

PROPOSED



2021-2022

OPERATING

BUDGET

**OFFICE
OF THE
CITY MANAGER**

PROPOSED

2021-2022



OPERATING BUDGET

Mayor

Sam Liccardo

City Council

D1 - Chappie Jones

D2 - Sergio Jimenez

D3 - Raul Peralez

D4 - David Cohen

D5 - Magdalena Carrasco

D6 - Dev Davis

D7 - Maya Esparza

D8 - Sylvia Arenas

D9 - Pam Foley

D10 - Matt Mahan

SUBMITTED BY

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CITY MANAGER

PROPOSED

2021-2022

OPERATING BUDGET

OFFICE OF THE CITY MANAGER

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California Society of Municipal Finance Officers

Certificate of Award

Operating Budget Excellence Award Fiscal Year 2020-2021

Presented to the

City of San Jose

For meeting the criteria established to achieve the CSMFO Excellence Award in Budgeting

January 31, 2021



Marcus Pimentel

*Marcus Pimentel
CSMFO President*

Michael Manno

*Michael Manno, Chair
Recognition Committee*

Dedicated Excellence in Municipal Financial Reporting

May 4, 2021

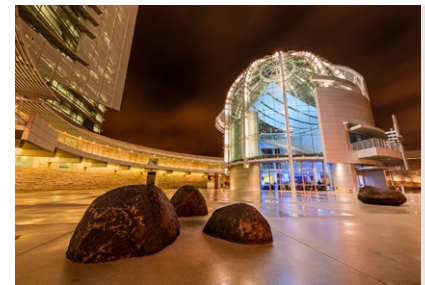
Honorable Mayor and City Council:

I am proud to submit the 2021-2022 Proposed Operating Budget for the Mayor and City Council's consideration. This budget reflects the changes to our community since the pandemic's onset in early 2020, and the changes that still need to take place. COVID-19 is still with us, but signs that the pandemic is relenting are plentiful. Case counts are dropping, vaccination rates are rising, and public health restrictions are relaxing. Like the rest of the region, San José is starting to shake off the pandemic's worst effects; however, for many in our community, the road to recovery will be long and we will need to assist each other to help achieve a full and equitable recovery.

The City's budgetary outlook has undergone similar changes. In April and May of 2020, we collectively took swift action to address the anticipated revenue impacts in both 2019-2020 and 2020-2021, and prioritized emergency relief funding to assisting our most vulnerable communities. Over the past year, employment levels, which plummeted during the pandemic's initial onset, have since been gaining ground and growth is expected to continue as the economy reopens. Real estate and development activity also took an initial dip, but have generally remained strong over the past year. While we have hopefully weathered the worst of the pandemic's revenue impacts and expect a meaningful economic recovery in the coming fiscal year, we still have a General Fund shortfall to address in 2021-2022, and a structural imbalance that will need to be addressed in the coming years.

As directed by the City Council-approved Mayor's March Budget Message for Fiscal Year 2021-2022, this budget anticipates that the majority of the \$223 million of American Rescue Plan funding allocated to the City will be spent directly on pandemic response, relief, and recovery activities. A portion of this Federal funding will also help close the \$38.3 million General Fund shortfall in 2021-2022, make targeted investments to replace or rehabilitate deferred infrastructure, and continue critical community programs. For the City's many other dedicated funds (e.g., Airport Funds, Housing Funds, Sanitary Sewer Funds, Water Utility Funds), budget actions address various service delivery and infrastructure needs balanced within the available resources for each fund.

The actions included in this budget, along with the upcoming engagement with the City Council to prioritize and program American Rescue Plan funding, reflect the City of San José's continued commitment to community and economic recovery.



Community Budget Meetings

May 13: 6:00pm – 8:00pm
<https://sanjoseca.zoom.us/j/99550205879>

May 15: 10:30am – 12:30pm
<https://sanjoseca.zoom.us/j/92268285140>

May 19: 6:00pm – 8:00pm
<https://sanjoseca.zoom.us/j/97968152312>

Budget Decision Milestones

May 12 -17

City Council Study Sessions

May 18/June 14

Public Hearings on 2021-2022 Proposed Budgets and Fees & Charges

June 7

2021-2022 Mayor's June Budget Message Released

June 15

Council Review/Approval of the 2021-2022 Mayor's June Budget Message

June 22

Adoption of the 2021-2022 Capital and Operating Budgets, 2022-2026 CIP, and the 2021-2022 Fees & Charges

Transitioning to Recovery and Looking Ahead

The San José community and the City organization underwent tremendous change this past year. The lingering pandemic impacted almost every facet of service delivery – both those directly facing the community and internal strategic support functions. I am extremely proud of and grateful to our workforce for rising, again and again, to the challenges of maintaining day-to-day services to the extent possible and supporting the Emergency Operations Center, which included as many as 750 employees at the height of the pandemic.



As we transition from emergency response and support into community and economic recovery, we must again realign and re-balance the City's service delivery objectives. Guided by the Mayor's March Budget Message and the City Roadmap – both of which were approved by the City Council and provide clear direction on the City's funding priorities – the 2021-2022 Proposed Budget addresses the General Fund shortfall and recommends a limited number of key investments to shore up service gaps, brings all of the City's other funds into balance, and begins the process to allocate some of the resources anticipated from the American Rescue Plan for direct community and economic recovery. However, more work needs to be done.

As a placeholder, Attachment D to this transmittal memorandum links the City Roadmap items specifically related to COVID-19 pandemic community and economic recovery with specific spending programs and estimated costs. For now, Attachment D primarily describes the work efforts directed in the City Council-approved Mayor's March Budget Message, and a limited number of high priority programs previously paid from other funding sources on a one-time basis that are recommended to continue in 2021-2022 and are expected to be eligible uses of American Rescue Plan or other external funding sources. However, many of the programs listed in Attachment D do not yet have a recommended allocation in the American Rescue Plan Fund.

In order to fully program the City's local assistance allocation from the American Rescue Plan and other external funding sources, the Administration needs to:

- receive the regulations from the U.S. Treasury Department on how American Rescue Plan funding may be used – which is not anticipated to occur prior to May 10th;
- engage the City Council on May 4th in the development of a community and economic recovery strategy and approach; and
- continue the internal evaluation of service delivery needs in transitioning from emergency operations to recovery operations.

Based on the regulatory guidance and City Council input, the Administration will present a more comprehensive draft allocation of American Rescue Plan and other emergency relief funding at the May 17th Budget Study Session. After receiving input on the draft allocation, the Administration will issue a Manager's Budget Addendum (MBA) recommending formal inclusion of a comprehensive funding allocation for community and economic recovery initiatives.

Though the significant resources provided by the American Rescue Plan and other Federal and State legislation provide a surge of one-time money for urgent investments and spending, the City still faces a structural imbalance in the General Fund, and several other Special Funds have been severely impacted by the pandemic – including funds reliant upon hotel taxes and parking revenues. While the

2021-2022 PROPOSED OPERATING BUDGET MESSAGE

Transitioning to Recovery and Looking Ahead (Cont'd)

Proposed Budget reallocates the resources necessary to put the Special Funds on more solid footing, only 15% of the ongoing shortfall in the General Fund is resolved on an ongoing basis.

Resolving only this modest portion of the General Fund shortfall is deliberate. Recommending additional cost-cutting would exceed the “belt-tightening” directed in the Mayor’s March Budget Message in a way that would more significantly impact community-facing services, including those that serve our most vulnerable communities. This relatively small reduction to the ongoing shortfall is appropriate given the economically uncertain environment, the large amount of resources available from the American Rescue Plan, and the need to preserve services that benefit our most vulnerable residents. However, this approach means that a significant portion of the ongoing shortfall will need to be addressed in the near future.

Maintaining fiscal resiliency is foundational to ensuring equitable service delivery for the community, and the City has long been guided by sound budgeting principles to ensure a budget that aligns ongoing expenditures with ongoing revenues¹. As we emerge from the pandemic with a focus on our community’s recovery, over the next year we will also need to focus on bringing the City’s General Fund budget back into structural balance.

Total Proposed Budget

The 2021-2022 Proposed Budget totals \$4.5 billion for all City funds (General, Special, and Capital). This amount is \$242.2 million (5.1%) below the 2020-2021 Adopted Budget (Table 1 below). The Proposed Budget, however, does not yet include funds that will be rebudgeted and added to the final 2021-2022 Adopted Budget to complete multi-year projects, nor does it include the full funding available from the American Rescue Plan. Once these rebudgets and funding sources are included, the budget will achieve levels similar to 2020-2021.

2021-2022 Proposed Budget — All Funds			
(Table 1)			
	2020-2021 Adopted	2021-2022 Proposed	% Change
General Fund	\$ 1,547,689,229	\$ 1,345,684,382	(13.1%)
Special Funds	2,644,236,028	2,681,578,420	1.4%
<Less: Operating Transfers>	(808,424,841)	(705,705,275)	(12.7%)
Net Operating Funds	3,383,500,416	3,321,557,527	(1.8%)
Capital Funds	1,406,431,266	1,227,352,769	(12.7%)
<Less: Capital Transfers>	(4,095,000)	(5,259,000)	28.4%
Net Capital Funds	1,402,336,266	1,222,093,769	(12.9%)
Total	\$ 4,785,836,682	\$ 4,543,651,296	(5.1%)

Position Impacts

The Proposed Budget is not anticipated to result in any layoffs and includes increases to position levels throughout the organization. Of the 147 positions added as part of the Proposed Budget, a third of the

¹ See Exhibit 1 to this message, “City of San José Budget Principles #1: Structurally Balanced Budget” and [City Council Policy 1-18, Section 2: Fiscal Integrity](#)

2021-2022 PROPOSED OPERATING BUDGET MESSAGE

net increase is associated with the ongoing establishment of the consolidated Beautify San José model (26 positions), the restoration of hours on a one-time basis for Branch Libraries serving lower-resourced neighborhoods (16 positions), and the funding of the San José Abierto/Placemaking and Activation program (13 positions). Overall, the level of staffing will increase a net 48 positions, from 6,592 full-time equivalent positions in the 2020-2021 Adopted Budget to 6,640 positions in the 2021-2022 Proposed Budget, as shown in Table 2 below.

Changes in Position Count (All Funds) from 2020-2021 Adopted to 2021-2022 Proposed Budget (Table 2)	
2020-2021 Adopted Budget	6,592 positions
2021-2022 Base Budget Changes	(99) positions
2021-2022 Proposed Budget Changes – General Fund	60 positions
2021-2022 Proposed Budget Changes – Other Funds	87 positions
Total Net Position Changes	48 positions
2021-2022 Proposed Budget	6,640 positions

Balancing the General Fund Budget – An Ongoing Shortfall Remains

In February 2021, the Administration prepared the 2022-2026 Five-Year Forecast and Revenue Projections document to estimate the condition of the General Fund and selected Capital Funds over the next five years. The Forecast anticipated an ongoing shortfall of \$48.1 million in 2021-2022. That shortfall has been revised to \$38.3 million, primarily due to higher than initially estimated Property Tax proceeds related to the Educational Revenue Augmentation Fund (ERAF) based on updated information provided by the State of California and the County of Santa Clara.² While an improvement, a \$38.3 million ongoing shortfall represents a significant challenge to resolve.

Table 3 below displays the incremental General Fund surplus and shortfall over the next five years. It is important to note that the surpluses in the outyears are only achieved if the \$38.3 million shortfall in 2021-2022 is fully resolved with ongoing solutions. Any portion of the shortfall resolved with one-time funds gets carried over the following year. Over the five-year forecast horizon, the General Fund shortfall is forecasted at \$28.5 million.

² Please see General Fund Revenue Estimates for a more information regarding the estimation of Property Tax proceeds.

2021-2022 PROPOSED OPERATING BUDGET MESSAGE

Balancing the General Fund Budget – An Ongoing Shortfall Remains (Cont'd)

**Table 3. 2022-2026 Revised General Fund Five-Year Forecast
(\$ in millions)¹**

	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	Five-Year Surplus/ (Shortfall)
Incremental Surplus/ (Shortfall)	(\$38.3)²	\$3.3	\$0.2	\$4.4	\$1.9	(\$28.5)

¹ Does not include 1) costs associated with services that were funded on a one-time basis in 2020-2021; 2) costs associated with unmet/deferred infrastructure and maintenance needs; and 3) one-time revenue sources or expenditure needs.

² This figure was revised from the \$48.1 million shortfall as presented in the February 2021 Forecast. The figure for 2021-2022 was revised as a result of continued analysis of projected revenues and expenditures.

As described in the General Fund Balancing Strategy (Table 4), the 2021-2022 Proposed Operating Budget recommends using \$45.0 million from the American Rescue Plan to resolve the shortfall for this year and pay for high-priority one-time projects and programs in the General Fund. While the U.S. Treasury Department has not yet released guidelines for use of the American Rescue Plan, the legislation specifically authorizes its use to help offset revenue shortfalls caused by the pandemic. From 2019-2020 through 2023-2024, the City's anticipated General Fund revenue loss is \$160 million. Given the scale of this loss, the Administration feels comfortable recommending the use of \$45 million for the 2021-2022 budget and will recommend reserving additional funds to potentially mitigate the shortfall in 2022-2023 or as a backstop should the economic recovery fall short of expectations.

However, because the Balancing Strategy only recommends \$6.7 million in ongoing solutions, one-time solutions of \$31.6 million are still required to balance the budget, which will need to be addressed again in 2022-2023. In accordance with the City's budget policies and principles, the Administration will engage the City Council during the next budget development cycle to bring the General Fund back into structural alignment once the pandemic is mostly behind us and the economic picture becomes clearer.

2021-2022 PROPOSED OPERATING BUDGET MESSAGE

General Fund Budget Balancing Plan

As displayed in Table 4 below, the 2021-2022 Proposed General Fund Budget Balancing Plan included actions to resolve the \$38.3 million shortfall forecasted for 2021-2022. This table shows the matrix of balancing strategies and the dollars associated with each action. A discussion of the balancing strategies follows, can be found in Attachment A to this message, and is discussed in detail throughout the Proposed Budget.

2021-2022 Proposed Operating Budget General Fund Budget Balancing Plan (in 000's) (Table 4)		
	2021-2022	Ongoing
2021-2022 General Fund Shortfall	\$ (38,283)	\$ (38,283)
Balancing Strategy		
Source of Funds		
Beginning Fund Balance:		
American Rescue Plan Revenue Loss Reimbursement	\$ 45,000	\$ 0
2021-2022 Future Deficit Reserve	11,076	0
2020-2021 Excess Revenue/Expenditure Savings	6,000	0
Business Tax Billing System Replacement Reserve	1,305	0
Other Reserve Liquidations	810	0
Grants/Reimbursements/Fees		
Urban Area Security Initiative Grant (Office of Emergency Management)	603	0
Fire Department Non-Development Fee Changes	454	454
Family Camp Suspension	(177)	0
Other Fee Programs/Reimbursements/Grants	1,262	1,009
Other Revenue		
Office of Equality Assurance – Labor Compliance	150	150
Transfer from the Integrated Waste Management Fund (CDDD)	(150)	0
Overhead Reimbursements/Transfers from Other Funds	1,849	1,524
Subtotal Source of Funds	\$ 68,181	\$ 3,137
Use of Funds		
Unmet/Deferred Technology, Infrastructure, and Maintenance	\$ 18,899	\$ 0
Service Level Enhancements	3,008	954
Earmarked Reserves (Essential Services, IT Sinking Fund, PD Redistricting)	7,150	0
2020-2021 Previously One-Time Funded Services	8,664	1,189
New Facilities Operations and Maintenance	3,055	4,849
Other Fee Programs/Grants/Reimbursements	1,003	230
Cost Reductions/Service Delivery Efficiencies/Funding Shifts	(7,232)	(5,930)
Use of Reserves (Committed Additions, Deferred Maint., Cultural Facilities)	(4,655)	(4,860)
Subtotal Use of Funds	\$ 29,893	\$ (3,568)
Total Balancing Strategy	\$ 38,289	\$ 6,705
Remaining Balance	\$ 0	\$ (31,584)

Focused Approach to Prioritize Community and Organizational Needs

The Proposed Budget balances many competing community and organizational needs while ensuring that the resources of all City funds remain in balance and thoughtfully deployed.

While the budget development process is informed by a variety of factors, the five inputs shown at right are the key drivers that provide the strategic approach to prioritize community and organizational needs.



The Mayor’s March Budget Message for Fiscal Year 2021-2022³, as approved by the City Council, identifies the main investment priorities for the budget process, and directs the City Manager to employ the **Budget Balancing Strategy Guidelines⁴** that outline a number of general approaches to use in the development of the budget. **City Council Policy 1-18⁵ and City of San Jose Budget Principles⁴** further ensures that the Administration apply best budgetary practices and work to align ongoing revenues with ongoing expenditures. New to the 2021-2022 Proposed Operating Budget is the **City Roadmap⁴**. Approved by the City Council on March 15, 2021, this tool is a prioritized list of the City’s most important policies, strategies, and projects to implement critical community and organizational change initiatives. A complete listing of the recommendations in the 2021-2022 Proposed Budget that support specific roadmap initiatives is provided in Attachment E to this memorandum.

At the heart of the budget development process are considerations of equity. While the City has always carefully considered community impacts – especially when recommending service reductions – we have become more intentional in taking into account equity when considering potential budget actions. As an example, when budget proposals are considered, in addition to assessing service and performance impacts, we also ask the question of “who benefits and who is burdened?”, and deliberately explore opportunities to lessen adverse impacts where feasible. However, we still have substantial work ahead to make sure that equity considerations translate into positive action. In particular, as equity work becomes more embedded in departmental day-to-day decision-making, budget allocation requests are not just viewed through an equity screen, but the equity analysis process itself drives the initial development of the request. As a formal step in this development, City departments and offices used a **Budgeting for Equity** worksheet to inform their budget proposal process. A Manager’s Budget Addendum will be issued later in the budget process to discuss in more detail what was learned by further incorporating equity considerations in the development of the 2021-2022 Proposed Budget.

A discussion regarding some of the most impactful budget actions follow, along with a listing of the section of the document that describes the various actions in more detail. The recommended actions are group by their alignment with the investment priorities of the Mayor’s March Budget Message:

- Supporting an Equitable Recovery for a “Better Normal”
- Back to Basics: a Cleaner, Safer San José
- Accelerating Solutions to Homelessness and the Affordable Housing Crisis
- Fiscal Resilience and Our Future

³ Mayor’s March Budget Message: <https://sanjose.legistar.com/LegislationDetail.aspx?ID=4812654&GUID=0776CD9C-508F-4289-A7FF-F2E16E0FC8D5&Options=&Search=>

⁴ Please see Exhibit 2 to this memorandum.

⁵ City Council Policy 1-18: <https://www.sanjoseca.gov/Home/ShowDocument?id=50375>

Focused Approach to Prioritize Community and Organizational Needs (Cont'd)

Supporting an Equitable Recovery for a "Better Normal"

When the COVID-19 pandemic first appeared, the City swiftly responded by standing up a robust and responsive Emergency Operations Center (EOC) with a primary focus of supporting at-risk communities and populations, including funding and coordinating food and necessities distribution, providing homeless support and sheltering services, and funding and coordinating local assistance for individuals, families, small businesses, and non-profits. As the City and community begin the transition to recovery – including the transition from an EOC to a Recovery Team integrated into the work of the City – an equitable allocation of existing and external resources remains a foundational principle.



As an equity cornerstone, the Proposed Operating Budget makes permanent the Office of Racial Equity that was funded on a one-time basis in 2020-2021. This Office will advance a city-wide racial equity framework to examine and improve San José's internal policies, programs, and practices to eradicate structural and/or institutional racism that may exist in our City government and ultimately improve outcomes for Black, Indigenous, and People of Color (which includes, but is not limited to, LatinX and Asian and Pacific Islander). The Office of Racial Equity

will also closely coordinate with the Recovery Team as the City Council prioritizes resources for community and economic recovery.

The City Council's approval of the Mayor's March Budget Message directs the establishment, continuation, or expansion of a number of programs to invest in those hardest hit by the pandemic, the largest being the establishment of the Resilience Corps with a goal of quickly employing 400 young adults residing in high-poverty and high-unemployment neighborhoods within key programs such as logistical support at vaccination and testing centers, food and necessities distribution, tutoring and child care services, watershed protection and wildfire safety, small business support through digital marketing promotion and activation, and disaster resilience and preparedness.

Other Mayor's Message items to equitably build back better include the extension of San José Al Fresco, programs to invest in small businesses and local manufacturing, continuing the drive toward digital inclusion, and leveraging resources to improve educational opportunities. The estimated costs and descriptions for these and other programs anticipated to be funded with the American Rescue Plan or other sources depending on eligibility requirements can be found in Attachment D to this message. As described previously, work is ongoing to determine the most appropriate funding source for each program and will be discussed in depth at the Budget Study Session on May 17, 2021.

2021-2022 PROPOSED OPERATING BUDGET MESSAGE

Focused Approach to Prioritize Community and Organizational Needs (Cont'd)

The focus on ensuring equity also extends to budgetary considerations for the operation of the City's neighborhood branch libraries. In response to the large ongoing shortfall during the previous budget cycle, actions in the 2020-2021 Adopted Operating Budget reduced hours at all branches and the Martin Luther King, Jr. Library by four hours per week effective July 1, 2021. While the Library Department continues to develop a revised service delivery model that leverages additional technology enhancements and facility improvements (such as self-service lockers) that allow the partial restoration of the reduced hours with lower staffing levels on an ongoing basis, the pandemic has slowed that model's development and rollout.

As a bridging strategy, the Proposed Budget includes an equity-focused approach to restoring branch operating hours on a one-time basis in 2021-2022 that will provide greater access to families and community members who experience barriers to access library services. The Library Department identified 13 branches serving under-resourced communities based on data such as library gate count, computer usage, Wi-Fi usage, hotspot circulation, housing and homelessness, access to basic knowledge and information technology, and inclusiveness; as well as transportation routes, and census data related to the population by age and poverty and income levels. This equity index also included the City's Digital Inclusion Priority Index and the Santa Clara County Public Health COVID-19 transmission data. In addition, the Proposed Budget provides one-time funding to establish Family Learning Centers at Edenvale and Educational Park. A description of the methodology to develop the equity index will be included in an MBA that will be issued later in the budget process, which will also include an overview and analysis of how equity-based decision-making shaped the Proposed Budget.



A listing of these and other notable budget actions within this category is provided below:

- Resilience Corps (\$20.0 million) /**Attachment D**
- Digital Inclusion and Data Equity (\$7.35 million)/**Attachment D**
- San José Small Business and Manufacturing Recovery Initiative (\$1.0 million)/**Attachment D**
- Office of Racial Equity (\$967,000)/**City Manager's Office**
- Library Branch Hours and Operations for Lower Resourced Communities (\$900,000)/**Library**
- San José Al Fresco (\$700,000)/**Attachment D**
- Storefront Activation Program (\$650,000)/**Attachment D**
- San José Aspires Administrative Support (\$538,000)/**Attachment D**
- Summer Learning Loss and SJ Learns (\$500,000)/**Attachment D**
- Energy Saving Retrofits (\$500,000)/**Attachment D**
- Language Access Coordination Reserve (\$200,000)/**General Fund Capital, Transfers, and Reserves**
- Disability Community Engagement and Service Evaluation (\$150,000)/**City Manager's Office**
- Racial Equity Action Plan (\$100,000) /**Housing**

Focused Approach to Prioritize Community and Organizational Needs (Cont'd)

Back to Basics: a Cleaner, Safer San José

The impacts of the pandemic have also heightened the importance that San José be a clean, safe, and welcoming environment for community members and visitors. The Proposed Budget leverages external funding to help achieve this outcome.



Artist: Jet Martinez; Capitol Park Mural, 2020

The most significant investment of additional ongoing resources in the Proposed Budget is the permanent expansion of the Beautify San José Program (BeautifySJ). BeautifySJ operations grew dramatically in the summer of 2020 as the City worked to mitigate increases in litter and illegal dumping, instituted a major trash collection program at a number of large homeless encampments, and coordinated with inter-agency partners such as Caltrans to address blight conditions outside the City's direct control. Developed and deployed from the EOC, as directed by the City Council-approved Mayor's

March Budget Message, the Proposed Budget transitions BeautifySJ to the Parks, Recreation, and Neighborhood Services Department (PRNS). While there will continue to be coordination with other City Departments such as Housing and Transportation, PRNS will serve as the single manager for BeautifySJ, consolidating RAPID illegal dumping team from the Environmental Services Department and homeless encampment management and abatement activities from the Housing Department, as well as anti-graffiti and anti-litter activities, San José Bridge Employment Program, Cash for Trash, neighborhood beautification grants, dumpster days, and other related work efforts.

This significant expansion of BeautifySJ requires additional ongoing funding of \$7.6 million in 2021-2022. The Proposed Budget allocates resources from the American Rescue Plan to fund the \$7.6 million expansion in 2021-2022 and potentially for another two years, if regulations and other funding commitments allow. Once external funding is depleted, the ongoing cost will be paid by the General Fund and included in future five-year forecasts.

Federal funding will also be used for a range of one-time investments in safety, blight reduction, and neighborhood activation, including expanding the Services Outreach Assistance and Resources (SOAR) Program from 16 to 26 homeless encampment sites; focused maintenance and stewardship of Guadalupe River Park and Coyote Creek; and the San José Abierto placemaking and events program that expands Viva Parks from a summer program to a year-round, city-wide program producing over 100 events, funds four Viva CalleSJ events, and produces festivals to engage local artists and arts organizations.

2021-2022 PROPOSED OPERATING BUDGET MESSAGE

Focused Approach to Prioritize Community and Organizational Needs (Cont'd)

A listing of these and other notable budget actions within this category is provided below:

- BeautifySJ Consolidated Model (\$20.8 million)/**PRNS and Attachment D**
- Placemaking/San José Abierto Program (\$4.2 million)/**PRNS and Attachment D**
- New Public Safety Facilities M&O (\$2.0 million, Fire Stations 37 and 20)/**Fire**
- Guadalupe River Park & Coyote Creek Clean-Up (\$1.4 million) /**Attachment D**
- Beautify San José Street Landscape Maintenance Program (\$1.0 million)/**Transportation**
- Vehicle Abatement Program – Proactive Patrol and Complaint Response (\$900,000)/**Attachment D**
- Downtown Automated Public Toilets (\$800,000)/**Attachment D**
- Foot Patrol in Downtown and High Needs Neighborhoods (\$750,000)/**Police**
- San José 311 Enhancements (\$750,000)/**Information Technology**
- Traffic Safety and Illegal Sideshows (\$500,000)/**Police**
- Project Hope (\$500,000)/**PRNS**
- SJ Bridge Public Restrooms (\$300,000)/**Attachment D**
- Welch Park and Eastridge Recreation (\$121,000)/**PRNS**
- BeautifySJ Grants (\$100,000)/**Attachment D**

Accelerating Solutions to Homelessness and the Affordable Housing Crisis

The significant influx of Federal and State funding throughout the pandemic has allowed the City to provide a broader range of services to our unhoused community, including the construction and operation of interim and emergency housing sites. The Mayor's March Budget Message and other actions described in the Proposed Budget continue this investment.

The City has a total of seven interim and emergency housing sites and hotels. The budget process will identify the gap funding necessary to construct the eighth site (Lot E), and to operate all sites through 2022-2023. While the Housing Department previously secured funding to operate the seven existing sites through 2021-2022, American Rescue Plan funding or another alternative source will be required to fund all eight in 2022-2023. In the meantime, the City will work to identify other external funding sources to continue operations into the future.

Focused Approach to Prioritize Community and Organizational Needs (Cont'd)

Interest in the construction of accessory dwelling units (ADU) continues to surge, as the City processed 26 times the number of ADU applications in 2020 as it did in 2015, and ADU's represented 38% of all the housing permits pulled in 2020. To meet this demand, the Proposed Budget includes staffing in the Building Development Services program to support expedited review of ADU permit applications and the one-time continuation of the ADU Ally in the General Fund to serve as the



City's main point of contact and help streamline review processes for ADU applications, and conduct data tracking and analysis to ensure the successful continuity of the program.

A listing of these and other notable budget actions within this category is provided below:

- Interim Housing Operations (\$17.5 million)/**Attachment D**
- Homeless Services Outreach Assistance and Resources (SOAR) Program (\$13.0 million) /**Attachment D**
- Emergency Interim Housing Site Identification and Construction (\$2.5 million)/**Attachment D**
- Accessory Dwelling Unit Staffing (\$658,000)/**PBCE**
- Homeless Response and Coordination Staffing (\$400,000)/**Housing**
- Policy Studies and Consulting Services (\$280,000)/**Housing**
- Pre-Development Consulting Services (\$275,000)/**Housing**
- Affordable Housing Portfolio Management Staffing (\$173,000)/**Housing**
- Housing Catalyst Staffing (\$167,000) /**Office of Economic Development and Cultural Affairs**
- YIGBY Land Use Policy Development (\$75,000) /**Attachment D**

Focused Approach to Prioritize Community and Organizational Needs (Cont'd)

Fiscal Resilience and Our Future

The focus of the Proposed Budget and the upcoming discussion on allocating funding from the American Rescue Plan and other external sources, is to support an equitable community and economic recovery. At the same time we must ensure the fiscal resilience of the City as an organization. This is why, even with a significant influx of one-time resources, the Proposed Budget recommends a 15% ongoing reduction to resolve the ongoing General Fund shortfall. This commitment to budgetary discipline is also why strategic use of the American Rescue Plan must also allocate future funding to mitigate the ongoing shortfall carried over into 2022-2023, and why the Administration will need to engage the City Council during the next budget development cycle to bring the General Fund back into alignment on an ongoing basis once the pandemic is mostly behind us and the economic picture becomes clearer.



To address a portion of the ongoing General Fund shortfall, the Proposed Budget primarily recommends a number of ongoing cost reduction strategies that leverage the elimination of vacant positions – including civilianization actions to eliminate vacant sworn positions in the Fire and Police Department – make moderate reductions to non-personal/equipment spending, and appropriately shift spending within eligible funding sources. Though they do further limit the City's capacity, these expenditure reductions are not anticipated to result in significant service reductions or employee layoffs.

The additional expenditure reductions considered in the development of the Proposed Budget would have resulted in more substantial community impacts that were otherwise avoided due to the availability of the American Rescue Plan.

Table 5 below displays the impact to the ongoing shortfall by recommending a combination of \$6.7 million in ongoing solutions and \$31.6 million in one-time solutions. The shortfall preliminarily forecasted for 2022-2023 is estimated at \$28.3 million.

Focused Approach to Prioritize Community and Organizational Needs (Cont'd)

Table 5. Impact of Only Partially Resolving the 2021-2022 Ongoing Shortfall (\$ in millions)

	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026
Projected Revenues	\$1,230.56	\$1,272.70	\$1,317.80	\$1,366.90	\$1,414.30
Projected Expenditures	\$1,268.86	\$1,307.66	\$1,352.56	\$1,397.26	\$1,442.76
Annual Surplus/ (Shortfall)	(\$38.29)	(\$34.96)	(\$34.76)	(\$30.36)	(\$28.46)
Recommended 2021-2022 Ongoing Solutions	\$6.70	\$6.70	\$6.70	\$6.70	\$6.70
Revised Annual Surplus/(Shortfall)	(\$31.59)	(\$28.26)	(\$28.06)	(\$23.66)	(\$21.76)

The Mayor’s March Budget Message gave direction to allocate at least \$80 million from the American Rescue Plan into a reserve to address future budgetary shortfalls and to provide resources to fund the community and economic recovery efforts over a multi-year period. The Administration has learned that the City will receive American Rescue Plan funding in tranches, with the first disbursement in the current fiscal year estimated at \$111 million. Since much of the initial disbursement will be used for active expenditures, the Proposed Budget is not yet able to set aside the \$80 million reserve. However, a multi-year funding strategy to meet the spirit of the Mayor’s Message direction will be presented at the Budget Study Session on May 17, 2021, which

will achieve the \$80 million total and, at minimum, will include a recommendation to set aside funding to address the \$28.3 million General Fund shortfall preliminarily projected for 2022-2023.



Artist: Samuel Rodriguez; from the Holding the Moment Exhibition, 2020

In addition to resolving the 2021-2022 General Fund shortfall, the Proposed Budget also allocates \$2.5 million from the American Rescue Plan to ensure that the Convention and Cultural Affairs Fund remains in balance. With the severe decline in business and leisure hotel stays and the virtual cessation of events at the Convention Center and other cultural and event venues since the pandemic’s onset, and the expected slower recovery in this economic sector, Transient Occupancy Tax receipts will not be sufficient to help offset the cost of operating the Convention Center and other cultural facilities. A transfer of \$2.5 million from the American Rescue Plan Fund will prevent a negative balance in the Convention and Cultural Affairs Fund.

2021-2022 PROPOSED OPERATING BUDGET MESSAGE

Focused Approach to Prioritize Community and Organizational Needs (Cont'd)

Finally, fiscal resilience is also linked to the investment in basic infrastructure rehabilitation and equipment replacement. Each year, the City makes General Fund budgetary allocations to address a small portion of the deferred maintenance and infrastructure backlog to ensure the continued provision of basic City services and continued operation of City facilities. The Proposed Budget includes several urgent and strategic investments in core services such as radio replacements, replacement of the business tax system, rehabilitation of the Singleton gas flare and collection system, and rehabilitation of City-owned cultural facilities and Police Administration Building. Not only are these one-time expenditures necessary to continue core City operations, they also lessen what would otherwise be increased future maintenance and operating costs.

A listing of these and other notable budget actions are listed below:

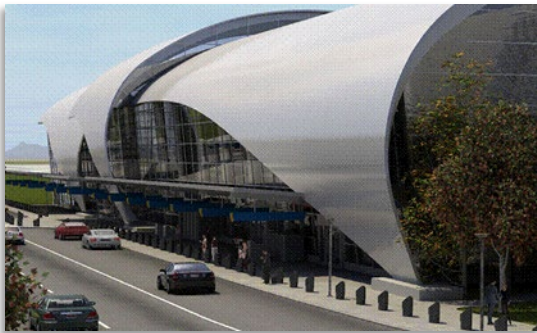
- Transfer to the Communications Construction and Conveyance Tax Fund (Radio Replacement, \$5.25 million)/ **General Fund Capital, Transfers, and Reserves**
- Self-Contained Breathing Apparatus Equipment Replacement (\$3.0 million)/**Fire**
- Essential Services Reserve (\$3.0 million)/**General Fund Capital, Transfers, and Reserves**
- Transfer to the Public Safety and Infrastructure Bond Fund (Fire Station 20, \$2.3 million)/**General Fund Capital, Transfers, and Reserves**
- Closed Landfill Compliance (\$2.3 million)/**General Fund Capital, Transfers, and Reserves**
- Information Technology Sinking Fund Reserve (\$2.0 million)/ **General Fund Capital, Transfers, and Reserves**
- Cultural Facilities Rehabilitation Projects (\$907,000)/ **General Fund Capital, Transfers, and Reserves**
- Police Administration Building Boiler and Chiller Replacement (\$525,000)/ **General Fund Capital, Transfers, and Reserves**
- Pension Obligation Bonds Consulting Services Reserve (\$200,000)/ **General Fund Capital, Transfers, and Reserves**
- Development Services Imaging and Call Center Staffing (-\$1.2 million)/**PBCE**
- Overtime Usage (-\$660,000)/**Fire**
- Fee Activities Program Expenditure Reduction (-\$525,000)/**PRNS**
- Reprographics Contractual Services Savings (-\$462,000)/**All Depts**
- Workplace Safety Staffing (-\$300,000)/**Fire**
- Bureau of Field Operations Administration Staffing (-\$248,000) /**Police**
- Emergency Medical Services Staffing (-\$245,000)/**Fire**
- Office of Civic Innovation – Management Staffing (-\$244,000) /**City Manager’s Office**
- Electrical Maintenance Staffing (-\$228,000)/**Public Works**
- Facilities Preventative Maintenance (-\$214,000)/**Public Works**
- Community Center Operations Support (-\$226,000)/**PRNS**
- Crime Evidence and Warehouse Unit Staffing (-\$198,000) /**Police**

Focused Approach to Prioritize Community and Organizational Needs (Cont'd)

Other Budget Actions

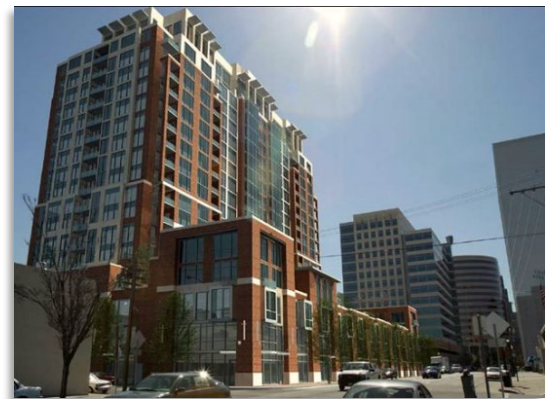
This City provides a full range of diverse services from airports to zoos, many funded from dedicated and restricted revenue streams. As highlighted below, the 2021-2022 Proposed Budget seeks to ensure that City services are effectively resourced within available funding levels to meet community expectations, as well as the goals and objectives of the City Council.

Airport Resilience. Though passenger traffic at the Norman Y. Mineta San José International Airport has been severely impacted by the pandemic, the Airport remains well-positioned for recovery as the economy rebounds. In addition to reducing costs in the 2020-2021 Adopted Budget and prudently using prior rounds of CARES Act money to partially offset revenue losses, the recent 2021 refunding of Airport Revenue Bonds has yielded significant savings, including



debt service savings in 2021-2022 of \$48.3 million and \$188.2 million over the life of the bond. Associated with this refunding, SJC was the first airport in the nation to have its Standard & Poor's (S&P) bond rating outlook changed from Negative to Stable. All three bond ratings from S&P (A-), Moody's (A2), and Fitch (A) remained unchanged.

Renewable Energy and Energy Resilience. In February 2019, the Community Energy Department launched San José Clean Energy (SJCE), suppling residents and businesses with cost competitive electricity with higher renewable content than PG&E. As SJCE continues to grow, the Proposed Budget adds staffing to ensure prudent financial management practices, improve capacity to engage in the regulatory and legislative process to ensure the long-term financial stability, develop and manage the implementation of community energy efficiency programs that align with Climate Smart San José strategies to reduce energy use and accelerate the deployment of greener technology, and outreach to customers on the promotion of programs that will help low-income and disadvantaged communities reduce their energy bills and benefit from clean energy technologies. The Proposed Budget also continues the City's efforts to explore, develop, coordinate, and deliver a comprehensive package of strategies and programs to improve energy resiliency at critical City-owned and community facilities, and areas of new development for residents and businesses.



Focused Approach to Prioritize Community and Organizational Needs (Cont'd)



Maintaining Critical Utility Infrastructure.

While much of the investment necessary to rehabilitate and maintain the unseen or unnoticed infrastructure essential for day-to-day activities – such as potable and recycled water distribution, sanitary sewer conveyance, and wastewater treatment – is described in the Proposed Capital Budget, increased investment in operating expenditures are also required. The 2021-2022 Proposed Operating Budget includes funding allocations for deferred maintenance projects for the South Bay Water Recycling System,

increased funding for chemical supplies and staffing additions and realignments to appropriately support the Regional Wastewater Facility, and for the purchase of specialized vehicles to ensure timely repairs for the sanitary sewer collection system.

Traffic Safety and Parking Operations.

The City continues to emphasize the importance of safety for all modes of transportation. Leveraging funds from the Traffic Capital Program, the Proposed Budget adds ongoing staffing resources to implement Vision Zero, Quickbuild, and other investments to advance safety for pedestrians, bicycles, and vehicles on the City's transportation network. While the City has not seen a significant drop-off in the revenues that fund the Traffic Capital Program, including construction taxes related to private development activity, revenues generated by the City's parking garages and meters have fallen dramatically and will likely be slow to recover. Due to the lower revenue collections, the General Purpose Parking Fund cannot support the same level of services in previous years; and as a result, the Proposed Budget recommends funding services such as Downtown Automated Public Toilets and Vehicle Abatement from the American Rescue Plan, as regulations allow, and transferring funds back into the Parking Operating Fund that were previously allocated for capital rehabilitation of parking system infrastructure.



Focused Approach to Prioritize Community and Organizational Needs (Cont'd)



Artist: Jesse Hernandez; Title: Aztec Underpass, 2021

The Importance of Art and Artists. While revenue from the Transient Occupancy Tax, the City's main source of revenue supporting cultural arts, has fallen to unprecedentedly low levels, the need for art to be intertwined into public life has never been more important. As the City works to identify local assistance funding from the American Rescue Plan and other sources that may help to partially offset the impact to artists and arts organizations, the Administration will be making organizational changes that

elevates the prominence of cultural arts within the City Manager's Office. With this budget, the Office of Economic Development will now be titled the Office of Economic Development and Cultural Affairs, and several staffing realignments and changes will occur over the next several months to reflect the influence that arts programming has on the City's economic and cultural development.

The 2021-2022 Proposed Operating Budget contains a number of other notable actions not previously discussed that are listed below grouped by City Service Area.

Community and Economic Development

- Environmental Review Staffing (\$658,000)/PBCE
- Economic Development Pre-Development Activities (\$100,000)/City-Wide Expenses

Environmental and Utility Services

- South Bay Water Recycling System Maintenance and Operations (\$3.5 million)/ Environmental Services
- Regional Wastewater Facility Chemical Supplies (\$1.5 million)/ Environmental Services

- Solid Waste Enforcement and Compliance Staffing (\$982,000)/ Environmental Services
- Sanitary Sewer Maintenance Equipment (\$625,000)/ Transportation
- Climate Smart San José Plan Implementation (\$500,000)/ City-Wide Expenses

Neighborhood Services

- Police Activities League Facilities Support (\$328,000)/PRNS
- Fiscal and Employee Services Support Staffing (\$242,000)/PRNS
- Volunteer Management (\$113,000) /PRNS

2021-2022 PROPOSED OPERATING BUDGET MESSAGE

Focused Approach to Prioritize Community and Organizational Needs (Cont'd)

Transportation and Aviation

- Pavement Markings Staffing (\$332,000)/Transportation
- Airport Closed Circuit Television Storage (\$350,000)/Airport
- Our City Forest (\$225,000) /Transportation

Strategic Support

- Learning and Development Roadmap (\$500,000)/City-Wide Expenses
- Cost Allocation Plan Review (\$302,000)/Finance

- Digital Privacy Staffing (\$212,000)
- Commercial Paper Program Fees (\$175,000)/City-Wide Expenses
- Office of Equality Assurance Labor Compliance Staffing (\$163,000)/Public Works
- Community Emergency Response Training Program (\$161,000)/City Manager's Office
- Emergency Operations Staffing (\$157,000)/Public Works

Fees and Charges Adjustments

The 2021-2021 Proposed Budget includes a range of adjustments to fees and charges to provide the resources necessary to pay for operating and capital improvement expenses. No utility rate increase is proposed for the Storm Sewer Service Charge or the Sewer Service and Use Charge. The Municipal Water Utility System anticipates a rate increase of 9.0% for 2021-2022. For Recycle Plus rates, a 17.0% increase is proposed for single-family dwellings and 7.0% for multi-family dwellings.

In the Development Fee Programs, fee adjustments of approximately 3% are proposed for the Planning, Citywide Planning, and Building Fee Programs, 4% for the Public Works Program, and 8% for the Fire Program, to align program revenues with costs, maintain works-in-progress reserves, and enhance service levels where appropriate. Other upward and downward adjustments to various other departmental fee programs are proposed to generally maintain City Council-approved cost recovery rates. The fee changes are described in the 2021-2022 Proposed Fees and Charges document that will be released under separate cover.

CONCLUSION

The 2021-2022 Proposed Budget is both a reflection of what we have collectively accomplished over the past year and the work we still have left to do. The City's quick action in the 2020-2021 Adopted Budget to anticipate and prepare for the pandemic's economic impact also effectively positioned the organization to leverage the significant influx of federal and State resources. Over the past year the City has gone to extraordinary lengths to help slow the spread of COVID-19, continue the operation of most City services under extremely challenging circumstances, and provide direct assistance to our most vulnerable populations.

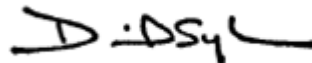
2021-2022 PROPOSED OPERATING BUDGET MESSAGE

CONCLUSION (Cont'd.)

As we transition from emergency response to community and economic recovery, considerations of equity continue to guide our decision-making and are reflected in the 2021-2022 Proposed Budget. All of the City's funds, including the General Fund, are brought into balance. While included actions partially address the ongoing shortfall in the General Fund, community services will not be significantly impacted, and the strategic use of the American Rescue Plan will prevent further reductions that would adversely impact vulnerable communities, and fund critical programs to facilitate community recovery. Addressing the General Fund's ongoing structural shortfall will remain a priority for next year's budget development process, once the pandemic is mostly behind us and the economic picture becomes clearer.

I want to express appreciation for our extremely dedicated and talented staff who prepared this budget document. Over the past year our City employees have demonstrated their commitment to providing the best possible service to the community and engaging in collaborative efforts to address new and extremely challenging problems. The Proposed Budget embodies this commitment – leveraging expertise from front line workers, to back-of-house strategic support staff, to the incredibly hard-working members of the City Manager's Budget Office that produced this document – and is a representative of the organization's efforts to achieve the best outcome possible for the San José community.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "D. Sykes", with a stylized flourish at the end.

David Sykes
City Manager

2021-2022 Budget Balancing Strategy Guidelines

1. Develop a budget that balances the City's delivery of the most essential services to the community with the resources available. Consider current needs in the context of long-term service delivery priorities.
2. Pose explicit questions of equity – including who benefits and who is burdened – when considering changes to City services to achieve a balanced budget.
3. While over the long term the City remains committed to balancing ongoing expenditures with ongoing revenues to maintain the City's high standards of fiscal integrity and financial management, given economic and public health uncertainty related to the COVID-19 pandemic, use a combination of ongoing and one-time solutions to resolve the General Fund shortfall in 2021-2022 that balances the need to resolve the ongoing shortfall against the community and organization impact of service level reductions in the short term.
4. Should additional Federal relief or stimulus funding become available to address the pandemic, allocate funding for response, recovery, and local assistance – with an emphasis on assisting our most vulnerable – and to help backfill lost revenue, as allowable under statutory restrictions and in context of other urgent needs.
5. To the extent possible, maintain or increase General Fund reserve levels to help address any unanticipated budgetary shortfall in the following year as a stopgap measure.
6. Evaluate program-level budgets and determine if there are opportunities to shift resources or reconfigure operations to mitigate service delivery impacts, meet the objectives of the City Roadmap, generate new revenues, address truly significant community or organizational risks, fund services added on a one-time basis in 2020-2021, and/or respond to City Council direction and organizational risks. Review existing vacancies for opportunities to reorganize work groups to realize cost savings or to achieve current service level demands through alternative means. Factor in performance measure data in proposal development.
7. Focus on business process redesign to improve employee productivity and the quality, flexibility, and cost-effectiveness of service delivery (e.g., streamlining, simplifying, reorganizing functions, and reallocating resources).
8. Explore alternative service delivery models (e.g., partnerships with non-profit, public, or private sector for out- or in-sourcing services) to ensure no service overlap, reduce and/or share costs, and use City resources more efficiently and effectively.
9. Identify City policy changes that would enable/facilitate service delivery improvements or other budget balancing strategies to ensure equity and inclusion for how services are delivered.
10. Analyze non-personal/equipment/other costs, including contractual services, for cost savings opportunities. Contracts should be evaluated for their necessity to support City operations and to identify negotiation options to lower costs.
11. Explore expanding existing revenue sources and/or adding new revenue sources.
12. Establish a fees, charges and rates structure designed to fully recover operating costs, while considering the impacts on fee and rate payers whereby a cost recovery structure may be lower in certain circumstances, and explore opportunities to establish new fees and charges for services, where appropriate.
13. Focus any available one-time resources on investments that 1) continue high-priority programs funded on a one-time basis in 2020-2021 for which ongoing funding is not available; 2) address the City's unmet or deferred infrastructure needs; 3) leverage resources to or improve efficiency/effectiveness through technology and equipment or other one-time additions; 4) increase budget stabilization reserves to address future budget uncertainty; and/or 6) provide for funding needs for non-bond eligible furniture, fixtures, and equipment associated with the continued implementation of Measure T.
14. Engage employees in department and/or city-wide budget proposal idea development.
15. Continue a community-based budget process where the City's residents and businesses are educated and engaged, as well as have the opportunity to provide feedback regarding the City's annual budget.
16. Use the General Plan as a primary long-term fiscal planning tool and link ability to provide City services to development policy decisions.

2021-2022 Proposed Operating Budget

City of San José Budget Principles

The Mission of the City of San José is to provide quality services, facilities and opportunities that create, sustain and enhance a safe, livable and vibrant community for its diverse residents, businesses and visitors. The General Fund Budget shall be constructed to support the Mission.

1) STRUCTURALLY BALANCED BUDGET

The annual budget for the General Fund shall be structurally balanced throughout the budget process. A structurally balanced budget means ongoing revenues and ongoing expenditures are in balance each year of the five-year budget projection. Ongoing revenues shall equal or exceed ongoing expenditures in both the Proposed and Adopted Budgets. If a structural imbalance occurs, a plan shall be developed and implemented to bring the budget back into structural balance. The plan to restore balance may include general objectives as opposed to using specific budget proposals in the forecast out years.

2) PROPOSED BUDGET REVISIONS

The annual General Fund Proposed Budget balancing plan shall be presented and discussed in context of the five-year forecast. Any revisions to the Proposed Budget shall include an analysis of the impact on the forecast out years. If a revision(s) creates a negative impact on the forecast, a funding plan shall be developed and approved to offset the impact.

3) USE OF ONE-TIME RESOURCES

Once the General Fund budget is brought into structural balance, one-time resources (e.g., revenue spikes, budget savings, sale of property, and similar nonrecurring revenue) shall not be used for current or new ongoing operating expenses. Examples of appropriate uses of one-time resources include rebuilding the Economic Uncertainty Reserve, early retirement of debt, capital expenditures without significant operating and maintenance costs, and other nonrecurring expenditures. One time funding for ongoing operating expenses to maintain valuable existing programs may be approved by a majority vote of the Council.

4) BUDGET REQUESTS DURING THE YEAR

New program, service or staff requests during the year that are unbudgeted shall be considered in light of the City's General Fund Unfunded Initiatives/Programs List and include a spending offset at the time of the request (if costs are known) or before final approval, so that the request has a net-zero effect on the budget.

5) RESERVES

All City Funds shall maintain an adequate reserve level and/or ending fund balance as determined annually as appropriate for each fund. For the General Fund, a contingency reserve amount, which is a minimum of 3% of the operating budget, shall be maintained. Any use of the General Fund Contingency Reserve would require a two-thirds vote of approval by the City Council. On an annual basis, specific reserve funds shall be reviewed to determine if they hold greater amounts of funds than are necessary to respond to reasonable calculations of risk. Excess reserve funds may be used for one-time expenses.

2021-2022 Proposed Operating Budget

City of San José Budget Principles

6) DEBT ISSUANCE

The City shall not issue long-term (over one year) General Fund debt to support ongoing operating costs (other than debt service) unless such debt issuance achieves net operating cost savings and such savings are verified by appropriate independent analysis. All General Fund debt issuances shall identify the method of repayment (or have a dedicated revenue source).

7) EMPLOYEE COMPENSATION

Negotiations for employee compensation shall focus on the cost of total compensation (e.g., salary, step increases, benefit cost increases) while considering the City's fiscal condition, revenue growth, and changes in the Consumer Price Index (cost of living expenses experienced by employees.)

8) CAPITAL IMPROVEMENT PROJECTS

Capital Improvement Projects shall not proceed for projects with annual operating and maintenance costs exceeding \$100,000 in the General Fund without City Council certification that funding will be made available in the applicable year of the cost impact. Certification shall demonstrate that funding for the entire cost of the project, including the operations and maintenance costs, will not require a decrease in existing basic neighborhood services.

9) FEES AND CHARGES

Fee increases shall be utilized, where possible, to assure that fee program operating costs are fully covered by fee revenue and explore opportunities to establish new fees for services where appropriate.

10) GRANTS

City staff shall seek out, apply for and effectively administer federal, State and other grants that address the City's priorities and policy objectives and provide a positive benefit to the City. Before any grant is pursued, staff shall provide a detailed pro-forma that addresses the immediate and long-term costs and benefits to the City. One-time operating grant revenues shall not be used to begin or support the costs of ongoing programs with the exception of pilot projects to determine their suitability for long-term funding.

11) GENERAL PLAN

The General Plan shall be used as a primary long-term fiscal planning tool. The General Plan contains goals for land use, transportation, capital investments, and service delivery based on a specific capacity for new workers and residents. Recommendations to create new development capacity beyond the existing General Plan shall be analyzed to ensure that capital improvements and operating and maintenance costs are within the financial capacity of the City.

12) PERFORMANCE MEASURES

All requests for City Service Area/departmental funding shall include performance measurement data so that funding requests can be reviewed and approved in light of service level outcomes to the community and organization.

13) FIRE STATION CLOSURE, SALE OR RELOCATION

The inclusion of the closure, sale or relocation of a fire station as part of the City Budget is prohibited without prior assessment, community outreach, and City Council approval on the matter.

Original City Council Approval 03/18/2008; Revised 09/09/08

San José City Roadmap | FY 2021-2022 | Approved by Council on March 16, 2021

Legend: ■ COVID-19 Response ■ Enterprise Initiatives

Enterprise Priority
COVID-19 Pandemic: Community + Economic Recovery
Emergency Management + Preparedness
Creating Housing + Preventing Homelessness
Safe, Vibrant, + Inclusive Neighborhoods + Public Life
Building the San José of Tomorrow
Smart, Sustainable, + Reliable City: 21 st Century Infrastructure

Project					
Housing Stabilization	Re-Employment + Workforce Development	Small Business Recovery	Food + Necessities Distribution	Digital Equity	Child Care Learning Pods
Vaccination Taskforce					
Emergency Housing Construction + Operation	Sheltering + Enhanced Encampment Services				
Police Reforms Work Plan	San José 311 + Service Delivery	Encampment Waste Pick-Up BeautifySJ	Vision Zero Traffic Safety		
Align Zoning with General Plan	Development Services Transformation	Google Development	Major Real Estate Development Projects		
Pavement, Fire, EOC, Transit Capital Improvements	Regional Wastewater Facility Capital Improvements	Electrical Service for Major Development	Climate Smart American Cities Climate Challenge		

Strategy	
North San José Strategy	
Equity Strategy Development	Neighborhood Services Access Strategy
BART + High-Speed Rail Strategy	
Lowering PG&E Above Market Costs for Clean Energy	

Policy
Build Back Better + Recovery Taskforce + AI Fresco Forever
Soft-Story Building Earthquake Retrofit Policy
Encampment Management + Safe Relocation Policy

Enterprise Priority Foundational
Strategic Fiscal Positioning + Resource Deployment
Powered by People

Project					
Federal + State Stimulus Advocacy	Secure City Cybersecurity	Procurement Improvement	Pension Obligation Bond Analysis		
Continuity of City Services	Workplace Safety	Employee Health + Wellness	Drive to Digital	Effective Teams	

Strategy	
Budgeting for Equity	City Roadmap Budgeting, Accountability, + Performance
City Workforce Diversity + Skill Building	

Policy



General Fund Balancing Strategy Detail 2021-2022 Proposed Operating Budget

INTRODUCTION

This attachment is intended to provide a more detailed summary of the key actions taken to balance the 2021-2022 Proposed General Fund Budget. Revisions to the February Base Budget Forecast, as well as the key elements of the strategy to bring the General Fund into balance in the Proposed Budget, are described.

In February 2021, the Administration prepared formal projections for the 2021-2022 Proposed General Fund Budget as part of the *2021-2022 City Manager's Budget Request & 2022-2026 Five-Year Forecast and Revenue Projections* document that was released to the City Council. In that document, the 2021-2022 February Base Budget Forecast projections estimated a 2021-2022 General Fund shortfall of approximately \$48.1 million. This shortfall represented the difference between projected 2021-2022 General Fund resources and the expected cost of approved 2021-2022 Base Budget services in next year's dollars, as well as several City Council "committed" additions (e.g., additional operating and maintenance costs for capital projects in the 2021-2025 Capital Improvement Program or for projects approved by the City Council during 2020-2021).

Subsequent to the release of the February Forecast and based on updated information, a number of revisions to both expenditures and revenue estimates were made, which constitutes the "Revised Base Budget Forecast" included in the Proposed Budget.

The revisions to the February Base Budget Forecast included a series of changes that produced an increase in overall General Fund sources and uses. These changes resulted in a reduction of \$9.8 million to the estimated General Fund shortfall, for a revised shortfall of \$38.3 million. These adjustments to the February Base Budget Forecast are described in more detail later in this section.

The Proposed Budget contained a set of actions that increased both the General Fund sources (by \$68.2 million), and uses (by \$29.9 million) from the Revised Base Budget Forecast, bringing the overall General Fund into balance for 2021-2022. The increase in sources of \$68.2 million included several major components, including: receipt of American Rescue Funds in 2020-2021 that will be available for use in 2021-2022 (\$45.0 million), liquidation of various earmarked reserves for specific purposes (\$13.2 million); excess revenue and expenditure savings from 2020-2021 that will be available for use in 2021-2022 (\$6.0 million); and other revenue changes (\$4.0 million).

The increase in uses of \$29.9 million in 2021-2022 includes additional funding for the following: critical unmet/deferred infrastructure and maintenance needs (\$18.9 million); continuation of 2020-2021 one-time funded services (\$8.7 million); earmarked reserves (\$7.2 million); new facilities operations and maintenance (\$3.1 million); service level enhancements (\$3.0 million); and other positive changes (\$1.0 million).

General Fund Balancing Strategy Detail 2021-2022 Proposed Operating Budget

INTRODUCTION

These increases were partially offset by savings realized from cost reductions, service delivery efficiencies, and funding shifts (\$7.2 million) and the use of reserves that had been established for specific purposes (\$4.7 million) that were included in the February Forecast. The result of these actions was a balanced 2021-2022 Proposed General Fund Budget of \$1.3 billion.

Table I below displays the overall projections for the 2021-2022 General Fund as they changed between the February Base Budget Forecast and the Proposed Budget. Table II summarizes the changes from the February Base Budget Forecast to the Revised Base Budget Forecast, excluding carryover for prior year encumbrances. The specific elements of the City Manager's Proposed Budget balancing strategy are summarized in Table III.

Table I
2021-2022 PROPOSED OPERATING BUDGET
Forecast to Proposed Budget Reconciliation (in \$000s)

	Total Sources	Total Uses	(Shortfall)/ Surplus
February Base Budget Forecast	\$ 1,220,634	\$ 1,268,731	(\$48,097)
Forecast Revisions	9,963	155	9,808
Revised Base Budget Forecast (no fee impact)	1,230,597	1,268,886	(38,289)
Proposed Revisions	68,182	29,893	38,289
2021-2022 Proposed Budget	1,298,779	1,298,779	0

General Fund Balancing Strategy Detail 2021-2022 Proposed Operating Budget

REVISED BASE BUDGET FORECAST

As discussed previously, following the issuance of the February Base Budget Forecast, detailed analysis of the status of General Fund revenues and expenditures continued. Based on this review, the Proposed Budget incorporated a series of changes to the February Base Budget Forecast estimates for both sources and uses to form a Revised Base Budget Forecast. These changes resulted in a reduction of \$9.8 million to the estimated General Fund shortfall, for a revised shortfall of \$38.3 million. Changes are detailed in Table II below.

Table II
2021-2022 REVISED BASE BUDGET FORECAST
Summary of Changes (in \$000s)

Sources	Revision
Property Tax (ERAF receipts)	\$ 9,400
Licenses and Permits	402
Other Revenue	122
Fees, Rates, and Charges	111
Revenue from Local Agencies	20
Transfers and Reimbursements	(92)
Net Change in Sources	\$ 9,963

Uses	Revision
Transfers to Other Funds	\$ 270
Position and Fund Realignments/Corrections	156
Non-Personal/Equipment and City-Wide Expenses	(271)
Net Change in Uses	\$ 155

Total Change (Shortfall)/Surplus	\$ 9,808
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General Fund Balancing Strategy Detail 2021-2022 Proposed Operating Budget

REVISED BASE BUDGET FORECAST

Source of Funds

A summary table is provided below for the revenue changes incorporated into the Revised Base Budget Forecast, which were used as the starting point in preparing the 2021-2022 Budget.

Category	\$ Change	Description
Property Tax	\$ 9,400,000	Increase of \$9.4 million as a result of a revised 2020-2021 revenue estimate being received from the State of California and Santa Clara County for Educational Revenue Augmentation Fund (ERAF) that will result in an ongoing revenue increase.
Licenses and Permits	402,447	Net increase of \$402,447 aligns revenues with estimated base costs and activity levels for Police Department permits (\$402,242), Planning Building and Code Enforcement permits (\$9,051), Transportation Department permits (\$4,272), Finance Department permits (-\$2,118), and Public Works Department permits (-\$11,000).
Other Revenue	122,394	Increase of \$122,394 aligns revenues with the estimated base costs and activity levels for Transportation Department revenues (\$84,590) and the reimbursement for the Investment Program (\$37,804).
Fees, Rates, and Charges	110,709	Net increase of \$110,709 aligns revenues with estimated base costs and activity levels for Police Department fees (\$174,226), Miscellaneous fees (\$32,793), and Transportation Department fees (-\$96,310).
Revenue from Local Agencies	19,490	Net increase of \$19,490 aligns revenues with the anticipated reimbursement from Santa Clara County for City costs associated with the Child Advocacy Center.
Transfers and Reimbursements	(91,900)	Net decrease of \$91,900 reflects updated overhead reimbursements from capital and operating funds based on the final 2021-2022 base budget and overhead rates (\$522,930), offset by lower transfers and reimbursements to the General Fund (-\$614,830).
Total	\$ 9,963,140	

General Fund Balancing Strategy Detail 2021-2022 Proposed Operating Budget

REVISED BASE BUDGET FORECAST

Use of Funds

Provided below is a listing for all expenditure changes incorporated into the Revised Base Budget Forecast, which were used as the starting point in preparing the 2021-2022 Budget.

Category	\$ Change	Department
Personal Services Adjustments		
Net Departmental Fund Shifts	\$134,740	Citywide
Non-Personal/Equipment Adjustments		
Fund Shift: Verizon Charges	\$21,000	Transportation
Deferred Compensation	4,611	Human Resources
Software/Information Systems: Microsoft Enterprise Agreement	(218,000)	Information Technology
Contract Services: City Facilities Waste Collection	(40,902)	Environmental Services
Voluntary Employees' Beneficiary Association	(1,809)	Human Resources
City-Wide Expenses		
City Dues/Memberships	\$(14,800)	City Clerk
Transfers to Other Funds		
Vehicle Operations and Maintenance	147,000	Public Works
City Hall Debt Service Fund	122,928	City Manager
Total	\$ 154,768	

**General Fund Balancing Strategy Detail
2021-2022 Proposed Operating Budget**

PROPOSED BUDGET BALANCING STRATEGY

**Table III
2021-2022 PROPOSED OPERATING BUDGET
General Fund Balancing Strategy (in \$000s)**

	2021-2022	Ongoing
2021-2022 Revised General Fund Shortfall	\$ (38,289)	\$ (38,289)
Balancing Strategy		
Source of Funds		
Beginning Fund Balance:		
American Rescue Plan Revenue Loss Reimbursement	\$ 45,000	\$ 0
2020-2021 Future Deficit Reserve	11,076	0
2020-2021 Excess Revenue/Expenditure Savings	6,000	0
Other Reserve Liquidations	2,115	0
Grants/Reimbursements/Fees		
UASI Grant – Office of Emergency Management	603	0
Fire Department Non-Development Fee Changes	454	454
PRNS Fee Revenue (Family Camp Suspension)	(177)	0
Other Fee Programs/Reimbursements/Grants	1,262	1,009
Other Revenue		
Office of Equality Assurance Labor Compliance	150	150
Transfer from the Integrated Waste Management Fund (CDDD)	(150)	0
Overhead Reimbursements	1,849	1,524
Subtotal Source of Funds	\$ 68,182	\$ 3,137
Use of Funds		
Unmet/Deferred Technology, Infrastructure, and Maintenance	\$ 18,899	\$ 0
2020-2021 Previously One-Time Funded Services	8,664	1,189
Earmarked Reserves (Essential Services, IT Sinking Fund, Police Redistrict)	7,150	0
New Facilities Operations and Maintenance	3,055	4,849
Service Level Enhancements	3,009	954
Other Fee Programs/Grants/Reimbursements	991	226
Development Fee Programs	12	4
Cost Reductions/Service Delivery Efficiencies/Fund Shifts	(7,232)	(5,930)
Use of Reserves (Committed Additions, Cultural Facilities, Deferred Maint.)	(4,655)	(4,860)
Subtotal Use of Funds	\$ 29,893	\$ (3,568)
Total Balancing Strategy	\$ 38,289	\$ 6,705
Remaining Balance	\$ 0	\$ (31,584)

General Fund Balancing Strategy Detail 2021-2022 Proposed Operating Budget

PROPOSED BUDGET BALANCING STRATEGY

Specific City Council direction regarding the preparation of the Proposed Budget was provided in the Mayor's March Budget Message for Fiscal Year 2021-2022, as approved by the City Council (see Appendices Section of this document). The details of the specific direction of that Message and the corresponding responses contained in this budget are provided in Attachment B following this section in the City Manager's Message. Attachment C contains information regarding the status of City Auditor recommendations with funding impacts.

Source of Funds

From the Revised Base Budget Forecast of \$1.23 billion, a net increase of \$68.2 million to the General Fund revenue estimates are included in the Proposed Budget, bringing the 2021-2022 revenue estimate to \$1.30 billion (including fund balance). The components of this change include an increase to the estimate for 2020-2021 Ending Fund Balance/2021-2022 Beginning Fund Balance (\$64.2 million) and an increase to various revenue categories (\$4.0 million). The revenue changes are summarized in the table below.

Category	\$ Change	Description
Beginning Fund Balance	\$64,190,436	Net increase of \$64.2 million reflects: receipt of American Rescue Plan revenue in 2020-2021 that will be available for use in 2021-2022 (\$45.0 million) the liquidation of various reserves (\$13.2 million), the largest of which include the 2021-2022 Future Deficit Reserve (\$11.1 million) and the Business Tax Billing System Replacement Reserve (\$1.3 million); and fund balance from additional revenue and expenditure savings that is anticipated to be received in 2020-2021 and be available for use in 2021-2022 (\$6.0 million).
Transfers and Reimbursements	1,698,608	Net increase of \$1.7 million reflects the increase of overhead from the budget actions that change the staffing levels funded by special and capital funds (\$1.85 million), partially offset by a lower transfer from the Integrated Waste Management Fund (-\$150,000).
Licenses and Permits	1,087,395	Increase of \$1.1 million reflects various license and permit changes to the Fire Permits (\$454,291) and Other Licenses and Permits (\$633,104) categories to align revenues with estimated activity levels, reflect fee revisions, and maintain cost recovery levels.

General Fund Balancing Strategy Detail 2021-2022 Proposed Operating Budget

PROPOSED BUDGET BALANCING STRATEGY

Source of Funds

Category	\$ Change	Description
Revenue from Federal Government	736,395	Increase of \$736,395 to recognize Urban Areas Security Initiative (UASI) grant revenue (\$603,395), which will be allocated to the Office of Emergency Management and to recognize Northern California Regional Intelligence Center (NCRIC) grant revenue (\$133,000), which will be allocated to the Police Department.
Other Revenue	171,308	Increase of \$171,308 recognizes additional revenue related to labor compliance minimum wage enforcement for other jurisdictions (\$150,000), grant revenue related to placemaking and activation (\$19,774), and various Transportation Department fee changes to align revenues with estimated activity levels (\$1,534).
Franchise Fees	150,652	Increase of \$150,652 reflects an increase in the Commercial Solid Waste fees by 1.23% based on the change in the Consumer Price Index.
Fees, Rates, and Charges	\$ 146,636	Net increase of \$146,636 reflects various fee changes in 2021-2022 to align revenues with estimated activity levels, reflect fee revisions, and maintain cost recovery levels for Transportation Department fee revenue (\$160,040), Police Department fee revenue (\$84,033), and miscellaneous fee revenue (\$79,563). These fee increases are partially offset by a reduction to the Parks, Recreation and Neighborhood Services Department fee revenue related to Family Camp not being operational in summer 2021 (\$-177,000).
Total	\$68,181,430	

General Fund Balancing Strategy Detail 2021-2022 Proposed Operating Budget

PROPOSED BUDGET BALANCING STRATEGY

Use of Funds

From the Revised Base Budget Forecast of \$1.27 billion, a net increase of \$29.9 million to the General Fund expenditures is recommended, bringing the 2021-2022 Proposed Budget Use of Funds estimate to \$1.30 billion. A listing of the Proposed Budget modifications is provided by specific categories in Table III and briefly discussed in the following table. Further detail is incorporated into the CSA and departmental sections of this document.

Category	\$ Change	Description
Unmet/Deferred Technology, Infrastructure, and Maintenance	\$18,899,000	To address a portion of the backlog for unmet and deferred infrastructure and maintenance needs, funding of \$18.9 million is included in the 2021-2022 Proposed Budget for the City's most urgent repairs needs, including: Transfer to the Communications Construction and Conveyance Tax Fund for SVRIA radio replacements (\$5.3 million); Business Tax System Replacement (\$4.1 million); Self-Contained Breathing Apparatus Equipment Replacement (\$3.0 million); Transfer to the Public Safety and Infrastructure Bond Fund (\$2.3 million) as reimbursement for advancing funding for the Fire Station 20 project; Singleton Gas Flare and Collection System (\$2.3 million); various improvements to cultural facilities (\$1.3 million); and, the Police Administration Boiler and Chiller Replacement (\$525,000).
2020-2021 Previously One-Time Funded Services	8,664,263	Funding is included to continue services that were funded on a one-time basis in the 2020-2021 Adopted Budget. This primarily includes funding for: Beautify San José Landscape Maintenance (\$1.0 million); Office of Racial Equity Staffing and Consulting Services (\$996,692); Police Public Records Team Staffing (\$849,103); Parks Rehabilitation Strike and Capital Infrastructure Team (\$750,000); Library Branch Hours and Operations for Lower-Resourced Communities (\$674,967); and, Project Hope (\$515,043).
Earmarked Reserves	7,150,000	One-time Earmarked Reserves, totaling \$7.2 million, including the following: Essential Services Reserve (\$3.0 million); Information Technology Sinking Fund Reserve (\$2.0 million); Police Redistricting Implementation Reserve (\$1.0 million); San José 311 Enhancements Reserve (\$750,000); Pension Obligation Bonds Consulting Services Reserve (\$200,000); and, Language Access Coordination Reserve (\$200,000).

General Fund Balancing Strategy Detail 2021-2022 Proposed Operating Budget

Category	\$ Change	Description
New Facilities Operations and Maintenance	3,055,000	The Proposed Budget includes \$1,996,000 for staffing, maintenance and operation of new Public Safety facilities, \$500,000 to relocate the Police evidence warehouse, \$384,000 to operate and maintain new parks and recreation facilities, and \$175,000 to maintain new transportation infrastructure.
Service Level Enhancements	3,008,335	Total funding of \$3.0 million is included in the Proposed Budget for service level enhancements. The largest investments in this category include: San José 311 Enhancements (\$750,000); Traffic Safety and Illegal Sideshows (\$500,000); Cost Allocation Plan Review (\$302,000); New Franchise Agreement Review (\$300,000); Digital Privacy Staffing (\$211,945); Asset Risk Control Staffing (\$186,861); Office of Equality Assurance Labor Compliance Staffing (\$162,542); and, Emergency Operations Staffing (\$157,191). Other service level enhancements are included and described in the Department and City-Wide Sections of this document.
Other Fee Programs/Grants/Reimbursements	991,006	The actions in this category are partially offset by revenue from fees, grants, or reimbursements and include: Office Emergency Management Staffing (UASI 2021); Commercial Paper Program Fees (\$175,000); Grants and Deployment Reimbursements Staffing (\$129,004), and the One-way Vehicle Permit Program (\$10,000).
Development Fee Programs	12,308	The Proposed Budget includes additional resources to the Fire Department, totaling \$12,308 in the General Fund, to update California Building and Fire Code Publications utilized by the Development and Non-Development Fee Programs as described in the Community and Economic Development City Service Area and respective department sections.

General Fund Balancing Strategy Detail 2021-2022 Proposed Operating Budget

PROPOSED BUDGET BALANCING STRATEGY

Use of Funds

<u>Category</u>	<u>\$ Change</u>	<u>Description</u>
Cost Reductions/Service Delivery Efficiencies/Fund Shifts from Other Funds	(7,232,325)	Net decrease of \$7.2 million primarily resulting from efficiencies and other cost saving measures to partially address the projected ongoing General Fund shortfall, including: reduced overtime usage by the Fire Department (\$660,000); lower anticipated costs for PRNS Fee Activities (\$525,000); Happy Hollow Park and Zoo Catering and Special Events (\$345,562) due to the impacts of COVID-19; civilianization of two sworn positions in the Bureau of Field Operations Administration Staffing (-\$247,567); and the shift of funding for Traffic Safety and Operations staff that support capital projects (\$525,000). These and additional cost reductions are described in more detail in the respective department sections of this document.
Use of Reserves	(4,665,000)	The Proposed Budget includes the use of the Deferred Infrastructure and Maintenance Reserve (\$1.25 million), Cultural Facilities Capital Maintenance Reserve (\$850,000), and reserves to cover additional costs to operate and maintain new facilities that are scheduled to become operational in 2021-2022 (\$3,421,000).
Total	<u>\$ 29,892,587</u>	

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Status of Mayor and City Council Referrals 2021-2022 Proposed Operating Budget

The Mayor's March Budget Message for Fiscal Year 2021-2022, as approved by City Council on March 16, 2021, contains policy direction and a framework of priorities for the City Manager to use in the development of the Proposed Operating and Capital Budgets. The complete Budget Message can be found in the Appendix section of this document. The table below provides a summary of the central framework provided to the City Manager as direction to prepare proposals for the City Council's budget deliberations in May and to formulate the 2021-2022 Proposed Budget.

Referral	Resolution
<p>Balanced Budget – Submit a balanced budget for Fiscal Year 2021-2022 that is guided by the policy direction and framework of priorities outlined in the Mayor's March Budget Message.</p>	<p>The 2021-2022 Proposed Operating Budget incorporates this direction.</p>
<p>Budget Stabilization Reserve – Preserve the current balance of this reserve and consider contributions as necessary to maintain a protective level of funds.</p>	<p>The 2021-2022 Proposed Operating Budget does not recommend the use of the Budget Stabilization Reserve to resolve the General Fund shortfall in 2021-2022.</p>
<p>Essential Services Reserve – Assuming that Congress approves the City's anticipated allocation of federal relief dollars, set aside \$3 million in one-time funds that may be used to support services of essential importance to our residents, as determined by the City Council.</p>	<p>The 2021-2022 Proposed Operating Budget establishes a \$3 million Essential Services Reserve that will be used to support services of essential importance to our residents. Services deemed essential by the City Council will be funded with the use of these one-time funds.</p>
<p>Resilience Corps – Use unencumbered dollars reimbursed by FEMA funding to launch the Resilience Corps. The first stage of the program should focus on supporting County efforts directly (or working through appropriate non-profits such as Gardner Healthcare, the Healing Grove, or AACI) to hire staff to support vaccination and testing sites, as several Councilmembers have suggested, with up to 200 Resilience Corps members. Explore the applicability of FEMA reimbursement for other tasks indirectly related to pandemic response, such as provision of child care for essential workers, or the use of mural artists to convey messaging about masks, vaccines, or other health issues to key communities. Utilize up to \$20 million in federal relief dollars to create more than 400 additional job</p>	<p>The Administration plans to establish the Resilience Corps in 2020-2021 with a goal of quickly employing 400 young adults residing in high-poverty and high-unemployment neighborhoods within key programs such as logistical support at vaccination and testing centers, food and necessities distribution, tutoring and child care services, watershed protection and wildfire safety, small business support through digital marketing promotion and activation, and disaster resilience and preparedness. A description and cost estimate of \$20 million for this item is included in Attachment D of this document. Based on the pending regulatory guidance and City Council discussion, the Administration will present a more comprehensive draft allocation of American Rescue Plan and other emergency relief funding at the May 17th Budget Study</p>

Status of Mayor and City Council Referrals 2021-2022 Proposed Operating Budget

Referral

placements with community partners for this program, growing the Corps further as other sources of funding, including from other community partners or philanthropy become available. Should Council approve the direction to allocate funding to establish this initiative, direct that at least 40 participants work for a non-profit or other organization engaged in beautification and cleaning of San José. Establish metrics for assessing effectiveness of these organizations' contributions to our efforts to eliminate visible trash and blight, boost beautification, and improve the environment.

Airport Connector RFP – Allocate one-time funds to issue a public Request for Proposals or Request for Qualifications by May 2021, requiring bidders to demonstrate their financial capacity to construct a privately-financed project at high, world-class standards, and resulting in an opportunity for a winning bidder to enter an exclusive negotiating agreement with the City.

Transformative Transit Projects – Work with the Mayor's office and our lobbyists to advocate for inclusion of BART and High-Speed Rail funding in the next infrastructure package. Proactively engage with VTA staff to support the delivery of BART Phase II funding that voters were promised when they voted for Measure B in 2016.

San José Al Fresco – Use federal relief funds, if federal regulations permit, to extend this program through 2021-2022, with priority given to businesses serving our most severely impacted neighborhoods. Report back prior to the 2022-2023 budget development process with options for

Resolution

Session. After receiving discussion on the draft allocation, the Administration will issue a Manager's Budget Addendum (MBA) recommending formal inclusion of a comprehensive funding allocation for community and economic recovery initiatives.

Metrics will be established assessing effectiveness of the non-profit or other organizations' contributions to the city's efforts to eliminate visible trash and blight, boost beautification, and improve the environment.

The Administration is in the process of selecting a consultant to assist in the development, issuance, and evaluation of proposals for the Airport Connector project. A recommendation to execute an agreement with the consultant to develop the RFP will be presented to the City Council in June 2021. Any additional funding necessary to award the agreement will also be included and discussed in the recommended City Council action. The release of the RFP is expected to occur in Summer 2021 with a selection of potential project partner(s) in December 2021 or January 2022.

The Administration will continue to work with the Mayor's office and our lobbyists to advocate for inclusion of BART and High-Speed Rail funding in the next infrastructure package and proactively engage with VTA staff to support the delivery of BART Phase II funding that voters were promised when they voted for Measure B in 2016.

A description and cost estimate of \$700,000 for this item is included in Attachment D of this document.

The Administration will issue a report prior to the 2022-2023 budget development process with options for establishing a permanent outdoor-activation business program in future years.

Status of Mayor and City Council Referrals 2021-2022 Proposed Operating Budget

Referral	Resolution
<p>establishing a permanent outdoor-activation business program in future years.</p> <p>Storefront Activation Program – Continue the program by allocating one-time federal relief funding for this program, if federal restrictions allow, to offset permitting costs, and to reduce the cost to install Al Fresco infrastructure, such as parklets.</p> <p>San José Small Business and Manufacturing Recovery Initiative – Provide sufficient one-time federal relief dollars to address any gaps remaining in the program to ensure sufficient support for filling vacant storefronts and to assist manufacturers in hiring blue-collar workers displaced by this pandemic.</p> <p>Summer Learning Loss and San José Learns – Allocate \$500,000 in one-time federal relief funding, if federal restrictions allow, in addition to the ongoing \$1 million funding in the base budget to SJ Learns for summer and after-school learning programs to address learning loss among high-need youth. Allocate at least 50 Resilience Corps full- or part-time positions to support summer and after-school learning partners such as Think Together and Boys and Girls Clubs, with a focus on hiring financially struggling college and graduate school students.</p> <p>SJ Aspires – Use one-time federal relief dollars to support the cost of City and SJPLF staff and overhead that would enable 100% of all philanthropic donations to go toward supporting students, a key “selling point” for future fundraising. Work with the SJPLF to calculate the costs of that ongoing support to ascertain the most cost- efficient approach for managing the program in future years.</p>	<p>A description and cost estimate of \$650,000 for this item is included in Attachment D of this document.</p> <p>A description and cost estimate of \$1 million for this item is included in Attachment D of this document.</p> <p>The 2021-2022 Proposed Operating Budget includes the ongoing \$1 million funding for SJ Learns. A description and cost estimate for an additional \$500,000 for this item is included in Attachment D of this document.</p> <p>At least 50 Resilience Corps full- or part-time positions will be assigned to support summer and after-school learning partners</p> <p>The 2021-2022 Proposed Operating Budget reallocates 1.0 Literary Program Specialist and adds 1.0 Library Clerk positions in the American Rescue Plan Fund through June 30, 2022 to support SJ Aspires. The entire administrative budget for SJ Aspires, including the non-personal/equipment funding, is \$538,000. A description and cost estimate for this item is also included in Attachment D of this document.</p> <p>With the City paying for most of the administrative costs, this will enable the San Jose Public Library Foundation (SJPLF) to</p>

Status of Mayor and City Council Referrals 2021-2022 Proposed Operating Budget

Referral	Resolution
	leverage 100% of donations for students. The Administration will work with the SJPLF to calculate the costs of that ongoing support to ascertain the most cost- efficient approach for managing the program in future years.
<p>Digital Inclusion and Equity – Explore with telecom partners whether a districtwide or citywide umbrella data plan can be negotiated that would enable free “friends and family” usage by students, reducing costs for providers and the City. Continue to explore ways to enable long-term financial and operational sustainability for our community WiFi infrastructure investments, so that the City and ESUHSD can sustain the provision of free broadband connectivity to 300,000 residents by 2022, and beyond. Continue investments through grants in long-term community capacity by advancing digital literacy via the San José Digital Inclusion Fund, and to work with the Mayor’s Office of Technology and Innovation in fundraising for that initiative.</p>	<p>A description and cost estimate of \$7.2 million for this item is included in Attachment D of this document.</p>
<p>Office of Racial Equity – Issue a Manager's Budget Addendum that clearly articulates the work plan of this office and presents options for continued funding, so that Council can consider those options during this budget season. The work plan should integrate an equity framework into decision-making, and operationalize this practice in our daily work; create a coordinated community engagement approach that builds effective partnerships; create infrastructure to ensure the City has a data-driven approach; set aside resources for external consultants or facilitators to assist the City, where necessary, and substantially expand language access capacity. Per the discussions at Council on March 2nd, the MBA should address the question of whether to add a language access coordinator to this</p>	<p>A Manager’s Budget Addendum will be issued later in the budget process in accordance with this direction.</p>

Status of Mayor and City Council Referrals 2021-2022 Proposed Operating Budget

Referral	Resolution
<p>office or elsewhere within the City Manager's Office.</p> <p>Data Equity – Allocate one-time federal relief funds, should regulations permit, to hire a technical lead to spearhead this work.</p> <p>Equitable Budgeting – Routinely report through the budget process the City's specific efforts to integrate equity into budgeting, such as by revealing results of the recently-instituted "Budgeting for Equity Worksheet" developed by the Office of Racial Equity and the Budget Office as a tool to evaluate departmental budget proposal packages.</p> <p>Better Serving our Neighbors with Disabilities – Allocate one-time funding to prepare a report to Council describing: existing workload associated with serving residents with disabilities; how that workload is currently distributed throughout the City organization; what specific additional work disability advocates and other community members seek to have the City perform through an office; the cost and workload implications of creating such an office in light of existing budgetary and staffing constraints, and staff's recommendation on the matter.</p> <p>Rising Utility Costs Impacting Families in Distress – The City Attorney is directed to return to Council to determine whether the City can use federal relief dollars to provide grants to offset utility costs increases on a needs-basis, in light of Proposition 218 and new federal regulations. Additionally, the</p>	<p>The 2021-2022 Proposed Operating Budget includes funding of \$200,000 from the American Rescue Plan Fund to support a temporary position to serve as the technical lead to advance the data equity framework currently underway. This position is recommended to be funded from the American Rescue Plan Fund.</p> <p>A description and cost estimate for this item is included in Attachment D of this document.</p> <p>A Manager's Budget Addendum will be issued later in the budget process to discuss in more detail what was learned by further incorporating equity considerations in the development of the 2021-2022 Proposed Budget and specific efforts to integrate equity into budgeting.</p> <p>The 2021-2022 Proposed Operating Budget includes \$150,000 in one-time funding in the General Fund to prepare a report describing (a) existing workload associated with serving residents with disabilities, (b) how that workload is currently distributed throughout the City organization, (c) what specific additional work disability advocates and other community members seek to have the City perform through an office, (d) the cost and workload implications of creating such an office in light of existing budgetary and staffing constraints, and (e) staff's recommendation on the matter. A report will be issued later to address the questions in this referral.</p> <p>The 2021-2022 Proposed Operating Budget adds 1.0 Public Information Representative II position funded by San Jose Clean Energy whose primary focus will be outreach and support of underserved communities.</p>

Status of Mayor and City Council Referrals 2021-2022 Proposed Operating Budget

Referral

City Manager is directed to evaluate and bring forward recommendations to the City Council on the ability to supplement energy efficiency programs authorized by the California Public Utilities Commission (CPUC) to incentivize energy-saving retrofits in low income homes, beyond the 250 homes contemplated in the first tranche of funding we might receive in any state programs for which we've already applied.

Protecting Services To Our Low-Income Communities – Report to Council during Budget Study Sessions on the equity analysis conducted for any reductions in service to our community-facing services, such as in our libraries and parks.

Beautify San José – Continue programmatic consolidation under a single manager solely focused on ridding our City of blight. The City should maintain those innovative programs that appear to be effective, including but not limited to SJ Bridge, BeautifySJ Neighborhood Beautification Grants, Murals for Graffiti Hot Spots, Cash for Trash, Neighborhood Dumpster Days and others, while streamlining others to reduce duplication of management. Return with a Manager's Budget Addendum that clearly articulates the management consolidation strategy, the source of funding for the increased service levels necessary to effectively clean our City, including the use of federal relief funds, if allowable, and options for continuing investment over at least the next two years.

San José Bridge Employment Program – Utilize a one-time allocation of federal American Rescue Plan Act funding, if federal regulations allow, to expand this program to include 100 participants, dramatically

Resolution

A description and cost estimate of \$500,000 to supplement energy efficiency programs to incentivize energy-savings retrofits in low income homes is included in Attachment D of this document. Additionally, the City Manager will evaluate and provide a report to address this referral.

The Administration will address this referral during the Budget Study Sessions.

The 2021-2022 Proposed Operating Budget consolidates the Beautify San José (BeautifySJ) program into the Parks, Recreation and Neighborhood Services (PRNS) Department to provide dedicated and enhanced focus on ridding the City of blight. A large portion of this program is anticipated to be funded by the American Rescue Plan (ARP) Fund over a multi-year period, with \$7.6 million budgeted for 2021-2022, with an additional \$6.6 million in 2022-2023 and in 2023-2024 tentatively anticipated. A description and cost estimate for this item is included in Attachment D of this document. Future year funding is subject to further evaluation and prioritization and will be discussed at the Budget Study Session on May 17, 2021, that will focus on allocation of the American Rescue Plan and other emergency pandemic relief funding.

A Manager's Budget Addendum will be issued later in the budget process to discuss the Beautify SJ consolidation in more detail.

The 2021-2022 Proposed Operating Budget includes actions to consolidate the BeautifySJ program into the PRNS Department, including the San José Bridge Employment Program in the amount of \$800,000. Refer to the Beautify

Status of Mayor and City Council Referrals 2021-2022 Proposed Operating Budget

Referral

increasing the collection service of existing and new locations, for two years. If either of the two non-profit organizations can scale, staff should continue to utilize the current non-profit organizations, unless legally required to conduct an additional RFP.

Cash for Trash – Allocate one-time American Relief Plan funds for program expansion to serve 500 unhoused residents at a time. Specifically, ensure funding for four Community Activity Workers or Resilience Corps members over a period of two years, and expand non-personal/equipment (supplies and related equipment) funding over a period of two years, to dramatically scale our efforts.

San José 311 – Issue a Manager’s Budget Addendum on resident and stakeholder feedback received on San José 311 during the budget process, identifying opportunities for improvement and a roadmap for executing these improvements, and allocate one-time funding to invest in a two-year program to expand San José 311 internal capacity for both coding and customer experience.

Enforcing Laws Against Illegal Dumping – Return to the Neighborhood and Education Services Committee to discuss how the City can encourage reporting of illegal dumping—including the use of the 311 app, rewards for identification of violators, or roving motion-sensitive video cameras, in a manner that can result in fines and other enforcement action.

SOAR Program – Use federal relief dollars, should federal regulations permit, to expand the program to more sites, with a one-time allocation spread over two years. The program should focus on supporting the

Resolution

SJ referral above for more information. A Manager’s Budget Addendum will be issued later in the budget process to discuss the Beautify SJ consolidation in more detail.

The 2021-2022 Proposed Operating Budget includes actions to consolidate the BeautifySJ program into the PRNS Department to provide dedicated and enhanced focus on ridding the City of blight, including the expansion of the Cash for Trash Program to serve 450-500 unhoused residents at a time. A Manager’s Budget Addendum will be issued later in the budget process to discuss the Beautify SJ consolidation in more detail.

A Manager’s Budget Addendum will be issued later in the budget process in accordance with this direction. In addition, the 2021-2022 Proposed Operating Budget includes \$750,000 as part of a two-year program to expand San José 311 internal capacity for both coding and customer service. A Senior Analyst position and an Enterprise Supervising Technical Analyst position in the Information Technology Department will provide the technical and programmatic support.

The Administration will return to the Neighborhood and Education Services Committee in response to this direction.

A description and cost estimate of \$13 million for this item is included in Attachment D of this document.

Status of Mayor and City Council Referrals 2021-2022 Proposed Operating Budget

Referral	Resolution
<p>transition of unhoused residents from the Guadalupe River Park.</p>	
<p>Restoring our Parks–Beginning with the Guadalupe River Park – Utilize one-time federal relief money to fund more proactive work from participants in the San José Conservation Corps or Resilience Corps, as well as to explore the opportunities to leverage volunteers through the Guadalupe River Park Conservancy for additional support.</p>	<p>A description and cost estimate of \$1.4 million for Guadalupe River Park and Coyote Creek Cleanup is included in Attachment D of this document.</p>
<p>Foot Patrol in Downtown and Beyond – Return to Council with an MBA that outlines a potential timeline and budget options for adding this beat as a routinely assigned, walking patrol in Downtown. Report outcomes of prior years’ spending on Downtown Foot Patrol and High-Need Neighborhoods Foot Patrol to the PSFSS Committee, with a specific focus on how the walking beats were filled.</p>	<p>The 2021-2022 Proposed Operating Budget includes \$750,000 in one-time funding in the General Fund for overtime to support the Proactive Community Policing program in high need neighborhoods (\$500,000) and in the Downtown (\$250,000). A Manager’s Budget Addendum will be issued later in the budget process with a potential timeline and budget options for adding a walking beat Downtown as a routinely assigned walking patrol.</p>
<p>Traffic Safety and Illegal Sideshows – Identify one-time funding to proactively investigate and enforce violations through a combination of staffing or overtime, use of technology such as automatic license plate readers, “quick-build” street modifications, and vehicle impoundment.</p>	<p>The 2021-2022 Proposed Operating Budget includes \$500,000 in one-time funding in the General Fund to support the investigation and violation enforcement of illegal street racing and sideshows. The funding provides overtime resources for special enforcement details consisting of two teams of one sergeant and six officers once a week for 40 weeks (\$375,000); non-personal/equipment funding of five portable vehicle license plate readers that can be mounted on a pole, tripod, or in patrol vehicles (\$79,000); and non-personal/equipment funding for vehicle rentals to support the 14 staff assigned to the special enforcement detail (\$46,000). Additional funding of \$200,000 is provided in the Construction Excise Tax Fund within the Traffic Capital Program for quick-build modifications at five intersections to help deter illegal activity.</p>

Status of Mayor and City Council Referrals 2021-2022 Proposed Operating Budget

Referral

San José Abierto: Parks – Return to Council during the budget process with a plan that will further our work with arts organizations using federal relief funding, if federal restrictions allow, to create outdoor activations focused on themes such as health, education, and community engagement. Prioritize programs for parks serving our neighborhoods and small business districts most severely impacted by the pandemic, including the Downtown.

Festivals – Allocate this dedicated funding source to stimulate re-engagement outdoor audiences safely, as public health orders permit, with resumption of preexisting or new festivals, live music, street shows, and art exhibits.

Emergency and Transitional Housing Communities – Work with my office to develop an operational model that will sustain EIH site operations, including how a GRP stewardship program could become a sustainable addition. In light of tentative commitments from a philanthropic donor to fund a fifth site, identify a fifth location—perhaps from among those Caltrans sites sought by Councilmember Mahan—and create a pro forma of construction and operation costs.

State Homeless and Housing Advocacy – Engage with my office on advocacy efforts to the Governor and legislative leadership to promote the allocation of additional funding for homeless housing in San José.

YIGBY – “Yes in God’s Backyard” – Allocate federal relief dollars, if regulations allow, to contract with an outreach consultant to accelerate the work necessary to bring forward a YIGBY PQP policy as soon as possible so that we can take advantage of offers by philanthropic partners willing to

Resolution

The Proposed Operating Budget includes \$4.2 million for this program, including 13.25 limited positions through June 30, 2022, funded by the American Rescue Plan. Funds provided will expand the Viva Parks program from a summer program to a year-round, City-wide program that includes Downtown San José Parks (St. James Park/ Plaza de Cesar Chavez), approximately 100 Viva Parks activations and four Viva CalleSJ events in 2021-2022. Approximately \$44,000 per Council District for festival, and additional funding of \$1.2 million for arts and performance-based partners to augment and enhance the coordination and planning with smaller art groups are included in this proposal.

A description and cost estimate for this item is included in Attachment D of this document.

A report will be issued describing an operational model that will sustain Emergency Interim Housing site operations, including how a Guadalupe River Park stewardship program could become a sustainable addition in collaboration with the Mayor’s Office.

Descriptions and cost estimates of \$17.5 million for interim and transitional housing and \$2.5 million for projected construction costs for the fourth EIH site (Parking Lot E) are included in Attachment D of this document.

The Administration will follow this direction in coordination with the Mayor’s Office.

A description and cost estimate of \$75,000 for this item is included in Attachment D of this document.

Status of Mayor and City Council Referrals 2021-2022 Proposed Operating Budget

Referral	Resolution
<p>develop affordable housing. To the extent possible, the consultant should also perform work of PQP-conversion of school-district-owned lands to save time and generate efficiencies.</p> <p>Backyard Homes/ADUs – Allocate funding from the Development Fee Program to continue the ADU Ally position, as applicable, and add engineering, permit, and additional ADU Ally staffing, as appropriate, that will expedite our ADU application and review services. Support the partnerships emerging from the Mayor’s Office engagement with innovative companies and ADU builders willing to invest in scaling ADU development in San José, where external resources will support those efforts.</p> <p>Public Restrooms – Launch a pilot project to enable more public restrooms to become available to avoid the public health risks, nuisance, and blight of public urination and defecation. Utilize one-time federal relief funding to design and launch a pilot program, using SJ Bridge or a similar model.</p> <p>Impact of the American Rescue Plan – Identify ongoing cost savings starting with the strategic elimination of vacancies and the identification of any cost efficiencies that will reduce the ongoing deficit to the General Fund. Should Congress fail to allocate anticipated levels of local assistance through the American Rescue Plan, present a plan for a balanced budget that primarily relies upon ongoing cost reductions and efficiency savings, with a modest reduction of existing reserves such as the Budget Stabilization Reserve. If Congress approves our anticipated levels of American Rescue Plan funds, the City Manager is directed to</p>	<p>The 2021-2022 Proposed Operating Budget adds 2.0 Associate Engineer positions and 1.0 Principal Permit Specialist position, funded by the Building Development Fee Program Fund, to support expedited review of Accessory Dwelling Unit (ADU) permit applications. Funding will enable the Planning, Building and Code Enforcement Department to meet the growing demand for ADU permits and further support the City's objective to provide more inclusive and affordable housing. In addition, it is recommended to continue 1.0 Analyst II position in the General Fund, through June 30, 2022, to serve as the ADU Ally, which will be the City's main point of contact for potential ADU applicants and facilitate the promotion of ADU's.</p> <p>A description and cost estimate of \$300,000 for this item is included in Attachment D of this document.</p> <p>The 2021-2022 Proposed Operating Budget recommends the transfer of \$45.0 million from the American Rescue Plan Fund to the General Fund to both help address the \$38.3 million shortfall in 2021-2022 and address a portion of the organization’s significant one-time needs. The \$38.3 million General Fund shortfall in 2021-2022 is addressed with \$6.7 million of ongoing solutions and \$31.6 million in one-time solutions. As described in Table 5 of the Transmittal Message, the remaining ongoing shortfall is carried over into the following year, which results in a preliminary ongoing shortfall in 2022-2023 of \$28.3 million.</p>

Status of Mayor and City Council Referrals 2021-2022 Proposed Operating Budget

Referral

allocate sufficient funding to address our remaining projected future shortfalls – beyond the ongoing savings identified through belt-tightening – on a one-time basis. The City Manager is further directed to allocate at least \$80 million into a reserve that both insulates the City from the foreseeable and substantial shortfalls we must be prepared for in the following years, and to provide additional resources in 2022-2023 to continue supporting our community's recovery.

Prior One-Time Funded Items – Evaluate programs funded on a one-time basis in Fiscal Year 2020-2021 for continuation in Fiscal Year 2021-2022.

Budget Balancing Strategy Guidelines – Use the 2021-2022 Budget Balancing Strategy Guidelines as detailed in Attachment A to develop a balanced budget for the next fiscal year.

Resolution

The Administration has learned that the City will receive American Rescue Plan funding in tranches, with the first disbursement in the current fiscal year estimated at \$111 million. Since much of the initial disbursement will be used for active expenditures, the Proposed Budget is not yet able to set aside the \$80 million reserve. However, a multi-year funding strategy to meet the spirit of the Mayor's Message direction will be presented at the Budget Study Session on May 17, 2021, which will achieve the \$80 million total and, at minimum, will include the recommendation to set aside funding to address the \$28.3 million General Fund shortfall preliminarily projected for 2022-2023.

The 2021-2022 Proposed Operating Budget incorporates this direction to evaluate programs funded on a one-time basis in 2020-2021 and is recommending the continuation of \$8.7 million in services in 2021-2022 including Beautify SJ Landscape Maintenance (\$1.0 million), Office of Racial Staffing and Consultant Services (\$997,000), Police Public Records Staffing Team (850,000), Parks Rehabilitation Strike and Capital Infrastructure Team (\$785,000), Foot Patrol in Downtown and High Needs Neighborhoods (\$750,000), Library Branch Hours and Operations for Lower-Resourced Communities (\$900,000), Project Hope (\$515,000), Learning and Development Roadmap (\$500,000), and Climate Smart San José Plan Implementation (\$500,000). Only staffing for the Office of Racial Equality and a portion of the Police Public Records Staffing Team have been funded ongoing, totaling \$1.2 million.

The 2021-2022 Proposed Operating Budget incorporates this direction.

Status of City Auditor Recommendations with Funding Impact 2021-2022 Proposed Operating Budget

There are audit recommendations that are addressed in actions included in the 2021-2022 Proposed Budget. The table below provides a summary of those audit recommendations. While this report focuses on audit recommendations with budget actions in 2021-2022, there are numerous outstanding audit recommendations with financial implications that are not being implemented as part of the 2021-2022 Proposed Budget. The City Auditor's Office reports on all outstanding audit recommendations on a semi-annual basis. These status reports can be found on the Auditor's Office website at: <https://www.sanjoseca.gov/your-government/appointees/city-auditor/audit-recommendations>.

Department	Item	Remarks
Public Works	Audit of the Office of Equality Assurance: Increase Workload Warrants Reevaluation of Resource Needs. (Issued 3/20/2017, #01)	The 2021-2022 Proposed Operating Budget adds 1.0 Senior Analyst position in the Office of Equality Assurance (OEA) to perform various duties including policy development and the analysis and data management of local hire data collected through the OEA software application ("DRIVE") that was finalized in 2020, addressing the need for additional supervisory capacity as identified in the audit. More detail on this action can be found in the City Departments/Council Appointees section of the 2021-2022 Proposed Operating Budget for the Public Works Department.

Economic, Community, and Organizational Recovery - Preliminary Allocations as Aligned to the City Roadmap

This document links the City Roadmap items specifically related to the economic, community, and organizational recovery from the COVID-19 pandemic with specific spending programs and estimated costs. For now, the table below primarily describes the work efforts directed in the City Council-approved Mayor’s March Budget Message, and a limited number of high priority programs previously paid from other funding sources on a one-time basis that are recommended to continue in 2021-2022 and are expected to be eligible uses of American Rescue plan or other external funding sources. While several of the Roadmap items are not yet associated with program descriptions and costs, this does not lessen their importance. This is instead a reflection of the additional work required of the Administration and the upcoming engagement with the City Council.

Based on the pending regulatory guidance and City Council discussion, the Administration will present a more comprehensive draft allocation of American Rescue Plan and other emergency relief funding at the May 17th Budget Study Session. Following input and discussion on this draft allocation, the Administration will issue a Manager’s Budget Addendum (MBA) recommending formal inclusion of a comprehensive, multi-year funding allocation for community and economic recovery initiatives.

City Roadmap Item	Spending Program	Program Description	Other Federal	Other State	American Rescue Plan	Other City Funds	TOTAL
Rental Assistance							-
Child Care Learning Pods							-
Food + Necessities Distribution		Provides for the continued provision of food and necessities to vulnerable populations and those in need within San José and surrounding areas, in partnership with neighboring jurisdictions. The \$10.0 million listed here only represents the amount budgeted within the Emergency Reserve Fund to continue services in 2021-2022 for which FEMA reimbursement is anticipated. While funding of \$4.2 million from the American Rescue Plan may be needed in the current year to continue existing service levels through June 30, 2021, a more comprehensive program scope and estimate of costs beyond June 30th will be brought forward for discussion during the May 17th Budget Study Session.	10,000,000				10,000,000
Vaccination Taskforce		Provides \$4.92 million for vaccination outreach and support, support for Santa Clara County vaccination efforts through the First Responder Clinic and in-home vaccinations, and for the hiring of 200 Community Champions (temporary City employees) to support County Mutual Aid vaccination efforts in two phases from April 2021 through August 2021. This cost is anticipated to be fully reimburseable by FEMA and is budgeted in the Emergency Reserve Fund.		4,917,000			4,917,000
Encampment Management + Safe Relocation Policy							-
Continuity of City Services							-
Workplace Safety							-
Employee Health + Wellness							-
Drive to Digital							-
Effective Teams							-
Re-Employment + Workforce Development							-

Economic, Community, and Organizational Recovery - Preliminary Allocations as Aligned to the City Roadmap

City Roadmap Item	Spending Program	Program Description	Other Federal	Other State	American Rescue Plan	Other City Funds	TOTAL
	Resilience Corps	Mayor's March Message. Provides \$20.0 million for a multi-phase jobs program for young adults residing in high-poverty, high-unemployment neighborhoods. The program will work through a network of non-profits and City departments to provide employment opportunities for young adults to bolster community resilience to the impacts of climate change and the COVID-19 pandemic. Employment placements will provide a living wage and health insurance, with placements focused on San José residents living in high-poverty census tracts, regardless of immigration status or citizenship. This level is projected to support 300 to 400 individuals during the first year of the program, enabling them to find employment within key programs such as logistical support at vaccination and testing centers, food and necessities distribution, tutoring and child care services, watershed protection and wildfire safety, small business support through digital marketing promotion and activation, and disaster resilience and preparedness. Funding will also provide supportive services (childcare, transportation, and rental assistance), job readiness and occupational skills training. Resilience Corps participants are also anticipated to be directly hired by the City to provide logistical support at County vaccination sites. Direct vaccination support is anticipated to be 100% FEMA reimbursable.					20,000,000
Small Business Recovery							
	San José Small Business and Manufacturing Recovery Initiative	Mayor's March Message. Provides \$1.0 million for technical assistance to small businesses and manufacturing sector support, with an emphasis on businesses' long-term resiliency as well as immediate needs. This funding will expand the capacity of business-support networks to serve targeted commercial neighborhoods negatively impacted by the crisis, with the majority of funding (\$450,000) designated toward three additional neighborhood business districts. Of the remaining funding, \$250,000 is designated for technical assistance providers, \$150,000 for San José Downtown Association mentoring support, and \$150,000 for manufacturing business support.					1,000,000
	Storefront Activation Program	Mayor's March Message. Provides \$650,000 to assist small business owners that lease or occupy a vacant or existing ground floor space with interior and/or exterior improvements to the building. Assistance is provided through reimbursement of City permits, fees and taxes, supplies, and/or infrastructure improvements upon the receipt of a certificate of occupancy or a notice of completion by the business owner.					650,000
Digital Equity							
	Digital Inclusion	Mayor's March Message. Provides \$7.2 million to support a two-year resource plan to develop and establish systemic solutions through the Digital Inclusion partnership network, building on the Digital Inclusion Expenditure Plan that was approved in June 2020. Funds may be used to support: hotspot/device collection management; equity and inclusion services; hotspot data plans for school support and public circulation; additional wireless equipment in civic buildings and spaces, and Wi-Fi consulting services.					
	Data Equity	Mayor's March Message. Provides \$200,000 for a temporary position to serve as the technical lead to advance the data equity framework currently underway. This framework seeks to cultivate a data-driven culture in City Hall, enabling: creation of key performance indicators for clear goals and indicators of progress; more transparent, rigorous, and effective decision making; allocation of scarce resources to those communities of greatest need; accountability for results; and, the identification of opportunity for improvement.					200,000
							200,000

Economic, Community, and Organizational Recovery - Preliminary Allocations as Aligned to the City Roadmap

City Roadmap Item	Spending Program	Program Description	Other Federal	Other State	American Rescue Plan	Other City Funds	TOTAL
Build Back Better + Recovery Taskforce + Al Fresco Forever	<i>San José Abierto</i>	Mayor's March Message. Provides \$4.2 million to expand the Viva Parks program from a summer program to a year-round, City-wide program that includes Downtown San José Parks (St. James Park/ Plaza de Cesar Chavez), as well as to include more Viva CalleSJ activations. This funding provides for approximately 100 Viva Parks activations and four Viva CalleSJ events in 2021-2022, approximately \$44,000 per Council District for festivals, and additional funding of \$1.2 million for arts and performance-based partners to augment and enhance the coordination and planning with smaller art groups			4,200,000		4,200,000
	<i>San José Al Fresco</i>	Mayor's March Message. Provides \$700,000 for the coordination of temporary parklets located in on-street parking spaces, with traffic safety barriers rented and installed by the City. Approximately \$700,000 is planned for grants targeting 20 parklets with corresponding permit and inspection fees. An additional \$200,000 for related efforts is included in the San José Abierto estimate.					700,000
	<i>Energy Saving Retrofits</i>	Mayor's March Message. Provides \$500,000 to supplement energy efficiency programs authorized by the California Public Utilities Commission (CPUC) to incentivize energy-saving retrofits in low income homes, beyond the 250 homes contemplated in the first tranche of state funding currently pending award. At an estimated cost per project of \$5,000 - \$8,000, approximately 60 to 100 homes are anticipated to benefit from the expanded program. The Administration will also explore alternatives that could include multi-family residences that would potentially broaden the impact of available resources.					500,000
Emergency Housing Construction + Operation	<i>Emergency Interim Housing Site Identification and Construction</i>	Mayor's March Message. Provides gap funding of \$2.5 million for projected construction costs for the fourth Emergency Interim Housing site (Parking Lot E) to leverage identified funding and private donations.					2,500,000
	<i>Interim Housing Operations</i>	Mayor's March Message. Provides funding for the contractual operation of bridge housing sites (2), emergency interim housing sites (4, including Lot E which is not yet under construction), and hotels (2) that provide interim and transitional housing for nearly 600 homeless residents. Existing federal housing funds provide operational costs of approximately \$13.5 million for the 7 existing sites through 2021-2022, but additional funding is needed for Lot E once that site is constructed. As the Administration anticipates identifying ongoing funding to operate the sites beyond 2021-2022 will prove challenging, this allocation includes \$1.5 million for Lot E with the assumption that operations begin in the middle of 2021-2022, and sets aside an additional \$16.0 million to operate all 8 sites for 2022-2023.					17,500,000

Economic, Community, and Organizational Recovery - Preliminary Allocations as Aligned to the City Roadmap

City Roadmap Item	Spending Program	Program Description	Other Federal	Other State	American Rescue Plan	Other City Funds	TOTAL
Sheltering + Enhanced Encampment Services	Homeless Services Outreach Assistance and Resources (SOAR) Program	Mayor's March Message. Provides funding to expand the SOAR program up to 10 additional sites over a two-year period at a total cost of \$13.0 million. The annual cost by service component is broken out as follows - 1) Street Outreach and Support Services: Increasing street outreach, case management and services to support people living in encampments, including funding mental health clinicians and a lived-experience team, as well as necessary supplies such as tents, fire extinguishers, and meals (\$1.0 million); 2) Hygiene/Infection Control: Providing hygiene services such as mobile toilets and handwashing stations, waste management, public health information and testing/vaccines (\$1.25 million); and 3) Housing: Increasing access to housing opportunities, including motel vouchers as a referral resource (\$2.0 million), and Rapid Rehousing case management services and shelter diversion (\$2.25 million).					13,000,000
Encampment Waste + Pick Up + BeautifySJ	BeautifySJ Consolidated Model	Mayor's March Message. Provides funding over a three-year period for the programmatic consolidation of BeautifySJ (BSJ) under a single manager solely focused on ridding the city of blight, as well as expanding the Cash for Trash Program to serve 450-500 unhoused residents at a time. Approximately \$20.8 million will be funded by the American Rescue Plan (ARP) over a three-year period. This consolidated management strategy within Parks, Recreation, and Neighborhood Services results in the establishment of a new Community Services Division consisting of a total of 102.48 positions, of which 51.5 positions are dedicated to BSJ. Non-Personal/Equipment funding for Tier 1,2 and 3 encampment trash pickups and cleanups; continuation of the San Jose Bridge Program to employ homeless individuals for targeted cleanups which will be managed by the Housing Department; vehicles and supplies; and lease space costs. In addition to ARP funding, existing positions and corresponding funding in the General Fund will be shifted to PRNS from the Homeless Response Team in the Housing Department and from the Rapid Team in the Environmental Services Department. Annual costs total \$7.6 million in 2021-2022, and \$6.6 million in 2022-2023 and 2023-2024.					20,800,000

Economic, Community, and Organizational Recovery - Preliminary Allocations as Aligned to the City Roadmap

City Roadmap Item	Spending Program	Program Description	Other Federal	Other State	American Rescue Plan	Other City Funds	TOTAL
	Guadalupe River Park & Coyote Creek Clean-up	<p>Mayor's March Message. Provides \$1.4 million to support varying levels of maintenance and stewardship along the Guadalupe River Park and Trail and Coyote Creek Trail system and aligned parks. The team - consisting of San Jose Conservation Corps, Resiliency Corps, and volunteers from the Guadalupe River Park Conservancy - will coordinate with BeautifySJ (PRNS) and/or Housing for supplemental assistance as needed, and will fill gaps with current resources by performing: litter and trash pickup; edging; blowing; light pruning; pressure washing of amenities (benches/playgrounds/paths/walls/etc.); cleaning drinking fountains; repairing/painting benches; janitorial and custodial duties; repairing/replacing safety signage; cleaning/restoring interpretive and other features; repairing/replacing fencing; and other minor maintenance and stewardship duties. Specifically, the team is anticipated to be assigned to Guadalupe River Park's park sites (generally between Virginia Street and Coleman Avenue), including Woz Way Plaza (beneath Highway 280), Discovery Meadow, McEnery Park, Arena Green East & West, Confluence Point, and the Gardens (generally between Coleman Avenue and Highway 880) including Courtyard Garden, Heritage Rose Garden, Historic Orchard, Columbus Park, the Sister Cities monuments and other features found throughout the park; and the entirety of the 3-mile trail system. The team is also anticipated to be assigned to: Coyote Creek Trail system's parks and trail segments including Watson Park, Roosevelt Park, Selma Olinder Park, William St. Park, Martin Park, Kelley Park, Rocksprings Park, Tully Ballfields, Stonegate Park, Los Lagos Golf Course, and Singleton Crossing; and, the entirety of the developing Coyote Creek Trail system, generally from Mabury Road to Yerba Buena Road, including interpretive and other features found throughout the system.</p>					
	Vehicle Abatement Program - Proactive Patrol and Complaint Response	<p>The updated VA Program will provide a Hybrid model of proactive patrol and a review and triage of SanJose311 concerns by using 3.0 contracted staff as well as existing staff and additional overtime hours. Funded over a two-year period (\$450,000 per year), the Hybrid VA Program model focuses on identifying and removing vehicles that are posing a significant safety or blight concern or are inoperable. Vehicles reported as parked for an extended period of time (longer than 3-days) or occupied vehicles will not be investigated unless they display other qualifying safety, blight, or inoperable conditions. It is estimated that the proposed service level could result in the removal (tow) of approximately 2,800 of the most egregious vehicles parked on city streets annually.</p>					1,400,000
					900,000		900,000

Economic, Community, and Organizational Recovery - Preliminary Allocations as Aligned to the City Roadmap

City Roadmap Item	Spending Program	Program Description	Other Federal	Other State	American Rescue Plan	Other City Funds	TOTAL
	Downtown Automated Public Toilets	Provides funding over a two-year period (\$400,000 per year) for continued operation and maintenance (O&M) services associated with five existing Automatic Public Toilets (APTs) in the Downtown. Of this total, \$375,000 is for estimated annual rent and \$25,000 is for utilities (water, electricity, phone). In December 2019, City Council approved an agreement with JCDecaux for the continued operation and maintenance of up to six existing APTs in the Downtown, for an initial term commencing January 1, 2020 through June 30, 2021, and with up to five one-year extension periods. During this initial term, one of the APTs was removed to facilitate development activity. The short-term nature of the agreement serves as a bridge until City staff can develop a strategy, including a long-term funding source, for the continued operation of the public toilets.			800,000		800,000
	SJ Bridge Public Restrooms	Mayor's March Message. Provides \$300,000 to launch a pilot project using San Jose Bridge or a similar model to engage unhoused residents with restroom cleaning/maintenance and monitoring, thereby enabling more public restrooms to remain usable to the public.					300,000
	BeautifySJ Grants	Provides \$100,000, in addition to existing funding of \$100,000, to expand beautification and community-building efforts in neighborhoods. Neighborhood grants projects support community celebrations, such as National Night Out and block party events; they also fund murals, tree plantings, and community garden/urban agriculture projects.					100,000
Other Key Initiatives (Not on Roadmap)							
	YIGBY Land Use Policy Development	Mayor's March Message. Provides \$75,000 for consulting services to perform outreach for a YIGBY Public/Quasi-Public policy to leverage private fundraising for affordable housing, and to examine PQP-conversion of school-district-owned lands.					75,000
	San José Learns	Mayor's March Message. Provides \$500,000 to supplement \$1.0 million of existing funding to expand the San José Learns program for summer and after-school learning programs to address learning loss among high-need youth. The program provides thousands of young students with extended-day and summer learning in 16 high-need neighborhoods.					500,000
	San José Aspires Administrative Support	Mayor's March Message. Provides \$538,000 for the San José Aspires program, in partnership with the Library Department and the San José Public Library Foundation (SJPLF), an education and equity initiative focused on enabling youth in underserved neighborhoods to set goals and chart a path towards a college education. This program provides performance-based micro scholarships to guide and inform students about their college and career choices from their first week in school. Funds enable SJPLF to leverage 100% of donations for students by supporting: 1.0 Literacy Program Specialist to lead the program; 1.0 Library Clerk to allow for improved clerical support as the program scales; and, other overhead costs such as buildout of the Salesforce database, SJPLF administrative costs for this program, membership to access to college and career advisers, and software licensing.			538,000		538,000
Total			14,917,000	-	27,438,000	-	107,730,000

2021-2022 Proposed Budget Actions for the City Roadmap

8 Enterprise Priorities

41 Roadmap Initiatives (30 Project, 8 Strategy , and 3 Policy)

The items listed below reflects new funding recommended to be allocated as part of the 2021-2022 Proposed Budget and does not include existing funding that has already been included as part of the Base Budget. Additional funding is anticipated to be allocated from the American Rescue Plan Fund and other emergency relief funding after the May 17, 2021 Budget Study Session.

COVID-19 Pandemic: Community + Economic Recovery						
Housing Stabilization	Re-Employment + Workforce Development	Small Business Recovery	Food + Necessities Distribution	Digital Equity	Child Care Learning Pods	Build Back Better + Recovery Taskforce + AI Fresco Forever
			- COVID-19 Emergency Response (\$10M)/Source and Use of Funds Statement - Emergency Reserve Fund	- Data Equity (\$200K)/Source and Use of Funds Statement - American Rescue Plan Fund		- Placemaking/San Jose Abierto Program (\$4.2M)/PRNS; Source and Use of Funds Statement - American Rescue Plan Fund

Emergency Management + Preparedness	
Vaccination Taskforce	Soft-Story Building Earthquake Retrofit Policy
- Vaccination Outreach and Support (\$1.8M)/Source and Use of Funds Statement - Emergency Reserve Fund	

Creating Housing + Preventing Homelessness			
Emergency Housing Construction + Operation	Sheltering + Enhanced Encampment Services	North San Jose Strategy	Encampment Management + Safe Relocation Policy
	- Beautify San Jose Management Consolidation and Operations (\$7.6M)/PRNS; Source and Use of Funds Statement - American Rescue Plan Fund - Emergency Shelters (\$8.3M)/Source and Use of Funds Statement - Homeless Housing, Assistance, and Prevention Fund and Multi-Source Housing Fund - Housing Shelter (\$17.0M)/Source and Use Statement - Multi-Source Housing Fund		

2021-2022 Proposed Budget Actions for the City Roadmap

Safe, Vibrant, + Inclusive Neighborhoods + Public Life

Police Reforms Work Plan	San Jose 311 + Service Delivery	Encampment Waste Pick-Up BeautifySJ	Vision Zero Traffic Safety	Equity Strategy Development	Neighborhood Services Access Strategy
	<ul style="list-style-type: none"> - San Jose 311 Enhancements (\$750K)/City-Wide (City-Wide Expenses) - San Jose 311 Enhancements Reserve (\$760K)/City-Wide (General Fund Capital, Transfers and Reserves) 	<ul style="list-style-type: none"> - Beautify San Jose Management Consolidation and Operations (\$7.6M)/Source and Use of Funds Statement - American Rescue Plan Fund - Vehicle Abatement Program (\$450K)/Source and Use of Funds Statement - American Rescue Plan Fund - Downtown Automated Public Toilets (\$400K)/Source and Use of Funds Statement - American Rescue Plan Fund 	<ul style="list-style-type: none"> - Vision Zero Quick Build and Community Engagement Staffing (\$683K)/Transportation - Traffic Capital Program (Safety and Efficiency Projects \$56.5M)/2021-2022 Proposed Capital Budget 	<ul style="list-style-type: none"> - Office of Racial Equity Staffing and Consulting Services (\$1.0M)/CMO - Racial Equity Action Plan (\$100K)/Housing 	

Building the San Jose of Tomorrow

Align Zoning with General Plan	Development Services Transformation	Google Development	Major Real Estate Development Projects	BART + High-Speed Rail Strategy
	<ul style="list-style-type: none"> - Development Services Information Technology Staffing (\$572K)/IT 			<ul style="list-style-type: none"> - Traffic Capital Program (Regional System Expansion - Non-Construction Projects \$2.8M)/2021-2022 Proposed Capital Budget

Smart, Sustainable, + Reliable City: 21st Century Infrastructure

Pavement, Fire, EOC, Transit Capital Improvements	Regional Wastewater Facility Capital Improvements	Electrical Service for Major Development	Climate Smart American Cities Climate Challenge	Lowering PG&E Above Market Costs for Clean Energy
<ul style="list-style-type: none"> - Public Safety Capital Program (Measure T Bond Projects \$23.2M)/2021-2022 Proposed Capital Budget - Traffic Capital Program (Maintenance and Rehabilitation Projects \$102M)/2021-2022 Proposed Capital Budget 	<ul style="list-style-type: none"> - Water Pollution Control Capital Program (Construction Projects \$213.5M)/2021-2022 Proposed Capital Budget 	<ul style="list-style-type: none"> - Energy Resiliency Strategic Planning (\$227K)/Community Energy 	<ul style="list-style-type: none"> - Climate Smart San Jose Plan Implementation (\$500K)/City-Wide (City-Wide Expenses) 	

Strategic Fiscal Positioning + Resource Deployment

Federal + State Stimulus Advocacy	Secure City Cybersecurity	Procurement Improvement	Pension Obligation Bond Analysis	Budgeting for Equity	City Roadmap Budgeting, Accountability, + Performance
	<ul style="list-style-type: none"> - Asset Risk Control Staffing (\$187K)/IT 		<ul style="list-style-type: none"> - Pension Obligation Bonds Consulting Services Reserve (\$200K)/City-Wide (General Fund Capital, Transfers, and Reserves) 	<ul style="list-style-type: none"> - Office of Racial Equity Staffing and Consulting Services (\$1.0M)/CMO 	

Powered by People

Continuity of City Services	Workplace Safety	Employee Health + Wellness	Drive to Digital	Effective Teams	City Workforce Diversity + Skill Building
			56	<ul style="list-style-type: none"> - Learning and Development Roadmap (\$500K)/City-Wide (City-Wide Expenses) 	<ul style="list-style-type: none"> - Learning and Development Roadmap (\$500K)/City-Wide (City-Wide Expenses)

CITY OF SAN JOSE 2021-2022 PROPOSED OPERATING BUDGET

SAN JOSE AT A GLANCE

STRATEGIC LOCATION

Situated between the Diablo and Santa Cruz mountain ranges, San José encompasses approximately 181 square miles at the southern tip of the San Francisco Bay. San José's central location between San Francisco to the north and Monterey/Carmel to the south makes the "Capital of Silicon Valley" a gateway to adventures throughout California.



With a population of over one million, San José is the 10th largest city in the nation.¹ Over 1.9 million people reside in Santa Clara County, of which San José is the county seat.

HISTORY

In November 1777, El Pueblo San José de Guadalupe became the first civil settlement in California. The settlement was mostly occupied by the Ohlone Indians along the Guadalupe River and Spanish settlers. At that time, San José was a farming community cultivating a number of different crops, which served the military

communities in San Francisco and Monterey. In 1850, San José became the first capital of California, but this honor remained for only two years due to flooding in downtown and the lack of hotel capacity. Furthering San José's difficulties, the city was plagued with floods, earthquakes, and fires in the early 1900s. However, over the next century, San José experienced one of the most significant economic changes in California history, transforming from an agricultural community to what is known today as the "Capital of Silicon Valley."

QUALITY OF LIFE

San José's quality of life is unsurpassed. With an average of 300 days of sunshine per year and temperature averages varying from 50 degrees in January to 70 degrees in July, those living and working in San José can enjoy the city's many attractions, cultural and performing arts, sports and recreation opportunities, and year-round festivals and celebrations. San José has received accolades from The Milken Institute, Forbes, The Atlantic, and other national media as the place to live and do business.

DIVERSITY

Diversity is a hallmark of San José; a city proud of the cultural and ethnic diversity of its population and workforce and the rich cultural identity of its many neighborhoods. City residents speak more than 50 different languages. A full 40% of San Jose residents were born in a country outside the US, including 52% of adult residents over the age of 25.² Japantown is a popular tourist stop and a cornerstone neighborhood full of tradition.



¹ State of California, Department of Finance, E-1 Population Estimates for Cities, Counties and the State with Annual Percentage Change – January 1, 2019 and 2020. (Released May 2020)

² City of San José, Office of Economic Development and Cultural Affairs

CITY OF SAN JOSE 2021-2022 PROPOSED OPERATING BUDGET

SAN JOSE AT A GLANCE

DIVERSITY

Little Saigon is a haven of Vietnamese-owned and operated businesses where customers and tourists can experience unique shopping experiences and diverse restaurants. Biblioteca Latinoamericana, one of the City's innovative library branches, boasts one of the largest collections of Spanish language materials in northern California. The city hosts many cultural festivals and numerous ethnic chambers of commerce are active in the community. According to the United States Census Bureau as of April 2021, San José residents are 38% Asian, 31% Hispanic, 25% White, 3% African American, and 4% other/two or more races.

EDUCATION

Sixteen public school districts and an estimated 300 private and parochial schools provide families with a range of educational choices. Innovative programs in local school districts include a



nationally acclaimed performing arts magnet and concentrations in aerospace, international studies, math and science, and radio and television. Higher education facilities in and around San José are distinguished. San José State University (SJSU) is California's oldest public university, founded in 1857. It offers strong programs in business, information technology, journalism, mass communications, and engineering, with SJSU graduating twice as many engineers annually as any nearby university. In addition, the collaboration between SJSU and the City of San José to construct and operate the Dr. Martin Luther King, Jr. Library

(King Library), the first joint City/University library, earned the prestigious national title of Gale/Library Journal 2004 Library of the Year. The King Library also received the National Medal for Museum and Library Service from the Institute of Museum and Library Services in 2011.

Area colleges include Santa Clara University, the State's oldest institution of higher private education, founded in 1851. Other excellent nearby universities include Stanford University, University of California at Berkeley, University of California at San Francisco, and University of California at Santa Cruz. Seven community colleges serve the County of Santa Clara, offering a variety of two-year programs and work-ready certificate programs. Community-based programs like Metropolitan Education District and the Center for Employment Training fill the need for basic skills and job training.

ECONOMIC DIVERSITY

Perhaps more important than rankings and statistics, the term "Capital of Silicon Valley" describes not only a city and geographic region, but also a culture, an entrepreneurial energy, a spirit of innovation, and a symbol of opportunity. While San José and the greater Silicon Valley are largely associated with the technology industry, the city's business profile is diverse and healthy. San José is home to approximately 58,000 businesses employing a total of 402,000 workers in sectors ranging from advanced manufacturing to healthcare to software.³ Commercial, retail, industrial, professional, and service businesses all thrive in San José.

³ City of San José, Office of Economic Development and Cultural Affairs

CITY OF SAN JOSE 2021-2022 PROPOSED OPERATING BUDGET

SAN JOSE AT A GLANCE

INTERNATIONAL

On the international front, San José attracts significant foreign investment from throughout the globe, particularly in information technology industrial sectors. San José is also a leading city in exporting goods and services. To expand international economic ties, the City maintains Economic Partnership Agreements with key international cities and regions that complement San José's economic profile in technological innovation and entrepreneurship. The City's Office of Economic Development and Cultural Affairs also administers the region's Foreign Trade Zone, which allows manufacturing companies like Tesla, Lam Research, and Maxar Space to import parts used in manufacturing advanced technologies with reduced or delayed tariff assessment.

TOURISM

Residents and visitors enjoy the city's many attractions year-round: museums, parks, sports, multicultural festivals, theme parks, shopping, and, of course, great hotels and restaurants. Attractions include the Tech Museum of Innovation, San José Museum of Art, Raging Waters, Happy Hollow Park & Zoo, Japanese Friendship Garden, Winchester Mystery House, and Children's Discovery Museum of San José.

SPORTS

Several professional sports teams call San José home: the Sharks, National Hockey League; the Earthquakes, Major League Soccer; the Barracuda, Minor League Hockey; and the Giants, Minor League Baseball. The city also has a state-of-the-art community ice center, golf courses, and parklands, including over 61 miles of beautiful walking and biking trails.

TRANSPORTATION

San José/Silicon Valley has the following mass transportation options:

- The Norman Y. Mineta San José International Airport, located within minutes of downtown, served 11.3 million passengers in fiscal year 2019-2020 and an estimated 4.0 million passengers in fiscal year 2020-2021 due to disruptions caused by the COVID-19 pandemic. As of December 2020, there were 8 major passenger airlines operating service to 30 domestic and seven international destinations in 2020-2021.
- The Santa Clara Valley Transportation Authority (VTA) carried an estimated total of 35.4 million passenger trips in 2019 on its bus and light rail system.
- Caltrain, a commuter rail service with 32 stations, runs from Gilroy through San José and north to San Francisco, with an average weekday ridership of 63,597 (2019). Caltrain operates 92 weekday trains, including 22 Baby Bullet express route trains that travel from San José to San Francisco in about an hour. Electrification of the Caltrain system is under construction, with electric trains anticipated to be in service in 2022.
- Bay Area Rapid Transit (BART) and California High-Speed Rail both have planned routes to Diridon Station in San José. In April 2012, construction began on phase one of the BART Silicon Valley Extension. Phase I construction activities are complete and passenger service began on June 13, 2020. Phase II construction activities are anticipated to begin in 2022.



CITY OF SAN JOSE 2021-2022 PROPOSED OPERATING BUDGET

SAN JOSE AT A GLANCE

BASIC CITY FACTS

FOUNDED: 1777; California's first civilian settlement
INCORPORATED: March 27, 1850; California's first incorporated City, and site of the first State capital

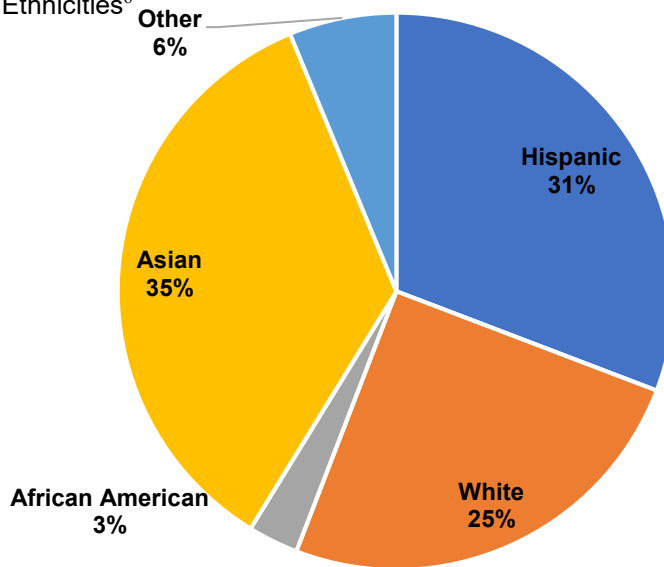
GENERAL DATA

Population ³	1,049,187
Registered Voters ⁴	524,964
Median Household Income ⁵	\$109,593
Miles of Streets	2,519
Miles of Alleys	2.58
Area of City (square miles)	180.7
Land Use:	
Single-Family	34%
Two-Family	2%
Multi-Family	4%
Mobile Home	1%
Commercial	4%
Industrial	10%
Public/Quasi-Public	0.75%
Airports	1%
Schools	3%
Parks/Open Space	17%
Roadways	16%
Downtown	0.25%
Other	7%



DEMOGRAPHICS

Breakdown of Race/Ethnicities⁶



³ State of California, Department of Finance, E-1 Population Estimates for Cities, Counties, and the State, January 1, 2019 and 2020 (Released May 2020)

⁴ Santa Clara County Registrar of Voters as of March 8, 2021

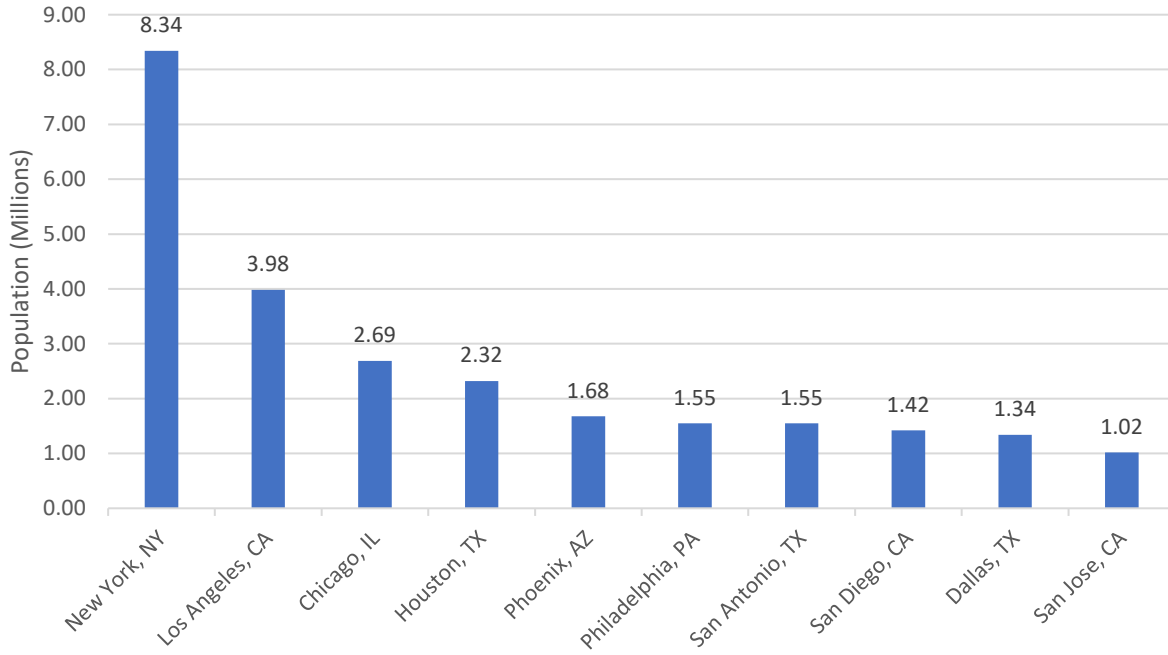
⁵ United States. Census Bureau, American Community Survey (ACS), 5-Year Estimates

⁶ United States. Census Bureau, Population Estimates Program (PEP) as of July 1, 2019

**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET**

SAN JOSE AT A GLANCE

POPULATION OF 10 LARGEST U.S. CITIES

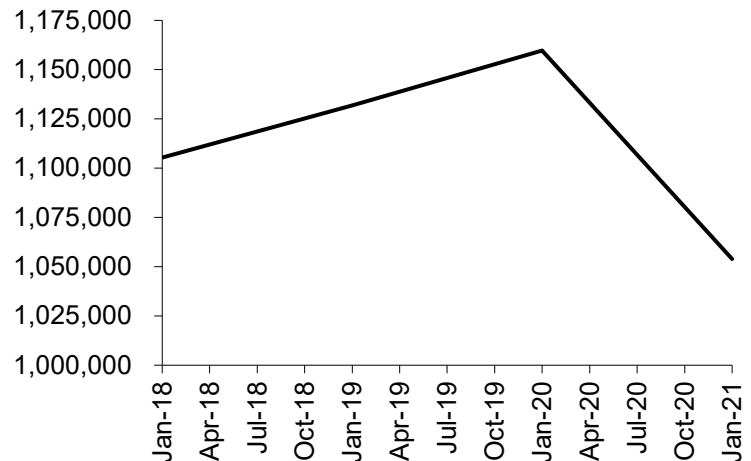


U.S. Source: Census Bureau, Population Division, Annual Estimates of the Resident Population for Incorporated Places of 50,000 or More, Ranked by July 1, 2019 Population (Released May 2020)

MAJOR EMPLOYERS*

<u>Company</u>	<u>Number of Employees</u>
County of Santa Clara	18,700
Cisco Systems	7,500
City of San José	6,640
PayPal, Inc.	3,868
San José State University	3,650
Adobe Systems Inc.	3,400
Kaiser Permanente	3,035
eBay	2,800
Western Digital	2,759
San Jose Unified School District	2,679
Target Stores	2,437
Super Micro Computer	2,230
IBM	2,200
Cadence Design Systems	1,956
Good Samaritan Health System	1,850
Intel	1,800
Xilinx	1,777
East Side Union High School District	1,765
Safeway	1,662
Costco	1,376

SAN JOSE EMPLOYMENT—MSA



Source: U.S. Census Bureau, California Employment Development Department

Source: City of San José, Office of Economic Development and Cultural Affairs

*Estimates as of April 2021. The information was gathered on an informal basis from sources believed to be reliable. The City can provide no assurances as to the accuracy or completeness of the information shown.

**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET**

SAN JOSE AT A GLANCE

AIRPORT*

Size	1,050	Approx. Acres
Terminals	2	
Runways	3	
Hours of Operation	24	
Flights in 2020-2021:		
Commercial Airline Operations	54,558	
Cargo Commercial Airlines Operations	1,534	
General Aviation	36,389	
Military Flights	118	
Landings per Day in 2020-2021:		
Commercial	77	
General Aviation	50	
Number of Passengers in 2020-2021:	4.0	Million
Public Parking Spaces:		
Hourly Parking	1,443	
Daily Parking	1,150	
Economy Parking**	2,570	
Services:		
Passenger Airlines	8	
All-Cargo Airlines	2	
General Aviation Based Aircraft	140	



ENVIRONMENT AND UTILITIES*

Miles of Municipal Sewer Mains		2,327
Number of Water Pollution Control Plants ⁷		1
Number of Square Miles the Sanitary Sewer System Spans		180.7
Gallons of Wastewater the Plant has the Capacity to Treat Per Day		167 Million
Gallons of Wastewater Treated Per Day		109 Million
Number of Municipal Water Systems ⁸		1
Water Services in Municipal Water Service Area		26,839
Miles of Water Mains		345
Gallons of Potable Municipal Water Delivered		6.85 Billion
Gallons of Recycled Municipal Water Delivered		1.3 Billion
2020-2021 Recycled Materials:		
Tons of Paper	52,779	
Tons of Glass	22,882	
Tons of Cardboard	15,124	
Tons of Metals	4,802	
Tons of Plastics	8,088	
Tons of Other Materials	<u>952</u>	
Total Tons of Recyclables	104,627	



* Current Counts or 2020-2021 Year-End Estimates

** Current Counts or 2020-2021 Year-End Estimates as of December 2020, but includes the full number of parking spaces in newly constructed economy lot garage.

⁷ Serving the San José, Santa Clara, Milpitas, Campbell, Cupertino, Los Gatos, Saratoga, and Monte Sereno areas.

⁸ Serving the Evergreen, North San José, Alviso, Edenvale, and Coyote Valley areas. Other areas served by private water companies.

**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET**

SAN JOSE AT A GLANCE

ENVIRONMENT AND UTILITIES*

2020-2021 Recycled Materials:

Multi-Family Dwelling Tons Composted	65,714
Single-Family Dwelling Tons Composted	129,784
Tons of Yard Trimmings	134,194
Tons of Used Motor Oil	208
Tons of Used Oil Filters	15

FIRE*

Fire Stations	33
Companies	43
Squad Units	3
Equipment	
Engines:	
Front Line	32
Relief	18
Trucks:	
Front Line	9
Relief	5
Brush Patrol Apparatus:	
Front Line	7
Relief	6
Aircraft Rescue and Firefighting Apparatus:	
Front Line	2
Relief	1
Urban Search/Rescue and Hazmat Apparatus:	
Front Line	3
Auxiliary Apparatus	95
Emergency Medical Calls	57,000
Fire Safety Code Inspections	18,304
Fires	4,000



LIBRARIES*

Number of Outlets:	
Main Library	1
Branches	24
Items Checked Out (Circulation)	2,120,158
Electronic Resources Checked Out (Circulation)	1,493,313
Books (Inventory)	1,600,000
Audio Visual Materials (Inventory)	300,000



PARKING*

Parking Meters	2,253
Parking Lots (1,107 total spaces)	6
Parking Garages (6,186 total spaces)	8

* Current Counts or 2020-2021 Year-End Estimates

**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET**

SAN JOSE AT A GLANCE

PARKS, RECREATION AND NEIGHBORHOOD SERVICES*

Park Sites**	209
Basketball Hoops	159
Bocce Ball Courts	20
Exercise Courses	38
Handball Courts	11
Horseshoe Pits	52
Lawn Bowling Greens	1
Volleyball Courts	19
Skate Parks	7
Bike Parks	2
Multi-Use Fields	109
Swimming Pools	6
Tennis Courts	84.5
Park Acreage**	3,536
Playgrounds**	291
City-Operated Community Centers	16
Neighborhood Center Partner Program Operated Sites	32
Public Golf Courses	3
Gymnasiums	9
Fitness Rooms	6
Youth Centers	8
Walking and Biking Trails (miles)	61.6
Total Participation in Recreation Programs at Community Centers	100,557
Total Participation in Recreation Programs at Neighborhood Center Partners Program (formerly Re-Use Centers)	254



POLICE*

Police Stations	1
Police Marked Vehicles	316
Motorcycles	51
Horses	0
Dogs	15
Aircraft:	
Helicopter	1
Fixed Wing	0
Number of Emergency Calls Received	640,000
Number of Non-Emergency Calls Received	525,000
Cases Assigned Per Year	30,000

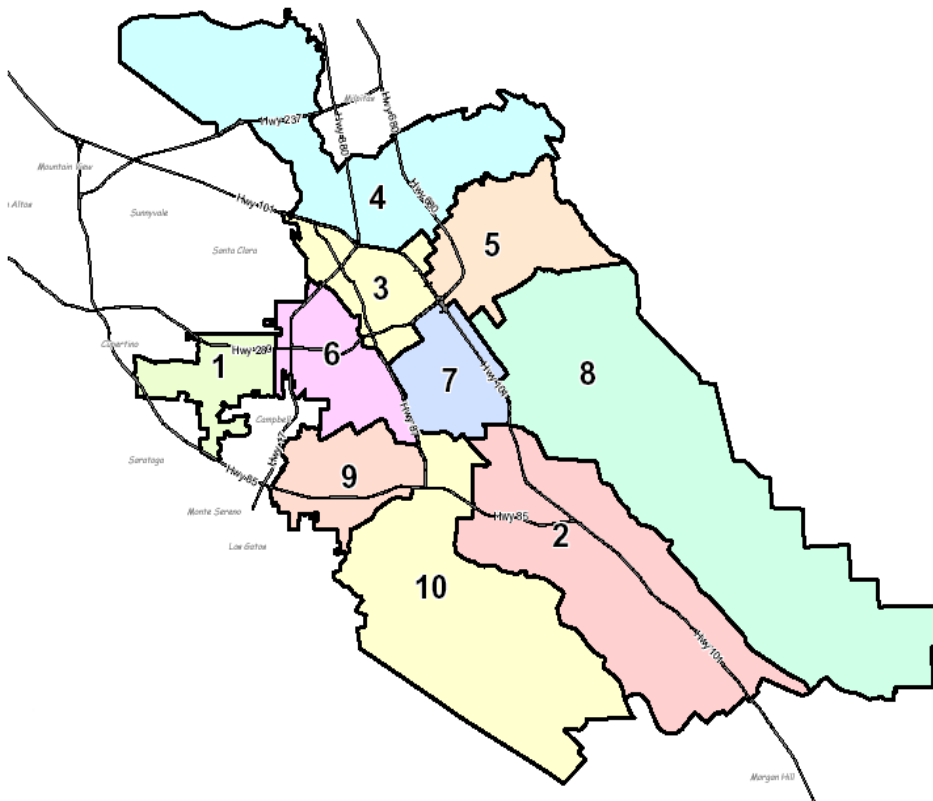


* Current Counts or 2020-2021 Year-End Estimates
 ** Data represents City services (excludes school data)

**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET**

ROSTER OF ELECTED OFFICIALS

CITY COUNCIL	DISTRICT	TELEPHONE	E-MAIL
Sam Liccardo	Mayor	535-4800	<u>mayoremail@sanjoseca.gov</u>
Chappie Jones	1	535-4901	<u>district1@sanjoseca.gov</u>
Sergio Jimenez	2	535-4902	<u>district2@sanjoseca.gov</u>
Raul Peralez	3	535-4903	<u>district3@sanjoseca.gov</u>
David Cohen	4	535-4904	<u>district4@sanjoseca.gov</u>
Magdalena Carrasco	5	535-4905	<u>district5@sanjoseca.gov</u>
Dev Davis	6	535-4906	<u>district6@sanjoseca.gov</u>
Maya Esparza	7	535-4907	<u>district7@sanjoseca.gov</u>
Sylvia Arenas	8	535-4908	<u>district8@sanjoseca.gov</u>
Pam Foley	9	535-4909	<u>district9@sanjoseca.gov</u>
Matt Mahan	10	535-4910	<u>district10@sanjoseca.gov</u>



CITY COUNCIL MEETINGS

- Every Tuesday at 1:30 p.m.
- Evening meetings at 6:00 p.m. in addition to the afternoon meeting twice a month, as listed in the approved City Council Meeting Schedule.
- Closed sessions every Tuesday at 9:30 a.m.
- No meetings are held in July when the City Council is in recess.

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

STATE AND LOCAL LEGISLATIVE HIGHLIGHTS

Following is a list of significant State and local voter-approved initiatives.

2020s Initiatives

Measure G was placed on the ballot by the City Council. It amended the San José City Charter to: expand the Independent Police Auditor’s oversight, including review of officer-involved shootings and use of force incidents causing death or great bodily injury, review of department-initiated investigations against officers, and other technical amendments; increase the Planning Commission to 11 members with the City Council appointing one member from each Council District and one “at-large” member; and, allow the City Council to establish timelines for redistricting when Census results are late. Measure G was approved by the voters in November 2020.

Measure H, Cardroom Tax, was placed on the ballot by the City Council. It amended the San José Municipal Code to increase the cardroom tax on the gross revenues of cardrooms, add a new tax on the gross revenues of third-party providers of proposition player services, and increase the number of card tables. The increased tax imposed on the cardrooms and the new tax imposed on third-party providers of proposition player services are general taxes. The revenues received from these taxes may be used for general governmental purposes. Measure H was approved by the voters in November 2020.

Measure E, Real Property Transfer Tax, was placed on the ballot by the City Council. It amended the San José Municipal Code to enact a tax on the transfer of any real property valued over \$2 million, subject to a CPI adjustment every five years. While the revenue is deposited into the General Fund and may be used for any City purpose, City Council Policy 1-18 allocates this funding for affordable housing and homelessness prevention. Measure E was approved by the voters in March 2020.

2010s Initiatives

Measure S, Construction Contract Procurement Modernization, was placed on the ballot by the City Council. It allowed the City to amend the City Charter to modify construction contract procurement and the bidding process. Measure S was approved by the voters in November 2018.

Measure T, Disaster Preparedness, Public Safety, and Infrastructure Bond, was placed on the ballot by the City Council. It authorized the issuance of up to \$650 million in general obligation bonds to upgrade 9-1-1 communications, police, fire, and paramedics facilities to improve emergency disaster response; repair deteriorating bridges vulnerable to earthquakes; repave streets and potholes in the worst condition; prevent flooding and water quality contamination; and repair critical infrastructure. Measure T was approved by the voters in November 2018.

Measure U was placed on the ballot by the City Council. It allowed the City Charter to be amended to remove the City Council from voting on their own salaries, require the Salary Setting Commission to adjust the base salaries for the Mayor and City Council once every five years, and limit base salary increases after each five-year adjustment to annual adjustments for inflation based on the Consumer Price Index. Additionally, Measure U amended the City Charter to align with State Law, allowing Council to submit an alternative measure to a citizen initiative. Measure U was approved by the voters in November 2018.

Measure C, an Act to Limit Urban Sprawl and the Fiscal and Environmental Effects of Specified Development in Outlying Areas, was placed on the ballot by the City Council. This measure restricts the development of non-employment uses on designated lands in outlying areas near San Jose’s Urban Growth Boundary, including Almaden Valley, Coyote

**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET**

STATE AND LOCAL LEGISLATIVE HIGHLIGHTS

Valley, and Evergreen Foothills, unless City Council determines such development will not adversely affect the City financially, will satisfy increased affordable housing requirements, and will mitigate environmental impacts, and pay appropriate fees for road improvements to address traffic impacts. Measure C was approved by the voters in June 2018.

Proposition 64 legalized recreational marijuana for persons aged 21 years or older under state law. Effective January 1, 2018, Proposition 64 allowed for the sale and taxation of recreational marijuana. Proposition 64 was approved by California voters in November 2016.

Measure E, Opportunity to Work, a citizen initiative measure, amended the San José Municipal Code to require employers to offer additional work hours to existing qualified part-time employees before hiring new employees, including sub-contractors and use of temporary staffing services. The requirement to offer additional work hours does not apply where the existing qualified part-time employees would be paid overtime or other premium rate under any law or collective bargaining agreement. Measure E was approved by the voters in November 2016.

Measure F, Alternative Pension Reform Act, was placed on the ballot by the City Council. It amended the San José City Charter to change employee retirement contributions and benefits and retiree healthcare benefits. This measure superseded the Measure B modifications approved by the voters in 2012 and included the following components: retirement benefits for Tier 2 members were improved to levels similar to other Bay Area agencies and the costs of the benefit will be shared 50/50 between the City and employees; the defined benefit retiree healthcare plan was closed to new members; Tier 1 employees who return after leaving the City will be Tier 1 employees; the pre-Measure B definition of disability was reinstated; an independent medical panel will be created to determine eligibility for disability

retirements; the elimination of the Supplemental Retiree Benefit Reserve will continue and it will be replaced with a Guaranteed Purchasing Power benefit to protect retirees against inflation; both the City and employees will be required to make the full annual required plan contributions calculated by the applicable retirement board; voter approval is required for any future enhancements to defined retirement benefits; and retroactive benefit enhancements are prohibited. Measure F was passed by the voters in November 2016.

Measure G, Business Tax Modernization, was placed on the ballot by the City Council. It enacted an ordinance to revise San José's 1986 Business Tax. Effective July 1, 2017, the revised ordinance 1) increases the minimum base tax; 2) requires payment of the minimum base tax by all businesses; 3) sets graduated rates for businesses with more employees paying higher rates and residential and commercial landlords paying more per unit, lot, and square feet of leased space; 4) requires water companies to pay an amount per San José meter connection; and 5) raises the annual caps on the maximum amount of tax payable. Where a business owes the tax based on both its number of employees and leased number of units, lots, or square feet, the business is required to pay the higher of the two calculations. The revised ordinance also provides for an annual adjustment for inflation based on a consumer price index beginning on July 1, 2018, subject to specified limits. Measure G was approved by the voters in November 2016.

Measure B, Local Sales Tax, enacted a ¼ percent sales tax in San José beginning October 1, 2016 for 15 years to fund essential City services, such as: improving public safety (e.g., additional police officers to improve emergency response times, reduce violent and non-violent crimes, increase neighborhood patrols, and increase fire resources to improve fire and emergency medical response times); maintaining and repairing major streets (e.g.,

**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET**

STATE AND LOCAL LEGISLATIVE HIGHLIGHTS

increase pavement maintenance funding for major streets to significantly slow the incidence of pothole formation and general pavement deterioration); and increasing neighborhood services (e.g., additional resources for reducing homelessness, increasing youth and senior services, and other high priority neighborhood services, such as blight eradication and gang prevention). Measure B was passed by the voters in June 2016.

Measure B, Library Parcel Tax, authorized the collection of a parcel tax to enhance the City's library services and facilities. The tax is collected twice per year on each parcel of real property and deposited into the Library Parcel Tax Fund. All proceeds, including interest, must be expended for Library purposes. Measure B was approved by voters in 2014 and will sunset in 2039. This measure follows two prior voter approved measures to support library services. In November 1994, voters approved Measure E (sunset in 2005), and in November 2004 voters approved Measure S (sunset in 2015).

Measure D requires the payment of minimum wages in San José at \$10 per hour with an annual increase, if any, based on the Consumer Price Index beginning January 1, 2014; City enforcement through fines, penalties, civil actions, or revocation or suspension of permits or licenses; voter approval of substantive changes to the ordinance; and allows private enforcement through civil actions. Measure D was passed by the voters in 2012.

Measure B allowed the City Charter to be amended to modify retirement benefits of City employees and retirees by increasing employees' contributions, establishing a voluntary reduced pension plan for current employees, establishing pension cost and benefit limitations for new employees, modifying disability retirement procedures, temporarily suspending retiree Cost of Living Adjustments during emergencies, and requiring voter approval for increases in future

pension benefits. This Measure was superseded by Measure F in November 2016. Measure B was passed by the voters in 2012.

Measure K increased the Cardroom Tax rate on gross revenues from 13% to 15%, allowed each cardroom to seek City approval to increase the number of tables from 40 to 49, removed the limit on the number of permissible card games to allow any card game permissible under State law consistent with City regulations, and increased the betting limit from \$200 to that allowed under State law. Measure K was passed by the voters in 2010.

Measure U allowed the City Council to impose a business tax on marijuana businesses in San José at a rate of up to 10% of gross receipts. The revenues from the marijuana business tax are subject to an annual audit. Measure U was passed by the voters in 2010.

Measure V changed the mandatory arbitration process regarding the selection of the Chair of the Board and required all hearings and documents submitted in arbitration to be accessible to the public. Further, it requires that the Arbitration Board consider the City's financial condition and ability to pay; provide consideration to the rate of increase or decrease of compensation approved by the City Council for other bargaining units; be precluded from rendering a decision or issuing an award that increases the projected cost of compensation at a rate that exceeds the rate of increase in certain revenues, retroactively increases or decreases compensation, creates a new or additional unfunded liability, or interferes with the discretion of the Police or Fire Department to make managerial, operational, or staffing decisions. Measure V was passed by the voters in 2010.

Measure W allowed the City Council to adopt an ordinance to exclude future City officers and employees from any existing retirement plans or benefits and establish retirement plans for future employees that do not provide for the current minimum requirements set forth in the

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

STATE AND LOCAL LEGISLATIVE HIGHLIGHTS

San José City Charter. Measure W was passed by the voters in 2010.

Proposition 22 reduces or eliminates the State's authority to delay or redirect the distribution of tax revenues for transportation, redevelopment, or local government projects and services, even during periods of severe fiscal hardship. The proposition requires the State Controller to reimburse local governments or accounts if a court rules that the State violated a provision of Proposition 22. Proposition 22 was passed by the voters in 2010.

Proposition 26 requires that certain State fees be approved by a two-thirds vote of the State legislature and certain local fees be approved by two-thirds of voters. The proposition broadened the definition of a State or local tax to include some fees and charges that governments previously could impose with a majority vote. Proposition 26 was passed by the voters in 2010.

2000s Initiatives

Measure J replaced the Emergency Communication System Support Fee of \$1.75 per telephone line per month with a tax of \$1.57 per telephone line per month. The City ceased collecting the fee and began collecting the tax on April 1, 2009. The tax is collected from telephone users on their phone bills. Exemptions to the tax include low-income seniors and disabled persons who receive lifeline telephone service. Measure J was passed by the voters in 2008.

Measure K reduced the telephone utility rate from 5.0% to 4.5% (10% reduction) in San José. This measure broadened the base for the utility tax and the definition of technologies covered by the tax. The utility company collects the tax from consumers on a monthly basis and is required to remit the tax to the City by the 25th of the following month. The tax is not applicable to State, County, or City

agencies. Measure K was passed by the voters in 2008.

Proposition 1A prohibits the State from reducing local governments' property tax revenue. The provisions may be suspended only if the governor declares a fiscal necessity and two-thirds of the State legislature approves the suspension. Suspended funds must be repaid within three years. Proposition 1A also requires local sales tax revenues to remain with local governments and for the State to fund legislative mandates. Proposition 1A was passed by the voters in 2004 and became effective in 2006.

Measure A, the Airport Security and Traffic Relief Act, authorized the City to implement infrastructure improvements at the Airport to meet federally mandated security requirements, improve passenger facilities, and add nine new gates once the Airport street system is within three years of completion and funding has been identified for the implementation of the Airport People Mover transit connection. Measure A was passed by the voters in 2003.

Measure O authorized the issuance of a \$159 million general obligation bond (Neighborhood Security Act Bond Measure) to improve San José's fire, police, and paramedic response times by adding and improving fire stations, police stations, and training facilities and creating state-of-the-art 9-1-1 communications facilities. Measure O was passed by the voters in 2002.

Measure K approved an update to San José's General Plan to modify greenline/urban boundaries. Measure K was passed by the voters in 2000.

Measure O authorized the issuance of \$212 million in bonds over 10 years for the establishment of six new and 14 expanded branch libraries in San José. Measure O was passed by the voters in 2000.

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

STATE AND LOCAL LEGISLATIVE HIGHLIGHTS

Measure P authorized the issuance of \$228 million in general obligation bonds for the establishment of new and improved existing public parks and facilities in San José. Measure P was passed by the voters in 2000.

1990s Initiatives

Measure I authorized the construction of a new City Hall, located in downtown San José. Measure I was passed by the voters in 1996.

Proposition 218 extended the two-thirds majority vote requirement for any new user fees or new taxes to be levied at the local level. Assessments, fees, and charges must be submitted to property owners for approval or rejection after notice and public hearing. Proposition 218 was passed by the voters in 1996.

Proposition 172 enacted a half-cent sales tax increase. Monies derived from this tax must be utilized solely for public safety services. Revenue is distributed to cities and counties for purposes such as police, sheriffs, fire, district attorneys, and corrections. Proposition 172 was passed by the voters in 1993.

Measure I established term limits for the City. City Council members and the mayor can only serve for two successive four-year terms in office. Measure I was passed by the voters in 1990.

Proposition 8 allowed a property owner to file an assessment appeal when the market value of the property is less than the current assessed value. If the appeal is successful, the assessed valuation is lowered to reflect current market conditions. Proposition 8 also provided that the value of reassessed properties may be increased to previous levels when market values increase. Proposition 8 was passed by the voters in 1990.

Proposition 111 enacted a state-wide traffic congestion relief program and changed the procedures for calculating the Gann Limit by updating the spending limit on state and local government to better reflect the needs of a growing California population. It provided new revenues to reduce traffic congestion by building state highways, local streets and roads, and public mass transit facilities. Proposition 111 was passed by the voters in 1990.

1980s Initiatives

Measure C authorized the City to use public funds to build low-rent housing. Measure C was passed by the voters in 1988.

Measure H authorized the City to build a sports arena, currently known as the SAP Center at San José. Measure H was passed by the voters in 1988.

1970s Initiatives

Proposition 4, otherwise known as the “Gann Limit,” stipulated that the City must compute an annual appropriations limit, which places a ceiling on the total amount of tax revenues the City can appropriate annually. The limit is adjusted each year using the following criteria: (1) the percentage change in California Per Capita Income or the change in the City’s Assessed Valuation due to new non-residential construction, whichever is greater and (2) the percentage change in the city-wide population, whichever is greater. Proposition 4 was passed by the voters in 1979.

Proposition 13 placed a substantial limitation on the ability of local governments to collect sufficient property taxes commensurate with the historical role this revenue source has played in funding both municipal operations and new public facilities. Proposition 13 specified that an assessed value may increase at the rate of the Consumer Price Index, not to

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

STATE AND LOCAL LEGISLATIVE HIGHLIGHTS

exceed two percent per year based on the 1979 value, unless the property is improved or sold aligning the newly assessed value to the market value. Proposition 13 was passed by the voters in 1979.

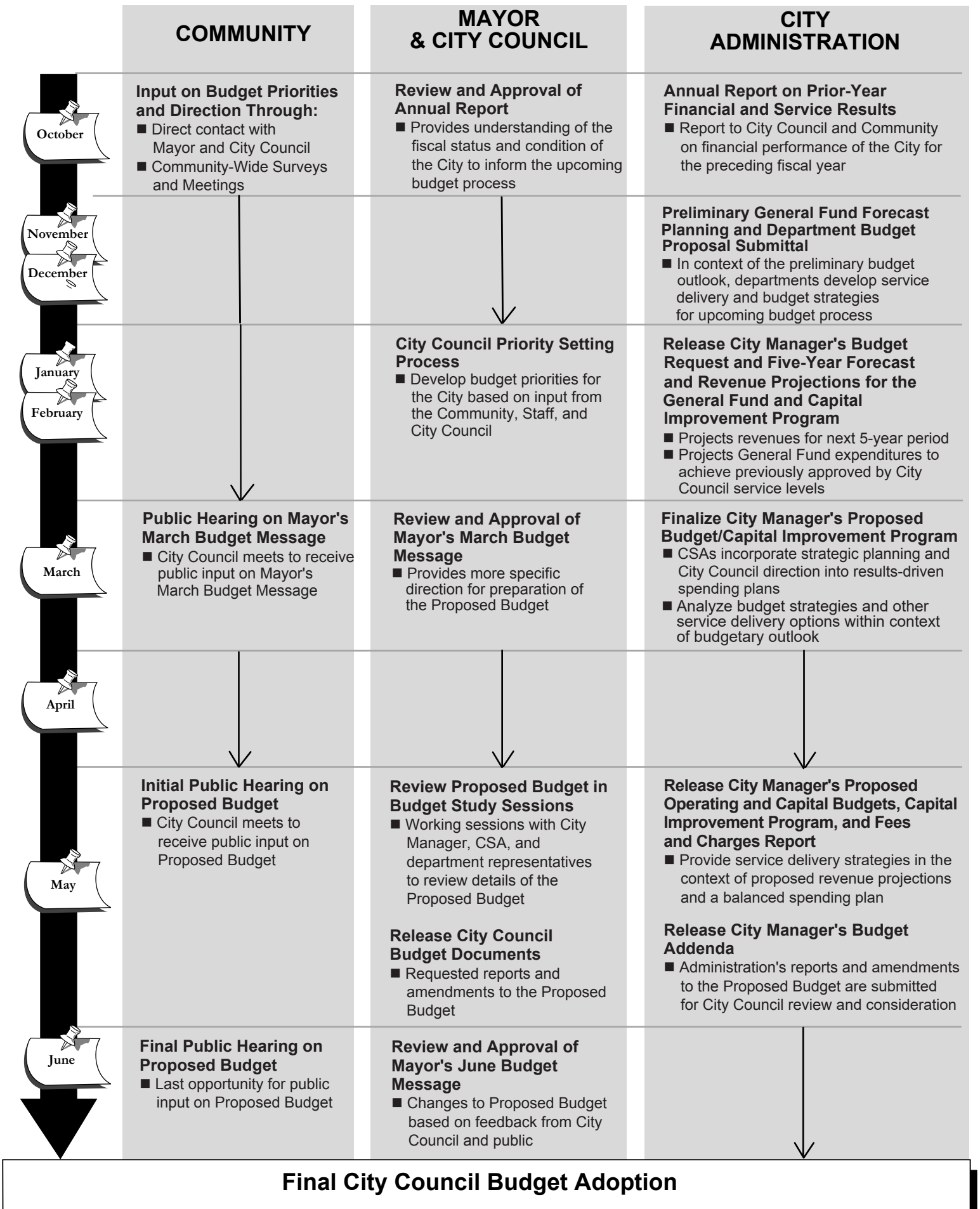
1890 – 1970 Initiatives

1965 – Passed by the voters in 1965, the City Charter reaffirms the Council-Manager form of government in San José. The City consists of 10 council members elected by district and a mayor elected at large.

1897 – The City Charter was adopted in 1897. The Charter generally establishes the organization and structure of City government. The Charter also empowers the City Council to make and enforce all ordinances and regulations with respect to municipal affairs, subject only to the limitations specified in the Charter.

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CITY OF SAN JOSE ANNUAL BUDGET PROCESS



**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET**

CITY ORGANIZATION BY CITY SERVICE AREA

Community and Economic Development

Economic Development and Cultural Affairs
 Arts and Cultural Development
 Business Development and Economic Strategy
 Real Estate Services
 Regional Workforce Development

Fire
 Fire Safety Code Compliance

Housing
 Affordable Housing Portfolio Management
 Affordable Housing Production and Preservation
 Homelessness Interventions and Solutions
 Neighborhood Capital Investment and Public Services
 Rent Stabilization and Tenant Protection

Planning, Building and Code Enforcement
 Development Plan Review and Building Construction
 Citywide Land Use Planning

Public Works
 Regulate/Facilitate Private Development

Environmental and Utility Services

Community Energy
 Providing Clean Energy to the Community
 Community Energy Customer Support
 Community Energy Community Programming

Environmental Services
 Potable Water Delivery
 Recycled Water Management
 Recycling and Garbage Services
 Stormwater Management
 Sustainability and Environmental Health
 Wastewater Management

Transportation
 Sanitary Sewer Maintenance
 Storm Sewer Maintenance

Neighborhood Services

Library
 Access to Information, Library Materials, and Digital Resources
 Literacy and Learning, Formal and Lifelong Self-Directed Education

Parks, Recreation and Neighborhood Services
 Community Facilities Development
 Community Services
 Parks Maintenance and Operations
 Recreation Services

Planning, Building and Code Enforcement
 Code Enforcement

Public Works
 Animal Care and Services

Public Safety

City Manager
 City-Wide Emergency Management

Fire
 Fire Department Emergency Response
 Fire Prevention

Independent Police Auditor
 Independent Police Oversight

Police
 Crime Prevention and Community Education
 Investigative Services
 Regulatory Services
 Respond to Calls for Service and Patrol Support

Transportation and Aviation Services

Airport
 Airport Business Development
 Airport Facilities
 Airport Operations
 Airport Planning and Capital Development

Transportation
 Parking Services
 Pavement Maintenance
 Street Landscape Maintenance
 Traffic Maintenance
 Transportation Planning and Project Delivery
 Transportation Safety and Operations

Strategic Support

Finance Disbursements Financial Reporting Purchasing and Risk Management Revenue Management Treasury Management	Information Technology Business Solutions San José 311 Technology Infrastructure and Operations
Human Resources Employee Benefits Employment Services Health and Safety Training and Development	Public Works Facilities Management Fleet and Equipment Services Plan, Design, and Construct Public Facilities and Infrastructure

Mayor, City Council, and Appointees

Mayor and City Council City Council Council General Office of the Mayor	City Clerk City Clerk Services
City Attorney Legal Services	City Manager Lead and Manage the Organization
City Auditor Audit Service	Retirement Services Retirement Plan Administration

**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET**

**CITY ORGANIZATION BY DEPARTMENT/
CITY SERVICE AREA/CORE SERVICE/PROGRAM**

Airport

Transportation and Aviation Services CSA
Airport Business Development
 Airport Business Development
Airport Facilities
 Airport Facilities Administration
 Airport Facilities Parking and Roadways Maintenance
 Airport Planning and Capital Development
 Airport Terminals Maintenance
 Airside Maintenance
Airport Operations
 Airport Parking and Roadways Operations
 Airside Operations
 Operations Administration
 Terminal Operations
Strategic Support*

City Manager

Public Safety CSA
City-Wide Emergency Management
 Office of Emergency Management
Strategic Support CSA
Lead and Manage the Organization
 Office of Administration, Policy, and Intergovernmental Relations
 Budget Office
 Civic Innovation
 Communications
 Office of Employee Relations
 Executive Leadership/City Management
 Racial Equity
Strategic Support*

City Attorney

Strategic Support CSA
Legal Services
 Legal Representation
 Legal Transactions
Strategic Support*

Community Energy

Environmental and Utility Services CSA
Providing Clean Energy to the Community
 Community Energy Renewable Energy Supply
 Community Energy Conventional Energy Supply
 Community Energy Hydro Power Supply
 Community Energy Power Scheduling and Other Supply
 Community Energy Risk Management
 Community Energy Regulatory Compliance
Community Energy Customer Support
 Community Energy Marketing and Public Affairs
 Community Energy Data and Call Center Management
Community Energy Community Programming
 Local Energy Programs
Strategic Support*

City Auditor

Strategic Support CSA
Audit Services
 Performance Audits
Strategic Support*

Economic Development and Cultural Affairs

Community and Economic Development CSA
Arts and Cultural Development
 Arts and Cultural Development Administration
 Cultural Grants
 Cultural Facilities Operations and Maintenance
 Outdoor Events
 Public Art/Placemaking
Business Development and Economic Strategy
 Business District Management
 Business Outreach and Assistance
 Development Attraction and Facilitation
 Economic Policy Analysis/Communications
Real Estate Services
 City Lease Administration
 City Property Acquisition and Sales
Regional Workforce Development
 Workforce Board Support and Administration
 Workforce Development Services
Strategic Support*

City Clerk

Strategic Support CSA
City Clerk Services
 Facilitate the City's Legislative Process
Strategic Support*

**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET**

**CITY ORGANIZATION BY DEPARTMENT/
CITY SERVICE AREA/CORE SERVICE/PROGRAM**

Environmental Services

Environmental and Utility Services CSA

Potable Water Delivery

Municipal Water System Operations and Maintenance
Municipal Water System Planning and Capital Project Delivery

Recycled Water Management

South Bay Water Recycling Operations and Maintenance
South Bay Water Recycling Planning and Capital Project Delivery

Recycling and Garbage Services

Civic/Other Solid Waste Collection Services
Commercial Solid Waste Collection Services
Recycling and Garbage Services Administration
Residential Solid Waste Collection Services

Stormwater Management

Stormwater Administration
Stormwater Enforcement
Stormwater Policy and Compliance

Sustainability and Environmental Health

Environmental Compliance and Safety
Policy, Legislative Advocacy, and Education

Wastewater Management

Facility Land Use and Planning
Laboratory Services
Pretreatment
Regulatory Compliance and Safety
San José-Santa Clara Treatment Plant Capital Project Delivery
San José-Santa Clara Treatment Plant Operations and Maintenance

Strategic Support*

Finance

Strategic Support CSA

Disbursements

Accounts Payable
Payroll

Financial Reporting

General Accounting
Special Accounting

Purchasing and Risk Management

Purchasing
Risk Management

Revenue Management

Accounts Receivable
Business Tax
Revenue Audit and Compliance
Utility Billing System

Treasury Management

Banking Management
Cashiering and Payment Processing
Debt Management
Investment Management

Strategic Support*

Fire

Public Safety CSA

Fire Department Emergency Response

Fire and Emergency Medical Services Dispatch
Fire and Emergency Medical Services Response
Fire Stations/Apparatus Operations and Maintenance
Fire Sworn Training
Special Operations Airport Rescue & Fire Firefighting
Special Operations - Hazardous Incident Team
Special Operations - Urban Search and Rescue

Fire Prevention

Fire Cause Investigation
Fire Safety Education, Review, and Inspections

Strategic Support*

Community and Economic Development CSA

Fire Safety Code Compliance

Fire Development Services

Strategic Support*

**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET**

**CITY ORGANIZATION BY DEPARTMENT/
CITY SERVICE AREA/CORE SERVICE/PROGRAM**

Housing

Community and Economic Development CSA
Affordable Housing Portfolio Management
 Loan Compliance
 Property Maintenance and Inspection
Affordable Housing Production and Preservation
 Affordable Housing Development Loans
 Affordable Housing Impact Fees
 Homeownership Opportunities
 Inclusionary Housing
 Rehabilitation Loans and Grants
Homelessness Interventions and Solutions
 Homeless Outreach and Case Management
 Interim Supportive Housing Development
 Joint Encampment Response Team
 Tenant Based Rental Assistance and Rapid Rehousing
Neighborhood Capital Investment and Public Services
 Community Development Block Grant -
 Infrastructure Investments
 Non-Profit Service Grants to Support Housing and
 Community Development Needs
 Place-Based Neighborhood Strategy
Rent Stabilization and Tenant Protection
 Apartment Rent Ordinance Administration
 Mobile Home Rent Ordinance Administration
Strategic Support*

Independent Police Auditor

Public Safety CSA
Independent Police Oversight
 Oversight of Police Misconduct Complaints and Public
 Outreach
Strategic Support*

Information Technology

Strategic Support CSA
Business Solutions
 Advanced Applications and Services
 Data Services
 Enterprise Resource Management
 Productivity and Collaboration Applications
San José 311
 City Customer Contact Center
Technology Infrastructure and Operations
 Cybersecurity Office
 IT Customer Care
 IT Systems and Operation
 Voice and Data Network Infrastructure
Strategic Support*

Human Resources

Strategic Support CSA
Employee Benefits
 Deferred Compensation
 Dental Benefits
 Medical Benefits
 Other Benefits
Employment Services
 Classification Services
 Recruiting/Hiring
Health and Safety
 Employee Health Services
 Employee Safety
 Workers' Compensation Administration
Training and Development
 Employee Training and Development
Strategic Support*

Library

Neighborhood Services CSA
Access to Information, Library Materials, and Digital Resources
 Access and Borrower Services
 Electronic Resources Implementation and Maintenance
 Library Facilities and Security
 Main Library Operations
 Materials Acquisitions and Processing
Literacy and Learning, Formal and Lifelong Self-Directed Education
 Early Education and Family Learning
 Partners in Reading/Adult Literacy
Strategic Support*

Mayor and City Council

Strategic Support CSA
 City Council
 Council General
 Office of the Mayor

**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET**

**CITY ORGANIZATION BY DEPARTMENT/
CITY SERVICE AREA/CORE SERVICE/PROGRAM**

Parks, Recreation, and Neighborhood Services

Neighborhood Services CSA

Community Facilities Development

- Major Capital Improvement Projects Management
- Minor Parks Capital Improvement Projects

Community Services

- Anti-Graffiti & Anti-Litter
- Illegal Dumping and Homeless Encampment Trash Collection and Abatement Services
- Youth Gang Prevention and Intervention

Parks Maintenance and Operations

- Family Camp
- Happy Hollow Park & Zoo
- Municipal Golf Courses
- Neighborhood Parks and Regional Parks
- Park Ranger Program
- Parks Administration
- Sports Fields Maintenance & Reservations
- Volunteer, Adopt a Park, and Community Gardens

Recreation Services

- Aquatics
- Community Center Operations
- Park Activation/Placemaking
- PRNS Re-Use Program
- RCS Administration (includes Youth Commission)
- Senior Services
- Youth Services

Strategic Support*

Planning, Building and Code Enforcement

Community and Economic Development CSA

Development Plan Review and Building Construction

- Building Development Services
- Development Services Administration
- Planning Development Services

Citywide Land Use Planning

- Citywide Planning
- Planning Administration
- Planning Environmental Review and Historic Preservation

Strategic Support*

Neighborhood Services CSA

Code Enforcement

- Code Enforcement Administration
- Community Code Enforcement
- Multiple Housing Code Enforcement
- Solid Waste Code Enforcement

Strategic Support*

Police

Public Safety CSA

Crime Prevention and Community Education

- Crime Prevention
- Police Activity League
- School Liaison/Truancy Abatement
- School Safety

Investigative Services

- Assaults
- Court Liaison
- Crime Analysis
- Family Violence
- Financial Crimes/Burglary
- Gang Investigations
- Homicide/Crime Scene
- Internal Affairs
- Investigations Administration
- Juvenile/Missing Persons
- Robbery
- Sexual Assaults
- Special Investigations

Regulatory Services

- Gaming
- Cannabis Regulation
- Permits

Respond to Calls for Service and Patrol Support

- 9-1-1 Call Taking & Police Dispatch
- Air Support
- Airport Division
- Downtown Services
- Field Operations Administration
- Field Patrol
- Metro
- Reserves/Volunteers
- Special Operations
- Traffic Enforcement
- Violent Crimes Enforcement

Strategic Support*

**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET**

**CITY ORGANIZATION BY DEPARTMENT/
CITY SERVICE AREA/CORE SERVICE/PROGRAM**

Public Works
Neighborhood Services CSA
Animal Care and Services
Animal Licensing and Customer Services
Animal Services Field Operations
Strategic Support*
Community and Economic Development CSA
Regulate/Facilitate Private Development
Public Works Development Services
Strategic Support*
Strategic Support CSA
Facilities Management
City Facilities Repairs and Minor Capital Improvements
Energy and Water Conservation
Facility Maintenance and Operations - City Hall
Facility Maintenance and Operations - Non City Hall
Fleet and Equipment Services
Fleet Maintenance and Operations
Fleet Replacement
Radio Communication
Plan, Design, and Construct Public Facilities and Infrastructure
City Facilities Architectural Services and Capital Project Administration
City Facilities Engineering and Inspection Services
Transportation and Storm Sewer Capital
Strategic Support*

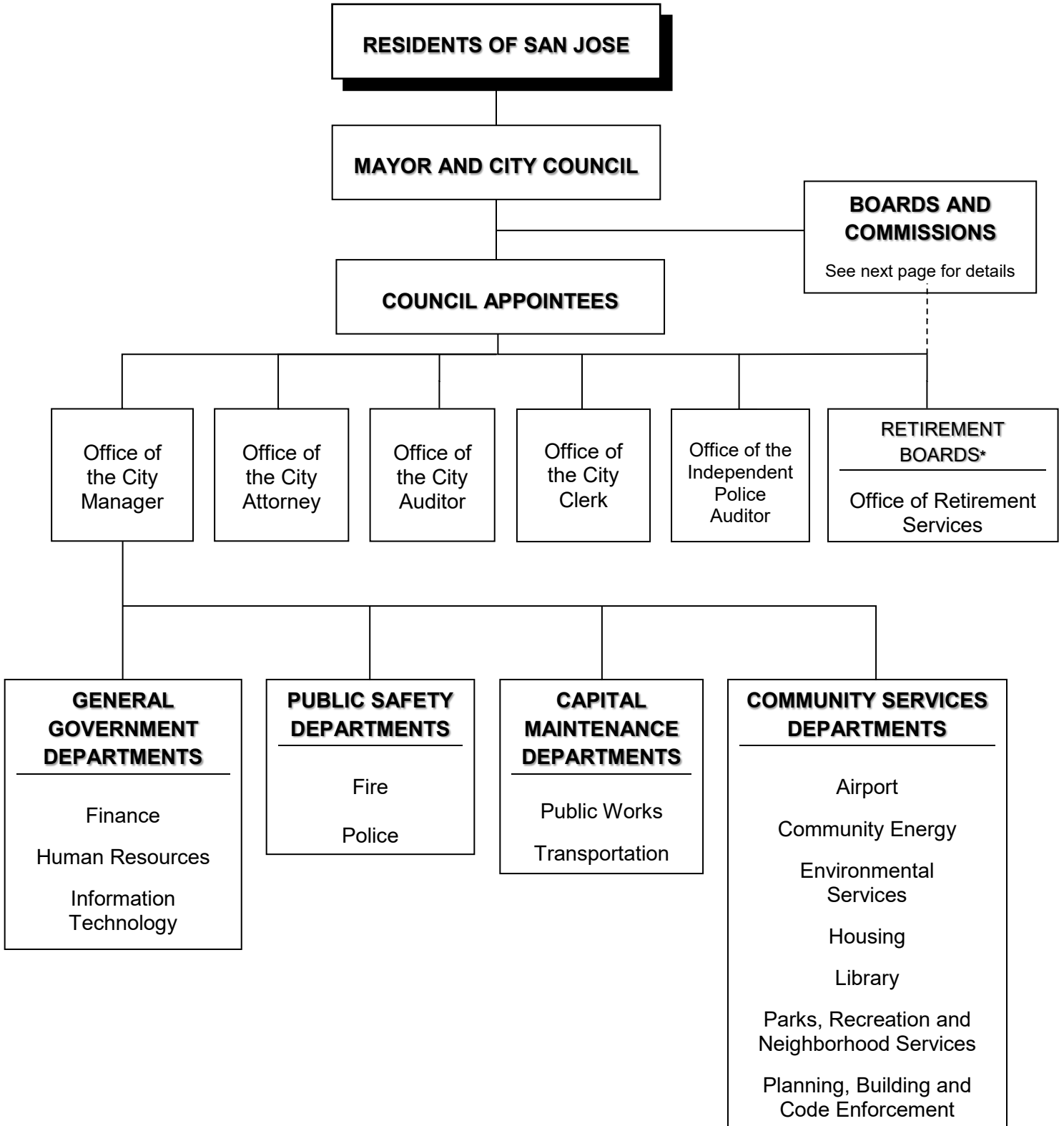
Retirement Services
Strategic Support CSA
Retirement Plan Administration
Benefits
Investments
Strategic Support*

Transportation
Transportation and Aviation Services CSA
Parking Services
Off-Street Parking
On-Street Downtown Operations
On-Street Parking
Pavement Maintenance
Corrective Pavement Repair
Pavement Maintenance Administration and Capital Project Delivery
Street Landscape Maintenance
Special District Landscape Services
Streetscape Services
Traffic Maintenance
Traffic Signal Maintenance
Traffic Signs and Markings Maintenance
Traffic Streetlights Maintenance
Transportation Planning and Project Delivery
Transportation Capital Project Delivery
Transportation Multi-Modal Alternatives
Transportation Planning and Policy
Transportation Safety and Operations
Neighborhood Traffic
Traffic Safety
Traffic Signals and Systems Management
Strategic Support*
Environmental and Utility Services CSA
Sanitary Sewer Maintenance
Sanitary Sewer System Maintenance
Storm Sewer Maintenance
Storm Sewer Operation and Maintenance
Street Sweeping
Strategic Support*

* Strategic Support General Categories	
Strategic Support	Strategic Support – Other
Management and Administration	Capital
Financial Management	Gifts
Information Technology	Other Departmental – City-Wide
Human Resources	Other Departmental – Grants
Pandemic Response	Other Departmental – Administration
Strategic Support – Fund Balance & Reserves	Workers' Compensation
Earmarked Reserves	Transfers
Ending Fund Balance	Debt/Financing Costs

**CITY OF SAN JOSE
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CITY ORGANIZATION BY FUNCTION



*Federated City Employees Retirement System Board of Administration and Police and Fire Department Retirement Plan Board of Administration

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BOARDS, COMMISSIONS AND COMMITTEES

Airport Commission
Appeals Hearing Board
Arts Commission
Bicycle Pedestrian Advisory Committee
Board of Fair Campaign and Political Practices
Charter Review Commission
Civil Service Commission
Clean Energy Community Advisory Commission (CAC)
Council Appointment Advisory Commission
Council Salary Setting Commission
Deferred Compensation Advisory Committee
Downtown Parking Board
Federated City Employees' Retirement Board
Historic Landmarks Commission
Housing and Community Development Commission
Human Services Commission
Innovation and Technology Advisory Board
Library and Education Commission
Mayor's Gang Prevention Task Force
Measure T Community Oversight Committee
Neighborhoods Commission
Parks and Recreation Commission
Planning Commission
Planning Director's Hearing
Police and Fire Department Retirement Board
Redistricting Commission 2020
Retirement Stakeholder Solutions Group
San José Arena Authority
San Jose-Santa Clara Clean Water Financing Authority (CWFA)Small Business
Development Commission
Senior Citizens Commission
Smart City Advisory Board

CITY OF SAN JOSE
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BOARDS, COMMISSIONS AND COMMITTEES

Station Area Advisory Group (SAAG)

Treatment Plant Advisory Committee (TPAC)

Voluntary Employees Beneficiary Association (VEBA) Advisory Committee

Work2Future Board

Youth Commission

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

OPERATING BUDGET GUIDE

The Operating Budget document includes the **City Manager’s Budget Message**, outlining major policy issues and changes to City programs, including the General Fund Balancing Strategy Detail, status of Mayor and City Council referrals, and status of City Auditor recommendations with funding impact. The **Community Profile** section includes the roster of elected officials, as well as a listing of State and local legislative highlights. The **Budget Guide** section provides a flow chart of the City of San José’s annual budget process; City organization charts by City Service Area, Function, and Department/Core Service/Program; this operating budget guide; a list of boards, commissions, and committees; fund descriptions; a glossary of terms; and an acronyms index. **Summary Information** of expected revenues, expenditures and staffing is then presented, along with comparative five-year **History and Trend** information on revenues, expenditures, and staffing. The **Budget Policies and Practices** section includes budgeting policies, a City Service Area policy framework, significant accounting practices, and information regarding debt service obligations. The **General Fund Revenue Estimates** section contains assumptions used in budget development, as well as descriptions of major General Fund revenue sources. The remaining Operating Budget document is organized by the following sections as discussed below.

City Service Areas (CSAs) align services provided in individual departments into the City’s six key lines of business as viewed from the community’s perspective. A collection of core services from various partner departments, CSAs show the results of the collaboration among the departments at a higher organizational level:

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

Strategic Support represents functions that provide organization-wide guidance and support to enable the delivery of the City’s direct services.

As an introduction to the CSA section, an **Overview** of the CSA concept, structure, and role in strategic planning and cross-departmental management of service delivery is included. Also, a **City Service Area/Core Service Map** is provided.

CITY SERVICE AREAS (CSA)

Individual sections on each of the six CSAs follow. Each individual CSA section begins with a **Cover Page** that lists the **CSA Mission Statement**, **Outcomes**, and **Primary Partners**, followed by a **Service Delivery Framework** that maps the linkage between the CSA mission, outcomes, and core services. A **CSA Dashboard** highlights key performance measures for the CSA.

A **Budget Summary** follows, which includes the **CSA’s Expected 2021-2022 Service Delivery and 2021-2022 Budget Actions** for the next year, and a detailed **City Service Area Budget Summary**.

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

OPERATING BUDGET GUIDE

CITY SERVICE AREAS (CSA)

The CSA Budget Summary is followed by a **CSA Overview** that includes highlights of the CSA's **Service Delivery Accomplishments, Service Delivery Environment, and Priorities/Key Services**. The CSA Overview continues with the **Budget Dollars At Work: Performance Goals** section, which focuses on strategic goals and performance measures by outcome. A chart is displayed under each outcome outlining the current year, subsequent year, and five-year Strategic Goals and associated performance measures. The **Budget Changes** section provides a listing of actions including position and budget changes.

CITY DEPARTMENTS/COUNCIL APPOINTEES

Next, the **City Departments** section, organized alphabetically, reflects technical budget information for each department and provides a full description of budget changes. Each department section begins with a brief synopsis of the department, including the department's **Mission Statement**, listing of the **City Service Areas** supported by the department, and listing and description of the department's **Core Services**. A **Service Delivery Framework** follows, which maps the linkage between the department's **Core Services** and **Programs** and provides program descriptions.

This framework is followed by a **Department Budget Summary**, which includes a summary description of expected 2021-2022 service delivery, impacts of 2021-2022 key budget actions, and a list of operating funds managed by the department (if applicable). A table reflecting funding by core service, category, and funding source for four separate points in time: 2019-2020 Actual Expenditures, 2020-2021 Adopted Budget, 2021-2022 Forecast (Base Budget), and 2021-2022 Proposed Budget, follows. Starting in 2017-2018, the data included in this section has been expanded to include all operating costs managed by the department (e.g., City-Wide Expenses, debt service/financing costs) except Transfers, Reserves and Ending Fund Balances. Total Authorized Positions by Core Service are also provided. This section also includes a Dollars by Program that reflects the budget by Core Service and Budget Program.

Next, the **Budget Reconciliation** is presented, which reconciles the Personal Services and Non-Personal/Equipment budget from the 2020-2021 Adopted Budget to the 2021-2022 Proposed Budget. The significant Base Budget adjustments are described (such as negotiated salary and benefit changes and contractual obligations) from the prior year's Adopted Budget and a listing of Budget Actions for 2021-2022 is included.

The details of **Budget Changes by Department** are provided next. Included for each change is a budget action title; the action's impact on positions, all funds, and the General Fund; a list of the CSAs, core services and programs impacted; followed by a description of what will be added or deleted, the need for the change, and the amount and nature of the funding involved.

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

OPERATING BUDGET GUIDE

CITY DEPARTMENTS/COUNCIL APPOINTEES

The **Performance Summary** charts are next. These charts present the measures and data used in evaluating core service results. Most core services include performance measures that describe expected results in four key measurement areas:



Quality – How well is the service doing what it is intended to do?



Cost – What resources are used to achieve results?



Cycle Time – Timeliness of service delivery.



Customer Satisfaction – How customers view the City's service efforts.

The **Activity and Workload Highlights** chart shows the scope and extent of the workload demand and the activities completed. For example, while the Performance Summary section focuses on percentages of workload accomplished successfully, the Activity and Workload Highlights section may provide a count of the total workload attempted/completed.

The City Departments section ends with a **Departmental Position Detail** that provides the authorized positions for the department and a one-year history of changes.

CITY-WIDE

The next major section of the budget document includes technical budget information. **City-Wide Expenses** are General Fund allocations that relate to more than one department or are not directly associated with ongoing departmental operations. These expenses are categorized to align to the CSAs to which they primarily contribute. **General Fund Capital, Transfers, and Reserves** includes budget information regarding capital contributions, transfers to other funds, earmarked reserves, and the contingency reserve. Both the City-Wide Expenses and General Fund Capital, Transfers, and Reserves sections include a **Mission Statement**, listing of **City Service Areas** and **Expense Types** supported by these allocations, **Budget Summary**, **Budget Reconciliation**, **Budget Changes by Expense Type**, and **Detail of Costs Description** (a listing of all allocations for each Expense Type).

SOURCE AND USE OF FUNDS STATEMENTS

The **Source and Use of Funds Statements** detail projected revenues, expenditures, and fund balances and are included for all budgeted special funds.

APPENDICES

In the Proposed Budget, the appendices section includes the Mayor's March Budget Message and the Community Development Block Grant (CDBG) Fund 2021-2022 Funding Allocation.

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

FUND DESCRIPTIONS

Airport Capital Funds

These Enterprise Funds account for the Airport's capital expenditures and revenues and consist of the following: Airport Capital Improvement Fund; Airport Revenue Bond Improvement Fund; Airport Renewal and Replacement Fund; and Airport Passenger Facility Charge Fund.

Airport Operating Funds

These Enterprise Funds account for the operation of the Airport and consist of the following: Airport Revenue Fund; Airport Maintenance and Operation Fund; Airport Surplus Revenue Fund; Airport Customer Facility and Transportation Fee Fund; and the Airport Fiscal Agent Fund.

Affordable Housing Impact Fee Fund

This Special Revenue Fund accounts for funding related to the Affordable Housing Impact Fee for the development of new market rate residential rental units.

American Rescue Plan Fund

This Special Revenue Fund accounts for funding authorized by the federal American Rescue Plan (ARP) Act.

Benefit Funds

These Internal Service Funds account for the provision and financing of benefits to City employees, retirees, and their dependents. It consists of the Dental Insurance Fund, Life Insurance Fund, Unemployment Insurance Fund, Self-Insured Medical Fund, and Benefit Fund.

Branch Libraries Bond Projects Fund

This Capital Fund accounts for General Obligation Bond proceeds approved by

voters on the November 2000 ballot (Measure O). The use of this fund is restricted to the acquisition of property and the expansion and construction of branch libraries.

Building Development Fee Program Fund

This Special Revenue Fund accounts for fees collected from developers for all new development and tenant improvements in the City. The use of this fund is restricted to provide for enforcing building and structures are erected, constructed, enlarged, altered, or repaired in accordance to the City's building, residential, mechanical, plumbing, and electrical codes.

Building and Structure Construction Tax Fund

This Capital Fund accounts for the tax on residential, commercial, and industrial development. The use of these funds, along with grant revenues, is restricted to traffic capital improvements on major arterials and collectors, including bridges, culverts, lighting, and traffic control systems.

Business Improvement District Fund

This Special Revenue Fund accounts for assessments involving Business Improvement District activities.

Cash Reserve Fund

In the City's Comprehensive Annual Financial Report, this fund is grouped with the City's General Fund. This accounts for the payment of authorized expenditures for any fiscal year in anticipation of and before the collection of taxes and other revenues, and for payment of authorized expenses for any fiscal year that must be paid prior to the

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

FUND DESCRIPTIONS

receipt of tax payments and other revenues.

City Hall Debt Service Fund

This Special Revenue Fund accounts for the debt service payments for City Hall and the City Hall off-site parking garage. This fund receives transfers from the General Fund, special funds, and capital funds in amounts sufficient to cover the debt service payments.

Citywide Planning Fee Program Fund

This Special Revenue Fund accounts for fees collected from developers for all new development and tenant improvements in the City. The use of this fund is restricted to provide for activities related to maintain an updated General Plan, zoning code, and other citywide plans and policies to allow development and new construction to occur consistent with the City's development policy and community objectives.

Community Development Block Grant Fund

This Special Revenue Fund accounts for federal grant monies received from the U.S. Department of Housing and Urban Development under Title II Housing and Community Development Act of 1974 and Rental Rehabilitation Program funds.

Community Facilities and Maintenance Assessment District Funds

These Special Revenue Funds account for the maintenance and administration of assessment districts throughout the City.

Community Facilities Revenue Fund

This Special Revenue Fund accounts for the rental revenues received from Hayes

Mansion operations and provides for the accumulation and transfer of base rental income to the appropriate debt service funds for repayment of facilities-related debts.

Construction and Conveyance Tax Funds

These Capital Funds account for Construction and Conveyance tax receipts. The Construction Tax is a flat rate assessed to residential, commercial, and industrial development. The Conveyance Tax is a fee imposed at a rate of \$3.30 for each \$1,000 of the value of property conveyed. Construction and Conveyance Tax Funds are dedicated to the Parks and Community Facilities Development, Communications, Public Safety (for Fire capital purposes), Library, and Service Yards Capital Programs.

Construction Excise Tax Fund

This Capital Fund accounts for the tax on the construction of residential, commercial, and mobile home developments (also referred to as the Commercial, Residential, Mobile Home Park Building Tax). This general purpose tax is based on building valuation, with the majority of the revenues in the fund historically being used for traffic improvements.

Contingent Lien District Fund

This Capital Fund accounts for cost sharing agreements through special districts between private parties in regards to the construction of public improvements as required by the City for development purposes. The use of this fund is restricted to completing any unconstructed improvements specified in the engineer's report as approved by the City Council.

CITY OF SAN JOSE
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FUND DESCRIPTIONS

Convention and Cultural Affairs Capital Fund

This Capital Fund accounts for transfers received from the Convention Center and Cultural Affairs Fund for the use of capital improvements and repairs to the McEnery Convention Center and other City owned Cultural Facilities.

Convention and Cultural Affairs Fund

This Special Revenue Fund accounts for the costs of managing and operating the San José McEnery Convention Center, California Theatre, Center for the Performing Arts (CPA), Civic Auditorium, Montgomery Theatre, Parkside Hall, South Hall, and their related facilities and grounds.

Convention Center Facilities District Project Fund

This Special Revenue Fund accounts for the bond proceeds and construction costs related to the expansion and renovation of the San José McEnery Convention Center.

Convention Center Facilities District Capital Fund

This Capital Fund, supported by transfers from the Convention Center Facilities District Revenue Fund, accounts for capital rehabilitation and improvements to the San Jose McEnery Convention Center.

Convention Center Facilities District Revenue Fund

This Special Revenue Fund accounts for Special Tax revenues collected by the City on behalf of the Convention Center Facilities District No. 2008-1.

Coronavirus Relief Fund

This Special Revenue Fund accounts for funding authorized by the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act.

Downtown Property and Business Improvement District Fund

This Special Revenue Fund accounts for revenue collected and expenses related to maintaining and operating any public improvements, which are payable from annual assessments apportioned among the several lots of parcels or property within the Downtown area.

Economic Development Administration Loan Fund

This Special Revenue Fund accounts for federal funds and loan repayments associated with the economic development administration program, which provides loans to small businesses for business expansion, remodeling, working capital, equipment or other specified uses with the goal of generating additional employment opportunities as a result of such assistance to businesses within the City of San José.

Edward Byrne Memorial Justice Assistance Grant Trust Fund

This Special Revenue Fund accounts for the City's portion of funding from the U.S. Department of Justice through the County of Santa Clara as a fiscal agent. Funds are restricted to law enforcement, prevention and education programs, and planning, evaluation, and technology improvements for front line law enforcement.

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

FUND DESCRIPTIONS

Emergency Reserve Fund

This Special Revenue Fund accounts for reserves established from local revenues to meet public emergencies.

Emma Prusch Memorial Park Fund

This Capital Fund accounts for the development and improvement of the Emma Prusch Memorial Park.

Federal Drug Forfeiture Fund

This Special Revenue Fund accounts for federal drug forfeiture monies received pursuant to the drug abuse prevention and control provisions of Title 21, Chapter 13 of the United States Code. Federal guidelines for this fund stipulate that seizure monies be used for the financing of programs or costs required for the direct or indirect enhancement of narcotics-related enforcement activities.

Fire Development Fee Program Fund

This Special Revenue Fund accounts for construction fees collected from developers for all new development and tenant improvements in the City. The use of this fund is restricted to provide for activities related to fire safety plan reviews and inspections for construction projects.

Gas Tax Maintenance and Construction Funds

These Special Revenue Funds account for the City's portion of the State collected Gas Tax. Revenues are restricted for acquisition, construction, improvement, and maintenance of public streets subject to provisions of the Streets and Highways Code of the State of California and to provide for traffic capital improvements.

General Purpose Parking Capital Fund

This Capital Fund accounts for capital construction of certain parking facilities. The parking system provides parking to the general public. This Fund is supported by a transfer from the General Purpose Parking Fund.

General Purpose Parking Fund

This Enterprise Fund accounts for the operation of City parking lot facilities and parking meters.

Gift Trust Fund

This Special Revenue Fund accounts for revenues and expenditures related to gifts, donations, and bequests to the City.

Home Investment Partnership Program Trust Fund

This Special Revenue Fund accounts for all monies allocated to the City by the U.S. Department of Housing and Urban Development for affordable housing projects pursuant to the HOME Investment Partnership Act.

Homeless Housing, Assistance, and Prevention Fund

This Special Revenue Fund accounts for Homeless Housing, Assistance and Prevention grant funding from the State of California to address immediate homelessness challenges.

Housing Trust Fund

This Special Revenue Fund accounts for funding to assist non-profit service providers and organizations by providing one-time grants for housing-related projects.

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

FUND DESCRIPTIONS

Ice Centre Revenue Fund

This Special Revenue Fund accounts for the rental revenues received from Ice Centre operations and provides for the accumulation and transfer of base income to the appropriate debt service funds for repayment of facilities-related debts, as well as facility capital repair and renovation.

Improvement District Fund

This Special Revenue Fund accounts for revenues and expenditures related to the acquisition and construction of a variety of public infrastructure projects for which individual improvement districts were formed.

Inclusionary Fee Fund

This Special Revenue Fund accounts for fees, related to the Mitigation Fee Act requirement, for the new program on new housing developments as approved by the City.

Integrated Waste Management Fund

This Special Revenue Fund accounts for activities related to the Integrated Waste Management Program, which includes garbage collection, recycling services, and related billing operations. The fund collects revenues from the City's Recycle Plus program. These funds are expended for programs related to the City's efforts to comply with State law requiring cities to reduce waste sent to landfills along with other integrated waste management services.

Lake Cunningham Fund

This Capital Fund accounts for the parking fees and lease payment revenues used for the purchase of

equipment, maintenance, and operations at Lake Cunningham Park.

Library Parcel Tax Capital Fund

This Capital Fund supports Library Program capital improvements and is funded by a transfer from the Library Parcel Tax Fund revenue.

Library Parcel Tax Fund

This Special Revenue Fund accounts for annual parcel tax revenues used for enhancing the City's library services and facilities.

Low and Moderate Income Housing Asset Fund

This Special Revenue Fund accounts for housing assets and functions related to the Low and Moderate Income Housing Program retained by the City. This fund provides funding for the administrative costs associated with managing the Successor Housing Agency assets and the continuation of affordable housing programs in the future.

Major Collectors and Arterial Fund

This Capital Fund accounts for the collection of monies owed by developers for previously completed street improvements.

Major Facilities Fund

This Capital Fund accounts for fees associated with the connection of municipal water activities for many water facilities constructed in the North San José, Evergreen, Alviso, Edenvale, and Coyote Valley areas. These fees are assessed for the future construction of large water mains, reservoirs, and other large projects.

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

FUND DESCRIPTIONS

Multi-Source Housing Fund

This Special Revenue Fund accounts for grants, inclusionary fees, and rental dispute mediation fees to support the rental rights and referrals program, to expand the supply of affordable housing for low and very-low income residents by providing both financial and technical assistance to non-profit organizations in the production and operation of affordable housing, and to preserve the existing supply of affordable housing by providing rehabilitation grants and loans to low and moderate income homeowners.

Municipal Golf Course Fund

This Special Revenue Fund accounts for the construction, management, and operation of various City golf courses, including the San José Municipal Golf Course, Los Lagos Golf Course, and Rancho del Pueblo Golf Course.

Neighborhood Security Act Bond Fund

This Capital Fund accounts for General Obligation Bond proceeds authorized by voters on the March 2002 ballot (Measure O). This fund is dedicated for the acquisition of real property and construction and rehabilitation of public safety-related facilities.

Parks and Recreation Bond Projects Fund

This Capital Fund accounts for General Obligation Bond proceeds approved by voters on the November 2000 ballot (Measure P). The use of this fund is restricted to acquisition of property, upgrades, and construction of neighborhood parks, community centers, trails, regional parks, and sports complexes.

Planning Development Fee Program Fund

This Special Revenue Fund accounts for fees collected from developers for all new development and projects in the City. The use of this fund is restricted to provide for enforcing important economic, social, environmental, or planning goals of the city, public improvements, facilities, or services from which the public will benefit.

Public Safety and Infrastructure Bond Fund

This Capital Fund accounts for General Obligation Bond proceeds authorized by voters on the November 2018 ballot (Measure T). The use of this fund is for acquisition of property or construction related to improvements in public safety and disaster preparedness. A portion of the fund will be used to pave streets and repair potholes.

Public Works Development Fee Program Fund

This Special Revenue Fund accounts for fees collected from developers for all new development and tenant improvements in the City. The use of this fund is restricted to provide for planning application revenue, plan revenue and inspection of public improvements, review of subdivision maps, grading permits, and revocable encroachment permits.

Public Works Program Support Fund

This Internal Service Fund accounts for Public Works administrative costs compensated absences, unfunded activities, and non-personal costs. An annual cost allocation plan is utilized to equitably allocate these costs to capital programs on the basis of service levels received as compensated time-off is

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

FUND DESCRIPTIONS

earned rather than charging the costs when the time-off is taken. Various capital projects are charged a rate for each hour Public Works' staff spends on the project and corresponding revenue is received by this fund.

Public Works Small Cell Permitting Fee Program Fund

This Special Revenue Fund accounts for fees collected from telecommunication companies to install small cells and fiber on city's property, such as streetlights, traffic lights, and rooftops. The use of this fund is restricted to provide for the permitting and inspection of small cell installations and fiber optic permitting as well as field services.

Rent Stabilization Program Fee Fund

This Special Revenue Fund accounts for fees, collected in accordance with the Mitigation Fee Act requirements, associated with implementing the Apartment Rent Ordinance, Tenant Protection Ordinance, Ellis Act Ordinance, and Mobilehome Ordinance programs.

Residential Construction Tax Contribution Fund

This Capital Fund accounts for taxes imposed upon the construction of single-family dwelling units or any mobile home lots in the City. The tax is used to reimburse developers who have constructed that portion of an arterial street that is wider than what is normally required in connection with residential development. The funds are also used to construct median island landscaping and other street improvements.

Retirement Funds

These Trustee Funds account for the accumulation of resources to be used for retirement annuity payments and consist of the following: Federated Retiree Health Care Trust Fund; Federated Retirement Fund; Fire Retiree Health Care Trust Fund; Police Retiree Health Care Trust Fund; and Police and Fire Retirement Fund.

San José Arena Capital Reserve Fund

This Capital Fund provides funding for repairs and replacements of capital items at the San José Arena, including fixtures, machinery, and equipment. The fund receives revenues from San José Arena Management, the ownership group of the San Jose Sharks, and a General Fund contribution supported by revenue generated from the Arena. The amount of funding and the eligible capital repair items are specified by agreement between the City of San José and the San José Arena Management.

San José Clean Energy Operating Fund

This Enterprise Fund accounts for revenues from the sale of electricity and the costs of the San José Clean Energy Program.

San José Municipal Stadium Capital Fund

This Special Revenue Fund accounts for revenues received pursuant to an agreement with the Baseball Acquisition Company for the use, operation, and management of the Municipal Stadium.

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

FUND DESCRIPTIONS

San José-Santa Clara Treatment Plant Capital Fund

This Capital Fund accounts for the construction of improvements to the San José/Santa Clara Water Pollution Control Plant (WPCP), and the purchase of equipment through contributions from the City of Santa Clara and other tributary agencies and transfers from the Sewer Service and Use Charge Operating Fund.

City's share of acquisition, construction, reconstruction or enlargement of the WPCP.

Sewer Service and Use Charge Capital Improvement Fund

This Capital Fund accounts for the reconstruction of the sanitary sewer system and is funded primarily by annual transfers from the Sewer Service and Use Charge Fund.

San José-Santa Clara Treatment Plant Income Fund

This Enterprise Fund accounts for revenues and expenditures not related to the day-to-day operation and maintenance of the WPCP. It contains the City's share of revenue from activities such as land rentals, legal settlements, and purchase of land located at the WPCP.

Sewer Service and Use Charge Fund

This Enterprise Fund accounts for Sewer Service and Use Charge fees collected from San José property owners to be used for financing, construction, and operation of the City's sewage collection system, and the City's share of the WPCP.

San José-Santa Clara Treatment Plant Operating Fund

This Enterprise Fund accounts for the revenues and expenditures required for day-to-day operation and maintenance of the WPCP.

South Bay Water Recycling Capital Improvement Fund

This Capital Fund accounts for revenues from the sale of recycled water to South Bay Water Recycling (SBWR) retail customers and supports the expenditures for acquisition, construction, and installation of SBWR capital improvements.

Sanitary Sewer Connection Fee Fund

This Capital Fund accounts for connection fees charged to developers for access to the City's sanitary sewer system. Funds are restricted to the construction and reconstruction of the sewer system.

South Bay Water Recycling Operating Fund

This Enterprise Fund accounts for the monies received from the sale of wholesale recycled water produced by the South Bay Water Recycling (SBWR) program for the operations and maintenance of the SBWR system.

Sewage Treatment Plant Connection Fee Fund

This Enterprise Fund accounts for revenues from new residential, commercial, and industrial connections to the WPCP. These revenues pay the

St. James Park Management District Fund

This Special Revenue Fund accounts for the donations from developers collected in the Downtown Parks Management

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

FUND DESCRIPTIONS

District for the activation, operations, and maintenance at St. James Park.

State Drug Forfeiture Fund

This Special Revenue Fund accounts for State drug forfeiture monies received whenever the Police Department is involved in asset seizures from convicted drug law violators. City Council guidelines for this fund stipulate that seizure monies be used for the financing of programs or costs required for the direct or indirect enhancement of narcotics-related enforcement activities.

Storm Drainage Fee Fund

This Capital Fund accounts for fees collected from developers as a result of connections to the storm drainage sewer system, which may be used for expansion or capacity improvements of the storm drainage system or land acquisition for the system.

Storm Sewer Capital Fund

This Capital Fund accounts for the construction and reconstruction of the storm drainage system, and is funded primarily by transfers from the Storm Sewer Operating Fund.

Storm Sewer Operating Fund

This Special Revenue Fund accounts for revenues collected from owners of properties that benefit from the storm drainage system. Funds may be used for maintenance and operation of the storm drainage system. Expenditures are focused on maintenance and operation of the storm drainage system, as well as non-point source pollution reduction.

Subdivision Park Trust Fund

This Capital Fund accounts for payments of fees in lieu of dedication of land for park and recreation purposes in residential subdivisions. Moneys in the fund, including accrued interest, may be expended solely for the acquisition or development of improvements on parkland to serve the subdivision for which the fees were paid.

Supplemental Law Enforcement Services Fund

This Special Revenue Fund accounts for revenues received from the State of California (AB 3229) to be used for front line municipal police services.

Transient Occupancy Tax Fund

This Special Revenue Fund accounts for receipts generated through the assessment of a percentage of the rental price for transient occupancy lodging charged when the period of occupancy is less than 30 days. The tax rate is currently 10%, 6% of which is placed in this fund and 4% of which is deposited in the General Fund. The uses of revenues from this source are specified by City Ordinance and include grants and rental subsidies for fine arts and cultural programs, and subsidies for the San José Convention and Visitors Bureau, and Convention and Cultural Facilities.

Underground Utility Fund

This Capital Fund accounts for fees collected from developers in lieu of placing utility facilities underground at the time of development. The Underground Utility Program implements the City's General Plan goals and policies, which state that the City should encourage the movement of existing overhead utilities underground. The fund is used to

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

FUND DESCRIPTIONS

establish Rule 20B Underground Utility Districts.

Vehicle Maintenance and Operations Fund

This Internal Service Fund accounts for the operation, maintenance, and replacement of City vehicles and equipment.

Water Utility Capital Fund

This Capital Fund accounts for the acquisition, construction, and installation of water system capital improvements for the Municipal Water System. This system provides water service to North San José, Evergreen, Alviso, Edenvale, and Coyote Valley areas and is primarily funded through user charges.

Water Utility Fund

This Enterprise Fund accounts for the operation of five water system districts: North San José, Evergreen, Coyote Valley, Edenvale, and Alviso. The water system provides services to the general public on a continuing basis and is financed through user charges.

Workforce Development Fund

This Special Revenue Fund accounts for the administration of a federal program that provides primary employment and training services to dislocated and low-income residents.

CITY OF SAN JOSE
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GLOSSARY OF TERMS

Accrual Basis

Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

Appropriation

The legal authorization granted by the City Council to the Administration to make expenditures and incur obligations for purposes specified in the Appropriation Ordinance.

Balanced Budget

Budgeted revenue levels are equivalent to budgeted expenditure levels, including use of reserves and fund balance.

Base Budget

The ongoing expense level necessary to maintain service levels previously authorized by the City Council.

Capital Budget

A financial plan of capital projects and the means of financing them for a given period of time.

Capital Expenditures

Expenditures to acquire, rehabilitate, or construct general fixed assets and major improvements.

Capital Improvement Program (CIP)

On December 18, 1986, the City Council, in order to delineate the purpose of the Five-Year Capital Improvement Plan, adopted the following definition: The Five-Year Capital Improvement Plan (Program) is a long-range study of financial wants, needs, expected revenues, and policy intentions. It provides the necessary information for prudent budget recommendations. It compares the organization's various needs over a period of five years with the various anticipated revenues and puts them into a single focus for analytical purposes. It is not law, such as an annual budget, but a planning tool that provides a collection of facts, trends, and suggestions to the City Administration and Council. After it is adopted by the City Council, it is a non-binding assertion of future intent only. However, when an appropriation for the annual capital budget is adopted as part of the regular budget, it represents the amount which will be used to implement part of the Program in the coming year.

Carryover

Unspent funds, either encumbered, reserved, or unobligated, brought forward from prior fiscal years.

CITY OF SAN JOSE
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GLOSSARY OF TERMS

City Service Area (CSA)

City Service Areas integrate Core Services provided by individual departments into the City's key lines of business, as viewed from the community's perspective. CSAs enable the City to plan and show results of the collaboration among the departments at a higher organizational level. There are six CSAs, five of which deliver direct services (Community and Economic Development, Environmental and Utility Services, Neighborhood Services, Public Safety, and Transportation and Aviation Services). The sixth, Strategic Support, represents functions that provide guidance and support contributing to the delivery of direct services.

CSA Primary Partners

City departments with Core Services most directly responsible for overall CSA service delivery.

CSA Outcome

A desirable overall condition or "Picture of Success." At the CSA level, the specified outcomes are the "ends" toward which the plans, efforts, resources, and results of the CSA are directed.

Contingency Reserve

An appropriation of funds to cover unforeseen events during the budget year, such as emergencies, newly required programs, shortfalls in revenue, or other unforeseen eventualities.

Contractual Services

Operating expenditures for services provided by outside organizations and businesses, including maintenance contracts, management services, etc.

Core Services

The City departments' key lines of business. Core Services produce the primary deliverables of a department.

Debt Service

The amount required to pay interest on and to retire the principal of outstanding debt. A complete discussion of the City's Debt Service Obligations as well as a description of its Debt Management Policy are included in the Budget Policies and Practices section.

Encumbrance

Financial commitments, such as purchase orders or contracts, which are chargeable to an appropriation and for which a portion of the appropriation is reserved.

Fiscal Year

A 12-month accounting period to which the annual budget applies; for San José, it is the period from July 1 through June 30.

Fund

An independent fiscal and accounting entity used to account for all financial transactions related to the specific purpose for which the fund was created by ordinance.

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

GLOSSARY OF TERMS

Fund Balance

The difference between total revenue sources and total expenditures in a fund. The fund balance is calculated at the end of the fiscal year.

property taxation, estimated unencumbered balances of funds to be carried over from the preceding year, estimated unencumbered available reserves, and all proposed expenditures, including debt service for the ensuing year.

General Fund

The primary operating fund used to account for all the revenues and expenditures of the City, which are not related to special or capital funds.

Overhead

Administrative costs associated with city-wide operations, which cannot be attributed to any specific department (such as Finance or Human Resources). These costs are subject to a city-wide overhead cost allocation plan to distribute costs on an equitable basis to departments and funds that are the beneficiaries of such expenses.

Infrastructure Management System (IMS)

The City's computerized system used to identify the condition of streets, sewers, and other infrastructure, forecast maintenance needs, and project future replacement expenditures.

Performance Measure

Measures the results of services delivered to customers. Performance measures fall into four Key Measurement Areas: Quality; Cost; Cycle Time; and Customer Satisfaction. Performance measures are developed at the CSA, Core Service, and Operational Service levels.

Mission

A unifying statement of why an organization exists.

Performance Measure Goals and Targets

Quantitative benchmarks for each Performance Measure (PM). **PM Goals** represent the optimum performance level, or the long-range planned level of performance identified in the CSA Overview. **PM Targets**, for CSAs and departmental Core Services, represent the one-year performance level commitment, given allocated resources.

Non-Personal/Equipment Expenses

Operating costs which are not related to personnel, such as supplies, training, contract services, utilities, and vehicles.

Ongoing Cost/Savings

The 12-month value of partial year additions or reductions.

Operating Budget

An annual financial plan for the provision of direct services and support functions to the community. Per the City Charter, it shall begin with a clear general summary of its contents and shall show in detail all estimated income, including the amount proposed to be raised by

Personal Services

Salary and fringe benefit costs of City employees.

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

GLOSSARY OF TERMS

Programs

Grouping of activities to deliver the core services of the City; discrete service to identifiable users, or the “front-line” of service delivery.

Rebudget

Unspent or unencumbered prior year funds reauthorized for the same purpose as previously approved, usually as a result of delayed program implementation.

Reserve

Funds budgeted for a particular purpose but not authorized for immediate obligation.

Special Funds

Funds, exclusive of the General Fund and capital funds, which are separately administered because they are associated with a distinct function or enterprise.

Strategic Goals/Objectives

Represent elements or sub-elements of a strategic plan and are the City’s planned response to address service delivery needs and priorities. Strategic goals and objectives are guided by the related Outcomes, but represent only the City’s contribution toward those Outcomes. Strategic goals and objectives also determine how the City’s Core Services, Operational Services, and special projects should be aligned and directed toward producing the planned service delivery response.

Strategic Support

Includes various functions that support and/or guide delivery of direct services. Examples include technology, financial and human resources administration, purchasing, and training, as well as strategic leadership and policy development.

Successor Agency

Successor Agency to the former San Jose Redevelopment Agency, a public entity.

Transfers

Transfers between funds to account for reimbursements for services, overhead expenses, or other payments.

Vision

A guiding statement describing a desirable future state toward which efforts should be directed. An effective vision statement inspires creativity while keeping an organization “on track” for the future by aligning its priorities.

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

ACRONYMS INDEX

A

ACT	Acoustical Treatment Program
ACA	Affordable Care Act
ADA	Americans with Disabilities Act
AFR	Automated Field Reporting
AIP	Airport Improvement Program
ARC	Annual Retirement Contribution
ARFF	Airport Rescue and Fire Fighting
ARRA	American Recovery and Reinvestment Act

B

BACWA	Bay Area Clean Water Agencies
BART	Bay Area Rapid Transit
BD	Budget Document (Mayor/City Council)

C

C&C	Construction and Conveyance
CAD	Computer Aided Dispatch System
CAFR	Comprehensive Annual Financial Report
CAP	Community Action and Pride Grant
CAPS	City Administrative Project System
CARES	Coronavirus Aid, Relief, and Economic Security
CBO	Community-Based Organization
CCF	Convention and Cultural Facilities
CDBG	Community Development Block Grant
CDDD	Construction and Demolition Diversion Deposit
CDI	Community Development Improvements
CDLAC	California Debt Limit Allocation Committee
CED	Community and Economic Development CSA
CEQA	California Environmental Quality Act
CFC	Customer Facility Charges
CIO	Chief Information Officer
CIP	Capital Improvement Program
CIS	Customer Information System
CIWMB	California Integrated Waste Management Board
CNEL	Community Noise Equivalent Level
CNG	Compressed Natural Gas
COPS	Citizens Option for Public Safety (State)
CPE	Cost Per Enplaned Passenger
CPMS	Capital Project Management System
CSA	City Service Area
CSMFO	California Society of Municipal Finance Officers
CVB	Convention and Visitors Bureau
CWFA	Clean Water Financing Authority

D

DCAC	Deferred Compensation Advisory Committee
DMV	Department of Motor Vehicles

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

ACRONYMS INDEX

E	EUS	Environmental and Utility Services CSA
	EHS	Employee Health Services
	EIR	Environmental Impact Report
	EMS	Emergency Medical Services
	EOC	Emergency Operations Center
	EPA	Environmental Protection Agency
F	FAA	Federal Aviation Administration
	FCERS	Federated City Employees' Retirement System
	FEHA	Fair Employment and Housing Act
	FF&E	Fixtures, Furnishings and Equipment
	FMS	Financial Management System
	FT	Full-Time
	FTE	Full-Time Equivalent
G	GAAP	Generally Accepted Accounting Principles
	GASB	Government Accounting Standards Board
	GFOA	Government Finance Officers Association
	GIS	Geographic Information System
H	HBRR	Highway Bridge Replacement and Rehabilitation Program
	HHW	Household Hazardous Waste
	HNVF	Healthy Neighborhoods Venture Fund
	HUD	Housing and Urban Development
	HVAC	Heating, Ventilation, and Air Conditioning
I	I&I	Inflow/Infiltration
	IBS	Integrated Billing System
	ICC	International Code Council
	ICMA	International City/County Management Association
	IDC	International Disposal Corporation
	IMS	Infrastructure Management System
	IPA	Independent Police Auditor
	ITI	Industrial Tool Installation
	ITS	Intelligent Transportation System
IWM	Integrated Waste Management	
J		
K		

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

ACRONYMS INDEX

L

LED	Light Emitting Diode
LEED	Leadership in Energy and Environmental Design Program
LOCC	League of California Cities
LOI	Letter of Intent
LPT	Library Parcel Tax
LRT	Light Rail Transit

M

MBA	Manager's Budget Addendum
MCA	Master Contract Agreement
MFD	Multi-Family Dwelling
MGPTF	Mayor's Gang Prevention Task Force
MMRS	Metropolitan Medical Response System
MWS	Municipal Water System (San José)

N

NAC	Neighborhood Action Coalition
NDC	Neighborhood Development Center
NEPA	National Environmental Policy Act
NIMS	National Incident Management System
NPDES	National Pollutant Discharge Elimination System
NS	Neighborhood Services CSA

O

O&M	Operating and Maintenance
OBAG	One Bay Area Grant
OES	Office of Emergency Services
OSA	Open Space Authority
OTS	Office of Traffic Safety

P

P&CFD	Parks and Community Facilities Development
P&F	Police and Fire
PAB	Police Administration Building
PAC	Project Area Committee
PBID	Property and Business Improvement District Fund
PCI	Pavement Condition Index
PDO	Parkland Dedication Ordinance
PFC	Passenger Facility Charge
PG&E	Pacific Gas and Electric Company

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

ACRONYMS INDEX

P

PIO	Park Impact Ordinance
PLF	Public Library Fund
PM	Performance Measure
PMMS	Parks Maintenance Management System
PMP	Parking Management Plan
PMP	Plant Master Plan
PS	Public Safety CSA
PT	Part-Time
PWCAP	Public Works Cost Allocation Plan

Q

R

RCTCF	Residential Construction Tax Contribution Fund
RDA	Redevelopment Agency
RECS	Registration and E-Commerce System
RFP	Request for Proposal
RFQ	Request for Quote
RLF	Revolving Loan Fund
RMS	Records Management System
RSBAP	Revised South Bay Action Plan
RWF	Regional Wastewater Facility
RWQCB	Regional Water Quality Control Board

S

SAFER	Staffing for Adequate Fire and Emergency Response
SAN	Storage Area Network
SARA	Successor Agency to the Redevelopment Agency of the City of San José, a public entity
SBAP	South Bay Action Plan
SBWR	South Bay Water Recycling
SCADA	Supervisory Control and Data Acquisition
SCBA	Self Contained Breathing Apparatus
SCVWD	Santa Clara Valley Water District
SDMS	Storm Drain Management System
SERAF	Supplemental Education Revenue Augmentation Fund
SFD	Single-Family Dwelling
SJC	Norman Y. Mineta San José International Airport
SJDA	San José Downtown Association
SJPD	San José Police Department
SJRA	San Jose Redevelopment Agency
SJSU	San José State University
SRTF	Sunshine Reform Task Force
SS	Strategic Support CSA
SS&UC	Sewer Service and Use Charge
SSMP	Sanitary Sewer Management Plan

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

ACRONYMS INDEX

S

SSO	Sanitary Sewer Overflow
STI	Special Tenant Improvements
SUASI	Super Urban Area Security Initiative
SV-ITS	Silicon Valley Intelligent Transportation Systems
SVRCS	Silicon Valley Regional Communications System
SVRIA	Silicon Valley Regional Interoperability Authority
SVWIN	Silicon Valley Workforce Investment Network
SWRCB	State Water Resources Control Board

T

TAS	Transportation and Aviation Services CSA
TMC	Transportation Management Center
TLC	Technology Leadership Council
TOT	Transient Occupancy Tax
TSA	Transportation Security Administration
TSJ	Team San Jose

U

UAAL	Unfunded Accrued Actuarial Liability
UASI	Urban Area Security Initiative
URMP	Urban Runoff Management Plan
USGBC	United States Green Building Council
USPTO	United States Patent and Trademark Office
UUT	Utility Users Tax

V

VEBA	Voluntary Employee Beneficiary Association
VoIP	Voice over Internet Protocol
VTA	Valley Transportation Authority (Santa Clara)

W

WDF	Workforce Development Fund
WEP	Water Efficiency Program
WIB	Workforce Investment Board (work2future Board)
WPCP	Water Pollution Control Plant (San José/Santa Clara)

X

Y

Z

**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET**

TOTAL CITY SOURCE AND USE OF FUNDS

	2019-2020 Adopted	2020-2021 Adopted	2021-2022 Proposed
GENERAL FUND			
Fund Balance			
Encumbrance Reserve	\$ 38,466,874	\$ 46,555,359	\$ 46,905,760
Carryover	289,425,284	346,335,718	132,975,436
Beginning Fund Balance	\$ 327,892,158	\$ 392,891,077	\$ 179,881,196
General Revenue			
Property Tax	\$ 354,000,000	\$ 370,500,000	\$ 395,500,000
Sales Tax	258,300,000	242,500,000	280,200,000
Transient Occupancy Tax	22,500,000	9,000,000	10,000,000
Franchise Fees	48,641,000	45,921,096	44,651,652
Utility Tax	99,645,000	95,800,000	97,060,000
Telephone Line Tax	20,000,000	20,000,000	74,500,000
Business Taxes	72,200,000	70,900,000	40,000,000
Real Property Transfer Tax	0	30,000,000	20,000,000
Licenses and Permits	62,009,468	20,023,167	21,032,485
Fines, Forfeitures, and Penalties	16,213,000	15,730,100	8,676,000
Revenue from the Use of Money/Property	13,144,000	11,754,800	14,847,684
Revenue from Local Agencies	14,830,210	18,194,536	9,304,000
Revenue from the State of CA	12,960,805	14,319,906	15,509,513
Revenue from Federal Government	4,769,023	3,714,762	12,130,000
Fees, Rates, and Charges	58,951,740	25,575,702	736,395
Other Revenue	23,502,394	48,511,658	8,714,026
Subtotal General Revenue	\$ 1,081,666,640	\$ 1,042,445,727	\$ 1,052,861,755
Transfers and Reimbursements			
Overhead Reimbursements	\$ 56,272,963	\$ 69,197,893	\$ 68,557,276
Transfers	27,222,851	27,408,535	27,592,187
Reimbursements for Services	17,080,825	15,745,997	16,791,968
Subtotal Transfers and Reimbursements	\$ 100,576,639	\$ 112,352,425	\$ 112,941,431
Total General Fund	\$ 1,510,135,437	\$ 1,547,689,229	\$ 1,345,684,382
Less Transfers, Loans, and Contributions	(186,503,674)	(239,860,851)	(152,752,836)
NET GENERAL FUND TOTAL	\$ 1,323,631,763	\$ 1,307,828,378	\$ 1,192,931,546

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

TOTAL CITY SOURCE AND USE OF FUNDS

	2019-2020 Proposed	2020-2021 Adopted	2021-2022 Proposed
SPECIAL FUNDS			
Affordable Housing Impact Fee Fund	\$ 0	\$ 0	\$ 6,511,241
Airport Customer Facility and Transportation Fee Fund	35,754,949	29,943,627	22,426,540
Airport Fiscal Agent Fund	177,275,564	178,984,262	141,898,113
Airport Maintenance and Operation Fund	144,530,433	147,921,826	148,547,311
Airport Revenue Fund	310,409,053	262,309,359	235,381,628
Airport Surplus Revenue Fund	64,963,053	16,086,320	19,032,581
American Rescue Plan Fund	0	0	13,388,000
Benefit Funds - Benefit Fund	72,692,460	79,910,999	86,662,963
Benefit Funds - Dental Insurance Fund	15,709,950	16,764,453	17,332,144
Benefit Funds - Life Insurance Fund	1,849,784	1,923,714	1,963,670
Benefit Funds - Self-Insured Medical Fund	13,610,033	780,288	104,308
Benefit Funds - Unemployment Insurance Fund	1,501,708	1,423,242	4,038,958
Building Development Fee Program Fund	0	49,005,375	59,867,383
Business Improvement District Fund	4,044,279	3,648,510	2,703,673
Cash Reserve Fund	5,974	6,105	6,231
City Hall Debt Service Fund	28,483,000	27,199,000	25,215,000
Citywide Planning Fee Program Fund	0	4,784,123	6,546,988
Community Development Block Grant Fund	16,947,398	19,201,610	24,949,463
Community Facilities Revenue Fund	3,160,906	2,079,396	356,696
Convention and Cultural Affairs Fund	27,127,574	10,504,267	11,652,368
Convention Center Facilities District Revenue Fund	47,392,485	35,435,130	26,179,499
Coronavirus Relief Fund	0	99,045,248	8,042,587
Downtown Property and Business Improvement District Fund	4,804,327	5,080,180	5,340,141
Economic Development Administration Loan Fund	6,920	7,060	7,319
Edward Byrne Memorial Justice Assistance Grant Trust Fund	571,267	842,197	0
Emergency Reserve Fund	1,281,736	5,837,655	14,488,879
Federal Drug Forfeiture Fund	3,578,120	221,896	9,061
Fire Development Fee Program Fund	0	12,448,506	11,584,764
Gas Tax Maintenance and Construction Fund - 1943	7,100,000	6,600,000	7,200,000
Gas Tax Maintenance and Construction Fund - 1964	3,600,000	3,200,000	3,300,000
Gas Tax Maintenance and Construction Fund - 1990	5,600,000	5,200,000	5,500,000
General Purpose Parking Fund	41,716,664	18,094,026	15,912,127
Gift Trust Fund	3,219,762	2,830,323	1,111,765
Home Investment Partnership Program Trust Fund	10,396,162	13,466,273	28,540,889
Homeless Housing, Assistance, and Prevention Fund	0	0	18,578,187
Housing Trust Fund	3,503,394	3,704,914	6,629,257
Ice Centre Revenue Fund	5,949,645	3,611,568	60,097,585
Inclusionary Fee Fund	11,202,044	31,213,523	41,756,175
Integrated Waste Management Fund	179,060,047	185,159,196	205,925,049
Library Parcel Tax Fund	17,233,028	15,240,470	14,437,740
Low and Moderate Income Housing Asset Fund	140,295,789	143,239,920	174,995,885
Multi-Source Housing Fund	113,406,294	79,992,165	114,626,330
Municipal Golf Course Fund	9,502,369	10,738,152	2,827,181
Planning Development Fee Program Fund	0	7,991,284	8,429,763
Public Works Development Fee Program Fund	0	15,312,684	18,551,261
Public Works Program Support Fund	21,222,199	21,489,818	22,778,985
Public Works Small Cell Permitting Fee Program Fund	0	4,420,413	4,689,809
Rent Stabilization Program Fee Fund	4,765,500	5,697,375	5,608,081
San José Arena Capital Reserve Fund	6,386,938	8,206,631	6,519,511
San José Clean Energy Operating Fund	341,976,351	380,189,219	371,188,840
San José Municipal Stadium Capital Fund	39,000	39,000	39,000
San José-Santa Clara Treatment Plant Income Fund	336,413	539,764	713,868

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

TOTAL CITY SOURCE AND USE OF FUNDS

	2019-2020 Adopted	2020-2021 Adopted	2021-2022 Proposed
SPECIAL FUNDS			
San José-Santa Clara Treatment Plant Operating Fund	\$ 127,232,935	\$ 171,659,500	\$ 142,279,681
Sewage Treatment Plant Connection Fee Fund	16,426,760	21,142,355	21,948,871
Sewer Service and Use Charge Fund	241,772,459	253,265,695	257,541,094
Special Assessment Maintenance District Funds:			
Community Facilities District No. 1 (Capitol Auto Mall) Fund	697,889	713,502	643,456
Community Facilities District No. 2 (Aborn - Murillo) and No. 3 (Silverland - Capriana) Fund	3,383,417	3,383,278	3,188,865
Community Facilities District No. 8 (Communications Hill) Fund	2,427,688	1,574,529	1,222,180
Community Facilities District No. 11 (Adeline - Mary Helen) Fund	356,808	249,123	142,602
Community Facilities District No. 12 (Basking Ridge) Fund	1,447,475	831,025	655,550
Community Facilities District No. 13 (Guadalupe Mines) Fund	439,118	444,827	416,718
Community Facilities District No. 14 (Raleigh - Charlotte) Fund	1,521,658	1,220,758	1,363,687
Community Facilities District No. 15 (Berryessa - Sierra) Fund	637,992	679,276	681,023
Community Facilities District No. 16 (Raleigh - Coronado) Fund	976,076	1,171,779	1,267,495
Community Facilities District No. 17 (Capitol Expy - Evergreen Place Maint. District No. 1 (Los Paseos) Fund	0	104,300	160,693
Maint. District No. 2 (Trade Zone Blvd. - Lundy Ave.) Fund	518,621	562,376	669,252
Maint. District No. 5 (Orchard Parkway - Plumeria Dr.) Fund	236,231	256,300	296,603
Maint. District No. 8 (Zanker - Montague) Fund	345,801	223,407	219,397
Maint. District No. 9 (Santa Teresa - Great Oaks) Fund	383,228	374,596	258,723
Maint. District No. 11 (Brokaw Rd. from Junction Ave. to Old Oakland Rd.) Fund	453,408	469,903	478,860
Maint. District No. 13 (Karina - O'Nel) Fund	348,097	253,063	167,714
Maint. District No. 15 (Silver Creek Valley) Fund	193,968	207,391	213,371
Maint. District No. 18 (The Meadowlands) Fund	2,093,574	1,807,066	1,653,394
Maint. District No. 19 (River Oaks Area Landscaping) Fund	220,051	233,021	206,008
Maint. District No. 20 (Renaissance - N. First Landscaping) Fund	471,832	405,938	451,033
Maint. District No. 21 (Gateway Place - Airport Parkway) Fund	310,971	241,996	202,768
Maint. District No. 22 (Hellyer Ave. - Silver Creek Valley Rd.) Fund	230,179	253,061	267,823
Southbay Water Recycling Fund	279,459	271,760	178,702
St. James Park Management District Fund	17,288,414	16,718,933	18,154,956
State Drug Forfeiture Fund	3,991,633	2,610,657	2,160,901
Storm Sewer Operating Fund	339,372	715,281	372,126
Supplemental Law Enforcement Services Fund	55,642,274	53,112,540	55,584,086
Transient Occupancy Tax Fund	3,440,043	4,499,871	941,647
Vehicle Maintenance and Operations Fund	40,697,781	16,640,056	16,431,902
Water Utility Fund	29,843,467	28,770,368	31,578,255
Workforce Development Fund	64,498,529	70,277,629	72,760,694
	11,172,827	11,319,802	12,623,493
Total Special Funds	\$ 2,532,532,607	\$ 2,644,236,028	\$ 2,681,578,420
Less Transfers, Loans, and Contributions	(708,159,551)	(568,563,990)	(552,952,439)
NET SPECIAL REVENUE FUNDS TOTAL	\$ 1,824,373,056	\$ 2,075,672,038	\$ 2,128,625,981
CAPITAL IMPROVEMENT PROGRAM FUNDS			
Beginning Fund Balance	\$ 463,378,355	\$ 800,102,995	\$ 444,349,787
Commercial Paper Proceeds/Sale of Bonds	430,634,000	91,452,000	374,542,000
Taxes, Fees, and Charges	103,035,000	74,685,000	92,165,000

**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET**

TOTAL CITY SOURCE AND USE OF FUNDS

	2019-2020 Adopted	2020-2021 Adopted	2021-2022 Proposed
CAPITAL IMPROVEMENT PROGRAM FUNDS			
Revenue from Other Agencies	\$ 260,454,034	\$ 253,458,330	\$ 171,173,944
Transfers, Loans, and Contributions	241,578,064	162,898,341	129,720,538
Interest Income	14,515,300	16,695,600	12,825,000
Miscellaneous Revenue	5,489,000	6,489,000	1,521,000
Development Contribution	1,100,000	650,000	1,055,500
Total Capital Improvement Program Funds	\$ 1,520,183,753	\$ 1,406,431,266	\$ 1,227,352,769
Less Transfers, Loans, and Contributions	(7,024,000)	(4,095,000)	(5,259,000)
NET CAPITAL FUNDS TOTAL	\$ 1,513,159,753	\$ 1,402,336,266	\$ 1,222,093,769
NET CITY SOURCE OF FUNDS	\$ 4,661,164,572	\$ 4,785,836,682	\$ 4,543,651,296
GENERAL FUND EXPENDITURES			
City Attorney	\$ 16,916,763	\$ 16,333,103	\$ 16,581,319
City Auditor	2,575,634	2,372,657	2,505,488
City Clerk	2,641,674	2,413,660	2,570,692
City Manager	23,825,466	21,026,730	19,092,366
Community Energy	0	0	300,000
Economic Development	6,617,184	5,516,428	5,401,421
Environmental Services	4,207,647	4,730,003	3,436,975
Finance	19,813,579	19,392,440	19,201,751
Fire	242,010,991	243,723,250	266,733,248
Housing	588,664	566,404	533,773
Human Resources	11,838,681	10,453,086	10,358,308
Independent Police Auditor	1,454,042	1,481,672	1,530,503
Information Technology	28,879,189	25,791,499	24,787,794
Library	36,536,464	36,416,647	37,112,823
Mayor and City Council	17,746,442	16,875,883	13,783,288
Parks, Recreation and Neighborhood Services	91,688,374	82,254,789	86,027,763
Planning, Building and Code Enforcement	62,151,627	15,951,411	14,874,288
Police	446,810,786	455,188,814	462,549,751
Public Works	50,116,413	36,710,756	38,480,325
Transportation	38,425,011	37,300,446	37,321,302
Subtotal Departmental Charges	\$ 1,104,844,631	\$ 1,034,499,678	\$ 1,063,183,178
City-Wide Expenses	\$ 113,254,637	\$ 123,611,596	\$ 77,448,942
Capital Contributions	49,224,500	54,442,200	10,262,000
Transfers	37,707,745	74,103,233	30,391,452
Earmarked Reserves	128,137,050	174,477,163	77,493,050
Contingency Reserve	38,500,000	40,000,000	40,000,000
Encumbrance Reserve	38,466,874	46,555,359	46,905,760
Subtotal Non-Departmental Charges	\$ 405,290,806	\$ 513,189,551	\$ 282,501,204
Total General Fund Expenditures	\$ 1,510,135,437	\$ 1,547,689,229	\$ 1,345,684,382

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

TOTAL CITY SOURCE AND USE OF FUNDS

	2019-2020 Adopted	2020-2021 Adopted	2021-2022 Proposed
SPECIAL FUNDS			
Affordable Housing Impact Fee Fund	0	0	6,511,241
Airport Customer Facility and Transportation Fee Fund	\$ 35,754,949	\$ 29,943,627	\$ 22,426,540
Airport Fiscal Agent Fund	177,275,564	178,984,262	141,898,113
Airport Maintenance and Operation Fund	144,530,433	147,921,826	148,547,311
Airport Revenue Fund	310,409,053	262,309,359	235,381,628
Airport Surplus Revenue Fund	64,963,053	16,086,320	19,032,581
American Rescue Plan Fund	0	0	13,388,000
Benefit Funds - Benefit Fund	72,692,460	79,910,999	86,662,963
Benefit Funds - Dental Insurance Fund	15,709,950	16,764,453	17,332,144
Benefit Funds - Life Insurance Fund	1,849,784	1,923,714	1,963,670
Benefit Funds - Self-Insured Medical Fund	13,610,033	780,288	104,308
Benefit Funds - Unemployment Insurance Fund	1,501,708	1,423,242	4,038,958
Building Development Fee Program Fund	0	49,005,375	59,867,383
Business Improvement District Fund	4,044,279	3,648,510	2,703,673
Cash Reserve Fund	5,974	6,105	6,231
City Hall Debt Service Fund	28,483,000	27,199,000	25,215,000
Citywide Planning Fee Program Fund	0	4,784,123	6,546,988
Community Development Block Grant Fund	16,947,398	19,201,610	24,949,463
Community Facilities Revenue Fund	3,160,906	2,079,396	356,696
Convention and Cultural Affairs Fund	27,127,574	10,504,267	11,652,368
Convention Center Facilities District Revenue Fund	47,392,485	35,435,130	26,179,499
Coronavirus Relief Fund	0	99,045,248	8,042,587
Downtown Property and Business Improvement District Fund	4,804,327	5,080,180	5,340,141
Economic Development Administration Loan Fund	6,920	7,060	7,319
Edward Byrne Memorial Justice Assistance Grant Trust Fund	571,267	842,197	0
Emergency Reserve Fund	1,281,736	5,837,655	14,488,879
Federal Drug Forfeiture Fund	3,578,120	221,896	9,061
Fire Development Fee Program Fund	0	12,448,506	11,584,764
Gas Tax Maintenance and Construction Fund - 1943	7,100,000	6,600,000	7,200,000
Gas Tax Maintenance and Construction Fund - 1964	3,600,000	3,200,000	3,300,000
Gas Tax Maintenance and Construction Fund - 1990	5,600,000	5,200,000	5,500,000
General Purpose Parking Fund	41,716,664	18,094,026	15,912,127
Gift Trust Fund	3,219,762	2,830,323	1,111,765
Homeless Housing, Assistance, and Prevention Fund	0	0	18,578,187
Home Investment Partnership Program Trust Fund	10,396,162	13,466,273	28,540,889
Housing Trust Fund	3,503,394	3,704,914	6,629,257
Ice Centre Revenue Fund	5,949,645	3,611,568	60,097,585
Inclusionary Fee Fund	0	31,213,523	41,756,175
Integrated Waste Management Fund	179,060,047	185,159,196	205,925,049
Library Parcel Tax Fund	17,233,028	15,240,470	14,437,740
Low and Moderate Income Housing Asset Fund	140,295,789	143,239,920	174,995,885
Multi-Source Housing Fund	113,406,294	79,992,165	114,626,330
Municipal Golf Course Fund	9,502,369	10,738,152	2,827,181
Planning Development Fee Program Fund	0	7,991,284	8,429,763
Public Works Development Fee Program Fund	0	15,312,684	18,551,261
Public Works Program Support Fund	21,222,199	21,489,818	22,778,985
Public Works Small Cell Permitting Fee Program Fund	0	4,420,413	4,689,809
Rent Stabilization Program Fee Fund	0	5,697,375	5,608,081
San José Arena Capital Reserve Fund	6,386,938	8,206,631	6,519,511
San José Clean Energy Operating Fund	341,976,351	380,189,219	371,188,840
San José Municipal Stadium Capital Fund	39,000	39,000	39,000
San José-Santa Clara Treatment Plant Income Fund	336,413	539,764	713,868

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

TOTAL CITY SOURCE AND USE OF FUNDS

	2019-2020 Adopted	2020-2021 Adopted	2021-2022 Proposed
SPECIAL FUNDS			
San José-Santa Clara Treatment Plant Operating Fund	127,232,935	171,659,500	142,279,681
Sewage Treatment Plant Connection Fee Fund	16,426,760	21,142,355	21,948,871
Sewer Service and Use Charge Fund	241,772,459	253,265,695	257,541,094
Special Assessment Maintenance District Funds:			
Community Facilities District No. 1 (Capitol Auto Mall) Fund	697,889	713,502	643,456
Community Facilities District No. 2 (Aborn - Murillo) and No. 3 (Silverland - Capriana) Fund	3,383,417	3,383,278	3,188,865
Community Facilities District No. 8 (Communications Hill) Fund	\$ 2,427,688	\$ 1,574,529	\$ 1,222,180
Community Facilities District No. 11 (Adeline - Mary Helen) Fund	356,808	249,123	142,602
Community Facilities District No. 12 (Basking Ridge) Fund	1,447,475	831,025	655,550
Community Facilities District No. 13 (Guadalupe Mines) Fund	439,118	444,827	416,718
Community Facilities District No. 14 (Raleigh - Charlotte) Fund	1,521,658	1,220,758	1,363,687
Community Facilities District No. 15 (Berryessa - Sierra) Fund	637,992	679,276	681,023
Community Facilities District No. 16 (Raleigh - Coronado) Fund	0	1,171,779	1,267,495
Community Facilities District No. 17 (Capitol Expy - Evergreen Place)	0	104,300	160,693
Maint. District No. 1 (Los Paseos) Fund	518,621	562,376	669,252
Maint. District No. 2 (Trade Zone - Lundy Ave.) Fund	236,231	256,300	296,603
Maint. District No. 5 (Orchard Parkway - Plumeria Drive) Fund	345,801	223,407	219,397
Maint. District No. 8 (Zanker - Montague) Fund	383,228	374,596	258,723
Maint. District No. 9 (Santa Teresa - Great Oaks) Fund	453,408	469,903	478,860
Maint. District No. 11 (Brokaw Rd. from Junction Ave. to Old Oakland Rd.) Fund	348,097	253,063	167,714
Maint. District No. 13 (Karina - Onel) Fund	193,968	207,391	213,371
Maint. District No. 15 (Silver Creek Valley) Fund	2,093,574	1,807,066	1,653,394
Maint. District No. 18 (The Meadowlands) Fund	220,051	233,021	206,008
Maint. District No. 19 (River Oaks Area Landscaping) Fund	471,832	405,938	451,033
Maint. District No. 20 (Renaissance - N. First Landscaping) Fund	310,971	241,996	202,768
Maint. District No. 21 (Gateway Place - Airport Parkway) Fund	230,179	253,061	267,823
Maint. District No. 22 (Hellyer Ave. - Silver Creek Valley Rd.) Fund	279,459	271,760	178,702
Southbay Water Recycling Fund	17,288,414	16,718,933	18,154,956
St. James Park Management District Fund	3,991,633	2,610,657	2,160,901
State Drug Forfeiture Fund	339,372	715,281	372,126
Storm Sewer Operating Fund	55,642,274	53,112,540	55,584,086
Supplemental Law Enforcement Services Fund	3,440,043	4,499,871	941,647
Transient Occupancy Tax Fund	40,697,781	16,640,056	16,431,902
Vehicle Maintenance and Operations Fund	29,843,467	28,770,368	31,578,255
Water Utility Fund	64,498,529	70,277,629	72,760,694
Workforce Development Fund	11,172,827	11,319,802	12,623,493
Total Special Funds	\$ 2,515,588,987	\$ 2,644,236,028	\$ 2,681,578,420
CAPITAL IMPROVEMENT PROGRAM FUNDS			
Airport Capital Improvement Fund	\$ 40,589,058	\$ 66,965,421	\$ 8,583,052
Airport Passenger Facility Charge Fund	47,009,374	33,893,686	25,025,448
Airport Renewal and Replacement Fund	83,231,121	49,305,314	19,159,319
Airport Revenue Bond Improvement Fund	5,138,008	268,303	933,704
Branch Libraries Bond Projects Fund	6,802,470	6,837,574	2,708,586
Building and Structure Construction Tax Fund	75,715,751	135,423,302	142,028,643
Construction and Conveyance Tax Funds:			
Communications C&C Tax Fund	2,998,232	3,215,402	9,173,986
District 1 Parks C&C Tax Fund	3,828,003	4,378,458	4,008,704
District 2 Parks C&C Tax Fund	2,575,454	2,643,968	1,450,441
District 3 Parks C&C Tax Fund	2,384,708	2,098,413	1,293,705
District 4 Parks C&C Tax Fund	3,306,277	2,065,701	2,208,320

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

TOTAL CITY SOURCE AND USE OF FUNDS

	2019-2020 Adopted	2020-2021 Adopted	2021-2022 Proposed
CAPITAL IMPROVEMENT PROGRAM FUNDS			
District 5 Parks C&C Tax Fund	5,969,784	6,085,490	4,121,398
District 6 Parks C&C Tax Fund	3,559,374	3,875,183	3,736,826
District 7 Parks C&C Tax Fund	2,866,534	5,610,970	3,758,648
District 8 Parks C&C Tax Fund	3,647,678	3,908,853	2,533,835
District 9 Parks C&C Tax Fund	\$ 4,736,834	\$ 3,487,398	\$ 4,335,189
District 10 Parks C&C Tax Fund	1,941,809	2,046,721	2,103,139
Fire C&C Tax Fund	10,982,496	11,356,829	9,162,020
Library C&C Tax Fund	13,883,456	12,059,971	12,377,503
Park Yards C&C Tax Fund	4,059,113	4,221,363	4,651,333
Parks Central C&C Tax Fund	27,157,676	21,080,700	25,560,327
Parks City-Wide C&C Tax Fund	28,960,748	23,216,794	27,572,179
Service Yards C&C Tax Fund	7,075,067	6,747,091	13,905,228
Construction Excise Tax Fund	168,056,436	206,050,975	163,167,725
Contingent Lien District Fund	3,524,908	3,003,108	3,159,660
Convention and Cultural Affairs Capital Fund	15,110,203	3,302,872	144,617
Convention Center Facilities District Capital Fund	4,789,473	2,420,679	125,983
Emma Prusch Fund	415,154	496,765	560,179
General Fund Capital Improvement	49,224,500	54,442,200	10,262,000
General Purpose Parking Capital Fund	42,712,000	37,044,140	22,935,967
Improvement District Fund	33,181	87,302	0
Lake Cunningham Fund	2,472,631	2,524,621	1,116,436
Library Parcel Tax Capital Fund	2,646,607	2,130,000	1,500,000
Major Collectors and Arterial Fund	1,888,108	1,740,134	1,777,537
Major Facilities Fund	5,711,318	5,839,992	6,318,360
Neighborhood Security Act Bond Fund	4,786,270	3,547,499	0
Parks and Recreation Bond Projects Fund	19,446,722	19,567,454	16,967,230
Public Safety and Infrastructure Bond Fund - Municipal Improvements	55,000,000	4,740,000	7,290,608
Public Safety and Infrastructure Bond Fund - Parks	500,000	475,000	6,455,893
Public Safety and Infrastructure Bond Fund - Public Safety	70,800,000	85,972,000	108,603,502
Public Safety and Infrastructure Bond Fund - Storm Sewer	17,600,000	1,937,000	36,008,247
Public Safety and Infrastructure Bond Fund - Traffic	96,000,000	86,709,000	90,673,624
Residential Construction Tax Contribution Fund	1,789,290	2,397,748	2,559,379
San José-Santa Clara Treatment Plant Capital Fund	395,409,755	301,759,292	246,882,807
Sanitary Sewer Connection Fee Fund	3,491,181	2,780,262	2,832,201
Sewer Service and Use Charge Capital Improvement Fund	49,910,024	53,875,270	57,887,383
South Bay Water Recycling Capital Fund	3,857,000	3,955,975	4,024,443
Storm Drainage Fee Fund	855,534	870,953	863,350
Storm Sewer Capital Fund	20,849,314	22,574,867	27,568,778
Subdivision Park Trust Fund	73,539,176	61,555,187	53,717,760
Underground Utility Fund	8,399,093	10,013,583	9,466,057
Water Utility Capital Fund	12,946,850	13,824,483	14,091,510
Total Capital Improvement Program Funds	\$ 1,520,183,753	\$ 1,406,431,266	\$ 1,227,352,769
GRAND TOTAL (Gross City Use of Funds)	\$ 5,562,851,797	\$ 5,598,356,523	\$ 5,254,615,571
Less Transfers, Loans, and Contributions	(901,687,225)	(812,519,841)	(710,964,275)
NET CITY USE OF FUNDS	\$ 4,661,164,572	\$ 4,785,836,682	\$ 4,543,651,296

**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET**

SUMMARY OF CONTRIBUTIONS TO RETIREMENT FUNDS

The table below summarizes the total employer and employee contributions to the Federated Retirement System and Police and Fire Retirement Plans, comparing the City's contribution calculations that are incorporated into the 2021-2022 Proposed Budget and the contributions that can be found in the five Retirement Source and Use of Funds Statements included for display purposes in the Source and Use of Funds Statement section of this document, including Federated Retirement Fund, Federated Retiree Health Care Trust Fund, Fire Retiree Health Care Trust Fund, Police and Fire Retirement Fund, and Police Retiree Health Care Trust Fund. Not shown in the table below is the split of the City contributions between pension and retiree healthcare.

	2021-2022 Proposed City Calculated Contributions	2021-2022 Proposed Retirement Calculated Contributions
Federated Retirement Fund (134)		
Employer Contributions	\$228,467,217	\$206,015,000
Employee Contributions	\$46,030,122	\$27,672,000
Federated Retiree Healthcare Trust Fund (124)		
Employer Contributions	Included in Fund 134	\$19,900,000
Employee Contributions	Included in Fund 134	\$9,075,000
Fire Retiree Healthcare Trust Fund (126)		
Employer Contributions	Included in Fund 135	\$11,000,000
Police and Fire Retirement Fund (135)		
Employer Contributions	\$241,726,918	\$210,355,000
Employee Contributions	\$48,088,741	\$43,660,000
Police Retiree Healthcare Trust Fund (125)		
Employer Contributions	Included in Fund 135	\$17,200,000
Total Employer Contributions	\$470,194,135	\$464,470,000
Total Employee Contributions	\$94,118,863	\$80,407,000
Total Contributions	\$564,312,998	\$544,877,000

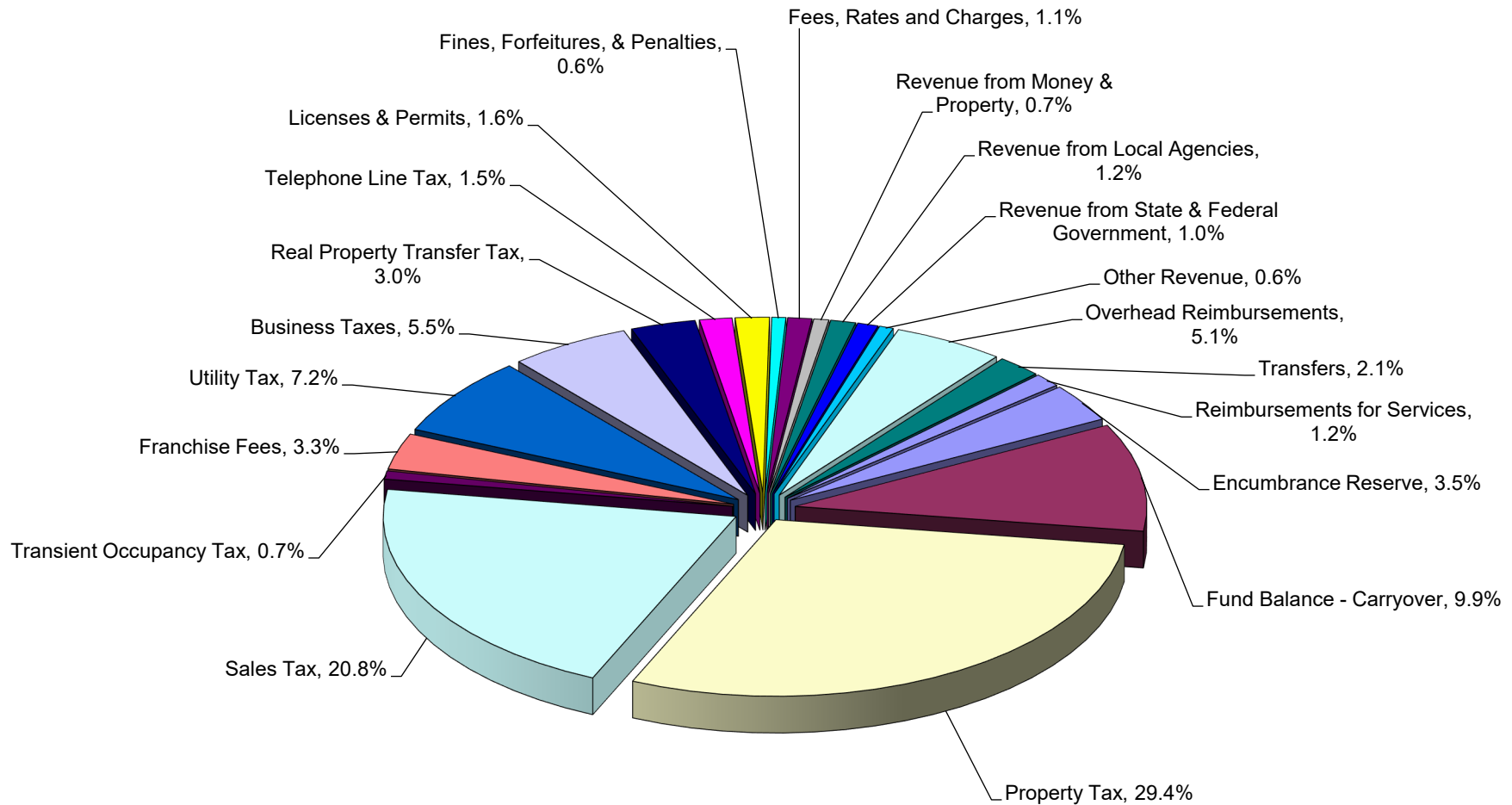
The employer and employee contribution amounts included in the Retirement Fund Source and Use Statements are different from the City. The contribution amounts included in the Retirement Fund Source and Uses Statements are calculated by the actuary for both Retirement Boards of Administration. The actuary calculates the contribution amount based on actual payroll for the prior year and multiplied by the calculated contribution rates to determine the Annual Required Contribution. The actual payroll does not take into consideration vacant positions that are included in the City contribution calculation.

**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET**

SUMMARY OF CONTRIBUTIONS TO RETIREMENT FUNDS

For the approved amounts, beginning in 2010-2011, the City began using the Retirement Boards adopted annual required contribution methodology that established that the City's contribution to the retirement systems be based on a dollar value that is the greater of 1) the employer Annual Required Contribution (ARC) amount contained in the actuarial valuation (applied in cases where the City's payroll is at or lower than the payroll assumed by the actuary) or 2) the contribution rate contained in the actuarial valuation multiplied by the actual payroll for the Fiscal Year (applied in cases where the City's payroll is above the amount assumed by the actuary). This concept is referred to as the "floor methodology". In January 2016, at the City's recommendation, the Retirement Boards approved a change in the methodology used to calculate the Federated and Police and Fire pension contributions. This methodology, applied to the Federated Tier 1 and Police and Fire Tier 1 plans, uses different calculations for the unfunded actuarial liability (UAL) portion of the contribution and for the normal cost portion of the contribution. The UAL portion is calculated as a dollar amount and the normal cost (including the administrative expense) is calculated as a percent of pay. This change decreases the disparity between retirement contribution calculations that arise from different City and actuarial payroll projections to avoid a potential overpayment of the UAL by the City in any given year.

**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET
SUMMARY OF GENERAL FUND SOURCES**



TOTAL GENERAL FUND SOURCES \$1,345,684,382

For a more detailed discussion on General Fund Sources, please refer to the section entitled "General Fund Revenue Estimates"

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET
SUMMARY OF GENERAL FUND SOURCES

SOURCE OF FUNDS	1 2019-2020 Actuals	2 2020-2021 Adopted Budget	3 2020-2021 Modified Budget*	4 2021-2022 Forecast Budget	5 2021-2022 Proposed Budget	2 TO 5 % Increase/ (Decrease)
FUND BALANCE						
Encumbrance Reserve	\$ 46,555,359	\$ 46,555,359	\$ 46,905,760	\$ 46,905,760	\$ 46,905,760	0.8%
Carryover	400,283,991	346,335,718	400,283,991	68,785,000	132,975,436	(61.6%)
Total Fund Balance	\$ 446,839,350	\$ 392,891,077	\$ 447,189,751	\$ 115,690,760	\$ 179,881,196	(54.2%)
GENERAL REVENUE						
Property Tax	\$ 369,506,527	\$ 370,500,000	\$ 361,500,000	\$ 395,500,000	\$ 395,500,000	6.7%
Sales Tax	260,558,394	242,500,000	262,500,000	280,200,000	280,200,000	15.5%
Transient Occupancy Tax	14,103,867	9,000,000	5,500,000	10,000,000	10,000,000	11.1%
Franchise Fees	44,435,817	45,921,096	45,921,096	44,501,000	44,651,652	(2.8%)
Utility Tax	99,518,300	95,800,000	95,800,000	97,060,000	97,060,000	1.3%
Business Taxes	70,822,027	70,900,000	63,900,000	74,500,000	74,500,000	5.1%
Real Property Transfer Tax	0	30,000,000	40,000,000	40,000,000	40,000,000	33.3%
Telephone Line Tax	20,694,877	20,000,000	20,000,000	20,000,000	20,000,000	0.0%
Licenses and Permits	64,520,529	20,023,167	19,894,447	19,945,090	21,032,485	5.0%
Fines, Forfeitures, and Penalties	14,383,145	15,730,100	9,730,100	8,676,000	8,676,000	(44.8%)
Fees, Rates, and Charges	48,568,307	25,575,702	8,575,702	14,701,048	14,847,684	(41.9%)
Revenue from Use of Money/Property	13,523,097	11,754,800	11,769,800	9,304,000	9,304,000	(20.8%)
Revenue from Local Agencies	15,659,671	18,194,536	23,291,739	15,509,513	15,509,513	(14.8%)
Revenue from the State of California	22,511,983	14,319,906	15,137,455	12,130,000	12,130,000	(15.3%)
Revenue from Federal Government	2,638,902	3,714,762	7,859,131	0	736,395	(80.2%)
Other Revenue	34,504,998	48,511,658	200,910,694	8,542,718	8,714,026	(82.0%)
Total General Revenue	\$ 1,095,950,441	\$ 1,042,445,727	\$ 1,192,290,164	\$ 1,050,569,369	\$ 1,052,861,755	1.0%
TRANSFERS AND REIMBURSEMENTS						
Overhead Reimbursements	\$ 57,003,787	\$ 69,197,893	\$ 69,197,893	\$ 66,708,668	\$ 68,557,276	(0.9%)
Transfers	35,629,474	27,408,535	36,578,485	27,742,187	27,592,187	0.7%
Reimbursements for Services	16,145,354	15,745,997	15,745,997	16,791,968	16,791,968	6.6%
Total Transfers and Reimbursements	\$ 108,778,614	\$ 112,352,425	\$ 121,522,375	\$ 111,242,823	\$ 112,941,431	0.5%
TOTAL SOURCE OF FUNDS	\$ 1,651,568,405	\$ 1,547,689,229	\$ 1,761,002,290	\$ 1,277,502,952	\$ 1,345,684,382	(13.1%)

* As of March 31, 2021

**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET
SUMMARY OF GENERAL FUND USES**

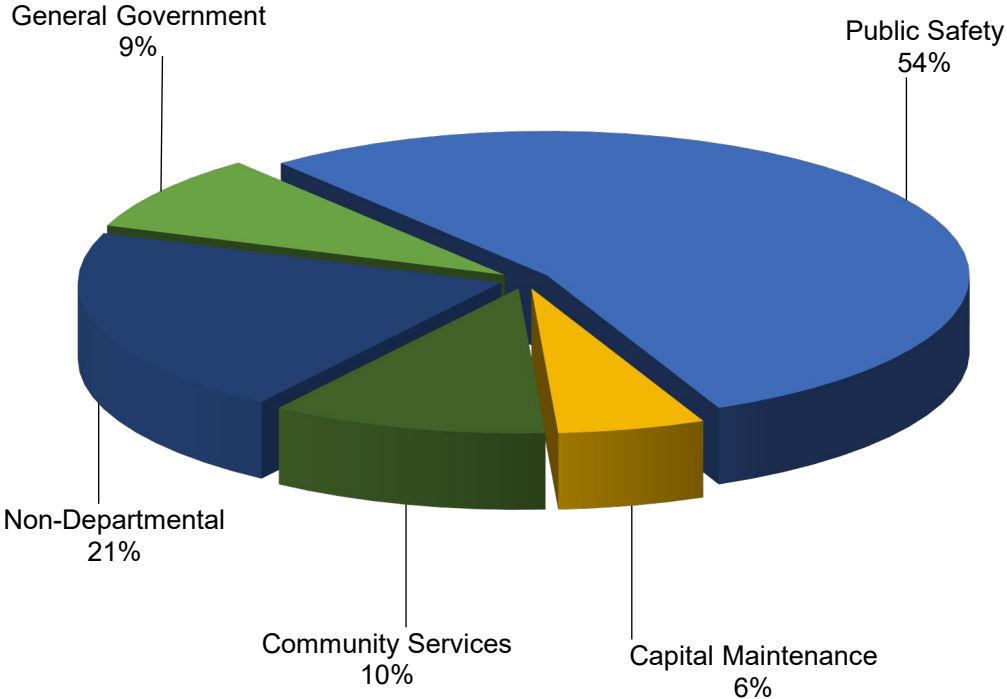
Public Safety Departments - provide for the safety of the public through crime and fire prevention and suppression efforts of the Police and Fire Departments.

Capital Maintenance Departments - provide for the construction and maintenance of the City's infrastructure by the Public Works and Transportation Departments.

Community Services Departments - provide programs that affect citizens on a daily basis, such as Environmental Services, Community Energy, Housing, Parks, Recreation and Neighborhood Services, Library, and Planning, Building and Code Enforcement Departments.

General Government Departments - provide for the overall management and administrative functions of the City, including Human Resources, Economic Development, Information Technology, Finance, Independent Police Auditor, City Manager, City Auditor, City Clerk, Mayor and City Council, and City Attorney.

Non-Departmental - include City-Wide expenses, capital contributions, transfers and reserves.



TOTAL GENERAL FUND USES \$1,345,684,382

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET
SUMMARY OF GENERAL FUND USES

USE OF FUNDS	1 2019-2020 Actuals	2 2020-2021 Adopted Budget	3 2020-2021 Modified Budget*	4 2021-2022 Forecast Budget	5 2021-2022 Proposed Budget	2 TO 5 % Increase/ (Decrease)
GENERAL GOVERNMENT DEPARTMENTS						
City Attorney's Office	\$ 17,077,413	\$ 16,333,103	\$ 16,629,765	\$ 16,653,599	\$ 16,581,319	1.5%
City Auditor's Office	2,138,891	2,372,657	2,274,657	2,615,917	2,505,488	5.6%
City Clerk's Office	2,382,932	2,413,660	2,730,471	2,575,922	2,570,692	6.5%
City Manager's Office	16,545,924	21,026,730	19,498,112	17,499,772	19,092,366	(9.2%)
City Manager - Office of Economic Development and Cultural Affairs	5,174,200	5,516,428	5,498,821	5,443,058	5,401,421	(2.1%)
Finance Department	17,995,756	19,392,440	19,641,366	19,178,521	19,201,751	(1.0%)
Human Resources Department	10,079,387	10,453,086	9,965,610	10,562,746	10,358,308	(0.9%)
Independent Police Auditor's Office	1,254,258	1,481,672	1,512,602	1,379,822	1,530,503	3.3%
Information Technology Department	23,521,642	25,791,499	25,607,203	24,409,881	24,787,794	(3.9%)
Mayor and City Council	12,299,950	16,875,883	18,674,672	13,798,518	13,783,288	(18.3%)
Total General Government Departments	\$ 108,470,354	\$ 121,657,158	\$ 122,033,279	\$ 114,117,756	\$ 115,812,930	(4.8%)
PUBLIC SAFETY DEPARTMENTS						
Fire Department	\$ 197,304,769	\$ 243,723,250	\$ 235,800,575	\$ 262,979,695	\$ 266,733,248	9.4%
Police Department	441,511,375	455,188,814	455,318,378	460,799,235	462,549,751	1.6%
Total Public Safety Departments	\$ 638,816,144	\$ 698,912,064	\$ 691,118,953	\$ 723,778,930	\$ 729,282,999	4.3%
CAPITAL MAINTENANCE DEPARTMENTS						
Public Works Department	\$ 51,074,257	\$ 36,710,756	\$ 36,364,994	\$ 38,602,389	\$ 38,480,325	4.8%
Transportation Department	35,409,149	37,300,446	37,250,694	36,452,131	37,321,302	0.1%
Total Capital Maintenance Departments	\$ 86,483,406	\$ 74,011,202	\$ 73,615,688	\$ 75,054,520	\$ 75,801,627	2.4%

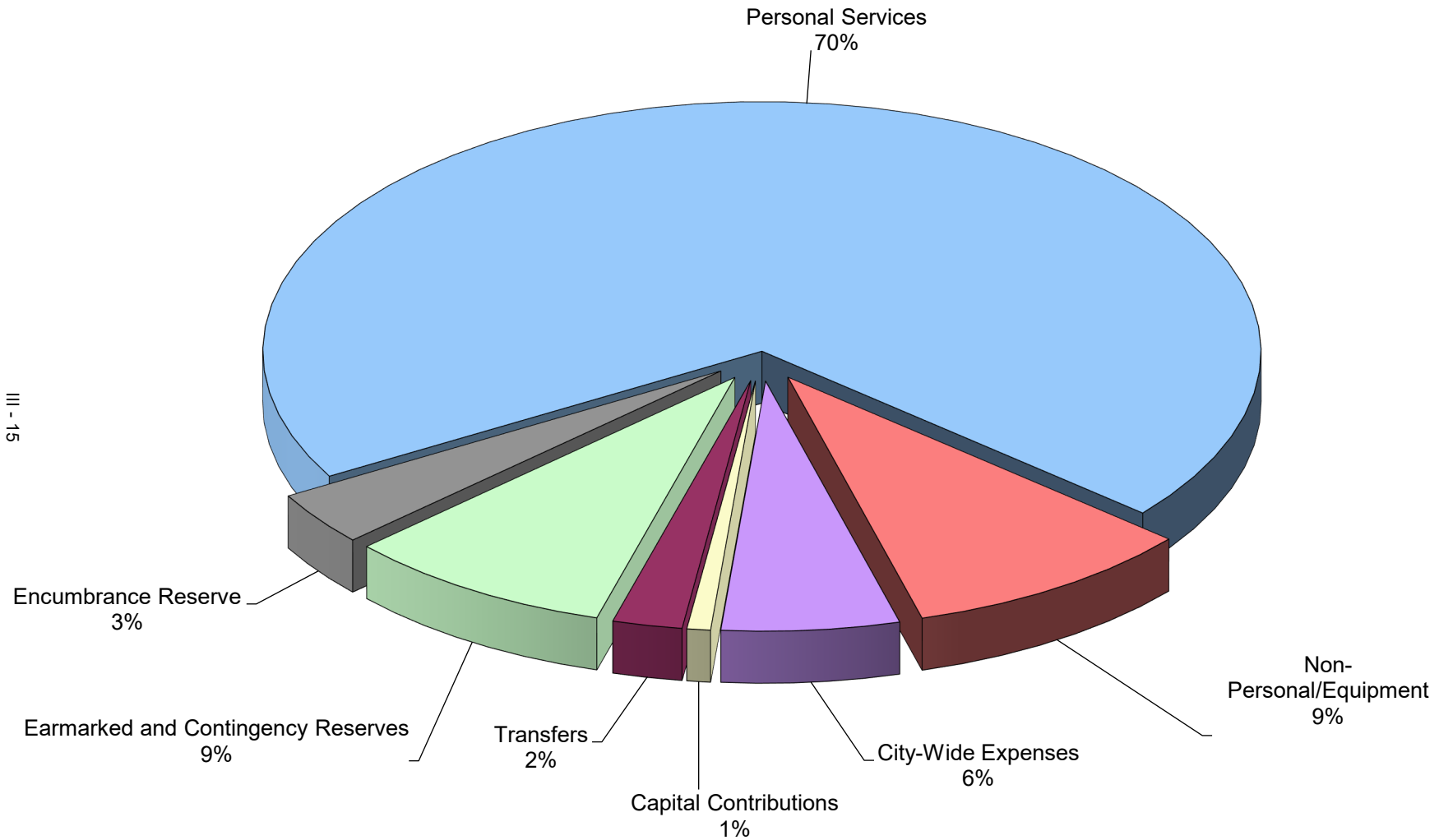
* As of March 31, 2021

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET
SUMMARY OF GENERAL FUND USES (CONT'D.)

USE OF FUNDS (Cont'd.)	1	2	3	4	5	2 TO 5
	2019-2020	2020-2021	2020-2021	2021-2022	2021-2022	%
	Actuals	Adopted	Modified	Forecast	Proposed	Increase/ (Decrease)
		Budget	Budget*	Budget	Budget	(Decrease)
COMMUNITY SERVICES DEPARTMENTS						
Community Energy Department	\$ -	\$ -	\$ -	\$ -	\$ 300,000	0.0%
Environmental Services Department	3,163,381	4,730,003	4,416,350	4,871,880	3,436,975	(27.3%)
Housing Department	241,262	566,404	543,404	285,521	533,773	(5.8%)
Library Department	35,423,538	36,416,647	35,990,647	36,745,149	37,112,823	1.9%
Parks, Recreation and Neighborhood Services Department	78,959,493	82,254,789	75,523,676	83,413,011	86,027,763	4.6%
Planning, Building and Code Enforcement Department	51,422,190	15,951,411	16,259,411	15,015,424	14,874,288	(6.8%)
Total Community Services Departments	\$ 169,209,864	\$ 139,919,254	\$ 132,733,488	\$ 140,330,985	\$ 142,285,622	1.7%
Total Departmental Uses	\$ 1,002,979,767	\$ 1,034,499,678	\$ 1,019,501,408	\$ 1,053,282,191	\$ 1,063,183,178	2.8%
NON-DEPARTMENTAL						
City-Wide Expenses	\$ 83,912,805	\$ 123,611,596	\$ 315,047,917	\$ 72,744,342	\$ 77,448,942	(37.3%)
Capital Contributions	33,044,021	54,442,200	110,023,656	5,270,000	10,262,000	(81.2%)
Transfers	48,967,078	74,103,233	88,049,604	23,091,452	30,391,452	(59.0%)
Earmarked Reserves	N/A	174,477,163	141,473,945	74,498,050	77,493,050	(55.6%)
Contingency Reserve	N/A	40,000,000	40,000,000	40,000,000	40,000,000	0.0%
Encumbrance Reserve	46,905,760	46,555,359	46,905,760	46,905,760	46,905,760	0.8%
Total Non-Departmental Uses	\$ 212,829,665	\$ 513,189,551	\$ 741,500,882	\$ 262,509,604	\$ 282,501,204	(45.0%)
TOTAL USE OF FUNDS	\$ 1,215,809,432	\$ 1,547,689,229	\$ 1,761,002,290	\$ 1,315,791,795	\$ 1,345,684,382	(13.1%)

* As of March 31, 2021

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET
SUMMARY OF GENERAL FUND USES BY CATEGORY



TOTAL GENERAL FUND USES \$1,345,684,382

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET
SUMMARY OF GENERAL FUND USES BY CATEGORY

USE OF FUNDS	1 2019-2020 Actuals	2 2020-2021 Adopted Budget	3 2021-2022 Modified Budget*	4 2021-2022 Forecast Budget	5 2021-2022 Proposed Budget	2 TO 5 % Increase/ (Decrease)
DEPARTMENTAL						
Personal Services	\$ 879,313,596	\$ 901,317,256	\$ 887,624,894	\$ 930,173,034	\$ 935,752,731	3.8%
Non-Personal/Equipment	123,666,171	133,182,422	131,876,514	123,109,157	127,430,447	(4.3%)
Departmental Total	\$ 1,002,979,767	\$ 1,034,499,678	\$ 1,019,501,408	\$ 1,053,282,191	\$ 1,063,183,178	2.8%
NON-DEPARTMENTAL						
City-Wide Expenses	\$ 83,912,805	\$ 123,611,596	\$ 315,047,917	\$ 72,744,342	\$ 77,448,942	(37.3%)
Capital Contributions	33,044,021	54,442,200	110,023,656	5,270,000	10,262,000	(81.2%)
Transfers	48,967,078	74,103,233	88,049,604	23,091,452	30,391,452	(59.0%)
Earmarked Reserves	N/A	174,477,163	141,473,945	74,498,050	77,493,050	(82.6%)
Contingency Reserve	N/A	40,000,000	40,000,000	40,000,000	40,000,000	0.0%
Encumbrance Reserve	46,905,760	46,555,359	46,905,760	46,905,760	46,905,760	0.8%
Total Non-Departmental	\$ 212,829,665	\$ 513,189,551	\$ 741,500,882	\$ 262,509,604	\$ 282,501,204	(45.0%)
TOTAL EXPENDITURES	\$ 1,215,809,432	\$1,547,689,229	\$1,761,002,290	\$1,315,791,795	\$1,345,684,382	(13.1%)

* As of March 31, 2021

Total Expenditures
2022-2026 Proposed Capital Improvement Program
Attachment A - Operating Budget Impact

	<u>2022-2023</u>	<u>2023-2024</u>	<u>2024-2025</u>	<u>2025-2026</u>
<u>Total Expenditures</u>				
TRAIL: Coyote Creek (Mabury Road to Empire Street)		\$24,000	\$43,000	\$43,000
TRAIL: Coyote Creek (Story Road to Tully Road)	\$20,000	\$27,000	\$28,000	\$29,000
Newbury Park Development	\$27,000	\$27,000	\$28,000	\$28,000
Police Athletic League Stadium Turf Replacement	\$7,000	\$23,000	\$23,000	\$24,000
Pellier Park	\$29,000	\$30,000	\$30,000	\$31,000
Penitencia Creek Dog Park	\$44,000	\$45,000	\$46,000	\$47,000
Payne Avenue Park Phase I	\$54,000	\$55,000	\$56,000	\$57,000
Ramac Park Turf Replacement	\$22,000	\$23,000	\$23,000	\$24,000
Columbus Park Soccer Facility		\$375,000	\$683,000	\$725,000
TRAIL: Coyote Creek Fish Passage Remediation and Pedestrian Bridge (Singleton)		\$1,000	\$3,000	\$3,000
Measure T - Emergency Operations Center Relocation	\$31,000	\$56,000	\$59,000	\$61,000
Measure T - Fire Station 8 Relocation		\$9,000	\$36,000	\$37,000
Measure T - New Fire Station 32		\$1,053,000	\$4,338,000	\$4,468,000
Measure T - New Fire Station 36				\$3,953,000
Measure T - Police Air Support Hangar		\$71,000	\$75,000	\$77,000
Measure T - Police Training Center Relocation		\$3,906,000	\$5,375,000	\$5,548,000
Measure T - Clean Water Projects		\$163,000	\$173,000	\$183,000
Safety - Pedestrian Improvements	\$8,000	\$17,000	\$25,000	\$26,000
Vision Zero: City-wide Pedestrian Safety and Traffic Calming	\$2,000	\$5,000	\$7,000	\$8,000
Route 101/Blossom Hill Road Interchange	\$2,000	\$6,000	\$6,000	\$6,000
Community Development Block Grant - Sidewalks		\$9,000	\$9,000	\$10,000
Developer Installations - Pedestrian Safety Infrastructure	\$1,000	\$1,000	\$1,000	\$1,000
Developer Installations - Traffic Signals (Future Years)	\$39,000	\$44,000	\$50,000	\$57,000
Developer Installations - Streetlights (Future Years)	\$6,000	\$12,000	\$18,000	\$24,000
New Headworks	\$11,000	\$26,000	\$27,000	\$28,000
Digested Sludge Dewatering Facility		\$8,167,000	\$12,599,000	\$12,958,000
Digester and Thickener Facilities Upgrade	\$2,202,000	\$2,285,000	\$2,370,000	\$2,460,000
Total Total Expenditures*	\$2,505,000	\$16,460,000	\$26,131,000	\$30,916,000

* Chart does not include Operating and Maintenance costs to maintain new facilities coming online that are planned by other agencies, such as developers.

**CITY OF SAN JOSE
2020-2021 PROPOSED OPERATING BUDGET**

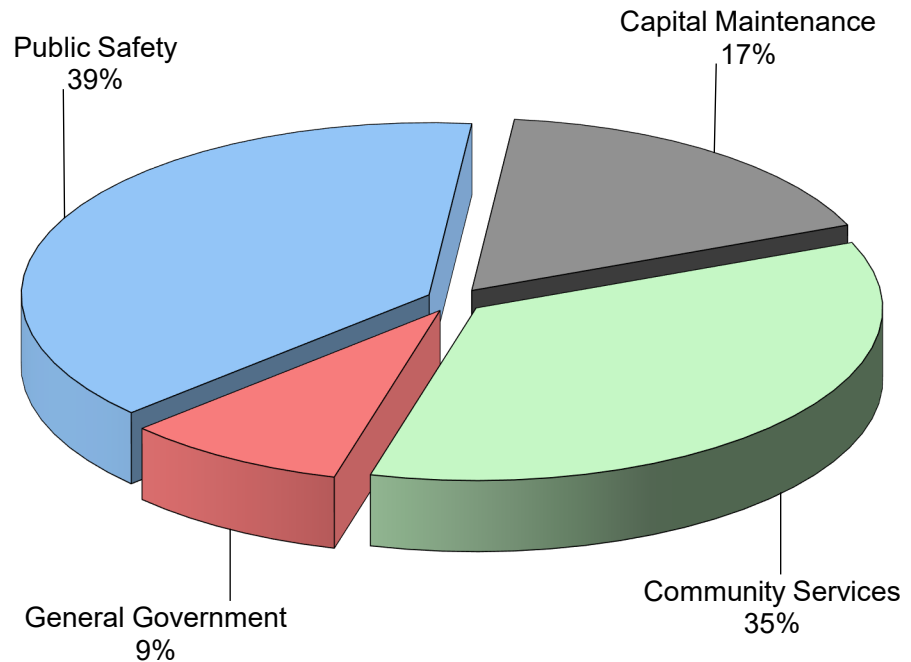
SUMMARY OF TOTAL STAFFING BY DEPARTMENT

Public Safety Departments - provide for the safety of the public through crime and fire prevention and suppression efforts of the Police and Fire Departments.

Capital Maintenance Departments - provide for the construction and maintenance of the City's infrastructure by the Transportation and Public Works Departments.

Community Services Departments - provide for programs that affect citizens on a daily basis, such as Airport, Community Energy, Environmental Services, Housing, Parks, Recreation and Neighborhood Services, Library, and Planning, Building and Code Enforcement Departments.

General Government Departments - provide for the overall management and administrative functions of the City, including Human Resources, Finance, Economic Development, Independent Police Auditor, Information Technology, Retirement Services, City Attorney, City Manager, Mayor and City Council, City Auditor, and City Clerk.



TOTAL STAFFING BY DEPARTMENT 6,639.54

**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET**

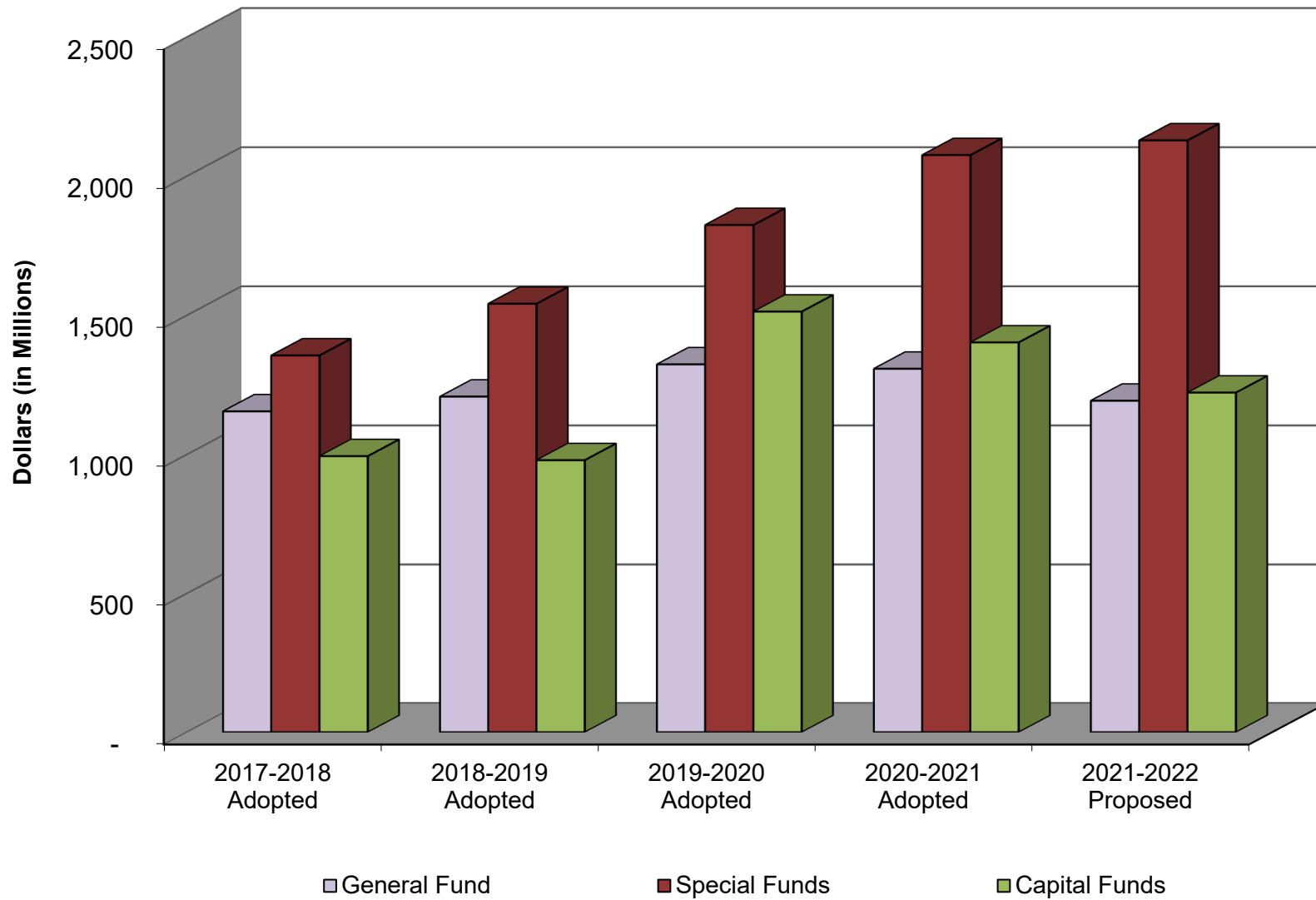
SUMMARY OF TOTAL STAFFING BY DEPARTMENT

	2020-2021 Adopted	Changes in 2020-2021 Forecast	Net-Zero Inter-department Transfers	Changes in 2020-2021 Proposed	Total Changes	2021-2022 Proposed
GENERAL GOVERNMENT DEPARTMENTS						
City Attorney	85.50	(4.00)	(2.00)	3.00	(3.00)	82.50
City Auditor	14.00	0.00	0.00	(1.00)	(1.00)	13.00
City Clerk	14.00	0.00	0.00	0.00	0.00	14.00
City Manager	80.50	(6.00)	(1.00)	7.00	0.00	80.50
Economic Development and Cultural Affairs	57.00	(3.00)	0.00	3.00	0.00	57.00
Finance	122.99	0.00	0.00	(2.00)	(2.00)	120.99
Human Resources	43.50	0.00	0.00	(1.00)	(1.00)	42.50
Independent Police Auditor	6.00	0.00	0.00	1.00	1.00	7.00
Information Technology	88.00	0.00	8.00	7.00	15.00	103.00
Mayor and City Council	27.00	0.00	0.00	0.00	0.00	27.00
Retirement Services	38.75	0.00	0.00	1.25	1.25	40.00
Total General Government Departments	577.24	(13.00)	5.00	18.25	10.25	587.49
PUBLIC SAFETY DEPARTMENTS						
Fire	833.48	0.00	0.00	16.00	16.00	849.48
Police	1,715.17	(5.00)	2.00	5.00	2.00	1,717.17
Total Public Safety Departments	2,548.65	(5.00)	2.00	21.00	18.00	2,566.65
CAPITAL MAINTENANCE DEPARTMENTS						
Public Works	624.27	0.00	2.00	1.50	3.50	627.77
Transportation	501.50	(6.00)	0.00	13.00	7.00	508.50
Total Capital Maintenance Departments	1,125.77	(6.00)	2.00	14.50	10.50	1,136.27
COMMUNITY SERVICES DEPARTMENTS						
Airport	214.00	0.00	0.00	1.00	1.00	215.00
Community Energy	29.00	2.00	0.00	6.00	8.00	37.00
Environmental Services	572.00	(2.00)	0.00	2.00	0.00	572.00
Housing	87.50	(1.00)	0.00	4.00	3.00	90.50
Library	375.47	(29.81)	0.00	18.20	(11.61)	363.86
Parks, Recreation and Neighborhood Service	742.08	(32.10)	0.00	64.79	32.69	774.77
Planning, Building and Code Enforcement	320.50	(12.50)	(9.00)	(3.00)	(24.50)	296.00
Total Community Services Departments	2,340.55	(75.41)	(9.00)	92.99	8.58	2,349.13
TOTAL DEPARTMENT STAFFING	6,592.21	(99.41)	0.00	146.74	47.33	6,639.54

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**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET**

FIVE-YEAR COMPARISON OF TOTAL CITY SOURCE AND USE OF FUNDS

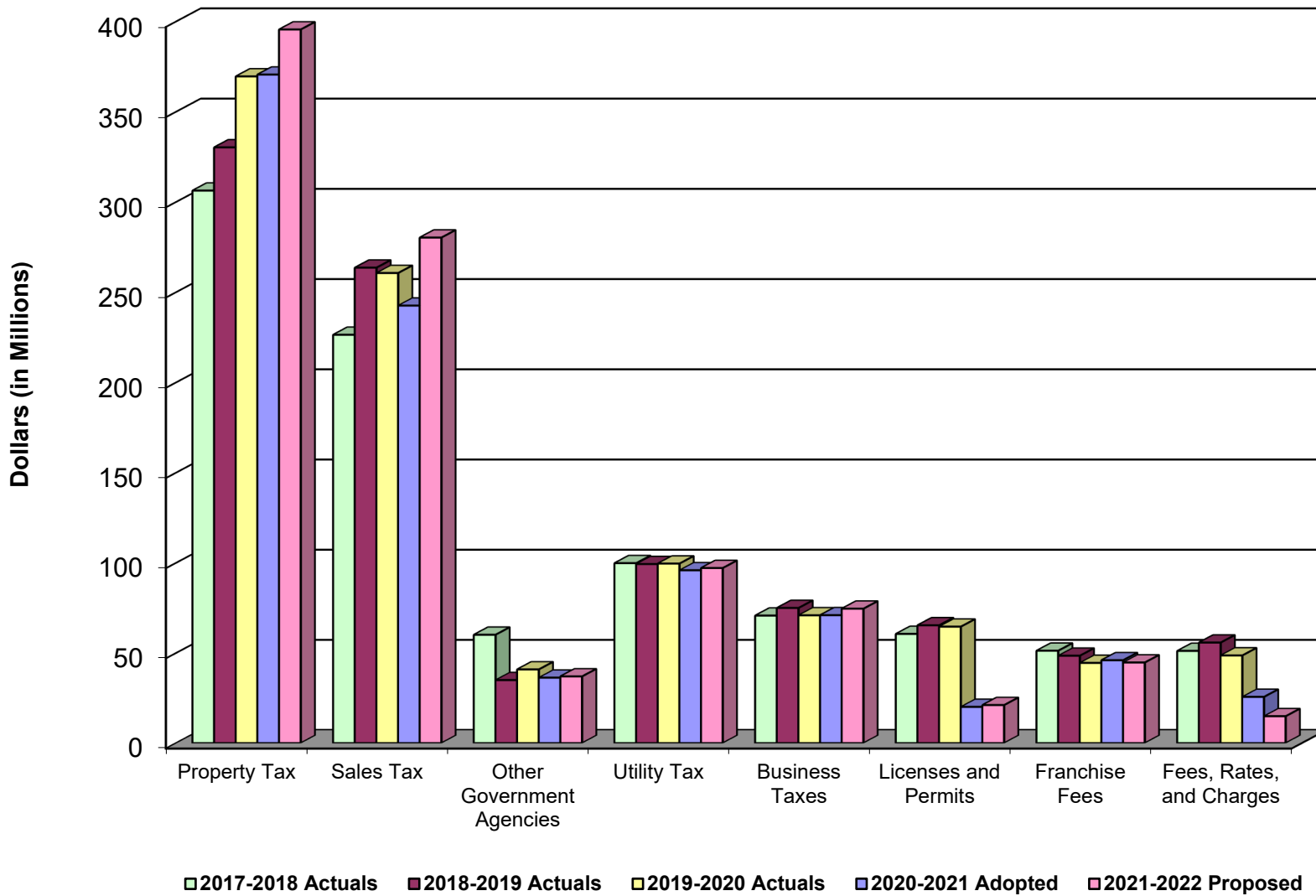


**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET**

FIVE-YEAR COMPARISON OF TOTAL CITY SOURCE AND USE OF FUNDS

	1	2	3	4	5
	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
	ADOPTED	ADOPTED	ADOPTED	ADOPTED	PROPOSED
GENERAL FUND	\$ 1,316,410,518	\$ 1,373,674,973	\$ 1,510,135,437	\$ 1,547,689,229	\$ 1,345,684,382
SPECIAL FUNDS	1,869,765,688	2,192,615,483	2,532,532,607	2,644,236,028	2,681,578,420
<Less: Operating Transfers>	(675,799,795)	(817,275,571)	(894,663,225)	(808,424,841)	(705,705,275)
Net Operating Funds	\$ 2,510,376,411	\$ 2,749,014,885	\$ 3,148,004,819	\$ 3,383,500,416	\$ 3,321,557,527
CAPITAL FUNDS	\$ 1,002,738,910	\$ 988,008,507	\$ 1,520,183,753	\$ 1,406,431,266	\$ 1,227,352,769
<Less: Capital Transfers>	(8,957,000)	(8,777,000)	(7,024,000)	(4,095,000)	(5,259,000)
Net Capital Funds	\$ 993,781,910	\$ 979,231,507	\$ 1,513,159,753	\$ 1,402,336,266	\$ 1,222,093,769
NET CITY SOURCE AND USE OF FUNDS	\$ 3,504,158,321	\$ 3,728,246,392	\$ 4,661,164,572	\$ 4,785,836,682	\$ 4,543,651,296

**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET
FIVE-YEAR COMPARISON OF KEY GENERAL FUND SOURCES**

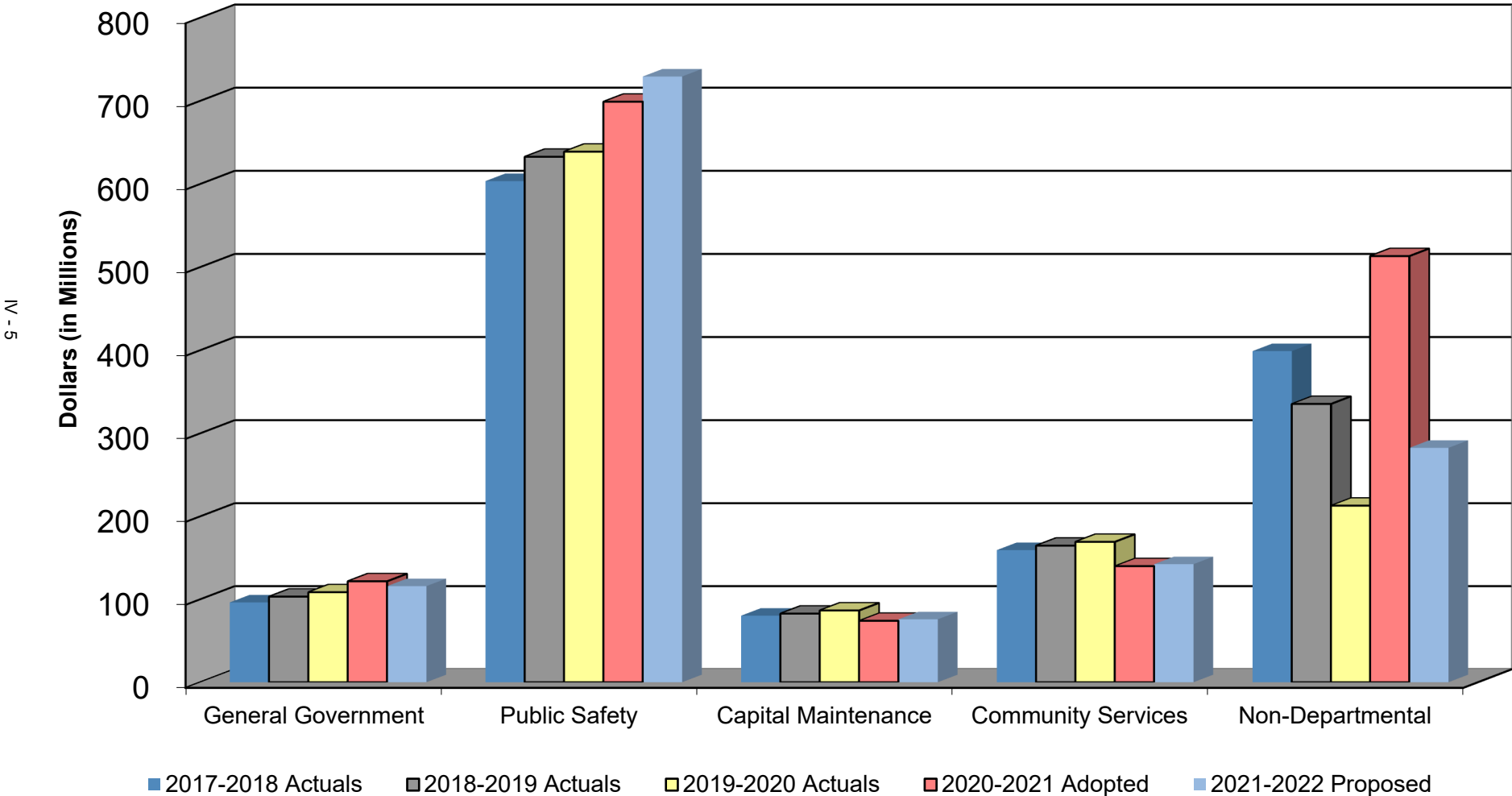


**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET**

FIVE-YEAR COMPARISON OF GENERAL FUND SOURCES

SOURCE OF FUNDS	1 2017-2018 ACTUALS	2 2018-2019 ACTUALS	3 2019-2020 ACTUALS	4 2020-2021 ADOPTED	5 2021-2022 PROPOSED
FUND BALANCE					
Encumbrance Reserve	\$ 48,885,515	\$ 38,466,874	\$ 46,555,359	\$ 46,555,359	\$ 46,905,760
Carryover	241,172,873	249,953,260	400,283,991	346,335,718	132,975,436
Total Fund Balance	\$ 290,058,388	\$ 288,420,134	\$ 446,839,350	\$ 392,891,077	\$ 179,881,196
GENERAL REVENUE					
Property Tax	\$ 306,222,332	\$ 330,199,269	\$ 369,506,527	\$ 370,500,000	\$ 395,500,000
Sales Tax	226,336,942	263,530,326	260,558,394	242,500,000	280,200,000
Transient Occupancy Tax	19,530,772	20,536,084	14,103,867	9,000,000	10,000,000
Franchise Fees	51,179,782	48,397,444	44,435,817	45,921,096	44,651,652
Utility Tax	99,753,107	99,252,672	99,518,300	95,800,000	97,060,000
Business Taxes	70,673,106	74,902,578	70,822,027	70,900,000	74,500,000
Real Property Transfer Tax				30,000,000	40,000,000
Telephone Line Tax	20,480,699	21,593,485	20,694,877	20,000,000	20,000,000
Licenses and Permits	60,505,037	65,294,743	64,520,529	20,023,167	21,032,485
Fines, Forfeitures, and Penalties	14,353,995	17,401,606	14,383,145	15,730,100	8,676,000
Fees, Rates, and Charges	51,080,652	55,703,033	48,568,307	25,575,702	14,847,684
Revenue from Use of Money/Property	7,929,821	10,072,279	13,523,097	11,754,800	9,304,000
Revenue from Local Agencies	38,623,000	16,685,364	15,659,671	18,194,536	15,509,513
Revenue from the State of CA	15,824,581	15,101,735	22,511,983	14,319,906	12,130,000
Revenue from Federal Government	5,590,625	3,106,128	2,638,902	3,714,762	736,395
Other Revenue	218,951,265	247,368,271	34,504,998	48,511,658	8,714,026
Total General Revenue	\$ 1,207,035,716	\$ 1,289,145,017	\$ 1,095,950,441	\$ 1,042,445,727	\$ 1,052,861,755
TRANSFERS AND REIMBURSEMENTS					
Overhead Reimbursements	\$ 47,245,141	\$ 53,237,099	\$ 57,003,787	\$ 69,197,893	\$ 68,557,276
Transfers	26,305,966	35,294,569	35,629,474	27,408,535	27,592,187
Reimbursements for Services	17,327,861	17,200,429	16,145,354	15,745,997	16,791,968
Total Transfers and Reimbursements	\$ 90,878,968	\$ 105,732,098	\$ 108,778,615	\$ 112,352,425	\$ 112,941,431
TOTAL SOURCE OF FUNDS	\$ 1,587,973,072	\$ 1,683,297,249	\$ 1,651,568,406	\$ 1,547,689,229	\$ 1,345,684,382

**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET
FIVE-YEAR COMPARISON OF GENERAL FUND USES**



**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET**

FIVE-YEAR COMPARISON OF GENERAL FUND USES

USE OF FUNDS	1 2017-2018 ACTUALS	2 2018-2019 ACTUALS	3 2019-2020 ACTUALS	4 2020-2021 ADOPTED	5 2021-2022 PROPOSED
GENERAL GOVERNMENT DEPARTMENTS					
City Attorney	\$ 15,557,555	\$ 16,330,370	\$ 17,077,413	\$ 16,333,103	\$ 16,581,319
City Auditor	2,308,656	2,402,187	2,138,891	2,372,657	2,505,488
City Clerk	2,668,434	2,396,181	2,382,932	2,413,660	2,570,692
City Manager	16,399,267	18,456,199	16,545,924	21,026,730	19,092,366
Economic Development and Cultural Affairs	5,104,659	5,103,577	5,174,200	5,516,428	5,401,421
Finance	15,677,997	16,332,178	17,995,756	19,392,440	19,201,751
Human Resources	8,746,997	9,917,844	10,079,387	10,453,086	10,358,308
Independent Police Auditor	1,259,041	1,234,211	1,254,258	1,481,672	1,530,503
Information Technology	17,392,713	19,118,430	23,521,642	25,791,499	24,787,794
Mayor and City Council	11,071,710	11,867,225	12,299,950	16,875,883	13,783,288
Total General Government Departments	\$ 96,187,029	\$ 103,158,401	\$ 108,470,354	\$ 121,657,158	\$ 115,812,930
PUBLIC SAFETY DEPARTMENTS					
Fire	\$ 217,602,899	\$ 223,466,106	\$ 197,304,769	\$ 243,723,250	\$ 266,733,248
Police	385,854,506	409,220,944	441,511,375	455,188,814	462,549,751
Total Public Safety Departments	\$ 603,457,405	\$ 632,687,050	\$ 638,816,144	\$ 698,912,064	\$ 729,282,999
CAPITAL MAINTENANCE DEPARTMENTS					
Public Works	\$ 45,292,940	\$ 47,567,379	\$ 51,074,257	\$ 36,710,756	\$ 38,480,325
Transportation	34,906,465	35,099,965	35,409,149	37,300,446	37,321,302
Total Capital Maintenance Departments	\$ 80,199,405	\$ 82,667,344	\$ 86,483,406	\$ 74,011,202	\$ 75,801,627
COMMUNITY SERVICES DEPARTMENTS					
Community Energy	\$ -	\$ -	\$ -	\$ -	\$ 300,000
Environmental Services	2,786,874	3,019,307	3,163,381	4,730,003	3,436,975
Housing	692,374	469,581	241,262	566,404	533,773
Library	32,016,829	33,083,562	35,423,538	36,416,647	37,112,823
Parks, Recreation and Neighborhood Services	75,255,279	79,372,909	78,959,493	82,254,789	86,027,763
Planning, Building and Code Enforcement	48,529,163	48,681,011	51,422,190	15,951,411	14,874,288
Total Community Services Departments	\$ 159,280,519	\$ 164,626,370	\$ 169,209,864	\$ 139,919,254	\$ 142,285,622
Total Departmental	\$ 939,124,358	\$ 983,139,165	\$ 1,002,979,767	\$ 1,034,499,678	\$ 1,063,183,178
NON-DEPARTMENTAL					
City-Wide Expenses	\$ 293,673,693	\$ 228,671,316	\$ 83,912,805	\$ 123,611,596	\$ 77,448,942
Capital Contributions	32,408,291	12,287,389	33,044,021	54,442,200	10,262,000
Transfers	34,346,596	47,831,355	48,967,078	74,103,233	30,391,452
Earmarked Reserves	N/A	N/A	N/A	174,477,163	77,493,050
Contingency Reserve	N/A	N/A	N/A	40,000,000	40,000,000
Encumbrance Reserve	38,466,874	46,555,359	46,905,760	46,555,359	46,905,760
Total Non-Departmental	\$ 398,895,454	\$ 335,345,419	\$ 212,829,665	\$ 513,189,551	\$ 282,501,204
TOTAL USE OF FUNDS	\$ 1,338,019,812	\$ 1,318,484,585	\$ 1,215,809,432	\$ 1,547,689,229	\$ 1,345,684,382

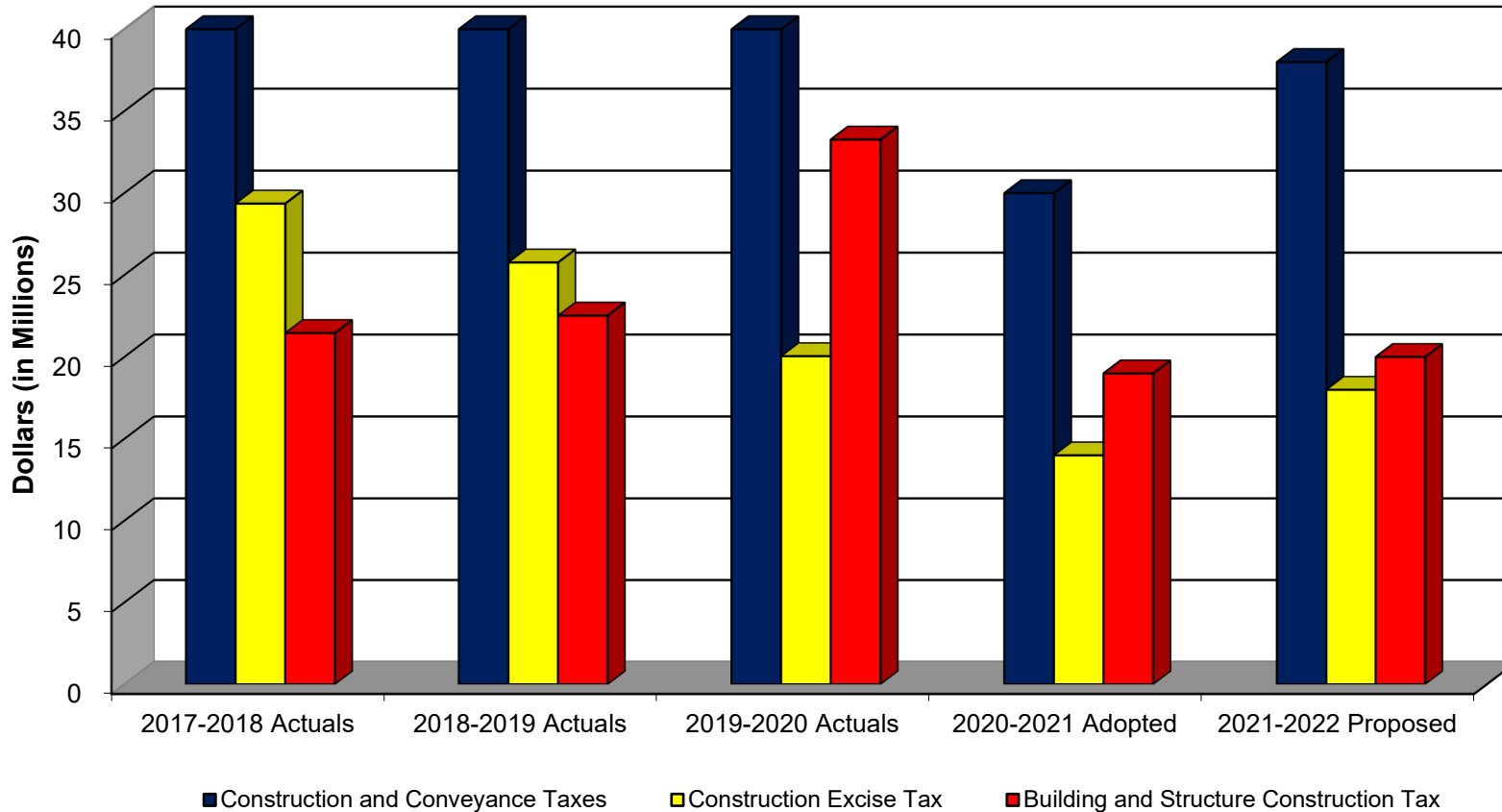
CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

FIVE-YEAR COMPARISON OF GENERAL FUND USES BY CATEGORY

USE OF FUNDS	2017-2018 ACTUALS	2018-2019 ACTUALS	2019-2020 ACTUALS	2020-2021 ADOPTED	2021-2022 PROPOSED
DEPARTMENTAL					
Personal Services	\$ 829,009,803	\$ 863,188,001	\$ 879,313,596	\$ 901,317,256	\$ 935,752,731
Non-Personal/Equipment	110,114,555	119,951,164	123,666,171	133,182,422	127,430,447
Total Departmental	\$ 939,124,358	\$ 983,139,165	\$ 1,002,979,767	\$ 1,034,499,678	\$ 1,063,183,178
NON-DEPARTMENTAL					
City-Wide Expenses	\$ 293,673,693	\$ 228,671,316	\$ 83,912,805	\$ 123,611,596	\$ 77,448,942
Capital Contributions	32,408,291	12,287,389	33,044,021	54,442,200	10,262,000
Transfers	34,346,596	47,831,355	48,967,078	74,103,233	30,391,452
Earmarked Reserves	N/A	N/A	N/A	174,477,163	77,493,050
Contingency Reserve	N/A	N/A	N/A	40,000,000	40,000,000
Encumbrance Reserve	38,466,874	46,555,359	46,905,760	46,555,359	46,905,760
Total Non-Departmental	\$ 398,895,454	\$ 335,345,419	\$ 212,829,665	\$ 513,189,551	\$ 282,501,204
TOTAL EXPENDITURES	<u>\$ 1,338,019,812</u>	<u>\$ 1,318,484,585</u>	<u>\$ 1,215,809,432</u>	<u>\$ 1,547,689,229</u>	<u>\$ 1,345,684,382</u>

**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET
FIVE-YEAR COMPARISON OF KEY CAPITAL FUND SOURCES**

8 - V

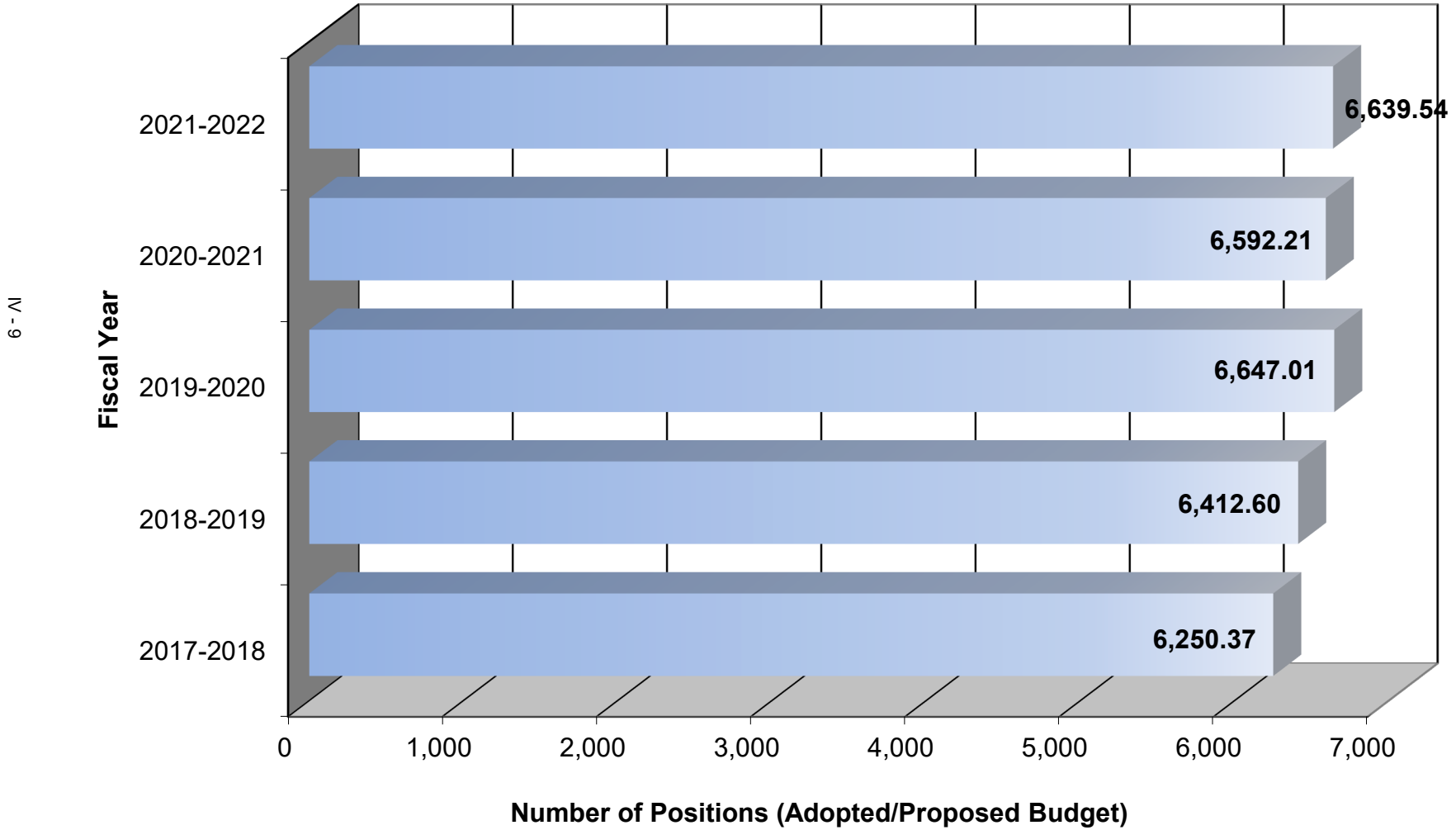


Construction and Conveyance Taxes - The Construction Tax is a flat fee assessed to residential, commercial, and industrial developments. The Conveyance Tax is a fee based on the value of property conveyed. These funds are dedicated to the Parks and Community Facilities Development, Communications, Public Safety, Library, and Service Yards capital programs.

Construction Excise Tax - A tax on the construction of residential, commercial, and mobile home developments. This general tax is based on building valuation, and revenues produced are used primarily for traffic improvements.

Building and Structure Construction Tax - A tax on residential, commercial, and industrial development. These funds are used for traffic capital improvements.

**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET
FIVE-YEAR COMPARISON OF TOTAL STAFFING**



**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET**

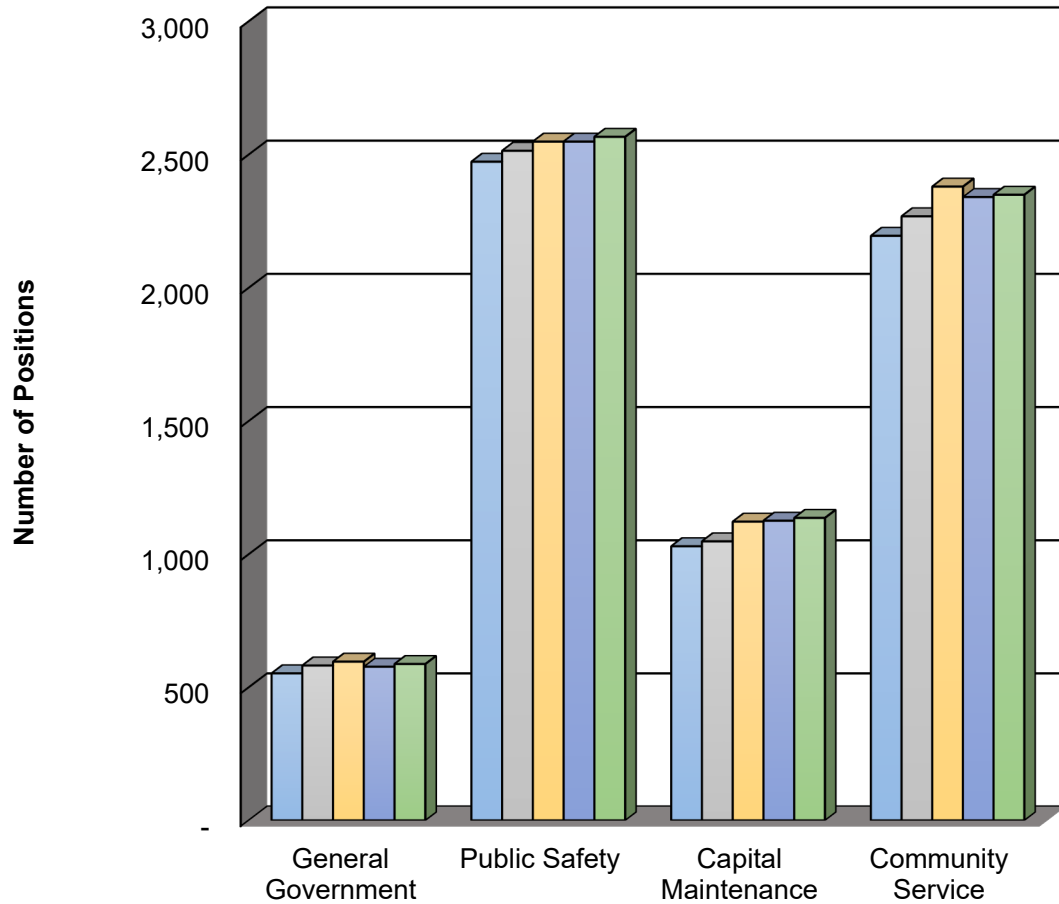
FIVE-YEAR COMPARISON OF TOTAL STAFFING BY DEPARTMENT

General Government Departments provide for the overall management and administrative functions of the City, including Human Resources, Finance, City Manager, City Attorney, City Auditor, City Clerk, Economic Development, Independent Police Auditor, Information Technology, and Retirement Services.

Public Safety Departments provide for the safety of the public through crime and fire prevention and suppression efforts of the Police and Fire Departments.

Capital Maintenance Departments provide for the construction and maintenance of the City's infrastructure by Public Works and Transportation.

Community Services Departments provide programs that affect citizens on a daily basis, such as Airport, Community Energy, Environmental Services, Housing, Parks, Recreation and Neighborhood Services, Library, and Planning, Building and Code Enforcement.



■ 2017-2018 Adopted
 ■ 2018-2019 Adopted
 ■ 2019-2020 Adopted
 ■ 2020-2021 Adopted
 ■ 2021-2022 Proposed

**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET**

FIVE-YEAR COMPARISON OF TOTAL STAFFING BY DEPARTMENT

DEPARTMENT	1 2017-2018 ADOPTED	2 2018-2019 ADOPTED	3 2019-2020 ADOPTED	4 2020-2021 ADOPTED	5 2021-2022 PROPOSED
GENERAL GOVERNMENT DEPARTMENTS					
City Attorney	78.50	84.00	87.00	85.50	82.50
City Auditor	15.00	15.00	15.00	14.00	13.00
City Clerk	15.00	15.00	15.00	14.00	14.00
City Manager	66.10	83.60	86.10	80.50	80.50
Economic Development and Cultural Affairs	58.00	58.00	59.00	57.00	57.00
Finance	118.00	120.99	125.99	122.99	120.99
Human Resources	50.50	52.50	46.50	43.50	42.50
Independent Police Auditor	6.00	6.00	6.00	6.00	7.00
Information Technology	78.50	80.00	89.00	88.00	103.00
Mayor and City Council	27.00	27.00	27.00	27.00	27.00
Retirement Services	39.75	39.75	39.75	38.75	40.00
Total General Government Departments	552.35	581.84	596.34	577.24	587.49
PUBLIC SAFETY DEPARTMENTS					
Fire	824.48	823.48	838.48	833.48	849.48
Police	1,648.67	1,690.67	1,710.17	1,715.17	1,717.17
Total Public Safety Departments	2,473.15	2,514.15	2,548.65	2,548.65	2,566.65
CAPITAL MAINTENANCE DEPARTMENTS					
Public Works	561.87	573.37	621.27	624.27	627.77
Transportation	468.00	475.00	501.00	501.50	508.50
Total Capital Maintenance Departments	1,029.87	1,048.37	1,122.27	1,125.77	1,136.27
COMMUNITY SERVICES DEPARTMENTS					
Airport	211.00	215.50	225.50	214.00	215.00
Community Energy	0.00	17.00	22.00	29.00	37.00
Environmental Services	552.00	550.00	572.00	572.00	572.00
Housing	66.00	77.50	81.50	87.50	90.50
Library	363.87	367.37	373.47	375.47	363.86
Parks, Recreation and Neighborhood Services	685.13	710.87	768.78	742.08	774.77
Planning, Building and Code Enforcement	317.00	330.00	336.50	320.50	296.00
Total Community Services Departments	2,195.00	2,268.24	2,379.75	2,340.55	2,349.13
TOTAL DEPARTMENT STAFFING	6,250.37	6,412.60	6,647.01	6,592.21	6,639.54

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CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

BUDGET POLICIES

The Operating and Capital Budgets and the Capital Improvement Program are prepared and administered in accordance with several sources of policy direction. First, the City Charter requires that the budget be balanced, include a complete financial plan for all City funds, and meet certain legal deadlines for submittal. Second, the City Council has established two budget policies: (1) the Operating Budget and Capital Improvement Program Policy (Council Policy 1-18), which includes guidelines, standards, and requirements for preparation and monitoring of both the Operating and Capital Budgets; and (2) the Estimating Construction Costs and Development of Project Budget Policy (Council Policy 8-12), which establishes guidelines for estimating construction project costs and developing project budgets (the complete text of the adopted policies is presented below). Third, the budget is developed in accordance with the Mayor's budget priorities and direction as approved by the City Council in March and June of each year. Fourth, recommendations of special studies by Council-appointed task forces, boards, commissions, and committees may be considered upon the direction of the City Council. Finally, public input is considered throughout the process, with scheduled public hearings at key City Council decision points.

OPERATING BUDGET AND CAPITAL IMPROVEMENT PROGRAM POLICY (COUNCIL POLICY 1-18)

OPERATING BUDGET

1. *General*

The budget should be a performance, financing, and spending plan agreed to by the Mayor, City Council, City Manager, and other Council Appointees. It should contain information and data regarding expected revenues and resources (inputs), expected expenditures, and expected performance (outcomes). During the fiscal year, actual experience (revenues, expenditures, and performance) will be periodically measured against the plan.

The City will prepare and annually refine written goals and policies to guide the preparation of financing, spending, and performance plans for the City budget. Proposed budgets will comply with the adopted budget policies and Council priorities.

The City uses a performance-based budget. The core service is the lowest level in the organization for which budgets are prepared. Each core service budget will include financing and spending plans. Each core service will also propose an annual performance plan. The plan must identify ongoing performance targets and corresponding indicators, which measure performance. The plan should also include specific performance targets, which will have results during the budget year. All performance at the core service level must be consistent with the mission statements at the department level and the outcomes of the City Service Area at the City level, meeting the performance as well as budget goals and policies established by the Mayor and City Council.

Department and program managers will not exceed the Council-approved appropriations in any fund. Appropriations for departmental operations are approved by the City Council in two categories: Personal Services and Non-Personal/Equipment.

**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET**

BUDGET POLICIES

**OPERATING BUDGET AND CAPITAL IMPROVEMENT PROGRAM POLICY
(COUNCIL POLICY 1-18)**

OPERATING BUDGET

1. General (Cont'd.)

These appropriations are shown in the departmental budgets. In addition, appropriations are approved for Capital Projects, City-Wide projects, and other targeted functions with special and capital funds.

The City Council may approve modifications to these appropriations throughout the year as warranted by revenue collections and activity demands.

2. Fiscal Integrity

The City will maintain the fiscal integrity of its operating, debt service, and capital improvement budgets, which provide services and maintain public facilities, streets, and utilities.

Ongoing operating program costs will not exceed the amount of ongoing revenue to finance those costs. Interfund loans will not be used as a funding mechanism to address ongoing gaps between revenues and costs. If a new program is added on an ongoing basis, an ongoing revenue source will be identified to fund the program costs. Any available carryover balance will only be used to offset one-time costs.

3. Contingency Funds or Accounts

Several different contingency funds or accounts are established:

a) General Purpose Reserves

Within the General Fund, unrestricted reserves shall be set aside as a safety net for general city operations. Currently, the Contingency Reserve, Budget Stabilization Reserve, and Workers' Compensation/General Liability Catastrophic Reserve are available for general purposes. The combined funding goal for these reserves in the aggregate shall be 10 percent of General Fund Operating Budget expenditures. Within capital and special funds, reserves may be set aside as a safety net for city operations pertaining to the respective fund or to provide stability for customer rates when there are fluctuations to revenue and expenditures.

1) Contingency Reserve

Within the General Fund, a contingency reserve, which is a minimum of 3% of the General Fund operating budget, is established. The purpose of this reserve is to meet unexpected circumstances arising from financial and/or public emergencies that require immediate funding that cannot be met by any other means.

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

BUDGET POLICIES

OPERATING BUDGET AND CAPITAL IMPROVEMENT PROGRAM POLICY (COUNCIL POLICY 1-18)

OPERATING BUDGET

3. *Contingency Funds or Accounts (Cont'd.)*

Any use of the General Fund Contingency Reserve shall require two-thirds vote of approval by the City Council. The Contingency Reserve shall be budgeted at a minimum of 3% of the General Fund operating budget in the annual Adopted Budget. This allocation will include replenishment of any amounts expended or appropriated to another fund during the previous year.

Appropriate levels of contingency funds will be determined and maintained in the capital and special funds as part of the City Council's adoption of the annual Capital Budget or the Operating Budget, as applicable.

2) Budget Stabilization Reserve

Within the General Fund, a Budget Stabilization Reserve may be maintained at a level as determined by the City Council to be adequate. The purpose of this reserve is to provide budget stability when there are fluctuations that result in lower than projected revenues and/or higher than projected expenditures that cannot be re-balanced within existing budget resources in any given year. This reserve is intended to provide a buffer, or bridge funding, to protect against reducing service levels when these fluctuations occur. Any use of the General Fund Budget Stabilization reserve shall require majority vote by the City Council through the adoption of the Operating Budget or by appropriation action during the fiscal year. The City Council will set the reserve amount annually as part of the City Council's adoption of the Operating Budget. The replenishment or use of this reserve shall be incorporated into the annual Adopted Operating Budget as resources are available to replenish and/or increase this reserve, or as funds are needed to address a budget shortfall.

Appropriate levels of Budget Stabilization Reserve funds will be determined and maintained in the capital and special funds, as applicable.

3) Workers' Compensation/General Liability Catastrophic Reserve

Within the General Fund, a Workers' Compensation/General Liability Catastrophic Reserve may be maintained at a level as determined by the City Council to be adequate. The purpose of this reserve is to provide funding for potential workers' compensation or general liability claims that exceed the budgeted amounts as the City, for the most part, is self-insured.

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

BUDGET POLICIES

OPERATING BUDGET AND CAPITAL IMPROVEMENT PROGRAM POLICY (COUNCIL POLICY 1-18)

OPERATING BUDGET

3. *Contingency Funds or Accounts (Cont'd.)*

Any use of the General Fund Workers' Compensation/General Liability Catastrophic Reserve shall require majority vote by the City Council through the adoption of the Operating Budget or by appropriation action during the fiscal year. The City Council will set the reserve amount annually as part of the City Council's adoption of the Operating Budget. The replenishment of this reserve shall be incorporated into the annual Adopted Operating Budget as resources are available to replenish and/or increase this reserve.

Appropriate levels of Workers' Compensation and/or General Liability Catastrophic Reserves will be determined and maintained in the capital and special funds, as applicable.

b) Cash Reserve Fund

An adequate revolving fund (Cash Reserve Fund 002), as mandated by the City Charter, shall be determined and maintained at an adequate level as determined by the City Council. The purpose of this reserve fund is for the payment of any authorized expenditures of the City for any fiscal year in anticipation of and before the collection of taxes and other revenues of the City for such fiscal year.

c) Emergency Reserve Fund

An adequate emergency reserve fund (Emergency Reserve Fund 406), as mandated by the City Charter, shall be determined and maintained at an adequate level as determined by the City Council. The purpose of this reserve fund is to meet any public emergency involving or threatening the lives, property, or welfare of the people of the City or property of the City.

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

BUDGET POLICIES

OPERATING BUDGET AND CAPITAL IMPROVEMENT PROGRAM POLICY (COUNCIL POLICY 1-18)

OPERATING BUDGET

4. *Fund Balance*

The appropriation of carryover fund balances must be approved judiciously. This should ensure that ongoing expenditures will be budgeted only to the extent that proven revenue streams exist.

In the annual budget, and in subsequent reports, there will be a presentation on fund balances and their anticipated uses.

- a) The first increment of any General Fund “Ending Fund Balance” identified in the City Manager’s Annual Report shall be allocated to offset any projected deficit for the following fiscal year, after necessary appropriation adjustment actions to re-budget funds, correct errors, or reflect updated cost information have been accounted for in the fund balance reconciliation.
- b) After setting aside funding to address the projected deficit for the following year, if applicable, the remaining funds shall be allocated for the following uses:
 - 1) Budget Stabilization Reserve and/or Contingency Reserve.
 - 2) Unmet/deferred infrastructure and maintenance needs.
 - 3) Other one-time urgent funding needs.
- c) Annual surplus funds shall not be used for ongoing expenditures, unless those expenditures can be accommodated in Year Two and possibly Year Three of the five-year financial forecast. Any available carryover balance should only be used to offset one-time costs or to increase revenues.

5. *Mid-Year Adjustments*

Mid-Year budget adjustments recommended by Council Committees, task forces, or the full Council, should be referred to the Mid-Year Budget Review or the annual budget process for consideration along with other competing budgets needs and priorities. In general, ongoing budget changes should be dealt with during the annual budget process while one-time budget changes may be considered during either the Mid-Year Budget Review or during the annual budget process.

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

BUDGET POLICIES

OPERATING BUDGET AND CAPITAL IMPROVEMENT PROGRAM POLICY (COUNCIL POLICY 1-18)

OPERATING BUDGET

5. *Mid-Year Adjustments (Cont'd.)*

The authority to make expenditures in accordance with a City Council-approved spending plan is only valid as long as revenue for the budgets is equal to or greater than estimated expenditures.

All appropriation amendments and revenue estimate changes will be reported in the monthly financial report.

6. *Overhead Cost Allocation*

All overhead costs shall be allocated to the appropriate program within the limits of local, State, and federal laws. The City utilizes a two step method (double step down method) where costs are first allocated among the central service support programs to arrive at the total cost of the central service programs. These total costs are then allocated down in priority order to the departments and funds that are benefitting from their services. The allocating support program costs are charged to the associated departmental funding source and corresponding revenue is received by the General Fund.

7. *Budget System*

The City will maintain a budget control system to adhere to the budget.

There will be delivery of a Proposed Budget, in accordance with the Adopted Budget schedule, that accurately depicts the financial condition and goals of the City. This budget should be in a form that enables decision makers to set the direction and policy of the City.

The Proposed Budget will illustrate the General Fund, special funds, and capital funds so that the entire resources of the City may be viewed comprehensively for decision-making.

Decision-making for capital improvements will be coordinated with the operating budget to make effective use of the City's overall resources for operating and maintaining facilities.

The adoption of the annual appropriations ordinance will coincide with the adoption of the resolution setting forth the annual revenue estimates.

Budget detail shall contain line-item detail for the core service spending plan, a personnel summary report listing the types of positions for each department, and a corresponding core service performance plan. It shall also contain department and fund summaries for spending and personnel as well as a detailed financing plan for the core service.

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

BUDGET POLICIES

OPERATING BUDGET AND CAPITAL IMPROVEMENT PROGRAM POLICY (COUNCIL POLICY 1-18)

OPERATING BUDGET

8. *Debt*

The City Council adopted a Debt Management Policy (Council Policy 1-15) that establishes the following equally important objectives:

- a) Minimize debt service and issuance costs.
- b) Maintain access to cost-effective borrowing.
- c) Achieve the highest practical credit rating.
- d) Full and timely repayment of debt.
- e) Maintain full and complete financial disclosure and reporting.
- f) Ensure compliance with applicable State and Federal laws.

As described in Council Policy 1-15, prior to bringing forward a lease financing (financing the acquisition, construction, or improvement by the City of real property or equipment) to the City Council for approval, the Finance Department shall perform initial due diligence on the project to be financed. The due diligence will include identifying the revenue source for repayment, and performing a feasibility study to determine the volatility of the revenue and provide a sensitivity analysis on project revenue projections, including worst/best case scenarios and the impact on any repayment source identified as the backstop to the project revenues. In order to proceed with the preparation of the documents necessary for the lease financing, two-thirds majority approval by the City Council of the proposed plan of finance is required. When the lease financing is brought forward for City Council approval, the Finance Department will provide the City Council with an update to the due diligence report and any feasibility study. Approval of the lease financing will require two-thirds majority approval by the City Council. These provisions do not apply to a refunding of a lease financing transaction.

In order to reduce principal on outstanding debt and minimize debt service costs, one-time savings generated from debt restructurings and refundings should be used to pay down the outstanding principal of other existing City debt, whenever possible, taking into consideration any fund restrictions.

9. *Self Insurance*

The budget will provide for the adequate funding for the City's self-insurance programs.

10. *Capital and Equipment Maintenance*

The budget will provide for the adequate maintenance and orderly replacement of capital, plant, and equipment.

**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET**

BUDGET POLICIES

OPERATING BUDGET AND CAPITAL IMPROVEMENT PROGRAM POLICY (COUNCIL POLICY 1-18)

OPERATING BUDGET

11. Retirement

The budget will provide for the adequate funding of all retirement systems.

12. Monthly Report

The Administration will prepare regular monthly reports comparing actual revenues and expenditures to budgeted amounts.

The budget will be produced so that it can be directly compared to the actual results of the fiscal year and presented in a timely monthly report.

All budget amendments, both for revenues and expenditures, will be noted in the monthly report.

13. Multi-Year Estimates

Each year the City will update expenditure and revenue projections for the next five years. Projections will include estimated maintenance and operating costs of future capital improvements that are included in the capital budget.

This budget data will be presented to elected officials in a form that will facilitate annual budget decisions, based on a multi-year strategic planning perspective.

14. Performance and Productivity

The City will integrate performance measurement and productivity indicators within the budget. Prior to implementation, performance objectives and service levels will be submitted for all new and existing programs established during the budget process. The selection of performance standards should be made on the basis of information reliability, relevance to current year budget change proposals, value to Mayor/City Council decision making, and utility for program management.

The City will promote the understanding that City employees are the most valuable resource of the City and that their understanding and involvement in the budget process is crucial to the City's continuing success on behalf of the community.

The City will employ good management practices when planning for service delivery by including money in budget requests to pursue activities such as:

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

BUDGET POLICIES

OPERATING BUDGET AND CAPITAL IMPROVEMENT PROGRAM POLICY (COUNCIL POLICY 1-18)

OPERATING BUDGET

14. Performance and Productivity (Cont'd.)

- a) office automation and computer applications that increase productivity;
- b) equipment modernization;
- c) work-flow simplification;
- d) risk management, exposure reduction, and employee safety;
- e) preventive maintenance;
- f) energy conservation;
- g) life-cycle costing in purchasing of equipment;
- h) lease-purchase options for high-cost equipment and purchases that reduce operating expenses;
- i) performance planning, reporting, and evaluation; and
- j) employee training.

The City will prepare and evaluate program performance plans that relate to financing and spending plans in the annual City budget.

15. Public Involvement

Public involvement shall be encouraged in the annual budget decision making process through public hearings, public outreach and information, and informal meetings.

16. "Distinguished Budget" Presentation

The approved budget shall be submitted to the Government Finance Officers Association and the California Society of Municipal Finance Officers for consideration for professional awards and recognition for Distinguished Budget Presentation.

17. Fees

Fees shall be set to cover 100% of the cost of service delivery, unless such amount prevents residents from obtaining an essential service. Fees or service charges should not be established to generate money in excess of the costs of providing services.

Fees may be less than 100% if Council determines that other factors (e.g. market forces, competitive position, etc.) need to be recognized.

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

BUDGET POLICIES

OPERATING BUDGET AND CAPITAL IMPROVEMENT PROGRAM POLICY (COUNCIL POLICY 1-18)

OPERATING BUDGET

18. Non-Profit Organizations

Future funding decisions regarding non-profit organizations will be based on guidelines, policies and priorities determined by the Mayor/City Council and availability of funding based on spending priorities.

The City shall execute performance contracts with those agencies that receive City funding.

19. Master Plans

Master plans for specific service areas brought forward for Council consideration shall include options for capital and operating financing. Master plans shall be required to propose funding mechanisms for all recommendations.

20. Office of the Mayor and City Council District Office Budgets in Transition Years

For fiscal years in which the term of office of the Mayor or Councilmember(s) will expire and, as a result, the official may leave office due to election results or term limits (a "Transition Year"), two separate appropriations to maintain separate budget allocations for the outgoing and incoming elected officials shall be established. The total budget allocation will include: (a) office general budget; (b) constituent outreach budget; and (c) any carryover available from the prior fiscal year, from both office general and constituent outreach budgets. The first appropriation shall be for the July through December period for the Mayor and Councilmember(s) whose terms expire in December of that year, representing 50% of the total allocation. The second appropriation shall be for the January through June period for the newly elected Mayor and Councilmember(s), representing the remaining 50% of the total allocation. Outgoing Mayor and Councilmember(s) shall take into account the costs associated with any contracts entered into and all of their office's personnel costs, including leave balance payouts for their staff so as not to reduce the amount budgeted for the incoming official. Any remaining budget allocation at the conclusion of the first appropriation shall be reappropriated to the second appropriation for that specific office as part of the annual Mid-Year Budget Review process. Should an election result in no change in the office holder, as part of the Mid-Year Budget Review process, the second appropriation shall be combined into the first for continuity of operations.

21. Interfund Loans

Interfund loans are loans from one City fund to another City fund for a designated purpose. To ensure that all interfund loans are appropriate, properly documented, and not established to the detriment of the fund issuing the loan, the following interfund loan eligibility and documentation requirements are established.

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2021-2022 PROPOSED OPERATING BUDGET

BUDGET POLICIES

OPERATING BUDGET AND CAPITAL IMPROVEMENT PROGRAM POLICY (COUNCIL POLICY 1-18)

OPERATING BUDGET

21. Interfund Loans (Cont'd.)

- a) Interfund Loan Eligibility Requirements – Interfund loans may not be used to solve ongoing structural budget problems. Interfund loans must have an identified repayment source and date; include an interest component that equals the investment earnings the fund would have received had the loan not occurred; and be immediately due and payable if needed by the fund that provided the loan.
- b) Interfund Loan Documentation Requirements – Loan amount, term, and repayment source will be identified any time a loan is recommended. Loans will be coordinated with the City Attorney’s Office to ensure compliance with the Municipal Code and will be approved by the City Council. Payments made on outstanding loans shall be reflected in the Proposed and Adopted Budget and Annual Report, as applicable. A summary of all outstanding loans will also be included in the annual Proposed and Adopted Operating Budget and the Comprehensive Annual Financial Report (CAFR). The CAFR will also consistently include the loan term, rate of interest, and the interest amount due in its calculation of the total liability associated with the loan.

22. Real Property Transfer Tax Revenues

On March 3, 2020, the voters of San José passed Measure E to enact a new real property transfer tax (“Transfer Tax”) on the transfer of certain real property in the City. The provisions of this section shall apply to the budgeting of Transfer Tax revenues. The Transfer Tax is a general tax and the revenues derived from the tax are unrestricted, which means the City can use the Transfer Tax revenues for any governmental purpose. While these revenues are deposited in the General Fund and can be used for any governmental purpose, the City Council intends for the revenues to be allocated towards addressing the homelessness crisis and the City’s most urgent issues including, but not limited to, homeless prevention and developing new affordable housing. The approach for estimating and budgeting Transfer Tax revenues is described below.

- a) Estimating Revenue from the Transfer Tax – Due to the volatile nature of a real property transfer tax such as the Transfer Tax, the City will conservatively estimate revenue from the Transfer Tax as part of the Proposed Budget process. During the course of the fiscal year, revisions to the Transfer Tax revenue estimate may be recommended to the City Council to align with the pace of actual collections.

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

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OPERATING BUDGET AND CAPITAL IMPROVEMENT PROGRAM POLICY (COUNCIL POLICY 1-18)

OPERATING BUDGET

22. Real Property Transfer Tax Revenues (Cont'd.)

- b) Spending Allocations of Transfer Tax – The spending priorities for the Transfer Tax are listed below.
- 1) Up to 5% of the revenues may be allocated for the administration of funding related to increased workload resulting from more robust homeless prevention efforts and the creation of more affordable housing, including, but not limited to, financial, legal, or administrative and policy programmatic support.
 - 2) The remaining revenue is allocated as follows:
 - i. 10% for homelessness prevention and rental assistance;
 - ii. 45% for permanent supportive and affordable rental housing for extremely low-income (ELI) households earning less than 30% of area median income (AMI) as defined by the U.S. Department of Housing and Urban Development;
 - iii. 35% for affordable rental housing for 30% - 8)% AMI households; and
 - iv. 10% for below market-rate for-sale housing and moderate-income rental housing up to and including 120% AMI, including but not limited to, rent-restricted Accessory Dwelling Units (ADU) forgivable loans, down payment assistance, and first-time homeownership opportunities for households up to 120% AMI.
- c) Modifications to Spending Allocation – Any revisions to the revenue estimate, as well as a reconciliation of year-end actuals to budgeted estimates, will be proportionally applied to the spending categories described above. Modifying the percentage allocations during the Proposed Budget process or during the year requires:
- 1) A 60-day notice in advance of the effective date of the proposed allocation change posted on the City’s website and at least two public hearings prior to City Council action on the proposed allocation change, with a notice of each public hearing posted on the City’s website at least 10 days in advance of the public hearing; and
 - 2) A two-thirds vote of the City Council.

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

BUDGET POLICIES

OPERATING BUDGET AND CAPITAL IMPROVEMENT PROGRAM POLICY (COUNCIL POLICY 1-18)

CAPITAL IMPROVEMENT PROGRAM

1. *Fiscal Policies*

- a) Capital project proposals should include complete, reliable, and attainable cost estimates. Based upon a thorough analysis of the project, project cost estimates for the Five-Year Capital Improvement Plan will vary in reliability depending upon whether they are to be undertaken in the first or fifth year of the Plan. Project estimates for the Five-Year Capital Improvement Plan should include the basis on which the project costs were prepared (conceptual design, master plan, etc.), and the relative reliability of those estimated costs.
- b) Capital project proposals should include a comprehensive resource plan. This plan should include the amount and type of resources required, and the funding and financing strategies to be employed. The specific fund and timing should be outlined. The plan should indicate resources needed to complete any given phase of a project in addition to the total project. The City Manager's Office is responsible and accountable for providing Council with an accurate, comprehensive resource plan.
- c) Changes in project estimates for the comprehensive resource plan shall be fully reported to the City Council for review and approval.
- d) Project proposals should indicate the project impact on the operating budget. Each project that is proposed in any year of the Five-Year Capital Improvement Program shall have an estimate of the costs for furniture, fixtures, equipment, and technology and the annual operations and maintenance costs in the appropriate year of the Operating Budget or in the Five-Year Forecast and Revenue Projections.
- e) During the annual Capital Budget process for multi-year budgeted projects, the City Manager will provide the Council with more information regarding the project including the original budget, budget addendums, and the projected schedule in spreadsheet format.
- f) At the time of award of the construction contract, each project shall include reasonable provision for contingencies.
- g) At the time of award of the construction contract, each project shall include reasonable provisions for furniture, fixtures, equipment, and technology that are separately identified in a line item or items in the construction budget and those costs shall be noted in the staff report to the Council.

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

BUDGET POLICIES

OPERATING BUDGET AND CAPITAL IMPROVEMENT PROGRAM POLICY (COUNCIL POLICY 1-18)

CAPITAL IMPROVEMENT PROGRAM

1. Fiscal Policies (Cont'd.)

- h) At the time of award of the construction contract, each project's estimated annual operating and maintenance costs shall be identified in the staff report to the Council and shall be included in the Operating Budget or in the Five Year Forecast and Revenue Projections for projects expected to be completed after the end of the budget year.
- i) The contingency amounts to be used for various types of projects were approved by the City Council on December 3, 2002 and amended on December 15, 2009, and are as follows:
 - 5% of the total contract for street, sidewalk and park projects;
 - 10% of the total contract amount for trails, utilities and building projects;
 - 15% of the total contract amount for building renovation projects; or
 - Such other amounts as approved by the Mayor/City Council for a particular project.
- j) Project contingencies may, unless otherwise determined by the City Council, be used only to compensate for unforeseen circumstances requiring additional funds to complete the project within the original project scope and identified needs.
- k) For budgeting purposes, project contingencies are a reasonable estimating tool. At the time of contract award, the project's budgeted appropriation, including contingency, will be replaced with a new appropriation equal to the approved project contract contingency developed in the manner described above.
- l) The City Administration shall seek ways of ensuring that administrative costs of carrying out the Capital Improvement Program are kept at appropriate levels.
- m) The Annual Capital Budget shall include only those projects that can reasonably be accomplished in the indicated timeframe. Multi-year budgeting of projects shall be used to ensure a reasonable timeframe for projecting costs. The detail sheet for each budgeted capital project should include a projected schedule.
- n) The status of all capital projects, and the entire Capital Budget, will be monitored by the Mayor/Council as part of the Mid-Year Budget Review. Large projects of crucial importance may be monitored on a more frequent basis as determined by the City Council.

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

BUDGET POLICIES

OPERATING BUDGET AND CAPITAL IMPROVEMENT PROGRAM POLICY (COUNCIL POLICY 1-18)

CAPITAL IMPROVEMENT PROGRAM

1. *Fiscal Policies (Cont'd.)*

- o) Capital projects that are not encumbered or completed during the fiscal year will be re-budgeted to the next fiscal year except as reported to and subsequently approved by the City Council. All re-budgeted capital projects should be so noted in the Proposed Capital Budget.

2. *Capital Improvement Plan Policies*

Public participation in the Capital Improvement Program is a priority concern for the City. Among the activities conducted to address this need are the following:

- a) The Capital Improvement Plan shall be provided to the City Council in a timely manner as required by the City Charter to allow for Council members to review the proposal with constituents before it is considered for adoption.
- b) Council budget review study sessions on the Capital Improvement Plan shall be open to the public and advertised sufficiently in advance of the meetings to allow for public attendance.
- c) Prior to the adoption of the Capital Improvement Plan, the City Council shall hold noticed public hearings to provide an opportunity for residents to express their opinions on the proposed plan.
- d) The City Planning Commission shall review the proposed Capital Improvement Plan and provide their comments on its contents before the Council considers the plan for final adoption.
- e) All projects included in the Capital Improvement Program shall be consistent with the City's General Plan and the City's Energy and Water Policies. The goals and policies within the General Plan relating to community development, housing, services and facilities, transportation, solid waste, aesthetic, cultural and recreational resources, natural resources and hazards should be followed in the development of the Capital Improvement Plan. The General Plan service-level goals will be clearly stated in the Capital Improvement Program.
- f) Capital projects shall be financed to the greatest extent possible through user fees and benefit districts where construction of the project results in direct benefit to users.

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

BUDGET POLICIES

OPERATING BUDGET AND CAPITAL IMPROVEMENT PROGRAM POLICY (COUNCIL POLICY 1-18)

CAPITAL IMPROVEMENT PROGRAM

2. *Capital Improvement Plan Policies (Cont'd.)*

- g) The Council will annually review and establish criteria for measuring proposed capital improvement projects. Among the factors that will be considered for priority ranking are the following:
- Projects that have a positive impact on the operating budget, such as reduced expenditures or increased revenues.
 - Projects that are programmed in the Five-Year Operating Budget Forecast.
 - Projects that can be completed or significantly advanced during the Five-Year Capital Improvement Plan.
 - Projects that can realistically be accomplished during the year they are scheduled.
 - Projects that implement prior Council-adopted reports and strategies.
- h) Projects that involve inter-governmental cooperation in planning and funding should be established by an agreement that sets forth the basic responsibilities of the parties involved.

3. *Debt*

The City Council has adopted a Debt Management Policy (Council Policy 1-15) that establishes the following equally important objectives:

- a) Minimize debt service and issuance costs.
- b) Maintain access to cost-effective borrowing.
- c) Achieve the highest practical credit rating.
- d) Full and timely repayment of debt.
- e) Maintain full and complete financial disclosure and reporting.
- f) Ensure compliance with applicable state and federal laws.

As described in Council Policy 1-15, prior to bringing forward a lease financing (financing the acquisition, construction, or improvement by the City of real property or equipment) to the City Council for approval, the Finance Department shall perform initial due diligence on the project to be financed. The due diligence will include identifying the revenue source for repayment, and performing a feasibility study to determine the volatility of the revenue and provide a sensitivity analysis on project revenue projections, including worst/best case scenarios and the impact on any repayment source identified as the backstop to the project revenues. In order to proceed with the preparation of the documents necessary for the lease financing, two-thirds majority approval by the City Council of the proposed plan of finance is required. When the lease financing is brought forward for City Council approval, the Finance Department will provide the City Council with an update to the due diligence report and any feasibility study. Approval of the lease

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

BUDGET POLICIES

OPERATING BUDGET AND CAPITAL IMPROVEMENT PROGRAM POLICY (COUNCIL POLICY 1-18)

CAPITAL IMPROVEMENT PROGRAM

3. Debt (Cont'd.)

financing will require two-thirds majority approval by the City Council. These provisions do not apply to a refunding of a lease financing transaction.

In order to reduce the principal on outstanding debt and minimize debt service costs, one-time savings generated from debt restructurings and refundings should be used to pay down the outstanding principal of other existing City debt, whenever possible, taking into consideration any fund restrictions.

ESTIMATING CONSTRUCTION COSTS AND DEVELOPMENT OF PROJECT BUDGET POLICY (COUNCIL POLICY 8-12)

The City Council adopted on August 22, 2000, an Estimating Construction Costs and Development of Project Budget Policy (Council Policy 8-12) to improve the quality and effectiveness of the City's Capital Budget Process and accuracy of capital project construction by assuring that:

1. Capital projects have realistic budgets.
2. The City Council has enough information and data to establish the budget once a project is approved.
3. The public is clearly informed about project "budgets".

This policy improves the Capital planning and budgeting process by setting definitions of project estimation relative to the degree of project design definition and level of completion. The policy establishes a consistent and uniform approach for estimating and reporting construction project costs and establishing realistic construction project budgets.

POLICY

"Program" and "Preliminary" level estimates are useful tools in a long-term capital budget planning process. However, an estimate must have a level of certainty provided by a "Budget" level estimate to realistically establish a final project.

From project initiation as a concept through the award of a construction contract, there are six essential milestones or steps in the development of a project. These steps are shown below.

At various points within these steps, four different kinds of estimates that are prepared as the project progresses from start to finish. As more detail, specificity and definition are developed through the stages of design, these estimates become more certain and realistic as noted below.

**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET**

BUDGET POLICIES

**ESTIMATING CONSTRUCTION COSTS AND DEVELOPMENT OF PROJECT BUDGET
POLICY (COUNCIL POLICY 8-12)**

POLICY

The six milestones or steps in a project and the point at which these estimates are prepared are as follows:

<u>Project Milestone/Phase</u>	<u>Type of Estimate</u>
1. Project Initiation	Program Estimate
2. Planning/Programming	Preliminary Estimate
3. Design	
Conceptual Design	
Schematic Design	Budget Estimate
4. Construction Documents/ Bidding/Contract Award	Engineer's Estimate
5. Construction	
6. Occupancy/Opening	

POLICY

The four estimates are defined by this policy as follows:

- **The “Program Estimate”** is created in the Project Initiation Phase for the long-term, multi-year planning and for initial feasibility studies. It is based on a general description of the project as a concept and does not include any design, architectural work or detailed scope. It may typically include components for land acquisition, design, construction, and construction management.
Level of Certainty: ± 35%
- **The “Preliminary Estimate”** is prepared during the Planning/Programming Phase and is based on an initial program containing building and site square footages and general site work. It is typically not based on any formal engineering or architectural work, which usually has not yet occurred. The Preliminary Estimate is most commonly used to develop the next year's budget or to add a project to a current year budget to allow for further design development. For smaller projects of shorter duration and minimal complexity, the Program Estimate step may be eliminated in favor of the Preliminary Estimate.
Level of Certainty: ± 20%

**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET**

BUDGET POLICIES

**ESTIMATING CONSTRUCTION COSTS AND DEVELOPMENT OF PROJECT BUDGET
POLICY (COUNCIL POLICY 8-12)**

POLICY

- **The “Budget Estimate”** is prepared during the Schematic Design Phase and is based on a defined scope and schematic design work. It is prepared using estimated material quantities and unit prices taken from the plans and applying a general unit cost to each item. This estimate includes all changes in definition and scope that have been identified and incorporated into the project design since the Preliminary Estimate. Items associated with the commencement of construction such as bonds, insurance, mobilization and overhead costs are also included. This estimate is used for evaluating project alternatives, value engineering, and evaluation of the project budget established by the Preliminary Estimate in the Planning/Programming Phase. For projects of a multi-year duration, the Budget Estimate should include an inflationary factor that escalates the cost to the dollar value at the mid-point of the construction schedule.

Level of Certainty: ± 10%

- **The “Engineer’s Estimate”** is a detailed estimate prepared using the final construction documents prior to bidding and contract award. It is prepared using unit prices for exact quantities of materials and labor taken from the plans. The Engineer’s Estimate is used to establish the final funding within the budget and to evaluate bids received.

Level of Certainty: ± 5%

Smaller projects of shorter duration may not require all four levels of estimates. In most cases, however, a larger project would require as a minimum “Preliminary”, “Budget”, and “Engineer’s” estimates.

To support the establishment and implementation of this policy, a set of detailed administrative procedures to be followed for project managers and staff engaged in capital construction projects will be developed. These procedures are to provide specific and detailed instructions and guidelines on how and when estimates are prepared, reviewed and approved in accordance with this Council Policy.

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

CITY SERVICE AREA POLICY FRAMEWORK

A variety of master plans, strategic plans, regulations, and City Council direction comprise a City Service Area policy framework that guides City operations and the development of the Capital and Operating Budgets. A listing of the framework's major components is provided below.

- Airline Master Lease Agreements
- Airport Master Plan
- Airport Public Art Master Plan (2005)
- Airport Security and Traffic Relief Act (ASTRA) Ballot Measure A
- Aquatics Master Plan (2007)
- Blue Ribbon Report (2008)
- Business Process Transformation/Infrastructure Optimization Information Technology 10 Year Investment Roadmap
- City Charter and Municipal Code
- City Council Policies
- City Council Priorities
- City of San José Consolidated Plan
- City of San José Traffic Calming Policy and Traffic Signal Warrant Policy
- City of San José Transportation Impact Policy
- Cultural Connection: San José's Cultural Plan for 2011-2020
- Deferred Maintenance and Infrastructure Backlog Status Report
- Destination: Home Community Plan to End Homelessness (2015)
- Economic Development Strategy
- Environmental Management Policies as set by regulatory agencies including CalTrans Aeronautics Program, California Air Resources Board, Bay Area Air Quality Management District, Regional Water Quality Control Board, California Department of Fish and Game, Santa Clara Valley Water District, and Santa Clara County Department of Environmental Health
- Envision San José 2040 General Plan
- Federal Aviation Administration and Transportation Security Administration Policies and Mandates
- Framework for Evaluating Proposed Conversions of Industrial Lands (updated 2007)
- Greenprint: A 20-Year Strategic Plan for Parks and Community Facilities and Programs (2009)
- Information Technology Operations – Green Technology Initiatives
- Investment and Debt Management Policies
- Local Area Development Policies (i.e. North San José, Edenvale, and Evergreen)
- Mayor's Gang Prevention Task Force Strategic Plan (2015-2017)
- National Pollutant Discharge Elimination System Stormwater Permit (2015)
- National Pollutant Discharge Elimination System Wastewater Permit (2014)
- Neighborhood Security Bond Act (2002)
- "One Voice" Development Services
- Parks and Library Bond Measures (2000)
- Priority Street Network (2012)
- Public Art Master Plan (2007)
- Public Art Policy
- San José Greater Downtown Strategy for Development: Downtown Parking Management Plan (2007)
- San José Green Vision (2007)

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

CITY SERVICE AREA POLICY FRAMEWORK

- San José Public Library Master Plan and Branch Facilities Master Plan (2008)
- San José City Roadmap (2021)
- San José Smart City Vision
- Santa Clara County Emergency Medical Services Contract (2010)
- Santa Clara Valley Habitat Conservation Plan/Natural Community Conservation Plan (2013)
- Schools and City Collaborative Policy
- Strategic Plan for Persons with Disabilities (2000)
- Sustainable City Major Strategy
- Taxi Regulatory and Service Model Study
- Ten-Year Strategic Plan to Advance the Well-Being of Older Adults in Santa Clara County
- Trail Master Plans
- Transportation 2035 Plan for the San Francisco Bay Area (Metropolitan Transportation Commission)
- Transportation Level of Service Policy
- Tree Preservation Policy
- Urban Environmental Accords
- Urban Runoff Management Plan (URMP)
- Use of Plant Buffer Lands Policy
- Valley Transportation Plan 2040 (VTA)
- Vision Zero San Jose
- Water Pollution Control Plant Master Plan (2013)
- Various City of San José policies, ordinances, and studies
- Zero Waste Strategic Plan 2022

**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET**

**SIGNIFICANT ACCOUNTING PRACTICES AND BUDGET
PRODUCTION TOOLS**

The following information summarizes the significant accounting practices of the City of San José.

BUDGETARY BASIS

The budget is prepared in accordance with Generally Accepted Accounting Principles, except for encumbrances being recognized as expenditures. The budget for governmental funds has been prepared on a modified accrual basis. The modified accrual basis recognizes expenditures when the related fund liability is incurred. Revenues are recognized when they become both measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

FUND STRUCTURE AND BASIS OF ACCOUNTING

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balance or equity, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. Under the modified accrual basis of accounting, revenues are recognized only to the extent that they are susceptible to accrual, which means “when they become both measurable and available to be used to finance expenditures of the fiscal period.” Revenue is considered to be available when it is “collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.” If accrued revenues are not yet available, the related receivable is matched by a deferred inflow of resources for unavailable revenue, and revenue recognition occurs only when the revenue becomes available. Under the accrual basis of accounting, transactions are recognized when they occur, regardless of when cash is received or disbursed. The various funds are grouped into three broad fund categories (governmental, proprietary, and fiduciary). A general description of each follows:

- ***Governmental Fund Types***

Governmental funds are those through which most governmental functions of the City are financed. The acquisition, use, and balances of the City’s expendable financial resources and the related liabilities (except those accounted for in proprietary funds) are accounted for through governmental funds. Governmental funds include the General Fund, Special Revenue, Debt Service, and Capital Project funds of the City. These funds are maintained on a modified accrual basis where the measurement focus is on the current financial resources and the recognition of revenue in the period when the revenue becomes both measurable and available to finance expenditures of the fiscal period.

**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET**

**SIGNIFICANT ACCOUNTING PRACTICES AND BUDGET
PRODUCTION TOOLS**

FUND STRUCTURE AND BASIS OF ACCOUNTING

- ***Proprietary Fund Types***

Proprietary funds, which include Enterprise and Internal Service funds, are used to account for the City's business-type activities. Proprietary funds use the economic resources measurement focus and accrual basis of accounting, which are the same as used for private-sector business enterprises. These funds are used where the City has decided that periodic determination of revenues earned, expenses incurred, and/or net position is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

- ***Fiduciary Fund Types***

Fiduciary funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds; therefore, these funds cannot be used to support the City's own programs and are not included in the government-wide financial statements. Fiduciary funds include pension (and other post-employment benefits) trust funds, investment trust funds, private-purpose trust funds, and agency funds. Investment trust funds are used to report on the external portion of investment pools. Private-purpose trust funds are used to report on trust arrangements under which principal and income benefit individuals, private organizations, or other governments, and to report the assets and liabilities of the dissolved Redevelopment Agency. Agency funds are used to account for resources held in a purely custodial capacity. Agency funds typically involve only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments.

OVERHEAD COST ALLOCATION

All overhead costs are allocated to the appropriate program within the limits of local, state, and federal laws. The City utilizes a two-step method (double-step-down method) where costs are first allocated among the central service support programs to arrive at the total cost of the central service programs. These total costs are then allocated down to the departments and funds that are benefiting from these expenses. The Finance Department uses this process to develop overhead rates that recover these central support program costs borne by the General Fund from various funds and fee programs. The corresponding revenue is collected by the General Fund.

BUDGET PRODUCTION TOOLS

The City uses a variety of software tools to develop and monitor the budget. Hyperion is an integrated budgeting platform to develop, monitor and adjust the capital budget, including an interface with the City's Financial Management System, which houses all of the City's financial transactions. Hyperion allows for detailed budgeting and tracking by cost element, revenue source, and operations and maintenance costs associated with the projects once they are completed. Nearly all of the detailed tables produced in this budget document are produced from Hyperion.

**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET**

**SIGNIFICANT ACCOUNTING PRACTICES AND BUDGET
PRODUCTION TOOLS**

The Capital Program Management System (CPMS) is a web-based project management system that serves both City staff and members of the public. It provides project tracking, reporting, and communication tools that allow project managers to effectively coordinate and manage resources across large, complex capital improvement projects, while keeping City staff and members of the public informed. The system has three core functional components: Project Life-Cycle Management, Cost/Resource Management, and File Management. Overseen by the Public Works Department, CPMS is accessible at <https://www.sanjoseca.gov/your-government/departments-offices/public-works/resources/construction-projects-records-search>.

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

DEBT SERVICE OBLIGATIONS

OVERVIEW

The City's debt service obligations include general obligation bonds, lease revenue bonds and commercial paper notes, enterprise revenue bonds, special assessment bonds, and special tax bonds. The City of San José Financing Authority ("CSJFA") has issued lease revenue bonds and lease revenue commercial paper notes for which the City is responsible for making lease payments and has also issued revenue bonds. The City is also responsible for making lease payments on equipment that was procured through a lease-purchase agreement.

- **General obligation bonds** are issued to finance various public improvements in the City for which the source for repayment is the levy of additional ad valorem tax on property within the City.
- **Revenue bonds** are issued by the City or one of its related entities to acquire or construct assets owned or co-owned by the City whereby the City or a related entity pledges revenues derived from the asset or enterprise to pay the debt service.
- **City of San José Financing Authority lease revenue bonds** are secured by the CSJFA's pledge of lease revenues received by the CSJFA under a Project Lease of a leased asset between the City and the CSJFA. The City makes the lease payments to the CSJFA in exchange for use of the leased property and covenants to annually appropriate funds so long as the City has beneficial use of the leased asset. These payments are included in the City budget as part of the annual appropriation process.
- **Commercial paper** is a short-term promissory note issued by the City or its related entities with a maturity of 270 days or less. Maturing commercial paper notes are repaid from the proceeds of sale of new commercial paper notes or bonds, or from other funds provided by the City.
- **Special assessment bonds** are issued to pay for public infrastructure improvement costs in special assessment districts and are fully secured by liens against the privately-owned properties benefited by the improvements for which the bonds were issued.
- **Special tax bonds** are issued to finance the construction and/or acquisition of facilities in community facilities districts, including the City's convention center facilities district. The source of repayment for these types of bonds is a special tax on privately-owned properties within the community facilities districts.

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

DEBT SERVICE OBLIGATIONS

OVERVIEW

- **Lease-purchase agreements** are entered into to finance various public improvements or equipment in the City, including energy conservation equipment installed at City-owned facilities and for the replacement of streetlights. The City's lease-purchase agreements for energy conservation equipment are secured by lease payments for the City's beneficial use of the equipment that the City appropriates on an annual basis and which may be offset by utility cost savings and electricity rebates.
- **Successor Agency to the Redevelopment Agency of the City of San José ("SARA")** debt was issued to finance redevelopment activities within, or of benefit to, the Agency's Merged Redevelopment Project Area in accordance with California Community Redevelopment Law. The principal source of repayment for SARA debt is property tax increment revenues. No further debt can be issued per State legislation except for refunding bonds.

The City Council has adopted a general debt management policy, which allows flexibility when opportunities arise, but at the same time establishes parameters for entering into debt obligations. In addition, the City Council has approved two supplemental financing policies: (1) Multi-Family Housing Revenue Bond Policy and (2) Criteria and Guidelines for Bond Financing of Residential Development Policy.

The City of San José Charter establishes the following requirements associated with debt limitations:

- Section 1216 sets the bonded debt limit for General Obligation bonds at fifteen percent (15%) of the total assessed valuation of all the real and personal property within the City.
- Section 1220 establishes the power of the City Council to issue revenue bonds to finance the acquisition, construction, establishment, expansion, improvement, maintenance, operation, and administration of off-street vehicular parking facilities within the City or of municipal airport facilities. No additional voter authorization is necessary to issue bonds under this section of the City Charter.
- Section 1221 provides that no revenue bonds may be issued by the City for the purpose of supplying its inhabitants, or any portion thereof, with water, light, heat, power, railroad, motor vehicle transportation services (other than airport service), telephone, telegraph, or wireless communication service unless authorized by the affirmative vote of a majority of the electors voting on such a proposition in each case.
- Section 1222 states that revenue bonds may be issued by the City for purposes other than those specified in Sections 1220 and 1221 only under and pursuant to the laws of the State of California.

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

DEBT SERVICE OBLIGATIONS

DEBT STATUS AND CAPACITY

The City of San José Charter limits bonded indebtedness for General Obligation bonds to fifteen percent (15%) of the total assessed valuation of all real and personal property within the City. As of June 30, 2020, the total assessed value of taxable property was \$206.4 billion, which results in a total debt limit capacity of approximately \$31.0 billion. As of June 30, 2021, the City estimates \$446.5 million of General Obligation bonds outstanding which represents approximately 1.5% of the debt limit and a debt margin of \$30.5 billion.

On January 24, 2012, the City Council affirmed its decision to serve as the Successor Agency to the Redeployment Agency of the City of San José, (“SARA”) effective February 1, 2012. SARA is expected to have total debt outstanding of \$1.38 billion, consisting of three series of Merged Area Tax Allocation Bonds, as of June 30, 2021.

Tables A through C in the following pages illustrate the debt service obligations of the City and its related entities, excluding Multi-Family Housing Revenue conduit debt and debt issued by SARA. As shown in Table A, the City had additions in long-term debt of \$930,235,000 and expected to repay and refund \$1,028,401,000 of long-term debt in 2020-2021 resulting in an estimated total long-term debt balance of \$2.1 billion as of June 30, 2021. Table B summarizes the City’s and related entities’ long-term (by issuance and final maturity) and short-term debt (commercial paper notes). The combined outstanding debt balance is \$2.3 billion is estimated at June 30, 2021. It should be noted that long-term lease obligations are not considered indebtedness under the State Constitution. Table C summarizes the City and related entities’ annual requirements to amortize principal and pay interest due on all long-term debt outstanding for each of the next five fiscal years and thereafter.

The Debt Management Policy (Council Policy 1-15) for the City was adopted by the City Council on May 21, 2002, is reviewed annually by the City Council and was last amended on March 7, 2017. The first set of program-specific financing policies for debt issued for multi-family housing projects in the City (Council Policy 1-16) was adopted by the City Council on June 11, 2002, amended on December 6, 2005 and reaffirmed by the City Council on March 27, 2018.

Descriptions of City of San José and related entity debt activity for 2020-2021, as well as debt issuance planned for 2021-2022, are provided in the following sections.

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

DEBT SERVICE OBLIGATIONS

2020-2021 DEBT ISSUANCE

The following debt issuance were or are expected to be completed in 2020-2021:

- **2020 Tax and Revenue Anticipation Notes.** On July 1, 2020, the City issued two \$65.0 million short-term Tax and Revenue Anticipation Notes (“2020 Notes”), for a total of \$130.0 million, at a variable interest rate to facilitate the prefunding of employer retirement contributions in 2020-2021. The 2020 Notes were purchased by Bank of America, N.A. and U.S. Bank, in the amount of \$65.0 million each. Security for repayment of the 2020 Notes was a pledge of the City’s 2020 2021 secured property tax plus all other legally available General Fund Revenue, if required.
- **City of San José Financing Authority Taxable Lease Revenue Bonds, Series 2020A.** On September 24, 2020, the CSJFA issued \$355.6 million in Taxable Lease Revenue Bonds, Series 2020A that provided financing to: refund on a current basis, the Series 2006A Bonds and Series 2007A Bonds; advance refund the Series 2013A Bonds; prepay all of the City’s outstanding rental obligation of the Master Equipment Lease/Purchase Agreement (ESCO) – all to achieve economic savings; and provide financing the acquisition and construction of the public improvements benefitting the City including the build-out of existing space within the 4th and San Fernando Garage for office space to be occupied by the San José Clean Energy Department and other city operations. The refunding and prepayment of outstanding obligations produced net present value (“NPV”) savings of approximately \$47.0 million, or approximately 13.8% as a percent of the refunded obligations.
- **City of San José Financing Authority Taxable Lease Revenue Bonds, Series 2020B.** On October 15, 2020, the CSJFA issued \$146.5 million in Taxable Lease Revenue Bonds, Series 2020B that provided financing for acquisition and construction of two additional ice rinks and renovations at the Solar4America Ice Centre. In addition, the Series 2020B Bonds refunded the Taxable Lease Revenue Bonds, Series 2008E-1 and 2008E-2 (eliminated interest rate risk on those variable rate bonds) and was structured to allow ramp up lease payments during construction of the expanded Ice Centre.
- **City of San José Airport Revenue Refunding Bonds, Series 2021ABC.** On April 7, 2020, the City issued \$428.08 million Airport Revenue Refunding Bonds, Series 2021A (AMT), Series 2021B (Non-AMT) and Series 2021C (Taxable) to refund all of the outstanding Series, 2011A-1, 2011A-2, 2011B, a portion of outstanding Series 2014A, 2017A and 2017B Bonds. The City achieved a net future savings in current dollars or a “net present value” savings (NPV) of \$148.7 million or 31.4% of refunded bonds.

2021-2022 PLANNED DEBT ISSUANCE

The following debt issuance is planned for 2021-2022:

- **2021 Tax and Revenue Anticipation Note.** The City anticipates issuing 2021 Tax and Revenue Anticipation Note (“2021 Note”) on July 1, 2021 to facilitate the prefunding of certain employer retirement contributions in 2021-2022. Security for repayment of the

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

DEBT SERVICE OBLIGATIONS

2021 Note will be the City's 2021-2022 secured property tax plus all other legally available General Fund Revenue, if required.

- **City of San José General Obligation Bonds**. The City anticipates issuing approximately \$200.5 million of General Obligation Bonds, Series 2021A and taxable Series 2021B in July 2021 under the Measure T authorization for Disaster Preparedness, Public Safety, and Infrastructure, approved by the voters in November 2018. The debt service on the General Obligation Bonds will be payable from the ad valorem taxes levied upon all property subject to taxation by the City.
- **City of San José Financing Authority Lease Revenue Bonds**. The City anticipates issuing approximately \$30 million in CSJFA Lease Revenue Bonds to provide financing for the Fire Training Center (FTC) and the Emergency Operations Center (EOC) relocation project and to refund the Lease Revenue Refunding Bonds, Series 2003A and outstanding balance of Commercial Paper Notes assigned to the Central Service Yard to achieve economic savings sufficient to pay the new obligations to minimize the budget impact of borrowing.
- **City of San José (“CSJ”) Airport Commercial Paper Notes**. The CSJ Airport anticipates renewing or replacing the credit facility for Commercial Paper Notes in September 2021. The Letter of Credit and Reimbursement Agreement is between the City and Bank of America (“BofA”). BofA issued its irrevocable transferrable letter of credit in the initial stated amount of \$81,658,000 (to cover principal of \$75,000,000 and interest on the Subordinated Commercial Paper Notes accruing calculated at a rate of 12% for 270 days based on a 365-day year) that is scheduled to expire on September 10, 2021. The CSJ Airport anticipates renewing the Commercial Paper Notes in September 2021.
- **City of San José Clean Energy (“SJCE”) Credit Facility**. SJCE has a Revolving Credit Agreement (“Agreement”) by and between the City and Barclays Bank PLC. in the form of a revolving line of credit facility and a standby letter of credit facility in an aggregate amount not to exceed \$80 million. The line of credit facility has a credit capacity of \$30 million and expires in November 2021. The standby letter of credit facility has a credit capacity of \$65 million (but the sum of the line of credit and letter credit cannot exceed \$80 million) and expires in November 2023. SJCE anticipates renewing or replacing the line of credit facility by November 2021 along with expanding its total credit facilities program to support additional medium- and long-term power purchase agreements.
- **City of San José Financing Authority Commercial Paper Notes**. The City anticipates renewing and potentially expanding the CSJFA Commercial Paper Notes (“CSJFA CP Notes”). The current amount of the CSJFA CP Notes is \$125 million split evenly between State Street Bank and U.S. Bank (\$62.5 million) and terminates in February 2022. The additional increase of the CSJFA CP Notes program would continue to fund short term capital projects and other short-term needs in future years if it is financially beneficial. The City would be required to pledge owned properties as security for this increase.

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

DEBT SERVICE OBLIGATIONS

(A) Summary of Changes in Long-Term Debt for the Year Ending June 30, 2021

(In Thousands of Dollars)

	Balance June 30, 2020	Additions to Long-Term Obligations	Current Maturities and Retirements	Balance June 30, 2021
GENERAL LONG-TERM DEBT				
General Obligation Bonds	\$ 468,980	\$ -	\$ 22,520	\$ 446,460
Lease-Purchase Agreement (Taxable)	12,431	-	12,431	-
Special Assessment and Special Tax Bonds with Limited Governmental Commitment	110,700	-	5,765	104,935
CITY OF SAN JOSÉ FINANCING AUTHORITY				
Lease Revenue Bonds, Series 2003A	6,045	-	1,415	4,630
Lease Revenue Bonds, Series 2006A	51,670	-	51,670	-
Lease Revenue Bonds, Series 2007A	9,195	-	9,195	-
Lease Revenue Bonds, Series 2008E-1 (Taxable)	5,590	-	5,590	-
Lease Revenue Bonds, Series 2008E-2 (Taxable)	5,585	-	5,585	-
Lease Revenue Bonds, Series 2011A	28,040	-	695	27,345
Lease Revenue Bonds, Series 2013A	267,830	-	267,830	-
Lease Revenue Bonds, Series 2013B	25,685	-	910	24,775
Lease Revenue Bonds, Series 2020A	-	355,620	18,540	337,080
Lease Revenue Bonds, Series 2020B	-	146,535	-	146,535
CITY OF SAN JOSÉ ENTERPRISE FUNDS				
Airport Revenue Bonds	1,127,690	428,080	620,845	1,048,925
Sewer Revenue Bonds	5,410	-	5,410	-
TOTAL	\$ 2,124,851	\$ 930,235	\$ 1,028,401	\$ 2,140,685

**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET**

DEBT SERVICE OBLIGATIONS

B) Summary of Bonds and Notes Payable at June 30, 2021 by Individual Issue

	<u>Due To</u>	<u>Effective</u>	<u>Estimated (\$ Thousands)</u>
CITY OF SAN JOSE			
General Obligation Bonds, Series 2019A-1	2049	5.0%	\$ 140,360
General Obligation Bonds, Series 2019B	2027	2.35-2.60%	66,500
General Obligation Bonds, Series 2019C	2035	5.0%	158,185
General Obligation Bonds, Series 2019D	2024	2.30-2.35%	81,415
Total City of San José			\$ 446,460
SPECIAL ASSESSMENT AND SPECIAL TAX BONDS WITH LIMITED GOVERNMENTAL COMMITMENT			
	2042	5.00-6.50%	\$ 104,935
CITY OF SAN JOSE FINANCING AUTHORITY			
Lease Revenue Bonds, Series 2003A	2023	4.60-4.70%	4,630
Lease Revenue Bonds, Series 2011A	2042	4.50-5.75%	27,345
Lease Revenue Bonds, Series 2013B	2039	3.50-5.00%	24,775
Lease Revenue Bonds, Series 2020A	2039	0.54-2.88%	337,080
Lease Revenue Bonds, Series 2020B	2051	0.76-3.52%	146,535
Commercial Paper Notes	Short Term	Various	60,475
Total City of San José Financing Authority			\$ 540,425
ENTERPRISE FUNDS			
Norman Y. Mineta San José International Airport			
Revenue Bonds, Series 2014A (AMT)	2026	3.38-5.00%	18,240
Revenue Bonds, Series 2014B (Non-AMT)	2028	3.10-5.00%	28,010
Revenue Bonds, Series 2014C (Non-AMT)	2031	3.63-5.00%	40,285
Revenue Bonds, Series 2017A (AMT)	2047	4.00-5.00%	405,350
Revenue Bonds, Series 2017B (Non-AMT)	2047	4.00-5.00%	128,960
Revenue Bonds, Series 2021A (AMT)	2034	4.00-5.00%	85,860
Revenue Bonds, Series 2021B (Non-AMT)	2034	4.00-5.00%	48,200
Revenue Bonds, Series 2021C (Taxable)	2041	0.24-3.29%	294,020
Commercial Paper Notes	Short Term	Various	51,930
San José-Santa Clara Clean Water Financing Authority:			
Regional Wastewater Facility	Short Term	Various	127,358
Total Enterprise Funds			\$ 1,228,213
GRAND TOTAL			\$ 2,320,033

**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET**

DEBT SERVICE OBLIGATIONS

**(C) Annual Requirements to Amortize Principal and Interest Due on All Long-Term
Debt Outstanding as of June 30, 2021**

(In Thousands of Dollars)

Year Ending June 30	City of San José	Special Assessment and Special Tax Bonds	City of San José Financing Authority	Enterprise Funds
2022	\$ 42,174	\$ 12,492	\$ 33,595	\$ 45,705
2023	41,255	12,481	36,411	47,482
2024	40,322	12,173	36,466	69,405
2025	39,372	8,209	35,245	71,409
2026	38,598	8,208	35,501	72,987
Thereafter	489,502	131,365	565,077	1,452,701
Total	\$ 691,223	\$ 184,928	\$ 742,295	\$ 1,759,689

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE OVERVIEW

Introduction

For 2021-2022, General Fund revenue estimates (excluding fund balance) total \$1.17 billion, representing a 1% increase from the 2020-2021 Adopted Budget level. When the Fund Balance-Carryover is included, General Fund resources total \$1.30 billion, which is 13.5% below the prior year. This comparison, however, is misleading as the Proposed Budget does not yet contain estimates for carryover rebudget funding, which was a significant portion of the 2020-2021 Adopted Budget Fund Balance total. Rebudgets for the 2021-2022 budget will be brought forward later in the budget process.

Estimates for the 2021-2022 Beginning Fund Balance and for over 450 separate General Fund revenue accounts were formulated as part of the 2022-2026 Five-Year Forecast that was released at the end of February 2021. These estimates have been reviewed continually since the Forecast document was released and have been revised, as appropriate, in the Proposed Budget based on updated information. Estimates for each account are based upon a careful examination of the collection history and patterns as they relate to such factors as seasonality and performance in the economic environment that the City is most likely to encounter in the coming year. Most estimates involve two projections: an estimate for the amount to be collected in 2020-2021; and an estimate for the increase or decrease in activity, resulting in the anticipated receipts for 2021-2022. Each source of revenue can be influenced by external (outside of the City's control) and/or internal factors. The 2021-2022 General Fund revenue estimates are summarized below and discussed in detail in the material that follows.

Revenue Category	1 2019-2020 Actuals	2 2020-2021 Adopted	3 2021-2022 Forecast	4 2021-2022 Proposed	2 to 4 % Change	% of Total
Property Tax	\$ 369,506,527	\$ 370,500,000	\$ 395,500,000	\$ 395,500,000	6.7%	30.5%
Sales Tax	260,558,394	242,500,000	280,200,000	280,200,000	15.5%	21.6%
Transient Occupancy Tax	14,103,867	9,000,000	10,000,000	10,000,000	11.1%	0.8%
Franchise Fees	44,435,817	45,921,096	44,501,000	44,651,652	(2.8%)	3.4%
Utility Taxes	99,518,300	95,800,000	97,060,000	97,060,000	1.3%	7.5%
Business Taxes	70,822,027	70,900,000	74,500,000	74,500,000	5.1%	5.7%
Real Property Transfer Tax	0	30,000,000	40,000,000	40,000,000	33.3%	3.1%
Telephone Line Tax	20,694,877	20,000,000	20,000,000	20,000,000	0.0%	1.5%
Licenses and Permits	64,520,529	20,023,167	19,945,090	21,032,485	5.0%	1.6%
Fees, Rates, and Charges	48,568,307	25,575,702	14,701,048	14,847,684	(41.9%)	1.1%
Fines, Forfeitures and Penalties	14,383,145	15,730,100	8,676,000	8,676,000	(44.8%)	0.7%
Rev. from Money and Property	13,523,097	11,754,800	9,304,000	9,304,000	(20.8%)	0.7%
Rev. from Local Agencies	15,659,671	18,194,536	15,509,513	15,509,513	(14.8%)	1.2%
Rev. from State of California	22,511,983	14,319,906	12,130,000	12,130,000	(15.3%)	0.9%
Rev. from Federal Government	2,638,902	3,714,762	0	736,395	(80.2%)	0.1%
Other Revenue	34,504,998	48,511,658	8,542,718	8,714,026	(82.0%)	0.7%
Transfers and Reimbursements	108,778,615	112,352,425	111,242,823	112,941,431	0.5%	8.7%
Subtotal	\$ 1,204,729,056	\$ 1,154,798,152	\$ 1,161,812,192	\$ 1,165,803,186	1.0%	89.8%
Fund Balance-Carryover ⁽¹⁾	400,283,991	346,335,718	68,785,000	132,975,436	(61.6%)	10.2%
Total General Fund Sources	\$ 1,605,013,047	\$ 1,501,133,870	\$ 1,230,597,192	\$ 1,298,778,622	(13.5%)	100.0%

⁽¹⁾ The Fund Balance figure does not include the Reserve for Encumbrances.

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

GENERAL FUND REVENUE OVERVIEW

Economic Performance

The following is a discussion of both the national and local economic outlooks used to develop the 2021-2022 revenue estimates. Various economic forecasts and models were reviewed in the development of the 2021-2022 revenue estimates. The City also uses an economic forecasting consultant and consultants that focus on particular revenue categories, such as Sales Tax and Transient Occupancy Tax. However, given the unprecedented nature of this pandemic, uncertainty surrounding possible future case surges, timing regarding when the community will be fully vaccinated, estimating the pandemic's economic impact for the remainder of 2020-2021 and into 2021-2022 is difficult. Therefore, the economic conditions resulting from COVID-19 will continue to be closely monitored and any new developments will be reported back to the City Council prior to budget adoption, and as part of the 2020-2021 Annual Report and future Bi-Monthly Financial Reports. A more detailed discussion on forecasted economic conditions can be found in the 2022-2026 Five-Year General Fund Forecast developed in February 2021.

National Outlook

Prior to the pandemic that began in late February/early March 2020, the United States economy had been steadily expanding for almost a decade. The pandemic created not only a public health crisis, but an economic crisis as well. As a result of the pandemic, employment levels fell, the Gross Domestic Product (GDP) experienced its steepest quarterly drop on record, and several economic sectors such as entertainment, leisure, hospitality, travel, and recreation were decimated. However, after a difficult 2020, the outlook is cautiously optimistic for 2021, which is based on assumptions regarding several key economic indicators, including GDP, unemployment, inflation, and consumer confidence.

Following extremely high annualized GDP growth in the 3rd quarter of 2020, weaker growth was anticipated in the 4th quarter of 2020 and the 1st quarter of 2021. However, as the vaccinations become more widely available for the general public in 2021, robust GDP growth is anticipated in the 2nd quarter of 2021, followed by consistent positive growth into 2023.

Unemployment levels hit record highs in 2020 as the COVID-19 pandemic shut down the national economy. However, in 2021 the unemployment rate is anticipated to decline as the economy continues to improve and more people are able to re-enter the labor market. Additionally, as many schools transitioned to distant learning due to the pandemic, many women were forced to leave the labor market in order to homeschool or provide childcare for their children. As schools continue to re-open, these women will once again enter the labor market, which will drive unemployment figures down as well.

Inflation is anticipated to average 1.8% for 2020 and remain at levels near 2.1-2.2% through 2023. Low inflation is anticipated due to excess capacity in the economy absorbing the surge in consumer demand, without leading to an increase in prices.¹ This low inflation level means the Federal Reserve will likely leave the fed funds rate (which determines the course of all other interest rates) at very low levels through the end of 2023.

On a national level, consumer confidence improved in January and February, but continues to remain below pre-pandemic levels. According to Lynn Franco, Senior Director of Economic

¹ UCLA Anderson Economic Forecast, December 2020

**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE OVERVIEW**

Economic Performance

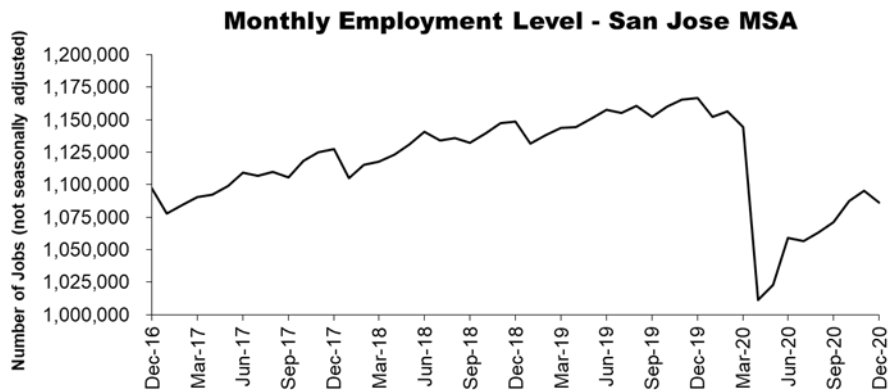
National Outlook

Indicators at The Conference Board, “After three months of consecutive declines in the Present Situation Index (consumers’ assessment of current business and labor market conditions), consumers’ assessment of current conditions improved in February. This course reversal suggests economic growth has not slowed further. While the Expectations Index (consumers’ short-term outlook for income, business, and labor market conditions) fell marginally in February, consumers remain cautiously optimistic, on the whole, about the outlook for the coming months. Notably, vacation intentions – particularly plans to travel outside the U.S. and via air – saw an uptick this month and are posted to improve further as vaccination efforts expand.”²

City of San José Outlook

Economic conditions in the Silicon Valley significantly changed in Spring 2020 as a result of the pandemic. Due to uncertainty regarding the timing of when a vaccine will be widely distributed, a steep rise in COVID-19 cases during the fall and winter months, and ongoing social distancing requirements, economic conditions are anticipated to continue to be suppressed during the remainder of 2020-2021.

The December 2020 employment level of 1.09 million in the San José-Sunnyvale-Santa Clara Metropolitan Statistical Area (San José MSA) dropped by 80,300 jobs, or 6.9%, from the December 2019 level of 1.17 million. This decrease includes leisure and hospitality jobs dropping by 33,400 jobs; manufacturing declining 10,900 jobs, and the information industry declining by 10,300 jobs.³ However, as shown in the chart above, since the initial sharp employment decline at the beginning of the shelter-in-place, employment levels have increased by 75,100 jobs, or 7.4%, from April 2020 through December 2020.



After topping at 12.0% in April, the local unemployment rate has significantly dropped. In December 2020, the local unemployment rate was 6.0%, which is significantly lower than April 2020 (12.0%) and July 2020 (9.5%). Additionally, while local unemployment figures have risen since the shelter-in-place mandate began, the unadjusted rates continue to be lower than the State and the national levels.

² The Conference Board, Consumer Confidence Survey, February 2021

³ State of California Employment Development: Labor Market Information Division Press Release, January 22, 2021

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE OVERVIEW

Economic Performance

City of San José Outlook

Overall construction activity through December 2020 increased 17.2% from prior year levels. The increase is primarily due to extremely strong commercial activity occurring in the first quarter of the fiscal year. The 2020-2021 Adopted Budget was developed with the expectation that private development activity would remain strong but would be significantly weaker than previous years.

Unemployment Rate (Unadjusted)				
	Dec. 2019	April 2020	July 2020	Dec. 2020**
San Jose Metropolitan Statistical Area*	2.3%	12.0%	9.5%	6.0%
State of California	3.7%	16.2%	13.9%	8.8%
United States	3.4%	14.4%	10.5%	6.5%
* San Benito and Santa Clara Counties Source: California Employment Development Department.				
** December 2020 estimates are preliminary and may be updated.				

Through December 2020, residential permit valuation has decreased 12.5% from prior year levels (\$203.6 million through December 2020; \$232.8 million through December 2019). Residential activity through December included 585 multi-family units and 271 units for single-family construction for a total of 856 units.

Commercial valuation through December experienced growth of 108.1% from the prior year level (\$921.7 million through December 2020; \$442.9 million through December 2019). Extremely strong commercial activity in the first quarter of the fiscal year (\$741.8 million) was followed by more typical valuation in the second quarter (\$179.8 million). The permit for one large new commercial office building in downtown San José accounted for more than half the valuation in the first quarter (\$415.0 million). The months of November and December were a modest \$39.6 million, with additions/alterations (\$24.7 million) accounting for most of the commercial activity.

Industrial construction valuation through December was 46.6% lower than prior year levels, with receipts totaling \$278.6 million through December 2020 and \$552.0 million through December 2019, which was an historically high figure. The current fiscal year, however, is 33.7% higher than the 2018-2019 valuation level through December (\$208.4 million). Similar to the same period for last year, a spike in permit valuations in July drove the strong valuation level thru December of this fiscal year. Industrial activity for November and December was similar for both new construction and additions/alterations (new construction of \$14.6 million; alterations of \$15.3 million).

Private Sector Construction Activity (Valuation in \$ Millions)			
	YTD December 2019	YTD December 2020	% Increase
Residential	\$ 232.8	\$ 203.6	(12.5%)
Commercial	\$ 442.9	\$ 921.7	108.1%
Industrial	\$ 552.0	\$ 278.6	(46.6%)
TOTAL	\$ 1,197.7	\$ 1,403.9	17.2%

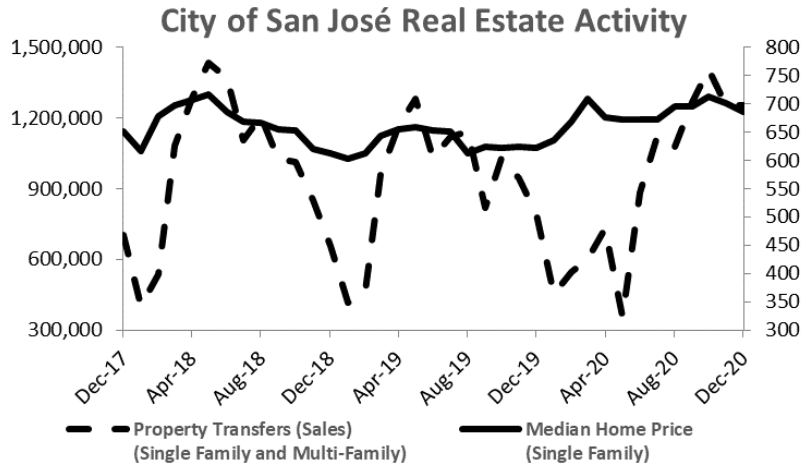
Real estate activity was anticipated to be sluggish in 2020-2021 due to higher unemployment rates coupled with lower consumer confidence. According to data from the Santa Clara County Association of Realtors, the number of property transfers (sales) experienced year-over-year decreases (from the same time period in the prior year) ranging from -10% to -54% between the beginning of the shelter-in-place through June. However, beginning in September, the local real

**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE OVERVIEW**

Economic Performance

City of San José Outlook

estate market once again began to experience year-over-year gains. Through December, there were a total of 4,099 property transfers for all residences, which represents growth of approximately 18% from December 2019 levels. In addition, median single family home prices remain strong. As of December



2020, the median single family home price totaled \$1.23 million, which represents a 14.4% increase from the December 2019 price of \$1.07 million.

Economically Sensitive and Non-Economically Sensitive Revenue Drivers

Economic conditions are the primary drivers for a number of the City’s revenues, with the most significant impacts in the Property Tax, Sales Tax, Business Taxes, Real Property Transfer Tax, and Transient Occupancy Tax revenue categories. Collectively, in 2021-2022 these revenue sources constitute almost 70% of total total General Fund revenue. As a result of the pandemic and the necessary response to protect community health and safety, economic activity at the global, national, and local levels were severely restricted. As anticipated, the immediate halting of daily economic activity had a significant negative impact to many of the economically sensitive revenue categories that are received in the General Fund. Compared to 2018-2019 pre-pandemic levels, 2020-2021 estimated receipts for several economically sensitive revenue categories have experienced steep declines, including Transient Occupancy Taxes (-73%), Business Taxes (-15%), and Sales Tax (excluding the Revenue Capture Agreement; -11%). Furthermore, due to the unprecedented nature of the pandemic, several categories that were not previously considered economically sensitive and were not impacted by prior recessions, experienced significant drops as a result of the pandemic shut down. For example, Parks, Recreation, and Neighborhood Services fee collections (Fees, Rates, and Charges revenue category) are estimated to drop 93% in 2020-2021 compared to pre-pandemic levels experienced in 2018-2019. In addition, Parking Fines (Fines, Forfeitures and Penalties revenue category) are estimated to drop 72% in 2020-2021 compared to pre-pandemic levels experienced in 2018-2019. On a positive note, due to the strong real estate market, General Secured Property Taxes (which is the single largest revenue category in the General Fund) will continue to grow in 2021-2022.

Although there are several economically sensitive revenues captured in the General Fund, there are also many revenue categories that are considered non-economically sensitive and are typically driven by outside factors. For example, the Utility Tax and Franchise Fees categories have historically been more heavily impacted by utility rate changes, energy prices, and weather-based consumption levels. As a result, in the past these General Fund revenues have experienced no significant net gain or loss in times of an economic expansion or slowdown.

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

GENERAL FUND REVENUE OVERVIEW

Revised General Fund Forecast

Between the issuance of the Five-Year Forecast in February 2021 and the release of the Proposed Budget in May 2021, revenue collections for 2021-2022 continued to be reviewed and updated. Based on this analysis, several of the revenue estimates presented in the February Forecast were revised in this budget to reflect more recent information. The net result of these revisions is an upward adjustment of \$10.0 million to the General Fund Forecast, increasing the revenue estimate from \$1.22 billion to \$1.23 billion (including fund balance). Below is a summary table of the changes incorporated into the Revised Forecast, which were used as the starting point in preparing the 2021-2022 Proposed Budget.

Category	\$ Change	Description
Property Tax	\$ 9,400,000	Increase of \$9.4 million as a result of a revised 2020-2021 revenue estimate being received from the State of California and Santa Clara County for Educational Revenue Augmentation Fund (ERAF) that will result in an ongoing revenue increase.
Licenses and Permits	402,447	Net increase of \$402,447 aligns revenues with estimated base costs and activity levels for Police Department permits (\$402,242), Planning Building and Code Enforcement permits (\$9,051), Transportation Department permits (\$4,272), Finance Department permits (-\$2,118), and Public Works Department permits (-\$11,000).
Other Revenue	122,394	Increase of \$122,394 aligns revenues with the estimated base costs and activity levels for Transportation Department revenues (\$84,590) and the reimbursement for the Investment Program (\$37,804).
Fees, Rates, and Charges	110,709	Net increase of \$110,709 aligns revenues with estimated base costs and activity levels for Police Department fees (\$174,226), Miscellaneous fees (\$32,793), and Transportation Department fees (-\$96,310).
Revenue from Local Agencies	19,490	Net increase of \$19,490 aligns revenues with the anticipated reimbursement from Santa Clara County for City costs associated with the Child Advocacy Center.
Transfers and Reimbursements	(91,900)	Net decrease of \$91,900 reflects updated overhead reimbursements from capital and operating funds based on the final 2021-2022 base budget and overhead rates (\$522,930), offset by lower transfers and reimbursements to the General Fund (-\$614,830).
Total	\$ 9,963,140	

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

GENERAL FUND REVENUE OVERVIEW

Changes from Revised Forecast to Proposed Budget

From the Revised Forecast of \$1.23 billion, a net increase of \$68.2 million to the General Fund revenue estimates are included in the Proposed Budget, bringing the 2021-2022 revenue estimate to \$1.30 billion (including fund balance). The components of this change include an increase to the estimate for 2020-2021 Ending Fund Balance/2021-2022 Beginning Fund Balance (\$64.2 million) and an increase to various revenue categories (\$4.0 million). The revenue changes are summarized in the table below.

Category	\$ Change	Description
Beginning Fund Balance	\$64,190,436	Net increase of \$64.2 million reflects: receipt of American Rescue Plan revenue in 2020-2021 that will be available for use in 2021-2022 (\$45.0 million); the liquidation of various reserves (\$13.2 million), the largest of which include the 2021-2022 Future Deficit Reserve (\$11.1 million) and the Business Tax Billing System Replacement Reserve (\$1.3 million); and fund balance from additional revenue and expenditure savings that is anticipated to be received in 2020-2021 and be available for use in 2021-2022 (\$6.0 million).
Transfers and Reimbursements	1,698,608	Net increase of \$1.7 million reflects the increase of overhead from the budget actions that change the staffing levels funded by special and capital funds (\$1.85 million), partially offset by a lower transfer from the Integrated Waste Management Fund (-\$150,000).
Licenses and Permits	1,087,395	Increase of \$1.1 million reflects various license and permit changes to the Fire Permits (\$454,291) and Other Licenses and Permits (\$633,104) categories to align revenues with estimated activity levels, reflect fee revisions, and maintain cost recovery levels.
Revenue from Federal Government	736,395	Increase of \$736,395 to recognize Urban Areas Security Initiative (UASI) grant revenue (\$603,395), which will be allocated to the Office of Emergency Management and to recognize Northern California Regional Intelligence Center (NCRIC) grant revenue (\$133,000), which will be allocated to the Police Department.
Other Revenue	171,308	Increase of \$171,308 recognizes additional revenue related to labor compliance minimum wage enforcement for other jurisdictions (\$150,000), grant revenue related to placemaking and public space activation (\$19,774), and various Transportation Department fee changes to align revenues with estimated activity levels (\$1,534).
Franchise Fees	150,652	Increase of \$150,652 reflects an increase in the Commercial Solid Waste fees by 1.23% based on the change in the Consumer Price Index.

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

GENERAL FUND REVENUE OVERVIEW

Changes from Revised Forecast to Proposed Budget

<u>Category</u>	<u>\$ Change</u>	<u>Description</u>
Fees, Rates, and Charges	\$ 146,636	Net increase of \$146,636 reflects various fee changes in 2021-2022 to align revenues with estimated activity levels, reflect fee revisions, and maintain cost recovery levels for Transportation Department fee revenue (\$160,040), Police Department fee revenue (\$84,033), and miscellaneous fee revenue (\$79,563). These fee increases are partially offset by a reduction to the Parks, Recreation and Neighborhood Services Department fee revenue related to Family Camp not being operational in summer 2021 (\$-177,000).
Total	\$68,181,430	

**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE ESTIMATES**

PROPERTY TAX

2019-2020 Actual	\$ 369,506,527
2020-2021 Adopted	\$ 370,500,000
2020-2021 Estimate	\$ 375,828,000
2021-2022 Forecast*	\$ 395,500,000
2021-2022 Proposed	\$ 395,500,000
% of General Fund	30.5 %
% Change from 2020-2021 Adopted	6.7 %

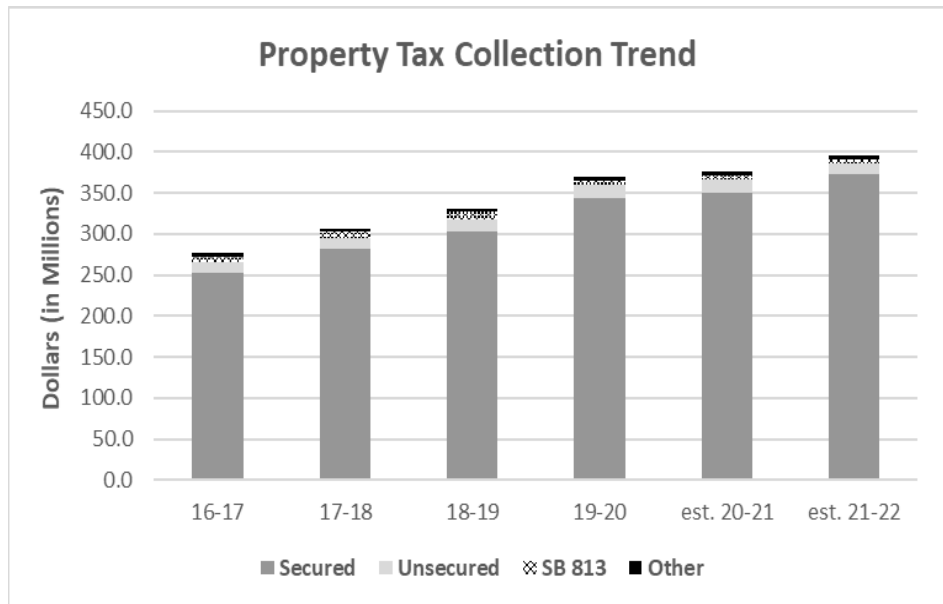
* The 2021-2022 Forecast was increased by \$9.4 million from the February Forecast; additional details can be found in the General Fund Overview section.

Revenue Estimates

Property Tax Category	2021-2022 Proposed Budget
Secured Property Tax	\$ 372,900,000
Unsecured Property Tax	13,500,000
SB 813 Property Tax	5,100,000
Aircraft Property Tax	3,100,000
Homeowner's Property Tax Relief	900,000
Total	\$ 395,500,000

The Property Tax category consists of Secured Property Tax, Unsecured Property Tax, SB 813 Property Tax (retroactive collections back to the point of sale for reassessments of value due to property resale), Aircraft Property Tax, and Homeowner's Property Tax Relief.

In 2020-2021 Property Tax receipts of \$375.8 million are projected, which is slightly above the modified budget estimate (\$361.5 million; 4.0%) and the 2019-2020 actual collection level (\$369.5 million; 1.7%). In 2021-2022, Property Tax receipts are anticipated to grow by approximately 5% from estimated 2020-2021 levels to \$395.5 million.

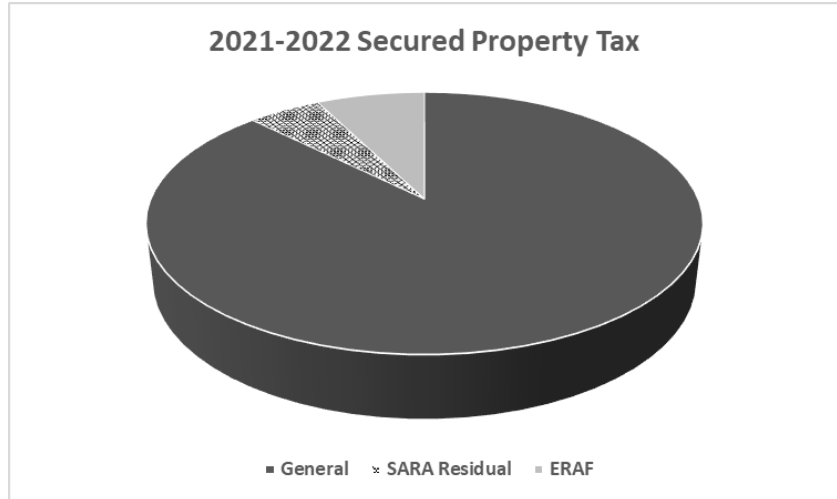


CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE ESTIMATES

PROPERTY TAX

Secured Property Tax

Secured Property Taxes account for over 90% of the revenues in this category. The Secured Property Tax category includes general Secured Property Tax, Educational Revenue Augmentation Fund (ERAF) revenues, and Successor Agency to the Redevelopment Agency (SARA) Residual Property Tax. In 2020-2021, Secured Property Tax receipts are estimated at \$350.0



million, which reflects growth of 1.7% from 2019-2020 collections. In 2021-2022, receipts are anticipated to grow to \$372.9 million, reflecting underlying general growth of 3.5%, plus higher estimated ERAF and SARA Residual Property Tax receipts. Each of the Secured Property Tax categories are further described below.

The general Secured Property Tax receipts are estimated at \$315.1 million in 2020-2021, which is approximately 5% above the 2019-2020 collection level. This growth primarily reflects an increase in assessed value due to the California Consumer Price Index (CCPI) increase of 2%, and increased valuation due to changes in ownership or new construction. Under Proposition 13, assessed values of all real property adjust with the CCPI, with a 2% limit, unless there is a change in ownership, new construction, or a property has received a Proposition 8 adjustment. On a County-wide basis, the 2020-2021 roll growth was driven primarily by changes in ownership (48.3%), change in the CCPI (27.3%), and new construction (24.0%).

In 2021-2022, the general Secured Property Tax receipts (which will be based on real estate activity through January 1, 2021) are estimated to grow by 3.5%, reflecting a 1% CCPI and 2.5% increased valuation. Due to impacts related to the COVID-19 pandemic, the CCPI adjustment for the 2021-2022 tax roll is 1%, which is below the typical prior year level of 2%. In addition, while high residential property sale prices are anticipated to continue being a positive factor driving growth in this category, the COVID-19 pandemic is estimated to continue negatively impacting commercial real estate activity. Therefore, while general Secured Property growth has ranged from 5% to 8% since 2014-2015, growth of only 3.5% is anticipated in 2021-2022.

In addition to the changes in assessed value, Secured Property Tax collections are impacted by excess ERAF revenue. Beginning in 1992, agencies have been required to reallocate a portion of property tax receipts to ERAF, which offsets the State's General Fund contributions to school districts under Proposition 98. However, once there are sufficient funds in ERAF to fulfill obligations, the remainder is to be returned to the taxing entities that contributed to it, which generally occurs in March of each fiscal year. In 2019-2020, the State of California notified

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE ESTIMATES

PROPERTY TAX

Secured Property Tax (Cont'd.)

counties that changes were being considered to the calculation formula for ERAF distribution. As a result, the 2020-2021 Adopted Budget assumed 2020-2021 ERAF receipts would drop by 50% from 2019-2020 collections, and total \$11.5 million. However, based on the updated calculation instructions released by the State in March 2021, the 2020-2021 ERAF receipts are estimated at \$23.6 million, which is slightly above the 2019-2020 collections (\$23.1 million) and significantly above the 2020-2021 Budgeted estimate (\$11.5 million). Furthermore, 2021-2022 receipts are estimated to grow approximately 20% from the 2020-2021 collection level and total \$28.0 million.

The final component of the Secured Property Tax category is the SARA Residual Property Tax receipts. As a result of the SARA bond refunding that occurred in December 2017, the City receives a residual property tax distribution. In 2019-2020, SARA Residual Property Tax receipts totaled \$21.1 million, but are anticipated to drop to \$11.3 million in 2020-2021. This decrease is the result of a State of California Appellate Court decision, which revised the distribution formula related to all California residual property tax revenue from former Redevelopment Agencies, resulting in a loss of approximately \$10 million in 2020-2021 to the City of San José. Of this amount, approximately \$7 million reflected a one-time reduction for the payback of prior years, and \$3 million reflected an ongoing decrease. In 2021-2022, SARA Residual Property Tax receipts are estimated at \$18.9 million, which reflects the reinstatement of the one-time payback of \$7 million and underlying growth of 3.5%.

It should be noted that final data on the actual tax levy for 2021-2022 is not yet available as adjustments are made through June 30, 2021. Each month, the County of Santa Clara provides information on the status of the property tax roll for the upcoming year. Some of the adjustments, however, are not reflected until the latter months of a given fiscal year, such as the reassessments of commercial property. Due to the COVID-19 pandemic, larger adjustments to commercial property than normally occur is anticipated. As updated information becomes available, refinements to the Property Tax estimates may be brought forward for City Council consideration.

Unsecured Property Tax

Unsecured Property Taxes are the second largest revenue source in this category. Growth in this category is driven primarily by increases or decreases in the value of personal property (e.g. equipment and machinery used by business and industry for manufacturing and production). During the last decade, performance in this category has been volatile with annual growth or declines reaching double-digit levels based primarily on the strength of the local business sector. Based on actual collections through January and information provided by Santa Clara County, Unsecured Property Tax receipts are estimated at \$15.8 million in 2020-2021, which is slightly above prior year collections of \$15.5 million. In 2021-2022, due to COVID-19 pandemic's impact on local businesses, Unsecured Property Taxes are estimated to drop 15% and total \$13.5 million.

Other Property Taxes

The remaining Property Tax categories include SB 813 Property Tax receipts, which is estimated at \$6.0 million in 2020-2021 and \$5.1 million in 2021-2022; Aircraft Property Tax receipts, which are estimated at \$3.1 million in 2020-2021 and 2021-2022; and Homeowners Property Tax Relief revenue are anticipated to total approximately \$900,000 in 2020-2021 and 2021-2022.

**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE ESTIMATES**

SALES TAX

2019-2020 Actual	\$ 260,558,394
2020-2021 Adopted	\$ 242,500,000
2020-2021 Estimate	\$ 269,000,000
2021-2022 Forecast	\$ 280,200,000
2021-2022 Proposed	\$ 280,200,000
% of General Fund	21.6 %
% Change from 2020-2021 Adopted	15.5 %

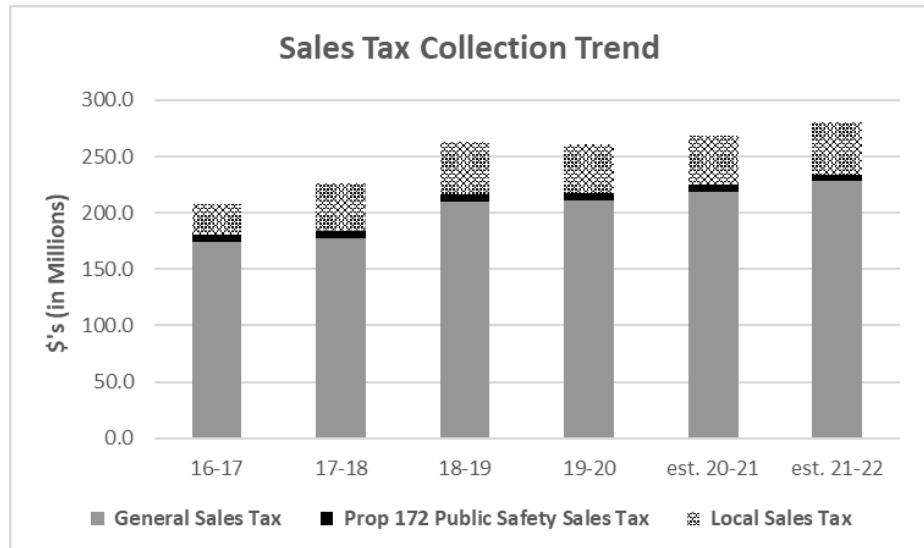
Distribution of Sales Tax

As shown in the following table, the City receives 1.25% of the 9.25% Sales Tax collected for items sold in San José. The distribution percentage includes a 0.25% local transaction and use tax enacted by the City of San José effective October 1, 2016 (limited to 15 years). The City also receives a portion of the Public Safety Fund (Proposition 172) Sales Tax collected State-wide.

Agency	Distribution Percentage
State of California	5.500%
City of San José	1.000%
City of San José (Local Tax)	0.250%
Public Safety Fund (Proposition 172)	0.500%
Santa Clara County (Including VTA)	2.000%
Total	9.250%

Revenue Estimates

In March 2020, as the COVID-19 pandemic rapidly accelerated, the County of Santa Clara instituted a shelter-in-place order, which severely restricted economic activity. The shelter-in-place and subsequent public health orders have impacted almost all sectors of Sales Tax revenue, including retail sales, transportation, and business-to-business.



CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE ESTIMATES

SALES TAX

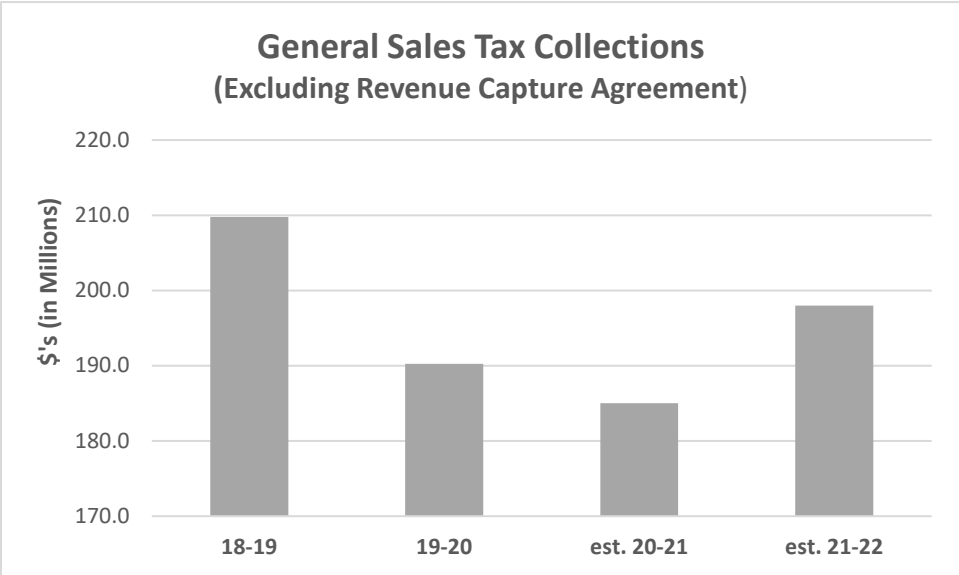
Sales Tax Category	2021-2022 Proposed Budget
General Sales Tax	\$228,000,000
Local Sales Tax	46,000,000
Proposition 172 Sales Tax	6,200,000
Total	\$280,200,000

Information related to Sales Tax payments are distributed from the California Department of Tax and Fee Administration (CDTFA) four times throughout the year: November

(representing July-September activity), February (representing October-December activity), May (representing January-March activity), and August (representing April-June activity). Based on information received through February 2021 (which reflects two quarters of Sales Tax activity; from July 2020 through December 2020), it is anticipated that 2020-2021 Sales Tax revenue will total \$269.0 million. In 2021-2022, receipts are estimated to grow approximately 4% and total \$280.2 million.

General Sales Tax

General Sales Tax is the largest driver of the Sales Tax category and accounts for approximately 80% of all Sales Tax receipts. General Sales Tax receipts for the 1st quarter (sales tax activity for July-September) and 2nd quarter (sales tax activity for October-December) were received in



November 2020 and February 2021, respectively. When excluding revenue associated with the Revenue Capture agreement with eBay, Inc. (which was not received in the 1st quarter of 2019-2020), receipts in 2020-2021 have declined approximately 9% from the 2019-2020 collection level. However, 3rd and 4th quarter receipts (January through June activity) are anticipated to experience growth of 5%-6% compared to 2019-2020 levels, which had significant declines due to the strict shelter-in-place mandates that began in March 2020. Based on these assumptions, General Sales Tax collections are anticipated to total \$219.0 million in 2020-2021, which is \$7.0 million above the 2020-2021 Budgeted estimate (\$212.0 million), but reflects a decrease of 3% from the 2019-2020 collection level (excluding the Revenue Capture Agreement, which was only received for three quarters of 2019-2020).

The City's Sales Tax consultant, Avenu Insights & Analytics, has provided performance data for General Sales Tax revenue, as displayed on the chart on the following page. This analysis measures the first and second quarter General Sales Tax receipts for 2019-2020 and 2020-2021, excluding Sales Tax associated with the Revenue Capture Agreement.

**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE ESTIMATES**

SALES TAX

General Sales Tax (Cont'd.)

**General Sales Tax Revenue Performance (Economic Basis)
First and Second Quarter Payment**

Category	2020-2021 % of Total Revenue	2019-2020 % of Total Revenue	% Change of Revenue Received by Category
Business-to-Business	18.5%	18.5%	(14.4%)
Construction	10.3%	8.9%	(1.3%)
Food Products	13.2%	15.2%	(25.7%)
General Retail	15.4%	19.3%	(31.4%)
Transportation	16.1%	18.8%	(26.6%)
Miscellaneous	0.5%	0.6%	(26.2%)
County Pool	26.0%	18.7%	19.7%
Total	100.0%	100.0%	(14.2%)

As can be seen in the table above, with the exception of the County Pool, all other categories have all experienced year-over-year declines. The categories most significantly impacted include Business-to-Business, Food Products, General Retail (includes Apparel Stores, Department Stores, Furniture/Appliance Stores, Drug Stores, Recreation Products, and Florist/Nurseries), and Transportation. However, the County Pool, which is where the majority of online transactions are captured, has experienced growth. This growth is attributable to the surge in online purchases during the pandemic, and facilitated by the South Dakota vs. Wayfair, Inc. Supreme Court decision in 2018, which provided states with the authority to require online retailers to collect sales tax even without a local presence in that State. The County Pool revenue is distributed to all cities within Santa Clara County based on a distribution formula administered by the CDTFA. This formula is based each quarter on each jurisdiction's total General Sales Tax receipts divided by the Total General Sales Tax receipts for the entire County. The City typically receives between 40% - 50% of the total County Pool.

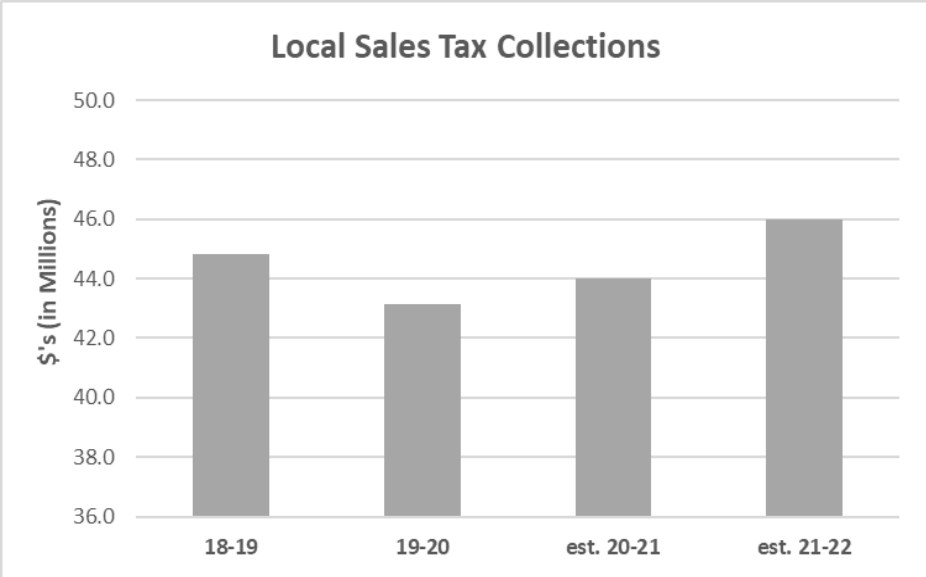
In 2021-2022, as the COVID-19's vaccine rollout continues and public health restrictions are relaxed, General Sales Tax activity is anticipated to improve. The 2021-2022 General Sales Tax revenue is anticipated to experience underlying growth of 7%; however, it is also estimated that collections associated with the Revenue Capture Agreement may decrease slightly as people shift some online spending to general retail (brick and mortar) shopping. Therefore, the 2021-2022 General Retail Sales Tax estimate of \$228 million reflects underlying growth of 7%, but overall growth of only 4% from the prior year collection level.

**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE ESTIMATES**

SALES TAX

Local Sales Tax

In June 2016, San José voters approved a ¼ cent Local Sales Tax, which was implemented in October 2016. Local Sales Tax is generated based on the destination of the purchased product; therefore, all out-of-state online retailers (including marketplace facilitators) sales tax collections are directly distributed to the City of San José, versus the General Sales Tax



revenue that is deposited in the County Pool, where the City only receives approximately 40% - 50% of the proceeds. Due to this distinction, Local Sales Tax revenue may not always experience the same rates of growth and decline as General Sales Tax receipts.

Similar to General Sales Tax, Local Sales Tax receipts for the first quarter (sales tax activity for July-September) and for the second quarter (sales tax activity from October-December) were received in November 2020 and February 2021, respectively. Receipts through the first two quarters reflect a decline of approximately 5% from the prior year. However, 3rd and 4th quarter receipts (January through June activity) are anticipated to have growth of 10% compared to 2019-2020 levels, which had suppressed collection levels due to the strict shelter-in-place mandates that began in March 2020. Based on these assumptions, Local Sales Tax collections are anticipated to total \$44 million in 2020-2021, which is fairly consistent with the 2019-2020 collection level. In 2021-2022, Local Sales Tax revenue is anticipated to grow approximately 5% to \$46.0 million. This increase reflects improvements due to the anticipation of pandemic-related restrictions continuing to ease and the economy continuing to improve.

Public Safety (Proposition 172) Sales Tax

Proposition 172 Sales Tax collections (representing the ½ cent tax that is allocated to counties and cities on an ongoing basis for funding public safety programs) are expected to total \$6.0 million in 2020-2021 and grow approximately 4% to \$6.2 million in 2021-2022.

**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE ESTIMATES**

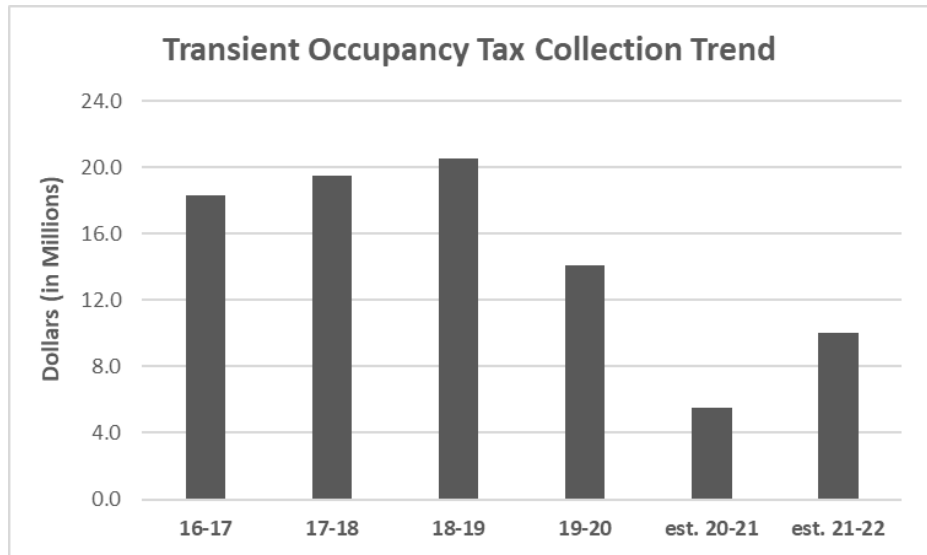
TRANSIENT OCCUPANCY TAX	
2019-2020 Actual	\$ 14,103,867
2020-2021 Adopted	\$ 9,000,000
2020-2021 Estimate	\$ 5,500,000
2021-2022 Forecast	\$ 10,000,000
2021-2022 Proposed	\$ 10,000,000
% of General Fund	0.8 %
% Change from 2020-2021 Adopted	11.1 %

Distribution of Transient Occupancy Tax

The City of San José assesses a 10% Transient Occupancy Tax (TOT) on the rental price for transient lodging. Of this 10%, 6% is placed in the Transient Occupancy Tax Fund and 4% is deposited in the General Fund. This discussion addresses the portion of the Transient Occupancy Tax that is allocated to the General Fund.

Revenue Estimates

In 2020-2021, Transient Occupancy Tax (TOT) receipts in the General Fund (which represent 40% of the total tax) are estimated to reach \$5.5 million, reflecting a 61% drop from the 2019-2020 collection level of \$14.1 million, and a 73% decline from the 2018-2019 collection level of \$20.5 million. The drastic decline in TOT receipts beginning in spring



2020 illustrate the contraction in hotel activity in response to the COVID-19 pandemic. Through March 2021, the average hotel occupancy rate reported for the San José market was 36.4%, a steep drop from the same period in 2019-2020 (67.7%). Average room rates also decreased by 46.8%, from \$190.27 to \$101.25, and the year-to-date average revenue-per-available room (RevPAR) decreased 71.4%, from \$128.81 to \$36.81, relative to the same period in 2019-2020.

Beginning in 2021-2022, as vaccines become more widely available and travel restrictions are lifted, hotel activity is anticipated to steadily rebound. As a result, TOT receipts are estimated to increase by over 80%, to \$10.0 million in 2021-2022, but remain significantly below 2018-2019 collections of \$20.5 million as business and leisure travel activity will take time to fully recover.

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE ESTIMATES

FRANCHISE FEES	
2019-2020 Actual	\$ 44,435,817
2020-2021 Adopted	\$ 45,921,096
2020-2021 Estimate	\$ 45,645,000
2021-2022 Forecast	\$ 44,501,000
2021-2022 Proposed	\$ 44,651,652
% of General Fund	3.4 %
% Change from 2020-2021 Adopted	(2.8 %)

Revenue Estimates

Franchise Category	2021-2022 Proposed Budget
Electric	\$ 17,900,000
Gas	5,900,000
Commercial Solid Waste	12,420,652
Cable Television	8,100,000
City Generated Tow	50,000
Great Oaks Water	216,000
Nitrogen Gas Pipeline Fees	65,000
Total	\$ 44,651,652

Franchise Fees are collected in the Electricity, Gas, Commercial Solid Waste, Cable, City-Generated Tow, Water, and Nitrogen Gas Pipeline categories. Overall, collections are projected at \$45.7 million in 2020-2021, which is approximately 3% above the prior year receipts of \$44.4 million. In 2021-2022, Franchise Fees are expected to decrease 2.5% to \$44.7 million, which primarily reflects drops in the Electric, Gas, and Cable Franchise Fees.

Franchise Fees for electricity and gas services provided by Pacific Gas & Electric (PG&E) are based on the revenues of that company in the calendar year (revenues in 2020-2021 are based on calendar year 2020 and revenues in 2021-2022 will be based on calendar year 2021). Year-end estimates are typically based upon an examination of electricity and gas rate changes, industry actions, and actual collection patterns in the utility tax categories. The reconciliation of annual receipts from PG&E for 2020-2021 were received in April 2021 and were close to anticipated levels.

Electricity Franchise Fee

In the Electricity Franchise Fee category, collections in 2020-2021 are anticipated to reach \$18.8 million, reflecting growth of almost 9% from the 2019-2020 receipts. This estimate takes into consideration the actual collection patterns for electricity utility tax receipts in calendar year 2020. Due to the COVID-19 pandemic and the resulting stay-at-home orders, electricity usage increased in late 2019-2020 through 2020-2021, which will result in higher Electricity Franchise

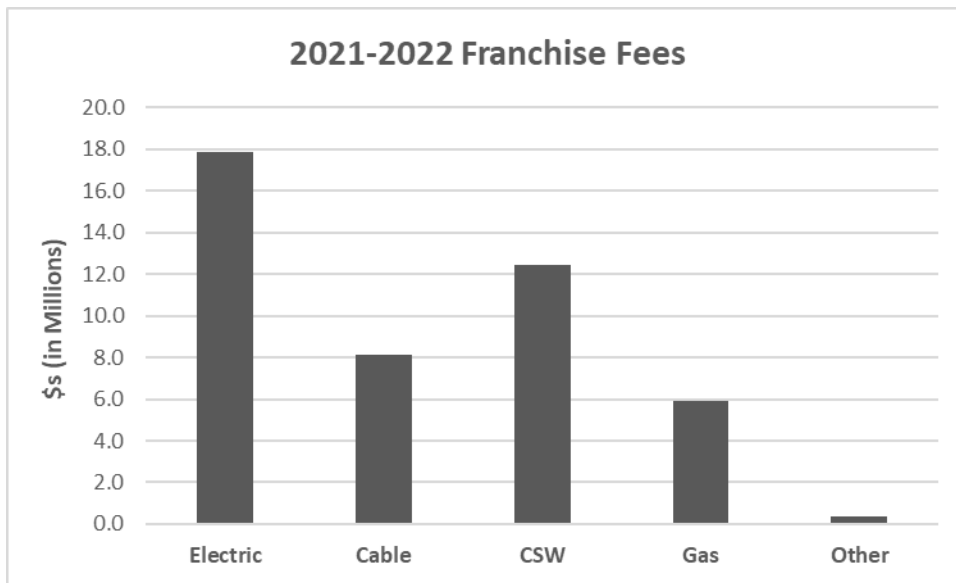
**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE ESTIMATES**

FRANCHISE FEES

Electricity Franchise Fee (Cont'd.)

Fee receipts. However, as pandemic-related restrictions continue to ease and the COVID-19 vaccine becomes more widely available, people will continue returning to work and school, which may negatively impact fee receipts in 2021-2022. Therefore, in 2021-2022, Electricity Franchise Fee collections are projected to decrease by approximately 5% to \$17.9 million.

Gas Franchise Fee



In the Gas Franchise Fee category, the 2020-2021 estimated collections of \$6.0 million reflects an approximately 2.0% increase from prior year receipts of \$5.9 million. This estimate takes into consideration the actual collection patterns for gas utility tax receipts in calendar year 2019. Similar to the Electric Franchise

Fee, gas usage increased in late 2019-2020 through 2020-2021 due to more people staying at home. However, in 2021-2022 Gas Franchise Fee collections are projected to decrease by approximately 2% to \$5.9 million as more people return to work and school. It is important to note, however, that receipts can fluctuate significantly due to consumption changes associated with the weather and future rate changes.

Commercial Solid Waste Fee

Commercial Solid Waste (CSW) Franchise Fee collections are estimated to reach \$12.3 million in 2020-2021, 1.8% above the prior year collections, which is due to the 2020-2021 CPI-based increase. Collections reflect the revised methodology for assessing this fee that became effective July 1, 2012. On October 19, 2010, the City Council amended the CSW fee to charge franchises based on geographic collection districts rather than volume. The fee structure is a base of \$5 million per year for each of two geographic collection districts plus a supplemental fee of \$1.0 million for the right to conduct CSW services in both the North District and the South District. This revised structure is subject to an annual increase based on the percentage change in the CPI rate during the prior two calendar years. It should be noted that this increase is not automatic, and is subject to City Council approval each year. Therefore, the 2021-2022 Forecast estimate of \$12.3 million does not automatically assume a CPI adjustment. The CPI adjustment, instead

**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE ESTIMATES**

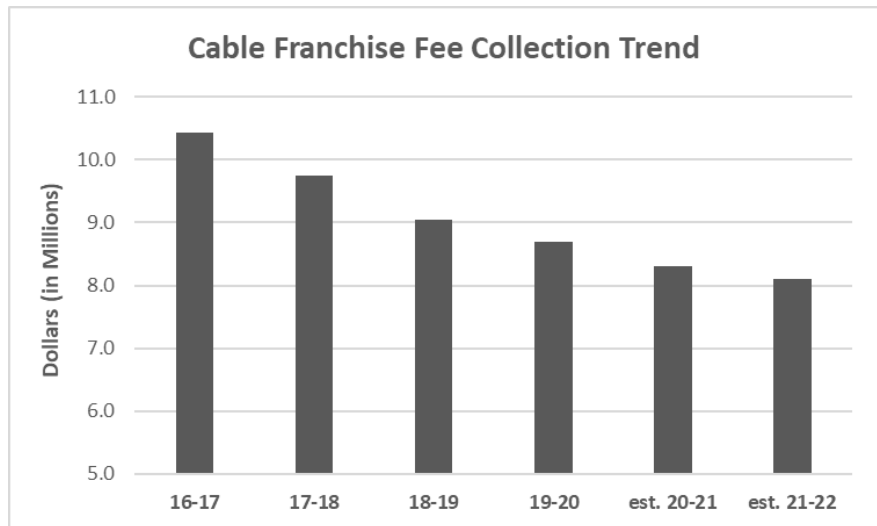
FRANCHISE FEES

Commercial Solid Waste Fee (Cont'd.)

is recommended each year during the budget process. The 2021-2022 Proposed Budget includes a recommendation to increase the CPI by 1.23%, which will generate an additional \$150,652 in Commercial Solid Waste Fee revenue, bringing the budget estimate to \$12.4 million in 2021-2022.

Cable Television Fee

In the Cable Franchise Fee category, the estimated 2020-2021 collections of \$8.3 million is 4.5% below the prior year receipts of \$8.7 million. In addition, revenue in 2021-2022 is anticipated to drop an approximate 2.5% to \$8.1 million. As people continue to move from cable to less expensive streaming options (that do not include a Franchise Fee), this revenue source is anticipated to continue to decline.



Other Franchise Fees

Remaining franchise fees include the City Generated Tow, Great Oaks Water, and Nitrogen Gas Pipeline categories. City Generated Tow receipts are estimated at \$0 in 2020-2021 and \$50,000 in 2021-2022 (these low levels are associated with the pandemic's impact on the City Tow program), Great Oaks Water receipts are estimated at \$210,000 in 2020-2021 and \$216,000 in 2021-2022, and Nitrogen Gas Pipeline receipts are estimated at \$65,000 in 2020-2021 and 2021-2022.

**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE ESTIMATES**

UTILITY TAXES	
2019-2020 Actual	\$ 99,518,300
2020-2021 Adopted	\$ 95,800,000
2020-2021 Estimate	\$100,160,000
2021-2022 Forecast	\$ 97,060,000
2021-2022 Proposed	\$ 97,060,000
% of General Fund	7.5 %
% Change from 2020-2021 Adopted	1.3 %

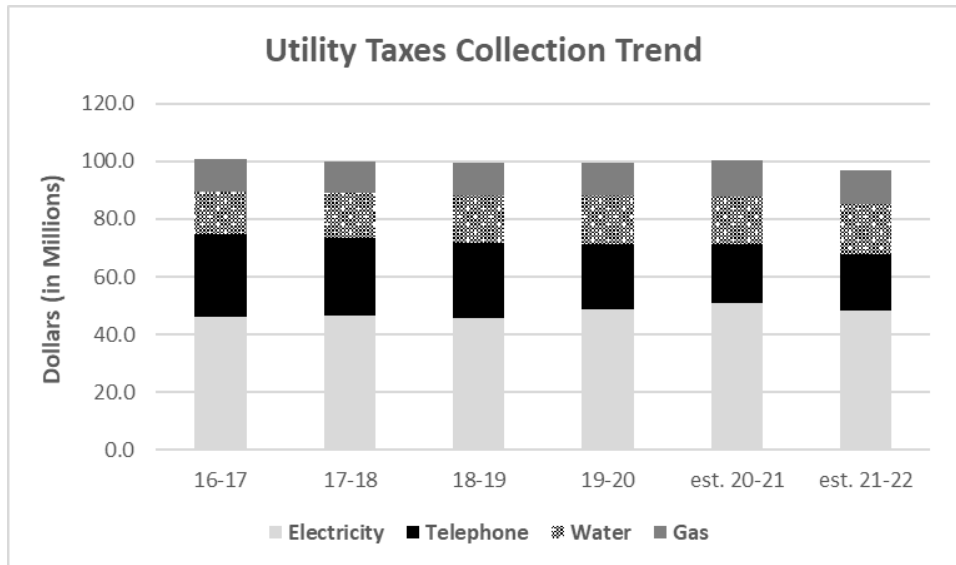
Revenue Estimates

Utility Taxes Category	2021-2022 Proposed Budget
Electricity	\$ 48,500,000
Gas	11,700,000
Telephone	19,260,000
Water	17,600,000
Total	\$ 97,060,000

Utility Taxes are imposed on electricity, gas, telephone, and water usage. Collections in 2020-2021 are anticipated to total \$100.2 million, which is slightly above the 2019-2020 collection level of \$99.5 million. In 2021-2022, Utility Tax collections are projected to decrease approximately 3% to \$97.1 million.

Electricity Utility Tax

The Electricity Utility Tax is anticipated to generate \$51.1 million in 2020-2021, a 5% increase from prior year levels. Due to the COVID-19 pandemic and the resulting stay-at-home orders, electricity usage increased in late 2019-2020 through 2020-2021, which is driving up the Electricity Utility Tax receipts.



However, as pandemic-related restrictions continue to ease and the COVID-19 vaccine becomes more widely available, people are continuing to return to work and school, which may result in less Electricity Utility Tax receipts in 2021-2022. Therefore, the 2021-2022, Electricity Utility Tax revenues are estimated to decrease by 5% to \$48.5 million.

**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE ESTIMATES**

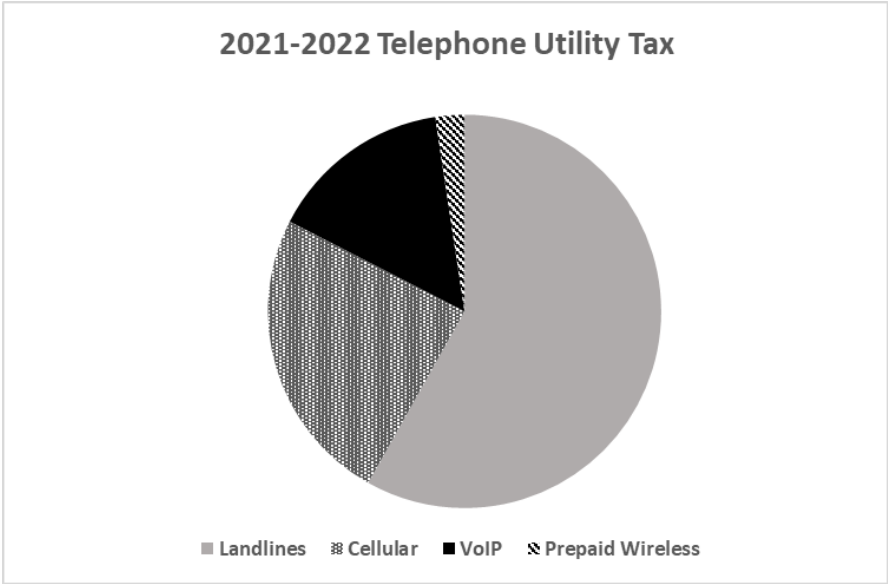
UTILITY TAXES

Gas Utility Tax

The Gas Utility Tax is anticipated to generate \$12.3 million in 2020-2021, a 9.6% increase from the 2019-2020 collection level. Similar to the Electricity Utility Tax, gas usage increased in late 2019-2020 through 2020-2021, due to the stay-at-home orders. Additionally, gas rates have risen, which increases collection levels. In 2021-2022, as more people return to work and school, Gas Utility Tax receipts are anticipated to decrease by approximately 5% to \$11.7 million. It is important to note, however, that receipts can fluctuate significantly due to consumption changes associated with the weather and future rate changes.

Telephone Utility Tax

In the Telephone Utility Tax category, revenues are collected on landlines, cellular, VoIP, and prepaid wireless services sold at retail locations. Receipts in 2020-2021 are projected at \$20.3 million, an 11% drop from the 2019-2020 collection level. In 2021-2022, receipts are anticipated to decrease an additional 5% to \$19.3 million. The decline in this revenue category is the result of wireless consumers shifting to less expensive



prepaid wireless plans, competition with cellular companies that keep prices down, and that the data component of wireless plans is not taxable.

Water Utility Tax

Based on current year collection levels, Water Utility Tax receipts of \$16.5 million are anticipated to be received in 2020-2021; a decrease of almost 2.5% from the 2019-2020 collection level. In 2021-2022, water rates are anticipated to rise, therefore Water Utility Tax receipts are estimated at \$17.6 million, which reflects an approximate 6.5% increase from the 2020-2021 anticipated collection level.

**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE ESTIMATES**

BUSINESS TAXES	
2019-2020 Actual	\$ 70,822,027
2020-2021 Adopted	\$ 70,900,000
2020-2021 Estimate	\$ 63,400,000
2021-2022 Forecast	\$ 74,500,000
2021-2022 Proposed	\$ 74,500,000
% of General Fund	5.7 %
% Change from 2020-2021 Adopted	5.1 %

Revenue Estimates

Business Taxes Category	2021-2022 Proposed Budget
General Business Tax	\$ 25,700,000
Cardroom Tax	20,000,000
Cannabis Business Tax	17,500,000
Disposal Facility Tax	11,300,000
Total	\$ 74,500,000

The Business Taxes category consists of the General Business Tax, Cardroom Tax, Cannabis Business Tax, and Disposal Facility Tax. Business Taxes are estimated to reach \$63.4 million in 2020-2021, a 10.5% drop from prior year levels, which is primarily due to decreased Cardroom and General Business Tax revenues. In 2021-2022, Business Taxes revenues are anticipated to increase 17.5% to \$74.5 million.

General Business Tax

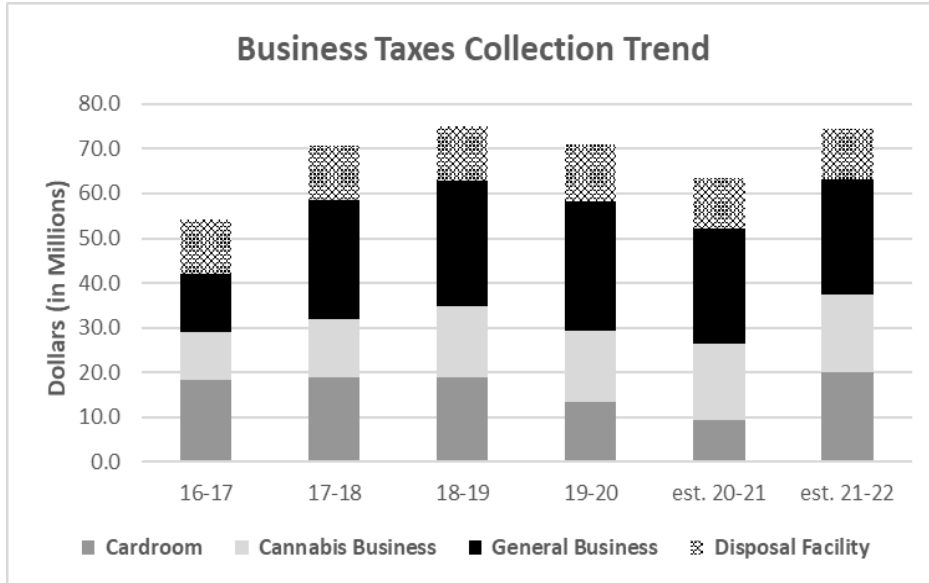
Beginning in 2017-2018, General Business Tax collections reflect the modernization of the San José business tax, which was approved by San José voters on November 8, 2016 and took effect on July 1, 2017. The adjustments to the business tax included increasing the base tax, increasing the incremental tax and making it more progressive, increasing the cap (the maximum amount of the tax affecting large businesses), updating the application of the tax to more classes of business, and adding inflation-based adjustments for future tax rates.

In 2020-2021, General Business Tax proceeds are anticipated to reach \$25.7 million, which is approximately 11% below the 2019-2020 collection level. This decrease reflects the COVID-19 pandemic's impact on local businesses. In 2021-2022, General Business Tax revenue is anticipated to remain flat as a result of a moderate annual inflation rate change of 1.6%, offset by reduced activity levels.

**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE ESTIMATES**

BUSINESS TAXES

Cardroom Business Tax



Cardroom Business Tax receipts are estimated at \$9.4 million, a 30% drop from the 2019-2020 collection level, and a 50% drop from the 2018-2019 collection level. As a result of the shelter-in-place mandate, cardrooms suspended operations in March 2020 and remained closed through August 2020. In September, public health orders were modified to allow

cardrooms to begin outdoor operations with social distance requirements. However, cardrooms were only open for a limited period of time before further health orders by Santa Clara County and then subsequently the State of California resulted in the closure of cardrooms from November 30, 2020 through January 27, 2021. Cardrooms are once again operational, under modified restrictions. In 2021-2022, as pandemic-related restrictions continue to ease, Cardroom Tax receipts are anticipated to increase to \$20.0 million. The estimates for Cardroom Tax receipts are inclusive of the ballot measure approved by voters in November 2020 that increased taxes on cardroom operators beginning in January 2021.

Cannabis Business Taxes

Cannabis Business Taxes are currently being collected at a 10% rate on gross receipts as approved by the voters in Ballot Measure U in 2010. In November 2016, the California Marijuana Legalization Initiative (Proposition 64) legalized recreational marijuana use in the State of California. With this change, the sale of recreational cannabis at the 16 licensed dispensaries in San José began in January 2018. Based on current collection trends, it is anticipated Cannabis Business Tax receipts will total \$17.0 million in 2020-2021, which is 6.8% above the prior year collections. In 2021-2022 receipts are projected to grow by approximately 3% to \$17.5 million.

Disposal Facility Tax

Disposal Facility Taxes (DFT) are business taxes based on the tons of solid waste disposed at landfills within the City. This revenue stream can vary due to factors that affect the amount of waste generated and how it is disposed including: economic activity, weather, diversion programs, and price sensitivity to disposal rates. Based on current collection trends, 2020-2021 DFT collections are estimated at \$11.3 million, representing a 9.7% drop from 2019-2020 collection levels. In 2021-2022, receipts are anticipated to remain flat at \$11.3 million.

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

GENERAL FUND REVENUE ESTIMATES

REAL PROPERTY TRANSFER TAX	
2019-2020 Actual	\$ 0
2020-2021 Adopted	\$ 30,000,000
2020-2021 Estimate	\$ 40,000,000
2021-2022 Forecast	\$ 40,000,000
2021-2022 Proposed	\$ 40,000,000
% of General Fund	3.1 %
% Change from 2020-2021 Adopted	33.3 %

Revenue Estimates

On March 3, 2020, San José voters approved Measure E, the Real Property Transfer Tax. This new tax, which became effective on July 1, 2020, is imposed at a tiered level for property transfers (sales) over \$2.0 million. In 2020-2021 and 2021-2022, collections are estimated at \$40.0 million, which will be expended on homeless prevention and affordable housing projects and programs. While collections may exceed these estimates, the Administration is taking a conservative approach since this is a new tax, and because tax receipts are significantly influenced by property transfers that exceed \$10 million. In accordance with City Council 1-18, Section 22, these revenues are allocated for homelessness prevention efforts and the development of new affordable housing. Additional information regarding the use of funds related to the Real Property Transfer Tax is provided in the *General Fund Capital, Transfers, and Reserves* section of this document.

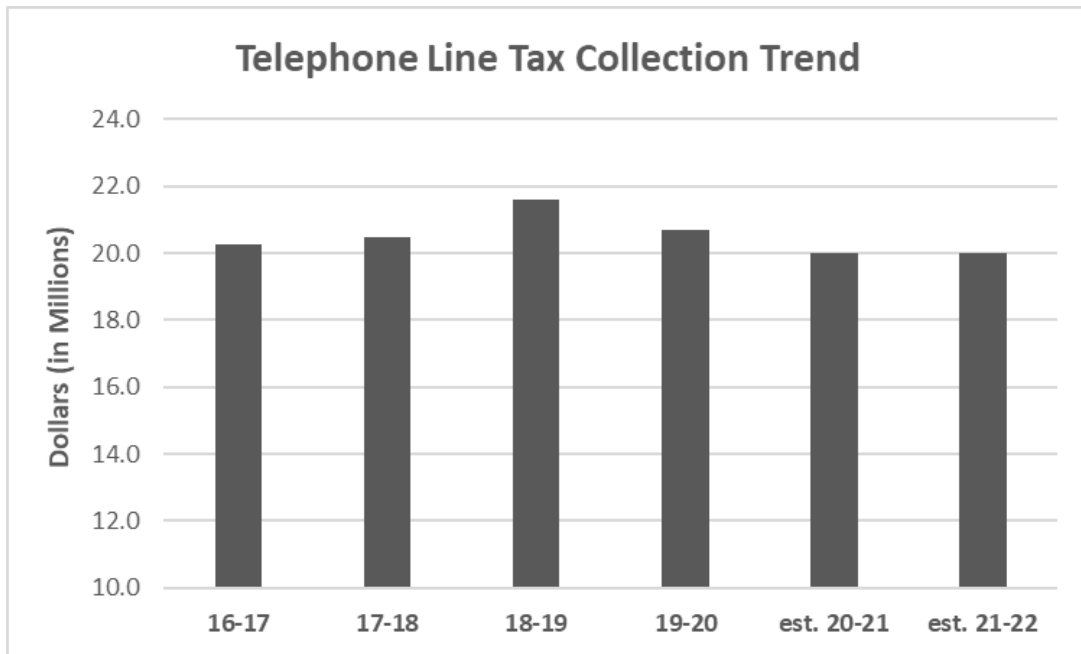
**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE ESTIMATES**

TELEPHONE LINE TAX	
2019-2020 Actual	\$ 20,694,877
2020-2021 Adopted	\$ 20,000,000
2020-2021 Estimate	\$ 20,000,000
2021-2022 Forecast	\$ 20,000,000
2021-2022 Proposed	\$ 20,000,000
% of General Fund	1.5 %
% Change from 2020-2021 Adopted	0.0 %

Revenue Estimates

In November 2008, voters approved Measure J, a tax that is collected from telephone users on their telephone bills. The tax amount, which does not grow with inflation, is \$1.57 per telephone line per month and \$11.82 per commercial type trunk line. Exemptions to the tax include low-income seniors and disabled persons who receive lifeline telephone service.

Based on the current collection trend and historical patterns, Telephone Line Tax receipts in 2020-2021 are estimated at \$20.0 million, which is fairly consistent with the 2019-2020 actual collection level of \$20.7 million. Given the steady nature of the tax collections in this category, receipts are anticipated to remain at \$20.0 million in 2021-2022.



**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE ESTIMATES**

LICENSES AND PERMITS

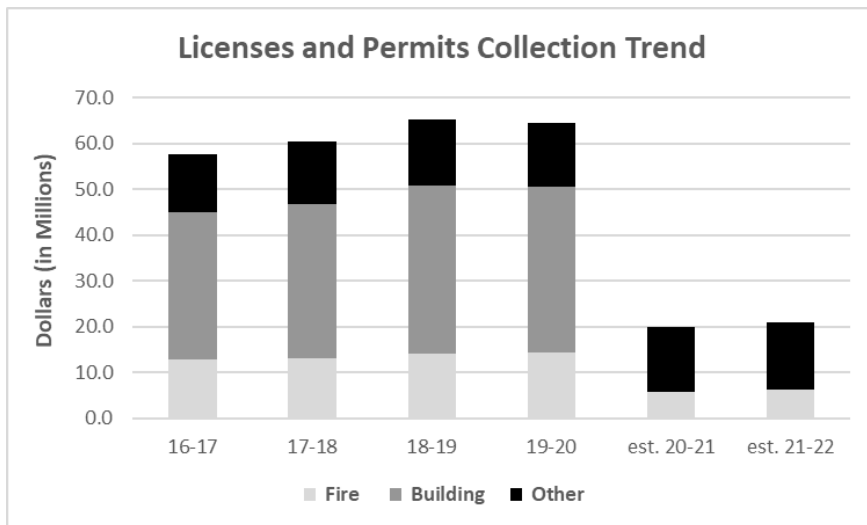
2019-2020 Actual	\$ 64,520,529
2020-2021 Adopted	\$ 20,023,167
2020-2021 Estimate	\$ 19,861,147
2021-2022 Forecast*	\$ 19,945,090
2021-2022 Proposed	\$ 21,032,485
% of General Fund	1.6 %
% Change from 2020-2021 Adopted	5.0 %

* The 2021-2022 Forecast was increased by \$402,447 from the February Forecast; additional details can be found in the General Fund Overview section.

Revenue Estimates

Licenses and Permits Category	2021-2022 Proposed Budget
Fire Permits	\$6,132,931
Other Licenses and Permits	14,899,554
Total	\$ 21,032,485

The Licenses and Permits category contain fees and charges collected by various departments. Historically, a significant portion of the revenue captured in this category were associated with Building and Fire development-related fees. However, beginning in 2020-2021, all revenue and expenditures related to the Development Fee Programs are no longer captured in the General Fund, and are instead allocated to specific Development Fee Program Funds. As before, the Development Fee Programs will remain at 100% cost recovery.



Remaining non-development fees, the largest of which are Fire Permits, are projected based on City Council-approved cost-recovery policies with the goal of a net-zero impact on the General Fund. The Licenses and Permits category is estimated to total \$19.9 million in 2020-2021 and grow to \$21.0 million in 2021-2022. The 2021-2022 Proposed Budget includes a

recommendation to increase the Fire Department Non-Development Fee revenue by \$454,291 (approximately 8%) and Other Licenses and Permits by \$633,104 to align revenues with estimated activity levels, reflect fee revisions, and maintain cost recovery levels.

**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE ESTIMATES**

FEES, RATES, AND CHARGES

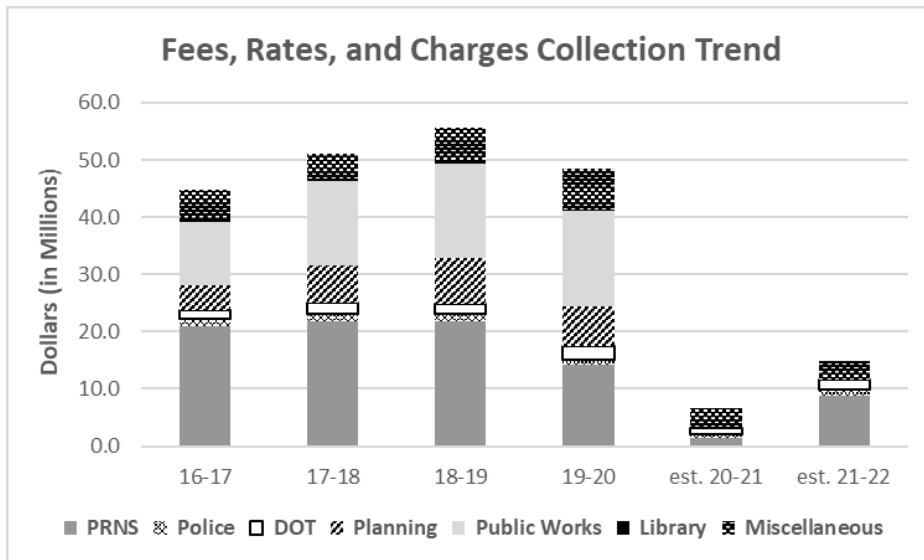
2019-2020 Actual	\$ 48,568,307
2020-2021 Adopted	\$ 25,575,702
2020-2021 Estimate	\$ 6,722,237
2021-2022 Forecast*	\$ 14,701,048
2021-2022 Proposed	\$ 14,847,684
% of General Fund	1.1 %
% Change from 2020-2021 Adopted	(41.9 %)

* The 2021-2022 Forecast was increased \$110,709 from the February Forecast; additional details can be found in the General Fund Overview section.

Revenue Estimates

Fees, Rates, and Charges Category	2021-2022 Proposed Budget
Parks, Recreation and Neighborhood Services	\$ 8,803,000
Transportation	1,795,942
Police	978,308
Library	72,500
Miscellaneous	3,197,934
Total	\$ 14,847,684

The Fees, Rates, and Charges revenue category includes various fees and charges levied to recover costs of services provided by several City departments. Historically, a significant portion of the revenue captured in this category were associated with Planning and Public Works development-related fees. However, beginning in 2020-2021, all revenue and expenditures related to the Development Fee Programs are no longer captured in the General Fund, and are instead allocated to specific Development Fee Program Funds. As before, the Development Fee Programs will remain at 100% cost recovery.



Remaining non-development fees are projected based on estimated activity levels and City Council-approved cost-recovery policies with the goal of a net-zero impact on the General Fund. In 2020-2021, the Fees, Rates, and Charges category is estimated at \$6.7

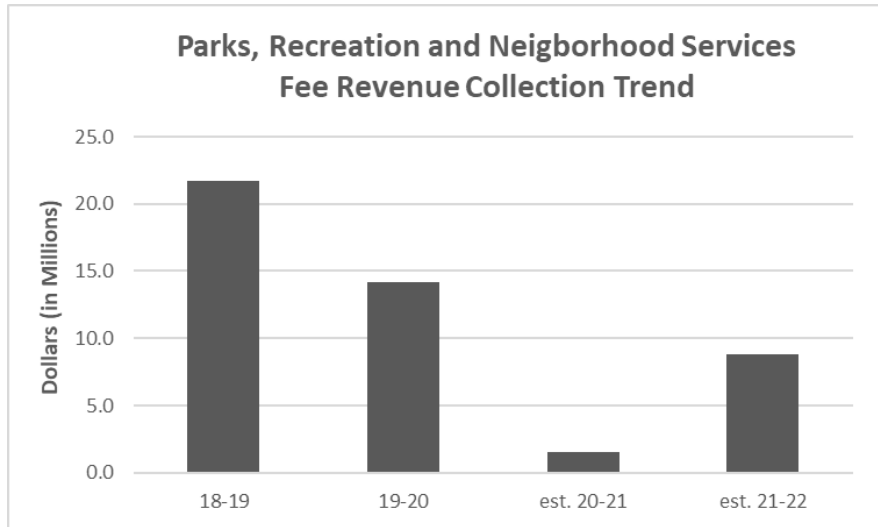
**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE ESTIMATES**

FEES, RATES, AND CHARGES

million, which is deeply below historical collection levels of approximately \$30 million. This drop is primarily attributable to Parks, Recreation and Neighborhood Services (PRNS) fee collections, which has been significantly impacted by the pandemic-related health orders. In 2021-2022, as restrictions continue to ease, Fees, Rates, and Charges revenue is anticipated to grow to \$14.8 million, though a full return to normal activity levels and operations is not expected. The 2021-2022 Proposed Budget includes a recommendation to increase Transportation Fee revenue by \$160,040 to reflect a recommended increase in the Micro Mobility Permit Program (\$87,300), One-way Vehicle Permit Program (\$13,290), and to align various Transportation Department revenues with estimated activity levels, reflect fee revisions, and maintain cost recovery levels (\$59,450). In addition, the 2021-2022 Proposed Budget includes a recommendation to increase Police Fee revenue (\$84,033), Public Works Fee revenue (\$42,000), and Planning, Building and Code Enforcement Fee revenue (\$37,563) to align various revenues with estimated activity levels, reflect fee revisions, and maintain cost recovery levels. Finally, a recommendation is included in the 2021-2022 Proposed Budget to decrease PRNS fee revenue by \$177,000, which is further described below.

Parks, Recreation and Neighborhood Services Fees

As mentioned above, PRNS fee revenue has been significantly impacted by pandemic-related health orders. PRNS program delivery and revenue generation has experienced significant declines in all fee categories, including: Happy Hollow Park and Zoo; Fee Activity (classes, camps, and after-school activities); Facility Rentals; Sports Facilities Reservations; Lake



Cunningham Action Sports Park; Gym and Fitness; Parking; Park Permits; Arcadia Ball Park; Family Camp; and Aquatics Program. In 2020-2021, PRNS Fee Revenue is estimated at \$1.5 million, which is far below the 2019-2020 actual collection level of \$14.2 million and the 2018-2019 actual collection level of \$21.7 million. In 2021-2022, PRNS Fee revenue is anticipated to grow to \$8.8 million, which includes a reduction to Family Camp revenue (\$177,000), as camp operations are suspended for 2021 due to the pandemic. Family Camp operations are expected to resume for 2022.

**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE ESTIMATES**

FINES, FORFEITURES, AND PENALTIES

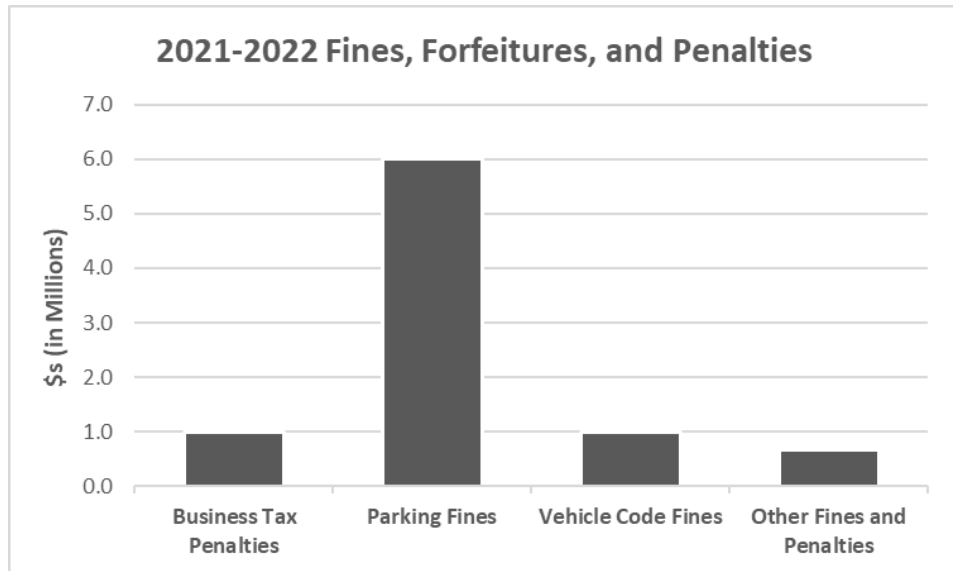
2019-2020 Actual	\$ 14,383,145
2020-2021 Adopted	\$ 15,730,100
2020-2021 Estimate	\$ 6,085,000
2021-2022 Forecast	\$ 8,676,000
2021-2022 Proposed	\$ 8,676,000
% of General Fund	0.7 %
% Change from 2020-2021 Adopted	(44.8 %)

Revenue Estimates

Fines, Forfeitures, and Penalties revenue in 2020-2021 is estimated at \$6.1 million, which is almost 60% below the 2019-2020 actual collection level. This significant drop in revenue is primarily attributable to lower Parking Fines, which are further discussed below. In 2021-2022 as health orders restrictions continue to ease, Fines, Forfeitures, and Penalties are anticipated to increase almost 50% to \$8.7 million.

Parking Fines

Parking Fines are the largest driver in the Fines, Forfeitures, and Penalties revenue category. Parking Fines are expected to generate approximately \$3.5 million in 2020-2021 and \$6.0 million in 2021-2022. These levels are far below historical Parking Fine collections of approximately \$11 million - \$12 million annually.



Parking Fines activity has been significantly impacted by the pandemic as the Transportation Department have only been performing limited citations related to meter violations, and overall parking demand has fallen. Beginning in January 2021, the enforcement of posted street sweeping restrictions was reintroduced and overnight parking restrictions followed in March 2021. At this time, it is expected that additional enforcement activities will continue to be reviewed and redeployed as resources allow. In July 2021 the reactivation of some Residential Permit Parking Zones parking compliance is anticipated. Issuance of citations for non-compliance with safety-related and street sweeping parking violations, such as parking in a bike path or blocking disabled sidewalk access, or parking in a posted No Parking zone for street sweeping activities, is one tool the Transportation Department uses to heighten awareness around roadway safety, with the goal of changing driver behavior.

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

GENERAL FUND REVENUE ESTIMATES

REVENUE FROM USE OF MONEY AND PROPERTY	
2019-2020 Actual	\$ 13,523,097
2020-2021 Adopted	\$ 11,754,800
2020-2021 Estimate	\$ 9,471,000
2021-2022 Forecast	\$ 9,304,000
2021-2022 Proposed	\$ 9,304,000
% of General Fund	0.7 %
% Change from 2020-2021 Adopted	(20.8 %)

Revenue Estimates

The Revenue from the Use of Money and Property category consists of revenue associated with the rental of City-owned property, subrogation recovery efforts, interest income, and small cell lease revenue. Overall revenue in this category is anticipated to generate \$9.5 million in 2020-2021 and reduce slightly to \$9.3 million in 2021-2022.

Rental of City-Owned Property

Collections reflected in the Rental of City-Owned Properties category include revenue related to the City Hall lease to the United States Patent and Trademark Office (USPTO), rental of communications facilities, and rental of various City-owned properties. In 2020-2021 Rental of City-Owned Property revenue totaling \$2.7 million is anticipated, which is significantly below the 2019-2020 collection level of \$3.2 million. However, in 2021-2022 collections are anticipated to normalize at \$3.1 million. Due to the pandemic, City-owned property rentals dropped in 2020-2021 as tenants unable to pay rent are protected by a County eviction moratorium.

General Fund Interest Earnings

The interest earnings collection on the General Fund in 2020-2021 and 2021-2022 is estimated at \$4.0 million, which is significantly lower than the \$7.9 million generated in 2019-2020. This decrease is primarily due to lower assumed cash balances as the City returned to pre-funding City retirement contributions in 2020-2021 and will do so again in 2021-2022.

Small Cell Lease Revenue

Lease revenue received for small cells represents revenue for lease of City-owned light poles from wireless carriers including Verizon, Mobilitie, and AT&T. In 2021-2022 revenues are anticipated to total \$1.3 million, which is set aside in the Digital Inclusion Fund allocation in City-Wide Expenses section of this document.

**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE ESTIMATES**

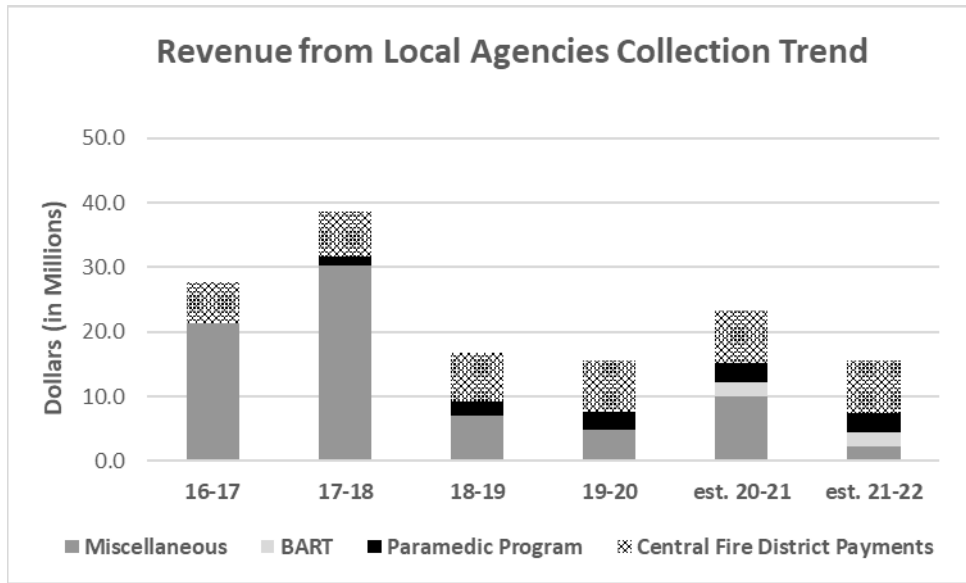
REVENUE FROM LOCAL AGENCIES

2019-2020 Actual	\$ 15,659,671
2020-2021 Adopted	\$ 18,194,536
2020-2021 Estimate	\$ 23,287,739
2021-2022 Forecast*	\$ 15,509,513
2021-2022 Proposed	\$ 15,509,513
% of General Fund	1.2 %
% Change from 2020-2021 Adopted	(14.8 %)

* The 2021-2022 Forecast was increased by \$19,490 from the February Forecast; additional details can be found in the General Fund Overview section.

Revenue Estimates

In 2020-2021, revenue of \$23.3 million is projected from other local agencies, such as the Central Fire District payment for fire services provided to County residents by the San José Fire Department, the County of Santa Clara payments for the Paramedic Program and Senior Nutrition, and the



Valley Transportation Authority (VTA) reimbursement for police services at the Berryessa BART station. In 2021-2022, revenue in this category is projected at \$15.5 million. The 2021-2022 revenue estimate eliminates grants and reimbursements that do not yet have signed agreements for 2021-2022, the largest of which is the Senior Nutrition Program that is estimated at \$2.0 million in 2020-2021.

Central Fire District

The City receives reimbursement from the Central Fire District for the County areas covered by the San José Fire Department. These payments are based on the property tax assessments for fire services collected in those areas, which are passed on to the City. Based on information provided by the Central Fire District, payments of \$8.1 million are anticipated in 2020-2021 and 2021-2022, which is slightly above 2019-2020 receipts of \$8.0 million.

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

GENERAL FUND REVENUE ESTIMATES

REVENUE FROM LOCAL AGENCIES

Paramedic Program

A reimbursement from the County of Santa Clara for the first responder advanced life support program (Paramedic Program) is estimated at \$3.0 million in 2020-2021 and 2021-2022, which includes the equipment reimbursement component (Annex B, Category A funds; \$1.45 million) and service related component (Annex B, Category B; \$1.55 million). These amounts are slightly above the 2019-2020 actual collection level of \$2.9 million.

Berryessa BART Station Police Services

Beginning in 2020-2021, reimbursement revenue is received from the VTA for supplemental law enforcement support services at the Berryessa/North San José BART Station. In 2020-2021, the budgeted estimate totals \$2.2 million, which includes reimbursement for position costs and one-time vehicle purchases. In 2021-2022, reimbursement revenue of \$2.1 million is anticipated to be received from the VTA.

**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE ESTIMATES**

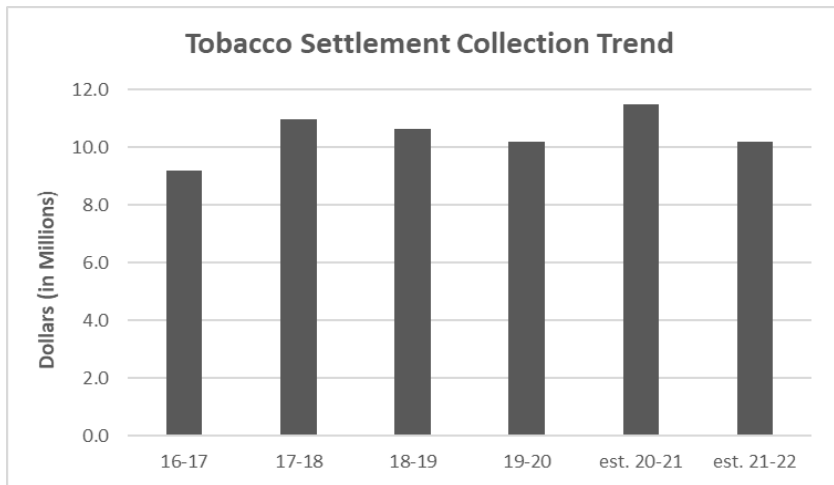
REVENUE FROM STATE OF CALIFORNIA	
2019-2020 Actual	\$ 22,511,983
2020-2021 Adopted	\$ 14,319,906
2020-2021 Estimate	\$ 16,807,455
2021-2022 Forecast	\$ 12,130,000
2021-2022 Proposed	\$ 12,130,000
% of General Fund	0.9 %
% Change from 2020-2021 Adopted	(15.3 %)

Revenue Estimates

Funding reflected in the Revenue from the State of California category includes Tobacco Settlement funds, State grant revenue, and other State reimbursements. Collections in this category are estimated to reach \$16.8 million in 2020-2021 and decrease to \$12.1 million in 2021-2022. This decrease reflects the elimination of one-time grants and reimbursements.

Tobacco Settlement Revenue

Beginning in 2010-2011, Tobacco Settlement revenue from the State has been deposited in the General Fund. This payment is received from the State of California in April of each year. The 2020-2021 payment was recently received and totaled \$11.5 million, which is significantly above the 2019-2020 receipts of \$10.2 million. As this unusually high collection level is not



anticipated to be sustained, the 2021-2022 budget assumes collections will return to the 2019-2020 collection level of \$10.2 million.

State Grants/Reimbursements

The City receives several grants and reimbursements from the State on an annual basis, which total \$1.9 million in 2021-2022. These ongoing revenues include: Auto Theft reimbursement (\$800,000); Abandoned Vehicle Abatement (\$500,000); and Highway Maintenance Charges reimbursement (\$100,000). In addition, funding received from the State for Vehicle License Fees Collection in Excess is included in this revenue category. This funding, which is estimated at \$500,000 in 2021-2022, accounts for the Vehicle License Fee revenues that are collected by the Department of Motor Vehicles as a result of certain compliance procedures that are equally apportioned to counties and cities on a population basis. Overall, these estimates are consistent with the 2020-2021 estimated collection levels.

**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE ESTIMATES**

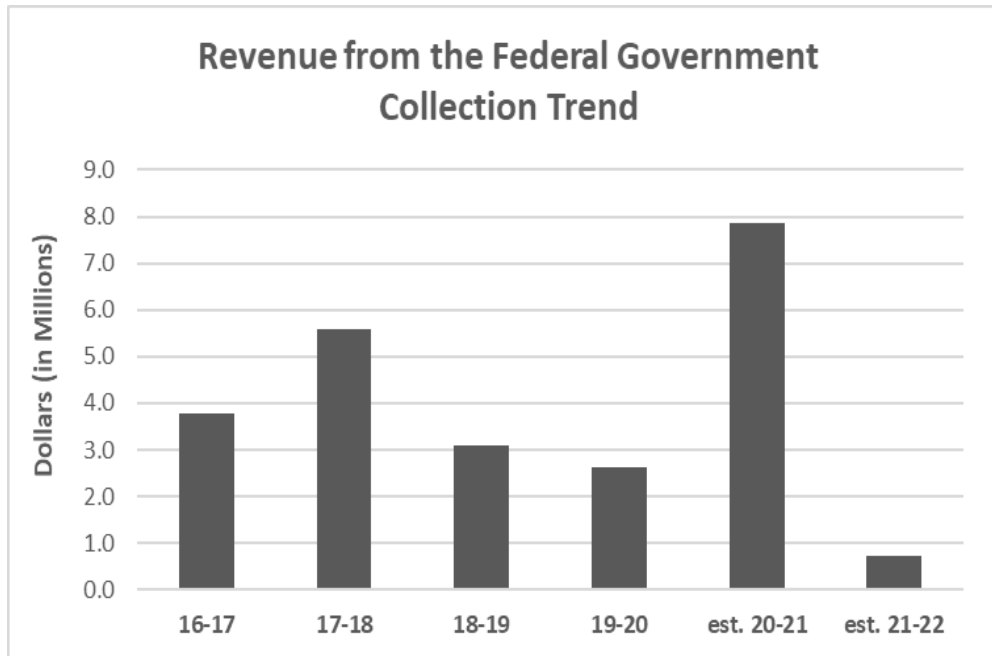
REVENUE FROM FEDERAL GOVERNMENT

2019-2020 Actual	\$ 2,638,902
2020-2021 Adopted	\$ 3,714,762
2020-2021 Estimate	\$ 7,859,131
2021-2022 Forecast	\$ 0
2021-2022 Proposed	\$ 736,395
% of General Fund	0.1 %
% Change from 2020-2021 Adopted	(80.2 %)

Revenue Estimates

The Revenue from the Federal Government category accounts for grants and reimbursements that are received from the Federal Government. The 2020-2021 estimate for various federal grants totals \$7.9 million, which includes various Police grants (\$4.6 million) and Urban Areas Security Initiative (UASI) grants allocated to Police, Fire, and Office of Emergency Management (\$2.7 million).

The 2021-2022 Proposed Budget includes recommendations to recognize and allocate funding for two federal grants, totaling \$736,395. These grants include the Urban Areas Security Initiative (UASI; \$603,395) which will be allocated to the Office of Emergency Management and the Northern California



Regional Intelligence Center (NCRIC; \$133,000), which will be allocated to the Police Department.

**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE ESTIMATES**

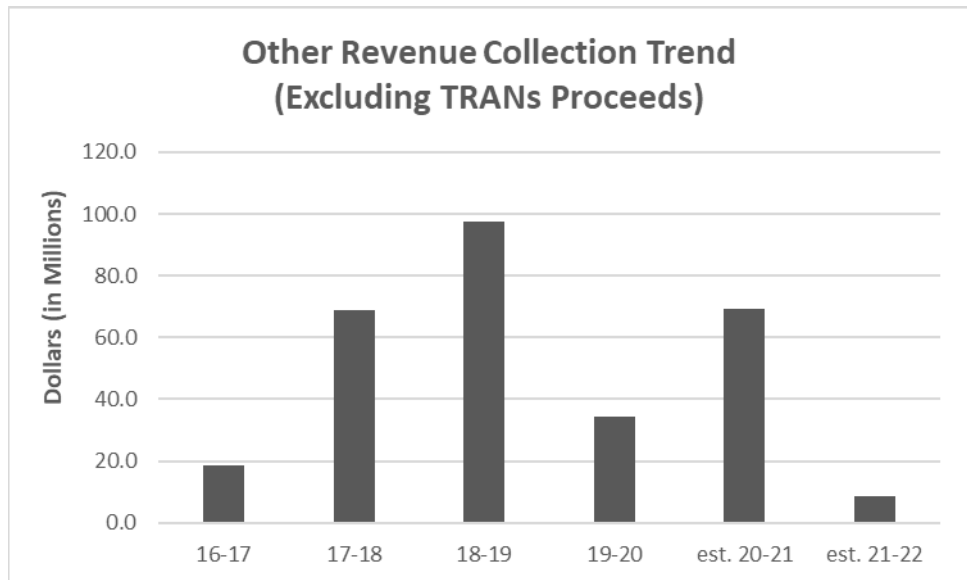
OTHER REVENUE	
2019-2020 Actual	\$ 34,504,998
2020-2021 Adopted	\$ 48,511,658
2020-2021 Estimate*	\$ 199,271,138
2021-2022 Forecast**	\$ 8,542,718
2021-2022 Proposed	\$ 8,714,026
% of General Fund	0.7 %
% Change from 2020-2021 Adopted	(82.0 %)

* The 2020-2021 Estimate includes revenues associated with the issuance of a \$130 million TRANs based on cash flow needs.

** The 2021-2022 Forecast was increased by \$122,394 from the February Forecast; additional details can be found in the General Fund Overview section.

Revenue Estimates

The Other Revenue category consists of miscellaneous revenues received from a variety of sources, including payments from Comcast and AT&T required under the Franchise Agreement, cost reimbursements for the Investment Program, proceeds from the Sale of Surplus Property, SAP Center at San José, Sidewalk Repair and Tree Maintenance Activities, and Miscellaneous Other Revenue.



In 2020-2021, the Other Revenue category is expected to generate \$199.3 million. The 2020-2021 estimate includes several one-time allocations, the largest of which reflects borrowing proceeds from the Tax and Revenue Anticipation Notes (TRANs; \$130.0 million) issued for cash flow purposes to facilitate the annual prefunding of employer retirement contributions for pension benefits that are brought forward for City Council approval at the beginning of each fiscal year along with the associated expenditures.

Various actions are included in the Proposed Budget to recognize one-time funding of \$171,308 in 2021-2022 in the Other Revenue category. The largest of these actions is related to a recommendation to increase revenues generated by the Office of Equality Assurance by \$150,000, as the City expects to execute agreements with three other cities to perform their labor

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE ESTIMATES

OTHER REVENUE

compliance function. This additional revenue will help offset the cost of a new position in the Office to assist with policy development and analysis and management of City of San José local hire data. Additional detail on this budget action is provided in the Public Works Department under the *City Departments* section of this document. Additionally, budget actions are included to recognize and allocate grant funding for San José Abierto (\$19,774) and to increase Transportation Department fees to align various revenues with estimated activity levels, reflect fee revisions, and maintain cost recovery levels (\$1,534).

The major components of the Other Revenue category are described below.

Investment Program Reimbursement

The 2021-2022 revenue estimate for Investment Program Reimbursements is \$1.2 million based on the estimated costs of Investment Program in the Finance Department that will be reimbursed from investment earnings. This reimbursement amount is slightly above the 2020-2021 estimated level of \$1.0 million

Public, Education, and Government (PEG) Access Facilities

In 2021-2022, payments from Comcast and AT&T required under the Franchise Agreement are estimated at \$1.6 million, which is slightly below the 2020-2021 estimate of \$1.7 million. As defined in the Franchise Agreement, these funds will be used to support the Public, Education, and Government (PEG) Access Facilities. There is an associated City-Wide Expenses allocation for this purpose.

Sale of Surplus Property

The proceeds from the sale of surplus property is estimated to generate \$600,000 in 2021-2022 based on City assets that are anticipated to be sold.

Sidewalk Repair

When the City performs sidewalk repair services for non-owner occupied residences, the property owners reimburse the City for those costs. The 2021-2022 revenue estimate for this category is \$2.0 million, which is consistent with the 2020-2021 budgeted estimate. There is a corresponding City-Wide Expenses allocation to fund the contractual sidewalk repairs, as described in the *City-Wide Expenses* section of this document.

Tree Maintenance Activities

Property owners are also assessed for the costs of tree services provided by the City. If the City performs emergency tree services, such as removing a tree that has fallen in the street, the property owner is assessed a fee to cover the cost of this service. In 2021-2022 this fee revenue is estimated at \$773,000, which is lower than the 2020-2021 budgeted estimate of \$988,000. There is a corresponding City-Wide Expenses allocation to provide this service, which is further described in the *City-Wide Expenses* section of this document.

**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET
GENERAL FUND REVENUE ESTIMATES**

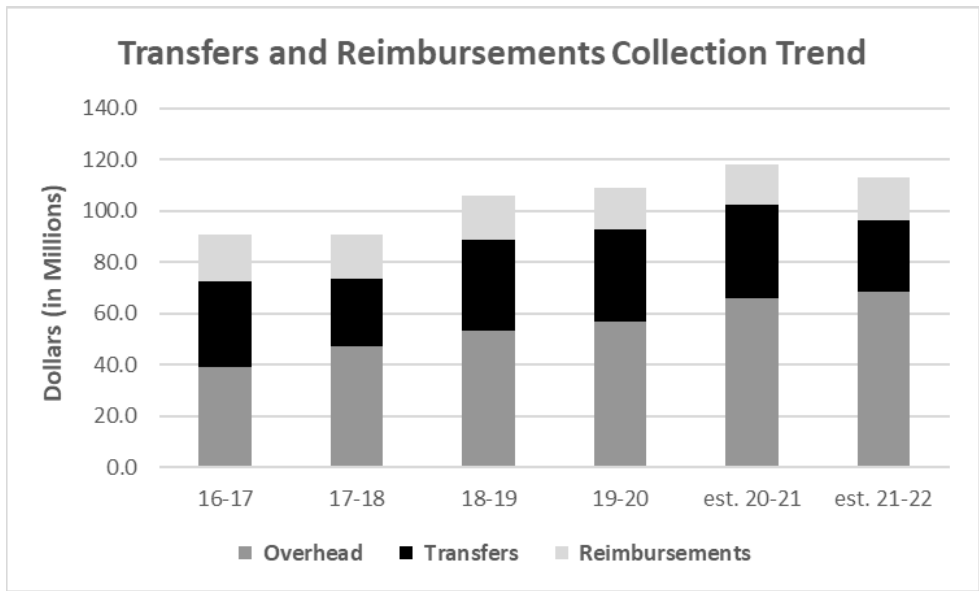
TRANSFERS AND REIMBURSEMENTS

2019-2020 Actual	\$ 108,778,615
2020-2021 Adopted	\$ 112,352,425
2020-2021 Estimate	\$ 117,983,217
2021-2022 Forecast*	\$ 111,242,823
2021-2022 Proposed	\$ 112,941,431
% of General Fund	8.7 %
% Change from 2020-2021 Adopted	0.5 %

* The 2021-2022 Forecast was decreased by \$91,900 from the February Forecast; additional details can be found in the General Fund Overview section.

Revenue Estimates

The Transfers and Reimbursements revenue category accounts for funds received by the General Fund from other City funds through a combination of means, including overhead charges, reimbursements for services rendered, or transfers. In total, Transfers and Reimbursements are anticipated to



generate approximately \$112.9 million in 2021-2022. This amount is 4.3% below the 2020-2021 estimate of \$118.0 million due primarily to lower transfers. The following is a discussion of the three major subcategories included in the Transfers and Reimbursements revenue category: Overhead Reimbursements; Transfers; and Reimbursements for Services.

Overhead Reimbursements

The Overhead Reimbursements category includes overhead reimbursements from both operating and capital funds. In 2021-2022, a total of \$68.6 million in overhead reimbursements are projected based on 2021-2022 overhead rates prepared by the Finance Department applied against the budgeted 2021-2022 applicable salaries. This figure reflects the following: an increase of \$522,930 incorporated into the Revised Forecast based on final overhead rates and updated allocations of staff across funds; and an increase of \$1.8 million incorporated into the 2021-2022 Proposed Budget generated from various budget actions that changed the staffing levels funded by capital and special funds. Descriptions of the budget actions that generate these

**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET**

GENERAL FUND REVENUE ESTIMATES

TRANSFERS AND REIMBURSEMENTS

Overhead Reimbursements (Cont'd.)

overhead reimbursement changes can be found in the *City Departments* Section of this document. A summary of the overhead reimbursement between the Revised Forecast and the Proposed Budget by fund is detailed below.

Fund	Overhead Adjustment
Capital Funds	\$ 996,088
San José Clean Energy Fund (501)	333,097
San José/Santa Clara Treatment Plant Operating Fund (513)	156,350
Sewer Service and Use Charge Fund (541)	111,949
Low and Moderate Income Housing Asset Fund (346)	107,396
Integrated Waste Management Fund (423)	81,624
Homeless Emergency Aid Fund (497)	66,028
Housing Trust Fund (440)	31,858
Inclusionary Fee Fund (451)	20,893
Airport Maintenance and Operation Fund (523)	17,571
Planning Development Fee Program Fund (238)	10,898
Community Development Block Grant Fund (441)	5,402
Storm Sewer Operating Fund (446)	3,506
Home Investment Partnership Program Fund (445)	2,764
Water Utility Fund (515)	2,240
Public Works Development Fee Program Fund (241)	1,700
South Bay Water Recycling Operating Fund (570)	1,525
General Purpose Parking Fund (533)	(29,727)
Building Development Fee Program Fund (237)	(27,901)
Maintenance Assessment District Funds	(24,143)
Fire Development Fee Program Fund (240)	(20,510)
Total Adjustments	\$ 1,848,608

Transfers

The Transfers category is projected at \$27.6 million in 2021-2022. The largest component of this category is a transfer from the Airport Maintenance and Operating Fund of \$18.0 million to reimburse the General Fund for police and aircraft rescue and firefighting services provided by the Police and Fire Departments. These reimbursements have been built to cover the 2021-2022 direct and indirect costs associated with these emergency services. Additional large transfers programmed for 2021-2022 include the following: Construction and Conveyance Tax Funds (\$3.7 million) for park maintenance costs and methane monitoring; Construction Excise Tax Fund (\$1.8 million); General Purpose Parking Fund (\$707,000); and interest earnings from various funds (\$1.5 million), the largest of which is the Construction and Conveyance Tax Funds (\$1.4 million).

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

GENERAL FUND REVENUE ESTIMATES

TRANSFERS AND REIMBURSEMENTS

Reimbursements for Services

The largest single source of revenue in the Reimbursement for Services category is reimbursements from the Gas Tax Funds for the cost of City street-related expenses. In 2020-2021 Gas Tax receipts are estimated at \$15.0 million, which is slightly below the 2019-2020 actual collections of \$15.4 million. Revenue received from the Gas Tax Fund is heavily reliant on activity levels. The pandemic-related restrictions have resulted in less people driving, which negatively affected consumption levels. In 2021-2022, Gas Tax receipts are estimated to increase to \$16.0 million, due to restrictions continuing to ease and gas consumption increasing. In addition, a portion of the Gas Tax revenue is allocated to cover various State-wide expenses, which affects net receipts as well.

The Reimbursements for Services category reimburses the City for actual costs associated with the Deferred Compensation Program, Voluntary Employee Beneficiary Association (VEBA) Fund, and the Maintenance Assessment District Funds. These amounts have been set to recover costs in 2021-2022 of \$791,968.

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

GENERAL FUND REVENUE ESTIMATES

BEGINNING FUND BALANCE	
Rebudget: Contingency Reserve	\$ 40,000,000
Unexpended Earmarked Reserves*	\$ 21,975,436
2020-2021 Expenditure Savings/Additional Revenue*	\$ 71,000,000
Fund Balance Subtotal:	\$ 132,975,436
Reserve for Encumbrances	\$ 46,905,760
Fund Balance Total:	\$ 179,881,196
% of General Fund**	10.2%

* Used for 2021-2022 Proposed Budget balancing purposes.
** Excludes Reserve for Encumbrances.

Estimates for both the unrestricted and restricted (reserve for encumbrances) portions of the 2020-2021 Ending Fund Balance/2021-2022 Beginning Fund Balance, totaling \$179.9 million, are included as part of the 2021-2022 Proposed Budget. The estimate for the encumbrance reserve is set at the 2019-2020 actual level (\$46.9 million). The Proposed Budget includes a matching expenditure amount intended to reflect the corresponding encumbrances that are estimated for 2021-2022.

The estimate for unrestricted Beginning Fund Balance is set at \$133.0 million in 2021-2022, which represents a \$64.2 million increase from the 2021-2022 Forecast level of \$68.8 million. When the Forecast was developed, the Beginning Fund Balance projection of \$68.8 million included the following: an unexpended (rebudgeted) Contingency Reserve estimate of \$40.0 million; a combination of excess revenues and expenditure savings totaling \$20.0 million; and additional funding of \$8.8 million from various reserves to support specific costs programmed in 2021-2022.

The use of various reserves to support specific costs in 2021-2022 included the following: Police Sworn Hire Ahead Program Reserve (\$7.0 million), Community Service Officer Program Reserve (\$700,000), Solid Waste Code Enforcement Program Reserve (\$600,000), and SAFER Grant Reserve (\$485,000).

In the Proposed Budget, Beginning Fund Balance adjustments totaling \$64.2 million are included, which is attributable to additional revenue that is anticipated to be received in 2020-2021 and be available for use in 2021-2022 (\$51.0 million) and the liquidation of various reserves (\$13.2 million). As a result of these actions, the Beginning Fund Balance increased from the Forecast level of \$68.8 million to \$133.0 million (excluding the Reserve for Encumbrances).

Additional fund balance of \$51.0 million is anticipated to be generated from revenue received in 2020-2021 that will be available for use in 2021-2022. This figure is comprised of funding that is anticipated to be received in 2020-2021 from the American Rescue Plan to partially reimburse the City for revenue losses resulting from the pandemic (\$45.0 million) and excess revenue and expenditure savings that are anticipated to occur in 2020-2021 (\$6.0 million).

The liquidation of reserves included in the Proposed Budget (\$13.2 million) include the 2021-2022 Future Deficit Reserve (\$11.1 million), Business Tax Billing System Replacement Reserve (\$1.3 million), SAFER Grant Reserve (\$752,000), and the Cultural Facilities Capital Maintenance Reserve (\$57,000).

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

GENERAL FUND REVENUE DESCRIPTIONS

PROPERTY TAX

On June 6, 1978, California voters approved Proposition 13, which added Article XIII A to the State Constitution and placed restrictions on the valuation of real property and on the imposition of ad valorem property tax. Under current law, all taxable real and personal property is subject to a tax rate of one percent of the assessed value. (In June 1986, California voters approved a Constitutional Amendment, which provides for an exception to the one-percent limitation. The Amendment allows local governments and school districts to raise property taxes above one percent to finance general obligation bond sales. A tax increase can only occur if two-thirds of those voting in a local election approve the issuance of bonds.) The assessed value of real property that has not changed ownership adjusts by the change in the California Consumer Price Index up to a maximum of two percent per year. Property which changes ownership, property which is substantially altered, newly-constructed property, State-assessed property, and personal property are assessed at the full market value in the first year and subject to the two percent cap, thereafter.

In 1979, in order to mitigate the loss of property tax revenues after approval of Proposition 13, the State Legislature approved Assembly Bill 8 (AB 8). This action was approved to provide a permanent method for allocating the proceeds from the 1% property tax rate, by allocating revenues back to local governments based on their historic shares of property tax revenues. AB 8 shifted approximately \$772 million of school district property tax revenue to local governments and backfilled schools' lost revenue with subsidies from the State General Fund. Actions taken by the State in order to balance the 1992-1993 and 1993-1994 State budgets partially reversed the AB 8 formula. The 1992-1993 action reduced the City's Property Tax proceeds by nine percent, and shifted this funding to schools in order to reduce the amount of State backfill required. As part of the State's 1993-1994 Budget, the AB 8 formula was again altered requiring another ongoing shift in City Property Tax revenue to K-12 schools and community colleges.

In November 1993, the City Council elected to participate in the Teeter Plan, which is an alternative method for County property tax apportionment. Under this alternative method authorized by the State Legislature in 1949, the County apportions property tax on the basis of the levy without regard for delinquencies. With the adoption of the Teeter Plan in 1993-1994, the City received a one-time buy out of all current, secured property tax delinquencies as of June 30, 1993, which totaled \$3.5 million. Under this system, the City's current secured tax payments are increased for amounts that typically were delinquent and flowed to the secured redemption roll, but the City gave up all future penalties and interest revenue derived from the delinquencies.

In 2004-2005, the State budget included a permanent reduction of the Motor Vehicle In-Lieu (MVLF) tax rate from 2% to 0.65% (its current effective rate). As part of the State budget action, the loss of MVLF was approved to be replaced with a like amount of property tax revenue, on a dollar-for-dollar basis, which now grows based on assessed valuations.

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

GENERAL FUND REVENUE DESCRIPTIONS

SALES TAX

The Sales Tax is an excise tax imposed on retailers for the privilege of selling tangible personal property. The Use Tax is an excise tax imposed on a person for the storage, use, or other consumption of tangible personal property purchased from any retailer. The local Sales and Use Tax is collected and administered by the California Department of Tax and Fee Administration and is authorized by the Uniform Local Sales and Use Tax Law and the Bradley-Burns Uniform Local Sales and Use Tax Law. The proceeds of sales and use taxes imposed within the boundaries of San José are distributed by the State to various agencies, with the City of San José receiving one percent.

On November 2, 1993, Proposition 172 (Public Safety Fund) was approved allowing for the permanent extension of the half-cent State sales tax that was originally imposed on July 15, 1991, and was to sunset on June 30, 1993. (On July 1, 1993, a six-month extension of the tax was granted by the State in order to provide a source of one-time funding for cities and counties to partially offset 1993-1994 ongoing property tax reductions.) The passage of the Proposition 172 legislation, effective January 1, 1994, required that the proceeds from the 0.5% tax be diverted from the State to counties and cities on an ongoing basis for funding public safety programs.

The current distribution of the sales tax proceeds is outlined below, which includes a voter-approved 1/4 percent local transaction and use tax enacted by the City of San José effective October 1, 2016 (limited to 15 years) to fund essential City services such as: improving police response to reduce violent crimes and burglaries; improving 911/emergency medical and fire response times; repairing potholes and streets; expanding gang prevention; and maintaining the City’s long-term financial stability.

Sales Tax Rates	
State – General Fund	3.9375%
State – Local Revenue Fund	1.5625
State – County Transportation Funds	0.2500
State – City of San José	1.0000
Public Safety Fund (Proposition 172) ⁽¹⁾	0.5000
Sub-Total Statewide Sales and Use Tax	7.2500
Local – City of San José ⁽²⁾	0.2500
Santa Clara County Transit District ⁽³⁾	0.5000
Santa Clara County Valley Transportation Authority ⁽⁴⁾	0.5000
Santa Clara VTA BART Operating and Maintenance Transactions and Use Tax ⁽⁵⁾	0.1250
Santa Clara County Retail Transactions and Use Tax ⁽⁶⁾	0.1250
Silicon Valley Transportation Solutions Tax ⁽⁷⁾	0.5000
Total Sales and Use Tax	9.2500%

⁽¹⁾ City of San José receives a portion of this Sales and Use Tax revenue that varies from year to year.
⁽²⁾ Approved by voters in June 2016, and effective October 1, 2016, (limited to 15 years) to fund essential City services.
⁽³⁾ Approved by voters in 1976; does not expire. Imposed by VTA.
⁽⁴⁾ Approved by voters in November 2000, and effective April 1, 2006 (limited to 30 years). Imposed by VTA.
⁽⁵⁾ Approved by voters in November 2008 to support BART and effective on July 1, 2012 (limited to 30 years). Imposed by VTA.
⁽⁶⁾ Approved by voters in November 2012 and effective April 1, 2013 (limited to 10 years).
⁽⁷⁾ Approved by voters in June 2016, and effective April 1, 2017 (limited to 30 years). Imposed by VTA.

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

GENERAL FUND REVENUE DESCRIPTIONS

SALES TAX

Major items, such as services, are exempt from the tax code. As part of a 1991-1992 legislative action, tax exemptions were removed from candy and snack foods, bottled water, newspapers and periodicals, and fuel and petroleum products sold to certain carriers. The removal of these exemptions became effective July 1991. On November 3, 1992, however, the voters approved Proposition 163, which partially repealed the prior action, re-establishing the exemption for snack foods, candy, and bottled water effective December 1, 1992.

TRANSIENT OCCUPANCY TAX

The Transient Occupancy Tax is assessed as a percentage of the rental price for transient lodging charged when the period of occupancy is 30 days or less. The tax rate is currently 10%, of which 6% is placed in the Transient Occupancy Tax Fund and 4% is deposited in the General Fund. The tax is authorized by Title 4 of the Municipal Code, Section 4.74, Ordinance number 21931.

The expenditure of the Transient Occupancy Tax Fund portion of the revenues (6% percent of room rent) is restricted by Title 4 of the Municipal Code, Section 4.72, Ordinance number 23481 to the following uses:

- 1) Funding for the Convention and Visitors Bureau (approximately 25%);
- 2) Funding for the cultural grant program and fine arts division programs, including funding of cultural grants and expenses of the fine arts division, including, but not limited to, personal and non-personal/equipment expenses, fringe benefits, and overhead (approximately 25%); and
- 3) Funding for the City's operating subsidy to the convention and cultural facilities of the City of San José (approximately 50%).

The General Fund portion, or 40% of the Transient Occupancy Tax, was enacted as a general tax. The other 60% of the Transient Occupancy Tax is restricted for use in cultural development, supporting a convention and visitors bureau, and supporting the convention and cultural facilities of San José. Although not specifically related to the Transient Occupancy Tax, many hotels in San José also belong to the Convention Center Facilities District, which assesses an additional special tax on daily room rates of 4%. Revenues from the Convention Center Facilities District are restricted for debt service payments or capital improvements related to the Convention Center. Of the approximately 14% total tax assessed on room rates at most hotels, only the 4% portion of the Transient Occupancy Tax is deposited into the General Fund.

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

GENERAL FUND REVENUE DESCRIPTIONS

FRANCHISE FEES

The City collects compensation from Pacific Gas and Electric Company (PG&E) for the use of City streets in the distribution of natural **gas** and **electricity**. PG&E is assessed 2.0% of the gross receipts representing its sale of electricity and natural gas for a calendar year within the City limits. The taxes are authorized by Title 15 of the Municipal Code, Chapter 15.32, and no authorized exemptions exist.

On February 9, 2010, the City Council approved ordinances amending the franchises with PG&E for the sale of natural gas and the sale of electricity. These amendments added a franchise fee surcharge of 0.3%, resulting in a total franchise fee remitted to the City of 2.3% of gross receipts from the sale of gas and electricity in the City through 2021. The 0.3% surcharge was approved by the California Public Utilities Commission (CPUC) effective May 5, 2010. Implementation of the surcharge began in September 2010.

From the sale of **nitrogen gas**, the City collects an annual fee of \$0.119/linear foot of gas-carrying pipe installed within public streets. In addition, each customer is required to pay an annual per connection fee of \$118.76 multiplied by the inside diameter of pipe expressed in inches at the property line. A minimum of \$1,000 total franchise fees per calendar year is required. The fee is authorized by City Ordinance number 20822 and amended by Ordinance number 25054; there are no authorized exemptions.

On July 1, 1996, **Commercial Solid Waste** (CSW) collection franchise fees were converted to a volume basis. This revision amended the previous structure (which had been in effect since January 1, 1995) that assessed a franchise fee equal to 28.28% of gross receipts in excess of \$250,000. With that change, fees were set at \$1.64 per cubic yard per collection for cubic yards in excess of 43,000 (the cubic yard basis is tripled if the waste has been compacted) in a fiscal year, and were assessed on any commercial business engaged in the collection, transportation, or disposal of garbage and/or rubbish (solid waste) accumulated or generated in the City of San José. In December 1997, the City Council increased the rate to \$2.41 effective on January 1, 1998. In 1999-2000, this fee was increased to \$2.84 per cubic yard. In 2002-2003, a three-year gradual shift in the revenue distribution between the CSW and AB 939 fees (also known as the “commercial source reduction and recycling fee” collected and deposited in the Integrated Waste Management Fund) was approved, which increased the amount collected for CSW to \$3.34 per cubic yard in 2004-2005. In 2005-2006, the City Council increased the fee by 4.5% (\$0.15 per cubic yard) to \$3.49 per cubic yard.

In 2006-2007, an additional 5.0% increase was approved by the City Council, which brought the fee to \$3.67 per cubic yard. In 2009-2010, the elimination of the fee exclusion for the first 20,000 cubic yards hauled in the fiscal year was approved.

On October 19, 2010, the City Council amended the CSW fee to a fee for franchises based on geographic collection districts rather than volume. The base fee of \$5.0 million per year for each of two geographic collection districts, plus a supplemental fee of \$1.0 million for the right to conduct CSW services in both the North District and the South District became effective July 1, 2012, and is subject to an annual Consumer Price Index (CPI) adjustment. The CSW fee is authorized by Title 9 of the Municipal Code, Chapter 9.08.

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

GENERAL FUND REVENUE DESCRIPTIONS

FRANCHISE FEES

The City collects a **Cable Television Franchise Fee** from any company that provides cable television (Municipal Code, Title 15, Chapter 15.34). The current fee requires each State video franchise holder to pay the city a franchise fee that is 5% of gross revenues derived from subscriptions. Excluded from the gross receipts are amounts derived from installation, late charges, advertising, taxes, line extensions, and returned check charges.

The **Water Franchise Fee** was established in 1995-1996 (effective July 27, 1995, Title 15 of the Municipal Code, Section 15.40). The assessment of the fee is allowable under State law, which asserts that a city can collect a franchise fee from a water utility company for laying pipelines and operating them in public right-of-ways. The fee is equal to the greater of either: 1) 2% of the utility's gross annual receipts arising from the use, operation, or possession of facilities located in public streets within the City limits established on or after October 10, 1911, or 2) 1% of all gross receipts derived from the sale of water within the City limits. Those portions of the water company's system that are established in private right-of-ways or utility easements granted by private developers are exempted from the franchise fee assessment. It should be noted that the City is not assessing a Water Franchise Fee on the San Jose Water Company due to a Santa Clara County Superior Court ruling that states San José cannot impose a franchise fee on that company.

UTILITY TAX

The Utility Tax is charged to all users of a given utility (gas, electricity, telephone, and water) other than the corporation providing the utility (i.e., a utility company's consumption of all utilities used in the production or supply of their service is not taxed). For the electricity, gas, and water categories, consumers pay 5% of their utility charges to the utility company that acts as a collection agent for the City. For the telephone utility tax, consumers pay 4.5% on all intrastate, interstate, and international communication services regardless of the technology used to provide such services. Private communication services, voice mail, paging, and text messaging are treated the same as traditional telephone services. In November 2008, voters approved Measure K that reduced the telephone utility rate from 5.0% to 4.5% and broadened the base for the tax and the definition of technologies covered by the tax. The tax is not applicable to State, County, or City agencies. Also, per State regulations, insurance companies and banks are exempted from the tax. This tax is authorized by Title 4 of the Municipal Code, Section 4.68.

TELEPHONE LINE TAX

In November 2008, voters approved Measure J that replaced the Emergency Communication System Support (ECSS) Fee with a tax in an amount that is 10% less than the ECSS Fee. The tax amount is \$1.57 per telephone line per month and \$11.82 per commercial type trunk line. The City ceased collecting the fee and began collecting the tax by April 1, 2009. The tax is collected from telephone users on their telephone bills. Exemptions to the tax include low-income seniors and disabled persons who receive lifeline telephone service.

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

GENERAL FUND REVENUE DESCRIPTIONS

BUSINESS TAXES

The **General Business Tax** was first adopted on July 15, 1963. The methodology used for calculating the Business Tax (Chapter 4.76 of the San José Municipal Code) was adopted in 1984 and adjusted in 1986. In November 1996, the rates were increased to reflect an annual inflation factor as part of the New Realities Task Force recommendations contingent on voter approval. Because the voters did not approve the continuation of the increase in November 1998, the rates were returned to the levels prior to November 1996. Those rates stayed in effect until San José voters approved the Business Tax Modernization measure on November 8, 2016. In addition to expanding the application of tax to more business classes, the Business Tax Modernization measure increased the base tax, the incremental tax, and the cap (the maximum amount of tax affecting large businesses). The Business Tax Modernization measure rates went into effect July 1, 2017 and will be adjusted annually on July 1st for inflation changes.

The following charts present the business tax rate structure after the Business Tax Modernization, along with the inflation adjusted rates for the periods listed.

Employee Count

Every person engaged in business in the City shall pay a business tax based on employee count¹, unless the basis of the tax is otherwise prescribed in the San José Municipal Code.

Businesses: Employee Count ¹	July 2020- June 2021	Effective July 1, 2021 ³
Base Tax: 1-2 employees	\$203.85	\$206.90
Incremental Tax: 3-35 ²	\$32.70	\$33.20
Incremental Tax: 36-100 ²	\$43.60	\$44.25
Incremental Tax: 101-500 ²	\$54.50	\$55.35
Incremental Tax: 501+ ²	\$65.45	\$66.45
Cap	\$163,745	\$166,365

¹ Businesses choose between calculating the number of employees based on full-time equivalent (FTE) or based on the number employers report to the California Employment Development Department (EDD).

² Incremental tax rates are applicable per employee.

³ As prescribed in San José Municipal Code Section 4.76.365, the base tax rate shall be adjusted annually if the cost of living in the City has increased over the preceding base period as shown by the Consumer Price Index (All Urban Consumers for All Items for the San Francisco-Oakland-Hayward, CA Area) using February to February data; limited to 1.5% per year on the minimum base tax, 3.0% per year on the incremental tax brackets, and 3.0% per year on the cap. For the period February 2020 to February 2021, the CPI grew by 1.6%.

**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET**

GENERAL FUND REVENUE DESCRIPTIONS

BUSINESS TAXES

Residential Rental Property Units

Every person in the City engaged in the business of renting or leasing any residential real estate shall pay a business tax based on the number of rental units held for rental, unless the basis of the tax is otherwise prescribed in the San José Municipal Code.

Residential Landlords: Rental Units	July 2020- June 2021	Effective July 1, 2021 ²
Base Tax: 1-2 units	\$203.85	\$206.90
Incremental Tax: 3-35 ¹	\$10.90	\$11.07
Incremental Tax: 36-100 ¹	\$16.35	\$16.60
Incremental Tax: 101-500 ¹	\$21.80	\$22.10
Incremental Tax: 501+ ¹	\$27.25	\$27.65
Cap	\$163,745	\$166,365

Commercial (Non-Residential) Rental Property Units

Every person in the City engaged in the business of renting or leasing any non-residential real estate shall pay a business tax based on the square footage of space held for rental, unless the basis of the tax is otherwise prescribed in the San José Municipal Code.

Commercial Landlords	July 2020- June 2021	Effective July 1, 2021 ²
Base Tax	\$203.85	\$206.90
Flat Incremental Tax: per Square Foot ¹	\$0.0272	\$0.028
Cap	\$163,745	\$166,365

Mobile Home Parks Rental Units

Every person in the City engaged in the business of renting or leasing any mobile home parks shall pay a business tax based on the number of lots held for rental, unless the basis of the tax is otherwise prescribed in the San José Municipal Code.

Mobile Home Parks – Rental Lot	July 2020- June 2021	Effective July 1, 2021 ²
Base Tax: 1-2 lots	\$203.85	\$206.90
Incremental Tax: 3+ lots ¹	\$10.90	\$11.07
Cap	\$163,745	\$166,365

¹ Incremental tax rates are applicable per unit.

**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET**

GENERAL FUND REVENUE DESCRIPTIONS

BUSINESS TAXES

Mobile Home Parks Rental Units

² As prescribed in San José Municipal Code Section 4.76.450, the base tax rate shall be adjusted annually if the cost of living in the City has increased over the preceding base period as shown by the Consumer Price Index (All Urban Consumers for All Items for the San Francisco-Oakland-Hayward, CA Area) using February to February data; limited to 1.5% per year on the minimum base tax, 3.0% per year on the incremental tax brackets, and 3.0% per year on the cap. For the period February 2020 to February 2021, the CPI grew by 1.6%.

Water Meter Connections

Every person engaged in the business of a public water utility in the City shall pay a business tax based upon the number of active metered connections within the city, unless the basis of the tax is otherwise prescribed in the San José Municipal Code.

Water Companies	July 2020- June 2021	Effective July 1, 2021 ²
Base Tax	\$203.85	\$206.90
Flat Incremental Tax: per connection ¹	\$1.09	\$1.11
Cap	\$163,745	\$166.365

¹ Incremental tax rates are applicable per connection.

² As prescribed in San José Municipal Code Section 4.76.485, the base tax rate shall be adjusted annually if the cost of living in the City has increased over the base period as shown by the Consumer Price Index (All Urban Consumers for All Items for the San Francisco-Oakland-Hayward, CA Area) using February to February data; limited to 1.5% per year on the minimum base tax, 3.0% per year on the incremental tax brackets, and 3.0% per year on the cap. For the period February 2020 to February 2021, the CPI grew by 1.6%.

Exclusions and Exemptions

There are several exclusions (by Federal or State regulations) or exemptions (by the City Council) from the General Business Tax. The major types of exempt organizations include banks and insurance companies, charitable and non-profit organizations, interstate commerce, and low revenue generation businesses.

Specialty Business Taxes

On May 26, 1987, the City Council enacted a new **Disposal Facility Tax**, which became effective July 1, 1987. The rate structure is based on the weight of solid waste disposed. On July 1, 1992, the City Council increased the Disposal Facility Tax from \$3.00 per ton of disposed waste to \$13.00 per ton. This tax is assessed on landfills located in the City of San José. Beginning 2002-2003, waste previously classified as alternate daily cover was made subject to the Disposal Facility Tax. After a legal challenge, the City reinstated the alternate daily cover exemption in August 2005.

**CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET**

GENERAL FUND REVENUE DESCRIPTIONS

BUSINESS TAXES

During 1991-1992, the City Council approved a cardroom ordinance, which contained the provision of a **Cardroom Business Tax** to tax gross receipts from cardrooms located in the City. On June 9, 1992, the City Council amended the cardroom ordinance, increasing the tax rate schedule and expanding the permissible games authorized. A gross receipt monthly tax schedule was established with taxes ranging from 1% to 13% of gross receipts. In 1993-1994, the City Council approved a revision to the cardroom ordinance, instituting a flat 13% gross receipts tax for all cardrooms located in the City with annual gross revenues in excess of \$10,000. In June 2010, voters approved a ballot measure that increased the tax rate from 13% to 15% and increased the maximum number of card tables from 80 to 98. In November 2020 voters approved a ballot measure to increase the tax rate from 15% to 16.5%, increase the maximum number of card tables from 98 to 128, and extend the cardroom tax to those businesses providing Third-Party Proposition Player Services in the cardrooms.

On November 2, 2010, San José voters approved Ballot Measure U, which allowed the City to tax all marijuana businesses (medical and non-medical; legal and illegal) at a rate of up to 10% of gross receipts. On December 13, 2010, the City Council approved an ordinance that set the **Cannabis Business Tax** (formerly Marijuana Business Tax) at 7%, and on June 4, 2013, the City Council increased the rate to 10% effective on July 1, 2013. On May 21, 2019, the City Council approved an ordinance that amended Chapter 4.66 to rename the Marijuana Business Tax to the Cannabis Business Tax (CBT) and to establish a tiered CBT rate structure for various categories of cannabis business activities. Effective July 1, 2019, the following CBT rates are applicable on the gross receipts:

Business Activity	July 2013 - June 2019	Effective July 1, 2019
Cultivation	10%	4%
Manufacturing	10%	3%
Distribution	10%	2%
Laboratory Testing	10%	0%
Retail / Delivery Sales	10%	10%

REAL PROPERTY TRANSFER TAX

On March 3, 2020, San José voters approved Measure E, Real Property Transfer Tax. This new tax, which became effective on July 1, 2020, is imposed at a tiered level for property transfers (sales) over \$2.0 million. The Real Property Transfer Tax is a general tax, which means the City of San José can use the revenue for any governmental purpose.

The rate for the Real Property Transfer Tax is as follows:

- 1) Under \$2.0 million – Exempt;
- 2) \$2.0 million to \$5.0 million – 0.75% of the transferred property value;
- 3) \$5.0 million to \$10.0 million – 1.0% of the transferred property value; and
- 4) Over \$10.0 million – 1.5% of the transferred property value

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

GENERAL FUND REVENUE DESCRIPTIONS

LICENSES AND PERMITS

The City requires payment for the issuance of various health and safety-related licenses and permits. For most licenses and permits, the various fees charged by a given department are based on full recovery of the estimated costs for providing each service. For example, the City requires fire safety inspections of all commercial property. The fee provides for inspection charges and a number of special charges. Authorized exceptions include the addition and/or alteration of under 20 sprinkler heads and the installation of portable extinguishers. The fee is authorized by Title 17 of the Municipal Code, Chapter 17.12. Where appropriate, license and permit fees take into consideration approved exceptions to the City Council's full cost recovery policy, as well as applicable State laws. Specific prices and rates are determined by ordinance and each of the charges is fully explained in the City's Fees and Charges Report, which is released in May of each year.

Prior to 2020-2021, this category included development-fee revenue related to the Fire Department and Planning, Building and Code Enforcement Department. However, beginning in 2020-2021, all revenue and expenditures related to the Development Fee Programs are no longer captured in the General Fund, and are instead allocated to specific Development Fee Program Funds. As before, the Development Fee Programs remain at 100% cost recovery.

FINES, FORFEITURES AND PENALTIES

The City receives a portion of the fines collected in connection with violations of the State Vehicle Code on city streets. Various fines may be assessed in addition to those imposed by the Santa Clara County bail schedule and judges' sentences. The County court system collects the fines as authorized by the State Vehicle Code and makes monthly remittances to the City. Only "on call" emergency vehicles are exempt from Vehicle Code street laws. State legislative action in 1991-1992 reduced the amount (by approximately 50%) of Vehicle Code fine and forfeiture revenue forwarded to the City. On October 10, 1997, however, the Governor signed Assembly Bill 233 (AB 233), which became effective on July 1, 1998. AB 233 changed how the State and its counties and cities share in traffic citation fine revenues. This legislation essentially resulted in the doubling of the City's revenue collections in this area, reversing the impact of the 1991-1992 State legislative action.

The City receives fines and forfeitures of bail resulting from violation of State Health and Safety Codes and City Ordinances. These fees, authorized by the State Criminal Code and City Ordinances, are collected by the County and remitted to the City on a monthly basis. The City also receives revenue collected in connection with violations of the City's vehicle parking laws. These fines vary according to the nature of the violation. The City pays an agency to process and collect the fines. The only authorized exemption is for "on call" emergency vehicles.

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

GENERAL FUND REVENUE DESCRIPTIONS

REVENUE FROM USE OF MONEY AND PROPERTY

The City invests idle funds in order to earn interest. The total income varies with the market rates for interest and the funds available to invest. The City has established a formalized and conservative investment policy with objectives emphasizing safety and liquidity. This policy provides guidelines for the type, size, maturity, percentage of portfolio, and size of security issuer (among others) of each investment. In addition, the policy statement outlines several responsibilities of the City Council, City Manager, City Auditor, and Finance Director. These policy and monitoring units interact and produce investment performance reports and an annually updated investment policy. All reports and policies must be reviewed and approved by both the City Manager and City Council. Investment of funds is authorized by the City Charter, Section 8066. Revenue is also received from the rental of City-owned property.

REVENUE FROM LOCAL AGENCIES

This revenue category includes revenue received from a variety of other local government agencies. For example, the City receives payments from the Central Fire District for fire services provided to District residents by the San José Fire Department and Santa Clara County for the first responder of advanced life support (Paramedics Program).

REVENUE FROM THE STATE OF CALIFORNIA

On November 23, 1998, the attorneys general of most states and the major United States tobacco companies signed a Master Settlement Agreement (MSA) to settle more than 40 pending lawsuits brought by states against the tobacco industry. In exchange for the states dropping their lawsuits, and agreeing not to sue in the future, the tobacco companies agreed to pay, in perpetuity, various annual payments to the states to compensate them for some of the medical costs of caring for persons with smoking-related illnesses. Further, the companies have restricted their marketing activities and established new efforts to curb tobacco consumption. The City, along with the other states and local government entities, joined in the settlement. In the MSA, the Original Participating Manufacturers agreed to pay a minimum of \$206 billion over the first twenty-five years of the agreement.

The City has also previously received Motor Vehicle In-Lieu (MVLf) Tax revenues, which are license fees collected by the California Department of Motor Vehicles (DMV). Until 1998-1999, the annual license fee was 2% of the market value of the vehicle as determined by the DMV.

In 1998-1999, the State reduced the license fees by 25%, but agreed to backfill local jurisdictions for the loss in revenue, which represented 67.5% of MVLf revenues received by the City at the time. In 2004-2005, as part of State budget actions, the MVLf rate was permanently reduced from 2% to 0.65% and all future receipts of the backfill were approved to be in the form of increased Property Tax receipts and are reflected in that category. Thus, the backfill amount due to the City has permanently become property tax revenue that now grows based on assessed valuations. The State withholds a portion of these fees for the support of the DMV. The remaining fees are divided equally between counties and cities, and their aggregate shares are distributed in proportion to the respective populations of the cities and

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

GENERAL FUND REVENUE DESCRIPTIONS

REVENUE FROM THE STATE OF CALIFORNIA

counties of the State. The exemptions authorized by the State Constitution, Article 13, include vehicles owned by insurance companies and banks, publicly owned vehicles, and vehicles owned by certain veterans with disabilities. The tax is authorized by the State Revenue and Taxation Code. In late June 2011, the State Legislature approved SB 89, which shifted over \$130 million in annual General Fund Motor Vehicle In-Lieu revenue from cities to support State law enforcement grants effective July 1, 2011. State legislative action in 1992-1993 eliminated local Trailer Coach In-Lieu Tax revenues. These funds were shifted to the State General Fund.

REVENUE FROM THE FEDERAL GOVERNMENT

Federal grants account for a significant portion of federal revenues. Grant programs must be specifically outlined and proposed for federal sponsorship. Due to the grant process, the volume of grants and level of revenue has been and will be sporadic.

FEES, RATES, AND CHARGES

Fees, Rates, and Charges are comprised of fees charged for services, which are primarily provided by the following departments: Police; Transportation; Library; and Parks, Recreation and Neighborhood Services. Prior to 2020-2021, this category included development-fee revenue related to the Planning, Building and Code Enforcement Department and Public Works Department. However, beginning in 2020-2021, all revenue and expenditures related to the Development Fee Programs are no longer captured in the General Fund, and are instead allocated to specific Development Fee Program Funds. As before, the Development Fee Programs remain at 100% cost recovery.

The fees in this category are determined by ordinance and described in the City's annual Fees and Charges Report, which is released in May of each year. In addition, it should be noted that the fees assessed by the Parks, Recreation and Neighborhood Services Department can be found on the internet (www.sanjoseca.gov/your-government/departments/parks-recreation-neighborhood-services).

OTHER REVENUE

This revenue category contains revenue received from a variety of miscellaneous sources. Significant sources of revenue include reimbursement related to Finance Department staff in the Investment Program, sale of surplus property receipts, one-time and/or varied levels of reimbursements, and miscellaneous revenues associated with the Office of the City Attorney.

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

GENERAL FUND REVENUE DESCRIPTIONS

TRANSFERS AND REIMBURSEMENTS

The Transfers and Reimbursements revenue category is used to account for funds received by the General Fund from other City funds through a combination of means, including operating and capital fund overhead charges, transfers, and reimbursements for services rendered.

Overhead charges are assessed to recover the estimated fair share of indirect General Fund support services costs (staff and materials) that benefit other City program and fund activities. Examples of support activities included in the charges are services provided by the following departments: Finance, Human Resources, Information Technology, Mayor and City Council, the Office of the City Attorney, and the Office of the City Manager. Each year the charges are calculated using Finance Department developed overhead rates applied to projected salary costs in most City funds. The most significant sources of overhead reimbursements are the Treatment Plant Operating Fund, the Sewer Service and Use Charge Fund, the Airport Maintenance and Operation Fund, and the Integrated Waste Management Fund.

Transfers consist of both one-time and ongoing revenue sources to the General Fund. Ongoing transfers include capital fund transfers for maintenance and operating expenses incurred by the General Fund. One-time transfers occur on a sporadic basis and have included the disposition of uncommitted fund balances in several special funds and the transfer of monies to fund a variety of City projects.

Reimbursements from other funds represent the cost to the General Fund for services provided on behalf of the other City funds. This category also includes the State Gas Tax funds that are used to reimburse the General Fund for eligible expenditures. The State Gas Tax is described in the following section.

STATE GAS TAX

A portion of the State Gas Tax is shared with cities and counties under separate sections of the Streets and Highways Code. The 1964 Gas Tax (Section 2106) provides for a \$0.0104 charge on every gallon of gasoline. Revenue is then allocated according to the following formula:

County Allocation : **a** No. of Registered Vehicles in County
 ÷ b No. of Registered Vehicles in State
 x c \$0.0104
 x d Gallons of Gas Sold

City Allocation: **a** Incorporated Assessed Value in County
 ÷ b Total Assessed Value in County
 x c County Allocation

Individual City Allocation: **a** Population in City
 ÷ b Population of all Cities in County
 x c City Allocation

CITY OF SAN JOSE
2021-2022 PROPOSED OPERATING BUDGET

GENERAL FUND REVENUE DESCRIPTIONS

STATE GAS TAX

The 1943 Gas Tax (Section 2107) authorized a per gallon charge of \$0.00725. The State allocates part of these revenues for snow removal; the balance is distributed by calculating the portion of the State population represented by the city's population.

As a result of the passage of Proposition 111, gas and diesel taxes were increased \$0.05 per gallon on August 1, 1990, and increased by \$0.01 per gallon each January 1 until and including January 1, 1994. For the 1990 Gas Tax (Section 2105), cities are apportioned a sum equal to the net revenues derived from 11.5% of highway users taxes in excess of \$0.09 per gallon in the proportion that the total city population bears to the total population of all cities in the State.

Introduction

City Service Areas

CITY SERVICE AREAS

Community and
Economic Development

Environmental and Utility
Services

Neighborhood Services

Public Safety

Transportation and
Aviation Services

Strategic Support

What is a City Service Area?

City Service Areas (CSAs) integrate services provided in individual departments into the City's five key lines of business – Community and Economic Development, Environmental and Utility Services, Neighborhood Services, Public Safety, and Transportation and Aviation Services. An additional CSA, referred to as "Strategic Support," represents the internal functions that enable the other five CSAs to provide services to the community. These cross-departmental CSAs provide a forum for strategic planning and investment decisions within the context of the Mayor and City Council policy priorities. Plans, policies, and investment decisions at the CSA level are then carried out through departmental core and operational services.

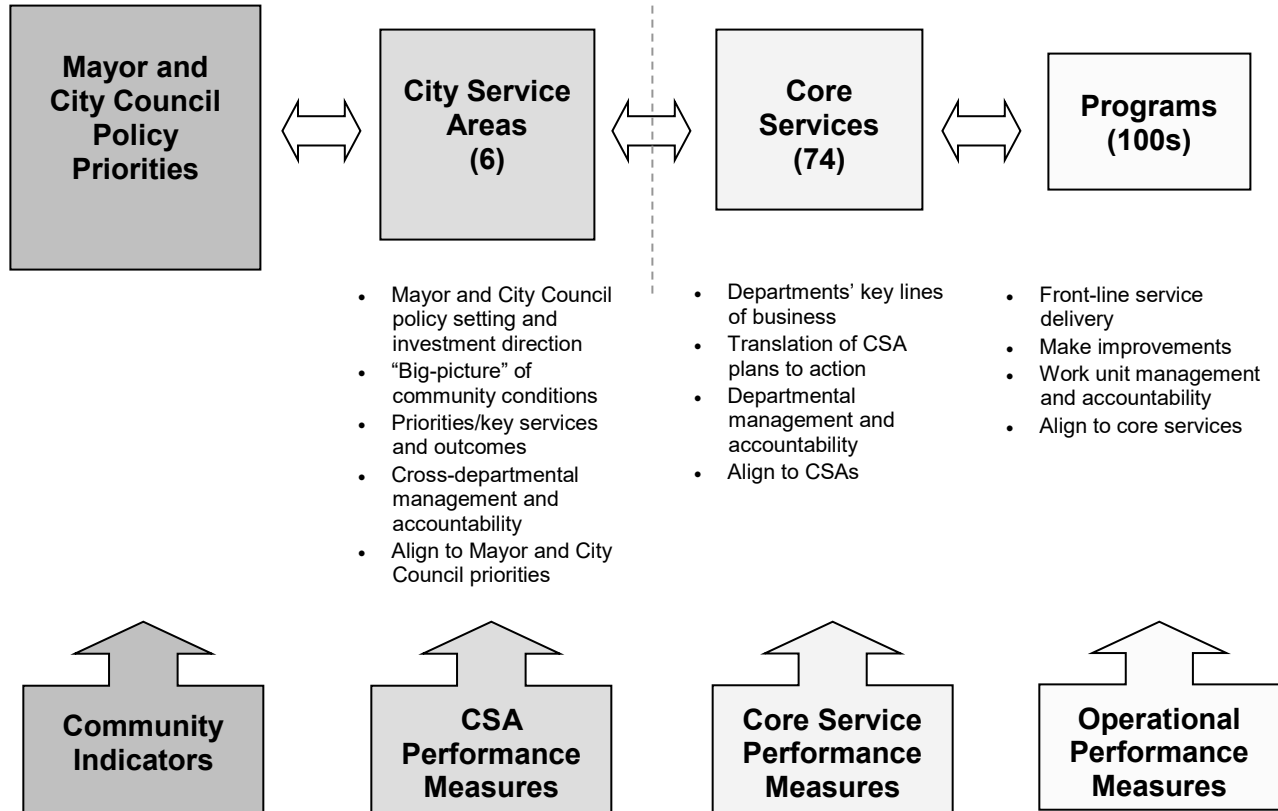
Each CSA is guided by a Mission Statement, which is informed by the City's Mission Statement. The City's Mission Statement can be found on the City Service Area – Core Service Map at the end of this section.

The following pages present an overview of the CSA framework and how it is used in San José's operating and capital budgets and in performance reporting to the City Council and the public.

Introduction

City Service Areas

City of San José's Service Delivery Framework for Performance-Driven Government



The City of San José's Service Delivery Framework for Performance-Driven Government aligns front line services (or programs) to the Mayor and City Council Policy Priorities. This structure acknowledges the complexity of the organization and the wide variety of services delivered and provides tools at all levels of the organization to plan, manage, and measure the results that customers experience.

The 2002-2003 Operating Budget was San José's first performance-based budget developed by City Service Area (CSA). CSAs enable the City to strategically plan and show results of the collaboration among departments. Each CSA aligns the efforts of a number of core services (each with its own set of performance measures) into the City's key lines of business. In 2017-2018, programs were identified and aligned to the Core Services.

Both the operating and capital budget documents are aligned to the CSA framework. A CSA-based capital project reporting system has been implemented along with consistent performance measures to ensure that the City meets its on-time and on-budget goals for project delivery.

Introduction

City Service Areas

CSA Alignment for the Budget Document

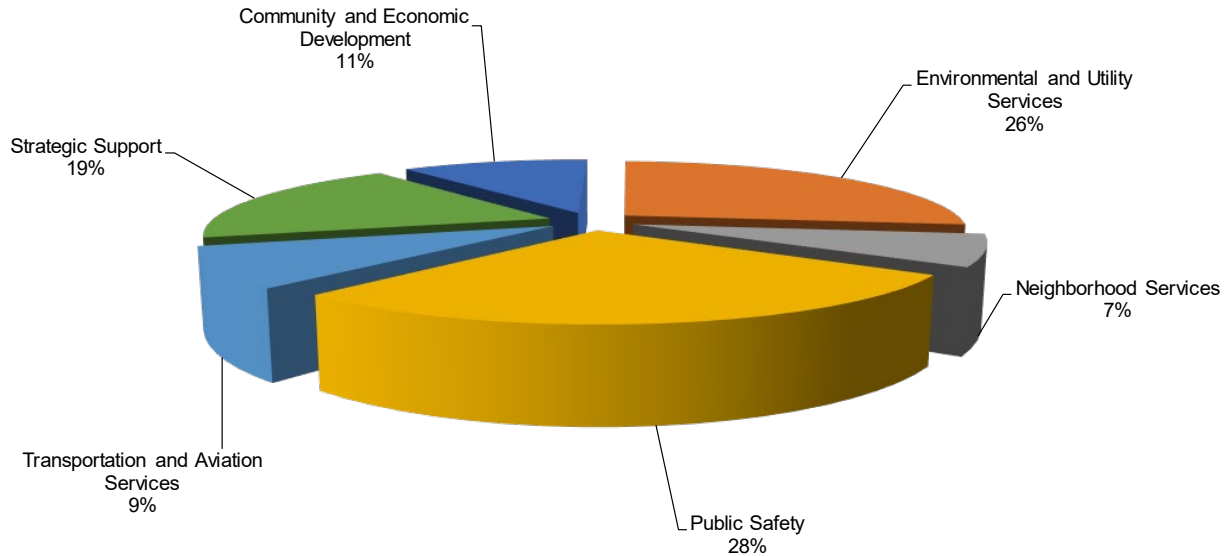
The operating budget document reflects San José's service delivery-based framework for performance-driven government. In that framework, each of the 74 departmental core services is aligned to one of six CSAs to which it contributes. A "map" detailing the alignment of the 74 core services to the six CSAs, including a description of the CSA mission and a listing of the CSA outcomes (the "ends" to which the plans, efforts, resources, and results of the CSA are directed) is provided at the end of this Introduction.

Each of the CSA overview sections that follow includes a description of the CSA's mission, partner departments, and a CSA outcome listing. The Service Delivery Framework displays the CSA's mission, outcomes, and the Core Services for each of the partner departments. A CSA Dashboard is also included to highlight key performance measures for the CSA.

Introduction

City Service Areas

City Service Area Budget



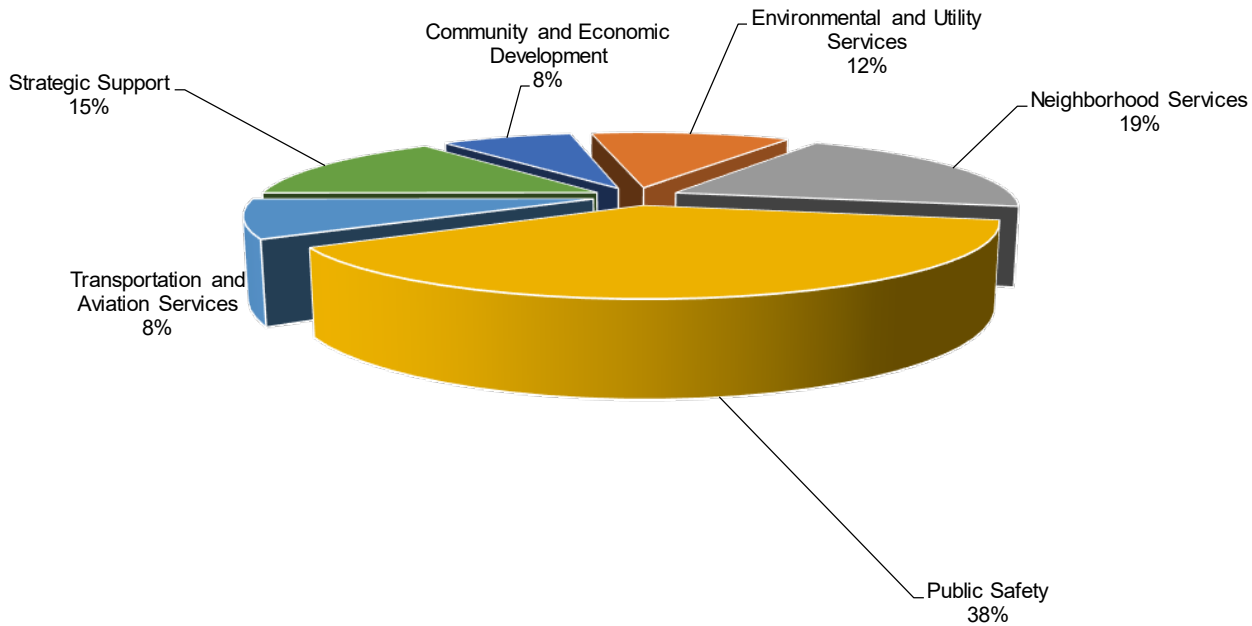
	2019-2020 Actuals 1	2020-2021 Adopted 2	2020-2021 Forecast 3	2021-2022 Proposed 4	% Change (2 to 4)
Dollars by CSA*					
Community and Economic Development	\$ 204,410,919	\$ 264,807,422	\$ 255,783,004	\$ 298,757,429	12.82%
Environmental and Utility Services	660,444,103	728,777,915	753,133,773	727,713,083	-0.15%
Neighborhood Services	186,865,890	198,201,867	183,681,809	190,508,045	-3.88%
Public Safety	719,308,930	740,546,842	751,421,262	756,096,306	2.10%
Transportation and Aviation Services	275,258,294	288,924,037	285,438,286	243,618,404	-15.68%
Strategic Support	413,541,045	594,640,285	527,817,854	510,648,822	-14.12%
Total	\$ 2,459,829,181	\$ 2,815,898,369	\$ 2,757,275,988	\$ 2,727,342,089	-3.14%

* Fund Balance, Transfers, Reserves, and Capital Project expenditures for funds that may be managed by the departments in this CSA have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

Introduction

City Service Areas

City Service Area Position Summary



	2019-2020 Actuals*	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed	% Change (2 to 4)
	1	2	3	4	
Staffing by CSA					
Community and Economic Development	533.65	522.19	500.23	504.44	-3.40%
Environmental and Utility Services	753.46	761.36	761.36	769.16	1.02%
Neighborhood Services	1,296.07	1,270.07	1,206.20	1,289.02	1.49%
Public Safety	2,530.24	2,530.65	2,523.37	2,550.33	0.78%
Transportation and Aviation Services	567.04	555.14	549.14	563.34	1.48%
Strategic Support	966.55	952.80	952.50	963.25	1.10%
Total	6,647.01	6,592.21	6,492.80	6,639.54	0.72%

* The positions displayed in the 2019-2020 Actuals column reflect those included in the 2019-2020 Adopted Budget.

Introduction

City Service Area – Core Service Map

COMMUNITY AND ECONOMIC DEVELOPMENT CSA

Mission: To manage the growth and change of the City of San José in order to encourage a strong economy, create and preserve healthy neighborhoods, ensure a diverse range of housing and employment opportunities, and encourage a diverse range of arts, cultural, and entertainment offerings.

Outcomes:

- Strong Economic Base
- Safe, Healthy, Attractive, and Vital Community
- Diverse Range of Housing Options
- Range of Quality Events, Cultural Offerings, and Public Artworks

Core Services

- ECONOMIC DEVELOPMENT AND CULTURAL AFFAIRS
- Arts and Cultural Development
 - Business Development and Economic Strategy
 - Real Estate Services
 - Regional Workforce Development
- FIRE
- Fire Safety Code Compliance
- HOUSING
- Affordable Housing Portfolio Management
 - Affordable Housing Production and Preservation
 - Homelessness Interventions and Solutions
 - Neighborhood Capital Investment and Public Services
 - Rent Stabilization and Tenant Protection
- PBCE
- Citywide Land Use Planning
 - Development Plan Review and Building Construction Inspection
- PUBLIC WORKS
- Regulate/Facilitate Private Development

ENVIRONMENTAL AND UTILITY SERVICES CSA

Mission: Provide environmental leadership through policy development, program design, and reliable utility services.

Outcomes:

- Reliable Utility Infrastructure
- Healthy Streams, Rivers, Marsh, and Bay
- “Clean and Sustainable” Air, Land, and Energy
- Safe, Reliable, and Sufficient Water Supply

Core Services

- COMMUNITY ENERGY
- Providing Clean Energy to the Community
 - Community Energy Customer Support
 - Community Energy Community Programming
- ENVIRONMENTAL SERVICES
- Potable Water Delivery
 - Recycled Water Management
 - Recycling and Garbage Services
 - Storm Water Management
 - Sustainability and Environmental Health
 - Wastewater Management
- TRANSPORTATION
- Sanitary Sewer Maintenance
 - Storm Sewer Maintenance

NEIGHBORHOOD SERVICES CSA

Mission: To serve, foster, and strengthen the community by providing access to lifelong learning, opportunities to enjoy life, and preserving healthy neighborhoods.

Outcomes:

- Safe and Clean Parks, Facilities, and Attractions
- Vibrant Cultural, Learning, Recreation, and Leisure Opportunities
- Healthy Neighborhoods and Capable Communities

Core Services

- LIBRARY
- Access to Information, Library Materials, and Digital Resources
 - Literacy and Learning, Formal and Life-Long Self-Directed Education
- PRNS
- Community Facilities Development
 - Community Services
 - Parks Maintenance and Operations
 - Recreation Services
- PBCE
- Code Enforcement
- PUBLIC WORKS
- Animal Care and Services

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

Introduction

City Service Area – Core Service Map

PUBLIC SAFETY CSA

Mission: Provide prevention and emergency response services for crime, fire, medical, hazardous, and disaster related situations.

Outcomes:

- The Public Feels Safe Anywhere, Anytime in San José
- Residents Share the Responsibility for Public Safety

Core Services

CITY MANAGER

- City-Wide Emergency Management

FIRE

- Emergency Response
- Fire Prevention

INDEPENDENT POLICE AUDITOR

- Independent Police Oversight

POLICE

- Crime Prevention and Community Education
- Investigative Services
- Regulatory Services
- Respond to Calls for Service and Patrol Support

TRANSPORTATION AND AVIATION SERVICES CSA

Mission: To provide the community with safe, secure, and efficient surface and air transportation systems that support San José’s livability and economic vitality.

Outcomes:

- Provide Safe and Secure Transportation Systems
- Provide Viable Transportation Choices that Promote a Strong Economy
- Travelers Have a Positive, Reliable, and Efficient Experience
- Preserve and Improve Transportation Assets and Facilities
- Provide a Transportation System that Enhances Community Livability

Core Services

AIRPORT

- Airport Business Development
- Airport Facilities
- Airport Operations
- Airport Planning and Capital Development

TRANSPORTATION

- Parking Services
- Pavement Maintenance
- Street Landscape Maintenance
- Traffic Maintenance
- Transportation Planning and Project Delivery
- Transportation Safety and Operations

STRATEGIC SUPPORT CSA

Mission: To effectively develop, manage, and safeguard the City’s fiscal, physical, technological, and human resources to enable and enhance the delivery of City services and projects.

Outcomes:

- A High Performing Workforce that is Committed to Exceeding Internal and External Customer Expectations
- Safe and Functional Public Infrastructure, Facilities, and Equipment
- Effective Use of Technology
- Sound Fiscal Management that Facilitates Meeting the Needs of the Community

Core Services

FINANCE

- Disbursements
- Financial Reporting
- Purchasing and Risk Management
- Revenue Management
- Treasury Management

HUMAN RESOURCES

- Employee Benefits
- Employment Services
- Health and Safety
- Training and Development

INFORMATION TECHNOLOGY

- Business Solutions
- San José 311
- Technology Infrastructure and Operations

PUBLIC WORKS

- Facilities Management
- Fleet and Equipment Services
- Plan, Design, and Construct Public Facilities and Infrastructure

MAYOR, CITY COUNCIL AND APPOINTEES

Mission: Council appointees exist to support and advance the collective work done of the City organization through leadership, communication, and coordination.

MAYOR AND CITY COUNCIL

- Office of the Mayor
- City Council
- Council General

CITY ATTORNEY

- Legal Services

CITY AUDITOR

- Audit Services

CITY CLERK

- City Clerk Services

CITY MANAGER

- Lead and Manage the Organization

RETIREMENT

- Retirement Plan Administration

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City Service Area

Community and Economic Development



Mission: *To manage the growth and change of the City of San José in order to encourage a strong economy, create and preserve healthy neighborhoods, ensure a diverse range of employment and housing opportunities, and encourage a diverse range of arts, cultural, and entertainment offerings*

Primary Partners

Economic Development
Fire
Housing
Planning, Building and Code
Enforcement
Public Works

CSA OUTCOMES

- Strong Economic Base
- Safe, Healthy, Attractive, and Vital Community
- Diverse Range of Housing Options
- Range of Quality Events, Cultural Offerings, and Public Artworks

City Service Area

Community and Economic Development

SERVICE DELIVERY FRAMEWORK

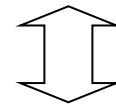
CITY SERVICE AREA
A cross-departmental collection of core services that form one of the City's 6 key "lines of business"

MISSION STATEMENT
Why the CSA exists

Community & Economic Development CSA

Mission:

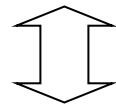
To manage the growth and change of the City of San José in order to encourage a strong economy, create and preserve healthy neighborhoods, ensure a diverse range of employment and housing opportunities, and encourage a diverse range of arts, cultural, and entertainment offerings



CSA OUTCOMES
The high level results of service delivery sought by the CSA partners

Outcomes:

- Strong Economic Base
- Safe, Healthy, Attractive, and Vital Community
- Diverse Range of Housing Options
- Range of Quality Events, Cultural Offerings, and Public Artworks



PRIMARY PARTNERS
Departments with Core Services that contribute to achievement of CSA Outcomes

CORE SERVICES
Primary deliverables of the organization

City Manager - Office of Economic Development and Cultural Affairs

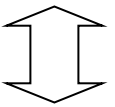
Core Services:

Arts and Cultural Development

Business Development and Economic Strategy

Real Estate Services

Regional Workforce Development



Fire Department

Core Services:

Fire Safety Code Compliance

City Service Area

Community and Economic Development

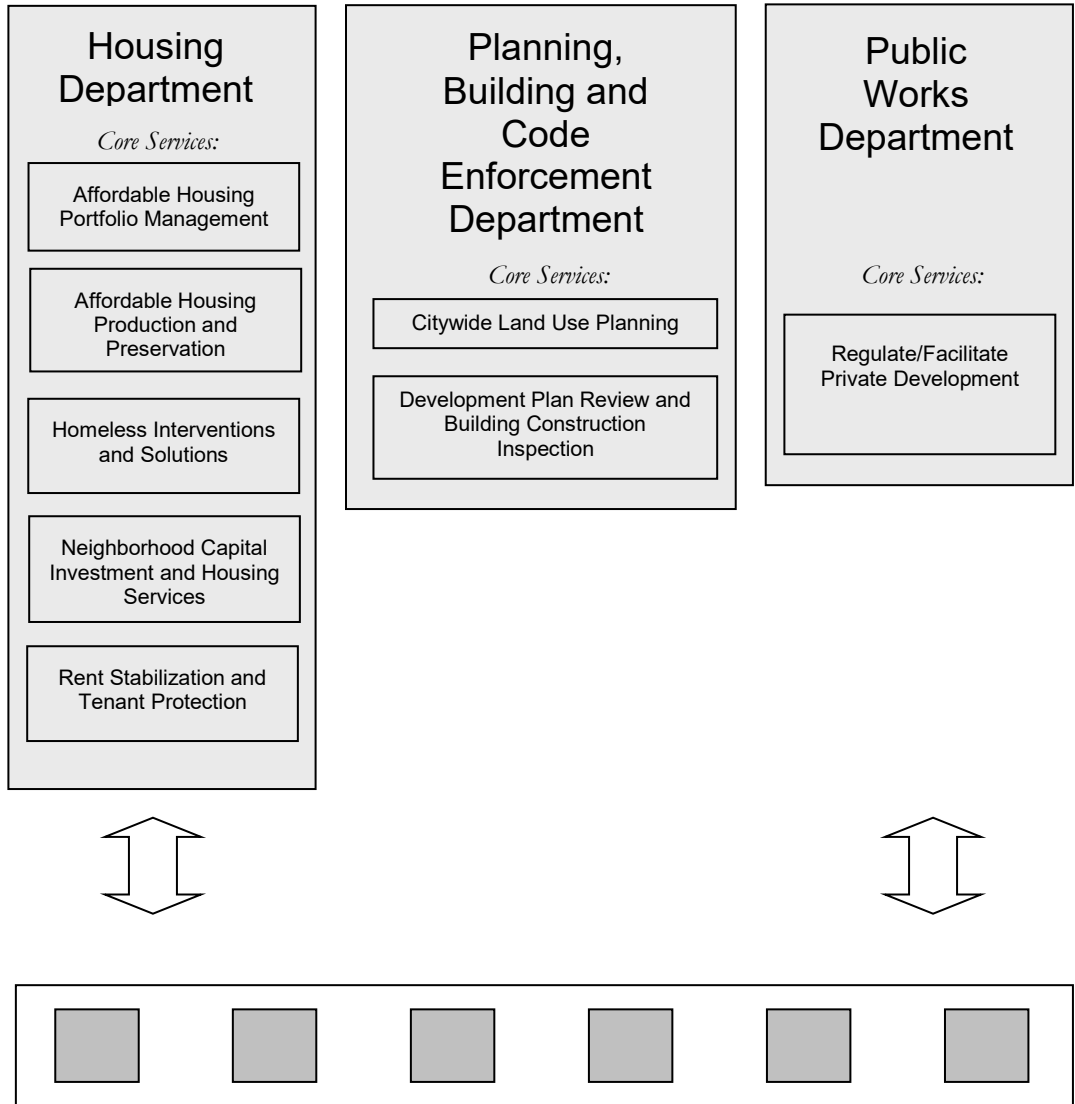
SERVICE DELIVERY FRAMEWORK

PRIMARY PARTNERS
Departments with Core Services that contribute to achievement of CSA Outcomes

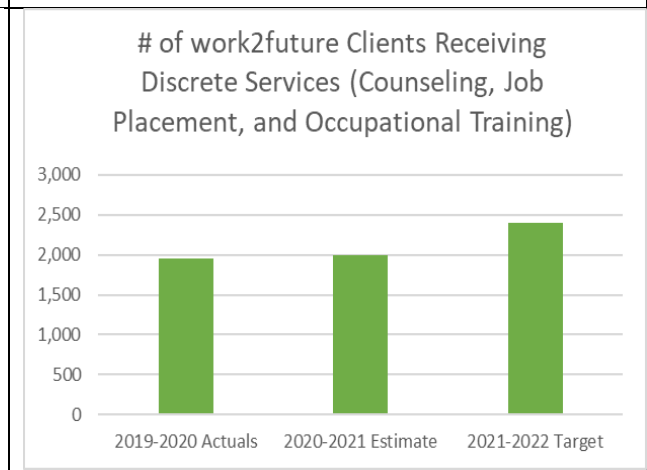
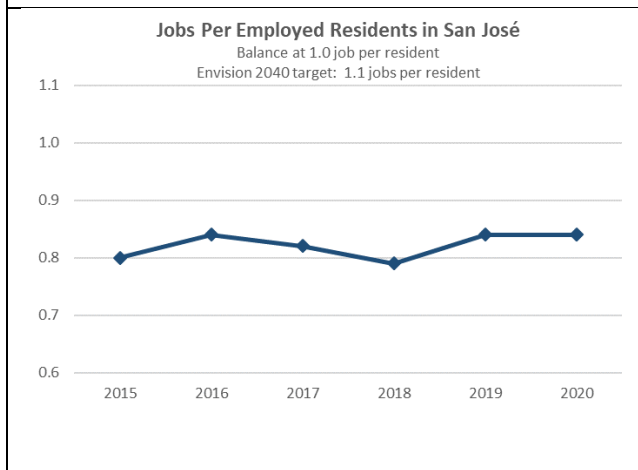
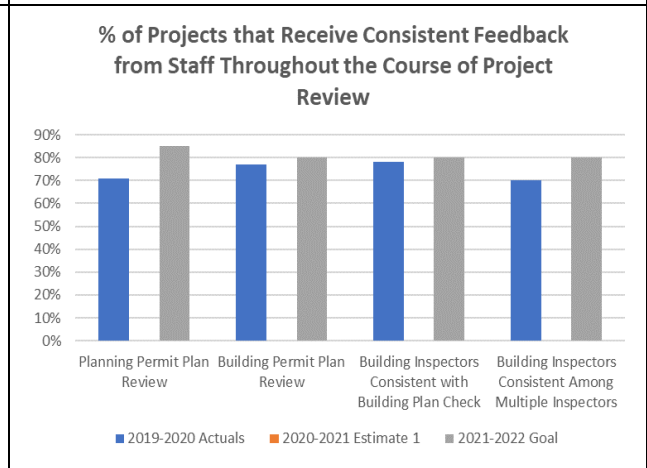
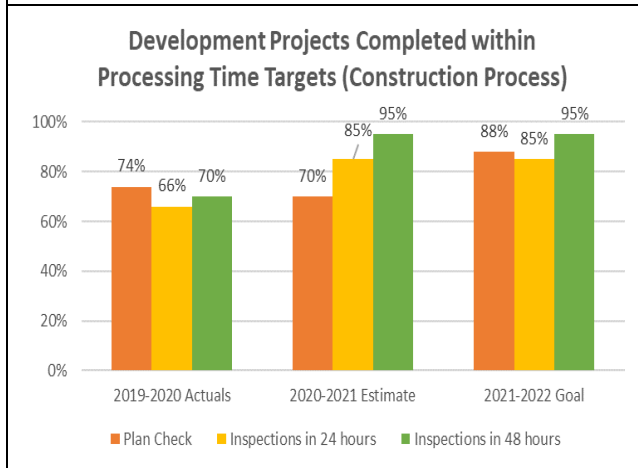
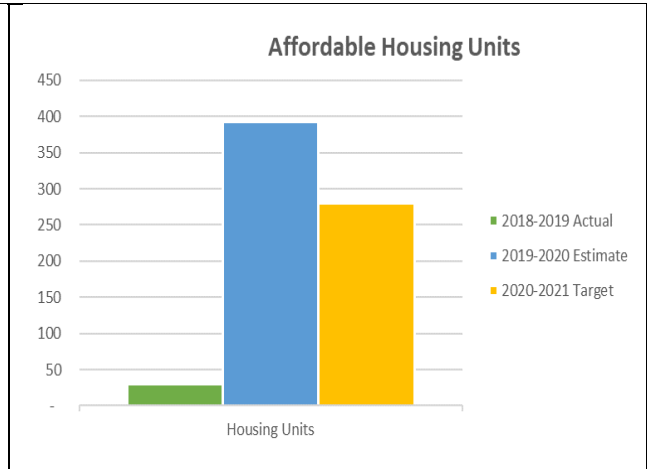
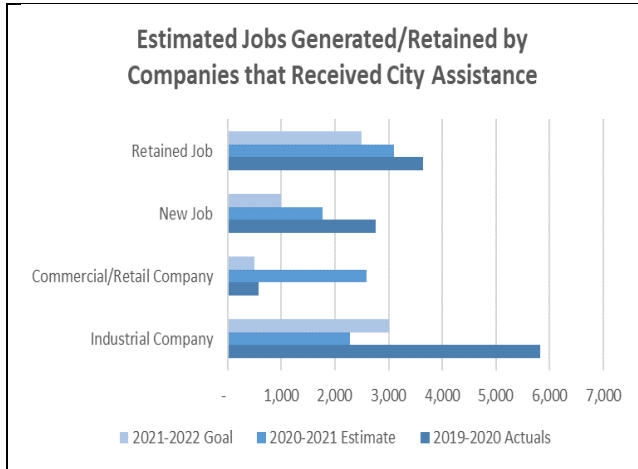
CORE SERVICES
Primary deliverables of the organization

PROGRAMS
Elements of Core Services; the "front-line" of service delivery

STRATEGIC SUPPORT
Organization-wide guidance and support to enable direct service delivery



City Service Area Community and Economic Development DASHBOARD



¹ Pending results of 2020-2021 Customer Satisfaction Survey.

City Service Area

Community and Economic Development

BUDGET SUMMARY

Expected 2021-2022 Service Delivery

- The Office of Economic Development and Cultural Affairs will preserve current staff capacity to address the myriad, growing needs for economic development services, business communications, and economic policy support that will arise as the City seeks to recover from the pandemic-induced recession.
- The Housing Department will implement a spending plan for the \$40 million of Measure E funds consistent with the Council approved spending plan and monitor the over \$100 million in state and federal funds for COVID-19 related emergency shelter operations, food services, homeless youth and family assistance, emergency interim housing, emergency hotel/motel vouchers, and the new Services Assistance Outreach and Resources (SOAR) program at encampments.
- The Planning, Building, and Code Enforcement Department will finalize draft City-initiated Diridon Station Area Plan amendment and finalize development and environmental review analyses for the Downtown West Mixed-Use Development proposal for Council action.
- Digitally transform the Development Services operations with an upgraded portal, integrated electronic plan submission and review, and digital inspection forms.

2021-2022 Key Budget Actions

- The Office of Economic Development and Cultural Affairs will reduce the Office's non-personal/equipment appropriation; adds 1.0 Senior Executive Analyst position to facilitate and promote both market rate and affordable housing opportunities; adds 1.0 Analyst I/II and 1.0 Staff Specialist positions to support the San Jose Works: Youth Jobs Initiative funded by the San Jose Works City-Wide Expenses allocation; and adds one-time funding for pre-development activities.
- The Housing Department adds 1.0 Development Officer position to accelerate the production of \$25.65 million in new affordable housing projects funded by Measure E; adds 1.0 Development Officer position to support the implementation of homeless housing programs including COVID-19 shelters and overseeing crisis response programs; adds 1.0 Development Officer position through June 30, 2022 to assist with activities related to stabilizing emergency interim housing sites, the Project HomeKey site and the rental assistance program; adds 1.0 Division Manager position for the implementation plan for the new Community Plan to End Homelessness, including coordinate with external agencies (County of Santa Clara, Destination: Home, etc.) across the region, and coordinate activities with other City departments; and adds 1.0 Analyst II position to provide additional administrative capacity as the Department increases staffing levels, budget monitoring and reporting support for grant programs including the Homeless Emergency Aid Program (HEAP), CARES Act, Homeless Housing and Assistance Program (HHAP), Permanent Local Housing Allocation (PLHA)/SB 2 State funds, and Measure E funds.
- The Planning, Building, and Code Enforcement Department realigns department staff resources by eliminating 11.0 positions, shifting 3.0 positions to align with funding sources, and continuing 5.0 temporary positions to maintain the department's ability to support critical functions such as Environmental Review of Private Development or Public Projects, Diridon Station Area Development Planning, Accessory Dwell Unit (ADU) Ally Program, and various key service delivery expectations throughout the department.

City Service Area Community and Economic Development BUDGET SUMMARY

City Service Area Budget Summary**

	2019-2020 Actuals **	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Dollars by Core Service *				
<i>City Manager - Office of Economic Development and Cultural Affairs</i>				
Strategic Support - Other - Community & Economic Development	2,033,545	4,445,150	1,410,842	1,210,211
Strategic Support - Community & Economic Development	3,561,841	3,678,828	2,154,220	2,150,984
Strategic Support - Fund Balance and Reserves - Comm & Economic Dev	459	0	0	0
Arts and Cultural Development	24,990,082	24,376,506	24,674,424	24,467,338
Business Development and Economic Strategy	12,768,548	7,363,866	6,807,438	6,095,039
Regional Workforce Development	6,877,220	11,496,808	11,713,017	12,792,512
Real Estate Services	2,500,059	2,651,958	2,893,887	2,893,332
<i>Fire Department</i>				
Fire Safety Code Compliance	5,860,424	7,943,516	7,732,584	7,540,744
Strategic Support - Community & Economic Development	630,136	545,918	31,900	31,900
<i>Housing Department</i>				
Strategic Support - Other - Community & Economic Development	3,027,908	3,046,894	4,231,765	6,022,743
Strategic Support - Community & Economic Development	9,221,409	4,725,801	4,717,655	12,351,966
Rent Stabilization and Tenant Protection	1,971,699	3,056,670	3,053,783	3,233,783
Neighborhood Capital Investment and Public Services	13,756,390	27,545,657	27,334,108	51,317,836
Affordable Housing Portfolio Management	159,227	2,449,750	2,511,199	3,559,202
Homelessness Interventions and Solutions	22,673,501	33,436,313	33,152,693	21,428,852
Affordable Housing Production and Preservation	31,235,536	54,085,514	52,926,812	73,353,841
<i>Planning, Building and Code Enforcement Department</i>				
Strategic Support - Other - Community & Economic Development	903,592	8,229,751	6,447,183	6,455,173
Strategic Support - Community & Economic Development	4,696,157	1,942,739	1,964,357	2,372,797
Development Plan Review and Building Construction Inspection	33,750,908	38,536,115	37,491,454	36,329,416
Citywide Land Use Planning	6,427,316	7,801,973	6,183,363	6,799,440
<i>Public Works Department</i>				
Strategic Support - Other - Community & Economic Development	256,188	566,500	580,000	580,000
Strategic Support - Community & Economic Development	2,385	0	0	0
Regulate/Facilitate Private Development	17,106,388	16,881,195	17,770,320	17,770,320
Total CSA	\$204,410,919	\$264,807,422	\$255,783,004	\$298,757,429
Authorized Positions	533.65	522.19	500.23	504.44

* Fund Balance, Transfers, and Reserves for funds that may be managed by the departments in this CSA have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** The positions displayed in the 2019-2020 Actuals column reflect those included in the 2019-2020 Adopted Budget. 2019-2020 Actuals may not subtotal due to rounding.

City Service Area

Community and Economic Development

BUDGET SUMMARY

Service Delivery Accomplishments

- Established a multi-pronged small-business-support program to facilitate flexible safe operations, access to information, and technical assistance through cross-department collaboration.
- The Housing and Public Works Departments completed construction on three new emergency interim housing sites, operated temporary shelters in response to COVID-19, expanded rental assistance programs, and implemented a rent registry providing a tool to track rents in rent-stabilized apartments.
- The Development Review team processed over 320 applications with 125 land use entitlements for residential, commercial, industrial, and mixed-use projects. The Citywide Planning team completed two Council Policy Priority items that help to address the Council's Housing Crisis Plan with Citywide Design Standards and Guidelines and the amendments to the "1.5 acre" General Plan policy for affordable housing on underutilized commercial properties.
- Successful deployment and improvements of various digital and electronic software and online customer interfaces for Development Services. The deployment and upgrades includes: 1) electronic plan review software for customer submission and staff review on one platform (Public Works, Planning, and Fire), 2) launch of five new Building permit types available on SJPermits.org that will allow customers to apply and get a permit in under ten minutes, 3) digital inspection forms for Fire Department, and 4) launch of the Virtual Permit Center Appointments for customers to self-book to attend appointments virtually via real time video meetings.

Service Delivery Environment

- New service delivery provider will provide a wide range of re-employment services to the community via libraries, community centers, non-profits, and adult education centers where services are most needed to ensure that work2future residents who are unemployed and underemployed by creating opportunities to earn job skills and credentials in growing-demand occupations, including advanced manufacturing, information technology, construction and healthcare.
- Rental Market: Although rents have fallen from pre-pandemic levels, rents in San Jose continue to remain among the highest in the nation and unaffordable to lower-income residents. According to Costar, the average rent for a market-rate one-bedroom as of December 2020 was \$2,054, representing an 8.1% decrease over the prior year. Over the same time period, the average rent for a market-rate two bedroom was \$2,564, a decrease of 6.4%. These average rent decreases are driven by significant decreases in the most expensive Class A rents, with vacancies in this segment in 2020's fourth quarter rising to over 18% due to effects from the pandemic. Despite significant softening at the upper end of the apartment market, assuming that no more than 30% of income is spent on housing costs, a household would need to earn \$82,160 annually to afford a one-bedroom apartment and \$102,560 to afford a two-bedroom apartment in San Jose.
- Housing Affordability: San Jose's for-sale market is particularly strong at this time, fueled by extremely low interest rates. According to the Santa Clara County Association of Realtors, the median sales price of a single-family home in San Jose as of December 2020 was \$1,225,000, an increase of 14% from the December 2019 median sales price of \$1,070,500. Assuming buyers spend a reasonable 30% of their income on housing costs, a household would need to earn an income of \$203,497 to afford a median-priced single-family home in San Jose.

City Service Area

Community and Economic Development

OVERVIEW

CSA Priorities/Key Services

- Complete significant housing policy updates including the Assessment of Fair Housing Plan, the Affordable Housing Siting Policy, the Housing Emergency Annex Plan, the Moderate-Income Housing Strategy, and begin the Diridon Affordable Housing Implementation Plan.
- Continue to provide high quality land-use development and permitting services for all customers.
- Ensure that the City speaks with “one voice” on development issues while improving the speed, consistency, and predictability of the development review process.
- Support art organizations and artists and their resiliency and sustainability.

Development Services Budget Summary

	Revenue	Cost	% Cost Recovery*	Positions	Ending Fund Balance/Works-in-Progress Funding**
2020-2021 Modified					
Building	\$ 24,606,400	\$ 39,364,067	62.5%	164.23	\$ 26,139,704
Fire	6,195,280	10,717,951	57.8%	39.57	7,203,391
Planning	6,391,328	7,965,606	80.2%	35.48	685,018
Public Works	10,925,200	13,758,261	79.4%	67.67	5,592,400
Total	\$ 48,118,208	\$ 71,805,885	67.0%	306.95	\$ 39,620,513
2021-2022 Proposed					
Building	\$ 32,178,325	\$ 38,954,382	82.6%	158.16	\$ 20,913,001
Fire	7,536,534	9,163,849	82.2%	37.49	2,420,915
Planning	6,707,655	7,118,174	94.2%	34.40	1,311,589
Public Works	13,000,000	13,832,314	94.0%	66.23	4,718,947
Total	\$ 59,422,514	\$ 69,068,719	86.0%	296.28	\$ 29,364,452

* In 2020-2021 and in 2021-2022, all programs reach 100% cost recovery once the use of Ending Fund Balance/ Works-in-Progress funding are incorporated.

** The Ending Fund Balance/Works-in-Progress Funding for 2021-2022 are the estimated levels and will be trued up once 2020-2021 revenues and expenditures are reconciled and 2020-2021 balancing actions are included.

Development Services is a \$69.1 million business for the City of San José, providing integrated technical plan review and inspection services across Planning, Building, Public Works, and Fire (Development Services Partners). Businesses, homeowners, and other customers use Development Services when remodeling, building new structures, or making other investments to their properties. These investments bring tax revenue, jobs, and other direct benefits to the City. Development Services are provided in an efficient, thorough, and quality-driven manner. While each partner’s budget is discussed within their Department section, all partners are committed to working closely together to provide “one voice” to Development Services customers.

City Service Area

Community and Economic Development

OVERVIEW

Budget Dollars at Work: Performance Goals

OUTCOME 1: STRONG ECONOMIC BASE

Strategic Goals	CSA Performance Measures	2019-2020 Actuals	2020-2021 Target	2020-2021 Estimate	2021-2022 Target	5-Year Goal
Facilitate Major Corporate Development	1. Estimated jobs generated/retained by companies that received OED assistance by:					
	Type of Company:					
	- Industrial	5,818	6,000	2,284	3,000	16,000
	- Commercial/Retail	578	550	586	500	2,000
	Type of Job:					
- New	2,760	2,000	1,769	1,000	5,000	
- Retained	3,636	4,500	3,101	2,500	9,500	
Stimulate Revenue for City Services	1. Economic Impact of Convention Center (attendance by visitor type)					
	- Local/Social ¹	970,845	1,135,624	0	268,187	3,113,601
	- Out of Town ¹	76,054	29,780	0	9,973	118,201
	- Exhibitors ¹	7,566	7,968	0	2,504	30,005
	2. Estimated increases in sales and business taxes from attracted or expanding businesses which previously received assistance from the City (excludes property and utility taxes):					
	- Taxes from new companies	\$1.4M	\$1.0 M	\$0.8M	\$1.0M	\$4.5M
	- Taxes from retained companies	\$7.6M	\$1.5 M	\$1.8M	\$2.0M	\$3.0M
Total	\$9.0M	\$2.5 M	\$2.6M	\$3.0M	\$7.5M	

¹ Attendance was impacted as a result of the COVID-19 pandemic and the 2021-2022 Target assumes the continued impact.

City Service Area

Community and Economic Development

OVERVIEW

Budget Dollars at Work: Performance Goals

OUTCOME 1: STRONG ECONOMIC BASE

Strategic Goals	CSA Performance Measures	2019-2020 Actual	2020-2021 Target	2020-2021 Estimate	2021-2022 Target	5-Year Goal
Retain Industrial Jobs, Suppliers and Industrial Land Uses	1. Jobs gained/(lost) in areas with "heavy" and "light" Industrial General Plan land designation (acres converted in parenthesis)	0 jobs (0 acres)	0 jobs (0 acres)	0 jobs ¹ (3 acres)	0 jobs (0 acres)	0 jobs (0 acres)
	2. Jobs gained/(lost) in areas with "Industrial Park" and "Campus Industrial," and other R&D General Plan land designation (acres converted in parenthesis)	0 jobs (0 acres)	0 jobs (0 acres)	0 jobs (0 acres)	0 jobs (0 acres)	0 jobs (0 acres)
	3. Estimated ratio of San José jobs to employed residents	0.82	0.85	0.81	0.84	1.00
Facilitate Small Business Expansion	1. # of Business Owner Space participants receiving assistance, access to capital, technical or human resources support or information	20,000	13,000	16,000	13,000	65,000
Be Active Partner in Developing a Skilled Workforce	1. Number of work2future clients receiving discrete services (counseling, job placement, and occupational training)	1,144	1,300	660 ²	1,150	N/A ³
	- Adults	564	1,040	300	450	N/A ³
	- Dislocated Workers	328	485	250	550	N/A ³
	- Youth	252	310	110	150	N/A ³
	2. Estimated % of clients employed six months after initial placement					
	- Adults	65.8%	55%	61%	61%	N/A ³
	(% of target met)	(119.6%)	(100%)	(100%)	(100%)	
	- Dislocated Workers	66.7%	64%	67%	67%	N/A ³
	(% of target met)	(104.2%)	(100%)	(100%)	(100%)	
	3. Estimated % of clients placed in jobs					
- Adults	68.4%	55%	62%	62%	N/A ³	
(% of target met)	(122.1%)	(100%)	(100%)	(100%)		
- Dislocated Workers	69.2%	60%	65%	65%	N/A ³	
(% of target met)	(111.6%)	(100%)	(100%)	(100%)		
- Youth	80.9%	60%	71%	71%	N/A ³	
(% of target met)	(132.6%)	(100%)	(100%)	(100%)		

¹ For the 2019 Envision San José 2040 General Plan annual review cycle, hearings took place November 2019 through January 2020 with the Planning Commission and December 2019 and February 2020 with the City Council. In the 2019 General Plan annual review cycle, there was one City-initiated General Plan text amendments, and one City-initiated and five privately initiated land use amendments. For 2020, it is anticipated that five private and City initiated land use amendments, one privately initiated text amendment, and two City initiated text amendments will be reviewed.

² The number of clients served does not include the clients served with the Coronavirus Relief Fund.

³ There is no 5-Year Goal for this measure. The goal is set by the Employment Development Department yearly.

City Service Area

Community and Economic Development

OVERVIEW

Budget Dollars at Work: Performance Goals

OUTCOME 2: SAFE, HEALTHY, ATTRACTIVE, AND VITAL COMMUNITY

Strategic Goals	CSA Performance Measures	2019-2020 Actual	2020-2021 Target	2020-2021 Estimate	2021-2022 Target	5-Year Goal	
Quality Living and Working Environment	1. % of residents surveyed who rate the quality of architecture and landscaping design/maintenance in new development in their neighborhood as good or better	N/A ¹	N/A ¹	N/A ¹	N/A ¹	70%	
Increase the City's Housing Unit Capacity	1. # of dwelling units added to the General Plan holding capacity annually	0 ²	0 ²	0 ²	0 ²	0 ²	
	2. San José housing production compared to regional fair share number target (in parenthesis)	1,954 units (4,385)	2,750 units (4,385)	1,700 units (4,385)	1,900 units (4,385)	11,400 units (21,925)	
	3. % of units receiving development permit approval compared to target (actuals in parenthesis)	45% (1,954 units)	63% (2,750 units)	39% (1,700 units)	43% (1,900 units)	52% (11,400 units)	
Provide Seamless and Effective Development Review Including Implementation of Environmental Regulations, in a Customer Friendly Fashion	1. % of projects receiving consistent feedback from staff throughout the course of the project review: - Planning Permit Plan Review - Public Works Permit Plan Review - Building Permit Plan Check - Fire Permit Plan Check	71%	75%	TBD ³	85%	80%	
		78%	79%	TBD ³	79%	85%	
		77%	77%	TBD ³	80%	85%	
		86%	84%	TBD ³	84%	90%	
	2. Ratio of current year fee revenue to fee program cost (includes use of reserves)	100%	100%	100%	100%	100%	
		3. Development projects completed within processing time targets: - Entitlement Process - Construction Process: - Plan Check - Inspections in 24 hours - Inspections in 48 hours	66%	85%	67%	85%	85%
			74%	88%	70%	88%	88%
	66% ⁴		85%	85% ⁴	85%	85%	
	4. % of development services walk-in customers served in less than 30 minutes (wait time)	N/A ⁵	80%	N/A ⁵	80%	80%	
		5. % of customers surveyed rating service as good or better - Discretionary ⁶ - Ministerial ⁷	64%	75%	TBD ³	75%	80%
	75%		80%	TBD ³	80%	80%	
	6. % of customers surveyed who indicate the City has improved customer service in the past 12 months - Discretionary ⁶ - Ministerial ⁷	59%	70%	TBD ³	70%	80%	
		59%	80%	TBD ³	80%	80%	

¹ Staffing vacancies have reduced capacity for soliciting feedback on new development projects.

² The Envision San José 2040 General Plan includes capacity/plans for 120,000 new dwelling units. No additional dwelling units were added or are planned to be added to the overall capacity of the General Plan.

³ A Request for Proposal for a consultant for the Development Survey is currently in progress. It is anticipated that the performance measure data will be available in August 2021 and will be included in the 2021-2022 Adopted Budget.

⁴ While additional positions have been added in the past several years and some positions have been filled, vacancies still remain as a result of the continuous departure of existing staff and difficulties in filling the positions quickly with qualified candidates. The Administration continues to recruit for a wide range of development services positions. The fire inspections within 24 hours is currently measured from the point a requested inspection was placed on the schedule rather than when it was requested. The methodology for this performance measure is under review and an update to this measure and methodology may be presented in the 2021-2022 Budget.

⁵ The 2019-2020 Actual and 2020-2021 Estimate are not available because City Hall was closed to the public as a result of the COVID-19 pandemic.

⁶ Discretionary projects are those that require a public hearing (e.g. zoning change, General Plan amendment).

⁷ Ministerial projects are administrative in nature and do not require a public hearing (e.g. water heater replacement).

City Service Area

Community and Economic Development

OVERVIEW

Budget Dollars at Work: Performance Goals

OUTCOME 3: DIVERSE RANGE OF HOUSING OPTIONS

5 Year Strategic Goals	CSA Performance Measures	2019-2020 Actual	2020-2021 Target	2020-2021 Estimate	2021-2022 Target	5-Year Goal
Increase the Supply of Affordable Housing	1. % of target achieved for completion of affordable housing (housing units)	37% (30)	100% (280)	100% (393)	100% (301)	15% (1,500)
	2. % of City's 10,000 unit affordable target with funding commitment (pending construction)	5% (539)	6% (280)	4% (451)	6% (553)	20% (2,000)
	3. % of City's 10,000 unit affordable target under construction	4% (440)	10% (563)	5% (563)	3% (256)	20% (2,000)
	4. % of City's 10,000 unit affordable target completed	1% (111)	1% (30)	4% (393)	3% (301)	15% (1,500)
Direct Significant Affordable Housing Resources to Lower-Income Households	1. % of Housing Department funds reserved by income levels over 5 years ¹ :					
	- Extremely Low (<=30% of median)	39%	45%	69%	45%	45%
	- All other income categories	61%	N/A ²	31%	55%	55%

¹ On September 24, 2019, the City Council approved a new policy stating that 45% of all Housing funds be spent on extremely low-income households. This measure reflects this updated policy, which focuses on a goal for one income category.

² New measure starting in 2021-2022.

OUTCOME 4: RANGE OF QUALITY EVENTS, CULTURAL OFFERINGS, AND PUBLIC ARTWORKS

5 Year Strategic Goals	CSA Performance Measures	2019-2020 Actual	2020-2021 Target	2020-2021 Estimate	2021-2022 Target	5-Year Goal
Provide a diverse range of arts and cultural offerings for residents and visitors	1. % of residents rating the availability of a diverse range of quality arts and cultural activities in the City as good or excellent	39%	50%	39%	50%	50%
Encourage a full range of outdoor special events that serve diverse communities and visitors	1. % of residents rating the City's efforts at providing an adequate number and variety of outdoor special events as good or excellent	35%	45%	38%	40%	44%

City Service Area

Community and Economic Development

PROPOSED BUDGET CHANGES

Proposed Changes	Positions	All Funds (\$)	General Fund (\$)
CITY MANAGER - OFFICE OF ECONOMIC DEVELOPMENT AND CULTURAL AFFAIRS			
• Housing Catalyst Staffing	1.00	166,956	0
• San Jose Works Staffing	2.00	0	0
• Non-Personal/Equipment Savings		(35,000)	(35,000)
• Reprographics Contractual Services Savings		(6,637)	(6,637)
<i>Subtotal</i>	3.00	125,319	(41,637)
FIRE			
• California Building and Fire Code Publications		28,114	0
• Workplace Safety Staffing	0.04	7,265	0
<i>Subtotal</i>	0.04	35,379	0
HOUSING			
• Homeless Response and Coordination Staffing	2.00	399,953	0
• Policy Studies and Consulting Services		280,000	0
• Pre-Development Consulting Services		275,000	0
• Homeless Response Team Funding Shifts	(1.00)	248,252	248,252
• Affordable Housing Portfolio Management Staffing (Blighted Properties)	1.00	173,003	0
• Commercial Linkage Fee Program Staffing	1.00	151,812	0
• Racial Equity Action Plan		100,000	0
• Administrative Services Program Staffing	0.25	37,954	0
• Grants Program Management Staffing	0.00	28,009	0
• Reprographics Contractual Services Savings		(14,513)	0
<i>Subtotal</i>	3.25	1,679,470	248,252
PLANNING, BUILDING AND CODE ENFORCEMENT			
• Accessory Dwelling Unit Staffing	4.00	658,438	151,368
• Environmental Review Staffing	4.00	652,170	0
• Development Services Imaging and Call Center Staffing	(10.83)	(1,168,065)	0
• Open Counter Contractual Services Savings		(232,607)	0
• Non-Personal/Equipment Savings		(80,000)	(80,000)
• Reprographics Contractual Services Savings		(1,377)	(1,377)
<i>Subtotal</i>	(2.83)	(171,441)	69,991
<i>Subtotal Departments</i>	3.46	1,668,727	276,606
CITY-WIDE EXPENSES			
• Economic Development Pre-Development Activities		100,000	100,000
• Homeless Response Team		(1,644,400)	(1,644,400)
<i>Subtotal Other Changes</i>	0.00	(1,544,400)	(1,544,400)
Total Proposed Budget Changes	3.46	124,327	(1,267,794)

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City Service Area

Environmental and Utility Services



***Mission:** Provide environmental leadership through policy development, program design, and reliable utility services*

Primary Partners
Community Energy
Environmental
Services
Transportation

CSA OUTCOMES

- Reliable Utility Infrastructure
- Healthy Streams, Rivers, Marsh, and Bay
- “Clean and Sustainable” Air, Land, and Energy
- Safe, Reliable, and Sufficient Water Supply

City Service Area

Environmental and Utility Services

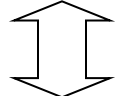
SERVICE DELIVERY FRAMEWORK

CITY SERVICE AREA
A cross-departmental collection of core services that form one of the City's six key "lines of business"

MISSION STATEMENT
Why the CSA exists

Environmental & Utility Services CSA

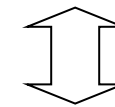
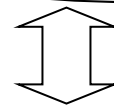
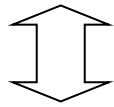
Mission:
Provide environmental leadership through policy development, program design, and reliable utility services.



Outcomes:

- Reliable Utility Infrastructure
- Healthy Streams, Rivers, Marsh, and Bay
- "Clean and Sustainable" Air, Land, and Energy
- Safe, Reliable, and Sufficient Water Supply

CSA OUTCOMES
The high level results of service delivery sought by the CSA partners



PRIMARY PARTNERS
Departments with Core Services that contribute to achievement of CSA Outcomes

Community Energy Department

Core Services:

Providing Clean Energy to the Community

Community Energy Customer Support

Community Energy Community Programming

Environmental Services Department

Core Services:

Potable Water Delivery

Recycled Water Management

Recycling and Garbage Services

Stormwater Management

Sustainability and Environmental Health

Wastewater Management

Transportation Department

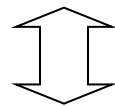
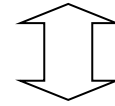
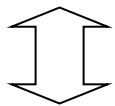
Core Services:

Sanitary Sewer Maintenance

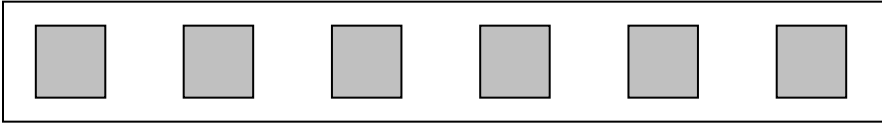
Storm Sewer Maintenance

CORE SERVICES
Primary deliverables of the organization

PROGRAMS
Elements of Core Services; the "front-line" of service delivery

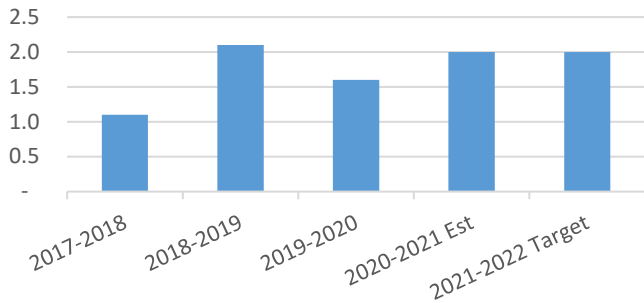


STRATEGIC SUPPORT
Organization-wide guidance and support to enable direct service delivery

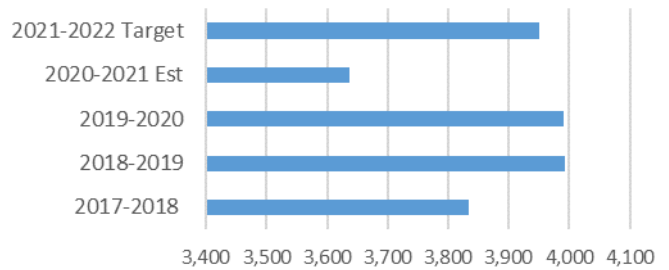


City Service Area *Environmental and Utility Services* DASHBOARD

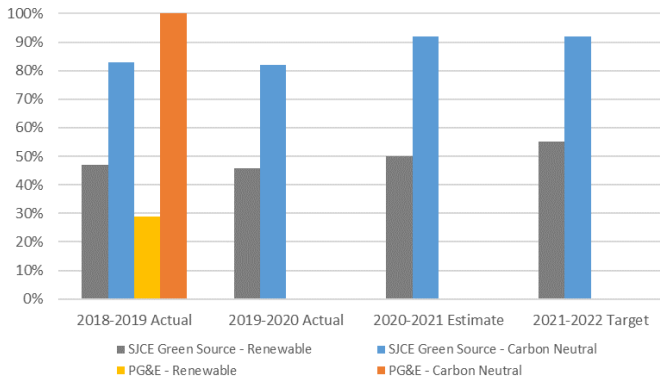
Number of Sanitary Sewer Overflows per 100 Miles of Sanitary Sewer Lines



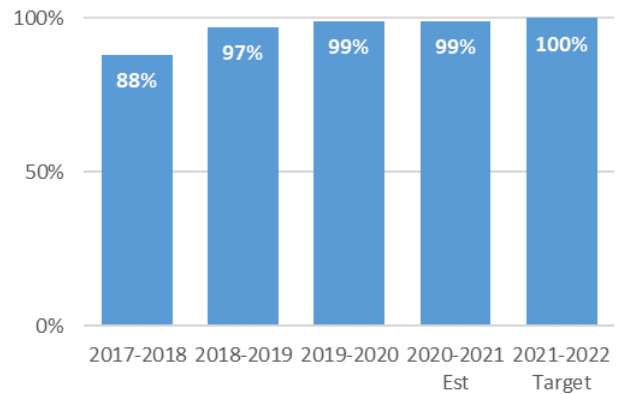
Millions of Gallons of Recycled Water Delivered Annually



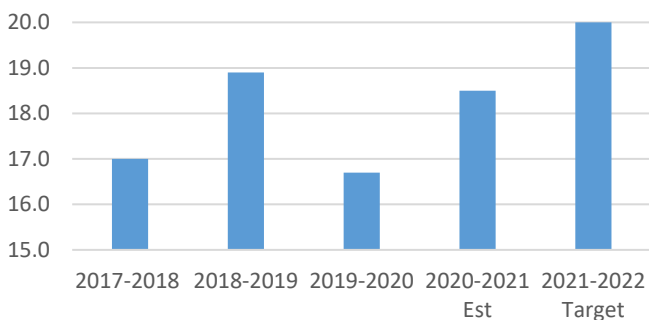
San Jose Clean Energy and PG&E Power Content



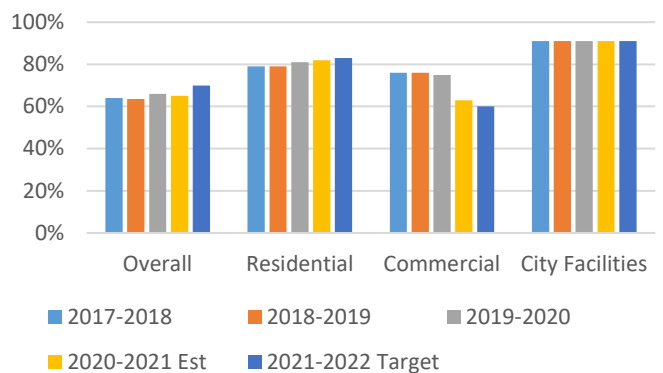
% of Trash Reduced from the Storm Sewer System



Millions of Gallons per Day Diverted from Flow to the Bay for Beneficial Purposes During the Dry Weather Period



% of Waste Diverted from Landfills



City Service Area

Environmental and Utility Services

OVERVIEW

Expected 2021-2022 Service Delivery

- ❑ **Utility Infrastructure Management** – Build, operate, and maintain the City’s wastewater, stormwater, recycled water, and potable water utility infrastructure to ensure system reliability and public health and safety.
- ❑ **Solid Waste Diversion** – Oversee programs to collect, recycle, and dispose of solid waste to maximize diversion from landfills and protect public health, safety, and the environment.
- ❑ **Promote Climate Action in the Community** – Provide leadership on climate action through policy, measures, or programs that reduces greenhouse gases and ensure a long-term water supply. Support environmentally sustainable practices throughout the community through education, public-private partnerships, and the implementation of the Climate Smart San José plan.
- ❑ **San José Clean Energy** – Continue full operations of the City’s Community Choice Aggregation program with the goals of providing residents and businesses with a choice of electricity providers while progressing towards meeting greenhouse gas emissions reduction goals.

2021-2022 Key Budget Actions

- ❑ **Utility Rates**
 - **Sanitary Sewer Service and Storm Sewer Service Rates** – Maintains current rates in 2021-2022.
 - **Recycle Plus Rates** – A maximum 17% increase in single family dwelling and a 7% increase in multi-family dwelling rates will maintain cost recovery as contract expenditures increase due to annual cost-of-living adjustments and negotiated hauler payments.
 - **Municipal Water** – A maximum 9% adjustment in budgeted revenues to the Municipal Water System in order to offset increased operating costs primarily due to increased costs for wholesale potable water purchases.
- ❑ **Energy Resiliency Strategic Planning** – Adds 1.0 Deputy Director, limit-dated June 30, 2023, to provide strategic leadership in support of the City’s continuing efforts to coordinate and develop a comprehensive package of strategies and programs aimed to improve energy resiliency at critical City-owned and community facilities, areas of new development, and for residents and businesses.
- ❑ **Community Energy Staffing Actions** – Adds 5.0 positions for a variety of strategic roles within the Community Energy Department. These roles will engage in projects ranging from communications and public information to risk management and regulatory compliance.
- ❑ **South Bay Water Recycling System Maintenance and Operations** – Adds one-time non-personal funding of \$3.5 million to support South Bay Water Recycling valve rehabilitation, master metering, and other deferred maintenance projects that are crucial to the recycled water system.
- ❑ **Climate Smart San José Implementation Funding** – Provides \$500,000 in one-time funding for Climate Smart San Jose staffing and non-personal expenses for Climate Smart San Jose implementation.

City Service Area *Environmental and Utility Services* BUDGET SUMMARY

City Service Area Budget Summary**

	2019-2020 Actuals **	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Dollars by Core Service *				
<i>Community Energy Department</i>				
Strategic Support - Other - Environmental & Utility Services	2,699,389	13,716,636	14,172,896	3,953,884
Strategic Support - Environmental & Utility Services	2,983,677	4,615,063	4,793,973	5,478,026
Providing Clean Energy to the Community	288,271,407	276,071,821	276,601,385	289,678,802
Community Energy Customer Support	7,089,268	8,625,390	8,469,209	8,615,583
Community Energy Community Programming	152,443	863,031	722,086	936,961
<i>Environmental Services Department</i>				
Strategic Support - Other - Environmental & Utility Services	21,526,801	20,895,032	20,704,504	21,177,353
Strategic Support - Environmental & Utility Services	13,188,178	13,811,838	14,705,927	14,857,352
Recycling & Garbage Services	152,305,465	160,771,020	182,654,596	181,960,177
Potable Water Delivery	42,364,360	43,847,539	46,690,495	46,685,677
Recycled Water Management	10,903,957	8,782,922	10,989,810	14,137,185
Wastewater Management	73,286,722	129,916,324	126,785,899	92,811,560
Stormwater Management	7,474,426	9,299,560	9,585,322	10,012,603
Sustainability and Environmental Health	5,008,997	6,478,383	5,623,358	6,169,358
<i>Transportation Department</i>				
Sanitary Sewer Maintenance	19,386,811	20,679,892	20,570,173	21,277,300
Storm Sewer Maintenance	5,809,691	8,112,059	7,928,316	7,871,103
Strategic Support - Other - Environmental & Utility Services	5,236,673	43,051	0	3,576
Strategic Support - Environmental & Utility Services	2,755,838	2,248,354	2,135,824	2,086,583
Total CSA	\$660,444,103	\$728,777,915	\$753,133,773	\$727,713,083
 Authorized Positions	 753.46	 761.36	 761.36	 769.16

* Fund Balance, Transfers, and Reserves for funds that may be managed by the departments in this CSA have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** The positions displayed in the 2019-2020 Actuals column reflect those included in the 2019-2020 Adopted Budget. 2019-2020 Actuals may not subtotal due to rounding.

City Service Area

Environmental and Utility Services

OVERVIEW

Service Delivery Accomplishments

- In September 2019, City Council approved the Green Stormwater Infrastructure Plan that describes how the City will incorporate multi-benefit green infrastructure to improve water quality and supplement current traditional storm drain infrastructure. Staff focused on refining the implementation strategy, developing a public outreach plan, and identifying funding. Staff continued to make progress with the design and construction of the River Oaks project. Public meetings were conducted in March and May 2020, and the project is on track to complete the preliminary design and obtain California Environmental Quality Act clearance and permits this year, with construction expected to start in 2022.
- Climate Smart San José continued its fast-paced building electrification efforts by passing a comprehensive natural gas infrastructure prohibition for nearly every type of new construction; negotiated Electric Vehicle (EV) incentives at multiple San José dealerships and provided EV financial counseling in multiple languages in the transportation sector; began a community co-creation process to create a building decarbonization roadmap; and continued to roll out its Climate Smart Challenge web platform, highlighting over 60 climate positive actions that residents can take to lower their carbon footprint and save money.
- Maintained essential utility services during the Public Safety Power Shutdown (PSPS) and the COVID-19 pandemic shelter-in-place orders. Solid waste contractors developed contingency plans for PSPS and provided uninterrupted service during PSPS and the COVID-19 pandemic; staff scheduling was adjusted for the Municipal Water System and the Plant to also maintain continuous and uninterrupted services during the COVID-19 pandemic.
- In September 2020, San José Clean Energy (SJCE) finalized a 15-year long-term power purchase agreement with Pattern Energy Group LP that will supply SJCE customers with up to approximately 950,000 MWh of renewable energy annually beginning in 2021.
- In January 2021, SJCE executed a Joint Powers Agreement to become a member of a newly formed California Community Power Agency (CC Power) Joint Powers Authority that includes several other CCAs. Joining CC Power provides SJCE the option to participate in larger projects that help ensure grid reliability such as long duration storage projects and could also assist with resource adequacy compliance obligations.

City Service Area

Environmental and Utility Services

OVERVIEW

Service Delivery Environment

- The Plant was reissued a new NPDES permit in April 2020 that governs pollutant removal at the facility with monitoring requirements remaining largely unchanged. Regional watershed permits that apply to all wastewater treatment plants discharging to San Francisco Bay were reissued in July 2019 for nutrients and in December 2017 for PCBs and mercury. Both watershed permits contain new monitoring requirements. The Title V air quality permit from the Bay Area Air Quality Management District was renewed and issued on March 20, 2017.
- The City's sanitary sewer collection system pipes continue to age, and many have exceeded the standard life span for their type of material. The City's 17 sanitary sewer pump stations are an average of 32 years old, while the standard life of a pump station is up to 25 years. As infrastructure ages towards and beyond useful life expectancy, increased operating costs materialize in more frequent monitoring and condition assessment visits as well as maintenance operations.
- On November 19, 2015, the Regional Water Quality Control Board (RWQCB) adopted a new National Pollutant Discharge Elimination System (NPDES) Stormwater Permit (Stormwater Permit) that regulates 76 municipalities in the San Francisco Bay Area. City staff, in conjunction with other regional stormwater agencies, are actively engaged in discussions regarding the requirements of the next Stormwater Permit which is currently in Administrative Draft form and scheduled to become effective July 1, 2022.
- A multi-year master planning effort for the storm sewer system is necessary due to an aging storm sewer infrastructure unsuitable for accommodating planned growth; deteriorating infrastructure, including outfalls; and increased regulatory interest in using "green infrastructure" approaches to address stormwater issues. As infrastructure deteriorates or otherwise does not support growth levels, increased operating costs materialize in more frequent monitoring and condition assessment visits as well as maintenance operations.
- As the default energy provider, SJCE provides customers with the ability to choose their source of energy and sets the generation retail rates for power used in the City. SJCE maintains a high customer participation rate, providing electric generation service to approximately 350,000 customer accounts, representing nearly all of the residents, businesses, and schools in the City.
- California's investor-owned-utilities, like PG&E, use the Power Charge Indifference Adjustment (PCIA) to recover above-market costs associated with their power portfolios. The PCIA fee is charged to all California electricity customers and has increased every year since the launch of SJCE, imposing millions of dollars in added costs to SJCE customers. City staff is engaged in ongoing efforts to reduce the PCIA in order to scale back costs for consumers.

City Service Area

Environmental and Utility Services

OVERVIEW

CSA Priorities/Key Services

- Operate and maintain the City's utilities, reliably and efficiently providing storm sewer, sanitary sewer, wastewater treatment, potable water, San José Clean Energy, and recycled water services.
- Continue to meet NPDES wastewater and Stormwater Permit compliance.
- Continue to implement critical capital improvement projects with an estimated value of \$1.4 billion over a ten-year period to rebuild and rehabilitate infrastructure at the Plant.
- Implement the Green Stormwater Infrastructure Plan to improve water quality.
- Make strategic investment to increase service levels and maintenance activity on the City's Sanitary Sewer Collection System in order to reduce the number and mitigate the impacts of SSOs.
- Develop and advance innovative strategies to create a more energy resilient City and advance community awareness of the Council-approved Climate Smart San José Plan which includes partnering with other agencies to pursue grants to promote a variety of goals such as energy efficiency, building electrification, and clean, renewable energy in the community.

City Service Area Environmental and Utility Services OVERVIEW

Budget Dollars at Work: Performance Goals

OUTCOME 1: RELIABLE UTILITY INFRASTRUCTURE

Strategic Goals	CSA Performance Measures	2019-2020 Actual	2020-2021 Target	2020-2021 Estimate	2021-2022 Target	5-Year Goal
Preserve the City's utility infrastructure to optimize service delivery capabilities	1. % of utility assets in working condition:					
	-SJ/SC Water Pollution Control Plant ¹	97%	95%	99%	95%	95%
	- Storm Sewer Inlets	98%	96%	99%	96%	99%
	- SJ Municipal Water	97%	98%	97%	100%	98%
	- South Bay Water Recycling	100%	100%	100%	100%	90%
	2. Ratio of Municipal Water System average residential water bill to weighted average residential water bill of the San José water retailers ²	89%	<100%	89%	<100%	<100%
	3. # of sanitary sewer overflows per 100 miles of sanitary sewer mains (annualized)	1.6	2.0	2.0	2.0	2.0
Provide for collection, disposal & processing of solid waste	1. % of waste diverted from landfills (State Goal: 50%) ³					
	- Overall ⁴	66%	70%	65%	70%	90%
	- Residential	81%	80%	79%	80%	90%
	- Commercial	75%	60%	63%	60%	75%
	- City Facilities	91%	92%	91%	91%	90%
	# of debris removals that address safety and obstructions in the public right-of-way (Priority 1 illegal dumping resources)	2,405	1,660	1,546	1,975	1,665
	Cubic yards of debris removed (Priority 1 illegal dumping requests)	4,925	2,880	2,681	3,803	2,995
# of debris removals that reduce neighborhood blight (Priority 2 illegal dumping requests)	17,398	26,000	19,000	20,000	30,000	

¹ The % of utility assets in working condition for the Plant is calculated based on an average number of hours critical equipment is unavailable during the year due to repairs.

² Other San José water retailers include San José Water Company and Great Oaks Water Company.

³ To continue increasing solid waste diversion and support the Council-approved Zero Waste Strategic Plan, new solid waste management infrastructure and programs will be necessary in the coming decade. The private sector has invested over \$100 million in recycling facilities in San José since 2007 and this level of investment will need to continue.

⁴ The measurement for the Overall diversion category is based upon the State's guidelines, which use a per-capita standard. Moreover, the Overall measurement for the City includes solid-waste streams outside of the Department's collection, and includes construction, demolition, and self-haul categories. The remaining three categories are those directly within the City's collection process, and diversion in these are measured by total collected versus total recycled.

City Service Area Environmental and Utility Services OVERVIEW

Budget Dollars at Work: Performance Goals

OUTCOME 2: HEALTHY STREAMS, RIVERS, MARSH, AND BAY

Strategic Goals	CSA Performance Measures	2019-2020 Actual	2020-2021 Target	2020-2021 Estimate	2021-2022 Target	5-Year Goal
Manage stormwater for suitable discharge into creeks, rivers, and the Bay	1. % of residents surveyed who understand that any substances that get washed down the street end up in the Bay without treatment through the storm drain system ¹	77%	N/A ¹	N/A ¹	70%	70%
	2. % of trash reduced from the storm sewer system.	99.4%	96.8%	99.4%	100%	100% ²
Manage wastewater for suitable discharge into the Bay	1. Mgd discharged to Bay during the average dry weather effluent flows (ADWEF) season ³	79.3 mgd	<120 mgd	75 mgd	<120 mgd	<120 mgd
	2. % of time pollutant discharge requirements for wastewater NPDES permit are met or surpassed	100%	100%	100%	100%	100%
Develop, operate, and maintain a recycled water system that reduces effluent to the Bay	1. Millions of gallons per day diverted from flow to the Bay for beneficial purposes during the dry weather period ⁴	16.7 mgd	18.5 mgd	18.5 mgd	20.0 mgd	20.0 mgd

¹ Data for this measure is collected through a biennial survey, last conducted by ESD in February 2020. The next survey is planned to be completed in 2021-2022, and those results will be reported in the 2022-2023 Proposed Budget.

² The current Stormwater Permit refers to a goal of 100% trash load reduction or no adverse impact to receiving waters from trash by July 1, 2022.

³ In accordance with the NPDES permit, the maximum effluent to the Bay during the dry weather period is restricted to 120 mgd. These measures continue to be below this trigger point, which is set by the State to protect wildlife habitat. The Plant continues to consistently meet permit discharge requirements.

⁴ Dry weather period is defined as the lowest continuous three months average rainfall between May and October, which during the fiscal year report period is July to September.

OUTCOME 3: “CLEAN AND SUSTAINABLE” AIR, LAND, AND ENERGY

Strategic Goals	CSA Performance Measures	2019-2020 Actual	2020-2021 Target	2020-2021 Estimate	2021-2022 Target	5-Year Goal
Reduce, reuse, and recycle solid waste at home, work, and play ¹	1. % of residents rating the City’s job of providing information on how to recycle as good or excellent ²	76%	N/A ²	N/A ²	83%	75%
Promote energy efficiency and clean, renewable energy in the community	2. Annual reduction in citywide greenhouse gas (GHG) emissions ³	N/A ³	5,551,782	N/A ³	5,543,316	N/A ⁴

¹ San José has one of the highest diversion rates among large cities in the country. The structure of the City’s commercial and residential programs facilitate effective sorting of garbage and recycling by residents and businesses. Customer outreach to neighborhoods, schools, and businesses will continue to help reduce recycle cart contamination and blight, as well as account for commercial customers.

² Data for this measure is collected through a biennial survey, last conducted by ESD in February 2020. The next survey is planned to be completed in 2021-2022, and those results will be reported in the 2022-2023 Proposed Budget.

³ Due to limited staffing and budget constraints, the Climate Smart program can only complete community-wide GHG inventories once every other calendar year.

⁴ The data collection methodology for this measure is under review and will be re-evaluated and refined in the next budget reporting phase in 2022-2023. Figures above are Annual Citywide GHG Emissions compared to Annual Reduction in Citywide GHG Emissions and measured in Metric Tons Carbon Dioxide Equivalent (MTCO_{2e}).

City Service Area Environmental and Utility Services OVERVIEW

Budget Dollars at Work: Performance Goals

OUTCOME 4: SAFE, RELIABLE, AND SUFFICIENT WATER SUPPLY

Strategic Goals	CSA Performance Measures	2019-2020 Actual	2020-2021 Target	2020-2021 Estimate	2021-2022 Target	5-Year Goal
Ensure availability of future water supplies.	1. Mgd of water conserved and recycled ^{1/2}	79	86	81	84	89
	2. Millions of gallons of recycled water delivered annually	3,990	3,950	3,637	3,950	4,500
Public is educated regarding water conservation, and the safe and appropriate use of recycled water and water resources	1. % of Municipal Water System customers demonstrating water conservation knowledge ³	91%	N/A ³	N/A ³	95%	95%
	2. % of Municipal Water System customers with water saving fixtures in their home or property ³	91%	N/A ³	N/A ³	95%	95%
	3. % of residents who are in favor of using recycled water ^{2/3}	82%	N/A ³	N/A ³	85%	95%

¹ The South Bay Water Recycling Program (SBWR) delivers more than 10,000 acre feet per year of recycled water from the Plant to over 700 customers for reuse in irrigation, industrial cooling, and other beneficial purposes. SBWR supplies more than 75% of all recycled water used in Santa Clara County.

² Starting in 2013-2014, data reported is based on County-wide water savings from both indoor and outdoor water conservation programs, passive water savings (from behavioral, policies, and code changes), and recycled water use. The County-wide data is collected and provided by SCVWD.

³ Data for this measure is collected through a biennial survey, last conducted by ESD in February 2020. The next survey is planned to be completed in 2021-2022, and those results will be reported in the 2022-2023 Proposed Budget.

City Service Area
Environmental and Utility Services
PROPOSED BUDGET CHANGES

Proposed Changes	Positions	All Funds (\$)	General Fund (\$)
COMMUNITY ENERGY DEPARTMENT			
• New Franchise Fee Agreement Review		300,000	300,000
• Energy Resiliency Strategic Planning	1.00	227,387	0
• Advancing Community Energy Community Programs	1.00	214,875	0
• Community Energy Risk Management and Contract Oversight Staffing	1.00	172,086	0
• Community Energy Legislative and Regulatory Compliance Staffing	1.00	151,812	0
• Community Energy Customer Outreach Staffing	1.00	146,374	0
• Community Energy Fiscal Support Staffing	1.00	134,580	0
<i>Subtotal</i>	6.00	1,347,114	300,000
ENVIRONMENTAL SERVICES DEPARTMENT			
• South Bay Water Recycling System Maintenance and Operations		3,500,000	0
• Regional Wastewater Facility Chemical Supplies		1,465,000	0
• Environmental Enforcement Data Management System Replacement		750,000	0
• Watershed Protection Division Laboratory Reorganization	2.00	434,784	0
• Solid Waste Enforcement and Compliance Staffing	2.00	367,895	0
• Geographic Information System Data Migration and Management Support		300,000	0
• Regional Wastewater Facility Process Control Staffing	2.00	260,540	0
• Regional Wastewater Facility Capital Improvement Program (Program Controls Lead) Staffing	1.00	185,217	0
• Employee Services Recruitment Staffing	1.00	151,425	4,545
• Regional Wastewater Facility Capital Improvement Program (Project Delivery Support) Staffing	0.00	49,524	0
• Environmental Health and Safety Group Electric Vehicle		46,000	0
• Climate Smart San José Plan Implementation	2.00	0	0
• Watershed Protection Stormwater Management Staffing	0.00	0	(27,764)
• BeautifySJ Management Consolidation and Operations	(8.00)	(1,383,916)	(1,361,686)
• City Facilities Solid Waste		(50,000)	(50,000)
• Reprographics Contractual Services Savings		(45,693)	0
<i>Subtotal</i>	2.00	6,030,776	(1,434,905)

City Service Area
Environmental and Utility Services
PROPOSED BUDGET CHANGES

Proposed Changes	Positions	All Funds (\$)	General Fund (\$)
TRANSPORTATION DEPARTMENT			
• Sanitary Sewer Maintenance Equipment		625,000	0
• Sanitary and Storm Sewer Staffing	0.00	28,575	0
• Reprographics Contractual Services Savings		(30,528)	(23,715)
• Pavement Maintenance Staffing		(22,374)	0
	<i>Subtotal</i>	(0.20)	(22,374)
		600,673	(23,715)
	<i>Subtotal Departments</i>	7.80	7,978,563
			(1,158,620)
CITY-WIDE EXPENSES			
ENVIRONMENTAL SERVICES DEPARTMENT			
• Climate Smart San José Plan Implementation		500,000	500,000
	<i>Subtotal Other Changes</i>	0.00	500,000
		8,478,563	(658,620)
	Total Proposed Budget Changes	7.80	8,478,563
			(658,620)

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City Service Area

Neighborhood Services



***Mission:** To serve, foster, and strengthen the community by providing access to lifelong learning, opportunities to enjoy life, and preserving healthy neighborhoods*

Primary Partners

Library
Parks, Recreation and
Neighborhood Services
Planning, Building, and
Code Enforcement
Public Works

CSA OUTCOMES

- Safe and Clean Parks, Facilities, and Attractions
- Vibrant Cultural, Learning, Recreation, and Leisure Opportunities
- Healthy Neighborhoods and Capable Communities

City Service Area

Neighborhood Services

SERVICE DELIVERY FRAMEWORK

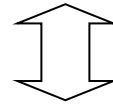
CITY SERVICE AREA
A cross-departmental collection of core services that form one of the City's 6 key "lines of business"

MISSION STATEMENT
Why the CSA exists

Neighborhood Services CSA

Mission:

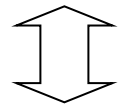
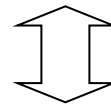
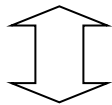
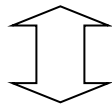
To serve, foster, and strengthen the community by providing access to lifelong learning, opportunities to enjoy life, and preserving healthy neighborhoods



Outcomes:

- Safe and Clean Parks, Facilities, and Attractions
- Vibrant Cultural, Learning, Recreation, and Leisure Opportunities
- Healthy Neighborhoods and Capable Communities

CSA OUTCOMES
The high level results of service delivery sought by the CSA partners



PRIMARY PARTNERS
Departments with Core Services that contribute to achievement of CSA

CORE SERVICES
Primary deliverables of the organization

Library Department

Core Services:

Access to Information, Library Materials, and Digital Resources

Literacy and Learning, Formal and Lifelong Self-Directed Education

Parks, Recreation and Neighborhood Services Department

Core Services:

Parks Maintenance and Operations

Community Services

Recreation Services

Community Facilities Development

Planning, Building and Code Enforcement Department

Core Services:

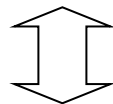
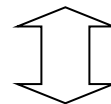
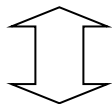
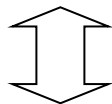
Code Enforcement

Public Works Department

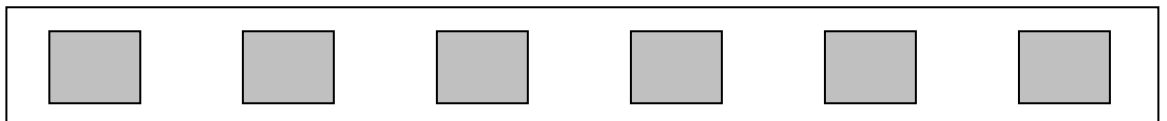
Core Services:

Animal Care and Services

PROGRAMS
Elements of Core Services; the "front-line" of service delivery



STRATEGIC SUPPORT
Organization-wide guidance and support to enable direct service delivery

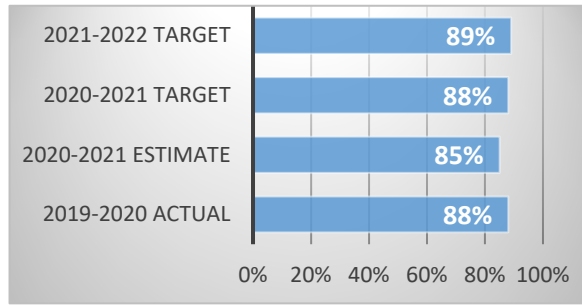


City Service Area Neighborhood Services DASHBOARD

% of customers rating library services as good or better (Point of Service)

2019-2020 Actual	2020-2021 Estimate	2021-2022 Target
N/A¹%	N/A¹%	50%

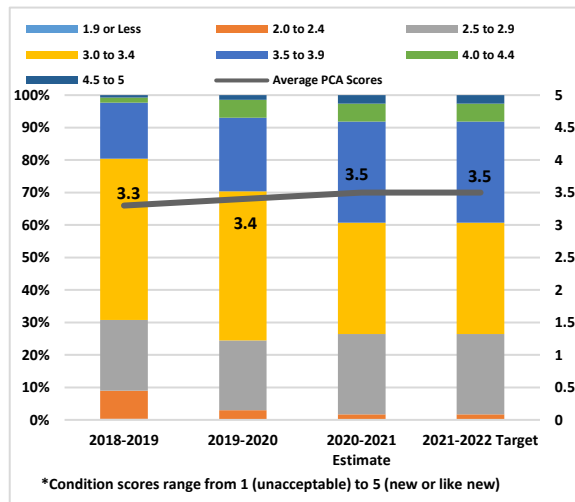
% of community center participants rating City efforts at providing recreational opportunities as "good" or "excellent" (Point of Service)



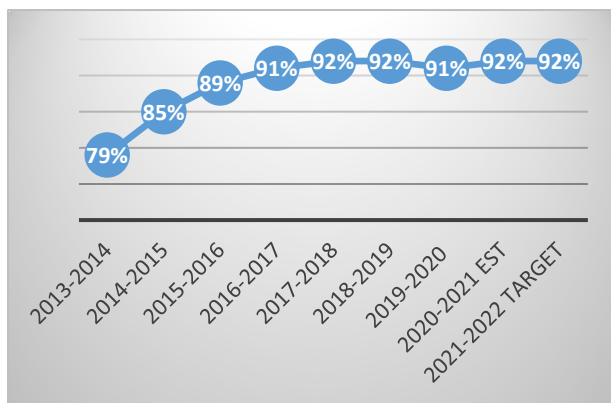
% of parents and caregivers who report reading more to their children following participation in a library program or activity



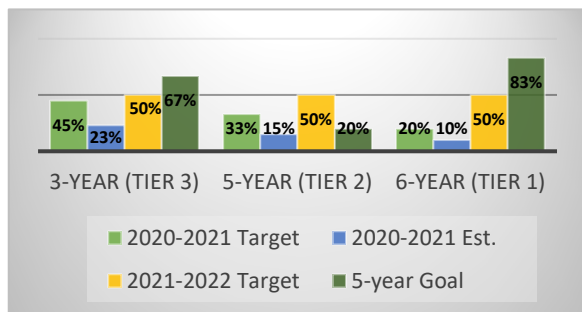
Percent of Park Acres by Park Condition Assessment Score and Citywide Average



Animal Care Center Live Release Rate



% of Multiple Housing Residential Occupancy Permit Program buildings receiving a routine inspection within Annual Tier Target



¹ Library customer service surveys were not conducted in 2019-2020 or 2020-2021 due to COVID-19 and shelter-in-place orders issued by Santa Clara County, which interrupted library services and limited accessibility.

City Service Area *Neighborhood Services* **BUDGET SUMMARY**

Expected 2021-2022 Service Delivery

- The Animal Care Center anticipates caring for 13,000 incoming animals with an estimated 20,000 calls for service while maintaining a live release rate of 92%.
- Code Enforcement's Building Code Compliance program will continue to provide services to address building code cases, many of which require permits and include review of unsafe construction.
- PRNS will establish and operationalize the new Community Services Division, which will house the consolidated management of BeautifySJ. Program areas for BeautifySJ include Anti-Graffiti and Anti-Litter, Illegal Dumping and Homeless Encampment Trash Services and Abatement. In addition to housing the oversight of the interdepartmental work of BeautifySJ that addresses issues of blight and quality of life throughout the City, the Community Services Division will continue to provide Youth Intervention Services, Project Hope, and the coordination of the Mayor's Gang Prevention Task Force.
- The Library will continue to provide access to materials and information through the continuation of library card membership to all San José students and educators, digital library cards, computing device and hotspot lending, electronic resources, and multilingual chat and phone reference as library facilities reopen.

2021-2022 Key Budget Actions

- Adds 1.0 Senior Animal Services Officer position and eliminates a vacant 1.0 Animal Care Attendant position under the animal shelter operations program to enhance customer service management and support security efforts at the San José Animal Care Center.
- Adds 1.0 Recreation Superintendent, 6.75 Events Coordinator, 5.0 Recreation Leader PT unbenefited, and 0.50 Analyst PT positions limit-dated through June 30, 2022. A total of \$4.2 million is recommended to support San José Abierto placemaking activation, including Viva CalleSJ, Viva Parks, and increased arts-based programming at placemaking events.
- Suspends San José Family Camp at Yosemite in 2021-2022 only.
- Decreases the PRNS Fee Activities budget by \$525,000, from \$3.4 million to \$2.9 million, to partially offset the lower Fee Activities revenue estimate of \$4.6 million (down from a budget of approximately \$11 million in 2018-2019) assumed in the 2021-2022 Base Budget.
- Recognizes one-time non-personal/equipment savings of \$300,000 for the Dr. Martin Luther King, Jr. Library Operating Agreement with San José State University and City of San José, to reflect anticipated expenditure savings attributed to reduced facility operations, security services, and maintenance costs in 2021-2022 due to pandemic-related closures and reduced services.
- Restores branch library operating hours on a one-time basis at 13 branches identified as lower resourced community by adding 16.20 Library positions (13.2 FTE Library Page, 1.0 Librarian PT, and 2.0 Literacy Program Specialist) through June 30, 2022, for a total cost of \$899,958 that is shared between the General Fund (\$674,967) and the Library Parcel Tax Fund (\$224,991). The Library Department identified 13 branches serving lower-resourced communities based on data such as library gate count, computer usage, Wi-Fi usage, hotspot circulation, housing/homelessness, access to basic knowledge and information technology, and inclusiveness; as well as transportation routes, and census data related to the population by age and poverty/income levels.

City Service Area Neighborhood Services BUDGET SUMMARY

City Service Area Budget Summary**

	2019-2020 Actuals **	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Dollars by Core Service *				
<i>Library Department</i>				
Strategic Support - Other - Neighborhood Services	1,326,090	1,532,854	1,535,495	1,263,873
Strategic Support - Neighborhood Services	8,152,500	6,944,248	7,072,836	7,122,836
Literacy and Learning, Formal and Lifelong Self-Directed Education	4,384,229	4,380,561	3,874,298	4,410,950
Access To Information, Library Materials, and Digital Resources	34,269,562	35,794,659	36,296,771	36,889,436
<i>Parks, Recreation and Neighborhood Services Department</i>				
Strategic Support - Other - Neighborhood Services	3,469,201	15,033,137	2,723,811	2,762,886
Strategic Support - Neighborhood Services	12,844,361	5,789,418	5,623,043	6,411,319
Recreation Services	28,924,493	27,975,008	27,075,274	30,700,929
Community Services	10,901,857	14,729,131	12,568,996	23,697,307
Parks Maintenance and Operations	53,365,442	57,674,107	58,547,185	49,005,833
Community Facilities Development	4,953,418	5,659,525	5,807,758	5,930,728
<i>Planning, Building and Code Enforcement Department</i>				
Strategic Support - Other - Neighborhood Services	292	0	0	0
Strategic Support - Neighborhood Services	547,312	636,137	659,448	659,448
Code Enforcement	10,501,467	12,401,056	11,985,023	11,773,896
<i>Public Works Department</i>				
Animal Care and Services	8,100,676	8,668,310	8,860,916	8,878,649
Strategic Support - Other - Neighborhood Services	4,202,782	225,000	225,000	174,000
Strategic Support - Neighborhood Services	922,210	752,148	825,955	825,955
Total CSA	\$186,865,890	\$198,195,299	\$183,681,809	\$190,508,045
Authorized Positions	1,296.07	1,270.07	1,206.20	1,289.02

* Fund Balance, Transfers, and Reserves for funds that may be managed by the departments in this CSA have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** The positions displayed in the 2019-2020 Actuals column reflect those included in the 2019-2020 Adopted Budget. 2019-2020 Actuals may not subtotal due to rounding.

City Service Area

Neighborhood Services

OVERVIEW

Service Delivery Accomplishments

- The Animal Care Center cared for an estimated 13,000 incoming animals and responded to an estimated 20,000 calls for service while maintaining an estimated live release rate of 92%.
- Code Enforcement responded to an estimated 12,000 new complaints involving municipal code and land use permit violations on residential, commercial, industrial, and vacant private property. Code Enforcement continued to make progress on City Council Policy Priorities #12 Flavored Tobacco and E-cigarettes/Protecting our Youth from the E-cigarette Epidemic and #18 Smoke-free Housing, and the City Administration response to the Tow Audit. Additionally, Code Enforcement developed remote video/virtual inspections to conduct Multiple Housing Program routine inspections which resumed in March 2021.
- PRNS provided key services to the community during the COVID-19 pandemic, even while standard programming was closed due to Public Health Orders. PRNS provided childcare learning pods for distance-learning students, maintained its park and trail infrastructure for critical respite for residents, supported the 2020 Census, and Youth Intervention staff found new ways to engage with youth in a socially distanced manner. PRNS continued to provide services to individuals and families through its leadership within the City's Emergency Operations Center Community and Economic Recovery, BeautifySJ, and Food and Necessities branches.
- Through the City-Wide Digital Inclusion Initiative, Library provided 12,800 hotspots to 32 local educational agencies including 3,000 hotspots in circulation which are available for checkout.

Service Delivery Environment

- The Animal Care Center will continue to provide key services to pet owners, assistance to low income and un-housed pet owners, and to implement new strategies to improve license and rabies vaccination compliance.
- Code Enforcement continues to conduct outreach to businesses in communities most heavily impacted by COVID-19 in support of the Emergency Operations Compliance Branch reaching nearly 2,000 businesses.
- In 2021-2022, PRNS must adjust its service-delivery back to an in-person model as County Public Health Orders allow. PRNS deployed much of its staff to the Emergency Operations Center, and will need to balance providing the department's services and programs will continuing to participate in the emergency response and recovery efforts.
- Library will continue to safely provide modified services such as Express Pickup, eResources, virtual programming, virtual homework club, multi-language Refchat, and limited technology access (computer use and printing) to library customers.

CSA Priorities/Key Services

- Provide animal licensing, rabies vaccination compliance, housing and care for stray animals, and outreach regarding responsible animal ownership.
- Code Enforcement will continue to provide field inspection services for Emergency and Priority complaints within 24 and 72 hours respectively and perform routine and annual inspections for all fee funded programs.
- PRNS will provide safe and healthy opportunities for young children, youth, teens, seniors, and persons with disabilities.
- The Library will continue to provide support for the city-wide Education and Digital Literacy Strategy aligning City resources and programs to increase educational outcomes, manage equity standards, assessment, evaluation of programs, and coordinate partnerships with schools, school districts, and non-traditional school networks to ensure that City resources are aligned to maximize student achievement.

City Service Area Neighborhood Services OVERVIEW

Budget Dollars at Work: Performance Goals

OUTCOME 1: SAFE AND CLEAN PARKS, FACILITIES AND ATTRACTIONS

Strategic Goals	CSA Performance Measures	2019-2020 Actual	2020-2021 Target	2020-2021 Estimate	2021-2022 Target	5-Year Goal
All parks and facilities will be safe, clean, and well maintained	1. % of residents rating maintenance of public parks as "good" or better	N/A ¹	55%	TBD ¹	55%	60%
	2. % of residents that rate the appearance of public parks as "good" or better	N/A ¹	60%	TBD ¹	60%	65%
	3. % of residents reporting they visited a regional park more than three times in the last year	N/A ¹	50%	TBD ¹	55%	55%

OUTCOME 2: VIBRANT CULTURAL, LEARNING, RECREATION AND LEISURE OPPORTUNITIES

Strategic Goals	CSA Performance Measures	2019-2020 Actual	2020-2021 Target	2020-2021 Estimate	2021-2022 Target	5-Year Goal
Provide a full range of affordable and accessible learning and leisure opportunities which fulfill customer and residents' needs for lifelong learning and well being	1. % of community center participants reporting that services have positively impacted their quality of life	94%	95%	93%	95%	95%
	2. % of customers and residents rating library services as "good" or better	N/A ²	55%	N/A ²	55%	90%
	* Point of Service	N/A ¹	42%	TBD ¹	42%	70%
	* Community Survey					
3. % of community center participants and residents rating City efforts at providing recreational opportunities as "good" or "excellent"	* Point of Service	84%	89%	78%	80%	80%
	* Community Survey	N/A ¹	43%	TBD ¹	64%	64%
Offer programs and services that support successful youth and their families	1. % of parents and caregivers who report reading more to their children following participation in a library program or activity	90%	90%	80%	80%	90%
Provide services and programs that promote independent living for City older adults and persons with disabilities	1. % of older adult participants who feel connected to community center resources	88%	89%	71%	75%	75%
	2. % of persons with disabilities who feel connected to community center resources	87%	89%	100%	85%	85%
	3. % of residents rating City efforts at providing programs to help older adults that live on their own, as "good" or "excellent"	N/A ¹	30%	TBD ¹	64%	64%
	4. # of participants in programs for older adults	16,040	12,500	3,532 ³	4,000	5,000
	5. # of participants in programs for persons with disabilities	1,236	1,500	1,412	2,000	3,000
	6. % of older adult community center participants rating City efforts at providing programs to help older adults that live on their own, as "good" or "excellent"	81%	85%	65%	80%	80%

¹ Data for this measure is collected through the biennial City-Wide Community Survey. The next community survey will be conducted in summer 2021, and those results will inform the 2020-2021 Estimate in the 2021-2022 Adopted Budget.

² Data is unavailable since the impacts of COVID-19 and shelter-in-place orders issued by Santa Clara County interrupted library services and limited accessibility.

³ These figures are lower for the 2020-2021 Estimate due to postponed and cancelled programs resulting from public health restrictions.

City Service Area Neighborhood Services OVERVIEW

Budget Dollars at Work: Performance Goals

OUTCOME 3: HEALTHY NEIGHBORHOODS AND CAPABLE COMMUNITIES

Strategic Goals	CSA Performance Measures	2019-2020 Actual	2020-2021 Target	2020-2021 Estimate	2021-2022 Target	5-Year Goal
Residents will perceive that their neighborhood has improved	1. % of residents indicating that the physical condition of the neighborhood has gotten somewhat better over the last two years	N/A ¹	45%	TBD ¹	45%	60%
Provide effective animal care and control for residents of San José	1. % of Priority 1 calls with response time in one hour or less (Priority 1: injured or aggressive animal, or public safety assist)	95%	95%	97%	96%	95%
	2. Animal Care Center Live Release Rate	91%	92%	92%	92%	92%
Ensure safe, decent and sanitary housing through routine inspections in Multi-Family dwellings	1. % of buildings receiving a routine inspection within 3-year, 5-year or 6-year cycle based upon risk assessment					
	-3 year (Tier 3)	80%	45%	23% ²	50%	67%
	-5 year (Tier 2)	67%	33%	15% ²	50%	20%
	-6 year (Tier 1)	46%	20%	10% ²	50%	83%
Revitalize and Rehabilitate Uses, Sites, and Structures in Neighborhoods, Commercial, and Industrial Areas	1. % of residents who indicate that the physical condition of the neighborhood is about the same or better (Annual Code Enforcement Customer Survey)	71%	70%	70%	70%	70%
Quality Living and Working Environment	1. % of residents rating their neighborhood in "good" or better physical condition based on the biennial Community Survey	N/A ¹	60%	TBD ¹	60%	60%
	2. % of time inspection/assessment for Code cases occurs within targeted times:					
	- Emergency Cases (within 24 hours)	100%	100%	75% ²	100%	100%
	- Priority Cases (within 72 hours)	75%	75%	35% ²	75%	75%

1. Data for this measure is collected through the biennial City-Wide Community Survey. The next community survey will be conducted in summer 2021, and those results will inform the 2020-2021 Estimate in the 2021-2022 Adopted Budget.

2. During the COVID19 Pandemic, Code Enforcement's ability to conduct priority and routine inspections has been impacted by the City's emergency response stage, County Shelter in Place Order, and tier assessment under the "State's Blueprint for a Safer Economy". While response to emergency complaints has remained ongoing throughout 2020-2021, other inspection services have been reduced. Priority and routine response times for code complaints have declined and Multiple Housing Program routine and fee program annual proactive inspections have been delayed. Thus, Code Enforcement's ability to meet performance targets for 2020-2021 has been impacted.

City Service Area

Neighborhood Services

PROPOSED BUDGET CHANGES

Proposed Changes	Positions	All Funds (\$)	General Fund (\$)
LIBRARY DEPARTMENT			
• Library Branch Hours and Operations for Lower-Resourced Communities	16.20	899,958	674,967
• San José Aspires	2.00	232,014	0
• San José Public Library Foundation		50,000	0
• Library Non-Personal/Equipment (San José State University/San José Public Library Operating Contract)		(300,000)	(300,000)
• Reprographics Contractual Services Savings		(7,293)	(7,293)
• Education and Digital Literacy Staffing		(1,348)	0
<i>Subtotal</i>	18.20	873,331	367,674
PARKS, RECREATION AND NEIGHBORHOOD SERVICES DEPARTMENT			
• Beautify San José Management Consolidation and Operations	34.00	5,476,135	2,776,615
• Placemaking/San José Abierto Program	13.25	1,327,308	0
• Project Hope	4.00	515,043	515,043
• Police Activities League Facilities Support	4.00	327,553	327,553
• New Parks and Recreation Facilities Maintenance and Operations	4.30	275,309	384,000
• Fiscal and Employee Services Support Staffing	1.50	241,630	66,513
• Parks and Recreation Capital Flood Repairs Grants Support	1.00	155,414	0
• Capital Infrastructure and Building Maintenance Staffing	1.00	122,970	0
• Welch Park and Eastridge Recreation	1.50	120,773	120,773
• Volunteer Management	1.00	112,769	112,769
• Neighborhood Center Partner Program Support		21,399	21,399
• Happy Hollow Park and Zoo Maintenance Staffing Realignment	(0.80)	4,177	4,177
• Park Ranger Body-Worn Cameras		0	0
• Parks Rehabilitation Strike and Capital Infrastructure Team	7.00	0	0
• Fee Activities Program Expenditure Reduction		(525,000)	(525,000)
• Happy Hollow Park and Zoo Catering and Special Events Savings		(345,562)	(345,562)
• Family Camp Suspension		(254,593)	(254,593)
• Community Center Operations Support	(3.75)	(226,080)	(226,080)
• Contracted Landscape Maintenance Savings		(103,934)	(103,934)
• Administrative Services Staffing	(1.00)	(99,495)	(99,495)
• Reprographics Contractual Services Savings		(74,339)	(74,339)
• McKinley Community Center Rightsizing	(1.00)	(58,772)	(58,772)
• Roosevelt Roller Rink Staffing	(0.83)	(21,392)	(21,392)
• Parks General Maintenance Staffing Realignment	(0.38)	(4,923)	(4,923)
<i>Subtotal</i>	64.79	6,986,390	2,614,752

City Service Area Neighborhood Services PROPOSED BUDGET CHANGES

Proposed Changes	Positions	All Funds (\$)	General Fund (\$)
PLANNING, BUILDING AND CODE ENFORCEMENT DEPARTMENT			
• PBCE Non-Personal/Equipment Savings		(110,000)	(110,000)
• Reprographics Contractual Services Savings		(46,932)	(46,932)
• Open Counter Contractual Services Savings		(33,630)	(33,630)
• Development Services Imaging and Call Center Staffing	(0.11)	(11,885)	(11,885)
• Development Services Imaging and Call Center Staffing	(0.06)	(8,680)	(8,680)
• Body-Worn Cameras		0	0
<i>Subtotal</i>	(0.17)	(211,127)	(211,127)
PUBLIC WORKS DEPARTMENT			
• Animal Care and Services Customer Service Staffing		17,733	17,733
<i>Subtotal</i>	0.00	17,733	17,733
<i>Subtotal Departments</i>	82.82	7,666,327	2,789,032
GENERAL FUND CAPITAL, TRANSFERS AND RESERVES			
• Capital Contributions: Parks Rehabilitation Strike and Capital Infrastructure Team	0.00	785,000	785,000
• Earmarked Reserves: New Parks and Recreation Facilities Maintenance and Operations Reserve		(384,000)	(384,000)
<i>Subtotal Other Changes</i>		401,000	401,000
Total Proposed Budget Changes	82.82	8,067,327	3,190,032

City Service Area

Public Safety



***Mission:** Provide prevention and emergency response services for crime, fire, medical, hazardous, and disaster related situations*

Primary Partners

City Manager's Office
Fire
Independent Police Auditor
Police

CSA OUTCOMES

- The Public Feels Safe Anywhere, Anytime in San José
- Residents Share the Responsibility for Public Safety

City Service Area Public Safety SERVICE DELIVERY FRAMEWORK

CITY SERVICE AREA
A cross-departmental collection of core services that form one of the City's six key "lines of business"

MISSION STATEMENT
Why the CSA exists

Public Safety CSA

Mission:

Provide prevention and emergency response services for crime, fire, medical, hazardous, and disaster related situations

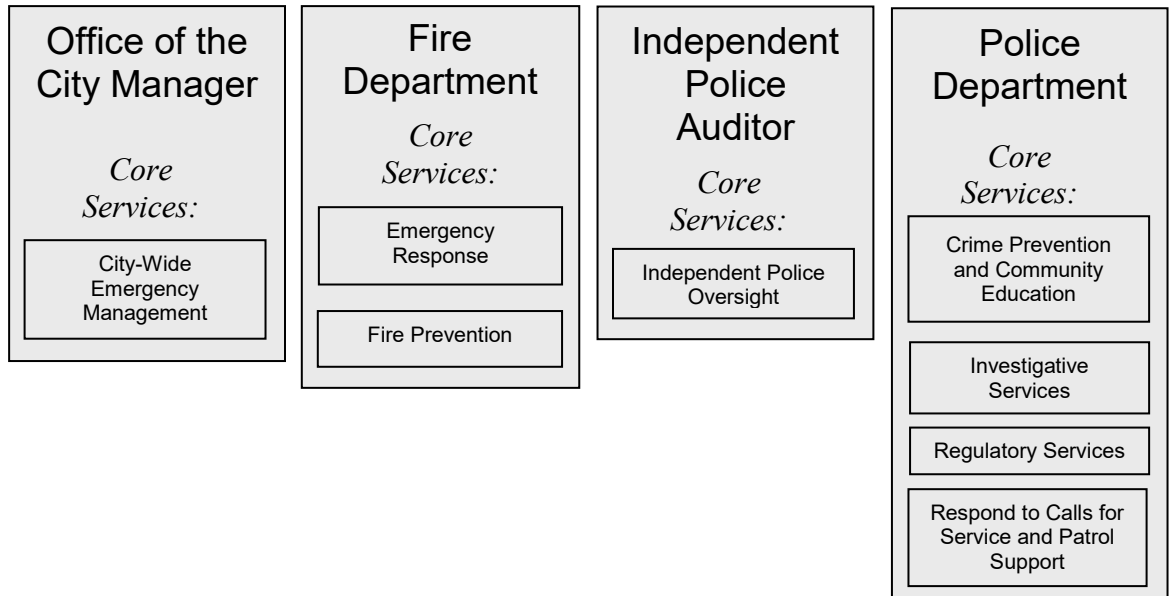
CSA OUTCOMES
The high level results of service delivery sought by the CSA partners

Outcomes:

- The Public Feels Safe Anywhere, Anytime in San José
- Residents Share the Responsibility for Public Safety

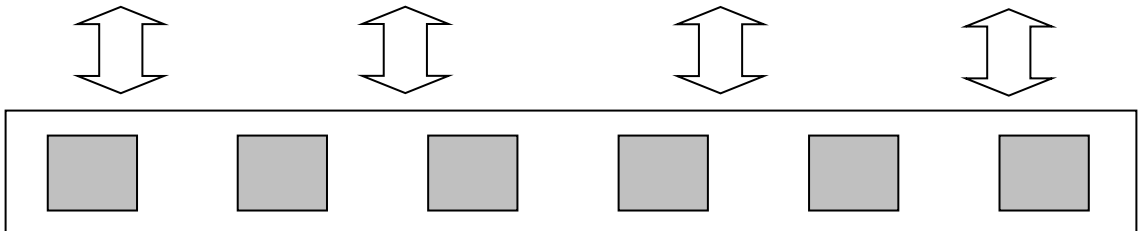
PRIMARY PARTNERS
Departments with Core Services that contribute to achievement of CSA Outcomes

CORE SERVICES
Primary deliverables of the organization

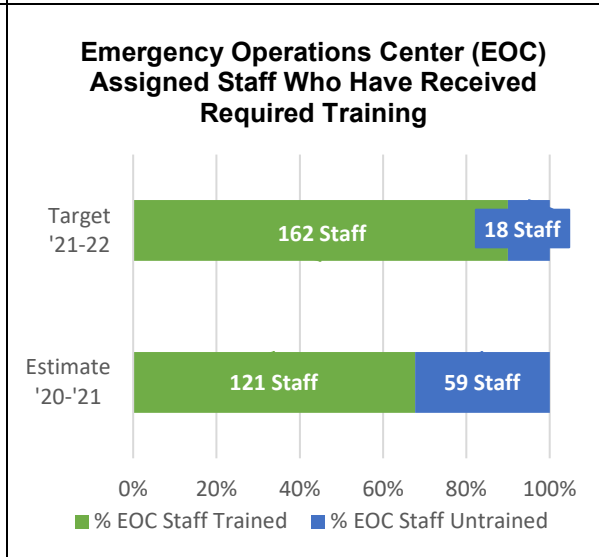
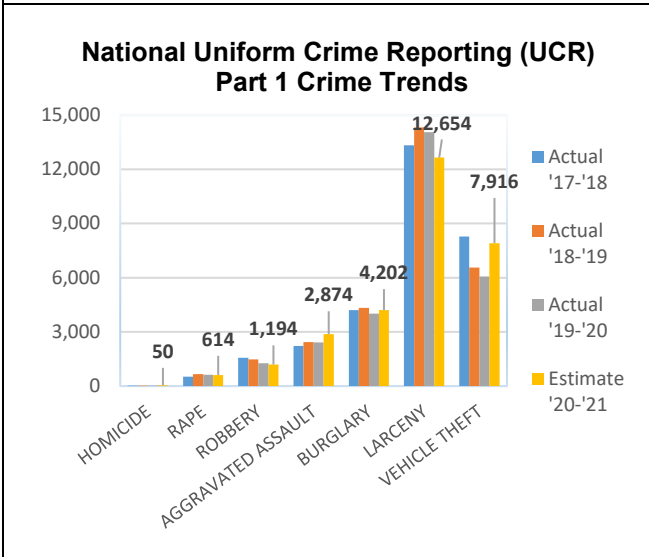
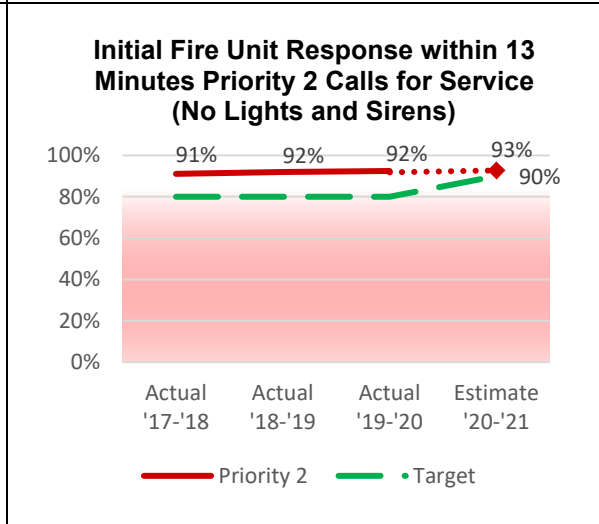
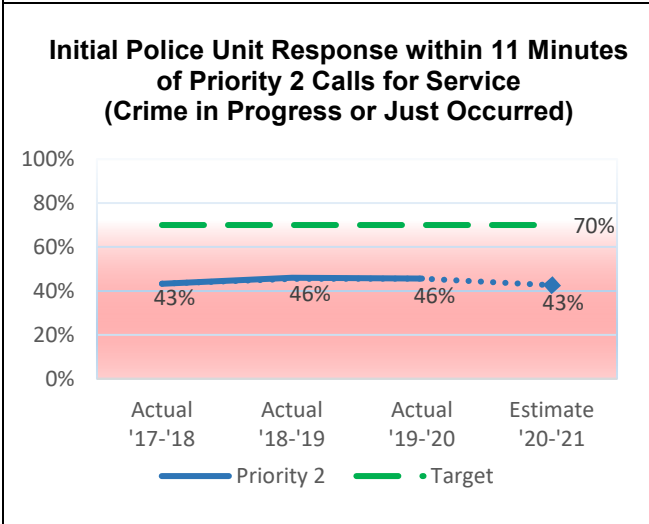
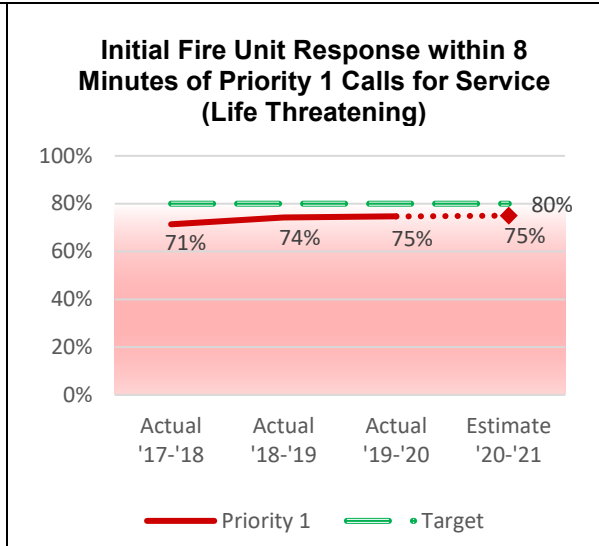
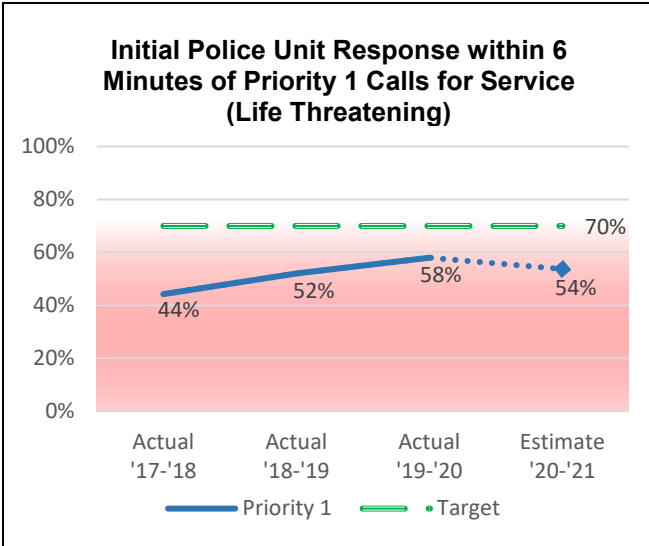


PROGRAMS
Elements of Core Services; the "front line" of service delivery

STRATEGIC SUPPORT
Organization-wide guidance and support to enable direct service delivery



City Service Area Public Safety DASHBOARD



City Service Area *Public Safety* BUDGET SUMMARY

Expected 2021-2022 Service Delivery

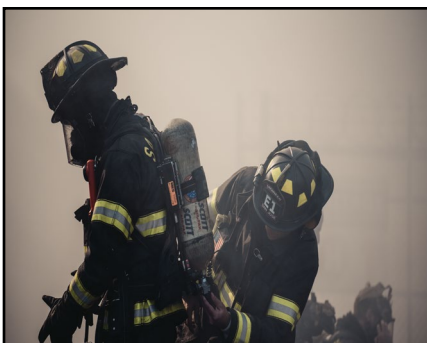


- ❑ Respond to calls for service of essential emergency services (patrol, fire suppression, rescue, and emergency medical services) in a safe, efficient, and effective manner.
- ❑ Continue regional all-hazard emergency management planning, training, and exercises.
- ❑ Provide a police misconduct complaint process that is thorough, objective, and fair.
- ❑ Effectively investigate crimes and seek successful prosecution of suspects.
- ❑ Advance the deployment and use of technology to enhance the delivery of public safety services where possible.

2021-2022 Key Budget Actions



- ❑ Maintains one-time funding of \$7.0 million for the Sworn Hire Ahead Program in 2021-2022 to timely fill vacancies with street-ready officers, as approved in 2020-2021.
- ❑ Continues 4.0 Analyst II positions through June 30, 2022 and adds 1.0 Analyst I/II and 1.0 Police Forensic Analyst positions to provide additional capacity to process and respond to California Public Records Act (CPRA) requests.
- ❑ Adds one-time funding of \$500,000 to support the investigation and enforcement of illegal street racing and sideshows through a combination of overtime and license-plate reader technology.
- ❑ Civilianizes a total of six sworn positions (1.0 Police Sergeant and 5.0 Police Officers) within the Bureau of Field Operations, Crime Evidence and Warehouse Unit, Public Information Office, and Reserve Unit to reflect functions that may be performed by civilian staff.
- ❑ Establishes permanent 1.0 Senior Analyst in the Office of Emergency Management (OEM) to sustain management of the Community Emergency Response Training program.
- ❑ Continues 4.0 Executive Analyst positions through June 30, 2022, funded by an Urban Areas Security Initiative grant, in the OEM.
- ❑ Adds one-time non-personal/equipment funding to replace all self-contained breathing apparatus (SCBA) equipment.
- ❑ In the Fire Department, adds 1.0 Geographic Information Systems Specialist position to provide necessary support to the Emergency Response Preparedness and Mapping Services and 1.0 Staff Specialist position to provide additional capacity for the grants program and coordination of mutual aid reimbursement.
- ❑ Adds 1.0 Program Manager position, offset by the elimination of 1.0 Battalion Chief position, to reorganize the Workplace Safety program, and adds 1.0 Analyst I/II position, offset by the elimination of a Fire Captain position, to reorganize the Emergency Medical Services program.



City Service Area *Public Safety* BUDGET SUMMARY

City Service Area Budget Summary**

	2019-2020 Actuals **	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Dollars by Core Service *				
<i>Office of the City Manager</i>				
City-Wide Emergency Management	2,327,782	6,561,908	1,691,589	2,529,003
<i>Fire Department</i>				
Strategic Support - Other - Public Safety	25,488,217	16,896,920	13,414,570	13,675,582
Strategic Support - Public Safety	49,262,932	6,997,088	6,400,307	6,013,854
Emergency Response	175,840,602	229,631,425	248,955,687	253,077,990
Fire Prevention	6,527,734	7,295,271	7,937,285	7,954,988
City-Wide Emergency Management	1,861	0	0	0
<i>Independent Police Auditor's Office</i>				
Independent Police Oversight	1,253,898	1,368,191	1,261,118	1,411,799
Strategic Support - Other - Public Safety	634	152,366	0	0
Strategic Support - Public Safety	360	113,481	118,704	118,704
<i>Police Department</i>				
Strategic Support - Other - Public Safety	17,616,929	15,837,057	10,447,639	8,125,507
Strategic Support - Public Safety	58,773,650	60,018,841	55,546,638	56,562,676
Crime Prevention and Community Education	4,915,728	7,092,256	7,053,627	7,053,627
Investigative Services	83,774,727	88,465,656	90,490,498	90,521,460
Regulatory Services	4,441,596	4,763,504	4,860,936	4,860,936
Respond To Calls For Service and Patrol Support	289,082,281	295,352,878	303,242,664	304,190,180
Total CSA	\$719,308,930	\$740,546,842	\$751,421,262	\$756,096,306
 Authorized Positions	 2,530.24	 2,530.65	 2,523.37	 2,550.33

* Fund Balance, Transfers, and Reserves for funds that may be managed by the departments in this CSA have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** The positions displayed in the 2019-2020 Actuals column reflect those included in the 2019-2020 Adopted Budget. 2019-2020 Actuals may not subtotal due to rounding.

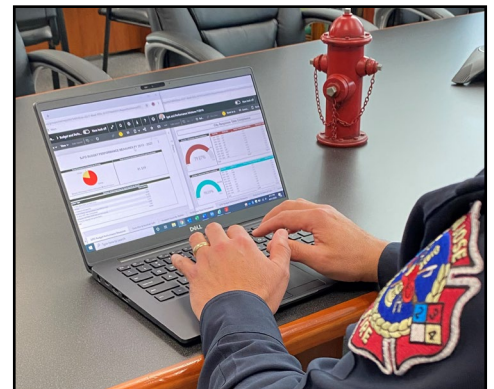
City Service Area *Public Safety* OVERVIEW

Service Delivery Accomplishments

- The Fire Department successfully met the County of Santa Clara Emergency Medical Services (EMS) Response time requirements for 33 consecutive months, from April 2018 to December 2020. In 2021, beginning in February, the Department continued to meet the standard.
- City Manager’s Office of Emergency Management improved readiness to emergencies by updating plans; responding to the Public Safety Power Shutoffs, flooding conditions, and COVID-19; and providing Community Emergency Response Team trainings to over 261 graduates.
- The Office of the Independent Police Auditory (IPA) launched a new online tool for seamless online reporting of complaints. Using this software tool allows both named and anonymous complainants to upload large files and media attachments.
- For Priority One calls (present or imminent danger to life or major damage/loss of property), the Police Department responded on average in 7.26 minutes in 2020-2021.

Service Delivery Environment

- A major contributing factor to the overall effectiveness and efficiency of the Police and Fire Departments in recent years has been the increased use of data analytics to analyze existing business processes and change emergency response strategies.
- The engagement of volunteers to augment the talents of staff in response to emergencies has provided an opportunity for the public to take on more responsibility for preparedness and to assist in a major event.



CSA Priorities/Key Services

- Continue providing high-quality fire suppression, rescue, emergency medical, and other related public-assistance services.
- Continue projects that support the integration of volunteer resources, improve support for our most vulnerable populations, and address the direct needs of the public following a disaster.
- Continue to provide civilian oversight of the Police misconduct complaint process to ensure its fairness, thoroughness, and objectivity.
- Continue to maintain the safety of residents throughout the City by keeping crime rates down, reducing and investigating crimes, and maintaining a vibrant, safe community.
- Continue to provide quality Police response to calls for service and maintain visible patrol throughout the City.

Part 1 Crimes Index by Calendar Year					
Offense	2020	2019	Year over	2020 to	
			Year %	5 Year	5 Year %
			Change	Average	Change
Criminal Homicide	40	32	25.0%	35.8	11.7%
Rape	566	671	-15.6%	574.8	-1.5%
Robbery	1,185	1,339	-11.5%	1,341.4	-11.7%
Aggravated Assault	2,584	2,517	2.7%	2,338.6	10.5%
Burglary	4,045	4,114	-1.7%	4,176.8	-3.2%
Theft	12,737	14,924	-14.7%	13,457.2	-5.4%
Motor Vehicle Theft	7,065	6,126	15.3%	7,333.2	-3.7%
Arson	252	135	86.7%	163.6	54.0%
Totals	28,474	30,318	-6.1%	29,421	-3.2%

City Service Area Public Safety OVERVIEW

Budget Dollars at Work: Performance Goals

The Public Safety CSA encompasses City services focusing on crime, fire, emergency medical, hazardous, and disaster-related needs of the San José community. The CSA partners continuously evaluate public safety data to assess operational changes necessary to resolve crime, medical, or fire-related situations successfully. Despite the challenges of limited staff and increased demand for service, the CSA is engaged in an ongoing effort to organize and analyze data in the development of resource deployment strategies.

OUTCOME 1: THE PUBLIC FEELS SAFE ANYWHERE, ANYTIME IN SAN JOSÉ

Strategic Goals	CSA Performance Measures	2019-2020 Actual	2020-2021 Target	2020-2021 Estimate	2021-2022 Target	5-Year Goal
Achieve safe neighborhoods throughout the City	1. % change in incidents of selected crime types (change in # of incidents)					
	- Gang Related Incidents	-16.7%	0% change	3.7%	0% change	0% change
	- Domestic Violence	7.3%	0% change	3.2%	0% change	0% change
	- Residential Burglaries	-21.4%	0% change	-10.6%	0% change	0% change
	- Strong-Arm Robbery	-13.6%	0% change	-16.1%	0% change	0% change
	- Sexual Assault	11.5%	0% change	-2.2%	0% change	0% change
	- Traffic Accidents	-10.3%	0% change	-15.2%	0% change	0% change
	- Fire Arson	118.6%	0% change	20.8%	0% change	0% change
	2. % of residents surveyed who perceive themselves to be "Safe" or "Very Safe" walking during the day/night					
	- in their neighborhood	76% / 50%	90% / 70%	N/A ¹	90% / 70%	90% / 70%
- in the City park closest to residence	68% / 34%	85% / 45%	N/A ¹	85% / 45%	85% / 45%	
- in the Downtown area	50% / 27%	85% / 45%	N/A ¹	85% / 45%	85% / 45%	

¹ Data for this measure is collected through the biennial City-Wide Community Survey. The next community survey will be conducted in summer 2021, and those results will be reported in the 2021-2022 Adopted Budget.

City Service Area Public Safety OVERVIEW

Budget Dollars at Work: Performance Goals

OUTCOME 1: THE PUBLIC FEELS SAFE ANYWHERE, ANYTIME IN SAN JOSÉ

Strategic Goals	CSA Performance Measures	2019-2020 Actual	2020-2021 Target	2020-2021 Estimate	2021-2022 Target	5-Year Goal
Maintain/Reduce response times	1. % of time the initial responding Fire unit arrives within eight minutes after 9-1-1 call is received (Priority One)	75%	80%	75%	80%	80%
	2. % of time first dispatched Police unit arrives within six minutes to Priority One calls (life threatening) (dispatch to arrival)	58%	70%	54%	70%	70%
	3. % of time the initial responding Fire unit arrives within thirteen minutes to Priority Two calls (no lights & siren) ¹	92%	80%	93%	90%	90%
	4. % of time first dispatched Police unit arrives within eleven minutes to Priority Two calls (crime in progress or just occurred) (dispatch to arrival)	46%	70%	43%	70%	70%
Increase investigative & inspection efforts (Police Investigations)	1. Clearance Rates of Part 1 crimes (# cleared/ total cases)					
	- Homicide	63.3% (19/30)	N/A ²	40.0% (20/50)	N/A ²	N/A ²
	- Rape	12.3% (76/619)	N/A ²	16.0% (98/614)	N/A ²	N/A ²
	- Robbery	31.8% (401/1,262)	N/A ²	32.5% (388/1,194)	N/A ²	N/A ²
	- Aggravated Assault	46.4% (1,124/2,420)	N/A ²	40.0% (1,150/2,874)	N/A ²	N/A ²
	- Burglary	7.0% (282/4,006)	N/A ²	6.1% (258/4,202)	N/A ²	N/A ²
	- Larceny	6.6% (929/14,062)	N/A ²	5.9% (748/12,654)	N/A ²	N/A ²
	- Vehicle Theft	6.6% (403/6,072)	N/A ²	5.4% (430/7,916)	N/A ²	N/A ²
	- Overall	11.4% (3,234/28,471)	N/A ²	10.5% (3,092/29,504)	N/A ²	N/A ²

¹ The City of San José Priority 2 (no red lights/sirens) Response Time compliance standard is arrival within 13 minutes, 80% of the time.

² The Police Department's goal is to improve clearance rates. Leveraging a new records management system, work is underway to review clearance rate methodology and targeting. Targets for Part 1 crimes are anticipated for inclusion in the 2022-2023 Proposed Operating Budget.

City Service Area Public Safety OVERVIEW

Budget Dollars at Work: Performance Goals

Residents are a critical link to community disaster preparedness in areas where first response may be several minutes away, requiring some self-reliance at the neighborhood level. The goal of crime, fire, and life safety education is to provide awareness and informational services to the community through multiple programs, including Police oversight, Police Volunteer Program, Neighborhood Watch, and Community Emergency Response Team (CERT) program.

OUTCOME 2: RESIDENTS SHARE THE RESPONSIBILITY FOR PUBLIC SAFETY

Strategic Goals	CSA Performance Measures	2019-2020 Actual	2020-2021 Target	2020-2021 Estimate	2021-2022 Target	5-Year Goal
Increase public education & awareness through a variety of community services and education programs	1. % of San José households with demonstrated emergency preparedness action plan					
	-Have three gallons of bottled water per person per household	N/A ¹	65%	N/A ¹	65%	65%
	-Have three day supply of medicine	N/A ¹	75%	N/A ¹	75%	75%
	-Have designated an outside of area contact person	N/A ¹	70%	N/A ¹	70%	70%
Empower residents to respond appropriately to emergencies and disasters	1. # of residents receiving Office of Emergency Management Training annually ²	1,259	1,500	80	1,500	1,250
Explore and secure alternate funding to supplement public safety responsiveness and resources	1. % of grants awarded					
	- Fire Department	83%	100%	50%	100%	100%
	- Office of Emergency Management	56%	83%	100%	100%	100%
	- Police Department	92%	100%	100%	86%	100%
	2. Dollar value of grants awarded					
	- Fire Department	\$61,188 ³	\$5.2 million	\$12.6 million	\$5.6 million	\$1.0 million
- Office of Emergency Management	\$675,000	\$785,000	\$250,000	\$250,000	\$1.0 million	
	- Police Department	\$8.0 million	\$6.0 million	\$6.0 million	\$6.6 million	\$6.0 million

¹ Data for this measure is not available since the question to collect the data was removed from the biennial City-Wide Community Survey. Survey questions were removed in an effort to streamline the survey to improve effectiveness and participation. A reevaluation of the entire set of survey questions will be conducted, and any corresponding performance measure changes will be reported in a future budget document.

² COVID-19 response reduced the number of classes in 2020-2021 and will impact potential 2021-2022 classes.

³ 2019-2020 Actual is lower than originally anticipated due to being awarded only two of the four grants applied for by the Department. In addition, \$416,936 for one of the grants was returned for the Dual Cellular Network Connectivity project since this funding was already budgeted through the FirstNet project.

City Service Area Public Safety

PROPOSED BUDGET CHANGES

Proposed Changes	Positions	All Funds (\$)	General Fund (\$)
FIRE DEPARTMENT			
• Self-Contained Breathing Apparatus Equipment Replacement		3,012,000	3,012,000
• New Public Safety Facilities Maintenance and Operations	14.00	1,996,000	1,996,000
• Emergency Response Preparedness and Mapping Services Staffing	1.00	132,828	66,414
• Grants and Deployment Reimbursements Staffing	1.00	129,804	129,804
• California Building and Fire Code Publications		12,308	12,308
• Fire Department Overtime Usage		(660,000)	(660,000)
• Workplace Safety Staffing	(0.04)	(307,068)	(307,068)
• Emergency Medical Services Staffing	0.00	(245,493)	(245,493)
• Fire Department Non-Personal/Equipment Savings		(84,789)	(84,789)
• Reprographics Contractual Services Savings		(18,064)	(18,064)
• Capital Project Management Staffing Funding Shift	0.00	0	(147,559)
<i>Subtotal</i>	15.96	3,967,526	3,753,553
OFFICE OF THE CITY MANAGER			
• Office of Emergency Management Staffing (UASI 2021)	4.00	677,164	677,164
• Community Emergency Response Team (CERT) Program	1.00	161,163	161,163
• Reprographics Contractual Services Savings		(913)	(913)
<i>Subtotal</i>	5.00	837,414	837,414
OFFICE OF THE INDEPENDENT POLICE AUDITOR			
• Independent Investigation of Police Misconduct Work Plan	1.00	151,812	151,812
• Reprographics Contractual Services Savings		(1,131)	(1,131)
<i>Subtotal</i>	1.00	150,681	150,681
POLICE DEPARTMENT			
• Police Public Records Team Staffing	6.00	849,103	849,103
• Foot Patrol in Downtown and High Needs Neighborhoods		750,000	750,000
• Traffic Safety and Illegal Sideshows		500,000	500,000
• Police Backgrounding Services		300,000	300,000
• Domestic Violence - High Risk Response Team		120,000	120,000
• Fireworks Enforcement		35,000	35,000
• Bureau of Field Operations Administration Staffing	0.00	(247,567)	(247,567)
• Crime Evidence and Warehouse Unit	0.00	(197,870)	(197,870)
• Central Identification Unit Staffing	(1.00)	(135,168)	(135,168)
• Reserve Unit Staffing	0.00	(89,917)	(89,917)
• Reprographics Contractual Services Savings		(71,077)	(71,077)
• Public Information Office Staffing	0.00	(61,988)	(61,988)
<i>Subtotal</i>	5.00	1,750,516	1,750,516
<i>Subtotal Departments</i>	26.96	6,706,137	6,492,164

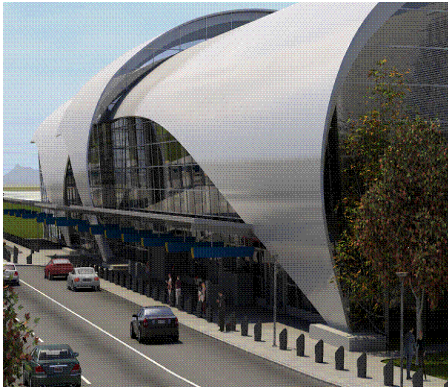
City Service Area
Public Safety
PROPOSED BUDGET CHANGES

Proposed Changes	Positions	All Funds (\$)	General Fund (\$)
CITY-WIDE EXPENSES			
• Northern California Regional Intelligence Center - Police 2020		133,000	133,000
• Northern California Regional Intelligence Center Staffing		111,000	111,000
GENERAL FUND CAPITAL, TRANSFERS AND RESERVES			
• Earmarked Reserves: Police Redistricting Implementation Reserve		1,000,000	1,000,000
• Earmarked Reserves: Police Property Facility Relocation Reserve		500,000	500,000
• Earmarked Reserves: New Public Safety Facilities Maintenance and Operations Reserve		(1,996,000)	(1,996,000)
<i>Subtotal Other Changes</i>	0.00	(252,000)	(252,000)
Total Proposed Budget Changes	26.96	6,454,137	6,240,164

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City Service Area

Transportation and Aviation Services



Mission: *To provide the community with safe, secure, and efficient surface and air transportation systems that support San José's livability and economic vitality*

CSA OUTCOMES

Primary Partners

Airport
Transportation

- Provide Safe and Secure Transportation Systems
- Provide Viable Transportation Choices that Promote a Strong Economy
- Travelers Have a Positive, Reliable, and Efficient Experience
- Preserve and Improve Transportation Assets and Facilities
- Provide a Transportation System that Enhances Community Livability

City Service Area

Transportation and Aviation Services

SERVICE DELIVERY FRAMEWORK

CITY SERVICE AREA
A cross-departmental collection of core services that form one of the City's 6 key "lines of business"

MISSION STATEMENT
Why the CSA exists

Transportation & Aviation Services CSA

Mission:

To provide the community with safe, secure, and efficient surface and air transportation systems that support San José's livability and economic vitality



CSA OUTCOMES
The high level results of service delivery sought by the CSA partners

Outcomes:

- Preserve and Improve Transportation Assets and Facilities
- Provide a Transportation System that Enhances Community Livability
- Provide Safe and Secure Transportation Systems
- Provide Viable Transportation Choices that Promote a Strong Economy
- Travelers Have a Positive, Reliable, and Efficient Experience



PRIMARY PARTNERS
Departments with Core Services that contribute to achievement of CSA Outcomes

CORE SERVICES
Primary deliverables of the organization

Airport Department

Core Services:

Airport Business Development

Airport Facilities

Airport Operations

Transportation Department

Core Services:

Parking Services

Pavement Maintenance

Street Landscape Maintenance

Traffic Maintenance

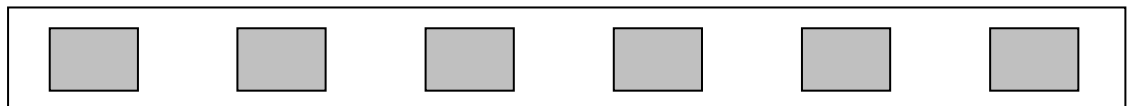
Transportation Planning and Project Delivery

Transportation Safety and Operations

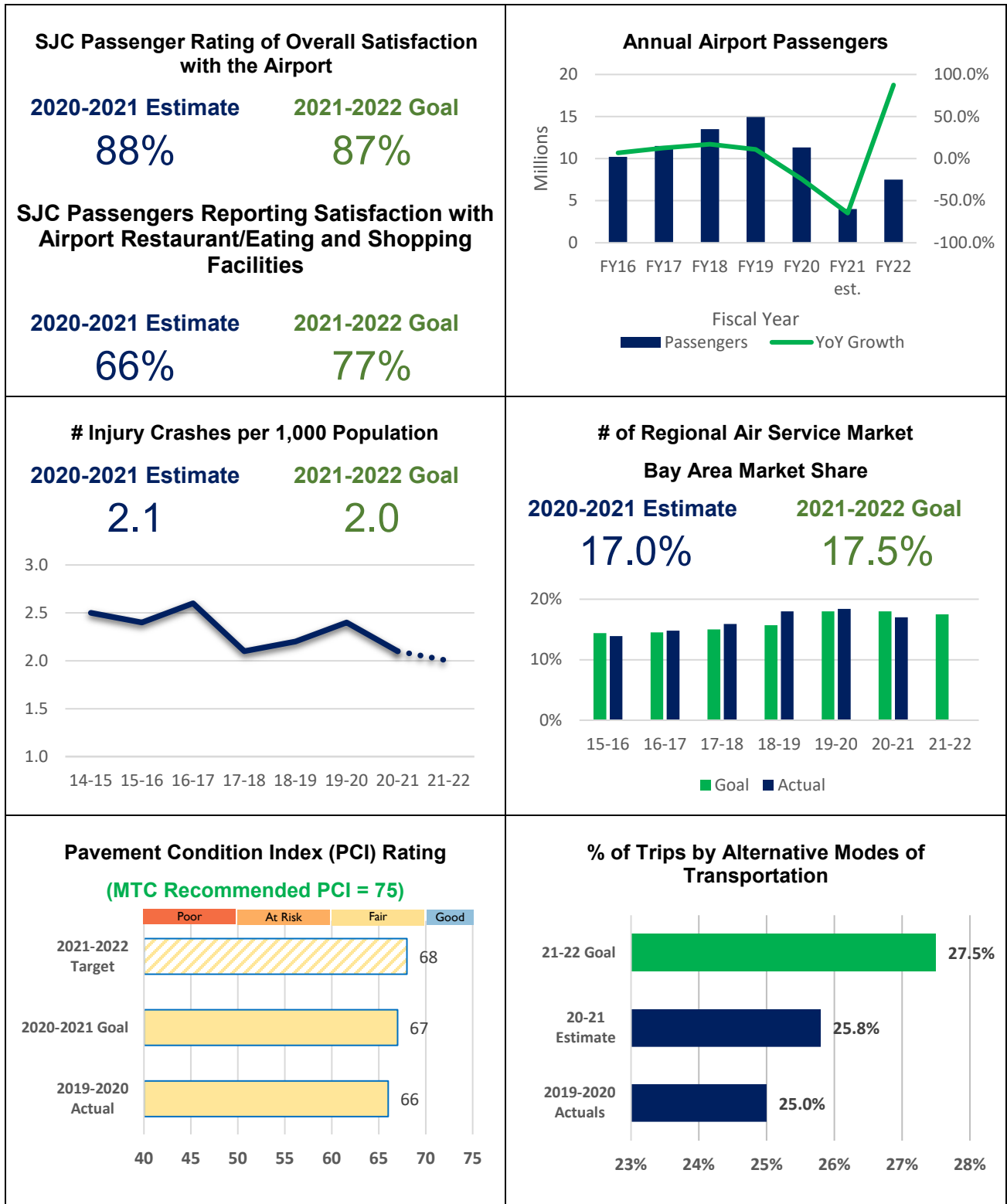
PROGRAMS
Elements of Core Services; the "front-line" of service delivery



STRATEGIC SUPPORT
Organization-wide guidance and support to enable direct service delivery



City Service Area Transportation and Aviation Services DASHBOARD



City Service Area

Transportation and Aviation Services

OVERVIEW

Expected 2021-2022 Service Delivery

- Provide a safe, efficient, and well-maintained transportation system for the traveling public.
- Maintain and operate public on-street and off-street parking facilities and encourage compliance of posted regulations.
- Plan, build and encourage use of multi-modal transportation options.
- Maintain Airport safety and security compliance.
- Provide suitable levels of customer service.
- Rebuild passenger service.

2021-2022 Key Budget Actions

- Provides staffing for Safety, Vision Zero and Quickbuild Projects to advance data analytics, community outreach and equity, and quick build design and implementation.
- Continues funding through June 30, 2022 for Vehicle Abatement Program Proactive Patrol and Complaint Response, a hybrid model of proactive patrol and San José 311 complaint response focused on identifying and removing vehicles that are posing a significant safety or blight concern or are inoperable.
- Continues the Beautify San José Street Landscape Maintenance Program, Climate Smart San Jose Plan Implementation, and funding for Our City Forest leases through June 30, 2022.
- General Fund balancing actions include partially funding Traffic Safety and Traffic Signal Operations with eligible capital funding in the Traffic Capital Improvement Program.
- Provides technology infrastructure improvements at the Airport that include increasing CCTV video storage capacity to one year and an uninterruptible power supply monitoring system to prevent network outages that support efficient, effective and safe operation of Airport enterprise.
- Adds one Systems Application Programmer position to support the administration, and boost the effectiveness, of various Airport applications including the Airport website and business automation tools.

City Service Area Transportation and Aviation Services BUDGET SUMMARY

City Service Area Budget Summary**

City Service Area Budget Summary**

	2019-2020 Actuals **	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Dollars by Core Service *				
<i>Airport Department</i>				
Strategic Support - Other - Transportation & Aviation	113,991,491	102,827,504	102,883,700	55,974,134
Strategic Support - Transportation & Aviation	14,022,659	14,875,266	14,949,357	15,139,743
Airport Facilities	29,808,394	34,383,620	34,706,822	34,706,822
Airport Operations	27,361,157	33,243,758	33,854,396	34,264,396
Airport Business Development	1,890,146	3,288,158	3,398,821	3,398,821
<i>Transportation Department</i>				
Street Landscape Maintenance	17,579,568	19,529,696	16,814,449	18,236,324
Parking Services	18,114,837	20,670,526	20,094,794	20,616,973
Pavement Maintenance	10,256,242	9,356,313	9,589,222	9,601,211
Traffic Maintenance	13,722,836	15,268,588	15,377,601	15,875,896
Transportation Safety and Operations	10,615,755	11,280,959	11,359,463	12,264,320
Transportation Planning and Project Delivery	7,622,596	7,941,977	7,541,154	7,832,493
Strategic Support - Other - Transportation & Aviation	6,253,799	13,293,912	11,676,062	12,318,562
Strategic Support - Transportation & Aviation	4,018,814	2,963,760	3,192,445	3,388,709
Total CSA	\$275,258,294	\$288,924,037	\$285,438,286	\$243,618,404
 Authorized Positions	 567.04	 555.14	 549.14	 563.34

* Fund Balance, Transfers, and Reserves for funds that may be managed by the departments in this CSA have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** The positions displayed in the 2019-2020 Actuals column reflect those included in the 2019-2020 Adopted Budget. 2019-2020 Actuals may not subtotal due to rounding.

City Service Area

Transportation and Aviation Services

OVERVIEW

Service Delivery Accomplishments

- The Department of Transportation (DOT) completed three Vision Zero Quick-Build corridor projects and over 41 traffic safety and traffic calming projects. In addition, over 3,600 children, 200 adults, and 500 seniors received traffic safety education at a variety of special events primarily through a virtual environment with some in-person events.
- During the 2020 construction season, the Pavement Maintenance Program performed maintenance on nearly 180 miles of the 2,519-mile street network, installed over 2,400 ADA curb ramps, and, in partnership with San José's multimodal programs, completed 36 miles of new and enhanced bikeways.
- Airport served 11.3 million passengers and there were 326 commercial landings and takeoffs per day in Calendar Year 2020.
- An amendment to the Environmental Impact Report and Airport Master Plan was approved by City Council on April 28, 2020, and provides an updated long-term development plan for the Airport to adequately accommodate projected aviation demand.

Service Delivery Environment

- The Vision Zero Action Plan, which was approved by the City Council in February 2020, outlines strategies to be delivered in the next four to six years to drastically improve safety on our roadways, including the design and construction of quick build projects on approximately 11 miles of the City's Priority Safety Corridors.
- The transformation and expansion of the regional transportation system, including the projects collectively described as the San José Regional Rail Transportation Projects, represent the largest public infrastructure investment in the history of San José. Effective planning and delivery of these projects over the next decade is essential to the economic and mobility needs of San José to support the growth anticipated in the Envision San José 2040 General Plan.
- The current backlog of one-time deferred transportation maintenance needs is estimated at \$845.5 million, including \$526.4 million associated with pavement. Other infrastructure maintenance needs include ADA curb ramps, street trees, traffic signals, and maintenance vehicles and equipment.
- The COVID-19 pandemic is likely to continue to have adverse effects on passenger traffic and Airport operations in 2021-2022. To help mitigate the broad disruptive impacts, the Airport is using CARES Act and the Appropriations Act federal funds to pay a portion of debt service and eligible operating expenses and provide relief to tenants. The Airport also recently completed a refunding of bonds to reduce and restructure debt service that will generate \$48.3 million of debt service savings in 2021-2022 and \$188.2 million over the life of the bond, and increased the level of Customer Facility Charges from \$7.50 to \$9.50 per day.

City Service Area

Transportation and Aviation Services

OVERVIEW

CSA Priorities/Key Services

- Safe Streets for All Modes of Travel
- Balanced Transportation and Convenient Mobility
- Deliver a safe and secure environment for employees, tenants, passengers, contractors and all that do business at the Airport
- Work collaboratively with Airport tenants to manage negative economic impacts resulting from the COVID-19 pandemic to achieve long-term stability and rebuild passenger traffic

City Service Area *Transportation and Aviation Services* OVERVIEW

Budget Dollars at Work: Performance Goals

The TAS CSA facilitates the movement of people and goods in a manner that both strengthens the economy and enhances the quality of life for San José residents. TAS CSA is responsible for a wide range of services, operations, and infrastructure that support other City Service Areas, chiefly Community and Economic Development and Public Safety.

OUTCOME 1: PROVIDE SAFE AND SECURE TRANSPORTATION SYSTEMS

Strategic Goals	CSA Performance Measures	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target	5-Year Goal
Improve Surface Transportation System Safety	1. % of residents rating traffic conditions as safe while:					
	Driving	N/A ²	82%	N/A ²	82%	85%
	Bicycling	N/A ²	48%	N/A ²	48%	60%
	Walking	N/A ²	75%	N/A ²	75%	78%
	2. # of injury crashes per 1,000 population	2.4	2.1	1.6	2.0	1.9
	3. # of pedestrian and bicycle-related injury crashes per 1,000 population ¹	0.54	0.44	0.33	0.44	0.42
Achieve Safe and Secure Air Transportation System and Infrastructure	1. Pass Annual Federal Aviation Regulation FAR 139 inspection with no discrepancies identified	100%	100%	100%	100%	100%

¹ Pedestrian and bicycle related injury crashes includes scooters.

² Data for this measure is collected through the biennial City-Wide Community Survey. The next community survey will be conducted in summer 2021, and those results will inform the 2020-2021 Estimate in the 2021-2022 Adopted Budget.

City Service Area Transportation and Aviation Services OVERVIEW

Budget Dollars at Work: Performance Goals

OUTCOME 2: PROVIDE VIABLE TRANSPORTATION CHOICES THAT PROMOTE A STRONG ECONOMY

Strategic Goals	CSA Performance Measures	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target	5-Year Goal
Facilitate Completion of Planned Local and Regional Transportation System	1. % of planned roadway network changes in the Envision San José 2040 General Plan complete	65%	65%	65%	69%	74%
	2. % of planned bikeway network complete	89%	100%	100%	55% ¹	72%
	3. % of residents rating the City service in providing bike lanes and paths as good or better	N/A ²	60%	N/A ²	60%	70%
Expand Use of Alternate Commute Options	1. % of trips by alternative modes of transportation	25%	25%	25%	28%	32%
	2. % reduction in citywide daily vehicle-miles traveled per service population from the 2018 level	4.2%	4.2%	4.2%	7%	11%
Meet Communities' Needs for Air Service Destinations and Frequencies	1. SJC Passenger rating of overall satisfaction with the Airport	89%	87%	88%	87%	87%
	2. % of regional air service market	18.4%	18.0%	17.0%	17.5%	18.0%
Cost to Airlines of Operating at the Airport is Competitive with other Airports in the Region	1. Airline cost per enplaned passenger	\$14.79	\$25.45	\$43.43	\$19.79	\$20.00

¹ In Oct 2020, City Council adopted the new Citywide Better Bike Plan 2025 which added over 400 miles of bike facilities to the build out scenario.

² Data for this measure is collected through the biennial City-Wide Community Survey. The next community survey will be conducted in summer 2021, and those results will inform the 2020-2021 Estimate in the 2021-2022 Adopted Budget.

City Service Area Transportation and Aviation Services OVERVIEW

Budget Dollars at Work: Performance Goals

OUTCOME 3: TRAVELERS HAVE A POSITIVE, RELIABLE, AND EFFICIENT EXPERIENCE

Strategic Goals	CSA Performance Measures	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target	5-Year Goal
Passengers Have a Positive Experience When Using the Airport	1. SJC passengers reporting satisfaction of Airport restaurant/eating and shopping facilities	72%	77%	66%	77%	77%
Improve Traffic Flow on Major Streets	1. % of residents rating commute traffic flow on city streets as "acceptable" or better	N/A ¹	55%	N/A ¹	55%	60%
Facilitate Efficient Operations of the Regional Freeway System	1. % of residents rating commute traffic flow on freeways and expressways as "acceptable" or better	N/A ¹	30%	N/A ¹	30%	35%
Enhance Access to Major Activity Centers and Events	1. % of customers rating access to major activity centers as "easy"					
	Downtown	N/A ²	N/A ²	N/A ²	N/A ²	N/A ²
	Airport	N/A ²	N/A ²	N/A ²	N/A ²	N/A ²
	SAP Center at San José Regional Shopping Centers	N/A ²	N/A ²	N/A ²	N/A ²	N/A ²

¹ Data for this measure is collected through the biennial City-Wide Community Survey. The next community survey will be conducted in summer 2021, and those results will inform the 2020-2021 Estimate in the 2021-2022 Adopted Budget.

² Data for this measure is not available since the question to collect the data was removed from the biennial City-Wide Community Survey. Survey questions were removed in an effort to streamline the survey to improve effectiveness and participation. A reevaluation of the entire set of survey questions will be conducted, and any corresponding performance measure changes will be reported in a future budget document.

City Service Area

Transportation and Aviation Services

OVERVIEW

Budget Dollars at Work: Performance Goals

OUTCOME 4: PRESERVE AND IMPROVE TRANSPORTATION ASSETS AND FACILITIES

Strategic Goals	CSA Performance Measures	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target	5-Year Goal
Maintain Pavement Surfaces in Good Condition	1. % of residents rating "neighborhood" streets in "Excellent" or "Good" condition	N/A ¹	54%	N/A ¹	54%	60%
	2. % of streets rated in "good" or better condition (70 or greater on a 1-100 scale)					
	Major Streets	70%	72%	74%	75%	80%
	Local/Residential Streets	37%	37%	41%	43%	63%
Maintain Traffic Devices in Good Condition	3. City average Pavement Condition Index (PCI) rating (Metropolitan Transportation Commission recommended condition level is 75)	66	67	67	68	70
	1. % of traffic signals, signs, and markings in "good" or better condition (visible and functioning properly)	49%	58%	59%	59%	60%
	Preserve and Enhance Neighborhood Streetscape					
Preserve and Enhance Neighborhood Streetscape	1. % of residents rating streetscapes in "good" or better condition (includes: sidewalks, street lights, landscaping, and trees)	N/A ¹	62%	N/A ¹	60%	65%
	2. % of residents rating adequacy of street lighting as "good" or better	N/A ¹	63%	N/A ¹	65%	70%

OUTCOME 5: PROVIDE A TRANSPORTATION SYSTEM THAT ENHANCES COMMUNITY LIVABILITY

Strategic Goals	CSA Performance Measures	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target	5-Year Goal
Provide Neighborhood-Friendly Traffic Operations	1. % of residents rating traffic impacts in their neighborhood as "acceptable" or better	N/A ¹	75%	N/A ¹	75%	75%

¹ Data for this measure is collected through the biennial City-Wide Community Survey. The next community survey will be conducted in summer 2021, and those results will inform the 2020-2021 Estimate in the 2021-2022 Adopted Budget.

City Service Area

Transportation and Aviation Services

PROPOSED BUDGET CHANGES

Proposed Changes	Positions	All Funds (\$)	General Fund (\$)
AIRPORT DEPARTMENT			
• Airport Closed Circuit Television Storage		350,000	0
• Airport Uninterruptible Power Supply Monitoring		182,000	0
• Airport Technology Services Staffing	1.00	133,386	0
• Airport Electric Bus Charging Units		60,000	0
<i>Subtotal</i>	1.00	725,386	0
TRANSPORTATION DEPARTMENT			
• Beautify San José Street Landscape Maintenance Program		1,000,000	1,000,000
• Vision Zero Quick Build and Community Engagement Staffing	4.00	683,321	0
• Pavement Markings Staffing	3.00	332,295	0
• Special Assessment District Landscape and Infrastructure Projects	0.00	260,000	0
• Our City Forest		225,000	225,000
• Traffic Capital Improvement Program Information Technology Staffing Support	1.00	196,264	0
• Traffic Signal Design Program Staffing	1.00	176,912	0
• New Transportation Infrastructure Maintenance and Operations		175,000	175,000
• Parking Compliance Pavement Project Support	1.50	172,179	0
• Contract Vehicle Abatement	0.50	155,934	0
• Policy and Planning for Multi-Modal and Quick Build Projects Staffing	1.00	148,528	0
• Shared Micro Mobility Permit Program	0.00	73,304	(962)
• Options and Emerging Mobility Teams Supervision	0.00	59,507	0
• Traffic Signal Operations Engineering Support	0.00	44,624	0
• One-way Vehicle Permit Program		10,000	10,000
• Traffic Safety and Operations Capital Staff Funding Re-alignment	0.00	0	(516,152)
• Climate Smart San José Plan Implementation Staffing	1.00	0	0
• Pavement Maintenance Staffing	0.20	11,989	0
• Special District Landscaping		(72,125)	0
<i>Subtotal</i>	13.20	3,652,732	892,886
<i>Subtotal Departments</i>	14.20	4,378,118	892,886

City Service Area
Transportation and Aviation Services
PROPOSED BUDGET CHANGES

Proposed Changes	Positions	All Funds (\$)	General Fund (\$)
GENERAL FUND CAPITAL, TRANSFERS AND RESERVES			
• Earmarked Reserves: New Traffic Infrastructure Assets Maintenance and Operations Reserve		(175,000)	(175,000)
<i>Subtotal Other Changes</i>	0.00	(175,000)	(175,000)
Total Proposed Budget Changes	14.20	4,203,118	717,886

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City Service Area *Strategic Support*



Mission: *To effectively develop, manage, and safeguard the City's fiscal, physical, technological, and human resources to enable and enhance the delivery of City services and projects*

Primary Partners

Finance
Human Resources
Information
Technology
Public Works

CSA OUTCOMES

- Sound Fiscal Management that Facilitates Meeting the Needs of the Community
- A High Performing Workforce Committed to Exceeding Internal and External Customer Expectations
- Technology and Data Tools that Enable a Collaborative, Responsive, and Productive City
- Safe and Functional Public Infrastructure, Facilities, and Equipment

City Service Area Strategic Support SERVICE DELIVERY FRAMEWORK

CITY SERVICE AREA
Cross-departmental core services that form one of the City's six (6) key "lines of business"

MISSION STATEMENT
Why the CSA exists

CSA OUTCOMES
The high-level results of service delivery sought by the CSA partners

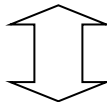
PRIMARY PARTNERS
Departments with Core Services that contribute to achievement of CSA Outcomes

CORE SERVICES
Primary deliverables of the organization

Strategic Support CSA

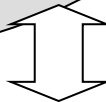
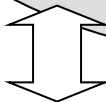
Mission:

To effectively develop, manage, and safeguard the City's fiscal, physical, technological, and human resources to enable and enhance the delivery of City services and projects



Outcomes:

- Sound Fiscal Management that Facilitates Meeting the Needs of the Community
- A High Performing Workforce Committed to Exceeding Internal and External Customer Expectations
- Technology and Data Tools that Enable a Collaborative, Responsive, and Productive City
- Safe and Functional Public Infrastructure, Facilities, and Equipment



Finance Department

Core Services:

Disbursements

Financial Reporting

Purchasing and Risk Management

Revenue Management

Treasury Management

Human Resources Department

Core Services:

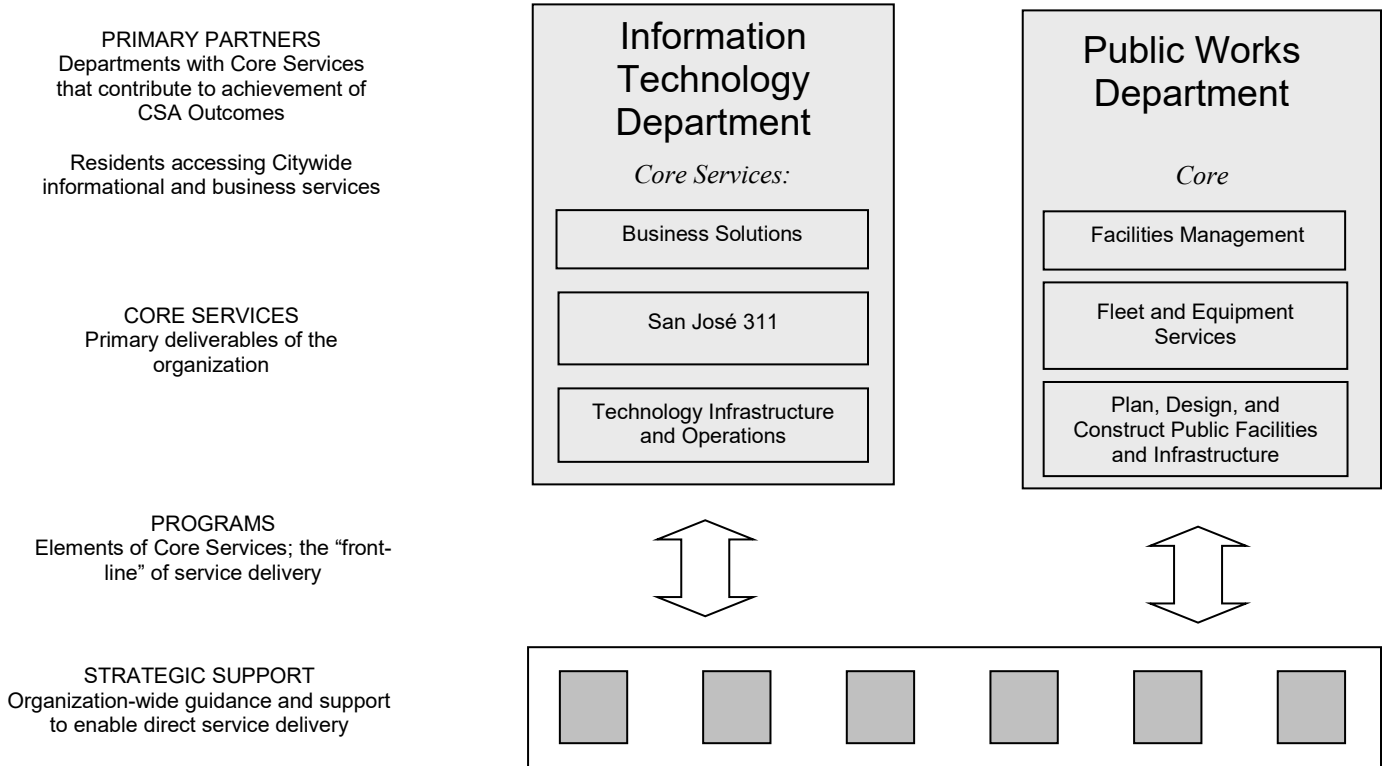
Employee Benefits

Employment Services

Health and Safety

Training and Development

City Service Area Strategic Support SERVICE DELIVERY FRAMEWORK

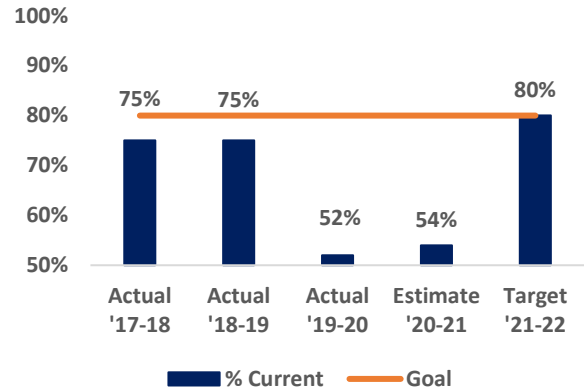


City Service Area Strategic Support DASHBOARD

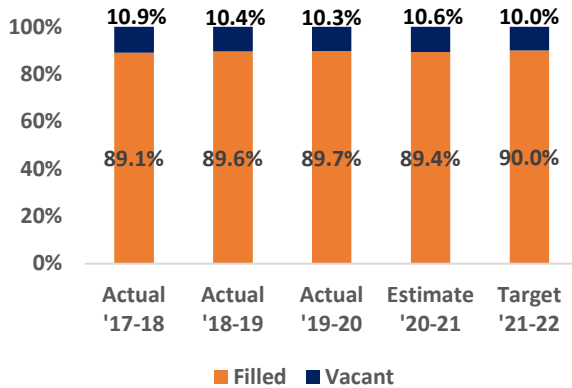
**City's Bond Ratings
(General Obligation Bond Rating)**

	Standard & Poor's		
	Moody's	Poor's	Fitch
Actual '16-17	Aa1	AA+	AA+
Actual '17-18	Aa1	AA+	AA+
Actual '18-19	Aa1	AA+	AA+
Actual '19-20	Aa1	AA+	AA+
Estimate '20-21	Aa1	AA+	AA+
Target '21-22	Aa1	AA+	AA+

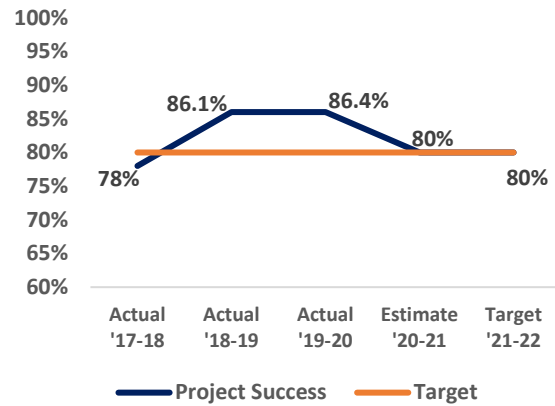
**% of Non-Management Employee
Performance Appraisals Completed on
Schedule**



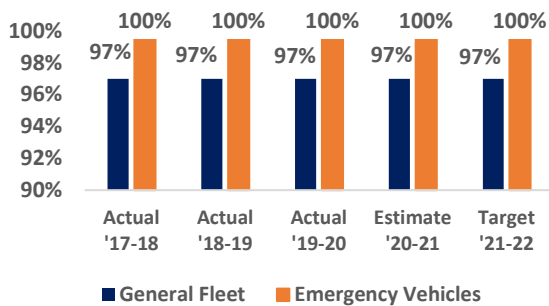
**% of Positions Filled as a Total of
Budgeted Positions**



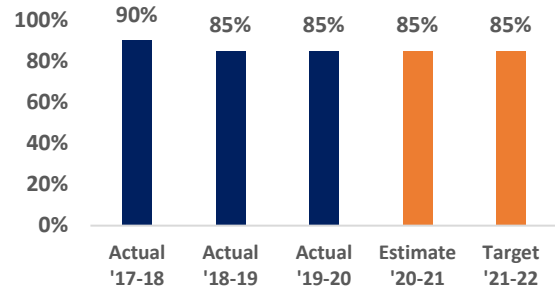
**% of Information Technology Project
Success Rate**



**% of Equipment that is Available for Use
When Needed**



**% of Facilities with a Condition
Assessment Rating of Good or Better**



City Service Area

Strategic Support

BUDGET SUMMARY

Expected 2021-2022 Service Delivery

- ❑ Ensure the City's financial resources are protected and available to address the short-term and long-term needs of the community; accurate and timely payments to City employees and vendors; accurate and timely financial reports; and efficient business systems and processes for timely billing and collection efforts.
- ❑ Attract talent; provide opportunities for career growth; enable an environment focused on health, safety, and wellness; and retain a diverse workforce in a workplace that is equitable and inclusive.
- ❑ Maintain City facilities, equipment, and vehicles, and manage space usage; oversee the City's capital projects, ensuring on-time and on-budget delivery of facilities that meet both customers and City staff needs.
- ❑ Attain high resilience for the City's business systems and critical infrastructure. Manage cybersecurity risks by working with departments on effective controls, incident response, systems hygiene, and risk detection, resulting in clear audits and assessments. Provide business systems that support municipal service goals, including administrative, budget, productivity, records, industrial control, and collaboration platforms. Build capacity and accelerate San Jose 311 feature development at manageable long-term costs to increase access for underserved residents; increase resident satisfaction with SJ311 channels; and reduce processes faults with departments.



Expected 2021-2022 Key Budget Actions

- ❑ Adds one-time funding of \$4,130,000 for vendor costs, license support and maintenance, and project team resources to implement a new Business Tax System (BTS).
- ❑ Adds one-time funding of \$200,000 to review the City's current cost allocation plans, including a review of both the costs being allocated and the bases being used to allocate those costs.
- ❑ Reduces \$250,000 in General Fleet Replacement resulting in fewer purchases of new vehicles to replace the general fleet vehicles that have reached the end of their useful life based on age/mileage thresholds.
- ❑ Adds 1.0 Enterprise Supervising Technology Analyst position to the Information Technology Department Cybersecurity Office to serve as an Asset/Vulnerability Management Analyst.
- ❑ Establishes the San José 311 Enhancements City-Wide Expenses appropriation in the amount of \$750,000 as part of a two-year program to expand San Jose 311 internal capacity for both coding and customer service.
- ❑ Adds 3.0 positions through June 30, 2022 in the Information Technology Department to support the Development Services Transformation Technology Section.

City Service Area Strategic Support BUDGET SUMMARY

City Service Area Budget Summary**

	2019-2020 Actuals **	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Dollars by Core Service *				
<i>Finance Department</i>				
Strategic Support - Other - Strategic Support	38,753,571	59,643,973	47,059,039	97,805,680
Strategic Support - Strategic Support	2,227,735	2,165,272	1,579,489	11,577,656
Disbursements	2,944,767	3,059,974	2,890,562	2,886,897
Financial Reporting	2,320,334	3,123,785	3,086,541	3,381,041
Treasury Management	20,780,777	20,378,370	19,153,182	18,726,641
Revenue Management	8,836,894	7,737,904	8,043,915	8,002,847
Purchasing and Risk Management	4,361,487	4,938,010	5,246,195	5,312,362
<i>Human Resources Department</i>				
Strategic Support - Other - Strategic Support	1,918,056	1,368,250	1,563,633	2,063,633
Strategic Support - Strategic Support	2,019,976	1,744,468	1,781,275	1,764,113
Employment Services	2,692,039	2,773,622	2,951,423	2,951,423
Training and Development	552,597	533,000	250,000	250,000
Employee Benefits	90,418,243	95,427,204	95,450,619	103,590,619
Health and Safety	5,908,053	6,443,037	6,604,439	6,482,163
<i>Information Technology Department</i>				
Business Solutions	10,848,150	10,652,155	11,752,782	12,108,754
San José 311	1,030,290	2,292,139	2,196,444	2,946,444
Strategic Support - Other - Strategic Support	18,605	439,321	634,389	724,946
Strategic Support - Strategic Support	4,841,579	3,921,176	4,035,807	4,427,074
Technology Infrastructure and Operations	9,789,066	11,751,182	10,258,259	10,445,120
<i>Public Works Department</i>				
Strategic Support - Other - Strategic Support	4,076,494	43,583,197	20,415,594	25,339,799
Strategic Support - Strategic Support	24,630,042	10,068,403	10,826,339	11,151,682
Plan, Design, and Construct Public Facilities and Infrastructure	29,915,331	44,169,722	44,181,805	43,138,635
Facilities Management	33,747,711	33,809,434	27,810,249	27,367,815
Fleet and Equipment Services	22,949,684	26,053,202	26,262,543	28,240,976
Dollars by Core Service Subtotal	\$325,581,482	\$396,076,800	\$354,034,523	\$430,686,320
MAYOR, CITY COUNCIL, AND APPOINTEES	\$87,959,563	\$198,570,053	\$173,783,331	\$79,962,502
Total CSA	\$413,541,045	\$594,646,853	\$527,817,854	\$510,648,822
Authorized Positions	966.55	952.80	952.50	963.25

* Fund Balance, Transfers, and Reserves for funds that may be managed by the departments in this CSA have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** The positions displayed in the 2019-2020 Actuals column reflect those included in the 2019-2020 Adopted Budget. 2019-2020 Actuals may not subtotal due to rounding.

City Service Area Strategic Support OVERVIEW

Service Delivery Accomplishments

- The Financial Reporting team and Office of Economic Development and Cultural Affairs have partnered to acquire and implement a software solution to address City-wide asset leasing and management needs, as well as with new GASB-87 standards and address the complexity of City-wide asset-level accounting.
- The Learning and Development team started to re-build a City-wide Training and Development program under the City Manager's "Powered by People" initiative focusing in three areas: testing of Talent Development Courses and programs in priority areas; developing Strategic Partnerships between Local Education Systems and the City; and developing strategies to better market the City.
- Fleet Management, Facilities Management, and Radio Communications have provided proactive and reactive support to critical City facilities and field operation throughout the pandemic and shelter-in-place events.
- The Center for Digital Government recognized the City of San José as the nation's #1 most innovative local government in the 2020 Digital Cities Survey for the City's use of technology to engage the community, support operational excellence, and innovate service delivery.

Service Delivery Environment

- Restructured the Business Tax Customer Service Team to align job classifications with the increased complexity of the regulatory and business environment.
- Built a culture of safety by implementing a City-wide Safety Management System through the leadership of the City's Health and Safety Division; and improved the City's strategy for offering an attractive package of benefits to employees, including streamlining systems, policies, and practices to be employee-centric and efficient, and implement targeted wellness programs.
- The City's building inventory was expanded during the "decade of investment". Many of the newer facilities now are reaching the five- and ten-year thresholds, when they typically experience an increase in maintenance needs.
- The City has a modern technology infrastructure and operations environment, advanced resident relationship/response services with SJ311, and a strong cybersecurity foundation with the completion of the 2017-2020 IT Strategic Plan in December 2020. ITD attains an 80%+ project success rate, 90%+ customer satisfaction rate, ~99.84% uptime and availability rate, and has reduced end-of-life/end-of-support technology assets to ~20% of the portfolio from over 70% in 2016. 2021-2022 will focus on four themes from the 2021-2023 IT Strategic Plan in development: (1) Attaining Equity Goals through Technology Solutions; (2) Reinventing City Work and Digital Services; (3) Achieving Security and Resilience in a High-Risk World; and (4) Helping Departments Optimize within City Resources.

City Service Area *Strategic Support* OVERVIEW

CSA Priorities/Key Services

- Provide compensation and payments to City employees and vendors in a timely and accurate manner; produce legally required compliance and regulatory information and financial reports; manage multi-billion-dollar debt and investment portfolios; and procure goods and services pursuant to City policies through open and competitive processes.
- Continue to reduce vacancies by evaluating, streamlining, and innovating for effective hiring practices and building long-term capacity through strategic pipeline programs.
- Maintain City-owned facilities and equipment to ensure public and employee safety and maximize the functionality of the City's assets; and provide quality capital project delivery.
- Equity, Effectiveness, and Security — Work with departments to securely implement, use, and support the information and communications systems that respond to equity goals, including digital inclusion, housing, parks and recreation, racial equity development services, and related projects and systems. Refresh the City's productivity suite contract and services; advancing new features for residents and businesses through SJ311, improving remote collaboration and growing fulfilling, digital-first options. Manage growing cybersecurity risks with an emphasis on improving asset management and hygiene capabilities, as well as monitoring and accelerated response. Work with departments to use technology to close gaps in staffing and resources with advanced tools. Execute technology projects to maximize City investments.

City Service Area Strategic Support OVERVIEW

Budget Dollars at Work: Performance Goals

OUTCOME 1: A HIGH PERFORMING WORKFORCE COMMITTED TO EXCEEDING INTERNAL AND EXTERNAL CUSTOMER EXPECTATIONS

Strategic Goals	CSA Performance Measures	2019-2020 Actuals	2020-2021 Target	2020-2021 Estimate	2021-2022 Target	5-Year Goal
Develop and encourage supervisors and managers that support a high-performing workforce	1. % of employee performance appraisals completed on schedule	52% ¹	80%	54% ²	80%	98%
Attract, hire, and retain employees	1. Citywide vacancy rate	10.3%	10%	10.6%	10%	9%
Provide the necessary and required safety & health services that ensure employee health, safety and well-being	1. # of open Workers' Compensation claims	3,120	2,500	2,533	2,500	2,300
Facilitate employee engagement	1. Q12 – Question 8 (Belonging Measure): Does the Mission/Purpose of the City makes me feel my job is important? ³	4.03	4.03	N/A	4.03	4.50
Foster a shared vision with employees about the characteristics of a high-performing workforce	1. % of the public having contact with City employees who are satisfied or very satisfied with the ⁴ :					
	- timeliness of City employees	N/A	70%	N/A	70%	83%
	- courtesy of City employees	N/A	70%	N/A	70%	83%
	- competency of City employees	N/A	70%	N/A	70%	83%

¹ The 2019-2020 Actuals is low due to the interruption of normal business operations and shift to remote work in March 2020 in response to the COVID-19 pandemic.

² The 2020-2021 Estimate continues to track lower with the continuation of the COVID-19 pandemic response.

³ No Gallup Survey for 2020-2021 due to lack of funding.

⁴ Survey conducted on a biennial basis.

OUTCOME 2: SAFE AND FUNCTIONAL PUBLIC INFRASTRUCTURE, FACILITIES, AND EQUIPMENT

Strategic Goals	CSA Performance Measures	2019-2020 Actual	2020-2021 Target	2020-2021 Estimate	2021-2022 Target	5-Year Goal
Provide well-maintained facilities that meet customer needs	1. % of facilities with a condition assessment rating of good or better (3 or better on a 5-point scale)	85%	90%	85%	85%	85%
	2. % of customers who rate facility services as good or excellent based on timeliness of response and quality of work	83%	85%	98%	85%	85%
	3. % of facility health & safety concerns mitigated within 24 hours	85%	100%	80%	100%	100%
Provide and maintain equipment that meets customer needs	1. % of equipment that is available for use when needed:					
	• Emergency Vehicles	100%	100%	100%	100%	100%
	• General Fleet	97%	97%	97%	97%	97%
	2. % of fleet in compliance with replacement cycle:					
• Emergency Vehicles	100%	100%	100%	100%	100%	
• General Fleet	82%	83%	82%	82%	85%	

City Service Area Strategic Support OVERVIEW

Budget Dollars at Work: Performance Goals

OUTCOME 3: EFFECTIVE USE OF TECHNOLOGY

Strategic Goals	CSA Performance Measures	2019-2020 Actuals	2020-2021 Target	2020-2021 Estimate	2021-2022 Target	5-Year Goal
Deploy technology resources effectively	1. % of customers rating services as "Good" or "Excellent"					
	-IT Overall	91.98%	≥80%	85%	≥80%	≥80%
	-Business Solutions	92.40%	≥80%	85%	≥80%	≥80%
	-Strategic Support	91.99%	≥80%	85%	≥80%	≥80%
	-Technology Infrastructure and Operations	91.55%	≥80%	85%	≥80%	≥80%
	-Help Desk	92.96%	≥80%	85%	≥80%	≥80%
	-Products-Projects Management	86.67%	N/A ¹	85%	≥80%	≥80%
	2. Uptime and availability					
	-Business applications	99.44%	≥99.8%	97.8%	≥99.9%	≥99.8%
	-Systems	99.96%	≥99.9%	99.8%	≥99.9%	≥99.8%
	-Network	99.88%	≥99.9%	99.9%	≥99.9%	≥99.8%
	3. % of project success (schedule, cost, scope, value)	86%	≥80%	80%	≥80%	≥80%

¹ New measure starting in 2021-2022, therefore no 2020-2021 Target was adopted.

OUTCOME 4: SOUND FISCAL MANAGEMENT THAT FACILITATES MEETING THE NEEDS OF THE COMMUNITY

Strategic Goals	CSA Performance Measures	2019-2020 Actuals	2020-2021 Target	2020-2021 Estimate	2021-2022 Target	5-Year Goal
Maintain City's bond ratings ¹	1. City's bond ratings: (General Obligation Bond Rating)					
	• Moody's	Aa1	Aa1	Aa1	Aa1	Aa1
	• Standard & Poor's	AA+	AA+	AA+	AA+	AA+
	• Fitch	AA+	AA+	AA+	AA+	AA+
Improve and protect the financial management system and have it available to address short- and long-term needs	1. % of customers rating financial reporting services as good or better, based on accuracy, timeliness, and customer focused processes	TBD ²	TBD ²	TBD ²	TBD ²	TBD ²
Customers have the financial information they need to make informed decisions	1. % of customers who say they have the financial information they need to make informed decisions	TBD ²	TBD ²	TBD ²	TBD ²	TBD ²

¹ The City's general credit rating is rated Aa1/AA+/AA+ by all three leading national rating agencies, Moody's, Standard & Poor's, and Fitch, respectively. The Finance Department will continue efforts to maintain favorable bond ratings.

² Data for this measure is not available since the question to collect the data was removed from the City-Wide Community Survey. Survey questions were removed in an effort to streamline the survey to improve effectiveness and participation. A reevaluation of the entire set of survey questions will be conducted, and any corresponding performance measure changes will be reported in a future budget document.

City Service Area Strategic Support PROPOSED BUDGET CHANGES

Proposed Changes	Positions	All Funds (\$)	General Fund (\$)
FINANCE DEPARTMENT			
• Cost Allocation Plan Review		302,000	302,000
• Debt/Treasury, Cashiering and Payment Processing Reorganization	(2.00)	(210,543)	(131,873)
• Investment Advisory Consulting Services		(80,000)	(80,000)
• Revenue Management Staffing	0.00	(26,403)	(26,403)
• Non-Personal/Equipment Savings		(24,000)	(24,000)
• Reprographics Contractual Services Savings		(16,494)	(16,494)
<i>Subtotal</i>	(2.00)	(55,440)	23,230
HUMAN RESOURCES DEPARTMENT			
• Employee Health Services Staffing	(1.00)	(122,276)	(122,276)
• Wellness Program		(65,000)	(65,000)
• Reprographics Contractual Services Savings		(17,162)	(17,162)
<i>Subtotal</i>	(1.00)	(204,438)	(204,438)
INFORMATION TECHNOLOGY DEPARTMENT			
• Development Services Information Technology Staffing	3.00	572,327	68,680
• Digital Privacy Staffing	1.00	211,945	211,945
• Asset Risk Control Staffing	1.00	186,861	186,861
• Products-Projects Manager Support for the Housing Department	0.00	0	(52,540)
• Office 365 Enterprise Infrastructure Staffing	0.00	(35,377)	(35,377)
• Reprographics Contractual Services Savings		(1,656)	(1,656)
<i>Subtotal</i>	5.00	934,100	377,913
PUBLIC WORKS DEPARTMENT			
• Public Works Department Staffing Plan - Capital Improvement Program	2.00	346,789	0
• Office of Equality Assurance Labor Compliance Staffing	1.00	162,542	162,542
• Emergency Operations Staffing	1.00	157,191	157,191
• Enterprise GIS Staffing	(0.50)	1,625	0
• Electrical Maintenance Staffing	(2.00)	(228,434)	(227,200)
• Facilities Preventive Maintenance Non-Personal/Equipment Savings		(214,000)	(214,000)
• Reprographics Contractual Services Savings		(40,399)	(18,330)
<i>Subtotal</i>	1.50	185,314	(139,797)
<i>Subtotal Departments</i>	3.50	859,536	56,908

City Service Area Strategic Support PROPOSED BUDGET CHANGES

Proposed Changes	Positions	All Funds (\$)	General Fund (\$)
MAYOR, CITY COUNCIL, AND APPOINTEES			
Approved changes appear in the next section of this document	5.25	5,807,521	4,752,011
CITY-WIDE EXPENSES			
• Business Tax System Replacement		4,130,000	4,130,000
• San José 311 Enhancements		750,000	750,000
• Learning and Development Roadmap		500,000	500,000
• Commercial Paper Program Fees		175,000	175,000
GENERAL FUND CAPITAL, TRANSFERS AND RESERVES			
• Capital Contribution: Closed Landfill Compliance		2,300,000	2,300,000
• Capital Contribution: Police Administration Building Boiler and Chiller Replacement		525,000	525,000
• Capital Contribution: Children's Discovery Museum Skylight Replacement		250,000	250,000
• Capital Contribution: History San José - Miscellaneous Repairs		198,000	198,000
• Capital Contribution: Hammer Theatre Center Fire Detection Alarm and Devices Design		197,000	197,000
• Capital Contribution: San José Museum of Art Door and Window Improvements		150,000	150,000
• Capital Contribution: Cultural Facilities Planning and Project Development		150,000	150,000
• Capital Contribution: Hammer Theatre Miscellaneous HVAC and Electrical Upgrades		130,000	130,000
• Capital Contribution: Animal Care and Services Water Softener Replacement		80,000	80,000
• Capital Contribution: Hammer Theatre Center Boiler Replacement		77,000	77,000
• Capital Contribution: Children's Discovery Museum Pavement Repairs		50,000	50,000
• Capital Contribution: Hammer Theatre Center Roofing		50,000	50,000
• Capital Contribution: San José Museum of Art Server Room Upgrades		50,000	50,000
• Transfer to Other Funds: Communications Construction and Conveyance Fund		5,250,000	5,250,000
• Transfer to Other Funds: Vehicle Operations and Maintenance Fund		(250,000)	(250,000)
• Earmarked Reserve: Information Technology Sinking Fund Reserve		2,000,000	2,000,000
• Earmarked Reserve: San José 311 Enhancements Reserve		750,000	750,000
• Earmarked Reserve: Cultural Facilities Capital Maintenance Reserve		(850,000)	(850,000)
• Earmarked Reserve: Pension Obligation Bonds Consulting Services Reserve		200,000	200,000
<i>Subtotal Other Changes</i>	0.00	16,862,000	16,862,000
<hr/>			
Total Proposed Budget Changes	8.75	23,529,057	21,670,919

Strategic Support

Mayor, City Council and Appointees



Mission: *The Mayor and City Council serve as the policy body that provides direction to the City Manager and all Council Appointees in the delivery of City services. Council Appointees support and advance the collective work of the City organization through leadership, communication, and coordination.*

- Mayor and City Council**
 - Office of the Mayor
 - City Council
 - Council General

- Office of the City Attorney**
 - Legal Services

- Office of the City Auditor**
 - Audit Services

- Office of the City Clerk**
 - Legislative Services

- Office of the City Manager**
 - City-Wide Emergency Management aligned to the Public Safety CSA
 - Lead and Manage the Organization

- Office of the Independent Police Auditor**
 - Core Service aligned to the Public Safety CSA

- Office of Retirement Services**
 - Retirement Plan Administration

City Service Area

Mayor, City Council and Appointees

OVERVIEW

Expected 2021-2022 Service Delivery

- ❑ The Office of the Mayor provides leadership and guidance to the City Council. Using a variety of tools to engage the public, the Office of the Mayor will continue to ensure that the City's budget reflects the community's spending priorities and major initiatives of the City, including public safety, maintaining streets and roads, reducing homelessness, combatting blight, and economic development.
- ❑ The City Council will continue to exercise its power in determining policy through adoption of ordinances, resolutions, and motions, subject to the provisions of the City Charter and the State Constitution.
- ❑ The Office of the City Manager will provide strategic leadership and facilitate service delivery through executive management. The office supports the Mayor and City Council and challenges the organization to deliver high quality, cost-effective services that meet the needs of the community.
- ❑ The Office of the City Attorney will provide advice to the City, its Council, boards and commissions, and employees; will represent the same parties in all matters pertaining to their powers and duties; and will advocate, defend, and prosecute legal matters on behalf of the City.
- ❑ The Office of the City Auditor will conduct program performance audits; identify ways to increase the economy, efficiency, effectiveness, and accountability of City government; and provide independent, reliable, accurate, and timely information to the City Council and other stakeholders.
- ❑ The Office of the City Clerk will maintain compliance with open government, campaign finance, lobbyist registration, statements of economic interest, and other public disclosure requirements as well as conduct elections for City Council, Retirement Boards, Civil Service Commission, City Charter amendments, potential issuance of bonds, and ballot measures in accordance with the City Charter and the State of California elections code.
- ❑ The Office of Retirement Services will work with the Retirement Plans' actuaries to ensure the plans have adopted and implemented the most appropriate rates, assumptions, and methodologies to remove risk from the plans, decrease volatility, and reduce intergenerational shifting of liabilities.

City Service Area

Mayor, City Council and Appointees

OVERVIEW

2021-2022 Key Budget Actions

- Reduces ongoing funding for the Office of the Mayor by \$9,900 for reprographics contractual services savings.
- Reduces ongoing funding for Council General by \$5,330 for reprographics contractual services savings.
- Adds 1.0 Senior Deputy City Attorney and 1.0 Legal Analyst II positions to the Office of the City Attorney ongoing to provide legal support to the Water Pollution Control Capital Improvement Program, the Sanitary Sewer Capital Improvement Program, and the Sanitary Sewer Operating program.
- Continues 1.0 Deputy City Attorney IV position in the Office of the City Attorney, through June 30, 2022, to provide legal support for the purpose of proactive legal enforcement of blighted and nuisance properties. This position was authorized for two years in the Mayor's March Budget Message for Fiscal Year 2019-2020, as approved by the City Council.
- Eliminates 1.0 vacant Program Performance Auditor I/II position in the Office of the City Auditor, which will result in fewer performance audits.
- Reduces ongoing funding for the Office of the City Clerk's Non-Personal/Equipment funding by \$5,230 for reprographics contractual services savings.
- Adds 4.0 positions in the Office of the City Manager to permanently establish the Office of Racial Equity and one-time non-personal/equipment funding of \$100,000 for consulting services as directed by the Mayor's March Budget Message for Fiscal Year 2021-2022, as approved by the City Council, for a Diversity, Equity and Inclusion training program for City staff, with an emphasis on racial equity, implicit bias and operationalizing equitable practices into the development of policies, programs and practices, and budget recommendations.
- As directed by the Mayor's March Budget Message for Fiscal Year 2021-2022, as approved by the City Council, adds one-time funding to the Office of the City Manager for a temporary position to serve as the technical lead to advance a data equity framework.
- As directed by the Mayor's March Budget Message for Fiscal Year 2021-2022, as approved by the City Council, adds one-time non-personal/equipment funding of \$150,000 to the Office of the City Manager for a disability community engagement and service evaluation.
- Adds 1.0 Senior Investment Officer position in the Office of Retirement Services to be the lead of the public markets function in the Investment Management Division.

City Service Area

Mayor, City Council and Appointees

OVERVIEW

Mayor, City Council and Appointees Budget Summary

	2019-2020 Actuals **	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Dollars by Core Service *				
<i>Mayor & City Council</i>				
Office Of The Mayor	4,006,557	5,074,042	4,613,326	4,603,426
City Council	8,248,799	11,738,388	9,120,192	9,120,192
Council General	44,594	63,453	65,000	59,670
Strategic Support - City Council Appointees	1,059,368	0	0	0
<i>Office of the City Attorney</i>				
Strategic Support - Other - Council Appointees	7,092,595	15,718,321	6,997,676	7,186,144
Strategic Support - City Council Appointees	1,797,727	1,751,734	1,820,556	1,728,244
Legal Services	17,424,180	20,262,206	19,834,768	20,606,914
<i>Office of the City Auditor</i>				
Strategic Support - City Council Appointees	202,375	161,822	164,890	164,890
Audit Services	2,587,737	2,903,770	3,011,126	3,029,697
<i>Office of the City Clerk</i>				
Strategic Support - Other - Council Appointees	2,758,946	4,598,000	2,990,000	2,990,000
Strategic Support - City Council Appointees	259,892	284,310	295,671	295,671
City Clerk Services	2,166,061	2,145,350	2,296,251	2,291,021
<i>Office of the City Manager</i>				
Lead & Manage The Organization	15,637,962	19,993,639	17,233,575	18,094,939
Strategic Support - Other - Council Appointees	8,212,571	8,836,334	299,824	249,824
Strategic Support - City Council Appointees	9,527,727	97,943,319	97,811,863	2,009,861
<i>Independent Police Auditor's Office***</i>				
<i>Office of Retirement Services</i>				
Strategic Support - Other - Council Appointees	34,423	37,000	32,000	32,000
Strategic Support - City Council Appointees	2,567,742	2,640,965	2,734,880	2,734,880
Retirement Plan Administration	4,330,307	4,417,400	4,461,733	4,765,129
Total	\$87,959,563	\$198,570,053	\$173,783,331	\$79,962,502
 Authorized Positions****	 256.85	 247.75	 239.75	 245.00

* Fund Balance, Transfers, and Reserves for funds that may be managed by the departments in this CSA have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** The positions displayed in the 2019-2020 Actuals column reflect those included in the 2019-2020 Adopted Budget. 2019-2020 Actuals may not subtotal due to rounding.

*** This Independent Police Auditor's Office Core Service is aligned to the Public Safety CSA. Please refer to that section of this document for budget summary information.

**** Authorized Positions do not include unclassified staff for the Mayor's Office and City Council Districts.

Strategic Support

Mayor, City Council and Appointees

PROPOSED BUDGET CHANGES

Proposed Changes	Positions	All Funds (\$)	General Fund (\$)
MAYOR AND CITY COUNCIL			
• Office of the Mayor Reprographics Contractual Services Savings		(9,900)	(9,900)
• Council General Reprographics Contractual Services Savings		(5,330)	(5,330)
<i>Subtotal</i>	0.00	(15,230)	(15,230)
OFFICE OF THE CITY ATTORNEY			
• Environmental Services Department Legal Staffing	2.00	393,778	0
• Proactive Legal Enforcement of Blighted and Nuisance Properties	1.00	241,705	241,705
• Workers' Compensation Litigation Support	1.00	150,290	150,290
• Measure E - Legal Administration Support		60,118	0
• City Attorney's Office Staffing Realignments		0	(298,218)
• Administrative Support Staffing	(1.00)	(92,312)	(92,312)
• Non-Personal/Equipment Savings (Printed Materials)		(62,000)	(62,000)
• Reprographics Contractual Services Savings		(11,745)	(11,745)
<i>Subtotal</i>	3.00	679,834	(72,280)
OFFICE OF THE CITY AUDITOR			
• City Auditor's Office Staffing	(1.00)	(105,000)	(105,000)
• Reprographics Contractual Services Savings		(5,429)	(5,429)
<i>Subtotal</i>	(1.00)	(110,429)	(110,429)
OFFICE OF THE CITY CLERK			
• Reprographics Contractual Services Savings		(5,230)	(5,230)
<i>Subtotal</i>	0.00	(5,230)	(5,230)
OFFICE OF THE CITY MANAGER			
• Office of Racial Equity	4.00	996,692	996,692
• Non-Personal/Equipment Savings			
• Disability Community Engagement and Service Evaluation		150,000	150,000
• California Cities Gaming Authority		30,000	30,000
• Office of Civic Innovation Management Staffing	(1.00)	(244,405)	(244,405)
• Leadership and Analytical Support Staffing	(1.00)	(117,340)	(117,340)
• City Manager's Office General		(40,000)	(40,000)
• Reprographics Contractual Services Savings		(19,767)	(19,767)
<i>Subtotal</i>	2.00	755,180	755,180
OFFICE OF RETIREMENT SERVICES			
• Investment Program Staffing	1.00	280,940	0
• Benefits Program Staffing	0.25	22,456	0
<i>Subtotal</i>	1.25	303,396	0
<i>Subtotal Departments</i>	5.25	1,607,521	552,011

Strategic Support
Mayor, City Council and Appointees
PROPOSED BUDGET CHANGES

Proposed Changes	Positions	All Funds (\$)	General Fund (\$)
CITY-WIDE EXPENSES			
• City Outreach and Education Efforts		(50,000)	(50,000)
GENERAL FUND CAPITAL, TRANSFERS AND RESERVES			
• Transfer to the Public Safety and Infrastructure Bond Fund		2,300,000	2,300,000
• Earmarked Reserves: Deferred Infrastructure and Maintenance Reserve		(1,250,000)	(1,250,000)
• Earmarked Reserves: Essential Services Reserve		3,000,000	3,000,000
• Earmarked Reserves: Language Access Coordination Reserve		200,000	200,000
<i>Subtotal Other Changes</i>	0.00	4,200,000	4,200,000
Total Proposed Budget Changes	5.25	5,807,521	4,752,011

Strategic Support Office of the City Attorney



Mission: *The Office of the City Attorney is committed to providing excellent legal services, consistent with the highest professional and ethical standards, with the goal of protecting and advancing the City's interests in serving the people of San José.*

Primary Partners

Mayor and City Council
Office of the City Attorney
Office of the City Auditor
Office of the City Clerk
Office of the City Manager
Office of the Independent Police
Auditor

CSA OUTCOMES

- City Business is Conducted Lawfully
- City's Interests are Protected and Advanced

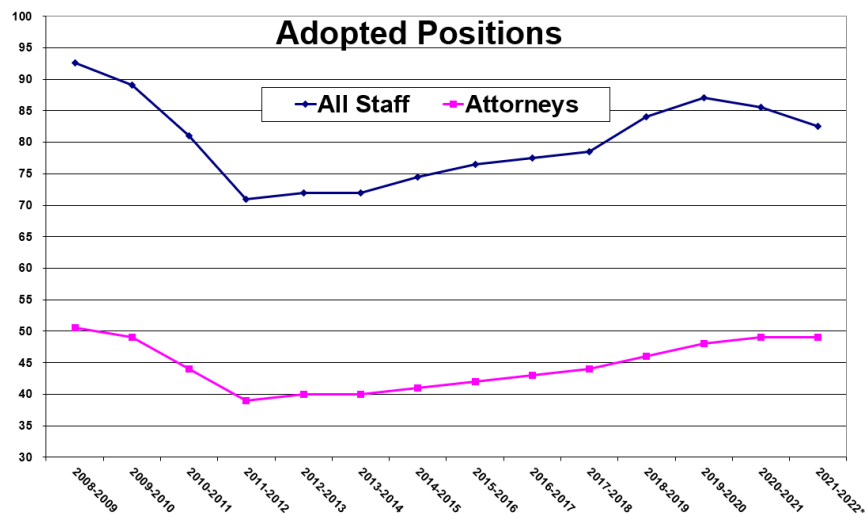
Strategic Support Office of the City Attorney OVERVIEW

Service Delivery Accomplishments

- The Office of the City Attorney effectively and economically represents and defends the City and its employees in all types of lawsuits, administrative hearings, arbitrations, appeals and criminal prosecutions. The Office also represents the City in Workers Compensation matters.
- Since the City's declaration of the local emergency related to COVID-19, attorneys working remotely have worked with City staff to address the myriad of resulting issues and impacts, including 1) eviction moratorium and residential rent freeze ordinances, 2) agreements related to housing the unsheltered, 3) agreements related to food distribution, 4) advising on FEMA and CARES Act funding, and 5) advising on the implementation of the County and State Orders.
- The Office continues to work with the Police Department and Code Enforcement to close unlawful and illegal businesses and to address blighted properties, recently including the use of receiverships.
- The Office has worked on a variety of matters with the Clean Energy Department to address the impacts of the PG&E Bankruptcy. In addition, the Office has assisted the Department in various filings with the California Public Utilities Commissions to address issues related to rates and procurement of energy for the City's ratepayers.

Service Delivery Environment

- The total budget decrease may jeopardize the Office's ability to meet basic daily operational demands and involve risks that could adversely affect the City. A substantial amount of the non-personal/equipment budget is earmarked for experts and consultants that assist the Office in complex litigation and transactional matters. If the funding for these expenditures is not adequate, it may be more difficult to effectively advocate the City's position.
- Staffing has remained almost static over the last twelve years and remains lower than 2009-2010 levels. General Fund budget reduction actions will decrease Office resources to minimum levels at a time when the demand for legal services has increased. The Office had 85.5 positions in 2020-2021 compared to 89 positions in 2009-2010. The Office's 2021-2022 Proposed Budget has 82.50 positions.



Strategic Support *Office of the City Attorney* OVERVIEW

Budget Dollars at Work: Performance Goals

OUTCOME 1: CITY BUSINESS IS CONDUCTED LAWFULLY

- ✓ Provide legal counsel at all City Council and Council Committee meetings and certain meetings of major boards and commissions, as necessary. The Office continues to provide staffing at all Planning Commission, Civil Service Commission, and Appeals Hearing Board Commission meetings. In addition, the Office provides legal counsel to all other Boards and Commissions.
- ✓ Prepare and review ordinances, resolutions, permits, contracts, and other legal documents.
- ✓ Perform analyses on relevant federal and state legislative actions.
- ✓ Provide oral and written legal advice and opinions.
- ✓ Provide legal services to assist City staff in identifying additional revenue sources, including analysis and implementation of revenue sources (e.g. taxes, assessments, and fees).
- ✓ Continue to provide significant construction related legal services for the various Public Works capital projects as well as implementation of the Water Pollution Control Capital Program and the Sanitary Sewer System Capital Program.
- ✓ Respond, review, and coordinate complex Public Records Act requests. Considerable resources are dedicated to increasingly complex Public Records Act requests involving electronic data.

OUTCOME 2: CITY'S INTERESTS ARE PROTECTED AND ADVANCED

- ✓ Initiate and defend lawsuits and other legal actions involving the City.
- ✓ Initiate collection actions on behalf of the City for matters where the debt is over \$5,000.
- ✓ Provide legal representation at administrative hearings.
- ✓ Prosecute select municipal code violations to address serious health and safety concerns.
- ✓ Investigate and respond to claims filed against the City.
- ✓ Conduct and coordinate confidential internal City investigations.
- ✓ Devote considerable resources to respond to increasingly complex discovery and Public Records Act requests involving electronic data.

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Strategic Support

Office of the City Auditor



Mission: *To independently assess and report on City operations and services*

Primary Partners

Mayor and City Council
Office of the City Attorney
Office of the City Auditor
Office of the City Clerk
Office of the City Manager
Office of the Independent Police Auditor
Office of Retirement Services

CSA OUTCOMES

- ❑ Identify Ways to Increase the Economy, Efficiency, Effectiveness, Equity, and Accountability of City Government
- ❑ Provide Independent, Reliable, Accurate, and Timely Information to the City Council and Other Stakeholders

Strategic Support

Office of the City Auditor

OVERVIEW

Service Delivery Accomplishments

- The Office of the City Auditor completed, or substantially completed, 14 audit projects or approximately 1.3 audits per auditor (Target: 1.5 audits per auditor).
- During 2020-2021, the Office identified \$2,858,350 in potential cost savings or revenue enhancements, achieving a ratio of about \$1.20 in monetary benefits to every \$1 in audit costs (Target: \$2 to \$1).
- The Office provided oversight of external financial auditors regarding the City of San José Annual Financial Audit, Single Audit, and related financial audits; the audits of bond programs such as the Parks and Recreation Bond Projects, Branch Libraries Bond Projects, Neighborhood Security Bond, and Public Safety and Infrastructure Bond, and Library Parcel Tax funds; the Annual Compliance Review of San Jose Clean Energy's Risk Management Practices, and the Semi-Annual Reviews for compliance with the City's Investment Policy.
- The Office followed up on over 287 open audit recommendations. Over the past ten years, departments have implemented or closed about 70% of all audit recommendations that improve service delivery to residents, identify operational efficiencies or cost savings, increase transparency and accountability, or improve security over City assets. About 52% of recommendations made in the past five years have been implemented.
- Audit staff provided support to the City's emergency response to the COVID-19 pandemic, including two audit memos related to the City's recovery operations and reassignments of audit staff as disaster service workers.

Service Delivery Environment

- The City Charter provides that the Office of the City Auditor conduct performance audits to determine whether City resources are being used in an economical, effective, efficient, equitable manner; established objectives are being met; and desired results are being achieved.
- As the City continues to look for efficiencies in service delivery, the Office will continue its focus on identifying revenues and cost-savings opportunities, and will work with the City Manager's Office to target areas for audit that are likely to yield the most benefit and address areas identified in the City Auditor's Citywide risk assessment model.
- The Office will also continue to improve the availability and usage of audited performance data and focus audit recommendations on improving City services through better use of technology and data.

Strategic Support *Office of the City Auditor* OVERVIEW

Budget Dollars at Work: Performance Goals

OUTCOME 1: IDENTIFY WAYS TO INCREASE THE ECONOMY, EFFICIENCY, EFFECTIVENESS, AND ACCOUNTABILITY OF CITY GOVERNMENT

- ✓ Conduct performance audits, special audits, and reviews that identify ways to increase the economy, efficiency, effectiveness, and equity of City government. The Office's 2021-2022 Audit Workplan will target City Council and other City Appointee concerns and areas identified in the City Auditor's City-Wide Risk Assessment model.
- ✓ Conduct recommendation follow-up. The Office prepares a status report of all open audit recommendations as of June 30 and December 31 each year. Through December 2020 approximately 70% of the 814 recommendations made over the last 10 years have been implemented.
- ✓ The Office looks forward to participating in the implementation of the *Smart City Vision* by improving the availability and usage of audited performance data and focusing audit recommendations on improving City services through better use of technology and data.

OUTCOME 2: PROVIDE INDEPENDENT, RELIABLE, ACCURATE, AND TIMELY INFORMATION TO THE CITY COUNCIL AND OTHER STAKEHOLDERS

- ✓ Prepare audit reports and memoranda that provide independent, reliable, accurate, and timely information to the City Council. The 2020-2021 Audit Workplan was approved by the City Council in August 2020. The 2021-2022 Audit Workplan will be submitted for City Council approval in August 2021.
- ✓ Provide performance reporting and enhance the display of online performance information. In December 2020, the Office published the City's thirteenth *Annual Report on City Services*. The Office will continue this project in 2021-2022 and will continue to work with City staff on audit projects designed to improve the City's performance management and reporting systems.
- ✓ Continue to improve the website. The Office's website includes copies of audit reports issued by the Office since 1985 and links to the City Council Committee archive video of the hearings where available. The Office will continue to ensure that information on the site is current and relevant, and work toward translating audit results into multiple languages.

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Strategic Support *Office of the City Clerk*



Mission: *Provide strategic support services and leadership to maximize public access to municipal government*

Primary Partners

Mayor and City Council
Office of the City Attorney
Office of the City Auditor
Office of the City Clerk
Office of the City Manager
Office of the Independent Police Auditor
Office of Retirement Services

CSA OUTCOME

- The Municipal Legislative Process is Accessible and Open to the Community

Strategic Support *Office of the City Clerk* OVERVIEW

Service Delivery Accomplishments

The Office of the City Clerk continued to ensure that mandated services were provided in the most cost-effective manner. In 2020-2021, the Office:

- Conducted an election for City Councilmembers, and ballot measures; initiated the formation of the Charter Review Commission and Redistricting Commission as directed by the City Council; and maintained compliance with open government, campaign finance, lobbyist registration, statements of economic interest, and other public disclosure requirements.
- Prepared and distributed agenda packets, synopses, and action minutes of City Council, Rules and Open Government committee meetings, and posted them on the City's website. Prepared and distributed minutes for other City Council committees, and other entities, such as the Financing Authority. All City Council and City Council committee meetings were web-casted live, indexed, and archived for on-demand replay.
- Provided access to the City's legislative records and documents; reviewed and executed all City contracts for administrative compliance, and made them available for review. Fulfilled requests for the City's legislative records and related public documents under provisions of the California Public Records Act. Updated and posted the Municipal Code, City Charter, and Council Policy Manual on the City's website. Indexed all documents presented to the City Council for storage and retrieval, and made available to the public.
- Provided fiscal, grant, budget, human resources, payroll, administrative, and technical support services for the Office of the Mayor, City Council Offices, and for the City's Boards, Commissions, and Committees.

Service Delivery Environment

The Office of the City Clerk continues to see heavy workload in all areas of Office operations. As the Office plans for the next five years, the overarching goal remains to enhance the use of technology to improve and expedite services. Specific examples of trends, issues, and opportunities include:

- Continued work on new Open Government policies and procedures in line with the "Open Data Policy" and recommendations from the Sunshine Reform Task Force, including disclosure requirements (calendars, outside income, and fundraising) for the Mayor and City Councilmembers.
- The need for an improved, less labor-intensive process for creating and disseminating City Council meeting agendas and memoranda, and improved technology to enhance the public's access to the City's legislative process and records.
- The increased demand for access to a wide variety of public records, including a rising community expectation for online access to candidate and committee campaign disclosure statements and lobbyist activity reports.

Strategic Support *Office of the City Clerk* OVERVIEW

Budget Dollars at Work: Performance Goals

OUTCOME: THE MUNICIPAL LEGISLATIVE PROCESS IS ACCESSIBLE AND OPEN TO THE COMMUNITY

The Office of the City Clerk has three strategic goals and objectives:

- ✓ Deploy technology resources effectively;
- ✓ Increase efficiency of service delivery; and
- ✓ Maintain high levels of customer service.

The Office of the City Clerk will provide the following services directly related to this outcome:

- ✓ Successfully conducting municipal elections for the City Council members and ballot measures;
- ✓ Creating and distributing agenda packets, synopses, and minutes for all City Council meetings and City Council Rules and Open Government Committee meetings; additionally, provide legislative services to all other Council Committees by writing and distributing minutes pertaining to Ordinances, Resolutions, and Charter Amendments;
- ✓ Continue to conduct virtual Council Meetings and City Board, Commissions, and Committee meetings as needed in coordination with the Office of the City Manager;
- ✓ Posting all changes to the San José Municipal Code and the City Council Policy Manual on the web; publishing and distributing hard-copy supplements;
- ✓ Creating and maintaining a legislative history of City Council, Successor Agency to the Redevelopment Agency, the Oversight Board, and related entities' actions; and indexing and filing all public records such that the records can be retrieved in a timely manner and the history is readily available;
- ✓ Conducting the recruitment, application, and selection processes for boards and commissions through the Council Appointment Advisory Commission; directing City Council interview and appointment; and facilitating the City Council's appointment of public members to the Retirement Boards and the Civil Service Commission;
- ✓ Conducting employee and retiree elections for the employee and retiree members, as applicable, of both Retirement Boards and the Civil Service Commission;
- ✓ Providing administrative support services to the Board of Fair Campaign and Political Practices, Civil Service Commission, Council Salary Setting Commission, Council Appointment Advisory Commission; Charter Review Commission, and the Redistricting Commission;
- ✓ Researching City Council actions and records from the adoption of the City Charter to the present;
- ✓ Providing administrative support including fiscal management, human resources administration, budgeting, grant administration, and procurements for the Mayor and City Council Offices; and
- ✓ Accepting and making available all Statements of Economic Interests, campaign finance disclosure forms, lobbyist registration and reporting forms, and all disclosures required of the Mayor and City Council members (calendars, fundraising solicitations, and outside income disclosure).

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Strategic Support

Office of the City Manager



Mission: Provide strategic leadership that supports the Mayor and the City Council and motivates and challenges the organization to deliver high quality services that meet the community's needs

Primary Partners

Mayor and City Council
Office of the City Attorney
Office of the City Auditor
Office of the City Clerk
Office of the City Manager
Office of the Independent Police Auditor
Office of Retirement Services

CSA OUTCOMES

- ❑ The Community Receives Customer-Focused, Results-Driven Services
- ❑ The Mayor and Council are Effectively Supported in Making Public Policy Decisions
- ❑ Support Employees to Actively Engage With and Achieve the City's Vision

Strategic Support *Office of the City Manager* OVERVIEW

Service Delivery Accomplishments

- **Executive Leadership and City Management** provided strategic leadership to support the Mayor and City Council, advanced the City Manager's eight Enterprise Priority work plans, and provided leadership through the COVID-19 pandemic by ensuring the continuation of essential City services, providing vulnerable residents with new services, and keeping City employees safe and supported.
- **Office of Administration, Policy, and Intergovernmental Relations** processed over 1,000 contracts; reviewed over 550 City Council Agenda reports; assigned and tracked over 75 Council Referrals; successfully advocated for a comprehensive federal coronavirus relief package that includes direct, flexible funding for San José's COVID-19 pandemic response; reviewed over 2,500 legislative items and sponsored five bills in the state legislative session; coordinated response to over 80 multi-department Public Records Act requests; provided leadership to multiple Emergency Operations Center (EOC) branches throughout the City's COVID-19 pandemic response, including Community and Economic Recovery and administering federal funding to help San José's most vulnerable residents, small businesses, and nonprofits; supported the development of the City's first encampment trash program with data infrastructure to support systemic trash service; and managed field outreach in low-turnout neighborhoods for the 2020 Census.
- **Budget Office** provided ongoing review, monitoring, analyses, forecasts, and reporting on the City's over 130 Operating and Capital funds totaling \$4.8 billion with 6,592 positions, allowing for effective oversight and controls throughout the fiscal year, including rebalancing several funds in 2020-2021 and resolving significant budgetary shortfalls anticipated for 2021-2022 as a result of the COVID-19 pandemic.
- **Communications Office** released 56 Flash Reports supporting COVID-19 EOC activations, protest safety, wildfires, and flash flood warnings resulting in over 500,000 emails sent and a 42% open rate; received over a quarter million visits to Emergency Notification Pages with 41% attributed to Spanish, Vietnamese, and Chinese translated pages; garnered over seven million social media impressions; launched updated Intranet website; deployed SJ311 awareness campaign; and continued support of virtual and hybrid City Council meetings on CivicCenter TV.
- **Office of Civic Innovation** led the EOC Food and Necessities Distribution Branch and distributed over 100 million meals to underserved communities; supported the EOC Digital Inclusion Branch to equitably relieve digital connectivity impacts during the pandemic – over \$10M in investment to build free-access community wi-fi networks in underserved school attendance areas; provided free high-speed connectivity via hotspots to 12,800 student households and 3,000 for circulation through the San José Public Library; received over \$1.3M in donations to the Digital Inclusion Partnership disbursed as grants to school districts and digital inclusion grantees; executed new agreements to accelerate permitting 240 macro-cell sites; and permitted over 1,850 small cell 4G and 5G permits to improve broadband speed and capacity to date.
- **Office of Emergency Management (OEM)** filled several Operations Section and Planning Section roles in the EOC during the COVID-19 pandemic response; activated the EOC to respond to PG&E Public Safety Power Shutoff events, the Santa Clara Unit Complex Fire, and near flood conditions; and conducted four virtual Community Emergency Response Training refresher courses for 200 attendees.

Strategic Support

Office of the City Manager

OVERVIEW

- **Office of Employee Relations (OER)** is negotiating successor Memoranda of Agreement with eight bargaining units whose current agreements expire June 30, 2021, finalized the Retirement Stakeholder Solutions Working Group report, conducted several trainings, and performed personnel investigations. OER also oversaw leave entitlement programs created by federal and state laws and City ordinance and redeployed City employees in response to the COVID-19 pandemic.
- **Office of Racial Equity (ORE)** supported the COVID response by serving in multiple EOC branches to help residents and local businesses, including the Language Access Unit, which coordinated over 2,650 translation pieces and 141 videos for social media. ORE supported the Rapid Response Network, which received 1,074 hotline calls (totaling 7,343 calls from June 2017 - January 2021) related to immigration enforcement activity, developed a Budgeting for Equity Worksheet and data atlas as well as provided departmental consultations regarding centering equity in budget proposals to support the development of the 2021-2022 Proposed Budget. ORE also assisted with work related to Reimagining Community Safety as part of the Police Reforms Work Plan.

Strategic Support *Office of the City Manager* OVERVIEW

Service Delivery Environment

The City Manager's Enterprise Priorities provide a statement of the critical issues ahead: Emergency Management & Preparedness; Creating Housing & Preventing Homelessness; Safe, Vibrant, and Inclusive Neighborhoods & Public Life; Building the San José of Tomorrow - Private Development Services; the Future of Downtown; and Smart & Sustainable City: 21st Century Infrastructure. The internally focused enterprise priorities – Strategic Fiscal Positioning & Resource Deployment, and Powered by People – serve as the foundation to accomplish the other priorities, as well as other City services.

Budget Dollars at Work: Performance Goals

This section organizes the key goals and objectives of the Office of the City Manager based on three outcomes. These priorities guide the efforts of City Service Areas (CSAs) and departments in providing services.

OUTCOME 1: THE COMMUNITY RECEIVES CUSTOMER-FOCUSED, RESULTS-DRIVEN SERVICES

- ✓ Focus on providing leadership necessary for organizational initiatives that continue to position the City as a more focused, efficient, and sustainable organization for the future.
- ✓ Provide safe service delivery as the City recovers from the COVID-19 pandemic and ensure community and economic recovery efforts are equitable and comprehensive.
- ✓ Provide organizational improvement efforts to change the way we do business, streamline processes, increase employee empowerment, and achieve results in an environment of constant change, increasing complexity, and constrained financial resources.
- ✓ Implement a city-wide equity framework that will examine and improve San José's internal policies, practices and systems to eradicate structural and/or institutional racism that may exist in our City government and ultimately improve outcomes for Black, Indigenous, and People of Color.
- ✓ Implement an aggressive communication plan for community outreach, ensuring the City's diverse population has access to City Hall and critical information.
- ✓ Implement police reforms and work closely with the community, community-based agencies, faith-based organizations, social justice advocates, law enforcement agencies, County, State, and federal agencies, and youth on public safety issues.
- ✓ Work with regional governance partners on Bay Area inter-agency issues.
- ✓ Pursue public-private partnerships both directly with community and corporate partners, as well as convene City departments and offices to develop more effective workforce support and development practices.
- ✓ Ensure public access to current and accurate City data that is not otherwise protected through an ongoing focus on the Open Data initiative.

Strategic Support Office of the City Manager OVERVIEW

Budget Dollars at Work: Performance Goals

OUTCOME 2: THE MAYOR AND CITY COUNCIL ARE EFFECTIVELY SUPPORTED IN MAKING PUBLIC POLICY DECISIONS

- ✓ Coordinate City agenda items for City Council consideration, including preparation and development of City Council meeting scheduling.
- ✓ Provide staff expertise and support for City Council Committees and Commissions.
- ✓ Disseminate City Information Memorandums that support the ability to monitor the organization's work as well as track and monitor City Council referrals for appropriate departmental follow-up.
- ✓ Monitor the fiscal and economic environment and adjust the 2021-2022 Adopted Budget, as appropriate, to ensure adequate resources to meet approved expenditure levels.
- ✓ Bring forward balanced budgets for the General Fund and all other City funds for 2022-2023 that reflect City Council and community goals and help ensure fiscal stability.
- ✓ Provide support to the City Council in implementing fiscal sustainability and other potential ballot measures or initiatives.
- ✓ Operationalize the City Council approved City Roadmap of strategic initiatives —ensuring Council can support existing Initiatives and drive new policy recommendations to meet community needs.
- ✓ Strengthen the City-County partnership by meeting regularly with the County Executive, supporting meetings between key City and County elected officials, and focusing attention on issues of shared services between the organizations.
- ✓ Promote intergovernmental relations with the key focus on advocacy for the City's needs at the regional, State, and federal levels, as well as training and coordinating with departments to make San José's voice heard.
- ✓ Continue to ensure San José's position as the Most Innovative City in America by engaging the City Council on Smart City implementations and driving city-wide data analytics to help inform racial equity policy, advocacy, and funding decisions.

OUTCOME 3: SUPPORT EMPLOYEES TO ACTIVELY ENGAGE WITH, AND ACHIEVE, THE CITY'S VISION

- ✓ Provide strategic leadership for the organization, support the City Council, and motivate the workforce to deliver high quality services in an environment of increasing demands and limited resources.
- ✓ Continue to provide the leadership and strategically target efforts to challenge the organization to develop innovative ways to deliver services and streamline operations to be more efficient, including the digital delivery of City services and operations.

Strategic Support *Office of the City Manager* OVERVIEW

Budget Dollars at Work: Performance Goals

OUTCOME 3: SUPPORT EMPLOYEES TO ACTIVELY ENGAGE WITH, AND ACHIEVE, THE CITY'S VISION

- ✓ Continue to provide the leadership and strategically target efforts to challenge the organization to develop innovative ways to deliver services and streamline operations to be more efficient, including the digital delivery of City services and operations.
- ✓ Engage the workforce through ongoing structured communication and ongoing implementation of an overarching workforce support and development strategy to effectively engage, recruit, and retain top talent.
- ✓ Work with employees to develop the organization's capacity in civic engagement and make a difference in the civic life of our community.
- ✓ Invest in employees by aligning their development needs with the current and future needs of the City.
- ✓ Ensure employees have access to training, and the resources and protective equipment needed to feel safe in the workplace, particularly as employees transition to working at City facilities as the COVID-19 pandemic subsides.
- ✓ Continue to provide and promote programs that foster employee health and wellness.
- ✓ Foster constructive and professional working relationships with the City's employee labor unions.
- ✓ Champion the City's Mentorship program as an opportunity for City leadership to support employee growth and development in their career with the City.
- ✓ Make pursuing grants and partnerships a top priority given the significantly limited funding available for infrastructure and new initiatives.

Strategic Support

Office of Retirement Services



Mission: *Provide quality services in the delivery of pension and related benefits and maintain financially sound pension plans*

Primary Partners

Mayor and City Council
Office of Retirement Services
Office of the City Attorney
Office of the City Auditor
Office of the City Clerk
Office of the City Manager
Office of the Independent Police
Auditor

CSA OUTCOMES

- Retirement plans are properly administered.
- Investment of assets to satisfy Retirement Plans' obligations.

Strategic Support *Office of Retirement Services* OVERVIEW

Service Delivery Accomplishments

- Continued publication of the Office of Retirement Services (ORS) quarterly newsletter, The Retirement Connection, the first of which was issued in January 2020.
- Completed recruitments to fill the vacancies for a Senior Auditor and a Health Senior Benefits Analyst.
- Implemented Virtual Health Fair for Open Enrollment.
- Completed and launched Open Enrollment website to augment Virtual Health Fair activities.
- Implemented Boards' strategic communications plan, including message direct communication feature for Member portal, Member Direct and users, instructional videos posted on ORS website, enhance the use of email blasts alerting members of news and events, and create and maintain social media accounts (Facebook, Twitter).
- Contracted with Social Media consultant to support Boards' strategic communications plan.
- Implemented technology to support remote workforce.
- Completed the upgrade of the ORS website to streamline its contents and make it more user-friendly and easier to navigate.
- Updated Board equipment for accessing Board agendas.
- Completed contracting with various legal entities to conclude the Requests for Proposal for legal services that was started in the prior fiscal year.
- Renewed contracts with Independent Medical Examiners for disability applications.
- Issued Requests for Proposal for Board Medical Advisor.
- Implemented ordinance to address interest for Reclassified Tier 1 members.
- Implemented transfer from State Street to BNY Mellon for custodial bank services to conclude the Requests for Proposal for custodial services.
- Quickly implemented the Boards' decision to change the strategic asset allocation for both plans to take advantage of market opportunities amid the COVID-19 pandemic.

Service Delivery Environment

- Work with the communications consultant to further develop strategic communications activities for future years.
- Complete Requests for Proposals for a Board Medical Advisor.
- Implement performance metrics for the Chief Executive Officer and Chief Investment Officer.
- Publish revised Tier 1 and Tier 2 Member Handbooks.
- Complete phone upgrade / project for the office.
- Identify return-driven investment opportunities, balancing risk, amid the global economic impacts of the COVID-19 pandemic.

Strategic Support Office of Retirement Services OVERVIEW

Budget Dollars at Work: Performance Goals

OUTCOME 1: RETIREMENT PLANS ARE PROPERLY ADMINISTERED

- Work with the Retirement Plans' actuaries to ensure the plans have adopted and implemented rates, assumptions, and methodologies reflective of the plans' liabilities and with appropriate contribution volatility, which seeks to mitigate the intergenerational shifting of liabilities.
- Conduct and manage approximately 100 board meetings annually to provide the information necessary to assist the board members in fulfilling their fiduciary duties.
- Provide quality customer service by working with the members to ensure excellent retirement planning and counseling through educational classes and meetings via an average of a thousand phone inquiries and seventy walk-in visits per month.
- Publish annual financial reports, which include the CAFR and the PAFR, to maintain accountability and provide fiscal transparency.

Budget Dollars at Work: Performance Goals

OUTCOME 2: INVESTMENT OF ASSETS TO SATISFY PLANS' OBLIGATIONS

- Manage Retirement Plan assets in a manner which seeks to achieve long-term net returns in excess of the actuarial investment return assumption and adopted benchmarks, while maintaining a reasonable level of investment risk.
- Work with investment consultants to review and adopt asset allocations reflective of the Retirement Boards' risk tolerances; developing enhanced framework for determining appropriate level of risk.
- Monitor and evaluate performance and attribution of Retirement Plan assets to determine areas for potential improvement and focus.
- Perform in-depth due diligence on investment managers, ensuring that investment managers are performing within acceptable parameters and delivering anticipated value-add. Source and perform due diligence on prospective investment managers and retain when appropriate.
- Develop, implement, and ensure compliance with Retirement Board-adopted investment policies.

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Airport Department

John Aitken, Director of Aviation

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To connect, serve, and inspire

City Service Area

Transportation and Aviation Services

Core Services

Airport Business Development

Provide Airport customers with a wide variety of quality choices for traveler services; attract new air service and airlines to provide business and leisure travelers with options; identify and develop sources of non-airline revenue; communicate effectively with passengers, the public, and the media

Airport Facilities

Maintenance of all Airport facilities including public spaces, oversight of airfield lighting and maintenance, building automation controls, electrical and mechanical systems, baggage handling systems, central plant, grounds, and landscaping; custodial services; and manage the Capital asset replacement program and implement the Capital Improvement Program, including planning and coordinating construction activities at the Airport, in compliance with applicable federal, State, and local regulations and environmental requirements

Airport Operations

Day-to-day management and oversight of the Airport to ensure safe and efficient operations such as operation of the airfield, general aviation facilities, emergency planning and coordination, Airport Operations Center, badging and security coordination, parking facilities, shuttle operations, ground transportation, roadway/curbside enforcement programs, and Automatic Vehicle Identification system

Strategic Support: Property Management, Financial Management, Human Resources, Information Technology, Training, and Pandemic Response

Airport Department

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Airport Business Development Core Service</i>	
Airport Business Development	Supports Airport business development by providing customer service for passengers traveling through the Airport; attracting new air service and airlines; promoting the Airport to travelers and growing the Airport's market share; identifying and developing sources of non-airline revenue; and communicating effectively with passengers, the public, and the media.
<i>Airport Facilities Core Service</i>	
Airport Facilities Administration	Provides services necessary for the administration of the Facilities Division, as well as management and oversight of the Facilities Division functions.
Airport Facilities Parking and Roadways Maintenance	Manages the maintenance and repair of infrastructure necessary for the proper operation of all Airport roadways, parking facilities, grounds and landscaping.
Airport Planning and Capital Development	Implements the Airport's Capital Improvement Program; plans and coordinates design and construction activities at the Airport; ensures compliance with applicable Federal, State and Local codes and environmental regulations and requirements; and coordinates with the Federal Aviation Administration, regional transportation planning agencies and providers.
Airport Terminals Maintenance	Manages the maintenance and repair of infrastructure necessary for the proper operation of all Airport terminal facilities, including public and common space, electrical and mechanical systems, HVAC and utilities, custodial services and baggage handling systems.
Airside Maintenance	Manages the maintenance and repair of infrastructure necessary for the proper operation of the airfield including pavement, runways and taxiways paint, lighting and grounds.
<i>Airport Operations Core Service</i>	
Airport Parking & Roadways Operations	Supports and manages landside operational activities, including parking facilities, airport shuttle bus operations, ground transportation and roadway/curbside management and enforcement programs.
Airside Operations	Supports and manages airside operational activities, including oversight of the airfield, airfield security and access control, noise monitoring, wildlife control, emergency planning and compliance with Federal Aviation Administration (FAA) Regulations.
Operations Administration	Provides services necessary for the administration of the Operations Division, as well as support for General Aviation and other non-commercial activities.
Terminals Operations	Provides on-site terminal support and management, including coordination with airlines and other terminal tenants. Staff provide management of shared-use services (gates, ticket counters), customer service for passenger related activities, terminal access and security controls and compliance with Transportation Security Administration (TSA) and Customs and Border Protection (CBP) regulations.

Airport Department

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Strategic Support Core Service</i>	
Airport Financial Management	Manages the budget and all financial transactions for the department; assists in annual budget development.
Airport Human Resources	Manages personnel-related functions for the department, including hiring (in coordination with the Human Resources Department), employee development, employee discipline (in coordination with the Office of Employee Relations), and personnel transactions.
Airport Information Technology	Provides information technology services, planning, system development and maintenance for the department in coordination with the Information Technology Department.
Airport Management and Administration	Provides executive-level, analytical and administrative support to the department.
Pandemic Response	Provides for the coordination and delivery of emergency services and recovery activities in response to the COVID-19 pandemic.

Airport Department

Department Budget Summary

Expected 2021-2022 Service Delivery

- Continue to operate Norman Y. Mineta San José International Airport (SJC) efficiently while meeting all regulatory requirements for security and safety.
- Rebuild passenger traffic while managing through the COVID-19 health pandemic; the Airport remains operational as essential and critical infrastructure.
- With the 2021 refunding of Airport Revenue Bonds, realize \$48.3 million in debt service savings in 2021-2022 and \$188.2 million over the life of the bond. Associated with this refunding, SJC was the first airport in the nation to have its Standard & Poor's (S&P) bond rating outlook changed from Negative to Stable. All three bond ratings from S&P (A-), Moody's (A2), and Fitch (A) remained unchanged.
- Work collaboratively with Airport tenants to manage negative economic impacts resulting from COVID-19 to achieve long-term stability.
- Provide suitable levels of customer service for the evolving volume of passengers.
- Operate the Airport as a good neighbor and ensure environmental stewardship of resources.
- Continue to provide efficient and safe services for passengers, airlines, and tenants; regulatory compliance; priority maintenance and operations; and cost-effective operation of the Airport's shared-use model.

2021-2022 Key Budget Actions

- Adds funding for technology infrastructure improvements to support efficient, effective and safe operation of Airport enterprise. Funding includes \$350,000 to increase the CCTV video storage capacity to one year and \$182,000 for an uninterruptible power supply monitoring system to prevent network outages.
- Adds 1.0 Systems Application Programmer I position to support the administration, and boost effectiveness of various Airport applications, including the Airport website and business automation tools.

Operating Funds Managed

- Airport Customer Facility and Transportation Fee Fund
- Airport Fiscal Agent Fund
- Airport Maintenance and Operation Fund
- Airport Revenue Fund
- Airport Surplus Revenue Fund

Airport Department

Department Budget Summary

	2019-2020 Actuals ***	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Dollars by Core Service				
Airport Business Development	1,890,146	3,288,158	3,398,821	3,398,821
Airport Facilities	29,808,394	34,383,620	34,706,822	34,706,822
Airport Operations	27,361,157	33,243,758	33,854,396	34,264,396
Strategic Support - Other - Transportation & Aviation	113,991,491	102,827,504	102,883,700	55,974,134
Strategic Support - Transportation & Aviation	14,022,659	14,875,266	14,949,357	15,139,743
Total	\$187,073,847	\$188,618,306	\$189,793,096	\$143,483,916
Dollars by Category				
<i>Personal Services and Non-Personal/Equipment</i>				
Salaries/Benefits	33,632,740	34,491,807	35,784,013	35,917,399
Overtime	418,696	394,100	394,100	394,100
Subtotal Personal Services	\$34,051,435	\$34,885,907	\$36,178,113	\$36,311,499
Non-Personal/Equipment	38,844,030	50,768,395	50,594,783	51,186,783
Total Personal Services & Non-Personal/Equipment	\$72,895,465	\$85,654,302	\$86,772,896	\$87,498,282
<i>Other Costs*</i>				
City-Wide Expenses	0	0	0	0
Debt Service/Financing	96,530,982	95,906,680	95,906,680	47,705,305
General Fund Capital	0	0	0	0
Gifts	0	0	0	0
Housing Loans and Grants	0	0	0	0
Other	12,097,127	1,236,500	1,236,500	2,385,738
Overhead Costs	5,434,743	5,187,324	5,243,520	5,261,091
Workers' Compensation	115,530	633,500	633,500	633,500
Total Other Costs	\$114,178,381	\$102,964,004	\$103,020,200	\$55,985,634
Total	\$187,073,847	\$188,618,306	\$189,793,096	\$143,483,916

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document. The amounts in the 2020-2021 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

** The positions displayed in the 2019-2020 Actuals column reflect those included in the 2019-2020 Adopted Budget.

*** 2019-2020 Actuals may not subtotal due to rounding.

Airport Department

Department Budget Summary

	2019-2020 Actuals ***	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Dollars by Fund				
Gift Trust Fund (139)	0	0	0	0
Coronavirus Relief Fund (401)	31,322	0	0	0
Emergency Reserve Fund (406)	51,868	0	0	0
Airport Customer Facility And Transportation Fee Fund (519)	2,119,449	2,359,996	2,358,789	2,358,789
Airport Maintenance And Operation Fund (523)	88,338,769	90,351,630	91,527,627	93,419,822
Airport Surplus Revenue Fund (524)	3,888,644	2,000,000	2,000,000	2,000,000
Airport Fiscal Agent Fund (525)	92,642,337	93,906,680	93,906,680	45,705,305
Capital Funds	1,457	0	0	0
Total	\$187,073,847	\$188,618,306	\$189,793,096	\$143,483,916
Positions by Core Service**				
Airport Business Development	8.00	8.00	8.00	8.00
Airport Facilities	96.00	88.00	88.00	88.00
Airport Operations	67.50	66.00	66.00	66.00
Strategic Support - Transportation & Aviation	54.00	52.00	52.00	53.00
Total	225.50	214.00	214.00	215.00

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** The positions displayed in the 2019-2020 Actuals column reflect those included in the 2019-2020 Adopted Budget.

*** 2019-2020 Actuals may not subtotal due to rounding.

Airport Department

Department Budget Summary

	2019-2020 Actuals**	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed	2021-2022 Proposed Positions
Dollars by Program*					
Airport Business Development					
Airport Business Development Program	1,890,146	3,288,158	3,398,821	3,398,821	8.00
Sub-Total	1,890,146	3,288,158	3,398,821	3,398,821	8.00
Airport Facilities					
Airport Facilities Administration	2,156,782	2,213,263	2,251,004	2,251,004	8.75
Airport Facilities Parking and Roadways Maintenance	2,405,451	2,823,398	2,851,740	2,851,740	4.70
Airport Planning and Capital Development	4,708,539	4,946,147	5,086,105	5,086,105	22.00
Airport Terminals Maintenance	18,403,027	22,073,932	22,223,704	22,223,704	40.05
Airside Maintenance	2,134,595	2,326,880	2,294,269	2,294,269	12.50
Sub-Total	29,808,394	34,383,620	34,706,822	34,706,822	88.00
Airport Operations					
Airport Parking and Roadway Operations	13,436,667	17,712,106	17,870,320	17,930,320	11.12
Airside Operations	6,364,642	6,287,722	6,489,279	6,839,279	28.35
Operations Administration	1,033,791	1,441,366	1,501,079	1,501,079	8.00
Terminals Operations	6,526,057	7,802,564	7,993,718	7,993,718	18.53
Sub-Total	27,361,157	33,243,758	33,854,396	34,264,396	66.00
Strategic Support - Transportation & Aviation					
Airport Financial Management	6,753,024	7,495,457	7,656,405	7,531,405	31.00
Airport Human Resources	957,413	1,008,978	1,042,597	1,042,597	5.00
Airport Information Technology	4,276,271	4,509,717	4,336,045	4,651,431	12.00
Airport Management and Administration	1,952,762	1,861,114	1,914,310	1,914,310	5.00
Airport Pandemic Response	83,190	0	0	0	0.00
Sub-Total	14,022,659	14,875,266	14,949,357	15,139,743	53.00
Strategic Support - Other - Transportation & Aviation					
Airport Capital	320	0	0	0	0.00
Airport Funds Debt/Financing Costs	96,530,982	95,906,680	95,906,680	47,705,305	0.00
Airport Other Operational - Administration	11,909,916	1,100,000	1,100,000	2,374,238	0.00
Airport Overhead	5,434,743	5,187,324	5,243,520	5,261,091	0.00
Airport Workers' Compensation	115,530	633,500	633,500	633,500	0.00
Sub-Total	113,991,491	102,827,504	102,883,700	55,974,134	0.00
Total	\$187,073,847	\$188,618,306	\$189,793,096	\$143,483,916	215.00

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** 2019-2020 Actuals may not subtotal due to rounding.

Airport Department

Budget Reconciliation

Personal Services and Non-Personal/Equipment (2020-2021 Adopted to 2021-2022 Proposed)

	Positions	All Funds (\$)
Prior Year Budget (2020-2021):	214.00	85,654,302
<hr/> Base Adjustments <hr/>		
One-Time Prior Year Expenditures Deleted		
• None		
One-time Prior Year Expenditures Subtotal:	0.00	0
 Technical Adjustments to Costs of Ongoing Activities		
• Salary/benefit changes and the following position reallocations:		1,285,511
- 1.0 Analyst II to 1.0 Accountant I		
• Operations and Maintenance: Shared Use System		61,201
• Contract Services and Materials: Marketing/Business Development		61,159
• Operations and Maintenance: Parking and Roadway Operations		32,789
• Contract Services: Landscape Maintenance and Supplemental Services		27,020
• Utilities: Gas, Electricity, and Water		24,599
• Contract Services: Airside Operations Division		10,581
• Night Shift Differential Adjustment		6,695
• Utilities: Electric Bus Fleet Charging		4,960
• Software/Information Systems: Services Contracts and Maintenance		(248,771)
• Operations and Maintenance: Elevator/Escalator and Fire Alarm Maintenance		(85,795)
• Vehicle Operations and Maintenance		(44,690)
• Operations and Maintenance: Shuttle Bus Maintenance		(16,665)
Technical Adjustments Subtotal:	0.00	1,118,594
2021-2022 Forecast Base Budget:	214.00	86,772,896
<hr/> Budget Proposals Recommended <hr/>		
1. Airport Closed Circuit Television Storage		350,000
2. Airport Uninterruptible Power Supply Monitoring		182,000
3. Airport Technology Services Staffing	1.00	133,386
4. Airport Electric Bus Charging Units		60,000
Total Budget Proposals Recommended	1.00	725,386
2021-2022 Proposed Budget Total	215.00	87,498,282

Airport Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)
1. Airport Closed Circuit Television Storage		350,000
<i>Transportation and Aviation Services CSA Airport Operations Core Service Airside Operations Program</i>		
<p>This action restores ongoing funding of \$350,000 for Airport closed circuit TV video storage. As part of Airport's 2020-2021 rebalancing actions taken in response to the pandemic's shelter-in-place orders, ongoing funding was cut. The Airport needs to increase its current video storage capacity to store video for one year to meet current code and records retention requirements. Currently the Airport stores approximately 30-40 days of video. Last year, the department believed that a cloud storage option was adequate with the funding available after the budget reduction. Upon further research, it was determined that the funding cut of \$350,000 needs to be restored in order to obtain a viable storage solution to meet industry requirements. (Ongoing costs: \$350,000)</p>		
2. Airport Uninterruptible Power Supply Monitoring		182,000
<i>Transportation and Aviation Services CSA Strategic Support – Transportation & Aviation Core Service Airport Information Technology Program</i>		
<p>This action adds one-time funding of \$182,000 to pay for a three-year service to monitor, maintain, and replace batteries for the Airport's 152 uninterruptible power supply (UPS) devices. The UPS system supports the Airport's network, fire alarm, airfield lighting control, and baggage handling systems. It is crucial that all UPS devices function fully and without failure. This service provides real-time monitoring of battery power status of all devices, as well as regular preventative maintenance, and helps to avoid service disruptions of Airport systems that are used by staff, tenants, and passengers. The Airport can realize a discounted price by paying for the service up front. At the end of the three-year term, staff will reassess and determine next steps to continue some level of service. (Ongoing costs: \$0)</p>		
3. Airport Technology Services Staffing	1.00	133,386
<i>Transportation and Aviation Services CSA Strategic Support – Transportation & Aviation Core Service Airport Information Technology Program</i>		
<p>This action adds 1.0 Systems Application Programmer I (SAP) position to the Airport Technology Services (ATS) team. ATS is responsible for administering the Airport's network and telecommunications infrastructure, data centers, application and website services, and business process improvement analysis, which serve airlines, other airport tenants, and City staff. The Airport currently has one Senior Systems Application Programmer who is responsible for all application systems. This SAP position will report directly to the Senior SAP position and will be responsible for managing and maintaining security system reports, Airport internet support (including programming and highly technical tasks), website interfaces such as the Airport Parking System, and general application support including Microsoft Teams, SharePoint, and SimpliGov. (Ongoing costs: \$133,386)</p>		

Airport Department

Budget Changes By Department Personal Services and Non-Personal/Equipment




2021-2022 Proposed Budget Changes	Positions	All Funds (\$)
4. Airport Electric Bus Charging Units		60,000
<i>Transportation and Aviation Services CSA Airport Operations Core Service Airport Parking and Roadway Operations Program</i>		
<p>This action adds one-time funding of \$60,000 to extend the warranty two years for the Airport's electric bus fleet charging units. This funding will cover parts and labor, if needed, for all ten units once the warranty expires in 2020-2021 and ensures continuous support of the Airport's new fleet of electric buses. (Ongoing costs: \$0)</p>		
2021-2022 Proposed Budget Changes Total	1.00	725,386

Airport Department

Performance Summary

Airport Business Development

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 Air service market share	18.4%	18.0%	17.0%	17.5%
 % of passengers rating overall satisfaction with the Airport	89%	87%	88%	87%
 % of passengers reporting satisfaction of Airport restaurant/eating and shopping facilities	72%	77%	66%	77%


Activity and Workload Highlights

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
Total regional air service market (passengers) ¹	61.46M	32.6M	23.4M	43.0M
Total number of annual Airport passengers	11.3M	5.2M	4.0M	7.5M

¹ The 2019-2020 Actual and 2020-2021 Estimate reflect the impacts of the COVID-19 pandemic and its effects on the travel industry. Passenger activity is expected to begin to pick up in 2021-2022.

Airport Facilities Maintenance

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 % of SJC passengers rating cleanliness of the Airport terminal as good or excellent	90%	88%	90%	88%

Activity and Workload Highlights


	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
Total number of facilities maintenance work orders complete	11,923	19,933	12,519	13,145
Number of hours spent addressing Federal Aviation Regulation Part 139 (FAR 139) issue work orders	56	46	71	78

Airport Department

Performance Summary

Airport Operations

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 % of on-time flights	83.83%	85.00%	90.00%	84.00%


Activity and Workload Highlights

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
Total number of annual operations (take offs and landings) ¹	168,384	137,000	92,600	138,900
Total number of environmental noise complaints	46,803	72,000	40,000	45,000
Total number of non-compliant curfew intrusions	42	45	43	50

¹ The 2019-2020 Actual and 2020-2021 Estimate reflect the impacts of the COVID-19 pandemic and its effects on the travel industry. Passenger activity is expected to begin to pick up in 2021-2022.

Airport Planning and Capital Development

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 % of capital projects contingent upon grant funding	6.8%	49.2%	47.1%	23.1%

Activity and Workload Highlights

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
Airport Capital Program				
Construction Projects	\$37.0M	\$90.9M	\$88.2M	\$9.2M
Non-Construction Projects	\$32.0M	\$33.6M	\$23.0M	\$9.7M
Percent of Airport locations that received fewer than three discrepancies in the County of Santa Clara Hazardous Materials Inspection	72%	80%	80%	80%

Airport Department
Performance Summary

Strategic Support

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
\$ Airline cost per enplaned passenger ¹	\$14.79	\$25.45	\$43.43	\$19.79
\$ Food and beverage sales per enplaned passenger ¹	\$6.28	\$3.91	\$3.65	\$3.91
\$ Retail sales per enplaned passenger ¹	\$2.92	\$2.15	\$2.76	\$2.15
\$ Parking revenue per enplaned passenger ¹	\$4.27	\$3.47	\$4.18	\$3.07
\$ Rental car gross revenue per enplaned passenger ¹	\$22.90	\$22.30	\$25.05	\$30.36

¹ Enplaned passengers are those passengers boarding an aircraft in scheduled service, including originating, stop-over, or connecting service.

Activity and Workload Highlights

	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast
Total airline cost	\$84.4M	\$87.9M	\$82.1M	\$83.7M

Airport Department

Departmental Position Detail

Position	2020-2021 Adopted	2021-2022 Proposed	Change
Accountant I/II	2.00	3.00	1.00
Accounting Technician	3.00	3.00	-
Administrative Assistant	1.00	1.00	-
Administrative Officer	1.00	1.00	-
Air Conditioning Mechanic	2.00	2.00	-
Air Service Development Manager	1.00	1.00	-
Airport Equipment Mechanic	6.00	6.00	-
Airport Maintenance Supervisor	4.00	4.00	-
Airport Operations Manager I/II	4.00	4.00	-
Airport Operations Superintendent I/II	4.00	4.00	-
Airport Operations Supervisor I/II/III	18.00	18.00	-
Analyst I/II	8.00	7.00	(1.00)
Assistant Director of Aviation	1.00	1.00	-
Associate Engineer	3.00	3.00	-
Associate Structure/Land Designer	1.00	1.00	-
Aviation Security and Permit Specialist	5.00	5.00	-
Building Management Administrator	1.00	1.00	-
Carpenter	1.00	1.00	-
Dept Information Tech Manager	1.00	1.00	-
Deputy Director	5.00	5.00	-
Director of Aviation	1.00	1.00	-
Electrician I/II	3.00	3.00	-
Engineer I/II	4.00	4.00	-
Environmental Services Program Manager	1.00	1.00	-
Environmental Services Specialist	1.00	1.00	-
Geographic Info Systems Specialist I/II	2.00	2.00	-
Information Systems Analyst	2.00	2.00	-
Maintenance Assistant	1.00	1.00	-
Maintenance Contract Supervisor	1.00	1.00	-
Maintenance Superintendent	1.00	1.00	-
Maintenance Worker I/II	26.00	26.00	-
Network Engineer	2.00	2.00	-
Network Technician I/II/III	1.00	1.00	-
Office Specialist I/II	2.00	2.00	-
Painter	2.00	2.00	-
Planner I/II/III	1.00	1.00	-
Planner IV	1.00	1.00	-
Principal Accountant	1.00	1.00	-
Principal Property Manager	1.00	1.00	-
Program Manager I	2.00	2.00	-
Program Manager II	2.00	2.00	-
Property Manager I	1.00	1.00	-
Property Manager II	4.00	4.00	-
Public Information Manager	2.00	2.00	-
Public Information Representative I/II	2.00	2.00	-
Senior Account Clerk	3.00	3.00	-

Airport Department
Departmental Position Detail

Position	2020-2021 Adopted	2021-2022 Proposed	Change
Senior Accountant	4.00	4.00	-
Senior Air Conditioning Mechanic	1.00	1.00	-
Senior Airport Equipment Mechanic	2.00	2.00	-
Senior Airport Operations Specialist I/II/III	27.00	27.00	-
Senior Analyst	8.00	8.00	-
Senior Architect/Landscape Architect	1.00	1.00	-
Senior Electrician	1.00	1.00	-
Senior Electronic Systems Technician	1.00	1.00	-
Senior Engineer	2.00	2.00	-
Senior Engineering Technician	2.00	2.00	-
Senior Geographic Information Systems Specialist	1.00	1.00	-
Senior Maintenance Worker	4.00	4.00	-
Senior Painter	1.00	1.00	-
Senior Property Manager I/II	2.00	2.00	-
Senior Public Information Representative	2.00	2.00	-
Senior Systems Applications Programmer	1.00	1.00	-
Sign Shop Technician	1.00	1.00	-
Staff Specialist	5.00	5.00	-
Supervising Accountant	2.00	2.00	-
Supervising Applications Analyst	2.00	2.00	-
Supervisor, Trades	2.00	2.00	-
Systems Application Programmer I	0.00	1.00	1.00
Total Positions	214.00	215.00	1.00

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Office of the City Attorney

Nora Frimann, City Attorney

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The Office of the City Attorney is committed to providing excellent legal services, consistent with the highest professional and ethical standards, with the goal of protecting and advancing the City's interests in serving the people of San José

City Service Area

Strategic Support

Core Services

Legal Services

Advocate, defend, and prosecute on behalf of the City's interests.
Provide oral and written advice on legal issues and prepare documents to implement official City actions.

Strategic Support: Provides administrative oversight for the department, including executive management, financial management, and human resources, and pandemic response.

Office of the City Attorney

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Legal Services Core Service</i>	
Legal Representation	Provides legal representation to advocate, defend, and prosecute matters on behalf of the City and the Successor Agency to the Redevelopment Agency. This involves a variety of activities including defense of lawsuits; general liability claims management; prosecution of municipal code violations; workers' compensation investigations and litigation; seeking injunctions for general nuisance, gang and drug abatements; alternative dispute resolution and contract dispute assistance; and initiation of litigation which can result in significant revenue collections.
Legal Transactions	Provides oral and written legal counsel and advice to the Mayor, City Council, Council Appointees, City departments, City boards, commissions and committees, and to the Successor Agency to the Redevelopment Agency, and is responsible for review and preparation of ordinances, resolutions, contracts, permits and other legal documents to implement official City and Agency actions.
<i>Strategic Support Core Service</i>	
City Attorney Management and Administration	Provides administrative oversight for the department, including executive management, financial management, and human resources.
Pandemic Response	Provides for the coordination and delivery of emergency services and recovery activities in response to the COVID-19 pandemic.

Office of the City Attorney

Department Budget Summary

Expected 2021-2022 Service Delivery

- The City Attorney's Office will continue to provide legal representation and advice, while facing the challenge of meeting legal services demand that is largely driven by outside factors. Transactional legal assignments are generated by City Council direction and department requests that are often driven by technology innovations, economic conditions, and state and federal mandates. Litigation matters often originate from claims and lawsuits against the City; consequently, workloads and liability exposure are largely out of the Office's control. In addition, the Office prosecutes criminal cases and files a variety of affirmative lawsuits. The Office will continue to provide in-house legal services while managing unpredictable fluctuations in demand for these services.
- Transactional legal services will continue to be delivered by the Office with priority given to matters that will provide the greatest benefit to the City or have the potential for increasing revenue. Lower priority assignments will be performed as time and staffing allows.
- Increased legal services will be required to assist on: 1) advice to the Planning Division, Office of Economic Development and Cultural Affairs, and other departments supporting development; 2) Housing-related ordinances and issues, including Housing transactions, and Council initiatives on homelessness, rent control and mobile homes; 3) real estate-related projects, including the negotiations with Google and Parkside Hall for the Museum Place project; 4) advising staff related to the feasibility of forming a Community Facilities District to finance the acquisition of the Tech Expansion Space in connection with the Museum Place Project; 5) capital construction projects and issues relating to the Regional Wastewater Facility; 6) innovation efforts to improve City technology; and 7) legal guidance to the Emergency Operations Center as the City responds to the COVID-19 pandemic and other emergencies.
- Litigation defense services will continue to take priority over proactive suits by the City. The net loss of litigation attorney positions has, at times, affected the Office's ability to adequately staff lawsuits and other litigation matters.
- Because of potential legal conflicts of interest, outside legal counsel will continue to be retained to represent the City's interests in pension-related litigation matters. When pension-related lawsuits are resolved, it is anticipated that use of outside legal counsel will decline.
- Significant legal staff and resources are dedicated to collecting, reviewing, and responding to time-consuming and time-sensitive Public Records Act (PRA) requests, litigation records, and discovery.

2021-2022 Key Budget Actions

- Continues 1.0 Deputy City Attorney position for a third year, through June 30, 2022, to provide legal support for the purpose of proactive legal enforcement of blighted and nuisance properties.
- Continues 1.0 Legal Analyst II position through June 30, 2022, to support Worker's Compensation Litigation matters.
- Adds 1.0 Legal Analyst II and 1.0 Senior Deputy City Attorney positions ongoing to provide legal support to the Water Pollution Control Capital Improvement Program, the Sanitary Sewer Capital Improvement Program, and the Sanitary Sewer Operating program.
- Eliminates 1.0 Office Specialist II position that staffs the front desk on the 16th floor in City Hall.

Operating Funds Managed

N/A

Office of the City Attorney
Department Budget Summary

	2019-2020 Actuals ***	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Dollars by Core Service				
Legal Services	17,424,180	20,262,206	19,834,768	20,606,914
Strategic Support - City Council Appointees	1,797,727	1,751,734	1,820,556	1,728,244
Strategic Support - Other - Council Appointees	7,092,595	15,718,321	6,997,676	7,186,144
Total	\$26,314,502	\$37,732,261	\$28,653,000	\$29,521,302
Dollars by Category				
Personal Services and Non-Personal/Equipment				
Salaries/Benefits	19,876,847	20,259,442	20,001,574	20,755,153
Overtime	22,273	0	0	0
Subtotal Personal Services	\$19,899,120	\$20,259,442	\$20,001,574	\$20,755,153
Non-Personal/Equipment	2,118,321	1,754,498	1,653,750	1,580,005
Total Personal Services & Non-Personal/Equipment	\$22,017,441	\$22,013,940	\$21,655,324	\$22,335,158
Other Costs*				
City-Wide Expenses	4,270,096	14,763,000	6,000,000	6,000,000
General Fund Capital	0	0	0	0
Housing Loans and Grants	0	0	0	0
Overhead Costs	26,966	955,321	997,676	1,186,144
Total Other Costs	\$4,297,062	\$15,718,321	\$6,997,676	\$7,186,144
Total	\$26,314,502	\$37,732,261	\$28,653,000	\$29,521,302

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document. The amounts in the 2020-2021 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

** The positions displayed in the 2019-2020 Actuals column reflect those included in the 2019-2020 Adopted Budget.

*** 2019-2020 Actuals may not subtotal due to rounding.

Office of the City Attorney
Department Budget Summary

	2019-2020 Actuals ***	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Dollars by Fund				
General Fund (001)	21,347,509	31,096,103	22,653,599	22,581,319
Workforce Development Fund (290)	111,748	110,031	113,180	113,180
Low And Moderate Income Housing Asset Fund (346)	875,040	1,100,993	1,322,215	1,397,928
Coronavirus Relief Fund (401)	37,851	0	0	0
Integrated Waste Management Fund (423)	57,501	67,923	75,223	75,223
Housing Trust Fund (440)	6,314	38,102	42,771	42,771
Community Development Block Grant Fund (441)	13,237	20,576	21,155	21,155
Home Investment Partnership Program Trust Fund (445)	68,602	83,760	16,324	16,324
Multi-Source Housing Fund (448)	160,207	93,510	101,090	101,090
Rental Stabilization Program Fee Fund (450)	507,597	606,395	673,942	673,942
San José Clean Energy Operating Fund (501)	593,671	1,025,251	1,374,009	1,374,009
San José-Santa Clara Treatment Plant Operating Fund (513)	67,839	114,289	84,360	84,360
Water Utility Fund (515)	231,259	346,889	152,603	152,603
Airport Maintenance And Operation Fund (523)	819,381	836,714	908,307	908,307
Sewer Service And Use Charge Fund (541)	1,027,509	1,765,022	840,083	1,267,925
Capital Funds	389,236	426,703	274,139	711,166
Total	\$26,314,502	\$37,732,261	\$28,653,000	\$29,521,302
Positions by Core Service**				
Legal Services	79.90	77.70	71.70	75.70
Strategic Support - City Council Appointees	7.10	7.80	7.80	6.80
Total	87.00	85.50	79.50	82.50

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** The positions displayed in the 2019-2020 Actuals column reflect those included in the 2019-2020 Adopted Budget.

*** 2019-2020 Actuals may not subtotal due to rounding.

Office of the City Attorney
Department Budget Summary

	2019-2020 Actuals**	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed	2021-2022 Proposed Positions
Dollars by Program*					
Legal Services					
Legal Representation	9,575,452	9,576,393	9,030,261	9,452,592	34.79
Legal Transactions	7,848,728	10,685,813	10,804,507	11,154,322	40.91
Sub-Total	17,424,180	20,262,206	19,834,768	20,606,914	75.70
Strategic Support - City Council Appointees					
City Attorney Pandemic Response	37,851	0	0	0	0.00
City Attorney Management and Administration	1,759,876	1,751,734	1,820,556	1,728,244	6.80
Sub-Total	1,797,727	1,751,734	1,820,556	1,728,244	6.80
Strategic Support - Other - Council Appointees					
City Attorney Other Departmental - City-Wide	4,195,035	14,763,000	6,000,000	6,000,000	0.00
City Attorney Other Operational - Administration	12,189	0	0	0	0.00
City Attorney Overhead	2,885,372	955,321	997,676	1,186,144	0.00
Sub-Total	7,092,595	15,718,321	6,997,676	7,186,144	0.00
Total	\$26,314,502	\$37,732,261	\$28,653,000	\$29,521,302	82.50

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** 2019-2020 Actuals may not subtotal due to rounding.

Office of the City Attorney

Budget Reconciliation

Personal Services and Non-Personal/Equipment (2020-2021 Adopted to 2021-2022 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
Prior Year Budget (2020-2021):	85.50	22,013,940	16,333,103
Base Adjustments			
One-Time Prior Year Expenditures Deleted			
• Rebudget: Outside Legal Counsel		(200,000)	0
• Environmental Services Department Legal Support (1.0 Legal Analyst II and 1.0 Senior Deputy City Attorney II)	(2.00)	(385,983)	(73,583)
• Proactive Legal Enforcement of Blighted and Nuisance Properties (1.0 Deputy City Attorney IV)	(1.00)	(237,068)	(237,068)
• Workers' Compensation Litigation Support Staffing (1.0 Legal Analyst II)	(1.00)	(147,166)	(147,166)
One-time Prior Year Expenditures Subtotal:	(4.00)	(970,217)	(457,817)
Technical Adjustments to Costs of Ongoing Activities			
• Salary/benefit changes		1,045,383	565,837
• Contractual Services: Litigation Consultants and Experts		94,151	94,151
• Training		4,500	0
• Budget Realignment: FirstNet Support		601	601
• City Attorney's Office Staff Funding Realignment	0.00	0	650,758
• Position Shift: Police Services from Office of City Attorney to Police Department (1.0 Police Officer and 1.0 Police Sergeant)	(2.00)	(533,034)	(533,034)
Technical Adjustments Subtotal:	(2.00)	611,601	778,313
2021-2022 Forecast Base Budget:	79.50	21,655,324	16,653,599
Budget Proposals Recommended			
1. Environmental Services Department Legal Support	2.00	393,778	0
2. Proactive Legal Enforcement of Blighted and Nuisance Properties	1.00	241,705	241,705
3. Workers' Compensation Litigation Support Staffing	1.00	150,290	150,290
4. Measure E - Legal Administration	0.00	60,118	0
5. City Attorney's Office Staffing Realignments	0.00	0	(298,218)
6. Administrative Support Staffing	(1.00)	(92,312)	(92,312)
7. Non-Personal/Equipment Savings		(62,000)	(62,000)
8. Reprographics Contractual Services Savings		(11,745)	(11,745)
Total Budget Proposals Recommended	3.00	679,834	(72,280)
2021-2022 Proposed Budget Total	82.50	22,335,158	16,581,319

Office of the City Attorney

Budget Changes By Office Personal Services and Non-Personal/Equipment

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
1. Environmental Services Department Legal Support <i>Strategic Support CSA</i> <i>Legal Services Core Service</i> <i>Legal Representation and Legal Transactions Programs</i> <p>This action adds 1.0 Senior Deputy City Attorney and 1.0 Legal Analyst positions to provide legal support to the Water Pollution Control Capital Improvement Program, the Sanitary Sewer Capital Improvement Program, and the Sanitary Sewer Operating program. Staff assigned to these programs will focus on a variety of duties including, but not limited to: consultant and contractor procurement; and providing legal support as it pertains to financing, construction and maintenance of the City's sewage collection system and for the San Jose/Santa Clara Water Pollution Control Plant. These positions will be jointly funded: 72.5% from the San José-Santa Clara Treatment Plant Capital Fund, 15% from the Sewer Service and Use Charge Capital Improvement Fund, and 12.5% from the Sewer Service and Use Charge Fund. (Ongoing costs: \$393,778)</p>	2.00	393,778	0
2. Proactive Legal Enforcement of Blighted and Nuisance Properties <i>Strategic Support CSA</i> <i>Legal Services Core Service</i> <i>Legal Representation Program</i> <p>This action continues 1.0 Deputy City Attorney IV position, through June 30, 2022, to provide legal support for the purpose of proactive legal enforcement of blighted and nuisance properties. This position was authorized for two years in the City Council-approved Mayor's March Budget Message for Fiscal Year 2019-2020. In the last two years, this position has followed up on Code Enforcement and Police investigations and citations by communicating with property owners and initiating legal proceedings when appropriate to enforce Code actions, address ongoing nuisance activities, and collect on fines levied. The continuation of the position will enable the City Attorney to maintain a dedicated Deputy City Attorney for the purpose of litigating these matters for an additional year. (Ongoing costs: \$0)</p>	1.00	241,705	241,705
3. Workers' Compensation Litigation Support Staffing <i>Strategic Support CSA</i> <i>Legal Services Core Service</i> <i>Legal Representation and Legal Transactions Programs</i> <p>This action continues 1.0 Legal Analyst II position, through June 30, 2022, to continue legal support to the Workers' Compensation Program. This position supports comprehensive case review and legal research, including the extensive review of medical records, developing case evidence, drafting legal correspondence, and monitoring case activity. This action allows for greater effectiveness in the City Attorney's Office, as increased legal analyst support provides the Workers' Compensation team critical resources for case management. (Ongoing costs: \$0)</p>	1.00	150,290	150,290

Office of the City Attorney

Budget Changes By Office

Personal Services and Non-Personal/Equipment

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
4. Measure E - Legal Administration <i>Strategic Support CSA</i> <i>Legal Services Core Service</i> <i>Legal Transactions Program</i> This action adds one-time personal services funding for temporary staffing to support affordable housing activities funded by the Measure E – Administration City-Wide Expenses appropriation and the Low and Moderate Income Housing Asset Fund. This action will fund a temporary position to provide legal support to the Housing Department to review and draft contracts; draft resolutions and ordinances; assist with reviewing and drafting documents related to close of escrow and loan transactions; and assist with finalization, compilation, and organization of documents. (Ongoing costs: \$0)	0.00	60,118	0
5. City Attorney’s Office Staffing Realignments <i>Strategic Support CSA</i> <i>Legal Services Core Service</i> <i>Legal Representation Program</i> This action shifts funding on a one-time basis for a total of 1.23 positions (0.15 Assistant City Attorney, 0.15 Chief Deputy City Attorney, 0.25 Senior Deputy City Attorney, 0.65 Legal Analyst, and 0.03 Senior Legal Analyst) in the Office of the City Attorney from the General Fund to the Sewer Service and Use Charge Fund. This funding will provide for staff work in the Office that will provide legal support and services required for litigation regarding a tributary matter. (Ongoing costs: \$0)	0.00	0	(298,218)
6. Administrative Support Staffing <i>Strategic Support CSA</i> <i>Strategic Support Core Service</i> <i>City Attorney Management and Administration Program</i> This action eliminates 1.0 Office Specialist II position in the Office of the City Attorney. This position staffs the front desk on the 16th floor in City Hall and greets and assists customers. Due to the elimination of the position, customer service to both internal and external customers will be affected as timeliness to requests will be delayed. The remaining workload will be reallocated to existing staff. (Ongoing savings: \$94,401)	(1.00)	(92,312)	(92,312)

Office of the City Attorney

Budget Changes By Office
Personal Services and Non-Personal/Equipment










2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
7. Non-Personal/Equipment Savings		(62,000)	(62,000)
<i>Strategic Support CSA</i> <i>Legal Services Core Service</i> <i>Legal Representation and Legal Transactions Programs</i>			
<p>This action decreases the Office of the City Attorney's non-personal/equipment budget by \$62,000 ongoing for printing, supplies and materials, dues and subscriptions. This action reduces the funding available for printed materials and subscriptions and is not expected to have significant service level impacts as staff will utilize electronic versions of previously printed materials. (Ongoing savings: \$62,000)</p>			
8. Reprographics Contractual Services Savings		(11,745)	(11,745)
<i>Strategic Support CSA</i> <i>Legal Services Core Service</i> <i>Legal Representation and Legal Transactions Programs</i>			
<p>This action reduces the Office's non-personal/equipment funding by \$11,745 to reflect savings in the reprographics (printing) contract. The Finance and Information Technology Departments jointly worked to re-procure the City's reprographics contract for copier, scanner, fax devices support, and administration software and tools. Savings in the amount of \$363,000 will be generated in the General Fund, \$462,000 in all funds, across all departments from lower rental costs for the multi-function devices and significantly lower cost per copy and consumption rates. Savings can be realized with new green-print options and central administration of devices. (Ongoing savings: \$11,745)</p>			
2021-2022 Proposed Budget Changes Total	3.00	679,834	(72,280)

Office of the City Attorney

Performance Summary

Legal Services

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 % of time final case results are within staff analyses and/or recommendations	N/A ¹	90%	90%	90%
 Cost of representation compared to law offices of similar size, practice, and expertise, including other governmental law offices				
- City Attorney's Office average hourly rate	\$142	\$143	\$158	\$158
- Outside Legal Counsel average hourly rate	\$350	\$360	\$355	\$360
 % of time client is timely informed of significant developments in a case	N/A ¹	80%	75%	80%
 % of survey respondents rating legal services satisfactory or better based on quality, cycle time, and professionalism	N/A ¹	90%	75%	86%
 % of time final documents accurately reflect the approval of City action	N/A ¹	100%	100%	96%
 % of time that advice identifies and analyzes legal issues and risks	N/A ¹	85%	100%	90%
 % of time that advice provides alternatives where appropriate	N/A ¹	70%	75%	75%
 Cost of advice and documentation compared to law offices of similar size, practice, and expertise including other governmental offices				
- City Attorney's Office average hourly rate	\$142	\$143	\$158	\$158
- Outside Legal Counsel average hourly rate	\$350	\$360	\$355	\$360
 % of time client receives advice/document within mutually accepted time frames	N/A ¹	85%	75%	85%

¹ Data for these measures is collected through a biennial survey. The survey was not conducted in 2019-2020 due to the Shelter-in-Place Order issued in March 2020, which was subsequently extended and modified.

Office of the City Attorney

Performance Summary

Legal Services

Activity and Workload Highlights

	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast
# of claims filed against the City	637	771	554	675
# of lawsuits filed against the City	111	160	90	150
# of lawsuits and administrative actions filed or initiated by the City ¹	586	216	548	400
# of Council/Board/Manager memoranda:				
- Prepared	1,507	1,259	1,988	1,500
- Reviewed	752	787	672	750
# of formal Opinions issued	2	3	2	2
# of Resolutions	466	501	408	475
# of Ordinances	140	183	142	155
# of Agreements	2,447	2,214	2,108	2,240

¹ 2020-2021 Estimate totals exceeded 2020-2021 Forecast level due to an increased number of criminal citations. The 2021-2022 Forecast reflects a higher average activity level, factoring in the increase observed in 2019-2020 and 2020-2021.

Office of the City Attorney

Departmental Position Detail

Position	2020-2021 Adopted	2021-2022 Proposed	Change
Assistant City Attorney	2.00	2.00	-
Associate Deputy City Attorney	1.00	1.00	-
Chief Deputy City Attorney	4.00	4.00	-
City Attorney	1.00	1.00	-
Deputy City Attorney I/II/III/IV	11.00	11.00	-
Executive Assistant	1.00	1.00	-
Legal Administrative Assistant	9.50	9.50	-
Legal Analyst II	15.00	15.00	-
Legal Services Administrator	1.00	1.00	-
Legal Services Manager	1.00	1.00	-
Network Engineer	1.00	1.00	-
Office Specialist II	2.00	1.00	(1.00)
Police Officer	1.00	0.00	(1.00)
Police Sergeant	1.00	0.00	(1.00)
Senior Deputy City Attorney I/II/III/IV	30.00	30.00	-
Senior Legal Analyst	3.00	3.00	-
Senior Supervisor, Administration	1.00	1.00	-
Total Positions	85.50	82.50	(3.00)

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Office of the City Auditor

Joe Rois, City Auditor

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Independently assess and report on City operations and services

City Service Area

Strategic Support

Core Service

Audit Services

Identify ways to increase the economy, efficiency, effectiveness, equity, and accountability of City government and provide independent, reliable, accurate, and timely information to the City Council and other stakeholders

Strategic Support: Administrative Support and Pandemic Response

Office of the City Auditor

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Audit Services Core Service</i>	
Performance Audits	Identify ways to increase the economy, efficiency, effectiveness, equity, and accountability of City government and provide independent, reliable, accurate, and timely information to the City Council and other stakeholders.
<i>Strategic Support Core Service</i>	
City Auditor Management and Administration	Provides administrative oversight for the department, including executive management, financial management, and human resources.
Pandemic Response	Provides for the coordination and delivery of emergency services and recovery activities in response to the COVID-19 pandemic.

Office of the City Auditor

Department Budget Summary

Expected 2021-2022 Service Delivery

- ❑ Conduct program performance audits identifying ways to increase the economy, efficiency, effectiveness, equity, and accountability of City government and provide independent, reliable, accurate, and timely information to the City Council and other stakeholders. The 2021-2022 Audit Workplan will be submitted to the Rules and Open Government Committee in August 2021, with a continued focus on searching for operational efficiencies, revenues, and cost-saving opportunities.
- ❑ Issue the Annual Report on City Services. This report details the cost, workload, and performance data for City services and is intended to improve government transparency and accountability and provide consolidated performance information to the public, allowing informed decision making by City officials, staff, and the public.
- ❑ Provide oversight of external auditors on the City of San José Annual Financial Audit and Single Audit; the Audits of Parks and Recreation Bond, Library Bond, Public Safety Bond, Public Safety and Infrastructure Bond, and Parcel Tax Funds; the Annual Compliance Review of San Jose Clean Energy's Risk Management Practices; and the Semi-Annual Reviews for Compliance with the City's Investment Policy.

2021-2022 Key Budget Actions

- ❑ Eliminates 1.0 filled Program Performance Auditor I/II position, which will result in fewer performance audits.

Operating Funds Managed

N/A

Office of the City Auditor
Department Budget Summary

	2019-2020 Actuals ***	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Dollars by Core Service				
Audit Services	2,587,737	2,903,770	3,011,126	3,029,697
Emergency Event - Strategic Support - Council Appointees	202,293	0	0	0
Strategic Support - City Council Appointees	81	161,822	164,890	164,890
Total	\$2,790,112	\$3,065,592	\$3,176,016	\$3,194,587
Dollars by Category				
<i>Personal Services and Non-Personal/Equipment</i>				
Salaries/Benefits	2,276,047	2,298,504	2,541,764	2,382,119
Overtime	0	0	0	0
Subtotal Personal Services	\$2,276,047	\$2,298,504	\$2,541,764	\$2,382,119
Non-Personal/Equipment	62,427	74,153	74,153	123,369
Total Personal Services & Non-Personal/Equipment	\$2,338,475	\$2,372,657	\$2,615,917	\$2,505,488
<i>Other Costs*</i>				
City-Wide Expenses	362,179	455,151	447,234	447,234
General Fund Capital	0	0	0	0
Housing Loans and Grants	0	0	0	0
Other	89,458	237,785	112,865	241,865
Overhead Costs	0	0	0	0
Total Other Costs	\$451,637	\$692,935	\$560,099	\$689,099
Total	\$2,790,112	\$3,065,592	\$3,176,016	\$3,194,587

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document. The amounts in the 2020-2021 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

** The positions displayed in the 2019-2020 Actuals column reflect those included in the 2019-2020 Adopted Budget.

*** 2019-2020 Actuals may not subtotal due to rounding.

Office of the City Auditor
Department Budget Summary

	2019-2020 Actuals ***	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Dollars by Fund				
General Fund (001)	2,501,070	2,827,808	3,063,151	2,952,722
Coronavirus Relief Fund (401)	202,293	0	0	0
San José Clean Energy Operating Fund (501)	0	124,920	0	129,000
Airport Maintenance And Operation Fund (523)	61,390	80,593	80,593	80,593
Sewer Service And Use Charge Fund (541)	25,359	32,272	32,272	32,272
Total	\$2,790,112	\$3,065,592	\$3,176,016	\$3,194,587
Positions by Core Service**				
Audit Services	14.00	13.00	13.00	12.00
Strategic Support - City Council Appointees	1.00	1.00	1.00	1.00
Total	15.00	14.00	14.00	13.00

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document. The amounts in the 2020-2021 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

** The positions displayed in the 2019-2020 Actuals column reflect those included in the 2019-2020 Adopted Budget.

*** 2019-2020 Actuals may not subtotal due to rounding.

Office of the City Auditor
Department Budget Summary

	2019-2020 Actuals**	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed	2021-2022 Proposed Positions
Dollars by Program*					
Audit Services					
Performance Audits	2,587,737	2,903,770	3,011,126	3,029,697	12.00
Sub-Total	2,587,737	2,903,770	3,011,126	3,029,697	12.00
Emergency Event - Strategic Support - Council Appointees					
City Auditor COVID-19	202,293	0	0	0	0.00
Sub-Total	202,293	0	0	0	0.00
Strategic Support - City Council Appointees					
City Auditor Management and Administration	81	161,822	164,890	164,890	1.00
Sub-Total	81	161,822	164,890	164,890	1.00
Total	\$2,790,112	\$3,065,592	\$3,176,016	\$3,194,587	13.00

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** 2019-2020 Actuals may not subtotal due to rounding.

Office of the City Auditor

Budget Reconciliation

Personal Services and Non-Personal/Equipment (2020-2021 Adopted to 2021-2022 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
Prior Year Budget (2020-2021):	14.00	2,372,657	2,372,657
<hr/> Base Adjustments <hr/>			
Technical Adjustments to Costs of Ongoing Activities			
• Salary/benefit changes:		243,260	243,260
Technical Adjustments Subtotal:	0.00	243,260	243,260
2020-2021 Forecast Base Budget:	14.00	2,615,917	2,615,917
<hr/> Budget Proposals Approved <hr/>			
1. City Auditor's Office Staffing	(1.00)	(105,000)	(105,000)
2. Reprographics Contractual Services Savings		(5,429)	(5,429)
Total Budget Proposals Approved	(1.00)	(110,429)	(110,429)
2021-2022 Proposed Budget Total:	13.00	2,505,488	2,505,488

Office of the City Auditor




**Budget Changes By Department
Personal Services and Non-Personal/Equipment**

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
1. Program Performance Auditor Staffing	(1.00)	(105,000)	(105,000)
<p><i>Strategic Support CSA Audit Services Core Service Performance Audits Program</i></p> <p>This action eliminates 1.0 vacant Program Performance Auditor I/II position and adds \$55,000 for non-personal/equipment funding. Due to the elimination of the position, fewer performance audits will be performed, resulting in fewer audit recommendations to improve service delivery and forgoing potential savings generated from audit recommendations including cost-savings opportunities, revenues and operational efficiencies. Included in the non-personal/equipment funding is \$10,000 for translation services to translate the executive summaries and transmittals of audit reports into Spanish and Vietnamese. With the remaining \$45,000 in non-personal/equipment funding, staff plans to engage an external fellowship program to develop or update tools and trainings related to audit project management and data visualization. (Ongoing savings: \$105,000)</p>			
2. Reprographics Contractual Services Savings		(5,429)	(5,429)
<p><i>Strategic Support CSA Audit Services Core Service Performance Audits Program</i></p> <p>This action reduces the City Auditor Office's Non-Personal/Equipment appropriation by \$5,429, all in the General Fund, to reflect savings in the reprographics contract. The Finance and IT Departments jointly worked to re-procure the City's reprographics contract for copier scanner fax devices support and administration software and tools. Savings in the amount of \$363,000 will be generated in the General Fund, \$462,000 in all funds, across all departments from lower rental costs for the multi-function devices (MFD's) and significantly lower cost per copy and consumption rates. Savings can be realized with new green-print options and central administration of devices. (Ongoing savings: \$5,429)</p>			
2021-2022 Proposed Budget Changes Total	(1.00)	(110,429)	(110,429)

Office of the City Auditor
Performance Summary

Audit Services

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 % of audit recommendations implemented (cumulative over 10 years) ¹	73%	80%	70%	80%
 Ratio identified monetary benefit to audit cost	\$3.63 to \$1	\$2 to \$1	\$1.20 to \$1	\$2 to \$1
 % of approved workplan completed or substantially completed during the fiscal year	70%	80%	64%	80%

¹ This performance measure was adjusted in the 2021-2022 Proposed Budget to measure the percentage of audit recommendations implemented from (cumulative over 5 years) to (cumulative over 10 years).

Activity and Workload Highlights

	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast
# of audit reports issued	19	18	14	16
# of audit recommendations adopted	81	50	42	50
# of audit reports per auditor	1.6 to 1	1.5 to 1	1.3 to 1	1.5 to 1
Identified monetary benefits (i.e., revenue enhancements and cost savings) ¹	\$9,340,942	\$4,745,000 ²	\$2,847,000	\$5,010,000

¹ The 2019-2020 Actual identified monetary benefits is an estimate based on potential cost savings identified in the Audit of Procurement Cards, Audit of Street and Utility In-Lieu Fees, Audit of Fire Development Services, the Audit of Park Maintenance, the Audit of Fleet Maintenance and Operations, and the Audit of Development Partners' Work-in-Progress Reserves. The 2020-2021 Estimated identified monetary benefits is an estimate based on potential cost savings identified in the Audit of Police Staffing, Expenditures, and Workload and the Audit of Code Enforcement Management Controls.

² The 2020-2021 Adopted Budget incorrectly forecasted the 2020-2021 monetary benefits as \$8 million. The target ratio of monetary benefits to audit costs is \$2 to every \$1 of audit costs. The monetary benefits for the 2020-2021 Forecast should be \$4.7 million.

Office of the City Auditor

Departmental Position Detail

Position	2020-2021 Adopted	2021-2022 Proposed	Change
City Auditor	1.00	1.00	-
Executive Assistant to City Auditor	1.00	1.00	-
Program Performance Auditor I/II	7.00	6.00	(1.00)
Senior Program Performance Auditor	3.00	3.00	-
Supervising Auditor	2.00	2.00	-
Total Positions	14.00	13.00	(1.00)

Office of the City Clerk

Toni J. Taber, City Clerk

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M *aximize public access to municipal
government*

City Service Area

Strategic Support

Core Service

City Clerk Services

Maximize public access to the City's legislative processes by administering the democratic processes such as elections, access to City records, and all legislative actions ensuring transparency to the public, and serve as a compliance officer and administrator for federal, State, and local statutes including the Political Reform Act, the Brown Act, and the Public Records Act

Strategic Support: City Clerk Management and Administration and pandemic response

Office of the City Clerk

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>City Clerk Services Core Service</i>	
Facilitate the City's Legislative Process	Maximizes public access to the City's legislative process by administering the democratic processes such as elections, access to City records, and all legislative actions ensuring transparency to the public. Serves as a compliance officer for federal, State, and local statutes including the Political Reform Act, the Brown Act, and the Public Records Act.
<i>Strategic Support Core Service</i>	
City Clerk Management and Administration	Provides administrative oversight for the department, including financial management, human resources, and analytical support.
Pandemic Response	Provides for the coordination and delivery of emergency services and recovery activities in response to the COVID-19 pandemic.

Office of the City Clerk

Department Budget Summary

Expected 2021-2022 Service Delivery

- Administer Sunshine/Open Government Reforms to provide transparent legislative services.
- Ensure the public has access to information regarding meetings and open deliberations by creating and distributing agenda packets, synopses, and minutes for all City Council meetings and City Council Rules and Open Government Committee meetings. Additionally, provide legislative services to all other Council Committees by writing and distributing minutes pertaining to Ordinances, Resolutions, and Charter Amendments.
- Deliver fiscal, grant, budget, human resources, payroll, administrative, and technical support services to the Mayor's Office, City Council Offices, and for the City's Boards, Commissions, and Committees.
- Supply access to information regarding government business records including the City's legislative records and documents.
- Administer access to information regarding financial interests of officials and candidates by providing and improving compliance with open government, campaign finance, lobbyist registration, statements of economic interest, and other public disclosure requirements.
- Conduct elections for City Council, Retirement Boards, Civil Service Commission, City Charter amendments, potential issuance of bonds, and ballot measures in accordance with City Charter and State of California elections code.

2021-2022 Key Budget Actions

- Reduces ongoing funding for the Office of the City Clerk's non-personal/equipment budget by \$5,230 to reflect savings from the new reprographics contract.

Operating Funds Managed

N/A

Office of the City Clerk
Department Budget Summary

	2019-2020 Actuals ***	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Dollars by Core Service				
City Clerk Services	2,166,061	2,145,350	2,296,251	2,291,021
Emergency Event - Strategic Support - Council Appointees	28,021	0	0	0
Strategic Support - City Council Appointees	231,871	284,310	295,671	295,671
Strategic Support - Other - Council Appointees	2,758,946	4,598,000	2,990,000	2,990,000
Total	\$5,184,898	\$7,027,660	\$5,581,922	\$5,576,692
Dollars by Category				
Personal Services and Non-Personal/Equipment				
Salaries/Benefits	2,182,957	2,215,574	2,338,717	2,338,717
Overtime	6,107	0	0	0
Subtotal Personal Services	\$2,189,065	\$2,215,574	\$2,338,717	\$2,338,717
Non-Personal/Equipment	221,888	198,086	237,205	231,975
Total Personal Services & Non-Personal/Equipment	\$2,410,953	\$2,413,660	\$2,575,922	\$2,570,692
Other Costs*				
City-Wide Expenses	2,773,946	4,614,000	3,006,000	3,006,000
General Fund Capital	0	0	0	0
Gifts	0	0	0	0
Housing Loans and Grants	0	0	0	0
Other	0	0	0	0
Overhead Costs	0	0	0	0
Total Other Costs	\$2,773,946	\$4,614,000	\$3,006,000	\$3,006,000
Total	\$5,184,898	\$7,027,660	\$5,581,922	\$5,576,692

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document. The amounts in the 2020-2021 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

** The positions displayed in the 2019-2020 Actuals column reflect those included in the 2019-2020 Adopted Budget.

*** 2019-2020 Actuals may not subtotal due to rounding.

Office of the City Clerk
Department Budget Summary

	2019-2020 Actuals ***	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Dollars by Fund				
General Fund (001)	5,156,878	7,027,660	5,581,922	5,576,692
Gift Trust Fund (139)	0	0	0	0
Coronavirus Relief Fund (401)	28,021	0	0	0
Total	\$5,184,898	\$7,027,660	\$5,581,922	\$5,576,692
Positions by Core Service**				
City Clerk Services	13.00	12.00	12.00	12.00
Strategic Support - City Council Appointees	2.00	2.00	2.00	2.00
Total	15.00	14.00	14.00	14.00

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document. The amounts in the 2020-2021 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

** The positions displayed in the 2019-2020 Actuals column reflect those included in the 2019-2020 Adopted Budget.

*** 2019-2020 Actuals may not subtotal due to rounding.

Office of the City Clerk
Department Budget Summary

	2019-2020 Actuals**	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed	2021-2022 Proposed Positions
Dollars by Program*					
City Clerk Services					
Facilitate the City's Legislative Process	2,166,061	2,145,350	2,296,251	2,291,021	12.00
Sub-Total	2,166,061	2,145,350	2,296,251	2,291,021	12.00
Strategic Support - City Council Appointees					
Clerk Management and Administration	231,871	284,310	295,671	295,671	2.00
Sub-Total	231,871	284,310	295,671	295,671	2.00
Strategic Support - Other - Council Appointees					
Clerk Gifts	0	0	0	0	0.00
Clerk Other Departmental - City-Wide	2,758,946	4,598,000	2,990,000	2,990,000	0.00
Sub-Total	2,758,946	4,598,000	2,990,000	2,990,000	0.00
Total	\$5,184,898	\$7,027,660	\$5,581,922	\$5,576,692	14.00

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** 2019-2020 Actuals may not subtotal due to rounding.

Office of the City Clerk
Budget Reconciliation
Personal Services and Non-Personal/Equipment
(2020-2021 Adopted to 2021-2022 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
Prior Year Budget (2020-2021):	14.00	2,413,660	2,413,660
Base Adjustments			
Technical Adjustments to Costs of Ongoing Activities			
• Salary/benefit changes		123,143	123,143
• City Council Meeting Interpretation Services		30,000	30,000
• Contractual Services: Granicus and Municode		8,684	8,684
• Budget Realignment: FirstNet Support		435	435
Technical Adjustments Subtotal:	0.00	162,262	162,262
2021-2022 Forecast Base Budget:	14.00	2,575,922	2,575,922
Budget Proposals Recommended			
1. Reprographics Contractual Services Savings		(5,230)	(5,230)
Total Budget Proposals Recommended	0.00	(5,230)	(5,230)
2021-2022 Proposed Budget Total	14.00	2,570,692	2,570,692

Office of the City Clerk








**Budget Changes By Department
Personal Services and Non-Personal/Equipment**

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
1. Reprographics Contractual Services Savings		(5,230)	(5,230)
<i>Strategic Support CSA City Clerk Services Core Service Facilitate the City's Legislative Process Program</i>			
<p>This action reduces the Office of the City Clerk's non-personal/equipment budget by \$5,230 on an ongoing basis to reflect savings in the reprographics (printing) contract. The Finance and Information Technology Departments have jointly worked to re-procure the City's reprographics contract for copier, scanner, fax devices support, and administration software and tools. Savings in the amount of \$363,000 will be generated in the General Fund, \$462,000 in all funds, across all departments from lower rental costs for the multi-function devices and significantly lower cost per copy and consumption rates. Savings can be realized with new green-print options and central administration of devices. (Ongoing savings: \$5,230)</p>			
2021-2022 Proposed Budget Changes Total	0.00	(5,230)	(5,230)

Office of the City Clerk
Performance Summary

Facilitate the City's Legislative Process

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 % of complete City Council Agenda packets available online 10 days prior to Council meeting	100%	100%	100%	100%
 Estimated cost to document and track legislative actions per Council meeting	\$5,424	\$4,085	\$5,587	\$5,587
 % of Public Records Act requests received and fulfilled by the Clerk's Office within 10 days of request	96%	100%	99%	100%
 % of City contracts that have all required documents after compliance check	95%	95%	95%	95%
 % of Council synopses completed and posted online within three business days after the Council meeting	72%	95%	90%	95%
 % of Resolutions/Ordinances posted online within 3 business days of receipt from the City Attorney's Office	99%	100%	99%	100%
 % of customers rating customer service experience with the Clerk's Office as good or excellent	88%	95%	90%	95%

Office of the City Clerk
Performance Summary

Facilitate the City's Legislative Process

Activity and Workload Highlights

	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast
# of meetings staffed ¹	145	200	200	200
# of board/commission applications processed	138	250	220	250
# of contracts processed ²	2,315	2,565	2,600	2,306
# of grants processed (Council Office and Arena Community Fund)	299	513	200	420
# of Statements of Economic Interests/Family Gift Reports processed	2,288	3,565	3,000	2,979
# of campaign filings processed	108	800	200	475
# of ads placed in legal publications	348	300	300	300
# of Lobbyist Reports processed	623	636	680	680
# of Ordinances and Resolutions processed	603	555	500	555
# of Council Actions recorded, processed, and tracked	1,661	2,000	2,000	2,000
# of Public Records Act requests processed	779	920	800	910
# of internal requests for information/ documents processed	376	600	200	454

¹ Meetings defined as City Council meetings and study sessions; Council Committees; Civil Service, Council Salary Setting and Council Appointment Advisory Commissions, Board of Fair Campaign and Political Practices, Charter Review Commission, and the Redistricting Commission.

² Data includes contracts and grants processed.

Office of the City Clerk

Departmental Position Detail

Position	2020-2021 Adopted	2021-2022 Proposed	Change
Analyst I/II	3.00	3.00	-
Assistant City Clerk	1.00	1.00	-
City Clerk	1.00	1.00	-
Legislative Secretary	3.00	3.00	-
Records Specialist	1.00	1.00	-
Senior Account Clerk	1.00	1.00	-
Senior Analyst	1.00	1.00	-
Staff Specialist	3.00	3.00	-
Total Positions	14.00	14.00	0.00

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Office of the City Manager

David Sykes, City Manager

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Provide strategic leadership that supports the Mayor and the City Council, and motivates and challenges the organization to deliver high quality services that meet the community's needs

City Service Area

Strategic Support

Core Service

City-Wide Emergency Management

Lead efforts to protect life, property, and the environment by developing, coordinating, and managing programs that prevent, prepare for, respond to, recover from, and mitigate natural and man-made disasters and emergencies

Lead and Manage the Organization

Provide professional expertise and support to the City Council in the formulation, interpretation, and application of public policy.

Advance organizational vision, determine accountability, set organizational goals, and build organizational capacity. Provide strategic direction and management for city-wide operations and service delivery

Strategic Support: Administrative Support, Financial Management, and Pandemic Response

Office of the City Manager

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>City-Wide Emergency Management Core Service</i>	
Emergency Management	Oversees emergency management efforts throughout the City, including: preparedness, response, recovery, and mitigation; maintains a citywide Emergency Management Roadmap to address preparedness gaps; ensures comprehensive all hazards planning, exercises, and training complies with State and federal requirements; and, engages the community through public education and training to encourage preparation for the next emergency.
<i>Emergency Event – Strategic Support – Council Appointees</i>	
City Manager COVID-19	Captures resources directly allocated to support the City’s response to the COVID-19 pandemic from various federal funding packages; though all City Departments are engaged in the response effort, the City Manager’s Office leads the Emergency Operations Center.
<i>Lead and Manage the Organization Core Service</i>	
Administration, Policy, and Intergovernmental Relations	Supports city-wide leadership by resolving complex administrative matters, supporting City-wide policy analysis and implementation, and monitoring, analyzing, and supporting legislation from the federal, state, and local government arenas. Other services include agenda review and coordination and open government requests and initiatives.
Budget Office	Develops and monitors the City’s operating and capital budgets that total \$4.8 billion annually; works with City departments to develop a budget that meets the highest priority community and organizational needs while maintaining fiscal integrity; responds to City Council direction, improves operational efficiency; and supports data-driven public service delivery.
Civic Innovation	Coordinates the development and implementation of the City’s Smart City Vision; focuses the City to deliver on the most important innovation opportunities; empowers staff to dramatically improve services for customers in an equitable manner; and works with teams to address continuous process improvement and program evaluation.
Communications	Directs and implements the City’s communications strategy to inform and engage San José residents. Provides strategic counsel to the City Manager and oversight of media relations; internal communications; emergency public information; and digital, social, and creative services.
Employee Relations	Represents the City Council and City Administration in various labor relations issues and negotiates on behalf of the City on wages, hours, and other terms and conditions of employment. Manages employee relations matters for the City and advises and assists departments regarding strategies and due process requirements when dealing with employee sub-performance or misconduct.
Executive Leadership/City Management	Provides strategic leadership that supports the Mayor and City Council in making public policy decisions and ensures the organization is delivering cost-effective services that meet the needs of our community with the highest standards of quality and customer service. Also guides fiscal and change management, the building and development of our workforce, and development of long term, data-driven strategies to invest in the City’s future.

Office of the City Manager

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Lead and Manage the Organization Core Service</i>	
Racial Equity	Advances a city-wide equity framework to examine and improve San José's internal policies, practices and systems to eradicate structural and/or institutional racism that may exist in our City government and ultimately improve outcomes for Black, Indigenous, and People of Color (which includes, but is not limited to, LatinX and Asian and Pacific Islander).
<i>Strategic Support Core Service</i>	
City Manager Management and Administration	Provides administrative oversight for the department, including financial management and human resources.
Pandemic Response	Provides for the coordination and delivery of emergency services and recovery activities in response to the COVID-19 pandemic.

Office of the City Manager

Department Budget Summary

Expected 2021-2022 Service Delivery

- The City Manager's Office will provide strategic leadership and facilitate service delivery through the management of the City's 22 departments and offices. The Office will support the Mayor and City Council and challenge the organization to deliver high-quality, cost-effective services that meet the needs of the community.
- The City Manager's Office will continue to engage the workforce through both ongoing structured communication and the coordination and implementation of an overarching workforce support and development strategy to effectively engage, recruit, and retain employees.
- The City Manager's Office of Administration, Policy, and Intergovernmental Relations (API) will resolve complex administrative matters, support City-wide policy analysis and implementation, and protect the best interest of the City through legislative advocacy at the federal, state, and local levels.
- The Budget Office will effectively forecast and monitor both revenues and expenditures in over 130 City funds and will continue to focus on embedding equity in the development of the 2022-2023 Budget for City Council consideration.
- The Office of Civic Innovation will operationalize the City Council approved City Roadmap of Strategic Initiatives. The Office will help drive city-wide data analytics to inform racial equity policy, advocacy, and funding decisions. In partnership with the Information Technology Department, the Office will continue to pursue opportunities that keep the City on the front line of innovation. The team will seek to improve the efficiency and effectiveness of service delivery by complementing the Smart City Vision and supporting departmental efforts to facilitate the use of technology, data, and evidence-based decision making throughout the City.
- The Communications Office will keep the community informed about City services, achievements, and issues; develop and improve effective communication channels; and support departmental communication efforts.
- The Office of Employee Relations will be engaged in a variety of labor relations with the City's eleven bargaining units as needed.
- The Office of Emergency Management will continue to lead efforts to protect life, property, and the environment by developing, coordinating, and managing programs that prevent, prepare for, respond to, recover from, and mitigate natural and man-made disasters and emergencies.
- The Office of Racial Equity will support City departments in developing action plans that delineate how each will advance racial equity; implement a city-wide training program on diversity, equity, and inclusion; co-design the budgeting for equity tool-kit and implementation plan; support the Reimagining Community Safety and the Community & Economic Recovery work; and implement key strategies in the Welcome San José Plan 2.0 that promote immigrant inclusion, community engagement, and educational and economic opportunities.

2021-2022 Key Budget Actions

- Adds 4.0 positions to permanently establish the Office of Racial Equity and one-time non-personal/equipment funding of \$100,000 for consulting services as directed by the Mayor's March Budget Message for Fiscal Year 2021-2022, as approved by the City Council, for a Diversity, Equity and Inclusion training program for City staff, with an emphasis on racial equity, implicit bias and operationalizing equitable practices into the development of policies, programs and practices, and budget recommendations
- Continues 4.0 temporary positions in the Office of Emergency Management funded primarily by the Urban Areas Security Initiative grant through June 30, 2022. These positions will work on the following: community resource planning; development of a City of San José Mass Care Plan; coordination of the Emergency Operations Center Readiness; and coordination of emergency alert and warning services.
- Adds 1.0 Senior Executive Analyst position in the Office of Emergency Management to continue to manage and administer the Community Emergency Response Training (CERT) program.
- As directed by the Mayor's March Budget Message for Fiscal Year 2021-2022, as approved by the City Council, adds one-time personal services funding for a temporary position to serve as the technical lead to advance a data equity framework.
- As directed by the Mayor's March Budget Message for Fiscal Year 2021-2022, as approved by the City Council, adds one-time non-personal/equipment funding of \$150,000 for a disability community engagement and service evaluation.
- Eliminates 1.0 vacant Assistant to the City Manager position in the Office of Civic Innovation, reducing capacity for the management and implementation of data analytics projects.

Operating Funds Managed

N/A

Office of the City Manager
Department Budget Summary

	2019-2020 Actuals ***	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Dollars by Core Service				
City-Wide Emergency Management	2,327,782	6,561,908	1,691,589	2,529,003
Lead & Manage The Organization	15,637,962	19,993,639	17,233,575	18,094,939
Strategic Support - City Council Appointees	9,527,727	97,943,319	97,811,863	2,009,861
Strategic Support - Other - Council Appointees	8,212,571	8,836,334	299,824	249,824
Total	\$35,706,041	\$133,335,200	\$117,036,851	\$22,883,627
Dollars by Category				
Personal Services and Non-Personal/Equipment				
Salaries/Benefits	17,101,059	17,709,545	16,078,503	17,501,777
Overtime	84,730	25,000	25,000	25,000
Subtotal Personal Services	\$17,185,789	\$17,734,545	\$16,103,503	\$17,526,777
Non-Personal/Equipment	2,455,034	3,803,910	1,545,706	1,715,026
Total Personal Services & Non-Personal/Equipment	\$19,640,823	\$21,538,455	\$17,649,209	\$19,241,803
Other Costs*				
City-Wide Expenses	5,527,366	13,927,976	1,548,000	1,498,000
General Fund Capital	0	0	0	0
Gifts	150,135	183,000	183,000	75,000
Housing Loans and Grants	0	0	0	0
Other	10,387,718	97,627,818	97,627,818	2,040,000
Overhead Costs	0	57,951	28,824	28,824
Total Other Costs	\$16,065,219	\$111,796,745	\$99,387,642	\$3,641,824
Total	\$35,706,041	\$133,335,200	\$117,036,851	\$22,883,627

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document. The amounts in the 2020-2021 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

** The positions displayed in the 2019-2020 Actuals column reflect those included in the 2019-2020 Adopted Budget.

*** 2019-2020 Actuals may not subtotal due to rounding.

Office of the City Manager
Department Budget Summary

	2019-2020 Actuals ***	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Dollars by Fund				
General Fund (001)	22,073,290	34,954,706	19,047,772	20,590,366
Gift Trust Fund (139)	150,135	183,000	183,000	75,000
Low And Moderate Income Housing Asset Fund (346)	25,112	18,375	18,375	18,375
Coronavirus Relief Fund (401)	9,128,004	97,750,000	97,627,818	0
American Rescue Plan Fund (402)	0	0	0	200,000
Emergency Reserve Fund (406)	0	0	0	1,840,000
Integrated Waste Management Fund (423)	0	150,824	0	0
Multi-Source Housing Fund (448)	76,798	102,555	0	0
San José Arena Capital Reserve Fund (459)	4,189,731	0	0	0
San José Clean Energy Operating Fund (501)	0	126,740	110,886	110,886
San José-Santa Clara Treatment Plant Operating Fund (513)	24,901	18,375	18,375	18,375
Airport Maintenance And Operation Fund (523)	26,458	24,500	24,500	24,500
Sewer Service And Use Charge Fund (541)	11,611	6,125	6,125	6,125
Total	\$35,706,041	\$133,335,200	\$117,036,851	\$22,883,627
Positions by Core Service**				
City-Wide Emergency Management	12.00	12.00	7.00	12.00
Lead & Manage The Organization	67.45	66.85	65.50	67.50
Strategic Support - City Council Appointees	2.00	1.00	1.00	1.00
Strategic Support - Other - Council Appointees	3.65	0.65	0.00	0.00
Total	85.10	80.50	73.50	80.50

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** The positions displayed in the 2019-2020 Actuals column reflect those included in the 2019-2020 Adopted Budget.

*** 2019-2020 Actuals may not subtotal due to rounding.

Office of the City Manager

Department Budget Summary

	2019-2020 Actuals**	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed	2021-2022 Proposed Positions
Dollars by Program*					
City-Wide Emergency Management					
Emergency Management	2,327,782	6,561,908	1,691,589	2,529,003	12.00
Sub-Total	2,327,782	6,561,908	1,691,589	2,529,003	12.00
Lead & Manage The Organization					
Administration, Policy, and Intergovernmental Relations	3,150,039	2,917,112	3,041,027	3,103,371	11.00
Budget Office	3,774,335	4,021,379	4,081,085	4,081,085	19.00
Civic Innovation	2,124,371	3,946,792	2,237,125	2,084,720	6.50
Communications	1,357,484	1,476,619	919,123	919,123	3.50
Employee Relations	1,657,883	2,102,660	2,268,269	2,265,542	10.50
Executive Leadership/City Management	2,795,813	3,706,320	3,902,596	3,860,056	10.00
Racial Equity	778,038	1,822,757	784,350	1,781,042	7.00
Sub-Total	15,637,962	19,993,639	17,233,575	18,094,939	67.50
Strategic Support - City Council Appointees					
City Manager Management and Administration	399,723	193,319	184,045	169,861	1.00
City Manager Pandemic Response	9,128,004	97,750,000	97,627,818	1,840,000	0.00
Sub-Total	9,527,727	97,943,319	97,811,863	2,009,861	1.00
Strategic Support - Other - Council Appointees					
City Manager Gifts	150,135	0	0	0	0.00
City Manager Other Departmental - City-Wide	8,047,303	8,778,383	271,000	221,000	0.00
City Manager Other Departmental - Grants	14,549	0	0	0	0.00
City Manager Other Operational - Administration	584	0	0	0	0.00
City Manager Overhead	0	57,951	28,824	28,824	0.00
Sub-Total	8,212,571	8,836,334	299,824	249,824	0.00
Total	\$35,706,041	\$133,335,200	\$117,036,851	\$22,883,627	80.50

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** 2019-2020 Actuals may not subtotal due to rounding.

Office of the City Manager

Budget Reconciliation

Personal Services and Non-Personal/Equipment (2020-2021 Adopted to 2021-2022 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
Prior Year Budget (2020-2021):	80.50	21,538,455	21,026,730
Base Adjustments			
One-Time Prior Year Expenditures Deleted			
• Rebudget: Local Sales Tax - Office of Emergency Management Non-Personal/Equipment		(1,079,000)	(1,079,000)
• Rebudget: Civic Innovation Non-Personal/Equipment		(499,000)	(499,000)
• Rebudget: Office of Emergency Management - Community Emergency Response Training		(90,000)	(90,000)
• Rebudget: Workspace Reconfiguration		(75,000)	(75,000)
• Rebudget: Public Records Act Software		(60,000)	(60,000)
• Rebudget: Hyperion Updates		(50,000)	(50,000)
• Office of Racial Equity		(1,000,000)	(1,000,000)
• Urban Area Security Initiative Grant Funded Positions (4.0 Executive Assistant)	(4.00)	(640,709)	(640,709)
• Community Emergency Response Training Staffing (1.0 Senior Executive Analyst)	(1.00)	(205,110)	(102,555)
• Homeless Sheltering and Support (Better Blocks - BeautifySJ)		(122,182)	0
• Recycle Plus Product Staffing (1.0 Senior Executive Analyst)	(1.00)	(122,048)	0
One-time Prior Year Expenditures Subtotal:	(6.00)	(3,943,049)	(3,596,264)
Technical Adjustments to Costs of Ongoing Activities			
• Salary/benefit changes and the following position reallocation: 1.0 Senior Analyst to 1.0 Senior Executive Analyst		588,285	602,950
• Budget Realignment: FirstNet Support		36,146	36,146
• Software/Information Systems: SiteImprove (Web Governance)		5,363	5,363
• Program Shift: Civic Center TV (Shifts 1.0 Program Manager and Non-Personal/Equipment to Public Works Department)	(1.00)	(403,520)	(403,520)
• Vacancy Factor		(170,471)	(169,633)
• Vehicle Operations and Maintenance		(2,000)	(2,000)
Technical Adjustments Subtotal:	(1.00)	53,803	69,306
2021-2022 Forecast Base Budget:	73.50	17,649,209	17,499,772

Office of the City Manager

Budget Reconciliation

Personal Services and Non-Personal/Equipment (2020-2021 Adopted to 2021-2022 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
Budget Proposals Recommended			
1. Office of Racial Equity Staffing and Consulting Services	4.00	996,692	996,692
2. Office of Emergency Management - Urban Areas Security Initiative Grant Staffing	4.00	677,164	677,164
3. Office of Emergency Management - Community Emergency Response Training Program	1.00	161,163	161,163
4. Disability Community Engagement and Service Evaluation		150,000	150,000
5. California Cities Gaming Authority		30,000	30,000
6. Office of Civic Innovation - Management Staffing	(1.00)	(244,405)	(244,405)
7. Office of Administration, Policy, and Intergovernmental Relations - Analytical Staffing	(1.00)	(117,340)	(117,340)
8. Office of City Manager - Non-Personal/Equipment Savings		(40,000)	(40,000)
9. Reprographics Contractual Services Savings		(20,680)	(20,680)
Total Budget Proposals Recommended	7.00	1,592,594	1,592,594
2021-2022 Proposed Budget Total:	80.50	19,241,803	19,092,366

Office of the City Manager

Budget Changes By Office Personal Services and Non-Personal/Equipment

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
1. Office of Racial Equity Staffing and Consulting Services	4.00	966,692	966,692

Strategic Support CSA
Lead and Manage the Organization Core Service
Racial Equity Program

This action adds 4.0 positions (1.0 Director of City Manager's Office, 1.0 Assistant to the City Manager, 1.0 Senior Executive Analyst, and 1.0 Staff Specialist) to permanently establish the Office of Racial Equity that was created on a one-time basis in 2020-2021. This Office will advance a city-wide racial equity framework to examine and improve San José's internal policies, programs, and practices to eradicate structural and/or institutional racism that may exist in our City government and ultimately improve outcomes for Black, Indigenous, and People of Color (which includes, but is not limited to, LatinX and Asian and Pacific Islander). A Manager's Budget Addendum will be issued later in the budget process to articulate the work plan of this Office. The work plan will 1) integrate an equity framework into decision-making and operationalize this practice in daily work, 2) create a coordinated community engagement approach that builds effective partnerships, 3) create infrastructure to ensure the City has a data-driven approach, 4) set aside resources for external consultants or facilitators to assist the City, where necessary, and 5) substantially expand language access capacity.

In addition, as directed in the City Council-approved Mayor's March Budget Message for Fiscal Year 2021-2022, this action adds one-time non-personal/equipment funding of \$100,000 for external consultants and facilitators to support Office of Racial Equity initiatives in 2021-2022, including rolling out a Diversity, Equity and Inclusion (DEI) training program for City staff, with an emphasis on racial equity, implicit bias and operationalizing equitable practices into the development of policies, programs and practices, and budget recommendations. (Ongoing costs: \$899,291)

2. Office of Emergency Management – Urban Areas Security Initiative Grant Staffing	4.00	677,164	677,164
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Strategic Support CSA
City-Wide Emergency Management Core Service
Emergency Management Program

This action continues 4.0 Executive Analyst positions, through June 30, 2022, in the Office of Emergency Management funded primarily by the Urban Areas Security Initiative (UASI) grant. These four positions will work on the following: community resource planning; development of a City of San José Mass Care Plan; coordination of the Emergency Operations Center (EOC) Readiness Plan that includes management of services, resources, and systems for San José's primary, alternate, and mobile EOC; and coordination of emergency alert and warning services. (Ongoing costs: \$0)

Office of the City Manager

Budget Changes By Office
Personal Services and Non-Personal/Equipment

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
<p>3. Office of Emergency Management – Community Emergency Response Training Program</p> <p><i>Strategic Support CSA</i> <i>City-Wide Emergency Management Core Service</i> <i>Emergency Management Program</i></p> <p>This action adds 1.0 filled Senior Executive Analyst in the Office of Emergency Management to continue to manage and administer the Community Emergency Response Training (CERT) program on an ongoing basis. The position will be responsible for CERT plan development and implementation, exercise coordination, and continuing education for and coordination of active volunteers. Partly offsetting this addition is an ongoing \$50,000 decrease to the Office’s non-personal/equipment funding for contractual services that provides for emergency plan development. Existing remaining funding should be sufficient in the short term for this work. (Ongoing costs: \$161,163)</p>	1.00	161,163	161,163
<p>4. Disability Community Engagement and Service Evaluation</p> <p><i>Strategic Support CSA</i> <i>Lead and Manage the Organization Core Service</i> <i>Administration, Policy, and Intergovernmental Relations Program</i></p> <p>As directed in the Mayor’s March Budget Message for Fiscal Year 2021-2022, as approved by the City Council, this action adds one-time non-personal/equipment funding of \$150,000 to prepare a report describing (a) existing workload associated with serving residents with disabilities, (b) how that workload is currently distributed throughout the City organization, (c) what specific additional work disability advocates and other community members seek to have the City perform through an office, (d) the cost and workload implications of creating such an office in light of existing budgetary and staffing constraints, and (e) staff’s recommendation on the matter. (Ongoing costs: \$0)</p>		150,000	150,000
<p>5. California Cities Gaming Authority</p> <p><i>Strategic Support CSA</i> <i>Lead and Manage the Organization Core Service</i> <i>Administration, Policy and Intergovernmental Relations Program</i></p> <p>This action adds one-time non-personal/equipment funding of \$30,000 to continue the City’s California Cities Gaming Authority membership. The California Cities Gaming Authority is a Joint Powers Authority that advocates for the interest of cities that have medium-sized cardrooms. Maintaining a membership with the California Cities Gaming Authority membership provides the City with additional advocacy support to monitor and engage in cardroom regulations and legislation. The Authority specializes in cardroom issues and has close relationships with the major cardroom stakeholders, including legislative leaders on cardroom issues and the State Administration. (Ongoing costs: \$0)</p>		30,000	30,000

Office of the City Manager

Budget Changes By Office

Personal Services and Non-Personal/Equipment

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
<p>6. Office of Civic Innovation – Management Staffing</p> <p><i>Strategic Support CSA</i> Lead and Manage the Organization Core Service <i>Civic Innovation Program</i></p> <p>This action eliminates 1.0 vacant Assistant to the City Manager position in the Office of Civic Innovation. Due to the elimination, management and implementation of data analytics projects will be reduced, as the workload will be partially absorbed by remaining staff. (Ongoing savings: \$244,205)</p>	(1.00)	(244,405)	(244,405)
<p>7. Office of Administration, Policy, and Intergovernmental Relations – Analytical Staffing</p> <p><i>Strategic Support CSA</i> Lead and Manage the Organization Core Service <i>Administration, Policy, and Intergovernmental Relations Program</i></p> <p>This action eliminates 1.0 vacant Executive Analyst and 1.0 Senior Executive Analyst positions and adds 1.0 Assistant to the City Manager position to the Office of Administration, Policy, and Intergovernmental Relations to better align current and anticipated resource needs with staffing responsibilities. This action is not expected to have any significant service impacts. (Ongoing savings: \$117,340)</p>	(1.00)	(117,340)	(117,340)
<p>8. Office of City Manager – Non-Personal/Equipment Savings</p> <p><i>Strategic Support CSA</i> Lead and Manage the Organization and Strategic Support Core Services <i>Program: Office-wide</i></p> <p>This action reduces the Office’s non-personal/equipment budget by \$40,000 on an ongoing basis for postage, printing/advertising, training, dues/subscriptions, and mileage. This action also reduces the amount of funding available for professional memberships and advertising for recruitments. The Office will carefully manage the remaining funding with no service level changes anticipated. (Ongoing savings: \$40,000)</p>		(40,000)	(40,000)

Office of the City Manager

Budget Changes By Office
Personal Services and Non-Personal/Equipment









2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
9. Reprographics Contractual Services Savings		(20,680)	(20,680)
<i>Strategic Support CSA</i>			
<i>Lead and Manage the Organization Core Service</i>			
<i>Program: Office-wide</i>			
<p>This action reduces the Office's non-personal/equipment budget by \$20,680 on an ongoing basis to reflect savings in the reprographics (printing) contract. The Finance and Information Technology Departments jointly worked to re-procure the City's reprographics contract for copier, scanner, fax devices support, and administration software and tools. Savings in the amount of \$363,000 will be generated in the General Fund, \$462,000 in all funds, across all departments from lower rental costs for the multi-function devices) and significantly lower cost per copy and consumption rates. Savings can be realized with new green-print options and central administration of devices. (Ongoing savings: \$20,680)</p>			
2021-2022 Proposed Budget Changes Total	7.00	1,592,594	1,592,594

Office of the City Manager

Performance Summary

Lead and Manage the Organization

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 % of employees who take the workforce engagement survey ¹	N/A	TBD	TBD	TBD
 Ratio of engaged employees for every one actively disengaged employee ¹	N/A	TBD	TBD	TBD
 Average employee rating of progress made on survey goals (1 to 5 scale) ¹	N/A	TBD	TBD	TBD
 % of core services meeting or exceeding levels established by the City Council	57%	60%	71%	60%
 % of core services meeting or exceeding their cycle time targets	45%	55%	49%	55%
 % of residents that are satisfied or very satisfied with the quality of City services	N/A ²	65%	TBD ²	65%
 % of residents contacting the City who say they are satisfied or very satisfied with the:				
- timeliness of City employees	N/A ²	70%	TBD ²	70%
- courtesy of City employees	N/A ²	80%	TBD ²	80%
- competency of City employees	N/A ²	75%	TBD ²	75%
 % of residents rating San José as an excellent/good place to live	N/A ²	75%	TBD ²	75%

¹ Data for these measures is collected biennially utilizing the Gallup Q12 methodology. The last Gallup Employee Survey was given in spring 2019. In 2020-2021, funding to conduct the Gallup Q12 Employee Survey and associated trainings were eliminated. The Office of Employee Relations will consider developing a new internal survey approach to gain insights on the engagement level of the workforce and determine focus areas.

² Data for this measure is collected through the biennial City-Wide Community Survey. The next community survey will be conducted in summer 2021, and those results will inform the 2020-2021 Estimate in the 2021-2022 Adopted Budget.

Office of the City Manager

Performance Summary

Lead and Manage the Organization

Activity and Workload Highlights




	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast
# of Meet and Confer issues	5	15	10	5
# of training sessions offered by the Office of Employee Relations	87	100	95	100
# of formal disciplines received	24	35	35	35
# of investigations conducted by the Office of Employee Relations	62	60	65	62
# of City Council agenda reports approved	630	693	561	570
# of City Council referrals assigned	81	85	77	85
# of City-sponsored bills	3	1	5	3
# of legislative items reviewed	2,500	2,500	2,600	2,500
# of contracts/agreements approved	843	800	1,100	900

Office of the City Manager

Performance Summary

City-Wide Emergency Management

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 % of Emergency Operations Center (EOC) assigned staff who have received required training ¹	75%	90%	67%	90%
 % of City employees trained in the State Standardized Emergency Management System (SEMS) and National Incident Management System (NIMS) ²				
Senior Staff	20%	20%	0%	35%
All other City Employees	20%	20%	0%	35%
 Status of currency of the City's Emergency Operations Base Plan ³ based on time since last update: 0-2 years Green, 2-4 years Amber, 4-6 years Red and over 6 years is Black	Green	Green	Amber	Amber

¹ In addition to formal trainings, all disaster service workers received on-the-job training due to the scale and scope of the COVID emergency.

² COVID-19 response interfered with formal trainings. SEMS and NIMS training are provided to new hires individually through online training. Staff in the Office of Emergency Management is working with the Human Resources Department to improve tracking and reporting on this measure.

³ The City's Emergency Operations Base Plan consist of information on how the City complies with State and federal regulations and establishes policies on how the City operates to plan, respond, and recover in the event of an emergency and provides the process for declaring a Local Emergency. Additional annex plans providing for different functions within the City are also being developed as resources become available.

Activity and Workload Highlights

	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast
# of courses/trainings conducted by the Office of Emergency Management ¹	4	4	0	4
# of activations and exercises conducted by the Office of Emergency Management	4	3	3	3

¹ Emergency Operations Center activation in response to the COVID-19 pandemic reduced the number of courses in 2019-2020 and eliminated the emergency management courses offered in 2020-2021.

Office of the City Manager
Departmental Position Detail

Position	2020-2021 Adopted	2021-2022 Proposed	Change
Accounting Tech	1.00	1.00	-
Analyst I/II	5.00	5.00	-
Assistant Budget Director	1.00	1.00	-
Assistant Employee Relations Director	1.00	1.00	-
Assistant City Manager	1.00	1.00	-
Assistant to the City Manager	13.00	14.00	1.00
Budget Director	1.00	1.00	-
City Manager	1.00	1.00	-
Deputy City Manager	4.00	4.00	-
Deputy Director	2.00	2.00	-
Director, City Manager's Office	2.00	3.00	1.00
Director of Communication	1.00	1.00	-
Director of Emergency Management	1.00	1.00	-
Employee Relations Director	0.50	0.50	-
Executive Analyst I/II	10.00	9.00	(1.00)
Executive Assistant	2.00	2.00	-
Executive Assistant to the City Manager	1.00	1.00	-
Program Manager	1.00	0.00	(1.00)
Senior Analyst	1.00	0.00	(1.00)
Senior Executive Analyst	24.00	24.00	-
Senior Office Specialist	1.00	1.00	-
Senior Supervisor, Administration	1.00	1.00	-
Staff Specialist	5.00	6.00	1.00
Total Positions	80.50	80.50	0.00

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City Manager - Office of Economic Development and Cultural Affairs

Nanci Klein, Director

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Catalyze job creation, private investment, revenue generation, talent development and attraction, and a diverse range of arts, cultural and entertainment offerings.

City Service Area

Community and Economic Development

Core Services

Arts and Cultural Development

Support diverse cultural amenities, offerings, and organizations, commission and maintain public art, and authorize and coordinate outdoor special events on public and private property

Business Development and Economic Strategy

Assist business location and expansion, advance San José's Economic Strategy, and support council policy-making

Real Estate Services

Manage the City's real estate assets and facilitate real estate-related transactions to support City projects and generate revenue

Regional Workforce Development

Assist businesses in hiring a quality workforce through assessment, supportive services, and skills training

Strategic Support: Budget/Fiscal Management and Administrative Support; Pandemic Response

City Manager - Office of Economic Development and Cultural Affairs

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Arts and Cultural Development Core Service</i>	
Arts and Cultural Development Administration	Presents an annual arts leadership award event, sets priorities and plans for cultural development, addresses policy issues, manages cultural initiatives and programs, assists external initiatives that affect San José arts and culture, and supports the Arts Commission.
Cultural Grants	Awards and administers over 100 grants annually for non-profit arts organizations, special events, and creative entrepreneurs with services that include technical assistance to arts organizations and creative entrepreneurs in achieving their goals.
Cultural Facilities Operations and Maintenance	Provides stewardship of city-owned cultural facilities such as the Convention Center, the Hammer Theatre Center, and Mexican Heritage Plaza, including the management of operations and maintenance agreements with non-profit partners and the monitoring of those partners; coordinates with the Public Works Department on maintenance and capital needs of the cultural facilities; and manages legal agreements and the relationship with Team San José.
Outdoor Events	Authorizes and oversees over 500 annual outdoor special events citywide; produces special events such as CityDance series; leads the inter-departmental and inter-agency Special Events Team; provides event information to the public, businesses and neighborhood organizations; builds relationships with regional, national, and international event producers; and creates beneficial event sponsorship opportunities for the San José business community.
Public Art / Placemaking	Supports the commissioning of art for the public realm, City Hall exhibits, and the 250 artworks in the City's collection and encourages street life activation.
<i>Business Development and Economic Strategy Core Service</i>	
Business District Management	Manages relationships, legal agreements, joint projects and policy changes between the City and major downtown partners, including San José Downtown Association, San José Sports Authority, San José State University, San José Hotels, and Japantown and Downtown Business Improvement Districts; manages the City's free use program and plays a lead role in public space activation in the Downtown; supports the development of neighborhood business centers citywide; and increases retail amenities (in Neighborhood Business Districts and urban villages) including management of the wayfinding program, banner program.
Business Outreach and Assistance	Works with existing and potential San José businesses and entrepreneurs to encourage business and job attraction, retention, expansion and creation including driving industry outreach, layoff prevention, small business assistance, and hiring and customized training; administers the Sister City and Foreign Trade Zone programs, and small business inter-departmental coordination.

City Manager - Office of Economic Development and Cultural Affairs

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Business Development and Economic Strategy Core Service</i>	
Development Attraction and Facilitation	Serves as a single point of contact for key economic development projects going through the development review process; coordinates with development services partners on initiatives that simplify development regulations and/or accelerate permit processing schedules; meets, develops, and maintains relationships with developers, contractors, investors, and other development stakeholders; and assists in the creation of housing development opportunities in collaboration with internal and external partners.
Economic Policy Analysis / Communications	Leads development of economic development-related strategies (e.g., the Economic Strategy and North San José Area Development Policy), performs economic and data analysis to support policy development, business intelligence activities, and decision making by numerous departments and City Council; collaborates and coordinates communications strategies with internal and external communications staff around shared projects/initiatives; and manages the development of public information collateral materials, graphic design and production, and audio-visual production in a variety of media.
<i>Real Estate Services Core Service</i>	
City Lease Administration	Manages leasing with the City as a lessee or lessor for facilities and/or telecommunications, including maintenance of City owned properties that are being leased to other entities or are vacant.
City Property Acquisition and Sales	Works with real estate brokers, developers and property owners to encourage new leasing and development activity, including acquisition of temporary or permanent property rights for City projects and initiatives; manages the sale of surplus property.
<i>Regional Workforce Development Core Service</i>	
Workforce Development Services	Provides assessments, career counseling, workshops, training, supportive services and job development support to approximately 3,000 youth and adult clients annually, while at the same time supporting thousands of businesses with recruiting, on-the-job training, layoff avoidance, and technical assistance directly and through the BusinessOwnerSpace network.
Workforce Innovation and Opportunity Act Board Support and Administration	Supports effective decision-making of the 21 member, federally mandated work2future Board and its committees through the preparation of memos, presentations and updates and development of board and committee packets; manages recruitment and onboarding of new board members; and ensures compliance with the Workforce Innovation and Opportunity Act Board governance requirements, Brown Act, Sunshine rules, Form 700, etc.
<i>Strategic Support Core Service</i>	
Economic Development Management and Administration	Provides administrative oversight for the office, including executive management, financial management, human resources, and analytical support.
Pandemic Response	Provides for the coordination and delivery of emergency services and recovery activities in response to the COVID-19 pandemic.

City Manager - Office of Economic Development and Cultural Affairs

Department Budget Summary

Expected 2021-2022 Service Delivery

- Engage and assist companies that can create jobs and expand the City's tax base, with focus on emerging growth companies, anchor employers, revenue-generators, and incoming foreign investment. Facilitate development projects that can generate property tax and sales tax revenues.
- Provide a range of re-employment services to residents by creating opportunities to learn job skills and earn credentials.
- Assist arts organizations, cultural facilities, and outdoor event producers to sustain, innovate, and adapt in a changing fiscal environment.
- Manage the City's real estate assets with focus on revenue generation, cost minimization, and timely transaction services.

2021-2022 Key Budget Actions

- Adds 1.0 Senior Executive Analyst ongoing, funded by the Low and Moderate Income Housing Asset Fund, to facilitate and promote both market rate and affordable housing opportunities.
- Adds 1.0 Analyst I/II and 1.0 Staff Specialist ongoing to support the San José Works: Youth Jobs Initiative funded by the San José Works – Youth Jobs Initiative City-Wide Expenses allocation. The Analyst position will be responsible for coordinating with partner staff and program services and the Staff Specialist position will be responsible for business/employer outreach for work experience opportunities.
- Decreases non-personal/equipment funding by \$35,000 ongoing for professional and consultant services. The reduction will impact the Business Development team as contracts will now have to be absorbed within the existing department budget.
- Adds one-time funding of \$100,000 for Economic Development Pre-Development Activities, as described in the City-Wide Expenses section of this document, to accelerate and facilitate project development.

Operating Funds Managed

- | | |
|--|---|
| <input type="checkbox"/> Business Improvement District Fund | <input type="checkbox"/> Transient Occupancy Tax Fund |
| <input type="checkbox"/> San José Arena Capital Reserve Fund | <input type="checkbox"/> Workforce Development Fund |
| <input type="checkbox"/> San José Municipal Stadium Capital Fund | |

City Manager - Office of Economic Development and Cultural Affairs

Department Budget Summary

	2019-2020 Actuals ***	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Dollars by Core Service				
Arts and Cultural Development	31,569,960	24,376,506	24,674,424	24,467,338
Business Development and Economic Strategy	6,188,670	7,363,866	6,807,438	6,095,039
Real Estate Services	2,500,059	2,651,958	2,893,887	2,893,332
Regional Workforce Development	6,877,220	11,496,808	11,713,017	12,792,512
Strategic Support - Community & Economic Development	3,561,841	3,678,828	2,154,220	2,150,984
Strategic Support - Fund Balance and Reserves - Comm & Economic Dev	459	0	0	0
Strategic Support - Other - Community & Economic Development	2,033,545	4,445,150	1,410,842	1,210,211
Total	\$52,731,754	\$54,013,116	\$49,653,828	\$49,609,416
Dollars by Category				
<i>Personal Services and Non-Personal/Equipment</i>				
Salaries/Benefits	10,531,537	10,514,981	10,853,694	11,020,650
Overtime	10,156	0	0	0
Subtotal Personal Services	\$10,541,693	\$10,514,981	\$10,853,694	\$11,020,650
Non-Personal/Equipment	688,555	1,112,174	818,711	777,074
Total Personal Services & Non-Personal/Equipment	\$11,230,248	\$11,627,155	\$11,672,405	\$11,797,724
<i>Other Costs*</i>				
City-Wide Expenses	9,741,991	12,548,848	8,189,725	8,289,725
General Fund Capital	0	0	0	0
Gifts	5,289	246,419	246,419	22,000
Housing Loans and Grants	0	0	0	0
Other	31,608,382	29,393,041	29,393,041	29,323,941
Overhead Costs	114,333	130,653	85,238	109,026
Workers' Compensation	31,511	67,000	67,000	67,000
Total Other Costs	\$41,501,505	\$42,385,961	\$37,981,423	\$37,811,692
Total	\$52,731,754	\$54,013,116	\$49,653,828	\$49,609,416

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document. The amounts in the 2020-2021 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

** The positions displayed in the 2019-2020 Actuals column reflect those included in the 2019-2020 Adopted Budget.

*** 2019-2020 Actuals may not subtotal due to rounding.

City Manager - Office of Economic Development and Cultural Affairs

Department Budget Summary

	2019-2020 Actuals ***	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Dollars by Fund				
General Fund (001)	14,916,190	18,065,276	13,632,783	13,691,146
Gift Trust Fund (139)	12,472	246,419	246,419	22,000
Building Development Fee Program Fund (237)	0	308,933	153,775	153,775
Planning Development Fee Program Fund (238)	0	0	88,664	88,664
Citywide Planning Fee Program Fund (239)	0	235,699	0	0
Fire Development Fee Program Fund (240)	0	0	25,448	25,448
Public Works Development Fee Program Fund (241)	0	66,040	120,941	120,941
Workforce Development Fund (290)	6,159,773	10,042,692	10,261,028	11,340,523
Low And Moderate Income Housing Asset Fund (346)	0	0	0	190,744
Business Improvement District Fund (351)	3,234,840	3,628,119	3,628,119	2,686,610
Coronavirus Relief Fund (401)	978,529	0	0	0
San José Arena Capital Reserve Fund (459)	0	4,000,000	4,000,000	3,883,000
Transient Occupancy Tax Fund (461)	14,457,568	8,505,136	8,554,850	7,797,636
San José Municipal Stadium Capital Fund (476)	0	39,000	39,000	39,000
Airport Maintenance And Operation Fund (523)	194,138	253,496	265,005	265,005
Convention and Cultural Affairs Fund (536)	12,288,174	8,092,000	8,092,000	8,759,128
Capital Funds	490,069	530,306	545,796	545,796
Total	\$52,731,754	\$54,013,116	\$49,653,828	\$49,609,416
Positions by Core Service**				
Arts and Cultural Development	12.00	12.00	12.00	12.00
Business Development and Economic Strategy	10.83	9.83	9.83	10.83
Real Estate Services	4.20	4.00	5.00	5.00
Regional Workforce Development	17.45	17.45	17.45	19.45
Strategic Support - Community & Economic Development	11.35	7.55	6.55	6.55
Strategic Support - Other - Community & Economic Development	4.17	6.17	3.17	3.17
Total	60.00	57.00	54.00	57.00

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** The positions displayed in the 2019-2020 Actuals column reflect those included in the 2019-2020 Adopted Budget.

*** 2019-2020 Actuals may not subtotal due to rounding.

City Manager - Office of Economic Development and Cultural Affairs

Department Budget Summary

	2019-2020 Actuals**	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed	2021-2022 Proposed Positions
Dollars by Program*					
Arts and Cultural Development					
Arts and Cultural Development Administration	1,416,531	1,181,634	1,219,545	1,219,545	1.75
Convention and Visitors Bureau	6,579,878	3,440,750	3,440,750	3,822,000	0.00
Cultural Grants	8,349,330	5,532,661	5,801,514	4,663,050	1.00
Cultural Facilities Operations and Maintenance	13,701,767	12,658,316	12,656,126	13,206,254	1.25
Outdoor Events	832,687	732,827	750,208	750,208	4.00
Public Art/Placemaking	689,766	830,318	806,281	806,281	4.00
Sub-Total	31,569,960	24,376,506	24,674,424	24,467,338	12.00
Business Development and Economic Strategy					
Business District Management	0	0	1,011,518	1,011,518	3.00
Business Outreach and Assistance	5,361,115	5,722,441	4,877,509	3,998,154	3.15
Development Attraction and Facilitation	0	0	259,483	426,439	2.00
Downtown Management	443,677	915,874	0	0	0.00
Economic Policy Analysis/Communications	383,879	725,551	658,928	658,928	2.68
Sub-Total	6,188,670	7,363,866	6,807,438	6,095,039	10.83
Real Estate Services					
City Lease Administration	1,776,673	1,735,294	1,797,829	1,797,829	0.00
City Property Acquisition and Sales	723,386	916,664	1,096,058	1,095,503	5.00
Sub-Total	2,500,059	2,651,958	2,893,887	2,893,332	5.00
Regional Workforce Development					
Workforce Development Services	6,454,952	11,310,305	11,404,112	12,483,607	17.63
Workforce Innovation and Opportunity Act Board Support and Administration	422,268	186,503	308,905	308,905	1.82
Sub-Total	6,877,220	11,496,808	11,713,017	12,792,512	19.45
Strategic Support - Community & Economic Development					
Economic Development Management and Administration	2,583,498	3,678,828	2,154,220	2,150,984	6.55
Economic Development Pandemic Response	978,343	0	0	0	0.00
Sub-Total	3,561,841	3,678,828	2,154,220	2,150,984	6.55
Strategic Support - Fund Balance and Reserves - Comm & Economic Dev					
Economic Development Reserves	459	0	0	0	0.00
Sub-Total	459	0	0	0	0.00

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** 2019-2020 Actuals may not subtotal due to rounding.

City Manager - Office of Economic Development and Cultural Affairs

Department Budget Summary

	2019-2020	2020-2021	2021-2022	2021-2022	2021-2022
	Actuals**	Adopted	Forecast	Proposed	Proposed Positions
Strategic Support - Other - Community & Economic Development					
Economic Development Capital	28,130	0	0	0	0.00
Economic Development Gifts	2,650	246,419	246,419	22,000	0.00
Economic Development Other Departmental - City-Wide	1,533,323	3,110,424	341,493	341,493	0.00
Economic Development Other Departmental - Grants	5,740	0	0	0	0.00
Economic Development Other Operational - Administration	432,191	890,654	670,692	670,692	3.17
Economic Development Overhead	0	130,653	85,238	109,026	0.00
Economic Development Workers' Compensation	31,511	67,000	67,000	67,000	0.00
Sub-Total	2,033,545	4,445,150	1,410,842	1,210,211	3.17
Total	\$52,731,754	\$54,013,116	\$49,653,828	\$49,609,416	57.00

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** 2019-2020 Actuals may not subtotal due to rounding.

**City Manager - Office of Economic Development and
Cultural Affairs**

Budget Reconciliation

Personal Services and Non-Personal/Equipment

(2020-2021 Adopted to 2021-2022 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
Prior Year Budget (2020-2021):	57.00	11,627,155	5,516,428
Base Adjustments			
One-Time Prior Year Expenditures Deleted			
• Rebudget: Business Outreach and Policy Development		(200,000)	(200,000)
• Rebudget: LGBTQ+ Pride along Post Street		(39,500)	(39,500)
• Rebudget: Council District 6 Public Art Project		(38,113)	(38,113)
• Hispanic Foundation of Silicon Valley		(15,000)	(15,000)
• Diridon Station Area Development Planning Staffing (1.0 Assistant to the City Manager and 1.0 Senior Executive Analyst)	(2.00)	0	0
• Housing Development Catalyst Staffing (1.0 Senior Executive Analyst)	(1.00)	(194,473)	0
One-time Prior Year Expenditures Subtotal:	(3.00)	(487,086)	(292,613)
Technical Adjustments to Costs of Ongoing Activities			
• Salary/benefit changes		533,186	220,093
• Budget Realignment: FirstNet Support		1,150	1,150
• Gas and Electricity		(2,000)	(2,000)
Technical Adjustments Subtotal:	-	532,336	219,243
2021-2022 Forecast Base Budget:	54.00	11,672,405	5,443,058
Budget Proposals Recommended			
1. Housing Catalyst Staffing	1.00	166,956	0
2. San Jose Works Staffing	2.00	0	0
3. Non-Personal/Equipment Savings		(35,000)	(35,000)
4. Reprographics Contractual Services Savings		(6,637)	(6,637)
Total Budget Proposals Recommended	3.00	125,319	(41,637)
2021-2022 Proposed Budget Total	57.00	11,797,724	5,401,421

City Manager - Office of Economic Development and Cultural Affairs

Budget Changes By Department Personal Services and Non-Personal/Equipment

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
<p>1. Housing Catalyst Staffing</p> <p><i>Community and Economic Development CSA Business Development and Economic Strategy Core Service Development Attraction and Facilitation Program</i></p> <p>This action adds 1.0 Senior Executive Analyst position funded by the Low and Moderate Income Housing Asset Fund to facilitate and promote both market rate and affordable housing opportunities. The position will oversee the Housing Catalyst Team which works to assist housing developers with site selection and help navigate the City's permitting and entitlement process. This team's scope of work also includes proactively identifying and marketing housing sites or opportunities to potential developers and investors, and to coordinate the implementation of the housing crisis work plan. (Ongoing costs: \$166,956)</p>	1.00	166,956	0
<p>2. San José Works Staffing</p> <p><i>Community and Economic Development CSA Regional Workforce Development Core Service Workforce Development Services Program</i></p> <p>This action adds 1.0 Analyst II and 1.0 Staff Specialist positions to support the San José Works: Youth Jobs Initiative. The Analyst position will be responsible for coordinating with partner staff and program services and the Staff Specialist position will be responsible for business/employer outreach for work experience opportunities. This work was previously performed by temporary staffing. The San José Works program provides year-round services to approximately 4,000 youth by identifying and engaging potential employment partners; recruiting and placing youth in job assignments; arranging and coordinating appropriate trainings; tracking and reporting program performance; and supporting the initiative's goals and objectives. Additionally, in early 2020, San José Works introduced a mentoring program component that will complement program curricula on job readiness, workplace skills, financial literacy, career exploration, and life and academic skills. The goal is to match youth participants with mentors that match their academic and career aspirations. These positions are funded by the San José Works: Youth Jobs Initiative appropriation that is reflected in the City-Wide Expenses section of this document. (Ongoing costs: \$0)</p>	2.00	0	0
<p>3. Non-Personal/Equipment Savings</p> <p><i>Community and Economic Development CSA Business Development and Economic Strategy Core Service Business Outreach and Assistance Program</i></p> <p>This action decreases non-personal/equipment funding by \$35,000 ongoing to reflect savings for professional and consultant services. The reduction will impact the Business Development team as contracts will have to be absorbed within the existing department budget. In 2021-2022, Business Development is anticipating to complete RFPs and contracts including the small business and manufacturing recovery initiative, the Economic Development Administration grant, Citywide Retail, and other business development activities. (Ongoing savings: \$35,000)</p>		(35,000)	(35,000)

City Manager - Office of Economic Development and Cultural Affairs

**Budget Changes By Department
Personal Services and Non-Personal/Equipment**





2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
4. Reprographics Contractual Services Savings		(6,637)	(6,637)
<i>Community and Economic Development CSA</i>			
<i>Core Service: Department-wide</i>			
<i>Program: Department-wide</i>			
<p>This action reduces the non-personal/equipment funding by \$6,637 to reflect savings in the reprographics (printing) contract. The Finance and Information Technology Departments jointly worked to re-procure the City's reprographics contract for copier, scanner, fax devices support, and administration software and tools. Savings in the amount of \$363,000 will be generated in the General Fund, \$462,000 in all funds, across all departments from lower rental costs for the multi-function devices and significantly lower cost per copy and consumption rates. Savings can be realized with new green-print options and central administration of devices. (Ongoing savings: \$6,637)</p>			
2021-2022 Proposed Budget Changes Total	3.00	125,319	(41,637)

City Manager - Office of Economic Development and Cultural Affairs

Performance Summary

Arts and Cultural Development

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 % of public art works that are in the City's permanent collection that are in good to excellent condition based on their physical and operational condition	80%	80%	80%	80%
 Total OCA grant awards	\$5.7 million	\$3.0 million	\$3.5 million	\$4.5 million
 % of responding funded cultural organizations rating the arts grants program good to excellent based on responsiveness and timeliness	90%	90%	90%	90%
 % of residents rating the City's efforts at providing an adequate number and variety of outdoor special events as good or excellent	N/A ¹	45%	N/A ¹	40%

¹ Data for this measure is collected through the biennial City-Wide Community Survey. The next community survey will be conducted in the summer 2021, and those results will be reported in the 2021-2022 Adopted Budget.

Activity and Workload Highlights

	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast
# of arts and cultural grants awarded	137	70	111	111
# of public art works in the City's permanent collection	312	312	413 ¹	417
# of outdoor special events coordinated by OCA	376	150 ²	122	150
# of reported attendees at OCA coordinated events	2,100,000	150,000 ²	314,839	500,000
Grant funding for special events	\$753,869	\$100,000	\$0 ³	\$500,000 ⁴

¹ The 2020-2021 estimate is approximately 32% higher than the 2020-2021 forecast due to the Holding the Moment exhibition in which 96 artworks were printed and on view at the Norman Y. Mineta San José International Airport Terminal B for six months, and on view indefinitely in digital format on the City Website.

² Events and attendees are forecasted to be lower in 2020-2021 as a result of the COVID-19 pandemic.

³ Grant Funding was not awarded for special events due to the COVID-19 pandemic.



⁴ Anticipated or proposed with any available federal funding for arts sector, subject to approval.

City Manager - Office of Economic Development and Cultural Affairs

Performance Summary

Business Development and Economic Strategy

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 Estimated jobs generated/retained by companies that received OED assistance	6,396	5,500	4,870	4,000
 Ratio of tax revenues (e.g. sales and business taxes, excludes property taxes) generated by assisted companies per estimated OED outreach expenditure	11.3:1 ¹	2.50:1	2.54:1	2.5:1

¹ The ratio is higher in 2019-2020 as a result of the approval of the eBay Revenue Capture Agreement.


Activity and Workload Highlights

	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast
# of companies receiving permitting assistance	112	75	76	75
# of firms with which OED held meetings	268	350	210	250
# of establishments participating in business assistance programs (Foreign Trade Zone and Business Cooperation Program)	16	20	8 ¹	8

¹ The decline is due to the one-year suspension of the Business Cooperation Program, beginning July 1, 2020.

Real Estate Services

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 Revenue Generated:				
a) Leases	\$951,715	\$1,464,840 ¹	\$890,031	\$1,000,000 ²
b) Telecom ³	\$1,413,518	\$1,400,000	\$1,587,385	\$1,400,000
c) Surplus property sales	\$4,850,000	\$1,000,000	\$8,695,000 ⁴	\$600,000 ⁵

¹ Target includes Habitat for Humanity, which is not captured in Real Estate Service's 2020-2021 estimated revenue.

² Assumes ongoing impacts from COVID-19 on the City's lease revenue throughout 2021-2022 due to vacancies.

³ Excludes Small Cell.

⁴ Increase is from transfer of City-owned properties to the Housing Department as approved by City Council on October 27, 2020.

⁵ This assumes 10% of available surplus property to be sold.

Activity and Workload Highlights



	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast
# of properties managed	80	80	83	83
# of real estate transactions within 12 months	159	140	140	140

City Manager - Office of Economic Development and Cultural Affairs

Performance Summary

Regional Workforce Development

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 Estimated % of clients placed in jobs				
- Adults	68.4%	62%	62%	TBD ¹
- Dislocated workers	69.2%	65%	65%	TBD ¹
- Youth	80.9%	71%	71%	TBD ¹
 Estimated % of clients employed 12 months after initial placement				
- Adults	65.8%	61%	61%	TBD ¹
- Dislocated workers	66.7%	67%	67%	TBD ¹

¹ Goals set annually by the State of California, with numbers available by fall 2021.

Activity and Workload Highlights

	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast
# of business clients served by the Business Services Unit	400	450	350	450

City Manager - Office of Economic Development and Cultural Affairs

Departmental Position Detail

Position	2020-2021 Adopted	2021-2022 Proposed	Change
Accountant II	2.00	2.00	-
Administrative Officer	1.00	1.00	-
Analyst I/II	5.00	6.00	1.00
Arts Programs Coordinator	1.00	1.00	-
Assistant Director	1.00	1.00	-
Assistant to the City Manager	3.00	2.00	(1.00)
Deputy City Manager	0.00	0.00	-
Deputy Director	2.00	2.00	-
Director of Economic Development	1.00	1.00	-
Division Manager	1.00	1.00	-
Economic Development Manager	1.00	1.00	-
Economic Development Officer	1.00	1.00	-
Events Coordinator II	1.00	1.00	-
Executive Analyst I/II	3.00	3.00	-
Executive Assistant	1.00	1.00	-
Public Information Manager	1.00	1.00	-
Secretary	0.00	0.00	-
Senior Account Clerk	1.00	1.00	-
Senior Analyst	1.00	1.00	-
Senior Arts Program Coordinator	5.00	5.00	-
Senior Events Coordinator	2.00	2.00	-
Senior Executive Analyst	17.00	16.00	(1.00)
Staff Specialist	5.00	6.00	1.00
Supervising Accountant	1.00	1.00	-
Total Positions	57.00	57.00	0.00

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Community Energy Department

Lori Mitchell, Director

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To procure clean, cost-effective energy for
the benefit of its customers

City Service Area

Environmental and Utility Services

Core Services

Community Energy Community Programming

To establish San José-specific renewable energy and local renewable energy efficiency programs

Community Energy Customer Support

Provide exceptional customer experience by educating and communicating effectively with customers, the public, and the media

Providing Clean Energy to the Community

Promote enhanced sustainable energy practices by providing the community with cleaner energy options, resources, and education

Strategic Support: Administration, Financial Management, Information Technology, Human Resources, and Pandemic Response

Community Energy Department

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Providing Clean Energy to the Community Core Service</i>	
Community Energy Renewable Energy Supply	Procures renewable energy, such as solar, thermal, geothermal, and biomass.
Community Energy Conventional Energy Supply	Procures conventional energy, such as natural gas.
Community Energy Hydro Power Supply	Procures hydro power supply energy, such as large hydro and Greenhouse Gas-free energy
Community Energy Power Scheduling and Other Supply	Manages grid and California Independent System Operator (ISO) charges.
Community Energy Risk Management	Manages and mitigates potential power supply risk to which the Department and City are exposed.
Community Energy Regulatory Compliance	Manages local, state, and federal regulatory compliance and advocacy to ensure compliance with all regulations and to advance Department objectives.
<i>Community Energy Customer Support Core Service</i>	
Community Energy Marketing and Public Affairs	Provides direct communication to customers, the public, and media.
Community Energy Data and Call Center Management	Manages energy data and billing accuracy and provides resolution to Call Center customer escalations.
<i>Community Energy Community Programming Core Service</i>	
Local Energy Programs	Provides San José-specific energy programs to reduce carbon and provide additional benefits to the community.
<i>Strategic Support Core Service</i>	
Community Energy Management and Administration	Provides executive-level, analytical, and administrative support to the department.
Community Energy Financial Management	Manages the budget and all financial transactions for the department; assists in annual budget development.
Community Energy Human Resources	Manages personnel-related functions for the department, including hiring (in coordination with the Human Resources Department), employee development, employee discipline (in coordination with the Office of Employee Relations), and personnel transactions.
Community Energy Information Technology	Provides information technology services, planning, system development, and maintenance for the department in coordination with the Information Technology Department.
Community Energy Legal Support	Manages all legal support functions for the Department.
Pandemic Response	Provides for the coordination and delivery of emergency services and recovery activities in response to the COVID-19 pandemic.

Community Energy Department

Department Budget Summary

Expected 2021-2022 Service Delivery

- Provide cost effective electric generation rates by procuring cleaner electric supplies, offer customers at least one power mix option at ten percent or more renewables than PG&E, and offer at least one power mix option that is 100 percent renewable.
- Ensure new electrical infrastructure constructed as part of major development projects are designed and constructed to improve grid resiliency and enable high utilization of renewable energy resources.
- Continue prudent financial management practices, including the implementation of effective cost controls and engagement in the regulatory and legislative process to ensure the long-term financial stability of the San José Clean Energy (SJCE) program.
- Develop San José-specific energy and programs that reduce carbon, maintain and expand utility programs for low-income customers, and support local renewable energy projects in compliance with regulatory obligations.
- Support Climate Smart San José by aiming to reduce carbon emissions.

2021-2022 Key Budget Actions

- Adds 1.0 Deputy Director position limit-dated through June 30, 2023 to provide city-wide strategic leadership in support of the City's continuing efforts to develop and implement energy resiliency strategies and programs. The position will advance the City's efforts to explore, develop, coordinate, and deliver a comprehensive package of strategies and programs to improve energy resiliency at critical City-owned and community facilities, and areas of new development for residents and businesses.
- Adds 1.0 Senior Environmental Program Manager position to oversee the continued development of the SJCE Programs Roadmap and manage the implementation of community energy efficiency programs, the first of which is anticipated to be funded by the California Public Utilities Commission during 2021-2022. The position will lead efforts to leverage other City programs that align with Climate Smart San José strategies to reduce household energy use and accelerate the use of greener technologies.
- Adds 1.0 Public Information Representative position to promote State-funded electricity bill discount programs for low-income customers and the new arrearage management program for those who have fallen behind on their bills due to COVID-19. In addition, the Public Information Representative will be focused on implementing and promoting programs that will help low-income and disadvantaged communities reduce their energy bills and benefit from clean energy technologies, in line with what was approved in the Mayor's March Budget Message for Fiscal Year 2021-2022.
- Adds 1.0 Power Resources Specialist II position to provide the technical expertise and adequate risk management oversight for power procurement contracts. The Department requires additional energy industry expertise to adequately support the critical risk management functions as SJCE continues to grow. There are a variety of complex local, State, and federal laws, rules and regulations, codes, and standards that SJCE must follow, including the Federal Risk Management Regulations. A Power Resources Specialist II position will allow for a specific focus on energy-related risk management, ensuring that department's power purchase agreements align with the needs and requirements of the Department.

Operating Funds Managed

- San José Clean Energy Fund

Community Energy Department

Department Budget Summary

	2019-2020 Actuals ***	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Dollars by Core Service				
Community Energy Community Programming	152,443	863,031	722,086	936,961
Community Energy Customer Support	7,089,268	8,625,390	8,469,209	8,615,583
Providing Clean Energy to the Community	288,271,407	276,071,821	276,601,385	289,678,802
Strategic Support - Environmental & Utility Services	2,983,677	4,615,063	4,793,973	5,478,026
Strategic Support - Other - Environmental & Utility Services	2,699,389	13,716,636	14,172,896	3,953,884
Total	\$301,196,185	\$303,891,941	\$304,759,549	\$308,663,256
Dollars by Category				
Personal Services and Non-Personal/Equipment				
Salaries/Benefits	4,432,148	5,766,081	6,477,429	7,524,543
Overtime	1,005	0	0	0
Subtotal Personal Services	\$4,433,153	\$5,766,081	\$6,477,429	\$7,524,543
Non-Personal/Equipment	6,663,597	9,437,801	9,137,801	9,437,801
Total Personal Services & Non-Personal/Equipment	\$11,096,750	\$15,203,882	\$15,615,230	\$16,962,344
Other Costs*				
City-Wide Expenses	0	0	0	0
Debt Service/Financing	1,558,846	11,952,109	11,952,109	1,400,000
General Fund Capital	0	0	0	0
Housing Loans and Grants	0	0	0	0
Other	287,400,046	274,971,423	274,971,423	287,747,028
Overhead Costs	1,140,543	1,764,527	2,220,787	2,553,884
Total Other Costs	\$290,099,435	\$288,688,059	\$289,144,319	\$291,700,912
Total	\$301,196,185	\$303,891,941	\$304,759,549	\$308,663,256

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document. The amounts in the 2020-2021 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

** The positions displayed in the 2019-2020 Actuals column reflect those included in the 2019-2020 Adopted Budget.

*** 2019-2020 Actuals may not subtotal due to rounding.

Community Energy Department

Department Budget Summary

	2019-2020 Actuals ***	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Dollars by Fund				
General Fund (001)	0	0	0	300,000
Coronavirus Relief Fund (401)	54,403	0	0	0
San José Clean Energy Operating Fund (501)	301,141,782	303,891,941	304,759,549	308,363,256
Total	\$301,196,185	\$303,891,941	\$304,759,549	\$308,663,256
Positions by Core Service**				
Community Energy Community Programming	0.00	1.00	1.00	2.00
Community Energy Customer Support	6.34	8.34	8.34	9.34
Providing Clean Energy to the Community	9.51	11.51	13.51	14.51
Strategic Support - Environmental & Utility Services	6.15	8.15	8.15	11.15
Total	22.00	29.00	31.00	37.00

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** The positions displayed in the 2019-2020 Actuals column reflect those included in the 2019-2020 Adopted Budget.

*** 2019-2020 Actuals may not subtotal due to rounding.

Community Energy Department

Department Budget Summary

	2019-2020 Actuals**	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed	2021-2022 Proposed Positions
Dollars by Program*					
Strategic Support - Environmental & Utility Services					
Community Energy Financial Management	964,739	792,936	808,179	792,759	3.00
Community Energy Information Technology	123,107	571,001	571,001	571,001	0.00
Community Energy Legal Support	398,061	0	0	0	0.00
Community Energy Management and Administration	1,443,367	3,251,126	3,414,793	4,114,266	8.15
Community Energy Pandemic Response	54,403	0	0	0	0.00
Sub-Total	2,983,677	4,615,063	4,793,973	5,478,026	11.15
Strategic Support - Other - Environmental & Utility Services					
Community Energy Debt/Financing Costs	1,558,846	11,952,109	11,952,109	1,400,000	0.00
Community Energy Overhead	1,140,543	1,764,527	2,220,787	2,553,884	0.00
Sub-Total	2,699,389	13,716,636	14,172,896	3,953,884	0.00
Community Energy Community Programming					
Local Energy Programs	152,443	863,031	722,086	936,961	2.00
Sub-Total	152,443	863,031	722,086	936,961	2.00
Community Energy Customer Support					
Community Energy Data and Call Center Management	6,005,496	6,863,111	6,715,275	6,715,275	3.84
Community Energy Marketing and Public Affairs	1,083,772	1,762,279	1,753,934	1,900,308	5.50
Sub-Total	7,089,268	8,625,390	8,469,209	8,615,583	9.34
Providing Clean Energy to the Community					
Community Energy Conventional Energy Supply	222,928,413	165,528,193	165,544,200	168,469,805	1.58
Community Energy Hydro Power Supply	7,032,274	3,879,681	3,910,780	3,910,780	2.96
Community Energy Power Scheduling and Other Supply	22,095,134	74,203,680	74,216,698	74,216,698	1.25
Community Energy Regulatory Compliance	321,468	921,286	1,359,627	1,511,439	5.76
Community Energy Renewable Energy Supply	35,759,356	31,538,981	31,570,080	41,570,080	2.96
Community Energy Risk Management	134,761	0	0	0	0.00
Sub-Total	288,271,407	276,071,821	276,601,385	289,678,802	14.51
Total	\$301,196,185	\$303,891,941	\$304,759,549	\$308,663,256	37.00

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** 2019-2020 Actuals may not subtotal due to rounding.

Community Energy Department

Budget Reconciliation

Personal Services and Non-Personal/Equipment (2020-2021 Adopted to 2021-2022 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
Prior Year Budget (2020-2021):	29.00	15,203,882	0
Base Adjustments			
One-Time Prior Year Expenditures Deleted			
• Community Energy Programs Development		(150,000)	0
• Community Energy Climate Corps Fellow		(100,000)	0
• Community Energy Data Analytics Stanford Fellow		(50,000)	0
One-time Prior Year Expenditures Subtotal:	0.00	(300,000)	0
Technical Adjustments to Costs of Ongoing Activities			
• Salary/benefit changes and the following position reallocations:		295,868	0
- 1.0 Analyst II to 1.0 Power Resources Specialist II			
• Community Energy Department Staffing Additions (City Council approval February 9, 2021):	2.00	415,480	0
1.0 Principal Power Resources Specialist and 1.0 Public Power Resources Specialist II			
Technical Adjustments Subtotal:	2.00	711,348	0
2021-2022 Forecast Base Budget:	31.00	15,615,230	0
Budget Proposals Recommended			
1. New Franchise Fee Agreement Review		300,000	300,000
2. Energy Resiliency Strategic Planning	1.00	227,387	0
3. Advancing Community Energy Community Programs	1.00	214,875	0
4. Community Energy Risk Management and Contract Oversight Staffing	1.00	172,086	0
5. Community Energy Legislative and Regulatory Compliance Staffing	1.00	151,812	0
6. Community Energy Customer Outreach Staffing	1.00	146,374	0
7. Community Energy Fiscal Support Staffing	1.00	134,580	0
Total Budget Proposals Recommended	6.00	1,347,114	300,000
2021-2022 Proposed Budget Total	37.00	16,962,344	300,000

Community Energy Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
1. New Franchise Fee Agreement Review		300,000	300,000

*Environmental and Utility Services CSA
Strategic Support – Environmental and Utility Services Core Service
Community Energy Management and Administration Program*

This action establishes one-time non-personal/equipment funding of \$300,000 in the General Fund for consultant services to conduct an independent study that will help determine if the City should reopen its current Franchise Fee Agreement with PG&E, which would go into effect beginning January 2022. The City's Franchise Fee Agreement with PG&E was last amended in 2010. The renegotiation of a new franchise fee agreement could mean the City has an opportunity to negotiate terms that could provide further benefits to the community. (Ongoing costs: \$0)

2. Energy Resiliency Strategic Planning	1.00	227,387	0
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*Environmental and Utility Services CSA
Strategic Support – Environmental and Utility Services Core Service
Community Energy Management and Administration Program*

This action adds 1.0 Deputy Director position limit-dated through June 30, 2023 to provide city-wide strategic leadership in determining the viability of developing energy resiliency strategies, programs, and projects. This position will continue the efforts currently underway to explore, develop, coordinate, and ultimately deliver a comprehensive package of strategies to improve energy resiliency at critical City-owned and community facilities and areas of new development. The risk of frequent and prolonged power shutoff events like those experienced over the past 18 months has prompted the City to assess City facilities' energy resiliency and the operational and financial risks associated with Pacific Gas & Electric (PG&E) control of the transmission and distribution grid – including power delivery – and to start planning for a more energy-resilient future. The Deputy Director will also participate in long- and short-range planning of Community Energy policies and practices and will support the Director in providing executive level leadership to staff. (Ongoing costs: \$227,387)

Community Energy Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
3. Advancing Community Energy Programs	1.00	214,875	0

*Environmental and Utility Services CSA
Community Energy Community Programming
Core Service
Local Energy Programs*

This action adds 1.0 Senior Environmental Program Manager position to lead SJCE’s efforts to advance community energy efficiency programs. The Senior Environmental Program Manager position will oversee the continued development of the SJCE Programs Roadmap and manage the implementation of community energy efficiency programs. On March 9, 2021, City Council authorized SJCE’s Programs Roadmap and energy efficiency programs grant application to the California Public Utilities Commission for \$1.7 million per year funding allocation over three years. The Department will continue to pursue grant and other external funding opportunities to advance community-serving energy efficiency programs and will bring forward recommendations for additional staff resources to further the implementation of community energy efficiency programs in future fiscal years. The Senior Environmental Program Manager will also partner with City departments to leverage other programs that align with Climate Smart San José strategies to reduce household energy use and accelerate the use of greener technologies. (Ongoing costs: \$214,875)

4. Community Energy Risk Management and Contract Oversight Staffing	1.00	172,086	0
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*Environmental and Utility Services CSA
Strategic Support – Environmental and Utility Services Core Service
Community Energy Management and Administration Program*

This action adds 1.0 Power Resources Specialist II position to provide critical risk management and power contract oversight support. The Department requires additional energy industry expertise to adequately support the critical risk management functions as SJCE continues to grow, as demonstrated by the addition of one other Power Resources Specialist position that was approved by City Council on February 9, 2021. These positions will allow for a specific focus on energy-related risk management and ensure that the department’s power purchase agreements align with the needs and requirements of the Department. Both positions will provide the technical energy industry expertise required to adequately track and monitor the complex local, State, and federal laws, rules and regulations, codes, and standards that San José Clean Energy must follow, including the Federal Risk Management Regulations. (Ongoing costs: \$172,086)

Community Energy Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
5. Community Energy Legislative and Regulatory Compliance Staffing	1.00	151,812	0

*Environmental and Utility Services CSA
Providing Clean Energy to the Community Core Service
Community Energy Regulatory Compliance Program*

This action adds 1.0 Analyst position to provide the necessary technical and research support of SJCE's timely response to the many simultaneous compliance filings and data requests associated with the growing regulatory, compliance, and data analysis requirements placed on SJCE as a regulated local electricity provider. SJCE must regularly respond to an increasing number of operational and procurement data requests from State agencies to meet complex electric system planning needs and to the California Community Choice Association to support the trade association's policy analysis and policy advocacy requests on behalf of community choice aggregators. The addition of the Analyst will enable the department to more effectively manage the ongoing compliance filings and data requests. (Ongoing costs: \$151,812)

6. Community Energy Customer Outreach Staffing	1.00	146,374	0
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*Environmental and Utility Services CSA
Community Energy Customer Support Core Service
Community Energy Marketing and Public Affairs Program*

This action adds 1.0 Public Information Representative II position whose primary focus will be to outreach and support underserved communities. This position will assist those who have fallen behind on their bills due to the pandemic and promote electricity bill discount programs for low-income customers. In addition, the Public Information Representative II will implement and promote programs that will help low-income and disadvantaged communities reduce their energy bills and benefit from clean energy technologies, in line with direction included in the City Council-approved Mayor's March Budget Message for Fiscal Year 2021-2022. Additionally, if SJCE is forced to raise rates above PG&E, the position will support outreach to those who are burdened by higher rates, namely low-income customers, to educate them of the options available to them to minimize the financial burden. (Ongoing costs: \$146,374)

Community Energy Department

Budget Changes By Department Personal Services and Non-Personal/Equipment



2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
7. Community Energy Fiscal Support Staffing <i>Environmental and Utility Services CSA Strategic Support – Environmental and Utility Services Core Service Community Energy Financial Management Program</i>	1.00	134,580	0
<p>This action adds 1.0 Accounting Technician position to provide financial accounting support to Community Energy Department. The Accounting Technician will review bank reconciliations and ensure the accuracy of financial transactions and their compliance with the requirements of Generally Accepted Accounting Principles. On average, the Department processes payments to energy suppliers and consultants totaling between \$20-\$25 million each month. Accurate and timely financial accounting and reporting are important aspects to demonstrating successful fiscal operations, and the addition of the Accounting Technician represents a key step in support of continuing efforts to strengthen fiscal operations within the Department. (Ongoing costs: \$134,580)</p>			
2021-2022 Proposed Budget Changes Total	6.00	1,347,114	300,000

Community Energy Department

Performance Summary

Community Energy Customer Support

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 % of customers who opt out ¹	1.96%	<5%	2.69%	<5%
 % of customers that opt up to TotalGreen (100% renewable energy service)	0.40%	0.50%	0.38%	0.50%

¹ When the San José Clean Energy (SJCE) program initially launched, San José customers were automatically enrolled, or opted in, to the program. Customers do have the option to leave, or opt out of, SJCE service at any time during the year.

Activity and Workload Highlights



	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast
Number of customers that opt up to TotalGreen (100% renewable energy service)	1,383	1,500	1,314	1,500
Number of San José Clean Energy customers	330,135	349,000	348,000	340,000

Community Energy Department

Performance Summary

Providing Clean Energy to the Community

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 San José Clean Energy mix supplied: <ul style="list-style-type: none"> - Renewable Energy - Carbon Free 	46%	45%	49%	54%
 PG&E mix supplied (as compared with San José Clean Energy above): <ul style="list-style-type: none"> - Renewable Energy - Carbon Free 	29% ¹	N/A ³	35% ²	N/A ³
	100% ¹	N/A ³	88% ²	N/A ³

¹ PG&E information is reported for calendar year 2019
² PG&E information is unaudited for calendar year 2020
³ Information is reported for actual data only

Community Energy Department

Performance Summary

Strategic Support

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated ¹	2021-2022 Target ¹
% customer savings compared to PG&E	1%	1%	-0.4%	-6.3%

Activity and Workload Highlights

	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated ¹	2021-2022 Forecast ¹
Total customer savings compared to PG&E	\$4.6 million	\$4.4 million	-\$1.8 million	-\$27.6 million

¹ Assumes a recommended price increase of 8% above PG&E rates, which will be brought forward for City Council consideration on May 11, 2021. To mitigate the impacts of the increasing Power Charge Indifference Adjustment fee paid by all California electric utility customers, San José Clean Energy has recommended this rate adjustment for its GreenSource product.

Community Energy Department

Departmental Position Detail

Position	2020-2021 Adopted	2021-2022 Proposed	Change
Accounting Technician	0.00	1.00	1.00
Analyst II	4.00	4.00	-
Assistant Director	1.00	1.00	-
Associate Engineer	1.00	1.00	-
Deputy Director	2.00	3.00	1.00
Director of Community Energy	1.00	1.00	-
Division Manager	3.00	3.00	-
Power Resources Specialist II	2.00	5.00	3.00
Principal Power Resources Specialist II	1.00	2.00	1.00
Program Manager I	1.00	1.00	-
Public Information Manager	1.00	1.00	-
Public Information Representative II	2.00	3.00	1.00
Senior Account Clerk	1.00	1.00	-
Senior Accountant	1.00	1.00	-
Senior Analyst	2.00	2.00	-
Senior Environmental Program Manager	0.00	1.00	1.00
Senior Power Resources Specialist	2.00	2.00	-
Senior Public Information Representative	1.00	1.00	-
Staff Specialist	3.00	3.00	-
Total Positions	29.00	37.00	8.00

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Environmental Services Department

Kerrie Romanow, Director

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Delivering world class utility services and programs to improve our health, environment, and economy

City Service Areas

Environmental and Utility Services

Core Services

Potable Water Delivery

Develop, operate, and maintain the City's municipal potable water system

Recycled Water Management

Develop, operate, and maintain a recycled water system that reduces effluent to the Bay and provides a reliable and high quality alternative water supply

Recycling and Garbage Services

Collect, process, and dispose of solid waste to maximize diversion from landfills and protect public health, safety, and the environment

Stormwater Management

Protect the health of the South Bay watershed through regulatory programs that prevent pollution from entering the storm sewer system and waterways

Sustainability and Environmental Health

Provide innovative solutions to tackle climate change and reduce emissions by promoting enhanced air quality, environmentally responsible land use, sustainable energy practices, and conservation of water and energy resources

Wastewater Management

Manage wastewater for suitable discharge into the south San Francisco Bay and for beneficial reuse to protect the environment and public health

Strategic Support: Public Education, Long Range Planning, Human Resources, Facility Management, Financial Management, Information Technology Services, Clerical Support, Materials Management, and Pandemic Response

Environmental Services Department

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Potable Water Delivery Core Service</i>	
Municipal Water System Operations and Maintenance	Operates and maintains the Municipal Water System to ensure a reliable, safe, and potable water supply.
Municipal Water System Planning and Capital Project Delivery	Plans, coordinates, and executes capital projects within the Municipal Water System service area.
<i>Recycled Water Management Core Service</i>	
South Bay Water Recycling Operations and Maintenance	Operates and maintains the South Bay Water Recycling system.
<i>Recycling and Garbage Services Core Service</i>	
Civic / Other Solid Waste Collection Services	Provides management and oversight of all solid waste services generated from City facilities and right-of-way and includes funding from non-rate-payer funds to provide waste diversion services to restrict or redirect waste from entering local landfills.
Commercial Solid Waste Collection Services	Provides management and oversight of all solid waste collections, sorting, recycling, outreach, program compliance, and disposal services related to commercial accounts within the City and includes inspection services, outreach, and the maintenance of public litter cans within the right-of-way.
Recycling and Garbage Services Administration	Administers and manages all solid waste services.
Residential Solid Waste Collection Services	Provides management and oversight of all solid waste collections, sorting, recycling, outreach, customer service, program compliance, disposal services, and inspection activities related to single-family households and multi-family households within the City.
<i>Stormwater Management Core Service</i>	
Stormwater Administration	Provides executive-level management and administration of the Stormwater Management Core Service. Also provides mid-level and clerical administrative support.
Stormwater Enforcement	Educates and regulates approximately 10,000 businesses and construction sites in San José regarding stormwater practices to ensure compliance with federal and State requirements for the City's storm sewer system.
Stormwater Policy and Compliance	Facilitates City compliance with its Stormwater the National Pollutant Discharge Elimination Program (NPDES) permit for the storm sewer system, including requirements for municipal operations, new development and redevelopment requirements, and control programs for specific pollutants such as trash, PCBs, and mercury. Supports compliance with the requirements of the Baykeeper Consent Decree and other agreements.

Environmental Services Department

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Sustainability and Environmental Health Core Service</i>	
Environmental Compliance and Safety	Provides oversight of ESD employee health and safety at all ESD facilities, as well as providing professional compliance services for City lands, including closed landfills, such that both aspects fully comply with all State and federal laws.
Policy, Legislative Advocacy, and Education	Leads the City's efforts to implement Climate Smart San Jose strategies that address the challenges of climate change for the City. Climate Smart San Jose has set multiple goals to take meaningful action to reduce carbon emissions through strategic planning, policy implementation, community outreach, and public/private partnerships. Coordinates the City's efforts related to energy efficiency, renewable energy, and Green House Gas reductions, including administration of the Silicon Valley Energy Watch and other programs. Environmental legislation advocacy and policy development is led from this group as well as external partner relationships for sustainability, water, and wastewater policy and projects.
<i>Wastewater Management Core Service</i>	
Facility Land Use and Planning	Performs environmental permitting and review for CIP, and coordinates with State and federal agencies and external partners on capital and land use projects. Oversees habitat and buffer land improvements.
Laboratory Services	Performs analysis for monitoring operations and compliance at the San José-Santa Clara Regional Wastewater Facility as well as monitoring industrial discharges to the Facility; supports various studies aimed at understanding and monitoring water quality issues in the Bay and urban tributaries.
Pretreatment	Permits, regulates, and monitors approximately 250 industrial wastewater dischargers and nearly 900 dental practices, across the San José-Santa Clara Regional Wastewater Facility's service area to ensure compliance with local, State, and federal pretreatment requirements. Also educates and regulates approximately 4,300 food service establishments in San José to ensure proper management of fats, oils, and grease to minimize sanitary sewer overflows.
Regulatory Compliance and Safety	Manages regulatory compliance for the San José-Santa Clara Regional Wastewater Facility's two major permits: the National Pollutant Discharge Elimination Program (NPDES) permit for the Facility's treated wastewater effluent, and the Title V permit for all of the Facility's major air emissions sources.
San José-Santa Clara Treatment Plant Capital Project Delivery	Provides services for both capital project planning, design and construction of major projects as well as process engineering services within the San José-Santa Clara Regional Wastewater Facility.
San José-Santa Clara Treatment Plant Operations and Maintenance	Treating an average wastewater influent of over 100 million gallons per day, this program is responsible for the management, and daily operations and maintenance of the San José-Santa Clara Regional Wastewater Facility, with the primary objective of ensuring compliance with the NPDES.

Environmental Services Department

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Strategic Support Core Service</i>	
Environmental Services Communications	Performs community outreach, marketing, and media relations to advance key environmental priorities including garbage and recycling services, watershed protection and pollution prevention, municipal drinking water and recycled water, community sustainability initiatives, and the San José-Santa Clara Regional Wastewater Facility.
Environmental Services Financial Management	Manages the budget and all financial transactions for the department; assists in annual budget development.
Environmental Services Human Resources	Manages personnel-related functions for the department, including hiring (in coordination with the Human Resources Department), employee development, employee discipline (in coordination with the Office of Employee Relations), and personnel transactions.
Environmental Services Information Technology	Provides information technology services, planning, system development and maintenance for the Department in coordination with the Information Technology Department.
Environmental Services Management and Administration	Provides executive-level, analytical and administrative support to the department.
Pandemic Response	Provides for the coordination and delivery of emergency services and recovery activities in response to the COVID-19 pandemic.

Environmental Services Department

Department Budget Summary

Expected 2021-2022 Service Delivery

- Build, operate, and maintain the City's wastewater, recycled water, and potable water utility infrastructure to ensure system reliability and public health and safety.
- Promote the health of the environment and South Bay watershed through collection, treatment, and management of wastewater and stormwater runoff.
- Oversee programs to collect, recycle, and dispose of solid waste to maximize diversion from landfills and protect public health, safety, and the environment.
- Reduce the City's environmental footprint through energy efficiency, waste reduction, and environmentally preferable purchases.
- Support sustainable infrastructure, equipment, and behaviors throughout the community through education, and public-private partnerships.
- Lead implementation of the City Council-approved Climate Smart San José Plan which includes partnering with other agencies to pursue grants to promote a variety of goals such as energy efficiency, building electrification, and clean, renewable energy in the community.

2021-2022 Key Budget Actions

- Maintains the current Storm Sewer Service and Sewer Service and Use Charge rate for 2021-2022.
- Increases Recycle Plus rates up to 17% for single-family and 7% for multi-family households, to maintain cost recovery as contract expenditures will increase due to annual cost-of-living adjustments and negotiated hauler payments.
- Municipal Water System proposes up to a 9% budgeted revenue adjustment for 2021-2022.
- Adds one-time non-personal funding of \$3.5 million to support South Bay Water Recycling valve rehabilitation, master metering, and other deferred maintenance projects that are crucial to the recycled water system.
- Shifts the Rapid Team (Removing and Preventing Illegal Dumping, 8.0 total positions) from the Environmental Services Department as part of the BeautifySJ management consolidation to the Parks, Recreation and Neighborhood Services Department.
- Reorganizes the Watershed Protection Division's Laboratory Services program, including the addition of 2.0 Environmental Laboratory Supervisor positions, and the conversion of 5.0 Laboratory Tech II positions to 3.0 Chemist positions and 2.0 Microbiologist positions.
- Adds 1.0 Senior Environmental Inspector position and 1.0 Environmental Inspector position limited through June 30, 2023 to support enforcement and compliance related to the implementation of SB 1383.
- Adds 1.0 Program Manager position, 2.0 Industrial Process Control Specialist positions, and replaces 2.0 Associate Engineering Technician positions with 2.0 Engineer II positions at the RWF to support ongoing maintenance and operations activities as well as capital project delivery.
- Continues Climate Smart San Jose staffing of 1.0 Analyst II and 1.0 Planner IV, supported by the Climate Smart San Jose Plan Implementation City-Wide Expenses allocation.

Operating Funds Managed

- | | |
|--|---|
| <input type="checkbox"/> Integrated Waste Management Fund | <input type="checkbox"/> Storm Sewer Operating Fund |
| <input type="checkbox"/> San José-Santa Clara Treatment Plant Income Fund | <input type="checkbox"/> Sewage Treatment Plant Connection Fee Fund |
| <input type="checkbox"/> San José-Santa Clara Treatment Plant Operating Fund | <input type="checkbox"/> South Bay Water Recycling Operating Fund |
| <input type="checkbox"/> Sewer Service and Use Charge Fund | <input type="checkbox"/> Water Utility Fund |

Environmental Services Department

Department Budget Summary

	2019-2020 Actuals ***	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Dollars by Core Service				
Potable Water Delivery	42,364,360	43,847,539	46,690,495	46,685,677
Recycled Water Management	10,903,957	8,782,922	10,989,810	14,137,185
Recycling & Garbage Services	152,305,465	160,771,020	182,654,596	181,960,177
Stormwater Management	7,474,426	9,299,560	9,585,322	10,012,603
Strategic Support - Environmental & Utility Services	13,188,178	13,811,838	14,705,927	14,857,352
Strategic Support - Other - Environmental & Utility Services	21,526,801	20,895,032	20,704,504	21,177,353
Sustainability and Environmental Health	5,008,997	6,478,383	5,623,358	6,169,358
Wastewater Management	73,286,722	129,916,324	126,785,899	92,811,560
Total	\$326,058,905	\$393,802,618	\$417,739,911	\$387,811,265
Dollars by Category				
<i>Personal Services and Non-Personal/Equipment</i>				
Salaries/Benefits	83,247,753	94,940,088	97,922,805	98,180,574
Overtime	2,292,722	954,477	973,315	973,315
Subtotal Personal Services	\$85,540,475	\$95,894,565	\$98,896,120	\$99,153,889
Non-Personal/Equipment	208,264,510	227,223,108	248,982,792	254,755,799
Total Personal Services & Non-Personal/Equipment	\$293,804,985	\$323,117,673	\$347,878,912	\$353,909,688
<i>Other Costs*</i>				
City-Wide Expenses	1,667,733	2,068,500	1,004,200	1,504,200
General Fund Capital	0	0	0	0
Housing Loans and Grants	0	0	0	0
Other	10,313,636	48,777,913	49,069,295	12,137,024
Overhead Costs	19,516,819	18,880,532	18,829,504	19,116,353
Workers' Compensation	755,732	958,000	958,000	1,144,000
Total Other Costs	\$32,253,920	\$70,684,945	\$69,860,999	\$33,901,577
Total	\$326,058,905	\$393,802,618	\$417,739,911	\$387,811,265

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** The positions displayed in the 2019-2020 Actuals column reflect those included in the 2019-2020 Adopted Budget.

*** 2019-2020 Actuals may not subtotal due to rounding.

Environmental Services Department

Department Budget Summary

	2019-2020 Actuals ***	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Dollars by Fund				
General Fund (001)	4,831,114	6,798,503	5,876,080	4,941,175
Coronavirus Relief Fund (401)	1,303,231	0	0	0
Emergency Reserve Fund (406)	44,693	0	0	0
Integrated Waste Management Fund (423)	153,861,972	161,939,797	183,083,674	183,982,141
Storm Sewer Operating Fund (446)	13,766,422	14,148,753	15,305,927	15,784,585
San José-Santa Clara Treatment Plant Operating Fund (513)	88,183,106	144,390,809	141,385,018	107,444,903
Water Utility Fund (515)	44,491,153	46,321,265	49,215,961	49,225,497
Airport Maintenance And Operation Fund (523)	0	0	0	0
General Purpose Parking Fund (533)	0	0	0	0
Convention and Cultural Affairs Fund (536)	0	0	0	0
Sewage Treatment Plant Connection Fee Fund (539)	0	0	0	0
Sewer Service And Use Charge Fund (541)	2,693,960	4,814,607	4,858,105	5,061,332
Vehicle Maintenance And Operations Fund (552)	0	0	0	0
South Bay Water Recycling Operating Fund (570)	12,096,042	9,755,762	12,239,462	15,395,933
Capital Funds	4,787,213	5,633,122	5,775,684	5,975,699
Total	\$326,058,905	\$393,802,618	\$417,739,911	\$387,811,265
Positions by Core Service**				
Potable Water Delivery	39.73	39.65	39.65	39.65
Recycled Water Management	27.31	27.01	29.49	29.49
Recycling & Garbage Services	45.60	44.00	44.00	38.00
Stormwater Management	39.57	39.35	40.60	40.60
Strategic Support - Environmental & Utility Services	68.90	71.90	72.90	73.90
Strategic Support - Other - Environmental & Utility Services	0.00	1.00	0.00	0.00
Sustainability and Environmental Health	28.85	27.10	26.10	28.10
Wastewater Management	322.04	321.99	317.26	322.26
Total	572.00	572.00	570.00	572.00

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** The positions displayed in the 2019-2020 Actuals column reflect those included in the 2019-2020 Adopted Budget.

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Environmental Services Department

Department Budget Summary

	2019-2020 Actuals**	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed	2021-2022 Proposed Positions
Dollars by Program*					
Potable Water Delivery					
Municipal Water System Operations and Maintenance	41,621,698	42,953,889	45,847,138	45,842,320	34.35
Municipal Water System Planning and Capital Project Delivery	742,662	893,650	843,357	843,357	5.30
Sub-Total	42,364,360	43,847,539	46,690,495	46,685,677	39.65
Recycled Water Management					
South Bay Water Recycling Operations and Maintenance	10,903,957	8,782,922	10,989,810	14,137,185	29.49
Sub-Total	10,903,957	8,782,922	10,989,810	14,137,185	29.49
Recycling & Garbage Services					
Civic/Other Solid Waste Collection Services	3,309,592	3,968,682	3,956,287	2,544,601	4.03
Commercial Solid Waste Collection Services	2,083,873	2,261,669	2,352,565	2,478,602	11.32
Recycling and Garbage Services Administration	4,587,242	5,423,591	5,648,507	6,239,737	22.65
Residential Solid Waste Collection Services	142,324,758	149,117,078	170,697,237	170,697,237	0.00
Sub-Total	152,305,465	160,771,020	182,654,596	181,960,177	38.00
Stormwater Management					
Stormwater Administration	4,476,920	1,186,937	849,999	847,280	3.80
Stormwater Enforcement	2,997,567	7,890,392	3,726,881	4,156,881	21.80
Stormwater Policy and Compliance	(61)	222,231	5,008,442	5,008,442	15.00
Sub-Total	7,474,426	9,299,560	9,585,322	10,012,603	40.60
Sustainability and Environmental Health					
Environmental Compliance and Safety	2,516,996	3,325,208	3,118,068	3,164,068	14.00
Policy, Legislative Advocacy and Education	2,492,000	3,153,175	2,505,290	3,005,290	14.10
Sub-Total	5,008,997	6,478,383	5,623,358	6,169,358	28.10
Wastewater Management					
Facility Land Use and Planning	0	0	0	0	0.00
Laboratory Services	4,100,858	5,721,585	4,907,670	5,336,206	28.42
Pretreatment	4,868,764	5,991,545	5,826,864	6,301,864	32.00
Regulatory Compliance and Safety	9,860	0	0	0	0.00
San José-Santa Clara Treatment Plant Capital Project Delivery	8,322,338	11,566,420	11,187,054	11,364,375	53.70
San José-Santa Clara Treatment Plant Operations and Maintenance	55,984,903	106,636,774	104,864,311	69,809,115	208.14
Sub-Total	73,286,722	129,916,324	126,785,899	92,811,560	322.26

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** 2019-2020 Actuals may not subtotal due to rounding.

Environmental Services Department

Department Budget Summary

	2019-2020 Actuals**	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed	2021-2022 Proposed Positions
Strategic Support - Environmental & Utility Services					
Environmental Services Communications	2,634,500	2,921,212	3,327,412	3,327,412	13.94
Environmental Services Financial Management	1,373,223	1,672,461	1,719,571	1,719,571	8.00
Environmental Services Human Resources	592,597	596,443	618,559	618,559	5.00
Environmental Services Information Technology	1,449,686	1,929,972	1,994,887	1,994,887	10.00
Environmental Services Management and Administration	5,781,915	6,691,750	7,045,498	7,196,923	36.96
Environmental Services Pandemic Response	1,356,257	0	0	0	0.00
Sub-Total	13,188,178	13,811,838	14,705,927	14,857,352	73.90
Strategic Support - Other - Environmental & Utility Services					
Environmental Services Capital	63,942	0	0	0	0.00
Environmental Services Other Departmental - City-Wide	802,723	1,056,500	917,000	917,000	0.00
Environmental Services Other Departmental - Grants	393,718	0	0	0	0.00
Environmental Services Other Operational - Administration	(6,133)	0	0	0	0.00
Environmental Services Overhead	19,516,819	18,880,532	18,829,504	19,116,353	0.00
Environmental Services Workers' Compensation	755,732	958,000	958,000	1,144,000	0.00
Sub-Total	21,526,801	20,895,032	20,704,504	21,177,353	0.00
Total	\$326,058,905	\$393,802,618	\$417,739,911	\$387,811,265	572.00

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Environmental Services Department

Budget Reconciliation

Personal Services and Non-Personal/Equipment (2020-2021 Adopted to 2021-2022 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
Prior Year Budget (2020-2021):	572.00	323,117,673	4,730,003
Base Adjustments			
One-Time Prior Year Expenditures Deleted			
• Rebudget: Residual Sludge Management Dredge Refurbishment		(380,000)	0
• Rebudget: Water Pollution Control Plant Substation Maintenance Services		(290,000)	0
• Rebudget: Muni Water Fleet		(80,000)	0
• Regional Wastewater Facility Radio Systems Upgrade		(1,700,000)	0
• Biosolids Management Transition Planning and Implementation		(800,000)	0
• San José Municipal Water System Emergency Response Preparation		(750,000)	0
• Laboratory Information System Replacement		(700,000)	0
• Regional Wastewater Facility Cogeneration Engine Facility Maintenance		(550,000)	0
• Recycle Plus Cart Outreach Pilot Program		(140,000)	0
• Clean Creeks Non-Profit Organizations		(100,000)	(100,000)
• Commercial Solid Waste Program Outreach		(63,200)	0
• Management Information Systems Infrastructure and Program Implementation Staffing		(9,030)	0
• Commercial Solid Waste Enforcement Staffing		(6,662)	0
• Single-Family Recycle Plus		719,000	0
• Yard Trimming Collection/Processing		251,000	0
• Multi-Family Recycle Plus		171,000	0
• Emergency Operations Center Staffing Reallocation		168,294	0
• Recycle Plus Inspection Staffing		162,131	0
• Non-Personal/Equipment (Projected Savings)		65,000	0
• Climate Smart San José Plan Implementation Staffing	(1.00)	0	0
• Diridon Station Area Development Planning Staffing	(1.00)	0	0
One-Time Prior Year Expenditures Subtotal:	(2.00)	(4,032,467)	(100,000)

Environmental Services Department

Budget Reconciliation

Personal Services and Non-Personal/Equipment (2020-2021 Adopted to 2021-2022 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
Technical Adjustments to Costs of Ongoing Activities			
● Salary/benefit changes and the following position reallocations:		2,683,749	105,481
- 4.0 Environmental Services Program Manager to 4.0 Senior Environmental Program Manager			
- 1.0 Division Manager to 1.0 Senior Environmental Program Manager			
- 1.0 Office Specialist to 1.0 Senior Office Specialist			
● Contract Services: Single-Family Dwelling Garbage		12,791,498	0
● Contract Services: Yard Trimming Collection and Processing Contract		4,333,657	0
● Utilities: Municipal Water System Wholesale Water		3,060,000	0
● Contract Services: Multi-Family Dwelling Garbage		2,140,943	0
● Utilities: Gas, Electricity, and Water		1,537,500	0
● Operations and Maintenance: South Bay Water Recycling		1,000,000	0
● Contract Services: Street Sweeping		498,508	0
● Contract Services: Single-Family Dwelling Processing		383,171	0
● Vehicle Maintenance and Operation		206,000	24,000
● Contract Services: City Facilities Waste Collection		94,098	94,098
● Fund Shift: Administrative Services Staffing		60,614	0
● Fund Shift: Management Information Systems Staffing		15,973	0
● Cost Allocation Plan: Environmental Services Management and Administration		11,017	11,017
● Community-Based Organization: Goodwill		8,930	0
● Night Shift Differential		5,477	0
● Cost Allocation Plan: Environmental Services Information Technology		4,927	4,927
● Community-Based Organization: Salvation Army		3,157	0
● Fund Shift: Sustainability Staffing		2,783	0
● Budget Realignment: FirstNet Support		2,354	2,354
● Community-Based Organization: Hope Services		154	0
● Fund Shift: South Bay Water Recycling Operations and Maintenance		(48,715)	0
● Fund Shift: Stormwater Policy and Compliance Staffing		(2,089)	0
Technical Adjustments Subtotal:	0.00	28,793,706	241,877
 2021-2022 Forecast Base Budget:	 570.00	 347,878,912	 4,871,880

Environmental Services Department

Budget Reconciliation

Personal Services and Non-Personal/Equipment (2020-2021 Adopted to 2021-2022 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
Budget Proposals Recommended			
1. South Bay Water Recycling System Maintenance and Operations		3,500,000	0
2. Regional Wastewater Facility Chemical Supplies		1,465,000	0
3. Environmental Enforcement Data Management System Replacement		750,000	0
4. Watershed Protection Division Laboratory	2.00	434,784	0
5. Solid Waste Enforcement and Compliance Staffing	2.00	367,895	0
6. Geographic Information System Data Migration and Management Support		300,000	0
7. Regional Wastewater Facility Process Control Staffing	2.00	260,540	0
8. Regional Wastewater Facility Capital Improvement Program (Program Controls Lead) Staffing	1.00	185,217	0
9. Employee Services Recruitment Staffing	1.00	151,425	4,545
10. Regional Wastewater Facility Capital Improvement Program (Project Delivery Support) Staffing	0.00	49,524	0
11. Environmental Health and Safety Group Electric Vehicle		46,000	0
12. Climate Smart San José Plan Implementation Staffing	2.00	0	0
13. Watershed Protection Stormwater Management Staffing	0.00	0	(27,764)
14. BeautifySJ Management Consolidation and Operations	(8.00)	(1,383,916)	(1,361,686)
15. City Facilities Solid Waste		(50,000)	(50,000)
16. Reprographics Contractual Services Savings		(45,693)	0
Total Budget Proposals Recommended	2.00	6,030,776	(1,434,905)
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2021-2022 Proposed Budget Total	572.00	353,909,688	3,436,975

Environmental Services Department

Budget Changes By Department

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
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1. South Bay Water Recycling System Maintenance and Operations		3,500,000	0
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*Environmental and Utility Services CSA
Recycled Water Management Core Service
South Bay Water Recycling Operations and Maintenance Program*

This action adds \$3.5 million in one-time non-personal/equipment funding in the South Bay Water Recycling Operating Fund to support a variety of previously-deferred infrastructure and maintenance projects. These projects include Master Metering Stations (\$1.6 million) to install metering stations at six gateways to the service areas for data collection and monitoring activities, Transmission Pump Station Variable Frequency Drive Replacement (\$350,000) to replace and modernize outmoded and unserviceable VFD infrastructure, and Security Improvements (\$350,000) to install and replace access gates and fencing at various pump stations and reservoir infrastructure. In addition, funding is recommended for smaller projects such as the System Dewatering and Underground Fire Hydrant Installations (\$300,000), Communication Improvements (\$300,000), Cathodic Protection System Repairs (\$150,000), Database Program Evaluation and Design Consultation (\$150,000), Valves and Air Release Valve Repairs at Various Locations (\$150,000), and on-call Engineering Consulting Services (\$150,000). (Ongoing cost: \$0)

2. Regional Wastewater Facility Chemical Supplies		1,465,000	0
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*Environmental and Utility Services CSA
Wastewater Management Core Service
San José-Santa Clara Treatment Plant Operations and Maintenance Program*

This action adds \$1.5 million in ongoing non-personal/equipment funding in the San José-Santa Clara Treatment Plant Operating Fund for the purchase of chemicals required by Regional Wastewater Facility operations. Due to price increases in recent years, the cost of ferric chloride (used in the treatment process for digestion and sludge dewatering) has increased significantly, and this action provides \$550,000 to cover the increased costs. Additionally, polymer chemicals required by the new dissolved air flotation tanks (DAFT) co-thickening operation that is part of the upgraded solids digestion process are anticipated to cost \$915,000 annually. (Ongoing cost: \$1,465,000)

Environmental Services Department

Budget Changes By Department

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
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3. Environmental Enforcement Data Management System Replacement		750,000	0
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*Environmental and Utility Services CSA
 Recycling & Garbage Services Core Service
 Stormwater Management Core Service
 Wastewater Management Core Service
 Pretreatment, Recycling and Garbage Services
 Administration, and Stormwater Enforcement Programs*

This action adds \$750,000 in non-personal/equipment funding (\$330,000 in the Storm Sewer Operating Fund, \$285,000 in the San José-Santa Clara Treatment Plant Operating Fund, \$90,000 in the Sewer Service and Use Charge Fund, and \$45,000 in the Integrated Waste Management Fund) to support the acquisition and transition to a new Environmental Enforcement Data Management System (EEDMS). The EEDMS is used to compile and manage data associated with regulatory requirements from State and federal agencies, such as the EPA. The current system was first implemented in 2003, and over its seventeen-year lifespan has endured a major upgrade and numerous smaller upgrades, but decreasing support options, increasing maintenance costs, and the upcoming end of the current maintenance period necessitate the procurement of a replacement system in order to continue to manage the data needed to maintain compliance with the regulatory agencies. (Ongoing cost: \$100,000)

4. Watershed Protection Division Laboratory Reorganization	2.00	434,784	0
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*Environmental and Utility Services CSA
 Recycled Water Management Core Service
 Wastewater Management Core Service
 Laboratory Services and South Bay Water Recycling
 Operations and Maintenance Programs*

This action adds 2.0 Environmental Lab Supervisor positions, 3.0 Chemist positions, and 2.0 Microbiologist positions, and deletes 5.0 Laboratory Tech II positions in the Environmental Services Department's Laboratory Services program. Currently, the Laboratory Services program is divided into three groups: Wastewater Support, Trace Analytical and Client Support, and Chemistry. After this action, the Laboratory will consist of five groups: Trace Metals, Trace Organics, Chemistry, Biology, and Quality. Each group will provide laboratory support to the Watershed, Wastewater, and Water Recycling programs as needed in order to ensure compliance with all relevant regulatory requirements. To support the addition of two groups, 2.0 Environmental Lab Supervisor positions are recommended to be added, and 5.0 Laboratory Technician II positions, typically assigned support duties, are requested to be converted to 3.0 Chemist and 2.0 Microbiologist positions added to reflect increased autonomy and responsibility within each group. This request includes approximately \$34,800 in non-personal/equipment costs associated with the position changes. (Ongoing cost: \$406,262)

Environmental Services Department

Budget Changes By Department

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
<p>5. Solid Waste Enforcement and Compliance Staffing</p> <p><i>Environmental and Utility Services CSA Recycling & Garbage Services Core Service Commercial Solid Waste Collection Services, and Recycling and Garbage Services Administration Programs</i></p> <p>This action adds 1.0 Senior Environmental Inspector and 1.0 Environmental Inspector II limit-dated positions through June 30, 2023 in the Integrated Waste Management Fund as well as associated non-personal/equipment funding of \$34,200. The Senior Environmental Inspector will be tasked with finalizing the development and implementation of an enforcement program to ensure the City is in compliance with new regulations per SB 1383. The Environmental Inspector II will be tasked with execution of the enforcement program. The non-personal/equipment allocation will purchase a vehicle to allow the two positions to conduct field inspections, and pay for other onboarding costs. (Ongoing cost: \$333,695)</p>	2.00	367,895	0
<p>6. Geographic Information System Data Migration and Management Support</p> <p><i>Environmental and Utility Services CSA Recycling & Garbage Services Core Service Stormwater Management Core Service Wastewater Management Core Service Pretreatment, Recycling and Garbage Services Administration, And Stormwater Enforcement Programs</i></p> <p>This action adds \$300,000 in one-time non-personal/equipment funding (\$100,000 in the Integrated Waste Management Fund, \$100,000 in the Sewer Service and Use Charge Fund, and \$100,000 in the Storm Sewer Operating Fund) to support the migration of existing Geographic Information Systems (GIS) data into the City's new GIS Enterprise infrastructure. Existing GIS infrastructure supporting Watershed Protection, Wastewater, and Solid Waste services is spread across a variety of services and products, and dedicated consultant support is needed to effectively consolidate and migrate data from these various sources into the City's consolidated GIS Enterprise infrastructure. (Ongoing cost: \$0)</p>		300,000	0
<p>7. Regional Wastewater Facility Process Control Staffing</p> <p><i>Environmental and Utility Services CSA Wastewater Management Core Service San José-Santa Clara Treatment Plant Operations and Maintenance Program</i></p> <p>This action adds 2.0 Industrial Process Control Specialist positions in the San José-Santa Clara Treatment Plant Operating Fund. With the completion of the Treatment Plant Distributed Control System project expected in 2020-2021, additional personnel are needed in order to effectively take advantage of the infrastructure improvements. These two positions will supplement the six existing positions in the Plant Process Control team, consisting of two Senior Industrial Process Control Specialists, two Industrial Process Control Specialists, and one Network Engineer, supervised by one Industrial Process Control Supervisor. (Ongoing cost: \$260,540)</p>	2.00	260,540	0

Environmental Services Department

Budget Changes By Department

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
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8. Regional Wastewater Facility Capital Improvement Program (Program Controls Lead) Staffing	1.00	185,217	0
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***Environmental and Utility Services CSA
Wastewater Management Core Service
San José-Santa Clara Treatment Plant Capital Project
Delivery, and San José-Santa Clara Treatment Plant Operations and
Maintenance Programs***

This action adds 1.0 Program Manager position in the San José-Santa Clara Treatment Plant Operating Fund. This position will promote the reincorporation of services provided by consultants to City staff. Specifically, this Program Manager will take on the role of Program Controls Lead, which is responsible for establishing and maintaining a variety of tools, processes, and systems related to the implementation of the Regional Wastewater Facility CIP. With substantial CIP activity underway and expected to continue for years to come, this position is necessary to achieve the City staff reincorporation goals and ensure that CIP projects remain on schedule within budget. (Ongoing cost: \$182,567)

9. Employee Services Recruitment Staffing	1.00	151,425	4,545
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***Environmental and Utility Services CSA
Strategic Support – Environmental & Utility Services
Core Service
Environmental Services Management and Administration
Program***

This action adds 1.0 Analyst II position and associated non-personal/equipment funding spread across a variety of funds (3% in the General Fund, 9% in the Integrated Waste Management Fund, 59% in the San José-Santa Clara Treatment Plant Operating Fund, 7% in the Sewer Service and Use Charge Fund, 5% in the South Bay Water Recycling Operating Fund, 9% in the Storm Sewer Operating Fund, and 8% in the Water Utility Fund). This position in the Administrative Services Division will support ongoing recruitment needs within the Department. With vacancy rates of 13% in 2017-2018, 14% in 2018-2019, and 16% in 2019-2020, as well as approximately 12% of existing staff being eligible to retire within the next three years, additional support dedicated to recruitment efforts will help to ensure that vacancies are filled quickly with as little impact on service delivery as possible. (Ongoing cost: \$149,325)

Environmental Services Department

Budget Changes By Department

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
10. Regional Wastewater Facility Capital Improvement Program (Project Delivery Support) Staffing <i>Environmental and Utility Services CSA Wastewater Management Core Service San José-Santa Clara Treatment Plant Capital Project Delivery Program</i> This action deletes 2.0 Associate Engineering Technician positions and adds 2.0 Engineer II positions in the San José-Santa Clara Treatment Plant Operating Fund. With increased Regional Wastewater Facility (RWF) capital project needs for specialized engineering personnel, Engineer II positions are more appropriate than Associate Engineering Technician positions in terms of qualifications and job responsibilities. RWF capital project needs typically require higher technical expertise in engineering, communication of engineering concepts, and project management than is typically required of Associate Engineering Technicians. Additionally, difficulty filling Associate Engineering Technician positions has resulted in a greater reliance on consultant services. (Ongoing cost: \$44,030)	0.00	49,524	0
11. Environmental Health and Safety Group Electric Vehicle <i>Environmental and Utility Services CSA Sustainability and Environmental Health Core Service Environmental Compliance and Safety Program</i> This action adds \$46,000 in the San José-Santa Clara Treatment Plant Operating Fund for the purchase of an electric vehicle to support the Safety Group personnel assigned to the Regional Wastewater Facility. Currently, the Safety Group personnel at the Regional Wastewater Facility have extremely limited options for travel around the Facility, including an unreliable electric cart and using personal vehicles. A dedicated, road legal, and reliable vehicle will ensure that the Safety Group is able to move throughout the Facility. (Ongoing cost: \$8,000)		46,000	0

Environmental Services Department

Budget Changes By Department

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
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12. Climate Smart San José Plan Implementation Staffing	2.00	0	0
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*Environmental and Utility Services CSA
Sustainability and Environmental Health Core Service
Policy, Legislative Advocacy and Education Program*

This action continues 1.0 Analyst II and 1.0 Planner IV positions, limit-dated through June 30, 2022, as well as related non-personal/equipment costs, in support of the Climate Smart San José program. The Climate Smart San José Plan Implementation City-Wide Expenses budget will support these positions and associated costs. Over the past two years, since their initial inclusion in the 2019-2020 Adopted Budget, these positions have accomplished and made progress on a variety of Climate Smart San Jose goals. The Climate Smart Analyst position has established and updated the program's data dashboard and completed the City's annual greenhouse gas emission inventories. The Analyst has also led the compilation and submission of City data to scorecard platforms that have elevated San José's profile as a top-tier environmentally conscious and active city. This position will continue to support Climate Smart activities, including decarbonization of existing buildings, the incorporation and development of the Natural and Working Lands (NWL) project, the development of new Climate Smart strategies and projects, and equity integration. The Climate Smart Planning position has worked to develop and implement the City's Reach Code/Natural Gas Infrastructure Prohibition ordinances, has led the City's parking and Transportation Demand Management (TDM) municipal code update, and has also supported the NWL project. The Planning position will complete the parking/TDM update process and facilitate implementation. The position will also continue to lead implementation of code updates as well as implementation, assessment, and updating the City's Green Building policy. Funding for the Climate Smart San José Plan Implementation appropriation can be found in the City-Wide Expenses section of this document. (Ongoing cost: \$0)

13. Watershed Protection Stormwater Management Staffing	0.00	0	(27,764)
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*Environmental and Utility Services CSA
Stormwater Management Core Service
Stormwater Policy and Compliance Program*

This action shifts 0.18 Associate Environmental Services Specialist position from the General Fund to the Storm Sewer Operating Fund. This shift will reduce the General Fund support for the Nature's Inspiration Garden and Biologists in the Classroom projects and increases support for PCB Source Property Identification and preparation for anticipated changes to Municipal Regional Stormwater Permit requirements. This request represents a reduction of General Fund expenditures of \$27,764. (Ongoing savings: \$28,414)

Environmental Services Department

Budget Changes By Department

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
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14. BeautifySJ Management Consolidation and Operations	(8.00)	(1,383,916)	(1,361,686)
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*Environmental and Utility Services CSA
 Recycling & Garbage Services Core Service
 Civic/Other Solid Waste Collection Services Program*

As directed in the Mayor's March Budget Message for Fiscal Year 2021-2022, and approved by the City Council, this action is part of the programmatic consolidation of BeautifySJ under a single manager. As part of the management consolidation strategy, the Rapid Team (Removing and Preventing Illegal Dumping) in ESD, made up of 6.0 Maintenance Workers, 1.0 Senior Maintenance Worker, and 1.0 Supervising Environmental Services Specialist positions, are shifted to PRNS, along with funding for contractual services to collect and dispose of hazardous waste from illegal dump sites, and other supplies and materials. The consolidation will mitigate cross-departmental challenges and increase efficiency and flexibility to support the BeautifySJ initiatives and goals. (Ongoing savings: \$1,396,984)

15. City Facilities Solid Waste		(50,000)	(50,000)
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*Environmental and Utility Services CSA
 Recycling & Garbage Services Core Service
 Civic/Other Solid Waste Collection Services Program*

This action decreases the Environmental Services Department's General Fund non-personal/equipment budget by \$50,000, from \$1.6 million to \$1.5 million, on a one-time basis for anticipated savings in contractual (hauler) services for solid waste collection from City facilities, including parks, libraries, community centers, and other City properties. As the country begins its recovery from the coronavirus pandemic, it is anticipated that a significant portion of City facilities will experience reduced demand for solid waste collection due either to closures or reduced capacity. Significant savings are expected to be realized in the current fiscal year, and despite accelerating vaccination distribution, savings are expected to continue into 2021-2022. (Ongoing savings: \$0)

Environmental Services Department

Budget Changes By Department



2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
16. Reprographics Contractual Services Savings <i>Environmental and Utility Services CSA</i> <i>Potable Water Delivery Core Service</i> <i>Stormwater Management Core Service</i> <i>Wastewater Management Core Service</i> <i>Municipal Water System Operations and Maintenance,</i> <i>San José-Santa Clara Treatment Plant Operations and</i> <i>Maintenance, and Stormwater Administration Programs</i>		(45,693)	0
<p>This action reduces the Environmental Services Department's non-personal/equipment budgets to reflect savings in the reprographics contract. The Finance and IT Departments jointly worked to re-procure the City's reprographics contract for copier scanner fax devices support and administration software and tools. Savings in the amount of \$363,000 will be generated in the General Fund, \$462,000 in all funds, across all departments from lower rental costs for the multi-function devices (MFD's) and significantly lower cost per copy and consumption rates. Savings can be realized with new green-print options and central administration of devices. (Ongoing savings: \$45,693)</p>			
2021-2022 Proposed Budget Changes Total	2.00	6,030,776	(1,434,905)

Environmental Services Department

Performance Summary

Sustainability and Environmental Health





Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 (Energy) % of energy used at the Water Pollution Control Plant that is renewable	45%	45%	45%	46%
 (Water) % of Municipal Water System customers demonstrating water conservation knowledge ¹	91%	N/A ¹	N/A ¹	91%

¹ Data for this measure is collected through a biennial survey, last conducted in February 2020. The next survey is planned to be completed in 2021-2022, and those results will be reported in the 2022-2023 Proposed Budget.

Potable Water Delivery

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 % of water samples meeting or surpassing State and federal water quality standards	100%	100%	N/A	100%
 Ratio of Municipal Water System (MWS) average residential water bill to weighted average residential water bill of other San José water retailers ¹	89%	<100%	89%	<100%
 % of customer service requests handled within 24 hours ²	70%	N/A ²	N/A ²	71%
 % of MWS customers rating service as good or excellent, based on reliability, water quality, and responsiveness ²	67%	N/A ²	N/A ²	71%

¹ San José water retailers include San José Water Company and Great Oaks Water Company.

² Data for this measure is collected through a biennial survey, last conducted in February 2020. The next survey is planned to be completed in 2021-2022, and those results will be reported in the 2022-2023 Proposed Budget.

Activity and Workload Highlights






	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast
Millions of gallons of water delivered per year to MWS customers	6,427	6,800	6,850	7,000
Total number of MWS customers	26,765	27,100	26,839	26,900

Environmental Services Department

Performance Summary

Recycled Water Management

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 Millions of gallons of recycled water delivered annually	3,990	3,950	3,637	3,950
 % of time recycled water quality standards are met or surpassed	100%	100%	100%	100%
 % of wastewater influent recycled for beneficial purposes during the dry-weather period ¹	17%	18%	17%	18%
 Cost per million gallons of recycled water delivered	\$2,060	\$2,371	\$2,133	\$3,661
 % of recycled water customers rating service as good or excellent based on reliability, water quality, and responsiveness ²	90%	N/A ²	N/A ²	90%

¹ Dry-weather period is defined as the lowest continuous three-month average rainfall between May and October, which during the fiscal year reporting period is July-September.

² Data for this measure is collected through a biennial survey, last conducted in February 2020. The next survey is planned to be completed in 2021-2022, and those results will be reported in the 2022-2023 Proposed Budget.

Activity and Workload Highlights



	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast
Total number of South Bay Water Recycling customers	969	1,010	984	1,020

Environmental Services Department

Performance Summary

Recycling and Garbage Services

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 # of household hazardous waste disposal appointments available for San José				
- Residents	13,822 ¹	17,000	21,000	22,000
- Small Businesses	145 ²	100	140	200
 % of customers rating recycling and garbage services as good or excellent, based on reliability, ease of system use, and lack of disruption ¹				
- Single-Family Dwelling	80%	N/A ³	N/A ³	90%
- Multi-Family Dwelling	71%	N/A ³	N/A ³	75%
- Commercial Facilities	79%	N/A ³	N/A ³	75%

¹ Due to the COVID-19 pandemic, the County closed the HHW Program from March 17, 2020 to June 10, 2020. The program has resumed, however, they have not resumed holding one-off events, which reduces the total number of drop off appointment opportunities.

² As of 2019-2020, the County no longer reports city of origin for Small Business appointments. Since San Jose is half the County's population, it can be assumed that half the appointments are from San Jos businesses.

³ Data for this measure is collected through a biennial survey, last conducted in February 2020. The next survey is planned to be completed in 2021-2022, and those results will be reported in the 2022-2023 Proposed Budget.

Activity and Workload Highlights

	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast
Total tons of residential solid waste diverted from landfills	421,886	413,260	443,600	444,000
Total tons of residential solid waste landfilled	102,559	112,032	121,146	121,000
Total number of residential households served	328,229	332,956	330,562	332,215
Average # of residential pickups not completed as scheduled per week ¹	144	32	104	100





¹ Pickups are completed the next day.

Environmental Services Department

Performance Summary

Stormwater Management

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 Annual cost per residential unit	\$94.44	\$94.44	\$94.44	\$94.44
 % of residents surveyed who understand that any substances washed down the street end up in the Bay without treatment through the storm sewer system ¹	59%	N/A ¹	N/A ¹	70%
 % of trash reduced from the storm sewer system ²	99.4%	96.8%	99.4%	100%
 % of stormwater violations identified at industrial/commercial facilities resolved within ten business days ³	91%	99%	90%	99%

¹ Data for this measure is collected through a biennial survey, last conducted in February 2020. The next survey is planned to be completed in 2021-2022, and those results will be reported in the 2022-2023 Proposed Budget.

² The current stormwater permit refers to a goal of 100% trash load reduction or no adverse impact to receiving waters from trash by July 1, 2022.

³ Actuals and Estimates are lower than Target due to businesses not achieving compliance within 10 business days.

Activity and Workload Highlights

	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast
Tons of trash/litter collected by City led creek cleanup efforts	649	895	546 ¹	825






¹ The number of cleanups in 2020-2021 was reduced due to the continued COVID-19 pandemic. Homeless encampment abatements continued to be suspended and cleanups with Downtown Streets Team were modified due to safety issues.

Environmental Services Department

Performance Summary

Wastewater Management

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 Millions of gallons per day discharged to the Bay during average dry-weather season State order: 120 mgd or less ¹	79.3mgd	<120mgd	75.0mgd	<120mgd
 % of time pollutant discharge requirements are met or surpassed	100%	100%	100%	100%
 # of requirement violations				
-Pollutant discharge	0	0	0	0
-Air emissions	0	0	1 ²	0
 % of significant industrial facilities in consistent compliance with federal pretreatment requirements	96.30%	90.00%	93.03%	90.00% ³
 Cost per million gallons treated	\$1,478	\$1,491	\$1,548	\$1,593

¹ Average dry-weather season is defined as the lowest three-month continuous average between May and October, which during the fiscal year reporting period is July-September.

² A Notice of Violation was received for 2020-2021. NOV A60478 was issued on 10/26/20 for fugitive dust emission observed on 10/15/20. No other NOVs are anticipated for this fiscal year. No NOVs are predicted for the following fiscal year.

³ The 90% target is built off of an EPA metric used to assess pretreatment program effectiveness. The Pretreatment Program continues to work closely with regulated industries to help them maintain consistent compliance with Federal requirements.

Activity and Workload Highlights

	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast
Average millions of gallons per day treated	103	109	102	101
Total population in service area ¹	1,469,080	1,459,767	1,475,442	1,479,319

¹ The San José/Santa Clara Water Pollution Control Plant (Plant) is a regional wastewater treatment facility serving eight South Bay cities and four sanitation districts including: San José, Santa Clara, Milpitas, Cupertino Sanitation District (Cupertino), West Valley Sanitation District (Campbell, Los Gatos, Monte Sereno and Saratoga), County Sanitation Districts 2-3 (unincorporated), and Burbank Sanitary District (unincorporated).

Environmental Services Department

Departmental Position Detail

Position	2020-2021 Adopted	2021-2022 Proposed	Change
Account Clerk II	1.00	1.00	-
Accountant II	2.00	2.00	-
Accounting Technician	2.00	2.00	-
Administrative Assistant	1.00	1.00	-
Administrative Officer	1.00	1.00	-
Air Conditioning Mechanic	3.00	3.00	-
Analyst I/II	14.00	15.00	1.00
Assistant Director	1.00	1.00	-
Assistant Heavy Diesel Equipment Operator Mechanic	1.00	1.00	-
Assistant to the Director	1.00	1.00	-
Associate Construction Inspector	1.00	1.00	-
Associate Engineer	22.00	22.00	-
Associate Engineering Technician	10.00	8.00	(2.00)
Associate Environmental Services Specialist	1.00	1.00	-
Biologist	3.00	3.00	-
Chemist	9.00	12.00	3.00
Cross Connection Specialist	1.00	1.00	-
Department Information Technology Manager	1.00	1.00	-
Deputy Director	6.00	6.00	-
Director Environmental Services	1.00	1.00	-
Division Manager	6.00	5.00	(1.00)
Engineer II	5.00	7.00	2.00
Engineering Technician II	3.00	3.00	-
Environmental Compliance Officer	1.00	1.00	-
Environmental Inspector I/II	36.00	37.00	1.00
Environmental Inspector, Assistant	5.00	5.00	-
Environmental Inspector, Senior	6.00	7.00	1.00
Environmental Laboratory Manager	1.00	1.00	-
Environmental Laboratory Supervisor	3.00	5.00	2.00
Environmental Program Manager, Senior	0.00	5.00	5.00
Environmental Services Program Manager	9.00	4.00	(5.00)
Environmental Services Specialist	40.00	40.00	-
Environmental Sustainability Manager	0.00	0.00	-
Geographic Information Systems Specialist II	3.00	3.00	-
Groundswoker	0.00	0.00	-
Heavy Equipment Operator	5.00	5.00	-
Industrial Electrician	11.00	11.00	-
Industrial Electrician Supervisor	1.00	1.00	-
Industrial Process Control Specialist I/II	1.00	3.00	2.00
Industrial Process Control Supervisor	1.00	1.00	-
Information Systems Analyst	3.00	3.00	-
Instrument Control Supervisor I/II	1.00	1.00	-
Instrument Control Technician I/II/III/IV	13.00	13.00	-
Laboratory Technician I/II	13.00	8.00	(5.00)
Maintenance Worker I/II	8.00	2.00	(6.00)
Microbiologist	1.00	3.00	2.00
Network Engineer	2.00	2.00	-
Network Technician I/II/III	2.00	2.00	-
Office Specialist I/II	8.00	7.00	(1.00)

Environmental Services Department

Departmental Position Detail

Position	2020-2021 Adopted	2021-2022 Proposed	Change
Painter Supervisor Water Pollution Control	1.00	1.00	-
Painter Water Pollution Control	6.00	6.00	-
Planner I/II/III	1.00	1.00	-
Planner IV	0.00	1.00	1.00
Principal Accountant	1.00	1.00	-
Principal Construction Inspector	1.00	1.00	-
Principal Engineer/Architect	7.00	7.00	-
Principal Office Specialist	5.00	5.00	-
Program Manager I	2.00	3.00	1.00
Public Information Manager	1.00	1.00	-
Public Information Representative I/II	9.00	9.00	-
Sanitary Engineer	9.00	9.00	-
Senior Account Clerk	4.00	4.00	-
Senior Accountant	4.00	4.00	-
Senior Air Conditioning Mechanic	1.00	1.00	-
Senior Analyst	7.00	7.00	-
Senior Construction Inspector	1.00	1.00	-
Senior Engineer	13.00	13.00	-
Senior Engineering Technician	9.00	9.00	-
Senior Geographic Information Systems Specialist	1.00	1.00	-
Senior Heavy Equipment Operator	2.00	2.00	-
Senior Industrial Electrician	2.00	2.00	-
Senior Industrial Process Control Specialist I/II	3.00	3.00	-
Senior Maintenance Worker	3.00	2.00	(1.00)
Senior Office Specialist	9.00	10.00	1.00
Senior Painter	1.00	1.00	-
Senior Public Information Representative	3.00	3.00	-
Senior Systems Applications Programmer	1.00	1.00	-
Senior Warehouse Worker	1.00	1.00	-
Staff Specialist	9.00	9.00	-
Supervising Environmental Services Specialist	15.00	14.00	(1.00)
Supply Clerk	1.00	1.00	-
Systems Applications Programmer II	2.00	2.00	-
Warehouse Supervisor	1.00	1.00	-
Warehouse Worker I	1.00	1.00	-
Warehouse Worker II	2.00	2.00	-
Wastewater Attendant	19.00	19.00	-
Wastewater Facility Manager	1.00	1.00	-
Wastewater Maintenance Superintendent	3.00	3.00	-
Wastewater Mechanic I/II	31.00	31.00	-
Wastewater Mechanical Supervisor I/II	6.00	6.00	-
Wastewater Operations Foreperson I/II	20.00	20.00	-
Wastewater Operations Superintendent I/II	7.00	7.00	-
Wastewater Operator I/II/III	42.00	42.00	-
Wastewater Senior Mechanic I/II	11.00	11.00	-
Water Systems Assistant Operator I/II	5.00	5.00	-
Water Systems Operations Foreperson I/II	3.00	3.00	-
Water Systems Operations Manager	1.00	1.00	-
Water Systems Operations Superintendent I/II	2.00	2.00	-
Water Systems Operator I/II/III	12.00	12.00	-
Total Positions	572.00	572.00	0.00

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Finance Department

Julia H. Cooper, Director

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To manage, protect and report on the City of San José's financial resources to enhance the City's financial condition for residents, businesses, and investors

City Service Area

Strategic Support

Core Services

Disbursements

Facilitate timely and accurate payment of the City's financial obligations

Financial Reporting

Provide accurate and meaningful reporting on the City's financial condition

Purchasing and Risk Management

Purchase and provide quality products and services in a cost-effective manner and ensure insurance coverage for the City's assets

Revenue Management

Bill and collect City resources to enhance the City's financial condition

Debt and Treasury Management

Provide cost-effective financing, investment, and cash collection of the City's resources to maintain and enhance the City's financial condition

Strategic Support: Analytical Support, Budget/Fiscal Management, Human Resources Management, Contract Administration, Administrative Support, and Pandemic Response

Finance Department
Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Disbursements Core Service</i>	
Accounts Payable	Facilitates timely and accurate payment of the City's non-payroll disbursements. Customers of this service include City departments, employees, government agencies, non-profit corporations, consultants, contractors, and vendors who provided goods and services to the City.
Payroll	Facilitates timely and accurate payment of payroll to City employees and provides responses to information requests City-wide. The City has employees divided among many different bargaining units with various compensation requirements contained in each respective units' Memoranda of Agreement.
<i>Financial Reporting Core Service</i>	
General Accounting	Provides accurate and meaningful reporting on the City's financial condition and primarily responsible for the accounting of City-wide financial activity for all City funds, with services including management of the Financial Management System, preparation of the Comprehensive Annual Financial Report, preparation of various Cost Allocation Plans, capital assets accounting, monthly financial information publication, City-wide reports for audits purposes , and coordination of stand-alone audits.
Special Accounting	Manages accounting responsibilities related to special facility districts, grant programs, assessment districts, loans, debt transactions, bank reconciliations, investments, deferred compensation; and prepares and submits legally mandated reports including the City's Federal Single Audit Report and State-mandated cost reimbursement claim reports.
<i>Purchasing and Risk Management Core Service</i>	
Purchasing	Following transparent and competitive procurement procedures, supports the operations of all City departments by ensuring the timely procurement and delivery of products and services other than construction and consulting services. Establishes City-wide procurement policies and procedures, and provides City-wide training and guidance to departments to enable them to facilitate procurements that are decentralized. Manages the P-Card program to enable the procurement of small dollar purchase transactions.
Risk Management	Ensures insurance coverage for City assets, establishes City-wide risk management policies and procedures, and provides City-wide training and guidance to departments on risk-related programs. Manages property and casualty claims from inception to conclusion and performs the centralized subrogation function to recapture losses resulting from third-party wrongdoing or negligence resulting in loss of or damage to City-owned property.

Finance Department

Service Delivery Framework

Revenue Management Core Service	
Accounts Receivable	Develops, maintains, and updates business systems and processes to support the delivery of City services through timely collection of payments due to the City, including services, taxes, fees, and other revenues.
Business Tax	Enforces the general business tax ordinance by ensuring that taxes and related fees are collected. Issues business tax certificates and processes applications for the following regulatory permits: amusement devices, carnivals/circuses, Christmas tree lots, flower vendors, handbills, pawnbrokers, pool and billiard rooms, pumpkin patches, and second-hand dealers.
Revenue Audit and Compliance	Monitors and conducts compliance reviews of various tax and fee programs related to the following: Transient Occupancy Tax, Convention Center Facility District Tax, Hotel Business Improvement District Fees, Utility Users Tax, Franchise Fees, Telephone Line Tax, Tow agreements, Solid Waste Enforcement Fees, Disposal Facility Tax, Cardroom Tax, Marijuana Business Tax, and Sales and Use Taxes.
Utility Billing System	Develops and streamlines business systems and processes that support the delivery of City services through timely billing and collection of storm, sewer, garbage, and water fees. This program provides billing and customer support related to storm and sanitary sewer charges, garbage, water, and associated liens.
Debt and Treasury Management Core Service	
Banking Management	Manages the City's centralized banking relationships and cash operations for multiple programs throughout the City. Oversees payments of various tender types processed on multiple billing systems, including Building Permits, Business Taxes, Utility Billing, Airport Fees, and Fire Citations.
Cashiering and Payment Processing	Manages over-the-counter payments made for various programs, including Business Tax, Transient Occupancy Tax and Hotel Business Improvement District, Utility Billing, Airport, and Utility Users Tax.
Debt Management	Responsible for City debt issuance, credit facilities and other borrowing, debt management projects and debt administration activities, including performing compliance activity related to statutory, regulatory, and contractual requirements for 90 different obligations, including bonds, commercial paper, credit facilities, a lease-purchase agreement and conduit bonds for affordable housing projects. Finances the construction of new facilities and improvements to existing city facilities through various bond measures and other financing tools. Public infrastructure and affordable housing are also facilitated through special taxes and various types of bonds.
Investment Management	Manages the City's cash flow and invests the City operating funds in accordance with the Investment Policy mandates of safety, liquidity, and yield. Responsible for cash flow forecasts, portfolio management, Investment Policy updates and compliance, interest earnings forecasts, and related reporting. Performs counterparty credit risk analysis of the City clean energy program.

Finance Department

Service Delivery Framework

<i>Strategic Support Core Service</i>	
Finance Management and Administration	Provides administrative oversight for the department, including executive management, financial management, human resources, and analytical support.
Finance Successor Agency to the Redevelopment Agency Administration	Supports the general winding down of the former Redevelopment Agency in an orderly manner, pursuant to AB X1 26. Responsibilities include all aspects of the financial management of the San José Successor Agency to the Redevelopment Agency, such as accounts payable, accounts receivable, debt management, investments, cash management, financial reporting, and preparation of Recognized Obligation Payments Schedule (ROPS).
Pandemic Response	Provides for the coordination and delivery of emergency services and recovery activities in response to the COVID-19 pandemic.

Finance Department

Department Budget Summary

Expected 2021-2022 Service Delivery

- Ensure City financial resources are protected and available to address the short-term and long-term needs of the community; provide accurate and timely payments to City employees and vendors; deliver accurate and timely financial reports; and, maintain efficient business systems and processes for timely billing and collection efforts.
- Ensure prudent use of public funds through competitive processes and cooperative purchasing with other government agencies and cooperative purchasing organizations.
- Maintain favorable bond ratings to ensure lowest cost of capital, provide financial modeling and analysis to meet the increasingly complex needs of the City, and ensure effective management of the City investment portfolio.
- Maintain adequate insurance coverage by monitoring the insurance market and assessing the City's risk exposure to ensure the best value and coverage economically possible.
- Manage all financial aspects of the Successor Agency to the Redevelopment Agency of the City of San José including accounting, debt management, cash management, financial reporting, and accounts payable/receivable.

2021-2022 Key Budget Actions

- Adds one-time funding in the City-Wide Expenses section of this document for the following:
 - \$4,130,000 for vendor costs, license support and maintenance, and project team resources to implement a new Business Tax System.
 - \$175,000 for commercial paper program fees.
- Adds one-time funding of \$300,000 to review the City's current cost allocation plans, including both the costs being allocated and the bases being used to allocate those costs.
- Sets aside one-time funding of \$200,000 in a reserve to continue the process for the issuance of pension obligation bonds.
- Eliminates 1.0 vacant Investigator Collector position and adds 1.0 Analyst position II to realign staffing needs in the Accounts Receivable Program.
- Eliminates 2.0 Account Clerk II positions, one vacant and one filled in the Treasury program, and reallocates funding for 1.0 Analyst position and 1.0 Senior Account Clerk between the General Fund and the Development Fee Funds in the Cashiering and Payment Processing program.

Operating Funds Managed

- | | |
|---|--|
| <input type="checkbox"/> American Rescue Plan Fund | <input type="checkbox"/> Coronavirus Relief Fund |
| <input type="checkbox"/> Cash Reserve Fund | <input type="checkbox"/> Emergency Reserve Fund |
| <input type="checkbox"/> City Hall Debt Service Fund | <input type="checkbox"/> Gift Trust Fund |
| <input type="checkbox"/> Community Facilities Revenue Fund | <input type="checkbox"/> Ice Centre Revenue Fund |
| <input type="checkbox"/> Convention Center Facilities District Revenue Fund | |

Finance Department

Department Budget Summary

	2019-2020 Actuals ***	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Dollars by Core Service				
Disbursements	2,944,767	3,059,974	2,890,562	2,886,897
Financial Reporting	2,320,334	3,123,785	3,086,541	3,381,041
Purchasing and Risk Management	4,361,487	4,938,010	5,246,195	5,312,362
Revenue Management	8,836,894	7,737,904	8,043,915	8,002,847
Strategic Support - Other - Strategic Support	38,753,571	59,643,973	47,059,039	97,805,680
Strategic Support - Strategic Support	2,227,735	2,165,272	1,579,489	11,577,656
Treasury Management	20,780,777	20,378,370	19,153,182	18,726,641
Total	\$80,225,566	\$101,047,288	\$87,058,923	\$147,693,124
Dollars by Category				
Personal Services and Non-Personal/Equipment				
Salaries/Benefits	18,439,011	19,561,064	20,039,015	19,902,069
Overtime	25,162	48,615	48,615	48,615
Subtotal Personal Services	\$18,464,172	\$19,609,679	\$20,087,630	\$19,950,684
Non-Personal/Equipment	1,548,590	2,402,636	1,345,788	1,427,294
Total Personal Services & Non-Personal/Equipment	\$20,012,762	\$22,012,315	\$21,433,418	\$21,377,978
Other Costs*				
City-Wide Expenses	8,778,049	11,234,500	10,496,466	14,801,466
Debt Service/Financing	46,787,077	59,936,000	47,316,000	41,228,000
General Fund Capital	0	0	0	0
Housing Loans and Grants	0	0	0	0
Other	4,600,670	7,335,319	7,336,862	69,821,000
Overhead Costs	4,599	529,154	476,177	464,680
Workers' Compensation	42,408	0	0	0
Total Other Costs	\$60,212,803	\$79,034,973	\$65,625,505	\$126,315,146
Total	\$80,225,566	\$101,047,288	\$87,058,923	\$147,693,124

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document. The amounts in the 2020-2021 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

** The positions displayed in the 2019-2020 Actuals column reflect those included in the 2019-2020 Adopted Budget.

*** 2019-2020 Actuals may not subtotal due to rounding.

Finance Department

Department Budget Summary

	2019-2020 Actuals ***	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Dollars by Fund				
General Fund (001)	29,732,976	45,587,940	32,015,987	36,344,217
Public Works Program Support Fund (150)	59,211	85,850	20,000	20,000
City Hall Debt Service Fund (210)	27,607,672	27,195,000	27,195,000	25,211,000
Building Development Fee Program Fund (237)	0	126,727	133,881	87,358
Planning Development Fee Program Fund (238)	0	44,883	47,416	31,670
Fire Development Fee Program Fund (240)	0	10,576	11,202	7,575
Public Works Development Fee Program Fund (241)	0	26,867	28,380	18,373
Low And Moderate Income Housing Asset Fund (346)	19,979	187,564	99,327	99,327
Coronavirus Relief Fund (401)	388,796	0	0	0
Emergency Reserve Fund (406)	0	5,000,000	5,000,000	10,000,000
Community Facilities Revenue Fund (422)	41,589	1,500,000	1,500,000	0
Integrated Waste Management Fund (423)	952,552	1,446,385	989,591	981,795
Ice Centre Revenue Fund (432)	5,889,718	3,421,319	3,422,862	58,535,000
Storm Sewer Operating Fund (446)	109,828	140,910	198,256	198,256
San José Clean Energy Operating Fund (501)	131,999	236,777	253,047	253,047
San José-Santa Clara Treatment Plant Operating Fund (513)	122,713	159,732	147,970	147,970
Water Utility Fund (515)	255,996	439,822	767,345	757,345
Municipal Golf Course Fund (518)	0	0	0	0
Airport Maintenance And Operation Fund (523)	0	0	0	0
Convention and Cultural Affairs Fund (536)	0	338,000	338,000	406,000
Sewer Service And Use Charge Fund (541)	863,418	1,112,487	901,904	901,904
Convention Center Facilities District Revenue Fund (791)	14,021,155	13,959,000	13,959,000	13,674,000
Capital Funds	27,964	27,449	29,755	18,287
Total	\$80,225,566	\$101,047,288	\$87,058,923	\$147,693,124

Positions by Core Service**				
Disbursements	16.50	16.50	16.50	16.50
Financial Reporting	15.43	15.43	17.63	17.63
Purchasing and Risk Management	18.06	19.00	19.00	19.00
Revenue Management	40.37	38.37	38.99	38.99
Strategic Support - Strategic Support	9.61	8.67	6.67	6.67
Treasury Management	26.02	25.02	24.20	22.20
Total	125.99	122.99	122.99	120.99

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document. The amounts in the 2020-2021 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

** The positions displayed in the 2019-2020 Actuals column reflect those included in the 2019-2020 Adopted Budget.

*** 2019-2020 Actuals may not subtotal due to rounding.

Finance Department

Department Budget Summary

	2019-2020 Actuals**	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed	2021-2022 Proposed Positions
Dollars by Program*					
Disbursements					
Accounts Payable	1,051,058	1,153,577	1,131,761	1,128,096	6.75
Payroll	1,893,709	1,906,397	1,758,801	1,758,801	9.75
Sub-Total	2,944,767	3,059,974	2,890,562	2,886,897	16.50
Financial Reporting					
General Accounting	2,210,998	2,863,886	1,901,745	2,196,245	10.35
Special Accounting	109,336	259,899	1,184,796	1,184,796	7.28
Sub-Total	2,320,334	3,123,785	3,086,541	3,381,041	17.63
Purchasing and Risk Management					
Purchasing	2,461,260	2,859,337	2,861,409	2,859,576	16.80
Risk Management	1,900,227	2,078,673	2,384,786	2,452,786	2.20
Sub-Total	4,361,487	4,938,010	5,246,195	5,312,362	19.00
Revenue Management					
Accounts Receivable	2,395,374	2,152,277	2,119,346	2,175,319	9.20
Business Tax	2,171,691	1,851,975	2,331,940	2,331,940	12.30
Revenue Audit and Compliance	1,345,957	2,416,978	1,997,602	1,900,561	8.19
Utility Billing System	2,923,872	1,316,674	1,595,027	1,595,027	9.30
Sub-Total	8,836,894	7,737,904	8,043,915	8,002,847	38.99
Treasury Management					
Banking Management	1,925,043	2,083,129	994,950	979,950	0.00
Cashiering and Payment Processing	1,267,140	1,200,966	1,605,856	1,395,313	10.25
Debt Management	15,872,783	15,647,914	15,358,571	15,157,573	5.97
Investment Management	1,715,811	1,446,361	1,193,805	1,193,805	5.98
Sub-Total	20,780,777	20,378,370	19,153,182	18,726,641	22.20
Strategic Support - Strategic Support					
Finance Management and Administration	1,758,890	1,777,780	1,579,489	1,577,656	6.67
Finance Pandemic Response	391,446	0	0	10,000,000	0.00
Finance Successor Agency to the Redevelopment Agency Administration	77,399	387,492	0	0	0.00
Sub-Total	2,227,735	2,165,272	1,579,489	11,577,656	6.67
Strategic Support - Other - Strategic Support					
Finance Funds Debt/Financing Costs	2,436,541	45,977,000	33,357,000	85,984,000	0.00
Finance Other Departmental - City-Wide	73,333	7,037,500	7,124,000	11,254,000	0.00

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** 2019-2020 Actuals may not subtotal due to rounding.

Finance Department

Department Budget Summary

	2019-2020	2020-2021	2021-2022	2021-2022	2021-2022
	Actuals**	Adopted	Forecast	Proposed	Proposed Positions
Finance Other Departmental - Grants	0	5,000,000	5,000,000	0	0.00
Finance Other Operational - Administration	6,504,804	1,100,319	1,101,862	103,000	0.00
Finance Overhead	4,599	529,154	476,177	464,680	0.00
Finance Transfers	29,734,294	0	0	0	0.00
Sub-Total	38,753,571	59,643,973	47,059,039	97,805,680	0.00
Total	\$80,225,566	\$101,047,288	\$87,058,923	\$147,693,124	120.99

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** 2019-2020 Actuals may not subtotal due to rounding.

Finance Department
Budget Reconciliation
Personal Services and Non-Personal/Equipment
(2020-2021 Adopted to 2021-2022 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
Prior Year Budget (2020-2021):	122.99	22,012,315	19,392,440
Base Adjustments			
One-Time Prior Year Expenditures Deleted			
• Rebudget: Revenue Compliance Sales Tax Software Phase II Implementation		(230,000)	(230,000)
• Rebudget: Citywide Financial Training Materials Development		(200,000)	(200,000)
• Rebudget: Travel Software Implementation		(130,000)	(130,000)
• Rebudget: Unclaimed Utility Credit Billing		(103,000)	0
• Rebudget: Disaster Cost Accounting		(100,000)	(100,000)
• Rebudget: General Liability Claims		(80,000)	(80,000)
• Rebudget: Building Performance Ordinance Support		(30,000)	(30,000)
• Rebudget: Revenue Results Software Phase II Implementation		(18,700)	(18,700)
• GASB 87 (Leases) Implementation and Compliance Software and Services		(133,500)	(133,500)
• Phase II Disaster Cost Recovery Documentation and Records Digitization Pilot		(50,000)	(50,000)
• Debt & Treasury Staffing		(6,000)	(6,000)
• Purchasing Staffing		(2,000)	(2,000)
One-time Prior Year Expenditures Subtotal:	-	(1,083,200)	(980,200)
Technical Adjustments to Costs of Ongoing Activities			
• Salary/benefit changes and the following position reallocations: - 1.0 Program Manager to 1.0 Senior Financial Analyst		477,951	485,113
• Fund Shift: Revenue Management/Purchasing	0.00	0	200,619
• Fund Shift: General Accounting	0.00	0	54,197
• Software/Information Systems Business Tax City Base Web Portal		23,320	23,320
• Budget Realignment: FirstNet Support		3,032	3,032
Technical Adjustments Subtotal:	0.00	504,303	766,281
2020-2021 Forecast Base Budget:	122.99	21,433,418	19,178,521

Finance Department
Budget Reconciliation
Personal Services and Non-Personal/Equipment
(2020-2021 Adopted to 2021-2022 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
Budget Proposals Recommended			
1. Cost Allocation Plan Review		302,000	302,000
2. Debt and Treasury Management, Cashiering and Payment Processing Reorganization	(2.00)	(210,543)	(131,873)
3. Investment Advisory Consulting Services		(80,000)	(80,000)
4. Revenue Management Staffing	0.00	(26,403)	(26,403)
5. Non-Personal/Equipment Savings		(24,000)	(24,000)
6. Reprographics Contractual Services Savings		(16,494)	(16,494)
Total Budget Proposals Recommended	(2.00)	(55,440)	23,230
2021-2022 Proposed Budget Total	120.99	21,377,978	19,201,751

Finance Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
1. Cost Allocation Plan Review		302,000	302,000
<i>Strategic Support CSA Financial Reporting Core Service General Accounting Program</i>			

This action adds one-time non-personal/equipment funding of \$202,000 for consulting services to review the City's current cost allocation plans, including both allocated costs and the bases used for allocation and one-time personal services funding of \$100,000 for temporary staffing to provide internal support. This review will result in a full cost allocation methodology for strategic support services to ensure that overhead costs continue to be federally-compliant and compliant with other grantors, and facilitate the estimation of reimbursements to the General Fund and charges to enterprise funds and grants. (Ongoing costs: \$0)

2. Debt and Treasury Management, Cashiering and Payment Processing Reorganization	(2.00)	(210,543)	(131,873)
<i>Strategic Support CSA Debt and Treasury Management Core Service Cashiering and Payment Processing Program</i>			

This action reorganizes the Cashiering and Payment Processing Program through the elimination of 1.0 vacant Account Clerk II position and 1.0 filled Account Clerk II position budgeted in the General Fund, and shifts funding for the supervising Senior Account Clerk and Analyst I positions between the General Fund and special funds. This action results in a net reduction of 2.0 FTE, including a net reduction of 1.27 FTE in the General Fund. The funding shift includes 0.20 FTE of the Analyst I from the General Fund to the various supported special funds, and 0.93 FTE of the Senior Account Clerk from the various supported special funds to the General Fund. The Account Clerk II positions support the general cashiering functions located on the First Floor of City Hall, which has been closed since March 2020 due to the COVID-19 pandemic, requiring the redeployment of staff on temporary assignments pending City Hall reopening. As part of this reorganization, two Senior Account Clerks will continue to provide general cashiering, enabling the cross training of Payment Processing staff and more flexible coverage for Cashiering and Payment Processing. Realignment of funding for the Senior Account Clerk and Analyst I result in a \$66,812 reduction in support from the respective Development Fee Programs and \$78,668 increase in General Fund support, reflecting projected workloads under this reorganization. Staffing requirements will be reassessed should demand for cashiering services return to pre-COVID levels following City Hall reopening. (Ongoing savings: \$212,378)

Finance Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
3. Investment Advisory Consulting Services		(80,000)	(80,000)
<i>Strategic Support CSA</i>			
<i>Debt and Treasury Management Core Service</i>			
<i>Debt Management Program</i>			

This action reduces ongoing non-personal/equipment funding by \$80,000 for investment advisory services. The City Council, at its June 26, 2007 meeting, approved the 2007-2008 reorganization of the Finance Department Investment Program, providing additional resources to implement active management initiatives for the purpose of enhancing the City's investment yield. Additional personal and non-personal/equipment resources were included as part of the reorganization. Funding for investment advisory services in the amount of \$80,000 was authorized for advisory input on investment options, cash flow forecasting, and market analysis; however, these advisory services have not been required to date. The Finance Department will continue to evaluate the potential for investment advisory services to result in increased performance of returns, given City investment policy guidance and the current and forecast market. (Ongoing savings: \$80,000)

4. Revenue Management Staffing	0.00	(26,403)	(26,403)
<i>Strategic Support CSA</i>			
<i>Revenue Management Core Service</i>			
<i>Accounts Receivable and Revenue Audit and Compliance Programs</i>			

This action eliminates 1.0 vacant Investigator Collector II position and adds 1.0 Analyst II position within the Business Tax Program. Since the launch of the City's centralized billing system (RevQ) in 2017, an Investigator Collector has been allocated to support system administration. As a more cost-effective alternative, an Analyst II position will assume those reporting and analysis responsibilities for delinquent accounts and support the Accounts Receivable team. (Ongoing savings: \$26,403)

5. Non-Personal/Equipment Savings		(24,000)	(24,000)
<i>Strategic Support CSA</i>			
<i>Core Service: Department-wide</i>			
<i>Program: Department-wide</i>			

This action reduces ongoing non-personal/equipment funding by \$24,000 to reflect savings that will be realized by the Finance Department through reduced lien fees, general office supplies, and other efficiency measures to be implemented in 2021-2022. (Ongoing savings: \$24,000)

Finance Department

Budget Changes By Department Personal Services and Non-Personal/Equipment







2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
6. Reprographics Contractual Services Savings		(16,494)	(16,494)
<i>Strategic Support CSA</i>			
<i>Core Service: Department-Wide</i>			
<i>Program: Department-Wide</i>			
<p>This action reduces ongoing non-personal/equipment budget by \$16,494 to reflect savings in the reprographics (printing) contract. The Finance and Information Technology Departments jointly worked to re-procure the City's reprographics contract for copier, scanner, fax devices support, and administration software and tools. Savings in the amount of \$363,000 will be generated city-wide in the General Fund, \$462,000 in all funds, across all departments from lower rental costs for the multi-function devices and significantly lower cost per copy and consumption rates. Savings can be realized with new green-print options and central administration of devices. (Ongoing savings: \$16,494)</p>			
2021-2022 Proposed Budget Changes Total	(2.00)	(55,440)	23,230

Finance Department

Performance Summary

Disbursements

Performance Measures



	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 % of disbursements paid accurately and timely	85%	89%	89%	89%
 % of reimbursements paid to employees accurately and timely	99%	98%	98%	98%
 % of payroll disbursements paid accurately and timely	99%	95%	95%	95%
 % of disbursements paid to vendors accurately and within 30 days	69%	74%	74%	74%
 Cost per payment	\$10.94	\$10.88	\$10.98	\$10.93
 Average number of days from invoice date to check issuance	27	27	27	27

Activity and Workload Highlights

	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast
Total number of payments made	245,617	264,745	261,851	261,851
Vendor invoices paid	73,466	77,845	75,670	75,670

Financial Reporting

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 % of financial reports that are produced	99%	97%	99%	99%
 Cost per financial report	\$976	\$899	\$1,025	\$1,076

Activity and Workload Highlights





	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast
Total number of financial reports provided	2,362	2,430	2,360	2,360

Finance Department

Performance Summary

Purchasing and Risk Management

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 % of cost savings achieved through the centralized purchasing process	3.7%	7.2%	3.8%	3.8%
 Cost of purchasing services as a percentage of the total dollars procured	1.15%	1.56%	1.61%	1.61%
 % of purchase orders (POs) processed within established timeframes				
- 8 business days for POs ≤ \$10K	65%	80%	42%	80%
- 26 business days for POs > \$10K and ≤ \$100K	79%	80%	68%	80%
- 38 business days for POs > \$100K and ≤ \$250K	83%	80%	86%	80%
- 83 business days for POs > \$250K and ≤ \$1.0M	95%	95%	99%	95%
- 108 business days for POs > \$1.0M	100%	85%	100%	85%
 Percentage of contracts processed for insurance clearance within five days of receipt	91%	88%	88%	88%

Activity and Workload Highlights


	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast
Total dollars procured	\$213.9 M	\$171.0 M	\$147.5 M	\$154.9 M
Total cost savings achieved through the centralized purchasing process	\$8.0 M	\$12.9 M	\$5.6 M	\$5.9 M
# of purchase orders (POs) processed within:				
- 8 business days for POs ≤ \$10K	354	541	182	442
- 26 business days for POs > \$10K and ≤ \$100K	1,111	908	709	873
- 38 business days for POs > \$100K and ≤ \$250K	232	160	173	161
- 83 business days for POs > \$250K and ≤ \$1.0M	191	131	171	147
- 108 business days for POs > \$1.0M	37	13	28	18
Total insurable value of the City's assets	\$4.0 B	\$4.2 B	\$4.3 B	\$4.4 B
Total number of contracts processed for insurance clearance	621	700	733	740

Finance Department


Performance Summary

Revenue Management

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 Return on Investment - Revenue Management	6.61	5.50	5.72	5.50

Activity and Workload Highlights

	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast
Revenue Management Aging Receivable ¹ Balance				
 Current Receivables ² :				
0 - 30 days	\$14,148,711	\$7,152,048	\$10,065,738	\$12,107,225
31 - 60 days	\$3,619,422	\$5,483,426	\$5,434,257	\$4,526,840
61 - 90 days	\$4,066,928	\$3,849,912	\$6,413,983	\$5,240,455
Delinquent Receivables ³ :				
91 - 120 days	\$2,313,327	\$2,160,987	\$2,352,772	\$2,333,049
121 - 365 days	\$5,608,090	\$5,268,417	\$7,375,392	\$6,491,741
366 - 730 days	\$11,036,768	\$6,920,629	\$14,209,966	\$12,623,367
731 - 999+ days	\$17,610,477	\$19,073,670	\$17,780,262	\$17,695,369

¹ Includes Business Tax, Fire, Administrative Citations, miscellaneous accounts receivable, and Utility Billing.




² Current = 90 days or less

³ Delinquent = 91 days or more

Finance Department
Performance Summary

Debt and Treasury Management

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 City's General Obligation Bond rating				
- Moody's	Aa1	Aa1	Aa1	Aa1
- Standard & Poor's	AA+	AA+	AA+	AA+
- Fitch	AA+	AA+	AA+	AA+
 Average return on investments	2.240%	1.900%	1.540%	0.970%
Comparison Benchmarks				
- Local Agency Investment Fund (LAIF)	1.934%	N/A ¹	N/A ¹	N/A ¹
- Bank of America Merrill Lynch (BAML)	2.277%	N/A ¹	N/A ¹	N/A ¹
 Cost of Investment Program as a percentage of the City's total investment portfolio	0.084%	0.088%	0.076%	0.079%

¹ Due to volatility in market conditions, targets and estimates cannot be determined. Bank of America Merrill Lynch (BAML) and Local Agency Investment Fund (LAIF) release these figures on an annual and monthly basis.

Activity and Workload Highlights

	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast
Total debt portfolio managed	\$3.833 B	\$4.750 B	\$3.985 B	\$4.275 B
Total of the City's investment portfolio	\$2.036 B	\$2.000 B	\$2.000 B	\$2.000 B

Finance Department
Departmental Position Detail

Position	2020-2021 Adopted	2021-2022 Proposed	Change
Account Clerk II	2.00	0.00	(2.00)
Accountant I/II	16.00	16.00	-
Accounting Technician	10.00	10.00	-
Administrative Officer	1.00	1.00	-
Analyst I/II	9.00	10.00	1.00
Assistant Director	1.00	1.00	-
Buyer I/II/III	6.00	6.00	-
Debt Administrator	1.00	1.00	-
Department Information Technology Manager	1.00	1.00	-
Deputy Director	4.00	4.00	-
Director of Finance	1.00	1.00	-
Financial Analyst	5.00	5.00	-
Hearing Officer U PT	0.99	0.99	-
Investigator Collector I/II	12.00	11.00	(1.00)
Investment Officer	1.00	1.00	-
Principal Account Clerk	3.00	3.00	-
Principal Accountant	3.00	3.00	-
Principal Office Specialist	1.00	1.00	-
Program Manager	6.00	5.00	(1.00)
Risk Manager	1.00	1.00	-
Senior Account Clerk	13.00	13.00	-
Senior Accountant	7.00	7.00	-
Senior Analyst	6.00	6.00	-
Senior Financial Analyst	0.00	1.00	1.00
Senior Investigator Collector	2.00	2.00	-
Senior Office Specialist	4.00	4.00	-
Staff Specialist	3.00	3.00	-
Supervising Accountant	3.00	3.00	-
Total Positions	122.99	120.99	(2.00)

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Fire Department

Robert Sapien, Jr., Fire Chief

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To serve the community by protecting life, property, and the environment through prevention and response

City Service Areas

Community and Economic Development
Public Safety

Core Services

Emergency Response

Provide comprehensive life safety services to residents and visitors by responding to emergencies in San José's incorporated and the County of Santa Clara's unincorporated areas, totaling approximately 200 square miles

Fire Prevention

Educate the community to reduce injuries, loss of life, and property damage from fires and other accidents; investigate fire cause; and provide regulatory enforcement of fire and hazardous materials codes through inspection activities

Fire Safety Code Compliance

Minimize loss of life and property from fires and hazardous materials releases; provide on-site code inspections and code plan review services to the City of San José business community and residents in the San José service area, resulting in a fire- and chemical-safe environment

Strategic Support: Administration, Equipment/Facilities, Information Technology, Strategic Planning, Multilingual Services, Safety/Wellness, Training, and Pandemic Response

Fire Department

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Emergency Response Core Service</i>	
Fire and Emergency Medical Services Dispatch	Receives calls from 9-1-1 call-takers and other sources, dispatches appropriate resources, triages calls using Medical Priority Dispatch System (MPDS) and Fire Priority Dispatch System (FPDS), relays critical information, provides detailed life safety assistance and instructions to callers (e.g. CPR, childbirth, choking), and provides critical communications support for Incident Commanders.
Fire and Emergency Medical Services Response	Responds to fire, rescue, medical emergencies, and other public assist calls for service; implements appropriate mitigation efforts and incident command system (ICS) scaled to the needs of the emergency.
Fire Stations / Apparatus Operations and Maintenance	Ensures availability of response-ready fire apparatus, tools and equipment, and personal protective equipment (PPE); maintains facilities including fire stations, training facilities, emergency generators, and fueling sites; provides necessary supplies, utilities, furnishings, and fuel.
Fire Sworn Training	Ensures the response-readiness of all sworn fire personnel through comprehensive annual mandated training; provides initial required trainings through Fire Fighter and Fire Engineer Academies.
Special Operations - Airport Rescue and Fire Fighting	Provides dedicated Aircraft Rescue and Fire Fighting (ARFF) certified Fire Captains, Engineers, and Fire Fighters as required by the Federal Aviation Administration at Norman Y. Mineta San José International Airport. (Program costs are offset by a transfer from the Airport.)
Special Operations - Hazardous Incident Team	Provides Hazardous Materials specialist-level trained responders and equipment for response to incidents requiring technical expertise to comply with Title 8 CCR §5192: Hazardous Waste Operations and Emergency Response; reviews and inspects facilities with hazardous materials storage. (Majority of the budget and FTE for this program is displayed in Fire and Emergency Medical Services Response Program.)
Special Operations - Urban Search and Rescue	Provides responses to incidents requiring technical expertise including confined space rescue, low/high angle (cliff) rescue, trench rescue, water rescue, structure collapse, and other technical rescue situations. (Majority of the budget and FTE for this program is displayed in Fire and Emergency Medical Services Response Program.)
<i>Fire Prevention Core Service</i>	
Fire Cause Investigation	Investigates suspicious fires to determine the origin; collects and processes evidence, develops detailed reports to assist in criminal prosecution, and provides expert testimonies at court trials.

Fire Department

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Fire Prevention Core Service</i>	
Fire Safety Education, Review, and Inspections	Provides fire safety inspections of permitted occupancies and provides Fire Watch and inspections during special events throughout the City. (Program costs are offset by revenues from the Fire Department Non-Development Fee Program.) Provides public safety information and education to the community through multiple education and awareness programs.
<i>Fire Safety Code Compliance Core Service</i>	
Fire Development Services	Provides the City of San José business community and residents with fire code plan review services before construction and on-site fire code inspections during construction phases to ensure compliance with approved permits. (Program costs are offset by revenues from the Fire Department Development Fee Program.)
<i>Strategic Support Core Service</i>	
Fire Human Resources	Manages personnel-related functions for the department, including hiring (in coordination with the Human Resources Department), employee development, employee discipline (in coordination with the Office of Employee Relations), and personnel transactions.
Fire Information Technology	Provides information technology services, planning, and system development and maintenance for the department in coordination with the Information Technology Department.
Fire Management and Administration	Provides executive-level, analytical, and administrative support to the department; manages the budget and all financial transactions for the department.
Pandemic Response	Provides for the coordination and delivery of emergency services and recovery activities in response to the COVID-19 pandemic.

Fire Department

Department Budget Summary

Expected 2021-2022 Service Delivery

- Provide essential emergency services, such as fire suppression, rescue and emergency medical services, in a timely and effective manner.
- Deliver timely development review and inspection services.
- Provide life safety and fire prevention services to the community.

2021-2022 Key Budget Actions

- Adds 14 sworn positions (4.0 Fire Captain, 4.0 Fire Engineer, 3.0 Firefighters/Paramedics, and 3.0 Firefighters) effective January 1, 2022 to staff the new Fire Station 37 and the expansion of Fire Station 20.
- Adds 1.0 Geographic Information Systems Specialist I/II position to support the Emergency Response Preparedness and Mapping Services in the Fire Department.
- Adds 1.0 Staff Specialist position and associated non/personal-equipment funding to provide additional capacity for the Fire Department's grants program and coordination of mutual aid reimbursement.
- Adds one-time non-personal/equipment funding of \$3.0 million to replace all self-contained breathing apparatus (SCBA) equipment that provides the highest level of respiratory protection for firefighters, enabling entry into environments otherwise immediately dangerous to life and health (IDLH).
- Reorganizes Workplace Safety Program by adding 1.0 Program Manager position and eliminating 1.0 Battalion Chief position to serve as the Fire Department's Safety Officer, with oversight of both sworn and civilian safety functions.
- Reorganizes Emergency Medical Services Program by adding 1.0 Analyst I/II position and eliminating 1.0 Fire Captain position to provide analytical support to the program.
- Shifts partial funding for positions that support the Fire Capital Improvement Program, from the General Fund to the Fire Construction & Conveyance Tax Fund, to better align funding sources with functional support for capital project planning, management and delivery. These shifts include 0.09 of a Fire Chief, 0.25 of a Building Maintenance Superintendent, and 0.25 of an Automotive Equipment Specialist.
- Reduces overtime funding by \$660,000, spread among multiple Bureaus, without impacting emergency response time performance or minimum staffing requirements.

Operating Funds Managed

- Fire Development Fee Program Fund

Fire Department

Department Budget Summary

	2019-2020 Actuals ***	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Dollars by Core Service				
City-Wide Emergency Management	1,861	0	0	0
Emergency Response	175,840,602	229,631,425	248,955,687	253,077,990
Fire Prevention	6,527,734	7,295,271	7,937,285	7,954,988
Fire Safety Code Compliance	5,860,424	7,943,516	7,732,584	7,540,744
Strategic Support - Community & Economic Development	630,136	545,918	31,900	31,900
Strategic Support - Other - Public Safety	25,488,217	16,896,920	13,414,570	13,675,582
Strategic Support - Public Safety	49,262,932	6,997,088	6,400,307	6,013,854
Total	\$263,611,906	\$269,310,138	\$284,472,333	\$288,295,058
Dollars by Category				
Personal Services and Non-Personal/Equipment				
Salaries/Benefits	216,309,766	231,432,685	251,449,729	253,039,645
Overtime	13,848,779	11,025,666	11,086,393	10,472,355
Subtotal Personal Services	\$230,158,546	\$242,458,351	\$262,536,122	\$263,512,000
Non-Personal/Equipment	8,475,215	10,538,481	9,182,309	12,209,336
Total Personal Services & Non-Personal/Equipment	\$238,633,761	\$252,996,832	\$271,718,431	\$275,721,336
Other Costs*				
City-Wide Expenses	88,274	106,377	0	0
General Fund Capital	16,700,744	7,350,000	3,750,000	3,750,000
Gifts	0	0	0	0
Housing Loans and Grants	0	0	0	0
Other	266,467	227,219	227,219	0
Overhead Costs	0	1,129,710	1,026,683	1,073,722
Workers' Compensation	7,922,661	7,500,000	7,750,000	7,750,000
Total Other Costs	\$24,978,145	\$16,313,306	\$12,753,902	\$12,573,722
Total	\$263,611,906	\$269,310,138	\$284,472,333	\$288,295,058

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document. The amounts in the 2020-2021 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

** The positions displayed in the 2019-2020 Actuals column reflect those included in the 2019-2020 Adopted Budget.

*** 2019-2020 Actuals may not subtotal due to rounding.

Fire Department

Department Budget Summary

	2019-2020 Actuals ***	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Dollars by Fund				
General Fund (001)	222,016,447	258,679,627	274,479,695	278,233,248
Gift Trust Fund (139)	0	0	0	0
Fire Development Fee Program Fund (240)	0	9,620,578	8,791,167	8,600,448
Coronavirus Relief Fund (401)	40,716,953	0	0	0
Emergency Reserve Fund (406)	212,514	0	0	0
Storm Sewer Operating Fund (446)	0	0	175,000	175,000
Capital Funds	665,992	1,009,933	1,026,471	1,286,362
Total	\$263,611,906	\$269,310,138	\$284,472,333	\$288,295,058
Positions by Core Service**				
Emergency Response	741.48	740.48	741.70	755.20
Fire Prevention	26.40	25.40	26.33	26.87
Fire Safety Code Compliance	33.69	33.26	35.28	35.32
Strategic Support - Community & Economic Development	2.72	2.74	0.00	0.00
Strategic Support - Other - Public Safety	4.42	4.40	4.09	5.18
Strategic Support - Public Safety	29.77	27.20	26.08	26.91
Total	838.48	833.48	833.48	849.48

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** The positions displayed in the 2019-2020 Actuals column reflect those included in the 2019-2020 Adopted Budget.

*** 2019-2020 Actuals may not subtotal due to rounding.

Fire Department

Department Budget Summary

	2019-2020 Actuals**	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed	2021-2022 Proposed Positions
Dollars by Program*					
City-Wide Emergency Management					
Emergency Preparedness and Planning	1,861	0	0	0	0.00
Sub-Total	1,861	0	0	0	0.00
Emergency Response					
Fire and Emergency Medical Services Dispatch	7,228,708	8,519,822	8,730,930	8,729,204	47.48
Fire and Emergency Medical Services Response	147,619,027	197,315,084	215,014,589	216,210,977	661.41
Fire Stations/Apparatus Operations and Maintenance	7,384,064	7,145,795	7,122,686	10,085,223	4.76
Fire Sworn Training	5,557,627	7,883,388	7,816,210	7,781,314	12.95
Special Operations - Airport Rescue and Fire Fighting	5,776,093	5,719,951	5,957,766	5,957,766	18.34
Special Operations - Hazardous Incident Team	1,108,206	1,854,706	2,214,749	2,214,749	5.13
Special Operations - Urban Search and Rescue	1,166,877	1,192,679	2,098,757	2,098,757	5.13
Sub-Total	175,840,602	229,631,425	248,955,687	253,077,990	755.20
Fire Prevention					
Fire Cause Investigation	1,365,388	1,519,565	1,694,785	1,694,135	4.25
Fire Safety Education, Review, and Inspections	5,162,346	5,775,706	6,242,500	6,260,853	22.62
Sub-Total	6,527,734	7,295,271	7,937,285	7,954,988	26.87
Fire Safety Code Compliance					
Fire Development Services	5,860,424	7,943,516	7,732,584	7,540,744	35.32
Sub-Total	5,860,424	7,943,516	7,732,584	7,540,744	35.32
Strategic Support - Community & Economic Development					
Fire Information Technology - Community and Economic Development	404	0	0	0	0.00
Fire Management and Administration - Community and Economic Development	629,732	545,918	31,900	31,900	0.00
Sub-Total	630,136	545,918	31,900	31,900	0.00
Strategic Support - Public Safety					
Fire Human Resources - Public Safety	175,067	326,501	333,141	333,141	0.00
Fire Information Technology - Public Safety	1,649,783	2,265,376	2,009,982	2,016,952	10.05
Fire Management and Administration - Public Safety	3,972,244	4,405,211	4,057,184	3,663,761	16.86
Fire Pandemic Response	43,465,838	0	0	0	0.00
Sub-Total	49,262,932	6,997,088	6,400,307	6,013,854	26.91

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** 2019-2020 Actuals may not subtotal due to rounding.

Fire Department

Department Budget Summary

	2019-2020	2020-2021	2021-2022	2021-2022	2021-2022
	Actuals**	Adopted	Forecast	Proposed	Proposed Positions
Strategic Support - Other - Public Safety					
Fire Capital - Public Safety	17,267,214	8,050,276	4,528,590	4,742,563	5.18
Fire Other Departmental - Grants - Public Safety	79,274	77,583	0	0	0.00
Fire Other Operational - Administration - Public Safety	219,070	139,351	109,297	109,297	0.00
Fire Overhead	0	1,129,710	1,026,683	1,073,722	0.00
Fire Workers' Compensation - Public Safety	7,922,661	7,500,000	7,750,000	7,750,000	0.00
Sub-Total	25,488,217	16,896,920	13,414,570	13,675,582	5.18
Total	\$263,611,906	\$269,310,138	\$284,472,333	\$288,295,058	849.48

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** 2019-2020 Actuals may not subtotal due to rounding.

Fire Department

Budget Reconciliation

Personal Services and Non-Personal/Equipment (2020-2021 Adopted to 2021-2022 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
Prior Year Budget (2020-2021):	833.48	252,996,832	243,723,250
Base Adjustments			
One-Time Prior Year Expenditures Deleted			
• Rebudget: Fire Development Fee Program - Peak Staffing		(520,000)	0
• Rebudget: 2020-2021 Fire Fighter Recruit Academy		(503,831)	(503,831)
• Rebudget: Emergency Medical Services (EMS) Service Delivery Model		(150,000)	(150,000)
• Rebudget: Fire Development Fee Program - Workspace Renovation		(131,708)	0
• Rebudget: Fire Development Fee Program - Inspection Vehicles		(120,000)	0
• Rebudget: Active Shooter Training		(120,000)	(120,000)
• Rebudget: Fire Development Fee Program - Mobile Inspection Devices		(40,000)	0
• Rebudget: Medical Director Contractual Services		(34,956)	(34,956)
• Rebudget: Non-Development Fee Program - Vehicle Purchase		(30,000)	(30,000)
• Rebudget: Fire Development Fee Program - Technical Publications		(2,500)	0
• Non-Personal/Equipment (Local Sales Tax)		437,000	437,000
• Equipment and Supplies: Fire Station Alert System		500	500
• Local Sales Tax - Emergency Medical Services Equipment (LUCAS) (Non-Personal/Equipment)		(437,000)	(437,000)
• Emergency Medical Services Equipment (LUCAS Devices)		(437,000)	(437,000)
• Fire Information Technology Master Plan		(300,000)	(300,000)
• Fire Development Fee Program Staffing		(2,380)	0
• Fire Apparatus Program Reorganization		(1,602)	(1,602)
• Emergency Medical Services Technology Staff		(250)	(250)
One-time Prior Year Expenditures Subtotal:	0.00	(2,393,727)	(1,577,139)
Technical Adjustments to Costs of Ongoing Activities			
• Salary/benefit changes and the following position changes: - 1.0 Permit Specialist to 1.0 Senior Permit Specialist		20,231,574	20,030,347
• Overtime Adjustment		449,040	442,732
• Hazardous Waste Pick-Up		175,000	0
• Fund Shift: Fire Management and Administration / Information Technology	0.94	164,206	164,206
• Training: State Fire Training		83,850	83,850
• Fund Shift: Fire Non-Development Fee Program	0.54	74,083	74,083
• Contract Services: Medical Advisor Consulting Services		35,400	35,400
• Equipment and Supplies: Fire Stations/Apparatus Operations and Maintenance		15,892	15,892
• Utilities: Gas, Electricity, Water		15,000	15,000

Fire Department

Budget Reconciliation

Personal Services and Non-Personal/Equipment (2020-2021 Adopted to 2021-2022 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
Technical Adjustments to Costs of Ongoing Activities			
• Software/Information Systems: Mobile Inspection Devices (Fire Development Fee Program)		12,744	0
• Budget Realignment: FirstNet Support		8,600	8,600
• Software/Information Systems: Dual Cellular Network Connectivity (FirstNet)		4,179	4,179
• Equipment and Supplies: Pharmaceutical, Medical Equipment and Supplies (Life Assist)		2,700	2,700
• Contract Services: Fire Stations/Apparatus Equipment Maintenance and Repair Services		2,359	2,359
• Night Shift Differential Adjustment		2,066	2,066
• Fund Shift: Fire Development Fee Program	(0.73)	(117,537)	0
• Fund Shift: Capital Project Management	(0.75)	(101,830)	(101,830)
• Vehicle Operations and Maintenance		58,000	54,000
Technical Adjustments Subtotal:	0.00	21,115,326	20,833,584
2021-2022 Forecast Base Budget:	833.48	271,718,431	262,979,695
Budget Proposals Recommended			
1. Self-Contained Breathing Apparatus Equipment Replacement		3,012,000	3,012,000
2. New Public Safety Facilities Maintenance and Operations	14.00	1,996,000	1,996,000
3. Emergency Response Preparedness and Mapping Services Staffing	1.00	132,828	66,414
4. Grants and Deployment Reimbursements Staffing	1.00	129,804	129,804
5. California Building and Fire Code Publications		40,422	12,308
6. Overtime Usage		(660,000)	(660,000)
7. Workplace Safety Staffing	0.00	(299,803)	(307,068)
8. Emergency Medical Services Staffing	0.00	(245,493)	(245,493)
9. Non-Personal/Equipment Savings		(84,789)	(84,789)
10. Reprographics Contractual Services Savings		(18,064)	(18,064)
11. Capital Project Management Staffing Funding Shift	0.00	0	(147,559)
Total Budget Proposals Recommended	16.00	4,002,905	3,753,553
2021-2022 Proposed Budget Total	849.48	275,721,336	266,733,248

Fire Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
1. Self-Contained Breathing Apparatus Equipment Replacement		3,012,000	3,012,000

*Public Safety CSA
Emergency Response Core Service
Fire Stations/Apparatus Operations and Maintenance Program*

This action adds one-time non-personal/equipment funding of \$3,012,000 to replace all self-contained breathing apparatus (SCBA) that are 11 years behind current health and safety features, equal to two National Fire Protection Association (NFPA) cycles, and for which coverage under warranty is due to expire in November 2021. SCBA equipment provides the highest level of respiratory protection for firefighters, enabling entry into environments otherwise immediately dangerous to life and health. The current inventory of SCBA were purchased in February 2012 with funds awarded through the 2009 Assistance to Firefighter Grant (AFG). The Department unsuccessfully applied for funding for the replacement of this equipment through the 2019 AFG. Of the total SCBA inventory of 373 complete units, all will be replaced in 2021-2022. As new NFPA standards are developed and implemented, all units will need to be replaced in future years, likely beginning in 2031-2032. (Ongoing costs: \$0)

2. New Public Safety Facilities Maintenance and Operations	14.00	1,996,000	1,996,000
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*Public Safety CSA
Emergency Response Core Service
Fire and Emergency Medical Services Response and Fire Stations/Apparatus Operations and Maintenance Programs*

This action adds 14.0 sworn positions (4.0 Fire Captain, 4.0 Fire Engineer, 3.0 Firefighter/Paramedic, and 3.0 Firefighter), overtime funding of \$45,962, and associated non-personal/equipment funding of \$73,103 for six months of operation of the new Fire Station 37 and landside (off-airport) operations for the expanded Fire Station 20, the Aircraft Rescue and Firefighting Facility. The estimated costs for the annual operation of the facilities in 2022-2023 is \$4,110,000 (\$4.07 million for Fire Station 37 and \$40,000 for Fire Station 20). Construction of Fire Station 37 started in September 2020 with an estimated operational date of January 2022; operating costs include a new engine company for Fire Station 37, along with utilities and maintenance costs. Construction of Fire Station 20 started in August 2020 with an estimated completion date of January 2022; operating costs include the share of utilities and maintenance costs attributable to the portion of the station serving landside operations. While no new staffing will be added to operate Fire Station 20 landside, a two-person squad unit will be redeployed from Fire Station 5 to provide better emergency medical response coverage to the region. These costs were anticipated and included in the 2022-2026 General Fund Forecast and is supported by the liquidation of an Earmarked Reserve set aside as part of that forecast for this purpose. (Ongoing costs: \$4,110,000)

Fire Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
3. Emergency Response Preparedness and Mapping Services Staffing	1.00	132,828	66,414

Public Safety CSA

Strategic Support Core Service

Fire Capital - Public Safety and Fire Information Technology – Public Safety Programs

This action adds 1.0 Geographic Information Systems Specialist II position under the Bureau of Administrative Services Information Technology Program, funded 50% by the General Fund and 50% by the Fire Construction & Conveyance Tax Fund, to provide necessary support to the emergency response preparedness and mapping services in the Fire Department. There is an increased demand for GIS and enterprise-level data management solutions that provide location-based data and serve as a critical decision-making tool to assess response time performance, service delivery, and incident management strategies along with special data requests on city-wide policy initiatives such as homelessness, vegetation fires, and medical response relating to electric scooters. This position will provide support in generating web-based tools and applications for collection of field data, damage assessments, emergency incident management, status dashboards, and building public information portals. (Ongoing costs: \$144,900)

4. Grants and Deployment Reimbursements Staffing	1.00	129,804	129,804
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Public Safety CSA

Strategic Support Core Service

Fire Management and Administration Program

This action adds 1.0 Staff Specialist position and associated one-time non-personal/equipment funding of \$4,355 to the Bureau of Administrative Services to provide additional capacity for the Fire Department's grants program and coordination of mutual aid deployment reimbursement. Currently there is an Analyst I/II dedicating half of their time to these programs. The Analyst is tasked with all program duties, including: providing financial status and close-out reports; tracking and reconciling expenses and reimbursements; facilitating purchases with grant monies; tracking and reconciling deployment forms; and processing invoices. Many required ancillary duties, such as research, planning, coordination of grant submissions, and follow up on deployment reimbursements, are currently performed by a Deputy Director, Administrative Officer, and a Senior Analyst. Addition of the Staff Specialist position allows the Analyst to focus on developing competitive applications while the Staff Specialist will focus on transactional duties. The increased capacity in grants and deployment reimbursements will allow for more timely and thoughtful preparation and submission of grant applications, accurate record keeping and mutual aid deployment reconciliation while complying with applicable federal and state laws and regulations. This staffing level is intended to increase the Fire Department's competitiveness for grants, as two federal grant awards were previously denied in 2019-2020. (Ongoing costs: \$125,449)

Fire Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
5. California Building and Fire Code Publications		40,422	12,308

*Community and Economic Development CSA
Fire Safety Code Compliance Core Service
Fire Development Services Program*

*Public Safety CSA
Fire Prevention Core Service
Fire Safety Education, Review, and Inspections Program*

This action adds non-personal/equipment funding of \$40,422 (\$12,308 funded by the Fire Non-Development Fee Program in the General Fund and \$28,114 funded by the Fire Development Fee Program Fund), of which \$13,474 is ongoing, to purchase current California Building and Fire Code reference materials for the Bureau of Fire Prevention. Fire Department staff rely on these reference publications, combined with local regulations, to complete their plan reviews, permits, and inspections, and to demonstrate code requirements with architects, engineers and contractors during plan review and compliance meetings. Although some publications are available as online references with membership requirements, access restrictions often require the purchase of hard copies. However, subscriptions to online copies will also reduce the need for multiple copies and allow electronic access in the field. Ongoing funding totaling \$13,474 (\$4,103 in the Fire Non-Development Fee Program in the General Fund and \$9,371 in the Fire Development Fee Program Fund) will provide sufficient annual funding for the tri-annual code updates. (Ongoing costs: \$13,474)

6. Overtime Usage		(660,000)	(660,000)
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*Public Safety CSA
Emergency Response and Strategic Support Core Services
Fire and Emergency Medical Services Response, Fire Stations/Apparatus Operations and Maintenance Program, Fire Sworn Training Program, and Fire Management and Administration Programs*

This action reduces the Fire Department's overtime funding by \$660,000, spread among multiple Bureaus. Overtime funding for annual mandatory sworn personnel trainings and participation in various department approved committees is reduced by \$420,000 for the Bureau of Field Operations, based on a reevaluation of mandatory training and efficiencies to be achieved in training scheduling and delivery, which will result in lower overtime costs for the staffing of backfill companies and a reduced need for off-duty training. However, overtime funding for Minimum Staffing and the elimination of Brown Outs is maintained. Remaining reductions include the Bureau of Emergency Medical Services and Training (\$80,000), Bureau of Support Services (\$20,000), and Office of the Fire Chief (\$140,000). Reduction of these overtime allocations will have no impact on emergency response time performance or minimum staffing requirements. (Ongoing savings: \$660,000)

Fire Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
7. Workplace Safety Staffing	0.00	(299,803)	(307,068)

*Community and Economic Development CSA
Fire Safety Code Compliance Core Service
Fire Development Services Program*

*Public Safety CSA
Fire Prevention and Strategic Support Core Services
Fire Safety Education, Review, and Inspections and Fire Management and Administration Programs*

This action reorganizes Workplace Safety functions by deleting 1.0 Battalion Chief position and adding 1.0 Program Manager position, which will be partially funded by the Fire Development Fee Program Fund (4%) and the Fire Non-Development Fee Program in the General Fund (4%), resulting in ongoing net savings of \$299,803 to the General Fund. The 2019-2020 Adopted Budget restored 1.0 Battalion Chief to serve as the Fire Department Safety Officer, a role that has traditionally been assigned to sworn personnel. Changing the position to a Program Manager will expand the supervisory responsibilities for the Safety Officer, including oversight of both sworn and civilian safety functions, and allow for the shift of an existing Analyst I/II from the Employee Services program to provide enhanced support for workers' compensation and claims functions. Shifting these functions from the Employee Services program will allow for a focus on increasing diversity within the Firefighter recruitments, bilingual capabilities, outreach, and reevaluation of all aspects of the hiring process. This action has been discussed with the International Association of Fire Fighters (IAFF), Local 230 bargaining group. The incumbent in the Battalion Chief position being eliminated will return to a vacant Battalion Chief position in accordance with Article 42 of the 2018 City of San José – IAFF MOA. (Ongoing savings: \$299,803)

8. Emergency Medical Services Staffing	0.00	(245,493)	(245,493)
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*Public Safety CSA
Emergency Response Core Service
Fire and Emergency Medical Services Response Program*

This action deletes 1.0 Fire Captain position, which is currently serving as the Fire Department's Emergency Medical Services (EMS)/Basic Life Support (BLS) Program Coordinator, and adds 1.0 Analyst II position to provide analytical support to the Advanced Life Support (ALS) Program Coordinator (Fire Captain), Continued Quality Improvement/Quality Assurance (CQI) Officer (Fire Captain), and EMS Division Manager (Battalion Chief). This reorganization allows for the redistribution of remaining EMS/ BLS Program Coordinator duties among the respective Fire Captains and Battalion Chief. The Analyst II position will support EMT and Paramedic training and certification processes, Public Access Defibrillation (PAD) Program maintenance activities, EMS equipment and supplies inventories, EMS performance analytics, EMS Division budget, special studies, grant administration, and other EMS general administrative activities. This action has been discussed with the International Association of Fire Fighters (IAFF), Local 230 bargaining group. The incumbent in the Fire Captain position being eliminated will return to a vacant Fire Captain position in accordance with Article 42 of the 2018 City of San José – IAFF MOA. (Ongoing savings: \$245,493)

Fire Department

Budget Changes By Department Personal Services and Non-Personal/Equipment







2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
9. Non-Personal/Equipment Savings		(84,789)	(84,789)
<p><i>Public Safety CSA</i> Emergency Response and Strategic Support Core Services <i>Fire Sworn Training, Fire Management and Administration, and Fire Information Technology – Public Safety Programs</i></p> <p>This action reduces ongoing non-personal/equipment funding by \$84,789 to reflect efficiencies within Administrative Services and Training. Reductions include decreased purchasing of supplies and materials in Administrative Services (\$12,491) and Information Technology Services (\$59,444), which is not expected to significantly impact short-term operations due to evaluation of annual costs. An additional reduction in the Bureau of Emergency Medical Services and Training – Fire Engineer Academy (\$12,854) reflects savings from rent and land use funding that was originally intended to pay for permits for open space training for wild land burns but is no longer required. (Ongoing savings: \$84,789)</p>			
10. Reprographics Contractual Services Savings		(18,064)	(18,064)
<p><i>Public Safety CSA</i> Core Service: Department-Wide <i>Program: Department-Wide</i></p> <p>This action reduces the non-personal/equipment budget by \$18,064 to reflect savings in the reprographics (printing) contract. The Finance and Information Technology Departments jointly worked to re-procure the City's reprographics contract for copier, scanner, fax devices support, and administration software and tools. Savings in the amount of \$363,000 will be generated city-wide in the General Fund, \$462,000 in all funds, across all departments from lower rental costs for the multi-function devices and significantly lower cost per copy and consumption rates. Savings can be realized with new green-print options and central administration of devices. (Ongoing savings: \$18,064)</p>			
11. Capital Project Management Staffing Funding Shift	0.00	0	(147,559)
<p><i>Public Safety CSA</i> Emergency Response and Strategic Support Core Services <i>Fire Management and Administration, Fire Capital – Public Safety, and Fire Stations/Apparatus Operations and Maintenance Programs</i></p> <p>This action shifts funding for portions of positions that support the Fire Capital Improvement Program (CIP), from the General Fund to the Fire Construction & Conveyance Tax Fund, to better align funding sources with functional support for capital project planning, management and delivery. These shifts include 0.09 of a Fire Chief, 0.25 of a Building Maintenance Superintendent, and 0.25 of an Automotive Equipment Specialist. This realignment is based on an evaluation of all positions that directly support the CIP, resulting in an ongoing savings to the General Fund of \$147,559. (Ongoing costs: \$0)</p>			
2021-2022 Proposed Budget Changes Total	16.00	4,002,905	3,753,553

Fire Department

Performance Summary

Emergency Response

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 % of fires contained: - in room of origin - in structure of origin	72% 91%	85% 92%	70% 91%	80% 92%
 % of hazardous material releases contained to property of origin by Hazardous Incident Team (total # contained)	N/A ¹ N/A ¹	N/A ¹ N/A ¹	N/A ¹ N/A ¹	N/A ¹ N/A ¹
 Average cost of emergency response (budget/# of emergency responses)	\$2,199	\$2,381	\$2,242	\$2,623
 % of response time compliance - Priority 1 (<8 min) ² - Priority 2 (<13 min) ³	75% 92%	80% 80%	75% 93%	80% 90%
 % of response time breakdown for Priority 1 - Dispatch time (<2 min) ⁴ - Turnout time (<2 min) ⁵ - Travel time (<4 min) ⁶	87% 85% 45%	80% 80% 80%	87% 85% 44%	85% 85% 50%
 % of EMS response time compliance - EMS Code 3 (<8 min) ⁷ - EMS Code 2 (<12 min) ⁸	90% 96%	90-95% 90-95%	90% 97%	95% 95%

¹ The Department continues to review this measure and methodology to more efficiently capture data. Updates to this measure and methodology may be recommended through the development of the 2022-2023 Proposed Operating Budget.

² The City of San José Priority 1 (red lights/sirens) Response Time compliance standard is arrival within 8 minutes, 80% of the time.

³ The City of San José Priority 2 (no red lights/sirens) Response Time compliance standard is arrival within 13 minutes, 80% of the time.

⁴ The City of San José Priority 1 –Dispatch Time compliance standard is 80%.

⁵ The City of San José Priority 1 –Turnout Time compliance standard is 80%.

⁶ While the City of San José Priority 1 – Travel Time compliance standard is 80%, the Fire Department has been unable to meet this standard due to traffic congestion and coverage gap areas as a result of existing fire station placements. The addition of three new and two relocated fire stations funded by Measure T, the San José Disaster Preparedness, Public Safety and Infrastructure Bond, are essential to improving this performance measure as the Department continues to advance multiple strategies for maximizing response time performance.

⁷ The Santa Clara County Emergency Medical Services Code 3 (red lights/sirens) Response Time compliance standard is arrival within 8 minutes 90% of the time.

⁸ The Santa Clara County Emergency Medical Services Code 2 (no red lights/sirens) Response Time compliance standard is arrival within 12 minutes 90% of the time.

Fire Department

Performance Summary

Emergency Response

Activity and Workload Highlights

	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast
# of SJFD Emergency Incidents Dispatched	91,595	93,000	93,000	94,800
# of Priority 1 SJFD Responses (red lights/sirens)	73,258	75,000	77,093	80,000
# of Priority 2 SJFD Responses (no red lights/sirens)	18,335	18,000	17,690	18,000
# of other SJFD Calls (unclassified) ¹	2	0	0	0
# of Squad Unit Responses	10,320	10,500	9,863	10,000
# of Emergencies by Type Found on Arrival	91,595	93,000	93,000	94,800
# Fires	3,675	2,600	4,000	4,000
- structure fires	446	450	361	361
- vehicle/aircraft fires	323	350	310	310
- vegetation fires	725	500	685	685
- other fires	2,181	1,300	2,644	2,644
- # of medical emergencies	56,454	57,000	57,000	58,000
- # of Rescue, Haz-Mat, USAR and non-fire hazards	6,561	7,000	6,400	6,500
- # of Service Requests & Good Intent	9,792	10,900	9,700	10,000
- # of False Alarm/False Call (malicious)	1,259	1,100	1,200	1,300
- # of No incident, wrong location, cancelled en route	6,474	7,900	6,700	7,000
- # of Uncategorized	7,380	6,500	8,000	8,000
Total estimated property fire loss (x \$1,000)	\$38,288	\$40,000	\$50,200	\$40,000





¹ In 2019-2020, the Department improved classification of calls within the Computer Aided Dispatch (CAD) system, resulting in significantly fewer unclassified calls.

Fire Department

Performance Summary

Fire Prevention

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 % of arson investigations with determination of cause	53%	67%	65% ¹	70% ¹
 % of inspections not requiring a follow-up inspection	93%	80%	90%	90%
 % of occupancies receiving an inspection:				
- State-mandated	89% ²	100%	100%	100%
- Assemblies	88% ²	100%	80% ²	100%
- Non-mandated	63% ²	80%	90%	90%
 % of code violation complaint investigations initiated within 1 week	93%	100%	97%	100%

¹ 2020-2021 data represents a continued anticipated growth in investigations conducted by the Arson Unit compared to 2019-2020 due to fires related to civil unrest and suspicious vegetation fires. 2021-2022 estimates anticipate this growth to continue, increasing the need for investigations conducted by the Arson Unit.

² Due to Santa Clara County Public Health Shelter-In-Place orders and subsequent modifications in response to COVID-19, non-essential businesses temporarily closed and some ceased operation permanently, thereby reducing inspection volume.

Fire Department

Performance Summary

Fire Prevention

Activity and Workload Highlights

	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast
# of investigations conducted by Arson Unit	401	450	475 ¹	500 ¹
# of investigations resulting in arson determination	213	300 ¹	308 ¹	350 ¹
Total number of arson fires in structures	93	95	95	95
Total estimated dollar loss due to arson	\$2,435,882 ²	\$4,000,000	\$3,500,000	\$4,000,000
Arson fires per 100,000 population	20	28 ¹	29 ¹	33 ¹
Plan reviews performed (special events)	268	N/A ³	80 ³	240
# of initial inspections conducted by Firefighters:				
- State-mandated	4,929	5,684	5,628	5,628
# of initial inspections conducted by Bureau of Fire Prevention staff:				
- State-mandated	697 ⁴	816	717	717
- Assemblies	1,546 ⁴	1,710	1,375 ⁴	1,719
- Non-mandated	3,423	3,410	3,784	3,784
# of re-inspections:				
- State-mandated	1,090	900	800	520
- Assemblies	993	600	400	400
- Non-mandated	1,037	700	900	900
Total annual permitted occupancies:				
- Hazardous Materials	3,183	3,183	3,129	3,129
- Fire Safety	5,828	5,337 ⁴	5,845	5,900
# of complaints investigated	148	140	60	100

¹ 2020-2021 data represents a continued anticipated growth in investigations conducted by the Arson Unit compared to 2019-2020 due to fires related to civil unrest and suspicious vegetation fires. The 2021-2022 Forecast anticipates the growth to continue, increasing the need for investigations conducted by the Arson Unit.

² The 2019-2020 estimated loss of \$2.4 million includes approximately \$1.0 million estimated property losses in three large multi-residential fires and a \$400,000 estimated property loss in a commercial fire due to arson. The 2020-2021 Estimate includes three commercial structure fires of approximately \$2.5 million in property loss.

³ Due to the limitations on special events (indoor and outdoor) mandated by Santa Clara County Public Health Shelter-In-Place orders, special event plan reviews decreased in 2019-2020 and a 2020-2021 Forecast was not able to be estimated. The 2020-2021 Estimate represents limited special event permits issued for outdoor activities in compliance with Santa Clara County Public Health Shelter-In-Place orders.




⁴ Due to Santa Clara County Public Health Shelter-In-Place orders and subsequent modifications in response to COVID-19, non-essential businesses temporarily closed and some ceased operation permanently, thereby reducing inspection volume.

Fire Department

Performance Summary

Fire Safety Code Compliance

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 Ratio of fee revenue to Development Fee Program cost (includes reserve funding)	100%	100%	100%	100%
 Selected cycle time measures for Development services:				
- Fire Plan Check processing targets met ¹	79%	85%	81%	85%
- Fire inspections within 24 hours ¹	100%	100%	100%	100%
 % of Development process participants rating service as good or excellent	80%	80%	80%	90%

¹ In August 2020, Audit Report #20-03: Audit of Fire Development Services: Staff Resources and Process Efficiencies Will Help to Reduce Backlog was released and recommended that the Fire Department revise its calculations of the fire inspection cycle time and its methodology of calculations of the number of plan review and the percentage of time that plan check processing times are met. The Fire Department will submit a request to update the performance measure through the development of the 2022-2023 Proposed Operating Budget

Activity and Workload Highlights

	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast
# of new construction and tenant improvement plan checks performed	6,386	6,300	5,700 ¹	6,500
# of new construction and tenant improvement inspections performed	7,411 ¹	8,500	6,800 ¹	7,400

¹ Due to Santa Clara County Public Health Shelter-In-Place orders and subsequent modifications in response to COVID-19, non-essential businesses temporarily closed and some ceased operation permanently, thereby reducing plan checks and inspection volume.

Fire Department

Departmental Position Detail

Position	2020-2021 Adopted	2021-2022 Proposed	Change
Account Clerk II	2.00	2.00	-
Accounting Technician	2.00	2.00	-
Administrative Assistant	1.00	1.00	-
Administrative Officer	1.00	1.00	-
Analyst I/II	10.00	11.00	1.00
Arson Investigator	3.00	3.00	-
Assistant Fire Chief	1.00	1.00	-
Associate Engineer	16.00	16.00	-
Automotive Equipment Specialist	1.00	1.00	-
Battalion Chief	22.00	21.00	(1.00)
Building Maintenance Superintendent	1.00	1.00	-
Department Information Technology Manager	1.00	1.00	-
Deputy Director	1.00	1.00	-
Deputy Fire Chief	4.00	4.00	-
Division Manager	2.00	2.00	-
Fire Captain	172.00	175.00	3.00
Fire Chief	1.00	1.00	-
Fire Engineer	230.00	234.00	4.00
Fire Equipment Technician	2.00	2.00	-
Fire Fighter	261.00	267.00	6.00
Fire Prevention Inspector	13.00	13.00	-
Geographic Information Systems Specialist	0.00	1.00	1.00
Hazardous Materials Inspector II	6.00	6.00	-
Information Systems Analyst	2.00	2.00	-
Network Engineer	1.00	1.00	-
Network Technician I/II/III	2.00	2.00	-
Office Specialist II	1.00	1.00	-
Permit Specialist	1.00	0.00	(1.00)
Principal Office Specialist	1.00	1.00	-
Principal Permit Specialist	1.00	1.00	-
Program Manager	2.00	3.00	1.00
Public Information Manager	1.00	1.00	-
Public Safety Radio Dispatcher	30.00	30.00	-
Public Safety Radio Dispatcher PT	0.48	0.48	-
Senior Account Clerk	2.00	2.00	-
Senior Analyst	4.00	4.00	-
Senior Engineer	4.00	4.00	-
Senior Geographic Information Systems Specialist	1.00	1.00	-
Senior Office Specialist	3.00	3.00	-
Senior Permit Specialist	3.00	4.00	1.00
Senior Public Safety Dispatcher	11.00	11.00	-
Senior Systems Applications Programmer	2.00	2.00	-

Fire Department
Departmental Position Detail

Position	2020-2021 Adopted	2021-2022 Proposed	Change
Staff Specialist	2.00	3.00	1.00
Supervising Public Safety Dispatcher	3.00	3.00	-
Training Specialist	1.00	1.00	-
Video/Multimedia Producer	1.00	1.00	-
Warehouse Worker II	1.00	1.00	-
Total Positions	833.48	849.48	16.00

Note: Of the 849.48 positions in the Fire Department in 2021-2022, 719 are sworn positions and 130.48 are civilian positions.

Housing Department

Jacky Morales-Ferrand, Director

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To strengthen and revitalize our community through housing and neighborhood investment

City Service Area

Community and Economic Development

Core Services

Affordable Housing Portfolio Management

Manage the City's affordable housing loan portfolio, including loan servicing and monitoring; compliance of income restricted apartments; retain and extend the length of the restrictions to preserve the long-term affordability of the apartments

Affordable Housing Production and Preservation

Provide financing for the rehabilitation, development, and construction of affordable housing; provide technical assistance to market-rate developers to meet their affordable housing requirements; offer limited homeownership loans; and administer Inclusionary and Housing Impact fee programs

Homelessness Interventions and Solutions

Provide a coordinated response to homeless residents including street-based outreach, case management, essential services; referrals and housing options; and invest in interim short-term housing solutions

Neighborhood Capital Investment and Public Services

Invest in at-risk residents and neighborhoods; provide funding for housing and community development capital projects; and provide support to public service organizations

Rent Stabilization and Tenant Protection

Administer rent stabilization programs and requirements that stabilize rents, while assuring landlords a fair return, and that protect tenants; mitigate impacts of displacement; and prevent retaliation

Strategic Support: Planning and Policy Development, Public Education, Budget, Financial Management, Clerical Support, Human Resources, Audit Supervision, and Pandemic Response

Housing Department

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Affordable Housing Portfolio Management Core Service</i>	
Loan Compliance	Manages and oversees the City's affordable housing loan portfolio including loan servicing and monitoring and compliance of affordable deed restricted apartments.
Property Maintenance and Inspection	Works with existing developments to retain and preserve the long-term viability of affordable apartments.
<i>Affordable Housing Production and Preservation Core Service</i>	
Affordable Housing Development Loans	Provides financing and technical assistance for the development of new affordable housing developments for low-income households and individuals.
Homeownership Opportunities	Provides a limited number of down payment assistance loans and loan servicing for recipients of lending programs.
Inclusionary Housing	Provides technical assistance to market-rate developers in meeting their affordable housing requirements.
Rehabilitation Loans and Grants	Funds minor home repairs for low-income homeowners and mobile homeowners.
<i>Homelessness Interventions and Solutions Core Service</i>	
Homeless Outreach and Case Management	Provides a coordinated response to unsheltered homeless residents including street-based outreach, engagement, case management, and essential services such as mobile hygiene, warming locations, and temporary and incidental shelters.
Interim Supportive Housing Development	Develops and oversees operation of interim housing solutions to bridge the gap from temporary shelter to permanent supportive housing.
Joint Encampment Response Team	Provides outreach services and housing referrals to unhoused residents prior to an encampment abatement.
Tenant Based Rental Assistance and Rapid Rehousing	Provides short-term rental subsidies, with supportive services during the subsidy period, to help homeless residents obtain permanent housing as quickly as possible.
<i>Neighborhood Capital Investment and Public Services Core Service</i>	
Community Development Block Grant - Infrastructure Investments	Funds infrastructure improvements in low-income neighborhoods and those serving communities in need.

Housing Department

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Neighborhood Capital Investment and Public Services Core Service</i>	
Non-Profit Service Grants to Support Housing and Community Development Needs	Provides grants to non-profit organizations to support fair housing and tenant legal services, senior programs, and homeless programs.
Place-Based Neighborhood Strategy	Provides community engagement and leadership development services in challenged neighborhoods.
<i>Rent Stabilization and Tenant Protection Core Service</i>	
Apartment Rent Ordinance Administration	Protects tenants from excessive rent increases and evictions while assuring landlords a fair return; provides balanced treatment for both tenants and landlords through efficient and consistent administration of the apartment rent stabilization programs.
Mobilehome Rent Ordinance Administration	Protects mobile home residents from excessive rent increases while assuring park owners receive a fair return through efficient and consistent administration of the Mobile home Rent Ordinance.
<i>Strategic Support Core Service</i>	
Housing Planning and Policy Development	Analyzes, develops and recommends public policy to strengthen affordable housing and community development programs. Provides research support for advancement of new and one-time programs. Tracks and coordinates the Department's legislative response to legislation and program regulations at both the State and Federal levels.
Housing Management and Administration	Provides administrative oversight for the department, including executive management, financial management, human resources, and analytical support.
Pandemic Response	Provides for the coordination and delivery of emergency services and recovery activities in response to the COVID-19 pandemic.

Housing Department

Department Budget Summary

Expected 2021-2022 Service Delivery

- Continue to advance 11 affordable housing developments, totaling 1,144 new apartments, as part of the implementation of the \$100 million Notice of Funding Availability.
- Begin construction on Gallup Mesa, Page Street, Alum Rock, 1710 Moorpark, Blossom Hill affordable apartments. Complete construction on Leigh Avenue Senior Apartments.
- Implementation of the strategy and tracking for the Diridon Affordable Housing Implementation Plan.
- Continue to develop the top four priorities of the Citywide Residential Anti-Displacement Strategy and report on progress to Council committees and the City Council on: COVID Response and Recovery; Tenant Preferences; Community Opportunity to Purchase; and Commission Composition, including a new seat on the Housing & Community Development Commission.
- Increase interim housing solutions by completing construction of a fourth Emergency Interim Housing site to house individuals vulnerable to COVID-19.
- Enhance support and basic needs to individuals residing in homeless encampments through the Services Outreach Assistance and Resources (SOAR) Program.
- Implement the 2020-2025 Community Plan to End Homelessness and develop a City of San José implementation plan.
- Oversee operations and develop a long-term funding strategy for two Bridge Housing Communities, three Emergency Interim Housing sites, and the Home Key site.
- Implement the new 2020-25 Consolidated Plan and the 2021-22 Annual Action Plan authorizing the use of approximately \$14.5 million in annual allocations of federal funding to increase and preserve affordable housing, respond to homelessness, strengthen neighborhoods, and promote fair housing.
- Provide contract management and monitoring of the \$112 million in CDBG, CRF, ESG, and HOPWA CARES Act funds received for the COVID-19 response that provides a range of services.
- Implement the new strategic plan for the Rent Stabilization Program.

2021-2022 Key Budget Actions

- Adds one-time funding of \$225,000 for consultant support to evaluate development proposals and facilitate predevelopment activities associated with future housing development projects as the City advances projects through the Notice of Funding Availability process.
- Adds 1.0 Division Manager position to oversee the development of San José's implementation plan for the new Community Plan to End Homelessness, including coordination with external agencies across the region and activities with other City departments.
- Adds 1.0 Analyst II position to establish the Commercial Linkage Fee program, which will lead the development of program guidelines, coordinate to establish an implementation process and provide technical assistance to commercial developers in meeting their affordable housing requirements.
- Deletes 1.0 Development Specialist and adds 1.0 Development Officer position to support COVID-19 homeless response programs, expanded homeless prevention programs, and crisis response programs; and adds 1.0 Development Officer position, through June 30, 2022, to support Bridge Housing Communities, HomeKey operations and Emergency Interim Housing operations.
- Reallocates 1.0 Community Program Administrator position from the Housing Department to the Parks, Recreation and Neighborhood Services Department to oversee management of encampment trash collection and abatement.

Operating Funds Managed

- | | |
|---|--|
| <input type="checkbox"/> Affordable Housing Impact Fee Fund | <input type="checkbox"/> Homeless Housing, Assistance, & Prevention Fund |
| <input type="checkbox"/> Community Development Block Grant Fund | <input type="checkbox"/> Housing Trust Fund |
| <input type="checkbox"/> Economic Development Administration Loan Fund | <input type="checkbox"/> Inclusionary Fee Fund |
| <input type="checkbox"/> Home Investment Partnership Program Trust Fund | <input type="checkbox"/> Low and Moderate Income Housing Asset Fund |
| | <input type="checkbox"/> Multi-Source Housing Fund |
| | <input type="checkbox"/> Rent Stabilization Fee Fund |

Housing Department

Department Budget Summary

	2019-2020 Actuals ***	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Dollars by Core Service				
Affordable Housing Portfolio Management	159,227	2,449,750	2,511,199	3,559,202
Affordable Housing Production and Preservation	31,235,536	54,085,514	52,926,812	73,353,841
Homelessness Interventions and Solutions	22,673,501	33,436,313	33,152,693	21,428,852
Neighborhood Capital Investment and Public Services	13,756,390	27,545,657	27,334,108	51,317,836
Rent Stabilization and Tenant Protection	1,971,699	3,056,670	3,053,783	3,233,783
Strategic Support - Community & Economic Development	9,221,409	4,725,801	4,717,655	12,351,966
Strategic Support - Other - Community & Economic Development	3,027,908	3,046,894	4,231,765	6,022,743
Total	\$82,045,671	\$128,346,599	\$127,928,015	\$171,268,223
Dollars by Category				
Personal Services and Non-Personal/Equipment				
Salaries/Benefits	10,956,508	14,111,874	14,070,053	15,109,036
Overtime	53,397	34,830	34,830	34,830
Subtotal Personal Services	\$11,009,905	\$14,146,704	\$14,104,883	\$15,143,866
Non-Personal/Equipment	2,030,836	3,141,379	1,731,845	2,372,332
Total Personal Services & Non-Personal/Equipment	\$13,040,741	\$17,288,083	\$15,836,728	\$17,516,198
Other Costs*				
City-Wide Expenses	5,366,176	5,464,500	5,644,400	4,000,000
General Fund Capital	0	0	0	0
Housing Loans and Grants	34,592,875	57,090,221	57,090,221	76,226,971
Other	26,484,118	47,229,448	47,229,448	71,307,968
Overhead Costs	2,542,547	1,174,347	2,027,218	2,142,086
Workers' Compensation	19,215	100,000	100,000	75,000
Total Other Costs	\$69,004,930	\$111,058,516	\$112,091,287	\$153,752,025
Total	\$82,045,671	\$128,346,599	\$127,928,015	\$171,268,223

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document. The amounts in the 2020-2021 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

** The positions displayed in the 2019-2020 Actuals column reflect those included in the 2019-2020 Adopted Budget.

*** 2019-2020 Actuals may not subtotal due to rounding.

Housing Department

Department Budget Summary

	2019-2020 Actuals ***	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Dollars by Fund				
General Fund (001)	5,607,437	6,030,904	5,929,921	4,533,773
Low And Moderate Income Housing Asset Fund (346)	37,302,337	60,307,478	59,725,031	75,762,569
Coronavirus Relief Fund (401)	2,936,172	0	0	0
Housing Trust Fund (440)	2,087,661	2,556,727	2,624,133	4,375,820
Community Development Block Grant Fund (441)	6,454,079	13,930,347	13,993,172	15,328,313
Home Investment Partnership Program Trust Fund (445)	738,732	2,216,536	2,204,625	3,145,572
Multi-Source Housing Fund (448)	24,225,192	39,487,363	26,067,384	53,318,737
Rental Stabilization Program Fee Fund (450)	2,500,641	3,436,167	3,454,580	3,634,580
Inclusionary Fee Fund (451)	193,420	381,077	271,388	5,594,093
Affordable Housing Impact Fee Fund (452)	0	0	197,279	197,279
Homeless Housing, Assistance, and Prevention Fund (454)	0	0	13,460,502	5,377,487
Total	\$82,045,671	\$128,346,599	\$127,928,015	\$171,268,223
Positions by Core Service**				
Affordable Housing Portfolio Management	11.50	11.50	11.50	12.50
Affordable Housing Production and Preservation	13.00	17.00	17.00	18.00
Homelessness Interventions and Solutions	9.00	11.00	10.00	10.25
Neighborhood Capital Investment and Public Services	9.80	7.60	7.60	7.60
Rent Stabilization and Tenant Protection	17.55	17.07	17.07	17.07
Strategic Support - Community & Economic Development	20.65	23.33	23.33	24.33
Strategic Support - Other - Community & Economic Development	0.00	0.00	0.00	0.75
Total	81.50	87.50	86.50	90.50

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document. The amounts in the 2020-2021 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

** The positions displayed in the 2019-2020 Actuals column reflect those included in the 2019-2020 Adopted Budget.

*** 2019-2020 Actuals may not subtotal due to rounding.

Housing Department

Department Budget Summary

	2019-2020 Actuals**	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed	2021-2022 Proposed Positions
Dollars by Program*					
Affordable Housing Portfolio Management					
Loan Collections	20,124	0	0	0	0.00
Loan Compliance	74,432	2,224,750	2,286,199	2,459,202	12.50
Property Maintenance and Inspection	64,671	225,000	225,000	1,100,000	0.00
Sub-Total	159,227	2,449,750	2,511,199	3,559,202	12.50
Affordable Housing Production and Preservation					
Affordable Housing Development Loans	29,061,040	52,561,595	51,507,329	71,722,546	11.80
Homeownership Opportunities	6,906	210,000	210,000	220,000	0.00
Inclusionary Housing	380,410	334,975	201,010	402,822	2.00
Rehabilitation Loans and Grants	1,787,180	978,944	1,008,473	1,008,473	4.20
Sub-Total	31,235,536	54,085,514	52,926,812	73,353,841	18.00
Homelessness Interventions and Solutions					
Homeless Outreach and Case Management	14,652,699	26,094,396	25,907,466	15,376,584	6.50
Interim Supportive Housing Development	2,250,848	1,084,417	1,139,361	1,177,315	2.25
Joint Encampment Response Team	1,571,210	1,631,500	1,679,400	283,252	1.50
Local and Regional Coordination/Policy Development to End Homelessness	150,000	200,000	0	0	0.00
Tenant Based Rental Assistance and Rapid Rehousing	4,048,744	4,426,000	4,426,466	4,591,701	0.00
Sub-Total	22,673,501	33,436,313	33,152,693	21,428,852	10.25
Neighborhood Capital Investment and Public Services					
Community Development Block Grant - Infrastructure Investments	3,279,144	4,206,118	4,272,052	5,718,177	7.24
Neighborhood Stabilization	240,000	0	0	0	0.00
Non-Profit Service Grants to Support Housing and Community Development Needs	10,174,883	23,060,039	23,052,556	45,590,159	0.36
Place-Based Neighborhood Strategy	62,364	279,500	9,500	9,500	0.00
Sub-Total	13,756,390	27,545,657	27,334,108	51,317,836	7.60
Rent Stabilization and Tenant Protection					
Apartment Rent Ordinance Administration	1,608,892	2,842,855	2,829,480	3,009,480	15.77
Mobilehome Rent Ordinance Administration	362,807	213,815	224,303	224,303	1.30
Sub-Total	1,971,699	3,056,670	3,053,783	3,233,783	17.07
Strategic Support - Community & Economic Development					
Housing Management and Administration	4,288,837	3,503,181	3,613,178	3,698,665	17.88

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** 2019-2020 Actuals may not subtotal due to rounding.

Housing Department

Department Budget Summary

	2019-2020	2020-2021	2021-2022	2021-2022	2021-2022
	Actuals**	Adopted	Forecast	Proposed	Proposed Positions
Housing Pandemic Response	4,678,021	0	0	7,223,824	1.00
Housing Planning and Policy Development	254,552	1,222,620	1,104,477	1,429,477	5.45
Sub-Total	9,221,409	4,725,801	4,717,655	12,351,966	24.33
Strategic Support - Other - Community & Economic Development					
Housing Other Departmental - City-Wide	376,543	1,668,000	2,000,000	2,000,000	0.75
Housing Other Departmental - Grants	260,367	34,547	34,547	1,735,657	0.00
Housing Overhead	2,365,464	1,174,347	2,027,218	2,142,086	0.00
Housing Transfers	6,319	70,000	70,000	70,000	0.00
Housing Workers' Compensation	19,215	100,000	100,000	75,000	0.00
Sub-Total	3,027,908	3,046,894	4,231,765	6,022,743	0.75
Total	\$82,045,671	\$128,346,599	\$127,928,015	\$171,268,223	90.50

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** 2019-2020 Actuals may not subtotal due to rounding.

Housing Department

Budget Reconciliation

Personal Services and Non-Personal/Equipment (2020-2021 Adopted to 2021-2022 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
Prior Year Budget (2020-2021):	87.50	17,288,083	566,404
Base Adjustments			
One-Time Prior Year Expenditures Deleted			
• Rebudget: Local Sales Tax - San Jose Streets Team Litter and Trash Removal		(270,000)	(270,000)
• Rebudget: Municipal Advisory Services		(150,000)	0
• Rebudget: Inclusionary Consultant Services		(130,000)	0
• Rebudget: Relocation Services Master Agreement		(100,000)	0
• Rebudget: Underwriting and Land Use Consulting Services		(100,000)	0
• Rebudget: Website Design		(100,000)	0
• Policy Program Staffing		(200,000)	0
• Underwriting Services		(200,000)	0
• Blighted Properties Staffing (1.0 Community Programs Administrator)	(1.00)	(170,000)	
• Municipal Advisory Services		(100,000)	0
• Community Plan to End Homelessness Communications		(50,000)	0
• Recovery Café San Jose		(10,000)	(10,000)
One-Time Prior Year Expenditures Subtotal:	(1.00)	(1,580,000)	(280,000)
Technical Adjustments to Costs of Ongoing Activities			
• Salary/benefit changes:		484,332	(1,349)
• Budget Realignment: FirstNet Support		466	466
• Fund Shift: Affordable Housing Transactions Staffing		(356,153)	0
Technical Adjustments Subtotal:	0.00	128,645	(883)
2021-2022 Forecast Base Budget:	86.50	15,836,728	285,521
Budget Proposals Recommended			
1. Homeless Response and Coordination Staffing	2.00	399,953	0
2. Policy Studies and Consulting Services		280,000	0
3. Pre-Development Consulting Services		275,000	0
4. Homeless Response Team Funding Shifts	(1.00)	248,252	248,252
5. Affordable Housing Portfolio Management Staffing (Blighted Properties)	1.00	173,003	0
6. Commercial Linkage Fee Program Staffing	1.00	151,812	0
7. Racial Equity Action Plan		100,000	0
8. Administrative Services Program Staffing	1.00	37,954	0
9. Grants Program Management Staffing	0.00	28,009	0
10. Reprographics Contractual Services Savings		(14,513)	0
Total Budget Proposals Recommended	4.00	1,679,470	248,252
2021-2022 Proposed Budget Total	90.50	17,516,198	533,773

Housing Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
1. Homeless Response and Coordination Staffing	2.00	399,953	0

***Community and Economic Development CSA
Homelessness Interventions and Solutions and Strategic Support Core Services
Homeless Outreach and Case Management and Pandemic Response Programs***

This action adds 1.0 Division Manager position, funded by the Housing Trust Fund, to coordinate with external agencies – such as the County of Santa Clara, Destination Home, etc. – across the region; and coordinate activities with other City departments and the Recovery Team, and to oversee all homeless activities in the Department. This action also eliminates 1.0 Development Specialist position and adds 1.0 Development Officer position, funded by the Housing Trust Fund, to support the implementation of homeless housing programs including COVID-19 shelters, overnight warming locations, and emergency shelter operations. The Development Officer will provide a higher level of skill and expertise necessary to support these initiatives. This action also adds 1.0 limit-dated Development Officer position, through June 30, 2022, funded by CARES grant funds, to support and assist with activities related to establishing Bridge Housing Communities and providing emergency shelter operations. The Homeless Response Team program has grown increasingly complex as several new initiatives at the local and state level have been launched. These include Emergency Interim Housing in response to COVID-19, the Services Outreach Assistance and Resources (SOAR) program providing comprehensive street-based services at homeless encampment sites, SJ Bridge Employment hiring unhoused residents in tandem with SOAR, and Project HomeKey which involves acquiring and managing hotels. (Ongoing costs: \$223,648)

2. Policy Studies and Consulting Services		280,000	0
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***Community and Economic Development CSA
Rent Stabilization and Tenant Protection and Strategic Support Core Services
Apartment Rent Ordinance Administration and Housing Planning and Policy Development Programs***

This action adds one-time non-personal/equipment funding of \$280,000, from the Low and Moderate Income Housing Asset Fund and the Rental Stabilization Program Fee Fund. From the Low and Moderate Income Housing Asset Fund, \$50,000 will provide for consultant services to design and conduct a Community Land Trust Feasibility Study for the Housing Department. This study will provide a community-based ownership structure that addresses current inequities for tenants who are priced out of the local housing market. The remaining \$50,000 will provide for consultant services to implement changes in the Housing Department's current Moderate Income Housing program, support anti-displacement strategies, and assess fair housing initiatives. The \$180,000 from the Rental Stabilization extends the term of the current FUSE Fellow for one year to evaluate the impact of COVID-19 on landlords and tenants, and to evaluate tenant protection strategies to pursue, consistent with the City's equitable recovery efforts. (Ongoing costs: \$0)

Housing Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
3. Pre-Development Consulting Services		275,000	0

***Community and Economic Development CSA
Affordable Housing Production and Preservation and Strategic Support Core Services
Housing Planning and Policy Development and Inclusionary Housing Programs***

This action adds one-time non-personal/equipment funding of \$50,000 to secure a consultant to evaluate and score development proposals based on the financial feasibility of the application. These consultant services will allow a more balanced approach to the Notice of Funding Availability (NOFA) award process, and will support predevelopment efforts as the City seeks opportunities to purchase new sites for the development of affordable housing. This action also provides one-time non-personal/equipment funding of \$175,000 for consultant services for on-call environmental review, appraisal services, underwriting, community engagement, and financial consultants, which will facilitate predevelopment activities associated with future housing development projects resulting from the \$50 million NOFA, anticipated to be released in April 2021. The Housing Department currently has various on-call consultants, and more in the procurement stage, to provide these services and this funding will be used as-needed to advance the projects selected as part of the \$50 million NOFA. The consultant services will be funded by the Low and Moderate Income Housing Asset Fund, and it is anticipated that an additional equivalent amount will be funded by proceeds from Measure E. Lastly, this action also provides onetime non-personal/equipment funding of \$50,000 to supplement an existing consultant agreement to review and advise on Inclusionary Fee program applications. (Ongoing costs: \$0)

4. Homeless Response Team Funding Shifts	(1.00)	248,252	248,252
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***Community and Economic Development CSA
Homelessness Interventions and Solutions Core Service
Joint Encampment Response Team Program***

This action reallocates 1.0 Community Program Administrator position from the Housing Department to the Parks, Recreation and Neighborhood Services Department to oversee management of illegal dumping, homeless encampment trash collection and abatement, as well as lead in the design and implementation of a new abatement model in alignment with Beautify SJ protocols. A corresponding addition of a Community Programs Administrator position is included in the Parks, Recreation and Neighborhood Services Department. This action also shifts 1.0 Staff Specialist and 0.5 Senior Development Officer positions from the City-Wide Expenses Homeless Response Team appropriation to the Housing Department's Personal Services appropriation. (Ongoing costs: \$248,252)

Housing Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
<p>5. Affordable Housing Portfolio Management Staffing (Blighted Properties)</p> <p><i>Community and Economic Development CSA Affordable Housing Portfolio Management Core Service Loan Compliance Program</i></p> <p>This action continues 1.0 Community Programs Administrator position, through June 30, 2022, in the Affordable Housing Portfolio Management Program. The position was initially created as part of the City Council-approved Mayor's June Budget Message for Fiscal Year 2020-2021. However, the Department was significantly delayed in filling this position due to COVID-19. Extending the position for another year will allow the Department to assess options for the continuance of a program similar to the Responsible Landlord Engagement Initiative (RLEI). This position will provide support to property owners to manage their properties in a responsible manner, and work with tenants and community groups. (Ongoing costs: \$0)</p>	1.00	173,003	0
<p>6. Commercial Linkage Fee Program Staffing</p> <p><i>Community and Economic Development CSA Affordable Housing Production and Preservation Core Service Inclusionary Housing Program</i></p> <p>This action adds 1.0 Analyst II position to establish the Commercial Linkage Fee program, which was approved by the City Council in September 2020. This position will lead the development of program guidelines, coordinate with internal departments to establish an implementation process, and will provide technical assistance to commercial developers in meeting their affordable housing requirements. (Ongoing costs: \$151,812)</p>	1.00	151,812	0
<p>7. Racial Equity Action Plan</p> <p><i>Community and Economic Development CSA Strategic Support Core Service Housing Management and Administration Program</i></p> <p>This action adds one-time non-personal/equipment funding of \$100,000, funded by the Low and Moderate Income Housing Asset Fund, for a consultant to train and guide the Department through a results-based accountability (RBA) process to develop a Department-wide Racial Equity Action Plan. The RBA framework is a data-driven, decision-making process to help the Department develop a deeper understanding of the root causes contributing to inequities in housing and homelessness, and to develop well-aimed actions to solve these problems. The consultant services may also assist with conducting an Equity Climate Survey/Organizational Assessment to examine both internal and external standard procedures which may contribute to inequity and advising on racial equity for ongoing, current and future projects. (Ongoing costs: \$0)</p>		100,000	0

Housing Department

Budget Changes By Department Personal Services and Non-Personal/Equipment



2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
8. Administrative Services Program Staffing	1.00	37,954	0
<p><i>Community and Economic Development CSA</i> Homeless Interventions and Solutions and Strategic Support Core Services <i>Interim Supportive Housing Development and Housing Other Departmental – City-Wide Programs</i></p> <p>This action adds 1.0 Analyst II position in the Administrative Services Program to provide additional human resources capacity as the Department increases staffing levels, budget monitoring, and reporting support. This position will conduct Request for Proposals and assist in the management of non-grant consultant agreements and purchase orders in support of these grant programs including the Homeless Emergency Aid Program (HEAP), CARES Act, Homeless Housing and Assistance Program (HHAP) and Measure E. This position is funded 25% from the Homeless Emergency Aid Program Fund and 75% from the City-Wide Expenses Measure E – Program Administration appropriation. (Ongoing costs: \$37,954)</p>			
9. Grants Program Management Staffing	0.00	28,009	0
<p><i>Community and Economic Development CSA</i> Affordable Housing Production and Preservation and Neighborhood Capital Investment and Housing Services Core Services <i>Affordable Housing Development Loans and Community Development Block Grant - Infrastructure Investments Programs</i></p> <p>This action eliminates 1.0 Development Officer position and adds 1.0 Senior Development Officer position to provide the necessary level of management capacity in the Grants Program to administer the complex federal and state grant programs, ongoing grants contracts, COVID-19 transactions, data tracking, contract management, non-profit agency support, community engagement, and audit response. The Senior Development Officer will provide a higher level of skill and expertise necessary to coordinate with the U.S. Department of Housing and Urban Development, local, state and federal auditors, and other grant agencies. The grants management team currently manages 23 funding sources, several of which emerged in the last year through COVID-19 grant funding. These new funds have more stringent tracking, monitoring, reporting and audit requirements, which will entail a significant staff commitment over the next several years. This position will also provide more direct team oversight and management, including a staff of nine Analysts, and will enable the Housing Policy and Planning Administrator position to focus on complex contracts and negotiations. (Ongoing costs: \$28,009)</p>			
10. Reprographics Contractual Services Savings		(14,513)	0
<p><i>Community and Economic Development CSA</i> Strategic Support Core Service <i>Housing Management and Administration Program</i></p> <p>This action reduces ongoing non-personal/equipment budget by \$14,513 to reflect savings in the reprographics (printing) contract. The Finance and Information Technology Departments jointly worked to re-procure the City's reprographics contract for copier, scanner, fax devices support, and administration software and tools. Savings in the amount of \$363,000 will be generated city-wide in the General Fund, \$462,000 in all funds, across all departments from lower rental costs for the multi-function devices and significantly lower cost per copy and consumption rates. Savings can be realized with new green-print options and central administration of devices. (Ongoing savings: \$14,513)</p>			
2021-2022 Proposed Budget Changes Total	4.00	1,679,470	248,252

Housing Department

Performance Summary

Affordable Housing Portfolio Management

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 Monetary default rate of loan portfolio by category:				
% of total loan principal				
1. Project Loans	0%	0%	0%	0%
2. Rehabilitation Loans	0%	0%	0%	0%
3. Homebuyer Loans	0%	0%	0%	0%
% of total loans:				
1. Project Loans	0%	0%	0%	0%
2. Rehabilitation Loans	0%	0%	0%	0%
3. Homebuyer Loans	0%	0%	0%	0%
 % of portfolio units brought into compliance with safe and sanitary condition requirements within 90 days	100%	75%	100%	75%

Activity and Workload Highlights

	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast
# of single family Loan Management transactions (refinances, subordinations, assumptions, payoffs)	181	80	120	80
Size of Housing Department loan portfolio by category:				
Total loan principal (\$):				
1. Project Loans	\$683,000,000	\$722,000,000 ¹	\$720,000,000	\$741,000,000
2. Rehabilitation Loans	\$13,300,000	\$9,000,000	\$9,500,000	\$9,000,000
3. Homebuyer Loans	\$53,000,000	\$49,500,000	\$50,000,000	\$49,500,000
Total	\$749,300,000	\$780,500,000	\$779,500,000	\$799,500,000
Total number of loans:				
1. Project Loans	146	154	143	147
2. Rehabilitation Loans	264	175	200	175
3. Homebuyer Loans	903	775	800	775
Total	1,313	1,104	1,143	1,097
# of major projects in loan portfolio inspected Annually				
- Projects	58	90	113	95
- Units	158 ²	1,620	0 ²	1,425
# of City facilitated affordable rental units	20,278	21,694	21,694	21,694
# of income restricted for-sale homes	1,167	950	1,000	950

¹ 2020-2021 Forecast reflects the completion of a \$100 million NOFA and anticipated project loan closings.




² Reflects a pause in unit inspections due to the COVID-19 shelter-in-place orders.

Housing Department

Performance Summary

Affordable Housing Production and Preservation

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 Cumulative ratio of non-City funds to City funds over the last five years in the New Construction Program	3.49:1	4.13:1	4.13:1	4.89:1
 % of annual target achieved for production of affordable housing/# of units	77.5% (217)	100% (280)	100% (301)	100% (288)
 % of funding committed to extremely low-income households	70%	45%	45%	45%

Activity and Workload Highlights




	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast
# of affordable housing units completed in the fiscal year	217	280	301	288
Average per-unit subsidy in funding commitments for new construction projects	\$125,000	\$125,000	\$119,000	\$119,000

Housing Department

Performance Summary


Homeless Interventions and Solutions

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 Reduction in the number of homeless individuals from prior two years ¹	(1,727)	200	200	200
 % of households who exit the Rapid Rehousing Program into permanent housing that maintain Housing for at least 6 months	95%	85%	75%	85%
 Average number of days from enrollment households in rapid rehousing programs got into permanent housing	91 Days	60 Days	60 Days	60 Days

¹ Data collected on a biennial basis. The number of homeless individuals increased over a two-year period by 1,727. Efforts to reduce the number of homeless in 2020-2021 will be assisted by an increase in state and federal grant funding and local Measure E revenues.

Activity and Workload Highlights

	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast
 # of households who maintained permanent housing in City-funded rapid rehousing programs in the last 12 months	130	150	100	200
Estimated number of homeless individuals Counted in San Jose ¹ :				
- Chronically homeless	1,553	1,500	1,500	1,500
- Non-chronically homeless	4,554	4,000	4,500	4,500
# of homeless individuals (affiliated with San Jose) who secured new permanent housing:				
- Chronically	731	300	700	700
- Non-chronically	1,292	1,500	1,300	1,300
# of homeless individuals assessed for permanent housing:	6,344	1,200	5,000	5,000




¹ Data collected on a biennial basis.

Housing Department

Performance Summary

Neighborhood Capital Investment and Public Services

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 % of CDBG-funded projects meeting all stated outcomes:				
- City projects	100%	90%	90%	90%
- Non-City projects	80%	90%	90%	90%
 % of CDBG invoices processed within 30 days of receipt of all required documentation	90%	90%	90%	90%
 % of CDBG contracts executed by July 1	29%	80%	30%	50%

Activity and Workload Highlights



	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast
# of rehabilitation projects completed:				
- Rehabilitation projects	2	10	3	0
- Minor repair	217	375	260	260
Total	219	385	263	260

Housing Department

Performance Summary

Rent Stabilization and Tenant Protection

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 % of tenant/landlord mediations that resulted in voluntary agreement	56%	90%	63%	85%
 % of cases resolved within 60 days of completed petition date	79%	90%	80%	75%

Activity and Workload Highlights

	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast
# of unduplicated mobilehome and apartment clients served by the Rent Stabilization Program	7,767	5,500	7,800	7,800
Average number of days from completed petition to resolution	118 days	55 days	115 days	120 days

Housing Department
Department Position Detail

Position	2020-2021 Adopted	2021-2022 Proposed	Change
Account Clerk I	1.00	1.00	-
Accountant II	1.00	1.00	-
Accounting Technician	1.00	1.00	-
Administrative Assistant	1.00	1.00	-
Administrative Officer	1.00	1.00	-
Analyst I/II	19.00	21.00	2.00
Assistant to the Director	1.00	1.00	-
Building Rehabilitation Inspector I/II	3.00	3.00	-
Building Rehabilitation Supervisor	1.00	1.00	-
Community Programs Administrator	2.00	1.00	(1.00)
Deputy Director	2.00	2.00	-
Development Officer	12.00	13.00	1.00
Development Specialist	5.00	4.00	(1.00)
Development Specialist PT	0.50	0.50	-
Director of Housing	1.00	1.00	-
Division Manager	3.00	4.00	1.00
Housing Policy and Plan Administrator	4.00	4.00	-
Information Systems Analyst	1.00	1.00	-
Office Specialist II	3.00	3.00	-
Public Information Manager	1.00	1.00	-
Public Information Representative II	2.00	2.00	-
Senior Accountant	1.00	1.00	-
Senior Analyst	2.00	2.00	-
Senior Development Officer	10.00	11.00	1.00
Senior Systems Applications Programmer	1.00	1.00	-
Staff Specialist	7.00	7.00	-
Student Intern PT	1.00	1.00	-
Total Positions	87.50	90.50	3.00

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Human Resources Department

Jennifer Schembri, Director

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Our Human Resource team recognizes that our Employees power the City of San José and our success as a City is dependent on our ability to create a dynamic and engaged workforce. Our employees' ability to provide excellent service is strengthened when we invest in attracting talent, providing opportunities for career growth, enabling an environment focused on health, safety, and wellness, and retaining a diverse workforce in a workplace that is equitable and inclusive.

City Service Area

Strategic Support

Core Services

Employee Benefits

Provide benefit programs that best meet the needs of employees, retirees, their dependents, and the City, and assist participants in effectively utilizing their plans

Employment Services

Facilitate the City's ability to attract and hire a diverse and talented workforce

Health and Safety

Provide services that promote employee health, safety, and well-being

Training and Development

Provide Citywide training and development programs that support employee growth, engagement, and retention

Strategic Support: Citywide Human Resources Systems Management and Records Management, Departmental Administration, Customer Service, Personnel Management, Financial Management, and Pandemic Response

Human Resources Department

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Employee Benefits Core Service</i>	
Deferred Compensation	Manages the Voluntary and Non-Voluntary Employee Deferred Compensation contribution and related non-personal and personal administrative expenses.
Dental Benefits	Manages the City's dental benefits provided to City employees and their dependents.
Medical Benefits	Manages the City's medical benefits provided to City employees and their dependents.
Other Benefits	Manages the other City benefits provided to City employees and their dependents, such as Life Insurance, Unemployment, Vision, etc.
<i>Employment Services Core Service</i>	
Classification Services	Ensures that positions are properly classified, described, and aligned to support organizational effectiveness and efficiency. In addition, this program determines appropriate salary ranges for new and existing classifications by conducting market and internal equity analyses.
Recruiting/Hiring	Manages recruitment, assessment, and hiring processes to meet the City's staffing needs. In addition, this program is responsible for managing placements, bumping, redeployment, and layoffs, as necessary.
<i>Health and Safety Core Service</i>	
Employee Safety	Provides comprehensive safety services for 16 City Departments, various City-wide safety trainings, and analysis of work injury data for accident prevention.
Employee Health Services	Provides occupational medical services, including pre-employment physicals, medical testing and surveillance, blood-borne pathogen testing, and general wellness screenings.
Workers' Compensation Administration	Provides state-mandated benefits for employees injured on the job.
<i>Training and Development Core Service</i>	
Employee Training and Development	Provides training and development offerings for employees Citywide to develop essential skills like mentoring, coaching, writing, data visualization, analysis and reporting, and public presentations.
<i>Strategic Support Core Service</i>	
Human Resources Management and Administration	Provides citywide Human Resources Systems Management and Records Management as well as administrative oversight for the department, including executive management, financial management, and human resources.
Pandemic Response	Provides for the coordination and delivery of emergency services and recovery activities in response to the COVID-19 pandemic.

Human Resources Department

Department Budget Summary

Expected 2021-2022 Service Delivery

- Hiring for Talent: Continue to reduce vacancies by evaluating, streamlining, and innovating for effective hiring practices and building long-term capacity through strategic pipeline programs.
- Offer a Diverse Menu of Benefits: Improve the City's strategy for offering an attractive package of benefits to our employees, including streamlining our systems, policies, and practices to be employee centric and efficient, and implement targeted wellness programs.
- Injury Prevention and Supporting Injured Workers: In partnership with departments, build a city-wide culture and series of programs that are focused on keeping employees safe and well. In the event of an injury, ensure that the Third Party Administrator (TPA) for the City's Workers' Compensation Program provides responsible and appropriate workers' compensation services.
- Rebuild Citywide Training and Development: Develop a strategy for re-launching a robust set of programs to complement departmental offerings and support employee growth and development.

2021-2022 Key Budget Actions

- Adds one-time funding of \$500,000 for the Learning and Development Roadmap, as described in the City-Wide Expenses section of this document, that will prioritize resources to assess, create, and implement talent development activities for City employees. This aligns with the City Manager's "Powered by People" enterprise priority and City Roadmap program that focuses, in part, on supporting employee retention, engagement, and advancement through training and development, all of which are critical components of the internal strategic support necessary to facilitate community services.
- Eliminates 1.0 Medical Assistant position and reduces associated ongoing non-personal/equipment funding by \$15,889. The Employee Health Services Supervisor position will remain with Human Resources to manage the contract and serve as a liaison between staff and the third-party provider.
- Reduce ongoing non-personal/equipment funding for the Citywide wellness program in the General Fund, and continue the program through the use of designated resources in the Benefit Fund.

Operating Funds Managed

- Benefit Fund – Benefit Fund
- Benefit Fund – Dental Insurance Fund
- Benefit Fund – Unemployment Insurance Fund
- Benefit Fund – Life Insurance Fund
- Benefit Fund – Self Insured Medical Fund

Human Resources Department

Department Budget Summary

	2019-2020 Actuals ***	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Dollars by Core Service				
Employee Benefits	90,418,243	95,427,204	95,450,619	103,590,619
Employment Services	2,692,039	2,773,622	2,951,423	2,951,423
Health and Safety	5,908,053	6,443,037	6,604,439	6,482,163
Strategic Support - Other - Strategic Support	1,918,056	1,368,250	1,563,633	1,563,633
Strategic Support - Strategic Support	2,019,976	1,744,468	1,781,275	1,764,113
Training and Development	552,597	533,000	250,000	750,000
Total	\$103,508,965	\$108,289,581	\$108,601,389	\$117,101,951
Dollars by Category				
<i>Personal Services and Non-Personal/Equipment</i>				
Salaries/Benefits	7,472,502	7,144,049	7,484,338	7,377,951
Overtime	16,381	28,018	28,018	28,018
Subtotal Personal Services	\$7,488,883	\$7,172,067	\$7,512,356	\$7,405,969
Non-Personal/Equipment	5,446,456	6,039,463	5,861,599	5,763,548
Total Personal Services & Non-Personal/Equipment	\$12,935,340	\$13,211,530	\$13,373,955	\$13,169,517
<i>Other Costs*</i>				
City-Wide Expenses	183,883	140,000	140,000	640,000
Employee/Retiree Benefits	87,572,994	92,609,801	92,609,801	100,814,801
General Fund Capital	0	0	0	0
Housing Loans and Grants	0	0	0	0
Other	0	0	0	0
Overhead Costs	369,733	478,250	557,633	557,633
Workers' Compensation	2,447,015	1,850,000	1,920,000	1,920,000
Total Other Costs	\$90,573,625	\$95,078,051	\$95,227,434	\$103,932,434
Total	\$103,508,965	\$108,289,581	\$108,601,389	\$117,101,951

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document. The amounts in the 2020-2021 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

** The positions displayed in the 2019-2020 Actuals column reflect those included in the 2019-2020 Adopted Budget.

*** 2019-2020 Actuals may not subtotal due to rounding.

Human Resources Department

Department Budget Summary

	2019-2020 Actuals ***	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Dollars by Fund				
General Fund (001)	12,710,285	12,443,086	12,622,746	12,918,308
Public Works Program Support Fund (150)	135,860	209,056	214,895	214,895
Benefits Funds - Dental Insurance Fund (155)	9,972,710	12,396,652	12,415,605	12,615,605
Benefits Funds - Life Insurance Fund (156)	1,691,107	1,712,147	1,707,531	1,707,531
Benefits Funds - Unemployment Insurance Fund (157)	549,075	757,422	764,475	3,114,475
Benefits Funds - Self-Insured Medical Fund (158)	5,734,084	615,271	600,000	0
Benefits Funds - Benefit Fund (160)	71,864,086	79,311,344	79,402,427	85,657,427
Building Development Fee Program Fund (237)	0	30,846	31,621	31,621
Planning Development Fee Program Fund (238)	0	20,565	21,080	21,080
Low And Moderate Income Housing Asset Fund (346)	27,526	37,791	45,811	45,811
Coronavirus Relief Fund (401)	295,090	0	0	0
Library Parcel Tax Fund (418)	2,843	100,191	103,715	103,715
Integrated Waste Management Fund (423)	24,693	34,171	34,770	34,770
Storm Sewer Operating Fund (446)	47,240	69,097	71,096	71,096
San José-Santa Clara Treatment Plant Operating Fund (513)	339,500	395,557	397,634	397,634
Water Utility Fund (515)	13,698	18,793	18,762	18,762
Sewer Service And Use Charge Fund (541)	29,477	44,847	49,726	49,726
Vehicle Maintenance And Operations Fund (552)	71,692	92,745	99,495	99,495
Total	\$103,508,965	\$108,289,581	\$108,601,389	\$117,101,951
Positions by Core Service**				
Employee Benefits	13.50	11.00	11.00	11.00
Employment Services	16.50	16.50	16.50	16.50
Health and Safety	7.00	7.00	7.00	6.00
Strategic Support - Strategic Support	9.50	9.00	9.00	9.00
Total	46.50	43.50	43.50	42.50

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** The positions displayed in the 2019-2020 Actuals column reflect those included in the 2019-2020 Adopted Budget.

*** 2019-2020 Actuals may not subtotal due to rounding.

Human Resources Department

Department Budget Summary

	2019-2020 Actuals**	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed	2021-2022 Proposed Positions
Dollars by Program*					
Employee Benefits					
Deferred Compensation	1,993,785	2,136,521	2,153,970	1,753,970	1.55
Dental Benefits	9,924,045	12,349,998	12,356,447	12,556,447	1.11
Medical Benefits	64,462,574	65,517,036	65,533,644	71,010,644	5.06
Other Benefits	14,037,840	15,423,649	15,406,558	18,269,558	3.28
Sub-Total	90,418,243	95,427,204	95,450,619	103,590,619	11.00
Employment Services					
Classification Services	197,712	189,243	197,574	197,574	1.00
Recruiting/Hiring	2,494,327	2,584,379	2,753,849	2,753,849	15.50
Sub-Total	2,692,039	2,773,622	2,951,423	2,951,423	16.50
Health and Safety					
Employee Health Services	573,230	597,641	609,476	487,200	1.00
Employee Safety	337,132	596,605	642,402	642,402	2.50
Workers' Compensation Administration	4,997,692	5,248,791	5,352,561	5,352,561	2.50
Sub-Total	5,908,053	6,443,037	6,604,439	6,482,163	6.00
Training and Development					
Employee Training and Development	552,597	533,000	250,000	750,000	0.00
Sub-Total	552,597	533,000	250,000	750,000	0.00
Strategic Support - Strategic Support					
Human Resources Management and Administration	1,724,886	1,744,468	1,781,275	1,764,113	9.00
Human Resources Pandemic Response	295,090	0	0	0	0.00
Sub-Total	2,019,976	1,744,468	1,781,275	1,764,113	9.00
Strategic Support - Other - Strategic Support					
Human Resources Other Departmental - City-Wide	0	40,000	40,000	40,000	0.00
Human Resources Overhead	369,733	478,250	557,633	557,633	0.00
Workers' Compensation - Other Departments	1,548,323	850,000	966,000	966,000	0.00
Sub-Total	1,918,056	1,368,250	1,563,633	1,563,633	0.00
Total	\$103,508,965	\$108,289,581	\$108,601,389	\$117,101,951	42.50

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** 2019-2020 Actuals may not subtotal due to rounding.

Human Resources Department

Budget Reconciliation

Personal Services and Non-Personal/Equipment (2020-2021 Adopted to 2021-2022 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
Prior Year Budget (2020-2021):	43.50	13,211,530	10,453,086
Base Adjustments			
One-Time Prior Year Expenditures Deleted			
• Rebudget: Training and Development		(183,000)	(183,000)
• Talent Development Program		(100,000)	(100,000)
One-time Prior Year Expenditures Subtotal:	0.00	(283,000)	(283,000)
Technical Adjustments to Costs of Ongoing Activities			
• Salary/benefit changes:		340,289	272,253
• Contract Services: Third-Party Administration (Intercare)		113,790	113,790
• Deferred Compensation		4,611	4,611
• Budget Realignment: FirstNet Support		3,815	3,815
• Contract Services: Self-Funded PPO Consultant		(15,271)	0
• Voluntary Employees' Beneficiary Association		(1,809)	(1,809)
Technical Adjustments Subtotal:	0.00	445,425	392,660
2021-2022 Forecast Base Budget:	43.50	13,373,955	10,562,746
Budget Proposals Recommended			
1. Employee Health Services Staffing	(1.00)	(122,276)	(122,276)
2. Wellness Program		(65,000)	(65,000)
3. Reprographics Contractual Services Savings		(17,162)	(17,162)
Total Budget Proposals Recommended	(1.00)	(204,438)	(204,438)
2021-2022 Proposed Budget Total	42.50	13,169,517	10,358,308

Human Resources Department

Budget Changes By Department Personal Services and Non-Personal/Equipment



2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
1. Employee Health Service Staffing <i>Strategic Support CSA</i> <i>Health and Safety Core Service</i> <i>Employee Health Services Program</i> This action eliminates 1.0 Medical Assistant position and reduces associated ongoing non-personal/equipment funding by \$15,889. The Employee Health Services (EHS) clinic is currently operated by a Medical Assistant and EHS Supervisor. All services provided by EHS can be outsourced and completed by an existing contractor. The EHS Supervisor position will remain with the Human Resources Department to manage the contract and serve as a liaison between staff and the third-party provider. (Ongoing savings: \$122,885)	(1.00)	(122,276)	(122,276)
2. Wellness Program <i>Strategic Support CSA</i> <i>Employee Benefits Core Service</i> <i>Other Benefits Program</i> This action reduces ongoing non-personal/equipment funding by \$65,000 for the citywide wellness program. This reduction should not significantly impact the wellness program as there is sufficient funding in the Benefit Fund that can be utilized to meet the current objectives of the program. The funds have previously been used for classes, wellness fairs, and promotional events. The resources in the Benefit Fund is generated from performance failures guarantees that are provided by the City's healthcare providers. (Ongoing savings: \$65,000)		(65,000)	(65,000)
3. Reprographics Contractual Services Savings <i>Strategic Support CSA</i> <i>Strategic Support Core Service</i> <i>Human Resources Management and Administration Program</i> This action reduces ongoing non-personal/equipment budget by \$17,162 to reflect savings in the reprographics (printing) contract. The Finance and Information Technology Departments jointly worked to re-procure the City's reprographics contract for copier, scanner, fax devices support, and administration software and tools. Savings in the amount of \$363,000 will be generated city-wide in the General Fund, \$462,000 in all funds, across all departments from lower rental costs for the multi-function devices and significantly lower cost per copy and consumption rates. Savings can be realized with new green-print options and central administration of devices. (Ongoing savings: \$17,162)		(17,162)	(17,162)
2021-2022 Proposed Budget Changes Total	(1.00)	(204,438)	(204,438)

Human Resources Department

Performance Summary

Employee Benefits

Performance Measures



	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 Cost of benefits administration per FTE	\$341	\$354	\$300	\$311
 % of benefited employees enrolled in the City healthcare plan with the highest employee enrollment	81%	80%	82%	81%

Activity and Workload Highlights

	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast
% of employees contributing to Deferred Compensation	76%	76%	76%	76%

Employment Services

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 Citywide Vacancy Rate	10.3%	10%	10.6%	10%
 Employee Turnover Rate ¹	6.4%	7%	4.9%	6%

¹ Turnover rate excludes retirement separation.

Activity and Workload Highlights





	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated ²	2021-2022 Forecast
# of positions filled:				
- New Hires	547	580	332	500
- Promotions & Laterals	589	600	356	550

Human Resources Department

Performance Summary

Health and Safety

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 Workers' Compensation Claims Closure Rate ¹	109%	100%	98%	100%
 Timely Completion of 3-Point Contact For New Workers' Compensation Claims ²	99%	100%	98%	100%
 # of Workers' Compensation disability hours	162,217	165,000	155,000	155,000
 Expenditures for Workers' Compensation per \$100 of total City salaries, benefits, and retirement	\$2.91	\$3.10	\$3.10	\$3.10

¹ Measures the number of Workers' Compensation claims closed compared to the number of new and reopened cases.

² 3-Point Contact is a best practice in the handling of workers' compensation claims. Proper contact involves an exchange of information with the employee, the City, and the treating physician. Timely Completion of 3-Point Contact started with the outsource of claims to the Third-Party Administrator in September 2018.

Activity and Workload Highlights


	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast
# of open Workers' Compensation claims	2,520	2,500	2,533	2,600
# of new Workers' Compensation Claims	1,287	850	1,027	850
# of closed Workers' Compensation Claims	1,545	850	1,116	850
# of employees trained in safety	2,293	2,000	758	2,000
Total Workers' Compensation claims costs	\$20.4 M	\$21.0 M	\$20.5 M	20.0 M

Human Resources Department

Performance Summary

Strategic Support

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 % of employee performance reviews completed on schedule	52%	80%	54%	80%

Activity and Workload Highlights

	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast
# of Human Resources Information Systems Transactions	26,900	27,000	16,593	25,000

Human Resources Department

Departmental Position Detail

Position	2020-2021 Adopted	2021-2022 Proposed	Change
Account Clerk	1.00	1.00	-
Administrative Officer	1.00	1.00	-
Analyst I/II	14.00	14.00	-
Assistant Director	1.00	1.00	-
Director, Human Resources	0.50	0.50	-
Division Manager	3.00	3.00	-
Employee Health Services Supervisor	1.00	1.00	-
Medical Assistant	1.00	0.00	(1.00)
Office Specialist II	1.00	1.00	-
Principal Account Clerk	1.00	1.00	-
Principal Office Specialist	1.00	1.00	-
Senior Analyst	11.00	11.00	-
Senior Office Specialist	2.00	2.00	-
Staff Specialist	5.00	5.00	-
Total Positions	43.50	42.50	(1.00)

Office of the Independent Police Auditor

Shivaun Nurre, Independent Police Auditor

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To provide independent oversight of the citizen complaint process to ensure its fairness, thoroughness, and objectivity

City Service Area

Public Safety

Core Services

Independent Police Oversight

Independent civilian oversight of the San José Police Department (SJPD) by taking in complaints from members of the public about San José police officers, auditing misconduct investigations, preparing annual public reports, making recommendations to improve SJPD policies, participating in the Department's review of officer-involved shooting incidents, and conducting community outreach and engagement.

Strategic Support: Administrative Support, Pandemic Response

Office of the Independent Police Auditor

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Independent Police Oversight Core Service</i>	
Oversight of Police Misconduct Complaints and Public Outreach	Independent civilian oversight of the San José Police Department (SJPD) by taking in complaints from members of the public about San José police officers, auditing misconduct investigations, preparing annual public reports, making recommendations to improve SJPD policies, participating in the Department's review of officer-involved shooting incidents, and conducting community outreach and engagement.
<i>Strategic Support Core Service</i>	
IPA Management and Administration	Provides administrative oversight for the department, including financial management, human resources, and analytical support.
Pandemic Response	Provides for the coordination and delivery of emergency services and recovery activities in response to the COVID-19 pandemic.

Office of the Independent Police Auditor

Department Budget Summary

Expected 2021-2022 Service Delivery

- Provide mandated oversight services: conduct community outreach, perform intake of complaints from the public, audit the San José Police Department's (SJPD) Internal Affairs complaint investigations, and make recommendations to improve SJPD policies and procedures.
- Coordinate with SJPD on implementing any agreements reached on expansion of Independent Police Auditor (IPA) authority.
- Complete key elements of the Police Reforms Work Plan.
- Leverage a mix of traditional and technological community engagement tools (i.e., social media, informational flyers/updates) in order to connect and reach residents of San José, while adhering to social distance policies.

2021-2022 Key Budget Actions

- Adds 1.0 Analyst II position to provide analytical support to the Independent Police Auditor through the review of data related to use of force, police reports, and body worn camera footage, and other relevant information to form recommendations regarding Police Department policies and procedures, consistent with the expanded duties of the Office as amended by Measure G, approved in November 2020.

Operating Funds Managed

N/A

Office of the Independent Police Auditor

Department Budget Summary

	2019-2020 Actuals ***	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Dollars by Core Service				
Independent Police Oversight	1,253,898	1,368,191	1,261,118	1,411,799
Strategic Support - Other - Public Safety	634	152,366	0	0
Strategic Support - Public Safety	360	113,481	118,704	118,704
Total	\$1,254,892	\$1,634,038	\$1,379,822	\$1,530,503
Dollars by Category				
<i>Personal Services and Non-Personal/Equipment</i>				
Salaries/Benefits	1,236,138	1,279,057	1,342,265	1,494,077
Overtime	166	1,000	1,000	1,000
Subtotal Personal Services	\$1,236,304	\$1,280,057	\$1,343,265	\$1,495,077
Non-Personal/Equipment	17,954	201,615	36,557	35,426
Total Personal Services & Non-Personal/Equipment	\$1,254,258	\$1,481,672	\$1,379,822	\$1,530,503
<i>Other Costs*</i>				
City-Wide Expenses	634	152,366	0	0
General Fund Capital	0	0	0	0
Gifts	0	0	0	0
Housing Loans and Grants	0	0	0	0
Other	0	0	0	0
Overhead Costs	0	0	0	0
Total Other Costs	\$634	\$152,366	\$0	\$0
Total	\$1,254,892	\$1,634,038	\$1,379,822	\$1,530,503

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*** 2019-2020 Actuals may not subtotal due to rounding.

Office of the Independent Police Auditor

Department Budget Summary

	2019-2020 Actuals ***	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Dollars by Fund				
General Fund (001)	1,254,892	1,634,038	1,379,822	1,530,503
Gift Trust Fund (139)	0	0	0	0
Total	\$1,254,892	\$1,634,038	\$1,379,822	\$1,530,503
Positions by Core Service**				
Independent Police Oversight	5.50	5.50	5.50	6.50
Strategic Support - Public Safety	0.50	0.50	0.50	0.50
Total	6.00	6.00	6.00	7.00

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** The positions displayed in the 2019-2020 Actuals column reflect those included in the 2019-2020 Adopted Budget.

*** 2019-2020 Actuals may not subtotal due to rounding.

Office of the Independent Police Auditor

Department Budget Summary

	2019-2020 Actuals**	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed	2021-2022 Proposed Positions
Dollars by Program*					
Independent Police Oversight					
Oversight of Police Misconduct Complaints and Public Outreach	1,253,898	1,368,191	1,261,118	1,411,799	6.50
Sub-Total	1,253,898	1,368,191	1,261,118	1,411,799	6.50
Strategic Support - Public Safety					
Independent Police Auditor Management and Administration	360	113,481	118,704	118,704	0.50
Sub-Total	360	113,481	118,704	118,704	0.50
Strategic Support - Other - Public Safety					
Independent Police Auditor Gifts	0	0	0	0	0.00
Independent Police Auditor Other Departmental - City-Wide	634	152,366	0	0	0.00
Sub-Total	634	152,366	0	0	0.00
Total	\$1,254,892	\$1,634,038	\$1,379,822	\$1,530,503	7.00

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** 2019-2020 Actuals may not subtotal due to rounding.

Office of the Independent Police Auditor

Budget Reconciliation

Personal Services and Non-Personal/Equipment (2020-2021 Adopted to 2021-2022 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
Prior Year Budget (2020-2021):	6.00	1,481,672	1,481,672
Base Adjustments			
One-Time Prior Year Expenditures Deleted			
• Police Use of Force Review		(150,000)	(150,000)
• IPA Online Complaint Form		(15,000)	(15,000)
One-time Prior Year Expenditures Subtotal:	0.00	(165,000)	(165,000)
Technical Adjustments to Costs of Ongoing Activities			
• Salary/benefit changes		63,208	63,208
• Budget Realignment: FirstNet Support		(58)	(58)
Technical Adjustments Subtotal:	0.00	63,150	63,150
2021-2022 Forecast Base Budget:	6.00	1,379,822	1,379,822
Budget Proposals Recommended			
1. Independent Investigation of Police Misconduct Work Plan	1.00	151,812	151,812
2. Reprographics Contractual Services Savings		(1,131)	(1,131)
Total Budget Proposals Recommended	1.00	150,681	150,681
2021-2022 Proposed Budget Total	7.00	1,530,503	1,530,503

Office of the Independent Police Auditor

Budget Changes By Department Personal Services and Non-Personal/Equipment



2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
1. Independent Investigation of Police Misconduct Work Plan	1.00	151,812	151,812
<i>Public Safety CSA Independent Police Oversight Core Service Oversight of Police Misconduct Complaints and Public Outreach Program</i>			
<p>This action adds 1.0 Analyst II position to provide additional analytical support to the Independent Police Auditor to effectively perform the duties of the Office as amended by Measure G, a charter amendment ballot measure approved by the voters in November 2020 that, in part, expanded the roles and responsibilities of the Office of the Independent Police Auditor. The Analyst II will review data related to use of force, police reports, and body worn camera footage, and other relevant information to form recommendations regarding Police Department policies and procedures. (Ongoing costs: \$151,812)</p>			
2. Reprographics Contractual Services Savings		(1,131)	(1,131)
<i>Public Safety CSA Independent Police Oversight Core Service Oversight of Police Misconduct Complaints and Public Outreach Program</i>			
<p>This action reduces the Office's non-personal/equipment budget by \$1,131 on an ongoing basis to reflect savings in the reprographics (printing) contract. The Finance and Information Technology Departments jointly worked to re-procure the City's reprographics contract for copier, scanner, fax devices support, and administration software and tools. Savings in the amount of \$363,000 will be generated in the General Fund, \$462,000 in all funds, across all departments from lower rental costs for the multi-function devices and significantly lower cost per copy and consumption rates. Savings can be realized with new green-print options and central administration of devices. (Ongoing savings: \$1,131)</p>			
2021-2022 Proposed Budget Changes Total	1.00	150,681	150,681

Office of the Independent Police Auditor

Performance Summary

Independent Police Oversight

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 # of IPA recommendations to change policy or procedure made to the Internal Affairs Commander/Police Chief/City Council	6	6	8	7
 % of community members responding to evaluations at outreach presentations or events who report an increased knowledge of IPA and the citizen complaint process	95%	93%	N/A ¹	95%

¹ Evaluations were not distributed and collected as anticipated, as in-person outreach presentations and events were not held during 2020-2021 due to the continued impacts of COVID-19.

Activity and Workload Highlights

	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast
% of complainants filing their complaint at the IPA office rather than at Internal Affairs	69%	65%	70%	69%
# of classified complaints	230	204	210	204
# of total cases	255	233	240	233
# of outreach presentations/events ¹ :				
- Total ^{2, 3}	86	42	35	35
- To youth	14	14	10	5
- To immigrant and minority communities	38	25	10	20
# of persons receiving community outreach services	3,987	3,000 ⁴	800	1,500
# of agencies/community organizations that received outreach materials from the IPA:				
- Total ⁵	36	1	1	1
- To youth	13	1	1	1
- To immigrant and minority communities	26	1	1	1

¹ An outreach presentation/event may involve youth, immigrant and minority communities concurrently.

² This total represents city-wide presentations and events, as well as those for specific agencies/community organizations.

³ The continued impacts of COVID-19 and corresponding public health restrictions greatly limited the number of outreach presentations and events performed in the latter half of 2019-2020 and in 2020-2021. The IPA is adjusting its outreach model in response to these challenges to include new resources such as social media contacts, email updates, and smaller online group presentations and trainings.

⁴ The 2020-2021 Forecast anticipated participation in Viva CalleSJ events, which historically have facilitated connections with many community members; however, Viva CalleSJ was not held in 2020-2021.

⁵ This measure has historically captured physical outreach materials distributed by the IPA at in-person meetings. Due to public health restrictions, all presentations/events have been conducted online.

Office of the Independent Police Auditor

Departmental Position Detail

Position	2020-2021 Adopted	2021-2022 Proposed	Change
Analyst I/II, Independent Police Auditor	1.00	2.00	1.00
Assistant Independent Police Auditor	1.00	1.00	-
Independent Police Auditor	1.00	1.00	-
Office Specialist II	1.00	1.00	-
Senior Analyst, Independent Police Auditor	2.00	2.00	-
Total Positions	6.00	7.00	1.00

Information Technology Department

Rob Lloyd, Chief Information Officer

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Deliver the technologies and data that help sustain an equitable, engaged, effective, and resilient City

City Service Area

Strategic Support

Core Services

Business Solutions

Deliver technology solutions that support superior municipal services and achieve the City of San José Smart City Vision; successfully achieve business goals; sustain and optimize the City's technology portfolio; enable continuous innovation throughout the organization through civic technologies and partnerships

San José 311

Serve as the City's central customer contact resource for San Jose residents; provide City information and services to residents, businesses, utilities customers, and employees; support amazing customer experiences through open data, mobile application, online, chat, virtual agent, social, and public network platforms

Technology Infrastructure and Operations

Support superior municipal services through reliable, high-performance, and secure technology services; provide technology infrastructure for business solutions, analytics, data/voice/video communications; plan and coordinate services that sustain City operations

Strategic Support: Information Technology and Management and Pandemic Response

Information Technology Department

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Business Solutions Core Service</i>	
Advanced Applications and Services	Develops, implements, and supports software applications and system integrations for multi-departmental to division level business solutions. These business solutions are required to directly support specific City operations.
Data Services	Enables data administration, use, analytics, transparency and reporting by staff and the public, through strong data platforms, tools, and support.
Enterprise Resource Management	Manages and supports use of Human Resources, Payroll, Talent, Financials, Budgeting, and Tax Systems impacting all City personnel and fiscal actions. Enables data transparency, analytics, decision-support, and reporting by staff and the public.
Productivity and Collaboration Applications	Administers and supports city-wide use of collaboration and productivity software that multiply the efficiency and effectiveness of City contributors. Collaboration tools enhance group performance through information access, tracking assignments through delivery, and in-group communications. Productivity solutions enable work with high efficiency through documents, spreadsheets, analytics, presentations, electronic messaging, and mobile work enhancement. Business process automation services digitize City workflows to process faster, with less staff time, and with auditability.
<i>San José 311 Core Service</i>	
City Customer Contact Center	Serves as the digital contact point for the large majority of non-emergency interactions with the City's residents and businesses as San José 311. Intakes and processes utility billing cases. Provides access to City information and offices via mobile, chat, online portal, and telephone means. Coordinates across departments to administer main call trees, the frequently asked questions manifest, and response scripts. Administers overflow vendor contract(s) for after-hours and special events call handling.
<i>Technology Infrastructure and Operations Core Service</i>	
Cybersecurity Office	Secures City information and systems assets to ensure business value, compliance, and resilience for all departments. Serves as incident response command for cyber disasters. Leads planning, testing, and attesting for City information and systems assurance activities.
IT Customer Care	Supports the customer-side use of information and communications technologies by City staff across all departments, including computers and mobile devices. Resolves Help Desk service requests. Supports City employees and contractors in working remotely effectively.
IT Systems and Operations	Administers and supports the underlying data/voice/video network, hardware systems, storage resources, virtualization, and cloud services fabric on which City software, communications, and collaboration solutions are built.
Voice and Data Network Infrastructure	Manages city-wide telephone costs, charges/billing, procurement, enterprise voice, and data network infrastructure for quality voice and data communication abilities.

Information Technology Department

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Strategic Support Core Service</i>	
Information Technology Management and Administration	Provides strategic direction, analytical insights, and administrative support for departmental activities. Manages all fiscal activities, directs budget development and implementation, and administers IT-related policy adherence. Manages personnel functions for the department, including hiring, employee development, discipline, and personnel transactions, all in coordination with the Human Resources Department and Office of Employee Relations. Provides oversight and status reporting for strategic technology deployments in the City.
Pandemic Response	Provides for the coordination and delivery of emergency services and recovery activities in response to the COVID-19 pandemic.

Information Technology Department

Department Budget Summary

Expected 2021-2022 Service Delivery

- ❑ Lead the City's Drive to Digital in response to new work demands related to COVID-19 response and recovery. Provide business systems that support municipal services and equity goals, including: digital inclusion, community access to City services, budget and financials, human resources, payroll, productivity and collaboration, and records management platforms.
- ❑ Attain high resilience for the City's business systems. Manage cybersecurity risks, working with departments on effective controls, incident response, systems hygiene, and risk detection, resulting in clear audits and assessments.
- ❑ Respond to service requests and inquiries from San José residents and businesses, achieving exceptional customer experience through robust 311 access spanning phone, mobile app, direct chat, virtual agent, and online portal. Refresh SJ311 technologies and produce five new resident service options with departments by the end of 2022.
- ❑ Provide high-performance data/voice/video communications, server/storage infrastructure, and virtualization capabilities on which technology solutions operate.
- ❑ Support city-wide technology use by departments and staff, achieving high customer satisfaction, project success, reliability, and cost optimization.

2021-2022 Key Budget Actions

- ❑ Adds 1.0 Enterprise Supervising Technology Analyst position to the Information Technology Department Cybersecurity Office to serve as an Asset/Vulnerability Management Analyst.
- ❑ Adds 1.0 Enterprise Technology Manager position as a Digital Privacy Officer accountable for addressing growing risks tied to information privacy laws and regulatory compliance requirements.
- ❑ Shifts 25% of funding one-time for the second consecutive year of 1.0 Products-Projects Manager position to the Low and Moderate Income Housing Asset Fund to focus on setting and driving the Housing Department's IT Roadmap.
- ❑ Adds 1.0 Senior Analyst and 1.0 Enterprise Supervising Technical Analyst positions, through June 30, 2023, in the Information Technology Department to expand San José 311 internal capacity and customer service by providing technical support for digital service delivery analysis/improvement and development of new services that bridge access, language, and ease of use barriers experienced disproportionately by underserved portions of our community.
- ❑ Adds 1.0 Supervising Applications Analyst and 2.0 Senior Systems Application Programmer positions, through June 30, 2022, to serve as the City's Development Services Technology Team to execute and support the Development Services Transformation initiative with multi-department stakeholders.

Operating Funds Managed

N/A

Information Technology Department

Department Budget Summary

	2019-2020 Actuals ***	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Dollars by Core Service				
Business Solutions	10,848,150	10,652,155	11,752,782	12,108,754
San José 311	1,030,290	2,292,139	2,196,444	2,946,444
Strategic Support - Other - Strategic Support	18,605	439,321	634,389	724,946
Strategic Support - Strategic Support	4,841,579	3,921,176	4,035,807	4,427,074
Technology Infrastructure and Operations	9,789,066	11,751,182	10,258,259	10,445,120
Total	\$26,527,690	\$29,055,973	\$28,877,681	\$30,652,338
Dollars by Category				
<i>Personal Services and Non-Personal/Equipment</i>				
Salaries/Benefits	16,093,706	17,665,666	19,406,842	20,342,598
Overtime	82,008	128,664	128,664	128,664
Subtotal Personal Services	\$16,175,714	\$17,794,330	\$19,535,506	\$20,471,262
Non-Personal/Equipment	9,563,817	10,769,785	8,709,786	8,708,130
Total Personal Services & Non-Personal/Equipment	\$25,739,531	\$28,564,115	\$28,245,292	\$29,179,392
<i>Other Costs*</i>				
City-Wide Expenses	52,462	52,537	0	750,000
General Fund Capital	0	0	0	0
Housing Loans and Grants	0	0	0	0
Other	722,213	0	0	0
Overhead Costs	13,485	439,321	632,389	722,946
Total Other Costs	\$788,160	\$491,858	\$632,389	\$1,472,946
Total	\$26,527,690	\$29,055,973	\$28,877,681	\$30,652,338

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document. The amounts in the 2020-2021 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

** The positions displayed in the 2019-2020 Actuals column reflect those included in the 2019-2020 Adopted Budget.

*** 2019-2020 Actuals may not subtotal due to rounding.

Information Technology Department

Department Budget Summary

	2019-2020 Actuals ***	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Dollars by Fund				
General Fund (001)	23,574,104	25,844,036	24,409,881	25,537,794
Public Works Program Support Fund (150)	110,672	165,697	90,233	90,233
Building Development Fee Program Fund (237)	0	305,620	1,275,646	1,558,726
Planning Development Fee Program Fund (238)	0	54,276	331,063	436,396
Citywide Planning Fee Program Fund (239)	0	0	7,618	7,618
Fire Development Fee Program Fund (240)	0	61,916	199,067	245,359
Public Works Development Fee Program Fund (241)	0	54,122	249,438	330,054
Low And Moderate Income Housing Asset Fund (346)	17,896	213,490	16,911	84,817
Coronavirus Relief Fund (401)	1,302,334	0	0	0
Integrated Waste Management Fund (423)	551,455	808,565	854,638	883,089
Storm Sewer Operating Fund (446)	107,990	189,622	168,957	168,957
San José-Santa Clara Treatment Plant Operating Fund (513)	98,317	223,750	133,410	133,410
Water Utility Fund (515)	574,871	859,453	830,623	830,623
Airport Maintenance And Operation Fund (523)	36,794	37,745	38,242	38,242
General Purpose Parking Fund (533)	11,272	25,093	22,177	22,177
Sewer Service And Use Charge Fund (541)	124,843	197,587	181,370	181,370
Vehicle Maintenance And Operations Fund (552)	8,805	6,120	630	630
South Bay Water Recycling Operating Fund (570)	3,218	8,882	521	521
Capital Funds	5,120	0	67,256	102,322
Total	\$26,527,690	\$29,055,973	\$28,877,681	\$30,652,338

Positions by Core Service**				
Business Solutions	27.00	26.00	31.00	33.00
San José 311	15.00	15.00	15.00	17.00
Strategic Support - Strategic Support	14.00	18.00	18.00	20.00
Technology Infrastructure and Operations	33.00	29.00	32.00	33.00
Total	89.00	88.00	96.00	103.00

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** The positions displayed in the 2019-2020 Actuals column reflect those included in the 2019-2020 Adopted Budget.

*** 2019-2020 Actuals may not subtotal due to rounding.

Information Technology Department

Department Budget Summary

	2019-2020 Actuals**	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed	2021-2022 Proposed Positions
Dollars by Program*					
San José 311					
City Customer Contact Center	1,030,290	2,292,139	2,196,444	2,946,444	17.00
Sub-Total	1,030,290	2,292,139	2,196,444	2,946,444	17.00
Business Solutions					
Advanced Applications and Services	148,549	385,400	1,115,974	1,326,345	4.00
Data Services	963,786	1,156,309	1,167,878	1,167,878	3.00
Enterprise Resource Management	4,479,398	4,494,444	4,379,096	4,379,096	12.00
Productivity and Collaboration Applications	5,256,417	4,616,002	5,089,834	5,235,435	14.00
Sub-Total	10,848,150	10,652,155	11,752,782	12,108,754	33.00
Technology Infrastructure and Operations					
Cybersecurity Office	1,293,234	2,862,312	2,715,681	2,902,542	5.00
Desktop/Virtual Desktop Infrastructure	126,372	52,537	0	0	0.00
IT Customer Care	3,760,708	3,463,310	3,188,323	3,188,323	13.00
IT Systems and Operations	1,615,505	2,815,834	1,766,068	1,766,068	8.00
Telecommunications Billing	11,823	0	0	0	0.00
Voice and Data Network Infrastructure	2,981,423	2,557,189	2,588,187	2,588,187	7.00
Sub-Total	9,789,066	11,751,182	10,258,259	10,445,120	33.00
Strategic Support - Strategic Support					
Information Technology Financial Management	4,989	0	0	0	0.00
Information Technology Human Resources	6,659	0	0	0	0.00
Information Technology Management and Administration	3,527,596	3,921,176	4,035,807	4,427,074	20.00
Information Technology Pandemic Response	1,302,334	0	0	0	0.00
Sub-Total	4,841,579	3,921,176	4,035,807	4,427,074	20.00
Strategic Support - Other - Strategic Support					
Information Technology Capital	5,120	0	0	0	0.00
Information Technology Other Operational - Administration	0	0	2,000	2,000	0.00
Information Technology Overhead	13,485	439,321	632,389	722,946	0.00
Sub-Total	18,605	439,321	634,389	724,946	0.00
Total	\$26,527,690	\$29,055,973	\$28,877,681	\$30,652,338	103.00

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** 2019-2020 Actuals may not subtotal due to rounding.

Information Technology Department

Budget Reconciliation

Personal Services and Non-Personal/Equipment (2020-2021 Adopted to 2021-2022 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
Prior Year Budget (2020-2021):	88.00	28,564,115	25,791,499
Base Adjustments			
One-Time Prior Year Expenditures Deleted			
• Rebudget: IT Project Management of Business Tax System, Business Process Automation, and Other Digital Efforts		(900,000)	(900,000)
• Rebudget: Windows 10 Enterprise and PCs Upgrade Project		(841,294)	(582,125)
• Rebudget: Cybersecurity Roadmap		(395,000)	(395,000)
• Rebudget: Print Management		(142,558)	(142,558)
• Rebudget: Business Process Automation Platform		(90,400)	(90,400)
• San José 3-1-1 Translation Call Handling Services		(115,000)	(115,000)
• Telecommunication/Wireless Billing System		(100,000)	(100,000)
One-time Prior Year Expenditures Subtotal:	-	(2,584,252)	(2,325,083)
Technical Adjustments to Costs of Ongoing Activities			
• Salary/benefit changes and the following position reallocations:		197,282	362,868
• Position Shift: Development Services Information Technology Staffing from Planning, Building and Code Enforcement Department (1.0 Department Information Manager, 2.0 Information Systems Analyst, 1.0 Network Technician III, 2.0 Senior Systems Applications Programmer, 1.0 Systems Applications Programmer II, and 1.0 Supervising Applications Analyst)	8.00	1,743,955	220,015
• Vacancy Factor		(200,060)	(163,670)
• Software/Information Services: Virtual Security Operations		215,000	215,000
• Software/Information Services: Business Process (SimpliGov)		200,800	200,800
• Software/Information Systems: Microsoft Enterprise		82,000	82,000
• Budget Realignment: FirstNet Support		24,452	24,452
• Vehicle Operations and Maintenance		2,000	2,000
Technical Adjustments Subtotal:	8.00	2,265,429	943,465
2021-2022 Forecast Base Budget:	96.00	28,245,292	24,409,882

Information Technology Department

Budget Reconciliation

Personal Services and Non-Personal/Equipment (2020-2021 Adopted to 2021-2022 Proposed)

Budget Proposals Recommended			
1. Development Services Information Technology Staffing	3.00	572,327	68,680
2. Digital Privacy Staffing	1.00	211,945	211,945
3. Asset Risk Control Staffing	1.00	186,861	186,861
4. Products-Projects Manager Support for the Housing Department	0.00	0	(52,540)
5. San José 311 Enhancements	2.00	0	0
6. Office 365 Enterprise Infrastructure Staffing	0.00	(35,377)	(35,377)
7. Reprographics Contractual Services Savings		(1,656)	(1,656)
Total Budget Proposals Recommended	7.00	934,100	377,913
2021-2022 Proposed Budget Total	103.00	29,179,392	24,787,795

Information Technology Department
Budget Changes By Department
Personal Services and Non-Personal/Equipment

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
1. Development Services Information Technology Staffing Strategic Support CSA Business Solutions and Strategic Support Core Services <i>Productivity and Collaboration Applications, Information Technology Management and Administration, and Advanced Applications and Services Programs</i>	3.00	572,327	68,680
<p>This action adds 1.0 Supervising Applications Analyst and 2.0 Senior Systems Application Programmer positions, limit-dated through June 30, 2022, to serve as the City's Development Services Transformation Technology Section. Specific focus will be on implementing the remainder of the Development Services Transformation project with the Planning, Building and Code Enforcement, Public Works, and Fire Departments, aligning management of technology infrastructure and endpoint devices, and optimizing long-term costs. (Ongoing costs: \$0)</p>			
2. Digital Privacy Staffing Strategic Support CSA Strategic Support Core Service <i>Information Technology Management and Administration Program</i>	1.00	211,945	211,945
<p>This action adds 1.0 Enterprise Technology Manager position as a Digital Privacy Officer (DPO) accountable for addressing growing risks tied to information privacy laws and regulatory compliance requirements. The position serves as a city-wide authority for making privacy decisions and protecting the interests of the City in its practices and projects. Together with the City's Chief Information Security Officer, the DPO has specific responsibilities for ensuring adherence to the City's Digital Privacy Policy. They partner with the City Attorney's Office, City departments, and external parties in administering the policy's Notice, Retention, Minimization, Accountability, Accuracy, Sharing, and Equity elements, as well as outreach and community engagement activities. (Ongoing costs: \$231,212)</p>			
3. Asset Risk Control Staffing Strategic Support CSA Technology Infrastructure and Operations Core Service <i>Cybersecurity Office Program</i>	1.00	186,861	186,861
<p>This action adds 1.0 Enterprise Supervising Technology Analyst to the Information Technology Department Cybersecurity Office to serve as an Asset/Vulnerability Management Analyst. The focus for this new position will be on high-risk vulnerabilities, patch control, ongoing monitoring, and prevention and response to support the resilience and operational reliability of computing and business systems city-wide. (Ongoing costs: \$203,847)</p>			

Information Technology Department
Budget Changes By Department
Personal Services and Non-Personal/Equipment

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
4. Products-Projects Manager Support for the Housing Department	0.00	0	(52,540)

Strategic Support CSA
Strategic Support Core Service
Information Technology Management and Administration Program

This action shifts 25% of funding for the second consecutive year of 1.0 Enterprise Supervising Technology Analyst position from the General Fund to the Low and Moderate Income Housing Asset Fund on a one-time basis. Numerous Housing Department technology initiatives require Information Technology planning, implementation, and management. The Products-Projects Manager will focus 25% of their time on the Housing Department's IT Roadmap to assist in the transformation to an online services and data-enabled department; execute projects for the Affordable Housing Database and Affordable Web Portal; and support the Housing Department's transition to remote work, such as virtual hearings and digitizing paper processes. (Ongoing savings: \$0)

5. San José 311 Enhancements	2.00	0	0
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Strategic Support CSA
San José 311 Core Service
City Customer Contact Center Program

As directed in the Mayor's March Budget Message for Fiscal Year 2021-2022, as approved by the City Council, this action adds 1.0 Senior Analyst and 1.0 Enterprise Supervising Technical Analyst positions limit-dated through June 30, 2023. These positions will be funded from the San José 311 City-Wide Expenses appropriation in the amount of \$750,000, and will be part of a two-year program to expand San José 311 internal capacity for both coding and customer service. The Senior Analyst and Enterprise Supervising Technical Analyst will provide the technical support necessary to focus on (1) digital service delivery analysis/improvement; and (2) development of new services that bridge access, language, and ease of use barriers experienced disproportionately by underserved portions of our community. The success of these investments would be measured by at least five new services being placed into production by the end of 2022, expanding language support to include at least Mandarin and Tagalog, and higher customer ratings of service resolution. Funds are needed to maintain/scale cloud consumption services for virtual agent and chatbot services (\$150,000) and to pay for necessary licensure/vendor support for software products for these purposes (\$200,000). A San José 311 City-Wide Expenses appropriation in the amount of \$750,000 and a San José 311 Implementation Reserve also in the amount of \$750,000 for the second-year costs of the program are included elsewhere in this document. Any ongoing funding needs beyond the two-year program will be evaluated as part of a future budget process. (Ongoing costs: \$0)

Information Technology Department
Budget Changes By Department
Personal Services and Non-Personal/Equipment




2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
6. Office 365 Enterprise Infrastructure Staffing	0.00	(35,377)	(35,377)
<p><i>Strategic Support CSA</i> <i>Business Solutions Core Service</i> <i>Productivity and Collaboration Applications Program</i></p> <p>This action deletes 1.0 vacant Office 365 Enterprise Information Technology Engineer (EITE I/II) position and adds 1.0 Network Technician position. The EITE position has been challenging to hire. ITD will downgrade this position to a Network Technician and train this person to support users in Office 365, to maintain records compliance and platform security, and to be cross-trained to provide Tier 1 help for other platforms if needed. (Ongoing savings: \$39,216)</p>			
7. Reprographics Contractual Services Savings		(1,656)	(1,656)
<p><i>Strategic Support CSA</i> <i>Strategic Support Core Service</i> <i>Information Technology Management and Administration Program</i></p> <p>This action reduces the Department's non-personal/equipment budget by \$1,656 on an ongoing basis to reflect savings in the reprographics (printing) contract. The Finance and Information Technology Departments jointly worked to re-procure the City's reprographics contract for copier, scanner, fax devices support, and administration software and tools. Savings in the amount of \$363,000 will be generated in the General Fund, \$462,000 in all funds, across all departments from lower rental costs for the multi-function devices and significantly lower cost per copy and consumption rates. Savings can be realized with new green-print options and central administration of devices. (Ongoing savings: \$1,656)</p>			
2021-2022 Proposed Budget Changes Total	7.00	934,100	377,913

Information Technology Department

Performance Summary

Customer Contact Center

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimate	2021-2022 Target
 % of Customer Contact Center contacts answered ¹	94.79% ⁴	85%	94% ⁴	85%
 % of San José 311 phone contacts resolved at first call ²	81.70% ⁴	N/A ³	81% ⁴	≥80%
 % of customers satisfied with San José 311 contact	58.13% ^{4, 5}	N/A ³	43.9% ^{4, 6}	65%

¹ Includes calls answered by staff, self-serviced calls and after-hours service, direct chats, walk-ins, and mobile and web portal requests.

² This percentage is based on San José 311 calls resolved at first contact and excludes calls resolved by the City's after-hours and weekend call service.

³ New measure starting in 2021-2022, therefore, no 2020-2021 Target was adopted.

⁴ Customer complaints regarding illegal dumping and abandoned vehicles increased during the pandemic since services to respond were suspended.

⁵ Partial-year data totaling nine months.

⁶ Data from September 2020 to February 2021 were lost. This estimate is based on the average of July 2020 and August 2020.

Activity and Workload Highlights

	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimate	2021-2022 Forecast
# of Customer Contact Center contacts ¹ :				
- received	251,898 ⁴	280,000	272,400 ^{2, 4}	280,000
- answered	238,768 ⁴	252,000	258,000 ^{2, 4}	260,000
Average caller waits time	2:01 minutes	3 minutes	2:30 minutes	3 minutes ³

¹ Includes phone calls, direct chats, walk-ins, and mobile and web portal requests. Mobile and web portal numbers include calls for one of the five SJ 311 services where call handlers entered the service request into the SJ 311 application on the resident's behalf. In some cases – these numbers are also reflected in the number of phone calls.

² In March 2020, the City Customer Contact Center absorbed city-wide SJ 311 calls and activated SJ 311 on two cell carriers.

³ Some services related to utility billing and disconnects were suspended during the pandemic. Staff expects they will need to address a backlog of utility billing contacts, which typically take longer, upon recovery from the pandemic.

⁴ COVID-19 pandemic occurred March 2020 through 2021. During this timeframe, services were suspended, leading to customer complaints – e.g., abandoned vehicles and illegal dumping.

Information Technology Department

Performance Summary

Business Solutions

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
% of customers rating services as “Good” or “Excellent” ¹ :				
- overall satisfaction	92.44%	≥80%	85%	≥80%
- quality of work	93.56%	≥80%	85%	≥80%
- timeliness	89.72%	≥80%	85%	≥80%
- customer service	93.83%	≥80%	85%	≥80%
% of uptime and availability:				
- business applications	99.44%	≥99.8%	97.8% ²	≥99.8%
- databases	99.96%	≥99.8%	99.9%	≥99.9%
% of successful financials cycles closed on systems	100%	100%	100%	100%
% of successful payroll cycles processed on systems	100%	100%	100%	100%
% of successful pay, benefits, tax, and union agreement changes implemented prior to Finance/Human Resources/Employee Relations deadlines	100%	100%	100%	100%

¹ Annual city-wide IT Customer Service Survey conducted in September of each year.

² During COVID-19 transition to work from home and server migration, two outages reduced application uptime.

Activity and Workload Highlights

	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast
# of centralized E-mail mailboxes	7,635	7,630	7,418	7,500
# of FMS users	487	500	503	500
# of PeopleSoft users (HR/Payroll)	7,879	7,800	7,572	7,600
# of business systems managed ¹ :				
- Critical	16	16	16	19
- Essential	38	39	38	40
# of successful financials cycles closed on systems	16	16	16	16
# of successful payroll cycles processed on systems	26	27	27	26
# of successful pay, benefits, tax, and union agreement changes implemented prior to Finance/Human Resources/Employee Relations deadlines	75 ²	55	58	46

¹ In the event of a major disaster, Critical Systems have a Recovery Time Objective (RTO) of 30 minutes and Essential Systems have an RTO of ≤3 days. All other business systems which are Standard routine have an RTO of ≤2 weeks. ITD will continue to work with city-wide emergency management efforts related to business continuity and disaster recovery.








² Bargaining unit agreements and payroll process improvements resulted in additional changes during 2019-2020.

Information Technology Department

Performance Summary

Technology Infrastructure and Operations

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 % of customers rating network, systems, and voice services as "Good or "Excellent":				
- overall satisfaction	91.55%	≥80%	85%	≥80%
- quality of work	93.97%	≥80%	85%	≥80%
- timeliness	89.44%	≥80%	85%	≥80%
- customer service	95.06%	≥80%	85%	≥80%
 % uptime and availability:				
- systems	99.96%	≥99.9%	99.8%	≥99.9%
- network	99.88%	≥99.9%	99.9%	≥99.9%
- voice	99.96%	≥99.9%	99.9%	≥99.9%
 % of Technology Help Desk tickets resolved	98.83%	99%	98%	99%
 % of Technology Help Desk tickets resolved within 2 business days	N/A ¹	N/A ¹	72%	80%
 % of cybersecurity events responded to within 4 hours	N/A ¹	N/A ¹	100%	100%
 % of City staff issued cybersecurity training at least annually	N/A ¹	N/A ¹	99%	99%
 % of City staff that completed annual cybersecurity Training and testing at least annually	N/A ¹	N/A ¹	35%	99%

¹ New measure; no 2019-2020 Actual and 2020-2021 Target data available.

Activity and Workload Highlights

	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast
# of unplanned network outages	5	2	5	2
Average time of unplanned network outages	3.95 hours	2 hours	3.44 hours	3 hours
# of Severity 1 infrastructure service outages ¹	6	1	8	5
# of Technology Help Desk tickets	19,934 ²	20,000	18,500 ²	20,000

¹ Severity 1 is a) all users of a specific service; b) personnel from multiple departments are affected; c) public facing service is unavailable; or d) services that are directly impacting public safety.

² COVID-19 pandemic occurred March 2020 through 2021, shifting some support cases to the Cybersecurity Office to fast response. Cases were not tracked under the Office's incident system and were treated as overhead.

Information Technology Department

Departmental Position Detail

Position	2020-2021 Adopted	2021-2022 Proposed	Change
Administrative Assistant	1.00	1.00	-
Administrative Officer	1.00	1.00	-
Analyst I/II	4.00	4.00	-
Assistant Director	1.00	1.00	-
City Information Security Officer	1.00	1.00	-
Department Information Technology Manager	0.00	1.00	1.00
Deputy Director	2.00	2.00	-
Director of Information Technology	1.00	1.00	-
Division Manager	1.00	1.00	-
Enterprise Information Technology Engineer I/II	11.00	10.00	(1.00)
Enterprise Principal Technology Analyst	7.00	7.00	-
Enterprise Supervising Technology Analyst	25.00	27.00	2.00
Enterprise Technology Manager	3.00	4.00	1.00
Information Systems Analyst	0.00		-
Information Systems Analyst	0.00	2.00	2.00
Network Technician I/II/III	9.00	11.00	2.00
Principal Office Specialist	3.00	3.00	-
Program Manager I	1.00	1.00	-
Senior Account Clerk	1.00	1.00	-
Senior Analyst	1.00	2.00	1.00
Senior Office Specialist	10.00	10.00	-
Senior Systems Application Programmer	4.00	8.00	4.00
Staff Specialist	1.00	1.00	-
Supervising Applications Analyst	0.00	2.00	2.00
Systems Application Programmer II	0.00	1.00	1.00
Total Positions	88.00	103.00	15.00

Library Department

Jill Bourne, City Librarian

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The San José Public Library enriches lives by fostering lifelong learning and by ensuring that every member of the community has access to a vast array of ideas and information

City Service Area

Neighborhood Services

Core Services

Access to Information, Library Materials, and Digital Resources

Link customers to the information they need through access to books, videos, digital, and other information resources

Literacy and Learning, Formal and Lifelong Self-Directed Education

Provide programs that promote reading, literacy, and learning for all ages and support school readiness and success

Strategic Support: Administration, Business Office, Community Awareness and Outreach, Data Analytics, Library Bond Program, Technology Services, and Pandemic Response

Library Department

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Access to Information, Library Materials, and Digital Resources Core Service</i>	
Access and Borrower Services	Provides materials handling, materials delivery, and customer service at all Library branches and the Dr. Martin Luther King, Jr. Library, including fines and fees collections, check out, check in, hold processing, customer account maintenance, materials maintenance, shelving, and transport of library materials between the 25 library facilities including the Dr. Martin Luther King, Jr. Library, and Mt. Pleasant Neighborhood Library.
Electronic Resources Implementation and Maintenance	Applies the Library's e-Resources strategy, which includes the production and management of the Library's websites (sjpl.org, events.sjpl.org, and SharePoint), the management of the Library online catalog (sjpl.bibliocommons.com), and the management and curation of the all the Library's electronic resource platforms for eBooks, eMagazines, and databases.
Library Facilities and Security	Ensures residents have access to safe, welcoming, accessible, well-equipped, and well-maintained facilities; this includes management and implementation of facility improvements, maintenance, and patron security.
Main Library Operations	Ensures that Dr. Martin Luther King, Jr. Library remains fully operational and maintained, including ongoing support of the unique joint partnership with San José State University.
Materials Acquisitions and Processing	Includes the selection, purchase, and processing of all Library materials to reflect the diversity and needs of the community.
<i>Literacy and Learning, Formal and Lifelong Self-Directed Education Core Service</i>	
Early Education and Family Learning	With the Library's system-wide Early Education Strategy and nine branch Family Learning Centers, provides dedicated resources to young children (birth to kindergarten), parents, caregivers, and early educators in order to close opportunity gaps and ensure all children receive a strong start in learning and preparation for successful school experiences.
Partners in Reading/ Adult Literacy	Provides free one-to-one and small group tutoring, by volunteers, for adults whose reading or writing skills are below the ninth-grade level.
<i>Strategic Support Core Service</i>	
Library Financial Management	Manages the budget, contracts and all financial transactions for the department; assists in annual budget development.
Library Human Resources	Manages personnel-related functions for the department, including hiring (in coordination with the Human Resources Department), employee development, employee discipline (in coordination with the Office of Employee Relations), and personnel transactions.
Library Information Technology	Provides information technology services, planning, system development and maintenance for the department in coordination with the Information Technology Department.
Library Management and Administration	Provides executive-level, analytical and administrative support to the department.
Pandemic Response	Provides for the coordination and delivery of emergency services and recovery activities in response to the COVID-19 pandemic.

Library Department

Department Budget Summary

Expected 2021-2022 Service Delivery

- The Library expects to reopen branches with modified and limited services in response to the COVID-19 pandemic. The Library will continue the phased reopening of branches to adhere to public health requirements and safety guidelines throughout 2021-2022. The Library's approach will expand on the current services which include: Express Pickup of reserved materials, grab & go of reserved materials, virtual programming, and limited computer reservations and printing. Throughout 2021-2022, the Library anticipates welcoming customers back into library branches and offering essential programs in education, digital literacy and workforce development, and eventually a full return to services.
- Operating hours reflect the four-hour per week reduction at 10 branch libraries and Dr. Martin Luther King, Jr. Library as approved in the 2020-2021 Adopted Operating Budget, along with the four-hour one-time restoration for 13 branches as recommended in this 2021-2022 Proposed Operating Budget. The 10 locations not included in the one-time restoration of hours will operate at 43 hours per week (from 47 hours) are Almaden, Berryessa, Calabazas, Cambrian, Pearl Avenue, Rose Garden, Santa Teresa, Village Square, Vineland, and Willow Glen branch libraries. Dr. Martin Luther King, Jr. Library weekly public service hours are reduced to 73 hours (from 77 hours) and Mount Pleasant weekly public service hours will remain at 24 hours per week.
- The Library will continue to provide leadership and prioritize the implementation of digital access, technology access, and digital literacy programs for all ages to reduce barriers to access and improve adoption in alignment with quality standards and learning outcomes, in support of the Education and Digital Literacy (EDL) Strategy, Broadband and Digital Literacy Initiative, and the City's pandemic response.
- The Library will continue to operate the Maker[Space]Ship (MSS) in neighborhoods throughout the City to increase digital inclusion and digital literacy. Throughout the pandemic, the MSS has provided virtual fieldtrips and class visits with applied learning and experience with innovative technologies, Science, Technology, Engineering, Arts, and Mathematics (STEAM) activities. Additionally, the MSS has been in the community providing hotspot check outs to underserved communities through partnerships and special events.

2021-2022 Key Budget Actions

- Restores branch library operating hours at 13 branches identified as serving lower-resourced communities using an equity index based on data such as library gate count, computer usage, Wi-Fi usage, hotspot circulation, housing/homelessness, access to basic knowledge and information technology, and inclusiveness; as well as transportation routes and census data related to the population by age and poverty/income levels. Provides one-time funding to add 16.20 FTE Library positions (13.2 FTE Library Pages, 1.0 Librarian PT, and 2.0 Literacy Program Specialists) through June 30, 2022, for a total cost of \$899,958 that is shared between the General Fund (\$674,967) and the Library Parcel Tax Fund (\$224,991).
- Adds non-personal/equipment funding, as well as 1.0 Literacy Program Specialist and 1.0 Library Clerk limit-dated positions through June 30, 2022 in the American Rescue Plan Fund for the San José Aspires program, thus leveraging 100% of donations for student scholarships.
- Funding is provided for 1.50 Literacy Program Specialist (LPS) positions limit-dated through June 30, 2022, provided by the San José Public Library Foundation will continue to support the evaluation and design phases of a Child Care Workforce Development program, SJ Learns program, and Digital Literacy in continued support for the Education and Digital Literacy initiatives.

Operating Funds Managed

- Library Parcel Tax Fund

Library Department

Department Budget Summary

	2019-2020 Actuals ***	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Dollars by Core Service				
Access To Information, Library Materials, and Digital Resources	34,269,562	35,794,659	36,296,771	36,889,436
Literacy and Learning, Formal and Lifelong Self-Directed Education	4,384,229	4,380,561	3,874,298	4,410,950
Strategic Support - Neighborhood Services	8,152,500	6,944,248	7,072,836	7,122,836
Strategic Support - Other - Neighborhood Services	1,326,090	1,532,854	1,535,495	1,263,873
Total	\$48,132,380	\$48,652,322	\$48,779,400	\$49,687,095
Dollars by Category				
Personal Services and Non-Personal/Equipment				
Salaries/Benefits	38,350,857	38,827,648	39,210,839	40,341,463
Overtime	58,871	36,796	36,796	36,796
Subtotal Personal Services	\$38,409,727	\$38,864,444	\$39,247,635	\$40,378,259
Non-Personal/Equipment	7,441,273	8,312,498	8,099,765	7,842,472
Total Personal Services & Non-Personal/Equipment	\$45,851,000	\$47,176,942	\$47,347,400	\$48,220,731
Other Costs*				
City-Wide Expenses	1,801,239	1,043,380	1,000,000	1,000,000
General Fund Capital	0	0	0	0
Gifts	459,916	415,000	415,000	143,378
Housing Loans and Grants	0	0	0	0
Other	20,225	17,000	17,000	322,986
Other - Capital	0	0	0	0
Overhead Costs	0	0	0	0
Total Other Costs	\$2,281,380	\$1,475,380	\$1,432,000	\$1,466,364
Total	\$48,132,380	\$48,652,322	\$48,779,400	\$49,687,095

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document. The amounts in the 2020-2021 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

** The positions displayed in the 2019-2020 Actuals column reflect those included in the 2019-2020 Adopted Budget.

*** 2019-2020 Actuals may not subtotal due to rounding.

Library Department

Department Budget Summary

	2019-2020 Actuals ***	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Dollars by Fund				
General Fund (001)	37,224,777	37,460,027	37,745,149	38,112,823
Gift Trust Fund (139)	535,652	822,251	415,000	341,982
Coronavirus Relief Fund (401)	878,607	0	0	0
American Rescue Plan Fund (402)	0	0	0	538,000
Emergency Reserve Fund (406)	6,478	0	0	0
Library Parcel Tax Fund (418)	8,935,419	9,606,137	9,826,736	9,901,775
Capital Funds	551,448	763,907	792,515	792,515
Total	\$48,132,380	\$48,652,322	\$48,779,400	\$49,687,095
Positions by Core Service**				
Access To Information, Library Materials, and Digital Resources	309.55	309.55	282.88	299.08
Literacy and Learning, Formal and Lifelong Self-Directed Education	19.16	21.16	18.52	20.52
Strategic Support - Neighborhood Services	39.81	39.81	39.31	39.31
Strategic Support - Other - Neighborhood Services	4.95	4.95	4.95	4.95
Total	373.47	375.47	345.66	363.86

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document. The amounts in the 2020-2021 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

** The positions displayed in the 2019-2020 Actuals column reflect those included in the 2019-2020 Adopted Budget.

*** 2019-2020 Actuals may not subtotal due to rounding.

Library Department

Department Budget Summary

	2019-2020 Actuals**	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed	2021-2022 Proposed Positions
Dollars by Program*					
Access To Information, Library Materials, and Digital Resources					
Access and Borrower Services	27,535,128	27,967,618	28,309,340	29,202,005	267.83
Electronic Resources Implementation and Maintenance	752,649	1,603,784	1,662,632	1,662,632	11.00
Library Facilities and Security	330,254	446,895	462,387	462,387	3.00
Main Library Operations	3,383,878	3,531,402	3,573,487	3,273,487	0.00
Materials Acquisition and Processing	2,267,652	2,244,960	2,288,925	2,288,925	17.25
Sub-Total	34,269,562	35,794,659	36,296,771	36,889,436	299.08
Literacy and Learning, Formal and Lifelong Self-Directed Education					
Early Education and Family Learning	3,546,112	3,102,780	2,638,415	3,175,067	13.02
Partners in Reading/Adult Literacy	838,117	1,277,781	1,235,883	1,235,883	7.50
Sub-Total	4,384,229	4,380,561	3,874,298	4,410,950	20.52
Strategic Support - Neighborhood Services					
Library Financial Management	573,090	618,658	560,357	610,357	3.75
Library Human Resources	626,754	442,698	454,818	454,818	2.00
Library Information Technology	2,340,959	2,303,222	2,395,781	2,395,781	13.50
Library Management and Administration	3,726,298	3,579,670	3,661,880	3,661,880	20.06
Library Pandemic Response	885,400	0	0	0	0.00
Sub-Total	8,152,500	6,944,248	7,072,836	7,122,836	39.31
Strategic Support - Other - Neighborhood Services					
Library Capital	551,448	1,057,474	1,103,495	1,103,495	4.95
Library Gifts	535,652	415,000	415,000	143,378	0.00
Library Other Departmental - City-Wide	0	0	0	0	0.00
Library Other Departmental - Grants	224,552	43,380	0	0	0.00
Library Other Operational - Administration	14,438	17,000	17,000	17,000	0.00
Sub-Total	1,326,090	1,532,854	1,535,495	1,263,873	4.95
Total	\$48,132,380	\$48,652,322	\$48,779,400	\$49,687,095	363.86

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** 2019-2020 Actuals may not subtotal due to rounding.

Library Department

Budget Reconciliation

Personal Services and Non-Personal/Equipment (2020-2021 Adopted to 2021-2022 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
Prior Year Budget (2020-2021):	375.47	47,176,942	36,416,647
Base Adjustments			
One-Time Prior Year Expenditures Deleted			
• Education and Digital Literacy Initiative	(2.00)	(296,280)	0
• Rebudget: Childcare Workforce Development		(117,350)	(117,350)
• San José Public Library Foundation		(100,000)	0
• Early Learning Programs: Family Resource Center		(50,000)	(50,000)
One-time Prior Year Expenditures Subtotal:	(2.00)	(563,630)	(167,350)
Technical Adjustments to Costs of Ongoing Activities			
• Salary/benefit changes and the following position reallocations: Library Branch Hours and Operations Position eliminations effective July 1, 2022: 1.0 Librarian, 1.5 Librarian PT, 15.28 Library Aide PT, 2 Library Clerk PT, 8.03 Library Page PT	(27.81)	1,856,339 (1,364,715)	1,479,712 (1,106,605)
• Utilities: Gas, Electricity, Water		122,900	48,000
• Contractual Services: Early Library Remote Access		77,250	13,640
• Contract Services: SJSU/City of San José Joint Agreement for Dr. Martin Luther King Jr. Library		40,000	40,000
• Budget Realignment: Postage, Mileage, Supplies and Materials		13,189	13,189
• Budget Realignment: FirstNet Support		5,126	5,126
• Sick Leave Adjustment		1,942	1,942
• Contract Services: Facility Security		1,200	1,200
• Night Shift Differential Adjustment		187	187
• Contractual Services: Partners in Reading/Online Learning		(11,398)	(11,398)
• Living Wage Adjustment		(6,932)	(5,641)
• Vehicle Operations and Maintenance		(1,000)	16,500
Technical Adjustments Subtotal:	(27.81)	734,088	495,852
2021-2022 Forecast Base Budget:	345.66	47,347,400	36,745,149
Budget Proposals Recommended			
1. Library Branch Hours and Operations for Lower Resourced Communities	16.20	899,958	674,967
2. San José Aspires Administrative Support	2.00	232,014	0
3. San José Public Library Foundation Fundraising Support		50,000	0
4. SJSU/City of San José Joint Agreement for Dr. Martin Luther King Jr. Library Operating Costs Savings		(300,000)	(300,000)
5. Reprographics Contractual Services Savings		(7,293)	(7,293)
6. Education and Digital Literacy Staffing	0.00	(1,348)	0
Total Budget Proposals Recommended	18.20	873,331	367,674
2021-2022 Proposed Budget Total	363.86	48,220,731	37,112,823

Library Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
1. Library Branch Hours and Operations for Lower Resourced Communities	16.20	899,958	674,967

***Neighborhood Services CSA
Access to Information, Library Materials, and Digital Resources Core Service; Literacy and Learning, Formal and Lifelong Self-Directed Education Core Service
Access and Borrower Services, and Early Education and Family Learning Programs***

This action restores branch library operating hours on a one-time basis at 13 branches identified as serving lower resourced communities by adding 16.20 Library positions (13.2 FTE Library Page, 1.0 Librarian PT, and 2.0 Literacy Program Specialist) through June 30, 2022, for a total cost of \$899,958 that is shared between the General Fund (\$674,967) and the Library Parcel Tax Fund (\$224,991). The 2020-2021 Adopted Operating Budget included the elimination of 27.8 vacant positions effective July 1, 2021, resulting in a reduction of four branch library public service hours per week at 23 branches and four public service hours at the Dr. Martin Luther King, Jr. Library. This equity-focused approach to restoring services will provide greater access to families and community members who experience barriers to accessing library services. The Library Department identified the following 13 branches serving lower-resourced communities based on data such as library gate count, computer usage, Wi-Fi usage, hotspot circulation, housing/homelessness, access to basic knowledge and information technology, and inclusiveness; as well as transportation routes, and census data related to the population by age and poverty/income levels. This equity index also included the City's Digital Inclusion Priority Index and the Santa Clara County Public Health COVID-19 transmission data.

- | | | | |
|---|---|--|---|
| <ul style="list-style-type: none"> • Alum Rock • Alviso • Bascom • Biblioteca | <ul style="list-style-type: none"> • East Branch • Edenvale • Educational Park | <ul style="list-style-type: none"> • Evergreen • Hillview • Joyce Ellington | <ul style="list-style-type: none"> • Seven Trees • Tully • West Valley |
|---|---|--|---|

The 10 branches not receiving the one-time resources to add back hours will be prioritized for the improvements necessary to implement the revised service model that will eventually be deployed to all branches. This service delivery model under development leverages additional technology enhancements and facility improvements (such as self-service lockers) that may be able to restore a portion of the reduced hours with lower staffing levels.

While existing systemwide initiatives provide digital literacy, workforce development, and other school-aged and family support activities, the Library also currently operates Family Learning Centers that expand the opportunities provided in seven branches through enhanced programs and outreach to lower-resourced communities. The addition of the 2.0 Literacy Program Specialist positions would enable the establishment of Family Learning Centers at two additional branches in lower-resourced communities: Edenvale and Educational Park. Adding staff resources in the high-need areas would benefit families who experience barriers to access and would be challenged to travel to branches in other parts of the City to receive these important services.

A Manager's Budget Addendum (MBA) will be issued later in the budget process to describe the methodology to develop the equity index and the index score for each branch. The identified branches may be further refined with the release of the MBA. As part of the 2022-2023 Proposed Budget Development process, the Library Department will determine the extent to which a revised staffing model implemented throughout all branches could restore a portion of the reduced operating hours with existing ongoing staffing levels. (Ongoing costs: \$0)

Library Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
2. San José Aspires Administrative Support	2.00	232,014	0

*Neighborhood Services CSA
Literacy and Learning, Formal and Lifelong
Self-Directed Education Core Service
Early Education and Family Learning Program*

As directed in the Mayor's March Budget Message for Fiscal Year 2021-2022, as approved by the City Council, this action allocates 1.0 Literary Program Specialist and adds 1.0 Library Clerk positions in the American Rescue Plan Fund through June 30, 2022, to provide administrative support for the San José Aspires program. While only the personal services costs for the 2.0 positions are included here, the entire budget for San José Aspires, including the non-personal/equipment funding, is \$538,000 and displayed in the American Rescue Plan Fund Source and Use Statement. The San José Aspires program, in partnership with the Library Department and the San José Public Library Foundation (SJPLF), is an education and equity initiative focused on enabling youth in underserved neighborhoods to set goals and chart a path towards a college education. This program provides performance-based micro scholarships to guide and inform students about their college and career choices from their first week in school. Funds enable SJPLF to leverage 100% of donations for students. The Literacy Program Specialist will lead the program and the Library Clerk will allow for improved clerical support as the program scales. One-time savings from shifting the Literacy Program Specialist from the Library Parcel Tax Fund to ARP is realized in the Education and Digital Literacy Staffing proposal. (Ongoing costs: \$0)

3. San José Public Library Foundation Fundraising Support		50,000	0
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*Neighborhood Services CSA
Strategic Support – Neighborhood Services
Core Service
Library Financial Management Program*

This action adds one-time non-personal/equipment funding in the Library Parcel Tax Fund in the amount of \$50,000 for the San José Public Library Foundation to raise funds for Library programs. The funds will assist fundraising activities by the San José Public Library Foundation in support of the Library Department's key operations, such as early education, adult learning, digital inclusion, digital literacy and education programming. Per the terms of the grant agreement, the San José Public Library Foundation will raise a minimum of \$250,000 in donations and pledges. (Ongoing costs: \$0)

Library Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
4. SJSU/City of San José Joint Agreement for Dr. Martin Luther King Jr. Library Operating Cost Savings		(300,000)	(300,000)

*Neighborhood Services CSA
Access to Information, Library Materials, and
Digital Resources Core Service
Main Library Operations Program*

This action reduces the non-personal/equipment funding by \$300,000 in the General Fund on a one-time basis to reflect anticipated expenditure savings related to the San José State University/City of San José Agreement for Ownership and Operation of Joint Library Building and Grant of Easement (Operating Agreement). The Dr. Martin Luther King, Jr. Library is jointly operated by San José State University and the City. As defined by the Operating Agreement, the facilities operations, utilities, security services, property insurance premiums, shared information technology services, and other regular maintenance are cost-shared by both agencies. The City's portion of the Operating Agreement for 2021-2022 was anticipated to be \$3.3 million; however, the budget can be reduced by \$300,000 which is attributed to reduced facility operations, security services, and maintenance costs in 2021-2022 due to pandemic-related closures and reduced services. (Ongoing savings: \$0)

5. Reprographics Contractual Services Savings		(7,293)	(7,293)
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*Neighborhood Services CSA
Access to Information, Library Materials, and
Digital Resources Core Service
Access and Borrower Services Program*

This action reduces the Library Department's non-personal/equipment budget by \$7,293 on an ongoing basis to reflect savings in the reprographics (printing) contract. The Finance and Information Technology Departments have jointly worked to re-procure the City's reprographics contract for copier, scanner, fax devices support, and administration software and tools. Savings in the amount of \$363,000 will be generated in the General Fund, \$462,000 in all funds, across all departments from lower rental costs for the multi-function devices and significantly lower cost per copy and consumption rates. Savings can be realized with new green-print options and central administration of devices. (Ongoing savings: \$7,293)

Library Department

Budget Changes By Department Personal Services and Non-Personal/Equipment













2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
6. Education and Digital Literacy Staffing	0.00	(1,348)	0
<i>Neighborhood Services CSA Literacy and Learning, Formal and Lifelong Self-Directed Education Core Service Early Education and Family Learning Program</i>			
<p>Funding in the amount of \$198,604 is provided for 1.50 Literacy Program Specialist (LPS) positions limit-dated through June 30, 2022 that will continue supporting the Education and Digital Literacy Initiative. The LPS for SJLearns (50% funded by Library Parcel Tax and 50% funded by the Gift Trust Fund) will continue to focus on the implementation of quality standards in City-operated or City-sponsored programming, measurement of results, and accountability for ensuring that public dollars are being spent in areas of education that have the highest value and impact. The LPS for Digital Literacy will continue to support the city-wide programming and policy work associated with Digital Literacy programs for teens as well as other programs in the Education and Digital Literacy Initiative workplan. For 2021-2022, funding for both positions will be supported by donations from the San José Public Library Foundation (SJPLF) that will be received in the Gift Trust Fund.</p> <p>One-time savings of \$199,952 in the Library Parcel Tax Fund will be generated by shifting 0.5 LPS for SJLearns to the Gift Trust Fund and shifting the 1.0 LPS that provides administrative support for San José Aspires to the American Rescue Plan Fund as described in the San José Aspires Administrative Support proposal. (Ongoing savings: \$0)</p>			
2021-2022 Proposed Budget Changes Total	18.20	873,331	367,674

Library Department

Performance Summary

Access to Information, Library Materials, and Digital Resources

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target ³
 % of customers finding materials or information ^{1,2}	N/A	52%	N/A	52%
 % of customers able to access basic services through self-service ^{1,2}	N/A	55%	N/A	55%
 % of residents with a library card used within the last year	16%	15%	16%	15%
 % of searches/requests for information/materials completed within customer time requirements ^{1,2}	N/A	87%	N/A	87%
 % of customers rating staff assistance as good or excellent ^{1,2}	N/A	93%	N/A	93%
 % of customers/residents that agree or strongly agree that the variety and availability of library collections and resources are good or excellent				
- Point of Service ^{1,2,4} (customers)	N/A	50%	N/A	50%
- City-Wide ⁵	N/A	N/A	N/A	N/A
 % of customers/residents that agree or strongly agree that library services are good or excellent				
- Point of Service ^{1,2,4} (customers)	N/A	55%	N/A	55%
- City-Wide (residents)	78%	42%	78%	42%
 % of customers/residents rating facilities as good or excellent				
- in terms of hours				
- Point of Service ^{1,2,4} (customers)	N/A	46%	N/A	46%
- in terms of condition				
- Point of Service ^{1,2,4} (customers)	N/A	52%	N/A	52%
- in terms of location				
- Point of Service ^{1,2,4} (customers)	N/A	55%	N/A	55%
 % customers stating their inquiries were answered correctly ^{1,2}	N/A	93%	N/A	93%
 % customers stating that the information provided was valuable ^{1,2}	N/A	93%	N/A	93%
 % of customers rating the availability and accessibility of a variety of electronic materials (e.g. downloadable/online eBooks and music) as good or excellent ^{1,2}	N/A	84%	N/A	84%
 % of customers rating technology (e.g., computers, internet access, and WiFi) in facility as good or excellent ^{1,2}	N/A	53%	N/A	53%

¹ 2019-2020 and 2020-2021 Customer Service surveys were not conducted due to COVID-19 and shelter-in-place orders issued by Santa Clara County, which interrupted library services and limited accessibility.

² 2020-2021 Estimated levels reflect the impacts of COVID-19 and shelter-in-place orders issued by Santa Clara County, which interrupted library services and limited accessibility.

³ 2021-2022 Target levels have been adjusted to reflect the continued impact of COVID-19 and corresponding service modifications. Several variables including but not limited to: limited building capacity, community hesitancy to return, behavioral shifts to online service, and uncertainty of school schedules complicate the projection of 2021-2022 performance outcomes related to the resumption of services and ongoing adjustments to maintain hybrid service models where appropriate.

⁴ Point of Service means customer surveys conducted directly at the Library branches. The City-Wide survey no longer collects this information.

⁵ Data for this measure is collected through the biennial City-Wide Community Survey. The next community survey will be conducted in summer 2021, and those results will inform the 2020-2021 Estimate in the 2021-2022 Adopted Budget.

Library Department

Performance Summary

Access to Information, Library Materials, and Digital Resources

Activity and Workload Highlights

	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast ²
# of items purchased	255,576	168,000	216,519	168,000
# of items checked out	3,219,554	4,800,000	3,056,558	4,800,000
# of reference questions	220,321	360,000	76,475	160,000
# of visits to Library website	2,333,363	3,000,000	3,074,346	3,000,000
# of residents with library card used in the last year	101,838	84,000	102,005	84,000
Cost per capita to provide access to information, library materials, and digital resources (80% of Library budget)	\$38.46	\$28.00	\$38.46	\$28.00
# of public access computer sessions at library facilities ¹	625,073	330,000	NA	330,000
# of visitors to main and branch libraries ¹	4,026,991	2,040,000	NA	2,040,000
# of volunteer hours	60,132	55,800	24,000	55,800
# of volunteers	2,302	1,800	900	1,800
# of WiFi sessions at branch library facilities ¹	299,075	255,000	NA	255,000

¹ 2020-2021 Estimated levels reflect the impacts of COVID-19 and shelter-in-place orders issued by Santa Clara County, which interrupted library services and limited accessibility.






² 2021-2022 Target levels have been adjusted to reflect the continued impact of COVID-19 and corresponding service modifications. Several variables including but not limited to: limited building capacity, community hesitancy to return, behavioral shifts to online service, and uncertainty of school schedules complicate the projection of 2021-2022 performance outcomes related to the resumption of services and ongoing adjustments to maintain hybrid service models where appropriate.

Library Department

Performance Summary

Formal and Lifelong Self-Directed Education

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target ²
 % of literacy program participants in Family Learning Centers who improve their reading, writing, or speech skills ^{1,2}	N/A	40%	N/A	40%
 Average cost per participant in library literacy and learning programs	\$12.78	\$22.00	\$12.78	\$22.00
 % of Partners in Reading (PAR) program participants that succeed in achieving self-defined learning goals	88%	40%	88%	40%
 % of library program/class participants whose knowledge or skills have increased or improved	88%	90%	88%	90%
 % of participants reported reading an average of 20 minutes per day during the Summer Reading Program	92%	90%	92%	90%

Activity and Workload Highlights

	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast ²
# of attendees at early literacy programs	69,099	90,000	36,000	90,000
# of early literacy programs	2,185	2,100	576	2,100
# of attendees at literacy programs in Family Learning Centers:				
- Pre-School	1,564	900	-	900
- School Age	4,377	1,800	4,377	1,800
- Young Adult	236	180	236	180
- Adult	10,754	9,000	10,754	9,000
# of attendees at literacy programs:				
- Pre-School	69,705	84,000	36,000	84,000
- School Age	24,958	57,600	24,958	57,600
- Young Adult	860	4,920	860	4,920
- Adult	17,598	34,800	17,598	34,800
# of K-12 students attending Library class visit	7,686	3,000	2,975	3,000
# of participants in Summer Reading Program	5,750	3,750	5,750	3,750
Cost per capita to promote lifelong learning and educational support (20% of Library budget)	\$0.74	\$7.00	\$0.74	\$7.00
# of schools, after school programs, and community events visited by Library staff	513	0	200	200

¹ 2020-2021 Estimated levels reflect the impacts of COVID-19 and shelter-in-place orders issued by Santa Clara County, which interrupted library services and limited accessibility.

² 2021-2022 Target levels have been adjusted to reflect the continued impact of COVID-19 and corresponding service modifications. Several variables including but not limited to: limited building capacity, community hesitancy to return, behavioral shifts to online service, and uncertainty of school schedules complicate the projection of 2021-2022 performance outcomes related to the resumption of services and ongoing adjustments to maintain hybrid service models where appropriate.

Library Department

Departmental Position Detail

Position	2020-2021 Adopted	2021-2022 Proposed	Change
Accounting Technician	2.00	2.00	-
Administrative Assistant	1.00	1.00	-
Administrative Officer	1.00	1.00	-
Analyst I/II	5.00	5.00	-
City Librarian	1.00	1.00	-
Community Programs Administrator	7.00	6.00	(1.00)
Deputy Director	2.00	2.00	-
Division Manager	3.00	3.00	-
Librarian I/II	63.00	62.00	(1.00)
Librarian I/II PT	8.30	7.80	(0.50)
Library Aide PT	34.67	19.39	(15.28)
Library Assistant	31.00	31.00	-
Library Clerk	46.00	47.00	1.00
Library Clerk PT	29.50	27.50	(2.00)
Library Page PT	72.00	77.17	5.17
Literacy Program Specialist	13.00	15.00	2.00
Network Engineer	5.00	5.00	-
Network Technician I/II/III	6.00	6.00	-
Network Technician I/II/III PT	0.50	0.50	-
Office Specialist II	1.00	1.00	-
Office Specialist II PT	0.50	0.50	-
Principal Office Specialist	1.00	1.00	-
Program Manager I	1.00	1.00	-
Public Information Representative II	1.00	1.00	-
Security Officer PT	0.50	0.50	-
Senior Account Clerk	3.00	3.00	-
Senior Analyst	1.00	1.00	-
Senior Librarian	17.00	17.00	-
Senior Library Clerk	2.00	2.00	-
Senior Office Specialist	2.00	2.00	-
Senior Public Information Representative	1.00	1.00	-
Senior Security Officer	2.00	2.00	-
Staff Specialist	1.00	1.00	-
Supervising Applications Analyst	1.00	1.00	-
Training Specialist	1.00	1.00	-
Volunteer Coordinator	1.00	1.00	-
Warehouse Supervisor	1.00	1.00	-
Warehouse Worker I PT	0.50	0.50	-
Warehouse Worker I/II	6.00	6.00	-
Total Positions	375.47	363.86	(11.61)

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Mayor and City Council

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The San José City Council consists of ten Councilmembers elected by district and a Mayor elected at-large, each for four-year terms. The Mayor and Council are responsible for representing the residents of San José, providing accountability, reviewing public policy and programs, and adopting those policies which best meet the needs of the residents, visitors, and businesses in San José.

Sam T. Liccardo, Mayor

Charles “Chappie” Jones
District 1 (Vice Mayor)

Devora “Dev” Davis
District 6

Sergio Jimenez
District 2

Maya Esparza
District 7

Raul Peralez
District 3

Sylvia Arenas
District 8

David Cohen
District 4

Pam Foley
District 9

Magdalena Carrasco
District 5

Matt Mahan
District 10

Mayor and City Council

Department Budget Summary

Expected 2021-2022 Service Delivery

- The Office of the Mayor provides leadership and guidance to the City Council. Using a variety of tools to engage the public, the Office will continue to ensure that the City's budget reflects the community's spending priorities and major initiatives of the City, including public safety, maintaining streets and roads, reducing homelessness, combatting blight, and economic development.
- The City Council will continue to exercise its power in determining policy through adoption of ordinances, resolutions, and motions, subject to the provisions of the City Charter and the State Constitution.
- Council General will provide central funding resources to the Office of the Mayor and City Council.

2021-2022 Key Budget Actions

- Reduces ongoing funding for the Office of the Mayor by \$5,330 and Council General by \$9,900 to reflect savings from the new reprographics contract.

Operating Funds Managed

N/A

Mayor and City Council

Department Budget Summary

	2019-2020 Actuals 1	2020-2021 Adopted 2	2021-2022 Forecast ¹ 3	2021-2022 Proposed 4	% Change (2 to 4)
Dollars by Program					
Office of the Mayor	4,004,235	5,074,042	4,613,326	4,603,426	(9.3%)
City Council					
Council District #1	911,041	1,257,981	920,557	920,557	(26.8%)
Council District #2	940,160	977,665	928,881	928,881	(5.0%)
Council District #3	994,968	970,575	921,062	921,062	(5.1%)
Council District #4 (July - December) ²	655,058	969,429	894,835	894,835	(53.8%)
Council District #4 (January - June) ²	-	969,428	-	-	Included Above
Council District #5	813,062	1,211,575	906,113	906,113	(25.2%)
Council District #6 (July - December) ²	812,481	517,960	916,151	916,151	(11.6%)
Council District #6 (January - June) ²	-	517,960	-	-	Included Above
Council District #7	686,769	1,100,943	904,738	904,738	(17.8%)
Council District #8	959,004	983,375	902,941	902,941	(8.2%)
Council District #9	775,953	1,216,324	930,653	930,653	(23.5%)
Council District #10 (July - December) ²	700,279	522,586	894,261	894,261	(14.4%)
Council District #10 (January - June) ²	-	522,587	-	-	Included Above
Council General	44,594	63,453	65,000	59,670	(6.0%)
Total	12,297,602	16,875,883	13,798,518	13,783,288	(18.3%)
Dollars by Category					
Operating Expenditures	\$ 12,297,602	\$ 16,875,883	\$ 13,798,518	\$ 13,783,288	(18.3%)
Total	\$ 12,297,602	\$ 16,875,883	\$ 13,798,518	\$ 13,783,288	(18.3%)
Dollars by Fund					
General Fund	\$ 12,297,602	\$ 16,875,883	\$ 13,798,518	\$ 13,783,288	(18.3%)
Total	\$ 12,297,602	\$ 16,875,883	\$ 13,798,518	\$ 13,783,288	(18.3%)
Authorized Positions³	27.00	27.00	27.00	27.00	0.0%

¹ The amounts reflected in the 2021-2022 Forecast column for the Office of the Mayor and City Council District budgets are detailed below:

Office of the Mayor (\$4,613,326)

- Salary and benefits for the Mayor (\$244,206), Mayor's Office classified staff (\$757,693), unclassified staff and non/personal equipment expenses (\$3,586,427).
- Constituent Outreach (\$25,000).

City Council (\$9,120,192)

- Salary and benefits for each City Council Member (average \$163,000), and City Council Office classified staff (average \$131,000). Each City Council District also receives a base allocation of \$608,633 for unclassified staff and non/personal equipment expenses.
- Constituent Outreach per Council District (\$10,000).

Council General (\$65,000)

- The ongoing Council General allocation pays for central expenses for the Mayor and Council Districts such as photocopiers or other office resources.

² Council Districts 4, 6, and 10 budget allocations in the 2020-2021 Adopted Budget reflect City direction related to budgeting during election years. The 2020-2021 budget includes two appropriations for each office subject to an election to maintain separate budget allocations for the outgoing and incoming elected officials.

³ Does not include unclassified staff for Office of the Mayor and City Council Districts.

Mayor and City Council

Budget Reconciliation

Personal Services and Non-Personal/Equipment (2020-2021 Adopted to 2021-2022 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
Prior Year Budget (2020-2021):	27.00	16,875,883	16,875,883
Base Adjustments			
One-Time Prior Year Expenditures Deleted			
• Rebudget: City Council 2019-2020 Expenditure Savings		(3,066,000)	(3,066,000)
• Rebudget: Office of the Mayor 2019-2020 Expenditure Savings		(754,000)	(754,000)
• Rebudget: Council General 2019-2020 Expenditure Savings		(8,453)	(8,453)
One-time Prior Year Expenditures Subtotal:	0.00	(3,828,453)	(3,828,453)
Technical Adjustments to Costs of Ongoing Activities			
• Salary/benefit changes		734,345	734,345
• Budget Realignment: FirstNet Support		16,743	16,743
Technical Adjustments Subtotal:	0.00	751,088	751,088
2021-2022 Forecast Base Budget:	27.00	13,798,518	13,798,518
Budget Proposals Recommended			
1. Reprographics Contractual Services Savings		(15,230)	(15,230)
Total Budget Proposals Recommended	0.00	(15,230)	(15,230)
2020-2021 Proposed Budget Total	27.00	13,783,288	13,783,288

Mayor and City Council

Budget Changes By Office Personal Services and Non-Personal/Equipment

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
1. Reprographics Contractual Services Savings		(15,230)	(15,230)
<i>Strategic Support CSA</i> <i>Office of the Mayor</i> <i>Council General</i>			
<p>This action reduces the budget for the Office of the Mayor by \$9,900 and Council General by \$5,330 on an ongoing basis to reflect savings in the reprographics (printing) contract. The Finance and Information Technology Departments jointly worked to re-procure the City's reprographics contract for copier, scanner, fax devices support, and administration software and tools. Savings in the amount of \$363,000 will be generated in the General Fund, \$462,000 in all funds, across all departments from lower rental costs for the multi-function devices and significantly lower cost per copy and consumption rates. Savings can be realized with new green-print options and central administration of devices. (Ongoing savings: \$15,230)</p>			
2021-2022 Proposed Budget Changes Total	0.00	(15,230)	(15,230)

Mayor and City Council

Departmental Position Detail

Position	2020-2021 Adopted	2021-2022 Proposed	Change
Administrative Assistant	2.00	2.00	-
Councilmember	10.00	10.00	-
Executive Assistant	9.00	9.00	-
Mayor	1.00	1.00	-
Principal Office Specialist	1.00	1.00	-
Secretary To Mayor	1.00	1.00	-
Senior Office Specialist	2.00	2.00	-
Staff Specialist	1.00	1.00	-
Total Positions¹	27.00	27.00	0.00

¹ Does not include Mayor and City Council Unclassified Staff.

Parks, Recreation and Neighborhood Services Department

Jon Cicirelli, Director

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Connecting People through Parks,
Recreation and Neighborhood Services
for an Active San José

City Service Area

Neighborhood Services

Core Services

Community Facilities Development

Create uniquely San José places that foster relationships with people and nature and offer a civic presence

Community Services

Empower and support residents, schools, and local organizations to make the City more livable, safe and clean

Parks Maintenance and Operations

Ensure the proper maintenance and operation of City parks and open space and provide opportunities for City residents and visitors to play, learn, and socialize

Recreation Services

Through recreation, promote play and health, strengthen communities and enrich lives

Strategic Support: Budget and Financial Management Services, Contracting Services, Employee Services, Marketing and Public Information, and Pandemic Response

Parks, Recreation and Neighborhood Services Department

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Community Facilities Development Core Service</i>	
Major Capital Improvement Projects Management	Oversees and manages approximately 150 projects in the City's community centers and park system, focusing on large developments, overseeing construction of turnkey parks, and planning efforts to identify and acquire new park land.
Minor Parks Capital Improvement Projects	Dedicated maintenance and design staff focus their project planning, design and implementation efforts on short-term projects with construction values of less than \$100,000.
<i>Community Services Core Service</i>	
Anti-Graffiti and Anti-Litter	Provides support of litter cleanup and graffiti abatement efforts throughout the City by increasing community engagement and coordinating with neighborhoods, partners, and businesses to address issues of blight.
Illegal Dumping and Homeless Encampment Trash Collection and Abatement	In partnership with neighborhoods, businesses, and non-profit partners, provides neighborhood and environmental beautification and cleanup services by eliminating blight caused illegal dumping and homeless encampment trash accumulation throughout the City.
Youth Gang Prevention and Intervention	Comprised of a broad coalition of local residents, school officials, community and faith-based organizations, local law enforcement representatives and agencies, and, City, County and State government leaders, leverages each group's expertise as part of a coordinated, interagency effort to curb gang-related activity.

Parks, Recreation and Neighborhood Services Department

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Parks Maintenance and Operations</i>	
Family Camp	Provides campers with reservable wood-framed canvas tents, a dining hall and food services, recreation programs, a swimming area, and a nature center at an all-inclusive, 51.2-acre campground located in the Sierra Nevada wilderness.
Happy Hollow Park & Zoo	Focuses on conservation, education, animal welfare, and fun by providing animal exhibits and interactive, multi-generational attractions that create connections that inspire a strong sense of community.
Municipal Golf Courses	Provides outdoor recreation and community access to golf play at reasonable rates at City owned Municipal Golf Courses - including San José Municipal Golf Course, Los Lagos Golf Course, and Rancho del Pueblo Golf Course.
Neighborhood Parks and Regional Parks	Maintains and operates nearly 200 neighborhood parks and many other civic spaces as well as nine regional parks to provide safe, clean, and green public spaces for the community to live and play.
Park Rangers	Protect, preserve, and enhance the natural and cultural resources of the City's parks, trails, and open spaces.
Parks Administration	Provides the central management of nearly 200 neighborhood parks and many other civic spaces, including nine regional parks; 61 miles of trails; San José Family Camp; Special Parks Use and facility rentals; City-Wide Sports; the Volunteer Management Unit; Community Gardens; and Happy Hollow Park & Zoo.
Sports Fields Maintenance and Reservations	Provides community access to outdoor play and recreation at 83 sports fields in 47 parks; also known as "City-Wide Sports."
Volunteer, Adopt a Park, and Community Gardens	Includes the Volunteer Corporate Connections and promotes community engagement by working directly with the community members and organizations to supplement park maintenance and keep San José clean and beautiful.

Parks, Recreation and Neighborhood Services Department

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Recreation Services Core Service</i>	
Aquatics	Offers San José residents and surrounding communities access to pools for swim lessons and recreational swim at affordable costs.
Community Center Operations	Offers a multi-service Community Center Hub model in order to improve all residents' health and quality of life through dynamic recreational opportunities and high-quality facilities.
Park Activation/ Placemaking	Repurposes and reimagines underused public space through creative and innovative programming, utilizing the City of San José assets, community inspiration, and resident potential to create public life that promotes health, happiness, and well-being in San José.
Neighborhood Center Partners Program (formerly PRNS Re-Use)	Allows community-based nonprofits, neighborhood associations, school districts, and other government agencies or community service providers to use City-owned facilities in exchange for providing San José residents with low or no-cost services.
RNS Administration	Oversees and manages recreation programs and facilities that are used to promote play and health; strengthen communities and enrich lives throughout San José in an effort to foster healthier lifestyles; improve quality of living; and connect, inform and engage residents.
Senior Services	Strives to decrease social isolation, encourage healthy aging, provide nutritional meals, and offer additional resource connections for older adults through wrap-around services provided at City of San José community centers.
Youth Services	Offers enrichment, healthy recreation, developmental assets, homework assistance, safety, and fun in the provision of afterschool programming to students.
<i>Strategic Support Core Service</i>	
Capital Budget and Project Management	Oversees the advanced planning, master planning, and Parks capital program, including implementing ActivateSJ principles, supporting the development of the capital budget and Capital Improvement Program, and managing grants.
PRNS Financial Management	Manages the budget and all financial transactions for the department; assists in annual budget development.
PRNS Human Resources	Manages personnel-related functions for the department, including hiring (in coordination with the Human Resources Department), employee development, employee discipline (in coordination with the Office of Employee Relations), and personnel transactions.
PRNS Management and Administration	Provides executive-level, analytical and administrative support to the department.
Pandemic Response	Provides for the coordination and delivery of emergency services and recovery activities in response to the COVID-19 pandemic.

Parks, Recreation and Neighborhood Services Department

Department Budget Summary

Expected 2021-2022 Service Delivery

- Implement ActivateSJ, a strategic plan for the department that guides the actions and decisions around service delivery and programming through the guiding principles of Stewardship, Nature, Equity & Access, Identity, and Public Life.
- Continue supporting Food and Necessities, Community Economic Recovery, and BeautifySJ branches of the Emergency Operations Center, providing key services to individuals and families impacted by the COVID-19 pandemic.
- Maintain clean and safe parks and trails and provide extra attention to parks with the lowest assessment ratings across the City.
- Protect, preserve, and enhance the natural and cultural resources of parks, trails, watersheds, and open spaces through the Park Ranger Program.
- Provide the community with exciting and new opportunities to experience outdoor activities and interact with nature by maintaining unique facilities such as Happy Hollow Park & Zoo and the Lake Cunningham Action Sports Park.
- Pursuant to Health Orders as amended, provide residents of all ages access to community health and recreational programs at 11 "hub" community centers, the Grace Art & Wellness Program at Northside Community Center (formerly Grace Community Center), and 39 Neighborhood Center Partners Program (formerly Re-use) facilities.
- Implement innovative placemaking programs, such as San José Al Fresco, VivaParks, and VivaCallesSJ, pursuant to Health Orders as amended.
- Continue cultivating healthy and resilient neighborhoods through Youth Intervention and Neighborhood Services Programs, including: Safe School Campus Initiative that provides crisis response and communication protocols aimed at preventing and deescalating incidents of violence on and around school campuses; Female Intervention Team, which provides female-specific prevention and intervention services to young women involved or at-risk of becoming involved in gangs; Clean Slate gang-related tattoo removal program; Trauma to Triumph hospital intervention program; Late Night Gym program; and, SJ DIGI Program, which provides opportunities for youth at risk of gang involvement to channel their energies into educational and creative pro-social activities.
- Continue to implement Project Hope by facilitating community organization and engagement to strengthen neighborhoods, including educating the community about how best to work with the City in mobilizing the deployment of City and partner agency resources and services to address ongoing neighborhood/community issues such as crime, poverty, and blight.
- Manage the BeautifySJ program to address issues of blight and quality of life city-wide, including coordination with departments, community-based nonprofits, volunteers, and service providers.
- Continue to implement Mayor's Gang Prevention Task Force grant-making programs, such as the Bringing Everyone's Strengths Together (BEST) and Safe Summer Initiative Grant Program.
- Continue to partner with community-based nonprofits, service providers, and local governments to coordinate the Age-Friendly City initiative.

2021-2022 Key Budget Actions

- Consolidates the BeautifySJ management under PRNS, adding 26 new positions and non-personal/equipment funding, shifting 9.0 positions and non-personal/equipment funding from Environmental Services and Housing departments, and deleting 1.0 position; establishes a new Community Services Division to address illegal dumping and homeless encampment trash collection and abatement, youth gang prevention and intervention, and support litter cleanup and graffiti abatement.
- Adds 13.25 positions through June 30, 2022 and non-personal/equipment funding, for a total of \$4.2 million for San Jose Abierto, which will expand the Viva Parks program from a summer program to a year-round, city-wide program that includes Downtown San José Parks (St. James Park/ Plaza de Cesar Chavez) and four Viva CalleSJ activations.
- Continues 7.0 limit-dated positions through June 30, 2022 to support the Parks Rehabilitation Strike Team, to address deferred maintenance and infrastructure backlog issues at parks and recreation facilities.
- Continues 4.0 positions through June 30, 2022 to implement and manage nine Project Hope sites, leveraging community partnerships, community empowerment, and access to City services.
- Continues 4.0 positions through June 30, 2022 to support business and programs strategy development at Police Activities League (PAL) facility.
- Suspends San José Family Camp at Yosemite in 2021-2022 only.

Operating Funds Managed

Municipal Golf Course Fund

St. James Park Management District Fund

Parks, Recreation and Neighborhood Services Department

Department Budget Summary

	2019-2020 Actuals ***	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Dollars by Core Service				
Community Facilities Development	4,953,418	5,659,525	5,807,758	5,930,728
Community Services	10,901,857	14,729,131	12,568,996	23,697,307
Parks Maintenance and Operations	53,365,442	57,674,107	58,547,185	49,005,833
Recreation Services	28,924,493	27,975,008	27,075,274	30,700,929
Strategic Support - Neighborhood Services	12,844,361	5,789,418	5,623,043	6,411,319
Strategic Support - Other - Neighborhood Services	3,469,201	15,033,137	2,723,811	2,762,886
Total	\$114,458,772	\$126,860,326	\$112,346,067	\$118,509,002
Dollars by Category				
Personal Services and Non-Personal/Equipment				
Salaries/Benefits	65,043,288	66,561,631	67,351,482	73,907,112
Overtime	1,497,214	310,574	310,574	310,574
Subtotal Personal Services	\$66,540,502	\$66,872,205	\$67,662,056	\$74,217,686
Non-Personal/Equipment	24,997,673	24,775,699	25,056,521	25,487,281
Total Personal Services & Non-Personal/Equipment	\$91,538,176	\$91,647,904	\$92,718,577	\$99,704,967
Other Costs*				
City-Wide Expenses	6,917,129	12,050,396	7,659,817	7,659,817
Debt Service/Financing	9,690,390	9,270,000	9,270,000	0
General Fund Capital	1,616,608	10,965,000	0	785,000
Gifts	55,928	548,732	548,732	232,000
Housing Loans and Grants	0	0	0	0
Other	3,659,796	1,114,000	1,114,000	8,961,148
Other - Capital	0	0	0	0
Overhead Costs	60,718	114,294	134,941	266,070
Workers' Compensation	920,027	1,150,000	900,000	900,000
Total Other Costs	\$22,920,596	\$35,212,422	\$19,627,490	\$18,804,035
Total	\$114,458,772	\$126,860,326	\$112,346,067	\$118,509,002

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document. The amounts in the 2020-2021 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

** The positions displayed in the 2019-2020 Actuals column reflect those included in the 2019-2020 Adopted Budget.

*** 2019-2020 Actuals may not subtotal due to rounding.

Parks, Recreation and Neighborhood Services Department

Department Budget Summary

	2019-2020 Actuals ***	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Dollars by Fund				
General Fund (001)	88,413,257	106,420,185	91,972,828	95,372,580
Gift Trust Fund (139)	236,688	868,000	877,250	384,827
Community Facilities District No. 16 (Raleigh-Coronado) Fund (344)	0	59,901	59,901	59,901
St. James Park Management District Fund (345)	545,508	643,947	708,876	708,876
Community Facilities District No. 14 (Raleigh-Charlotte) Fund (379)	284,434	464,308	439,479	439,479
Coronavirus Relief Fund (401)	5,067,964	0	0	0
American Rescue Plan Fund (402)	0	0	0	11,800,000
Emergency Reserve Fund (406)	1,856,418	0	0	0
Multi-Source Housing Fund (448)	0	0	0	275,235
Municipal Golf Course Fund (518)	10,708,161	10,271,000	10,271,000	900,000
Airport Maintenance And Operation Fund (523)	41,504	75,082	63,551	63,551
Capital Funds	7,304,836	8,057,903	7,953,182	8,504,553
Total	\$114,458,772	\$126,860,326	\$112,346,067	\$118,509,002
Positions by Core Service**				
Community Facilities Development	41.24	41.30	33.60	34.60
Community Services	66.73	66.48	63.48	102.48
Parks Maintenance and Operations	344.49	340.24	332.34	339.46
Recreation Services	268.69	255.49	245.29	254.46
Strategic Support - Neighborhood Services	35.33	34.27	32.67	39.19
Strategic Support - Other - Neighborhood Services	12.30	4.30	2.60	4.58
Total	768.78	742.08	709.98	774.77

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** The positions displayed in the 2019-2020 Actuals column reflect those included in the 2019-2020 Adopted Budget.

*** 2019-2020 Actuals may not subtotal due to rounding.

Parks, Recreation and Neighborhood Services Department

Department Budget Summary

	2019-2020 Actuals**	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed	2021-2022 Proposed Positions
Dollars by Program*					
Community Facilities Development					
Major Capital Improvement Projects Management	2,830,185	2,837,508	2,945,117	3,250,653	17.54
Minor Parks Capital Improvement Projects	2,123,233	2,822,017	2,862,641	2,680,075	17.06
Sub-Total	4,953,418	5,659,525	5,807,758	5,930,728	34.60
Community Services					
Anti-Graffiti and Anti-Litter	2,675,862	3,881,947	3,177,406	3,856,520	23.50
Illegal Dumping and Homeless Encampment Trash Collection and Abatement Services	0	0	0	9,937,554	28.00
Youth Gang Prevention and Intervention	8,225,995	10,847,184	9,391,590	9,903,233	50.98
Sub-Total	10,901,857	14,729,131	12,568,996	23,697,307	102.48
Parks Maintenance and Operations					
Family Camp	792,822	191,868	840,037	607,202	7.60
Happy Hollow Park & Zoo	9,036,849	8,597,222	8,702,668	8,303,065	95.24
Municipal Golf Courses	10,708,161	10,271,000	10,271,000	900,000	0.00
Neighborhood Parks and Regional Parks	26,195,574	30,820,845	29,818,277	29,810,320	174.86
Park Rangers	2,675,213	3,054,566	3,160,513	3,191,259	22.94
Parks Administration	1,745,841	2,378,782	2,363,822	2,362,797	8.89
Sports Fields Maintenance and Reservations	1,472,291	1,420,519	2,485,006	2,812,559	23.69
Volunteer, Adopt a Park, and Community Gardens	738,692	939,305	905,862	1,018,631	6.24
Sub-Total	53,365,442	57,674,107	58,547,185	49,005,833	339.46
Recreation Services					
Aquatics	475,965	338,016	833,859	833,859	12.91
Community Center Operations	19,016,540	18,031,963	19,295,914	18,760,076	197.93
Neighborhood Center Partners Program	2,297,042	2,893,672	2,299,595	2,261,088	17.82
Park Activation/Placemaking	1,715,402	510,504	559,869	4,759,869	14.80
RCS Administration	1,940,242	2,144,582	1,843,446	1,843,446	8.50
Senior Services	3,439,716	4,056,271	2,242,591	2,242,591	2.50
Youth Services	39,586	0	0	0	0.00
Sub-Total	28,924,493	27,975,008	27,075,274	30,700,929	254.46
Strategic Support - Neighborhood Services					
Capital Budget and Project Management	713,040	587,928	692,986	1,477,986	11.08
PRNS Financial Management	2,793,772	3,093,404	2,764,097	2,820,016	16.15
PRNS Human Resources	942,385	707,009	732,377	682,329	6.73

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** 2019-2020 Actuals may not subtotal due to rounding.

Parks, Recreation and Neighborhood Services Department

Department Budget Summary

	2019-2020 Actuals**	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed	2021-2022 Proposed Positions
PRNS Management and Administration	1,507,768	1,401,077	1,433,583	1,430,988	5.23
PRNS Pandemic Response	6,887,396	0	0	0	0.00
Sub-Total	12,844,361	5,789,418	5,623,043	6,411,319	39.19
Strategic Support - Other - Neighborhood Services					
PRNS Capital	2,461,534	11,891,499	783,138	1,074,816	4.58
PRNS Gifts	4,041	661,732	661,732	278,000	0.00
PRNS Other Departmental - City-Wide	5,000	1,018,832	244,000	244,000	0.00
PRNS Other Operational - Administration	17,882	0	0	0	0.00
PRNS Overhead	60,718	114,294	134,941	266,070	0.00
PRNS Workers' Compensation	920,027	1,150,000	900,000	900,000	0.00
Public Works Capital - Neighborhood Services	0	196,780	0	0	0.00
Sub-Total	3,469,201	15,033,137	2,723,811	2,762,886	4.58
Total	\$114,458,772	\$126,860,326	\$112,346,067	\$118,509,002	774.77

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** 2019-2020 Actuals may not subtotal due to rounding.

Parks, Recreation and Neighborhood Services Department

Budget Reconciliation

Personal Services and Non-Personal/Equipment (2020-2021 Adopted to 2021-2022 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
Prior Year Budget (2020-2021):	742.08	91,647,904	82,254,789
Base Adjustments			
One-Time Prior Year Expenditures Deleted			
• Rebudget: Local Sales Tax – Anti-Graffiti and Anti-Litter Programs		(300,000)	(300,000)
• Rebudget: Neighborhood Center Partner Program		(250,000)	(250,000)
• Rebudget: Police Activities League		(211,081)	(211,081)
• Rebudget: Local Sales Tax – Project Hope Program		(155,000)	(155,000)
• Rebudget: Cash for Trash Program		(48,908)	(48,908)
• Rebudget: Kaiser Healthy Aging Grant		(31,000)	(31,000)
• Rebudget: First 5 Family Resource Centers		(27,600)	(27,600)
• Rebudget: Council District 4 Dumpster Days		(25,000)	(25,000)
• Rebudget: Encore Fellow – Age Friendly San Jose Initiative		(10,500)	(10,500)
• Community Center Cost Savings		1,375,000	1,375,000
• Aquatics Program Suspension		627,107	627,107
• Family Camp Suspension		501,462	501,462
• Plaza de Cesar Chavez Fountain Shut Off		130,000	130,000
• Bascom Community Center and Therapeutic Staffing Temporary Realignment		100,245	100,245
• Diridon Station Area Planning Staffing (1.0 Planner III)	(1.00)	86,377	17,275
• Parks Rehabilitation Strike and Capital Infrastructure (2.0 Groundswoker, 2.0 Maintenance Assistant, 1.0 Office Specialist II, 1.0 Park Maintenance Repair Worker II, 1.0 Senior Maintenance Worker)	(7.00)	0	0
• Pest Management (2.0 Gardener, 2.0 Groundswoker, 4.0 Maintenance Assistant)	(8.00)	0	0
• Transitional Jobs Program (San José Bridge)		(500,000)	(500,000)
• Project Hope Expansion (2.0 Community Activity Worker, 1.0 Community Coordinator, 1.0 Recreation Superintendent)	(4.00)	(469,254)	(469,254)
• Neighborhood Center Partner Program (1.0 Analyst II, 1.0 Community Coordinator, 1.0 Senior Maintenance Worker)	(3.00)	(410,337)	(410,337)
• Police Activities League (PAL) Facility Support (1.0 Groundskeeper, 1.0 Groundswoker, 1.0 Recreation Leader PT-U, 1.0 Recreation Program Specialist)	(4.00)	(399,860)	(399,860)
• Flood-Related Parks Capital Projects Staffing (1.0 Program Manager, 1.0 Senior Account Clerk)	(2.00)	(290,024)	0
• Cherry Flat Dam		(200,000)	(200,000)
• Welch Park and Eastridge Recreation (0.5 Recreation Leader PT-U, 1.0 Senior Recreation Leader)	(1.50)	(118,394)	(118,394)
• Volunteer Management (1.0 Volunteer Coordinator)	(1.00)	(100,000)	(100,000)
• Early Learning: Grail Family Services		(30,000)	(30,000)
• Welch Park Leisure Programming (0.08 Class Instructor PT-U)	(0.08)	(27,000)	(27,000)
• Historic Grant Program - Thank You Monument		(25,000)	(25,000)

Parks, Recreation and Neighborhood Services Department

Budget Reconciliation

Personal Services and Non-Personal/Equipment (2020-2021 Adopted to 2021-2022 Proposed)

• Seven Trees Community Center (0.52 Recreation Leader PT-U)	(0.52)	(22,700)	(22,700)
• San Jose Parks Foundation		(20,000)	(20,000)
• Vietnamese-American Cultural Center		(20,000)	(20,000)
• Mobile Fitness Locations for Older Adults		(12,000)	(12,000)
• Bay Area Women's Sports Initiative		(10,000)	(10,000)
• Council District 8 Recreational Scholarships		(10,000)	(10,000)
• Parks Capital Improvement Program Staffing Realignment		(3,089)	-
One-time Prior Year Expenditures Subtotal:	(32.10)	(906,556)	(682,545)
 Technical Adjustments to Costs of Ongoing Activities			
• Salary/benefit changes and the following position reallocations: - 2.0 Recreation Program Specialist to 2.0 Youth Outreach Specialist		224,931	74,557
• Utilities: Gas, Electricity, Water		838,494	842,494
• Living Wage Adjustment		632,989	631,901
• Contract Services: Janitorial Services (Park Restrooms)		200,557	200,557
• Budget Realignment: FirstNet Support		64,360	64,360
• Contract Services: Security Services		13,794	13,794
• Sick Leave Adjustment		3,236	3,236
• Vehicle Operations and Maintenance		(1,132)	9,868
Technical Adjustments Subtotal:	0.00	1,977,229	1,840,767
 2021-2022 Forecast Base Budget:	 709.98	 92,718,577	 83,413,011

Parks, Recreation and Neighborhood Services Department

Budget Reconciliation

Personal Services and Non-Personal/Equipment (2020-2021 Adopted to 2021-2022 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
Budget Proposals Recommended			
1. Beautify San José Management Consolidation and Operations	34.00	5,476,135	2,776,615
2. Placemaking/San José Abierto Program	13.25	1,327,308	0
3. Project Hope	4.00	515,043	515,043
4. Police Activities League Facilities Support	4.00	327,553	327,553
5. New Parks and Recreation Facilities Maintenance and Operations	4.30	275,309	384,000
6. Fiscal and Employee Services Support Staffing	1.50	241,630	66,513
7. Parks and Recreation Capital Flood Repairs Grants Support	1.00	155,414	0
8. Capital Infrastructure and Building Maintenance Staffing	1.00	122,970	0
9. Welch Park and Eastridge Recreation	1.50	120,773	120,773
10. Volunteer Management	1.00	112,769	112,769
11. Neighborhood Center Partner Program Support	0.00	21,399	21,399
12. Happy Hollow Park and Zoo Maintenance Staffing Realignment	(0.80)	4,177	4,177
13. Park Ranger Body-Worn Cameras		0	0
14. Parks Rehabilitation Strike and Capital Infrastructure Team	7.00	0	0
15. Fee Activities Program Expenditure Reduction		(525,000)	(525,000)
16. Happy Hollow Park and Zoo Catering and Special Events Savings		(345,562)	(345,562)
17. Family Camp Suspension		(254,593)	(254,593)
18. Community Center Operations Support	(3.75)	(226,080)	(226,080)
19. Contracted Landscape Maintenance Savings		(103,934)	(103,934)
20. Administrative Services Staffing	(1.00)	(99,495)	(99,495)
21. Reprographics Contractual Services Savings		(74,339)	(74,339)
22. McKinley Community Center Rightsizing	(1.00)	(58,772)	(58,772)
23. Roosevelt Roller Rink Staffing	(0.83)	(21,392)	(21,392)
24. Parks General Maintenance Staffing Realignment	(0.38)	(4,923)	(4,923)
Total Budget Proposals Recommended	64.79	6,986,390	2,614,752
2021-2022 Proposed Budget Total	774.77	99,704,967	86,027,763

Parks, Recreation and Neighborhood Services Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
1. Beautify San José Management Consolidation and Operations	34.00	5,476,135	2,776,615

Neighborhood Services CSA

Parks Maintenance and Operations and Community Services Core Services

Anti-Graffiti and Anti-Litter, Park Rangers, and Illegal Dumping and Homeless Encampment Trash Collection and Abatement Programs

As directed in the City Council-approved Mayor's March Budget Message for Fiscal Year 2021-2022, this action consolidates the Beautify San José (BeautifySJ) program into the Parks, Recreation and Neighborhood Services (PRNS) Department to provide dedicated and enhanced focus on ridding the City of blight, including the expansion of the Cash for Trash Program to serve 450-500 unhoused residents at a time. A large portion of this program is anticipated to be funded by the American Rescue Plan (ARP) Fund over a multi-year period, with \$7.6 million budgeted for 2021-2022, and \$6.6 million in 2022-2023 and in 2023-2024. However, future year funding is subject to further evaluation and prioritization and will be discussed at the Budget Study Session on May 17, 2021, that will focus on allocation of the American Rescue Plan and other emergency pandemic relief funding. It is important to note that only the personal service costs for the 22.25 ARP funded positions is included here; the entire budget for the BeautifySJ expansion, including contractual services costs, is displayed as a separate appropriation in the American Rescue Plan Fund Source and Use Statement elsewhere in this document. The consolidation of BeautifySJ under one department resulted in shifting \$2.8 million in the General Fund from Housing and Environmental Services Departments to PRNS. A total of \$758,336 including, 2.0 limit-dated positions and non-personal/equipment costs, is funded from the Multi-Source Housing Fund.

The consolidated management strategy will result in the establishment of a new Community Services Division consisting of a total of 102.48 positions, of which 51.5 positions for BeautifySJ (26.0 new positions, the existing 16.5 positions for Anti-Litter and Anti-Graffiti program and 9.0 positions shifted from other departments), and 50.98 positions for Youth Gang Prevention and Intervention program.

The following actions are part of the BeautifySJ management consolidation strategy:

- Shifts non-personal/equipment funding and 1.0 Community Programs Administrator from the Homeless Response Team in the Housing Department to PRNS (\$1.4 million);
- Shifts non-personal/equipment funding and 8.0 positions from the Rapid Team (Removing and Preventing Illegal Dumping Response) in the Environmental Services Department (1.0 Supervising Environmental Services Specialist, 1.0 Senior Maintenance Worker, 6.0 Maintenance Worker II) to PRNS (\$1.4 million);
- Adds 1.0 GIS Specialist to manage and improve the BeautifySJ data, mapping and dashboard system; 1.0 Community Coordinator to establish a Comprehensive Creek Clean up and abatement strategy, as well as focus on inter-agency partnerships and updating agreements; and deletes a vacant Park Ranger position for watershed protection (\$116,000);
- Adds 22.0 positions (1.0 Deputy Director, 1.0 Division Manager, 1.0 Analyst, 4.0 Community Activity Workers, 3.0 Community Coordinators, 7.0 Maintenance Workers, 1.0 limit-dated Public Information Rep, 1.0 Staff Specialist, and 3.0 part-time Recreation Leaders). The Deputy Director will provide the leadership capacity for the new Community Services Division. The Division Manager will lead the administration of BeautifySJ with the support of the Analyst and Staff Specialist and provide strategic planning and data analysis. Three teams made up of a Community Coordinator and a Maintenance Worker will focus on a Tier 3 "High Touch" Geographic Zone (North, East, West). A total of 4.0 Maintenance Workers will support encampment trash cleanups

Parks, Recreation and Neighborhood Services Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
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and will respond to illegal dumping incidents in the public right-of-ways, city-owned parcels, and outlying areas adjacent to the public right-of-ways. Adding 1.0 Community Coordinator and 3.0 Community Activity Worker positions in the Cash for Trash Program will provide dedicated staff for the program and enable serving an additional 450-500 un-housed residents. A limit-dated Public Information Rep through June 30, 2022 will lead social and written media strategies; and the 3.0 part-time Recreation Leaders will add general programmatic support for BeautifySJ (\$2,668,000); and

- Adds 1.0 Community Coordinator and 1.0 Community Activity Worker positions, both limit-dated through June 30, 2023 and funded from the Multi-Source Housing Fund through the Emergency Solutions Grant authorized by the CARES Act. The Community Coordinator will lead the SOAR sites coordination of the Tier 1 “Low Touch” and Tier 2 “Medium Touch” Teams and the Community Activity Worker will develop a new service line to manage RV encampments. (Ongoing costs: \$5.7 million)

2. Placemaking/San José Abierto Program	13.25	1,327,308	0
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Neighborhood Services CSA
Recreation Services Core Service
Park Activation/Placemaking Program

This action adds 13.25 positions (1.0 Recreation Superintendent, 6.75 Events Coordinator, 5.0 Recreation Leader PT unbenefited, and 0.50 Analyst PT) through June 30, 2022 and funded by the American Rescue Plan, to expand the Viva Parks program from a summer program to a year-round, City-wide program that includes Downtown San José Parks (St. James Park/ Plaza de Cesar Chavez), as well as four Viva CalleSJ activations. An additional \$2.87 million in one-time funding is also recommended and shown in the American Rescue Plan Fund Source and Use Statement, bringing a total of \$4.2 million for this program. This cost includes funding for approximately 100 Viva Parks activations and four Viva CalleSJ events in 2021-2022, approximately \$44,000 per Council District for festivals, and additional funding of \$1.2 million for arts and performance-based partners to augment and enhance the coordination and planning with smaller art groups. (Ongoing costs: \$0)

3. Project Hope	4.00	515,043	515,043
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Neighborhood Services CSA
Community Services Core Service
Youth Gang Prevention and Intervention Program

This action continues 1.0 Recreation Superintendent, 1.0 Community Coordinator, and 2.0 Community Activity Worker positions limit-dated through June 30, 2022, to continue the expansion of Project Hope from six to nine sites as approved by the City Council in the Mayor’s June Budget Message for Fiscal Year 2019-2020. Project Hope leverages community partnerships, community empowerment, and coordination of a broad range of City services to address challenges of crime, poverty, and blight. Project Hope's model focuses on catalyzing community engagement to sustain lasting change, with City staff providing the initial assistance. The Recreation Superintendent position is the day-to-day manager for all Youth Intervention Services programs and Project Hope. The Community Activity Worker positions will support the Community Coordinator in front-line work related to community engagement, trainings, "knock and talks," space activation, and neighborhood and business association outreach. Project Hope sites Winchester/Cadillac, Roundtable/Edenvale, and Welch Park are currently up and running; Hoffman/Via Monte, Poco Way and Santee are in the implementation stage; and Foxdale, Jeanne, and Washington are currently in the planning phase. (Ongoing costs: \$0)

Parks, Recreation and Neighborhood Services Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
4. Police Activities League Facilities Support Neighborhood Services CSA Parks Maintenance and Operations Core Service <i>Sports Fields Maintenance and Reservations Program</i>	4.00	327,553	327,553

This action continues 1.0 Recreation Program Specialist, 1.0 Groundskeeper, 1.0 Groundswoker, and 1.0 Recreation Leader PT unbenefited positions through June 30, 2022 to support the Police Activities League (PAL) facility and programs. Staff will work in partnership with the PAL board to collaboratively implement the hybrid operational model, and will focus on increasing community involvement at community events, sports classes, and perform daily field maintenance. The PAL Stadium Complex amenities include those that support football, baseball, softball, soccer, cheerleading, tae-kwon-do, and boxing. (Ongoing costs: \$0)

5. New Parks and Recreation Facilities Maintenance and Operations Neighborhood Services CSA Parks Maintenance and Operations Core Service <i>Neighborhood Parks and Regional Parks, and Park Rangers Programs</i>	4.30	275,309	384,000
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This action adds 1.0 Senior Construction Inspector, 2.0 Groundswoker (1.0 Groundswoker is funded by developer contributions deposited in the Gift Trust Fund), 2.0 Maintenance Assistant PT Unbenefited, 0.30 Park Ranger PT, and \$3,160 in non-personal/equipment funding to cover operating and maintenance costs associated with new facilities coming online in 2021-2022. These facilities include All-Inclusive Almaden Lake, All-Inclusive Emma Prusch, Bruzzone Park & Dog Park, Commodore Children's Park, Mercado Park, and Trail: Coyote Creek (Williams St. to Phelan Rd). This funding was anticipated in the 2022-2026 General Fund Forecast and the liquidation of an Earmarked Reserve set aside in the forecast for this purpose is described in the General Fund Capital, Transfers, and Reserves section of this document. (Ongoing costs: \$510,000)

Parks, Recreation and Neighborhood Services Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
6. Fiscal and Employee Services Support Staffing Neighborhood Services CSA Strategic Support – Other- Neighborhood Services Core Service Strategic Support – Neighborhood Services Core Service <i>PRNS Capital, PRNS Financial Management, and PRNS Human Resources Programs</i>	1.50	241,630	66,513

This action converts 0.5 Analyst PT to 1.0 Analyst in the Employee Services unit and adds 1.0 Senior Analyst to support fiscal activities. The conversion to a full-time Analyst will allow more capacity to manage the department's Workers' Compensation Claims and disciplinary investigations, and provide general support such as tracking the hours of 1,130 part-time employees and coordinating new employee onboarding and Leaves of Absence, Modified Duty, and Return to Work requests. Without sufficient staffing levels, the overflow of these duties will affect the rest of the Employee Services unit, thus impacting PRNS's ability to recruit and fill vacancies. The 1.0 Analyst will be fully funded by the Parks Central Construction and Conveyance Tax Fund.

The Senior Analyst funded by the General Fund (75%) and partly funded by the Parks Central Construction and Conveyance Tax Fund (25%) will join the Fiscal and Budget Management unit to support the increasing responsibility resulting from the consolidation of the new BeautifySJ team in the new Community Services Division. The Senior Analyst duties include coordinating and overseeing grant award tracking and reporting; developing consistent business processes; providing oversight of performance measure data collection efforts; implementing ongoing compliance tools and trainings related to P-Cards and improvements identified in the P-Card Audit; and supervising a staff responsible for Accounts Payable, Accounts Receivable, Purchase Requisitions, Travel Requests, and Gift Trust Fund management. (Ongoing costs: \$254,747)

7. Parks and Recreation Capital Flood Repairs Grants Support Neighborhood Services CSA Strategic Support – Other- Neighborhood Services Core Service <i>PRNS Capital Program</i>	1.00	155,414	0
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This action adds 1.0 limit-dated Senior Analyst position in the Parks, Recreation and Neighborhood Services Department through June 30, 2023 funded by the Parks Central Construction and Conveyance Tax Fund to oversee the Federal Emergency Management Agency (FEMA) Disbursement process for the capital rehabilitation projects stemming from the 2017 Flood. For the next two years, this position will focus primarily on putting forward the FEMA Disbursement packets such as submitting paperwork to CalOES, FEMA, and the Finance Department for grant reporting purposes. There are currently 17 open projects that must be completed and closed out and it is anticipated that this process will not conclude until 2022-2023. (Ongoing costs: \$169,542)

Parks, Recreation and Neighborhood Services Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
8. Capital Infrastructure and Building Maintenance Staffing	1.00	122,970	0

Neighborhood Services CSA
Community Facilities Development Core Service
*Major Capital Improvement Projects Management and
 Minor Parks Capital Improvement Projects Programs*

This action adds 1.0 Senior Maintenance Worker position to support the Building Maintenance Administrator, and adds 1.0 Parks Manager and deletes 1.0 vacant Program Manager I from the Capital Infrastructure Team (CIT). All positions are funded by the Parks Central Construction and Conveyance Tax Fund. The Parks Manager will oversee minor capital projects that will be delivered through the Public Works Department and PRNS field teams and manage vendors or contractors. The Parks Manager will supervise a staff of 20 employees in the CIT, as well as a Senior Construction Inspector, Associate Landscape Designer and Engineering Technician. The CIT is responsible for playground construction and repair, pool and fountain maintenance and repair, backflow certification, heavy equipment operation, and other construction projects as needed by the department. The Program Manager recommended to be deleted previously oversaw the minor capital projects and did not manage CIT. The Senior Maintenance worker position will support specific small building projects such as community centers roof repairs and kitchen renovations, and help assess the current repair status of the existing PRNS building infrastructure. This position will also provide ongoing capital projects support at reuse facilities, community centers, and capital-funded parks facilities. (Ongoing costs: \$150,747)

9. Welch Park and Eastridge Recreation	1.50	120,773	120,773
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Neighborhood Services CSA
Recreation Services Core Service
Community Center Operations Program

This action continues 1.0 Senior Recreation Leader and 0.50 Recreation Leader PT unbenefited positions through June 30, 2022 to continue current recreation services provided and coordinated at Welch Park. The closest community center to the Welch neighborhood is the Evergreen Community Center, which is over four miles away. The Senior Recreation Leader position will coordinate staff and leverage partnerships to implement programs and the Recreation Leader PT positions will directly serve the community at this location. (Ongoing costs: \$0)

Parks, Recreation and Neighborhood Services Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
10. Volunteer Management	1.00	112,769	112,769
Neighborhood Services CSA Parks Maintenance and Operations Core Service <i>Volunteer, Adopt a Park, and Community Gardens Program</i>			

This action extends 1.0 Volunteer Coordinator, limit-dated through June 30, 2022. The Volunteer Coordinator continues the success of PRNS's volunteer program by employing equity screening for the coordination of new volunteer efforts. PRNS has implemented a process to select parks for heightened attention based on their low Park Condition Assessment (PCA) and California Healthy Place Index (HPI) scores, using this data to focus on parks that need improvement and communities that will benefit most from their park spaces in good condition for healthy recreation opportunities. Parks that have low scores are prioritized for enhanced services like volunteer events, pest management, and turf renovation. With the continuation of the Volunteer Coordinator, and in anticipation of Public Health Orders allowing larger groups to gather during 2021-2022, the Department will target 100 one-time volunteer events during 2021-2022, which is double the targeted number of events during 2020-2021. (Ongoing costs: \$0)

11. Neighborhood Center Partner Program Support	0.00	21,399	21,399
Neighborhood Services CSA Recreation Services Core Service <i>Neighborhood Center Partners Program</i>			

This action adds 1.0 Analyst I/II and deletes 1.0 Recreation Program Specialist positions to support the Neighborhood Center Partnership Program (NCP). The Recreation Program Specialist position has been responsible for addressing infrastructure work-orders and facility repairs on behalf of the partner agencies. Moving forward, this work will instead be managed by an ongoing capital-funded Senior Maintenance Worker position recommended in the Capital Infrastructure and Building Maintenance Staffing action discussed above. The new Analyst position will administer the NCP Partner procurement and selection process; develop, execute, and manage all NCP service provider contracts; and, ensure that all related services are being delivered in accordance with these agreements and community expectations. (Ongoing costs: \$19,069)

12. Happy Hollow Park and Zoo Maintenance Staffing Realignment	(0.80)	4,177	4,177
Neighborhood Services CSA Parks Maintenance and Operations Core Service <i>Happy Hollow Park & Zoo Program</i> <i>Neighborhood Parks and Regional Parks Program</i>			

This action eliminates 0.50 Exhibit Builder PT, 1.26 Maintenance Assistant PT, and 0.04 Regional Park Aide PT, and adds 1.0 Parks Maintenance Repair Worker position. The Parks Maintenance Repair Worker will address an extensive repair backlog at Happy Hollow Park and Zoo (HHPZ) that includes exhibit repairs, playground safety equipment repairs, and other repairs as needed. This position will ensure HHPZ maintains its certification for its nine playgrounds and features and stays in compliance with its Association of Zoos and Aquariums accreditation. The deleted positions are difficult to recruit or do not have the technical skill to perform the necessary repairs. (Ongoing costs: \$12,898)

Parks, Recreation and Neighborhood Services Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
13. Park Ranger Body-Worn Cameras Neighborhood Services CSA Park Maintenance and Operations Core Service Recreation Services Core Service <i>Park Rangers and Community Center Operations Programs</i>		0	0
<p>This action increases Parks, Recreation and Neighborhood Services Department's ongoing non-personal/equipment funding by \$10,280, offset by ongoing savings through more efficient use of supplies and materials and travel, to pay for the subscription cost of body-worn cameras for Park Rangers, which were acquired subsequent to the technology's adoption by the Police Department. (Ongoing costs: \$0)</p>			
14. Parks Rehabilitation Strike and Capital Infrastructure Team	7.00	0	0
Neighborhood Services CSA Strategic Support – Neighborhood Services Core Service <i>Capital Budget and Project Management Program</i>			
<p>This action continues 1.0 Senior Maintenance Worker, 1.0 Parks Maintenance Repair Worker I/II, 2.0 Groundswoker, 2.0 Maintenance Assistant, and 1.0 Office Specialist II positions, limit-dated through June 30, 2022, to augment the efforts of the Capital Infrastructure Team in addressing infrastructure backlog projects. These positions were funded by the Subdivision Park Trust Fund through December 2019 as part of a three-year program that began in 2016-2017. Given the limited funds in the Subdivision Park Trust Fund and the challenges in meeting the nexus requirements for these funds, the positions were shifted to the General Fund. The Parks Rehabilitation Strike Team will concentrate on rehabilitating and refurbishing parks, replacing and repairing playgrounds, upgrading irrigation systems, and managing turf conditions at reservable sports fields and open spaces. (Ongoing costs: \$0)</p>			
15. Fee Activities Program Expenditure Reduction Neighborhood Services CSA Parks Maintenance and Operations Core Service Recreation Services Core Service <i>Happy Hollow Park & Zoo, Neighborhood Parks and Regional Parks, and Community Center Operations Programs</i>		(525,000)	(525,000)
<p>This action decreases the Parks, Recreation and Neighborhood Services Department's Fee Activities budget by \$525,000, from \$3.4 million to \$2.9 million, to partially offset the lower Fee Activities revenue estimate of \$4.6 million (down from a budget of approximately \$11.0 million in 2018-2019) assumed in the 2021-2022 Base Budget. The effects of COVID-19 have significantly impacted community programming offered by PRNS. While there are some revenue generating programs such as Family Camp that are going to be suspended for 2021-2022, other fee activity programs such as R.O.C.K. 'n' Learn "learning pods" and San José Recreation Preschool are going to continue to operate, though at a deeply discounted price. The City plans to provide specific services at deeply discounted levels for 2021-2022 to both minimize community impacts and address the continuation of public health restrictions that will likely be in effect for part of the year. Ongoing service levels, revenue activity, and cost recovery levels for fee activities will be re-evaluated during the 2022-2023 budget development process. (Ongoing savings: \$525,000)</p>			

Parks, Recreation and Neighborhood Services Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
<p>16. Happy Hollow Park and Zoo Catering and Special Events Savings</p> <p>Neighborhood Services CSA Parks Maintenance and Operations Core Service <i>Happy Hollow Park & Zoo Program</i></p> <p>This action reduces the personal services funding for part-time hours – including 1.34 Recreation Leader PT, 3.40 Community Services Aide PT, 0.30 Cook PT, 0.44 Cook FT, 0.44 Kitchen Aide PT, and 0.30 Puppeteer PT – that support catering and special events at Happy Hollow Park and Zoo (HHPZ) by \$346,000 on a one-time basis. HHPZ has gradually begun to reopen. This reduction in hours will be manageable as less-than-average attendance is expected during the first half of 2021-2022 with an increasing level of opening for the remainder of the year as County Stay at Home orders continue to be lifted. (Ongoing savings: \$0)</p>		(345,562)	(345,562)
<p>17. Family Camp Suspension</p> <p>Neighborhood Services CSA Parks Maintenance and Operations Core Service Recreation Services Core Service <i>Family Camp and Community Center Operations Programs</i></p> <p>This action continues for another year the suspension of operations at Family Camp by reducing \$140,000 in non-personal/equipment funding and holding vacant 3.18 Recreation Leader PT unbenefited positions, offset by a reduction of \$177,000 in revenue that would have otherwise been generated from Family Camp reservations. Due to the many challenges and uncertainties presented by COVID-19, and its impacts on program preparation, the San Jose Family Camp at Yosemite summer season for 2021 has been cancelled. Remaining staff resources at Family Camp will maintain infrastructure and facility safety, private rentals, and begin preparing for full programming in summer 2022. (Ongoing savings: \$0)</p>		(254,593)	(254,593)
<p>18. Community Center Operations Support</p> <p>Neighborhood Services CSA Recreation Services Core Service <i>Community Center Operations Program</i></p> <p>This action eliminates 3.75 vacant Recreation Leader PT positions, leaving a total of 8.25 Recreation Leader PT positions to support Community Center operations. With this reduction, there will be minimal impact to community center operations given recent service level reductions due to the pandemic. Each community center hub location will be staffed with 0.75 Recreation Leader PT position to support front desk and community center rental operations. (Ongoing savings: \$229,365)</p>	(3.75)	(226,080)	(226,080)

Parks, Recreation and Neighborhood Services Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
19. Contracted Landscape Maintenance Savings		(103,934)	(103,934)
<p>Neighborhood Services CSA Parks Maintenance and Operations Core Service <i>Neighborhood Parks and Regional Parks Program</i></p> <p>This action eliminates \$103,934 in non-personal/equipment funding for contracted landscape maintenance at City Hall and the Central Service Yard. The Park District maintenance teams will take on the responsibility of performing maintenance tasks at these sites. Park District 5, responsible for downtown parks, will be responsible for an additional five hours per week maintaining City Hall. All the Park Districts located at Central Service Yard will be responsible for an added 10 hours per week in maintenance care at the Central Service Yard. The community can expect a lower level of regular landscape maintenance at City Hall and the Central Service Yard. (Ongoing savings: \$103,934)</p>			
20. Administrative Services Staffing	(1.00)	(99,495)	(99,495)
<p>Neighborhood Services CSA Strategic Support – Neighborhood Services Core Service <i>PRNS Financial Management Program</i></p> <p>This action eliminates 1.0 vacant Office Specialist I/II position in PRNS that serves primarily as the department's receptionist at city hall and provides general support to the Administrative Services Division. The responsibilities will be absorbed by part-time staff and other administrative staff. Visitors to PRNS offices may experience delays in receiving service. (Ongoing savings: \$101,311)</p>			
21. Reprographics Contractual Services Savings		(74,339)	(74,339)
<p>Neighborhood Services CSA Core Service: Department-wide <i>Program: Department-wide</i></p> <p>This action reduces the Parks, Recreation and Neighborhood Services non-personal/equipment budget by \$74,339 to reflect savings in the reprographics contract. The Finance and IT Departments jointly worked to re-procure the City's reprographics contract for copier, scanner, fax devices support, and administration software and tools. Savings in the amount of \$363,000 will be generated in the General Fund, \$462,000 in all funds, across all departments from lower rental costs for the multi-function devices (MFD's) and significantly lower cost per copy and consumption rates. Savings can be realized with new green-print options and central administration of devices. (Ongoing savings: \$74,339)</p>			
22. McKinley Community Center Rightsizing	(1.00)	(58,772)	(58,772)
<p>Neighborhood Services CSA Recreation Services Core Service <i>Neighborhood Center Partners Program</i></p> <p>This action eliminates 1.0 vacant Recreation Leader PT position at McKinley Community Center. With this reduction, PRNS staff will no longer be supporting the McKinley Community Center beginning in 2021-2022. The service delivery level will not be impacted, however, since operations of the site were returned to Franklin-McKinley School District in 2020. (Ongoing savings: \$59,642)</p>			

Parks, Recreation and Neighborhood Services Department

Budget Changes By Department Personal Services and Non-Personal/Equipment



2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
23. Roosevelt Roller Rink Staffing Neighborhood Services CSA Recreation Services Core Service <i>Community Center Operations Program</i> This action eliminates 0.08 vacant Recreation Leader PT and 0.75 vacant Community Services Aide PT vacant positions. A total of 0.75 Community Services Aide PT and 0.08 Recreation Leader PT positions remain to support planning and supervision of the rink operations. No impact to the current service level is anticipated as the rink has underutilized its budget over the last three years. (Ongoing savings: \$21,901)	(0.83)	(21,392)	(21,392)
24. Parks General Maintenance Staffing Realignment Neighborhood Services CSA Parks Maintenance and Operations Core Service <i>Neighborhood Parks and Regional Parks Program</i> This action deletes 1.38 part-time vacant Park Maintenance positions, which includes 0.63 Maintenance Assistant PT benefited and 0.75 Maintenance Assistant PT unbenefited positions and adds 1.0 Maintenance Assistant position in Park Maintenance District 1. In 2020, the Parks Division undertook a re-organization that added territory to Park District 1 but not staff commensurate with the area added. This staffing realignment will enable the maintenance team to more effectively manage maintenance needs in Park District 1. (Ongoing costs: \$1,270)	(0.38)	(4,923)	(4,923)
2021-2022 Proposed Budget Changes Total	64.79	6,986,390	2,614,752

Parks, Recreation and Neighborhood Services Department

Performance Summary

Parks Maintenance and Operations

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 Maintenance dollars per developed park acre maintained (includes regional and neighborhood parks, trails, community center and civic grounds, and community gardens)	\$13,160	\$14,054	\$14,237	\$14,232
 % of customer concerns completed within time standards established by PRNS	53%	50%	54%	60%

Activity and Workload Highlights






	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
# of developed neighborhood and regional parks	209	210	209	211
# of developed acres maintained (includes regional and neighborhood parks, trails, community center and civic grounds, and community gardens)	1,791	1,796	1,794	1,796
# of customer concerns	1,868	1,500	1,891	1,650
Volunteer Unit - # of One Day Volunteer Events	182	50	50	100
Volunteer Unit - # of Adopted Parks	54	70	60	80

Parks, Recreation, and Neighborhood Services Department

Performance Summary

Community Services¹

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 % of surveyed youth customers (BEST) who successfully completed a BEST Funded Program compared to the total number of participants	83%	75%	80%	80%
 % of school conflicts resolved with re-establishment of a safe learning environment within two weeks out of # total	99%/302	97%/464	0% ²	97%/464
 % and # of Safe School Campus Initiative customers surveyed rating services good or better	94%/71	97%/64	N/A ²	94%/71
 % and # of graffiti service requests completed within 72 hours by graffiti eradication vendor (service requests reported by the public)	92.3%/39K	75%/27K	75%/27K	75%/27K
 % of Clean Slate Tattoo Removal program participants who complete the Life Skills Sessions classes	90%	94%	97%	97%

¹ A Manager's Budget Addendum (MBA) will be issued later in the budget process to describe new performance measures for Illegal Dumping and Homeless Encampment Trash Collection and Abatement.

² Due to COVID-19 and shelter-in-place orders, schools have been closed for most of 2020-2021; PRNS does not expect to report on school-based conflicts for the 2020-2021 school year.

Parks, Recreation, and Neighborhood Services Department

Performance Summary

Community Services

Activity and Workload Highlights

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
# of BEST youth service program participants	3,229	2,500	2,600	2,500
# of graffiti work orders assigned to graffiti eradication vendor (service requests reported by the public)	39,157	27,000	22,000	30,000
# of Clean Slate Tattoo Removal program participants who complete the Life Skills Sessions classes	73	110	25	100
# of responses to incidents on Safe School Campus Initiative school sites	302	440	0 ³	440
# of Anti-Litter Program clean-up events coordinated at # of locations (neighborhood, business, and community litter clean-up events)	366/286	250/100	265/98	400/300
# of bags of litter collected by the Anti-Litter Program	21,958	41,500	11,000 ⁴	32,500

³ Due to COVID-19 and shelter-in-place orders, schools have been closed for most of 2020-2021; PRNS does not expect to report on school-based conflicts for the 2020-2021 school year.





⁴ Due to COVID-19 and shelter-in-place orders, the City has not been able to host group events, which accounts for the significant reduction in the number of bags of litter collected.

Parks, Recreation and Neighborhood Services Department

Performance Summary

Recreation Services

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 % of customers who are repeat or returning customers (leisure classes)	81%	70%	100%	70%
 % of community center customers rating overall Satisfaction/Services as good or better	88%	93%	85%	89%
 % of youth participants that make healthier decisions as a result of their participation in summer camps and after school programs	74%	80%	N/A ⁵	80%
 % of customers who state that participation in programs have helped them increase their physical activity level to at least 150 minutes per week	68%	75%	66%	75%

Activity and Workload Highlights

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
# of leisure class participant surveys completed with "2 nd time or more" answer selected	221	300	12	100
# of customers who state that participation in programs has helped them increase their physical activity level to at least 150 minutes per week	1,067	900	88 ⁶	500
# of youth participants that make healthier decisions as a result of their participation in summer camps and after school programs	529	500	N/A ⁷	500

⁵ Summer camps and after school programs were unavailable in 2020-2021 due to the pandemic and shelter-in-place directive.


⁶ These figures are lower for the 2020-2021 Estimate due to postponed and cancelled programs resulting from public health restrictions.

Parks, Recreation, and Neighborhood Services Department

Performance Summary

Strategic Support

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 % of grant agreements ready for agency signature before services begin (Safe Summer Initiative Grant (SSIG): June 1, Bringing Everyone's Strengths Together September 1, Senior Health & Wellness: October 1, BeautifySJ: date varies)	0%	80%	55%	70%

Activity and Workload Highlights

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
# of grant agreements with various agencies (Safe Summer Initiative Grant (SSIG), Bringing Everyone's Strengths Together, Senior Health & Wellness, BeautifySJ)	144	60 ⁷	53	143
Miles of trails under construction	1.19	2.53	1.42	0.51
Miles of trails open to the public	61.00	63.11	61.14	62.56

⁷ Due to the impacts of COVID-19, the Department will be extending current BeautifySJ Cycle 3 agreements through 2021 and will issue the BeautifySJ Cycle 4 Grant opportunity in 2021-2022, thereby reducing the expected number of agreements in 2020-2021.

Parks, Recreation and Neighborhood Services Department

Departmental Position Detail

Position	2020-2021 Adopted	2021-2022 Proposed	Change
Account Clerk II	2.00	2.00	-
Account Clerk I/II PT	1.72	1.72	-
Accounting Technician	3.00	3.00	-
Administrative Officer	1.00	1.00	-
Amusement Park Supervisor	1.00	1.00	-
Analyst I/II	21.00	23.00	2.00
Analyst II PT	1.00	1.00	-
Animal Health Technician	1.00	1.00	-
Assistant Director	1.00	1.00	-
Assistant Swim Pool Manager PT	0.69	0.69	-
Associate Architect/Landscape Architect	2.00	2.00	-
Associate Structure Landscape Designer	2.00	2.00	-
Building Management Administrator	1.00	1.00	-
Class Instructor PT	25.58	25.50	(0.08)
Community Activity Worker	16.00	20.00	4.00
Community Activity Worker PT	1.50	1.50	-
Community Coordinator	8.00	13.00	5.00
Community Programs Administrator	0.00	1.00	1.00
Community Services Aide PT	22.80	22.05	(0.75)
Community Services Supervisor	3.00	3.00	-
Cook FT	1.00	1.00	-
Cook PT	2.00	2.00	-
Deputy Director	3.00	4.00	1.00
Director, Parks, Recreation and Neighborhood Services	1.00	1.00	-
Division Manager	6.00	7.00	1.00
Entertainment Coordinator	1.00	1.00	-
Events Coordinator I	1.00	5.00	4.00
Events Coordinator I PT	0.00	0.75	0.75
Events Coordinator II	2.00	4.00	2.00
Events Coordinator II PT	0.50	0.50	-
Exhibit Builder PT	0.50	0.00	(0.50)
Exhibit Designer/Builder	1.00	1.00	-
Food and Beverage Services Supervisor	1.00	1.00	-
Food Service Coordinator	2.00	2.00	-
Food Service Coordinator PT	1.00	1.00	-
Gardener	25.00	23.00	(2.00)
Gerontology Specialist	5.00	5.00	-
Geographic Information Systems Specialist I	0.00	1.00	1.00
Golf Course Manager	1.00	1.00	-
Groundskeeper	7.00	7.00	-
Groundswoker	52.00	52.00	-
Heavy Equipment Operator	3.00	3.00	-
Instructor Lifeguard PT	8.46	8.46	-
Kitchen Aide PT	2.20	2.20	-
Landscape Maintenance Manager	1.00	1.00	-
Lifeguard PT	2.26	2.26	-
Maintenance Assistant	30.00	26.00	(4.00)

Parks, Recreation and Neighborhood Services Department

Departmental Position Detail

Position	2020-2021 Adopted	2021-2022 Proposed	Change
Maintenance Assistant PT	24.12	21.48	(2.64)
Maintenance Assistant PT-U	0.00	2.00	2.00
Maintenance Worker I/II	1.00	15.00	14.00
Office Specialist I/II	5.00	4.00	(1.00)
Park Ranger	12.00	11.00	(1.00)
Park Ranger PT	5.59	5.89	0.30
Parks Facilities Supervisor	12.00	13.00	1.00
Parks Maintenance Repair Worker I/II	19.00	19.00	-
Parks Manager	7.00	7.00	-
Planner III	2.00	1.00	(1.00)
Planner IV	1.00	1.00	-
Program Manager I	8.00	6.00	(2.00)
Public Information Manager	1.00	1.00	-
Public Information Representative I/II	2.00	3.00	1.00
Puppeteer PT	1.50	1.50	-
Recreation Leader PT	146.91	149.56	2.65
Recreation Program Specialist	48.00	45.00	(3.00)
Recreation Specialist	1.00	1.00	-
Recreation Superintendent	4.00	6.00	2.00
Recreation Supervisor	14.00	14.00	-
Regional Park Aide PT	11.06	11.02	(0.04)
Rides and Attractions Safety Coordinator	1.00	1.00	-
Secretary	1.00	1.00	-
Senior Account Clerk	5.00	4.00	(1.00)
Senior Analyst	5.00	7.00	2.00
Senior Architect/Landscape Architect	1.00	1.00	-
Senior Construction Inspector	1.00	2.00	1.00
Senior Engineering Technician	1.00	1.00	-
Senior Events Coordinator	1.00	1.00	-
Senior Geographic Information Systems Specialist	1.00	1.00	-
Senior Maintenance Worker	15.00	16.00	1.00
Senior Office Specialist	3.00	3.00	-
Senior Park Ranger	4.00	4.00	-
Senior Recreation Leader	19.00	19.00	-
Senior Recreation Leader PT	8.67	8.67	-
Senior Recreation Leader Teacher PT	1.92	1.92	-
Senior Therapeutic Treatment Specialist	1.00	1.00	-
Senior Zoo Keeper	2.00	2.00	-
Staff Specialist	5.00	6.00	1.00
Staff Technician	1.00	0.00	(1.00)
Supervising Environmental Services Specialist	0.00	1.00	1.00
Supervising Park Ranger	2.00	2.00	-
Swimming Pool Manager PT	1.50	1.50	-
Therapeutic Specialist	11.00	11.00	-
Volunteer Coordinator	2.00	2.00	-
Youth Outreach Specialist	8.00	10.00	2.00
Youth Outreach Worker I	13.00	13.00	-

Parks, Recreation and Neighborhood Services Department

Departmental Position Detail

Position	2020-2021 Adopted	2021-2022 Proposed	Change
Youth Outreach Worker I PT	0.10	0.10	-
Youth Outreach Worker II	6.00	6.00	-
Zoo Curator	1.00	1.00	-
Zoo Education Specialist	1.00	1.00	-
Zoo Educator	3.00	3.00	-
Zoo Keeper	11.00	11.00	-
Zoo Keeper PT	2.50	2.50	-
Zoo Manager	1.00	1.00	-
Total Positions	742.08	774.77	32.69

Planning, Building and Code Enforcement Department

Chu Chang, Acting Director

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Facilitate the preservation and building of a safe, attractive, vibrant and sustainable San José through partnership with and exceptional service to our diverse communities and customers

City Service Areas

Community and Economic Development
Neighborhood Services

Core Services

Citywide Land Use Planning

Develop land use plans and policies to guide the future physical growth of the City

Development Plan Review and Building Construction Inspection

Manage and review development and construction applications to allow issuance of permits in compliance with applicable codes and policies

Code Enforcement

Enforce and promote compliance with local and State codes to ensure a safe, healthy, and attractive community

Strategic Support: Administration, Clerical Services, Budget Preparation, Fiscal Services, Human Resources, Information Systems, Marketing and Outreach, Pandemic Response, and Safety/Wellness

Planning, Building and Code Enforcement Department

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Citywide Land Use Planning Core Service</i>	
Citywide Planning	Guides the physical design and development of San José by maintaining and updating the Envision San José 2040 General Plan; preparing and updating Urban Village Plans, Area Development Policies, and Specific Plans; conducting long range planning studies and participating with local partners on regional planning; updating City ordinances and policies as they relate to land use and development; and conducting data analysis.
Planning Environmental Review and Historic Preservation	Ensures environmental protection is included in San José's land use planning decision-making process. The Historic Preservation Program seeks to preserve buildings of historical significance in San José.
Planning Administration	Provides administrative support to Planning Development Services for preparation of public hearings and land use entitlement documents.
<i>Development Plan Review and Building Construction Inspection Core Service</i>	
Building Development Services	Ensures building projects in San José are built to meet City and State standards by providing customer information, supporting small businesses, issuing building permits, conducting plan reviews, and inspecting building projects to ensure compliance with applicable codes and policies.
Planning Development Services	Ensures development within the City is consistent with the City's General Plan by processing land use entitlement applications for consistency with the City's General Plan, regulations and policies; reviewing building permit applications for consistency with the City's requirements and permit approvals; and providing land use and permitting information to the public.
Development Services Administration	Supports the Shared Resources Programs by providing oversight of information technology system development and maintenance support for the department and AMANDA integrated permit and electronic content management systems, imaging documents and processing customer document requests, scheduling building inspections, and assisting customers in person and by phone for appointments.
<i>Code Enforcement Core Service</i>	
Community Code Enforcement	Ensures the health and safety and quality of life for San José residents and businesses by enforcing the municipal code and land use requirements.
Multiple Housing Code Enforcement	Ensures multi-family buildings are maintained in safe, decent, and sanitary conditions by conducting proactive, routine, and complaint-based inspections under the Multiple Housing Residential Occupancy Permit Program.
Solid Waste Code Enforcement	Regulates and inspects solid waste facilities to ensure that each permitted facility is in full compliance with federal, state, and local regulations governing health and operational standards.
Code Enforcement Administration	Provides management and oversight to the Code Enforcement Division along with administrative and analytical support, budget preparation, billing, and monitoring.

Planning, Building and Code Enforcement Department

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Strategic Support Core Service</i>	
PBCE Financial Management	Manages the budget and all financial transactions for the department; assists in annual budget development.
PBCE Management and Administration	Provides administrative oversight for the department, including executive management, employee services, human resources, grant tracking/reconciliation, contract management and analytical support.
Pandemic Response	Provides for the coordination and delivery of emergency services and recovery activities in response to the COVID-19 pandemic.

Planning, Building and Code Enforcement Department

Department Budget Summary

Expected 2021-2022 Service Delivery

- Implement the amended Diridon Station Area Plan and the subsequent review of individual buildings within the approved Downtown West Mixed-Use Project area.
- Complete the second Four-Year Review of the Envision San José General Plan (General Plan) Update.
- Complete the development and bring forward for City Council consideration the Citywide Parking Strategy.
- Bring forward for City Council approval the Berryessa BART and North First Street Urban Village Plans.
- Continue to rezone properties consistent with the General Plan as guided by City Council and SB1333, focusing on rezonings that facilitate housing and protect lands designated for industrial and agricultural and open space uses.
- Streamline process improvements to support the City Manager's Office of Civic Innovation's efforts to fulfill the City's Smart City Vision, which includes the Broadband and Digital Inclusion Strategy.
- Continue to promote the Accessory Dwelling Unit (ADU) Program, including streamlining the permitting process.
- Continue to explore and enhance the availability and capability of remote video inspections.
- Complete Code Enforcement field inspection services for Emergency complaints within 24 hours and Priority complaints within 72 hours.
- Complete inspections of multiple family residential properties to ensure buildings receive a routine inspection within the designated 3-year, 5-year, or 6-year cycle time as required by the building's tier assessment.
- Continue implementation and updates of the Integrated Permit System.

2021-2022 Key Budget Actions

- Adds 2.0 Associate Engineer and 1.0 Principal Permit Specialist positions permanently and continues 1.0 Analyst II position through June 30, 2022 for the Accessory Dwelling Unit (ADU) Ally Program.
- Adds 1.0 Planner III position permanently and continues 3.0 Planner I/II/III positions through June 30, 2022 to support Environmental Review of special and capital programs.
- Eliminates 11.0 positions (1.0 Principal Office Specialist and 10.0 Office Specialist) in the Development Services Imaging and Call Center as a result of the implementation of process and technology improvements.
- Decreases non-personal/equipment of \$190,000 to recognize departmental savings in professional services, supplies and materials, and computer data processing.
- Eliminates the non-personal/equipment funding of \$266,237 for the Open Counter Project as the contractual services is no longer needed.

Operating Funds Managed

- Building Development Fee Program Fund
- Citywide Planning Fee Program Fund
- Planning Development Fee Program Fund

Planning, Building and Code Enforcement Department

Department Budget Summary

	2019-2020 Actuals ***	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Dollars by Core Service				
Citywide Land Use Planning	6,427,316	7,801,973	6,183,363	6,799,440
Code Enforcement	10,501,467	12,401,056	11,985,023	11,773,896
Development Plan Review and Building Construction Inspection	33,750,908	38,536,115	37,491,454	36,329,416
Strategic Support - Community & Economic Development	4,696,157	1,942,739	1,964,357	2,372,797
Strategic Support - Neighborhood Services	547,312	636,137	659,448	659,448
Strategic Support - Other - Community & Economic Development	903,592	8,229,751	6,447,183	6,455,173
Strategic Support - Other - Neighborhood Services	292	0	0	0
Total	\$56,827,044	\$69,547,771	\$64,730,828	\$64,390,170
Dollars by Category				
Personal Services and Non-Personal/Equipment				
Salaries/Benefits	49,215,249	55,720,596	54,451,271	54,555,749
Overtime	758,081	181,622	181,622	181,622
Subtotal Personal Services	\$49,973,330	\$55,902,218	\$54,632,893	\$54,737,371
Non-Personal/Equipment	3,573,929	5,908,322	4,176,438	3,689,392
Total Personal Services & Non-Personal/Equipment	\$53,547,259	\$61,810,540	\$58,809,331	\$58,426,763
Other Costs*				
City-Wide Expenses	3,189,865	1,192,848	203,000	203,000
General Fund Capital	0	0	0	0
Housing Loans and Grants	0	0	0	0
Other	22,149	12,093	12,093	32,000
Overhead Costs	67,770	6,532,290	5,706,404	5,728,407
Total Other Costs	\$3,279,785	\$7,737,231	\$5,921,497	\$5,963,407
Total	\$56,827,044	\$69,547,771	\$64,730,828	\$64,390,170

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document. The amounts in the 2020-2021 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

** The positions displayed in the 2019-2020 Actuals column reflect those included in the 2019-2020 Adopted Budget.

*** 2019-2020 Actuals may not subtotal due to rounding.

Planning, Building and Code Enforcement Department

Department Budget Summary

	2019-2020 Actuals ***	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Dollars by Fund				
General Fund (001)	54,612,055	17,144,259	15,218,424	15,077,288
Building Development Fee Program Fund (237)	0	37,304,973	36,593,002	36,006,834
Planning Development Fee Program Fund (238)	0	6,719,353	6,332,023	6,267,258
Citywide Planning Fee Program Fund (239)	0	4,187,214	3,673,550	3,673,550
Fire Development Fee Program Fund (240)	0	613,009	476,610	246,757
Public Works Development Fee Program Fund (241)	0	628,109	330,548	235,001
Low And Moderate Income Housing Asset Fund (346)	234,705	304,758	6,568	283,097
Coronavirus Relief Fund (401)	525,572	0	0	0
Emergency Reserve Fund (406)	5,660	0	0	0
Integrated Waste Management Fund (423)	332,056	405,412	279,922	268,712
Community Development Block Grant Fund (441)	556,201	1,300,248	1,276,768	1,326,465
Storm Sewer Operating Fund (446)	83,855	135,905	142,841	142,841
Multi-Source Housing Fund (448)	0	26,472	26,758	26,758
Rental Stabilization Program Fee Fund (450)	34,915	30,724	37,058	37,058
Inclusionary Fee Fund (451)	24,359	0	27,308	27,308
Airport Maintenance And Operation Fund (523)	37,584	94,388	98,543	98,543
Sewer Service And Use Charge Fund (541)	74,218	138,094	145,359	145,359
Capital Funds	305,863	514,853	65,546	527,341
Total	\$56,827,044	\$69,547,771	\$64,730,828	\$64,390,170
Positions by Core Service**				
Citywide Land Use Planning	35.69	36.00	29.49	33.49
Code Enforcement	71.00	70.32	68.28	68.11
Development Plan Review and Building Construction Inspection	208.35	195.29	184.58	174.75
Strategic Support - Community & Economic Development	12.55	10.23	10.23	13.23
Strategic Support - Neighborhood Services	4.75	4.13	4.21	4.21
Strategic Support - Other - Community & Economic Development	4.16	4.53	2.21	2.21
Total	336.50	320.50	299.00	296.00

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** The positions displayed in the 2019-2020 Actuals column reflect those included in the 2019-2020 Adopted Budget.

*** 2019-2020 Actuals may not subtotal due to rounding.

Planning, Building and Code Enforcement Department

Department Budget Summary

	2019-2020 Actuals**	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed	2021-2022 Proposed Positions
Dollars by Program*					
Code Enforcement					
Code Enforcement Administration	123,611	161,720	166,868	148,439	0.66
Community Code Enforcement	4,945,623	5,825,609	5,809,410	5,663,302	32.79
Multiple Housing Code Enforcement	4,069,322	4,620,524	4,254,645	4,211,484	24.79
Solid Waste Code Enforcement	1,362,912	1,793,203	1,754,100	1,750,671	9.87
Sub-Total	10,501,467	12,401,056	11,985,023	11,773,896	68.11
Development Plan Review and Building Construction Inspection					
Building Development Services	25,062,801	28,247,433	29,032,360	29,570,291	137.61
Development Services Administration	3,955,191	5,035,894	3,492,700	1,932,340	9.14
Planning Development Services	4,732,917	5,252,788	4,966,394	4,826,785	28.00
Sub-Total	33,750,908	38,536,115	37,491,454	36,329,416	174.75
Citywide Land Use Planning					
Citywide Planning	5,782,003	6,532,279	5,671,611	5,887,549	29.38
Planning Administration	414,193	410,479	432,613	432,613	1.32
Planning Environmental Review and Historic Preservation	231,120	859,215	79,139	479,278	2.79
Sub-Total	6,427,316	7,801,973	6,183,363	6,799,440	33.49
Strategic Support - Community & Economic Development					
PBCE Information Technology - Community and Economic Development	1,673,682	0	0	0	0.00
PBCE Management and Administration - Community and Economic Development	2,491,243	1,942,739	1,964,357	2,372,797	13.23
PBCE Pandemic Response	531,232	0	0	0	0.00
Sub-Total	4,696,157	1,942,739	1,964,357	2,372,797	13.23
Strategic Support - Neighborhood Services					
PBCE Management and Administration - Neighborhood Services	547,312	636,137	659,448	659,448	4.21
Sub-Total	547,312	636,137	659,448	659,448	4.21
Strategic Support - Other - Community & Economic Development					
PBCE Other Departmental - City-Wide - Community and Economic Development	492,619	1,205,200	351,260	337,247	1.21
PBCE Other Departmental - Grants - Community and Economic Development	408,136	492,261	389,519	389,519	1.00
PBCE Other Operational - Administration - Community and Economic Development	1,587	0	0	0	0.00

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** 2019-2020 Actuals may not subtotal due to rounding.

Planning, Building and Code Enforcement Department

Department Budget Summary

	2019-2020 Actuals**	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed	2021-2022 Proposed Positions
PBCE Overhead - Community and Economic Development	1,250	6,532,290	5,706,404	5,728,407	0.00
Sub-Total	903,592	8,229,751	6,447,183	6,455,173	2.21
Strategic Support - Other - Neighborhood Services					
PBCE Other Departmental - Grants - Neighborhood Services	292	0	0	0	0.00
Sub-Total	292	0	0	0	0.00
Total	\$56,827,044	\$69,547,771	\$64,730,828	\$64,390,170	296.00

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** 2019-2020 Actuals may not subtotal due to rounding.

Planning, Building and Code Enforcement Department

Budget Reconciliation

Personal Services and Non-Personal/Equipment (2020-2021 Adopted to 2021-2022 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
Prior Year Budget (2020-2021):	320.50	61,810,540	15,951,411
Base Adjustments			
One-Time Prior Year Expenditures Deleted			
• Rebudget: Expedited Housing Development Staffing		(400,000)	0
• Rebudget: Policy and Ordinance Development Assistance		(250,000)	(250,000)
• Rebudget: San José Sign Ordinance and Lighting Policy Update		(170,000)	0
• Rebudget: North San José Area Development Policy and Environmental Impact Report		(141,000)	(141,000)
• Rebudget: Cannabis Regulatory Program CEQA Review		(95,000)	(95,000)
• Rebudget: Green House Gas Reduction Strategy Update		(73,000)	(73,000)
• Rebudget: Envision San José 2040 General Plan Four-Year Review		(68,000)	0
• Rebudget: Code Enforcement Mobile Devices		(57,600)	(57,600)
• Rebudget: Integrated Permit System - Revenue Process Redesign		(50,000)	(12,500)
• Rebudget: Urban Village Master Planning		(11,000)	(11,000)
• Diridon Station Area Development Planning Staffing (2.0 Planner II/III)	(2.00)	0	0
• Climate Smart San José Plan Implementation Staffing (1.0 Planner IV)	(1.00)	0	0
• Destination Home Silicon Valley Grant Staffing (1.0 Planner II)	(1.00)	0	0
• Integrated Permitting System Staff Support (1.0 Supervising Applications Analyst and 3.0 Senior Systems Application Programmer)	(4.00)	(806,448)	(104,835)
• Development Fee Program Contractual Services		(414,360)	0
• California Environmental Quality Act Compliance and Review (2.0 Planner III)	(2.00)	(339,905)	0
• Housing Project Staffing (1.0 Planner III)	(1.00)	(169,902)	0
• Accessory Dwelling Unit Ally (1.0 Analyst I/II)	(1.00)	(147,169)	(147,169)
• Environmental Review Staffing (0.5 Planner II PT)	(0.50)	(56,357)	0
One-time Prior Year Expenditures Subtotal:	(12.50)	(3,249,741)	(892,104)
Technical Adjustments to Costs of Ongoing Activities			
• Salary/benefit changes		2,049,605	161,114
• Position Shift: Development Services Technology Staffing (1.0 Department Information Technology Manager, 2.0 Information Systems Analyst, 1.0 Network Technician III, 2.0 Senior Systems Application Programmer, 1.0 Supervising Applications Analyst, and 1.0 Systems Applications Programmer II to Information Technology Department and 1.0 Geographic Information Systems Specialist to Public Works Department)	(9.00)	(1,900,230)	(249,750)
• Fund Shift: Citywide Planning Fee Program	0.00	151,081	0
• Budget Realignment: FirstNet Support		17,237	17,237

Planning, Building and Code Enforcement Department

Budget Reconciliation

Personal Services and Non-Personal/Equipment (2020-2021 Adopted to 2021-2022 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
Base Adjustments			
Technical Adjustments to Costs of Ongoing Activities			
• Vehicle Maintenance and Operations		11,000	13,000
• Fund Shift: PBCE Shared Resources	0.00	(80,161)	14,516
Technical Adjustments Subtotal:	(9.00)	248,532	(43,883)
2021-2022 Forecast Base Budget:	299.00	58,809,331	15,015,424
Budget Proposals Recommended			
1. Accessory Dwelling Unit Staffing	4.00	658,438	151,368
2. Environmental Review Staffing	4.00	652,170	0
3. Body-Worn Cameras		0	0
4. Development Services Imaging and Call Center Staffing	(11.00)	(1,188,630)	(20,565)
5. Open Counter Contractual Services Savings		(266,237)	(33,630)
6. Non-Personal/Equipment Savings		(190,000)	(190,000)
7. Reprographics Contractual Services Savings		(48,309)	(48,309)
Total Budget Proposals Recommended	(3.00)	(382,568)	(141,136)
2021-2022 Proposed Budget Total	296.00	58,426,763	14,874,288

Planning, Building and Code Enforcement Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
1. Accessory Dwelling Unit Staffing	4.00	658,438	151,368

***Community and Economic Development CSA
Development Plan Review and Building Construction Inspection Core Service
Building Development Services Program***

As directed in the Mayor's March Budget Message for Fiscal Year 2021-2022, as approved by the City Council, this action adds 2.0 Associate Engineer and 1.0 Principal Permit Specialist positions, funded by the Building Development Fee Program Fund, to support expedited review of Accessory Dwelling Unit (ADU) permit applications. The City processed 26 times the number of ADU applications in 2020 as it did in 2015, and ADU's represented 38% of all the housing permits pulled in 2020. This action will enable the Department to meet the growing demand for ADU permits and further support the City's objective to provide more inclusive and affordable housing. In addition, this action continues 1.0 Analyst II position, through June 30, 2022, to serve as the ADU Ally, which will be the City's main point of contact for potential ADU applicants and facilitate the promotion of ADU's. Specifically, the position will conduct outreach, informative workshops, and improve customer service in answering all questions regarding ADU application process and requirements. The position will also streamline review processes for ADU applications and conduct data tracking and analysis to ensure the successful continuity of the program. (Ongoing costs: \$499,570)

2. Environmental Review Staffing	4.00	652,170	0
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***Community and Economic Development CSA
Citywide Land Use Planning Core Service
Citywide Planning and Planning Environmental Review and Historic Preservation Programs***

This action adds 3.0 Planner I/II/III positions through June 30, 2022, 1.0 Planner III position permanently, and non-personal/equipment funding of \$10,000 to provide environmental review for special and capital programs. The Planner positions, funded by Housing Funds and Environmental Services Funds, will be responsible for reviewing and preparing federal and state environmental documents on all Housing projects and conducting environmental reviews for the Regional Wastewater Facility and other Environmental Services capital projects. Per the California Environmental Quality Act (CEQA), the City is required to disclose the environmental impacts of all its actions, including all Council approvals and many staff-level actions involving development and construction. Furthermore, the City projects that require federal funding or approval by a federal agency require review under the National Environmental Policy Act. In addition, these positions will coordinate with consultants on the preparation of environmental documents and standard review timelines to complete the clearances, review CEQA references for City Council memos, and/or provide direction on project design to comply with CEQA. (Ongoing costs: \$184,624)

3. Body-Worn Cameras		0	0
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***Neighborhood Services CSA
Code Enforcement Core Service
Community Code Enforcement Program***

This action adds non-personal/equipment funding of \$6,000 to fund the subscription cost of body-worn cameras for Code Enforcement Inspectors. This increase is fully offset by a corresponding decrease in the department's supplies and materials allocation. (Ongoing costs: \$0)

Planning, Building and Code Enforcement Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
4. Development Services Imaging and Call Center Staffing	(11.00)	(1,188,630)	(20,565)

Community and Economic Development CSA
Development Plan Review and Building Construction Inspection and Strategic Support Core Services
Development Services Administration, Planning Development Services, and PBCE Management and Administration Programs

Neighborhood Services CSA
Code Enforcement Core Service
Community Code Enforcement Program

This action eliminates 11.0 positions (1.0 Principal Office Specialist and 10.0 Senior Office Specialist), of which six are vacant and five are filled, and realigns funding for 3.0 positions (1.0 Program Manager, 1.0 Staff Specialist, and 1.0 Principal Office Specialist) to reflect the appropriate amount of staff resources needed to support the Development Services Imaging, Call Center, and Electronic Content Management System (ECMS) function. As part of the Integrated Permit System upgrade and Development Services Transformation program, extensive progress was made to transition the Development Services record management process from all records being manually scanned and organized to a majority of records created via electronic processes such as Electronic Plan Review and digital inspections. These position eliminations and funding reallocations will more accurately reflect the resources needed to support the decreased workload due to technology improvements. (Ongoing savings: \$1,210,123)

5. Open Counter Contractual Services Savings		(266,237)	(33,630)
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Community and Economic Development CSA
Development Plan Review and Building Construction Inspection and Strategic Support Core Services
Building Development Services, Development Services Administration, and Other Departmental – City-Wide Programs

Neighborhood Services CSA
Code Enforcement Core Service
Multiple Housing Code Enforcement Program

This action decreases non-personal/equipment funding by \$266,237 that was originally appropriated for the Open Counter Project. As part of the Development Services Transformation effort, the Development Services Shared Resources partnership received ongoing non-personal/equipment funding as part of the 2019-2020 Adopted Operating Budget to fund the annual software licensing costs of Open Counter. Although Open Counter had the potential to provide a more modern and accessible method of providing permitting information to the public, other software system upgrades like the Geographic Information System and Public Portal have provided similar benefits. (Ongoing savings: \$266,237)

Planning, Building and Code Enforcement Department

Budget Changes By Department Personal Services and Non-Personal/Equipment








2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
6. Non-Personal/Equipment Savings		(190,000)	(190,000)
<p><i>Community and Economic Development CSA Citywide Land Use Planning and Strategic Support Core Services Citywide Planning Program and PBCE Management and Administration Programs</i></p> <p><i>Neighborhood Services CSA Code Enforcement Core Service Code Enforcement Administration and Community Code Enforcement Programs</i></p> <p>This action decreases non-personal/equipment funding by \$190,000 as a General Fund reduction strategy. The identified reductions will impact the Department's Citywide Planning, Code Enforcement, and Management and Administration programs primarily in professional services, supplies and materials, and computer data processing. These reductions could potentially limit the programs' ability to contract third-party services when workload exceeds budgeted staffing and acquire new or upgraded equipment. (Ongoing savings: \$190,000)</p>			
7. Reprographics Contractual Services Savings		(48,309)	(48,309)
<p><i>Community and Economic Development CSA Strategic Support Core Service PBCE Management and Administration Program</i></p> <p><i>Neighborhood Services CSA Code Enforcement Core Service Code Enforcement Administration, Community Code Enforcement, Multiple Housing Code Enforcement, and Solid Waste Code Enforcement Programs</i></p> <p>This action reduces Planning, Building and Code Enforcement Department's non-personal/equipment budget by \$48,309 on an ongoing basis to reflect savings in the reprographics (printing) contract. The Finance and Information Technology Departments jointly worked to re-procure the City's reprographics contract for copier, scanner, fax devices support, and administration software and tools. Savings in the amount of \$363,000 will be generated in the General Fund, \$462,000 in all funds, across all departments from lower rental costs for the multi-function devices and significantly lower cost per copy and consumption rates. Savings can be realized with new green-print options and central administration of devices. (Ongoing savings: \$48,309)</p>			
2021-2022 Proposed Budget Changes Total	(3.00)	(382,568)	(141,136)

Planning, Building and Code Enforcement Department

Performance Summary

Code Enforcement

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 % of neighborhoods in "good" or better condition, based on a city-wide survey	N/A ¹	45%	N/A ¹	45%
 % of cases resolved through voluntary compliance, based on complexity of case types	82%	84%	75% ²	85%
 Cost per resolved case for non-fee based Community Code Enforcement programs ³	\$825	\$575	\$1,169	\$825
 % of cases resolved within estimated processing standards, based on type and complexity of violations, for non-fee based Community Code Enforcement programs	60%	65%	60%	65%
 % of annual proactive inspections completed on schedule for fee-based Code Enforcement programs: - Community Code Enforcement - Multiple Housing Code Enforcement	72% 69%	70% 70%	48% ² 12% ²	60% ² 50% ²
 % of residents who feel their neighborhood is in the same or better condition compared to previous year (annual Code Enforcement survey)	71%	70%	60% ²	70%
 % of customers who feel they received courteous treatment and timely service from their interaction with Code Enforcement staff	66%	70%	50% ²	70%

¹ Data for this measure is collected through the biennial City-Wide Community Survey. The next community survey will be conducted in summer 2021, and those results will be reported in the 2021-2022 Adopted Budget.

² The figures reflect the continuation of service suspensions due to the impact of the COVID-19 pandemic, as well as forecasted staffing levels (vacancies).

³ The 2020-2021 Estimated costs per violation exceeded the 2020-2021 Target due to the impact of the COVID-19 pandemic and suspension of Code Enforcement services, which resulted in a lower than normal level of cases processed.

Planning, Building and Code Enforcement Department

Performance Summary

Code Enforcement

Activity and Workload Highlights

	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast
Staff hours devoted to outreach/education/ prevention	123	100	50 ¹	75 ¹
Total # of Multiple Housing Code Enforcement Program buildings proactively inspected	1,051	900	200 ¹	1,688 ²
Total # of inspections for complaints for Code Enforcement programs (initial, compliance, and reinspections):				
- Community Code Enforcement (non-fee based programs)	N/A ³	N/A ³	N/A ³	1,500
- Multiple Housing Code Enforcement	N/A ³	N/A ³	N/A ³	1,500
General Code Compliance Cases:				
- Opened	3,036	3,500	2,500 ¹	3,000
- Resolved	3,031	2,500	2,000 ¹	3,000
Multiple Housing Complaint Cases:				
- Opened	289	250	250 ¹	300
- Resolved	246	200	150 ¹	300
% of cases resolved following an enforcement action:				
- Warning or Inspection Notice	73%	67%	40% ¹	45% ¹
- Citation	18%	13%	4% ¹	5% ¹
- Compliance Order	9%	18%	3% ¹	5% ¹
- Appeals Hearing Board/Litigation	1%	1%	3%	1%

¹ The figures reflect the continuation of service suspensions due to the impact of the COVID-19 pandemic, as well as forecasted staffing levels (vacancies).

² The 2021-2022 Forecast assumes all services are fully opened and back to pre-pandemic levels.





³ New Activity and Workload Highlights starting in 2021-2022.

Planning, Building and Code Enforcement Department

Performance Summary

Development Plan Review & Building Construction Inspection

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 % of projects that receive consistent feedback from staff throughout the course of project review:				
- Planning Permit Plan Review	71%	85%	TBD ¹	80%
- Building Permit Plan Review	77%	80%	TBD ¹	80%
- Building Inspectors Consistent With Building Plan Check	78%	80%	TBD ¹	80%
- Building Inspectors Consistent Among Multiple Inspectors	70%	80%	TBD ¹	80%
 Ratio of current year fee revenue to development fee program cost (includes reserve funding)	100%	100%	100%	100%
 Development projects completed within processing time targets:				
Planning Permit Process	85%	85%	85%	85%
Building Plan Check Process	74%	88%	64% ²	85%
Building Inspection Process				
- within 24 hours	66%	85%	85% ³	70% ³
- within 48 hours	70%	95%	90%	90%
 % of process participants rating service "good" or better				
Planning Permit Process	69%	80%	TBD ¹	85%
Building Plan Check Process	67%	85%	TBD ¹	85%
Building Inspection Process	79%	85%	TBD ¹	85%

¹ A Request for Proposal for a consultant for the Development Survey is currently in progress. It is anticipated that the performance measure data will be available in August 2021 and will be included in the 2021-2022 Adopted Budget.

² While additional positions have been added in the past several years and some positions have been filled, vacancies remain in the Senior Engineer and Associate Engineer classifications. In addition, due to an increased volume of plan check due to higher demands for Accessory Dwelling Units and smaller projects, plan check processing time has experienced an increase. The Administration continues to recruit for a wide range of development services positions.

³ The 2020-2021 Estimated met its target because there were smaller projects which resulted in faster completion time. This level and type of projects is abnormal and is likely due to the COVID-19 pandemic impact on development activity. In 2021-2022, it is anticipated that the workload will return to pre-pandemic levels and the targeted completion time will be lower than 2020-2021.

Planning, Building and Code Enforcement Department

Performance Summary

Development Plan Review & Building Construction Inspection

Activity and Workload Highlights

	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast
# of building permits issued	34,423	40,000	32,000	40,000
# of customers served in Permit Center ¹	34,592	59,000	N/A	59,000
# of plan checks	8,421	8,000	6,000 ²	8,000
# of field inspections	161,314	180,000	145,000 ²	180,000
# of planning applications and reviews				
- Major	76	80	56	80
- Minor	484	550	410	550
- Permit Center	4,447	4,000	4,481	4,000
# of environmental clearances				
- Major	123	100	183	100
- Minor	267	250	273	250

¹ The Permit Center in City Hall has been closed to customers since March 2020 due to the COVID-19 pandemic, resulting in a lower than normal level of customers served in 2019-2020 and no customers served in 2020-2021. The 2021-2022 Forecast reflects the possible reopening of City Hall.




² 2020-2021 Estimated reflects the service impacts due to the COVID-19 pandemic.

Planning, Building and Code Enforcement Department

Performance Summary

Citywide Land Use Planning

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 % of special planning efforts completed within targeted cost: Specific/Area Policy Plans:	100%	100%	100%	100%
 % of special planning efforts completed within targeted time: Specific/Area Policy Plans:	100%	100%	100%	100%
 % of planning process participants rating service as “good” or “excellent”	N/A ¹	85%	85%	85%

¹ Data for this measure is collected through a survey conducted by Citywide Planning. The survey was not conducted in 2017-2018, 2018-2019, and 2019-2020.

Activity and Workload Highlights

	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast
# of Scheduled/Completed Specific/Area Policy Plans ¹	0 of 4	2 of 4	1 of 4	1 of 4
# of planning policy studies ²	7	4	6	5
# of General Plan Amendments ³	8	10	10	10

¹ In 2019-2020, all Urban Village or Other Area Plans are in progress. In 2020-2021, the Berryessa/BART Urban Village Plan is anticipated to be completed. In 2021-2022, the North 1st Street Urban Village Plan is anticipated to be completed.

² In 2019-2020, the following ordinances were completed: Outdoor Sidewalk Seating, Tiny House on Wheels, Sign codes updates to address signage on urban mixed use developments citywide, code updates to allow special events on private properties, the Density Bonus and Ministerial Approval, ADU Amnesty program, and ADU ordinance updates to align with state laws. Activities for 2020-2021 include new mixed-use and Urban Village zoning districts, the Pawnshop ordinance, amendments to policy H2.9 – the “1.5 acre rule”, development permit extension, emergency resolution to allow drive-through vaccine sites, and amendments associated with the December 2020 Title 20 Quarterly Amendment. Upcoming activities for 2021-2022 include update to cannabis land use regulations, development of YIGBY policy associated with the Citywide Residential Anti-Displacement Strategy, signage in public right-of-way, updates to the Sign Code for mixed-use building signage, and additional updates to the Title 20 Quarterly Amendment.

³ In the 2020-2021 General Plan annual review cycle, there are 10 text and land use amendments that will be considered. For the 2021-2022 General Plan annual review cycle, it is anticipated that 10 private and City initiated land use amendments will be reviewed.

Planning, Building and Code Enforcement Department

Departmental Position Detail

Position	2020-2021 Adopted	2021-2022 Proposed	Change
Accountant I/II	1.00	1.00	-
Accounting Technician	1.00	1.00	-
Administrative Assistant	1.00	1.00	-
Administrative Officer	1.00	1.00	-
Analyst I/II	5.00	5.00	-
Assistant Director of Planning, Bldg and Code Enforcement	1.00	1.00	-
Assistant to the Director	1.00	1.00	-
Associate Engineer	17.00	19.00	2.00
Building Inspection Manager	4.00	4.00	-
Building Inspector Combination Certified I/II/III/Sr	63.00	63.00	-
Building Inspector, Supervisor Certified I/II	15.00	15.00	-
Code Enforcement Inspector I/II	45.00	45.00	-
Code Enforcement Supervisor	6.00	6.00	-
Department Information Technology Manager	1.00	0.00	(1.00)
Deputy Director	4.00	4.00	-
Director of Planning, Building and Code Enforcement	1.00	1.00	-
Division Manager	9.00	9.00	-
Engineer I/II	0.00	0.00	-
Environmental Inspector II	3.00	3.00	-
Geographic Information Systems Specialist II	1.00	0.00	(1.00)
Information Systems Analyst	2.00	0.00	(2.00)
Network Technician I/II/III	1.00	0.00	(1.00)
Permit Specialist	1.00	1.00	-
Planner I/II/III	35.00	33.00	(2.00)
Planner II PT	0.50	0.00	(0.50)
Planner IV	14.00	13.00	(1.00)
Planning Technician	4.00	4.00	-
Principal Account Clerk	1.00	1.00	-
Principal Office Specialist	4.00	3.00	(1.00)
Principal Permit Specialist	5.00	6.00	1.00
Principal Planner	2.00	2.00	-
Program Manager	3.00	3.00	-
Public Information Manager	1.00	1.00	-
Public Information Representative I	1.00	1.00	-
Senior Account Clerk	1.00	1.00	-
Senior Analyst	2.00	2.00	-
Senior Engineer	7.00	7.00	-
Senior Office Specialist	21.00	11.00	(10.00)
Senior Permit Specialist	16.00	16.00	-
Senior Supervisor, Administration	2.00	2.00	-
Senior Systems Application Programmer	5.00	0.00	(5.00)
Staff Specialist	8.00	8.00	-

Planning, Building and Code Enforcement Department

Departmental Position Detail

Position	2020-2021 Adopted	2021-2022 Proposed	Change
Supervising Applications Analyst	2.00	0.00	(2.00)
Supervising Environmental Services Specialist	1.00	1.00	-
Systems Applications Programmer II	1.00	0.00	(1.00)
Total Positions	320.50	296.00	(24.50)

Police Department

Anthony Mata, Police Chief

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Create safe places to live, work and learn through community partnerships

City Service Areas

Public Safety

Core Services

Crime Prevention and Community Education

Provide programs and services through community education and partnerships to reduce criminal activity and enhance public safety

Investigative Services

Provide for the objective examination of events through the collection of evidence, interviewing of witnesses, the interrogation of suspects, and other activities, to arrive at a resolution or successful prosecution

Regulatory Services

Provide for the mandated regulation of businesses and activities and the issuance of those attendant mandated permits that are in the public interest

Respond to Calls for Service and Patrol Support

Provide for 24-hour emergency and non-emergency police calls, which include but are not limited to crimes against persons and property, disturbances, traffic accidents, disasters, and medical emergencies

Strategic Support: Department Management, Public Information, Fiscal Integrity, Systems Availability, Recruiting/Training, Facilities and Vehicle Management, Wellness of the Workforce, Safety, and Pandemic Response

Police Department

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Crime Prevention and Community Education Core Service</i>	
Crime Prevention	Provides community-oriented policing, community education programs, and problem-solving support for the Police Department and the community.
School Liaison / Truancy Abatement	Develops and maintains positive communications and relationships between the Police Department and the school districts within the city; supports truancy abatement services.
School Safety	Provides for the safety of school age children as they travel to and from school.
<i>Investigative Services Core Service</i>	
Assaults	Investigates assault cases, hate crimes, criminal threats, and brandishing weapons cases.
Court Liaison	Liaisons with the District Attorney's Office, seeks and processes criminal citations, and coordinates witnesses.
Crime Analysis	Identifies crime trends and crime patterns through analysis of crime data.
Family Violence	Uses a collaborative approach to provide a secure, comfortable and convenient location for victims of family violence in order to facilitate the investigation of their cases and seek the services necessary to ensure their continued safety and well-being.
Financial Crimes / Burglary	Provides police services to the community by providing investigations of economic crimes.
Gang Investigations	Investigates gang-related crimes committed by members of criminal street gangs.
Homicide / Crime Scene	Provides for the investigation of all homicides, suspicious deaths, child deaths, in-custody deaths, and officer involved fatal incidents.
Internal Affairs	Responsible for receiving, documenting, and investigating all citizen complaints, as well as Department-initiated investigations involving Department members.
Investigations Administration	Provides leadership and management for investigative services.
Juvenile / Missing Persons	Responsible for investigating a wide variety of cases involving juvenile offenders and for locating persons who are formally reported as missing from within the city.
Robbery	Conducts investigations of robberies, extortions, kidnappings, grand theft "purse snatch" cases, and other robbery-related crimes.

Police Department
Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Investigative Services Core Service</i>	
Sexual Assaults	Investigates sex offenses reported in the city.
Special Investigations	Collects, analyzes, and disseminates information on the criminal activities of organized crime groups, emerging criminal groups, public disorder and terrorist groups, and threats to public officials or private citizens.
<i>Regulatory Services Core Service</i>	
Cannabis Regulation	Maintains regulatory oversight for cannabis collectives including site inspections, background investigations on collective's employees, investigation of Municipal Code violations, and conducting analysis of criminal activity related to cannabis operations.
Gaming Control	Maintains regulatory oversight for cardrooms including site inspections, background investigations on cardroom's employees, investigation of Municipal Code violations, and conducting analysis of criminal activity relating to cardroom operations.
Permits	Maintains regulatory oversight for business permits such as taxi companies, tow companies, massage parlors, entertainment venues, gaming establishments, bingo parlors, and peddlers in accordance with the Municipal Code.
<i>Respond to Calls for Service and Patrol Support Core Service</i>	
9-1-1 Call Taking & Police Dispatch	Serve as the vital link between public safety and those who need assistance by answering and dispatching emergency and non-emergency calls in a timely, precise, and skilled manner.
Air Support	Provides aerial support for police ground units on matters relating to public and officer safety.
Airport Division	Provides basic police services as well as coordinates with partners to enforce the Airport Security Plan and ensure compliance with all FAA and TSA security directives, existing regulations, and emergency amendments at Norman Y. Mineta San José International Airport.
Downtown Services	Manages policing activities for events associated with the Downtown Entertainment Zone, including regulatory enforcement of the City's Entertainment and Conditional Use Permits at nightclubs and bars, enforcement of Alcoholic Beverage Control violations, cruise management traffic diversion, and patrol checks at parking garages in the Entertainment Zone.
Field Operations Administration	Provides leadership and management for field operations.
Field Patrol	Performs continuous patrol and response to calls for service to ensure immediate public safety.

Police Department

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Respond to Calls for Service and Patrol Support Core Service</i>	
Metro	Performs a variety of functions, including street level narcotics enforcement, prostitution enforcement, tactical support for the MERGE Unit, augmenting the VCET Unit during upticks in violent gang crime, and various special assignments as needed.
Reserves / Volunteers	Manages volunteers who assist the Department for relief, special functions and community events.
Special Operations	Responds to high-risk incidents, including hostage/barricade situations, with specially trained and equipped staff.
Traffic Enforcement	Enforces traffic laws in order to reduce traffic collisions, their resulting injuries, and facilitates the safe and expedient flow of vehicular and pedestrian traffic.
Violent Crimes Enforcement	With a highly skilled and trained team, provides enforcement of crimes associated with violence related to criminal gang activity in an effort to reduce and prevent youth crime and violence.
<i>Strategic Support Core Service</i>	
Police Financial Management	Manages the budget and all financial transactions for the department; assists in annual budget development.
Police Human Resources	Manages personnel-related functions for the department, including hiring (in coordination with the Human Resources Department), employee development, employee discipline (in coordination with the Office of Employee Relations), and personnel transactions.
Police Information Technology	Provides information technology services, planning, system development and maintenance for the department in coordination with the Information Technology Department.
Police Department Management and Administration	Provides executive-level, analytical and administrative support to the department.
Police Records	Manages and maintains local, state and federal databases in order to assist in the identification, apprehension and prosecution of criminal offenders, and to ensure officer and public safety.
Police Research and Development	Performs research and preparation of complex reports and projects involving inter-departmental issues and intergovernmental topics as well as coordinates release of information in accordance with the California Public Records Act.
Police Training and Academy	Delivers constantly updated training programs that support the Department's commitment to excellence, reflecting the highest professional standards in managerial, operational, and personal performance.
Pandemic Response	Provides for the coordination and delivery of emergency services and recovery activities in response to the COVID-19 pandemic.

Police Department

Department Budget Summary

Expected 2021-2022 Service Delivery

- Maintain a vibrant, safe community by delivering high quality police services.
- Continue to provide effective and timely response to calls for service.
- Improve the positive relationship the community has with the Police Department, which is critical in patrolling the City and investigating crimes, and enables quick resolution of the most serious crimes.
- Strive to reduce crime rates, conduct investigations effectively, and continue efforts to deter violence.
- Work collaboratively with the community to reimagine public safety, finding innovative and effective strategies for problem solving.

2021-2022 Key Budget Actions

- Maintains one-time funding of \$7.0 million for the Sworn Hire Ahead Program in 2021-2022 to timely fill vacancies with street-ready officers, as approved in 2020-2021. The Sworn Hire Ahead Program is not funded beyond 2021-2022.
- Sets aside one-time funding of \$1.0 million in the Police Redistricting Implementation Reserve, as described in the General Fund Capital, Transfers, and Reserves section of this document, to continue the multi-year process of realigning the Department's division, district, and beat boundaries to effectively distribute police resources that account for community needs, future population growth, and economic development.
- Continues 4.0 Analyst II positions through June 30, 2022 and adds 1.0 Analyst I/II and 1.0 Police Forensic Analyst positions to provide additional capacity to process and respond to California Public Records Act (CPRA) requests.
- Adds one-time funding of \$750,000 to continue foot patrols in high need neighborhoods and Downtown.
- Adds one-time funding of \$500,000 to support the investigation and enforcement of illegal street racing and sideshows through a combination of overtime and license-plate reader technology.
- Adds one-time funding of \$300,000 for backgrounding candidates for upcoming Police Officer Recruit Academies and for key non-sworn positions, such as Public Safety Communication Specialists, Public Safety Dispatchers in the 9-1-1 Emergency Communications Center, and Crime and Intelligence Analysts.
- Adds one-time non-personal/equipment funding of \$120,000 to continue support of the Domestic Violence - High Risk Response Team pilot partnership to improve service delivery to survivors of domestic violence.
- Reorganizes the Central Identification Unit by deleting 2.0 vacant Latent Fingerprint Examiner II/III positions and adding 1.0 Program Manager position to supervise the collection, examination and retention of fingerprints.
- Civilianizes a total of 6 vacant sworn positions (1.0 Police Sergeant and 5.0 Police Officers) within the Bureau of Field Operations, Crime Evidence and Warehouse Unit, Public Information Office, and Reserve Unit to reflect functions that will be performed by civilian staff.

Operating Funds Managed

- | | |
|---|---|
| <input type="checkbox"/> Edward Byrne Memorial Justice Assistance Grant | <input type="checkbox"/> Supplemental Law Enforcement Services Fund |
| <input type="checkbox"/> Federal Drug Forfeiture Fund | <input type="checkbox"/> State Drug Forfeiture Fund |

Police Department

Department Budget Summary

	2019-2020 Actuals ***	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Dollars by Core Service				
Crime Prevention and Community Education	4,915,728	7,092,256	7,053,627	7,053,627
Investigative Services	83,774,727	88,465,656	90,490,498	90,521,460
Regulatory Services	4,441,596	4,763,504	4,860,936	4,860,936
Respond To Calls For Service and Patrol Support	289,082,281	295,352,878	303,242,664	304,190,180
Strategic Support - Other - Public Safety	17,616,929	15,837,057	10,447,639	8,125,507
Strategic Support - Public Safety	58,773,650	60,018,841	55,546,638	56,562,676
Total	\$458,604,910	\$471,530,192	\$471,642,002	\$471,314,386
Dollars by Category				
Personal Services and Non-Personal/Equipment				
Salaries/Benefits	373,109,045	395,982,318	409,980,743	410,097,336
Overtime	46,619,219	27,110,896	21,475,575	22,935,575
Subtotal Personal Services	\$419,728,264	\$423,093,214	\$431,456,318	\$433,032,911
Non-Personal/Equipment	25,623,164	33,869,831	29,937,991	30,111,914
Total Personal Services & Non-Personal/Equipment	\$445,351,428	\$456,963,045	\$461,394,309	\$463,144,825
Other Costs*				
City-Wide Expenses	3,327,811	4,507,054	7,500	251,500
General Fund Capital	0	0	0	0
Gifts	3,031	0	0	0
Housing Loans and Grants	0	0	0	0
Other	1,696,321	2,472,132	2,472,132	150,000
Overhead Costs	0	15,961	18,061	18,061
Workers' Compensation	8,226,320	7,572,000	7,750,000	7,750,000
Total Other Costs	\$13,253,482	\$14,567,147	\$10,247,693	\$8,169,561
Total	\$458,604,910	\$471,530,192	\$471,642,002	\$471,314,386

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document. The amounts in the 2020-2021 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

** The positions displayed in the 2019-2020 Actuals column reflect those included in the 2019-2020 Adopted Budget.

*** 2019-2020 Actuals may not subtotal due to rounding.

Police Department

Department Budget Summary

	2019-2020 Actuals ***	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Dollars by Fund				
General Fund (001)	453,065,505	467,267,868	468,556,735	470,551,251
Gift Trust Fund (139)	3,031	0	0	0
Coronavirus Relief Fund (401)	3,392,228	0	0	0
Emergency Reserve Fund (406)	114,859	0	0	0
Supplemental Law Enforcement Services Fund (414)	1,543,170	1,981,545	1,981,545	0
State Drug Forfeiture Fund (417)	45,976	485,000	0	0
Federal Drug Forfeiture Fund (419)	0	215,000	0	0
Edward Byrne Memorial Justice Assistance Grant Trust Fund (474)	0	842,197	290,587	0
Airport Maintenance And Operation Fund (523)	102,581	118,214	135,506	135,506
General Purpose Parking Fund (533)	255,171	200,000	200,000	150,000
Capital Funds	82,390	420,368	477,629	477,629
Total	\$458,604,910	\$471,530,192	\$471,642,002	\$471,314,386
Positions by Core Service**				
Crime Prevention and Community Education	70.67	69.67	69.67	69.67
Investigative Services	284.50	313.50	314.50	313.50
Regulatory Services	23.00	23.00	23.00	23.00
Respond To Calls For Service and Patrol Support	1,134.50	1,094.50	1,093.50	1,093.50
Strategic Support - Public Safety	197.50	214.50	211.50	217.50
Total	1,710.17	1,715.17	1,712.17	1,717.17

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** The positions displayed in the 2019-2020 Actuals column reflect those included in the 2019-2020 Adopted Budget.

*** 2019-2020 Actuals may not subtotal due to rounding.

Police Department

Department Budget Summary

	2019-2020	2020-2021	2021-2022	2021-2022	2021-2022
	Actuals**	Adopted	Forecast	Proposed	Proposed Positions
Dollars by Program*					
Crime Prevention and Community Education					
Crime Prevention	1,705,567	1,967,424	1,983,694	1,983,694	13.00
Police Activities League	0	7,594	7,822	7,822	0.00
School Liaison/Truancy Abatement	1,016,656	2,238,949	2,285,523	2,285,523	7.00
School Safety	2,193,505	2,878,289	2,776,588	2,776,588	49.67
Sub-Total	4,915,728	7,092,256	7,053,627	7,053,627	69.67
Investigative Services					
Assaults	3,512,568	4,010,012	4,028,167	4,028,167	15.00
Court Liaison	1,920,500	1,976,402	1,974,341	1,974,341	12.00
Crime Analysis	2,017,185	2,911,499	2,557,351	2,557,351	17.00
Family Violence	4,773,442	5,926,100	6,051,589	6,171,589	22.00
Financial Crimes/Burglary	4,469,805	6,166,606	5,739,967	5,739,967	22.00
Gang Investigations	4,685,972	5,384,577	5,869,231	5,869,231	21.00
Homicide/Crime Scene	12,254,640	10,096,016	10,431,750	10,431,750	33.00
Internal Affairs	5,708,785	5,601,245	5,883,302	5,883,302	18.00
Investigations Administration	10,206,865	10,257,512	10,953,654	10,620,616	27.00
Juvenile/Missing Persons	1,271,659	2,702,654	1,337,503	1,337,503	5.50
Robbery	3,969,282	4,126,270	4,171,870	4,171,870	14.00
Sexual Assaults	14,234,849	15,205,547	16,183,047	16,183,047	56.00
Special Investigations	14,749,175	14,101,216	15,308,726	15,552,726	51.00
Sub-Total	83,774,727	88,465,656	90,490,498	90,521,460	313.50
Regulatory Services					
Cannabis Regulation	1,306,122	1,378,045	1,410,969	1,410,969	6.00
Gaming	1,516,837	1,500,201	1,590,744	1,590,744	7.00
Permits	1,618,636	1,885,258	1,859,223	1,859,223	10.00
Sub-Total	4,441,596	4,763,504	4,860,936	4,860,936	23.00
Respond To Calls For Service and Patrol Support					
9-1-1 Call Taking & Police Dispatch	25,400,606	28,097,674	28,926,991	28,926,991	164.50
Air Support	2,754,060	2,567,183	2,652,278	2,652,278	7.00
Airport Division	8,398,470	8,641,542	8,787,387	8,787,387	11.00
Downtown Services	1,657,516	2,839,369	2,932,454	2,932,454	8.00
Field Operations Administration	4,128,579	3,863,180	3,976,496	3,728,929	15.00
Field Patrol	215,232,055	213,179,341	215,876,849	216,661,849	755.00
Metro	7,277,332	8,871,775	8,951,663	8,951,663	31.00
Police - Reserves Unit	1,425,634	1,375,808	1,236,468	1,146,551	5.00

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** 2019-2020 Actuals may not subtotal due to rounding.

Police Department

Department Budget Summary

	2019-2020	2020-2021	2021-2022	2021-2022	2021-2022
	Actuals**	Adopted	Forecast	Proposed	Proposed Positions
Special Operations	12,957,257	12,794,304	16,638,127	16,638,127	53.00
Traffic Enforcement	4,637,033	8,734,943	8,820,540	9,320,540	30.00
Violent Crimes Enforcement	5,213,740	4,387,759	4,443,411	4,443,411	14.00
Sub-Total	289,082,281	295,352,878	303,242,664	304,190,180	1,093.50
Strategic Support - Public Safety					
Police Department Management and Administration	6,343,939	6,691,873	7,285,857	7,152,792	11.00
Police Financial Management	2,598,016	2,730,276	2,776,468	2,776,468	16.00
Police Human Resources	9,480,374	7,883,078	7,799,287	8,099,287	28.00
Police Information Technology	6,427,537	13,884,843	8,149,656	8,149,656	25.00
Police Pandemic Response	6,212,980	0	0	0	0.00
Police Records	8,343,332	9,833,527	10,020,302	10,020,302	80.50
Police Research and Development	2,515,927	2,800,450	2,828,175	3,677,278	17.00
Police Training and Academy	16,851,545	16,194,794	16,686,893	16,686,893	40.00
Sub-Total	58,773,650	60,018,841	55,546,638	56,562,676	217.50
Strategic Support - Other - Public Safety					
Police Capital	82,390	0	0	0	0.00
Police Gifts	3,031	0	0	0	0.00
Police Other Departmental - City-Wide	4,617,050	1,097,026	341,942	291,942	0.00
Police Other Departmental - Grants	4,688,139	6,452,070	2,337,636	65,504	0.00
Police Other Operational - Administration	0	700,000	0	0	0.00
Police Overhead	0	15,961	18,061	18,061	0.00
Police Workers' Compensation	8,226,320	7,572,000	7,750,000	7,750,000	0.00
Sub-Total	17,616,929	15,837,057	10,447,639	8,125,507	0.00
Total	\$458,604,910	\$471,530,192	\$471,642,002	\$471,314,386	1,717.17

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** 2019-2020 Actuals may not subtotal due to rounding.

Police Department

Budget Reconciliation

Personal Services and Non-Personal/Equipment

(2020-2021 Adopted to 2021-2022 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
Prior Year Budget (2020-2021):	1,715.17	456,963,045	455,188,814
Base Adjustments			
One-Time Prior Year Expenditures Deleted			
• Rebudget: Investigative Equipment		(700,000)	0
• Rebudget: Sexual Assault Workplan		(515,000)	(515,000)
• Rebudget: Intergraph Maintenance Upgrade		(300,000)	(300,000)
• Rebudget: 2018 Justice Assistance Grant		(282,401)	0
• Rebudget: 2017 Justice Assistance Grant		(269,209)	0
• Rebudget: 9-1-1/3-1-1 Call Center		(85,000)	(85,000)
• Rebudget: Permitting Software		(75,000)	(75,000)
• Rebudget: Sexual Assault Survivor Assistance		(60,000)	(60,000)
• Rebudget: Santa Clara Valley Water District		(30,000)	(30,000)
• Rebudget: Mobile Radar Trailer		(20,000)	(20,000)
• Sworn Hire Ahead Program		1,815,000	1,815,000
• Police Department Overtime		450,000	450,000
• Mobile Data Computer Replacements		(4,460,000)	(4,460,000)
• Proactive Policing/Foot Patrol in High Need Neighborhoods		(1,000,000)	(1,000,000)
• Public Records Requests Staffing	(5.00)	(725,180)	(725,180)
• Police and Fire Department Computer Aid Dispatch Upgrade		(684,500)	(684,500)
• Police Redistricting		(350,000)	(350,000)
• Police Background Services		(300,000)	(300,000)
• Domestic Violence Prevention		(10,000)	(10,000)
• FBI Safe Streets Task Force		(4,585)	(4,585)
• FBI SF Joint Terrorism Task Force		(4,585)	(4,585)
• FBI South Bay Child Exploitation Task Force		(3,100)	(3,100)
One-Time Prior Year Expenditures Subtotal:	(5.00)	(7,613,560)	(6,361,950)
Technical Adjustments to Costs of Ongoing Activities			
• Salary/benefit changes and the following position reallocations:		7,742,842	7,670,409
- 1.0 Accountant II to 1.0 Analyst II			
- 1.0 Analyst II to 1.0 Systems Applications Programmer II			
- 1.0 Division Manager to 1.0 Police Communications Manager			
- 2.0 Office Specialist II to 2.0 Police Data Specialist II			
- 1.0 Program Manager to 1.0 Department Information Technology Manager			
- 1.0 Senior Office Specialist to 1.0 Staff Specialist			
• Vehicle Replacement: Police Fleet		2,499,510	2,499,510
• Overtime Adjustment		580,577	580,557
• Position Shift: Police Services from Office of City Attorney to Police Department (1.0 Police Officer and 1.0 Police Sergeant)	2.00	533,034	533,034
• Vehicle Operations and Maintenance		293,000	293,000
• Budget Realignment: FirstNet Support		119,491	119,491
• Software/Information Systems: Redaction Software		100,000	100,000
• Living Wage Adjustment		96,893	96,893

Police Department

Budget Reconciliation

Personal Services and Non-Personal/Equipment

(2020-2021 Adopted to 2021-2022 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
Technical Adjustments to Costs of Ongoing Activities			
• Utilities: Gas, Electricity, Water		53,000	53,000
• Contract Services: County of Santa Clara/Outdoor Firearms Training Facility		45,000	45,000
• Field Training Officer Overtime Adjustment		31,275	31,275
• Contract Services: County of Santa Clara/District Attorney's Office Crime Lab		29,061	29,061
• Canine Unit Overtime Adjustment		17,290	17,290
• Night Shift Differential Adjustment		11,676	11,676
• Insurance: Aircraft Hull and Liability (Aircraft) Policy		10,086	10,086
• Software/Information Systems: Use of Force Incidents Dashboard		6,000	6,000
• Software/Information: Body Worn Camera Program		5,000	5,000
• Contract Services: County of Santa Clara/Criminal Justice Information Control (CJIC)		3,000	3,000
• Community-Based Organization: YWCA Solutions to Domestic Violence		2,777	2,777
• Community-Based Organization: Truancy Abatement and Burglary Suppression		1,439	1,439
• Community-Based Organization: San Jose Police Chaplaincy Program		630	630
• Community-Based Organization: Crisis Intervention for Youth		416	416
• Motorcycle Unit Overtime Adjustment		(111,430)	(111,430)
• MERGE Unit Overtime Adjustment		(17,510)	(17,510)
• Bomb Squad Overtime Adjustment		(8,233)	(8,233)
Technical Adjustments Subtotal:	2.00	12,044,824	11,972,371
2021-2022 Forecast Base Budget	1,712.17	461,394,309	460,799,235
Budget Proposals Recommended			
1. Police Public Records Team Staffing	6.00	849,103	849,103
2. Foot Patrol in Downtown and High Needs Neighborhoods		750,000	750,000
3. Traffic Safety and Illegal Sideshows		500,000	500,000
4. Police Backgrounding Services		300,000	300,000
5. Domestic Violence - High Risk Response Team		120,000	120,000
6. Fireworks Enforcement		35,000	35,000
7. Bureau of Field Operations Administration Staffing	0.00	(247,567)	(247,567)
8. Crime Evidence and Warehouse Unit	0.00	(197,870)	(197,870)
9. Central Identification Unit Staffing	(1.00)	(135,168)	(135,168)
10. Reserve Unit Staffing	0.00	(89,917)	(89,917)
11. Reprographics Contractual Services Savings		(71,077)	(71,077)
12. Public Information Office Staffing	0.00	(61,988)	(61,988)
Total Budget Proposals Recommended	5.00	1,750,516	1,750,516
2021-2022 Proposed Budget Total	1,717.17	463,144,825	462,549,751

Police Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
1. Police Public Records Team Staffing	6.00	\$849,103	\$849,103

*Public Safety CSA
Strategic Support Core Service
Police Research and Development Program*

This action continues funding for 4.0 Analyst II positions through June 30, 2022 and adds 1.0 Analyst II and 1.0 Police Forensic Analyst positions permanently to address the increasing workload associated with recent amendments to the California Public Records Act (CPRA) and volume of records requests. This proposal increases the amount of ongoing staffing supporting public records requests from 3.0 to 5.0 FTE, and provides a total of 9.0 FTE focused on responding to public records requests. On September 30, 2018, California Senate Bill (SB) 1421 was approved by Governor Edmund G. Brown Jr., amending Penal Code (PC) Sections 832.7 and 832.8 relating to peace officer personnel records and other records maintained by the Department, effective January 1, 2019. Records that are now subject to public disclosure under PC 832.7, as amended, include: all investigative reports; photographic, audio, and video evidence; and transcripts or recordings of interviews. SB 1421 additionally required that certain peace officer personnel records and records relating to specified incidents, complaints, and investigations involving peace officers be made available for public inspection. These analysts will provide capacity for the processing, redaction, and production of video requests for body worn camera footage, as well as the establishment of departmental procedures, coordination with the Office of the City Attorney, compliance with policies, and the collection of applicable fees. (Ongoing costs: \$290,055)

2. Foot Patrol in Downtown and High Needs Neighborhoods		750,000	750,000
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*Public Safety CSA
Respond to Calls for Service and Patrol Core Service
Field Patrol Program*

As directed in the Mayor's March Budget Message for Fiscal Year 2021- 2022, as approved by the City Council, this action adds one-time overtime funding of \$750,000 to support the Proactive Community Policing program in high need neighborhoods (\$500,000) and in the Downtown (\$250,000). The program aims to deter and reduce criminal activity and build more positive communication between police and residents. This program brings back the "walking beat" on an overtime basis and will use an equity screen to prioritize neighborhoods most needing this service. (Ongoing costs: \$0)

Police Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
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3. Traffic Safety and Illegal Sideshows		500,000	500,000
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Public Safety CSA
Respond to Calls for Service and Patrol Support Core Service
Traffic Enforcement Program

As directed in the Mayor's March Budget Message for Fiscal Year 2021- 2022, this action adds one-time funding of \$500,000 to support the investigation and violation enforcement of illegal street racing and sideshows. The funding provides overtime resources for special enforcement details consisting of two teams of one sergeant and six officers once a week for 40 weeks (\$375,000); non-personal/equipment funding of five portable vehicle license plate readers that can be mounted on a pole, tripod, or in patrol vehicles (\$79,000); and non-personal/equipment funding for vehicle rentals to support the 14 staff assigned to the special enforcement detail (\$46,000). Additional funding of \$200,000 is provided in the Construction Excise Tax Fund within the Traffic Capital Program for quick-build modifications at five intersections to help deter illegal activity. (Ongoing costs: \$0)

4. Police Backgrounding Services		300,000	300,000
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Public Safety CSA
Strategic Support Core Service
Police Human Resources Program

This action adds one-time personal services funding of \$300,000 for the backgrounding of candidates for the three planned Police Officer Recruit Academies in 2021-2022, and for civilian candidates in priority classifications such as Public Safety Communication Specialists, Public Safety Dispatchers in the 9-1-1 Emergency Communications Center, and Crime and Intelligence Analysts. This personal services funding will augment the existing backgrounding positions included in the Police Department's Base Budget, bringing total backgrounding resources to approximately \$2.0 million. (Ongoing costs: \$0)

5. Domestic Violence – High Risk Response Team		120,000	120,000
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Public Safety CSA
Investigative Services Core Service
Family Violence Program

This action adds one-time non-personal/equipment funding of \$120,000 to continue the support of the Domestic Violence - High Risk Response Team (DV-HRRT) pilot focused on improving service delivery to survivors of domestic violence through June 30, 2022. The DV-HRRT model consists of a partnership between a non-profit organization and the Police Department to employ four strategies: early identification of high-risk cases, engagement of a multidisciplinary team, ongoing monitoring and containment of offenders, and victim services. The DV-HRRT also provides the capacity for advocates to respond and have in-person meetings with survivors immediately following cases that have been categorized as "high lethality," and is based on best practices adopted by jurisdictions across the country. (Ongoing costs: \$0)

Police Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
6. Fireworks Enforcement		35,000	35,000

Public Safety CSA

Respond to Calls for Service and Patrol Support Core Service

Field Patrol Program

The actions adds one-time overtime funding of \$35,000 to provide resources for the Fireworks Hotspot Enforcement Pilot Program for July 4, 2021. As discussed at the Public Safety, Finance, and Strategic Support Committee meeting on April 15, 2021, the Police Department has developed an enforcement plan that aims to reduce the prevalence of fireworks within the city limits. Officers will enforce fireworks violations leading up to the Fourth of July as well as on the day itself. Using data, known fireworks hotspots (i.e. parking lots, parks, schools, etc.) will be monitored before crowds gather. Officers will remain in the areas to prevent the congregation of large crowds and will adjust accordingly, based on relevant information, to prevent congregation in other areas. During each enforcement operation, officers will collect images and/or videos which will be used for a Public Safety Announcement (PSA). The purpose of PSA is to educate and deter these actions via mainstream or social media platforms. These enforcement efforts will be accomplished entirely with off duty staff working in an overtime capacity. The Department will evaluate the effectiveness of this pilot program to determine if funding should be recommended for extension into future years. (Ongoing costs: \$0)

7. Bureau of Field Operations Administration Staffing	0.0	(247,567)	(247,567)
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Public Safety CSA

Respond to Calls for Service and Patrol Support Core Service

Field Operations Administration Program

This action reorganizes the Bureau of Field Operations - Administration section by deleting 1.0 vacant Police Sergeant position and 1.0 vacant Police Officer position, and by adding 2.0 Analyst II positions to enable the reassignment of civilian administrative functions from sworn personnel. Current civilian functions include staffing, scheduling, and assignment management for officers on leave due to sickness, military leave, injury, COVID-19 testing and vaccination appointments. The addition of these Analyst II positions will also provide analytical capacity to directly support Bureau of Field Operations command staff through analysis of overtime usage and the efficacy of control measures to more closely manage overtime costs. (Ongoing savings: \$256,829)

8. Crime Evidence and Warehouse Unit Staffing	0.0	(197,870)	(197,870)
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Public Safety CSA

Investigative Services Core Service

Investigations Administration Program

This action reorganizes the Crime Evidence and Warehouse Unit by deleting 2.0 vacant Police Officer positions and adding 2.0 Police Property Specialist positions to support the maintenance and disposition of physical evidence. In accordance with the Duty Manual and Department of Justice requirements for background checks, a sworn Police Officer will continue to handle the release of firearms to maintain chain of custody, in addition to performing background checks. (Ongoing savings: \$216,394)

Police Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
9. Central Identification Unit Staffing	(1.0)	(135,168)	(135,168)

*Public Safety CSA
Investigative Services Core Service
Investigations Administration Program*

This action reorganizes the Central Identification Unit by deleting 2.0 vacant Latent Fingerprint Examiner II/III positions and adding 1.0 Program Manager position to supervise the collection, examination and retention of fingerprints. The addition of the Program Manager position enables the transition of temporary supervision from a Police Sergeant in the Financial Crimes/Burglary Unit, thereby providing additional management capacity in that unit, to a dedicated manager with the requisite combination of latent fingerprint experience and certification in advance of future accreditation requirements of the Department of Justice. The Program Manager will assist and oversee the Latent Fingerprint Examiners, review cases to ensure efficient examination, and assume responsibility for compiling and reporting latent fingerprint data. Due to the vacancies experienced within this unit, no service impacts are anticipated, but the unit's capacity remains limited to only providing fingerprinting services for violent crimes; the unit continues to not have the capacity to support non-violent property-related crimes. (Ongoing savings: \$141,899)

10. Reserve Unit Staffing		(89,917)	(89,917)
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*Public Safety CSA
Respond to Calls for Service and Patrol Support Core Service
Police – Reserves Unit Program*

This action reorganizes the Reserves Unit by deleting 1.0 vacant Police Officer position and adding 1.0 Principal Office Specialist position to oversee the department's volunteer workforce, which includes reserve officers and civilian volunteers. The Principal Office Specialist will assist with administrative tracking of the Reserve Officer hours worked to fulfill their monthly required time, training requirements, notifications such as change in Department policy and procedures, and uniform replacement eligibility. This reorganization provides a supervisory position to assist with the coordination of over 150 combined reserve staffing resources. (Ongoing savings: \$99,179)

11. Reprographics Contractual Services Savings		(71,077)	(71,077)
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*Public Safety CSA
Strategic Support Core Service
Police Department Management and Administration Program*

This action reduces the Department's non-personal/equipment budget by \$71,077 on an ongoing basis to reflect savings in the reprographics (printing) contract. The Finance and Information Technology Departments jointly worked to re-procure the City's reprographics contract for copier, scanner, fax devices support, and administration software and tools. Savings in the amount of \$363,000 will be generated in the General Fund, \$462,000 in all funds, across all departments from lower rental costs for the multi-function devices and significantly lower cost per copy and consumption rates. Savings can be realized with new green-print options and central administration of devices. (Ongoing savings: \$71,077)

Police Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
12. Public Information Office Staffing	0.0	(61,988)	(61,988)

Public Safety CSA

Strategic Support Core Service

Police Department Management and Administration Program





This action reorganizes the Public Information Office by deleting 1.0 vacant Police Officer position and adding 1.0 Public Information Representative II position to actively engage in public outreach via social media platforms, coordinate with the video unit, and perform other non-public facing communications functions of the Public Information Office. This reorganization enables the Department to recruit for a civilian with marketing and communications expertise, who will be primarily responsible for independently managing social media platforms and the Department's internal newsletter. As part of this reorganization, responsibility for following up on Crime Stopper tips will be assumed by the Crime Prevention Unit for assignment to investigators. (Ongoing savings: \$71,250)

2021-2022 Proposed Budget Changes Total	5.00	1,750,516	1,750,516
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Police Department
Performance Summary

Crime Prevention and Community Education

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 San José's crime rate (per 100,000 inhabitants) – by % and # - as compared to the national crime rate (Index Crimes)	2,858.0 / 2,489.4 ¹ 14.8%	0%	N/A	0%
 San José's crime rate (per 100,000 inhabitants) – by % and # - as compared to the California crime rate (CCI)	2,858.0 / 2,772.4 ¹ 3.1%	0%	N/A	0%
 San José's crime rate (per 100,000 inhabitants) – by % and # - as compared to 12 similar cities (CCI)	2,858.0 / 4,239.2 ¹ -32.6%	0%	N/A	0%
 % of requested crime prevention presentations scheduled within 30 days	99.35%	99%	99%	99%

¹ Data represents reported statistics for calendar year 2019.

Activity and Workload Highlights



	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated ¹	2021-2022 Target
# of patrol hours spent on proactive community policing	13,280	13,000	6,136	10,000
# of community presentations (excluding schools)	249	200	186	200
# of participants at community presentations (excluding schools)	5,036	5,000	4,672	5,000
# of school presentations	583	500	230	500
# of participants at school presentations	20,547	20,000	11,938	20,000

¹ The COVID-19 pandemic affected opportunities to engage with the community and therefore figures are considerably lower for 2020-2021.

Police Department
Performance Summary

Investigative Services

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 % of cases assigned that result in criminal filings or are otherwise successfully resolved	44.5%	45%	44.5%	45%
 % of change (increase or decrease) for # of cases assigned compared to the previous year	-6.1%	8%	0%	0%

Activity and Workload Highlights

	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast
# of cases received	57,504	57,000	58,780	58,000
# of cases assigned ¹	32,235	35,000	30,028	35,000
# of cases that result in criminal filings	14,343	15,000	13,372	15,000
# of outstanding cases (cases currently open)	4,212	4,000	4,500	4,000
# of cases operationally closed due to lack of investigative resources	14,903	15,000	16,386	15,000
# of cases operationally closed ²	55,998	56,000	68,036	57,000





¹ Number of cases assigned reflects the number of cases received that have a solvability factor and can be assigned if resources allow. This number differs from the number of cases received as some cases have insufficient information or leads to warrant assignment for further investigation.

² Number of cases operationally closed reflects cases that were resolved (solved, cleared, or closed) within the fiscal year regardless of when they were assigned. As a result, this number may include cases initially assigned in a prior fiscal year.

Police Department
Performance Summary

Regulatory Services

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 % of cardroom licenses, key employee licenses and card room work permits revoked or denied as compared to total licenses/work permits issued	0.8%	0%	0.7%	0.8%
 % of cardroom license revocations and denials overturned on appeal to total licenses or work permits revoked or denied	0%	0%	0%	0%
 % of cardroom employee work permit applications receiving written decision within the ordinance mandated 20 working days	100%	100%	100%	100%
 Ratio of budgeted costs to estimated Revenues ¹	2.01:1	1.98:1	1.98:1	1.80:1

¹ Includes non-recoverable enforcement costs.










Activity and Workload Highlights

	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast
# of gaming permit applications processed	642	700	710	710
# of cardroom/key employee license applications	37	40	40	40
# of denials and revocations – cardrooms only	5	0	5	5
# of denials overturned – cardrooms only	0	0	0	0
# of taxi cabs permitted	175	200	102	100
# of gaming permits issued	576	600	636	600

Police Department
Performance Summary

Respond to Calls for Service and Patrol Support

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 % of 9-1-1 calls that are answered within 15 seconds	93.16%	95%	91.38%	95%
 Average time in which emergency calls, including 9-1-1 calls, are answered (in seconds) ¹	6.00	6.50	6.19	6.50
 Average time in which non-emergency calls, including 3-1-1 calls are answered (in seconds)	144.72	25.00	110.27	25.00
 Average time in which Telephone Reporting Automation Center (TRAC) calls are answered (in minutes)	3.25	6.00	2.68	6.0
 Average response time (City-wide) - (in minutes) Priority One (present or imminent danger to life or major damage/loss of property)	7.01	6.00	7.26	6.0
-Average call processing time	1.21	1.50	1.24	1.50
-Average call queuing time	0.80	0.50	0.61	0.50
-Average call driving-to-arrival time	5.00	4.00	5.38	4.00
 Average response time (City-wide) - (in minutes) Priority Two (injury or property damage or potential for either to occur)	21.04	11.00	22.91	11.00
-Average call processing time	1.48	1.50	1.52	1.50
-Average call queuing time	10.57	3.50	11.75	3.50
-Average call driving-to-arrival time	8.99	6.00	10.10	6.00
 Annual cost of Police to respond to calls for service (in millions)	\$138.8	\$138.8	\$147.2	\$151.7
 Annual cost per call for Police service	\$126.65	\$126.65	\$129.10	\$132.97
 Ratio of fatal collisions to total number of traffic collisions	1:166	1:183	1:173	1:180

¹ Includes 9-1-1, 7-digit, wireless, California Highway Patrol (CHP) transfers and BART (June 2020).

Police Department

Performance Summary

Respond to Calls for Service and Patrol Support

Activity and Workload Highlights

	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast
# of emergency calls received ¹	606,034	630,000	629,036	640,000
# of wireless 9-1-1 calls received	452,890	470,000	468,530	475,000
# of non-emergency calls received ²	502,918	500,000	517,076	525,000
# of reports received by alternative means	25,103	26,000	25,054	26,000
# of officer-initiated calls received	94,631	95,000	70,402	75,000
# of hours of off-duty uniformed work at special events (includes security and traffic control)	21,236	26,000	26,204	26,000
# of special events coordinated by Secondary Employment Unit ¹	1,075	800	428	450
# of officer work permits processed for Secondary Employment	520	700	468	450
Cost of providing Secondary Employment capability ⁴	\$825,269	\$825,268	\$832,406	\$828,838
# of total traffic collisions	7,167	11,000	6,348	6,300
# of injury traffic collisions	2,756	2,400	2,292	2,200
# of fatal traffic collisions	44	60	36	35
# of neighborhood traffic enforcement requests received	1,453	1,670	1,400	1,600
# of DUI arrests (Traffic Enforcement generated)	8	10	10	10
# of moving violation citations issued by Traffic Enforcement Unit personnel (both hazardous and non-hazardous)	7,928	7,000	4,300 ⁵	9,000

¹ Includes 9-1-1, 7 digit, wireless, California Highway Patrol (CHP) transfers and BART (June 2020).

² Includes 3-1-1 (through March 2020), 7-digit non-emergency, and Telephone Report Automated Center (TRAC) calls.

³ The COVID-19 pandemic has impacted the opportunity for special events to occur during 2020-2021 due to ongoing restrictions regarding public gatherings and is reflected in the 2020-2021 Estimate. The 2021-2022 Target reflects the anticipated continuation of restrictions.

⁴ Cost includes secondary employment administrative costs and excludes costs paid directly to off-duty Officers by secondary employers and event promoters.

⁵ The COVID-19 pandemic prompted the issuing of warnings as opposed to citations in efforts to limit interactions for 2020-2021. The lessening of restrictions related to COVID-19, in addition to an impending increase in staffing, is expected to result in a higher figure for 2021-2022.

Police Department

Departmental Position Detail

Position	2020-2021 Adopted	2021-2022 Proposed	Change
Account Clerk II	1.00	1.00	-
Accountant I/II	1.00	0.00	(1.00)
Accounting Technician	2.00	2.00	-
Administrative Assistant	1.00	1.00	-
Administrative Officer	1.00	1.00	-
Analyst I/II	22.00	24.00	2.00
Assistant Chief of Police	1.00	1.00	-
Assistant Communications Manager	1.00	1.00	-
Background Investigator	5.00	5.00	-
Chief of Police	1.00	1.00	-
Community Service Officer I/II	61.00	61.00	-
Crime and Intelligence Analyst	14.00	14.00	-
Crime and Intelligence Data Administrator	1.00	1.00	-
Crime and Intelligence Data Technician	3.00	3.00	-
Crime Prevention Specialist	12.00	12.00	-
Crime Prevention Supervisor	1.00	1.00	-
Crisis Intervention Training Manager	1.00	1.00	-
Department Information Technology Manager	2.00	3.00	1.00
Deputy Chief of Police	4.00	4.00	-
Deputy Director U	2.00	2.00	-
Digital Media Technician	1.00	1.00	-
Division Manager	6.00	5.00	(1.00)
Information Systems Analyst	3.00	3.00	-
Latent Fingerprint Examiner II	3.00	1.00	(2.00)
Latent Fingerprint Examiner III	5.00	5.00	-
Maintenance Worker II	1.00	1.00	-
Messenger Clerk	1.00	1.00	-
Network Engineer	4.00	4.00	-
Network Technician I/II/III	3.00	3.00	-
Office Specialist II	14.00	12.00	(2.00)
Office Specialist II PT	0.50	0.50	-
Police Captain	9.00	9.00	-
Police Communications Manager	0.00	1.00	1.00
Police Data Specialist	62.00	64.00	2.00
Police Data Specialist PT	1.50	1.50	-
Police Forensic Analyst	5.00	6.00	1.00
Police Lieutenant	41.00	41.00	-
Police Officer	911.00	907.00	(4.00)
Police Property Specialist I/II	17.00	19.00	2.00
Police Property Supervisor	2.00	2.00	-
Police Sergeant	190.00	190.00	-
Principal Office Specialist	8.00	9.00	1.00
Program Manager I	3.00	3.00	-
Public Information Representative II	0.00	1.00	1.00
Public Safety Communication Specialist	58.00	58.00	-
Public Safety Communication Specialist PT	1.50	1.50	-
Public Safety Radio Dispatcher	79.00	79.00	-

Police Department

Departmental Position Detail

Position	2020-2021 Adopted	2021-2022 Proposed	Change
Public Safety Radio Dispatcher PT	2.00	2.00	-
School Crossing Guard PT	44.67	44.67	-
School Safety Supervisor	4.00	4.00	-
Senior Account Clerk	3.00	3.00	-
Senior Analyst	7.00	7.00	-
Senior Auditor	3.00	3.00	-
Senior Crime and Intelligence Analyst	2.00	2.00	-
Senior Community Service Officer	6.00	6.00	-
Senior Office Specialist	18.00	17.00	(1.00)
Senior Police Data Specialist	11.00	11.00	-
Senior Public Safety Dispatcher	14.00	14.00	-
Senior Systems Applications Programmer	2.00	2.00	-
Staff Specialist	15.00	16.00	1.00
Supervising Applications Analyst	2.00	2.00	-
Supervising Auditor	1.00	1.00	-
Supervising Community Services Officer	1.00	1.00	-
Supervising Police Data Specialist	4.00	4.00	-
Supervising Public Safety Dispatcher	6.00	6.00	-
Supply Clerk	1.00	1.00	-
Systems Applications Programmer II	0.00	1.00	1.00
Training Specialist	2.00	2.00	-
Total Positions	1,715.17	1,717.17	2.00

Note: Of the 1,717.17 positions in the Police Department in 2021-2022, 1,153.00 are sworn positions and 564.17 are civilian positions. Starting 2021-2022, this includes 2.0 sworn positions previously assigned to the Office of the City Attorney.

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Public Works Department

Matthew Cano, Director

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To provide excellent service in building a smart and sustainable community, maintaining and managing City assets, and serving the animal care needs of the community

City Service Areas

Community & Economic Development
Neighborhood Services
Strategic Support

Core Services

Animal Care and Services

Promote and protect the health, safety, and welfare of animals and people in the City of San José

Facilities Management

Provide safe, efficient, comfortable, attractive, and functional buildings and facilities

Fleet and Equipment Services

Manage operations which provide a safe and reliable fleet of vehicles and equipment

Plan, Design, and Construct Public Facilities and Infrastructure

Plan, design, and construct public facilities and infrastructure, Materials Testing Laboratory, and Surveying Services

Regulate/Facilitate Private Development

Review private development to ensure that new development contributes to the safety and welfare of the residents as well as the City's economic development

Strategic Support: Infrastructure and Mapping, Financial and Contractual Administration, Technology Services, Equality Assurance, and Human Resources and Pandemic Response

Public Works Department

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Animal Care and Services Core Service</i>	
Animal Licensing and Customer Services	Provides licensing, adoption and customer service support, such as spay and neuter, quarantine, and owner surrender for customers at the Animal Services Center.
Animal Services Field Operations	Provides field services to ensure the health, safety and welfare of animals and people in the City.
<i>Facilities Management Core Service</i>	
City Facilities Repairs and Minor Capital Improvements	Addresses City facility needs, including tracking and conducting repairs and minor capital improvements, managing improvement and remodel projects, performing building system repairs and improvements, and maintaining the work order database.
Energy and Water Conservation	Provides support to ensure the latest energy and water conservation technologies and methodologies are incorporated for all major capital projects.
Facility Maintenance and Operations – City Hall	Provides maintenance, event services and security for City Hall; maintenance includes programmed preventive maintenance and corrective maintenance.
Facility Maintenance and Operations – Non City Hall	Provides maintenance for City-owned facilities (not City Hall), including programmed preventive maintenance and corrective maintenance through requests and building assessments, and repairs in areas such as locksmith work, carpentry, electrical, HVAC, painting, and plumbing.
<i>Fleet and Equipment Services Core Service</i>	
Fleet Maintenance and Operations	Provides preventive maintenance, repairs, and statutory inspections for over 2,800 vehicles and equipment that support public safety, public health, and general government operations citywide.
Fleet Replacement	Manages the acquisition and disposal of all vehicles and equipment, including vehicle procurement and build-up.
Radio Communication	Provides reliable, necessary public and non-public safety-related communications equipment, maintains existing radio equipment and ensures optimal functionality, strategically plans for future upgrades and technology changes while supporting the Silicon Valley Regional Interoperability Authority.

Public Works Department

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Plan, Design, and Construct Public Facilities and Infrastructure Core Service</i>	
City Facilities Architectural Services and Capital Project Administration	Provides architectural services and project administration for the delivery of capital improvements for City-owned facilities, including recreational facilities, parks, trails, libraries, public safety facilities, and various cultural and municipal facilities.
City Facilities Engineering and Inspection Services	Provides engineering and surveying services to determine roadway pavement sections and develop topographic map; provides quality assurance during construction to ensure compliance with the contract documents, the California Building Standard Code, and industry standards of care.
Transportation, Sanitary and Storm Sewer Capital	Supports the design and construction of right-of-way capital infrastructure projects, general engineering plan review for regional projects, and electrical engineering review for projects constructed by private developers.
<i>Regulate / Facilitate Private Development Core Service</i>	
Public Works Development Services	Provides support to ensure new development projects comply with applicable regulations and provide the necessary public infrastructure including, but not limited to: streets, sidewalks, storm and sanitary sewers, streetlights, landscaping in frontages and street islands, and traffic signals.
<i>Strategic Support Core Service</i>	
Pandemic Response	Provides for the coordination and delivery of emergency services and recovery activities in response to the COVID-19 pandemic.
Public Works Management and Administration	Provides administrative oversight for the department, including executive management, financial management, information technology support, human resources, and analytical support.

Public Works Department

Department Budget Summary

Expected 2021-2022 Service Delivery

- Oversee the City's capital projects, ensuring on-time and on-budget delivery that meet the needs of San José residents.
- Maintain City facilities, equipment, and vehicles.
- Provide expedited and quality plan review services for the development community.
- Provide animal care and services resources with concentrated focus on public health and safety.

2021-2022 Key Budget Actions

- Adds 1.0 Building Inspector Combination and 1.0 Building Inspector Supervisor positions to support the delivery of the City's Capital Improvement Programs after a review of the 2021-2022 Capital Budget and a determination of the appropriate classifications necessary to support those projects.
- Adds 1.0 Program Manager position and associated non-personal/equipment funding to support emergency operations as Public Works has a critical response role during emergencies. The Program Manager will assist in the response to emergency events as well as coordinate the training, procedures, and departmental policies for staff to respond efficiently and effectively.
- Eliminates 3.0 vacant Electrician positions and adds 1.0 Senior Electrician position and \$100,000 of overtime funding under the citywide electrical maintenance program. Review of the electrical maintenance program determined that these actions would provide immediate savings to the city and reorganize service delivery to a program that has seen high turnover and retention issues.
- Adds 1.0 Senior Analyst position in the Office of Equality Assurance (OEA) to support the Office's ability to successfully administer and enforce compliance of federal, state, and local laws, policies, and ordinances regarding prevailing, living, and minimum wage.
- Decreases ongoing non-personal/equipment funding by \$214,000 for facilities preventive maintenance. This action is part of city-wide strategic cost reduction efforts.
- Adds 1.0 Senior Animal Services Officer position and eliminates 1.0 vacant Animal Care Attendant position under the animal shelter operations program to enhance customer service management and support security efforts at the Animal Care and Services Center.
- Adds 1.0 Information Systems Analyst position and eliminates 1.0 vacant Senior Engineering Technician position and 0.5 vacant Engineering Trainee PT position under the Geographic Information Systems (GIS) team. To advance GIS capabilities, a position with a higher-level skillset is required to provide advanced support, application development, and integrations for GIS software systems.

Operating Funds Managed

- Public Works Program Support Fund
- Public Works Development Fee Program Fund
- Vehicle Maintenance and Operations Fund
- Public Works Small Cell Permitting Fee Program Fund

Public Works Department

Department Budget Summary

	2019-2020 Actuals ***	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Dollars by Core Service				
Animal Care and Services	8,100,676	8,668,310	8,860,916	8,878,649
Facilities Management	33,747,711	33,809,434	27,810,249	27,367,815
Fleet and Equipment Services	22,949,684	26,053,202	26,262,543	28,240,976
Plan, Design, and Construct Public Facilities and Infrastructure	29,915,331	44,169,722	44,181,805	43,138,635
Regulate/Facilitate Private Development	17,106,388	16,881,195	17,770,320	17,770,320
Strategic Support - Community & Economic Development	2,385	0	0	0
Strategic Support - Neighborhood Services	922,210	752,148	825,955	825,955
Strategic Support - Other - Community & Economic Development	256,188	566,500	580,000	580,000
Strategic Support - Other - Neighborhood Services	4,202,782	225,000	225,000	174,000
Strategic Support - Other - Strategic Support	4,076,494	43,583,197	20,415,594	25,339,799
Strategic Support - Strategic Support	24,630,042	10,068,403	10,826,339	11,151,682
Total	\$145,909,890	\$184,777,111	\$157,758,721	\$163,467,831
Dollars by Category				
Personal Services and Non-Personal/Equipment				
Salaries/Benefits	91,872,128	96,465,949	100,215,547	100,565,993
Overtime	2,472,035	1,095,453	1,099,846	1,199,846
Subtotal Personal Services	\$94,344,164	\$97,561,402	\$101,315,393	\$101,765,839
Inventory	7,216,980	7,562,690	7,439,000	7,439,000
Non-Personal/Equipment	18,874,736	18,301,047	19,772,246	19,524,847
Total Personal Services & Non-Personal/Equipment	\$120,435,879	\$123,425,139	\$128,526,639	\$128,729,686
Other Costs*				
City-Wide Expenses	3,288,139	3,048,500	2,646,000	2,646,000
General Fund Capital	12,045,258	33,116,000	1,520,000	5,727,000
Gifts	296,220	225,000	225,000	174,000
Housing Loans and Grants	134,185	1,353,652	1,353,652	0
Other	7,249,724	17,517,623	17,517,623	20,196,133

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** The positions displayed in the 2019-2020 Actuals column reflect those included in the 2019-2020 Adopted Budget.

*** 2019-2020 Actuals may not subtotal due to rounding.

Public Works Department
Department Budget Summary

	2019-2020 Actuals ***	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Other - Capital	518	0	0	0
Overhead Costs	2,075,009	5,316,197	5,317,807	5,368,012
Workers' Compensation	384,958	775,000	652,000	627,000
Total Other Costs	\$25,474,011	\$61,351,972	\$29,232,082	\$34,738,145
Total	\$145,909,890	\$184,777,111	\$157,758,721	\$163,467,831

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Public Works Department

Department Budget Summary

	2019-2020 Actuals ***	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Dollars by Fund				
General Fund (001)	66,736,655	73,525,256	43,295,389	47,380,325
Gift Trust Fund (139)	326,324	225,000	225,000	174,000
Public Works Program Support Fund (150)	19,207,936	19,812,173	20,375,749	21,053,757
Building Development Fee Program Fund (237)	0	24,834	59,145	59,145
Planning Development Fee Program Fund (238)	0	12,417	46,359	46,359
Citywide Planning Fee Program Fund (239)	0	0	67,918	67,918
Fire Development Fee Program Fund (240)	0	12,439	12,844	12,844
Public Works Development Fee Program Fund (241)	0	12,864,936	12,933,020	12,933,020
Public Works Small Cell Permitting Fee Program Fund (242)	0	3,668,512	4,445,525	4,445,525
Downtown Property And Business Improvement District Fund (302)	8,234	10,000	10,000	10,000
St. James Park Management District Fund (345)	5,770	0	0	0
Low And Moderate Income Housing Asset Fund (346)	161,845	194,130	220,989	220,989
Business Improvement District Fund (351)	262,885	0	0	0
Coronavirus Relief Fund (401)	1,851,699	0	0	0
Emergency Reserve Fund (406)	2,233,374	0	0	0
Integrated Waste Management Fund (423)	328,657	599,375	660,314	660,314
Community Development Block Grant Fund (441)	280,925	1,500,000	1,523,995	170,343
Storm Sewer Operating Fund (446)	783,562	970,911	1,016,871	1,016,871
Multi-Source Housing Fund (448)	362,630	0	0	0
Transient Occupancy Tax Fund (461)	3,776	0	0	0
Community Facilities District No. 17 (Capitol Expy – Evergreen Place) (496)	37,627	0	0	0
San José-Santa Clara Treatment Plant Operating Fund (513)	104,143	131,342	136,876	136,876
Water Utility Fund (515)	36,893	39,547	39,547	39,547
Airport Maintenance And Operation Fund (523)	176,906	211,652	220,614	220,614
General Purpose Parking Fund (533)	28,134	115,597	110,449	79,488
Convention and Cultural Affairs Fund (536)	36,967	9,000	9,000	9,000
Sewage Treatment Plant Connection Fee Fund (539)	474,000	623,676	641,709	641,709
Sewer Service And Use Charge Fund (541)	1,829,673	2,996,416	3,059,632	3,086,421
Vehicle Maintenance And Operations Fund (552)	22,120,286	25,249,247	25,718,344	27,671,777
Capital Funds	28,510,990	41,980,651	42,929,432	43,330,989
Total	\$145,909,890	\$184,777,111	\$157,758,721	\$163,467,831

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** The positions displayed in the 2019-2020 Actuals column reflect those included in the 2019-2020 Adopted Budget.

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Public Works Department

Department Budget Summary

	2019-2020 Actuals ***	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Positions by Core Service**				
Animal Care and Services	75.57	75.57	75.57	75.57
Facilities Management	83.40	84.65	84.65	82.65
Fleet and Equipment Services	71.30	70.55	70.55	70.55
Plan, Design, and Construct Public Facilities and Infrastructure	246.47	240.85	239.55	241.05
Regulate/Facilitate Private Development	94.99	95.64	97.94	97.94
Strategic Support - Neighborhood Services	2.50	2.50	2.50	2.50
Strategic Support - Other - Strategic Support	0.40	0.00	1.00	1.00
Strategic Support - Strategic Support	46.64	54.51	54.51	56.51
Total	621.27	624.27	626.27	627.77

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** The positions displayed in the 2019-2020 Actuals column reflect those included in the 2019-2020 Adopted Budget.

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Public Works Department

Department Budget Summary

	2019-2020 Actuals**	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed	2021-2022 Proposed Positions
Dollars by Program*					
Animal Care and Services					
Animal Licensing and Customer Services	5,162,670	5,608,998	5,762,354	5,668,321	51.57
Animal Services Field Operations	2,938,005	3,059,312	3,098,562	3,210,328	24.00
Sub-Total	8,100,676	8,668,310	8,860,916	8,878,649	75.57
Facilities Management					
City Facilities Repairs and Minor Capital Improvements	5,300,537	10,715,616	3,519,912	3,519,912	18.50
Energy and Water Conservation	1,699,588	174,387	177,973	177,973	1.00
Facility Maintenance and Operations - City Hall	13,163,534	8,044,843	8,521,137	8,421,137	24.00
Facility Maintenance and Operations - Non City Hall	13,584,051	14,874,588	15,591,227	15,248,793	39.15
Sub-Total	33,747,711	33,809,434	27,810,249	27,367,815	82.65
Fleet and Equipment Services					
Fleet Maintenance and Operations	17,008,872	18,340,562	18,702,119	18,694,042	61.55
Fleet Replacement	4,364,133	5,785,880	5,785,880	7,772,390	0.00
Radio Communication	1,576,679	1,926,760	1,774,544	1,774,544	9.00
Sub-Total	22,949,684	26,053,202	26,262,543	28,240,976	70.55
Plan, Design, and Construct Public Facilities and Infrastructure					
City Facilities Architectural Services and Capital Project Administration	5,483,318	8,857,382	8,053,328	8,053,328	44.50
City Facilities Engineering and Inspection Services	2,525,857	14,459,761	14,583,048	14,893,530	81.06
Transportation, Sanitary and Storm Sewer Capital	21,906,156	20,852,579	21,545,429	20,191,777	115.49
Sub-Total	29,915,331	44,169,722	44,181,805	43,138,635	241.05
Regulate/Facilitate Private Development					
Public Works Development Services	17,106,388	16,881,195	17,770,320	17,770,320	97.94
Sub-Total	17,106,388	16,881,195	17,770,320	17,770,320	97.94
Strategic Support - Community & Economic Development					
Public Works Management and Administration - Community and Economic Dev	2,385	0	0	0	0.00
Sub-Total	2,385	0	0	0	0.00
Strategic Support - Neighborhood Services					

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** 2019-2020 Actuals may not subtotal due to rounding.

Public Works Department

Department Budget Summary

	2019-2020 Actuals**	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed	2021-2022 Proposed Positions
Public Works Management and Administration - Neighborhood Services	922,210	752,148	825,955	825,955	2.50
Sub-Total	922,210	752,148	825,955	825,955	2.50
Strategic Support - Strategic Support					
Public Works Information Technology - Strategic Support	1,249,198	1,406,567	1,896,503	2,080,118	11.97
Public Works Management and Administration - Strategic Support	18,770,910	8,661,836	8,929,836	9,071,564	44.54
Public Works Pandemic Response	4,609,934	0	0	0	0.00
Sub-Total	24,630,042	10,068,403	10,826,339	11,151,682	56.51
Strategic Support - Other - Community & Economic Development					
Public Works Capital - Community and Economic Development	7,697	0	0	0	0.00
Public Works Other Departmental - City-Wide - Community and Economic Dev	244,715	566,500	580,000	580,000	0.00
Public Works Other Operational - Administration - Community and Econ Dev	3,776	0	0	0	0.00
Sub-Total	256,188	566,500	580,000	580,000	0.00
Strategic Support - Other - Neighborhood Services					
Public Works Capital - Neighborhood Services	3,876,458	0	0	0	0.00
Public Works Gifts - Neighborhood Services	326,324	225,000	225,000	174,000	0.00
Sub-Total	4,202,782	225,000	225,000	174,000	0.00
Strategic Support - Other - Strategic Support					
Public Works Capital - Strategic Support	1,486,538	26,351,000	1,370,000	5,577,000	0.00
Public Works Other Departmental - City-Wide - Strategic Support	410,474	203,000	2,137,787	2,137,787	1.00
Public Works Other Operational - Administration - Strategic Support	156,970	10,938,000	10,938,000	11,630,000	0.00
Public Works Overhead	1,964,272	5,316,197	5,317,807	5,368,012	0.00
Public Works Workers' Compensation - Strategic Support	58,240	775,000	652,000	627,000	0.00
Sub-Total	4,076,494	43,583,197	20,415,594	25,339,799	1.00
Total	\$145,909,890	\$184,777,111	\$157,758,721	\$163,467,831	627.77

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** 2019-2020 Actuals may not subtotal due to rounding.

Public Works Department

Budget Reconciliation

Personal Services and Non-Personal/Equipment (2020-2021 Adopted to 2021-2022 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
Prior Year Budget (2020-2021):	624.27	123,425,139	36,710,756
Base Adjustments			
One-Time Prior Year Expenditures Deleted			
• Capital Project Management System (CPMS) Upgrades		(6,000)	0
One-time Prior Year Expenditures Subtotal:	0.00	(6,000)	0
Technical Adjustments to Costs of Ongoing Activities			
• Salary/Benefit Changes		3,355,658	336,690
• Contract Services: Janitorial Services (City Facilities)		631,725	631,725
• Program Shift: CivicCenter TV (1.0 Program Manager and Non-Personal/Equipment from Office of the City Manager)	1.00	403,520	403,520
• Operations and Maintenance: Facilities COLA		258,750	258,750
• Fleet Inventory (Parts COLA)		150,000	0
• Position Shift: Development Services Technology Staffing (1.0 Geographic Information Systems Specialist II from Planning, Building, and Code Enforcement Department)	1.00	148,676	29,735
• Contract Services: Fleet Assetworks and Miscellaneous		129,700	0
• Utilities: Gas, Electricity, and Water		109,000	109,000
• Fleet Maintenance (Fleet Additions)		98,500	0
• Budget Realignment: FirstNet Support		65,111	65,111
• Operations and Maintenance: Animal Care Services COLA		38,000	38,000
• Living Wage Adjustment		35,670	35,670
• Night Shift Differential Adjustment		4,487	2,432
• Overtime Adjustment		4,393	0
• Fleet Inventory (Fuel Projection)		(273,690)	0
• Vehicle Operations and Maintenance		(52,000)	(19,000)
Technical Adjustments Subtotal:	2.00	5,107,500	1,891,633
2021-2022 Forecast Base Budget:	626.27	128,526,639	38,602,389

Public Works Department

Budget Reconciliation

Personal Services and Non-Personal/Equipment (2020-2021 Adopted to 2021-2022 Proposed)

Budget Proposals Recommended			
1. Public Works Department Staffing Plan - Capital Improvement Program	2.00	346,789	0
2. Office of Equality Assurance Labor Compliance Staffing	1.00	162,542	162,542
3. Emergency Operations Staffing	1.00	157,191	157,191
4. Animal Care and Services Customer Service Staffing	0.00	17,733	17,733
5. Enterprise GIS Staffing	(0.50)	1,625	0
6. Electrical Maintenance Staffing	(2.00)	(228,434)	(227,200)
7. Facilities Preventive Maintenance Non-Personal/Equipment Savings		(214,000)	(214,000)
8. Reprographics Contractual Services Savings		(40,399)	(18,330)
Total Budget Proposals Recommended	1.50	203,047	(122,064)
2021-2022 Proposed Budget Total	627.77	128,729,686	38,480,325

Public Works Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
<p>1. Public Works Department Staffing Plan - Capital Improvement Program</p> <p><i>Strategic Support CSA Plan, Design, and Construct Public Facilities and Infrastructure Core Service City Facilities Engineering and Inspection Services Program</i></p> <p>This action adds 1.0 Building Inspector Combination and 1.0 Building Inspector Supervisor positions under the Structural Engineering/Code Inspection (SECI) program. The City has seen increased activity for capital projects under the Regional Wastewater Facility and Sanitary Storm Sewer Capital Improvement Programs. Current projects include Digester and Thickener Facilities Upgrades, Nitrification Clarifiers Replacement, Yard Piping and Road Improvements, Phase 2 of Advanced Facility Control/Meter Replacement, Cast Iron Sewer Replacement, and Sanitary Sewer Repairs. Public Works staff performs specialized code review and construction inspection services for these projects. These positions will address the consistently growing workload for inspection services. Additionally, the new Building Inspector Supervisor position will allow the SECI program to create two teams of 6.0 FTEs (1.0 Supervisor and 5.0 staff) to split the four inspection specialties (Mechanical, Plumbing, Electrical, and Structural) between two supervisors. (Ongoing costs: \$378,319)</p>	2.00	346,789	0
<p>2. Office of Equality Assurance Labor Compliance Staffing</p> <p><i>Strategic Support CSA Strategic Support Core Service Public Works Management and Administration Program</i></p> <p>This action adds 1.0 Senior Analyst position in the Office of Equality Assurance (OEA) to perform various duties including policy development and the analysis and data management of local hire data collected through the OEA web application that was developed in 2019. This action is offset by recognizing additional revenue of \$150,000, as described in the General Fund Revenue section, to account for multiple contracts with local city agencies for the City to administer and enforce wage policies passed in those jurisdictions. Since 2012, multiple policies, ordinances, and agreements have been approved by City Council or by voters that have increased OEA's duties and functions. The increased staffing will provide the support necessary to continue administering and enforcing compliance with federal, state, and local laws, policies, and ordinances regarding prevailing, living, and minimum wage. Current executed contracts for wage compliance include the cities of Cupertino, Milpitas, San Carlos, San Mateo, Santa Clara, Burlingame, Redwood City, and Sunnyvale. It is expected that an additional contract with the City of Mountain View will be executed by June 1, 2021. (Ongoing costs: \$171,272)</p>	1.00	162,542	162,542

Public Works Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
3. Emergency Operations Staffing	1.00	157,191	157,191

Strategic Support CSA
Strategic Support Core Service
Public Works Management and Administration Program

This action adds 1.0 Program Manager position and associated one-time non-personal/equipment funding of \$3,500 to help plan, organize, and train Public Works staff for emergency operation responsibilities. With the growing frequency of emergency events, such as the ongoing COVID-19 pandemic, wildfires, public safety power shut off, floods, and other emergency events, and the City's growing prioritization of emergency preparedness, emergency activities have become a year-round challenge requiring Public Works to assume the role of front-line responder for infrastructure and other community needs. The Program Manager will be responsible for coordinating emergency response activities, and developing and implementing an organized plan to train and prepare department staff throughout the year. Specifically, this Program Manager will ensure that the department is able to respond to emergencies by: coordinating regular training and manual/procedures updates; ensuring staff are always aware of their responsibilities during certain types of emergency events; serving as a primary contact during emergency events to assist with activation; assisting with the Public Works response during emergency events; and working on process improvements to streamline and make more efficient Public Works' responses to emergencies. (Ongoing costs: \$184,430)

4. Animal Care and Services Customer Service Staffing	0.00	17,733	17,733
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Neighborhood Services CSA
Animal Care and Services Core Service
Animal Licensing and Customer Services and Animal Services Field Operations Programs

This action adds 1.0 Senior Animal Services Officer position and eliminates 1.0 vacant Animal Care Attendant position serving at the animal care center. Animal Care and Services has experienced increased security concerns at the animal care center lobby as well as a need to enhance customer service management at the facility. The Senior Animal Services officer will supervise the Animal Care Attendant staff, create policies, provide program oversight as well as aid with shelter security, customer service, and permitting. The department has determined that the workload from the Animal Care Attendant elimination can be absorbed within current staffing levels. This action will enhance services and reduce the reliance on the San José Police Department during encounters with upset customers. (Ongoing costs: \$26,181)

Public Works Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
5. Enterprise GIS Staffing	(0.50)	1,625	0

Strategic Support CSA

Plan, Design, and Construct Public Facilities and Infrastructure and Strategic Support Core Services

City Facilities Engineering and Inspection Services, Public Works Information Technology, and Public Works Management and Administration Programs

This action adds 1.0 Information Systems Analyst position and eliminates 1.0 vacant Senior Engineering Technician position and 0.5 vacant Engineering Trainee PT position as part of the Geographic Information Systems (GIS) team. These positions are funded through the Sewer Service and Use Charge Fund and Storm Sewer Capital Fund. Currently, the lower level positions provide basic GIS/Computer Aided Drafting (CAD) data management. Public Works has identified an increased need for a higher-level skillset to advance GIS capabilities for advanced support, application development, and integration for the GIS software systems. The new position requires experience in system administration, programming, data analytics, and system integration. This position will support the GIS program by aiding with department requests and equity initiatives, supporting the ESRI enterprise agreement including the rollout to departments, and leading project progression for geospatial infrastructure and applications for the Emergency Operations Center (EOC). (Ongoing costs: \$14,677)

6. Electrical Maintenance Staffing	(2.00)	(228,434)	(227,200)
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Strategic Support CSA

Facilities Management Core Service

Facilities Maintenance and Operations – Non City Hall Program

This action eliminates 3.0 vacant Electrician II positions, and adds 1.0 Senior Electrician position and overtime funding of \$100,000 (\$50,000 in the General Fund and \$50,000 in the General Purpose Parking Fund) to the citywide electrical maintenance program. This program is responsible for routine maintenance, renovations, and capital project support for citywide facilities and infrastructure. The Public Works Department has had retention issues in the Electrician I/II classification and currently has 4.0 vacant positions out of 9.0 total FTEs. Of the current vacant positions, one has been vacant since 2016, two since 2018, and the last position has been vacant since 2019. In order to maintain appropriate service levels for the city, the department has altered the service delivery model to include additional contract services, rehiring retirees, and overtime. The department has been able to backfill the 4.0 vacant positions with the equivalent of approximately 2.5 FTEs through overtime and temporary positions. With the addition of a Senior Electrician, it is anticipated that this position will be easier to fill and it will provide a senior level position that can help manage projects and contractual work. The addition of the Senior Electrician position and additional overtime funding comprises approximately 1.5 FTEs of work. The net loss of current productivity, when factoring in effective vacancy levels, will be approximately 1.0 FTE. Health and safety work orders will continue to be the highest priority, but the loss of 1.0 FTE work productivity will further delay less critical work from being completed and increase deferred maintenance. This increased deferred maintenance will reduce the life cycles of facility equipment and result in increased future capital replacement costs. (Ongoing savings: \$239,338)

Public Works Department

Budget Changes By Department Personal Services and Non-Personal/Equipment



2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
<p>7. Facilities Preventive Maintenance Non-Personal/ Equipment Savings</p> <p><i>Strategic Support CSA</i> <i>Facilities Management Core Service</i> <i>Facilities Maintenance and Operations – City Hall and Facilities Maintenance and Operations – Non City Hall Programs</i></p> <p>This action reduces the non-personal/equipment funding by \$214,000 for facilities preventive maintenance, representing a reduction of approximately 10%. This funding is used for maintenance on both City Hall and non-City Hall facilities for multiple systems including HVAC, fire safety and alarms, emergency lighting, roofing, generators, pumps, and other electrical systems. Most HVAC maintenance servicing is performed with in house staff while other systems are maintained through contracted services. This action will increase the servicing intervals of some of these systems. HVAC system (633 assets between furnaces, fancoils, and heatpumps) maintenance schedules vary from quarterly, biannually, or annually. It is anticipated that this action will double servicing rates for the quarterly and biannual schedules with most assets moving to an annual based service schedule. Emergency lighting (138 locations) servicing is alternated every two years and this action will increase servicing to every three years. The preventive maintenance base budget was increased by approximately \$190,000 during the development of the 2021-2022 Base Budget to account for a cost of living adjustment. This reduction returns the preventive maintenance budget close to the 2020-2021 Adopted Budget level. (Ongoing savings: \$214,000)</p>		(214,000)	(214,000)
<p>8. Reprographics Contractual Services Savings</p> <p><i>Strategic Support CSA</i> <i>Fleet and Equipment Services and Strategic Support Core Services</i> <i>Fleet Maintenance and Operations and Public Works Management and Administration Programs</i></p> <p>This action reduces the Department’s non-personal/equipment budget to reflect savings in the reprographics (printing) contract. The Finance and Information Technology Departments jointly worked to re-procure the City’s reprographics contract for copier, scanner, fax devices support, and administration software and tools. Savings in the amount of \$363,000 will be generated in the General Fund, \$462,000 in all funds, across all departments from lower rental costs for the multi-function devices and significantly lower cost per copy and consumption rates. Savings can be realized with new green-print options and central administration of devices. (Ongoing savings: \$40,399)</p>		(40,399)	(18,330)
2021-2022 Proposed Budget Changes Total	1.50	203,047	(122,064)

Public Works Department

Performance Summary

Animal Care and Services

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 Animal Care Center live release rate	91%	92%	92%	92%
 % of Priority 1 calls with response time in one hour or less. (Priority 1: injured or aggressive animal, or public safety assist)	95%	95%	97%	96%

Activity and Workload Highlights









	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast
Animal licenses issued annually	55,325	62,000	58,500	63,000
# of animals adopted/rescued/returned	11,991	10,000	6,500	7,500
# of incoming animals	14,004	17,000	13,000	14,000
# of calls for service completed	20,540	22,000	19,800	20,000
# of low-cost spay/neuter surgeries provided to public	4,413	5,000	3,600	4,000

Public Works Department

Performance Summary

Facilities Management

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 % of facilities with a condition assessment rating of good or better (3 or better on a 5-pt scale)	85%	90%	N/A ¹	85%
 % change in energy usage in all City Accounts from 2007 baseline	(8%)	(15%)	(16%)	(10%)
 % of energy use that is renewable ²	N/A ²	N/A ²	50%	50%
 % of preventative maintenance work orders completed	41%	60%	60%	60%
 % of health and safety concerns mitigated within 24 hours	85% ³	100%	80% ³	100%
 % of non-health and safety work completed within time standards	63%	75%	58%	75%
 % of time a request for record retention item is delivered within one day	86%	95%	90%	95%
 % of customers who rate service as good or excellent based on timeliness of response and quality of work	83%	85%	98%	85%

¹ The data hasn't been collected for this performance measure due to COVID-19 emergency work only. The Department will resume collecting data starting in 2021-2022.

² This performance measure was added starting in 2021-2022. Actual data will be collected and reported in the 2022-2023 Proposed Budget.

³ Some work orders had been miscategorized as Priority One (those with health and safety concerns), causing the metric to track below its standard of 100%. PW continues to respond to all health and safety emergencies within 24 hours.

Public Works Department
Performance Summary

Facilities Management

Activity and Workload Highlights

	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast
Total number of corrective and preventive work orders completed	10,959	18,000	9,000	12,000
kW of renewable energy installed at City-owned sites	6,534kW	6,355kW	6,355kW	N/A ¹
Total cost for services - Materials Management Services	\$0.32M	\$0.32M	\$0.37M	\$0.40M
Total dollars recovered from surplus sales	\$2.1M	\$750,000	\$775,000	\$750,000
# of record retention requests completed	3,594	5,000	3,800	5,000
Total square footage maintained	2.78M	2.78M	2.77M	2.77M





¹ This performance measure will be deleted starting in 2021-2022 and will be replaced with the above performance measure “% of energy use that is renewable”. The new performance measure provides a more meaningful measurement of the city’s sustainability efforts and will capture both the city generated (solar arrays) energy metric and progress made from actions such as the purchase of total green from San Jose Clean Energy.

Public Works Department

Performance Summary

Fleet and Equipment Services

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 % of fleet that is alternate fuel vehicles	46%	46%	47%	47%
 % of fleet in compliance with replacement cycle:				
Emergency Vehicles	100%	100%	100%	100%
General Fleet	82%	83%	82%	82%
 Cost per mile or hours, by class (of equipment):				
Police (miles)	\$0.36	\$0.35	\$0.41	\$0.39
Fire (miles)	\$2.80	\$2.74	\$5.06	\$3.93
General Fleet Light (miles)	\$0.40	\$0.40	\$0.39	\$0.39
General Fleet Heavy (miles)	\$2.25	\$2.00	\$2.10	\$2.17
Off Road Light (hours)	\$1.43	\$1.08	\$0.66	\$1.04
Off Road Heavy (hours)	\$1.39	\$1.47	\$1.91	\$1.65
 % of customers who rate service good or better based on:				
Timeliness	94%	91%	92%	93%
Convenience	96%	95%	97%	96%
Courtesy	98%	97%	97%	98%

Activity and Workload Highlights





	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast
Total number of repair and preventive work orders	19,594	20,500	19,934	20,000
Total number of vehicles and equipment	2,894	2,900	2,883	2,890

Public Works Department

Performance Summary

Plan, Design, and Construct Public Facilities and Infrastructure

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 % of projects completed within the approved baseline budget ¹	98%	90%	96%	90%
 Departmental project delivery costs compared to target industry norm:				
Projects ≤ \$500,000	66%	63%	71%	62%
Projects > \$500,000	19%	47%	43%	45%
 % of projects designed and constructed by Public Works within approved baseline schedule ²	93%	85%	97%	85%
 % of projects rated as good or excellent based on the achievement of project goals and the quality of the overall final product	100%	85%	100%	85%

¹ Projects are considered “completed” when final cost accounting has occurred, and the project has been accepted; projects are considered “on budget” when the total expenditures do not exceed 101% of the baseline budget.

² Projects are considered “delivered” when they are available for the intended use; projects are considered “on schedule” if delivered within two months of the baseline schedule.

Activity and Workload Highlights

	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast
# of construction projects delivered	25 ¹	50 ¹	51 ¹	69
Total construction cost of projects ²	\$103,000,000	\$100,000,000	\$145,000,000	\$75,000,000

¹ The number of construction projects delivered is down due to the impacts from the County of Santa Clara’s shelter-in-place orders due to the COVID-19 pandemic.




² For multi-year projects, the total construction costs are reflected in the year that the project is completed rather than spread over multiple years.

Public Works Department

Performance Summary

Regulate/Facilitate Private Development

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 Ratio of fee revenue to Development Fee Program cost (includes Development Fee Program Reserve funding)	100%	100%	100%	100%
 Selected cycle time measures for:				
Construction permit processing targets met	72%	85%	85%	85%
Planning processing targets met	76%	85%	85%	85%
 % of Development process participants rating service as good or excellent: Development Review	80%	85%	85%	85%

Activity and Workload Highlights

	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast
# of underground service alert requests received	65,207	68,000	68,000	68,000
# of Public Works permit applications	546	570	570	570
Value of permitted public improvements	\$13,491,141	\$17,500,000	\$9,000,000	\$10,000,000
Value of accepted public improvements	\$5,323,686	\$5,000,000 ¹	\$3,000,000	\$5,000,000


¹ The pandemic has severely impacted development project schedules. Many projects have either stopped or been significantly delayed. Due to the unforeseeable nature of the pandemic, project completion dates are difficult to forecast. Staff will monitor development trends and update estimates as more information becomes available.

Public Works Department

Performance Summary

Strategic Support

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 % of reviewed projects that attain established labor compliance goals by project completion	100%	98%	100%	100%

Activity and Workload Highlights

	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast
# of contracts with wage requirements	149	200	140	140
# of contracts with labor compliance violations Identified	8	20	12	12
Minimum wage compliance cases:				
# Opened	11	20	5	5
# Resolved	8	15	0	5
# of contractors' employees owed restitution	374	100	50	50
Total \$ amount of restitution owed to employees	\$30,411	\$50,000	\$40,166	\$50,000

Public Works Department

Departmental Position Detail

Position	2020-2021 Adopted	2021-2022 Proposed	Change
Accountant I/II	1.00	1.00	-
Accounting Technician	1.00	1.00	-
Administrative Assistant	1.00	1.00	-
Administrative Officer	1.00	1.00	-
Air Conditioning Mechanic	6.00	6.00	-
Air Conditioning Supervisor	1.00	1.00	-
Analyst II	10.00	10.00	-
Animal Care Attendant	7.00	6.00	(1.00)
Animal Care Attendant PT	18.07	18.07	-
Animal Health Technician	5.00	5.00	-
Animal Health Technician PT	3.80	3.80	-
Animal Services Officer	13.00	13.00	-
Animal Shelter Coordinator	3.00	3.00	-
Animal Shelter Veterinarian	2.00	2.00	-
Animal Shelter Veterinarian PT	1.40	1.40	-
Assistant Director	1.00	1.00	-
Associate Architect/Landscape Architect	2.00	2.00	-
Associate Construction Inspector	21.00	21.00	-
Associate Engineer	54.00	54.00	-
Associate Engineering Technician	20.00	20.00	-
Associate Structure/Landscape Designer	15.00	15.00	-
Automotive Equipment Specialist	1.00	1.00	-
Building Inspector Supervisor	1.00	2.00	1.00
Building Inspector/Combination Certified	9.00	10.00	1.00
Building Management Administrator	2.00	2.00	-
Carpenter	4.00	4.00	-
Chief of Surveys	2.00	2.00	-
Communications Installer	2.00	2.00	-
Communications Technician	4.00	4.00	-
Construction Manager	6.00	6.00	-
Contract Compliance Assistant	1.00	1.00	-
Contract Compliance Coordinator	1.00	1.00	-
Contract Compliance Specialist	7.00	7.00	-
Deputy Director of Public Works	5.00	5.00	-
Director of Public Works	1.00	1.00	-
Dispatcher	5.00	5.00	-
Division Manager	7.00	7.00	-
Electrician II	9.00	6.00	(3.00)
Electrician Supervisor	1.00	1.00	-
Engineer I/II	53.00	53.00	-
Engineering Geologist	1.00	1.00	-

Public Works Department

Departmental Position Detail

Position	2020-2021 Adopted	2021-2022 Proposed	Change
Engineering Technician II/I	26.00	26.00	-
Engineering Trainee PT	2.00	1.50	(0.50)
Equipment Maintenance Supervisor	3.00	3.00	-
Equipment Mechanic Assistant I/II	20.00	20.00	-
Events Coordinator II	1.00	1.00	-
Facility Attendant	3.00	3.00	-
Facility Repair Worker	5.00	5.00	-
Facility Sound and Light Technician	1.00	1.00	-
Fleet Manager	1.00	1.00	-
Geographic Information Systems Specialist II	4.00	5.00	1.00
Information Systems Analyst	5.00	6.00	1.00
Instrument Person	4.00	4.00	-
Land Surveyor	1.00	1.00	-
Mail Processor	1.00	1.00	-
Maintenance Contract Supervisor	1.00	1.00	-
Maintenance Worker I	3.00	3.00	-
Maintenance Worker II	1.00	1.00	-
Mechanic	22.00	22.00	-
Mechanical Parts Supervisor	1.00	1.00	-
Network Engineer	3.00	3.00	-
Office Specialist II	5.00	5.00	-
Office Specialist II PT	3.00	3.00	-
Painter	3.00	3.00	-
Plumber	3.00	3.00	-
Principal Account Clerk	2.00	2.00	-
Principal Construction Inspector	7.00	7.00	-
Principal Engineer/Architect	4.00	4.00	-
Principal Engineering Technician	5.00	5.00	-
Program Manager	7.00	9.00	2.00
Radio Communications Supervisor	1.00	1.00	-
Recreation Leader PT	1.00	1.00	-
Security Officer	4.00	4.00	-
Security Services Supervisor	1.00	1.00	-
Senior Account Clerk	5.00	5.00	-
Senior Accountant	1.00	1.00	-
Senior Air Conditioning Mechanic	2.00	2.00	-
Senior Analyst	6.00	7.00	1.00
Senior Animal Services Officer	3.00	4.00	1.00
Senior Architect/Landscape Architect	4.00	4.00	-
Senior Auto Equipment Specialist	1.00	1.00	-
Senior Carpenter	1.00	1.00	-

Public Works Department

Departmental Position Detail

Position	2020-2021 Adopted	2021-2022 Proposed	Change
Senior Communications Technician	1.00	1.00	-
Senior Construction Inspector	42.00	42.00	-
Senior Electrician	6.00	7.00	1.00
Senior Engineer	14.00	14.00	-
Senior Engineering Technician	21.00	20.00	(1.00)
Senior Events Coordinator	1.00	1.00	-
Senior Facility Attendant	2.00	2.00	-
Senior Facility Repair Worker	2.00	2.00	-
Senior Geographic Information Systems Specialist	1.00	1.00	-
Senior Mechanic	6.00	6.00	-
Senior Office Specialist	6.00	6.00	-
Senior Public Information Representative	1.00	1.00	-
Senior Security Officer	1.00	1.00	-
Senior Systems Applications Programmer	3.00	3.00	-
Senior Transportation Specialist	2.00	2.00	-
Senior Warehouse Worker	1.00	1.00	-
Staff Specialist	7.00	7.00	-
Structure/Landscape Designer II	4.00	4.00	-
Supervising Applications Analyst	2.00	2.00	-
Supervising Environmental Services Specialist	1.00	1.00	-
Supervisor, Animal Services Operations	2.00	2.00	-
Survey Field Supervisor	6.00	6.00	-
Systems Application Programmer II	1.00	1.00	-
Trades Supervisor	2.00	2.00	-
Volunteer Coordinator	1.00	1.00	-
Warehouse Worker II	1.00	1.00	-
Warehouse Supervisor	1.00	1.00	-
Total Positions	624.27	627.77	3.50

Office of Retirement Services

Roberto L. Peña, Chief Executive Officer

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Provide quality services in the delivery of pension and related benefits and maintain financially sound pension plans

City Service Area

Strategic Support

Core Services

Retirement Plan Administration

Management and administration of the retirement trust funds, administration of retirement benefits, and supervision of investment assets

Strategic Support: Retirement Boards' Support, Training, and Contract Administration

Office of Retirement Services

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Retirement Plan Administration Core Service</i>	
Benefits	Provides retirement planning and counseling services to plan members and administers health care and other benefits for retirees and beneficiaries.
Investments	Manages retirement plan assets in a manner which seeks to achieve long-term net returns in excess of the actuarial investment return assumption and adopted benchmarks while maintaining a reasonable level of investment risk.
<i>Strategic Support Core Service</i>	
Retirement Financial Management	Prepares CAFRs for the retirement plans; runs monthly payroll for retirees and beneficiaries; manages the budget and all other financial transactions for the department.
Retirement Human Resources	Manages personnel-related functions for the department, including hiring, employee development, employee discipline, and personnel transactions.
Retirement Information Technology	Manages the Pension Administration System which houses all retirement data and runs most of the retirement business transactions; provides other information technology services, planning, system development and maintenance for the department.
Retirement Management and Administration	Provides executive-level, analytical, and administrative support to the department and retirement boards.

Office of Retirement Services

Department Budget Summary

Expected 2021-2022 Service Delivery

- Manage Retirement Plans' assets and seek solutions to increase investment returns and reduce volatility and cost, while mitigating risk.
- Work with the Retirement Plans' actuaries to ensure the plans have adopted and implemented the most appropriate rates, assumptions, and methodologies to remove risk from the plans, decrease volatility, and reduce intergenerational shifting of liabilities.
- Provide quality retirement planning, counseling, and financial reporting.

Key Budget Actions

- Adds 1.0 Senior Investment Officer position to be the lead of the public markets function in the Investment Management Division. The addition of a Senior Investment Officer position to oversee the public markets will facilitate improved investment strategy execution, provide better supervision of public markets investment professionals, and increase communication with stakeholders.
- Deletes a 0.75 Staff Specialist PT position and adds 1.0 Staff Specialist position in the Benefits Program. The full-time position will take on expanded duties that include assisting with all the steps of the document imaging process, entering all demographic changes, and performing some of the pre-retirement processing steps.

Operating Funds Managed

- Federated Retiree Health Care Trust Fund
- Federated Retirement Fund
- Fire Retiree Health Care Trust Fund
- Police and Fire Retirement Fund
- Police Retiree Health Care Trust Fund

Office of Retirement Services

Department Budget Summary

	2019-2020 Actuals ***	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Dollars by Core Service				
Retirement Plan Administration	4,330,307	4,417,400	4,461,733	4,765,129
Strategic Support - City Council Appointees	2,567,742	2,640,965	2,734,880	2,734,880
Strategic Support - Other - Council Appointees	34,423	37,000	32,000	32,000
Total	\$6,932,472	\$7,095,365	\$7,228,613	\$7,532,009
Dollars by Category				
<i>Personal Services and Non-Personal/Equipment</i>				
Salaries/Benefits	6,828,381	6,958,365	7,111,613	7,415,009
Overtime	71	0	0	0
Subtotal Personal Services	\$6,828,452	\$6,958,365	\$7,111,613	\$7,415,009
Total Personal Services & Non-Personal/Equipment	\$6,828,452	\$6,958,365	\$7,111,613	\$7,415,009
<i>Other Costs*</i>				
City-Wide Expenses	104,020	137,000	117,000	117,000
General Fund Capital	0	0	0	0
Housing Loans and Grants	0	0	0	0
Other	0	0	0	0
Overhead Costs	0	0	0	0
Total Other Costs	\$104,020	\$137,000	\$117,000	\$117,000
Total	\$6,932,472	\$7,095,365	\$7,228,613	\$7,532,009

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document. The amounts in the 2020-2021 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

** The positions displayed in the 2019-2020 Actuals column reflect those included in the 2019-2020 Adopted Budget.

*** 2019-2020 Actuals may not subtotal due to rounding.

Office of Retirement Services

Department Budget Summary

	2019-2020 Actuals ***	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Dollars by Fund				
General Fund (001)	104,020	137,000	117,000	117,000
Federated Retirement Funds	3,275,000	3,480,825	3,557,539	3,709,237
Police and Fire Retirement Funds	3,547,910	3,477,540	3,554,074	3,705,772
Coronavirus Relief Fund (401)	5,542	0	0	0
Total	\$6,932,472	\$7,095,365	\$7,228,613	\$7,532,009
Positions by Core Service**				
Retirement Plan Administration	25.55	24.55	24.55	25.80
Strategic Support - City Council Appointees	14.20	14.20	14.20	14.20
Total	39.75	38.75	38.75	40.00

Note: The budget figures reflected in this summary account for a small portion of the total budget for the Office of Retirement Services, including the cost of the civil service positions in the Office of Retirement Services and General Fund City-Wide expenses of \$117,000. Additional budget information on the Federated and Police and Fire Retirement Funds and the Office of Retirement Services can be found in this budget document as follows:

1. Source and Use of Funds: There are five Source and Use of Funds Statements included for display purposes, consisting of Federated Retirement Fund, Federated Retiree Health Care Trust Fund, Fire Retiree Health Care Trust Fund, Police and Fire Retirement Fund, and Police Retiree Health Care Trust Fund.
2. Appendices: The approved budgets presented to the Federated Retirement System Board and the Police and Fire Plan Board are included as appendices.
3. Summary Information: A summary of the City contributions to the Retirement Funds is included in the Summary Information section of this document.

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document. The amounts in the 2020-2021 Adopted Budget column may vary from the published Adopted Budget due to the realignment of Other Costs (primarily City-Wide Expenses and General Fund Capital) between Departments.

** The positions displayed in the 2019-2020 Actuals column reflect those included in the 2019-2020 Adopted Budget.

*** 2019-2020 Actuals may not subtotal due to rounding.

Office of Retirement Services
Department Budget Summary

	2019-2020 Actuals**	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed	2021-2022 Proposed Positions
Dollars by Program*					
Retirement Plan Administration					
Retirement Benefits	2,317,307	2,280,028	2,278,303	2,300,759	14.55
Retirement Investments	2,013,000	2,137,372	2,183,430	2,464,370	11.25
Sub-Total	4,330,307	4,417,400	4,461,733	4,765,129	25.80
Strategic Support - City Council Appointees					
Retirement Services Financial Management	1,095,400	1,154,007	1,191,988	1,191,988	6.45
Retirement Services Information Technology	887,700	703,388	727,064	727,064	3.45
Retirement Services Management and Administration	579,100	783,570	815,828	815,828	4.30
Retirement Services Pandemic Response	5,542	0	0	0	0.00
Sub-Total	2,567,742	2,640,965	2,734,880	2,734,880	14.20
Error: invalid cell reference					
Economic Development Ending Fund Balance	0	0	0	0	0.00
Economic Development Reserves	0	0	0	0	0.00
Fire Reserves - Community and Economic Development	0	0	0	0	0.00
Housing Ending Fund Balance	0	0	0	0	0.00
Housing Reserves	0	0	0	0	0.00
PBCE Reserves	0	0	0	0	0.00
Public Works Reserves - Community and Economic Development	0	0	0	0	0.00
Sub-Total	0	0	0	0	0.00
Strategic Support - Other - Council Appointees					
Retirement Services Other Departmental - City-Wide	34,423	37,000	32,000	32,000	0.00
Sub-Total	34,423	37,000	32,000	32,000	0.00
Total	\$6,932,472	\$7,095,365	\$7,228,613	\$7,532,009	40.00

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** 2019-2020 Actuals may not subtotal due to rounding.

Office of Retirement Services

Budget Reconciliation

Personal Services and Non-Personal/Equipment (2020-2021 Adopted to 2021-2022 Proposed)

	Positions	All Funds (\$)
Prior Year Budget (2020-2021):	38.75	6,958,365
Base Adjustments		
One-Time Prior Year Expenditures Deleted		
NONE		
One-time Prior Year Expenditures Subtotal:	38.75	6,958,365
Technical Adjustments to Costs of Ongoing Activities		
• Salary/benefit changes		153,248
Technical Adjustments Subtotal:	0.00	153,248
2021-2022 Forecast Base Budget:	38.75	7,111,613
Budget Proposals Recommended		
1. Investment Program Staffing	1.00	280,940
2. Benefits Program Staffing	0.25	22,456
Total Budget Proposals Recommended	1.25	303,396
2021-2022 Proposed Budget Total	40.00	7,415,009

Office of Retirement Services

Budget Changes by Office Personal Services and Non-Personal/Equipment




2021-2022 Proposed Budget Changes	Positions	All Funds (\$)
1. Investment Program Staffing	1.00	280,940
<i>Strategic Support CSA</i> <i>Retirement Plan Administration Core Service</i> <i>Retirement Investments Program</i>		
<p>This action adds 1.0 Senior Investment Officer position to lead the public markets function in the Investment Management Division. Public pensions systems across the country including San José face considerable funding challenges going forward. This challenge is compounded by the fact that there has been an extraordinarily low interest rate environment for a decade or more. The combination of low funding levels coupled with an outlook for diminished returns has forced pension plans to adopt complex investment portfolios. Both of the San José pension boards have similarly adopted a complex investment strategy with a focus on private market and alternative investments. In order to accomplish this goal, the investment office restructured its team to better execute the strategy envisioned by the boards. Accordingly, the investment team has been separated into two distinct functional areas: private markets and public markets. Currently the private markets function is led by a Senior Investment Officer position and the public markets function is overseen by an Investment Officer position. The addition of a Senior Investment Officer position to oversee the public markets will facilitate improved investment strategy execution, provide better supervision of public markets investment professionals, and increase communication with stakeholders. This position will better align the duties and responsibilities with the more appropriate classification. The heads of public and private markets will serve as the deputies of the Chief Investment Officer. (Ongoing costs: \$280,940)</p>		
2. Benefits Program Staffing	0.25	22,456
<i>Strategic Support CSA</i> <i>Retirement Plan Administration Core Service</i> <i>Retirement Benefits Program</i>		
<p>This action deletes a 0.75 Staff Specialist PT position and adds 1.00 Staff Specialist position in the Benefits Program. The full-time position will take on expanded duties that include assisting with all the steps of the document imaging process, entering all demographic changes, and performing some of the pre-retirement processing steps. The addition of the full-time position will enable the Benefits Program to process the existing workload on a more timely basis. (Ongoing costs: \$22,456)</p>		
2021-2022 Proposed Budget Changes Total	1.25	303,396

Office of Retirement Services

Performance Summary

Retirement Plan Administration

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 % of active members that feel that Retirement Services had a positive impact on their ability to make decisions to achieve retirement goals	92%	100%	95%	100%
 % of portfolios analyzed for compliance with investment policy	100%	100%	100%	100%
 % of members (active and retired) that rate department services as very good or excellent based on accuracy and usefulness of work	86%	100%	90%	100%

Activity and Workload Highlights

	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast
# of active and retired members surveyed	329	300	300	400
# of portfolios analyzed annually	162	200	185	190
# of agenda Board meetings	90	87	81	95
Investment committee work plan projects	58 ¹	50 ¹	66	60

¹ 2019-2020 Actual and 2020-2021 Forecast work plan projects reflect the Boards' delegation of authority for investment manager selection and termination to investment staff which reduced the number of recommendations evaluated by the Investment Committee.

Office of Retirement Services

Departmental Position Detail

Position	2020-2021 Adopted	2021-2022 Proposed	Change
Accountant I/II	1.00	1.00	-
Account Clerk II	1.00	1.00	-
Accounting Technician	1.00	1.00	-
Analyst I/II	6.00	6.00	-
Assistant Director and Chief Investment Officer	1.00	1.00	-
Department Information Technology Manager	1.00	1.00	-
Deputy Director	1.00	1.00	-
Director of Retirement Services	1.00	1.00	-
Division Manager	2.00	2.00	-
Executive Assistant U	1.00	1.00	-
Financial Analyst	1.00	1.00	-
Information Systems Analyst	1.00	1.00	-
Network Technician I/II/III	1.00	1.00	-
Office Specialist II	1.00	1.00	-
Retirement Investment Analyst I/II	2.00	2.00	-
Retirement Investment Officer	3.00	3.00	-
Retirement Investment Operations Supervisor	1.00	1.00	-
Senior Accountant	2.00	2.00	-
Senior Analyst	2.00	2.00	-
Senior Auditor	1.00	1.00	-
Senior Retirement Investment Officer	1.00	2.00	1.00
Staff Specialist	6.00	7.00	1.00
Staff Specialist PT	0.75	0.00	(0.75)
Total Positions	38.75	40.00	1.25

Transportation Department

John Ristow, Director

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The mission of the Transportation Department is to plan, develop, operate, and maintain transportation facilities, services, and related systems which contribute to the livability and economic health of the City

City Service Areas

Environmental and Utility Services
Transportation and Aviation Services

Core Services

Sanitary Sewer Maintenance

Provide timely and effective cleaning and repair of the sanitary sewer collection system to ensure uninterrupted sewage flow to the Water Pollution Control Plant

Storm Sewer Maintenance

Maintain and operate the storm sewer system in a way that ensures proper flow and is environmentally sensitive to the regional water tributary system and to the South San Francisco Bay

Parking Services

Provide well-maintained and operated public on-street and off-street parking facilities, implement effective policies and regulations, and encourage compliance with posted regulations

Pavement Maintenance

Maintain and repair the street network pavement to allow for optimum street service life and the safe and efficient travel of the motoring public

Street Landscape Maintenance

Provide for the management and maintenance of street landscapes, street trees, and sidewalks in order to provide a safe and aesthetically pleasing streetscape

Traffic Maintenance

Ensure the proper operation of the City's traffic devices and streetlights by providing maintenance and repair of traffic signals, streetlights, traffic safety devices, signs, and roadway markings

Transportation Planning and Project Delivery

Plan and develop the City's transportation system through local and regional programs

Transportation Safety and Operations

Provide for the safe and efficient movement of vehicles and pedestrians by optimizing traffic flow for all roadway users, enhancing school area traffic safety, providing traffic safety education, and installing traffic improvements

Strategic Support: Budget and Financial Services, Information Technology, Marketing & Outreach, Pandemic Response, Personnel, and Training and Safety

Transportation Department

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Sanitary Sewer Maintenance Core Service</i>	
Sanitary Sewer System Maintenance	Provides maintenance and engineering services for the 2,000+ mile sanitary sewer system.
<i>Storm Sewer Maintenance Core Service</i>	
Storm Sewer Operation and Maintenance	Provides maintenance and engineering services for the City's 1,250+ mile storm sewer system and interdepartmental coordination on water quality issues and storm response.
Street Sweeping	Provides in-house street sweeping on the City's streets; inspects street sweeping and performs related parking enforcement.
<i>Parking Services Core Service</i>	
Off-Street Parking	Manages the City's public parking facilities including planning, maintenance, security, and operations of parking facilities, and implementation of the annual capital improvement program.
On-Street Downtown Operations	Provides transportation planning and operations support for special events in the Downtown area and City-wide, including developing and implementing event transportation and parking management plans.
On-Street Parking	Provides on-street parking compliance services Downtown, in metered zones, around school zones, and in neighborhoods with posted residential permit parking requirements; revenue collection for parking fees and fines; and meter maintenance.
<i>Pavement Maintenance Core Service</i>	
Corrective Pavement Repair	Responds to urgent service requests and complaints to repair potholes and other minor damage to the pavement network.
Pavement Maintenance Administration and Capital Project Delivery	Assesses and manages the City's 2,400+ mile pavement network, including planning and delivering the annual pavement maintenance projects, managing and developing the capital pavement budget, installing ADA curb ramps and maintaining the City's bridges.
<i>Street Landscape Maintenance Core Service</i>	
Special District Landscape Services	Oversees contractual landscape maintenance in 23 special-funded maintenance districts that have been established in the City.
Streetscape Services	Provides in-house and contractual landscape maintenance on City-owned median islands and frontage properties, tree and sidewalk inspections and repair, special event support, and roadway illegal dumping response for street and traffic safety.

Transportation Department

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Traffic Maintenance Core Service</i>	
Traffic Signal Maintenance	Performs maintenance and repairs on the City's 950+ traffic signals, maintains communications between traffic infrastructure and the centralized traffic management system, and performs special project work for traffic signal infrastructure upgrades in addition to funding utility costs for signals city-wide.
Traffic Signs and Markings Maintenance	Performs preventive and corrective maintenance on traffic signs and roadway markings and performs banner installations; installs and repairs traffic safety and traffic calming improvements.
Traffic Streetlights Maintenance	Performs maintenance and repairs on the City's 64,400+ streetlights in addition to funding utility costs for streetlights city-wide.
<i>Transportation Planning and Project Delivery Core Service</i>	
Transportation Capital Project Delivery	Manages the development of major local street improvement and regional transit and highway projects throughout the City including grant management, policy review, General Plan analysis, CEQA review, engineering and design, roadway geometric design, and construction.
Transportation Multi-Modal Alternatives	Performs planning, engineering, and project delivery for all transportation modes (pedestrians, bicycle, transit, and carpool) to increase multi-modal travel as described in the transportation element of the General Plan.
Transportation Planning and Policy	Manages the transportation elements of the General Plan, coordinates transportation and land use planning studies, manages issues related to private development, analyzes the performance of the transportation system, supports policy and technical committees for regional transportation organizations, and reviews and advocates for transportation legislation serving San José interests.
<i>Transportation Safety and Operations Core Service</i>	
Neighborhood Traffic	Responds to an average of 1,300 traffic safety service requests annually. Services include traffic studies which result in changes to roadway signage, pavement striping, and/or pavement markings. Reviews parking requests to support residential and business needs to achieve economic and mobility goals.
Traffic Safety	Constructs traffic safety improvement projects for pedestrian safety and traffic calming. Provides traffic safety education to children, adults, and older adults. Implements the Vision Zero Action Plan to build a culture of safety through community outreach and engagement, data analytics, quick build data-driven safety improvements and prioritizing resources on high corridors and districts with high fatal and severe injury crashes.
Traffic Signals and Systems Management	Operates the City's 950+ traffic signal system using the Traffic Management Center, manages associated traffic systems (communication and video network) to reduce travel delays and congestion, and plans and improves the traffic signal system.

Transportation Department

Service Delivery Framework

PROGRAM	DESCRIPTION
<i>Strategic Support Core Service</i>	
Pandemic Response	Provides for the coordination and delivery of emergency services and recovery activities in response to the COVID-19 pandemic.
Transportation Financial Management	Manages the budget and all financial transactions for the department; assists in annual budget development.
Transportation Human Resources	Manages personnel-related functions for the department, including hiring (in coordination with the Human Resources Department), employee development, employee discipline (in coordination with the Office of Employee Relations), and personnel transactions.
Transportation Information Technology	Provides information technology services, planning, system development and maintenance for the department in coordination with the Information Technology Department.
Transportation Management and Administration	Provides executive-level, analytical and administrative support to the department. Performs community outreach, marketing, and media relations to advance priorities.

Transportation Department

Department Budget Summary

Expected 2021-2022 Service Delivery

- Provide a safe transportation system for the traveling public through effective engineering, education, and enforcement.
- Continue work on implementing balanced, multimodal goals of the Envision San José 2040 General Plan to provide a transportation network for all users that is safe, efficient, and sustainable.
- Facilitate a variety of regional transportation projects including BART Silicon Valley Phase II, California High Speed Rail, Caltrain Modernization, Airport People Mover, the expanded Diridon Integrated Station, and numerous highway interchange and overcrossing improvements.
- Continue the efficient and effective repair and maintenance of the City's approximately 2,500 miles of transportation infrastructure including streetlights, traffic signals, traffic and street signs, pavement, roadway markings, trees, landscaping, street sweeping, sidewalks, curb ramps, sewers, and storm drains.
- Provide parking for business, retail, and event customers and employees in Downtown parking facilities, as well as parking compliance services in support of businesses and programs.
- Support the development, demonstration, and implementation of new technologies and innovations that help advance critical transportation goals.
- Continue to effectively manage the Department's budget; hire and effectively train employees; manage information technology to maximize productivity; and continually improve employee safety.

2021-2022 Key Budget Actions

- Provides one-time funding of \$260,000 for renovation projects within Maintenance Assessment Districts and Community Facilities Districts.
- Restructures staffing for Safety, Vision Zero and Quickbuild Projects: addition of 4.0 positions to support data analytics, community outreach, and quick build design and implementation; addition of 1.0 position to support planning efforts to advance access and mobility goals; and funding shift of 0.5 position from General Fund to the Traffic Capital Improvement Program to better align funding sources with work performed and provide an overall savings to the General Fund.
- Continues the Beautify San José Street Landscape Maintenance Program, Downtown Automated Public Toilets, Climate Smart San Jose Plan Implementation, and funding for Our City Forest leases through June 30, 2022.
- Provides ongoing funding for Vehicle Abatement Program Proactive Patrol and Complaint Response, a hybrid model of proactive patrol and San Jose 311 complaint response focused on identifying and removing vehicles that are posing a significant safety or blight concern or are inoperable.
- Restructures staffing for Traffic Signals and System Management to align with available funding and organizational priorities: addition of 1.0 position to support traffic signal safety improvements and construction activations; a position realignment to provide a higher level of support for operational analysis and traffic signal timing implementation; and funding shift of 1.31 positions from General Fund to the Traffic Capital Improvement Program to better align funding sources with work performed and provide an overall savings to the General Fund.
- Restructures staffing for Pavement Maintenance to support organizational priorities: addition of 1.5 positions to provide tow-enforcement support for pavement projects, addition of 3.0 positions to install and provide manentance for bike lane infrastructure and Quick Build projects, and realignment of staffing to address program oversight and resource needs.
- Provides one-time funding of \$625,000, funded by the Storm Sewer Operating Fund and Sewer Service and Use Charge Fund, to replace a sewer combination truck and purchase a mini excavator to support timely sewer repairs and sanitary sewer regulations and permit requirements.

Operating Funds Managed

- Community Facilities District/Maintenance Assessment District Funds
- Downtown Property Business and Improvement District Fund
- General Purpose Parking Fund

Transportation Department

Department Budget Summary

	2019-2020 Actuals ***	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Dollars by Core Service				
Parking Services	18,114,837	20,670,526	20,094,794	20,616,973
Pavement Maintenance	10,256,242	9,356,313	9,589,222	9,601,211
Sanitary Sewer Maintenance	19,386,811	20,679,892	20,570,173	21,277,300
Storm Sewer Maintenance	5,809,691	8,112,059	7,928,316	7,871,103
Strategic Support - Environmental & Utility Services	2,755,838	2,248,354	2,135,824	2,086,583
Strategic Support - Other - Environmental & Utility Services	5,236,673	43,051	0	3,576
Strategic Support - Other - Transportation & Aviation	6,253,799	13,293,912	11,676,062	12,318,562
Strategic Support - Transportation & Aviation	4,018,814	2,963,760	3,192,445	3,388,709
Street Landscape Maintenance	17,579,568	19,529,696	16,814,449	18,236,324
Traffic Maintenance	13,722,836	15,268,588	15,377,601	15,875,896
Transportation Planning and Project Delivery	7,622,596	7,941,977	7,541,154	7,832,493
Transportation Safety and Operations	10,615,755	11,280,959	11,359,463	12,264,320
Total	\$121,373,460	\$131,389,087	\$126,279,503	\$131,373,050
Dollars by Category				
Personal Services and Non-Personal/Equipment				
Salaries/Benefits	62,590,773	71,894,249	72,634,823	74,507,206
Overtime	2,509,382	1,622,792	1,628,978	1,710,978
Subtotal Personal Services	\$65,100,155	\$73,517,041	\$74,263,801	\$76,218,184
Non-Personal/Equipment	38,351,017	40,776,420	37,105,640	39,404,662
Total Personal Services & Non-Personal/Equipment	\$103,451,172	\$114,293,461	\$111,369,441	\$115,622,846
Other Costs*				
City-Wide Expenses	3,247,488	3,771,663	3,147,000	3,147,000
General Fund Capital	2,691,728	1,011,200	0	0
Gifts	0	0	0	0
Housing Loans and Grants	62,571	0	0	0
Other	3,782,696	3,912,289	3,912,289	4,233,770
Overhead Costs	7,713,654	7,748,474	7,548,773	8,064,434
Workers' Compensation	424,151	652,000	302,000	305,000
Total Other Costs	\$17,922,288	\$17,095,626	\$14,910,062	\$15,750,204
Total	\$121,373,460	\$131,389,087	\$126,279,503	\$131,373,050

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** The positions displayed in the 2019-2020 Actuals column reflect those included in the 2019-2020 Adopted Budget.

*** 2019-2020 Actuals may not subtotal due to rounding.

Transportation Department

Department Budget Summary

	2019-2020 Actuals ***	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Dollars by Fund				
General Fund (001)	41,761,838	42,733,309	39,899,131	40,768,302
Gift Trust Fund (139)	100,000	0	0	0
Downtown Property And Business Improvement District Fund (302)	3,276,853	3,412,289	3,412,289	3,539,704
Community Facilities District No. 13 (Guadalupe Mines) Fund (310)	55,433	93,931	98,560	98,560
Community Facilities District No. 16 (Raleigh-Coronado) Fund (344)	182,252	278,474	195,364	271,197
Maintenance District No. 1 (Los Paseos) Fund (352)	299,955	303,255	308,406	382,778
Maintenance District No. 2 (Trade Zone Blvd.-Lundy Ave.) Fund (354)	61,008	46,000	47,000	66,155
Maintenance District No. 21 (Gateway Place-Airport Parkway) Fund (356)	92,494	93,827	92,281	92,281
Maintenance District No. 5 (Orchard Parkway-Plumeria Drive) Fund (357)	87,254	82,527	86,292	86,292
Maintenance District No. 19 (River Oaks Area Landscaping) Fund (359)	236,711	148,433	164,887	294,177
Maintenance District No. 8 (Zanker-Montague) Fund (361)	234,475	144,670	157,746	157,746
Maintenance District No. 9 (Santa Teresa-Great Oaks) Fund (362)	167,124	179,435	173,048	173,048
Maintenance District No. 11 (Brokaw Rd/Junction Ave/Old Oakland Rd) Fund (364)	150,874	160,651	121,233	121,233
Maintenance District No. 20 (Renaissance-N. First Landscaping) Fund (365)	105,996	176,754	124,758	124,758
Maintenance District No. 13 (Karina-O'Nel) Fund (366)	41,827	36,898	40,822	40,822
Maintenance District No. 22 (Hellyer Ave.-Silver Creek Valley Rd.) Fund (367)	100,544	198,018	100,347	100,347
Maintenance District No. 15 (Silver Creek Valley) Fund (368)	1,482,967	1,548,457	1,634,898	1,634,897
Comm Fac Dist No. 2 (Aborn-Murillo) and No. 3 (Silverland-Capriana) Fund (369)	1,769,480	2,023,131	1,849,157	2,050,024
Community Facilities District No. 15 (Berryessa-Sierra) Fund (370)	97,322	266,771	172,511	172,511
Community Facilities District No. 1 (Capitol Auto Mall) Fund (371)	162,895	291,822	192,330	192,330
Maintenance District No. 18 (The Meadowlands) Fund (372)	84,878	108,083	71,651	71,651
Community Facilities District No. 8 (Communications Hill) Fund (373)	1,123,220	1,472,732	1,271,852	1,027,023

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** The positions displayed in the 2019-2020 Actuals column reflect those included in the 2019-2020 Adopted Budget.

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Transportation Department

Department Budget Summary

	2019-2020 Actuals ***	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Community Facilities District No. 11 (Adeline-Mary Helen) Fund (374)	164,208	194,097	195,956	105,000
Community Facilities District No. 12 (Basking Ridge) Fund (376)	476,326	518,941	522,067	522,067
Community Facilities District No. 14 (Raleigh-Charlotte) Fund (379)	273,733	183,935	168,633	168,634
Coronavirus Relief Fund (401)	798,717	0	0	0
American Rescue Plan Fund (402)	0	0	0	850,000
Emergency Reserve Fund (406)	14,866	0	0	0
Community Development Block Grant Fund (441)	465,165	0	0	0
Storm Sewer Operating Fund (446)	7,924,251	9,988,193	9,860,069	9,820,093
Community Facilities District No. 17 (Capitol Expy – Evergreen Place) (496)	0	0	15,000	15,000
General Purpose Parking Fund (533)	11,614,716	13,287,559	12,093,916	11,596,916
Sewer Service And Use Charge Fund (541)	25,509,411	25,735,702	25,576,684	26,244,624
Capital Funds	22,456,664	27,681,193	27,632,615	30,584,880
Total	\$121,373,460	\$131,389,087	\$126,279,503	\$131,373,050

Positions by Core Service**				
Parking Services	68.24	70.84	69.84	71.84
Pavement Maintenance	66.65	64.00	64.50	64.70
Sanitary Sewer Maintenance	108.20	106.70	106.70	107.40
Storm Sewer Maintenance	44.06	43.21	43.21	42.81
Strategic Support - Environmental & Utility Services	7.20	10.45	10.45	9.95
Strategic Support - Transportation & Aviation	13.25	13.40	13.40	14.40
Street Landscape Maintenance	40.40	43.30	42.30	42.30
Traffic Maintenance	47.65	44.65	44.65	47.65
Transportation Planning and Project Delivery	40.40	41.90	38.40	40.40
Transportation Safety and Operations	64.95	63.05	62.05	67.05
Total	501.00	501.50	495.50	508.50

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** The positions displayed in the 2019-2020 Actuals column reflect those included in the 2019-2020 Adopted Budget.

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Transportation Department

Department Budget Summary

	2019-2020 Actuals**	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed	2021-2022 Proposed Positions
Dollars by Program*					
Parking Services					
Off-Street Parking	8,576,883	7,764,240	7,636,020	7,636,020	6.60
On-Street Downtown Operations	6,065,492	1,152,141	1,166,635	666,635	3.45
On-Street Parking	3,472,461	11,754,145	11,292,139	12,314,318	61.79
Sub-Total	18,114,837	20,670,526	20,094,794	20,616,973	71.84
Pavement Maintenance					
Corrective Pavement Repair	922,808	345,953	354,725	539,969	4.40
Pavement Maintenance Administration and Capital Project Delivery	9,333,434	9,010,360	9,234,497	9,061,242	60.30
Sub-Total	10,256,242	9,356,313	9,589,222	9,601,211	64.70
Sanitary Sewer Maintenance					
Sanitary Sewer System Maintenance	19,386,811	20,679,892	20,570,173	21,277,300	107.40
Sub-Total	19,386,811	20,679,892	20,570,173	21,277,300	107.40
Storm Sewer Maintenance					
Storm Sewer Operation and Maintenance	4,081,511	5,968,907	5,884,918	5,827,705	30.95
Street Sweeping	1,728,180	2,143,152	2,043,398	2,043,398	11.86
Sub-Total	5,809,691	8,112,059	7,928,316	7,871,103	42.81
Street Landscape Maintenance					
Special District Landscape Services	6,912,306	7,883,575	7,045,282	7,233,157	14.40
Streetscape Services	10,667,262	11,646,121	9,769,167	11,003,167	27.90
Sub-Total	17,579,568	19,529,696	16,814,449	18,236,324	42.30
Traffic Maintenance					
Traffic Signal Maintenance	2,813,407	4,827,468	4,529,018	4,580,018	16.20
Traffic Signs and Markings Maintenance	2,744,526	3,290,209	3,322,241	3,736,536	22.00
Traffic Streetlights Maintenance	8,164,903	7,150,911	7,526,342	7,559,342	9.45
Sub-Total	13,722,836	15,268,588	15,377,601	15,875,896	47.65
Transportation Planning and Project Delivery					
Transportation Capital Project Delivery	4,111,598	3,919,576	3,943,864	3,943,864	20.39
Transportation Multi-Modal Alternatives	1,558,838	1,899,982	1,624,443	1,767,254	8.25
Transportation Planning and Policy	1,952,160	2,122,419	1,972,847	2,121,375	11.76
Sub-Total	7,622,596	7,941,977	7,541,154	7,832,493	40.40
Transportation Safety and Operations					

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Transportation Department

Department Budget Summary

	2019-2020	2020-2021	2021-2022	2021-2022	2021-2022
	Actuals**	Adopted	Forecast	Proposed	Proposed Positions
Neighborhood Traffic	2,129,633	2,900,966	2,650,145	2,514,647	12.65
Traffic Safety	2,676,620	2,533,889	2,815,277	3,634,096	22.15
Traffic Signals and Systems Management	5,809,502	5,846,104	5,894,041	6,115,577	32.25
Sub-Total	10,615,755	11,280,959	11,359,463	12,264,320	67.05
Strategic Support - Environmental & Utility Services					
Transportation Financial Management - Environmental and Utility Services	889,177	459,829	477,113	477,113	3.10
Transportation Human Resources - Environmental and Utility Services	254,007	253,933	260,333	260,333	1.40
Transportation Information Technology - Environmental and Utility Services	274,136	700,474	543,908	543,908	2.05
Transportation Management and Administration- Environmental and Utility Services	1,338,518	834,118	854,470	805,229	3.40
Sub-Total	2,755,838	2,248,354	2,135,824	2,086,583	9.95
Strategic Support - Transportation & Aviation					
Transportation Financial Management - Transportation and Aviation	1,477,369	1,087,400	1,106,886	1,106,886	6.30
Transportation Human Resources - Transportation and Aviation	290,420	448,930	463,513	463,513	2.60
Transportation Information Technology - Transportation and Aviation	712,376	738,878	907,525	1,103,789	3.45
Transportation Management and Administration - Transportation and Aviation	720,755	688,552	714,521	714,521	2.05
Transportation Pandemic Response	817,894	0	0	0	0.00
Sub-Total	4,018,814	2,963,760	3,192,445	3,388,709	14.40
Strategic Support - Other - Environmental & Utility Services					
Transportation Overhead - Environmental and Utility Services	5,236,673	43,051	0	3,576	0.00
Sub-Total	5,236,673	43,051	0	3,576	0.00
Strategic Support - Other - Transportation & Aviation					
Transportation Capital - Transportation and Aviation	348,237	1,011,200	0	0	0.00
Transportation Other Departmental - City-Wide - Transport and Aviation	187,186	513,000	413,000	413,000	0.00
Transportation Other Operational - Administration - Transport and Aviation	3,285,498	3,412,289	3,412,289	3,539,704	0.00
Transportation Overhead - Transportation and Aviation	2,431,143	7,705,423	7,548,773	8,060,858	0.00
Transportation Workers' Compensation - Transportation and Aviation	1,735	652,000	302,000	305,000	0.00
Sub-Total	6,253,799	13,293,912	11,676,062	12,318,562	0.00
Total	\$121,373,460	\$131,389,087	\$126,279,503	\$131,373,050	508.50

* Fund Balance, Transfers, and Reserves for funds that may be managed by this department have been excluded from this display. This information can be found in Source and Use of Funds Statements elsewhere in this document.

** 2019-2020 Actuals may not subtotal due to rounding.

Transportation Department

Budget Reconciliation Personal Services and Non-Personal/Equipment (2020-2021 Adopted to 2021-2022 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
Prior Year Budget (2020-2021):	501.50	114,293,461	37,300,446
Base Adjustments			
One-Time Prior Year Expenditures Deleted			
• Rebudget: Sewer Lateral Replacement Grant		(255,982)	0
• Rebudget: Sanitary Sewer Maintenance Vehicles		(230,000)	0
• Rebudget: LED Streetlight Fixture Conversion		(220,018)	(220,018)
• Rebudget: Computerized Maintenance Management System Upgrade		(170,000)	0
• Rebudget: Street Sweeping Equipment		(130,000)	0
• Rebudget: Bioretention Facilities Renovation		(60,000)	0
• Beautify San José Landscape Maintenance Program		(1,000,000)	(1,000,000)
• Special Assessment District Landscape and Infrastructure Projects		(790,000)	0
• Contract Vehicle Abatement (1.0 Parking and Traffic Control Supervisor)	(1.00)	(711,906)	0
• Vision Zero Quick Build Project Delivery Team (1.0 Associate Engineer and 1.0 Engineer I/II)	(2.00)	(353,987)	0
• Our City Forest		(225,000)	(225,000)
• Storm Sewer Vehicle Operations and Maintenance Program Vehicle		(147,000)	0
• Multimodal Area Transportation Plans (1.0 Transportation Specialist)	(1.00)	(146,949)	0
• Shared Micro Mobility Permit Program		(129,000)	(129,000)
• Special District Landscaping		(100,000)	0
• Special Assessment District Vehicle Replacement		(57,000)	0
• Special Assessment District Landscape Program Design Staffing		(33,500)	0
• Sewer Video Inspection and Complaint Response Graveyard Shift Vehicle		(32,000)	0
• North San José Transit Operations and ATSPM Grant Staffing (1.0 Engineer Trainee PT)	(1.00)	(26,068)	0
• Parking Compliance		(23,100)	(23,100)
• Climate Smart San José Plan Implementation Staffing (1.0 Associate Transportation Specialist)	(1.00)	0	0
One-time Prior Year Expenditures Subtotal:	(6.00)	(4,841,510)	(1,597,118)
Technical Adjustments to Costs of Ongoing Activities			
• Salary/benefit changes and the following position reallocations:		2,169,206	524,113
- 1.0 Associate Engineer to 1.0 Associate Transportation Specialist			
- 1.0 Engineer II to 1.0 Transportation Specialist			
• Gas, Electricity, and Water		396,550	358,000
• Budget Realignment: FirstNet Support		40,939	40,939
• New Transportation Infrastructure Maintenance and Operations		37,000	37,000
• Overtime Adjustment		29,286	0
• Contract Services: Hazardous Waste Disposal		21,500	21,500
• Community-Based Organization: Our City Forest		9,631	9,631
• Software/Information Systems: Adobe Licenses		5,200	5,200
• Night Shift Differential Adjustment		3,087	1,432

Transportation Department

Budget Reconciliation Personal Services and Non-Personal/Equipment (2020-2021 Adopted to 2021-2022 Proposed)

	Positions	All Funds (\$)	General Fund (\$)
• Vacancy Factor		(747,132)	(200,012)
• Vehicle Maintenance and Operations		(36,500)	(49,000)
• Living Wage Adjustment		(11,277)	0
Technical Adjustments Subtotal:	0.00	1,917,490	748,803
2021-2022 Forecast Base Budget:	495.50	111,369,441	36,452,131
Budget Proposals Recommended			
1. Beautify San José Landscape Maintenance Program		1,000,000	1,000,000
2. Vision Zero Quick Build and Community Engagement Staffing	4.00	683,321	0
3. Sanitary Sewer Maintenance Equipment		625,000	0
4. Pavement Markings Staffing	3.00	332,295	0
5. Special Assessment District Landscape and Infrastructure Projects	0.00	260,000	0
6. Our City Forest		225,000	225,000
7. Traffic Capital Improvement Program Information Technology Staffing Support	1.00	196,264	0
8. Traffic Signal Design Program Staffing	1.00	176,912	0
9. New Transportation Infrastructure Maintenance and Operations		175,000	175,000
10. Parking Compliance Pavement Project Support	1.50	172,179	0
11. Vehicle Abatement Program Proactive Patrol and Complaint Response	0.50	155,934	0
12. Policy and Planning for Multi-Modal and Quick Build Projects Staffing	1.00	148,528	0
13. Shared Micro Mobility Permit Program	0.00	73,304	(962)
14. Options and Emerging Mobility Teams Supervision	0.00	59,507	0
15. Traffic Signal Operations Engineering Support	0.00	44,624	0
16. Sanitary and Storm Sewer Staffing	0.00	28,575	0
17. One-way Vehicle Permit Program		10,000	10,000
18. Climate Smart San José Plan Implementation Staffing	1.00	0	0
19. Traffic Safety and Operations Capital Staff Funding Realignment	0.00	0	(516,152)
20. Special District Landscaping		(72,125)	0
21. Repographics Contractual Services Savings		(30,528)	(23,715)
22. Pavement Maintenance Staffing	0.00	(10,385)	0
Total Budget Proposals Recommended	13.00	4,253,405	869,171
2021-2022 Proposed Budget Total	508.50	115,622,846	37,321,302

Transportation Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
1. Beautify San José Landscape Maintenance Program		1,000,000	1,000,000

*Transportation and Aviation Services CSA
Street Landscape Maintenance Core Service
Streetscape Services Program*

This action adds one-time non-personal/equipment funding of \$1.0 million in the General Fund to continue the Transportation Department's Beautify San José Landscape Maintenance program that was first established with City Council's approved of the Mayor's March Budget Message for Fiscal Year 2017-2018 Funding provides for bi-monthly cleaning, weed abatement, some tree maintenance, and other basic streetscape improvement activities at key gateway locations throughout the City. This funding will allow the overall landscape conditions annual ratings to continue to improve due to the enhanced maintenance cycle in the Beautify San José locations increasing from quarterly to bi-monthly service. (Ongoing costs: \$0)

2. Vision Zero Quick Build and Community Engagement Staffing	4.00	683,321	0
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*Transportation and Aviation Services CSA
Transportation Safety and Operations Core Service
Traffic Safety Program*

This action adds 1.0 Associate Engineer, 2.0 Associate Transportation Specialist, and 1.0 Engineer I/II positions on an ongoing basis for the Vision Zero data analytics, Quick Build projects, and community engagement for safety projects. One Associate Transportation Specialist will support the Vision Zero Action Plan and will primarily focus on data analysis and securing data analytic systems to understand root causes and trends of traffic safety issues to better develop outreach strategies and/or projects. This role will ensure that Vision Zero investments are data driven and equitable, outreach and engagement strategies are specific to community groups, and the right solutions are applied where needed. The Associate Engineer and Engineer I/II will be part of the Quick Build team that focuses on quick build projects where paint and plastic can be used to change roadway geometry at intersections and along corridors to reduce severe injuries and fatalities. An Associate Transportation Specialist position is needed to consistently coordinate with council offices and community groups about the many safety projects starting or underway to present early design concepts, seek input, and follow through with public education and awareness work.

Many of these projects are located in communities of concern where thoughtful engagement work is needed to ensure project scope is appropriate, safety and mobility goals can be achieved, and services are delivered through equity lens. Proposed projects often introduce unfamiliar roadway configurations or significant change in configuration, requiring multiple public outreach and engagement events to ensure residents have opportunity to understand the proposed changes and objectives, as well as opportunity to engage with the City to provide feedback. These positions will be funded by Traffic Capital Funds. (Ongoing costs: \$683,321)

Transportation Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
3. Sanitary Sewer Maintenance Equipment		625,000	0

*Environmental and Utility Services CSA
Sanitary Sewer Maintenance Core Service
Sanitary Sewer System Maintenance Program*

This action adds one-time non-personal/equipment funding of \$625,000 from the Sewer Service and Use Charge Fund to replace a sewer combination truck and purchase a mini excavator and a trailer. The sewer combination truck will ensure the City has a sufficient number of operational sewer combination trucks available to meet regulatory requirements of the Wastewater Discharge Regulations and sanitary sewer National Pollutant Discharge Elimination System permit. The mini excavator will be used by the Sewer Repair and Easement sections to access areas with limited space where a larger excavator cannot be used. Currently, a mini excavator is rented when needed, but renting adds to the job completion time because of time associated with locating and delivering the equipment. It may also take additional time if the piece of equipment is not readily available. Over the past two years, the number of sewer repairs have grown in relation to the expanded pavement program, and owning the mini excavator will reduce the amount of time it takes to respond to emergency sewer repairs in hard to reach locations. The ongoing maintenance cost associated with the new mini excavator and trailer is offset by rental cost savings. (Ongoing savings: \$800)

4. Pavement Markings Staffing	3.00	332,295	0
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*Transportation and Aviation Services CSA
Traffic Maintenance Core Service
Traffic Signs and Markings Maintenance Program*

This action adds 3.0 Maintenance Worker II positions for the Roadway Markings team using State Gas Tax funding for striping and markings as part of the Expanded Pavement Program. The Transportation Department will further leverage these positions by utilizing them to install and provide maintenance to bike infrastructure implemented as Better BikewaySJ and Quick Build projects. Once these activities are completed, the additional staffing support will be used to perform preventative maintenance activities and other special projects for the Signs and Markings team, such as the installation of new high visibility crosswalks. (Ongoing costs: \$332,295)

Transportation Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
<p>5. Special Assessment District Landscape and Infrastructure Projects</p> <p><i>Transportation and Aviation Services CSA Street Landscape Maintenance Core Service Special District Landscape Services Program</i></p> <p>This action adds one-time non-personal/equipment funding for the design and renovation of aging landscape and infrastructure in Maintenance Assessment Districts (MAD) and Community Facility Districts (CFD) and reallocates staffing resources to the districts to support the projects. The following projects are included for 2021-2022:</p> <ul style="list-style-type: none"> - Community Facilities District No. 16 (Raleigh-Coronado) Fund - Erosion Repairs (\$60,000); - Maintenance District No. 1 (Los Paseos) Fund - Concrete Safety Repairs (\$50,000); - Maintenance District No. 19 (River Oaks Area Landscaping) Fund - Turf Conversion (\$100,000); - and Community Facilities District No. 2 & 3 (Aborn-Murillo) Fund - Green Belt Improvement (\$50,000). <p>(Ongoing costs: \$0)</p>	0.00	260,000	0
<p>6. Our City Forest</p> <p><i>Transportation and Aviation Services CSA Street Landscape Maintenance Core Service Streetscape Services Program</i></p> <p>This action adds one-time non-personal/equipment funding of \$225,000 to extend funding for Our City Forest facility needs (\$141,000 for office space lease costs and \$84,000 for a nursery on Airport property) through June 2022. Our City Forest (OCF) had used a City facility for its office space. In 2017, this facility was closed for continued occupancy and as a result, OCF was required to relocate. There are no currently available City facilities that meet OCF requirements, so an alternative location has been leased, with the City covering the cost. OCF also operates a nursery on Airport property, which it previously obtained and operated at below market rate prior to 2018-2019. This arrangement is no longer possible due to federal requirements; going forward OCF must pay market rate to lease this facility. (Ongoing costs: \$0)</p>		225,000	225,000
<p>7. Traffic Capital Improvement Program Information Technology Staffing Support</p> <p><i>Transportation and Aviation Services CSA Strategic Support Core Service Transportation Information Technology Program</i></p> <p>This action adds 1.0 Information Systems Analyst position, funded by the Traffic Capital Program, to provide essential technical development services and operational support for capital projects. The position will develop and maintain project management tools, such as the Salesforce system, GIS mapping, and PowerBI for reporting and analytics; development and maintenance of third-party applications; and produce data analytics models and visualizations through PowerBI for Vision Zero strategies. (Ongoing costs: \$196,264)</p>	1.00	196,264	0

Transportation Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
8. Traffic Signal Design Program Staffing <i>Transportation and Aviation Services CSA Transportation Safety and Operations Core Service Traffic Signals and Systems Management Program</i> This action adds 1.0 Associate Engineer position to the Traffic Signal Design program. The Associate Engineer will be responsible for leading traffic signal construction activation services for City-wide signal-related projects; providing traffic signal design review services for City capital projects; supporting an increasing workload focused on Quick Build signal safety improvements along Vision Zero priority safety corridors; and, managing a backlog of traffic signal installation and modification projects, with a focus on higher crash locations. This position will be funded by the Traffic Capital Funds. (Ongoing costs: \$176,912)	1.00	176,912	0
9. New Transportation Infrastructure Maintenance and Operations <i>Transportation and Aviation Services CSA Street Landscape Maintenance and Traffic Maintenance Core Services Streetscape Services, Traffic Signal Maintenance, Traffic Signs and Markings Maintenance, and Traffic Streetlights Maintenance Programs</i> This action provides non-personal/equipment funding of \$175,000 for the maintenance and operations impacts associated with new capital improvements that are scheduled to come on-line during 2021-2022 as part of the five-year Traffic Capital Improvement Program (CIP). This funding need was anticipated in the 2022-2026 General Fund Forecast, and the liquidation of an Earmarked Reserve set aside in the forecast for this purpose is also included. (Ongoing costs: \$229,000)		175,000	175,000
10. Parking Compliance Pavement Project Support <i>Transportation and Aviation Services CSA Parking Services Core Service On-Street Parking Program</i> This action adds a limit-dated 0.5 Parking Supervisor position through June 30, 2022 (with the remaining 0.5 Parking Supervisor position in the Transportation Department Vehicle Abatement Program action) and adds 1.0 Parking and Traffic Control Officer position, funded by Traffic Capital Funds, to provide tow-enforcement support during pavement projects. These positions will supplement the existing staff to provide coordination of tow-permits and temporary parking restrictions and the timely enforcement of tow-away zones to ensure streets are clear of parked vehicles, facilitating construction and pavement work with the least possible impact to residents and businesses. (Ongoing costs: \$98,245)	1.50	172,179	0

Transportation Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
<p>11. Vehicle Abatement Program Proactive Patrol and Complaint Response</p> <p><i>Transportation and Aviation Services CSA Parking Services Core Service On-Street Parking Program</i></p> <p>This action adds a limit-dated 0.5 Parking Supervisor position through June 30, 2022 (with the remaining 0.5 Parking Supervisor position in the Transportation Department Parking Compliance Pavement Project Support action) to continue the Vehicle Abatement (VA) Program. The updated VA Program will provide a hybrid model of proactive patrol and San José 311 complaint response by using 3.0 contracted staffing as well as existing staff and additional overtime hours. This program, initiated in December 2017 in response to the City Auditor's August 2018 Report: <i>Audit of Vehicle Abatement: The City Could Improve Customer Service for Vehicle Abatement Requests</i>, is designed to help address the significant workload associated with investigating and mitigating over 63,000 annual VA service requests. The Hybrid VA Program model focuses on identifying and removing vehicles that are posing a significant safety or blight concern or are inoperable. Vehicles reported for being parked for an extended period of time (longer than 3-days) or occupied vehicles will not be investigated unless they display other qualifying safety, blight, or inoperable conditions. It is estimated that the proposed service level could result in the removal (tow) of approximately 2,800 of the most egregious vehicles parked on city streets annually. This position as well as the contractual services of the VA program, for a total cost of \$450,000, is funded by the American Rescue Plan Fund as displayed in the Source and Use of Funds Statements section of this document. (Ongoing costs: \$0)</p>	0.50	155,934	0
<p>12. Policy and Planning for Multi-Modal and Quick Build Projects Staffing</p> <p><i>Transportation and Aviation Services CSA Transportation Planning and Project Delivery Core Service Transportation Planning and Policy Program</i></p> <p>This action adds 1.0 Transportation Specialist position to provide transportation planning support to the Planning and Policy team. This position will support development of multimodal transportation improvement plans for urbanizing areas of the City that advance the access and mobility goals of the Envision San José 2040 General Plan. The position will be responsible for developing and analyzing Geospatial Information System data, conducting streetscape designs, and managing multicultural and multilingual communication and engagement for planned transportation improvement projects. This position will be funded by the Traffic Capital Funds. (Ongoing costs: \$148,528)</p>	1.00	148,528	0

Transportation Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
13. Shared Micro Mobility Permit Program	0.00	73,304	(962)

*Transportation and Aviation Services CSA
Transportation Planning and Project Delivery Core Service
Transportation Multi-Modal Alternatives Program*

This action shifts 0.5 Transportation Specialist position from the General Fund to Traffic Capital Funds on a one-time basis and adds one-time non-personal/equipment funding of \$73,300 in the General Fund to continue the use of a standardized data processing platform for one more year to monitor, process, and analyze micro-mobility data for the City as part of the Shared Micro Mobility Permit Program. Shared micro-mobility permits include important safety and data sharing provisions and restricts permit issuance to operators that can develop technology-based solutions to track scooter activity and use technology to deter sidewalk riding on pedestrian-dense streets. This funding provides the data platform to analyze and inform decisions based on the data gathered by the scooter operators. A portion of the Transportation Specialist position that oversees the Shared Micro Mobility Permit Program will be reassigned for one year to work on capital projects related to emerging mobility and multi-modal transportation due to a lower workload in the program because of the COVID-19 pandemic. (Ongoing costs: \$0)

14. Options and Emerging Mobility Teams Supervision	0.00	59,507	0
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*Transportation and Aviation Services CSA
Transportation Planning and Project Delivery Core Service
Transportation Multi-Modal Alternatives Program*

This action adds 1.0 Senior Transportation Specialist position and deletes 1.0 Transportation Specialist position, funded by Traffic Capital Funds, to provide leadership to the Transportation Options and Emerging Mobility teams. The Senior Transportation Specialist position will lead city wide planning for emerging mobility, bike and pedestrian improvements; lead funding and implementation planning for bike and pedestrian improvements; develop cutting edge, sensitive, multi-stakeholder policies around emerging mobility such as sidewalk delivery robots, aerial delivery systems, and shared mobility services; and develop policies and programs to implement the Transportation Department's portion of the Climate Smart San Jose Plan. The workload of the deleted Transportation Specialist position will be absorbed by the existing staff on the team. (Ongoing costs: \$59,507)

Transportation Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
<p>15. Traffic Signal Operations Engineering Support</p> <p><i>Transportation and Aviation Services CSA Transportation Safety and Operations Core Service Traffic Signals and Systems Management Program</i></p> <p>This action adds 1.0 Associate Engineer position and deletes 1.0 Associate Engineering Technician position on the Traffic Signal Operations team to oversee operational analysis and signal timing implementation. An Associate Engineer position is needed due to the technical expertise and capacity required to provide engineering support for the increasing workload related to quick build, complete streets and bike network projects. The Associate Engineer position will be responsible for providing safety/operational analysis and signal timing implementation to support City initiatives, including Vision Zero Quick Build program, downtown area development, annual collision review, and fatality review efforts. This position will be funded by the Traffic Capital Funds. (Ongoing costs: \$41,902)</p>	0.00	44,624	0
<p>16. Sanitary and Storm Sewer Staffing</p> <p><i>Environmental and Utility Services CSA Sanitary Sewer Maintenance, Storm Sewer Maintenance, and Strategic Support Core Services Sanitary Sewer System Maintenance, Storm Sewer Operation and Maintenance, and Transportation Management and Administration Programs</i></p> <p>This action adds 1.0 Staff Specialist position and associated one-time non-personal/equipment funding (\$2,250) and deletes 1.0 Office Specialist position in the Sanitary and Storm Sewer programs to provide analytical and operational support to the Sanitary and Storm Sewer Operation and Maintenance Section. There is a need by the Sanitary and Storm Sewer programs for analytical support that an Office Specialist is unable to provide. The primary duties of the Staff Specialist will include performing basic analysis of work orders; responding to resident inquiries; conducting vehicle and equipment downtime reports and coordinating resource allocation changes, compiling performance measure data and resolving issues; and coordinating administrative activities such as request for proposals, contracts, and grants. (Ongoing costs: \$24,981)</p>	0.00	28,575	0
<p>17. One-way Vehicle Permit Program</p> <p><i>Transportation and Aviation Services CSA Transportation Planning and Project Delivery Core Service Transportation Multi-Modal Alternatives Program</i></p> <p>This action adds one-time non-personal/equipment funding of \$10,000 for contractual services and supplies for the proposed One-Way Vehicle Sharing Permit program. The funding provides \$9,500 for database software to administer the program and \$500 for printing costs for permits. The vehicle share program will allow members to pick up a vehicle in one location and drop it off at a different location. The projected fee collection from the permit program will offset these expenditures. (Ongoing costs: \$0)</p>		10,000	10,000

Transportation Department

Budget Changes By Department Personal Services and Non-Personal/Equipment

2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
<p>18. Climate Smart San José Plan Implementation Staffing</p> <p><i>Transportation and Aviation Services CSA Transportation Planning and Project Delivery Core Service Transportation Planning and Policy Program</i></p> <p>This action continues 1.0 Associate Transportation Specialist position through June 30, 2022, to deliver Climate Smart program services. This position will work in the Sustainable Transportation Planning team to enable the delivery of the Bloomberg-funded American Climate Cities Challenge (ACCC) plans and projects. The position will be responsible for developing the Electric Mobility Strategy, measuring performance of sustainability efforts and developing reports, performing community outreach efforts and pilots as it relates to electric vehicles, and encouraging new mobility options. This position is funded by the Climate Smart City-Wide Expenses allocation. (Ongoing costs: \$0)</p>	1.00	0	0
<p>19. Traffic Safety and Operations Capital Staff Funding Realignment</p> <p><i>Transportation and Aviation Services CSA Transportation Safety and Operations Core Service Neighborhood Traffic, Traffic Safety, and Traffic Signals and Systems Management Programs</i></p> <p>This action realigns funding for 0.5 Division Manager position in the Traffic Safety team and 0.4 Senior Engineer position, 0.86 Associate Transportation Specialist position, and 0.05 Engineer II position in the Traffic Signal Operations team from the General Fund to the Building and Structure Construction Tax Fund. The positions on the Traffic Signal Operations team manage traffic signal control systems to ensure efficient traffic flow on arterial and major collector roads throughout the City. The funding shifts will better align funding sources for the positions with work performed and provide an overall savings to the General Fund. (Ongoing costs: \$0)</p>	0.00	0	(516,152)
<p>20. Special District Landscaping</p> <p><i>Transportation and Aviation Services CSA Street Landscape Maintenance Core Service Special District Landscape Services Program</i></p> <p>This action decreases the personal services funding by \$31,125 and non-personal/equipment funding by \$41,000 in the Community Facilities District No. 11 (Adeline-Mary Helen on Communications Hill) Fund. The non-personal/equipment funding can be reduced because renovation projects have been completed and fewer projects will need to be undertaken in 2021-2022. The personal services funding was designated for contracted staff to supplement the in-house staff; however, that service delivery model has been replaced by using in-house staff only. (Ongoing savings: \$72,125)</p>		(72,125)	0

Transportation Department

Budget Changes By Department Personal Services and Non-Personal/Equipment







2021-2022 Proposed Budget Changes	Positions	All Funds (\$)	General Fund (\$)
21. Reprographics Contractual Services Savings		(30,528)	(23,715)
<p><i>Environmental and Utility Services CSA</i> Sanitary Sewer Maintenance and Storm Sewer Maintenance Core Services <i>Sanitary Sewer System Maintenance and Storm Sewer Operation and Maintenance Programs</i></p> <p>This action reduces the non-personal/equipment budget by \$30,528 on an ongoing basis to reflect savings in the reprographics (printing) contract. The Finance and Information Technology Departments jointly worked to re-procure the City's reprographics contract for copier, scanner, fax devices support, and administration software and tools. Savings in the amount of \$363,000 will be generated in the General Fund, \$462,000 in all funds, across all departments from lower rental costs for the multi-function devices and significantly lower cost per copy and consumption rates. Savings can be realized with new green-print options and central administration of devices. (Ongoing savings: \$30,528)</p>			
22. Pavement Maintenance Staffing	0.00	(10,385)	0
<p><i>Environmental and Utility Services CSA</i> Storm Sewer Maintenance Core Service <i>Storm Sewer Operation and Maintenance Program</i></p> <p><i>Transportation and Aviation Services CSA</i> Pavement Maintenance Core Service <i>Corrective Pavement Repair and Pavement Maintenance Administration and Capital Project Delivery Programs</i></p> <p>This action adds 1.0 Maintenance Supervisor and 2.0 Maintenance Assistant positions and deletes 1.0 Senior Maintenance Worker and 2.0 Maintenance Worker II positions to address program oversight and resource needs for the in-house pavement maintenance program. Currently, one Maintenance Supervisor manages 25.0 FTEs and oversees nine different pavement programs, consisting of curb and gutter reform, potholes, storm response, inlet cleaning, catch basin cleaning, large pavement repairs, and pavement scheduled complaint repair. With the expansion of the Pavement Maintenance Program that has been made possible from the addition of Measure T funding, the scope of responsibilities has become too large for one Maintenance Supervisor to effectively manage. The additional Maintenance Supervisor will allow the program to separate responsibilities between two Maintenance Supervisors. The addition of two Maintenance Assistant positions will provide needed operational support with the expanded pavement work. (Ongoing savings: \$17,537)</p>			
2021-2022 Proposed Budget Changes Total	13.00	4,253,405	869,171

Transportation Department

Performance Summary

Parking Services

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 % of on-street parkers in compliance with all regulations	92%	95%	95%	95%
 Parking System revenue to operating cost ratio ¹	1.05	1.05	0.45	0.75
 % of meter repair service requests completed in 1 day	100%	100%	100%	100%
 % of citation appeal requests completed in 14 days	95%	90%	90%	90%
 % of reported abandoned or stored vehicles in voluntary compliance by staff's second visit	89%	85%	70%	75%
 % of customers rating services good or comfort (4 or better on a 1-5 scale)	89%	85%	85%	85%

¹ 2020-2021 Estimated and 2021-2022 Target are lower as a result of decreased parking revenues due to the COVID-19 pandemic.

Activity and Workload Highlights

	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast
# of monthly parking customers served	68,529	62,500	53,600	67,000
# of parking visitors served	940,948	1,000,000	510,000 ²	630,000 ²
# of parking meter service activities completed	7,895	7,500	18,000 ³	16,400 ³
# of parking citations issued	159,419	135,000	90,000 ³	135,000
# of parking citations appealed/adjudicated	6,704	6,500	2,700 ⁴	4,500

² The 2020-2021 Estimated and 2021-2022 Forecast are lower as a result of decreased parking activity due to the COVID-19 pandemic.

³ The 2020-2021 Estimated and 2021-2022 Forecast are higher because of a shift from revenue collection activities to repairing and disinfecting meters while they have not been charging due to the COVID-19 pandemic.



⁴ The 2020-2021 Estimated is lower as parking services were deemed non-essential and suspended effective March 17, 2020 due to the COVID-19 pandemic.

Transportation Department

Performance Summary

Pavement Maintenance

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 City average Pavement Condition Index (PCI) rating (Metropolitan Transportation Commission recommended condition level is 75)	67	67	67	68
 % of corrective pavement repairs completed within established time guidelines:				
- Priority: Completed within 2 days	100%	98%	100%	98%
- Non-Priority: Completed within 30 days	96%	90%	68%	90%

Activity and Workload Highlights

	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast
Miles of paved roadway to maintain	2,434	2,434	2,519 ¹	2,519 ¹
Miles of streets receiving surface seal application ¹	53.5	89	93	105
Miles of street resurfacing completed ²	30	116	113	115
# of pothole repairs completed	8,004	10,500	6,500	10,500
Square yards of large pavement repairs completed	46,793	50,000	50,600	50,000
Average sealing maintenance cost per mile of street (includes preparation work)	\$260,000	\$265,000	\$265,000	\$265,000

¹ During the process of evaluating the residential street network and planning to perform maintenance on every residential segment by 2028, missing segments were identified that were not included in the City's street network inventory, which resulted in an increase of 85 miles, from 2,434 miles to 2,519 miles (23 miles of Major Street Network and 62 miles of Residential Street Network).





² The number of miles sealed or resurfaced varies annually based on need and optimum use of available funds.

Transportation Department

Performance Summary

Sanitary Sewer Maintenance

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 # of sanitary sewer overflows per 100 miles of sanitary sewer mains (annualized) ¹	1.6	2.0	2.0	2.0
 % of reported sanitary sewer problems responded to within 30 minutes	48%	80%	N/A ²	80%
 % of in-house repairs completed within established time guidelines:				
- Priority A: Service completely severed Full service restored – 24 hours; final repairs – 5 days	98%	90%	95%	90%
- Priority B: Service exists at a limited capacity Final repair – 20 days	91%	90%	95%	90%
- Priority C: Future service impact identified Corrective actions – 90 days	72%	90%	85%	90%
 % of customers rating services good or better based upon timeliness and effectiveness (rating of 4 or greater on a 1 – 5 scale)	100%	100%	100%	100%

Activity and Workload Highlights

	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast
Miles/number of sewer line segments ¹	2,043/46,270	2,042/46,061	2,044/46,358	2,042/46,060
Miles of sanitary sewer lines cleaned	752	1,000	780	1,000
# of sanitary sewer main line stoppages cleared	207	200	200	200
Miles of sanitary sewer lines inspected by video to support maintenance and repair	82	80	80	80
# of reported sanitary sewer problems	3,913	4,000	4,000	4,000
# of sewer repairs completed	618	700	700	700
# of sanitary sewer overflows	31	40	40	40

¹ Mileage and segment numbers are managed by the Public Works Department (PW) and may vary based on when reports are prepared.





² Data not available due to database transition. Data is anticipated to be available in 2022-2023.

Transportation Department

Performance Summary

Storm Sewer Maintenance

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 % of storm sewer inlets without obstruction	100%	96%	100%	96%
 % of swept curb miles rated by City as good or better based upon effectiveness and satisfaction with street appearance (4 or greater on a 1 – 5 scale)	53% ¹	75%	45% ¹	75%
 % of high priority storm sewer service requests/repairs addressed within 4 hours	33% ²	90%	35% ²	90%
 % of customers rating street sweeping services good or better based upon effectiveness and satisfaction with street appearance (4 or greater on a 1 – 5 scale) ³	46%	55%	46%	55%

¹ Shelter-in-place requirements in response to COVID-19 prevented residents from moving cars, resulting in the inability to complete scheduled sweeping in some locations.

² The Department is analyzing the data related to this measure and will update the footnote in 2022-2023.

³ The Environmental Services Department conducts a resident survey once every two years (Recycle Plus Survey). The next Survey is scheduled in winter 2022.

Activity and Workload Highlights

	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast
Miles/number of storm sewer segments ⁴	1,076/30,675	1,074/30,490	1,078/30,797	1,074/30,490
# of storm sewer inlets ⁴	35,569	35,400	35,528	35,530
# of storm sewer inlet stoppages identified and cleared	775	1,000	200	1,000
# of curb miles swept	60,908 ⁵	67,000	56,700 ⁵	67,000
Thousands of tons of sweeping debris collected	4.76 ⁵	9.0	5.0 ⁵	9.0

⁴ Mileage and segment numbers are managed by the Public Works Department (PW) and may vary based on when reports are prepared.






⁵ Shelter-in-place requirements in response to COVID-19 prevented residents from moving cars, resulting in the inability to complete scheduled sweeping in some locations.

Transportation Department

Performance Summary

Street Landscape Maintenance

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 % of general benefit street landscapes in good condition	86%	80%	96%	95%
 % of community forest in the public right-of-way that is in optimal condition	39%	39%	39%	39%
 % of sidewalks, curbs, gutters, and parkstrips repaired within 90 days of the notification of 6 damage	29%	35%	44%	40%
 % of unimproved rights-of-way that are rated as fire safe by June 30th	100%	100%	100%	100%
 % of customers rating tree and sidewalk services good or better (4 or better on a 1-5 scale)	78%	75%	N/A ²	75%

Activity and Workload Highlights

	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast
Acres of general benefit-maintained street landscapes	224	224	224	290 ¹
# of street tree emergency responses	1,011	1,000	N/A ²	N/A ²
# of sidewalk repairs completed	6,530	6,000	4,500 ³	6,000
Acres/districts of Special District street landscapes	337/23	338/24	337/23	338/24
# of street tree pruning permits issued / # of trees pruned	310/8,545	400/10,000	N/A ²	N/A ²
# of street tree removal permits issued / # of trees removed	601/842	500/750	N/A ²	N/A ²

¹ New database accounts for hardscape (curbs, concrete surface, cobblestone, etc.).

² Data not available due to database transition. Data is anticipated to be available in 2022-2023.









³ The shelter-in-place requirements led to reduced contractor staffing to complete projects. Additionally, an increased number of jobs were completed by homeowners rather than by City contractors.

Transportation Department

Performance Summary

Traffic Maintenance

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 % of traffic signal preventative maintenance activities completed within established guidelines	19%	33%	33%	33%
 % of traffic and street name signs meeting visibility and operational guidelines	82%	82%	82%	81%
 % of traffic roadway markings meeting visibility and operational guidelines	62%	62%	62%	64%
 % of time streetlights are operational	98%	98%	98%	98%
 % of traffic signal malfunctions responded to within 30 minutes	23%	40%	40%	40%
 % of traffic signs and street name signs service requests completed within prioritized operational guidelines	94%	94%	94%	98%
 % of all roadway marking service requests completed within prioritized operational guidelines	98%	98%	98%	100%
 % of reported streetlight malfunctions repaired within 7 days ¹	30%	65%	40%	50%

¹ Streetlights with burned out low-pressure sodium (LPS) bulbs are being replaced with LED fixtures as of 2019-2020. Replacement of fixtures has a longer cycle-time than simply replacing bulbs.

Transportation Department

Performance Summary

Traffic Maintenance

Activity and Workload Highlights

	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast
# of traffic signals	957	960	960	963
# of streetlights	65,219	65,200	65,100	65,200
# of traffic and street name signs	121,098	122,500	121,000	121,000
# of square feet of markings (in millions)	5.73	5.75	5.74	5.77
# of traffic signal repair requests completed ¹	1,579	2,000	2,000	1,800
# of traffic signal preventive maintenance activities completed	546	950	950	960
# of traffic and street name signs repair/replacement requests completed ²	810	1,800	1,200	1,200
# of traffic and street name signs preventively maintained	3,985	4,000	4,700	1,900 ³
# of roadway markings maintenance requests completed	153	290	290	300
# of roadway markings preventively maintained (sq. ft)	1,104,044	1,290,000	1,100,000	1,200,000
# of streetlight repair requests completed	9,410	10,000	10,000	9,800

¹ The activity level varies based on the number of repair calls received from residents.

² The # of repairs completed in 2019-2020 decreased due to the COVID-19 shelter-in-place order.


³ The Transportation Department is in year 5 of a 5-year program to replace all street name signs citywide to comply with the *State Manual on Uniform Traffic Control Devices*. Replacements for standard street name signs will be completed in 2020-2021, and the workload will shift to replacements of mast arm street name signs.

Transportation Department

Performance Summary

Transportation Planning and Project Delivery

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 % of local Transportation CIP projects delivered within 2 months of approved baseline schedule	60%	80%	100%	100%

Activity and Workload Highlights

	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast
# of local Transportation Capital projects in CPMS Database	97	70	88	88
Dollar amount of Transportation grant reimbursements (in millions)	\$85.5M	\$88.9M	\$102.9M	\$113.5M
# of regional projects in the City	15	17	17	17
Dollar amount of regional projects in the City ¹	\$300M	\$218.9M	\$129M	\$6.064B




¹ The construction cost increase is primarily due to Bart Phase II, High Speed Rail, and Quiet Zone Projects.

Transportation Department

Performance Summary

Transportation Safety and Operations

Performance Measures

	2019-2020 Actual	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
 % of traffic signals proactively re-timed along commute corridors to minimize wait times ¹	5%	12%	0%	30%
 % of signs and markings installed within 35 days from initial study request	42%	55%	55%	55%
 % of customers rating services good or better based upon timeliness, added safety, and satisfaction with solution	66%	75%	75%	85%

¹ This measure is based on 625 traffic signals along commute corridors. The 2019-2020 Actuals were low due to the delay in BART opening. The 2020-2021 Target assumed the COVID-19 public health orders would be lifted by January 2021, however, orders will continue through most of the fiscal year. Retiming activity was suspended in 2020-2021 due to the unusual traffic patterns caused by the COVID-19 shelter-in-place order.

Transportation Department

Performance Summary

Transportation Safety and Operations

Activity and Workload Highlights

	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast
# of pedestrian safety enhancement/traffic calming projects completed ¹	N/A	N/A	41	35
# of pedestrian and bike fatalities: ¹				
-Children ages 5 to 17	N/A	N/A	3	2
-Seniors ages 65+	N/A	N/A	5	11
# of traffic fatalities (all causes) ¹	N/A	N/A	49	48
# of pedestrian bike injuries ¹	N/A	N/A	378	520
# of pedestrian and bike fatalities ¹	N/A	N/A	28	32
# of pedestrian and bike injuries: ¹				
-Children ages 5 to 17	N/A	N/A	63	75
-Seniors ages 65+	N/A	N/A	57	70
# of pedestrian and bike injury crashes: ²				
- Children ages 5 to 14	51	45	30	N/A ²
- Seniors ages 65+	76	85	53	N/A ²
# of traffic congestion projects completed	640	600	600	600
# of traffic studies completed and implemented	1,245	900	1,200	1,200
# of people receiving traffic safety education: ¹				
-Children ages 5-17	N/A	N/A	N/A	10,000
-Adults	N/A	N/A	N/A	500
# of people receiving traffic safety education:				
- Children ages 5 to 14	35,950 ³	7,400 ³	5,000 ³	N/A ²
- Seniors ages 65+	2,046	600 ³	180 ³	N/A ²
# of special events managed	368	260	100	250

¹New measure in 2021-2022.

²This measure being replaced by new measures in 2021-2022.



³Due to COVID-19 closures, the number of people receiving traffic safety education in 2019-2020 was lower than forecast and the forecast for 2020-2021 was decreased.

Transportation Department

Performance Summary

Strategic Support

Performance Measures

	2019-2020 Actuals	2020-2021 Target	2020-2021 Estimated	2021-2022 Target
Actual				
 % of invoices paid within 30 days	65%	85%	62%	85%
 % of customers whose service quality expectations are met or exceeded (4 or better on a 1-5 scale)	92%	95%	95%	95%

Activity and Workload Highlights

	2019-2020 Actual	2020-2021 Forecast	2020-2021 Estimated	2021-2022 Forecast
# of financial/budget transactions	18,608	19,000	17,796	19,000
# of employees hired	139	130	174	130
# of responses to information technology issues	1,713	1,300	1,350	1,400

Transportation Department

Departmental Position Detail

Position	2020-2021 Adopted	2021-2022 Proposed	Change
Accounting Technician	1.00	1.00	-
Administrative Assistant	1.00	1.00	-
Administrative Officer	1.00	1.00	-
Analyst I/II	9.00	9.00	-
Arborist	1.00	1.00	-
Arborist Technician	3.00	3.00	-
Assistant Arborist	2.00	2.00	-
Assistant Director	1.00	1.00	-
Associate Construction Inspector	19.00	19.00	-
Associate Engineer	31.00	32.00	1.00
Associate Engineering Technician	6.00	5.00	(1.00)
Associate Transportation Specialist	8.00	11.00	3.00
Communications Technician	1.00	1.00	-
Concrete Finisher	3.00	3.00	-
Construction Manager	1.00	1.00	-
Department Information Technology Manager	1.00	1.00	-
Deputy Director	3.00	3.00	-
Director of Transportation	1.00	1.00	-
Division Manager	8.00	8.00	-
Electrical Maintenance Superintendent	1.00	1.00	-
Electrician I/II	13.00	13.00	-
Electrician Supervisor	3.00	3.00	-
Engineer I/II	33.00	32.00	(1.00)
Engineering Technician I/II	3.00	3.00	-
Engineering Trainee PT	2.50	1.50	(1.00)
Geographic Information Systems Specialist II	3.00	3.00	-
Heavy Equipment Operator	10.00	10.00	-
Information Systems Analyst	3.00	4.00	1.00
Maintenance Assistant/Maintenance Worker I	61.00	63.00	2.00
Maintenance Assistant PT/Maintenance Worker I PT	1.50	1.50	-
Maintenance Superintendent	4.00	4.00	-
Maintenance Supervisor	11.00	12.00	1.00
Maintenance Worker II	76.00	77.00	1.00
Network Engineer	2.00	2.00	-
Network Technician I/II/III	2.00	2.00	-
Office Specialist I/II	3.00	2.00	(1.00)
Operations Manager	1.00	1.00	-
Parking and Traffic Control Officer	41.00	42.00	1.00
Parking and Traffic Control Officer PT	3.50	3.50	-
Parking and Traffic Control Supervisor	3.00	3.00	-
Parking/Ground Transportation Administrator	2.00	2.00	-
Parking Manager I/II	2.00	2.00	-
Principal Construction Inspector	3.00	3.00	-

Transportation Department

Departmental Position Detail

Position	2020-2021 Adopted	2021-2022 Proposed	Change
Principal Engineer/Architect	1.00	1.00	-
Program Manager	3.00	3.00	-
Public Information Manager	1.00	1.00	-
Security Services Supervisor	1.00	1.00	-
Senior Account Clerk	3.00	3.00	-
Senior Analyst	6.00	6.00	-
Senior Construction Inspector	8.00	8.00	-
Senior Electrician	3.00	3.00	-
Senior Engineer	12.00	12.00	-
Senior Engineering Technician	3.00	3.00	-
Senior Geographic Information Systems Specialist	1.00	1.00	-
Senior Heavy Equipment Operator	2.00	2.00	-
Senior Maintenance Worker	25.00	24.00	(1.00)
Senior Office Specialist	5.00	5.00	-
Senior Parking and Traffic Control Officer	5.00	5.00	-
Senior Transportation Specialist	6.00	7.00	1.00
Staff Specialist	7.00	8.00	1.00
Street Sweeper Operator	5.00	5.00	-
Structure/Landscape Designer I/II	1.00	1.00	-
Systems Application Programmer II	2.00	2.00	-
Transportation Specialist	13.00	13.00	-
Total Positions	501.50	508.50	7.00

City-Wide Expenses

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To provide for City-Wide expenses that relate to more than one department or are not directly associated with ongoing departmental operations

City Service Areas

Community and Economic Development

Neighborhood Services

Transportation and Aviation Services

Environmental and Utility Services

Public Safety

Strategic Support

City-Wide Expenses

Department Budget Summary

	2019-2020 Actuals <u>1</u>	2020-2021 Adopted <u>2</u>	2021-2022 Forecast <u>3</u>	2021-2022 Proposed <u>4</u>	% Change <u>(2 to 4)</u>
Dollars by Core Service					
Community and Economic Development	18,554,132	\$19,772,696	\$14,617,125	\$13,072,725	(33.9%)
Environmental and Utility Services	1,667,733	2,068,500	1,004,200	1,504,200	(27.3%)
Neighborhood Services	9,642,955	14,243,776	9,559,817	9,559,817	(32.9%)
Public Safety	19,913,701	22,722,390	15,507,500	15,751,500	(30.7%)
Transportation and Aviation Services	3,669,905	4,421,663	3,447,000	3,447,000	(22.0%)
Strategic Support	17,783,776	29,370,037	17,490,466	23,045,466	(21.5%)
Strategic Support - Council Appointees	12,680,603	31,012,534	11,118,234	11,068,234	(64.3%)
Total	\$83,912,805	\$123,611,596	\$72,744,342	\$77,448,942	(37.3%)
Dollars by Category					
City-Wide Expenses	\$83,912,805	\$123,611,596	\$72,744,342	\$77,448,942	(37.3%)
Total	\$83,912,805	\$123,611,596	\$72,744,342	\$77,448,942	(37.3%)
Dollars by Category					
General Fund	\$83,912,805	\$123,611,596	\$72,744,342	\$77,448,942	(37.3%)
Total	\$83,912,805	\$123,611,596	\$72,744,342	\$77,448,942	(37.3%)
Authorized Positions	N/A	N/A	N/A	N/A	N/A

City-Wide Expenses

Budget Reconciliation

(2020-2021 Adopted to 2021-2022 Proposed)

Prior Year Budget (2020-2021):

	Base Adjustments	Positions	General Fund (\$)
		0.00	123,611,596
One-Time Prior Year Expenditures Deleted			
Community and Economic Development CSA			
• Rebudget: 2020 Census Outreach Support			(71,000)
• Rebudget: Accessory Dwelling Unit Amnesty Program			(293,000)
• Rebudget: Blight Busters			(131,497)
• Rebudget: County of Santa Clara Public Art Master Plan			(145,000)
• Rebudget: Destination: Home SV Grant			(112,364)
• Rebudget: Diridon Station Area Development Planning			(1,336,135)
• Rebudget: Diridon Station Area Development Planning - Post Application			(500,000)
• Rebudget: Downtown Pedestrian Quality of Life			(150,000)
• Rebudget: Historic Preservation			(302,987)
• Rebudget: Homeless Roundtable and Proactive Engagement			(200,000)
• Rebudget: Parade of Floats Public Art Statues			(3,015)
• Rebudget: San José End of Watch Police Memorial			(66,000)
• Rebudget: VTA Eastridge to BART Regional Connector Public Art			(75,000)
• Blight Busters			(150,000)
• Children's Musical Theater San Jose			(250,000)
• CommUniverCity Program			(53,000)
• Council District #4 Economic Assistance Program			(88,100)
• Cultural Affairs Special Project			(13,219)
• Diridon Station Area Development Planning			(875,865)
• Diridon Station Area Development Planning - Post Application			(500,000)
• Economic Development Pre-Development Activities			(100,000)
• Measure E - Homeless Student Housing			(115,000)
• Monterey Corridor Gateway Revitalization			(100,000)
• Silicon Valley Recovery Roundtable			(50,000)
• Storefront Activation Grant Program			(200,000)
• SV Creates			(55,000)
	Subtotal:	0.00	(5,936,182)
Environmental and Utility Services CSA			
• Rebudget: Burrowing Owl Habitat Management			(60,000)
• Rebudget: Climate Protection Grant			(198,000)
• Rebudget: Climate Smart			(74,000)
• Rebudget: Climate Smart San José Plan Implementation			(100,000)
• Rebudget: Expedited Purified Water Program			(166,500)

City-Wide Expenses

Budget Reconciliation

(2020-2021 Adopted to 2021-2022 Proposed)

Base Adjustments	Positions	General Fund (\$)
One-Time Prior Year Expenditures Deleted		
Environmental and Utility Services CSA		
• Climate Smart San José Plan Implementation		(500,000)
	Subtotal: <u>0.00</u>	<u>(1,098,500)</u>
Neighborhood Services CSA		
• Rebudget: BeautifySJ Grants		(25,117)
• Rebudget: Childcare Facilities and Training		(140,908)
• Rebudget: Department of Justice - Bureau of Justice Assistance Grant Category 7		(90,400)
• Rebudget: Library Grants		(43,380)
• Rebudget: Local Sales Tax - Park Ranger Program Police Support		(268,715)
• Rebudget: Neighborhood Association Start Up Impact Fund		(50,000)
• Rebudget: Park and Open Street Activation - Council District #02		(4,096)
• Rebudget: Park and Open Street Activation - Council District #03		(29,322)
• Rebudget: PG&E Summer Cooling Shelter Program Grant		(2,000)
• Rebudget: San Jose BEST and Safe Summer Initiative Programs		(1,040,183)
• Rebudget: Santa Clara Probation Teen Programming SCC Teen Programming Grant		(81,222)
• Rebudget: Valley Water District Grant		(130,000)
• Rebudget: Youth Reinvestment Grant		(85,000)
• BeautifySJ Grants		(100,000)
• CalOES Innovative Response Grant 2020		(131,395)
• Department of Justice - Bureau of Justice Assistance Grant Category 3		(77,449)
• Outdoor Park Activation		(336,000)
• San Jose Al Fresco Activation		(45,000)
• Senior Nutrition Program		(1,960,415)
• Youth Reinvestment Grant		(190,250)
	Subtotal: <u>0.00</u>	<u>(4,830,852)</u>
Public Safety CSA		
• Rebudget: 2016 County Victim Services Program		(50,000)
• Rebudget: Bulletproof Vest Partnership		(40,000)
• Rebudget: Car Break-in Prevention Program		(659,000)
• Rebudget: City Law Enforcement Grant 2016-2017		(25,000)
• Rebudget: CrimeStoppers		(39,000)
• Rebudget: FirstNet Emergency Communications Network		(784,000)
• Rebudget: Hazardous Materials Consent Judgment		(28,794)
• Rebudget: Internet Crimes Against Children State Grant 2018-2020		(700,000)
• Rebudget: Internet Crimes Against Children Task Force - Forensic Analyst Capacity Hiring		(41,710)
• Rebudget: Internet Crimes Against Children Task Force Invited Awards		(386,395)
• Rebudget: Justice and Mental Health Collaboration Program		(690,000)
• Rebudget: Local Sales Tax - FirstNet Emergency Communications Network		(990,000)
• Rebudget: NCS-X Implementation Program		(168,155)
• Rebudget: Northern California Regional Intelligence Center - Police 2019		(29,743)
• Rebudget: OVW Improving Criminal Justice Response Program		(300,197)
• Rebudget: Public Safety Power Shutoff Resiliency		(500,000)
• Rebudget: Selective Traffic Enforcement Grant Program 2019-2020		(201,484)

City-Wide Expenses

Budget Reconciliation

(2020-2021 Adopted to 2021-2022 Proposed)

Base Adjustments	Positions	General Fund (\$)
One-Time Prior Year Expenditures Deleted		
Public Safety CSA		
• Rebudget: Silicon Valley Community Foundation Strengthening Community Relations Project		(2,366)
• Rebudget: State Homeland Security Grant Program		(261,262)
• Rebudget: Urban Areas Security Initiative Grant - Fire 2018		(16,395)
• Rebudget: Urban Areas Security Initiative Grant - Fire 2019		(61,188)
• Rebudget: Urban Areas Security Initiative Grant - OEM 2018		(200,593)
• Rebudget: Urban Areas Security Initiative Grant - Police 2018		(134,390)
• Rebudget: Urban Areas Security Initiative Grant - Police 2019		(401,218)
• Independent After Action Incident Report		(150,000)
• Northern California Regional Intelligence Center - Police 2019		(151,000)
• Public Safety Community Process		(100,000)
	Subtotal: <u>0.00</u>	<u>(7,111,890)</u>
Transportation and Aviation Services CSA		
• Rebudget: Community Video Cameras		(11,000)
• Rebudget: Contractual Street Tree Planting		(226,853)
• Rebudget: Emergency Street Tree Services		(238,000)
• Rebudget: Tree Mitigation		(128,000)
• Internet of Things Speed Dashboard		(100,000)
	Subtotal: <u>0.00</u>	<u>(703,853)</u>
Strategic Support CSA		
• Rebudget: Arena Community Fund		(200,000)
• Rebudget: Cannabis Equity Assistance Program		(709,383)
• Rebudget: City Council Participatory Budgeting - Administration		(5,000)
• Rebudget: City Council Participatory Budgeting - Council District #01		(220,000)
• Rebudget: City Council Participatory Budgeting - Council District #02		(110,000)
• Rebudget: City Council Participatory Budgeting - Council District #03		(360,000)
• Rebudget: City Council Participatory Budgeting - Council District #05		(130,000)
• Rebudget: City Manager Special Projects		(250,000)
• Rebudget: City Outreach and Education Efforts		(160,000)
• Rebudget: City Website and Intranet Redesign		(260,000)
• Rebudget: City-wide Open Data Environment and Architecture		(70,000)
• Rebudget: Community Plan to End Homelessness - Quality of Life and Healthy Neighborhoods		(1,390,000)
• Rebudget: Elections and Ballot Measures		(876,000)
• Rebudget: ERP System Feasibility Assessment		(200,000)
• Rebudget: Fair Labor Standards Act System Configuration		(100,000)
• Rebudget: False Claims Act Litigation Settlement		(263,000)
• Rebudget: General Liability Claims		(8,500,000)
• Rebudget: Government Access - Capital Expenditures		(1,200,000)
• Rebudget: Information Technology Desktop Modernization		(52,537)
• Rebudget: Internal Financial Controls Evaluation		(102,000)
• Rebudget: Local Sales Tax - My San José 2.0		(60,000)
• Rebudget: Measure T Implementation		(140,000)
• Rebudget: Organizational Effectiveness		(15,000)
• Bond Project Audits		(19,937)
• Digital Divide		(2,500,000)

City-Wide Expenses

Budget Reconciliation

(2020-2021 Adopted to 2021-2022 Proposed)

Base Adjustments	Positions	General Fund (\$)
One-Time Prior Year Expenditures Deleted		
Strategic Support CSA		
• Energy Services Company Debt Service		(10,580,000)
• Fair Labor Standards Act System Configuration		(75,000)
	Subtotal:	<u>0.00</u>
		<u>(28,547,857)</u>
	One-time Prior Year Expenditures Subtotal:	0.00
		(48,229,134)
Technical Adjustments to Costs of Ongoing Activities		
Community and Economic Development CSA		
• Arena Authority		7,034
• Business Incentive - Business Cooperation Program		(4,000)
• Business Incentive - Business Cooperation Program Administration		(56,000)
• Children's Discovery Museum		10,000
• Children's Discovery Museum Capital Maintenance		76,424
• City-wide Retail Attraction Program		(100,000)
• Hammer Theater Center Operations and Maintenance		9,300
• History San Jose		25,500
• Homeless Response Team		47,900
• Joint Venture Silicon Valley		1,383
• Measure E - 5% Program Administration		500,000
• Mexican Heritage Plaza Maintenance and Operations		13,500
• Property Leases		62,535
• San Jose Downtown Association		7,725
• San Jose Museum of Art		16,200
• Sports Authority		12,109
• Tech Interactive Capital Maintenance		110,500
• Tech Museum of Innovation		40,500
	Subtotal:	<u>0.00</u>
		<u>780,610</u>
Environmental and Utility Services CSA		
• City Facilities Solid Waste Collection and Processing		7,200
• Sanitary Sewer Fees		27,000
	Subtotal:	<u>0.00</u>
		<u>34,200</u>
Neighborhood Services CSA		
• San Jose BEST and Safe Summer Initiative Programs		182,265
• Senior Nutrition Program		214,628
• Workers' Compensation Claims - PRNS		(250,000)
	Subtotal:	<u>0.00</u>
		<u>146,893</u>

City-Wide Expenses

Budget Reconciliation

(2020-2021 Adopted to 2021-2022 Proposed)

Base Adjustments	Positions	General Fund (\$)
Technical Adjustments to Costs of Ongoing Activities		
Public Safety CSA		
• FirstNet Emergency Communications Network (Funding Shift to Departments)		(410,000)
• Northern California Regional Intelligence Center - Police 2019		(121,000)
• Workers' Compensation Claims - Fire		250,000
• Workers' Compensation Claims - Police		178,000
	Subtotal:	(103,000)
Transportation and Aviation Services CSA		
• Contractual Street Tree Planting		(810)
• Emergency Street Tree Services		23,000
• Sidewalk Repairs		57,000
• Workers' Compensation Claims - Transportation		(350,000)
	Subtotal:	(270,810)
Strategic Support CSA		
• 1970, 1980, and 1990 COLA Federated, Police & Fire Retirees		(5,000)
• Banking Services		(1,032,000)
• Bond Project Audits		1,445
• CAFR Annual Audit		7,824
• Certified Access Specialist (CAsp) Program - ADA Compliance		(12,000)
• City Hall Campus Expansion Debt Service		(125,000)
• Cultural Facilities Capital Maintenance		(139,000)
• Digital Inclusion Program		(928,000)
• Elections and Ballot Measures		293,000
• Energy Services Company Debt Service		(2,120,000)
• Fair Labor Standards Act System Configuration		75,000
• Government Access - Capital Expenditures		(26,000)
• Grant Compliance Single Audit		2,751
• Insurance Premiums		318,675
• Organizational Effectiveness		15,000
• Police Officers' Professional Liability Insurance		5,792
• Police Retirees' Health/Dental Fees		(15,000)
• Property Tax Administration Fee		211,500
• Public, Educational, and Government Access Facilities - Capital		(79,000)
• Revenue Enhancement Consulting Services		297,000
• TRANs Debt Service		80,000
• Workers' Compensation Claims - Other Departments		116,000
• Workers' Compensation Claims - Public Works		(123,000)
• Workers' Compensation State License		(46,000)
	Subtotal:	(3,226,013)
	Technical Adjustments Subtotal:	0.00 (2,638,120)
2021-2022 Forecast Base Budget:	0.00	72,744,342

City-Wide Expenses

Budget Reconciliation

(2020-2021 Adopted to 2021-2022 Proposed)

Budget Proposals Recommended	Positions	General Fund (\$)
Community and Economic Development CSA		
1. Economic Development Pre-Development Activities		100,000
2. Homeless Response Team Consolidation		(1,644,400)
Community and Economic Development Subtotal:	0.00	(1,544,400)
Environmental and Utility Services CSA		
1. Climate Smart San José Plan Implementation		500,000
Environmental and Utility Services Subtotal:	0.00	500,000
Public Safety CSA		
1. Northern California Regional Intelligence Center - Police 2020		133,000
2. Northern California Regional Intelligence Center Staffing (City Match)		111,000
Public Safety Subtotal:	0.00	244,000
Strategic Support CSA		
1. Business Tax System Replacement		4,130,000
2. City Outreach and Education Efforts		(50,000)
3. Commercial Paper Program Fees		175,000
4. Learning and Development Roadmap		500,000
5. San José 311 Enhancements		750,000
Strategic Support Subtotal:	0.00	5,505,000
Total Budget Proposals Recommended	0.00	4,704,600
2021-2022 Proposed Budget Total	0.00	77,448,942

City-Wide Expenses

Budget Changes By City Service Area

2021-2022 Proposed Budget Changes	Positions	General Fund (\$)
Community and Economic Development CSA		
1. Economic Development Pre-Development Activities		100,000
<p>This action adds one-time funding of \$100,000 to the Office of Economic Development and Cultural Affairs for Economic Development Pre-Development Activities. Pre-development funds are used to cover a variety of costs including: consultant services; studies; appraisals; pro-forma analysis; costs related to Development Services partner work; economic and fiscal analysis; and property management costs which are not supported by other departments. (Ongoing costs: \$0)</p>		
2. Homeless Response Team Consolidation		(1,644,400)
<p>This action eliminates the \$1.6 million of ongoing funding for the Homeless Response Team as part of a reallocation of funding in the Beautify San José program (BeautifySJ). As directed in the Mayor's March Budget Message for Fiscal Year 2021-2022, as approved by the City Council, this action is part of the city-wide programmatic consolidation of BeautifySJ under a single manager, including work related to the clean-up and abatement of homeless encampments. As part of the management consolidation strategy, a total of \$1.4 million (1.0 Community Programs Administrator position and non-personal/equipment funding) previously overseen by the Housing Department will be shifted to the Parks, Recreation, and Neighborhood Services Department (PRNS) for homeless encampment activities. The consolidation will mitigate cross-departmental challenges and increase efficiency and flexibility to support BeautifySJ initiatives and goals. Additional information regarding the consolidation of the BeautifySJ is described in the PRNS section of this document. Further, a Manager's Budget Addendum will be released later during the budget process to more completely describe the revised BeautifySJ deployment model. As described in the Housing Department section of this document, 1.0 Staff Technician and 0.5 Senior Development Officer positions from the Homeless Response Team will be funded directly from the Housing Department's Personal Services budget to assist with outreach efforts, coordinate with other City departments, and coordinate homeless data with PRNS. (Ongoing savings: \$1,644,400)</p>		
Subtotal Community and Economic Development CSA:	0.00	(1,544,400)

City-Wide Expenses

Budget Changes By City Service Area

2021-2022 Proposed Budget Changes	Positions	General Fund (\$)
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Environmental and Utility Services CSA

- | | |
|--|----------------|
| 1. Climate Smart San José Plan Implementation | 500,000 |
|--|----------------|

This action adds one-time funding of \$500,000 to support the Climate Smart San José program. This funding continues 1.0 Analyst II and 1.0 Planner IV positions in the Environmental Services Department and 1.0 Associate Transportation Specialist position in the Transportation Department, limit-dated through June 30, 2022, as well as related non-personal/equipment costs. The Analyst II position will continue to support Climate Smart activities, including decarbonization of existing buildings, the incorporation and development of the Natural and Working Lands (NWL) project, the development of new Climate Smart strategies and projects, and equity integration. The Planner IV position will complete the City’s parking and Transportation Demand Management municipal code update and facilitate implementation, as well as to lead implementation of other code updates and the update of the City’s Green Building policy. The Associate Transportation Specialist position will help develop and implement the Electric Mobility Strategy, including measuring performance of sustainability efforts and developing reports, performing community outreach efforts and pilots as it relates to electric vehicles, and encouraging new mobility options. (Ongoing cost: \$0)

Subtotal Environmental and Utility Services CSA:	0.00	500,000
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Public Safety CSA

- | | |
|--|----------------|
| 1. Northern California Regional Intelligence Center – Police 2020 | 133,000 |
|--|----------------|

This action continues one-time funding of \$133,000 for the grant-supported portion of a temporary Police Lieutenant position assigned to the Northern California Regional Intelligence Center (NCRIC). NCRIC is an all-crimes/all-threats fusion center providing analytic and technical resources to collect, evaluate, analyze, and disseminate timely information related to terrorist threats, criminal events, organized criminal activity, narcotics organizations, gang activity, and serial crime events to government and private sector agencies. NCRIC 2020 grant funds will pay for approximately \$133,000 of the position cost, and it is anticipated that a future grant (NCRIC 2021, which will be recognized later in 2021-2022) will support \$150,000 of the position cost, leaving a gap of \$111,000 which is the City’s match (discussed below). (Ongoing costs: \$0)

City-Wide Expenses

Budget Changes By City Service Area

2021-2022 Proposed Budget Changes	Positions	General Fund (\$)
Public Safety CSA		
2. Northern California Regional Intelligence Center Staffing (City Match)		111,000
<p>This action adds one-time funding of \$111,000 for the City match portion of a temporary Police Lieutenant position assigned to the Northern California Regional Intelligence Center (NCRIC). NCRIC is an all-crimes/all-threats fusion center providing analytic and technical resources to collect, evaluate, analyze, and disseminate timely information related to terrorist threats, criminal events, organized criminal activity, narcotics organizations, gang activity, and serial crime events to government and private sector agencies. NCRIC 2020 grant funds will pay for approximately \$133,000 of the position cost (discussed above), and it is anticipated that a future grant (NCRIC 2021, which will be recognized later in 2021-2022) will support \$150,000 the position cost, leaving a gap of \$111,000 which is the City's match. (Ongoing costs: \$0)</p>		
Subtotal Public Safety CSA:	0.00	244,000
Strategic Support CSA		
1. Business Tax System Replacement		4,130,000
<p>This action adds one-time funding of \$4.1 million for the Business Tax System Replacement project. This funding will provide for system development and implementation, and initial hosting, licenses, and maintenance costs. The Business Tax System (BTS) is a critical system, coordinating the billing of over 80,000 businesses annually, generating collections of approximately \$30 million in annual revenue, and interfacing with other key systems within the City. The legacy BTS is no longer supported by the vendor and cannot be upgraded to a newer version. The \$4.1 million estimated cost reflects vendor responses to a recent Request for Information (\$3.5 million) and funding for system implementation and stabilization over an 18- month period beginning January 2022 (\$630,000), which allows for the temporary staffing equivalent to 3.0 Senior Office Specialist and 1.0 Analyst positions and equipment. This project cost is partially offset by the liquidation of the Business Tax System Replacement Reserve (\$1.3 million), which was previously set aside from a prior contract to replace the BTS that resulted in vendor non-performance. The total annual operating costs, including ongoing licenses, system maintenance, and support, will be determined following the procurement of the system but are anticipated to be substantial and likely well in excess of \$100,000 per year. (Ongoing costs: \$0)</p>		
2. City Outreach and Education Efforts		(50,000)
<p>This action reduces the City Outreach and Education Efforts funding by \$50,000 one-time, from \$92,000 to \$42,000. Sufficient funding is expected to remain available at the end of 2020-2021 to rebudget into 2021-2022 such that the Administration does not anticipate service level impacts. (Ongoing savings: \$0)</p>		

City-Wide Expenses

Budget Changes By City Service Area

2021-2022 Proposed Budget Changes	Positions	General Fund (\$)
3. Commercial Paper Program Fees		175,000
<p>This action establishes a Commercial Paper Program Fees budget in the amount of \$175,000. The City's Commercial Paper program, funded by the City of San José Financing Authority, provides a low-cost financing tool to City Departments to fund construction projects and provides bridge financing until long-term financing is available. The tool uses very low short-term borrowing rates leveraging the City's strong credit rating and external bank liquidity to sell Commercial Paper to investors for terms up to 270 days. For the right to access this commitment, the City pays an annual commitment fee billed quarterly in arrears on October 1, January 1, April 1, and July 1 from State Street and U.S. Bank. The commitment fee rate determined through an RFP process is 42 basis points (0.42%) and expires February 2022 (anticipated to be renewed) with the expiration of each Letter of Credit. To ensure an equitable allocation of the fee, the General Fund will bear the costs for the portion of the program that are not currently allocated amongst existing projects and capital funds. Based on forecasted usage, the portion allocable to the General Fund will not exceed \$175,000 in 2021-2022, though the level will be evaluated on an annual basis. (Ongoing costs: \$175,000)</p>		
4. Learning and Development Roadmap		500,000
<p>This action allocates one-time funding of \$500,000 for the Learning and Development Roadmap. This funding will be used to assess, create, and implement talent development activities for City employees. This aligns with the City Manager's "Powered by People" enterprise priority and City Roadmap program that focuses, in part, on engaging in efforts to support employee retention, engagement, and advancement through training and development, all of which are critical components of the internal strategic support necessary to facilitate community services. The funding will support rebuilding talent development programs and courses, as well as provide funding for temporary staff and vendor contracts that are needed to facilitate these initiatives. (Ongoing costs: \$0)</p>		
5. San José 311 Enhancements		750,000
<p>As directed in the Mayor's March Budget Message for Fiscal Year 2021-2022, as approved by the City Council, this action allocates one-time funding of \$750,000 as part of a two-year program to expand San José 311 internal capacity for coding and customer service. This funding includes the addition of a limit-dated Senior Analyst position and a limit-dated Enterprise Supervising Technical Analyst position, both effective July 1, 2021 through June 30, 2023, who will provide the technical support necessary to focus on (1) digital service delivery analysis/improvement; and (2) development of new services that bridge access, language, and ease of use barriers experienced disproportionately by underserved portions of the community. The success of these investments will be measured by at least five new services being placed into production by the end of 2022, expanding language support to include at least Mandarin and Tagalog, and higher customer ratings of service resolution. Funds will be used to maintain/scale cloud consumption services for virtual agent and chatbot services (\$150,000) and to pay for necessary licensure/vendor support for software products for these purposes (\$200,000). A San José 311 Implementation Reserve in the amount of \$750,000 is included in the General Fund Capital, Transfers, Reserves section for the second year costs of the program. Any ongoing funding needs beyond the two-year program will be evaluated as part of a future budget process. (Ongoing costs: \$0)</p>		
Subtotal Strategic Support CSA:	0.00	5,505,000
2021-2022 Proposed Budget Changes Total	0.00	4,704,600

City-Wide Expenses

Detail of Costs Description

	2019-2020 Actuals	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Community and Economic Development				
<i>City Manager - Office of Economic Development and Cultural Affairs</i>				
Arena Authority	227,630	234,459	241,493	241,493
BART Public Art Design	68,867	0	0	0
Business Incentive - Business Cooperation Program	23,125	51,000	47,000	47,000
Business Incentive - Business Cooperation Program Administration	53,855	56,000	0	0
Business Incentive - Samsung	0	70,000	70,000	70,000
Census 2020 Outreach Support	490,280	71,000	0	0
Children's Discovery Museum	384,938	327,250	337,250	337,250
Children's Discovery Museum Capital Maintenance	0	0	76,424	76,424
Children's Musical Theater San Jose	0	250,000	0	0
City-wide Retail Attraction Program	0	100,000	0	0
Commercial Development Impact Study	101,305	0	0	0
CommUniverCity Program	0	100,000	100,000	100,000
Council District #4 Economic Assistance Program	0	88,100	0	0
County of Santa Clara Public Art Master Plan	5,740	145,000	0	0
Cultural Affairs Special Project	0	13,219	0	0
Diridon Station Area Development Planning - Post Application	0	1,000,000	0	0
Diridon Station Area Development Planning	1,298,874	2,212,000	0	0
Downtown Pedestrian Quality of Life	0	150,000	0	0
Downtown Signs	19,988	0	0	0
East San José Business Improvement District	5,262	0	0	0
East Side Grown Street Food Hub	23,391	0	0	0
Economic Development Pre-Development Activities	88,515	100,000	0	100,000
Hammer Theater Center Operations and Maintenance	315,000	309,000	318,300	318,300
Hammer Theatre Capital Maintenance	0	30,000	30,000	30,000
History San José	825,000	850,000	875,500	875,500
Joint Venture Silicon Valley	35,617	35,617	37,000	37,000
Local Sales Tax - Diridon Station Area Development Planning	132,395	0	0	0
Local Sales Tax - San José Works - Youth Jobs Initiative	735,296	1,500,000	1,500,000	1,500,000
Manufacturing Jobs Initiative	86,125	0	0	0
Measure T Implementation	63,397	0	0	0
Monterey Corridor Gateway Revitalization	0	100,000	0	0
Neighborhood Business Districts	0	50,000	50,000	50,000
Parade of Floats Public Art Statues	(6)	3,015	0	0
Property Leases	1,653,179	1,706,285	1,768,820	1,768,820
San José Creates and Connects	83,423	0	0	0
San José Downtown Association	93,500	257,500	265,225	265,225
San José Economic Identity	28,912	0	0	0

City-Wide Expenses

Detail of Costs Description

	2019-2020 Actuals	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
San José End of Watch Police Memorial	0	66,000	0	0
San José Museum of Art	525,000	541,000	557,200	557,200
San Jose Regional Transportation Hub Project	28,065	0	0	0
Silicon Valley Recovery Roundtable	0	50,000	0	0
Silicon Valley Talent Partnership	8,333	0	0	0
Small Business Anti-Displacement Research	49,366	0	0	0
Sonic Runway - Public Art	125,000	0	0	0
Sports Authority	741,896	403,653	415,763	415,763
Storefront Activation	110,971	200,000	0	0
SV Creates	0	55,000	0	0
Tech Interactive Capital Maintenance	0	0	110,500	110,500
Tech Museum of Innovation	1,309,750	1,348,750	1,389,250	1,389,250
VTA Eastridge to BART Regional Connector Public Art	0	75,000	0	0
<i>Fire Department</i>				
Fire Inspection Improvement	9,000	0	0	0
<i>Housing Department</i>				
CommUniverCity Program	210,610	53,000	0	0
Homeless Rapid Rehousing	3,418,423	2,000,000	2,000,000	2,000,000
Homeless Response Team	1,571,210	1,596,500	1,644,400	0
Homeless Roundtable & Proactive Engagement	90,933	200,000	0	0
Measure E - 5% Program Administration	0	1,500,000	2,000,000	2,000,000
Measure E - Homeless Student Housing	0	115,000	0	0
Senior Food Assistance - Council District #07	75,000	0	0	0
<i>Planning, Building and Code Enforcement Department</i>				
ADU Amnesty Program	0	293,000	0	0
Blight Busters	17,962	281,497	0	0
Certified Access Specialist Program	161,861	0	0	0
Climate Smart San José Plan Implementation	216,650	0	0	0
Destination: Home SV Grant	187,668	292,364	180,000	180,000
Development Fee Program Electronic Content Management System	275,000	0	0	0
Development Fee Program Integrated Permitting System	1,398,682	0	0	0
Diridon Station Area Development Planning - Post Application	293,161	0	0	0
Diridon Station Area Development Planning	446,438	0	0	0
General Planning Support	153,444	0	0	0
Historic Preservation	20,000	302,987	0	0
Planning Commission	19,000	23,000	23,000	23,000
<i>Public Works Department</i>				
4th Street Garage Banquet Facility Maintenance and Operations	30,960	15,000	15,000	15,000
Diridon Station Area Development Planning	2,385	0	0	0
Mexican Heritage Plaza Capital Maintenance	83,755	100,000	100,000	100,000
Mexican Heritage Plaza Maintenance and Operations	0	451,500	465,000	465,000
Parcel Mapping Demonstration Project	130,000	0	0	0
TOTAL	\$18,554,132	\$19,772,696	\$14,617,125	\$13,072,725

City-Wide Expenses
Detail of Costs Description

	2019-2020 Actuals	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Environmental and Utility Services				
<i>Environmental Services Department</i>				
Burrowing Owl Habitat Management	1,350	60,000	0	0
City Facilities Solid Waste Collection and Processing	92,976	80,000	87,200	87,200
Climate Protection Grant	119,405	198,000	0	0
Climate Smart	42,282	74,000	0	0
Climate Smart San José Plan Implementation	217,380	600,000	0	500,000
Diridon Station Area Development Planning	120,849	0	0	0
Expedited Purified Water Program	596	166,500	0	0
Sanitary Sewer Fees	367,551	540,000	567,000	567,000
Silicon Valley Energy Watch 2019	393,718	0	0	0
Storm Fees	311,626	350,000	350,000	350,000
TOTAL	\$1,667,733	\$2,068,500	\$1,004,200	\$1,504,200

City-Wide Expenses

Detail of Costs Description

	2019-2020 Actuals	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Neighborhood Services				
<i>Library Department</i>				
Library Grants	224,552	43,380	0	0
San José Learns	1,500,000	1,000,000	1,000,000	1,000,000
San José Promise	56,987	0	0	0
STEM Education	19,700	0	0	0
<i>Parks, Recreation and Neighborhood Services Department</i>				
After School Education and Safety Programs for 2019-2020	312,277	0	0	0
BeautifySJ Grants	377,131	225,117	100,000	100,000
CalOES Innovative Response Grant 2020	0	131,395	0	0
Childcare Facilities and Training	0	140,908	0	0
Children's Health Flouridation	50,000	0	0	0
Council District #4 Dumpster Days	444	0	0	0
Department of Justice - Bureau of Justice Assistance Grant Category 3	9,960	77,449	0	0
Department of Justice - Bureau of Justice Assistance Grant Category 7	0	90,400	0	0
Diridon Station Area Development Planning	147,071	0	0	0
Hospital Intervention Program - CalOES Grant (2018)	89,255	0	0	0
Local Sales Tax - Park Ranger Program Police Support	7,711	268,715	0	0
Local Sales Tax - San José Works - Youth Jobs Initiative	206,241	0	0	0
Measure T Implementation	63	0	0	0
Neighborhood Association Start Up Impact Fund	0	50,000	0	0
New Hope For Youth Grant	299,000	0	0	0
Outdoor Park Activation	0	336,000	0	0
Park and Open Street Activation - Council District #02	12,555	4,096	0	0
Park and Open Street Activation - Council District #03	80,578	29,322	0	0
Park and Open Street Activation - Council District #08	7,821	0	0	0
Parks Activation	49,991	0	0	0
PG&E Summer Cooling Shelter Program Grant	7,662	2,000	0	0
Placemaking and Public Space Activations	0	189,000	144,000	144,000
San José BEST and Safe Summer Initiative Programs	5,068,055	7,115,678	6,257,760	6,257,760
SCC Teen Programming Grant	0	81,222	0	0
Senior Nutrition Program	0	2,903,844	1,158,057	1,158,057
Street Activation	22,912	0	0	0
Summer Youth Nutrition Program	39,586	0	0	0
Valley Water District Grant	0	130,000	0	0
Workers' Compensation Claims - PRNS	920,027	1,150,000	900,000	900,000
Youth Reinvestment Grant	128,818	275,250	0	0
<i>Public Works Department</i>				
Measure T Implementation	4,560	0	0	0
TOTAL	\$9,642,955	\$14,243,776	\$9,559,817	\$9,559,817

City-Wide Expenses

Detail of Costs Description

	2019-2020 Actuals	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Public Safety				
<i>Office of the City Manager</i>				
FirstNet Emergency Communications Network	246,970	1,194,000	0	0
Local Sales Tax - FirstNet Emergency Communications Network	84,962	990,000	0	0
Public Safety Power Shutoff Resiliency	0	500,000	0	0
Urban Areas Security Initiative Grant - OEM 2018	25,071	200,593	0	0
<i>Fire Department</i>				
Hazardous Materials Consent Judgment	0	28,794	0	0
Urban Areas Security Initiative Grant - Fire 2018	79,274	16,395	0	0
Urban Areas Security Initiative Grant - Fire 2019	0	61,188	0	0
Workers' Compensation Claims - Fire	7,922,661	7,500,000	7,750,000	7,750,000
<i>Independent Police Auditor's Office</i>				
Independent After Action Incident Report	0	150,000	0	0
Silicon Valley Foundation Strengthening Community Relations Project	634	2,366	0	0
<i>Police Department</i>				
2016 County Victim Services Program	103,215	50,000	0	0
Bay Area Regional Interoperability Communication System (BAYRICS)	7,000	7,500	7,500	7,500
Bulletproof Vest Partnership 2018	127,187	40,000	0	0
Car Break-in Prevention Program	90,406	659,000	0	0
City Law Enforcement Grant 2016-2017	93,448	25,000	0	0
Community Video Cameras	10,000	0	0	0
CrimeStoppers	0	39,000	0	0
Internet Crimes Against Children Federal Grant 2016 - 2018	14,340	0	0	0
Internet Crimes Against Children State Grant 2018-2020	1,193,782	700,000	0	0
Internet Crimes Against Children Task Force - Forensic Analyst Capacity Hiring	138,362	41,710	0	0
Internet Crimes Against Children Task Force Invited Awards	462,696	386,395	0	0
Justice and Mental Health Collaboration Program	12,285	690,000	0	0
NCS-X Implementation Program	0	168,155	0	0
Northern California Regional Intelligence Center – Police 2018	106,226	0	0	0
Northern California Regional Intelligence Center - Police 2019	105,186	301,743	0	0
Northern California Regional Intelligence Center - Police 2020	0	0	0	133,000
Northern California Regional Intelligence Center Staffing (City Match)	0	0	0	111,000
OVW Improving Criminal Justice Response Program	136,854	300,197	0	0
Public Safety Community Process	0	100,000	0	0

City-Wide Expenses
Detail of Costs Description

	2019-2020 Actuals	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
San José End of Watch Police Memorial	23,114	0	0	0
Selective Traffic Enforcement Program 2018-2019	89,463	0	0	0
Selective Traffic Enforcement Program 2019-2020	36,225	201,484	0	0
State Homeland Security Grant Program	192,505	261,262	0	0
Urban Areas Security Initiative Grant - Police 2018	385,518	134,390	0	0
Urban Areas Security Initiative Grant - Police 2019	0	401,218	0	0
Workers' Compensation Claims - Police	8,226,320	7,572,000	7,750,000	7,750,000
TOTAL	\$19,913,701	\$22,722,390	\$15,507,500	\$15,751,500

City-Wide Expenses

Detail of Costs Description

	2019-2020 Actuals	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Transportation and Aviation Services				
<i>Transportation Department</i>				
City Council Participatory Budgeting - Council District #03	17,869	0	0	0
Climate Smart San José Plan Implementation	146,383	0	0	0
Community Video Cameras	0	11,000	0	0
Contractual Street Tree Planting	0	231,663	4,000	4,000
Emergency Street Tree Services	485,840	988,000	773,000	773,000
General Employee Tuition	1,363	0	0	0
Internet of Things (IoT) Speed Dashboard	0	100,000	0	0
Sick Leave Payments Upon Retirement	167,955	0	0	0
Sidewalk and Tree Hardship	0	413,000	413,000	413,000
Sidewalk Repairs	2,401,209	1,900,000	1,957,000	1,957,000
Tree Mitigation	26,870	128,000	0	0
Workers' Compensation Claims - Transportation	422,417	650,000	300,000	300,000
TOTAL	\$3,669,905	\$4,421,663	\$3,447,000	\$3,447,000

City-Wide Expenses

Detail of Costs Description

	2019-2020 Actuals	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Strategic Support				
<i>Finance Department</i>				
Banking Services	1,661,826	1,708,000	676,000	676,000
Business Tax System Replacement	0	0	0	4,130,000
Certified Access Specialist Program	22,489	252,000	240,000	240,000
City Hall Campus Expansion Debt Service	0	125,000	0	0
Commercial Paper Program Fees	0	0	0	175,000
Energy Services Company (ESCO) Debt Service	2,959,170	13,541,000	841,000	841,000
ERP System Feasibility Assessment	0	200,000	0	0
Fair Labor Standards Act System Configuration	300,544	175,000	75,000	75,000
Financial Management System (FMS) Upgrade	6,720	0	0	0
General Liability Claims	518,394	0	0	0
Human Resources/Payroll Budget Systems Upgrades	3,946	0	0	0
Insurance Premiums	953,801	1,205,000	1,523,675	1,523,675
Internal Financial Controls Evaluation	0	102,000	0	0
Police Officers' Professional Liability Insurance	93,087	100,000	105,791	105,791
Property Tax Administration Fee	1,925,735	1,912,500	2,124,000	2,124,000
Revenue Enhancement Consulting Services	465,956	455,000	752,000	752,000
Sick Leave Payments Upon Retirement	2,825,550	5,000,000	5,000,000	5,000,000
TRANS Debt Service	0	1,420,000	1,500,000	1,500,000
<i>Human Resources Department</i>				
Employee Engagement Program Survey and Training	90,930	0	0	0
General Employee Tuition	93,963	100,000	100,000	100,000
Learning and Development Roadmap	0	0	0	500,000
Organizational Effectiveness	0	40,000	40,000	40,000
Talent Recruitment Initiative	(1,010)	0	0	0
Workers' Compensation Claims - Other Departments	1,548,323	850,000	966,000	966,000
Workers' Compensation State License	898,692	1,000,000	954,000	954,000
<i>Information Technology Department</i>				
Information Technology Desktop Modernization	52,462	52,537	0	0
San José 311 Enhancements	0	0	0	750,000
<i>Public Works Department</i>				
4th Street Garage Banquet Facility Maintenance and Operations	22,161	0	0	0
Chinese Historical Society	3,000	3,000	3,000	3,000
City Council District #02 Participatory Budgeting - Calpine Settlement	17,905	0	0	0
City Council Participatory Budgeting - Council District #03	350	0	0	0
City Facilities Safety Assessment	33,425	0	0	0
Cultural Facilities Capital Maintenance	150,988	139,000	0	0
Digital Inclusion Program	1,842	0	0	0
Diridon Station Area Development Planning	15,618	0	0	0

City-Wide Expenses

Detail of Costs Description

	2019-2020 Actuals	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Economic Development Pre-Development Activities	506	0	0	0
Energy and Utility Conservation Measures Program	1,699,588	0	0	0
General Employee Tuition	4,100	0	0	0
Government Access - Capital Expenditures	0	0	405,000	405,000
Local Sales Tax - FirstNet Emergency Communications Network	3,029	0	0	0
Measure T Implementation	(69,758)	140,000	0	0
Mexican Heritage Plaza Maintenance and Operations	438,500	0	0	0
PEG - CreaTV	0	0	243,000	243,000
Public, Educational, and Government (PEG) Access Facilities - Capital	0	0	1,215,000	1,215,000
Public Works Unfunded Projects	343,049	200,000	200,000	200,000
Sick Leave Payments Upon Retirement	372,177	0	0	0
Workers' Compensation Claims - Public Works	326,717	650,000	527,000	527,000
<i>Office of the City Attorney</i>				
False Claims Act Litigation Settlement	22,785	263,000	0	0
Fiscal Reform Plan Outside Legal Counsel	52,276	0	0	0
General Liability Claims	4,195,035	14,500,000	6,000,000	6,000,000
<i>Office of the City Auditor</i>				
Bond Project Audits	62,331	102,675	84,183	84,183
CAFR Annual Audit	213,419	260,784	268,608	268,608
Grant Compliance Single Audit	86,428	91,692	94,443	94,443
<i>Office of the City Clerk</i>				
Arena Community Fund	172,957	450,000	250,000	250,000
City Auditor's Office Performance Audit	4,253	3,000	3,000	3,000
City Council District #02 Participatory Budgeting - Calpine Settlement	41,636	110,000	0	0
City Council Participatory Budgeting - Administration	0	5,000	0	0
City Council Participatory Budgeting - Council District #01	54,477	220,000	0	0
City Council Participatory Budgeting - Council District #03	99,534	360,000	0	0
City Council Participatory Budgeting - Council District #05	1,129	130,000	0	0
City Dues / Memberships	474,786	493,000	493,000	493,000
Civil Service Commission	15,000	16,000	16,000	16,000
Elections and Ballot Measures	1,865,977	2,732,000	2,149,000	2,149,000
Equal Justice Works Fellow	32,000	0	0	0
Ethics Commission	0	40,000	40,000	40,000
Mayor and City Council Travel	12,197	10,000	10,000	10,000
State of the City Convocation	0	45,000	45,000	45,000
<i>Office of the City Manager</i>				
2-1-1 Call Center	75,000	75,000	75,000	75,000
Ballot Measure Polling	119,500	0	0	0
Broadband and Digital Inclusion Strategy	280,225	0	0	0

City-Wide Expenses

Detail of Costs Description

	2019-2020 Actuals	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Cannabis Equity Assistance Program	0	709,383	0	0
City Manager Special Projects	26,148	250,000	0	0
City Outreach and Education Efforts	12,400	252,000	92,000	42,000
City Website and Intranet Redesign	270,729	260,000	0	0
Citywide Digital Services Strategy	10,133	0	0	0
City-wide Open Data Environment and Architecture	370,053	70,000	0	0
Community Plan to End Homelessness – Quality of Life and Healthy Neighborhoods	89,427	1,390,000	0	0
Council Policy Priorities Implementation	13,622	0	0	0
Customer Satisfaction Survey (Bi-Annual)	79,000	79,000	79,000	79,000
Digital Divide	0	2,500,000	0	0
Digital Inclusion Program	1,153,794	2,205,000	1,277,000	1,277,000
E-Ideas Program	21	25,000	25,000	25,000
Family College Success Center	14,549	0	0	0
Government Access - Capital Expenditures	349,266	1,631,000	0	0
Labor / Employee Relations Consultant Funding	(29,375)	0	0	0
Local Sales Tax - My San José 2.0	102,700	60,000	0	0
Measure B Settlement	243,831	0	0	0
My San José 2.0	145,127	0	0	0
Organizational Effectiveness	23,915	0	0	0
PEG - CreaTV	240,000	243,000	0	0
Public, Educational, and Government (PEG) Access Facilities - Capital	1,323,295	1,294,000	0	0
Public Participation through Technology	65,000	0	0	0
Urban Areas Security Initiative Grant - OEM 2018	192,003	0	0	0
<i>Office of Retirement Services</i>				
1970, 1980, and 1990 COLA Federated, Police & Fire Retirees	34,423	37,000	32,000	32,000
Police Retirees' Health / Dental Fees	69,597	100,000	85,000	85,000
TOTAL	\$30,464,379	\$60,382,571	\$28,608,700	\$34,113,700

General Fund Capital, Transfers, Reserves

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

City Service Areas

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

Expense Type

Capital Contributions

Transfers to Other Funds

Earmarked Reserves

Contingency Reserve

General Fund Capital, Transfers, Reserves

Budget Summary

	2019-2020 Actuals <u>1</u>	2020-2021 Adopted <u>2</u>	2021-2022 Forecast <u>3</u>	2021-2022 Proposed <u>4</u>	% Change <u>(2 to 4)</u>
Dollars by Expense Type					
Capital Contributions	33,044,021	54,442,200	5,270,000	10,262,000	(81.2%)
Transfers to Other Funds	48,967,078	74,103,233	23,091,452	30,391,452	(59.0%)
Earmarked Reserves	N/A	174,477,163	74,498,050	77,493,050	(55.6%)
Contingency Reserve	N/A	40,000,000	40,000,000	40,000,000	0.0%
Total	\$82,011,099	\$343,022,596	\$142,859,502	\$158,146,502	(53.9%)
Dollars by Category					
Capital, Transfers, Reserves	82,011,099	343,022,596	142,859,502	158,146,502	(53.9%)
Total	\$82,011,099	\$343,022,596	\$142,859,502	\$158,146,502	(53.9%)
Dollars by Fund					
General Fund	82,011,099	343,022,596	142,859,502	158,146,502	(53.9%)
Total	\$82,011,099	\$343,022,596	\$142,859,502	\$158,146,502	(53.9%)
Authorized Positions	N/A	N/A	N/A	N/A	N/A

General Fund Capital, Transfers, Reserves

Budget Reconciliation

(2020-2021 Adopted to 2021-2022 Proposed)

Prior Year Budget (2020-2021):

Base Adjustments	Positions	General Fund (\$)
One-Time Prior Year Expenditures Deleted	0.00	343,022,596
• Capital Contributions Rebudget: African American Community Services Agency Upgrade		(144,000)
• Capital Contributions Rebudget: Almaden Community Center Shade Structure		(98,000)
• Capital Contributions Rebudget: Almaden Winery Fundraising Feasibility Study		(50,000)
• Capital Contributions Rebudget: Alum Rock Park Playground Renovation		(207,000)
• Capital Contributions Rebudget: Alviso Park Improvements		(332,000)
• Capital Contributions Rebudget: Animal Care and Services - Various Improvements		(50,000)
• Capital Contributions Rebudget: Animal Care and Services Boilers and Building Management System		(100,000)
• Capital Contributions Rebudget: Animal Care and Services Waterproofing		(7,000)
• Capital Contributions Rebudget: Arc Flash Hazard Analysis		(114,000)
• Capital Contributions Rebudget: Arena Repairs		(200,000)
• Capital Contributions Rebudget: Biebrach Park Renovation		(20,000)
• Capital Contributions Rebudget: Canoas Park Playground Renovation		(207,000)
• Capital Contributions Rebudget: Children's Discovery Museum Air Handler Unit Replacement		(952,000)
• Capital Contributions Rebudget: Chris Hotts Park Lighting Safety Improvements		(30,000)
• Capital Contributions Rebudget: Chris Hotts Park Playground Renovation		(206,000)
• Capital Contributions Rebudget: City Hall and Police Communications Uninterrupted Power Supply Capital Maintenance		(84,000)
• Capital Contributions Rebudget: City Hall Antenna and Rotunda Audio		(300,000)
• Capital Contributions Rebudget: City Hall Audio/Visual Upgrade		(309,000)
• Capital Contributions Rebudget: City Hall Campus Expansion		(1,000,000)
• Capital Contributions Rebudget: City Hall Elevator Controls		(150,000)
• Capital Contributions Rebudget: City Hall Fire Alarm Upgrade		(100,000)
• Capital Contributions Rebudget: City Hall HVAC Control System Replacement		(2,800,000)
• Capital Contributions Rebudget: City Hall Network Operations Center Electrical Switch Replacement		(1,000,000)
• Capital Contributions Rebudget: City Hall Rotunda Lighting		(286,000)
• Capital Contributions Rebudget: City Hall Security Upgrades		(413,000)
• Capital Contributions Rebudget: City Hall Waterproofing		(900,000)
• Capital Contributions Rebudget: De Anza Park Playground Renovation		(206,000)
• Capital Contributions Rebudget: East Side Union High School District Community Wireless Network Project		(245,000)
• Capital Contributions Rebudget: Emergency Power Generation for City Facilities		(2,000,000)
• Capital Contributions Rebudget: Fire Apparatus Replacement		(1,000,000)
• Capital Contributions Rebudget: Fire Training Center Relocation		(2,600,000)

General Fund Capital, Transfers, Reserves

Budget Reconciliation

(2020-2021 Adopted to 2021-2022 Proposed)

Base Adjustments	Positions	General Fund (\$)
One-Time Prior Year Expenditures Deleted		
• Capital Contributions Rebudget: Guadalupe River Park Improvements		(336,000)
• Capital Contributions Rebudget: Hammer Theatre Center Chiller Replacement		(500,000)
• Capital Contributions Rebudget: Hammer Theatre Center HVAC Controls		(67,000)
• Capital Contributions Rebudget: Hammer Theatre Center Upgrades		(300,000)
• Capital Contributions Rebudget: Happy Hollow Park and Zoo Exhibit Improvements		(397,000)
• Capital Contributions Rebudget: History San José - Automatic Parking Lot Gate		(199,000)
• Capital Contributions Rebudget: Jeneane Marie Circle Fencing		(102,000)
• Capital Contributions Rebudget: Kelley House Demolition		(15,000)
• Capital Contributions Rebudget: La Ragione Playground Renovation		(206,000)
• Capital Contributions Rebudget: Local Sales Tax – PAB/PAC Phase I Elevator Modernization		(3,000,000)
• Capital Contributions Rebudget: Local Sales Tax – Police Communications Center Elevator Retrofit		(331,000)
• Capital Contributions Rebudget: Meadowfair Park Master Plan		(150,000)
• Capital Contributions Rebudget: Mexican Heritage Plaza Concrete Repair		(98,000)
• Capital Contributions Rebudget: Neighborhood Center Partner Program Capital Improvements		(979,000)
• Capital Contributions Rebudget: Park Furniture Improvements		(400,000)
• Capital Contributions Rebudget: Paul Moore Park Improvements		(206,000)
• Capital Contributions Rebudget: Police Administration Building Boiler and Chiller Replacement		(400,000)
• Capital Contributions Rebudget: Police Administration Building Fencing - Employee Parking Lot Perimeter		(100,000)
• Capital Contributions Rebudget: Police Athletic League Stadium Master Plan		(400,000)
• Capital Contributions Rebudget: Police Athletic League Stadium Turf Replacement		(2,925,000)
• Capital Contributions Rebudget: Police Communications Center Elevator Retrofit		(556,000)
• Capital Contributions Rebudget: Police Communications Emergency Uninterrupted Power Supply		(378,000)
• Capital Contributions Rebudget: Ramac Park Turf Replacement		(1,766,000)
• Capital Contributions Rebudget: San José Municipal Stadium Improvements		(16,000)
• Capital Contributions Rebudget: San José Museum of Art - Minor Renovations		(86,000)

General Fund Capital, Transfers, Reserves

Budget Reconciliation

(2020-2021 Adopted to 2021-2022 Proposed)

Base Adjustments	Positions	General Fund (\$)
One-Time Prior Year Expenditures Deleted		
• Capital Contributions Rebudget: San José Museum of Art HVAC Controls Upgrades		(150,000)
• Capital Contributions Rebudget: San José Stage Company		(1,000,000)
• Capital Contributions Rebudget: Smythe Sports Field Turf Replacement		(200,000)
• Capital Contributions Rebudget: The Tech Museum Controls Module Improvements		(3,950,000)
• Capital Contributions Rebudget: The Tech Museum Tile Wall Evaluation and Repairs		(1,301,000)
• Capital Contributions Rebudget: Traffic Signal at Monroe and Hedding Streets		(240,000)
• Capital Contributions Rebudget: Turf Replacement		(402,000)
• Capital Contributions Rebudget: Unanticipated/Emergency Maintenance		(1,000,000)
• Capital Contributions Rebudget: Vietnamese-American Community Center Planning and Fundraising		(75,000)
• Capital Contributions Rebudget: Vietnamese-American Cultural Center Improvements		(50,000)
• Capital Contributions Rebudget: Vietnamese-American Cultural Center Playground Renovation		(206,000)
• Capital Contributions Rebudget: Willow Glen Community Center Equipment		(34,000)
• Capital Contributions: 4th Street Garage Fire Pump Replacement		(350,000)
• Capital Contributions: Animal Care Center and Services - Various Improvements		(450,000)
• Capital Contributions: Berryessa and Commercial Roads Striping		(3,200)
• Capital Contributions: Branham Lane Vision Zero Quick Build Projects		(40,000)
• Capital Contributions: Children's Discovery Museum Elevator System		(800,000)
• Capital Contributions: Council District 3 Traffic Calming Enhancements		(100,000)
• Capital Contributions: Council District 6 Traffic Calming Enhancements		(200,000)
• Capital Contributions: EV Charging Stations for Police Hybrid-Electric Vehicles		(210,000)
• Capital Contributions: Hammer Theatre Center Improvements		(350,000)
• Capital Contributions: High Capacity and Safe Transit Corridor		(50,000)
• Capital Contributions: History San José ADA Compliance		(100,000)
• Capital Contributions: History San José High-Priority Capital Improvements		(300,000)
• Capital Contributions: HVAC Cyber Security Upgrade		(150,000)
• Capital Contributions: Kimlee and Danby Drives Bulbouts		(15,000)
• Capital Contributions: Mexican Heritage Plaza Patio		(50,000)
• Capital Contributions: Monterey Road and Valleyhaven Way Traffic Signal Design		(100,000)
• Capital Contributions: PAB Fire Protection System		(300,000)
• Capital Contributions: PAB/PAC Phase 2 Elevator Modernization		(2,200,000)

General Fund Capital, Transfers, Reserves

Budget Reconciliation

(2020-2021 Adopted to 2021-2022 Proposed)

Base Adjustments	Positions	General Fund (\$)
One-Time Prior Year Expenditures Deleted		
• Capital Contributions: Parks Rehabilitation Strike and Capital Infrastructure Team		(760,000)
• Capital Contributions: Penitencia Creek Rd Crosswalk		(30,000)
• Capital Contributions: Police Administration Building Fencing - Employee Parking Lot Perimeter		(300,000)
• Capital Contributions: Radio Systems Upgrade		(200,000)
• Capital Contributions: Remote Sensing Equipment for Generators		(150,000)
• Capital Contributions: Sierra Rd Crosswalk		(60,000)
• Capital Contributions: Snell Ave Pedestrian Fence		(90,000)
• Capital Contributions: South Yard Fence Replacement		(200,000)
• Capital Contributions: Tech Interactive Fire Alarm System		(2,400,000)
• Capital Contributions: Thornwood Drive Safety Improvements		(83,000)
• Transfers to Other Funds: Building Development Fee Program Fund		(23,898,975)
• Transfers to Other Funds: Citywide Planning Fee Program Fund		(2,331,293)
• Transfers to Other Funds: Fire Development Fee Program Fund		(6,109,226)
• Transfers to Other Funds: Municipal Golf Course Fund		(7,911,000)
• Transfers to Other Funds: Planning Development Fee Program Fund		(2,068,956)
• Transfers to Other Funds: Public Works Development Fee Program Fund		(4,262,484)
• Transfers to Other Funds: Public Works Small Cell Permitting Fee Program Fund		(711,413)
• Transfers to Other Funds: Vehicle Maintenance and Operations Fund		(140,000)
• Earmarked Reserves Rebudget: Artificial Turf Capital Replacement Reserve		(2,341,926)
• Earmarked Reserves Rebudget: Budget Stabilization Reserve		(27,000,000)
• Earmarked Reserves Rebudget: Business Tax System Replacement Reserve		(1,305,436)
• Earmarked Reserves Rebudget: City Health Plan Restructuring Reserve		(100,000)
• Earmarked Reserves Rebudget: Code Enforcement Permit System Reserve		(908,000)
• Earmarked Reserves Rebudget: Creative Center for the Arts Parking Reserve		(750,000)
• Earmarked Reserves Rebudget: Cultural Facilities Capital Maintenance Reserve		(3,135,849)
• Earmarked Reserves Rebudget: Development Fee Program Technology Reserve		(235,000)
• Earmarked Reserves Rebudget: Emergency Operations Center FF&E Reserve		(2,500,000)
• Earmarked Reserves Rebudget: Fire Training Center Replacement Reserve		(24,835,000)
• Earmarked Reserves Rebudget: Google Parking Lots Option Payment Reserve		(500,000)
• Earmarked Reserves Rebudget: IT Sinking Fund Reserve		(2,000,000)
• Earmarked Reserves Rebudget: Police Property Facility Relocation Reserve		(500,000)
• Earmarked Reserves Rebudget: Salaries and Benefits Reserve		(5,000,000)

General Fund Capital, Transfers, Reserves

Budget Reconciliation

(2020-2021 Adopted to 2021-2022 Proposed)

Base Adjustments	Positions	General Fund (\$)
One-Time Prior Year Expenditures Deleted		
• Earmarked Reserves Rebudget: Sick Leave Payments Upon Retirement Reserve		(4,000,000)
• Earmarked Reserves Rebudget: Workers Compensation/General Liability Catastrophic Reserve		(15,000,000)
• Earmarked Reserves: 2020-2021 Continuity of Operations Reserve		(25,000,000)
• Earmarked Reserves: 2021-2022 Community Service Officer Program Reserve		(700,000)
• Earmarked Reserves: 2021-2022 Future Deficit Reserve		(11,076,000)
• Earmarked Reserves: 2021-2022 Sworn Hire Ahead Program Reserve		(7,000,000)
• Earmarked Reserves: Budget Stabilization Reserve		6,000,000
• Earmarked Reserves: City Attorney's Office Outside Litigation Reserve		(500,000)
• Earmarked Reserves: Cultural Facilities Capital Maintenance Reserve		3,900,000
• Earmarked Reserves: Fire SAFER Grant Reserve		(1,237,000)
• Earmarked Reserves: Salaries and Benefits Reserve		(19,090,952)
One-Time Prior Year Expenditures Subtotal:	0.00	(240,920,710)
Technical Adjustments to Costs of Ongoing Activities		
• Capital Contributions: Unanticipated/Emergency Maintenance		(500,000)
• Transfers to Other Funds: City Hall Debt Service Fund		(1,804,432)
• Transfers to Other Funds: Business Improvement District Fund		467
• Transfers to Other Funds: Municipal Golf Course Fund		(1,750,000)
• Transfers to Other Funds: Communications Construction and Conveyance Tax Fund		450,000
• Transfers to Other Funds: Service Yards C&C Tax Fund		(500,000)
• Transfers to Other Funds: Downtown Property and Business Improvement District Fund		25,531
• Earmarked Reserves: Artificial Turf Replacement Reserve		(213,000)
• Earmarked Reserves: Deferred Infrastructure and Maintenance Reserve		1,250,000
• Earmarked Reserves: Measure E - Extremely Low Income Households Reserve		4,390,000
• Earmarked Reserves: Measure E - Homelessness Prevention Reserve		950,000
• Earmarked Reserves: Measure E - Low Income Households Reserve		3,325,000
• Earmarked Reserves: Measure E - Moderate Income Households Reserve		950,000
• Earmarked Reserves: New Parks and Recreation Facilities Maintenance and Operations Reserve		384,000
• Earmarked Reserves: New Public Safety Facilities Maintenance and Operations Reserve		1,996,000
• Earmarked Reserves: New Traffic Infrastructure Assets Maintenance and Operations Reserve		175,000
• Earmarked Reserves: Salaries and Benefits Reserve		31,629,050
Technical Adjustments Subtotal:	0.00	40,757,616
2021-2022 Forecast Base Budget:	0.00	142,859,502

General Fund Capital, Transfers, Reserves

Budget Reconciliation

(2020-2021 Adopted to 2021-2022 Proposed)

Base Adjustments	Positions	General Fund (\$)
Capital Contributions		
1. Capital Contributions: Animal Care and Services Water Softener Replacement		80,000
2. Capital Contributions: Children's Discovery Museum Pavement Repairs		50,000
3. Capital Contributions: Children's Discovery Museum Skylight Replacement		250,000
4. Capital Contributions: Closed Landfill Compliance		2,300,000
5. Capital Contributions: Cultural Facilities Condition Assessment		150,000
6. Capital Contributions: Hammer Theatre Center Boiler Replacement		77,000
7. Capital Contributions: Hammer Theatre Center Fire Detection Alarm and Devices Design		197,000
8. Capital Contributions: Hammer Theatre Miscellaneous HVAC and Electrical Upgrades		130,000
9. Capital Contributions: Hammer Theatre Center Roofing		50,000
10. Capital Contributions: History San José Miscellaneous Repairs		198,000
11. Capital Contributions: Parks Rehabilitation Strike and Capital Infrastructure Team		785,000
12. Capital Contributions: Police Administration Building Boiler and Chiller Replacement		525,000
13. Capital Contributions: San José Museum of Art Door and Window Improvements		150,000
14. Capital Contributions: San José Museum of Art Server Room Upgrades		50,000
Capital Contributions Subtotal:	0.00	4,992,000
Transfers to Other Funds		
1. Transfers to Other Funds: Communications Construction and Conveyance Fund		5,250,000
2. Transfers to Other Funds: Public Safety and Infrastructure Bond Fund		2,300,000
3. Transfers to Other Funds: Vehicle Operations and Maintenance Fund		(250,000)
Transfers to Other Funds Subtotal:	0.00	7,300,000
Earmarked Reserves		
1. Earmarked Reserves: Cultural Facilities Capital Maintenance Reserve		(850,000)
2. Earmarked Reserves: Deferred Infrastructure and Maintenance Reserve		(1,250,000)
3. Earmarked Reserves: Essential Services Reserve		3,000,000
4. Earmarked Reserves: Information Technology Sinking Fund Reserve		2,000,000
5. Earmarked Reserves: Language Access Coordination Reserve		200,000
6. Earmarked Reserves: New Parks and Recreation Facilities Maintenance and Operations Reserve		(384,000)
7. Earmarked Reserves: New Public Safety Facilities Maintenance and Operations Reserve		(1,996,000)
8. Earmarked Reserves: New Traffic Infrastructure Assets Maintenance and Operations Reserve		(175,000)

General Fund Capital, Transfers, Reserves

Budget Reconciliation

(2020-2021 Adopted to 2021-2022 Proposed)

Base Adjustments	Positions	General Fund (\$)
Capital Contributions		
9. Earmarked Reserves: Pension Obligation Bonds Consulting Services Reserve		200,000
10. Earmarked Reserves: Police Property Facility Relocation Reserve		500,000
11. Earmarked Reserves: Police Redistricting Implementation Reserve		1,000,000
12. Earmarked Reserves: San José 311 Enhancements Reserve		750,000
Earmarked Reserves Subtotal:	0.00	2,995,000
Total Budget Proposals Recommended	0.00	15,287,000
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2021-2022 Proposed Budget Total	0.00	158,146,502

General Fund Capital, Transfers, Reserves

Budget Changes By Expense Type

2021-2022 Proposed Budget Changes	Positions	General Fund (\$)
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Capital Contributions

1. **Capital Contributions: Animal Care and Services Water Softener Replacement** **80,000**

Strategic Support CSA

This action provides one-time funding of \$80,000 to replace a water softener at the Animal Care and Services Facilities. The boiler at the Animal Control Shelter requires frequent maintenance due to the hard water supply causing an accumulation of mineral deposits and restricting water flow. Installation of a water softener to support the boiler will mitigate the hard water, thus reducing maintenance costs and prolonging the useful life of the boiler. (Ongoing costs: \$0)

2. **Capital Contributions: Children’s Discovery Museum Pavement Repairs** **50,000**

Strategic Support CSA

This action provides one-time funding of \$50,000 for pavement repairs at the Children's Discovery Museum. There are several walkways around the Children's Discovery Museum for visitors to access and enjoy the facility. Some of the paving has lifted and shifted over the years, resulting in potential impediments and hazards. This project will repair and replace the paved areas of concern. (Ongoing costs: \$0)

3. **Capital Contributions: Children’s Discovery Museum Skylight Replacement** **250,000**

Strategic Support CSA

This action provides one-time funding of \$250,000 for several skylight replacements at the Children's Discovery Museum. The Children's Discovery Museum has several skylights to enhance the interior lighting during daytime operating hours. These fixtures have reached the end of their useful life and several have sealing failures that allow water to leak inside during rain storms. Replacement of these fixtures is necessary to prevent any future damage to the facility and its contents. (Ongoing costs: \$0)

General Fund Capital, Transfers, Reserves

Budget Changes By Expense Type

2021-2022 Proposed Budget Changes	Positions	General Fund (\$)
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Capital Contributions

4. **Capital Contributions: Closed Landfill Compliance** **2,300,000**

Strategic Support CSA

This action adds one-time funding of \$2.3 million to the Closed Landfill Compliance allocation to install a new landfill gas flare and collection system that meets Bay Area Air Quality Management District (Air District) permit requirements, and to decommission the deteriorating 34-year-old existing system. Numerous repairs and upgrades spanning over a decade have enabled the continued operation of the flare, but the system continues to deteriorate and now requires significant rehabilitation or replacement to meet regulatory operating requirements and prevent permit violations. Recent evaluations indicate a 12 to 18-month remaining lifespan, exacerbated by incidents of vandalism including the destruction of the flare control panel and electrical box, theft of propane, repeated fence cuts, and grass fires that have damaged the flare and collection system. Three Notices of Violations from the Air District have been issued within the past 18 months due to the inability to meet flare operating requirements, which may result in fines. The Local Enforcement Agency also issued a Notice of Violation in January 2021 due to the continued elevated methane readings in two perimeter probes adjacent to Coyote Creek, and an enforcement order may be issued if conditions persist. (Ongoing costs: \$0)

5. **Capital Contributions: Cultural Facilities Condition Assessment** **150,000**

Strategic Support CSA

This action provides one-time funding of \$150,000 for a consultant to complete a conditions assessment of all cultural facilities. The Cultural Facilities building infrastructure consists of larger buildings with expensive building components that require frequent maintenance and repair. These components include roofing, HVAC, life safety systems, plumbing, and electrical. The Building Condition Assessment program evaluates the remaining useful life of these systems and programs capital replacement costs for future budgeting purposes. The condition assessment will help support the city's goals to maintain safe and functioning facilities for the public. It is anticipated that the initial assessment will take two years to complete with ongoing annual updates needed to maintain the reports relevance with facility condition and cost of repairs and/or replacement. (Ongoing costs: \$0)

General Fund Capital, Transfers, Reserves

Budget Changes By Expense Type

2021-2022 Proposed Budget Changes	Positions	General Fund (\$)
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Capital Contributions

6. **Capital Contributions: Hammer Theatre Center Boiler Replacement** **77,000**

Strategic Support CSA

This action provides one-time funding of \$77,000 to replace a boiler at the Hammer Theatre Center. The boiler at the Hammer Theatre Center has reached its useful lifecycle expectancy and is costly to maintain. The replacement of the boiler will ensure efficient operation of the heating system. (Ongoing costs: \$0)

7. **Capital Contributions: Hammer Theatre Centre Fire Detection Alarm and Devices Design** **197,000**

Strategic Support CSA

This action provides one-time funding of \$197,000 for the design of fire detection alarms and devices at the Hammer Theatre Center. The fire detection system at the Hammer Theatre Center is at the end of its useful life and is obsolete. Support for the system is no longer readily available and it is in need of updates and replacement. A new system will need to be designed that is up to current code and will protect the facility. This action will provide funding for the design phase. A future proposal for the construction phase will be requested after the design is completed. (Ongoing costs: \$0)

8. **Capital Contributions: Hammer Theatre Miscellaneous HVAC and Electrical Upgrades** **130,000**

Strategic Support CSA

This action provides one-time funding of \$130,000 to replace the HVAC 15-ton condensing unit at the Hammer Theatre Center. The HVAC equipment at the Hammer Theatre has aged beyond its useful lifecycle and is costly to maintain. The equipment regulates the temperature for patrons and causes uncomfortable seating conditions when it fails. This project will replace and update the equipment to ensure a comfortable theater environment. (Ongoing costs: \$0)

9. **Capital Contributions: Hammer Theatre Center Roofing** **50,000**

Strategic Support CSA

This action provides one-time funding of \$50,000 for roof repairs at the Hammer Theatre Center. The roof at the Hammer Theatre Center has failed in several locations and is in need of repair to ensure the envelope is secure from water infiltration during a rainstorm. This funding will allow for patching of minor deficiencies and the replacement of larger sections of roofing that are failing and beyond simple repair. (Ongoing costs: \$0)

General Fund Capital, Transfers, Reserves

Budget Changes By Expense Type

2021-2022 Proposed Budget Changes	Positions	General Fund (\$)
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Capital Contributions

- 10. Capital Contributions: History San José Miscellaneous Repairs** **198,000**

Strategic Support CSA

This action provides one-time funding of \$198,000 for various repairs at the History San José Museum. Additional maintenance responsibilities have recently been added to the Department of Public Works for the facilities at the History San José Museum. This allocation provides a funding source for the Department to respond to general maintenance and repair requests that the facilities may require. (Ongoing costs: \$0)

- 11. Capital Contributions: Parks Rehabilitation Strike and Capital Infrastructure Team** **785,000**

Neighborhood Services CSA

This action provides one-time funding to continue 1.0 Senior Maintenance Worker, 1.0 Parks Maintenance Repair Worker I/II, 2.0 Groundswoker, 2.0 Maintenance Assistant, and 1.0 Office Specialist II positions, limit-dated through June 30, 2022, to augment the efforts of the Capital Infrastructure Team in addressing infrastructure backlog projects. These positions were funded by the Subdivision Park Trust Fund through December 2019 as part of a three-year program that began in 2016-2017. Given the limited funds in the Subdivision Park Trust Fund and the challenges in meeting the nexus requirements for these funds, the positions were shifted to the General Fund. The Parks Rehabilitation Strike and Capital Infrastructure Team will concentrate on rehabilitating and refurbishing parks, replacing and repairing playgrounds, upgrading irrigation systems, and managing turf conditions at reservable sports fields and open spaces. (Ongoing costs: \$0)

- 12. Capital Contributions: Police Administration Building Boiler and Chiller Replacement** **525,000**

Strategic Support CSA

This action provides one-time funding of \$525,000 to replace the boiler and chiller in the Police Administration Building. The chiller and boiler have reached their useful lifecycle and are in need of replacement. Replacement parts for the current chiller and boiler have become obsolete, leaving the equipment at risk of failure. Replacing the equipment will provide stable cooling and heating in multiple levels of the building. (Ongoing costs: \$0)

- 13. Capital Contributions: San José Museum of Art Door and Window Improvements** **150,000**

Strategic Support CSA

This action provides one-time funding of \$150,000 to improve entry doors and first floor windows at the San José Museum of Art. The doors and windows at the San José Museum of Art are old and frequently fail. During rain storms water infiltrates through the seals of the windows and doors. This project replaces these fixtures with more energy efficient windows along with security enhancements to better protect the facility. (Ongoing costs: \$0)

General Fund Capital, Transfers, Reserves

Budget Changes By Expense Type

2021-2022 Proposed Budget Changes	Positions	General Fund (\$)
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Capital Contributions

14. Capital Contributions: San José Museum of Art Server Room Upgrades		50,000
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Strategic Support CSA

This action provides one-time funding of \$50,000 for upgrades to the San José Museum of Art server room. The servers at the San José Museum of Art are in an open area accessible by staff. This project will remodel a space to secure the servers and ensure proper HVAC cooling for the networking equipment. (Ongoing costs: \$0)

Subtotal Capital Contributions:	0.00	4,992,000
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Transfers to Other Funds

1. Transfers to Other Funds: Communications Construction and Conveyance Tax Fund		5,250,000
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Strategic Support CSA

This action transfers \$5.25 million to the Communications Construction and Conveyance Tax Fund to replace over 800 radios operating on the Silicon Valley Radio Communication System (SVRCS). As described in the Status Report on Deferred Maintenance and Infrastructure Backlog memorandum accepted by the Transportation and Environment Committee at their meeting on March 1, 2021, over 800 of the 3,200 SVRCS radios will be unsupported beginning July 2021. Replacing all of these radios at once would cost approximately \$5.5 million. While these radios, primarily used by the Police Department, still function, the City needs to take action to ensure that replacements are regularly procured. The memorandum identified that a 10-year replacement schedule for all of the City's SVRCS radios would cost \$2.2 million per year, approximately \$1.75 million above the current replacement budget in the Communications Construction and Conveyance Tax Fund. This allocation of \$5.25 million essentially funds the first years of a 10-year replacement schedule and will provide sufficient resources to replace all radios scheduled to be unsupported in July 2021. Additional funding of \$8.0 million is still needed to replace the remaining 1,203 radios that will be unsupported in 2022 and 2023. Additional funding, including the pursuit of eligible grants, will be necessary in the future. (Ongoing costs: \$0)

2. Transfers to Other Funds: Public Safety and Infrastructure Bond Fund		2,300,000
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Strategic Support CSA

This action transfers \$2.3 million to the Public Safety and Infrastructure Bond (Measure T) Fund to replenish the Measure T Fund for advancing the Fire Station 20 expansion project at the Airport to include landside operations. As directed in the Mayor's March Budget Message for Fiscal Year 2020-2021, as approved by the City Council, to leverage Federal Aviation Administration (FAA) resources, Measure T resources were advanced to fund the expansion of Fire Station 20 Aircraft Rescue and Fire Fighting (ARFF) Facility project to include landside operations to provide off-airport emergency response capabilities to the local community. As Fire Station 20 was not included in the original Measure T program, a commitment was made to replenish the Measure T Fund from external sources. This action replenishes half of the \$4.6 million advanced. (Ongoing costs: \$0)

General Fund Capital, Transfers, Reserves

Budget Changes By Expense Type

2021-2022 Proposed Budget Changes	Positions	General Fund (\$)
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Transfers to Other Funds

- | | | |
|--|--|-----------|
| 3. Transfers to Other Funds: Vehicle Operations and Maintenance Fund | | (250,000) |
|--|--|-----------|

Strategic Support CSA

This action reduces the Transfer to the Vehicle Maintenance and Operations Fund by \$250,000 for the scheduled replacement of the City's vehicle fleet. This allocation was previously increased by \$250,000 one-time in 2020-2021, from \$1.25 million to \$1.50 million, to advance vehicle replacements. This reduction brings ongoing funding to \$1.0 million, which prolongs overall asset replacement for non-safety, general fleet vehicles supported by the General Fund. (Ongoing savings: \$250,000)

Subtotal Transfers to Other Funds:	0.00	7,300,000
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Earmarked Reserves

- | | | |
|--|--|-----------|
| 1. Earmarked Reserves: Cultural Facilities Capital Maintenance Reserve | | (850,000) |
|--|--|-----------|

Strategic Support CSA

This action liquidates the Cultural Facilities Capital Maintenance Reserve in 2021-2022 to fund a portion of the cultural facilities capital improvements programmed in the 2021-2022 Proposed Capital Budget, totaling \$1.3 million. Ongoing contributions of \$850,000 will continue to support cultural facility capital rehabilitation work in 2022-2023. (Ongoing savings: \$0)

- | | | |
|--|--|-------------|
| 2. Earmarked Reserves: Deferred Infrastructure and Maintenance Reserve | | (1,250,000) |
|--|--|-------------|

Strategic Support CSA

This action liquidates the Deferred Infrastructure and Maintenance Reserve that was set aside as part of the 2022-2026 General Fund Forecast to be allocated to deferred maintenance and technology projects included as part of the 2021-2022 Proposed Budget. (Ongoing savings: \$0)

- | | | |
|---|--|-----------|
| 3. Earmarked Reserves: Essential Services Reserve | | 3,000,000 |
|---|--|-----------|

Strategic Support CSA

As directed in the Mayor's March Budget Message for Fiscal Year 2021-2022, as approved by the City Council, this action establishes an Essential Services Reserve in the amount of \$3.0 million that will be used to support services that are of essential importance to our residents. Services deemed essential by the City Council will be funded with the use of these one-time funds. (Ongoing costs: \$0)

General Fund Capital, Transfers, Reserves

Budget Changes By Expense Type

2021-2022 Proposed Budget Changes	Positions	General Fund (\$)
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Earmarked Reserves

4. **Earmarked Reserves: Information Technology Sinking Fund Reserve** **2,000,000**

Strategic Support CSA

This action sets aside an additional \$2.0 million to the Information Technology Sinking Fund Reserve to assist with the future replacement of the City's critical aging information technology systems upon which the City grows evermore reliant. This reserve was first established in an amount of \$2.0 million with City Council's approval of the Mayor's March Budget Message for Fiscal Year 2019-2020. Once the existing reserve is rebudgeted into 2021-2022 as part of the Adopted Budget process, the reserve will total \$4.0 million. While a meaningful investment, the Status Report on Deferred Maintenance and Infrastructure Backlog memorandum accepted by the Transportation and Environment Committee on February 22, 2021 identified an information technology backlog of \$37.4 million, of which \$32.0 million is attributable to business software applications and platforms, including the City's financial management system. (Ongoing costs: \$0)

5. **Earmarked Reserves: Language Access Coordination Reserve** **200,000**

Strategic Support CSA

As directed in the Mayor's March Budget Message for Fiscal Year 2021-2022, as approved by the City Council, this action establishes the Language Access Coordination Reserve in the amount of \$200,000 to support implementation of the Office of Racial Equity work plan and expansion language access capacity. As part of this effort, a subsequent Manager's Budget Addendum will evaluate the potential addition of a Language Access Coordinator within the City Manager's Communications Office. (Ongoing costs: \$0)

6. **Earmarked Reserves: New Parks and Recreation Facilities Maintenance and Operations Reserve** **(384,000)**

Neighborhood Services CSA

This action liquidates the Earmarked Reserve that was established in the 2022-2026 General Fund Forecast for projected operations and maintenance expense of \$384,000 related to new parks and recreation facilities that are scheduled to become operational in 2021-2022, and for which operations and maintenance costs will be assumed by the City. These facilities include: These facilities include All-Inclusive Almaden Lake, All-Inclusive Emma Prusch, Bruzzone Park & Dog Park, Commodore Children's Park, Mercado Park, and Trail: Coyote Creek (Story Rd to Phelan Rd). These funds are allocated for operations and maintenance expenses in the Parks, Recreation and Neighborhood Services Department. (Ongoing savings: \$384,000)

General Fund Capital, Transfers, Reserves

Budget Changes By Expense Type

2021-2022 Proposed Budget Changes	Positions	General Fund (\$)
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Earmarked Reserves

7. **Earmarked Reserves: New Public Safety Facilities Maintenance and Operations Reserve** (1,996,000)

Public Safety CSA

This action liquidates the Earmarked Reserve that was established in the 2022-2026 General Fund Forecast for projected operations and maintenance expenses of \$1,996,000 related to Public Safety Capital Improvement Projects, including landslide operations for Fire Station 20 and the addition of a new engine company for Fire Station 37 which will be located on a portion of the parking lot at Lincoln Glen Park and is expected to open January 2022. These funds are allocated for operations and maintenance expense in the Fire Department. (Ongoing savings: \$1,996,000)

8. **Earmarked Reserves: New Traffic Infrastructure Assets Maintenance and Operations Reserve** (175,000)

Transportation and Aviation Services CSA

This action liquidates the Earmarked Reserve that was established in the 2022-2026 General Fund Forecast for projected operations and maintenance expenses of \$175,000 related to transportation-related projects included in the Traffic Capital Improvement Program, including new traffic signals and streetlights (including those installed by developers), landscaping, and other traffic infrastructure. Most of the included projects are related to traffic safety enhancements for pedestrians and bicyclists, such as Pedestrian Improvements, McKee Road Safety Corridor Improvements, Tully Road Safety Corridor Improvements and Vision Zero: Citywide Pedestrian Safety and Traffic Calming projects. These funds are allocated for operations and maintenance expenses in the Transportation Department. (Ongoing savings: \$175,000)

9. **Earmarked Reserves: Pension Obligation Bonds Consulting Services Reserve** 200,000

Strategic Support CSA

This action establishes the Pension Obligation Bonds Consulting Services Reserve in the amount of \$200,000 to continue the process for the issuance of pension obligation bonds (POBs), which involves preparing bond documentation necessary for the Court validation and issuance, should City Council elect to proceed during its meeting on May 11, 2021. The 2020-2021 Mid-Year Budget Review, approved by the City Council, included funding of \$300,000 for consulting services to evaluate the issuance of pension obligation bonds (POBs) in preparation for the April 23, 2021 Study Session. This evaluation involves research on the prevalence and performance of POBs, impact on credit ratings, sensitivity analyses on varying sizes of POBs, risk tolerance levels, cost-benefit analysis, and strategies for recognizing and applying savings. If the City Council directs the Administration and City Attorney's Office to initiate validation proceedings, actions will be included as part of the 2021-2022 Adopted Budget process to reallocate this reserve to the Finance Department non-personal/equipment budget. (Ongoing costs: \$0)

General Fund Capital, Transfers, Reserves

Budget Changes By Expense Type

2021-2022 Proposed Budget Changes	Positions	General Fund (\$)
Earmarked Reserves		
10. Earmarked Reserves: Police Property Facility Relocation Reserve		500,000
<i>Public Safety CSA</i>		
<p>This action provides \$500,000 of additional one-time funding for the Police Property Facility Relocation Reserve for a total reserve of \$1.0 million following the anticipated rebudget of the current \$500,000 Police Property Facility Relocation Reserve to 2021-2022. These funds will support the relocation of a portion of the Police Department's evidence warehouse in compliance with state and other evidence storage requirements, as well as fire code regulations, as a portion of the current facility lease is scheduled to end December 2021. Significant costs are anticipated to outfit the new property, including security measures and relocation of an 800 sq. ft. evidence refrigerator, as well as costs to move the stored vehicles and refrigerated contents. (Ongoing costs: \$0)</p>		
11. Earmarked Reserves: Police Redistricting Implementation Reserve		1,000,000
<i>Public Safety CSA</i>		
<p>This action establishes a Police Redistricting Implementation Reserve for \$1.0 million to continue the multi-year process of realigning the Police Department's division, district, and beat boundaries to effectively distribute police resources that account for community needs, future population growth, and economic development. The Department is currently using funding previously included in the 2020-2021 Adopted Operating Budget to analyze a variety of data related to call volume and severity, response times, deployment options, equity assurance, foot patrol options, population density, and geography. Once this study is complete, anticipated in the second half of 2021-2022, the process to implement redistricting will require a significant one-time investment, including technology and process modifications, as well as temporary staffing and overtime funding. While a more precise cost will not be known until after completion of the study, in alignment with in the Rules and Open Government Committee memorandum from Councilmembers Peralez and Davis approved by the Committee February 11, 2021, the allocation of \$1.0 million to a Police Redistricting Implementation Reserve provides a significant contribution toward the much needed patrol model update that optimizes resources for police services delivered across the City. (Ongoing costs: \$0)</p>		
12. Earmarked Reserves: San José 311 Enhancements Reserve		750,000
<i>Strategic Support CSA</i>		
<p>As directed in the Mayor's March Budget Message for Fiscal Year 2021-2022, approved by the City Council, this action establishes the San José 311 Implementation Reserve in the amount of \$750,000 to set aside funding for 2022-2023 to continue a two-year program to expand San José 311 internal capacity for both coding and customer experience. Reserved funds will provide support for necessary software development licenses and the continuation of two limit-dated positions tasked with identifying and implementing digital service improvements, with the goal of adding at least five new services by the end of 2022, expanding the geographic diversity of the user base, and achieving strong customer satisfaction ratings. (Ongoing costs: \$0)</p>		
Subtotal Earmarked Reserves:	0.00	2,995,000
2021-2022 Proposed Budget Changes Total	0.00	15,287,000

General Fund Capital, Transfers, Reserves

Expense Type: Capital Contributions

Detail of Costs Description

Capital Contributions	2019-2020 Actuals	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Neighborhood Services CSA				
Parks & Community Facilities Dev. Capital Program				
Almaden Community Center Shade Structure	2,197	98,000	0	0
Almaden Winery Building Fundraising Feasibility Study	0	50,000	0	0
Alum Rock Park Playground Renovation	0	207,000	0	0
Alviso Park Improvements	0	332,000	0	0
Biebrach Park Renovation	146,193	20,000	0	0
Canoas Park Playground Renovation	0	207,000	0	0
Chris Hotts Park Lighting	57,417	30,000	0	0
Chris Hotts Park Playground Renovation	0	206,000	0	0
Council District #4 Park Amenities	40,000	0	0	0
De Anza Park Playground Renovation	0	206,000	0	0
Fire Training Center Relocation	4,380	0	0	0
Guadalupe River Park Improvements	201,574	336,000	0	0
Happy Hollow Park and Zoo Exhibit Improvements	67,808	397,000	0	0
Jeneane Marie Circle Fencing	0	102,000	0	0
Kelley House Demolition	14,810	15,000	0	0
La Ragione Playground Renovation	0	206,000	0	0
Leland Sports Field Turf Replacement (GF)	313,701	0	0	0
Meadowfair Park Master Plan	0	150,000	0	0
Park Furniture Improvements	0	400,000	0	0
Parks Rehabilitation Strike and Capital Infrastructure Team	286,844	760,000	0	785,000
Paul Moore Park Improvements	0	206,000	0	0
Police Athletic League Stadium Master Plan	0	400,000	0	0
Police Athletic League Stadium Turf Replacement	76,029	2,925,000	0	0
Ramac Park Turf Replacement	160,818	1,766,000	0	0
Re-Use Facilities Improvements	21,347	979,000	0	0
Smythe Sports Field Turf Replacement	0	200,000	0	0
Southside Community Center Computer Lab Improvements	22,728	0	0	0
Turf Replacement	300,339	402,000	0	0
Vietnamese American Cultural Center Improvements	0	50,000	0	0
Vietnamese-American Community Center Planning and Fundraising	8,175	75,000	0	0
Vietnamese-American Cultural Center Playground Renovation	5,000	206,000	0	0
Willow Glen Community Center Equipment	21,068	34,000	0	0
Total Parks & Community Fac. Dev. Capital Pgm.	\$1,750,428	\$10,965,000	\$0	\$785,000
Total Neighborhood Services CSA	\$1,750,428	\$10,965,000	\$0	\$785,000
Public Safety CSA				
Public Safety Capital Program				
Emergency Vehicle Preemption Service	(4,525)	0	0	0
Fire Apparatus Replacement	6,858,915	4,750,000	3,750,000	3,750,000
Fire Station 14 Improvements	50,000	0	0	0
Fire Training Center Relocation	9,796,354	2,600,000	0	0
Total Public Safety Capital Program	\$16,700,744	\$7,350,000	\$3,750,000	\$3,750,000
Total Public Safety CSA	\$16,700,744	\$7,350,000	\$3,750,000	\$3,750,000
Transportation & Aviation Services CSA				

General Fund Capital, Transfers, Reserves

Expense Type: Capital Contributions

Detail of Costs Description

Capital Contributions	2019-2020 Actuals	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Traffic Capital Program				
Accessible Pedestrian Signal	83,030	0	0	0
Berryessa and Commercial Roads Striping	0	3,200	0	0
Branham Lane Vision Zero Quick Build Projects	0	40,000	0	0
Council District 3 Traffic Calming Enhancements	0	100,000	0	0
Council District 6 Traffic Calming Enhancements	0	200,000	0	0
High Capacity and Safe Transit Corridor	0	50,000	0	0
Kimlee and Danby Drives Bulbouts	0	15,000	0	0
Local Sales Tax - Pavement Maintenance Program	171,580	0	0	0
Monterey Road and Valleyhaven Way Traffic Signal Design	0	100,000	0	0
Pavement Maintenance Program	2,428,175	0	0	0
Penitencia Creek Rd Crosswalk	0	30,000	0	0
Sierra Rd Crosswalk	0	60,000	0	0
Snell Ave Pedestrian Fence	0	90,000	0	0
Thornwood Drive Safety Improvements	0	83,000	0	0
Traffic Signal at Monroe and Hedding Streets	0	240,000	0	0
Total Traffic Capital Program	\$2,682,785	\$1,011,200	\$0	\$0
Total Transportation & Aviation Services CSA	\$2,682,785	\$1,011,200	\$0	\$0
Strategic Support CSA				
Municipal Improvements Capital Program				
4th Street Garage Fire Pump Replacement	0	350,000	0	0
African American Community Services Agency Upgrades	21,070	144,000	0	0
Animal Care and Services - Various Improvements	140,743	500,000	0	0
Animal Care and Services Boilers and BMS	248,977	100,000	0	0
Animal Care and Services Water Softener Replacement	0	0	0	80,000
Animal Care and Services Waterproofing	0	7,000	0	0
Arc Flash Hazard Analysis	18,913	114,000	0	0
Arena Repairs	50,704	300,000	100,000	100,000
Children's Discovery Museum Air Handler Unit Replacement	75,008	952,000	0	0
Children's Discovery Museum Elevator System	0	800,000	0	0
Children's Discovery Museum Pavement Repairs	0	0	0	50,000
Children's Discovery Museum Skylight Replacement	0	0	0	250,000
Chris Hotts Park Lighting	2,583	0	0	0
City Hall and Police Communications Uninterrupted Power Supply Cap. Maint.	311,250	284,000	200,000	200,000
City Hall Antenna and Rotunda Audio	0	300,000	0	0
City Hall Audio/Visual Upgrade	12,385	309,000	0	0
City Hall Campus Expansion	1,062,095	1,000,000	0	0
City Hall Elevator Controls	0	150,000	0	0
City Hall Fire Alarm Upgrade	0	100,000	0	0
City Hall HVAC Control System Replacement	4,411,105	2,800,000	0	0
City Hall Network Operations Center - Electrical Switch Replacement	218,771	1,000,000	0	0
City Hall Rotunda Lighting	219,378	286,000	0	0
City Hall Security Upgrades	336,827	413,000	0	0
City Hall Waterproofing	19,574	900,000	0	0
City-wide Building Assessment	184,857	0	0	0
Closed Landfill Compliance	409,924	450,000	450,000	2,750,000
Cultural Facilities Condition Assessment	0	0	0	150,000

General Fund Capital, Transfers, Reserves

Expense Type: Capital Contributions

Detail of Costs Description

Capital Contributions	2019-2020 Actuals	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
East Side Union High School District Community Wireless Network Project	990,872	245,000	0	0
Electric Vehicles Charging Stations for Police Hybrid-Electric Vehicles	0	210,000	0	0
Emergency Power Generation for City Facilities	0	2,000,000	0	0
Fire Training Center Environmental Monitoring	18,121	0	0	0
Fire Training Center Relocation	523,496	0	0	0
Fuel Tank Monitoring	7,756	20,000	20,000	20,000
Hammer Theatre Center Boiler Replacement	0	0	0	77,000
Hammer Theatre Center Carpet Replacement	123,037	0	0	0
Hammer Theatre Center Chiller Replacement	0	500,000	0	0
Hammer Theatre Center Fire Detection Alarm and Devices Design	0	0	0	197,000
Hammer Theatre Center HVAC Controls	55,588	67,000	0	0
Hammer Theatre Center Improvements	0	350,000	0	0
Hammer Theatre Center Roofing	0	0	0	50,000
Hammer Theatre Center Upgrades	54,455	300,000	0	0
Hammer Theatre Miscellaneous HVAC & Electrical Upgrades	0	0	0	130,000
Heating, Ventilation, and Air Conditioning (HVAC) Cyber Security Upgrade	0	150,000	0	0
History San José - Automatic Parking Lot Gate	671	199,000	0	0
History San José - Fallon House Elevator & Ramp Replacement	82,675	0	0	0
History San José ADA Compliance	0	100,000	0	0
History San José High-Priority Capital Improvements	0	300,000	0	0
History San José Miscellaneous Repairs	0	0	0	198,000
Local Sales Tax - PAB/PCC Phase I Elevator Modernization	293,776	3,000,000	0	0
Local Sales Tax - Pavement Maintenance Program	4,420	0	0	0
Local Sales Tax - Police Communications Center Elevator Retrofit	265,076	331,000	0	0
Mexican Heritage Plaza Concrete Repair	70,375	98,000	0	0
Mexican Heritage Plaza HVAC System Components Upgrades	4,413	0	0	0
Mexican Heritage Plaza Patio	0	50,000	0	0
Miscellaneous Cultural Facility Repairs	177,687	0	0	0
Municipal Stadium Paving	299,999	0	0	0
PAB/PAC Phase I Elevator Modernization	0	2,200,000	0	0
PAB Fire Protection System	0	300,000	0	0
Police Administration Building Boiler and Chiller Replacement	0	400,000	0	525,000
Police Administration Building Fencing - Employee Parking Lot Perimeter	48,172	400,000	0	0
Police Communications Center Elevator Retrofit	9,648	556,000	0	0
Police Communications Emergency Uninterrupted Power Supply	244,734	378,000	0	0
Police Fleet Management System	76,910	0	0	0
Radio Systems Upgrade	0	200,000	0	0
Remote Sensing Equipment for Generators	0	150,000	0	0
San José Municipal Stadium Improvements	0	16,000	0	0
San José Museum of Art - Minor Renovations	14,001	86,000	0	0
San José Museum of Art Door and Window Improvement	0	0	0	150,000
San José Museum of Art HVAC Controls Upgrades	229,144	150,000	0	0
San José Museum of Art Server Room Upgrade	0	0	0	50,000

General Fund Capital, Transfers, Reserves

Expense Type: Capital Contributions

Detail of Costs Description

	2019-2020 Actuals	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Capital Contributions				
San José Stage Company	0	1,000,000	0	0
South Yard Fence Replacement	0	200,000	0	0
Tech Interactive Fire Alarm System	0	2,400,000	0	0
The Tech Museum Controls Module Improvements	129,974	3,950,000	0	0
The Tech Museum Tile Wall Evaluation and Repairs	89,264	1,301,000	0	0
Traffic Signal at Monroe and Hedding Streets	19,645	0	0	0
Unanticipated/Emergency Maintenance	331,991	2,250,000	750,000	750,000
Total Municipal Improvements Capital Program	\$11,910,065	\$35,116,000	\$1,520,000	\$5,727,000
Total Strategic Support CSA	\$11,910,065	\$35,116,000	\$1,520,000	\$5,727,000
TOTAL CAPITAL CONTRIBUTIONS	\$33,044,021	\$54,442,200	\$5,270,000	\$10,262,000

General Fund Capital, Transfers, Reserves

Expense Type: Transfers to Other Funds

Detail of Costs Description

	2019-2020 Actuals	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Transfers to Other Funds				
Community and Economic Development CSA				
Transfer to the Building Development Fee Program Fund	0	23,898,975	0	0
Transfer to the Business Improvement District Fund	11,217	11,666	12,133	12,133
Transfer to the Citywide Planning Fee Program Fund	0	2,331,293	0	0
Transfer to the Planning Development Fee Program Fund	0	2,068,956	0	0
Transfer to the San José Arena Capital Reserve Fund	2,300,000	2,300,000	2,300,000	2,300,000
Total Community and Economic Development CSA	\$2,311,217	\$30,610,890	\$2,312,133	\$2,312,133
Neighborhood Services CSA				
Transfer to the Municipal Golf Course Fund	10,696,400	9,661,000	0	0
Total Neighborhood Services CSA	\$10,696,400	\$9,661,000	\$0	\$0
Public Safety CSA				
Transfer to the Fire Development Fee Program Fund	0	6,109,226	0	0
Total Public Safety CSA	\$0	\$6,109,226	\$0	\$0
Transportation and Aviation Services CSA				
Local Sales Tax - Transfer to the Airport Revenue Fund (Jet Fuel)	487,472	400,000	400,000	400,000
Transfer to the Downtown Property and Business Improvement District Fund	825,733	851,040	876,571	876,571
Transfer to the Maint. District No. 11 (Brokaw - Junction to Old Oakland) Fund	6,354	6,354	6,354	6,354
Transfer to the Maint. District No. 20 (Renaissance - N. First Landscaping) Fund	21,461	21,461	21,461	21,461
Transfer to the Maint. District No. 21 (Gateway Place - Airport Parkway) Fund	8,996	8,996	8,996	8,996
Transfer to the Maint. District No. 22 (Hellyer - Silver Creek Valley) Fund	35,223	35,223	35,223	35,223
Transfer to the Maintenance District No. 15 (Silver Creek Valley) Fund	16,636	16,636	16,636	16,636
Transfer to the Maintenance District No. 19 (River Oaks Area Landscaping) Fund	6,195	6,195	6,195	6,195
Transfer to the Maintenance District No. 2 (Trade Zone Blvd. - Lundy Ave.) Fund	2,408	2,408	2,408	2,408
Transfer to the Maintenance District No. 8 (Zanker - Montague) Fund	2,353	2,353	2,353	2,353
Transfer to the Maintenance District No. 9 (Santa Teresa - Great Oaks) Fund	23,480	23,480	23,480	23,480
Total Transportation and Aviation Services CSA	\$1,436,311	\$1,374,146	\$1,399,677	\$1,399,677
Strategic Support CSA				
Transfer to the Emergency Reserve Fund	10,000,000	0	0	0
Transfer to the Public Works Development Fee Program Fund	0	4,262,484	0	0
Transfer to the Public Works Small Cell Permitting Fee Program Fund	0	711,413	0	0
Transfer to Edward Byrne Memorial Justice Assistance Grant Trust Fund	409	0	0	0
Transfer to the City Hall Debt Service Fund	21,351,289	0	0	0
Transfer to the Vehicle Maintenance and Operations Fund	1,500,000	1,390,000	1,250,000	1,000,000

General Fund Capital, Transfers, Reserves

Expense Type: Transfers to Other Funds

Detail of Costs Description

	2019-2020 Actuals	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed
Transfers to Other Funds				
Transfer to the Communications Construction and Conveyance Tax Fund	1,000,000	1,250,000	1,700,000	6,950,000
Transfer to the Service Yards C&C Tax Fund	300,000	500,000	0	0
Transfer to the Building and Structure Construction Tax Fund	371,452	0	0	0
Transfer to the City Hall Debt Service Fund	0	18,234,074	16,429,642	16,429,642
Transfer to the Public Safety and Infrastructure Bond Fund	0	0	0	2,300,000
Total Strategic Support CSA	\$34,523,150	\$26,347,971	\$19,379,642	\$26,679,642
TOTAL TRANSFERS TO OTHER FUNDS	\$48,967,078	\$74,103,233	\$23,091,452	\$30,391,452

General Fund Capital, Transfers, Reserves

Expense Type: Earmarked Reserves

Detail of Costs Description

Earmarked Reserves	2019-2020 Actuals	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed	Type of Reserve*
Community and Economic Development CSA					
Code Enforcement Permit System Reserve		908,000	0	0	C
Development Fee Program Technology Reserve		235,000	0	0	B
Google Parking Lots Option Payment Reserve		500,000	0	0	B
Measure E - 10% Homelessness Prevention Reserve		2,850,000	3,800,000	3,800,000	B
Measure E - 10% Moderate Income Reserve		2,850,000	3,800,000	3,800,000	B
Measure E - 35% Low Income Reserve		9,975,000	13,300,000	13,300,000	B
Measure E - 45% Extremely Low Income Reserve		12,710,000	17,100,000	17,100,000	B
Total Community and Economic Development CSA	N/A	\$30,028,000	\$38,000,000	\$38,000,000	
Neighborhood Services CSA					
Artificial Turf Capital Replacement Reserve		2,768,926	214,000	214,000	C
New Parks and Recreation Facilities M&O Reserve		0	384,000	0	C
Total Neighborhood Services CSA	N/A	\$2,768,926	\$598,000	\$214,000	
Public Safety CSA					
2021-2022 Community Service Officer Program Reserve		700,000	0	0	C
2021-2022 Sworn Hire Ahead Program Reserve		7,000,000	0	0	C
Fire Training Center Replacement Reserve		24,835,000	0	0	C
New Public Safety Facilities M&O Reserve		0	1,996,000	0	C
Police Property Facility Relocation Reserve		500,000	0	500,000	C
Police Redistricting Implementation Reserve		0	0	1,000,000	C
SAFER Grant Reserve		1,237,000	0	0	C
Total Public Safety CSA	N/A	\$34,272,000	\$1,996,000	\$1,500,000	
Transportation and Aviation Services CSA					
Creative Center for the Arts Parking Reserve		750,000	0	0	C
New Traffic Infrastructure Assets M&O Reserve		0	175,000	0	C
Total Transportation and Aviation Services CSA	N/A	\$750,000	\$175,000	\$0	
Strategic Support CSA					
2020-2021 Continuity of Operations Reserve		25,000,000	0	0	A
2021-2022 Future Deficit Reserve		11,076,000	0	0	A
Budget Stabilization Reserve		21,000,000	0	0	A
Business Tax System Replacement Reserve		1,305,436	0	0	C
City Attorney's Office Outside Litigation Reserve		500,000	0	0	C
City Health Plan Restructuring Reserve		100,000	0	0	C
Cultural Facilities Capital Maintenance Reserve		85,849	850,000	0	C
Deferred Infrastructure and Maintenance Reserve		0	1,250,000	0	C
Emergency Operations Center FF&E Reserve		2,500,000	0	0	C
Essential Services Reserve		0	0	3,000,000	C
IT Sinking Fund Reserve		2,000,000	0	2,000,000	C
Language Access Coordination Reserve		0	0	200,000	C
Pension Obligation Bonds Consulting Services Reserve		0	0	200,000	C
Salaries and Benefits Reserve		24,090,952	31,629,050	31,629,050	A, C
San Jose 311 Implementation Reserve		0	0	750,000	C
Sick Leave Payments Upon Retirement Reserve		4,000,000	0	0	C
Workers Compensation / General Liability Catastrophic Reserve		15,000,000	0	0	A

General Fund Capital, Transfers, Reserves

Expense Type: Earmarked Reserves

Detail of Costs Description

Earmarked Reserves	2019-2020 Actuals	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed	Type of Reserve*
<i>Total Strategic Support CSA</i>		\$106,658,237	\$33,729,050	\$37,779,050	
TOTAL EARMARKED RESERVES	N/A	\$174,477,163	\$74,498,050	\$77,493,050	

* Type of Reserve:

A: Contingency/Safety Net Reserve (set aside to address unanticipated circumstances arising from financial and/or public emergencies, to provide budget stability, and to address particular risks associated with potential claims against the City).

B: Restricted Reserve (set aside for a specified purpose from a restricted funding source).

C: Programmatic Reserve (set aside to deliver a particular program/project; many are multi-year projects).

General Fund Capital, Transfers, Reserves

Expense Type: Contingency Reserves

Detail of Costs Description

Contingency Reserve	2019-2020 Actuals	2020-2021 Adopted	2021-2022 Forecast	2021-2022 Proposed	Type of Reserve*
Strategic Support CSA					
Contingency Reserve		40,000,000	40,000,000	40,000,000	A
Total Strategic Support CSA	N/A	\$40,000,000	\$40,000,000	\$40,000,000	
TOTAL CONTINGENCY RESERVE	N/A	\$40,000,000	\$40,000,000	\$40,000,000	

* Type of Reserve:

A: Contingency/Safety Net Reserve (set aside to address unanticipated circumstances arising from financial and/or public emergencies, to provide budget stability, and to address particular risks associated with potential claims against the City).

B: Restricted Reserve (set aside for a specified purpose from a restricted funding source).

C: Programmatic Reserve (set aside to deliver a particular program/project; many are multi-year projects).

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Affordable Housing Impact Fee Fund (452)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Housing Project Reserve (Source)	0	0	0	0	1,697,732
Unrestricted Beginning Fund Balance (Source)	0	0	0	0	4,773,509
Total Beginning Fund Balance	0	0	0	0	6,471,241
Revenue from the Use of Money/Property					
Interest	0	0	0	0	40,000
Total Revenue from the Use of Money/Property	0	0	0	0	40,000
TOTAL SOURCE OF FUNDS	0	0	0	0	6,511,241
USE OF FUNDS					
Expenditures					
Housing Personal Services	0	0	0	0	171,452
Overhead	0	0	0	0	25,827
Total Expenditures	0	0	0	0	197,279
Ending Fund Balance					
Housing Project Reserve (Use)	0	0	0	0	5,000,000
Unrestricted Ending Fund Balance (Use)	0	0	0	0	1,313,962
Total Ending Fund Balance	0	0	0	0	6,313,962
TOTAL USE OF FUNDS	0	0	0	0	6,511,241

* Actuals may not subtotal due to rounding.

Airport Customer Facility And Transportation Fee Fund (519)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Debt Service Coverage Reserve (Source)	4,675,915	4,764,311	4,764,311	4,764,311	4,854,680
Future Debt Service Reserve (Source)	8,139,461	4,099,476	4,161,871	4,161,871	1,539,151
Rate Stabilization Reserve (Source)	918,106	937,193	0	0	0
Reserve for Encumbrances (Source)	1,268	1,268	363,314	363,314	363,314
Total Beginning Fund Balance	13,734,750	9,802,248	9,289,496	9,289,496	6,757,145
Revenue from the Use of Money/Property					
Interest	208,252	221,665	221,665	103,447	49,249
Total Revenue from the Use of Money/Property	208,252	221,665	221,665	103,447	49,249
Revenue from Federal Government					
Coronavirus Aid, Relief, and Economic Security (CARES) Act	0	0	8,276,860	8,276,860	0
Total Revenue from Federal Government	0	0	8,276,860	8,276,860	0
Fees, Rates, and Charges					
Customer Transport Fee	15,393,630	6,895,231	6,895,231	7,381,643	15,620,146
Rental Car Agencies	1,239,207	13,024,483	4,747,623	3,052,272	0
Total Fees, Rates, and Charges	16,632,837	19,919,714	11,642,854	10,433,915	15,620,146
Other Revenue					
Miscellaneous	820	0	0	0	0
Total Other Revenue	820	0	0	0	0
TOTAL SOURCE OF FUNDS	30,576,659	29,943,627	29,430,875	28,103,718	22,426,540
USE OF FUNDS					
Expenditures					
Airport Non-Personal/Equipment	2,111,949	2,248,496	2,248,496	1,813,773	2,247,289
CFC Audit	7,500	11,500	25,350	25,350	11,500
Operations Contingency	0	100,000	86,150	86,150	100,000
Total Expenditures	2,119,449	2,359,996	2,359,996	1,925,273	2,358,789
Transfers					
Transfer to the Airport Fiscal Agent Fund	19,055,507	19,418,720	19,418,720	19,418,720	7,999,559
Transfer to the Airport Surplus Revenue Fund	112,207	0	0	0	0
Transfer to the General Fund	0	0	2,580	2,580	0
Total Transfers	19,167,714	19,418,720	19,421,300	19,421,300	7,999,559
Ending Fund Balance					
Debt Service Coverage Reserve (Use)	4,764,311	4,854,680	4,854,680	4,854,680	1,999,890
Future Debt Service Reserve (Use)	4,161,871	2,371,770	2,431,585	1,539,151	9,704,988
Rate Stabilization Reserve (Use)	0	937,193	0	0	0
Reserve for Encumbrances (Use)	363,314	1,268	363,314	363,314	363,314
Total Ending Fund Balance	9,289,496	8,164,911	7,649,579	6,757,145	12,068,192
TOTAL USE OF FUNDS	30,576,659	29,943,627	29,430,875	28,103,718	22,426,540

* Actuals may not subtotal due to rounding.

Airport Fiscal Agent Fund (525)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Debt Service Reserve (Source)	83,355,018	83,825,582	83,386,340	83,386,340	84,015,635
Total Beginning Fund Balance	83,355,018	83,825,582	83,386,340	83,386,340	84,015,635
Revenue from the Use of Money/Property					
Interest	2,250,898	1,252,000	1,252,000	1,252,000	1,000,000
Total Revenue from the Use of Money/Property	2,250,898	1,252,000	1,252,000	1,252,000	1,000,000
Transfers					
Airport Customer Facility and Transportation Fee Fund	19,055,507	19,418,720	19,418,720	19,418,720	7,999,559
Airport Passenger Facility Charge Fund	27,479,274	22,527,000	14,339,000	14,339,000	17,597,000
Airport Revenue Fund	44,670,142	51,960,960	60,149,255	60,149,255	31,285,919
Total Transfers	91,204,923	93,906,680	93,906,975	93,906,975	56,882,478
TOTAL SOURCE OF FUNDS	176,810,839	178,984,262	178,545,315	178,545,315	141,898,113
USE OF FUNDS					
Expenditures					
Principal and Interest Payments	92,642,337	93,906,680	93,906,680	93,906,680	45,705,305
Total Expenditures	92,642,337	93,906,680	93,906,680	93,906,680	45,705,305
Transfers					
Transfer to the Airport Revenue Fund	782,161	600,000	738,000	623,000	285,000
Total Transfers	782,161	600,000	738,000	623,000	285,000
Ending Fund Balance					
Debt Service Reserve (Use)	83,386,340	84,477,582	83,900,635	84,015,635	95,907,808
Total Ending Fund Balance	83,386,340	84,477,582	83,900,635	84,015,635	95,907,808
TOTAL USE OF FUNDS	176,810,839	178,984,262	178,545,315	178,545,315	141,898,113

* Actuals may not subtotal due to rounding.

Airport Maintenance And Operation Fund (523)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Master Trust Agreement Reserve (Source)	18,606,243	26,192,628	25,479,131	25,479,131	28,024,473
Reserve for Encumbrances (Source)	6,408,908	6,408,908	6,745,038	6,745,038	6,745,038
Workers' Compensation Claims Reserve (Source)	2,534,343	2,534,343	2,680,353	2,680,353	2,680,353
Total Beginning Fund Balance	27,549,494	35,135,879	34,904,522	34,904,522	37,449,864
Transfers					
Airport Revenue Fund	114,411,725	112,785,947	112,785,947	103,477,479	111,097,447
Total Transfers	114,411,725	112,785,947	112,785,947	103,477,479	111,097,447
TOTAL SOURCE OF FUNDS	141,961,219	147,921,826	147,690,469	138,382,001	148,547,311
USE OF FUNDS					
Expenditures					
Airline Reserve Funds Distribution	11,909,916	0	0	0	0
Airport Non-Personal/Equipment	36,732,081	48,519,899	48,519,899	40,211,431	48,939,494
Airport Personal Services	34,018,657	34,885,907	34,885,907	34,885,907	36,311,499
Annual Audit	61,390	80,593	80,593	80,593	80,593
Banking Services	127,842	125,000	36,000	36,000	0
City Attorney Non-Personal/Equipment	1,122	4,000	4,000	4,000	4,000
City Attorney Personal Services	818,259	724,419	738,306	738,306	789,528
City Manager Non-Personal/Equipment	26,458	24,500	24,500	24,500	24,500
ITD Non-Personal/Equipment	10,693	7,686	7,686	7,686	7,686
ITD Personal Services	26,101	25,995	26,631	26,631	26,533
OED Personal Services	194,138	220,859	220,859	220,859	231,555
Operations Contingency	0	1,000,000	1,072,359	72,359	2,274,238
Overhead	5,434,743	5,395,977	5,395,977	5,395,977	5,478,618
PBCE Personal Services	37,584	81,785	83,903	83,903	85,671
Police Personal Services	102,581	102,253	102,253	102,253	117,445
PRNS Personal Services	41,504	66,622	66,622	66,622	56,508
PW Non-Personal/Equipment	11,323	14,000	14,000	14,000	14,000
PW Personal Services	165,583	171,019	171,019	171,019	179,315
Workers' Compensation Claims	115,530	633,500	633,500	633,500	633,500
Total Expenditures	89,835,505	92,084,014	92,084,014	82,775,546	95,254,683
Transfers					
Transfer to the General Fund - Aircraft Rescue/Fire Fighting Services	7,261,525	7,741,781	7,741,781	7,741,781	8,083,082
Transfer to the General Fund - Police Services	9,959,667	10,414,810	10,414,810	10,414,810	9,946,122
Total Transfers	17,221,192	18,156,591	18,156,591	18,156,591	18,029,204
Ending Fund Balance					
Master Trust Agreement Reserve (Use)	25,479,131	28,737,970	28,024,473	28,024,473	25,838,033
Reserve for Encumbrances (Use)	6,745,038	6,408,908	6,745,038	6,745,038	6,745,038
Workers' Compensation Claim Reserve (Use)	2,680,353	2,534,343	2,680,353	2,680,353	2,680,353
Total Ending Fund Balance	34,904,522	37,681,221	37,449,864	37,449,864	35,263,424
TOTAL USE OF FUNDS	141,961,219	147,921,826	147,690,469	138,382,001	148,547,311

* Actuals may not subtotal due to rounding.

Airport Revenue Fund (521)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Airline Agreement Reserve (Source)	70,745,578	67,772,113	67,366,573	67,366,573	61,329,452
Future Budgets-Capital Reserve (Source)	23,130,779	0	0	0	0
Total Beginning Fund Balance	<u>93,876,357</u>	<u>67,772,113</u>	<u>67,366,573</u>	<u>67,366,573</u>	<u>61,329,452</u>
Revenue from the Use of Money/Property					
Miscellaneous	0	0	0	0	0
Total Revenue from the Use of Money/Property	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Revenue from Federal Government					
Coronavirus Aid, Relief, and Economic Security (CARES) Act	0	40,000,000	31,723,140	46,303,134	25,600,000
Total Revenue from Federal Government	<u>0</u>	<u>40,000,000</u>	<u>31,723,140</u>	<u>46,303,134</u>	<u>25,600,000</u>
Fees, Rates, and Charges					
Airfield Area	6,534,655	4,754,464	4,754,464	3,106,881	5,123,670
Landing Fees	21,682,500	25,000,000	25,000,000	15,945,621	25,507,654
Miscellaneous	14,534,267	14,574,297	14,574,297	13,812,186	13,889,278
Parking and Roadway	49,733,733	27,743,224	27,743,224	18,356,227	31,124,695
Petroleum Products	2,286,616	1,073,443	1,073,443	1,478,657	2,733,667
Terminal Building	20,623,495	15,391,818	15,391,818	10,621,422	11,551,906
Terminal Rental	62,689,544	65,000,000	65,000,000	60,348,908	57,836,306
Total Fees, Rates, and Charges	<u>178,084,810</u>	<u>153,537,246</u>	<u>153,537,246</u>	<u>123,669,902</u>	<u>147,767,176</u>
Other Revenue					
Miscellaneous	0	0	0	0	0
Parking and Roadway	0	0	0	0	0
Total Other Revenue	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Transfers					
Airport Fiscal Agent Fund	782,161	600,000	738,000	623,000	285,000
General Fund	0	400,000	463,275	463,275	400,000
Airport Surplus Revenue	487,472	0	0	0	0
Total Transfers	<u>1,269,633</u>	<u>1,000,000</u>	<u>1,201,275</u>	<u>1,086,275</u>	<u>685,000</u>
TOTAL SOURCE OF FUNDS	<u><u>273,230,801</u></u>	<u><u>262,309,359</u></u>	<u><u>253,828,234</u></u>	<u><u>238,425,884</u></u>	<u><u>235,381,628</u></u>
USE OF FUNDS					
Transfers					
Transfer to the Airport Fiscal Agent Fund	44,670,142	51,960,960	60,149,255	60,149,255	31,285,919
Transfer to the Airport Maintenance and Operation Fund	114,411,725	112,785,947	112,785,947	103,477,479	111,097,447
Transfer to the Airport Surplus Revenue Fund	46,782,361	15,321,000	15,321,000	13,433,932	17,772,000
Transfer to the General Fund	0	0	35,766	35,766	0
Total Transfers	<u>205,864,228</u>	<u>180,067,907</u>	<u>188,291,968</u>	<u>177,096,432</u>	<u>160,155,366</u>
Ending Fund Balance					
Airline Agreement Reserve (Use)	67,366,573	82,241,452	65,536,266	61,329,452	75,226,262
Total Ending Fund Balance	<u>67,366,573</u>	<u>82,241,452</u>	<u>65,536,266</u>	<u>61,329,452</u>	<u>75,226,262</u>
TOTAL USE OF FUNDS	<u><u>273,230,801</u></u>	<u><u>262,309,359</u></u>	<u><u>253,828,234</u></u>	<u><u>238,425,884</u></u>	<u><u>235,381,628</u></u>

* Actuals may not subtotal due to rounding.

Airport Surplus Revenue Fund (524)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Airline Agreement Reserve (Source)	765,320	765,320	1,183,042	1,183,042	1,219,557
Discretionary Expense Reserve (Source)	11,000,000	0	0	0	0
Total Beginning Fund Balance	11,765,320	765,320	1,183,042	1,183,042	1,219,557
Revenue from the Use of Money/Property					
Interest	194,159	0	0	37,284	41,024
Total Revenue from the Use of Money/Property	194,159	0	0	37,284	41,024
Transfers					
Airport Customer Facility and Transportation Fee Fund	112,207	0	0	0	0
Airport Revenue Fund	46,782,361	15,321,000	15,321,000	13,433,932	17,772,000
Total Transfers	46,894,568	15,321,000	15,321,000	13,433,932	17,772,000
TOTAL SOURCE OF FUNDS	58,854,047	16,086,320	16,504,042	14,654,258	19,032,581
USE OF FUNDS					
Expenditures					
Commercial Paper Principal and Interest	3,888,644	2,000,000	2,000,000	112,932	2,000,000
Total Expenditures	3,888,644	2,000,000	2,000,000	112,932	2,000,000
Transfers					
Transfer to the Airport Renewal and Replacement Fund	53,782,361	13,321,000	13,321,000	13,321,000	15,772,000
Transfer to the General Fund	0	0	769	769	0
Total Transfers	53,782,361	13,321,000	13,321,769	13,321,769	15,772,000
Ending Fund Balance					
Airline Agreement Reserve (Use)	1,183,042	765,320	1,182,273	1,219,557	1,260,581
Total Ending Fund Balance	1,183,042	765,320	1,182,273	1,219,557	1,260,581
TOTAL USE OF FUNDS	58,854,047	16,086,320	16,504,042	14,654,258	19,032,581

* Actuals may not subtotal due to rounding.

American Rescue Plan Fund (402)**

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Revenue from Federal Government					
American Rescue Plan Act	0	0	0	51,700,000	13,388,000
Total Revenue from Federal Government	0	0	0	51,700,000	13,388,000
TOTAL SOURCE OF FUNDS	0	0	0	51,700,000	13,388,000
USE OF FUNDS					
Expenditures					
BeautifySJ Consolidated Model	0	0	0	0	7,600,000
Data Equity	0	0	0	0	200,000
Downtown Public Restrooms	0	0	0	0	400,000
Food and Necessities	0	0	0	4,200,000	0
San Jose Abierto Program	0	0	0	0	4,200,000
San José Aspires Administrative Support	0	0	0	0	538,000
Vehicle Abatement Program - Proactive Patrol and Complaint Response	0	0	0	0	450,000
Total Expenditures	0	0	0	4,200,000	13,388,000
Transfers					
Transfer to the Convention and Cultural Affairs Fund	0	0	0	2,500,000	0
Transfer to the General Fund	0	0	0	45,000,000	0
Total Transfers	0	0	0	47,500,000	0
TOTAL USE OF FUNDS	0	0	0	51,700,000	13,388,000

* Actuals may not subtotal due to rounding.

** The City of San José is estimated to receive \$223 million in American Rescue Plan Act funding from the U.S. Department of Treasury-Coronavirus State and Local Fiscal Recovery Fund. As draft eligibility criteria and guidelines from the U.S. Treasury Department are not anticipated to be published before May 10, 2021, and as the Administration intends to engage the City Council in a detailed discussion on community and economic recovery funding prioritization during the Budget Study Session on May 17, 2021, the items listed in this source and use statement represent only a small portion of the expenditures that will ultimately be budgeted in this fund over the course of the budget development process. The listed expenditures primarily represent: 1) the estimated transfer of funds in 2020-2021 to resolve budgetary shortfalls in other funds for 2021-2022, and to maintain current service levels for the City's pandemic response through June 30, 2021; 2) programs directed in the City Council-approved Mayor's March Budget Message that are expected to be implemented by budgeted full-time equivalent positions (e.g. BeautifySJ); and 3) allocations to continue high-priority services previously funded by other funding sources that can no longer pay for the specified services (e.g. Downtown Public Restrooms).

Benefits Funds - Benefit Fund (160)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Encumbrances (Source)	3,860	3,860	10,902	10,902	10,902
Unrestricted Beginning Fund Balance (Source)	868,053	945,922	1,410,752	1,410,752	1,475,561
Total Beginning Fund Balance	871,913	949,782	1,421,654	1,421,654	1,486,463
Revenue from the Use of Money/Property					
Interest-Demutualization Funds	5,166	5,000	5,000	5,000	5,000
Total Revenue from the Use of Money/Property	5,166	5,000	5,000	5,000	5,000
Other Revenue					
Flexible Spending Accounts Forfeitures	176,731	0	0	0	0
Interest-Demutualization Funds	11,111	0	0	0	0
Miscellaneous Revenue	0	0	100,000	112,500	0
Contractual Performance Guarantee Penalties	6,193	0	0	117,000	0
Total Other Revenue	194,036	0	100,000	229,500	0
Transfers					
401(a) Defined Contribution Retirement Plan	222,323	240,000	240,000	230,000	240,000
Benefits Administration Fee	1,147,872	1,452,717	1,452,717	1,400,000	1,400,000
Employee Assistance Program	469,908	475,000	475,000	475,000	480,000
FICA - Medicare	10,470,055	10,800,000	10,800,000	10,800,000	11,448,000
General Employee Vision	335,433	345,000	345,000	345,000	360,000
General Purpose Parking Fund	2,794	2,500	42,500	42,500	2,500
Health Plans	58,007,634	64,000,000	64,000,000	64,000,000	70,000,000
MEF Legal	88,751	91,000	91,000	90,000	91,000
PTC 457	1,510,847	1,550,000	1,550,000	1,175,000	1,150,000
Total Transfers	72,255,618	78,956,217	78,996,217	78,557,500	85,171,500
TOTAL SOURCE OF FUNDS	73,326,733	79,910,999	80,522,871	80,213,654	86,662,963
USE OF FUNDS					
Expenditures					
401(a) Defined Contribution Retirement Plan	222,323	240,000	240,000	230,000	240,000
Benefits Consultant Fee	247,282	254,721	254,721	254,721	254,721
Employee Assistance Program	470,307	475,000	475,000	475,000	480,000
Employee Benefit Payout	0	0	140,000	63,000	77,000
FICA-Medicare	10,067,265	10,800,000	10,800,000	10,800,000	11,448,000
General Employee Vision	326,566	345,000	345,000	345,000	360,000
Health Plans	58,001,479	64,000,000	64,000,000	64,000,000	70,000,000
HR Non-Personal/Equipment	8,367	25,000	25,000	25,000	25,000
HR Personal Services	748,059	876,765	894,510	894,510	908,644
MEF Legal	88,732	91,000	91,000	90,000	91,000
Overhead	204,884	235,778	235,778	235,778	294,982
PTC 457	1,455,861	1,550,000	1,550,000	1,175,000	1,150,000
Wellness Program	22,963	418,080	418,080	90,000	328,080
Total Expenditures	71,864,086	79,311,344	79,469,089	78,678,009	85,657,427
Transfers					
Transfer to the City Hall Debt Service Fund	40,993	60,453	48,985	48,985	55,597
Transfer to the General Fund	0	0	197	197	0
Total Transfers	40,993	60,453	49,182	49,182	55,597

* Actuals may not subtotal due to rounding.

Benefits Funds - Benefit Fund (160)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
Ending Fund Balance					
Reserve for Encumbrances (Use)	10,902	3,860	10,902	10,902	10,902
Unrestricted Ending Fund Balance (Use)	1,410,752	535,342	993,698	1,475,561	939,037
Total Ending Fund Balance	1,421,654	539,202	1,004,600	1,486,463	949,939
 TOTAL USE OF FUNDS	 73,326,733	 79,910,999	 80,522,871	 80,213,654	 86,662,963

* Actuals may not subtotal due to rounding.

Benefits Funds - Dental Insurance Fund (155)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Dental Claims Reserve (Source)	2,703,250	2,800,000	2,800,000	2,800,000	1,400,000
Unrestricted Beginning Fund Balance (Source)	1,061,888	1,169,453	3,377,313	3,377,313	5,296,144
Total Beginning Fund Balance	3,765,138	3,969,453	6,177,313	6,177,313	6,696,144
Revenue from the Use of Money/Property					
Interest	94,881	40,000	40,000	80,000	40,000
Total Revenue from the Use of Money/Property	94,881	40,000	40,000	80,000	40,000
Fees, Rates, and Charges					
Participant Contributions (Employees)	320,404	340,000	340,000	325,000	286,000
Total Fees, Rates, and Charges	320,404	340,000	340,000	325,000	286,000
Other Revenue					
Miscellaneous	359	0	0	0	0
Total Other Revenue	359	0	0	0	0
Transfers					
COBRA Revenue	34,926	0	0	15,000	0
Reimbursement from City Funds	5,711,556	6,015,000	6,015,000	6,000,000	5,021,000
Reimbursement from Retirement Funds	6,245,091	6,400,000	6,400,000	6,300,000	5,289,000
Total Transfers	11,991,574	12,415,000	12,415,000	12,315,000	10,310,000
TOTAL SOURCE OF FUNDS	16,172,357	16,764,453	18,972,313	18,897,313	17,332,144
USE OF FUNDS					
Expenditures					
Dental HMO Plan	328,665	386,000	386,000	365,000	386,000
HR Non-Personal/Equipment	565,637	586,000	586,000	586,000	586,000
HR Personal Services	183,125	177,998	190,993	190,993	184,447
Overhead	48,665	46,654	46,654	46,654	59,158
Payment of Claims	8,846,618	11,200,000	11,200,000	11,000,000	11,400,000
Total Expenditures	9,972,710	12,396,652	12,409,647	12,188,647	12,615,605
Transfers					
Transfer to the City Hall Debt Service Fund	22,334	13,140	10,647	10,647	12,101
Transfer to the General Fund	0	0	1,875	1,875	0
Total Transfers	22,334	13,140	12,522	12,522	12,101
Ending Fund Balance					
Dental Claims Reserve (Use)	2,800,000	1,400,000	1,400,000	1,400,000	1,425,000
Unrestricted Ending Fund Balance (Use)	3,377,313	2,954,661	5,150,144	5,296,144	3,279,438
Total Ending Fund Balance	6,177,313	4,354,661	6,550,144	6,696,144	4,704,438
TOTAL USE OF FUNDS	16,172,357	16,764,453	18,972,313	18,897,313	17,332,144

* Actuals may not subtotal due to rounding.

Benefits Funds - Life Insurance Fund (156)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	168,229	154,714	162,931	162,931	182,670
Total Beginning Fund Balance	168,229	154,714	162,931	162,931	182,670
Revenue from the Use of Money/Property					
Interest	10,279	4,000	4,000	8,300	4,000
Total Revenue from the Use of Money/Property	10,279	4,000	4,000	8,300	4,000
Fees, Rates, and Charges					
Participant Contributions (Employees)	444,904	890,000	890,000	458,500	466,350
Total Fees, Rates, and Charges	444,904	890,000	890,000	458,500	466,350
Other Revenue					
Benefits Administration Fee	147,650	165,000	165,000	147,000	167,000
Participant Contributions (Retirees)	404,170	0	0	416,500	423,650
Total Other Revenue	551,820	165,000	165,000	563,500	590,650
Transfers					
Reimbursement from City Funds	684,990	710,000	710,000	710,000	720,000
Total Transfers	684,990	710,000	710,000	710,000	720,000
TOTAL SOURCE OF FUNDS	1,860,222	1,923,714	1,931,931	1,903,231	1,963,670
USE OF FUNDS					
Expenditures					
HR Non-Personal/Equipment	0	2,140	2,140	2,140	2,140
HR Personal Services	120,409	86,737	88,316	88,316	79,570
Life Insurance Premiums	1,537,373	1,600,000	1,600,000	1,600,000	1,600,000
Overhead	33,325	23,270	23,270	23,270	25,821
Total Expenditures	1,691,107	1,712,147	1,713,726	1,713,726	1,707,531
Transfers					
Transfer to the City Hall Debt Service Fund	6,184	8,238	6,675	6,675	4,891
Transfer to the General Fund	0	0	160	160	0
Total Transfers	6,184	8,238	6,835	6,835	4,891
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	162,931	203,329	211,370	182,670	251,248
Total Ending Fund Balance	162,931	203,329	211,370	182,670	251,248
TOTAL USE OF FUNDS	1,860,222	1,923,714	1,931,931	1,903,231	1,963,670

* Actuals may not subtotal due to rounding.

Benefits Funds - Self-Insured Medical Fund (158)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Encumbrances (Source)	704	704	0	0	0
Unrestricted Beginning Fund Balance (Source)	1,841,167	779,584	1,838,716	1,838,716	104,308
Total Beginning Fund Balance	1,841,871	780,288	1,838,716	1,838,716	104,308
Revenue from the Use of Money/Property					
Interest	81,057	0	0	18,000	0
Total Revenue from the Use of Money/Property	81,057	0	0	18,000	0
Fees, Rates, and Charges					
Participant Contributions (Employees)	738,792	0	0	0	0
Total Fees, Rates, and Charges	738,792	0	0	0	0
Transfers					
Reimbursement from City Funds	437,506	0	50,000	56,634	0
Reimbursement from Retirement Funds	3,344,691	0	0	0	0
Reimbursement from Stop Loss	1,140,831	0	0	51,746	0
Total Transfers	4,923,028	0	50,000	108,380	0
TOTAL SOURCE OF FUNDS	7,584,748	780,288	1,888,716	1,965,096	104,308
USE OF FUNDS					
Expenditures					
HR Non-Personal/Equipment	12,000	15,271	15,271	10,000	0
HR Personal Services	169,192	0	0	0	0
Overhead	35,014	0	0	0	0
Payment of Claims	5,146,519	600,000	0	0	0
Provider Administration Fee	96,708	0	0	0	0
Stop Loss Premium	274,651	0	0	0	0
Total Expenditures	5,734,084	615,271	15,271	10,000	0
Transfers					
Transfer to the City Hall Debt Service Fund	11,948	0	0	0	0
Transfer to the General Fund	0	0	1,000,788	1,000,788	0
Transfer to the Unemployment Insurance Fund	0	0	850,000	850,000	0
Total Transfers	11,948	0	1,850,788	1,850,788	0
Ending Fund Balance					
Reserve for Encumbrances (Use)	0	704	0	0	0
Unrestricted Ending Fund Balance (Use)	1,838,716	164,313	22,657	104,308	104,308
Total Ending Fund Balance	1,838,716	165,017	22,657	104,308	104,308
TOTAL USE OF FUNDS	7,584,748	780,288	1,888,716	1,965,096	104,308

* Actuals may not subtotal due to rounding.

Benefits Funds - Unemployment Insurance Fund (157)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unemployment Insurance Claims Reserve (Source)	1,000,000	750,000	750,000	750,000	0
Unrestricted Beginning Fund Balance (Source)	405,233	253,242	314,289	314,289	718,958
Total Beginning Fund Balance	1,405,233	1,003,242	1,064,289	1,064,289	718,958
Revenue from the Use of Money/Property					
Interest	25,102	20,000	20,000	10,000	20,000
Total Revenue from the Use of Money/Property	25,102	20,000	20,000	10,000	20,000
Revenue from State of California					
Miscellaneous Revenue	0	0	0	4,650	0
Total Revenue from State of California	0	0	0	4,650	0
Transfers					
Reimbursement from City Funds	194,269	400,000	1,510,000	1,510,000	3,300,000
Self-Insured Medical Fund	0	0	850,000	850,000	0
Total Transfers	194,269	400,000	2,360,000	2,360,000	3,300,000
TOTAL SOURCE OF FUNDS	1,624,604	1,423,242	3,444,289	3,438,939	4,038,958
USE OF FUNDS					
Expenditures					
HR Non-Personal/Equipment	6,600	13,404	13,404	13,404	13,404
HR Personal Services	80,696	73,890	79,890	79,890	75,986
Overhead	22,094	20,128	20,128	20,128	25,085
Payment of Claims	439,685	650,000	3,110,000	2,600,000	3,000,000
Total Expenditures	549,075	757,422	3,223,422	2,713,422	3,114,475
Transfers					
Transfer to the City Hall Debt Service Fund	11,240	7,664	6,210	6,210	6,741
Transfer to the General Fund	0	0	349	349	0
Total Transfers	11,240	7,664	6,559	6,559	6,741
Ending Fund Balance					
Unemployment Insurance Claims Reserve (Use)	750,000	500,000	0	0	500,000
Unrestricted Ending Fund Balance (Use)	314,289	158,156	214,308	718,958	417,742
Total Ending Fund Balance	1,064,289	658,156	214,308	718,958	917,742
TOTAL USE OF FUNDS	1,624,604	1,423,242	3,444,289	3,438,939	4,038,958

* Actuals may not subtotal due to rounding.

Building Development Fee Program Fund (237)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	0	0	0	0	27,349,058
Total Beginning Fund Balance	0	0	0	0	27,349,058
Licenses and Permits					
Building Development Program Fees	0	24,606,400	24,606,400	29,888,863	32,178,325
Total Licenses and Permits	0	24,606,400	24,606,400	29,888,863	32,178,325
Revenue from the Use of Money/Property					
Interest	0	500,000	500,000	500,000	340,000
Total Revenue from the Use of Money/Property	0	500,000	500,000	500,000	340,000
Transfers					
General Fund	0	23,898,975	33,229,387	33,229,387	0
Total Transfers	0	23,898,975	33,229,387	33,229,387	0
TOTAL SOURCE OF FUNDS	0	49,005,375	58,335,787	63,618,250	59,867,383
USE OF FUNDS					
Expenditures					
Building Development Fee Program - Non-Personal/Equipment (PBCE)	0	1,924,709	1,924,709	1,720,000	1,557,869
Building Development Fee Program - Personal Services (OED)	0	53,798	53,798	51,000	56,857
Building Development Fee Program - Personal Services (PBCE)	0	27,176,122	27,100,587	25,200,000	29,133,950
Building Development Fee Program - Personal Services (PW)	0	21,202	21,202	20,142	51,975
Development Fee Program - Shared Resources Non-Personal/Equipment (ITD)	0	7,360	98,425	98,425	7,360
Development Fee Program - Shared Resources Non-Personal/Equipment (PBCE)	0	676,666	745,192	500,000	473,289
Development Fee Program - Shared Resources Personal Services (Finance)	0	109,797	109,797	50,000	77,966
Development Fee Program - Shared Resources Personal Services (HR)	0	26,600	26,600	36,000	27,785
Development Fee Program - Shared Resources Personal Services (ITD)	0	256,852	261,771	276,000	1,357,207
Development Fee Program - Shared Resources Personal Services (PBCE)	0	2,828,826	2,904,361	2,200,000	716,654
OED Personal Services	0	210,303	210,303	210,303	77,169
Overhead	0	4,809,698	4,809,698	4,809,698	4,359,378
Total Expenditures	0	38,101,933	38,266,443	35,171,568	37,897,459
Transfers					
Transfer to the City Hall Debt Service Fund	0	1,354,584	1,097,624	1,097,624	1,056,923
Total Transfers	0	1,354,584	1,097,624	1,097,624	1,056,923
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	0	9,548,858	18,971,720	27,349,058	20,913,001
Total Ending Fund Balance	0	9,548,858	18,971,720	27,349,058	20,913,001
TOTAL USE OF FUNDS	0	49,005,375	58,335,787	63,618,250	59,867,383

* Actuals may not subtotal due to rounding.

Business Improvement District Fund (351)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Downtown BID Reserve (Source)	31,407	0	126,731	126,731	0
Hotel BID Reserve (Source)	407,637	0	64,882	64,882	0
Japantown BID Reserve (Source)	5,921	0	6,347	6,347	0
Willow Glen CBID Reserve (Source)	25,066	25,188	21,860	21,860	17,063
Total Beginning Fund Balance	470,031	25,188	219,820	219,820	17,063
Special Assessments					
Downtown BID Assessment	661,280	700,000	700,000	700,000	603,000
Hotel Benefit Assessment District	2,300,207	2,610,000	2,610,000	2,610,000	1,766,609
Japantown Benefit Assessment District	26,349	32,425	32,425	32,425	31,000
Willow Glen CBID Assessment	248,462	269,231	269,231	269,231	273,868
Total Special Assessments	3,236,297	3,611,656	3,611,656	3,611,656	2,674,477
Transfers					
General Fund	11,217	11,666	11,666	11,666	12,133
Total Transfers	11,217	11,666	11,666	11,666	12,133
TOTAL SOURCE OF FUNDS	3,717,545	3,648,510	3,843,142	3,843,142	2,703,673
USE OF FUNDS					
Expenditures					
Administration Services	9,778	10,000	10,000	10,000	5,000
Downtown Business Improvement District	565,955	700,000	826,731	826,731	603,000
Hotel Business Improvement District	2,642,962	2,610,000	2,674,882	2,674,882	1,766,609
Japantown Business Improvement District	25,923	32,425	38,772	38,772	31,000
Willow Glen Community Benefit District	253,107	275,694	275,694	275,694	281,001
Total Expenditures	3,497,725	3,628,119	3,826,079	3,826,079	2,686,610
Ending Fund Balance					
Downtown BID Reserve (Use)	126,731	0	0	0	0
Hotel BID Reserve (Use)	64,882	0	0	0	0
Japantown BID Reserve (Use)	6,347	0	0	0	0
Willow Glen CBID Reserve (Use)	21,860	20,391	17,063	17,063	17,063
Total Ending Fund Balance	219,820	20,391	17,063	17,063	17,063
TOTAL USE OF FUNDS	3,717,545	3,648,510	3,843,142	3,843,142	2,703,673

* Actuals may not subtotal due to rounding.

Cash Reserve Fund (002)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	5,905	6,005	6,031	6,031	6,131
Total Beginning Fund Balance	<u>5,905</u>	<u>6,005</u>	<u>6,031</u>	<u>6,031</u>	<u>6,131</u>
Revenue from the Use of Money/Property					
Interest	126	100	100	100	100
Total Revenue from the Use of Money/Property	<u>126</u>	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>
TOTAL SOURCE OF FUNDS	<u><u>6,031</u></u>	<u><u>6,105</u></u>	<u><u>6,131</u></u>	<u><u>6,131</u></u>	<u><u>6,231</u></u>
USE OF FUNDS					
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	6,031	6,105	6,131	6,131	6,231
Total Ending Fund Balance	<u>6,031</u>	<u>6,105</u>	<u>6,131</u>	<u>6,131</u>	<u>6,231</u>
TOTAL USE OF FUNDS	<u><u>6,031</u></u>	<u><u>6,105</u></u>	<u><u>6,131</u></u>	<u><u>6,131</u></u>	<u><u>6,231</u></u>

* Actuals may not subtotal due to rounding.

City Hall Debt Service Fund (210)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Encumbrances (Source)	4,000	4,000	4,000	4,000	4,000
Unrestricted Beginning Fund Balance (Source)	1,005,402	784,252	1,682,649	1,682,649	895,460
Total Beginning Fund Balance	1,009,402	788,252	1,686,649	1,686,649	899,460
Revenue from the Use of Money/Property					
Interest	453,069	200,000	200,000	200,000	202,937
Total Revenue from the Use of Money/Property	453,069	200,000	200,000	200,000	202,937
Transfers					
Capital Funds	2,507,000	2,257,000	1,907,813	2,085,629	2,066,000
Special Funds	21,351,289	5,719,674	4,834,766	5,285,048	5,616,961
General Fund	3,973,561	18,234,074	15,413,026	16,849,051	16,429,642
Total Transfers	27,831,850	26,210,748	22,155,605	24,219,728	24,112,603
TOTAL SOURCE OF FUNDS	29,294,321	27,199,000	24,042,254	26,106,377	25,215,000
USE OF FUNDS					
Expenditures					
City Hall Debt Service	25,654,922	25,188,000	21,132,857	23,196,981	23,202,000
City Hall Garage Debt Service	1,952,750	2,007,000	2,007,000	2,007,000	2,009,000
Total Expenditures	27,607,672	27,195,000	23,139,857	25,203,981	25,211,000
Transfers					
Transfer to the General Fund	0	0	2,936	2,936	0
Total Transfers	0	0	2,936	2,936	0
Ending Fund Balance					
Reserve for Encumbrances (Use)	4,000	4,000	4,000	4,000	4,000
Unrestricted Ending Fund Balance (Use)	1,682,649	0	895,461	895,460	0
Total Ending Fund Balance	1,686,649	4,000	899,461	899,460	4,000
TOTAL USE OF FUNDS	29,294,321	27,199,000	24,042,254	26,106,377	25,215,000

* Actuals may not subtotal due to rounding.

Citywide Planning Fee Program Fund (239)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	0	0	0	0	3,232,863
Total Beginning Fund Balance	0	0	0	0	3,232,863
Revenue from the Use of Money/Property					
Interest	0	47,000	47,000	28,000	31,000
Total Revenue from the Use of Money/Property	0	47,000	47,000	28,000	31,000
Fees, Rates, and Charges					
Citywide Planning Program Fees	0	2,405,830	2,405,830	3,265,440	3,283,125
Total Fees, Rates, and Charges	0	2,405,830	2,405,830	3,265,440	3,283,125
Transfers					
General Fund	0	2,331,293	3,840,930	3,840,930	0
Total Transfers	0	2,331,293	3,840,930	3,840,930	0
TOTAL SOURCE OF FUNDS	0	4,784,123	6,293,760	7,134,370	6,546,988
USE OF FUNDS					
Expenditures					
Citywide Planning Fee - Non-Personal/Equipment (PBCE)	0	1,032,357	1,250,092	680,092	394,357
Citywide Planning Fee - Personal Services (PBCE)	0	2,711,146	2,268,438	2,268,438	2,763,134
Development Fee Program - Shared Resources Non-Personal/Equipment (PBCE)	0	14,489	14,489	14,000	12,784
Development Fee Program - Shared Resources Personal Services (ITD)	0	0	0	0	6,618
Development Fee Program - Shared Resources Personal Services (PBCE)	0	64,700	64,700	44,109	58,700
OED Personal Services	0	0	192,708	192,708	0
Overhead	0	600,221	600,221	600,221	454,022
PW Personal Services	0	0	0	0	59,471
Total Expenditures	0	4,422,913	4,390,648	3,799,568	3,749,086
Transfers					
Transfer to the City Hall Debt Service Fund	0	125,803	101,939	101,939	99,088
Total Transfers	0	125,803	101,939	101,939	99,088
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	0	235,407	1,801,173	3,232,863	2,698,814
Total Ending Fund Balance	0	235,407	1,801,173	3,232,863	2,698,814
TOTAL USE OF FUNDS	0	4,784,123	6,293,760	7,134,370	6,546,988

* Actuals may not subtotal due to rounding.

Community Development Block Grant Fund (441)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Section 108 Debt Service Reserve (Source)	700,000	0	0	0	0
Reserve for Encumbrances (Source)	535,744	535,744	4,918,673	4,918,673	4,918,673
Unrestricted Beginning Fund Balance (Source)	8,416,469	4,055,133	6,488,376	6,488,376	3,290,864
Total Beginning Fund Balance	9,652,213	4,590,877	11,407,049	11,407,049	8,209,537
Revenue from the Use of Money/Property					
Housing Rehab Loan Repayments	383,248	300,000	300,000	367,814	300,000
Other Loan Repayments	284,594	100,000	100,000	32,186	100,000
Total Revenue from the Use of Money/Property	667,842	400,000	400,000	400,000	400,000
Revenue from Federal Government					
Coronavirus Aid, Relief, and Economic Security (CARES) Act	0	5,263,414	5,263,414	5,263,414	7,578,511
CDBG Grant Entitlement	8,856,601	8,947,319	8,947,319	8,947,319	8,761,415
Total Revenue from Federal Government	8,856,601	14,210,733	14,210,733	14,210,733	16,339,926
TOTAL SOURCE OF FUNDS	19,176,656	19,201,610	26,017,782	26,017,782	24,949,463
USE OF FUNDS					
Expenditures					
CARES Act	0	5,263,414	5,263,414	5,263,414	0
Childcare Services	0	0	1,000,000	1,000,000	0
City Food Services	1,200,000	0	0	0	0
Code Enforcement Operations	535,270	1,265,529	507,190	507,190	1,266,728
Community Development Block Grant CV3	0	0	0	0	7,578,511
Community Wireless Network Infrastructure	0	0	0	100,000	2,484,920
Contractual Community Services	1,155,752	1,402,098	1,402,098	1,402,098	1,274,212
Emergency Housing Vouchers	0	0	0	2,000,000	0
Homeless Services	0	0	0	88,840	0
Housing Emergency and Minor Repair Program	2,050,000	2,000,000	2,000,000	2,000,000	1,650,000
Housing Program Development and Monitoring	1,333,033	1,364,835	1,364,835	1,300,000	1,287,597
Housing Rehabilitation Loans and Grants	(106,359)	1,000,000	0	250,000	0
Job Readiness Training Project	500,075	250,000	942,000	276,984	500,000
Legal Aid Fair Housing Program	283,167	150,000	150,000	150,000	100,000
Legal Services	13,237	20,576	20,576	15,000	18,620
Microenterprise Loans	0	2,500,000	2,500,000	1,240,000	0
Neighborhood Infrastructure Improvements	379,907	0	0	0	300,000
Planning Studies	20,932	34,719	34,719	34,719	61,790
Plaza Hotel Rehabilitation	0	0	1,064,777	0	0
Public Works Neighborhood Infrastructure Improvements	10,084	1,500,000	2,100,000	2,100,000	0
Transportation Neighborhood Infrastructure Improvements	394,510	0	80,000	80,000	323,898
Total Expenditures	7,769,607	16,751,171	18,429,609	17,808,245	16,846,276
Ending Fund Balance					
Reserve for Encumbrances (Use)	4,918,673	535,744	4,918,673	4,918,673	4,918,673
Unrestricted Ending Fund Balance (Use)	6,488,376	1,914,695	2,669,500	3,290,864	3,184,514
Total Ending Fund Balance	11,407,049	2,450,439	7,588,173	8,209,537	8,103,187
TOTAL USE OF FUNDS	19,176,656	19,201,610	26,017,782	26,017,782	24,949,463

* Actuals may not subtotal due to rounding.

Community Facilities District No. 1 (Capitol Auto Mall) Fund (371)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Encumbrances (Source)	23,254	23,254	14,132	14,132	14,132
Unrestricted Beginning Fund Balance (Source)	491,465	503,748	526,397	526,397	439,324
Total Beginning Fund Balance	514,719	527,002	540,529	540,529	453,456
Revenue from the Use of Money/Property					
Interest	10,189	9,100	9,100	7,700	9,100
Total Revenue from the Use of Money/Property	10,189	9,100	9,100	7,700	9,100
Special Assessments					
Special Assessments Revenue	178,517	177,400	177,400	177,400	180,900
Total Special Assessments	178,517	177,400	177,400	177,400	180,900
TOTAL SOURCE OF FUNDS	703,424	713,502	727,029	725,629	643,456
USE OF FUNDS					
Expenditures					
DOT Non-Personal/Equipment	117,215	223,050	223,050	219,700	119,050
DOT Personal Services	36,719	55,559	55,559	39,100	58,190
Overhead	8,961	13,213	13,213	13,213	15,090
Total Expenditures	162,895	291,822	291,822	272,013	192,330
Transfers					
Transfer to the General Fund	0	0	160	160	0
Total Transfers	0	0	160	160	0
Ending Fund Balance					
Reserve for Encumbrances (Use)	14,132	23,254	14,132	14,132	14,132
Unrestricted Ending Fund Balance (Use)	526,397	398,426	420,915	439,324	436,994
Total Ending Fund Balance	540,529	421,680	435,047	453,456	451,126
TOTAL USE OF FUNDS	703,424	713,502	727,029	725,629	643,456

* Actuals may not subtotal due to rounding.

Comm Fac Dist No. 2 (Aborn-Murillo) and No. 3 (Silverland-Capriana) Fund (369)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	1,693,541	1,632,878	1,617,923	1,617,923	1,408,765
Total Beginning Fund Balance	1,693,541	1,632,878	1,617,923	1,617,923	1,408,765
Revenue from the Use of Money/Property					
Interest	26,844	24,900	24,900	17,000	24,900
Total Revenue from the Use of Money/Property	26,844	24,900	24,900	17,000	24,900
Special Assessments					
Special Assessments Revenue	1,667,018	1,725,500	1,725,500	1,725,500	1,755,200
Total Special Assessments	1,667,018	1,725,500	1,725,500	1,725,500	1,755,200
TOTAL SOURCE OF FUNDS	3,387,403	3,383,278	3,368,323	3,360,423	3,188,865
USE OF FUNDS					
Expenditures					
DOT Non-Personal/Equipment	1,530,231	1,630,500	1,630,500	1,582,800	1,494,500
DOT Personal Services	172,428	298,692	298,692	273,100	415,087
Overhead	66,821	93,939	93,939	93,939	140,437
Total Expenditures	1,769,480	2,023,131	2,023,131	1,949,839	2,050,024
Transfers					
Transfer to the City Hall Debt Service Fund	0	1,669	1,352	1,352	1,616
Transfer to the General Fund	0	0	467	467	0
Total Transfers	0	1,669	1,819	1,819	1,616
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	1,617,923	1,358,478	1,343,373	1,408,765	1,137,225
Total Ending Fund Balance	1,617,923	1,358,478	1,343,373	1,408,765	1,137,225
TOTAL USE OF FUNDS	3,387,403	3,383,278	3,368,323	3,360,423	3,188,865

* Actuals may not subtotal due to rounding.

Community Facilities District No. 8 (Communications Hill) Fund (373)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	1,503,599	1,007,529	948,938	948,938	255,480
Total Beginning Fund Balance	1,503,599	1,007,529	948,938	948,938	255,480
Revenue from the Use of Money/Property					
Interest	25,576	25,000	25,000	9,000	9,000
Total Revenue from the Use of Money/Property	25,576	25,000	25,000	9,000	9,000
Other Revenue					
Miscellaneous	20,000	0	0	0	0
Total Other Revenue	20,000	0	0	0	0
Special Assessments					
Special Assessments Revenue	522,983	542,000	692,000	692,000	957,700
Total Special Assessments	522,983	542,000	692,000	692,000	957,700
TOTAL SOURCE OF FUNDS	2,072,158	1,574,529	1,665,938	1,649,938	1,222,180
USE OF FUNDS					
Expenditures					
DOT Non-Personal/Equipment	806,811	931,330	931,330	716,100	722,530
DOT Personal Services	246,283	413,623	413,623	398,900	228,177
Overhead	70,126	127,779	127,779	127,779	76,316
PW Non-Personal/Equipment	0	0	150,000	150,000	0
Total Expenditures	1,123,220	1,472,732	1,622,732	1,392,779	1,027,023
Transfers					
Transfer to the City Hall Debt Service Fund	0	1,690	1,369	1,369	2,961
Transfer to the General Fund	0	0	310	310	0
Total Transfers	0	1,690	1,679	1,679	2,961
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	948,938	100,107	41,527	255,480	192,196
Total Ending Fund Balance	948,938	100,107	41,527	255,480	192,196
TOTAL USE OF FUNDS	2,072,158	1,574,529	1,665,938	1,649,938	1,222,180

* Actuals may not subtotal due to rounding.

Community Facilities District No. 11 (Adeline-Mary Helen) Fund (374)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	309,358	193,823	200,274	200,274	89,302
Total Beginning Fund Balance	309,358	193,823	200,274	200,274	89,302
Revenue from the Use of Money/Property					
Interest	5,224	4,700	4,700	1,400	1,400
Total Revenue from the Use of Money/Property	5,224	4,700	4,700	1,400	1,400
Special Assessments					
Special Assessments Revenue	49,900	50,600	50,600	50,600	51,900
Total Special Assessments	49,900	50,600	50,600	50,600	51,900
TOTAL SOURCE OF FUNDS	364,482	249,123	255,574	252,274	142,602
USE OF FUNDS					
Expenditures					
DOT Non-Personal/Equipment	124,182	146,000	146,000	146,000	105,000
DOT Personal Services	26,098	31,125	31,125	0	0
Overhead	13,928	16,972	16,972	16,972	0
Total Expenditures	164,208	194,097	194,097	162,972	105,000
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	200,274	55,026	61,477	89,302	37,602
Total Ending Fund Balance	200,274	55,026	61,477	89,302	37,602
TOTAL USE OF FUNDS	364,482	249,123	255,574	252,274	142,602

* Actuals may not subtotal due to rounding.

Community Facilities District No. 12 (Basking Ridge) Fund (376)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Encumbrances (Source)	38	38	12,608	12,608	12,608
Unrestricted Beginning Fund Balance (Source)	980,053	662,887	660,767	660,767	474,742
Total Beginning Fund Balance	980,091	662,925	673,375	673,375	487,350
Revenue from the Use of Money/Property					
Interest	17,384	15,900	15,900	7,800	7,800
Total Revenue from the Use of Money/Property	17,384	15,900	15,900	7,800	7,800
Special Assessments					
Special Assessments Revenue	152,227	152,200	152,200	152,200	160,400
Total Special Assessments	152,227	152,200	152,200	152,200	160,400
TOTAL SOURCE OF FUNDS	1,149,701	831,025	841,475	833,375	655,550
USE OF FUNDS					
Expenditures					
DOT Non-Personal/Equipment	171,861	84,400	103,400	96,400	71,400
DOT Personal Services	249,975	330,438	330,438	144,200	335,847
Overhead	54,490	104,103	104,103	104,103	114,820
Total Expenditures	476,326	518,941	537,941	344,703	522,067
Transfers					
Transfer to the City Hall Debt Service Fund	0	1,341	1,087	1,087	2,149
Transfer to the General Fund	0	0	235	235	0
Total Transfers	0	1,341	1,322	1,322	2,149
Ending Fund Balance					
Reserve for Encumbrances (Use)	12,608	38	12,608	12,608	12,608
Unrestricted Ending Fund Balance (Use)	660,767	310,705	289,604	474,742	118,726
Total Ending Fund Balance	673,375	310,743	302,212	487,350	131,334
TOTAL USE OF FUNDS	1,149,701	831,025	841,475	833,375	655,550

* Actuals may not subtotal due to rounding.

Community Facilities District No. 13 (Guadalupe Mines) Fund (310)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	353,093	368,406	374,109	374,109	338,897
Total Beginning Fund Balance	353,093	368,406	374,109	374,109	338,897
Revenue from the Use of Money/Property					
Interest	7,721	6,900	6,900	5,300	6,900
Total Revenue from the Use of Money/Property	7,721	6,900	6,900	5,300	6,900
Special Assessments					
Special Assessments Revenue	58,607	59,400	59,400	52,285	60,800
Total Special Assessments	58,607	59,400	59,400	52,285	60,800
Transfers					
Storm Sewer Operating Fund	10,121	10,121	10,121	10,121	10,121
Total Transfers	10,121	10,121	10,121	10,121	10,121
TOTAL SOURCE OF FUNDS	429,542	444,827	450,530	441,815	416,718
USE OF FUNDS					
Expenditures					
DOT Non-Personal/Equipment	20,042	37,160	52,160	49,200	37,160
DOT Personal Services	28,308	42,375	42,375	39,200	44,957
Overhead	7,083	14,396	14,396	14,396	16,443
Total Expenditures	55,433	93,931	108,931	102,796	98,560
Transfers					
Transfer to the General Fund	0	0	122	122	0
Total Transfers	0	0	122	122	0
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	374,109	350,896	341,477	338,897	318,158
Total Ending Fund Balance	374,109	350,896	341,477	338,897	318,158
TOTAL USE OF FUNDS	429,542	444,827	450,530	441,815	416,718

* Actuals may not subtotal due to rounding.

Community Facilities District No. 14 (Raleigh-Charlotte) Fund (379)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Encumbrances (Source)	323	323	1,250	1,250	1,250
Unrestricted Beginning Fund Balance (Source)	734,448	610,635	765,148	765,148	742,437
Total Beginning Fund Balance	734,771	610,958	766,398	766,398	743,687
Revenue from the Use of Money/Property					
Interest	15,387	13,900	13,900	9,900	13,900
Total Revenue from the Use of Money/Property	15,387	13,900	13,900	9,900	13,900
Special Assessments					
Special Assessments Revenue	574,407	595,900	595,900	595,900	606,100
Total Special Assessments	574,407	595,900	595,900	595,900	606,100
TOTAL SOURCE OF FUNDS	1,324,565	1,220,758	1,376,198	1,372,198	1,363,687
USE OF FUNDS					
Expenditures					
DOT Non-Personal/Equipment	196,308	105,600	175,600	149,200	80,600
DOT Personal Services	53,926	58,808	58,808	50,900	64,822
Overhead	23,499	28,164	28,164	28,164	33,144
PRNS Non-Personal/Equipment	264,397	427,214	427,214	390,000	400,214
PRNS Personal Services	20,037	28,457	28,457	10,000	29,333
Total Expenditures	558,167	648,243	718,243	628,264	608,113
Transfers					
Transfer to the General Fund	0	0	247	247	0
Total Transfers	0	0	247	247	0
Ending Fund Balance					
Reserve for Encumbrances (Use)	1,250	323	1,250	1,250	1,250
Unrestricted Ending Fund Balance (Use)	765,148	572,192	656,458	742,437	754,324
Total Ending Fund Balance	766,398	572,515	657,708	743,687	755,574
TOTAL USE OF FUNDS	1,324,565	1,220,758	1,376,198	1,372,198	1,363,687

* Actuals may not subtotal due to rounding.

Community Facilities District No. 15 (Berryessa-Sierra) Fund (370)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	496,418	546,456	534,112	534,112	545,203
Total Beginning Fund Balance	496,418	546,456	534,112	534,112	545,203
Revenue from the Use of Money/Property					
Interest	11,477	9,300	9,300	8,300	9,300
Total Revenue from the Use of Money/Property	11,477	9,300	9,300	8,300	9,300
Special Assessments					
Special Assessments Revenue	96,618	96,600	96,600	96,600	99,600
Total Special Assessments	96,618	96,600	96,600	96,600	99,600
Transfers					
Storm Sewer Operating Fund	26,920	26,920	26,920	26,920	26,920
Total Transfers	26,920	26,920	26,920	26,920	26,920
TOTAL SOURCE OF FUNDS	631,434	679,276	666,932	665,932	681,023
USE OF FUNDS					
Expenditures					
DOT Non-Personal/Equipment	84,211	250,000	250,000	103,800	155,000
DOT Personal Services	9,807	12,527	12,527	12,500	12,806
Overhead	3,304	4,244	4,244	4,244	4,705
Total Expenditures	97,322	266,771	266,771	120,544	172,511
Transfers					
Transfer to the General Fund	0	0	185	185	0
Total Transfers	0	0	185	185	0
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	534,112	412,505	399,976	545,203	508,512
Total Ending Fund Balance	534,112	412,505	399,976	545,203	508,512
TOTAL USE OF FUNDS	631,434	679,276	666,932	665,932	681,023

* Actuals may not subtotal due to rounding.

Community Facilities District No. 16 (Raleigh-Coronado) Fund (344)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	519,442	753,979	746,743	746,743	840,695
Total Beginning Fund Balance	519,442	753,979	746,743	746,743	840,695
Revenue from the Use of Money/Property					
Interest	13,203	11,400	11,400	11,000	11,400
Total Revenue from the Use of Money/Property	13,203	11,400	11,400	11,000	11,400
Special Assessments					
Special Assessments Revenue	368,350	378,400	378,400	378,400	387,400
Total Special Assessments	368,350	378,400	378,400	378,400	387,400
Transfers					
Storm Sewer Operating Fund	28,000	28,000	28,000	28,000	28,000
Total Transfers	28,000	28,000	28,000	28,000	28,000
TOTAL SOURCE OF FUNDS	928,995	1,171,779	1,164,543	1,164,143	1,267,495
USE OF FUNDS					
Expenditures					
DOT Non-Personal/Equipment	157,421	236,500	476,500	286,600	208,500
DOT Personal Services	18,710	31,552	31,552	16,200	50,448
Overhead	6,121	10,422	10,422	10,422	12,249
PRNS Non-Personal/Equipment	0	59,901	59,901	10,000	59,901
Total Expenditures	182,252	338,375	578,375	323,222	331,098
Transfers					
Transfer to the General Fund	0	0	226	226	0
Total Transfers	0	0	226	226	0
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	746,743	833,404	585,942	840,695	936,397
Total Ending Fund Balance	746,743	833,404	585,942	840,695	936,397
TOTAL USE OF FUNDS	928,995	1,171,779	1,164,543	1,164,143	1,267,495

* Actuals may not subtotal due to rounding.

Community Facilities District No. 17 (Capitol Expy – Evergreen Place) (496)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	0	51,300	50,393	50,393	98,393
Total Beginning Fund Balance	0	51,300	50,393	50,393	98,393
Special Assessments					
Special Assessments Revenue	50,391	53,000	53,000	53,000	62,300
Total Special Assessments	50,391	53,000	53,000	53,000	62,300
Developer Contributions					
Developer Contributions Revenue	37,629	0	0	0	0
Total Developer Contributions	37,629	0	0	0	0
TOTAL SOURCE OF FUNDS	88,020	104,300	103,393	103,393	160,693
USE OF FUNDS					
Expenditures					
Community Facilities District No. 17 Feasibility Project	37,627	0	0	0	0
DOT Non-Personal/Equipment	0	0	0	5,000	15,000
Total Expenditures	37,627	0	0	5,000	15,000
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	50,393	104,300	103,393	98,393	145,693
Total Ending Fund Balance	50,393	104,300	103,393	98,393	145,693
TOTAL USE OF FUNDS	88,020	104,300	103,393	103,393	160,693

* Actuals may not subtotal due to rounding.

Community Facilities Revenue Fund (422)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Hayes Close Out Costs Reserve (Source)	2,635,000	35,000	35,000	35,000	35,000
Reserve for Encumbrances (Source)	9,161	9,161	12,336	12,336	12,336
Unrestricted Beginning Fund Balance (Source)	2,008,235	2,035,235	2,265,430	2,265,430	274,360
Total Beginning Fund Balance	4,652,396	2,079,396	2,312,766	2,312,766	321,696
Revenue from the Use of Money/Property					
Interest	96,867	0	0	35,000	35,000
Total Revenue from the Use of Money/Property	96,867	0	0	35,000	35,000
Transfers					
General Fund	205,092	0	0	0	0
Total Transfers	205,092	0	0	0	0
TOTAL SOURCE OF FUNDS	4,954,355	2,079,396	2,312,766	2,347,766	356,696
USE OF FUNDS					
Expenditures					
Hayes Close Out Costs	38,541	1,500,000	1,500,000	15,000	0
Hayes Consultant Costs	3,048	0	0	10,000	0
Total Expenditures	41,589	1,500,000	1,500,000	25,000	0
Transfers					
Transfer to the General Fund	2,600,000	0	1,070	2,001,070	0
Total Transfers	2,600,000	0	1,070	2,001,070	0
Ending Fund Balance					
Hayes Close Out Costs Reserve (Use)	35,000	35,000	35,000	35,000	35,000
Reserve for Encumbrances (Use)	12,336	9,161	12,336	12,336	12,336
Unrestricted Ending Fund Balance (Use)	2,265,430	535,235	764,360	274,360	309,360
Total Ending Fund Balance	2,312,766	579,396	811,696	321,696	356,696
TOTAL USE OF FUNDS	4,954,355	2,079,396	2,312,766	2,347,766	356,696

* Actuals may not subtotal due to rounding.

Convention and Cultural Affairs Fund (536)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Encumbrances (Source)	161,261	161,261	250,039	250,039	250,039
Revenue Stabilization Reserve (Source)	4,000,000	0	0	0	0
Unrestricted Beginning Fund Balance (Source)	7,006,508	848,141	2,169,509	2,169,509	4,044,964
Total Beginning Fund Balance	11,167,769	1,009,402	2,419,548	2,419,548	4,295,003
Revenue from the Use of Money/Property					
Interest	170,940	100,000	100,000	60,000	100,000
Total Revenue from the Use of Money/Property	170,940	100,000	100,000	60,000	100,000
Other Revenue					
Broadway San Jose	58,086	0	0	0	0
Miscellaneous	265	0	0	0	0
Total Other Revenue	58,351	0	0	0	0
Transfers					
Amercian Rescue Plan Fund	0	0	0	2,500,000	0
Convention and Cultural Affairs Capital Fund	5,000,000	2,900,000	0	5,235,000	0
Transient Occupancy Tax Fund	11,191,378	6,494,865	9,822,366	4,172,366	7,257,365
Total Transfers	16,191,378	9,394,865	9,822,366	11,907,366	7,257,365
TOTAL SOURCE OF FUNDS	27,588,438	10,504,267	12,341,914	14,386,914	11,652,368
USE OF FUNDS					
Expenditures					
City Facilities Safety Assessment	35,343	0	42,889	42,889	0
Civic Auditorium/Center for Performing Arts Marketing and Cap. Improvement	10,868	0	217,128	0	217,128
Convention Center City Free Use	60,325	75,000	75,000	0	75,000
Convention Facilities Industry Advisor	56,566	100,000	100,000	50,000	50,000
Convention Facilities Operations	10,542,516	6,600,000	8,360,000	7,750,000	7,100,000
CVB Marketing Services	0	0	0	0	0
Insurance Expenses	336,388	338,000	405,500	405,500	406,000
PW Non-Personal/Equipment	1,623	9,000	9,000	9,000	9,000
Team San José Incentive Fee	250,000	250,000	0	0	250,000
Team San José Management Fee	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Workers' Compensation Claims	31,511	67,000	67,000	30,000	67,000
Total Expenditures	12,325,141	8,439,000	10,276,517	9,287,389	9,174,128
Transfers					
Transfer to the Convention and Cultural Affairs Capital Fund	11,967,000	0	0	0	75,000
Transfer to the General Fund	0	0	1,557	1,557	0
Transfer to the General Fund - Broadway San Jose	60,000	0	0	0	0
Transfer to the General Fund - Contract Oversight	278,088	290,410	290,410	290,410	269,505
Transfer to the General Fund - Overhead	469,161	443,055	443,055	443,055	535,925
Transfer to the General Fund- Cultural Facilities Cap. Maint. Cost Sharing	69,500	69,500	69,500	69,500	69,500
Total Transfers	12,843,749	802,965	804,522	804,522	949,930

* Actuals may not subtotal due to rounding.

Convention and Cultural Affairs Fund (536)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
Ending Fund Balance					
Reserve for Encumbrances (Use)	250,039	161,261	250,039	250,039	250,039
Unrestricted Ending Fund Balance (Use)	2,169,509	1,101,041	1,010,836	4,044,964	1,278,271
Total Ending Fund Balance	<u>2,419,548</u>	<u>1,262,302</u>	<u>1,260,875</u>	<u>4,295,003</u>	<u>1,528,310</u>
 TOTAL USE OF FUNDS	 <u><u>27,588,438</u></u>	 <u><u>10,504,267</u></u>	 <u><u>12,341,914</u></u>	 <u><u>14,386,914</u></u>	 <u><u>11,652,368</u></u>

* Actuals may not subtotal due to rounding.

Convention Center Facilities District Revenue Fund (791)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Debt Service Reserve (Source)	10,502,550	10,502,550	0	0	0
Revenue Stabilization Reserve (Source)	10,258,950	10,258,950	10,258,950	10,258,950	10,258,950
South Hall Site Acquisition Debt Service Reserve (Source)	4,300,000	3,000,000	3,000,000	3,000,000	0
Unrestricted Beginning Fund Balance (Source)	4,851,630	1,173,630	1,402,189	1,402,189	6,220,549
Total Beginning Fund Balance	29,913,130	24,935,130	14,661,139	14,661,139	16,479,499
Revenue from the Use of Money/Property					
Interest	559,335	200,000	200,000	200,000	200,000
Total Revenue from the Use of Money/Property	559,335	200,000	200,000	200,000	200,000
Convention Center Facilities District Special Tax					
Convention Center Facilities District Special Tax Revenue	11,532,380	8,000,000	4,500,000	8,632,360	9,500,000
Total Convention Center Facilities District Special Tax	11,532,380	8,000,000	4,500,000	8,632,360	9,500,000
Transfers					
Convention Center Facilities District Capital Fund	0	2,300,000	4,000,000	4,000,000	0
Total Transfers	0	2,300,000	4,000,000	4,000,000	0
TOTAL SOURCE OF FUNDS	42,004,844	35,435,130	23,361,139	27,493,499	26,179,499
USE OF FUNDS					
Expenditures					
Debt Service: Exhibit Hall Commercial Paper	2,436,854	2,392,000	73,000	73,000	2,291,000
Debt Service: Lease Revenue Bonds	2,175,163	2,252,000	2,252,000	2,252,000	2,252,000
Debt Service: Special Tax Bonds	8,216,348	8,212,000	8,212,000	8,212,000	8,210,000
South Hall Acquisition Debt Service	1,192,791	1,103,000	357,000	357,000	921,000
Total Expenditures	14,021,155	13,959,000	10,894,000	10,894,000	13,674,000
Transfers					
Transfer to the Convention Center Facilities District Capital Fund	2,700,000	0	0	0	0
Transfer to the General Fund	120,000	120,000	120,000	120,000	120,000
Total Transfers	2,820,000	120,000	120,000	120,000	120,000
Ending Fund Balance					
Debt Service Reserve (Use)	10,502,550	10,502,550	0	0	0
Revenue Stabilization Reserve (Use)	10,258,950	10,258,950	10,258,950	10,258,950	10,258,950
South Hall Site Acquisition Debt Service Reserve (Use)	3,000,000	0	0	0	0
Unrestricted Ending Fund Balance (Use)	1,402,189	594,630	2,088,189	6,220,549	2,126,549
Total Ending Fund Balance	25,163,689	21,356,130	12,347,139	16,479,499	12,385,499
TOTAL USE OF FUNDS	42,004,844	35,435,130	23,361,139	27,493,499	26,179,499

* Actuals may not subtotal due to rounding.

Coronavirus Relief Fund (401)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
COVID-19 Emergency Response Reserve (Source)	0	99,045,248	0	0	0
Reserve for Encumbrances (Source)	0	0	8,042,587	8,042,587	8,042,587
Unrestricted Beginning Fund Balance (Source)	0	0	(7,371,607)	(7,371,607)	0
Total Beginning Fund Balance	0	99,045,248	670,980	670,980	8,042,587
Revenue from the Use of Money/Property					
Interest	670,980	0	800,020	800,020	0
Total Revenue from the Use of Money/Property	670,980	0	800,020	800,020	0
Revenue from Federal Government					
CARES Act - Coronavirus Relief Funding	70,982,697	0	107,312,651	107,312,651	0
Total Revenue from Federal Government	70,982,697	0	107,312,651	107,312,651	0
TOTAL SOURCE OF FUNDS	71,653,677	99,045,248	108,783,651	108,783,651	8,042,587
USE OF FUNDS					
Expenditures					
Communications and Translation Services	144,120	250,000	394,000	394,000	0
Consulting and Planning Support	663,753	1,000,000	518,000	518,000	0
COVID-19 Personal Services	59,999,682	0	24,785,064	24,785,064	0
Digital Inclusion	0	4,000,000	0	0	0
Facilities Improvements	140,222	3,500,000	2,470,000	2,150,000	0
FEMA Local Match	0	6,000,000	1,150,000	0	0
Food and Necessities	6,383,485	20,000,000	13,996,000	15,353,000	0
Homeless Sheltering and Support	2,716,362	40,000,000	30,500,000	26,700,000	0
Local Assistance	17,605	23,000,000	21,736,000	20,625,000	0
PPE & Janitorial Services	192,097	0	692,000	216,000	0
Remote Work Facilitation	725,372	0	0	0	0
Testing, Tracing and Isolation	0	0	4,500,000	10,000,000	0
Total Expenditures	70,982,697	97,750,000	100,741,064	100,741,064	0
Ending Fund Balance					
COVID-19 Emergency Response Reserve (Use)	0	1,295,248	0	0	0
Reserve for Encumbrances (Use)	8,042,587	0	8,042,587	8,042,587	8,042,587
Unrestricted Ending Fund Balance (Use)	(7,371,607)	0	0	0	0
Total Ending Fund Balance	670,980	1,295,248	8,042,587	8,042,587	8,042,587
TOTAL USE OF FUNDS	71,653,677	99,045,248	108,783,651	108,783,651	8,042,587

* Actuals may not subtotal due to rounding.

Downtown Property And Business Improvement District Fund (302)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Encumbrances (Source)	2	2	68,796	68,796	68,796
Unrestricted Beginning Fund Balance (Source)	1,497,643	1,597,970	1,542,110	1,542,110	1,686,156
Total Beginning Fund Balance	1,497,645	1,597,972	1,610,906	1,610,906	1,754,952
Revenue from the Use of Money/Property					
Interest	23,909	21,000	21,000	21,000	21,000
Total Revenue from the Use of Money/Property	23,909	21,000	21,000	21,000	21,000
Special Assessments					
Special Assessments Revenue	2,471,259	2,532,721	2,532,721	2,561,438	2,610,171
Total Special Assessments	2,471,259	2,532,721	2,532,721	2,561,438	2,610,171
Transfers					
General Purpose Parking Fund	77,447	77,447	77,447	77,447	77,447
General Fund	825,733	851,040	851,040	851,040	876,571
Total Transfers	903,180	928,487	928,487	928,487	954,018
TOTAL SOURCE OF FUNDS	4,895,993	5,080,180	5,093,114	5,121,831	5,340,141
USE OF FUNDS					
Expenditures					
Downtown Property and Business Improvement District	2,881,853	3,017,289	3,017,289	2,959,614	3,144,704
Downtown Transit Mall	395,000	395,000	395,000	395,000	395,000
PW Personal Services	8,234	10,000	10,000	12,000	10,000
Total Expenditures	3,285,087	3,422,289	3,422,289	3,366,614	3,549,704
Transfers					
Transfer to the General Fund	0	0	265	265	0
Total Transfers	0	0	265	265	0
Ending Fund Balance					
Reserve for Encumbrances (Use)	68,796	2	68,796	68,796	68,796
Unrestricted Ending Fund Balance (Use)	1,542,110	1,657,889	1,601,764	1,686,156	1,721,641
Total Ending Fund Balance	1,610,906	1,657,891	1,670,560	1,754,952	1,790,437
TOTAL USE OF FUNDS	4,895,993	5,080,180	5,093,114	5,121,831	5,340,141

* Actuals may not subtotal due to rounding.

Economic Development Administration Loan Fund (444)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	6,865	6,960	7,069	7,069	7,194
Total Beginning Fund Balance	6,865	6,960	7,069	7,069	7,194
Revenue from the Use of Money/Property					
Interest	146	100	100	125	125
Total Revenue from the Use of Money/Property	146	100	100	125	125
Other Revenue					
Miscellaneous	58	0	0	0	0
Total Other Revenue	58	0	0	0	0
TOTAL SOURCE OF FUNDS	7,069	7,060	7,169	7,194	7,319
USE OF FUNDS					
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	7,069	7,060	7,169	7,194	7,319
Total Ending Fund Balance	7,069	7,060	7,169	7,194	7,319
TOTAL USE OF FUNDS	7,069	7,060	7,169	7,194	7,319

* Actuals may not subtotal due to rounding.

Edward Byrne Memorial Justice Assistance Grant Trust Fund (474)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	(409)	0	0	0	0
Total Beginning Fund Balance	(409)	0	0	0	0
Revenue from Federal Government					
Federal Government Revenue	0	842,197	1,132,766	1,132,766	0
Total Revenue from Federal Government	0	842,197	1,132,766	1,132,766	0
Transfers					
General Fund	409	0	0	0	0
Total Transfers	409	0	0	0	0
TOTAL SOURCE OF FUNDS	0	842,197	1,132,766	1,132,766	0
USE OF FUNDS					
Expenditures					
2017 Justice Assistance Grant	0	269,209	269,209	269,209	0
2018 Justice Assistance Grant	0	282,401	282,401	282,401	0
2019 Justice Assistance Grant	0	290,587	290,587	290,587	0
2020 Justice Assistance Grant	0	0	290,569	290,569	0
Total Expenditures	0	842,197	1,132,766	1,132,766	0
TOTAL USE OF FUNDS	0	842,197	1,132,766	1,132,766	0

* Actuals may not subtotal due to rounding.

Emergency Reserve Fund (406)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Encumbrances (Source)	(3,073)	(3,073)	2,206,092	2,206,092	2,206,092
Unrestricted Beginning Fund Balance (Source)	1,318,728	818,728	0	0	412,787
Total Beginning Fund Balance	1,315,655	815,655	2,206,092	2,206,092	2,618,879
Revenue from the Use of Money/Property					
Interest	50,460	22,000	22,000	69,000	30,000
Total Revenue from the Use of Money/Property	50,460	22,000	22,000	69,000	30,000
Revenue from State of California					
SB89 COVID-19 Emergency Grant	3,919,821	0	0	0	0
Total Revenue from State of California	3,919,821	0	0	0	0
Revenue from Federal Government					
Emergency Rental Assistance	0	0	30,379,740	30,379,740	0
Federal Emergency Management Agency (FEMA)	0	5,000,000	11,750,000	21,027,000	11,840,000
Total Revenue from Federal Government	0	5,000,000	42,129,740	51,406,740	11,840,000
Transfers					
General Fund	10,000,000	0	0	0	0
Total Transfers	10,000,000	0	0	0	0
TOTAL SOURCE OF FUNDS	15,285,936	5,837,655	44,357,832	53,681,832	14,488,879
USE OF FUNDS					
Expenditures					
COVID-19 Emergency Response	4,540,729	5,000,000	6,750,000	12,950,000	10,000,000
Emergency Rental Assistance	0	0	30,379,740	30,379,740	0
Vaccination Outreach and Support	0	0	0	3,077,000	1,840,000
Total Expenditures	4,540,729	5,000,000	37,129,740	46,406,740	11,840,000
Transfers					
Transfer to the General Fund	4,595,296	0	4,587,213	4,587,213	0
Transfer to the General Fund - Interest Income	23,998	22,000	22,000	69,000	30,000
Transfer to the Multi-Source Housing Fund	3,919,821	0	0	0	0
Total Transfers	8,539,115	22,000	4,609,213	4,656,213	30,000
Ending Fund Balance					
Reserve for Encumbrances (Use)	2,206,092	(3,073)	2,206,092	2,206,092	2,206,092
Unrestricted Ending Fund Balance (Use)	0	818,728	412,787	412,787	412,787
Total Ending Fund Balance	2,206,092	815,655	2,618,879	2,618,879	2,618,879
TOTAL USE OF FUNDS	15,285,936	5,837,655	44,357,832	53,681,832	14,488,879

* Actuals may not subtotal due to rounding.

Federal Drug Forfeiture Fund (419)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	221,896	221,896	222,247	222,247	9,061
Total Beginning Fund Balance	<u>221,896</u>	<u>221,896</u>	<u>222,247</u>	<u>222,247</u>	<u>9,061</u>
Revenue from Federal Government					
Interest	351	0	0	0	0
Federal Government Revenue	0	0	0	1,814	0
Total Revenue from Federal Government	<u>351</u>	<u>0</u>	<u>0</u>	<u>1,814</u>	<u>0</u>
TOTAL SOURCE OF FUNDS	<u><u>222,247</u></u>	<u><u>221,896</u></u>	<u><u>222,247</u></u>	<u><u>224,061</u></u>	<u><u>9,061</u></u>
USE OF FUNDS					
Expenditures					
Police Non-Personal/Equipment	0	215,000	215,000	215,000	0
Total Expenditures	<u>0</u>	<u>215,000</u>	<u>215,000</u>	<u>215,000</u>	<u>0</u>
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	222,247	6,896	7,247	9,061	9,061
Total Ending Fund Balance	<u>222,247</u>	<u>6,896</u>	<u>7,247</u>	<u>9,061</u>	<u>9,061</u>
TOTAL USE OF FUNDS	<u><u>222,247</u></u>	<u><u>221,896</u></u>	<u><u>222,247</u></u>	<u><u>224,061</u></u>	<u><u>9,061</u></u>

* Actuals may not subtotal due to rounding.

Federated Retiree Healthcare Trust Fund (124)
STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actual	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Claims (Source)	294,488,000	310,984,393	303,883,000	303,883,000	317,917,217
Total Beginning Fund Balance	294,488,000	310,984,393	303,883,000	303,883,000	317,917,217
Revenue from the Use of Money/Property					
Participant Income	10,692,000	9,352,500	9,352,500	9,352,500	9,075,000
Investment Income	3,075,000	16,769,223	16,769,223	15,941,792	16,192,000
Total Revenue from the Use of Money/Property	13,767,000	26,121,723	26,121,723	25,294,292	25,267,000
Transfers					
City Contributions	26,533,000	21,000,000	21,000,000	21,000,000	19,900,000
Total Transfers	26,533,000	21,000,000	21,000,000	21,000,000	19,900,000
TOTAL SOURCE OF FUNDS	334,788,000	358,106,116	351,004,723	350,177,292	363,084,217
USE OF FUNDS					
Expenditures					
Health Insurance	30,779,000	30,608,000	30,608,000	32,120,000	32,740,000
VEBA Transfers	13,000	0	0	4,700	10,000
Professional Fees	113,000	451,806	451,806	135,375	96,000
Total Expenditures	30,905,000	31,059,806	31,059,806	32,260,075	32,846,000
Ending Fund Balance					
Reserve for Claims (Use)	303,883,000	327,046,310	319,944,917	317,917,217	330,238,217
Total Ending Fund Balance	303,883,000	327,046,310	319,944,917	317,917,217	330,238,217
TOTAL USE OF FUNDS	334,788,000	358,106,116	351,004,723	350,177,292	363,084,217

This Statement of Source and Use is for display purposes only. The Federated City Employees Retirement Plan Board of Administration approved the annual administrative budget on 3/18/21.

Federated Retirement Fund (134)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actual	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Claims (Source)	2,132,152,000	2,223,182,508	2,207,444,000	2,207,444,000	2,282,541,976
Total Beginning Fund Balance	2,132,152,000	2,223,182,508	2,207,444,000	2,207,444,000	2,282,541,976
Revenue from the Use of Money/Property					
Participant Income	25,082,000	24,563,140	24,563,140	24,564,022	27,672,000
Investment Income	90,909,000	110,762,155	110,762,155	107,801,628	111,562,000
Total Revenue from the Use of Money/Property	115,991,000	135,325,295	135,325,295	132,365,650	139,234,000
Transfers					
City Contributions	181,327,000	190,926,000	190,926,000	170,944,722	206,015,000
1980 COLA	498	500	500	498	500
1990 COLA	22,120	22,500	22,500	18,426	17,500
Total Transfers	181,349,618	190,949,000	190,949,000	170,963,646	206,033,000
TOTAL SOURCE OF FUNDS	2,429,492,618	2,549,456,803	2,533,718,295	2,510,773,296	2,627,808,976
USE OF FUNDS					
Expenditures					
Retirement Personal Services	3,275,000	3,480,825	3,480,825	3,131,562	3,709,237
Retirement Non-Personal/Equipment	1,496,000	1,246,000	1,221,000	1,126,674	724,000
Benefits	216,728,000	220,198,000	220,198,000	223,345,327	230,465,000
Health Insurance	0	0	0	0	0
Professional Fees	527,000	439,194	400,194	608,833	799,000
1980 COLA	498	500	500	498	500
1990 COLA	22,120	22,500	22,500	18,426	17,500
Total Expenditures	222,048,618	225,387,019	225,323,019	228,231,320	235,715,237
Ending Fund Balance					
Reserve for Claims (Use)	2,207,444,000	2,324,069,784	2,308,395,276	2,282,541,976	2,392,093,739
Total Ending Fund Balance	2,207,444,000	2,324,069,784	2,308,395,276	2,282,541,976	2,392,093,739
TOTAL USE OF FUNDS	2,429,492,618	2,549,456,803	2,533,718,295	2,510,773,296	2,627,808,976

This Statement of Source and Use is for display purposes only. The Federated City Employees' Retirement Plan Board of Administration approved the annual administrative budget on 3/18/21. It should be noted that the personal services costs reflected in this statement can vary from the budget presented to the Board due to revised salary, retirement, and benefit costs when compared to those that were projected in March.

Fire Development Fee Program Fund (240)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	0	0	0	0	3,904,230
Total Beginning Fund Balance	0	0	0	0	3,904,230
Licenses and Permits					
Fire Development Program Fees	0	6,195,280	6,195,280	6,232,170	7,536,534
Total Licenses and Permits	0	6,195,280	6,195,280	6,232,170	7,536,534
Revenue from the Use of Money/Property					
Interest	0	144,000	144,000	60,000	144,000
Total Revenue from the Use of Money/Property	0	144,000	144,000	60,000	144,000
Transfers					
General Fund	0	6,109,226	8,263,052	8,263,052	0
Total Transfers	0	6,109,226	8,263,052	8,263,052	0
TOTAL SOURCE OF FUNDS	0	12,448,506	14,602,332	14,555,222	11,584,764
USE OF FUNDS					
Expenditures					
Development Fee Program - Shared Resources Non-Personal/Equipment (ITD)	0	2,748	7,623	7,623	2,748
Development Fee Program - Shared Resources Personal Services (Finance)	0	9,149	9,149	9,149	6,730
Development Fee Program - Shared Resources Personal Services (ITD)	0	50,845	51,936	51,936	211,282
Fire Development Fee Program - Non-Personal/Equipment (Fire)	0	911,987	1,083,382	1,083,382	140,257
Fire Development Fee Program - Non-Personal/Equipment (PBCE)	0	100,805	113,017	113,017	82,239
Fire Development Fee Program - Personal Services (Fire)	0	7,351,662	7,428,250	7,428,250	7,432,387
Fire Development Fee Program - Personal Services (PBCE)	0	446,959	446,959	380,000	147,051
Fire Development Fee Program - Personal Services (PW)	0	10,601	10,601	10,601	11,120
Fire Inspection Improvements	0	227,219	241,000	241,000	0
OED Personal Services	0	0	0	0	22,048
Overhead	0	1,206,543	1,206,543	1,206,543	1,082,569
Total Expenditures	0	10,318,518	10,598,460	10,531,501	9,138,431
Transfers					
Transfer to the City Hall Debt Service Fund	0	147,465	119,491	119,491	25,418
Total Transfers	0	147,465	119,491	119,491	25,418
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	0	1,982,523	3,884,381	3,904,230	2,420,915
Total Ending Fund Balance	0	1,982,523	3,884,381	3,904,230	2,420,915
TOTAL USE OF FUNDS	0	12,448,506	14,602,332	14,555,222	11,584,764

* Actuals may not subtotal due to rounding.

Fire Retiree Healthcare Trust Fund (126)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actual	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Claims (Source)	56,852,000	70,234,841	68,542,000	68,542,000	83,359,684
Total Beginning Fund Balance	<u>56,852,000</u>	<u>70,234,841</u>	<u>68,542,000</u>	<u>68,542,000</u>	<u>83,359,684</u>
Revenue from the Use of Money/Property					
Investment Income	2,301,000	4,891,470	4,891,470	4,781,409	5,552,940
Total Revenue from the Use of Money/Property	<u>2,301,000</u>	<u>4,891,470</u>	<u>4,891,470</u>	<u>4,781,409</u>	<u>5,552,940</u>
Transfers					
City Contributions	9,408,000	10,062,000	10,062,000	10,062,091	11,000,000
Total Transfers	<u>9,408,000</u>	<u>10,062,000</u>	<u>10,062,000</u>	<u>10,062,091</u>	<u>11,000,000</u>
TOTAL SOURCE OF FUNDS	<u><u>68,561,000</u></u>	<u><u>85,188,311</u></u>	<u><u>83,495,470</u></u>	<u><u>83,385,500</u></u>	<u><u>99,912,623</u></u>
USE OF FUNDS					
Expenditures					
Professional Fees	19,000	24,899	24,899	25,816	25,303
Total Expenditures	<u>19,000</u>	<u>24,899</u>	<u>24,899</u>	<u>25,816</u>	<u>25,303</u>
Ending Fund Balance					
Reserve for Claims (Use)	68,542,000	85,163,412	83,470,571	83,359,684	99,887,320
Total Ending Fund Balance	<u>68,542,000</u>	<u>85,163,412</u>	<u>83,470,571</u>	<u>83,359,684</u>	<u>99,887,320</u>
TOTAL USE OF FUNDS	<u><u>68,561,000</u></u>	<u><u>85,188,311</u></u>	<u><u>83,495,470</u></u>	<u><u>83,385,500</u></u>	<u><u>99,912,623</u></u>

This Statement of Source and Use is for display purposes only. The Police and Fire Retirement Plan Board of Administration approved the annual administrative budget on 3/4/21.

Gas Tax Maintenance And Construction Fund - 1943 (409)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Gas Tax					
Gas Tax Revenue	6,832,213	6,600,000	6,600,000	7,000,000	7,200,000
Total Gas Tax	<u>6,832,213</u>	<u>6,600,000</u>	<u>6,600,000</u>	<u>7,000,000</u>	<u>7,200,000</u>
TOTAL SOURCE OF FUNDS	<u>6,832,213</u>	<u>6,600,000</u>	<u>6,600,000</u>	<u>7,000,000</u>	<u>7,200,000</u>
USE OF FUNDS					
Transfers					
Street Maintenance on a monthly basis as available	6,832,213	6,600,000	6,600,000	7,000,000	7,200,000
Total Transfers	<u>6,832,213</u>	<u>6,600,000</u>	<u>6,600,000</u>	<u>7,000,000</u>	<u>7,200,000</u>
TOTAL USE OF FUNDS	<u>6,832,213</u>	<u>6,600,000</u>	<u>6,600,000</u>	<u>7,000,000</u>	<u>7,200,000</u>

* Actuals may not subtotal due to rounding.

Gas Tax Maintenance And Construction Fund - 1964 (410)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Gas Tax					
Gas Tax Revenue	3,232,810	3,200,000	3,200,000	3,000,000	3,300,000
Total Gas Tax	3,232,810	3,200,000	3,200,000	3,000,000	3,300,000
TOTAL SOURCE OF FUNDS	3,232,810	3,200,000	3,200,000	3,000,000	3,300,000
USE OF FUNDS					
Transfers					
Street Maintenance on a monthly basis as available	3,232,810	3,200,000	3,200,000	3,000,000	3,300,000
Total Transfers	3,232,810	3,200,000	3,200,000	3,000,000	3,300,000
TOTAL USE OF FUNDS	3,232,810	3,200,000	3,200,000	3,000,000	3,300,000

* Actuals may not subtotal due to rounding.

Gas Tax Maintenance And Construction Fund - 1990 (411)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Gas Tax					
Gas Tax Revenue	5,372,749	5,200,000	5,200,000	5,000,000	5,500,000
Total Gas Tax	<u>5,372,749</u>	<u>5,200,000</u>	<u>5,200,000</u>	<u>5,000,000</u>	<u>5,500,000</u>
TOTAL SOURCE OF FUNDS	<u><u>5,372,749</u></u>	<u><u>5,200,000</u></u>	<u><u>5,200,000</u></u>	<u><u>5,000,000</u></u>	<u><u>5,500,000</u></u>
USE OF FUNDS					
Transfers					
Street Maintenance on a monthly basis as available	5,372,749	5,200,000	5,200,000	5,000,000	5,500,000
Total Transfers	<u>5,372,749</u>	<u>5,200,000</u>	<u>5,200,000</u>	<u>5,000,000</u>	<u>5,500,000</u>
TOTAL USE OF FUNDS	<u><u>5,372,749</u></u>	<u><u>5,200,000</u></u>	<u><u>5,200,000</u></u>	<u><u>5,000,000</u></u>	<u><u>5,500,000</u></u>

* Actuals may not subtotal due to rounding.

General Purpose Parking Fund (533)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Emergency Repairs Reserve (Source)	700,000	700,000	700,000	700,000	700,000
Reserve for Encumbrances (Source)	1,097,675	1,097,675	2,089,691	2,089,691	2,089,691
Unrestricted Beginning Fund Balance (Source)	7,956,776	1,973,351	605,258	605,258	240,436
Total Beginning Fund Balance	9,754,451	3,771,026	3,394,949	3,394,949	3,030,127
Revenue from the Use of Money/Property					
Interest	70,165	50,000	50,000	50,000	50,000
Total Revenue from the Use of Money/Property	70,165	50,000	50,000	50,000	50,000
Fees, Rates, and Charges					
Parking Lots and Garages	11,566,844	10,815,000	4,910,000	4,910,000	6,144,000
Parking Meters	3,077,479	3,140,000	1,345,000	1,345,000	1,688,000
Parking Meter Removal Fees	2,536	10,000	10,000	10,000	0
Total Fees, Rates, and Charges	14,646,859	13,965,000	6,265,000	6,265,000	7,832,000
Other Revenue					
Miscellaneous	120,190	308,000	308,000	100,000	100,000
Parking Meters	0	0	0	0	0
SARA Enforceable Obligations Reimbursement	14,166,019	0	0	0	0
Total Other Revenue	14,286,209	308,000	308,000	100,000	100,000
Transfers					
General Purpose Parking Capital Fund	0	0	5,700,000	5,700,000	4,900,000
Total Transfers	0	0	5,700,000	5,700,000	4,900,000
TOTAL SOURCE OF FUNDS	38,757,685	18,094,026	15,717,949	15,509,949	15,912,127
USE OF FUNDS					
Expenditures					
DOT Non-Personal/Equipment	7,336,226	8,051,497	6,001,497	5,976,497	7,415,897
DOT Personal Services	1,975,868	2,697,713	2,397,713	2,247,713	2,597,618
Downtown Public Restrooms	390,977	500,000	500,000	450,000	0
ITD Non-Personal/Equipment	6,918	11,537	11,537	11,537	9,401
ITD Personal Services	4,354	7,353	7,353	7,353	7,607
Overhead	1,909,971	2,078,705	2,078,705	2,078,705	1,583,570
Police Garage Security Services	255,171	200,000	50,000	25,000	150,000
PW Non-Personal/Equipment	28,074	29,488	29,488	29,488	29,488
PW Personal Services	0	49,956	49,956	24,956	50,000
Workers' Compensation Claims	1,735	2,000	2,000	5,000	5,000
Total Expenditures	11,909,294	13,628,249	11,128,249	10,856,249	11,848,581
Transfers					
Transfer to the City Hall Debt Service Fund	115,431	103,433	83,812	83,812	87,549
Transfer to the Downtown Property and Business Improvement District Fund	77,447	77,447	77,447	77,447	77,447
Transfer to the General Fund	1,157,000	497,000	498,314	498,314	497,000
Transfer to the General Fund - San Jose Downtown Association	210,000	210,000	210,000	210,000	210,000
Transfer to the General Purpose Parking Capital Fund	21,893,564	754,000	754,000	754,000	0

* Actuals may not subtotal due to rounding.

General Purpose Parking Fund (533)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
Total Transfers	23,453,442	1,641,880	1,623,573	1,623,573	871,996
Ending Fund Balance					
Emergency Repairs Reserve (Use)	700,000	700,000	700,000	700,000	700,000
Reserve for Encumbrances (Use)	2,089,691	1,097,675	2,089,691	2,089,691	2,089,691
Unrestricted Ending Fund Balance (Use)	605,258	1,026,222	176,436	240,436	401,859
Total Ending Fund Balance	3,394,949	2,823,897	2,966,127	3,030,127	3,191,550
TOTAL USE OF FUNDS	38,757,685	18,094,026	15,717,949	15,509,949	15,912,127

* Actuals may not subtotal due to rounding.

Gift Trust Fund (139)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Encumbrances (Source)	76,043	76,043	113,956	113,956	113,956
Unrestricted Beginning Fund Balance (Source)	4,023,291	2,217,029	3,805,951	3,933,899	997,809
Total Beginning Fund Balance	4,099,334	2,293,072	3,919,907	4,047,855	1,111,765
Revenue from the Use of Money/Property					
Clerk Purposes	433	0	0	0	0
DOT Purposes	303	0	0	0	0
Library Purposes	13,926	0	0	0	0
OED Purposes	3,190	0	0	0	0
Other Purposes	21,905	0	0	43,838	0
PRNS Purposes	34,214	0	0	0	0
Public Safety Purposes	5,769	0	0	0	0
PW Purposes	10,240	0	0	0	0
Total Revenue from the Use of Money/Property	89,981	0	0	43,838	0
Other Revenue					
DOT Purposes	100,000	0	0	0	0
Library Purposes	568,489	537,251	818,743	467,598	0
OED Purposes	0	0	25,000	25,000	0
Other Purposes	575	0	0	0	0
PRNS Purposes	93,338	0	0	81,611	0
Public Safety Purposes	1,546	0	0	700	0
PW Purposes	458,894	0	0	425,857	0
Total Other Revenue	1,222,842	537,251	843,743	1,000,766	0
TOTAL SOURCE OF FUNDS	5,412,157	2,830,323	4,763,650	5,092,459	1,111,765

USE OF FUNDS

Expenditures

Airport Military Lounge	0	0	590	590	0
Albino, Erminia and Alba Joyce Martini Memorial Fund	0	157,595	108,328	86,328	22,000
Almaden Lake Park	0	0	6,943	6,943	0
Almaden Lake Park Rangers	0	0	722	722	0
Almaden Winery Improvements	0	0	33,109	33,109	0
Alum Rock Park	0	0	3,769	3,769	0
Alviso Community Center	0	0	23,237	23,237	0
Alviso Recreation and Teen Program	0	0	1,934	1,934	0
Animal Adoption	0	0	4,571	4,571	0
Animal Services Donations	326,324	225,000	512,462	338,462	174,000
Annual District I Festival in the Park	0	0	1,695	1,695	0
Anti-Theft Car Campaign	0	0	3	3	0
Art + Technology Program	12,472	88,824	61,209	61,209	0
Art Work	0	0	9,475	9,475	0
Arts and Education Week	0	0	87,400	87,400	0
Berryessa Center Art Project	0	0	2,607	2,607	0
Books for Little Hands	574	0	6,172	6,172	0
CADPE - Drug Education	0	0	78	78	0
Calabazas BMX Park	0	0	3,127	3,127	0
Calabazas Branch Library	0	0	2,052	2,052	0

* Actuals may not subtotal due to rounding.

Gift Trust Fund (139)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
Camden Community Center Miscellaneous Gifts	90	0	4,968	4,968	0
Canine Unit	0	0	2,475	2,475	0
Castro School Landscaping	0	0	7,513	7,513	0
Child Safety Seats	0	0	273	273	0
Children's Interview Center	0	0	30,588	30,588	0
Coleman / Guadalupe Traffic Study and Mitigation	0	0	16,081	16,081	0
Combined Gifts	0	0	7,172	7,172	0
Commodore Park Maintenance	83,158	105,000	123,615	123,615	0
Communications Facility Fitness Center	0	0	132	132	0
Community Cultural Council	0	0	4,027	4,027	0
CommUnity Resource Fair	0	0	84,000	84,000	0
Community Services Program	0	0	3,140	3,140	0
Crime Prevention Committee	0	0	909	909	0
Cultural Performance	0	0	1,637	1,637	0
Cybercadet Program	0	0	288	288	0
Dando Artwork Maintenance	0	0	25,000	25,000	0
Emma Prusch Farm Park	0	0	10,879	10,879	0
Enhanced Crosswalk Technology/Metro	100,000	0	0	0	0
Facebook	166,530	183,000	371,744	296,744	75,000
Family Camp Camperships	0	0	6,006	6,006	0
Friends of Paul Moore Park	0	0	4,336	4,336	0
G.E.A.R. Program	0	0	15	15	0
Garbage Stickers	36,762	0	34,224	34,224	0
Go Girl Go BAWSI	0	0	4,845	4,845	0
Grace Community Center	0	0	42,431	42,431	0
Gullo Park Turf Irrigation	0	0	19,642	19,642	0
Hazardous Material Training	0	0	3,114	3,114	0
Helipport System Plan Study	0	0	30,625	30,625	0
Incubation Office Project	0	0	74,488	74,488	0
Internet Crimes Against Children	0	0	220	220	0
Investigative Enhancement	0	0	838	838	0
IPA's Teen Leadership Council	0	0	2,261	2,261	0
J. Ward Memorial Scholarship	0	0	288	288	0
Japanese Friendship Garden	838	0	14,348	14,348	0
Kidport	0	0	4	4	0
Kinjo Gardens	0	0	5,886	5,886	0
Lake Cunningham Skate Park	0	0	7,238	7,238	0
Leland High School Tennis	0	0	2,623	2,623	0
Library Literacy Project	0	0	45,206	45,206	0
Library-General Gifts	481,920	822,251	857,817	737,817	341,982
Major Awards Banquet	0	0	93	93	0
Mayor's College Motivation Program	0	0	21,792	21,792	0
Mayor's Gang Prevention Task Force Clean Slate Program	1,680	0	19,582	19,582	0
Mayor's Safe Families	0	0	120	120	0
Miscellaneous Gifts Under \$1,000	(145)	0	19,631	19,631	0
Miscellaneous Gifts Under \$5,000	0	0	27,129	27,129	0
Mise and Starbird Gift	0	25,000	50,532	50,532	0
N. San Pedro Area Park Maintenance	0	61,000	122,398	97,398	25,000
Newhall Park Maintenance	14,668	146,000	292,115	237,115	55,000
Nicolas Prusch Swimming	0	188,000	378,004	302,004	76,000
O'Donnell's Gardens Park	0	0	5,162	5,162	0
OED Miscellaneous Gifts	0	0	316	316	0
Our City Forest	0	0	204	204	0
Overfelt Gardens	0	0	1,737	1,737	0

* Actuals may not subtotal due to rounding.

Gift Trust Fund (139)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
Pedestrian Enhancements - International Circle and Hospital Parkway	0	0	2,334	2,334	0
Police & School Partnership Program	0	0	560	560	0
Police Educational Robot	0	0	132	132	0
Police Mounted Unit	0	0	18,331	18,331	0
Police Reserves Unit	3,031	0	16,934	16,934	0
Public Education Program	0	0	79,414	79,414	0
River Oaks Park Maintenance	106,273	122,000	213,245	186,245	133,827
Robbery Secret Witness	0	0	959	959	0
Roosevelt Roller Hockey Rink Legacy Project 2018-2019	0	52,000	105,505	84,505	21,000
RP & CS General Gifts over \$1,000	1,579	14,000	57,804	57,804	0
S.A.V.E. Program	0	0	37,648	37,648	0
Safe Summer Initiative	0	0	24,810	24,810	0
San José Vietnam War Memorial	0	0	12,874	12,874	0
Scholastic Crime Stoppers	0	0	296	296	0
School Safety Gifts	0	0	76	76	0
Seven Trees Music Wish Book	0	0	35,186	35,186	0
Spay / Neuter Program	0	0	47,443	47,443	0
Sponsorship Gifts	0	0	187	187	0
St. James Park Landscaping	0	0	8,855	8,855	0
Trauma Kits	0	0	112	112	0
Vista Montana Park Maintenance	28,547	155,000	307,821	233,821	74,000
Volunteer Program	0	0	40	40	0
Willow Glen Founders Day	0	0	750	750	0
Youth Commission	0	0	19,184	19,184	0
Total Expenditures	1,364,302	2,344,670	4,649,694	3,980,694	997,809
Ending Fund Balance					
Reserve for Encumbrances (Use)	113,956	76,043	113,956	113,956	113,956
Unrestricted Ending Fund Balance (Use)	3,933,899	409,610	0	997,809	0
Total Ending Fund Balance	4,047,855	485,653	113,956	1,111,765	113,956
TOTAL USE OF FUNDS	5,412,157	2,830,323	4,763,650	5,092,459	1,111,765

* Actuals may not subtotal due to rounding.

Home Investment Partnership Program Trust Fund (445)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Housing Project Reserve (Source)	0	5,000,000	1,000,000	1,000,000	0
Reserve for Encumbrances (Source)	3,664,197	3,664,197	11,411,589	11,411,589	11,411,589
Unrestricted Beginning Fund Balance (Source)	3,055,397	382,393	(5,441,957)	(5,441,957)	1,521,291
Total Beginning Fund Balance	6,719,594	9,046,590	6,969,632	6,969,632	12,932,880
Revenue from the Use of Money/Property					
Interest	149,147	100,000	100,000	700,000	200,000
Loan Repayments	587,084	1,000,000	1,000,000	876,000	510,000
Total Revenue from the Use of Money/Property	736,231	1,100,000	1,100,000	1,576,000	710,000
Revenue from Federal Government					
American Rescue Plan Act	0	0	0	0	11,676,334
HOME Entitlement Grants	321,142	3,319,683	7,819,683	7,819,683	3,221,675
Total Revenue from Federal Government	321,142	3,319,683	7,819,683	7,819,683	14,898,009
TOTAL SOURCE OF FUNDS	7,776,966	13,466,273	15,889,315	16,365,315	28,540,889
USE OF FUNDS					
Expenditures					
City Attorney Personal Services	68,602	73,441	73,441	5,000	14,147
Fair Housing	20,697	0	135,000	135,000	200,000
Housing Loans and Grants	204,806	0	0	10,000	469,144
Housing Non-Personal/Equipment	1,993	46,714	46,714	0	46,714
Housing Personal Services	67,716	149,150	149,150	149,150	155,205
Overhead	25,520	30,991	30,991	30,991	24,451
Tenant Based Rental Assistance	418,000	2,000,000	3,199,500	3,100,000	2,252,235
Total Expenditures	807,334	2,300,296	3,634,796	3,430,141	3,161,896
Transfers					
Transfer to the City Hall Debt Service Fund	0	0	0	0	9,252
Transfer to the General Fund	0	0	2,294	2,294	0
Total Transfers	0	0	2,294	2,294	9,252
Ending Fund Balance					
Housing Project Reserve (Use)	1,000,000	5,000,000	0	0	0
Reserve for Encumbrances (Use)	11,411,589	3,664,197	11,411,589	11,411,589	11,411,589
Unrestricted Ending Fund Balance (Use)	(5,441,957)	2,501,780	840,636	1,521,291	13,958,152
Total Ending Fund Balance	6,969,632	11,165,977	12,252,225	12,932,880	25,369,741
TOTAL USE OF FUNDS	7,776,966	13,466,273	15,889,315	16,365,315	28,540,889

* Actuals may not subtotal due to rounding.

Homeless Housing, Assistance, and Prevention Fund (454)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Encumbrances (Source)	0	0	0	0	12,407,747
Unrestricted Beginning Fund Balance (Source)	0	0	0	0	6,170,440
Total Beginning Fund Balance	0	0	0	0	18,578,187
TOTAL SOURCE OF FUNDS	0	0	0	0	18,578,187
USE OF FUNDS					
Expenditures					
Emergency Shelters	0	0	0	0	4,000,000
Grant Administration	0	0	0	0	1,149,496
Loan Administration	0	0	0	0	199,172
Overhead	0	0	0	0	28,819
Total Expenditures	0	0	0	0	5,377,487
Ending Fund Balance					
Reserve for Encumbrances (Use)	0	0	0	0	12,407,747
Unrestricted Ending Fund Balance (Use)	0	0	0	0	792,953
Total Ending Fund Balance	0	0	0	0	13,200,700
TOTAL USE OF FUNDS	0	0	0	0	18,578,187

* Actuals may not subtotal due to rounding.

Housing Trust Fund (440)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Encumbrances (Source)	889,130	889,130	642,027	642,027	642,027
Unrestricted Beginning Fund Balance (Source)	2,777,496	1,752,784	2,178,716	2,178,716	4,924,230
Total Beginning Fund Balance	3,666,626	2,641,914	2,820,743	2,820,743	5,566,257
Revenue from the Use of Money/Property					
Interest	75,326	50,000	50,000	75,000	50,000
Loan Repayments	0	0	1,765,000	1,765,000	0
Total Revenue from the Use of Money/Property	75,326	50,000	1,815,000	1,840,000	50,000
Other Revenue					
Bond Administration Fees	1,004,317	900,000	900,000	3,000,000	900,000
Disaster Assistance	0	63,000	63,000	63,000	63,000
Miscellaneous	190,250	50,000	50,000	102,000	50,000
Total Other Revenue	1,194,567	1,013,000	1,013,000	3,165,000	1,013,000
TOTAL SOURCE OF FUNDS	4,936,519	3,704,914	5,648,743	7,825,743	6,629,257
USE OF FUNDS					
Expenditures					
City Attorney Personal Services	4,474	36,071	36,071	36,071	37,616
Disaster Assistance	0	126,000	126,000	0	189,000
Emergency Assistance	0	100,000	100,000	0	150,000
Employment Initiative Program	0	375,000	375,000	25,000	125,000
Homeless Response Team	0	35,000	35,000	0	35,000
Homeless Case Management and Homeless Management Information System	50,000	0	0	0	0
Housing and Homeless Projects	1,421,452	1,287,000	1,666,871	1,537,000	2,916,879
Housing Non-Personal/Equipment	20,864	53,220	53,220	53,220	53,220
Housing Personal Services	533,473	550,128	550,128	550,128	799,566
Overhead	63,713	32,410	32,410	32,410	112,310
Total Expenditures	2,093,975	2,594,829	2,974,700	2,233,829	4,418,591
Transfers					
Transfer to the City Hall Debt Service Fund	21,801	30,278	24,534	24,534	24,067
Transfer to the General Fund	0	0	1,123	1,123	0
Total Transfers	21,801	30,278	25,657	25,657	24,067
Ending Fund Balance					
Reserve for Encumbrances (Use)	642,027	889,130	642,027	642,027	642,027
Unrestricted Ending Fund Balance (Use)	2,178,716	190,677	2,006,359	4,924,230	1,544,572
Total Ending Fund Balance	2,820,743	1,079,807	2,648,386	5,566,257	2,186,599
TOTAL USE OF FUNDS	4,936,519	3,704,914	5,648,743	7,825,743	6,629,257

* Actuals may not subtotal due to rounding.

Ice Centre Revenue Fund (432)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Capital Rehabilitation Reserve (Source)	0	0	0	0	487,500
Previously Approved Repairs Reserve (Source)	2,057,321	0	0	0	0
Reserve for Encumbrances (Source)	28,640	28,640	100,001	100,001	100,001
Unrestricted Beginning Fund Balance (Source)	1,096,565	52,831	974,256	974,256	58,599,676
Total Beginning Fund Balance	3,182,526	81,471	1,074,257	1,074,257	59,187,177
Revenue from the Use of Money/Property					
Interest	43,604	45,000	45,000	15,000	45,450
Ice Centre - Additional Rent	0	63,063	63,063	86,609	114,958
Ice Centre - Base Rent	3,713,441	3,422,034	1,441,555	1,418,009	750,000
Total Revenue from the Use of Money/Property	3,757,045	3,530,097	1,549,618	1,519,618	910,408
Other Revenue					
Miscellaneous Revenue	35,675	0	0	0	0
Total Other Revenue	35,675	0	0	0	0
Financing Proceeds					
Bond Proceeds	0	0	120,000,000	120,000,000	0
Total Financing Proceeds	0	0	120,000,000	120,000,000	0
TOTAL SOURCE OF FUNDS	6,975,246	3,611,568	122,623,875	122,593,875	60,097,585
USE OF FUNDS					
Expenditures					
Ice Centre Debt Service Payment	2,160,538	2,321,000	71,753	71,753	2,000
Ice Centre Expansion	0	0	60,000,000	60,000,000	58,430,000
Ice Centre Oversight Expenses	49,955	51,454	75,000	75,000	103,000
Refunding of Previous Base Rent Payments	0	0	1,603,013	1,603,013	0
Repairs - Electrical	766,851	90,000	0	0	0
Repairs - Mechanical	1,253,285	278,000	0	0	0
Repairs - Miscellaneous	110,555	165,000	0	0	0
Repairs - Structures	1,328,921	440,865	0	0	0
Repairs - Unanticipated/Emergency	150,225	75,000	0	0	0
Solar4America Ice Rink Expansion Feasibility Study	69,387	0	0	0	0
Total Expenditures	5,889,718	3,421,319	61,749,766	61,749,766	58,535,000
Transfers					
Transfer to the General Fund	0	0	1,570,323	1,570,323	0
Transfer to the General Fund - Administrative Expenses	0	0	75,000	75,000	0
Transfer to the General Fund - Ice Centre Insurance Expenses	11,271	11,609	11,609	11,609	11,899
Total Transfers	11,271	11,609	1,656,932	1,656,932	11,899
Ending Fund Balance					
Capital Rehabilitation Reserve	0	0	487,500	487,500	1,047,000
Reserve for Encumbrances (Use)	100,001	28,640	100,001	100,001	100,001
Unrestricted Ending Fund Balance (Use)	974,256	150,000	58,629,676	58,599,676	403,685
Total Ending Fund Balance	1,074,257	178,640	59,217,177	59,187,177	1,550,686
TOTAL USE OF FUNDS	6,975,246	3,611,568	122,623,875	122,593,875	60,097,585

* Actuals may not subtotal due to rounding.

Inclusionary Fee Fund (451)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Housing Project Reserve (Source)	0	7,653,742	7,653,742	7,653,742	15,000,000
Missing Middle Affordable Housing Reserve (Source)	0	10,000,000	10,000,000	10,000,000	10,000,000
Reserve for Encumbrances (Source)	0	0	80,250	80,250	80,250
Unrestricted Beginning Fund Balance (Source)	0	7,860,021	9,798,697	9,798,697	9,605,925
Total Beginning Fund Balance	0	25,513,763	27,532,689	27,532,689	34,686,175
Revenue from the Use of Money/Property					
Inclusionary Policy Loan Repayments	728,879	0	0	1,778,719	1,200,000
Interest	267,588	200,000	200,000	200,000	300,000
Total Revenue from the Use of Money/Property	996,467	200,000	200,000	1,978,719	1,500,000
Fees, Rates, and Charges					
Inclusionary In-Lieu Policy Fee	7,920,240	5,499,760	5,499,760	5,499,760	5,500,000
Inclusionary In-Lieu Ordinance Fee	77,975	0	0	66,906	70,000
Total Fees, Rates, and Charges	7,998,215	5,499,760	5,499,760	5,566,666	5,570,000
Transfers					
Multi-Source Housing Fund	18,755,786	0	0	0	0
Total Transfers	18,755,786	0	0	0	0
TOTAL SOURCE OF FUNDS	27,750,468	31,213,523	33,232,449	35,078,074	41,756,175
USE OF FUNDS					
Expenditures					
Housing Loans and Grants	0	0	0	0	5,100,000
Housing Non-Personal/Equipment	629	130,000	130,000	130,000	50,000
Housing Personal Services	168,162	235,946	235,946	235,946	388,345
Overhead	24,629	15,131	15,131	15,131	59,096
PBCE Personal Services	24,359	0	0	3,000	23,960
Total Expenditures	217,779	381,077	381,077	384,077	5,621,401
Transfers					
Transfer to the City Hall Debt Service Fund	0	0	0	0	7,612
Transfer to the General Fund	0	0	7,822	7,822	0
Total Transfers	0	0	7,822	7,822	7,612
Ending Fund Balance					
Housing Project Reserve (Use)	7,653,742	15,000,000	15,000,000	15,000,000	25,000,000
Missing Middle Affordable Housing Reserve	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Reserve for Encumbrances (Use)	80,250	0	80,250	80,250	80,250
Unrestricted Ending Fund Balance (Use)	9,798,697	5,832,446	7,763,300	9,605,925	1,046,912
Total Ending Fund Balance	27,532,689	30,832,446	32,843,550	34,686,175	36,127,162
TOTAL USE OF FUNDS	27,750,468	31,213,523	33,232,449	35,078,074	41,756,175

* Actuals may not subtotal due to rounding.

Integrated Waste Management Fund (423)**

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Environmental Innovation Center Reserve (Source)	0	74,000	74,000	74,000	74,000
Operations and Maintenance Reserve (Source)	11,685,255	13,308,642	13,308,642	13,308,642	14,036,417
Rate Stabilization Reserve (Source)	10,000,000	0	0	0	0
Reserve for Encumbrances (Source)	1,904,055	1,904,055	2,743,295	2,743,295	2,743,295
Unrestricted Beginning Fund Balance (Source)	12,119,005	9,399,688	9,394,832	9,394,832	10,119,812
Total Beginning Fund Balance	35,708,315	24,686,385	25,520,769	25,520,769	26,973,524
Licenses and Permits					
Franchise Applications	1,222	711	711	2,250	943
Total Licenses and Permits	1,222	711	711	2,250	943
Fines, Forfeitures, and Penalties					
CDDD Ineligible Refunds	800,001	810,000	810,000	785,000	815,000
Lien-Related	300,412	369,500	369,500	476,788	367,500
Total Fines, Forfeitures, and Penalties	1,100,414	1,179,500	1,179,500	1,261,788	1,182,500
Revenue from the Use of Money/Property					
Interest	870,624	659,000	659,000	539,540	402,534
Las Plumas Tenant	527,634	534,600	534,600	534,600	505,448
Total Revenue from the Use of Money/Property	1,398,258	1,193,600	1,193,600	1,074,140	907,982
Revenue from Local Agencies					
Household Hazardous Waste Revenue from County	490,284	300,000	300,000	679,500	400,000
Total Revenue from Local Agencies	490,284	300,000	300,000	679,500	400,000
Revenue from State of California					
SB 332 Revenue	295,341	250,000	250,000	254,350	250,000
Total Revenue from State of California	295,341	250,000	250,000	254,350	250,000
Fees, Rates, and Charges					
AB 939 Fees	3,676,476	3,690,000	3,690,000	3,830,850	3,760,000
Recycle Plus Collection Charges	136,861,774	147,964,000	147,964,000	149,830,000	172,208,100
Total Fees, Rates, and Charges	140,538,251	151,654,000	151,654,000	153,660,850	175,968,100
Other Revenue					
Hauler Payments	2,650,000	2,650,000	2,650,000	2,650,000	0
Miscellaneous Revenue	25,910	14,000	14,000	5,500	6,000
Miscellaneous Solid Waste	251,884	231,000	231,000	345,000	236,000
NMTC Proceeds, Reimbursement	0	0	0	1,000	0
Surplus Property Sales	0	3,000,000	3,000,000	4,000,000	0
Total Other Revenue	2,927,794	5,895,000	5,895,000	7,001,500	242,000
TOTAL SOURCE OF FUNDS	182,459,878	185,159,196	185,993,580	189,455,147	205,925,049

* Actuals may not subtotal due to rounding.

Integrated Waste Management Fund (423)**

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
USE OF FUNDS					
Expenditures					
Banking Services	91,522	100,000	104,000	104,000	95,000
City Attorney Personal Services	57,501	54,845	54,845	62,000	60,728
City Manager Personal Services	0	122,048	122,048	60,000	0
County Revenue Collection Fee	1,022,705	1,227,360	1,227,360	1,123,855	1,453,962
Customer Information System Transition	5,994	0	0	0	0
Delinquent Lien Releases	2,592	60,000	60,000	4,000	60,000
ESD Non-Personal/Equipment	2,983,757	3,040,904	4,164,668	2,100,000	3,154,304
ESD Personal Services	7,611,428	8,437,726	8,437,726	7,400,000	9,007,102
Finance Non-Personal/Equipment	98,158	215,500	215,500	110,000	112,500
Finance Personal Services	720,465	910,264	910,264	750,000	624,210
Household Hazardous Waste Las Plumas Facility	1,000	0	0	0	0
HR Personal Services	24,693	27,413	27,413	27,413	28,029
IDC Disposal Agreement	4,482,621	4,421,574	4,421,574	4,421,574	4,712,956
ITD Non-Personal/Equipment	18,787	76,181	76,181	50,000	63,550
ITD Personal Services	532,668	591,242	580,374	545,000	662,150
Multi-Family Recycle Plus	23,681,642	25,345,637	25,345,637	25,345,637	27,657,580
Overhead	2,203,585	2,884,569	2,884,569	2,884,569	2,755,910
PBCE Non-Personal/Equipment	17,030	40,155	40,155	35,000	15,912
PBCE Personal Services	315,027	302,719	305,037	305,037	204,676
PW Non-Personal/Equipment	79,123	124,703	124,703	124,703	124,703
PW Personal Services	249,533	387,258	387,258	165,000	441,092
Single Family Dwelling Processing	18,438,716	19,063,221	19,063,221	19,063,221	19,446,392
Single-Family Recycle Plus	68,465,082	72,204,900	72,204,900	71,830,000	85,715,398
Workers' Compensation Claims	61,901	34,000	84,000	100,000	125,000
Yard Trimming Collection/Processing	24,943,356	25,780,233	25,780,233	25,300,000	30,364,890
Total Expenditures	156,108,886	165,452,452	166,621,666	161,911,009	186,886,044
Transfers					
Transfer to the City Hall Debt Service Fund	690,223	689,500	558,704	558,704	447,193
Transfer to the General Fund	0	0	11,910	11,910	0
Transfer to the General Fund - CDDD Revenue	140,000	300,000	300,000	0	150,000
Total Transfers	830,223	989,500	870,614	570,614	597,193
Ending Fund Balance					
Environmental Innovation Center Reserve (Use)	74,000	74,000	74,000	74,000	74,000
Operations and Maintenance Reserve (Use)	13,308,642	14,036,417	14,036,417	14,036,417	13,280,063
Reserve for Encumbrances (Use)	2,743,295	1,904,055	2,743,295	2,743,295	2,743,295
Unrestricted Ending Fund Balance (Use)	9,394,832	2,702,772	1,647,588	10,119,812	2,344,454
Total Ending Fund Balance	25,520,769	18,717,244	18,501,300	26,973,524	18,441,812
TOTAL USE OF FUNDS	182,459,878	185,159,196	185,993,580	189,455,147	205,925,049

* Actuals may not subtotal due to rounding.

** The 2021-2022 Proposed Recycle Plus Collection Charges revenue includes a seventeen percent rate increase to single-family dwellings and a seven percent rate increase to multi-family dwellings in 2021-2022 to offset base cost increases and additional expenses associated with proposed Recycle Plus program augmentation.

Library Parcel Tax Fund (418)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Encumbrances (Source)	132,861	132,861	88,189	88,189	88,189
Six Day Expansion Model Reserve (Source)	3,000,000	3,000,000	3,000,000	3,000,000	2,662,942
Unrestricted Beginning Fund Balance (Source)	5,024,366	2,264,939	3,151,839	3,172,293	1,551,659
Total Beginning Fund Balance	8,157,227	5,397,800	6,240,028	6,260,482	4,302,790
Revenue from the Use of Money/Property					
Interest	102,735	100,000	100,000	100,000	100,000
Total Revenue from the Use of Money/Property	102,735	100,000	100,000	100,000	100,000
Library Parcel Tax					
Library Parcel Tax Revenue	9,590,234	9,742,670	9,742,670	9,742,670	10,034,950
Total Library Parcel Tax	9,590,234	9,742,670	9,742,670	9,742,670	10,034,950
TOTAL SOURCE OF FUNDS	17,850,196	15,240,470	16,082,698	16,103,152	14,437,740
USE OF FUNDS					
Expenditures					
Annual Audit	13,747	17,000	17,000	17,000	17,000
HR Non-Personal/Equipment	21,580	25,200	25,200	25,200	25,200
HR Personal Services	74,850	75,423	75,423	75,423	78,515
Library Non-Personal/Equipment	1,475,051	2,026,308	2,135,987	2,135,987	2,097,318
Library Personal Services	7,353,035	7,562,397	7,562,397	7,562,397	7,787,457
Total Expenditures	8,938,262	9,706,328	9,816,007	9,816,007	10,005,490
Transfers					
Transfer to the City Hall Debt Service Fund	51,452	53,954	43,719	43,719	46,341
Transfer to the General Fund	0	0	1,495	1,495	0
Transfer to the Library Parcel Tax Capital Fund	2,600,000	1,939,141	1,939,141	1,939,141	1,455,538
Total Transfers	2,651,452	1,993,095	1,984,355	1,984,355	1,501,879
Ending Fund Balance					
Reserve for Encumbrances (Use)	88,189	132,861	88,189	88,189	88,189
Six Day Expansion Model Reserve (Use)	3,000,000	2,662,942	2,662,942	2,662,942	2,000,000
Unrestricted Ending Fund Balance (Use)	3,172,293	745,244	1,531,205	1,551,659	842,182
Total Ending Fund Balance	6,260,482	3,541,047	4,282,336	4,302,790	2,930,371
TOTAL USE OF FUNDS	17,850,196	15,240,470	16,082,698	16,103,152	14,437,740

* Actuals may not subtotal due to rounding.

Low And Moderate Income Housing Asset Fund (346)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Affordable Housing Web Portal Reserve (Source)	0	1,732,000	1,732,000	1,732,000	0
Committed Projects Reserve (Source)	29,522,532	0	14,400,000	14,400,000	14,400,000
Housing Project Reserve (Source)	59,885,040	84,000,000	75,670,000	75,670,000	14,966,653
Reserve for Encumbrances (Source)	5,144,934	5,144,934	14,091,500	14,091,500	14,091,500
Revenue Stabilization Reserve (Source)	5,500,000	0	6,000,000	6,000,000	5,000,000
Unrestricted Beginning Fund Balance (Source)	48,783,412	35,362,986	38,611,928	38,611,928	109,537,732
Total Beginning Fund Balance	148,835,918	126,239,920	150,505,428	150,505,428	157,995,885
Revenue from the Use of Money/Property					
Interest	3,421,752	3,000,000	3,000,000	20,000,000	3,000,000
Loan Repayments	31,240,956	14,000,000	14,000,000	25,000,000	14,000,000
Total Revenue from the Use of Money/Property	34,662,707	17,000,000	17,000,000	45,000,000	17,000,000
Revenue from Local Agencies					
Affordable Housing Web Portal	0	0	383,303	383,303	0
Total Revenue from Local Agencies	0	0	383,303	383,303	0
Other Revenue					
Miscellaneous	6,091,073	0	0	1,000	0
Total Other Revenue	6,091,073	0	0	1,000	0
TOTAL SOURCE OF FUNDS	189,589,699	143,239,920	167,888,731	195,889,731	174,995,885
USE OF FUNDS					
Expenditures					
Affordable Housing Web Portal	0	0	2,053,416	2,053,416	0
Asset Management Services	64,671	225,000	1,325,000	225,000	1,100,000
City Attorney Non-Personal/Equipment	11,422	16,724	16,724	16,724	21,224
City Attorney Personal Services	863,618	1,018,535	1,018,535	1,018,535	1,185,121
City Manager Non-Personal/Equipment	19,850	18,375	18,375	18,375	18,375
City Manager Personal Services	5,262	0	0	0	0
Finance Personal Services	19,979	176,767	176,767	176,767	86,323
Homeless Services	0	500,000	500,000	0	250,000
Housing Loans and Grants	27,479,453	48,339,960	87,548,307	22,815,353	63,081,832
Housing Non-Personal/Equipment	1,200,891	2,169,761	2,094,761	1,400,000	1,605,248
Housing Personal Services	6,707,661	7,206,041	7,206,041	7,206,041	7,152,370
Housing Predevelopment Activity	193,240	1,250,000	1,250,000	1,128,443	1,337,397
HR Personal Services	27,526	35,730	35,730	35,730	40,112
ITD Non-Personal/Equipment	16,148	6,097	6,097	6,097	1,470
ITD Personal Services	1,748	207,393	207,393	207,393	71,704
OED Personal Services	0	0	0	0	166,956
Overhead	1,632,620	550,695	550,695	550,695	1,394,270
PBCE Non-Personal/Equipment	6,960	16,311	16,311	16,311	13,765
PBCE Personal Services	226,179	272,289	272,289	272,289	235,745
PW Non-Personal/Equipment	10,276	27,650	27,650	27,650	27,650
PW Personal Services	151,569	157,251	157,251	157,251	169,095
Successor Agency to the Redevelopment Agency	6,153	70,000	133,000	133,000	70,000
Workers' Compensation Claims	19,215	100,000	100,000	50,000	75,000
Total Expenditures	38,664,440	62,364,579	104,714,342	37,515,070	78,103,657

* Actuals may not subtotal due to rounding.

Low And Moderate Income Housing Asset Fund (346)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
Transfers					
Transfer to the City Hall Debt Service Fund	419,830	401,068	324,987	324,987	368,648
Transfer to the General Fund	0	0	53,789	53,789	0
Total Transfers	419,830	401,068	378,776	378,776	368,648
Ending Fund Balance					
Affordable Housing Web Portal Reserve (Use)	1,732,000	0	0	0	386,352
Committed Projects Reserve (Use)	14,400,000	0	14,400,000	14,400,000	14,400,000
Housing Project Reserve (Use)	75,670,000	70,000,000	25,791,653	14,966,653	55,000,000
Reserve for Encumbrances (Use)	14,091,500	5,144,934	14,091,500	14,091,500	14,091,500
Revenue Stabilization Reserve (Use)	6,000,000	0	5,000,000	5,000,000	6,000,000
Unrestricted Ending Fund Balance (Use)	38,611,928	5,329,339	3,512,460	109,537,732	6,645,728
Total Ending Fund Balance	150,505,428	80,474,273	62,795,613	157,995,885	96,523,580
TOTAL USE OF FUNDS	189,589,699	143,239,920	167,888,731	195,889,731	174,995,885

* Actuals may not subtotal due to rounding.

Maintenance District No. 1 (Los Paseos) Fund (352)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	215,003	220,476	281,802	281,802	325,852
Total Beginning Fund Balance	<u>215,003</u>	<u>220,476</u>	<u>281,802</u>	<u>281,802</u>	<u>325,852</u>
Revenue from the Use of Money/Property					
Interest	4,764	3,000	3,000	3,000	3,000
Total Revenue from the Use of Money/Property	<u>4,764</u>	<u>3,000</u>	<u>3,000</u>	<u>3,000</u>	<u>3,000</u>
Special Assessments					
Special Assessments Revenue	361,990	338,900	338,900	338,900	340,400
Total Special Assessments	<u>361,990</u>	<u>338,900</u>	<u>338,900</u>	<u>338,900</u>	<u>340,400</u>
TOTAL SOURCE OF FUNDS	<u><u>581,757</u></u>	<u><u>562,376</u></u>	<u><u>623,702</u></u>	<u><u>623,702</u></u>	<u><u>669,252</u></u>
USE OF FUNDS					
Expenditures					
DOT Non-Personal/Equipment	181,737	180,700	180,700	176,000	228,700
DOT Personal Services	80,681	93,305	93,305	92,600	115,057
Overhead	37,537	29,250	29,250	29,250	39,021
Total Expenditures	<u>299,955</u>	<u>303,255</u>	<u>303,255</u>	<u>297,850</u>	<u>382,778</u>
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	281,802	259,121	320,447	325,852	286,474
Total Ending Fund Balance	<u>281,802</u>	<u>259,121</u>	<u>320,447</u>	<u>325,852</u>	<u>286,474</u>
TOTAL USE OF FUNDS	<u><u>581,757</u></u>	<u><u>562,376</u></u>	<u><u>623,702</u></u>	<u><u>623,702</u></u>	<u><u>669,252</u></u>

* Actuals may not subtotal due to rounding.

Maintenance District No. 2 (Trade Zone Blvd.-Lundy Ave.) Fund (354)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	141,180	163,892	170,387	170,387	202,695
Total Beginning Fund Balance	141,180	163,892	170,387	170,387	202,695
Revenue from the Use of Money/Property					
Interest	3,166	2,600	2,600	2,600	2,600
Total Revenue from the Use of Money/Property	3,166	2,600	2,600	2,600	2,600
Special Assessments					
Special Assessments Revenue	84,641	87,400	87,400	87,400	88,900
Total Special Assessments	84,641	87,400	87,400	87,400	88,900
Transfers					
General Fund	2,408	2,408	2,408	2,408	2,408
Total Transfers	2,408	2,408	2,408	2,408	2,408
TOTAL SOURCE OF FUNDS	231,395	256,300	262,795	262,795	296,603
USE OF FUNDS					
Expenditures					
DOT Non-Personal/Equipment	58,996	46,000	46,000	60,100	47,000
DOT Personal Services	0	0	0	0	13,759
Overhead	2,012	0	0	0	5,396
Total Expenditures	61,008	46,000	46,000	60,100	66,155
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	170,387	210,300	216,795	202,695	230,448
Total Ending Fund Balance	170,387	210,300	216,795	202,695	230,448
TOTAL USE OF FUNDS	231,395	256,300	262,795	262,795	296,603

* Actuals may not subtotal due to rounding.

Maintenance District No. 5 (Orchard Parkway-Plumeria Drive) Fund (357)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	125,215	129,707	129,324	129,324	124,097
Total Beginning Fund Balance	125,215	129,707	129,324	129,324	124,097
Revenue from the Use of Money/Property					
Interest	2,235	1,700	1,700	1,600	1,700
Total Revenue from the Use of Money/Property	2,235	1,700	1,700	1,600	1,700
Special Assessments					
Special Assessments Revenue	89,128	92,000	92,000	92,000	93,600
Total Special Assessments	89,128	92,000	92,000	92,000	93,600
TOTAL SOURCE OF FUNDS	216,578	223,407	223,024	222,924	219,397
USE OF FUNDS					
Expenditures					
DOT Non-Personal/Equipment	54,205	47,400	47,400	54,800	49,400
DOT Personal Services	26,318	26,900	26,900	35,800	27,718
Overhead	6,732	8,227	8,227	8,227	9,174
Total Expenditures	87,254	82,527	82,527	98,827	86,292
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	129,324	140,880	140,497	124,097	133,105
Total Ending Fund Balance	129,324	140,880	140,497	124,097	133,105
TOTAL USE OF FUNDS	216,578	223,407	223,024	222,924	219,397

* Actuals may not subtotal due to rounding.

Maintenance District No. 8 (Zanker-Montague) Fund (361)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Encumbrances (Source)	117,703	117,703	16,942	16,942	16,942
Unrestricted Beginning Fund Balance (Source)	153,053	137,040	135,192	135,192	119,928
Total Beginning Fund Balance	270,756	254,743	152,134	152,134	136,870
Revenue from the Use of Money/Property					
Interest	5,110	4,700	4,700	1,900	4,700
Total Revenue from the Use of Money/Property	5,110	4,700	4,700	1,900	4,700
Special Assessments					
Special Assessments Revenue	108,390	112,800	112,800	112,800	114,800
Total Special Assessments	108,390	112,800	112,800	112,800	114,800
Transfers					
General Fund	2,353	2,353	2,353	2,353	2,353
Total Transfers	2,353	2,353	2,353	2,353	2,353
TOTAL SOURCE OF FUNDS	386,609	374,596	271,987	269,187	258,723
USE OF FUNDS					
Expenditures					
DOT Non-Personal/Equipment	180,921	51,300	51,300	62,600	58,300
DOT Personal Services	40,714	70,753	70,753	47,100	73,969
Overhead	12,840	22,617	22,617	22,617	25,477
Total Expenditures	234,475	144,670	144,670	132,317	157,746
Transfers					
Transfer to the City Hall Debt Service Fund	0	0	0	0	1,468
Total Transfers	0	0	0	0	1,468
Ending Fund Balance					
Reserve for Encumbrances (Use)	16,942	117,703	16,942	16,942	16,942
Unrestricted Ending Fund Balance (Use)	135,192	112,223	110,375	119,928	82,567
Total Ending Fund Balance	152,134	229,926	127,317	136,870	99,509
TOTAL USE OF FUNDS	386,609	374,596	271,987	269,187	258,723

* Actuals may not subtotal due to rounding.

Maintenance District No. 9 (Santa Teresa-Great Oaks) Fund (362)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	233,390	264,123	260,511	260,511	274,780
Total Beginning Fund Balance	233,390	264,123	260,511	260,511	274,780
Revenue from the Use of Money/Property					
Interest	4,815	4,100	4,100	3,600	4,100
Total Revenue from the Use of Money/Property	4,815	4,100	4,100	3,600	4,100
Special Assessments					
Special Assessments Revenue	165,951	178,200	178,200	175,800	176,500
Total Special Assessments	165,951	178,200	178,200	175,800	176,500
Transfers					
General Fund	23,480	23,480	23,480	23,480	23,480
Total Transfers	23,480	23,480	23,480	23,480	23,480
TOTAL SOURCE OF FUNDS	427,635	469,903	466,291	463,391	478,860
USE OF FUNDS					
Expenditures					
DOT Non-Personal/Equipment	122,307	119,000	144,000	144,000	106,000
DOT Personal Services	28,795	45,324	45,324	29,500	49,364
Overhead	16,022	15,111	15,111	15,111	17,684
Total Expenditures	167,124	179,435	204,435	188,611	173,048
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	260,511	290,468	261,856	274,780	305,812
Total Ending Fund Balance	260,511	290,468	261,856	274,780	305,812
TOTAL USE OF FUNDS	427,635	469,903	466,291	463,391	478,860

* Actuals may not subtotal due to rounding.

Maintenance District No. 11 (Brokaw Rd/Junction Ave/Old Oakland Rd) Fund (364)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	257,780	169,109	184,125	184,125	77,460
Total Beginning Fund Balance	257,780	169,109	184,125	184,125	77,460
Revenue from the Use of Money/Property					
Interest	5,388	4,800	4,800	2,700	4,800
Total Revenue from the Use of Money/Property	5,388	4,800	4,800	2,700	4,800
Special Assessments					
Special Assessments Revenue	65,477	72,800	72,800	72,800	79,100
Total Special Assessments	65,477	72,800	72,800	72,800	79,100
Transfers					
General Fund	6,354	6,354	6,354	6,354	6,354
Total Transfers	6,354	6,354	6,354	6,354	6,354
TOTAL SOURCE OF FUNDS	334,999	253,063	268,079	265,979	167,714
USE OF FUNDS					
Expenditures					
DOT Non-Personal/Equipment	126,519	133,150	148,150	146,200	92,150
DOT Personal Services	18,904	20,982	20,982	35,800	21,762
Overhead	5,451	6,519	6,519	6,519	7,321
Total Expenditures	150,874	160,651	175,651	188,519	121,233
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	184,125	92,412	92,428	77,460	46,481
Total Ending Fund Balance	184,125	92,412	92,428	77,460	46,481
TOTAL USE OF FUNDS	334,999	253,063	268,079	265,979	167,714

* Actuals may not subtotal due to rounding.

Maintenance District No. 13 (Karina-O'Nel) Fund (366)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	123,923	149,191	139,037	139,037	154,171
Total Beginning Fund Balance	123,923	149,191	139,037	139,037	154,171
Revenue from the Use of Money/Property					
Interest	2,702	2,300	2,300	2,000	2,300
Total Revenue from the Use of Money/Property	2,702	2,300	2,300	2,000	2,300
Special Assessments					
Special Assessments Revenue	54,239	55,900	55,900	55,900	56,900
Total Special Assessments	54,239	55,900	55,900	55,900	56,900
TOTAL SOURCE OF FUNDS	180,864	207,391	197,237	196,937	213,371
USE OF FUNDS					
Expenditures					
DOT Non-Personal/Equipment	32,248	26,900	26,900	32,100	30,250
DOT Personal Services	7,572	7,632	7,632	8,300	7,915
Overhead	2,007	2,366	2,366	2,366	2,657
Total Expenditures	41,827	36,898	36,898	42,766	40,822
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	139,037	170,493	160,339	154,171	172,549
Total Ending Fund Balance	139,037	170,493	160,339	154,171	172,549
TOTAL USE OF FUNDS	180,864	207,391	197,237	196,937	213,371

* Actuals may not subtotal due to rounding.

Maintenance District No. 15 (Silver Creek Valley) Fund (368)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	894,479	515,512	488,464	488,464	237,140
Total Beginning Fund Balance	<u>894,479</u>	<u>515,512</u>	<u>488,464</u>	<u>488,464</u>	<u>237,140</u>
Revenue from the Use of Money/Property					
Interest	12,469	12,000	12,000	2,000	6,000
Total Revenue from the Use of Money/Property	<u>12,469</u>	<u>12,000</u>	<u>12,000</u>	<u>2,000</u>	<u>6,000</u>
Other Revenue					
Miscellaneous	15,000	0	0	0	0
Total Other Revenue	<u>15,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Special Assessments					
Special Assessments Revenue	1,010,729	1,240,800	1,240,800	1,240,800	1,371,500
Total Special Assessments	<u>1,010,729</u>	<u>1,240,800</u>	<u>1,240,800</u>	<u>1,240,800</u>	<u>1,371,500</u>
Transfers					
Storm Sewer Operating Fund	22,118	22,118	22,118	22,118	22,118
General Fund	16,636	16,636	16,636	16,636	16,636
Total Transfers	<u>38,754</u>	<u>38,754</u>	<u>38,754</u>	<u>38,754</u>	<u>38,754</u>
TOTAL SOURCE OF FUNDS	<u><u>1,971,431</u></u>	<u><u>1,807,066</u></u>	<u><u>1,780,018</u></u>	<u><u>1,770,018</u></u>	<u><u>1,653,394</u></u>
USE OF FUNDS					
Expenditures					
DOT Non-Personal/Equipment	968,581	818,600	818,600	878,300	877,600
DOT Personal Services	373,476	556,754	556,754	476,500	566,544
Overhead	140,910	173,103	173,103	173,103	190,753
Total Expenditures	<u>1,482,967</u>	<u>1,548,457</u>	<u>1,548,457</u>	<u>1,527,903</u>	<u>1,634,897</u>
Transfers					
Transfer to the City Hall Debt Service Fund	0	5,966	4,834	4,834	4,459
Transfer to the General Fund	0	0	141	141	0
Total Transfers	<u>0</u>	<u>5,966</u>	<u>4,975</u>	<u>4,975</u>	<u>4,459</u>
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	488,464	252,643	226,586	237,140	14,038
Total Ending Fund Balance	<u>488,464</u>	<u>252,643</u>	<u>226,586</u>	<u>237,140</u>	<u>14,038</u>
TOTAL USE OF FUNDS	<u><u>1,971,431</u></u>	<u><u>1,807,066</u></u>	<u><u>1,780,018</u></u>	<u><u>1,770,018</u></u>	<u><u>1,653,394</u></u>

* Actuals may not subtotal due to rounding.

Maintenance District No. 18 (The Meadowlands) Fund (372)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	122,896	141,721	129,744	129,744	112,808
Total Beginning Fund Balance	122,896	141,721	129,744	129,744	112,808
Revenue from the Use of Money/Property					
Interest	2,576	2,200	2,200	1,800	2,200
Total Revenue from the Use of Money/Property	2,576	2,200	2,200	1,800	2,200
Special Assessments					
Special Assessments Revenue	89,149	89,100	89,100	89,100	91,000
Total Special Assessments	89,149	89,100	89,100	89,100	91,000
TOTAL SOURCE OF FUNDS	214,622	233,021	221,044	220,644	206,008
USE OF FUNDS					
Expenditures					
DOT Non-Personal/Equipment	34,673	78,150	78,150	82,750	38,150
DOT Personal Services	33,562	22,447	22,447	17,600	24,683
Overhead	16,643	7,486	7,486	7,486	8,818
Total Expenditures	84,878	108,083	108,083	107,836	71,651
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	129,744	124,938	112,961	112,808	134,357
Total Ending Fund Balance	129,744	124,938	112,961	112,808	134,357
TOTAL USE OF FUNDS	214,622	233,021	221,044	220,644	206,008

* Actuals may not subtotal due to rounding.

Maintenance District No. 19 (River Oaks Area Landscaping) Fund (359)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	287,023	222,443	242,503	242,503	264,538
Total Beginning Fund Balance	287,023	222,443	242,503	242,503	264,538
Revenue from the Use of Money/Property					
Interest	4,908	4,400	4,400	3,100	4,400
Total Revenue from the Use of Money/Property	4,908	4,400	4,400	3,100	4,400
Other Revenue					
Miscellaneous	20,000	0	0	0	0
Total Other Revenue	20,000	0	0	0	0
Special Assessments					
Special Assessments Revenue	161,088	172,900	172,900	172,900	175,900
Total Special Assessments	161,088	172,900	172,900	172,900	175,900
Transfers					
General Fund	6,195	6,195	6,195	6,195	6,195
Total Transfers	6,195	6,195	6,195	6,195	6,195
TOTAL SOURCE OF FUNDS	479,214	405,938	425,998	424,698	451,033
USE OF FUNDS					
Expenditures					
DOT Non-Personal/Equipment	200,290	103,350	103,350	119,300	216,350
DOT Personal Services	26,069	34,323	34,323	30,100	58,120
Overhead	10,352	10,760	10,760	10,760	19,707
Total Expenditures	236,711	148,433	148,433	160,160	294,177
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	242,503	257,505	277,565	264,538	156,856
Total Ending Fund Balance	242,503	257,505	277,565	264,538	156,856
TOTAL USE OF FUNDS	479,214	405,938	425,998	424,698	451,033

* Actuals may not subtotal due to rounding.

Maintenance District No. 20 (Renaissance-N. First Landscaping) Fund (365)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	169,561	152,735	150,599	150,599	112,407
Total Beginning Fund Balance	169,561	152,735	150,599	150,599	112,407
Revenue from the Use of Money/Property					
Interest	3,529	3,000	3,000	2,300	3,000
Total Revenue from the Use of Money/Property	3,529	3,000	3,000	2,300	3,000
Special Assessments					
Special Assessments Revenue	62,045	64,800	64,800	64,800	65,900
Total Special Assessments	62,045	64,800	64,800	64,800	65,900
Transfers					
General Fund	21,461	21,461	21,461	21,461	21,461
Total Transfers	21,461	21,461	21,461	21,461	21,461
TOTAL SOURCE OF FUNDS	256,595	241,996	239,860	239,160	202,768
USE OF FUNDS					
Expenditures					
DOT Non-Personal/Equipment	90,613	159,250	159,250	108,600	106,250
DOT Personal Services	11,982	13,351	13,351	14,000	13,844
Overhead	3,401	4,153	4,153	4,153	4,664
Total Expenditures	105,996	176,754	176,754	126,753	124,758
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	150,599	65,242	63,106	112,407	78,010
Total Ending Fund Balance	150,599	65,242	63,106	112,407	78,010
TOTAL USE OF FUNDS	256,595	241,996	239,860	239,160	202,768

* Actuals may not subtotal due to rounding.

Maintenance District No. 21 (Gateway Place-Airport Parkway) Fund (356)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	120,710	138,165	140,353	140,353	151,127
Total Beginning Fund Balance	120,710	138,165	140,353	140,353	151,127
Revenue from the Use of Money/Property					
Interest	2,460	2,000	2,000	1,700	2,000
Total Revenue from the Use of Money/Property	2,460	2,000	2,000	1,700	2,000
Special Assessments					
Special Assessments Revenue	100,681	103,900	103,900	103,900	105,700
Total Special Assessments	100,681	103,900	103,900	103,900	105,700
Transfers					
General Fund	8,996	8,996	8,996	8,996	8,996
Total Transfers	8,996	8,996	8,996	8,996	8,996
TOTAL SOURCE OF FUNDS	232,847	253,061	255,249	254,949	267,823
USE OF FUNDS					
Expenditures					
DOT Non-Personal/Equipment	45,477	51,800	51,800	53,200	49,800
DOT Personal Services	37,487	31,905	31,905	40,500	31,630
Overhead	9,531	10,122	10,122	10,122	10,851
Total Expenditures	92,494	93,827	93,827	103,822	92,281
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	140,353	159,234	161,422	151,127	175,542
Total Ending Fund Balance	140,353	159,234	161,422	151,127	175,542
TOTAL USE OF FUNDS	232,847	253,061	255,249	254,949	267,823

* Actuals may not subtotal due to rounding.

Maintenance District No. 22 (Hellyer Ave.-Silver Creek Valley Rd.) Fund (367)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	150,410	159,737	152,072	152,072	65,479
Total Beginning Fund Balance	150,410	159,737	152,072	152,072	65,479
Revenue from the Use of Money/Property					
Interest	3,639	3,000	3,000	2,400	3,000
Total Revenue from the Use of Money/Property	3,639	3,000	3,000	2,400	3,000
Special Assessments					
Special Assessments Revenue	63,343	73,800	73,800	73,800	75,000
Total Special Assessments	63,343	73,800	73,800	73,800	75,000
Transfers					
General Fund	35,223	35,223	35,223	35,223	35,223
Total Transfers	35,223	35,223	35,223	35,223	35,223
TOTAL SOURCE OF FUNDS	252,616	271,760	264,095	263,495	178,702
USE OF FUNDS					
Expenditures					
DOT Non-Personal/Equipment	85,123	181,000	181,000	183,200	81,000
DOT Personal Services	12,020	12,702	12,702	10,500	14,150
Overhead	3,401	4,316	4,316	4,316	5,197
Total Expenditures	100,544	198,018	198,018	198,016	100,347
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	152,072	73,742	66,077	65,479	78,355
Total Ending Fund Balance	152,072	73,742	66,077	65,479	78,355
TOTAL USE OF FUNDS	252,616	271,760	264,095	263,495	178,702

* Actuals may not subtotal due to rounding.

Multi-Source Housing Fund (448)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
City Housing Authority Reserve (Source)	21,762,582	10,254,418	8,754,418	8,754,418	5,878,502
Committed Projects Reserve (Source)	500,000	0	500,000	500,000	0
Housing Project Reserve (Source)	13,195,000	5,856,258	7,053,990	7,053,990	9,697,732
Inclusionary In-Lieu Policy Fee Reserve (Source)	16,350,000	0	0	0	0
Reserve for Encumbrances (Source)	15,237,527	15,237,527	23,540,211	23,540,211	23,540,211
Unrestricted Beginning Fund Balance (Source)	16,009,347	39,493,775	41,032,482	41,032,482	70,033,528
Total Beginning Fund Balance	83,054,456	70,841,978	80,881,101	80,881,101	109,149,973
Revenue from the Use of Money/Property					
Interest	1,456,059	560,000	645,000	1,744,912	384,900
Loan Repayments	1,270,689	1,750,000	8,635,000	8,648,056	1,750,000
Miscellaneous	81,842	0	0	0	0
Recovery Act - Neighborhood Stabilization Program 2	142,331	40,000	254,366	194,366	150,000
Total Revenue from the Use of Money/Property	2,950,921	2,350,000	9,534,366	10,587,334	2,284,900
Revenue from State of California					
Grant Revenue	0	0	12,230,477	0	0
Homeless Housing Assistance and Prevention Grant	23,832,511	0	0	11,266,278	0
Project HomeKey Grant	0	0	0	11,953,474	0
Total Revenue from State of California	23,832,511	0	12,230,477	23,219,752	0
Revenue from Federal Government					
Coronavirus Aid, Relief, and Economic Security (CARES) Act	0	3,033,205	10,611,715	0	0
Emergency Shelter Grants	646,052	882,266	33,719,105	37,870,044	882,266
HOPWA Grants	1,853,627	2,209,716	2,209,716	8,670,492	1,434,191
Total Revenue from Federal Government	2,499,679	6,125,187	46,540,536	46,540,536	2,316,457
Fees, Rates, and Charges					
Affordable Housing Impact Fee	9,634,433	0	0	0	0
Housing Impact Fees and Charges	0	0	0	200,000	0
Inclusionary In-Lieu Policy Fee	0	0	0	18	0
Miscellaneous	12,905	75,000	75,000	0	75,000
Multi-Family Housing Fees and Charges	577,920	600,000	600,000	977,715	600,000
Total Fees, Rates, and Charges	10,225,257	675,000	675,000	1,177,733	675,000
Other Revenue					
Miscellaneous Revenue	8,073	0	0	200,000	200,000
Total Other Revenue	8,073	0	0	200,000	200,000
Transfers					
Multi-Source Housing Fund	46,218,222	0	43,000	43,000	0
Emergency Reserve Fund	3,919,821	0	0	0	0
Total Transfers	50,138,043	0	43,000	43,000	0
TOTAL SOURCE OF FUNDS	172,708,942	79,992,165	149,904,480	162,649,456	114,626,330

* Actuals may not subtotal due to rounding.

Multi-Source Housing Fund (448)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
USE OF FUNDS					
Expenditures					
2017 Coyote Creek Flood Recovery Efforts	1,666,601	1,685,407	2,187,206	1,798,379	388,827
Bridge Housing Communities	1,368,523	1,700,000	1,700,000	1,642,380	57,620
CalHome (Homebuyer) Program	0	10,000	10,000	0	20,000
CalHome (Rehabilitation) Program	195,928	275,000	275,000	275,000	275,000
Capital Grant Program	711,328	0	0	0	0
CARES Emergency Shelter Grants	0	2,683,479	2,683,479	2,113,839	569,640
CARES HOPWA Grants	0	349,726	349,726	349,726	0
City Attorney Personal Services	160,207	88,126	88,126	88,126	88,075
Community Development Block Grant CV3	0	0	7,578,510	0	7,578,510
Crisis Response Interventions	3,302,331	204,987	479,987	851,916	0
Destination: Home COVID-19	1,900,000	0	0	0	0
Emergency Shelter Grants	858,730	882,711	882,711	882,711	883,719
Emergency Shelters	2,433,648	11,232,511	5,391,116	12,586,450	0
ESG CARES II Grant	0	0	3,286,839	40,000	3,419,842
Grant Administration	150,504	0	1,449,496	300,000	0
Homeless Rapid Rehousing	1,786,133	4,925,000	4,925,000	4,273,690	4,921,075
Homeless Outreach Services	258,091	500,000	650,000	380,153	269,847
Homeless Rapid Rehousing	0	0	0	0	0
Homeless Youth	0	2,000,000	2,000,000	200,000	0
Homelessness Prevention System	3,862,408	3,000,000	0	2,137,592	0
HOPWA GRANTS	1,139,577	1,397,182	1,397,182	1,397,182	1,553,405
HOPWA PSH	398,229	1,344,415	1,344,415	163,067	1,325,776
HOPWA VAWA	544,106	1,017,915	1,017,915	529,745	538,044
Housing Loans and Grants	192,823	200,000	4,650,000	4,650,000	0
Housing Non-Personal/Equipment	11,382	34,547	34,547	34,547	34,547
Housing Personal Services	359,262	1,078,978	1,078,978	551,929	947,273
Housing Shelter	0	0	21,864,018	5,235,701	17,028,318
Hygiene/Infection Control	0	0	3,882,000	66,000	4,057,976
Interim Housing Solutions	2,200,000	0	0	0	0
Loan Administration	50,848	525,000	525,000	289,133	412,785
Overhead	233,693	130,023	130,023	176,728	303,417
PBCE Personal Services	0	25,072	25,072	25,072	22,946
Permanent Supportive Housing Services	472,139	0	0	167,861	0
Plaza Hotel Operations	0	0	400,000	0	400,000
Project HomeKey	0	0	12,630,477	10,929,367	1,701,110
Rebuilding for Heroes	303,072	100,000	100,000	100,000	0
Recovery Act - Neighborhood Stabilization Program 2	240,000	200,000	200,000	200,000	200,000
Rock Springs Landlord Incentive	0	0	0	97,050	0
SB89 COVID-19 Emergency	0	3,919,821	3,919,821	650,000	3,269,821
Street Outreach and Support Services	0	0	3,403,982	0	3,403,982
Survivors of Violence Housing Assistance	25,265	0	0	49,735	50,265
VA Rental Subsidy Program	0	200,000	2,200,000	200,000	0
Total Expenditures	24,824,827	39,709,900	92,740,626	53,433,079	53,721,820
Transfers					
Transfer to the Affordable Housing Impact Fee Fund	1,891,932	0	0	0	0
Transfer to the City Hall Debt Service Fund	0	0	1,668	1,668	78,001
Transfer to the General Fund	0	0	21,736	21,736	0
Transfer to the Homeless Emergency Aid Program Fund	7,093,666	0	43,000	43,000	0
Transfer to the Housing Authority Litigation Award Fund	37,232,624	0	0	0	0
Transfer to the Inclusionary Fund	18,755,786	0	0	0	0
Transfer to the Rent Stabilization Program Fund	2,029,006	0	0	0	0
Total Transfers	67,003,014	0	66,404	66,404	78,001
2021-2022 Proposed Operating Budget					

* Actuals may not subtotal due to rounding.

Multi-Source Housing Fund (448)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
Ending Fund Balance					
City Housing Authority Reserve (Use)	8,754,418	8,028,502	5,878,502	5,878,502	5,878,502
Committed Projects Reserve (Use)	500,000	0	0	0	0
Housing Project Reserve (Use)	7,053,990	11,697,732	9,697,732	9,697,732	8,000,000
Reserve for Encumbrances (Use)	23,540,211	15,237,527	23,540,211	23,540,211	23,540,211
Unrestricted Ending Fund Balance (Use)	41,032,482	5,318,504	17,981,005	70,033,528	23,407,796
Total Ending Fund Balance	<u>80,881,101</u>	<u>40,282,265</u>	<u>57,097,450</u>	<u>109,149,973</u>	<u>60,826,509</u>
 TOTAL USE OF FUNDS	 <u><u>172,708,942</u></u>	 <u><u>79,992,165</u></u>	 <u><u>149,904,480</u></u>	 <u><u>162,649,456</u></u>	 <u><u>114,626,330</u></u>

* Actuals may not subtotal due to rounding.

Municipal Golf Course Fund (518)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	712,152	725,152	1,486,570	1,486,570	1,977,181
Total Beginning Fund Balance	712,152	725,152	1,486,570	1,486,570	1,977,181
Revenue from the Use of Money/Property					
Interest	96,453	12,000	12,000	90,000	50,000
San Jose Golf Courses	689,726	340,000	740,000	1,210,000	800,000
Total Revenue from the Use of Money/Property	786,179	352,000	752,000	1,300,000	850,000
Transfers					
General Fund	10,696,400	9,661,000	8,661,000	8,661,000	0
Total Transfers	10,696,400	9,661,000	8,661,000	8,661,000	0
TOTAL SOURCE OF FUNDS	12,194,731	10,738,152	10,899,570	11,447,570	2,827,181
USE OF FUNDS					
Expenditures					
Coyote Creek Environmental Mitigation	0	1,000	1,000	0	0
Los Lagos Debt Service	6,307,869	9,270,000	9,270,000	9,270,000	0
Los Lagos Golf Course	558,779	500,000	500,000	100,000	400,000
Rancho del Pueblo Debt Service	3,382,522	0	0	0	0
Rancho del Pueblo Golf Course	458,992	500,000	500,000	100,000	500,000
Total Expenditures	10,708,161	10,271,000	10,271,000	9,470,000	900,000
Transfers					
Transfer to the General Fund	0	0	389	389	0
Total Transfers	0	0	389	389	0
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	1,486,570	467,152	628,181	1,977,181	1,927,181
Total Ending Fund Balance	1,486,570	467,152	628,181	1,977,181	1,927,181
TOTAL USE OF FUNDS	12,194,731	10,738,152	10,899,570	11,447,570	2,827,181

* Actuals may not subtotal due to rounding.

Planning Development Fee Program Fund (238)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	0	0	0	0	1,691,108
Total Beginning Fund Balance	0	0	0	0	1,691,108
Revenue from the Use of Money/Property					
Interest	0	31,000	31,000	31,000	31,000
Total Revenue from the Use of Money/Property	0	31,000	31,000	31,000	31,000
Fees, Rates, and Charges					
Planning Development Program Fees	0	5,891,328	6,391,328	6,429,118	6,707,655
Total Fees, Rates, and Charges	0	5,891,328	6,391,328	6,429,118	6,707,655
Transfers					
General Fund	0	2,068,956	3,062,245	3,062,245	0
Total Transfers	0	2,068,956	3,062,245	3,062,245	0
TOTAL SOURCE OF FUNDS	0	7,991,284	9,484,573	9,522,363	8,429,763
USE OF FUNDS					
Expenditures					
Development Fee Program - Shared Resources Non-Personal/Equipment (ITD)	0	1,514	14,494	14,000	1,514
Development Fee Program - Shared Resources Non-Personal/Equipment (PBCE)	0	178,063	183,763	180,000	115,479
Development Fee Program - Shared Resources Personal Services (Finance)	0	38,886	38,886	38,886	28,253
Development Fee Program - Shared Resources Personal Services (HR)	0	17,734	17,734	17,734	18,523
Development Fee Program - Shared Resources Personal Services (ITD)	0	45,417	46,384	45,417	380,902
Development Fee Program - Shared Resources Personal Services (PBCE)	0	817,931	831,959	702,832	216,093
OED Personal Services	0	0	0	0	77,169
Overhead	0	873,695	873,695	873,695	814,224
Planning Development Fee Program - Non-Personal/Equipment (PBCE)	0	193,296	213,087	213,087	165,523
Planning Development Fee Program - Personal Services (PBCE)	0	4,674,357	5,459,392	5,459,392	5,032,892
Planning Development Fee Program - Personal Services (PW)	0	10,601	10,601	10,601	40,855
Total Expenditures	0	6,851,494	7,689,995	7,555,644	6,891,427
Transfers					
Transfer to the City Hall Debt Service Fund	0	340,133	275,611	275,611	226,747
Total Transfers	0	340,133	275,611	275,611	226,747
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	0	799,657	1,518,967	1,691,108	1,311,589
Total Ending Fund Balance	0	799,657	1,518,967	1,691,108	1,311,589
TOTAL USE OF FUNDS	0	7,991,284	9,484,573	9,522,363	8,429,763

* Actuals may not subtotal due to rounding.

Police and Fire Retirement Fund (135)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actual	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Claims (Source)	3,625,272,000	3,795,714,592	3,731,469,000	3,731,469,000	3,911,908,188
Total Beginning Fund Balance	3,625,272,000	3,795,714,592	3,731,469,000	3,731,469,000	3,911,908,188
Revenue from the Use of Money/Property					
Participant Income	40,780,000	42,987,000	42,987,000	42,983,392	43,660,000
Investment Income	135,305,000	211,756,011	211,756,011	206,656,286	211,834,292
Total Revenue from the Use of Money/Property	176,085,000	254,743,011	254,743,011	249,639,678	255,494,292
Transfers					
City Contributions	191,828,000	205,900,000	205,900,000	199,713,716	210,355,000
1970 COLA	534	1,000	1,000	534	1,000
1980 COLA	7,470	9,000	9,000	7,139	9,000
1990 COLA	3,801	4,000	4,000	3,801	4,000
Total Transfers	191,839,805	205,914,000	205,914,000	199,725,190	210,369,000
TOTAL SOURCE OF FUNDS	3,993,196,805	4,256,371,603	4,192,126,011	4,180,833,868	4,377,771,480
USE OF FUNDS					
Expenditures					
Retirement Personal Services	3,553,452	3,477,540	3,477,540	3,654,936	3,705,772
Retirement Non-Personal/Equipment	1,472,853	1,250,000	1,225,000	1,090,284	726,000
Benefits	231,008,000	234,580,000	234,580,000	238,258,472	250,113,000
Health Insurance	25,031,000	26,703,000	26,703,000	25,300,222	25,738,000
Professional Fees	650,695	983,703	970,296	610,292	912,815
1970 COLA	534	1,000	1,000	534	1,000
1980 COLA	7,470	9,000	9,000	7,139	9,000
1990 COLA	3,801	4,000	4,000	3,801	4,000
Total Expenditures	261,727,805	267,008,243	266,969,836	268,925,680	281,209,587
Ending Fund Balance					
Reserve for Claims (Use)	3,731,469,000	3,989,363,360	3,925,156,175	3,911,908,188	4,096,561,893
Total Ending Fund Balance	3,731,469,000	3,989,363,360	3,925,156,175	3,911,908,188	4,096,561,893
TOTAL USE OF FUNDS	3,993,196,805	4,256,371,603	4,192,126,011	4,180,833,868	4,377,771,480

This Statement of Source and Use is for display purposes only. The Police and Fire Retirement Plan Board of Administration approved the annual administrative budget on 3/4/21. It should be noted that the personal services costs reflected in this statement can vary from the budget presented to the Board due to revised salary, retirement, and benefit costs when compared to those that were projected in March.

Police Retiree Healthcare Trust Fund (125)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actual	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Claims (Source)	92,255,000	113,288,917	110,541,000	110,541,000	133,508,698
Total Beginning Fund Balance	<u>92,255,000</u>	<u>113,288,917</u>	<u>110,541,000</u>	<u>110,541,000</u>	<u>133,508,698</u>
Revenue from the Use of Money/Property					
Investment Income	3,722,000	7,860,433	7,860,433	7,681,952	8,880,516
Total Revenue from the Use of Money/Property	<u>3,722,000</u>	<u>7,860,433</u>	<u>7,860,433</u>	<u>7,681,952</u>	<u>8,880,516</u>
Transfers					
City Contributions	14,595,000	15,320,000	15,320,000	15,319,551	17,200,000
Total Transfers	<u>14,595,000</u>	<u>15,320,000</u>	<u>15,320,000</u>	<u>15,319,551</u>	<u>17,200,000</u>
TOTAL SOURCE OF FUNDS	<u><u>110,572,000</u></u>	<u><u>136,469,350</u></u>	<u><u>133,721,433</u></u>	<u><u>133,542,503</u></u>	<u><u>159,589,214</u></u>
USE OF FUNDS					
Expenditures					
Professional Fees	31,000	38,898	33,805	33,805	40,882
Total Expenditures	<u>31,000</u>	<u>38,898</u>	<u>33,805</u>	<u>33,805</u>	<u>40,882</u>
Ending Fund Balance					
Reserve for Claims (Use)	110,541,000	136,430,452	133,687,628	133,508,698	159,548,332
Total Ending Fund Balance	<u>110,541,000</u>	<u>136,430,452</u>	<u>133,687,628</u>	<u>133,508,698</u>	<u>159,548,332</u>
TOTAL USE OF FUNDS	<u><u>110,572,000</u></u>	<u><u>136,469,350</u></u>	<u><u>133,721,433</u></u>	<u><u>133,542,503</u></u>	<u><u>159,589,214</u></u>

This Statement of Source and Use is for display purposes only. The Police and Fire Retirement Plan Board of Administration approved the annual administrative budget on 3/4/21.

Public Works Development Fee Program Fund (241)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	0	0	0	0	5,426,261
Total Beginning Fund Balance	0	0	0	0	5,426,261
Revenue from the Use of Money/Property					
Interest	0	125,000	125,000	125,000	125,000
Total Revenue from the Use of Money/Property	0	125,000	125,000	125,000	125,000
Fees, Rates, and Charges					
Public Works Development Program Fees	0	6,479,200	6,479,200	6,601,260	8,376,000
Public Works Utility Program Fees	0	4,446,000	4,446,000	4,524,150	4,624,000
Total Fees, Rates, and Charges	0	10,925,200	10,925,200	11,125,410	13,000,000
Transfers					
General Fund	0	4,262,484	7,894,839	7,894,839	0
Total Transfers	0	4,262,484	7,894,839	7,894,839	0
TOTAL SOURCE OF FUNDS	0	15,312,684	18,945,039	19,145,249	18,551,261
USE OF FUNDS					
Expenditures					
Development Fee Program - Shared Resources Non-Personal/Equipment (ITD)	0	930	8,923	4,730	930
Development Fee Program - Shared Resources Personal Services (Finance)	0	22,875	22,875	6,828	16,127
Development Fee Program - Shared Resources Personal Services (ITD)	0	44,978	45,885	48,231	282,839
Overhead	0	1,970,377	1,970,377	1,970,377	1,795,255
Public Works Development Fee Program - Non-Personal/Equipment (PBCE)	0	107,495	119,706	100,937	74,301
Public Works Development Fee Program - Non-Personal/Equipment (PW)	0	298,907	298,907	298,907	290,907
Public Works Development Fee Program - Personal Services (OED)	0	55,847	55,847	69,107	103,797
Public Works Development Fee Program - Personal Services (PBCE)	0	454,457	458,598	442,728	139,597
Public Works Development Fee Program - Personal Services (PW)	0	10,684,208	10,684,208	10,684,208	10,933,636
Total Expenditures	0	13,640,074	13,665,326	13,626,053	13,637,389
Transfers					
Transfer to the City Hall Debt Service Fund	0	114,691	92,935	92,935	194,925
Total Transfers	0	114,691	92,935	92,935	194,925
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	0	1,557,919	5,186,778	5,426,261	4,718,947
Total Ending Fund Balance	0	1,557,919	5,186,778	5,426,261	4,718,947
TOTAL USE OF FUNDS	0	15,312,684	18,945,039	19,145,249	18,551,261

* Actuals may not subtotal due to rounding.

Public Works Program Support Fund (150)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Encumbrances (Source)	213,639	213,639	123,521	123,521	123,521
Unrestricted Beginning Fund Balance (Source)	2,315,440	1,076,179	746,936	746,936	1,450,464
Total Beginning Fund Balance	2,529,079	1,289,818	870,457	870,457	1,573,985
Revenue from the Use of Money/Property					
Interest	83,435	73,000	73,000	25,000	25,000
Total Revenue from the Use of Money/Property	83,435	73,000	73,000	25,000	25,000
Transfers					
Capital Program Support	1,773,891	2,052,000	2,052,000	1,987,000	2,240,000
Compensated Absence	10,170,202	10,938,000	10,938,000	11,400,000	11,130,000
Public Works Program Support	5,827,529	7,137,000	7,137,000	7,356,000	7,810,000
Total Transfers	17,771,623	20,127,000	20,127,000	20,743,000	21,180,000
TOTAL SOURCE OF FUNDS	20,384,136	21,489,818	21,070,457	21,638,457	22,778,985
USE OF FUNDS					
Expenditures					
Capital Program Staff Training	0	50,000	50,000	50,000	50,000
Capital Support Vehicle Program	140,446	250,000	250,000	250,000	250,000
Compensated Time Off	10,307,374	10,938,000	10,828,820	10,300,000	11,630,000
Finance Non-Personal/Equipment	34,744	20,000	20,000	20,000	20,000
Finance Personal Services	19,868	54,728	56,060	56,596	0
HR Personal Services	110,109	173,749	189,986	189,788	181,729
ITD Non-Personal/Equipment	35,218	77,880	77,880	77,880	2,142
ITD Personal Services	61,969	74,221	76,201	80,836	75,747
Overhead	1,325,198	1,277,703	1,277,703	1,277,703	1,232,805
PW Non-Personal/Equipment	892,998	736,759	736,759	736,759	695,767
PW Personal Services	6,585,754	6,619,736	6,728,916	7,024,910	7,240,695
Total Expenditures	19,513,679	20,272,776	20,292,325	20,064,472	21,378,885
Transfers					
Transfer to the City Hall Debt Service Fund	0	0	0	0	264,175
Transfer to the General Fund	0	0	1,135	0	0
Total Transfers	0	0	1,135	0	264,175
Ending Fund Balance					
Reserve for Encumbrances (Use)	123,521	213,639	123,521	123,521	123,521
Unrestricted Ending Fund Balance (Use)	746,936	1,003,403	653,476	1,450,464	1,012,404
Total Ending Fund Balance	870,457	1,217,042	776,997	1,573,985	1,135,925
TOTAL USE OF FUNDS	20,384,136	21,489,818	21,070,457	21,638,457	22,778,985

* Actuals may not subtotal due to rounding.

Public Works Small Cell Permitting Fee Program Fund (242)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	0	0	0	0	510,864
Total Beginning Fund Balance	0	0	0	0	510,864
Revenue from the Use of Money/Property					
Interest	0	10,000	10,000	10,000	10,000
Total Revenue from the Use of Money/Property	0	10,000	10,000	10,000	10,000
Fees, Rates, and Charges					
Public Works Small Cell Permitting Program Fees	0	3,699,000	4,041,368	5,778,696	4,168,945
Total Fees, Rates, and Charges	0	3,699,000	4,041,368	5,778,696	4,168,945
Transfers					
General Fund	0	711,413	711,413	711,413	0
Total Transfers	0	711,413	711,413	711,413	0
TOTAL SOURCE OF FUNDS	0	4,420,413	4,762,781	6,500,109	4,689,809
USE OF FUNDS					
Expenditures					
Overhead	0	566,440	566,440	566,440	612,464
Public Works Small Cell Permitting - Non-Personal/Equipment (PW)	0	12,000	62,000	62,000	10,000
Public Works Small Cell Permitting - Personal Services (PW)	0	3,090,072	3,132,672	4,870,000	3,823,061
Total Expenditures	0	3,668,512	3,761,112	5,498,440	4,445,525
Transfers					
Transfer to the City Hall Debt Service Fund	0	30,488	24,705	24,705	58,437
Transfer to the General Fund	0	0	466,100	466,100	0
Total Transfers	0	30,488	490,805	490,805	58,437
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	0	721,413	510,864	510,864	185,847
Total Ending Fund Balance	0	721,413	510,864	510,864	185,847
TOTAL USE OF FUNDS	0	4,420,413	4,762,781	6,500,109	4,689,809

* Actuals may not subtotal due to rounding.

Rental Stabilization Program Fee Fund (450)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Encumbrances (Source)	0	0	293,891	293,891	293,891
Unrestricted Beginning Fund Balance (Source)	0	1,692,375	2,827,679	2,827,679	2,465,355
Total Beginning Fund Balance	0	1,692,375	3,121,570	3,121,570	2,759,246
Fines, Forfeitures, and Penalties					
Apartment Rent Ordinance Fee	113,701	0	0	0	0
Total Fines, Forfeitures, and Penalties	113,701	0	0	0	0
Revenue from the Use of Money/Property					
Interest	9,688	10,000	10,000	25,000	10,000
Total Revenue from the Use of Money/Property	9,688	10,000	10,000	25,000	10,000
Fees, Rates, and Charges					
Apartment Rent Ordinance Fee	3,313,167	2,980,000	2,980,000	2,148,710	2,145,495
Ellis Act Fee	4,938	5,000	5,000	5,000	0
Mobilehome Ordinance Fee	259,877	260,000	260,000	215,980	213,740
Tenant Protection Ordinance Fee	434,347	750,000	750,000	260,101	479,600
Total Fees, Rates, and Charges	4,012,329	3,995,000	3,995,000	2,629,791	2,838,835
Transfers					
Multi-Source Housing Fund	2,029,006	0	0	0	0
Total Transfers	2,029,006	0	0	0	0
TOTAL SOURCE OF FUNDS	6,164,724	5,697,375	7,126,570	5,776,361	5,608,081
USE OF FUNDS					
Expenditures					
City Attorney Personal Services	507,597	528,817	528,817	528,817	584,854
Housing Non-Personal/Equipment	381,445	378,515	736,515	500,000	533,515
Housing Personal Services	1,732,066	2,678,159	2,678,159	1,500,000	2,700,268
Overhead	387,130	461,261	461,261	461,261	494,479
PBCE Personal Services	34,915	26,534	26,534	26,534	32,464
Total Expenditures	3,043,154	4,073,286	4,431,286	3,016,612	4,345,580
Transfers					
Transfer to the City Hall Debt Service Fund	0	0	0	0	158,235
Transfer to the General Fund	0	0	503	503	0
Total Transfers	0	0	503	503	158,235
Ending Fund Balance					
Reserve for Encumbrances (Use)	293,891	0	293,891	293,891	293,891
Unrestricted Ending Fund Balance (Use)	2,827,679	1,624,089	2,400,890	2,465,355	810,375
Total Ending Fund Balance	3,121,570	1,624,089	2,694,781	2,759,246	1,104,266
TOTAL USE OF FUNDS	6,164,724	5,697,375	7,126,570	5,776,361	5,608,081

* Actuals may not subtotal due to rounding.

San José Arena Capital Reserve Fund (459)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Previously Approved Repairs Reserve (Source)	961,247	2,753,054	2,753,054	2,753,054	1,804,547
Unrestricted Beginning Fund Balance (Source)	5,328,759	1,368,577	3,248,062	3,248,062	909,964
Total Beginning Fund Balance	6,290,006	4,121,631	6,001,116	6,001,116	2,714,511
Revenue from the Use of Money/Property					
Interest	180,841	85,000	85,000	100,000	85,000
San Jose Arena Management	1,420,000	1,700,000	1,700,000	1,420,000	1,420,000
Total Revenue from the Use of Money/Property	1,600,841	1,785,000	1,785,000	1,520,000	1,505,000
Transfers					
General Fund (Arena Revenue)	2,300,000	2,300,000	2,300,000	2,300,000	2,300,000
Total Transfers	2,300,000	2,300,000	2,300,000	2,300,000	2,300,000
TOTAL SOURCE OF FUNDS	10,190,847	8,206,631	10,086,116	9,821,116	6,519,511
USE OF FUNDS					
Expenditures					
Electrical Repairs	2,331,344	1,235,500	2,552,248	2,552,248	1,050,000
Mechanical Repairs	416,195	2,496,500	2,657,385	2,657,385	2,298,000
Miscellaneous Repairs	169,365	58,000	115,762	115,762	25,000
Structures Repairs	693,168	10,000	1,354,315	1,354,315	310,000
Unanticipated / Emergency Repairs	579,659	200,000	424,441	424,441	200,000
Total Expenditures	4,189,731	4,000,000	7,104,151	7,104,151	3,883,000
Transfers					
Transfer to the General Fund	0	0	2,454	2,454	0
Total Transfers	0	0	2,454	2,454	0
Ending Fund Balance					
Previously Approved Repairs Reserve (Use)	2,753,054	2,753,054	1,804,547	1,804,547	1,804,547
Unrestricted Ending Fund Balance (Use)	3,248,062	1,453,577	1,174,964	909,964	831,964
Total Ending Fund Balance	6,001,116	4,206,631	2,979,511	2,714,511	2,636,511
TOTAL USE OF FUNDS	10,190,847	8,206,631	10,086,116	9,821,116	6,519,511

* Actuals may not subtotal due to rounding.

San José Clean Energy Operating Fund (501)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Operations and Maintenance Reserve (Source)	0	20,000,000	20,000,000	20,000,000	20,000,000
Rate Stabilization Reserve (Source)	1,939,000	0	0	0	0
Reserve for Encumbrances (Source)	4,548,823	4,548,823	3,430,055	3,430,055	3,430,055
Restricted Credit Reserve	0	0	0	0	30,000,000
Unrestricted Beginning Fund Balance (Source)	11,745,930	22,890,396	30,526,013	30,310,225	23,751,785
Total Beginning Fund Balance	18,233,753	47,439,219	53,956,068	53,740,280	77,181,840
Revenue from the Use of Money/Property					
Interest	638,551	750,000	750,000	603,000	1,007,000
Total Revenue from the Use of Money/Property	638,551	750,000	750,000	603,000	1,007,000
Fees, Rates, and Charges					
Energy Sales	336,951,217	302,000,000	302,000,000	295,000,000	293,000,000
Total Fees, Rates, and Charges	336,951,217	302,000,000	302,000,000	295,000,000	293,000,000
Financing Proceeds					
Other Financing Proceeds	0	30,000,000	30,000,000	30,000,000	0
Total Financing Proceeds	0	30,000,000	30,000,000	30,000,000	0
TOTAL SOURCE OF FUNDS	355,823,521	380,189,219	386,706,068	379,343,280	371,188,840
USE OF FUNDS					
Expenditures					
Bonding and Security (CPUC)	0	150,000	150,000	0	0
City Attorney Non-Personal/Equipment	0	0	0	0	0
City Attorney Personal Services	593,671	781,343	781,343	655,000	1,018,342
City Manager Personal Services	0	97,565	97,565	50,000	82,062
Community Energy Non-Personal/Equipment	6,663,597	9,437,801	9,437,801	7,600,000	9,137,801
Community Energy Personal Services	4,378,750	5,766,081	5,766,081	5,300,000	7,524,543
Cost of Energy	285,072,758	272,074,395	272,074,395	272,074,395	285,000,000
Debt Service - Interest - CP	547,157	931,431	931,431	33,245	0
Debt Service - Interest - Revolver	152,500	613,564	613,564	156,000	200,000
Debt Service - Principal - CP	0	10,000,000	10,000,000	10,000,000	0
Finance Non-Personal/Equipment	0	24,000	24,000	24,000	24,000
Finance Personal Services	131,999	158,825	162,660	162,660	166,232
Letter of Credit Fees	859,189	407,114	947,114	947,114	1,200,000
Overhead	1,140,543	2,091,562	2,091,562	2,091,562	3,001,190
Pacific Gas & Electric Security Fees	1,401,912	1,512,000	1,512,000	1,512,000	1,512,000
San Jose Clean Energy Audits	0	124,920	124,920	124,920	129,000
State Electrical ENERGY Surcharge	925,376	1,235,028	1,235,028	1,235,028	1,235,028
Total Expenditures	301,867,452	305,405,629	305,949,464	301,965,924	310,230,198
Transfers					
Transfer to the City Hall Debt Service Fund	215,789	232,130	188,096	188,096	220,450
Transfer to the General Fund	0	0	7,420	7,420	0
Total Transfers	215,789	232,130	195,516	195,516	220,450
Ending Fund Balance					
Operations and Maintenance Reserve (Use)	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000
Reserve for Encumbrances (Use)	3,430,055	4,548,823	3,430,055	3,430,055	3,430,055
Restricted Credit Reserve (Use)	0	30,000,000	30,000,000	30,000,000	22,000,000
Unrestricted Ending Fund Balance (Use)	30,310,225	20,002,637	27,131,033	23,751,785	15,308,137
Total Ending Fund Balance	53,740,280	74,551,460	80,561,088	77,181,840	60,738,192
TOTAL USE OF FUNDS	355,823,521	380,189,219	386,706,068	379,343,280	371,188,840

San José Municipal Stadium Capital Fund (476)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Revenue from the Use of Money/Property					
Rent - Baseball Acquisition Company	0	39,000	39,000	39,000	39,000
Total Revenue from the Use of Money/Property	<u>0</u>	<u>39,000</u>	<u>39,000</u>	<u>39,000</u>	<u>39,000</u>
TOTAL SOURCE OF FUNDS	<u>0</u>	<u>39,000</u>	<u>39,000</u>	<u>39,000</u>	<u>39,000</u>
USE OF FUNDS					
Expenditures					
Capital Enhancements	0	39,000	39,000	39,000	39,000
Total Expenditures	<u>0</u>	<u>39,000</u>	<u>39,000</u>	<u>39,000</u>	<u>39,000</u>
TOTAL USE OF FUNDS	<u>0</u>	<u>39,000</u>	<u>39,000</u>	<u>39,000</u>	<u>39,000</u>

* Actuals may not subtotal due to rounding.

San José-Santa Clara Treatment Plant Income Fund (514)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	326,334	431,354	497,156	497,156	605,458
Total Beginning Fund Balance	<u>326,334</u>	<u>431,354</u>	<u>497,156</u>	<u>497,156</u>	<u>605,458</u>
Revenue from the Use of Money/Property					
Interest	6,784	8,410	8,410	8,410	8,410
Rental	164,038	100,000	100,000	100,000	100,000
Total Revenue from the Use of Money/Property	<u>170,822</u>	<u>108,410</u>	<u>108,410</u>	<u>108,410</u>	<u>108,410</u>
TOTAL SOURCE OF FUNDS	<u><u>497,156</u></u>	<u><u>539,764</u></u>	<u><u>605,566</u></u>	<u><u>605,566</u></u>	<u><u>713,868</u></u>
USE OF FUNDS					
Transfers					
Transfer to the General Fund	0	0	108	108	0
Total Transfers	<u>0</u>	<u>0</u>	<u>108</u>	<u>108</u>	<u>0</u>
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	497,156	539,764	605,458	605,458	713,868
Total Ending Fund Balance	<u>497,156</u>	<u>539,764</u>	<u>605,458</u>	<u>605,458</u>	<u>713,868</u>
TOTAL USE OF FUNDS	<u><u>497,156</u></u>	<u><u>539,764</u></u>	<u><u>605,566</u></u>	<u><u>605,566</u></u>	<u><u>713,868</u></u>

* Actuals may not subtotal due to rounding.

San José-Santa Clara Treatment Plant Operating Fund (513)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Operations and Maintenance Reserve (Source)	16,203,000	16,900,000	16,900,000	16,900,000	16,705,000
Reserve for Encumbrances (Source)	2,961,023	2,961,023	3,683,951	3,683,951	3,683,951
Unrestricted Beginning Fund Balance (Source)	13,792,975	18,376,477	21,028,012	21,028,012	20,959,348
Workers' Compensation Claims Reserve (Source)	2,352,000	2,352,000	2,352,000	2,352,000	2,352,000
Total Beginning Fund Balance	35,308,998	40,589,500	43,963,963	43,963,963	43,700,299
Revenue from the Use of Money/Property					
Interest	1,481,943	430,000	430,000	1,100,000	1,100,000
Total Revenue from the Use of Money/Property	1,481,943	430,000	430,000	1,100,000	1,100,000
Revenue from Local Agencies					
Contributions - Other Agencies	19,554,838	27,300,000	19,036,440	20,248,329	19,389,382
Contributions - Santa Clara	13,320,094	17,500,000	12,204,600	13,339,512	13,750,000
Total Revenue from Local Agencies	32,874,932	44,800,000	31,241,040	33,587,841	33,139,382
Other Revenue					
Miscellaneous	171,894	340,000	340,000	357,000	340,000
South Bay Dischargers Authority	33,624	0	0	53,515	0
Total Other Revenue	205,518	340,000	340,000	410,515	340,000
Transfers					
Sewer Service and Use Charge Fund	64,000,000	85,500,000	62,258,960	62,258,690	64,000,000
Total Transfers	64,000,000	85,500,000	62,258,960	62,258,690	64,000,000
TOTAL SOURCE OF FUNDS	133,871,391	171,659,500	138,233,963	141,321,009	142,279,681
USE OF FUNDS					
Expenditures					
City Attorney Personal Services	67,839	93,366	93,366	82,200	69,504
City Manager Non-Personal/Equipment	19,640	18,375	18,375	18,375	18,375
City Manager Personal Services	5,262	0	0	0	0
ESD Non-Personal/Equipment	24,234,527	34,680,552	35,152,940	27,381,800	32,499,410
ESD Personal Services	51,263,370	57,113,685	57,113,685	52,617,600	59,020,531
Finance Non-Personal/Equipment	0	2,958	2,958	2,900	2,958
Finance Personal Services	122,713	126,872	126,872	120,500	117,613
HR Non-Personal/Equipment	1,500	1,500	1,500	1,400	1,500
HR Personal Services	338,000	325,128	325,128	308,900	329,940
Inventory	425,483	600,000	600,000	540,000	600,000
ITD Non-Personal/Equipment	34,012	101,011	101,011	96,000	14,604
ITD Personal Services	64,305	101,080	101,080	100,100	95,436
Legacy Lagoons Remediation	0	39,300,000	2,500,000	2,500,000	2,500,000
Overhead	11,762,560	12,255,861	12,255,861	12,255,861	12,280,237
PW Non-Personal/Equipment	6,612	7,000	7,000	7,000	7,000
PW Personal Services	97,530	101,466	101,466	101,000	106,420
Workers' Compensation Claims	497,166	605,000	605,000	705,000	700,000
Total Expenditures	88,940,519	145,433,854	109,106,242	96,838,636	108,363,528
Transfers					
Transfer to the City Hall Debt Service Fund	966,909	944,260	944,260	765,137	1,032,277
Transfer to the General Fund	0	0	0	16,937	0
Total Transfers	966,909	944,260	944,260	782,074	1,032,277

San José-Santa Clara Treatment Plant Operating Fund (513)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
Ending Fund Balance					
Operations and Maintenance Reserve (Use)	16,900,000	16,705,000	16,705,000	16,705,000	18,683,919
Reserve for Encumbrances (Use)	3,683,951	2,961,023	3,683,951	3,683,951	3,683,951
Unrestricted Ending Fund Balance (Use)	21,028,012	3,263,363	5,442,510	20,959,348	8,164,006
Workers' Compensation Claim Reserve (Use)	2,352,000	2,352,000	2,352,000	2,352,000	2,352,000
Total Ending Fund Balance	<u>43,963,963</u>	<u>25,281,386</u>	<u>28,183,461</u>	<u>43,700,299</u>	<u>32,883,876</u>
 TOTAL USE OF FUNDS	 <u><u>133,871,391</u></u>	 <u><u>171,659,500</u></u>	 <u><u>138,233,963</u></u>	 <u><u>141,321,009</u></u>	 <u><u>142,279,681</u></u>

* Actuals may not subtotal due to rounding.

Sewage Treatment Plant Connection Fee Fund (539)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Treatment Plant Expansion Reserve (Source)	15,044,537	18,330,536	18,328,204	18,328,204	19,381,871
Total Beginning Fund Balance	15,044,537	18,330,536	18,328,204	18,328,204	19,381,871
Revenue from the Use of Money/Property					
Interest	339,434	398,819	398,819	270,000	154,000
Total Revenue from the Use of Money/Property	339,434	398,819	398,819	270,000	154,000
Fees, Rates, and Charges					
Connection Fees	3,418,233	2,100,000	2,100,000	1,413,000	2,413,000
Metcalf Energy Center Repayment	0	313,000	313,000	0	0
Total Fees, Rates, and Charges	3,418,233	2,413,000	2,413,000	1,413,000	2,413,000
TOTAL SOURCE OF FUNDS	18,802,204	21,142,355	21,140,023	20,011,204	21,948,871
USE OF FUNDS					
Expenditures					
Collection Costs	474,000	623,676	623,676	623,676	641,709
Total Expenditures	474,000	623,676	623,676	623,676	641,709
Transfers					
Transfer to the City Hall Debt Service Fund	0	0	0	0	7,786
Transfer to the General Fund	0	0	5,657	5,657	0
Total Transfers	0	0	5,657	5,657	7,786
Ending Fund Balance					
Treatment Plant Expansion Reserve (Use)	18,328,204	20,518,679	20,510,690	19,381,871	21,299,376
Total Ending Fund Balance	18,328,204	20,518,679	20,510,690	19,381,871	21,299,376
TOTAL USE OF FUNDS	18,802,204	21,142,355	21,140,023	20,011,204	21,948,871

* Actuals may not subtotal due to rounding.

Sewer Service And Use Charge Fund (541)**

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Capital Program-Financing Reserve (Source)	50,000,000	56,500,000	56,500,000	56,500,000	42,000,000
Debt Service Reserve (Source)	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
Operations and Maintenance Reserve (Source)	5,305,000	5,721,876	5,721,876	5,721,876	6,002,000
Rate Stabilization Reserve (Source)	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Reserve for Encumbrances (Source)	2,110,464	2,110,464	990,162	990,162	990,162
Unrestricted Beginning Fund Balance (Source)	8,310,632	6,685,011	6,317,024	6,317,024	27,902,667
Workers' Compensation Claims Reserve (Source)	760,000	760,000	760,000	760,000	760,000
Total Beginning Fund Balance	74,486,096	79,777,351	78,289,062	78,289,062	85,654,829
Revenue from the Use of Money/Property					
Interest	521,774	1,600,000	1,600,000	640,000	650,000
Total Revenue from the Use of Money/Property	521,774	1,600,000	1,600,000	640,000	650,000
Fees, Rates, and Charges					
Commercial	23,354,403	25,008,000	25,008,000	25,300,000	25,008,000
Industrial	4,570,073	5,304,000	5,304,000	4,700,000	5,304,000
Residential	136,261,261	140,400,000	140,400,000	142,000,000	140,400,000
Sewer Installation	159,320	60,000	60,000	60,000	60,000
Total Fees, Rates, and Charges	164,345,056	170,772,000	170,772,000	172,060,000	170,772,000
Other Revenue					
Miscellaneous	315,563	0	0	0	0
Total Other Revenue	315,563	0	0	0	0
Transfers					
South Bay Water Recycling Operating Fund (Source)	2,266,575	1,116,344	2,000,000	2,000,000	464,265
Total Transfers	2,266,575	1,116,344	2,000,000	2,000,000	464,265
TOTAL SOURCE OF FUNDS	241,935,065	253,265,695	252,661,062	252,989,062	257,541,094

* Actuals may not subtotal due to rounding.

Sewer Service And Use Charge Fund (541)**

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
USE OF FUNDS					
Expenditures					
City Attorney Non-Personal/Equipment	0	200,000	200,000	180,000	0
City Attorney Personal Services	1,027,509	1,224,150	1,224,150	1,052,800	993,094
City Manager Non-Personal/Equipment	6,349	6,125	6,125	6,125	6,125
City Manager Personal Services	5,262	0	0	0	0
Clean Water Financing Authority Audit	25,359	32,272	32,272	32,272	32,272
Collection Costs	467,802	517,000	517,000	517,000	517,000
Customer Information System Transition	3,507	0	0	0	0
DOT Non-Personal/Equipment	6,704,757	6,950,026	6,950,026	6,255,000	6,896,806
DOT Personal Services	13,567,981	15,102,755	15,102,755	14,574,200	15,544,282
ESD Non-Personal/Equipment	242,272	344,329	351,705	348,200	534,244
ESD Personal Services	1,629,044	1,887,975	1,887,975	1,585,900	1,938,484
Facilities Capital Repairs and Maintenance	37,734	40,000	40,000	40,000	40,000
Finance Non-Personal/Equipment	701	16,750	16,750	15,100	16,750
Finance Personal Services	394,914	459,798	459,798	441,400	292,220
HR Personal Services	29,477	35,676	35,676	33,500	39,498
IDC Disposal Contract	136,412	150,000	150,000	142,500	150,000
ITD Non-Personal/Equipment	20,797	36,314	36,314	34,500	17,683
ITD Personal Services	104,046	126,153	128,641	124,900	128,121
Major Litigation Costs	404,601	1,500,000	1,500,000	1,425,000	1,500,000
Overhead	5,236,673	5,299,929	5,299,929	5,299,929	5,348,438
PBCE Personal Services	74,218	107,679	110,488	106,600	113,769
PW Non-Personal/Equipment	219,445	312,460	312,460	309,300	310,460
PW Personal Services	1,610,228	2,114,768	2,114,768	1,691,800	2,178,812
Sanitary Sewer Claims	86,333	175,000	175,000	175,000	175,000
Workers' Compensation Claims	154,057	204,000	204,000	204,000	204,000
Total Expenditures	32,189,479	36,843,159	36,855,832	34,595,026	36,977,058
Transfers					
Transfer to the City Hall Debt Service Fund	459,524	432,127	350,154	350,154	399,904
Transfer to the General Fund	0	0	13,178	13,178	0
Transfer to the San Jose-Santa Clara Treatment Plant Capital Fund	34,997,000	38,297,000	38,297,000	38,297,000	33,422,000
Transfer to the San Jose-Santa Clara Treatment Plant Operating Fund	64,000,000	85,500,000	62,258,960	62,078,875	64,000,000
Transfer to the Sewer Service and Use Charge Capital Improvement Fund	32,000,000	32,000,000	32,000,000	32,000,000	35,000,000
Total Transfers	131,456,524	156,229,127	132,919,292	132,739,207	132,821,904
Ending Fund Balance					
Capital Program/Financing Reserve (Use)	56,500,000	38,500,000	38,500,000	42,000,000	50,000,000
Debt Service Reserve (Use)	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
Operations and Maintenance Reserve (Use)	5,721,876	6,002,000	6,002,000	6,002,000	6,050,000
Rate Stabilization Reserve (Use)	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Reserve for Encumbrances (Use)	990,162	2,110,464	990,162	990,162	990,162
Unrestricted Ending Fund Balance (Use)	6,317,024	4,820,945	28,633,776	27,902,667	21,941,970
Workers' Compensation Claim Reserve (Use)	760,000	760,000	760,000	760,000	760,000
Total Ending Fund Balance	78,289,062	60,193,409	82,885,938	85,654,829	87,742,132
TOTAL USE OF FUNDS	241,935,065	253,265,695	252,661,062	252,989,062	257,541,094

* Actuals may not subtotal due to rounding.

** The 2021-2022 Proposed Sewer Service and Use Charge Fund includes no rate increase to Sanitary Sewer Service and Use Charge revenues.

South Bay Water Recycling Operating Fund (570)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Operations and Maintenance Reserve (Source)	1,287,815	1,533,214	1,533,214	1,533,214	1,467,432
Reserve for Encumbrances (Source)	509,808	509,808	581,510	581,510	581,510
Unrestricted Beginning Fund Balance (Source)	259,533	440,220	(236,734)	(236,734)	245,295
Total Beginning Fund Balance	2,057,156	2,483,242	1,877,990	1,877,990	2,294,237
Revenue from the Use of Money/Property					
Interest	71,007	49,185	49,185	49,185	49,185
Total Revenue from the Use of Money/Property	71,007	49,185	49,185	49,185	49,185
Fees, Rates, and Charges					
Recycled Water Sales - Santa Clara	4,883,426	4,908,916	4,908,916	4,278,743	4,723,714
Recycled Water Sales - San Jose Water Company	3,064,103	3,071,363	3,071,363	3,438,393	3,795,972
Recycled Water Sales - Milpitas	1,391,355	1,347,163	1,347,163	1,406,206	1,552,449
Recycled Water Sales - San Jose Municipal Water System	4,825,168	4,859,064	4,859,064	5,198,035	5,739,399
Total Fees, Rates, and Charges	14,164,052	14,186,506	14,186,506	14,321,377	15,811,534
TOTAL SOURCE OF FUNDS	16,292,215	16,718,933	16,113,681	16,248,552	18,154,956
USE OF FUNDS					
Expenditures					
ESD Non-Personal/Equipment	3,871,061	2,972,607	2,972,607	3,316,971	8,227,470
ESD Personal Services	4,107,753	5,150,091	5,150,091	4,568,053	5,762,229
ITD Non-Personal/Equipment	3,218	8,882	8,882	8,882	521
Overhead	696,611	633,064	633,064	633,064	765,107
SCVWD - Advanced Water Treatment	3,420,617	1,000,000	3,000,000	3,389,283	641,127
Total Expenditures	12,099,260	9,764,644	11,764,644	11,916,253	15,396,454
Transfers					
Transfer to the City Hall Debt Service Fund	48,390	44,565	44,565	36,111	73,641
Transfer to the General Fund	0	0	0	1,951	0
Transfer to the Sewer Service and Use Charge Fund	2,266,575	1,116,344	2,000,000	2,000,000	464,265
Total Transfers	2,314,965	1,160,909	2,044,565	2,038,062	537,906
Ending Fund Balance					
Operations and Maintenance Reserve (Use)	1,533,214	1,467,432	1,467,432	1,467,432	1,054,552
Reserve for Encumbrances (Use)	581,510	509,808	581,510	581,510	581,510
Unrestricted Ending Fund Balance (Use)	(236,734)	3,816,140	255,530	245,295	584,534
Total Ending Fund Balance	1,877,990	5,793,380	2,304,472	2,294,237	2,220,596
TOTAL USE OF FUNDS	16,292,215	16,718,933	16,113,681	16,248,552	18,154,956

* Actuals may not subtotal due to rounding.

St. James Park Management District Fund (345)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Encumbrances (Source)	56,764	56,764	9,373	9,373	9,373
Unrestricted Beginning Fund Balance (Source)	3,039,962	2,533,084	2,587,029	2,587,029	2,121,528
Total Beginning Fund Balance	3,096,726	2,589,848	2,596,402	2,596,402	2,130,901
Revenue from the Use of Money/Property					
Interest	59,113	20,809	20,809	40,000	30,000
Total Revenue from the Use of Money/Property	59,113	20,809	20,809	40,000	30,000
TOTAL SOURCE OF FUNDS	3,155,839	2,610,657	2,617,211	2,636,402	2,160,901
USE OF FUNDS					
Expenditures					
Overhead	60,718	97,197	97,197	97,197	117,966
PRNS Non-Personal/Equipment	284,706	245,000	245,000	200,000	257,000
PRNS Personal Services	205,853	301,750	301,750	200,000	333,910
Total Expenditures	551,277	643,947	643,947	497,197	708,876
Transfers					
Transfer to the City Hall Debt Service Fund	8,160	9,184	7,442	7,442	7,042
Transfer to the General Fund	0	0	862	862	0
Total Transfers	8,160	9,184	8,304	8,304	7,042
Ending Fund Balance					
Reserve for Encumbrances (Use)	9,373	56,764	9,373	9,373	9,373
Unrestricted Ending Fund Balance (Use)	2,587,029	1,900,762	1,955,587	2,121,528	1,435,610
Total Ending Fund Balance	2,596,402	1,957,526	1,964,960	2,130,901	1,444,983
TOTAL USE OF FUNDS	3,155,839	2,610,657	2,617,211	2,636,402	2,160,901

* Actuals may not subtotal due to rounding.

State Drug Forfeiture Fund (417)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Unrestricted Beginning Fund Balance (Source)	489,931	715,281	721,150	721,150	372,126
Total Beginning Fund Balance	489,931	715,281	721,150	721,150	372,126
Revenue from the Use of Money/Property					
Interest	1,022	0	0	0	0
Total Revenue from the Use of Money/Property	1,022	0	0	0	0
Revenue from State of California					
State Revenue	279,433	0	0	240,000	0
Total Revenue from State of California	279,433	0	0	240,000	0
Other Revenue					
Miscellaneous	(3,260)	0	0	0	0
Total Other Revenue	(3,260)	0	0	0	0
TOTAL SOURCE OF FUNDS	767,126	715,281	721,150	961,150	372,126
USE OF FUNDS					
Expenditures					
Police Non-Personal/Equipment	45,976	485,000	589,024	589,024	0
Total Expenditures	45,976	485,000	589,024	589,024	0
Ending Fund Balance					
Unrestricted Ending Fund Balance (Use)	721,150	230,281	132,126	372,126	372,126
Total Ending Fund Balance	721,150	230,281	132,126	372,126	372,126
TOTAL USE OF FUNDS	767,126	715,281	721,150	961,150	372,126

* Actuals may not subtotal due to rounding.

Storm Sewer Operating Fund (446)**

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
2018-2019 Blighted Street Medians, Gateways and Roadside Areas Reserve (Source)	300,000	0	0	0	0
Capital Program Reserve (Source)	2,200,000	9,000,000	9,000,000	9,000,000	7,000,000
Grant Match Reserve (Source)	500,000	500,000	500,000	500,000	500,000
Operations and Maintenance Reserve (Source)	4,279,000	4,155,000	4,155,000	4,155,000	4,458,885
Permit Implementation Reserve (Source)	500,000	500,000	500,000	500,000	500,000
Reserve for Encumbrances (Source)	776,060	776,060	1,666,490	1,666,490	1,666,490
Unrestricted Beginning Fund Balance (Source)	15,533,056	4,020,438	5,916,285	5,918,787	7,127,866
Total Beginning Fund Balance	24,088,116	18,951,498	21,737,775	21,740,277	21,253,241
Fines, Forfeitures, and Penalties					
Penalties	(106)	9,000	9,000	0	9,000
Total Fines, Forfeitures, and Penalties	(106)	9,000	9,000	0	9,000
Revenue from the Use of Money/Property					
Interest	237,454	183,042	183,042	183,000	183,000
Total Revenue from the Use of Money/Property	237,454	183,042	183,042	183,000	183,000
Other Revenue					
Miscellaneous	123,025	0	0	134,000	0
Total Other Revenue	123,025	0	0	134,000	0
Special Assessments					
Assessments	33,606,011	33,969,000	33,969,000	33,730,000	34,138,845
Total Special Assessments	33,606,011	33,969,000	33,969,000	33,730,000	34,138,845
TOTAL SOURCE OF FUNDS	58,054,500	53,112,540	55,898,817	55,787,277	55,584,086
USE OF FUNDS					
Expenditures					
Collection Fees	97,062	100,000	100,000	100,000	100,000
Customer Information System Transition	2,484	0	0	0	0
DOT Non-Personal/Equipment	2,326,328	2,665,572	2,665,572	2,665,572	2,325,247
DOT Personal Services	5,599,208	5,992,042	6,044,920	6,044,920	6,098,569
ESD Non-Personal/Equipment	2,000,502	2,561,627	2,566,369	2,566,369	2,989,336
ESD Personal Services	6,048,276	7,312,451	7,312,451	6,466,583	7,859,564
Finance Personal Services	12,766	33,435	33,435	11,706	79,805
Fire Non-Personal/Equipment	0	0	175,000	175,000	175,000
HR Non-Personal/Equipment	(7)	0	0	0	0
HR Personal Services	47,247	56,267	56,267	55,451	57,883
IDC Contract	125,030	153,979	153,979	153,979	153,979
ITD Non-Personal/Equipment	14,690	40,475	40,475	30,000	17,113
ITD Personal Services	93,300	120,258	120,258	120,258	121,402
Overhead	3,319,008	3,306,028	3,306,028	3,306,028	3,558,270
PBCE Personal Services	83,855	109,246	109,246	109,246	114,219
PW Non-Personal/Equipment	19,164	48,000	48,000	48,000	48,000
PW Personal Services	763,114	742,498	742,498	742,498	779,291
Workers' Compensation Claims	82,811	100,000	100,000	100,000	100,000
Yard Trimming Collection/Processing	2,188,311	2,301,513	2,301,513	2,301,513	2,800,021
Total Expenditures	22,823,149	25,643,391	25,876,011	24,997,123	27,377,699

* Actuals may not subtotal due to rounding.

Storm Sewer Operating Fund (446)**

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
Transfers					
Transfer to the City Hall Debt Service Fund	593,915	549,007	444,862	444,862	307,818
Transfer to the Community Facilities Dist No. 13 (Guadalupe Mines) Fund	10,121	10,121	10,121	10,121	10,121
Transfer to the Community Facilities Dist No. 15 (Berryessa - Sierra) Fund	26,920	26,920	26,920	26,920	26,920
Transfer to the Community Facilities District No. 16 (Raleigh - Coronado) Fund	28,000	28,000	28,000	28,000	28,000
Transfer to the General Fund	0	0	4,892	4,892	0
Transfer to the Maintenance District No. 15 Fund	22,118	22,118	22,118	22,118	22,118
Transfer to the Storm Sewer Capital Fund	12,810,000	9,000,000	9,000,000	9,000,000	11,500,000
Total Transfers	13,491,074	9,636,166	9,536,913	9,536,913	11,894,977
Ending Fund Balance					
Capital Program Reserve (Use)	9,000,000	7,000,000	7,000,000	7,000,000	7,000,000
Grant Match Reserve (Use)	500,000	500,000	500,000	500,000	500,000
Operations and Maintenance Reserve (Use)	4,155,000	4,458,885	4,458,885	4,458,885	4,458,885
Permit Implementation Reserve (Use)	500,000	500,000	500,000	500,000	500,000
Reserve for Encumbrances (Use)	1,666,490	776,060	1,666,490	1,666,490	1,666,490
Unrestricted Ending Fund Balance (Use)	5,918,787	4,598,038	6,360,518	7,127,866	2,186,035
Total Ending Fund Balance	21,740,277	17,832,983	20,485,893	21,253,241	16,311,410
TOTAL USE OF FUNDS	58,054,500	53,112,540	55,898,817	55,787,277	55,584,086

* Actuals may not subtotal due to rounding.

** The 2021-2022 Proposed Storm Sewer Operating Fund's assessments revenue includes no change to the Storm Sewer Service Charge.

Supplemental Law Enforcement Services Fund (414)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Encumbrances (Source)	455,873	455,873	849,281	849,281	849,281
Unrestricted Beginning Fund Balance (Source)	1,663,058	4,043,998	4,641,435	2,260,495	92,366
Total Beginning Fund Balance	2,118,931	4,499,871	5,490,716	3,109,776	941,647
Revenue from the Use of Money/Property					
Interest	59,283	0	0	0	0
Total Revenue from the Use of Money/Property	59,283	0	0	0	0
Revenue from State of California					
State Revenue	2,474,732	0	1,742,141	1,992,141	0
Total Revenue from State of California	2,474,732	0	1,742,141	1,992,141	0
TOTAL SOURCE OF FUNDS	4,652,946	4,499,871	7,232,857	5,101,917	941,647
USE OF FUNDS					
Expenditures					
SLES Grant 2016-2018	40,155	59,313	59,313	67,055	0
SLES Grant 2017-2019	262,052	27,845	33,004	33,004	0
SLES Grant 2018-2020	1,183,152	543,091	648,196	648,196	0
SLES Grant 2019-2021	57,811	1,351,296	2,412,015	2,412,015	0
SLES Grant 2020-2022	0	0	750,000	1,000,000	0
Total Expenditures	1,543,170	1,981,545	3,902,528	4,160,270	0
Transfers					
Transfer to the General Fund	0	0	1,033	0	0
Total Transfers	0	0	1,033	0	0
Ending Fund Balance					
Reserve for Encumbrances (Use)	849,281	455,873	849,281	849,281	849,281
Unrestricted Ending Fund Balance (Use)	2,260,495	2,062,453	2,480,015	92,366	92,366
Total Ending Fund Balance	3,109,776	2,518,326	3,329,296	941,647	941,647
TOTAL USE OF FUNDS	4,652,946	4,499,871	7,232,857	5,101,917	941,647

* Actuals may not subtotal due to rounding.

Transient Occupancy Tax Fund (461)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Encumbrances (Source)	667,026	667,026	983,873	983,873	983,873
Unrestricted Beginning Fund Balance (Source)	8,994,230	2,368,030	4,283,804	4,283,804	393,029
Total Beginning Fund Balance	<u>9,661,256</u>	<u>3,035,056</u>	<u>5,267,677</u>	<u>5,267,677</u>	<u>1,376,902</u>
Transient Occupancy Tax					
Transient Occupancy Tax Revenue	21,225,615	13,500,000	8,300,000	7,470,000	15,000,000
Total Transient Occupancy Tax	<u>21,225,615</u>	<u>13,500,000</u>	<u>8,300,000</u>	<u>7,470,000</u>	<u>15,000,000</u>
Licenses and Permits					
OCA Special Event Permits	17,990	30,000	5,655	5,000	30,000
Total Licenses and Permits	<u>17,990</u>	<u>30,000</u>	<u>5,655</u>	<u>5,000</u>	<u>30,000</u>
Revenue from the Use of Money/Property					
Interest	389	75,000	75,000	20,000	25,000
Total Revenue from the Use of Money/Property	<u>389</u>	<u>75,000</u>	<u>75,000</u>	<u>20,000</u>	<u>25,000</u>
Other Revenue					
Miscellaneous	15,150	0	0	0	0
Total Other Revenue	<u>15,150</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL SOURCE OF FUNDS	<u>30,920,399</u>	<u>16,640,056</u>	<u>13,648,332</u>	<u>12,762,677</u>	<u>16,431,902</u>
USE OF FUNDS					
Expenditures					
Cultural Grants	5,915,248	2,812,612	2,889,634	2,682,134	1,674,148
Cultural Grants Administration	1,966,218	2,251,774	2,251,774	2,251,774	2,301,488
San José Convention and Visitors Bureau	6,579,878	3,440,750	2,487,001	2,279,501	3,822,000
Total Expenditures	<u>14,461,344</u>	<u>8,505,136</u>	<u>7,628,409</u>	<u>7,213,409</u>	<u>7,797,636</u>
Transfers					
Transfer to the Convention and Cultural Affairs Fund	11,191,378	6,494,865	4,587,366	4,172,366	7,257,365
Total Transfers	<u>11,191,378</u>	<u>6,494,865</u>	<u>4,587,366</u>	<u>4,172,366</u>	<u>7,257,365</u>
Ending Fund Balance					
Reserve for Encumbrances (Use)	983,873	667,026	983,873	983,873	983,873
Unrestricted Ending Fund Balance (Use)	4,283,804	973,029	448,684	393,029	393,028
Total Ending Fund Balance	<u>5,267,677</u>	<u>1,640,055</u>	<u>1,432,557</u>	<u>1,376,902</u>	<u>1,376,901</u>
TOTAL USE OF FUNDS	<u>30,920,399</u>	<u>16,640,056</u>	<u>13,648,332</u>	<u>12,762,677</u>	<u>16,431,902</u>

* Actuals may not subtotal due to rounding.

Vehicle Maintenance And Operations Fund (552)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Fuel Usage Reserve (Source)	0	250,000	250,000	250,000	300,000
Reserve for Encumbrances (Source)	1,626,711	1,626,711	2,578,833	2,578,833	2,578,833
Salaries and Benefits Reserve (Source)	69,900	0	0	0	0
Unrestricted Beginning Fund Balance (Source)	1,225,255	1,463,087	1,375,348	1,375,348	726,032
Total Beginning Fund Balance	2,921,866	3,339,798	4,204,181	4,204,181	3,604,865
Revenue from the Use of Money/Property					
Interest	84,794	70,000	70,000	70,000	35,000
Total Revenue from the Use of Money/Property	84,794	70,000	70,000	70,000	35,000
Other Revenue					
Miscellaneous	51,904	40,000	40,000	40,000	40,000
Total Other Revenue	51,904	40,000	40,000	40,000	40,000
Transfers					
Departmental Charges (M&O)	18,362,900	19,907,690	19,907,690	18,000,000	20,376,000
Replacement Charges	5,152,198	5,412,880	6,222,880	6,222,880	7,522,390
Total Transfers	23,515,098	25,320,570	26,130,570	24,222,880	27,898,390
TOTAL SOURCE OF FUNDS	26,573,663	28,770,368	30,444,751	28,537,061	31,578,255
USE OF FUNDS					
Expenditures					
HR Personal Services (Vehicle M&O)	71,692	85,864	85,864	85,864	91,596
Inventory Purchases	7,216,980	7,562,690	7,562,690	6,900,000	7,439,000
ITD Non-Personal/Equipment	8,805	6,120	6,120	6,120	630
Overhead	603,052	717,947	717,947	717,947	796,927
PW Non-Personal/Equipment	2,068,603	2,259,143	2,259,143	2,200,000	2,479,266
PW Personal Services	7,809,278	8,805,468	8,805,468	8,000,000	9,092,093
Vehicle Replacements	4,364,133	5,785,880	6,760,880	6,760,880	7,772,390
Workers' Compensation Claims	58,240	125,000	125,000	125,000	100,000
Total Expenditures	22,200,782	25,348,112	26,323,112	24,795,811	27,771,902
Transfers					
Transfer to the City Hall Debt Service Fund	93,700	82,582	65,248	65,248	77,062
Transfer to the General Fund	0	0	1,137	1,137	0
Transfer to the General Fund - Interest Income	75,000	70,000	70,000	70,000	35,000
Total Transfers	168,700	152,582	136,385	136,385	112,062
Ending Fund Balance					
Fuel Usage Reserve (Use)	250,000	300,000	300,000	300,000	300,000
Reserve for Encumbrances (Use)	2,578,833	1,626,711	2,578,833	2,578,833	2,578,833
Unrestricted Ending Fund Balance (Use)	1,375,348	1,342,963	1,106,421	726,032	815,458
Total Ending Fund Balance	4,204,181	3,269,674	3,985,254	3,604,865	3,694,291
TOTAL USE OF FUNDS	26,573,663	28,770,368	30,444,751	28,537,061	31,578,255

* Actuals may not subtotal due to rounding.

Water Utility Fund (515)**

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Rate Stabilization Reserve (Source)	1,500,000	1,500,000	1,500,000	1,500,000	1,558,394
Muni Water Recycled Water Expansion Reserve (Source)	700,000	700,000	700,000	700,000	1,000,000
Operations and Maintenance Reserve (Source)	7,675,000	7,675,000	7,675,000	7,675,000	8,395,492
Reserve for Encumbrances (Source)	1,245,660	1,245,660	1,762,885	1,762,885	1,762,885
Unrestricted Beginning Fund Balance (Source)	5,949,794	6,325,651	6,113,047	6,118,102	2,587,132
Workers' Compensation Claims Reserve (Source)	50,000	50,000	50,000	50,000	50,000
Total Beginning Fund Balance	17,120,454	17,496,311	17,800,932	17,805,987	15,353,903
Revenue from the Use of Money/Property					
Interest	225,734	434,863	434,863	434,000	434,000
Total Revenue from the Use of Money/Property	225,734	434,863	434,863	434,000	434,000
Fees, Rates, and Charges					
Operating - Water Sales	50,863,261	51,946,455	51,946,455	51,910,359	56,572,791
Total Fees, Rates, and Charges	50,863,261	51,946,455	51,946,455	51,910,359	56,572,791
Other Revenue					
Late Fees	336,220	300,000	300,000	300,000	300,000
Operating - Miscellaneous	345,456	100,000	100,000	100,000	100,000
Total Other Revenue	681,676	400,000	400,000	400,000	400,000
TOTAL SOURCE OF FUNDS	68,891,126	70,277,629	70,582,250	70,550,346	72,760,694
USE OF FUNDS					
Expenditures					
Banking Services	149,325	180,000	192,000	180,000	170,000
City Attorney Personal Services	231,259	282,173	282,173	282,173	125,464
Customer Information System Transition	18,324	150,000	150,000	150,000	150,000
ESD Non-Personal/Equipment	36,044,163	37,143,165	37,184,419	36,626,148	39,861,859
ESD Personal Services	6,891,407	7,413,932	7,506,971	7,413,932	7,695,750
Finance Personal Services	106,671	211,822	211,822	146,800	484,349
HR Personal Services	13,698	15,387	15,387	15,387	15,708
ITD Non-Personal/Equipment	31,391	162,837	162,837	162,837	141,051
ITD Personal Services	543,480	573,258	584,126	539,000	579,778
Overhead	1,535,055	1,838,648	1,838,648	1,838,648	1,745,871
PW Non-Personal/Equipment	36,893	39,547	39,547	39,547	39,547
Workers' Compensation Claims	2,205	15,000	15,000	15,000	15,000
Total Expenditures	45,603,871	48,025,769	48,182,930	47,409,472	51,024,377
Transfers					
Transfer to the City Hall Debt Service Fund	195,738	181,204	146,830	146,830	246,387
Transfer to the General Fund	0	0	3,921	3,921	0
Transfer to the General Fund - Late Fees	485,530	300,000	336,220	336,220	300,000
Transfer to the Water Utility Capital Fund	4,800,000	7,300,000	7,300,000	7,300,000	7,800,000
Total Transfers	5,481,268	7,781,204	7,786,971	7,786,971	8,346,387

* Actuals may not subtotal due to rounding.

Water Utility Fund (515)**

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
Ending Fund Balance					
Muni Water Recycled Water Expansion Reserve (Use)	700,000	1,000,000	1,000,000	1,000,000	1,300,000
Operations and Maintenance Reserve (Use)	7,675,000	8,395,492	8,395,492	8,395,492	8,389,213
Rate Stabilization Reserve (Use)	1,500,000	1,558,394	1,558,394	1,558,394	1,400,000
Reserve for Encumbrances (Use)	1,762,885	1,245,660	1,762,885	1,762,885	1,762,885
Unrestricted Ending Fund Balance (Use)	6,118,102	2,221,110	1,845,578	2,587,132	487,832
Workers' Compensation Claim Reserve (Use)	50,000	50,000	50,000	50,000	50,000
Total Ending Fund Balance	17,805,987	14,470,656	14,612,349	15,353,903	13,389,930
TOTAL USE OF FUNDS	68,891,126	70,277,629	70,582,250	70,550,346	72,760,694

* Actuals may not subtotal due to rounding.

** The 2021-2022 Proposed Water Utility Fund includes a nine percent rate increase to Water Sales revenues for 2021-2022 to offset the total cost of operating the water utility.

Workforce Development Fund (290)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
SOURCE OF FUNDS					
Beginning Fund Balance					
Reserve for Encumbrances (Source)	144,288	144,288	293,036	293,036	293,036
Unrestricted Beginning Fund Balance (Source)	508,731	278,253	136,195	136,195	134,970
work2future Board Mandated Reserve (Source)	533,183	754,801	754,801	754,801	754,801
Total Beginning Fund Balance	1,186,202	1,177,342	1,184,032	1,184,032	1,182,807
Revenue from Local Agencies					
Grants	164,157	923,962	367,768	338,613	442,806
Total Revenue from Local Agencies	164,157	923,962	367,768	338,613	442,806
Revenue from State of California					
Grants	0	0	0	0	250,000
Total Revenue from State of California	0	0	0	0	250,000
Revenue from Federal Government					
Grants	6,081,672	9,218,498	9,815,947	5,661,077	10,465,963
Total Revenue from Federal Government	6,081,672	9,218,498	9,815,947	5,661,077	10,465,963
Other Revenue					
Grants	23,522	0	421,670	397,042	281,917
Total Other Revenue	23,522	0	421,670	397,042	281,917
TOTAL SOURCE OF FUNDS	7,455,553	11,319,802	11,789,417	7,580,764	12,623,493
USE OF FUNDS					
Expenditures					
Administration	463,014	363,776	485,911	485,911	473,806
Adult Workers	2,019,882	2,380,514	2,425,381	1,520,854	2,636,485
BusinessOwnerSpace.com Network	4,724	7,498	10,200	1,225	8,975
CA Workforce Association	958	2,765	4,042	0	4,042
Cities for Financial Empowerment	20,000	45,000	35,000	35,000	25,000
City Attorney Administrative Costs	111,748	110,031	112,782	112,782	113,180
Dislocated Workers	1,545,782	2,917,156	2,832,521	1,589,205	3,045,092
Dislocated Workers - COVID-19	0	600,000	645,000	158,491	486,509
Emerging Needs - Local Assistance Funds to work2future	0	0	0	0	5,000
Prison to Employment Implementation Grant	146,364	502,292	330,970	326,692	366,624
Prison to Employment Initiative Planning Grant	7,938	0	0	0	0
Rapid Response Grant	462,766	590,483	761,989	494,755	633,925
Regional Funds	0	15,000	15,000	0	0
Regional Training Coordinator Funds	7,255	7,000	7,745	7,745	0
SJ Works (Amazon)	0	0	0	0	100,000
SJ Works (Bank of America)	0	67,000	67,000	57,375	55,250
SJ Works (EDP Renewable)	0	91,670	91,670	91,667	91,667
SJ Works (ESUHSD)	0	160,000	160,000	160,000	0
SJ Works (Flagship)	0	0	0	0	5,000
SJ Works (PRNS)	0	53,000	53,000	53,000	0
Sling Shot 2.0 Regional Plan Implementation	2,600	8,984	29,053	4,176	18,982
Veterans' Employment - Related Assistance Program	0	0	0	0	57,200
Workforce Accelerator Fund	0	0	0	0	250,000
Youth Workers	1,478,489	2,230,554	2,552,363	1,299,079	3,076,966
Total Expenditures	6,271,521	10,152,723	10,619,627	6,397,957	11,453,703


* Actuals may not subtotal due to rounding.

Workforce Development Fund (290)

STATEMENT OF SOURCE AND USE OF FUNDS

	2019-2020 Actuals *	2020-2021 Adopted	2020-2021 Modified	2020-2021 Estimate	2021-2022 Proposed
Ending Fund Balance					
Reserve for Encumbrances (Use)	293,036	144,288	293,036	293,036	293,036
Unrestricted Ending Fund Balance (Use)	136,195	267,990	121,953	134,970	121,953
work2future Board Mandated Reserve (Use)	754,801	754,801	754,801	754,801	754,801
Total Ending Fund Balance	<u>1,184,032</u>	<u>1,167,079</u>	<u>1,169,790</u>	<u>1,182,807</u>	<u>1,169,790</u>
 TOTAL USE OF FUNDS	 <u><u>7,455,553</u></u>	 <u><u>11,319,802</u></u>	 <u><u>11,789,417</u></u>	 <u><u>7,580,764</u></u>	 <u><u>12,623,493</u></u>

* Actuals may not subtotal due to rounding.



2021-2022

OPERATING BUDGET

**MAYOR'S MARCH
BUDGET MESSAGE**



Memorandum

TO: CITY COUNCIL

FROM: Mayor Sam Liccardo

**SUBJECT: MARCH BUDGET MESSAGE
FOR FISCAL YEAR 2021-2022**

DATE: March 8, 2021

Approved:

Date: 8/8/21

RECOMMENDATION

Direct the City Manager to submit a balanced budget for Fiscal Year 2021-2022, guided by the policy direction and framework of priorities outlined in this March Budget Message.

* * *

In accordance with Section 1204 of the San José City Charter, I present my Fiscal Year 2021-2022 March Budget Message for consideration by the City Council, and the residents of San José. With Council approval, this initial framework provides the City Manager with direction to prepare proposals for the Council's budget deliberations in May, and to formulate the Fiscal Year 2021-2022 Proposed Budget.

OVERVIEW

The past year has challenged our City and our community as never before. Tens of thousands of San José families have experienced the devastating loss of loved ones, debilitating illness, widespread fear, and severe economic pain.

This pandemic and its fallout has demanded far more from our City team than we could have imagined before. Instantly in March, hundreds of City employees stopped whatever they were doing to launch new initiatives or accelerate whatever we'd done before.

- Housing staff worked with nonprofit partners, the Housing Authority, and the County to shelter more than 4,000 unhoused residents, and permanently house another 1,700 more.
- The Library team worked with school districts and telecom companies to provide broadband connectivity to more than 100,000 residents—and tens of thousands of young students—dwelling on the wrong side of the digital divide.

- EOC leads partnered with organizations like Second Harvest to distribute about 2.5 million meals per week to struggling residents—in addition to baby formula and supplies—consolidating disparate efforts and interactive maps to help residents find local resources.
- Public Works and Housing constructed three prefabricated emergency housing communities for more than 300 unhoused residents for less than one-fifth the cost, and in one-tenth the time, of a typical affordable apartment complex.
- Fire EMT's vaccinated thousands of residents at County vaccination centers.
- The Mayor's Office established Silicon Valley Strong as a means to get and give help. Working with many partners, we funneled more than 4,000 volunteers to tasks like food distribution, and raised millions of dollars for struggling families and small businesses.

Much has been demanded, and in many ways, the team in San José stepped up to this historic moment.

Necessarily, much was put aside as well. The most thinly staffed big-city City Hall in the United States couldn't reasonably continue to perform our ordinary tasks while taking on multiple additional tasks through the Emergency Operations Center. Trash piled high at encampments and intersections. Abandoned vehicles remained. Building permits lagged. We pushed aside much of the basic work of the City, as pandemic-driven priorities overwhelmed a resource-constrained organization.

Those resource constraints are precisely the stuff of which budgetary discussions are made.

We contemplate this year's budget as a community still enveloped deeply in crisis. Vaccine distribution will accelerate, but so may virus mutations and variants, such as the vaccine-resistant E484K variant discovered last week in Oregon. Congress may pass relief legislation, but the economic fallout of this pandemic will persist, particularly for too many San José neighborhoods where unemployment rates likely exceed 20%. This is a marathon, and not a sprint, and we will need all of our resources, fortitude, and collective resilience to overcome these crises.

And here's the kicker: the recovery may be even harder than the response. A brief look at the fiscal dimension of that recovery illustrates the point.

The Pandemic's Ongoing Impact on the Budget

The City's most recent base five-year General Fund forecast (See Table 1) shows the continued impact of the pandemic on our budget. The upcoming year is projected to have a base level deficit of nearly \$50 million with minute surpluses in the remaining four years. Critically, the projected \$48.1 million deficit next year does not include costs associated with unmet or deferred infrastructure and maintenance needs, or the nearly \$17 million in services funded on a one-time basis last year, and which must expire if the Council does not identify funding to continue them. In other words, the \$48.1 million figure dramatically understates the magnitude of our deficit, when considering the full reductions in City services needed to balance the General Fund.

Table 1 – 2022-2026 General Fund Forecast Incremental General Fund Surplus / (Shortfall) \$ in Millions

	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	Five-Year Surplus/ (Shortfall)
Base Case	(\$48.1 M)	\$3.3 M	\$0.2 M	\$4.4 M	\$1.9 M	(\$38.2 M)
Optimistic	(\$13.9 M)	\$17.9 M	\$13.1 M	\$28.2 M	\$37.2 M	\$82.5 M
Pessimistic	(\$78.1 M)	(\$8.7 M)	(\$9.9 M)	(\$9.7 M)	(\$10.2 M)	(\$116.6 M)

Source: 2022-2026 Five-Year Forecast and Revenue Projections for the General Fund released March 1, 2021

The City Manager’s forecast notes that due to the impact of the pandemic on the local economy, any forecast of the economic recovery over the next five years appears uncertain. Two alternative forecast scenarios were developed to model a range of budgetary scenarios possible under varying economic conditions, as displayed above.

Importantly, 2021-2022 will be the third budget year impacted by the pandemic. In May 2020, the pandemic had an immediate effect on our budget requiring the need to close a \$45 million gap in General Fund revenue losses. We then resolved another \$77.6 million General Fund shortfall when we passed our 2020-2021 current year budget. Fortunately, in prior years, we diligently put dollars into reserves to prepare for a looming downturn, and we paid down some existing debts to reduce future strain to the General Fund. These actions have softened the impact of the downturn, but we must address the ongoing structural deficit that remains.

DIRECTION

A necessary condition for successful emergency response and recovery is focus. With limited and burdened staff, we must resign ourselves to the fact that we cannot do everything, but we accomplish our most important tasks if we can focus our time, energy, and resources on those elements most essential to successfully emerge from this crisis.

We must prioritize our work to maximize our scarce resources—the most valuable of which being the time and energy of our City employees—on our highest priorities. In a crisis, failing to prioritize will prioritize failure. Accordingly, the City Manager is directed to present a Proposed Budget that allocates funding in a manner that aligns with four basic priorities:

1. Supporting an Equitable Recovery for a “Better Normal”
2. Back to Basics: a Cleaner, Safer San José
3. Accelerating Solutions to Homelessness and Affordable Housing Crisis
4. Fiscal Resilience and our Future

1. Equitable Recovery for a “Better Normal”

If our economic rebound resembles the Valley’s growth over the last decade—with rapidly yawning divides between those who prospered and many left behind—we will have failed. A “new normal,” will not suffice; we need a “better normal,” in the words of AMD CEO Lisa Su. We must ensure that all corners of San José benefit from our recovery, because we all win only if we all win. An equitable recovery requires deliberate focus on resource allocation that enables much more than handouts—our families need paychecks.

Resilience Corps: Among the many crises wrought by the events of the last year, an entire generation of young adults have grappled with dimming life prospects under the crushing weight of extended unemployment and poverty. As of December 2020, the unemployment rate of young adults ages 20-24 in California was about twice the unemployment rate for the State. The financial effects of this pandemic—compounded by racial and widening economic disparities—have wrought a host of maladies among young adults, including homelessness, increased addiction, rising suicide rates, increasing child abuse by young parents, and rising violent crime. Our young adults’ futures—and our collective futures—deserve a response beyond handouts: they need a paycheck.

Building upon our role as the pilot city for Governor Newsom’s Climate Action Corps, I propose the creation of a Resilience Corps—a one-year jobs program for adults residing in high-poverty, high-unemployment neighborhoods. The program would work through a network of non-profits and City departments that can put primarily—but not exclusively—young adults to work immediately—at tasks requiring only modest training—to bolster our community’s resilience to two of our most urgent crises: climate change and the pandemic. Funding would enable payment of a living wage with health insurance, and hiring would focus on San José residents living in high-poverty census tracts, regardless of immigration status or citizenship. Staff, Work2Future, and partnering non-profits might consider countering a variety of placements, such as:

- **Pandemic Response:** providing logistical support at vaccination and testing centers, caring for children of struggling essential workers at care centers and learning pods (with properly screened and backgrounded students, such as day care students needing hours), creating (with artists) culturally-sensitive health-focused targeted messaging through public art;
- **Environmental Resilience:** planting street trees in “heat island” neighborhoods, eliminating blight and trash in neighborhoods and near waterways, clearing defensible space in the wildland-urban interface to counter wildfires, removing lawns to conserve water, and converting impervious surfaces to stormwater retention basis and bioswales;
- **Educational Recovery:** addressing learning loss among low-income students by providing tutoring and extended-day educational support (employing college students with standard background checks, such as those in SJSU’s Education School);
- **Economic Recovery:** working with business districts to help small businesses to implement San José Al Fresco efforts, and working with organizations like Get Virtual to help small businesses develop on-line platforms;

- **Disaster Resilience:** installing smoke alarms and fire alarms in homes of seniors and persons with disabilities, expanding Community Emergency Response Team (CERT) participation and training, and other mitigation work.

Working with our community colleges and other partners through Work2Future, we can also leverage existing relationships to provide support—including training, mentorship, and wraparound services—that forge pathways to career success, while participants earn a wage to carry their families toward that future.

A bi-partisan coalition of nearly two dozen mayors from across the country have joined me to advocate with the Biden Administration, Congressional leadership, and the Governor’s Office for federal funding through the next infrastructure bill, or alternatively, through the state budget. In our conversations with White House officials, it is clear that the Administration would like to see pilot programs emerge in individual cities that can provide a model for federal seed funding. With the City Manager’s negotiation of a FEMA reimbursement agreement with the County, we will have a source of funding for a launch focusing on workers supporting vaccination and testing centers.

The City Manager is directed to use unencumbered dollars reimbursed by FEMA funding to launch the Resilience Corps. The first stage of the program should focus on supporting County efforts directly (or working through appropriate non-profits such as Gardner Healthcare, the Healing Grove, or AACI) to hire staff to support vaccination and testing sites, as several Councilmembers have suggested, with up to 200 Resilience Corps members. I further direct the City Manager to explore the applicability of FEMA reimbursement for other tasks indirectly related to pandemic response, such as provision of child care for essential workers, or the use of mural artists to convey messaging about masks, vaccines, or other health issues to key communities. In parallel, my office will continue to coordinate with the City legislative affairs staff and our lobbyists to advocate for additional resources for a broader program. Finally, I further direct the City Manager to utilize up to \$20 million in federal relief dollars to create more than 400 additional job placements with community partners for this program, growing the Corps further as other sources of funding—including from other community partners or philanthropy—become available.

Jobs Moving San José Into A Brighter Future

- **Airport Connector RFP:** The uneven economic recovery from this pandemic implores us to identify countercyclical projects that can provide construction jobs to many blue-collar workers left out of the tech economy. In particular, large construction projects provide prevailing wage jobs that can provide career pathways for young apprentices and journeymen. After I authored an August 21, 2020 memo with Vice Mayor Jones and Councilmembers Peralez, Carrasco and Davis that was unanimously approved by Council, City staff conducted an industry-challenging Request For Information for a next-generation transit system connecting Mineta International Airport, Diridon, West San Carlos, and Stevens Creek Boulevard. The robust private sector response reveals serious interest in a wholly privately-financed—a convenient detail, since we lack any public funding for the project—airport connector to Diridon Station. The City Manager is directed to allocate one-time funds to issue a public Request for Proposals or Request for

Qualifications by May 2021, requiring bidders to demonstrate their financial capacity to construct a privately-financed project at high, world-class standards, and resulting in an opportunity for a winning bidder to enter an exclusive negotiating agreement with the City.

- **Transformative Transit Projects:** A much larger construction project—indeed, the largest in our region’s history—awaits in the BART Phase II extension to Little Portugal, Downtown, and Santa Clara. A completed Phase I and Phase II project will carry more than 98,000 riders, taking tens of thousands of cars off of our soon-to-be-clogged-again freeways. Misleading attacks by a few Congressional Republicans and a procedural hitch have complicated efforts to secure supplemental funding for BART through federal relief legislation, but a key opportunity awaits us in the next infrastructure bill. Meanwhile, the largest infrastructure project in the nation—California High Speed Rail—is under construction in the Central Valley, and we have a once-in-a-decade opportunity to secure federal funding for a Valley-to-Valley connection that could expand access to affordable housing for local workers, while expanding economic opportunity for struggling inland communities. The City Manager is directed to work with the Mayor’s office and our lobbyists to advocate for inclusion of BART and High Speed Rail funding in the next infrastructure package. The City Manager is further directed to proactively engage with VTA staff to support the delivery of BART Phase II funding that voters were promised when they voted for Measure B in 2016.

Small Business Resilience: The pandemic has devastated our small businesses—and they will continue to need our help well beyond existing City and state grant programs.

- **San José Al Fresco:** San José Al Fresco’s relaxed rules for outdoor dining and commerce—which have helped many small businesses tread water throughout this pandemic—will expire June 30, 2021. The program combines assistance to small businesses with street activation to bring commerce outside to its customers, and to activate our streetscape. As Councilmember Davis has advocated, we should make San José Al Fresco permanent, and take full advantage of San José’s 300 days of sun per year. For many residents, fears of going inside to dine, exercise, or shop will linger well after this pandemic. I direct the City Manager to use federal relief funds—if federal regulations permit—to extend this program through 2021-2022, with priority given to businesses serving our most severely impacted neighborhoods. Report back to the Council prior to the 2022-2023 budget development process with options for establishing a permanent outdoor-activation business program in future years.
- **Storefront Activation Program:** The Storefront Activation Grant Program eliminates barriers for small businesses seeking to transform empty spaces into vibrant shops and restaurants. The City Manager is directed to continue the program by allocating one-time federal relief funding for this program—if federal restrictions allow—to offset permitting costs, and to reduce the cost to install Al Fresco infrastructure, such as parklets. The availability of the program should continue to be proactively communicated to less traditional storefront tenants, such as community-based non-profits, arts organizations, and day-care centers, with an emphasis on high-need business districts including the Downtown.

- **San José Small Business and Manufacturing Recovery Initiative:** The Office of Economic Development staff has worked to secure a \$1.17 million federal grant to work with designated community organizations to provide technical assistance and support for San José manufacturers and small businesses, but OED was forced to cut the proposed program in half to adjust for a reduced grant amount from the California EDA. The City Manager is directed to provide sufficient one-time federal relief dollars to address any gaps remaining in the program to ensure sufficient support for filling vacant storefronts and to assist manufacturers in hiring blue-collar workers displaced by this pandemic.

Educational Resilience and Opportunity: The pandemic has deepened structural deprivation of educational opportunity for children from low-income families, perpetuating racial and economic disparities in our community.

- **Summer Learning Loss and San José Learns:** Several studies have demonstrated how pandemic-induced remote learning has inflicted the most severe learning loss among children in our least affluent communities. This fact makes San José Learns more important than ever, providing thousands of young students with extended-day and summer learning in 16 high-need neighborhoods. Despite the City spending \$10 million to provide broadband connectivity for more than 100,000 San Joséans, children in poorer families struggle with remote learning, and their disproportionately severe learning loss leaves them even further behind their peers. San José Learns leverages the expertise of our school districts and the resources of generous donors such as Alaska Airlines. In the year ahead, we need to identify opportunities to expand the program—partnering with organizations such as Innovate Public Schools to identify philanthropic resources, and working with our school district partners to identify better ways to counter learning loss among our highest need youth. I direct the City Manager to allocate \$500,000 in one-time federal relief funding—if federal restrictions allow—in addition to the ongoing \$1 million funding in the base budget to SJ Learns for summer and after-school learning programs to address learning loss among high-need youth. The City Manager is further directed to allocate at least 50 Resilience Corps full- or part-time- positions to support summer and after-school learning partners such as Think Together and Boys and Girls Clubs, with a focus on hiring financially struggling college and graduate school students.
- **SJ Aspires:** Too many San José high school students face significant financial and informational barriers to academic success, and such obstacles appear highly correlated to race and family income. On average, public high school students in California receive 12 minutes of college counseling over their entire four-year tenures, and most San José public high school students do not have college-educated parents. These disparities point to a critical but often overlooked inequity for our city and its future, pre-determining the economic trajectories of our students' lives by their 18th birthdays. We launched a College Promise program three years ago to boost college-going rates, but the need for an earlier intervention—starting with students' first year in high school—became increasingly apparent. In response, we launched San José Aspires, in partnership with the Library Department and the San José Public Library Foundation (SJPLF), using performance-based micro scholarships to guide and inform students about their college and career choices from their first week in school. So far, we have been able to fundraise

more than \$3 million privately, while building partnerships with local nonprofits for student support and Stanford University for program evaluation. The program currently serves 800 students at San José High School, Overfelt High School, and Opportunity Youth Academy with academic and career advising, free access to educational instruction, and up to \$5,000 scholarship per student. I direct the City Manager to use one-time federal relief dollars to support the cost of City and SJPLF staff and overhead that would enable 100% of all philanthropic donations to go toward supporting students, a key “selling point” for future fundraising. I further direct the City Manager to work with the SJPLF to calculate the costs of that ongoing support to ascertain the most cost-efficient approach for managing the program in future years.

- **Digital Inclusion and Equity:** The pandemic has laid bare a digital divide that we have long struggled to close, ever since we launched our digital inclusion efforts in 2016. After the creation of the San José Digital Inclusion Fund in 2019, and with federal relief dollars in 2020, we made substantial gains by bringing WiFi-enabled broadband to more than 100,000 San Joséans, primarily through partnerships with East Side Union High School District (ESUHSD) and AT&T. We have much more work to do, however, to scale these gains and make them sustainable. Accordingly:
 - I direct the City Manager to explore with telecom partners whether a districtwide or citywide umbrella data plan can be negotiated that would enable free “friends and family” usage by students, reducing costs for providers and the City.
 - I direct the City Manager to continue to explore ways to enable long-term financial and operational sustainability for our community WiFi infrastructure investments, so that the City and ESUHSD can sustain the provision of free broadband connectivity to 300,000 residents by 2022, and beyond.
 - I direct the City Manager to continue investments through grants in long-term community capacity by advancing digital literacy via the San José Digital Inclusion Fund, and to work with the Mayor’s Office of Technology and Innovation in fundraising for that initiative.

Office of Racial Equity: In my 2020-2021 budget messages, the Council approved my direction to the City Manager to create an Office of Racial Equity embedded within the City Manager’s Office. Eight months later, the office has now hired a director and is actively recruiting additional staff. In a recent City Council meeting to discuss Council priorities, some of my colleagues expressed their displeasure with the work this office is undertaking. This new office is in its “startup” phase, and our expectations should be tempered by that fact. I direct the City Manager to issue a Manager's Budget Addendum that clearly articulates the work plan of this office and presents options for continued funding, so that Council can consider those options during this budget season. As I delineated in my March Budget Message last year, the work plan should 1) integrate an equity framework into decision-making, and operationalize this practice in our daily work, 2) create a coordinated community engagement approach that builds effective partnerships, 3) create infrastructure to ensure the City has a data-driven approach, 4) set aside resources for external consultants or facilitators to assist the City, where necessary, and 5) substantially expand language access capacity. Per the discussions at Council on March 2nd, the

MBA should address the question of whether to add a language access coordinator to this office or elsewhere within the City Manager's Office.

Data Equity: All of the talk about equity means little if we're not measuring outcomes, and driving results with concrete actions toward those outcomes. This requires us to squarely confront data, rather than pointing at anecdotes. By cultivating a data-driven culture in City Hall, we can more transparently, rigorously, and effectively make decisions, allocate scarce resources to those communities of greatest need, hold ourselves accountable for the results, and identify opportunities for improvement. As Councilmember Mahan has articulated forcefully, moreover, we need to use this data to create key performance indicators that can provide clear goals and indicators of future progress. Through the data equity framework already underway, my office secured funding from the Knight Foundation to collaborate with departments such as PRNS to pilot a process that foregrounds the local context of those most affected by our decision making. My office has engaged actively with several external funders for funding of a long-overdue hiring of a data scientist to lead this work, but grant decisions and allocations likely remain several months off. Pending those awards, I direct the City Manager to allocate one-time federal relief funds—should regulations permit—to hire a technical lead to spearhead this work.

Equitable Budgeting: Through my March Budget Message two years ago (2019-2020), the Council majority agreed to require the use of "equity screens" to allocate nearly \$4 million in education, public safety, and other public resources to high-need neighborhoods. Although the concept may have taken on different nomenclature since, staff understands well the imperative of integrating equity in budgetary decisions. Although my office received some high-level updates on this work last year, the public has yet to see detailed descriptions of our efforts to use objective equity measures to assist in allocational decisions. I direct the City Manager to routinely report through the budget process the City's specific efforts to integrate equity into budgeting, such as by revealing results of the recently-instituted "Budgeting for Equity Worksheet" developed by the Office of Racial Equity and the Budget Office as a tool to evaluate departmental budget proposal packages.

Better Serving our Neighbors with Disabilities: Councilmember Foley and several community members have advocated for the creation of a separate office to address issues relating to disabilities. The City Manager is directed to allocate one-time funding to prepare a report to Council describing (a) existing workload associated with serving residents with disabilities, (b) how that workload is currently distributed throughout the City organization, (c) what specific additional work disability advocates and other community members seek to have the City perform through an office, (d) the cost and workload implications of creating such an office in light of existing budgetary and staffing constraints, and (e) staff's recommendation on the matter.

Rising Utility Costs Impacting Families in Distress: The most economically vulnerable members of our community have suffered most severely during this pandemic, yet looming electricity, water, and recycling rate increases threaten to exacerbate their pain. The City Attorney is directed to return to Council to determine whether the City can use federal relief dollars to provide grants to offset utility costs increases on a needs-basis, in light of Proposition 218 and new federal regulations. Additionally, the City Manager is directed to evaluate and bring forward recommendations to the City Council on the ability to supplement energy efficiency programs authorized by the California Public Utilities Commission (CPUC) to incentivize

energy-saving retrofits in low income homes, beyond the 250 homes contemplated in the first tranche of funding we might receive in any state programs for which we've already applied.

Protecting Services To Our Low-Income Communities: In order to close a projected \$48.1 million deficit, we will need to make hard decisions that will inevitably impact our City services. Even the very substantial federal relief provided by the American Rescue Plan provides nothing more than one-time funding, and our deficit is an ongoing problem; when the money gets spent, we'll still have a deficit. Historically, the most severe cuts felt during recessions come to services associated with libraries, community centers, and parks. Yet history has shown that in times of economic crisis, Americans turn to their libraries in even greater numbers for access to resources for employment and services, and our parks provide opportunities for respite and recreation to families unable to afford to travel, to join gyms, or other luxuries. I direct the City Manager to report to the full Council during Budget Study Sessions on the equity analysis conducted for any reductions in service to our community-facing services, such as in our libraries and parks.

2. Clean, Safe, and Livable City

Beyond the severe health and economic impacts of this pandemic, it has also wrought a visible toll on our city—and our perceptions of it. We all see more trash, more blight, and more palpable signs of disorder—and social science draws a direct connection between those indicators and more serious issues of crime. Indeed, violent crime has risen in virtually every major U.S. city through this pandemic, and we have much work to do to restore our residents' sense that this city still belongs to them.

We must start with the basics: restoring a clean, safe city.

Beautify San José: We launched BeautifySJ in 2017 to rally our community to reclaim our public spaces, to align our City resources to address our growing problems of trash, graffiti, and blight, and to encourage volunteerism to beautify our city. Prior to the pandemic, thousands of volunteers participated in our efforts, boosting community pride and engagement among neighbors. The pandemic caused the City to put much of that work on hold, as City staff were reassigned to the Emergency Operations Center for everything from food distribution to homeless shelter management. As we emerge from this pandemic, we must reinvigorate these efforts. Several recent programs have shown progress, but to have greater impact, they need more resources to scale. I propose the following budget priorities for BeautifySJ:

- **Fixing the “Good People, Bad Process” Problem with Consolidated Management:** The roughly dozen beautification and quality-of-life-related initiatives that comprise BeautifySJ requires coordination across multiple departments and offices. We often hear residents praise our hard-working City staff, but grouse about the disconnected nature of services and support. A resident makes a straightforward request, but different City programs managed by different City departments respond in an uncoordinated way to the same geographic location. This ambiguity in ownership of service delivery frustrates our community and produces many inefficiencies. We can do better. The City Manager is directed to continue programmatic consolidation under a single manager solely focused on ridding our City of blight. The City should maintain those innovative programs that appear to be effective—including but not limited to SJ Bridge, BeautifySJ Neighborhood

Beautification Grants, Murals for Graffiti Hot Spots, Cash for Trash, Neighborhood Dumpster Days and others, while streamlining others to reduce duplication of management. The City Manager is further directed to return with a Manager's Budget Addendum that clearly articulates the management consolidation strategy, the source of funding for the increased service levels necessary to effectively clean our City—including the use of federal relief funds, if allowable—and options for continuing investment over at least the next two years.

- **San José Bridge Employment Program:** SJ Bridge hires unhoused residents to clean litter in dozens of citywide “hot spots,” with management and case support of Goodwill and Downtown Streets Team, local nonprofits, prioritizing areas with large encampments served by the SOAR program (see below). During the interrupted calendar year 2020, the program serviced over 70 locations, collected nearly 7,000 trash bags, and removed 155 tons of debris—with most of the collections (108 tons) focused in Council Districts 3, 5, and 7. As of February 2021, SJ Bridge had a combined 53 participants, 21 of whom had moved on to secure jobs with Greenwaste, People Ready, Tesla Motors, and other local employers. With the imminent transfer of this program to the Housing Department, we will—and must—better track our progress in getting participants housed as well. I direct the City Manager to utilize a one-time allocation of federal American Rescue Plan Act funding—if federal regulations allow—to expand this program to include 100 participants, dramatically increasing the collection service of existing and new locations, for two years. If either of the two non-profit organizations can scale, staff should continue to utilize the current non-profit organizations, unless legally required to conduct an additional RFP.
- **Cash for Trash:** Since the launch of the Cash for Trash program in November 2020, about 125 unhoused residents now participate, earning up to \$20 weekly on reloadable MasterCard debit cards for collecting as many as five bags of trash per week. Collectively, participants have removed more than 23 tons of trash from our streets and waterways, in fourteen locations spread across every Council District. After early problems in implementation that left some participants unclear about when or whether they would be paid, the program has refocused by serving a smaller number of sites with a more frequent payment and pickup (weekly). As a result—and due to the collaboration of the Water District and MasterCard, which waives all fees—this pilot program has shown progress across multiple objectives: (a) building relationships with unhoused residents and reducing their resistance to other homeless services, (b) reducing trash and blight, and (c) providing participants with a few dollars for necessities—while limiting the use of the debit cards’ use at such venues as liquor stores, dispensaries, and smoke shops. Limited staffing has constrained the impact of the program, however. If federal guidelines allow, I direct the City Manager to allocate one-time American Relief Plan funds for program expansion to serve 500 unhoused residents at a time. Specifically, the City Manager is directed to ensure funding for four Community Activity Workers or Resilience Corps members over a period of two years, and expand non-personal/equipment (supplies and related equipment) funding over a period of two years, to dramatically scale our efforts.

- **Resilience Corps:** Should Council approve the direction to allocate funding to establish this initiative, direct that at least 40 participants work for a non-profit or other organization engaged in beautification and cleaning of San José, including but not limited to Conservation Corps, Our City Forest, the South Bay Clean Creeks Coalition, the Guadalupe River Park Conservancy, the TrashPunx, Keep Coyote Creek Beautiful, Goodwill, Downtown Streets Team, Local Color, Pow!Wow! San José, Empire Seven Arts Studios, and other organizations seeking to expand their capacity to clean or beautify our city, and to reduce pollution in our watersheds. The City Manager is directed to establish metrics for assessing effectiveness of these organizations' contributions to our efforts to eliminate visible trash and blight, boost beautification, and improve the environment.
- **San José 311:** The San José 311 mobile app and website, formerly “MySanJosé,” allows residents to report and track City response to a host of maladies, including trash, broken streetlights, potholes, and graffiti. After a strong launch in 2016 and a rapid adoption by more than 40,000 residents who regularly use the app, many have urged improvements to San José 311 to broaden its offerings, to make it more accessible and easier to use, and to make it more relevant for our underserved communities. Although the team has successfully added functionality this Spring to enable requests for free junk pickup and other garbage-related services, improvements are hindered by the need to depend on an external vendor (on a very small, \$13,000 support contract) for app maintenance and software upgrades. I direct the City Manager to (1) issue a Manager’s Budget Addendum on resident and stakeholder feedback received on San José 311 during the budget process—identifying opportunities for improvement and a roadmap for executing these improvements, and (2) allocate one-time funding to invest in a two-year program to expand San José 311 internal capacity—for both coding and customer experience. Two full-time additional staff, plus necessary software development licensure, will be needed to focus our efforts on identifying and implementing digital service improvements that both (a) engage more of our underserved residents, including residents with disabilities, (b) improve functionality, and (c) work with departments to improve service delivery. The two-year goals should focus on adding at least five new services by the end of 2022, expanding the geographic diversity of our user base, and achieving strong customer satisfaction ratings.
- **Enforcing Laws Against Illegal Dumping:** Unlawful dumping of trash exploded during the pandemic—and the largest offenders were not homeless, but often contractors, landlords, and homeowners. Hard-hit low-income communities suffered the most from such activity. The City Manager is directed to return to the Neighborhood and Education Services Committee to discuss how the City can encourage reporting of illegal dumping—including the use of the 311 app, rewards for identification of violators, or roving motion-sensitive video cameras—in a manner that can result in fines and other enforcement action.

SOAR Program: The Services Outreach Assistance and Resources (SOAR) program provides comprehensive street-based services at 16 homeless encampment sites, including hygiene, sanitation, laundry, trash pickup and dumpsters, housing outreach, and shelter for encampment residents. This program benefits several hundred of our unhoused residents while also keeping

our neighboring communities and residents safer and cleaner. Over two months, the data shows substantial improvement in conditions both for the unhoused and the surrounding community. BeautifySJ and San José Bridge teams collected and removed more than 125 tons of debris per month from SOAR sites, while outreach teams engaged with 123 individuals and in multiple case management sessions in 60 days, providing services such as addiction counseling and rental assistance. I direct the City Manager to use federal relief dollars—should federal regulations permit—to expand the program to more sites, with a one-time allocation spread over two years. The program should focus on supporting the transition of unhoused residents from the Guadalupe River Park, below.

Restoring our Parks—Beginning with the Guadalupe River Park: San José’s small team of 17 park ranger positions must patrol all of the regional parks in our City. In the years preceding the 2009-2010 budget cuts, the Parks Department assigned two full-time (and one part-time) rangers to patrol the Guadalupe River Park (GRP), manage events, conduct maintenance, abate graffiti, and engage with unhoused residents. Today, park rangers do not regularly work in or patrol the GRP, and we consistently hear that residents fear to use the park due to its condition.

Following guidance from the CDC and County to avoid moving unhoused residents during the pandemic, the City suspended abatements of homeless encampments for nearly a year. The GRP has become inundated with encampments, vehicles, and RVs. Crime and vandalism have increased dramatically, including fires, blocking trails with vehicles and debris to prohibit public use, and other related problems.

The pandemic has highlighted the importance of our parks, open spaces, and trails. When people felt comfortable using the Guadalupe River Park, its trail provided a daily commute route for more than one thousand San José residents, a weekly site for exploration of the natural world by many guided groups of children, and the subject of thousands of hours of volunteer labor in the rose garden. We must protect the massive investment made in the park and the associated flood control project, and restore the Park to a state that enables the entire community to use it again. Citizen leadership to restore and revive the GRP has emerged, with a working group that Councilmember Peralez and I created last year in partnership with the Guadalupe River Park Conservancy, and with volunteer cleanup efforts scheduled next weekend and thereafter.

Without dedicated oversight, however, we will lose this important asset and its wildlife habitat irreparably. The City Manager is directed to prioritize and fill at least four of its five vacant park ranger positions, and to dedicate two of those newly-filled positions to GRP. In light of the massive cleanup, maintenance, and repair needs in Guadalupe River Park, the City Manager is directed to utilize one-time federal relief money to fund more proactive work from participants in the San José Conservation Corps or Resilience Corps, as well as to explore the opportunities to leverage volunteers through the Guadalupe River Park Conservancy for additional support.

Methamphetamine and Addiction-Related Crime: After several years of pushing, we are finally seeing progress in collaborative efforts to bring mental health resources to our streets, both through the partnership we have with the County for Mobile Mental Health Crisis Response teams, and for mental health staff hired by our Housing Department to accompany our homeless outreach teams. A serious public safety issue remains, however, for the many episodes in which we see assaults, violent threats, vandalism, and other menacing behavior related to the use of

methamphetamine (and occasionally other stimulants). Due to its low cost, methamphetamine has long been the drug of choice for offenders on San José streets, and has spurred many complaints from parents witnessing seemingly psychotic episodes in their neighborhoods, small business owners frustrated with broken windows, and teachers seeing groups of adults huddling over a meth pipe near schools. In the past, officers routinely made arrests for misdemeanor violations of the Health and Safety or Penal Codes, and arrestees would sit in jail for a couple days until they came off the drug, and the acute phase of withdrawal passed. Arrestees typically received Proposition 36-mandated drug treatment with probation from a judge, and were then released. With court supervision, particularly with frequent testing and intensive case work, individuals generally had a far better chance to overcome their addiction and reduce recidivism.

The pandemic and recent changes in the criminal justice system have made it virtually impossible to get addicts exhibiting dangerous and criminal behavior off the streets. These changes have undermined any incentive for offenders to engage in treatment or to abstain from using. Widespread frustration within the SJPD—and San José is not unique among California big cities in this regard—has taken hold, resulting in a lack of police response. Officers know that the jail will not hold misdemeanants, most individuals have no bail requirements anyway, and even if a judge wanted to order treatment, there remains an inadequacy of drug treatment beds. The County urges that its creation of a sobering station has been underutilized by SJPD, but officers indicate that the sobering station does not constitute a viable or safe solution where a stimulant-addicted detainee poses any risk of violence. Inadequate capacity exists within the inventory of beds at detoxification centers, which are routinely full. The frustration and fear in our communities--and particularly our most crime-afflicted neighborhoods--has peaked. Supervisor Cindy Chavez, District Attorney Jeff Rosen, and I have discussed some of these challenges, and they have agreed to be co-convenors with me of a small group that would include leadership of SJPD, County Probation, County Mental Health, and the Public Defender to discuss options and solutions for reducing the harms posed by individuals afflicted with addiction issues. The City Manager is directed to ensure that SJPD and CMO leadership participate actively in those meetings.

Foot Patrol in Downtown—and Beyond: Continued concern over the safety of residents, workers, and visitors in our Downtown compels the need for walking patrol. Council has repeatedly approved the funding for a walking beat Downtown, but too rarely have we actually seen patrol officers walking the beat, which the SJPD often attributes to challenges in filling the assignment on a voluntary basis. The City Manager is again directed to continue one-time funding of this patrol of approximately \$250,000, but to return to Council with an MBA that outlines a potential timeline and budget options for adding this beat as a routinely-assigned, walking patrol in Downtown. The City Manager is further directed to allocate one-time funding of \$500,000 to continue foot patrol in struggling neighborhoods outside of the Downtown, based on need. Finally, the City Manager is directed to report outcomes of prior years' spending on Downtown Foot Patrol and High-Need Neighborhoods Foot Patrol to the PSFSS Committee—with a specific focus on how the walking beats were filled.

Traffic Safety and Illegal Sideshows: During the pandemic, San José has seen an increase in illegal sideshows taking place in our neighborhoods throughout the City. Nearly two years ago, our Council passed an ordinance allowing police officers to cite and fine a broader array of sideshow participants—including organizers and “lookouts”—\$1,000 or up to six months in jail.

On just one recent weekend, San José police officers conducted coordinated sideshow enforcement at various locations throughout the city where they encountered crowds estimated at over 400 participants and nearly 300 vehicles. Three guns were recovered, five vehicles were impounded and 42 spectator violation citations were issued. The sideshow activity required a response of a majority of swing shift personnel and approximately 11 midnight personnel, however. Councilmembers Esparza and Davis issued a memorandum to the March 3rd Rules Committee that contains several good ideas to address this issue. I direct the City Manager to identify one-time funding to proactively investigate and enforce violations through a combination of staffing or overtime, use of technology such as automatic license plate readers, “quick-build” street modifications, and vehicle impoundment.

San José Abierto: Criminologists have long concluded that community-building can improve neighborhood safety. As we recover from the pandemic, reconnecting with each other in public spaces—parks, plazas, streets, and business districts—will also help restore our personal and emotional sense of well-being, and can help drive activity for our local small businesses. As public health orders allow, we should emphatically declare that “San José is Open,” by encouraging people to safely retake our public spaces. Through my 2020-2021 June Budget Message, Council approved funding for at least 50 summer park activations through Viva Parks, prioritizing parks serving East San José and other high-need communities for the summer of 2021-2022, for a series of free events offering health and wellness resources, physical activity, and community building. If public health orders this summer deem it safe, Viva Parks and movie nights will offer much-needed opportunities to socialize in family-friendly, safe outdoor settings. As a part of this strategy, PRNS plans to engage artists—our natural community builders—in their park activations, to help sustain struggling arts organizations, convene diverse audiences, support local businesses, and build an authentic narrative for our collective recovery.

- **Parks:** I direct the City Manager to return to Council during the budget process with a plan that will further our work with arts organizations using federal relief funding—if federal restrictions allow—to create outdoor activations focused on themes such as health, education, and community engagement. The City Manager is further directed to prioritize programs for parks serving our neighborhoods and small business districts most severely impacted by the pandemic, including the Downtown.
- **Festivals:** Arts organizations have been devastated by the cancellation of events, shows, and fundraisers, and City arts grants have plummeted with the steep drop in hotel tax revenues. With the passage of federal legislation, we have an opportunity to allocate one-time funding over the next two years—focused on the next two years—to help revive our struggling arts organizations, and to re-engage audiences. The City Manager is directed to allocate this dedicated funding source to stimulate re-engagement outdoor audiences safely—as public health orders permit—with resumption of preexisting or new festivals, live music, street shows, and art exhibits.

3. Homelessness and Affordable Housing Crisis

In addition to all of the efforts referenced in the preceding section to boost employment opportunities, improve health, and mitigate the poor quality of life of our unhoused residents, we know that the most impactful response to homelessness is housing.

Emergency and Transitional Housing Communities: At the time of the COVID-19 outbreak, San José had 5,117 unsheltered residents and only 849 shelter beds available—six unsheltered residents for every one shelter bed. The pandemic afforded the City the opportunity to clear the red tape to build emergency interim housing (EIH) rapidly, borrowing many lessons from our Bridge Housing Community (BHC) model, to address both the immediate pandemic emergency and its aftermath. With the help of a hard-working City team partnering with Habitat for Humanity, we have successfully constructed three emergency housing communities in record time—and at a small fraction of the standard public cost—providing dignified housing with private bedrooms and bathrooms behind lock and key. During the pandemic, we will prioritize medically vulnerable and older unhoused residents in the EIH communities, and thereafter the housing will convert thereafter to become transitional communities that will facilitate rapid rehousing.

With the successful completion of the first three communities, we have attracted growing interest from philanthropic partners who see promise for replicating this high-impact, low-cost, high-response model. We have identified a fourth EIH site—Parking Lot E that serves as the Police Dept’s overflow parking—on the east side of Hwy 87 from the Guadalupe River Park (GRP), and have attracted more than \$5 million in funding commitments from donors. This location presents a unique opportunity, utilizing the EIH model in the short-term for housing 80 to 90 homeless individuals to protect them from the pandemic. In the longer term, we can borrow what we’ve learned from our San José Bridge employment program to enlist a corps of paid park stewards who will beautify, repair, and clean the GRP under the direction of the Guadalupe River Park Conservancy. I direct the City Manager to work with my office to develop an operational model that will sustain EIH site operations, including how a GRP stewardship program could become a sustainable addition. In light of tentative commitments from a philanthropic donor to fund a fifth site, I further direct the City Manager to identify a fifth location—perhaps from among those Caltrans sites sought by Councilmember Mahan—and create a pro forma of construction and operation costs.

State Homeless and Housing Advocacy: The California Big City Mayors coalition, which I chair, has again advocated for homeless funding in the state budget process as our #1 priority, specifically focusing on the distribution of more Homeless Housing, Assistance, and Prevention (HHAP) dollars. Over the years, these efforts have successfully brought tens of millions of dollars to San José. Flexible homeless funding remains critical now more than ever to support the ongoing operations of the Bridge Housing Communities, Emergency Interim Housing Communities, and Homekey site which will exceed \$13 million annually in San José. In light of the rare, one-time opportunity presented by the large State surplus, I direct the City Manager to engage with my office on advocacy efforts to the Governor and legislative leadership to promote the allocation of additional funding for homeless housing in San José.

YIGBY — “Yes in God’s Backyard”: Some churches have expressed a willingness to build 100% affordable housing for homeless and low-income families and individuals on their parking lots, but current City land use designations have posed a longstanding barrier. This past fall, Council approved developing a YIGBY land use policy as part of the Citywide Residential Anti-Displacement Strategy, and it has been part of the Housing Crisis Work Plan for several years.

We are told that staffing constraints make it unlikely to get done until the end of 2021 or early 2022, however. Staff has identified approximately 435 acres of assembly use properties owned by nonprofit faith organizations zoned Public/Quasi Public (PQP), a significant portion of which is underutilized surface parking lots that could be converted into affordable housing. In contrast to the recent conversion of a school district's PQP-designated land for a market-rate project that will produce predominantly \$1.4+ million homes, we have the opportunity to create truly affordable housing at a scale worthy of consideration for the conversion of publicly designated land. Planning staff indicates that much of the work lies in community outreach, but non-profits like Catalyze SV could provide a "contracted" alternative. I direct the City Manager to allocate federal relief dollars, if regulations allow, to contract with an outreach consultant to accelerate the work necessary to bring forward a YIGBY PQP policy as soon as possible so that we can take advantage of offers by philanthropic partners willing to develop affordable housing. To the extent possible, the consultant should also perform work of PQP-conversion of school-district-owned lands to save time and generate efficiencies.

Opportunity Housing and the General Plan: Public battles over proposals to eliminate single family housing citywide will heat up, yet other important issues in our General Plan update also require detailed discussion. We should give the discussion over "Opportunity Housing" the time that it deserves, and we should not allow the extensive debate over one issue to force us to ignore all of the others. To ensure full discussion of all General Plan issues, the City Manager is directed to schedule discussion and vote on the "Opportunity Housing" recommendations of the task force on a date separate from the discussion on the rest of the General Plan changes. During the discussion over this issue, City Staff is directed to include analysis of the relevance of the existing by-right ability of parcel owners to add two additional dwellings to every single-family parcel (under recent state law authorizing ADU's and "Junior ADU's") to whatever housing supply could be created by an "Opportunity Housing" proposal.

Backyard Homes/ADUs: Our permit center continues to experience a high rate of permit applications for backyard homes, also known as accessory dwelling units (ADU's). The City processed 26 times the number of ADU applications in 2020 as it did in 2015, and ADUs represented 38% of all of the housing permits pulled in 2020. This interest reflects the success of our collective efforts to drive ADU construction as means to expand our chronically overcrowded housing stock. City permitting processes become challenging for homeowners who have little building project experience, however. By expanding our oversubscribed ADU Ally program to meet this demand, we can boost San José's housing supply, while helping struggling homeowners pay their mortgage. I direct the City Manager to allocate funding from the Development Fee Program to continue the ADU Ally position, as applicable, and add engineering, permit, and additional ADU Ally staffing, as appropriate, that will expedite our ADU application and review services. This commitment will allow for increased capacity and a faster turn-around of ADU applications while also freeing managerial PBCE resources toward larger projects. I further direct the City Manager to support the partnerships emerging from the Mayor's Office engagement with innovative companies and ADU builders willing to invest in scaling ADU development in San José, where external resources will support those efforts.

Managed or Sanctioned Encampments: On a roughly biennial basis, the issue of "Managed" or "Sanctioned" Encampments arises at City Council meetings. Typically, Housing staff and many experts resist implementing the concept due to a foundational and hugely time-consuming

problem: finding a site acceptable to the community. San José (and every other city) has enough difficulty persuading neighborhoods to embrace safe, dignified, well-designed affordable housing for our homeless residents, let alone a shantytown or collection of tents. A very key difference between the two endeavors is that at the end of all of our many hours of outreach, community meetings, and service responses, a sanctioned encampment still will not have safely housed a single homeless individual, and a development will. Moreover, sanctioned encampments are hardly cheap: In the City of San Francisco, a recent study found the City spending nearly \$61,000 annually per person to maintain sanctioned encampments—an amount roughly three times greater than the annual cost of rental vouchers—often because of the security and service demands of surrounding neighborhoods. Fortunately, there are alternatives; City staff have proactively provided basic sanitation, trash, and other services to unhoused residents at 16 locations with a high concentration of encampments, known as SOAR sites. Accordingly:

- **Expanding SOAR Sites:** As I've noted in Section 1, above, in light of additional federal relief funding made available through the American Rescue Plan Act, the City can and should expand the number of SOAR sites to better address the needs of our unhoused, and the desires of surrounding neighbors to see trash abatement and mitigation of public health risk.
- **Public Restrooms:** The City Manager is directed to launch a pilot project to enable more public restrooms to become available to avoid the public health risks, nuisance, and blight of public urination and defecation. While distributing meals for unhoused residents in Guadalupe River Park in December, I learned that repeated vandalism forced the City to shut down Columbus Park restrooms upon which unhoused residents depended. When I inquired whether we could apply a model similar to SJ Bridge, paying unhoused residents to protect and clean the restrooms, Pastor Paul Bains expressed that his WeHOPE organization manages people to do just that in the East Bay, and he would be willing to take something similar on in San José. Too many restrooms have become unusable for any members of the public, including our unhoused residents. The City Manager is directed to utilize one-time federal relief funding to design and launch a pilot program, using SJ Bridge or a similar model.

4. **Fiscal Resilience**

Given our continued uncertainty with vaccine deployment and the prevalence of virus variants, we should continue to prepare for a challenging future. Accordingly, through this Budget Message, I again seek my colleagues' support for our adopted principles of budgetary resilience:

1. **PREPARE FOR MULTI-YEAR GENERAL FUND IMPACTS:** anticipate economic volatility by strategically cutting costs, using reserves, and exploring opportunities such as Pension Obligation Bonds;
2. **PRIORITIZE AN EQUITABLE ECONOMIC RECOVERY:** create opportunities for recovery and resilience especially for low-income communities disproportionately affected by the pandemic;

3. **FOCUS ON OUR HIGHEST PRIORITIES:** invest in our residents' priorities that align with our core City services and have the greatest impacts on the quality of life in our community; and
4. **LEVERAGE OTHER RESOURCES:** identify ways to maximize the use of external resources, including federal, state, county, and philanthropic funds.

Impact of the American Rescue Plan: The City Manager's General Fund Forecast (released March 1st) indicates a deficit of \$48.1 million in 2021-2022. Given the structural, ongoing nature of that deficit, the City Manager is directed to identify ongoing cost savings—starting with the strategic elimination of vacancies and the identification of any cost efficiencies--that will reduce the ongoing deficit to the General Fund. Should Congress fail to allocate anticipated levels of local assistance through the American Rescue Plan, the City Manager is directed to present a plan for a balanced budget that primarily relies upon ongoing cost reductions and efficiency savings, with a modest reduction of existing reserves such as the Budget Stabilization Reserve.

If Congress approves our anticipated levels of American Rescue Plan funds, the City Manager is directed to allocate sufficient funding to address our remaining projected future shortfalls—beyond the ongoing savings identified through belt-tightening—on a one-time basis. Given our ongoing, substantial budget deficit, we must not resign ourselves to simply “filling the hole” with one-time funds and hoping for the best. Ample reason exists to expect a long fiscal winter—for example, some experts have pointed to risks of financial markets freezing in response to anticipated commercial bankruptcies in the year ahead. Others point at rising pension contribution rates if equities markets fall from their historic highs, after an unprecedented decade-long runup. Fallout in the retail and hotel industries, moreover, will likely precipitate many Proposition 8 reductions in property assessments, and the decline in tax revenue will directly impact the City's largest revenue source. Accordingly, the City Manager is further directed to allocate at least \$80 million into a reserve that both insulates the City from the foreseeable and substantial shortfalls we must be prepared for in the following years, and to provide additional resources in 2022-2023 to continue supporting our community's recovery.

Budget Stabilization Reserve: This reserve provides budgetary resilience amid large fluctuations in revenues or expenditures—serving a critical role in mitigating the impacts of the pandemic on our staffing and services during the current fiscal year. If the City receives federal relief funds, the City Manager is directed to preserve the current balance of this reserve and consider contributions as necessary to maintain a protective level of funds.

Essential Services Reserve: Assuming that Congress approves the City's anticipated allocation of federal relief dollars, the City Manager is directed to set aside \$3 million in one-time funds that may be used to support services of essential importance to our residents, as determined by the City Council. I request that my Council colleagues be strategic with their cost requests and mindful of their impact on the workload of an overstretched City budget and department staff. In the event that we do not secure relief dollars from the American Rescue Plan Act, the City Manager is directed to set aside \$1 million in one-time funds for this purpose.

CONCLUSION

Prior One-Time Funded Items: The City Manager is directed to evaluate programs funded on a one-time basis in Fiscal Year 2020-2021 for continuation in Fiscal Year 2021-2022.

Budget Balancing Strategy Guidelines: In addition to the four principles I've articulated in this Budget Message, the City Manager is directed to use the familiar FY 2021-2022 Budget Balancing Strategy Guidelines as detailed in Appendix A to develop a balanced budget for the fiscal year ahead.

I respectfully request the support of my colleagues for this March Budget Message. This memorandum has been coordinated with the City Manager and City Attorney.

For more information on this memorandum, please contact Nicholas Almeida, Budget Director, at Nicholas.Almeida@sanjoseca.gov.

ATTACHMENTS


Appendix A – FY 2021-2022 Budget Balancing Strategy Guidelines

APPENDIX A

2021-2022 Budget Balancing Strategy Guidelines

1. Develop a budget that balances the City's delivery of the most essential services to the community with the resources available. Consider current needs in the context of long-term service delivery priorities.
2. Pose explicit questions of equity – including who benefits and who is burdened – when considering changes to City services to achieve a balanced budget.
3. While over the long term the City remains committed to balancing ongoing expenditures with ongoing revenues to maintain the City's high standards of fiscal integrity and financial management, given economic and public health uncertainty related to the COVID-19 pandemic, use a combination of ongoing and one-time solutions to resolve the General Fund shortfall in 2021-2022 that balances the need to resolve the ongoing shortfall against the community and organization impact of service level reductions in the short term.
4. Should additional Federal relief or stimulus funding become available to address the pandemic, allocate funding for response, recovery, and local assistance – with an emphasis on assisting our most vulnerable – and to help backfill lost revenue, as allowable under statutory restrictions and in context of other urgent needs.
5. To the extent possible, maintain or increase General Fund reserve levels to help address any unanticipated budgetary shortfall in the following year as a stopgap measure.
6. Evaluate program-level budgets and determine if there are opportunities to shift resources or reconfigure operations to mitigate service delivery impacts, meet the objectives of the City Roadmap, generate new revenues, address truly significant community or organizational risks, fund services added on a one-time basis in 2020-2021, and/or respond to City Council direction and organizational risks. Review existing vacancies for opportunities to reorganize work groups to realize cost savings or to achieve current service level demands through alternative means. Factor in performance measure data in proposal development.
7. Focus on business process redesign to improve employee productivity and the quality, flexibility, and cost-effectiveness of service delivery (e.g., streamlining, simplifying, reorganizing functions, and reallocating resources).
8. Explore alternative service delivery models (e.g., partnerships with non-profit, public, or private sector for out- or in-sourcing services) to ensure no service overlap, reduce and/or share costs, and use City resources more efficiently and effectively.
9. Identify City policy changes that would enable/facilitate service delivery improvements or other budget balancing strategies to ensure equity and inclusion for how services are delivered.
10. Analyze non-personal/equipment/other costs, including contractual services, for cost savings opportunities. Contracts should be evaluated for their necessity to support City operations and to identify negotiation options to lower costs.
11. Explore expanding existing revenue sources and/or adding new revenue sources.
12. Establish a fees, charges and rates structure designed to fully recover operating costs, while considering the impacts on fee and rate payers whereby a cost recovery structure may be lower in certain circumstances, and explore opportunities to establish new fees and charges for services, where appropriate.
13. Focus any available one-time resources on investments that 1) continue high-priority programs funded on a one-time basis in 2020-2021 for which ongoing funding is not available; 2) address the City's unmet or deferred infrastructure needs; 3) leverage resources to or improve efficiency/effectiveness through technology and equipment or other one-time additions; 4) increase budget stabilization reserves to address future budget uncertainty; and/or 6) provide for funding needs for non-bond eligible furniture, fixtures, and equipment associated with the continued implementation of Measure T.
14. Engage employees in department and/or city-wide budget proposal idea development.
15. Continue a community-based budget process where the City's residents and businesses are educated and engaged, as well as have the opportunity to provide feedback regarding the City's annual budget.
16. Use the General Plan as a primary long-term fiscal planning tool and link ability to provide City services to development policy decisions.

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2021-2022

OPERATING BUDGET

**COMMUNITY
DEVELOPMENT
BLOCK GRANT
(CDBG) FUND**

**2021-2022
FUNDING
ALLOCATION**

Community Development Block Grant Fund

2021-2022 Funding Allocation

The Community Development Block Grant (CDBG) Fund accounts for federal grant monies received from the U.S. Department of Housing and Urban Development (HUD). The national objectives of the program are to provide assistance to persons of low- and moderate- incomes, prevent or eliminate slums and blight, or meet an urgent community development need. The chart below summarizes the funding priorities in the following categories: Contractual Community Services (CCS – up to 15% of funding); Community Development Improvements (CDI), and Administration, Fair Housing and Planning (Admin – up to 20% of funding). A public hearing on the draft “FY 2021-2022 Annual Action Plan” was held by the City Council on April 27, 2021. Details of each category contained in the “FY 2021-2022 Annual Action Plan” can be found at:

<https://sanjose.legistar.com/LegislationDetail.aspx?ID=4910426&GUID=27D9B616-55B5-4BA3-8E00-74C78EB56E94&Options=&Search=>

The City Council is scheduled to adopt the FY 2021-2022 Annual Action Plan on May 11, 2021.

Funding Category	CDBG Activities	Sub-Grantee	Funding
CDI	Independence and Oak Grove Community WiFi Broadband Access	City – Public Works Department	\$2,484,920
CDI	Continued rehabilitation of Bill Wilson Enclave Youth Shelter	Bill Wilson Center	\$300,000
CDI	Enhanced Code Enforcement	City – Planning, Building and Code Enforcement Department	\$1,100,000
CDI	Job Training for Homeless and At Risk Individuals	Job Train	\$360,000
CDI	Job Training for Homeless and At Risk Individuals	International Rescue Committee	\$140,000
CDI	Minor Repair Services	Rebuilding Together Silicon Valley	\$1,100,000
CDI	Minor Repair Services	Habitat for Humanity	\$550,000

Community Development Block Grant Fund

2021-2022 Funding Allocation

Funding Category	CDBG Activities	Sub-Grantee	Funding
PS	Legal Services for Low-Income Tenants & Landlords	San José Housing Rights Consortium	\$475,115
CCS / PS	Tenant Protection Legal Services	Law Foundation	\$100,000
CCS / PS	Services for Homeless and Unhoused Populations	HomeFirst	\$399,097
CCS / PS	Senior Access & Health Support	Portuguese Organization for Social Services and Opportunities (POSSO)	\$75,000
CCS / PS	Meals on Wheels	The Health Trust	\$125,000
CCS / PS	Neighborhood Engagement	Somos Mayfair Inc.	\$150,000
CCS / PS	Neighborhood Engagement	CommUniverCity	\$50,000
Administration	Fair Housing	Law Foundation	\$100,000
Administration	Grants Management	Administration, staffing, Environmental Reviews	\$1,652,283
Total CDBG Expenditures			\$9,161,415