

## Special/Capital Funds Recommended Budget Adjustments Summary 2014-2015 Mid-Year Budget Review

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
<b>AIRPORT CAPITAL IMPVT FUND (520)</b>				
<b><i>Federal Inspection Facility Sterile Corridor Extension/Earned Revenue (FAA Grants)</i></b>	Airport Capital Program		\$1,161,000	\$1,161,000
This action establishes a Federal Inspection Facility Sterile Corridor Extension appropriation and increases the estimate for Earned Revenue by \$1,161,000. Federal Aviation Administration (FAA) grant funding was awarded for the construction of a secure interior corridor connecting Terminal B Gates 17 and 18 to the ramp which leads deplaning international passengers to the U.S. Customs and Border Protection Document Examination Hall. Prior to the FAA award, this project was solely funded by the Airport Revenue Improvement Fund.				
<b><i>Taxiway W Improvements/Earned Revenue (FAA Grants)</i></b>	Airport Capital Program		(\$715,000)	(\$715,000)
This action eliminates the Taxiway W Improvements appropriation and decreases the estimate for Earned Revenue by \$715,000 to reflect the completion of the project. A full length taxiway is now available to serve large aircraft on the Airport's Westside.				
<b>TOTAL AIRPORT CAPITAL IMPVT FUND (520)</b>			<b>\$446,000</b>	<b>\$446,000</b>
<b>AIRPORT CUST FAC &amp; TRANS FD (519)</b>				
<b><i>CFC Audit</i></b>	Airport		\$1,000	
This action increases the CFC Audit appropriation to the Airport Department by \$1,000 to ensure that sufficient funding is available to cover the annual independent audit costs of the Customer Facility Charge (CFC) as required by the California Civil Code Section 1936. A corresponding decrease to the Operations Contingency is recommended to offset this action.				
<b><i>Operations Contingency</i></b>	Airport		(\$1,000)	
This action decreases the Operations Contingency appropriation to offset the action recommended in this report.				
<b>TOTAL AIRPORT CUST FAC &amp; TRANS FD (519)</b>			<b>\$0</b>	<b>\$0</b>
<b>AIRPORT FISCAL AGENT FUND (525)</b>				
<b><i>Bond Issuance Costs</i></b>	Airport		\$1,020,581	
This action establishes a Bond Issuance Costs appropriation in the amount of \$1,020,581 to ensure compliance with the Governmental Accounting Standards Board (GASB) Statement 65. To adhere to GASB Statement 65, costs associated with bond issuance, which were previously included in the Principal and Interest Payments appropriation, must be classified and appropriated separately. Corresponding actions in the Principal and Interest Payments and Debt Service Reserve are recommended elsewhere in this report to offset this action.				
<b><i>Debt Service Reserve</i></b>	Airport		(\$4,669,917)	
This action decreases the Debt Service Reserve by \$4,669,917 to offset the actions recommended in this report.				

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<b>AIRPORT FISCAL AGENT FUND (525)</b>				
<b><i>Earned Revenue</i></b>	Airport			\$144,836,295
<p>This action increases the Earned Revenue by \$144,836,295 to recognize proceeds from the issuance of Series 2014 Bonds. In August 2014, the City Council approved the issuance of the Series 2014A, Series 2014B, and Series 2014C Bonds (collectively, the "Series 2014 Bonds") to refund three series of outstanding City of San José Airport Revenue Bonds (Series 2001A Bonds, Series 2004C Bonds, and Series 2004D Bonds). A corresponding increase to the Principal and Interest Payments appropriation is also recommended to offset this action.</p>				
<b><i>Principal and Interest Payments</i></b>	Airport		\$148,485,631	
<p>This action increases the Principal and Interest Payments appropriation by \$148,485,631 to reflect the application of proceeds from the issuance of Series 2014 Bonds as well as the use of a portion of the Debt Service Reserve. This recommendation increases the Principal Payment by \$149,735,000 (from \$23,450,000 to \$173,185,000) to ensure sufficient funding is available to make the scheduled bond principal payment this year. This is partially offset by lower than anticipated Interest Payment of \$1,249,369 (from \$73,922,588 to \$72,673,219) due to lower interest rates. A corresponding decrease to the Debt Service Reserve is also recommended to partially offset this action.</p>				
<b>TOTAL AIRPORT FISCAL AGENT FUND (525)</b>			<b>\$144,836,295</b>	<b>\$144,836,295</b>
<b>AIRPORT MAINT &amp; OPER FUND (523)</b>				
<b><i>Airport Non-Personal/Equipment (Air Service Development Consultants)</i></b>	Airport		\$55,000	
<p>This action increases the Non-Personal/Equipment appropriation to the Airport Department by \$55,000 for air service development consultant services. In August 2014, the City Council approved a three-year master agreement with Seabury APG and Avia Solutions to provide air service development services for the Norman Y. Mineta San José International Airport (SJC). This funding is necessary to complete the initial market analysis this year, which is critical to recruiting new airlines and bringing new air service to SJC. A corresponding decrease to the Operations Contingency appropriation is also recommended to offset this action.</p>				
<b><i>Operations Contingency</i></b>	Airport		(\$201,000)	
<p>This action decreases the Operations Contingency appropriation to offset the actions recommended in this report.</p>				
<b><i>Transfer to the General Fund for Police Services</i></b>	Airport		\$146,000	
<p>This action increases the Transfer to the General Fund for Police Services by \$146,000 to provide additional service hours at the Norman Y. Mineta San José International Airport. Due to the increased passenger activity, additional overtime hours for police officers at terminal security checkpoints are needed to ensure that necessary safety and security levels are maintained. A corresponding decrease to the Operations Contingency appropriation is also recommended to offset this action.</p>				
<b>TOTAL AIRPORT MAINT &amp; OPER FUND (523)</b>			<b>\$0</b>	<b>\$0</b>

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<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
<b>AIRPORT REV BOND IMP FUND (526)</b>				
<b><i>Ending Fund Balance Adjustment</i></b>	Airport Capital Program		\$1,311,000	
This action increases the Ending Fund Balance to offset the actions recommended in this report.				
<b><i>Federal Inspection Facility Sterile Corridor Extension</i></b>	Airport Capital Program		(\$1,161,000)	
This action decreases the Federal Inspection Facility Sterile Corridor Extension appropriation by \$1,161,000 (from \$1,949,000 to \$788,000) as grant funding has been secured to fund a portion of the project. The remaining funds reflect the local match portion of the project funding. FAA grant funding was awarded for the construction of a secure interior corridor connecting Terminal B Gates 17 and 18 to the ramp which leads deplaning international passengers to the U.S. Customs and Border Protection Document Examination Hall. Prior to the FAA award, this project was solely funded by this fund. A corresponding increase to the Ending Fund Balance is also recommended to offset this action.				
<b><i>Taxiway W Improvements</i></b>	Airport Capital Program		(\$285,000)	
This action eliminates the Taxiway W Improvements appropriation to reflect the completion of the project. A full length taxiway is now available to serve large aircraft on the Airport's Westside. A corresponding increase to the Ending Fund Balance is also recommended to offset this action.				
<b><i>Transfer to the Airport Surplus Revenue Fund</i></b>	Airport Capital Program		\$135,000	
This action establishes a Transfer to the Surplus Revenue Fund from the Airport Revenue Bond Improvement Fund in the amount of \$135,000 in order to repay outstanding Taxable Series C Commercial Paper. In 2013-2014, Airport received a partial refund from the American International Group for the Terminal Area Improvement Program (TAIP) Owner Controlled Insurance Program (OCIP) claims loss reserve, which was established with Taxable Series C Commercial Paper notes. This recommendation applies this refund to the Taxable Series C Commercial Paper Program previously used to fund the TAIP OCIP claims loss reserve. A corresponding decrease to the Ending Fund Balance is recommended to offset this action. In addition, a corresponding increase in the Airport Surplus Revenue Fund is also recommended in this report.				
<b>TOTAL AIRPORT REV BOND IMP FUND (526)</b>			<b>\$0</b>	<b>\$0</b>
<b>AIRPORT SURPLUS REV FD (524)</b>				
<b><i>Commercial Paper Principal and Interest/Transfer from the Airport Revenue Bond Improvement Fund</i></b>	Airport		\$135,000	\$135,000
This action increases the Commercial Paper Principal and Interest appropriation by \$135,000 and establishes a Transfer from the Airport Revenue Bond Improvement Fund to the Airport Surplus Revenue Fund to reflect the partial refund of Taxable Series C Commercial Paper notes used to establish the TAIP OCIP claims loss reserve. This recommendation applies this refund to the Taxable Series C Commercial Paper Program previously used to fund the TAIP OCIP claims loss reserve.				
<b>TOTAL AIRPORT SURPLUS REV FD (524)</b>			<b>\$135,000</b>	<b>\$135,000</b>

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<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
<b>BENEFIT FUND (160)</b>				
<b><i>401(a) Defined Contribution Retirement Plan/Transfers</i></b>	Human Resources		\$46,000	\$46,000
<p>This action increases the 401(a) Defined Contribution Retirement Plan appropriation for the Defined Contribution Retirement Plan for Unit 99 employees by \$46,000 (from \$45,000 to \$91,000) and corresponding revenue estimate for Transfers from various City Funds. Based on current tracking, it is anticipated that the City's contributions to the Tier 3 401(a) retirement plan will exceed the current budget due to an increase in newly hired employees in Unit 99 opting into Tier 3 in lieu of Tier 2B.</p>				
<b><i>Employee Assistance Program/Transfers</i></b>	Human Resources		\$25,000	\$25,000
<p>This action increases the Employee Assistance Program (EAP) appropriation and corresponding revenue estimate for Transfers from various City funds by \$25,000 (from \$550,000 to \$575,000). This reflects a higher number of filled positions, partially offset by a slight reduction in rates, than assumed in the development of the 2014-2015 Adopted Budget, generating additional costs to provide services that are supported by various City funds.</p>				
<b><i>FICA-Medicare/Transfers</i></b>	Human Resources		\$480,000	\$480,000
<p>This action increases the FICA-Medicare appropriation and corresponding revenue estimate for Transfers from various City Funds by \$480,000 (from \$6.58 million to \$7.06 million). This reflects a higher number of filled positions and higher salary costs than assumed in the development of the 2014-2015 Adopted Budget, generating additional costs that are supported by various City funds.</p>				
<b><i>General Employee Vision/Transfers</i></b>	Human Resources		\$5,000	\$5,000
<p>This action increases the General Employee Vision appropriation and corresponding revenue estimate for Transfers from various City funds by \$5,000 (from \$250,000 to \$255,000). This reflects a higher number of filled positions than assumed in the development of the 2014-2015 Adopted Budget, generating additional costs that are supported by various City funds.</p>				
<b><i>Health Plans/Transfers</i></b>	Human Resources		(\$4,000,000)	(\$4,000,000)
<p>This action decreases the Health Plans appropriation and corresponding revenue estimate for Transfers from various City funds by \$4.0 million (from \$49.7 million to \$45.7 million) as a result of a January 1, 2015 decrease to the lowest cost plan provided by the City's medical providers of approximately 4.5%. Corresponding adjustments throughout personal services expenditures are recommended elsewhere in this document.</p>				
<b><i>PTC 457/Transfers</i></b>	Human Resources		\$25,000	\$25,000
<p>This action increases the Part-Time, Temporary, and Contractual (PTC) 457 (Deferred Compensation Retirement Plan) appropriation and corresponding revenue estimate for Transfers from various City funds by \$25,000 (from \$950,000 to \$975,000) to reflect higher expenditures. PTC staffing levels are tracking above the estimate used in the development of the 2014-2015 Adopted Budget.</p>				
<b>TOTAL BENEFIT FUND (160)</b>			<b>(\$3,419,000)</b>	<b>(\$3,419,000)</b>

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<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
<b>BLDG &amp; STRUCT CONST TAX FD (429)</b>				
<b><i>ITS: Transportation Incident Management Center</i></b>	Traffic Capital Program		\$650,000	
This action increases the ITS: Transportation Incident Management Center (TiMC) project by \$650,000 (from \$2.3 million to \$2.9 million) to ensure sufficient funding is available to award the first phase of the TiMC Event Tracking System Implementation agreement. This project, which is anticipated to be awarded by June 2015, provides the first level of software integration and interface work with Metropolitan Transportation Commission's (MTC) 511 freeway information system, first responder computer aided dispatch system, and commercially available real time traffic service applications. It is anticipated that additional funding for future phases of this project will be brought forward during the 2015-2016 Proposed Budget process. A corresponding action to decrease the Transportation Grants Reserve is recommended elsewhere in this report.				
<b><i>Safety - Traffic Signals Rehabilitation/Earned Revenue</i></b>	Traffic Capital Program		\$40,000	\$40,000
This action increases the Safety - Traffic Signals Rehabilitation project and the Earned Revenue estimate by \$40,000 (from \$650,000 to \$690,000) to recognize and allocate unanticipated funds received by Valley Transportation Authority (VTA) for the Cameleon Intelligent Transportation System (ITS) camera command and control software.				
<b><i>St. John Street Multimodal Improvements Phase I/Earned Revenue</i></b>	Traffic Capital Program		(\$750,000)	(\$750,000)
This action decreases the St. John Multimodal Improvements Phase I project and corresponding Earned Revenue estimate by \$750,000 (from \$2.3 million to \$1.6 million). During the environmental review phase of the project, it was determined that the portion of St. John Street between First Street and Montgomery Street was an archaeologically sensitive area that requires additional analysis. The project is therefore currently on hold pending Caltrans' approval of the Archaeological Survey Report and Extended Phase I Proposal. Based on the project timing, it is anticipated that the Federal Community Design and Transportation Grant revenue and project budget will be reallocated to 2015-2016 as part of the 2015-2016 Proposed Capital Budget.				
<b><i>Traffic Signal Improvement Program/Earned Revenue</i></b>	Traffic Capital Program		\$12,000	\$12,000
This action increases the Traffic Signal Improvement Program and corresponding Earned Revenue estimate in the amount of \$12,000 (from \$790,000 to \$802,000) to recognize and allocate unanticipated traffic signal controller fees that were collected from developers.				
<b><i>Transportation Grants Reserve</i></b>	Traffic Capital Program		(\$650,000)	
This action decreases the Transportation Grants Reserve by \$650,000. A corresponding action is recommended elsewhere in this report to re-allocate this funding to the ITS: Transportation Incident Management Center project.				
<b>TOTAL BLDG &amp; STRUCT CONST TAX FD (429)</b>			<b>(\$698,000)</b>	<b>(\$698,000)</b>

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<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
<b>CONST/CONV TAX PK CD 5 FUND (382)</b>				
<b>Ending Fund Balance Adjustment</b>	Parks & Comm Fac Dev Capital Program		(\$105,000)	
This action decreases the Ending Fund Balance to offset the action recommended in this report.				
<b>Hillview Park Renovation</b>	Parks & Comm Fac Dev Capital Program		\$105,000	
This action increases the Hillview Park Renovation project by \$105,000. The current project scope includes funding for the construction of an exercise path/track, exercise stations, a new youth lot, signage, and pathways. However, the tot lot at this park has recently burned down, therefore, additional project funding (\$60,000) is necessary to demolish the burned structure and install a new play structure and resilient rubber surfacing. Additionally, increased project funding (\$45,000) is recommended in this report, to widen the park pathway from four feet to eight feet and install landscaping, park benches, and trash receptacles that were not included in the initial project scope. A corresponding decrease to the Ending Fund Balance is recommended elsewhere in this report.				
<b>TOTAL CONST/CONV TAX PK CD 5 FUND (382)</b>			<b>\$0</b>	<b>\$0</b>
<b>CONST/CONV TAX PK CD 9 FUND (388)</b>				
<b>Branham Park Playground Renovation</b>	Parks & Comm Fac Dev Capital Program		\$14,000	
This action increases the Branham Park Playground Renovation project by \$14,000. Currently, a total of \$367,000 is allocated in the Subdivision Park Trust Fund for this project. An additional \$100,000 (\$86,000 in the Subdivision Park Trust Fund and \$14,000 in the Council District 9 Construction and Conveyance Tax Fund) is necessary to allow for additional input from the community and the Council District 9 Office to be incorporated into the project scope. The additional project elements include constructing fence improvements, renovating the play area and adding swings, planting additional shading trees, installing additional security lighting, and replacing the decomposed gravel pathway with a porous concrete. This action increases the project budget by \$14,000 in the Council District 9 Construction and Conveyance Tax Fund. An additional recommendation is included elsewhere in this report to allocate \$86,000 to the Branham Park Playground Renovation project in the Subdivision Park Trust Fund. A decrease to the Ending Fund Balance is recommended elsewhere in this report to offset this action.				
<b>Ending Fund Balance Adjustment</b>	Parks & Comm Fac Dev Capital Program		(\$14,000)	
This action decreases the Ending Fund Balance to offset the action recommended in this report.				
<b>TOTAL CONST/CONV TAX PK CD 9 FUND (388)</b>			<b>\$0</b>	<b>\$0</b>

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<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
<b>CONST/CONV TAX SRVC YDS FD (395)</b>				
<b>Central Service Yard Real Estate Services</b>	Service Yards Capital Program		\$25,000	
This action establishes a Central Service Yard Real Estate Services appropriation to the Office of Economic Development in the amount of \$25,000 to cover real estate services costs related to the sale of the City's 5.22 acre Former Corporation Yard located in Japantown between Taylor and Jackson Streets between Sixth and Seventh Streets.				
<b>Ending Fund Balance Adjustment</b>	Service Yards Capital Program		(\$25,000)	
This action decreases the Ending Fund Balance to offset the action recommended in this report.				
<b>TOTAL CONST/CONV TAX SRVC YDS FD (395)</b>			<b>\$0</b>	<b>\$0</b>
<b>CONSTRUCTION EXCISE TAX FD (465)</b>				
<b>Bicycle and Pedestrian Facilities</b>	Traffic Capital Program		(\$169,000)	
This action decreases the Bicycle and Pedestrian Facilities allocation by \$169,000 (from \$3.6 million to \$3.5 million), which represents the local match funding for the Innovative Bicycle Detection System project. Due to lack of staffing resources available to support the implementation of the system, as well as the expiration of the consultant contract, the project is no longer moving forward. The MTC, however, approved the grant funding to be used for another purpose, which will be allocated as part of the Proposed 2016-2020 Capital Improvement Program. Corresponding adjustments to the estimate for Earned Revenue (-\$83,000), Innovative Bicycle Detection System (\$9,000), and the Ending Fund Balance (\$77,000) are recommended elsewhere in this report.				
<b>Capital Program and Public Works Department Support Service Costs</b>	Traffic Capital Program		\$250,000	
This action increases the Capital Program and Public Works Department Support Service Costs allocation by \$250,000 (from \$433,000 to \$683,000) due to current year costs being higher than anticipated. A corresponding decrease to the Ending Fund Balance is recommended elsewhere in this report.				
<b>Earned Revenue (Innovative Bicycle Detention System)</b>	Traffic Capital Program			(\$83,000)
This action eliminates the Earned Revenue estimate for the Climate Initiatives Fund for the Innovative Bicycle Detention System by \$83,000. Due to lack of staffing resources available to support the implementation of the system, as well as the expiration of the consultant contract, the project is no longer moving forward. The Metropolitan Transportation Commission, however, approved the grant funding to be used for another purpose, which will be allocated as part of the Proposed 2016-2020 Capital Improvement Program. Corresponding adjustments to the Innovative Bicycle Detection System (\$9,000), Bicycle and Pedestrian Facilities (-\$169,000) and the Ending Fund Balance (\$77,000) are recommended elsewhere in this report.				
<b>Ending Fund Balance Adjustment</b>	Traffic Capital Program		(\$363,000)	
This action adjusts the Ending Fund Balance to offset the actions recommended in this report.				

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<b>CONSTRUCTION EXCISE TAX FD (465)</b>				
<b><i>Evergreen Traffic Impact Fees Reserve/Earned Revenue</i></b>	Traffic Capital Program		\$199,668	\$199,668
This action increases the Evergreen Traffic Impact Fees Reserve and corresponding Earned Revenue estimate by \$199,668 to reflect actual traffic impact fees collected from developers through December 2014. The use of these funds are restricted to traffic improvements within the Evergreen area and will be allocated as projects are identified.				
<b><i>Innovative Bicycle Detection System</i></b>	Traffic Capital Program		\$9,000	
This action increases the Innovative Bicycle Detention System appropriation in the amount of \$9,000, bringing the total current year appropriation to \$54,000. A total of \$53,197 was received by the Metropolitan Transportation Commission for the Innovative Bicycle Detection System project in prior years. However, due to lack of staffing resources available to support the implementation of the system, as well as the expiration of the consultant contract, the project is no longer moving forward and the grant funding is being returned. The Metropolitan Transportation Commission has approved the grant funding to be used for another purpose, which will be allocated as part of the Proposed 2016-2020 Capital Improvement Program. Corresponding adjustments to the Earned Revenue estimate (-\$83,000), Bicycle and Pedestrian Facilities (\$-169,000) and the Ending Fund Balance (\$77,000) are recommended elsewhere in this report.				
<b><i>Land Management and Weed Abatement</i></b>	Traffic Capital Program		\$150,000	
This action increases the Land Management and Weed Abatement allocation by \$150,000 (from \$205,000 to \$355,000), to ensure sufficient funding is available to award the contract for the weed abatement program. A corresponding action to decrease the Ending Fund Balance is recommended elsewhere in this report.				
<b><i>North San José Deficiency Plan Improvements/Earned Revenue</i></b>	Traffic Capital Program		\$227,000	\$227,000
This action increases the North San José Deficiency Plan Improvements appropriation and corresponding estimate for Earned Revenue by \$227,000 (from \$151,000 to \$378,000) to recognize unanticipated Public Works Deficiency Plan Mitigation fees that were collected from a developer.				
<b><i>North San José Traffic Impact Fees Reserve</i></b>	Traffic Capital Program		\$200,000	
This action increases the North San José Traffic Impact Fees Reserve by \$200,000 to reflect project savings in the Trail: Guadalupe River/Tasman Under-Crossing project. A corresponding decrease to the Trail: Guadalupe River/Tasman Under-Crossing project is reflected elsewhere in this report.				
<b><i>North San José Traffic Impact Fees Reserve/Earned Revenue</i></b>	Traffic Capital Program		\$5,047,761	\$5,047,761
This action increases the North San José Traffic Impact Fees Reserve and corresponding Earned Revenue estimate by \$5,047,761 to reflect actual traffic impact fees collected from developers through December 2014. The use of these funds are restricted to traffic improvements within the North San José area and will be allocated as projects are identified.				



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<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
<b>CONSTRUCTION EXCISE TAX FD (465)</b>				
<b><i>Pavement Maintenance - Measure B/Earned Revenue</i></b>	Traffic Capital Program		\$606,000	\$606,000
This action increases the Pavement Maintenance-Measure B project and corresponding Earned Revenue estimate by \$606,000 (from \$8.0 million to \$8.6 million) to recognize funds from the County of Santa Clara generated by Measure B vehicle registration fees, which are used to seal and resurface streets in the Priority Streets Network throughout the City.				
<b><i>Pedestrian Oriented Traffic Signals (OBAG)/Earned Revenue</i></b>	Traffic Capital Program		(\$1,000,000)	(\$1,000,000)
This action decreases the Pedestrian Oriented Traffic Signals (OBAG) project and corresponding estimate for Earned Revenue by \$1,000,000 (from \$3.0 million to \$2.0 million) due to delays in the design phase of the project. This project provides funding to implement traffic signal controlled crossings to promote the use of transit, walking, and biking as a primary transportation mode to nearby schools. The funding being reduced as part of this report is expected to be reallocated to 2015-2016 and 2016-2017 as part of the Proposed 2016-2020 Capital Improvement Program.				
<b><i>Route 101/Oakland/Mabury Traffic Impact Fees Reserve/Earned Revenue</i></b>	Traffic Capital Program		\$471,450	\$471,450
This action increases the Route 101/Oakland/Mabury Traffic Impact Fees Reserve and corresponding estimate for Earned Revenue by \$471,450 to reflect actual traffic impact fees collected from developers through December 2014. The use of these funds are restricted to traffic improvements within the Route 101/Oakland/Mabury area and will be allocated as projects are identified.				
<b><i>Safe Routes to School Program (OBAG)/Earned Revenue</i></b>	Traffic Capital Program		(\$500,000)	(\$500,000)
This action decreases the Safe Routes to School Program and corresponding estimate for Earned Revenue by \$500,000 (from \$742,000 to \$242,000) due to delays in the project. This funding is expected to be reallocated to 2015-2016 as part of the Proposed 2016-2020 Capital Improvement Program. Funding in 2015-2016 will be used to incorporate new schools, identify walking routes, and coordinate engineering improvements with the neighborhood traffic management team.				
<b><i>Traffic Signal Preventative Maintenance</i></b>	Traffic Capital Program		\$40,000	
This action increases the Traffic Signal Preventative Maintenance in the amount of \$40,000 (from \$350,000 to \$390,000) due to bids for the utility bucket truck purchase being higher than anticipated. A corresponding decrease to the Ending Fund Balance is recommended elsewhere in this report.				

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<b>CONSTRUCTION EXCISE TAX FD (465)</b>				
<i>Trail: Guadalupe River/Tasman Under-Crossing</i>	Traffic Capital Program		(\$200,000)	
<p>This action decreases the Trail: Guadalupe River/Tasman Under-Crossing by \$200,000 (from \$252,000 to \$52,000) to reflect project savings that resulted from construction bids being lower than anticipated. This project, which is funded by the Traffic Capital Program and the Parks and Community Facilities Development Capital Program, provides funding to elevate the Tasman under-crossing along the Guadalupe River Trail, as well as reconstruct the paved ramps leading to the under-crossing. A corresponding increase to the North San José Traffic Impact Fees Reserve is recommended elsewhere in this report.</p>				
<b>TOTAL CONSTRUCTION EXCISE TAX FD (465)</b>			<b>\$4,968,879</b>	<b>\$4,968,879</b>
<b>CONV CTR FACIL DIST REV FD (791)</b>				
<i>Convention Center Facilities District Revenue Fund/Earned Revenue</i>	Economic Development		\$1,168,000	\$1,168,000
<p>This action increases the Convention Center Facilities District Revenue Fund Earned Revenue by \$1.2 million (from \$11.1 million to \$12.3 million) due to increased Transient Occupancy Tax revenue receipts, which continue to track well above prior year actuals and current year budgeted levels. Based on year-to-date collections, it is currently estimated that revenue growth of approximately 10% from the 2013-2014 collection levels will be realized by year-end compared to a budgeted estimate of 5%. The additional revenue is recommended to be allocated to the Ending Fund Balance.</p>				
<b>TOTAL CONV CTR FACIL DIST REV FD (791)</b>			<b>\$1,168,000</b>	<b>\$1,168,000</b>
<b>CONV/CULTURAL AFFAIRS FUND (536)</b>				
<i>Ending Fund Balance Adjustment</i>	Economic Development		(\$400,000)	
<p>This action decreases the Ending Fund Balance to offset the actions recommended in this report.</p>				
<i>Rehabilitation/Repair - Miscellaneous</i>	Economic Development		\$350,000	
<p>This action increases the Rehabilitation/Repair - Miscellaneous appropriation by \$350,000 (from \$385,000 to \$735,000) to allow for the installation and monthly rental costs of temporary boilers at the convention center. Temporary boilers are required while the existing boilers are being fixed. A corresponding action to decrease the Ending Funding balance to cover these costs is also recommended elsewhere in this report.</p>				
<i>Workers' Compensation Claims</i>	Human Resources		\$50,000	
<p>This action increases the Workers' Compensation Claims appropriation by \$50,000 (from \$50,000 to \$100,000) to reflect increased workers' compensation payments. This action will ensure funding is available to pay potential workers' compensation claims in 2014-2015. A corresponding decrease to the Ending Fund Balance to offset this action is also recommended elsewhere in this report.</p>				
<b>TOTAL CONV/CULTURAL AFFAIRS FUND (536)</b>			<b>\$0</b>	<b>\$0</b>

## Special/Capital Funds Recommended Budget Adjustments Summary 2014-2015 Mid-Year Budget Review

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
<b>DOWNTOWN PBID FUND (302)</b>				
<b><i>Ending Fund Balance Adjustment</i></b>	Transportation		(\$31,200)	
This action decreases the Ending Fund Balance to offset the action recommended in this report.				
<b><i>Transfer to the General Purpose Parking Fund (Downtown Public Toilets)</i></b>	Transportation		\$31,200	
This action establishes a Transfer to the General Purpose Parking Fund in the amount of \$31,200 to provide for the Downtown Property and Business Improvement District (PBID) Fund's share of a one-year agreement to operate and maintain the seven downtown public toilets. The City of San Jose has worked with the San Jose Downtown Property Owners Association, which manages the PBID, the Santa Clara Valley Transportation Agency (VTA), and Team San Jose to develop a one-year agreement to fund the public toilets while the City and Successor Agency decide on a more permanent solution. A corresponding decrease to Ending Fund Balance is also recommended elsewhere in this report.				
<b>TOTAL DOWNTOWN PBID FUND (302)</b>			<b>\$0</b>	<b>\$0</b>
<b>ECON DEV ADMIN LOAN FUND (444)</b>				
<b><i>Economic Development Administration Loan Payoff/Transfer from the General Fund</i></b>	Housing		\$180,000	\$165,000
This action increases the Small Business Loan appropriation by \$180,000 (from \$60,000 to \$240,000) and establishes a Transfer from the General Fund in the amount of \$165,000 to pay off a Federal Economic Development Administration (EDA) loan obligation. Under the City's Revolving Loan Fund Program, there remain 13 loans to small businesses that have been in default for over five years and are not expected to be repaid. The EDA has granted the Housing Department's request to voluntarily terminate the loans if the obligation associated with these loans is repaid. This repayment is necessary because the City did not meet the EDA's due diligence requirement to file a lien at the time the businesses filed for bankruptcy. The cost to pursue repayment in bankruptcy for these relatively small loans was a primary factor that impacted the City's ability to meet the EDA requirements. A corresponding decrease to Ending Fund Balance to support this action is also recommended elsewhere in this report.				
<b><i>Ending Fund Balance Adjustment</i></b>	Housing		(\$15,000)	
This action decreases the Ending Fund Balance to offset the action recommended in this report.				
<b>TOTAL ECON DEV ADMIN LOAN FUND (444)</b>			<b>\$165,000</b>	<b>\$165,000</b>

## Special/Capital Funds Recommended Budget Adjustments Summary 2014-2015 Mid-Year Budget Review

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
<b>EDW BYRNE MEMORIAL JAG FD (474)</b>				
<b>2012 Justice Assistance Grant/Earned Revenue</b>	Police		\$523	\$523
<p>This action increases the 2012 Justice Assistance Grant appropriation and corresponding estimate for Earned Revenue to reflect previously unallocated interest earnings for the JAG 2012 grant in order to expend these funds by the spending deadline of September 30, 2015. The spending plan for this grant includes equipment as well as crime prevention and community education programs.</p>				
<b>TOTAL EDW BYRNE MEMORIAL JAG FD (474)</b>			<b>\$523</b>	<b>\$523</b>
<b>GENERAL PURPOSE PARKING FD (533)</b>				
<b>Downtown Public Toilets</b>	Transportation		\$156,000	
<p>This action establishes a Downtown Public Toilets appropriation in the amount of \$156,000 to provide funding for a one-year agreement to operate and maintain the seven downtown public toilets. The Successor Agency to the Redevelopment Agency (SARA) currently oversees the contract for the downtown public toilets and is not in the position to continue this service. The City of San Jose has worked with the San Jose Downtown Association (SJDA), the Santa Clara Valley Transportation Agency (VTA), and Team San Jose (TSJ) to develop a one-year agreement to fund the public toilets while the City and SARA explore a more permanent solution. The cost for the public toilets will be shared equally among the SJDA-managed Downtown Property and Business Improvement District Fund, VTA, TSJ, the General Purpose Parking Fund, and the Housing Trust Fund with each entity contributing \$31,200. The total cost of \$156,000 will be budgeted in the General Purpose Parking Fund, which will then be reimbursed in the amount of \$124,800 by the other partners for a net cost to the fund of \$31,200. A corresponding decrease to the Ending Fund Balance is recommended elsewhere in this report.</p>				
<b>Earned Revenue (Downtown Public Toilets)</b>	Transportation			\$62,400
<p>This action increases the estimate for Earned Revenue by \$62,400 for reimbursements from the Santa Clara Valley Transportation Agency (VTA) and Team San Jose (TSJ) for their shares of a one-year agreement to operate and maintain the seven downtown public toilets. The Successor Agency to the Redevelopment Agency (SARA) currently oversees the contract for the downtown public toilets and is not in the position to continue this service. The VTA and TSJ will each contribute \$31,200.</p>				
<b>Ending Fund Balance Adjustment</b>	Transportation		(\$31,200)	
<p>This action decreases the Ending Fund Balance to offset the action recommended in this document.</p>				

## Special/Capital Funds Recommended Budget Adjustments Summary 2014-2015 Mid-Year Budget Review

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
<b>GENERAL PURPOSE PARKING FD (533)</b>				
<b><i>Successor Agency to the Redevelopment Agency/Earned Revenue</i></b> This action increases the Successor Agency to the Redevelopment Agency (SARA) (Parking Lot Revenue) appropriation by \$50,000 (from \$220,000 to \$270,000) and corresponding estimate for Earned Revenue to allow for reimbursements to SARA from revenues received for operations at the following SARA-owned parking lots that are managed by the City: Bassett/San Pedro, Almaden/Balbach, and South Hall. It was anticipated that the operations for SARA-owned parking lots would be transitioned to SARA early in the 2014-2015 fiscal year; however, delays in the transition have resulted in the Parking Fund receiving additional revenue that needs to be transferred to SARA. The City transfers to SARA the same amount of revenue that is received from the parking lots.	Transportation		\$50,000	\$50,000
<b><i>Transfer from the Downtown Property and Business Improvement District Fund (Downtown Public Toilets)</i></b> This action increases the estimate for Transfers and Reimbursements by \$31,200 to reflect the transfer from the Downtown Property and Business Improvement District (PBID) Fund for its share of a one-year agreement to operate and maintain the seven downtown public toilets. The City of San Jose has worked with the San Jose Downtown Association (SJDA), which manages the PBID, the Santa Clara Valley Transportation Agency (VTA), and Team San Jose to develop a one-year agreement to fund the public toilets while the City and the Successor Agency to the Redevelopment Agency (SARA) explore a more permanent solution.	Transportation			\$31,200
<b><i>Transfer from the Housing Trust Fund (Downtown Public Toilets)</i></b> This action increases the estimate for Transfers and Reimbursements by \$31,200 to reflect the transfer from the Housing Trust Fund for its share of a one-year agreement to operate and maintain the seven downtown public toilets. The City of San Jose has worked with the San Jose Downtown Association (SJDA), the Santa Clara Valley Transportation Agency (VTA), and Team San Jose to develop a one-year agreement to fund the public toilets while the City and the Successor Agency to the Redevelopment Agency (SARA) explore a more permanent solution.	Transportation			\$31,200
<b>TOTAL GENERAL PURPOSE PARKING FD (533)</b>			<b>\$174,800</b>	<b>\$174,800</b>
<b>GIFT TRUST FUND (139)</b>				
<b><i>Books for Little Hands/Earned Revenue</i></b> This action increases the Books for Little Hands appropriation and Earned Revenue estimate to recognize and appropriate a \$2,000 gift made by the San Jose Public Library Foundation in support of the Books and More! Family Kits. Books and More! is a comprehensive early literacy program for pre-school children and consists of a clear plastic backpack filled with bilingual books for preschool-age developing readers, along with a music CD, parenting tips DVD, and an age-appropriate toy related to the theme of the books.	Library		\$2,000	\$2,000

## Special/Capital Funds Recommended Budget Adjustments Summary 2014-2015 Mid-Year Budget Review

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
<b>GIFT TRUST FUND (139)</b>				
<b><i>Library - General Gifts/Earned Revenue</i></b>	Library		\$37,902	\$37,902
<p>This action increases the Library - General Gifts appropriation and corresponding estimate for Earned Revenue to recognize and appropriate gifts made by various donors, including, but not limited to, the City of San José District 3, Friends of the Library groups, and the San José Library Foundation, in support of the following: Almaden Branch Library for programming, supplies, and materials (\$10,000); Alum Rock Branch Library for programming, supplies, and materials (\$2,200); Bascom Branch Library for programming, supplies, and materials (\$1,300); Berryessa Branch Library for programming, supplies, and materials (\$1,500); Biblioteca Latinoamericana Branch Library for programming, supplies, and materials (\$1,250); East Carnegie Branch Library for programming, supplies, and materials (\$4); Edenvale Branch Library for programming, supplies, and materials (\$2,459); Educational Park Branch Library for programming, supplies, and materials (\$100); Evergreen Branch Library for programming, supplies, and materials (\$1,500); Hillview Branch Library for programming, supplies, and materials (\$500); Joyce Ellington Branch Library for programming, supplies, and materials (\$1,220); Rose Garden Branch Library for programming, supplies, and materials (\$231); Santa Teresa Branch Library for programming, supplies, and materials (\$1,390); Tully Branch Library for programming, supplies, and materials (\$1,517); Vineland Branch Library for programming, supplies, and materials (\$1,240); West Valley Branch Library for programming, supplies, and materials (\$8,000); and Willow Glen Branch Library for programming, supplies, and materials (\$1,845). This action also increases the Library - General Gifts appropriation and corresponding estimate for Earned Revenue to recognize and appropriate \$1,646 received from various vendors for space rented and vending commissions in branch libraries to be used for programming, supplies, and materials.</p>				
<b><i>Library Literacy Project/Earned Revenue</i></b>	Library		\$2,200	\$2,200
<p>This action increases the Library Literacy Project appropriation and the corresponding estimate for Earned Revenue to recognize and appropriate \$1,200 from donors and a \$1,000 gift made by the San Jose Public Library Foundation in support of Partners in Reading. Partners in Reading provides free one-to-one and small group tutoring for adults whose reading or writing skills are below the ninth grade level.</p>				
<b>TOTAL GIFT TRUST FUND (139)</b>			<b>\$42,102</b>	<b>\$42,102</b>
<b>HOME INVEST PART PROG FUND (445)</b>				
<b><i>Ending Fund Balance Adjustment</i></b>	Housing		(\$100,000)	
<p>This action decreases the Ending Fund Balance by \$100,000 to offset the action recommended in this report.</p>				
<b><i>Housing Department Personal Services</i></b>	Housing		\$100,000	
<p>This action increases the Housing Department's Personal Services appropriation by \$100,000 (from \$516,000 to \$616,000) to offset expenditures related to the Japantown Seniors and Donner Lofts projects in the HOME Investment Partnership Program Fund.</p>				
<b>TOTAL HOME INVEST PART PROG FUND (445)</b>			<b>\$0</b>	<b>\$0</b>

## Special/Capital Funds Recommended Budget Adjustments Summary 2014-2015 Mid-Year Budget Review

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
<b>HOUSING TRUST FUND (440)</b>				
<b><i>Ending Fund Balance Adjustment</i></b>	Housing		\$158,800	
This action increases the Ending Fund Balance to offset the actions recommended in this report.				
<b><i>Housing Department Non-Personal/Equipment (Accounting Services)</i></b>	Housing		\$10,000	
This action increases the Housing Department's Non-Personal/Equipment appropriation by \$10,000 (from \$50,000 to \$60,000) to offset accounting expenses associated with assessing the finances of non-profit agencies facing financial difficulties. A corresponding decrease to the Ending Fund Balance is also recommended elsewhere in this report.				
<b><i>Housing and Homeless Projects</i></b>	Housing		\$1,500,000	
This action increases the Housing and Homeless Projects appropriation by \$1.5 million (from \$600,000 to \$2.1 million) to fund homeless support projects, including a potential pilot Safe Parking Program, as well as costs associated with providing technical assistance and support to non-profit homeless agencies facing financial difficulties. A corresponding increase to the Transfer from the Multi-Source Housing Fund is also recommended elsewhere in this report.				
<b><i>Housing and Homeless Projects/Earned Revenue</i></b>	Housing		\$2,600,000	\$2,600,000
This action increases the Housing and Homeless Projects appropriation and corresponding estimate for Earned Revenue by \$2.6 million to fund the development of homeless housing opportunities, including the funding of a potential pilot master lease hotel/motel program. The Earned Revenue increase recognizes \$2.6 million from the Century Court high-rise residential development in North San José.				
<b><i>Transfer from the Multi-Source Housing Fund</i></b>	Housing			\$1,700,000
This action establishes a Transfer from the Multi-Source Housing Fund in the amount of \$1.7 million. In 2012-2013 the City received \$5.1 million from a Children's Shelter settlement. This action transfers \$1.7 million of the \$5.1 million received to properly account for County bond obligations associated with the project that were repaid and must be treated like low and moderate income housing assets when committed in the future for affordable housing projects. These funds are recommended to be allocated to the Housing and Homeless Projects appropriation (\$1.5 million) and the Ending Fund Balance (\$200,000) as described elsewhere in this report.				

## Special/Capital Funds Recommended Budget Adjustments Summary 2014-2015 Mid-Year Budget Review

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
<b>HOUSING TRUST FUND (440)</b>				
<i>Transfer to the General Purpose Parking Fund (Downtown Public Toilets)</i>	Housing		\$31,200	
<p>This action establishes a Transfer to the General Purpose Parking Fund in the amount of \$31,200 to fund a portion of a one-year agreement to operate and maintain the seven downtown public toilets. The City of San José has worked with the San José Downtown Property and Business Improvement District (PBID), the Santa Clara Valley Transportation Agency (VTA), and Team San Jose to develop a one-year agreement to fund the public toilets while the City and Successor Agency to the Redevelopment Agency (SARA) explore a more permanent solution. A corresponding decrease to the Ending Fund Balance is also recommended in this report.</p>				
<b>TOTAL HOUSING TRUST FUND (440)</b>			<b>\$4,300,000</b>	<b>\$4,300,000</b>
<b>ICE CENTRE REVENUE FUND (432)</b>				
<i>Ending Fund Balance Adjustment</i>	Finance		(\$448,137)	
<p>This action decreases the Ending Fund Balance to offset the action recommended in this report.</p>				
<i>Previously Approved Repairs Reserve</i>	Finance		\$448,137	
<p>This action increases the Previously Approved Repairs Reserve to set aside funding for capital repairs at Shark's Ice at San José that were approved for 2013-2014 and budgeted in the Ice Centre Revenue Fund, but were inadvertently omitted from the reserve as part of the reconciliation included in the 2013-2014 Annual Report. Authorized repairs included in this amount consist of electrical, mechanical, miscellaneous, structures, and unanticipated/emergency repairs. Once actual expenditures are incurred and submitted by the Sharks Ice Center at San José for reimbursement, recommended actions to liquidate and appropriate the funding in this reserve will be brought forward for City Council approval.</p>				
<b>TOTAL ICE CENTRE REVENUE FUND (432)</b>			<b>\$0</b>	<b>\$0</b>
<b>INTEGRATED WASTE MGT FUND (423)</b>				
<i>Ending Fund Balance Adjustment</i>	Environmental Services		(\$47,000)	
<p>This action decreases the Ending Fund Balance by \$47,000 to offset the actions recommended in this report.</p>				
<i>Workers' Compensation Claims</i>	Human Resources		\$25,000	
<p>This action increases the Workers' Compensation Claims appropriation by \$25,000 (from \$40,000 to \$65,000) to reflect increased workers' compensation payments. This action will ensure funding is available to pay potential workers' compensation claims in 2014-2015. A corresponding decrease to the Ending Fund Balance to offset this action is also recommended elsewhere in this report.</p>				



## Special/Capital Funds Recommended Budget Adjustments Summary 2014-2015 Mid-Year Budget Review

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
<b>INTEGRATED WASTE MGT FUND (423)</b>				
<b><i>Capital Program and Public Works Department Support Service Costs</i></b>	Public Works		\$22,000	
This action establishes the Capital Program and Public Works Department Support Service Costs appropriation in the amount of \$22,000. During the 2014-2015 Adopted Budget process, necessary funding for this appropriation was inadvertently omitted. A corresponding decrease to the Ending Fund Balance to offset this action is also recommended elsewhere in this report.				
<b>TOTAL INTEGRATED WASTE MGT FUND (423)</b>			<b>\$0</b>	<b>\$0</b>
<b>LIFE INSURANCE FUND (156)</b>				
<b><i>Insurance Premiums/Earned Revenue</i></b>	Human Resources		\$35,000	\$35,000
This action increases the Insurance Premiums appropriation for life insurance premiums and corresponding estimate for Earned Revenue from plan participant contributions by \$35,000 (from \$595,000 to \$630,000) as a result of increased participation in the voluntary supplemental plans and increases to the costs associated with administering the life insurance benefit.				
<b><i>Insurance Premiums/Transfers</i></b>	Human Resources		\$65,000	\$65,000
This action increases the Insurance Premiums appropriation for life insurance premiums and corresponding revenue estimate for Transfers from various City funds by \$65,000 (from \$380,000 to \$445,000) as a result of a 29% rate increase effective January 1, 2015 and increases to the costs associated with administering the life insurance benefit.				
<b>TOTAL LIFE INSURANCE FUND (156)</b>			<b>\$100,000</b>	<b>\$100,000</b>
<b>LOW/MOD INCOME HSNB ASSET FD (346)</b>				
<b><i>City Attorney's Office Personal Services</i></b>	City Attorney		\$175,000	
This action increases the City Attorney's Office (CAO) Personal Services appropriation by \$175,000 (from \$594,000 to \$769,000) to reflect higher than anticipated expenditures for legal services in the Low and Moderate Income Housing Asset Fund. A corresponding decrease to the Ending Fund Balance is also recommended in this report.				
<b><i>Ending Fund Balance Adjustment</i></b>	Housing		(\$375,000)	
This action decreases the Ending Fund Balance to offset the actions recommended in this report.				
<b><i>Housing Department Non-Personal/Equipment (High Density File Storage)</i></b>	Housing		\$40,000	
This action increases the Housing Department's Non-Personal/Equipment appropriation by \$40,000 to fund a high density file storage system to consolidate various housing legal records and reduce the floor space it occupies on the 12th floor by 33%. A corresponding decrease to the Ending Fund Balance is also recommended in this report.				

## Special/Capital Funds Recommended Budget Adjustments Summary 2014-2015 Mid-Year Budget Review

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
<b>LOW/MOD INCOME HSNB ASSET FD (346)</b>				
<b><i>Housing Pre-development Activities</i></b>	Housing		\$160,000	
This action establishes a Housing Pre-development Activities appropriation in the amount of \$160,000 to offset personal services and contractual expenses associated with conducting due diligence to acquire land at surplus SARA sites and to initiate pre-development staff work at additional sites to be developed into affordable housing. A corresponding decrease to the Ending Fund Balance is also recommended in this report.				
<b><i>Housing Project Reserve/Earned Revenue</i></b>	Housing		\$1,500,000	\$1,500,000
This action increases the Housing Project Reserve in the Low and Moderate Income Housing Asset Fund to be used for future housing development grants. In addition, this action increases the corresponding Earned Revenue estimate by \$1.5 million to reflect higher than anticipated loan principal and interest payments.				
<b><i>Housing Project Reserve/Transfer from Multi-Source Housing Fund</i></b>	Housing		\$1,826,000	\$1,826,000
This action increases the Housing Project Reserve in the Low and Moderate Income Housing Asset Fund by \$1.8 million for future affordable housing projects. In 2012-2013, the City received \$5.1 million in a Children's Shelter settlement. This action transfers \$1.8 million of the \$5.1 million received to properly account for County bond obligations associated with the project that were repaid and must be treated like low and moderate income housing assets when committed in the future for affordable housing projects. Corresponding actions in the Multi-Source Housing Fund where the Children's Shelter settlement funding was originally booked are also included elsewhere in this report, including a Transfer to the Low and Moderate Income Housing Asset Fund.				
<b>TOTAL LOW/MOD INCOME HSNB ASSET FD (346)</b>			<b>\$3,326,000</b>	<b>\$3,326,000</b>
<b>M.D. #19 RIVER OAKS FUND (359)</b>				
<b><i>Ending Fund Balance Adjustment</i></b>	Transportation		(\$30,000)	
This action decreases the Ending Fund Balance to offset the action recommended in this report.				
<b><i>Transportation Department Non-Personal/Equipment</i></b>	Transportation		\$30,000	
This action increases the Non-Personal/Equipment appropriation in Maintenance Assessment District #19 (River Oaks) by \$30,000 (from \$160,000 to \$190,000) to fund higher than budgeted maintenance costs for baseline service levels. The contract for this district is renewed in November and the new amounts were not known during the development of the 2014-2015 Adopted Budget. A corresponding decrease to the Ending Fund Balance is also recommended to offset this action.				
<b>TOTAL M.D. #19 RIVER OAKS FUND (359)</b>			<b>\$0</b>	<b>\$0</b>
<b>M.D. #2 TRADE ZONE/LUNDY FD (354)</b>				
<b><i>Ending Fund Balance Adjustment</i></b>	Transportation		(\$40,000)	
This action decreases the Ending Fund Balance to offset the action recommended in this report.				

## Special/Capital Funds Recommended Budget Adjustments Summary 2014-2015 Mid-Year Budget Review

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
<b>M.D. #2 TRADE ZONE/LUNDY FD (354)</b>				
<b><i>Transportation Department Non-Personal/Equipment</i></b>	Transportation		\$40,000	
<p>This action increases the Non-Personal/Equipment appropriation in Maintenance Assessment District #2 (Trade Zone/Lundy) by \$40,000 (from \$111,000 to \$151,000) to fund the conversion of the current landscaping to drought tolerant plant material and the installation of a water efficient irrigation system. The project is eligible for a rebate of \$20,000 from the Santa Clara Valley Water District that will reimburse 50% of the project cost. The rebate is anticipated to be received this fiscal year, but due to potential uncertainty in the timing of the rebate, a corresponding decrease to the Ending Fund Balance for the full project cost is also recommended to offset this action.</p>				
<b>TOTAL M.D. #2 TRADE ZONE/LUNDY FD (354)</b>			<b>\$0</b>	<b>\$0</b>
<b>M.D. #21 GATEWAY FUND (356)</b>				
<b><i>Ending Fund Balance Adjustment</i></b>	Transportation		(\$100,000)	
<p>This action decreases the Ending Fund Balance to offset the action recommended in this report.</p>				
<b><i>Transportation Department Non-Personal/Equipment</i></b>	Transportation		\$100,000	
<p>This action increases the Non-Personal/Equipment appropriation in Maintenance Assessment District #21 (Gateway) by \$100,000 (from \$208,000 to \$308,000) to fund the conversion of the current landscaping to drought tolerant plant material. The project has been delayed due to staff turnover but is now ready to begin. A corresponding decrease to the Ending Fund Balance is also recommended to offset this action.</p>				
<b>TOTAL M.D. #21 GATEWAY FUND (356)</b>			<b>\$0</b>	<b>\$0</b>
<b>M.D. #5 ORCH PKY-PLUMRIA FD (357)</b>				
<b><i>Ending Fund Balance Adjustment</i></b>	Transportation		(\$20,000)	
<p>This action decreases Ending Fund Balance to offset the action recommended in this document.</p>				
<b><i>Transportation Department Non-Personal/Equipment</i></b>	Transportation		\$20,000	
<p>This action increases the Non-Personal/Equipment appropriation in Maintenance Assessment District #5 (Orchard/Plumeria) by \$20,000 (from \$103,000 to \$123,000) to fund the conversion of the current landscaping to drought tolerant plant material and the installation of a water efficient irrigation system. The project is eligible for a rebate from the Santa Clara Valley Water District that will reimburse a portion of the project cost. The rebate is anticipated to be received this fiscal year, but because the timing of when the rebate will be received is uncertain, a corresponding decrease to the Ending Fund Balance for the full project cost is also recommended to offset this action.</p>				
<b>TOTAL M.D. #5 ORCH PKY-PLUMRIA FD (357)</b>			<b>\$0</b>	<b>\$0</b>

## Special/Capital Funds Recommended Budget Adjustments Summary 2014-2015 Mid-Year Budget Review

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
<b>M.D. #9 S TERESA/GRT OAKS FD (362)</b>				
<b>Ending Fund Balance Adjustment</b>	Transportation		(\$40,000)	
This action decreases the Ending Fund Balance to offset the action recommended in this report.				
<b>Transportation Department Non-Personal/Equipment</b>	Transportation		\$40,000	
This action increases the Non-Personal/Equipment appropriation in Maintenance Assessment District #9 (Santa Teresa/Great Oaks) by \$40,000 (from \$114,000 to \$154,000) to fund higher than budgeted maintenance costs for baseline service levels. The contract for this district is renewed in November and the new amounts were not known during the development of the 2014-2015 Adopted Budget. A corresponding decrease to the Ending Fund Balance is also recommended to offset this action.				
<b>TOTAL M.D. #9 S TERESA/GRT OAKS FD (362)</b>			<b>\$0</b>	<b>\$0</b>
<b>MULTI-SOURCE HOUSING FD (448)</b>				
<b>Emergency Shelter Grants/Earned Revenue</b>	Housing		\$146,287	\$146,287
This action increases the Emergency Shelter Grants appropriation and corresponding estimate for Earned Revenue by \$146,287 (from \$630,000 to 776,000) to fund winter shelter operations. The Department of Housing and Urban Development notified the City that unspent funds from the City's 2010 grant are available for shelter grants with a spending deadline of April 2015.				
<b>Ending Fund Balance Adjustment</b>	Housing		(\$25,000)	
This action decreases the Ending Fund Balance to offset the actions recommended in this report.				
<b>HOPWA Grants/Earned Revenue</b>	Housing		\$6,252	\$6,252
This action increases the HOPWA Grants appropriation and corresponding estimate for Earned Revenue by \$6,252 (from \$862,000 to \$868,000) to align the budget with the remaining grant balance.				
<b>HOPWA SHAPPS/Earned Revenue</b>	Housing		\$12,000	\$12,000
This action increases the HOPWA SHAPPS appropriation to the Housing Department and corresponding estimate for Earned Revenue by \$12,000 (from \$440,000 to \$452,000) to align the budget and the Federal reimbursement with the remaining grant balance. In 2013-2014, the City received a \$1.3 million grant to be spent over three years for the Housing Opportunities for Persons with AIDS (HOPWA) Permanent Supporting Housing program.				
<b>Housing Department Non-Personal/Equipment (Contractual Services)</b>	Housing		\$25,000	
This action increases the Housing Department's Non-Personal/Equipment appropriation by \$25,000 (from \$420,000 to \$445,000) for contractual services to conduct additional research related to the Housing Impact Fee, as directed by the City Council on November 18, 2014.				

## Special/Capital Funds Recommended Budget Adjustments Summary 2014-2015 Mid-Year Budget Review

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
<b>MULTI-SOURCE HOUSING FD (448)</b>				
<b><i>Housing Project Reserve</i></b>	Housing		(\$3,526,000)	
This action decreases the Housing Project Reserve to transfer \$3.5 million of the \$5.1 million received in 2012-2013 in a Children's Shelter settlement. This action is necessary to properly account for County bond obligations associated with the project that were repaid and must be treated like low and moderate income housing assets when committed in the future for affordable housing projects. Associated transfers to the Housing Trust Fund and the Low and Moderate Income Housing Asset Fund are also recommended in this report.				
<b><i>Transfer to the Housing Trust Fund</i></b>	Housing		\$1,700,000	
This action establishes a Transfer to the Housing Trust Fund to transfer \$1.7 million of the \$5.1 million received in 2012-2013 from a Children's Shelter settlement. This action is necessary to properly account for County bond obligations associated with the project that were repaid and must be treated like low and moderate income housing assets when committed in the future for affordable housing projects.				
<b><i>Transfer to the Low and Moderate Income Housing Asset Fund</i></b>	Housing		\$1,826,000	
This action establishes a Transfer to the Low and Moderate Income Housing Asset Fund to transfer \$1.8 million of the \$5.1 million received in 2012-2013 from a Children's Shelter settlement. This action is necessary to properly account for County bond obligations associated with the project that were repaid and must be treated like low and moderate income housing assets when committed in the future for affordable housing projects.				
<b>TOTAL MULTI-SOURCE HOUSING FD (448)</b>			<b>\$164,539</b>	<b>\$164,539</b>
<b>MUNICIPAL GOLF COURSE FUND (518)</b>				
<b><i>Ending Fund Balance Adjustment</i></b>	Parks, Rec, & Neigh Svcs		(\$25,000)	
This action decreases the Ending Fund Balance to offset the actions recommended in this report.				

## Special/Capital Funds Recommended Budget Adjustments Summary 2014-2015 Mid-Year Budget Review

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
<b>MUNICIPAL GOLF COURSE FUND (518)</b>				
<p><b><i>Los Lagos Golf Course/Earned Revenue</i></b></p> <p>This action increases the Los Lagos Golf Course appropriation by \$275,000 (from \$275,000 to \$550,000) and eliminates the Los Lagos Golf Course Earned Revenue estimate of \$50,000 in the Municipal Golf Course Fund. The appropriation covers payments to the course operator in months when course fees are unable to cover the fixed costs of operating the facility. These payments are tracking to exceed the budget due to larger operating losses. The 2014-2015 revenue estimate reflects the projected net revenues in some months when revenues were expected to exceed expenses and was originally built on the assumption that revenue collections at Los Lagos would remain flat at the 2011-2012, 2012-2013, and the 2013-2014 modified revenue estimate levels. However, actual performance in 2014-2015 fell below expectations, with no net revenues collected through December. The downward trend in revenue combined with the upward trend in expenditures experienced in 2014-2015 at Los Lagos supports the need for these budget adjustments. Elsewhere in this report, an increase to the Transfer from the General Fund and a decrease to the Ending Fund Balance are also recommended to offset these actions. The Parks, Recreation and Neighborhood Services Department, in collaboration with the course operator, is closely analyzing activity tracking and trends as well as course operating expenditures to better understand the overall performance of the golf course. In addition, a review of the Municipal Golf Course Fund has been approved to be in the City Auditor's 2014-2015 Audit Work Plan.</p>	Parks, Rec, & Neigh Svcs		\$275,000	(\$50,000)
<p><b><i>Transfer from the General Fund</i></b></p> <p>This action increases the Transfer to the Municipal Golf Course Fund from the General Fund by \$300,000 (from \$1.9 million to \$2.2 million), bringing the General Fund subsidy level above the 2013-2014 level of \$2.0 million. During 2014-2015, performance in the Municipal Golf Course Fund has not been meeting expectations, primarily due to lower activity and higher costs at the Los Lagos Golf Course. With declining revenues and increasing golf course maintenance expenditures, it is anticipated that net operating losses at Los Lagos Golf Course could total \$550,000 at year-end. The Parks, Recreation and Neighborhood Services Department, in collaboration with the course operator, is closely analyzing activity tracking and trends as well as course operating expenditures to better understand the overall performance of the golf course. In addition, a review of the Municipal Golf Course Fund has been approved to be in the City Auditor's 2014-2015 Audit Work Plan. To account for actual performance in this Fund, this action recommends an increase to the transfer to the Municipal Golf Course Fund from the General Fund to ensure sufficient fund balance remains in 2014-2015. This increase would add to the \$300,000 increase approved as part of the 2013-2014 Annual Report actions.</p>	Parks, Rec, & Neigh Svcs			\$300,000
<b>TOTAL MUNICIPAL GOLF COURSE FUND (518)</b>			<b>\$250,000</b>	<b>\$250,000</b>

# Special/Capital Funds Recommended Budget Adjustments Summary

## 2014-2015 Mid-Year Budget Review

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
<b>NEIGHBHD SECURITY BOND FD (475)</b>				
<b><i>Earned Revenue</i></b>	Public Safety Capital Program			\$525,000
This action increases the Earned Revenue estimate by \$525,000 (from \$3.3 million to \$3.9 million). This adjustment is recommended to recognize a payment received by the City related to the construction of Fire Station 24 and the settlement agreement reached between The Guarantee Company of North America and the City of San José.				
<b><i>Ending Fund Balance Adjustment</i></b>	Public Safety Capital Program		\$475,000	
This action increases the Ending Fund Balance by \$475,000 to offset the actions recommended in this report.				
<b><i>South San José Police Substation</i></b>	Public Safety Capital Program		\$50,000	
This action increases the South San José Police Substation appropriation by \$50,000 (from \$105,000 to \$155,000) in order to fund continued work resolving outstanding issues related to the design of the South San José Police Substation by the Public Works Department. An action to increase Earned Revenue is recommended above to offset this action.				
<b>TOTAL NEIGHBHD SECURITY BOND FD (475)</b>			<b>\$525,000</b>	<b>\$525,000</b>
<b>PARKS &amp; REC BOND PROJ FD (471)</b>				
<b><i>Arcadia Softball Complex</i></b>	Parks & Comm Fac Dev Capital Program		\$244,000	
This action increases the Arcadia Softball Complex project by \$244,000. A corresponding action is recommended elsewhere in this report to eliminate the Softball Complex Design allocation. These actions allow for all costs related to the design and construction of the Arcadia Softball Complex to be consolidated into one appropriation.				
<b><i>Softball Complex Design</i></b>	Parks & Comm Fac Dev Capital Program		(\$244,000)	
This action eliminates the Softball Complex Design allocation. A corresponding action to allocate this funding to the Arcadia Softball Complex project is recommended elsewhere in this report. These actions allow for all costs related to the design and construction of the Arcadia Softball Complex to be consolidated into one appropriation.				
<b>TOTAL PARKS &amp; REC BOND PROJ FD (471)</b>			<b>\$0</b>	<b>\$0</b>
<b>STORM SEWER OPERATING FD (446)</b>				
<b><i>Ending Fund Balance Adjustment</i></b>	Environmental Services		(\$100,000)	
This action decreases the Ending Fund Balance by \$100,000 to offset the action recommended in this report.				
<b><i>Workers' Compensation Claims</i></b>	Human Resources		\$100,000	
This action increases the Workers' Compensation Claims appropriation by \$100,000 (from \$86,000 to \$186,000) to reflect increased workers' compensation payments. This action will ensure funding is available to pay current and potential workers' compensation claims in 2014-2015. A corresponding decrease to the Ending Fund Balance to offset this action is also recommended elsewhere in this report.				
<b>TOTAL STORM SEWER OPERATING FD (446)</b>			<b>\$0</b>	<b>\$0</b>

## Special/Capital Funds Recommended Budget Adjustments Summary 2014-2015 Mid-Year Budget Review

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
<b>SUBDIVISION PARK TRUST FUND (375)</b>				
<b><i>Bramhall Park Restroom and Concession Building</i></b>	Parks & Comm Fac Dev Capital Program		\$120,000	
This action establishes the Bramhall Park Restroom and Concession Building project. This project provides funding for the design of a new restroom/concession/storage building at Branham Park, which will be approximately 1,100 square feet. It is anticipated the design work will be completed by late June and construction will begin in summer 2015. A corresponding action to decrease the Bramhall Park Restroom and Concession Building Reserve is recommended elsewhere in this report.				
<b><i>Bramhall Park Restroom and Concession Building Reserve</i></b>	Parks & Comm Fac Dev Capital Program		(\$120,000)	
This action decreases the Bramhall Park Restroom and Concession Building Reserve by \$120,000. A corresponding recommendation is included in this report to allocate this funding to the Bramhall Park Restroom and Concession Building project.				
<b><i>Branham Park Playground Renovation</i></b>	Parks & Comm Fac Dev Capital Program		\$86,000	
This action increases the Branham Park Playground Renovation project by \$86,000. Currently, a total of \$367,000 is allocated in the Subdivision Park Trust Fund for this project. An additional \$100,000 (\$86,000 in the Subdivision Park Trust Fund and \$14,000 in the Council District 9 Construction and Conveyance Tax Fund) is necessary to allow for additional input from the community and the Council District 9 Office to be incorporated into the project scope. The additional project elements include constructing fence improvements, renovating the play area and adding swings, planting additional shading trees, installing additional security lighting, and replacing the decomposed gravel pathway with a porous concrete. This action increases the project budget by \$86,000 in the Subdivision Park Trust Fund. An additional recommendation is included elsewhere in this report to allocate \$14,000 to the Branham Park Playground Renovation project in the Council District 9 Construction and Conveyance Tax Fund. A decrease to the Future PDO/PIO Projects Reserve is recommended elsewhere in this report to offset this action.				
<b><i>Essex Park</i></b>	Parks & Comm Fac Dev Capital Program		\$140,000	
This action establishes a new allocation totaling \$140,000 for Essex Park. This action provides funding to hire a consultant to develop a master plan and design the new 2.4 acre neighborhood park, which is located in Council District 4. It is anticipated that additional funding for the construction of the Essex Park will be allocated through the 2015-2016 Proposed Capital Budget. Corresponding actions to decrease the Essex Park Master Plan (\$40,000) and Essex Park Development Reserve (\$100,000) are recommended elsewhere in this report.				
<b><i>Essex Park Development Reserve</i></b>	Parks & Comm Fac Dev Capital Program		(\$100,000)	
This action decreases the Essex Park Development Reserve by \$100,000. A corresponding recommendation is included in this report to allocate this funding for master planning and design costs associated with the development of Essex Park.				



## Special/Capital Funds Recommended Budget Adjustments Summary 2014-2015 Mid-Year Budget Review

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
<b>SUBDIVISION PARK TRUST FUND (375)</b>				
<b><i>Essex Park Master Plan</i></b>	Parks & Comm Fac Dev Capital Program		(\$40,000)	
This action eliminates the Essex Park Master Plan project. A corresponding recommendation is included in this report to allocate this funding for master planning and design costs associated with the development of Essex Park.				
<b><i>Future PDO/PIO Projects Reserve</i></b>	Parks & Comm Fac Dev Capital Program		(\$86,000)	
This action decreases the Future PDO/PIO Projects Reserve by \$86,000 to offset actions recommended in this report.				
<b><i>Richardson Park Design Review and Inspection/Earned Revenue</i></b>	Parks & Comm Fac Dev Capital Program		\$261,000	\$261,000
This action establishes a new allocation totaling \$261,000 for design review and inspection costs related to Richardson Park. Once completed, the 2.0 acre neighborhood park will include volleyball and basketball courts, picnic areas with barbecues, shade structures, a large open turf, game tables, and a performance art stage or platform. As fulfillment of its parkland dedication ordinance obligation, Richardson Park is being designed and constructed by a developer, with the developer also providing funding to the City for the design review and inspection of the park. A corresponding action is recommended to recognize the revenue received from the developer for these costs.				
<b>TOTAL SUBDIVISION PARK TRUST FUND (375)</b>			<b>\$261,000</b>	<b>\$261,000</b>
<b>SUPPL LAW ENF SVCES FUND (414)</b>				
<b><i>SLES Grant 2013-2015/Earned Revenue</i></b>	Police		\$232,482	\$232,482
This action recognizes and appropriates payments from the State of California for the 2013-2015 SLES Grant (\$232,482). Funding will be used in accordance with the spending plan that was approved by the City Council on March 25, 2014. The spending plan allocates funding for department technology upgrades, officer safety equipment, substation Furniture, Fixtures, & Equipment (FF&E), and grant administration.				
<b>TOTAL SUPPL LAW ENF SVCES FUND (414)</b>			<b>\$232,482</b>	<b>\$232,482</b>
<b>TRANSIENT OCCUPANCY TX FD (461)</b>				
<b><i>Cultural Grants</i></b>	Economic Development		(\$65,000)	
This action decreases the Cultural Grants appropriation by \$65,000 (from \$5.7 million to \$5.6 million) to fund two temporary positions, from the Cultural Grants Administration appropriation, through June 30, 2015. Due to urgent cultural facility needs, such as the Repertory Theater bankruptcy, the Children's Discovery Museum expansion, and Council-directed projects such as the Levitt Pavilion exploratory work, core cultural workplan priorities have been delayed. These positions will enable staff to focus on high level cultural priorities. A corresponding action to increase the Cultural Grants Administration appropriation is recommended to offset this action.				

## Special/Capital Funds Recommended Budget Adjustments Summary 2014-2015 Mid-Year Budget Review

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
<b>TRANSIENT OCCUPANCY TX FD (461)</b>				
<b><i>Cultural Grants Administration</i></b>	Economic Development		\$65,000	
<p>This action increases the Cultural Grants Administration appropriation by \$65,000 (from \$1.57 million to \$1.65 million) to fund two temporary positions through June 30, 2015. Due to urgent cultural facility needs, such as the Repertory Theater bankruptcy, the Children’s Discovery Museum expansion, and Council-directed projects such as the Levitt Pavilion exploratory work, core cultural workplan priorities have been delayed. These positions will enable staff to focus on high level cultural priorities. A corresponding action to decrease the Cultural Grants appropriation is recommended to offset this action.</p>				
<b><i>Future Distribution Reserve/Earned Revenue</i></b>	Revenue Adjustments		\$1,942,000	\$1,942,000
<p>This action establishes a reserve in the Transient Occupancy Tax Fund in the amount of \$1.9 million for future distribution to the following: the Convention and Cultural Affairs Fund (\$971,000), San José Convention and Visitors Bureau (\$485,500), and the Cultural Grants appropriation (\$485,500). Also recommended is an action to increase the Transient Occupancy Tax Earned Revenue estimate by \$1.9 million (from \$17.7 million to \$19.6 million) due to increased Transient Occupancy Tax revenue receipts, which continue to track well above prior year and current budgeted levels. Based on year-to-date collections, it is currently estimated that revenue growth of approximately 10% from the 2013-2014 collection levels will be realized by year-end compared to a budgeted estimate of 5%. A corresponding increase is recommended in the General Fund, which receives 40% of this tax. Further detail regarding the performance of the Transient Occupancy Tax Fund can be found in Section II, Status of Selected Special and Capital Funds, of this report.</p>				
<b>TOTAL TRANSIENT OCCUPANCY TX FD (461)</b>			<b>\$1,942,000</b>	<b>\$1,942,000</b>
<b>WATER UTILITY CAPITAL FUND (500)</b>				
<b><i>Ending Fund Balance Adjustment</i></b>	Water Utility Sys Capital Program		(\$400,000)	
<p>This action decreases the Ending Fund Balance by \$400,000 to offset the action recommended in this report.</p>				

## Special/Capital Funds Recommended Budget Adjustments Summary 2014-2015 Mid-Year Budget Review

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
<b>WATER UTILITY CAPITAL FUND (500)</b>				
<b><i>Safety and Security Improvements</i></b>	Water Utility Sys Capital Program		\$400,000	
<p>This action establishes the Safety and Security Improvements appropriation in the amount of \$400,000. Over the past few years, Muni Water has experienced multiple security breaches at many of the water facility pump stations, resulting in pumps and wells that were not operable. The recommended funding would allow Muni Water to install enhanced security features to deter future forced entries, such as fencing at Fowler Reservoir (\$80,000), concrete block walls around Edenvale Wells (\$242,000), and fencing repairs at Slopeview Reservoir (\$15,000). In addition, Environmental Services Department safety staff have conducted a safety assessment of operations and facilities. The recommended funding also includes improvements for employees' confined space entry and fall prevention protection, such as the installation of safety railing at Fowler and Slopeview Reservoirs (\$43,000). An additional \$20,000 is included as a contingency. This funding is expected to be the first part of a multi-year safety and security plan, the rest of which is expected to be brought forward during the development of the 2016-2020 Capital Improvement Program. A corresponding decrease to the Ending Fund Balance to offset this action is also recommended elsewhere in this report.</p>				
<b>TOTAL WATER UTILITY CAPITAL FUND (500)</b>			<b>\$0</b>	<b>\$0</b>
<b>WATER UTILITY FUND (515)</b>				
<b><i>Ending Fund Balance Adjustment</i></b>	Environmental Services		(\$75,000)	
<p>This action decreases the Ending Fund Balance by \$75,000 to offset the action recommended in this report.</p>				
<b><i>Environmental Services Department Non-Personal/Equipment (Muni Water Conservation Program)</i></b>	Environmental Services		\$75,000	
<p>This action increases the Environmental Services Department Non-Personal/Equipment appropriation by \$75,000 to ensure success and continued participation in water conservation programs and to meet water use reduction goals. This increase would help fund the Water Conservation program's cost-sharing agreement with the Santa Clara Valley Water District, to be used for San José residents' participation in rebate programs. A corresponding decrease to the Ending Fund Balance to offset this action is also recommended elsewhere in this report.</p>				
<b>TOTAL WATER UTILITY FUND (515)</b>			<b>\$0</b>	<b>\$0</b>