

Special/Capital Funds Recommended Budget Adjustments Summary

Annual Report 2013-2014

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
AIRPORT MAINT & OPER FUND (523)				
<p><i>Non-Personal/Equipment (Air Service Incentive Program)</i></p> <p>This action increases the Non-Personal/Equipment appropriation to the Airport Department by \$941,736, to implement the Air Service Incentive Program. Under this program, as specified in the Council approved Airline-Airport Lease and Operations Agreements, the Airport overhead expenses shall be reduced by the amount of passenger growth above the FAA's projection in the following year. The percentage growth of passenger enplanements in 2013-2014 (6.7%) at the Airport exceeded the FAA's projection of passenger growth (0.8%), thus triggering a reduction to the overhead reimbursement. The Airport will return \$941,736 to the airlines in 2014-2015.</p>	Airport		\$941,736	
<p><i>Non-Personal/Equipment (Consultant Services for Disadvantaged Business Enterprise Program)</i></p> <p>This action increases the Non-Personal/Equipment appropriation to the Airport Department by \$120,000 for a consultant agreement to develop a Disadvantaged Business Enterprise (DBE) Program at the Airport. The development of a DBE program at the Airport will meet the Federal Aviation Administration (FAA) requirement, minimize concerns related to minority discrimination in the award and administration of construction projects, and allow the Airport to remain eligible to receive federal grant funding from the FAA's Airport Improvement Program for various projects. A corresponding decrease to the Operations Contingency appropriation is recommended to offset this action.</p>	Airport		\$120,000	
<p><i>Non-Personal/Equipment (International Smarte Carte Services)</i></p> <p>This action increases the Non-Personal/Equipment appropriation to the Airport Department by \$45,000 to provide luggage cart services for international passengers. This ongoing self-serve luggage cart service will be available to deplaning international passengers at no additional cost starting in 2014-2015. A corresponding decrease to the Operations Contingency appropriation is recommended to offset this action.</p>	Airport		\$45,000	
<p><i>Operations Contingency</i></p> <p>This action decreases the Operations Contingency appropriation to offset actions recommended in this report.</p>	Airport		(\$335,453)	

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AIRPORT MAINT & OPER FUND (523)				
<i>Transfer to General Fund (Air Service Incentive Program)</i>	Airport		(\$941,736)	
<p>This action decreases the Airport Overhead transfer to the General Fund by \$941,736. In 2013-2014, the percentage growth in annual enplanements at the Airport was 6.7%, which exceeded the Federal Aviation Administration's (FAA) projection of 0.8% for national enplanement growth. This increase in passenger enplanements triggered the Airport to activate the Municipally-Funded Air Service Incentive Program, a provision in the Airline-Airport Lease and Operating Agreements that was approved by the City Council in March 2007. The original term of these Agreements was through June 30, 2012, with one five-year option to extend the Agreements through June 30, 2017. In August 2011, the City Council approved the option to extend these Agreements through June 30, 2017. Under the provision, if the percentage growth in annual enplanements at the Airport exceeds the growth in annual enplanements nationwide, the City shall reduce the amount of its indirect overhead expenses in the following fiscal year by a corresponding percentage. In order to comply with the provision of the Agreements, the overhead reimbursement from the Airport Maintenance and Operation Fund to the General Fund will be reduced by 5.9 percentage points (from the Adopted Budget overhead rate of 23.8% to 17.9%), or \$941,736, in 2014-2015. Corresponding actions in the General Fund are recommended to reflect the reduction to the overhead reimbursement.</p>				
<i>Workers' Compensation Claims</i>	Airport		\$170,453	
<p>This action increases the Workers' Compensation Claims appropriation by \$170,453 to reflect increased workers' compensation liability at the Airport. Based on a current actuarial report, this action will ensure funding is available to pay potential workers' compensation claims in 2014-2015. A corresponding decrease to the Operations Contingency appropriation is recommended to offset this action.</p>				
TOTAL AIRPORT MAINT & OPER FUND (523)			\$0	\$0
AIRPORT RENEW & REPL FUND (527)				
<i>Advanced Planning</i>	Airport Capital Program		\$218,000	
<p>This action increases the Advanced Planning appropriation by \$218,000 to fund an economic impact study and an environmental study for future development opportunities at the Airport. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.</p>				

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AIRPORT RENEW & REPL FUND (527)				
<i>Blue Dot Furniture Replacement</i>	Airport Capital Program		\$50,000	
<p>This action establishes the Blue Dot Furniture Replacement appropriation in the amount of \$50,000. This funding will replace furniture in the Blue Dot meet and greet area located in the pre-security section of Terminal A. The existing furniture will be relocated to the gate hold room areas, where there is a need for additional seating as a result of increased passenger activity. This replacement furniture will ensure that an aesthetically appealing environment is available for airport users waiting to pick up arriving passengers as well as provide the additional seating needed in the gate hold room areas. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.</p>				
<i>Ending Fund Balance Adjustment</i>	Airport Capital Program		(\$366,000)	
<p>This action decreases the Ending Fund Balance to offset the actions recommended in this report.</p>				
<i>K-9 Vehicle Replacement</i>	Airport Capital Program		\$20,000	
<p>This action increases the K-9 Vehicle Replacement appropriation by \$20,000 to fund higher than anticipated costs of replacing one K-9 vehicle used by the San José Police Department at the Airport. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.</p>				
<i>Power Chair Upgrade</i>	Airport Capital Program		\$78,000	
<p>This action establishes the Power Chair Upgrade appropriation in the amount of \$78,000. This funding will upgrade the existing 245 power chairs and 1,000 power outlets from 1 amp to 3 amps of power. The existing chairs do not provide the necessary power to support various devices utilized by business travelers and airport users. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.</p>				
TOTAL AIRPORT RENEW & REPL FUND (527)			\$0	\$0
BLDG & STRUCT CONST TAX FD (429)				
<i>Earned Revenue - Metropolitan Transportation Commission</i>	Traffic Capital Program			(\$789,000)
<p>This action decreases the revenue estimate for grant funding from the Metropolitan Transportation Commission which provides funding for The Alameda - A Plan for the Beautiful Way project. As part of the development of the 2014-2015 Adopted Capital Budget, revenues were programmed to be received in 2014-2015; however, \$789,000 of the programmed revenues was received in 2013-2014. A corresponding decrease to the Ending Fund Balance to offset this action is also recommended in this report.</p>				
<i>Ending Fund Balance Adjustment</i>	Traffic Capital Program		(\$1,973,000)	
<p>This action decreases the Ending Fund Balance to offset the actions recommended in this report.</p>				

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BLDG & STRUCT CONST TAX FD (429)				
<i>McLaughlin Avenue Pedestrian/Bike Safety Enhancements</i>	Traffic Capital Program		\$534,000	
This action establishes the McLaughlin Avenue Pedestrian/Bike Safety Enhancements project in the amount of \$534,000 to create a safe walking and biking environment on McLaughlin Avenue between Story Road and Capitol Expressway. Project elements include installing Americans with Disabilities Act ramps, flashing beacons with median island refuges, consolidation and upgrade of bus stops along the corridor, and installing enhanced crosswalks for pedestrian and bike safety. The project was originally anticipated to be grant funded, but the application was not approved; therefore, it is recommended to be allocated from the Ending Fund Balance. A decrease to the Ending Fund Balance to offset this action is also recommended elsewhere in this report.				
<i>Route 280/880/Stevens Creek Upgrade</i>	Traffic Capital Program		\$200,000	
This action increases the Route 280/880 Stevens Creek Upgrade appropriation by \$200,000 to \$360,000. Additional funding is needed due to higher than anticipated construction oversight as the project encompasses three different intersections. A decrease to the Ending Fund Balance to offset this action is also recommended elsewhere in this report.				
<i>Traffic Signal Installation - Douglas and Meridian</i>	Traffic Capital Program		\$450,000	
This action establishes the Traffic Signal Installation - Douglas and Meridian project in the amount of \$450,000 to construct a new traffic signal at the intersection of Douglas Street and Meridian Avenue. This is a high priority road safety project, which will provide an East-West bicycle corridor connection. A decrease to the Ending Fund Balance to offset this action is also recommended elsewhere in this report.				
TOTAL BLDG & STRUCT CONST TAX FD (429)			(\$789,000)	(\$789,000)
BUSINESS IMPVT DIST FUND (351)				
<i>Ending Fund Balance Adjustment (Unrestricted – Downtown BID)</i>	Economic Development		(\$99,000)	
This action decreases the Ending Fund Balance for Downtown Business Improvement District by \$99,000 to offset the action recommended in this report.				
<i>Ending Fund Balance Adjustment (Unrestricted – Hotel BID)</i>	Economic Development		(\$808,000)	
This action decreases the Ending Fund Balance for Hotel Business Improvement District by \$808,000 to offset the action recommended in this report.				
<i>Ending Fund Balance Adjustment (Unrestricted – Willow Glen CBID)</i>	Economic Development		(\$72,000)	
This action decreases the Ending Fund Balance for Willow Glen Community Benefit District by \$72,000 to offset the action recommended in this report.				

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<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
BUSINESS IMPVT DIST FUND (351)				
<i>Downtown Business Improvement District</i>	Finance		\$99,000	
<p>This action increases the Downtown Business Improvement District appropriation by \$99,000 to reflect the allocation of prior year assessments collected from the Downtown Business Improvement District (BID) that have previously been held in an earmarked reserve. The Downtown BID will use these funds for the maintenance of parking facilities, aesthetic enhancements, and promotion of public events and general business activities. A corresponding decrease to the Ending Fund Balance for Downtown BID is recommended to offset this action.</p>				
<i>Hotel Business Improvement District</i>	Finance		\$808,000	
<p>This action increases the Hotel Business Improvement District appropriation by \$808,000 to reflect the allocation of prior year assessments collected from the Hotel Business Improvement District (BID) that have previously been held in an earmarked reserve. The Hotel BID will use these funds for maintenance of parking facilities, aesthetic enhancements, and promotion of public events and general business activities. A corresponding decrease to the Ending Fund Balance for Hotel BID is recommended to offset this action.</p>				
<i>Willow Glen Community Benefit District</i>	Public Works		\$72,000	
<p>This action increases the Willow Glen Community Benefit District appropriation by \$72,000 to reflect the allocation of prior year assessments collected from the Willow Glen Community Benefit District (CBD) that have previously been held in an earmarked reserve. The Willow Glen CBD will use these funds for maintenance of parking facilities, aesthetic enhancements, and promotion of public events and general business activities. A corresponding decrease to the Ending Fund Balance for Willow Glen CBID is recommended to offset this action.</p>				
TOTAL BUSINESS IMPVT DIST FUND (351)			\$0	\$0
CITY HALL DEBT SERVICE FUND (210)				
<i>City Hall Debt Service</i>	Finance		(\$2,000)	
<p>This action decreases the City Hall Debt Service appropriation by \$2,000. Currently, there are funds being held by the trustee which will be applied towards the debt service payment this fiscal year, resulting in savings in this appropriation.</p>				
<i>City Hall Garage Debt Service</i>	Finance		(\$16,000)	
<p>This action decreases the City Hall Garage Debt Service appropriation by \$16,000. Currently, there are funds being held by the trustee which will be applied towards the debt service payment this fiscal year, resulting in savings in this appropriation.</p>				
<i>Ending Fund Balance Adjustment</i>	Finance		\$18,000	
<p>This action increases the Ending Fund Balance to offset the actions recommended in this report.</p>				

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<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
CITY HALL DEBT SERVICE FUND (210)				
Transfer from General Fund/Ending Fund Balance	Finance		\$40,000	\$40,000
<p>This action increases the Transfer from the General Fund to the City Hall Debt Service Fund. In 2013-2014, the actual interest earnings were lower than the estimate assumed in the development of the 2014-2015 Adopted Operating Budget, resulting in a lower than anticipated 2013-2014 Ending Fund Balance/2014-2015 Beginning Fund Balance. This recommended action will ensure that the City Hall Debt Service Fund will not end the year with a negative ending fund balance. An offsetting increase to the Ending Fund Balance is also recommended.</p>				
TOTAL CITY HALL DEBT SERVICE FUND (210)			\$40,000	\$40,000
CIVIC CENTER CONST FUND (425)				
City Hall Construction Close-Out	Muni Improvements Capital Program		\$600	
<p>This action increases the City Hall Construction Close-Out appropriation by \$600 for waterproofing repairs at City Hall. This action allocates the remaining funds in the Civic Center Construction Fund.</p>				
Ending Fund Balance Adjustment	Muni Improvements Capital Program		(\$600)	
<p>This action decreases the Ending Fund Balance to offset the action recommended in this report.</p>				
TOTAL CIVIC CENTER CONST FUND (425)			\$0	\$0
COMM DEV BLOCK GRANT FUND (441)				
Environmental Services Department Neighborhood Infrastructure Improvements	Environmental Services		\$50,000	
<p>This action establishes the Environmental Services Department Neighborhood Infrastructure Improvements appropriation to the Environmental Services Department. The appropriation will provide funding for the Art Walk project, which is an interactive multimedia art exhibit proposed to start at San José High School and end at Olinder Elementary School, and proceed to Coyote Creek.</p>				
Capital Projects Reserve	Housing		\$2,000,000	
<p>This action establishes a Capital Projects Reserve in the amount of \$2,000,000 to fund community development initiatives in the Consolidated Plan 2015-2020 currently in development.</p>				
Ending Fund Balance Adjustment	Housing		(\$842,301)	
<p>This action decreases the Ending Fund Balance to offset actions recommended in this report.</p>				
Housing Rehabilitation Loans and Grants	Housing		(\$1,157,699)	
<p>This action decreases the Housing Rehab Loans and Grants appropriation by \$1,157,699. The Department's limited rehabilitation program, which provides financial resources and technical assistance to San José's lower-income residents, will be funded by the CalHome (Rehabilitation) Program appropriation in the Multi-Source Housing Fund instead.</p>				

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COMM DEV BLOCK GRANT FUND (441)				
<i>Neighborhood Infrastructure Improvements</i>	Housing		\$601,500	
<p>This action increases the Neighborhood Infrastructure Improvements appropriation by \$601,500 from \$388,500 to \$990,000. During the development of the 2014-2015 Adopted Operating Budget, funding was split evenly between the Department of Transportation, the Housing Department, and the Public Works Department until specific projects could be identified for the three Place-Based Strategy Neighborhoods. Staff conducted the public hearing process to discuss the priorities for Community Development Block Grant infrastructure and facilities funds. This report recommends various net-zero shifts to align funding with the Departments that will be administering the identified projects. The Housing Department will utilize funds for the following projects identified by the communities: Place Based Neighborhood Projects (\$300,000) to improve infrastructure such as community gardens and lighting; Educare Play Structure in the Santee neighborhood (\$260,000); Rehabilitation of the Head Start building in the Santee neighborhood (\$250,000), and Multi-Family Rehabilitation grants to homeowners for home improvements (\$180,000).</p>				
<i>Public Works Neighborhood Infrastructure Improvements</i>	Public Works		(\$388,500)	
<p>This action decreases the Public Works Neighborhood Infrastructure Improvements appropriation by \$388,500 from \$388,500 to \$0. During the development of the 2014-2015 Adopted Operating Budget, funding was split evenly between the Department of Transportation, the Housing Department, and the Public Works Department until specific projects could be identified for the three Place-Based Strategy Neighborhoods. Staff conducted the public hearing process to discuss the priorities for Community Development Block Grant infrastructure and facilities funds. This report recommends various net-zero shifts to align funding with the Departments that will be administering the identified projects. During this process it was determined that the Public Work Department will not administer any of the identified projects.</p>				
<i>Transportation Neighborhood Infrastructure Improvements</i>	Transportation		(\$263,000)	
<p>This action decreases the Transportation Neighborhood Infrastructure Improvements appropriation by \$263,000 from \$388,500 to \$125,500. During the development of the 2014-2015 Adopted Operating Budget, funding was split evenly between the Department of Transportation, the Housing Department, and the Public Works Department until specific projects could be identified for the three Place-Based Strategy Neighborhoods. Staff conducted the public hearing process to discuss the priorities for Community Development Block Grant infrastructure and facilities funds. This report recommends various net-zero shifts to align funding with the Departments that will be administering the identified projects. The Department of Transportation will utilize the remaining funds (\$125,500) for a conversion to LED streetlights in the three neighborhoods.</p>				
TOTAL COMM DEV BLOCK GRANT FUND (441)			\$0	\$0

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CONST/CONV TAX COMM FUND (397)				
<i>Communications Equipment Replacement and Upgrade</i>	Communications Capital Program		\$300,000	
This action increases the Communications Equipment Replacement and Upgrade appropriation by \$300,000 to provide additional funding for necessary radio upgrades. Savings from the City-wide Trunking Radio System appropriation are recommended to be reallocated to the Communications Equipment Replacement and Upgrade appropriation in order to help accelerate the purchase of radios in preparation for the Silicon Valley Regional Communications System. This funding will allow for the purchase of approximately 60 dual-band radios for Public Safety.				
<i>Ending Fund Balance Adjustment</i>	Communications Capital Program		(\$300,000)	
This action decreases the Ending Fund Balance to offset the actions recommended in this report.				
TOTAL CONST/CONV TAX COMM FUND (397)			\$0	\$0
CONST/CONV TAX PK CD 3 FUND (380)				
<i>Ending Fund Balance Adjustment</i>	Parks & Comm Fac Dev Capital Program		(\$100,000)	
This action decreases the Ending Fund Balance to offset the action recommended in this report.				
<i>St. James Park Improvements</i>	Parks & Comm Fac Dev Capital Program		\$100,000	
This action establishes the St. James Park Improvements project for \$100,000. This project provides funding to implement recommendations made by the Saint James Park Task Force. Project elements may include upgrading the existing lighting, removing the old fountain, renovating the play structure, replacing the trash receptacles, refurbishing the park benches, and replacing the drinking fountains. Additional funding of \$50,000 is allocated in 2014-2015 in the Park Trust Fund, bringing the total project budget to \$150,000. A corresponding decrease to the Council District 3 Construction and Conveyance Tax Fund Ending Fund Balance is recommended elsewhere in this report to offset this action.				
TOTAL CONST/CONV TAX PK CD 3 FUND (380)			\$0	\$0
CONST/CONV TAX PK CD 6 FUND (384)				
<i>Ending Fund Balance Adjustment</i>	Parks & Comm Fac Dev Capital Program		(\$1,230,000)	
This action decreases the Ending Fund Balance to offset the actions recommended in this report.				

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CONST/CONV TAX PK CD 6 FUND (384)				
TRAIL: Three Creeks (Lonus Street to Guadalupe River) Design	Parks & Comm Fac Dev Capital Program		\$805,000	
<p>This action establishes the TRAIL: Three Creeks (Lonus Street to Guadalupe River) Design allocation in the amount of \$805,000. This project provides funding to support the preparation of construction documents for the Three Creeks Trail from Lonus Street (Los Gatos Creek) to the Guadalupe River. Once completed, this trail segment would include a paved trail, landscaping, gateway elements, and interpretive signage. The complete trail project is estimated to be \$3.0 million, of which \$1.0 million will be reimbursed under the Urban Greening for Sustainable Communities Grant program (California State Natural Resources Agency). Of the \$1.0 million grant, \$250,000 may be reimbursed for design costs. Therefore, once design is complete, and grant funding is received, the Council District 6 Construction and Conveyance Tax Fund Ending Fund Balance will be reimbursed accordingly. A reduction to the Council District 6 Construction and Conveyance Tax Ending Fund Balance is recommended elsewhere in this report to offset this action.</p>				
TRAIL: Three Creeks Pedestrian Bridge EIR	Parks & Comm Fac Dev Capital Program		\$425,000	
<p>This action establishes the TRAIL: Three Creeks Pedestrian Bridge EIR project in the amount of \$425,000. This project provides funding to prepare an Environmental Impact Report (EIR) on an existing pedestrian bridge near the Three Creeks Trail. This project is being done in response to a lawsuit that was brought against the City claiming the bridge could not be removed, it is a historic site. As a result, the Superior Court ruled that an EIR be prepared to determine the merits of the bridge qualifying as a historic site. A reduction to the Council District 6 Construction and Conveyance Tax Ending Fund Balance is recommended elsewhere in this report to offset this action.</p>				
TOTAL CONST/CONV TAX PK CD 6 FUND (384)			\$0	\$0
CONST/CONV TAX PK CD 7 FUND (385)				
ACE Charter School (Franklin McKinley) Reserve	Parks & Comm Fac Dev Capital Program		(\$250,000)	
<p>This action eliminates the ACE Charter School (Franklin McKinley) Reserve. A corresponding action in this report recommends allocating the funding for field enhancements at Bridges Academy, a charter school within Franklin McKinley School District.</p>				
Bridges Academy Field Enhancements	Parks & Comm Fac Dev Capital Program		\$250,000	
<p>This action establishes the Bridges Academy Field Enhancements allocation in the amount of \$250,000. This allocation, in conjunction with a Community Development Block Grant, will ensure sufficient funding is available to construct field enhancements at Bridges Academy, a charter school in the Franklin McKinley School District. Funding will be used to prepare the site for a community garden and improve the playground area for community use. A corresponding reduction to the ACE Charter School (Franklin McKinley) Reserve is recommended elsewhere in this report to offset this action.</p>				
TOTAL CONST/CONV TAX PK CD 7 FUND (385)			\$0	\$0

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CONST/CONV TAX PKS CW FUND (391)				
<i>Ending Fund Balance Adjustment</i>	Parks & Comm Fac Dev Capital Program		(\$1,295,000)	
This action decreases the Ending Fund Balance to offset the actions recommended in this report.				
<i>Environmental Mitigation Maintenance and Monitoring</i>	Parks & Comm Fac Dev Capital Program		\$170,000	
This action increases the Environmental Mitigation Maintenance and Monitoring allocation by \$170,000, bringing the 2014-2015 funding to \$360,000. This action provides funding for activities related to environmental mitigation and monitoring at Watson Park, including installing new planting and irrigation at the five acre mitigation site. The new plantings at Watson Park will ensure the City is in compliance with environmental mitigation maintenance requirements by State agencies. A corresponding decrease to the Parks City-Wide Construction and Conveyance Tax Fund Ending Fund Balance is recommended elsewhere in this report to offset this action.				
<i>Family Camp Capital Improvements Reserve</i>	Parks & Comm Fac Dev Capital Program		\$45,000	
This action increases the Family Camp Capital Improvements Reserve by \$45,000, bringing the reserve to \$110,000. Beginning in 2012, a surcharge of \$20 per tent, per night has been collected to provide funding for future improvements at Family Camp. The fee revenue is collected in the Parks City-Wide Construction and Conveyance Tax Fund and allocated annually to the Family Camp Capital Improvements Reserve. In 2013-2014, approximately \$45,000 was received from the surcharge, therefore, this action recommends allocating those funds to the corresponding reserve. A corresponding decrease to the City-Wide Construction and Conveyance Tax Fund Ending Fund Balance is recommended elsewhere in this report to offset this action.				
<i>Happy Hollow Park and Zoo Enhancements</i>	Parks & Comm Fac Dev Capital Program		\$380,000	
This action increases the Happy Hollow Park and Zoo Enhancements allocation by \$380,000, bringing the 2014-2015 project budget to \$500,000. This project provides funding to install a new ride, operator booth, queue line, shade structure, and signage at the amusement park in Happy Hollow Park and Zoo. It is anticipated the new ride will be installed and opened to the public in summer 2015. The 2014-2015 Adopted Capital Budget included funding of \$500,000, \$120,000 allocated in 2014-2015 and \$380,000 in 2015-2016. However, in order to ensure the new ride is operational by summer 2015, this action recommends shifting the 2015-2016 funding into 2014-2015. A corresponding decrease to the Parks City-Wide Construction and Conveyance Tax Fund Ending Fund Balance is recommended elsewhere in this report to offset this action.				

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CONST/CONV TAX PKS CW FUND (391)				
<i>Vietnamese Cultural Heritage Garden Reserve</i>	Parks & Comm Fac Dev Capital Program		\$700,000	
<p>This action establishes the Vietnamese Cultural Heritage Garden Reserve in the amount of \$700,000. Funding was previously allocated and encumbered in the Vietnamese Cultural Heritage Garden project. However, as funding was not needed at that time, the allocation was liquidated. This action will re-commit the funds to future improvements at the Vietnamese Cultural Heritage Garden. The City is currently identifying a scope of work that will augment other improvements made by the Vietnamese Heritage Society. Once a new agreement is reached with the Vietnamese Heritage Society, it will be brought forward for City Council consideration. A corresponding decrease to the Parks City-Wide Construction and Conveyance Tax Fund Ending Fund Balance is recommended elsewhere in this report to offset this action.</p>				
TOTAL CONST/CONV TAX PKS CW FUND (391)			\$0	\$0
CONSTRUCTION EXCISE TAX FD (465)				
<i>Earned Revenue - Metropolitan Transportation Commission (Climate Initiative Grant - Walk n' Roll)</i>	Traffic Capital Program			(\$14,000)
<p>This action decreases the revenue estimate for grant funding from the Metropolitan Transportation Commission, which provides funding for the Walk n' Roll San José project. As part of the development of the 2014-2015 Adopted Capital Budget, revenues were programmed to be received in 2014-2015; however, \$14,000 of the programmed revenues was received in 2013-2014. A corresponding decrease to the Ending Fund Balance to offset this action is also recommended in this report.</p>				
<i>Earned Revenue - Metropolitan Transportation Commission (One Bay Area Grant - Pavement Maintenance - Federal)</i>	Traffic Capital Program			(\$483,000)
<p>This action decreases the revenue estimate for grant funding from the Metropolitan Transportation Commission, which provides funding for the Pavement Maintenance - Federal project. As part of the development of the 2014-2015 Adopted Capital Budget, revenues were programmed to be received in 2014-2015; however, \$483,000 of the programmed revenues was received in 2013-2014. A corresponding decrease to the Ending Fund Balance to offset this action is also recommended in this report.</p>				
<i>Ending Fund Balance Adjustment</i>	Traffic Capital Program		(\$7,965,196)	
<p>This action decreases the Ending Fund Balance to offset the actions recommended in this report.</p>				
<i>Inter-Agency Encroachment Permit/Earned Revenue</i>	Traffic Capital Program		\$650,000	\$650,000
<p>This action increases the Inter-Agency Encroachment Permit appropriation and recognizes the corresponding revenue reimbursement from the Valley Transportation Authority as part of the City's Bus Rapid Transit (BRT) agreement. This project provides increased encroachment permit review and inspection services, including construction inspection and underground utilities services.</p>				

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CONSTRUCTION EXCISE TAX FD (465)				
<i>LED Streetlight Program/Earned Revenue</i>	Traffic Capital Program		\$350,000	\$232,000
<p>This action increases the LED Streetlight Program appropriation by \$350,000 and recognizes funding of \$232,000 from the East Side Union High School District and Santa Clara County for the cost sharing portion of LED streetlight conversion along White Road. As part of the grant agreement, a local match of \$118,000 is required, which is recommended to be funded from the Ending Fund Balance in the Construction Excise Tax Fund.</p>				
<i>Pavement Maintenance - City</i>	Traffic Capital Program		\$3,250,000	
<p>This action increases the Pavement Maintenance - City appropriation by \$3,250,000, which is funded by the additional Construction Excise Tax revenue received in 2013-2014. Funding will be used for sealing and resurfacing of streets in the City's 400-mile Priority Street Network as directed by the City Council, as part of the approval of the Mayor's June Budget Message for Fiscal Year 2014-2015. This action will increase the 2014-2015 budget for City-funded pavement maintenance from \$20.0 million to \$23.3 million. A decrease to the Ending Fund Balance to offset this action is also recommended elsewhere in this report.</p>				
<i>Pavement Maintenance - State Gas Tax</i>	Traffic Capital Program		\$3,830,196	
<p>This action increases the Pavement Maintenance - State Gas Tax appropriation in the amount of \$3,830,196 to reflect State gas tax collected in excess of the 2013-2014 estimate. A decrease to the Ending Fund Balance to offset this action is also recommended elsewhere in this report.</p>				
<i>Safety - Traffic Signal Rehabilitation</i>	Traffic Capital Program		\$270,000	
<p>This action increases the Safety - Traffic Signal Rehabilitation appropriation by \$270,000. This project provides funding for repairs to vehicle loops that have failed at approximately 200 signalized intersections. These vehicle loops are critical to providing efficient intersection operation and for minimizing travel delays. A decrease to the Ending Fund Balance to offset this action is also recommended elsewhere in this report.</p>				
<i>Santa Clara - Alum Rock Bus Rapid Transit/Earned Revenue</i>	Traffic Capital Program		\$340,000	\$340,000
<p>This action increases the Santa Clara - Alum Rock Bus Rapid Transit appropriation and recognizes the corresponding revenue reimbursement from the Valley Transportation Authority. Funding will be used for additional design and construction services for the Bus Rapid Transit project.</p>				
TOTAL CONSTRUCTION EXCISE TAX FD (465)			\$725,000	\$725,000
CONV CTR FACIL DIST REV FD (791)				
<i>Debt Service: Special Tax Bonds</i>	Finance		\$925	
<p>This action increases the Debt Service: Special Tax Bond appropriation in the amount of \$925 to align the payment made to the Trustee to the correct appropriation (\$625) and increase the amount estimated (\$300). This action is partially offset by a reduction in the Trustee Payment appropriation.</p>				

Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2013-2014

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
CONV CTR FACIL DIST REV FD (791)				
<i>Ending Fund Balance Adjustment</i>	Finance		(\$300)	
This action decreases the Ending Fund Balance to offset actions recommended in this report.				
<i>Trustee Payment</i>	Finance		(\$625)	
This action eliminates the Trustee Payment appropriation in the amount of \$625. This action, combined with another recommendation in this report, correctly aligns the payment to the Trustee from the Debt Service: Special Tax Bonds appropriation.				
TOTAL CONV CTR FACIL DIST REV FD (791)			\$0	\$0
CONV CTR FACILI DIST PROJ FD (691)				
<i>Convention Center Expansion and Renovation Project</i>	Muni Improvements Capital Program		\$55,405	
This action increases the Convention Center Expansion and Renovation Project appropriation by \$55,405 to provide funding for the close-out costs associated with the completion of this project. This project was accepted for beneficial use in September 2013.				
<i>Ending Fund Balance Adjustment</i>	Muni Improvements Capital Program		(\$55,405)	
This action decreases the Ending Fund Balance to offset the action recommended in this report.				
TOTAL CONV CTR FACILI DIST PROJ FD (691)			\$0	\$0
CONV/CULTURAL AFFAIRS FUND (536)				
<i>Capital Reserve</i>	Economic Development		\$300,000	
This action increases the Capital Reserve in the amount of \$300,000 from \$2.1 million to \$2.4 million to set aside funding for future capital needs at the Convention Center and other cultural facilities managed by Team San Jose.				
<i>Ending Fund Balance Adjustment</i>	Economic Development		(\$733,766)	
This action decreases the Ending Fund Balance to offset actions recommended in this report.				
<i>Rehabilitation / Repair - Electrical</i>	Economic Development		\$405,000	
This action increases the Rehabilitation/Repair - Electrical appropriation in the amount of \$405,000 to fund additional work encountered during the upgrade of the audio system that was required as the result of the expansion and renovation of the Convention Center (\$205,000) and the completion of WiFi installation throughout the cultural facilities (\$200,000).				
<i>Team San Jose Management Fee (Incentive Fee)</i>	Economic Development		\$150,000	
This action increases the Team San Jose (TSJ) Management Fee (Incentive Fee) appropriation by \$150,000 in order to fund the anticipated adjustment to this fee based on the unaudited results regarding the achievement of 2013-2014 performance measures which would generate the maximum incentive fee of \$350,000. The final determination and payment of the incentive fee will occur subsequent to the City Council's acceptance of the City Auditor's evaluation of the TSJ's performance, which is expected in the fall of 2014.				

Special/Capital Funds Recommended Budget Adjustments Summary

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<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
CONV/CULTURAL AFFAIRS FUND (536)				
<i>Transfer to the General Fund (Broadway San José)/Earned Revenue</i>	Economic Development		\$273,682	\$60,000
<p>This action increases earned revenue estimate by \$60,000 and increases the Transfer to the General Fund by \$273,682. This reconciling adjustment is recommended to account for ticket proceeds that were deposited into this fund that were to be used for the repayment of a \$1.0 million loan from the General Fund to the American Musical Theater (AMT). These funds are generated through the collection by Team San Jose of \$1 per every Broadway San José ticket sold. A year-end reconciliation has identified a total of \$213,682 that has been deposited in the Convention and Cultural Affairs Fund since 2009. This action will transfer these funds to the General Fund, the originating funding source of the AMT loan, as well as an estimated \$60,000 to account for anticipated ticket sales in 2014-2015. A corresponding action in the General Fund is included elsewhere in this report.</p>				
<i>Transfers (TOT Revenue Reconciliation)</i>	Economic Development			\$334,916
<p>Actual 2013-2014 Transient Occupancy Tax (TOT) collections received in the TOT Fund exceeded the budgeted estimate of \$17.2 million by \$669,832. This action increases the Transfer from the TOT Fund to the Convention and Cultural Affairs Fund in the amount of \$334,916 in accordance with the distribution formula outlined in the San José Municipal Code. A corresponding action in the Transient Occupancy Tax Fund is also recommended elsewhere in this report.</p>				
TOTAL CONV/CULTURAL AFFAIRS FUND (536)			\$394,916	\$394,916
EDW BYRNE MEMORIAL JAG FD (474)				
<i>2011 Justice Assistance Grant</i>	Police		\$163	
<p>This action increases the 2011 Justice Assistance Grant to reflect earned interest earnings for the JAG 2011 grant cycle, that were previously unallocated, in order to repay the granting agency per grant provisions. The spending plan for this grant includes equipment, crime prevention and education programs, and grant administration.</p>				
<i>2012 Justice Assistance Grant</i>	Police		\$216	
<p>This action increases the 2012 Justice Assistance Grant appropriation to reflect interest earnings for the JAG 2012 grant cycle, that were previously unallocated, 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>				
<i>Ending Fund Balance Adjustment</i>	Police		(\$379)	
<p>This action decreases the Ending Fund Balance to offset actions recommended in this report.</p>				
TOTAL EDW BYRNE MEMORIAL JAG FD (474)			\$0	\$0

Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2013-2014

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
FEDERAL DRUG FORFEITURE FUND (419)				
Ending Fund Balance Adjustment	Police		(\$10,000)	
This action decreases the Ending Fund Balance to offset actions recommended in this report.				
Non-Personal/Equipment (Gun Buy Back Program)	Police		\$10,000	
This action will increase the Police Department's Non-Personal/Equipment appropriation to fund a Gun Buy Back event in early December 2014. The funds will be used to purchase gift cards that will be exchanged for firearms. The firearms will be collected by the Police Department and destroyed.				
TOTAL FEDERAL DRUG FORFEITURE FUND (419)			\$0	\$0
GENERAL PURPOSE PARKING FD (533)				
Ending Fund Balance Adjustment	Transportation		(\$500,000)	
This action decreases the Ending Fund Balance to offset the action recommended in this report.				
Minor Parking Facility Improvements	Transportation		\$500,000	
This action increases the Minor Parking Facility Improvements appropriation by \$500,000 to address significant deferred maintenance at the City's parking garages to include garage painting, energy efficiency lighting upgrades, asphalt surface replacement and repair, and concrete surface repair.				
TOTAL GENERAL PURPOSE PARKING FD (533)			\$0	\$0
GIFT TRUST FUND (139)				
Books for Little Hands/Earned Revenue	Library		\$2,000	\$2,000
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 José Public Library Foundation (funds were donated by Target Corporation) 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 Literacy Project/Earned Revenue	Library		\$1,000	\$1,000
This action increases the Library Literacy Project appropriation and Earned Revenue estimate to recognize and appropriate a \$1,000 gift made by the San José Public Library Foundation (funds were donated by Jon and Katherine Dart Charitable 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.				

Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2013-2014

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
GIFT TRUST FUND (139)				
<i>Library-General Gifts/Earned Revenue</i>	Library		\$10,708	\$10,708
<p>This action increases the Library-General Gifts appropriation and Earned Revenue estimate to recognize and appropriate gifts made by various Friends of the Library groups and the San José Library Foundation in support of the following: Dr. Martin Luther King Jr. Library for programming, supplies, and materials (\$2,025); Berryessa Target Gift Trust Fund (\$2,000); Calabazas Branch Library for programming, supplies, and materials (\$2,000); Berryessa Branch Library for programming, supplies, and materials (\$1,500); Willow Glen Branch Library for programming, supplies, and materials (\$1,350); Santa Teresa Branch Library for programming, supplies, and materials (\$748); Joyce Ellington Branch Library for programming, supplies, and materials (\$560); Vineland Branch Library for programming, supplies, and materials (\$325); and Hillview Branch Library for programming, supplies, and materials (\$200).</p>				
TOTAL GIFT TRUST FUND (139)			\$13,708	\$13,708
HOME INVEST PART PROG FUND (445)				
<i>Ending Fund Balance Adjustment</i>	Housing		(\$500,000)	
<p>This action decreases the Ending Fund Balance to offset actions recommended in this report.</p>				
<i>Housing Loans and Grants</i>	Housing		\$500,000	
<p>This action increases the Housing Loans and Grants appropriation by \$500,000 from \$9,554,000 to \$10,054,000 to fund construction loan expenditures associated with the Donner Lofts Apartments project. The Donner Lofts Apartments project is a 102-unit development project that will provide permanent, affordable rental housing. This action will bring funding associated with the project to \$5,400,000.</p>				
TOTAL HOME INVEST PART PROG FUND (445)			\$0	\$0
ICE CENTRE REVENUE FUND (432)				
<i>Ending Fund Balance Adjustment</i>	Finance		(\$1,864,863)	
<p>This action decreases the Ending Fund Balance to offset the action recommended in this report.</p>				
<i>Previously Approved Repairs Reserve</i>	Finance		\$1,864,863	
<p>This action increases the Previously Approved Repairs Reserve to set aside funding for unexpended capital repairs projects at the Shark's Ice Centre at San José that were previously approved and budgeted in the Ice Centre Revenue Fund. Authorized repairs include the North/Center Ice Plant Replacement, 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>				
TOTAL ICE CENTRE REVENUE FUND (432)			\$0	\$0

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<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
INTEGRATED WASTE MGT FUND (423)				
City Facilities Recycle Plus (Late Fees)	Environmental Services		\$1,000	
This action increases the City Facilities Recycle Plus (Late Fees) appropriation by \$1,000 to align with the amount needed for 2014-2015 (\$626,000). Inadvertently, as part of the development of the 2014-2015 Adopted Budget, only \$625,000 was budgeted in this appropriation.				
Ending Fund Balance Adjustment	Environmental Services		\$620,680	
This action increases the Ending Fund Balance to offset the actions recommended in this report.				
Non-Personal/Equipment (City Facilities Recycle Plus - Late Fees)	Environmental Services		(\$626,000)	
This action decreases the ESD Non-Personal/Equipment appropriation by \$626,000. This amount was inadvertently appropriated in the ESD Non-Personal/Equipment appropriation to account for the expenditure of late fees as part of the development of the 2014-2015 Adopted Budget. However, this use was also budgeted in a separate City Facilities Recycle Plus (Late Fees) appropriation that will be used for this purpose.				
Non-Personal/Equipment (AMANDA Licenses)	Planning, Bldg, & Code Enf		\$4,320	
This action increases the Planning, Building and Code Enforcement Department's Non-Personal/Equipment appropriation by \$4,320 for its share of the purchase of 140 user licenses for the city-wide Development Services permitting system (AMANDA). The total cost of the additional licenses is \$215,500 (\$180,000 for licenses and \$35,500 for associated maintenance costs), which will be funded primarily by the Development Services partners. A portion of the AMANDA license costs will be covered by the Integrated Waste Management Fund for the collection of Environmental Services Department-related development permits. When AMANDA was upgraded to Version 6 in July 2014, the concurrent use of the system was limited to 60 license holders. Due to an inadvertent error in budgeting for the number of license holders, the need for concurrent users is actually estimated at 200. The additional licenses will allow staff to use the system without being denied access or timed out, resulting in the loss of works-in-progress, delays in completing work, and the inability to meet service levels expected by the public. A corresponding decrease to the Ending Fund Balance to offset this action is also recommended in this report.				
TOTAL INTEGRATED WASTE MGT FUND (423)			\$0	\$0
LIFE INSURANCE FUND (156)				
Ending Fund Balance Adjustment	Human Resources		(\$68,500)	
This action decreases the Ending Fund Balance to offset the action recommended in this report.				

Special/Capital Funds Recommended Budget Adjustments Summary

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<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
LIFE INSURANCE FUND (156)				
Insurance Premiums	Human Resources		\$68,500	
<p>This action increases the Insurance Premiums appropriation by \$68,500 in order to complete a one-time payment to the City's Life Insurance Vendor for two years of underpaid premiums. Over the past two years, the premium payments to the City's vendor had an inadvertent error in the calculation, resulting in underpayments, consequently increasing the Ending Fund Balance annually. This action corrects this error by providing sufficient funding to complete this reconciling payment. A corresponding decrease to the Ending Fund Balance to offset this action is also recommended in this report.</p>				
TOTAL LIFE INSURANCE FUND (156)			\$0	\$0
LOW/MOD INCOME HSNB ASSET FD (346)				
Ending Fund Balance Adjustment	Housing		(\$10,900,000)	
<p>This action decreases the Ending Fund Balance to offset actions recommended in this report.</p>				
Housing Project Reserve	Housing		\$10,800,000	
<p>This action establishes a Housing Project Reserve in the amount of \$10.8 million. This reserve will fund various future projects, including 2nd Street Apartments and North San Pedro Townhomes, that are currently not expected to incur expenses in 2014-2015.</p>				
Non-Personal/Equipment (Furniture and Equipment)	Housing		\$50,000	
<p>This action increases the Housing Department's Non-Personal/Equipment appropriation by \$50,000 to fund computer hardware and software (\$35,000) and furniture (\$15,000) replacement purchases. The Department will replace computer hardware and furniture that has reached end of life.</p>				
Successor Agency to the Redevelopment Agency	Housing		\$50,000	
<p>This action increases the Successor Agency to the Redevelopment Agency appropriation by \$50,000 to fund loan repayments for the YWCA project loan.</p>				
TOTAL LOW/MOD INCOME HSNB ASSET FD (346)			\$0	\$0
MULTI-SOURCE HOUSING FD (448)				
Ending Fund Balance Adjustment	Housing		(\$13,000,000)	
<p>This action decreases the Ending Fund Balance to offset actions recommended in this report.</p>				
HOPWA SHAPPS/Earned Revenue	Housing		(\$24,130)	(\$24,130)
<p>In 2013-2014, the City received a \$1.3 million three-year grant for the Housing Opportunities for Persons with AIDS (HOPWA) Permanent Supportive Housing program. This action reduces the HOPWA SHAPPS appropriation and the Earned Revenue estimate by \$24,130 to align the budget and the Federal reimbursement with the actual number of rental subsidies to be provided.</p>				

Special/Capital Funds Recommended Budget Adjustments Summary

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<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
MULTI-SOURCE HOUSING FD (448)				
<i>Housing Project Reserve</i>	Housing		\$13,000,000	
This action establishes a Housing Project Reserve in the amount of \$13.0 million. This reserve will fund various projects, including Leigh Avenue and supportive housing projects for the homeless, that are currently not expected to incur expenses in 2014-2015.				
<i>Recovery Act - Neighborhood Stabilization Program 2/Earned Revenue</i>	Housing		(\$4,481,630)	(\$4,481,630)
This action reduces the Recovery Act - Neighborhood Stabilization Program (NSP) 2 appropriation and the Recovery Act - Federal Revenue estimate by \$4,481,630 based on changes to the San José NSP Consortium Agreement between the City of San José and the Housing Trust of Silicon Valley. The original agreements allowed for the City to retain all program income generated from the resale and recapture of NSP funded acquisition projects. The original agreement also assigned the Housing Department with the responsibility to fund and manage all development and/or rehabilitation of NSP eligible projects. Under the new agreement, all program income is to be returned to and managed by the Housing Trust of Silicon Valley as the lead agency.				
TOTAL MULTI-SOURCE HOUSING FD (448)			(\$4,505,760)	(\$4,505,760)
MUNICIPAL GOLF COURSE FUND (518)				
<i>Ending Fund Balance Adjustment</i>	Parks, Rec, & Neigh Svcs		\$130,000	
This action increases the Ending Fund Balance to offset the actions described below.				
<i>Los Lagos Golf Course/Earned Revenue</i>	Parks, Rec, & Neigh Svcs		\$100,000	(\$30,000)
This action increases the Los Lagos Golf Course expenditure appropriation by \$100,000, and decreases the Los Lagos Golf Course Earned Revenue by \$30,000 in the Municipal Golf Course Fund. The expenditure appropriation covers payments to course operators in months when course fees are unable to cover the fixed costs of operating the facilities. When the 2014-2015 Adopted Budget was developed, it was assumed that the activities at Los Lagos would remain at the same levels as experienced in 2012-2013; however, actual performance in 2013-2014 fell below expectations. The downward trend in revenue combined with the upward trend in expenditures experienced in 2013-2014 at Los Lagos supports the need for these budget adjustments. A corresponding increase to the Transfer from the General Fund is also recommended to offset these actions.				

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<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
MUNICIPAL GOLF COURSE FUND (518)				
<i>Rancho del Pueblo Golf Course</i>	Parks, Rec, & Neigh Svcs		\$40,000	
The action increases the Rancho del Pueblo Golf Course expenditure appropriation in the Municipal Golf Course Fund by \$40,000. The expenditure appropriation covers payments to course operators in months when course fees are unable to cover the fixed costs of operating the facilities. When the 2014-2015 Adopted Budget was developed, it was assumed that activity at Rancho del Pueblo would remain at 2013-2014 levels; however, actual performance in 2013-2014 fell below expectations. The upward trend in expenditures indicates a need for this budget adjustment. A corresponding increase to the Transfer from the General Fund is also recommended to partially offset this action.				
<i>Transfer from the General Fund</i>	Parks, Rec, & Neigh Svcs			\$300,000
This action increases the Transfer to the Municipal Golf Course Fund from the General Fund in the amount of \$300,000, from \$1.6 million to \$1.9 million. This General Fund subsidy level is slightly below the 2013-2014 level of \$2.0 million. When the 2014-2015 Adopted Budget was developed, it was assumed that activity would remain at approximately the estimated 2013-2014 levels. However, actual performance in 2013-2014 fell below expectations with slightly lower revenues as well as higher than expected expenditures. The downward trend in revenues combined with the upward trend in expenditures have been experienced in recent years. To account for actual performance in this fund, this action recommends an increase of the transfer from the General Fund to the Municipal Golf Course Fund to ensure sufficient fund balance in this Fund. Combined with additional adjustments described elsewhere in this document, this action will bring the 2014-2015 Ending Fund Balance to approximately \$400,000. A corresponding action in the General Fund is also recommended in this report.				
TOTAL MUNICIPAL GOLF COURSE FUND (518)			\$270,000	\$270,000
SEWER SVC & USE CHARGE FD (541)				
<i>Burrowing Owl Habitat Management/Earned Revenue</i>	Environmental Services		\$200,000	\$200,000
This action increases the Earned Revenue estimate by \$200,000 and increases the ESD Non-Personal/Equipment appropriation by \$200,000 for Burrowing Owl Habitat Management. On June 17, 2014, the City Council approved an agreement with Cisco Systems, Inc. for the donation and transfer of 21.4 acres of land in the Alviso area to the City of San José. The property, adjacent to the owl habitat identified within the Plant Master Plan, will be added to the Master Plan owl habitat. The property is to remain as open space and wetlands and is to be used for and maintained as a habitat for the burrowing owls. Upon completion of the transfer of the property to the City and the close of escrow, the City of San José will receive a one-time payment of \$200,000 from the North First Street Investors and the North First Developers escrow funds to maintain the property.				
TOTAL SEWER SVC & USE CHARGE FD (541)			\$200,000	\$200,000

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<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
SJ ARENA CAPITAL RESERVE FD (459)				
Ending Fund Balance Adjustment	Economic Development		(\$376,319)	
This action decreases the Ending Fund Balance to offset the action recommended in this report.				
Previously Approved Repairs Reserve	Economic Development		\$376,319	
This action increases the Previously Approved Repairs Reserve to set aside funding for unexpended capital repairs projects at the San José Arena (SAP Center) that were previously approved and budgeted in the San José Arena Capital Reserve Fund. Authorized repairs include electrical, mechanical, structures, miscellaneous, and unanticipated/emergency repairs.				
TOTAL SJ ARENA CAPITAL RESERVE FD (459)			\$0	\$0
STORM SEWER OPERATING FD (446)				
Ending Fund Balance Adjustment	Environmental Services		(\$2,160)	
This action decreases the Ending Fund Balance to offset the action recommended in this report.				
Non-Personal/Equipment (AMANDA Licenses)	Planning, Bldg, & Code Enf		\$2,160	
This action increases the Planning, Building and Code Enforcement Department's Non-Personal/Equipment appropriation by \$2,160 for its share of the purchase of 140 user licenses for the city-wide Development Services permitting system (AMANDA). The total cost of the additional licenses is \$215,500 (\$180,000 for licenses and \$35,500 for associated maintenance costs), which will be funded primarily by the Development Services partners. A portion of the AMANDA license costs will be covered by the Storm Sewer Operating Fund for the collection of Environmental Services Department-related development permits. When AMANDA was upgraded to Version 6 in July 2014, the concurrent use of the system was limited to 60 license holders. Due to an inadvertent error in budgeting for the number of license holders, the need for concurrent users is actually estimated at 200. The additional licenses will allow staff to use the system without being denied access or timed out, resulting in the loss of works-in-progress, delays in completing work, and the inability to meet service levels expected by the public. The ongoing maintenance costs will be considered as part of the development of the 2015-2016 budget. A corresponding decrease to the Storm Sewer Operating Fund's ending fund balance is also included elsewhere in this report to offset this action.				
TOTAL STORM SEWER OPERATING FD (446)			\$0	\$0
SUBDIVISION PARK TRUST FUND (375)				
Future PDO/PIO Projects Reserve	Parks & Comm Fac Dev Capital Program		(\$264,000)	
This action decreases the Future PDO/PIO Projects Reserve to offset the actions recommended in this report.				

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<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
SUBDIVISION PARK TRUST FUND (375)				
<i>Orchard Turnkey Park Design Review and Inspection</i>	Parks & Comm Fac Dev Capital Program		\$231,000	
This action establishes the Orchard Turnkey Park Design Review and Inspection allocation in the amount of \$231,000. As part of its Parkland Dedication Ordinance requirement, the New Home Company is constructing a new turnkey park near Old Oakland Road. In addition, the developer provided funding (\$231,000) for Public Works Department design review and inspection services related to the construction of the new turnkey park. This action recommends allocating the funding, which was received in 2013-2014, to the Orchard Turnkey Park Design Review and Inspection project. A reduction to the Future PDO/PIO Projects Reserve is recommended elsewhere in this report to offset this action.				
<i>TRAIL: Doerr Parkway Design</i>	Parks & Comm Fac Dev Capital Program		\$100,000	
This action establishes the TRAIL: Doerr Parkway Design allocation in the amount of \$100,000. This project will provide funding to prepare construction documents and environmental review reports for the future construction of a 535 foot paved trail along a utility corridor leading to Doerr Park. A reduction to the TRAIL: Doerr Parkway Reserve (\$81,000) and Future PDO/PIO Projects Reserve (\$19,000) is recommended elsewhere in this report to offset this action.				
<i>TRAIL: Doerr Parkway Real Estate Services</i>	Parks & Comm Fac Dev Capital Program		\$50,000	
This action establishes the TRAIL: Doerr Parkway Real Estate Services allocation in the amount of \$50,000. This allocation will provide funding to support staff costs (Office of Economic Development, Public Works Department, and Planning, Building and Code Enforcement Department) related to the resolution of property issues and title adjustments along Doerr Parkway. A reduction to the TRAIL: Doerr Parkway Reserve is recommended elsewhere in this report to offset this action.				
<i>TRAIL: Doerr Parkway Reserve</i>	Parks & Comm Fac Dev Capital Program		(\$131,000)	
This action decreases the TRAIL: Doerr Parkway Reserve by \$131,000. Additional recommendations are included in this report to allocate funding for real estate services (\$50,000) and design costs (\$81,000) related to Doerr Parkway.				
<i>TRAIL: Thompson Creek (Tully Road to Quimby Road)</i>	Parks & Comm Fac Dev Capital Program		\$14,000	
This action increases the TRAIL: Thompson Creek (Tully Road to Quimby Road) project by \$14,000, bringing the 2014-2015 allocation to \$699,000. This project provides funding for improvements along Thomspon Creek Trail from Tully Road to Quimby Road, including installing trail signage, repairing the trestle structure, constructing a paved surface upon an existing maintenance road, and installing new fencing. A reduction to the Future PDO/PIO Projects Reserve is recommended elsewhere in this report to offset this action.				
<i>Tamien Park Development Reserve</i>	Parks & Comm Fac Dev Capital Program		(\$21,000)	
This action reduces the Tamien Park Development Reserve by \$21,000. A corresponding recommendation is included in this report to allocate the funding for master planning efforts at Tamien Park.				

Special/Capital Funds Recommended Budget Adjustments Summary

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<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
SUBDIVISION PARK TRUST FUND (375)				
<i>Tamien Park Master Plan</i>	Parks & Comm Fac Dev Capital Program		\$21,000	
<p>This action increases the Tamien Park Master Plan allocation by \$21,000, bringing 2014-2015 funding to \$24,000. Master planning efforts began in 2013-2014 and will continue through 2014-2015. Once a conceptual plan has been developed and environmental review work related to the parksites have concluded, a project scope and construction cost schedule can be determined for Tamien Park. A corresponding reduction to the Tamien Park Development Reserve is recommended elsewhere in this report to offset this action.</p>				
TOTAL SUBDIVISION PARK TRUST FUND (375)			\$0	\$0
SUPPL LAW ENF SVCES FUND (414)				
<i>Ending Fund Balance Adjustment</i>	Police		(\$4,970)	
<p>This action decreases the Ending Fund Balance to offset the actions recommended in this report.</p>				
<i>SLES Grant 2012-2014</i>	Police		\$2,337	
<p>This action increases the SLES grant 2012-2014 appropriation to reflect interest earned after the spending deadline, which was previously unallocated, in order to spend the funds for eligible grant purposes and/or repay the granting agency per grant provisions.</p>				
<i>SLES Grant 2013-2015/Earned Revenue</i>	Police		\$412,101	\$409,468
<p>This action recognizes and appropriates payments from the State of California for the 2013-2015 SLES Grant (\$409,468) as well as interest income earned on the funding for the 2013-2015 grant cycle (\$2,633). 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.</p>				
TOTAL SUPPL LAW ENF SVCES FUND (414)			\$409,468	\$409,468
TRANSIENT OCCUPANCY TX FD (461)				
<i>Ending Fund Balance Adjustment (TOT Revenue Reconciliation)</i>	Convention Facilities Dept		(\$669,832)	
<p>This action decreases the Ending Fund Balance to offset actions recommended in this report.</p>				
<i>San José Convention and Visitors Bureau (TOT Revenue Reconciliation)</i>	Convention Facilities Dept		\$167,458	
<p>Actual 2013-2014 Transient Occupancy Tax (TOT) collections received in the TOT Fund exceeded the budget estimate of \$17.2 million by \$669,832. This action increases the San José Convention and Visitors Bureau allocation in the amount of \$167,458 in accordance with the distribution formula outlined in the San José Municipal Code to allocate this additional revenue.</p>				

Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2013-2014

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
TRANSIENT OCCUPANCY TX FD (461)				
<i>Transfer to the Convention and Cultural Affairs Fund (TOT Revenue Reconciliation)</i>	Convention Facilities Dept		\$334,916	
Actual 2013-2014 Transient Occupancy Tax (TOT) collections received in the TOT Fund exceeded the budget estimate of \$17.2 million by \$669,832. This action increases the Transfer to the Convention and Cultural Affairs Fund in the amount of \$334,916 in accordance with the distribution formula outlined in the San José Municipal Code to allocate this additional revenue. A corresponding action in the Convention and Cultural Affairs Fund is also recommended elsewhere in this report.				
<i>Cultural Grants (TOT Revenue Reconciliation)</i>	Economic Development		\$167,458	
Actual 2013-2014 Transient Occupancy Tax (TOT) collections received in the TOT Fund exceeded the budget estimate of \$17.2 million by \$669,832. This action increases the Cultural Grants allocation in the amount of \$167,458 in accordance with the distribution formula outlined in the San José Municipal Code to allocate this additional revenue.				
TOTAL TRANSIENT OCCUPANCY TX FD (461)			\$0	\$0
WATER UTILITY CAPITAL FUND (500)				
<i>Ending Fund Balance Adjustment</i>	Water Utility Sys Capital Program		(\$104,000)	
This action decreases the Ending Fund Balance to offset the actions recommended in this report.				
<i>Infrastructure Improvements</i>	Water Utility Sys Capital Program		\$90,000	
This action increases the Infrastructure Improvements appropriation by \$90,000. In April 2014, this amount was encumbered to fund contractual services; however, the procurement process could not be completed by the end of 2013-2014, so the purchase request was cancelled, with the funds falling to the 2013-2014 Ending Fund Balance. This action restores the funding for this use.				
<i>Meter Installations</i>	Water Utility Sys Capital Program		\$14,000	
This action increases the Meter Installations appropriation by \$14,000. Revenues from 2013-2014 exceeded the estimate and will be used to purchase and install new meters at construction sites.				
TOTAL WATER UTILITY CAPITAL FUND (500)			\$0	\$0
WORKFORCE INVSTMNT ACT FD (290)				
<i>Administration/Earned Revenue</i>	Economic Development		\$1,934	\$1,934
This action increases the Administration appropriation by \$1,934 to align with allotments issued by the U.S. Department of Labor. A corresponding increase to grant funding from the State of California is recommended to offset this action.				

Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2013-2014

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
WORKFORCE INVSTMNT ACT FD (290)				
Adult Workers/Earned Revenue	Economic Development		\$1,185,099	\$1,185,099
<p>This action increases the Adult Workers appropriation by \$1,185,099 and recognizes the corresponding grant funding from the State of California. Each annual grant allocation, which is issued by the U.S. Department of Labor, is available for a two-year period after which unspent allocations are forfeited. This action appropriates the second year allocation of the 2013-2014 grant. This program provides job training, occupational courses, work readiness certification, and other services that prepare unemployed adult workers to successfully enter the workforce.</p>				
Program Allocation Reserve	Economic Development		(\$455,930)	
<p>This action decreases the Program Allocation Reserve by \$455,930 to appropriate funding that was set aside for future needs of the Youth Workers Program. A corresponding increase to the Youth Workers appropriation is recommended to reflect higher than anticipated enrollment in 2014-2015.</p>				
Rapid Response Grant/Earned Revenue	Economic Development		\$127,159	\$127,159
<p>This action increases the Rapid Response Grant appropriation by \$127,159 and recognizes the corresponding grant funding from the State of California. This action reflects the actual grant award received for 2014-2015. This program provides job training services to businesses and workers impacted or at risk of being impacted by company closures or layoffs.</p>				
Youth Workers	Economic Development		\$455,930	
<p>This action increases the Youth Workers appropriation by \$455,930 to reflect higher than anticipated enrollment in 2014-2015. This program provides job training, career coaching, vocational assessments, and other services that prepare youth ranging from 18 to 21 in age to secure employment. A corresponding decrease to the Program Allocation Reserve is recommended to offset this action.</p>				
TOTAL WORKFORCE INVSTMNT ACT FD (290)			\$1,314,192	\$1,314,192