

## Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2012-2013

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
<b>AIRPORT CAPITAL IMPVT FUND (520)</b>				
<b><i>Earned Revenue - TSA/FAA Grants</i></b>	Airport Capital Program			(\$1,523,000)
<p>This action decreases the estimate for Earned Revenue by \$1,523,000 to reflect the lower than budgeted grant award from the Federal Aviation Administration (FAA) for the construction of Phase V of the Taxiway W Improvements project (\$1,574,000), which will extend a portion of Taxiway W from Taxiway D to G. This adjustment is partially offset by an increase of \$51,000 to reflect the approved FAA grant amendment for eligible and allowable project costs for Phase II of the project.</p>				
<b><i>Ending Fund Balance Adjustment</i></b>	Airport Capital Program		\$51,000	
<p>This action increases the Ending Fund Balance to offset the action recommended in this report.</p>				
<b><i>Taxiway W Improvements</i></b>	Airport Capital Program		(\$1,574,000)	
<p>This action decreases the Taxiway W Improvements appropriation by \$1,574,000. In July 2013, the Airport received a grant from FAA for the construction of Phase V (to extend a portion of Taxiway W from Taxiway D to G). Due to a reduction in the grant share of this project, the project budget for Phase V of the Taxiway W Improvements project is reduced. Corresponding actions to decrease the estimate for Earned Revenue offset slightly by an increase to the Ending Fund Balance are recommended elsewhere in this report.</p>				
<b>TOTAL AIRPORT CAPITAL IMPVT FUND (520)</b>			(\$1,523,000)	(\$1,523,000)
<b>AIRPORT CUST FAC &amp; TRANS FD (519)</b>				
<b><i>Future Debt Service Reserve</i></b>	Airport		(\$404,525)	
<p>This action decreases the Future Debt Service Reserve by \$404,525 to offset the action recommended in this report.</p>				
<b><i>Transfer to Airport Surplus Revenue Fund</i></b>	Airport		\$404,525	
<p>This action increases the Transfer to the Airport Surplus Revenue Fund by \$404,525 from the Airport Customer Facility and Transportation Fee Fund. In 2011, the Airport issued 2011B Series Bonds that were used to refund the Airport's Commercial Paper (CP) notes, which were used to pay Consolidated Rental Car Garage (ConRAC) debt service. After the bond issuance, additional ConRAC capital expenditures of \$404,525 were paid with CP that are actually the responsibility of the rental car companies and are eligible for Customer Facility Charge (CFC) funding instead. This action transfers CFC funding to the Airport Surplus Revenue Fund to refund these CP notes. A corresponding action in the Airport Surplus Revenue Fund is recommended elsewhere in this document.</p>				
<b>TOTAL AIRPORT CUST FAC &amp; TRANS FD (519)</b>			\$0	\$0

# Special/Capital Funds Recommended Budget Adjustments Summary

## Annual Report 2012-2013

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
<b>AIRPORT MAINT &amp; OPER FUND (523)</b>				
<b><i>Operations Contingency</i></b>	Airport		\$419,833	
<p>This action increases the Operations Contingency appropriation by \$419,833, which represents the percentage growth of passenger enplanements in 2012-2013 (2.7%) at the Airport that exceeded the Federal Aviation Administration's (FAA) projection of passenger growth (0.0%). As specified in the Council approved Airline-Airport Lease and Operating Agreements, the Airport overhead expenses shall be reduced by the amount of passenger growth above the FAA's projection in the year following.</p>				
<b><i>Overhead</i></b>	Airport		(\$419,833)	
<p>This action decreases the Airport Overhead transfer to the City's General Fund by \$419,833. In 2012-2013, the percentage growth in annual enplanements at the Airport was 2.7%, which exceeded the Federal Aviation Administration's projection of 0.0% for national enplanement growth. This increase in passenger enplanements triggered the Airport to activate the Municipally-Funded Air Service Incentive Program, a provision in the Airline-Airport Lease and Operating Agreements that was approved by the City Council on March 2007. The original term of these Agreements was through June 30, 2012, with one five-year option to extend the Agreements through June 30, 2017. In August 2011, the City Council approved the option to extend these Agreements through June 30, 2017. Under the provision, if the percentage growth in annual enplanements at the Airport exceeds the growth in annual enplanements nationwide, the City shall reduce the amount of its indirect overhead expenses in the following fiscal year by a corresponding percentage. In order to comply with the provision of the Agreements, the overhead reimbursement owed by Airport will be reduced by 2.7% (from the Adopted overhead rate of 18.25% to 15.55%), or \$419,833, in 2013-2014.</p>				
<b>TOTAL AIRPORT MAINT &amp; OPER FUND (523)</b>			<b>\$0</b>	<b>\$0</b>
<b>AIRPORT RENEW &amp; REPL FUND (527)</b>				
<b><i>Computerized Maintenance Management System</i></b>	Airport Capital Program		\$51,000	
<p>This action establishes the Computerized Maintenance Management System appropriation in the amount of \$51,000. In 2012-2013, the Airport purchased licenses as part of the enhancement project for the Computerized Maintenance Management System. This funding will provide for software and equipment necessary to complete this project.</p>				
<b><i>Ending Fund Balance Adjustment</i></b>	Airport Capital Program		(\$50,662)	
<p>This action decreases the Ending Fund Balance to offset actions recommended in this report.</p>				

## Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2012-2013

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
<b>AIRPORT RENEW &amp; REPL FUND (527)</b>				
<b><i>Terminal A Arrivals Roadway Repairs</i></b>	Airport Capital Program		(\$367,000)	
<p>This action eliminates funding for the Terminal A Arrivals Roadway Repairs appropriation in the Airport Renewal and Replacement Fund. Due to a prior 2007A bond funding disqualification, it was determined that \$367,000 of the remaining bond proceeds are available to fund this eligible project in the Airport Revenue Bond Improvement Fund. A corresponding action to establish an appropriation for this project in the Airport Revenue Bond Improvement Fund is recommended elsewhere in this document.</p>				
<b><i>Terminal Seating</i></b>	Airport Capital Program		(\$71,000)	
<p>This action decreases the Terminal Seating appropriation by \$71,000 (from \$100,000 to \$29,000). Due to a prior 2007A bond funding disqualification, it was determined that \$71,000 of the remaining bond proceeds are available to fund this eligible project in the Airport Revenue Bond Improvement Fund. A corresponding action to establish an appropriation for this project in the Airport Revenue Bond Improvement Fund is recommended elsewhere in this document.</p>				
<b><i>Transfer to Airport Revenue Bond Improvement Fund</i></b>	Airport Capital Program		\$437,662	
<p>This action establishes a Transfer to the Airport Revenue Bond Improvement Fund from the Airport Renewal and Replacement Fund in the amount of \$437,662 for eligible project costs associated with the Terminal A Arrivals Roadway Repairs project (\$367,000) and the Terminal Seating project (\$71,000). On November 6, 2012, the remaining 2007A bond proceeds were transferred to the Airport by the Fiscal Agent. The transfer included project costs that are now deemed ineligible due to timing for bond funding. This adjustment is necessary to reimburse for the ineligible expenses that were funded by the 2007A Bonds. A corresponding transfer in the Airport Revenue Bond Improvement Fund is recommended elsewhere in this document.</p>				
<b>TOTAL AIRPORT RENEW &amp; REPL FUND (527)</b>			\$0	\$0
<b>AIRPORT REV BOND IMP FUND (526)</b>				
<b><i>Ending Fund Balance Adjustment</i></b>	Airport Capital Program		(\$392,338)	
<p>This action decreases the Ending Fund Balance by \$392,338 to offset actions recommended in this report.</p>				
<b><i>Taxiway W Improvements</i></b>	Airport Capital Program		\$392,000	
<p>This action increases the Taxiway W Improvements appropriation by \$392,000. In July 2013, the Airport received a grant from FAA for the construction of Phase V (to extend a portion of Taxiway W from Taxiway D to G). Due to a reduction in the grant and local share funding for this project, the Airport is decreasing the local share match for this grant-funded project by approximately \$378,000, offset by the addition of \$770,000 for a construction contingency. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.</p>				

# Special/Capital Funds Recommended Budget Adjustments Summary

## Annual Report 2012-2013

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
<b>AIRPORT REV BOND IMP FUND (526)</b>				
<b><i>Terminal A Arrivals Roadway Repairs</i></b>	Airport Capital Program		\$367,000	
<p>This action establishes the Terminal A Arrivals Roadway Repairs appropriation in the amount of \$367,000. This project was previously funded in the Airport Renewal and Replacement Fund. However, due to a prior 2007A bond funding disqualification, it was determined that \$367,000 of the remaining bond proceeds are available to fund this eligible project. A corresponding decrease in the Airport Renewal and Replacement Fund is recommended elsewhere in this document.</p>				
<b><i>Terminal Seating</i></b>	Airport Capital Program		\$71,000	
<p>This action establishes the Terminal Seating appropriation in the amount of \$71,000. Due to a prior 2007A bond funding disqualification, it was determined that \$71,000 of the remaining bond proceeds in this fund are available for this eligible project. The remaining project funding of \$29,000 will remain in the Airport Renewal and Replacement Fund. A corresponding decrease in the Airport Renewal and Replacement Fund is recommended elsewhere in this document.</p>				
<b><i>Transfer from Airport Renewal and Replacement Fund</i></b>	Airport Capital Program			\$437,662
<p>This action establishes and recognizes a Transfer from the Airport Renewal and Replacement Fund to the Airport Revenue Bond Improvement Fund in the amount of \$437,662 for eligible project costs associated with the Terminal A Arrivals Roadway Repairs project (\$367,000) and the Terminal Seating project (\$71,000). On November 6, 2012, the remaining 2007A bond proceeds were transferred to the Airport by the Fiscal Agent. The transfer included project costs that are now deemed ineligible due to timing for bond funding. This adjustment is necessary to reimburse for the ineligible expenses that were funded by the 2007A Bonds. A corresponding transfer in the Airport Renewal and Replacement Fund is recommended elsewhere in this document.</p>				
<b>TOTAL AIRPORT REV BOND IMP FUND (526)</b>			\$437,662	\$437,662
<b>AIRPORT REVENUE FUND (521)</b>				
<b><i>Airline Agreement Reserve</i></b>	Airport		\$46,138	
<p>This action increases the Airline Agreement Reserve by \$46,138 to offset the net increase in the estimate for Earned Revenue recommended below.</p>				
<b><i>Earned Revenue - Airport Landing Fees and Terminal Rentals</i></b>	Airport			\$46,138
<p>This action increases the estimate for Earned Revenue for the Airport Landing Fees and Terminal Rentals revenue categories by a net adjustment of \$46,138. During the development of the revenue estimates in the 2013-2014 budget process, the Airport Rates and Charges model was still being finalized. This action now aligns budgeted revenue estimates with the 2013-2014 Airport's Rates and Charges. The revenue estimate for Landing Fees has increased by \$142,487 (from \$11,863,537 to \$12,006,024) and the revenue estimate for Terminal Rentals has decreased by \$96,349 (from \$38,087,565 to \$37,991,216) for a net increase to the Earned Revenue estimate of \$46,138.</p>				

## Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2012-2013

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
<b>AIRPORT REVENUE FUND (521)</b>				
<b>TOTAL AIRPORT REVENUE FUND (521)</b>			<b>\$46,138</b>	<b>\$46,138</b>
<b>AIRPORT SURPLUS REV FD (524)</b>				
<b><i>Commercial Paper Principal and Interest</i></b>	Airport		\$404,525	
This action increases the Commercial Paper Principal and Interest appropriation by \$404,525 to reflect the refund of Commercial Paper notes used to pay capital expenditures of the Consolidated Rental Car Garage that are eligible for payment from Customer Facility Charges and the rental car companies.				
<b><i>Transfer from Airport Customer Facility and Transportation Fee Fund</i></b>	Airport			\$404,525
This action increases the Transfer from the Airport Customer Facility and Transportation Fee Fund by \$404,525 to the Airport Surplus Revenue Fund. In 2011, the Airport issued 2011B Series Bonds that were used to refund the Airport's Commercial Paper (CP) notes, which were used to pay Consolidated Rental Car Garage (ConRAC) capital expenditures. After the bond issuance, additional ConRAC capital expenditures of \$404,525 were paid with CP that are actually the responsibility of the rental car companies and are eligible for Customer Facility Charge (CFC) funding instead. This action reflects the transfer of CFC funding from the Airport Customer Facility and Transportation Fee Fund to the Airport Surplus Revenue Fund to refund the CP notes. A corresponding action in the Airport Customer Facility and Transportation Fee Fund is recommended elsewhere in this document.				
<b>TOTAL AIRPORT SURPLUS REV FD (524)</b>			<b>\$404,525</b>	<b>\$404,525</b>
<b>BLDG &amp; STRUCT CONST TAX FD (429)</b>				
<b><i>Earned Revenue - Branham Lane/Monterey Highway Rail</i></b>	Traffic Capital Program			(\$12,000)
This action decreases the revenue estimate for the Transportation, Community and System Preservation Grant which provides funding for the Branham Lane/Monterey Highway Rail project. As part of the development of the 2013-2014 Adopted Capital Budget, revenues were programmed to be received in 2013-2014; however, \$12,000 of the programmed revenues were actually received in 2012-2013. A corresponding decrease to the Ending Fund Balance to offset this action is also recommended in this report.				
<b><i>Earned Revenue - Housing Incentive Program Grant</i></b>	Traffic Capital Program			(\$10,000)
This action decreases the revenue estimate for the Housing Incentive Program Grant which provides funding for the SJSU Japantown Pedestrian Corridor project. As part of the development of the 2013-2014 Adopted Capital Budget, revenues were programmed to be received in 2013-2014; however, \$10,000 of the programmed revenues were actually received in 2012-2013. A corresponding decrease to the Ending Fund Balance to offset this action is also recommended in this report.				

## Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2012-2013

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
<b>BLDG &amp; STRUCT CONST TAX FD (429)</b>				
<b><i>Earned Revenue - Metropolitan Transportation Commission</i></b>	Traffic Capital Program			(\$1,000)
<p>This action decreases the revenue estimate for grant funding from the Metropolitan Transportation Commission which provides funding for The Alameda - A Plan for the Beautiful Way project. As part of the development of the 2013-2014 Adopted Capital Budget, revenues were programmed to be received in 2013-2014; however, \$1,000 of the programmed revenues were actually received in 2012-2013. A corresponding decrease to the Ending Fund Balance to offset this action is also recommended in this report.</p>				
<b><i>Ending Fund Balance Adjustment</i></b>	Traffic Capital Program		(\$61,000)	
<p>This action decreases the Ending Fund Balance to offset the actions recommended in this report.</p>				
<b><i>Route 280/880/Stevens Creek Upgrade/Earned Revenue</i></b>	Traffic Capital Program		\$20,000	\$20,000
<p>This action increases the Route 280/880/Stevens Creek Upgrade appropriation and recognizes the corresponding revenue reimbursements from the Valley Transportation Authority to reroute the existing fiber optic communications system on Stevens Creek Boulevard in order to facilitate the construction of the I-880/Stevens Creek Interchange Upgrade project.</p>				
<b><i>Safety - Pedestrian Improvements</i></b>	Traffic Capital Program		\$15,000	
<p>This action increases the Safety - Pedestrian Improvements appropriation. In 2012-2013, the City received \$15,000 in revenues from Hitachi to provide funding for the installation of a pedestrian beacon on Great Oaks Boulevard at the pedestrian overcrossing.</p>				
<b><i>San Carlos St. Multimodal Streetscape Improvements - Phase II</i></b>	Traffic Capital Program		\$23,000	
<p>This action increases the San Carlos St. Multimodal Streetscape Improvements - Phase II appropriation by \$23,000. A prior year encumbrance was liquidated and inadvertently fell to fund balance. This action will appropriate the funds back into the project for the continued work with the Valley Transportation Authority for the design modifications prior to finalizing the project design and review of the permit issuance plans of this project.</p>				
<b>TOTAL BLDG &amp; STRUCT CONST TAX FD (429)</b>			(\$3,000)	(\$3,000)
<b>BRANCH LIB BOND PROJECT FD (472)</b>				
<b><i>Branch Libraries Projects Bond Fund and Library Construction and Conveyance Tax Fund Expenditures Alignment/Transfers</i></b>	Library Capital Program		\$621,000	\$621,000
<p>This action establishes a revenue estimate for Transfers in order to receive \$621,000 from the Library Construction and Conveyance Tax Fund (Library C&amp;C Fund), and establishes a Transfer to the Library C&amp;C Fund in the amount of \$621,000 in order to: 1) recognize the transfer of Library C&amp;C Fund funding to reimburse the Branch Libraries Bond Projects Fund for capital expenditures that have been determined as ineligible to be reimbursed from bond proceeds; and 2) transfer funds to the Library C&amp;C Tax Fund to allocate bond proceeds to reimburse that fund for previously incurred costs associated with bond-eligible projects.</p>				

## Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2012-2013

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
<b>BRANCH LIB BOND PROJECT FD (472)</b>				
<b>TOTAL BRANCH LIB BOND PROJECT FD (472)</b>			\$621,000	\$621,000
<b>BUSINESS IMPVT DIST FUND (351)</b>				
<b><i>Downtown Business Improvement District/Earned Revenue (Downtown Assessment)</i></b>	Economic Development		(\$10,000)	(\$10,000)
<p>This action decreases the Downtown Business Improvement District appropriation and the revenue estimate for Downtown Assessment to reflect the revised estimated assessment collections from property owners in this district. The funding pays for maintenance of parking facilities, aesthetic enhancements, and promotion of public events and general business activities in the area.</p>				
<b>TOTAL BUSINESS IMPVT DIST FUND (351)</b>			(\$10,000)	(\$10,000)
<b>CFD #13 GUADALUPE MINES (310)</b>				
<b><i>Ending Fund Balance Adjustment</i></b>	Transportation		\$1,585	
<p>This action increases the Ending Fund Balance to offset the action recommended in this report.</p>				
<b><i>Transportation Department Non-Personal/Equipment</i></b>	Transportation		(\$1,585)	
<p>This action decreases the Transportation Department (DOT) Non-Personal/Equipment appropriation by \$1,585. County tax collection fees from homeowners were not received in 2012-2013 resulting in a negative fund balance, and an adjustment is necessary to balance the fund. Revenue is anticipated to be received in 2013-2014, and an adjustment to the DOT Non-Personal/Equipment appropriation will be made at a later time.</p>				
<b>TOTAL CFD #13 GUADALUPE MINES (310)</b>			\$0	\$0
<b>CIVIC CENTER CONSTRUCTION FD (425)</b>				
<b><i>City Hall Construction Close-Out</i></b>	Muni Improvements Capital Program		\$1,067	
<p>This action increases the City Hall Construction Close-Out appropriation by \$1,067 for waterproofing repairs at City Hall.</p>				
<b><i>Ending Fund Balance Adjustment</i></b>	Muni Improvements Capital Program		(\$1,067)	
<p>This action decreases the Ending Fund Balance to offset the action recommended in this report.</p>				
<b>TOTAL CIVIC CENTER CONSTRUCTION FD (425)</b>			\$0	\$0

# Special/Capital Funds Recommended Budget Adjustments Summary

## Annual Report 2012-2013

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
<b>COMM DEV BLOCK GRANT FUND (441)</b>				
<p><b><i>Contractual Community Services</i></b></p> <p>This action increases the Contractual Community Services appropriation to align final funding allocations from the U.S. Department of Housing and Urban Development (HUD) as described in the "2013 HUD Funding Adjustments to Nonprofit Service Agency Agreements" information memorandum that was released on September 5, 2013. As part of the development of the 2013-2014 Adopted Budget, staff programmed an anticipated 5% reduction to all HUD community development programs as a result of federal sequestration. However, when HUD released the final funding allocations for 2013-2014, the entitlement funding in the Community Development Block Grant (CDBG) Fund was higher by 11%. In response to the decrease in Emergency Shelter Grants (ESG) funding as described in the recommended adjustment in the Multi-Source Housing Fund, the increased entitlement funding is recommended to fund the reallocation of expenditures from ESG funds in the Multi-Source Housing Fund to the CDBG Fund in an effort to minimize service reductions.</p>	Housing		\$121,634	
<p><b><i>Earned Revenue - Developer Payment</i></b></p> <p>This action decreases the revenue estimate for developer payments to align with lower than projected payments in 2013-2014.</p>	Housing			(\$90,283)
<p><b><i>Earned Revenue - Entitlement</i></b></p> <p>This action increases the revenue estimate for entitlement funding by \$810,891, from \$7,448,270 to \$8,259,160, to reflect the revised allocation from the U.S. Department of Housing and Urban Development (HUD), as described in the "2013 HUD Funding Adjustments to Nonprofit Service Agency Agreements" information memorandum that was released on September 5, 2013. As part of the development of the 2013-2014 Adopted Budget, staff programmed an anticipated 5% reduction to all HUD community development programs as a result of federal sequestration. However, when HUD released the final funding allocations for 2013-2014, the entitlement funding in the Community Development Block Grant Fund was higher by 11%.</p>	Housing			\$810,891
<p><b><i>Housing Program Development and Monitoring</i></b></p> <p>This action increases the Housing Program Development and Monitoring appropriation to provide funding for administrative oversight of additional agreements as a result of an increased funding allocation from the U.S. Department of Housing and Urban Development as described above.</p>	Housing		\$22,308	
<p><b><i>Housing Rehabilitation Loans and Grants</i></b></p> <p>This action decreases the Housing Rehabilitation Loans and Grants appropriation to align funding with anticipated 2013-2014 expenditures. This funding provides financial resources and technical assistance to San José's lower-income residents seeking to maintain and/or improve the condition of their properties.</p>	Housing		(\$60,000)	



## Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2012-2013

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
<b>COMM DEV BLOCK GRANT FUND (441)</b>				
<b><i>Neighborhood Infrastructure Improvements</i></b>	Housing		(\$921,000)	
<p>This action reallocates funding from the Neighborhood Infrastructure Improvements appropriation by \$921,000 to the LED Streetlight Conversion (\$491,000), Transportation Neighborhood Infrastructure Improvements (\$155,000), Mayfair Community Garden Rehabilitation (\$225,000), and Olinder Park Physical Improvements (\$50,000) appropriations as described below. During the development of the 2013-2014 Adopted Budget, specific projects were not identified; however, staff recently identified projects after the release of the final funding allocations from the U.S. Department of Housing and Urban Development in July 2013.</p>				
<b><i>Section 108 Debt Service</i></b>	Housing		(\$44,535)	
<p>This action decreases the Section 108 Debt Service appropriation to align funding with revised debt service payments as a result of lower than estimated variable interest rates.</p>				
<b><i>Section 108 Debt Service Reserve</i></b>	Housing		\$681,201	
<p>This action increases the Section 108 Debt Service Reserve to set aside funding for future debt service programs. As a result of the dissolution of the San José Redevelopment Agency and per the agreement between the Federal Department of Housing and Urban Development, if the Successor Agency to the Redevelopment Agency (SARA) is not able to make the debt service payment, Community Development Block Grant (CDBG) funds are pledged to cover this obligation. Since it is projected that there will be insufficient property tax increment revenue available to cover the debt service payment in the near future, it is recommended that CDBG funds be programmed for this payment.</p>				
<b><i>Mayfair Community Garden Rehabilitation</i></b>	Parks, Rec, & Neigh Svcs		\$225,000	
<p>This action establishes the Mayfair Community Garden Rehabilitation appropriation to the Parks, Recreation and Neighborhood Services Department. The appropriation will provide funding for the rehabilitation of the Mayfair Community Garden. A corresponding decrease to the Neighborhood Infrastructure Improvements appropriation is also recommended to offset this action.</p>				
<b><i>Olinder Park Physical Improvements</i></b>	Parks, Rec, & Neigh Svcs		\$50,000	
<p>This action establishes the Olinder Park Physical Improvements appropriation to the Parks, Recreation and Neighborhood Services Department. The appropriation will provide funding for the installation of gates, bollards, and boulders in Olinder Park and along Remillard Court to prevent vehicular access to a homeless encampment along Coyote Creek. A corresponding decrease to the Neighborhood Infrastructure Improvements appropriation is also recommended to offset this action.</p>				
<b><i>LED Streetlight Conversion</i></b>	Transportation		\$491,000	
<p>This action increases the LED Streetlight Conversion appropriation to convert 539 existing streetlights to LED in the Five Wounds neighborhood and 22 streetlight fixtures in the Mayfair neighborhood. A corresponding decrease to the Neighborhood Infrastructure Improvements appropriation is also recommended to offset this action.</p>				

## Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2012-2013

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
<b>COMM DEV BLOCK GRANT FUND (441)</b>				
<i>Transportation Neighborhood Infrastructure Improvements</i>	Transportation		\$155,000	
<p>This action increases the Transportation Neighborhood Infrastructure Improvements appropriation for the installation of radar speed signs on Julian Street on southbound 24th Street at San José High School (\$50,000), installation of flashing beacons and choker islands in the East William Street right-of-way at Olinder School (\$40,000), and installation of flashing beacons and choker islands in the 33rd Street right-of-way at Anne Darling School (\$65,000). A corresponding decrease to the Neighborhood Infrastructure Improvements appropriation is also recommended to offset this action.</p>				
<b>TOTAL COMM DEV BLOCK GRANT FUND (441)</b>			<b>\$720,608</b>	<b>\$720,608</b>
<b>CONST/CONV TAX FIRE FUND (392)</b>				
<i>Ending Fund Balance Adjustment</i>	Public Safety Capital Program		(\$652,000)	
<p>This action decreases the Ending Fund Balance to offset the actions recommended in this report.</p>				
<i>Facilities Improvements</i>	Public Safety Capital Program		\$32,000	
<p>This action increases the Facilities Improvement appropriation by \$32,000 to fund repairs and improvements at various fire stations, including, but not limited to, mold abatement and security fence repairs at Fire Station 21, generator repairs at Fire Station 31, and a roof replacement at Fire Station 5.</p>				
<i>Reserve: Facilities Improvements</i>	Public Safety Capital Program		\$620,000	
<p>This action reestablishes the Reserve: Facilities Improvements in the amount of \$620,000. The reserve was created in 2012-2013, but was liquidated to help fund other urgent projects. This reserve was established to fund urgent facility maintenance and repairs. There are many fire stations that are more than 50 years old and are recently showing signs of significant maintenance and repair needs. This reserve will help ensure that funding is available for any critical fire station needs such as mold abatement, roof replacement, and exterior waterproofing that may arise in the near future.</p>				
<b>TOTAL CONST/CONV TAX FIRE FUND (392)</b>			<b>\$0</b>	<b>\$0</b>

## Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2012-2013

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
<b>CONST/CONV TAX LIBRARY FD (393)</b>				
<b><i>Branch Libraries Projects Bond Fund and Library Construction and Conveyance Tax Fund Expenditures Alignment/Transfers</i></b>	Library Capital Program		\$621,000	\$621,000
<p>This action establishes a revenue estimate for Transfers in order to receive \$621,000 from the Branch Libraries Bond Projects Fund (Bond Fund), and establishes a Transfer to the Bond Fund in the amount of \$621,000 in order to: 1) recognize the transfer of bond proceeds from the Bond Fund to reimburse the Library Construction and Conveyance Tax Fund (Library C&amp;C Fund) for previously incurred costs associated with bond-eligible projects; and 2) transfer Library C&amp;C Fund funds to reimburse the Bond Fund for capital expenditures that have been determined as ineligible to be reimbursed from bond proceeds. For more information, please refer to Section III. Performance of Selected Special Capital Funds, General Obligation Bond Funds, in this document.</p>				
<b><i>Ending Fund Balance Adjustment</i></b>	Library Capital Program		(\$625,000)	
<p>This action decreases the Ending Fund Balance to offset the actions recommended in this report.</p>				
<b><i>Ineligible Branch Libraries Bond Projects Reserve</i></b>	Library Capital Program		\$625,000	
<p>This action establishes an Ineligible Branch Libraries Bond Projects Reserve in the amount of \$625,000, which will be recommended for future transfer to the Branch Libraries Bond Projects Fund (Bond Fund). The 2015-2019 Capital Improvement Program will include a recommendation to transfer funds from the Library Construction and Conveyance Tax Fund (Library C&amp;C Fund) to the Bond Fund to fund the construction of capital projects that are eligible for reimbursement from bond proceeds. Over a period not to exceed four years, these transfers will allow for the construction of a variety of bond-eligible improvements at the City's branch libraries, while simultaneously allowing a phased pay down of Bond Fund capital expenditures that have been determined as ineligible to be reimbursed from bond proceeds. For more information, please refer to Section III. Performance of Selected Special Capital Funds, General Obligation Bond Funds, in this document.</p>				
<b>TOTAL CONST/CONV TAX LIBRARY FD (393)</b>			\$621,000	\$621,000
<b>CONST/CONV TAX PK CD 1 FUND (377)</b>				
<b><i>Calabazas Basketball Court Renovation</i></b>	Parks & Comm Fac Dev Capital Program		\$70,000	
<p>This allocation increases the Calabazas Basketball Court Renovation project by \$70,000 due to construction bids received for the project being higher than anticipated. The Calabazas Basketball Court Renovation project will consist of a new basketball half court and the installation of lighting for the existing three tennis courts.</p>				
<b><i>Ending Fund Balance Adjustment</i></b>	Parks & Comm Fac Dev Capital Program		(\$70,000)	
<p>This action decreases the Ending Fund Balance to offset the action recommended in this report.</p>				
<b>TOTAL CONST/CONV TAX PK CD 1 FUND (377)</b>			\$0	\$0

# Special/Capital Funds Recommended Budget Adjustments Summary

## Annual Report 2012-2013

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
<b>CONST/CONV TAX PK CD 4 FUND (381)</b>				
<p><b><i>Earned Revenue - SAFETEA-LU: Lower Guadalupe River Trail (Gold Street to Highway 880)</i></b></p> <p>This action decreases the Earned Revenue estimate by \$1,538,000. A federal grant received under the SAFETEA-LU program (The Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users) that is related to the Lower Guadalupe River Trail (Gold Street to Highway 880) project was budgeted in 2013-2014 in the Council District 4 Construction and Conveyance Tax Fund. However, this project (which was budgeted in the Park Trust Fund and the Council District 4 Construction and Conveyance Tax Fund) was recently completed with significant project savings in the Council District 4 Construction and Conveyance Tax Fund. Therefore, this report includes recommendations to decrease the remaining grant revenue of \$1.5 million and decrease the project savings of \$1.8 million in 2013-2014. Remaining funds will likely be used in the future to construct the Tasman Under-Crossing along the Guadalupe River Trail. Once a cost estimate is known for this project, a recommendation will be brought forward through the 2014-2015 budget process to appropriate the funds and increase the Earned Revenue estimate for the new project.</p>	<p>Parks &amp; Comm Fac Dev Capital Program</p>			<p>(\$1,538,000)</p>
<p><b><i>Ending Fund Balance Adjustment</i></b></p> <p>This action increases the Ending Fund Balance to offset the actions recommended in this report.</p>	<p>Parks &amp; Comm Fac Dev Capital Program</p>		<p>\$281,000</p>	
<p><b><i>TRAIL: Lower Guadalupe River (Gold Street to Highway 880)</i></b></p> <p>This action decreases the TRAIL: Lower Guadalupe River (Gold Street to Highway 880) project by \$1,819,000. As described above, this project was recently completed with project savings due to the construction contract award being lower than anticipated. Remaining funds will likely be used in the future to construct the Tasman Under-Crossing project along the Guadalupe River Trail. Once a cost estimate is known for this project, a recommendation will be brought forward through the 2014-2015 budget process to appropriate the funds and increase the Earned Revenue estimate for the new project.</p>	<p>Parks &amp; Comm Fac Dev Capital Program</p>		<p>(\$1,819,000)</p>	
<b>TOTAL CONST/CONV TAX PK CD 4 FUND (381)</b>			<p>(\$1,538,000)</p>	<p>(\$1,538,000)</p>
<b>CONST/CONV TAX PKS CW FUND (391)</b>				
<p><b><i>Copper Wire Replacement</i></b></p> <p>This action establishes the Copper Wire Replacement project for \$288,000. Copper wire theft is a problem currently affecting many city facilities, that began in the Parks system around January 2013. The Parks, Recreation and Neighborhood Services Department spent approximately \$202,000 in 2012-2013 replacing copper wires at various parks facilities. In 2013-2014 an estimated \$288,000 is required to replace the copper wire that directly impacts the parks' electrical systems, irrigation, sports, and security lighting at 65 facilities. A reduction to the Ending Fund Balance is recommended elsewhere in this report to offset this action.</p>	<p>Parks &amp; Comm Fac Dev Capital Program</p>		<p>\$288,000</p>	

## Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2012-2013

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
<b>CONST/CONV TAX PKS CW FUND (391)</b>				
<b><i>Ending Fund Balance Adjustment</i></b>	Parks & Comm Fac Dev Capital Program		(\$637,000)	
This action decreases the Ending Fund Balance to partially offset the actions recommended in this report.				
<b><i>Family Camp Master Plan</i></b>	Parks & Comm Fac Dev Capital Program		\$30,000	
This action increases funding for the Family Camp Master Plan by \$30,000. In May 2013, a draft of the Family Camp Master Plan was submitted to the United States Forest Service and it is currently pending approval. However, due to the RIM Fire that occurred over the summer, an erosion control study may be required before the Master Plan can be approved. An erosion control plan would mitigate erosion from the fire entering the Tuolumne River, which runs directly through Family Camp.				
<b><i>Happy Hollow Park and Zoo Minor Renovations</i></b>	Parks & Comm Fac Dev Capital Program		\$197,000	
This action increases the Happy Hollow Park and Zoo Minor Renovations project by \$197,000. This increase will ensure adequate funding is available for several projects at Happy Hollow Park and Zoo, including the installation of shading at the Granny Bugs ride as well as fencing improvements and repairs. A reduction to the Happy Hollow Park and Zoo Phase II Renovation project is recommended elsewhere in this report to offset this action.				
<b><i>Happy Hollow Park and Zoo Phase II Renovations</i></b>	Parks & Comm Fac Dev Capital Program		(\$197,000)	
This action decreases the Happy Hollow Park and Zoo Phase II Renovations project by \$197,000. It is anticipated this project, which is nearing completion, will have project savings of approximately \$197,000. Due to needs that still exist at the Happy Hollow Park and Zoo facility, a separate request is included elsewhere in this document to reallocate this savings to the Happy Hollow Park and Zoo Minor Renovations project.				
<b><i>Rancho del Pueblo Netting Replacement</i></b>	Parks & Comm Fac Dev Capital Program		\$319,000	
This action establishes the Rancho del Pueblo Netting Replacement project for \$319,000. This funding will allow for the replacement of the safety netting and poles at Rancho del Pueblo Golf Course. The wooden poles supporting the safety netting along Fairways 1, 2, 3, and 4 are showing signs of dry-rot and are in need of repair and replacement.				
<b><i>TRAIL: Milestone Markers</i></b>	Parks & Comm Fac Dev Capital Program		(\$188,000)	
This action decreases the TRAIL: Milestone Markers project by \$188,000. Milestone markers for the City's trail system were originally funded by a grant from the State of California (Proposition 40: Roberti-Z'berg-Harris). Subsequent to this, the State authorized a request to shift the funding from the Milestone Markers project to the TRAIL: Three Creeks Interim Improvements and Trestle Bridge project due to the completion of the Milestone Markers project. This report, therefore, includes a recommendation to decrease the TRAIL: Milestone Markers allocation and increase the TRAIL: Three Creeks Interim Improvements and Trestle Bridge project.				

## Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2012-2013

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
<b>CONST/CONV TAX PKS CW FUND (391)</b>				
<b><i>TRAIL: Three Creeks Interim Improvements and Trestle Bridge</i></b>	Parks & Comm Fac Dev Capital Program		\$188,000	
<p>This action increases the TRAIL: Three Creeks Interim Improvements and Trestle Bridge project by \$188,000. Milestone markers for the City's trail system were originally funded by a grant from the State of California (Proposition 40: Roberti-Z'berg-Harris). Subsequent to this, the State authorized a request to shift the funding from the Milestone Markers project to the TRAIL: Three Creeks Interim Improvements and Trestle Bridge project due to the completion of the Milestone Markers project. This report, therefore, includes a recommendation to decrease the TRAIL: Milestone Markers allocation and increase the TRAIL: Three Creeks Interim Improvements and Trestle Bridge project.</p>				
<b>TOTAL CONST/CONV TAX PKS CW FUND (391)</b>			<b>\$0</b>	<b>\$0</b>
<b>CONSTRUCTION EXCISE TAX FD (465)</b>				
<b><i>Ending Fund Balance Adjustment</i></b>	Traffic Capital Program		(\$993,000)	
<p>This action decreases the Ending Fund Balance to offset the action recommended in this report.</p>				
<b><i>North San José Deficiency Plan Improvements</i></b>	Traffic Capital Program		\$94,000	
<p>This action increases the North San José Deficiency Plan Improvements appropriation by \$94,000. At the end of 2012-2013, a developer payment was received to provide funding to implement transportation management systems in North San José including sidewalks, bus shelters, and bike lanes.</p>				
<b><i>Route 101/Oakland/Mabury Traffic Impact Fees Reserve</i></b>	Traffic Capital Program		\$868,000	
<p>This action increases the Route 101/Oakland/Mabury Traffic Impact Fees Reserve by \$868,000 to set aside traffic impact fees that were paid by developers (approximately \$503,000 from Pulte Home and \$365,000 from Summerhill Homes) in 2012-2013. This reserve sets aside funding received for traffic improvements within the Route 101/Oakland Road/Mabury Road area.</p>				
<b><i>Safe Access San José/Earned Revenue</i></b>	Traffic Capital Program		\$192,000	\$186,000
<p>This action increases the Safe Access San José appropriation by \$192,000 and recognizes funding of \$186,000 from the Climate Initiative Grant to construct traffic and pedestrian safety improvements at the Leigh Avenue and Dry Creek Road intersection. As part of the grant agreement, a local match of \$6,000 is required and will be funded from the Ending Fund Balance in the Construction Excise Tax Fund.</p>				
<b><i>Street Tree Inventory/Earned Revenue</i></b>	Traffic Capital Program		\$175,000	\$150,000
<p>This action increases the Street Tree Inventory appropriation by \$175,000 and recognizes grant funding of \$150,000 from the California Department of Forestry and Fire Protection (Calfire) to complete the street tree inventory effort that locates, categorizes, and assesses the condition of the City's estimated 242,000 street trees. As part of the grant agreement, a local match of \$25,000 is required and will be funded from the Ending Fund Balance in the Construction Excise Tax Fund.</p>				

## Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2012-2013

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
<b>CONSTRUCTION EXCISE TAX FD (465)</b>				
<b>TOTAL CONSTRUCTION EXCISE TAX FD (465)</b>			\$336,000	\$336,000
<b>CONV CTR FACILI DIST PROJ FD (691)</b>				
<b>Convention Center Expansion and Renovation Project</b>	Muni Improvements Capital Program		\$262,440	
This action increases the Convention Center Expansion and Renovation Project appropriation by \$262,440 to provide funding for the completion of close-out costs associated with the completion of this facility in fall 2013 such as landscaping, replacement or repair of locks throughout the facility, replacing needed lighting in the parking garage, and various minor touch-up repairs needed throughout the facility.				
<b>Ending Fund Balance Adjustment</b>	Muni Improvements Capital Program		(\$262,440)	
This action decreases the Ending Fund Balance to offset the action recommended in this report.				
<b>TOTAL CONV CTR FACILI DIST PROJ FD (691)</b>			\$0	\$0
<b>CONV/CULTURAL AFFAIRS FUND (536)</b>				
<b>Capital Reserve</b>	Economic Development		(\$100,000)	
This action decreases the Capital Reserve in the amount of \$100,000 to partially offset the increase to the Miscellaneous Capital Improvements recommended in this report.				
<b>Center for Performing Arts Improvements</b>	Economic Development		\$140,000	
This action increases the appropriation for the Center for Performing Arts Improvements in the amount of \$140,000 to fund the required abatement of asbestos encountered during the upgrade of the fire protection system at the Center for Performing Arts.				
<b>Ending Fund Balance Adjustment</b>	Economic Development		(\$165,076)	
This action decreases the Ending Fund Balance to offset actions recommended in this report.				
<b>Miscellaneous Capital Improvements</b>	Economic Development		\$140,000	
This action increases the Miscellaneous Capital Improvements appropriation to fund integration of the heating and cooling system software across several cultural facilities, and the purchase of replacement trash cans that were originally anticipated to be purchased at the end of 2012-2013. This increase is partially offset by a reduction to the Capital Reserve in the amount of \$100,000.				
<b>Transfers (TOT Reconciliation)</b>	Economic Development			\$14,924
Actual 2012-2013 Transient Occupancy Tax (TOT) collections received in the TOT Fund exceeded the budgeted estimate of \$15.1 million by \$29,848. This action increases the Transfer from the TOT Fund to the Convention and Cultural Affairs Fund in the amount of \$14,924 in accordance with the distribution formula outlined in the San José Municipal Code. A corresponding action in the Transient Occupancy Tax Fund (461) is also recommended elsewhere in this report.				
<b>TOTAL CONV/CULTURAL AFFAIRS FUND (536)</b>			\$14,924	\$14,924

## Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2012-2013

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
<b>EDW BYRNE MEMORIAL JAG FD (474)</b>				
<b>2010 Justice Assistance Grant</b>	Police		\$342	
This action increases the 2010 Justice Assistance Grant appropriation to reflect interest earnings for the JAG 2010 grant cycle, that were previously unallocated, in order to repay the granting agency per grant provisions.				
<b>2011 Justice Assistance Grant</b>	Police		\$239	
This action increases the 2011 Justice Assistance Grant appropriation to reflect interest earnings for the JAG 2011 grant cycle, that were previously unallocated, in order to expend these funds by the spending deadline of September 30, 2014. The spending plan for this grant includes equipment as well as crime prevention and education programs.				
<b>2012 Justice Assistance Grant</b>	Police		\$319	
This action increases the 2012 Justice Assistance Grant appropriation to reflect interest earnings for the JAG 2012 grant cycle, that were previously unallocated, in order to expend these funds by the spending deadline of September 30, 2015. The spending plan for this grant includes equipment as well as crime prevention and education programs.				
<b>Ending Fund Balance Adjustment</b>	Police		(\$900)	
This action decreases the Ending Fund Balance to offset the actions recommended in this report.				
<b>TOTAL EDW BYRNE MEMORIAL JAG FD (474)</b>			\$0	\$0
<b>FEDERAL DRUG FORFEITURE FUND (419)</b>				
<b>Crime Scene Digitizer</b>	Police		\$160,000	
This action increases the Non-Personal/Equipment appropriation by \$160,000 to fund the purchase of a Crime Scene Digitizer that will allow for an increase in documentation efficiencies. This equipment will assist in the processing of crime scenes and major traffic investigations to ensure efficient and accurate data collection. The equipment utilizes the latest technology, and is expected to save Police Department hundreds of hours spent in the field and in the office by the Homicide Unit.				
<b>Ending Fund Balance Adjustment</b>	Police		(\$160,000)	
This action decreases the Ending Fund Balance to offset the action recommended in this report.				
<b>TOTAL FEDERAL DRUG FORFEITURE FUND (419)</b>			\$0	\$0



## Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2012-2013

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
<b>GENERAL PURPOSE PARKING FD (533)</b>				
<p><b><i>Debt Service Payments Reserve/Earned Revenue (Successor Agency Reimbursement)</i></b></p> <p>This action increases the estimate for Earned Revenue offset by a corresponding increase in the Reserve for Debt Service Payments by \$660,000 to recognize the anticipated reimbursement from the Successor Agency to the Redevelopment Agency (SARA) for payments associated with the 4th Street/San Fernando Debt Service. As part of the 2012-2013 reimbursement agreement between SARA and the City as approved by the City Council, Successor Agency Board, and Successor Agency Oversight Board in June 2013 and amended in September 2013, a provision for intra-year loans or cash flow loans are outlined with an \$11 million cap for 2012-2013. Through this mechanism, it is estimated that the City will be reimbursed from remaining 2012-2013 SARA year-end balances for a portion of the total General Purpose Parking Fund subsidy (\$3.4 million) provided by the City in 2012-2013. This action is offset by an increase in the Reserve for Debt Service Payments and in combination with other actions recommended in this report, will increase the total reserve from \$8.2 million to \$9.9 million in 2013-2014.</p>	Transportation		\$660,000	\$660,000
<p><b><i>Ending Fund Balance Adjustment</i></b></p> <p>This action decreases the Ending Fund Balance to offset the action recommended in this report.</p>	Transportation		(\$44,000)	
<p><b><i>Successor Agency to the Redevelopment Agency</i></b></p> <p>This action increases the Successor Agency to the Redevelopment Agency (SARA) appropriation by \$44,000 to transfer the net revenues from the operation of the Almaden/Balbach, South Hall, and San Pedro/Bassett parking lots. Pursuant to the State Controller Asset Transfer Review March 2013, the City returned certain assets previously transferred from SARA. In accordance with this, any revenues generated by these assets must be returned to SARA. These properties are all owned by SARA however, are operated by the City. Included in the 2012-2013 Year-End Clean-up memorandum was a transfer of \$330,000 to provide estimated net revenues from properties to SARA. This action reflects the final reconciliation of gross revenues and expenditures for these properties and returns the final proceeds to the SARA. A corresponding decrease to the Ending Fund Balance is recommended in this report.</p>	Transportation		\$44,000	
<b>TOTAL GENERAL PURPOSE PARKING FD (533)</b>			\$660,000	\$660,000

## Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2012-2013

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
<b>GIFT TRUST FUND (139)</b>				
<i>Library General Gifts/Earned Revenue</i>	Library		\$37,163	\$37,163
<p>This action increases the Library – General Gifts appropriation and Earned Revenue estimate to recognize and appropriate gifts made by various Friends of the Library groups and the San José Library Foundation in support of the following: Willow Glen Branch Library for programming, supplies, and materials (\$9,339); Calabazas Branch Library for materials and to support library programs (\$5,500); Cambrian Branch Library for programming, supplies, materials, the Summer Reading Program, and Santa Reads (\$3,980); Berryessa Branch Library for programming, supplies, materials, and the Summer Reading Program (\$3,300); Vineland Branch Library for programming, supplies and materials (\$2,661); San José Public Library Foundation for Smart Start San José, the Summer Reading Program, and Santa Reads (\$1,810); Santa Teresa Branch Library for programming, supplies, and materials (\$1,694); Seven Trees Branch Library for programming, supplies, and materials (\$1,625); Dr. Martin Luther King Jr. Library for the Summer Reading Program and periodical subscriptions (\$1,534); Evergreen Branch Library for programming, supplies, and materials (\$1,500); Edenvale Branch Library for programming, supplies, and materials (\$1,100); East Branch Library for programming, supplies, and materials (\$1,000); Tully Branch Library for programming, supplies, and materials (\$750); Alum Rock Branch Library for programming, supplies, and materials (\$570); Biblioteca Branch Library for the Summer Reading Celebration (\$500); and Educational Park Branch Library for programming, supplies, and materials (\$300).</p>				
<i>Commodore Park Maintenance</i>	Parks, Rec, & Neigh Svcs		\$500,428	
<p>This action establishes the Commodore Park Maintenance appropriation in the amount of \$500,428 to recognize funds from a developer to support Parks, Recreation and Neighborhood Services Department maintenance costs for Commodore Park, a new park in the Berryessa neighborhood currently under construction. This park is anticipated to be completed in December 2013. Per City Council Resolution #75638, an agreement was established with a developer to provide up to 10 years of facilities maintenance at Commodore Park.</p>				
<i>Ending Fund Balance Adjustment</i>	Parks, Rec, & Neigh Svcs		(\$500,428)	
<p>This action decreases the Ending Fund Balance to offset the action recommended above.</p>				
<b>TOTAL GIFT TRUST FUND (139)</b>			<b>\$37,163</b>	<b>\$37,163</b>
<b>HOME INVEST PART PROG FUND (445)</b>				
<i>Ending Fund Balance Adjustment</i>	Housing		(\$305,260)	
<p>This action decreases the Ending Fund Balance to offset the actions recommended in this report.</p>				

# Special/Capital Funds Recommended Budget Adjustments Summary

## Annual Report 2012-2013

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
<b>HOME INVEST PART PROG FUND (445)</b>				
<b><i>Habitat Acquisition Rehab Assistance</i></b>	Housing		\$250,000	
This action increases the Habitat Acquisition Rehab Assistance appropriation to assist Habitat for Humanity in rehabilitating and/or acquiring land to build homes to benefit up to six low-income homebuyers, as detailed in the "Public Hearing on and Approval of a Substantial Amendment to the FY 2013-14 Annual Action Plan" memorandum that was approved by the City Council on September 24, 2013.				
<b><i>Housing Loans and Grants</i></b>	Housing		\$29,000	
This action increases the Housing Loans and Grants appropriation by \$29,000 to provide funding for the final payment for the Kings Crossing Project. The Kings Crossing Project is a 94-unit apartment complex that provides permanent, affordable rental housing.				
<b><i>Water Street Project</i></b>	Housing		\$26,260	
This action increases the Water Street Project appropriation by \$26,260 to provide funding for the rehabilitation and improvements of the Water Street property. The improvements include new paint, carpet, windows, and fixtures. This amount reflects the City's costs for the rehabilitation of the property.				
<b>TOTAL HOME INVEST PART PROG FUND (445)</b>			<b>\$0</b>	<b>\$0</b>
<b>HOUSING TRUST FUND (440)</b>				
<b><i>Destination: Home</i></b>	Housing		\$50,000	
This action increases the Destination: Home appropriation by \$50,000 to enable the Housing Department to enter into an agreement with Destination: Home to perform an employment study that evaluates the current system of employment training and placement for the homeless. The study will focus on distinguishing pathways to employment by utilizing partnerships with the business and employment sector.				
<b><i>Ending Fund Balance Adjustment</i></b>	Housing		(\$100,000)	
This action decreases the Ending Fund Balance to offset the actions recommended in this report.				
<b><i>Housing and Homeless Projects</i></b>	Housing		\$50,000	
This action increases the Housing and Homeless Projects appropriation by \$50,000. This adjustment will provide funding for the study and preparation of a Food Access Plan, which will be produced in conjunction with the Health Trust. This study will define factors and barriers that affect both the senior and homeless population's access to adequate nutrition.				
<b>TOTAL HOUSING TRUST FUND (440)</b>			<b>\$0</b>	<b>\$0</b>
<b>LAKE CUNNINGHAM FUND (462)</b>				
<b><i>Ending Fund Balance Adjustment</i></b>	Parks & Comm Fac Dev Capital Program		(\$300,000)	
This action decreases the Ending Fund Balance to offset the action recommended in this report.				

## Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2012-2013

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
<b>LAKE CUNNINGHAM FUND (462)</b>				
<b><i>Lake Cunningham Asphalt Repairs</i></b>	Parks & Comm Fac Dev Capital Program		\$300,000	
<p>This action establishes the Lake Cunningham Asphalt Repairs project for \$300,000. This project will provide funding to repair the asphalt walkways and parking lots that are deteriorating at Lake Cunningham Park. This project also provides funding to relocate a walking pathway that needs to be moved due to a seawall that is collapsing at the edge of the lake. A reduction to the Ending Fund Balance is recommended elsewhere in this report to offset this action.</p>				
<b>TOTAL LAKE CUNNINGHAM FUND (462)</b>			<b>\$0</b>	<b>\$0</b>
<b>LOW/MOD INCOME HSNB ASSET FD (346)</b>				
<b><i>Ending Fund Balance Adjustment</i></b>	Housing		(\$7,000,000)	
<p>This action decreases the Ending Fund Balance to offset the action recommended in this report.</p>				
<b><i>Housing Loans and Grants</i></b>	Housing		\$7,000,000	
<p>This action increases the Housing Loans and Grants appropriation to provide funding for home loans and grants for affordable housing projects. This additional funding will support the development of The Metropolitan housing project, which is located along Monterey Road and will replace an old, dilapidated former hotel with 102 new, affordable family apartments.</p>				
<b>TOTAL LOW/MOD INCOME HSNB ASSET FD (346)</b>			<b>\$0</b>	<b>\$0</b>
<b>MULTI-SOURCE HOUSING FD (448)</b>				
<b><i>Earned Revenue - Loan Repayment</i></b>	Housing			\$255,405
<p>This action recognizes \$255,405 in a principal loan repayment for the sale of the Water Street property. The property was rehabilitated and sold to a qualified moderate income household.</p>				
<b><i>Emergency Shelter Grants/Earned Revenue</i></b>	Housing		(\$167,297)	(\$167,297)
<p>This action decreases Emergency Shelter Grants (ESG) appropriation and corresponding grant funding to align final funding allocations from the U.S. Department of Housing and Urban Development (HUD) as described in the "2013 HUD Funding Adjustments to Nonprofit Service Agency Agreements" information memorandum that was released on September 5, 2013. As part of the development of the 2013-2014 Adopted Budget, staff programmed an anticipated 5% reduction to all HUD community development programs as a result of federal sequestration. However, when HUD released the final funding allocations for 2013-2014, the grant funding for ESG was much lower and actually had a 24% reduction. In an effort to minimize service reductions, funding in the Community Development Block Grant Fund will be available to fund these expenditures.</p>				
<b><i>Ending Fund Balance Adjustment</i></b>	Housing		\$130,405	
<p>This action increases the Ending Fund Balance to offset the actions recommended in this report.</p>				

## Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2012-2013

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
<b>MULTI-SOURCE HOUSING FD (448)</b>				
<b><i>HOPWA Grant/Earned Revenue</i></b>	Housing		\$4,332	\$4,332
<p>This action increases the HOPWA Grant appropriation and corresponding grant funding to align final funding allocations from the U.S. Department of Housing and Urban Development (HUD) as described in the "2013 HUD Funding Adjustments to Nonprofit Service Agency Agreements" information memorandum that was released on September 5, 2013. As part of the development of the 2013-2014 Adopted Budget, staff programmed an anticipated 5% reduction to all HUD community development programs as a result of federal sequestration. However, when HUD released the final funding allocations for 2013-2014, the grant funding for HOPWA was slightly higher and resulted in a 1% increase.</p>				
<b><i>Nexus Study</i></b>	Housing		\$125,000	
<p>This action increases the Housing Department's Non-Personal/Equipment appropriation to fund a nexus study agreement and community outreach and noticing expenses. On June 4, 2013, City Council directed the Housing Department to conduct a nexus study analyzing the impact that residential development has on the need for affordable housing in San José and return to City Council with recommendations in November 2013.</p>				
<b>TOTAL MULTI-SOURCE HOUSING FD (448)</b>			<b>\$92,440</b>	<b>\$92,440</b>
<b>NEIGHBHD SECURITY BOND FD (475)</b>				
<b><i>Ending Fund Balance Adjustment</i></b>	Public Safety Capital Program		(\$734,365)	
<p>This action decreases the Ending Fund Balance to offset the actions recommended in this report.</p>				
<b><i>Fire Station 21 - Relocation (White Road)</i></b>	Public Safety Capital Program		\$734,365	
<p>This action increases the Fire Station 21 - Relocation (White Road) appropriation by \$734,365 to bring the total project budget to \$8.0 million. A construction award for this project was initially expected to occur in spring 2013, but due to project delays it will now occur in winter 2013.</p>				
<b>TOTAL NEIGHBHD SECURITY BOND FD (475)</b>			<b>\$0</b>	<b>\$0</b>
<b>PUBLIC WKS PRO SUPPORT FD (150)</b>				
<b><i>Transfers from Capital Program Support and Public Works Program Support</i></b>	Public Works		(\$652,151)	(\$652,151)
<p>This action decreases the revenue estimate for Transfers from Capital Program Support (\$193,037) and Public Works Program Support (\$459,114) in order to align revenues with estimated expenses. As part of the development of the 2013-2014 Adopted Budget, higher than necessary expenditure estimates were used to generate the revenue estimates. This action will bring the 2013-2014 budgeted revenue estimates in line with the 2013-2014 estimated expenditures. An offsetting decrease to the Ending Fund Balance is also recommended.</p>				
<b>TOTAL PUBLIC WKS PRO SUPPORT FD (150)</b>			<b>(\$652,151)</b>	<b>(\$652,151)</b>

# Special/Capital Funds Recommended Budget Adjustments Summary

## Annual Report 2012-2013

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
<b>SAN JOSE DIRIDON DVLPT AUTH FD (482)</b>				
<i>Ending Fund Balance Adjustment</i>	Economic Development		(\$417,173)	
This action decreases the Ending Fund Balance to offset the action recommended in this report.				
<i>Successor Agency to the Redevelopment Agency</i>	Economic Development		\$417,173	
This action establishes a Successor Agency to the Redevelopment Agency appropriation. As outlined in the "Transfer of Certain Properties and Assets from the City and the Joint Powers Authority (JPA) Back to the Successor Agency" memorandum to City Council, the Successor Agency Board, and the San José Diridon Development Authority Board on June 18, 2013, under the Redevelopment Dissolution Legislation, the State Controller has the authority to review and order the return of any asset transferred between a city, county, or other public agency and the redevelopment agency if the transfer occurred between January 1, 2011 and June 28, 2011 and the asset "is not contractually committed to a third party." The State Controller has ordered the City and JPA to return certain assets transferred from the Successor Agency during that specified period. In accordance with this, any revenues generated by these assets, as recorded in the San José Diridon Development Authority Fund must be returned to the Successor Agency. As approved on August 13, 2013, the final asset transfer of 645 Park Avenue was approved by the City Council and Successor Agency Board; therefore, this action reflects the final reconciliation of gross revenues and expenditures for the property and returns the final proceeds from the JPA to the Successor Agency. A corresponding decrease to the Ending Fund Balance is recommended in this report.				
<b>TOTAL SAN JOSE DIRIDON DVLPT AUTH FD (482)</b>			\$0	\$0
<b>SEWER SVC &amp; USE CHARGE FD (541)</b>				
<i>Ending Fund Balance Adjustment</i>	Environmental Services		\$31,850	
This action increases the Ending Fund Balance to offset the action recommended in this report.				
<i>IDC Disposal Contract</i>	Environmental Services		(\$31,850)	
This action decreases the IDC Disposal Contract appropriation to align the 2013-2014 budget with the actual contract payment of \$128,000.				
<b>TOTAL SEWER SVC &amp; USE CHARGE FD (541)</b>			\$0	\$0
<b>SEWER SVC &amp; USE CHG CAP FD (545)</b>				
<i>Immediate Replacement and Diversion Projects/Earned Revenue</i>	Sanitary Sewer Capital Program		\$477,000	\$477,000
This action recognizes and appropriates to the Immediate Replacement and Diversion Projects appropriation a settlement from a surety to complete construction of a pipeline rehabilitation project on Montague Expressway. The original contractor L.H. Engineering Co. Inc. abandoned the project and the surety company, Ohio Casualty Insurance, retained O'Grady Paving, Inc. to complete the project. A corresponding increase to the estimate for Earned Revenue is recommended to offset this action.				

## Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2012-2013

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
<b>SEWER SVC &amp; USE CHG CAP FD (545)</b>				
<b>TOTAL SEWER SVC &amp; USE CHG CAP FD (545)</b>			<b>\$477,000</b>	<b>\$477,000</b>
<b>SUBDIVISION PARK TRUST FUND (375)</b>				
<b><i>Del Monte Park Land Acquisition and Development</i></b>	Parks & Comm Fac Dev Capital Program		\$2,870,000	
<p>This action establishes the Del Monte Park Land Acquisition and Development project for \$2,870,000. The City has reached an agreement with the property owner regarding the purchase price of the Reed &amp; Graham property, which will be developed as part of the future Del Monte Park. A reduction to the Del Monte Park Land Acquisition and Development Reserve is recommended elsewhere in this report to offset this action.</p>				
<b><i>Del Monte Park Land Acquisition and Development Reserve</i></b>	Parks & Comm Fac Dev Capital Program		(\$2,870,000)	
<p>This action eliminates the Del Monte Park Land Acquisition and Development Reserve. A corresponding recommendation is included in this report to allocate the funding for the purchase of one of the parcels of land needed for the future Del Monte Park.</p>				
<b><i>Future PDO/PIO Reserve</i></b>	Parks & Comm Fac Dev Capital Program		(\$5,000)	
<p>This action decreases the Future PDO/PIO Reserve to offset the actions recommended in this report.</p>				
<b><i>Martial-Cottle Community Garden</i></b>	Parks & Comm Fac Dev Capital Program		\$512,000	
<p>This action establishes the Martial-Cottle Community Garden project for \$512,000. The County of Santa Clara has begun development of a new 287.54 acre park, with the City constructing a community garden within the park perimeter. The County has requested for construction of the community garden to begin in spring 2014, therefore this recommendation (which includes funding for design and construction of the garden) will allow design efforts to begin immediately for the project. A corresponding reduction to the Martial-Cottle Community Garden Reserve is recommended elsewhere in this report to offset this action.</p>				
<b><i>Martial-Cottle Community Garden Reserve</i></b>	Parks & Comm Fac Dev Capital Program		(\$512,000)	
<p>This action eliminates the Martial Cottle Community Garden Reserve. A corresponding recommendation is included in this report to allocate this funding for the design and construction of the Martial-Cottle Community Garden.</p>				
<b><i>Santana Park Development</i></b>	Parks & Comm Fac Dev Capital Program		(\$1,000,000)	
<p>This action eliminates the Santana Park Development project by \$1,000,000. The schedule for the development of Santana Park has been extended while the developer finalizes the street right-of-way and land dedication. It is now determined that final park design is not likely to begin until 2014-2015, therefore, it is recommended that project funding be reallocated to a reserve of funds. A corresponding action to establish the Santana Park Development Reserve is recommended elsewhere in this document.</p>				
<b><i>Santana Park Development Reserve</i></b>	Parks & Comm Fac Dev Capital Program		\$1,000,000	
<p>This action establishes the Santana Park Development Reserve for \$1,000,000. A corresponding recommendation is included in this report to eliminate the Santana Park Development project due to the final park design phase not beginning until 2014-2015.</p>				

# Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2012-2013

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
<b>SUBDIVISION PARK TRUST FUND (375)</b>				
<b><i>Solari Park Sports Field Conversion</i></b>	Parks & Comm Fac Dev Capital Program		(\$10,000)	
<p>This action decreases the Solari Park Sports Field Conversion project by \$10,000. During the production of the 2013-2014 Capital Budget, an inadvertent error was made in determining the amount of fees available within the nexus of the Solari Park Sports Field Conversion project. This action recommends decreasing the appropriation and a corresponding increase is recommended elsewhere in this report to increase the Future PDO/PIO Projects Reserve. This funding will be reallocated during the 2014-2015 budget process to another project that is within the nexus requirement.</p>				
<b><i>St. James Park Feasibility Study</i></b>	Parks & Comm Fac Dev Capital Program		\$15,000	
<p>This action establishes the St. James Park Feasibility Study project for \$15,000. This project will study the feasibility of locating a permanent performance stage at St. James Park. The study will include community outreach efforts and the hiring of a noise consultant to provide general advice on noise impacts from events that would be held on the new stage. A reduction to the Future PDO/PIO Projects Reserve is recommended elsewhere in this report to offset this action.</p>				
<b>TOTAL SUBDIVISION PARK TRUST FUND (375)</b>			\$0	\$0
<b>SUPPL LAW ENF SVCES FUND (414)</b>				
<b><i>Ending Fund Balance Adjustment</i></b>	Police		(\$4,832)	
<p>This action decreases the Ending Fund Balance to offset the actions recommended in this report.</p>				
<b><i>SLES Grant 2010-2012</i></b>	Police		\$300	
<p>This action increases the SLES Grant 2010-2012 appropriation to reflect interest earned after the spending deadline, which was previously unallocated, in order to repay the granting agency per grant provisions.</p>				
<b><i>SLES Grant 2011-2013</i></b>	Police		\$3,170	
<p>This action increases the SLES Grant 2011-2013 appropriation to reflect interest earned after the spending deadline, which was previously unallocated, in order to repay the granting agency per grant provisions.</p>				
<b><i>SLES Grant 2012-2014/Earned Revenue</i></b>	Police		\$411,078	\$409,716
<p>This action recognizes and appropriates the remaining payments from the State of California for the 2012-2014 SLES grant (\$409,716) as well as interest income earned on the funding for the 2012-2014 grant cycle (\$1,362). Funding will be used according to the spending plan that was approved by City Council on February 15, 2013. The spending plan allocates funding for AFR/RMS hardware and software implementation, officer safety equipment, enhancements in investigative abilities, computers and furniture for the substation, and grants administration funding. A corresponding increase to the estimate for Earned Revenue and a small reduction to the Ending Fund Balance is recommended to offset this action.</p>				
<b>TOTAL SUPPL LAW ENF SVCES FUND (414)</b>			\$409,716	\$409,716



# Special/Capital Funds Recommended Budget Adjustments Summary

## Annual Report 2012-2013

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
<b>TRANSIENT OCCUPANCY TX FD (461)</b>				
<b><i>Convention and Visitors Bureau</i></b>	Convention Facilities Dept		\$7,462	
Actual 2012-2013 Transient Occupancy Tax (TOT) collections received in the TOT Fund exceeded the budgeted estimate of \$15.1 million by \$29,848. This action increases the San José Convention and Visitors Bureau allocation in the amount of \$7,462 in accordance with the distribution formula outlined in the San José Municipal Code.				
<b><i>Ending Fund Balance Adjustment</i></b>	Convention Facilities Dept		(\$29,848)	
This action decreases the Ending Fund Balance to offset actions recommended in this report.				
<b><i>Transfer to the Convention and Cultural Affairs Fund</i></b>	Convention Facilities Dept		\$14,924	
Actual 2012-2013 Transient Occupancy Tax (TOT) collections received in the TOT Fund exceeded the budgeted estimate of \$15.1 million by \$29,848. This action increases the Transfer to the Convention and Cultural Affairs Fund in the amount of \$14,924 in accordance with the distribution formula outlined in the San José Municipal Code. A corresponding action in the Convention and Cultural Affairs Fund (536) is also recommended elsewhere in this report.				
<b><i>Cultural Grants</i></b>	Economic Development		\$7,462	
Actual 2012-2013 Transient Occupancy Tax (TOT) collections received in the TOT Fund exceeded the budgeted estimate of \$15.1 million by \$29,848. This action provides a corresponding increase to the Cultural Grants allocation in the amount of \$7,462 in accordance with the distribution formula outlined in the San José Municipal Code.				
<b>TOTAL TRANSIENT OCCUPANCY TX FD (461)</b>			<b>\$0</b>	<b>\$0</b>
<b>VEHICLE MAINT &amp; OPER FUND (552)</b>				
<b><i>Diesel Retrofit Program</i></b>	Public Works		\$80,000	
This action establishes a Diesel Retrofit Program appropriation in the amount of \$80,000 to fund design services to re-line diesel tanks city-wide in order to meet code requirements for biodiesel fuel usage. Due to the City's use of diesel fuel in a large portion of the City's fleet and in pursuit of the City's Green Vision goal, Public Works' Fleet Management switched from regular diesel to a 20% biodiesel (B20) blend in 2007. When the City began using B20, regulating authorities allowed a grace period to install a lining on the tanks to make them compatible with the new B20 blend. In May 2013, the City received a compliance letter from the County of Santa Clara requiring immediate compliance. Due to the timing of the requirement and the inability to immediately comply, the City has temporarily discontinued the use of B20, resulting in a significant reduction of the City's fleet using alternate fuel from 40% to 15%. This action funds the design services to determine the resources and funding needed to complete the lining of the City's diesel fuel tank and reinstate the use of B20.				
<b><i>Ending Fund Balance Adjustment</i></b>	Public Works		(\$80,000)	
This action decreases the Ending Fund Balance to offset the action recommended in this report.				

## Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2012-2013

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
<b>VEHICLE MAINT &amp; OPER FUND (552)</b>				
<p><b>General Fleet Replacement/Transfers (Community Service Officer Vehicles)</b></p> <p>This action increases the General Fleet Replacement appropriation (Vehicle Replacement - Police) in the Vehicle Maintenance and Operations Fund by \$250,000 to purchase 14 additional vehicles for the 21 Police Department Community Service Officers (CSOs) that were added as part of the 2013-2014 Adopted Budget. The Adopted Budget included funding for seven vehicles based on a patrol deployment model that would have been similar to sworn officers. However, after further analysis, it has been determined that for more effective coverage and service to the community for cases such as stolen vehicles, traffic complaints, and non-injury and minor injury vehicle accidents, the CSOs will now be deployed on a Monday through Friday, eight-hour day schedule that will require each position to have its own vehicle. Because the vehicle purchases and build-up take several months to complete, it is recommended to set aside this additional funding now to ensure the vehicles are available when the CSOs complete their training later this fiscal year. A corresponding increase to the revenue estimate for Transfers - Replacement Charges: Police is recommended to offset this action.</p>	Public Works		\$250,000	\$250,000
			\$250,000	\$250,000
<b>WATER UTILITY FUND (515)</b>				
<p><b>Ending Fund Balance Adjustment</b></p> <p>This action decreases the Ending Fund Balance to offset the action recommended in this report.</p>	Environmental Services		(\$350,000)	
<p><b>IBS Commercial Paper Repayment</b></p> <p>This action increases the IBS Commercial Paper Payment (CP) appropriation by \$350,000 to pay off the remaining balance for the fund's share of the CP in 2013-2014. The CP was issued to fund the new Integrated Billing System.</p>	Environmental Services		\$350,000	
			\$0	\$0
<b>WORKFORCE INVESTMENT ACT FD (290)</b>				
<p><b>Adult Workers Program/Earned Revenue</b></p> <p>This action increases the Adult Workers Program appropriation by \$639,122 and recognizes the corresponding grant funding from the State of California. Each annual grant allocation, which is issued by the U.S. Department of Labor, is available for a two-year period after which unspent allocations are forfeited. This action will appropriate the second year allocation of the 2012-2013 grant allocation (\$1,104,814), offset by a decrease to the appropriation by \$465,692 to reflect the revised 2013-2014 grant allocation (\$2,878,454) and to set aside 15% of its allocation for future program needs. This program provides job training, occupational courses, work readiness certification, and other services that prepare unemployed adult workers to successfully enter the workforce.</p>	Economic Development		\$639,122	\$639,122

## Special/Capital Funds Recommended Budget Adjustments Summary Annual Report 2012-2013

<u>Action</u>	<u>Department/Program</u>	<u>Positions</u>	<u>Use</u>	<u>Source</u>
<b>WORKFORCE INVSTMNT ACT FD (290)</b>				
<b><i>Dislocated Workers Program/Earned Revenue</i></b>	Economic Development		(\$568,030)	(\$568,030)
<p>This action decreases the Dislocated Workers Program appropriation to align with revised allotments issued by the U.S. Department of Labor (\$3,359,957) and to set aside 15% of its allocation for future program needs. A corresponding decrease to grant funding from the State of California is recommended to offset this action. This program provides career counseling, training and educational resources, and stress counseling for workers who have lost employment when businesses have closed, relocated, or reduced their workforce.</p>				
<b><i>Program Allocation Reserve/Earned Revenue</i></b>	Economic Development		\$692,817	\$692,817
<p>This action increases the Program Allocation Reserve and recognizes corresponding grant funding from the State of California for Adult Workers (\$219,246), Dislocated Workers (\$244,769), and Youth Workers (\$228,802) Programs. The increased funding will align with revised allotments issued by the U.S. Department of Labor and will be set aside for future program needs.</p>				
<b><i>Rapid Response Grant/Earned Revenue</i></b>	Economic Development		(\$81,335)	(\$81,335)
<p>This action decreases the Rapid Response Grant appropriation and corresponding grant funding from the State of California to align with revised allotments. This program will match employees with potential employers before a massive layoff occurs.</p>				
<b><i>WIA Administration/Earned Revenue</i></b>	Economic Development		\$128	\$128
<p>This action increases the WIA Administration appropriation and recognizes corresponding grant funding from the State of California for the administration of the Adult Workers, Dislocated Workers, and Youth Workers Programs.</p>				
<b>TOTAL WORKFORCE INVSTMNT ACT FD (290)</b>			<b>\$682,702</b>	<b>\$682,702</b>