

# ANNUAL REPORT

SEPTEMBER 2019  
OFFICE OF THE CITY MANAGER

## **2018-2019 ANNUAL REPORT**

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

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

The financial information used in this report represents final, unaudited 2018-2019 year-end closing figures as of June 30, 2019.

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[Transmittal Memorandum](#)

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**2018-2019**

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**T**RANSMITTAL

**M**EMORANDUM

# Memorandum

**TO:** HONORABLE MAYOR AND  
CITY COUNCIL

**FROM:** Jim Shannon

**SUBJECT:** 2018-2019 ANNUAL REPORT

**DATE:** September 30, 2019

Approved



Date

09/30/2019

## RECOMMENDATION

It is recommended that the City Council:

- (a) Accept the 2018-2019 City Manager's Annual Report in compliance with City Charter Section 701 (F).
- (b) Adopt Appropriation Ordinance and Funding Sources Resolution amendments in various operating and capital funds to implement the 2018-2019 Annual Report recommendations, as detailed in Section IV (Recommended Budget Adjustments and Clean-Up/Rebudget Actions).
- (c) Approve the following position changes in the Information Technology Department:
  - (1) Add 6.0 Enterprise Supervising Technology Analyst.
- (d) Approve the following technical position corrections in the Parks, Recreation and Neighborhood Services Department to align with the 2019-2020 Adopted Budget:
  - (1) Add 2.75 Recreation Leader PT;
  - (2) Delete 1.0 Senior Geographic Information Systems Specialist;
  - (3) Delete 1.0 Senior Maintenance Worker;
  - (4) Delete 1.0 Parks Maintenance Repair Worker II;
  - (5) Delete 1.0 Office Specialist II;
  - (6) Delete 2.0 Maintenance Assistant; and
  - (7) Delete 2.0 Groundswoker.

## OUTCOME

In accordance with Section 701 (F) of the San José City Charter, the 2018-2019 Annual Report describes the financial status of the City at the end of the 2018-2019 fiscal year. As specified in the City Charter, the focus of the City Manager's Annual Report is a comparison of actual revenue collections and expenditures to projections and appropriations included in the City's budget.

## **OUTCOME**

The 2018-2019 Annual Report will provide the City Council with the information necessary to review the financial performance of all City funds. In addition, this report provides a comparison of the actual 2018-2019 Ending Fund Balance for each fund to the estimates used in the development of the 2019-2020 Adopted Budget as well as information on the status of the year-end reserve levels for each of the City's budgeted funds.

Approval of the recommended budget actions will implement required fund balance reconciliations and necessary rebudget and clean-up adjustments based on the final financial performance (unaudited) for 2018-2019. This report also includes actions that are necessary to: revise the 2019-2020 budget to align budgeted revenue and expenditures with the most current information; correct technical problems; recognize new or adjust existing grant, reimbursement, or fee activity revenues and expenditures; fund four urgent fiscal/program needs in the General Fund; reflect changes in project and program allocations based on revised cost estimates; and establish a limited number of new projects and programs in special and capital funds.

## **EXECUTIVE SUMMARY**

The Administration proactively managed 120 budgeted funds in 2018-2019. Budget actions were brought forward during the year to ensure that revenues and expenditures remained in alignment with actual performance. Through this careful management, the various City funds generally ended the year with revenues close to the budgeted estimates and expenditures below the budgeted allocations.

With the local economy's sustained growth over the past several years, the City's budget again remained stable. Accordingly, the 2018-2019 Adopted Budget maintained and, in limited instances, enhanced existing service levels in alignment with direction provided in the City Council-approved Mayor's March and June Budget Messages for Fiscal Year 2018-2019 in the following areas: Homelessness and Housing, Public Safety, Environment, Innovation and Technology, Education and Our Youth, Community Engagement, and Saving and Improving Fiscal Sustainability. A small number of investments targeted improvements in City infrastructure, and the City continued its adherence to a multi-year approach to budgeting with one-time funding set aside in 2018-2019 to address a projected General Fund shortfall in 2019-2020. As always, the City will maintain its focus on rebuilding services within available resources to meet the needs of the San José community.

In the General Fund, both the revenues and expenditures ended the year very close to budgeted expectations. The 2018-2019 General Fund Ending Fund Balance of \$364.8 million exceeded the estimate of \$289.4 million used in the development of the 2019-2020 Adopted Budget by \$75.4 million. This variance represents 2.3% of the 2018-2019 Modified Budget total sources and uses. These funds are recommended to be allocated in the 2018-2019 Annual Report, as shown in the table on the following page.

**EXECUTIVE SUMMARY**

**Recommended 2019-2020 General Fund Adjustments (\$000s)**

<b>Additional 2018-2019 Ending Fund Balance</b>	<b>\$75,387</b>
<b>Clean-Up Actions</b>	
Development Fee Programs Reconciliation	(12,191)
Fire Training Center Replacement Reserve Rebudget	(36,835)
Other Rebudgets/Clean-Up Adjustments	1,032
<b>Total Clean-Up Actions</b>	<b>(\$47,994)</b>
<b>Fund Balance Available After Clean-up Actions</b>	<b>\$27,393</b>
<b>Recommended Budget Adjustments</b>	
Required Technical/Rebalancing Actions	(10,624)
Grants/Reimbursements/Fee Activities (Sources = \$3.6M; Uses = \$2.8M)	781
Urgent Fiscal/Program Needs	(7,550)
<b>Total Recommended Budget Adjustments</b>	<b>(\$17,393)</b>
<b>Remaining Fund Balance After Clean-ups/Recommended Adjustments</b>	<b>\$10,000</b>
<b>Distribution of Remaining Fund Balance Per City Council Policy I-18</b>	
Budget Stabilization Reserve	(\$5,000)
Unmet/Deferred Infrastructure: City Facilities Emergency Power Generation	(\$5,000)
<b>Total Fund Balance Distributed Per Council Policy I-18</b>	<b>(\$10,000)</b>

When bringing forward recommendations for the use of the additional 2018-2019 General Fund Ending Fund Balance, the Administration follows City Council policy and first considers clean-up actions associated with the close-out of the 2018-2019 fiscal year to be essentially non-discretionary and the highest priority. These clean-up actions result in a net decrease to the available fund balance of \$48.0 million and consist of changes to the Development Fee Programs reserves to reconcile actual 2018-2019 performance (decrease to fund balance of \$12.2 million); the rebudgeting of the Fire Training Center Replacement Reserve that was established June 18, 2019, subsequent to the City's receipt of sale proceeds of the existing Fire Training Center site (\$36.8 million); and the rebudgeting of other amounts carried over to 2019-2020 to complete projects and technical adjustments to other revenue and expenditure line items (net increase to fund balance of \$1.0 million).

The remaining fund balance of \$27.4 million is recommended to fund various required technical and rebalancing actions (\$10.6 million), actions associated with grant and fee activities (-\$781,000), and a limited number of urgent fiscal or programmatic needs of the City (\$7.6 million) that the Administration has deemed cannot or should not wait until the Annual Budget process. Notable adjustments in these categories include: an increase of \$4.0 million to the General Liability Claims appropriation based on an analysis of current and potential litigation settlements and claims awards against the City; an allocation of \$3.6 million to the Police Department for overtime and vehicle purchases to support the Guardian Rapid Response Program that enhances the City's ability to swiftly and effectively respond to active shooter incidents at schools and special events;



## **EXECUTIVE SUMMARY**

an increase to the Transfer to the Municipal Golf Course Fund of \$2.3 million to accelerate the pay down of outstanding debt related to the Los Lagos golf course; as directed by City Council's approval of the Mayor's June Budget Message for Fiscal Year 2019-2020, an investment of \$1.9 million for Information Technology project managers and contractual support to implement the backlog of impactful technology projects throughout the City; and \$1.5 million to help operationalize Pillar 3 of the Community Plan to End Homelessness that focuses on improving quality of life for unsheltered individuals and creating healthy neighborhoods for all.

After these adjustments, the remaining fund balance of \$10.0 million is recommended to be distributed in accordance with City Council Policy I-18. These funds are recommended to increase the Budget Stabilization Reserve (\$5.0 million) from \$27.0 million to \$32.0 million to maintain a baseline level for General Purpose Reserves at 6.5% of General Fund operating expenditures, and support unmet/deferred infrastructure needs by allocating funds for City Facilities Emergency Generation (\$5.0 million). The recommended budget actions are summarized later in this message and described in *Section IV: Recommended Budget Adjustments and Clean-Up/Rebudget Actions*.

This report also addresses immediate needs in various special and capital funds, including procuring back-up generation equipment for five sanitary sewer pump stations and a fueling island; investments in pedestrian, bicycle and roadway safety improvements, including the Better Bikeways Program; allocating additional resources to strategize and prepare for the pre-cursor projects leading up to the next stage of development at the Airport; actions to allocate Public Art and program administration funding within the Measure T bond program; and reallocating funding within the Parks Flood Remediation Program to address updated project costs.

As the fiscal year progresses, the Administration will continue to monitor and report on the City's financial performance through Bi-Monthly Financial Reports that are agendaized four times a year for review by the Public Safety and Strategic Support City Council Committee, and the Mid-Year Budget Review that is heard by the full City Council in February. The financial results of 2018-2019 will also be factored into the development of the 2021-2025 General Fund Five-Year Forecast that will be released in February 2020.

## **BACKGROUND**

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

- **Transmittal Memorandum** – This section provides an overall summary of the 2018-2019 Annual Report.

## **BACKGROUND**

- **Section I: Budget Performance Summary (All Funds)** – This section provides a comparison of the 2018-2019 budget to actual revenues received and expenditures incurred by fund as well as an explanation of revenue and/or expenditure variances of 10% or greater to the budget. This section also provides a comparison of the year-end actual 2018-2019 Ending Fund Balance by fund to the 2018-2019 Ending Fund Balance/2019-2020 Beginning Fund Balance estimate used in the development of the 2019-2020 Adopted Budget. In addition, a listing of the Earmarked and Contingency Reserves that were available at the end of 2018-2019 by fund is included.
- **Section II: General Fund Budget Performance** – This section provides a summary of the General Fund budget performance in 2018-2019, including the following: Results of Operations in the General Fund, Revenue Performance, and Expenditure Performance.
- **Section III: Selected Special/Capital Funds Budget Performance** – This section provides financial information on the 2018-2019 year-end performance for selected special and capital funds that represent major City operations. It includes a discussion of variances between actual and budgeted revenues and expenditures as well as a comparison between the actual ending fund balance and the fund balance estimated for 2018-2019 in the development of the 2019-2020 Adopted Budget.
- **Section IV: Recommended Budget Adjustments and Clean-Up/Rebudget Actions** – This section provides a description of the recommended budget adjustments and clean-up actions for City Council consideration. The proposed actions fall into three categories: (1) adjustments to the 2019-2020 Beginning Fund Balance amounts in various funds, including the General Fund, based on the final reconciliation of 2018-2019; (2) upward and downward adjustments to previously rebudgeted sums to ensure the appropriate amount of unexpended funds are carried over to 2019-2020 to complete projects; and (3) actions based on more recent information that are necessary to revise the 2019-2020 budget to align budgeted revenue and expenditures with the most current information, correct technical problems, recognize new or adjust grant, reimbursement or fee activity revenues and expenditures, fund one-time urgent fiscal/program need in the General Fund, and reflect changes in project and program allocations based on revised cost estimates as well as establish a limited number of new projects and programs in special and capital funds.
- **Section V: Financial Statements** – This section provides the financial results (unaudited), prepared by the Finance Department, for all budgeted fund groups for 2018-2019. It should be noted that audited financial results will be released later in the fall as part of the 2019 Comprehensive Annual Financial Report (CAFR) for Fiscal Year Ended June 30, 2019. Final fund balance reconciliations to the CAFR will be conducted for all funds and, while few adjustments are typically necessary, any final adjustments will be brought forward for City Council consideration as part of the 2019-2020 Mid-Year Budget Review.

## ANALYSIS

This Analysis section includes the following:

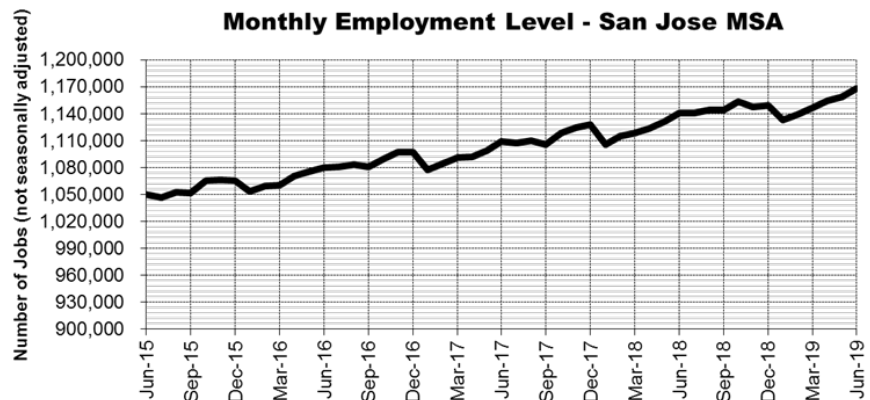
- an overview of the economic environment;
- a discussion of the 2018-2019 budget performance of all City funds;
- a discussion of the 2018-2019 budget performance for the General Fund;
- a discussion of the components of the 2018-2019 General Fund ending fund balance;
- an analysis of the impact of the General Fund performance on the 2019-2020 Adopted Budget; and
- a discussion of the 2018-2019 budget performance of selected special and capital funds.

### **Economic Environment**

When the 2018-2019 Adopted Budget was developed, slow economic growth was expected to continue throughout the year. This assumption has proven true, with continued improvement in economic indicators and actual revenue performance during 2018-2019. Employment indicators, construction activity, median single-family home prices, and the number of days it took to sell these homes all performed well in 2018-2019.

The June 2019 employment level in the San José-Sunnyvale-Santa Clara Metropolitan Statistical Area (San José MSA) of 1.17 million was 2.4% higher than the June 2018 level of 1.14 million, representing an increase of 27,500 jobs. This includes 9,000 jobs in the information sector, 7,200

manufacturing jobs (primarily computer and electronic product manufacturing), 2,800 government jobs, 2,700 jobs in professional and business services, and 2,500 private education and health services jobs.<sup>1</sup>



<sup>1</sup> State of California Employment Development Department Labor Market Information Division Press Release, July 19, 2019

**ANALYSIS**

**Economic Environment**

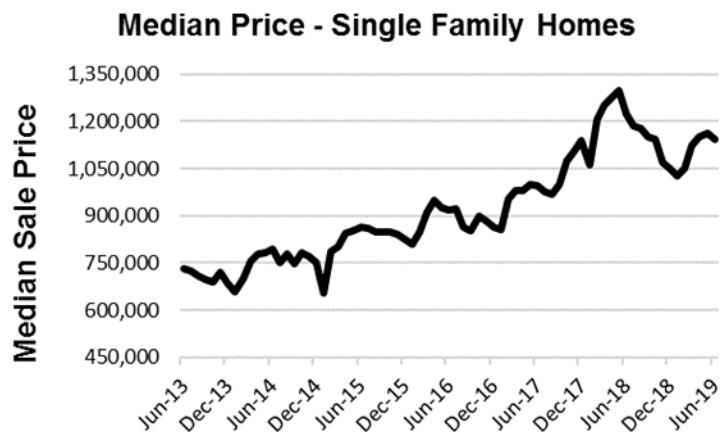
<b>Unemployment Rate (Unadjusted)</b>		
	<b>June 2018</b>	<b>June 2019**</b>
San José Metropolitan Statistical Area*	2.9%	2.7%
State of California	4.4%	4.1%
United States	4.2%	3.8%
* San Benito and Santa Clara Counties Source: California Employment Development Department. ** June 2019 estimates are preliminary and may be updated.		

The unemployment rates at the local, state, and national levels have all slightly decreased from the prior year. In June 2019, the unemployment rate for the San José Metropolitan Statistical Area of 2.7% is slightly higher than the 2.2% unemployment rate experienced in May 2019; however, it is marginally lower than the levels experienced in June 2018. In this region, the June 2019 unemployment rate continues to be lower than the unadjusted unemployment rate for the State (4.1%) and the nation (3.8%).

The total valuation of projects submitted in 2018-2019 was \$1.7 billion, 4.2% above the \$1.6 billion valuation of projects that were received in 2017-2018. The number of new residential dwelling units permits issued in 2018-2019 totaled 2,985, which was 7.9% below the prior year level of 3,241 permits issued. Residential valuation ended the year below the estimate while the valuations for the Commercial and Industrial land use categories ended the year above estimates.

Private construction activity is a driver for several development related taxes and fees and is an indicator of future activity for several other categories, such as storm and sanitary sewer system fees.

After seven years of year-over-year home price growth, the local real estate market is beginning to slow down. According to data from the Santa Clara County Association of Realtors, the single-family home price peaked at \$1.3 million in May 2018 (which represented a 30.0% increase from the May 2017 home price), but then began steadily decreasing. In addition, year-over-year median prices have steadily decreased each month since November 2018, with drops ranging from 3%-13% compared to the prior year level. In June 2019, the median single-family home price totaled \$1.1 million, which represents a 6.5% decrease from the June 2018 price of \$1.2 million, but is approximately 15% above the June 2017 price of \$996,000. In addition to the median home prices dropping, the number of property transfers (sales) has also continued to steadily decline. The total number of property transfers that occurred through June 2019 has dropped approximately 10%



## ANALYSIS

### **Economic Environment**

compared to the prior year. Lastly, while single-family and multi-family dwellings are continuing to sell quickly, they are on the market longer than the prior year. The average days-on-market for single-family and multi-family dwellings in June 2019 totaled 30 days, which is twice as long than the extremely low 15 days experienced in June 2018.

### **2018-2019 Budget Performance (All Funds)**

As shown in Section I of this document, City revenues (excluding Beginning Fund Balances) totaled \$3.5 billion in 2018-2019, which was 2.6% (\$92.6 million) below the budgeted estimate of \$3.6 billion.

In 2018-2019, expenditures (excluding Reserves and Ending Fund Balances) totaled \$3.7 billion, which was \$613.1 million (14.3%) below the modified budget of \$4.3 billion. At the end of 2018-2019, the Contingency and Earmarked Reserves for all City funds totaled \$993.7 million, which represented 19.2% of the total 2018-2019 Modified Budget of \$5.2 billion (including interfund transfers, loans, and contributions). In the General Fund, Reserves totaled \$262.5 million.

The financial performance in 2018-2019 is used as the starting point for 2019-2020. The collective 2018-2019 Ending Fund Balances for all City funds totaled \$1.7 billion, which was \$182.9 million above the 2018-2019 Ending Fund Balance estimates of \$1.5 billion used in the development of the 2019-2020 Adopted Budget. After adjusting for additional rebudgets of \$54.3 million recommended in this report, the adjusted 2018-2019 Ending Fund Balance variance for all funds falls to \$128.7 million, or 2.5% of the 2018-2019 Modified Budget. The adjusted fund balance variance totaled \$27.4 million in the General Fund, \$30.2 million in the special funds, and \$71.1 million in the capital funds.

The City's General Fund ended the 2018-2019 fiscal year within budgeted levels. As shown in the chart below, the General Fund Ending Fund Balance of \$364.8 million was \$75.4 million (4.5% of the 2018-2019 Modified Budget total sources and uses) above the fund balance estimate assumed when the 2019-2020 Adopted Budget was developed. The following table summarizes the General Fund performance in 2018-2019, comparing the actual results to the modified budget and the estimates used to develop the 2019-2020 Adopted Budget.

**ANALYSIS**

**2018-2019 General Fund Budget Performance**

**Table 1  
 General Fund Year-End Status  
 For the Year Ended June 30, 2019  
 (\$000s)**

<b>Sources</b>	<b>2018-2019 Modified Budget</b>	<b>2018-2018 Year-end Estimate</b>	<b>2018-2019. Budgetary Basis Actual</b>	<b>Actual to Budget Variance</b>	<b>Actual to Estimate Variance</b>
<i>Beginning Fund Balance</i>	249,953	249,953	249,953	-	-
<i>Carryover Encumbrances</i>	35,250	35,250	35,250	-	-
<i>Liquidation of Carry- over Encumbrances</i>	-	3,306	3,217	3,217	(89)
<i>Revenue</i>	<u>1,385,490</u>	<u>1,390,489</u>	<u>1,394,877</u>	<u>9,387</u>	<u>4,388</u>
<i>Total Sources</i>	<u><u>1,670,693</u></u>	<u><u>1,678,998</u></u>	<u><u>1,683,297</u></u>	<u><u>12,604</u></u>	<u><u>4,299</u></u>
<b>Uses</b>					
<i>Expenditures/Transfers</i>	1,408,190	1,389,573	1,318,485	(89,705)	(71,088)
<i>Reserves</i>	<u>262,503</u>	-	-	<u>(262,503)</u>	-
<i>Total Uses</i>	<u><u>1,670,693</u></u>	<u><u>1,389,573</u></u>	<u><u>1,318,485</u></u>	<u><u>(352,208)</u></u>	<u><u>(71,088)</u></u>
<i>Ending Fund Balance</i>	<u><u>-</u></u>	<u><u>289,425</u></u>	<u><u>364,812</u></u>	<u><u>364,812</u></u>	<u><u>75,387</u></u>

Note: In the chart above, the General Fund excludes the Emergency Reserve Fund and the Cash Reserve Fund, which are budgeted as separate funds and reflected separately in this document. In the 2018-2019 Comprehensive Financial Report (CAFR), the Emergency Reserve Fund and Cash Reserve Fund will be displayed as part of the General Fund to comply with GASB 54 reporting requirements.

In 2018-2019, total revenue in the General Fund was \$1.3 billion, which was within 0.7%, or \$9.4 million, of the 2018-2019 Modified Budget, and \$4.4 million (0.3%) above the estimate used to develop the 2019-2020 Adopted Budget. The liquidation of prior year carryover encumbrances totaled \$3.2 million, which was slightly below the \$3.3 million estimate.

General Fund expenditures/transfers of \$1.3 billion were \$352.2 million (2.1%) below the 2018-2019 Modified Budget level of \$1.7 billion and \$71.1 million (5.0%) below the estimate used to develop the 2019-2020 Adopted Budget. Budgeted reserves of \$262.5 million remained unexpended at year-end as expected.

## ANALYSIS

### **2018-2019 General Fund Budget Performance**

When comparing the actual revenue and expenditure performance to the estimates used to develop the 2019-2020 Adopted Budget, a portion of these variances is related to various grants and reimbursements that were not received in 2018-2019, but are expected to be received in 2019-2020. A total of \$4.2 million of grant and reimbursement revenues and expenditures were rebudgeted to 2019-2020 in the 2019-2020 Adopted Budget. This resulted in lower actual revenues and expenditures in 2018-2019, with no net impact to the General Fund. After factoring out the lower revenues and expenditures associated with these grants and reimbursements, revenues were \$8.6 million (0.6%) above the budgeted estimate and expenditures savings totaled \$66.9 million (4.0%). Further adjustments to these figures are necessary to account for the recommended clean-up and rebudget actions in the Annual Report.

In this Annual Report document, budget actions are recommended to distribute the additional fund balance of \$75.4 million. Per City Council Policy I-18, when determining the proposed distribution of these funds, the first priority is to complete clean-up actions associated with the final reconciliation of 2018-2019. Recommended clean-up actions result in net decrease of \$48.0 million to the amount of funding available to distribute to reflect reconciliation of the Development Fee Programs (\$12.2 million), the rebudgeting of the Fire Training Center Relocation Reserve (\$36.8 million) that was established June 18, 2019 only after sale proceeds were received by the City, and other required expenditure rebudgets and other clean-up adjustments to close-out 2018-2019 (net increase to fund balance of \$1.0 million). The adjusted figure of \$27.4 million in additional funding available to distribute was generated from net expenditure savings of \$16.1 million (0.9%) and higher than estimated revenues of \$11.3 million (0.7%), partially offset by a slightly lower than estimated liquidation of prior year encumbrances (-\$89,000).

Of the \$27.4 million available for distribution, \$17.4 million is recommended to be allocated to address various required technical and rebalancing actions (\$10.6 million) and urgent fiscal/program needs (\$7.6 million), with a net increase of \$781,000 resulting from actions related to grant reimbursements or fee program activity. The remaining balance of \$10.0 million is recommended to be allocated per City Council Policy I-18 to the Budget Stabilization Reserve (\$5.0 million) and to address unmet/deferred infrastructure needs by allocating funds for City Facilities Emergency Power Generation (\$5.0 million).

To identify revenue and expenditure trends, Table 2 below compares the City's budget performance in 2018-2019 with the budget performance of the prior year.

**ANALYSIS**

**2018-2019 General Fund Budget Performance**

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

	<b>2017-2018 Actuals</b>	<b>2018-2019 Actuals</b>	<b>Change</b>	<b>% Change</b>
<b>Source of Funds</b>				
Beginning Fund Balance	241,173	249,953	8,780	3.6%
Revenues	1,297,251	1,394,877	97,626	7.5%
<b>Total Source of Funds</b>	<b>1,538,424</b>	<b>1,644,830</b>	<b>106,406</b>	<b>6.9%</b>
<b>Use of Funds</b>				
Personal Services	807,240	842,867	35,627	4.4%
Non-Personal/Equipment/Other	143,132	151,095	7,963	5.6%
City-Wide Expenses	305,844	240,080	(65,764)	-21.5%
Capital Contributions	47,457	36,611	(10,846)	-22.9%
Transfers	34,347	47,832	13,485	39.3%
Reserves	-	-	-	N/A
<b>Total Use of Funds</b>	<b>1,338,020</b>	<b>1,318,485</b>	<b>(19,535)</b>	<b>-1.5%</b>

As shown in Table 2, 2018-2019 General Fund revenues (excluding Beginning Fund Balance) of \$1.4 billion represent an increase of 7.5% from the 2017-2018 collection level of \$1.3 billion. The categories that experienced the largest increases included: Other Revenue, Sales Tax, Property Tax, Licenses and Permits, and Business Taxes. This increase was due to economic performance as well as other contributing factors such as the sale of multiple surplus properties (Fire Training Center, Coleman Avenue property, and seven previously owned SARA properties that the City received 14.14% of the sale price), and over-collection of Sales Tax due to processing issues experienced by the California Department of Tax and Fee Administration (CDTFA), which resulted in at least \$10 million of Sales Tax being received in 2018-2019 that was due to 2017-2018 activity. The largest revenue declines from the prior year were experienced in the Revenue from Local Agencies, Revenue from the Federal Government, and Franchise Fees categories.

General Fund expenditures of \$1.32 billion in 2018-2019 were 1.5% (\$19.5 million) below prior year expenditure levels of \$1.34 billion. This decrease is due to lower City-Wide Expenses (\$65.8 million) and Capital Contributions (\$10.8 million), partially offset by higher Personal Services (\$35.6 million), Transfers (\$13.5 million), and Non-Personal/Equipment/Other (\$8.0 million).

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



**ANALYSIS**

**2018-2019 General Fund Ending Fund Balance**

The current budgeting practice of the City is to use the projected level of fund balance expected to remain in the General Fund at the end of any fiscal year as a funding source for the following year. The Ending Fund Balance estimate always contains two components: the portion of the fund balance that is rebudgeted for completing projects or retaining reserves; and the portion which is undesignated and available as a general funding source in the coming year. In the 2019-2020 Adopted Budget, a total fund balance estimate of \$289.4 million was included as a funding source. As discussed earlier, the 2018-2019 General Fund Ending Fund Balance of \$364.8 million was \$75.4 million above this estimate.

The components of the 2018-2019 General Fund Ending Fund Balance include additional funding sources, expenditure/transfer savings, and unexpended reserves as described below:

**2018-2019 General Fund  
 Ending Fund Balance Components**

<b>Fund Balance Component</b>	<b>\$ Amount (\$ in 000s)</b>
Additional Funding Sources	12,604
Expenditure/Transfer Savings	89,706
Unexpended Reserves	262,503
<b>TOTAL</b>	<b>\$ 364,813</b>

The total Sources of Funds ended the year \$12.6 million above the modified budget as a result of higher revenues (\$9.4 million) and liquidation of carryover encumbrances (\$3.2 million). For the Uses of Funds, expenditure and transfer savings totaled \$89.7 million, while unexpended reserves totaled \$262.5 million, representing the largest component of the 2018-2019 Ending Fund Balance. Of the \$89.7 million in expenditure savings, a majority was rebudgeted in the 2018-2019 Adopted Budget (\$50.2 million) with additional funding being recommended for rebudget as part of this report (\$8.3 million).

General Fund Reserves, totaling \$262.5 million at the end of 2018-2019, include three categories: Earmarked Reserves (\$186.4 million) established to address specific needs per City Council direction; Ending Fund Balance Reserve (\$39.1 million) established to help ensure sufficient fund balance would be available at the end of 2018-2019 to meet the budgeted estimate used for the development of the 2019-2020 Adopted Budget, and the Contingency Reserve (\$37.0 million) set at a minimum of 3% of expenditures per City Council policy.

## ANALYSIS

### **2018-2019 General Fund Ending Fund Balance**

Following is additional information regarding the two reserve categories.

- ***Earmarked Reserves (\$225.5 million)*** – At the end of 2018-2019, the most significant reserves included the following: 2018-2019 Ending Fund Balance Reserve (\$39.1 million); Fire Training Center Replacement Reserve (\$36.8 million); 2019-2020 Proposed Budget Planning Reserve (\$34.5); Building Development Fee Program Reserve (\$26.1 million); 2019-2020 Future Deficit Reserve (\$15.5 million); Workers Compensation/General Liability Catastrophic Reserve (\$15.0 million); Salaries and Benefits Reserve (\$9.2 million); Budget Stabilization Reserve (\$17.0 million); Fire Development Fee Program (\$7.2 million); Public Works Development Fee Program Reserve (\$5.6 million); Sick Leave Payments Upon Retirement Reserve (\$5.0 million); Cultural Facilities Capital Maintenance Reserve (\$3.1 million); and City Health Plan Restructuring Reserve (\$3.0 million). Most of the Earmarked Reserves were either approved for rebudget or used as a funding source in the 2019-2020 Adopted Budget.

The 2018-2019 Ending Fund Balance Reserve of \$39.1 million was proactively set aside to help ensure sufficient fund balance would be available at the end of 2018-2019 to meet the budgeted estimate used for the development of the 2019-2020 Adopted Budget. Annually, as part of the development of the General Fund Forecast and Adopted Budget for the following year, a certain amount of current year unrestricted ending fund balance is estimated to be available at the end of the year as a funding source for the following year's budget. This ending fund balance is expected to be generated from additional revenues above budgeted levels, expenditure savings, and the liquidation of carryover encumbrances during the year. In the 2019-2020 Adopted Budget, it was assumed that \$49.5 million would be generated from these sources. The establishment of the 2018-2019 Ending Fund Balance Reserve set aside a portion of this funding, projecting additional fund balance would be realized from a combination of excess revenues, expenditure savings and the liquidation of prior year carryover encumbrances.

- ***Contingency Reserve (\$37.0 million)*** – The City Council has established a budget policy of maintaining a minimum 3% Contingency Reserve in the General Fund. At the end of 2018-2019, the Contingency Reserve totaled \$37.0 million and remained unspent during the year. As part of the development of the 2019-2020 Adopted Budget, the full Contingency Reserve was rebudgeted to comply with the Council Policy of maintaining a minimum 3% Contingency Reserve in the General Fund. To align with the Modified Budget that will result from the recommended actions included in this report, an additional \$1.5 million is recommended in this report to comply with the 3% funding requirement that would bring the 2019-2020 Contingency Reserve to \$40.0 million. It is important to note, however, that if this Contingency Reserve is ever needed, it is only sufficient to cover General Fund payroll expenditures for approximately two weeks in the event of an emergency.

**ANALYSIS**

**2018-2019 General Fund Ending Fund Balance**

As discussed above, it was assumed that \$289.4 million would remain in the General Fund at the end of 2018-2019 and would be carried over to 2019-2020 as Beginning Fund Balance as part of the adoption of the 2019-2020 Budget. These funds, which were expected to be generated from unexpended reserves, unexpended funds that were rebudgeted to 2019-2020, additional revenue, expenditure savings, and the liquidation of carryover encumbrances, were programmed for use in the 2019-2020 Adopted Budget. The actual General Fund Ending Fund Balance was above the estimate used in the 2019-2020 Adopted Budget by \$75.4 million due to excess revenues and additional expenditure savings, of which nearly two thirds are recommended to be rebudgeted or incorporated into clean-up actions (e.g. Development Fee Program) as part of this report.

The following chart details the recommended uses of the \$75.4 million additional fund balance as well as other budget adjustments that are recommended as part of this report. Recommended clean-up actions will result in a decrease to the available fund balance of \$48 million, reflecting a downward adjustment of \$12.2 million to reconcile the actual performance of the Development Fee Programs and Small Cell Permit Fee Program in 2018-2019, as well as a net downward adjustment of \$35.8 million to account for additional rebudget and clean-up actions to close-out 2018-2019, including rebudgeting of the \$36.8 million Fire Training Center Replacement Reserve. Once these adjustments have been accounted for, the net available fund balance available for allocation totals \$27.4 million. This additional fund balance is proposed to be allocated to address required technical/rebalancing needs as well as a very limited number of urgent fiscal/program needs in the current year.

**ANALYSIS**

**Impacts on the 2019-2020 General Fund Budget**

<b>RECOMMENDED 2019-2020 GENERAL FUND ADJUSTMENTS (\$000s)</b>	
<b>Additional 2018-2019 Ending Fund Balance</b>	<b>\$75,387</b>
<b>Clean-Up Actions</b>	
Development Fee Program Reconciliation	(\$12,191)
Fire Training Center Replacement Reserve Rebudget	(\$36,835)
Rebudgets/Clean-Up Adjustments	\$1,032
<b>Subtotal: Clean-Up Actions</b>	<b>(\$47,995)</b>
<b>Fund Balance Available After Clean-Up Actions</b>	<b>\$27,393</b>
<b>Recommended Budget Adjustments</b>	
<b>Required Technical/Rebalancing Actions</b>	
General Liability Claims	(\$4,000)
Information Technology Department - Project Management (6.0 FTE and Contractual Support of \$1M)	(\$1,900)
City Attorney's Office Non-Personal/Equipment (Contractual Services for Litigation)	(\$1,500)
Contingency Reserve	(\$1,500)
Library Department Non-Personal/Equipment (San Jose State University Agreement - IT Baseline Costs)	(\$485)
Cultural Facilities Operations Support	(\$400)
Transfer to the Building and Structure Construction Tax Fund (North San José BCP)	(\$371)
3-1-1 Call Transition Reserve	(\$250)
Insurance Premiums	(\$185)
Fire Training Center Relocation (\$3.5 million, Offset by Reserve Reduction)	\$0
Transportation Department Electrical Services Support (Reallocate \$450,000 to Non-Personal/Equipment)	\$0
Miscellaneous Adjustments	(\$33)
<b>Subtotal: Required Technical/Rebalancing Actions</b>	<b>(\$10,624)</b>
<b>Grants/Reimbursements</b> (Sources = \$3.6 M; Uses = \$2.8 M)	<b>\$781</b>
<b>Urgent Fiscal/Program Needs</b>	
Police Department Guardian Rapid Response Program (Overtime, \$3.0 M; Vehicle Purchases, \$550,000)	(\$3,550)
Transfer to the Municipal Golf Course Fund (Los Lagos Golf Course Debt Pay Down)	(\$2,300)
Community Plan to End Homelessness – Quality of Life and Healthy Neighborhoods	(\$1,500)
City Facilities Safety Assessment	(\$200)
<b>Subtotal: Urgent Fiscal/Program Needs</b>	<b>(\$7,550)</b>
<b>Subtotal: Recommended Budget Adjustments</b>	<b>(\$17,393)</b>
<b>Remaining Fund Balance After Recommended Adjustments</b>	<b>\$10,000</b>
<b>Recommended Distribution of Remaining Fund Balance in Accordance with City Council Policy (I-18)*</b>	
Budget Stabilization Reserve	(\$5,000)
Unmet/Deferred Infrastructure Needs: City Facilities Emergency Power Generation	(\$5,000)
<b>Total Recommended Fund Balance Distributed per City Council Policy I-18</b>	<b>(\$10,000)</b>
<b>Remaining Fund Balance After Recommended Adjustments</b>	<b>(\$0)</b>

\* These actions are reflected in the Recommended Budget Adjustments and Clean-Up/Rebudget Actions section of this report under Required Technical-Rebalancing Actions.

## **ANALYSIS**

### **Impacts on the 2019-2020 General Fund Budget**

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

#### **Clean-Up Actions (-\$48 million)**

- **Development Fee Programs Reconciliation (-\$12.2 million)** –Year-end reconciliations of the revenues and expenditures in the Development Fee Programs and Small Cell Permit Fee Program are conducted to determine if revenues exceeded or fell below costs. To ensure that all development fees will be used solely to support development fee activities, any excess revenues and interest earnings above actual costs are placed in Development Fee Program Reserves. Based on 2018-2019 results, \$12.2 million is recommended to be returned to the Development Fee (Building, Fire, Planning, and Public Works), Citywide Planning, and Small Cell Permitting Programs.
- **Rebudgets/Clean-Up Adjustments (-\$35.8 million)** – A series of adjustments are recommended to complete existing projects in 2019-2020 and to reflect any necessary technical budget adjustments or reconciliation actions. The Annual Report is the point in the budget process where action is required to rebudget unexpended funds from the prior year that were not anticipated when the Adopted Budget was approved, but are required to complete a project in the current year. The largest rebudget is for the Fire Training Center Replacement Reserve of (\$36.8 million), which was established on June 18, 2019 shortly after the proceeds were received from the sale of the existing Fire Training Center site. Also recommended are actions that reduce previous rebudgets to reflect instances where expenditures, for which rebudgets were approved for incorporation into the Adopted Budget, exceeded estimates for 2018-2019; therefore, the funds are not available for rebudget to 2019-2020. Other technical adjustments include the reconciliation of restricted program funding (e.g. 4<sup>th</sup> Street Garage Banquet Facility Maintenance and Operations, Artificial Turf Capital Replacement, Certified Access Specialist Program, Contractual Street Tree Planting, Digital Inclusion Program, Jet Fuel Sales Tax, and Government Access activities).

#### **Recommended Budget Adjustments (-\$17.4 million)**

A number of General Fund budget adjustments, with a total net cost of \$17.4 million are recommended and can be classified under three categories: 1) Required Technical/Rebalancing Actions (net cost of \$10.6 million) that align already approved revenue estimates and expenditure budgets with the most current tracking information, reallocate funding among appropriations based on updated needs, to correct technical problems in the 2019-2020 Adopted Budget, or comply with actions previously authorized by the City Council; 2) Grants/Reimbursement/Fee Activities actions (net increase of \$781,000) to recognize new or adjust grant, reimbursement, or fee activity revenue, and adjust the appropriations for these purposes as necessary; and 3) Urgent Fiscal/Program Needs (net cost of \$7.6 million) brought forward for City Council consideration

## ANALYSIS

### **Impacts on the 2019-2020 General Fund Budget**

as part of this report because the Administration has deemed the needs cannot, or should not, wait until later in the year.

- **Required Technical/Rebalancing Actions (-\$10.6 million)**

- ***General Liability Claims*** – increases funding for General Liability Claims payments by \$4.0 million per an analysis of current and potential litigation settlements and claims awards, bringing the total 2019-2020 budget to \$14.0 million. (-\$4.0 million)
- ***Information Technology Non-Personal/Equipment and Personal Services (Project Management)*** – increases the Information Technology Department’s Personal Services (\$900,000) and Non-Personal/Equipment (\$1.0 million) appropriations by \$1.9 million to add 6.0 Enterprise Supervising Technology Analyst positions that will provide additional product-project management support and capacity to maximize the success of City technology initiatives. This action responds to direction provided in the Mayor’s June Budget Message for Fiscal Year 2019-2020, as approved by City Council, to repurpose vacancies and vacancy savings to add at least a half dozen positions to implement IT projects throughout the City. Though the City continues to experience vacancy savings (including savings in the IT Department of \$1.7 million in 2018-2019), these savings are primarily generated by the high volume of hiring and separation across the City; even positions vacant for extended periods of time are typically backfilled with temporary staffing resources and cannot be eliminated on an ongoing basis without service delivery impacts. The Administration recommends adding these 6.0 positions ongoing, and will look to offset the ongoing cost as part of the 2020-2021 Proposed Budget. In addition to staffing support, this action adds one-time contractual support funding project management support and capacity-building for high-impact projects that require specialized expertise (as was used for the PeopleSoft upgrade in 2016). Focus areas for the increased project management capacity consist of emergency management technologies, development services transformation, data governance and business analytics, mobile and wireless communications, business process improvement and automation, and Internet-of-Things platforms and services. (-\$1.9 million)
- ***City Attorney’s Office Non-Personal/Equipment (Contractual Services for Litigation)*** – increases funding for contractual legal services due to higher than anticipated litigation activity, and for required subject matter expertise given the nature of the litigation. (-\$1.5 million)
- ***Contingency Reserve*** – increases the Contingency Reserve by \$1.5 million to comply with City Council Policy 1-18 to reserve a minimum of 3% of the General Fund operating budget to meet unexpected circumstances arising from financial and/or public emergencies that require immediate funding that cannot be met by any other means. This reserve level is sufficient to cover General Fund payroll expenditures for a couple of weeks in the event of an emergency. (-\$1.5 million)

## ANALYSIS

### **Impacts on the 2019-2020 General Fund Budget**

- ***Library Department Non-Personal/Equipment (San José State University Agreement – IT Baseline Costs)*** – increases the Library Department’s Non-Personal/Equipment budget by \$485,000 to fund the payment of the Information Technology (IT) baseline services invoice from 2017-2018 per the cost-sharing agreement with San José State University (SJSU), and following engagement between the Library Department and SJSU throughout 2018-2019, to evaluate and update the shared IT baseline cost and shared obligation. Ongoing costs for 2019-2020 are already included in the Library Department’s Base Budget. (-\$485,000)
- ***Cultural Facilities Operations Support*** – as directed in the Mayor's June Budget Message for Fiscal Year 2019-2020, as approved by the City Council, increases by a total of \$400,000 for the annual operational support to the following major cultural organizations operating City facilities - the Tech Interactive (\$260,000), San Jose Museum of Art (\$50,000), Children's Discovery Museum (\$46,500), Hammer Theatre Center (\$30,000), and Escuela de Artes y Cultura at the Mexican Heritage Plaza (\$13,500) – that sustained large reductions in operational support during the Great Recession. This action restores previously reduced funding and the allocations in future years will align with inflation. (-\$400,000)
- ***Transfer to the Building and Structure Construction Tax Fund (North San José BCP)*** – transfers \$371,452 to the new North San José New Development (BCP) Reserve in the Building and Structure Construction Tax Fund in accordance with Mayor's June Budget Message for Fiscal Year 2014-2015 direction, as approved by the City Council (Manager's Budget Addendum #8), which dedicated sales tax collections from North San José construction activity as part of the Business Cooperation Program toward unfunded transportation needs in North San José. One company in the North San José Policy Area has participated in the Business Cooperation Program to date for a new construction project, resulting in the City receiving \$371,452 of sales tax revenue to be set aside per this policy direction. (-\$371,452)
- ***3-1-1 Call Transition Reserve*** – sets aside \$250,000 for potential funding needs with the transition of non-emergency call handling from Police Communications to the City Customer Contact Center. The 2019-2020 Adopted Operating Budget added 3.0 positions to the Customer Contact Center for the transition anticipated later this year, as well as contractual services to study the number and types of 3-1-1 and public safety calls to transition to the Customer Contact Center. This recommended action helps ensure that sufficient services are available for the transition by addressing any additional needs identified by the study or to deal with higher than anticipated call volumes. (-\$250,000)

## ANALYSIS

### **Impacts on the 2019-2020 General Fund Budget**

- ***Insurance Premiums*** – increases the Insurance Premiums appropriation by \$186,000, to purchase a cyber liability insurance policy to mitigate potential liability and loss exposures resulting from the City's electronic data and commercial activities. Acquisition of cyber liability insurance coverage was recommended through the Finance Department's annual insurance renewal process, which analyzed the City's risk exposures, insurance market trends, product availability, and historical approach to insuring for losses. (-\$185,000)
- ***Fire Training Center Relocation*** – net-zero actions reduce the Fire Training Center Replacement Reserve and allocate funding (\$3.5 million) for the design of the new Fire Department Training Center, which is to be relocated from its current location in the Diridon Station Area to the City Central Service Yard at Senter Road. The existing Fire Training Center property was sold to Google on June 6, 2019, and the expected turnover of the property is June 2022. (\$0)
- ***Transportation Department Electrical Services Support (Reallocation from Personal Services to Non/Personal Equipment)*** – net-zero actions reallocate \$450,000 from the Department of Transportation's Personal Services appropriation to its Non-Personal/Equipment appropriation for contracted shift coverage for electrical services due to continued Electrician vacancies within the Department, resulting in limited in-house staff availability to cover mandatory graveyard and weekend on-call shifts to address emergency and safety electrical issues, such as signal outages or critical repair and/or removal of equipment damaged in a crash. (\$0)
- ***PRNS and PW Staffing Level Corrections*** – Several adjustments to correct staffing levels and attributable costs that were inadvertently omitted or incorrectly adjusted during development of the 2019-2020 Adopted Budget, including: add 2.75 Recreation Leader PT unbenefited positions in the Parks, Recreation and Neighborhood Services Department (PRNS) to provide staff support for the anticipated opening of the Arcadia Softball Sports Complex as originally anticipated in the 2018-2019 Adopted Budget and correct cost allocations in the Public Works (PW) Department related to the Public Works Development Fee Program and the Public Safety and Infrastructure Bond Fund. In addition, the position count within the Parks, Recreation and Neighborhood Services Department were incorrectly stated in the 2019-2020 Adopted Operating Budget, primarily due to the timing of limit-dated positions. Corrective actions to delete these overstated positions are recommended; however, the personal services budget available to PRNS remains unaffected. (-\$233,000)



## ANALYSIS

### **Impacts on the 2019-2020 General Fund Budget**

- ***Remaining Adjustments*** – A limited number of other adjustments make minor technical corrections or reallocations, including the recognition of additional late fee revenue received in 2018-2019 from the Water Utility Fund, shifting personal service resources to non-personal/equipment for Nurse Practitioner temporary staffing in the Human Resources Department, reduction to the Council District #10 and Office of the Mayor budgets that align with the deferral of the salary increase set by the Council Salary Setting Commission, correction to Local Sales Tax – My San José 2.0 to adjust for erroneous expenditures that were inadvertently charged in 2018-2019, adjustments to the Childcare Facilities and Training (Gardner Preschool) appropriation to accurately align the budget amount, adjustments between the operations support and capital maintenance funding allocations for the Mexican Heritage Plaza to align the Adopted Budget with the existing agreement, transfer to the Edward Byrne Memorial Justice Assistance Grant Trust Fund to ensure that the fund does not have a negative fund balance, funding of elections cost for Community Facilities District #8 serving Communications Hill residents as directed in the Mayor’s June Budget Message for Fiscal Year 2018-2019, and a liquidation of the Office of Equality Assurance Labor Compliance System Reserve to provide initial administrative support and temporary staffing for the system’s implementation and assistance with implementing City Council Policy Priorities related to labor compliance. (net -\$200,000)
  
- **Grants/Reimbursements/Fees (-\$781,000)**
  - A series of adjustments (net revenues of \$3.6 million offset by net expenditures of \$2.9 million) are recommended to recognize new and updated revenues and expenditures for ***Grants, Reimbursements, and/or Fees*** for the following Departments: Office of Economic Development (net-zero expenditure adjustment of \$1.0 million); Fire Department (net zero expenditure adjustment of \$370,000); Library Department (net zero expenditure adjustment of \$163,000); Mayor & City Council (net zero expenditure adjustment of \$164,000); Parks, Recreation and Neighborhood Services Department (net revenue increase of \$306,000); Planning, Building, and Code Enforcement Department (net expenditure increase of \$5,000); Police Department (net zero expenditure adjustment of \$809,000); Public Works Department (net expenditure decrease of \$515,000); and Transportation Department (net expenditure increase of \$35,000). These adjustments are further described in *Section IV. Recommended Budget Adjustments and Clean-Up/Rebudget Actions*. (\$781,000)

## ANALYSIS

### Impacts on the 2019-2020 General Fund Budget

- **Urgent Fiscal/Program Needs (\$7.55 million)**
  - ***Police Department Guardian Rapid Response Program*** – increases the Police Department's Personal Services (\$3.0 million) and Non-Personal/Equipment (\$550,000) appropriations by \$3.6 million for overtime costs and to purchase and equip nine patrol vehicles for the implementation the Guardian Rapid Response Program. The new Guardian Rapid Response Program is designed to enhance the state of readiness for an active shooter attack, and to focus efforts on enhancing the safety of all school campuses in the City of San José. Guardian Teams will consist of two-officer patrol vehicles in pre-designated zones to fulfill the dual roles of immediate active shooter response and strategic school campus safety patrols. The program may additionally deploy officers in the event of a known threat or an anticipated, unusually large crowd size. (-\$3.6 million)
  - ***Transfer to Municipal Golf Course Fund (Los Lagos Golf Course Debt Pay Down)*** – increases the transfer from the General Fund to the Municipal Golf Course Fund by \$2.3 million, from \$8.4 million to \$10.7 million, to pay down outstanding principal for debt related to the Los Lagos Golf Course. The direction provided in the Mayor's March and June Budget Messages for Fiscal Year 2019-2020, as approved by the City Council, prioritized the use of one-time resources to improve long-term fiscal sustainability by early retirement of debt obligations and allocated a total of \$6.2 million to both the elimination of Rancho Del Pueblo debt (\$3.4 million) and the early pay down of Los Lagos debt (\$2.8 million). The allocation of an additional \$2.3 million for Los Lagos debt pay down furthers this approach and, when combined with actions in the 2019-2020 Adopted Budget result in a cumulative annual debt service savings of approximately \$700,000 and shortens the debt retirement date by four years to 2026. (-\$2.3 million)
  - ***Community Plan to End Homelessness – Quality of Life and Healthy Neighborhoods*** – establishes a City-Wide appropriation in the amount of \$1.5 million to support inter-departmental efforts to operationalize a locally-tailored work-plan in support of Pillar 3 of the Community Plan to End Homelessness (Improving Quality of Life for Unsheltered Individuals and Creating Healthy Neighborhoods for All), and efforts to enhance service levels in pilot project areas, or where there are disproportionate impacts from unsheltered individuals. (-\$1.5 million)
  - ***City Facilities Safety Assessment*** – establishes funding of \$200,000 to conduct a security evaluation and threat assessment consistent with Homeland Security Best Practices for Antiterrorism, which will inform the development of potential security and operational improvements to protect City-owned facilities and the community and employees who use them. A separate allocation of \$207,000 in the Convention and Cultural Facilities Fund supports activities related to the Convention Center and various cultural facilities. (-\$200,000)

## ANALYSIS

### **Impacts on the 2019-2020 General Fund Budget**

#### **Recommended Distribution of Remaining Fund Balance per City Council Policy I-18 (-\$10.0 million)**

Per Council Policy I-18, Operating Budget and Capital Improvement Program Policy, any ending fund balance that may be available after the close of the 2018-2019 fiscal year will be allocated 50% for unmet/deferred infrastructure and maintenance needs and 50% to offset any projected deficit for the following fiscal year. Based on the February 2019 Forecast, it is currently estimated that the General Fund will face a shortfall of approximately \$10.9 million in 2019-2020. To fully address this projected shortfall on a one-time basis, the 2019-2020 Adopted Budget sets aside an equivalent amount (\$10.9 million) in the 2020-2021 Future Deficit Reserve. Because this reserve is fully funded, remaining funds may be allocated to the following: Budget Stabilization Reserve and/or Contingency Reserve, unmet/deferred infrastructure and maintenance needs, and/or other one-time urgent funding needs. The remaining Ending Fund Balance of \$10.0 million is recommended to be allocated to unmet/deferred infrastructure needs and the Budget Stabilization Reserve, as follows:

- ***Unmet/Deferred Infrastructure Needs: City Facilities Emergency Power Generation*** – provides one-time funding of \$5.0 million to procure and install equipment to support the sustained operations of critical City facilities in the event of a planned or unplanned electrical power outage, as 32 critical City facilities do not have adequate levels of back-up electricity generation and would cease to function in the event of an outage. General Fund resources are also allocated to supply generators to fueling stations at the West Corporation Yard and the Police Substation, which currently do not have generators and are necessary for refueling emergency vehicles in the event of an outage, as well as for the procurement of two high capacity fuel storage trucks to provide needed service coverage and minimize generator downtime. Pacific Gas and Electric (PG&E) should be responsible for provision of back-up power generation or reimburse the City for expenses incurred to undertake mitigation measures for power generation according to California Public Utilities Commission (CPUC) guidance and rulemaking regarding Utility Public Safety Power Shutoff Programs. However, until the City receives the commitment from PG&E and due to the critical nature of these improvements, the City will advance this funding to ensure power generation is available in the event of an outage. Additional funding of \$600,000 is recommended from the Sewer Service and Use Charge Capital Fund (\$500,000) for back-up electricity generation at five sanitary sewer pump stations, and from the San José-Santa Clara Treatment Plant Capital Fund (\$100,000) for the fueling island at the Regional Wastewater Facility. (-\$5.0 million)

**ANALYSIS**

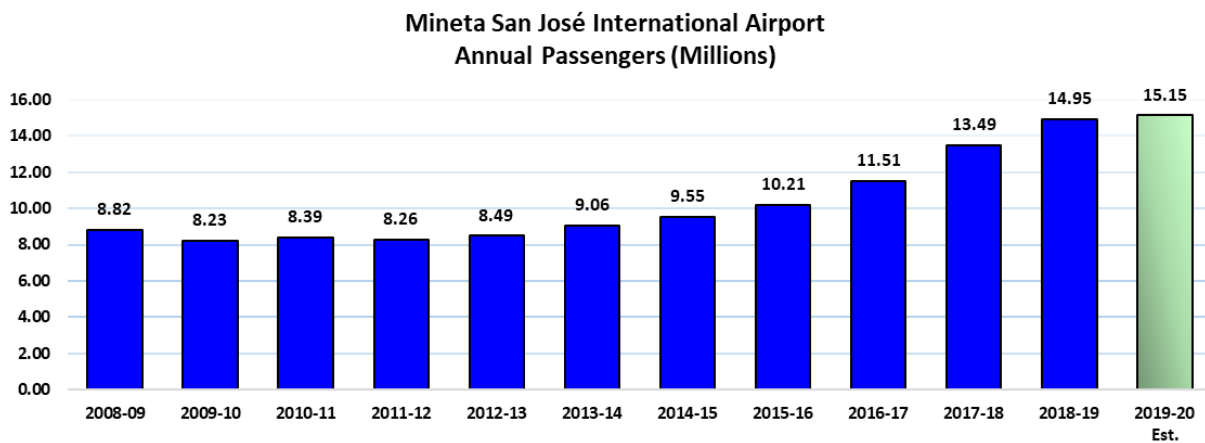
**Impacts on the 2019-2020 General Fund Budget**

- **Budget Stabilization Reserve** – increases the Budget Stabilization Reserve by \$5.0 million in accordance with City Council Policy 1-18 to maintain an adequate reserve level 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 action, along with the increase to the Contingency Reserve, maintains the level of General Purpose Reserves (the sum of the Budget Stabilization Reserve, the Contingency Reserve, and the Worker's Compensation General Liability Catastrophic Reserve) at 6.5% of General Fund operating expenditures, which is consistent with the level included in the 2019-2020 Proposed Operating Budget and consistent with the strategy identified in the Mayor's Budget Addendum #25, "General Fund Reserve Target Levels". (-\$5.0 million)

**2018-2019 Selected Special/Capital Funds Budget Performance**

**Airport Operating Funds**

The Airport served 14.9 million passengers in 2018-2019, which was an overall increase of 10.8% from 2017-2018. Moreover, the 11.0% growth in annual enplanements at the Airport in 2018-2019 far exceeded the estimated level of 3.0%. For 2019-2020, passenger growth is anticipated to increase 1.3% over the 14.9 million passengers in 2018-2019.



Additional airport activity categories that demonstrated growth as compared to last year include traffic operations, landed weights, gallons of aviation fuel sold, and ground transportation trips.

**ANALYSIS**

**2018-2019 Selected Special/Capital Funds Budget Performance**

Overall, revenue performance exceeded budget by \$3.1 million (1.8%). Airline Rates and Charges (combined total of landing fees and terminal rents) and all other operating categories, excluding transfers, ended the year at \$175.9 million, which was \$3.1 million above the budget of \$172.7 million. The positive variance is mainly attributed to the Parking & Roadway revenue category, which was above the budgeted estimate by \$8.7 million (15.7%) due to higher revenues from economy (long-term), daily, and hourly parking and ground transportation, as well as Terminal Building Concession revenue, which was above the budgeted estimate by \$3.3 million (16.3%) associated with increased passenger levels.

The Airport Customer Facility and Transportation Fee Fund had year-end expenditure savings of \$251,000 (1.2%) and Airport Maintenance and Operation Fund had a year-end expenditure overage of \$8.4 million (7.1%) compared to the budgeted levels of \$118.2 million. The overage is attributed to the Airline Funds Distribution payments (\$30.2 million), the result of entering into the 2019 Airline-Airport Lease and Operating Agreement prior to June 30, 2019 and recording the net remaining revenue 2018-2019 Fiscal Year financial performance. The impact of the expenditure overage was partially mitigated by personal services savings of \$1.4 million from position vacancies and \$2.6 million in non-personal/equipment savings from the reassessment and prioritization of airport needs.

**Capital Fund Major Revenues**

A number of taxes and fees levied on construction and property resale (conveyance) activity provide a large source of revenue to the City’s Capital program. Except for the Sanitary Sewer Connection Fee, the 2018-2019 actual collections in these capital revenue categories ended the year above budgeted estimates. The chart below provides a comparison of estimated revenues to actual revenues for these types of revenues, and a discussion of the three largest revenue sources follows.

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

	<b>2018-2019 Estimate*</b>	<b>2018-2019 Actuals</b>	<b>% Variance</b>
Construction and Conveyance Tax	\$42,000	\$47,187	12.4%
Building and Structure Construction Tax	\$16,000	\$22,530	40.8%
Construction Excise Tax	\$21,000	\$25,770	22.7%
Municipal Water System Fees	\$75	\$245	226.7%
Residential Construction Tax	\$200	\$322	61.1%
Sanitary Sewer Connection Fee	\$700	\$226	(67.7%)
Storm Drainage Connection Fee	\$200	\$237	18.6%

\* Revenue estimate used in the development of the 2018-2019 Adopted Capital Budget.

**ANALYSIS**

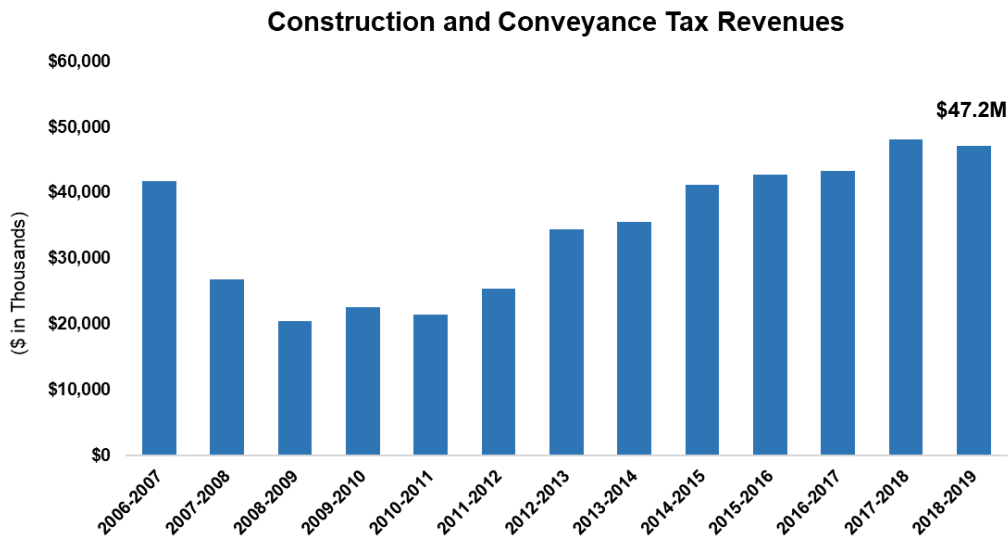
**2018-2019 Selected Special/Capital Funds Budget Performance**

**Capital Fund Major Revenues**

- **Construction and Conveyance Tax**

Real estate activity (primarily housing re-sales) determines the collection level of one of the major capital revenue sources, the Construction & Conveyance (C&C) Tax. Approximately 99% of C&C Tax is derived from a tax imposed upon each transfer of real property, with the remaining 1% generated from a construction tax levied on most types of construction. C&C Tax revenues, which are a significant source of funds for the Parks and Community Facilities Development, Library, Fire, Service Yards, and Communications capital programs, totaled \$47.2 million in 2018-2019. This collection level was marginally lower by \$900,000 (2%) from 2017-2018 collections of \$48.1 million, and \$5.2 million (12.4%) above the estimate of \$42.0 million that was assumed in the development of the 2019-2020 Adopted Capital Budget. The 2019-2020 Adopted Capital Budget was developed with the assumption that C&C tax receipts would total \$42.0 million in 2018-2019 and decrease to \$38.0 million in 2019-2020. With the stronger than anticipated performance in 2018-2019, the 2019-2020 C&C Tax revenue estimate allows for a 24.2% decline from 2018-2019 receipts. Collections in 2019-2020 will be closely monitored, and any necessary adjustment will be brought forward later in the fiscal year.

The following graph displays the history of Construction and Conveyance (C&C) Tax receipts.



After seven years of year-over-year home price growth, the local real estate market is slowing down. According to data from the Santa Clara County Association of Realtors, the single-family home price peaked at \$1.3 million in May 2018 (which represented a 30.0% increase from the May 2017 home price), but then began steadily decreasing.

## ANALYSIS

### **2018-2019 Selected Special/Capital Funds Budget Performance**

#### **Capital Fund Major Revenues**

In addition, year-over-year median prices have steadily decreased each month since November 2018, with drops ranging from 3%-13% compared to the prior year level. In June 2019, the median single-family home price totaled \$1.1 million, which represents a 6.5% decrease from the June 2018 price of \$1.2 million, but is approximately 15% above the June 2017 price of \$996,000. In addition to the median home prices dropping, the number of property transfers (sales) has also continued to steadily decline. The total number of property transfers that occurred year-to-date through June 2019 has dropped approximately 10% compared to the prior year. Lastly, while single-family and multi-family dwellings are continuing to sell quickly, they are on the market longer than the prior year. The average days-on-market for single-family and multi-family dwellings in June 2019 totaled 30 days, which is twice as long than the extremely low 15 days experienced in June 2018.

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

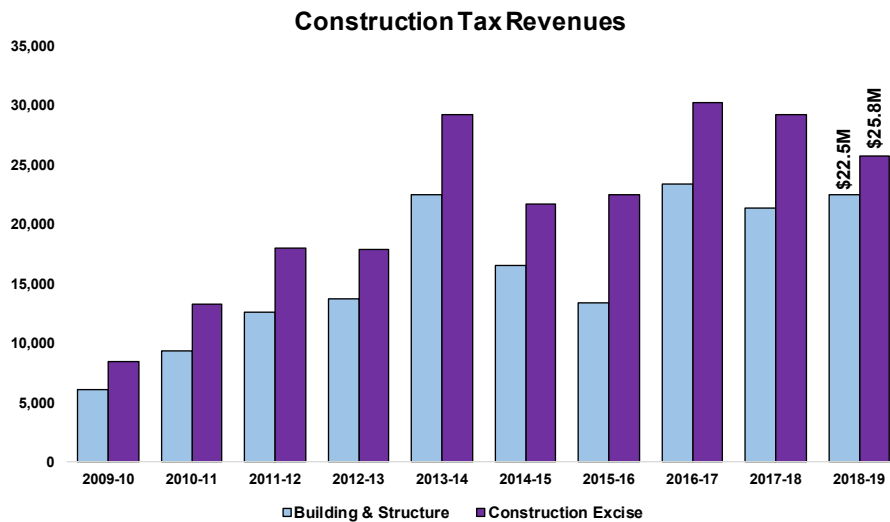
The Building and Structure Construction Tax and the Construction Excise Tax are major sources of funding for the Traffic Capital Program. Year-end collections in the Building and Structure Construction Tax category totaled \$22.5 million in 2018-2019. This collection level was 40.8% (\$6.5 million) above the revenue estimate of \$16.0 million used to develop the 2019-2020 Adopted Capital Budget and \$1.0 million higher than the \$21.4 million received in 2017-2018. Construction Excise Tax receipts for 2018-2019 totaled \$25.8 million, 22.7% (\$4.8 million) above the revenue estimate of \$21.0 million used to develop the 2019-2020 Adopted Capital Budget, representing a 12.2% (\$3.6 million) decrease from 2017-2018 collections of \$29.4 million.

**ANALYSIS**

**2018-2019 Selected Special/Capital Funds Budget Performance**

**Capital Fund Major Revenues**

The graph below displays the collection history of both the Building and Structure Construction Tax and Construction Excise Tax receipts. Valuation activity in 2016-2017 surpassed the historically high levels of 2013-2014, setting a new peak, but have been declining since in the last couple of years. The status of these volatile taxes will be closely monitored throughout 2019-2020 to determine if budget actions are necessary to revise the revenue estimates



**Special and Capital Funds Budget Adjustments**

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

In the Parks and Community Facilities Development Capital Program, in 2012-2013, \$3.5 million from the Santana Park Development Reserve (allocated in the Park Trust Fund) was used to front a State Proposition 84 grant that was awarded to Del Monte Park (allocated in the Park Trust Fund). As grant funding has been received over the last several years, the reserve has been replenished. The 2018-2019 Annual Report includes an action to allocate the final reimbursement (\$900,000), which is derived of grant revenue received in 2018-2019 (\$590,000) and Del Monte Park project savings (\$310,000).



## **ANALYSIS**

### **2018-2019 Selected Special/Capital Funds Budget Performance**

#### **Special and Capital Funds Budget Adjustments**

In the Airport Capital Program, actions are recommended to reduce the budgets of several projects in the Airport Renewal and Replacement Fund to create available funding of \$1.0 million for the new Airport Program Management project. The following project budgets will be reduced or eliminated: Customs and Border Protection Process Improvements (\$600,000); Terminal Dynamic Curbside Signage (\$446,000); and Terminal A Baggage Make-Up Unit (\$150,000). The years of continual passenger growth has put a strain on the airport facilities. As a result, Airport has reset priorities to ensure they have sufficient resources to prepare for Phase II capital development.

Notable adjustments in the Traffic Capital Program include the establishment of the Better Bikeways Program to help implement a network of buffered bike lanes in the downtown (\$2.4 million), full funding of the Access and Mobility Plan (\$573,000), and the set aside of \$2.2 million to refund an overpayment of Building and Structure Construction Tax and Construction Excise Tax due to a portion of the Coleman Highline development changing its intended use from commercial to industrial, which is taxed at a lower rate.

The Public Safety and Infrastructure Bond Fund (Measure T) includes adjustments to clearly reallocate the financial and administrative costs in the Public Works Department from individual projects into a separate program administration appropriation, and the establishment of 1% Public Art funding based on eligible projects.

Finally, the rebudget of unexpended funds for projects and programs extending into 2019-2020 is recommended in this report. Details of these adjustments can be found in Section IV of this report.

## **NEXT STEPS**

The results of the 2018-2019 Annual Report will provide an updated starting point for monitoring 2018-2019 financial performance, with the observed revenue and expenditure trends factored into the analysis of the General Fund and numerous special and capital funds. Information on the City's budget for 2018-2019 will be provided in the Bi-Monthly Financial Reports and the 2018-2019 Mid-Year Budget Review.

The 2018-2019 Annual Report results will also be factored into the 2019-2020 budget development process. The General Fund Five-Year Forecast is scheduled to be released in late February 2020. The 2020-2021 Proposed Capital and Operating Budgets are scheduled to be released on April 22, 2020 and May 1, 2020, respectively.

## **PUBLIC OUTREACH/INTEREST**

This document is posted on the City's website for the October 8, 2019, City Council agenda.

## **COORDINATION**

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

## **COMMISSION RECOMMENDATION/INPUT**

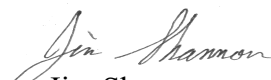
No commission recommendation or input is associated with this action.

## **CONCLUSION**

Through careful fiscal management, overall revenues for the various City funds ended the year close to estimated levels and expenditures were below budgeted allocations. When the 2018-2019 Adopted Budget was developed, it was assumed that economic growth would continue. Economic indicators and actual revenue performance supported this general assumption, with a number of revenue categories, such as Sales Tax, Property Tax, Licenses and Permits, and Business Taxes. Those revenue categories associated with private development and construction projects, such as development-related fees and taxes, again saw solid performance in 2018-2019.

In the General Fund, the additional fund balance at the end of 2018-2019 after considering clean-up adjustments totaled \$27.4 million. Recommendations are included in this report to allocate those funds to various required technical and rebalancing actions (\$10.6 million) and to address an several urgent fiscal/program needs (\$7.6 million). In addition, adjustments to various grants, reimbursements and fee activities are included that yield a positive balance of \$781,000 along with a series of technical adjustments. After these adjustments, the remaining fund balance of \$10.0 million is recommended to be distributed in accordance with City Council Policy I-18. These funds are recommended to increase the Budget Stabilization Reserve (\$5.0 million) from \$27.0 million to \$32.0 million and to support unmet/deferred infrastructure needs by allocating funds for City Facilities Emergency Power Generation (\$5.0 million).

The Administration will continue to monitor and report on the City's budget performance through the Bi-Monthly Financial Reports and the Mid-Year Budget Review. The financial results of 2018-2019, as well as the actual performance in 2019-2020, will be factored into the development of the 2020-2021 budget. The 2021-2025 General Fund Five-Year Forecast will be released in February 2020 for budget planning purposes.

  
Jim Shannon  
Budget Director

**CERTIFICATION OF FUNDS**

I hereby certify that there will be available for appropriation in the designated funds and in the amounts as listed below in fiscal year 2019-2020 monies in excess of those heretofore appropriated therefrom:

General Fund	\$87,209,463
Airport Customer Facility and Transportation Fee Fund	\$234,495
Airport Fiscal Agent Fund	\$589,798
Airport Maintenance and Operation Fund	\$446,366
Airport Passenger Facility Charge Fund	\$3,746,312
Airport Renewal and Replacement Fund	\$4,743,086
Airport Surplus Revenue Fund	\$10,176,474
Benefit Funds – Dental Insurance Fund	\$238,438
Benefit Funds – Unemployment Insurance Fund	\$123,525
Branch Libraries Bond Projects Fund	\$35,104
Building and Structure Construction Tax Fund	\$17,867,469
Business Improvement District Fund	\$432,922
Cash Reserve Fund	\$26
City Hall Debt Service Fund	\$509,252
Community Development Block Grant Fund	\$1,833,409
Community Facilities District Fund #11	\$6,650
Community Facilities District Fund #17	\$37,629
Community Facilities District Fund #2 and #3	\$9,260
Community Facilities Revenue Fund	\$1,522,972
Construction and Conveyance Tax – Communications	\$320,170
Construction and Conveyance Tax – Fire	\$1,094,803
Construction and Conveyance Tax – Council District 1	\$1,068,455
Construction and Conveyance Tax – Council District 2	\$453,514
Construction and Conveyance Tax – Council District 3	\$647,706
Construction and Conveyance Tax – Council District 4	\$685,800
Construction and Conveyance Tax – Council District 5	\$544,456
Construction and Conveyance Tax – Council District 6	\$879,047
Construction and Conveyance Tax – Council District 7	\$2,702,436
Construction and Conveyance Tax – Council District 8	\$874,175
Construction and Conveyance Tax – Council District 9	\$620,564
Construction and Conveyance Tax – Council District 10	\$916,912
Construction and Conveyance Tax – Parks City-Wide	\$5,734,508
Construction and Conveyance Tax – Parks Yards	\$280,253
Construction and Conveyance Tax – Service Yards	\$614,024
Construction Excise Tax Fund	\$37,774,776

**CERTIFICATION OF FUNDS**

Contingent Lien District Fund	\$216,340
Convention and Cultural Affairs Fund	\$1,616,083
Convention Center Facilities District Revenue Fund	\$1,591,009
Downtown Property and Business Improvement District Fund	\$22,793
Economic Development Administration Loan Fund	\$40
Emergency Reserve Fund	\$103,704
Emma Prusch Fund	\$12,611
Federal Drug Forfeiture Fund	\$92,850
General Purpose Parking Fund	\$1,318,664
General Purpose Parking Capital Fund	\$21,132
Gift Trust Fund	\$1,075,263
Home Investment Partnership Program Fund	\$1,660,057
Housing Trust Fund	\$1,044,617
Ice Centre Revenue Fund	\$864,196
Improvement District Fund	\$54,121
Inclusionary Fee Fund	\$7,653,742
Integrated Waste Management Fund	\$2,630,991
Lake Cunningham Fund	\$134,990
Library Parcel Tax Fund	\$406,657
Library Parcel Tax Capital Fund	\$278,748
Low and Moderate Income Housing Asset Fund	\$27,228,540
Maintenance District Fund #1	\$15,482
Maintenance District Fund #18	\$5,945
Maintenance District Fund #21	\$1,927
Major Collectors and Arterials Fund	\$14,026
Major Facilities Fund	\$141,720
Multi-Source Housing Fund	\$8,944,384
Municipal Golf Course Fund	\$2,358,183
Neighborhood Security Bond Fund	\$95,493
Parks and Recreation Bond Projects Fund	\$908,732
Public Works Program Support Fund	\$358,223
Rental Stabilization Program Fee Fund	\$1,294,046
Residential Construction Tax Contribution Fund	\$782,458
San José Arena Capital Reserve Fund	\$4,018,068
San José Clean Energy Operating Fund	\$4,283,743
San José-Santa Clara Treatment Plant Capital Fund	\$6,096,184
San José-Santa Clara Treatment Plant Income Fund	\$94,941
San José-Santa Clara Treatment Plant Operating Fund	\$5,911,857
Sanitary Sewer Connection Fee Fund	\$563,881
Sewage Treatment Plant Connection Fee Fund	\$1,184,776
Sewer Service and Use Charge Fund	\$2,116,814
Sewer Service and Use Charge Capital Improvement Fund	\$8,777,994
South Bay Water Recycling Capital Fund	\$25,975
St. James Park Management District Fund	\$137,171

**CERTIFICATION OF FUNDS**

State Drug Forfeiture Fund	\$407,987
Storm Drainage Fee Fund	\$36,418
Storm Sewer Capital Fund	\$638,970
Storm Sewer Operating Fund	\$1,912,184
Subdivision Park Trust Fund	\$11,313,613
Supplemental Law Enforcement Services Fund	\$1,341,470
Transient Occupancy Tax Fund	\$3,103,162
Underground Utility Fund	\$1,676,490
Vehicle Maintenance and Operations Fund	\$704,784
Water Utility Fund	\$3,387,766
Water Utility Capital Fund	\$1,115,898



Jim Shannon  
Budget Director

**2018-2019**

**ANNUAL**

**REPORT**

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**D**EFINITIONS/

**G**LOSSARY OF **T**ERMS/

**F**UND **D**ESCRPTIONS

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## DEFINITIONS

- **Actuals vs. Budget/Estimate** – This document includes analyses of department appropriations and funds based on variances between the 2018-2019 actual revenues/expenditures and either the 2018-2019 Modified Budget or 2018-2019 estimates.
  - "Actuals" represent unaudited year-end close figures as of June 30, 2019.
  - "Budget" reflects the original 2018-2019 Adopted Budget plus Council-approved modifications to the Appropriation Ordinance and Funding Sources Resolution. This number represents the year-end budget.
  - "Estimates" are revenue/expenditure projections based on information available prior to June 30, 2019. These estimates were used in projecting the year-end fund balance, and consequently, the 2019-2020 Adopted Budget beginning fund balance.
  
- **Budgetary Basis vs. GAAP** – The figures used throughout the text of this report are presented in accordance with the budget. The Financial Statements section of this report, however, has been prepared using reports which, in many cases, have been adjusted to report transactions in accordance with generally accepted accounting principles (GAAP). Major differences between the budgetary basis and GAAP basis include:
  - Year-end encumbrances are recognized as the equivalent of expenditures for budgetary purposes. Encumbrances are not recognized as expenditures on a GAAP basis until recorded as actual expenditures. As a result, the expenditures and encumbrances have been combined in the text for a budgetary basis presentation, while the Financial Statements section presents expenditures and encumbrances separately.
  - In Governmental Funds, an amount for the current year's compensated absences is not recognized on a budgetary basis since annual expenditures related to vacation, sick leave, and compensatory time are budgeted as part of departmental personal services.
  - Certain loan transactions and debt service payments are not recognized as expenditures on a GAAP basis since these payments represent a reduction of an existing debt obligation. For budgetary purposes, however, these payments represent a "use of funds" and are budgeted as such.
  - Under the GAAP basis, grant resources that are restricted to capital acquisition or construction in an enterprise fund are identified as contributions of capital and are not recorded as revenue. For budgetary purposes, grant funding, such as this, is recognized as a source of funds.
  
- **Glossary of Terms** – Definitions of frequently used budgetary and accounting terms are presented on the next page.

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# GLOSSARY OF TERMS

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## **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.

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## **Base Budget**

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

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## **Capital Budget**

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

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## **Capital Funds**

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

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## **Capital Improvement Program (Five-Year)**

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

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## **Carryover**

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

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## **Contingency Reserve**

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

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## **Contractual Services**

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

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## **Debt Service**

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

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## **Encumbrance**

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

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## **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.

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## **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.

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## **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.

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## **General Fund**

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

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## **Non-Personal/Equipment Expenses**

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

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## **Operating Budget**

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

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## **Personal Services**

Salary and fringe benefit costs of City employees.

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## **Rebudget**

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

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## **Reserve**

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

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## **Special Funds**

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

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## **Transfers**

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

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## 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.

### **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 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.

### **Business Improvement District Fund**

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

### **Cash Reserve Fund**

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

### **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.

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## FUND DESCRIPTIONS

### **Community Development Block Grant Fund**

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

### **Community Facilities and Maintenance Assessment District Funds**

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

### **Community Facilities Revenue Fund**

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

### **Construction and Conveyance Tax Funds**

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

### **Construction Excise Tax Fund**

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

### **Contingent Lien District Fund**

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

### **Convention and Cultural Affairs Capital Fund**

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

### **Convention and Cultural Affairs Fund**

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

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## FUND DESCRIPTIONS

### **Convention Center Facilities District Capital Fund**

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

### **Convention Center Facilities District Project Fund**

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

### **Convention Center Facilities District Revenue Fund**

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

### **Downtown Property and Business Improvement District Fund**

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

### **Economic Development Administration Loan Fund**

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

### **Edward Byrne Memorial Justice Assistance Grant Trust Fund**

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

### **Emergency Reserve Fund**

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

### **Emma Prusch Memorial Park Fund**

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

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## FUND DESCRIPTIONS

### **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.

### **Gas Tax Maintenance and Construction Funds**

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

### **General Purpose Parking Capital Fund**

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

### **General Purpose Parking Fund**

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

### **Gift Trust Fund**

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

### **Home Investment Partnership Program Trust Fund**

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

### **Housing Trust Fund**

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

### **Ice Centre Revenue Fund**

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

### **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.

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## FUND DESCRIPTIONS

### **Integrated Waste Management Fund**

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

### **Lake Cunningham Fund**

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

### **Library Parcel Tax Capital Fund**

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

### **Library Parcel Tax Fund**

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

### **Low and Moderate Income Housing Asset Fund**

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

### **Major Collectors and Arterial Fund**

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

### **Major Facilities Fund**

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

### **Multi-Source Housing Fund**

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

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## FUND DESCRIPTIONS

### **Municipal Golf Course Fund**

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

### **Neighborhood Security Act Bond Fund**

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

### **Parks and Recreation Bond Projects Fund**

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

### **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 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.

### **Rent 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.



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## FUND DESCRIPTIONS

### **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-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.

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## FUND DESCRIPTIONS

### **Sewage Treatment Plant Connection Fee Fund**

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

### **Sewer Service and Use Charge Capital Improvement Fund**

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

### **Sewer Service and Use Charge Fund**

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

### **South Bay Water Recycling Capital Fund**

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

### **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.

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## FUND DESCRIPTIONS

### **Storm Sewer Capital Fund**

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

### **Storm Sewer Operating Fund**

This Special Revenue Fund accounts for revenues collected from owners of properties that benefit from the storm drainage system. Funds may be used for maintenance and operation of the storm drainage system. Expenditures are focused on maintenance and operation of the storm drainage system, as well as non-point source pollution reduction.

### **Subdivision Park Trust Fund**

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

### **Supplemental Law Enforcement Services Fund**

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

### **Transient Occupancy Tax Fund**

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

### **Underground Utility Fund**

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

### **Vehicle Maintenance and Operations Fund**

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

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## FUND DESCRIPTIONS

### **Water Utility Capital Fund**

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

### **Water Utility Fund**

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

### **Workforce Development Fund**

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

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**I. BUDGET**

**PERFORMANCE**

**SUMMARY (ALL FUNDS)**

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## I. BUDGET PERFORMANCE SUMMARY

This section of the Annual Report summarizes 2018-2019 financial performance in the General Fund, Special Funds, and Capital Funds, with the following tables provided for reference.

**Comparison of Budget to Actual Revenues and Expenditures by Fund** – This table, organized by General Fund, Special Funds, and Capital Funds, displays the 2018-2019 Budgeted and Actual revenues as well as the 2018-2019 Budgeted and Actual expenditures, with the dollar and percent variance for each City fund. The revenue figures exclude the Beginning Fund Balance and Reserves and the expenditure figures exclude the Reserves and Ending Fund Balance.

As shown in the Comparison of Budget to Actual Revenues and Expenditures table, actual 2018-2019 revenues across all funds totaled \$3.5 billion, which was 2.6% (\$92.6 million) below the budgeted estimate of \$3.6 billion. In 2018-2019, expenditures totaled \$3.7 billion, which was 14.3% (\$613.1 million) below the modified budget of \$4.3 billion. Any funds with revenue or expenditure variances to the modified budget that are 10% or greater are numbered with a specific revenue or expenditure code, which are detailed at the bottom of the table.

**Comparison of Estimated to Actual 2018-2019 Ending Fund Balance** – This table, organized by General Fund, Special Funds, and Capital Funds, displays the 2018-2019 Modified Budget for each fund, followed by the estimated 2018-2019 Ending Fund Balance that was used in the development of the 2019-2020 Adopted Budget, the Actual 2018-2019 Ending Fund Balance, the variance between the Estimated and Actual Ending Fund Balance, the value of additional rebudgets recommended in this report, and the revised 2018-2019 Ending Fund Balance variance, should the recommended rebudgets be approved. The table then displays the percentage of the Modified Budget that the revised Ending Fund Balance represents. It is important to note that the dollar amount for the Modified Budget is not adjusted for transfers, loans, and contributions between funds, and therefore, overstates the total funding that was available between the combined funds.

The financial performance in 2018-2019 is used as the updated starting point for 2019-2020. The collective 2018-2019 Ending Fund Balances for all City funds totaled \$1.7 billion, which was \$182.9 million above the 2018-2019 Ending Fund Balance estimates of \$1.5 billion used in the development of the 2019-2020 Adopted Budget. After adjusting for additional rebudgets of \$54.3 million recommended in this report, the adjusted 2018-2019 Ending Fund Balance variance for all funds falls to \$128.7 million, or 2.5% of the 2018-2019 Modified Budget. The adjusted fund balance variance totaled \$27.4 million in the General Fund, \$30.2 million in the special funds, and \$71.1 million in the capital funds.

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## I. BUDGET PERFORMANCE SUMMARY

For most funds, the Actual 2018-2019 Ending Fund Balance was above the estimate used in the development of the 2019-2020 Adopted Budget. In these instances, the additional fund balance is programmed as part of the 2018-2019 Annual Report actions. For the few funds where the 2018-2019 Actual Ending Fund Balance was below the estimate used in the development of the 2019-2020 Adopted Budget, actions are recommended in this report to bring the fund into balance with the lower starting point. In some instances, the variance is the result of the timing of revenues and/or expenditures and the reconciling actions will adjust for those timing differences.

**Summary of 2018-2019 Year-End Reserves by Fund** – This table, organized by General Fund, Special Funds, and Capital Funds, displays the 2018-2019 Contingency and Earmarked Reserves balances for each fund.

At the end of 2018-2019, the Contingency and Earmarked Reserves for all City funds totaled \$993.7 million, which represented 19.2% of the total 2018-2019 Modified Budget of \$5.1 billion (including interfund transfers, loans, and contributions). In the General Fund, Reserves totaled \$262.5 million.

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**COMPARISON OF BUDGET TO ACTUAL REVENUES AND EXPENDITURES BY FUND**

Fund	2018-2019 Budget Revenues	2018-2019 Actual Revenues	Revenue Variance	% Variance	2018-2019 Budget Expenditures	2018-2019 Actual Expenditures	Expense Variance	% Variance	Reason for Significant Variances
<i>General Fund</i>	1,385,489,367	1,394,877,114	9,387,747	0.7%	1,408,189,944	1,318,484,586	89,705,358	6.4%	
<i>Special Funds</i>									
Airport Customer Facility and Transportation Fee Fund	21,199,131	21,804,035	604,904	2.9%	21,361,930	21,110,992	250,938	1.2%	
Airport Fiscal Agent Fund	93,753,498	93,397,893	(355,605)	-0.4%	92,953,033	92,495,967	457,066	0.5%	
Airport Maintenance and Operation Fund	115,020,673	115,020,673	(0)	0.0%	118,235,578	113,635,152	4,600,426	3.9%	
Airport Revenue Fund	173,857,865	176,995,962	3,138,097	1.8%	185,695,294	184,854,957	840,337	0.5%	
Airport Surplus Revenue Fund	33,551,990	33,952,160	400,170	1.2%	41,551,990	41,475,686	76,304	0.2%	
Benefit Funds	93,322,762	92,108,799	(1,213,963)	-1.3%	93,898,912	90,404,619	3,494,293	3.7%	
Business Improvement District Fund	4,031,683	4,293,559	261,876	6.5%	4,053,907	3,883,932	169,975	4.2%	
Cash Reserve Fund	60	116	56	94.1%	0	0	0	0.0%	R5
City Hall Debt Service Fund	28,099,702	28,154,448	54,746	0.2%	28,685,000	28,180,494	504,506	1.8%	
Community Development Block Grant Fund	9,807,311	9,437,653	(369,658)	-3.8%	15,962,527	8,476,856	7,485,671	46.9%	E1, E3
Community Facilities Revenue Fund	40,194,247	32,275,971	(7,918,276)	-19.7%	40,908,007	36,264,042	4,643,965	11.4%	R6, E1
Convention and Cultural Affairs Fund	18,798,963	18,749,477	(49,486)	-0.3%	20,436,000	16,572,290	3,863,710	18.9%	E2
Convention Center Facilities District Revenue Fund	21,810,000	23,199,164	1,389,164	6.4%	20,191,000	19,547,156	643,844	3.2%	
Downtown Property and Business Improvement District Fund	3,180,447	3,204,319	23,872	0.8%	3,248,673	3,247,750	923	0.0%	
Economic Development Administration Loan Fund	100	135	35	35.0%	0	0	0	0.0%	R5
Edward Byrne Memorial Justice Assistance Grant Trust Fund	269,209	94	(269,115)	-100.0%	288,866	20,160	268,706	93.0%	R4, E1
Emergency Reserve Fund	20,000	26,373	6,373	31.9%	217,712	120,381	97,331	44.7%	R5, E1
Federal Drug Forfeiture Fund	0	92,850	92,850	0.0%	3,449,074	3,449,074	0	0.0%	
Gas Tax Maintenance and Construction Funds	17,300,000	16,656,819	(643,181)	-3.7%	17,300,000	16,656,819	643,181	3.7%	
General Purpose Parking Fund	18,596,200	19,423,482	827,282	4.4%	36,335,954	35,586,799	749,155	2.1%	
Gift Trust Fund	935,885	1,439,841	503,956	53.8%	5,842,081	2,091,710	3,750,371	64.2%	R1, E4
Home Investment Partnership Program Trust Fund	5,859,184	4,503,948	(1,355,236)	-23.1%	12,986,482	12,132,045	854,437	6.6%	R4
Housing Trust Fund	1,515,000	1,632,918	117,918	7.8%	3,192,520	2,488,232	704,288	22.1%	E2, E3
Ice Centre Revenue Fund	3,510,015	2,761,055	(748,960)	-21.3%	7,877,380	6,149,224	1,728,156	21.9%	R2, E1
Integrated Waste Management Fund	138,223,133	141,653,844	3,430,711	2.5%	140,394,701	138,594,897	1,799,804	1.3%	
Library Parcel Tax Fund	9,283,401	9,387,856	104,455	1.1%	11,911,003	11,602,101	308,902	2.6%	
Low and Moderate Income Housing Asset Fund	34,800,000	40,560,623	5,760,623	16.6%	38,253,128	12,758,619	25,494,509	66.6%	R5, E1
Multi-Source Housing Fund	32,392,654	34,176,739	1,784,085	5.5%	43,413,273	32,609,984	10,803,289	24.9%	E1, E3
Municipal Golf Course Fund	3,138,000	3,129,482	(8,518)	-0.3%	3,234,000	3,055,298	178,702	5.5%	
Public Works Program Support Fund	18,474,000	16,902,190	(1,571,810)	-8.5%	18,865,916	16,980,914	1,885,002	10.0%	E5
San José Arena Capital Reserve Fund	4,085,000	4,122,136	37,136	0.9%	5,742,165	1,736,232	4,005,933	69.8%	E1
San José Clean Energy Fund	124,218,512	102,987,203	(21,231,309)	-17.1%	119,281,732	96,760,708	22,521,024	18.9%	R2, E2



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**COMPARISON OF BUDGET TO ACTUAL REVENUES AND EXPENDITURES BY FUND**

Fund	2018-2019	2018-2019	Revenue	%	2018-2019	2018-2019	Expense	%	Reason for Significant Variances
	Budget Revenues	Actual Revenues	Variance	Variance	Budget Expenditures	Actual Expenditures	Variance	Variance	
San José Municipal Stadium Capital Fund	39,000	36,882	(2,118)	-5.4%	39,000	36,882	2,118	5.4%	
San José-Santa Clara Treatment Plant Operating Fund	247,480,976	253,277,773	5,796,797	2.3%	258,289,515	243,786,764	14,502,751	5.6%	
South Bay Water Recycling Operating Fund	14,000,000	13,892,759	(107,241)	-0.8%	12,659,414	12,638,302	21,112	0.2%	
Special Assessment Maintenance District Funds	6,251,586	6,171,109	(80,477)	-1.3%	18,058,926	7,915,044	10,143,882	56.2%	E1
St. James Park Management District Fund	1,020,400	66,522	(953,878)	-93.5%	692,165	601,116	91,049	13.2%	R6, E3
State Drug Forfeiture Fund	200	408,188	407,988	203994%	257,428	257,428	0	0.0%	R5
Storm Sewer Operating Fund	33,378,846	39,330,455	5,951,609	17.8%	30,408,702	28,724,251	1,684,451	5.5%	R3
Supplemental Law Enforcement Services Fund	1,912,493	2,561,235	648,742	33.9%	4,036,927	3,009,573	1,027,354	25.4%	R3, E1
Transient Occupancy Tax Fund	31,275,000	31,176,033	(98,967)	-0.3%	36,253,297	30,673,668	5,579,629	15.4%	E2
Vehicle Maintenance and Operations Fund	24,776,370	22,902,004	(1,874,366)	-7.6%	27,424,045	25,393,167	2,030,878	7.4%	
Workforce Development Fund	9,554,405	7,694,526	(1,859,879)	-19.5%	10,062,912	7,841,593	2,221,319	22.1%	R4, E1
Water Utility Fund	50,418,125	51,091,994	673,869	1.3%	51,941,829	49,726,559	2,215,270	4.3%	
<b>Sub-Total Special Funds</b>	<b>1,489,356,026</b>	<b>1,480,661,297</b>	<b>(8,694,728)</b>	<b>-0.6%</b>	<b>1,605,891,997</b>	<b>1,463,547,436</b>	<b>142,344,561</b>	<b>8.9%</b>	
<b>Capital Funds</b>									
Airport Capital Funds	144,447,607	128,043,115	(16,404,492)	-11.4%	169,925,029	122,046,373	47,878,656	28.2%	R4, E1
Branch Libraries Bond Projects Fund	5,907,000	20,292	(5,886,708)	-99.7%	739,960	175,148	564,812	76.3%	R2, E1
Building and Structure Construction Tax Fund	28,083,346	25,872,572	(2,210,774)	-7.9%	56,516,077	21,438,596	35,077,481	62.1%	E1
Construction and Conveyance Tax Funds	73,574,775	77,721,460	4,146,685	5.6%	118,936,262	81,644,765	37,291,497	31.4%	E1
Construction Excise Tax Fund	118,113,298	71,300,193	(46,813,105)	-39.6%	234,492,320	150,527,732	83,964,588	35.8%	R4, E1
Contingent Lien District Fund	0	120,376	120,376	100.0%	649,000	69,176	579,824	89.3%	R5, E1
Convention and Cultural Affairs Capital Fund	53,608,000	53,937,919	329,919	0.6%	55,925,724	51,805,774	4,119,950	7.4%	
Convention Center Facility District Capital Fund	2,470,000	2,507,992	37,992	1.5%	3,718,676	1,730,762	1,987,914	53.5%	E1
Emma Prusch Park Fund	93,000	96,569	3,569	3.8%	61,000	49,958	11,042	18.1%	E1
General Purpose Parking Capital Fund	21,590,648	22,215,246	624,598	2.9%	20,264,132	12,727,759	7,536,373	37.2%	E1
Improvement District Fund	0	54,053	54,053	0.0%	663,094	663,026	68	0.0%	
Lake Cunningham Fund	803,720	762,331	(41,389)	-5.1%	1,064,930	684,551	380,379	35.7%	E1
Library Parcel Tax Capital Fund	3,277,000	3,313,347	36,347	1.1%	3,893,677	3,661,292	232,385	6.0%	
Major Collectors and Arterials Fund	167,805	216,182	48,377	28.8%	5,000	0	5,000	100.0%	R5, E1
Major Facilities Fund	112,000	233,821	121,821	108.8%	1,728,050	155,150	1,572,900	91.0%	R1, E1
Neighborhood Security Bond Fund	3,327,000	11,559	(3,315,441)	-99.7%	2,868,131	368,197	2,499,934	87.2%	R2, E1
Parks and Recreation Bond Projects Fund	4,722,000	5,297,901	575,901	12.2%	15,332,864	10,196,326	5,136,538	33.5%	R1, E1
Residential Construction Tax Contribution Fund	230,000	366,455	136,455	59.3%	740,000	78,997	661,003	89.3%	R5, E1
San José-Santa Clara Treatment Plant Capital Fund	184,585,000	142,692,373	(41,892,627)	-22.7%	375,864,885	289,891,199	85,973,686	22.9%	R6, E1

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**COMPARISON OF BUDGET TO ACTUAL REVENUES AND EXPENDITURES BY FUND**

Fund	2018-2019 Budget Revenues	2018-2019 Actual Revenues	Revenue Variance	% Variance	2018-2019 Budget Expenditures	2018-2019 Actual Expenditures	Expense Variance	% Variance	Reason for Significant Variances
<i>Capital Funds</i>									
Sanitary Sewer Connection Fee Fund	896,000	1,005,989	109,989	12.3%	3,326,386	1,573,495	1,752,891	52.7%	R1, E1
Sewer Service and Use Charge Capital Improvement Fund	41,428,000	37,946,355	(3,481,645)	-8.4%	111,919,503	98,619,761	13,299,742	11.9%	E1
South Bay Water Recycling Capital Fund	14,000,000	13,892,759	(107,241)	-0.8%	12,659,414	0	12,659,414	100.0%	E1
Storm Drainage Fee Fund	217,000	260,127	43,127	19.9%	532,451	513,533	18,918	3.6%	R1
Storm Sewer Capital Fund	5,619,000	4,410,546	(1,208,454)	-21.5%	30,280,611	23,602,929	6,677,681	22.1%	R4, E1
Subdivision Park Trust Fund	2,293,000	22,481,987	20,188,987	880.5%	43,363,091	17,292,696	26,070,395	60.1%	R1, E1
Underground Utility Fund	836,000	2,084,114	1,248,114	149.3%	830,000	564,624	265,376	32.0%	R5, E1
Water Utility Capital Fund	5,560,000	5,819,719	259,719	4.7%	10,447,815	5,595,285	4,852,530	46.4%	E1
<b>Sub-Total Capital Funds</b>	<b>715,961,199</b>	<b>622,685,354</b>	<b>(93,275,845)</b>	<b>-13.0%</b>	<b>1,276,748,081</b>	<b>895,677,104</b>	<b>381,070,977</b>	<b>29.8%</b>	
<b>TOTAL ALL FUNDS</b>	<b>3,590,806,592</b>	<b>3,498,223,765</b>	<b>(92,582,827)</b>	<b>-2.6%</b>	<b>4,290,830,022</b>	<b>3,677,709,126</b>	<b>613,120,895</b>	<b>14.3%</b>	

Reasons for Significant Variances in Revenues

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

Reasons for Significant Variances in Expenditures

- E1 Expenditures were lower than anticipated due to the delay of projects and/or change in schedule of expenditures
- E2 Expenditures were lower than anticipated due to project/program savings
- E3 Expenditures were lower than anticipated due to lower operating costs (e.g., personal services and non-personal/equipment cost savings)
- E4 Expenditures were lower than anticipated due to unspent gifts
- E5 Expenditures/Transfers to various funds were lower than budgeted based on actual 2018-2019 activity

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**COMPARISON OF ESTIMATED TO ACTUAL 2018-2019 ENDING FUND BALANCE**

Fund	2018-2019 Modified Budget	2018-2019 Est. Ending Fund Balance	2018-2019 Actual Ending Fund Balance	Variance	Recommended Rebudget Adjustments	Revised Variance (incl. Rebudget Adjustments)	Revised Variance As % of Mod Budget
<b>General Fund</b>	<b>1,673,909,501</b>	<b>289,425,284</b>	<b>364,812,662</b>	<b>75,387,378</b>	<b>(47,994,725)</b>	<b>27,392,653</b>	<b>1.6%</b>
<b>Special Funds</b>							
Airport Customer Facility and Transportation Fee Fund	34,239,572	13,498,987	13,733,482	234,495	0	234,495	0.7%
Airport Fiscal Agent Fund	176,206,590	82,765,220	83,355,018	589,798	0	589,798	0.3%
Airport Maintenance and Operation Fund	146,456,208	26,405,288	21,140,586	(5,264,702)	0	(5,264,702)	-3.6%
Airport Revenue Fund	275,593,217	97,441,050	93,876,357	(3,564,693)	0	(3,564,693)	-1.3%
Airport Surplus Revenue Fund	52,840,836	11,588,846	11,765,320	176,474	0	176,474	0.3%
Benefit Funds	86,962,010	8,881,871	8,613,431	(268,440)	378,836	110,396	0.1%
Business Improvement District Fund	4,074,042	19,062	451,985	432,923	0	432,923	10.6%
Cash Reserve Fund	5,849	5,879	5,905	26	0	26	0.5%
City Hall Debt Service Fund	29,131,150	496,150	1,005,402	509,252	0	509,252	1.7%
Community Development Block Grant Fund	17,676,365	7,283,060	9,116,469	1,833,409	(2,019,695)	(186,286)	-1.1%
Community Facilities Revenue Fund	48,820,546	3,120,263	4,643,235	1,522,972	(1,500,000)	22,972	0.0%
Convention and Cultural Affairs Fund	27,463,617	9,140,617	11,006,508	1,865,891	(227,996)	1,637,895	6.0%
Convention Center Facilities District Revenue Fund	56,956,980	28,204,485	29,795,494	1,591,009	0	1,591,009	2.8%
Downtown Property and Business Improvement District	4,721,523	1,474,850	1,497,643	22,793	0	22,793	0.5%
Economic Development Administration Loan Fund	6,830	6,825	6,865	40	0	40	0.6%
Edward Byrne Memorial Justice Assistance Grant Trust	288,866	0	(409)	(409)	0	(409)	-0.1%
Emergency Reserve Fund	1,432,736	1,215,024	1,318,728	103,704	0	103,704	7.2%
Federal Drug Forfeiture Fund	3,578,120	129,046	221,896	92,850	0	92,850	2.6%
Gas Tax Maintenance and Construction Funds	0	0	0	0	0	0	0.0%
General Purpose Parking Fund	43,257,702	7,275,112	8,656,776	1,381,664	0	1,381,664	3.2%
Gift Trust Fund	5,842,081	3,049,056	0	(3,049,056)	(976,874)	(4,025,930)	-68.9%
Home Investment Partnership Program Trust Fund	16,576,094	4,009,902	3,088,813	(921,089)	2,581,146	1,660,057	10.0%
Housing Trust Fund	5,147,811	1,732,879	366,626	(1,366,253)	(250,000)	(1,616,253)	-31.4%
Ice Centre Revenue Fund	10,127,070	2,289,690	3,182,525	892,835	(7,000)	885,835	8.7%
Integrated Waste Management Fund	166,701,067	31,173,269	33,804,260	2,630,991	0	2,630,991	1.6%
Library Parcel Tax Fund	19,522,012	7,617,709	8,024,366	406,657	0	406,657	2.1%
Low and Moderate Income Housing Asset Fund	155,392,474	116,459,197	143,687,737	27,228,540	(16,950,000)	10,278,540	6.6%
Multi-Source Housing Fund	98,899,099	62,115,060	68,160,429	6,045,369	(905,406)	5,139,963	5.2%
Municipal Golf Course Fund	3,775,969	653,969	712,152	58,183	0	58,183	1.5%
Public Works Program Support Fund	20,868,165	1,957,217	2,315,440	358,223	0	358,223	1.7%
San José Arena Capital Reserve Fund	7,989,103	2,271,938	6,290,007	4,018,069	0	4,018,069	50.3%

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**COMPARISON OF ESTIMATED TO ACTUAL 2018-2019 ENDING FUND BALANCE**

Fund	2018-2019 Modified Budget	2018-2019 Est. Ending Fund Balance	2018-2019 Actual Ending Fund Balance	Variance	Recommended Rebudget Adjustments	Revised Variance (incl. Rebudget Adjustments)	Revised Variance As % of Mod Budget
San José Municipal Stadium Capital Fund	39,000	0	0	0	0	0	0.0%
San José-Santa Clara Treatment Plant Operating Funds	357,723,871	110,786,089	120,094,477	9,308,388	(80,400)	9,227,988	2.6%
South Bay Water Recycling Operating Fund	14,000,000	2,073,811	1,547,349	(526,462)	0	(526,462)	-3.8%
Special Assessment Maintenance District Funds	18,058,926	11,447,444	10,076,040	(1,371,404)	0	(1,371,404)	-7.6%
St. James Park Management District Fund	4,594,956	2,902,791	3,039,962	137,171	0	137,171	3.0%
State Drug Forfeiture Fund	339,372	81,944	489,931	407,987	0	407,987	120.2%
Storm Sewer Operating Fund	45,828,622	21,399,872	23,312,056	1,912,184	(460,000)	1,452,184	3.2%
Supplemental Law Enforcement Services Fund	4,088,208	51,281	1,663,931	1,612,650	318,763	1,931,413	47.2%
Transient Occupancy Tax Fund	39,870,222	5,994,425	9,097,587	3,103,162	(3,579,629)	(476,467)	-1.2%
Vehicle Maintenance and Operations Fund	28,562,284	1,945,565	1,295,155	(650,410)	1,200,000	549,590	1.9%
Water Utility Fund	64,997,595	12,487,028	15,874,794	3,387,766	0	3,387,766	5.2%
Workforce Investment Act Fund	10,662,108	1,059,530	1,052,998	(6,532)	(3,927)	(10,459)	-0.1%
<b>Sub-Total Special Funds</b>	<b>2,233,334,608</b>	<b>716,912,488</b>	<b>771,072,256</b>	<b>54,159,768</b>	<b>(23,982,182)</b>	<b>30,177,586</b>	<b>1.4%</b>
<b>Capital Funds</b>							
Airport Capital Funds	191,948,259	42,391,813	53,214,584	10,822,771	1,297,000	12,119,771	6.3%
Branch Libraries Bond Projects Fund	6,993,430	896,470	931,574	35,104	29,000	64,104	0.9%
Building and Structure Construction Tax Fund	78,824,414	46,064,751	55,968,220	9,903,469	(1,176,000)	8,727,469	11.1%
Construction and Conveyance Tax Funds	161,390,616	67,739,242	84,521,107	16,781,865	(6,404,000)	10,377,865	6.4%
Construction Excise Tax Fund	8,286,060	67,243,150	47,681,926	(19,561,224)	43,160,431	23,599,207	284.8%
Contingent Lien District Fund	3,573,908	3,524,908	3,625,108	100,200	0	100,200	2.8%
Convention and Cultural Affairs Capital Fund	50,887,927	3,043,203	5,575,071	2,531,868	(854,000)	1,677,868	3.3%
Convention Center Facility District Capital Fund	3,787,849	2,079,173	2,095,080	15,906	17,000	32,906	0.9%
Emma Prusch Park Fund	376,154	317,154	329,765	12,611	0	12,611	3.4%
General Purpose Parking Capital Fund	32,389,819	20,818,436	20,839,568	21,132	(1,149,000)	(1,127,868)	-3.5%
Improvement District Fund	696,275	33,181	87,302	54,121	0	54,121	7.8%
Lake Cunningham Fund	2,610,507	1,749,631	1,884,621	134,990	(71,000)	63,990	2.5%
Library Parcel Tax Capital Fund	3,906,084	46,607	325,355	278,748	(232,000)	46,748	1.2%
Major Collectors and Arterials Fund	1,834,757	1,869,108	1,883,134	14,026	0	14,026	0.8%
Major Facilities Fund	5,761,367	5,586,318	5,728,038	141,720	0	141,720	2.5%
Neighborhood Security Bond Fund	5,235,401	1,456,270	1,551,763	95,493	(88,000)	7,493	0.1%
Parks and Recreation Bond Projects Fund	29,975,586	19,446,722	20,355,454	908,732	(333,000)	575,732	1.9%
Residential Construction Tax Contribution Fund	2,278,290	1,553,290	2,335,748	782,458	0	782,458	34.3%
San José-Santa Clara Treatment Plant Capital Fund	394,554,037	60,802,755	66,898,939	6,096,184	(5,635,000)	461,184	0.1%
Sanitary Sewer Connection Fee Fund	4,639,566	2,613,181	3,177,061	563,880	(110,000)	453,880	9.8%
Sewer Service and Use Charge Capital Improvement Fund	122,724,744	12,899,024	21,677,016	8,777,992	(6,785,000)	1,992,992	1.6%

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**COMPARISON OF ESTIMATED TO ACTUAL 2018-2019 ENDING FUND BALANCE**

Fund	2018-2019 Modified Budget	2018-2019 Est. Ending Fund Balance	2018-2019 Actual Ending Fund Balance	Variance	Recommended Rebudget Adjustments	Revised Variance (incl. Rebudget Adjustments)	Revised Variance As % of Mod Budget
<i>Capital Funds</i>							
South Bay Water Recycling Capital Fund	3,691,000	3,807,000	3,832,976	25,976	0	25,976	0.7%
Storm Drainage Fee Fund	1,150,985	643,534	679,953	36,419	0	36,419	3.2%
Storm Sewer Capital Fund	32,789,461	7,524,314	8,246,333	722,019	(1,475,000)	(752,981)	-2.3%
Subdivision Park Trust Fund	81,894,995	73,539,176	84,852,789	11,313,613	(2,356,000)	8,957,613	10.9%
Underground Utility Fund	8,762,093	7,769,093	9,445,583	1,676,490	0	1,676,490	19.1%
Water Utility Capital Fund	14,219,786	7,920,850	9,036,746	1,115,896	(135,000)	980,896	6.9%
<b>Sub-Total Capital Funds</b>	<b>1,255,183,368</b>	<b>463,378,354</b>	<b>516,780,814</b>	<b>53,402,460</b>	<b>17,700,431</b>	<b>71,102,891</b>	<b>5.7%</b>
<b>TOTAL ALL FUNDS</b>	<b>5,162,427,477</b>	<b>1,469,716,127</b>	<b>1,652,665,732</b>	<b>182,949,605</b>	<b>(54,276,476)</b>	<b>128,673,129</b>	<b>2.5%</b>

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**SUMMARY OF 2018-2019 YEAR-END RESERVES BY FUND**

<b>Fund</b>	<b>2018-2019 Contingency and Earmarked Reserves Balance</b>
<b><i>General Fund</i></b>	<b>\$262,502,948</b>
<b><i>Special Funds</i></b>	
Airport Customer Facility and Transportation Fee Fund	12,877,642
Airport Fiscal Agent Fund	83,253,557
Airport Maintenance and Operation Fund	26,405,288
Airport Revenue Fund	89,897,923
Airport Surplus Revenue Fund	11,288,846
Benefit Funds	3,703,250
Business Improvement District Fund	0
Cash Reserve Fund	0
City Hall Debt Service Fund	0
Community Development Block Grant Fund	700,000
Community Facilities Revenue Fund	2,635,000
Convention and Cultural Affairs Fund	4,000,000
Convention Center Facilities District Revenue Fund	25,061,500
General Purpose Parking Fund	700,000
Gift Trust Fund	0
Home Investment Partnership Program Trust Fund	0
Housing Trust Fund	0
Ice Centre Revenue Fund	2,057,321
Integrated Waste Management Fund	21,685,255
Library Parcel Tax Fund	3,000,000
Low and Moderate Income Housing Asset Fund	94,907,572
Municipal Golf Course Fund	0
Multi-Source Housing Fund	53,143,542
Public Works Program Support Fund	0
San José Arena Enhancement Fund	0
San José Clean Energy Fund	1,939,000
San José Diridon Development Authority Fund	0
San José Municipal Stadium Capital Fund	0
San José-Santa Clara Treatment Plant Operating Funds	96,479,760
San José Arena Capital Reserve Fund	961,247
Special Assessment Maintenance District Funds	0
St. James Park Management District Fund	0
State Drug Forfeiture Fund	0
Stores Fund	0
Storm Sewer Operating Fund	7,779,000
Supplemental Law Enforcement Services Fund	0
Transient Occupancy Tax Fund	0
Vehicle Maintenance and Operations Fund	69,900
Water Utility Fund	9,925,000
Workforce Investment Act Fund	533,183
<b>Sub-Total Special Funds</b>	<b>\$553,003,786</b>

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**SUMMARY OF 2018-2019 YEAR-END RESERVES BY FUND**

<b>Fund</b>	<b>2018-2019 Contingency and Earmarked Reserves Balance</b>
<b><i>Capital Funds</i></b>	
Airport Capital Funds	0
Branch Libraries Bond Projects Fund	5,905,000
Building and Structure Construction Tax Fund	23,922,481
Civic Center Construction Fund	0
Construction and Conveyance Tax Funds	22,892,644
Construction Excise Tax Fund	47,552,676
Convention and Cultural Affairs Capital Fund	865,000
Convention Center Facility District Capital Fund	0
Contingent Lien District Fund	2,924,908
Emma Prusch Park Fund	0
General Purpose Parking Capital Fund	12,125,000
Improvement District Fund	0
Lake Cunningham Fund	1,000,000
Library Parcel Tax Capital Fund	0
Major Collectors and Arterials Fund	0
Major Facilities Fund	1,600,000
Neighborhood Security Bond Fund	0
North San Jose Traffic Impact Fee Fund	0
Parks and Recreation Bond Projects Fund	14,642,722
Residential Construction Tax Contribution Fund	0
San José-Santa Clara Treatment Plant Capital Fund	5,000,000
Sanitary Sewer Connection Fee Fund	0
Services for Redevelopment Capital Projects Fund	0
Sewer Service and Use Charge Capital Improvement Fund	2,400,000
South Bay Water Recycling Operating Fund	321,815
South Bay Water Recycling Capital Fund	3,666,000
Storm Drainage Fee Fund	0
Storm Sewer Capital Fund	0
Subdivision Park Trust Fund	30,393,000
Underground Utility Fund	0
Water Utility Capital Fund	3,022,000
<b>Sub-Total Capital Funds</b>	<b>\$178,233,246</b>
<b>TOTAL ALL FUNDS</b>	<b>\$993,739,980</b>

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**II. GENERAL FUND  
BUDGET  
PERFORMANCE**



# 2018-2019 ANNUAL REPORT

## II. GENERAL FUND BUDGET PERFORMANCE

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

***General Fund Year-End Performance*** – This section provides data on the overall status of the General Fund at the end of 2018-2019. It includes a chart that compares the General Fund modified budget and actuals for sources, uses, and ending fund balance as well as a chart that compares the General Fund actuals to the estimates used in developing the 2019-2020 Adopted Budget.

***General Fund Revenue Performance*** – This section provides detail on the actual 2018-2019 General Fund revenue collections. This section includes a chart that compares the 2018-2019 Modified Budget to the actuals for each of the General Fund revenue categories. This chart is followed by a discussion of the performance in each category that includes an explanation of variances from the modified budget, any resulting current year implications for revenue estimates, and a comparison of the actual revenues to prior year collections to indicate collection trends and provide a historical perspective.

***General Fund Expenditure Performance*** – This section provides detail on the actual 2018-2019 General Fund expenditures. This section includes charts that compare the 2018-2019 Modified Budget to actuals for the major expenditure categories as well as the 2018-2019 year-end estimates to actuals for the total expenditures. The review of the General Fund expenditure performance also includes detailed information on departmental and non-departmental performance, including a discussion of significant variances as well as a chart on total expenditures by each category broken down in further detail. In addition, this section includes a discussion of significant departmental variances and highlights of non-departmental expenditures and variances.

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**GENERAL FUND YEAR-END PERFORMANCE**

The General Fund ended the year with an available 2018-2019 ending fund balance (unaudited) of \$364.8 million, as reflected in the following table:

**GENERAL FUND  
BUDGET TO ACTUAL COMPARISON  
FOR THE YEAR ENDED JUNE 30, 2018**

	<b>2018-2019 Modified Budget</b>	<b>2018-2019 Budgetary Basis Actual</b>	<b>Variance</b>
<b>Sources</b>			
Beginning Fund Balance	249,953,260	249,953,260	-
Carryover Encumbrances	35,250,265	35,250,265	-
Liquidation of Carryover Encumbrances		3,216,609	3,216,609
<i>Subtotal</i>	<i>285,203,525</i>	<i>288,420,134</i>	<i>3,216,609</i>
Revenues	1,385,489,367	1,394,877,114	9,387,747
<b>Total Sources</b>	<b><u>1,670,692,892</u></b>	<b><u>1,683,297,248</u></b>	<b><u>12,604,356</u></b>
<b>Uses</b>			
Personal Services	861,354,253	842,867,265	(18,486,988)
Non-Personal/Equipment/Other	168,393,093	151,094,908	(17,298,185)
City-Wide Expenses	269,624,500	240,080,350	(29,544,150)
Capital Contributions	60,986,743	36,610,708	(24,376,035)
Transfers	47,831,355	47,831,355	-
Reserves	262,502,948	-	(262,502,948)
<b>Total Uses</b>	<b><u>1,670,692,892</u></b>	<b><u>1,318,484,586</u></b>	<b><u>(352,208,306)</u></b>
<b>Available Ending Fund Balance</b>		<b><u>364,812,662</u></b>	<b><u>364,812,662</u></b>

**Note:** In the chart above, the General Fund excludes the Emergency Reserve Fund and Cash Reserve Fund, which are budgeted as separate funds and reflected separately in this document. In the 2018-2019 Comprehensive Annual Financial Report (CAFR), the Emergency Reserve Fund and Cash Reserve Fund will be displayed as part of the General Fund to comply with GASB 54 reporting requirements.

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### GENERAL FUND YEAR-END PERFORMANCE

The actual ending fund balance of \$364.8 million exceeded the estimated ending fund balance level used in the development of the 2019-2020 Adopted Budget by \$75.4 million (4.5% of the 2018-2019 Modified Budget). However, once adjusted for clean-up actions recommended in this report associated with the close-out of 2018-2019, a true ending fund balance of \$27.4 million (1.6% of the 2018-2019 Modified Budget) remains in 2018-2019 and is available for allocation in 2019-2020. The elements of the Ending Fund Balance variance are illustrated in the following estimate to actual comparison chart.

#### GENERAL FUND ESTIMATE TO ACTUAL COMPARISON FOR THE YEAR ENDED JUNE 30, 2018

	2018-2019 Estimate	2018-2019 Budgetary Basis Actual	Variance
<b>Sources</b>			
Beginning Fund Balance	249,953,260	249,953,260	-
Carryover Encumbrances	35,250,265	35,250,265	-
Liquidation of Carryover Encumbrances	3,305,436	3,216,609	(88,827)
<i>Subtotal</i>	<i>288,508,961</i>	<i>288,420,134</i>	<i>(88,827)</i>
Revenues	1,390,489,367	1,394,877,114	4,387,747 <sup>1</sup>
<b>Total Sources</b>	<b>1,678,998,328</b>	<b>1,683,297,248</b>	<b>4,298,920</b>
<b>Uses</b>			
Expenditures	1,389,573,044	1,318,484,586	(71,088,458) <sup>1</sup>
<b>Total Uses</b>	<b>1,389,573,044</b>	<b>1,318,484,586</b>	<b>(71,088,458)</b>
<b>Ending Fund Balance</b>	<b>289,425,284</b>	<b>364,812,662</b>	<b>75,387,378</b>

<sup>1</sup> The 2019-2020 Adopted Budget included \$4.2 million in grant and reimbursement-related revenues and expenditures were not expected to be received in 2018-2019 and were rebudgeted to 2019-2020. This resulted in lower actual revenues and expenditures in 2018-2019, with no net impact to the General Fund. After factoring out the lower revenues and expenditures associated with these grants and reimbursements, the revenues variance actually resulted in a surplus of \$8.6 million (.06%), rather than a surplus of \$4.4 million, and the expenditures variance actually resulted in savings of \$66.9 million (4.0%), rather than savings of \$71.1 million.

**Note:** In the chart above, the General Fund excludes the Emergency Reserve Funds and Cash Reserve Fund, which are budgeted as separate funds and reflected separately in this document. In the 2018-2019 Comprehensive Annual Financial Report (CAFR), the Emergency Reserve Fund and Cash Reserve Fund will be displayed as part of the General Fund to comply with GASB 54 reporting requirements.

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## GENERAL FUND YEAR-END PERFORMANCE

A detailed analysis of the variances between the 2018-2019 Modified Budget and Budgetary Basis Actuals for revenues, expenditures, transfers, and reserves is provided in the following section. However, the variances for the Beginning Fund Balance and Liquidation of Carryover Encumbrances category are discussed below.

The actual 2018-2019 Beginning Fund Balance of \$250.0 million was consistent with the estimate. The actual 2018-2019 Liquidation of Carryover Encumbrances was \$3.2 million and reflects encumbered appropriations liquidated by the Finance Department during the period between the release of audited 2017-2018 financial statements and the end of 2018-2019. Liquidation of prior year encumbrances results in a reduction in the obligations against the fund balance. These funds then become available for reappropriation. The actual liquidations in 2018-2019 of \$3.2 million were slightly below (\$89,000) the estimate of \$3.3 million that was used in the development of the 2019-2020 Adopted Budget.

As noted on the chart on the previous page, after adjusting for \$4.2 million in grants and reimbursements that were not received or expended in 2018-2019, the final General Fund Ending Fund Balance represents a positive variance of \$75.4 million (4.5% of the 2018-2019 Modified Budget), which includes higher than estimated expenditures savings (\$71.1 million; 4.2%), higher revenues (\$4.4 million; 0.03%), and slightly lower than estimated liquidation of prior year encumbrances (-\$89,000). After accounting for revenue and expenditure clean-up actions recommended in the Annual Report, including additional rebudgets, to close-out 2018-2019, \$27.4 million (1.6% of the 2018-2019 Modified Budget) in additional ending fund balance is available. The \$27.4 million positive fund balance variance is comprised of net expenditure savings of \$16.1 million (0.9%) and higher than estimated revenues of \$11.3 million (0.7%), partially offset by slightly lower than estimated liquidation of prior year encumbrances (-\$89,000).

Recommendations for the allocation of the additional 2018-2019 Ending Fund Balance are provided elsewhere in this document.

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## GENERAL FUND REVENUE PERFORMANCE

The following table details actual 2018-2019 General Fund revenue collections as compared with the modified budget estimates:

**TABLE A**  
**2018-2019 GENERAL FUND REVENUE SUMMARY**  
**COMPARISON OF BUDGET TO ACTUAL**  
**(\$000s)**

Category	Modified Budget	Budgetary Basis Actual	Variance	% Variance
Property Tax	\$ 327,950,000	\$ 330,199,269	\$ 2,249,269	0.7%
Sales Tax	263,500,000	263,530,326	30,326	0.0%
Transient Occupancy Tax	20,700,000	20,536,084	(163,916)	(0.8%)
Franchise Fees	47,474,798	48,397,444	922,646	1.9%
Utility Tax	98,400,000	99,252,672	852,672	0.9%
Telephone Line Tax	20,000,000	21,593,485	1,593,485	8.0%
Business Taxes	71,900,000	74,902,578	3,002,578	4.2%
Licenses and Permits	63,393,631	65,294,743	1,901,112	3.0%
Fines, Forfeitures, and Penalties	14,983,000	17,401,606	2,418,606	16.1%
Rev. from the Use of Money/Property	8,266,506	10,072,279	1,805,773	21.8%
Revenue from Local Agencies	15,931,196	16,685,364	754,168	4.7%
Revenue from the State of California	16,106,381	15,101,735	(1,004,646)	(6.2%)
Revenue from Federal Government	6,666,699	3,106,128	(3,560,571)	(53.4%)
Fees, Rates, and Charges	53,491,726	55,703,033	2,211,307	4.1%
Other Revenue	252,255,314	247,368,271	(4,887,043)	(1.9%)
Subtotal	1,281,019,251	1,289,145,017	8,125,766	0.6%
Overhead Reimbursements	52,429,037	53,237,099	808,062	1.5%
Transfers	34,415,684	35,294,569	878,885	2.6%
Reimbursements for Services	17,625,395	17,200,429	(424,966)	(2.4%)
Subtotal	104,470,116	105,732,097	1,261,981	1.2%
<b>TOTALS<sup>1</sup></b>	<b>\$ 1,385,489,367</b>	<b>\$ 1,394,877,114</b>	<b>\$ 9,387,747</b>	<b>0.7%</b>

<sup>1</sup>Excludes Beginning Fund Balance.

The General Fund revenue performance for 2018-2019 is discussed in detail in this section. The 2018-2019 actual revenue receipts for each of the major revenue categories are compared to the modified budgets and any significant variances and resulting implications for current year revenue estimates are described. In addition, comparisons with prior fiscal year collection levels are included to indicate collection trends and to provide a historical perspective.

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## GENERAL FUND REVENUE PERFORMANCE

As shown in Table A, total revenue received in the General Fund in 2018-2019 was \$1.4 billion. This collection level was within 0.7%, or \$9.4 million, of the 2018-2019 Modified Budget. After accounting for reconciling items, including the Development Fee Program adjustments, rebudgets, and other clean-up actions, revenues ended the year \$11.3 million, or 0.8%, above the estimate.

The 2018-2019 collection level of \$1.4 billion was up \$97.0 million, or 7.5%, from the actual 2017-2018 collections of \$1.3 billion. Several revenue categories experienced growth in 2018-2019 compared to the prior year, including, Other Revenue, Sales Tax, Property Tax, Licenses and Permits, and Business Taxes. These increases were partially offset by declines in several categories, including Revenue from Local Agencies, Revenue from the Federal Government, and Franchise Fees.

The variances from the modified budget levels, implications for current year revenue estimates, and changes from prior year level are better understood through a discussion of the status of the individual General Fund revenue categories, which are provided in the following section.

### Property Tax

Property Tax	2018-2019 Budget (\$)	2018-2019 Actuals (\$)	2018-2019 Variance (\$)	2018-2019 Variance (%)
Secured Property Tax	301,450,000	302,405,309	955,309	0.3%
Unsecured Property Tax	15,000,000	15,767,227	767,227	5.1%
SB 813 Property Tax	7,850,000	8,627,940	777,940	9.9%
Aircraft Property Tax	2,700,000	2,461,256	(238,744)	(8.8%)
Homeowner's Property Tax Relief	950,000	937,537	(12,463)	(1.3%)
<b>Total</b>	<b>327,950,000</b>	<b>330,199,269</b>	<b>2,249,269</b>	<b>0.7%</b>

The Property Tax revenue category includes Secured Property Tax, Unsecured Property Tax, SB 813 Property Tax, Aircraft Property Tax, and Homeowner's Property Tax Relief (HOPTR). Property Tax receipts in 2018-2019 totaled \$330.2 million, which was \$2.2 million, or 0.7%, above the budgeted estimate of \$328.0 million, and represented an increase of 7.8% from 2017-2018 collections of \$306.2 million.

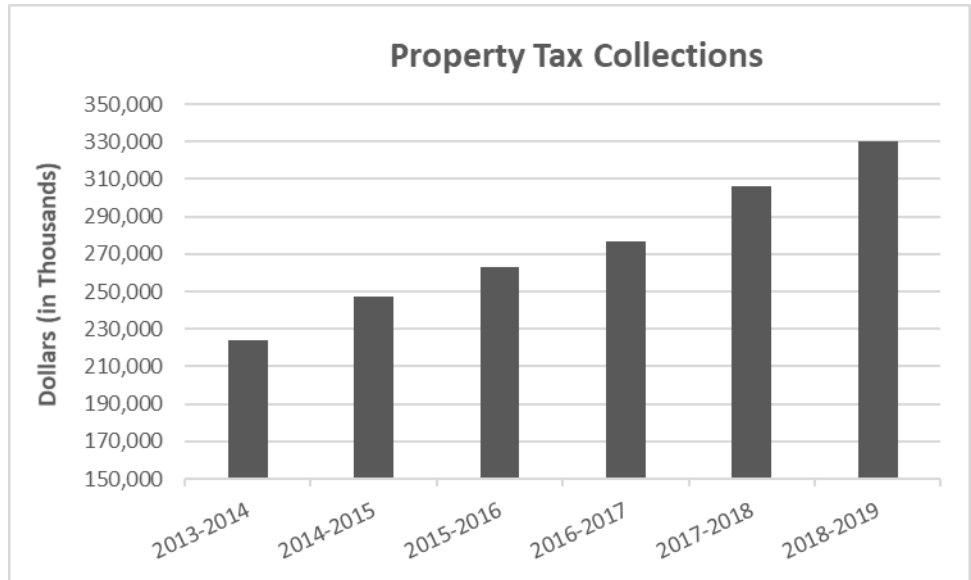
In 2018-2019, **Secured Property Tax** receipts continued to be the largest source of revenue in the Property Tax category. The Secured Property Tax category includes general Secured Property Tax, Educational Revenue Augmentation Fund (ERAF) revenues, and Successor Agency to the Redevelopment Agency (SARA) Residual Property Tax. In 2018-2019, receipts totaled \$302.4 million, which is slightly higher (0.3%) than the budgeted estimate of \$301.5 million, and is 7.6% above the 2017-2018 receipts of \$281.2 million. A significant portion of the growth from 2017-2018 collections was due to growth in general Secured Property Tax receipts (6.7%) and additional ERAF revenue of \$7.5 million, partially offset by lower SARA Residual Property Tax receipts of \$3.6 million.

# 2018-2019 ANNUAL REPORT

## GENERAL FUND REVENUE PERFORMANCE

### Property Tax

The general Secured Property Tax receipts growth of 6.7% in 2018-2019 primarily reflects an increase in assessed value, due to the California Consumer Price Index (CCPI) increase of 2%, and increased valuation due to changes in ownership or new construction. Under Proposition 13, assessed values of all real property adjust with the CCPI, with a 2% limit, unless there is a change in ownership, new



construction, or a property has received a Proposition 8 adjustment. On a County-wide basis, the 2018-2019 roll growth was driven primarily by changes in ownership (51.4%), change in the CCPI (24.9%), and new construction (20.0%). The decrease of SARA Residual Property Tax receipts of \$3.6 million in 2018-2019 is attributable to an outstanding Supplemental Education Revenue Augmentation Fund (SERAF) loan that is anticipated to be paid off in 2019-2020, thereby reducing the SARA Residual Property Tax revenue on a one-time basis.

In the **Unsecured Property Tax** category, collections of \$15.8 million were 5.1% above the 2018-2019 Modified Budget estimate of \$15.0 million. In addition, 2018-2019 receipts were \$1.7 million, or 12.3%, above the prior year collections of \$14.0 million.

The **SB 813 Property Tax** component represents the retroactive taxes reassessed property valuation from the period of resale to the time that the Assessor formally revalues the property. In 2018-2019, receipts of \$8.6 million were 9.9% above the 2018-2019 Modified Budget estimate of \$7.9 million and exceeded the prior year collection level of \$7.4 million.

Based on actual 2018-2019 performance and the initial 2019-2020 information provided by the County of Santa Clara, no adjustment to the 2019-2020 Property Tax revenue estimate is recommended in this report. These revenues will continue to be monitored and discussed with representatives from the offices of the County Assessor, the County Controller-Treasurer, and the County Tax Collector for any updated information that may affect collection levels.



# 2018-2019 ANNUAL REPORT

## GENERAL FUND REVENUE PERFORMANCE

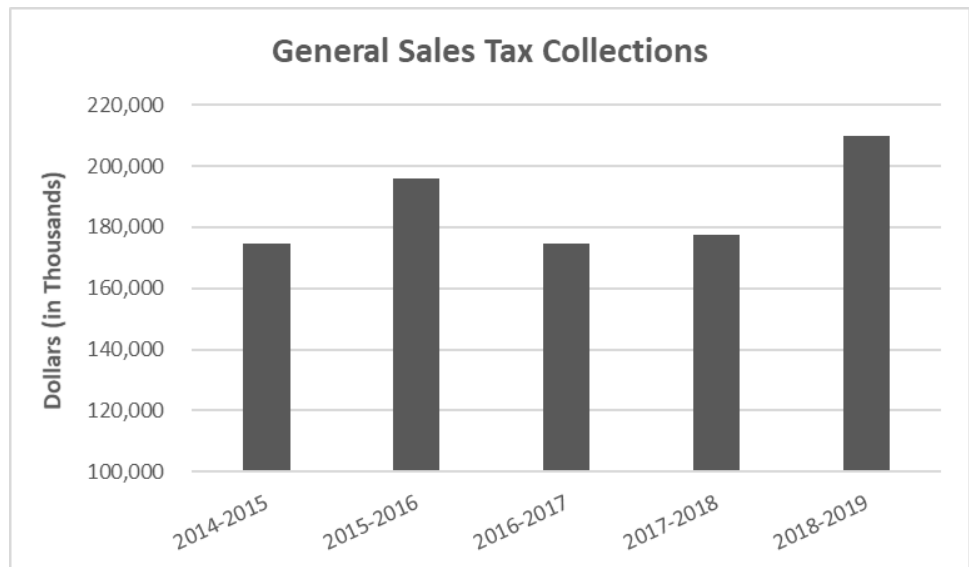
### Sales Tax

Sales Tax	2018-2019 Budget (\$)	2018-2019 Actuals (\$)	2018-2019 Variance (\$)	2018-2019 Variance (%)
General Sales Tax	210,300,000	209,771,037	(528,963)	(0.3%)
Local Sales Tax	47,000,000	47,226,344	226,344	0.5%
Prop 172 Sales Tax	6,200,000	6,532,945	332,945	5.4%
<b>Total</b>	<b>263,500,000</b>	<b>263,530,326</b>	<b>30,326</b>	<b>0.0%</b>

The Sales Tax category includes General Sales Tax, Local Sales Tax, and Proposition 172 Sales Tax. Overall, Sales Tax collections in 2018-2019 of \$263.5 million were consistent with the 2018-2019 Modified Budget and reflect growth of \$37.2 million (16.4%) from the 2017-2018 collection level. This increase is partially the result of processing issues by the California Department of Tax and Fee Administration (CDTFA) that resulted in Sales Tax revenue not being fully disbursed to jurisdictions during the quarter in which the tax revenue was received. It is estimated at least \$10 million was recognized in 2018-2019, but was attributed to the prior fiscal year. After factoring out the CDTFA processing issue, it is estimated Sales Tax had underlying growth of 6.8% from the 2017-2018 collection level.

In the **General Sales Tax** category, collections of \$209.8 million fell slightly (0.3%) below the 2018-2019 Modified Budget level of \$210.3 million. However, this collection level reflects a \$32.4 million (18.3%) increase from the 2017-2018 collection level of \$177.4 million. After factoring out the CDTFA payment timing issue (which is estimated at \$9.0 million for General Sales Tax receipts), underlying growth of 8.0% is estimated in this category.

The 2018-2019 General Sales Tax figure of \$209.8 million reflects performance for the four quarters of 2018-2019, during which growth of 28.2% (1<sup>st</sup> quarter), 10.9% (2<sup>nd</sup> quarter), 16.6% (3<sup>rd</sup> quarter), and 19.4% (4<sup>th</sup> quarter) was experienced. After adjusting for the CDTFA payment timing issue, it is estimated growth of 8.1% (1<sup>st</sup> quarter), 10.9% (2<sup>nd</sup> quarter), 14.2% (3<sup>rd</sup> quarter), and 0.2% (4<sup>th</sup> quarter) was experienced.



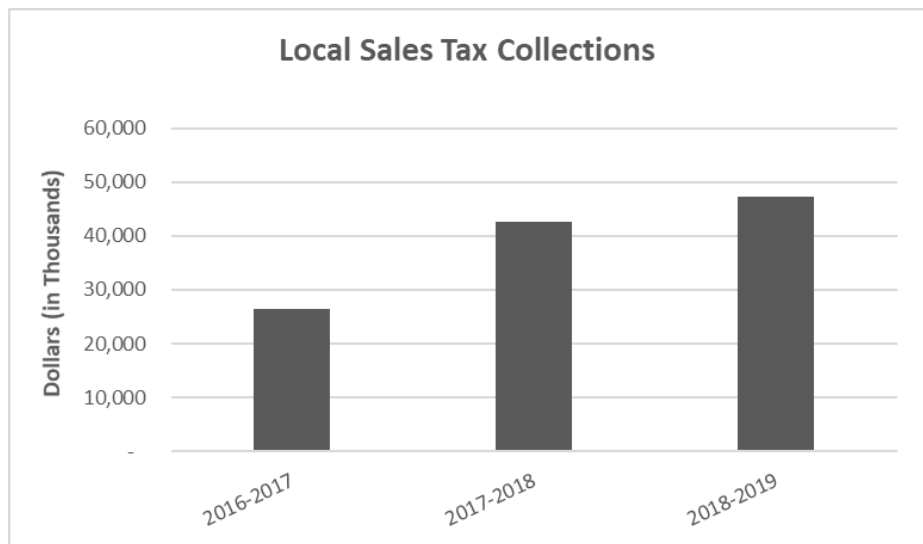
# 2018-2019 ANNUAL REPORT

## GENERAL FUND REVENUE PERFORMANCE

### Sales Tax

In June 2016, San José voters approved a ¼ cent **Local Sales Tax**, which began implementation in October 2016. In 2018-2019, Local Sales Tax revenues totaled \$47.2 million, which was slightly (0.5%) above the budget estimate of \$47.0 million, and 10.8% above the prior year collection level of \$42.6 million. After factoring out the CDTFA payment timing issue (which is estimated at \$1.0 million for Local Sales Tax receipts), underlying growth of 2.5% is estimated in this category.

The 2018-2019 Local Sales Tax figure of \$47.2 million reflects performance for the four quarters of 2018-2019, during which growth of 24.6% (1<sup>st</sup> quarter), 8.5% (2<sup>nd</sup> quarter), 8.8% (3<sup>rd</sup> quarter), and 15.9% (4<sup>th</sup> quarter) was experienced. After adjusting for the CDTFA payment timing issue, it is estimated growth of 1.5% (1<sup>st</sup> quarter), 8.5% (2<sup>nd</sup> quarter), 0.1% (3<sup>rd</sup> quarter), and -0.2% (4<sup>th</sup> quarter) was estimated to have been experienced.



**Proposition 172 Sales Tax** collections represents the ½ cent tax that is allocated to counties and cities on an ongoing basis for funding public safety programs. In 2018-2019, receipts of \$6.5 million were 5.4% above the budgeted estimate of \$6.2 million, and were \$175,000, or 2.7%, above the 2017-2018 collection level of \$6.4 million. This performance reflects the overall Sales Tax performance throughout the State and the relative share that is attributed to San José.

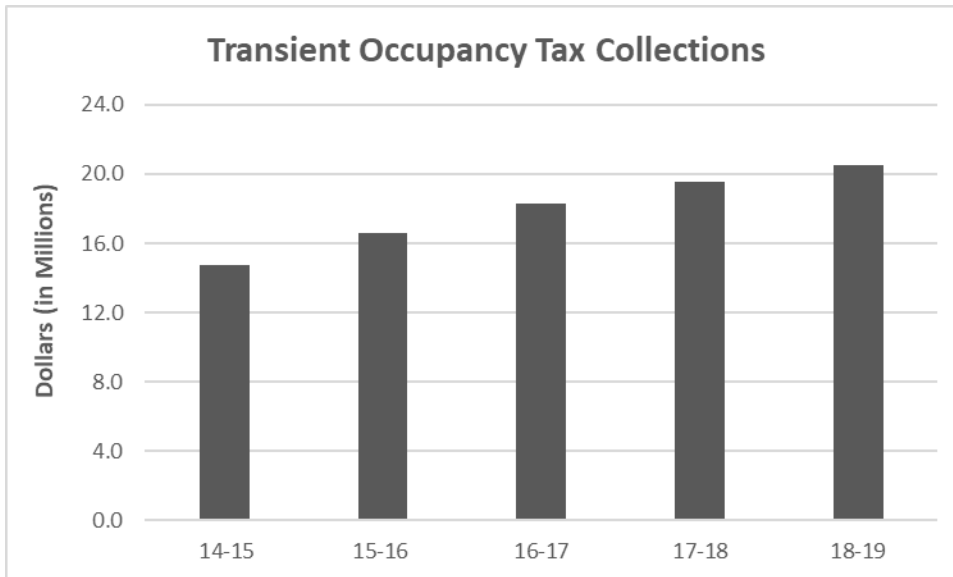
# 2018-2019 ANNUAL REPORT

## GENERAL FUND REVENUE PERFORMANCE

### Transient Occupancy Tax

Transient Occupancy Tax	2018-2019 Budget (\$)	2018-2019 Actuals (\$)	2018-2019 Variance (\$)	2018-2019 Variance (%)
Transient Occupancy Tax	20,700,000	20,536,084	(163,916)	(0.8%)
<b>Total</b>	<b>20,700,000</b>	<b>20,536,084</b>	<b>(163,916)</b>	<b>(0.8%)</b>

In 2018-2019, receipts of \$20.5 million for the General Fund’s portion (4.0%) of the City’s **Transient Occupancy Tax (TOT)** were \$164,000, or 0.8%, below the 2018-2019 Modified Budget estimate of \$20.7 million, but were 5.1% above the 2017-2018 collection level of \$19.5 million. Collection levels throughout the fiscal year exhibited consistent seasonal activity, and were largely driven by higher average room rates, indicative of stable demand for hotel rooms and fixed supply. This annual performance is a continuation of the recent trend of increasing, but decelerating, year-over-year growth (24.1% growth in 2014-2015, 12.4% growth in 2015-2016, 10.3% growth in 2016-2017, 6.9% growth in 2017-2018, and 5.1% growth in 2018-2019), which can be attributed to relatively flat occupancy rates and a higher average daily room rate. In 2018-2019, the average room rate across the City’s reporting hotels increased by \$9.68 (from \$191.38 to \$201.06) while the average occupancy reported for these hotels declined (78.6% in 2017-2018 to 77.4% in 2018-2019). In the absence of large special events, such as the College Football Playoff National Championship and NHL All Star Game, which took place during 2018-2019, future growth rates are expected to moderate from the recent high levels.



The 2019-2020 Adopted Budget estimate of \$22.5 million was built assuming approximately 8.7% growth in TOT collections over 2018-2019 estimated receipts of \$20.7 million, taking into account prevailing economic trends and projected hotel room supply. Given actual receipts for 2018-2019, growth of approximately 9.6% above 2018-2019 actual collections is needed to meet the current estimate

for 2019-2020. Staff will continue to closely monitor this volatile source of revenue, and will bring forward adjustments for City Council consideration as appropriate.

# 2018-2019 ANNUAL REPORT

## GENERAL FUND REVENUE PERFORMANCE

### Franchise Fees

Franchise Fees	2018-2019 Budget (\$)	2018-2019 Actuals (\$)	2018-2019 Variance (\$)	2018-2019 Variance (%)
Electric Franchise Fee	21,700,000	21,743,881	43,881	0.2%
Commercial Solid Waste Franchise Fee	11,758,798	11,771,768	12,970	0.1%
Cable Franchise Fee	8,400,000	9,044,925	644,925	7.7%
Gas Franchise Fee	5,000,000	4,867,455	(132,545)	(2.7%)
Tow Franchise Fee	256,000	566,374	310,374	121.2%
Nitrogen Franchise Fee	60,000	65,784	5,784	9.6%
Great Oaks Water Franchise Fee	300,000	337,257	37,257	12.4%
<b>Total</b>	<b>47,474,798</b>	<b>48,397,444</b>	<b>922,646</b>	<b>1.9%</b>

Franchise Fee collections of \$48.4 million were 1.9% above the 2018-2019 Modified Budget level of \$47.5 million, but were \$2.8 million (5.4%) below the 2017-2018 collection level of \$51.2 million. The decrease in 2018-2019 collections is primarily attributable to lower Gas (14.6%), Cable (7.2%), and Electric (6.3%) Franchise Fees.

### Utility Tax

Utility Tax	2018-2019 Budget (\$)	2018-2019 Actuals (\$)	2018-2019 Variance (\$)	2018-2019 Variance (%)
Electricity Utility Tax	46,000,000	45,596,734	(403,266)	(0.9%)
Telephone Utility Tax	26,200,000	25,960,643	(239,357)	(0.9%)
Water Utility Tax	16,200,000	16,559,539	359,539	2.2%
Gas Utility Tax	10,000,000	11,135,756	1,135,756	11.4%
<b>Total</b>	<b>98,400,000</b>	<b>99,252,672</b>	<b>852,672</b>	<b>0.9%</b>

The City assesses utility user taxes on four utilities: Electricity, Gas, Water, and Telephone. Overall, Utility Tax receipts of \$99.3 million were slightly (0.9%) above the 2018-2019 Modified Budget level, but were 0.5% below the 2017-2018 actual level of \$99.8 million. In 2018-2019 the Electricity and Telephone Utility Tax receipts did not meet budgeted levels, however, this decrease was offset by higher than budgeted receipts for the Gas Utility Tax and Water Utility Tax.

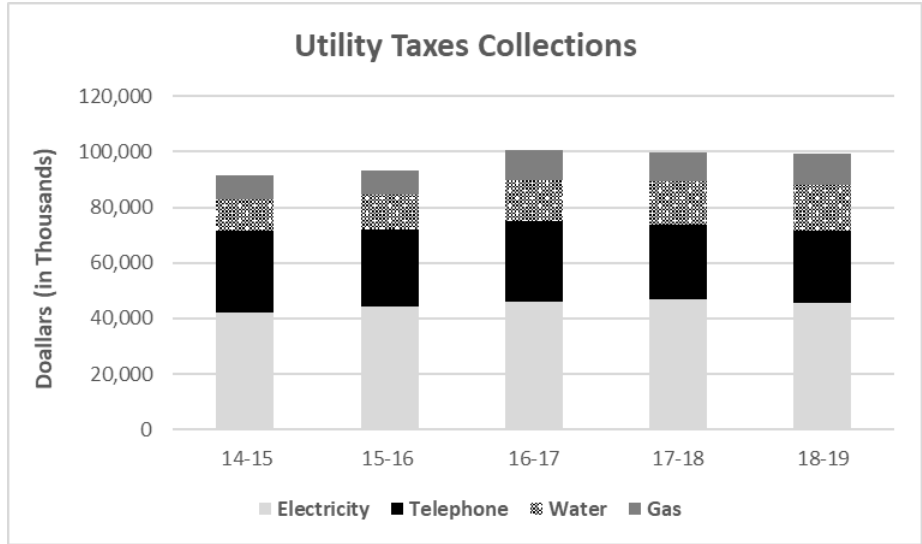
Receipts in the **Electricity Utility Tax** category of \$45.6 million fell short of the 2018-2019 Modified Budget estimate by less than 1%. In addition, the 2018-2019 collection level was \$1.2 million, or 2.5%, below the 2017-2018 collection level of \$46.8 million. This increase in revenue primarily reflects decreased consumption.

# 2018-2019 ANNUAL REPORT

## GENERAL FUND REVENUE PERFORMANCE

### Utility Tax

Receipts in the **Telephone Utility Tax** category of \$26.0 million were \$239,000, or 0.9%, below the 2018-2019 Modified Budget estimate and were \$895,000, or 3.3%, below the 2017-2018 collection level of \$26.9 million. Revenues in this category have been consistently declining in recent years as a result of wireless consumers shifting to less expensive prepaid wireless plans, competition with cellular companies that keep prices down, and the taxable base of wireless communications not including data plans.



**Gas Utility Tax** receipts of \$11.1 million were \$1.1 million, or 11.4%, above the budgeted level of \$10.0 million. In addition, the 2018-2019 receipts were \$580,000, or 5.5%, above the 2017-2018 collection level of \$10.6 million. The increase in year-over-year revenue primarily reflects increased consumption levels. This category can vary significantly from year to year based on weather conditions.

Receipts in the **Water Utility Tax** category of \$16.6 million were \$360,000, or 2.2%, above the budgeted level of \$16.2 million. In addition, the 2018-2019 receipts were \$979,000, or 6.3%, above the prior year collection level of \$15.6 million. The higher collection level is primarily due to the water rate increases and changing consumption levels.

### Telephone Line Tax

Telephone Line Tax	2018-2019 Budget (\$)	2018-2019 Actuals (\$)	2018-2019 Variance (\$)	2018-2019 Variance (%)
Telephone Line Tax	20,000,000	21,593,485	1,593,485	8.0%
<b>Total</b>	<b>20,000,000</b>	<b>21,593,485</b>	<b>1,593,485</b>	<b>8.0%</b>

In 2018-2019, **Telephone Line Tax** collections of \$21.6 million were \$1.6 million (8.0%) above the budgeted estimate of \$20.0 million, and were 5.4% above the 2017-2018 collection level of \$20.5 million. The 2018-2019 collection level included unanticipated one-time Telephone Line Tax compliance revenue of \$1.4 million.

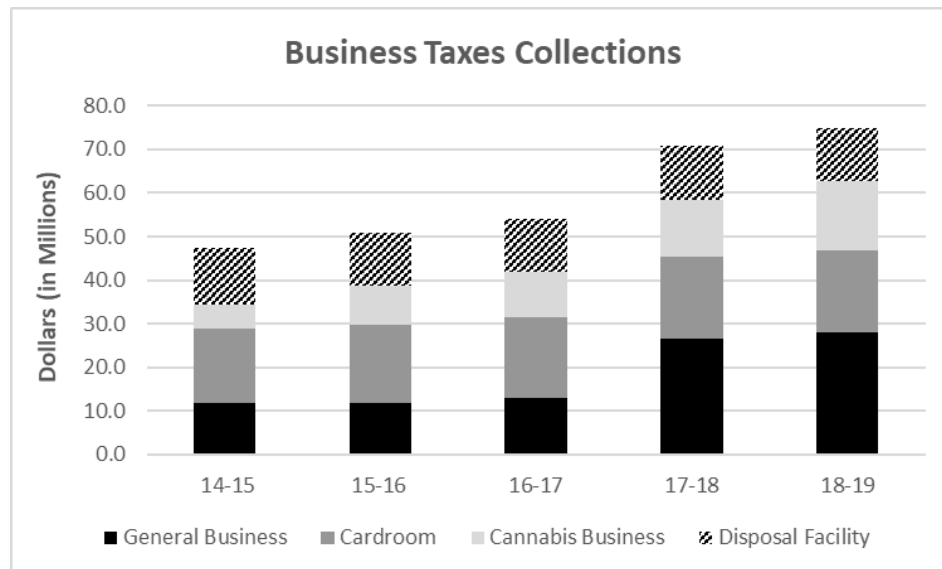
# 2018-2019 ANNUAL REPORT

## GENERAL FUND REVENUE PERFORMANCE

### Business Taxes

Business Taxes	2018-2019 Budget (\$)	2018-2019 Actuals (\$)	2018-2019 Variance (\$)	2018-2019 Variance (%)
General Business Tax	26,700,000	28,048,190	1,348,190	5.0%
Cardroom Tax	18,700,000	18,871,085	171,085	0.9%
Cannabis Business Tax	15,000,000	15,889,987	889,987	5.9%
Disposal Facility Tax	11,500,000	12,093,316	593,316	5.2%
<b>Total</b>	<b>71,900,000</b>	<b>74,902,578</b>	<b>3,002,578</b>	<b>4.2%</b>

Revenues in the Business Taxes category include the General Business Tax, Cardroom Tax, Cannabis Business Tax, and Disposal Facility Tax. Overall, collections of \$74.9 million were 4.2% above the 2018-2019 Modified Budget estimate of \$71.9 million, and 6.0% (\$4.2 million) above the 2017-2018 collection level of \$70.7 million. The growth in revenue in 2018-2019 reflects higher Cannabis Business Tax receipts (\$2.9 million, or 22.1%) and higher General Business Tax receipts (\$1.6 million, or 5.9%).



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 2018-2019 General Business Tax collections of \$28.0 million ended the year 5.0% above the Modified Budget estimate of \$26.7 million. In addition, 2018-2019 revenue was 5.9% above the 2017-2018 receipts of \$26.5 million.

In 2018-2019, **Cardroom Tax** collections of \$18.9 million ended the year slightly (0.9%) above the 2018-2019 Modified Budget estimate of \$18.7 million. In addition, the 2018-2019 collection level was fairly consistent with the 2017-2018 collection level of \$18.9 million.

# 2018-2019 ANNUAL REPORT

## GENERAL FUND REVENUE PERFORMANCE

### Business Taxes

In November 2016, the California Marijuana Legalization Initiative (Proposition 64) legalized recreational cannabis use in the State of California. With this change, the sale of recreational cannabis at the 16 licensed dispensaries in San José began in January 2018. In 2018-2019 **Cannabis Business Tax** collections, which includes recreational and medicinal cannabis, totaled \$15.9 million. The 2018-2019 collection level was \$890,000, or 5.9%, above the budgeted estimate and 22.1% (\$2.9 million) above the 2017-2018 collection level of \$13.0 million. The higher revenue collections in 2018-2019 was attributed to increased consumption of medicinal and recreational cannabis.

In 2018-2019, **Disposal Facility Tax** collections of \$12.1 million were 5.2%, or \$593,000, above the 2018-2019 Modified Budget level of \$11.5 million, but were 1.5% below prior year collections of \$12.3 million.

### Licenses and Permits

Licenses and Permits	2018-2019 Budget (\$)	2018-2019 Actuals (\$)	2018-2019 Variance (\$)	2018-2019 Variance (%)
Building Permits	35,000,000	36,727,607	1,727,607	4.9%
Fire Permits	13,270,000	14,003,913	733,913	5.5%
Other Licenses and Permits	15,123,631	14,563,223	(560,408)	(3.7%)
<b>Total</b>	<b>63,393,631</b>	<b>65,294,743</b>	<b>1,901,112</b>	<b>3.0%</b>

Revenues in the Licenses and Permits category include the Building Permits, Fire Permits, and various other licenses and permits. Overall, Licenses and Permits collections of \$65.3 million were 3.0% (\$1.9 million) above the 2018-2019 Modified Budget level of \$63.4 million, and 7.9% (\$4.8 million) above the 2017-2018 collection level of \$60.5 million. Both the Building and Fire Development Fee Programs continued the solid performance experienced over the past few years with receipts exceeding the budgeted estimates and the prior year collection levels.

**Building Permits** receipts of \$36.7 million ended the year \$1.7 million, or 4.9%, above the Modified Budget level of \$35.0 million, and 9.5% above the prior year's collection level of \$33.5 million. For 2018-2019, the Building Development Fee Program continued the phased implementation of the new fees and/or fee modifications recommended for the program as part of the City of San José Development Services Cost Recovery Analysis, Process Improvements, Calculation of Unearned Revenues, and Refund Processing Report accepted by the City Council in December 2016. These changes, however, had no impact to the 2018-2019 collection level.

The total valuation of projects submitted in 2018-2019 was \$1.7 billion, 4.2% above the \$1.6 billion valuation of projects that were received in 2017-2018. Residential valuation ended the year below the estimate while the valuations for the Commercial and Industrial land use categories ended the year above

# 2018-2019 ANNUAL REPORT

## GENERAL FUND REVENUE PERFORMANCE

### Licenses and Permits

estimates. Residential valuation of \$567.5 million in 2018-2019 was lower than the 2017-2018 level of \$631.0 million. A total of 2,985 new residential units received permits in 2018-2019, which was below 2017-2018 actuals of 3,241 units. However, commercial valuation of \$631.4 million ended 2018-2019 above the prior year level of \$617.7 million. In addition, industrial activity of \$544.0 million was higher than the 2017-2018 level of \$423.4 million. Notable activity that took place in 2018-2019, included building permits for the construction for a new Chick-fil-A restaurant (located on Blossom Hill Road, west of the intersection with Almaden Expressway); construction of a new 200 unit assisted living facility (located at the intersection of Almaden Expressway and Branham Lane); two five-unit townhome buildings (located east of Santa Teresa Boulevard and south of Blossom Hill Road); a 135-unit apartment building (located on Bassett Avenue, south of Coleman Avenue and east of Highway 87); a seven building self-storage warehouse (located near the intersection of Aborn and Silver Creek Roads); a five-story parking structure (located on Coleman Avenue); a 120-unit apartment building (located on Delmas Avenue, south of West San Carlos Street and west of Highway 87); a 233-unit apartment building (located on Berryessa Road, south of Lundy Avenue); and the balance of the construction for two eight story (242,320 square feet) and one four story (126,895 square feet) office buildings located near the intersection of Bering Drive and East Brokaw Road.

As described in *Section IV – Recommended Budget Adjustments and Clean-up/Rebudget Actions* of this report, there is a recommendation to increase the Building Development Fee Program Earmarked Reserve by \$4.2 million. This adjustment is the result of the reconciliation of the 2018-2019 actual activity, in which excess revenues of \$1.7 million, expenditure savings of \$2.0 million, and interest earnings attributed to the program of \$0.5 million, are set aside in this reserve. In addition, the 2018-2019 Annual Report includes a recommendation to increase the Building Development Fee Program Reserve by \$2,100 to adjust the amount included in the 2018-2019 year-end clean-up memorandum based on the actual fees that were waived for construction work associated with the recovery from the 2017 Coyote River Flood. With these recommended adjustments, the net increase to the Building Development Fee Program Earmarked Reserve totals \$4.2 million, increasing the reserve from \$19.4 million to \$23.6 million.

**Fire Permits** receipts of \$14.0 million were 5.5% above the 2018-2019 Modified Budget estimate of \$13.3 million and 6.3% above the 2017-2018 collection level of \$13.2 million. This category includes revenue for the Fire Development Fee Program and the Fire Non-Development Fee Program.

Development revenues from Architectural Plan Check and Inspection, Engineering Systems (Alarms and Sprinklers) Permits and Inspections, and miscellaneous revenues ended the year at \$8.6 million, which was 5.9% (\$476,000) above the 2018-2019 Modified Budget estimate of \$8.1 million. The excess revenues, interest earnings, and expenditure savings are set aside in the Fire Development Fee Program Reserve, and the Annual Report includes actions to allocate \$1.3 million to the reserve from these sources. This increase, however, is offset by a negative reserve rebudget of \$25,000 due to an over rebudget in the 2019-2020 Adopted Budget. With these actions, the Fire Development Fee Program Earmarked Reserve is recommended to be increased from \$5.4 million to \$6.6 million.



# 2018-2019 ANNUAL REPORT

## GENERAL FUND REVENUE PERFORMANCE

### Licenses and Permits

Non-Development revenue of \$5.4 million from Annual Renewable Permits, Non-Renewable Permits and Inspections, and other miscellaneous activities were above the 2018-2019 Modified Budget estimate of \$5.2 million. Annual renewable permits revenue of \$4.5 million was \$136,000 (2.9%) above estimated levels and \$1.4 million (24.0%) lower than the collections in the prior year. Combined revenues of \$958,000 from non-renewable permit and other inspection activities (such as after-hours inspections for fire regulatory enforcement and hazardous materials) and permits for pyrotechnics, tents, canopies, and temporary membrane structures were \$420,000 (78.0%) higher than budgeted levels of \$538,000 and \$313,000 (48.6%) higher than last year's year-end revenue of \$645,000. The 2019-2020 Adopted Budget estimate of \$13.3 million was built based on a sustained level of activity from the 2018-2019 year-end estimates in the Non-Development fee program and a slight increase in activity in the Fire Development fee program, along with fee adjustments in both Development and Non- Development programs.

### Fines, Forfeitures and Penalties

Fines, Forfeitures and Penalties	2018-2019 Budget (\$)	2018-2019 Actuals (\$)	2018-2019 Variance (\$)	2018-2019 Variance (%)
Parking Fines	11,100,000	12,531,862	1,431,862	12.9%
Vehicle Code Fines	1,520,000	1,438,625	(81,375)	(5.4%)
Business License Penalties	1,200,000	2,322,504	1,122,504	93.5%
Administrative Citation Fines	439,000	498,789	59,789	13.6%
Other Fines and Penalties	724,000	609,826	(114,174)	(15.8%)
<b>Total</b>	<b>14,983,000</b>	<b>17,401,606</b>	<b>2,418,606</b>	<b>16.1%</b>

The primary sources of revenue in the Fines, Forfeitures, and Penalties revenue category are Parking Fines, Vehicle Code Fines, Business License Penalties, Administrative Citation Fines, and Other Fines and Penalties. Collections of \$17.4 million in this category were \$2.4 million, or 16.1%, above the 2018-2019 budgeted estimate of \$15.0 million, and 21.2% above the prior year collection level of \$14.4 million.

**Parking Fines**, the largest component of this revenue category, ended the year at \$12.5 million. This collection level was 12.9%, or \$1.4 million above the budgeted estimate of \$11.1 million, and \$1.7 million (16.0%) above the 2017-2018 collection level. This increase is partially the result of the Transportation Department using contractual services to assist with vehicle abatement, allowing staff to focus on other parking enforcement activities. In addition, **Business License Penalties** of \$2.3 million significantly exceeded the budgeted estimate of \$1.2 million and the 2017-2018 collection level of \$1.6 million due to increased delinquency collections. **Vehicle Code Fines** ended the year at \$1.4 million, which was 5.4% (\$81,000) below the budgeted estimate, and was 2.1% (\$31,000) below the prior year collections. The Administrative Citation Fines and other remaining categories ended the year at \$1.1 million, which was consistent with the budgeted level, and slightly below the prior year collections of \$1.3 million.

# 2018-2019 ANNUAL REPORT

## GENERAL FUND REVENUE PERFORMANCE

### Revenue from Use of Money and Property

Use of Money and Property	2018-2019 Budget (\$)	2018-2019 Actuals (\$)	2018-2019 Variance (\$)	2018-2019 Variance (%)
Interest Earnings on the General Fund	4,000,000	5,286,034	1,286,034	32.2%
City-Owned Property Rentals	3,237,000	3,554,536	317,536	9.8%
Subrogation Recovery	500,000	545,704	45,704	9.1%
Digital Inclusion Program	369,506	174,579	(194,927)	(52.8%)
Other Use of Money and Property	160,000	511,426	351,426	219.6%
<b>Total</b>	<b>8,266,506</b>	<b>10,072,279</b>	<b>1,805,773</b>	<b>21.8%</b>

The Use of Money and Property category primarily consists of interest income earned on the General Fund, rental income from various City properties, and subrogation recovery revenues. Collections of \$10.1 million ended the year 21.8% above the 2018-2019 budgeted estimate of \$8.3 million, and 27.0% (\$2.1 million) above the 2017-2018 collection level of \$7.9 million.

Interest income of \$5.3 million was 32.2% above the budgeted level of \$4.0 million, and 59.4% above the prior year collection of \$3.3 million. This increase is primarily due to higher assumed cash balances and an increase in interest rates. Rental income of \$3.6 million was 9.8% above the budgeted estimate of \$3.2 million; however, receipts were 6.3% (\$239,000) below the prior year, reflecting slightly lower collections for several properties. Subrogation recovery revenues of \$546,000 ended the year 9.1% above the budgeted estimate, though revenues dropped 15.2% (\$98,000) from the prior year collection level of \$643,000.

### Revenue from Local Agencies

Revenue from Local Agencies	2018-2019 Budget (\$)	2018-2019 Actuals (\$)	2018-2019 Variance (\$)	2018-2019 Variance (%)
Central Fire District	7,450,000	7,455,888	5,888	0.1%
Paramedic Program	2,152,079	2,172,202	20,123	0.9%
Successor Agency to the RDA	1,000,000	2,287,889	1,287,889	128.8%
Other Local Agency Payments	5,329,117	4,769,385	(559,732)	(10.5%)
<b>Total</b>	<b>15,931,196</b>	<b>16,685,364</b>	<b>754,168</b>	<b>4.7%</b>

The Revenue from Local Agencies category contains revenue received from a variety of other local government agencies. The largest sources of revenue are the Central Fire District for fire services provided to County residents by the San José Fire Department, the County of Santa Clara for the Paramedic Program, and reimbursements from the Successor Agency to the Redevelopment Agency of San José, a separate entity (Successor Agency).

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**GENERAL FUND REVENUE PERFORMANCE**

**Revenue from Local Agencies**

Revenue collections of \$16.7 million ended the year 4.7% (\$754,000) above the budgeted estimate of \$15.9 million. This collection level, however, is \$21.9 million (56.8%) below the 2017-2018 collection level of \$38.6 million. The year-over-year decrease in revenue is primarily due to the elimination of the SARA reimbursement for the Convention Center Debt Service payment and a lower SARA reimbursement for enforceable obligations.

In 2018-2019, the **Central Fire District** payment of \$7.5 million ended the year at budgeted levels, and 6.5% (\$455,000) above the prior year collection of \$7.0 million. These payments represent property taxes collected by the Central Fire District for areas of the County served by the San José Fire Department. The year-over-year increase of payments is due to the change in Property Tax valuation in those areas.

Reimbursement from the County of Santa Clara for the first responder advanced life support program (**Paramedic Program**) of \$2.2 million was consistent with budgeted levels, and \$885,000 (68.7%) above the 2017-2018 collection level. The 2018-2019 receipts included the equipment reimbursement component (Annex B, Category A; \$995,000) and service related component (Annex B, Category B; \$1.2 million) and are reflective of the Fire Department's improved response times for emergency medical service calls.

**Reimbursement from the Successor Agency to the Redevelopment Agency (SARA)** of \$2.3 million was \$1.3 million higher than the budgeted estimate of \$1.0 million, but significantly below the 2017-2018 collection level of \$23.8 million. Previously, this category included a reimbursement from SARA for the payment of the Convention Center Debt Service, with the associated Convention Center Debt Service payment being budgeted in City-Wide Expenses (\$15.2 million). With the refunding of the SARA debt in December 2017, this payment and associated reimbursement was no longer needed beginning in 2018-2019. Beginning in 2018-2019, revenues in the Reimbursement from SARA category solely reflects a reimbursement from SARA for enforceable obligations. Receipts in 2018-2019 of \$2.3 million were significantly above the budgeted estimate of \$1.0 million due to the 2018-2019 collection including reimbursements for multiple years.

Rebudget and clean-up adjustments totaling \$298,000 to the Revenue from Local Agencies category is recommended in this report. This revenue accounts for the anticipated receipt of grants in 2019-2020 that were not received in 2018-2019 (\$218,000) and the recategorization of an Open Space Authority grant from Other Revenue to Revenue from Local Agencies (\$80,000). Additional information on the rebudget and clean-up of local agency revenue are described in *Section IV -- Recommended Budget Adjustments and Clean-up/Rebudget Actions* of this report.

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**GENERAL FUND REVENUE PERFORMANCE**

**Revenue from the State of California**

Revenue from State of California	2018-2019 Budget (\$)	2018-2019 Actuals (\$)	2018-2019 Variance (\$)	2018-2019 Variance (%)
Tobacco Settlement	10,600,000	10,615,990	15,990	0.2%
Motor Vehicle In-Lieu Tax	500,000	504,638	4,638	0.9%
Other State Revenue	2,974,746	3,192,676	217,930	7.3%
State Grants	2,031,635	788,431	(1,243,204)	(61.2%)
<b>Total</b>	<b>16,106,381</b>	<b>15,101,735</b>	<b>(1,004,646)</b>	<b>(6.2%)</b>

The major State revenues include the Tobacco Settlement Revenue, State Grants, and Other State Revenue. Revenue from the State of California of \$15.1 million ended the year 6.2% below the 2018-2019 Modified Budget estimate of \$16.1 million, and 4.6% (\$723,000) below the prior year collection level of \$15.8 million.

The Tobacco Settlement revenue, which is the largest revenue source in this category, totaled \$10.6 million in 2018-2019, which is consistent with the 2018-2019 Modified Budget. However, receipts in 2018-2019 were \$336,000 (3.1%) below the prior year collection level of \$11.0 million.

State grants and other reimbursements totaled \$4.5 million, which was \$1.0 million below the 2018-2019 Modified Budget level of \$5.5 million. This decrease was the result of a timing difference of many grants (and their associated expenditures).

The 2019-2020 Adopted Budget included the rebudget of revenues and associated expenditures for various State grants in the amount of \$526,000. In addition, rebudget adjustments totaling \$956,000 are recommended in this report to account for revenues that were not received 2018-2019, but are now anticipated to be received in 2019-2020. Additional information on the rebudget of State grants, as well as budget actions to recognize new grants and reimbursements are described in *Section IV -- Recommended Budget Adjustments and Clean-up/Rebudget Actions* of this report.

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## GENERAL FUND REVENUE PERFORMANCE

### Revenue from the Federal Government

Revenue from Federal Government	2018-2019 Budget (\$)	2018-2019 Actuals (\$)	2018-2019 Variance (\$)	2018-2019 Variance (%)
Federal Grants	6,666,699	3,106,128	(3,560,571)	(53.4%)
<b>Total</b>	<b>6,666,699</b>	<b>3,106,128</b>	<b>(3,560,571)</b>	<b>(53.4%)</b>

The revenue in this category is generated by various federal grants and reimbursements. In 2018-2019, Revenue from the Federal Government of \$3.1 million was \$3.6 million (53.4%) below the Modified Budget level of \$6.7 million. The negative variance from the Modified Budget was primarily the result of the timing of various grants (and their associated expenditures) where the work was not yet completed in 2018-2019. The 2019-2020 Adopted Budget included the rebudget of revenues and associated expenditures for various Federal grants in the amount of \$3.6 million to account for anticipated receipt of revenue in 2019-2020 that were not received in 2018-2019. In addition, based on actual 2018-2019 performance, net negative rebudget adjustments of \$162,000 are recommended in this report. Additional information on the rebudget of Federal grants, as well as budget actions to recognize new grants and reimbursements are described in *Section IV -- Recommended Budget Adjustments and Clean-up/Rebudget Actions* of this report.

### Fees, Rates, and Charges

Fees, Rates, and Charges	2018-2019 Budget (\$)	2018-2019 Actuals (\$)	2018-2019 Variance (\$)	2018-2019 Variance (%)
PRNS Fees	22,239,316	21,740,671	(498,645)	(2.2%)
Public Works Fees	14,333,690	16,443,225	2,109,535	14.7%
Planning Fees	7,959,000	8,014,424	55,424	0.7%
Transportation Fees	1,829,532	1,837,599	8,067	0.4%
Police Fees	1,380,800	1,354,056	(26,744)	(1.9%)
Library Fees	332,000	322,934	(9,066)	(2.7%)
Miscellaneous Fees	5,417,388	5,990,124	572,736	10.6%
<b>Total</b>	<b>53,491,726</b>	<b>55,703,033</b>	<b>2,211,307</b>	<b>4.1%</b>

Revenues in this category include fees and charges assessed by several departments. Overall, Fees, Rates, and Charges collections of \$55.7 million were 4.1% (\$2.2 million) above the 2018-2019 Modified Budget level of \$53.5 million, and 9.0% above the 2017-2018 collection level of \$51.1 million. In 2018-2019, the Planning Fee Program, Public Works Fee Program, Transportation Departments revenues, and Miscellaneous revenues exceeded the budgeted estimates, however, the Library Department, Parks, Recreation, and Neighborhood Services (PRNS) Department, and Police Departments revenue collections fell below their budgeted estimate.

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## GENERAL FUND REVENUE PERFORMANCE

### Fees, Rates, and Charges

In 2018-2019, **Public Works Departmental Fee** collections of \$16.4 million ended the year 14.7% above the modified budget estimate of \$14.3 million, and 12.0% above the \$14.7 million collected in 2017-2018. The year-over-year increase is primarily due to receipt of Small Cell Permitting fee deposits (\$2.9 million) from multiple telecommunications companies for anticipated permitting activity during 2018-2019. The Public Works total revenue collections are comprised of \$8.3 million from the Development Services Fee Program, \$5.2 million from the Utility Fee Program, and \$2.9 million for Small Cell Permitting. Revenue received for Small Cell Permitting is a deposit for works-in-progress that are spent through the fiscal year. Development Services Fee Revenue is down roughly 3.7% from last year. Decreases in Residential Engineering fees are partially offset by increases in Non-Residential Engineering revenues. Each year, excess development-related revenues and expenditure savings are set aside in reserve to support the fee programs.

In 2018-2019, \$3.3 million was generated from excess revenues of \$2.1 million, expenditure savings of \$1.1 million in the Public Works Fee Program, and interest earnings of \$167,000 attributed to the program. In addition to excess revenues, adjustment to decrease the Development Fee Program for rebudgets (\$1.4 million), staffing allocation corrections (\$391,000), and for DOT Landscaping Services (\$35,000) are recommended to be allocated to the Public Works Development Fee Program Earmarked Reserve (\$1.2 million, increase from \$5.8 million to \$6.9 million). Excess revenues and a Small Cell staffing allocation correction (-\$88,000) are recommended to the Public Works Development Fee Program – Small Cell Permitting Reserve (\$396,000, increase from \$374,000 to \$682,000). Additional information regarding these adjustments can be found in *Section IV -- Recommended Budget Adjustments and Clean-up/Rebudget Actions* of this report.

**Planning Departmental Fee** collections of \$8.0 million ended the year close to budgeted levels, and 22.3% above the prior year level of \$6.6 million. The increase in revenue was anticipated in 2018-2019 due to City Council-approved fee changes that were implemented in August 2018. As identified in previous Bi-Monthly Financial Reports and the Mid-Year Budget Review, Planning Fee revenues throughout 2018-2019 were anticipated to end the year about \$1.0 million below the 2018-2019 base budget revenue estimate of \$8.96 million. A year-end action decreased the revenue estimate by \$1.0 million, offset by reductions to the Planning Development Fee Program Reserve (-\$400,000), and Planning Development Fee Program Personal Services (-\$600,000). Fee categories where the actual collections exceeded the estimate include residential General Plan amendments, non-residential conventional rezonings/rezonings, and non-residential development permit adjustments. Lower than estimated revenues were received for non-residential and non-residential conditional use permits, single-family design review, and miscellaneous permits.

As described in *Section IV – Recommended Budget Adjustments and Clean-up/Rebudget Actions* of this report, there is a recommendation to increase the Planning Development Fee Program Earmarked Reserve by \$1.9 million as a result of the reconciliation of the 2018-2019 actual activity in which expenditure savings of \$1.9 million and interest earnings attributed to the program of \$.03 million offset by a shortage of revenues of \$.03 million are set aside in this reserve. With the recommended adjustment, the Reserve will increase from \$107,817 to \$2.0 million.

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**GENERAL FUND REVENUE PERFORMANCE**

**Other Revenue**

Other Revenue	2018-2019 Budget (\$)	2018-2019 Actuals (\$)	2018-2019 Variance (\$)	2018-2019 Variance (%)
TRANS Proceeds	150,000,000	150,000,000	0	0.0%
Sale of Surplus Properties	81,754,125	82,419,608	665,483	0.8%
Other Revenue	20,501,189	14,948,663	(5,552,526)	(27.1%)
<b>Total</b>	<b>252,255,314</b>	<b>247,368,271</b>	<b>(4,887,043)</b>	<b>(1.9%)</b>

The Other Revenue category contains a number of unrelated revenue sources and totaled \$247.4 million in 2018-2019, which was 1.9% below the modified budget of \$252.3 million, but 13.0% (\$28.4 million) above the 2017-2018 collection level of \$219.0 million. In 2018-2019 several property sales occurred, which resulted in revenue of \$82.4 million. Property sales included the Fire Training Center (\$36.8 million), Coleman Avenue property (\$25 million), seven properties that were previously owned by SARA, that resulted in the City receiving 14.14% of the total sales (\$16.7 million), and a property on West San Carlos Street (\$2.1 million). Funding received from the Fire Training Center was allocated to an earmarked reserve in 2018-2019, and is recommended to be rebudgeted to 2019-2020 as part of this report.

The 2019-2020 Adopted Budget included the rebudget of revenues and associated expenditures for various grants and reimbursements in the amount of \$50,000, and an additional \$6.8 million of rebudget adjustments are recommended in this report to account for the anticipated receipt of revenue in 2019-2020 that were not received in 2018-2019. Additional information on the rebudget of these grants as well as the recognition of new grant revenues and their associated expenditures, are described in *Section IV -- Recommended Budget Adjustments and Clean-up/Rebudget Actions* of this report.

**Transfers and Reimbursements**

Transfers and Reimbursements	2018-2019 Budget (\$)	2018-2019 Actuals (\$)	2018-2019 Variance (\$)	2018-2019 Variance (%)
Overhead Reimbursements	52,429,037	53,237,099	808,062	1.5%
Transfers	34,415,684	35,294,569	878,885	2.6%
Reimbursements for Services	17,625,395	17,200,429	(424,966)	(2.4%)
<b>Total</b>	<b>104,470,116</b>	<b>105,732,097</b>	<b>1,261,981</b>	<b>1.2%</b>

The Transfers and Reimbursements category includes overhead reimbursements, transfers to the General Fund, and reimbursements for services. Overall, collections of \$105.7 million ended the year 1.2%, or \$1.3 million, above the 2018-2019 Modified Budget estimate of \$104.5 million. The Overhead Reimbursement category was above the budgeted estimate due to higher capital fund overhead based on actual activity in 2018-2019. Transfers exceeded the budgeted estimate in 2018-2019 by \$879,000 primarily due to additional funding from the Parks Construction and Conveyance Tax Funds (\$915,000)

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**GENERAL FUND REVENUE PERFORMANCE**

**Transfers and Reimbursements**

as 15% of the Parks Construction and Conveyance Tax revenues are transferred to the General Fund for parks maintenance and these revenues exceeded the budgeted estimate. Reimbursements for Services ended the year below the budget primarily due the annual reimbursement from the Maintenance Assessment Districts (\$155,000) and the Voluntary Employee Beneficiary Association (VEBA; \$194,000) not occurring. Included in this report is a recommendation to allocate the VEBA funding in 2019-2020. However, the Maintenance Assessment District Reimbursement was realized as savings in 2018-2019 in the Public Works Department General Fund Personal Services allocation.

**Summary**

In 2018-2019, total revenues received by the General Fund of \$1.395 billion were slightly higher than the 2018-2019 Modified Budget level by \$1.385 million (0.7%). In addition, when the 2019-2020 Adopted Budget was developed, it was assumed that revenues would exceed the modified budget by approximately \$5 million and would generate additional fund balance. After accounting for other reconciling items, including the Development Fee Program adjustments, rebudgets, and other clean-up actions, revenues ended the year \$11.3 million above the estimate. This is an extremely small variance given the diversity of over 450 City revenues and the overall size of the General Fund.

The 2018-2019 collection level of \$1.39 billion was up \$97.0 million (7.5%) from the actual 2017-2018 collections (\$1.30 billion). The 2018-2019 revenue estimates were built on the assumption that the economically-sensitive revenues would continue to experience growth and actual performance in 2018-2019 was consistent with this assumption. A number of economically-sensitive revenue categories, such as Property Tax, Sales Tax, Business Taxes, and Transient Occupancy Tax, continued to experience solid growth, primarily due to economic performance. Only a couple revenue categories experienced declines from the prior year, including Franchise Fees, Revenue from Local Agencies, Revenue from the Federal Government, and Revenue from the State of California.

Continued moderate positive revenue performance is expected to again be experienced in 2019-2020. The Administration will actively monitor economic indicators and revenues in 2019-2020 through the Bi-Monthly Financial Report and the Mid-Year Budget Review process, and return to the Mayor and City Council with recommendations for any revisions, if necessary.



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**GENERAL FUND EXPENDITURE PERFORMANCE**

The General Fund expenditure performance for 2018-2019 is discussed in detail in this section. This includes an overview of the General Fund expenditure performance, a discussion of significant departmental variances, and highlights of the non-departmental expenditures.

**Overview**

**TABLE B  
2018-2019 GENERAL FUND EXPENDITURE SUMMARY  
COMPARISON OF BUDGET TO ACTUAL**

Category	2018-2019 Modified Budget*	2018-2019 Actual**	Variance	% Variance
Personal Services	\$ 861,354,253	\$ 842,867,265	\$ (18,486,988)	(2.1%)
Non-Personal/Equipment/Other <sup>1</sup>	168,393,093	151,094,908	(17,298,185)	(10.3%)
City-Wide Expenses	269,624,500	240,080,350	(29,544,150)	(11.0%)
Capital Contributions	60,986,743	36,610,708	(24,376,035)	(40.0%)
Transfers	47,831,355	47,831,355	0	0.0%
Reserves	262,502,948	0	(262,502,948)	(100.0%)
<b>TOTAL GENERAL FUND</b>	<b>\$ 1,670,692,892</b>	<b>\$ 1,318,484,586</b>	<b>\$ (352,208,306)</b>	<b>(21.1%)</b>

\* 2018-2019 appropriations as modified by Council through June 30, 2018, and 2017-2018 carryover encumbrances.

\*\* Actual 2018-2019 expenses plus encumbrances.

As shown in Table B, General Fund expenditures and encumbrances through June 30, 2019 of \$1.32 billion were \$352.2 million, or 21.1%, below the modified budget total of \$1.67 billion. Approximately 75% of this savings was generated from unspent reserves (\$262.5 million), with the remaining savings generated from expenditure appropriations. Total 2018-2019 expenditures and encumbrances were \$19.5 million, or 1.5%, below the 2017-2018 level of \$1.34 billion. This variance is due lower City-Wide Expenses (\$65.8 million) and Capital Contributions (\$10.8 million), partially offset by higher Personal Services (\$35.6 million), Transfers (\$13.5 million), and Non-Personal/Equipment/Other (\$8.0 million).

<sup>1</sup> The “Other” category expenditures are primarily comprised of budgets for the Mayor and City Council as well as the Parks, Recreation and Neighborhood Services fee activities program.

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**GENERAL FUND EXPENDITURE PERFORMANCE**

**Overview**

As shown in Table C, the actual General Fund expenditures of \$1.3 billion were approximately \$71.1 million (5.1%) below the estimate used in the development of the 2019-2020 Adopted Budget. A portion of these savings (\$4.2 million) was carried over to 2019-2020 with the accompanying revenue for grant or reimbursement-related projects and programs, bringing the variance down to \$66.9 million. Clean-up actions of \$50.8 million are recommended in this report to reconcile the Development Fee Programs for 2018-2019 (\$6.6 million) and to adjust various rebudget amounts and reflect clean-up adjustments (\$44.1 million). After accounting for these technical actions, the remaining General Fund expenditures savings totaled \$16.1 million, or 1.0% of the modified budget.

**TABLE C  
2018-2019 EXPENDITURE ESTIMATE TO ACTUAL VARIANCES**

	<b>2018-2019 Estimate</b>	<b>2018-2019 Actual</b>	<b>\$ Variance</b>	<b>% Variance</b>
Expenditures	\$1,389,573,044	\$1,318,484,586	\$(71,088,458)	(5.1%)

These net expenditure savings, when combined with the net variance associated with the General Fund revenues and a small shortfall in the liquidation of prior year encumbrances, represent the additional ending fund balance that is available for allocation in 2019-2020. Specifically, as discussed earlier in this report, in 2019-2020, a total of \$27.4 million in additional fund balance is available, which is comprised of net expenditure savings of \$16.1 million (1.0% of the modified budget) and higher than estimated revenues of \$11.3 million (0.8% of the modified budget). Recommendations on the allocation of these additional funds are provided elsewhere in this report.

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

Personal Services expenditures of \$842.9 million ended the year \$18.5 million (2.1%) below budgeted levels, but \$35.6 million (4.4%) above the 2017-2018 expenditure levels of \$807.2 million. Expenditures in both years ended the year below the budget primarily as the result of position vacancy savings throughout the organization, and below estimated levels for 2018-2019 due to the crediting of excess pre-funded retirement contributions related to unfunded actuarial liability (UAL) and effective contribution rate adjustments during the year to equalize for pre-funding. Departments with the highest variances in 2018-2019 including the following: Police Department (\$4.4 million); Planning, Building and Code Enforcement (\$3.7 million, including the Development Fee Programs); Fire Department (\$2.2 million, including the Development Fee programs); Information Technology Department (\$1.7 million); City Manager’s Office (\$1.3 million); and Transportation (\$1.3 million).

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## GENERAL FUND EXPENDITURE PERFORMANCE

### Overview

Non-Personal/Equipment/Other expenditures of \$151.1 million ended the year \$17.3 million (10.3%) below budgeted levels, but \$8.0 million (5.6%) above the 2017-2018 expenditure level of \$143.1 million. The departments with the largest Non-Personal/Equipment/Other variances included: Information Technology Department (\$3.1 million); Planning, Building and Code Enforcement (\$2.5 million, including the Development Fee Programs); Fire Department (\$1.9 million, including the Development Fee Program); Police Department (\$1.5 million); and the City Manager's Office (\$1.4 million). The Mayor and City Council appropriations also ended the year \$3.7 million below the modified budget. The majority of the Non-Personal/Equipment savings were rebudgeted to 2019-2020 as part of the 2019-2020 Adopted Budget (\$11.4 million) or are recommended to be rebudgeted in the Annual Report (\$1.0 million), resulting in net savings of \$4.9 million.

In the City-Wide Expenses category, expenditures and encumbrances of \$240.1 million ended the year \$29.5 million below the budgeted level of \$269.6 million. Of this amount, \$24.5 million was assumed as savings in 2018-2019 and rebudgeted to 2019-2020, including \$4.1 million that was offset by revenue sources. Of the remaining balance of \$5.1 million, rebudget adjustments totaling \$657,000 are recommended in this report, and if approved, would result in net savings of \$4.4 million in this category, a 1.6% variance from the budgeted level. The 2018-2019 City-Wide Expenses were \$65.8 million below the 2017-2018 expenditure level of \$305.8 million.

In the Capital Contributions category, expenditures of \$36.6 million ended the year \$24.4 million below the budgeted level of \$61.0 million. A total of \$17.2 million was rebudgeted to 2019-2020 in the Adopted Budget, with a remaining savings amount available of \$7.2 million. As part of this report, additional rebudget adjustments totaling \$6.75 million are recommended, reducing the Capital balance to \$408,000. The 2018-2019 expenditure level of \$36.6 million was \$10.8 million below the 2017-2018 level of \$47.5 million.

The Transfers category expenditures of \$47.8 million ended the year at the budgeted amount.

The largest single category of remaining funding available in 2018-2019, as planned, is the Reserves category (\$262.5 million), including Earmarked Reserves (\$186.4 million), the 2018-2019 Ending Fund Balance Reserve (\$39.1 million), and the Contingency Reserve (\$37.0 million). The 2019-2020 Adopted Budget assumed that \$226.3 million would be available at year-end, with reserves either re-established in 2019-2020 or used as a funding source for the 2019-2020 Adopted Budget. This variance from budgeted reserve levels is mostly attributable to the timing of the rebudgeting of the Fire Training Center Relocation Reserve (\$36.8 million), which is recommended in this report. No reductions to the \$37.0 million Contingency Reserve occurred in 2018-2019.

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## GENERAL FUND EXPENDITURE PERFORMANCE

### Review of General Fund Expenditure Performance

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

Departmental expenditures (\$994.0 million) represented 75% of the total 2018-2019 General Fund expenditures. As can be seen in Table D on the following page, all departments remained within their total budget allocation and expended a cumulative 96.5% of their budgets, generating overall savings of \$35.8 million (3.5%). Of this amount, \$11.9 million was rebudgeted in the 2019-2020 Adopted Budget; and additional clean-up actions of \$7.7 million are recommended in this report (including the Development Fee Programs reconciliation of \$6.6 million and other rebudget and clean-up adjustments), leaving a balance of \$16.2 million. Of this balance amount, \$5.4 million was assumed as savings in the development of the 2019-2020 Ending Fund Balance estimate, resulting in a balance of \$10.8 million.

Of the 19 City departments/offices, 15 had expenditure savings of less than \$1.0 million or 10.0% of their budget. The remaining four departments/offices had expenditure savings in excess of \$1 million in 2018-2019, and include the following: City Manager; Information Technology; Mayor and City Council; and Planning, Building and Code Enforcement. Those departments with General Fund expenditure variances of over 10.0% and \$1.0 million are discussed in detail in the following section. In addition, the year-end status of expenditures for both the Police and Fire Departments is also summarized.

Non-Departmental expenditures totaled \$324.5 million, or 25% of the total 2019-2020 General Fund expenditures. The unexpended balance at year end totaled \$316.4 million; reserves of \$262.5 million represent the largest portion of unexpended funds and were almost entirely carried over or used in the 2019-2020 Adopted Budget as planned. Excluding reserves, a balance of \$53.9 million remained in this category at year-end. In the 2019-2020 Adopted Budget, \$41.7 million was rebudgeted in the City-Wide Expenses and Capital Contributions categories. Additional rebudget and clean-up adjustments in these categories totaling \$7.8 million are recommended in the 2018-2019 Annual Report, resulting in total unexpended funds of \$4.4 million.

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**GENERAL FUND EXPENDITURE PERFORMANCE**

**Review of General Fund Expenditure Performance**

**TABLE D  
TOTAL GENERAL FUND EXPENDITURES**

<b>Departmental</b>	<b>2018-2019 Modified Budget</b>	<b>2018-2019 Expenditures</b>	<b>\$ Variance</b>	<b>% Variance</b>
City Attorney	\$ 17,816,782	\$ 17,506,995	\$ (309,787)	(1.7%)
City Auditor	2,604,064	2,416,437	(187,627)	(7.2%)
City Clerk	2,783,227	2,426,907	(356,320)	(12.8%)
City Manager	22,299,896	19,649,412	(2,650,484)	(11.9%)
Economic Development	6,801,683	5,896,021	(905,662)	(13.3%)
Environmental Services	3,279,309	3,080,793	(198,516)	(6.1%)
Finance	18,132,603	16,878,842	(1,253,761)	(6.9%)
Fire	228,432,452	224,334,758	(4,097,694)	(1.8%)
Housing	1,018,173	540,976	(477,197)	(46.9%)
Human Resources	10,454,831	9,993,627	(461,204)	(4.4%)
Independent Police Auditor	1,384,829	1,236,209	(148,620)	(10.7%)
Information Technology	25,976,456	21,091,969	(4,884,487)	(18.8%)
Library	33,451,953	33,278,970	(172,983)	(0.5%)
Mayor and City Council	15,648,980	11,944,062	(3,704,918)	(23.7%)
Parks, Recreation & Neighborhood Services	81,014,517	80,293,047	(721,470)	(0.9%)
Planning, Building & Code Enforcement	56,725,153	50,508,401	(6,216,752)	(11.0%)
Police	417,153,724	411,198,590	(5,955,134)	(1.4%)
Public Works	47,688,380	46,341,878	(1,346,502)	(2.8%)
Transportation	37,080,334	35,344,279	(1,736,055)	(4.7%)
<b>Subtotal</b>	<b>1,029,747,346</b>	<b>993,962,173</b>	<b>(35,785,173)</b>	<b>(3.5%)</b>
<b>Non-Departmental</b>				
City-Wide Expenses	269,624,500	240,080,350	(29,544,150)	(11.0%)
Capital Contributions	60,986,743	36,610,708	(24,376,035)	(40.0%)
Transfers	47,831,355	47,831,355	-	0.0%
Earmarked Reserves	186,382,948	-	(186,382,948)	(100.0%)
Contingency Reserve	37,000,000	-	(37,000,000)	(100.0%)
Ending Fund Balance Reserve	39,120,000	-	(39,120,000)	(100.0%)
<b>Subtotal</b>	<b>640,945,546</b>	<b>324,522,413</b>	<b>(316,423,133)</b>	<b>(49.4%)</b>
<b>TOTALS</b>	<b>\$ 1,670,692,892</b>	<b>\$ 1,318,484,586</b>	<b>\$ (352,208,306)</b>	<b>(21.1%)</b>

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**GENERAL FUND EXPENDITURE PERFORMANCE**

**Discussion of Significant Departmental Variances and Other Issues**

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

***Police Department***

On an overall basis, the Police Department expenditures totaled \$411.2 million, or 98.6% of its General Fund budget of \$417.2 million, including encumbrances, resulting in savings of \$6.0 million.

Personal Services expenditures totaled \$382.7 million in 2018-2019, which is \$4.4 million below the modified budget of \$387.2 million. Overtime expenditures, which is included in the Personal Services expenditures, totaled \$49.6 million. This amount is \$9.8 million higher than the overtime budget of \$39.8 million. The higher than anticipated overtime costs were offset by vacancy savings. The Police Department has worked diligently to fill vacancies in both sworn and civilian positions. In 2018-2019, 147 recruits were hired and placed in three Recruit Academies. The overtime was primarily used to backfill vacant sworn and civilian positions, support targeted enforcement of high crime activity through suppression cars, specifically related to gang enforcement, prostitution, graffiti, and high profile investigations, and to support the Downtown Foot Patrol Unit.

As of September 2019, the Department had 1,151 authorized sworn staff, of which 36 were vacant (3.1%) and 134 were in training (11.6%), leaving 981 street ready sworn positions (this includes sworn employees on disability/modified duty/other leaves) as shown in the chart below. When sworn employees on disability/modified duty/other leaves are excluded, a total of 903 sworn positions were actually available.

	<b>2018-2019 (as of 9/21/2018)</b>	<b>2018-2019 (as of 9/6/2019)</b>
<b>Authorized sworn staffing</b>	<b>1,110</b>	<b>1,151</b>
Vacancies	(38)	(36)
<b>Filled Sworn Staffing</b>	<b>1,072</b>	<b>1,115</b>
Field Training Officer/Recruits	(116)	(134)
<b>Street-Ready Sworn Positions</b>	<b>956</b>	<b>981</b>
Disability/Modified Duty/Other Leaves	(75)	(78)
<b>Street-Ready Sworn Positions Available</b>	<b>881</b>	<b>903</b>

# 2018-2019 ANNUAL REPORT

## GENERAL FUND EXPENDITURE PERFORMANCE

### Discussion of Significant Departmental Variances and Other Issues

During 2018-2019, the Department had 55 recruits, 50 recruits, and 42 recruits in the June 2018, October 2018, and February 2019 Academies, respectively. In order to fill the vacant sworn positions and put more Police Officers back on patrol, the Department will continue to conduct three Police Recruit Academies in 2019-2020, with one starting in late June 2019 with 50 recruits, and with the next one beginning in October 2019 with an estimated 54 recruits.

The compensatory time balance at the end of 2018-2019 for sworn personnel was 295,426 hours. This balance represents a 13.1% increase compared to the 2017-2018 total sworn compensatory time balance of 261,223 hours. The primary reason for this increase in total compensatory time is due to the vacancies and the reliance on overtime to backfill critical positions. Continued active management of the overtime budget and earned compensatory time is necessary to ensure overall Personal Services expenditures remain within budgeted levels.

A total of \$28.5 million (95.0%) of the Police Department's Non-Personal/Equipment budget was expended or encumbered in 2018-2019, resulting in a savings of \$1.5 million. These savings were primarily due to lower than anticipated vehicle replacement costs and the Bodyworn Camera Contingency, which were rebudgeted as part of the 2019-2020 Adopted Budget.

#### *Fire Department*

Overall, the Fire Department expended \$224.3 million (98.2%) of its 2018-2019 General Fund budget, including encumbrances, resulting in savings of \$4.1 million. Of these savings, rebudgets totaling \$761,000 were included in the 2019-2020 Adopted Budget. In addition, \$218,000 is recommended to be rebudgeted and \$359,00 is recommended to be reallocated to the Fire Development Fee Reserve as part of this report. When these actions are taken into account, the net savings for the Fire Department is reduced to \$2.8 million.

Personal Services expenditures totaled \$215.8 million, or 99% of the \$217.9 million budget. The savings of \$2.2 million were primarily due overall department vacancy rate of 4.1% and the delay of the Firefighter recruit academy 19-01, which started in June 2019 with 25 recruits and is expected to be completed in October 2019.

The Fire Department's overall overtime expenditures of \$15.5 million ended the year 3.5% above the modified budget level of \$15.0 million. A combination of full-time staff and overtime was used to address the Fire Department's minimum staffing requirements. The Fire Department monitored daily absences and staffing to manage overtime expenditures.

The Fire Department ended 2018-2019 with a total of 220 filled Firefighter paramedic positions compared to the approximately 261 authorized positions (213 front-line positions, 47 relief positions, 1 administrative position) that are necessary to fully staff all apparatus for all three shifts. A total of 179

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## GENERAL FUND EXPENDITURE PERFORMANCE

### Discussion of Significant Departmental Variances and Other Issues

front-line positions (71 Firefighter paramedics, 64 Fire Engineers, 44 Captains) five Battalions Chiefs, and ten support positions are necessary to maintain daily minimum staffing needs. The Department continues to monitor its Firefighter/Paramedic staffing levels and deploys resources to meet service needs.

Non-Personal/Equipment expenditures and encumbrances totaled \$8.5 million, or 81.3% of the \$10.5 million budget, generating year-end savings of \$2.0 million. A portion of this amount (\$341,183) represents the Non-Personal/Equipment savings in the Fire Development Fee Program. Of the Development Fee program savings, \$137,000 was rebudgeted as part of the 2019-2020 Adopted Budget, \$200,000 is recommended to be rebudgeted in this report, and the remaining amount is recommended to be reallocated to the Fire Department Fee Reserve. The non-Development Fee Program savings totaled \$1.6 million. Of this amount, \$257,000 was rebudgeted as part of the 2019-2020 Adopted Budget.

#### Fire Department's Annual Vacancy and Absence Rates and Their Impact on Overtime

Since the release of a 2001 Overtime Audit, annual information is provided on the Fire Department's annual vacancy and absence rates and their impact on overtime. Through 2011-2012, this information was reported to the Public Safety, Finance and Strategic Support (PSFSS) Committee. At the PSFSS Committee meeting on March 21, 2013, the Administration's recommendation to incorporate the Fire Department's annual vacancy and absence rates and their impact on overtime into the Annual Report was approved. Overtime funding and relief staffing levels are reviewed annually to ensure they are appropriately measured, funded, and managed for sworn minimum staffing requirements. Understanding absence and vacancy rates is important as absence rates are a major personal services cost driver and the associated impact on overtime requires close departmental management.

In 2018-2019, the Department maintained 184 daily minimum line positions to staff all fire companies at 33 operating fire stations. Daily absences and/or vacant positions are backfilled by available relief personnel or off-duty personnel are called in to work (on overtime). Maintaining this daily minimum staffing level optimized operational effectiveness and was in conformance with the Memorandum of Agreement between the City of San José and International Association of Firefighters (IAFF), Local 230.

Total absence hours of 309,563 in 2018-2019 fell by approximately 7% from 333,368 in 2017-2018. This decrease was due to declines in modified duty, disability, and miscellaneous hours (from 128,862 in 2017-2018 to 103,513 in 2018-2019). The overall decrease was partially offset by an increase in sick leave hours (from 74,810 in 2017-2018 to 80,052 in 2018-2019). Vacancy hours decreased slightly from 104,832 in 2017-2018 to 104,944 in 2018-2019 with the total vacancy rate remaining steady at 5.4%. In 2018-2019, the combined absence and vacancy rates were 21.3%, requiring 414,507 hours of backfill.



# 2018-2019 ANNUAL REPORT

## GENERAL FUND EXPENDITURE PERFORMANCE

### Discussion of Significant Departmental Variances and Other Issues

#### *City Manager*

With 2018-2019 expenditures of \$19.6 million, including encumbrances, the City Manager's Office (CMO) expended 88.1% of their \$22.3 million General Fund budget, resulting in savings of \$2.7 million. Personal services expenditures were 92.4% expended with savings of \$1.30 million. This savings is primarily attributable to multiple vacancies in the Office of Employee Relations and Office of Communications, which have mostly been filled. A total of \$94,000 of personal services savings are recommended to be rebudgeted as part of this report for Office of Immigrant Affairs temporary staffing and grant-funded positions in Office of Emergency Management, reducing the expenditure variance to \$1.25 million for personal services costs.

Non-personal/equipment ended the year 26.0% (\$1.4 million) below the budgeted level of \$5.2 million, including encumbrances. A majority of the non-personal/equipment savings (\$715,000) were rebudgeted as part of the 2019-2020 Adopted Budget for projects currently underway in the Office of Emergency Management, the Office of Immigrant Affairs, and the Office of Civic Innovation. Included in this report is a recommendation to rebudget \$330,000 for projects continuing into 2019-2020, primarily for the Office of Emergency Management, which reduces the expenditure variance to \$309,000 for non-personal/equipment costs.

#### *Information Technology*

Information Technology Department (ITD) expenditures, including encumbrances, totaled \$21.1 million in 2018-2019. This expenditure level is \$4.9 million, or 18.8%, below the budgeted level of \$26.0 million. Personal services expenditure savings (including fee activity) totaled \$1.8 million in 2018-2019, which was primarily due to vacancies throughout the department. As of July 1, 2018, there were 16 vacant positions, of which 1.5 positions had recently been added. However, at year-end the vacancy number had grown to eight positions. Non-personal/equipment expenditures and encumbrances of \$9.1 million were \$3.1 million below the 2018-2019 Modified Budget due to project delays. Savings totaling \$2.4 million were rebudgeted as part of the 2019-2020 Adopted Budget, which reduces the Non-Personal/equipment savings to \$614,000. These adjustments were for various projects, including, the Technology Equipment Replacement to Converged or Hyper-Converged Infrastructure, Network Infrastructure Modernization, Business Process Automation Platform, and Print Management.

#### *Mayor and City Council*

With total expenditures and encumbrances of \$11.9 million, the Mayor's Office, the City Council Offices, and Council General expended 76% of their total General Fund budgets of \$15.6 million, resulting in savings of \$3.7 million at year-end. Of this expended amount, \$2.9 million was realized in the City Council Offices, \$814,000 was realized in the Mayor's Office, and \$6,000 was realized in Council General as outlined below:

# 2018-2019 ANNUAL REPORT

## GENERAL FUND EXPENDITURE PERFORMANCE

### Discussion of Significant Departmental Variances and Other Issues

#### 2018-2019 Actual Expenditure Performance

	2018-2019 Modified Budget	2018-2019 Actuals	Variance
Council District 1	\$ 1,066,091	\$ 624,419	\$ 441,672
Council District 2	917,862	827,844	90,018
Council District 3	953,056	756,243	196,813
Council District 4	1,500,098	519,307	980,791
Council District 5	1,123,980	805,623	318,357
Council District 6	1,028,787	750,433	278,354
Council District 7	855,089	776,437	78,652
Council District 8	1,078,736	852,738	225,998
Council District 9	918,413	673,212	245,201
Council District 10	797,243	768,488	28,755
Mayor's Office	5,341,682	4,527,594	814,088
Council General	67,943	61,724	6,219
	<b>\$ 15,648,980</b>	<b>\$ 11,944,062</b>	<b>\$ 3,704,918</b>

In the 2019-2020 Adopted Budget, anticipated 2018-2019 savings of \$3.4 million (\$2.4 million in the City Council Offices, \$908,000 in the Mayor's Office, and \$14,000 in Council General) were rebudgeted. Actual year-end savings, however, exceeded these estimates. Based on year-end performance, additional rebudgets totaling \$336,000 are recommended in this report.

#### ***Planning, Building and Code Enforcement***

The Planning, Building and Code Enforcement Department (PBCE) expenditures, including encumbrances, totaled \$50.5 million, which is \$6.2 million, or 11.0%, below the 2018-2019 Modified Budget level of \$56.7 million. After accounting for rebudgets included in the 2019-2020 Adopted Budget (\$1.1 million), the resulting net variance for the Department totals \$5.1 million.

Personal services savings (including Development Fee Programs) in 2018-2019 totaled \$3.7 million, which represents 7.6% of the 2018-2019 Modified Budget level of \$49.1 million. This savings is the result of vacant positions in Non-Development Fee Programs (Community Code Enforcement) and the Development Fee Programs (Planning and Building). During 2018-2019, PBCE faced vacancy rates ranging from 15.4% - 19.9% throughout the year as the Department continued to face challenges to attract and retain qualified candidates. Efforts are ongoing to reach a larger candidate base beyond the standard job posting sites to attract and fill these critical vacancies to best serve customers. In addition, the City Council recently approved salary adjustments to the Planner series ranging from 3.0% to 5.7%.

# 2018-2019 ANNUAL REPORT

## GENERAL FUND EXPENDITURE PERFORMANCE

### Discussion of Significant Departmental Variances and Other Issues

The Non-Personal/Equipment 2018-2019 expenditures, including encumbrances, totaled \$5.2 million, which is \$2.5 million (32.3%) below the 2018-2019 Modified Budget of \$7.6 million. Of this savings, \$1.1 million related to the various policy and program work was anticipated and rebudgeted as part of the 2019-2020 Adopted Budget, bringing the variance down to \$1.4 million. The remaining savings is due, in part to contractual services, including peak staffing for plan review and consultant services.

It is important to note that any excess revenues, interest earnings, and expenditures savings associated with the Planning and Building Development Fee Programs are set aside in the Development Fee Program Reserves. In this report, a net increase of \$4.2 million to the Building Development Fee Program Reserve, a net increase of \$1.9 million to the Planning Development Fee Program Reserve, and a net increase of \$1.5 million to the Citywide Development Fee Program Reserve, and are recommended in this report to account for the additional revenue and expenditure savings experienced in 2018-2019.

### Highlights of Non-Departmental Expenditures and Variances

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

**TABLE E**  
**2018-2019 NON-DEPARTMENTAL GENERAL FUND EXPENDITURES**  
(In \$000s)

Category	2018-2019 Modified Budget	2018-2019 Actual	Variance	% Variance
City-Wide Expenses	\$ 269,624,500	\$ 240,080,350	\$ (29,544,150)	(11.0%)
Capital Contributions	60,986,743	36,610,708	(24,376,035)	(40.0%)
Transfers	47,831,355	47,831,355	-	0.0%
Earmarked Reserves	186,382,948	-	(186,382,948)	(100.0%)
Contingency Reserve	37,000,000	-	(37,000,000)	(100.0%)
Ending Fund Balance Reserve	39,120,000	-	(39,120,000)	(100.0%)
<b>TOTAL</b>	<b>\$ 640,945,546</b>	<b>\$ 324,522,413</b>	<b>\$ (316,423,133)</b>	<b>(49.4%)</b>

#### *City-Wide Expenses*

The City-Wide Expenses category consists of funding that is related to more than one department or that is not directly associated with a department's ongoing operations. Committed expenditures in this category totaled \$240.1 million, or 89% of the 2018-2019 Modified Budget, resulting in savings of \$29.5 million. Of this amount, \$24.5 million was assumed as savings in 2018-2019 and rebudgeted to 2019-2020, including \$4.1 million that was offset by revenue sources. Of the remaining balance of \$5.1

# 2018-2019 ANNUAL REPORT

## GENERAL FUND EXPENDITURE PERFORMANCE

### Highlights of Non-Departmental Expenditures and Variances

million, rebudget adjustments totaling \$657,000 are recommended in this report, and if approved, would result in net savings of \$4.4 million in this category, a 1.6% variance from the budgeted level.

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

- TRANs Debt Service payments of \$152.0 million were completed to repay a short-term note of \$152.1 million that was issued for cash flow purposes necessitated by the pre-funding of employer retirement contributions.
- Workers' Compensation Claims payments of \$18.4 million were \$1.7 million, or 8.4%, below the 2018-2019 Modified Budget of \$20.1 million. This spending level is down from prior year levels of \$21.2 million, and reflects lower expenditure levels in all Workers' Compensation Claims appropriations, which include Fire, Police, PRNS, Public Works, DOT, and Other Departments.
- San José BEST and Safe Summer Initiative Programs expenditures of \$6.1 million were \$408,000, or 6.3% below the 2018-2019 Modified Budget of \$6.5 million. As part of the development of the 2019-2020 Adopted Budget, an estimated \$603,000 in savings was rebudgeted, and this document recommends a downward adjustment of \$194,000 due to higher than anticipated expenses that occurred in 2018-2019.
- Sick Leave Payments Upon Retirement expenditures of \$4.7 million ended the year just below the annual allocation of \$5.0 million by \$300,000, and 15.8% above the 2017-2018 level of \$4.1 million.
- General Liability Claims of \$3.8 million were 53.9% or \$3.2 million below the 2018-2019 Modified Budget of \$7.0 million and well below 2017-2018 expenditures of \$17.4 million. As part of the development of the 2019-2020 Adopted Budget, an estimated \$4.0 million in savings was rebudgeted, and this document recommends a downward adjustment of \$767,000 due to higher than anticipated expenses that occurred in 2018-2019.
- The Energy and Utility Conservation Measures Program (ESCO) project expenditures in 2018-2019 of \$1.9 million were \$527,000, or 21.7%, below the Modified Budget estimate of \$2.4 million, yet 9.1% above expenditures in 2017-2018 of \$1.7 million. As part of the development of the 2019-2020 Adopted Budget, an estimated \$800,000 in savings was rebudgeted, and this document recommends a downward adjustment of \$274,000 due to higher than anticipated expenses that occurred in 2018-2019.
- Expenditures for Homeless Rapid Rehousing of \$939,000 and the Homeless Response Team of \$1.4 million totaled \$2.3 million and ended the year \$1.5 million below budgeted levels across both appropriations. As part of the development of the 2019-2020 Adopted Budget, an estimated \$2.0 million in savings was rebudgeted, and this document recommends a downward adjustment due to higher than anticipated expenses for Homeless Rapid Rehousing that occurred in 2018-2019, as well as a rebudget of additional project savings of \$139,000 for the Homeless Response Team.

# 2018-2019 ANNUAL REPORT

## GENERAL FUND EXPENDITURE PERFORMANCE

### Highlights of Non-Departmental Expenditures and Variances

- Elections and Ballot Measures expenditures of \$1.8 million were \$886,000, or 33.1%, below the 2018-2019 Modified Budget of \$2.7 million. As part of the development of the 2019-2020 Adopted Budget, an estimated \$797,000 in savings was rebudgeted, and this document recommends a downward adjustment of \$89,000 due to higher than anticipated expenses that occurred in 2018-2019.

### *Capital Projects*

In 2018-2019, the General Fund provided funding totaling \$61.0 million for capital projects. Of this amount, approximately \$24.4 million was unexpended at year-end. The projects with the largest unexpended balances included:

<b>Capital Projects</b>	Unexpended Funds (\$000s)
City Hall Campus Expansion	\$ 4,696
City Hall Network Operations Center Main Switchboard Replacement	4,525
City Hall HVAC Control System Replacement	3,047
Fire Apparatus Replacement	2,912
San Jose Stage Company	1,000
City Hall Waterproofing	951
PW Unanticipated/Emergency Maintenance	872
Local Sales Tax - Police Communications Center Elevator Retrofit	597
Police Communications Center Elevator Retrofit	566
Police Communications Emergency Uninterrupted Power Supply	505
All Other Projects	4,706
<b>Total Unexpended Capital Projects</b>	<b>\$ 24,377</b>

Of the \$24.4 million unexpended at the end of 2018-2019, a total of \$17.2 million was rebudgeted to 2018-2019 in the Adopted Budget, leaving a balance of \$7.2 million. As part of the Annual Report, additional rebudget adjustments totaling \$6.75 million are recommended, bringing the Capital savings to \$408,000.

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

### *Transfers*

In the Transfers category, expenditures of \$47.8 million ended the year at budgeted levels.

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## GENERAL FUND EXPENDITURE PERFORMANCE

### Highlights of Non-Departmental Expenditures and Variances

#### *Reserves*

General Fund Reserve categories include Earmarked Reserves (\$225.5) and the Contingency Reserve (\$37.0), which totaled \$262.5 million as of June 30, 2018. The 2019-2020 Adopted Budget assumed that \$226.3 million would be available at year-end, with reserves either re-established in 2019-2020 or used as a funding source for the 2019-2020 Adopted Budget. This variance from budgeted reserve levels is mostly attributable to the timing of the rebudgeting of the Fire Training Center Relocation Reserve (\$36.8 million), which is recommended in this report.

#### *Earmarked Reserves*

Earmarked Reserves totaled \$225.5 million on June 30, 2019, the largest of which were the 2018-2019 Ending Fund Balance Reserve (\$39.1 million); Fire Training Center Replacement Reserve (\$36.8 million); 2019-2020 Proposed Budget Planning Reserve (\$34.5); Building Development Fee Program Reserve (\$26.1 million); Budget Stabilization Reserve (\$17.0 million); 2019-2020 Future Deficit Reserve (\$15.5 million); Workers Compensation/General Liability Catastrophic Reserve (\$15.0 million); Salaries and Benefits Reserve (\$9.2 million); Fire Development Fee Program (\$7.2 million); Sick Leave Payments Upon Retirement Reserve (\$5.0 million); Public Works Development Fee Program Reserve (\$5.6 million); Cultural Facilities Capital Maintenance Reserve (\$3.1 million); and City Health Plan Restructuring Reserve (\$3.0 million). The 2019-2020 Adopted Budget rebudgeted \$87.3 million of these reserves, and established new reserves totaling \$26.8, the largest of which included the: 2020-2021 Future Deficit Reserve (\$10.9 million); 2020-2021 Police Sworn Hire Ahead Program Reserve (\$7.2 million); IT Sinking Fund Reserve (\$2.0 million); and Business Tax System Replacement Reserve (\$1.3 million).

#### *Ending Fund Balance Reserve*

The 2018-2019 Ending Fund Balance Reserve of \$39.1 million was proactively set aside to help ensure sufficient fund balance would be available at the end of 2018-2019 to meet the budgeted estimate used for the development of the 2018-2019 Adopted Budget. Annually, as part of the development of the General Fund Forecast and Adopted Budget for the following year, a certain amount of current year unrestricted ending fund balance is estimated to be available at the end of the year as a funding source for the following year's budget. This ending fund balance is expected to be generated from additional revenues above budgeted levels, expenditure savings, and the liquidation of carryover encumbrances during the year. In the 2019-2020 Adopted Budget, it was assumed that \$49.5 million would be generated from these sources. The establishment of the 2018-2019 Ending Fund Balance Reserve set aside a portion of this funding, with the assumption that the remaining amount would be realized by year-end.

# 2018-2019 ANNUAL REPORT

## GENERAL FUND EXPENDITURE PERFORMANCE

### Highlights of Non-Departmental Expenditures and Variances

#### *Contingency Reserve*

The Contingency Reserve totaled \$37.0 million and remained unspent during the year. As part of the development of the 2019-2020 Adopted Budget, the full Contingency Reserve was rebudgeted and increased by \$1.5 million in order to comply with the Council Policy of maintaining a minimum 3% Contingency Reserve in the General Fund. As part of this report, an additional \$1.5 million is recommended to comply with the 3% funding requirement to align with the Modified Budget, resulting from the City Council's anticipated approval of this report, and would bring the 2019-2020 Contingency Reserve to \$40.0 million. It is important to note, however, that if this Contingency Reserve is ever needed, it is only sufficient to cover General Fund payroll expenditures for a couple of weeks in the event of an emergency.

Further rebudgets and adjustments totaling \$49.5 million are recommended in this report, including: rebudgeting the Fire Training Center Replacement Reserve (\$36.8 million); reconciling adjustments to the Development Fee Program Reserves and Small Cell Permitting Reserve (\$10.1 million); increases to the Contingency Reserve (\$1.5 million) and Budget Stabilization Reserve (\$5.0 million) in accordance with policy; and, liquidations of reserves to advance the Fire Training Center Relocation (\$3.5 million) and Office of Equality Assurance Labor Compliance System (\$250,000) projects.

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

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**III. SELECTED SPECIAL/  
CAPITAL FUNDS  
BUDGET  
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## III. SELECTED SPECIAL/CAPITAL FUNDS BUDGET PERFORMANCE

This section provides financial information on the 2018-2019 year-end performance for selected special and capital funds that represent major City operations. Specifically, it includes discussions regarding the funds' revenue, expenditure, and ending fund balance performances. The funds are discussed in alphabetical order.

The Revenue and Expenditure Performance chart displays the 2018-2019 Modified Budget and Actual revenues and expenditures, with the dollar and percent variance for each. The revenue figures exclude the Beginning Fund Balance and Reserves while the expenditure figures include encumbrances, but exclude the Ending Fund Balance and other reserves. The Ending Fund Balance Performance chart displays the 2018-2019 Modified Budget, which includes fund balance and reserves. The 2018-2019 Estimated Ending Fund Balance and Actual Ending Fund Balance also includes reserves, with the exception of the reserve for encumbrances. The dollar variance compares the Estimated Ending Fund Balance used to develop the 2019-2020 Adopted Budget with the Actual Ending Fund Balance. The Recommended Annual Report Rebudget Adjustments shows the amount of additional rebudgets recommended in this report and calculates the revised variance should recommended rebudgets be approved.

Revenue Performance: This discussion identifies the amount of revenue received in 2018-2019 and major revenue sources; provides context regarding the year-end revenue performance variance to the modified budget; and compares revenues to the prior year performance.

Expenditure Performance: This discussion identifies the amount of expenditures for 2018-2019 and major expenditure categories; provides context regarding the year-end expenditure performance variance to the modified budget; discusses significant capital improvement project variances relative to the size of the capital fund; lists related 2019-2020 budget actions (such as rebudgets); calculates the revised expenditure variance due to rebudgets approved as part of the 2019-2020 Adopted Budget or as recommended in this report; and compares expenditures to the prior year performance.

Ending Fund Balance Performance: This discussion provides the actual Ending Fund Balance and the estimated Ending Fund Balance used in the development of the 2019-2020 Adopted Budget; discusses variances between these two amounts; and identifies any impact on the 2019-2020 budget related to recommended actions included in this report.

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**PERFORMANCE OF SELECTED SPECIAL AND CAPITAL FUNDS**

**AIRPORT CAPITAL FUNDS**

<b>Revenue and Expenditure Performance (\$ in Thousands)</b>				
	<b>2018-2019 Budget</b>	<b>2018-2019 Actuals</b>	<b>Variance</b>	<b>% Variance</b>
Revenues	\$144,448	\$128,043	(\$16,405)	(11.4%)
Expenditures	\$169,925	\$122,046	(\$47,879)	(28.2%)

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

**Revenues** totaled \$128.0 million and were generated primarily from Commercial Paper Proceeds (\$55.0 million), Passenger Facility Charges (PFCs) (\$29.7 million), transfers from the Airport Surplus Revenue Fund (\$21.8 million), grant income (\$19.0 million), and interest earnings (\$1.1 million). This revenue level was \$16.4 million (11.4%) below the modified budget and \$76.0 million (146.4%) above the prior year level of \$52.0 million.

The negative variance to the budget of \$16.4 million (11.4%) was primarily due to lower than expected receipt of grant revenue, \$18.6 million (49.5%), that was the result of grant-funded projects awaiting Federal Aviation Administration approval of grant applications. Passenger Facility Charge revenue ended the year above estimated levels by \$3.0 million (11.4%), partially offsetting the grant revenue variance. Additional revenue activity included receipt of \$55.0 million in Commercial Paper proceeds to fund construction of the Interim Terminal Facility. Overall, revenues in 2018-2019 of \$128.0 million were higher than 2017-2018 revenues of \$52.0 million due primarily to increased PFC receipts, receipt of Commercial Paper proceeds, and transfers-in from Airport operating funds. Revenue totaling \$23.6 million has been rebudgeted to 2019-2020.

**Expenditures** totaled \$122.0 million and consisted primarily of expenses related to the construction of the Interim Terminal Facility (\$53.2 million), transfers to other Airport funds for debt service payments (\$27.0 million), various capital renewal and replacement projects (\$7.3 million), and several significant airfield and passenger support facility projects, including: Terminal B Ramp Rehabilitation (\$12.5 million), Airfield Electrical Circuit Rehabilitation (\$5.6 million), and Network Replacement (\$4.4 million) projects. The Airport also acquired ten electric buses under the Zero Emissions Buses project (\$9.1 million) which supports the City's green vision goals. This expenditure level was \$47.9 million (28.2%) below the modified budget and \$56.1 million (85.1%) above the prior year level of \$65.9 million.

After adjusting for rebudgets of \$39.8 million included in the 2019-2020 Adopted Budget and \$1.2 million recommended in this report, expenditure savings of \$6.0 million were largely attributed to project savings in Perimeter Security Technology Infrastructure (\$1.8 million), Terminal B Expansion Ramp (\$4.0 million) and Trench Drain Restoration (638,000). Expenditures in 2018-2019 were above the prior year primarily due to the expenses for construction of the Interim Terminal Facility.

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**PERFORMANCE OF SELECTED SPECIAL AND CAPITAL FUNDS**

**AIRPORT CAPITAL FUNDS**

The Airport continues to plan for the future as additional large-scale projects will come online to further support the Airport’s continued growth.

<b>Ending Fund Balance Performance (\$ in Thousands)</b>						
<i><b>2018-2019 Modified Budget</b></i>	<i><b>2018-2019 Estimated Ending Fund Balance</b></i>	<i><b>2018-2019 Actual Ending Fund Balance</b></i>	<i><b>Variance</b></i>	<i><b>Recommended Annual Report Rebudget Adjustments</b></i>	<i><b>Revised Variance</b></i>	<i><b>Revised Variance % (incl. Rebudget Adjustments)</b></i>
\$191,948	\$42,392	\$53,215	\$10,823	\$1,153	\$11,976	6.2%

The **Ending Fund Balance** of \$53.2 million was \$28.9 million above the estimate used in the development of the 2019-2020 Adopted Budget. Rebudget adjustments recommended as part of the Annual Report include revenue rebudgets of \$2.5 million, which includes anticipated Commercial Paper proceeds not received in 2018-2019 as well as some revenue adjustments to align the budget with actuals. Annual Report requests also include expenditure rebudgets of \$1.2 million. After accounting for the rebudget adjustments of \$1.2 million, the revised fund balance variance is a positive \$12.0 million.

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**PERFORMANCE OF SELECTED SPECIAL AND CAPITAL FUNDS**

**AIRPORT OPERATING FUND - AIRPORT CUSTOMER FACILITY AND  
TRANSPORTATION FEE FUND**

<b>Revenue and Expenditure Performance (\$ in Thousands)</b>				
	2018-2019 Budget	2018-2019 Actuals	Variance	% Variance
Revenues	\$21,199	\$21,804	\$605	2.9%
Expenditures	\$21,362	\$21,111	(\$251)	(1.2%)

**Revenues** totaled \$21.8 million and were generated from rental car Customer Facility Charge (CFC) fees (\$21.5 million) and interest earnings (\$227,000). This revenue level was \$605,000 (2.9%) above the modified budget of \$21.2 million and \$802,000 (3.5%) below the prior year level of \$22.6 million.

The positive variance to the budget of \$605,000 (2.9%) was mainly due to higher than estimated CFC revenue, which was driven by an increase in car rental activities. The decrease in revenue from the prior year was due to not collecting contributions from rental car companies to cover the shuttle bus transportation costs in 2018-2019. CFC revenue was sufficient to cover debt service and transportation costs in 2018-2019. Therefore, the budget for Rental Car Contributions was eliminated in 2018-2019.

**Expenditures** totaled \$21.1 million and were primarily attributed to transfers for debt service payments (\$18.8 million) as well as shuttle bus transportation costs (\$2.3 million). The small variance to the budget of \$251,000 (1.2%) was due to shuttle bus maintenance and operator costs ending the year at budgeted levels; use of the Operations Contingency was not needed in 2018-2019. This expenditure level was \$384,000 (1.9%) above the prior year level of \$20.7 million due to increased debt service and shuttle bus driver and maintenance costs.

<b>Ending Fund Balance Performance (\$ in Thousands)</b>						
2018-2019 Modified Budget	2018-2019 Estimated Ending Fund Balance	2018-2019 Actual Ending Fund Balance	Variance	Recommended Rebudget Adjustments Impact	Revised Variance	Revised Variance % (incl. Rebudget Adjustments)
\$34,240	\$13,499	\$13,733	\$234	\$0	\$234	0.7%

The 2018-2019 **Ending Fund Balance** of \$13.7 million was \$234,000 above the estimate used in the development of the 2019-2020 Adopted Budget. This positive variance was largely due to higher than estimated revenues from CFCs and interest earnings, coupled with slightly lower than estimated non-personal/equipment expenditures.

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**PERFORMANCE OF SELECTED SPECIAL AND CAPITAL FUNDS**

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

<b>Revenue and Expenditure Performance (\$ in Thousands)</b>				
	<i>2018-2019 Budget</i>	<i>2018-2019 Actuals</i>	<i>Variance</i>	<i>% Variance</i>
Revenues	\$173,858	\$176,996	\$3,138	1.8%
Expenditures	\$118,236	\$113,635	\$4,601	3.9%

**Revenues** in the Airport Revenue Fund totaled \$177.0 million and were generated from Parking and Roadways (\$64.4 million), Airline Terminal Rental (\$42.8 million), Terminal Building Concessions (\$23.7 million), Landing Fees (\$19.0 million), Miscellaneous Revenue (\$14.7 million), Airfield Area (\$8.3 million), Petroleum Products (\$2.9 million), a transfer from the General Fund for Jet Fuel Sales Tax (\$673,000), and a transfer from the Airport Fiscal Agent Fund (\$451,000). This revenue level was \$3.1 million (1.8%) above the modified budget of \$173.9 million and \$6.5 million greater than the prior year level of \$170.5 million.

The positive revenue variance of \$3.1 million resulted from higher than budgeted revenue in several categories: Parking and Roadways (\$8.7 million) due to increased ground transportation trip fees and higher revenue from economy (long-term), daily, and hourly parking; Terminal Building concessions revenue (\$3.3 million) due to increased passenger volume and sales; and miscellaneous revenue (\$1.5 million) due to increased interest earnings. Airfield revenue aligns with budget while Landing Fees revenue (\$1.6 million) and Airline Terminal Rental (\$8.6 million) were lower than expected from a combination of airlines discontinuing operations at SJC, year-end Terminal Rental true-up calculations, and a difference in timing between developing airline Rates and Charges projections and the 2018-2019 Adopted Budget.

The 2018-2019 revenue level was \$6.5 million (3.8%) higher than the 2017-2018 level of \$170.5 million and this growth is primarily attributed to the increased passenger and commercial traffic operations activity.

**Expenditures** in the Airport Maintenance and Operation Fund totaled \$113.6 million and were primarily for Airport Department non-personal/equipment (\$43.3 million including encumbrances), Airport personal services (\$31.3 million), a transfer to the General Fund for Police and Fire services (\$16.1 million), overhead (\$5.1 million), and interdepartmental services (\$1.4 million) expenditures. Additionally, there were Airline Funds Distribution payments (\$30.2 million) for signing the 2019 Airline-Airport Lease and Operating Agreement prior to June 30, 2019 and for recording the net remaining revenue resulting from 2018-2019 fiscal year financial performance. The 2019 Airline-Airport Lease and Operating Agreement provides for net remaining revenues to be issued/paid to the Signatory Airlines upon the close of each fiscal year. To close out the 2007 Agreement (expired June 30, 2019), the balance of the net remaining revenues generated over the term of the agreement were to be paid out. The net remaining revenue of \$13.9 million caused the Airline Reserve Funds Distribution appropriation to be exceeded; the recommendation to ratify this over expenditure will be considered by the City Council at its meeting on October 1, 2019.

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**PERFORMANCE OF SELECTED SPECIAL AND CAPITAL FUNDS**

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

This expenditure level was \$8.4 million (7.1%) above the modified budget of \$118.2 million and \$36.3 million (40.2%) above the prior year level of \$90.3 million.

The variance to the budget of \$8.4 million was mainly due to Airline Reserve Funds Distributions (\$30.2 million) as a condition of Airlines executing the 2019 Airline-Airport Lease and Operating Agreement by June 30, 2019 and recording the net remaining revenue calculated as part of the year-end closing process. Savings that partially offset the overage include personal services vacancy savings (\$1.4 million) and non-personal/equipment expenditure savings (\$2.6 million) primarily from prioritizing needs and remaining Operations Contingency funds (\$1.8 million). The \$36.3 million (40.2%) increase over the prior year was primarily due to higher Airport Department personal services costs (\$2.7 million), reimbursement of indirect overhead costs (\$2.4 million) and Police/Fire services costs (\$1.8 million) as well as the Airline Reserve Funds Distribution (\$30.2 million). The higher personal services costs reflect the addition of 4.5 positions in the 2018-2019 budget and were necessary to meet increased operational needs resulting from the surge in passenger and commercial flights. Likewise, the non-personal/equipment costs increased due to the higher volume of traffic at the Airport. Costs increased for volume-sensitive items such as water and garbage. Custodial, elevator, and baggage handling system maintenance service levels were also impacted. Higher costs for both Airport Police Division and Aircraft Rescue and Fire Fighting (ARFF) services can be attributed to wage adjustments, overtime hours, and transitioning to permanent Fire Department staff (the previous ARFF staffing model was more reliant on overtime), which became necessary to meet the Airport's increased operational needs.

<b>Ending Fund Balance Performance (\$ in Thousands)</b>						
<b>2018-2019 Modified Budget</b>	<b>2018-2019 Estimated Ending Fund Balance</b>	<b>2018-2019 Actual Ending Fund Balance</b>	<b>Variance</b>	<b>Recommended Rebudget Adjustments Impact</b>	<b>Revised Variance</b>	<b>Revised Variance % (incl. Rebudget Adjustments)</b>
\$422,049	\$123,846	\$115,017	(\$8,829)	\$0	(\$8,829)	(2.1%)

The 2018-2019 combined **Ending Fund Balance** of \$115.0 million was \$8.8 million below the budgeted estimate used to develop the 2019-2020 Adopted Operating Budget. The variance from the estimate was largely due to year-end transactions of \$13.9 million that were not factored in the development of the estimated Ending Fund Balance, including the payment of \$13.9 million in net remaining revenue in accordance with the 2019 Airline-Airport Lease and Operating Agreement. Offsetting these payments were higher than budgeted revenues from Parking and Roadway concession fees (\$8.7 million), Terminal Building concessions fees (\$3.3 million), miscellaneous revenue (\$1.5 million), and lower than budgeted Airport Department non-personal/equipment (\$2.6 million) and Airport Department personal services expenditure (\$1.4 million) savings.



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**PERFORMANCE OF SELECTED SPECIAL AND CAPITAL FUNDS**

**BUILDING AND STRUCTURE CONSTRUCTION TAX FUND**

<b>Revenue and Expenditure Performance (\$ in Thousands)</b>				
	<i>2018-2019 Budget</i>	<i>2018-2019 Actuals</i>	<i>Variance</i>	<i>% Variance</i>
Revenues	\$28,083	\$25,873	(\$2,210)	(7.8%)
Expenditures	\$56,516	\$21,439	(\$35,077)	(62.1%)

**Revenues** totaled \$25.9 million and were generated primarily from Building and Structure Construction Tax (\$22.5 million), grant funding (\$2.0 million), interest earnings (\$1.1 million), and other revenue (\$240,000). The revenue level was \$4.1 million (13.8%) below the prior level of \$30.0 million. The 2018-2019 revenues were lower than the budgeted estimate of \$28.1 million by approximately \$2.2 million, resulting primarily from lower than budgeted grant funding (\$5.8 million) and other revenues (\$3.6 million), offset by higher Building and Structure Construction Tax receipts (\$6.5 million) and higher interest earnings (\$664,000).

At \$22.5 million, Building and Structure Construction Tax receipts in 2018-2019 were above the budgeted estimate of \$16.0 million and 5.0% higher than in 2017-2018. This higher collection level for Building and Structure Construction Tax revenues is mainly attributable to increased issuances of permits for industrial building projects. The total valuation of projects submitted in 2018-2019 was \$1.7 billion, 4.2% above the \$1.6 billion valuation of projects that were received in 2017-2018. Residential valuation ended the year below the estimate while the valuations for the Commercial and Industrial land use categories ended the year above estimates. Residential valuation of \$567.5 million in 2018-2019 was lower than the 2017-2018 level of \$631.0 million. A total of 2,985 new residential units received permits in 2018-2019, which was below 2017-2018 actuals of 3,241 units. Commercial valuation of \$631.4 million tracked above the prior year level of \$617.7 million. And Industrial activity of \$544.0 million was higher than last year's level of \$423.4 million. Notable activity that took place in 2018-2019 include building permits for: the construction for a new Chick Fil A restaurant on Blossom Hill Road west of the intersection with Almaden Expressway; construction of a new 200 unit assisted living facility at the intersection of Almaden Expressway and Branham Lane; two five-unit townhome buildings located east of Santa Teresa Boulevard and south of Blossom Hill Road; a 135-unit apartment building located on Bassett Avenue, south of Coleman Avenue and east of Highway 87; seven building self-storage warehouse near the intersection of Aborn and Silver Creek Roads; a five-story parking structure on Coleman Avenue; a 120-unit apartment on Delmas Avenue south of West San Carlos Street and west of Highway 87; a 233-unit apartment building located on Berryessa Road south of Lundy Avenue; and the balance of construction for two eight story (242,320 square feet) and one four story (126,895 square feet) office buildings located near the intersection of Bering Drive and East Brokaw Road. The 2019-2020 Adopted Budget estimate of \$15.0 million allows for a decrease of 33.4% from the actual 2018-2019 collection level.

Grant related revenues of \$1.6 million that were not received in 2018-2019 due to project delays, were anticipated and rebudgeted during the development of the 2019-2020 Adopted Budget. An additional \$3.3 million of grant funding is recommended to be rebudgeted as part of this report.

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**PERFORMANCE OF SELECTED SPECIAL AND CAPITAL FUNDS**

**BUILDING AND STRUCTURE CONSTRUCTION TAX FUND**

**Expenditures** totaled \$21.4 million and were \$35.1 million (62.1%) below the modified budget. A significant portion of the expenditure savings (\$14.6 million), excluding reserves, was anticipated and rebudgeted as part of the 2019-2020 Adopted Budget process. An additional \$8.2 million is recommended to be rebudgeted as part of this report to ensure sufficient funding for projects in 2019-2020. Once rebudgets are included, expenditures in the Building and Structure Construction Tax Fund approach budgeted levels for 2018-2019. The expenditure level was \$22.8 million (51.6%) below the prior year level of \$44.3 million.

<b>Ending Fund Balance Performance (\$ in Thousands)</b>						
<i><b>2018-2019 Modified Budget</b></i>	<i><b>2018-2019 Estimated Ending Fund Balance</b></i>	<i><b>2018-2019 Actual Ending Fund Balance</b></i>	<i><b>Variance</b></i>	<i><b>Recommended Rebudget Adjustments Impact</b></i>	<i><b>Revised Variance</b></i>	<i><b>Revised Variance % (incl. Rebudget Adjustments)</b></i>
\$78,824	\$46,065	\$55,968	\$9,903	(\$1,656)	\$8,247	10.5%

The **Ending Fund Balance** of \$56.0 million was \$9.9 million above the estimate used in the development of the 2019-2020 Adopted Budget. After accounting for net rebudget adjustments of a \$1.7 million recommended in the Annual Report, the positive variance is reduced to \$8.2 million. Significant expenditure rebudgets include Safety – Pedestrian Roadway Improvements (\$1.3 million), Safety – Traffic Signal Modifications/Construction (\$878,000), Tully Road Corridor Safety Improvements (\$631,000), Access and Mobility Plan (\$600,000), Senter Road Pedestrian Safety Improvements (\$559,000), Route 101/Blossom Hill Road Interchange (\$552,000), McKee Road Corridor Safety Improvements (\$540,000), and TLSP Controller Component Upgrade (\$514,000).

After accounting for all recommended adjustments, an increase of \$7.1 million is recommended to be allocated to the 2019-2020 Ending Fund Balance.

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**CONSTRUCTION AND CONVEYANCE TAX FUNDS**

<b>Revenue and Expenditure Performance (\$ in Thousands)</b>				
	<b>2018-2019 Budget</b>	<b>2018-2019 Actuals</b>	<b>Variance</b>	<b>% Variance</b>
Revenues	\$73,575	\$77,721	(\$4,146)	(5.6%)
Expenditures	\$118,936	\$81,645	(\$37,291)	(31.4%)

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

**Revenues** generated in the Construction and Conveyance (C&C) Tax Funds in 2018-2019 totaled \$77.7 million and were comprised of C&C Tax receipts (\$47.2 million), transfers between funds (\$19.6 million), interest earnings (\$1.7 million), developer contributions and miscellaneous revenue (\$7.1 million; which includes commercial paper proceeds in the Parks City-Wide C&C Tax Fund of \$3.8 million), and state and federal grants (\$2.1 million). This revenue level is \$4.1 million above the budgeted estimate of \$73.6 million, primarily due to higher than budgeted C&C Tax revenue (\$9.2 million) and transfers between funds (\$7.5 million), partially offset by lower than budgeted grant revenues (\$4.6 million) and miscellaneous revenue (\$8.1 million), which is primarily attributed to commercial paper proceeds and flood cost reimbursements that are anticipated to be received in the Parks City-Wide C&C Tax Fund (\$7.2 million). The commercial paper and flood cost revenues were anticipated to not be received in 2018-2019, and were rebudgeted as part of the 2019-2020 Adopted Capital Budget.

C&C Tax collection of \$47.2 million was received in 2018-2019, which is \$9.2 million above the Modified Budget of \$38.0 million and \$5.2 above the estimated collection level of \$42.0 million. The actual tax receipts in 2018-2019 represent a marginal decrease of \$900,000 (2%) from 2017-2018 collections of \$48.1 million. The 2019-2020 Adopted Capital Budget was developed with the assumption that C&C receipts would total \$42.0 million in 2018-2019 and decrease by 10.5% to \$38.0 million in 2019-2020. Due to the stronger than anticipated performance in 2018-2019, the 2019-2020 revenue estimate allows for a 24.2% decline in tax revenue. However, due to uncertainty in the local real estate market (which is the driver of this revenue category), it is not recommended to increase the 2019-2020 revenue estimate in the 2018-2019 Annual Report.

After seven years of year-over-year home price growth, the local real estate market is slowing down. According to data from the Santa Clara County Association of Realtors, the single-family home price peaked at \$1.3 million in May 2018 (which represented a 30.0% increase from the May 2017 home price), but then began steadily decreasing. In addition, year-over-year median prices have steadily decreased each month since November 2018, with drops ranging from 3%-13% compared to the prior year level. In June 2019, the median single-family home price totaled \$1.1 million, which represents a 6.5% decrease from the June 2018 price of \$1.2 million, but is approximately 15% above the June 2017 price of \$996,000. In addition to the median home prices dropping, the number of property transfers (sales) has also continued to steadily decline. The total number of property transfers that occurred year-to-date through June 2019 has dropped approximately 10% compared to the prior year. Lastly, while single-family and multi-family dwellings are continuing to sell quickly, they are on

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the market longer than the prior year. The average days-on-market for single-family and multi-family dwellings in June 2019 totaled 30 days, which is twice as long than the extremely low 15 days experienced in June 2018. As mentioned above, the local real estate market is the key driver of C&C Tax receipts. Therefore, if the median single-family home price and sales activity decline, a corresponding decrease may be seen in C&C Tax revenue.

**Expenditures** totaled \$81.6 million in 2018-2019 and were derived primarily from various capital projects and transfers to other funds across the 17 C&C Tax funds (Council Districts 1-10, Parks City-Wide, Parks Central, Park Yards, Fire, Library, Service Yards, and Communications). This expenditure level is \$37.3 million (31.4%) below the budgeted expenditure level of \$118.9 million, and is primarily the result of unexpended capital project funding. The 2018-2019 expenditure level of \$81.6 million was \$4.9 million (5.7%) below the prior year level of \$86.5 million.

<b>Ending Fund Balance Performance (\$ in Thousands)</b>						
<b>2018-2019 Modified Budget</b>	<b>2018-2019 Estimated Ending Fund Balance</b>	<b>2018-2019 Actual Ending Fund Balance</b>	<b>Variance</b>	<b>Recommended Rebudget Adjustments Impact</b>	<b>Revised Variance</b>	<b>Revised Variance % (incl. Rebudget Adjustment)</b>
\$161,391	\$67,739	\$84,521	\$16,782	(\$6,220)	\$10,562	6.5%

The **Ending Fund Balance** of \$84.5 million was \$16.8 million above the \$67.7 million estimate used to develop the 2019-2020 Adopted Capital Budget. After accounting for net revenue and expenditure rebudget adjustments of \$6.2 million recommended in the Annual Report, the negative variance decreases the revised variance to \$10.6 million.

As described in *Section IV – Recommended Budget Adjustments and Clean-up/Rebudget Actions*, this report includes recommendations to allocate \$852,000 from various C&C Tax Fund Ending Fund Balances to fund various capital projects. The largest adjustments include, Martial-Cottle Community Garden (\$200,000; Council District 10 Construction and Conveyance Tax Fund), 2017 Flood – Alum Rock Park Mineral Springs Bridge Embankment (\$300,000; Parks City-Wide C&C Tax Fund), 2017 Flood – Family Camp Playground Shade Structure, Retaining Wall and Slope Stabilization (\$400,000; Parks City-Wide C&C Tax Fund). In addition, this report includes recommendations to eliminate several projects that had funding allocated in 2019-2020, however, the projects were completed in 2018-2019 (-\$662,000). The remaining fund balance is recommended to be allocated to the respective funds’ 2019-2020 Ending Fund Balance for future use. For a complete list of all budget adjustments included in the 17 C&C Tax Funds, please refer to *Section IV – Recommended Budget Adjustments and Clean-up/Rebudget Actions*.

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CONSTRUCTION EXCISE TAX FUND**

<b>Revenue and Expenditure Performance (\$ in Thousands)</b>				
	<b>2018-2019 Budget</b>	<b>2018-2019 Actuals</b>	<b>Variance</b>	<b>% Variance</b>
Revenues	\$118,113	\$71,300	(\$46,813)	(39.6%)
Expenditures	\$234,492	\$150,528	(\$83,964)	(35.8%)

**Revenues** totaled \$71.3 million and were primarily generated from grant funding (\$36.6 million), Construction Excise Taxes (\$25.8 million), traffic impact fees (\$4.8 million), interest (\$2.4 million), miscellaneous revenue (\$1.4 million), and licenses and permits (\$300,000). The revenue level was \$46.8 million (39.6%) below the budget and \$131,000 (0.2%) below the prior year level of \$71.4 million.

The 2018-2019 revenue level was lower than the 2018-2019 modified budget of \$118.1 million, primarily due to lower receipts from grant funds (\$57.7 million) and licenses and permits (\$102,000). However, this shortfall was partially offset by higher than estimated Construction Excise Tax collections (\$4.8 million), traffic impact fees (\$4.5 million), interest earnings (\$1.5 million), and miscellaneous revenues and contributions (\$224,000). Grant related revenues of \$4.6 million, which were not received in 2018-2019 due to project delays, were anticipated and rebudgeted as part of the development of the 2019-2020 Adopted Budget. An additional \$57.3 million, including \$42.8 million of anticipated revenue from VTA 2016 Measure B, is recommended to be rebudgeted as part of this report. The revenue variance to the prior year mainly resulted from higher collections from grant-related revenues (\$12.8 million), which were offset by lower traffic impact fees (\$9.3 million) and Construction Excise Tax receipts (\$3.5 million).

At \$25.8 million, Construction Excise Tax receipts in 2018-2019 were \$4.8 million (22.7%) above the final 2018-2019 Modified Budget of \$21.0 million, but 12.2% lower than 2017-2018 collections of \$29.4 million. The lower Construction Excise Tax collection level for 2018-2019 is primarily attributable to decreased issuances of permits for residential building projects. The total valuation of residential and commercial projects submitted in 2018-2019 was \$1.2 billion, 4% below the \$1.25 billion valuation of residential and commercial projects submitted in 2017-2018 (the Construction Excise Tax does not apply to industrial projects). Residential valuation of \$567.5 million in 2018-2019 was lower than the 2017-2018 level of \$631.0 million. A total of 2,985 new residential units received permits in 2018-2019, which was below 2017-2018 actuals of 3,241 units. Commercial valuation of \$631.4 million tracked above the prior year level of \$617.7 million. Notable activity that took place in 2018-2019 include building permits for: the construction for a new Chick Fil A restaurant on Blossom Hill Road west of the intersection with Almaden Expressway; construction of a new 200 unit assisted living facility at the intersection of Almaden Expressway and Branham Lane; two five-unit townhome buildings located east of Santa Teresa Boulevard and south of Blossom Hill

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Road; a 135-unit apartment building located on Bassett Avenue, south of Coleman Avenue and east of Highway 87; a seven building self-storage warehouse near the intersection of Aborn and Silver Creek Roads; a five-story parking structure on Coleman Avenue; a 120-unit apartment on Delmas Avenue south of West San Carlos Street and west of Highway 87; a 233-unit apartment building located on Berryessa Road south of Lundy Avenue; and the balance of construction for two eight story (242,320 square feet) and one four story (126,895 square feet) office buildings located near the intersection of Bering Drive and East Brokaw Road.

When the 2019-2020 Adopted Budget was developed, it was assumed that Construction Excise Tax receipts would total \$21.0 million in 2018-2019 and drop to \$20.0 million (5.0%) in 2019-2020 as the recent higher rates of development continue to taper off. Based on higher actual receipts of \$25.8 million in 2018-2019, Construction Excise Tax revenue can now drop 28.9% in 2019-2020 and still meet the budgeted estimate of \$20.0 million. Given the volatility of this revenue category, the Administration will continue to be closely monitor revenues throughout 2019-2020 for potential adjustment.

**Expenditures** totaled \$150.5 million and were \$84.0 million (35.8%) below the 2018-2019 modified budget. A portion of the expenditure savings (\$13.4 million) was anticipated and rebudgeted as part of the 2019-2020 budget process, in addition to the rebudgeting of reserves (\$47.6 million). An additional \$12.2 million is recommended to be rebudgeted as part of this report to ensure sufficient funding for projects in 2019-2020. In addition, the Mayor’s June Budget Message for Fiscal Year 2019-2020, as approved by the City Council, directs that any excess Construction Excise Tax receipts above the estimated amount in the Capital Improvement Program be allocated to safety projects. As Construction Excise Tax collections ended above the 2018-2019 estimate by \$4.8 million, after allocating \$1.9 million for an anticipated refund of construction taxes due to a development’s change in status from commercial to industrial land use category, the excess revenue is recommended to be allocated to a new Street Safety and Roadway Maintenance Project Reserve (\$1.8 million) and to safety projects (\$1.1 million). The expenditure level was \$58.7 million above the prior year level of \$97.9 million, primarily due to VTA 2016 Measure B pavement maintenance funding and the progression of pavement maintenance projects during 2018-2019.

<b>Ending Fund Balance Performance (\$ in Thousands)</b>						
<i>2018-2019 Modified Budget</i>	<i>2018-2019 Estimated Ending Fund Balance</i>	<i>2018-2019 Actual Ending Fund Balance</i>	<i>Variance</i>	<i>Recommended Rebudget Adjustments Impact</i>	<i>Revised Variance</i>	<i>Revised Variance % (incl. Rebudget Adjustments)</i>
\$242,778	\$67,243	\$47,682	(\$19,561)	\$43,160	\$23,599	9.7%

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**PERFORMANCE OF SELECTED SPECIAL AND CAPITAL FUNDS**

**CONSTRUCTION EXCISE TAX FUND**

The **Ending Fund Balance** of \$47.7 million was \$19.6 million below the estimate used in the development of the 2019-2020 Adopted Budget. After accounting for net revenue and expenditure rebudgets of \$43.2 million recommended in this report, this positive variance becomes a variance of \$23.6 million higher than the estimate. Significant expenditure rebudgets include Pavement Maintenance – City (\$1.8 million), Pavement Maintenance – SB1 Road Repair and Accountability Act 2017 (\$774,000), San José Regional Transportation Hub (\$750,000), Pavement Maintenance – Complete Street Project Development (\$729,000), and Downtown San José Mobility, Streetscape, and Public Life Plan (\$660,000).

As described in *Section IV – Recommended budget Adjustments and Clean-Up Actions*, a limited number of new grants and projects as well as revisions to existing projects are recommended in this report. After accounting for all recommended adjustments, the 2019-2020 Ending Fund Balance is recommended to be reduced by approximately \$1.5 million.

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**PERFORMANCE OF SELECTED SPECIAL AND CAPITAL FUNDS**

**INTEGRATED WASTE MANAGEMENT FUND**

<b>Revenue and Expenditure Performance (\$ in Thousands)</b>				
	<i>2018-2019 Budget</i>	<i>2018-2019 Actuals</i>	<i>Variance</i>	<i>% Variance</i>
Revenues	\$138,223	\$141,654	\$3,431	2.5%
Expenditures	\$140,395	\$138,595	(\$1,800)	(1.3%)

**Revenues** totaled \$141.7 million and were generated primarily from Recycle Plus collection charges (\$129.6 million), AB939 Fees (\$3.7 million), and Recycle Plus negotiated hauler payments (\$2.7 million). This revenue level was \$3.4 million above the modified budget of \$138.2 million (2.5%) and \$7.3 million (5.4%) above the prior year level of \$134.4 million.

The variance to the budget was mainly due to higher Recycle Plus collection charges (\$1.9 million), higher Household Hazardous Waste Revenue from County (\$731,000) as this revenue stream is never budgeted due to its volatility, New Markets Tax Credit (NMTC) Proceeds/Reimbursement revenue (\$622,000), and higher AB939 fees (\$307,000). The variance to the prior year was due primarily to both increased Recycle Plus collection charges and increased NMTC Proceeds/Reimbursement revenue.

**Expenditures** totaled \$138.6 million and were primarily for Single-Family Dwelling (SFD) Recycle Plus contracts (\$56.9 million), yard trimmings/street sweeping contract (\$24.6 million), Multi-Family Dwelling (MFD) Recycle Plus contracts (\$22.0 million), SFD back-end processing (\$14.5 million), Environmental Services Department (ESD) personal services (\$7.4 million), and International Disposal Corporation of California, Inc. (IDC) disposal agreement (\$4.1 million). This expenditure level was \$1.8 million (1.3%) below the modified budget of \$140.4 million and \$3.1 million (2.3%) above the prior year level of \$135.4 million.

The variance to the budget was mainly due to savings in ESD personal services (\$766,000), ESD non-personal/equipment expenses (\$304,000), and Finance Department personal services (\$185,000). The higher expenditure level compared to the prior year was due primarily to higher costs for SFD back-end processing (\$2.1 million), SFD Recycle Plus (\$1.6 million), yard trimmings/street sweeping contract (\$1.0 million), and MFD Recycle Plus (\$839,000), and partially offset by lower expenditures for ESD non-personal/equipment (\$588,000) and the IDC disposal agreement (\$397,000).



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**PERFORMANCE OF SELECTED SPECIAL AND CAPITAL FUNDS  
INTEGRATED WASTE MANAGEMENT FUND**

<b>Ending Fund Balance Performance (\$ in Thousands)</b>						
<i>2018-2019 Modified Budget</i>	<i>2018-2019 Estimated Ending Fund Balance</i>	<i>2018-2019 Actual Ending Fund Balance</i>	<i>Variance</i>	<i>Recommended Annual Report Rebudget Adjustments</i>	<i>Revised Variance</i>	<i>Revised Variance % (incl. Rebudget Adjustment)</i>
\$166,701	\$31,173	\$33,804	\$2,631	\$0	\$2,631	1.6%

The **Ending Fund Balance** of \$33.8 million was \$2.6 million above the estimate used in the development of the 2019-2020 Adopted Budget. This ending fund balance was slightly higher than the estimate largely due to savings in expenditures for Single-Family Recycle Plus (\$872,000), Single Family Dwelling Processing (\$458,000), personal services expenditures in ESD (\$342,000), Yard Trimming Collection/Processing (\$180,000), Customer Information System Transition (\$120,000), and expenditures related to the Household Hazardous Waste Las Plumas Facility (\$92,000). Additionally, higher than estimated revenues in Recycle Plus Collection Charges (\$299,000) and interest (\$88,000) contributed to actual ending fund balance exceeding the estimate.

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**PERFORMANCE OF SELECTED SPECIAL AND CAPITAL FUNDS**

**SAN JOSÉ-SANTA CLARA TREATMENT PLANT CAPITAL FUND**

<b>Revenue and Expenditure Performance (\$ in Thousands)</b>				
	<i>2018-2019 Budget</i>	<i>2018-2019 Actuals</i>	<i>Variance</i>	<i>% Variance</i>
Revenues	\$184,585	\$142,857	(\$41,728)	(22.6%)
Expenditures	\$375,865	\$289,891	(\$85,974)	(22.9%)

**Revenues** totaled \$142.9 million and were generated primarily from wastewater revenue notes (\$70.6 million), a transfer from the Sewer Service and Use Charge Fund (\$34.2 million), Revenue from Local Agencies for projects and debt service payments (\$32.6 million), interest income (\$3.7 million), and a transfer from the Sewage Treatment Plant Connection Fee Fund (\$1.2 million). This revenue level was \$41.7 million (22.6%) below the modified budget and \$42.7 million (42.7%) above the prior year level of \$100.1 million.

The negative revenue variance to the budget was due primarily to the timing wastewater revenue note issuance (\$31.6 million) and lower contributions from the tributary agencies for projects (\$936,000), as a result of the reconciliation for actual Treatment Plant expenditures and encumbrances over the course of the prior year. The variance to the prior year was due primarily to the issuance of wastewater revenue notes (\$52.1 million) for capital projects, and an increased transfer from the Sewer Service and Use Charge Fund (\$8.1 million) for capital projects, partially offset by lower contributions from Santa Clara and the tributary agencies for projects and debt service payments (\$18.0 million), and a lower transfer from the Sewage Treatment Plant Connection Fee Fund (\$1.8 million).

**Expenditures** totaled \$289.9 million and were primarily attributed to capital improvement projects (\$275.0 million) and debt service payments (\$8.6 million), consisting of the Clean Water Financing Authority debt service payment (\$5.5 million), the State Revolving Fund Loan Repayment (\$1.8 million), and the Debt Service Repayment for Plant Capital Improvement Projects (\$1.3 million). The largest expenditures included Digester and Thickener Facilities Upgrade (\$99.8 million), Energy Generation Improvements (\$87.2 million), Aeration Tanks and Blower Rehabilitation (\$38.9 million), Advanced Facility Control and Meter Replacement (\$8.6 million), Program Management (\$8.5 million), and New Headworks (\$7.1 million). This expenditure level was \$86.0 million (22.9%) below the modified budget and \$28.0 million (8.8%) below the prior year level of \$317.9 million.

After accounting for rebudgets included in the 2019-2020 Adopted Budget, the majority of the variance between budgeted and actual expenditures is due to six appropriations: Aeration Tanks and Blower Rehabilitation (\$5.9 million), Plant Electrical Reliability project (\$5.1 million), Record Drawings (\$3.7 million), Support Building Improvements (\$3.0 million), Urgent and Unscheduled Treatment Plant Rehabilitation (\$2.5 million), and Tunnel Rehabilitation (\$2.3 million). Additional savings were realized across a wide variety of project appropriations. Expenditures were below the prior year due primarily to Digester and Thickener Facility Upgrade (\$46.2 million) and Energy Generation Improvements (\$10.8 million), partially offset by Aeration Tanks and Blower Rehabilitation (\$31.7 million).

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**PERFORMANCE OF SELECTED SPECIAL AND CAPITAL FUNDS**

**SAN JOSÉ-SANTA CLARA TREATMENT PLANT CAPITAL FUND**

<b>Ending Fund Balance Performance (\$ in Thousands)</b>						
<i>2018-2019 Modified Budget</i>	<i>2018-2019 Estimated Ending Fund Balance</i>	<i>2018-2019 Actual Ending Fund Balance</i>	<i>Variance</i>	<i>Recommended Rebudget Adjustments</i>	<i>Revised Variance (incl. Rebudget Adjustments)</i>	<i>Revised Variance As % of Modified Budget</i>
\$394,554	\$60,803	\$66,899	\$6,096	(\$5,635)	\$461	0.1%

The **Ending Fund Balance** of \$66.9 million was \$6.1 million above the estimate used in the development of the 2019-2020 Adopted Budget. The ending fund balance exceeded the estimate primarily due to lower than estimated project expenditures in a variety of appropriations, including Aeration Tanks and Blower Rehabilitation (\$6.2 million), Plant Electrical Reliability (\$5.1 million), Record Drawings (\$3.7 million), Support Building Improvements (\$3.0 million), Urgent and Unscheduled Treatment Plant Rehabilitation (\$2.5 million), and Tunnel Rehabilitation (\$2.3 million). The delayed issuance of Wastewater Revenue Notes (\$27.9 million) partially offsets the overall expense variance (\$39 million) to estimated levels.

After accounting for rebudget adjustments recommended in this report, the net increase of approximately \$461,000 is recommended to be allocated to the 2019-2020 Ending Fund Balance for future use.

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**PERFORMANCE OF SELECTED SPECIAL AND CAPITAL FUNDS**

**SAN JOSÉ-SANTA CLARA TREATMENT PLANT OPERATING FUNDS**

<b>Revenue and Expenditure Performance (\$ in Thousands)</b>				
	<i>2018-2019 Budget</i>	<i>2018-2019 Actuals</i>	<i>Variance</i>	<i>% Variance</i>
Revenues	\$247,481	\$253,278	\$5,797	2.3%
Expenditures	\$258,290	\$243,787	(\$14,503)	(5.6%)

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

**Revenues** totaled \$253.3 million and were generated primarily from sewer service and use charges for residential (\$131.9 million), commercial (\$25.3 million), and industrial (\$5.8 million) users; a transfer from the SSUC Fund to the Plant Operating Fund (\$53.4 million); contributions from tributary agencies (\$17.6 million) and the City of Santa Clara (\$12.9 million); and Connection Fees (\$3.1 million). This revenue level was \$5.8 million (2.3%) above the modified budget and \$2.7 million (1.1%) above the prior year level of \$250.6 million.

The variance to the budget of \$5.8 million (2.3%) was mainly due to higher commercial SSUC charges (\$1.8 million), industrial SSUC charges (\$1.8 million), connection fees (\$1.1 million), and contributions from the City of Santa Clara (\$605,000), partially offset by lower domestic SSUC charges (\$313,000). Revenues came in higher than the prior year primarily due to a higher transfer from the Plant Operating Fund to the San José-Santa Clara Treatment Plant Capital Fund (Plant Capital Fund) (\$4.4 million), higher residential (\$3.6 million), commercial (\$2.8 million), and industrial (\$1.7 million) SSUC charges, partially offset by the shift of revenue items for the sale of recycled water from the Plant Operating Fund to the South Bay Water Recycling Operating Fund (\$11.2 million).

**Expenditures** totaled \$243.8 million and consisted primarily of transfers to the Plant Operating Fund (\$53.4 million), the Sewer Service and Use Charge Capital Fund (\$32.0 million), and the Plant Capital Fund (\$35.4 million); Environmental Services Department (ESD) personal services (\$53.0 million) and non-personal/equipment (\$26.3 million) costs; overhead reimbursements (\$17.0 million); and Department of Transportation (DOT) personal services (\$12.7 million) and non-personal/equipment (\$7.0 million) costs. This expenditure level was \$14.5 million (5.6%) below the modified budget, and \$912,000 (0.4%) above the prior year level of \$242.9 million.

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**PERFORMANCE OF SELECTED SPECIAL AND CAPITAL FUNDS**

**SAN JOSÉ-SANTA CLARA TREATMENT PLANT OPERATING FUNDS**

Expenditures ended the year \$14.5 million (5.6%) below the budget primarily due to non-personal/equipment (\$5.4 million) and personal services (\$4.3 million) expenditure savings in ESD, savings in the worker’s compensation claim payments appropriation (\$606,000), expenditure savings from the major litigation costs allocation (\$535,000) which was not used in 2018-2019, and non-personal/equipment (\$630,000) and personal services (\$561,000) expenditure savings in DOT. Expenditures ended the year \$912,000 (0.4%) above previous year expenditures primarily due to increased transfers to the Plant Capital Fund (\$6.3 million) and Plant Operating Fund (\$4.4 million), offset primarily by lower ESD non-personal/equipment (\$5.9 million) and personal services (\$3.0 million) expenditures, and worker’s compensation claim payments (\$1.0 million).

<b>Ending Fund Balance Performance (\$ in Thousands)</b>						
<i>2018-2019 Modified Budget</i>	<i>2018-2019 Estimated Ending Fund Balance</i>	<i>2018-2019 Actual Ending Fund Balance</i>	<i>Variance</i>	<i>Recommended Rebudget Adjustments</i>	<i>Revised Variance (incl. Rebudget Adjustments)</i>	<i>Revised Variance As % of Modified Budget</i>
\$357,724	\$110,786	\$120,094	\$9,308	(\$80)	\$9,228	2.6%

The **Ending Fund Balance** of \$120.1 million was \$9.3 million above the estimate used in the development of the 2019-2020 Adopted Budget. After accounting for rebudget adjustments recommended in this Annual Report, the variance drops to \$9.2 million. The ending fund balance was higher than the estimate due to a variety of factors: higher than estimated commercial SSUC charges (\$1.8 million) and industrial SSUC charges (\$1.8 million); and lower than estimated non-personal/equipment (\$5.3 million) and personal services (\$4.2 million) costs in ESD. This higher ending fund balance of \$9.2 million is recommended to be distributed across the 2019-2020 Ending Fund Balance allocations in the various funds.

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**PERFORMANCE OF SELECTED SPECIAL AND CAPITAL FUNDS**

**SANITARY SEWER CAPITAL FUNDS**

<b>Revenue and Expenditure Performance (\$ in Thousands)</b>				
	<b>2018-2019 Budget</b>	<b>2018-2019 Actuals</b>	<b>Variance</b>	<b>% Variance</b>
Revenues	\$42,324	\$38,952	(\$3,372)	(8.0%)
Expenditures	\$115,246	\$100,193	(\$15,053)	(13.1%)

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

**Revenues** totaled \$39.0 million and were generated from a transfer from the Sewer Service and Use Charge (SSUC) Fund (\$32.0 million), joint participation payments (\$4.1 million), interest income (\$1.6 million), and connection fees (\$910,000). This revenue level was \$3.4 million (8.0%) below the modified budget and \$4.0 million (11.3%) above the prior year level of \$35.0 million.

The variance to the budget was mainly due to lower joint participation payments (\$4.4 million), partially offset by higher interest (\$811,000) and connection fee (\$210,000) revenues. Joint participation payments, which reflect the West Valley Sanitation District's (WVSD) and County Sanitation Districts' share of costs for projects in their jurisdictions, came in lower than budgeted primarily due to delays in actual project expenditures within those jurisdictions, causing delays in payments from WVSD and County Sanitation Districts for those projects. The positive variance to the prior year was due primarily to higher joint participation payments (\$3.5 million) and interest income (\$370,000) in 2018-2019.

**Expenditures** totaled \$100.2 million due to the progress on a variety of capital projects, the largest of which were: 60" Brick Interceptor, Phase VIA and VIB (\$42.2 million), Condition Assessment Sewer Repairs (\$9.9 million), Bollinger Road – Moorpark Avenue – Williams Road Sanitary Sewer Improvements (\$7.9 million), Urgent Rehabilitation and Repair Projects (\$6.3 million), Cast Iron Pipe – Remove & Replace (\$5.5 million), Immediate Replacement & Diversion Projects (\$5.4 million), Rincon Avenue – Virginia Avenue Sanitary Sewer Improvements (\$4.7 million), Westmont Avenue and Harriet Avenue Sanitary Sewer Improvements (\$4.6 million), and Infrastructure – Sanitary Sewer Condition Assessment (\$4.5 million). This expenditure level was \$15.1 million (13.1%) below the modified budget and \$5.0 million (4.7%) below the prior year level of \$105.1 million.

Expenditures were below the budget by \$15.1 million (13.1%) as a result of savings across a number of projects. Several of these projects are recommended to be rebudgeted to 2019-2020 in this report as a result of project delays or were rebudgeted as part of the 2019-2020 Adopted Budget: Immediate Replacement and Diversion Projects (\$2.4 million), Urgent Rehabilitation and Repair Projects (\$1.8 million), 60" Brick Interceptor, Phase VIA and VIB (\$1.5 million), Cast Iron Pipe – Remove and Replace (\$1.3 million), Bollinger Road – Moorpark Avenue – Williams Road Sanitary Sewer Improvements (\$1.2 million), Rehabilitation of Sanitary Sewer Pump Stations (\$994,000), and Public Art (\$833,000). The lower expenditure level compared to the prior year is largely attributed to Immediate Replacement and Diversion Projects (\$5.0 million), Urgent Rehabilitation and Repair Projects (\$3.2 million), Trimble Road and Capewood Lane Sanitary Sewer Improvements (\$2.8 million), Rehabilitation of Sanitary Sewer Pump

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**PERFORMANCE OF SELECTED SPECIAL AND CAPITAL FUNDS**

**SANITARY SEWER CAPITAL FUNDS**

Stations (\$2.8 million), Condition Assessment Sewer Repair (\$1.6 million), and Infrastructure – Sanitary Sewer Condition Assessment (\$959,000), partially offset by increased spending in the Bollinger Road – Moorpark Avenue – Williams Road Sanitary Sewer Improvements (\$7.6 million) and Westmont Avenue and Harriet Avenue Sanitary Sewer Improvements (\$4.5 million).

<b>Ending Fund Balance Performance (\$ in Thousands)</b>						
<i>2018-2019 Modified Budget</i>	<i>2018-2019 Estimated Ending Fund Balance</i>	<i>2018-2019 Actual Ending Fund Balance</i>	<i>Variance</i>	<i>Recommended Rebudget Adjustments</i>	<i>Revised Variance (incl. Rebudget Adjustments)</i>	<i>Revised Variance As % of Modified Budget</i>
\$127,364	\$15,512	\$24,854	\$9,342	(\$6,895)	\$2,447	1.9%

The **Ending Fund Balance** of \$24.9 million was \$9.3 million above the estimate used in the development of the 2019-2020 Adopted Budget. This ending fund balance was above the estimate largely due to lower than anticipated expenditures across several projects, including Immediate Replacement and Diversion Projects (\$2.4 million), Urgent Rehabilitation and Repair Projects (\$1.8 million), 60 Inch Brick Interceptor Rehabilitation (\$1.5 million), Condition Assessment Sewer Repair (\$1.3 million), Cast Iron Pipe – Remove and Replace (\$1.3 million), and Master Planning Updates (\$1.0 million), and savings spread across many other projects in the program.

After accounting for rebudget adjustments recommended in the Annual Report, the variance decreases to \$2.4 million. Approximately \$2.0 million is recommended to be allocated to the SSUC Fund 2019-2020 Ending Fund Balance and \$454,000 allocated to the Connection Fee Fund 2019-2020 Ending Fund Balance for future use.

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**PERFORMANCE OF SELECTED SPECIAL AND CAPITAL FUNDS**

**STORM SEWER CAPITAL FUNDS**

<b>Revenue and Expenditure Performance (\$ in Thousands)</b>				
	<i>2018-2019 Budget</i>	<i>2018-2019 Actuals</i>	<i>Variance</i>	<i>% Variance</i>
Revenues	\$5,836	\$4,671	(\$1,165)	(20.0%)
Expenditures	\$30,813	\$24,116	(\$6,697)	(21.7%)

The Storm Sewer Capital Funds include the Storm Drainage Fee Fund and the Storm Sewer Capital Fund.

**Revenues** totaled \$4.7 million and were generated from a transfer from the Storm Sewer Operating Fund (\$4.0 million), interest income (\$418,000), and Storm Drainage Fees (\$237,000). This revenue level was \$1.2 million (20.0%) below the modified budget and \$11.8 million (71.6%) below the prior year level of \$16.4 million.

The variance to the budget was mainly due to lower California Proposition 84 Grant Revenues (-\$1.2 million) due to a grant management error, resulting from the combination of a revenue accrual and rebudget, that overstated the expectation of revenue in 2018-2019. This caused the budgeted revenue to far exceed the actual receipt of revenue from the State of California. The variance to the prior year was due primarily to a reduced transfer from the Storm Sewer Operating Fund (\$9.2 million).

**Expenditures** totaled \$24.1 million due to the progress on a variety of capital projects, the largest of which were: Alviso Storm Pump Station (\$13.1 million), Large Trash Capture Devices (\$6.0 million), Master Planning (\$1.3 million), City-Wide and Public Works Capital Support Costs (\$800,000), Urgent Flood Prevention and Repair Projects (\$673,000), and Flow Monitoring Program (\$474,000). This expenditure level was \$6.7 million (21.7%) below the modified budget and \$1.1 million (4.4%) below the prior year level of \$25.2 million.

Expenditures were below the budget by \$6.7 million (21.7%) as a result of savings across a number of projects. Several of these projects are recommended to be rebudgeted to 2019-2020 in this report as a result of project delays or were rebudgeted as part of the 2019-2020 Adopted Budget: Large Trash Capture Devices (\$1.2 million), Alviso Storm Pump Station (\$1.1 million), Outfall Rehabilitation – Capital (\$1.0 million), Condition Assessment Storm Sewer Repair (\$616,000), Green Infrastructure Improvements (\$531,000), and Public Art (\$468,000). The lower expenditure level compared to the prior year can be attributed to lower expenditures in the Chynoweth Avenue Green Street (\$1.8 million), Alviso Storm Pump Station (\$1.3 million), Urgent Flood Prevention and Repair Projects (\$533,000), Park Avenue Green Street Pilot (\$378,000), Storm Pump Station Rehabilitation and Replacement (\$276,000), and Stockton Avenue – Julian Street Storm Sewer Improvements (\$274,000), partially offset by increased spending in Large Trash Capture Devices (\$3.3 million).



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**STORM SEWER CAPITAL FUNDS**

<b>Ending Fund Balance Performance (\$ in Thousands)</b>						
<i>2018-2019 Modified Budget</i>	<i>2018-2019 Estimated Ending Fund Balance</i>	<i>2018-2019 Actual Ending Fund Balance</i>	<i>Variance</i>	<i>Recommended Rebudget Adjustments</i>	<i>Revised Variance (incl. Rebudget Adjustments)</i>	<i>Revised Variance As % of Modified Budget</i>
\$33,940	\$8,251	\$8,926	\$675	(\$1,475)	(\$800)	(2.4%)

The **Ending Fund Balance** of \$8.9 million was \$675,000 above the estimate used in the development of the 2019-2020 Adopted Budget. This ending fund balance was above the estimate largely due to lower than anticipated expenditures across several projects, including Public Art (\$468,000), Large Trash Capture Devices (\$420,000), Chynoweth Avenue Green Street (\$304,000), Storm Pump Station Rehabilitation and Repair (\$257,000), and Master Planning (\$142,000), among others, partially offset by revenue a significant shortfall in revenue from the State of California (\$1.2 million).

Accounting for rebudget adjustments recommended in the Annual Report, the combined 2019-2020 Ending Fund Balance for the Storm Capital Funds decreases to \$8.1 million. An increase to Ending Fund Balance of \$36,000 is recommended in the Storm Drainage Fee Fund, and a decrease to Ending Fund Balance of \$836,000 is recommended in the Storm Sewer Capital Fund, relative to 2019-2020 Adopted Budget levels.

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**PERFORMANCE OF SELECTED SPECIAL AND CAPITAL FUNDS**

**WATER UTILITY CAPITAL FUNDS**

<b>Revenue and Expenditure Performance (\$ in Thousands)</b>				
	<i>2018-2019 Budget</i>	<i>2018-2019 Actuals</i>	<i>Variance</i>	<i>% Variance</i>
Revenues	\$5,672	\$6,054	\$382	6.7%
Expenditures	\$12,176	\$5,750	(\$6,426)	(52.8%)

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

**Revenues** totaled \$6.1 million and were generated from a Transfer from the Water Utility Fund (\$5.4 million), fees paid by developers (\$363,000), and interest income (\$330,000). The fees consist of Service Connection Fees (\$154,000), Major Facilities Fees (\$118,000), Meter Installation Fees (\$65,000), and Advanced System Design Fees (\$26,000). This revenue level was \$382,000 (6.7%) above the modified budget due to Service Connection Fees (\$129,000), Major Facilities Fees (\$118,000) (these fees are not assumed due to the highly volatile nature of this revenue stream), Meter Installation Fees (\$40,000), and interest income (\$88,000). Revenues were \$825,000 (15.8%) above the prior year level of \$5.2 million, due primarily to an increased transfer from the Water Utility Fund for capital projects (\$910,000), partially offset by decreased developer fee revenue (\$187,000).

**Expenditures** totaled \$5.8 million spread amongst several capital projects, the largest of which were the Gumdrop Drive Main Replacement (\$1.7 million), System Maintenance/Repairs (\$1.0 million), Infrastructure Improvements (\$1.0 million), North San José Water Well Evaluation and Rehabilitation (\$629,000), and Tuers Road Site Improvements (\$381,000). This expenditure level was \$6.4 million (52.8%) below the modified budget and \$482,000 (7.7%) below the prior year level of \$6.2 million.

Expenditures were below the budget by \$6.4 million (52.8%) as a result of savings and unexpended funds across a number of projects. Several of these projects are recommended to be rebudgeted to 2019-2020 in this report as a result of project delays or were rebudgeted as part of the 2019-2020 Adopted Budget, which included: Fowler Pump Station Replacement (\$2.0 million), North San José Well #5 Development and Construction (\$1.6 million), and Annual Water Main Replacement (\$1.3 million). Expenditures were below the prior year primarily due to lower expenses for the Repayment of Commercial Paper (\$588,000, which was fully repaid in 2017-2018), Edenvale Reservoir Rehabilitation (\$230,000), Reservoir Seismic Evaluation (\$185,000), and Safety and Security Improvements (\$154,000), partially offset by increased spending for Tuers Road Site Improvements (\$381,000) and Infrastructure Improvements (\$230,000).

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**PERFORMANCE OF SELECTED SPECIAL AND CAPITAL FUNDS**

**WATER UTILITY CAPITAL FUNDS**

<b>Ending Fund Balance Performance (\$ in Thousands)</b>						
<i>2018-2019 Modified Budget</i>	<i>2018-2019 Estimated Ending Fund Balance</i>	<i>2018-2019 Actual Ending Fund Balance</i>	<i>Variance</i>	<i>Recommended Rebudget Adjustments</i>	<i>Revised Variance (incl. Rebudget Adjustments)</i>	<i>Revised Variance As % of Modified Budget</i>
\$19,981	\$13,507	\$14,765	\$1,258	(\$135)	\$1,123	5.6%

The **Ending Fund Balance** of \$14.8 million was \$1.3 million above the estimate used in the development of the 2019-2020 Adopted Budget. This variance from the estimate is primarily due to the receipt of Major Facilities Fees (\$118,000), which is unbudgeted due to this revenue category’s highly volatile nature, as well as revenue from the receipt of fees paid by developers (\$135,000) beyond the estimated amounts. Lower than estimated expenditures across a variety of projects including Safety and Security Improvements (\$295,000), System Maintenance/Repairs (\$179,000), Public Art (\$117,000), and Service Installations (\$108,000) also contributed to the positive variance from the estimated ending fund balance.

After accounting for all recommended rebudget adjustments, \$142,000 is recommended to be allocated to the Major Facilities Fund 2019-2020 Ending Fund Balance, and \$981,000 is recommended to be allocated to the Water Utility Capital Fund 2019-2020 Ending Fund Balance.

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**PERFORMANCE OF SELECTED SPECIAL AND CAPITAL FUNDS**

**WATER UTILITY OPERATING FUND**

<b>Revenue and Expenditure Performance (\$ in Thousands)</b>				
	<i>2018-2019 Budget</i>	<i>2018-2019 Actuals</i>	<i>Variance</i>	<i>% Variance</i>
Revenues	\$50,418	\$51,092	\$674	1.3%
Expenditures	\$51,942	\$49,727	(\$2,215)	(4.3%)

**Revenues** totaled \$51.1 million and were generated from potable (\$43.5 million) and recycled water (\$6.6 million) sales, late fees (\$486,000), miscellaneous revenues (\$269,000), and interest earnings (\$205,000). This revenue level was \$674,000 (1.3%) above the modified budget and \$2.8 million (5.8%) above the prior year level of \$48.3 million.

Revenues ended the year above the budget primarily due to higher than anticipated potable water sales (\$274,000), late fees (\$236,000), and miscellaneous revenues (\$169,000). The increase over the prior year was due primarily to higher potable water sales (\$1.3 million), higher recycled water sales (\$1.2 million), as well as higher late fee revenue (\$144,000).

**Expenditures** totaled \$49.7 million and were primarily for Environmental Services Department (ESD) non-personal/equipment costs (\$35.5 million, of which \$25.8 million was attributed to the purchase of wholesale potable water and \$5.1 million to wholesale recycled water), a Transfer to the Water Utility Capital Fund (\$5.4 million), and ESD personal services costs (\$6.4 million). This expenditure level was \$2.2 million (4.3%) below the modified budget, but \$2.1 million (4.4%) above the prior year level of \$47.7 million.

The negative variance to the budget was mainly due to lower ESD non-personal/equipment (\$2.1 million) and personal services (\$710,000) expenditures, Customer Information System Transition (\$125,000), and non-personal/equipment expenditures in ITD. Expenditures were above the prior year due primarily to higher non-personal/equipment expenditures in ESD (\$2.5 million), as well as a higher transfer to the Water Utility Capital Fund (\$910,000), partially offset by a decreased reimbursement of indirect overhead costs (\$510,000), and reduced personal services expenditures by the City Attorney's Office (\$339,000), Information Technology Department (\$116,000), and Finance Department (\$116,000).

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**PERFORMANCE OF SELECTED SPECIAL AND CAPITAL FUNDS**  
**WATER UTILITY OPERATING FUND**

<b>Ending Fund Balance Performance (\$ in Thousands)</b>						
<i>2018-2019 Modified Budget</i>	<i>2018-2019 Estimated Ending Fund Balance</i>	<i>2018-2019 Actual Ending Fund Balance</i>	<i>Variance</i>	<i>Recommended Rebudget Adjustments</i>	<i>Revised Variance (incl. Rebudget Adjustments)</i>	<i>Revised Variance As % of Modified Budget</i>
\$64,998	\$12,487	\$15,875	\$3,388	\$0	\$3,388	5.2%

The **Ending Fund Balance** of \$15.9 million was \$3.4 million above the estimate used in the development of the 2019-2020 Adopted Budget. The ending fund balance was higher than the estimate primarily due to higher than estimated revenues from potable water sales (\$2.3 million) and lower than estimated ESD non-personal/equipment costs (\$1.1 million). After accounting for a reconciling action to increase the transfer to the General Fund for late fees (\$185,000), the higher net ending fund balance of \$3.2 million is recommended to be allocated to the 2019-2020 Ending Fund Balance in the Water Utility Fund.

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

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

**RECOMMENDED BUDGET ADJUSTMENTS**

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

**General Fund**

**Required Technical/Rebalancing Actions** – These actions recommend adjustments to align already approved revenue estimates and expenditure budgets with the most current tracking information, reallocate funding for ongoing appropriations based on updated needs, correct technical problems in the 2019-2020 Adopted Budget, or comply with actions previously authorized by the City Council.

**Grants/Reimbursements/Fees** – These actions, which generally impact, recognize new or adjusted grant, reimbursement, or fee activity revenue and adjust the appropriations for these purposes, as appropriate.

**Urgent Fiscal/Program Needs** – These actions recommend additional funding to address a very limited number of urgent fiscal/program needs. These adjustments are being brought forward for City Council consideration as part of this report, rather than later through the annual budget process, to comply with actions recently authorized by the City Council or because the Administration has deemed the need can or should not wait until later in the year. In the 2018-2019 Annual Report, the following Urgent Fiscal/Program Needs are identified, the Community Plan to End Homelessness – Quality of Life and Healthy Neighborhoods, Transfer to Municipal Golf Course Fund, the Guardian Rapid Response Program for the Police Department, and City Facilities Safety Assessment.

**Special/Capital Funds**

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

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

**CLEAN-UP/REBUDGET ACTIONS**

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

**General Fund & Special/Capital Funds**

**Fund Balance Reconciliations** – These actions revise the Beginning Fund Balance estimates in the 2019-2020 budget for all funds where the actual (unaudited) 2018-2019 Ending Fund Balance contained in the Comprehensive Annual Financial Report (CAFR) statements differ from the budgeted amount.

**Development Fee Program Reconciliations** – These actions adjust appropriations based on actual Development Fee Program expenditures and revenue receipts. Year-end reconciliations of the revenues and expenditures in the Development Fee Programs are conducted to determine if revenues exceeded or fell below costs. To ensure that all development fees will be used solely to support development fee activities, any excess revenues and interest earnings above actual costs are placed in the Development Fee Program Reserves.

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

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

- **Net-Zero Funding Transfers/Reallocations** – These actions include net-zero transfers between appropriations, funds, and revenue categories and the redistribution of funding allocations.
  - **Appropriation Name Change** – These actions rename appropriations to better align with the intended use of funds.
  - **Appropriation Department Change** – These actions realign appropriations with Departments responsible for the funds.
  - **Funding Reallocation** – These actions reallocate funds for the same purpose that was previously approved by City Council to another appropriation to better track the funding or to align funding with an appropriation best suited for the intended use (i.e. Non-Personal/Equipment to Personal Services).



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

**CLEAN-UP/REBUDGET ACTIONS**

**General Fund & Special/Capital Funds**

- **Gift Trust Fund Reconciliation** – These technical actions allocate the actual revenues received in 2018-2019 that were not incorporated into the 2019-2020 Adopted Budget for existing gifts, as well as rebudgeted gifts that were anticipated to be spent in 2018-2019, but had funds remaining. The Gift Trust Fund accounts for revenues and expenditures related to gifts, donations, and bequests to the City, and funds deposited may be only be used for the specified gifts as indicated.
- **Restricted Revenue/Expenditure Reconciliations** – These actions adjust appropriations to align budgeted revenues and expenses with the actual performance of restricted revenues/expenditures. Reconciliations of these revenues and expenditures for these programs are conducted to determine if revenues exceeded or fell below costs. To meet the commitment to the restricted funding source, all related funds are used solely to support the respective programs.
- **Salary Program** – Several actions are recommended to increase various department Personal Services appropriations to fund the general wage increase that was negotiated and agreed to by the City and the International Union of Operating Engineers (OE#3) bargaining unit effective October 1, 2019. The negotiated bargaining unit agreement was reached after the adoption of the budget. Adjustments are included for those departments that are not able to absorb the additional costs (\$920,000 all funds and \$424,000 General Fund). To offset these augmentations, this report includes recommendations to partially decrease the Salaries and Benefits Reserve allocation in the General Fund that was set aside for this increase in the 2019-2020 Adopted Budget and reduce the Ending Fund Balances or an alternative funding source in the Special Funds as appropriate.

## General Fund Recommended Budget Adjustments Summary 2018-2019 Annual Report

	<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
	General Liability Claims	City Attorney's Office	-	\$4,000,000	-
	<p>This action increases the General Liability Claims City-Wide appropriation to the City Attorney's Office by \$4.0 million, from \$10.0 million to \$14.0 million. Based on an analysis of current and potential litigation settlements and claims awards against the City, it is necessary to allocate additional funding to this appropriation.</p>				
<b>Required Technical- Rebalancing Actions</b>	Non-Personal/Equipment (Outside Litigation Costs)	City Attorney's Office	-	\$1,500,000	-
	<p>This action increases the City Attorney's Office Non-Personal/Equipment appropriation by \$1.5 million, from \$1.5 million to \$3.0 million, to provide funding for contractual legal services due to an increasing number of claims and litigation. Increased legal services are expected based on an analysis of current and potential claims and litigation. Due to the nature of the litigation, subject matter expertise from outside legal consultants is necessary.</p>				
	Children's Discovery Museum (Cultural Facilities Operations Support)	City Manager - Office of Economic Development	-	\$46,500	-
	<p>As directed in the Mayor's June Budget Message for Fiscal Year 2019-2020, as approved by the City Council, this action increases the annual operational support to the Children's Discovery Museum by \$46,500. Additional actions recommended in this report increase the annual operational support to the major cultural organizations operating City facilities by a total of \$400,000 - the Tech Interactive (\$260,000), San José Museum of Art (\$50,000), Children's Discovery Museum (\$46,000), Hammer Theatre Center (\$30,000), and Escuela de Artes y Cultura at the Mexican Heritage Plaza (\$13,500) - that sustained large reductions in operational support during the Great Recession. These actions restore previously reduced funding, and funding allocations in future years will align with inflation.</p>				

## General Fund Recommended Budget Adjustments Summary 2018-2019 Annual Report

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
<p>Hammer Theater Center Operations and Maintenance (Cultural Facilities Operations Support)</p> <p>As directed in the Mayor's June Budget Message for Fiscal Year 2019-2020, as approved by the City Council, this action increases the annual operational support to the Hammer Theatre Center by \$30,000. Additional actions recommended in this report increase the annual operational support to the major cultural organizations operating City facilities by a total of \$400,000 - the Tech Interactive (\$260,000), San José Museum of Art (\$50,000), Children's Discovery Museum (\$46,000), Hammer Theatre Center (\$30,000), and Escuela de Artes y Cultura at the Mexican Heritage Plaza (\$13,500) - that sustained large reductions in operational support during the Great Recession. These actions restore previously reduced funding, and funding allocations in future years will align with inflation.</p>	<p>City Manager - Office of Economic Development</p>	-	\$30,000	-
<p>San José Museum of Art (Cultural Facilities Operations Support)</p> <p>As directed in the Mayor's June Budget Message for Fiscal Year 2019-2020, as approved by the City Council, this action increases the annual operational support to the San José Museum of Art by \$50,000. Additional actions recommended in this report increase the annual operational support to the major cultural organizations operating City facilities by a total of \$400,000 - the Tech Interactive (\$260,000), San José Museum of Art (\$50,000), Children's Discovery Museum (\$46,000), Hammer Theatre Center (\$30,000), and Escuela de Artes y Cultura at the Mexican Heritage Plaza (\$13,500) - that sustained large reductions in operational support during the Great Recession. These actions restore previously reduced funding, and funding allocations in future years will align with inflation.</p>	<p>City Manager - Office of Economic Development</p>	-	\$50,000	-

## General Fund Recommended Budget Adjustments Summary 2018-2019 Annual Report

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
<p>Technology Museum of Innovation (Cultural Facilities Operations Support)</p> <p>As directed in the Mayor's June Budget Message for Fiscal Year 2019-2020, as approved by the City Council, this action increases the annual operational support to the Tech Interactive by \$260,000. Additional actions recommended in this report increase the annual operational support to the major cultural organizations operating City facilities by a total of \$400,000 - the Tech Interactive (\$260,000), San José Museum of Art (\$50,000), Children's Discovery Museum (\$46,000), Hammer Theatre Center (\$30,000), and Escuela de Artes y Cultura at the Mexican Heritage Plaza (\$13,500) - that sustained large reductions in operational support during the Great Recession. These actions restore previously reduced funding, and funding allocations in future years will align with inflation.</p>	<p>City Manager - Office of Economic Development</p>	-	\$260,000	-
<p>Transfers and Reimbursements (Water Utility Fund - Late Fees)</p> <p>This action increases the revenue estimate for Transfers and Reimbursements by \$185,530 to reflect additional Late Fee revenue received in 2018-2019 in the Water Utility Fund. Late fee revenues in the Water Utility Fund are an unrestricted source of income for the City and are therefore transferred each year to the General Fund. A corresponding increase to the Transfer to the General Fund - Late Fees appropriation in the Water Utility Fund is recommending elsewhere in this report.</p>	<p>Environmental Services Department</p>	-	-	\$185,530
<p>Insurance Premiums</p> <p>This action increases the Insurance Premiums appropriation by \$185,000, from \$769,367 to \$954,367, to purchase a cyber liability insurance policy to mitigate potential liability and loss exposures resulting from the City's electronic data and commercial activities. Acquisition of cyber liability insurance coverage was recommended through the Finance Department's annual insurance renewal process, which analyzed the City's risk exposures, insurance market trends, product availability, and historical approach to insuring for losses.</p>	<p>Finance Department</p>	-	\$185,000	-

## General Fund Recommended Budget Adjustments Summary 2018-2019 Annual Report

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
Fire Training Center Relocation	Fire Department	-	\$3,500,000	-

This action establishes the Fire Training Center Relocation appropriation to the Fire Department in the amount of \$3.5 million. This action provides design funding for the relocation of the Fire Training Center from its current location in the Diridon Station Area to the City Central Service Yard at Senter Road. The existing Fire Training Center property was sold to Google on June 6, 2019; expected turnover of property to Google will be June 2022. A corresponding decrease to the Fire Training Center Replacement Reserve, which received initial net sale proceeds of \$36.8 million, is recommended elsewhere in this report for a net-zero impact to the General Fund.

Fire Training Center Replacement Reserve	Fire Department	-	(\$3,500,000)	-
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This action decreases the Fire Training Center Replacement Reserve by \$3.5 million, from \$36.8 million to \$33.3 million, to offset the establishment of the Fire Training Center Relocation appropriation as described elsewhere in this report.

Non-Personal/Equipment (Reallocation from Personal Services for Contracted Nurse Practitioner)	Human Resources Department	-	\$78,000	-
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This action increases the Human Resources' Non-Personal/Equipment appropriation by \$78,000 to reallocate funds from its Personal Services appropriation to support a temporary Nurse Practitioner position. This position has been vacant since March 2018. The Human Resource Department has been using a temporary staffing agency to provide the necessary services of this position. A review of this classification will be performed this year to understand the reason for the ongoing vacancy. A corresponding decrease to the Human Resources' Personal Services appropriation is recommended elsewhere in this report for a net-zero impact to the General Fund.

## General Fund Recommended Budget Adjustments Summary 2018-2019 Annual Report

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
Personal Services (Reallocation to Non-Personal/Equipment for Contracted Nurse Practitioner)	Human Resources Department	-	(\$78,000)	-
<p>This action decreases the Human Resources' Personal Services appropriation by \$78,000 to reallocate funds to the Human Resources Non-Personal/Equipment appropriation to support a temporary Nurse Practitioner position provided by a temporary staffing agency. A corresponding increase to the Human Resources' Non-Personal/Equipment appropriation is recommended elsewhere in this report.</p>				
3-1-1 Call Transition Reserve	Information Technology Department	-	\$250,000	-
<p>This action establishes the 3-1-1 Call Transition Reserve to set aside \$250,000 for potential funding needs associated with the transition of non-emergency call handling from Police Communications to the City Customer Contact Center and after-hours service managed by the Information Technology Department. The 2019-2020 Adopted Operating Budget added 3.0 positions to the Customer Contact Center for the transition anticipated later this year, as well as contractual services to study the number and types of 3-1-1 and public safety calls to transition to the Customer Contact Center. This recommended action helps ensure that sufficient services are available for the transition by addressing any additional needs identified by the study or to deal with higher than anticipated call volumes.</p>				
Non-Personal/Equipment (IT Project Management)	Information Technology Department	-	\$1,000,000	-
<p>As directed by the Mayor's June Budget Message for Fiscal Year 2019-2020, as approved by the City Council, this action increases the Information Technology Department's Non-Personal/Equipment appropriation by \$1.0 million (from \$13.1 million to \$14.1 million) for product and project management scaffolding. These resources will provide specialized expertise, business analysis, process tools, and other support required to better reach success in City technology projects.</p>				

## General Fund Recommended Budget Adjustments Summary 2018-2019 Annual Report

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
<p>Personal Services (IT Project Management Staffing)</p> <p>As directed by the Mayor's June Budget Message for Fiscal Year 2019-2020, as approved by the City Council, this action increases the Information Technology Department's Personal Services appropriation by \$900,000 (from \$14.6 million to \$15.5 million) to add 6.0 Enterprise Supervising Technology Analyst positions ongoing to provide additional product-project management support and capacity. The positions will manage priority work city-wide, ensuring that planning, implementation, monitoring, and reporting, and operationalization occur to maximize the success of City technology initiatives. Based on the City's priorities, the portfolios the positions will manage will include emergency management technologies, development services transformation, data governance and business analytics, mobile and wireless communications, business process improvement and automation, and Internet-of-Things platforms and services.</p>	Information Technology Department	6.00	\$900,000	-
<p>Non-Personal/Equipment (San José State University Agreement - IT Baseline Costs)</p> <p>This action increases the Library Department's Non-Personal/Equipment appropriation by \$485,000, from 5,899,057 to 6,384,057, to fund the payment of Information Technology (IT) baseline services invoice from 2017-2018 for the cost-share agreement with San José State University (SJSU). The IT baseline service is one of the costs associated with the operating agreement between San José State University and the City of San José for the Dr. Martin Luther King Jr. Library to support computer, video, telephone, and data services provided to the Library employees located at the Dr. Martin Luther King Jr. Library. Throughout 2018-2019, the Library Department engaged with SJSU related to the IT baseline cost and agreed on an updated shared obligation cost. It should be noted that the updated IT baseline services operating costs of \$287,000 are fully funded in the existing 2019-2020 department budget.</p>	Library Department	-	\$485,000	-

## General Fund Recommended Budget Adjustments Summary 2018-2019 Annual Report

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
<p>Council District #10</p> <p>This action decreases the appropriation to Council District #10 by \$24,469, from \$949,958 to \$925,489, to reflect the Councilmember's waiver of a salary increase as set by the Salary Setting Commission. The elective waiver sets the Councilmember's salary at \$100,531.</p>	Mayor & City Council	-	(\$24,469)	-
<p>Office of the Mayor</p> <p>The action decreases the appropriation to the Office of the Mayor by \$53,409, from \$5,699,124 to \$5,645,715, to reflect the Mayor's waiver of a salary increase as set by the Salary Setting Commission. This elective waiver sets the Mayor's salary at \$132,612.</p>	Mayor & City Council	-	(\$53,409)	-
<p>Budget Stabilization Reserve</p> <p>This action increases the Budget Stabilization Reserve by \$5.0 million, from \$27.0 million to \$32.0 million, in accordance with City Council Policy 1-18 to maintain an adequate reserve level 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. The Budget Stabilization Reserve is intended to provide a buffer, or bridge funding, to protect against reducing service levels when these fluctuations occur. This action along with the action to increase the Contingency Reserve, maintains the level of General Purpose Reserves (the sum of the Budget Stabilization Reserve, the Contingency Reserve, and the Worker's Compensation General Liability Catastrophic Reserve) at 6.5% of General Fund operating expenditures, which is consistent with the level included in the 2019-2020 Proposed Operating Budget and consistent with the strategy identified in the Mayor's Budget Addendum #25, "General Fund Reserve Target Levels".</p>	Office of the City Manager	-	\$5,000,000	-
<p>Contingency Reserve</p> <p>This action increases the Contingency Reserve by \$1.5 million, from \$38.5 million to \$40.0 million, to comply with City Council Policy 1-18 to reserve a minimum of 3% of the General Fund operating budget to meet unexpected circumstances arising from financial and/or public emergencies that require immediate funding that cannot be met by any other means. This reserve level is sufficient to cover General Fund payroll expenditures for a couple of weeks in the event of an emergency.</p>	Office of the City Manager	-	\$1,500,000	-



## General Fund Recommended Budget Adjustments Summary 2018-2019 Annual Report

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
Local Sales Tax - My San José 2.0  This action increases Local Sales Tax - My San José 2.0 appropriation by \$70,000, from \$1,384,000 to \$1,454,000, to adjust for expenses inadvertently charged in 2018-2019. These expenses should have been charged to the Office of the City Manager's Non-personal/Equipment appropriation. This corrective action restores the proper funding level for this project.	Office of the City Manager	-	\$70,000	-
Childcare Facilities and Training (Gardner Preschool)  This action decreases the Childcare Facilities and Training City-Wide appropriation by \$62,000 from \$212,000 to \$150,000. As directed in the Mayor's June Budget Message for Fiscal Year 2019-2020, as approved by City Council, funding for this action to expand childcare facilities at Gardner Community Center was erroneously added to the City-Wide Expenses category. This funding should have been allocated to Parks, Recreation and Neighborhood Services Fee Activities. A corresponding increase to Fee Activities is recommended elsewhere in this report.	Parks, Recreation and Neighborhood Services Department	-	(\$62,000)	-
Personal Services (Arcadia Softball Sports Complex Staffing Correction)  This action adds 2.75 Recreation Leader PT unbenefited positions in the Parks, Recreation and Neighborhood Services Department to provide staff support for the anticipated opening of the Arcadia Softball Sports Complex. The addition of these positions were approved as part of the 2018-2019 Adopted Budget with an effective date of July 1, 2019; however, during the development of the 2019-2020 Adopted Budget, these positions were inadvertently omitted. This action aligns the position count and budget with the expectation set in the 2018-2019 Adopted Budget.	Parks, Recreation and Neighborhood Services Department	2.75	\$105,709	-

## General Fund Recommended Budget Adjustments Summary 2018-2019 Annual Report

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
<p>Personal Services (Parks Rehabilitation Strike and Capital Infrastructure Team Staffing Correction)</p> <p>This action deletes 1.0 Senior Geographic Information Systems Specialist, 1.0 Senior Maintenance Worker, 1.0 Park Maintenance Repair Worker II, 1.0 Office Specialist II, 2.0 Maintenance Assistant, and 2.0 Groundworker positions in the Parks, Recreation and Neighborhood Services Department. These positions support the Parks Rehabilitation Strike and Capital Infrastructure Team and were inadvertently added and are duplicated positions as existing positions to support the team were already included in the 2019-2020 Adopted Budget. These deletions will have no service level impact and will correct the Parks, Recreation and Neighborhood Services Department's position count.</p>	Parks, Recreation and Neighborhood Services Department	-8.00	-	-
<p>Transfer to the Edward Byrne Memorial Justice Assistance Grant Trust Fund</p> <p>This action establishes a Transfer to the Edward Byrne Memorial Justice Assistance Grant Trust Fund. Because expenses were inadvertently charged to the Edward Byrne Memorial Justice Assistance Grant Trust Fund, it caused the fund to have a negative 2019-2020 Beginning Fund Balance. This action will provide funding to bring the fund's Beginning Fund Balance positive.</p>	Police Department	-	\$409	-

## General Fund Recommended Budget Adjustments Summary 2018-2019 Annual Report

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
Emergency Power Generation for City Facilities	Public Works Department	-	\$5,000,000	-

This action establishes one-time funding of \$5.0 million to procure and install equipment to support the sustained operations of critical City facilities in the event of a planned or unplanned electrical power outage, as 32 critical City facilities do not have adequate levels of back-up electricity generation and would cease to function in the event of an outage. General Fund resources are also allocated to supply generators to fueling stations at the West Corporation Yard and the Police Substation, which currently do not have generators and are necessary for refueling emergency vehicles in the event of an outage, as well as for the procurement of two high capacity fuel storage trucks to provide needed service coverage and minimize generator downtime. Pacific Gas and Electric (PG&E) should be responsible for provision of back-up power generation or reimburse the City for expenses incurred to undertake mitigation measures for power generation according to California Public Utilities Commission (CPUC) guidance and rulemaking regarding Utility Public Safety Power Shutoff Programs. However, until the City receives the commitment from PG&E and due to the critical nature of these improvements, the City will advance this funding to ensure power generation is available in the event of an outage. Additional funding of \$600,000 is recommended from the Sewer Service and Use Charge Capital Fund (\$500,000) for back-up electricity generation at 6 sanitary sewer pump stations, and from the San José-Santa Clara Treatment Plant Capital Fund (\$100,000) for the fueling island at the Regional Wastewater Facility.

## General Fund Recommended Budget Adjustments Summary 2018-2019 Annual Report

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
Mexican Heritage Plaza Capital Maintenance	Public Works Department	-	\$50,000	-
<p>This action increases the Mexican Heritage Plaza Capital Maintenance appropriation to the Public Works Department by \$50,000, from \$50,000 to \$100,000 to align with the agreement with the School of Arts and Culture at the Mexican Heritage Plaza. The agreement includes provisions for a net increase of funding beginning in 2019-2020 of \$25,000 that includes an increase to the Capital Maintenance appropriation by \$50,000, partially offset by a reduction to the Mexican Heritage Plaza Maintenance and Operations appropriation described elsewhere. These allocations were not correctly represented in the 2019-2020 Adopted Budget. The total annual appropriation for Capital Repairs and Capital Replacements will be \$100,000 for 2019-2020. This action is recommended to be funded by the reallocation of funding from the Mexican Heritage Plaza Maintenance and Operations appropriation (\$25,000) and the General Fund (\$25,000). Corresponding decreases are recommended elsewhere in this report to offset this action.</p>				

Mexican Heritage Plaza Maintenance and Operations (Cultural Facilities Operations Support)	Public Works Department	-	\$13,500	-
<p>As directed in the Mayor's June Budget Message for Fiscal Year 2019-2020, as approved by the City Council, this action increases the annual operational support to the Mexican Heritage Plaza by \$13,500. Additional actions recommended in this report increase the annual operational support to the major cultural organizations operating City facilities by a total of \$400,000 - the Tech Interactive (\$260,000), San José Museum of Art (\$50,000), Children's Discovery Museum (\$46,000), Hammer Theatre Center (\$30,000), and Escuela de Artes y Cultura at the Mexican Heritage Plaza (\$13,500) - that sustained large reductions in operational support during the Great Recession. These actions restore previously reduced funding, and funding allocations in future years will align with inflation.</p>				

## General Fund Recommended Budget Adjustments Summary 2018-2019 Annual Report

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
<p>Mexican Heritage Plaza Maintenance and Operations</p> <p>This action decreases the Mexican Heritage Plaza Maintenance and Operations appropriation to the Public Works Department by \$25,000, from \$450,000 to \$425,000. This action is in accordance with year six of the Maintenance and Operations Agreement, which states that the operations payments will be reduced by \$25,000 and reallocated for capital repairs and capital replacements. This allocation was not correctly captured in the 2019-2020 Adopted Budget. A corresponding increase to the Mexican Heritage Plaza Capital Maintenance appropriation is recommended elsewhere in the report to offset this action.</p>	Public Works Department	-	(\$25,000)	-
<p>Non-Personal/Equipment (Community Facilities District No. 8)</p> <p>This action increases Public Works' Non-Personal/Equipment appropriation by \$30,000 to fund election costs for Community Facilities District No. 8, which serves the Communications Hill residents. This item was previously approved in the Mayor's June Budget Message for Fiscal Year 2018-2019, but the work was not completed. With this recommendation the Department expects the election to be held by January 09, 2020. Essential Services Reserve to conduct the election for residents to decide on landscaping and enhanced security services to their neighborhoods. Funding is eligible to reimbursement by the District with a successful election.</p>	Public Works Department	-	\$30,000	-

## General Fund Recommended Budget Adjustments Summary 2018-2019 Annual Report

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
<p>Non-Personal/Equipment (Labor Compliance System)</p> <p>This action increases the Public Works' Non-Personal/Equipment appropriation by \$50,000 to fund the subscription of a software solution, server costs, and system configurations for the Office of Equality Assurance. The software product is a response to the Increased Workload Warrants Reevaluation of Resource Needs audit report. The product will allow contractors to submit electronic versions of documents that can be data-sorted for reporting on Local Hire, Targeted Hire, and Private Workforce Standards. The evaluation of any ongoing costs associated with the software subscription will be evaluated during the 2020-2021 Base Budget development. A corresponding decrease to the Office of Equality Assurance Labor Compliance System Reserve is recommended elsewhere in this report.</p>	Public Works Department	-	\$50,000	-
<p>Office of Equality Assurance Labor Compliance System Reserve</p> <p>This action eliminates the Office of Equality Assurance Labor Compliance System Reserve to fund Personal Services (\$150,000) and Non-Personal/Equipment (\$50,000) costs for the Office of Equality Assurance: to facilitate the implementation of automated labor compliance system that will allow contractors to submit electronic versions of documents that can be data-sorted for reporting on Local Hire, Targeted Hire, and Private Workforce Standards. The Personal Services adjustment will allow for temporary staffing resources to assist with initial implementation while the Non-Personal/Equipment adjustment will fund the initial subscription cost of the platform, server costs, and system configurations. Corresponding actions to add funding to the Public Works Personal Services and Non-Personal/Equipment appropriations are recommended elsewhere in this report.</p>	Public Works Department	-	(\$200,000)	-

## General Fund Recommended Budget Adjustments Summary 2018-2019 Annual Report

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
<p>Personal Services (Measure T Staffing Correction)</p> <p>This action increases the Public Works' Personal Services appropriation by \$126,988, to correct position allocation costs for the Public Safety and Infrastructure Bond Fund (Measure T) that were incorrectly allocated to the Public Works Development Fee Program. Corresponding adjustments to decrease the Public Works Development Fee Program – Personal Services appropriation and increase the Public Works Development Fee Program Reserve are recommended elsewhere in this report.</p>	Public Works Department	-	\$126,988	-
<p>Personal Services (Office of Equality Assurance Labor Compliance System)</p> <p>This action increases Public Works Department's Personal Services appropriation by \$150,000, for temporary staffing resources in the Office of Equality Assurance to facilitate the implementation of an automated labor compliance system that will allow contractors to submit electronic versions of documents that can be data-sorted for reporting on Local Hire, Targeted Hire, and Private Workforce Standards. The temporary staffing assistance will also provide related support in assisting the Office in development, implementation, and administration of Council Priority #1- Local Hire Policy, Council Priority #3- Disadvantage Business Enterprises, Council Priority #16- Wage Theft Ordinance Update, and Project Labor Agreements. A corresponding decrease to the Office of Equality Assurance Labor Compliance System Reserve is recommended elsewhere in this report.</p>	Public Works Department	-	\$150,000	-
<p>Non-Personal Equipment (Reallocation from Personal Services for Electrical Services Support)</p> <p>This action increases the Transportation Department's Non-Personal/Equipment appropriation by \$450,000 for contracted shift coverage for electrical services. Due to a significant number of Electrician vacancies in the Department, in-house staff are not available to cover mandatory graveyard and weekend on-call shifts to address emergency and safety electrical issues, such as signal outages or critical repair and/or removal of equipment damaged in a crash. A corresponding decrease to the Transportation Department's Personal Services appropriation is recommended elsewhere in this report.</p>	Transportation Department	-	\$450,000	-

## General Fund Recommended Budget Adjustments Summary 2018-2019 Annual Report

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
Personal Services (Reallocation to Non-Personal/Equipment for Electrical Services Support)	Transportation Department	-	(\$450,000)	-

This action decreases the Transportation Department's Personal Services appropriation by \$450,000 and reallocates funding to the Department's Non-Personal/Equipment appropriation for contracted shift coverage of electrical services. Due to a significant number of Electrician vacancies in the Department, in-house staff are not available to cover mandatory graveyard and weekend on-call shifts to address emergency and safety electrical issues, such as signal outages or critical repair and/or removal of equipment damaged in a crash.

Transfer to the Building and Structure Construction Tax Fund (North San José BCP)	Transportation Department	-	\$371,452	-
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This action transfers \$371,452 from the General Fund to the Building and Structure Construction Tax Fund. The Mayor's June Budget Message for Fiscal Year 2014-2015, as approved by the City Council (Manager's Budget Addendum #8), dedicated sales tax collections from North San José construction activity as part of the Business Cooperation Program toward unfunded transportation needs in North San José. To date, one company in the North San José Policy Area has participated in the Business Cooperation Program for a new construction project, resulting in the City receiving \$371,452 of sales tax revenue to be set aside according to this policy direction. The North San José New Development (BCP) Reserve is recommended to be established in the Building and Structure Construction Tax Fund, which maintains similar reserves in accordance with Manager's Budget Addendum #8 to offset this action.

<b>Required Technical-Rebalancing Actions</b>	0.75	<b>\$20,809,680</b>	<b>\$185,530</b>
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## General Fund Recommended Budget Adjustments Summary 2018-2019 Annual Report

	<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
<b>Grants- Reimbursements -Fees</b>	Diridon Station Area Development Planning - Post Application/Other Revenue	City Manager - Office of Economic Development	-	\$1,000,000	\$1,000,500
	<p>This action establishes the Diridon Station Area Development Planning – Post Application City-Wide appropriation to the Office of Economic Development in the amount of \$1.0 million. This funding supports the post-application development work conducted by the Transportation and Public Works Departments that includes transportation and construction permit planning and traffic mitigation plan. This action is offset by reimbursements from Google.</p>				
	Fire Development Fee Program - Non-Personal/Equipment (Peak Staffing)	Fire Department	-	\$370,000	-
<p>This action increases the Fire Development Fee Program – Non-Personal/Equipment appropriation by \$370,000 for peak staff contractual services to address Development Services plan check review backlog. A corresponding action to decrease to the Fire Development Fee Program Reserve is recommended elsewhere in this report for a net-zero impact to the General Fund.</p>					
	Fire Development Fee Program Reserve	Fire Department	-	(\$370,000)	-
<p>This action decreases the Fire Development Fee Program Reserve by \$370,000 for peak staff contractual services to address Development Services plan check review backlog. A corresponding action to increase the Fire Development Fee Program - Non-Personal/Equipment appropriation is recommended elsewhere in this report.</p>					
	Library Grants/Other Revenue (Career Vision Workshops Grant)	Library Department	-	\$2,015	\$2,015
<p>This action increases the Library Grants appropriation to the Library Department and the estimate for Other Revenue by \$2,015 to recognize the Career Vision Workshops grant. This funding supports the Career Vision Workshop in the San José Public Library, which allows community to support job seekers in finding new opportunities in a career of their choice. In addition, funding provides resources to enhance the job seekers skills to pursue their career.</p>					

## General Fund Recommended Budget Adjustments Summary 2018-2019 Annual Report

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
Library Grants/Revenue from State of California (California Library Literacy Services Grant)	Library Department	-	\$18,000	\$18,000
<p>This action increases the Library Grants appropriation to the Library Department and the estimate for Revenue from State of California by \$18,000 to recognize the receipt of a California Library Literacy Services grant. This funding will allow for the purchase of books, materials, and computer software as well as support the Adult Literacy and Families for Literacy program. The Families for Literacy program helps adults increase their basic literacy skills and address the literacy needs of their young children.</p>				
Library Grants/Revenue from State of California (California Library Literacy Services Grant)	Library Department	-	\$70,000	\$70,000
<p>This action increases the Library Grants appropriation to the Library Department and the estimate for Revenue from State of California by \$70,000 to recognize the receipt of a California Library Literacy Services grant. This grant funding will support family literacy programming for English-speaking adults and their families in the community. The program assists adults in increasing their basic literacy skills and addresses the literacy needs.</p>				
Library Grants/Revenue from State of California (First Five Santa Clara County Grant)	Library Department	-	\$72,990	\$72,990
<p>This action increases the Library Grants appropriation to the Library Department and the estimate for Revenue from State of California by \$72,990 to recognize the First Five Santa Clara County grant. This funding will support the healthy development of children, from prenatal through age 5, who are ready to succeed in school and achieve their full potential.</p>				
Council District #02/Other Revenue (Special Event Sponsorship)	Mayor & City Council	-	\$4,850	\$4,850
<p>This action increases the Council District #02 appropriation and the corresponding estimate for Other Revenue by \$4,850 to allocate revenue received from various business and individuals. This funding will support events co-sponsored by Council District #02, including the Viva Parks event.</p>				

## General Fund Recommended Budget Adjustments Summary 2018-2019 Annual Report

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
Council District #05/Other Revenue (Special Event Sponsorship)	Mayor & City Council	-	\$1,000	\$1,000
<p>This action increases the Council District #05 appropriation and the corresponding estimate for Other Revenue by \$1,000 to allocate revenue received from various businesses and individuals. This funding will support events co-sponsored by Council District #05, including the 2019 National Night Out event.</p>				
Council District #09/Other Revenue (Special Event Sponsorship)	Mayor & City Council	-	\$25,500	\$25,500
<p>This action increases the Council District #09 appropriation and the corresponding estimate for Other Revenue by \$25,500 to allocate revenue received from various businesses and individuals. This funding will support events co-sponsored by Council District #09, including the Celebrate Cambrian event.</p>				
Council District #10/Other Revenue (Special Event Sponsorship)	Mayor & City Council	-	\$475	\$475
<p>This action increases the Council District #10 appropriation and the corresponding estimate for Other Revenue by \$475 to allocate revenue received from various businesses and individuals. This funding will support events including the PTSD Awareness Day.</p>				
Office of the Mayor/Other Revenue (Special Event Sponsorship)	Mayor & City Council	-	\$132,500	\$132,500
<p>This action increases the Office of the Mayor appropriation and the corresponding estimate for Other Revenue by \$132,500 to recognize revenue received from grants. Grants were received from: Harvard University (\$50,000) to partially support the cost of an Innovation Policy Advisor position; Encore.org (\$62,500) for placement of four fellows working on the Mayor's initiatives; and the Silicon Valley Community Foundation (\$20,000) for the implementation of IPA's Community Trust in Law Enforcement.</p>				

## General Fund Recommended Budget Adjustments Summary 2018-2019 Annual Report

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
<p>After School Education &amp; Safety Program/Revenue from Local Agencies</p> <p>This action establishes an After School Education and Safety Programs for 2019-2020 appropriation to the Parks, Recreation and Neighborhood Services Department and corresponding estimate for Revenue from Local Agencies in the amount of \$431,064. This grant funding will support after school education and safety programs by providing supplies and materials for the after school programming and staff time at the Berryessa Union School District (\$106,257), Alum Rock Union Elementary School District (\$103,171), ACE Charter School Empower Academy (\$100,402), and ACE Charter School Franklin McKinley (\$121,234) for the 2019-2020 school year. The After School Education and Safety Program supports local after school education and enrichment programs by providing literacy, academic enrichment, and constructive alternatives for students in kindergarten through ninth grade.</p>	Parks, Recreation and Neighborhood Services Department	-	\$431,064	\$431,064
<p>BeautifulSJ Grants/Other Revenue</p> <p>This action increases the BeautifulSJ Grants appropriation and the corresponding estimate for Other Revenue by \$27,183. Unallocated grant funds from the 2018-2019 grant cycle were returned from the Fiscal Agent. This action allows these funds to be available for future BeautifulSJ grants.</p>	Parks, Recreation and Neighborhood Services Department	-	\$27,183	\$27,183
<p>Fee Activities/Fees, Rates, and Charges (Gardner Preschool)</p> <p>This action increases the Parks, Recreation and Neighborhood Services Department's Fee Activities appropriation by \$212,000 (from \$12,270,099 to \$12,482,099) and increases Fees, Rates, and Charges Revenue by \$150,000. As directed in the Mayor's June Budget Message for 2019-2020, as approved by City Council, this action added funding in the Adopted Budget to expand childcare facilities at Gardner Community Center. Funding was erroneously added to establish a new appropriation in the City-Wide Expenses category. This action shifts funding from City-Wide Expenses into Fee Activities. A corresponding action to decrease the City-Wide Expenses appropriation is recommended elsewhere in this report.</p>	Parks, Recreation and Neighborhood Services Department	-	\$212,000	\$150,000

## General Fund Recommended Budget Adjustments Summary 2018-2019 Annual Report

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
<p>Non-Personal Equipment/Other Revenue (Healthy Aging San José)</p> <p>This action establishes a Healthy Aging San José appropriation to the Parks, Recreation and Neighborhood Services Department in the amount of \$25,000 and corresponding estimate for Other Revenue in the amount of \$44,408. The term of the grant is from July 01, 2019 to June 30, 2020. This grant aims to improve the long-term health and wellness outcomes of older adults, 50+ years, and their caregivers by strengthening their community connections, support system, and peer-to-peer relationships, as well as increase their overall knowledge of effective health management techniques, and other aging/health-related topics. Healthy Aging San José will be offered at six City of San José operated community centers in East and Central San José.</p>	Parks, Recreation and Neighborhood Services Department	-	\$25,168	\$44,408
<p>Revenue from Local Agencies (BHSD Grant for Therapeutics)</p> <p>This action increases the Revenues from Local Agencies in the amount of \$309,000 for the Santa Clara County Behavioral Health Services Department Grant for Therapeutics Program. The term of this grant is July 1, 2019 through June 30, 2020. This program will provide structured and unstructured therapeutic recreational activities and counseling support groups focusing on maintaining the stability of participants' mental health and social lives to increase their community tenure and to significantly reduce their need for hospitalization or a higher level of care.</p>	Parks, Recreation and Neighborhood Services Department	-	-	\$309,000
<p>Summer Youth Nutrition Program/Revenue from Federal Government</p> <p>This action increases the Summer Youth Nutrition Program City-Wide appropriation to the Parks, Recreation and Neighborhood Services Department and the corresponding estimate for Revenue from Federal Government by \$71,466 to reflect grant funding from the Summer Food Service Program. This program, administered by the California Department of Education Nutrition Services Division, provides lunches and snacks to qualifying youth during the summer at Bascom, Mayfair, Roosevelt, and Seven Trees Community Centers.</p>	Parks, Recreation and Neighborhood Services Department	-	\$71,466	\$71,466

## General Fund Recommended Budget Adjustments Summary 2018-2019 Annual Report

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
<p>Valley Water District Grant/Revenue from Local Agencies</p> <p>This action establishes a Valley Water District Grant appropriation to the Parks, Recreation and Neighborhood Services Department and increases the estimate for Revenue from Local Agencies in the amount of \$130,000. The total grant award amount is \$200,000, of which \$130,000 is allocated in 2019-2020 and the remaining \$70,000 will be appropriated in 2020-2021. The term of the grant is from June 27, 2019 to December 31, 2020. This grant funding will support litter/trash and encampment abatement efforts in Council District 7.</p>	Parks, Recreation and Neighborhood Services Department	-	\$130,000	\$130,000
<p>Youth Reinvestment Grant/Revenue from State of California</p> <p>This action establishes a Youth Reinvestment Grant appropriation to the Parks, Recreation and Neighborhood Services Department for \$300,000 and increases the estimate for Revenue from the State of California in the amount of \$340,000. The total award of the grant is \$1.0 million. The grant covers 2019-2020, 2020-2021, and 2021-2022. This program will fund community-based organizations that provide juvenile justice diversion programming. This grant aims to mediate targeted youth high risk behaviors, increase their school success and bonding, strengthen their personal and social life skills and prosocial lifestyle, provide Family Support and Education Services to youth families in need, and in turn reduce the disproportionate over-representation of Hispanics youth in the juvenile justice system.</p>	Parks, Recreation and Neighborhood Services Department	-	\$300,000	\$340,000
<p>Non-Personal/Equipment (National Trust for Historic Preservation)</p> <p>This action increases the Planning, Building, and Code Enforcement Department's Non-Personal/Equipment appropriation by \$5,000 for Historic Preservation. In 2018-2019 the City received a \$5,000 grant for the Citywide Historic Context Statement Project activities to be used for consultant services related to the Citywide Historic Resources Survey.</p>	Planning, Building and Code Enforcement Department	-	\$5,000	-

## General Fund Recommended Budget Adjustments Summary 2018-2019 Annual Report

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
Internet Crimes Against Children Task Force Invited Awards/Revenue from Federal Government	Police Department	-	\$558,585	\$558,585

This action increases the Internet Crimes Against Children Task Force Invited Awards appropriation to the Police Department and the estimate for Revenue from Federal Government in the amount of \$558,585 to recognize additional grant funding from the by the U.S. Department of Justice for activities related to increasing investigation and prosecution of internet crimes against children offenses and to increase public awareness of the issue. The Program will continue its work to conduct proactive and reactive investigations into computer technology crimes perpetrated against children throughout its geographic service area. The grant term extension period is extends from September 30, 2019 to September 30, 2020.

Selective Traffic Enforcement Program 2019-2020/Revenue from State of California	Police Department	-	\$250,000	\$250,000
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This action establishes the Selective Traffic Enforcement Program 2019-2020 appropriation to the Police Department and increases the estimate for Revenue from State of California to recognize grant funding from the State of California Office of Traffic Safety in the amount of \$250,000. This grant primarily funds Police Officer overtime to conduct targeted driving under the influence (DUI) checkpoints and patrols as well as conduct distracted driving, motorcycle safety, click it or ticket, and pedestrian/bicycle enforcement operations during the term of the grant (October 1, 2019 through September 30, 2020).

Public Works Development Fee Program - Personal Services (Measure T Staffing Correction)	Public Works Department	-	(\$126,988)	-
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This action decreases the Public Works Development Fee Program – Personal Services appropriation by \$126,988, from \$10,682,130 to \$10,555,142, to correct position allocation costs for Measure T that were inadvertently allocated to the Public Works Development Fee Program. Corresponding increases to the Public Works Development Fee Program Reserve and the Public Works Personal Services appropriation in the General Fund are recommended elsewhere in this report.

## General Fund Recommended Budget Adjustments Summary 2018-2019 Annual Report

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
Public Works Development Fee Program – Small Cell Permitting Reserve (Small Cell Staffing Correction)	Public Works Department	-	(\$88,042)	-

This action decreases the Public Works Development Fee Program – Small Cell Permitting Reserve by \$88,042, from \$374,189 to \$286,147, to accurately reflect the impact to the Small Cell Permitting Reserve. A portion of Small Cell Permitting costs were incorrectly charged to the Development Fee Program in 2018-2019 instead of the Small Cell Permitting Program. As a result, the Small Cell Permitting Reserve is overstated by these missing costs. This action realigns the Small Cell Reserve with actual expenditures. A corresponding action to increase the Public Works Development Fee Program Reserve is recommended elsewhere in this report.

Public Works Development Fee Program Reserve (Landscape Services)	Public Works Department	-	(\$35,295)	-
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This action decreases the Public Works Development Fee Program Reserve by \$35,295, to reallocate funds to the Transportation Department to complete landscaping enhancements to the Almaden soundwall. Funding was received in October 2018 from PG&E and allocated to the Public Works Development Fee Program for restoration of the Almaden soundwall (Council District 10). Public Works completed the physical soundwall restoration in 2018-2019. The remaining funds will be used by the Transportation Department to perform the final phase of the restoration project. A corresponding adjustment to the Transportation Department's Non-Personal/Equipment appropriation is recommended elsewhere in this report.

Public Works Development Fee Program Reserve (Measure T Staffing Correction)	Public Works Department	-	\$126,988	-
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This action increases the Public Works Development Fee Program Reserve by \$126,988, to correct position allocation costs for Measure T that were incorrectly allocated to the Public Works Development Fee Program. Corresponding adjustments to decrease the Public Works Development Fee Program – Personal Services and increase the Public Works Personal Services appropriations are recommended elsewhere in this report.



## General Fund Recommended Budget Adjustments Summary 2018-2019 Annual Report

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
Public Works Development Fee Program Reserve (Small Cell Staffing Correction)	Public Works Department	-	(\$391,306)	-

This action decreases the Public Works Development Fee Program Reserve by a net \$391,306, to remove incorrect charges and budget in the Public Works Development Fee Program that should be attributed to the Small Cell Permitting program. A decrease of \$479,348 is due to the inadvertent budgeting of Small Cell position costs to the Public Works Development Fee Program and an increase of \$88,042 is to reimburse Small Cell Permitting program for costs incorrectly charged to the program in 2018-2019. A corresponding action to the Public Works Development Fee Program – Small Cell Permitting Reserve is recommended elsewhere in this report.

Non-Personal/Equipment (Almaden Soundwall Landscape Services)	Transportation Department	-	\$35,295	-
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This action increases the Transportation Department's Non-Personal/Equipment appropriation by \$35,300 to complete landscaping enhancements to the Almaden Soundwall. PG&E provided funding for the Soundwall's restoration in October 2018 and the City received the funding within the Development Fee Program. As the physical restoration of the Sounwall performed by Public Works is complete, the remaining funding of \$35,300 is recommended for allocation to the transportation Department to perform the final landscape enhancements. A corresponding decrease to the Public Works Development Fee Program reserve is recommended elsewhere in this report.

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### Grants-Reimbursements-Fees

\$2,858,448 \$3,639,536

## General Fund Recommended Budget Adjustments Summary 2018-2019 Annual Report

	<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
<b>Urgent Fiscal- Program Needs</b>	Community Plan to End Homelessness – Quality of Life and Healthy Neighborhoods	Office of the City Manager	-	\$1,500,000	-
	<p>This action establishes a City-Wide appropriation in the amount of \$1.5 million to support inter-departmental efforts to operationalize a locally-tailored work-plan in support of Pillar 3 of the Community Plan to End Homelessness (Improving Quality of Life for Unsheltered Individuals and Creating Healthy Neighborhoods for All), and efforts to enhance service levels in pilot project areas, or where there are disproportionate impacts from unsheltered individuals.</p>				
	Transfer to Municipal Golf Course Fund	Parks, Recreation and Neighborhood Services Department	-	\$2,300,000	
	<p>This action increases the transfer from the General Fund to the Municipal Golf Course Fund by \$2.3 million, from \$8.4 million to \$10.7 million, to pay down outstanding principal for debt related to the Los Lagos Golf Course. The direction provided in the Mayor's March and June Budget Messages for Fiscal Year 2019-2020, as approved by the City Council, prioritized the use of one-time resources to improve long-term fiscal sustainability by early retirement of debt obligations and allocated a total of \$6.2 million to both the elimination of Rancho Del Pueblo debt (\$3.4 million) and the early pay down of Los Lagos debt (\$2.8 million). The allocation of an additional \$2.3 million for Los Lagos debt pay down furthers this approach and, when combined with actions in the 2019-2020 Adopted Budget result in a cumulative annual debt service savings of approximately \$700,000 and shortens the debt retirement date by four years to 2026.</p>				
	Non-Personal/Equipment (Guardian Rapid Response Program)	Police Department	-	\$550,000	-
	<p>This action increases the Police Department's Non-Personal/Equipment appropriation by \$550,000 to purchase and equip nine patrol vehicles for the newly established Guardian Rapid Response Program. The Program will deploy officers in two-officer vehicles to respond to either active shooter threats at schools or special events. A corresponding action providing funding for overtime to staff this program can be found elsewhere in this report.</p>				

## General Fund Recommended Budget Adjustments Summary 2018-2019 Annual Report

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
<p>Personal Services (Guardian Rapid Response Program)</p> <p>This action increases the Police Department's Personal Services appropriation by \$3.0 million for overtime costs to implement the Guardian Rapid Response Program to enhance the City's ability to swiftly and effectively respond to active shooter incidents. The new Guardian program has two components: schools and special events. A corresponding action providing funding for vehicles for this program can be found elsewhere in this report.</p> <p>The primary goal of the Guardian Rapid Response Schools Program totaling \$3.0 million is to increase the Department's state of readiness for an active shooter attack as well as to provide a focused effort on enhancing the safety of all school campuses in the City of San José. This encompasses deployment of officers in two-officer vehicles and fulfill the dual roles of immediate active shooter response and strategic school campus safety patrols. Each Guardian School Team will remain available in its pre-designated zone to immediately respond to an active shooter threats.</p> <p>The Guardian Rapid Response Special Events Program totaling \$500,000 is intended to better equip the Department for swift and effective response to active shooters and other life-threatening incidents at major events in the City of San José. The program may deploy officers in the event of a known threat or an anticipated unusually large crowd size.</p>	Police Department	-	\$3,000,000	-
<p>City Facilities Safety Assessment</p> <p>This action establishes the City Facilities Safety Assessment appropriation in the General Fund in the amount of \$200,000 to conduct a security evaluation and threat assessment consistent with Homeland Security Best Practices for Antiterrorism (BPATs), which will inform the development of potential security and operational improvements to protect City-owned facilities, and the community, and employees who use them. The assessment is anticipated to complete in 2019-2020. A separate allocation of \$207,000 in the Convention and Cultural Facilities Fund supports activities related to the San José McEnery Convention Center and various cultural facilities.</p>	Public Works Department	-	\$200,000	-
<b>Urgent Fiscal-Program Needs</b>			<b>\$7,550,000</b>	<b>-</b>

## Special Funds Recommended Budget Adjustments Summary 2018-2019 Annual Report

### Airport Fiscal Agent Fund (525)

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
Transfer to the Airport Revenue Fund (Fiscal Agent Funds Release)	Airport Department		\$850,000	

This action increases the Transfer to the Airport Revenue Fund by \$850,000, from \$150,000 to \$1.0 million. This increase releases interest not required for debt service and transfers these funds from the Airport Fiscal Agent Fund to the Airport Revenue Fund. The Airport Fiscal Agent manages the funds and reserves required for bond debt coverage and payments. When a reserve or funds reach/exceed their required purpose or timing, the Fiscal Agent releases the funds to be returned to general Airport Revenue. Corresponding adjustments in the Airport Revenue Fund and to the Debt Service Reserve are recommended elsewhere in this report.

Debt Service Reserve (Fiscal Agent Funds Release)	Airport Department		(\$850,000)	
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This action decreases the Transfer to the Debt Service Reserve by \$850,000, from \$83.9 million to \$83.0 million, to reflect released interest funding not required for debt service. This action allows for the transfer of these funds from the Airport Fiscal Agent Fund to the Airport Revenue Fund. The Airport Fiscal Agent manages the funds and reserves required for bond debt coverage and payments. When a reserve or funds reach/exceed their required purpose or timing, the Fiscal Agent releases the funds to be returned to general Airport Revenue. Corresponding adjustments in the Airport Revenue Fund and in this fund are recommended elsewhere in this report.

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### Airport Fiscal Agent Fund (525)

# Special Funds Recommended Budget Adjustments Summary 2018-2019 Annual Report

## Airport Maintenance And Operation Fund (523)

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
Master Trust Agreement/Transfers and Reimbursements (Transfer from Airport Revenue Fund) (2019 Airline Lease and Operating Agreement)	Airport Department		\$5,711,068	\$5,711,068

This action increases the Master Trust Agreement Reserve by \$5,711,068, from \$25,259,375 to \$30,970,443 and Transfers and Reimbursements also by \$5,711,068, from \$111,125,169 to \$116,836,237, to reflect the payout of the net remaining revenues to the airlines per the operating agreement. The 2019 Airline-Airport Lease and Operating Agreement provides for net remaining revenues be paid to the signatory airlines upon the close of each fiscal year. To close out the 2007 agreement that expired June 30, 2019, the airport and airlines agreed that the balance of net remaining revenues generated over the term of the agreement would be paid out as well. Of the total net remaining revenue paid of \$13.9 million, a portion of this payment (\$5.7 million) was made from the Master Trust Agreement Reserve in the Airport Maintenance and Operation Fund. In order to meet Master Trust Agreement reserve requirements, this funding must be replenished. This action allocates and transfers \$5.7 million from the Airport Revenue Fund to the Airport Maintenance and Operation Fund. Corresponding actions in the Airport Revenue Fund are recommended elsewhere in this report.

Non-Personal/Equipment (Insurance Premiums)	Airport Department		\$317,000	
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This action increases the Non-Personal/Equipment appropriation to the Airport Department by \$317,000, from \$45.7 million to \$46.0 million, to ensure sufficient funding for increasing insurance premiums on property, liability, and auto coverage. A corresponding reduction to the Operations Contingency is recommended below to offset this increase.

Operations Contingency (Insurance Premiums)	Airport Department		(\$317,000)	
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This action decreases the Airport Operations Contingency by \$317,000, from \$2.7 million to \$2.4 million, to offset the increase to the Non-Personal/Equipment appropriation to the Airport Department to ensure sufficient funding for increasing insurance premiums on property, liability, and auto coverage. A corresponding action is recommended above.

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<b>Airport Maintenance And Operation Fund (523)</b>			<b>\$5,711,068</b>	<b>\$5,711,068</b>
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# Special Funds Recommended Budget Adjustments Summary 2018-2019 Annual Report

## Airport Revenue Fund (521)

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
Airline Agreement Reserve/Transfers and Reimbursements (Jet Fuel Local Sales Tax)	Airport Department		\$87,472	\$87,472

This action increases the Transfer from the General Fund and increases the Airline Agreement Reserve appropriation by \$87,472. Per Federal Aviation Administration (FAA) policy, Sales Tax revenue related to jet fuel sales that are located at Airport properties must be returned to the Airport Department. This FAA policy applies to sales tax that went into effect after December 31, 1987. Given this time frame, the City of San José's General Sales Tax is exempt from this regulation as it was in effect before December 31, 1987; however, the Local Sales Tax, effective October 2016, must follow the FAA policy. As part of the 2017-2018 Year-End Clean-Up Memorandum, approved on June 19, 2018, the City Council approved the transfer of \$220,000 from the General Fund to the Airport Revenue Fund for estimated Local Sales Tax revenue generated from jet fuel sales from December 2017 through June 2018. At that time, the Budget Office believed the implementation date of the FAA policy was December 2017. However, this policy applies to the Local Sales Tax since its inception in October 2016. This transaction transfers funding of \$87,472 from the General Fund to the Airport Revenue Fund to account for actual Local Sales Tax revenue generated from jet fuel sales from October 2016 through June 2019 that had not yet been reimbursed. A corresponding action in the General Fund is recommended to offset this action.

# Special Funds Recommended Budget Adjustments Summary 2018-2019 Annual Report

## Airport Revenue Fund (521)

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
Airline Agreement Reserve/Transfers and Reimbursements (Transfer from Airport Surplus Revenue Fund) (Green Island Principal and Interest)	Airport Department		\$112,207	\$112,207

This action increases the Airline Agreement Reserve by \$112,207, and the estimate for Transfers and Reimbursements by \$112,207, to reflect the early payoff of the outstanding commercial paper principal and interest debt for the Green Island. Rental Car companies were previously located at the "Green Island," which is now the site of the Economy Parking lot. When the new rental car garage was built, rental car companies were responsible for the cost of returning the Green Island to its original condition. Airport completed the work, funded by commercial paper. These actions reimburse the Airport for this early payoff by increasing the Transfer from the Airport Surplus Revenue Fund and allocating the funding to the Airline Agreement Reserve. Corresponding adjustments in the Airport Surplus Revenue Fund are recommended elsewhere in this report.

Airline Agreement Reserve/Transfers and Reimbursements (Transfer from Fiscal Agent Fund) (Fiscal Agent Funds Release)	Airport Department		\$850,000	\$850,000
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This action increases the Airline Agreement Reserve and the estimate for Transfers and Reimbursements by \$850,000, to reflect the release and return of interest funding not required for debt service and transfers these funds from the Airport Fiscal Agent Fund to the Airport Revenue Fund. The Airport Fiscal Agent manages the funds and reserves required for bond debt coverage and payments. When a reserve or funds reach/exceed their required purpose or timing, the Fiscal Agent releases the funds to be returned to general Airport Revenue. Corresponding adjustments in the Airport Fiscal Agent Fund are recommended elsewhere in this report.

# Special Funds Recommended Budget Adjustments Summary 2018-2019 Annual Report

## Airport Revenue Fund (521)

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
Transfer to Airport Surplus Revenue Fund (Commercial Paper Paydown)	Airport Department		\$10,000,000	

This action increases the Transfer to the Airport Surplus Revenue Fund by \$10.0 million, from \$53.3 million to \$63.3 million, for early payoff of debt related to prior capital projects. As revenues remain strong at the airport, the Airport Department intends to payoff more commercial paper debt than previously anticipated. Corresponding actions in the Airport Surplus Revenue Fund and in this fund are recommended elsewhere in this report.

Airline Agreement Reserve (Commercial Paper Paydown)	Airport Department		(\$10,000,000)	
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This action decreases the Airline Agreement Reserve by \$10.0 million, from \$99.3 million to \$89.3 million for early payoff of debt related to prior capital projects. As revenues remain strong at the airport, the Airport Department intends to payoff more commercial paper debt than previously anticipated. Corresponding actions in the Airport Surplus Revenue Fund and in this fund are recommended elsewhere in this report.

Airline Agreement Reserve (2019 Airline Lease and Operating Agreement)	Airport Department		(\$5,711,068)	
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This action decreases the Airline Agreement Reserve by \$5,711,068, from \$99,300,785 to \$93,589,717, to reflect the payout of the net remaining revenues to the airlines per the operating agreement. The 2019 Airline-Airport Lease and Operating Agreement provides for net remaining revenues be paid to the signatory airlines upon the close of each fiscal year. To close out the 2007 agreement that expired June 30, 2019, the airport and airlines agreed that the balance of net remaining revenues generated over the term of the agreement would be paid out as well. Of the total net remaining revenue paid of \$13.9 million, a portion of this payment (\$5.7 million) was made from the Master Trust Agreement Reserve in the Airport Maintenance and Operation Fund. In order to meet Master Trust Agreement reserve requirements, this funding must be replenished. This action allocates and transfers \$5.7 million from the Airport Revenue Fund to the Airport Maintenance and Operation Fund. Corresponding actions in the Airport Maintenance and Operation Fund and here are recommended elsewhere in this report.



# Special Funds Recommended Budget Adjustments Summary 2018-2019 Annual Report

## Airport Revenue Fund (521)

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
Transfer to Airport Maintenance and Operation Fund (2019 Airline Lease and Operating Agreement)	Airport Department		\$5,711,068	

This action increases the Transfer to the Airport Maintenance and Operation Fund by \$5,711,068, from \$111,125,169 to \$116,836,237, to reflect the payout of the net remaining revenues to the airlines per the operating agreement. The 2019 Airline-Airport Lease and Operating Agreement provides for net remaining revenues be paid to the signatory airlines upon the close of each fiscal year. To close out the 2007 agreement that expired June 30, 2019, the airport and airlines agreed that the balance of net remaining revenues generated over the term of the agreement would be paid out as well. Of the total net remaining revenue paid of \$13.9 million, a portion of this payment (\$5.7 million) was made from the Master Trust Agreement Reserve in the Airport Maintenance and Operation Fund. In order to meet Master Trust Agreement reserve requirements, this funding must be replenished. This action allocates and transfers \$5.7 million from the Airport Revenue Fund to the Airport Maintenance and Operation Fund. Corresponding actions in the Airport Maintenance and Operation Fund and here are recommended elsewhere in this report.

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<b>Airport Revenue Fund (521)</b>	<b>\$1,049,679</b>	<b>\$1,049,679</b>
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# Special Funds Recommended Budget Adjustments Summary 2018-2019 Annual Report

## Airport Surplus Revenue Fund (524)

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
Green Island Principal and Interest  This action eliminates the Green Island Principal and Interest appropriation in the amount of \$112,207 to reflect the early payoff of the outstanding commercial paper principal and interest debt for the Green Island. Rental Car companies were previously located at the "Green Island," which is now the site of the Economy Parking lot. When the new rental car garage was built, rental car companies were responsible for the cost of returning the Green Island to its original condition. Airport completed the work, funded by commercial paper. Corresponding adjustments to transfer this funding to the Airport Revenue Fund are recommended elsewhere in this report.	Airport Department		(\$112,207)	
Transfer to Airport Revenue Fund (Green Island Principal and Interest)  This action establishes a transfer to the Airport Revenue Fund in the amount of \$112,207 to reflect the early payoff of the outstanding commercial paper principal and interest debt for the Green Island. Rental Car companies were previously located at the "Green Island," which is now the site of the Economy Parking lot. When the new rental car garage was built, rental car companies were responsible for the cost of returning the Green Island to its original condition. Airport completed the work, funded by commercial paper. This action reimburses the Airport for this early payoff. Corresponding adjustments in the Airport Revenue Fund and this fund are recommended elsewhere in this report.	Airport Department		\$112,207	
Commercial Paper Principal and Interest/Transfers and Reimbursements (Transfer from Airport Revenue Fund) (Commercial Paper Paydown)  This action increases the Commercial Paper Principal and Interest appropriation by \$10.0 million, from \$4.0 million to \$14.0 million, and the estimate for Transfers and Reimbursements by \$10.0 million, from \$53.4 million to \$63.4 million, for early payoff of debt. As revenues remain strong at the airport, the Airport Department intends to payoff more Commercial Paper debt than previously anticipated. Corresponding actions in the Airport Revenue Fund are recommended elsewhere in this report.	Airport Department		\$10,000,000	\$10,000,000
<b>Airport Surplus Revenue Fund (524)</b>			<b>\$10,000,000</b>	<b>\$10,000,000</b>

**Special Funds Recommended Budget Adjustments Summary  
2018-2019 Annual Report**

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

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
Non-Personal/Equipment (Special District Landscape Services)	Transportation Department		\$331,000	
<p>This action increases the Transportation Department's Non-Personal/Equipment appropriation to properly align funding, such as for water costs and scheduled contracted services, based on the expected maintenance activities and projects planned across the special landscape districts. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.</p>				
Ending Fund Balance Adjustment	Transportation Department		(\$252,000)	
<p>This action decreases the Ending Fund Balance to offset the actions recommended in this report.</p>				
Personal Services (Special District Landscape Services)	Transportation Department		(\$79,000)	
<p>This action decreases the Transportation Department's Personal Services appropriation to properly align personal services funding based on the expected maintenance activities and projects planned across the special landscape districts. A corresponding increase to the Ending Fund Balance is recommended to offset this action.</p>				

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

# Special Funds Recommended Budget Adjustments Summary 2018-2019 Annual Report

## Community Development Block Grant Fund (441)

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
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Neighborhood Infrastructure Improvements	Housing Department		(\$1,055,000)	
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This adjustment decreases the Neighborhood Infrastructure Improvements appropriation by \$1,055,000, from \$7.7 million to \$6.6 million, to be reallocated to the Public Works Neighborhood Infrastructure Improvement appropriation for a Green Alley Way Improvement project that will improve two alleyways at 2nd Street and Washington. A corresponding increase to the Public Works Neighborhood Infrastructure Improvements appropriation to offset this action is found elsewhere in this report.

Housing Program Development and Monitoring (Consolidated Planning/Assessment of Fair Housing)	Housing Department		\$193,090	
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This action increases the Housing Program Development and Monitoring appropriation by \$193,090 to fund the City of San Jose's share of two contractual services agreements with the County of Santa Clara to prepare the Assessment of Fair Housing (\$79,685), and 5-Year Consolidated Plan and Annual Action Plan (\$113,405) documents as required by the Department of Housing and Urban Development. An action decreasing the Ending Fund Balance to offset this action is found elsewhere in this report.

Ending Fund Balance Adjustment	Housing Department		(\$193,090)	
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This action decreases the Ending Fund Balance to offset the action recommended elsewhere in this report.

Public Works Neighborhood Infrastructure Improvements (Green Alley Ways)	Public Works Department		\$1,055,000	
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This adjustment establishes the Public Works Neighborhood Infrastructure Improvements appropriation in the amount of \$1,055,000 for a Green Alley Way Improvement project that will improve two alleyways at 2nd Street and Washington. A corresponding decrease to the Neighborhood Infrastructure Improvements appropriation to the Housing Department to offset this action is found elsewhere in this report.

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## Community Development Block Grant Fund (441)

**Special Funds Recommended Budget Adjustments Summary  
2018-2019 Annual Report**

**Community Facilities District No. 1 (Capitol Auto Mall) Fund (371)**

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
Personal Services (Special District Landscape Services)	Transportation Department		\$19,000	
<p>This action increases the Transportation Department's Personal Services appropriation to properly align personal services funding based on the expected maintenance activities and projects planned across the special landscape districts. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.</p>				
Ending Fund Balance Adjustment	Transportation Department		(\$19,000)	
<p>This action decreases the Ending Fund Balance to offset the action recommended in this report.</p>				

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**Community Facilities District No. 1 (Capitol Auto Mall)  
Fund (371)**

**Special Funds Recommended Budget Adjustments Summary  
2018-2019 Annual Report**

**Community Facilities District No. 12 (Basking Ridge) Fund (376)**

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
Personal Services (Special District Landscape Services)	Transportation Department		\$95,000	
<p>This action increases the Transportation Department's Personal Services appropriation to properly align personal services funding based on the expected maintenance activities and projects planned across the special landscape districts. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.</p>				
Ending Fund Balance Adjustment	Transportation Department		(\$95,000)	
<p>This action decreases the Ending Fund Balance to offset the action recommended in this report.</p>				

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**Community Facilities District No. 12 (Basking Ridge) Fund  
(376)**

**Special Funds Recommended Budget Adjustments Summary  
2018-2019 Annual Report**

**Community Facilities District No. 13 (Guadalupe Mines) Fund (310)**

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
Personal Services (Special District Landscape Services)	Transportation Department		\$26,000	
<p>This action increases the Transportation Department's Personal Services appropriation to properly align personal services funding based on the expected maintenance activities and projects planned across the special landscape districts. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.</p>				
Ending Fund Balance Adjustment	Transportation Department		(\$26,000)	
<p>This action decreases the Ending Fund Balance to offset the action recommended in this report.</p>				

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**Community Facilities District No. 13 (Guadalupe Mines)  
Fund (310)**

**Special Funds Recommended Budget Adjustments Summary  
2018-2019 Annual Report**

**Community Facilities District No. 16 (Raleigh-Coronado) Fund (344)**

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
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Non-Personal/Equipment (Special District Landscape Services)	Transportation Department		\$105,000	
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This action increases the Transportation Department's Non-Personal/Equipment appropriation to properly align funding, such as for water costs and scheduled contracted services, based on the expected maintenance activities and projects planned across the special landscape districts. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.

Ending Fund Balance Adjustment	Transportation Department		(\$105,000)	
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This action decreases the Ending Fund Balance to offset the actions recommended in this report.

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**Community Facilities District No. 16 (Raleigh-Coronado) Fund (344)**



**Special Funds Recommended Budget Adjustments Summary  
2018-2019 Annual Report**

**Community Facilities District No. 17 (Capitol Expy – Evergreen Place) (496)**

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
Community Facilities District No.17 Feasibility Project/Developer Contributions	Public Works Department		\$37,629	\$37,629

This action establishes the Community Facilities District No. 17 Feasibility Project appropriation in the amount of \$37,629 and the corresponding revenue estimate for Developer Contributions in the Community Facilities District No. 17 (Capitol Expy – Evergreen Place) Fund. Funding is provided for City staff costs to investigate the feasibility of forming a community facilities district and other fees associated with performing the steps required for formation. Any unspent funds will be refunded to the property owners, Civic South Bay, LLC and Arcadia Development Co.

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<b>Community Facilities District No. 17 (Capitol Expy – Evergreen Place) (496)</b>			<b>\$37,629</b>	<b>\$37,629</b>
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**Special Funds Recommended Budget Adjustments Summary  
2018-2019 Annual Report**

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

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
Non-Personal/Equipment (Special District Landscape Services)	Transportation Department		\$263,000	
<p>This action increases the Transportation Department's Non-Personal/Equipment appropriation to properly align funding, such as for water costs and scheduled contracted services, based on the expected maintenance activities and projects planned across the special landscape districts. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.</p>				
Personal Services (Special District Landscape Services)	Transportation Department		\$86,000	
<p>This action increases the Transportation Department's Personal Services appropriation to properly align personal services funding based on the expected maintenance activities and projects planned across the special landscape districts. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.</p>				
Ending Fund Balance Adjustment	Transportation Department		(\$349,000)	
<p>This action decreases the Ending Fund Balance to offset the actions recommended in this report.</p>				

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

# Special Funds Recommended Budget Adjustments Summary 2018-2019 Annual Report

## Convention And Cultural Affairs Fund (536)

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
Insurance Expenses	Finance Department		\$7,000	
<p>This action increases the Insurance Expenses appropriation by \$7,000, from \$331,000 to \$338,000, in accordance with revised insurance premiums for city-wide property, liability, and other coverage recommended as part of the Finance Department's annual insurance renewal process. This action adjusts the proportionate insurance premium costs for coverage of the City-owned convention and cultural facilities.</p>				
City Facilities Safety Assessment	Public Works Department		\$207,000	
<p>This action establishes the City Facilities Safety Assessment appropriation in the amount of \$207,000 to conduct a security evaluation and threat assessment consistent with Homeland Security Best Practices for Antiterrorism (BPATs), which will inform the development of potential security and operational improvements to protect City-owned facilities and the residents and employees who use them. This allocation exclusively supports activities related to the San José McEnery Convention Center and various cultural facilities. An additional allocation of \$200,000 is recommended within the General Fund to support remaining City facilities.</p>				
Transfers and Reimbursements (Transfer from Transient Occupancy Tax Fund)	City Manager - Office of Economic Development			(\$249,808)
<p>Actual 2018-2019 Transient Occupancy Tax (TOT) collections in the TOT Fund were lower than the revised budgeted estimate of \$31.5 million by \$0.5 million. This action decreases revenue from the transfer to the Convention and Cultural Affairs Fund by \$249,808 in accordance with the distribution formula outlined in the San José Municipal Code to allocate revenue received in the TOT Fund during 2018-2019. Corresponding adjustments to decrease the transfer from the TOT Fund and adjust Ending Fund Balance are also recommended in this report.</p>				
Ending Fund Balance Adjustment	City Manager - Office of Economic Development		(\$463,808)	
<p>This action decreases the Ending Fund Balance to offset the action recommended in this report.</p>				
<b>Convention And Cultural Affairs Fund (536)</b>			<b>(\$249,808)</b>	<b>(\$249,808)</b>

**Special Funds Recommended Budget Adjustments Summary  
2018-2019 Annual Report**

**Edward Byrne Memorial Justice Assistance Grant Trust Fund (474)**

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
Transfers and Reimbursements (Transfer from the General Fund)	Police Department			\$409
<p>This action recognizes a transfer from the General Fund in the amount of \$409 to account for expenses which were incurred in this fund inadvertently in 2018-2019 causing a negative 2019-2020 Beginning Fund Balance. A corresponding adjustment to the Ending Fund Balance is recommended elsewhere in this report to offset this action.</p>				
Ending Fund Balance Adjustment	Police Department		\$409	
<p>This action increases the Ending Fund Balance to offset the action in this report.</p>				
<b>Edward Byrne Memorial Justice Assistance Grant Trust Fund (474)</b>			<b>\$409</b>	<b>\$409</b>

**Special Funds Recommended Budget Adjustments Summary  
2018-2019 Annual Report**

**Federal Drug Forfeiture Fund (419)**

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
Non-Personal/Equipment (Investigative Equipment)	Police Department		\$215,000	

This action establishes a Non-Personal/Equipment appropriation to the Police Department in the Federal Drug Asset Forfeiture Fund in the amount of \$215,000 for the purchase of investigative equipment. In accordance with program objectives, these funds will be used for the direct and indirect enhancement of narcotics-related enforcement activities. A corresponding adjustment to the Ending Fund Balance is recommended elsewhere in this report to offset this action.

Ending Fund Balance Adjustment	Police Department		(\$215,000)	
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This action decreases the Ending Fund Balance to offset the action in this report.

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**Federal Drug Forfeiture Fund (419)**

**Special Funds Recommended Budget Adjustments Summary  
2018-2019 Annual Report**

**Gift Trust Fund (139)**

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
Airport Military Lounge/Other Revenue	Airport Department		\$581	\$581
<p>This action establishes the Airport military lounge appropriation and increases the estimate for Other Revenue to recognize and appropriate \$581 to fund supplies for the military lounge at the airport. When there are scheduled troop movements through the airport, the military lounge is opened up and stocked with water and snacks.</p>				
N. San Pedro Area Park Maintenance/Other Revenue	Parks, Recreation and Neighborhood Services Department		\$120,561	\$120,561
<p>This action establishes the N. San Pedro Area Park Maintenance appropriation and increases the estimate for Other Revenue to recognize and appropriate a payment of \$120,561 to fund maintenance of a new park area at Bassett Street Park and North San Pedro Linear Park.</p>				
			<hr/>	
<b>Gift Trust Fund (139)</b>			<b>\$121,142</b>	<b>\$121,142</b>

**Special Funds Recommended Budget Adjustments Summary  
2018-2019 Annual Report**

**Home Investment Partnership Program Trust Fund (445)**

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
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Fair Housing	Housing Department		\$14,142	
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This action increases the Fair Housing appropriation by \$14,142, from \$66,962 to \$81,104, to fund a \$400,000 grant agreement with the Law Foundation of Silicon Valley, who provides legal representation to victims of housing discrimination. To maintain inclusive sustainable communities the Law Foundation provides legal representation designed to help victims of housing discrimination to access and maintain the housing of their choice. The remainder of this contract is funded by the Community Development Block Grant Fund. An action decreasing the Ending Fund Balance to offset this action is found elsewhere in this report.

Ending Fund Balance Adjustment	Housing Department		(\$14,142)	
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This action decreases the Ending Fund Balance to offset the action recommended elsewhere in this report.

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**Home Investment Partnership Program Trust Fund (445)**

**Special Funds Recommended Budget Adjustments Summary  
2018-2019 Annual Report**

**Housing Trust Fund (440)**

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
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Non-Personal/Equipment (Renters' Rights Campaign)	Housing Department		\$50,000	
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This action increases the Non-Personal/Equipment appropriation to the Housing Department by \$50,000 to conduct a renter's rights campaign. This outreach is intended to inform the public about renter's rights under the City of San José's ordinances governing residential rentals and may include educational signage, videos, mailers, social media content, and events. An action decreasing the Ending Fund Balance to offset this action is found elsewhere in this report.

Ending Fund Balance Adjustment	Housing Department		(\$50,000)	
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This action decreases the Ending Fund Balance to offset the action recommended elsewhere in this report.

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**Housing Trust Fund (440)**



## Special Funds Recommended Budget Adjustments Summary 2018-2019 Annual Report

### Ice Centre Revenue Fund (432)

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
Electrical Repairs	Finance Department		\$82,167	
<p>This action increases the Structures Repairs appropriation by \$82,167, from \$540,000 to \$622,167, to provide funding for reimbursements to Sharks Sports Entertainment for the installation of a lighting system and building automation at Solar4America Ice. A corresponding decrease to the Previously Approved Repairs Reserve to offset this action is recommended in this report.</p>				
Mechanical Repairs	Finance Department		\$693,247	
<p>This action increases the Mechanical Repairs appropriation by \$693,247, from \$447,100 to \$1,140,347, to provide funding for reimbursements to Sharks Sports Entertainment for capital improvement repairs made at Solar4America Ice. The improvements included an ice chiller plant and boiler. A corresponding decrease to the Previously Approved Repairs Reserve to offset this action is recommended in this report.</p>				
Miscellaneous Repairs	Finance Department		\$103,167	
<p>This action increases the Miscellaneous Repairs appropriation by \$103,167, from \$65,000 to \$168,167, to provide funding for reimbursements to Sharks Sports Entertainment for capital improvement repairs made at Solar4America Ice. The improvements include painting, signage, and edgers. A corresponding decrease to the Previously Approved Repairs Reserve to offset this action is recommended in this report.</p>				
Structures Repairs	Finance Department		\$624,639	
<p>This action increases the Structures Repairs appropriation by \$624,639, from \$35,000 to \$659,639, to provide funding for reimbursements to Sharks Sports Entertainment for the installation of dasher boards at Solar4America Ice. A corresponding decrease to the Previously Approved Repairs Reserve to offset this action is recommended in this report.</p>				

**Special Funds Recommended Budget Adjustments Summary  
2018-2019 Annual Report**

**Ice Centre Revenue Fund (432)**

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
Unanticipated/Emergency Repairs	Finance Department		\$109,569	

This action increases the Unanticipated/Emergency Repairs appropriation by \$109,569, from \$75,000 to \$184,569, to provide funding for reimbursements to Sharks Sports Entertainment for capital improvement repairs made at Solar4America Ice. Improvements included refrigerant cylinders, tank softener system, and repair services. A corresponding decrease to the Previously Approved Repairs Reserve to offset this action is recommended in this report.

Previously Approved Repairs Reserve	Office of the City Manager		(\$1,612,789)	
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This action decreases the Previously Approved Repairs Reserve by \$1,612,789, from \$2,057,321 to \$444,532, to offset the actions recommended in this report. Corresponding increases to the Electrical Repairs, Mechanical Repairs, Miscellaneous Repairs, Structures Repairs, and Unanticipated/Emergency Repairs appropriations are included in this report to provide funding for reimbursements to the Sharks Sports Entertainment for capital improvement repairs made at the Solar4America Ice.

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**Ice Centre Revenue Fund (432)**

# Special Funds Recommended Budget Adjustments Summary 2018-2019 Annual Report

## Inclusionary Fee Fund (451)

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
Non-Personal/Equipment (Inclusionary Housing Ordinance Update)	Housing Department		\$130,000	
<p>This action establishes a Non-Personal/Equipment appropriation to the Housing Department in the amount of \$130,000 for contractual services and program funding. A total of \$80,000 is recommended to fund an agreement with Street Level Advisors to conduct community engagement that will assist the Housing Department in the development of an updated Inclusionary Housing Ordinance. The remaining \$50,000 will provide for other programmatic needs such as supplies, travel, and computer costs. An action decreasing the Ending Fund Balance to offset this action is found elsewhere in this report.</p>				
Ending Fund Balance Adjustment	Housing Department		(\$130,000)	
<p>This action decreases the Ending Fund Balance to offset the action recommended elsewhere in this report.</p>				
Transfers and Reimbursements (Inclusionary Fee Fund)	Housing Department			\$7,653,742
<p>This action increases the transfer from the Multi-Source Housing Fund by \$7.7 million, from \$11.1 million to \$18.8 million, to recognize the actual reconciled program balance for 2018-2019 activities in the newly established Inclusionary Fee Fund. The fund was established as part of the development of the 2019-2020 Adopted Budget recognizing only the Inclusionary Ordinance and Policy Fee Program balances through 2017-2018. In 2018-2019, additional revenues of \$7.8 million were collected and expenses of \$106,000 were incurred resulting in a 2018-2019 balance of \$7.7 million in the Multi-Source Housing Fund. This transfer is the final transaction relieving the Multi-Source Housing Fund of all remaining Inclusionary Ordinance and Policy Fee Program balances. An increase to the Housing Project Reserve in the Inclusionary Fee Fund and a corresponding transfer out of the Multi-Source Housing Fund are recommended elsewhere in this report to offset this action.</p>				
Housing Project Reserve	Housing Department		\$7,653,742	
<p>This action increases the Housing Project Reserve by \$7.7 million for future affordable housing development. This action is offset by a corresponding transfer to this fund found elsewhere in this report.</p>				
<b>Inclusionary Fee Fund (451)</b>			<b>\$7,653,742</b>	<b>\$7,653,742</b>

# Special Funds Recommended Budget Adjustments Summary 2018-2019 Annual Report

## Low And Moderate Income Housing Asset Fund (346)

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
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Non-Personal/Equipment (Affordable Housing Siting Policy)	Housing Department		\$150,000	
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This action increases the Non-Personal/Equipment appropriation to the Housing Department by \$150,000 to fund an agreement to provide consultant services to develop an affordable housing siting policy that aligns City resources and priorities to foster equitable, integrated, and diverse communities. The consultant will assess current economic, educational, land-use (zoning), transportation, and demographic conditions. An action decreasing the Ending Fund Balance to offset this action is found elsewhere in this report.

Housing Predevelopment Activity	Housing Department		\$250,000	
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This action increases the Housing Predevelopment Activity appropriation by \$250,000, from \$650,000 to \$900,000, to fund an on-call architectural services agreement. The consultant will provide a full complement of building and site programming, design and construction administration services for a variety of Housing Department affordable housing and rehabilitation projects including Evans Lane and The Haven. An action decreasing the Ending Fund Balance to offset this action is found elsewhere in this report.

Ending Fund Balance Adjustment	Housing Department		(\$9,400,000)	
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This action decreases the Ending Fund Balance to offset the actions recommended elsewhere in this report.

Housing Project Reserve (Low and Moderate Income Housing Asset Fund)	Housing Department		\$9,000,000	
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This action increases the Housing Project Reserve by \$9.0 million to set aside funds for future affordable housing development. A reduction to the Ending Fund Balance is recommended elsewhere in this report to offset this action.

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## Low And Moderate Income Housing Asset Fund (346)

**Special Funds Recommended Budget Adjustments Summary  
2018-2019 Annual Report**

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

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
Non-Personal/Equipment (Special District Landscape Services)	Transportation Department		\$116,000	
<p>This action increases the Transportation Department's Non-Personal/Equipment appropriation to properly align funding, such as for water costs and scheduled contracted services, based on the expected maintenance activities and projects planned across the special landscape districts. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.</p>				
Ending Fund Balance Adjustment	Transportation Department		(\$79,000)	
<p>This action decreases the Ending Fund Balance to offset the actions recommended in this report.</p>				
Personal Services (Special District Landscape Services)	Transportation Department		(\$37,000)	
<p>This action decreases the Transportation Department's Personal Services appropriation to properly align personal services funding based on the expected maintenance activities and projects planned across the special landscape districts. A corresponding increase to the Ending Fund Balance is recommended to offset this action.</p>				

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

**Special Funds Recommended Budget Adjustments Summary  
2018-2019 Annual Report**

**Maintenance District No. 11 (Brokaw Rd/Junction Ave/Old Oakland Rd) Fund (364)**

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
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Non-Personal/Equipment (Special District Landscape Services)	Transportation Department		\$41,000	
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This action increases the Transportation Department's Non-Personal/Equipment appropriation to properly align funding, such as for water costs and scheduled contracted services, based on the expected maintenance activities and projects planned across the special landscape districts. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.

Ending Fund Balance Adjustment	Transportation Department		(\$41,000)	
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This action decreases the Ending Fund Balance to offset the action recommended in this report.

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**Maintenance District No. 11 (Brokaw Rd/Junction Ave/Old Oakland Rd) Fund (364)**

**Special Funds Recommended Budget Adjustments Summary  
2018-2019 Annual Report**

**Maintenance District No. 15 (Silver Creek Valley) Fund (368)**

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
Ending Fund Balance Adjustment	Transportation Department		\$106,000	
This action increases the Ending Fund Balance to offset the action recommended in this report.				
Personal Services (Special District Landscape Services)	Transportation Department		(\$106,000)	
This action decreases the Transportation Department's Personal Services appropriation to properly align personal services funding based on the expected maintenance activities and projects planned across the special landscape districts. A corresponding increase to the Ending Fund Balance is recommended to offset this action.				

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**Maintenance District No. 15 (Silver Creek Valley) Fund  
(368)**

**Special Funds Recommended Budget Adjustments Summary  
2018-2019 Annual Report**

**Maintenance District No. 18 (The Meadowlands) Fund (372)**

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
Ending Fund Balance Adjustment	Transportation Department		\$20,000	
This action increases the Ending Fund Balance to offset the action recommended in this report.				
Personal Services (Special District Landscape Services)	Transportation Department		(\$20,000)	
This action decreases the Transportation Department's Personal Services appropriation to properly align personal services funding based on the expected maintenance activities and projects planned across the special landscape districts. A corresponding increase to the Ending Fund Balance is recommended to offset this action.				

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**Maintenance District No. 18 (The Meadowlands) Fund  
(372)**



**Special Funds Recommended Budget Adjustments Summary  
2018-2019 Annual Report**

**Maintenance District No. 19 (River Oaks Area Landscaping) Fund (359)**

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
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Non-Personal/Equipment (Special District Landscape Services)	Transportation Department		\$26,000	
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This action increases the Transportation Department's Non-Personal/Equipment appropriation to properly align funding, such as for water costs and scheduled contracted services, based on the expected maintenance activities and projects planned across the special landscape districts. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.

Ending Fund Balance Adjustment	Transportation Department		(\$26,000)	
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This action decreases the Ending Fund Balance to offset the action recommended in this report.

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**Maintenance District No. 19 (River Oaks Area Landscaping)  
Fund (359)**

**Special Funds Recommended Budget Adjustments Summary  
2018-2019 Annual Report**

**Maintenance District No. 20 (Renaissance-N. First Landscaping) Fund (365)**

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
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Non-Personal/Equipment (Special District Landscape Services)	Transportation Department		\$13,000	
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This action increases the Transportation Department's Non-Personal/Equipment appropriation to properly align funding, such as for water costs and scheduled contracted services, based on the expected maintenance activities and projects planned across the special landscape districts. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.

Ending Fund Balance Adjustment	Transportation Department		(\$13,000)	
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This action decreases the Ending Fund Balance to offset the actions recommended in this report.

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**Maintenance District No. 20 (Renaissance-N. First Landscaping) Fund (365)**

**Special Funds Recommended Budget Adjustments Summary  
2018-2019 Annual Report**

**Maintenance District No. 8 (Zanker-Montague) Fund (361)**

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
Personal Services (Special District Landscape Services)	Transportation Department		\$16,000	
<p>This action increases the Transportation Department's Personal Services appropriation to properly align personal services funding based on the expected maintenance activities and projects planned across the special landscape districts. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.</p>				
Ending Fund Balance Adjustment	Transportation Department		(\$16,000)	
<p>This action decreases the Ending Fund Balance to offset the action recommended in this report.</p>				

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**Maintenance District No. 8 (Zanker-Montague) Fund (361)**

# Special Funds Recommended Budget Adjustments Summary 2018-2019 Annual Report

## Multi-Source Housing Fund (448)

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
Bridge Housing Communities	Housing Department		\$1,700,000	

This action establishes the Bridge Housing Communities appropriation in the amount of \$1.7 million to fund the second year of a \$3.9 million agreement with HomeFirst Services of Santa Clara County for the operation of two Bridge Housing Communities sites as approved by the Mayor and City Council on December 18, 2018. The \$2.2 million balance for the operation of these sites is being funded by Homeless Emergency Aid Program (HEAP) grant funds. An action decreasing the Ending Fund Balance to offset this action is found elsewhere in this report.

Transfer to the Affordable Housing Impact Fee Fund	Housing Department		\$1,382,732	
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This action increases the transfer to the Affordable Housing Impact Fee internal tracking fund by \$1.4 million, from \$509,000 to \$1.9 million, to recognize the actual reconciled program balance for 2018-2019 activities attributable to the Affordable Housing Impact Fee Program. The internal fund was created as part of the development of the 2019-2020 Adopted Budget and included only the Affordable Housing Impact Fee Program balance through 2017-2018. In 2018-2019, additional revenues of \$1.5 million were collected and expenses of \$104,000 were incurred resulting in a 2018-2019 balance of \$1.4 million in the Multi-Source Housing Fund. This reconciling transfer is the final transaction to administratively relieve the Multi-Source Housing Fund of all remaining Affordable Housing Impact Fee Program balances. A reduction to the Housing Project Reserve in the Multi-Source Housing Fund and increase in Transfers and Reimbursements in the Affordable Housing Impact Fee Program internal tracking fund are recommended elsewhere in this report to offset this action.

# Special Funds Recommended Budget Adjustments Summary 2018-2019 Annual Report

## Multi-Source Housing Fund (448)

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
Transfer to the Homeless Emergency Aid Program Fund	Housing Department		\$103,679	

This action increases the transfer to the Homeless Emergency Aid Program Fund by \$103,679, from \$7.0 million to \$7.1 million, to recognize the interest earned for 2018-2019 activities attributable to the Homeless Emergency Aid Program. This internal fund was created as part of the development of the 2019-2020 Adopted Budget and only included actual grant revenues of \$11.4 million and expenditures, including encumbrances, of \$4.4 million. In 2018-2019, earned interest of \$104,000 was attributable to the Homeless Emergency Aid Program. This transfer is the final transaction relieving the Multi-Source Housing Fund of all remaining Homeless Emergency Aid Program balances. A reduction to the Ending Fund Balance in the Multi-Source Housing Fund and increase in Transfers and Reimbursements in the Homeless Emergency Aid Program internal tracking fund are recommended elsewhere in this report to offset this action.

Transfer to the Housing Authority Litigation Award Fund	Housing Department		\$257,115	
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This action increases the transfer to the Housing Authority Litigation Award internal tracking fund by \$257,115, from \$37.0 million to \$37.2 million, to recognize the interest earned in 2018-2019 attributable to the Housing Authority Litigation Award. This transfer is the final transaction to administratively relieve the Multi-Source Housing Fund of all remaining Housing Authority Litigation Award balances. A reduction to the Ending Fund Balance in the Multi-Source Housing Fund and increase in Transfers and Reimbursements in the Housing Authority Litigation Award internal tracking fund are recommended elsewhere in this report to offset this action.

# Special Funds Recommended Budget Adjustments Summary 2018-2019 Annual Report

## Multi-Source Housing Fund (448)

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
Transfers and Reimbursements (Affordable Housing Impact Fee Fund)	Housing Department			\$1,382,732

This action increases the transfer from the Multi-Source Housing Fund by \$1.4 million, from \$509,200 to \$1.9 million, to recognize the actual reconciled program balance for 2018-2019 activities within the Affordable Housing Impact Fee internal tracking fund. The fund was created as part of the development of the 2019-2020 Adopted Budget and included only the Affordable Housing Impact Fee Program balance through 2017-2018. In 2018-2019, additional revenues of \$1.5 million were collected and expenses of \$104,000 were incurred resulting in a 2018-2019 balance of \$1.4 million in the Multi-Source Housing Fund. This reconciling transfer is the final transaction to administratively relieve the Multi-Source Housing Fund of all remaining Affordable Housing Impact Fee Program balances. A corresponding transfer out of the Multi-Source Housing Fund and an increase in Housing Loans and Grants in the Affordable Housing Impact Fee Program internal tracking fund are recommended elsewhere in this report to offset this action.

Ending Fund Balance Adjustment	Housing Department		(\$1,654,840)	
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This action decreases the Ending Fund Balance to offset the actions recommended elsewhere in this report.

# Special Funds Recommended Budget Adjustments Summary 2018-2019 Annual Report

## Multi-Source Housing Fund (448)

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
Transfer to the Inclusionary Fee Fund	Housing Department		\$7,653,742	

This action increases the Transfer to the Inclusionary Fee Fund by \$7.7 million, from \$11.1 million to \$18.8 million, to recognize the actual reconciled program balance for 2018-2019 activities in the newly established Inclusionary Fee Fund. The fund was established as part of the development of the 2019-2020 Adopted Budget recognizing only the Inclusionary Ordinance and Policy Fee Program balances through 2017-2018. In 2018-2019, additional revenues of \$7.8 million were collected and expenses of \$106,000 were incurred resulting in a 2018-2019 balance of \$7.7 million in the Multi-Source Housing Fund. This transfer is the final transaction relieving the Multi-Source Housing Fund of all remaining Inclusionary Ordinance and Policy Fee Program balances. A reduction to the Housing Project Reserve in the Multi-Source Housing Fund and increase in Transfers and reimbursements in the Inclusionary Fee Fund are recommended elsewhere in this report to offset this action.

Transfer to the Rent Stabilization Program Fund	Housing Department		\$1,294,046	
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This action increases the transfer to the Rent Stabilization Program Fund by \$1.3 million, from \$735,000 to \$2.0 million, to recognize the actual reconciled program balance for 2018-2019 activities in the newly established Rent Stabilization Program Fund. The fund was established as part of the development of the 2019-2020 Adopted Budget recognizing only the Rent Stabilization Program balance through 2017-2018. In 2018-2019, additional revenues of \$3.6 million were collected and expenses of \$2.3 million were incurred resulting in a 2018-2019 balance of \$1.3 million in the Multi-Source Housing Fund. This transfer is the final transaction relieving the Multi-Source Housing Fund of all remaining Rent Stabilization Program balances. A reduction to the Ending Fund Balance in the Multi-Source Housing Fund and increase in Transfers and reimbursements in the Rent Stabilization Program Fund are recommended elsewhere in this report to offset this action.

City Housing Authority Reserve (Housing Authority Litigation Award)	Housing Department		(\$1,442,885)	
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This action decreases the City Housing Authority Reserve to offset the actions recommended elsewhere in this report.

# Special Funds Recommended Budget Adjustments Summary 2018-2019 Annual Report

## Multi-Source Housing Fund (448)

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
Housing Project Reserve (Multi-Source Housing Fund)	Housing Department		(\$9,036,474)	

This action decreases the Housing Project Reserve to offset the actions recommended elsewhere in this report.

Housing Project Reserve (Affordable Housing Impact Fee Memo Fund)	Housing Department		\$1,382,732	
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This action increases the Housing Project Reserve by \$1.4 million for future affordable housing development. A corresponding transfer is found elsewhere in this report to offset this action.

HOPWA VAWA/Revenue from Federal Government	Housing Department		\$508,952	\$508,952
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This action increases the HOPWA VAWA (Helping People with Aids – Violence Against Women's Act) appropriation and the corresponding estimate for Revenue from Federal Government by \$508,952 to account for the final allocation of a three-year competitive grant. The funds will be used to support permanent supportive housing for qualifying individuals.

Transfers and Reimbursements (Housing Authority Litigation Award Fund)	Housing Department			\$257,115
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This action increases the transfer from the Multi-Source Housing Fund by \$257,115, from \$37.0 million to \$37.2 million, to recognize the interest earned in 2018-2019 attributable to the Housing Authority Litigation Award. This transfer is the final transaction to administratively relieve the Multi-Source Housing Fund of all remaining Housing Authority Litigation Award balances. A corresponding transfer out of the Multi-Source Housing Fund and increase in City Housing Authority Reserve in the Housing Authority Litigation Award internal tracking fund are recommended elsewhere in this report to offset this action.



**Special Funds Recommended Budget Adjustments Summary  
2018-2019 Annual Report**

**Multi-Source Housing Fund (448)**

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
Transfers and Reimbursements (Homeless Emergency Aid Program Fund)	Housing Department			\$103,679

This action increases the transfer from the Multi-Source Housing Fund by \$103,679, from \$7.0 million to \$7.1 million, to recognize the interest earned for 2018-2019 activities attributable to the Homeless Emergency Aid Program. This internal fund was created as part of the development of the 2019-2020 Adopted Budget and only included actual grant revenues of \$11.4 million and expenditures, including encumbrances, of \$4.4 million. In 2018-2019, earned interest of \$104,000 was attributable to the Homeless Emergency Aid Program. This transfer is the final transaction relieving the Multi-Source Housing Fund of all remaining Homeless Emergency Aid Program balances. A corresponding transfer out of the Multi-Source Housing Fund and increase in Ending Fund Balance in the Homeless Emergency Aid Program internal tracking fund are recommended elsewhere in this report to offset this action.

Ending Fund Balance Adjustment	Housing Department		\$103,679	
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This action decreases the Ending Fund Balance to offset the action recommended elsewhere in this report.

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<b>Multi-Source Housing Fund (448)</b>			<b>\$2,252,478</b>	<b>\$2,252,478</b>
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**Special Funds Recommended Budget Adjustments Summary  
2018-2019 Annual Report**

**Municipal Golf Course Fund (518)**

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
Los Lagos Debt Service/Transfers and Reimbursements	Parks, Recreation and Neighborhood Services Department		\$2,300,000	\$2,300,000

This action increases the Los Lagos Debt Service appropriation by \$2.3 million (from \$4.4 million to \$6.7 million) and increases the estimate for Transfers and Reimbursements to recognize a transfer from the General Fund to further pay down the debt service for Los Lagos. The direction provided in the Mayor's March and June Budget Messages for Fiscal Year 2019-2020, as approved by the City Council, prioritized the use of one-time resources to improve long-term fiscal responsibility by early retirement of debt obligations and allocated a total of \$6.2 million to both the elimination of Rancho Del Pueblo debt (\$3.4 million) and the early pay down of Los Lagos debt (\$2.8 million). This action provides an additional \$2.3 million to further this approach, and when combined with the actions in the 2019-2020 Adopted Budget, it will result in a cumulative annual debt service savings of approximately \$700,000 and shortens the debt retirement date by four years to 2026.

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<b>Municipal Golf Course Fund (518)</b>	<b>\$2,300,000</b>	<b>\$2,300,000</b>
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# Special Funds Recommended Budget Adjustments Summary 2018-2019 Annual Report

## Rental Stabilization Program Fee Fund (450)

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
Ending Fund Balance Adjustment	Housing Department		\$794,046	
This action decreases the Ending Fund Balance to offset the actions recommended elsewhere in this report.				
Non-Personal/Equipment (Rent Stabilization Hearing Officers)	Housing Department		\$500,000	
This action increases the Non-Personal/Equipment appropriation to the Housing Department by \$500,000 to increase the hearing officer contractual services. Contractual hearing officers conduct hearings and mediations under the Apartment and Mobilehome Rent Ordinances and serve as petition hearing examiners. Hearings are conducted for petitions related to service reductions, housing code and Apartment Rent Ordinance violations, fair returns, and special capital improvements. Mediations are conducted when all parties to the petition have agreed to engage in mediation. An action decreasing the Ending Fund Balance to offset this action is found elsewhere in this report.				
Transfers and Reimbursements (Rent Stabilization Program Fee Fund)	Housing Department			\$1,294,046
This action increases the transfer from the Multi-Source Housing Fund by \$1.3 million, from \$734,960 to \$2.0 million, to recognize the actual reconciled program balance for 2018-2019 activities in the newly established Rent Stabilization Program Fund. The fund was established as part of the development of the 2019-2020 Adopted Budget recognizing only the Rent Stabilization Program balance through 2017-2018. In 2018-2019, additional revenues of \$3.6 million were collected and expenses of \$2.3 million were incurred resulting in a 2018-2019 balance of \$1.3 million in the Multi-Source Housing Fund. This transfer is the final transaction relieving the Multi-Source Housing Fund of all remaining Rent Stabilization Program balances. An increase to the Ending Fund Balance in this Fund and a corresponding transfer out of the Multi-Source Housing Fund are recommended elsewhere in this report to offset this action.				
<b>Rental Stabilization Program Fee Fund (450)</b>			<b>\$1,294,046</b>	<b>\$1,294,046</b>

# Special Funds Recommended Budget Adjustments Summary 2018-2019 Annual Report

## San José Arena Capital Reserve Fund (459)

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
Previously Approved Repairs Reserve	Office of the City Manager		(\$2,214,125)	
<p>This action decreases the Previously Approved Repairs Reserve by \$2,214,125, from \$4,005,932 to \$1,791,807, to offset the actions recommended in this report. Corresponding increases to the Electrical Repairs, Mechanical Repairs, Miscellaneous Repairs, Structures Repairs, and Unanticipated/Emergency Repairs appropriations are included in this report to provide funding for reimbursements to the Sharks Sports Entertainment for capital improvement repairs made at the SAP Center.</p>				
Electrical Repairs	City Manager - Office of Economic Development		\$1,515,688	
<p>This action increases the Electrical Repairs appropriation by \$1,515,688, from \$152,750 to \$1,668,438, to provide funding for reimbursements to Sharks Sports Entertainment for capital improvement repairs made at the SAP Center. The improvements included repairs to the audio visual systems and lighting system. A corresponding decrease to the Previously Approved Repairs Reserve to offset this action is recommended in this report.</p>				
Mechanical Repairs	City Manager - Office of Economic Development		\$185,429	
<p>This action increases the Mechanical Repairs appropriation by \$185,429, from \$1,700,000 to \$1,885,429, to provide funding for reimbursements to Sharks Sports Entertainment for capital improvement repairs made at SAP Center. The improvements included repairs to brine chillers, plexiglass and piping replacement. A corresponding decrease to the Previously Approved Repairs Reserve to offset this action is recommended in this report.</p>				
Miscellaneous Repairs	City Manager - Office of Economic Development		\$68,190	
<p>This action increases the Miscellaneous Repairs appropriation by \$68,190, from \$1,173,500 to \$1,241,690, to provide funding for reimbursements to Sharks Sports Entertainment for capital improvement repairs made at the SAP Center. The improvement was for repairs to the Hall of Fame wall. A corresponding decrease to the Previously Approved Repairs Reserve to offset this action is recommended in this report.</p>				

**Special Funds Recommended Budget Adjustments Summary  
2018-2019 Annual Report**

**San José Arena Capital Reserve Fund (459)**

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
Structures Repairs	City Manager - Office of Economic Development		\$211,003	
<p>This action increases the Structures Repairs appropriation by \$211,003, from \$955,000 to \$1,166,003, to provide funding for reimbursements to Sharks Sports Entertainment for capital improvement repairs to the SAP Center. The improvements included netting and retractable seating. A corresponding decrease to the Previously Approved Repairs Reserve to offset this action is recommended in this report.</p>				
Unanticipated/Emergency Repairs	City Manager - Office of Economic Development		\$233,815	
<p>This action increases the Unanticipated/Emergency Repairs appropriation by \$233,815, from \$150,000 to \$383,815, to provide funding for reimbursements to Sharks Sports Entertainment for capital improvement repairs made at the SAP Center. Some of the improvements included cameras, drywall repair, and carpet replacement. A corresponding decrease to the Previously Approved Repairs Reserve to offset this action is recommended in this report.</p>				

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**San José Arena Capital Reserve Fund (459)**

**Special Funds Recommended Budget Adjustments Summary  
2018-2019 Annual Report**

**Sewer Service And Use Charge Fund (541)**

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
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Non-Personal/Equipment (Sanitary Sewer System Odor Control Services)	Transportation Department		\$301,000	
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This action increases the Transportation Department's Non-Personal/Equipment appropriation by \$301,000 to cover a 30% increase in unit costs for the ferrous chloride chemical used to treat odor associated with the sanitary sewer system. Due to the significant cost increase, the Department considered reducing the amount of chemical needed or changing to a less expensive chemical. However, after evaluating these alternatives and consulting with Environmental Services Department staff, the Transportation Department determined that the ferrous chloride chemical currently used is critical to maintain the sanitary sewer system.

Ending Fund Balance Adjustment	Environmental Services Department		(\$301,000)	
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This action decreases the Ending Fund Balance to offset the actions recommended elsewhere in this report.

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**Sewer Service And Use Charge Fund (541)**

**Special Funds Recommended Budget Adjustments Summary  
2018-2019 Annual Report**

**South Bay Water Recycling Operating Fund (570)**

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
Non-Personal/Equipment (Deferred System Maintenance)	Environmental Services Department		\$500,000	

This action increases the Non-Personal/Equipment appropriation to the Environmental Services Department in the South Bay Water Recycling Operating Fund by \$500,000 to support deferred maintenance of the recycled water utility system. This funding will allow for necessary work to maintain and enhance the operation of the recycled water utility system, including such tasks as valve exercising, cathodic protection, electrical groundwork, general contracting services, facility maintenance, safety assessments, and system-wide communications design, support, and implementation. This action is offset by a corresponding decrease to the Ending Fund Balance recommended elsewhere in this report.

Ending Fund Balance Adjustment	Environmental Services Department		(\$500,000)	
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This action decreases the Ending Fund Balance to offset the actions recommended elsewhere in this report.

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**South Bay Water Recycling Operating Fund (570)**

**Special Funds Recommended Budget Adjustments Summary  
2018-2019 Annual Report**

**State Drug Forfeiture Fund (417)**

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
Non-Personal/Equipment (Investigative Equipment)	Police Department		\$485,000	

This action establishes a Non-Personal/Equipment appropriation to the Police Department in the State Drug Forfeiture Fund in the amount of \$485,000 for the purchase of investigative equipment. In accordance with program objectives, these funds will be used for the direct and indirect enhancement of narcotics-related enforcement activities. A corresponding adjustment to the Ending Fund Balance is recommended elsewhere in this report to offset this action.

Ending Fund Balance Adjustment	Police Department		(\$485,000)	
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This action decreases the Ending Fund Balance to offset the action in this report.

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**State Drug Forfeiture Fund (417)**



# Special Funds Recommended Budget Adjustments Summary 2018-2019 Annual Report

## Storm Sewer Operating Fund (446)

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
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Non-Personal/Equipment (Positive Displacement Combination Cleaner)	Transportation Department		\$127,000	
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This action increases the Transportation Department's Non-Personal/Equipment appropriation by \$127,000 to fund higher than anticipated costs for the purchase of a new Positive Displacement Combination Cleaner for sanitary sewer maintenance. In the 2018-2019 Adopted Budget, \$400,000 was allocated for this vehicle (subsequently rebudgeted into 2019-2020); however, the actual cost is \$527,000 due to a combination of factors, including increased cost for parts and materials used for manufacturing.

Non-Personal/Equipment (Street Sweeper Vehicles)	Transportation Department		\$492,000	
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This action increases the Transportation Department's Non-Personal/Equipment appropriation by \$492,000 to provide for the replacement of two street sweepers and the rental of one sweeper vehicle. One non-operational street sweeper is scheduled for replacement this year, and a second sweeper was removed from service in September 2019 due to a vehicle fire. The street sweepers are expected to cost \$600,000. The 2019-2020 Adopted Budget includes \$240,000 to purchase street sweepers, and \$360,000 is requested to cover the remaining cost of two street sweepers. Additionally, due to the unexpected loss of the street sweeper recently damaged by fire, the Department does not have enough sweeper vehicles to maintain service levels. An amount of \$132,000 is requested to fund the rental of a street sweeper for one year until both street sweeper units are received.

Ending Fund Balance Adjustment	Environmental Services Department		(\$619,000)	
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This action decreases the Ending Fund Balance to offset the actions recommended elsewhere in this report.

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## Storm Sewer Operating Fund (446)

# Special Funds Recommended Budget Adjustments Summary 2018-2019 Annual Report

## Transient Occupancy Tax Fund (461)

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
Cultural Grants (TOT and Special Event Permit Revenue Reconciliation)	City Manager - Office of Economic Development		(\$101,755)	
<p>Actual 2018-2019 Transient Occupancy Tax (TOT) collections in the TOT Fund were lower than the revised budgeted estimate of \$31.5 million by \$0.5 million. This action decreases the Cultural Grants appropriation by \$124,904 in accordance with the distribution formula outlined in the San José Municipal Code to allocate revenue received in the TOT Fund during 2018-2019, offset by an increase of \$23,149 to allocate Special Event Permit receipts in excess of the budgeted estimate. A corresponding adjustment to Ending Fund Balance is recommended in this report.</p>				
Transfer to the Convention and Cultural Affairs Fund (TOT Revenue Reconciliation)	City Manager - Office of Economic Development		(\$249,808)	
<p>Actual 2018-2019 Transient Occupancy Tax (TOT) collections in the TOT Fund were lower than the revised budgeted estimate of \$31.5 million by \$0.5 million. This action decreases the transfer to the Convention and Cultural Affairs Fund by \$249,808 in accordance with the distribution formula outlined in the San José Municipal Code to allocate revenue received in the TOT Fund during 2017-2018. Corresponding adjustments to decrease Transfers and Reimbursements in the Convention and Cultural Affairs Fund and adjust Ending Fund Balance are also recommended in this report.</p>				
San José Convention and Visitors Bureau (TOT Revenue Reconciliation)	City Manager - Office of Economic Development		(\$124,904)	
<p>Actual 2018-2019 Transient Occupancy Tax (TOT) collections in the TOT Fund were lower than the revised budgeted estimate of \$31.5 million by \$0.5 million. This action decreases the San José Convention and Visitors Bureau appropriation by \$124,904 in accordance with the distribution formula outlined in the San José Municipal Code to allocate revenue received in the TOT Fund during 2018-2019. A corresponding adjustment to Ending Fund Balance is recommended in this report.</p>				
Ending Fund Balance Adjustment (TOT Revenue Reconciliation)	City Manager - Office of Economic Development		\$476,467	
<p>This action increases the Ending Fund Balance to offset the actions recommended in this report.</p>				

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## Transient Occupancy Tax Fund (461)

**Special Funds Recommended Budget Adjustments Summary  
2018-2019 Annual Report**

**Water Utility Fund (515)**

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
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Transfer to the General Fund - Late Fees	Environmental Services Department		\$185,530	
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This action increases the Transfer to the General Fund - Late Fees by \$185,530, from \$300,000 to \$485,530, to reflect higher than anticipated Late Fee revenue received in 2018-2019. Late Fee revenues in the Water Utility Fund are an unrestricted source of income for the City, and are therefore transferred each year to the General Fund. Corresponding actions to recognize this funding in the General Fund and to decrease the Ending Fund Balance in the Water Utility Fund are recommend in this report to offset this action.

Ending Fund Balance Adjustment	Environmental Services Department		(\$185,530)	
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This action decreases the Ending Fund Balance to offset the actions recommended elsewhere in this report.

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**Water Utility Fund (515)**

# Special Funds Recommended Budget Adjustments Summary 2018-2019 Annual Report

## Workforce Development Fund (290)

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
<p>Youth Workers/Revenue from the Federal Government</p> <p>This action decreases the Youth Workers appropriation and the corresponding estimate for Revenue from the Federal Government by \$294,556 to align with the 2018-2019 and the lower than anticipated 2019-2020 Youth Workers allocation received from the Federal Government. This program provides job training, career coaching, vocational assessment, and other services that prepare youth ranging from 18 through 24 years of age to secure employment.</p>	City Manager - Office of Economic Development		(\$294,556)	(\$294,556)
<p>Adult Workers/Revenue from the Federal Government</p> <p>This action decreases the Adult Workers appropriation and the corresponding estimate for Revenue from the Federal Government by \$554,239 to align with the 2018-2019 and lower than anticipated 2019-2020 Adult Workers allocation received from the Federal Government. This program provides job training, occupational courses, work readiness certification, and other services that prepare unemployed adult workers to successfully enter the workforce.</p>	City Manager - Office of Economic Development		(\$554,239)	(\$554,239)
<p>Dislocated Workers/Revenue from the Federal Government</p> <p>This action increases the Dislocated Workers appropriation and the corresponding estimate for Revenue from the Federal Government by \$390,256 to align with the 2018-2019 and 2019-2020 Dislocated Workers allocation received from the Federal Government. This program provides retraining career coaching, occupational courses, and other services that aid individuals that are long term unemployed, laid off or on the verge of being laid off, and unlikely to return to the previous position.</p>	City Manager - Office of Economic Development		\$390,256	\$390,256
<p>Administration/Revenue from the Federal Government</p> <p>This action decreases the Administration appropriation and the corresponding estimate for Revenue from the Federal Government by \$145,671 to align with the 2018-2019 and lower than anticipated 2019-2020 Administration allocation received from the Federal Government.</p>	City Manager - Office of Economic Development		(\$145,671)	(\$145,671)

# Special Funds Recommended Budget Adjustments Summary 2018-2019 Annual Report

## Workforce Development Fund (290)

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
Rapid Response Grant/Revenue from the Federal Government  This action increases the Rapid Response Grant appropriation and the corresponding estimate for Revenue from the Federal Government by \$92,660 to align with the 2018-2019 and 2019-2020 Rapid Response Grant allocation received from the Federal Government. This program provides job training services to businesses and workers impacted or at risk of being impacted like company closures or layoffs.	City Manager - Office of Economic Development		\$92,660	\$92,660
Prison to Employment Implementation Grant/Revenue from Local Agencies  This action decreases the Prison to Employment Grant appropriation and the corresponding estimate for Revenue from the State through Local Agencies by \$34,830 to align with the 2018-2019 and lower than anticipated 2019-2020 Prison to Employment Grant allocation received for this project. This program serves formerly incarcerated and other justice involved individuals.	City Manager - Office of Economic Development		(\$34,830)	(\$34,830)
Cities for Financial Empowerment/Other Revenue  This action establishes the Cities for Financial Empowerment appropriation in the amount of \$20,000 to align with the allocation anticipated to be received from the Cities for Financial Empowerment Fund. This program provides guidance to youth to encourage healthy financial habits and facilitate the use of direct deposit.	City Manager - Office of Economic Development		\$20,000	\$20,000
<b>Workforce Development Fund (290)</b>			<b>(\$526,380)</b>	<b>(\$526,380)</b>

## Capital Funds Recommended Budget Adjustments Summary 2018-2019 Annual Report

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<b>Airport Renewal and Replacement Fund (527)</b>			
Terminal B Ramp Rehabilitation	Airport	\$(1,700,000)	
<p>This action decreases the Terminal B Ramp Rehabilitation appropriation by \$1,700,000, from \$3,329,000 to \$1,629,000, to reflect a grant from the Federal Aviation Administration that is no longer expected to be received in 2019-2020. This funding decrease represents the City's local match. Corresponding adjustments in the Airport Capital Improvement Program are recommended in this report to offset this action.</p>			
Administrative Conference Room Additions	Airport	\$200,000	
<p>This action increases the Administrative Conference Room Additions appropriation by \$200,000, from \$205,000 to \$405,000, to reflect configuration changes that will accommodate additional staff at the airport. As the Airport is reaching maximum capacity for employee work and meeting spaces, changing the configuration of the area will enable the Airport to use the available square footage more efficiently and will facilitate the Airport's continued growth. A corresponding decrease to the Ending Fund Balance is recommended in this report to offset this action.</p>			
Groundwater Wells and Sampling	Airport	\$203,000	
<p>This action increases the Groundwater Wells and Sampling appropriation by \$203,000, from \$110,000 to \$313,000, to adequately fund the project as costs are higher than initially anticipated. This project drills new groundwater monitoring wells and conducts required sampling to ensure compliance with local and state water regulations. A corresponding decrease to the Ending Fund Balance is recommended in this report to offset this action.</p>			
Terminal A Baggage Make-Up Unit	Airport	\$(150,000)	
<p>This action eliminates funding for the Terminal A Baggage Make-Up Unit appropriation by \$150,000, as the reduced number of airlines in Terminal A relieves the need to add or upgrade the current equipment. The Airport's environment is very fluid, and as a result, capital project priorities in the Airport Renewal and Replacement Fund have been reassessed. A corresponding increase to the Ending Fund Balance is recommended in this report to offset this action.</p>			
Terminal Dynamic Curbside Signage	Airport	\$(446,000)	
<p>This action eliminates funding for the Terminal Dynamic Curbside Signage project by \$446,000, as the reduced number of airlines operating in Terminal A relieves the need for digital signage in the departure area. The Airport's environment is very fluid, and as a result, capital project priorities in the Airport Renewal and Replacement Fund have been reassessed. A corresponding increase to the Ending Fund Balance is recommended in this report to offset this action.</p>			

## Capital Funds Recommended Budget Adjustments Summary 2018-2019 Annual Report

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<b>Airport Renewal and Replacement Fund (527)</b>			
Customs and Border Protection Process Improvements	Airport	\$(600,000)	

This action decreases the Customs and Border Protection Process Improvements project by \$600,000, from \$1,175,000 to \$575,000. The reduction in international flights has reduced strain on the customs and border process. As well, the Airport's environment is very fluid and as a result, the capital project priorities in the Airport Renewal and Replacement Fund have been reassessed. A corresponding increase to the Ending Fund Balance is recommended in this report to offset this action.

Generator Relocations	Airport	\$400,000	
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This action establishes a Generator Relocations appropriation in the amount of \$400,000 to facilitate moving generators to support the fleet fuel pumps and electric bus charger locations. The generators are in good condition and are sufficient to provide backup service to the fleet fuel pumps and electric bus charge locations in the event of a power failure. As the Airport is a 24/7 operation, it is critical to keep fuel flowing to airplanes in the event of a power outage. Movement of these generators to support these two critical locations for Airport's operations will help ensure the Airport will continue to run smoothly in the event of a failure in the power grid. A corresponding decrease to the Ending Fund Balance is recommended in this report to offset this action.

Maintenance Access Security	Airport	\$75,000	
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This action establishes a Maintenance Access Security appropriation in the amount of \$75,000 to add locking mechanisms to roughly 100 maintenance access points located on Airport property. Locks are needed to protect the Airport's communication and data lines from being damaged or interrupted. A corresponding decrease to the Ending Fund Balance is recommended in this report to offset this action.

OCIP Program	Airport	\$150,000	
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This action establishes an Owner Controlled Insurance Program (OCIP) appropriation in the amount of \$150,000 to fund claims incurred against Airport's OCIP. This project was previously allocated in the Airport Revenue Bond Improvement Fund, however, with the closure of the fund, a new appropriation is required for the duration of the OCIP term. A corresponding decrease to the Ending Fund Balance is recommended in this report to offset this action.

Perimeter Access Gate	Airport	\$25,000	
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This action establishes a Perimeter Access Gate appropriation in the amount of \$25,000 to construct an Emergency Medical Services access gate to the Interim Facility area. A corresponding decrease to the Ending Fund Balance is recommended in this report to offset this action.

## Capital Funds Recommended Budget Adjustments Summary 2018-2019 Annual Report

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<b>Airport Renewal and Replacement Fund (527)</b>			
Program Management	Airport	\$1,000,000	
<p>This action establishes a Program Management appropriation in the amount of \$1.0 million for funding to plan, strategize, and prepare for the pre-cursor projects leading up to the next stage of significant development at the Airport. The Airport will contract with program management consultants given the large number of sub-projects that make up the entire second phase of development and construction. Current staffing levels are anticipated to be insufficient for such a large project. The ability to augment Airport staffing on an as-needed basis will provide the flexibility and expertise needed to successfully complete this next stage of development at the airport. A corresponding decrease to the Ending Fund Balance is recommended in this report to offset this action.</p>			
Safety Management Systems Program	Airport	\$(68,000)	
<p>This action eliminates the City's local match portion of funding for the grant-funded Safety Management Systems Program project by \$68,000. Grant funding for this project is not currently available. Also, due to Airport's fluid environment, capital project priorities in the Airport Renewal and Replacement Fund have been reassessed. Corresponding adjustments in the Airport Capital Improvement Fund and Ending Fund Balance are recommended in this report to offset this action.</p>			
Vehicle Replacement Program	Airport	\$242,000	
<p>This action increases funding for the Vehicle Replacement Program by \$242,000, from \$100,000 to \$342,000, to replace Airport vehicles originally purchased between 1995 and 2002 as parts are scarce or not available to repair the vehicles currently in service. This allocation will fund the purchase of three sedans, one SUV, eight work trucks, and two shared employee pool vehicles. A corresponding decrease to the Ending Fund Balance is recommended in this report to offset this action.</p>			
Ending Fund Balance Adjustment	Airport	\$669,000	
<p>This action decreases the Ending Fund Balance to offset the actions recommended in this report.</p>			
<b>Airport Renewal and Replacement Fund (527) TOTAL</b>			
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<b>Airport Capital Improvement Fund (520)</b>			
Revenue from Federal Government (Safety Management Systems Program)	Airport		\$(402,000)
<p>This action decreases Revenue from the Federal Government by \$402,000, from \$42.4 million to \$42.0 million to reflect a grant from the Federal Aviation Administration that is no longer expected to be received for the Safety Management Systems Program project. Corresponding decreases to the Safety Management Systems Program project budget and in the Airport Renewal and Replacement Fund for the City's local match are recommended in this report to offset this action.</p>			



## Capital Funds Recommended Budget Adjustments Summary 2018-2019 Annual Report

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<b>Airport Capital Improvement Fund (520)</b>			
Revenue from Federal Government (Terminal B Ramp Rehabilitation)	Airport		\$(7,092,000)
<p>This action decreases Revenue from the Federal Government by \$7,092,000, from \$42.4 million to \$35.3 million, to reflect a grant from the Federal Aviation Administration that is no longer expected to be received for the Terminal B Ramp Rehabilitation project in 2019-2020. Corresponding decreases to the Terminal B Ramp Rehabilitation project and in the Airport Renewal and Replacement Fund for the City's local match are recommended in this report to offset this action.</p>			
Terminal B Ramp Rehabilitation	Airport	\$(7,092,000)	
<p>This action decreases funding for the Terminal B Ramp Rehabilitation project by \$7,092,000, from \$9,845,000 to \$2,753,000, since grant funding from the Federal Aviation Administration is no longer expected to be received in 2019-2020. Corresponding decreases in Revenue from the Federal Government and in the Airport Renewal and Replacement Fund for the City's local match are recommended in this report to offset this action.</p>			
Safety Management Systems Program	Airport	\$(402,000)	
<p>This action eliminates funding for the Safety Management Systems Program by \$402,000. Funding for this project is no longer needed since Federal Aviation Administration funding is not expected to be received. Corresponding decreases in Revenue from the Federal Government and in the Airport Renewal and Replacement Fund for the City's local match are recommended in this report to offset this action.</p>			
<b>Airport Capital Improvement Fund (520) TOTAL</b>		<b>\$(7,494,000)</b>	<b>\$(7,494,000)</b>
<b>Contingent Lien District Fund (634)</b>			
Transfer in from District Memo Funds	Public Works		\$116,140
<p>This action recognizes transfers of \$116,140 to the Contingent Lien District Fund from internal memo funds budgeted within the Contingent Lien District Fund. Although this action is a technical adjustment with no net fiscal impact, since the Evergreen Creek Assessment District Fund, Shea Homes Advance Assessment District Fund, Silicon Valley Bridge Assessment District Fund, Evergreen Benefit Assessment District Fund, and the Silver Creek Assessment District Fund are housed within the Contingent Lien District Fund, this recommended action is needed to reallocate and correctly align cash balances in each fund to the 2018-2019 Comprehensive Annual Financial Report (CAFR) based on a final reconciliation of the Contingent Lien Fund. Corresponding actions in the internal memo funds are recommended elsewhere in this report.</p>			
Transfer to the Contingent Lien District Fund (from Evergreen Creek Assessment District Fund)	Public Works	\$5,604	
<p>This action establishes a transfer of \$5,604 to the Contingent Lien District Fund from the internal memo Evergreen Creek Assessment District Fund for the administrative costs that were inadvertently expensed in the Contingent Lien District Fund and the realignment of cash balances. A corresponding decrease to the Evergreen Creek District Reserve is recommended elsewhere in this report.</p>			

## Capital Funds Recommended Budget Adjustments Summary 2018-2019 Annual Report

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<b>Contingent Lien District Fund (634)</b>			
Transfer to the Contingent Lien District Fund (from Shea Homes Advance Assessment District Fund)	Public Works	\$5,604	
This action establishes a transfer of \$5,604 to the Contingent Lien District Fund from the internal memo Shea Homes Advance Assessment District Fund for the administrative costs that were inadvertently expensed in the Contingent Lien District Fund and the realignment of cash balances. A corresponding decrease to the Silver Creek Development District 1A Reserve is recommended elsewhere in this report.			
Transfer to the Contingent Lien District Fund (from Silicon Valley Bridge Assessment District Fund)	Public Works	\$5,604	
This action establishes a transfer of \$5,604 to the Contingent Lien District Fund from the internal memo Silicon Valley Bridge Assessment District Fund for the administrative costs that were inadvertently expensed in the Contingent Lien District Fund and the realignment of cash balances. A corresponding decrease to the Silicon Valley Bridge Assessment District Reserve is recommended elsewhere in this report.			
Transfer to the Contingent Lien District Fund (from Evergreen Benefit Assessment District Fund)	Public Works	\$93,724	
This action establishes a transfer of \$93,724 to the Contingent Lien District Fund from the internal memo Evergreen Benefit Assessment District Fund for the realignment of cash balances, and the administrative costs and Quimby / Fowler Creek Riparian Restoration costs that were inadvertently expensed in the Contingent Lien District Fund. A corresponding decrease to the Evergreen Specific Plan District Reserve is recommended elsewhere in this report.			
Transfer to the Contingent Lien District Fund (from Silver Creek Assessment District Fund)	Public Works	\$5,604	
This action establishes a transfer of \$5,604 to the Contingent Lien District Fund from the internal memo Silver Creek Assessment District Fund for the administrative costs that were inadvertently expensed in the Contingent Lien District Fund and the realignment of cash balances. A corresponding decrease to the Silver Creek Development District 1B Reserve is recommended elsewhere in this report.			
Fund Balance Reconciliation - Evergreen Creek District Reserve	Public Works	\$(5,604)	
This action decreases the Evergreen Creek District Reserve in the Evergreen Creek Assessment District Fund, an internal memo fund of the Contingent Lien District Fund, by \$5,604 to offset a transfer to the Contingent Lien District Fund.			
Fund Balance Reconciliation - Evergreen Specific Plan District Reserve	Public Works	\$(93,724)	
This action decreases the Evergreen Specific Plan District Reserve in the Evergreen Benefit Assessment District Fund, an internal memo fund of the Contingent Lien District Fund, by \$93,724 to offset a transfer to the Contingent Lien District Fund.			

## Capital Funds Recommended Budget Adjustments Summary 2018-2019 Annual Report

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<b>Contingent Lien District Fund (634)</b>			
Fund Balance Reconciliation - Silicon Valley Bridge Assessment District Reserve	Public Works	\$(5,604)	
<p>This action decreases the Silicon Valley Bridge Assessment District Reserve in the Silicon Valley Bridget Assessment District Fund, an internal memo fund of the Contingent Lien District Fund, by \$5,604 to offset a transfer to the Contingent Lien District Fund.</p>			
Fund Balance Reconciliation - Silver Creek Development District 1A Reserve	Public Works	\$(5,604)	
<p>This action decreases the Silver Creek Development District 1A Reserve in the Shea Homes Advance Assessment District Fund, an internal memo fund of the Contingent Lien District Fund, by \$5,604 to offset a transfer to the Contingent Lien District Fund.</p>			
Fund Balance Reconciliation - Silver Creek Development District 1B Reserve	Public Works	\$(5,604)	
<p>This action decreases the Silver Creek Development District 1B Reserve in the Silver Creek Assessment District Fund, an internal memo fund of the Contingent Lien District Fund, by \$5,604 to offset a transfer to the Contingent Lien District Fund.</p>			
Ending Fund Balance Adjustment	Public Works	\$116,140	
<p>This action increases the Ending Fund Balance by \$116,140 to offset the actions recommended in this report.</p>			
<b>Contingent Lien District Fund (634) TOTAL</b>		<b>\$116,140</b>	<b>\$116,140</b>
<b>Library Construction and Conveyance Tax Fund (393)</b>			
Infrastructure Management System Software Update	Library	\$13,000	
<p>This action establishes the Infrastructure Management System Software Update appropriation in the amount of \$13,000 to partially fund a one-time software update. Facilities InforEAM (Enterprise Asset Management) is housed on an unsupported Microsoft Windows Operating System 2003 and requires a system upgrade to continue support and operation. The IT Cybersecurity Office mandates departments transition from all unsupported operating systems to avoid security risks and discontinued service. This project will support an upgrade to a later version, a new replacement server, and licenses. The total project cost of \$100,000 is allocated proportionately across multiple funds within the Capital Improvement Program.</p>			
Ending Fund Balance Adjustment	Library	\$(13,000)	
<p>This action decreases the Ending Fund Balance to offset this action recommended in this report.</p>			
<b>Library Construction and Conveyance Tax Fund (393) TOTAL</b>		<b>\$13,000</b>	<b>\$13,000</b>

## Capital Funds Recommended Budget Adjustments Summary 2018-2019 Annual Report

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<b>Convention and Cultural Affairs Capital Fund (560)</b>			
Ending Fund Balance Adjustment	Public Works	\$(246,000)	
This action decreases the Ending Fund Balance to offset the actions recommended elsewhere in this report.			
<b>Convention and Cultural Affairs Capital Fund (560)</b>			
Rehabilitation / Repair - Electrical	Office of Economic Development	\$246,000	
This action increases the Rehabilitation / Repair - Electrical appropriation by \$246,000, from \$4.4 million to \$4.6 million, to support unanticipated electrical work (\$173,000) to accommodate the previously authorized acquisition of 20 banquet hot boxes for food and beverage operations at the San José McEnery Convention Center, and to replace house lighting systems (\$73,000) in the California Theatre. A corresponding adjustment to Ending Fund Balance is recommended to offset this action.			
<b>Convention and Cultural Affairs Capital Fund (560) TOTAL</b>			
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<b>General Purpose Parking Capital Fund (559)</b>			
Greater Downtown Area Multi-Modal/Streetscape Improvements	Transportation	\$(1,700,000)	
This action decreases the Greater Downtown Area Multi-Modal/Streetscape appropriation by \$1.7 million so the funding can be reallocated to the Better Bikeways (City) project in the Traffic Capital Program. The Greater Downtown Area Multi-Modal/Streetscape appropriation includes funding for bikeway improvements in the Downtown area, including restriping and bollards. This funding is being reallocated to the larger Better Bikeways project in the Traffic Capital Program so all costs can be in one program. A corresponding Transfer to the Construction Excise Tax Fund and receipt of these funds in the Construction Excise Tax Fund is recommended elsewhere in this report.			
Revenue Control and Meter Upgrades	Transportation	\$900,000	
This action increases the Revenue Control and Meter Upgrades appropriation by \$900,000, from \$785,000 to \$1.7 million. A reallocation of \$300,000 from the Security Improvements project provides for funding of the security components of the Parking Access Revenue Control System project, including CCTV cameras and intercoms, as well as the operations command center being built at the 4th and San Fernando Parking Garage. The cameras and intercoms will allow City staff, security, and the command center operators to have better oversight of the garage facilities. Additionally, a \$600,000 increase will add back funds from an inadvertent liquidation of prior year encumbrances. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.			
Security Improvements	Transportation	\$(300,000)	
This action decreases the Security Improvements appropriation by \$300,000, from \$540,000 to \$240,000, for reallocation to the Revenue Control and Meter Upgrades appropriation to fund the security components of the Parking Access Revenue Control System project which are included in the Revenue Control and Meter Upgrade appropriation. The security enhancements include CCTV cameras and intercoms, as well as an operations command center being built at the 4th and San Fernando parking garage, and will allow City staff, security, and operators at the command center to have better oversight of the parking facilities. A corresponding increase to the Revenue Control and Meter Upgrade appropriation is recommended to offset this action.			

## Capital Funds Recommended Budget Adjustments Summary 2018-2019 Annual Report

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<b>General Purpose Parking Capital Fund (559)</b>			
Transfer to Construction Excise Tax Fund	Transportation	\$1,700,000	
<p>This action establishes a transfer to the Construction Excise Tax Fund in the amount of \$1.7 million. Funds from the Greater Downtown Area Multi-Modal/Streetscape Improvements projects for bikeway improvements are being reallocated to the Better Bikeways project in the Traffic Capital Program so all costs can be in one program. A corresponding decrease to the Greater Downtown Area Multi-Modal/Streetscape Improvements appropriation and receipt of funds in the Construction Excise Tax Fund is recommended elsewhere in this report.</p>			
Ending Fund Balance Adjustment	Transportation	\$(600,000)	
<p>This action decreases the Ending Fund Balance to offset the action recommended in this report.</p>			
<b>General Purpose Parking Capital Fund (559) TOTAL</b>			
<hr/>			
<b>Council District 10 Construction and Conveyance Tax Fund (389)</b>			
Martial-Cottle Community Garden	Parks, Recreation and Neighborhood Services	\$200,000	
<p>This action establishes the Martial-Cottle Community Garden appropriation in the amount of \$200,000 in the Council District 10 Construction and Conveyance Tax Fund to ensure adequate funding is available to complete the project. The Martial-Cottle Community Garden project provides funding for the construction of garden plots, water service, a storage shed, a green waste storage area, and perimeter fencing with gates. This action brings the total project cost across all funds to \$712,000. A corresponding action to decrease the Ending Fund Balance to offset this action is recommended in this report.</p>			
Almaden Community Center Audio Visual	Parks, Recreation and Neighborhood Services	\$63,000	
<p>This action establishes the Almaden Community Center Audio Visual appropriation in the amount of \$63,000 to purchase and install an Audio Visual system at the Almaden Community Center. The project elements include the replacement of the existing projector and sound system at the Almaden Community Center. A corresponding action to decrease the Ending Fund Balance to offset this action is recommended in this report.</p>			
Ending Fund Balance Adjustment	Parks, Recreation and Neighborhood Services	\$(263,000)	
<p>This action decreases the Ending Fund Balance to offset the actions recommended in this report.</p>			
<b>Council District 10 Construction and Conveyance Tax Fund (389) TOTAL</b>			
<hr/>			
<b>Council District 9 Construction and Conveyance Tax Fund (388)</b>			
Butcher Park Playlot Renovation	Parks, Recreation and Neighborhood Services	\$15,000	
<p>This action increases the Butcher Park Playlot Renovation appropriation in the amount of \$15,000 from, \$527,000 to \$542,000, to support an increased project scope. This funding will support the removal of an existing concrete wall between the former sand area and the tot lot and the addition of a drinking fountain. A corresponding decrease to the Ending Fund Balance to offset this action is recommended in this report.</p>			

## Capital Funds Recommended Budget Adjustments Summary 2018-2019 Annual Report

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<b>Council District 9 Construction and Conveyance Tax Fund (388)</b>			
Paul Moore Park Reuse Center Minor Improvements	Parks, Recreation and Neighborhood Services	\$(25,000)	
This action eliminates the Paul Moore Park Reuse Center Minor Improvements allocation, which totals of \$25,000, as the project was completed in 2018-2019. A corresponding action to increase the Ending Fund Balance to offset this action is recommended in this report.			
Ending Fund Balance Adjustment	Parks, Recreation and Neighborhood Services	\$10,000	
This action increases the Ending Fund Balance to offset the actions recommended in this report.			
<b>Council District 9 Construction and Conveyance Tax Fund (388) TOTAL</b>			<hr/>
<b>Parks Central Construction and Conveyance Tax Fund (390)</b>			
Family-Friendly City Facilities	Parks, Recreation and Neighborhood Services	\$(150,000)	
This action eliminates the Family-Friendly City Facilities allocation in the amount of \$150,000 from Parks Central Construction and Conveyance Tax Fund. A separate action reallocates this funding within the Parks City-Wide Construction and Conveyance Tax Fund as described elsewhere in this report.			
Infrastructure Management Services Software Update	Parks, Recreation and Neighborhood Services	\$21,000	
This action establishes the Infrastructure Management System Software Update appropriation in the amount of \$21,000 to partially fund a one-time software update. Facilities InforEAM (Enterprise Asset Management) is housed on an unsupported Microsoft Windows Operating System 2003 and requires a system upgrade to continue support and operation. The IT Cybersecurity Office mandates departments transition from all unsupported operating systems to avoid security risks and discontinued service. This project will support an upgrade to a later version, a new replacement server, and licenses. The total project cost of \$100,000 is allocated proportionately across multiple funds within the Capital Improvement Program.			
Ending Fund Balance Adjustment	Parks, Recreation and Neighborhood Services	\$129,000	
This action increases the Ending Fund Balance to offset the actions recommended in the report.			
<b>Parks Central Construction and Conveyance Tax Fund (390) TOTAL</b>			<hr/>
<b>Parks City-Wide Construction and Conveyance Tax Fund (391)</b>			
Family-Friendly City Facilities	Parks, Recreation and Neighborhood Services	\$150,000	
This action increases the Family-Friendly City Facilities appropriation in the amount of \$150,000, from \$55,000 to \$205,000. The funding for this project was allocated in the Parks Central Construction and Conveyance Tax Fund as approved in the Mayor's June Budget Message for Fiscal Year 2019-2020. However, the Parks City-Wide Construction and Conveyance Tax Fund is a more suitable source to fund this project. A corresponding action to decrease the Ending Fund Balance to offset this action is recommended in this report.			

## Capital Funds Recommended Budget Adjustments Summary 2018-2019 Annual Report

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<b>Parks City-Wide Construction and Conveyance Tax Fund (391)</b>			
2017 Flood - Alum Rock Park Mineral Springs Bridge Embankment	Parks, Recreation and Neighborhood Services	\$300,000	
This action increases the 2017 Flood - Alum Rock Park Mineral Springs Bridge Embankment appropriation in the amount of \$300,000, from \$441,000 to \$741,000, for higher than anticipated costs to keep the road accessible 24/7 for emergency safety equipment. A corresponding action to decrease the Ending Fund Balance to offset this action is recommended in this report.			
2017 Flood - Family Camp Playground Shade Structure, Retaining Wall and Slope Stabilization	Parks, Recreation and Neighborhood Services	\$400,000	
This action increases the 2017 Flood - Family Camp Playground Shade Structure, Retaining Wall and Slope Stabilization appropriation in the amount of \$400,000, from \$546,000 to \$946,000, due to revised project construction estimates being higher than originally anticipated. A corresponding action to decrease the Ending Fund Balance to offset this action is recommended in this report.			
2017 Flood - Watson Park Turf, Lighting, and Electrical Mitigation	Parks, Recreation and Neighborhood Services	\$(637,000)	
This action eliminates the 2017 Flood - Watson Park Turf, Lighting, and Electrical Mitigation allocation, which totals \$637,000 as the project was completed in 2018-2019. A corresponding action to increase the Ending Funding Balance to offset this action is recommended in this report.			
Overfelt Gardens Improvements	Parks, Recreation and Neighborhood Services	\$71,000	
This action increases the Overfelt Gardens Improvements appropriation in the amount of \$71,000, from \$380,000 to \$451,000. In 2018-2019, this funding was liquidated from the project budget and is currently being captured in the Parks City-Wide Construction and Conveyance Tax Fund Ending Fund Balance. This action reinstates the project funding, which will be used to repair the roofs of the cultural monuments and buildings and other minor improvements at Overfelt Gardens. A corresponding action to decrease the Ending Fund Balance to offset this action is recommended in this report.			
Family Camp Capital Improvements Reserve	Parks, Recreation and Neighborhood Services	\$51,000	
This action increases the Family Camp Capital Improvements Reserve in the amount of \$51,000, from \$82,000 to \$133,000. This funding was collected in 2018-2019 from the surcharge on Family Camp reservations. This reserve provides partial funding for the future implementation of improvements identified in the Family Camp Master Plan. Beginning in 2012, a surcharge of \$20 per tent, per night has been collected to provide funding for future improvements at Family Camp. A corresponding decrease to the Ending Fund Balance to offset this action is recommended in this report.			

## Capital Funds Recommended Budget Adjustments Summary 2018-2019 Annual Report

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<b>Parks City-Wide Construction and Conveyance Tax Fund (391)</b>			
Soccer Facility Reserve	Parks, Recreation and Neighborhood Services	\$78,000	
<p>This action increases the Soccer Facility Reserve appropriation in the amount of \$78,000, from \$2,245,000 to \$2,323,000. This reserve provides funding for the future construction of a regional soccer facility, which includes multiple soccer fields with night use lighting, a concession, restroom building, and parking lot. This funding was previously allocated to the Columbus Park Sports Field Lighting Upgrades project. However, as Columbus Park is under consideration for rehabilitation that will incorporate a soccer facility, this action reallocates funding to the Soccer Facility Reserve as lighting upgrades will be included in the rehabilitation project scope. A corresponding decrease to the Ending Fund Balance to offset this action is recommended in this report.</p>			
Ending Fund Balance Adjustment	Parks, Recreation and Neighborhood Services	\$(413,000)	
<p>This action decreases the Ending Fund Balance to offset the actions recommended in this report.</p>			
<b>Parks City-Wide Construction and Conveyance Tax Fund (391) TOTAL</b>		<hr/>	
<b>Emma Prusch Fund (131)</b>			
All Inclusive Playground - Emma Prusch	Parks, Recreation and Neighborhood Services	\$11,000	
<p>This action establishes the All Inclusive Playground - Emma Prusch appropriation in the amount of \$11,000 in the Emma Prusch Fund. A separate project for the Emma Prusch Park Restroom Feasibility Study totaling \$11,000 was allocated in 2018-2019. The study did not begin, therefore project savings of \$11,000 is now captured in the Emma Prusch Fund Ending Fund Balance. This action re-allocates this funding to the All Inclusive Playground - Emma Prusch Project, as the restroom study and renovation will be included in the project scope. A corresponding decrease to the Ending Fund Balance to offset this action is recommended in this report.</p>			
Ending Fund Balance Adjustment	Parks, Recreation and Neighborhood Services	\$(11,000)	
<p>This action decreases the Ending Fund Balance to offset the action recommended in this report.</p>			
<b>Emma Prusch Fund (131) TOTAL</b>		<hr/>	
<b>Subdivision Park Trust Fund (375)</b>			
TRAIL: Three Creeks Interim Improvements and Pedestrian Bridge	Parks, Recreation and Neighborhood Services	\$43,000	
<p>This action increases the TRAIL: Three Creeks Interim Improvements and Pedestrian Bridge appropriation in the amount of \$43,000, from \$1,432,000 to \$1,475,000. In 2018-2019, this funding was liquidated from the project budget and is currently being captured in the Parks City-Wide Construction and Conveyance Tax Fund Ending Fund Balance. This action reinstates the project funding to ensure adequate funding is available to complete the project. A corresponding decrease to the Ending Fund Balance to offset this action is recommended in this report.</p>			



## Capital Funds Recommended Budget Adjustments Summary 2018-2019 Annual Report

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<b>Subdivision Park Trust Fund (375)</b>			
Rotary Playgarden Shade Structure	Parks, Recreation and Neighborhood Services	\$15,000	
<p>This action increases the Rotary Playgarden Shade Structure appropriation in the amount of \$15,000, from \$25,000 to \$40,000. This additional funding will ensure sufficient funding is available to purchase and install the shade structure at the Rotary Playgarden. A corresponding action to decrease the Future PDO/PIO Reserve to offset this action is recommended in this report.</p>			
Southside Community Center Renovations	Parks, Recreation and Neighborhood Services	\$29,000	
<p>This action increases the Southside Community Center Renovations appropriation in the amount of \$29,000, from \$1,442,000 to \$1,471,000. The Southside Community Center Building Condition Study completed in 2018-2019 with project savings of \$29,000. This action recommends allocating this funding to the Southside Community Center Renovations project to support unforeseen costs that may arise during the construction of the project. A corresponding decrease to the Future PDO/PIO Reserve to offset this action is recommended in this report.</p>			
Communication Hill Hillsdale Fitness Staircase Reimbursement	Parks, Recreation and Neighborhood Services	\$13,000	
<p>This action increases the Communications Hill Hillsdale Fitness Staircase Reimbursement appropriation in the amount of \$13,000, from \$1,809,000 to \$1,822,000. The Communications Hill Turnkey Park Design Review and Inspection completed in 2018-2019 with project savings of \$13,000. This action recommends allocating this funding to the Communications Hill Hillsdale Fitness Staircase Reimbursement project to support unforeseen costs that may arise during the construction of the project. This additional funding will support any unexpected project costs and future project scope expansion. A corresponding action to decrease the Future PDO/PIO Reserve to offset this action is recommended in this report.</p>			
Del Monte Park Phase III Reserve	Parks, Recreation and Neighborhood Services	\$341,000	
<p>This action increases the Del Monte Park Phase III Reserve in the amount of \$341,000, from \$2,540,000 to \$2,881,000, to support the future construction of the project. This reserve provides partial funding for the construction costs related to the Del Monte Park Phase III. A corresponding action to decrease the Future PDO/PIO Reserve to offset this action is recommended in this report.</p>			
Future PDO/PIO Projects Reserve	Parks, Recreation and Neighborhood Services	\$(1,341,000)	
<p>This action decreases the Future PDO/PIO Projects Reserve to offset the actions recommended in the report</p>			
Santana Park Development Reserve	Parks, Recreation and Neighborhood Services	\$900,000	
<p>This action increases the Santana Park Development Reserve in the amount of \$900,000, from \$3.1 million to \$4.0 million. In 2012-2013, \$3.5 million from this reserve was used to front a State Proposition 84 grant that was awarded to Del Monte Park. As grant funding has been received over the last several years, the reserve has been replenished. This action allocates the final reimbursement of \$900,000, which is derived from grant revenue (\$590,000) being received in 2018-2019 and Del Monte Park Phase I and Phase II project savings (\$310,000).</p>			
<b>Subdivision Park Trust Fund (375) TOTAL</b>			

## Capital Funds Recommended Budget Adjustments Summary 2018-2019 Annual Report

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<b>Fire Construction and Conveyance Tax Fund (392)</b>			
Infrastructure Management System Software Update	Fire	\$13,000	
<p>This action establishes \$13,000 to partially fund a one-time Infrastructure Management System Software Update. Facilities InforEAM (Enterprise Asset Management) is housed on an unsupported Microsoft Windows Operating System 2003 and requires a system upgrade to continue support and operation. The IT Cybersecurity Office mandates that departments transition from all unsupported operating systems as soon as possible to avoid security risks and discontinued service. Funding will cover an upgrade to a newer operating system, a new replacement server, and licenses. Complete funding of this project of \$100,000 is proportionally allocated across the City's Capital Improvement Program. A corresponding decrease to the Ending Fund Balance is recommended in this report to offset this action.</p>			
Ending Fund Balance Adjustment: Rebudgets	Fire	\$(13,000)	
<p>This action decreases the Ending Fund Balance to offset the action recommended in this report.</p>			
<b>Fire Construction and Conveyance Tax Fund (392) TOTAL</b>			
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<b>Sewer Service and Use Charge Capital Improvement Fund (545)</b>			
City Facilities Emergency Power Generation - Sanitary Sewer	Public Works	\$500,000	
<p>This action establishes the City Facilities Emergency Power Generation - Sanitary Sewer appropriation in the amount of \$500,000 to provide one-time funding for back-up generators at five sanitary sewer pump stations. These sanitary sewer pump stations are critical City facilities, and in the event of a planned or unplanned electrical power outage, electrical service needs to be sustained in order to continue operations. These generators will provide electrical power at these locations to ensure that service remains uninterrupted.</p>			
Infrastructure Management System Software Update	Public Works	\$4,000	
<p>This action establishes \$4,000 to partially fund a one-time Infrastructure Management System Software Update. Facilities InforEAM (Enterprise Asset Management) is housed on an unsupported Microsoft Windows Operating System 2003 and requires a system upgrade to continue support and operation. The IT Cybersecurity Office mandates that departments transition from all unsupported operating systems as soon as possible to avoid security risks and discontinued service. Funding will cover an upgrade to a newer operating system, a new replacement server, and licenses. Complete funding of this project of \$100,000 is proportionally allocated across the City's Capital Improvement Program. A corresponding decrease to the Ending Fund Balance is recommended in this report to offset this action.</p>			
Ending Fund Balance Adjustment: Rebudgets	Public Works	\$(504,000)	
<p>This action decreases the Ending Fund Balance to offset actions recommended elsewhere in this report.</p>			
<b>Sewer Service and Use Charge Capital Improvement Fund (545) TOTAL</b>			
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## Capital Funds Recommended Budget Adjustments Summary 2018-2019 Annual Report

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<b>Service Yards Construction and Conveyance Tax Fund (395)</b>			
Infrastructure Management System Software Update	Public Works	\$11,000	
<p>This action establishes \$11,000 to fund the one-time Infrastructure Management System Software Update. Facilities InforEAM (Enterprise Asset Management) is housed on an unsupported Microsoft Windows Operating System 2003 and requires a system upgrade to continue support and operation. The IT Cybersecurity Office mandates that departments transition from all unsupported operating systems as soon as possible to avoid security risks and discontinued service. Funding will cover an upgrade to a newer operating system, a new replacement server, and licenses. Complete funding of this project of \$100,000 is proportionally allocated across the City's Capital Improvement Program. A corresponding decrease to the Ending Fund Balance is recommended in this report to offset this action.</p>			
Ending Fund Balance Adjustment	Public Works	\$(11,000)	
<p>This action decreases the Ending Fund Balance to offset the action recommended in this report.</p>			
<b>Service Yards Construction and Conveyance Tax Fund (395) TOTAL</b>		<hr/>	
<b>Storm Sewer Capital Fund (469)</b>			
Infrastructure Management System Software Update	Public Works	\$1,000	
<p>This action establishes \$1,000 to partially fund a one-time Infrastructure Management System Software Update. Facilities InforEAM (Enterprise Asset Management) is housed on an unsupported Microsoft Windows Operating System 2003 and requires a system upgrade to continue support and operation. The IT Cybersecurity Office mandates that departments transition from all unsupported operating systems as soon as possible to avoid security risks and discontinued service. Funding will cover an upgrade to a newer operating system, a new replacement server, and licenses. Complete funding of this project of \$100,000 is proportionally allocated across the City's Capital Improvement Program. A corresponding decrease to the Ending Fund Balance is recommended in this report to offset this action.</p>			
Ending Fund Balance Adjustment: Rebudgets	Public Works	\$(1,000)	
<p>This action decreases the Ending Fund Balance to offset the actions recommended elsewhere in this report.</p>			
<b>Storm Sewer Capital Fund (469) TOTAL</b>		<hr/>	
<b>Construction Excise Tax Fund (465)</b>			
Transfers and Reimbursements (Transfer from the General Purpose Parking Capital Fund)	Transportation		\$1,700,000
<p>This action establishes a transfer from the General Purpose Parking Capital Fund in the amount of \$1,700,000 to fund the Better Bikeways Project. The Greater Downtown Area Multi-Modal/Streetscape Improvements appropriation in the Parking Capital Fund includes funding for bikeway improvements. The funding is being transferred to the Traffic Capital Program to be used for the larger Better Bikeways Project. A corresponding increase to the Better Bikeways Project and actions in the General Purpose Parking Fund are recommended elsewhere in this report.</p>			

## Capital Funds Recommended Budget Adjustments Summary 2018-2019 Annual Report

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<p><b>Construction Excise Tax Fund (465)</b></p> <p>Revenue from the Federal Government (OTS - Vision Zero: Multimodal Traffic Safety Education)</p> <p>This action increases the estimate for Revenue from the Federal Government by \$100,000 for a Federal Office of Transportation Safety grant to fund traffic safety education. Grant funding will be used for efforts, such as Safe Routes to School initiatives, Vision Zero campaigns, and working with community based organizations to prevent fatalities and injuries of vulnerable non-motorized road users. A corresponding increase to the Vision Zero: Multimodal Traffic Safety Education appropriation is recommended to offset this action.</p>	Transportation		\$100,000
<p>Mount Pleasant Schools Area Bike/Ped Safety Improvements</p> <p>This action increases the Mount Pleasant Schools Area Bike/Ped Safety Improvement appropriation by \$650,000, from \$1.3 million to \$1.95 million, to fund scope changes that are necessary to complete the project. This includes bulb outs, street conform, streetlights, conform driveways for residents, and landscaping/tree removal. A corresponding action to decrease the Ending Fund Balance is recommended to offset this action.</p>	Transportation	\$650,000	
<p>Almaden/Vine Safety Improvements (OBAG)</p> <p>This action increases the Almaden/Vine Safety Improvements (OBAG) appropriation by \$60,000, from \$437,000 to \$497,000, to fund a cost increase to the project due to an unforeseen delay in the general contractor's schedule for sidewalk work. A corresponding action to decrease the Ending Fund Balance is recommended to offset this action.</p>	Transportation	\$60,000	
<p>Better Bikeways Program (City)</p> <p>This action establishes the the Better Bikeways Program (City) appropriation in the amount of \$1.7 million for the Better Bikeways Project. This funding will help implement a network of bikeways downtown to include buffered bike lanes. This allocation is funded by a corresponding transfer from the General Purpose Parking Capital Fund where funds for bikeways are included in the Greater Downtown Area Multi-Modal/Streetscapes Improvement Project.</p>	Transportation	\$1,700,000	
<p>Pavement Maintenance - City</p> <p>This action increases the Pavement Maintenance - City appropriation by \$700,000, from \$1,783,000 to \$2,483,000. Savings from a pavement maintenance allocation in the 2017 Flood - Alum Rock Falls Road Reconstruction appropriation is being allocated back to the Pavement Maintenance - City appropriation. A corresponding action to decrease the Ending Fund Balance is recommended to offset this action.</p>	Transportation	\$700,000	

## Capital Funds Recommended Budget Adjustments Summary 2018-2019 Annual Report

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<b>Construction Excise Tax Fund (465)</b>			
Pavement Maintenance - Complete Street Project Development	Transportation	\$450,000	

This action increases the Pavement Maintenance - Complete Street Project Development appropriation by \$450,000, from \$2,217,000 to \$2,667,000, to fund consultant work for 10% conceptual design plans, a defined scope of work, and an engineer's estimate in preparation for new Measure B Safety Projects funded through competitive grants. This consultant work will need to be completed prior to submitting the competitive Measure B grant applications, which will become available around January 2020. The focus will be on approximately 15 corridors that have significant merits under Measure B, such as disadvantaged communities and vision zero corridors. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.

Access and Mobility Plan	Transportation	\$100,000	
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This action increases the Access and Mobility Plan appropriation by \$100,000, from \$75,000 to \$175,000, to fund the acquisition of big transportation data. Big transportation Data is aggregated movement data collected from mobility apps, cell phone companies, and other sources that describes a transportation system is used. The data gives unique insight needed to plan for transportation networks and facilities, improve safety, and prioritize projects. It is used in area transportation plans, and will be used in the Access and Mobility Plan decision support system. A corresponding action to decrease the Ending Fund Balance is recommended to offset this action.

Inter-Agency Encroachment Permit	Transportation	\$220,000	
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This action increases the Inter-Agency Encroachment Permit appropriation by \$220,000, from \$100,000 to \$320,000, to fund an anticipated increase in inter-agency permits activity. The increase is funded by additional Inter-Agency Encroachment Permit Fees and staff and inspection work for the increase in applications from VTA for both maintenance work, the East Corridor Lightrail Extension, and BART Phase 2 extension. A corresponding action to increase the estimate for Licenses and Permits for Inter-Agency Encroachment Fees is recommended elsewhere in this report.

Vision Zero: Multimodal Traffic Safety Education	Transportation	\$100,000	
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This action increases the Vision Zero: Multimodal Traffic Safety Education appropriation by \$100,000, from \$38,000 to \$138,000, for efforts such as Safe Routes to School initiatives, Vision Zero campaigns, and working with community-based organizations to prevent fatalities and injuries of vulnerable non-motorized users. The funding is provided by a Federal Office of Transportation Safety grant of \$100,000. There is no City match requirement for this grant. A corresponding increase to the estimate for Revenue from the Federal Government is recommended elsewhere in this report.

## Capital Funds Recommended Budget Adjustments Summary 2018-2019 Annual Report

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<b>Construction Excise Tax Fund (465)</b>			
Information Management System Software Update	Transportation	\$37,000	
<p>This action establishes \$37,000 to partially fund a one-time Infrastructure Management System Software Update. Facilities InforEAM (Enterprise Asset Management) is housed on an unsupported Microsoft Windows Operating System 2003 and requires a system upgrade to continue support and operation. The IT Cybersecurity Office mandates that departments transition from all unsupported operating systems as soon as possible to avoid security risks and discontinued service. Funding will cover an upgrade to a newer operating system, a new replacement server, and licenses. Complete funding of this project of \$100,000 is proportionally allocated across the City's Capital Improvement Program. A corresponding decrease to the Ending Fund Balance is recommended in this report to offset this action.</p>			
Construction Taxes Refund Reserve (Retitled from Developer Permitting Fees Refund Reserve)	Transportation	\$1,890,000	
<p>This action increases the Construction Taxes Refund Reserve by \$1,890,000, from \$380,000 to \$2,270,000, for the anticipated refund of Construction Excise Tax to a developer as a result of a development changing from commercial to industrial land use, for which this tax does not apply. A corresponding action to decrease the ending fund balance is recommended to offset this action. The appropriation is retitled from the Developer Permitting Fees Refund Reserve to more accurately reflect the nature of funds reimbursed.</p>			
Street Safety & Roadway Maintenance Project Reserve	Transportation	\$1,780,000	
<p>This action establishes the Street Safety &amp; Roadway Maintenance Project Reserve appropriation in the amount of \$1.8 million to set aside funds for future street safety and roadway maintenance projects. This action aligns with direction included in the 2019-2020 Mayor's June Budget Message for Fiscal year 2019-2020, as approved by the City Council, directing that any Construction Excise Tax revenues above the estimated in the Capital Improvement Program be allocated for safety projects. As Construction Excise Tax reports ended above the 2018-2019 estimate by \$4.8 million, \$1.8 million is allocated to this reserve, \$1.1 million is allocated to achieve safety projects, and \$1.9 million is set aside for an anticipated refund elsewhere in this report. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.</p>			
Ending Fund Balance Adjustment - Construction Excise Tax Fund	Transportation	\$(5,667,000)	
<p>This action decreases the Ending Fund Balance to offset the recommended actions in this report.</p>			
Licenses and Permits (Inter-Agency Encroachment Permit Fees)	Public Works		\$220,000
<p>This action increases the estimate for Licenses and Permits by \$220,000 for increased Inter-Agency Encroachment Permit activity due to the East Corridor Lightrail Extension and BART Phase 2 extension. A corresponding action to increase the Inter-Agency Encroachment Permit appropriation by \$220,000 is recommended to offset this action.</p>			
<b>Construction Excise Tax Fund (465) TOTAL</b>		<b>\$2,020,000</b>	<b>\$2,020,000</b>

## Capital Funds Recommended Budget Adjustments Summary 2018-2019 Annual Report

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<b>Building and Structure Construction Tax Fund (429)</b>			
Other Revenue (US 101/Blossom Hill Road Interchange Improvement Project)	Transportation		\$165,000
<p>This action increases the estimate for Other Revenue by \$165,000 to true up the revenue estimate with the that \$3,794,000 that is anticipated for the US 101/Blossom Hill Road Interchange Improvement Project. A rebudget of \$3,629,000 is recommended in this report. The revenue is part of the fair share contribution towards the Edenvale Area Development Policy improvements at US 101/Blossom Hill Road, and shall be paid prior to the construction phase of the project, which is anticipated to start in Winter 2019. A corresponding increase to the Ending Fund Balance is recommended to offset this action.</p>			
Revenue from Federal Government (ATP - Better Bikeways San Fernando)	Transportation		\$357,000
<p>This action increases the estimate for Revenue from the Federal Government by \$357,000 to recognize Active Transportation Program (ATP) grant funding for the Better Bikeways San Fernando project. The funding will provide for the preliminary engineering and environmental review to install bicycle and pedestrian improvements on San Fernando Street from Almaden Boulevard to 11th street. Work includes traffic and bicycle signals, transit boarding islands, and Dutch-style protected intersections. All work will occur within existing City right of way. A corresponding action to allocate this revenue to the Better Bikeways San Fernando project is recommended elsewhere in this report.</p>			
Transfers and Reimbursements (North San José BCP)	Transportation		\$371,000
<p>This action establishes a Transfer from the General Fund in the amount of \$371,000 for sales tax received by the City as part of the Business Cooperation Program generated through North San José construction activity. In accordance with previous City Council direction, the funds are to be set aside in a reserve to help fund future transportation infrastructure projects in accordance with the North San José Area Development Policy. A corresponding action to establish the North San José New Development (Business Cooperation Program) Reserve is recommended to offset this action.</p>			
Branham and Snell Street Improvements	Transportation	\$200,000	
<p>This action increases the Branham and Snell Street Improvements appropriation by \$200,000, from \$1,750,000 to \$1,950,000, to align anticipated costs with the project scope. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.</p>			

## Capital Funds Recommended Budget Adjustments Summary 2018-2019 Annual Report

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<b>Building and Structure Construction Tax Fund (429)</b>			
ATP - Better Bikeways San Fernando	Transportation	\$658,000	

This action establishes the ATP - Better Bikeways San Fernando appropriation in the amount of \$658,000 to fund preliminary engineering and environmental review of a project to install bicycle and pedestrian improvements on San Fernando Street from Almaden Boulevard to 11th street. Work includes traffic and bicycle signals, transit boarding islands, and Dutch-style protected intersections. All work will occur within existing City right of way. The total project cost of \$658,000 is funded by a Federal Active Transportation Program (ATP) grant of \$357,000 and a local match of \$301,000. A corresponding increase to the estimate for Revenue from the Federal Government in the amount \$357,000 and a decrease to the Transportation Grants Reserve appropriation by \$301,000 are recommended to offset this action.

Access and Mobility Plan	Transportation	\$573,000	
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This action increases the Access and Mobility Plan appropriation by \$573,000, from \$75,000 to \$648,000, to fund the city-wide transportation implementation strategy and modeling building exercise for delivery on the City's Vehicle Miles Traveled (VMT) reduction and mode change goals. This funding will fully fund the project. A corresponding action to decrease the Ending Fund Balance is recommended to offset this action.

Regional Rail Planning	Transportation	\$42,000	
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This action increases the Regional Rail Planning appropriation by \$42,000, from \$817,000 to \$859,000, to cover an increase in planning consultant costs. A corresponding action to decrease Ending Fund Balance is recommended to offset this action.

San Jose Regional Transportation Hub	Transportation	\$500,000	
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This action increases the San José Regional Transportation Hub appropriation by \$500,000 for the City's share in a multi-agency agreement for the Diridon Station Area planning work. A corresponding action to decrease the Ending Fund Balance is recommended to offset this action.

Traffic Signal Improvement Program	Transportation	\$16,000	
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This action increases the Traffic Signal Improvement Program appropriation by \$16,000, from \$900,000 to \$916,000, to account for revenue received from developer contributions in 2018-2019. Revenue collected from developer fees, along with City funding, is used for traffic signal improvements. A corresponding action to decrease the Ending Fund Balance is recommended to offset this action.



## Capital Funds Recommended Budget Adjustments Summary 2018-2019 Annual Report

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<b>Building and Structure Construction Tax Fund (429)</b>			
Construction Taxes Refund Reserve (Retitled from Developer Permitting Fees Refund Reserve)	Transportation	\$315,000	
<p>This action increases the Construction Taxes Refund Reserve appropriation by \$315,000, from \$200,000 to \$515,000, for the anticipated refund of Building and Structure Construction Tax due to a development changing from commercial to industrial land use, which applies a lower tax rate. A corresponding action to decrease the ending fund balance is recommended to offset this action. This appropriation is retitled from the Developer Permitting Fees Refund Reserve to more accurately reflect the nature of funds reimbursed.</p>			
North San José New Development Reserve	Transportation	\$193,500	
<p>This action increases the North San José New Development Reserve by \$193,500, from \$4,980,795 to \$5,174,295. In accordance with previous City Council direction, Building and Structure Construction Tax revenue generated in North San José are placed into a reserve to help fund future transportation infrastructure projects in accordance with the North San José Area Development Policy. After a reconciliation of Building and Structure Construction Tax revenue received in 2018-2019, an amount of \$193,500 was determined to be generated from North San José development. A corresponding action to decrease the Ending Fund Balance is recommended to offset this action.</p>			
North San José New Development (Business Cooperation Program) Reserve	Transportation	\$371,000	
<p>This action establishes the North San José New Development (Business Cooperation Program) Reserve appropriation in the amount of \$371,000. In accordance with previous City Council direction, sales tax received by the City as part of the Business Cooperation Program and generated through North San José construction activity are to be placed into a reserve to help fund future transportation infrastructure projects in accordance with the North San José Area Development Policy. To date, one company in the North San José Policy Area has participated in the Business Cooperation Program for a new construction project, resulting in the City receiving \$371,000 of sales tax revenue to be set aside per policy direction. A corresponding increase to the estimate for Transfers and Reimbursements to receive the funding from the General Fund is recommended elsewhere in this report.</p>			
Transportation Grants Reserve	Transportation	\$(301,000)	
<p>This action decreases the Transportation Grants Reserve appropriation by \$301,000, from \$1,600,000 to \$1,299,000, for the local match funding of an Active Transportation Program grant for the Better Bikeways San Fernando project as described elsewhere in this report. Grant funds will cover \$357,000 of the total project cost of \$658,000.</p>			
Fund Balance Adjustment	Transportation	\$(1,674,500)	
<p>This action decreases the Ending Fund Balance to offset the actions recommended in this report.</p>			
<b>Building and Structure Construction Tax Fund (429) TOTAL</b>		<b>\$893,000</b>	<b>\$893,000</b>

## Capital Funds Recommended Budget Adjustments Summary 2018-2019 Annual Report

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<b>San José-Santa Clara Treatment Plant Capital Fund (512)</b>			
City Facilities Emergency Power Generation - Regional Wastewater Facility	Public Works	\$100,000	
<p>This action establishes the City Facilities Emergency Power Generation - Regional Wastewater Facility appropriation in the amount of \$100,000 to provide one-time funding for a back-up generator at a fueling station at the San José-Santa Clara Regional Wastewater Facility. This fueling station is a critical City facility, and in the event of a planned or unplanned electrical power outage, electrical service needs to be sustained in order to continue operations. This generator will provide electrical power at this location to ensure that service remains uninterrupted. This action is offset by a reduction to the Ending Fund Balance recommended in this report.</p>			
Ending Fund Balance Adjustment	Public Works	\$(100,000)	
<p>This action decreases the Ending Fund Balance to offset other actions recommended in this report.</p>			
<b>San José-Santa Clara Treatment Plant Capital Fund (512) TOTAL</b>		<hr/>	
<b>Measure T: Public Safety and Infrastructure Bond Fund (498)</b>			
LED Streetlight Conversion	Transportation	\$(5,000,000)	
<p>This action eliminates the LED Streetlight Conversion appropriation allocated to the Transportation Department. A corresponding action is recommended elsewhere in this report to reallocate this appropriation to the Public Works Department, who will oversee project implementation.</p>			
Measure T - Emergency Operations Center Relocation	Fire	\$(500,000)	
<p>This action eliminates the Measure T - Emergency Operations Center Relocation appropriation allocated to the Fire Department. A corresponding action is recommended elsewhere in this report to reallocate this appropriation to the Public Works Department, who will oversee project implementation.</p>			
Measure T - Fire Station 37	Fire	\$(6,180,000)	
<p>This action eliminates the Measure T - Fire Station 37 appropriation allocated to the Fire Department. A corresponding action is recommended elsewhere in this report to reallocate this appropriation to the Public Works Department, who will oversee project implementation.</p>			
Measure T - Fire Station 8 Relocation	Fire	\$(4,500,000)	
<p>This action eliminates the Measure T - Fire Station 8 Relocation appropriation allocated to the Fire Department. A corresponding action is recommended elsewhere in this report to reallocate this appropriation to the Public Works Department, who will oversee project implementation.</p>			

## Capital Funds Recommended Budget Adjustments Summary 2018-2019 Annual Report

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<b>Measure T: Public Safety and Infrastructure Bond Fund (498)</b>			
Measure T - Fire Station 23 Relocation	Fire	\$(4,500,000)	
This action eliminates the Measure T - Fire Station 23 Relocation appropriation allocated to the Fire Department. A corresponding action is recommended elsewhere in this report to reallocate this appropriation to the Public Works Department, who will oversee project implementation.			
Measure T - New Fire Station 32	Fire	\$(100,000)	
This action eliminates the Measure T - New Fire Station 32 appropriation allocated to the Fire Department. A corresponding action is recommended elsewhere in this report to reallocate this appropriation to the Public Works Department, who will oversee project implementation.			
Measure T - New Fire Station 36	Fire	\$(100,000)	
This action eliminates the Measure T - New Fire Station 36 appropriation allocated to the Fire Department. A corresponding action is recommended elsewhere in this report to reallocate this appropriation to the Public Works Department, who will oversee project implementation.			
Measure T - Police Air Support Hangar	Fire	\$(500,000)	
This action eliminates the Measure T - Police Air Support Hangar appropriation allocated to the Fire Department. A corresponding action is recommended elsewhere in this report to reallocate this appropriation to the Public Works Department, who will oversee project implementation.			
Measure T - Police Training Center Relocation	Fire	\$(30,100,000)	
This action eliminates the Measure T - Police Training Center Relocation appropriation allocated to the Fire Department. A corresponding action is recommended elsewhere in this report to reallocate this appropriation to the Public Works Department, who will oversee project implementation.			
Measure T - City Facilities LED Lighting	Public Works	\$(22,000)	
This action decreases funding of the Measure T - City Facilities LED Lighting project by \$22,000, from \$3,000,000 to \$2,978,000, to partially fund the establishment of the Measure T – Program Administration appropriation as described elsewhere in this report.			
Measure T Admin Working Capital	Public Works	\$425,000	
This action establishes the Measure T – Program Administration appropriation in the amount of \$425,000 to fund Public Works Department administrative and financial support staff to facilitate implementation of the Measure T bond program. While most City staff working on Measure T projects directly charge their time to an individual project, this is not feasible for administrative and financial support that is spread across the program. This action is offset by a proportional reduction to individual project appropriations described elsewhere in this report.			

## Capital Funds Recommended Budget Adjustments Summary 2018-2019 Annual Report

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<b>Measure T: Public Safety and Infrastructure Bond Fund (498)</b>			
Measure T - Emergency Operations Center Relocation	Public Works	\$491,000	
<p>This action establishes funding of \$491,000 for the Measure T - Emergency Operations Center Relocation appropriation allocated to the Public Works Department. This amount includes the \$500,000 previously, and inadvertently, allocated to the Fire Department, offset by a reduction of \$4,000 to partially fund the Measure T – Program Administration appropriation and by a reduction of \$5,000 reallocated for Public Art as described elsewhere in this report.</p>			
Measure T - Fire Station 37	Public Works	\$6,072,000	
<p>This action establishes funding of \$6,072,000 for the Measure T - Fire Station 37 appropriation allocated to the Public Works Department. This amount includes the \$6.2 million previously, and inadvertently, allocated to the Fire Department, offset by a reduction of \$46,000 to partially fund the Measure T – Program Administration appropriation and by a reduction of \$62,000 reallocated for Public Art as described elsewhere in this report.</p>			
Measure T - Fire Station 8 Relocation	Public Works	\$4,422,000	
<p>This action establishes funding of \$4,422,000 for the Measure T - Fire Station 8 Relocation appropriation allocated to the Public Works Department. This amount includes the \$4.5 million previously, and inadvertently, allocated to the Fire Department, offset by a reduction of \$33,000 to partially fund the Measure T – Program Administration appropriation and by a reduction of \$45,000 reallocated for Public Art as described elsewhere in this report.</p>			
Measure T - Fire Station 23 Relocation	Public Works	\$4,422,000	
<p>This action establishes funding of \$4,422,000 for the Measure T - Fire Station 23 Relocation appropriation allocated to the Public Works Department. This amount includes the \$4.5 million previously, and inadvertently, allocated to the Fire Department, offset by a reduction of \$33,000 to partially fund the Measure T – Program Administration appropriation and by a reduction of \$45,000 reallocated for Public Art as described elsewhere in this report.</p>			
Measure T - New Fire Station 32	Public Works	\$98,000	
<p>This action establishes funding of \$98,000 for the Measure T - New Fire Station 32 appropriation to the Public Works Department. This amount includes the \$100,000 previously, and inadvertently, allocated to the Fire Department, offset by a reduction of \$1,000 to partially fund the Measure T – Program Administration appropriation and by a reduction of \$1,000 reallocated for Public Art as described elsewhere in this report.</p>			
Measure T - New Fire Station 36	Public Works	\$98,000	
<p>This action establishes funding of \$98,000 for the Measure T - New Fire Station 36 appropriation to the Public Works Department. This amount includes the \$100,000 previously, and inadvertently, allocated to the Fire Department, offset by a reduction of \$1,000 to partially fund the Measure T – Program Administration appropriation and by a reduction of \$1,000 reallocated for Public Art as described elsewhere in this report.</p>			

## Capital Funds Recommended Budget Adjustments Summary 2018-2019 Annual Report

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<b>Measure T: Public Safety and Infrastructure Bond Fund (498)</b>			
Measure T - Police Air Support Hangar	Public Works	\$491,000	
<p>This action establishes funding of \$491,000 for the Measure T - Police Air Support Hangar appropriation to the Public Works Department. This amount includes the \$500,000 previously, and inadvertently, allocated to the Fire Department, offset by a reduction of \$4,000 to partially fund the Measure T – Program Administration appropriation and by a reduction of \$5,000 reallocated for Public Art as described elsewhere in this report.</p>			
Measure T - Police Headquarters Infrastructure Upgrades	Public Works	\$30,000	
<p>This action establishes funding of \$30,000 for the Measure T - Police Headquarters Infrastructure Upgrades appropriation. While this project was scheduled to begin in 2021-2022, Police Department staff have already begun work on the project. A corresponding decrease to the Measure T – Program Reserve (Public Safety) is recommended elsewhere in this report.</p>			
Measure T - Police Training Center Relocation	Public Works	\$29,577,000	
<p>This action establishes funding of \$29,577,000 for the Measure T - Police Training Center Relocation appropriation to the Public Works Department. This amount includes the \$30.1 million previously, and inadvertently, allocated to the Fire Department, offset by a reduction of \$222,000 to partially fund the Measure T – Program Administration appropriation and by a reduction of \$301,000 reallocated for Public Art as described elsewhere in this report.</p>			
Measure T - Police 911 Call Center Upgrades	Public Works	\$50,000	
<p>This action establishes funding of \$50,000 for the Measure T - Police 911 Call Center Upgrades appropriation. While this project was scheduled to begin in 2021-2022, Police Department staff have already begun work on the project. A corresponding decrease to the Measure T – Program Reserve (Public Safety) is recommended elsewhere in this report.</p>			
Measure T - Program Reserve (Public Safety)	Public Works	\$(80,000)	
<p>This action reduces the Measure T – Program Reserve (Public Safety) by \$80,000, from \$7.3 million to \$7.2 million, to fund the establishment of the Measure T - Police 911 Call Center Upgrades appropriation (\$50,000) and the Measure T - Police Headquarters Infrastructure Upgrades (\$30,000) as described elsewhere in this report.</p>			
Measure T - Charcot Avenue Pump Station	Public Works	\$(28,000)	
<p>This action decreases funding of the Measure T - Charcot Avenue Pump Station project by \$28,000, from \$1,600,000 to \$1,572,000. This action will provide partial funding for the establishment of the Measure T - Public Art appropriation (\$12,000) and the Measure T – Program Administration appropriation (\$16,000) as described elsewhere in this report.</p>			

## Capital Funds Recommended Budget Adjustments Summary 2018-2019 Annual Report

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<b>Measure T: Public Safety and Infrastructure Bond Fund (498)</b>			
Measure T - Clean Water Projects	Public Works	\$(23,000)	
<p>This action decreases funding of the Measure T - Clean Water Projects by \$23,000, from \$1,300,000 to \$1,277,000. This action will provide partial funding for the establishment of the Measure T - Public Art appropriation (\$13,000) and the Measure T – Program Administration appropriation as described elsewhere in this report.</p>			
LED Streetlight Conversion	Public Works	\$4,963,000	
<p>This action establishes funding of \$4,963,000 for the LED Streetlight Conversion appropriation to the Public Works Department. This amount includes the \$5.0 million previously, and inadvertently, allocated to the Transportation Department, offset by a reduction of \$37,000 to partially fund the Measure T – Program Administration appropriation as described elsewhere in this report.</p>			
Measure T - Public Art	Office of Economic Development	\$494,000	
<p>This action establishes the Measure T - Public Art appropriation in the amount of \$494,000 in accordance with the City's Public Art program, which that allocates 1% of the cost to develop new or expanded capital infrastructure toward Public Art projects, including the installation of public art at Fire Station 37 and fully funding the End of Watch Police Memorial. This action is offset by proportional reductions to various eligible Measure T projects as described elsewhere in this report.</p>			
<b>Measure T: Public Safety and Infrastructure Bond Fund (498) TOTAL</b>			

General Fund  
Recommended Budget Adjustments and Clean-Up/Rebudget Actions  
2018-2019 Annual Report

Department/Proposal		USE			SOURCE		NET COST		
		Personal Services	Non-Personal/Equipment	Total Use	Revenue	Beg Fund Balance			
<b>DEPARTMENTAL EXPENSES</b>									
City Attorney's Office									
	Required Technical-Rebalancing Actions		Non-Personal/Equipment (Outside Litigation Costs)	-	\$1,500,000	\$1,500,000	-	-	\$1,500,000
City Clerk's Office									
	Clean-Up Actions		Tech Adjust: Board of Fair Campaign and Political Practices (Retitled from Ethics Commission)	-	-	-	-	-	-
Office of the City Manager									
	Clean-Up Actions		Tech Adjust: Non-Personal/Equipment (Reallocation to Office of Economic Development Non-Personal/Equipment - Census 2020)	-	(\$140,000)	(\$140,000)	-	-	(\$140,000)
			Tech Adjust: Non-Personal/Equipment (Reallocation to City Website and Intranet Implementation)	-	(\$550,000)	(\$550,000)	-	-	(\$550,000)
Office of the City Manager									
	Rebudgets		Rebudget: Personal Services (Language Access Planning and Coordination Temporary Staffing)	\$50,000	-	\$50,000	-	-	\$50,000
			Rebudget: Non-Personal/Equipment (OEM Contractual Services)	-	\$160,000	\$160,000	-	-	\$160,000
			Rebudget: Local Sales Tax - Office of Emergency Management	-	\$170,000	\$170,000	-	-	\$170,000
			Rebudget: Personal Services (2018 UASI)	\$43,968	-	\$43,968	-	-	\$43,968
City Manager - Office of Economic Development									
	Clean-Up Actions		Tech Adjust: Non-Personal/Equipment (Reallocation from City Manager's Office Non-Personal/Equipment for Census 2020)	-	\$140,000	\$140,000	-	-	\$140,000

General Fund  
Recommended Budget Adjustments and Clean-Up/Rebudget Actions  
2018-2019 Annual Report

Department/Proposal		USE		Total Use	SOURCE		NET COST
		Personal Services	Non-Personal/ Equipment		Revenue	Beg Fund Balance	
<b>DEPARTMENTAL EXPENSES</b>							
City Manager - Office of Economic Development	Rebudget: Non-Personal/Equipment (Census 2020)	-	\$7,000	\$7,000	-	-	\$7,000
Environmental Services Department	Tech Adjust: Local Sales Tax - BeautifySJ Days (Reallocation to Parks, Recreation and Neighborhood Services)	-	(\$180,000)	(\$180,000)	-	-	(\$180,000)
	Clean-Up Actions	\$13,495	-	\$13,495	-	-	\$13,495
Environmental Services Department	Rebudget: Non-Personal/Equipment (Energy/Water Building Performance)	-	\$9,484	\$9,484	-	-	\$9,484
	Rebudget: Non-Personal/Equipment (Climate Smart General Administration)	-	\$11,000	\$11,000	-	-	\$11,000
	Rebudget: Non-Personal/Equipment (Stormwater Planning - Baykeeper Consent Decree)	-	\$50,000	\$50,000	-	-	\$50,000
Finance Department	Tech Adjust: Non-Personal/Equipment (Reallocation from Banking Services)	-	\$49,000	\$49,000	-	-	\$49,000
Fire Department	Fire Development Fee Program - Non-Personal/Equipment (Peak Staffing)	-	\$370,000	\$370,000	-	-	\$370,000
Fire Department	Rebudget: Fire Development Fee Program - Non-Personal/Equipment (Peak Staffing)	-	\$200,000	\$200,000	-	-	\$200,000
	Rebudget: Personal Services (Active Shooter Training)	\$17,600	-	\$17,600	-	-	\$17,600



General Fund  
Recommended Budget Adjustments and Clean-Up/Rebudget Actions  
2018-2019 Annual Report

Department/Proposal		USE			SOURCE	NET COST
		Personal Services	Non-Personal/Equipment	Total Use	Revenue	Beg Fund Balance
<b>DEPARTMENTAL EXPENSES</b>						
Housing Department	Rebudget: Local Sales Tax - Non-Personal/Equipment Housing (San José Streets Team Litter and Trash Removal)	-	\$135,000	\$135,000	-	- \$135,000
Human Resources Department	Required Technical-Rebalancing Actions	-	\$78,000	\$78,000	-	- \$78,000
	Personal Services (Reallocation to Non-Personal/Equipment for Contracted Nurse Practitioner)	(\$78,000)	-	(\$78,000)	-	- (\$78,000)
Human Resources Department	Clean-Up Actions	-	(\$210,500)	(\$210,500)	-	- (\$210,500)
	Tech Adjust: Personal Services (Reallocation from Non-Personal/Equipment for Training and Development)	\$210,500	-	\$210,500	-	- \$210,500
Information Technology Department	Required Technical-Rebalancing Actions	\$900,000	-	\$900,000	-	- \$900,000
	Non-Personal/Equipment (IT Project Management)	-	\$1,000,000	\$1,000,000	-	- \$1,000,000
Library Department	Required Technical-Rebalancing Actions	-	\$485,000	\$485,000	-	- \$485,000
Mayor & City Council	Required Technical-Rebalancing Actions	(\$53,409)	-	(\$53,409)	-	- (\$53,409)
	Office of the Mayor	(\$24,469)	-	(\$24,469)	-	- (\$24,469)
	Council District #10					

General Fund  
Recommended Budget Adjustments and Clean-Up/Rebudget Actions  
2018-2019 Annual Report

Department/Proposal		USE			SOURCE		NET COST		
		Personal Services	Non-Personal/ Equipment	Total Use	Revenue	Beg Fund Balance			
<b>DEPARTMENTAL EXPENSES</b>									
Mayor & City Council									
	Grants-Reimbursements-Fees		Office of the Mayor/Other Revenue (Special Event Sponsorship)	\$132,500	-	\$132,500	\$132,500	-	-
		\$4,850	Council District #02/Other Revenue (Special Event Sponsorship)	\$4,850	-	\$4,850	\$4,850	-	-
		\$1,000	Council District #05/Other Revenue (Special Event Sponsorship)	\$1,000	-	\$1,000	\$1,000	-	-
		\$25,500	Council District #09/Other Revenue (Special Event Sponsorship)	\$25,500	-	\$25,500	\$25,500	-	-
		\$475	Council District #10/Other Revenue (Special Event Sponsorship)	\$475	-	\$475	\$475	-	-
Mayor & City Council									
	Rebudgets								
		\$42,272	Rebudget: Council District #01	\$42,272	-	\$42,272	-	-	\$42,272
		\$25,376	Rebudget: Council District #02	\$25,376	-	\$25,376	-	-	\$25,376
		\$21,113	Rebudget: Council District #03	\$21,113	-	\$21,113	-	-	\$21,113
		\$83,791	Rebudget: Council District #04	\$83,791	-	\$83,791	-	-	\$83,791
		\$76,357	Rebudget: Council District #05	\$76,357	-	\$76,357	-	-	\$76,357
		\$28,354	Rebudget: Council District #06	\$28,354	-	\$28,354	-	-	\$28,354
		\$25,652	Rebudget: Council District #07	\$25,652	-	\$25,652	-	-	\$25,652
		\$34,698	Rebudget: Council District #08	\$34,698	-	\$34,698	-	-	\$34,698
		\$71,801	Rebudget: Council District #09	\$71,801	-	\$71,801	-	-	\$71,801
		\$28,755	Rebudget: Council District #10	\$28,755	-	\$28,755	-	-	\$28,755
		(\$7,781)	Rebudget: Council General	(\$7,781)	-	(\$7,781)	-	-	(\$7,781)
		(\$93,912)	Rebudget: Office of the Mayor	(\$93,912)	-	(\$93,912)	-	-	(\$93,912)

General Fund  
Recommended Budget Adjustments and Clean-Up/Rebudget Actions  
2018-2019 Annual Report

Department/Proposal		USE		Total Use	SOURCE		NET COST		
		Personal Services	Non-Personal/ Equipment		Revenue	Beg Fund Balance			
<b>DEPARTMENTAL EXPENSES</b>									
Parks, Recreation and Neighborhood Services Department									
	Required Technical-Rebalancing Actions	Personal Services (Arcadia Softball Sports Complex Staffing Correction)	\$105,709	-	\$105,709	-	-	\$105,709	
Parks, Recreation and Neighborhood Services Department									
	Grants-Reimbursements-Fees	Non-Personal Equipment/Other Revenue (Healthy Aging San José)	-	\$25,168	\$25,168	\$44,408	-	(\$19,240)	
		Revenue from Local Agencies (BHSD Grant for Therapeutics)	-	-	-	\$309,000	-	(\$309,000)	
		Fee Activities/Fees, Rates, and Charges (Gardner Preschool)	\$212,000	-	\$212,000	\$150,000	-	\$62,000	
601 - A1	Parks, Recreation and Neighborhood Services Department								
		Clean-Up Actions	Tech Adjust: Local Sales Tax - BeautifySJ Days (Reallocation from Environmental Services Department)	-	\$180,000	\$180,000	-	-	\$180,000
			Salary Program	\$407,756	-	\$407,756	-	-	\$407,756
Parks, Recreation and Neighborhood Services Department									
	Rebudgets	Rebudget: Fee Activities (Gardner Family Health Network Scholarships)	-	\$44,000	\$44,000	-	-	\$44,000	
		Rebudget: Senior Services Gen2Gen/Other Revenue	(\$3,905)	-	(\$3,905)	(\$3,905)	-	-	
Planning, Building and Code Enforcement Department									
	Grants-Reimbursements-Fees	Non-Personal/Equipment (National Trust for Historic Preservation)	-	\$5,000	\$5,000	-	-	\$5,000	

General Fund  
Recommended Budget Adjustments and Clean-Up/Rebudget Actions  
2018-2019 Annual Report

Department/Proposal		USE		Total Use	SOURCE		NET COST		
		Personal Services	Non-Personal/ Equipment		Revenue	Beg Fund Balance			
<b>DEPARTMENTAL EXPENSES</b>									
Police Department									
	Urgent Fiscal-Program Needs		Non-Personal/Equipment (Guardian Rapid Response Program)	-	\$550,000	\$550,000	-	-	\$550,000
		\$3,000,000	Personal Services (Guardian Rapid Response Program)		-	\$3,000,000	-	-	\$3,000,000
	Rebudgets		Rebudget: Revenue from Federal Government (Bulletproof Vest Partnership)	-	-	-	(\$13,207)	-	\$13,207
		\$11,405	Rebudget: Santa Clara Valley Water District/Revenue from Local Agencies		-	\$11,405	\$23,436	-	(\$12,031)
Public Works Department									
	Required Technical-Rebalancing Actions	\$150,000	Personal Services (Office of Equality Assurance Labor Compliance System)		-	\$150,000	-	-	\$150,000
		-	Non-Personal/Equipment (Labor Compliance System)		\$50,000	\$50,000	-	-	\$50,000
		-	Non-Personal/Equipment (Community Facilities District No. 8)		\$30,000	\$30,000	-	-	\$30,000
		\$126,988	Personal Services (Measure T Staffing Correction)		-	\$126,988	-	-	\$126,988
Public Works Department									
	Grants-Reimbursements-Fees	(\$126,988)	Public Works Development Fee Program - Personal Services (Measure T Staffing Correction)		-	(\$126,988)	-	-	(\$126,988)
Transportation Department									
	Required Technical-Rebalancing Actions	(\$450,000)	Personal Services (Reallocation to Non-Personal/Equipment for Electrical Services Support)		-	(\$450,000)	-	-	(\$450,000)

General Fund  
 Recommended Budget Adjustments and Clean-Up/Rebudget Actions  
 2018-2019 Annual Report

Department/Proposal		USE		Total Use	SOURCE		NET COST
		Personal Services	Non-Personal/Equipment		Revenue	Beg Fund Balance	
<b>DEPARTMENTAL EXPENSES</b>							
	Non-Personal Equipment (Reallocation from Personal Services for Electrical Services Support)	-	\$450,000	\$450,000	-	-	\$450,000
Transportation Department	Non-Personal/Equipment (Almaden Soundwall Landscape Services)	-	\$35,295	\$35,295	-	-	\$35,295
Transportation Department	Rebudget: Non-Personal/Equipment (LED Streetlights)	-	(\$153,650)	(\$153,650)	-	-	(\$153,650)
	<b>DEPARTMENTAL EXPENSES TOTAL</b>	<b>\$5,013,451</b>	<b>\$4,499,797</b>	<b>\$9,513,248</b>	<b>\$660,917</b>	<b>-</b>	<b>\$8,852,331</b>

General Fund  
Recommended Budget Adjustments and Clean-Up/Rebudget Actions  
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Department/Proposal		USE			SOURCE	NET COST			
		Personal Services	Non-Personal/ Equipment	Total Use	Revenue	Beg Fund Balance			
<b>CITY-WIDE EXPENSES</b>									
	Urgent Fiscal-Program Needs		Community Plan to End Homelessness – Quality of Life and Healthy Neighborhoods	-	\$1,500,000	\$1,500,000	-	-	\$1,500,000
			City Facilities Safety Assessment	-	\$200,000	\$200,000	-	-	\$200,000
	Required Technical-Rebalancing Actions		Insurance Premiums	-	\$185,000	\$185,000	-	-	\$185,000
			General Liability Claims	-	\$4,000,000	\$4,000,000	-	-	\$4,000,000
			Childcare Facilities and Training (Gardner Preschool)	-	(\$62,000)	(\$62,000)	-	-	(\$62,000)
			Technology Museum of Innovation (Cultural Facilities Operations Support)	-	\$260,000	\$260,000	-	-	\$260,000
			Mexican Heritage Plaza Maintenance and Operations (Cultural Facilities Operations Support)	-	\$13,500	\$13,500	-	-	\$13,500
			San José Museum of Art (Cultural Facilities Operations Support)	-	\$50,000	\$50,000	-	-	\$50,000
			Children's Discovery Museum (Cultural Facilities Operations Support)	-	\$46,500	\$46,500	-	-	\$46,500
			Hammer Theater Center Operations and Maintenance (Cultural Facilities Operations Support)	-	\$30,000	\$30,000	-	-	\$30,000
			Mexican Heritage Plaza Capital Maintenance	-	\$50,000	\$50,000	-	-	\$50,000
			Mexican Heritage Plaza Maintenance and Operations	-	(\$25,000)	(\$25,000)	-	-	(\$25,000)
			Local Sales Tax - My San José 2.0	-	\$70,000	\$70,000	-	-	\$70,000
	Grants-Reimbursements-Fees		BeautifySJ Grants/Other Revenue	-	\$27,183	\$27,183	\$27,183	-	-

General Fund  
 Recommended Budget Adjustments and Clean-Up/Rebudget Actions  
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Department/Proposal	USE			SOURCE	NET COST	
	Personal Services	Non-Personal/ Equipment	Total Use	Revenue	Beg Fund Balance	
<b>CITY-WIDE EXPENSES</b>						
Library Grants/Revenue from State of California (California Library Literacy Services Grant)	-	\$18,000	\$18,000	\$18,000	-	-
Library Grants/Revenue from State of California (First Five Santa Clara County Grant)	-	\$72,990	\$72,990	\$72,990	-	-
Summer Youth Nutrition Program/Revenue from Federal Government	-	\$71,466	\$71,466	\$71,466	-	-
Library Grants/Revenue from State of California (California Library Literacy Services Grant)	-	\$70,000	\$70,000	\$70,000	-	-
Library Grants/Other Revenue (Career Vision Workshops Grant)	-	\$2,015	\$2,015	\$2,015	-	-
Selective Traffic Enforcement Program 2019-2020/Revenue from State of California	\$250,000	-	\$250,000	\$250,000	-	-
Valley Water District Grant/Revenue from Local Agencies	-	\$130,000	\$130,000	\$130,000	-	-
Youth Reinvestment Grant/Revenue from State of California	-	\$300,000	\$300,000	\$340,000	-	(\$40,000)
After School Education & Safety Program/Revenue from Local Agencies	\$431,064	-	\$431,064	\$431,064	-	-
Internet Crimes Against Children Task Force Invited Awards/Revenue from Federal Government	\$558,585	-	\$558,585	\$558,585	-	-
Diridon Station Area Development Planning - Post Application/Other Revenue	-	\$1,000,000	\$1,000,000	\$1,000,500	-	(\$500)

General Fund  
 Recommended Budget Adjustments and Clean-Up/Rebudget Actions  
 2018-2019 Annual Report

Department/Proposal		USE		Total Use	SOURCE		NET COST
		Personal Services	Non-Personal/Equipment		Revenue	Beg Fund Balance	
<b>CITY-WIDE EXPENSES</b>							
Clean-Up Actions	Tech Adjust: Council District #4 Dumpster Days (Reallocation to Parks, Recreation and Neighborhood Services Department)	-	(\$25,000)	(\$25,000)	-	-	(\$25,000)
	Tech Adjust: 2017 Flood Building Permit and Inspection Fee Waivers (Reconciliation)	-	(\$2,095)	(\$2,095)	-	-	(\$2,095)
	Tech Adjust: Tree Mitigation (Reconciliation)	-	\$27,925	\$27,925	-	-	\$27,925
	Tech Adjust: Banking Services (Reallocation to Finance Department's Non-Personal/Equipment)	-	(\$49,000)	(\$49,000)	-	-	(\$49,000)
	Tech Adjust: Youth Commission (Reallocation to Parks, Recreation and Neighborhood Services Department)	-	(\$5,000)	(\$5,000)	-	-	(\$5,000)
	Tech Adjust: Certified Access Specialist Program (Reconciliation)	-	\$26,796	\$26,796	-	-	\$26,796
	Tech Adjust: Contractual Street Tree Planting (Reconciliation)	-	\$7,787	\$7,787	-	-	\$7,787
	Tech Adjust: CommUniverCity Program (Reallocation from Office of Economic Development)	-	\$153,000	\$153,000	-	-	\$153,000
	Tech Adjust: City Website and Intranet Redesign (Reallocation from Office of the City Manager's Non- Personal/Equipment)	-	\$550,000	\$550,000	-	-	\$550,000
	Tech Adjust: Council District #4 Dumpster Days (Reallocation from Environmental Services Department)	-	\$25,000	\$25,000	-	-	\$25,000



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Department/Proposal	USE			SOURCE	NET COST		
	Personal Services	Non-Personal/ Equipment	Total Use	Revenue	Beg Fund Balance		
<b>CITY-WIDE EXPENSES</b>							
	Tech Adjust: San Jose End of Watch Police Memorial (Reallocation to Office of Economic Development)	-	(\$86,700)	(\$86,700)	-	-	(\$86,700)
	Tech Adjust: Youth Commission (Reallocation from Office of the Clerk)	-	\$5,000	\$5,000	-	-	\$5,000
	Tech Adjust: PEG - CreaTV (Reconciliation)	-	(\$40,652)	(\$40,652)	-	-	(\$40,652)
	Tech Adjust: Government Access - Capital Expenditures (Reconciliation)	-	(\$69,721)	(\$69,721)	-	-	(\$69,721)
	Tech Adjust: Digital Inclusion Program (Reconciliation)	-	(\$219,272)	(\$219,272)	-	-	(\$219,272)
	Tech Adjust: 4th Street Garage Banquet Facility Maintenance and Operations (Reconciliation)	-	(\$12,422)	(\$12,422)	-	-	(\$12,422)
	Tech Adjust: Homeless Response Team (Salary Program)	-	\$3,066	\$3,066	-	-	\$3,066
	Tech Adjust: CommUniverCity Program (Reallocation to the Housing Department)	-	(\$153,000)	(\$153,000)	-	-	(\$153,000)
	Tech Adjust: San José End of Watch Police Memorial (Reallocation from Police Department)	-	\$86,700	\$86,700	-	-	\$86,700
Rebudgets	Rebudget: Arena Community Fund	-	\$17,811	\$17,811	-	-	\$17,811
	Rebudget: Burrowing Owl Habitat Management	-	\$10,304	\$10,304	-	-	\$10,304
	Rebudget: Homeless Response Team	-	\$139,000	\$139,000	-	-	\$139,000

General Fund  
 Recommended Budget Adjustments and Clean-Up/Rebudget Actions  
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Department/Proposal	USE			SOURCE		NET COST
	Personal Services	Non-Personal/ Equipment	Total Use	Revenue	Beg Fund Balance	
<b>CITY-WIDE EXPENSES</b>						
Rebudget: Library Grants (CLA Lunch at the Library)	-	(\$1,515)	(\$1,515)	-	-	(\$1,515)
Rebudget: City Council District #01 Participatory Budgeting	-	(\$1,904)	(\$1,904)	-	-	(\$1,904)
Rebudget: Urban Areas Security Initiative Grant - Fire 2018	-	\$3,118	\$3,118	-	-	\$3,118
Rebudget: False Claims Act Litigation Settlement	-	(\$1,120)	(\$1,120)	-	-	(\$1,120)
Rebudget: City Council District #02 Participatory Budgeting - Calpine Settlement	-	\$375	\$375	-	-	\$375
Rebudget: General Liability Claims	-	(\$766,665)	(\$766,665)	-	-	(\$766,665)
Rebudget: City Council District #03 Participatory Budgeting	-	\$3,385	\$3,385	-	-	\$3,385
Rebudget: Climate Smart Natural and Working Lands	-	\$5,163	\$5,163	-	-	\$5,163
Rebudget: San José End of Watch Police Memorial	-	(\$260)	(\$260)	-	-	(\$260)
Rebudget: 4th Street Garage Banquet Facility Maintenance and Operations	-	\$34,739	\$34,739	-	-	\$34,739
Rebudget: City Council District #05 Participatory Budgeting	-	(\$618)	(\$618)	-	-	(\$618)
Rebudget: Climate Protection Grant (Bay Area Air Quality Management District)	-	\$7,725	\$7,725	-	-	\$7,725
Rebudget: Elections and Ballot Measures	-	\$89,361	\$89,361	-	-	\$89,361
Rebudget: Measure B Settlement	-	\$31,000	\$31,000	-	-	\$31,000
Rebudget: Certified Access Specialist Program	-	\$27,120	\$27,120	-	-	\$27,120

General Fund  
Recommended Budget Adjustments and Clean-Up/Rebudget Actions  
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Department/Proposal	USE			SOURCE	NET COST	
	Personal Services	Non-Personal/ Equipment	Total Use	Revenue	Beg Fund Balance	
<b>CITY-WIDE EXPENSES</b>						
Rebudget: Public Works Unfunded Projects	-	\$245,000	\$245,000	-	-	\$245,000
Rebudget: City Manager Special Projects	-	\$25,000	\$25,000	-	-	\$25,000
Rebudget: Hazardous Material Consent Judgment	-	\$28,794	\$28,794	-	-	\$28,794
Rebudget: Revenue from Federal Government (Internet Crimes Against Children Federal Grant 2016-2018)	(\$10,880)	-	(\$10,880)	(\$10,945)	-	\$65
Rebudget: Cultural Facilities Capital Maintenance	-	\$59,912	\$59,912	-	-	\$59,912
Rebudget: City Auditor's Office Performance Audit	-	\$3,000	\$3,000	-	-	\$3,000
Rebudget: Broadband and Digital Inclusion Strategy/Other Revenue	-	\$80,000	\$80,000	\$250,000	-	(\$170,000)
Rebudget: Silicon Valley Energy Watch 2019	-	\$38,226	\$38,226	-	-	\$38,226
Rebudget: San José Promise	-	\$6,987	\$6,987	-	-	\$6,987
Rebudget: Park and Open Street Activation - Council District #02	-	\$1,347	\$1,347	-	-	\$1,347
Rebudget: Destination: Home SV Grant	(\$5,772)	-	(\$5,772)	-	-	(\$5,772)
Rebudget: Revenue from State of California (2016 County Victim Services Program)	-	(\$2,195)	(\$2,195)	(\$2,195)	-	-
Rebudget: My San José 2.0 Grant	-	\$8,633	\$8,633	-	-	\$8,633
Rebudget: Library Grants/Other Revenue (PLA Student Internship Grant)	-	\$2,374	\$2,374	\$2,374	-	-
Rebudget: Historic Preservation	-	\$6,961	\$6,961	-	-	\$6,961

General Fund  
 Recommended Budget Adjustments and Clean-Up/Rebudget Actions  
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Department/Proposal	USE			SOURCE	NET COST	
	Personal Services	Non-Personal/ Equipment	Total Use	Revenue	Beg Fund Balance	
<b>CITY-WIDE EXPENSES</b>						
Rebudget: Internet Crimes Against Children Task Force Invited Awards/Revenue from Federal Government	(\$61,501)	-	(\$61,501)	(\$55,236)	-	(\$6,265)
Rebudget: Youth Commission	-	\$5,000	\$5,000	-	-	\$5,000
Rebudget: PEG - CreaTV	-	\$40,652	\$40,652	-	-	\$40,652
Rebudget: Park and Open Street Activation - Council District #08	-	(\$649)	(\$649)	-	-	(\$649)
Rebudget: Selective Traffic Enforcement Program 2018-2019/Revenue from Federal Government	(\$27,734)	-	(\$27,734)	(\$27,734)	-	-
Rebudget: Government Access - Capital Expenditures	-	\$1,282,490	\$1,282,490	-	-	\$1,282,490
Rebudget: OVW Improving Criminal Justice Response Program/Revenue from Federal Government	(\$423,615)	-	(\$423,615)	(\$8,420)	-	(\$415,195)
Rebudget: Internet Crimes Against Children Task Force - Forensic Analyst Capacity Hiring Program/Revenue from Federal Government	(\$10,328)	-	(\$10,328)	(\$10,392)	-	\$64
Rebudget: City Outreach and Education Efforts	-	\$80,000	\$80,000	-	-	\$80,000
Rebudget: Human Resources/Payroll Budget Systems Upgrades	-	\$106,000	\$106,000	-	-	\$106,000
Rebudget: Revenue from Federal Government (Bulletproof Vest Partnership)	-	(\$34,117)	(\$34,117)	(\$13,207)	-	(\$20,910)

General Fund  
Recommended Budget Adjustments and Clean-Up/Rebudget Actions  
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Department/Proposal	USE			SOURCE	NET COST	
	Personal Services	Non-Personal/ Equipment	Total Use	Revenue	Beg Fund Balance	
<b>CITY-WIDE EXPENSES</b>						
Rebudget: Urban Areas Security Initiative Grant - Police 2018/Revenue from Federal Government	\$53,247	-	\$53,247	\$90,314	-	(\$37,067)
Rebudget: Northern California Regional Intelligence Center - Police 2018/Revenue from Federal Government	-	(\$113)	(\$113)	(\$969)	-	\$856
Rebudget: Urban Areas Security Initiative Grant - OEM 2018/Revenue from Federal Government	-	\$18,909	\$18,909	(\$202,633)	-	\$221,542
Rebudget: State Homeland Security Grant Program/Revenue from Federal Government	-	\$90,117	\$90,117	\$77,346	-	\$12,771
Rebudget: Local Sales Tax - My San José 2.0	-	(\$65,196)	(\$65,196)	-	-	(\$65,196)
Rebudget: Homeless Rapid Rehousing	-	(\$798,219)	(\$798,219)	-	-	(\$798,219)
Rebudget: PG&E Summer Cooling Shelter Program Grant	-	(\$698)	(\$698)	-	-	(\$698)
Rebudget: Digital Inclusion Program	-	(\$210,000)	(\$210,000)	-	-	(\$210,000)
Rebudget: San José BEST and Safe Summer Initiative Programs	-	(\$194,405)	(\$194,405)	-	-	(\$194,405)
Rebudget: Climate Smart San José Plan Implementation	-	\$116,000	\$116,000	-	-	\$116,000
Rebudget: Diridon Station Area Development Planning	-	(\$175,167)	(\$175,167)	-	-	(\$175,167)
Rebudget: City Law Enforcement Grant 2016-2017	-	(\$29,879)	(\$29,879)	-	-	(\$29,879)
Rebudget: Street Activation	-	(\$513)	(\$513)	-	-	(\$513)
Rebudget: San José Creates and Connects	-	\$30,000	\$30,000	-	-	\$30,000

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 Recommended Budget Adjustments and Clean-Up/Rebudget Actions  
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Department/Proposal	USE			SOURCE	NET COST	
	Personal Services	Non-Personal/ Equipment	Total Use	Revenue	Beg Fund Balance	
<b>CITY-WIDE EXPENSES</b>						
Rebudget: Business Improvement District Creation	-	\$100,000	\$100,000	-	-	\$100,000
Rebudget: Economic Development Pre-Development Activities	-	(\$9,757)	(\$9,757)	-	-	(\$9,757)
Rebudget: Labor/Employee Relations Consultant Funding	-	\$98,000	\$98,000	-	-	\$98,000
Rebudget: Parade of Floats Public Art Statues	-	(\$496)	(\$496)	-	-	(\$496)
Rebudget: Small Business Anti-Displacement Research	-	\$51,875	\$51,875	-	-	\$51,875
Rebudget: Homeless Response Team/Revenue from Local Agencies	-	\$195,000	\$195,000	\$195,000	-	-
Rebudget: Local Sales Tax - San José Works - Youth Jobs Initiative	-	\$181,000	\$181,000	-	-	\$181,000
Rebudget: San José Regional Transportation Hub Project	-	\$440,000	\$440,000	-	-	\$440,000
Rebudget: Energy and Utility Conservation Measures Program/Other Revenue	-	(\$273,524)	(\$273,524)	\$1,768,000	-	(\$2,041,524)
<b>CITY-WIDE EXPENSES TOTAL</b>	<b>\$753,066</b>	<b>\$9,375,434</b>	<b>\$10,128,500</b>	<b>\$5,023,106</b>	<b>-</b>	<b>\$5,105,394</b>

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Recommended Budget Adjustments and Clean-Up/Rebudget Actions  
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Department/Proposal	USE			SOURCE	NET COST	
	Personal Services	Non-Personal/ Equipment	Total Use	Revenue	Beg Fund Balance	
<b>CAPITAL PROJECT EXPENSES</b>						
Required Technical-Rebalancing Actions	Personal Services (Parks Rehabilitation Strike and Capital Infrastructure Team Staffing Correction)	-	-	-	-	-
	City Facilities Emergency Power Generation	-	\$5,000,000	\$5,000,000	-	\$5,000,000
	Fire Training Center Relocation	-	\$3,500,000	\$3,500,000	-	\$3,500,000
Rebudgets	Rebudget: Unanticipated/ Emergency Maintenance	-	\$520,000	\$520,000	-	\$520,000
	Rebudget: City Hall Campus Expansion/Other Revenue	-	\$4,696,000	\$4,696,000	\$4,696,000	-
	Rebudget: Animal Care and Services - Various Improvements	-	\$36,000	\$36,000	-	\$36,000
	Rebudget: Local Sales Tax - Pavement Maintenance Program	-	\$276,000	\$276,000	-	\$276,000
	Rebudget: Fire Apparatus Replacement	-	\$412,000	\$412,000	-	\$412,000
	Rebudget: Animal Care and Services Waterproofing	-	\$7,000	\$7,000	-	\$7,000
	Rebudget: Arena Repairs	-	\$85,000	\$85,000	-	\$85,000
	Rebudget: City Hall HVAC Control System Replacement	-	\$697,000	\$697,000	-	\$697,000
	Rebudget: City Hall Network Operations Center - Electrical Switch Replacement	-	\$124,000	\$124,000	-	\$124,000
	Rebudget: City Hall Waterproofing	-	\$50,000	\$50,000	-	\$50,000
	Rebudget: Police Communications Emergency Uninterrupted Power Supply	-	\$155,000	\$155,000	-	\$155,000

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Department/Proposal	USE			SOURCE	NET COST
	Personal Services	Non-Personal/ Equipment	Total Use	Revenue	Beg Fund Balance
<b>CAPITAL PROJECT EXPENSES</b>					
Rebudget: Police Administration Building Fencing - Employee Parking Lot Perimeter	-	(\$3,000)	(\$3,000)	-	- (\$3,000)
Rebudget: San José Municipal Stadium Improvements	-	\$16,000	\$16,000	-	- \$16,000
Rebudget: African American Community Services Agency Upgrades	-	(\$88,000)	(\$88,000)	-	- (\$88,000)
Rebudget: Kelley House Demolition	-	(\$32,000)	(\$32,000)	-	- (\$32,000)
Rebudget: Children's Discovery Museum Air Handler Unit Replacement	-	(\$32,000)	(\$32,000)	-	- (\$32,000)
Rebudget: Vietnamese-American Community Center Planning and Fundraising	-	\$46,000	\$46,000	-	- \$46,000
Rebudget: Hammer Theatre HVAC Controls	-	(\$5,000)	(\$5,000)	-	- (\$5,000)
Rebudget: Mexican Heritage Plaza Concrete Repair	-	(\$2,000)	(\$2,000)	-	- (\$2,000)
Rebudget: Mexican Heritage Plaza HVAC System Components Upgrades	-	(\$76,000)	(\$76,000)	-	- (\$76,000)
Rebudget: San José Museum of Art HVAC Controls Upgrades	-	(\$15,000)	(\$15,000)	-	- (\$15,000)
Rebudget: Tech Museum Controls Module Improvements	-	(\$32,000)	(\$32,000)	-	- (\$32,000)
Rebudget: Arc Flash Hazard Analyst	-	(\$9,000)	(\$9,000)	-	- (\$9,000)
Rebudget: City Hall and Police Communications Uninterrupted Power Supply Capital Maintenance	-	(\$48,000)	(\$48,000)	-	- (\$48,000)
Rebudget: Police Fleet Management System	-	(\$33,000)	(\$33,000)	-	- (\$33,000)
<b>CAPITAL PROJECT EXPENSES TOTAL</b>	-	<b>\$15,245,000</b>	<b>\$15,245,000</b>	<b>\$4,696,000</b>	- <b>\$10,549,000</b>



General Fund  
Recommended Budget Adjustments and Clean-Up/Rebudget Actions  
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Department/Proposal	USE			SOURCE	NET COST
	Personal Services	Non-Personal/ Equipment	Total Use	Revenue	Beg Fund Balance
<b>EARMARKED RESERVES</b>					
Required Technical-Rebalancing Actions					
	3-1-1 Call Transition Reserve	- \$250,000	\$250,000	-	- \$250,000
	Fire Training Center Replacement Reserve	- (\$3,500,000)	(\$3,500,000)	-	- (\$3,500,000)
	Contingency Reserve	- \$1,500,000	\$1,500,000	-	-
	Budget Stabilization Reserve	- \$5,000,000	\$5,000,000	-	- \$5,000,000
	Office of Equality Assurance Labor Compliance System Reserve	- (\$200,000)	(\$200,000)	-	- (\$200,000)
Grants-Reimbursements-Fees	Fire Development Fee Program Reserve	- (\$370,000)	(\$370,000)	-	- (\$370,000)
	Public Works Development Fee Program Reserve (Measure T Staffing Correction)	- \$126,988	\$126,988	-	- \$126,988
	Public Works Development Fee Program Reserve (Landscape Services)	- (\$35,295)	(\$35,295)	-	- (\$35,295)
	Public Works Development Fee Program Reserve (Small Cell Staffing Correction)	- (\$391,306)	(\$391,306)	-	- (\$391,306)
	Public Works Development Fee Program – Small Cell Permitting Reserve (Small Cell Staffing Correction)	- (\$88,042)	(\$88,042)	-	- (\$88,042)
Clean-Up Actions	Tech Adjust: Artificial Turf Capital Replacement Reserve (Reconciliation)	- \$41,926	\$41,926	-	- \$41,926
	Tech Adjust: Building Development Fee Program Reserve (2017 Flood) (Reconciliation)	- \$2,095	\$2,095	-	- \$2,095
	Tech Adjust: Citywide Planning Fee Reserve (Reconciliation)	- \$1,469,354	\$1,469,354	-	- \$1,469,354

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Department/Proposal	USE			SOURCE	NET COST
	Personal Services	Non-Personal/ Equipment	Total Use	Revenue	Beg Fund Balance
<b>EARMARKED RESERVES</b>					
	Tech Adjust: Building Development Fee Program Reserve (Reconciliation)	- \$4,206,349	\$4,206,349	-	- \$4,206,349
	Tech Adjust: Planning Development Fee Program Reserve (Reconciliation)	- \$1,899,919	\$1,899,919	-	- \$1,899,919
	Tech Adjust: Fire Development Fee Program Reserve (Reconciliation)	- \$1,261,410	\$1,261,410	-	- \$1,261,410
	Salaries and Benefits Reserve (Salary Program)	- (\$424,317)	(\$424,317)	-	- (\$424,317)
	Tech Adjust: Public Works Development Fee Program Reserve (Reconciliation)	- \$2,958,147	\$2,958,147	-	- \$2,958,147
	Tech Adjust: Public Works Development Fee Program – Small Cell Permitting Reserve (Reconciliation)	- \$396,154	\$396,154	-	- \$396,154
Rebudgets	Rebudget: Fire Training Center Replacement Reserve	- \$36,835,000	\$36,835,000	-	- \$36,835,000
	Rebudget: Fire Development Fee Program Reserve	- (\$25,000)	(\$25,000)	-	- (\$25,000)
	Rebudget: Public Works Development Fee Program Reserve	- (\$1,350,000)	(\$1,350,000)	-	- (\$1,350,000)
<b>EARMARKED RESERVES</b>					
<b>TOTAL</b>		- \$49,563,382	\$49,563,382	-	- \$48,063,382

General Fund  
 Recommended Budget Adjustments and Clean-Up/Rebudget Actions  
 2018-2019 Annual Report

Department/Proposal		USE		Total Use	SOURCE		NET COST		
		Personal Services	Non-Personal/ Equipment		Revenue	Beg Fund Balance			
<b>TRANSFERS</b>									
	Urgent Fiscal-Program Needs		Transfer to Municipal Golf Course Fund	-	\$2,300,000	\$2,300,000	-	-	\$2,300,000
	Required Technical-Rebalancing Actions		Transfer to the Edward Byrne Memorial Justice Assistance Grant Trust Fund	-	\$409	\$409	-	-	\$409
			Transfer to the Building and Structure Construction Tax Fund (North San José BCP)	-	\$371,452	\$371,452	-	-	\$371,452
	Clean-Up Actions		Tech Adjust: Local Sales Tax - Transfer to the Airport Revenue Fund (Jet Fuel) (Reconciliation)	-	\$87,472	\$87,472	-	-	\$87,472
			<b>TRANSFERS TOTAL</b>	-	<b>\$2,759,333</b>	<b>\$2,759,333</b>	-	-	<b>\$2,759,333</b>

General Fund  
Recommended Budget Adjustments and Clean-Up/Rebudget Actions  
2018-2019 Annual Report

Department/Proposal		USE			SOURCE		NET COST
		Personal Services	Non-Personal/ Equipment	Total Use	Revenue	Beg Fund Balance	
<b>REVENUE ADJUSTMENTS</b>							
Actions	Required Technical-Rebalancing Transfers and Reimbursements (Water Utility Fund - Late Fees)	-	-	-	\$185,530	-	(\$185,530)
Clean-Up Actions	Beginning Fund Balance	-	-	-	-	\$75,387,378	(\$75,387,378)
	Tech Adjust: Open Space Authority (Recategorization to Revenue from Local Agencies)	-	-	-	\$80,000	-	(\$80,000)
	Tech Adjust: Open Space Authority (Recategorization from Other Revenue)	-	-	-	(\$80,000)	-	\$80,000
Rebudgets	Rebudget: Revenue from State of California (North First Street Grant)	-	-	-	\$366,038	-	(\$366,038)
	Rebudget: Revenue from State of California (Berryessa Grant)	-	-	-	\$249,654	-	(\$249,654)
	Rebudget: Revenue from State of California (MTC TriVillage)	-	-	-	\$246,682	-	(\$246,682)
	Rebudget: Other Revenue (Silicon Valley Energy Watch 2019)	-	-	-	\$78,035	-	(\$78,035)
	Rebudget: Revenue from State of California (Hospital Intervention Program - CalOES Grant (2018))	-	-	-	\$95,381	-	(\$95,381)
	Rebudget: Transfers and Reimbursements (2018-2019 VEBA)	-	-	-	\$194,395	-	(\$194,395)
<b>REVENUE ADJUSTMENTS TOTAL</b>							
		-	-	-	\$1,415,715	\$75,387,378	(\$76,803,093)
<b>TOTAL GENERAL FUND</b>		\$5,766,517	\$81,442,946	\$87,209,463	\$11,822,085	\$75,387,378	-

Special Funds  
 Recommended Budget Adjustments and Clean-Up/Rebudget Actions  
 2018-2019 Annual Report

Department/Proposal	Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
<b>Airport Customer Facility And Transportation Fee Fund (519)</b>								
<b>Clean-Up and Rebudget Actions</b>								
Airport Department	Fund Balance Reconciliation - Future Debt Service Reserve		-	-	\$234,495	-	\$234,495	-
	<b>Clean-Up and Rebudget Actions</b>							
	<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$234,495</b>	<b>\$0</b>	<b>\$234,495</b>	<b>\$0</b>	<b>\$234,495</b>
	<b>Airport Customer Facility And Transportation Fee Fund (519)</b>							
	<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$234,495</b>	<b>\$0</b>	<b>\$234,495</b>	<b>\$0</b>	<b>\$234,495</b>
<b>Airport Fiscal Agent Fund (525)</b>								
<b>Clean-Up and Rebudget Actions</b>								
Airport Department	Fund Balance Reconciliation - Debt Service Reserve		-	-	\$589,798	-	\$589,798	-
	<b>Clean-Up and Rebudget Actions</b>							
	<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$589,798</b>	<b>\$0</b>	<b>\$589,798</b>	<b>\$0</b>	<b>\$589,798</b>
<b>Budget Adjustments</b>								
Airport Department	Transfer to the Airport Revenue Fund (Fiscal Agent Funds Release)		-	-	\$850,000	-	-	\$850,000
	Debt Service Reserve (Fiscal Agent Funds Release)		-	-	(\$850,000)	-	-	(\$850,000)
	<b>Budget Adjustments Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
	<b>Airport Fiscal Agent Fund (525)</b>							
	<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$589,798</b>	<b>\$0</b>	<b>\$589,798</b>	<b>\$0</b>	<b>\$589,798</b>
<b>Airport Maintenance And Operation Fund (523)</b>								
<b>Clean-Up and Rebudget Actions</b>								
Airport Department	Fund Balance Reconciliation - Master Trust Agreement Reserve		-	-	(\$4,777,815)	-	(\$4,777,815)	-

Special Funds  
Recommended Budget Adjustments and Clean-Up/Rebudget Actions  
2018-2019 Annual Report

Department/Proposal	Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Fund Balance Reconciliation - Workers' Compensation Claim Reserve	-	-	(\$486,887)	-	(\$486,887)	-	(\$486,887)	-
Operations Contingency (Salary Program)	-	-	(\$1,597)	-	(\$1,597)	-	-	(\$1,597)
Parks, Recreation and Neighborhood Services Department								
Salary Program	\$1,597	-	-	-	\$1,597	-	-	\$1,597
<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$1,597</b>	<b>\$0</b>	<b>(\$5,266,299)</b>	<b>\$0</b>	<b>(\$5,264,702)</b>	<b>\$0</b>	<b>(\$5,264,702)</b>	<b>\$0</b>
<b>Budget Adjustments</b>								
Airport Department								
Master Trust Agreement/Transfers and Reimbursements (Transfer from Airport Revenue Fund) (2019 Airline Lease and Operating Agreement)	-	-	\$5,711,068	-	\$5,711,068	\$5,711,068	-	-
Non-Personal/Equipment (Insurance Premiums)	-	\$317,000	-	-	\$317,000	-	-	\$317,000
Operations Contingency (Insurance Premiums)	-	-	(\$317,000)	-	(\$317,000)	-	-	(\$317,000)
<b>Budget Adjustments Total</b>	<b>\$0</b>	<b>\$317,000</b>	<b>\$5,394,068</b>	<b>\$0</b>	<b>\$5,711,068</b>	<b>\$5,711,068</b>	<b>\$0</b>	<b>\$0</b>
<b>Airport Maintenance And Operation Fund (523) TOTAL</b>	<b>\$1,597</b>	<b>\$317,000</b>	<b>\$127,769</b>	<b>\$0</b>	<b>\$446,366</b>	<b>\$5,711,068</b>	<b>(\$5,264,702)</b>	<b>\$0</b>
<b>Airport Revenue Fund (521)</b>								
<b>Clean-Up and Rebudget Actions</b>								
Airport Department								
Fund Balance Reconciliation - Airline Agreement Reserve	-	-	(\$3,564,693)	-	(\$3,564,693)	-	(\$3,564,693)	-
<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$3,564,693)</b>	<b>\$0</b>	<b>(\$3,564,693)</b>	<b>\$0</b>	<b>(\$3,564,693)</b>	<b>\$0</b>

Special Funds  
Recommended Budget Adjustments and Clean-Up/Rebudget Actions  
2018-2019 Annual Report

Department/Proposal	Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
<b>Budget Adjustments</b>								
Airport Department								
Airline Agreement Reserve/Transfers and Reimbursements (Jet Fuel Local Sales Tax)	-	-	\$87,472	-	\$87,472	\$87,472	-	-
Airline Agreement Reserve/Transfers and Reimbursements (Transfer from Airport Surplus Revenue Fund) (Green Island Principal and Interest)	-	-	\$112,207	-	\$112,207	\$112,207	-	-
Airline Agreement Reserve/Transfers and Reimbursements (Transfer from Fiscal Agent Fund) (Fiscal Agent Funds Release)	-	-	\$850,000	-	\$850,000	\$850,000	-	-
Transfer to Airport Surplus Revenue Fund (Commercial Paper Paydown)	-	-	\$10,000,000	-	\$10,000,000	-	-	\$10,000,000
Airline Agreement Reserve (Commercial Paper Paydown)	-	-	(\$10,000,000)	-	(\$10,000,000)	-	-	(\$10,000,000)
Airline Agreement Reserve (2019 Airline Lease and Operating Agreement)	-	-	(\$5,711,068)	-	(\$5,711,068)	-	-	(\$5,711,068)
Transfer to Airport Maintenance and Operation Fund (2019 Airline Lease and Operating Agreement)	-	-	\$5,711,068	-	\$5,711,068	-	-	\$5,711,068
<b>Budget Adjustments Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,049,679</b>	<b>\$0</b>	<b>\$1,049,679</b>	<b>\$1,049,679</b>	<b>\$0</b>	<b>\$0</b>
<b>Airport Revenue Fund (521) TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$2,515,014)</b>	<b>\$0</b>	<b>(\$2,515,014)</b>	<b>\$1,049,679</b>	<b>(\$3,564,693)</b>	<b>\$0</b>
<b>Airport Surplus Revenue Fund (524)</b>								
<b>Clean-Up and Rebudget Actions</b>								
Airport Department								
Fund Balance Reconciliation - Airline Agreement Reserve	-	-	\$176,474	-	\$176,474	-	\$176,474	-
<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$176,474</b>	<b>\$0</b>	<b>\$176,474</b>	<b>\$0</b>	<b>\$176,474</b>	<b>\$0</b>

Special Funds  
Recommended Budget Adjustments and Clean-Up/Rebudget Actions  
2018-2019 Annual Report

Department/Proposal	Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
<b>Budget Adjustments</b>								
Airport Department								
Green Island Principal and Interest	-	-	(\$112,207)	-	(\$112,207)	-	-	(\$112,207)
Transfer to Airport Revenue Fund (Green Island Principal and Interest)	-	-	\$112,207	-	\$112,207	-	-	\$112,207
Commercial Paper Principal and Interest/Transfers and Reimbursements (Transfer from Airport Revenue Fund) (Commercial Paper Paydown)	-	-	\$10,000,000	-	\$10,000,000	\$10,000,000	-	-
<b>Budget Adjustments Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$10,000,000</b>	<b>\$0</b>	<b>\$10,000,000</b>	<b>\$10,000,000</b>	<b>\$0</b>	<b>\$0</b>
<b>Airport Surplus Revenue Fund (524) TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$10,176,474</b>	<b>\$0</b>	<b>\$10,176,474</b>	<b>\$10,000,000</b>	<b>\$176,474</b>	<b>\$0</b>
<b>Benefits Funds - Benefit Fund (160)</b>								
<b>Clean-Up and Rebudget Actions</b>								
Human Resources Department								
Fund Balance Reconciliation	-	-	-	(\$406,343)	(\$406,343)	-	(\$406,343)	-
Rebudget: Wellness Program	-	-	(\$378,836)	\$378,836	-	-	-	-
Tech Adjust: Wellness Program (Reconciliation)	-	-	\$30,250	(\$30,250)	-	-	-	-
<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$348,586)</b>	<b>(\$57,757)</b>	<b>(\$406,343)</b>	<b>\$0</b>	<b>(\$406,343)</b>	<b>\$0</b>
<b>Benefits Funds - Benefit Fund (160) TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$348,586)</b>	<b>(\$57,757)</b>	<b>(\$406,343)</b>	<b>\$0</b>	<b>(\$406,343)</b>	<b>\$0</b>
<b>Benefits Funds - Dental Insurance Fund (155)</b>								
<b>Clean-Up and Rebudget Actions</b>								
Human Resources Department								
Fund Balance Reconciliation	-	-	-	\$285,188	\$285,188	-	\$285,188	-



Special Funds  
Recommended Budget Adjustments and Clean-Up/Rebudget Actions  
2018-2019 Annual Report

Department/Proposal		Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Human Resources Department	Tech Adjust: Reserve for Claims	-	-	-	(\$46,750)	(\$46,750)	-	(\$46,750)	-
	<b>Clean-Up and Rebudget Actions</b>								
	<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$238,438</b>	<b>\$238,438</b>	<b>\$0</b>	<b>\$238,438</b>	<b>\$0</b>
	<b>Benefits Funds - Dental Insurance Fund (155) TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$238,438</b>	<b>\$238,438</b>	<b>\$0</b>	<b>\$238,438</b>	<b>\$0</b>
<b>Benefits Funds - Life Insurance Fund (156)</b>									
<b>Clean-Up and Rebudget Actions</b>									
Human Resources Department	Fund Balance Reconciliation	-	-	-	(\$22,555)	(\$22,555)	-	(\$22,555)	-
	<b>Clean-Up and Rebudget Actions</b>								
	<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$22,555)</b>	<b>(\$22,555)</b>	<b>\$0</b>	<b>(\$22,555)</b>	<b>\$0</b>
	<b>Benefits Funds - Life Insurance Fund (156) TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$22,555)</b>	<b>(\$22,555)</b>	<b>\$0</b>	<b>(\$22,555)</b>	<b>\$0</b>
<b>Benefits Funds - Self-Insured Medical Fund (158)</b>									
<b>Clean-Up and Rebudget Actions</b>									
Human Resources Department	Fund Balance Reconciliation	-	-	-	(\$248,254)	(\$248,254)	-	(\$248,254)	-
	<b>Clean-Up and Rebudget Actions</b>								
	<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$248,254)</b>	<b>(\$248,254)</b>	<b>\$0</b>	<b>(\$248,254)</b>	<b>\$0</b>
	<b>Benefits Funds - Self-Insured Medical Fund (158) TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$248,254)</b>	<b>(\$248,254)</b>	<b>\$0</b>	<b>(\$248,254)</b>	<b>\$0</b>
<b>Benefits Funds - Unemployment Insurance Fund (157)</b>									
<b>Clean-Up and Rebudget Actions</b>									
Human Resources Department	Fund Balance Reconciliation	-	-	-	\$123,525	\$123,525	-	\$123,525	-
	<b>Clean-Up and Rebudget Actions</b>								
	<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$123,525</b>	<b>\$123,525</b>	<b>\$0</b>	<b>\$123,525</b>	<b>\$0</b>
	<b>Benefits Funds - Unemployment Insurance Fund (157) TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$123,525</b>	<b>\$123,525</b>	<b>\$0</b>	<b>\$123,525</b>	<b>\$0</b>

Special Funds  
 Recommended Budget Adjustments and Clean-Up/Rebudget Actions  
 2018-2019 Annual Report

Department/Proposal	Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost	
<b>Business Improvement District Fund (351)</b>									
<b>Clean-Up and Rebudget Actions</b>									
City Manager - Office of Economic Development	Fund Balance Reconciliation (Downtown Business Improvement District)	-	-	\$31,407	-	\$31,407	-	\$31,407	-
	Fund Balance Reconciliation (Hotel Business Improvement District)	-	-	\$389,590	-	\$389,590	-	\$389,590	-
	Fund Balance Reconciliation (Japantown Business Improvement District)	-	-	\$5,921	-	\$5,921	-	\$5,921	-
	Fund Balance Reconciliation (Willow Glen Community Benefit District)	-	-	\$6,004	-	\$6,004	-	\$6,004	-
	<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$432,922</b>	<b>\$0</b>	<b>\$432,922</b>	<b>\$0</b>	<b>\$432,922</b>	<b>\$0</b>
	<b>Business Improvement District Fund (351) TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$432,922</b>	<b>\$0</b>	<b>\$432,922</b>	<b>\$0</b>	<b>\$432,922</b>	<b>\$0</b>
<b>Cash Reserve Fund (002)</b>									
<b>Clean-Up and Rebudget Actions</b>									
Finance Department	Fund Balance Reconciliation	-	-	-	\$26	\$26	-	\$26	-
	<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$26</b>	<b>\$26</b>	<b>\$0</b>	<b>\$26</b>	<b>\$0</b>
	<b>Cash Reserve Fund (002) TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$26</b>	<b>\$26</b>	<b>\$0</b>	<b>\$26</b>	<b>\$0</b>

Special Funds  
Recommended Budget Adjustments and Clean-Up/Rebudget Actions  
2018-2019 Annual Report

Department/Proposal		Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
<b>Clean-Up and Rebudget Actions</b>									
Office of the City Manager									
	Fund Balance Reconciliation	-	-	-	\$509,252	\$509,252	-	\$509,252	-
	<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$509,252</b>	<b>\$509,252</b>	<b>\$0</b>	<b>\$509,252</b>	<b>\$0</b>
City Hall Debt Service Fund (210) TOTAL									
		\$0	\$0	\$0	\$509,252	\$509,252	\$0	\$509,252	\$0
<b>Community Development Block Grant Fund (441)</b>									
<b>Clean-Up and Rebudget Actions</b>									
Housing Department									
	Fund Balance Reconciliation	-	-	-	\$1,833,409	\$1,833,409	-	\$1,833,409	-
	Rebudget: Housing Rehabilitation Loans and Grants	-	-	\$2,019,695	(\$2,019,695)	-	-	-	-
	<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,019,695</b>	<b>(\$186,286)</b>	<b>\$1,833,409</b>	<b>\$0</b>	<b>\$1,833,409</b>	<b>\$0</b>
<b>Budget Adjustments</b>									
Housing Department									
	Neighborhood Infrastructure Improvements	-	-	(\$1,055,000)	-	(\$1,055,000)	-	-	(\$1,055,000)
	Housing Program Development and Monitoring (Consolidated Planning/Assessment of Fair Housing)	-	-	\$193,090	-	\$193,090	-	-	\$193,090
	Ending Fund Balance Adjustment	-	-	-	(\$193,090)	(\$193,090)	-	-	(\$193,090)
Public Works Department									
	Public Works Neighborhood Infrastructure Improvements (Green Alley Ways)	-	-	\$1,055,000	-	\$1,055,000	-	-	\$1,055,000
	<b>Budget Adjustments Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$193,090</b>	<b>(\$193,090)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Community Development Block Grant Fund (441) TOTAL</b>									
		\$0	\$0	\$2,212,785	(\$379,376)	\$1,833,409	\$0	\$1,833,409	\$0

Special Funds  
Recommended Budget Adjustments and Clean-Up/Rebudget Actions  
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Department/Proposal		Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
<b>Community Facilities District No. 1 (Capitol Auto Mall) Fund (371)</b>									
<b>Clean-Up and Rebudget Actions</b>									
Transportation Department	Fund Balance Reconciliation	-	-	-	(\$18,239)	(\$18,239)	-	(\$18,239)	-
	<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$18,239)</b>	<b>(\$18,239)</b>	<b>\$0</b>	<b>(\$18,239)</b>	<b>\$0</b>
<b>Budget Adjustments</b>									
Transportation Department	Personal Services (Special District Landscape Services)	\$19,000	-	-	-	\$19,000	-	-	\$19,000
	Ending Fund Balance Adjustment	-	-	-	(\$19,000)	(\$19,000)	-	-	(\$19,000)
	<b>Budget Adjustments Total</b>	<b>\$19,000</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$19,000)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
	<b>Community Facilities District No. 1 (Capitol Auto Mall) Fund (371) TOTAL</b>	<b>\$19,000</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$37,239)</b>	<b>(\$18,239)</b>	<b>\$0</b>	<b>(\$18,239)</b>	<b>\$0</b>
<b>Comm Fac Dist No. 2 (Aborn-Murillo) and No. 3 (Silverland-Capriana) Fund (369)</b>									
<b>Clean-Up and Rebudget Actions</b>									
Transportation Department	Fund Balance Reconciliation	-	-	-	\$9,260	\$9,260	-	\$9,260	-
	<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$9,260</b>	<b>\$9,260</b>	<b>\$0</b>	<b>\$9,260</b>	<b>\$0</b>
<b>Budget Adjustments</b>									
Transportation Department	Non-Personal/Equipment (Special District Landscape Services)	-	\$331,000	-	-	\$331,000	-	-	\$331,000
	Ending Fund Balance Adjustment	-	-	-	(\$252,000)	(\$252,000)	-	-	(\$252,000)
	Personal Services (Special District Landscape Services)	(\$79,000)	-	-	-	(\$79,000)	-	-	(\$79,000)
	<b>Budget Adjustments Total</b>	<b>(\$79,000)</b>	<b>\$331,000</b>	<b>\$0</b>	<b>(\$252,000)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
	<b>Comm Fac Dist No. 2 (Aborn-Murillo) and No. 3 (Silverland-Capriana) Fund (369) TOTAL</b>	<b>(\$79,000)</b>	<b>\$331,000</b>	<b>\$0</b>	<b>(\$242,740)</b>	<b>\$9,260</b>	<b>\$0</b>	<b>\$9,260</b>	<b>\$0</b>

Special Funds  
 Recommended Budget Adjustments and Clean-Up/Rebudget Actions  
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Department/Proposal		Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
<b>Community Facilities District No. 8 (Communications Hill) Fund (373)</b>									
<b>Clean-Up and Rebudget Actions</b>									
Transportation Department	Fund Balance Reconciliation	-	-	-	(\$424,452)	(\$424,452)	-	(\$424,452)	-
	<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$424,452)</b>	<b>(\$424,452)</b>	<b>\$0</b>	<b>(\$424,452)</b>	<b>\$0</b>
<b>Budget Adjustments</b>									
Transportation Department	Non-Personal/Equipment (Special District Landscape Services)	-	\$263,000	-	-	\$263,000	-	-	\$263,000
	Personal Services (Special District Landscape Services)	\$86,000	-	-	-	\$86,000	-	-	\$86,000
	Ending Fund Balance Adjustment	-	-	-	(\$349,000)	(\$349,000)	-	-	(\$349,000)
	<b>Budget Adjustments Total</b>	<b>\$86,000</b>	<b>\$263,000</b>	<b>\$0</b>	<b>(\$349,000)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
	<b>Community Facilities District No. 8 (Communications Hill) Fund (373) TOTAL</b>	<b>\$86,000</b>	<b>\$263,000</b>	<b>\$0</b>	<b>(\$773,452)</b>	<b>(\$424,452)</b>	<b>\$0</b>	<b>(\$424,452)</b>	<b>\$0</b>
<b>Community Facilities District No. 11 (Adeline-Mary Helen) Fund (374)</b>									
<b>Clean-Up and Rebudget Actions</b>									
Transportation Department	Fund Balance Reconciliation	-	-	-	\$6,650	\$6,650	-	\$6,650	-
	<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$6,650</b>	<b>\$6,650</b>	<b>\$0</b>	<b>\$6,650</b>	<b>\$0</b>
	<b>Community Facilities District No. 11 (Adeline-Mary Helen) Fund (374) TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$6,650</b>	<b>\$6,650</b>	<b>\$0</b>	<b>\$6,650</b>	<b>\$0</b>

Special Funds  
Recommended Budget Adjustments and Clean-Up/Rebudget Actions  
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Department/Proposal		Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
<b>Community Facilities District No. 12 (Basking Ridge) Fund (376)</b>									
<b>Clean-Up and Rebudget Actions</b>									
Transportation Department	Fund Balance Reconciliation	-	-	-	(\$282,655)	(\$282,655)	-	(\$282,655)	-
<b>Clean-Up and Rebudget Actions TOTAL</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$282,655)</b>	<b>(\$282,655)</b>	<b>\$0</b>	<b>(\$282,655)</b>	<b>\$0</b>
<b>Budget Adjustments</b>									
Transportation Department	Personal Services (Special District Landscape Services)	\$95,000	-	-	-	\$95,000	-	-	\$95,000
Ending Fund Balance Adjustment		-	-	-	(\$95,000)	(\$95,000)	-	-	(\$95,000)
<b>Budget Adjustments Total</b>		<b>\$95,000</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$95,000)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Community Facilities District No. 12 (Basking Ridge) Fund (376) TOTAL</b>		<b>\$95,000</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$377,655)</b>	<b>(\$282,655)</b>	<b>\$0</b>	<b>(\$282,655)</b>	<b>\$0</b>
<b>Community Facilities District No. 13 (Guadalupe Mines) Fund (310)</b>									
<b>Clean-Up and Rebudget Actions</b>									
Transportation Department	Fund Balance Reconciliation	-	-	-	(\$10,504)	(\$10,504)	-	(\$10,504)	-
<b>Clean-Up and Rebudget Actions TOTAL</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$10,504)</b>	<b>(\$10,504)</b>	<b>\$0</b>	<b>(\$10,504)</b>	<b>\$0</b>
<b>Budget Adjustments</b>									
Transportation Department	Personal Services (Special District Landscape Services)	\$26,000	-	-	-	\$26,000	-	-	\$26,000
Ending Fund Balance Adjustment		-	-	-	(\$26,000)	(\$26,000)	-	-	(\$26,000)
<b>Budget Adjustments Total</b>		<b>\$26,000</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$26,000)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Community Facilities District No. 13 (Guadalupe Mines) Fund (310) TOTAL</b>		<b>\$26,000</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$36,504)</b>	<b>(\$10,504)</b>	<b>\$0</b>	<b>(\$10,504)</b>	<b>\$0</b>

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Recommended Budget Adjustments and Clean-Up/Rebudget Actions  
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Department/Proposal		Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
<b>Community Facilities District No. 14 (Raleigh-Charlotte) Fund (379)</b>									
<b>Clean-Up and Rebudget Actions</b>									
Transportation Department	Fund Balance Reconciliation	-	-	-	(\$194,333)	(\$194,333)	-	(\$194,333)	-
	<b>Clean-Up and Rebudget Actions</b>								
	<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$194,333)</b>	<b>(\$194,333)</b>	<b>\$0</b>	<b>(\$194,333)</b>	<b>\$0</b>
	<b>Community Facilities District No. 14 (Raleigh-Charlotte) Fund (379) TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$194,333)</b>	<b>(\$194,333)</b>	<b>\$0</b>	<b>(\$194,333)</b>	<b>\$0</b>
<b>Community Facilities District No. 15 (Berryessa-Sierra) Fund (370)</b>									
<b>Clean-Up and Rebudget Actions</b>									
Transportation Department	Fund Balance Reconciliation	-	-	-	(\$9,754)	(\$9,754)	-	(\$9,754)	-
	<b>Clean-Up and Rebudget Actions</b>								
	<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$9,754)</b>	<b>(\$9,754)</b>	<b>\$0</b>	<b>(\$9,754)</b>	<b>\$0</b>
	<b>Community Facilities District No. 15 (Berryessa-Sierra) Fund (370) TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$9,754)</b>	<b>(\$9,754)</b>	<b>\$0</b>	<b>(\$9,754)</b>	<b>\$0</b>
<b>Community Facilities District No. 16 (Raleigh-Coronado) Fund (344)</b>									
<b>Clean-Up and Rebudget Actions</b>									
Transportation Department	Fund Balance Reconciliation	-	-	-	(\$53,734)	(\$53,734)	-	(\$53,734)	-
	<b>Clean-Up and Rebudget Actions</b>								
	<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$53,734)</b>	<b>(\$53,734)</b>	<b>\$0</b>	<b>(\$53,734)</b>	<b>\$0</b>
<b>Budget Adjustments</b>									
Transportation Department	Non-Personal/Equipment (Special District Landscape Services)	-	\$105,000	-	-	\$105,000	-	-	\$105,000
	Ending Fund Balance Adjustment	-	-	-	(\$105,000)	(\$105,000)	-	-	(\$105,000)
	<b>Budget Adjustments Total</b>	<b>\$0</b>	<b>\$105,000</b>	<b>\$0</b>	<b>(\$105,000)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
	<b>Community Facilities District No. 16 (Raleigh-Coronado) Fund (344) TOTAL</b>	<b>\$0</b>	<b>\$105,000</b>	<b>\$0</b>	<b>(\$158,734)</b>	<b>(\$53,734)</b>	<b>\$0</b>	<b>(\$53,734)</b>	<b>\$0</b>

Special Funds  
 Recommended Budget Adjustments and Clean-Up/Rebudget Actions  
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Department/Proposal	Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
<b>Community Facilities District No. 17 (Capitol Expy – Evergreen Place) (496)</b>								
<b>Budget Adjustments</b>								
Public Works								
Department								
Community Facilities District								
No.17 Feasibility								
Project/Developer Contributions	-	-	\$37,629	-	\$37,629	\$37,629	-	-
<b>Budget Adjustments Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$37,629</b>	<b>\$0</b>	<b>\$37,629</b>	<b>\$37,629</b>	<b>\$0</b>	<b>\$0</b>
<b>Community Facilities District No. 17 (Capitol Expy – Evergreen Place) (496) TOTAL</b>								
	<b>\$0</b>	<b>\$0</b>	<b>\$37,629</b>	<b>\$0</b>	<b>\$37,629</b>	<b>\$37,629</b>	<b>\$0</b>	<b>\$0</b>
<b>Community Facilities Revenue Fund (422)</b>								
<b>Clean-Up and Rebudget Actions</b>								
Finance Department								
Fund Balance Reconciliation	-	-	-	\$1,522,972	\$1,522,972	-	\$1,522,972	-
Rebudget: Hayes Close Out Costs	-	-	\$1,500,000	(\$1,500,000)	-	-	-	-
<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,500,000</b>	<b>\$22,972</b>	<b>\$1,522,972</b>	<b>\$0</b>	<b>\$1,522,972</b>	<b>\$0</b>
<b>Community Facilities Revenue Fund (422) TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,500,000</b>	<b>\$22,972</b>	<b>\$1,522,972</b>	<b>\$0</b>	<b>\$1,522,972</b>	<b>\$0</b>



Special Funds  
 Recommended Budget Adjustments and Clean-Up/Rebudget Actions  
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Department/Proposal	Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
<b>Convention And Cultural Affairs Fund (536)</b>								
<b>Clean-Up and Rebudget Actions</b>								
City Manager - Office of Economic Development								
Fund Balance Reconciliation	-	-	-	\$1,865,891	\$1,865,891	-	\$1,865,891	-
Rebudget: Civic Auditorium / Center for the Performing Arts Marketing and Capital Improvement	-	-	\$227,996	(\$227,996)	-	-	-	-
<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$227,996</b>	<b>\$1,637,895</b>	<b>\$1,865,891</b>	<b>\$0</b>	<b>\$1,865,891</b>	<b>\$0</b>
<b>Budget Adjustments</b>								
City Manager - Office of Economic Development								
Transfers and Reimbursements (Transfer from Transient Occupancy Tax Fund)	-	-	-	-	-	(\$249,808)	-	\$249,808
Finance Department	-	-	-	(\$463,808)	(\$463,808)	-	-	(\$463,808)
Public Works Department	-	-	\$7,000	-	\$7,000	-	-	\$7,000
City Facilities Safety Assessment	-	-	\$207,000	-	\$207,000	-	-	\$207,000
<b>Budget Adjustments Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$214,000</b>	<b>(\$463,808)</b>	<b>(\$249,808)</b>	<b>(\$249,808)</b>	<b>\$0</b>	<b>\$0</b>
<b>Convention And Cultural Affairs Fund (536) TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$441,996</b>	<b>\$1,174,087</b>	<b>\$1,616,083</b>	<b>(\$249,808)</b>	<b>\$1,865,891</b>	<b>\$0</b>
<b>Convention Center Facilities District Revenue Fund (791)</b>								
<b>Clean-Up and Rebudget Actions</b>								
Finance Department								
Fund Balance Reconciliation	-	-	-	\$1,591,009	\$1,591,009	-	\$1,591,009	-
<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,591,009</b>	<b>\$1,591,009</b>	<b>\$0</b>	<b>\$1,591,009</b>	<b>\$0</b>
<b>Convention Center Facilities District Revenue Fund (791) TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,591,009</b>	<b>\$1,591,009</b>	<b>\$0</b>	<b>\$1,591,009</b>	<b>\$0</b>

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Department/Proposal		Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
<b>Downtown Property And Business Improvement District Fund (302)</b>									
<b>Clean-Up and Rebudget Actions</b>									
Transportation									
Department	Fund Balance Reconciliation	-	-	-	\$22,793	\$22,793	-	\$22,793	-
	<b>Clean-Up and Rebudget Actions</b>								
	<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$22,793</b>	<b>\$22,793</b>	<b>\$0</b>	<b>\$22,793</b>	<b>\$0</b>
<b>Downtown Property And Business Improvement District Fund (302) TOTAL</b>									
		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$22,793</b>	<b>\$22,793</b>	<b>\$0</b>	<b>\$22,793</b>	<b>\$0</b>
<b>Economic Development Administration Loan Fund (444)</b>									
<b>Clean-Up and Rebudget Actions</b>									
Housing									
Department	Fund Balance Reconciliation	-	-	-	\$40	\$40	-	\$40	-
	<b>Clean-Up and Rebudget Actions</b>								
	<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$40</b>	<b>\$40</b>	<b>\$0</b>	<b>\$40</b>	<b>\$0</b>
<b>Economic Development Administration Loan Fund (444) TOTAL</b>									
		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$40</b>	<b>\$40</b>	<b>\$0</b>	<b>\$40</b>	<b>\$0</b>
<b>Edward Byrne Memorial Justice Assistance Grant Trust Fund (474)</b>									
<b>Clean-Up and Rebudget Actions</b>									
Police Department	Fund Balance Reconciliation	-	-	-	(\$409)	(\$409)	-	(\$409)	-
	<b>Clean-Up and Rebudget Actions</b>								
	<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$409)</b>	<b>(\$409)</b>	<b>\$0</b>	<b>(\$409)</b>	<b>\$0</b>
<b>Budget Adjustments</b>									
Police Department									
	Transfers and Reimbursements (Transfer from the General Fund)	-	-	-	-	-	\$409	-	(\$409)
	Ending Fund Balance Adjustment	-	-	-	\$409	\$409	-	-	\$409
	<b>Budget Adjustments Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$409</b>	<b>\$409</b>	<b>\$409</b>	<b>\$0</b>	<b>\$0</b>
	<b>Edward Byrne Memorial Justice Assistance Grant Trust Fund (474) TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$409</b>	<b>(\$409)</b>	<b>\$0</b>

Special Funds  
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Department/Proposal	Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
<b>Emergency Reserve Fund (406)</b>								
<b>Clean-Up and Rebudget Actions</b>								
Finance Department								
Fund Balance Reconciliation	-	-	-	\$103,704	\$103,704	-	\$103,704	-
<b>Clean-Up and Rebudget Actions</b>								
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$103,704</b>	<b>\$103,704</b>	<b>\$0</b>	<b>\$103,704</b>	<b>\$0</b>
<b>Emergency Reserve Fund (406)</b>								
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$103,704</b>	<b>\$103,704</b>	<b>\$0</b>	<b>\$103,704</b>	<b>\$0</b>
<b>Federal Drug Forfeiture Fund (419)</b>								
<b>Clean-Up and Rebudget Actions</b>								
Police Department								
Fund Balance Reconciliation	-	-	-	\$92,850	\$92,850	-	\$92,850	-
<b>Clean-Up and Rebudget Actions</b>								
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$92,850</b>	<b>\$92,850</b>	<b>\$0</b>	<b>\$92,850</b>	<b>\$0</b>
<b>Budget Adjustments</b>								
Police Department								
Non-Personal/Equipment (Investigative Equipment)	-	\$215,000	-	-	\$215,000	-	-	\$215,000
Ending Fund Balance Adjustment	-	-	-	(\$215,000)	(\$215,000)	-	-	(\$215,000)
<b>Budget Adjustments Total</b>	<b>\$0</b>	<b>\$215,000</b>	<b>\$0</b>	<b>(\$215,000)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Federal Drug Forfeiture Fund (419) TOTAL</b>	<b>\$0</b>	<b>\$215,000</b>	<b>\$0</b>	<b>(\$122,150)</b>	<b>\$92,850</b>	<b>\$0</b>	<b>\$92,850</b>	<b>\$0</b>
<b>General Purpose Parking Fund (533)</b>								
<b>Clean-Up and Rebudget Actions</b>								
Transportation Department								
Fund Balance Reconciliation	-	-	-	\$1,381,664	\$1,381,664	-	\$1,381,664	-
Salary Program	\$13,967	-	-	(\$13,967)	-	-	-	-
<b>Clean-Up and Rebudget Actions</b>								
<b>TOTAL</b>	<b>\$13,967</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,367,697</b>	<b>\$1,381,664</b>	<b>\$0</b>	<b>\$1,381,664</b>	<b>\$0</b>
<b>General Purpose Parking Fund (533)</b>	<b>\$13,967</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,367,697</b>	<b>\$1,381,664</b>	<b>\$0</b>	<b>\$1,381,664</b>	<b>\$0</b>

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Department/Proposal	Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
<b>Gift Trust Fund (139)</b>								
<b>Clean-Up and Rebudget Actions</b>								
Airport Department								
Rebudget: Art Work	-	-	\$9,333	(\$9,333)	-	-	-	-
Rebudget: Heliport System Plan Study	-	-	\$30,166	(\$30,166)	-	-	-	-
Rebudget: Kidport	-	-	\$4	(\$4)	-	-	-	-
City Clerk's Office								
Rebudget: Annual District I Festival in the Park	-	-	\$27	(\$27)	-	-	-	-
Rebudget: CommUnity Resource Fair	-	-	\$1,355	(\$1,355)	-	-	-	-
Rebudget: Go Girl Go BAWSI	-	-	\$868	(\$868)	-	-	-	-
Rebudget: Mayor's College Motivation Program	-	-	\$352	(\$352)	-	-	-	-
City Manager - Office of Economic Development								
Rebudget: Albino, Erminia and Alba Joyce Martini Memorial Fund	-	-	\$762	(\$762)	-	-	-	-
Rebudget: Art + Technology Program	-	-	\$70,297	(\$70,297)	-	-	-	-
Rebudget: Arts and Education Week	-	-	(\$81,918)	\$81,918	-	-	-	-
Rebudget: Cultural Performance	-	-	\$89	(\$89)	-	-	-	-
Rebudget: Incubation Office Project	-	-	\$4,865	(\$4,865)	-	-	-	-
Rebudget: Miscellaneous Gifts	-	-	\$17	(\$17)	-	-	-	-
Rebudget: Sponsorship Gifts	-	-	\$184	(\$184)	-	-	-	-

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Department/Proposal	Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost	
Finance Department									
	Fund Balance Reconciliation	-	-	-	\$954,121	\$954,121	-	\$954,121	-
Fire Department	Rebudget: Hazardous Material Training	-	-	\$2,225	(\$2,225)	-	-	-	-
	Rebudget: Public Education Program	-	-	\$16,596	(\$16,596)	-	-	-	-
Independent Police Auditor's Office	Rebudget: IPA's Teen Leadership Council	-	-	\$2,227	(\$2,227)	-	-	-	-
Library Department	Rebudget: Books for Little Hands	-	-	\$6,647	(\$6,647)	-	-	-	-
	Rebudget: Calabazas Branch Library	-	-	\$2,156	(\$2,156)	-	-	-	-
	Rebudget: Garbage Sticker	-	-	\$11,049	(\$11,049)	-	-	-	-
	Rebudget: Library Literacy Project	-	-	\$44,834	(\$44,834)	-	-	-	-
	Rebudget: Library-General Gifts	-	-	\$9,852	(\$9,852)	-	-	-	-
Office of the City Manager	Rebudget: Facebook	-	-	\$93,330	(\$93,330)	-	-	-	-
Parks, Recreation and Neighborhood Services Department	Rebudget: Almaden Lake Park	-	-	\$2,878	(\$2,878)	-	-	-	-
	Rebudget: Almaden Lake Park Rangers	-	-	\$711	(\$711)	-	-	-	-
	Rebudget: Almaden Winery Improvements	-	-	\$32,612	(\$32,612)	-	-	-	-
	Rebudget: Alum Rock Park	-	-	\$3,713	(\$3,713)	-	-	-	-
	Rebudget: Alviso Community Center	-	-	\$22,888	(\$22,888)	-	-	-	-
	Rebudget: Alviso Recreation and Teen Program	-	-	\$1,905	(\$1,905)	-	-	-	-

Special Funds  
Recommended Budget Adjustments and Clean-Up/Rebudget Actions  
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Department/Proposal	Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Rebudget: Animal Adoption	-	-	\$4,502	(\$4,502)	-	-	-	-
Rebudget: Berryessa Center Art Project	-	-	\$2,568	(\$2,568)	-	-	-	-
Rebudget: Calabazas BMX Park	-	-	\$3,081	(\$3,081)	-	-	-	-
Rebudget: Camden Community Center Miscellaneous Gifts	-	-	\$5,424	(\$5,424)	-	-	-	-
Rebudget: Castro School Landscaping	-	-	\$7,401	(\$7,401)	-	-	-	-
Rebudget: Combined Gifts	-	-	\$7,064	(\$7,064)	-	-	-	-
Rebudget: Commodore Park Maintenance	-	-	(\$34,795)	\$34,795	-	-	-	-
Rebudget: Community Cultural Council	-	-	\$3,967	(\$3,967)	-	-	-	-
Rebudget: Emma Prusch Farm Park	-	-	\$10,705	(\$10,705)	-	-	-	-
Rebudget: Family Camp Camperships	-	-	\$5,916	(\$5,916)	-	-	-	-
Rebudget: Friends of Paul Moore Park	-	-	\$4,271	(\$4,271)	-	-	-	-
Rebudget: Grace Community Center	-	-	\$41,770	(\$41,770)	-	-	-	-
Rebudget: Gullo Park Turf Irrigation	-	-	\$19,347	(\$19,347)	-	-	-	-
Rebudget: J. Ward Memorial Scholarship	-	-	\$283	(\$283)	-	-	-	-
Rebudget: Japanese Friendship Garden	-	-	\$14,337	(\$14,337)	-	-	-	-
Rebudget: Lake Cunningham Skate Park	-	-	\$7,130	(\$7,130)	-	-	-	-
Rebudget: Leland High School Tennis	-	-	\$2,584	(\$2,584)	-	-	-	-

Special Funds  
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Department/Proposal	Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Rebudget: Mayor's Gang Prevention Task Force Clean Slate Program	-	-	\$19,944	(\$19,944)	-	-	-	-
Rebudget: Miscellaneous Gifts Under \$1,000	-	-	\$19,336	(\$19,336)	-	-	-	-
Rebudget: Mise and Starbird Gift	-	-	\$49,774	(\$49,774)	-	-	-	-
Rebudget: Newhall Park Maintenance	-	-	(\$8,278)	\$8,278	-	-	-	-
Rebudget: Nicolas Prusch Swimming	-	-	\$2,659	(\$2,659)	-	-	-	-
Rebudget: O'Donnell's Gardens Park	-	-	\$37,776	(\$37,776)	-	-	-	-
Rebudget: Overfelt Gardens	-	-	\$1,711	(\$1,711)	-	-	-	-
Rebudget: River Oaks Park Maintenance	-	-	(\$26,480)	\$26,480	-	-	-	-
Rebudget: Roosevelt Roller Hockey Rink Legacy Project 2018-2019	-	-	\$104,234	(\$104,234)	-	-	-	-
Rebudget: RP & CS General Gifts over \$1,000	-	-	\$12,468	(\$12,468)	-	-	-	-
Rebudget: Safe Summer Initiative	-	-	\$24,438	(\$24,438)	-	-	-	-
Rebudget: San José Vietnam War Memorial	-	-	\$12,681	(\$12,681)	-	-	-	-
Rebudget: St. James Park Landscaping	-	-	\$8,722	(\$8,722)	-	-	-	-
Rebudget: Vista Montana Park Maintenance	-	-	(\$4,017)	\$4,017	-	-	-	-
Rebudget: Willow Glen Founders Day	-	-	\$739	(\$739)	-	-	-	-
Rebudget: Youth Commission	-	-	\$18,503	(\$18,503)	-	-	-	-
Police Department Rebudget: Anti-Theft Car Campaign	-	-	\$2	(\$2)	-	-	-	-

Special Funds  
Recommended Budget Adjustments and Clean-Up/Rebudget Actions  
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Department/Proposal	Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Rebudget: CADPE - Drug Education	-	-	\$54	(\$54)	-	-	-	-
Rebudget: Canine Unit	-	-	\$2,438	(\$2,438)	-	-	-	-
Rebudget: Child Safety Seats	-	-	\$268	(\$268)	-	-	-	-
Rebudget: Children's Interview Center	-	-	\$30,129	(\$30,129)	-	-	-	-
Rebudget: Communications Facility Fitness Center	-	-	\$91	(\$91)	-	-	-	-
Rebudget: Community Services Program	-	-	\$3,093	(\$3,093)	-	-	-	-
Rebudget: Crime Prevention Committee	-	-	\$895	(\$895)	-	-	-	-
Rebudget: Cybercadet Program	-	-	\$198	(\$198)	-	-	-	-
Rebudget: G.E.A.R. Program	-	-	\$10	(\$10)	-	-	-	-
Rebudget: Internet Crimes Against Children	-	-	\$217	(\$217)	-	-	-	-
Rebudget: Investigative Enhancement	-	-	\$825	(\$825)	-	-	-	-
Rebudget: Major Awards Banquet	-	-	\$91	(\$91)	-	-	-	-
Rebudget: Mayor's Safe Families	-	-	\$118	(\$118)	-	-	-	-
Rebudget: Misc Gifts Under \$5000 PD	-	-	\$26,429	(\$26,429)	-	-	-	-
Rebudget: Police & School Partnership Program	-	-	\$386	(\$386)	-	-	-	-
Rebudget: Police Educational Robot	-	-	\$91	(\$91)	-	-	-	-
Rebudget: Police Mounted Unit	-	-	\$18,056	(\$18,056)	-	-	-	-
Rebudget: Police Reserves Unit	-	-	\$19,692	(\$19,692)	-	-	-	-



Special Funds  
Recommended Budget Adjustments and Clean-Up/Rebudget Actions  
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Department/Proposal	Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Rebudget: Robbery Secret Witness	-	-	\$660	(\$660)	-	-	-	-
Rebudget: S.A.V.E. Program	-	-	\$37,083	(\$37,083)	-	-	-	-
Rebudget: Scholastic Crime Stoppers	-	-	\$204	(\$204)	-	-	-	-
Rebudget: School Safety Gifts	-	-	\$75	(\$75)	-	-	-	-
Rebudget: Trauma Kits	-	-	\$77	(\$77)	-	-	-	-
Rebudget: Volunteer Program	-	-	\$28	(\$28)	-	-	-	-
Public Works Department Rebudget: Animal Services Donations	-	-	\$95,509	(\$95,509)	-	-	-	-
Rebudget: Spay / Neuter Program	-	-	\$46,425	(\$46,425)	-	-	-	-
Rebudget: Kinjo Gardens	-	-	\$5,797	(\$5,797)	-	-	-	-
Transportation Department Rebudget: Coleman / Guadalupe Traffic Study and Mitigation	-	-	\$15,840	(\$15,840)	-	-	-	-
Rebudget: Our City Forest	-	-	\$3	(\$3)	-	-	-	-
Rebudget: Pedestrian Enhancements - International Circle and Hospital Parkway	-	-	\$2,299	(\$2,299)	-	-	-	-
<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$976,874</b>	<b>(\$22,753)</b>	<b>\$954,121</b>	<b>\$0</b>	<b>\$954,121</b>	<b>\$0</b>
<b>Budget Adjustments</b>								
Airport Department Airport Military Lounge/Other Revenue	-	-	\$581	-	\$581	\$581	-	-
Parks, Recreation and Neighborhood Services Department N. San Pedro Area Park Maintenance/Other Revenue	-	-	\$120,561	-	\$120,561	\$120,561	-	-
<b>Budget Adjustments Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$121,142</b>	<b>\$0</b>	<b>\$121,142</b>	<b>\$121,142</b>	<b>\$0</b>	<b>\$0</b>
<b>Gift Trust Fund (139) TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,098,016</b>	<b>(\$22,753)</b>	<b>\$1,075,263</b>	<b>\$121,142</b>	<b>\$954,121</b>	<b>\$0</b>

Special Funds  
Recommended Budget Adjustments and Clean-Up/Rebudget Actions  
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Department/Proposal		Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
<b>Home Investment Partnership Program Trust Fund (445)</b>									
<b>Clean-Up and Rebudget Actions</b>									
Housing Department	Fund Balance Reconciliation	-	-	-	(\$921,089)	(\$921,089)	-	(\$921,089)	-
	Rebudget: Revenue from Federal Government	-	-	-	\$2,581,146	\$2,581,146	\$2,581,146	-	-
<b>Clean-Up and Rebudget Actions TOTAL</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,660,057</b>	<b>\$1,660,057</b>	<b>\$2,581,146</b>	<b>(\$921,089)</b>	<b>\$0</b>
<b>Budget Adjustments</b>									
Housing Department	Fair Housing	-	-	\$14,142	-	\$14,142	-	-	\$14,142
	Ending Fund Balance Adjustment	-	-	-	(\$14,142)	(\$14,142)	-	-	(\$14,142)
<b>Budget Adjustments Total</b>		<b>\$0</b>	<b>\$0</b>	<b>\$14,142</b>	<b>(\$14,142)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Home Investment Partnership Program Trust Fund (445) TOTAL</b>		<b>\$0</b>	<b>\$0</b>	<b>\$14,142</b>	<b>\$1,645,915</b>	<b>\$1,660,057</b>	<b>\$2,581,146</b>	<b>(\$921,089)</b>	<b>\$0</b>
<b>Housing Trust Fund (440)</b>									
<b>Clean-Up and Rebudget Actions</b>									
Housing Department	Fund Balance Reconciliation	-	-	-	\$1,044,617	\$1,044,617	-	\$1,044,617	-
	Rebudget: Employment Initiative Program	-	-	\$250,000	(\$250,000)	-	-	-	-
<b>Clean-Up and Rebudget Actions TOTAL</b>		<b>\$0</b>	<b>\$0</b>	<b>\$250,000</b>	<b>\$794,617</b>	<b>\$1,044,617</b>	<b>\$0</b>	<b>\$1,044,617</b>	<b>\$0</b>
<b>Budget Adjustments</b>									
Housing Department	Non-Personal/Equipment (Renters' Rights Campaign)	-	\$50,000	-	-	\$50,000	-	-	\$50,000
	Ending Fund Balance Adjustment	-	-	-	(\$50,000)	(\$50,000)	-	-	(\$50,000)
<b>Budget Adjustments Total</b>		<b>\$0</b>	<b>\$50,000</b>	<b>\$0</b>	<b>(\$50,000)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Housing Trust Fund (440) TOTAL</b>		<b>\$0</b>	<b>\$50,000</b>	<b>\$250,000</b>	<b>\$744,617</b>	<b>\$1,044,617</b>	<b>\$0</b>	<b>\$1,044,617</b>	<b>\$0</b>

Special Funds  
 Recommended Budget Adjustments and Clean-Up/Rebudget Actions  
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Department/Proposal	Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
<b>Ice Centre Revenue Fund (432)</b>								
<b>Clean-Up and Rebudget Actions</b>								
Finance Department								
Rebudget: Solar4America Ice Expansion	-	-	\$7,000	(\$7,000)	-	-	-	-
Office of the City Manager								
Fund Balance Reconciliation	-	-	-	\$864,196	\$864,196	-	\$864,196	-
<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$7,000</b>	<b>\$857,196</b>	<b>\$864,196</b>	<b>\$0</b>	<b>\$864,196</b>	<b>\$0</b>
<b>Budget Adjustments</b>								
Office of the City Manager								
Previously Approved Repairs Reserve	-	-	(\$1,612,789)	-	(\$1,612,789)	-	-	(\$1,612,789)
Finance Department								
Electrical Repairs	-	-	\$82,167	-	\$82,167	-	-	\$82,167
Mechanical Repairs	-	-	\$693,247	-	\$693,247	-	-	\$693,247
Miscellaneous Repairs	-	-	\$103,167	-	\$103,167	-	-	\$103,167
Structures Repairs	-	-	\$624,639	-	\$624,639	-	-	\$624,639
Unanticipated/Emergency Repairs	-	-	\$109,569	-	\$109,569	-	-	\$109,569
<b>Budget Adjustments Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Ice Centre Revenue Fund (432) TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$7,000</b>	<b>\$857,196</b>	<b>\$864,196</b>	<b>\$0</b>	<b>\$864,196</b>	<b>\$0</b>
<b>Inclusionary Fee Fund (451)</b>								
<b>Budget Adjustments</b>								
Housing Department								
Non-Personal/Equipment (Inclusionary Housing Ordinance Update)	-	\$130,000	-	-	\$130,000	-	-	\$130,000
Ending Fund Balance Adjustment	-	-	-	(\$130,000)	(\$130,000)	-	-	(\$130,000)
Transfers and Reimbursements (Inclusionary Fee Fund)	-	-	-	-	-	\$7,653,742	-	(\$7,653,742)
Housing Project Reserve	-	-	\$7,653,742	-	\$7,653,742	-	-	\$7,653,742
<b>Budget Adjustments Total</b>	<b>\$0</b>	<b>\$130,000</b>	<b>\$7,653,742</b>	<b>(\$130,000)</b>	<b>\$7,653,742</b>	<b>\$7,653,742</b>	<b>\$0</b>	<b>\$0</b>
<b>Inclusionary Fee Fund (451) TOTAL</b>	<b>\$0</b>	<b>\$130,000</b>	<b>\$7,653,742</b>	<b>(\$130,000)</b>	<b>\$7,653,742</b>	<b>\$7,653,742</b>	<b>\$0</b>	<b>\$0</b>

Special Funds  
 Recommended Budget Adjustments and Clean-Up/Rebudget Actions  
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Department/Proposal	Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
<b>Integrated Waste Management Fund (423)</b>								
<b>Clean-Up and Rebudget Actions</b>								
Environmental Services Department								
Fund Balance Reconciliation	-	-	-	\$2,630,991	\$2,630,991	-	\$2,630,991	-
<b>Clean-Up and Rebudget Actions</b>								
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,630,991</b>	<b>\$2,630,991</b>	<b>\$0</b>	<b>\$2,630,991</b>	<b>\$0</b>
<b>Integrated Waste Management Fund (423) TOTAL</b>								
	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,630,991</b>	<b>\$2,630,991</b>	<b>\$0</b>	<b>\$2,630,991</b>	<b>\$0</b>
<b>Library Parcel Tax Fund (418)</b>								
<b>Clean-Up and Rebudget Actions</b>								
Library Department								
Fund Balance Reconciliation	-	-	-	\$406,657	\$406,657	-	\$406,657	-
<b>Clean-Up and Rebudget Actions</b>								
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$406,657</b>	<b>\$406,657</b>	<b>\$0</b>	<b>\$406,657</b>	<b>\$0</b>
<b>Library Parcel Tax Fund (418) TOTAL</b>								
	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$406,657</b>	<b>\$406,657</b>	<b>\$0</b>	<b>\$406,657</b>	<b>\$0</b>
<b>Low And Moderate Income Housing Asset Fund (346)</b>								
<b>Clean-Up and Rebudget Actions</b>								
Housing Department								
Fund Balance Reconciliation	-	-	-	\$27,228,540	\$27,228,540	-	\$27,228,540	-
Rebudget: Housing Loans and Grants	-	-	\$16,950,000	(\$16,950,000)	-	-	-	-
<b>Clean-Up and Rebudget Actions</b>								
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$16,950,000</b>	<b>\$10,278,540</b>	<b>\$27,228,540</b>	<b>\$0</b>	<b>\$27,228,540</b>	<b>\$0</b>

Special Funds  
Recommended Budget Adjustments and Clean-Up/Rebudget Actions  
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Department/Proposal		Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
<b>Budget Adjustments</b>									
Housing Department	Non-Personal/Equipment (Affordable Housing Siting Policy)	-	\$150,000	-	-	\$150,000	-	-	\$150,000
	Housing Predevelopment Activity	-	-	\$250,000	-	\$250,000	-	-	\$250,000
	Ending Fund Balance Adjustment Housing Project Reserve (Low and Moderate Income Housing Asset Fund)	-	-	-	(\$9,400,000)	(\$9,400,000)	-	-	(\$9,400,000)
		-	-	\$9,000,000	-	\$9,000,000	-	-	\$9,000,000
	<b>Budget Adjustments Total</b>	<b>\$0</b>	<b>\$150,000</b>	<b>\$9,250,000</b>	<b>(\$9,400,000)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
	<b>Low And Moderate Income Housing Asset Fund (346) TOTAL</b>	<b>\$0</b>	<b>\$150,000</b>	<b>\$26,200,000</b>	<b>\$878,540</b>	<b>\$27,228,540</b>	<b>\$0</b>	<b>\$27,228,540</b>	<b>\$0</b>
<b>Maintenance District No. 1 (Los Paseos) Fund (352)</b>									
<b>Clean-Up and Rebudget Actions</b>									
Transportation Department	Fund Balance Reconciliation	-	-	-	\$15,482	\$15,482	-	\$15,482	-
	<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$15,482</b>	<b>\$15,482</b>	<b>\$0</b>	<b>\$15,482</b>	<b>\$0</b>
<b>Budget Adjustments</b>									
Transportation Department	Non-Personal/Equipment (Special District Landscape Services)	-	\$116,000	-	-	\$116,000	-	-	\$116,000
	Ending Fund Balance Adjustment Personal Services (Special District Landscape Services)	-	-	-	(\$79,000)	(\$79,000)	-	-	(\$79,000)
		(\$37,000)	-	-	-	(\$37,000)	-	-	(\$37,000)
	<b>Budget Adjustments Total</b>	<b>(\$37,000)</b>	<b>\$116,000</b>	<b>\$0</b>	<b>(\$79,000)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
	<b>Maintenance District No. 1 (Los Paseos) Fund (352) TOTAL</b>	<b>(\$37,000)</b>	<b>\$116,000</b>	<b>\$0</b>	<b>(\$63,518)</b>	<b>\$15,482</b>	<b>\$0</b>	<b>\$15,482</b>	<b>\$0</b>

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Recommended Budget Adjustments and Clean-Up/Rebudget Actions  
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Department/Proposal		Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
<b>Maintenance District No. 2 (Trade Zone Blvd.-Lundy Ave.) Fund (354)</b>									
<b>Clean-Up and Rebudget Actions</b>									
Transportation Department	Fund Balance Reconciliation	-	-	-	(\$5,843)	(\$5,843)	-	(\$5,843)	-
	<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$5,843)</b>	<b>(\$5,843)</b>	<b>\$0</b>	<b>(\$5,843)</b>	<b>\$0</b>
	<b>Maintenance District No. 2 (Trade Zone Blvd.-Lundy Ave.) Fund (354) TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$5,843)</b>	<b>(\$5,843)</b>	<b>\$0</b>	<b>(\$5,843)</b>	<b>\$0</b>
<b>Maintenance District No. 5 (Orchard Parkway-Plumeria Drive) Fund (357)</b>									
<b>Clean-Up and Rebudget Actions</b>									
Transportation Department	Fund Balance Reconciliation	-	-	-	(\$127,686)	(\$127,686)	-	(\$127,686)	-
	<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$127,686)</b>	<b>(\$127,686)</b>	<b>\$0</b>	<b>(\$127,686)</b>	<b>\$0</b>
	<b>Maintenance District No. 5 (Orchard Parkway-Plumeria Drive) Fund (357) TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$127,686)</b>	<b>(\$127,686)</b>	<b>\$0</b>	<b>(\$127,686)</b>	<b>\$0</b>
<b>Maintenance District No. 8 (Zanker-Montague) Fund (361)</b>									
<b>Clean-Up and Rebudget Actions</b>									
Transportation Department	Fund Balance Reconciliation	-	-	-	(\$20,107)	(\$20,107)	-	(\$20,107)	-
	<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$20,107)</b>	<b>(\$20,107)</b>	<b>\$0</b>	<b>(\$20,107)</b>	<b>\$0</b>
<b>Budget Adjustments</b>									
Transportation Department	Personal Services (Special District Landscape Services)	\$16,000	-	-	-	\$16,000	-	-	\$16,000
	Ending Fund Balance Adjustment	-	-	-	(\$16,000)	(\$16,000)	-	-	(\$16,000)
	<b>Budget Adjustments Total</b>	<b>\$16,000</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$16,000)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
	<b>Maintenance District No. 8 (Zanker-Montague) Fund (361) TOTAL</b>	<b>\$16,000</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$36,107)</b>	<b>(\$20,107)</b>	<b>\$0</b>	<b>(\$20,107)</b>	<b>\$0</b>

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Department/Proposal		Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
<b>Maintenance District No. 9 (Santa Teresa-Great Oaks) Fund (362)</b>									
<b>Clean-Up and Rebudget Actions</b>									
Transportation									
Department	Fund Balance Reconciliation	-	-	-	(\$20,138)	(\$20,138)	-	(\$20,138)	-
	<b>Clean-Up and Rebudget Actions</b>								
	<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$20,138)</b>	<b>(\$20,138)</b>	<b>\$0</b>	<b>(\$20,138)</b>	<b>\$0</b>
<b>Maintenance District No. 9 (Santa Teresa-Great Oaks) Fund (362) TOTAL</b>									
		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$20,138)</b>	<b>(\$20,138)</b>	<b>\$0</b>	<b>(\$20,138)</b>	<b>\$0</b>
<b>Maintenance District No. 11 (Brokaw Rd/Junction Ave/Old Oakland Rd) Fund (364)</b>									
<b>Clean-Up and Rebudget Actions</b>									
Transportation									
Department	Fund Balance Reconciliation	-	-	-	(\$14,463)	(\$14,463)	-	(\$14,463)	-
	<b>Clean-Up and Rebudget Actions</b>								
	<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$14,463)</b>	<b>(\$14,463)</b>	<b>\$0</b>	<b>(\$14,463)</b>	<b>\$0</b>
<b>Budget Adjustments</b>									
Transportation									
Department	Non-Personal/Equipment (Special District Landscape Services)	-	\$41,000	-	-	\$41,000	-	-	\$41,000
	Ending Fund Balance Adjustment	-	-	-	(\$41,000)	(\$41,000)	-	-	(\$41,000)
	<b>Budget Adjustments Total</b>	<b>\$0</b>	<b>\$41,000</b>	<b>\$0</b>	<b>(\$41,000)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Maintenance District No. 11 (Brokaw Rd/Junction Ave/Old Oakland Rd) Fund (364) TOTAL</b>									
		<b>\$0</b>	<b>\$41,000</b>	<b>\$0</b>	<b>(\$55,463)</b>	<b>(\$14,463)</b>	<b>\$0</b>	<b>(\$14,463)</b>	<b>\$0</b>

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Department/Proposal	Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost	
<b>Maintenance District No. 13 (Karina-O'Nel) Fund (366)</b>									
<b>Clean-Up and Rebudget Actions</b>									
Transportation Department	Fund Balance Reconciliation	-	-	-	(\$13,745)	(\$13,745)	-	(\$13,745)	-
	<b>Clean-Up and Rebudget Actions</b>								
	<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$13,745)</b>	<b>(\$13,745)</b>	<b>\$0</b>	<b>(\$13,745)</b>	<b>\$0</b>
	<b>Maintenance District No. 13 (Karina-O'Nel) Fund (366)</b>								
	<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$13,745)</b>	<b>(\$13,745)</b>	<b>\$0</b>	<b>(\$13,745)</b>	<b>\$0</b>
<b>Maintenance District No. 15 (Silver Creek Valley) Fund (368)</b>									
<b>Clean-Up and Rebudget Actions</b>									
Transportation Department	Fund Balance Reconciliation	-	-	-	(\$122,126)	(\$122,126)	-	(\$122,126)	-
	<b>Clean-Up and Rebudget Actions</b>								
	<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$122,126)</b>	<b>(\$122,126)</b>	<b>\$0</b>	<b>(\$122,126)</b>	<b>\$0</b>
<b>Budget Adjustments</b>									
Transportation Department	Ending Fund Balance Adjustment	-	-	-	\$106,000	\$106,000	-	-	\$106,000
	Personal Services (Special District Landscape Services)	(\$106,000)	-	-	-	(\$106,000)	-	-	(\$106,000)
	<b>Budget Adjustments Total</b>	<b>(\$106,000)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$106,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
	<b>Maintenance District No. 15 (Silver Creek Valley) Fund (368)</b>								
	<b>TOTAL</b>	<b>(\$106,000)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$16,126)</b>	<b>(\$122,126)</b>	<b>\$0</b>	<b>(\$122,126)</b>	<b>\$0</b>
<b>Maintenance District No. 18 (The Meadowlands) Fund (372)</b>									
<b>Clean-Up and Rebudget Actions</b>									
Transportation Department	Fund Balance Reconciliation	-	-	-	\$5,945	\$5,945	-	\$5,945	-
	<b>Clean-Up and Rebudget Actions</b>								
	<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$5,945</b>	<b>\$5,945</b>	<b>\$0</b>	<b>\$5,945</b>	<b>\$0</b>
<b>Budget Adjustments</b>									
Transportation Department	Ending Fund Balance Adjustment	-	-	-	\$20,000	\$20,000	-	-	\$20,000



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Department/Proposal		Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
	Personal Services (Special District Landscape Services)	(\$20,000)	-	-	-	(\$20,000)	-	-	(\$20,000)
	<b>Budget Adjustments Total</b>	<b>(\$20,000)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$20,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
	<b>Maintenance District No. 18 (The Meadowlands) Fund (372)</b>								
	<b>TOTAL</b>	<b>(\$20,000)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$25,945</b>	<b>\$5,945</b>	<b>\$0</b>	<b>\$5,945</b>	<b>\$0</b>
<b>Maintenance District No. 19 (River Oaks Area Landscaping) Fund (359)</b>									
<b>Clean-Up and Rebudget Actions</b>									
Transportation Department	Fund Balance Reconciliation	-	-	-	(\$11,614)	(\$11,614)	-	(\$11,614)	-
	<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$11,614)</b>	<b>(\$11,614)</b>	<b>\$0</b>	<b>(\$11,614)</b>	<b>\$0</b>
<b>Budget Adjustments</b>									
Transportation Department	Non-Personal/Equipment (Special District Landscape Services)	-	\$26,000	-	-	\$26,000	-	-	\$26,000
	Ending Fund Balance Adjustment	-	-	-	(\$26,000)	(\$26,000)	-	-	(\$26,000)
	<b>Budget Adjustments Total</b>	<b>\$0</b>	<b>\$26,000</b>	<b>\$0</b>	<b>(\$26,000)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
	<b>Maintenance District No. 19 (River Oaks Area Landscaping) Fund (359) TOTAL</b>	<b>\$0</b>	<b>\$26,000</b>	<b>\$0</b>	<b>(\$37,614)</b>	<b>(\$11,614)</b>	<b>\$0</b>	<b>(\$11,614)</b>	<b>\$0</b>
<b>Maintenance District No. 20 (Renaissance-N. First Landscaping) Fund (365)</b>									
<b>Clean-Up and Rebudget Actions</b>									
Transportation Department	Fund Balance Reconciliation	-	-	-	(\$53,649)	(\$53,649)	-	(\$53,649)	-
	<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$53,649)</b>	<b>(\$53,649)</b>	<b>\$0</b>	<b>(\$53,649)</b>	<b>\$0</b>
<b>Budget Adjustments</b>									
Transportation Department	Non-Personal/Equipment (Special District Landscape Services)	-	\$13,000	-	-	\$13,000	-	-	\$13,000

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Department/Proposal	Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost	
Ending Fund Balance Adjustment	-	-	-	(\$13,000)	(\$13,000)	-	-	(\$13,000)	
<b>Budget Adjustments Total</b>	<b>\$0</b>	<b>\$13,000</b>	<b>\$0</b>	<b>(\$13,000)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	
<b>Maintenance District No. 20 (Renaissance-N. First Landscaping) Fund (365)</b>									
<b>TOTAL</b>	<b>\$0</b>	<b>\$13,000</b>	<b>\$0</b>	<b>(\$66,649)</b>	<b>(\$53,649)</b>	<b>\$0</b>	<b>(\$53,649)</b>	<b>\$0</b>	
<b>Maintenance District No. 21 (Gateway Place-Airport Parkway) Fund (356)</b>									
<b>Clean-Up and Rebudget Actions</b>									
Transportation Department	Fund Balance Reconciliation	-	-	-	\$1,927	\$1,927	-	\$1,927	-
	<b>Clean-Up and Rebudget Actions</b>								
	<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,927</b>	<b>\$1,927</b>	<b>\$0</b>	<b>\$1,927</b>	<b>\$0</b>
	<b>Maintenance District No. 21 (Gateway Place-Airport Parkway) Fund (356) TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,927</b>	<b>\$1,927</b>	<b>\$0</b>	<b>\$1,927</b>	<b>\$0</b>
<b>Maintenance District No. 22 (Hellyer Ave.-Silver Creek Valley Rd.) Fund (367)</b>									
<b>Clean-Up and Rebudget Actions</b>									
Transportation Department	Fund Balance Reconciliation	-	-	-	(\$27,626)	(\$27,626)	-	(\$27,626)	-
	<b>Clean-Up and Rebudget Actions</b>								
	<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$27,626)</b>	<b>(\$27,626)</b>	<b>\$0</b>	<b>(\$27,626)</b>	<b>\$0</b>
	<b>Maintenance District No. 22 (Hellyer Ave.-Silver Creek Valley Rd.) Fund (367) TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$27,626)</b>	<b>(\$27,626)</b>	<b>\$0</b>	<b>(\$27,626)</b>	<b>\$0</b>
<b>Multi-Source Housing Fund (448)</b>									
<b>Clean-Up and Rebudget Actions</b>									
Housing Department	Fund Balance Reconciliation	-	-	-	\$5,981,342	\$5,981,342	-	\$5,981,342	-

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Department/Proposal	Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Fund Balance Reconciliation - City Housing Authority Reserve	-	-	(\$584,109)	\$584,109	-	-	-	-
Rebudget: 2017 Coyote Creek Recovery Efforts	-	-	\$321,297	(\$321,297)	-	-	-	-
Rebudget: Homeless Rapid Rehousing	-	-	\$685,523	(\$685,523)	-	-	-	-
Rebudget: Rebuilding for Heroes	-	-	(\$101,414)	\$101,414	-	-	-	-
Tech Adj: City Housing Authority Reserve (Housing Authority Litigation Award Fund Reconciliation)	-	-	\$64,028	-	\$64,028	-	\$64,028	-
Tech Adjust: Emergency Shelter Grant (Reconciliation)	-	-	(\$120,003)	-	(\$120,003)	(\$120,003)	-	-
Tech Adjust: HOPWA PSH (Reconciliation)	-	-	\$185,099	-	\$185,099	\$185,099	-	-
Tech Adjust: HOPWA VAWA (Reconciliation)	-	-	\$568,840	-	\$568,840	\$568,840	-	-
Tech Adjust: HOPWA PSH (Reconciliation)	-	-	-	\$12,600	\$12,600	\$12,600	-	-
<b>Clean-Up and Rebudget Actions</b>								
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,019,261</b>	<b>\$5,672,645</b>	<b>\$6,691,906</b>	<b>\$646,536</b>	<b>\$6,045,370</b>	<b>\$0</b>
<b>Budget Adjustments</b>								
Housing Department								
Bridge Housing Communities	-	-	\$1,700,000	-	\$1,700,000	-	-	\$1,700,000
Transfer to the Affordable Housing Impact Fee Fund	-	-	\$1,382,732	-	\$1,382,732	-	-	\$1,382,732
Transfer to the Homeless Emergency Aid Program Fund	-	-	\$103,679	-	\$103,679	-	-	\$103,679
Transfer to the Housing Authority Litigation Award Fund	-	-	\$257,115	-	\$257,115	-	-	\$257,115
Transfers and Reimbursements (Affordable Housing Impact Fee Fund)	-	-	-	-	-	\$1,382,732	-	(\$1,382,732)

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Department/Proposal	Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Ending Fund Balance Adjustment	-	-	-	(\$1,654,840)	(\$1,654,840)	-	-	(\$1,654,840)
Transfer to the Inclusionary Fee Fund	-	-	\$7,653,742	-	\$7,653,742	-	-	\$7,653,742
Transfer to the Rent Stabilization Program Fund	-	-	\$1,294,046	-	\$1,294,046	-	-	\$1,294,046
City Housing Authority Reserve (Housing Authority Litigation Award)	-	-	(\$1,442,885)	-	(\$1,442,885)	-	-	(\$1,442,885)
Housing Project Reserve (Multi-Source Housing Fund)	-	-	(\$9,036,474)	-	(\$9,036,474)	-	-	(\$9,036,474)
Housing Project Reserve (Affordable Housing Impact Fee Memo Fund)	-	-	\$1,382,732	-	\$1,382,732	-	-	\$1,382,732
HOPWA VAWA/Revenue from Federal Government	-	-	\$508,952	-	\$508,952	\$508,952	-	-
Transfers and Reimbursements (Housing Authority Litigation Award Fund)	-	-	-	-	-	\$257,115	-	(\$257,115)
Transfers and Reimbursements (Homeless Emergency Aid Program Fund)	-	-	-	-	-	\$103,679	-	(\$103,679)
Ending Fund Balance Adjustment	-	-	-	\$103,679	\$103,679	-	-	\$103,679
<b>Budget Adjustments Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,803,639</b>	<b>(\$1,551,161)</b>	<b>\$2,252,478</b>	<b>\$2,252,478</b>	<b>\$0</b>	<b>\$0</b>
<b>Multi-Source Housing Fund (448) TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$4,822,900</b>	<b>\$4,121,484</b>	<b>\$8,944,384</b>	<b>\$2,899,014</b>	<b>\$6,045,370</b>	<b>\$0</b>

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Department/Proposal	Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
<b>Municipal Golf Course Fund (518)</b>								
<b>Clean-Up and Rebudget Actions</b>								
Parks, Recreation and Neighborhood Services Department								
Fund Balance Reconciliation	-	-	-	\$58,183	\$58,183	-	\$58,183	-
<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$58,183</b>	<b>\$58,183</b>	<b>\$0</b>	<b>\$58,183</b>	<b>\$0</b>
<b>Budget Adjustments</b>								
Parks, Recreation and Neighborhood Services Department								
Los Lagos Debt Service/Transfers and Reimbursements	-	-	\$2,300,000	-	\$2,300,000	\$2,300,000	-	-
<b>Budget Adjustments Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,300,000</b>	<b>\$0</b>	<b>\$2,300,000</b>	<b>\$2,300,000</b>	<b>\$0</b>	<b>\$0</b>
<b>Municipal Golf Course Fund (518) TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,300,000</b>	<b>\$58,183</b>	<b>\$2,358,183</b>	<b>\$2,300,000</b>	<b>\$58,183</b>	<b>\$0</b>
<b>Public Works Program Support Fund (150)</b>								
<b>Clean-Up and Rebudget Actions</b>								
Public Works Department								
Fund Balance Reconciliation	-	-	-	\$358,223	\$358,223	-	\$358,223	-
<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$358,223</b>	<b>\$358,223</b>	<b>\$0</b>	<b>\$358,223</b>	<b>\$0</b>
<b>Public Works Program Support Fund (150) TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$358,223</b>	<b>\$358,223</b>	<b>\$0</b>	<b>\$358,223</b>	<b>\$0</b>
<b>Rental Stabilization Program Fee Fund (450)</b>								
<b>Budget Adjustments</b>								
Housing Department								
Ending Fund Balance Adjustment	-	-	-	\$794,046	\$794,046	-	-	\$794,046
Non-Personal/Equipment (Rent Stabilization Hearing Officers)	-	\$500,000	-	-	\$500,000	-	-	\$500,000

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Department/Proposal	Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost	
Transfers and Reimbursements (Rent Stabilization Program Fee Fund)	-	-	-	-	-	\$1,294,046	-	(\$1,294,046)	
<b>Budget Adjustments Total</b>	<b>\$0</b>	<b>\$500,000</b>	<b>\$0</b>	<b>\$794,046</b>	<b>\$1,294,046</b>	<b>\$1,294,046</b>	<b>\$0</b>	<b>\$0</b>	
<b>Rental Stabilization Program Fee Fund (450) TOTAL</b>	<b>\$0</b>	<b>\$500,000</b>	<b>\$0</b>	<b>\$794,046</b>	<b>\$1,294,046</b>	<b>\$1,294,046</b>	<b>\$0</b>	<b>\$0</b>	
<b>San José Arena Capital Reserve Fund (459)</b>									
<b>Clean-Up and Rebudget Actions</b>									
Office of the City Manager	Fund Balance Reconciliation	-	-	-	\$4,018,068	\$4,018,068	-	\$4,018,068	-
	Fund Balance Reconciliation - Previously Approved Repairs Reserve	-	-	\$4,005,932	(\$4,005,932)	-	-	-	-
	<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$4,005,932</b>	<b>\$12,136</b>	<b>\$4,018,068</b>	<b>\$0</b>	<b>\$4,018,068</b>	<b>\$0</b>
<b>Budget Adjustments</b>									
Office of the City Manager	Previously Approved Repairs Reserve	-	-	(\$2,214,125)	-	(\$2,214,125)	-	-	(\$2,214,125)
City Manager - Office of Economic Development	Electrical Repairs	-	-	\$1,515,688	-	\$1,515,688	-	-	\$1,515,688
	Mechanical Repairs	-	-	\$185,429	-	\$185,429	-	-	\$185,429
	Miscellaneous Repairs	-	-	\$68,190	-	\$68,190	-	-	\$68,190
	Structures Repairs	-	-	\$211,003	-	\$211,003	-	-	\$211,003
	Unanticipated/Emergency Repairs	-	-	\$233,815	-	\$233,815	-	-	\$233,815
	<b>Budget Adjustments Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
	<b>San José Arena Capital Reserve Fund (459) TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$4,005,932</b>	<b>\$12,136</b>	<b>\$4,018,068</b>	<b>\$0</b>	<b>\$4,018,068</b>	<b>\$0</b>

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Department/Proposal	Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
<b>San José Clean Energy Operating Fund (501)</b>								
<b>Clean-Up and Rebudget Actions</b>								
Community Energy Department								
Fund Balance Reconciliation	-	-	-	(\$716,257)	(\$716,257)	-	\$2,344,743	(\$3,061,000)
Fund Balance Reconciliation - Community Energy Rate Stabilization Reserve	-	-	-	-	-	-	\$1,939,000	(\$1,939,000)
Fund Balance Reconciliation - Operations and Maintenance Reserve	-	-	-	-	-	-	(\$5,000,000)	\$5,000,000
Rebudget: Cost of Energy	-	-	\$6,500,000	(\$6,500,000)	-	-	-	-
Rebudget: Fees, Rates, and Charges (Energy Sales)	-	-	-	\$5,000,000	\$5,000,000	\$5,000,000	-	-
<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$6,500,000</b>	<b>(\$2,216,257)</b>	<b>\$4,283,743</b>	<b>\$5,000,000</b>	<b>(\$716,257)</b>	<b>\$0</b>
<b>San José Clean Energy Operating Fund (501) TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$6,500,000</b>	<b>(\$2,216,257)</b>	<b>\$4,283,743</b>	<b>\$5,000,000</b>	<b>(\$716,257)</b>	<b>\$0</b>
<b>San José-Santa Clara Treatment Plant Income Fund (514)</b>								
<b>Clean-Up and Rebudget Actions</b>								
Environmental Services Department								
Fund Balance Reconciliation	-	-	-	\$94,941	\$94,941	-	\$94,941	-
<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$94,941</b>	<b>\$94,941</b>	<b>\$0</b>	<b>\$94,941</b>	<b>\$0</b>
<b>San José-Santa Clara Treatment Plant Income Fund (514) TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$94,941</b>	<b>\$94,941</b>	<b>\$0</b>	<b>\$94,941</b>	<b>\$0</b>

Special Funds  
Recommended Budget Adjustments and Clean-Up/Rebudget Actions  
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Department/Proposal	Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
<b>San José-Santa Clara Treatment Plant Operating Fund (513)</b>								
<b>Clean-Up and Rebudget Actions</b>								
Environmental Services Department								
Fund Balance Reconciliation	-	-	-	\$5,911,857	\$5,911,857	-	\$5,911,857	-
<b>Clean-Up and Rebudget Actions</b>								
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$5,911,857</b>	<b>\$5,911,857</b>	<b>\$0</b>	<b>\$5,911,857</b>	<b>\$0</b>
<b>San José-Santa Clara Treatment Plant Operating Fund (513)</b>								
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$5,911,857</b>	<b>\$5,911,857</b>	<b>\$0</b>	<b>\$5,911,857</b>	<b>\$0</b>
<b>Sewage Treatment Plant Connection Fee Fund (539)</b>								
<b>Clean-Up and Rebudget Actions</b>								
Environmental Services Department								
Fund Balance Reconciliation	-	-	\$1,184,776	-	\$1,184,776	-	\$1,184,776	-
<b>Clean-Up and Rebudget Actions</b>								
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,184,776</b>	<b>\$0</b>	<b>\$1,184,776</b>	<b>\$0</b>	<b>\$1,184,776</b>	<b>\$0</b>
<b>Sewage Treatment Plant Connection Fee Fund (539)</b>								
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,184,776</b>	<b>\$0</b>	<b>\$1,184,776</b>	<b>\$0</b>	<b>\$1,184,776</b>	<b>\$0</b>
<b>Sewer Service And Use Charge Fund (541)</b>								
<b>Clean-Up and Rebudget Actions</b>								
Environmental Services Department								
Fund Balance Reconciliation	-	-	-	\$2,116,814	\$2,116,814	-	\$2,116,814	-
Salary Program	-	-	-	(\$239,453)	(\$239,453)	-	-	(\$239,453)
Transportation Department								
Rebudget: Non-Personal/Equipment (Sewer Lateral Grant)	-	\$80,400	-	(\$80,400)	-	-	-	-
Salary Program	\$239,453	-	-	-	\$239,453	-	-	\$239,453
<b>Clean-Up and Rebudget Actions</b>								
<b>TOTAL</b>	<b>\$239,453</b>	<b>\$80,400</b>	<b>\$0</b>	<b>\$1,796,961</b>	<b>\$2,116,814</b>	<b>\$0</b>	<b>\$2,116,814</b>	<b>\$0</b>



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Department/Proposal	Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost	
<b>Budget Adjustments</b>									
Environmental Services Department									
	Ending Fund Balance Adjustment	-	-	-	(\$301,000)	(\$301,000)	-	-	(\$301,000)
Transportation Department	Non-Personal/Equipment (Sanitary Sewer System Odor Control Services)	-	\$301,000	-	-	\$301,000	-	-	\$301,000
	<b>Budget Adjustments Total</b>	<b>\$0</b>	<b>\$301,000</b>	<b>\$0</b>	<b>(\$301,000)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
	<b>Sewer Service And Use Charge Fund (541) TOTAL</b>	<b>\$239,453</b>	<b>\$381,400</b>	<b>\$0</b>	<b>\$1,495,961</b>	<b>\$2,116,814</b>	<b>\$0</b>	<b>\$2,116,814</b>	<b>\$0</b>
<b>South Bay Water Recycling Operating Fund (570)</b>									
<b>Clean-Up and Rebudget Actions</b>									
Environmental Services Department									
	Fund Balance Reconciliation	-	-	-	(\$526,462)	(\$526,462)	-	(\$526,462)	-
	<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$526,462)</b>	<b>(\$526,462)</b>	<b>\$0</b>	<b>(\$526,462)</b>	<b>\$0</b>
<b>Budget Adjustments</b>									
Environmental Services Department									
	Non-Personal/Equipment (Deferred System Maintenance)	-	\$500,000	-	-	\$500,000	-	-	\$500,000
	Ending Fund Balance Adjustment	-	-	-	(\$500,000)	(\$500,000)	-	-	(\$500,000)
	<b>Budget Adjustments Total</b>	<b>\$0</b>	<b>\$500,000</b>	<b>\$0</b>	<b>(\$500,000)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
	<b>South Bay Water Recycling Operating Fund (570) TOTAL</b>	<b>\$0</b>	<b>\$500,000</b>	<b>\$0</b>	<b>(\$1,026,462)</b>	<b>(\$526,462)</b>	<b>\$0</b>	<b>(\$526,462)</b>	<b>\$0</b>
<b>St. James Park Management District Fund (345)</b>									
<b>Clean-Up and Rebudget Actions</b>									
Parks, Recreation and Neighborhood Services Department									
	Fund Balance Reconciliation	-	-	-	\$137,171	\$137,171	-	\$137,171	-
	<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$137,171</b>	<b>\$137,171</b>	<b>\$0</b>	<b>\$137,171</b>	<b>\$0</b>
	<b>St. James Park Management District Fund (345) TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$137,171</b>	<b>\$137,171</b>	<b>\$0</b>	<b>\$137,171</b>	<b>\$0</b>

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Recommended Budget Adjustments and Clean-Up/Rebudget Actions  
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Department/Proposal		Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
<b>State Drug Forfeiture Fund (417)</b>									
<b>Clean-Up and Rebudget Actions</b>									
Police Department	Fund Balance Reconciliation	-	-	-	\$407,987	\$407,987	-	\$407,987	-
	<b>Clean-Up and Rebudget Actions</b>								
	<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$407,987</b>	<b>\$407,987</b>	<b>\$0</b>	<b>\$407,987</b>	<b>\$0</b>
<b>Budget Adjustments</b>									
Police Department	Non-Personal/Equipment (Investigative Equipment)	-	\$485,000	-	-	\$485,000	-	-	\$485,000
	Ending Fund Balance Adjustment	-	-	-	(\$485,000)	(\$485,000)	-	-	(\$485,000)
	<b>Budget Adjustments Total</b>	<b>\$0</b>	<b>\$485,000</b>	<b>\$0</b>	<b>(\$485,000)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
	<b>State Drug Forfeiture Fund (417)</b>								
	<b>TOTAL</b>	<b>\$0</b>	<b>\$485,000</b>	<b>\$0</b>	<b>(\$77,013)</b>	<b>\$407,987</b>	<b>\$0</b>	<b>\$407,987</b>	<b>\$0</b>
<b>Storm Sewer Operating Fund (446)</b>									
<b>Clean-Up and Rebudget Actions</b>									
Environmental Services Department	Fund Balance Reconciliation	-	-	-	\$1,912,184	\$1,912,184	-	\$1,912,184	-
	Salary Program	-	-	-	(\$85,379)	(\$85,379)	-	-	(\$85,379)
Transportation Department	Rebudget: Non-Personal/Equipment (Green Stormwater Cells Contractual Maintenance)	-	\$60,000	-	(\$60,000)	-	-	-	-
	Rebudget: Non-Personal/Equipment (Positive Displacement Combination Cleaner)	-	\$400,000	-	(\$400,000)	-	-	-	-
	Salary Program	\$85,379	-	-	-	\$85,379	-	-	\$85,379
	<b>Clean-Up and Rebudget Actions</b>								
	<b>TOTAL</b>	<b>\$85,379</b>	<b>\$460,000</b>	<b>\$0</b>	<b>\$1,366,805</b>	<b>\$1,912,184</b>	<b>\$0</b>	<b>\$1,912,184</b>	<b>\$0</b>

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Department/Proposal	Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost	
<b>Budget Adjustments</b>									
Environmental Services Department									
	Ending Fund Balance Adjustment	-	-	-	(\$619,000)	(\$619,000)	-	-	(\$619,000)
Transportation Department	Non-Personal/Equipment (Positive Displacement Combination Cleaner)	-	\$127,000	-	-	\$127,000	-	-	\$127,000
	Non-Personal/Equipment (Street Sweeper Vehicles)	-	\$492,000	-	-	\$492,000	-	-	\$492,000
	<b>Budget Adjustments Total</b>	<b>\$0</b>	<b>\$619,000</b>	<b>\$0</b>	<b>(\$619,000)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
	<b>Storm Sewer Operating Fund (446) TOTAL</b>	<b>\$85,379</b>	<b>\$1,079,000</b>	<b>\$0</b>	<b>\$747,805</b>	<b>\$1,912,184</b>	<b>\$0</b>	<b>\$1,912,184</b>	<b>\$0</b>
<b>Supplemental Law Enforcement Services Fund (414)</b>									
<b>Clean-Up and Rebudget Actions</b>									
Police Department	Fund Balance Reconciliation	-	-	-	\$1,611,777	\$1,611,777	-	\$1,611,777	-
	Rebudget: SLES Grant 2017-2019/Revenue from State of California	-	-	(\$650,932)	\$307,776	(\$343,156)	(\$343,156)	-	-
	Rebudget: SLES Grant 2018-2020/Revenue from State of California	-	-	(\$21,331)	\$10,987	(\$10,344)	(\$10,344)	-	-
	Tech Adjust: SLES Grant 2016-2018 (Interest)	-	-	\$2,632	\$80,561	\$83,193	\$83,193	-	-
	Tech Adjust: SLES Grant 2017-2019 (Reconciliation)	-	-	\$16,899	(\$16,899)	-	-	-	-
	Tech Adjust: SLES Grant 2018-2020 (Reconciliation)	-	-	\$14,733	(\$14,733)	-	-	-	-
	<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$637,999)</b>	<b>\$1,979,469</b>	<b>\$1,341,470</b>	<b>(\$270,307)</b>	<b>\$1,611,777</b>	<b>\$0</b>
	<b>Supplemental Law Enforcement Services Fund (414) TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$637,999)</b>	<b>\$1,979,469</b>	<b>\$1,341,470</b>	<b>(\$270,307)</b>	<b>\$1,611,777</b>	<b>\$0</b>

Special Funds  
 Recommended Budget Adjustments and Clean-Up/Rebudget Actions  
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Department/Proposal	Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
<b>Transient Occupancy Tax Fund (461)</b>								
<b>Clean-Up and Rebudget Actions</b>								
City Manager - Office of Economic Development								
Fund Balance Reconciliation	-	-	-	\$3,103,162	\$3,103,162	-	\$3,103,162	-
Rebudget: Cultural Grants	-	-	\$2,788,799	(\$2,788,799)	-	-	-	-
Rebudget: San José Convention and Visitors Bureau	-	-	\$790,830	(\$790,830)	-	-	-	-
<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,579,629</b>	<b>(\$476,467)</b>	<b>\$3,103,162</b>	<b>\$0</b>	<b>\$3,103,162</b>	<b>\$0</b>
<b>Budget Adjustments</b>								
City Manager - Office of Economic Development								
Cultural Grants (TOT and Special Event Permit Revenue Reconciliation)	-	-	(\$101,755)	-	(\$101,755)	-	-	(\$101,755)
Transfer to the Convention and Cultural Affairs Fund (TOT Revenue Reconciliation)	-	-	(\$249,808)	-	(\$249,808)	-	-	(\$249,808)
San José Convention and Visitors Bureau (TOT Revenue Reconciliation)	-	-	(\$124,904)	-	(\$124,904)	-	-	(\$124,904)
Ending Fund Balance Adjustment (TOT Revenue Reconciliation)	-	-	-	\$476,467	\$476,467	-	-	\$476,467
<b>Budget Adjustments Total</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$476,467)</b>	<b>\$476,467</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Transient Occupancy Tax Fund (461) TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,103,162</b>	<b>\$0</b>	<b>\$3,103,162</b>	<b>\$0</b>	<b>\$3,103,162</b>	<b>\$0</b>

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Department/Proposal		Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
<b>Vehicle Maintenance And Operations Fund (552)</b>									
<b>Clean-Up and Rebudget Actions</b>									
Public Works									
Department	Fund Balance Reconciliation	-	-	-	(\$650,410)	(\$650,410)	-	(\$650,410)	-
	Rebudget: Transfers and Reimbursements	-	-	-	\$1,200,000	\$1,200,000	\$1,200,000	-	-
	Salary Program	\$155,194	-	-	-	\$155,194	-	-	\$155,194
	Transfers and Reimbursements (Salary Program)	-	-	-	-	-	\$155,194	-	(\$155,194)
	<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$155,194</b>	<b>\$0</b>	<b>\$0</b>	<b>\$549,590</b>	<b>\$704,784</b>	<b>\$1,355,194</b>	<b>(\$650,410)</b>	<b>\$0</b>
	<b>Vehicle Maintenance And Operations Fund (552) TOTAL</b>	<b>\$155,194</b>	<b>\$0</b>	<b>\$0</b>	<b>\$549,590</b>	<b>\$704,784</b>	<b>\$1,355,194</b>	<b>(\$650,410)</b>	<b>\$0</b>
<b>Water Utility Fund (515)</b>									
<b>Clean-Up and Rebudget Actions</b>									
Environmental Services Department									
	Fund Balance Reconciliation	-	-	-	\$3,387,766	\$3,387,766	-	\$3,387,766	-
	<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,387,766</b>	<b>\$3,387,766</b>	<b>\$0</b>	<b>\$3,387,766</b>	<b>\$0</b>
<b>Budget Adjustments</b>									
Environmental Services Department									
	Transfer to the General Fund - Late Fees	-	-	\$185,530	-	\$185,530	-	-	\$185,530
	Ending Fund Balance Adjustment	-	-	-	(\$185,530)	(\$185,530)	-	-	(\$185,530)
	<b>Budget Adjustments Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$185,530</b>	<b>(\$185,530)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
	<b>Water Utility Fund (515) TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$185,530</b>	<b>\$3,202,236</b>	<b>\$3,387,766</b>	<b>\$0</b>	<b>\$3,387,766</b>	<b>\$0</b>

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Department/Proposal	Personal Services	Non-Personal Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
<b>Workforce Development Fund (290)</b>								
<b>Clean-Up and Rebudget Actions</b>								
City Manager - Office of Economic Development								
Fund Balance Reconciliation	-	-	-	\$7,337	\$7,337	-	\$7,337	-
Rebudget: BusinessOwnerSpace.com Network	-	-	\$3,927	(\$3,927)	-	-	-	-
<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,927</b>	<b>\$3,410</b>	<b>\$7,337</b>	<b>\$0</b>	<b>\$7,337</b>	<b>\$0</b>
<b>Budget Adjustments</b>								
City Manager - Office of Economic Development								
Youth Workers/Revenue from the Federal Government	-	-	(\$294,556)	-	(\$294,556)	(\$294,556)	-	-
Adult Workers/Revenue from the Federal Government	-	-	(\$554,239)	-	(\$554,239)	(\$554,239)	-	-
Dislocated Workers/Revenue from the Federal Government	-	-	\$390,256	-	\$390,256	\$390,256	-	-
Administration/Revenue from the Federal Government	-	-	(\$145,671)	-	(\$145,671)	(\$145,671)	-	-
Rapid Response Grant/Revenue from the Federal Government	-	-	\$92,660	-	\$92,660	\$92,660	-	-
Prison to Employment Implementation Grant/Revenue from Local Agencies	-	-	(\$34,830)	-	(\$34,830)	(\$34,830)	-	-
Cities for Financial Empowerment/Other Revenue	-	-	\$20,000	-	\$20,000	\$20,000	-	-
<b>Budget Adjustments Total</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$526,380)</b>	<b>\$0</b>	<b>(\$526,380)</b>	<b>(\$526,380)</b>	<b>\$0</b>	<b>\$0</b>
<b>Workforce Development Fund (290) TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$522,453)</b>	<b>\$3,410</b>	<b>(\$519,043)</b>	<b>(\$526,380)</b>	<b>\$7,337</b>	<b>\$0</b>

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	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
<b>Airport Capital Improvement Fund (520)</b>						
<b>Airport Passenger Facility Charge Fund (529)</b>						
<b>TOTAL</b>		<b>\$3,746,312</b>	<b>\$3,746,312</b>		<b>\$3,746,312</b>	
Fund Balance Reconciliation					\$3,746,312 /	\$(3,746,312 /)
Fund Balance Reconciliation		\$5,530,957	\$5,530,957			\$5,530,957
Rebudget: Airfield Electrical Circuit Rehabilitation	\$160,000		\$160,000			\$160,000
Rebudget: Lighting System Upgrade For CAT II Approach	\$10,000		\$10,000			\$10,000
Rebudget: Revenue from Federal Government (Airfield Electrical Circuit Rehabilitation)				\$(435,000)		\$435,000
Rebudget: Revenue from Federal Government (Lighting System Upgrade For CAT II Approach)				\$(115,000)		\$115,000
<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$170,000</b>	<b>\$4,810,957</b>	<b>\$4,980,957</b>	<b>\$(550,000)</b>	<b>\$5,530,957</b>	
Revenue from Federal Government (Safety Management Systems Program)				\$(402,000)		\$402,000
Revenue from Federal Government (Terminal B Ramp Rehabilitation)				\$(7,092,000)		\$7,092,000
Safety Management Systems Program	\$(402,000)		\$(402,000)			\$(402,000)
Terminal B Ramp Rehabilitation	\$(7,092,000)		\$(7,092,000)			\$(7,092,000)
<b>Budget Adjustments TOTAL</b>	<b>\$(7,494,000)</b>		<b>\$(7,494,000)</b>	<b>\$(7,494,000)</b>		
<b>Airport Capital Improvement Fund (520) TOTAL</b>	<b>\$(7,324,000)</b>	<b>\$4,810,957</b>	<b>\$(2,513,043)</b>	<b>\$(8,044,000)</b>	<b>\$5,530,957</b>	
<b>Airport Passenger Facility Charge Fund (529)</b>						
Fund Balance Reconciliation					\$3,746,312	\$(3,746,312)
Fund Balance Reconciliation		\$3,746,312	\$3,746,312			\$3,746,312
<b>Airport Passenger Facility Charge Fund (529)</b>						
<b>Clean-Up and Rebudget Actions TOTAL</b>		<b>\$3,746,312</b>	<b>\$3,746,312</b>		<b>\$3,746,312</b>	
<b>Airport Passenger Facility Charge Fund (529) TOTAL</b>		<b>\$3,746,312</b>	<b>\$3,746,312</b>		<b>\$3,746,312</b>	

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	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
<b>Airport Renewal and Replacement Fund (527)</b>						
Ending Fund Balance Adjustment: Rebudgets		\$(856,000)	\$(856,000)			\$(856,000)
Fund Balance Reconciliation					\$4,743,086	\$(4,743,086)
Fund Balance Reconciliation		\$4,743,086	\$4,743,086			\$4,743,086
Rebudget: Administrative Conference Room Additions	\$4,000		\$4,000			\$4,000
Rebudget: Advanced Planning	\$(121,000)		\$(121,000)			\$(121,000)
Rebudget: Aircraft Rescue and Fire Fighting Facility	\$(19,000)		\$(19,000)			\$(19,000)
Rebudget: Airfield Electrical Circuit Rehabilitation	\$306,000		\$306,000			\$306,000
Rebudget: Airfield Geometric Implementation	\$110,000		\$110,000			\$110,000
Rebudget: Airfield Paint Truck	\$(2,000)		\$(2,000)			\$(2,000)
Rebudget: Airport Monument Signs	\$199,000		\$199,000			\$199,000
Rebudget: Airport Technology Services	\$10,000		\$10,000			\$10,000
Rebudget: ARFF Equipment Replacement	\$3,000		\$3,000			\$3,000
Rebudget: Equipment, Operating	\$(3,000)		\$(3,000)			\$(3,000)
Rebudget: Guadalupe Gardens Burrowing Owl Habitat Area	\$46,000		\$46,000			\$46,000
Rebudget: Interactive Directory	\$(1,000)		\$(1,000)			\$(1,000)
Rebudget: Network Replacement	\$124,000		\$124,000			\$124,000



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	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
<b>Airport Renewal and Replacement Fund (527)</b>						
Rebudget: Operations System Replacement	\$89,000		\$89,000			\$89,000
Rebudget: Pavement Maintenance - Airport	\$98,000		\$98,000			\$98,000
Rebudget: Perimeter Fence Line Upgrades	\$2,000		\$2,000			\$2,000
Rebudget: Perimeter Security Technology Infrastructure	\$26,000		\$26,000			\$26,000
Rebudget: Public Art Funding	\$(44,000)		\$(44,000)			\$(44,000)
Rebudget: Signage Design and Production	\$5,000		\$5,000			\$5,000
Rebudget: Vehicle Replacement Program	\$24,000		\$24,000			\$24,000
<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$856,000</b>	<b>\$3,887,086</b>	<b>\$4,743,086</b>		<b>\$4,743,086</b>	
Administrative Conference Room Additions	\$200,000		\$200,000			\$200,000
Customs and Border Protection Process Improvements	\$(600,000)		\$(600,000)			\$(600,000)
Ending Fund Balance Adjustment		\$669,000	\$669,000			\$669,000
Generator Relocations	\$400,000		\$400,000			\$400,000
Groundwater Wells and Sampling	\$203,000		\$203,000			\$203,000
Maintenance Access Security	\$75,000		\$75,000			\$75,000
OCIP Program	\$150,000		\$150,000			\$150,000
Perimeter Access Gate	\$25,000		\$25,000			\$25,000
Program Management	\$1,000,000		\$1,000,000			\$1,000,000
Safety Management Systems Program	\$(68,000)		\$(68,000)			\$(68,000)
Terminal A Baggage Make-Up Unit	\$(150,000)		\$(150,000)			\$(150,000)
Terminal B Ramp Rehabilitation	\$(1,700,000)		\$(1,700,000)			\$(1,700,000)
Terminal Dynamic Curbside Signage	\$(446,000)		\$(446,000)			\$(446,000)
Vehicle Replacement Program	\$242,000		\$242,000			\$242,000
<b>Budget Adjustments TOTAL</b>	<b>\$(669,000)</b>	<b>\$669,000</b>				
<b>Airport Renewal and Replacement Fund (527) TOTAL</b>	<b>\$187,000</b>	<b>\$4,556,086</b>	<b>\$4,743,086</b>		<b>\$4,743,086</b>	

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	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
<b>Airport Revenue Bond Improvement Fund (526)</b>						
Ending Fund Balance Adjustment: Rebudgets		\$2,873,000	\$2,873,000			\$2,873,000
Fund Balance Reconciliation					\$(3,197,584)	\$3,197,584
Fund Balance Reconciliation		\$(3,197,584)	\$(3,197,584)			\$(3,197,584)
Rebudget: Financing Proceeds				\$3,000,000		\$(3,000,000)
Rebudget: Interim Terminal Facility	\$127,000		\$127,000			\$127,000
<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$127,000</b>	<b>\$(324,584)</b>	<b>\$(197,584)</b>	<b>\$3,000,000</b>	<b>\$(3,197,584)</b>	
<b>Airport Revenue Bond Improvement Fund (526) TOTAL</b>	<b>\$127,000</b>	<b>\$(324,584)</b>	<b>\$(197,584)</b>	<b>\$3,000,000</b>	<b>\$(3,197,584)</b>	
<b>Branch Libraries Bond Projects Fund (472)</b>						
Ending Fund Balance Adjustment: Rebudgets		\$29,000	\$29,000			\$29,000
Fund Balance Reconciliation					\$35,104	\$(35,104)
Fund Balance Reconciliation		\$35,104	\$35,104			\$35,104
Rebudget: Branch Efficiency Projects	\$(29,000)		\$(29,000)			\$(29,000)
<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$(29,000)</b>	<b>\$64,104</b>	<b>\$35,104</b>		<b>\$35,104</b>	
<b>Branch Libraries Bond Projects Fund (472) TOTAL</b>	<b>\$(29,000)</b>	<b>\$64,104</b>	<b>\$35,104</b>		<b>\$35,104</b>	

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	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
<b>Building and Structure Construction Tax Fund (429)</b>						
Fund Balance Adjustment: Rebudgets		\$(1,176,000)	\$(1,176,000)			\$(1,176,000)
Fund Balance Reconciliation					\$9,903,469	\$(9,903,469)
Fund Balance Reconciliation		\$9,903,469	\$9,903,469			\$9,903,469
Rebudget: Access and Mobility Plan	\$600,000		\$600,000			\$600,000
Rebudget: Automated Traffic Signal Performance Measures	\$11,000		\$11,000			\$11,000
Rebudget: Autumn Street Extension	\$215,000		\$215,000			\$215,000
Rebudget: BART Policy and Planning Phase 2	\$103,000		\$103,000			\$103,000
Rebudget: Branham and Snell Street Improvements	\$214,000		\$214,000			\$214,000
Rebudget: East Santa Clara Street Bridge at Coyote Creek	\$177,000		\$177,000			\$177,000
Rebudget: Fiber Optics Asset Management	\$33,000		\$33,000			\$33,000
Rebudget: ITS: On-Call Fiber Optic Support	\$5,000		\$5,000			\$5,000
Rebudget: ITS: Operations and Management	\$35,000		\$35,000			\$35,000
Rebudget: LED Streetlight Conversion	\$21,000		\$21,000			\$21,000
Rebudget: McKee Road Corridor Safety Improvements	\$540,000		\$540,000			\$540,000
Rebudget: McLaughlin Avenue Pedestrian/Bike Safety Enhancements	\$482,000		\$482,000			\$482,000
Rebudget: North First Street Bicycle Lane Improvements	\$14,000		\$14,000			\$14,000
Rebudget: Park Avenue Bicycle Lane Improvements	\$70,000		\$70,000			\$70,000

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	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
<b>Building and Structure Construction Tax Fund (429)</b>						
Rebudget: Revenue from Local Agencies (VRF - Fiber Optics Asset Management)				\$54,000		\$(54,000)
Rebudget: Revenue from Local Agencies (VRF - On-Call Fiber Optic Support)				\$40,000		\$(40,000)
Rebudget: Revenue from Local Agencies (VRF - VDS Communication Modules Upgrade)				\$8,000		\$(8,000)
Rebudget: Revenue from Miscellaneous Revenue (US 101/Blossom Hill Road Interchange Program)				\$3,629,000		\$(3,629,000)
Rebudget: Revenue from the Federal Government (HBP - East Santa Clara Street Bridge at Coyote Creek)				\$249,000		\$(249,000)
Rebudget: Revenue from the Federal Government (HPP - Transportation Management Center)				\$825,000		\$(825,000)
Rebudget: Revenue from the Federal Government (HSIP - N 1st Street Bicycle Lane Improvements)				\$96,000		\$(96,000)
Rebudget: Revenue from the Federal Government (HSIP - Park Avenue Bicycle Lane Improvements)				\$332,000		\$(332,000)
Rebudget: Revenue from the Federal Government (HSIP - Senter Road Pedestrian Safety Improvements)				\$219,000		\$(219,000)
Rebudget: Revenue from the Federal Government (HSIP - White Road Pedestrian Safety Improvements)				\$55,000		\$(55,000)
Rebudget: Revenue from the Federal Government (IDEA - Innovative Deployments to Enhance Arterials (IDEA)- ATSPM)				\$(2,000)		\$2,000
Rebudget: Revenue from the Federal Government (OBAG - Smart Intersections Program)				\$529,000		\$(529,000)
Rebudget: Revenue from the Federal Government (TCSP - Autumn Street Extension)				\$5,000		\$(5,000)
Rebudget: Revenue from the State of California (Senter Road Multimodal Safety Study)				\$425,000		\$(425,000)
Rebudget: Revenue Revenue from Local Agencies (TFCA - Signal Retiming)				\$607,000		\$(607,000)

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	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
<b>Building and Structure Construction Tax Fund (429)</b>						
Rebudget: Route 101/Blossom Hill Road Interchange	\$552,000		\$552,000			\$552,000
Rebudget: Route 101/Mabury Road Project Development	\$172,000		\$172,000			\$172,000
Rebudget: Route 280/Winchester Interchange Upgrade Study	\$64,000		\$64,000			\$64,000
Rebudget: Safety - Pedestrian and Roadway Improvements	\$1,279,000		\$1,279,000			\$1,279,000
Rebudget: Safety - Traffic Signal Modifications/Construction	\$878,000		\$878,000			\$878,000
Rebudget: Senter Road Multimodal Safety Study	\$436,000		\$436,000			\$436,000
Rebudget: Senter Road Pedestrian Safety Improvements	\$559,000		\$559,000			\$559,000
Rebudget: Smart Intersections Program (OBAG)	\$5,000		\$5,000			\$5,000
Rebudget: TFCA Signal Retiming	\$61,000		\$61,000			\$61,000
Rebudget: TLSP Controller Component Upgrade	\$514,000		\$514,000			\$514,000
Rebudget: Transportation Management Center	\$196,000		\$196,000			\$196,000
Rebudget: Tully Road Corridor Safety Improvements	\$631,000		\$631,000			\$631,000
Rebudget: Underground Utilities - City Conversions	\$356,000		\$356,000			\$356,000
Rebudget: West San José Transportation Planning & Implementation	\$21,000		\$21,000			\$21,000
Rebudget: White Road Pedestrian Safety Improvements	\$3,000		\$3,000			\$3,000
<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$8,247,000</b>	<b>\$8,727,469</b>	<b>\$16,974,469</b>	<b>\$7,071,000</b>	<b>\$9,903,469</b>	
Access and Mobility Plan	\$573,000		\$573,000			\$573,000
ATP - Better Bikeways San Fernando	\$658,000		\$658,000			\$658,000
Branham and Snell Street Improvements	\$200,000		\$200,000			\$200,000

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	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
<b>Building and Structure Construction Tax Fund (429)</b>						
Construction Taxes Refund Reserve (Retitled from Developer Permitting Fees Refund Reserve)	\$315,000		\$315,000			\$315,000
Fund Balance Adjustment		\$(1,674,500)	\$(1,674,500)			\$(1,674,500)
North San José New Development (Business Cooperation Program) Reserve	\$371,000		\$371,000			\$371,000
North San José New Development Reserve	\$193,500		\$193,500			\$193,500
Other Revenue (US 101/Blossom Hill Road Interchange Improvement Project)				\$165,000		\$(165,000)
Regional Rail Planning	\$42,000		\$42,000			\$42,000
Revenue from Federal Government (ATP - Better Bikeways San Fernando)				\$357,000		\$(357,000)
San Jose Regional Transportation Hub	\$500,000		\$500,000			\$500,000
Traffic Signal Improvement Program	\$16,000		\$16,000			\$16,000
Transfers and Reimbursements (North San José BCP)				\$371,000		\$(371,000)
Transportation Grants Reserve	\$(301,000)		\$(301,000)			\$(301,000)
<b>Budget Adjustments TOTAL</b>	<b>\$2,567,500</b>	<b>\$(1,674,500)</b>	<b>\$893,000</b>	<b>\$893,000</b>		
<b>Building and Structure Construction Tax Fund (429) TOTAL</b>	<b>\$10,814,500</b>	<b>\$7,052,969</b>	<b>\$17,867,469</b>	<b>\$7,964,000</b>	<b>\$9,903,469</b>	
<b>Communications Construction and Conveyance Tax Fund (397)</b>						
Fund Balance Reconciliation					\$320,170	\$(320,170)
Fund Balance Reconciliation		\$320,170	\$320,170			\$320,170
<b>Clean-Up and Rebudget Actions TOTAL</b>		<b>\$320,170</b>	<b>\$320,170</b>		<b>\$320,170</b>	
<b>Communications Construction and Conveyance Tax Fund (397) TOTAL</b>		<b>\$320,170</b>	<b>\$320,170</b>		<b>\$320,170</b>	

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	Expense	Ending Fund Balance	Revenue	Beg Fund Balance	
<b>Construction Excise Tax Fund (465)</b>					
Ending Fund Balance Adjustment - Construction Excise Tax Fund: Rebudgets		\$2,640,000	\$2,640,000		\$2,640,000
Ending Fund Balance Adjustment - Gas Tax Pavement Maintenance Fund: Rebudget		\$(1,025,000)	\$(1,025,000)		\$(1,025,000)
Ending Fund Balance Adjustment - North San José Traffic Impact Fee Fund: Rebudget		\$(888,000)	\$(888,000)		\$(888,000)
Ending Fund Balance Adjustment - Route 101/Oakland/Mabury Traffic Impact Fee Fund: Rebudget		\$(316,000)	\$(316,000)		\$(316,000)
Ending Fund Balance Adjustment - VTA 2016 Measure B Fund: Rebudget		\$42,749,431	\$42,749,431		\$42,749,431
Fund Balance Reconciliation - Cisco System Fund				\$4,947	\$(4,947)
Fund Balance Reconciliation - Cisco System Fund		\$4,947	\$4,947		\$4,947
Fund Balance Reconciliation - Construction Excise Tax Fund				\$4,485,587	\$(4,485,587)
Fund Balance Reconciliation - Construction Excise Tax Fund		\$4,485,587	\$4,485,587		\$4,485,587
Fund Balance Reconciliation - Evergreen Traffic Impact Fee Fund				\$114,132	\$(114,132)
Fund Balance Reconciliation - Evergreen Traffic Impact Fee Fund		\$114,132	\$114,132		\$114,132
Fund Balance Reconciliation - Gas Tax Pavement Maintenance Fund				\$4,232,630	\$(4,232,630)
Fund Balance Reconciliation - Gas Tax Pavement Maintenance Fund		\$4,232,630	\$4,232,630		\$4,232,630

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	Expense	Ending Fund Balance	Revenue	Beg Fund Balance	
<b>Construction Excise Tax Fund (465)</b>					
Fund Balance Reconciliation - I-280/Winchester Traffic Impact Fee Fund				\$4,933	\$(4,933)
Fund Balance Reconciliation - I-280/Winchester Traffic Impact Fee Fund		\$4,933	\$4,933		\$4,933
Fund Balance Reconciliation - North San José Traffic Impact Fee Fund				\$2,924,604	\$(2,924,604)
Fund Balance Reconciliation - North San José Traffic Impact Fee Fund		\$2,924,604	\$2,924,604		\$2,924,604
Fund Balance Reconciliation - Route 101/Oakland/Mabury Traffic Impact Fee Fund				\$4,041,521	\$(4,041,521)
Fund Balance Reconciliation - Route 101/Oakland/Mabury Traffic Impact Fee Fund		\$4,041,521	\$4,041,521		\$4,041,521
Fund Balance Reconciliation - VTA 2016 Measure B Fund				\$(42,749,431)	\$42,749,431
Fund Balance Reconciliation - VTA 2016 Measure B Fund		\$(42,749,431)	\$(42,749,431)		\$(42,749,431)
Fund Balance Reconciliation - VTA Measure B VRF Fund				\$7,379,853	\$(7,379,853)
Fund Balance Reconciliation - VTA Measure B VRF Fund		\$7,379,853	\$7,379,853		\$7,379,853
Rebudget: 2017 Flood - Alum Rock Park Falls Road Reconstruction	\$117,000		\$117,000		\$117,000
Rebudget: 2017 Flood - Sierra Road Reconstruction	\$198,000		\$198,000		\$198,000
Rebudget: ADA Sidewalk Accessibility Program	\$48,000		\$48,000		\$48,000
Rebudget: Almaden/Vine Safety Improvements (OBAG)	\$437,000		\$437,000		\$437,000
Rebudget: AV Community Engagement Initiative	\$208,000		\$208,000		\$208,000
Rebudget: BART Design and Construction Support	\$56,000		\$56,000		\$56,000
Rebudget: BART Policy and Planning	\$269,000		\$269,000		\$269,000
Rebudget: BART Policy and Planning Phase 2	\$115,000		\$115,000		\$115,000



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	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
<b>Construction Excise Tax Fund (465)</b>						
Rebudget: Better Bikeways (OBAG)	\$50,000		\$50,000			\$50,000
Rebudget: Bicycle and Pedestrian Facilities	\$374,000		\$374,000			\$374,000
Rebudget: City-Wide Emergency Repair	\$77,000		\$77,000			\$77,000
Rebudget: Community Development Block Grant - Non-Reimbursable	\$170,000		\$170,000			\$170,000
Rebudget: Coyote Creek Trail	\$66,000		\$66,000			\$66,000
Rebudget: Downtown San José Mobility, Streetscape, and Public Life Plan	\$660,000		\$660,000			\$660,000
Rebudget: Fiber Optics Permit Engineering	\$18,000		\$18,000			\$18,000
Rebudget: Grants Refunds	\$271,000		\$271,000			\$271,000
Rebudget: Habitat Conservation Plan - Nitrogen Deposition Fee	\$11,000		\$11,000			\$11,000
Rebudget: Hedding Complete Street and Safety Project	\$9,000		\$9,000			\$9,000
Rebudget: High Speed Rail	\$127,000		\$127,000			\$127,000
Rebudget: ITS Monitoring and Maintenance - VRF	\$5,000		\$5,000			\$5,000
Rebudget: LED Traffic Signal Lamp Replacement	\$54,000		\$54,000			\$54,000
Rebudget: Mechanical Storm Units	\$8,000		\$8,000			\$8,000
Rebudget: Miscellaneous Street Improvements	\$295,000		\$295,000			\$295,000
Rebudget: Mount Pleasant Schools Area Bike/Ped Safety Improvements	\$340,000		\$340,000			\$340,000
Rebudget: Neighborhood Traffic Calming	\$6,000		\$6,000			\$6,000
Rebudget: North San José Deficiency Plan Improvements	\$223,000		\$223,000			\$223,000
Rebudget: North San José Improvement - 101/Zanker	\$451,000		\$451,000			\$451,000

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	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
<b>Construction Excise Tax Fund (465)</b>						
Rebudget: North San José Improvement - 880/Charcot	\$349,000		\$349,000			\$349,000
Rebudget: Pavement Maintenance - City	\$1,790,000		\$1,790,000			\$1,790,000
Rebudget: Pavement Maintenance - Complete Street Project Development	\$729,000		\$729,000			\$729,000
Rebudget: Pavement Maintenance - SB1 Road Repair & Accountability Act 2017	\$774,000		\$774,000			\$774,000
Rebudget: Pavement Maintenance - State Gas Tax	\$251,000		\$251,000			\$251,000
Rebudget: Pavement Maintenance – VTA 2016 Measure B	\$569		\$569			\$569
Rebudget: Pedestrian Safety in Districts 6 and 9: Branham Lane Road Diet	\$50,000		\$50,000			\$50,000
Rebudget: Public Art Funding	\$82,000		\$82,000			\$82,000
Rebudget: Revenue from Local Agencies (Pavement Maintenance - VTA Measure B 2016)				\$42,750,000		\$(42,750,000)
Rebudget: Revenue from Local Agencies (VRF - SV-ITS WAN Monitoring & Maintenance Services)				\$8,000		\$(8,000)
Rebudget: Revenue from Local Agencies (VTA: BART Construction Management)				\$260,000		\$(260,000)
Rebudget: Revenue from Local Agencies (VTA: BART Design & Construction)				\$117,000		\$(117,000)
Rebudget: Revenue from the Federal Government (OBAG - Almaden Vine Couplet)				\$1,188,000		\$(1,188,000)
Rebudget: Revenue from the Federal Government (OBAG - Downtown San José Mobility, Streetscape, and Public Life)				\$556,000		\$(556,000)
Rebudget: Revenue from the Federal Government (OBAG - Safe Routes to School)				\$1,086,000		\$(1,086,000)
Rebudget: Revenue from the Federal Government (Pavement Maintenance - State Route Relinquishment)				\$3,304,000		\$(3,304,000)

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	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
<b>Construction Excise Tax Fund (465)</b>						
Rebudget: Revenue from the Federal Government (VERBS - Mount Pleasant Bike/Ped Safety Improvements)				\$200,000		\$(200,000)
Rebudget: Revenue from the Federal Government (VERBS - Walk n Roll Phase 2)				\$279,000		\$(279,000)
Rebudget: Revenue from the Federal Government (Vision Zero: Multimodal Traffic Safety Education)				\$44,000		\$(44,000)
Rebudget: Revenue from the State of California (AHSC - St. James Station Bike/Ped Improvements)				\$580,000		\$(580,000)
Rebudget: Revenue from the State of California (CIF - SJ TDM)				\$750,000		\$(750,000)
Rebudget: Revenue from the State of California (High Speed Rail)				\$132,000		\$(132,000)
Rebudget: Revenue from the State of California (SCPG - Bike/Pedestrian Development)				\$49,000		\$(49,000)
Rebudget: Revenue from the State of California (SRTT - Safe Pathways to Diridon Station)				\$527,000		\$(527,000)
Rebudget: Revenue from the State of California (TDA - Bicycle and Pedestrian Facilities)				\$3,021,000		\$(3,021,000)
Rebudget: Revenue Revenue from the Federal Government (CIF - SJ TDM)				\$465,000		\$(465,000)
Rebudget: Route 101/Mabury Road Project Development	\$316,000		\$316,000			\$316,000
Rebudget: Route 101/Trimble/De La Cruz Interchange Improvement	\$88,000		\$88,000			\$88,000
Rebudget: Safe Pathways to Diridon Station	\$51,000		\$51,000			\$51,000
Rebudget: Safe Routes to School Program (OBAG)	\$138,000		\$138,000			\$138,000
Rebudget: Safety - Signs & Markings	\$145,000		\$145,000			\$145,000
Rebudget: Safety - Traffic Engineering	\$177,000		\$177,000			\$177,000
Rebudget: San José Regional Transportation Hub	\$750,000		\$750,000			\$750,000

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	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
<b>Construction Excise Tax Fund (465)</b>						
Rebudget: Signal and Lighting Vehicle Replacement	\$331,000		\$331,000			\$331,000
Rebudget: Silicon Valley ITS Area Network	\$6,000		\$6,000			\$6,000
Rebudget: St. James Station at Basset Bike/Ped Improvements	\$387,000		\$387,000			\$387,000
Rebudget: Street Name Sign Replacement	\$52,000		\$52,000			\$52,000
Rebudget: Street Tree Inventory and Management Plan	\$330,000		\$330,000			\$330,000
Rebudget: Streetlight Wire Replacement	\$83,000		\$83,000			\$83,000
Rebudget: Traffic Signal Communications System Maintenance	\$185,000		\$185,000			\$185,000
Rebudget: Transportation Demand Management	\$127,000		\$127,000			\$127,000
Rebudget: Transportation Management Center	\$69,000		\$69,000			\$69,000
Rebudget: Urban Forest Partnership	\$37,000		\$37,000			\$37,000
Rebudget: Vision Zero: City-wide Pedestrian Safety and Traffic Calming	\$189,000		\$189,000			\$189,000
Rebudget: Vision Zero: Multimodal Traffic Safety Education	\$6,000		\$6,000			\$6,000
Tech Adjust: Evergreen Traffic Impact Fees Reserve (Reconciliation)	\$132,133		\$132,133			\$132,133
Tech Adjust: Fund Balance Adjustment - Evergreen Traffic Impact Fee Fund (Reconciliation)		\$(132,133)	\$(132,133)			\$(132,133)
Tech Adjust: Fund Balance Adjustment - Gas Tax Pavement Maintenance Fund (Reconciliation)		\$(3,346,630)	\$(3,346,630)			\$(3,346,630)
Tech Adjust: Fund Balance Adjustment - I-280/Winchester Traffic Impact Fee Fund (Reconciliation)		\$(5,274)	\$(5,274)			\$(5,274)
Tech Adjust: Fund Balance Adjustment - North San José Traffic Impact Fee Fund (Reconciliation)		\$(3,402,604)	\$(3,402,604)			\$(3,402,604)

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	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
<b>Construction Excise Tax Fund (465)</b>						
Tech Adjust: Fund Balance Adjustment - Route 101/Oakland/Mabury Traffic Impact Fee Fund (Reconciliation)		\$(5,008,946)	\$(5,008,946)			\$(5,008,946)
Tech Adjust: Fund Balance Adjustment - VTA Measure B VRF Fund (Reconciliation)		\$(7,515,859)	\$(7,515,859)			\$(7,515,859)
Tech Adjust: I-280/Winchester Boulevard Interchange (Reconciliation)	\$5,274		\$5,274			\$5,274
Tech Adjust: North San José Traffic Impact Fees Reserve (Reconciliation)	\$3,402,604		\$3,402,604			\$3,402,604
Tech Adjust: Pavement Maintenance - Measure B 2010 VRF (Reconciliation)	\$7,515,859		\$7,515,859			\$7,515,859
Tech Adjust: Pavement Maintenance - SB1 Road Repair & Accountability Act 2017 (Reconciliation)	\$3,455,137		\$3,455,137			\$3,455,137
Tech Adjust: Pavement Maintenance - State Gas Tax (Reconciliation)	\$(108,507)		\$(108,507)			\$(108,507)
Tech Adjust: Route 101/Oakland/Mabury Traffic Impact Fees Reserve (Reconciliation)	\$5,008,946		\$5,008,946			\$5,008,946
<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$31,567,015</b>	<b>\$4,187,761</b>	<b>\$35,754,776</b>	<b>\$55,316,000</b>	<b>\$(19,561,224)</b>	
Access and Mobility Plan	\$100,000		\$100,000			\$100,000
Almaden/Vine Safety Improvements (OBAG)	\$60,000		\$60,000			\$60,000
Better Bikeways Program (City)	\$1,700,000		\$1,700,000			\$1,700,000
Construction Taxes Refund Reserve (Retitled from Developer Permitting Fees Refund Reserve)	\$1,890,000		\$1,890,000			\$1,890,000
Ending Fund Balance Adjustment - Construction Excise Tax Fund		\$(5,667,000)	\$(5,667,000)			\$(5,667,000)
Information Management System Software Update	\$37,000		\$37,000			\$37,000
Inter-Agency Encroachment Permit	\$220,000		\$220,000			\$220,000
Licenses and Permits (Inter-Agency Encroachment Permit Fees)				\$220,000		\$(220,000)

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	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
<b>Construction Excise Tax Fund (465)</b>						
Mount Pleasant Schools Area Bike/Ped Safety Improvements	\$650,000		\$650,000			\$650,000
Pavement Maintenance - City	\$700,000		\$700,000			\$700,000
Pavement Maintenance - Complete Street Project Development	\$450,000		\$450,000			\$450,000
Revenue from the Federal Government (OTS - Vision Zero: Multimodal Traffic Safety Education)				\$100,000		\$(100,000)
Street Safety & Roadway Maintenance Project Reserve	\$1,780,000		\$1,780,000			\$1,780,000
Transfers and Reimbursements (Transfer from the General Purpose Parking Capital Fund)				\$1,700,000		\$(1,700,000)
Vision Zero: Multimodal Traffic Safety Education	\$100,000		\$100,000			\$100,000
<b>Budget Adjustments TOTAL</b>	<b>\$7,687,000</b>	<b>\$(5,667,000)</b>	<b>\$2,020,000</b>	<b>\$2,020,000</b>		
<b>Construction Excise Tax Fund (465) TOTAL</b>	<b>\$39,254,015</b>	<b>\$(1,479,239)</b>	<b>\$37,774,776</b>	<b>\$57,336,000</b>	<b>\$(19,561,224)</b>	
<b>Contingent Lien District Fund (634)</b>						
Fund Balance Reconciliation - Contingent Lien District Fund		\$(69,176)	\$(69,176)			\$(69,176)
Fund Balance Reconciliation - Ending Fund Balance (Reallocation from Silicon Valley Bridge Assessment District Reserve)		\$3,470	\$3,470			\$3,470
Fund Balance Reconciliation - Ending Fund Balance (Reallocation from Silver Creek Development District 1B Reserve)		\$2,271	\$2,271			\$2,271
Fund Balance Reconciliation - Ending Fund Balance (Reallocation to Evergreen Creek District Reserve)		\$(23,759)	\$(23,759)			\$(23,759)

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	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
<b>Contingent Lien District Fund (634)</b>						
Fund Balance Reconciliation - Ending Fund Balance (Reallocation to Evergreen Specific Plan District Reserve)		\$(300,881)	\$(300,881)			\$(300,881)
Fund Balance Reconciliation - Ending Fund Balance (Reallocation to Silver Creek Development District 1A Reserve)		\$(12,425)	\$(12,425)			\$(12,425)
Fund Balance Reconciliation - Evergreen Benefit Assessment District Fund		\$88,646	\$88,646			\$88,646
Fund Balance Reconciliation - Evergreen Benefit Assessment District Fund					\$88,646	\$(88,646)
Fund Balance Reconciliation - Evergreen Creek Assessment District Fund		\$55,092	\$55,092			\$55,092
Fund Balance Reconciliation - Evergreen Creek Assessment District Fund					\$55,092	\$(55,092)
Fund Balance Reconciliation - Evergreen Creek District Reserve	\$23,759		\$23,759			\$23,759
Fund Balance Reconciliation - Evergreen Specific Plan District Reserve	\$300,881		\$300,881			\$300,881
Fund Balance Reconciliation - Shea Homes Advance Assessment District Fund		\$9,042	\$9,042			\$9,042
Fund Balance Reconciliation - Shea Homes Advance Assessment District Fund					\$9,042	\$(9,042)
Fund Balance Reconciliation - Silicon Valley Bridge Assessment District Fund		\$9,189	\$9,189			\$9,189
Fund Balance Reconciliation - Silicon Valley Bridge Assessment District Fund					\$9,189	\$(9,189)
Fund Balance Reconciliation - Silicon Valley Bridge Assessment District Reserve	\$(3,470)		\$(3,470)			\$(3,470)
Fund Balance Reconciliation - Silver Creek Assessment District Fund		\$7,407	\$7,407			\$7,407
Fund Balance Reconciliation - Silver Creek Development District 1A Reserve	\$12,425		\$12,425			\$12,425

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	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
<b>Contingent Lien District Fund (634)</b>						
Fund Balance Reconciliation - Silver Creek Development District 1B Reserve	\$(2,271)		\$(2,271)			\$(2,271)
Fund Reconciliation - Contingent Lien District Fund					\$(69,176)	\$69,176
Fund Reconciliation - Silver Creek Assessment District Fund					\$7,407	\$(7,407)
<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$331,324</b>	<b>\$(231,124)</b>	<b>\$100,200</b>		<b>\$100,200</b>	
Ending Fund Balance Adjustment		\$116,140	\$116,140			\$116,140
Fund Balance Reconciliation - Evergreen Creek District Reserve	\$(5,604)		\$(5,604)			\$(5,604)
Fund Balance Reconciliation - Evergreen Specific Plan District Reserve	\$(93,724)		\$(93,724)			\$(93,724)
Fund Balance Reconciliation - Silicon Valley Bridge Assessment District Reserve	\$(5,604)		\$(5,604)			\$(5,604)
Fund Balance Reconciliation - Silver Creek Development District 1A Reserve	\$(5,604)		\$(5,604)			\$(5,604)
Fund Balance Reconciliation - Silver Creek Development District 1B Reserve	\$(5,604)		\$(5,604)			\$(5,604)
Transfer in from District Memo Funds				\$116,140		\$(116,140)
Transfer to the Contingent Lien District Fund (from Evergreen Benefit Assessment District Fund)	\$93,724		\$93,724			\$93,724
Transfer to the Contingent Lien District Fund (from Evergreen Creek Assessment District Fund)	\$5,604		\$5,604			\$5,604
Transfer to the Contingent Lien District Fund (from Shea Homes Advance Assessment District Fund)	\$5,604		\$5,604			\$5,604
Transfer to the Contingent Lien District Fund (from Silicon Valley Bridge Assessment District Fund)	\$5,604		\$5,604			\$5,604
Transfer to the Contingent Lien District Fund (from Silver Creek Assessment District Fund)	\$5,604		\$5,604			\$5,604
<b>Budget Adjustments TOTAL</b>		<b>\$116,140</b>	<b>\$116,140</b>	<b>\$116,140</b>		
<b>Contingent Lien District Fund (634) TOTAL</b>	<b>\$331,324</b>	<b>\$(114,984)</b>	<b>\$216,340</b>	<b>\$116,140</b>	<b>\$100,200</b>	



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	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
<b>Convention and Cultural Affairs Capital Fund (560)</b>						
Ending Fund Balance Adjustment: Rebudgets		\$(854,000)	\$(854,000)			\$(854,000)
Rebudget: Convention Center Restrooms Upgrades	\$138,000		\$138,000			\$138,000
Rebudget: Convention Center Staff Dining Area	\$22,000		\$22,000			\$22,000
Rebudget: Cultural Facilities Rehabilitation/Repair - Electrical	\$425,000		\$425,000			\$425,000
Rebudget: Cultural Facilities Rehabilitation/Repair - Mechanical	\$175,000		\$175,000			\$175,000
Rebudget: Cultural Facilities Rehabilitation/Repair - Mechanical	\$30,000		\$30,000			\$30,000
Rebudget: Cultural Facilities Rehabilitation/Repair - Structures	\$82,000		\$82,000			\$82,000
Rebudget: Museum Place Coordination and Review	\$(18,000)		\$(18,000)			\$(18,000)
<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$854,000</b>	<b>\$(854,000)</b>				
Ending Fund Balance Adjustment		\$(246,000)	\$(246,000)			\$(246,000)
Rehabilitation / Repair - Electrical	\$246,000		\$246,000			\$246,000
<b>Budget Adjustments TOTAL</b>	<b>\$246,000</b>	<b>\$(246,000)</b>				
<b>Convention and Cultural Affairs Capital Fund (560) TOTAL</b>	<b>\$1,100,000</b>	<b>\$(1,100,000)</b>				

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Department/Proposal	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
<b>Convention Center Facilities District Capital Fund (798)</b>						
Ending Fund Balance Adjustment: Rebudgets		\$17,000	\$17,000			\$17,000
Rebudget: Convention Center HVAC Upgrades	\$(136,000)		\$(136,000)			\$(136,000)
Rebudget: Convention Center Restrooms Upgrades	\$9,000		\$9,000			\$9,000
Rebudget: Public Art (Convention Center Exhibit Hall Lighting and Ceiling Upgrades)	\$110,000		\$110,000			\$110,000
<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$(17,000)</b>	<b>\$17,000</b>				
<b>Convention Center Facilities District Capital Fund (798) TOTAL</b>						
	<b>\$(17,000)</b>	<b>\$17,000</b>				
<b>Council District 1 Construction and Conveyance Tax Fund (377)</b>						
Ending Fund Balance Adjustment: Rebudgets		\$(380,000)	\$(380,000)			\$(380,000)
Fund Balance Reconciliation				\$1,068,455		\$(1,068,455)
Fund Balance Reconciliation		\$1,068,455	\$1,068,455			\$1,068,455
Rebudget: Calabazas Community Center Renovation	\$97,000		\$97,000			\$97,000
Rebudget: Council District 1 Public Art	\$87,000		\$87,000			\$87,000
Rebudget: Gullo Park Renovation	\$12,000		\$12,000			\$12,000
Rebudget: Hathaway Park Renovation	\$72,000		\$72,000			\$72,000
Rebudget: San Tomas Neighborhood Center Improvements	\$112,000		\$112,000			\$112,000
<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$380,000</b>	<b>\$688,455</b>	<b>\$1,068,455</b>		<b>\$1,068,455</b>	
<b>Council District 1 Construction and Conveyance Tax Fund (377) TOTAL</b>						
	<b>\$380,000</b>	<b>\$688,455</b>	<b>\$1,068,455</b>		<b>\$1,068,455</b>	

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	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
<b>Council District 10 Construction and Conveyance Tax Fund (389)</b>						
Ending Fund Balance Adjustment: Rebudgets		\$(696,000)	\$(696,000)			\$(696,000)
Fund Balance Reconciliation					\$916,912	\$(916,912)
Fund Balance Reconciliation		\$916,912	\$916,912			\$916,912
Rebudget: Almaden Lake Park Playground Improvements	\$74,000		\$74,000			\$74,000
Rebudget: Almaden Winery Building Improvements	\$40,000		\$40,000			\$40,000
Rebudget: Council District 10 Public Art	\$82,000		\$82,000			\$82,000
Rebudget: Leland Sports Field Turf Replacement	\$483,000		\$483,000			\$483,000
Rebudget: Playa Del Rey Shade Structure	\$(1,000)		\$(1,000)			\$(1,000)
Rebudget: TJ Martin and Jeffrey Fontana Landscape Improvements	\$18,000		\$18,000			\$18,000
<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$696,000</b>	<b>\$220,912</b>	<b>\$916,912</b>		<b>\$916,912</b>	
Almaden Community Center Audio Visual	\$63,000		\$63,000			\$63,000
Ending Fund Balance Adjustment		\$(263,000)	\$(263,000)			\$(263,000)
Martial-Cottle Community Garden	\$200,000		\$200,000			\$200,000
<b>Budget Adjustments TOTAL</b>	<b>\$263,000</b>	<b>\$(263,000)</b>				
<b>Council District 10 Construction and Conveyance Tax Fund (389) TOTAL</b>	<b>\$959,000</b>	<b>\$(42,088)</b>	<b>\$916,912</b>		<b>\$916,912</b>	
<b>Council District 2 Construction and Conveyance Tax Fund (378)</b>						
Ending Fund Balance Adjustment: Rebudgets		\$(118,000)	\$(118,000)			\$(118,000)
Fund Balance Reconciliation					\$453,514	\$(453,514)
Fund Balance Reconciliation		\$453,514	\$453,514			\$453,514

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Department/Proposal	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
<b>Council District 2 Construction and Conveyance Tax Fund (378)</b>						
Rebudget: Council District 2 Public Art	\$17,000		\$17,000			\$17,000
Rebudget: La Colina Park Playground Renovation	\$8,000		\$8,000			\$8,000
Rebudget: Los Paseos Park Lighting	\$25,000		\$25,000			\$25,000
Rebudget: Melody Park Playground Renovation	\$20,000		\$20,000			\$20,000
Rebudget: Metcalf Park Perimeter Fencing	\$48,000		\$48,000			\$48,000
<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$118,000</b>	<b>\$335,514</b>	<b>\$453,514</b>		<b>\$453,514</b>	
<b>Council District 2 Construction and Conveyance Tax Fund (378) TOTAL</b>	<b>\$118,000</b>	<b>\$335,514</b>	<b>\$453,514</b>		<b>\$453,514</b>	
<b>Council District 3 Construction and Conveyance Tax Fund (380)</b>						
Ending Fund Balance Adjustment: Rebudgets		\$(374,000)	\$(374,000)			\$(374,000)
Fund Balance Reconciliation					\$647,706	\$(647,706)
Fund Balance Reconciliation		\$647,706	\$647,706			\$647,706
Rebudget: Backesto Park Renovation	\$4,000		\$4,000			\$4,000
Rebudget: Biebrach Park Renovation	\$116,000		\$116,000			\$116,000
Rebudget: Council District 3 Public Art	\$92,000		\$92,000			\$92,000
Rebudget: Rincon South Park Fixtures, Furnishings and Equipment	\$12,000		\$12,000			\$12,000
Rebudget: Roosevelt Park Improvements	\$31,000		\$31,000			\$31,000
Rebudget: San Pedro Square Urban Park	\$100,000		\$100,000			\$100,000
Rebudget: Spartan Keyes/McKinley/Washington Reuse Centers Wifi	\$(1,000)		\$(1,000)			\$(1,000)
Rebudget: Watson Site Clean-up and Restoration						

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	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
<b>Council District 3 Construction and Conveyance Tax Fund (380)</b>						
Rebudget: Willow Street and Graham Street Urban Park	\$20,000		\$20,000			\$20,000
<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$374,000</b>	<b>\$273,706</b>	<b>\$647,706</b>		<b>\$647,706</b>	
<b>Council District 3 Construction and Conveyance Tax Fund (380) TOTAL</b>	<b>\$374,000</b>	<b>\$273,706</b>	<b>\$647,706</b>		<b>\$647,706</b>	
<b>Council District 4 Construction and Conveyance Tax Fund (381)</b>						
Ending Fund Balance Adjustment: Rebudgets		\$(397,000)	\$(397,000)			\$(397,000)
Fund Balance Reconciliation					\$685,800	\$(685,800)
Fund Balance Reconciliation		\$685,800	\$685,800			\$685,800
Rebudget: Alviso Park Improvements	\$1,000		\$1,000			\$1,000
Rebudget: Agnews Property Development	\$4,000		\$4,000			\$4,000
Rebudget: Agnews Road Easement	\$100,000		\$100,000			\$100,000
Rebudget: Council District 4 Public Art	\$285,000		\$285,000			\$285,000
Rebudget: Noble Modular Neighborhood Center Improvements	\$7,000		\$7,000			\$7,000
<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$397,000</b>	<b>\$288,800</b>	<b>\$685,800</b>		<b>\$685,800</b>	
<b>Council District 4 Construction and Conveyance Tax Fund (381) TOTAL</b>	<b>\$397,000</b>	<b>\$288,800</b>	<b>\$685,800</b>		<b>\$685,800</b>	

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	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
<b>Council District 5 Construction and Conveyance Tax Fund (382)</b>						
Ending Fund Balance Adjustment: Rebudgets		\$(62,000)	\$(62,000)			\$(62,000)
Fund Balance Reconciliation					\$544,456	\$(544,456)
Fund Balance Reconciliation		\$544,456	\$544,456			\$544,456
Rebudget: Alum Rock Avenue and 31st Street Park Phase II	\$2,000		\$2,000			\$2,000
Rebudget: Council District 5 Public Art	\$60,000		\$60,000			\$60,000
<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$62,000</b>	<b>\$482,456</b>	<b>\$544,456</b>		<b>\$544,456</b>	
<b>Council District 5 Construction and Conveyance Tax Fund (382) TOTAL</b>	<b>\$62,000</b>	<b>\$482,456</b>	<b>\$544,456</b>		<b>\$544,456</b>	
<b>Council District 6 Construction and Conveyance Tax Fund (384)</b>						
Ending Fund Balance Adjustment: Rebudgets		\$(276,000)	\$(276,000)			\$(276,000)
Fund Balance Reconciliation					\$879,047	\$(879,047)
Fund Balance Reconciliation		\$879,047	\$879,047			\$879,047
Rebudget: Council District 6 Public Art	\$123,000		\$123,000			\$123,000
Rebudget: Del Monte Park Expansion Phase III Land Acquisition	\$83,000		\$83,000			\$83,000
Rebudget: Lincoln Glen Park Playground Renovation	\$47,000		\$47,000			\$47,000
Rebudget: River Glen Neighborhood Center Replacement	\$23,000		\$23,000			\$23,000
<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$276,000</b>	<b>\$603,047</b>	<b>\$879,047</b>		<b>\$879,047</b>	
<b>Council District 6 Construction and Conveyance Tax Fund (384) TOTAL</b>	<b>\$276,000</b>	<b>\$603,047</b>	<b>\$879,047</b>		<b>\$879,047</b>	

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	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
<b>Council District 7 Construction and Conveyance Tax Fund (385)</b>						
Ending Fund Balance Adjustment: Rebudgets		\$(1,534,000)	\$(1,534,000)			\$(1,534,000)
Fund Balance Reconciliation					\$2,702,436	\$(2,702,436)
Fund Balance Reconciliation		\$2,702,436	\$2,702,436			\$2,702,436
Rebudget: Alma Park Master Plan and Design	\$(1,000)		\$(1,000)			\$(1,000)
Rebudget: Council District 7 Public Art	\$65,000		\$65,000			\$65,000
Rebudget: Shirakawa Community Center Renovation	\$9,000		\$9,000			\$9,000
Rebudget: Stonegate Park Improvements	\$63,000		\$63,000			\$63,000
Rebudget: Trail: Coyote Creek (Story RD Intersection/Trail Enhancements)	\$50,000		\$50,000			\$50,000
Rebudget: Vietnamese Heritage Gardens Portable Trailer	\$923,000		\$923,000			\$923,000
Rebudget: Vietnamese-American Community Center Renovation Project	\$425,000		\$425,000			\$425,000
<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$1,534,000</b>	<b>\$1,168,436</b>	<b>\$2,702,436</b>		<b>\$2,702,436</b>	

**Council District 7 Construction and Conveyance Tax Fund (385) TOTAL**      **\$1,534,000**    **\$1,168,436**    **\$2,702,436**      **\$2,702,436**

**Council District 8 Construction and Conveyance Tax Fund (386)**

Ending Fund Balance Adjustment: Rebudgets		\$(204,000)	\$(204,000)			\$(204,000)
Fund Balance Reconciliation					\$874,175	\$(874,175)
Fund Balance Reconciliation		\$874,175	\$874,175			\$874,175
Rebudget: Council District 8 Public Art	\$35,000		\$35,000			\$35,000
Rebudget: Monkton Parkland Maintenance and Improvements	\$5,000		\$5,000			\$5,000

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	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
<b>Council District 8 Construction and Conveyance Tax Fund (386)</b>						
Rebudget: Silver Creek Park Improvements	\$70,000		\$70,000			\$70,000
Rebudget: Welch Park and Neighborhood Center Improvements	\$94,000		\$94,000			\$94,000
<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$204,000</b>	<b>\$670,175</b>	<b>\$874,175</b>		<b>\$874,175</b>	
<b>Council District 8 Construction and Conveyance Tax Fund (386) TOTAL</b>	<b>\$204,000</b>	<b>\$670,175</b>	<b>\$874,175</b>		<b>\$874,175</b>	
<b>Council District 9 Construction and Conveyance Tax Fund (388)</b>						
Ending Fund Balance Adjustment: Rebudgets		\$(193,000)	\$(193,000)			\$(193,000)
Fund Balance Reconciliation					\$620,564	\$(620,564)
Fund Balance Reconciliation		\$620,564	\$620,564			\$620,564
Rebudget: Branham Park Improvements	\$7,000		\$7,000			\$7,000
Rebudget: Butcher Park Playlot Renovation	\$21,000		\$21,000			\$21,000
Rebudget: Camden Community Center Gymnasium Improvements	\$33,000		\$33,000			\$33,000
Rebudget: Camden Community Center Improvements	\$10,000		\$10,000			\$10,000
Rebudget: Council District 9 Public Art	\$114,000		\$114,000			\$114,000
Rebudget: Terrell Park Minor Improvements	\$8,000		\$8,000			\$8,000
<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$193,000</b>	<b>\$427,564</b>	<b>\$620,564</b>		<b>\$620,564</b>	
Butcher Park Playlot Renovation	\$15,000		\$15,000			\$15,000
Ending Fund Balance Adjustment		\$10,000	\$10,000			\$10,000
Paul Moore Park Reuse Center Minor Improvements	\$(25,000)		\$(25,000)			\$(25,000)
<b>Budget Adjustments TOTAL</b>	<b>\$(10,000)</b>	<b>\$10,000</b>				
<b>Council District 9 Construction and Conveyance Tax Fund (388) TOTAL</b>	<b>\$183,000</b>	<b>\$437,564</b>	<b>\$620,564</b>		<b>\$620,564</b>	



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	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
<b>Emma Prusch Fund (131)</b>						
Fund Balance Reconciliation					\$12,611	\$(12,611)
Fund Balance Reconciliation		\$12,611	\$12,611			\$12,611
<b>Clean-Up and Rebudget Actions TOTAL</b>		<b>\$12,611</b>	<b>\$12,611</b>		<b>\$12,611</b>	
All Inclusive Playground - Emma Prusch	\$11,000		\$11,000			\$11,000
Ending Fund Balance Adjustment		\$(11,000)	\$(11,000)			\$(11,000)
<b>Budget Adjustments TOTAL</b>	<b>\$11,000</b>	<b>\$(11,000)</b>				
<b>Emma Prusch Fund (131) TOTAL</b>	<b>\$11,000</b>	<b>\$1,611</b>	<b>\$12,611</b>		<b>\$12,611</b>	
<b>Fire Construction and Conveyance Tax Fund (392)</b>						
Ending Fund Balance Adjustment: Rebudgets		\$(129,000)	\$(129,000)			\$(129,000)
Fund Balance Reconciliation					\$1,094,803	\$(1,094,803)
Fund Balance Reconciliation		\$1,094,803	\$1,094,803			\$1,094,803
Rebudget: Fire Station 37	\$22,000		\$22,000			\$22,000
Rebudget: Fire Station Alert Sales Tax Correction	\$(37,000)		\$(37,000)			\$(37,000)
Rebudget: Outstanding Facilities Improvements	\$144,000		\$144,000			\$144,000
<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$129,000</b>	<b>\$965,803</b>	<b>\$1,094,803</b>		<b>\$1,094,803</b>	
Ending Fund Balance Adjustment: Rebudgets		\$(13,000)	\$(13,000)			\$(13,000)
Infrastructure Management System Software Update	\$13,000		\$13,000			\$13,000
<b>Budget Adjustments TOTAL</b>	<b>\$13,000</b>	<b>\$(13,000)</b>				
<b>Fire Construction and Conveyance Tax Fund (392) TOTAL</b>	<b>\$142,000</b>	<b>\$952,803</b>	<b>\$1,094,803</b>		<b>\$1,094,803</b>	

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	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
<b>General Purpose Parking Capital Fund (559)</b>						
Fund Balance Adjustment: Rebudgets		\$1,149,000	\$1,149,000			\$1,149,000
Fund Balance Reconciliation					\$21,132	\$(21,132)
Fund Balance Reconciliation		\$21,132	\$21,132			\$21,132
Rebudget: Downtown Area Multi-Modal/Streetscape Improvements	\$(81,000)		\$(81,000)			\$(81,000)
Rebudget: Downtown Event Parking Dynamic Message Sign Repair and Upgrades	\$(292,000)		\$(292,000)			\$(292,000)
Rebudget: Garage Facade Improvements	\$(1,000)		\$(1,000)			\$(1,000)
Rebudget: Greater Downtown Parking Inventory	\$(69,000)		\$(69,000)			\$(69,000)
Rebudget: Green Technologies and Innovation	\$(257,000)		\$(257,000)			\$(257,000)
Rebudget: Minor Parking Facility Improvements	\$(187,000)		\$(187,000)			\$(187,000)
Rebudget: Public Art Allocation	\$97,000		\$97,000			\$97,000
Rebudget: Revenue Control and Meter Upgrades	\$(359,000)		\$(359,000)			\$(359,000)
<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$(1,149,000)</b>	<b>\$1,170,132</b>	<b>\$21,132</b>		<b>\$21,132</b>	
Ending Fund Balance Adjustment		\$(600,000)	\$(600,000)			\$(600,000)
Greater Downtown Area Multi-Modal/Streetscape Improvements	\$(1,700,000)		\$(1,700,000)			\$(1,700,000)
Revenue Control and Meter Upgrades	\$900,000		\$900,000			\$900,000
Security Improvements	\$(300,000)		\$(300,000)			\$(300,000)
Transfer to Construction Excise Tax Fund	\$1,700,000		\$1,700,000			\$1,700,000
<b>Budget Adjustments TOTAL</b>	<b>\$600,000</b>	<b>\$(600,000)</b>				
<b>General Purpose Parking Capital Fund (559) TOTAL</b>	<b>\$(549,000)</b>	<b>\$570,132</b>	<b>\$21,132</b>		<b>\$21,132</b>	

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	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
<b>Improvement District Fund (599)</b>						
Fund Balance Reconciliation					\$54,121	\$(54,121)
Fund Balance Reconciliation		\$54,121	\$54,121			\$54,121
<b>Clean-Up and Rebudget Actions TOTAL</b>		<b>\$54,121</b>	<b>\$54,121</b>		<b>\$54,121</b>	
<b>Improvement District Fund (599) TOTAL</b>		<b>\$54,121</b>	<b>\$54,121</b>		<b>\$54,121</b>	
<b>Lake Cunningham Fund (462)</b>						
Ending Fund Balance Adjustment: Rebudgets		\$(71,000)	\$(71,000)			\$(71,000)
Fund Balance Reconciliation					\$134,990	\$(134,990)
Fund Balance Reconciliation		\$134,990	\$134,990			\$134,990
Rebudget: Lake Cunningham Park Lighting Improvements	\$7,000		\$7,000			\$7,000
Rebudget: Lake Cunningham Public Art	\$15,000		\$15,000			\$15,000
Rebudget: Lake Cunningham Shoreline Study	\$49,000		\$49,000			\$49,000
<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$71,000</b>	<b>\$63,990</b>	<b>\$134,990</b>		<b>\$134,990</b>	
<b>Lake Cunningham Fund (462) TOTAL</b>	<b>\$71,000</b>	<b>\$63,990</b>	<b>\$134,990</b>		<b>\$134,990</b>	

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	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
<b>Library Construction and Conveyance Tax Fund (393)</b>						
Ending Fund Balance Adjustment: Rebudgets		\$(294,000)	\$(294,000)			\$(294,000)
Fund Balance Reconciliation					\$(72,757)	\$72,757
Fund Balance Reconciliation		\$(72,757)	\$(72,757)			\$(72,757)
Rebudget: Acquisition of Materials	\$276,000		\$276,000			\$276,000
Rebudget: Automation Projects and System Maintenance	\$60,000		\$60,000			\$60,000
Rebudget: Branch Efficiency Projects	\$(109,000)		\$(109,000)			\$(109,000)
Rebudget: General Equipment and Furnishings	\$83,000		\$83,000			\$83,000
Rebudget: Materials Handling Technology	\$(14,000)		\$(14,000)			\$(14,000)
Rebudget: Mobile Maker [Space]ship Vehicle	\$(2,000)		\$(2,000)			\$(2,000)
<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$294,000</b>	<b>\$(366,757)</b>	<b>\$(72,757)</b>		<b>\$(72,757)</b>	
Ending Fund Balance Adjustment		\$(13,000)	\$(13,000)			\$(13,000)
Infrastructure Management System Software Update	\$13,000		\$13,000			\$13,000
<b>Budget Adjustments TOTAL</b>	<b>\$13,000</b>	<b>\$(13,000)</b>				
<b>Library Construction and Conveyance Tax Fund (393)</b>	<b>\$307,000</b>	<b>\$(379,757)</b>	<b>\$(72,757)</b>		<b>\$(72,757)</b>	

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	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
<b>Library Parcel Tax Capital Fund (483)</b>						
Ending Fund Balance Adjustment: Rebudgets		\$(232,000)	\$(232,000)			\$(232,000)
Fund Balance Reconciliation					\$278,748	\$(278,748)
Fund Balance Reconciliation		\$278,748	\$278,748			\$278,748
Rebudget: Acquisition of Materials	\$159,000		\$159,000			\$159,000
Rebudget: Automation Projects and System Maintenance	\$73,000		\$73,000			\$73,000
<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$232,000</b>	<b>\$46,748</b>	<b>\$278,748</b>		<b>\$278,748</b>	
<b>Library Parcel Tax Capital Fund (483) TOTAL</b>	<b>\$232,000</b>	<b>\$46,748</b>	<b>\$278,748</b>		<b>\$278,748</b>	
<b>Major Collectors and Arterials Fund (421)</b>						
Fund Balance Reconciliation					\$14,026	\$(14,026)
Fund Balance Reconciliation		\$14,026	\$14,026			\$14,026
<b>Clean-Up and Rebudget Actions TOTAL</b>		<b>\$14,026</b>	<b>\$14,026</b>		<b>\$14,026</b>	
<b>Major Collectors and Arterials Fund (421) TOTAL</b>		<b>\$14,026</b>	<b>\$14,026</b>		<b>\$14,026</b>	

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	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
<b>Major Facilities Fund (502)</b>						
Fund Balance Reconciliation					\$141,720	\$(141,720)
Fund Balance Reconciliation		\$141,720	\$141,720			\$141,720
<b>Clean-Up and Rebudget Actions TOTAL</b>		<b>\$141,720</b>	<b>\$141,720</b>		<b>\$141,720</b>	
<b>Major Facilities Fund (502) TOTAL</b>		<b>\$141,720</b>	<b>\$141,720</b>		<b>\$141,720</b>	
<b>Measure T: Public Safety and Infrastructure Bond Fund (498)</b>						
LED Streetlight Conversion	\$(5,000,000)		\$(5,000,000)			\$(5,000,000)
LED Streetlight Conversion	\$4,963,000		\$4,963,000			\$4,963,000
Measure T - Charcot Avenue Pump Station	\$(28,000)		\$(28,000)			\$(28,000)
Measure T - City Facilities LED Lighting	\$(22,000)		\$(22,000)			\$(22,000)
Measure T - Clean Water Projects	\$(23,000)		\$(23,000)			\$(23,000)
Measure T - Emergency Operations Center Relocation	\$(500,000)		\$(500,000)			\$(500,000)
Measure T - Emergency Operations Center Relocation	\$491,000		\$491,000			\$491,000
Measure T - Fire Station 23 Relocation	\$(4,500,000)		\$(4,500,000)			\$(4,500,000)
Measure T - Fire Station 23 Relocation	\$4,422,000		\$4,422,000			\$4,422,000
Measure T - Fire Station 37	\$(6,180,000)		\$(6,180,000)			\$(6,180,000)
Measure T - Fire Station 37	\$6,072,000		\$6,072,000			\$6,072,000
Measure T - Fire Station 8 Relocation	\$(4,500,000)		\$(4,500,000)			\$(4,500,000)
Measure T - Fire Station 8 Relocation	\$4,422,000		\$4,422,000			\$4,422,000
Measure T - New Fire Station 32	\$(100,000)		\$(100,000)			\$(100,000)

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	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
<b>Measure T: Public Safety and Infrastructure Bond Fund (498)</b>						
Measure T - New Fire Station 32	\$98,000		\$98,000			\$98,000
Measure T - New Fire Station 36	\$(100,000)		\$(100,000)			\$(100,000)
Measure T - New Fire Station 36	\$98,000		\$98,000			\$98,000
Measure T - Police 911 Call Center Upgrades	\$50,000		\$50,000			\$50,000
Measure T - Police Air Support Hangar	\$(500,000)		\$(500,000)			\$(500,000)
Measure T - Police Air Support Hangar	\$491,000		\$491,000			\$491,000
Measure T - Police Headquarters Infrastructure Upgrades	\$30,000		\$30,000			\$30,000
Measure T - Police Training Center Relocation	\$(30,100,000)		\$(30,100,000)			\$(30,100,000)
Measure T - Police Training Center Relocation	\$29,577,000		\$29,577,000			\$29,577,000
Measure T - Program Reserve (Public Safety)	\$(80,000)		\$(80,000)			\$(80,000)
Measure T - Public Art	\$494,000		\$494,000			\$494,000
Measure T Admin Working Capital	\$425,000		\$425,000			\$425,000

**Budget Adjustments TOTAL**

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

**Neighborhood Security Bond Fund (475)**

Ending Fund Balance Adjustment: Rebudgets		\$(88,000)	\$(88,000)			\$(88,000)
Fund Balance Reconciliation					\$95,493	\$(95,493)
Fund Balance Reconciliation		\$95,493	\$95,493			\$95,493
Rebudget: Fire Facilities Remediation	\$88,000		\$88,000			\$88,000
<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$88,000</b>	<b>\$7,493</b>	<b>\$95,493</b>		<b>\$95,493</b>	
<b>Neighborhood Security Bond Fund (475) TOTAL</b>	<b>\$88,000</b>	<b>\$7,493</b>	<b>\$95,493</b>		<b>\$95,493</b>	

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	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
<b>Park Yards Construction and Conveyance Tax Fund (398)</b>						
Ending Fund Balance Adjustment: Rebudgets		\$(197,000)	\$(197,000)			\$(197,000)
Fund Balance Reconciliation					\$280,253	\$(280,253)
Fund Balance Reconciliation		\$280,253	\$280,253			\$280,253
Rebudget: Arcadia Softball Facility Maintenance Yard	\$1,000		\$1,000			\$1,000
Rebudget: Emma Prusch Park Security Improvements	\$50,000		\$50,000			\$50,000
Rebudget: Guadalupe River Park and Gardens Park Yard Expansion	\$50,000		\$50,000			\$50,000
Rebudget: Lake Cunningham Park Yard Renovation	\$100,000		\$100,000			\$100,000
Rebudget: Park Yards Strategic Planning Study	\$(4,000)		\$(4,000)			\$(4,000)
<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$197,000</b>	<b>\$83,253</b>	<b>\$280,253</b>		<b>\$280,253</b>	
<b>Park Yards Construction and Conveyance Tax Fund (398) TOTAL</b>	<b>\$197,000</b>	<b>\$83,253</b>	<b>\$280,253</b>		<b>\$280,253</b>	

**Parks and Recreation Bond Projects Fund (471)**

Ending Fund Balance Adjustment: Rebudgets		\$(333,000)	\$(333,000)			\$(333,000)
Fund Balance Reconciliation					\$908,732	\$(908,732)
Fund Balance Reconciliation		\$908,732	\$908,732			\$908,732



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	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
<b>Parks and Recreation Bond Projects Fund (471)</b>						
Fund Balance Reconciliation - Parks and Recreation Bond Projects Contingency Reserve	\$575,732		\$575,732			\$575,732
Fund Balance Reconciliation - Parks and Recreation Bond Projects Contingency Reserve		\$(575,732)	\$(575,732)			\$(575,732)
Rebudget: All Inclusive Playground - Emma Prusch	\$16,000		\$16,000			\$16,000
Rebudget: Alum Rock Avenue and 31st Street Park Phase II	\$(24,000)		\$(24,000)			\$(24,000)
Rebudget: Arcadia Softball Facility	\$197,000		\$197,000			\$197,000
Rebudget: Butcher Park Playlot Renovation	\$(10,000)		\$(10,000)			\$(10,000)
Rebudget: Hathaway Park Renovation	\$(4,000)		\$(4,000)			\$(4,000)
Rebudget: Playa Del Rey Shade Structure	\$50,000		\$50,000			\$50,000
Rebudget: Public Art - Parks and Recreation Bond Projects	\$2,000		\$2,000			\$2,000
Rebudget: River Glen Park Improvements	\$49,000		\$49,000			\$49,000
Rebudget: Solari Park Improvements	\$10,000		\$10,000			\$10,000
Rebudget: Welch Park and Neighborhood Center Improvements	\$47,000		\$47,000			\$47,000
<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$908,732</b>		<b>\$908,732</b>		<b>\$908,732</b>	
<b>Parks and Recreation Bond Projects Fund (471) TOTAL</b>	<b>\$908,732</b>		<b>\$908,732</b>		<b>\$908,732</b>	
<b>Parks Central Construction and Conveyance Tax Fund (390)</b>						
Ending Fund Balance Adjustment: Rebudgets		\$(399,000)	\$(399,000)			\$(399,000)
Fund Balance Reconciliation					\$(673,202)	\$673,202
Fund Balance Reconciliation		\$(673,202)	\$(673,202)			\$(673,202)

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	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
<b>Parks Central Construction and Conveyance Tax Fund (390)</b>						
Rebudget: 2017 Flood - Commercial Paper Debt Service and Letter of Credit Fees	\$411,000		\$411,000			\$411,000
Rebudget: Financing Strategy Feasibility Study	\$(16,000)		\$(16,000)			\$(16,000)
Rebudget: Major Park Equipment	\$4,000		\$4,000			\$4,000
<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$399,000</b>	<b>\$(1,072,202)</b>	<b>\$(673,202)</b>		<b>\$(673,202)</b>	
Ending Fund Balance Adjustment		\$129,000	\$129,000			\$129,000
Family-Friendly City Facilities	\$(150,000)		\$(150,000)			\$(150,000)
Infrastructure Management Services Software Update	\$21,000		\$21,000			\$21,000
<b>Budget Adjustments TOTAL</b>	<b>\$(129,000)</b>	<b>\$129,000</b>				
<b>Parks Central Construction and Conveyance Tax Fund (390) TOTAL</b>	<b>\$270,000</b>	<b>\$(943,202)</b>	<b>\$(673,202)</b>		<b>\$(673,202)</b>	
<b>Parks City-Wide Construction and Conveyance Tax Fund (391)</b>						
Ending Fund Balance Adjustment: Rebudgets		\$(1,266,000)	\$(1,266,000)			\$(1,266,000)
Fund Balance Reconciliation				\$5,825,508		\$(5,825,508)
Fund Balance Reconciliation		\$5,825,508	\$5,825,508			\$5,825,508
Rebudget: 2017 Flood - Alum Rock Park Mineral Springs Bridge Embankment	\$(7,000)		\$(7,000)			\$(7,000)
Rebudget: 2017 Flood - Alum Rock Park Mineral Springs Restrooms	\$(4,000)		\$(4,000)			\$(4,000)
Rebudget: 2017 Flood - Alum Rock Park Service Road Repairs and Reconstruction	\$(7,000)		\$(7,000)			\$(7,000)
Rebudget: 2017 Flood - Alum Rock Park Trestle Repair	\$(6,000)		\$(6,000)			\$(6,000)

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	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
<b>Parks City-Wide Construction and Conveyance Tax Fund (391)</b>						
Rebudget: 2017 Flood - Alum Rock Park Visitors Center	\$25,000		\$25,000			\$25,000
Rebudget: 2017 Flood - Family Camp Playground Shade Structure & Retaining Wall	\$241,000		\$241,000			\$241,000
Rebudget: 2017 Flood - Happy Hollow Park and Zoo Night House & Breakroom	\$115,000		\$115,000			\$115,000
Rebudget: 2017 Flood - Japanese Friendship Garden Koi Pond & Pump House	\$(5,000)		\$(5,000)			\$(5,000)
Rebudget: 2017 Flood - Japanese Friendship Garden Public Restroom	\$45,000		\$45,000			\$45,000
Rebudget: 2017 Flood - Japanese Friendship Garden Tea House	\$87,000		\$87,000			\$87,000
Rebudget: 2017 Flood - Kelley Park Outfall	\$(7,000)		\$(7,000)			\$(7,000)
Rebudget: AHSC - Coyote Creek (Story-Tully)				\$(91,000)		\$91,000
Rebudget: Alum Rock Park Youth Science Institute Building	\$39,000		\$39,000			\$39,000
Rebudget: Arcadia Softball Facility	\$5,000		\$5,000			\$5,000
Rebudget: Arcadia Softball Facility Fixtures, Furnishings and Equipment	\$(11,000)		\$(11,000)			\$(11,000)
Rebudget: Family Camp Capital Improvements	\$(37,000)		\$(37,000)			\$(37,000)
Rebudget: Happy Hollow Park and Zoo Lower Zoo Master Plan and Design	\$9,000		\$9,000			\$9,000
Rebudget: Happy Hollow Park and Zoo Security Improvements	\$(61,000)		\$(61,000)			\$(61,000)
Rebudget: Happy Hollow Park and Zoo Ticketing and Management System	\$49,000		\$49,000			\$49,000
Rebudget: Los Lagos Golf Course Feasibility Study	\$10,000		\$10,000			\$10,000
Rebudget: Overfelt Gardens Improvements	\$380,000		\$380,000			\$380,000
Rebudget: Parks City-Wide Public Art	\$57,000		\$57,000			\$57,000

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	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
<b>Parks City-Wide Construction and Conveyance Tax Fund (391)</b>						
Rebudget: Police Athletic League (PAL) Stadium Improvements	\$29,000		\$29,000			\$29,000
Rebudget: Tamien Park FF&E	\$100,000		\$100,000			\$100,000
Rebudget: TRAIL: Coyote Creek (Story Road to Tully Road)	\$129,000		\$129,000			\$129,000
<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$1,175,000</b>	<b>\$4,559,508</b>	<b>\$5,734,508</b>	<b>\$(91,000)</b>	<b>\$5,825,508</b>	
2017 Flood - Alum Rock Park Mineral Springs Bridge Embankment	\$300,000		\$300,000			\$300,000
2017 Flood - Family Camp Playground Shade Structure, Retaining Wall and Slope Stabilization	\$400,000		\$400,000			\$400,000
2017 Flood - Watson Park Turf, Lighting, and Electrical Mitigation	\$(637,000)		\$(637,000)			\$(637,000)
Ending Fund Balance Adjustment		\$(413,000)	\$(413,000)			\$(413,000)
Family Camp Capital Improvements Reserve	\$51,000		\$51,000			\$51,000
Family-Friendly City Facilities	\$150,000		\$150,000			\$150,000
Overfelt Gardens Improvements	\$71,000		\$71,000			\$71,000
Soccer Facility Reserve	\$78,000		\$78,000			\$78,000
<b>Budget Adjustments TOTAL</b>	<b>\$413,000</b>	<b>\$(413,000)</b>				
<b>Parks City-Wide Construction and Conveyance Tax Fund (391) TOTAL</b>	<b>\$1,588,000</b>	<b>\$4,146,508</b>	<b>\$5,734,508</b>	<b>\$(91,000)</b>	<b>\$5,825,508</b>	
<b>Residential Construction Tax Contribution Fund (420)</b>						
Fund Balance Reconciliation		\$782,458	\$782,458			\$782,458
Fund Balance Reconciliation					\$782,458	\$(782,458)
<b>Clean-Up and Rebudget Actions TOTAL</b>		<b>\$782,458</b>	<b>\$782,458</b>		<b>\$782,458</b>	
<b>Residential Construction Tax Contribution Fund (420) TOTAL</b>		<b>\$782,458</b>	<b>\$782,458</b>		<b>\$782,458</b>	

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	USE		SOURCE		NET COST
	Expense	Ending Fund Balance	Revenue	Beg Fund Balance	
<b>San José-Santa Clara Treatment Plant Capital Fund (512)</b>					
Ending Fund Balance Adjustment		\$(5,635,000)	\$(5,635,000)		\$(5,635,000)
Fund Balance Reconciliation				\$6,096,184	\$(6,096,184)
Fund Balance Reconciliation		\$6,096,184	\$6,096,184		\$6,096,184
Rebudget: Advanced Facility Control and Meter Replacement	\$198,000		\$198,000		\$198,000
Rebudget: Debt Service Repayment for Plant Capital Improvement Projects	\$2,063,000		\$2,063,000		\$2,063,000
Rebudget: Digester and Thickener Facilities Upgrade	\$2,353,000		\$2,353,000		\$2,353,000
Rebudget: Energy Generation Improvements	\$206,000		\$206,000		\$206,000
Rebudget: Facility Wide Water Systems Improvements	\$6,000		\$6,000		\$6,000
Rebudget: Filter Rehabilitation	\$30,000		\$30,000		\$30,000
Rebudget: Flood Protection					
Rebudget: Headworks Improvements	\$14,000		\$14,000		\$14,000
Rebudget: New Headworks	\$191,000		\$191,000		\$191,000
Rebudget: Outfall Bridge and Levee Improvements	\$18,000		\$18,000		\$18,000
Rebudget: Plant Electrical Reliability	\$24,000		\$24,000		\$24,000
Rebudget: Plant Infrastructure Improvements	\$2,000		\$2,000		\$2,000
Rebudget: Program Management - Water Pollution Control	\$537,000		\$537,000		\$537,000

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	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
<b>San José-Santa Clara Treatment Plant Capital Fund (512)</b>						
Rebudget: Public Art Allocation	\$10,000		\$10,000			\$10,000
Rebudget: Storm Drain System Improvements	\$(17,000)		\$(17,000)			\$(17,000)
<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$5,635,000</b>	<b>\$461,184</b>	<b>\$6,096,184</b>		<b>\$6,096,184</b>	
City Facilities Emergency Power Generation - Regional Wastewater Facility	\$100,000		\$100,000			\$100,000
Ending Fund Balance Adjustment		\$(100,000)	\$(100,000)			\$(100,000)
<b>Budget Adjustments TOTAL</b>	<b>\$100,000</b>	<b>\$(100,000)</b>				
<b>San José-Santa Clara Treatment Plant Capital Fund (512) TOTAL</b>	<b>\$5,735,000</b>	<b>\$361,184</b>	<b>\$6,096,184</b>		<b>\$6,096,184</b>	
<b>Sanitary Sewer Connection Fee Fund (540)</b>						
Ending Fund Balance Adjustment: Rebudgets		\$(110,000)	\$(110,000)			\$(110,000)
Fund Balance Reconciliation					\$563,881	\$(563,881)
Fund Balance Reconciliation		\$563,881	\$563,881			\$563,881
Rebudget: Rincon Avenue - Virginia Avenue Sanitary Sewer Improvements	\$110,000		\$110,000			\$110,000
<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$110,000</b>	<b>\$453,881</b>	<b>\$563,881</b>		<b>\$563,881</b>	
<b>Sanitary Sewer Connection Fee Fund (540) TOTAL</b>	<b>\$110,000</b>	<b>\$453,881</b>	<b>\$563,881</b>		<b>\$563,881</b>	

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	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
<b>Service Yards Construction and Conveyance Tax Fund (395)</b>						
Ending Fund Balance Adjustment: Rebudgets		\$115,000	\$115,000			\$115,000
Fund Balance Reconciliation					\$614,024	\$(614,024)
Fund Balance Reconciliation		\$614,024	\$614,024			\$614,024
Rebudget: Roof Replacement, Painting, and Supplemental Needs	\$(87,000)		\$(87,000)			\$(87,000)
Rebudget: South & West Yards - Water Heaters Replacement	\$(28,000)		\$(28,000)			\$(28,000)
<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$(115,000)</b>	<b>\$729,024</b>	<b>\$614,024</b>		<b>\$614,024</b>	
Ending Fund Balance Adjustment		\$(11,000)	\$(11,000)			\$(11,000)
Infrastructure Management System Software Update	\$11,000		\$11,000			\$11,000
<b>Budget Adjustments TOTAL</b>	<b>\$11,000</b>	<b>\$(11,000)</b>				
<b>Service Yards Construction and Conveyance Tax Fund (395) TOTAL</b>	<b>\$(104,000)</b>	<b>\$718,024</b>	<b>\$614,024</b>		<b>\$614,024</b>	
<b>Sewer Service and Use Charge Capital Improvement Fund (545)</b>						
Ending Fund Balance Adjustment: Rebudgets		\$(6,785,000)	\$(6,785,000)			\$(6,785,000)
Fund Balance Reconciliation					\$8,777,994	\$(8,777,994)
Fund Balance Reconciliation		\$8,777,994	\$8,777,994			\$8,777,994
Rebudget: 60 inch Brick Interceptor, Phase VIA and VIB	\$476,000		\$476,000			\$476,000
Rebudget: Bollinger Road - Moorpark Avenue - Williams Road Sanitary Sewer Improvements	\$198,000		\$198,000			\$198,000
Rebudget: Cast Iron Pipe - Remove and Replace	\$1,300,000		\$1,300,000			\$1,300,000
Rebudget: Condition Assessment Sewer Repairs	\$700,000		\$700,000			\$700,000
Rebudget: Immediate Replacement and Diversion Projects	\$1,000,000		\$1,000,000			\$1,000,000

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	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
<b>Sewer Service and Use Charge Capital Improvement Fund (545)</b>						
Rebudget: Infrastructure - Sanitary Sewer Condition Assessment	\$(111,000)		\$(111,000)			\$(111,000)
Rebudget: Public Art Allocation	\$833,000		\$833,000			\$833,000
Rebudget: Rehabilitation of Sanitary Sewer Pump Stations	\$94,000		\$94,000			\$94,000
Rebudget: Rincon Avenue - Virginia Avenue Sanitary Sewer Improvements	\$82,000		\$82,000			\$82,000
Rebudget: Trimble Road and Capewood Lane Sanitary Sewer Improvements	\$22,000		\$22,000			\$22,000
Rebudget: Urgent Rehabilitation and Repair Projects	\$1,800,000		\$1,800,000			\$1,800,000
Rebudget: Westmont Avenue and Harriet Avenue Sanitary Sewer Improvements	\$391,000		\$391,000			\$391,000
<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$6,785,000</b>	<b>\$1,992,994</b>	<b>\$8,777,994</b>		<b>\$8,777,994</b>	
City Facilities Emergency Power Generation - Sanitary Sewer	\$500,000		\$500,000			\$500,000
Ending Fund Balance Adjustment: Rebudgets		\$(504,000)	\$(504,000)			\$(504,000)
Infrastructure Management System Software Update	\$4,000		\$4,000			\$4,000
<b>Budget Adjustments TOTAL</b>	<b>\$504,000</b>	<b>\$(504,000)</b>				
<b>Sewer Service and Use Charge Capital Improvement Fund (545) TOTAL</b>	<b>\$7,289,000</b>	<b>\$1,488,994</b>	<b>\$8,777,994</b>		<b>\$8,777,994</b>	
<b>South Bay Water Recycling Capital Fund (571)</b>						
Fund Balance Reconciliation					\$25,975	\$(25,975)
Fund Balance Reconciliation		\$25,975	\$25,975			\$25,975
<b>Clean-Up and Rebudget Actions TOTAL</b>		<b>\$25,975</b>	<b>\$25,975</b>		<b>\$25,975</b>	
<b>South Bay Water Recycling Capital Fund (571) TOTAL</b>		<b>\$25,975</b>	<b>\$25,975</b>		<b>\$25,975</b>	



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	USE		SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue Beg Fund Balance	
<b>Storm Drainage Fee Fund (413)</b>					
Fund Balance Reconciliation				\$36,418	\$(36,418)
Fund Balance Reconciliation		\$36,418	\$36,418		\$36,418
<b>Clean-Up and Rebudget Actions TOTAL</b>		<b>\$36,418</b>	<b>\$36,418</b>	<b>\$36,418</b>	
<b>Storm Drainage Fee Fund (413) TOTAL</b>		<b>\$36,418</b>	<b>\$36,418</b>	<b>\$36,418</b>	
<b>Storm Sewer Capital Fund (469)</b>					
Ending Fund Balance Adjustment: Rebudgets		\$(1,475,000)	\$(1,475,000)		\$(1,475,000)
Fund Balance Reconciliation				\$638,970	\$(638,970)
Fund Balance Reconciliation		\$638,970	\$638,970		\$638,970
Rebudget: Alviso Storm Pump Station	\$(34,000)		\$(34,000)		\$(34,000)
Rebudget: Charcot Storm Pump Rental	\$30,000		\$30,000		\$30,000
Rebudget: Flow Monitoring Program	\$47,000		\$47,000		\$47,000
Rebudget: Green Infrastructure Improvements	\$80,000		\$80,000		\$80,000
Rebudget: Large Trash Capture Devices	\$400,000		\$400,000		\$400,000
Rebudget: Program Management - Storm Sewer	\$60,000		\$60,000		\$60,000
Rebudget: Public Art Allocation	\$468,000		\$468,000		\$468,000
Rebudget: San Jose Watershed Invasive Species Removal and Engagement	\$7,000		\$7,000		\$7,000

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	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
<b>Storm Sewer Capital Fund (469)</b>						
Rebudget: Storm Pump Station Rehabilitation and Replacement	\$250,000		\$250,000			\$250,000
Rebudget: Storm Sewer Improvements	\$25,000		\$25,000			\$25,000
Rebudget: Storm Sewer Master Plan - City-wide	\$142,000		\$142,000			\$142,000
<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$1,475,000</b>	<b>\$(836,030)</b>	<b>\$638,970</b>		<b>\$638,970</b>	
Ending Fund Balance Adjustment: Rebudgets		\$(1,000)	\$(1,000)			\$(1,000)
Infrastructure Management System Software Update	\$1,000		\$1,000			\$1,000
<b>Budget Adjustments TOTAL</b>	<b>\$1,000</b>	<b>\$(1,000)</b>				
<b>Storm Sewer Capital Fund (469) TOTAL</b>	<b>\$1,476,000</b>	<b>\$(837,030)</b>	<b>\$638,970</b>		<b>\$638,970</b>	
<b>Subdivision Park Trust Fund (375)</b>						
Ending Fund Balance Adjustment: Rebudgets		\$(2,356,000)	\$(2,356,000)			\$(2,356,000)
Fund Balance Reconciliation				\$11,313,613		\$(11,313,613)
Fund Balance Reconciliation		\$11,313,613	\$11,313,613			\$11,313,613
Fund Balance Reconciliation - Future PDO/PIO Projects Reserve	\$8,957,613		\$8,957,613			\$8,957,613
Fund Balance Reconciliation - Future PDO/PIO Projects Reserve		\$(8,957,613)	\$(8,957,613)			\$(8,957,613)
Rebudget: Agnews Property Development	\$167,000		\$167,000			\$167,000
Rebudget: All Inclusive Playground - Lincoln Glen	\$55,000		\$55,000			\$55,000
Rebudget: Baypointe Interim Park	\$83,000		\$83,000			\$83,000
Rebudget: Berryessa Community Center Improvements	\$20,000		\$20,000			\$20,000

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	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
<b>Subdivision Park Trust Fund (375)</b>						
Rebudget: Biebrach Park Renovation	\$(3,000)		\$(3,000)			\$(3,000)
Rebudget: Bruzzone Way Park Design Review and Inspection	\$6,000		\$6,000			\$6,000
Rebudget: Cannery Park Design Review and Inspection	\$8,000		\$8,000			\$8,000
Rebudget: Capitol at Gimelli Turnkey Park Developer Reimbursement	\$1,000		\$1,000			\$1,000
Rebudget: Capitol Turnkey Park Design Review and Inspection	\$3,000		\$3,000			\$3,000
Rebudget: Communications Hill Staircase Design Review and Inspection	\$18,000		\$18,000			\$18,000
Rebudget: Del Monte Park Phase III Master Plan and Design	\$13,000		\$13,000			\$13,000
Rebudget: Falls Creek Park Minor Improvements	\$16,000		\$16,000			\$16,000
Rebudget: Groesbeck Park Improvements	\$13,000		\$13,000			\$13,000
Rebudget: Hamann Park Minor Improvements	\$8,000		\$8,000			\$8,000
Rebudget: Iris Chang Park Development	\$(80,000)		\$(80,000)			\$(80,000)
Rebudget: iStar Great Oaks Park Design Review and Inspection	\$11,000		\$11,000			\$11,000
Rebudget: Japantown Park Design, Review and Inspection	\$1,000		\$1,000			\$1,000
Rebudget: Japantown Park Public Art	\$4,000		\$4,000			\$4,000
Rebudget: Los Paseos Park Lighting	\$19,000		\$19,000			\$19,000
Rebudget: Martial-Cottle Community Garden	\$353,000		\$353,000			\$353,000
Rebudget: Martin Park Accessibility Improvements	\$43,000		\$43,000			\$43,000
Rebudget: Mayfair Community Center Park Improvements	\$4,000		\$4,000			\$4,000
Rebudget: Mercado Park Design Review and Inspection	\$36,000		\$36,000			\$36,000

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	USE			SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
<b>Subdivision Park Trust Fund (375)</b>						
Rebudget: Metcalf Park Perimeter Fencing	\$45,000		\$45,000			\$45,000
Rebudget: Municipal Rose Garden Improvements	\$(38,000)		\$(38,000)			\$(38,000)
Rebudget: Newbury Park Design	\$16,000		\$16,000			\$16,000
Rebudget: North San Pedro Area Parks Master Plans	\$177,000		\$177,000			\$177,000
Rebudget: Parks Rehabilitation Strike Team - Council District 1	\$1,000		\$1,000			\$1,000
Rebudget: Parks Rehabilitation Strike Team - Council District 10	\$(5,000)		\$(5,000)			\$(5,000)
Rebudget: Parks Rehabilitation Strike Team - Council District 2	\$1,000		\$1,000			\$1,000
Rebudget: Parks Rehabilitation Strike Team - Council District 3	\$(6,000)		\$(6,000)			\$(6,000)
Rebudget: Parks Rehabilitation Strike Team - Council District 4	\$(3,000)		\$(3,000)			\$(3,000)
Rebudget: Parks Rehabilitation Strike Team - Council District 5	\$(29,000)		\$(29,000)			\$(29,000)
Rebudget: Parks Rehabilitation Strike Team - Council District 6	\$2,000		\$2,000			\$2,000
Rebudget: Parks Rehabilitation Strike Team - Council District 7	\$(7,000)		\$(7,000)			\$(7,000)
Rebudget: Parks Rehabilitation Strike Team - Council District 8	\$5,000		\$5,000			\$5,000
Rebudget: Parks Rehabilitation Strike Team - Council District 9	\$1,000		\$1,000			\$1,000
Rebudget: Penitencia Creek Neighborhood Park Public Art	\$4,000		\$4,000			\$4,000
Rebudget: Penitencia Creek Park Dog Park Public Art	\$1,000		\$1,000			\$1,000
Rebudget: Penitencia Creek Public Art	\$1,000		\$1,000			\$1,000

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	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
<b>Subdivision Park Trust Fund (375)</b>						
Rebudget: Plaza de Cesar Chavez Interim Improvements	\$341,000		\$341,000			\$341,000
Rebudget: Pueblo de Dios Master Plan and Design	\$75,000		\$75,000			\$75,000
Rebudget: Rincon South Park Development	\$(6,000)		\$(6,000)			\$(6,000)
Rebudget: River Glen Park Improvements	\$3,000		\$3,000			\$3,000
Rebudget: Roosevelt Park Improvements	\$211,000		\$211,000			\$211,000
Rebudget: Rotary Playgarden Parking Lot Lift Station	\$4,000		\$4,000			\$4,000
Rebudget: Rotary Playgarden Shade Structure	\$17,000		\$17,000			\$17,000
Rebudget: Southside Community Center Renovations	\$(277,000)		\$(277,000)			\$(277,000)
Rebudget: Southside Community Center Youth Shade Structure	\$20,000		\$20,000			\$20,000
Rebudget: St. James Park Capital Vision	\$3,000		\$3,000			\$3,000
Rebudget: St. James Park Phase I Design	\$16,000		\$16,000			\$16,000
Rebudget: Tamien Park Development (Phase I)	\$107,000		\$107,000			\$107,000
Rebudget: Tamien Park Development (Phase II)	\$38,000		\$38,000			\$38,000
Rebudget: Thousand Oaks Park Minor Improvements	\$25,000		\$25,000			\$25,000
Rebudget: Townsend Park Minor Improvements	\$7,000		\$7,000			\$7,000
Rebudget: TRAIL: Bay Area Ridge Visibility Enhancement	\$40,000		\$40,000			\$40,000
Rebudget: TRAIL: Coyote Creek (Brokaw Road to Union Pacific Railroad Corridor) Design	\$(3,000)		\$(3,000)			\$(3,000)
Rebudget: TRAIL: Coyote Creek (Story Road to Selma Olinder Park)	\$(6,000)		\$(6,000)			\$(6,000)
Rebudget: TRAIL: Coyote Creek Fish Passage Remediation and Pedestrian Bridge (Singleton)	\$166,000		\$166,000			\$166,000

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	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
<b>Subdivision Park Trust Fund (375)</b>						
Rebudget: TRAIL: Guadalupe River/Coleman Under-crossing Riparian Habitat	\$16,000		\$16,000			\$16,000
Rebudget: TRAIL: Guadalupe River Park and Blossom River Drive Connection	\$173,000		\$173,000			\$173,000
Rebudget: TRAIL: Guadalupe River Under-crossing (Coleman Road) Design	\$10,000		\$10,000			\$10,000
Rebudget: TRAIL: Los Gatos Reach 5 B/C Under-crossing Design	\$7,000		\$7,000			\$7,000
Rebudget: TRAIL: Three Creeks Interim Improvements and Pedestrian Bridge	\$37,000		\$37,000			\$37,000
Rebudget: TRAIL: Yerba Buena Creek Ped Bridge - Preliminary Design	\$7,000		\$7,000			\$7,000
Rebudget: TRAIL: Coyote Creek (Mabury Road to Empire Street)	\$37,000		\$37,000			\$37,000
Rebudget: TRAIL: Coyote Creek (Story Road to Tully Road)	\$1,000		\$1,000			\$1,000
Rebudget: Watson Park Improvements	\$15,000		\$15,000			\$15,000
Rebudget: West San José Community Center Parking Lot Resurfacing	\$140,000		\$140,000			\$140,000
Rebudget: Willow Glen Community Center Improvements	\$167,000		\$167,000			\$167,000
<b>Clean-Up and Rebudget Actions TOTAL</b>	<b>\$11,313,613</b>		<b>\$11,313,613</b>		<b>\$11,313,613</b>	
Communication Hill Hillsdale Fitness Staircase Reimbursement	\$13,000		\$13,000			\$13,000
Del Monte Park Phase III Reserve	\$341,000		\$341,000			\$341,000
Future PDO/PIO Projects Reserve	\$(1,341,000)		\$(1,341,000)			\$(1,341,000)
Rotary Playgarden Shade Structure	\$15,000		\$15,000			\$15,000
Santana Park Development Reserve	\$900,000		\$900,000			\$900,000
Southside Community Center Renovations	\$29,000		\$29,000			\$29,000

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	USE		SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue Beg Fund Balance	
<b>Subdivision Park Trust Fund (375)</b>					
TRAIL: Three Creeks Interim Improvements and Pedestrian Bridge	\$43,000		\$43,000		\$43,000
<b>Budget Adjustments TOTAL</b>					
<b>Subdivision Park Trust Fund (375) TOTAL</b>	<b>\$11,313,613</b>		<b>\$11,313,613</b>		<b>\$11,313,613</b>
<b>Underground Utility Fund (416)</b>					
Fund Balance Reconciliation		\$1,676,490	\$1,676,490		\$1,676,490
Fund Balance Reconciliation				\$1,676,490	\$(1,676,490)
<b>Clean-Up and Rebudget Actions TOTAL</b>					
		<b>\$1,676,490</b>	<b>\$1,676,490</b>		<b>\$1,676,490</b>
<b>Underground Utility Fund (416) TOTAL</b>		<b>\$1,676,490</b>	<b>\$1,676,490</b>		<b>\$1,676,490</b>
<b>Water Utility Capital Fund (500)</b>					
Ending Fund Balance Adjustment: Rebudgets		\$(135,000)	\$(135,000)		\$(135,000)
Fund Balance Reconciliation				\$1,115,898	\$(1,115,898)
Fund Balance Reconciliation		\$1,115,898	\$1,115,898		\$1,115,898
Rebudget: Fowler Pump Station Replacement	\$(422,000)		\$(422,000)		\$(422,000)
Rebudget: Meter Installations	\$79,000		\$79,000		\$79,000
Rebudget: Public Art Funding	\$116,000		\$116,000		\$116,000
Rebudget: Safety and Security Improvements	\$295,000		\$295,000		\$295,000
Rebudget: Service Installations	\$108,000		\$108,000		\$108,000
Rebudget: Tuers Road Site Improvements	\$(41,000)		\$(41,000)		\$(41,000)
<b>Clean-Up and Rebudget Actions TOTAL</b>					
	<b>\$135,000</b>	<b>\$980,898</b>	<b>\$1,115,898</b>		<b>\$1,115,898</b>
<b>Water Utility Capital Fund (500) TOTAL</b>	<b>\$135,000</b>	<b>\$980,898</b>	<b>\$1,115,898</b>		<b>\$1,115,898</b>

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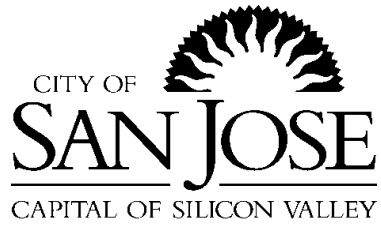


**2018-2019**

**ANNUAL  
REPORT**

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**V. FINANCIAL  
STATEMENTS**



**FINANCE DEPARTMENT**  
Monthly Financial Report

Financial Results for the Month Ended June 30, 2019  
Fiscal Year 2018-2019  
*(UNAUDITED)*

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**Finance Department, City of San José**  
**Monthly Financial Report**  
**Financial Results for the Month Ended June 30, 2019**  
**Fiscal Year 2018-2019**  
*(UNAUDITED)*

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**Finance Department, City of San José**  
**Monthly Financial Report**  
**Financial Results for the Month Ended June 30, 2019**  
**Fiscal Year 2018-2019**  
*(UNAUDITED)*

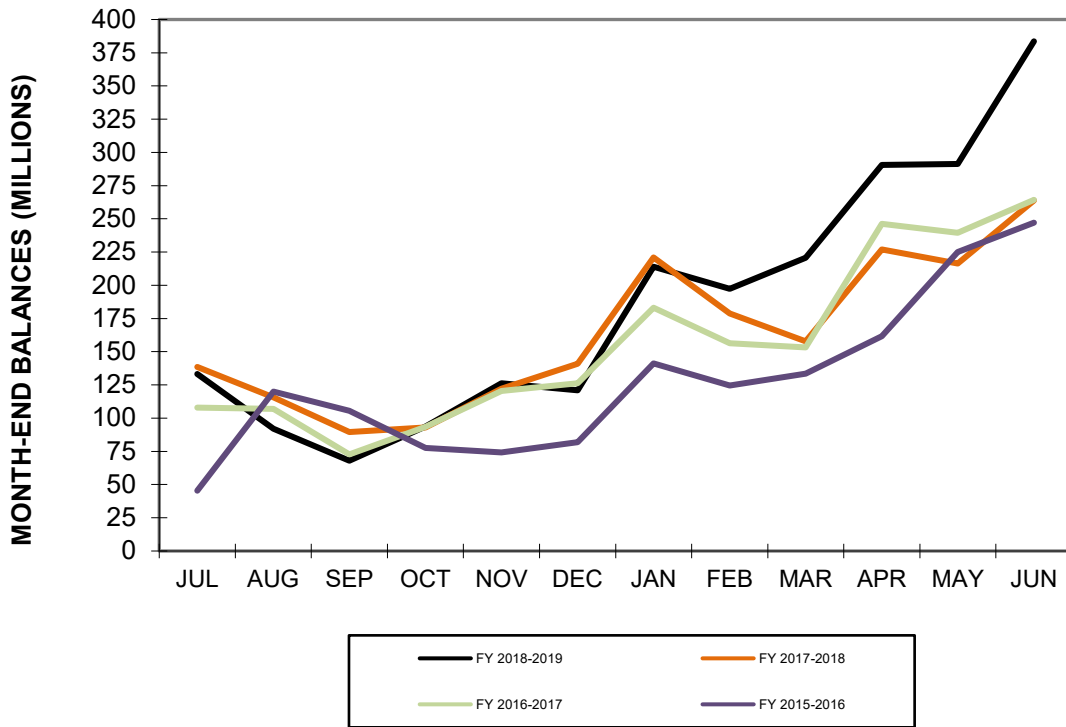
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Submitted by:

  
for JULIA H. COOPER  
Director, Finance Department

**GENERAL FUND**  
**Comparison of Cash Balances vs. Prior Year's Balance**



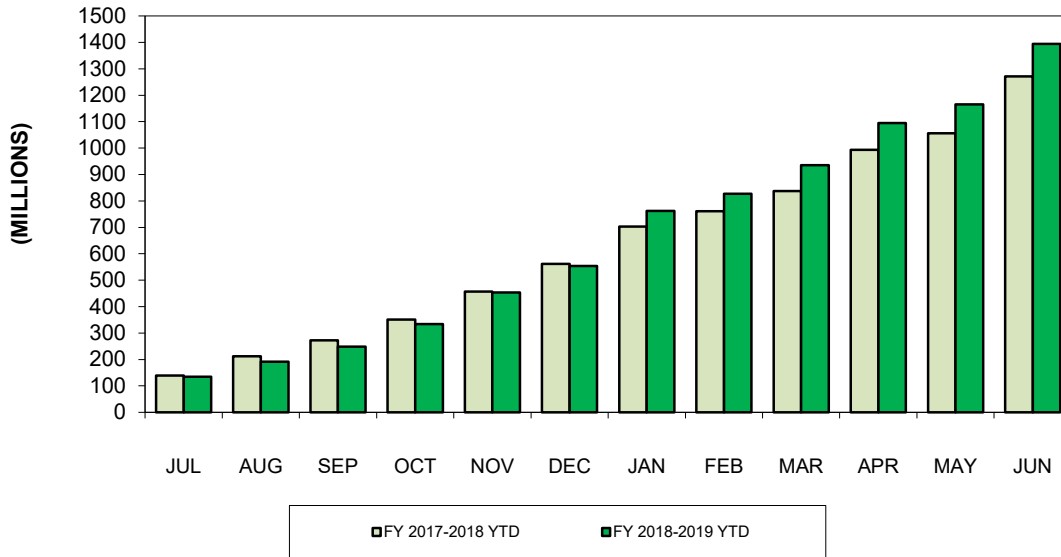
**GENERAL FUND MONTHLY CASH BALANCES**

MONTH	FY 2018-2019	FY 2017-2018	FY 2016-2017	FY 2015-2016
JULY (1)	\$ 133,276,057	\$ 138,576,379	\$ 108,012,647	\$ 45,401,908
AUGUST	91,972,139	115,540,880	107,081,005	119,988,835
SEPTEMBER	67,970,290	89,537,017	72,718,873	105,422,447
OCTOBER	93,654,030	93,031,593	93,456,157	77,571,562
NOVEMBER	126,316,418	122,022,698	120,485,944	74,153,007
DECEMBER	121,024,958	140,886,445	126,203,310	81,796,424
JANUARY	214,000,120	220,937,707	183,072,948	141,189,103
FEBRUARY	197,277,698	178,836,751	156,320,836	124,444,495
MARCH	220,734,066	157,759,493	153,282,389	133,493,608
APRIL (2)	290,493,766	227,063,040	246,281,183	161,690,247
MAY	291,171,986	216,439,757	239,467,743	224,983,657
JUNE	383,572,703	263,800,843	264,266,135	247,092,735

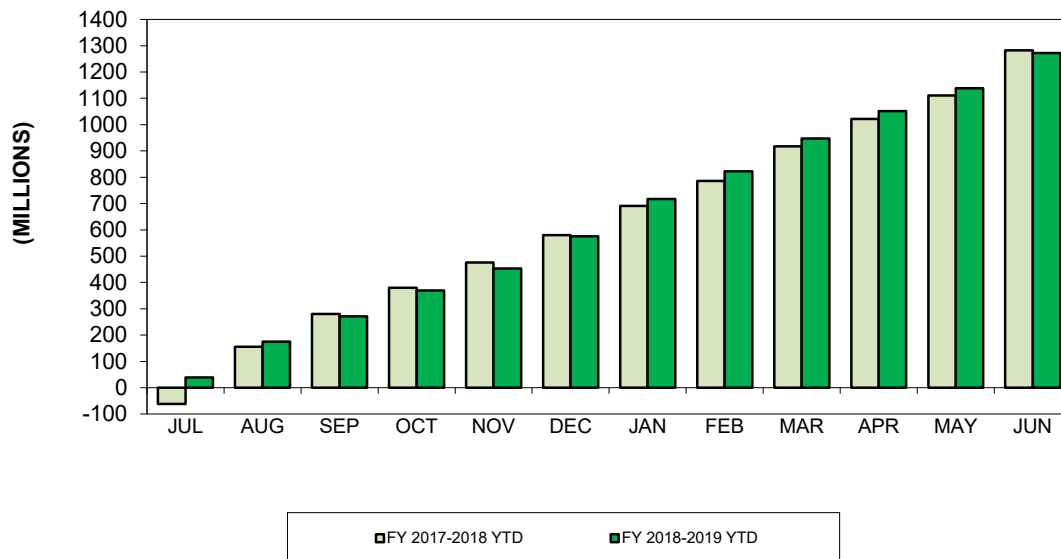
(1) The General Fund cash balance decreases each July and August mainly due to the Council's direction to annually pre-fund the employer share of retirement contributions in a lump-sum to achieve budgetary savings to the City.

(2) The General Fund cash balance increases in April or May of every year mainly due to the receipt of the second annual installment of property taxes from Santa Clara County.

**GENERAL FUND**  
**Comparison of YTD Revenues vs. Prior YTD Revenues**  
**Actual**

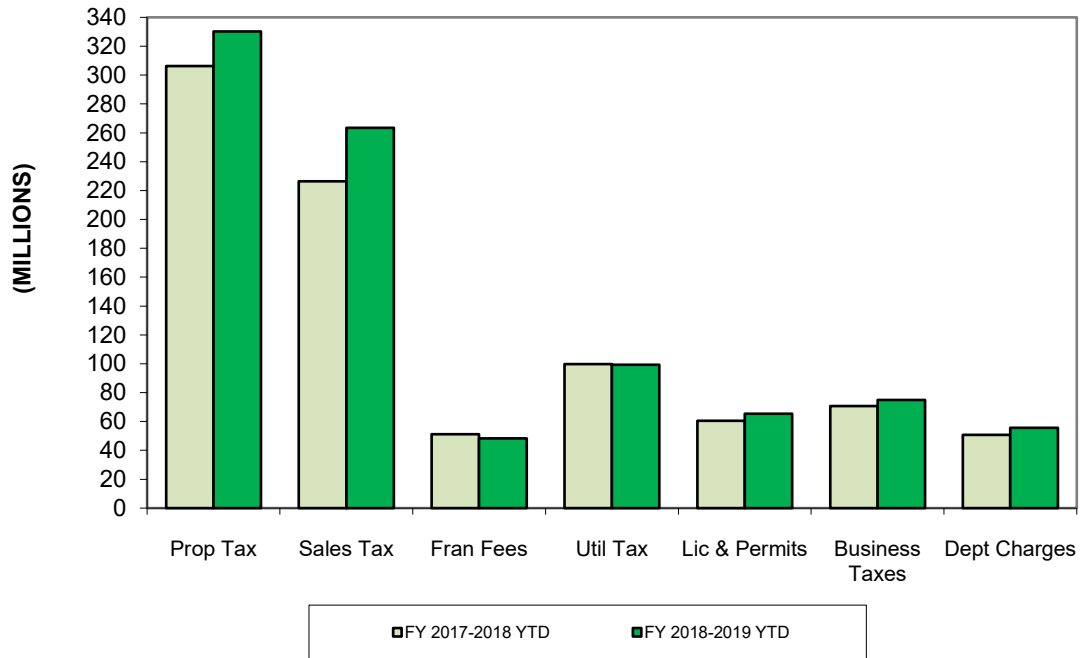


**GENERAL FUND**  
**Comparison of YTD Expenditures vs. Prior YTD Expenditures**  
**Actual**

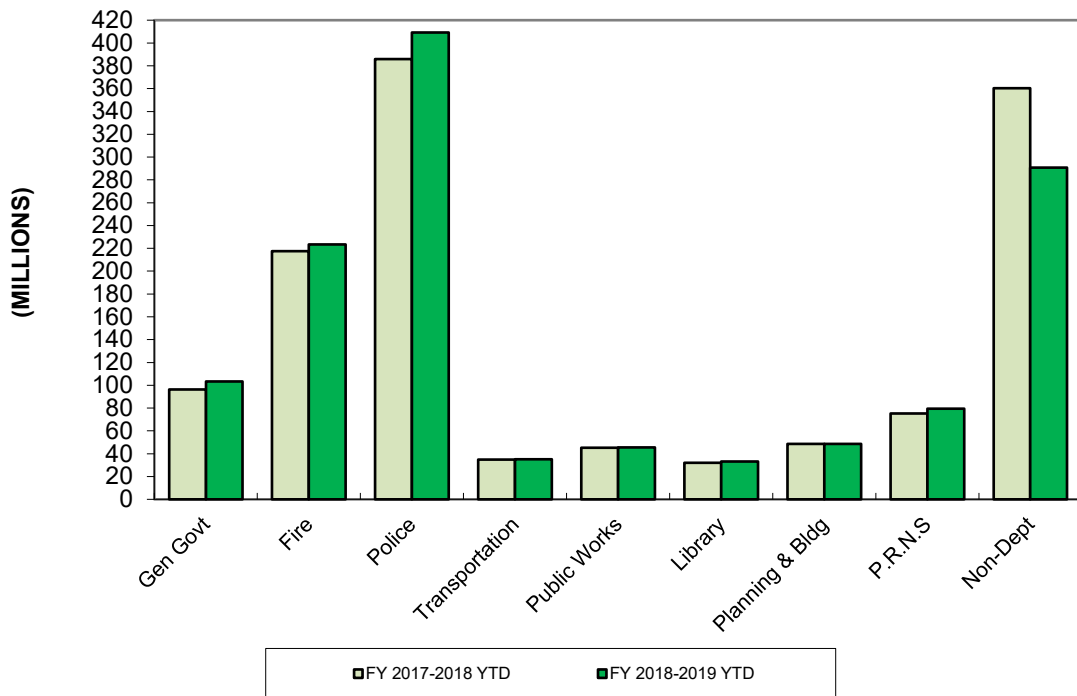


Negative prior YTD expenditures were due to year-end adjustments (accruals/reversals).

**GENERAL FUND MAJOR REVENUES**  
**Comparison of YTD Actual vs. Prior YTD Actual**



**GENERAL FUND MAJOR EXPENDITURES**  
**Comparison of YTD Actual vs. Prior YTD Actual**



**CITY OF SAN JOSE**  
**GENERAL FUND SOURCE AND USE OF FUNDS**  
**FUND BALANCE, REVENUE, TRANSFERS & REIMBURSEMENTS**  
**FOR THE MONTHS ENDED JUNE 30, 2019**  
*(UNAUDITED)*  
*( \$000's )*

	ADOPTED FY 2018-2019 BUDGET	YTD BUDGET AMENDMENTS	C/O ENCUMBR	REVISED FY 2018-2019 BUDGET	CUR YTD ACTUAL (*)	CUR YTD ACTUAL % OF BUDGET	PRIOR YTD ACTUAL (*)	PRIOR YTD % OF PRIOR YEAR-END ACTUAL	PRIOR YEAR-END ACTUAL (*)	CUR YTD LESS PRIOR YTD ACTUAL	% CHANGE CUR YTD ACTUAL LESS PRIOR YTD ACTUAL
<b>Fund Balance</b>											
Prior Year Encumbrances	-	-	38,071	38,071	38,071	100.00%	46,067	100.00%	46,067	(7,996)	-17.36%
Available Balance	233,635	16,318	-	249,953	249,953	100.00%	241,173	100.00%	241,173	8,780	3.64%
<b>Total Fund Balance</b>	<b>233,635</b>	<b>16,318</b>	<b>38,071</b>	<b>288,024</b>	<b>288,024</b>	<b>100.00%</b>	<b>287,240</b>	<b>100.00%</b>	<b>287,240</b>	<b>784</b>	<b>0.27%</b>
<b>General Revenues</b>											
Property Tax	320,450	7,500	-	327,950	330,199	100.69%	306,222	100.00%	306,222	23,977	7.83%
Sales Tax (1)	233,500	30,000	-	263,500	263,530	100.01%	226,337	100.00%	226,337	37,193	16.43%
Telephone Line Tax	20,000	-	-	20,000	21,593	107.97%	20,481	100.00%	20,481	1,112	5.43%
Transient Occupancy Tax	19,700	1,000	-	20,700	20,536	99.21%	19,531	100.00%	19,531	1,005	5.15%
Franchise Fees	50,475	(3,000)	-	47,475	48,397	101.94%	51,180	100.00%	51,180	(2,783)	-5.44%
Utility Tax	102,400	(4,000)	-	98,400	99,253	100.87%	99,753	100.00%	99,753	(500)	-0.50%
Business Taxes	69,400	2,500	-	71,900	74,903	104.18%	70,673	100.00%	70,673	4,230	5.99%
Licenses and Permits	60,894	2,500	-	63,394	65,295	103.00%	60,503	100.00%	60,503	4,792	7.92%
Fines, Forfeits and Penalties	14,983	-	-	14,983	17,402	116.14%	14,354	100.00%	14,354	3,048	21.23%
Use of Money and Property	6,897	1,370	-	8,267	10,072	121.83%	7,930	100.00%	7,930	2,142	27.01%
Revenue from Local Agencies	13,711	2,220	-	15,931	16,685	104.73%	38,441	100.00%	38,441	(21,756)	-56.60%
Revenue from State of CA	12,692	3,414	-	16,106	15,102	93.77%	15,721	100.00%	15,721	(619)	-3.94%
Revenue from Federal Government	2,212	4,455	-	6,667	3,106	46.59%	5,591	100.00%	5,591	(2,485)	-44.45%
Fees, Rates and Charges	53,860	(368)	-	53,492	55,703	104.13%	50,703	100.00%	50,703	5,000	9.86%
Other Revenues	13,641	238,614	-	252,255	247,368	98.06%	218,951	100.00%	218,951	28,417	12.98%
<b>Total General Revenues</b>	<b>994,815</b>	<b>286,205</b>	<b>-</b>	<b>1,281,020</b>	<b>1,289,144</b>	<b>100.63%</b>	<b>1,206,371</b>	<b>100.00%</b>	<b>1,206,371</b>	<b>82,773</b>	<b>6.86%</b>
<b>Transfers &amp; Reimbursements</b>											
Overhead Reimbursements	52,550	(121)	-	52,429	53,237	101.54%	47,245	100.00%	47,245	5,992	12.68%
Transfers from Other Funds	25,565	8,851	-	34,416	35,295	102.55%	26,306	100.00%	26,306	8,989	34.17%
Reimbursements for Services	18,225	(600)	-	17,625	17,200	97.59%	17,329	100.00%	17,329	(129)	-0.74%
<b>Total Transfers &amp; Reimbursements</b>	<b>96,340</b>	<b>8,130</b>	<b>-</b>	<b>104,470</b>	<b>105,732</b>	<b>101.21%</b>	<b>90,880</b>	<b>100.00%</b>	<b>90,880</b>	<b>14,852</b>	<b>16.34%</b>
<b>Total Sources</b>	<b>1,324,790</b>	<b>310,653</b>	<b>38,071</b>	<b>1,673,514</b>	<b>1,682,900</b>	<b>100.56%</b>	<b>1,584,491</b>	<b>100.00%</b>	<b>1,584,491</b>	<b>98,409</b>	<b>6.21%</b>

(\*) - Current YTD Actual, Prior YTD Actual and Prior Year-End Actual are based on the Generally Accepted Accounting Principles (GAAP) basis in the United States. This results in some variances from the budgetary basis as certain transactions are recognized as revenues or expenditures on a budgetary basis but not on a GAAP basis.



**CITY OF SAN JOSE**  
**GENERAL FUND SOURCE AND USE OF FUNDS**  
**EXPENDITURES**  
**FOR THE MONTHS ENDED JUNE 30, 2019**  
*( UNAUDITED )*  
*( \$000's )*

	ADOPTED	YTD	C/O	REVISED	YEAR-TO-DATE		CUR YTD	PRIOR	PRIOR YTD %	PRIOR YEAR-END ACTUAL (1)(*)	CUR YTD LESS	% CHANGE
	FY 2018-2019	BUDGET		FY 2018-2019	ACTUAL (*)	ENCUMBR	ACTUAL %	YTD	OF PRIOR		PRIOR YTD LESS	LESS PRIOR YTD
	BUDGET	AMENDMENTS		BUDGET	ACTUAL (*)	ENCUMBR	OF BUDGET	ACTUAL (1)(*)	YEAR-END		ACTUAL (1)	ACTUAL
<b>General Government</b>												
Mayor and Council	14,651	979	105	15,735	11,884	60	75.52%	11,072	100.00%	11,072	812	7.33%
City Attorney	15,512	1,448	857	17,817	16,330	1,177	91.65%	15,558	100.00%	15,558	772	4.96%
City Auditor	2,543	61	-	2,604	2,402	14	92.24%	2,309	100.00%	2,309	93	4.03%
City Clerk	2,767	(11)	27	2,783	2,396	31	86.09%	2,668	100.00%	2,668	(272)	-10.19%
City Manager	20,672	295	1,333	22,300	18,457	1,192	82.77%	16,399	100.00%	16,399	2,058	12.55%
Finance	17,655	134	344	18,133	16,354	525	90.19%	15,678	100.00%	15,678	676	4.31%
Information Technology	24,162	497	1,317	25,976	19,094	1,998	73.51%	17,393	100.00%	17,393	1,701	9.78%
Human Resources	10,283	107	65	10,455	9,918	76	94.86%	8,747	100.00%	8,747	1,171	13.39%
Independent Police Auditor	1,354	29	19	1,402	1,234	2	88.03%	1,259	100.00%	1,259	(25)	-1.97%
Office of Economic Development	5,826	234	742	6,802	5,104	792	75.04%	5,105	100.00%	5,105	(1)	-0.02%
Total General Government	115,425	3,773	4,809	124,007	103,173	5,867	83.20%	96,188	100.00%	96,188	6,985	7.26%
<b>Public Safety</b>												
Fire	220,582	6,929	921	228,432	223,466	869	97.83%	217,603	100.00%	217,603	5,863	2.69%
Police	410,039	5,944	1,171	417,154	409,233	1,966	98.10%	385,855	100.00%	385,855	23,378	6.06%
Total Public Safety	630,621	12,873	2,092	645,586	632,699	2,835	98.00%	603,458	100.00%	603,458	29,241	4.85%
<b>Capital Maintenance</b>												
Transportation	35,828	958	294	37,080	35,129	216	94.74%	34,906	100.00%	34,906	223	0.64%
Public Works	47,027	2,657	288	49,972	45,412	930	90.87%	45,293	100.00%	45,293	119	0.26%
Total Capital Maintenance	82,855	3,615	582	87,052	80,541	1,146	92.52%	80,199	100.00%	80,199	342	0.43%
<b>Community Service</b>												
Housing	689	196	134	1,019	470	71	46.12%	692	100.00%	692	(222)	-32.08%
Library	33,252	159	41	33,452	33,084	195	98.90%	32,017	100.00%	32,017	1,067	3.33%
Planning, Bldg & Code Enf.	57,714	(2,583)	1,594	56,725	48,667	1,842	85.79%	48,529	100.00%	48,529	138	0.28%
Parks, Rec & Neigh Svcs	79,151	1,403	460	81,014	79,408	885	98.02%	75,255	100.00%	75,255	4,153	5.52%
Environmental Services	3,064	225	(10)	3,279	3,019	61	92.07%	2,787	100.00%	2,787	232	8.32%
Total Community Services	173,870	(600)	2,219	175,489	164,648	3,054	93.82%	159,280	100.00%	159,280	5,368	3.37%
Total Dept. Expenditures	1,002,771	19,661	9,702	1,032,134	981,061	12,902	95.05%	939,125	100.00%	939,125	41,936	4.47%

(1) Does not include encumbrance balance.

(\*) - Current YTD Actual, Prior YTD Actual and Prior Year-End Actual are based on the Generally Accepted Accounting Principles (GAAP) basis in the United States. This results in some variances from the budgetary basis as certain transactions are recognized as revenues or expenditures on a budgetary basis but not on a GAAP basis.

**CITY OF SAN JOSE**  
**GENERAL FUND SOURCE AND USE OF FUNDS**  
**EXPENDITURES**  
**FOR THE MONTHS ENDED JUNE 30, 2019**  
*( UNAUDITED )*  
*( \$000's )*

	ADOPTED FY 2018-2019 BUDGET	YTD BUDGET AMENDMENTS	C/O ENCUMBR	REVISED FY 2018-2019 BUDGET	YEAR-TO-DATE		CUR YTD ACTUAL % OF BUDGET	PRIOR YTD ACTUAL (1)(*)	PRIOR YTD % OF PRIOR YEAR-END ACTUAL	PRIOR YEAR-END ACTUAL (1)(*)	CUR YTD LESS PRIOR YTD ACTUAL (1)	% CHANGE CUR YTD ACTUAL LESS PRIOR YTD ACTUAL
					ACTUAL (*)	ENCUMBR						
<b>Non-Dept Expenditures</b>												
City-wide Expenditures:												
Econ & Neighborhood Develop.	17,707	1,430	5,299	24,436	12,949	6,201	52.99%	25,835	100.00%	25,835	(12,886)	-49.88%
Environmental & Utility Services	1,386	1,735	133	3,254	2,197	79	67.52%	2,006	100.00%	2,006	191	9.52%
Public Safety	19,728	4,606	1,624	25,958	19,104	467	73.60%	21,792	100.00%	21,792	(2,688)	-12.33%
Recreation & Cultural Services	10,052	1,059	602	11,713	10,151	583	86.66%	9,474	100.00%	9,474	677	7.15%
Transportation Services	3,499	(41)	-	3,458	3,000	1	86.76%	2,965	100.00%	2,965	35	1.18%
Strategic Support	43,000	154,687	4,187	201,874	181,271	4,077	89.79%	231,602	100.00%	231,602	(50,331)	-21.73%
<b>Total City-wide Expenditures</b>	<b>95,372</b>	<b>163,476</b>	<b>11,845</b>	<b>270,693</b>	<b>228,672</b>	<b>11,408</b>	<b>84.48%</b>	<b>293,674</b>	<b>100.00%</b>	<b>293,674</b>	<b>(65,002)</b>	<b>-22.13%</b>
Other Non-Dept Expenditures:												
Capital Improvements	32,535	11,294	14,874	58,703	14,366	22,245	24.47%	32,408	100.00%	32,408	(18,042)	-55.67%
Transfers to Other Funds	38,536	9,295	1,650	49,481	47,831	-	96.67%	34,347	100.00%	34,347	13,484	39.26%
<b>Total Non-Dept Expenditures</b>	<b>166,443</b>	<b>184,065</b>	<b>28,369</b>	<b>378,877</b>	<b>290,869</b>	<b>33,653</b>	<b>76.77%</b>	<b>360,429</b>	<b>100.00%</b>	<b>360,429</b>	<b>(69,560)</b>	<b>-19.30%</b>
<b>Reserves</b>												
Contingency Reserve	36,500	500	-	37,000	-	-	0.00%	-	0.00%	-	-	0.00%
Earmarked Reserves	119,076	106,427	-	225,503	-	-	0.00%	-	0.00%	-	-	0.00%
<b>Total Reserves</b>	<b>155,576</b>	<b>106,927</b>	<b>-</b>	<b>262,503</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>
<b>Total Uses</b>	<b>1,324,790</b>	<b>310,653</b>	<b>38,071</b>	<b>1,673,514</b>	<b>1,271,930</b>	<b>46,555</b>	<b>76.00%</b>	<b>1,299,554</b>	<b>100.00%</b>	<b>1,299,554</b>	<b>(27,624)</b>	<b>-2.13%</b>

(1) Does not include encumbrance balance.

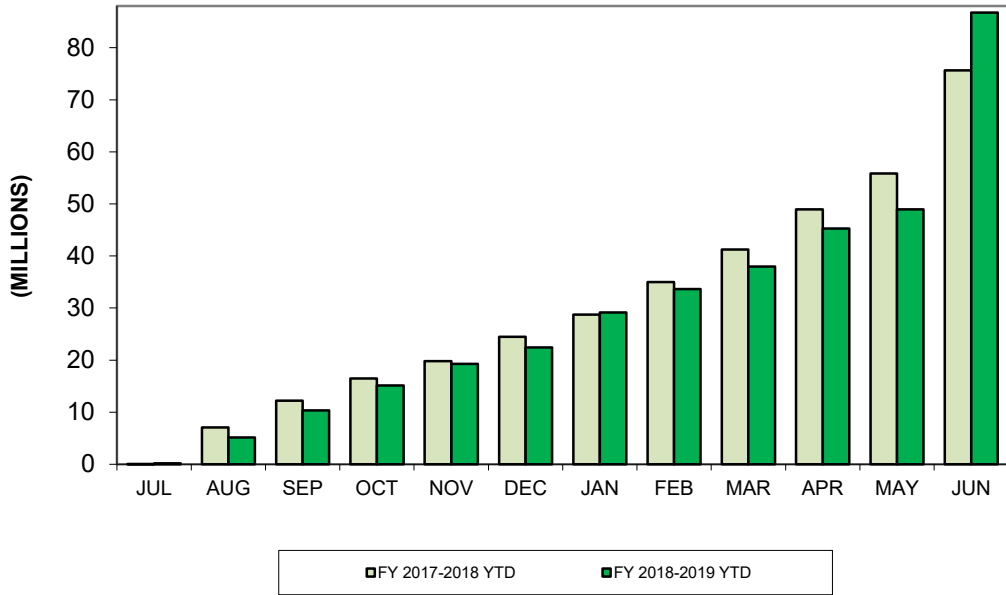
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**CITY OF SAN JOSE**  
**GENERAL FUND SOURCE AND USE OF FUNDS**  
**FOR THE MONTHS ENDED JUNE 30, 2019**  
**SUPPLEMENTAL SCHEDULE - DEPARTMENTAL REVENUES**  
*(UNAUDITED)*  
*(\$000's)*

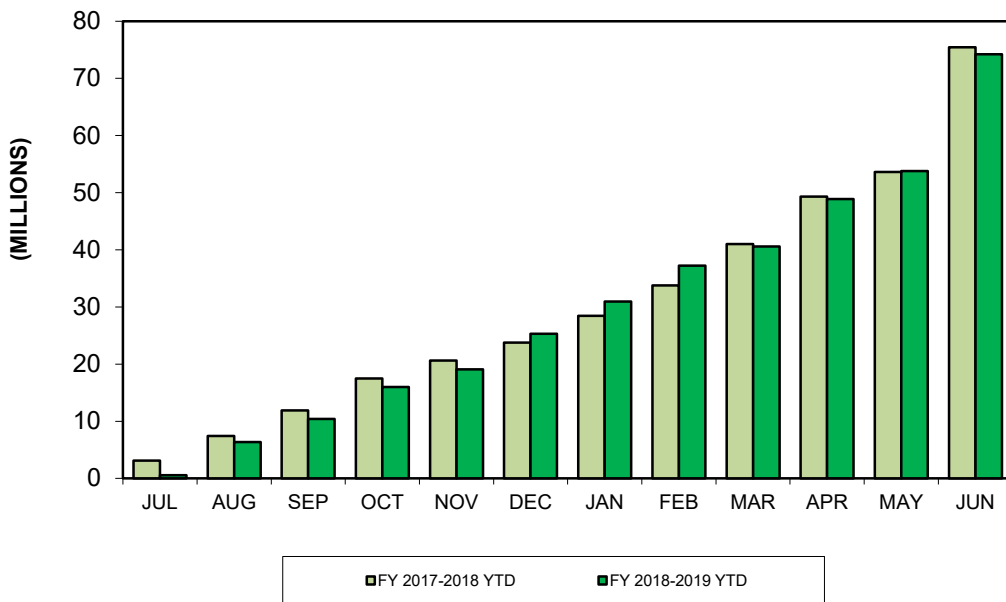
	ADOPTED FY 2018-2019 BUDGET	YTD BUDGET AMENDMENTS	C/O ENCUMBR	REVISED FY 2018-2019 BUDGET	CUR YTD ACTUAL (*)	CUR YTD ACTUAL % OF BUDGET	PRIOR YTD ACTUAL (*)	PRIOR YTD % OF PRIOR YEAR-END ACTUAL	PRIOR YEAR- END ACTUAL (*)	CUR YTD LESS PRIOR YTD ACTUAL	% CHANGE CUR YTD ACTUAL LESS PRIOR YTD ACTUAL
Police	1,381	-	-	1,381	1,354	98.04%	1,337	100.00%	1,337	17	1.27%
Public Works	14,084	-	-	14,084	15,344	108.95%	14,321	100.00%	14,321	1,023	7.14%
Transportation	1,712	-	-	1,712	1,838	107.36%	1,897	100.00%	1,897	(59)	-3.11%
Library	332	-	-	332	323	97.29%	588	100.00%	588	(265)	-45.07%
Planning, Bldg & Code Enforcement	8,959	-	-	8,959	7,822	87.31%	6,332	100.00%	6,332	1,490	23.53%
Parks Rec & Neigh Svcs	22,045	-	-	22,045	21,877	99.24%	22,016	100.00%	22,016	(139)	-0.63%
Miscellaneous Dept Charges	5,347	(368)	-	4,979	7,145	143.50%	4,212	100.00%	4,212	2,933	69.63%
<b>Total Fees, Rates, and Charges</b>	<b>53,860</b>	<b>(368)</b>	<b>-</b>	<b>53,492</b>	<b>55,703</b>	<b>104.13%</b>	<b>50,703</b>	<b>100.00%</b>	<b>50,703</b>	<b>5,000</b>	<b>9.86%</b>

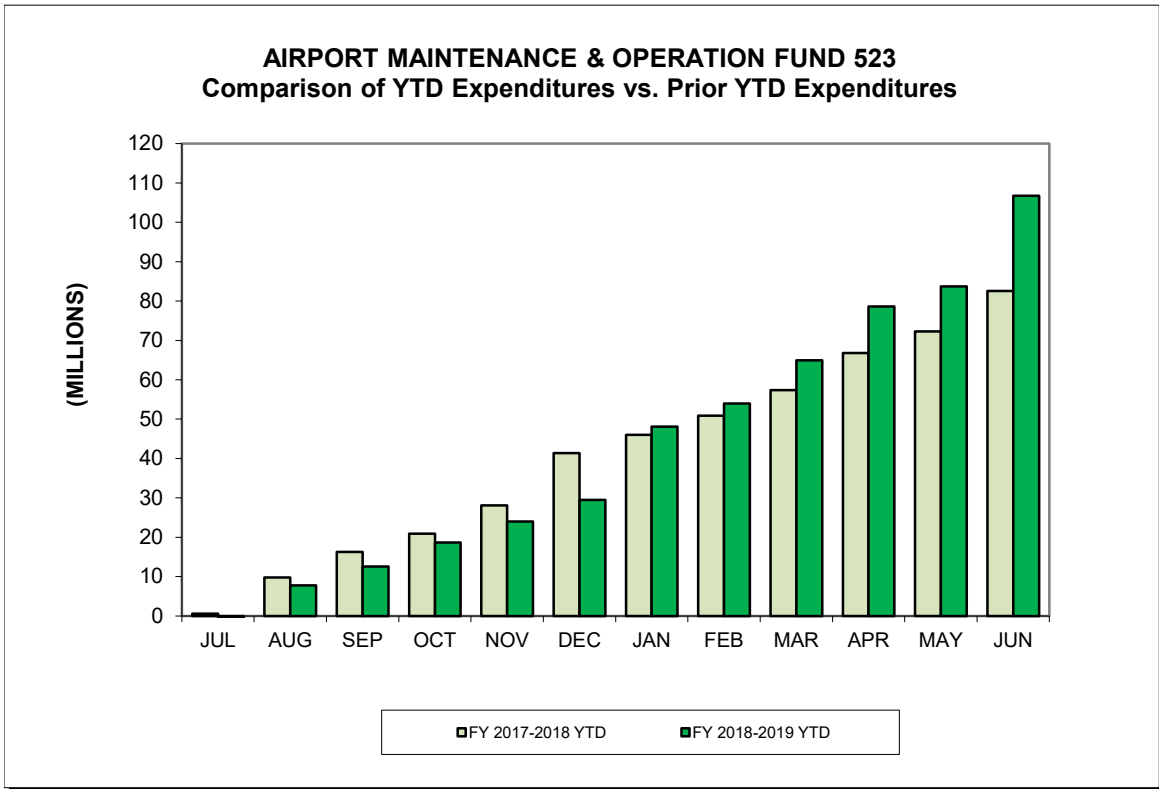
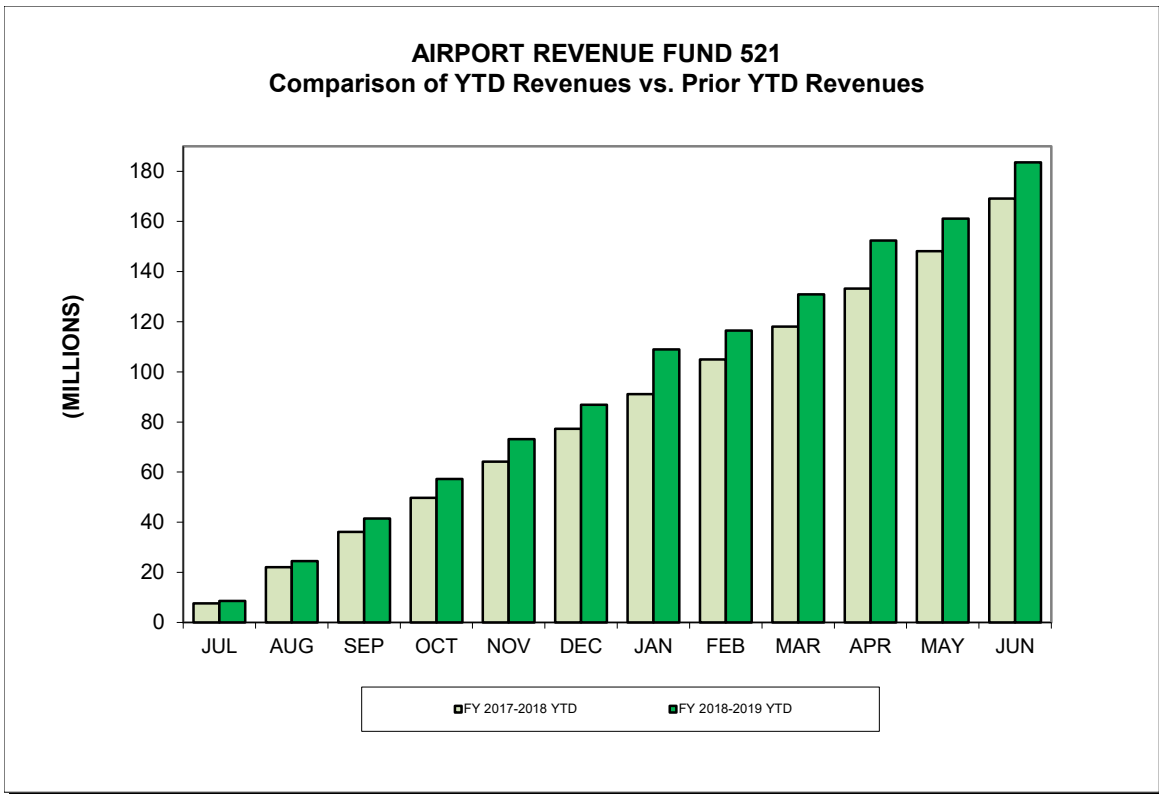
(\*) - Current YTD Actual, Prior YTD Actual and Prior Year-End Actual are based on the Generally Accepted Accounting Principles (GAAP) basis in the United States. This results in some variances from the budgetary basis as certain transactions are recognized as revenues or expenditures on a budgetary basis but not on a GAAP basis.

**CONSTRUCTION & CONVEYANCE TAX FUNDS  
Comparison of YTD Revenues vs. Prior YTD Revenues**



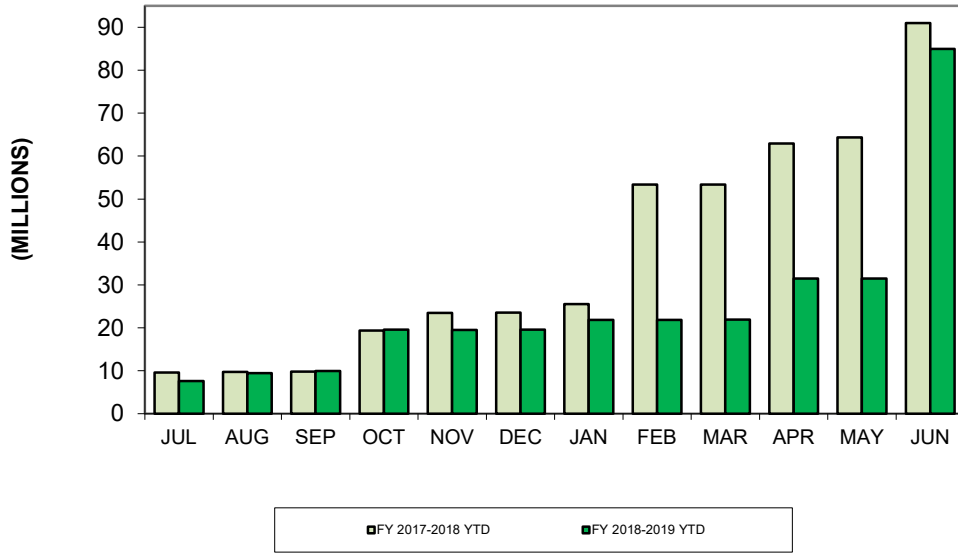
**CONSTRUCTION & CONVEYANCE TAX FUNDS  
Comparison of YTD Expenditures vs. Prior YTD Expenditures**



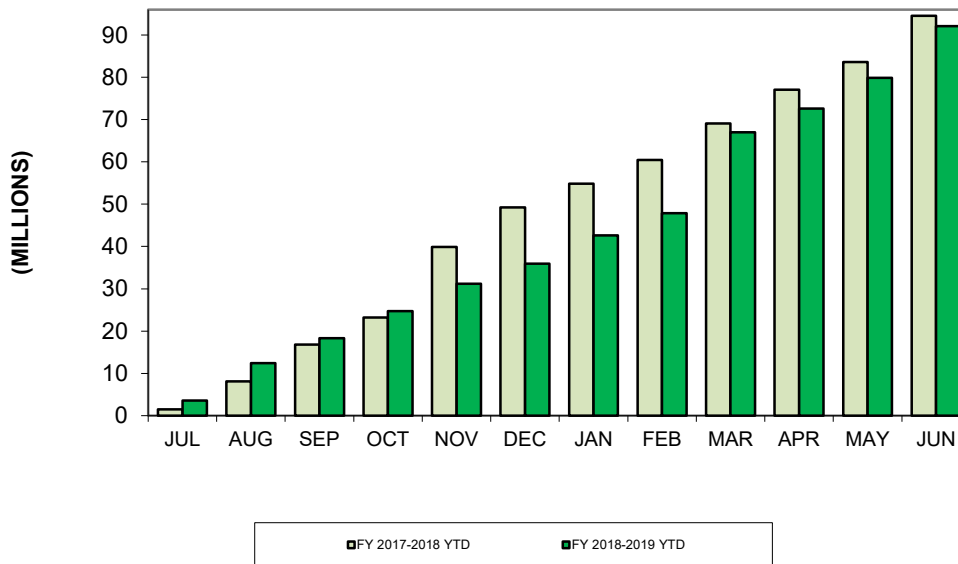


Note: The graphs above include the Airport Revenue Fund (521) and Airport Maintenance & Operation fund (523) only.

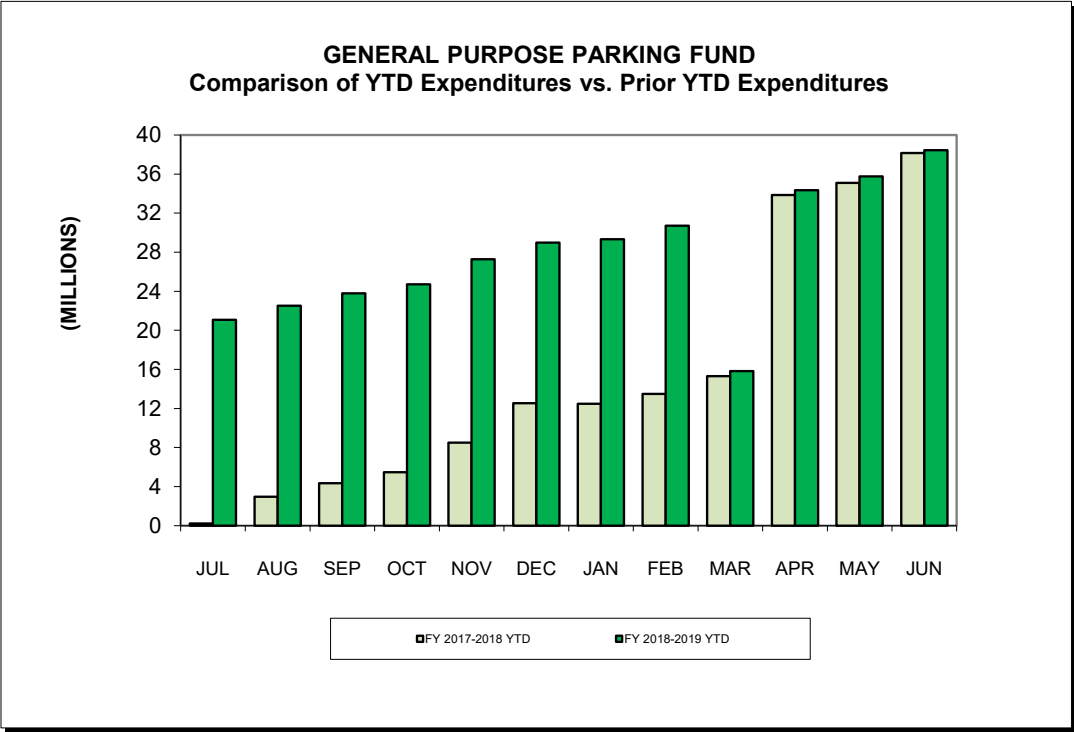
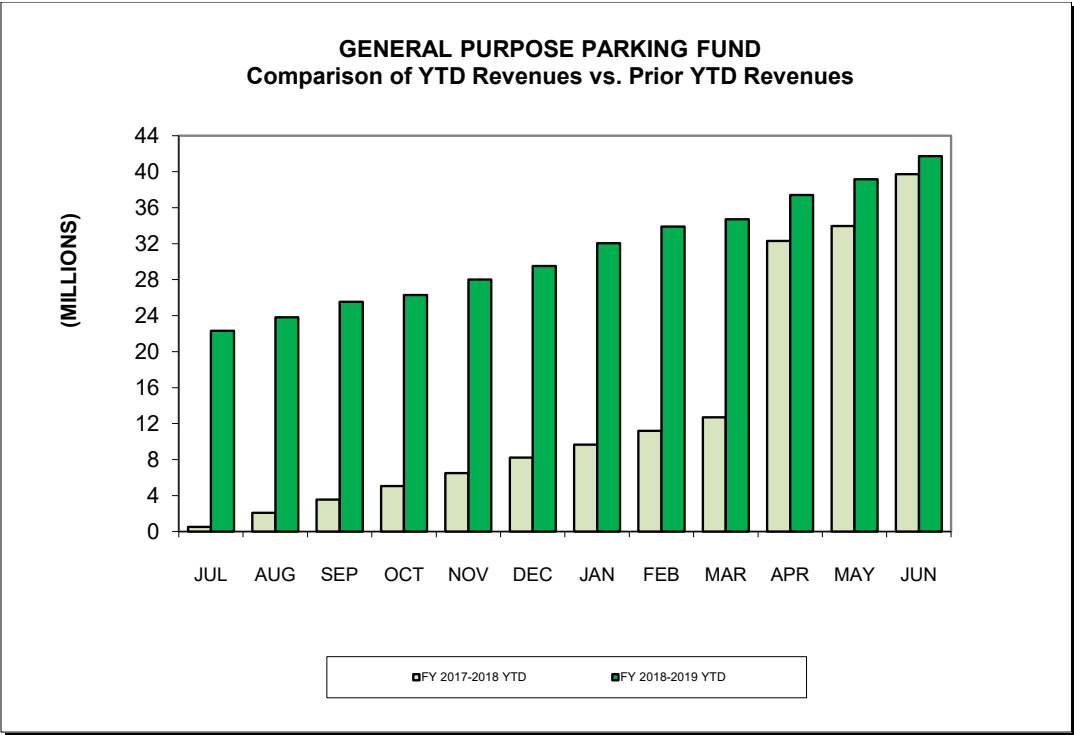
**WPCP OPERATION FUND 513  
Comparison of YTD Revenues vs. Prior YTD Revenues**



**WPCP OPERATION FUND 513  
Comparison of YTD Expenditures vs. Prior YTD Expenditures**



- Note: 1. The graphs above are only for the WPCP Operation Fund (513).  
 2. Decrease in revenues between the months of February - May 2019 is primarily due to the transfer out between the WPCP Operation Fund (513) and Sewer Service & Use Charge Fund (541).



Note: The graphs above include the General Purpose Parking Fund (533) and General Purpose Parking Capital Fund (559). The existing General Purpose Parking (533) have historically been budgeted and jointly reporting both operating and capital activities. To improve transparency and better align budget processes with the deployment of the City's new budget system, General Purpose Parking Capital Fund (559) was newly established in April 2018, separating the corresponding capital project appropriations via transfer to the new fund. The increases in revenue and expenditures are due to the transfer in and out between the two funds.

**CITY OF SAN JOSE  
SPECIAL FUNDS  
SOURCE AND USE OF FUNDS  
FOR THE MONTHS ENDED JUNE 30, 2019  
(UNAUDITED)  
(\$000's)**

	ADOPTED	YTD	C/O	REVISED	YEAR-TO-DATE		PRIOR
	FY 2018-2019	BUDGET		FY 2018-2019	ACTUAL	ENCUMBR	Y-T-D
	BUDGET	AMENDMENTS	ENCUMBR	BUDGET	ACTUAL	ENCUMBR	ACTUAL
<b>Construction/Conveyance Tax</b>							
Prior Year Encumbrance	-	-	10,600	10,600	10,600	-	11,195
Beginning Fund Balance	69,778	7,533	-	77,311	77,311	-	76,180
Revenues	70,760	2,815	-	73,575	86,721	-	75,608
<b>Total Sources</b>	<b>140,538</b>	<b>10,348</b>	<b>10,600</b>	<b>161,486</b>	<b>174,632</b>	<b>-</b>	<b>162,983</b>
<b>Total Uses</b>	<b>140,538</b>	<b>10,348</b>	<b>10,600</b>	<b>161,486</b>	<b>74,208</b>	<b>7,532</b>	<b>75,420</b>
<b>Airport</b>							
Prior Year Encumbrance	-	-	18,819	18,819	18,819	-	18,659
Beginning Fund Balance	286,078	(9,443)	-	276,635	276,635	-	285,367
Revenues	596,773	(14,942)	-	581,831	577,705	-	469,218
<b>Total Sources</b>	<b>882,851</b>	<b>(24,385)</b>	<b>18,819</b>	<b>877,285</b>	<b>873,159</b>	<b>-</b>	<b>773,244</b>
<b>Total Uses</b>	<b>882,851</b>	<b>(24,385)</b>	<b>18,819</b>	<b>877,285</b>	<b>515,583</b>	<b>16,170</b>	<b>410,792</b>
<b>Waste Water Treatment</b>							
Prior Year Encumbrance	-	-	279,620	279,620	279,620	-	192,392
Beginning Fund Balance	175,626	(49,994)	-	125,632	125,632	-	209,274
Revenues	415,278	76,803	-	492,081	382,237	-	368,825
<b>Total Sources</b>	<b>590,904</b>	<b>26,809</b>	<b>279,620</b>	<b>897,333</b>	<b>787,489</b>	<b>-</b>	<b>770,491</b>
<b>Total Uses</b>	<b>590,904</b>	<b>26,809</b>	<b>279,620</b>	<b>897,333</b>	<b>433,961</b>	<b>217,363</b>	<b>400,781</b>
<b>Parking</b>							
Prior Year Encumbrance	-	-	2,801	2,801	2,801	-	2,914
Beginning Fund Balance	21,869	10,790	-	32,659	32,659	-	28,626
Revenues	40,160	27	-	40,187	41,714	-	39,728
<b>Total Sources</b>	<b>62,029</b>	<b>10,817</b>	<b>2,801</b>	<b>75,647</b>	<b>77,174</b>	<b>-</b>	<b>71,268</b>
<b>Total Uses</b>	<b>62,029</b>	<b>10,817</b>	<b>2,801</b>	<b>75,647</b>	<b>38,458</b>	<b>10,099</b>	<b>38,774</b>
<b>Municipal Water</b>							
Prior Year Encumbrance	-	-	2,386	2,386	2,386	-	2,315
Beginning Fund Balance	24,891	1,612	-	26,503	26,503	-	22,785
Revenues	56,090	-	-	56,090	57,146	-	53,529
<b>Total Sources</b>	<b>80,981</b>	<b>1,612</b>	<b>2,386</b>	<b>84,979</b>	<b>86,035</b>	<b>-</b>	<b>78,629</b>
<b>Total Uses</b>	<b>80,981</b>	<b>1,612</b>	<b>2,386</b>	<b>84,979</b>	<b>54,254</b>	<b>2,367</b>	<b>53,505</b>



**CITY OF SAN JOSE  
SPECIAL FUNDS  
SOURCE AND USE OF FUNDS  
FOR THE MONTHS ENDED JUNE 30, 2019  
(UNAUDITED)  
( \$000's )**

	ADOPTED	YTD	C/O	REVISED	YEAR-TO-DATE		PRIOR
	FY 2018-2019	BUDGET		FY 2018-2019	ACTUAL	ENCUMBR	Y-T-D
	BUDGET	AMENDMENTS	ENCUMBR	BUDGET			ACTUAL
<b>Community Energy</b>							
Prior Year Encumbrance	-	-	49	49	49	-	-
Beginning Fund Balance	500	(752)	-	(252)	(252)	-	-
Revenues	137,672	(13,453)	-	124,219	102,996	-	-
<b>Total Sources</b>	<b>138,172</b>	<b>(14,205)</b>	<b>49</b>	<b>124,016</b>	<b>102,793</b>	<b>-</b>	<b>-</b>
<b>Total Uses</b>	<b>138,172</b>	<b>(14,205)</b>	<b>49</b>	<b>124,016</b>	<b>92,212</b>	<b>4,549</b>	<b>1,100</b>
<b>Gas Tax</b>							
Revenues	17,300	-	-	17,300	16,657	-	16,606
<b>Total Sources</b>	<b>17,300</b>	<b>-</b>	<b>-</b>	<b>17,300</b>	<b>16,657</b>	<b>-</b>	<b>16,606</b>
<b>Total Uses</b>	<b>17,300</b>	<b>-</b>	<b>-</b>	<b>17,300</b>	<b>16,657</b>	<b>-</b>	<b>16,606</b>
<b>Building and Structures</b>							
Prior Year Encumbrance	-	-	8,301	8,301	8,301	-	10,741
Beginning Fund Balance	33,780	8,660	-	42,440	42,440	-	45,814
Revenues	22,171	5,912	-	28,083	25,873	-	30,022
<b>Total Sources</b>	<b>55,951</b>	<b>14,572</b>	<b>8,301</b>	<b>78,824</b>	<b>76,614</b>	<b>-</b>	<b>86,577</b>
<b>Total Uses</b>	<b>55,951</b>	<b>14,572</b>	<b>8,301</b>	<b>78,824</b>	<b>16,476</b>	<b>4,950</b>	<b>35,176</b>
<b>Residential Construction</b>							
Beginning Fund Balance	1,914	134	-	2,048	2,048	-	2,079
Revenues	205	25	-	230	366	-	358
<b>Total Sources</b>	<b>2,119</b>	<b>159</b>	<b>-</b>	<b>2,278</b>	<b>2,414</b>	<b>-</b>	<b>2,437</b>
<b>Total Uses</b>	<b>2,119</b>	<b>159</b>	<b>-</b>	<b>2,278</b>	<b>79</b>	<b>-</b>	<b>388</b>
<b>Transient Occupancy Tax</b>							
Prior Year Encumbrance	-	-	832	832	832	-	642
Beginning Fund Balance	3,660	4,103	-	7,763	7,763	-	7,810
Revenues	29,368	1,907	-	31,275	31,073	-	29,420
<b>Total Sources</b>	<b>33,028</b>	<b>6,010</b>	<b>832</b>	<b>39,870</b>	<b>39,668</b>	<b>-</b>	<b>37,872</b>
<b>Total Uses</b>	<b>33,028</b>	<b>6,010</b>	<b>832</b>	<b>39,870</b>	<b>30,007</b>	<b>667</b>	<b>29,289</b>
<b>Conventions, Arts &amp; Entertainment</b>							
Prior Year Encumbrance	-	-	322	322	322	-	2,686
Beginning Fund Balance	9,603	2,458	-	12,061	12,061	-	13,173
Revenues	25,824	46,583	-	72,407	137,846	-	89,464
<b>Total Sources</b>	<b>35,427</b>	<b>49,041</b>	<b>322</b>	<b>84,790</b>	<b>150,229</b>	<b>-</b>	<b>105,323</b>
<b>Total Uses</b>	<b>35,427</b>	<b>49,041</b>	<b>322</b>	<b>84,790</b>	<b>68,662</b>	<b>109</b>	<b>36,461</b>

**CITY OF SAN JOSE  
SPECIAL FUNDS  
SOURCE AND USE OF FUNDS  
FOR THE MONTHS ENDED JUNE 30, 2019  
(UNAUDITED)  
(\$000's)**

	ADOPTED	YTD	C/O	REVISED	YEAR-TO-DATE		PRIOR
	FY 2018-2019	BUDGET		FY 2018-2019	ACTUAL	ENCUMBR	Y-T-D
	BUDGET	AMENDMENTS	ENCUMBR	BUDGET			ACTUAL
<b>Golf</b>							
Beginning Fund Balance	307	331	-	638	638	-	206
Revenues	3,138	-	-	3,138	3,129	-	3,248
<b>Total Sources</b>	<b>3,445</b>	<b>331</b>	<b>-</b>	<b>3,776</b>	<b>3,767</b>	<b>-</b>	<b>3,457</b>
<b>Total Uses</b>	<b>3,445</b>	<b>331</b>	<b>-</b>	<b>3,776</b>	<b>3,055</b>	<b>-</b>	<b>3,432</b>
<b>Other Funds</b>							
Prior Year Encumbrance	-	-	34,866	34,866	34,866	-	38,236
Beginning Fund Balance	334,033	59,598	-	393,631	393,631	-	344,107
Revenues	441,185	48,781	-	489,966	505,567	-	467,675
<b>Total Sources</b>	<b>775,218</b>	<b>108,379</b>	<b>34,866</b>	<b>918,463</b>	<b>934,064</b>	<b>-</b>	<b>850,018</b>
<b>Total Uses</b>	<b>775,218</b>	<b>108,379</b>	<b>34,866</b>	<b>918,463</b>	<b>460,146</b>	<b>39,999</b>	<b>415,260</b>

**CITY OF SAN JOSE  
CAPITAL PROJECT FUNDS  
SOURCE AND USE OF FUNDS  
FOR THE MONTHS ENDED JUNE 30, 2019  
(UNAUDITED)  
(\$000's)**

	ADOPTED	YTD	C/O	REVISED	YEAR-TO-DATE		PRIOR
	FY 2018-2019	BUDGET		FY 2018-2019	ACTUAL	ENCUMBR	Y-T-D
	BUDGET	AMENDMENTS	ENCUMBR	BUDGET			ACTUAL
<b>Construction Excise</b>							
Prior Year Encumbrance	-	-	41,419	41,419	41,419	-	22,535
Beginning Fund Balance	64,483	18,325	-	82,808	82,808	-	83,442
Revenues	115,333	2,780	-	118,113	71,984	-	70,886
<b>Total Sources</b>	<b>179,816</b>	<b>21,105</b>	<b>41,419</b>	<b>242,340</b>	<b>196,211</b>	<b>-</b>	<b>176,863</b>
<b>Total Uses</b>	<b>179,816</b>	<b>21,105</b>	<b>41,419</b>	<b>242,340</b>	<b>70,743</b>	<b>79,784</b>	<b>53,764</b>
<b>Other</b>							
Prior Year Encumbrance	-	-	7,939	7,939	7,939	-	202
Beginning Fund Balance	17,242	3,067	-	20,309	20,309	-	32,157
Revenues	9,273	4,722	-	13,995	5,367	-	682
<b>Total Sources</b>	<b>26,515</b>	<b>7,789</b>	<b>7,939</b>	<b>42,243</b>	<b>33,615</b>	<b>-</b>	<b>33,041</b>
<b>Total Uses</b>	<b>26,515</b>	<b>7,789</b>	<b>7,939</b>	<b>42,243</b>	<b>9,378</b>	<b>1,398</b>	<b>4,369</b>

**CITY OF SAN JOSE  
OTHER FUND TYPES  
SOURCE AND USE OF FUNDS  
FOR THE MONTHS ENDED JUNE 30, 2019  
(UNAUDITED)  
(\$000's)**

	ADOPTED	YTD	C/O	REVISED	YEAR-TO-DATE		PRIOR
	FY 2018-2019 BUDGET	BUDGET AMENDMENTS		FY 2018-2019 BUDGET	ACTUAL	ENCUMBR	Y-T-D ACTUAL
<b>Trust and Agency</b>							
Prior Year Encumbrance	-	-	171	171	171	-	39
Beginning Fund Balance	7,547	1,376	-	8,923	8,923	-	8,651
Revenues	4,178	936	-	5,114	5,659	-	3,577
<b>Total Sources</b>	<b>11,725</b>	<b>2,312</b>	<b>171</b>	<b>14,208</b>	<b>14,753</b>	<b>-</b>	<b>12,267</b>
<b>Total Uses</b>	<b>11,725</b>	<b>2,312</b>	<b>171</b>	<b>14,208</b>	<b>3,802</b>	<b>76</b>	<b>3,442</b>