

General Fund Capital, Transfers, Reserves

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To provide necessary funding for: (1) capital projects not funded by a dedicated funding source, (2) transfers to other funds, (3) reserves earmarked for known future needs, and (4) a reserve for unforeseen contingencies

City Service Areas

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

Programs

Capital Contributions

Earmarked Reserves

Transfers to Other Funds

Contingency Reserve

General Fund Capital, Transfers, Reserves

Budget Summary

| | 2012-2013 Actual 1 | 2013-2014 Adopted 2 | 2014-2015 Forecast 3 | 2014-2015 Proposed 4 | % Change (2 to 4) |
|------------------------------|--------------------------|---------------------------|----------------------------|----------------------------|-------------------------|
| Dollars by Program | | | | | |
| Capital Contributions | \$ 6,178,088 | \$ 29,437,000 | \$ 5,250,000 | \$ 11,570,000 | (60.7%) |
| Transfers to Other Funds | 29,162,358 | 25,635,266 | 26,617,380 | 35,917,380 | 40.1% |
| Earmarked Reserves | N/A | 118,163,724 | 18,681,589 | 32,647,434 | (72.4%) |
| Contingency Reserve | N/A | 29,309,000 | 31,000,000 | 31,500,000 | 7.5% |
| Total | \$ 35,340,446 | \$ 202,544,990 | \$ 81,548,969 | \$ 111,634,814 | (44.9%) |
| Dollars by Category | | | | | |
| Capital, Transfers, Reserves | \$ 35,340,446 | \$ 202,544,990 | \$ 81,548,969 | \$ 111,634,814 | (44.9%) |
| Total | \$ 35,340,446 | \$ 202,544,990 | \$ 81,548,969 | \$ 111,634,814 | (44.9%) |
| Dollars by Fund | | | | | |
| General Fund | \$ 35,340,446 | \$ 202,544,990 | \$ 81,548,969 | \$ 111,634,814 | (44.9%) |
| Total | \$ 35,340,446 | \$ 202,544,990 | \$ 81,548,969 | \$ 111,634,814 | (44.9%) |
| Authorized Positions | N/A | N/A | N/A | N/A | N/A |

General Fund Capital, Transfers, Reserves

Budget Reconciliation

(2013-2014 Adopted to 2014-2015 Proposed)

| | Positions | General Fund (\$) |
|---|-----------|-------------------|
| Prior Year Budget (2013-2014): | 0.00 | 202,544,990 |
| Base Adjustments | | |
| One-Time Prior Year Expenditures Deleted | | |
| • Capital Contributions Rebudget: Arena Repairs | | (349,000) |
| • Capital Contributions Rebudget: Bucknall Road | | (166,000) |
| • Capital Contributions Rebudget: Closed Landfill Compliance | | (40,000) |
| • Capital Contributions Rebudget: Fire Apparatus Replacement | | (5,494,000) |
| • Capital Contributions Rebudget: Fire Facilities Remediation | | (600,000) |
| • Capital Contributions Rebudget: Police Administration Building Critical Repairs | | (75,000) |
| • Capital Contributions Rebudget: Police Administration Building/Emergency Communications Center Back-Up Generator Replacements | | (400,000) |
| • Capital Contributions Rebudget: Police Communications Emergency Uninterrupted Power Supply | | (3,700,000) |
| • Capital Contributions Rebudget: Police Administration Building/Security Upgrades | | (680,000) |
| • Capital Contributions Rebudget: South San José Police Substation FF&E | | (888,000) |
| • Capital Contributions: African American Community Services Agency Facility Repairs | | (25,000) |
| • Capital Contributions: City Cultural Facilities Capital Maintenance | | (400,000) |
| • Capital Contributions: City Hall Bamboo Courtyard Renovation | | (250,000) |
| • Capital Contributions: City Hall Waterproofing | | (1,600,000) |
| • Capital Contributions: Downtown Ice Rink Improvements | | (70,000) |
| • Capital Contributions: Police Administration Building HVAC Controls Replacements | | (275,000) |
| • Capital Contributions: Police Administration Building Elevator Retrofit | | (600,000) |
| • Capital Contributions: Police Administration Building Firing Range Lighting | | (75,000) |
| • Capital Contributions: Police Administration Building/Police Communications Center Chiller Replacements | | (2,400,000) |
| • Capital Contributions: Police Administration Building/Police Communications Center Exterior Waterproofing | | (350,000) |
| • Capital Contributions: Police Communications Center Electrical System Upgrade | | (1,650,000) |
| • Capital Contributions: Police Communications Fire Protection System Upgrade | | (3,000,000) |
| • Capital Contributions: Police Communications Center Redundant Power Circuitry System Design | | (200,000) |
| • Capital Contributions: TRAIL: San Tomas Aquino Pedestrian Improvements | | (100,000) |
| • Transfers to Other Funds: Communications Construction and Conveyance Tax Fund | | 150,000 |
| • Earmarked Reserves Rebudget: 2014-2015 Police Sworn Hire Ahead Program Reserve | | (3,000,000) |
| • Earmarked Reserves Rebudget: Building Development Fee Program Reserve | | (16,813,670) |

General Fund Capital, Transfers, Reserves

Budget Reconciliation

(2013-2014 Adopted to 2014-2015 Proposed)

| | Positions | General Fund (\$) |
|--|-------------|----------------------|
| Base Adjustments | | |
| One-Time Prior Year Expenditures Deleted | | |
| • Earmarked Reserves Rebudget: City Annual Required Retirement Contributions Reserve | | (1,000,000) |
| • Earmarked Reserves Rebudget: Fire Development Fee Program Reserve | | (5,253,394) |
| • Earmarked Reserves Rebudget: Fire Station 37 (Willow Glen) Reserve | | (620,000) |
| • Earmarked Reserves Rebudget: Fiscal Reform Plan Implementation Reserve | | (150,000) |
| • Earmarked Reserves Rebudget: Fuel Usage Reserve | | (250,000) |
| • Earmarked Reserves Rebudget: Planning Development Fee Program Reserve | | (1,197,673) |
| • Earmarked Reserves Rebudget: Police Property Facility Relocation Reserve | | (500,000) |
| • Earmarked Reserves Rebudget: Public Works Development Fee Program Reserve | | (5,273,523) |
| • Earmarked Reserves Rebudget: Salaries and Benefits Reserve | | (5,000,000) |
| • Earmarked Reserves Rebudget: Successor Agency City Legal Obligations Reserve | | (7,500,000) |
| • Earmarked Reserves Rebudget: Wellness Program Reserve | | (417,028) |
| • Earmarked Reserves Rebudget: Workers' Compensation/General Liability Reserve | | (15,000,000) |
| • Earmarked Reserves: 2014-2015 Community Action and Pride Grants Reserve | | (100,000) |
| • Earmarked Reserves: 2014-2015 Future Deficit Reserve | | (13,700,000) |
| • Earmarked Reserves: 2014-2015 Homeless Rapid Rehousing Reserve | | (2,000,000) |
| • Earmarked Reserves: 2014-2015 Homeless Response Team Reserve | | (1,500,000) |
| • Earmarked Reserves: 2014-2015 San José BEST and Safe Summer Initiative Programs Reserve | | (1,500,000) |
| • Earmarked Reserves: Aircraft Rescue and Firefighting Services Reserve | | (507,751) |
| • Earmarked Reserves: Budget Stabilization Reserve | | (10,000,000) |
| • Earmarked Reserves: Building Development Fee Program Reserve | | 4,500,000 |
| • Earmarked Reserves: 2014-2015 Children's Health Initiative Reserve | | (550,000) |
| • Earmarked Reserves: 2015-2016 Children's Health Initiative Reserve | | (275,000) |
| • Earmarked Reserves: Deferred Infrastructure and Maintenance Reserve | | 600,000 |
| • Earmarked Reserves: Development Fee Programs Technology Reserve | | (5,445,000) |
| • Earmarked Reserves: Fire Development Fee Program Reserve | | 630,000 |
| • Earmarked Reserves: Fiscal Reform Plan Implementation Reserve | | (1,350,000) |
| • Earmarked Reserves: Operating/Capital Budget Systems Replacement Reserve | | (2,850,000) |
| • Earmarked Reserves: Planning Development Fee Program Reserve | | 497,000 |
| • Earmarked Reserves: Public Works Development Fee Program Reserve | | 555,000 |
| • Earmarked Reserves: San José Police Officers' Association Employee Compensation Planning Reserve | | (3,500,000) |
| • Earmarked Reserves: Successor Agency City Legal Obligations Reserve | | (2,500,000) |
| One-Time Prior Year Expenditures Subtotal: | 0.00 | (124,208,039) |

General Fund Capital, Transfers, Reserves

Budget Reconciliation

(2013-2014 Adopted to 2014-2015 Proposed)

| | Positions | General Fund (\$) |
|--|-------------|-------------------|
| Base Adjustments | | |
| Technical Adjustments to Costs of Ongoing Activities | | |
| • Capital Contributions: Fire Apparatus Replacement adjustment | | (1,000,000) |
| • Capital Contributions: Unanticipated/Emergency Maintenance adjustment | | 200,000 |
| • Transfers to Other Funds: Arena Enhancement Fund adjustment | | (1,015,278) |
| • Transfers to Other Funds: City Hall Debt Service Fund adjustment | | 2,622,158 |
| • Transfers to Other Funds: Communications Construction and Conveyance Tax Fund adjustment | | (175,000) |
| • Transfers to Other Funds: Community Facilities Revenue Fund/Hayes Mansion adjustment | | (400,000) |
| • Transfers to Other Funds: Downtown Property and Business Improvement District Fund adjustment | | 234 |
| • Transfers to Other Funds: Municipal Golf Course Fund adjustment | | (400,000) |
| • Transfers to Other Funds: Vehicle Maint and Ops Fund/General Fleet Vehicle Replacement adjustment | | 200,000 |
| • Earmarked Reserves: Deferred Infrastructure and Maintenance establishment | | 200,000 |
| • Earmarked Reserves: Employee Compensation Planning Reserve adjustment | | 6,639,000 |
| • Earmarked Reserves: Employee Market Competitiveness Reserve establishment | | 500,000 |
| • Earmarked Reserves: General Plan Update Reserve establishment | | 200,000 |
| • Earmarked Reserves: New Parks and Recreation Facilities Maintenance and Operations Reserve establishment | | 193,000 |
| • Earmarked Reserves: New Traffic Infrastructure Assets Maintenance and Operations Reserve establishment | | 11,000 |
| • Earmarked Reserves: Salaries and Benefits Reserve adjustment | | 234,904 |
| • Earmarked Reserves: San José Police Officers' Association Employee Compensation Planning Reserve | | (6,489,000) |
| • Contingency Reserve (One-Time) | | 1,691,000 |
| Technical Adjustments Subtotal: | 0.00 | 3,212,018 |
| 2014-2015 Forecast Base Budget: | 0.00 | 81,548,969 |

Budget Proposals Recommended

Capital Contributions

| | | |
|----|---|---------|
| 1. | Capital Contributions: Children's Discovery Museum Chiller Replacements | 700,000 |
| 2. | Capital Contributions: Children's Discovery Museum Portico Reroof | 250,000 |
| 3. | Capital Contributions: City Hall Security Improvements | 50,000 |
| 4. | Capital Contributions: Downtown Ice Rink Improvements | 100,000 |
| 5. | Capital Contributions: Municipal Garage Repainting | 120,000 |
| 6. | Capital Contributions: Police Administration Building Visitors Parking Lot and Campus Asphalt Repairs | 150,000 |
| 7. | Capital Contributions: Police Communications Center Parking Deck and Ramp Restoration | 350,000 |
| 8. | Capital Contributions: Unanticipated/Emergency Maintenance | 150,000 |

General Fund Capital, Transfers, Reserves

Budget Reconciliation

(2013-2014 Adopted to 2014-2015 Proposed)

| | Positions | General Fund (\$) |
|---|-------------|-------------------|
| Budget Proposals Recommended | | |
| Capital Contributions | | |
| 9. Capital Contributions: United States Patent and Trademark Office - City Staff Relocation | | 4,450,000 |
| Capital Contributions Subtotal: | 0.00 | 6,320,000 |
| Transfers to Other Funds | | |
| 1. Transfers to Other Funds: Community Facilities Revenue Fund/Hayes Mansion | | (900,000) |
| 2. Transfers to Other Funds: Ice Centre Revenue Fund - Former RDA SERAF Loan Repayment | | 2,045,000 |
| 3. Transfers to Other Funds: Sewage Treatment Plant Connection Fee Fund - Former RDA SERAF Loan Repayment | | 5,095,000 |
| 4. Transfers to Other Funds: Subdivision Park Trust Fund - Former RDA SERAF Loan Repayment | | 3,060,000 |
| Transfers to Other Funds Subtotal: | 0.00 | 9,300,000 |
| Earmarked Reserves | | |
| 1. Earmarked Reserves: 2015-2016 Community Action and Pride Grants Reserve | | 100,000 |
| 2. Earmarked Reserves: 2015-2016 Evergreen Branch Library Saturday Hours Reserve | | 119,845 |
| 3. Earmarked Reserves: 2015-2016 Future Deficit Reserve | | 4,200,000 |
| 4. Earmarked Reserves: 2015-2016 Homeless Rapid Rehousing Reserve | | 2,000,000 |
| 5. Earmarked Reserves: 2015-2016 Homeless Response Team Reserve | | 1,500,000 |
| 6. Earmarked Reserves: 2015-2016 San José BEST and Safe Summer Initiative Programs Reserve | | 1,500,000 |
| 7. Earmarked Reserves: Air Service Incentive Program Reserve | | 1,000,000 |
| 8. Earmarked Reserves: Artificial Turf Capital Replacement Reserve | | 200,000 |
| 9. Earmarked Reserves: Business Tax System Replacement Reserve | | 850,000 |
| 10. Earmarked Reserves: Deferred Infrastructure and Maintenance Reserve Elimination | | (800,000) |
| 11. Earmarked Reserves: Essential Services Reserve | | 2,000,000 |
| 12. Earmarked Reserves: Fiscal Reform Plan Implementation Reserve | | 500,000 |
| 13. Earmarked Reserves: Human Resources/Payroll System Reserve | | 1,000,000 |
| 14. Earmarked Reserves: New Traffic Infrastructure Assets Maintenance and Operations Reserve Elimination | | (11,000) |
| 15. Earmarked Reserves: New Parks and Recreation Facilities Maintenance and Operations Elimination | | (193,000) |
| Earmarked Reserves Subtotal: | 0.00 | 13,965,845 |

General Fund Capital, Transfers, Reserves

Budget Reconciliation

(2013-2014 Adopted to 2014-2015 Proposed)

| | Positions | General Fund (\$) |
|---|-----------|-------------------|
| <hr/> Budget Proposals Recommended <hr/> | | |
| Contingency Reserve | | |
| 1. Contingency Reserve Increase | | 500,000 |
| Contingency Reserve Subtotal: | 0.00 | 500,000 |
| Total Budget Proposals Recommended | 0.00 | 30,085,845 |
| <hr/> | | |
| 2014-2015 Proposed Budget Total | 0.00 | 111,634,814 |
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General Fund Capital, Transfers, Reserves

Budget Changes By Program

| Proposed Budget Changes | Positions | General Fund (\$) |
|--|-----------|-------------------|
| Capital Contributions | | |
| 1. Capital Contributions: Children's Discovery Museum Chiller Replacements | | 700,000 |
| <i>Strategic Support CSA</i> | | |
| <p>This action replaces two chillers at the Children's Discovery Museum. The current two chillers are 27 years old and are beyond their serviceable life, estimated to be 20 years. Maintenance costs of this equipment have been increasing and the equipment is failing. This project is partially funded by the projected growth in the General Fund's share of the Transient Occupancy Tax (\$450,000) that is set aside for capital replacement and maintenance of City-owned cultural and arts facilities. As directed in the Mayor's March Budget Message for Fiscal Year 2014-2015, as approved by the City Council, the growth in the General Fund portion of TOT revenue above the 2013-2014 base year is to be set aside for cultural and arts facilities capital replacement and maintenance, as described in more detail in the City-Wide Expenses section of this document. (Ongoing costs: \$0)</p> | | |
| 2. Capital Contributions: Children's Discovery Museum Portico Reroof | | 250,000 |
| <i>Strategic Support CSA</i> | | |
| <p>This action provides funding to reroof the portico at the Children's Discovery Museum. This project will address roof leaks and structural damage to the portico over the walkway to the museum caused by water infiltration. (Ongoing costs: \$0)</p> | | |
| 3. Capital Contributions: City Hall Security Improvements | | 50,000 |
| <i>Strategic Support CSA</i> | | |
| <p>This action provides funding to enhance security at City Hall, which includes restricting access to the City Hall Tower roof by installing a gate at the 18th floor deck at the south stairs and securing the south stairs from the public by adding a double gate at the Sixth Street entrance. These security upgrades will help minimize unexpected costs from vandalism, improve public safety, and restrict access to vulnerable parts of the facility. (Ongoing costs: \$0)</p> | | |
| 4. Capital Contributions: Downtown Ice Rink Improvements | | 100,000 |
| <i>Strategic Support CSA</i> | | |
| <p>This action in partnership with the San Jose Downtown Association (SJDA), provides funding for a variety of capital improvements to Downtown Ice, the holiday ice rink at the Circle of Palms, including dasher board rehabilitation, lighting upgrades, and other miscellaneous equipment replacement and enhancements. This funding pays for one-half of the approximately \$200,000 renovation costs, with SJDA supplying the remaining amount. (Ongoing costs: \$0)</p> | | |

General Fund Capital, Transfers, Reserves

Budget Changes By Program

| Proposed Budget Changes | Positions | General Fund (\$) |
|---|-----------|-------------------|
| Capital Contributions | | |
| 5. Capital Contributions: Municipal Garage Repainting | | 120,000 |
| <i>Strategic Support CSA</i> | | |
| <p>This action provides funding to repaint the Municipal Garage that currently houses the San José police vehicle fleet. This project includes surface preparation such as grinding, sanding, and filling cracks and painting the surface with an elastomeric coating. This project will protect the structure from water infiltration. (Ongoing costs: \$0)</p> | | |
| 6. Capital Contributions: Police Administration Building Visitors Parking Lot and Campus Asphalt Repairs | | 150,000 |
| <i>Strategic Support CSA</i> | | |
| <p>This action provides funding to remove and replace the asphalt at the Police Administration Building visitors parking lot, and restore the striping, signs and markings back to the original configuration. This project will also address the pavement needs for the restricted areas of the police campus. The current pavement surface is severely deteriorating and experiencing wear that would be more costly to repair in the future. (Ongoing costs: \$0)</p> | | |
| 7. Capital Contributions: Police Communications Center Parking Deck and Ramp Restoration | | 350,000 |
| <i>Strategic Support CSA</i> | | |
| <p>This action provides funding to restore the parking deck and ramp at the Police Communications Center back to its original condition, which includes extensive preparation of asphalt and concrete surfaces, such as grinding and sealing cracks. Currently, there have been recent observations of water infiltration and this action will prevent damage to the structure and equipment below. (Ongoing costs: \$0)</p> | | |
| 8. Capital Contributions: Unanticipated/Emergency Maintenance | | 150,000 |
| <i>Strategic Support CSA</i> | | |
| <p>This action provides one-time funding to address unanticipated maintenance needs and correct safety problems at any City-owned facilities. This funding will increase the allocation in 2014-2015 from the base budget level of \$600,000 to \$750,000. There continues to be unmet/deferred infrastructure and maintenance items that need urgent funding on an unplanned basis city-wide and the base allocation is likely not sufficient based on recent experience. An ongoing increase to this allocation in future years will be brought forward for City Council consideration as appropriate. (Ongoing costs: \$0)</p> | | |

General Fund Capital, Transfers, Reserves

Budget Changes By Program

| Proposed Budget Changes | Positions | General Fund (\$) |
|--|-----------|-------------------|
| Capital Contributions | | |
| 9. Capital Contributions: United States Patent and Trademark Office – City Staff Relocation | | 4,450,000 |
| <i>Strategic Support CSA</i> | | |
| <p>On April 15, 2014, the City Council authorized the City Manager to execute a lease with the United States Government for the operation of a regional patent and trademark office to be located in approximately 35,000 square feet of space in the City Hall wing. This lease will necessitate the relocation of City staff. This action provides one-time funding of \$4.5 million for the construction costs associated with the remodeling of the space within the City Hall Tower to house relocated City staff from the City Hall Wing. This action includes programming, procurement of design-build vendor, design management, and construction management services (\$4.1 million) and the associated furniture, fixtures, and equipment (\$362,000). In the first five years, beginning 2015-2016, the projected lease revenue of \$5.0 million from the patent and trademark office will be sufficient to offset the relocation costs. (Ongoing costs: \$0)</p> | | |
| Subtotal Capital Contributions: | 0.00 | 6,320,000 |

Transfers to Other Funds

| | | |
|---|--|-----------|
| 1. Transfers to Other Funds: Community Facilities Revenue Fund/ Hayes Mansion | | (900,000) |
|---|--|-----------|

Strategic Support CSA

This action decreases the transfer to the Community Facilities Revenue Fund that accounts for the operation of the Hayes Mansion facility. A one-time \$900,000 reduction to the 2014-2015 debt/operating subsidy to Dolce, the operator of the Hayes Mansion Facility, is possible as a result of lower than anticipated interest rates on the variable rate debt for Hayes Center - Phase III debt service and letter of credit fee reductions in 2013-2014 resulting from the debt refunding in spring 2013. The ongoing savings from these transactions have already been captured in the 2015-2019 General Fund Forecast. (Ongoing savings: \$0)

General Fund Capital, Transfers, Reserves

Budget Changes By Program

| Proposed Budget Changes | Positions | General Fund (\$) |
|--|-----------|-------------------|
| Transfers to Other Funds | | |
| 2. Transfers to Other Funds: Ice Centre Revenue Fund - Former RDA SERAF Loan Repayment | | 2,045,000 |
| <i>Community and Economic Development CSA</i> | | |
| <p>This action establishes a transfer to the Ice Centre Revenue Fund in the amount of \$2,045,000 to repay the May 2010 Supplemental Education Revenue Augmentation Fund (SERAF) loan (\$2.0 million principal, estimated \$45,000 interest) due June 30, 2015. A total of three transfer appropriations totaling \$10.2 million are recommended (Sewage Treatment Plant Connection Fee Fund - \$5.1 million; Subdivision Park Trust Fund - \$3.1 million; and Ice Centre Revenue Fund - \$2.0 million). These loans were completed in order for the former Redevelopment Agency to make the State mandated payments to the SERAF. These transfers are offset by the liquidation of the Successor Agency City Legal Obligations Reserve (\$8.0 million) and estimated 2013-2014 expenditure savings as a result of a lower anticipated General Fund net subsidy (\$1.5 million) to the Successor Agency to the Redevelopment Agency. In addition, the reduction of the 2014-2015 estimated General Fund subsidy, as discussed elsewhere, will fully offset these payments. It is important to note that loans such as these may be deemed an enforceable obligation of the Successor Agency contingent upon requirements as outlined in AB 1484 with repayment anticipated in later years. The Administration continues to work through these requirements; however, this action satisfies the amounts due to these special funds and realigns the loan between the City and Successor Agency between the City's General Fund and the Successor Agency. (Ongoing costs: \$0)</p> | | |
| 3. Transfers to Other Funds: Sewage Treatment Plant Connection Fee Fund – Former RDA SERAF Loan Repayment | | 5,095,000 |
| <i>Environmental and Utility Services CSA</i> | | |
| <p>This action establishes a transfer to the Sewage Treatment Plant Connection Fee Fund in the amount of \$5,095,000 to repay the May 2010 Supplemental Education Revenue Augmentation Fund (SERAF) loan (\$5.0 million principal, estimated \$95,000 interest) due June 30, 2015, as described above. (Ongoing costs: \$0)</p> | | |
| 4. Transfers to Other Funds: Subdivision Park Trust Fund - Former RDA SERAF Loan Repayment | | 3,060,000 |
| <i>Neighborhood Services CSA</i> | | |
| <p>This action establishes a transfer to the Subdivision Park Trust Fund in the amount of \$3,060,000 to repay the May 2010 Supplemental Education Revenue Augmentation Fund (SERAF) loan (\$3.0 million principal, estimated \$60,000 interest) due June 30, 2015, as described above. (Ongoing costs: \$0)</p> | | |
| Subtotal Transfers to Other Funds: | 0.00 | 9,300,000 |

General Fund Capital, Transfers, Reserves

Budget Changes By Program

| Proposed Budget Changes | Positions | General Fund (\$) |
|--|-----------|-------------------|
| Earmarked Reserves | | |
| 1. Earmarked Reserves: 2015-2016 Community Action and Pride Grants Reserve | | 100,000 |
| <i>Neighborhood Services CSA</i> | | |
| <p>This action establishes a 2015-2016 Community Action and Pride Grants Reserve to maintain the current level of funding through 2015-2016. This program provides small grants to San José neighborhood groups to fund activities that result in cleaner, safer, and more engaged communities. (Ongoing costs: \$0)</p> | | |
| 2. Earmarked Reserves: 2015-2016 Evergreen Branch Library Saturday Hours Reserve | | 119,845 |
| <i>Neighborhood Services CSA</i> | | |
| <p>This action establishes a reserve to fund Saturday service at the Evergreen Branch in 2015-2016 through March 2016. Currently, the Evergreen community has only one library until the new Southeast Branch Library is opened, which is tentatively scheduled for March 2016. Included in this reserve is funding for 2.88 positions and \$15,000 for utility costs associated with the additional day of operation. (Ongoing costs: \$0)</p> | | |
| 3. Earmarked Reserves: 2015-2016 Future Deficit Reserve | | 4,200,000 |
| <i>Strategic Support CSA</i> | | |
| <p>This action establishes the 2015-2016 Future Deficit Reserve of \$4.2 million. The 2015-2019 General Fund Forecast that was issued in February 2014 projected an ongoing \$4.2 million shortfall for 2015-2016. This reserve is recommended to be set aside to address this shortfall. (Ongoing costs: \$0)</p> | | |
| 4. Earmarked Reserves: 2015-2016 Homeless Rapid Rehousing Reserve | | 2,000,000 |
| <i>Community and Economic Development CSA</i> | | |
| <p>As directed in the Mayor's March Budget Message for Fiscal Year 2014-2015, as approved by the City Council, this action establishes a 2015-2016 Homeless Rapid Rehousing Reserve to maintain the current level of funding through 2015-2016. In 2013-2014, funding was added to provide these services through 2014-2015. The primary purpose of the rapid rehousing effort (described in further detail in the City-Wide Expenses section of the document) is to engage transitionally homeless individuals from targeted encampments with a history of sustained San José residency and provide them with supportive services and rental subsidies to successfully assist them in their transition from homelessness to permanent housing. (Ongoing costs: \$0)</p> | | |

General Fund Capital, Transfers, Reserves

Budget Changes By Program

| Proposed Budget Changes | Positions | General Fund (\$) |
|---|-----------|-------------------|
| Earmarked Reserves | | |
| 5. Earmarked Reserves: 2015-2016 Homeless Response Team Reserve | | 1,500,000 |
| <i>Community and Economic Development CSA</i> | | |
| <p>As directed in the Mayor's March Budget Message for Fiscal Year 2014-2015, as approved by the City Council, this action establishes a 2015-2016 Homeless Response Team Reserve to maintain the current level of funding through 2015-2016. In 2013-2014, funding was added to provide these services through 2014-2015. This program (described in further detail in the City-Wide Expenses section of this document) provides the City with a stronger infrastructure for addressing homelessness, including the response related to encampments and the concerns of community members and businesses regarding individuals living in encampments. (Ongoing costs: \$0)</p> | | |
| 6. Earmarked Reserves: 2015-2016 San José BEST and Safe Summer Initiative Programs Reserve | | 1,500,000 |
| <i>Neighborhood Services CSA</i> | | |
| <p>As directed in the Mayor's March Budget Message for Fiscal Year 2014-2015, as approved by the City Council, this action establishes a 2015-2016 San José Bringing Everyone's Strengths Together (BEST) and Safe Summer Initiative Programs Reserve to maintain the current level of funding of \$4.6 million annually through 2015-2016. The San José BEST and Safe Summer Initiative Programs support gang prevention and intervention efforts by providing funding to various community-based organizations and other government agencies that provide direct gang intervention services. (Ongoing costs: \$0)</p> | | |
| 7. Earmarked Reserves: Air Service Incentive Program Reserve | | 1,000,000 |
| <i>Transportation and Aviation Services CSA</i> | | |
| <p>The Municipally Funded Air Service Incentive Program, a provision of the Airline-Airport Lease and Operating Agreements approved by the City Council in March 2007 requires that should the percentage growth in annual enplanements at the Airport exceed the growth in annual enplanements nation-wide, the City shall reduce the amount of its indirect overhead expenses in the following fiscal year by a corresponding percentage. Based on activity levels in 2013-2014, it is anticipated that the enplanements at the Airport will exceed the Federal Aviation Administration's projection of 0.8% for national enplanement growth in 2013-2014 by at least 6.4 basis points (total 7.2 basis points). Therefore, a reduction to the 2014-2015 overhead payment from the Airport to the General Fund is anticipated in 2014-2015. To account for this adjustment, the establishment of a \$1 million reserve is recommended, which allows for a reduction in the overhead rate by approximately 6.4 basis points. The reconciliation of actual 2013-2014 performance will occur as part of the 2013-2014 Annual Report. On an ongoing basis, \$500,000 is set aside for this purpose as the General Fund already provided almost \$500,000 as part of this program in 2013-2014. (Ongoing costs: \$500,000)</p> | | |

General Fund Capital, Transfers, Reserves

Budget Changes By Program

| Proposed Budget Changes | Positions | General Fund (\$) |
|-------------------------|-----------|-------------------|
|-------------------------|-----------|-------------------|

Earmarked Reserves

8. Earmarked Reserves: Artificial Turf Capital Replacement Reserve 200,000

Neighborhood Services CSA

This action establishes a reserve to set aside funds for the cost of replacement of artificial turf fields at various neighborhood parks. There are currently seven artificial turf fields throughout the City and several planned to come online in the near future. Turf fields are expected to last approximately ten years and the cost to replace a field is approximately \$800,000. These funds are available from the projected field reservation revenues collected above the estimated costs to reserve and maintain the fields. (Ongoing costs: \$0)

9. Earmarked Reserves: Business Tax System Replacement Reserve 850,000

Strategic Support CSA

This action establishes an \$850,000 reserve for the replacement of the City's Business Tax System. The City's current Business Tax System is integrated into the City's Integrated Billing System (IBS) used for utility billing. The current billing system will no longer be supported after June 2015 as a result of the transition of utility billing for single-family dwelling residential dwellings to the County of Santa Clara Property Tax roll. Therefore, a new Business Tax System is needed to manage over 84,000 active annual Business Tax accounts generating approximately \$11.0 million in revenue annually. Previously, \$1.9 million was appropriated for the Business Tax System replacement during the prior two fiscal years and unspent funding of \$1.8 million is anticipated to be rebudgeted into this reserve later in the budget process, bringing the total allocation to \$2.65 million. This action sets aside funding for system and implementation costs and the necessary 2014-2015 funding for staffing, which represents six months of the estimated nine month transition timeline. Based on an initial Request For Proposal (RFP) that was conducted in 2012-2013, additional funding recommended in this proposal is anticipated to be necessary for the purchase and implementation of a Business Tax System Replacement. A revised RFP was issued in January 2014, and as part of this RFP review process, implementation costs and ongoing costs will be evaluated based on the responses and any necessary budget adjustments for this project will be brought forward for City Council consideration accordingly. (Ongoing costs: \$0).

10. Earmarked Reserves: Deferred Infrastructure and Maintenance Reserve Elimination (800,000)

Strategic Support CSA

This action liquidates the reserve for deferred infrastructure and maintenance needs that was included in the 2015-2019 General Fund Forecast for 2014-2015. These funds are allocated to one-time infrastructure and maintenance needs in this budget. (Ongoing savings: \$0)

General Fund Capital, Transfers, Reserves

Budget Changes By Program

| Proposed Budget Changes | Positions | General Fund (\$) |
|--|-----------|-------------------|
| Earmarked Reserves | | |
| 11. Earmarked Reserves: Essential Services Reserve | | 2,000,000 |
| <i>Strategic Support CSA</i> | | |
| As directed by the Mayor's March Budget Message for Fiscal Year 2014-2015, as approved by the City Council, this action establishes a one-time Essential Services reserve to fund additional services that are of importance to the community. These funds will be allocated by the City Council as part of the 2014-2015 Budget process. (Ongoing costs: \$0) | | |
| 12. Earmarked Reserves: Fiscal Reform Plan Implementation Reserve | | 500,000 |
| <i>Strategic Support CSA</i> | | |
| This action increases the Fiscal Reform Plan Implementation reserve by \$500,000 to fund litigation-related costs associated with implementing the Fiscal Reform Plan. When combined with the Fiscal Reform Plan Implementation reserve current allocation of \$325,000, a total of \$825,000 will be available for these purposes. It is anticipated that the current allocation of \$325,000 will be recommended to be rebudgeted from 2013-2014 to 2014-2015 later in the budget process. (Ongoing costs: \$0) | | |
| 13. Earmarked Reserves: Human Resources/Payroll System Reserve | | 1,000,000 |
| <i>Strategic Support CSA</i> | | |
| This action establishes a \$1.0 million reserve for a Human Resources (HR)/Payroll solution. Transfers from Special and Capital Funds of \$234,000 will offset a portion of this cost for a net General Fund impact of \$766,000. In December 2012, the current Oracle system reached its end of life and an upgrade was scheduled for 2012-2013 with funding of \$2.47 million (\$1.82 million in the General Fund) appropriated to complete the upgrade. This project was delayed as a result of limited staffing resources; however during that period, the HR/Payroll Steering Committee, comprised of the Finance, Human Resources, and Information Technology Departments, surveyed the market through a Phase I Request For Proposal (RFP) process to identify potential alternatives to an upgrade of the current system. The results of the Phase I RFP determined that there are a number of solutions available in the marketplace, ranging from an upgrade to a complete outsourcing of the payroll function. Based on those results, the HR/Payroll Steering Committee elected to broaden the types of potential solutions that could best meet the City's requirements. A Phase II RFP was issued in April 2014. Replacement of the City's current budget system was also included in the RFP to ensure an integrated approach, which would allow more investment in functionality, rather than funding interfaces between systems that were procured independent of each other. | | |
| It is anticipated that the previously appropriated unspent funds will be rebudgeted into this reserve later in this budget process for a total allocation of \$3.4 million. This funding provides the estimated resources necessary for 1) a new solution and implementation; 2) 2014-2015 staffing backfill resources which represents nine months of an estimated 18-month transition timeline; and 3) a 15% project contingency reserve. As part of the evaluation process of the current RFP, implementation services and ongoing costs will be evaluated based on the vendor responses and any necessary budget adjustments for this project will be brought forward for City Council consideration accordingly. (Ongoing costs: \$0) | | |

General Fund Capital, Transfers, Reserves

Budget Changes By Program

| Proposed Budget Changes | Positions | General Fund (\$) |
|--|-------------|-------------------|
| Earmarked Reserves | | |
| 14. Earmarked Reserves: New Traffic Infrastructure Assets Maintenance and Operations Elimination | | (11,000) |
| <i>Transportation and Aviation Services CSA</i> | | |
| <p>This action liquidates the Earmarked Reserve that was established in the 2014-2015 General Fund Forecast for projected operations and maintenance expenses of \$11,000 related to new traffic infrastructure assets (traffic signals, landscaping, and street lighting) that are scheduled to become operational in 2014-2015 and were included in the Five-Year Capital Improvement Program. These funds are allocated for operations and maintenance expenses in the Transportation Department section of this document. (Ongoing savings: \$14,000)</p> | | |
| 15. Earmarked Reserves: New Parks and Recreation Facilities Maintenance and Operations Elimination | | (193,000) |
| <i>Neighborhood Services CSA</i> | | |
| <p>This action liquidates the Earmarked Reserve that was established in the 2014-2015 General Fund Forecast for projected operations and maintenance expenses of \$193,000 related to new parks and recreation facilities that are scheduled to become operational in 2014-2015 and were included in the Five-Year Capital Improvement Program. Allocated in the Parks, Recreation, and Neighborhood Services Department section of this document, these include costs associated with Del Monte Park, Martial-Cottle Community Garden, Agnews Park and Community Center (Undeveloped), West Evergreen Park, Montecito Vista Park, Trail: Penitencia Creek 1B (Dorel Dr. to Noble Ave), Vista Montana Park (Turnkey) – Phase 2, Roberto Antonio Balermينو Park, and Trail: Thompson Creek (Tully Road to Quimby Ave). (Ongoing savings: \$253,000)</p> | | |
| Subtotal Earmarked Reserves: | 0.00 | 13,695,845 |

General Fund Capital, Transfers, Reserves

Budget Changes By Program

| Proposed Budget Changes | Positions | General Fund (\$) |
|---|-----------|-------------------|
| Contingency Reserve | | |
| 1. Contingency Reserve Increase | | 500,000 |
| <i>Strategic Support CSA</i> | | |
| Per City Council Policy I-18, Operating Budget and Capital Improvement Program Policy, the General Fund Contingency Reserve is to be set at a minimum of 3% of the operating budget. This action increases the Contingency Reserve from \$31.0 million to \$31.5 million to ensure compliance with the 3% funding requirement for the 2014-2015 Budget. (Ongoing Costs \$0) | | |
| Subtotal Contingency Reserve: | 0.00 | 500,000 |
| <hr/> | | |
| 2014-2015 Proposed Budget Changes Total | 0.00 | 111,634,814 |

General Fund Capital, Transfers, Reserves

Budget Program: Capital Contributions City Service Area: Multiple

Detail of Costs Description

| Capital Contributions | 2012-2013 Actual 1 | 2013-2014 Adopted 2 | 2014-2015 Forecast 3 | 2014-2015 Proposed 4 |
|--|--------------------------|---------------------------|----------------------------|----------------------------|
| Neighborhood Services CSA | | | | |
| Parks & Community Facilities Dev. Capital Program | | | | |
| TRAIL: San Tomas Aquino Pedestrian Improvements | \$ 0 | \$ 100,000 | \$ 0 | \$ 0 |
| Total Parks & Community Fac. Dev. Capital Pgm. | \$ 0 | \$ 100,000 | \$ 0 | \$ 0 |
| Total Neighborhood Services CSA | \$ 0 | \$ 100,000 | \$ 0 | \$ 0 |
| Public Safety CSA | | | | |
| Public Safety Capital Program | | | | |
| Fire Apparatus Replacement | \$ 3,215,871 | \$ 10,494,000 | \$ 4,000,000 | \$ 4,000,000 |
| Fire Facilities Remediation | 0 | 600,000 | 0 | 0 |
| South San José Police Substation Exterior Public Art | (7) | 0 | 0 | 0 |
| South San José Police Substation FF&E | 880 | 888,000 | 0 | 0 |
| Total Public Safety Capital Program | \$ 3,216,744 | \$ 11,982,000 | \$ 4,000,000 | \$ 4,000,000 |
| Total Public Safety CSA | \$ 3,216,744 | \$ 11,982,000 | \$ 4,000,000 | \$ 4,000,000 |
| Transportation & Aviation Services CSA | | | | |
| Traffic Capital Program | | | | |
| Bucknall Road | \$ 32,487 | \$ 166,000 | \$ 0 | \$ 0 |
| The Alameda Beautiful Way | 300,000 | 0 | 0 | 0 |
| Transportation Maintenance Backlog: Neighborhood Appearance | 2,621 | 0 | 0 | 0 |
| Total Traffic Capital Program | \$ 335,108 | \$ 166,000 | \$ 0 | \$ 0 |
| Total Transportation & Aviation Services CSA | \$ 335,108 | \$ 166,000 | \$ 0 | \$ 0 |
| Strategic Support CSA | | | | |
| Municipal Improvements Capital Program | | | | |
| African American Community Services Agency Facility Repairs | \$ 0 | \$ 25,000 | \$ 0 | \$ 0 |
| Arena Repairs | 15,971 | 449,000 | 100,000 | 100,000 |
| Bldg Facilities Maint Backlog: 9-1-1 UPS System, Comm. Air & Gen. Control, Spec. Ops. Mech. Sys. | (632) | 0 | 0 | 0 |
| Children's Discovery Museum Chiller Replacements | 0 | 0 | 0 | 700,000 |
| Children's Discovery Museum Portico Reroof | 0 | 0 | 0 | 250,000 |
| City Cultural Facilities Capital Maintenance | 0 | 400,000 | 0 | 0 |
| City Hall and Police Communications Uninterrupted Power Supply Capital Maintenance | 150,000 | 150,000 | 150,000 | 150,000 |
| City Hall Bamboo Courtyard Renovation | 0 | 250,000 | 0 | 0 |
| City Hall Security Improvements | 0 | 0 | 0 | 50,000 |
| City Hall Waterproofing | 0 | 1,600,000 | 0 | 0 |
| Closed Landfill Compliance | 264,628 | 390,000 | 350,000 | 350,000 |
| Downtown Ice Rink Improvements | 0 | 70,000 | 0 | 100,000 |
| Fuel Tank Monitoring | 105,180 | 50,000 | 50,000 | 50,000 |

General Fund Capital, Transfers, Reserves

Budget Program: Capital Contributions

City Service Area: Multiple

Detail of Costs Description

| Capital Contributions | 2012-2013 Actual 1 | 2013-2014 Adopted 2 | 2014-2015 Forecast 3 | 2014-2015 Proposed 4 |
|--|--------------------------|---------------------------|----------------------------|----------------------------|
| <i>Strategic Support CSA</i> | | | | |
| Municipal Improvements Capital Program | | | | |
| Municipal Garage Repainting | \$ 0 | \$ 0 | \$ 0 | \$ 120,000 |
| Police Administration Building Critical Repairs | 260,507 | 75,000 | 0 | 0 |
| Police Administration Building Elevator Retrofit | 0 | 600,000 | 0 | 0 |
| Police Administration Building Firing Range Lighting | 0 | 75,000 | 0 | 0 |
| Police Administration Building/Emergency Communications Center Backup Generator Replacements | 33,977 | 400,000 | 0 | 0 |
| Police Administration Building HVAC Controls Replacements | 0 | 275,000 | 0 | 0 |
| Police Administration Building Visitors Parking Lot and Campus Asphalt Repairs | 0 | 0 | 0 | 150,000 |
| Police Administration Building/Police Communications Center Chiller Replacements | 0 | 2,400,000 | 0 | 0 |
| Police Administration Building/Police Communications Center Exterior Waterproofing | 0 | 350,000 | 0 | 0 |
| Police Administration Building/Security Upgrades | 0 | 680,000 | 0 | 0 |
| Police Communications Center Electrical System Upgrade | 0 | 1,650,000 | 0 | 0 |
| Police Communications Center Redundant Power Circuitry System Design | 0 | 200,000 | 0 | 0 |
| Police Communications Center Parking Deck and Ramp Restoration | 0 | 0 | 0 | 350,000 |
| Police Communications Emergency Uninterrupted Power Supply | 57,424 | 3,700,000 | 0 | 0 |
| Police Communications Fire Protection System Upgrade | 0 | 3,000,000 | 0 | 0 |
| San José Municipal Stadium | 85,000 | 0 | 0 | 0 |
| Unanticipated/Emergency Maintenance | 354,181 | 400,000 | 600,000 | 750,000 |
| United States Patent and Trademark Office - City Staff Relocation | 0 | 0 | 0 | 4,450,000 |
| Total Municipal Improvements Capital Program | \$ 1,326,236 | \$ 17,189,000 | \$ 1,250,000 | \$ 7,570,000 |
| Service Yards Capital Program | | | | |
| Central Service Yard - Phase I Debt Service Payments | \$ 1,300,000 | \$ 0 | \$ 0 | \$ 0 |
| Total Service Yards Capital Program | \$ 1,300,000 | \$ 0 | \$ 0 | \$ 0 |
| Total Strategic Support CSA | \$ 2,626,236 | \$ 17,189,000 | \$ 1,250,000 | \$ 7,570,000 |
| TOTAL CAPITAL CONTRIBUTIONS | \$ 6,178,088 | \$ 29,437,000 | \$ 5,250,000 | \$ 11,570,000 |

General Fund Capital, Transfers, Reserves

Budget Program: Transfers to Other Funds

City Service Area: Multiple

Detail of Costs Description

| Transfers to Other Funds | 2012-2013 Actual 1 | 2013-2014 Adopted 2 | 2014-2015 Forecast 3 | 2014-2015 Proposed 4 |
|---|--------------------------|---------------------------|----------------------------|----------------------------|
| <i>Community & Economic Development CSA</i> | | | | |
| Arena Enhancement Fund | \$ 2,502,646 | \$ 2,015,278 | \$ 1,000,000 | \$ 1,000,000 |
| Arena Reserve Fund | 250,000 | 250,000 | 250,000 | 250,000 |
| Business Improvement District Fund | 10,000 | 10,000 | 10,000 | 10,000 |
| Ice Centre Revenue Fund - Former RDA SERAF Loan Repayment | 0 | 0 | 0 | 2,045,000 |
| San Jose Diridon Development Authority Fund | 25,000 | 0 | 0 | 0 |
| Total Community & Economic Develop. CSA | \$ 2,787,646 | \$ 2,275,278 | \$ 1,260,000 | \$ 3,305,000 |
| <i>Environmental & Utility Services</i> | | | | |
| Sewage Treatment Plant Connection Fee Fund - Former RDA SERAF Loan Repayment | \$ 0 | \$ 0 | \$ 0 | \$ 5,095,000 |
| Total Environmental & Utility Services CSA | \$ 0 | \$ 0 | \$ 0 | \$ 5,095,000 |
| <i>Neighborhood Services CSA</i> | | | | |
| Camden Community Center Debt Service | \$ 298,626 | \$ 0 | \$ 0 | \$ 0 |
| Municipal Golf Course Fund | 1,800,000 | 2,000,000 | 1,600,000 | 1,600,000 |
| Parks C&C Tax Fund - Council District 10 | 20,000 | 0 | 0 | 0 |
| Subdivision Park Trust Fund - Former RDA SERAF Loan Repayment | 0 | 0 | 0 | 3,060,000 |
| Total Neighborhood Services CSA | \$ 2,118,626 | \$ 2,000,000 | \$ 1,600,000 | \$ 4,660,000 |
| <i>Public Safety CSA</i> | | | | |
| Federal Drug Forfeiture Fund | \$ 66,238 | \$ 0 | \$ 0 | \$ 0 |
| Fire Construction and Conveyance Tax Fund | 232,000 | 0 | 0 | 0 |
| Neighborhood Security Bond Fund | 374,000 | 0 | 0 | 0 |
| Total Public Safety CSA | \$ 672,238 | \$ 0 | \$ 0 | \$ 0 |
| <i>Transportation & Aviation Services CSA</i> | | | | |
| Downtown Property and Bus Impvt District Fund | \$ 622,244 | \$ 695,181 | \$ 695,415 | \$ 695,415 |
| Maintenance Assessment District #2 | 2,408 | 2,408 | 2,408 | 2,408 |
| Maintenance Assessment District #8 | 2,353 | 2,353 | 2,353 | 2,353 |
| Maintenance Assessment District #9 | 23,480 | 23,480 | 23,480 | 23,480 |
| Maintenance Assessment District #11 | 6,354 | 6,354 | 6,354 | 6,354 |
| Maintenance Assessment District #15 | 16,636 | 16,636 | 16,636 | 16,636 |
| Maintenance Assessment District #19 | 6,195 | 6,195 | 6,195 | 6,195 |
| Maintenance Assessment District #20 | 21,461 | 21,461 | 21,461 | 21,461 |
| Maintenance Assessment District #21 | 8,996 | 8,996 | 8,996 | 8,996 |
| Maintenance Assessment District #22 | 35,223 | 35,223 | 35,223 | 35,223 |
| Total Transportation & Aviation Services CSA | \$ 745,350 | \$ 818,287 | \$ 818,521 | \$ 818,521 |

General Fund Capital, Transfers, Reserves

Budget Program: Transfers to Other Funds
City Service Area: Multiple

Detail of Costs Description

| | 2012-2013 Actual 1 | 2013-2014 Adopted 2 | 2014-2015 Forecast 3 | 2014-2015 350000 4 |
|---|--------------------------|---------------------------|----------------------------|--------------------------|
| Transfers to Other Funds | | | | |
| Strategic Support CSA | | | | |
| City Hall Debt Service Fund | \$ 15,287,247 | \$ 15,079,201 | \$ 17,701,359 | \$ 17,701,359 |
| Communications Construction and Convey Tax Fund | 37,500 | 262,500 | 237,500 | 237,500 |
| Community Facilities Revenue Fund/Hayes Mansion | 4,500,000 | 4,400,000 | 4,000,000 | 3,100,000 |
| Fiber Optics Dev Fund Loan Repayment | 2,213,751 | 0 | 0 | 0 |
| Vehicle Maint. and Ops. Fund/General Fleet Vehicle Replacement | 800,000 | 800,000 | 1,000,000 | 1,000,000 |
| Total Strategic Support CSA | \$ 22,838,498 | \$ 20,541,701 | \$ 22,938,859 | \$ 22,038,859 |
| TOTAL TRANSFERS TO OTHER FUNDS | \$ 29,162,358 | \$ 25,635,266 | \$ 26,617,380 | \$ 35,917,380 |

General Fund Capital, Transfers, Reserves

Budget Program: Earmarked Reserves

City Service Area: Multiple

Detail of Costs Description

| Earmarked Reserves | 2012-2013 Actual 1 | 2013-2014 Adopted 2 | 2014-2015 Forecast 3 | 2014-2015 Proposed 4 |
|--|--------------------------|---------------------------|----------------------------|----------------------------|
| Community & Economic Development CSA | | | | |
| 2014-2015 Homeless Rapid Rehousing Reserve | N/A | \$ 2,000,000 | \$ 0 | \$ 0 |
| 2014-2015 Homeless Response Team Reserve | N/A | 1,500,000 | 0 | 0 |
| 2015-2016 Homeless Rapid Rehousing Reserve | N/A | 0 | 0 | 2,000,000 |
| 2015-2016 Homeless Response Team Reserve | N/A | 0 | 0 | 1,500,000 |
| Building Development Fee Program Reserve | N/A | 12,313,670 | 0 | 0 |
| Development Fee Programs Technology Reserve | N/A | 5,445,000 | 0 | 0 |
| Fire Development Fee Program Reserve | N/A | 4,623,394 | 0 | 0 |
| General Plan Update Reserve | N/A | 0 | 200,000 | 200,000 |
| Planning Development Fee Program Reserve | N/A | 700,673 | 0 | 0 |
| Public Works Development Fee Program Reserve | N/A | 4,718,523 | 0 | 0 |
| Total Community & Economic Develop. CSA | N/A | \$ 31,301,260 | \$ 200,000 | \$ 3,700,000 |
| Neighborhood Services CSA | | | | |
| 2014-2015 Children's Health Initiative Reserve | N/A | \$ 550,000 | \$ 0 | \$ 0 |
| 2014-2015 Community Action and Pride Grants Reserve | N/A | 100,000 | 0 | 0 |
| 2014-2015 San José BEST and Safe Summer Initiative Programs Reserve | N/A | 1,500,000 | 0 | 0 |
| 2015-2016 Children's Health Initiative Reserve | N/A | 275,000 | 0 | 0 |
| 2015-2016 Community Action and Pride Grants Reserve | N/A | 0 | 0 | 100,000 |
| 2015-2016 Evergreen Branch Library Saturday Hours Reserve | N/A | 0 | 0 | 119,845 |
| 2015-2016 San José BEST and Safe Summer Initiative Programs Reserve | N/A | 0 | 0 | 1,500,000 |
| Artificial Turf Capital Replacement Reserve | N/A | 0 | 0 | 200,000 |
| New Parks and Recreation Facilities Maintenance and Operations Reserve | N/A | 0 | 193,000 | 0 |
| Total Neighborhood Services CSA | N/A | \$ 2,425,000 | \$ 193,000 | \$ 1,919,845 |
| Public Safety CSA | | | | |
| 2014-2015 Police Sworn Hire Ahead Program Reserve | N/A | \$ 3,000,000 | \$ 0 | \$ 0 |
| Aircraft Rescue and Firefighting Services Reserve | N/A | 507,751 | 0 | 0 |
| Fire Station 37 (Willow Glen) Reserve | N/A | 620,000 | 0 | 0 |
| Police Property Facility Relocation Reserve | N/A | 500,000 | 0 | 0 |
| Total Public Safety CSA | N/A | \$ 4,627,751 | \$ 0 | \$ 0 |
| Transportation & Aviation Services CSA | | | | |
| Air Service Incentive Program Reserve | N/A | \$ 0 | \$ 0 | \$ 1,000,000 |
| New Traffic Infrastructure Assets Maintenance and Operations Reserve | N/A | 0 | 11,000 | 0 |
| Total Transportation & Aviation Services CSA | N/A | \$ 0 | \$ 11,000 | \$ 1,000,000 |

General Fund Capital, Transfers, Reserves

Budget Program: Earmarked Reserves

City Service Area: Multiple

Detail of Costs Description

| Earmarked Reserves | 2012-2013 Actual 1 | 2013-2014 Adopted 2 | 2014-2015 Forecast 3 | 2014-2015 Proposed 4 |
|---|--------------------------|---------------------------|----------------------------|----------------------------|
| <i>Strategic Support CSA</i> | | | | |
| 2014-2015 Future Deficit Reserve | N/A | \$ 13,700,000 | \$ 0 | \$ 0 |
| 2015-2016 Future Deficit Reserve | N/A | 0 | 0 | 4,200,000 |
| Budget Stabilization Reserve | N/A | 10,000,000 | 0 | 0 |
| Business Tax System Replacement Reserve | N/A | 0 | 0 | 850,000 |
| City Annual Required Retirement Contributions Reserve | N/A | 1,000,000 | 0 | 0 |
| Deferred Infrastructure and Maintenance Reserve | N/A | 0 | 800,000 | 0 |
| Employee Compensation Planning Reserve | N/A | 6,836,000 | 13,475,000 | 13,475,000 |
| Employee Market Competitiveness Reserve | N/A | 0 | 500,000 | 500,000 |
| Essential Services Reserve | N/A | 0 | 0 | 2,000,000 |
| Fiscal Reform Plan Implementation Reserve | N/A | 1,500,000 | 0 | 500,000 |
| Fuel Usage Reserve | N/A | 250,000 | 0 | 0 |
| Human Resources/Payroll System Reserve | N/A | 0 | 0 | 1,000,000 |
| Operating/Capital Budget Systems Replacement Reserve | N/A | 2,850,000 | 0 | 0 |
| Salaries and Benefits Reserve | N/A | 8,267,685 | 3,502,589 | 3,502,589 |
| San José Police Officers Association Employee Compensation Planning Reserve | N/A | 9,989,000 | 0 | 0 |
| Successor Agency City Legal Obligations Reserve | N/A | 10,000,000 | 0 | 0 |
| Wellness Program Reserve | N/A | 417,028 | 0 | 0 |
| Workers' Compensation/General Liability Reserve | N/A | 15,000,000 | 0 | 0 |
| <i>Total Strategic Support CSA</i> | N/A | \$ 79,809,713 | \$ 18,277,589 | \$ 26,027,589 |
| TOTAL EARMARKED RESERVES | N/A | \$ 118,163,724 | \$ 18,681,589 | \$ 32,647,434 |

General Fund Capital, Transfers, Reserves

Budget Program: Contingency Reserve

City Service Area: Strategic Support

Detail of Costs Description

| | 2012-2013 Actual 1 | 2013-2014 Adopted 2 | 2014-2015 Forecast 3 | 2014-2015 Proposed 4 |
|------------------------------------|--------------------------|---------------------------|----------------------------|----------------------------|
| Contingency Reserve | | | | |
| <i>Strategic Support CSA</i> | | | | |
| Contingency Reserve | N/A | \$ 29,309,000 | \$ 31,000,000 | \$ 31,500,000 |
| <i>Total Strategic Support CSA</i> | N/A | \$ 29,309,000 | \$ 31,000,000 | \$ 31,500,000 |
| TOTAL CONTINGENCY RESERVE | N/A | \$ 29,309,000 | \$ 31,000,000 | \$ 31,500,000 |