

General Fund Recommended Budget Adjustments Summary 2019-2020 Mid-Year Budget Review

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
<p>Other Revenue (Sale of Properties)</p> <p>This action increases the estimate for Other Revenue by a net \$3.75 million (from \$1.1 million to \$4.85 million) to recognize additional proceeds from the sale of properties. This adjustment includes the recognition of \$4.75 million generated from the recent sale of 200 Park Avenue frontage approved by the City Council on November 19, 2019, offset by a reduction to the original estimate of surplus property sales of \$1.0 million due to a revised schedule of surplus property sales anticipated for the remainder of the fiscal year.</p>	City Manager - Office of Economic Development	-	-	\$3,750,000
<p>Property Tax</p> <p>This action increases the Property Tax estimate by \$10.0 million, from \$354.0 million to \$364.0 million, to reflect higher estimated Secured Property Tax receipts. Based on the most recent information provided by the County of Santa Clara, Secured Property Tax receipts in 2019-2020 are estimated at \$340 million, which is approximately \$10 million over the budgeted level. The recommended adjustment includes increases to Secured Property Taxes by \$4.8 million (from \$293.6 million to \$298.4 million), the Educational Revenue Augmentation Fund (ERAF) receipts by \$3.2 million (from \$19.8 million to \$23.0 million), and the SARA Property Tax estimate by \$2.0 million (from \$16.0 million to \$18.0 million).</p>	City Manager's Office	-	-	\$10,000,000
<p>Transient Occupancy Tax</p> <p>This action reduces estimated revenue from the Transient Occupancy Tax (TOT) by \$2,500,000 (from \$22,500,000 to \$20,000,000) to realign projections for 2019-2020 based on year-to-date performance. Through December 2019, TOT proceeds are 2.7% below prior year collections, due to declining occupancy rates and lower revenue potential, measured as revenue per available room. A corresponding reduction to TOT revenues credited to the Transient Occupancy Tax Fund is recommended elsewhere in this report, offset by proportional expenditure decreases to the Transfer to the Convention and Cultural Affairs Fund (\$1,875,000), the Cultural Grants allocation (\$937,500) to the Office of Economic Development, and San José Convention and Visitors Bureau allocation managed by Team San Jose (\$937,500).</p>	City Manager's Office	-	-	(\$2,500,000)

**Required
Technical-
Rebalancing
Actions**

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<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
Storm Fees	Environmental Services Department	-	\$90,000	-
<p>This action increases the Storm Fees appropriation by \$90,000 (from \$280,000 to \$370,000) to pay for storm sewer fees attributed to City-owned property. This action aligns the budgeted amount for the Storm Fees appropriation with projected year-end estimates.</p>				
Non-Personal/Equipment (Building Performance Payment Processing)	Finance Department	-	\$30,000	-
<p>This action increases the Non-Personal/Equipment appropriation to the Finance Department by \$30,000 to support temporary staffing costs to process payments associated with the Energy and Water Building Performance Ordinance. When the fee was established to implement this ordinance for the first time in 2019-2020, it was assumed that the building owners would be billed on a staggered basis over the course of the year. However, based on recent experience, one-time billing and collection is recommended, which will require temporary staffing assistance.</p>				
Non-Personal/Equipment (Business Tax System Maintenance)	Finance Department	-	\$56,000	-
<p>This action increases the Non-Personal/Equipment appropriation to the Finance Department by \$56,000 for the ongoing contractual maintenance and support of the Business Tax software. This includes nominal support for the Business Tax system until another system can be procured.</p>				
Non-Personal/Equipment (Exhaust Systems Maintenance)	Fire Department	-	\$75,000	-
<p>This action increases the Non-Personal/Equipment appropriation to the Fire Department by \$75,000 to repair and maintain the current Nederman's Exhaust Systems that are nearing the end of their useful lives. These systems remove exhaust emitted from idling vehicles in station apparatus bays to mitigate firefighter exposure to harmful fumes while the vehicles operate in a state of readiness.</p>				

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Non-Personal/Equipment (SCBA Equipment)	Fire Department	-	\$99,802	-
<p>This action increases the Non-Personal/Equipment appropriation to the Fire Department by \$99,802 to purchase 65 replacement SCBA face masks, voice amplifiers and additional regulators due to equipment failures and equipment needs for the scheduled Fire Recruit Academies in March 2020. Replacements were inadvertently not included in the 2019-2020 Adopted Budget, but will be included in the development of the 2020-2021 Base Budget.</p>				
Workers' Compensation Claims – Fire	Fire Department	-	(\$200,000)	-
<p>This action decreases the Workers' Compensation Claims - Fire appropriation by \$200,000 (from \$8.0 million to \$7.8 million) consistent with actual settlements and medical treatment costs through December 2019, and projected activity for the remainder of 2019-2020. These projected savings are recommended to be reallocated to the Workers' Compensation Claims - Police appropriation to offset costs associated with anticipated settlements before June 2020.</p>				
Non-Personal/Equipment (Talent Development Program)	Human Resources Department	-	(\$140,000)	-
<p>This action decreases the Non-Personal/Equipment appropriation to the Human Resources Department by \$140,000 to reallocate funds to the Personal Services appropriation to support staffing for the Talent Development Program. The 2019-2020 Adopted Operating Budget allocated funding for the program to the Department's Non-Personal/Equipment appropriation, pending determination of the balance of contractual and in-house support to best meet program objectives. Upon further analysis of the program, it is recommended that this funding be shifted to the Personal Services appropriation to provide for temporary staffing to deliver the program. The temporary staffing will be responsible for rebuilding the City's Talent Development Program and managing city-wide trainings offered through the "Powered by People" initiative. The learning and development team was successful in re-launching Citywide training opportunities with about 700 City staff participating in multiple learning opportunities. A corresponding increase to Personal Services appropriation is recommended in this report to offset this action.</p>				

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<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
<p>Personal Services (Self-Insured Medical Fund Staffing)</p> <p>This action decreases the Personal Services appropriation to the Human Resources Department in the General Fund by \$49,000. This decrease accounts for the costs associated with a portion of a Division Manager that was erroneously attributed to the General Fund and should be funded by the Self-Insured Medical Fund, as the position supports that benefit program's administration. Additional action will be recommended as part of the development of the 2020-2021 Base Operating Budget to incorporate this funding realignment on an ongoing basis. A corresponding increase to the Personal Services appropriation in the Self-Insured Medical Fund is recommended elsewhere in this report.</p>	Human Resources Department	-	(\$49,000)	-
<p>Personal Services (Talent Development Program)</p> <p>This action increases the Personal Services appropriation to the Human Resources Department by \$140,000 to support temporary staffing costs for the Talent Development Program. These funds support temporary staffing associated with re-vitalizing and re-building the City's Talent Development program, a key component of the City's "Powered by People" initiative. This function is targeted to manage additional training opportunities for more than 700 individuals. A corresponding decrease to the Non-Personal/Equipment appropriation is recommended in this report to offset this action.</p>	Human Resources Department	-	\$140,000	-
<p>Non-Personal/Equipment (PC and Windows Upgrade Project)</p> <p>This action increases the Information Technology Department's Non-Personal/Equipment appropriation by \$100,000 to support the PC and Windows Upgrade Project. In the 2019-2020 Adopted Operating Budget, funding was approved to replace 142 PC's for the Public Works Department. Since then, an additional 112 PC's have been identified that need replacement and Windows upgrade, resulting in a total of 254 PC's to be replaced through this project.</p>	Information Technology Department	-	\$100,000	-

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<p>Non-Personal/Equipment (Janitorial Services)</p> <p>This action increases the Library Department's Non-Personal/Equipment appropriation by \$68,000 for janitorial services. On October 22, 2019, the City Council approved the second amendment to the agreement with ABM Industrial Services, Inc. for janitorial services at city-wide facilities, including supplies and related expenses, beginning November 1, 2019. The new agreement with ABM Industrial Services, Inc. reflected a 13.3% increase to account for a living wage increase and projected cost increases for staff benefits, fuel, and operating supplies. This action will provide funding to cover 8 months of the 12-month extended term to support the increased costs of janitorial services for library restrooms.</p>	Library Department	-	\$68,000	-
<p>2019-2020 Ending Fund Balance Reserve</p> <p>This action establishes the 2019-2020 Ending Fund Balance Reserve in the amount of \$10.0 million from excess General Fund revenues projected this fiscal year. When developing the Proposed Operating Budget for the upcoming fiscal year, a combination of excess revenues, expenditure savings, and the liquidation of carryover encumbrances is expected to generate ending fund balance in the current fiscal year for use as a general funding source for the upcoming year. The 2020-2024 Five-Year Forecast issued in February 2019 assumed that approximately \$23 million in fund balance would be available at the end of 2019-2020 for use in 2020-2021. The 2021-2025 Five-Year Forecast that will be issued at the end of February 2020 and the 2020-2021 Proposed Operating Budget that will be issued on April 29, 2020 will incorporate fund balance as a funding source. This action sets aside a portion of the ending fund balance that is expected to be generated in 2019-2020. It is anticipated that additional actions will be brought forward at year-end to increase the 2019-2020 Ending Fund Balance Reserve.</p>	Office of the City Manager	-	\$10,000,000	-

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Non-Personal/Equipment (Reallocation to Personal Services for Office of Civic Innovation Staffing)	Office of the City Manager	-	(\$550,000)	-

This action decreases the Non-Personal/Equipment appropriation to the City Manager's Office by \$550,000 (from \$4,207,759 to \$3,657,759) to reallocate funds to the Personal Services appropriation to support temporary staffing costs in the Office of Civic Innovation. In the 2019-2020 budget, all the funding for the Privacy Policy development, Safe City data integration, and Internet of Things Business Architecture was allocated to the Non-Personal/Equipment appropriation, as the implementation plan was not known at the time. A corresponding increase to Personal Services appropriation is recommended in this report to offset this action.

Personal Services (Reallocation from Non-Personal/Equipment for Office of Civic Innovation Staffing)	Office of the City Manager	-	\$550,000	-
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This action increases the Personal Services the to the City Manager's Office by \$550,000 (from \$17,304,675 to \$17,854,675) to reallocate funds from the Non-Personal/Equipment appropriation to support temporary staffing costs in the Office of Civic Innovation. In the 2019-2020 budget, all the funding for the Privacy Policy development, Safe City data integration, and Internet of Things Business Architecture was allocated to the Non-Personal/Equipment appropriation, as the implementation plan was not known at the time. A portion of the funding is recommended to be shifted to support temporary staffing rather than using a consultant or contractor. Temporary staffing will drive the creation of use-case driven privacy policies; allow for a more integrated and effective approach to the use of data and technology by the City's public safety partners as identified in the Safe City Strategy Roadmap while also achieving Bloomberg What Works Cities Silver level certification; and focus on the Internet of Things Business Architecture. The corresponding decrease to Non-Personal/Equipment appropriation is recommended in this report to offset this action.

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<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
<p>Non-Personal/Equipment (Janitorial Services)</p> <p>This action increases the Parks, Recreation and Neighborhood Services Department's Non-Personal/Equipment appropriation by \$74,000 for janitorial services. On October 22, 2019, the City Council approved the second amendment to the agreement with ABM Industrial Services, Inc. for janitorial services at city-wide facilities, including supplies and related expenses, beginning November 1, 2019. The new agreement with ABM Industrial Services, Inc. reflected a 13.3% increase to account for a living wage increase and projected cost increases for staff benefits, fuel, and operating supplies. This action will provide funding to cover 8 months of the 12-month extended term to support the increased costs of janitorial services for park restrooms.</p>	<p>Parks, Recreation and Neighborhood Services Department</p>	-	\$74,000	-
<p>Personal Services (Healthy Aging San José)</p> <p>This action increases the Parks, Recreation and Neighborhood Services Department's Personal Services appropriation by \$19,240 to support the Healthy Aging San José grant. While the grant revenue was recognized as part of the 2018-2019 Annual Report, the personal services costs were inadvertently omitted. The term of the grant is 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>	<p>Parks, Recreation and Neighborhood Services Department</p>	-	\$19,240	-

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<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
<p>Personal Services (Youth Reinvestment Grant)</p> <p>This action increases the Parks, Recreation and Neighborhood Services Department's Personal Services appropriation by \$40,000 to support the Youth Reinvestment Grant. The total award of the grant is \$1.0 million, which covers 2019-2020, 2020-2021, and 2021-2022. Revenue in the amount of \$340,000 to cover 2019-2020 was recognized as part of the 2018-2019 Annual Report; however, only \$300,000 in personal services costs was appropriated. 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 educational 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	-	\$40,000	-
<p>Revenue from Local Agencies (BHSD Grant for Therapeutics)</p> <p>This action decreases the Revenues from Local Agencies in the amount of \$309,000 for the Santa Clara County Behavioral Health Services Department Grant for Therapeutics. This revenue was allocated as part of the 2019-2020 base budget process (\$309,000) and was inadvertently recognized again as part of the 2018-2019 Annual Report (\$309,000). As part of this report, this recommended action will reduce the grant revenue by \$309,000 to correctly align the budget with the anticipated grant proceeds.</p>	Parks, Recreation and Neighborhood Services Department	-	-	(\$309,000)
<p>Accessory Dwelling Unit Amnesty Program</p> <p>This action establishes the Accessory Dwelling Unit (ADU) Amnesty Program City-Wide Expenses appropriation to the Planning, Building and Code Enforcement Department in the amount of \$293,000 as required to implement the ADU Amnesty Program approved by the City Council on January 7, 2020. This funding will be used to pay for permitting and inspection costs for 50 units that would qualify under the program, which is the number of units estimated to participate in 2019-2020. Additional funding for the following fiscal year will be evaluated during the 2020-2021 Proposed Budget development process.</p>	Planning, Building and Code Enforcement Department	-	\$293,000	-

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Workers' Compensation Claims - Police	Police Department	-	\$200,000	-
<p>This action increases the Workers' Compensation Claims – Police appropriation by \$200,000 (from \$8.0 million to \$8.2 million) consistent with actual settlements and medical treatment costs through December 2019, and projected activity for the remainder of 2019-2020. This action is offset with projected savings and a corresponding reduction to the Workers' Compensation Claims - Fire appropriation recommended elsewhere in this report.</p>				
Closed Landfill Compliance	Public Works Department	-	\$150,000	-
<p>This action increases the Closed Landfill Compliance City-wide Capital Improvements appropriation by \$150,000, from \$350,000 to \$500,000. The City owns four closed landfills - Singleton Road, Story Road, Roberts Avenue, and Martin Park. In the past few years, the costs to maintain compliance at the City's closed landfills have increased and several large one-time expenditures have occurred. Both Story Road and Singleton Road landfills are undeveloped and are frequently impacted by vandalism and grass fires. Funding covers maintenance and operations of Singleton flare, regulatory permit and oversight fees, annual groundwater monitoring at Singleton, and general site maintenance (fence repairs, vandalism). As this elevated work effort is expected to continue, these increased costs will be incorporated into the 2020-2021 Base Budget. Funding is necessary to maintain compliance with Regional Water Quality Control Board, Bay Area Air Quality Management District (Singleton only), and CalRecycle.</p>				
Non-Personal/Equipment (Janitorial Services)	Public Works Department	-	\$450,000	-
<p>This action increases the Public Works Department's Non-Personal/Equipment appropriation by \$450,000 for janitorial services. On October 22, 2019, the City Council approved the second amendment to the agreement with ABM Industrial Services, Inc. for janitorial services at city-wide facilities, including supplies and related expenses, beginning November 1, 2019. The new agreement with ABM Industrial Services, Inc. reflected a 13.3% increase to account for a living wage increase and projected cost increases for staff benefits, fuel, and operating supplies. This action will provide funding to cover 8 months of the 12-month extended term janitorial contract to support the increased costs of janitorial services for City Hall, Police, and Community Centers.</p>				

**General Fund Recommended Budget Adjustments Summary
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<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
Transfers and Reimbursements (Measure T)	Public Works Department	-	-	\$319,000
<p>This action increases the estimate for Transfers and Reimbursements by \$319,000 to reflect a transfer from the Public Safety and Infrastructure Bond Fund (Measure T). This action reimburses the General Fund for costs that were advanced for Measure T projects prior to bond issuance and have been determined to be eligible for payment out of the Public Safety and Infrastructure Bond Fund. Examples of these costs include project feasibility work and administrative staff support. A corresponding action in the Public Safety and Infrastructure Bond Fund is recommended elsewhere in this report.</p>				
Required Technical-Rebalancing Actions		-	\$11,496,042	\$11,260,000
Creating Connections/Other Revenue	City Manager - Office of Economic Development	-	\$140,000	\$140,000
<p>This action establishes the Creating Connections City-Wide appropriation to the Office of Economic Development and increases the estimate for Other Revenue in the amount of \$140,000 to recognize a grant received from the David and Lucile Packard Foundation. The grant will be used to expand the WeCreate408 communication campaign in 2020, engage a second round of Creative License Ambassadors, and convene arts and allied organizations for training in the Creating Connections framework and WeCreate408 campaign.</p>				
Grants- Reimbursements -Fees				
Fire Development Fee Program Reserve	Fire Department	-	(\$250,000)	-
<p>This action decreases the Fire Development Fee Program Reserve by \$250,000 to offset the action to establish the Fire Inspection Improvements appropriation as recommended in this report.</p>				

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<p>Fire Inspection Improvement</p> <p>This action establishes the Fire Inspection Improvements City-Wide Expenses appropriation of \$250,000 to the Fire Department to provide additional funding to help address the current backlog of inspections, including temporary staffing and contractual services, and to evaluate potential improvements in the medium to longer term, such as internal process improvements and technology investments. This effort will occur in close collaboration between the Fire Department and the City Manager's Office and is funded by a corresponding reduction to the Fire Development Fee Program Reserve.</p>	Fire Department	-	\$250,000	-
<p>Non-Personal/Equipment/Revenue from Federal Government (2018 SHSGP Grant - Water Rescue-Related Equipment)</p> <p>This action decreases the Non-Personal/Equipment appropriation to the Fire Department and corresponding estimate for Revenue from Federal Government by \$74,400. Funding was included in the 2019-2020 Adopted Operating Budget for the purchase of two personal water crafts and related equipment for emergency water rescue. However, the San José Fire Department was informed in November 2019 that the 2018 State Homeland Security Grant Program (SHSGP) grant for Water Rescue Related Equipment (personal watercrafts) was denied by CAL-OES. Although this grant project was approved by SHSGP, because it included a watercraft, an additional layer of review was required by CAL-OES, and the project was denied. The San José Fire Department does not anticipate applying for this grant again, as they do not meet the qualifications to be awarded the grant.</p>	Fire Department	-	(\$74,400)	(\$74,400)
<p>Non-Personal/Equipment/Revenue from Federal Government (SHSGP – Water Rescue Trailer Grant)</p> <p>This action increases the Non-Personal/Equipment appropriation to the Fire Department and corresponding estimate for Revenue from Federal Government by \$17,852 to recognize additional reimbursements received from the State Homeland Security Grant Program (SHSGP) - Water Rescue Trailer Grant. The reimbursements are for eligible expenses related to the purchase and installation of the necessary parts to outfit water rescue trailers, including boat racks, electric winches, wiring and decals.</p>	Fire Department	-	\$17,852	\$17,852

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Library Grants/Other Revenue (PLP Innovation and Technology Opportunity Grant)	Library Department	-	\$12,460	\$12,460
<p>This action increases the Library Grants appropriation and estimate for Other Revenue by \$12,460 to recognize the receipt of Pacific Library Partnership (PLP) grant. This grant funding will support the PLP Innovation and Technology Opportunity program at San Jose Public Library branches. This program includes installation of five Charge Tech 8-bay cell phone charging lockers at library branches (Bascom, Biblioteca Latinoamericana, Edenvale, Educational Park, and Tully Community Library). These charging stations allow users to secure their phones in a locked compartment while it is charging.</p>				
Library Grants/Other Revenue (Yiddish Book Center Grant)	Library Department	-	\$500	\$500
<p>This action increases the Library Grants appropriation and the estimate for Other Revenue by \$500 to recognize the receipt of the Yiddish Book Center grant. This grant funding will support Yiddish Book Center's "Coming to America" reading program at the San Jose Public Library. In this program, librarians arrange reading groups to discuss three books of Yiddish literature in translation, and one book related to an immigrant community served by the library.</p>				
Library Grants/Revenue from State of California (CLLS Adult Literacy Grant)	Library Department	-	\$72,672	\$72,672
<p>This action increases the Library Grants appropriation and the estimate for Revenue from State of California by \$72,672 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. These programs help adults increase their basic literacy skills and addresses the literacy needs of their young children.</p>				

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Library Grants/Revenue from State of California (CREI-LSTA Grant)	Library Department	-	\$5,000	\$5,000
<p>This action increases the Library Grants appropriation and the estimate for Revenue from State of California by \$5,000 to recognize the receipt of the California Libraries Cultivating Racial Equity and Inclusion (CREI) Initiative. This grant funding will support learning, planning, and implementation of racial equity and inclusion policies, practices and learning. As part of this initiative, there will be two trainings to allow library staff to develop a Racial Equity action plan and strategize implementation for the community. In addition, Library staff will receive support and mentorship to develop Racial Equity action plan strategies.</p>				
Council District 1/Other Revenue	Mayor & City Council	-	\$4,948	\$4,948
<p>This action increases Council District #01 appropriation and corresponding estimate for Other Revenue by \$4,948 to allocate revenue received from various businesses and individuals donated for special events sponsored by the district. This funding will support special events co-sponsored by Council District 1, including the 12th Annual Disability Awareness Fair event.</p>				
Council District 2/Other Revenue	Mayor & City Council	-	\$8,500	\$8,500
<p>This action increases Council District #02 appropriation and corresponding estimate for Other Revenue by \$8,500 to allocate revenue received from various businesses and individuals donated for special events sponsored by the district. This funding will support special events co-sponsored by Council District 2, including the 2019 Village Fest event.</p>				
Council District 5/Other Revenue	Mayor & City Council	-	\$21,250	\$21,250
<p>This action increases Council District #05 appropriation and corresponding estimate for Other Revenue by \$21,250 to allocate revenue received from various businesses and individuals donated for special events sponsored by the district. This funding will support special events co-sponsored by Council District 5, including 2019 National Night Out and Light Up the Night events.</p>				

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<p>Council District 8/Other Revenue</p> <p>This action increases Council District #08 appropriation and corresponding estimate for Other Revenue by \$16,300 to allocate revenue received from various businesses and individuals donated for special events sponsored by the district. This funding will support special events co-sponsored by Council District 8, including the Fall Family Festival.</p>	Mayor & City Council	-	\$16,300	\$16,300
<p>Council District 9/Other Revenue</p> <p>This action increases Council District #09 appropriation and corresponding estimate for Other Revenue by \$11,075 to allocate revenue received from various businesses and individuals donated for special events sponsored by the district. This funding will support special events co-sponsored by Council District 9, including the 2019 Celebrate Cambrian event.</p>	Mayor & City Council	-	\$11,075	\$11,075
<p>Office of the Mayor/Other Revenue</p> <p>This action increases the Office of the Mayor appropriation and the corresponding estimate for Other Revenue by \$25,000 to allocate revenue received from Encore.org to support the Mayor's Office's Initiatives in developing tools to increase civic engagement.</p>	Mayor & City Council	-	\$25,000	\$25,000
<p>County of Santa Clara Probation Department for Teen Programming/Revenue from Local Agencies</p> <p>This action establishes the County of Santa Clara Probation Funds for Teen Programming City-Wide Expenses appropriation to the Parks, Recreation and Neighborhood Services Department and the corresponding estimate for Revenue from Local Agencies in the amount of \$100,000. Grant funding from the County of Santa Clara Probation Department will increase membership and involvement of youth at City-operated community centers throughout San José.</p>	Parks, Recreation and Neighborhood Services Department	-	\$100,000	\$100,000

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<p>Non-Personal/Equipment/Fees, Rates, and Charges (County of Santa Clara Social Services Agency)</p> <p>This action decreases the Parks, Recreation and Neighborhood Services (PRNS) Department's Non-Personal/Equipment appropriation and the corresponding revenue estimate for Fees, Rates, and Charges by \$105,820. The County of Santa Clara Social Services Agency provided PRNS with a grant up to \$150,000 in one-time funding to enroll County youth into summer programming. PRNS used these funds to provide scholarships for city-wide summer camps and classes for youth. However, since the scholarship program was specifically for foster youth and was based on a referral system, only \$44,180 was utilized.</p>	Parks, Recreation and Neighborhood Services Department	-	(\$105,820)	(\$105,820)
<p>Non-Personal/Equipment/Other Revenue (Gardner Family Health Network Scholarships)</p> <p>This action increases the Parks, Recreation and Neighborhood Services Department's Non-Personal/Equipment appropriation and the corresponding estimate for Other Revenue in the amount of \$40,000 to reflect receipt of a grant. Grant funding from Gardner Family Health will provide fitness passes and access to fitness classes at community centers for Gardner Family Health clients. Grant funds will also provide scholarships to eligible participants.</p>	Parks, Recreation and Neighborhood Services Department	-	\$40,000	\$40,000
<p>2016 County Victim Services Program/Revenue from State of California</p> <p>This action increases the 2016 County Victim Services Program City-Wide Expenses appropriation to the Police Department in the amount of \$75,436, and corresponding estimate for Revenue from State of California, to support the Police Department's Family Violence Center. These funds will be used to assist in funding two temporary forensic interviewer positions. The forensic interviewers will conduct developmentally and culturally appropriate and legally defensible forensic interviews of children and adolescents that allege sexual abuse. The original grant term of July 1, 2016 through June 30, 2018 was extended to December 31, 2019 to expend the initial \$262,226 award, and funding was augmented in the amount of \$75,436 as of January 1, 2020 for use through December 31, 2020.</p>	Police Department	-	\$75,436	\$75,436

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<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
ICAC State Grant 2018-2020/Revenue from State of California	Police Department	-	\$950,000	\$950,000

This action increases the Internet Crimes Against Children (ICAC) State Grant 2018-2020 appropriation and the corresponding estimate for Revenue from State of California by \$950,000 to partially fund the hiring of wounded veterans to assist the ICAC task forces with the investigation and prosecution of online enticement and exploitation of children by sexual predators and child pornography. The California Office of Emergency Services (CalOES) previously awarded \$1,000,000 for a grant term of July 1, 2018 through December 31, 2020. This supplemental funding of \$950,000, for a total of \$1.95 million, was awarded in December 2019 and will primarily support the acquisition of support vehicles and computer hardware and software on behalf of the City of San José and partner subrecipients to support this investigative work.

Northern California Regional Intelligence Center - Police 2019/Revenue from State of California	Police Department	-	\$121,000	\$121,000
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This action establishes the Northern California Regional Intelligence Center – Police 2019 City-Wide Expenses appropriation to the Police Department and increases the revenue estimate for Revenue from State of California in the amount of \$121,000 for 2019-2020. The Northern California Regional Intelligence Center (NCRIC) works to improve the region's ability to detect, prevent, investigate, and respond to criminal and terrorist activity. This grant will partially fund the salary, benefits, and overtime for one San José Police Department Lieutenant for the period from January 2020 to June 2020. The 2019-2020 Adopted Budget included \$167,000 from the Personal Services appropriation and \$242,000 from the 2018 Northern California Regional Intelligence Center (NCRIC) – Police City-Wide appropriation to partially fund the cost of the Lieutenant position. With this action, the position will be fully funded in 2019-2020.

General Fund Recommended Budget Adjustments Summary 2019-2020 Mid-Year Budget Review

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
Emergency Operations Center FF&E Reserve/Revenue from the State of California	Public Works Department	-	\$2,500,000	\$2,500,000

This action establishes the Emergency Operations Center FF&E Reserve in the amount of \$2.5 million and recognizes \$2.5 million in revenue from the State of California. Grant funding from the California Governor's Office of Emergency Services (CalOES) was obtained to help supplement the Emergency Operations Center project. Funding is placed in a reserve to cover furniture, fixtures, and equipment (FF&E), expenditures that are not eligible for the Public Safety and Infrastructure Bond Fund (Measure T) grant funding.

Fire Training Center Relocation/Revenue from the State of California	Public Works Department	-	\$3,000,000	\$3,000,000
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This action increases the Fire Training Center Relocation appropriation by \$3.0 million, from \$3.5 million to \$6.5 million, and recognizes \$3.0 million in revenue from the State of California. Grant funding from the California Governor's Office of Emergency Services (CalOES) was secured in September 2019 to help supplement the costs associated with construction of the Fire Training Center.

Non-Personal/Equipment/Other Revenue (Fleet Telematics)	Public Works Department	-	\$750,000	\$750,000
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This action increases Public Works Department's Non-Personal/Equipment appropriation and the estimate for Other Revenue by \$750,000. This one-time revenue supports telematic equipment purchase and installation (\$460,000) plus one year of data subscription costs (\$290,000). As part of the Smart City Initiative and fleet connectivity program, the City is partnering with a telecommunications company for installation of telematic equipment to provide installations for non-public safety general fleet non-electric vehicles.

**General Fund Recommended Budget Adjustments Summary
2019-2020 Mid-Year Budget Review**

<u>Action</u>	<u>Department</u>	<u>Positions</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
Emergency Street Tree Services/Other Revenue This action increases the Emergency Street Tree Services (Property Owner Requested) City-Wide Expenses appropriation to the Transportation Department by \$100,000 (from \$600,000 to \$700,000). This action provides funding for an anticipated increase in property owner requests for the City to perform emergency street tree services. Contracted services are used to perform the tree services, and the City is reimbursed by the property owner for this service. A corresponding increase to the estimate for Other Revenue is recommended to offset this action.	Transportation Department	-	\$100,000	\$100,000
Non-Personal/Equipment/Fees, Rates, and Charges (Micromobility/Scooters) This action increases the Transportation Department's Non-Personal/Equipment appropriation by \$100,000 (from \$17.6 million to \$17.7 million) for software and data analysis services to monitor and manage scooter vendor compliance with the City's scooter permit requirements. A corresponding increase to the estimate for Fees, Rates, and Charges to recognize additional fee revenue is recommended in this report to offset this action.	Transportation Department	-	\$100,000	\$100,000
Sidewalk Repairs/Other Revenue This action increases the Sidewalk Repairs City-Wide Expenses appropriation to the Transportation Department by \$150,000 (from \$1.75 million to \$1.9 million). This action provides funding for an anticipated increase in property owners requesting the City to perform required sidewalk repairs. Contracted services are used to perform the work, and the City is reimbursed by the property owner for this service. A corresponding increase to the estimate for Other Revenue is recommended to offset this action.	Transportation Department	-	\$150,000	\$150,000
Grants-Reimbursements-Fees		-	\$8,041,773	\$8,041,773