL SOURCE OF FUNDS	<u>5,818,999</u>	<u>5,800,000</u>	<u>5,800,000</u>	<u>6,100,000</u>	<u>6,300,000</u>
USE OF FUNDS					
Transfers					
Street Maintenance on a monthly basis as available	5,818,999	5,800,000	5,800,000	6,100,000	6,300,000
Total Transfers	<u>5,818,999</u>	<u>5,800,000</u>	<u>5,800,000</u>	<u>6,100,000</u>	<u>6,300,000</u>
TOTAL USE OF FUNDS	<u>5,818,999</u>	<u>5,800,000</u>	<u>5,800,000</u>	<u>6,100,000</u>	<u>6,300,000</u>

* Actuals may not subtotal due to rounding.

General Purpose Parking Fund (533)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Emergency Repairs Reserve (Source)	700,000	700,000	700,000	700,000	700,000
Parking Meter District Area Reserve (Source)	0	0	0	0	300,000
Reserve for Encumbrances (Source)	1,473,081	1,473,081	2,169,431	2,169,431	2,169,431
Unrestricted Beginning Fund Balance (Source)	5,049,090	6,183,987	6,408,999	6,408,999	4,533,940
Total Beginning Fund Balance	7,222,171	8,357,068	9,278,430	9,278,430	7,703,371
Revenue from the Use of Money/Property					
Interest	130,807	50,000	50,000	140,000	90,000
Total Revenue from the Use of Money/Property	130,807	50,000	50,000	140,000	90,000
Fees, Rates, and Charges					
Parking Lots and Garages	11,964,302	11,866,700	11,866,700	12,168,000	12,000,000
Parking Meters	2,993,175	3,133,300	3,133,300	3,116,000	3,000,000
Total Fees, Rates, and Charges	14,957,477	15,000,000	15,000,000	15,284,000	15,000,000
Other Revenue					
Miscellaneous	80,255	100,000	100,000	53,000	100,000
Total Other Revenue	80,255	100,000	100,000	53,000	100,000
TOTAL SOURCE OF FUNDS	22,390,710	23,507,068	24,428,430	24,755,430	22,893,371
USE OF FUNDS					
Expenditures					
DOT Non-Personal/Equipment	6,186,945	7,555,053	7,839,553	7,611,850	7,593,653
DOT Personal Services	2,296,576	2,698,686	2,784,349	2,387,704	2,973,182
ITD Non-Personal/Equipment	9,196	9,401	9,401	9,401	9,401
ITD Personal Services	8,391	7,952	7,952	7,952	8,678
Overhead	1,448,613	1,738,008	1,738,008	1,738,008	1,561,370
Police Garage Security Services	298,407	350,000	350,000	325,940	350,000
PW Non-Personal/Equipment	7,526	29,488	29,488	12,335	29,488
PW Personal Services	0	50,000	50,000	0	50,000
Workers' Compensation Claims	10,289	5,000	5,000	5,000	5,000
Total Expenditures	10,265,943	12,443,588	12,813,751	12,098,190	12,580,772
Transfers					
Transfer to the City Hall Debt Service Fund	61,652	75,065	75,065	75,065	65,212
Transfer to the Downtown Property and Business Improvement District Fund	77,447	77,447	77,447	77,447	77,447
Transfer to the General Fund	507,765	365,000	365,000	365,000	365,000
Transfer to the General Fund - San Jose Downtown Association	429,473	436,357	436,357	436,357	254,164
Transfer to the General Purpose Parking Capital Fund	1,770,000	4,000,000	4,000,000	4,000,000	2,500,000
Total Transfers	2,846,337	4,953,869	4,953,869	4,953,869	3,261,823
Ending Fund Balance					
Emergency Repairs Reserve (Use)	700,000	700,000	700,000	700,000	700,000
Parking Meter District Area Reserve (Use)	0	300,000	300,000	300,000	600,000
Reserve for Encumbrances (Use)	2,169,431	1,473,081	2,169,431	2,169,431	2,169,431
Unrestricted Ending Fund Balance (Use)	6,408,999	3,636,530	3,491,379	4,533,940	3,581,345
Total Ending Fund Balance	9,278,430	6,109,611	6,660,810	7,703,371	7,050,776
TOTAL USE OF FUNDS	22,390,710	23,507,068	24,428,430	24,755,430	22,893,371

* Actuals may not subtotal due to rounding.

Gift Trust Fund (139)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Encumbrances (Source)	379,151	662,954	391,463	391,463	391,463
Unrestricted Beginning Fund Balance (Source)	4,530,085	1,121,781	3,702,776	3,702,776	855,000
Total Beginning Fund Balance	4,909,236	1,784,735	4,094,239	4,094,239	1,246,463
Revenue from the Use of Money/Property					
Public Safety Purposes	56	0	0	0	0
Total Revenue from the Use of Money/Property	56	0	0	0	0
Other Revenue					
Clerk Purposes	423	0	0	0	0
DOT Purposes	502	0	51,012	51,012	0
Library Purposes	127,772	0	29,251	29,251	0
OED Purposes	3,217	0	0	0	0
Other Purposes	21,094	0	0	0	0
PRNS Purposes	138,059	0	15,067	15,067	0
Public Safety Purposes	15,812	0	0	0	0
PW Purposes	428,966	0	0	0	0
Total Other Revenue	735,846	0	95,330	95,330	0
TOTAL SOURCE OF FUNDS	5,645,138	1,784,735	4,189,569	4,189,569	1,246,463
USE OF FUNDS					
Expenditures					
Airport Military Lounge	0	0	618	618	0
Albino, Erminia and Alba Joyce Martini Memorial Fund	0	28,000	111,918	83,918	28,000
Almaden Lake Park	150,126	0	2,685	2,685	0
Almaden Lake Park Rangers	0	0	746	746	0
Almaden Winery Improvements	0	0	30,937	30,937	0
Alum Rock Park	0	0	29,283	29,283	0
Alviso Community Center	0	0	24,007	24,007	0
Alviso Recreation and Teen Program	0	0	1,998	1,998	0
Animal Adoption	0	0	4,722	4,722	0
Animal Services Donations	761,182	299,000	675,235	517,235	158,000
Annual District I Festival in the Park	0	0	1,751	1,751	0
Anti-Theft Car Campaign	0	0	5	5	0
Art + Technology Program	5,001	0	41,218	41,218	0
Art Work	0	0	9,789	9,789	0
Arts and Education Week	0	0	7,764	7,764	0
Berryessa Center Art Project	0	0	2,693	2,693	0
Berryessa Senior Programming Gift	0	0	15,067	15,067	0
Books for Little Hands	0	5,000	6,377	6,377	0
CADPE - Drug Education	0	0	132	132	0
Calabazas BMX Park	0	0	3,231	3,231	0
Calabazas Branch Library	153	0	1,968	1,968	0
Camden Community Center Miscellaneous Gifts	681	0	3,802	3,802	0
Canine Unit	0	0	12,622	12,622	0
Castro School Landscaping	0	0	7,762	7,762	0
Child Safety Seats	0	0	282	282	0
Children's Interview Center	0	0	31,601	31,601	0

* Actuals may not subtotal due to rounding.

Gift Trust Fund (139)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
USE OF FUNDS					
Expenditures					
Coleman / Guadalupe Traffic Study and Mitigation	0	0	16,614	16,614	0
Combined Gifts	0	0	7,410	7,410	0
Commodore Park Maintenance	0	0	16,436	16,436	0
Communications Facility Fitness Center	0	0	223	223	0
Community Cultural Council	0	0	4,161	4,161	0
CommUnity Resource Fair	0	0	25,225	25,225	0
Community Services Program	0	0	3,244	3,244	0
Crime Prevention Committee	0	0	939	939	0
Cultural Performance	0	0	168	168	0
Cybercadet Program	0	0	485	485	0
Dando Artwork Maintenance	0	0	26,071	26,071	0
Emma Prusch Farm Park	612	0	10,301	10,301	0
Enhanced Crosswalk at Hedding and Elm Streets	0	0	10,334	10,334	0
Facebook	104,667	207,364	302,341	142,341	160,000
Family Camp Camperships	0	0	6,205	6,205	0
Friends of Paul Moore Park	0	0	4,479	4,479	0
G.E.A.R. Program	0	0	25	25	0
Garbage Stickers	0	21,000	35,528	35,528	0
Go Girl Go BAWSI	0	0	1,101	1,101	0
Grace Community Center	0	0	43,837	43,837	0
Gullo Park Turf Irrigation	0	0	20,293	20,293	0
Hazardous Material Training	0	0	866	866	0
Heliport System Plan Study	0	0	31,640	31,640	0
Incubation Office Project	0	0	8,451	8,451	0
Internet Crimes Against Children	0	0	228	228	0
Investigative Enhancement	0	0	866	866	0
IPA's Teen Leadership Council	0	0	2,336	2,336	0
J. Ward Memorial Scholarship	0	0	1,309	1,309	0
Japanese Friendship Garden	0	0	17,888	17,888	0
Kinjo Gardens	0	0	6,081	6,081	0
Lake Cunningham Skate Park	0	0	7,478	7,478	0
Leland High School Tennis	0	0	2,710	2,710	0
Library Literacy Project	977	35,000	44,940	44,940	0
Library-General Gifts	166,837	111,000	531,679	416,679	115,000
Major Awards Banquet	0	0	96	96	0
Mayfair Senior Programming Gift	0	0	7,702	7,702	0
Mayor's College Motivation Program	0	0	22,514	22,514	0
Mayor's Gang Prevention Task Force Clean Slate Program	3,799	0	11,347	11,347	0
Mayor's Safe Families	0	0	124	124	0
Miscellaneous Gifts under \$5,000	0	0	28,061	28,061	0
Miscellaneous Gifts Under \$1,000	0	0	20,281	20,281	0
Mise and Starbird Gift	0	13,000	52,207	39,207	13,000
Mitty/Bevans Pedestrian Safety Project	0	0	11,646	11,646	0
N. San Pedro Area Park Maintenance	0	31,000	126,454	94,454	32,000
Newhall Park Maintenance	83,637	139,417	177,215	67,215	110,000
Nicolas Prusch Swimming	180,396	0	5,856	5,856	0
O'Donnell's Gardens Park	0	0	6,433	6,433	0
OED Miscellaneous Gifts	0	0	33	33	0
Our City Forest	0	0	13	13	0
Overfelt Gardens	0	0	1,795	1,795	0
Pedestrian Enhancements - International Circle and Hospital Parkway	0	0	2,412	2,412	0
Police & School Partnership Program	0	0	944	944	0
Police Educational Robot	0	0	223	223	0

* Actuals may not subtotal due to rounding.

Gift Trust Fund (139)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
USE OF FUNDS					
Expenditures					
Police Mounted Unit	0	0	18,939	18,939	0
Police Reserves Unit	4,657	0	2,627	2,627	0
Public Education Program	0	0	25,609	25,609	0
River Oaks Park Maintenance	0	23,000	94,289	70,289	24,000
Robbery Secret Witness	0	0	1,617	1,617	0
Roosevelt Roller Hockey Rink Legacy Project 2018-2019	0	27,000	109,001	81,001	28,000
Rotary Playgarden Improvements	0	17,000	67,027	50,027	17,000
RP & CS General Gifts over \$1,000	0	15,000	59,343	44,343	15,000
S.A.V.E. Program	0	0	38,896	38,896	0
Safe Summer Initiative	0	0	25,632	25,632	0
San José Vietnam War Memorial	0	0	13,301	13,301	0
Scholastic Crime Stoppers	0	0	499	499	0
School Safety Gifts	0	0	79	79	0
Seven Trees Music Wish Book	0	0	36,352	36,352	0
Spay / Neuter Program	37,227	21,000	70,561	54,561	16,000
Sponsorship Gifts	0	0	193	193	0
St. James Park Landscaping	0	0	9,149	9,149	0
Trauma Kits	0	0	188	188	0
Vista Montana Park Maintenance	38,245	129,000	510,910	371,910	139,000
Volunteer Program	0	0	68	68	0
Willow Glen Founders Day	0	0	775	775	0
Willow Glen Senior Programming	2,153	0	8,128	8,128	0
Youth Commission	10,550	0	9,462	9,462	0
Total Expenditures	1,550,899	1,121,781	3,798,106	2,943,106	855,000
Ending Fund Balance					
Reserve for Encumbrances (Use)	391,463	662,954	391,463	391,463	391,463
Unrestricted Ending Fund Balance (Use)	3,702,776	0	0	855,000	0
Total Ending Fund Balance	4,094,239	662,954	391,463	1,246,463	391,463
TOTAL USE OF FUNDS	5,645,138	1,784,735	4,189,569	4,189,569	1,246,463

* Actuals may not subtotal due to rounding.

Home Investment Partnership Program Trust Fund (445)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Housing Project Reserve (Source)	0	0	0	0	3,000,000
Reserve for Encumbrances (Source)	3,811,390	3,811,390	120,272	120,272	120,272
Unrestricted Beginning Fund Balance (Source)	736,126	1,961,748	5,042,631	5,042,630	5,161,815
Total Beginning Fund Balance	4,547,516	5,773,138	5,162,903	5,162,902	8,282,087
Revenue from the Use of Money/Property					
Interest	108,304	510,000	510,000	200,000	200,000
Loan Repayments	704,760	501,000	501,000	100,000	150,000
Total Revenue from the Use of Money/Property	813,064	1,011,000	1,011,000	300,000	350,000
Revenue from Federal Government					
American Rescue Plan Act	0	11,676,334	11,676,334	11,676,334	0
HOME Entitlement Grants	169,660	3,380,549	3,380,549	3,380,549	3,380,549
Total Revenue from Federal Government	169,660	15,056,883	15,056,883	15,056,883	3,380,549
TOTAL SOURCE OF FUNDS	5,530,240	21,841,021	21,230,786	20,519,785	12,012,636
USE OF FUNDS					
Expenditures					
City Attorney Personal Services	8,239	10,157	10,157	10,157	0
Fair Housing	201,137	200,000	200,000	200,000	200,000
Housing Non-Personal/Equipment	15,296	46,714	46,714	46,714	46,714
Housing Personal Services	68,018	177,450	185,104	185,104	79,357
Housing Shelter	5,423	11,676,334	11,676,334	11,676,334	3,380,549
Overhead	65,231	114,194	114,194	114,194	23,682
Total Expenditures	363,343	12,224,849	12,232,503	12,232,503	3,730,302
Transfers					
Transfer to the City Hall Debt Service Fund	3,995	5,195	5,195	5,195	30,470
Total Transfers	3,995	5,195	5,195	5,195	30,470
Ending Fund Balance					
Housing Project Reserve (Use)	0	0	3,000,000	3,000,000	7,000,000
Reserve for Encumbrances (Use)	120,272	3,811,390	120,272	120,272	120,272
Unrestricted Ending Fund Balance (Use)	5,042,630	5,799,587	5,872,816	5,161,815	1,131,592
Total Ending Fund Balance	5,162,902	9,610,977	8,993,088	8,282,087	8,251,864
TOTAL USE OF FUNDS	5,530,240	21,841,021	21,230,786	20,519,785	12,012,636

* Actuals may not subtotal due to rounding.

Homeless Housing, Assistance, and Prevention Fund (454)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Encumbrances (Source)	6,769,346	6,769,346	8,928,974	8,928,974	8,928,974
Unrestricted Beginning Fund Balance (Source)	(866,120)	12,245,147	(7,102,222)	(7,102,222)	7,582,297
Total Beginning Fund Balance	<u>5,903,226</u>	<u>19,014,493</u>	<u>1,826,752</u>	<u>1,826,752</u>	<u>16,511,271</u>
Revenue from the Use of Money/Property					
Interest	674,194	250,000	250,000	800,000	500,000
Total Revenue from the Use of Money/Property	<u>674,194</u>	<u>250,000</u>	<u>250,000</u>	<u>800,000</u>	<u>500,000</u>
Revenue from State of California					
Homeless Housing Assistance and Prevention Grant	4,705,632	26,922,855	54,887,931	54,887,931	14,433,156
Total Revenue from State of California	<u>4,705,632</u>	<u>26,922,855</u>	<u>54,887,931</u>	<u>54,887,931</u>	<u>14,433,156</u>
TOTAL SOURCE OF FUNDS	<u>11,283,052</u>	<u>46,187,348</u>	<u>56,964,683</u>	<u>57,514,683</u>	<u>31,444,427</u>
USE OF FUNDS					
Expenditures					
Emergency Shelters	8,121,241	20,663,387	27,937,581	22,937,581	5,000,000
Grant Administration	56,935	1,527,135	1,527,135	1,527,135	3,067,692
Homeless Youth	863,495	3,669,887	4,069,887	4,069,887	721,658
Homelessness Prevention System	0	12,349,433	12,349,433	12,349,433	2,931,096
Loan Administration	164,392	81,399	81,399	81,399	55,614
Overhead	250,238	10,753	10,753	10,753	199,278
Total Expenditures	<u>9,456,300</u>	<u>38,301,994</u>	<u>45,976,188</u>	<u>40,976,188</u>	<u>11,975,338</u>
Transfers					
Transfer to the City Hall Debt Service Fund	0	27,224	27,224	27,224	2,558
Total Transfers	<u>0</u>	<u>27,224</u>	<u>27,224</u>	<u>27,224</u>	<u>2,558</u>
Ending Fund Balance					
Reserve for Encumbrances (Use)	8,928,974	6,769,346	8,928,974	8,928,974	8,928,974
Unrestricted Ending Fund Balance (Use)	(7,102,222)	1,088,784	2,032,297	7,582,297	10,537,557
Total Ending Fund Balance	<u>1,826,752</u>	<u>7,858,130</u>	<u>10,961,271</u>	<u>16,511,271</u>	<u>19,466,531</u>
TOTAL USE OF FUNDS	<u>11,283,052</u>	<u>46,187,348</u>	<u>56,964,683</u>	<u>57,514,683</u>	<u>31,444,427</u>

* Actuals may not subtotal due to rounding.

Housing Trust Fund (440)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Encumbrances (Source)	619,310	619,310	1,532,857	1,532,857	1,532,857
Unrestricted Beginning Fund Balance (Source)	5,893,991	4,506,366	3,711,220	3,711,220	241,130
Total Beginning Fund Balance	6,513,301	5,125,676	5,244,077	5,244,077	1,773,987
Revenue from the Use of Money/Property					
Interest	132,044	55,000	55,000	90,000	55,000
Total Revenue from the Use of Money/Property	132,044	55,000	55,000	90,000	55,000
Other Revenue					
Bond Administration Fees	1,364,813	1,200,000	1,200,000	718,750	1,100,000
Land and Building Lease Revenue	63,000	63,000	63,000	63,000	63,000
Miscellaneous	197,625	100,000	100,000	50,000	25,000
Total Other Revenue	1,625,438	1,363,000	1,363,000	831,750	1,188,000
TOTAL SOURCE OF FUNDS	8,270,783	6,543,676	6,662,077	6,165,827	3,016,987
USE OF FUNDS					
Expenditures					
City Attorney Personal Services	39,328	36,193	36,193	36,193	52,047
Disaster Assistance	0	311,000	311,000	311,000	0
Emergency Assistance	0	150,000	150,000	150,000	0
Employment Initiative Program	173,631	125,000	125,000	125,000	0
Housing and Homeless Projects	1,751,140	2,700,000	2,700,000	2,700,000	0
Housing Non-Personal/Equipment	124,797	128,220	128,220	25,000	53,220
Housing Personal Services	679,374	888,639	915,642	915,642	1,129,503
Overhead	233,642	104,765	104,765	104,765	135,387
Total Expenditures	3,001,912	4,443,817	4,470,820	4,367,600	1,370,157
Transfers					
Transfer to the City Hall Debt Service Fund	21,215	24,240	24,240	24,240	23,797
Transfer to the General Fund	3,579	0	0	0	0
Total Transfers	24,794	24,240	24,240	24,240	23,797
Ending Fund Balance					
Reserve for Encumbrances (Use)	1,532,857	619,310	1,532,857	1,532,857	1,532,857
Unrestricted Ending Fund Balance (Use)	3,711,220	1,456,309	634,160	241,130	90,176
Total Ending Fund Balance	5,244,077	2,075,619	2,167,017	1,773,987	1,623,033
TOTAL USE OF FUNDS	8,270,783	6,543,676	6,662,077	6,165,827	3,016,987

* Actuals may not subtotal due to rounding.

Ice Centre Revenue Fund (432)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Capital Rehabilitation Reserve (Source)	487,500	487,500	487,500	487,500	2,030,520
Reserve for Encumbrances (Source)	100,001	100,001	100,001	100,001	100,001
Unrestricted Beginning Fund Balance (Source)	965,674	993,174	1,693,020	1,693,020	241,830
Total Beginning Fund Balance	1,553,175	1,580,675	2,280,521	2,280,521	2,372,351
Revenue from the Use of Money/Property					
Interest	81,578	0	0	91,830	0
Ice Centre - Additional Rent	189,749	225,610	225,610	202,966	222,792
Ice Centre - Base Rent	5,437,500	7,375,000	7,375,000	7,375,000	7,800,000
Total Revenue from the Use of Money/Property	5,708,827	7,600,610	7,600,610	7,669,796	8,022,792
Other Revenue					
Miscellaneous Revenue	0	0	2,087,108	2,087,108	0
Total Other Revenue	0	0	2,087,108	2,087,108	0
TOTAL SOURCE OF FUNDS	7,262,002	9,181,285	11,968,239	12,037,425	10,395,143
USE OF FUNDS					
Expenditures					
Ice Center Expansion	0	0	1,987,108	1,987,108	0
Ice Centre Debt Service Payment	4,793,955	7,375,000	7,375,000	7,375,000	7,798,253
Ice Centre Oversight Expenses	106,090	114,088	114,088	114,088	116,792
Total Expenditures	4,900,045	7,489,088	9,476,196	9,476,196	7,915,045
Transfers					
Transfer to the General Fund - PW Oversight	0	0	100,000	100,000	0
Transfer to the General Fund - Ice Centre Insurance Expenses	81,436	111,522	111,522	88,878	106,000
Total Transfers	81,436	111,522	211,522	188,878	106,000
Ending Fund Balance					
Capital Rehabilitation Reserve (Use)	487,500	1,187,500	2,030,520	2,030,520	2,124,097
Reserve for Encumbrances (Use)	100,001	100,001	100,001	100,001	100,001
Unrestricted Ending Fund Balance (Use)	1,693,020	293,174	150,000	241,830	150,000
Total Ending Fund Balance	2,280,521	1,580,675	2,280,521	2,372,351	2,374,098
TOTAL USE OF FUNDS	7,262,002	9,181,285	11,968,239	12,037,425	10,395,143

* Actuals may not subtotal due to rounding.

Inclusionary Fee Fund (451)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Committed Projects Reserve (Source)	0	0	0	0	40,000,000
Housing Project Reserve (Source)	25,000,000	30,000,000	16,500,000	16,548,655	3,500,000
Missing Middle Affordable Housing Reserve (Source)	10,000,000	10,000,000	10,000,000	10,000,000	0
Reserve for Encumbrances (Source)	626,039	626,039	618,048	618,048	618,048
Unrestricted Beginning Fund Balance (Source)	32,181,633	34,263,950	46,475,690	46,427,035	507,346
Total Beginning Fund Balance	67,807,672	74,889,989	73,593,738	73,593,738	44,625,394
Revenue from the Use of Money/Property					
Inclusionary Policy Loan Repayments	656,229	1,000,000	1,000,000	0	300,000
Interest	1,575,948	900,000	900,000	1,200,000	1,200,000
Total Revenue from the Use of Money/Property	2,232,177	1,900,000	1,900,000	1,200,000	1,500,000
Fees, Rates, and Charges					
Inclusionary Housing Ordinance In-Lieu Fees	3,839,985	7,000,000	7,000,000	0	4,000,000
Inclusionary Housing Application Fees	109,856	70,000	70,000	35,000	35,000
Rental Unit Determination Application Fee	2,904	0	0	0	0
Total Fees, Rates, and Charges	3,952,745	7,070,000	7,070,000	35,000	4,035,000
TOTAL SOURCE OF FUNDS	73,992,594	83,859,989	82,563,738	74,828,738	50,160,394
USE OF FUNDS					
Expenditures					
Housing Loans and Grants	0	13,451,344	29,722,508	29,722,508	0
Housing Non-Personal/Equipment	1,283	0	0	0	0
Housing Personal Services	249,634	379,417	395,611	395,611	241,711
Overhead	134,922	51,894	51,894	51,894	34,271
PBCE Personal Services	0	19,920	20,719	20,719	21,588
Total Expenditures	385,839	13,902,575	30,190,732	30,190,732	297,570
Transfers					
Transfer to the City Hall Debt Service Fund	11,488	12,612	12,612	12,612	12,299
Transfer to the General Fund	1,529	0	0	0	0
Total Transfers	13,017	12,612	12,612	12,612	12,299
Ending Fund Balance					
Committed Projects Reserve (Use)	0	0	40,000,000	40,000,000	40,000,000
Housing Project Reserve (Use)	16,548,655	50,000,000	6,500,000	3,500,000	7,500,000
Missing Middle Affordable Housing Reserve	10,000,000	10,000,000	0	0	0
Reserve for Encumbrances (Use)	618,048	626,039	618,048	618,048	618,048
Unrestricted Ending Fund Balance (Use)	46,427,035	9,318,763	5,242,346	507,346	1,732,477
Total Ending Fund Balance	73,593,738	69,944,802	52,360,394	44,625,394	49,850,525
TOTAL USE OF FUNDS	73,992,594	83,859,989	82,563,738	74,828,738	50,160,394

* Actuals may not subtotal due to rounding.

Integrated Waste Management Fund (423)
STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Environmental Innovation Center Reserve (Source)	74,000	74,000	74,000	74,000	74,000
Operations and Maintenance Reserve (Source)	13,280,063	16,462,128	16,462,128	16,462,128	17,134,481
Reserve for Encumbrances (Source)	7,155,108	7,155,108	7,237,040	7,237,040	7,237,040
Unrestricted Beginning Fund Balance (Source)	10,838,870	8,638,150	9,092,968	9,092,968	9,325,030
Total Beginning Fund Balance	31,348,041	32,329,386	32,866,136	32,866,136	33,770,551
Licenses and Permits					
Franchise Applications	1,716	27,456	27,456	1,073	1,265
Total Licenses and Permits	1,716	27,456	27,456	1,073	1,265
Fines, Forfeitures, and Penalties					
CDDD Ineligible Refunds	837,835	857,168	857,168	888,522	887,368
Lien-Related	1,184,626	1,253,809	1,253,809	1,376,809	1,512,843
Total Fines, Forfeitures, and Penalties	2,022,461	2,110,977	2,110,977	2,265,331	2,400,211
Revenue from the Use of Money/Property					
Interest	547,622	343,470	343,470	800,000	750,000
Las Plumas Tenant	554,327	551,796	551,796	553,108	718,281
Total Revenue from the Use of Money/Property	1,101,948	895,266	895,266	1,353,108	1,468,281
Revenue from Local Agencies					
Household Hazardous Waste Revenue from County	0	400,000	400,000	0	0
Total Revenue from Local Agencies	0	400,000	400,000	0	0
Revenue from State of California					
SB 332 Revenue	253,851	250,000	250,000	250,000	250,000
Total Revenue from State of California	253,851	250,000	250,000	250,000	250,000
Fees, Rates, and Charges					
AB 939 Fees	4,724,927	4,831,548	4,831,548	4,831,548	5,709,199
Miscellaneous Solid Waste	359,200	27,544	27,544	311,400	314,900
Recycle Plus Collection Charges	188,485,130	193,995,370	193,995,370	195,306,556	202,386,479
Total Fees, Rates, and Charges	193,569,257	198,854,462	198,854,462	200,449,504	208,410,578
Other Revenue					
Miscellaneous Revenue	2,100	1,950	1,950	1,950	1,767
Miscellaneous Solid Waste	338,449	359,348	359,348	254,326	302,989
Total Other Revenue	340,549	361,298	361,298	256,276	304,756
TOTAL SOURCE OF FUNDS	228,637,824	235,228,845	235,765,595	237,441,428	246,605,642

* Actuals may not subtotal due to rounding.

Integrated Waste Management Fund (423)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
USE OF FUNDS					
Expenditures					
Banking Services	162,993	95,000	210,000	210,000	95,000
CalRecycle SB1383 Grant	192,932	952,288	1,245,581	1,245,581	0
City Attorney Personal Services	181,290	59,504	221,986	221,986	189,623
County Revenue Collection Fee	1,446,251	1,989,073	1,989,073	1,989,073	2,059,264
Delinquent Lien Releases	1,100	60,000	60,000	6,460	10,000
Development Fee Program - Shared Resources Non-Personal/Equipment (ITD)	1,241	0	0	0	0
ESD Non-Personal/Equipment	2,646,272	4,803,239	4,803,239	4,803,239	4,426,845
ESD Personal Services	8,516,421	9,751,086	10,084,622	10,084,622	10,811,814
Finance Non-Personal/Equipment	14,753	215,500	215,500	40,000	112,500
Finance Personal Services	597,100	640,396	665,787	665,787	691,251
HR Personal Services	27,894	30,503	31,827	31,827	33,856
IDC Disposal Agreement	5,319,246	5,340,575	5,340,575	5,169,513	5,516,303
ITD Non-Personal/Equipment	11,265	109,577	109,577	22,000	71,637
ITD Personal Services	629,690	669,648	697,021	697,021	709,909
Multi-Family Recycle Plus	28,919,065	29,970,769	29,970,769	29,280,549	31,751,411
Overhead	2,247,645	2,482,432	2,482,432	2,482,432	2,989,840
PBCE Non-Personal/Equipment	4,219	18,585	18,585	6,000	14,585
PBCE Personal Services	167,161	214,746	224,934	224,934	220,605
PW Non-Personal/Equipment	86,721	124,703	124,703	124,703	124,703
PW Personal Services	441,542	475,894	485,943	485,943	496,327
Single Family Dwelling Processing	20,533,732	21,632,279	21,632,279	21,228,768	22,597,378
Single-Family Recycle Plus	91,056,479	93,016,568	93,016,568	92,087,108	96,990,657
Workers' Compensation Claims	130,399	125,000	125,000	91,281	125,000
Yard Trimming Collection/Processing	31,984,790	33,573,107	33,573,107	31,967,189	35,764,590
Total Expenditures	195,320,202	206,350,472	207,329,108	203,166,016	215,803,098
Transfers					
Transfer to the City Hall Debt Service Fund	406,788	504,861	504,861	504,861	521,367
Transfer to the General Fund	44,698	0	0	0	0
Total Transfers	451,486	504,861	504,861	504,861	521,367
Ending Fund Balance					
Environmental Innovation Center Reserve (Use)	74,000	74,000	74,000	74,000	74,000
Operations and Maintenance Reserve (Use)	16,462,128	17,134,481	17,134,481	17,134,481	18,030,506
Reserve for Encumbrances (Use)	7,237,040	7,155,108	7,237,040	7,237,040	7,237,040
Unrestricted Ending Fund Balance (Use)	9,092,968	4,009,923	3,486,105	9,325,030	4,939,631
Total Ending Fund Balance	32,866,136	28,373,512	27,931,626	33,770,551	30,281,177
TOTAL USE OF FUNDS	228,637,824	235,228,845	235,765,595	237,441,428	246,605,642

* Actuals may not subtotal due to rounding.

Library Parcel Tax Fund (418)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Encumbrances (Source)	201,186	201,186	138,231	138,231	138,231
Six Day Expansion Model Reserve (Source)	2,000,000	1,500,000	1,500,000	1,500,000	1,500,000
Unrestricted Beginning Fund Balance (Source)	2,536,456	1,109,444	1,554,138	1,554,138	792,371
Total Beginning Fund Balance	4,737,642	2,810,630	3,192,369	3,192,369	2,430,602
Revenue from the Use of Money/Property					
Interest	33,209	20,000	20,000	50,000	30,000
Total Revenue from the Use of Money/Property	33,209	20,000	20,000	50,000	30,000
Library Parcel Tax					
Library Parcel Tax Revenue	10,402,578	10,646,079	10,646,079	10,721,133	10,975,224
Total Library Parcel Tax	10,402,578	10,646,079	10,646,079	10,721,133	10,975,224
TOTAL SOURCE OF FUNDS	15,173,429	13,476,709	13,858,448	13,963,502	13,435,826
USE OF FUNDS					
Expenditures					
Annual Audit	14,745	17,000	17,000	17,000	17,000
HR Non-Personal/Equipment	7,200	12,000	12,000	12,000	12,000
HR Personal Services	65,273	79,772	82,833	82,833	75,856
Library Non-Personal/Equipment	1,636,349	2,151,348	2,151,348	2,151,348	2,206,025
Library Personal Services	9,212,205	8,838,907	9,229,179	9,229,179	9,499,985
Total Expenditures	10,935,771	11,099,027	11,492,360	11,492,360	11,810,866
Transfers					
Transfer to the City Hall Debt Service Fund	32,274	40,540	40,540	40,540	38,252
Transfer to the General Fund	27,176	0	0	0	0
Transfer to the Library Parcel Tax Capital Fund	985,839	0	0	0	0
Total Transfers	1,045,289	40,540	40,540	40,540	38,252
Ending Fund Balance					
Reserve for Encumbrances (Use)	138,231	201,186	138,231	138,231	138,231
Six Day Expansion Model Reserve (Use)	1,500,000	1,500,000	1,500,000	1,500,000	1,300,000
Unrestricted Ending Fund Balance (Use)	1,554,138	635,956	687,317	792,371	148,477
Total Ending Fund Balance	3,192,369	2,337,142	2,325,548	2,430,602	1,586,708
TOTAL USE OF FUNDS	15,173,429	13,476,709	13,858,448	13,963,502	13,435,826

* Actuals may not subtotal due to rounding.

Low And Moderate Income Housing Asset Fund (346)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Affordable Housing Web Portal Reserve (Source)	386,352	0	0	0	0
Committed Projects Reserve (Source)	4,985,000	316,413	316,413	316,413	6,228,863
Housing Project Reserve (Source)	69,235,775	0	0	0	17,287,550
Reserve for Encumbrances (Source)	53,627,123	53,627,123	42,837,206	42,837,206	42,837,206
Revenue Stabilization Reserve (Source)	6,000,000	6,000,000	6,000,000	6,000,000	8,000,000
Unrestricted Beginning Fund Balance (Source)	38,065,402	46,297,793	104,624,638	104,624,638	9,136,763
Total Beginning Fund Balance	<u>172,299,652</u>	<u>106,241,329</u>	<u>153,778,257</u>	<u>153,778,257</u>	<u>83,490,382</u>
Revenue from the Use of Money/Property					
Interest	3,484,078	4,500,000	4,500,000	6,500,000	4,500,000
Loan Repayments	15,234,955	10,000,000	10,000,000	12,000,000	10,000,000
Total Revenue from the Use of Money/Property	<u>18,719,034</u>	<u>14,500,000</u>	<u>14,500,000</u>	<u>18,500,000</u>	<u>14,500,000</u>
Revenue from Local Agencies					
County of Santa Clara - California Health Facilities Financing Authority	0	0	0	0	8,000,000
Total Revenue from Local Agencies	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>8,000,000</u>
Other Revenue					
Miscellaneous	1,258	0	0	0	0
Total Other Revenue	<u>1,258</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL SOURCE OF FUNDS	<u>191,019,943</u>	<u>120,741,329</u>	<u>168,278,257</u>	<u>172,278,257</u>	<u>105,990,382</u>
USE OF FUNDS					
Expenditures					
Affordable Housing Web Portal	402,053	556,952	556,952	556,952	0
Asset Management Services	909,363	1,750,000	1,750,000	1,750,000	1,750,000
City Attorney Non-Personal/Equipment	11,252	21,702	21,702	21,702	21,702
City Attorney Personal Services	1,104,823	1,201,501	1,234,430	1,234,430	1,571,319
City Manager Non-Personal/Equipment	18,375	18,375	18,375	18,375	18,375
Development Fee Program - Shared Resources Non- Personal/Equipment (ITD)	2,483	0	0	0	0
Finance Personal Services	64,985	76,855	81,434	81,434	83,789
Homeless Services	0	250,000	250,000	250,000	250,000
Housing Loans and Grants	22,547,609	35,799,526	70,574,379	70,574,379	0
Housing Non-Personal/Equipment	1,326,104	1,699,058	1,699,058	1,699,058	1,699,058
Housing Personal Services	7,877,263	7,851,859	8,211,108	8,211,108	7,877,241
Housing Predevelopment Activity	476,654	1,250,000	1,250,000	1,250,000	1,600,000
HR Personal Services	37,093	33,496	34,924	34,924	44,430
ITD Non-Personal/Equipment	1,353	30,202	30,202	30,202	15,322
ITD Personal Services	139,729	144,002	152,945	152,945	152,135
OED Personal Services	226,044	408,443	417,551	417,551	0
Overhead	1,460,263	1,124,939	1,124,939	1,124,939	1,297,430
PBCE Non-Personal/Equipment	1,670	19,433	19,433	19,433	13,433
PBCE Personal Services	195,322	420,426	437,730	437,730	468,055
PW Non-Personal/Equipment	10,700	27,650	27,650	27,650	27,650
PW Personal Services	139,502	148,295	154,665	154,665	166,957
Successor Agency to the Redevelopment Agency	0	343,000	343,000	343,000	0
Workers' Compensation Claims	0	75,000	75,000	75,000	75,000
Total Expenditures	<u>36,952,640</u>	<u>53,250,714</u>	<u>88,465,477</u>	<u>88,465,477</u>	<u>17,131,896</u>

* Actuals may not subtotal due to rounding.

Low And Moderate Income Housing Asset Fund (346)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
USE OF FUNDS					
Transfers					
Transfer to the City Hall Debt Service Fund	250,098	322,398	322,398	322,398	331,265
Transfer to the General Fund	38,948	0	0	0	0
Total Transfers	289,046	322,398	322,398	322,398	331,265
Ending Fund Balance					
Committed Projects Reserve (Use)	316,413	316,413	6,228,863	6,228,863	6,228,863
Housing Project Reserve (Use)	0	0	17,287,550	17,287,550	28,787,550
Reserve for Encumbrances (Use)	42,837,206	53,627,123	42,837,206	42,837,206	42,837,206
Revenue Stabilization Reserve (Use)	6,000,000	8,000,000	8,000,000	8,000,000	8,000,000
Unrestricted Ending Fund Balance (Use)	104,624,638	5,224,681	5,136,763	9,136,763	2,673,602
Total Ending Fund Balance	153,778,257	67,168,217	79,490,382	83,490,382	88,527,221
TOTAL USE OF FUNDS	191,019,943	120,741,329	168,278,257	172,278,257	105,990,382

* Actuals may not subtotal due to rounding.

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

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	435,173	525,320	482,708	482,708	563,008
Total Beginning Fund Balance	435,173	525,320	482,708	482,708	563,008
Revenue from the Use of Money/Property					
Interest	9,238	8,000	8,000	11,690	12,000
Total Revenue from the Use of Money/Property	9,238	8,000	8,000	11,690	12,000
Special Assessments					
Special Assessments Revenue	428,367	373,500	373,500	368,300	412,100
Total Special Assessments	428,367	373,500	373,500	368,300	412,100
TOTAL SOURCE OF FUNDS	872,778	906,820	864,208	862,698	987,108
USE OF FUNDS					
Expenditures					
DOT Non-Personal/Equipment	259,397	210,500	210,500	197,536	196,500
DOT Personal Services	86,850	107,225	111,590	70,735	131,613
Overhead	42,799	31,419	31,419	31,419	38,110
Total Expenditures	389,046	349,144	353,509	299,690	366,223
Transfers					
Transfer to the City Hall Debt Service Fund	1,024	0	0	0	0
Total Transfers	1,024	0	0	0	0
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	482,708	557,676	510,699	563,008	620,885
Total Ending Fund Balance	482,708	557,676	510,699	563,008	620,885
TOTAL USE OF FUNDS	872,778	906,820	864,208	862,698	987,108

* Actuals may not subtotal due to rounding.

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

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	205,572	192,150	182,676	182,676	147,755
Total Beginning Fund Balance	205,572	192,150	182,676	182,676	147,755
Revenue from the Use of Money/Property					
Interest	4,267	4,000	4,000	4,200	3,500
Total Revenue from the Use of Money/Property	4,267	4,000	4,000	4,200	3,500
Revenue from Local Agencies					
Other Assessment Revenue	(6,028)	0	0	0	0
Total Revenue from Local Agencies	(6,028)	0	0	0	0
Special Assessments					
Special Assessments Revenue	91,618	96,900	96,900	96,900	100,400
Total Special Assessments	91,618	96,900	96,900	96,900	100,400
Transfers					
General Fund	2,408	2,408	2,408	2,408	2,408
Total Transfers	2,408	2,408	2,408	2,408	2,408
TOTAL SOURCE OF FUNDS	297,837	295,458	285,984	286,184	254,063
USE OF FUNDS					
Expenditures					
DOT Non-Personal/Equipment	92,696	62,500	62,500	73,467	69,500
DOT Personal Services	16,134	53,316	55,501	49,236	60,846
Overhead	6,331	15,726	15,726	15,726	18,781
Total Expenditures	115,161	131,542	133,727	138,429	149,127
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	182,676	163,916	152,257	147,755	104,936
Total Ending Fund Balance	182,676	163,916	152,257	147,755	104,936
TOTAL USE OF FUNDS	297,837	295,458	285,984	286,184	254,063

* Actuals may not subtotal due to rounding.

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

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	148,209	166,659	170,933	170,933	150,780
Total Beginning Fund Balance	148,209	166,659	170,933	170,933	150,780
Revenue from the Use of Money/Property					
Interest	3,094	2,000	2,000	3,432	2,500
Total Revenue from the Use of Money/Property	3,094	2,000	2,000	3,432	2,500
Special Assessments					
Special Assessments Revenue	93,876	102,000	102,000	102,000	105,700
Total Special Assessments	93,876	102,000	102,000	102,000	105,700
TOTAL SOURCE OF FUNDS	245,179	270,659	274,933	276,365	258,980
USE OF FUNDS					
Expenditures					
DOT Non-Personal/Equipment	45,980	65,100	65,100	52,350	56,100
DOT Personal Services	19,004	66,731	69,500	53,338	74,499
Overhead	9,262	19,897	19,897	19,897	23,008
Total Expenditures	74,246	151,728	154,497	125,585	153,607
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	170,933	118,931	120,436	150,780	105,373
Total Ending Fund Balance	170,933	118,931	120,436	150,780	105,373
TOTAL USE OF FUNDS	245,179	270,659	274,933	276,365	258,980

* Actuals may not subtotal due to rounding.

Maintenance District No. 8 (Zanker-Montague) Fund (361)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Encumbrances (Source)	5,217	5,217	0	0	0
Unrestricted Beginning Fund Balance (Source)	73,779	28,480	41,525	41,525	49,651
Total Beginning Fund Balance	78,996	33,697	41,525	41,525	49,651
Revenue from the Use of Money/Property					
Interest	383	1,000	1,000	641	750
Total Revenue from the Use of Money/Property	383	1,000	1,000	641	750
Special Assessments					
Special Assessments Revenue	117,308	125,100	125,100	125,100	129,700
Total Special Assessments	117,308	125,100	125,100	125,100	129,700
Transfers					
General Fund	2,353	2,353	2,353	2,353	2,353
Total Transfers	2,353	2,353	2,353	2,353	2,353
TOTAL SOURCE OF FUNDS	199,040	162,150	169,978	169,619	182,454
USE OF FUNDS					
Expenditures					
DOT Non-Personal/Equipment	60,197	72,200	72,200	72,419	65,200
DOT Personal Services	67,419	36,419	37,923	35,519	49,475
Overhead	28,182	10,855	10,855	10,855	14,913
Total Expenditures	155,798	119,474	120,978	118,793	129,588
Transfers					
Transfer to the City Hall Debt Service Fund	1,717	1,175	1,175	1,175	0
Total Transfers	1,717	1,175	1,175	1,175	0
Ending Fund Balance					
Reserve for Encumbrances (Use)	0	5,217	0	0	0
Unrestricted Ending Fund Balance (Use)	41,525	36,284	47,825	49,651	52,866
Total Ending Fund Balance	41,525	41,501	47,825	49,651	52,866
TOTAL USE OF FUNDS	199,040	162,150	169,978	169,619	182,454

* Actuals may not subtotal due to rounding.

Maintenance District No. 9 (Santa Teresa-Great Oaks) Fund (362)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	254,487	230,293	261,218	261,218	308,340
Total Beginning Fund Balance	254,487	230,293	261,218	261,218	308,340
Revenue from the Use of Money/Property					
Interest	4,599	4,000	4,000	6,445	6,800
Total Revenue from the Use of Money/Property	4,599	4,000	4,000	6,445	6,800
Special Assessments					
Special Assessments Revenue	181,749	197,500	197,500	197,500	204,800
Total Special Assessments	181,749	197,500	197,500	197,500	204,800
Transfers					
General Fund	23,480	23,480	23,480	23,480	23,480
Total Transfers	23,480	23,480	23,480	23,480	23,480
TOTAL SOURCE OF FUNDS	464,314	455,273	486,198	488,643	543,420
USE OF FUNDS					
Expenditures					
DOT Non-Personal/Equipment	131,871	168,800	168,800	119,124	138,800
DOT Personal Services	51,246	62,732	65,297	42,735	69,199
Overhead	19,979	18,444	18,444	18,444	20,046
Total Expenditures	203,096	249,976	252,541	180,303	228,045
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	261,218	205,297	233,657	308,340	315,375
Total Ending Fund Balance	261,218	205,297	233,657	308,340	315,375
TOTAL USE OF FUNDS	464,314	455,273	486,198	488,643	543,420

* Actuals may not subtotal due to rounding.

Maintenance District No. 11 (Brokaw Rd/Junction Ave/Old Oakland Rd) Fund (364)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	174,793	180,003	174,226	174,226	145,825
Total Beginning Fund Balance	174,793	180,003	174,226	174,226	145,825
Revenue from the Use of Money/Property					
Interest	3,579	3,000	3,000	4,106	3,200
Total Revenue from the Use of Money/Property	3,579	3,000	3,000	4,106	3,200
Special Assessments					
Special Assessments Revenue	79,497	86,200	86,200	86,200	89,400
Total Special Assessments	79,497	86,200	86,200	86,200	89,400
Transfers					
General Fund	6,354	6,354	6,354	6,354	6,354
Total Transfers	6,354	6,354	6,354	6,354	6,354
TOTAL SOURCE OF FUNDS	264,223	275,557	269,780	270,886	244,779
USE OF FUNDS					
Expenditures					
DOT Non-Personal/Equipment	64,202	100,850	100,850	88,554	99,850
DOT Personal Services	18,538	27,650	28,761	28,514	30,014
Overhead	7,256	7,993	7,993	7,993	9,325
Total Expenditures	89,997	136,493	137,604	125,061	139,189
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	174,226	139,064	132,176	145,825	105,590
Total Ending Fund Balance	174,226	139,064	132,176	145,825	105,590
TOTAL USE OF FUNDS	264,223	275,557	269,780	270,886	244,779

* Actuals may not subtotal due to rounding.

Maintenance District No. 13 (Karina-O'Nel) Fund (366)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	171,170	186,546	195,291	195,291	209,885
Total Beginning Fund Balance	171,170	186,546	195,291	195,291	209,885
Revenue from the Use of Money/Property					
Interest	3,843	4,000	4,000	4,903	5,300
Total Revenue from the Use of Money/Property	3,843	4,000	4,000	4,903	5,300
Special Assessments					
Special Assessments Revenue	58,792	62,000	62,000	62,000	64,300
Total Special Assessments	58,792	62,000	62,000	62,000	64,300
TOTAL SOURCE OF FUNDS	233,805	252,546	261,291	262,194	279,485
USE OF FUNDS					
Expenditures					
DOT Non-Personal/Equipment	28,932	32,250	32,250	41,734	32,250
DOT Personal Services	7,010	7,099	7,099	8,389	8,326
Overhead	2,571	2,186	2,186	2,186	2,600
Total Expenditures	38,514	41,535	41,535	52,309	43,176
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	195,291	211,011	219,756	209,885	236,309
Total Ending Fund Balance	195,291	211,011	219,756	209,885	236,309
TOTAL USE OF FUNDS	233,805	252,546	261,291	262,194	279,485

* Actuals may not subtotal due to rounding.

Maintenance District No. 15 (Silver Creek Valley) Fund (368)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	204,196	259,508	232,544	232,544	547,078
Total Beginning Fund Balance	204,196	259,508	232,544	232,544	547,078
Revenue from the Use of Money/Property					
Interest	1,004	2,000	2,000	6,575	8,000
Total Revenue from the Use of Money/Property	1,004	2,000	2,000	6,575	8,000
Special Assessments					
Special Assessments Revenue	1,497,134	1,683,800	1,683,800	1,683,800	1,776,400
Total Special Assessments	1,497,134	1,683,800	1,683,800	1,683,800	1,776,400
Transfers					
General Fund	16,636	16,636	16,636	16,636	16,636
Storm Sewer Operating Fund	22,118	22,118	22,118	22,118	22,118
Total Transfers	38,754	38,754	38,754	38,754	38,754
TOTAL SOURCE OF FUNDS	1,741,088	1,984,062	1,957,098	1,961,673	2,370,232
USE OF FUNDS					
Expenditures					
DOT Non-Personal/Equipment	989,821	1,016,200	1,016,200	960,708	974,400
DOT Personal Services	332,550	367,809	382,872	342,695	463,570
Overhead	181,128	107,956	107,956	107,956	139,771
Total Expenditures	1,503,499	1,491,965	1,507,028	1,411,359	1,577,741
Transfers					
Transfer to the City Hall Debt Service Fund	3,066	3,236	3,236	3,236	2,322
Transfer to the General Fund	1,979	0	0	0	0
Total Transfers	5,045	3,236	3,236	3,236	2,322
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	232,544	488,861	446,834	547,078	790,169
Total Ending Fund Balance	232,544	488,861	446,834	547,078	790,169
TOTAL USE OF FUNDS	1,741,088	1,984,062	1,957,098	1,961,673	2,370,232

* Actuals may not subtotal due to rounding.

Maintenance District No. 18 (The Meadowlands) Fund (372)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	179,011	199,496	190,792	190,792	233,328
Total Beginning Fund Balance	179,011	199,496	190,792	190,792	233,328
Revenue from the Use of Money/Property					
Interest	3,894	4,000	4,000	4,858	5,400
Total Revenue from the Use of Money/Property	3,894	4,000	4,000	4,858	5,400
Special Assessments					
Special Assessments Revenue	94,050	101,900	101,900	101,900	105,700
Total Special Assessments	94,050	101,900	101,900	101,900	105,700
TOTAL SOURCE OF FUNDS	276,955	305,396	296,692	297,550	344,428
USE OF FUNDS					
Expenditures					
DOT Non-Personal/Equipment	55,521	40,850	40,850	47,654	40,850
DOT Personal Services	21,028	13,452	13,452	12,947	13,365
Overhead	9,614	3,621	3,621	3,621	4,126
Total Expenditures	86,163	57,923	57,923	64,222	58,341
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	190,792	247,473	238,769	233,328	286,087
Total Ending Fund Balance	190,792	247,473	238,769	233,328	286,087
TOTAL USE OF FUNDS	276,955	305,396	296,692	297,550	344,428

* Actuals may not subtotal due to rounding.

Maintenance District No. 19 (River Oaks Area Landscaping) Fund (359)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	178,390	199,777	205,913	205,913	219,673
Total Beginning Fund Balance	178,390	199,777	205,913	205,913	219,673
Revenue from the Use of Money/Property					
Interest	3,338	3,000	3,000	4,641	5,000
Total Revenue from the Use of Money/Property	3,338	3,000	3,000	4,641	5,000
Special Assessments					
Special Assessments Revenue	179,915	191,700	191,700	191,700	198,700
Total Special Assessments	179,915	191,700	191,700	191,700	198,700
Transfers					
General Fund	6,195	6,195	6,195	6,195	6,195
Total Transfers	6,195	6,195	6,195	6,195	6,195
TOTAL SOURCE OF FUNDS	367,837	400,672	406,808	408,449	429,568
USE OF FUNDS					
Expenditures					
DOT Non-Personal/Equipment	108,181	123,950	123,950	137,046	133,050
DOT Personal Services	32,792	36,423	37,872	41,288	40,943
Overhead	20,951	10,442	10,442	10,442	11,963
Total Expenditures	161,924	170,815	172,264	188,776	185,956
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	205,913	229,857	234,544	219,673	243,612
Total Ending Fund Balance	205,913	229,857	234,544	219,673	243,612
TOTAL USE OF FUNDS	367,837	400,672	406,808	408,449	429,568

* Actuals may not subtotal due to rounding.

Maintenance District No. 20 (Renaissance-N. First Landscaping) Fund (365)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	90,013	51,903	66,852	66,852	9,003
Total Beginning Fund Balance	90,013	51,903	66,852	66,852	9,003
Revenue from the Use of Money/Property					
Interest	1,648	1,000	1,000	1,138	500
Total Revenue from the Use of Money/Property	1,648	1,000	1,000	1,138	500
Special Assessments					
Special Assessments Revenue	67,236	71,800	71,800	71,800	74,400
Total Special Assessments	67,236	71,800	71,800	71,800	74,400
Transfers					
General Fund	21,461	21,461	21,461	21,461	21,461
Total Transfers	21,461	21,461	21,461	21,461	21,461
TOTAL SOURCE OF FUNDS	180,359	146,164	161,113	161,251	105,364
USE OF FUNDS					
Expenditures					
DOT Non-Personal/Equipment	97,548	98,350	98,350	126,505	81,650
DOT Personal Services	11,273	28,395	29,611	17,000	7,511
Overhead	4,685	8,743	8,743	8,743	2,695
Total Expenditures	113,507	135,488	136,704	152,248	91,856
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	66,852	10,676	24,409	9,003	13,508
Total Ending Fund Balance	66,852	10,676	24,409	9,003	13,508
TOTAL USE OF FUNDS	180,359	146,164	161,113	161,251	105,364

* Actuals may not subtotal due to rounding.

Maintenance District No. 21 (Gateway Place-Airport Parkway) Fund (356)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	181,082	214,748	212,456	212,456	242,667
Total Beginning Fund Balance	181,082	214,748	212,456	212,456	242,667
Revenue from the Use of Money/Property					
Interest	3,960	9,000	9,000	5,267	6,000
Total Revenue from the Use of Money/Property	3,960	9,000	9,000	5,267	6,000
Special Assessments					
Special Assessments Revenue	108,527	115,200	115,200	115,200	119,400
Total Special Assessments	108,527	115,200	115,200	115,200	119,400
Transfers					
General Fund	8,996	8,996	8,996	8,996	8,996
Total Transfers	8,996	8,996	8,996	8,996	8,996
TOTAL SOURCE OF FUNDS	302,565	347,944	345,652	341,919	377,063
USE OF FUNDS					
Expenditures					
DOT Non-Personal/Equipment	48,559	56,900	56,900	64,820	58,900
DOT Personal Services	30,222	36,423	37,872	23,990	40,943
Overhead	11,328	10,442	10,442	10,442	11,963
Total Expenditures	90,109	103,765	105,214	99,252	111,806
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	212,456	244,179	240,438	242,667	265,257
Total Ending Fund Balance	212,456	244,179	240,438	242,667	265,257
TOTAL USE OF FUNDS	302,565	347,944	345,652	341,919	377,063

* Actuals may not subtotal due to rounding.

Maintenance District No. 22 (Hellyer Ave.-Silver Creek Valley Rd.) Fund (367)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	52,912	44,414	58,934	58,934	59,780
Total Beginning Fund Balance	<u>52,912</u>	<u>44,414</u>	<u>58,934</u>	<u>58,934</u>	<u>59,780</u>
Revenue from the Use of Money/Property					
Interest	1,227	1,000	1,000	1,590	1,500
Total Revenue from the Use of Money/Property	<u>1,227</u>	<u>1,000</u>	<u>1,000</u>	<u>1,590</u>	<u>1,500</u>
Special Assessments					
Special Assessments Revenue	72,924	81,800	81,800	81,800	84,800
Total Special Assessments	<u>72,924</u>	<u>81,800</u>	<u>81,800</u>	<u>81,800</u>	<u>84,800</u>
Transfers					
General Fund	35,223	35,223	35,223	35,223	35,223
Total Transfers	<u>35,223</u>	<u>35,223</u>	<u>35,223</u>	<u>35,223</u>	<u>35,223</u>
TOTAL SOURCE OF FUNDS	<u>162,287</u>	<u>162,437</u>	<u>176,957</u>	<u>177,547</u>	<u>181,303</u>
USE OF FUNDS					
Expenditures					
DOT Non-Personal/Equipment	82,891	94,400	94,400	100,920	106,400
DOT Personal Services	14,699	28,401	29,540	8,646	30,816
Overhead	5,762	8,201	8,201	8,201	8,496
Total Expenditures	<u>103,353</u>	<u>131,002</u>	<u>132,141</u>	<u>117,767</u>	<u>145,712</u>
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	58,934	31,435	44,816	59,780	35,591
Total Ending Fund Balance	<u>58,934</u>	<u>31,435</u>	<u>44,816</u>	<u>59,780</u>	<u>35,591</u>
TOTAL USE OF FUNDS	<u>162,287</u>	<u>162,437</u>	<u>176,957</u>	<u>177,547</u>	<u>181,303</u>

* Actuals may not subtotal due to rounding.

Multi-Source Housing Fund (448)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
City Housing Authority Reserve (Source)	2,478,502	2,478,502	2,478,502	2,478,502	0
Reserve for Encumbrances (Source)	13,019,826	13,019,826	9,295,855	9,295,855	9,295,855
Unrestricted Beginning Fund Balance (Source)	<u>27,200,378</u>	<u>39,116,907</u>	<u>33,375,480</u>	<u>33,375,480</u>	<u>8,308,182</u>
Total Beginning Fund Balance	42,698,706	54,615,235	45,149,837	45,149,837	17,604,037
Revenue from the Use of Money/Property					
Interest	1,044,788	269,000	269,000	959,000	900,000
Loan Repayments	731,890	1,005,000	1,005,000	131,000	500,000
Recovery Act - Neighborhood Stabilization Program 2	29,903	75,000	75,000	75,000	0
Rental Income	<u>663,597</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenue from the Use of Money/Property	2,470,177	1,349,000	1,349,000	1,165,000	1,400,000
Revenue from State of California					
Encampment Resolution Funding Grants	1,362,509	0	0	0	0
Eviction Diversion Program (Source)	0	0	2,000,000	2,000,000	0
Project HomeKey Grant	<u>24,348,236</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenue from State of California	25,710,745	0	2,000,000	2,000,000	0
Revenue from Federal Government					
Emergency Shelter Grants	9,952,997	0	0	2,727,370	743,071
HOPWA Grants	<u>1,297,485</u>	<u>2,782,443</u>	<u>4,729,649</u>	<u>4,729,649</u>	<u>1,797,713</u>
Total Revenue from Federal Government	11,250,481	2,782,443	4,729,649	7,457,019	2,540,784
Fees, Rates, and Charges					
Commercial Linkage Fee	243,868	0	0	12,000	12,000
Miscellaneous	126,171	75,000	75,000	0	75,000
Multi-Family Housing Fees and Charges	614,152	680,000	680,000	114,000	145,000
Rental Unit Determination Application Fee	<u>0</u>	<u>0</u>	<u>0</u>	<u>40,236</u>	<u>40,000</u>
Total Fees, Rates, and Charges	984,190	755,000	755,000	166,236	272,000
Other Revenue					
Miscellaneous Revenue	<u>12,333</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Other Revenue	12,333	0	0	0	0
Transfers					
Homeless Emergency Aid Program Fund	0	0	490,410	490,410	0
Total Transfers	<u>0</u>	<u>0</u>	<u>490,410</u>	<u>490,410</u>	<u>0</u>
TOTAL SOURCE OF FUNDS	<u>83,126,632</u>	<u>59,501,678</u>	<u>54,473,896</u>	<u>56,428,502</u>	<u>21,816,821</u>

* Actuals may not subtotal due to rounding.

Multi-Source Housing Fund (448)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
USE OF FUNDS					
Expenditures					
2017 Coyote Creek Flood Recovery Efforts	0	388,827	388,827	388,827	0
All Home Grant	0	0	500,000	500,000	0
Bridge Housing Communities	1,000,000	0	0	0	0
CalHome (BEGIN) Program	122,031	150,000	150,000	150,000	0
CalHome (Homebuyer) Program	0	20,000	20,000	20,000	0
CalHome (Rehabilitation) Program	144,359	200,000	200,000	200,000	0
CARES Emergency Shelter Grants	(10,014)	850,431	850,431	850,431	0
CARES HOPWA Grants	479	0	0	0	0
City Attorney Personal Services	88,835	104,080	106,481	106,481	111,049
Emergency Shelter Grants	583,839	1,068,796	1,068,796	1,068,796	743,071
Emergency Shelters	89	3,000,000	3,180,526	3,180,526	0
Emmanuel House Shelter	0	0	0	0	1,000,000
Encampment Resolution Funding Grant	1,362,509	970,843	134,771	134,771	15,966
ESG CARES II Grant	0	657,405	657,405	657,405	0
Eviction Diversion Program	0	0	2,000,000	1,245,344	754,656
Homeless Rapid Rehousing	1,592,213	4,660,355	7,260,355	3,898,962	1,361,393
Homelessness Prevention System	0	0	0	0	1,000,000
HOPWA GRANTS	1,692,995	29,863	1,827,576	1,827,576	1,797,713
HOPWA PSH	149,600	1,318,389	141,891	141,891	0
HOPWA VAWA	0	538,044	538,044	538,044	0
HOPWA-PSH 2024	0	0	1,325,991	1,325,991	0
Housing Loans and Grants	0	2,158,002	0	0	0
Housing Non-Personal/Equipment	4,150	34,547	34,547	34,547	34,547
Housing Personal Services	2,548	1,003,597	1,045,918	1,045,918	1,050,752
Housing Shelter	3,308,810	3,852,621	3,852,621	3,852,621	0
Hygiene/Infection Control	795,957	2,200,000	2,200,000	2,200,000	0
Job Readiness Training Project	166,500	0	0	0	0
Loan Administration	0	311,000	311,000	311,000	223,376
Overhead	592,088	206,068	206,068	206,068	455,228
PBCE Personal Services	0	24,603	25,654	25,654	0
Project HomeKey	351,629	0	0	0	0
Project HomeKey 2.0	24,253,533	10,881,800	10,827,834	10,827,834	0
Recovery Act - Neighborhood Stabilization Program 2	174,357	100,000	30,000	30,000	0
Rock Springs Landlord Incentive	0	97,050	97,050	97,050	0
Street Outreach and Support Services	0	3,403,982	3,403,982	3,403,982	0
VA Rental Subsidy Program	936,531	0	0	0	0
Total Expenditures	37,313,037	38,230,303	42,385,768	38,269,719	8,547,751
Transfers					
Transfer to the City Hall Debt Service Fund	72,373	64,336	64,336	64,336	51,444
Transfer to the Community Development Block Grant Fund	584,220	0	0	0	0
Transfer to the General Fund	7,165	0	0	0	0
Transfer to the Multi-Source Housing Fund	0	0	490,410	490,410	0
Total Transfers	663,758	64,336	554,746	554,746	51,444
Ending Fund Balance					
City Housing Authority Reserve (Use)	2,478,502	0	0	0	0
Reserve for Encumbrances (Use)	9,295,855	13,019,826	9,295,855	9,295,855	9,295,855
Unrestricted Ending Fund Balance (Use)	33,375,480	8,187,213	2,237,527	8,308,182	3,921,771
Total Ending Fund Balance	45,149,837	21,207,039	11,533,382	17,604,037	13,217,626
TOTAL USE OF FUNDS	83,126,632	59,501,678	54,473,896	56,428,502	21,816,821

* Actuals may not subtotal due to rounding.

Municipal Golf Course Fund (518)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
San Jose Financing Authority Loan Write Off Reserve (Source)	0	2,500,000	2,500,000	2,500,000	3,300,000
Unrestricted Beginning Fund Balance (Source)	2,749,493	146,493	299,547	299,547	562,680
Total Beginning Fund Balance	2,749,493	2,646,493	2,799,547	2,799,547	3,862,680
Revenue from the Use of Money/Property					
Interest	63,407	20,000	20,000	80,000	70,000
San Jose Golf Courses	436,394	800,000	805,397	1,162,000	1,025,000
Total Revenue from the Use of Money/Property	499,801	820,000	825,397	1,242,000	1,095,000
TOTAL SOURCE OF FUNDS	3,249,294	3,466,493	3,624,944	4,041,547	4,957,680
USE OF FUNDS					
Expenditures					
Los Lagos Golf Course	102,252	0	0	0	0
Rancho del Pueblo Golf Course	347,495	0	173,470	173,470	0
Total Expenditures	449,747	0	173,470	173,470	0
Transfers					
Transfer to the General Fund - Golf Course Insurance Premium	0	0	5,397	5,397	7,421
Total Transfers	0	0	5,397	5,397	7,421
Ending Fund Balance					
San Jose Financing Authority Loan Write Off Reserve (Use)	2,500,000	3,300,000	3,300,000	3,300,000	3,300,000
Unrestricted Ending Fund Balance (Use)	299,547	166,493	146,077	562,680	1,650,259
Total Ending Fund Balance	2,799,547	3,466,493	3,446,077	3,862,680	4,950,259
TOTAL USE OF FUNDS	3,249,294	3,466,493	3,624,944	4,041,547	4,957,680

* Actuals may not subtotal due to rounding.

Planning Development Fee Program Fund (238)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Encumbrances (Source)	7,790	7,790	22,404	22,404	22,404
Unrestricted Beginning Fund Balance (Source)	4,335,249	4,023,386	4,071,210	4,071,210	3,482,886
Total Beginning Fund Balance	<u>4,343,039</u>	<u>4,031,176</u>	<u>4,093,614</u>	<u>4,093,614</u>	<u>3,505,290</u>
Revenue from the Use of Money/Property					
Interest	141,561	50,000	50,000	124,259	50,000
Total Revenue from the Use of Money/Property	<u>141,561</u>	<u>50,000</u>	<u>50,000</u>	<u>124,259</u>	<u>50,000</u>
Fees, Rates, and Charges					
Planning Development Program Fees	7,086,949	7,720,152	7,720,152	7,160,072	7,700,657
Total Fees, Rates, and Charges	<u>7,086,949</u>	<u>7,720,152</u>	<u>7,720,152</u>	<u>7,160,072</u>	<u>7,700,657</u>
Other Revenue					
Miscellaneous	12,324	0	0	0	0
Total Other Revenue	<u>12,324</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL SOURCE OF FUNDS	<u>11,583,873</u>	<u>11,801,328</u>	<u>11,863,766</u>	<u>11,377,945</u>	<u>11,255,947</u>
USE OF FUNDS					
Expenditures					
City Attorney Personal Services	390,277	362,730	462,889	456,831	395,178
Development Fee Program - Shared Resources Non-Personal/Equipment (ITD)	7,225	23,682	23,682	35,580	40,622
Development Fee Program - Shared Resources Non-Personal/Equipment (PBCE)	63,823	150,171	150,171	82,079	110,171
Development Fee Program - Shared Resources Personal Services (Finance)	23,688	25,107	26,140	18,610	26,977
Development Fee Program - Shared Resources Personal Services (HR)	16,316	20,775	20,775	23,237	23,400
Development Fee Program - Shared Resources Personal Services (ITD)	264,785	324,457	338,715	276,417	266,250
Development Fee Program - Shared Resources Personal Services (PBCE)	137,522	230,432	241,202	208,994	205,116
OED Personal Services	67,869	80,649	84,024	86,236	0
Overhead	928,834	1,073,459	1,073,459	1,073,459	1,029,552
Planning Development Fee Program - Non-Personal/Equipment (PBCE)	193,704	302,123	437,123	168,746	243,023
Planning Development Fee Program - Personal Services (PBCE)	5,219,279	5,958,582	6,178,088	5,205,525	6,787,705
Planning Development Fee Program - Personal Services (PW)	21,284	42,267	44,115	14,694	50,349
Total Expenditures	<u>7,334,606</u>	<u>8,594,434</u>	<u>9,080,383</u>	<u>7,650,408</u>	<u>9,178,343</u>
Transfers					
Transfer to the City Hall Debt Service Fund	129,568	222,247	222,247	222,247	226,220
Transfer to the General Fund	26,085	0	0	0	0
Total Transfers	<u>155,653</u>	<u>222,247</u>	<u>222,247</u>	<u>222,247</u>	<u>226,220</u>

* Actuals may not subtotal due to rounding.

Planning Development Fee Program Fund (238)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
USE OF FUNDS					
Ending Fund Balance					
Reserve for Encumbrances (Use)	22,404	7,790	22,404	22,404	22,404
Unrestricted Ending Fund Balance (Use)	4,071,210	2,976,857	2,538,732	3,482,886	1,828,980
Total Ending Fund Balance	<u>4,093,614</u>	<u>2,984,647</u>	<u>2,561,136</u>	<u>3,505,290</u>	<u>1,851,384</u>
TOTAL USE OF FUNDS	<u>11,583,873</u>	<u>11,801,328</u>	<u>11,863,766</u>	<u>11,377,945</u>	<u>11,255,947</u>

* Actuals may not subtotal due to rounding.

Police Retiree Healthcare Trust Fund (125)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actual	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Claims (Source)	155,037,000	182,321,000	183,666,000	183,666,000	212,718,000
Total Beginning Fund Balance	<u>155,037,000</u>	<u>182,321,000</u>	<u>183,666,000</u>	<u>183,666,000</u>	<u>212,718,000</u>
Revenue from the Use of Money/Property					
Investment Income	11,716,000	11,460,000	11,460,000	11,545,000	13,301,000
Total Revenue from the Use of Money/Property	<u>11,716,000</u>	<u>11,460,000</u>	<u>11,460,000</u>	<u>11,545,000</u>	<u>13,301,000</u>
Transfers					
City Contributions	16,951,000	17,428,000	17,428,000	17,588,000	17,976,000
Total Transfers	<u>16,951,000</u>	<u>17,428,000</u>	<u>17,428,000</u>	<u>17,588,000</u>	<u>17,976,000</u>
TOTAL SOURCE OF FUNDS	<u>183,704,000</u>	<u>211,209,000</u>	<u>212,554,000</u>	<u>212,799,000</u>	<u>243,995,000</u>
USE OF FUNDS					
Expenditures					
Professional Fees	38,000	81,000	81,000	81,000	48,000
Total Expenditures	<u>38,000</u>	<u>81,000</u>	<u>81,000</u>	<u>81,000</u>	<u>48,000</u>
Ending Fund Balance					
Reserve for Claims (Use)	183,666,000	211,128,000	212,473,000	212,718,000	243,947,000
Total Ending Fund Balance	<u>183,666,000</u>	<u>211,128,000</u>	<u>212,473,000</u>	<u>212,718,000</u>	<u>243,947,000</u>
TOTAL USE OF FUNDS	<u>183,704,000</u>	<u>211,209,000</u>	<u>212,554,000</u>	<u>212,799,000</u>	<u>243,995,000</u>

This Statement of Source and Use is for display purposes only. The Police and Fire Retirement Plan Board of Administration approved the annual administrative budget on 4/4/24.

Police and Fire Retirement Fund (135)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actual	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Claims (Source)	4,427,322,000	4,624,117,000	4,730,710,000	4,730,710,000	4,917,494,000
Total Beginning Fund Balance	4,427,322,000	4,624,117,000	4,730,710,000	4,730,710,000	4,917,494,000
Revenue from the Use of Money/Property					
Participant Income	43,960,000	45,644,000	45,644,000	46,394,000	46,410,000
Investment Income	360,914,000	251,364,000	251,364,000	256,824,000	265,387,000
Total Revenue from the Use of Money/Property	404,874,000	297,008,000	297,008,000	303,218,000	311,797,000
Transfers					
City Contributions	204,988,000	201,766,000	201,766,000	201,724,000	210,802,000
1970 COLA	600	1,000	1,000	600	600
1980 COLA	5,000	7,000	7,000	3,200	3,300
1990 COLA	4,000	4,000	4,000	3,700	3,700
Total Transfers	204,997,600	201,778,000	201,778,000	201,731,500	210,809,600
TOTAL SOURCE OF FUNDS	5,037,193,600	5,122,903,000	5,229,496,000	5,235,659,500	5,440,100,600
USE OF FUNDS					
Expenditures					
Retirement Personal Services	4,439,000	4,792,000	4,992,000	4,960,000	5,698,000
Retirement Non-Personal/Equipment	1,322,000	859,000	859,000	727,000	867,000
Benefits	275,824,000	282,656,000	282,656,000	285,481,000	301,314,000
Health Insurance	23,776,000	22,422,000	22,422,000	25,387,000	25,958,000
Professional Fees	1,113,000	1,042,000	1,632,000	1,603,000	1,581,000
1970 COLA	600	1,000	1,000	600	600
1980 COLA	5,000	7,000	7,000	3,200	3,300
1990 COLA	4,000	4,000	4,000	3,700	3,700
Total Expenditures	306,483,600	311,783,000	312,573,000	318,165,500	335,425,600
Ending Fund Balance					
Reserve for Claims (Use)	4,730,710,000	4,811,120,000	4,916,923,000	4,917,494,000	5,104,675,000
Total Ending Fund Balance	4,730,710,000	4,811,120,000	4,916,923,000	4,917,494,000	5,104,675,000
TOTAL USE OF FUNDS	5,037,193,600	5,122,903,000	5,229,496,000	5,235,659,500	5,440,100,600

This Statement of Source and Use is for display purposes only. The Police and Fire Retirement Plan Board of Administration approved the annual administrative budget on 4/4/24. It should be noted that the personal services costs reflected in this statement can vary from the budget presented to the Board due to revised salary, retirement, and benefit costs when compared to those that were projected in March.

Public Works Development Fee Program Fund (241)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Encumbrances (Source)	59,855	59,855	62,921	62,921	62,921
Unrestricted Beginning Fund Balance (Source)	6,723,983	5,408,438	7,583,613	7,583,613	4,255,168
Total Beginning Fund Balance	6,783,838	5,468,293	7,646,534	7,646,534	4,318,089
Revenue from the Use of Money/Property					
Interest	111,425	125,000	125,000	132,128	125,000
Total Revenue from the Use of Money/Property	111,425	125,000	125,000	132,128	125,000
Fees, Rates, and Charges					
Public Works Development Program Fees	7,678,562	8,600,000	8,600,000	7,200,000	7,668,000
Public Works Utility Program Fees	9,163,580	6,700,000	6,700,000	8,500,000	9,052,500
Total Fees, Rates, and Charges	16,842,142	15,300,000	15,300,000	15,700,000	16,720,500
TOTAL SOURCE OF FUNDS	23,737,404	20,893,293	23,071,534	23,478,662	21,163,589
USE OF FUNDS					
Expenditures					
Development Fee Program - Shared Resources Non-Personal/Equipment (ITD)	15,507	25,311	25,311	57,466	86,031
Development Fee Program - Shared Resources Personal Services (Finance)	13,532	14,166	14,166	10,948	15,342
Development Fee Program - Shared Resources Personal Services (ITD)	200,680	290,461	303,460	219,232	250,518
ITD Non-Personal/Equipment Overhead	0	18,000	18,000	0	0
Public Works Development Fee Program - Non-Personal/Equipment (PBCE)	2,512,204	2,889,564	2,889,564	2,889,564	3,016,346
Public Works Development Fee Program - Non-Personal/Equipment (PW)	86,431	128,320	128,320	82,506	70,320
Public Works Development Fee Program - Personal Services (OED)	166,536	291,907	391,907	431,000	296,907
Public Works Development Fee Program - Personal Services (PBCE)	108,720	114,334	119,101	115,970	75,492
Public Works Development Fee Program - Personal Services (PW)	98,548	145,567	151,215	80,482	123,133
Total Expenditures	12,649,474	12,697,974	13,318,663	15,049,231	15,170,605
Total Expenditures	15,851,632	16,615,604	17,359,707	18,936,399	19,104,694
Transfers					
Transfer to the City Hall Debt Service Fund	191,829	224,174	224,174	224,174	230,022
Transfer to the General Fund	47,409	0	0	0	0
Total Transfers	239,238	224,174	224,174	224,174	230,022
Ending Fund Balance					
Reserve for Encumbrances (Use)	62,921	59,855	62,921	62,921	62,921
Unrestricted Ending Fund Balance (Use)	7,583,613	3,993,660	5,424,732	4,255,168	1,765,952
Total Ending Fund Balance	7,646,534	4,053,515	5,487,653	4,318,089	1,828,873
TOTAL USE OF FUNDS	23,737,404	20,893,293	23,071,534	23,478,662	21,163,589

* Actuals may not subtotal due to rounding.

Public Works Program Support Fund (150)
STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Encumbrances (Source)	74,620	74,620	51,147	51,147	51,147
Unrestricted Beginning Fund Balance (Source)	1,493,732	1,464,314	(624,548)	(624,548)	1,264,535
Total Beginning Fund Balance	1,568,352	1,538,934	(573,401)	(573,401)	1,315,682
Revenue from the Use of Money/Property					
Interest	23,811	25,000	25,000	70,604	40,000
Total Revenue from the Use of Money/Property	23,811	25,000	25,000	70,604	40,000
Transfers					
Capital Program Support	2,369,375	2,655,000	3,981,000	3,924,808	4,107,000
Compensated Absence	11,541,547	11,630,000	12,410,000	13,500,000	13,500,000
Public Works Program Support	7,305,561	9,100,000	9,100,000	9,611,493	8,755,000
Total Transfers	21,216,483	23,385,000	25,491,000	27,036,301	26,362,000
TOTAL SOURCE OF FUNDS	22,808,646	24,948,934	24,942,599	26,533,503	27,717,682
USE OF FUNDS					
Expenditures					
Capital Program Staff Training	26,762	50,000	50,000	41,964	50,000
Capital Support Vehicle Program	170,239	250,000	250,000	250,000	250,000
Compensated Time Off	12,659,043	11,630,000	11,630,000	13,545,176	13,500,000
Finance Non-Personal/Equipment	16,320	20,000	20,000	20,000	20,000
HR Personal Services	169,296	193,546	205,258	176,820	195,194
ITD Non-Personal/Equipment	2,442	51,654	51,654	6,555	3,654
ITD Personal Services	19,197	65,897	68,562	17,524	86,295
Overhead	1,423,977	1,689,186	1,689,186	1,689,186	1,823,171
PW Non-Personal/Equipment	1,394,283	720,596	870,596	1,170,596	781,596
PW Personal Services	7,468,591	7,889,119	8,270,622	8,300,000	8,642,805
Total Expenditures	23,350,150	22,559,998	23,105,878	25,217,821	25,352,715
Transfers					
Transfer to the General Fund	31,897	0	0	0	0
Total Transfers	31,897	0	0	0	0
Ending Fund Balance					
Reserve for Encumbrances (Use)	51,147	74,620	51,147	51,147	51,147
Unrestricted Ending Fund Balance (Use)	(624,548)	2,314,316	1,785,574	1,264,535	2,313,820
Total Ending Fund Balance	(573,401)	2,388,936	1,836,721	1,315,682	2,364,967
TOTAL USE OF FUNDS	22,808,646	24,948,934	24,942,599	26,533,503	27,717,682

* Actuals may not subtotal due to rounding.

Public Works Small Cell Permitting Fee Program Fund (242)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	259,388	89,519	255,846	255,846	104,110
Total Beginning Fund Balance	259,388	89,519	255,846	255,846	104,110
Revenue from the Use of Money/Property					
Interest	0	5,000	5,000	0	0
Total Revenue from the Use of Money/Property	0	5,000	5,000	0	0
Fees, Rates, and Charges					
Public Works Small Cell Permitting Program Fees	2,687,127	766,000	766,000	56,000	0
Total Fees, Rates, and Charges	2,687,127	766,000	766,000	56,000	0
TOTAL SOURCE OF FUNDS	2,946,515	860,519	1,026,846	311,846	104,110
USE OF FUNDS					
Expenditures					
Overhead	397,163	122,782	122,782	122,782	0
Public Works Small Cell Permitting - Non-Personal/Equipment (PW)	29,953	10,000	10,000	10,000	0
Public Works Small Cell Permitting - Personal Services (PW)	2,185,703	548,689	656,182	40,235	0
Total Expenditures	2,612,819	681,471	788,964	173,017	0
Transfers					
Transfer to the City Hall Debt Service Fund	67,906	34,719	34,719	34,719	8,848
Transfer to the General Fund	9,944	0	0	0	0
Total Transfers	77,850	34,719	34,719	34,719	8,848
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	255,846	144,329	203,163	104,110	95,262
Total Ending Fund Balance	255,846	144,329	203,163	104,110	95,262
TOTAL USE OF FUNDS	2,946,515	860,519	1,026,846	311,846	104,110

* Actuals may not subtotal due to rounding.

Real Property Transfer Tax Fund (404)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Real Property Transfer Tax					
Measure E - Real Property Transfer Tax	0	0	0	0	50,000,000
Total Real Property Transfer Tax	0	0	0	0	50,000,000
Transfers					
General Fund	0	0	0	0	4,043,944
Total Transfers	0	0	0	0	4,043,944
TOTAL SOURCE OF FUNDS	0	0	0	0	54,043,944
USE OF FUNDS					
Expenditures					
City Outreach Team - Reactive (15% HSP)	0	0	0	0	600,000
Interim Housing Construction and Operations (15% HSP)	0	0	0	0	8,000,000
Lived in Vehicle Safe Parking Site (15% HSP)	0	0	0	0	1,000,000
Measure E - 5% Program Administration	0	0	0	0	2,500,000
Measure E - Homeless Response and Outreach Staffing (15% HSP)	0	0	0	0	261,516
Measure E - Homelessness Coordination Team (Program Admin)	0	0	0	0	572,972
Measure E - Housing Homeless Response Staff (Program Admin)	0	0	0	0	750,526
Measure E - Interim Housing Maintenance (15% HSP)	0	0	0	0	1,874,850
Measure E - Interim Shelter Site Identification and Development (15% HSP)	0	0	0	0	584,080
Measure E - Interim Housing Construction & Op - Surestay Operations (15% HSP)	0	0	0	0	3,000,000
Measure E - Supportive Parking Site Berryessa Road (15% HSP)	0	0	0	0	1,700,000
Outreach, Sanitation and Other Support Services (15% HSP)	0	0	0	0	3,600,000
Recreational Vehicle Pollution Prevention Program (15% HSP)	0	0	0	0	1,425,000
Safe or Alternative Sleeping Sites (15% HSP)	0	0	0	0	10,000,000
Total Expenditures	0	0	0	0	35,868,944
Ending Fund Balance					
Measure E - 10% Homeless Prevention and Rental Assistance Reserve (Use)	0	0	0	0	4,750,000
Measure E - 15% Homeless Support Programs Reserve (Use)	0	0	0	0	2,425,000
Measure E - 30% Low-Income Households Reserve (Use)	0	0	0	0	5,170,000
Measure E - 40% Extremely Low-Income Households Reserve (Use)	0	0	0	0	5,830,000
Total Ending Fund Balance	0	0	0	0	18,175,000
TOTAL USE OF FUNDS	0	0	0	0	54,043,944

* Actuals may not subtotal due to rounding.

Rental Stabilization Program Fee Fund (450)
STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Encumbrances (Source)	322,708	322,708	223,480	223,480	223,480
Unrestricted Beginning Fund Balance (Source)	1,303,532	271,734	1,054,217	1,054,217	1,127,105
Total Beginning Fund Balance	1,626,240	594,442	1,277,697	1,277,697	1,350,585
Fines, Forfeitures, and Penalties					
Apartment Rent Ordinance Fee	106,143	0	0	0	0
Total Fines, Forfeitures, and Penalties	106,143	0	0	0	0
Revenue from the Use of Money/Property					
Interest	5,101	10,000	10,000	9,000	10,000
Total Revenue from the Use of Money/Property	5,101	10,000	10,000	9,000	10,000
Fees, Rates, and Charges					
Apartment Rent Ordinance Fee	2,490,844	2,766,312	2,766,312	3,012,546	2,919,996
Ellis Act Fee	27,539	0	0	0	951
Mobilehome Ordinance Fee	319,260	354,255	354,255	382,485	322,050
Tenant Protection Ordinance Fee	707,520	1,094,156	1,094,156	1,168,957	1,332,016
Total Fees, Rates, and Charges	3,545,163	4,214,723	4,214,723	4,563,988	4,575,013
TOTAL SOURCE OF FUNDS	5,282,647	4,819,165	5,502,420	5,850,685	5,935,598
USE OF FUNDS					
Expenditures					
City Attorney Personal Services	344,702	466,458	480,149	480,149	487,964
Housing Non-Personal/Equipment	436,715	353,515	503,515	503,515	353,515
Housing Personal Services	1,928,645	2,980,821	3,094,845	2,900,000	3,438,973
Overhead	1,097,275	457,895	457,895	457,895	511,101
PBCE Personal Services	61,353	31,211	32,555	32,555	63,258
Total Expenditures	3,868,690	4,289,900	4,568,959	4,374,114	4,854,811
Transfers					
Transfer to the City Hall Debt Service Fund	123,502	125,987	125,987	125,987	128,922
Transfer to the General Fund	12,758	0	0	0	0
Total Transfers	136,260	125,987	125,987	125,987	128,922
Ending Fund Balance					
Reserve for Encumbrances (Use)	223,480	322,708	223,480	223,480	223,480
Unrestricted Ending Fund Balance (Use)	1,054,217	80,570	583,994	1,127,105	728,385
Total Ending Fund Balance	1,277,697	403,278	807,474	1,350,585	951,865
TOTAL USE OF FUNDS	5,282,647	4,819,165	5,502,420	5,850,686	5,935,598

* Actuals may not subtotal due to rounding.

San José Arena Capital Reserve Fund (459)
STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Previously Approved Repairs Reserve (Source)	3,969,942	2,107,807	2,107,807	2,107,807	0
Unrestricted Beginning Fund Balance (Source)	2,824,387	920,522	3,392,986	3,392,986	4,814,355
Total Beginning Fund Balance	6,794,329	3,028,329	5,500,793	5,500,793	4,814,355
Revenue from the Use of Money/Property					
Interest	176,540	85,000	85,000	85,000	85,000
San Jose Arena Management	1,420,000	1,420,000	1,420,000	1,420,000	1,420,000
Total Revenue from the Use of Money/Property	1,596,540	1,505,000	1,505,000	1,505,000	1,505,000
Transfers					
General Fund (Arena Revenue)	2,300,000	2,300,000	2,300,000	2,300,000	2,300,000
Total Transfers	2,300,000	2,300,000	2,300,000	2,300,000	2,300,000
TOTAL SOURCE OF FUNDS	10,690,869	6,833,329	9,305,793	9,305,793	8,619,355
USE OF FUNDS					
Expenditures					
Electrical Repairs	1,588,229	255,000	509,185	657,363	2,315,000
Mechanical Repairs	2,784,770	1,024,000	1,222,574	1,222,574	1,954,000
Miscellaneous Repairs	27,861	121,000	121,000	121,000	175,000
Structures Repairs	718,257	2,120,000	2,216,207	2,216,207	2,241,000
Unanticipated / Emergency Repairs	70,959	200,000	274,294	274,294	200,000
Total Expenditures	5,190,076	3,720,000	4,343,260	4,491,438	6,885,000
Ending Fund Balance					
Previously Approved Repairs Reserve (Use)	2,107,807	2,107,807	3,885,471	0	0
Unrestricted Ending Fund Balance (Use)	3,392,986	1,005,522	1,077,062	4,814,355	1,734,355
Total Ending Fund Balance	5,500,793	3,113,329	4,962,533	4,814,355	1,734,355
TOTAL USE OF FUNDS	10,690,869	6,833,329	9,305,793	9,305,793	8,619,355

* Actuals may not subtotal due to rounding.

San José Clean Energy Operating Fund (501)
STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Operations and Maintenance Reserve (Source)	20,000,000	0	0	0	136,000,000
Reserve for Encumbrances (Source)	4,792,712	4,792,712	22,760,842	22,760,842	22,760,842
Unrestricted Beginning Fund Balance (Source)	80,614,102	180,030,449	173,726,125	173,726,125	135,188,679
Total Beginning Fund Balance	105,406,814	184,823,161	196,486,967	196,486,967	293,949,521
Revenue from the Use of Money/Property					
Interest	2,767,814	2,000,000	2,000,000	5,500,000	5,000,000
Total Revenue from the Use of Money/Property	2,767,814	2,000,000	2,000,000	5,500,000	5,000,000
Revenue from Local Agencies					
Miscellaneous	0	0	0	6,900,000	0
Total Revenue from Local Agencies	0	0	0	6,900,000	0
Revenue from State of California					
State Energy Grants	2,233,740	3,346,776	4,660,461	3,160,000	1,490,000
Total Revenue from State of California	2,233,740	3,346,776	4,660,461	3,160,000	1,490,000
Fees, Rates, and Charges					
Energy Sales	516,560,150	517,500,000	517,500,000	525,000,000	537,600,000
Total Fees, Rates, and Charges	516,560,150	517,500,000	517,500,000	525,000,000	537,600,000
TOTAL SOURCE OF FUNDS	626,968,518	707,669,937	720,647,428	737,046,967	838,039,521
USE OF FUNDS					
Expenditures					
City Attorney Personal Services	662,701	1,040,674	1,070,107	680,000	1,058,141
City Manager Personal Services	152,778	190,436	198,558	183,000	127,013
Community Energy Non-Personal/Equipment	7,529,269	12,416,487	12,680,534	10,000,000	14,536,487
Community Energy Personal Services	7,306,061	11,033,169	11,346,196	9,152,000	12,653,794
Cost of Energy	364,357,975	421,500,000	421,500,000	392,000,000	490,000,000
Debt Service - Interest - CP	2,334,301	1,000,000	1,000,000	900,000	347,000
Debt Service - Interest - Revolver	0	200,000	200,000	0	0
Debt Service - Principal - CP	40,000,000	20,000,000	20,000,000	20,000,000	0
Disadvantaged Communities - Green Tariff	915,283	930,000	872,102	660,000	210,000
Energy Efficient Programs	1,136,144	2,416,776	2,343,780	2,500,000	1,280,000
Finance Non-Personal/Equipment	24,000	26,500	26,500	26,500	26,500
Finance Personal Services	232,506	378,812	393,543	279,000	309,211
ITD Non-Personal/Equipment	0	12,000	42,000	42,000	0
ITD Personal Services	0	159,427	129,427	75,000	230,593
Letter of Credit Fees	715,035	2,500,000	2,500,000	1,900,000	1,800,000
Municipal Microgrids Program	0	0	1,000,000	10,000	0
Overhead	3,117,222	2,508,965	2,508,965	2,508,965	2,378,092
Pacific Gas & Electric Security Fees	1,494,622	1,516,000	1,516,000	1,500,000	1,520,000
PW Personal Services	122,999	175,800	187,171	187,171	0
San Jose Clean Energy Audits	54,982	130,650	130,650	130,650	130,650
Total Expenditures	430,155,879	478,135,696	479,645,533	442,734,286	526,607,481

* Actuals may not subtotal due to rounding.

San José Clean Energy Operating Fund (501)
STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
USE OF FUNDS					
Transfers					
Transfer to the City Hall Debt Service Fund	287,781	363,160	363,160	363,160	389,549
Transfer to the General Fund	37,891	0	0	0	0
Total Transfers	<u>325,672</u>	<u>363,160</u>	<u>363,160</u>	<u>363,160</u>	<u>389,549</u>
Ending Fund Balance					
Operations and Maintenance Reserve (Use)		0	136,000,000	136,000,000	219,000,000
Reserve for Encumbrances (Use)	22,760,842	4,792,712	22,760,842	22,760,842	22,760,842
Unrestricted Ending Fund Balance (Use)	<u>173,726,125</u>	<u>88,378,369</u>	<u>81,877,893</u>	<u>135,188,679</u>	<u>69,281,649</u>
Total Ending Fund Balance	<u>196,486,967</u>	<u>229,171,081</u>	<u>240,638,735</u>	<u>293,949,521</u>	<u>311,042,491</u>
TOTAL USE OF FUNDS	<u>626,968,518</u>	<u>707,669,937</u>	<u>720,647,428</u>	<u>737,046,967</u>	<u>838,039,521</u>

* Actuals may not subtotal due to rounding.

San José Opioid Response Fund (130)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Revenue from State of California					
Opioid Distributor Payment - Abatement	0	0	475,000	421,000	54,000
Opioid Manufacturer Janssen - Abatement	0	0	294,000	49,000	223,000
Opioid Manufacturer Janssen - Subdivision	0	0	0	0	68,000
Total Revenue from State of California	0	0	769,000	470,000	345,000
TOTAL SOURCE OF FUNDS	0	0	769,000	470,000	345,000
USE OF FUNDS					
Expenditures					
Community Awareness and Education on Opioid Addiction Prevention - City Manager	0	0	120,000	10,000	110,000
Community Awareness and Education on Opioid Addiction Prevention - Fire	0	0	29,000	0	29,000
Community Awareness and Education on Opioid Addiction Prevention - Police	0	0	60,000	9,000	51,000
Library Staff Training	0	0	25,000	0	3,000
Opioid Prevention Grant Program	0	0	475,000	421,000	54,000
Opioid Settlement Program Oversight - CMO	0	0	60,000	30,000	30,000
Opioid Settlement Program Oversight - PRNS	0	0	0	0	68,000
Total Expenditures	0	0	769,000	470,000	345,000
TOTAL USE OF FUNDS	0	0	769,000	470,000	345,000

* Actuals may not subtotal due to rounding.

San José-Santa Clara Treatment Plant Income Fund (514)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	893,705	1,004,705	1,192,526	1,192,526	1,317,526
Total Beginning Fund Balance	<u>893,705</u>	<u>1,004,705</u>	<u>1,192,526</u>	<u>1,192,526</u>	<u>1,317,526</u>
Revenue from the Use of Money/Property					
Interest	19,733	12,000	12,000	25,000	25,000
Rental	279,088	100,000	100,000	100,000	100,000
Total Revenue from the Use of Money/Property	<u>298,821</u>	<u>112,000</u>	<u>112,000</u>	<u>125,000</u>	<u>125,000</u>
TOTAL SOURCE OF FUNDS	<u>1,192,526</u>	<u>1,116,705</u>	<u>1,304,526</u>	<u>1,317,526</u>	<u>1,442,526</u>
USE OF FUNDS					
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	1,192,526	1,116,705	1,304,526	1,317,526	1,442,526
Total Ending Fund Balance	<u>1,192,526</u>	<u>1,116,705</u>	<u>1,304,526</u>	<u>1,317,526</u>	<u>1,442,526</u>
TOTAL USE OF FUNDS	<u>1,192,526</u>	<u>1,116,705</u>	<u>1,304,526</u>	<u>1,317,526</u>	<u>1,442,526</u>

* Actuals may not subtotal due to rounding.

San José-Santa Clara Treatment Plant Operating Fund (513)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
City of San Jose Legacy Lagoons Remediation Project II Reserve (Source)	0	0	0	0	25,236,040
Operations and Maintenance Reserve (Source)	18,683,919	18,638,137	18,638,137	18,638,137	17,090,521
Reserve for Encumbrances (Source)	11,771,558	11,771,558	6,984,932	6,984,932	6,984,932
Unrestricted Beginning Fund Balance (Source)	22,325,313	38,523,786	39,955,552	39,955,552	8,720,465
Workers' Compensation Claims Reserve (Source)	2,352,000	2,352,000	2,352,000	2,352,000	2,352,000
Total Beginning Fund Balance	55,132,790	71,285,481	67,930,621	67,930,621	60,383,958
Revenue from the Use of Money/Property					
Interest	1,930,274	340,236	340,236	3,100,000	3,600,000
Total Revenue from the Use of Money/Property	1,930,274	340,236	340,236	3,100,000	3,600,000
Revenue from Local Agencies					
Contributions - Other Agencies	22,158,347	29,711,780	29,711,780	18,846,141	33,374,110
Contributions - Santa Clara	15,258,770	21,506,620	21,506,620	14,963,167	24,928,368
Total Revenue from Local Agencies	37,417,117	51,218,400	51,218,400	33,809,308	58,302,478
Other Revenue					
Miscellaneous	144,827	340,000	340,000	212,000	212,000
South Bay Dischargers Authority	56,000	0	0	64,000	0
Total Other Revenue	200,827	340,000	340,000	276,000	212,000
Transfers					
Sewer Service and Use Charge Fund	86,821,998	94,912,601	94,912,601	82,761,772	99,870,278
Total Transfers	86,821,998	94,912,601	94,912,601	82,761,772	99,870,278
TOTAL SOURCE OF FUNDS	181,503,006	218,096,718	214,741,858	187,877,701	222,368,714
USE OF FUNDS					
Expenditures					
City Attorney Personal Services	153,192	61,273	193,831	193,831	242,695
City Manager Non-Personal/Equipment	18,375	18,375	18,375	18,375	18,375
ESD Non-Personal/Equipment	38,887,599	39,329,545	39,415,055	42,000,000	51,439,293
ESD Personal Services	58,260,220	65,162,606	66,614,993	63,000,000	69,402,927
Finance Non-Personal/Equipment	98	2,958	2,958	2,958	2,958
Finance Personal Services	114,218	130,478	137,799	137,799	146,156
HR Non-Personal/Equipment	0	1,500	1,500	1,500	1,500
HR Personal Services	319,885	355,097	372,346	372,346	391,925
Inventory	585,286	600,000	600,000	600,000	600,000
ITD Non-Personal/Equipment	3,731	155,604	155,604	155,604	14,604
ITD Personal Services	75,298	112,403	117,155	117,155	127,781
Legacy Lagoons Remediation	227,329	5,000,000	5,000,000	5,000,000	2,500,000
Overhead	13,185,608	13,056,388	13,056,388	13,056,388	14,944,210
PBCE Personal Services	76,075	131,170	136,436	136,436	46,767
Prior Fiscal Year Agency Payment	0	9,063,704	9,063,704	0	0
PW Non-Personal/Equipment	18,246	7,000	7,000	7,000	7,000
PW Personal Services	237,882	118,618	123,171	356,000	119,160
Workers' Compensation Claims	596,412	600,000	600,000	600,000	680,000
Total Expenditures	112,759,453	133,906,719	135,616,315	125,755,392	140,685,351

* Actuals may not subtotal due to rounding.

San José-Santa Clara Treatment Plant Operating Fund (513)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
USE OF FUNDS					
Transfers					
Transfer to the City Hall Debt Service Fund	563,819	738,351	738,351	738,351	688,441
Transfer to the General Fund	249,113	0	0	0	0
Transfer to the South Bay Water Recycling Operating Fund - Other Agencies	0	4,153,859	4,153,859	0	0
Transfer to the South Bay Water Recycling Operating Fund - San Jose	0	12,150,829	12,150,829	0	0
Transfer to the South Bay Water Recycling Operating Fund - Santa Clara	0	2,936,833	2,936,833	0	0
Total Transfers	812,932	19,979,872	19,979,872	738,351	688,441
Ending Fund Balance					
City of San Jose Legacy Lagoons Remediation Project II Reserve (Use)	0	25,236,040	25,236,040	25,236,040	25,236,040
Operations and Maintenance Reserve (Use)	18,638,137	17,090,521	17,090,521	17,090,521	22,715,000
Reserve for Encumbrances (Use)	6,984,932	11,771,558	6,984,932	6,984,932	6,984,932
Unrestricted Ending Fund Balance (Use)	39,955,552	7,760,008	7,482,178	8,720,465	23,706,950
Workers' Compensation Claim Reserve (Use)	2,352,000	2,352,000	2,352,000	2,352,000	2,352,000
Total Ending Fund Balance	67,930,621	64,210,127	59,145,671	60,383,958	80,994,922
TOTAL USE OF FUNDS	181,503,006	218,096,718	214,741,858	186,877,701	222,368,714

* Actuals may not subtotal due to rounding.

Sewage Treatment Plant Connection Fee Fund (539)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Treatment Plant Expansion Reserve (Source)	20,519,049	22,426,914	21,906,776	21,906,776	23,608,835
Total Beginning Fund Balance	<u>20,519,049</u>	<u>22,426,914</u>	<u>21,906,776</u>	<u>21,906,776</u>	<u>23,608,835</u>
Revenue from the Use of Money/Property					
Interest	485,438	151,000	151,000	650,000	687,000
Total Revenue from the Use of Money/Property	<u>485,438</u>	<u>151,000</u>	<u>151,000</u>	<u>650,000</u>	<u>687,000</u>
Fees, Rates, and Charges					
Connection Fees	1,263,868	2,513,000	2,513,000	1,365,692	1,434,000
Total Fees, Rates, and Charges	<u>1,263,868</u>	<u>2,513,000</u>	<u>2,513,000</u>	<u>1,365,692</u>	<u>1,434,000</u>
TOTAL SOURCE OF FUNDS	<u>22,268,354</u>	<u>25,090,914</u>	<u>24,570,776</u>	<u>23,922,468</u>	<u>25,729,835</u>
USE OF FUNDS					
Expenditures					
Collection Costs	356,794	640,351	640,351	307,000	714,455
Total Expenditures	<u>356,794</u>	<u>640,351</u>	<u>640,351</u>	<u>307,000</u>	<u>714,455</u>
Transfers					
Transfer to the City Hall Debt Service Fund	4,784	6,633	6,633	6,633	7,015
Total Transfers	<u>4,784</u>	<u>6,633</u>	<u>6,633</u>	<u>6,633</u>	<u>7,015</u>
Ending Fund Balance					
Treatment Plant Expansion Reserve (Use)	21,906,776	24,443,930	23,923,792	23,608,835	25,008,365
Total Ending Fund Balance	<u>21,906,776</u>	<u>24,443,930</u>	<u>23,923,792</u>	<u>23,608,835</u>	<u>25,008,365</u>
TOTAL USE OF FUNDS	<u>22,268,354</u>	<u>25,090,914</u>	<u>24,570,776</u>	<u>23,922,468</u>	<u>25,729,835</u>

* Actuals may not subtotal due to rounding.

Sewer Service And Use Charge Fund (541)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Capital Program-Financing Reserve (Source)	50,000,000	50,000,000	50,000,000	50,000,000	20,000,000
Debt Service Reserve (Source)	6,000,000	6,000,000	6,000,000	6,000,000	0
Operations and Maintenance Reserve (Source)	6,050,000	6,170,000	6,170,000	6,170,000	7,290,000
Rate Stabilization Reserve (Source)	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Reserve for Encumbrances (Source)	3,732,010	3,732,010	4,132,043	4,132,043	4,132,043
Unrestricted Beginning Fund Balance (Source)	25,395,795	10,358,127	12,821,289	12,821,289	21,361,353
Workers' Compensation Claims Reserve (Source)	760,000	760,000	760,000	760,000	760,000
Total Beginning Fund Balance	93,937,805	79,020,137	81,883,332	81,883,332	55,543,396
Revenue from the Use of Money/Property					
Interest	384,825	754,000	754,000	850,000	454,000
Total Revenue from the Use of Money/Property	384,825	754,000	754,000	850,000	454,000
Fees, Rates, and Charges					
Commercial	27,857,366	27,371,257	27,371,257	26,002,694	29,957,841
Industrial	4,930,050	5,781,360	5,781,360	5,327,000	6,301,682
Residential	156,977,629	153,036,000	153,036,000	154,559,000	166,809,240
Sewer Installation	281,083	60,000	60,000	60,000	60,000
Total Fees, Rates, and Charges	190,046,128	186,248,617	186,248,617	185,948,694	203,128,763
Other Revenue					
Miscellaneous	(283,900)	0	0	0	0
Total Other Revenue	(283,900)	0	0	0	0
Transfers					
South Bay Water Recycling Operating Fund (Source)	1,000,000	19,241,521	19,241,521	1,000,000	2,000,000
Total Transfers	1,000,000	19,241,521	19,241,521	1,000,000	2,000,000
TOTAL SOURCE OF FUNDS	<u>285,084,858</u>	<u>285,264,275</u>	<u>288,127,470</u>	<u>269,682,026</u>	<u>261,126,159</u>

* Actuals may not subtotal due to rounding.

Sewer Service And Use Charge Fund (541)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
USE OF FUNDS					
Expenditures					
City Attorney Personal Services	491,518	1,294,816	1,333,258	1,333,258	1,021,131
City Manager Non-Personal/Equipment	6,125	6,125	6,125	6,125	6,125
Clean Water Financing Authority Audit	0	32,272	32,272	0	32,272
Collection Costs	536,317	517,000	517,000	535,000	611,000
DOT Non-Personal/Equipment	6,096,998	11,361,346	12,461,346	12,461,346	9,661,308
DOT Personal Services	16,355,854	18,255,259	18,462,690	18,462,690	18,811,661
ESD Non-Personal/Equipment	276,280	938,797	938,797	938,797	600,408
ESD Personal Services	1,835,066	2,149,542	2,204,439	1,835,000	2,070,733
Facilities Capital Repairs and Maintenance	15,053	40,000	40,000	40,000	40,000
Finance Non-Personal/Equipment	34	16,750	16,750	16,750	16,750
Finance Personal Services	263,569	296,928	310,958	310,958	323,943
HR Personal Services	38,201	35,107	36,622	36,622	44,906
IDC Disposal Contract	147,834	150,000	150,000	150,000	150,000
ITD Non-Personal/Equipment	2,691	20,683	20,683	20,683	17,683
ITD Personal Services	125,837	135,885	143,786	143,786	148,606
Major Litigation Costs	628,642	1,500,000	1,500,000	1,000,000	1,500,000
Overhead	6,283,478	6,090,278	6,090,278	6,090,278	6,433,010
PBCE Personal Services	73,511	104,936	110,522	110,522	123,280
PW Non-Personal/Equipment	344,267	304,460	304,460	304,460	303,460
PW Personal Services	1,980,593	2,488,149	2,576,422	2,200,000	2,648,748
Sanitary Sewer Claims	5,110	175,000	175,000	175,000	175,000
Workers' Compensation Claims	155,307	204,000	279,000	279,000	204,000
Total Expenditures	35,662,285	46,117,333	47,710,408	46,450,275	44,944,024
Transfers					
Transfer to the City Hall Debt Service Fund	295,158	349,583	349,583	349,583	359,416
Transfer to the General Fund	84,085	0	0	0	0
Transfer to the San Jose-Santa Clara Treatment Plant Capital Fund	45,338,000	47,577,000	47,577,000	49,577,000	55,879,000
Transfer to the San Jose-Santa Clara Treatment Plant Operating Fund	86,821,998	94,912,601	94,912,601	82,761,772	99,870,278
Transfer to the Sewer Service and Use Charge Capital Improvement Fund	35,000,000	35,000,000	35,000,000	35,000,000	35,000,000
Total Transfers	167,539,241	177,839,184	177,839,184	167,688,355	191,108,694
Ending Fund Balance					
Capital Program/Financing Reserve (Use)	50,000,000	37,000,000	37,000,000	20,000,000	6,000,000
Debt Service Reserve (Use)	6,000,000	0	0	0	0
Operations and Maintenance Reserve (Use)	6,170,000	7,290,000	7,290,000	7,290,000	7,290,000
Rate Stabilization Reserve (Use)	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Reserve for Encumbrances (Use)	4,132,043	3,732,010	4,132,043	4,132,043	4,132,043
Unrestricted Ending Fund Balance (Use)	12,821,289	10,525,748	11,395,835	21,361,353	4,891,398
Workers' Compensation Claim Reserve (Use)	760,000	760,000	760,000	760,000	760,000
Total Ending Fund Balance	81,883,332	61,307,758	62,577,878	55,543,396	25,073,441
TOTAL USE OF FUNDS	285,084,858	285,264,275	288,127,470	269,682,026	261,126,159

* Actuals may not subtotal due to rounding.

South Bay Water Recycling Operating Fund (570)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Operations and Maintenance Reserve (Source)	1,054,552	1,559,259	1,559,259	1,559,259	1,824,958
Reserve for Encumbrances (Source)	264,912	264,912	1,342,822	1,342,822	1,342,822
Unrestricted Beginning Fund Balance (Source)	3,986,284	5,209,884	4,377,185	4,377,185	3,885,483
Total Beginning Fund Balance	5,305,748	7,034,055	7,279,266	7,279,266	7,053,263
Revenue from the Use of Money/Property					
Interest	202,745	55,622	55,622	351,000	300,000
Total Revenue from the Use of Money/Property	202,745	55,622	55,622	351,000	300,000
Fees, Rates, and Charges					
Recycled Water Sales - Santa Clara	5,655,163	5,863,386	5,863,386	6,630,428	6,576,224
Recycled Water Sales - San Jose Water Company	3,648,391	4,365,754	4,365,754	4,506,110	4,241,693
Recycled Water Sales - Milpitas	1,450,099	1,522,400	1,522,400	1,546,990	1,686,887
Recycled Water Sales - San Jose Municipal Water System	5,729,769	6,358,744	6,358,744	6,714,450	6,662,828
Total Fees, Rates, and Charges	16,483,422	18,110,284	18,110,284	19,397,978	19,167,632
Transfers					
San Jose-Santa Clara Treatment Plant Operating Fund - Local Agency Contributions	0	4,153,859	4,153,859	0	0
San Jose-Santa Clara Treatment Plant Operating Fund - Santa Clara	0	2,936,833	2,936,833	0	0
San Jose-Santa Clara Treatment Plant Operating Fund - San Jose	0	12,150,829	12,150,829	0	0
Total Transfers	0	19,241,521	19,241,521	0	0
TOTAL SOURCE OF FUNDS	21,991,915	44,441,482	44,686,693	27,028,244	26,520,895
USE OF FUNDS					
Expenditures					
ESD Non-Personal/Equipment	3,660,590	9,521,940	9,521,940	9,045,843	7,166,940
ESD Personal Services	4,953,877	6,449,100	6,601,795	5,201,571	6,959,792
ITD Non-Personal/Equipment	339	7,521	7,521	7,521	521
Overhead	785,816	683,310	683,310	683,310	805,488
Prior Fiscal Year Agency Payment	0	739,750	739,750	0	0
SCVWD - Advanced Water Treatment	4,258,542	4,000,000	4,000,000	4,000,000	4,000,000
Total Expenditures	13,659,164	21,401,621	21,554,316	18,938,245	18,932,741
Transfers					
Transfer to the City Hall Debt Service Fund	29,264	36,736	36,736	36,736	38,065
Transfer to the General Fund	24,221	0	0	0	0
Transfer to the Sewer Service and Use Charge Fund	1,000,000	19,241,521	19,241,521	1,000,000	2,000,000
Total Transfers	1,053,485	19,278,257	19,278,257	1,036,736	2,038,065
Ending Fund Balance					
Operations and Maintenance Reserve (Use)	1,559,259	1,824,958	1,824,958	1,824,958	3,029,239
Reserve for Encumbrances (Use)	1,342,822	264,912	1,342,822	1,342,822	1,342,822
Unrestricted Ending Fund Balance (Use)	4,377,185	1,671,734	686,340	3,885,483	1,178,028
Total Ending Fund Balance	7,279,266	3,761,604	3,854,120	7,053,263	5,550,089
TOTAL USE OF FUNDS	21,991,915	44,441,482	44,686,693	27,028,244	26,520,895

* Actuals may not subtotal due to rounding.

St. James Park Management District Fund (345)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Encumbrances (Source)	53,830	53,830	41,594	41,594	41,594
Unrestricted Beginning Fund Balance (Source)	4,990,428	4,444,024	4,538,763	4,538,763	4,086,065
Total Beginning Fund Balance	5,044,258	4,497,854	4,580,357	4,580,357	4,127,659
Revenue from the Use of Money/Property					
Interest	103,390	36,000	36,000	100,000	60,000
Total Revenue from the Use of Money/Property	103,390	36,000	36,000	100,000	60,000
TOTAL SOURCE OF FUNDS	5,147,648	4,533,854	4,616,357	4,680,357	4,187,659
USE OF FUNDS					
Expenditures					
Overhead	127,717	106,977	106,977	106,977	122,610
PRNS Non-Personal/Equipment	187,298	249,000	249,000	211,000	252,000
PRNS Personal Services	246,589	365,011	375,838	229,000	408,994
Total Expenditures	561,604	720,988	731,815	546,977	783,604
Transfers					
Transfer to the City Hall Debt Service Fund	4,369	5,721	5,721	5,721	5,627
Transfer to the General Fund	1,318	0	0	0	0
Total Transfers	5,687	5,721	5,721	5,721	5,627
Ending Fund Balance					
Reserve for Encumbrances (Use)	41,594	53,830	41,594	41,594	41,594
Unrestricted Ending Fund Balance (Use)	4,538,763	3,753,315	3,837,227	4,086,065	3,356,834
Total Ending Fund Balance	4,580,357	3,807,145	3,878,821	4,127,659	3,398,428
TOTAL USE OF FUNDS	5,147,648	4,533,854	4,616,357	4,680,357	4,187,659

* Actuals may not subtotal due to rounding.

State Drug Forfeiture Fund (417)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	1,049,207	1,049,207	1,149,590	1,149,590	1,149,290
Total Beginning Fund Balance	<u>1,049,207</u>	<u>1,049,207</u>	<u>1,149,590</u>	<u>1,149,590</u>	<u>1,149,290</u>
Revenue from the Use of Money/Property					
Interest	8,465	0	0	0	0
Total Revenue from the Use of Money/Property	<u>8,465</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Revenue from State of California					
State Revenue	91,918	0	0	0	0
Total Revenue from State of California	<u>91,918</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL SOURCE OF FUNDS	<u>1,149,590</u>	<u>1,049,207</u>	<u>1,149,590</u>	<u>1,149,590</u>	<u>1,149,290</u>
USE OF FUNDS					
Expenditures					
Police Non-Personal/Equipment	0	300	300	300	0
Total Expenditures	<u>0</u>	<u>300</u>	<u>300</u>	<u>300</u>	<u>0</u>
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	1,149,590	1,048,907	1,149,290	1,149,290	1,149,290
Total Ending Fund Balance	<u>1,149,590</u>	<u>1,048,907</u>	<u>1,149,290</u>	<u>1,149,290</u>	<u>1,149,290</u>
TOTAL USE OF FUNDS	<u>1,149,590</u>	<u>1,049,207</u>	<u>1,149,590</u>	<u>1,149,590</u>	<u>1,149,290</u>

* Actuals may not subtotal due to rounding.

Storm Sewer Operating Fund (446)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Capital Program Reserve (Source)	7,000,000	7,000,000	7,000,000	7,000,000	0
Grant Match Reserve (Source)	500,000	500,000	500,000	500,000	0
Operations and Maintenance Reserve (Source)	4,654,209	5,108,751	5,108,751	5,108,751	5,108,751
Permit Implementation Reserve (Source)	500,000	500,000	500,000	500,000	0
Reserve for Encumbrances (Source)	1,107,680	1,107,680	1,132,722	1,132,722	1,132,722
Unrestricted Beginning Fund Balance (Source)	4,737,115	7,851,187	9,066,283	9,066,283	13,259,652
Total Beginning Fund Balance	18,499,004	22,067,618	23,307,756	23,307,756	19,501,125
Fines, Forfeitures, and Penalties					
Penalties	0	9,000	9,000	0	0
Total Fines, Forfeitures, and Penalties	0	9,000	9,000	0	0
Revenue from the Use of Money/Property					
Interest	210,381	250,000	250,000	314,670	275,000
Total Revenue from the Use of Money/Property	210,381	250,000	250,000	314,670	275,000
Other Revenue					
Miscellaneous	25,000	0	0	0	0
Total Other Revenue	25,000	0	0	0	0
Special Assessments					
Assessments	33,916,601	33,969,000	33,969,000	34,078,303	34,078,303
Total Special Assessments	33,916,601	33,969,000	33,969,000	34,078,303	34,078,303
TOTAL SOURCE OF FUNDS	52,650,986	56,295,618	57,535,756	57,700,729	53,854,428
USE OF FUNDS					
Expenditures					
City Attorney Personal Services	162,000	0	170,000	170,000	142,360
Collection Fees	97,981	100,000	100,000	100,000	100,000
DOT Non-Personal/Equipment	2,022,100	3,493,011	3,493,011	3,493,011	3,619,653
DOT Personal Services	6,616,892	7,298,549	7,409,031	7,064,243	7,670,294
ESD Non-Personal/Equipment	2,038,378	3,415,179	3,415,179	3,415,179	2,898,895
ESD Personal Services	7,745,309	8,349,120	8,638,275	8,488,948	9,098,660
Finance Personal Services	72,660	95,052	98,852	98,852	104,226
Fire Non-Personal/Equipment	77,932	175,000	175,000	175,000	175,000
HR Personal Services	54,330	60,379	62,962	62,962	68,143
IDC Contract	150,717	153,979	153,979	153,979	153,979
ITD Non-Personal/Equipment	2,253	32,113	32,113	32,113	17,113
ITD Personal Services	118,251	129,852	136,908	136,908	142,400
Overhead	4,273,508	4,177,480	4,177,480	4,177,480	4,834,029
PBCE Personal Services	44,444	95,444	99,440	99,440	114,491
PW Non-Personal/Equipment	66,536	48,000	48,000	48,000	48,000
PW Personal Services	803,809	718,621	764,344	764,344	740,021
Workers' Compensation Claims	97,334	100,000	125,000	125,000	100,000
Yard Trimming Collection/Processing	2,895,518	3,064,021	3,064,021	3,064,021	3,064,021
Total Expenditures	27,339,952	31,505,800	32,163,595	31,669,480	33,091,285

* Actuals may not subtotal due to rounding.

Storm Sewer Operating Fund (446)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
USE OF FUNDS					
Transfers					
Transfer to the City Hall Debt Service Fund	354,378	442,965	442,965	442,965	441,086
Transfer to the Community Facilities District No. 13 (Guadalupe Mines) Fund	10,121	10,121	10,121	10,121	10,121
Transfer to the Community Facilities District No. 15 (Berryessa - Sierra) Fund	26,920	26,920	26,920	26,920	26,920
Transfer to the Community Facilities District No. 16 (Raleigh - Coronado) Fund	28,000	28,000	28,000	28,000	28,000
Transfer to the General Fund	61,741	0	0	0	0
Transfer to the Maintenance District No. 15 Fund	22,118	22,118	22,118	22,118	22,118
Transfer to the Storm Sewer Capital Fund	1,500,000	6,000,000	6,000,000	6,000,000	6,000,000
Total Transfers	2,003,278	6,530,124	6,530,124	6,530,124	6,528,245
Ending Fund Balance					
Capital Program Reserve (Use)	7,000,000	0	0	0	0
Grant Match Reserve (Use)	500,000	0	0	0	0
Operations and Maintenance Reserve (Use)	5,108,751	5,108,751	5,108,751	5,108,751	5,425,781
Permit Implementation Reserve (Use)	500,000	0	0	0	0
Reserve for Encumbrances (Use)	1,132,722	1,107,680	1,132,722	1,132,722	1,132,722
Unrestricted Ending Fund Balance (Use)	9,066,283	12,043,263	12,600,564	13,259,652	7,676,395
Total Ending Fund Balance	23,307,756	18,259,694	18,842,037	19,501,125	14,234,898
TOTAL USE OF FUNDS	52,650,986	56,295,618	57,535,756	57,700,729	53,854,428

* Actuals may not subtotal due to rounding.

Supplemental Law Enforcement Services Fund (414)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Encumbrances (Source)	872,339	872,339	863,199	863,199	863,199
Unrestricted Beginning Fund Balance (Source)	2,110,452	2,818,695	2,138,097	2,138,097	2,977,633
Total Beginning Fund Balance	2,982,791	3,691,034	3,001,296	3,001,296	3,840,832
Revenue from the Use of Money/Property					
Interest	76,401	0	0	0	0
Total Revenue from the Use of Money/Property	76,401	0	0	0	0
Revenue from State of California					
State Revenue	2,657,298	2,175,563	5,696,927	5,696,927	0
Total Revenue from State of California	2,657,298	2,175,563	5,696,927	5,696,927	0
TOTAL SOURCE OF FUNDS	5,716,491	5,866,597	8,698,223	8,698,223	3,840,832
USE OF FUNDS					
Expenditures					
SLES Grant 2016-2018	63,745	0	0	0	0
SLES Grant 2017-2019	72,310	0	0	0	0
SLES Grant 2018-2020	37,353	187,000	295,673	295,673	0
SLES Grant 2019-2021	318,423	104,716	137,443	137,443	0
SLES Grant 2020-2022	386,332	54,305	104,178	104,178	0
SLES Grant 2021-2023	1,612,191	896,279	859,155	859,155	0
SLES Grant 2022-2024	224,841	933,263	2,260,942	2,260,942	0
SLES Grant 2023-2025	0	0	1,200,000	1,200,000	0
Total Expenditures	2,715,195	2,175,563	4,857,391	4,857,391	0
Ending Fund Balance					
Reserve for Encumbrances (Use)	863,199	872,339	863,199	863,199	863,199
Unrestricted Ending Fund Balance (Use)	2,138,097	2,818,695	2,977,633	2,977,633	2,977,633
Total Ending Fund Balance	3,001,296	3,691,034	3,840,832	3,840,832	3,840,832
TOTAL USE OF FUNDS	5,716,491	5,866,597	8,698,223	8,698,223	3,840,832

* Actuals may not subtotal due to rounding.

Transient Occupancy Tax Fund (461)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Cultural Grants Reserve (Source)	1,476,431	4,125,000	1,500,000	1,500,000	3,025,986
Reserve for Encumbrances (Source)	674,984	674,984	775,145	775,145	775,145
Unrestricted Beginning Fund Balance (Source)	3,898,624	393,028	3,468,134	3,468,134	1,893,027
Total Beginning Fund Balance	6,050,039	5,193,012	5,743,279	5,743,279	5,694,158
Transient Occupancy Tax					
Transient Occupancy Tax Revenue	22,351,146	24,000,000	24,000,000	24,000,000	24,000,000
Total Transient Occupancy Tax	22,351,146	24,000,000	24,000,000	24,000,000	24,000,000
Licenses and Permits					
OCA Special Event Permits	13,520	30,000	30,000	30,000	30,000
Total Licenses and Permits	13,520	30,000	30,000	30,000	30,000
Revenue from the Use of Money/Property					
Interest	72,681	25,000	25,000	25,000	25,000
Total Revenue from the Use of Money/Property	72,681	25,000	25,000	25,000	25,000
TOTAL SOURCE OF FUNDS	28,487,386	29,248,012	29,798,279	29,798,279	29,749,158
USE OF FUNDS					
Expenditures					
Cultural Grants and Programs	2,157,106	5,439,105	5,439,105	3,939,105	6,004,500
Cultural Grants and Programs Administration	2,195,664	2,411,531	2,411,531	2,411,531	2,571,136
San José Convention and Visitors Bureau	6,259,324	6,072,000	6,046,707	6,046,707	6,072,000
Total Expenditures	10,612,094	13,922,636	13,897,343	12,397,343	14,647,636
Transfers					
Transfer to the Convention and Cultural Affairs Fund	12,132,013	11,757,365	11,706,778	11,706,778	11,757,365
Total Transfers	12,132,013	11,757,365	11,706,778	11,706,778	11,757,365
Ending Fund Balance					
Cultural Grants and Programs Reserve (Use)	1,500,000	2,500,000	3,025,986	3,025,986	2,175,986
Reserve for Encumbrances (Use)	775,145	674,984	775,145	775,145	775,145
Unrestricted Ending Fund Balance (Use)	3,468,134	393,027	393,027	1,893,027	393,026
Total Ending Fund Balance	5,743,279	3,568,011	4,194,158	5,694,158	3,344,157
TOTAL USE OF FUNDS	28,487,386	29,248,012	29,798,279	29,798,279	29,749,158

* Actuals may not subtotal due to rounding.

Vehicle Maintenance And Operations Fund (552)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Fuel Usage Reserve (Source)	0	0	0	0	500,000
Reserve for Encumbrances (Source)	1,191,784	1,191,784	701,547	701,547	701,547
Unrestricted Beginning Fund Balance (Source)	2,966,649	1,608,883	2,615,621	2,615,621	2,452,046
Total Beginning Fund Balance	4,158,433	2,800,667	3,317,168	3,317,168	3,653,593
Revenue from the Use of Money/Property					
Interest	63,669	72,000	72,000	147,000	150,000
Total Revenue from the Use of Money/Property	63,669	72,000	72,000	147,000	150,000
Other Revenue					
Miscellaneous	5,101	40,000	40,000	1,250	40,000
Total Other Revenue	5,101	40,000	40,000	1,250	40,000
Transfers					
Departmental Charges (M&O)	23,270,860	25,631,980	25,631,980	25,631,980	26,725,088
Replacement Charges	7,385,964	17,521,486	17,482,486	13,125,000	13,464,250
Total Transfers	30,656,824	43,153,466	43,114,466	38,756,980	40,189,338
TOTAL SOURCE OF FUNDS	34,884,027	46,066,133	46,543,634	42,222,398	44,032,931
USE OF FUNDS					
Expenditures					
HR Personal Services (Vehicle M&O)	91,085	103,938	109,776	109,776	115,572
Inventory Purchases	10,162,474	10,598,000	10,598,000	10,598,000	10,711,000
ITD Non-Personal/Equipment	430	66,630	66,630	1,130	630
Overhead	956,397	1,094,657	1,094,657	1,094,657	1,197,645
Police Vehicle Replacements	5,725,964	11,664,250	11,625,250	7,500,000	11,664,250
PW Non-Personal/Equipment	3,014,099	3,041,166	3,041,166	3,781,294	3,092,166
PW Personal Services	9,539,244	10,295,404	10,409,248	9,556,799	10,926,855
Vehicle Replacements	1,881,892	6,857,236	7,116,136	5,625,000	1,800,000
Workers' Compensation Claims	37,556	100,000	100,000	100,000	100,000
Total Expenditures	31,409,142	43,821,281	44,160,863	38,366,656	39,608,118
Transfers					
Transfer to the City Hall Debt Service Fund	43,939	55,149	55,149	55,149	81,220
Transfer to the General Fund	38,122	0	0	0	0
Transfer to the General Fund - Interest Income	75,656	72,000	72,000	147,000	150,000
Total Transfers	157,717	127,149	127,149	202,149	231,220
Ending Fund Balance					
Fuel Usage Reserve (Use)	0	500,000	500,000	500,000	500,000
Reserve for Encumbrances (Use)	701,547	1,191,784	701,547	701,547	701,547
Unrestricted Ending Fund Balance (Use)	2,615,621	425,919	1,054,075	2,452,046	2,992,046
Total Ending Fund Balance	3,317,168	2,117,703	2,255,622	3,653,593	4,193,593
TOTAL USE OF FUNDS	34,884,027	46,066,133	46,543,634	42,222,398	44,032,931

* Actuals may not subtotal due to rounding.

Water Utility Fund (515)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Rate Stabilization Reserve (Source)	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000
Muni Water Recycled Water Expansion Reserve (Source)	1,300,000	1,300,000	1,300,000	1,300,000	1,600,000
Operations and Maintenance Reserve (Source)	8,389,213	8,389,213	8,389,213	8,389,213	9,304,731
Reserve for Encumbrances (Source)	1,266,032	1,266,032	1,741,139	1,741,139	1,741,139
Unrestricted Beginning Fund Balance (Source)	2,783,764	2,180,318	3,489,922	3,489,922	5,425,937
Workers' Compensation Claims Reserve (Source)	50,000	50,000	50,000	50,000	50,000
Total Beginning Fund Balance	15,189,009	14,585,563	16,370,274	16,370,274	19,521,807
Revenue from the Use of Money/Property					
Interest	90,726	133,254	133,254	114,000	133,639
Total Revenue from the Use of Money/Property	90,726	133,254	133,254	114,000	133,639
Revenue from State of California					
California Water Arrearage Payment Program	0	0	0	1,271,726	0
Total Revenue from State of California	0	0	0	1,271,726	0
Fees, Rates, and Charges					
Operating - Water Sales	59,436,432	70,930,440	70,930,440	69,014,379	72,614,022
Total Fees, Rates, and Charges	59,436,432	70,930,440	70,930,440	69,014,379	72,614,022
Other Revenue					
Late Fees	1,414,421	300,000	300,000	300,000	300,000
Operating - Miscellaneous	107,893	100,000	100,000	300,000	100,000
Total Other Revenue	1,522,314	400,000	400,000	600,000	400,000
TOTAL SOURCE OF FUNDS	76,238,481	86,049,257	87,833,968	87,370,379	92,669,468
USE OF FUNDS					
Expenditures					
Banking Services	265,936	247,688	342,688	342,688	247,688
City Attorney Personal Services	91,010	139,083	142,386	142,386	141,791
Customer Information System Transition	0	150,000	150,000	0	150,000
ESD Non-Personal/Equipment	39,171,692	45,566,632	45,566,632	45,566,632	47,504,887
ESD Personal Services	8,760,650	8,642,741	8,943,191	9,538,431	9,555,231
Finance Personal Services	497,738	514,987	535,977	535,977	554,616
HR Personal Services	15,458	17,056	17,056	17,056	18,911
ITD Non-Personal/Equipment	20,708	160,051	160,051	160,051	141,051
ITD Personal Services	599,515	595,418	624,438	624,438	652,842
Overhead	2,067,875	1,914,958	1,914,958	1,914,958	3,404,985
PW Non-Personal/Equipment	39,819	39,547	39,547	39,547	39,547
Workers' Compensation Claims	68,129	15,000	15,000	15,000	15,000
Total Expenditures	51,598,529	58,003,161	58,451,924	58,897,164	62,426,549
Transfers					
Transfer to the City Hall Debt Service Fund	131,007	151,408	151,408	151,408	149,778
Transfer to the General Fund	38,671	0	0	0	0
Transfer to the General Fund - Late Fees	300,000	0	0	0	500,000
Transfer to the Water Utility Capital Fund	7,800,000	8,800,000	8,800,000	8,800,000	8,800,000
Total Transfers	8,269,678	8,951,408	8,951,408	8,951,408	9,449,778

* Actuals may not subtotal due to rounding.

Water Utility Fund (515)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
USE OF FUNDS					
Ending Fund Balance					
Muni Water Recycled Water Expansion Reserve (Use)	1,300,000	1,600,000	1,600,000	1,600,000	1,600,000
Operations and Maintenance Reserve (Use)	8,389,213	9,304,731	9,304,731	9,304,731	11,584,592
Rate Stabilization Reserve (Use)	1,400,000	1,400,000	1,400,000	1,400,000	2,200,000
Reserve for Encumbrances (Use)	1,741,139	1,266,032	1,741,139	1,741,139	1,741,139
Unrestricted Ending Fund Balance (Use)	3,489,922	5,473,925	6,334,766	5,425,937	3,617,410
Workers' Compensation Claim Reserve (Use)	50,000	50,000	50,000	50,000	50,000
Total Ending Fund Balance	16,370,274	19,094,688	20,430,636	19,521,807	20,793,141
TOTAL USE OF FUNDS	76,238,481	86,049,257	87,833,968	87,370,379	92,669,468

* Actuals may not subtotal due to rounding.

Workforce Development Fund (290)

STATEMENT OF SOURCE AND USE OF FUNDS

	2022-2023 Actuals *	2023-2024 Adopted	2023-2024 Modified	2023-2024 Estimate	2024-2025 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Encumbrances (Source)	46,002	46,002	988,193	988,193	988,193
Unrestricted Beginning Fund Balance (Source)	509,448	501,610	(387,861)	(397,861)	561,012
work2future Board Mandated Reserve (Source)	754,801	754,801	754,801	754,801	853,521
Total Beginning Fund Balance	1,310,251	1,302,413	1,355,133	1,345,133	2,402,726
Revenue from Local Agencies					
Grants	1,724	0	0	0	0
Total Revenue from Local Agencies	1,724	0	0	0	0
Revenue from Federal Government					
Grants	7,833,171	10,368,581	13,618,652	10,742,162	8,609,045
Total Revenue from Federal Government	7,833,171	10,368,581	13,618,652	10,742,162	8,609,045
Other Revenue					
Grants	253,567	57,175	165,338	247,750	111,500
Total Other Revenue	253,567	57,175	165,338	247,750	111,500
TOTAL SOURCE OF FUNDS	9,398,712	11,728,169	15,139,123	12,335,045	11,123,271
USE OF FUNDS					
Expenditures					
Administration	509,759	492,413	807,098	807,098	508,388
Adult Workers	2,462,008	2,718,593	2,002,091	2,002,091	1,484,580
BusinessOwnerSpace.com Network	4,620	0	3,218	617	2,601
CA Workforce Association	0	0	0	0	4,042
Career National Dislocated Workers Grant (NDWG)	249,745	119,603	133,357	12,353	0
Cities for Financial Empowerment	37,500	57,175	50,000	50,000	35,000
City Attorney Administrative Costs	110,451	129,199	129,199	129,199	135,659
Dislocated Workers	1,450,561	3,258,729	3,964,089	3,964,089	1,815,281
Dislocated Workers - COVID-19	137,996	0	0	0	0
Emerging Needs - Local Assistance Funds to work2future	0	0	5,000	0	5,000
HVAC Technician & Green Technology Program	0	0	100,000	100,000	0
Pathways to Self-Sufficiency	0	0	2,700,000	0	2,700,000
Rapid Response Grant	721,054	512,371	434,643	434,643	434,643
SJ Works (Amazon)	0	0	100,000	0	100,000
SJ Works (Bank of America)	84,900	0	0	0	76,500
SJ Works (EDP Renewable)	91,666	0	0	0	0
SJ Works (Flagship)	0	0	5,000	0	5,000
SJ Works (Shipt)	0	0	21,250	0	21,250
SJ Works (Wells Fargo)	0	0	28,750	0	28,750
Sling Shot 2.0 Regional Plan Implementation	1,724	0	0	0	0
Veterans' Employment - Related Assistance Program	13,919	0	0	0	0
Workforce Accelerator Fund	98,330	0	0	0	0
Youth Workers	2,079,348	3,137,673	2,432,229	2,432,229	1,530,494
Total Expenditures	8,053,579	10,425,756	12,915,924	9,932,319	8,887,188
Ending Fund Balance					
Reserve for Encumbrances (Use)	988,193	46,002	988,193	988,193	988,193
Unrestricted Ending Fund Balance (Use)	(397,861)	402,890	381,485	561,012	394,369
work2future Board Mandated Reserve (Use)	754,801	853,521	853,521	853,521	853,521
Total Ending Fund Balance	1,345,133	1,302,413	2,223,199	2,402,726	2,236,083
TOTAL USE OF FUNDS	9,398,712	11,728,169	15,139,123	12,335,045	11,123,271

* Actuals may not subtotal due to rounding.



Memorandum

TO: CITY COUNCIL **FROM:** Mayor Matt Mahan
SUBJECT: MARCH BUDGET MESSAGE FOR FISCAL YEAR 2024-2025 **DATE:** March 12, 2024

APPROVED: *Matt Mahan*

RECOMMENDATION

Direct the City Manager to submit a balanced budget for Fiscal Year 2024-2025, guided by the policy direction and framework of priorities outlined in this March Budget Message.

* * *

In accordance with Section 1204 of the San José City Charter, I present my Fiscal Year 2024-2025 March Budget Message for consideration by the City Council and the residents of San José. With Council approval, this initial framework provides the City Manager with direction to prepare proposals for the Council's budget deliberations in May and to formulate the Fiscal Year 2024-2025 Proposed Budget.

OVERVIEW

I. Reaffirming Focus Amidst a Slowing Economy

Last year, our new City Council came together around four key Focus Areas foundational to San José's long-term success. While there are many things we want to do for our community, we acknowledged that there are a few basic things we must do: ensure safe neighborhoods, shelter those living on our streets and in our creeks, clean up our city, and make San José an easier place to invest, especially in new housing and jobs.



Together, we laid out an ambitious, long-term vision for tackling these challenges. We committed to building an unprecedented 784 new units of emergency interim housing (EIH) and the City’s largest safe parking site, while also allocating \$50 million in new funding to construct permanent affordable housing. We invested in police academy recruitment, expanded the department’s budgeted headcount, and embraced new technologies like automatic license plate readers (ALPRs). We made an ongoing commitment to a cleaner city by bringing many of BeautifySJ’s functions into our base budget while also launching new blight reduction and beautification pilots like our Clean Gateways program. We invested in filling empty storefronts and activating our commercial districts through small business associations, events and street closures.

The City Council’s four Focus Areas are as essential and aligned with the community’s priorities today as they were when we adopted them one year ago. As the Administration shared in our Budget Priority Setting Study Session on February 13th, 2024, San José neighbors are overwhelmingly united with residents from across our region and state in asking that our government move the needle on a few complex, but interrelated challenges: unsheltered homelessness, unaffordable housing, crime, and blight. Our Annual Community Response Survey summarizes San José residents’ priorities:



While addressing these challenges should continue to be our priority as a Council, we must also grapple with a new and significant challenge that makes focus all the more important: a slowing economy and projected budget deficits.

According to the 2024-2025 City Manager’s Budget Request and 2025-2029 Five-Year Forecast and Revenue Projections, and in line with national trends, our local economy is slowing. A sluggish economy translates directly into lower projected tax revenue. In fact, many of the city’s key sources of General Fund revenue are projected to slow, if not decline in the current fiscal

year: projected sales tax revenue (down 3% this fiscal year and growing 3% next fiscal year), property tax revenue (slowing to 5.6% growth this fiscal year, 4% next fiscal year), Measure E revenue (down nearly 20% year over year), and transient occupancy tax revenue (flat year over year).

Given these circumstances, the Council should be applauded for setting aside \$18.8 million of ongoing revenue in the 2023-2024 Adopted Operating Budget into the Future Deficit Reserve to help reduce the impact of lower future revenues and rising costs on essential city services. Even so, slower revenue growth will make it harder for the City to meet growing financial obligations while also moving the needle in our Focus Areas. Employee compensation — including increases from previously existing labor agreements and the agreements the Council approved last year — constitute an increase of \$25.3 million this year, and retirement contributions are increasing by another \$14.3 million in accordance with actuarial assumptions approved by the City’s retirement boards. The Council also committed to maintaining and expanding our interim housing portfolio, including four new and expanded EIH communities. In total, the City is on pace to oversee the capacity to serve nearly 1,700 homeless residents in interim housing, inclusive of bridge and emergency interim housing, converted hotel rooms, and supportive parking spaces. This necessary service level will also require ongoing support from the General Fund, estimated at \$25 million in 2024-2025 and increasing to \$70 million by 2028-2029 assuming the City does not find cost-sharing opportunities and efficiencies in the operation of sites.

Taken together, these costs along with other, smaller sources of expenditure growth, including the cost of utilities and vehicle operation and maintenance, are projected to outstrip revenues in the coming fiscal year and beyond. The City Manager projects a modest General Fund shortfall of \$3.6 million for FY 2024-2025 that will need to be resolved. Assuming this ongoing shortfall is fully resolved, another \$37.6 million shortfall would need to be addressed in 2025-2026, with additional shortfalls in the out years. Over the next five years, the City is facing a cumulative General Fund shortfall of nearly \$80 million.

2025 – 2029 General Fund Forecast Incremental Surplus						
	2024 - 2025	2025 - 2026	2026 - 2027	2027 - 2028	2028 - 2029	Five Year (Shortfall)
Incremental Surplus (Shortage)	(\$3.6M)	(\$37.6M)	(\$17.8M)	(\$13.9M)	(\$6.7M)	(\$79.6M)
% of Budget (Based on Expenditures)	0.2%	2.3%	1.0%	0.8%	0.4%	

This projection, however, significantly understates our true structural shortfall in two important ways that the Council will need to address in the coming fiscal year.

First, the projection excludes [\\$23.5 million in services funded on a one-time](#) basis in FY 2023-2024, many of which we will likely want to retain in some form. These one-time funded services include the Police Department Sworn Backfill Reserve, additional resources for police recruiting and backgrounding, trail patrols along the Coyote Creek and Guadalupe River, a variety of blight reduction pilots managed by BeautifySJ, child and youth programming, climate and seismic resilience planning, supplemental arts and culture funding, storefront activation grants, funding for a county clinician to provide alternative emergency response services, and other community priorities.

Second, the San Francisco Bay Regional Water Quality Control Board (Water Board) recently, and for a third consecutive time, rejected the City's Direct Discharge Plan, which is a critical component of our EPA-mandated Municipal Stormwater Permit. In its findings, the Water Board concluded that the City must produce a more detailed and ambitious plan for eliminating the direct discharge of pollutants into waterways from encampments and lived-in vehicles near storm drains. By June 2025, the City is expected to achieve a 100% trash load reduction and will no longer be allowed to use creek clean up credits to offset ongoing pollution. Failure to comply with these mandates could expose the City to significant legal and financial risks.

Thus, for moral, fiscal and environmental reasons, the Council must prioritize substantial investments in expanded alternatives to unmanaged encampments along waterways and additional capacity for outreach, enhanced clean-ups, and encampment abatement in these areas without simply shifting encampments to nearby neighborhoods. The Administration's preliminary estimate for beginning this herculean task in FY 2024-2025 is \$25 million.

Taken together, the Council faces a \$52.1 million structural shortfall in FY 2024-2025, meaning our projected revenues in the coming fiscal year are \$52.1 million less than current service levels plus the new investments required to remain compliant with our Stormwater Permit. Moreover, this shortfall excludes a number of other important services that the community likely expects to be improved or enhanced, nor does it include any necessary investments to rehabilitate the City's aging infrastructure.

Estimated Service Level / Structural Shortfall in 2024 – 2025 for Planning Purposes	
	2024 – 2025
February 2024 Incremental Surplus / (Shortfall)	(\$3.6M)
Tentative Estimated Cost to Address Stormwater Permit Requirements Related to Individuals Experiencing Homelessness Living Adjacent to Waterways	(\$25M)
2023 - 2024 Programs Funded on a One-Time Basis in the General Fund	(\$23.5M)
Total Estimated Service Level / Structural Shortfall	(\$52.1M)

II. Closing the Gap While Supporting Our Most Vulnerable Residents

Bringing the General Fund into structural alignment and making progress on the Council’s most important priorities will require trade-offs and difficult decisions. The City Manager is directed to bring forward a Proposed Budget that resolves the General Fund shortfall by:

1. Identifying cost savings and efficiencies that do not result in service impacts;
2. Eliminating vacant positions, the removal of which is expected to have minimal service impacts;
3. Reducing or eliminating current services, including the consideration of budget reductions for Mayor and City Council Offices, that – while important and valued by many – must be considered in order to bring the General Fund into structural alignment and still fund the City Council’s most critical priorities as identified in this message; and
4. Identifying any revenue sources that could be used to offset these service reductions, including new contributions from state and regional partners and the potential reallocation of a portion of Measure E resources over a multi-year period, for the provision of necessary services to our homeless residents and to meet stormwater permit requirements.

In addition, to bring forward a balanced budget as described above, the City Manager is directed to include other potential General Fund reductions in the Proposed Budget that the City Council may choose to accept as alternatives to some of the recommended adjustments, or as an alternative to the potential reallocation of Measure E revenues. These are difficult decisions and the Council and community members will need to weigh in with their perspectives.

The road before us is not easy. This will be the first time anyone on the current Council is facing a shortfall of this magnitude without the benefit of having external funding sources such as the Coronavirus Relief Fund or American Rescue Plan Fund as a backstop. We will need to be

fiscally responsible and honest about the tradeoffs our situation demands, both to each other and to our constituents. But amid crisis comes opportunity. We will work together to find a way forward that works for all of us because that is what this moment demands. We will emerge on the other side with a more focused, more efficient and even more pragmatic approach to our greatest challenges.

III. Urgent Action on Homelessness

Homelessness in San José is a humanitarian, fiscal, and environmental crisis that requires bold action. In our county last year, 201 people died on our streets. These deaths and other immeasurable suffering are preventable with access to basic shelter and supportive services. Today, well over 4,000 people continue to endure unnecessary trauma, violence, inclement weather, and other challenges in unsafe and unmanaged conditions on our streets.

Our failure to provide alternatives to unmanaged encampments takes a financial toll as well. It costs over \$65,000 per person per year just to react to unsheltered homelessness. We spend over \$15 million per year picking up trash at tent and vehicle encampments alone. Approximately 7% of all calls for fire and police response are homelessness-related, even though the homeless population represents less than 0.5% of San José's total population. The cost of street homelessness extends beyond city services to hospital emergency rooms and small businesses, and is reflected in less tourism and businesses choosing to relocate out of the city. It impacts nearly every aspect of our day-to-day lives.

With the latest news that the Water Board rejected our Direct Discharge Plan for the third time due to our inadequate approach to addressing homelessness along our waterways, we must quickly scale alternatives to and better manage the impacts of encampments. Failure to act fast could result in hefty fines of up to nearly \$60,000 *per pollutant per day* and potential litigation that could jeopardize funding for other city services. We also risk further impacts to water quality and damage to critical habitat along riparian corridors.

Alternatives to Unmanaged Encampments

We need to expand the tools available to treat homelessness like the crisis it is — and quickly. Fortunately, San José has opened 734 interim solutions since 2020, including 499 emergency interim housing beds, 190 motel/hotel converted units, and 45 safe parking spaces. Concurrently, the city has invested \$256 million between Measure E and other sources to support the creation of 1,549 affordable and permanent supportive housing units since 2020. We also may have an opportunity this November to approve a Regional Housing Measure that would unlock significant funding for affordable and permanent supportive housing.

But if we want to stretch the impact of our limited resources, we need to be more nimble. For example, thanks to Councilmember Cohen's leadership and engagement, Public Works recently

reduced the construction cost for Berryessa Safe Parking by 43%, saving the City approximately \$6 million dollars. Relatedly, philanthropist John Sobrato and DignityMoves have partnered with the city on an innovative approach that is significantly reducing the cost and development timeline for the Via Del Oro EIH community. We need to apply these same approaches to deliver the 784 EIH beds in our pipeline faster and more cost-effectively. Therefore, the City Manager is directed to engage all relevant city departments to complete the four remaining EIH projects in the pipeline (Via Del Oro, Rue Ferrari expansion, Cherry Avenue, and Cerone) by the end of FY 24-25, and apply cost and time-saving learnings from Berryessa Safe Parking and Via del Oro to deliver Cherry and Cerone.

It will take all of us doing our part to meet the urgency of this crisis. We appreciate John Sobrato and DignityMoves for leaning in and helping bring additional private and philanthropic support to open Via del Oro. DignityMoves has raised over \$2 million of the \$3 million goal for the project and is working with additional donors to close the gap. The City Manager is directed to evaluate further cost reductions and design enhancements — as well as potential and modest gap funding, if necessary — to ensure we bring these beds and services online as soon as possible. Additionally, the Salvation Army plans to build 74 interim beds as part of their Emmanuel House Shelter redevelopment project. Pending the County's allocation of \$4 million to the Salvation Army's interim housing project, the City Manager is directed to explore providing one-time funding of up to \$1 million to supplement the County's contribution.

We also need to continue pursuing operational efficiencies to maximize our impact. Last fall, Council approved calculated reductions in onsite security and staffing adjustments at EIH sites that have proven fruitful in reducing operating costs. The City Manager is directed to continue evaluating reasonable, efficient ways to trim operating costs without compromising critical case management services, and pursue opportunities to bring down the City's contribution towards operations costs, including CalAIM for reimbursement and quality health services, partnerships with Valley Water in line with AB 1469, further Housing Authority coordination, and behavioral health service integration. The City Manager is directed to work with the County and regional partners to explore bringing the shelter capacity we've added into the countywide coordinated entry system and maximize support from these key partners.

While we remain committed to interim housing, the city is still not moving fast enough to offer shelter to everyone who needs it. With approximately 1,000 homeless neighbors living along our creeks, we need safe alternatives at unprecedented scale to move people out of our waterways in order to comply with the Water Board's mandate. Safe sleeping sites present the most promising, accelerated strategy. We've seen [Reno open a campus to accommodate 600 people](#) through a combination of individual sleeping pods and one large tent for congregative shelter. [San Diego adopted a similar safe sleeping approach](#) that serves over 400 homeless residents with basic security and sanitation.



Safe sleeping site in San Diego

The City Manager is directed to identify one-time and ongoing funding to bring basic, low-cost, low-barrier safe sleeping sites online by the end of December 2024 — conditioned upon the Council approving one or more sites before July 2024 — with enough capacity to significantly reduce the number of unmanaged encampments along our waterways. Furthermore, and aligned with the MBA proposed by Councilmembers Doan and Batra on low-barrier solutions to homelessness, the City Manager should include a broader evaluation of low-cost strategies and potential sites — including Valley Water sites — with the goal of moving people out of our waterways over time while preventing homeless residents from being displaced into other neighborhoods. When evaluating congregate shelter opportunities, specific attention should be allotted to models that prioritize the physical and mental well-being of residents.

Homelessness Prevention, Intervention, Diversion, and Bridge Employment

Given that people are falling into homelessness at a faster rate than we can bring solutions online, we should invest in upstream strategies that prevent human suffering and reduce the need to provide a publicly-funded bed for everyone on our streets. According to [Destination: Home's 2023 year end report](#), of the nearly 14,000 people rehoused in Santa Clara County since 2020, 9% were connected to stable housing by moving in with friends and family. At our EIH communities, onsite staff have access to funding to help rehouse EIH participants with loved ones, reducing our reliance on housing construction to achieve positive outcomes. However, our street outreach teams don't have access to the same flexible funding. Therefore, the City Manager is directed to identify one-time funds to implement a pilot "Homeward Bound" program whereby outreach workers have access to flexible funding to reunite homeless residents with their loved ones by paying for transportation or other relocation costs, potentially including rental deposits and associated costs of securing housing within or outside of San José. This pilot

should include outcome measurements to ensure Homeward Bound strategies are effective in helping vulnerable residents achieve greater stability and opportunity.

We must also stem the tide of people falling into homelessness by continuing to invest in prevention, particularly as we saw a 24% increase last year in the number of residents becoming homeless for the first time. Fortunately, when we provide targeted financial assistance, legal support and other key services to at-risk families, 95% of people remain stably housed – with the average family requiring only about \$7,000 in financial assistance. The City Manager is directed to explore a one-time increase to the current level of funding dedicated towards homelessness prevention and identify one-time funding to continue the eviction diversion program for another year.

Additionally, certain populations are at higher risk for homelessness, including people exiting the criminal justice system, those in foster care, or those being discharged from health care settings. The City Manager is directed to accelerate work with the County, Housing Authority and regional partners like Destination: Home to develop a more formal and coordinated implementation plan for intervention and prevention among high-need groups, that may include cash assistance, housing navigation, workforce development, and access to behavioral health care, and identify associated funding needs for implementation. The City Manager is directed to report back to the Council on these efforts by October 2024.

In the same vein, we should also continue to uplift formerly homeless residents on their way to self-sufficiency by providing workforce opportunities. In partnership with Goodwill, we have successfully connected formerly homeless residents to living wage employment and interim housing through the SJBridge program. Between March 2022 and December 2023, 79 of the 273 individuals who participated in the program secured full-time employment with an average hourly wage of \$21.79. Currently, the program is only offered at one EIH, and we've learned that tying a bed to employment can lead to early program withdrawal, depriving others of workforce opportunities and skewing program outcomes. To address this challenge and improve program outcomes, the City Manager is directed to restructure SJBridge's referral process in line with [the Housing Department's recommendations](#), and spread the program across every EIH.

Managing the Impacts of Encampments

As we work to provide more safe, dignified shelter for our homeless neighbors, we need to better manage conditions on the streets and in our creeks. Our children don't feel safe walking to school, our small businesses are being harmed, and our parks and creeks are polluted with trash and biowaste. Housed or homeless, every San José resident should be held to the same set of standards that create a functioning, healthy, and safe community for everyone.

We need to give city staff the resources to regularly enforce a code of conduct and the existing good neighbor policy with empathy at every encampment, starting with our waterways and

expanding to our neighborhoods. On March 5th, Council approved staff recommendations for an “Enhanced Neighborhoods and Waterways Approach” that ensures compliance with the Municipal Regional Stormwater permit. The City Manager is directed to refine the original \$25 million estimate to provide the Council greater clarity on strategies and expected measurable impact, and propose one-time and ongoing funding — including potential cost sharing with Valley Water — to implement an approach that helps people transition out of our waterways without simply sending them into unmanaged encampments down the road.

At the same time, we must maintain — and enhance, wherever possible — acceptable levels of encampment response in our neighborhoods. In January, Council approved San José’s Implementation Plan for the Community Plan to End Homelessness, which included developing a “Framework for Shared Public Spaces.” The City Manager is directed to engage all relevant City departments and explore the allocation of existing and new resources to implement an expanded encampment management strategy within this Framework, including 1) providing weekly trash pickup services at the estimated 50 encampments that are currently not serviced; 2) establishing and prioritizing abatement where appropriate based on concrete thresholds for fire risk and criminal activity; 3) enforcing good neighbor policies related to encampment footprints (12’x12’), biowaste and unsanitary conditions, and blight and trash generation; and 4) enforcing park and trail rules, including enforcement of existing prohibitions on driving vehicles on trails and in parks. In addition, to minimize the cost and impact of biowaste, the City Manager is directed to include in the Framework implementation increased access to water, sanitation and hygiene services.

In our downtown, public perceptions of safety are intimately linked to homelessness, namely the presence of people lying on sidewalks or experiencing behavioral health crises. Right now, the City prohibits individuals from obstructing sidewalks within the Downtown Pedestrian Facilitation Zone between 10:00 a.m. and 12:00 a.m. However, enforcement has been lax for years. We recently partnered with the County to stand up a case conferencing center on St. James Street called the “Co-Lab”, where homeless outreach and service teams will work together on a regular basis to ensure that individuals experiencing crises are connected to the correct supportive services. The City Manager is directed to enforce the rules of the Pedestrian Facilitation Zone — starting with Santa Clara Street between Market and 4th Street and expanding outward in phases — and explore how to best engage the “Co-Lab” partners, including PATH and the Social Impact Team, to provide a compassionate initial response.

Persistent challenges from encampments migrate across jurisdictional boundaries. The City Manager is directed to work directly with partner agencies, including Caltrans, Valley Water and VTA, to amend existing or establish new interagency agreements that allow the City to conduct escalated clean-ups or abatements in a timely manner on their properties. The City Manager should prioritize securing a reasonable cost-sharing framework between agencies and evaluate

whether additional BeautifySJ resources are needed to implement our shared vision of a consistently clean and safe city irrespective of who owns a given parcel.

Finally, the accumulation of shopping carts significantly contributes to the size and scale of encampments and associated debris. The City's adopted Abandoned Shopping Cart ordinance (Municipal Code 9.60) doesn't go far enough to prevent shopping carts from littering our neighborhoods nor hold cart owners accountable for securing their property, possibly through automatic locking mechanisms. The City Manager is directed to engage with large retailers that fall under Municipal Code 9.60 and, in collaboration with the City Attorney, return to Council with recommendations and draft language for an expanded Abandoned Shopping Cart ordinance to enable the City to collect abandoned shopping carts at a faster rate, return them to their owners, and ensure full cost recovery via an increase in the existing fee associated with this ordinance.

Oversized Vehicles

Approximately 850 lived-in RVs occupy city streets, creating challenges for public safety, mobility, commerce, and the environment. On January 30th, Council directed staff to set the policy groundwork that will authorize tow authority around schools and in areas where oversized and overnight parking is prohibited. The City Manager is directed to explore the allocation of one-time or ongoing funding, as appropriate, to pilot better citywide regulation of oversized vehicles, including using tow authority when appropriate to enforce prohibited "overnight" and "oversized" parking, facilitate enhanced street sweeping, and implement a 150-ft setback for our most impacted schools.

Of course, without providing people with alternative places to park we will just shuffle people around the city. We should learn from cities like Mountain View, where they've implemented a [cost-effective safe parking program](#) at \$1.68 million per year to operate 133 vehicle slots and spent only \$2 million to stand up four sites. Mountain View successfully partnered with Santa Clara County on a cost-sharing agreement to provide the most basic but essential amenities and rotating case management across sites. Thanks to Supervisor Otto Lee's leadership, the County is considering a similar partnership with San José to support the Berryessa Safe Parking site. The City Manager is directed to 1) open the Berryessa Safe Parking site by September 2024; 2) allocate one-time and ongoing funding, as appropriate, to pursue opportunities to use City and County-owned land, lease privately-owned land, or engage faith-based partners to open at least one additional safe parking site akin to Mountain View's model; and 3) work with individual Council offices to identify suitable on-street locations where lived-in vehicles can temporarily park while new off-street parking alternatives are being identified.

Simultaneously, we should continue to mitigate the hazardous impacts of biowaste leaking from lived-in vehicles as part of our waterways approach. Between March and December 2023, the RV Pollution Prevention Program (RVP3) removed nearly 70,000 pounds of biowaste from lived-in RVs that would have otherwise polluted our neighborhoods and waterways. The City Manager is directed to identify ongoing funding to continue the RVP3 program with an expansion in the number of vehicles serviced.

We must also reduce the inflow of additional RVs onto our streets and provide incentives for people to relinquish their RVs when offered housing. We've seen "vanlords" purchase RVs at tow lots and rent them out — exploiting our homeless residents for a quick profit. We can get ahead of this trend by intervening with City dollars to purchase tow liens on vehicles in tow yards so that they can be junked instead of purchased by individuals. The City Manager is directed to explore paying for RV tow liens, and identify one-time funding to pilot an RV buy-back and disposal program.

Preserving Our Progress

As we invest in all of the strategies outlined above, we have a fiscal and civic duty to preserve our progress on homelessness. As more shelter, safe parking, and permanent and interim housing options open in the coming fiscal year, we need to require they be used and establish "no return zones" where significant resources have been dedicated towards rehousing people. Thanks to the Council's unanimous approval in February, we're testing this model first along a section of the Guadalupe River, where we leveraged state dollars to rehouse people and close one of the largest encampments downtown. The City Manager is directed to explore the allocation of the ongoing resources necessary to expand this model to areas in the city where the impacts of encampments are most costly and create unsafe conditions for all residents, waterways, commercial districts, and the environment.

We should apply the same "preserving our progress" philosophy to the neighborhoods that host safe parking, safe sleeping or EIHS, especially given our policy to prioritize placements at those sites for encampments in surrounding neighborhoods. If we wish to get more homeless people off the street, we must encourage more neighborhoods to embrace solutions, and demonstrate that their neighborhoods will be better off if they do. The City Manager is directed to explore the allocation of a combination of new and existing resources to establish no-encampment zones within two walkable blocks of every existing and planned EIHS, safe parking and safe sleeping site.

IV. Improving Community Safety

Creating a safe city is perhaps the most basic responsibility of government. And while we have the best police department in the country, it is also one of the most thinly staffed with just 914 active full-duty sworn officers. Moreover, reflecting broader national trends, we're grappling

with lower police academy application rates, making it harder to fill our 100 budgeted vacancies for sworn officers. Community survey data consistently highlights greater police presence and faster response times as top priorities. Clearly, our residents are telling us to expand our public safety response capacity, and we must listen.

Police Recruitment and Retention

Thanks to investments prioritized by the Council and the department's strong outreach efforts, we are beginning to see an upward trend in Academy enrollment for the first time in many years, with SJ 48 and SJ 49 currently consisting of 24 and 36 recruits, respectively. To maintain this progress, the City Manager is directed to continue the additional investment in marketing, recruitment and backgrounding approved in last year's budget and explore other strategies to ensure we fully utilize our Academy's capacity (50 officers per cohort).

As we work to expand Academy classes, we need to ensure our department reflects the gender and ethnic diversity of our community. Thanks to Vice Mayor Kamei's leadership, the City recently committed to the "[30x30 Initiative](#)," a nationwide effort to increase the representation of women in police recruit classes to 30% by 2030. In order to meet this goal, we must invest in recruiting and preparing women applicants. The City Manager is directed to identify ongoing funding to establish a Women's Bootcamp with capacity for at least 15 women per cohort providing them with additional exposure to the profession, mentorship and setting them up for success in our Academy.

In order to attract the next generation of SJPD officers from within our community, we must offer accessible opportunities for our youth to explore careers in law enforcement and begin gaining relevant skills. Currently the SJPD Cadet program serves youth ages 13-23, and graduates of this program have gone on to serve with distinction on our VCET, MERGE, and patrol teams. However, because these are volunteer positions, cadets often leave the program once they graduate high school. The City Manager is directed to explore funding a stipend for cadets aged 18-21 to maintain engagement between young adulthood and when interested residents are eligible to apply for the Academy at age 21.

Incentives have also proven to be effective in attracting new talent to our department and keeping SJPD competitive in a changing hiring landscape. Some of the most eligible and street-ready candidates for SJPD are currently employed in other jurisdictions. The City Manager is directed to explore increasing the lateral hiring bonus to encourage recruitment of qualified talent within the state of California.

Finally, last year's investment in backgrounding tools has enabled the department to begin streamlining the hiring process for all positions managed by the Department, which ensures we do not lose talented individuals to departments that move faster. The City Manager is directed to

maintain current investments in streamlining our hiring process and explore other means of being a preferred employer.

Leveraging Technology for Safer Neighborhoods

Given staffing shortages, we must continue investing in tools that make our officers and other public safety personnel maximally effective. Currently, the city has a network of 223 ALPRs, and will add an additional 256 by the end of the calendar year. This technology has allowed SJPD to recover millions of dollars worth of stolen vehicles and proven to be extremely effective in facilitating the apprehension and prosecution of individuals who have committed serious crime in our neighborhoods, including home invasions, hit-and-runs, and car-jackings.

The effectiveness of our ALPR network is enhanced via integration with the Air Support Unit's AIR3 helicopter, which can provide real-time identification and tracking of suspects irrespective of traffic congestion and other on-ground barriers. However, unlike other large cities, which typically field a fleet of multiple aircraft, San Jose's heavy reliance on our sole helicopter — which has now clocked over 5,500 hours of flight time since August 2018 — is resulting in growing maintenance costs and downtime. To maximize the impact of our Air Support Unit, the City Manager is directed to develop a Manager's Budget Addendum (MBA) summarizing projected maintenance costs for AIR3 with recommendations for the optimal timing and method for replacing the unit, and additional analysis on the financial viability and associated funding options for future expansion of the Air Support Unit.

Beyond our network of ALPRs, the Department of Transportation's (DOT) existing network of traffic cameras offers another opportunity to integrate existing resources to improve public safety outcomes. Cities like Riverside and Albuquerque have recently created Real Time Crime Centers that tie together a range of data sources and enable richer analytics and actionable data in real time. While we have neither the budget resources nor staff capacity to implement such a system today, the City Manager is directed to explore deeper integration of DOT cameras and SJPD enforcement activities through investments in recording capabilities and remote access to live camera feeds for appropriate SJPD personnel while adhering to the City's privacy and data retention policies and state law.

Thanks to state-level legislation, San José has another opportunity to expand our camera technology — this time to address traffic safety. Last fall, after substantial advocacy from my office, our Intergovernmental Relations team, and various councilmembers, including our Vision Zero Task Force Chair Councilmember Foley, the California Legislature passed AB 645. The bill authorizes an automated speed safety camera pilot program in six California cities, including San José, which is authorized to deploy 33 automated speed safety systems to better enforce traffic laws and speed limits. The City Manager is directed to allocate one-time or ongoing funding, as appropriate, to establish an equitable speed safety pilot program that deploys as many

automated speed safety cameras as is fiscally feasible on priority safety corridors or near school sites, as informed by our Vision Zero Action Plan.

Quick build solutions to traffic safety have proven an effective and affordable strategy to significantly improve safety on some of our most dangerous corridors. The City Manager is directed to explore accelerating the deployment of quick build traffic safety interventions and ensure that there is sufficient funding to deploy quick build projects within the foreseeable future. Quick build projects should be prioritized on priority safety corridors in alignment with the Vision Zero Action Plan.

Reimbursement and Future Reinvestment in Fire and Medical Services

The next several years will see the expansion of Fire Department (SJFD) service as we bring online the new dual company Fire Station 32 in 2025-2026, followed by the new single-company Fire Station 36 in 2027-2028 — both funded by voter-supported Measure T. This expansion of services is very much needed, but will also put more budgetary pressure on the General Fund.

As the City Council learned during the October 16, 2023 study session on Santa Clara County 9-1-1 Ambulance Services, the growing unavailability of County ambulances has increasingly impacted SJFD and our residents. In 2022-2023, due to the lack of available County ambulances, SJFD stepped in, providing over 700 rescue medic transports and 800 instances where firefighters/paramedics rode in County ambulances to maintain advanced life support patient care to the hospital. In 2023-2024, rescue medic transports alone are expected to reach 1,000. In acknowledgement of this burden, staff is working to secure a third-party vendor to bill for the Ambulance Transport User Fee to enable the City to recover costs for lawfully billable services that should have otherwise been provided by the County. The City Manager is directed to expedite the implementation of the Ambulance Transport User Fee as soon as practical.

Along with the heavy usage of SJFD services comes heavy usage of the equipment required to perform day-to-day life saving activities. The City Manager is directed to allocate one-time funding of at least \$500,000 to ensure their timely replacement offset by the reserve set-aside for this purpose in the 2024-2025 Base Budget.

Optimizing Service Delivery

Over time, we've come to rely on police officers to respond to service calls that relate to an immense range of individual and societal challenges, including homelessness and mental illness, which often don't require a sworn officer with a badge and a gun. This puts added stress on our officers, diverts capacity away from other important police work, and often does not provide an individual in distress with optimal support. In order to improve the quality of service residents receive and enable our department to focus on the best use of limited staff resources, the City has begun analyzing call data and exploring alternative response models. Building on the memo

authored by Councilmembers Ortiz, Torres, and Jimenez, and recent conversations between Board President Ellenberg and the Mayor's Office, the City Manager is directed to participate in exploratory conversations with the County's leadership team as both agencies work to develop a shared framework with clarity about roles, responsibilities and funding commitments.

V. Clean Up San José

Trash, graffiti, and other forms of blight make residents less satisfied with their quality of life, less trusting of each other, and less confident in their government. For the sake of civic pride, economic competitiveness and community well-being, we must hold ourselves accountable for delivering a cleaner, more beautiful environment for all of our residents.

Every day, our BeautifySJ (BSJ) teams work tirelessly to combat blight and restore vibrancy to our public spaces. Last year, BSJ and contracted vendors removed 9.49 million pounds of trash and eradicated 2.9 million square feet of graffiti. As described in the sections that follow, we need to prioritize the continuation of a number of BSJ services currently funded on a one-time basis and new, targeted services necessary to meet stormwater regulatory requirements and community expectations.

Clean Gateways

First impressions matter, which is why we allocated modest funding in last year's budget to beautify 11 of our most heavily-trafficked gateways across Districts 3, 5, 6 and 7 in a large ring around Downtown. Since then, city staff has worked with Gensler, a renowned architecture and design firm with an office in Downtown, to develop beautification concepts for these gateways and staff has begun work on three Highway 87 exits. Gensler's willingness to offer pro bono design expertise is commendable. We've also seen an outpouring of interest from nearby neighborhood associations. Using any program cost savings from the previous year, the City Manager is directed to explore additional partnership opportunities with private companies and community groups interested in sponsoring a Clean Gateway with financial and/or volunteer support with a goal of sustainably keeping each of our 11 initial gateways well-maintained.

Education and Engagement

The San José 311 (SJ311) app empowers residents to report various forms of blight and request a variety of other city services, including Free Junk Pickup, which helps prevent illegal dumping. We currently receive approximately 25,000 service requests per month, and while we are seeing a steady upward trend in customer satisfaction, residents continue to ask for more thorough and consistent communication from the moment of in-take to report closure. The City Manager is directed to explore opportunities with third-party vendors to incorporate native app functionality into the SJ311 service to improve data integration, enhance the quality and consistency of communication, and add alert capabilities for relevant city-led volunteer and community events.

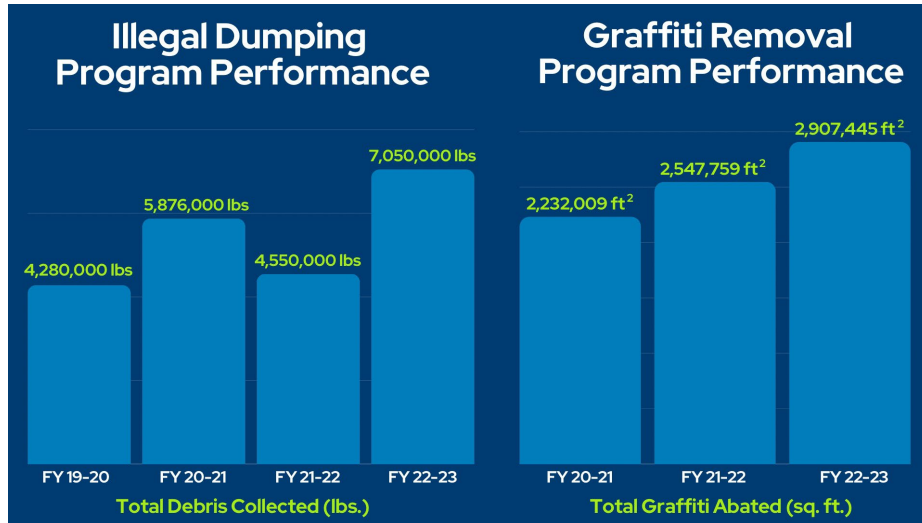
To increase the visibility and accessibility of our 311 services and especially ensure that residents in traditionally underserved neighborhoods have access to relevant information about the tool and on-demand city services, the City Manager is directed to explore new methods of public outreach, both in-person and online.

In addition to leveraging technology to encourage community engagement, last year we created the Beautify Your Block initiative to empower residents to beautify their own neighborhoods by offering training in blight reduction strategies and free equipment. However, soon after the budget was adopted, San José was awarded a \$1 million Neighbor-to-Neighbor grant from the State of California to carry out virtually identical work. To streamline administration, reduce resident confusion, and realize cost savings that can be applied to the projected structural shortfall, the City Manager is directed to consolidate these programs into a single effort to boost hands-on community involvement in blight reduction and beautification with priority given to neighborhoods within low-income census tracts.

To further promote direct community engagement, the City Manager is directed to allocate one-time resources to maintain the BSJ Grant Program at FY 2023-2024 funding levels. Additionally, and to complement the City's efforts to protect waterways, the City Manager is directed to evaluate expanded, outcome-based funding for the city's nonprofit creek clean-up partners.

Deterrence and Enforcement

Despite investing in education, technology and volunteer opportunities, the scale and cost of blight eradication is outpacing the city's rate of revenue growth. Just last year, our Removing and Preventing Illegal Dumping (RAPID) program team received a 7% increase in reports and collected over 7 million pounds of debris, representing a startling 54% year-over-year increase. BSJ and contractors responded to more than 26,000 graffiti work orders and eradicated almost three million square feet of graffiti, a 26% increase from the previous year. These trends are unsustainable.



Without a shift in overall strategy, we are stuck simply reacting to a growing problem. Fortunately, we can get upstream of certain forms of blight — namely, graffiti and illegal dumping — by investing in deterrence and enforcement.

Over the past several months, my office has convened partners from Caltrans, VTA, California Highway Patrol (CHP), the District Attorney’s Office (DA), and SJPD to work collaboratively toward deterrent and enforcement solutions for graffiti along our streets and freeways. We’ve identified three promising opportunities: 1) installing hoods and shields to keep taggers from accessing freeway signs; 2) installing cameras and sensors in hotspot areas to alert CHP or SJPD, depending on jurisdiction, to potential vandalism; and 3) deploying SJPD officers to conduct sting operations in hotspots within the City’s jurisdiction. The City Manager is directed to continue to explore these opportunities, including cost-sharing agreements with Caltrans, VTA and other relevant agencies, and assign staff and other resources to implement them as soon as possible with a goal of meaningfully reducing repeat graffiti in costly and highly visible hotspots.

The RAPID program’s eight cameras in illegal dumping hotspots have effectively reduced illegal dumping by 31% within a 150-ft vicinity over the past year. In 2022-2023, the program expanded deterrent efforts by adding bollards, boulders, and motion-light sensors. The City Manager is directed to dedicate one-time funding to install deterrents (e.g. trees, murals, bollards, boulders) and cameras in more illegal dumping hot spots, and identify and deploy staff resources to review camera footage and engage in enforcement activities.

As we pursue new strategies for enforcing our laws related to blight and vandalism, we should invite a frustrated community to help us uphold our community standards. SJPd already operates a successful P3 Mobile Crime Stoppers Unit that allows residents to report crime, engage in two-way dialogue with law enforcement anonymously, and earn cash incentives for tips that help solve cases. The City Manager is directed to explore adding cash incentives to the P3 Mobile Crime Stoppers Unit for tips that lead to the arrest of prolific taggers and illegal dumpers.

While considering the serious impacts that criminal adjudication can have on the future prospects of our youth and young people, we should also pursue alternative measures of enforcement for graffiti. Restorative justice and diversion programs offer the rare opportunity for offenders to meaningfully rectify any harm they may have caused the community. New York City, for example, instituted a [Young New Yorkers](#) program in which young offenders are tasked with creating art across the City, rather than entering the carceral system. The City Manager is directed to work with relevant partners, such as SJPd, BSJ, the Office of Cultural Affairs, the District Attorney, the Probation Department, and the presiding Superior Court Judge to identify and implement diversion and restorative justice methods for young offenders.

Code Enforcement

The City currently lacks the capacity to address both the code enforcement backlog and incoming cases, and simply adding more staff might not be the answer. Instead, the City should seek a re-engineering of the code enforcement process and organizational structure to allow for a more rapid and effective resolution of code enforcement issues throughout San José. The City Manager is directed to allocate the one-time funding necessary to complete this operational assessment. Through these efforts, we can efficiently close cases, reduce the backlog and ensure more responsive delivery of services.

VI. Attracting Jobs and Investment

The health of our local economy directly affects the range of opportunities open to our residents and the size of the tax base from which we fund public services. While City Hall neither plays the leading role in generating economic growth nor controls capital markets and interest rates, we have a significant impact on others' willingness to invest and participate in our local economy. In this moment of economic uncertainty, it is especially important to position San José as a welcoming environment for investment in new jobs and both affordable and market rate housing. The following targeted investments will unlock economic impact and private investment over time.

Planning and Permitting

Our current Downtown Environmental Impact Report (EIR) is supposed to streamline the environmental review process for building housing, office, hotel, and retail projects in

Downtown. However, projects are still experiencing processing delays, and often must submit lengthy technical reports related to traffic, air quality, and noise impacts. To streamline and shorten the California Environmental Quality Act (CEQA) process for Downtown projects, the City Manager is directed to pursue the best strategy to eliminate the need for non-site specific technical reports for every individual project and analyze the staff process for efficiencies. This could be in the form of an update to the Downtown EIR and/or the creation of standardized impacts and standardized mitigations that could simply be incorporated into the conditions of approval for typical residential, office, hotel, and retail projects in the downtown area.

Building on these streamlining efforts, the City should continue to improve predictability for project applicants citywide. Investors routinely stress the value of certainty in the development process, especially related to timelines. High interest rates and persistent inflation put an even higher premium on speed and certainty. To make San José a more predictable place to invest, the City Manager is directed to provide an analysis of what investments are needed in development services so that when an applicant applies for a permit and their application is deemed complete, they can get a reasonable timeframe of when they will receive approvals.

Similarly, when obtaining financing, the development community needs more information from the City to proactively identify and calculate their costs. [Cities like Sacramento, Roseville and Fremont provide comprehensive estimates for development fees](#) in advance to give applicants a clear, reasonably accurate estimate of the total amount of fees a proposed project will incur, and we should adopt this best practice. The City Manager is directed to create a fee calculator that estimates an applicant's cost of doing business with the city, starting with high-impact permit types that facilitate job and housing growth.

In addition to fee transparency, we need to continue to be mindful about the impact of fees on the cost of development. While the City's development-related fees are critical to ensure cost recovery and achieve important policy objectives, we also know that developers face rising construction and borrowing costs. In fact, in recent years the Council has approved thousands of new housing units that have not been built because the current cost of construction is higher than investors' expected return. Minimizing fee increases now creates an opportunity to unlock these projects as interest rates decline and rents rise over time. The City Manager is directed to continue to make every effort to ensure that fee increases are commensurate with cost requirements and explore the potential to pause certain fee increases where feasible and appropriate, including fees related to the inclusionary housing ordinance.

As co-chairs of the planning and permitting mayoral transition committee last year, Councilmembers Davis and Jimenez identified and brought forth a number of recommendations in a [memo](#) to the November 1, 2023 Rules Committee meeting. The memo outlined a number of areas in which the City might improve development services, including streamlined review processes and an assessment of the cost implications of the City's regulatory framework. The

City Manager is directed to complete the recommendations in the memo, allocating additional resources if necessary, and report to the Community and Economic Development Committee by the first quarter of 2025 for a discussion of findings and implementation options.

In addition to process improvements in our permitting systems, the City can generate more housing by working to pre-clear environmental review where our General Plan calls for intensive development – in our Urban Villages. The City Manager is directed to continue the work initially funded last year to enable CEQA pre-clearance for market-ready urban villages, ideally borrowing any additional streamlining strategies identified as the City Manager evaluates the current Downtown EIR and associated review process.

Maintaining Our Competitive Edge

San José is fortunate to be both a center of broad-based innovation and a manufacturing hub. Companies and individuals in our metro area secure more patents per capita each year than any other U.S. metro, including in artificial intelligence and machine learning. And while Silicon Valley is increasingly known for software, one of San José’s hidden strengths is the nearly 1 in 5 jobs we have in manufacturing. To build on these strengths and ensure that the next generation of innovators choose to start their AI and advanced manufacturing companies in San José, the City Manager is directed to propose specific incentives to encourage companies with fewer than 100 employees to start up in or relocate to San José.

San José State University (SJSU) plays a central role in our local innovation economy, graduating more technical degrees each year than any other institution of higher learning in California. To help retain this talent in San José and encourage others to participate in the AI revolution, the City Manager is directed to explore workforce, technology and especially AI-focused partnerships with SJSU, including the potential for a co-working space for aspiring technologists at the MLK Library.

Finally, to keep our city government on the forefront of powerful new technologies and methods, the City Manager is directed to explore the allocation of one-time funding to expand the Government AI Coalition and lay the groundwork for a Civic Sandbox Initiative that facilitates regular piloting of innovative technologies by City Departments in collaboration with outside entrepreneurs and academics.

Parks Ballot Measure

Our city parks currently face over \$450 million in deferred maintenance costs. Residents deserve better maintained parks with a broader array of activities and amenities — as Councilmembers Jimenez, Candelas, and Ortiz have championed by organizing movie nights, Viva Parks events, and other activations in their districts — but our City Charter precludes significant private investment in parks by prohibiting long-term leases of parkland for retail and commercial

purposes. Yet, many urban parks around the world, including Bryant Park in New York and Union Square in San Francisco, welcome private investment and thereby provide a significantly upgraded and heavily-used public space. It's time we let residents decide if they want the same opportunities for appropriate parks and uses in San José. The City Manager is directed to explore placing a measure on the upcoming November 2024 ballot that would allow the city to enter long-term retail and commercial leases on city park land and direct the resulting revenues back into our parks, returning to Council no later than the end of May 2024 with a status update and any polling results.

Night Markets & Special Events

Night markets and special events on public and private property build community and support local businesses and artists. The City Manager is directed to explore municipal code changes that can make it easier to host special events on private property and explore reducing red tape and fees for event permitting. The City Manager is further directed to explore expanding the ability for the Office of Economic Development and Cultural Affairs to permit outdoor special events on private property.

San José Sports Authority

The San José Sports Authority (SJSA) continually secures and hosts an impressive array of sporting events, enriching the fabric of our city and bringing millions of tourism dollars into city coffers. In 2026, the San Jose metro area will take things to a new level by hosting both Super Bowl 60 and six matches of the FIFA World Cup. To fully realize the economic potential of these world-class events, we must proactively plan for them. The City Manager is directed to provide the San José Sports Authority additional one-time funding to prepare the city for Super Bowl 60 and the FIFA World Cup. Funding should be used to plan and execute a San José marketing initiative, direct event activations, additional SJSA staff time, and economic impact reports.

Super Bowl 50 in 2016 taught us many lessons. In particular, we learned that our own regulations and policies can impede community efforts to participate in the excitement surrounding such a large and unique event. For example, Oracle's "super graphic," which conflicted with our municipal code proved to be an unnecessary and time-consuming distraction. The City Manager is directed to expedite discussions with partners for 2026 sports tourism planning. Furthermore, the City Manager is directed to anticipate and remove barriers, returning to City Council for approval if necessary, related to super graphics, wayfinding, sponsorship, and marketing and activation campaigns associated with 2026 events and any future significant sports or tourism related events. The City Manager is further directed to return to City Council by December 2024 with a report summarizing their preparation for these major 2026 events.

Finally, the SJSA is nearing the end of a five-year contract during which it has consistently delivered high-profile and economically impactful sporting events for our city. In addition to the economic impact of its work, SJSA builds civic pride and involves a diverse range of community stakeholders in these events. To continue our work together, the City Manager is directed to extend the SJSA multi-year funding agreement and include provisions for optional future extensions if mutually agreed upon performance metrics are achieved.

The Downtown Experience

San José has the fastest rebounding downtown in California and third fastest in the nation. This trend is primarily fueled by what we are calling the “experience economy,” or unique in-person events and venues that bring people together to enjoy music, arts, food and other cultural experiences. These experiences are bringing residents out of their homes, and visitors into our city – propelling economic activity and helping our small businesses.

Thanks to downtown holiday programming such as Christmas in the Park, Downtown Ice, and Winter Wonderland, the area around Plaza de Cesar Chavez Plaza hosted more than 700,000 visitors over an 8-week period. However, the lack of a meaningful ordinance and enforcement for unpermitted vendors has been a real challenge for many of San José’s event programmers, venue operators, and small businesses. The City Manager is directed to explore the allocation of one-time resources for the development of an unpermitted vendor policy to be implemented and enforced in time for the 2024 holiday season, and coordinate with the County to advocate at the State level for regulatory changes.

Santa Clara Street is Downtown San José’s most prominent street. Unfortunately, the area is blighted with numerous vacant storefronts, dilapidated buildings, poor lighting, and worn down facades. The SJDA is launching a new effort to give the buildings on Santa Clara Street a much needed refresh, such as lighting, painting, storefront treatments, and blight-busting strategies to combat problems at key downtown sites. The City Manager is directed to allocate one-time funding to support the SJDA in this effort.

San Pedro Street is the first San José permanent pedestrian mall to be established in 52 years. City staff is working with various organizations to secure funding to incrementally upgrade San Pedro Street to make it more inviting to pedestrians. The City Manager is directed to continue working with private, philanthropic, and government entities to secure funding for San Pedro Street Pedestrian Mall upgrades, and explore providing tactical gap funding for San Pedro St. Pedestrian Mall upgrades, if needed. Furthermore, the City Manager is directed to value engineer and phase the San Pedro Street Pedestrian Mall upgrades in a manner that is fiscally prudent and sensitive to business concerns.

Digital Wayfinding Kiosks

Digital Wayfinding Kiosks help visitors and residents in cities like Phoenix, Berkeley, Houston, and Miami navigate business districts and their downtowns. Wayfinding kiosks can provide complimentary Wi-Fi, allow free access to public transit maps, and can even let people make a restaurant reservation, all while facilitating revenue generation. In Santa Monica, the [digital wayfinding initiative](#) is creating 40 kiosks to generate a minimum of \$5 million in revenue to the City annually with a one-time signing bonus of \$4 million. If a future deal is worth even a fraction of Santa Monica's, San José could make meaningful investments to upgrade cultural facilities, support small businesses, increase downtown programming, and expand other city services. The City Manager is directed to prioritize one-time resources to implement the digital wayfinding ordinance update by the end of FY 24/25, and redirect resulting revenues into event activation and destination marketing programs.

Storefront Activation Grants Program

Currently funded on a one-time basis, the Storefront Activation Grants program encourages economic development in the downtown and in underserved neighborhoods, attracts investment and supports small businesses still recovering from the negative consequences of the pandemic. The program provides immediate assistance for those businesses that seek to improve a vacant storefront or need assistance to activate and enhance exterior spaces, reduce blight and retain jobs. Over 80% of business owners receiving grants are Black, Indigenous, and people of color. However, as one of the most popular citywide business programs, the grant program is oversubscribed with a roughly \$400,000 waitlist. The City Manager is directed to explore the continuation of this important program into 2024-2025.

Team San José

San José's efforts in destination marketing have successfully generated crucial city tax dollars. Yet, in the ever more competitive tourism landscape, further investment is critical to growing this important revenue source. The City Manager is directed to explore providing Team San José one-time funding for destination marketing and content creation to grow tourism.

Rental and labor costs associated with use of convention and cultural facilities tend to be higher in San José than in other markets. Rather than letting this dissuade events and conventions, the City can provide targeted, one-time subsidies to attract new events and conventions to our larger city facilities in hope of keeping them longer term. The City Manager is directed to explore allocating a small amount of additional funding for City Free Use within the Convention and Cultural Affairs Fund, which may allow Team San José greater flexibility in targeted instances to attract new and large events. The City Manager should also evaluate the potential for long-term cost savings by adding solar panels on top of the convention center paired with on-site storage.

San José's funding for arts and culture is primarily provided through the Transient Occupancy Tax (TOT). Since the COVID-19 pandemic, TOT has experienced a significant decrease and is not expected to return to pre-pandemic levels in the near future. In FY 23-24, \$1 million in General Fund supplemented TOT funding for arts and culture programs. The City Manager is directed to continue to provide one-time supplemental arts and cultural funding to partially bridge the gap. The City Manager is further directed to return with an MBA evaluating the establishment of an admissions fee and other revenue opportunities for San José events that could serve as a new revenue stream for arts and cultural organizations and cultural facilities.

San José Earthquakes Sports Complex

The San José Earthquakes are preparing to build a professional sports training complex on 12 acres at the Santa Clara County Fairgrounds in partnership with the City and County. This collaboration holds potential benefits for San José, including the opportunity to build out four new public fields as part of the overall facility and 250 hours of free public field use for underserved community groups. The City Manager is directed to bring forth an MBA analyzing how the City might best support development of the San José Earthquakes Sports Complex in a way that maximizes benefits for the community.

VII. Other Important and Ongoing Work

The above sections outline critical investments within our core Focus Areas, keeping in mind the fiscal constraints we face. Of course, there are many other important services that we must sustain in these uncertain times. In the Fiscal Year 2024-2025 Budget Priority Study Session on February 13, 2024, the City Manager outlined her City Service Area outcomes and key priorities, including the City Manager's Foundational Priorities. While many of these priorities overlap with the direction included in this message, the City Manager is directed to recommend budgetary adjustments, where necessary, to ensure that this work is continued in 2024-2025.

Additionally, the City Manager is directed to allocate sufficient ongoing funding to enable the Mayor's Office to work with the Council and an outside consultant to overhaul and manage the annual Council Appointee review and feedback process. The following sections highlight a few key investments in other important and ongoing work that we should prioritize as we make difficult budget tradeoffs this year.

Children and Youth Master Plan

In the heart of Silicon Valley, all children should be given the opportunity to live, grow, and develop to lead rich and vibrant lives. The Children and Youth Master Plan seeks to provide the City's most vulnerable and marginalized youth opportunities to access a myriad of services to meet their needs and explore college and career pathways. The City Manager is directed to explore the development of a budget and implementation plan to pilot this work in Poco

Way/Mayfair and Seven Trees/Santee communities, and fund staffing at both the Starbird and Berryessa Youth Centers.

San José Animal Care and Services (SJACS)

Dedicated SJACS staff, volunteers, and rescue partners provide critical care for thousands of animals at our shelter every year, but they need help keeping up with the climbing number of animals coming through the shelter's doors. After years of veterinary staffing challenges at SJACS, all veterinarian positions are filled, and we recently brought on a temporary veterinarian position to address the high demand for veterinary services. The City Manager is directed to transition this temporary position into an ongoing role to ensure the long-term success of shelter operations. Additionally, the City Manager is directed to explore supplementing existing spay and neuter programs with one-time funding, including resources for Trap, Neuter, and Release.

Digital Equity Work

The City's award-winning work to close the Digital Divide has been and should continue to be a priority, especially here in the heart of Silicon Valley. Two key additional goals involve "digital equity" and "digital empowerment." Digital equity is about making sure everyone has access to the internet and technology. Digital empowerment is about making sure people know how to use the internet and technology effectively. As cybersecurity threats evolve and artificial intelligence presents both benefits and challenges for residents, we must do more to expand access to digital skill building and workforce opportunities.

The City Manager is directed to continue to prioritize and remove barriers to advancing the Digital Empowerment priority. This must include looking inward at process improvements to support our public-private partnerships with telecommunications companies, providing strong advocacy at the state and federal level on the multitude of legislative items related to broadband infrastructure and funding, reevaluating the our existing programs and services available through our Library and community partners to ensure they meet community needs, and bringing the full program assessment back to the City Council as soon as possible.

2025-2026 Future Deficit Reserve: While we must be focused on balancing the budget in 2024-2025, we also need to look ahead to 2025-2026. Even as we resolve the General Fund shortfall in 2024-2025, we face an additional estimated shortfall of \$37.6 million in 2025-2026. As she incorporates the direction within this message into her 2024-2025 Proposed Budget, the City Manager is directed to establish a 2025-2026 Future Deficit Reserve to set aside some of the funding anticipated to help address the projected shortfall for that year.

Prior One-Time Funded Items: If not identified previously, the City Manager is directed to evaluate programs funded on a one-time basis in 2023-2024 for continuation in 2024-2025.

Essential Services Reserve: For the 2024-2025 budget cycle the City Manager is directed to set aside \$2,000,000 in the Essential Services Reserve. This reserve allows Councilmembers to request one-time funds for critical projects through Budget Documents.

Budget Balancing Strategy Guidelines: In addition to the principles described in this memorandum, the City Manager is directed to deploy the familiar Budget Balancing Strategy Guidelines, as described in Appendix A, to guide her approach to crafting a balanced budget in the year ahead.

Cost Estimate Request and City Council Budget Document Guidelines: This March Budget Message includes definitions and guidelines for the Cost Estimate Request and Budget Document process to continue to ensure the delivery of meaningful budgetary information for City Council decision-making. These guidelines, similar to last year, can be found in Appendix B.

I have coordinated this March Budget Message with the City Manager and City Attorney and their respective offices.

I respectfully request my colleagues' support of this message.

Any questions may be directed to Stephen Caines, the Mayor's Budget Director, at Stephen.Caines@sanjoseca.gov.

APPENDIX A

2024-2025 Budget Balancing Strategy Guidelines

1. As directed by the priorities identified in the City Council-approved Mayor's March Budget Message, develop a budget that balances the City's delivery of the most essential services to the community with the resources available. Consider current needs in the context of long-term service delivery priorities.
2. Pose explicit questions of equity – including who benefits and who is burdened – when considering changes to City services to achieve a balanced budget.
3. Balance ongoing expenditures with ongoing revenues to maximize service delivery within existing resources, to ensure no negative impact on future budgets, and to maintain the City's high standards of fiscal integrity and financial management. As appropriate, establish a Future Deficit Reserve in the General Fund to cover any projected budgetary shortfall in the following year as a stopgap measure; and, maintain or increase the Budget Stabilization Reserve as a buffer against a further weakening of future economic conditions or unanticipated cost increases.
4. Evaluate program-level budgets and identify opportunities to shift resources or reconfigure operations from the least influential contributors to the strongest contributors of achieving outcomes related to City Council-approved Focus Areas, critical CSA services and programs, and Foundational Strategic Support Focus Areas.
5. Prioritize limited resources to address truly significant community or organizational risks, critical services funded on a one-time basis in 2023-2024 in the General Fund, and/or respond to specific City Council direction.
6. Review existing vacancies for opportunities to reorganize work groups to realize cost savings or to achieve current service level demands through alternative means. Factor in performance measure data in proposal development.
7. Focus on business process redesign to improve employee productivity and the quality, flexibility, and cost-effectiveness of service delivery (e.g., streamlining, reorganizing functions, and reallocating resources).
8. Explore alternative service delivery models (e.g., partnerships with non-profit, public, or private sector for out- or in-sourcing services) to ensure no service overlap, reduce and/or share costs, and use City resources more efficiently and effectively.
9. Identify City policy changes that would enable/facilitate service delivery improvements or other budget balancing strategies to ensure equity and inclusion for how services are delivered.
10. Analyze non-personal/equipment/other costs for cost savings opportunities. Contracts should be evaluated for their necessity to support City operations and to identify negotiation options to lower costs.
11. Explore expanding existing revenue sources and/or adding new revenue sources.
12. Establish a fees, charges and rates structure designed to fully recover operating costs, while considering the impacts on fee and rate payers whereby a cost recovery structure may be lower in certain circumstances, and explore opportunities to establish new fees and charges for services, where appropriate.
13. Focus any available one-time resources on investments that 1) continue a very small number of high-priority programs funded on a one-time basis in 2023-2024 for which ongoing funding is not available; 2) address the City's unmet or deferred infrastructure needs; 3) leverage resources to improve efficiency/effectiveness through technology and equipment or other one-time additions; 4) accelerate the pay down of existing debt obligations where applicable and appropriate; 5) increase budget stabilization reserves to address future budget uncertainty; and/or 6) provide for funding needs for non-bond eligible furniture, fixtures, and equipment associated with the continued implementation of Measure T.
14. Engage employees in department and/or city-wide budget proposal idea development.
15. Continue a community-based budget process where the City's residents and businesses are educated and engaged, as well as have the opportunity to provide feedback regarding the City's annual budget.
16. Use the General Plan as a primary long-term fiscal planning tool and link ability to provide City services to development policy decisions.

APPENDIX B

Cost Estimate Request: A request by a Councilmember to the Administration seeking the cost of a new project or program to be performed by the City. The request from the Councilmember should include a clear description of the work to be performed and the anticipated outcomes that identifies how the change would affect services for San José residents, businesses, community groups, etc. Each Councilmember should submit no more than five Cost Estimate Requests.

The request must have a modest scope so that a reliable cost estimate response can be quickly and accurately completed. The anticipated scope should be a small-scale project that the City has delivered in the past, or an extension of a service that already exists that would only require a modest staffing addition on a one-time basis. Recent examples include the installation of targeted neighborhood traffic calming improvements, a radar speed display sign along a neighborhood street, or additional street tree plantings within a City Council District.

Requests that involve complex service delivery and/or large ongoing staffing resources for new programs (e.g., at-home STEM educational programs for children in Title I schools supplemented with free Wi-Fi hotspots), or large capital construction projects that require extensive design (e.g., new streetlight infrastructure, highway overpasses, etc.) are not appropriate for this process.

The request should identify the anticipated funding source to pay for the program (though City staff may suggest alternative funding sources in its response) and indicate if the project/program is a one-time or ongoing effort. To keep the budget structurally balanced, one-time expenditure requests should be offset by one-time funding sources, while ongoing expenditure requests should be offset by ongoing funding sources.

Cost Estimate Response: A response by the Administration to the Councilmember's request that clearly identifies the one-time and ongoing costs, as appropriate, any additional full-time equivalent positions that would be needed, and eligible funding sources. Explanatory notes are provided only if necessary to clarify what is included in the cost estimate response.

Budget Documents: Memoranda issued by a Councilmember to the Mayor recommending adjustments to the City Manager's Proposed Budget. Typically, Budget Documents are based on the information received in a Cost Estimate Request and Response, but they may also recommend targeted funding for community groups whose programs or actions serve the public interest, but would not be performed by City staff. All Budget Documents that recommend a City-provided service or project must be based on a Cost Estimate Response.

As the Proposed Budget is fully balanced, Budget Documents must also identify the offsetting actions to pay for the recommended adjustment, such as the Essential Services Reserve. For example, if a Budget Document seeks to fund a \$50,000 project, then a typical offset would be a \$50,000 reduction to the Essential Services Reserve. It is important to note that the Essential Services Reserve is not an ongoing funding source. To pay for any ongoing costs, and to align within City of San José Budget Principles, the Budget Document would also need to identify an ongoing service in the Proposed Budget to defund.

Submittal Dates:

- **Wednesday, May 8** Deadline for Councilmembers to submit Cost Estimate Requests to the City Manager's Budget Office
- **Friday, May 17** Cost Estimate Responses returned to Councilmembers
- **Thursday, May 23** Budget Documents due to Mayor's Office

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Community Development Block Grant Fund

2024-2025 Funding Allocation

The Community Development Block Grant (CDBG) Fund accounts for federal grant monies received from the U.S. Department of Housing and Urban Development (HUD). The national objectives of the program are to provide assistance to persons of low- and moderate- incomes, prevent or eliminate slums and blight, or meet an urgent community development need. The chart below summarizes the funding priorities in the following categories: Public Services (PS – up to 15% of funding); Community Development Improvements (CDI), and Administration, Fair Housing and Planning (Admin – up to 20% of funding). A final public hearing to adopt the “Fiscal Year 2024-2025 Annual Action Plan” was held by the City Council on April 30, 2024. Details of each category contained in the “Fiscal Year 2024-2025 Annual Action Plan” can be found at: [https://sanjose.legistar.com/MeetingDetail.aspx?ID=1191856&GUID=9BA1E50F-837A-4049-BCBA-FC9363F5503A&Options=info\]&Search=](https://sanjose.legistar.com/MeetingDetail.aspx?ID=1191856&GUID=9BA1E50F-837A-4049-BCBA-FC9363F5503A&Options=info]&Search=)

Funding Category	CDBG Activities	Sub-Grantee	Funding
Public Service	Senior Nutrition	Portuguese Organization for Social Services Opportunities (POSSO)	\$302,530
Public Service	Neighborhood Engagement	SOMOS Mayfair	\$150,000
Public Service	Neighborhood Engagement	Vietnamese Voluntary Foundation	\$50,000
Public Service	Homeless Citywide Outreach	HomeFirst	\$350,000
Public Service	Citywide Legal Services for Low-Income Tenants	To Be Determined	\$200,000
Public Service	Neutral Tenant/Landlord Counseling and Dispute Resolution Services	To Be Determined	\$200,000
Community Development Investment	Enhanced Code Enforcement	Planning, Building, and Code Enforcement Department	\$1,100,000
Community Development Investment	Home Repair	Rebuilding Together; Habitat for Humanity	\$1,650,000
Community Development Investment	Fair Swim Center/Tot Lot Rehab	Public Works Department	\$396,065
Community Development Investment	Traffic Signal that Provides Audible and Vibrotactile Cues	Department of Transportation – Accessible Pedestrian Signal	\$559,374
Community Development Investment	Window Replacement	Public Works – African American Community Services – Windows	\$120,000

Community Development Block Grant Fund

2024-2025 Funding Allocation

Community Development Investment	LED replacement fixtures	Public Works – Fire Stations LED Replacement	\$350,000
Microenterprise Program	Provide Comprehensive and Technical Support to Participating Microenterprise Childcare Providers	BOOST Program	\$1,048,394
Administrative Services	CDBG Administration	Housing Department	\$1,605,248
Administrative Services	Legal Staffing	City Attorney's Office	\$19,493
Administrative Services	Environmental Review	Planning, Building, and Code Enforcement Department	\$49,097
Administrative Services	Fair Housing	Law Foundation of Silicon Valley	\$200,000
Total CDBG Expenditures			\$8,350,201