

*The Mission of the City of San José is to provide quality public services, facilities, and opportunities that create, sustain, and enhance a safe, livable, and vibrant community for its diverse residents, businesses, and visitors.*

## OVERVIEW

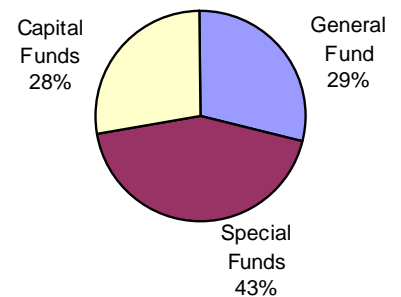
The 2010-2011 Adopted Operating and Capital Budgets for the City of San José total \$2.7 billion and represent the City's financial plan for the upcoming year.

The City of San José continues to face significant and enduring fiscal challenges. For the ninth consecutive year, the Adopted Budget closed a General Fund shortfall as the growth in revenues has not kept pace with the growth in expenditures. The 2010-2011 Adopted Budget addressed a General Fund gap of \$118.5 million. To address this magnitude of a shortfall, a combination of strategies was approved including:

- *Service reductions and eliminations*
- *Employee total compensation reductions*
- *Service delivery changes*
- *Funding shifts, use of reserves, and fee/tax increases*

This budget directs limited resources to meet the most critical needs of the community with a continued focus on City Council and community priorities, delivering essential services, basic infrastructure needs, and economic development. However, given the large General Fund shortfall, significant service reductions were unavoidable. These include reduced police and fire services with cuts in both sworn and non-sworn personnel; reduced library hours; reduced community centers; reduced park services; along with reduced maintenance of many City facilities and our transportation infrastructure. Because one-time funds were identified to continue many services in 2010-2011, the full associated service impacts of these cuts will not become effective until July 2011.

## 2010-2011 Adopted Budget



**TOTAL BUDGET: \$2.7 Billion**

**General Fund:** used for regular operating expenditures, such as public safety, parks, and libraries.

**Special Purpose Funds:** used for operations that receive direct funding, which can only be used for a specific purpose, such as the Airport.

**Capital Funds:** used for infrastructure improvements, including transportation, public safety, airport, parks, and library projects.



### INSIDE

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# Balancing the Budget

The General Fund is used to provide many of the basic services provided by the City, including police, fire, libraries, parks, and street maintenance.

| <b>2010-2011 GENERAL FUND BALANCING PLAN</b>                   |                     |                     |
|--|---------------------|---------------------|
| <b>(\$ in 000s)</b>  |                     |                     |
|  | <b>2010-2011</b>    | <b>Ongoing</b>      |
| General Fund Shortfall   | (\$ 116,016)        | (\$ 116,016)        |
| Development Fee Program Shortfall                              | (2,492)             | (2,492)             |
| <b>Total General Fund Shortfall</b>                            | <b>(\$ 118,508)</b> | <b>(\$ 118,508)</b> |
| <b>Source of Funds:</b>  |                     |                     |
| 2009-2010 Reserves and Program Savings                         | \$ 21,077           | \$ 1,086            |
| Transfers from Other Funds/HNVF Fund                           | 23,626              | 11,305              |
| Fee and Fine Increases/Activity Level Adjustments              | 4,246               | 1,445               |
| Miscellaneous Revenue Adjustments                              | 15,578              | 1,926               |
| <b>Total Change to Source of Funds</b>                         | <b>\$ 64,527</b>    | <b>\$ 15,762</b>    |
| <b>Use of Funds:</b>   |                     |                     |
| Staffing & Non-Personal/Equipment Reductions                   | (\$ 59,727)         | (\$ 75,484)         |
| Employee Total Compensation Reductions                         | (9,842)             | (4,609)             |
| Funding Shifts to Other Funds                                  | (5,272)             | (2,166)             |
| Development Fee Program/Reserves                               | (123)               | (931)               |
| Use of Reserves (Committed Additions)                          | (7,518)             | (6,848)             |
| Unemployment Insurance Reserves                                | 7,375               | 0                   |
| Healthy Neighborhoods Venture Fund-Related Activities          | 6,652               | 6,269               |
| Technology & Capital Infrastructure Maintenance                | 2,661               | 0                   |
| City Council Direction   | 1,446               | (82)                |
| New Facilities Operations and Maintenance                      | 301                 | 102                 |
| Miscellaneous Additions (primarily reserves/revenue supported) | 10,066              | 1,491               |
| <b>Total Change to Use of Funds</b>                            | <b>(53,981)</b>     | <b>(82,258)</b>     |
| <b>Total Change in the General Fund</b>                        | <b>(118,508)</b>    | <b>(98,020)</b>     |
| <b>Remaining Shortfall</b>                                     |                     | <b>(20,488)</b>     |

## **How was the General Fund Budget Deficit Calculated?**

Each year, a Five-Year General Fund Forecast is prepared that compares the estimated revenues and expenditures over the next five years to determine if there is a projected surplus or deficit.

The expenditure figures, which reflect the cost of existing programs, are updated to reflect estimated salary and benefit costs and any changes in contractual obligations. In addition, expenditures to which the City is considered to be committed by prior City Council action are included, such as costs related to operating new facilities.

In 2010-2011, expenditures were projected to exceed revenues by \$116 million (excluding the Development Fee Program). In the February 2010 Forecast, budget deficits were projected in each of the five years of the Forecast.

The Adopted Budget closed 83% of the \$118.5 million General Fund budget gap on an ongoing basis with the remaining portion of the budget deficit solved with one-time solutions. The use of one-time funding increases the following year's shortfall dollar for dollar. In 2011-2012, a General Fund budget shortfall of approximately \$40.7 million is anticipated, including \$20.2 million that was projected for that year in the February 2010 Forecast along with an additional \$20.5 million that will be carried over from 2010-2011.

The City has developed a *General Fund Structural Deficit Elimination Plan* as the blueprint to address the organization's long-term fiscal challenges. This plan, which will be updated in February 2011 as part of the 2012-2016 General Fund Five-Year Forecast, outlines three strategies to address the structural deficit.

- *Cost-Savings Strategies:* Reduce costs to deliver services, including streamlining service delivery, identifying new delivery models, and reducing employee total compensation costs such as salaries, health, and pension costs.
- *Revenue Strategies:* Increase revenues by maximizing existing revenue streams and identifying new revenue sources.
- *Service Reductions/Eliminations:* Reduce and/or eliminate services to bring expenditures in line with revenues. City Council and community priorities will be used to determine which services to reduce or eliminate.

# Budget Facts

## 2010-2011 Adopted Budget

### GENERAL FUND

|  |                       |
|--|-----------------------|
| Police                                     | \$ 297,498,801        |
| Fire                                       | 153,332,280           |
| City-wide Expenses                         | 118,906,594           |
| Parks, Recreation & Neighborhood Services  | 57,734,756            |
| Transportation                             | 28,226,709            |
| Planning, Building & Code Enforcement      | 25,475,855            |
| Libraries                                  | 26,258,246            |
| General Services                           | 25,595,709            |
| City Management (Manager and City Council) | 20,613,368            |
| Finance and Human Resources                | 18,770,653            |
| Information Technology                     | 15,300,984            |
| City Attorney                              | 11,545,403            |
| Public Works                               | 5,090,687             |
| Transfers to Other Funds                   | 29,038,636            |
| Capital Improvements                       | 8,934,514             |
| Other                                      | 12,825,405            |
| Reserves                                   | 98,946,029            |
| <b>Total General Fund</b>                  | <b>\$ 954,094,629</b> |

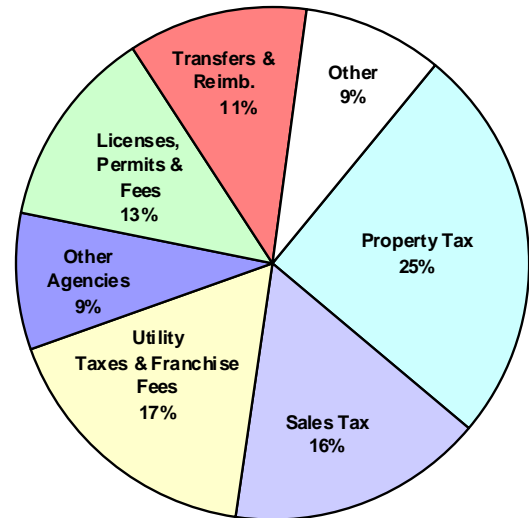
### ENTERPRISE/SPECIAL PURPOSE FUNDS

|  |                         |
|--|-------------------------|
| Airport                                      | \$ 419,704,726          |
| Waste Water Treatment Plant & Sanitary Sewer | 260,032,955             |
| Housing                                      | 153,036,775             |
| Waste Mgmt (Garbage Collection/Recycling)    | 131,820,796             |
| Municipal Water                              | 32,520,831              |
| Storm Sewer Operations                       | 46,313,953              |
| Convention and Cultural Facilities           | 25,772,612              |
| Community Development Block Grant            | 19,654,726              |
| Parking                                      | 16,552,854              |
| Workforce Investment Act                     | 16,339,531              |
| Other  | 264,686,020             |
| <b>Total Special Purpose Funds</b>           | <b>\$ 1,386,435,779</b> |

### CAPITAL IMPROVEMENT FUNDS

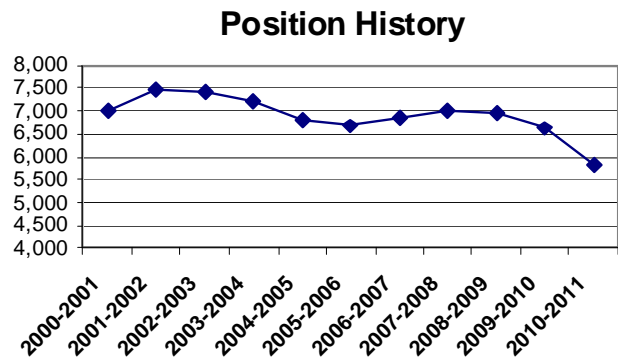
|  |                         |
|--|-------------------------|
| Airport  | \$ 328,265,362          |
| Parks and Community Facilities                   | 179,067,045             |
| Water Pollution Control                          | 129,287,710             |
| Sanitary Sewer                                   | 85,529,825              |
| Traffic  | 79,674,075              |
| Library  | 41,200,993              |
| Public Safety                                    | 25,067,710              |
| Water Utility System                             | 10,151,946              |
| Other  | 40,249,339              |
| <b>Total Capital Funds</b>                       | <b>\$ 918,494,005</b>   |
| <b>TOTAL ALL FUNDS</b>                           | <b>\$ 3,259,024,413</b> |
| <i>Less Transfers, Loans &amp; Contributions</i> | <i>(541,285,794)</i>    |
| <b>NET CITY USE OF FUNDS</b>                     | <b>\$ 2,717,738,619</b> |

## 2010-2011 Major Sources of General Fund Revenues\*



\* Excludes Fund Balance

## Total City Positions



With the reduction of almost 800 positions from the 2009-2010 Adopted Budget to the 2010-2011 Adopted Budget, the total number of City positions will now total 5,840, a level not experienced since 1994-1995 when San José's population hovered at 825,000. With the number of displaced employees far outnumbering vacancies that could be used to place these employees, approximately 200 employees were laid off as part of the adoption of this budget.

# Service Delivery Highlights

## Public Safety



### Key Public Safety Services

*Crime Prevention  
Emergency Medical Services  
Emergency Preparedness  
Fire Prevention  
Fire Suppression  
Independent Police Oversight  
Police Investigations  
Police Patrol  
Public Education*



## Expected Service Delivery

### Police Services

- Respond to calls for service and emergencies in a timely and effective manner
- Investigate crimes effectively and seek successful prosecution of criminals
- Continue efforts to deter gang violence
- Prompt review of Police complaints by the Independent Police Auditor

### Fire Services

- Respond to fires, medical calls, and other emergencies in a timely and effective manner
- Provide regulatory enforcement of fire and hazardous materials codes through inspection activities
- Investigate fire causes effectively
- Continue regional all-hazard emergency management and San José Prepared!

## Impacts of Budget Actions

- Eliminated four Fire Engine companies (Engine 30 – Auzerais Avenue, Engine 33 – San Florian Way/ Communications Hill, Engine 34 – Las Plumas Avenue, Engine 35 – Poughkeepsie Road) and one Fire Truck company (Truck 3 – Martha Street). The Fire Department, using a Dynamic Deployment strategy, will closely monitor performance levels at all stations to optimize resource deployment and to mitigate, to the greatest extent possible, impacts to performance levels.
- Eliminate an additional Fire Engine Company in July 2011.
- Reconfigured the Fire Hazardous Incident Team (HIT), resulting in the elimination of a dedicated HIT Unit.
- Eliminated 90 Patrol Officers in the Adopted Budget; however, 70 of these positions were restored (8 ongoing) in August 2010 as a result of total compensation concessions.
- Reduced Police Investigations staffing by 29 sworn positions, leaving investigative units with 236 sworn positions.
- Reduced the Police Metro Unit by 12 sworn positions, leaving this unit with 37 sworn positions.
- Reduced the Police Downtown Services Unit by 10 Police Officers, leaving 8 sworn positions.
- Reduced and restructured the Crime Prevention, Police Activities League and School Liaison functions, resulting in the elimination of 9 sworn positions.
- Delayed the opening of the Police Substation from March 2011 to September 2011.
- Eliminated an additional 13.5 positions in other Police units, including Recruitment and Training, Communications and Dispatch, Secondary Employment, Permits, Field Operations Management, Police Information Technology administrative support, and Airport Canine Unit.

# Service Delivery Highlights

## Neighborhood Services



### Key Neighborhood Services

Adult & Youth Sports  
Animal Care Services  
At-Risk Youth Services  
Community Centers  
Park Facilities

After School Programs  
Anti-Graffiti and Anti-Litter  
Code Enforcement  
Libraries  
Senior Services



### Expected Service Delivery

#### Parks and Community Services

- Operate most of the community centers and open Edenvale and Seven Trees Community Centers
- Continue anti-gang activities
- Continue fee-based Homework Centers
- Offer a reduced Aquatics Program
- Keep Parks and Trails open
- Continue Senior Nutrition Program

#### Other Services

- Code Enforcement field inspection for all complaints (Emergency/Priority: 24-72 hours; Routine: 15 days)
- Animal Care and Services to focus on health and safety related calls

#### Library Services

##### **Branch Hours:**

Tuesday & Wednesday 11 a.m. – 8 p.m.  
Thursday 10 a.m. – 6 p.m.  
Friday 1 p.m. – 6 p.m.  
Saturday 10 a.m. – 6 p.m.  
Closed Sunday and Monday

##### **Dr. Martin Luther King, Jr. Library:**

Open 72 hours/week during the academic year  
Open 58 hours/week when the University is not in session

### Impacts of Budget Actions

- Reduced Branch library hours by 8 hours per week, including closure on Mondays.
- Reduced hours at Martin Luther King Jr. Library by nine hours per week; reduced staffing at service points.
- Delayed opening of Bascom Community Center/Library and the Seven Trees Library until September 2011.
- Eliminated City operation of 5 community centers (Los Paseos, St. James, Northside, Capitol/Goss, Hank Lopez) as a result of a 2009-2010 budget action. Alternative service providers identified for Los Paseos and Northside.
- The Healthy Neighborhoods Venture Fund (HNVF) was eliminated and the funds were shifted to the General Fund. General Fund support will continue for the Children's Health Initiative, fee-based Homework Centers at schools (contributions to schools and non-profits for non-fee based Homework Centers was eliminated), the Senior Nutrition Program, non-profit organizations (80% funding level), and a portion of the administrative costs previously funded from HNVF.
- Reduced Animal Care and Services dispatching staff, which may increase wait times.
- Reduced parks maintenance services.
- Eliminated special programs (City-Wide Sports and dedicated Police Activities League stadium maintenance).
- Significantly reduced Code Enforcement staffing in CDBG/SNI neighborhoods, which will result in a 50% increase in response time, from 10 days to 15 days, for initial field inspections on routine complaints.
- The Family Camp Program was suspended in summer 2010 due to structural issues with the dining hall.
- Significant reductions effective July 2011, including the closure or re-use by an alternative service provider of 22 satellite and neighborhood community centers, a one-half day reduction in branch library operations, a reduction in the Park Ranger Program, and the elimination of the Office on Aging, the Office of Therapeutic Services, and the Senior Nutrition Program.

# Service Delivery Highlights

## Community & Economic Development



### Key Community & Economic Development Services

*Building Permits  
Development Services  
Economic Development  
Housing Services  
Land Use and Planning  
Local & Small Business Technical Services  
Public Art  
Workforce Investment Network*



### Expected Service Delivery

#### Economic Development

- ❑ Attract and retain companies, with focus on clean technology and emerging technology companies
- ❑ Expand range of workforce programs and services for displaced workers

#### Housing Services

- ❑ Provide financial assistance to individuals for home purchases and rehabilitations
- ❑ Achieve success with Destination: Home, a program that provides services and financial assistance to the homeless and those at-risk of homelessness

#### Planning and Building Services

- ❑ Provide excellent development review process customer service
- ❑ Complete the community-based General Plan Update
- ❑ Provide expedited plan review services

#### Arts and Cultural Events

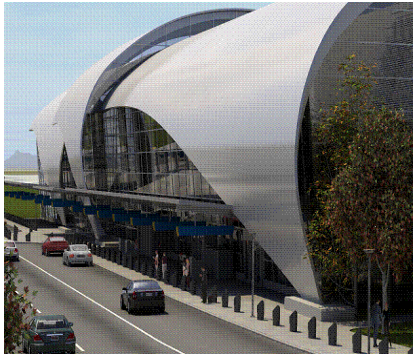
- ❑ Through arts and cultural development programs, maintain a culturally vibrant community

### Impacts of Budget Actions

- ❑ Added a third Express Plan Review line to allow development staff to process large and complicated projects on an expedited timeline.
- ❑ Added a second Special Tenant Improvements (STI)/Industrial Tool Installation (ITI) line to decrease the anticipated wait time to schedule STI/ITI services from three weeks to five working days.
- ❑ The Building Permit Center hourly rate increased from \$126 to \$160 to move towards full cost-recovery and ensure adequate staffing to meet customer demand.
- ❑ Eliminated the Proactive Historic Preservation Program, which resulted in the elimination of all non-fee funded Historic Preservation activity, including resident assistance with the Mills Act Tax incentive and work on new Historic Landmarks not supported by fees.
- ❑ Special Events staffing reductions and consolidation of the Parks, Recreation and Neighborhood Services and Office of Cultural Affairs special events teams will require new event production models for key events.
- ❑ Significantly reduced Convention and Cultural Affairs staffing to align with projected activity levels.
- ❑ Reduced Housing Department administrative budget in the Low and Moderate Income Housing Fund by \$1 million to align with project funding and to enable the San Jose Redevelopment Agency to make its Supplemental Educational Revenue Augmentation Fund payment.
- ❑ Additional funds from various federal sources will be used to purchase properties in foreclosure, provide housing assistance to those at risk of homelessness, provide workforce training for adult and youth programs, and support clean tech job development.

# Service Delivery Highlights

## Transportation & Aviation Services



### Key Transportation & Aviation Services

*Airport Operations  
Landscape & Tree Maintenance  
Parking Services  
Street Pavement Maintenance  
Traffic Capital Improvements  
Traffic Maintenance  
Traffic Safety Education  
Transportation Planning and  
Project Delivery*



### Expected Service Delivery

#### Airport Operations

- ❑ Continue to provide services to ensure the safety of all travelers.
- ❑ Operate new Terminal Area Improvement Program facilities, including Terminal B, Terminal A improvements, new roadways, and the new consolidated rental car and public parking garages.
- ❑ Access to new terminal concessions, public art installations, and baggage and parking systems.
- ❑ Provide mandated security, safety, and regulatory compliance in Airport operation and maintenance.

#### Transportation Operations

- ❑ Manage a growing and aging infrastructure by investing available funding and resources in the most efficient and effective way.
- ❑ Plan a progressive surface transportation system that will support viable transportation choices, future City growth, and economic development.
- ❑ Improve regional travel on major arterials, freeways, and transit corridors to address ongoing concerns with traffic congestion.

### Impacts of Budget Actions

- ❑ Opening of new Airport facilities with reduced staffing.
- ❑ Eliminated 39 Airport positions as part of the multi-year phased reductions that began in 2008-2009 to bring staffing levels in line with passenger activity while ensuring safety, security, and mandatory regulatory compliance; priority maintenance and operations; and operation of the Airport's shared-use model.
- ❑ Outsourced Airport custodial services, eliminating 54 positions. This change reduced costs while maintaining existing service levels.
- ❑ Eliminated six positions from Pavement Maintenance, which will reduce the number of miles of streets maintained.
- ❑ Eliminated nearly 20 positions from the Traffic and Parking Capital Improvement Programs to align staffing with reduced resources available to complete capital projects.
- ❑ Eliminated nine positions from Neighborhood Traffic Operations, which will eliminate all non-mandated and quality-of-life traffic calming services.
- ❑ Reduced the Off-Street Parking Program including staffing and funding for the capital program.

# Service Delivery Highlights

## Environmental & Utility Services



### Key Environmental & Utility Services

*Energy Conservation Efforts  
Garbage Collection & Recycling  
“Green” Building Program  
Municipal Water System  
Neighborhood Cleanups  
Sanitary Sewer Maintenance  
Storm Sewer Maintenance  
Water Pollution Control Plant  
Water Recycling*



### Expected Service Delivery

- ❑ Build, operate, and maintain the City’s wastewater, stormwater, recycled water, and potable water utility infrastructure to ensure system reliability and public health and safety.
- ❑ Promote the health of the environment and South Bay Watershed through collection, treatment, and management of wastewater and stormwater runoff.
- ❑ Collect, process, and dispose of solid waste to maximize diversion from landfills and protect public health, safety, and the environment.
- ❑ Reduce the City’s environmental footprint through energy efficiency, water conservation, environmentally preferable purchases, and construction of green buildings.
- ❑ Support the community in implementing sustainable infrastructure, equipment, and behaviors through education, public-private partnerships, the City’s Green Building Policy, and implementation of the City’s Green Vision.
- ❑ Provide city-wide leadership to implement San José’s Green Vision.

### Impacts of Budget Actions

- ❑ A 6% rate increase to the Sewer Service and Use charge was approved, increasing the average payment by \$1.86 per month, from \$31.00 to \$32.86. This increase will support the continued rehabilitation and replacement of infrastructure at the Wastewater Treatment Plant and in the sanitary sewer collection system.
- ❑ Due to wholesale water cost increases, as well as reduced revenues resulting from the economic downturn and conservation measures, Municipal Water System rates increased by 3.75%.
- ❑ To improve operational efficiency and reduce maintenance costs, the Department of Transportation will replace aging sewer cleaning equipment.
- ❑ To comply with new Municipal Regional Stormwater National Pollutant Discharge Elimination System (NPDES) Permit requirements, \$1.9 million was approved for the installation of structural trash controls in the storm sewer system, Integrated Pest Management demonstration projects, storm pump station monitoring equipment, Corporation Yard storage area protections, and implementation of the City’s strategy to meet the Stormwater Permit’s aggressive trash reduction goals.
- ❑ The 2011-2015 Adopted Capital Improvement Program (CIP) included funding to replace or rehabilitate older pump stations in order to reduce the risk of localized flooding; to rehabilitate the Alviso storm sewer system; to repair and restructure outfalls along local rivers and creeks; to develop a North San José specific master plan; and to develop a system-wide master plan.



# Service Delivery Highlights

## Strategic Support



### Key Strategic Support Services

*Facility Maintenance  
Financial Management  
Fleet Maintenance  
Human Resources  
Information Technology  
Public Works Services  
Retirement Services*



### Expected Service Delivery

- ❑ Attract and retain qualified employees.
- ❑ Ensure that the City's finance and technology resources are protected and available to address the short and long-term needs of the community.
- ❑ Oversee the City's capital projects, ensuring on-time and on-budget delivery of facilities that meet both customer and City staff needs.
- ❑ Manage the City's real property assets.
- ❑ Maintain City facilities, equipment, and vehicles.

### Impacts of Budget Actions

- ❑ Reduced capital staffing in the Public Works Department to bring resources in line with projected capital activity. This reduction reflects the approaching completion of the Airport and bond program construction projects.
- ❑ Decentralized procurement activity through the expanded use of Procurement Cards (P-Card) coupled with staffing reductions in the oversight of the P-Card program.
- ❑ Continued streamlining treasury operations and implemented banking efficiencies city-wide as a result of the recent transition to a new banking services provider for the City.
- ❑ Continued employment service delivery model that right-sized the amount of resources needed to perform recruitment, streamline all resources under direct Human Resources Department supervision, and create a more customer-focused strategic support service.
- ❑ Implemented the first year of a multi-year phased consolidation of information technology services.
- ❑ Reduced Information Technology staffing in several functional areas, including business applications management, infrastructure operations, Customer Contact Center, and HelpDesk.
- ❑ Reduced vehicle replacement funding by \$800,000 (from a total of \$1.0 million) for non-public safety vehicles in 2010-2011 as well as an ongoing reduction of \$200,000. Replacement priority will be given to vehicles that are critical to program service delivery needs and are in danger of failing.
- ❑ Decreased facilities management resources, including reductions to custodial services, facilities maintenance, and City Hall security, which will result in degraded building conditions and decreased security presence at City Hall.
- ❑ Eliminated in-house custodial staff and replaced those services with contracted custodial services that will maintain existing service levels at various facilities, including City Hall and Police Department buildings.
- ❑ Reduced fleet maintenance resources, which will result in less preventive maintenance and increased cycle times to perform corrective maintenance on the City's non-public safety fleet.
- ❑ Extended the replacement cycle time of police cars. Current use, maintenance history, and component reliability indicate that extending the replacement criteria for both the marked and unmarked fleet will not result in measurable performance impacts.

# Service Delivery Highlights – 2011-2012

As part of the 2010-2011 budget process, a number of services were restored in 2010-2011 with one-time funding mostly due to employee wage and benefits concessions. These services are scheduled to be eliminated effective July 2011.

## Major Service Reductions Effective July 2011

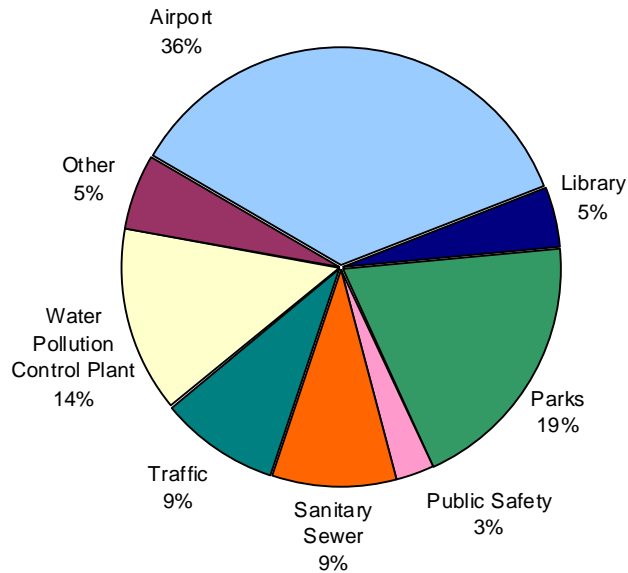
| Description of Service   | # of Positions | Annual Net Cost*    |
|--|----------------|---------------------|
| Police Patrol Staffing Reduction (70 positions restored after adoption of 2010-2011 budget as a result of employee concessions of which 62 were funded one-time)   | 62.00          | \$9,167,000         |
| Satellite and Neighborhood Community Centers Closure (including Washington United Youth Center and Alma) with 22 centers placed in the Re-Use Program (10 Council District Hubs, Edenvale, and Grace Community Centers would remain) | 38.47          | 3,190,000           |
| One Fire Engine Company Elimination  | 13.00          | 2,381,000           |
| Branch Library Hours Reduction (branches will be open 4 days/week in 2011-2012, a reduction of 1/2 day (4-5 hours) from 2010-2011)   | 21.67          | 1,789,000           |
| Senior Nutrition Program Elimination   | 25.86          | 1,164,000           |
| Park Ranger Program Reduction (eliminate services at Overfelt Gardens, Emma Prusch Park, and Trails System)  | 8.98           | 752,000             |
| Sexual Assaults Investigations Unit Staffing Reduction (from 36 to 33 sworn positions)   | 3.00           | 581,000             |
| Dr. Martin Luther King, Jr. Library Service Reduction (additional 15% reduction in 2011-2012, to a 50% drop from the 2009-2010 service levels)   | 5.63           | 549,000             |
| PRNS Special Events Reduction (eliminate support for Christmas in the Park/Holiday Parade - position eliminations effective January 2011/major impact in 2011-2012)  | 6.67           | 425,000             |
| Police Horse Mounted Unit Elimination (one-time funding added in 2010-2011 to restore Horse Mounted Unit)  | 1.00           | 282,000             |
| Building Fee Program - Eliminate customer service staffing added on a one-time basis for Express Plan Review and Special Tenant Improvement/Industrial Tool Installation   | 10.50          | 236,000             |
| General Code Enforcement Program Staffing Reduction (from 7.75 to 5.75 positions) (one-time add in 2010-11 to help mitigate reductions in Community Development Block Grant and San José Redevelopment Agency-supported staff)       | 2.00           | 229,000             |
| Strong Neighborhoods Initiative Staffing Reduction (from 15.75 to 12.75 positions)   | 3.00           | 222,000             |
| Workers' Compensation Claims Adjuster Staffing Reduction (from 13 to 11 positions)   | 2.00           | 218,000             |
| Anti-Graffiti Program Staffing Reduction (from 18 to 16 positions)   | 2.00           | 211,000             |
| Development Services Program Manager Elimination (one-time position added in 2010-2011 as a cross-departmental manager assigned to high-profile projects)  | 1.00           | 175,000             |
| Information Technology Business Application Management Reduction   | 1.00           | 136,000             |
| Arts Express (K-12 Arts) Program Elimination   | 1.00           | 131,000             |
| Striving Towards Achievement with New Direction (STAND) Program Gang Intervention Program Staffing Reduction (2009-2010 reduction that was restored with one-time grant funds)   | 1.63           | 125,000             |
| Special Tenant Improvement/Industrial Tools Improvement Reduction (one-time development staffing added in 2010-2011 to improve customer service)   | 2.00           | 106,000             |
| Almaden Lake Park Aquatics Program Elimination   | 3.22           | 70,000              |
| Lake Cunningham Marina Closure   | 1.51           | 60,000              |
| <b>TOTALS</b>  | <b>217.14</b>  | <b>\$22,199,000</b> |

\* Based on 2010-2011 costs excluding the impact of employee concessions; reflects net costs that factor in offsetting revenue (i.e., Building and Fire Fee Programs)

# Capital Budget Highlights

The 2010-2011 Adopted Capital Budget and 2011-2015 Adopted Capital Improvement Program (CIP) is composed of 14 capital programs. Following is a breakdown of the major programs:

## 2010-2011 Adopted Capital Budget



In the 2011-2015 CIP, investments fund infrastructure improvements throughout the City including: libraries, parks, community centers, storm and sanitary sewer systems, airport, water pollution control plant, transportation systems, municipal water systems and public safety facilities.

The Airport Capital Program remains the largest single component of the 2010-2011 Adopted Capital Budget. The 2010-2011 Adopted Capital Budget for this program totals \$328.3 million to complete the new terminal modernization, taxiway improvements, and non-terminal projects.

In November 2000, General Obligation Bond measures were approved to support library projects (\$212 million) and parks projects (\$228 million). An additional \$159 million in General Obligation Bonds was authorized by the voters in March 2002 to support Public facilities. The majority of these projects have been completed, with the remainder to be completed over the five-year period represented in this Adopted CIP.

Significant investments in 2010-2011 totaling \$129.3 million at the Water Pollution Control Plant were approved to ensure capacity and reliability of treatment plant processes. Sanitary Sewer investments of almost \$86 million are designed to rehabilitate the oldest City sewers and add capacity to meet future economic development needs.

## Major Projects to be Completed Over the Next Five Years

### 2010-2011 Projects

Bascom Library/Comm Ctr (Open Sept. 2011)  
Cropley Avenue Sewer Improvements  
Educational Park Branch Library  
Fire Station 2 Rebuild  
Fire Station 19 Relocation - Piedmont  
Fourth Interceptor, Phase IIB  
Market Street Garage Railing Impvmts.  
Minidoka Avenue Sidewalk Improvements  
Morrill Ave./Sierra Rd. Sewer Impvmts.  
South SJ Police Substation (Open Sept. 2011)  
University Avenue Sewer Improvements

### 2011-2012 Projects

Airport Public Parking Improvements  
Airport Terminal A Baggage Claim Escalators  
Almaden Expressway Sewer Improvements  
Alviso Storm Sewer Rehabilitation  
Calabazas Branch Library  
Coleman Road Sewer Improvements  
El Dorado Storm Sewer Improvements  
Fire Station 36 (Silver Creek/Yerba Buena)  
Gateway East Storm Sewer Improvements  
Gold Street Sanitary Sewer Extension  
Gold Street Storm Sewer Improvements  
Julian/St. James Couplet Conversion  
Myrtle Avenue Sewer Improvements  
Moorpark/Meridian Trunk Sewer Impvmts.  
Spreckles Sewer Main Supplement

### 2012-2013 Projects

60" Brick Interceptor, Phase VIA & VIB  
Airport Fuel Farm Cleanup  
Bon Bon Drive Water Main Replacement  
Fire Station 21 Relocation (White Rd.)  
Fire Station 37 (Willow Glen)  
Husted-Richland Sanitary Sewer Impvmt.  
Southeast Branch Library

### 2013-2014 Projects

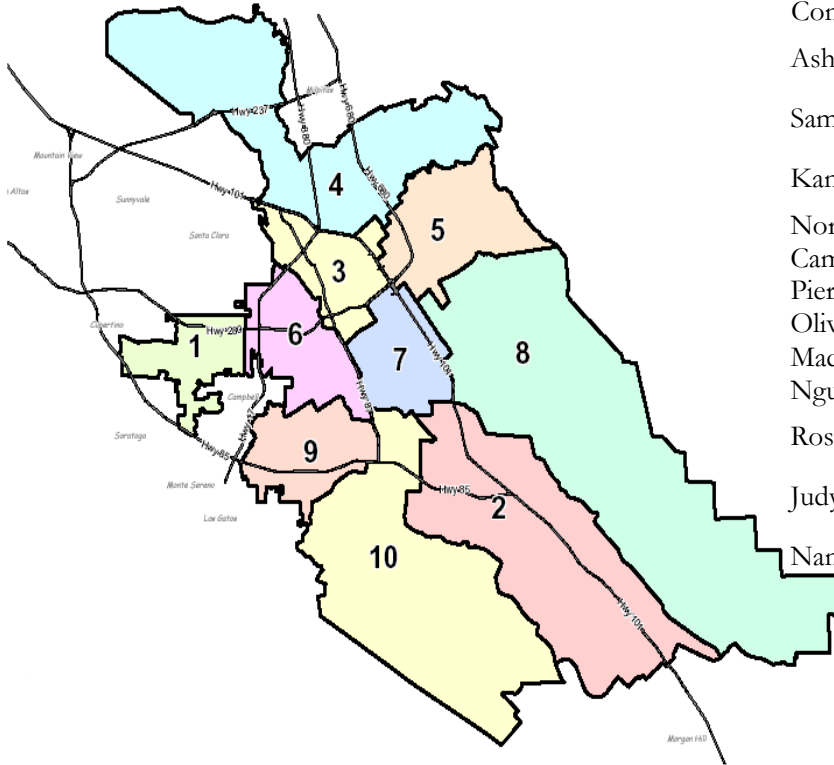
Capitol Avenue Sewer Improvements  
Chesbro Avenue Sewer Improvements  
Curtner Avenue Sewer Improvements  
Lamplighter Relief Pump Station and Main  
Route 101/Tully Interchange Upgrade  
Peppermint Drive Water Main Replacement  
Transportation Incident Management Center

### 2014-2015 Projects

Airport Non-Terminal Area Projects  
Airport Parkway Gateway Improvements  
Parking Garages Revenue Control Upgrades  
Treatment Plant Digester Rehabilitation  
Willow Glen-Guadalupe Storm, Phase III

# Roster of City Officials

## City Council Districts



## Roster of Elected Officials

| CITY COUNCIL       | DISTRICT | TELEPHONE/<br>E-MAIL   |
|--------------------|----------|--|
| Chuck Reed         | Mayor    | 535-4800<br><a href="mailto:mayoremail@sanjoseca.gov">mayoremail@sanjoseca.gov</a>                 |
| Pete Constant      | 1        | 535-4901<br><a href="mailto:District1@sanjoseca.gov">District1@sanjoseca.gov</a>                   |
| Ash Kalra          | 2        | 535-4902<br><a href="mailto:District2@sanjoseca.gov">District2@sanjoseca.gov</a>                   |
| Sam Liccardo       | 3        | 535-4903<br><a href="mailto:District3@sanjoseca.gov">District3@sanjoseca.gov</a>                   |
| Kansen Chu         | 4        | 535-4904<br><a href="mailto:District4@sanjoseca.gov">District4@sanjoseca.gov</a>                   |
| Nora Campos        | 5        | 535-4905<br><a href="mailto:District5@sanjoseca.gov">District5@sanjoseca.gov</a>                   |
| Pierluigi Oliverio | 6        | 535-4906<br><a href="mailto:pierluigi.oliverio@sanjoseca.gov">pierluigi.oliverio@sanjoseca.gov</a> |
| Madison P. Nguyen  | 7        | 535-4907<br><a href="mailto:District7@sanjoseca.gov">District7@sanjoseca.gov</a>                   |
| Rose Herrera       | 8        | 535-4908<br><a href="mailto:rose.herrera@sanjoseca.gov">rose.herrera@sanjoseca.gov</a>             |
| Judy Chirco        | 9        | 535-4909<br><a href="mailto:judy.chirco@sanjoseca.gov">judy.chirco@sanjoseca.gov</a>               |
| Nancy Pyle         | 10       | 535-4910<br><a href="mailto:District10@sanjoseca.gov">District10@sanjoseca.gov</a>                 |

## City Manager

Debra Figone  
Phone: (408) 535-8100  
[Webmaster.manager@sanjoseca.gov](mailto:Webmaster.manager@sanjoseca.gov)

## Managing Our Finances

Despite the City's economic challenges, the City of San José is recognized for its excellent financial management. San José has maintained its strong AAA bond rating, the highest of any major California city. The City's annual Operating and Capital Budgets and the Comprehensive Annual Financial Report (CAFR) have also received awards from the Government Finance Officers Association and the California Society of Municipal Finance Officers.

The City's excellent credit ratings have saved taxpayers money in financing costs for the three general obligation bonds passed for park, library, and public safety improvements and other debt obligations.

## Accessing the Budget

On-line versions of the City of San José's 2010-2011 Adopted Operating and Capital budgets are posted on the City's website at [www.sanjoseca.gov/budget](http://www.sanjoseca.gov/budget). These documents are also available at your public library. For more information about the City of San José Budget, please contact the City Manager's Budget Office at (408) 535-8144.

This publication can be made available upon request in alternative formats such as Braille, large print, audio-tape or computer disk. Requests can be made by calling (408) 535-8144 (Voice) or (408) 294-9337 (TTY).

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