

2015-2016 Adopted Budget in Brief



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.

The 2015-2016 Adopted Operating and Capital Budgets for the City of San José total \$3.2 billion. With this funding, the City will continue to deliver a wide range of services to the City's residents and businesses. These include police and fire services, parks, libraries, community centers, the San Jose Norman Y. Mineta International Airport, the Water Pollution Control Plant, recycling and garbage services, housing and neighborhood services, and the maintenance of the City's roadway infrastructure.

Overall, the City's budget is in a fairly stable position. After many difficult budget years, revenues and expenditures are now in close alignment. Over the next five years, very small variances of less than 1% between projected General Fund revenues and expenditures are expected.

The Adopted Budget balances many competing community and organizational needs and maintains the City's strong commitment to budget stability. Consistent with the Mayor's March and June Budget Messages for Fiscal Year 2015-2016, as approved by the City Council, as well as other City Council priorities, recent outreach and surveys, and other departmental and organizational priorities, major actions approved in the Adopted Budget will focus on the following priority themes:



Expanding the Community Service Officers Program



Restoring Library Hours and Days of Service

- ✓ **Improving Safety Through Investments in Police and Fire Operations** (*investments that ensure our public safety services are safe, effective, and efficient*)
- ✓ **A Safer, Smarter San José** (*investments that address broader public safety needs*)
- ✓ **Restoring Basic City Services** (*investments that meet basic community and organizational needs*)

- ✓ **Broadening Opportunity and Prosperity/Boosting Vitality** (*investments that expand opportunities for our residents and enhance experiences of our residents/visitors*)
- ✓ **Engaging the Community** (*investments that support innovation and strategic partnerships as well as increase transparency and community input*)
- ✓ **Our Future** (*investments that better position the City moving forward*)

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San José 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	1,016,479
Registered Voters	418,775
Median Household Income	\$81,829
77 Miles of Streets	2,410
Miles of Alleys	2
Area of City (square miles)	180.2

Major Employers

Santa Clara County	17,013
Cisco Systems	15,000
eBay/PayPal, Inc.	6,028
City of San José	5,945
San José State University	4,670
US Postal Service	3,800
San José Unified School District	3,000
Western Digital/Hitachi	2,660
Kaiser Permanente	2,363

Airport*

Size	Approx. 1,050 Acres
Terminals	2
Runways	3
Hours of Operation	24
Number of Passengers	9.55 Million

Environment and Utilities*

Miles of Municipal Sewer Mains	2,302
Tons of Recycled Materials	82,000
Tons of Yard Trimmings	125,000
Tons of Used Motor Oil	294

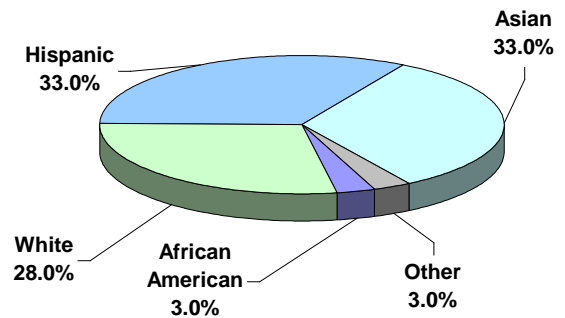
Parking*

Parking Meters	2,593
Parking Lots (1,308 total spaces)	6
Parking Garages (6,172 total spaces)	8

* Current counts or 2014-2015 year-end estimates

** Data represents City services (excludes school data)

Demographics



Public Safety*

Police Stations	1
Emergency Police Calls	578,000
Non-Emergency Police Calls	380,000
Fire Stations	33
Fire Companies/Squad Cars	40/5
Emergency Fire Department Calls	65,600
Non-Emergency Fire Department Calls	17,000
Emergency Medical Calls	51,000
Fires	2,000

Neighborhood Services*

Park Sites**	199
Park Amenities:	
Basketball Courts	98
Skate Parks	7
Softball/Baseball/T-Ball Fields	56
Swimming Pools	6
Tennis Courts	93
Soccer Fields	48
Park Acreage**	3,484
City Operated Community Centers	12
Partner Operated Re-Use Sites	42
Participation in Recreation Programs at Community Centers	591,000

Libraries*

Number of Outlets:	
Main Library	1
Branches (including Village Square)**	23
Items Checked Out (Circulation)	9,832,000

San José at a Glance

2015-2016 Adopted Budget

GENERAL FUND

Police	\$336,040,899
Fire	189,342,292
City-Wide Expenses	122,802,918
Parks, Recreation & Neighborhood Services	60,449,132
Planning, Building & Code Enforcement	47,296,761
Public Works	39,972,563
Library	29,587,910
Transportation	29,521,913
Transfers to Other Funds	27,074,606
City Management (Manager and City Council)	24,928,572
Finance and Human Resources	22,122,494
Information Technology	17,897,104
Capital Improvements	56,279,000
City Attorney	13,952,092
Other	12,415,527
Reserves	185,725,732

Total General Fund **\$1,215,409,515**

SPECIAL FUNDS

Airport	\$543,600,132
Waste Water Treatment Plant & Sanitary Sewer	321,106,515
Waste Mgmt (Garbage Collection/Recycling)	142,487,369
Housing	91,379,480
Convention and Cultural Facilities	59,130,422
Municipal Water	53,581,263
Storm Sewer Operations	48,533,404
Parking	31,259,085
Transient Occupancy Tax	27,555,769
Library Parcel Tax	18,321,226
Community Development Block Grant	17,441,025
Workforce Development	11,039,371
Other	237,071,179

Total Special Funds **\$1,603,506,240**

CAPITAL IMPROVEMENT FUNDS

Water Pollution Control	\$208,011,357
Parks and Community Facilities	174,617,588
Traffic	195,963,188
Airport	128,341,680
Sanitary Sewer System	103,925,268
Storm Sewer System	31,032,666
Library	29,800,314
Public Safety	28,055,812
Other	56,283,714

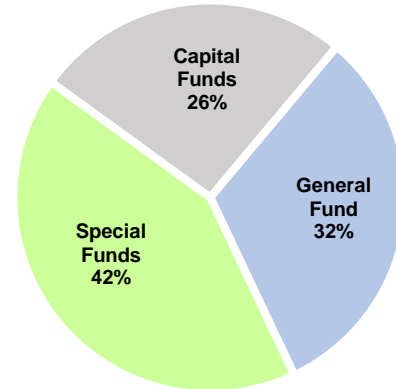
Total Capital Funds **\$996,722,294**

TOTAL ALL FUNDS **\$3,815,638,049**

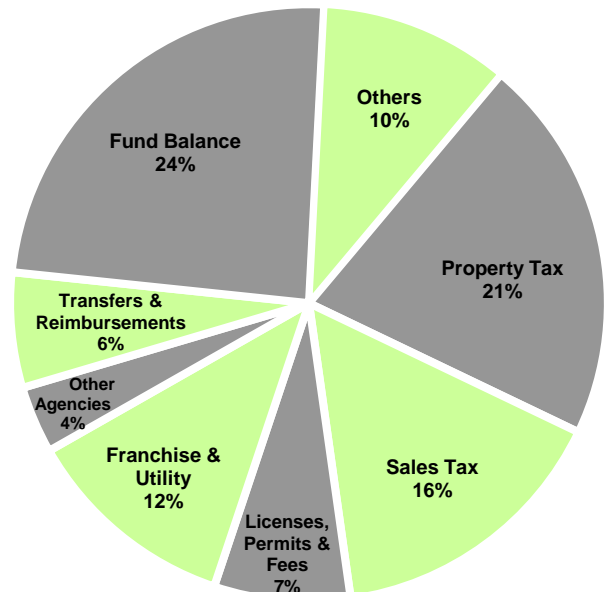
Less Transfers, Loans & Contributions (625,450,445)

NET CITY USE OF FUNDS **\$3,190,187,604**

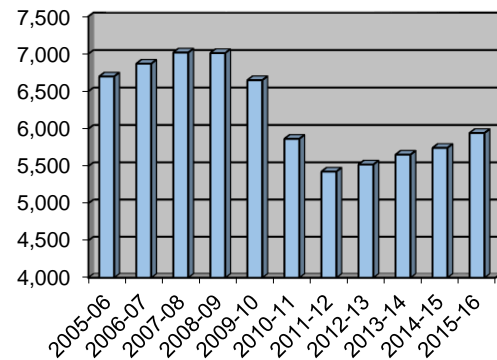
2015-2016 Adopted Budget



2015-2016 Sources of General Fund Revenues



Total City Positions



In the 2015-2016 Adopted Budget, the number of City positions totals 5,945, which is up 186 positions (3.2%) from the 2014-2015 Adopted Budget.

Balancing the Budget

The General Fund is used to provide many of the basic services provided by the City, including police, fire, libraries, parks, recreation and neighborhood services, planning, building and code enforcement. The Adopted General Fund Budget Balancing Plan includes actions that allocate a \$9.4 million surplus as well as \$46 million of additional funding, which primarily consists of reserves that are being carried over to 2015-2016 to fund specific programs. The table below shows the matrix of balancing strategies and dollars associated with each action.

2015-2016 Adopted Operating Budget General Fund Budget Balancing Plan (in 000's)		
	2015-2016	Ongoing
2015-2016 General Fund Surplus	\$ 9,389	\$ 9,389
Development Fee Program Impact	20	20
Revised Base Budget	\$ 9,409	\$ 9,409
Balancing Strategy		
Source of Funds		
Beginning Fund Balance:		
Police Department Staffing/Operations Reserve	\$ 6,960	\$ 0
Police Department Overtime Reserve	5,000	0
Homeless Rapid Rehousing/Homeless Response Team Reserves	3,500	0
Police Sworn Hire Ahead Reserve	3,000	0
Development Fee Reserves	2,518	1,989
2015-2016 Future Deficit Reserve	2,400	0
San José BEST/Safe Summer Initiative Programs Reserve	1,500	0
2014-2015 Paramedic Program Revenues	1,500	0
Other Reserve Liquidations	3,268	0
Additional Excess Revenue/Expenditure Savings	2,393	0
Grants/Reimbursements/Fees:		
Transportation Fees & Charges (Parking Fines, Sidewalk, Trees)	1,213	1,213
Other Fee Programs/Reimbursements/Grants	1,457	1,460
Other Revenue Changes:		
USPTO – Tenant Improvements	3,434	0
Sales Tax	2,200	0
Property Tax	2,000	0
2015-2016 Paramedic Program	450	0
Miscellaneous Other Revenue	1,216	984
Overhead Reimbursements/Transfers from Other Funds	1,922	924
Subtotal Source of Funds	\$ 45,931	\$ 6,570
Use of Funds		
Service Level Enhancements	\$ 34,794	\$ 8,069
Salary Program	21,995	18,881
2014-2015 One-Time Funded Services	7,730	7,202
Other Fee Programs/Grants/Reimbursements	5,185	780
Earmarked Reserves (e.g., SAFER 2014, Silicon Valley Regional Communications System, Long Range Planning)	5,175	(1,000)
Unmet/Deferred Tech., Infrastructure, and Maintenance	3,885	0
Development Fee Programs	2,043	1,704
Funding Shifts from Other Funds/Other Expenditure Changes	893	730
New Facilities Operations and Maintenance	537	1,424
Use of Reserves (Salaries and Benefits, Committed Additions, Police Dept. Staffing/Operations, Cultural Facilities Capital Maintenance)	(26,897)	(21,841)
Subtotal Use of Funds	\$ 55,340	\$ 15,949
Total Balancing Strategy	\$ (9,409)	\$ (9,379)
Remaining Balance	\$ 0	\$ 30

Service Delivery Highlights

Public Safety



Key Public Safety Services

Crime Prevention
Emergency Medical Services
Emergency Preparedness
Fire Prevention
Fire Suppression
Independent Police Oversight
Police Investigations
Police Patrol
Public Education



Expected Service Delivery

Police Services

- Respond to high priority calls for service and emergencies in a timely and effective manner
- Investigate crimes effectively and seek successful prosecution of criminals
- Continue efforts to deter gang violence
- Prompt review of police complaints by the Independent Police Auditor

Fire Services

- Respond to fires, medical calls, and other emergencies in a timely and effective manner
- Provide regulatory enforcement of fire and hazardous materials codes through inspection activities
- Investigate fire causes effectively
- Continue regional all-hazard emergency management and San José Prepared!

2015-2016 Adopted Budget Actions

- **Police Field Patrol Community Service Officers:** adds 22.0 Community Service Officers (CSO) and 4.0 Senior Community Service Officers (bringing staffing level to 54) to respond to lower priority calls, thereby increasing capacity for existing Police Officers to respond to higher priority calls.
- **Police Overtime:** adds \$5 million in one-time overtime funds to continue backfilling for patrol vacancies, maintain targeted enforcement of high crime activity through suppression cars, and backfill for civilian vacancies.
- **Police Crime Prevention Staffing:** adds 4.0 Crime Prevention Specialists to expand community outreach and enable the Crime Prevention Unit to develop two new programs: Crime Free Multi-Housing Program and a community notification system.
- **Downtown Foot Patrol Program:** continues one-time Police Department overtime funds of \$560,000 to continue the Downtown Foot Patrol program to enhance safety in the Downtown area.
- **Technology Investments:** adds funding of \$1.3 million to replace the Mobile Data Computers in the fleet of Police Field Patrol vehicles, to replace the Police Communications 9-1-1 phone system (partial funding – majority of system replaced with State funds) to allow digital information, and to purchase Computer Aided Dispatch Business Intelligence Software.
- **Police Protective Equipment:** adds \$530,000 for police protective resources, such as ballistic panels, plates, and vests.
- **Police Body Worn Cameras:** adds \$613,000 from the State Drug Forfeiture Fund to serve as grant matching funds to implement body worn cameras in 2015-2016.
- **Police Civilian Staff:** adds 4.0 civilian positions to assist in the following areas: Crime Analysis Unit, Bureau of Investigations – Video Evidence, Gang Investigations Unit, and Field Training Officer Program.
- **Staffing for Adequate Fire and Emergency Response (SAFER) 2014 Grant Reserve:** establishes a reserve of \$1.95 million to cover two years of the General Fund portion of the 2014 SAFER grant. The recently awarded grant will provide \$3.3 million to restore 14 firefighter positions.
- **Fire Information Technology Staffing:** adds an Information Systems Analyst through June 2016 to implement the Electronic Patient Care Reporting (ePCR) system and assist with the San Jose Fire Department Response Time Work Plan, which continues efforts to monitor response time performance (dispatch, turnout, travel time) by station and type of incident.
- **Fire Fighter Recruit Academies/Fire Engineer Academy and Training:** adds one-time funding of \$115,000 to expand Fire Engineer training from one week to two weeks to meet National Fire Protection Association training mandates, and adds \$70,000 (\$35,000 ongoing) to meet new mandated fire fighter recruit training criteria set by the California State Fire Marshal's Office.
- **Fire Non-Development Fee Program:** increases fees 2% to maintain cost recovery levels.

Service Delivery Highlights

Neighborhood Services



Key Neighborhood Services

After School Programs
Anti-Graffiti and Anti-Litter
Code Enforcement
Libraries
Senior Services

Animal Care Services
At-Risk Youth Services
Community Centers
Park Facilities



Expected Service Delivery

Parks and Community Services

- 12 City-operated community centers
- 42 re-use community centers
- Recreation programs and classes
- Summer Aquatics program
- Parks and trails
- Senior Nutrition and Wellness Program
- Anti-gang activities
- Anti-graffiti efforts

Code Enforcement

- Code Enforcement field inspection services for emergency and priority complaints within 24 – 72 hours
- Proactive enforcement of vacant buildings

Library Services

- Branch Libraries:**
 - 6 days/47 hours per week
 - Open Village Square Branch Library in spring 2016 (final bond-funded project)
- Dr. Martin Luther King, Jr. Library:**
 - 7 days/77 hours per week during academic year
 - 7 days/63 hours per week when the University is not in session

Animal Care and Services

- Animal Care and Services to focus on health and safety related calls

2015-2016 Adopted Budget Actions

- **Branch Library Hours:** adds a net total 27.93 positions to support the expansion of branch library hours from 4 days/33-34 hours per week to 6 days/47 hours per week at all 23 branch libraries, including the new Village Square Branch Library.
- **New Village Square Branch Library:** adds 8.90 positions to open the Village Square Branch Library in spring 2016.
- **San José BEST Program and Safe Summer Initiative:** adds ongoing funding of \$2.5 million to the San José BEST and Safe Summer Initiative Programs (BEST) for a total of \$5.6 million. BEST supports the Mayor's Gang Prevention Task Force by funding a variety of programs and various community-based organizations that provide direct gang intervention services.
- **San José Learns:** adds one-time funding of \$2.0 million to invest in the after school program infrastructure to academically focus after school programs for children in grades K-3 with the most needs. This funding will be expended over a two-year period and will support recommendations from the Mayor's San José Learns Working Group.
- **Arena Green Carousel:** provides one-time funding of \$48,000 to operate the carousel at Guadalupe River Park and Gardens.
- **Family Camp Experience for Low Income Families:** provides one-time funding of \$25,000 towards the Family Camp Campership Program; this funding will afford qualifying low-income families this experience or reduce fees for them.
- **East San José Reuse Center Activation:** adds 4.0 positions to expand hours at the Alum Rock and Berryessa Reuse Centers.
- **Positive Coaching Alliance:** uses one-time Mayor's Office rebudget funding of \$15,000 to support a pilot program by Positive Coaching Alliance for the City's youth sports organizations to train coaches to focus on teaching life lessons.
- **Homeless Response Team Park Rangers:** continues funding for 2.0 limit-dated positions through June 2016.
- **Happy Hollow Park and Zoo:** reallocates existing funding and adds new funding to support Happy Hollow Park and Zoo (HHPZ) operations, such as rides and ride safety, animal welfare, veterinary care, food and beverage services, and business analysis.
- **Almaden Lake Park – Monday Opening:** uses one-time funding from the District 10 Office rebudget and adds 1.0 Maintenance Assistant position on a one-time basis to open Almaden Lake Park and adjacent trails on Mondays.
- **Alum Rock Park:** adds 1.0 Senior Recreation Leader, offset by fee revenue and the deletion of 0.60 Account Clerk II PT, to revitalize the Visitor Center and develop and implement outdoor recreation and leisure classes and programs at Alum Rock Park.
- **Parks Activation:** adds ongoing funding to continue activation events at St. James Park and one-time funding to expand this model as a pilot to additional parks in East San José.
- **Community Center Rentals:** adds 1.5 positions to facilitate community center rentals, offset by community center rental fees.
- **Lake Cunningham Bike Park and Skate Park Operations:** adds 5.50 positions to support the new Lake Cunningham Bike Park. This five-acre adventure sports park will open in July 2016.
- **Animal Care and Services:** adds staff to provide ongoing care to animals, increases custodial services, and addresses infrastructure needs (waterproofing the facility, fire alarm system improvements).

Service Delivery Highlights

Community & Economic Development



Key Community & Economic Development Services

Building Permits
Development Services
Economic Development
Housing Services
Land Use and Planning
Local & Small Business Technical Services
Public Art and Cultural Events
Real Estate Services
Workforce Investment Network



Expected Service Delivery

Economic Development

- Attract and retain companies, with focus on clean technology and emerging technology companies
- Provide a range of workforce programs and services for displaced workers
- Manage the City's real property assets

Planning and Building Services

- Provide excellent development review process customer service
- Provide expedited plan review services

Housing Services/Community Development Block Grant (CDBG)

- Continue efforts to end chronic homelessness
- Continue to use available funds to increase the affordable housing supply
- Continue to employ a place-based, neighborhood-focused strategy

Arts and Cultural Events

- Through arts and cultural development programs, maintain a culturally vibrant community

2015-2016 Adopted Budget Actions

- **Development Fee Programs:** adds resources, including approximately 13 positions, for the development fee programs (Building, Planning, Public Works, Fire) with no general fee increases necessary. Resources are added for inspection and plan review workload and peak staffing needs; improve development program webpages and education materials, document processing, and permit center staffing; and provide necessary equipment, such as vehicles and tablets for inspectors.
- **Planning:** adds resources to support the goals in the Envision San José 2040 General Plan, including 3.0 Planners for land use planning, one-time consultant services funding to perform a four-year major review of the General Plan, and one-time funding to update the North San José Area Development Policy. A Planner position is added for general planning support and to serve as a direct point of contact for customers calling with questions related to development and planning.
- **Homeless Response Team/Rapid Rehousing Program:** adds ongoing funding for both the Homeless Response Team (\$1.5 million) and the Rapid Rehousing (\$2.0 million) programs along with two associated positions to provide for encampment abatement, prevention, enforcement, and housing placement and support for individuals and families living in San José encampments. Adds two limit-dated positions to provide enhanced community outreach and response to community concerns regarding homelessness and to advance several large homeless housing projects.
- **Responsible Landlord Engagement Initiative (RLEI):** adds one-time funds of \$150,000 for growing requests to help residents engage with landlords to transform blighted and crime-ridden properties to improve neighborhoods.
- **Business and Jobs Support:** adds one-time funds of \$1.02 million for SJ Works, a youth jobs initiative, and \$200,000 for business outreach, small business support, and core economic development services. Also, adds one-time funding of \$250,000 for small business retention and assistance, including the continuation of the SJ ResStorefronts Initiative to support small business and facilitate pop-up retail locations to spur street activation. Adds one-time funds of \$200,000 to launch the Manufacturing Jobs Initiative as an incentive to retrofit older, vacant industrial buildings by covering most of the permit costs.
- **Arts and Culture:** adds 2.0 positions through June 30, 2016 to the Office of Cultural Affairs to assist with advancing the Cultural Connection: San José's Cultural Plan for 2011-2020 and various cultural development projects. Adds funding to continue the Independence Day celebrations Downtown and at Lake Almaden and to support the San José Veterans' Parade. In addition, adds funds to help initiate San José Creates and Connects, a community-wide effort towards creative place-making and reinvigorating neighborhoods through the arts. Targeted funding is added to support East San José visual arts youth outreach.
- **Sporting Events:** adds \$100,000 to support the San Jose Sports Authority and the U.S. Women's Gymnastics Olympic Trials; and adds \$100,000 from the Parking Fund for Downtown activation efforts associated with Super Bowl 50.

Service Delivery Highlights

Transportation & Aviation Services



Key Transportation & Aviation Services

*Airport Operations
Landscape & Tree Maintenance
Parking Services
Street Pavement Maintenance
Traffic Capital Improvements
Traffic Maintenance
Traffic Safety Education
Transportation Planning and
Project Delivery*



Expected Service Delivery

Airport Operations

- ❑ Operate the Norman Y. Mineta San José International Airport (SJC) in a safe and efficient manner
- ❑ Deliver positive, reliable and efficient air traveler services and amenities; compete for community air service destinations and frequencies
- ❑ Preserve Airport assets and facilities through cost effective maintenance and operations
- ❑ Provide mandatory security, safety, and regulatory compliance for air service operations

Transportation Operations

- ❑ Provide safe and viable transportation choices consistent with the Envision San José 2040 General Plan
- ❑ Focus street infrastructure maintenance efforts on facilities with the highest use and economic significance
- ❑ Improve regional travel on major arterials, freeways, and transit corridors to address ongoing concerns with traffic congestion

2015-2016 Adopted Budget Actions

- **Super Bowl Event Preparation:** adds one-time funding of \$111,000 for a multi-faceted marketing campaign to promote SJC as the preferred airport for the upcoming Super Bowl 50 at Levi's Stadium in February 2016.
- **2015 Airport Roundtable Conference:** adds one-time funding of \$10,000 for logistics costs related to hosting of the 16th Airport Roundtable Conference in December 2015.
- **Airport Information Technology Staffing Realignment:** shifts resources from the Airport Department to the Information Technology Department to improve organizational and operational efficiency.
- **Pavement Maintenance:** a total of \$47.9 million is allocated to pavement maintenance, including \$24.0 million of new funding (\$8.0 million in the General Fund). The new funding exceeds the minimum \$18 million needed for pothole repairs and Priority Street Network maintenance, but falls well short of the \$104 million needed annually to fully maintain the street network.
- **Maintenance Assessment Districts and Community Facilities Districts Renovation Projects:** adds funding of \$2.1 million for staffing and equipment for major renovation projects in several special assessment districts, including replacing aging landscapes with drought-tolerant plants.
- **Sidewalk Inspection Program:** adds resources and equipment to support the Sidewalk Inspection and Repair Program to address the backlog of sidewalk repairs; costs reimbursed by property owners.
- **Neighborhood Traffic Calming Staffing:** continues a temporary position to effectively deliver pedestrian safety improvements and neighborhood traffic calming programs budgeted in the Adopted Capital Budget.
- **City Tree Maintenance:** adds ongoing funding of \$100,000 for maintenance of City-owned street trees.
- **Transportation Safety Education Staffing:** adds one position to support the Traffic Safety Education program and implement the grant-funded Walk n' Roll School Safety program budgeted in the Adopted Capital Budget.
- **Intelligent Transportation Systems Maintenance and Operations Project Delivery Staffing:** adds one position to support enhanced traffic management and operations at signalized intersections. This project upgrades 35 signalized intersections with adaptive signal control to help reduce congestion along the Saratoga Avenue and Tully Road corridors.
- **Traffic Flow Management and Signal Retiming Staffing:** adds one position to proactively monitor and adjust signal operations in key hot-spot areas of the City. This position will help maximize use of the Traffic Management Center.

Service Delivery Highlights

Environmental & Utility Services



Key Environmental & Utility Services

Energy Conservation Efforts
Garbage Collection & Recycling
“Green” Building Program
Municipal Water System
Neighborhood Cleanups
Sanitary Sewer Maintenance
Storm Sewer Maintenance
Water Pollution Control Plant
Water Recycling



Expected 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
- ❑ Collect, process, recycle, and dispose of solid waste to maximize diversion from landfills and protect public health, safety, and the environment
- ❑ Promote the health of the environment and South Bay Watershed through collection, treatment, and management of wastewater and stormwater runoff
- ❑ Support sustainable infrastructure, equipment, and behaviors throughout the community through education, public-private partnerships, and leadership of the City’s Green Vision
- ❑ Lead implementation on four Green Vision goals: Goal 2: Reduce per capita energy use by 50 percent; Goal 3: Receive 100 percent of our electrical power from clean renewable sources; Goal 5: Divert 100 percent of the waste from our landfill; and Goal 6: Recycle or reuse 100 percent of our wastewater

2015-2016 Adopted Budget Actions

- **Single Family Dwelling Waste Materials Processing – Phase II:** adds a net \$1.5 million to sort and process all waste materials collected from an additional 20% of single-family residences (in the north and east portions of San José) prior to being sent to the landfill, with the goal of increasing the amount of materials recycled and diverting waste sent to the landfill.
- **Single-Family Large Item Collection Pilot:** adds funding for limited, free-of-charge, on-call curbside collection of large items, such as mattresses, furniture, appliances (including refrigerators), tires, and boxed smaller items, for one year.
- **District 5 Enhanced Beautification Days:** adds funding for additional Beautification Days in District 5 and implements them in partnership with District 5 staff, neighborhood associations, and other community-based organizations.
- **Single Family Garbage Billing Program Model Change:** due to shift of Single Family Dwelling (SFD) Recycle Plus billing to the Santa Clara County’s property tax rolls, eliminates staff that supported the existing billing system and eliminates or shifts funding for programs and services previously supported by unrestricted late fees, including shifting funding for City facilities solid waste collection and illegal dumping response to the General Fund.
- **Integrated Waste Management Garbage Rate Assistance Programs Elimination:** eliminates the Low Income Rate Assistance and Medical Exemption Rate Reduction programs. Collecting SFD bills through the County will make it administratively difficult to continue to manage these programs and no other utility system in the City offers this program.
- **Water Pollution Control Plant (Plant) Capital Improvement Program Staffing:** adds 23 positions at the Plant for various capital improvement projects. The Plant Master Plan identifies over \$1.0 billion in improvements over the next 10-15 years.
- **Infrastructure Improvements at the Plant:** adds funding to replace outdated equipment with current technology will help improve operational efficiency at the Plant and help mitigate greater repair costs in the future.
- **Water Conservation:** adds \$350,000 for customers of the Municipal Water System and city-wide conservation efforts.
- **Sanitary Sewer Maintenance Staffing:** adds one position in the Transportation Department to manage the root control, easement, and siphon cleaning programs to help reduce the number of sanitary sewer overflows.
- **Maintenance and Operations Regulatory Compliance Staffing:** adds one position to manage the environmental and hazardous materials compliance issues at the Transportation Department service yards.
- **Rate Changes:** Increase Sewer Service and Use Charge rates by 5.5% with varying rates for residential customers based on the Sanitary Sewer Flow Study Update; increase Recycle Plus rates by 4.0% for SFDs and 5.0% for multi-family dwelling units; and increase Municipal Water System rates by 28.0%, because of higher costs for wholesale water and water conservation program enhancements.

Service Delivery Highlights

Strategic Support



Key Strategic Support Services

Facility Maintenance
Financial Management
Fleet Maintenance
Human Resources
Information Technology
Mayor, City Council and Appointees
Public Works



Expected Service Delivery

- Attract and retain qualified employees
- Ensure that the City's finance and technology resources are protected and available to address the short and long-term needs of the community
- Maintain a safe and healthy work environment
- Oversee the City's capital projects, ensuring on-time and on-budget delivery of facilities
- Manage space usage at City-owned facilities
- Maintain City facilities, equipment, and vehicles
- Provide legal representation and legal transactions
- Provide audit services
- Facilitate the City's legislative process
- Provide strategic leadership and manage city-wide service delivery
- Provide quality retirement services and maintain financially sound pension plans

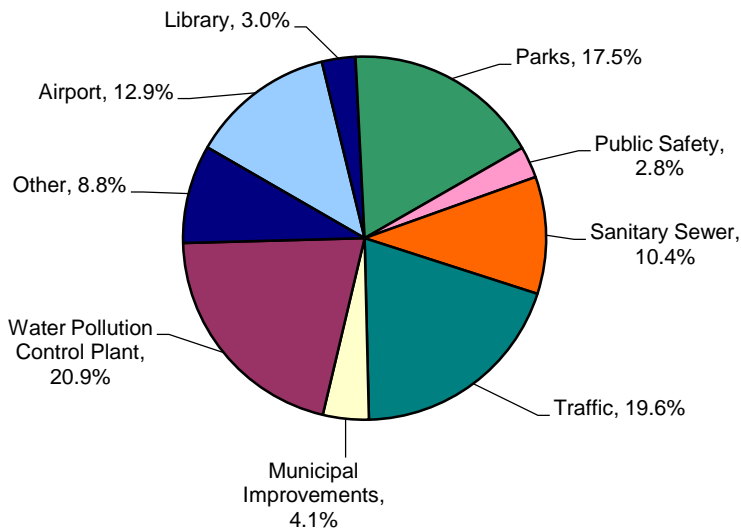
2015-2016 Adopted Budget Actions

- **Participatory Budgeting Pilot:** adds \$100,000 of one-time funding for a participatory budgeting pilot in Council District 3. Participatory budgeting is a democratic process through which residents will decide how to spend part of the City's budget.
- **Deferred Infrastructure and Maintenance Needs:** adds one-time funding (\$5.2 million) from the General Fund to address a limited amount of unmet/deferred infrastructure needs at several City-owned facilities, including the Animal Care Shelter, City Hall, the Police Administration Building, and various Cultural Facilities.
- **Preventative Maintenance at City Facilities:** continues an additional \$500,000 in ongoing funding, bringing the total ongoing amount to \$1.8 million, to maintain preventive maintenance of City facilities at the industry standard of 80% for HVAC, plumbing, lighting, energy management systems, roofing, generators, and emergency fire alert systems.
- **Technology Investments:** adds 1.0 Assistant Director; 1.0 Enterprise Technology Manager to coordinate City department technology projects; 1.0 Information Systems Analyst to support Public Records Act and e-discovery email requests; ongoing funding for upgraded Microsoft Office 365 licensing (\$350,000); ongoing funding for community network upgrades (\$160,000) and one-time funding for public safety connectivity (\$100,000) to improve delivery of new technologies at community facilities and ensure timely access to information for public safety field personnel; and funding for a City-wide customer relationship and service request management application to assist engagement between the City and the public (\$100,000 one-time, \$25,000 ongoing).
- **Public Works Capital Project Staffing:** adds a net 12.15 capital-funded staff to support the 2015-2016 Capital Program.
- **Finance Investments:** makes permanent 1.0 Department Information Technology Manager to address complex technology-based procurements and 1.0 Senior Analyst to support Planning, Building, and Code Enforcement Department procurement and contracting needs; adds 1.0 Investigator Collector to facilitate more timely collection of delinquent accounts; and adds one-time funding of \$125,000 for software systems to track Treasury functions.
- **Human Resources:** continues 1.0 Analyst II and 1.0 Senior Office Specialist through June 30, 2016 to assist in recruitment efforts, adds \$129,000 for temporary staff to evaluate service delivery and strategic analysis, \$100,000 for consulting services related to Employment Services, \$125,000 for third party administration of workers' compensation claims, and \$90,000 for temporary staff to address the backlog of workers' compensation claims administered by the City.
- **City Attorney's Office:** adds 1.0 Senior Deputy City Attorney to address real estate and economic development matters, 1.0 Legal Administrative Assistant to provide legal administrative support, \$100,000 for continued critical transition support for attorney services, and \$50,000 for consultant services related to e-discovery and Public Records Act request compliance.
- **Single Family Garbage Billing Program Model Change:** eliminates 12 positions in the Finance and Information Technology Departments that are no longer necessary due to the transition of garbage and recycling billing for all single family residential households to the Santa Clara County property tax roll. In addition, ongoing database licensing (\$292,000) is also being eliminated.

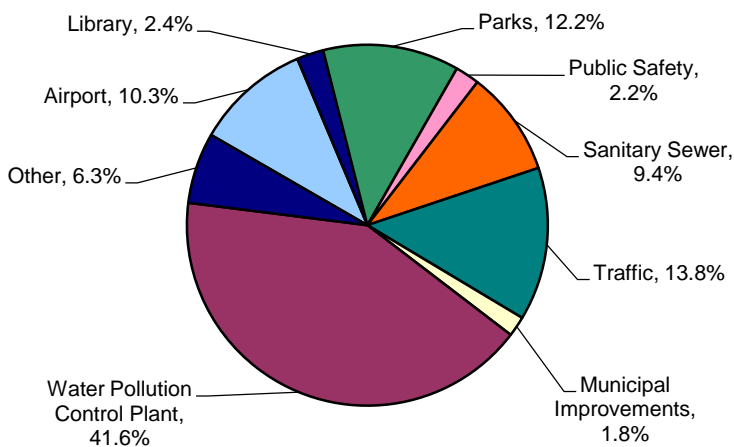
Capital Budget Highlights

The CIP consists of 14 capital programs. The following pie charts depict the use of funds by capital program and percentage of funding for the 2015-2016 Capital Budget and the 2016-2020 Capital Improvement Program. Major projects to be completed over the next five years are highlighted in the sidebar.

**2015-2016 Adopted Capital Budget
Use of Funds (\$996.7 million)**



**2016-2020 Capital Improvement Program
Use of Funds (\$2.6 billion)**



Major Projects to be Completed Over the Next Five Years

2015-2016 Projects

- Alviso Storm Pump Station
- Animal Care and Services Waterproofing
- Autumn Street Extension
- Branham and Snell Street Improvements
- Fire Station 21 – Relocation (White Road)
- Martin Park Expansion
- Water Meter Replacements
- Monterey – Riverside Relief Sanitary Sewer Improvements
- Perimeter Fence Line Upgrades (Airport)
- Plant Electrical Reliability
- San José Civic Auditorium HVAC Replacement
- Security Exit Doors (Airport)
- TRAIL: Coyote Creek (Flea Market)
- TRAIL: Guadalupe River Under-crossing (Tasman Drive)
- United States Patent and Trademark Office – Tenant Improvements Project
- Village Square Branch Library

2016-2017 Projects

- Almaden/Vine Downtown Couplet (OBAG)
- Bollinger Road – Moorpark Avenue – Williams Road Sanitary Sewer Improvements
- Cadwallader Reservoir Rehabilitation
- Iron Salt Feed Station
- LED Garage Lighting Upgrade
- Lake Cunningham Bike Park
- Large Trash Capture Devices
- North San José Well #5 Dev. and Construction
- Park Avenue Multimodal Improvements
- Rehabilitation of Sanitary Sewer Pump Stations
- Terminal A Baggage Claim Escalators
- The Alameda “Beautiful Way” Phase 2 (OBAG)
- TRAIL: Lower Silver Creek Reach 4/5A (Alum Rock Avenue to Highway 680)
- TRAIL: Penitencia Creek Reach 1B (Noble Avenue to Dorel Drive)
- TRAIL: Thompson Creek (Tully Road to Quimby Road)

2017-2018 Projects

- 60” Brick Interceptor, Phase VIA and VIB
- Southeast Ramp Reconstruction, Phase I
- Tamien Park

2018-2019 Projects

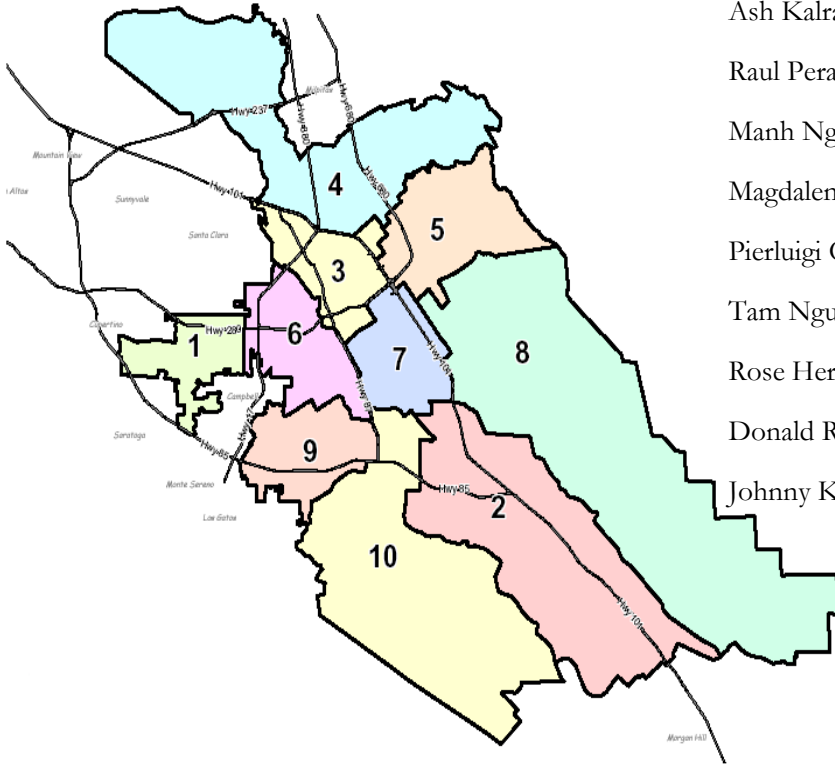
- Airfield Geometric Implementation
- Energy Generation Improvements
- Southeast Ramp Reconstruction, Phase II

2019-2020 Projects

- Airport Rescue and Fire Fighting Facility
- Fourth Major Interceptor, Phase VIIA
- Route 101/Mabury Road Project Development
- Westmont Avenue and Harriet Avenue Sanitary Sewer Improvement

Roster of City Officials

City Council Districts



Roster of Elected Officials

CITY COUNCIL	DISTRICT	TELEPHONE/ E-MAIL
Sam Liccardo	Mayor	535-4800 mayoremail@sanjoseca.gov
Chappie Jones	1	535-4901 District1@sanjoseca.gov
Ash Kalra	2	535-4902 District2@sanjoseca.gov
Raul Peralez	3	535-4903 District3@sanjoseca.gov
Manh Nguyen	4	535-4904 District4@sanjoseca.gov
Magdalena Carrasco	5	535-4905 District5@sanjoseca.gov
Pierluigi Oliverio	6	535-4906 pierluigi.oliverio@sanjoseca.gov
Tam Nguyen	7	535-4907 District7@sanjoseca.gov
Rose Herrera	8	535-4908 rose.herrera@sanjoseca.gov
Donald Rocha	9	535-4909 District9@sanjoseca.gov
Johnny Khamis	10	535-4910 District10@sanjoseca.gov

City Manager

Norberto Dueñas
 Phone: (408) 535-8100
Webmaster.manager@sanjoseca.gov

Managing Our Finances

The City's current general credit is rated Aa1/AA+/AA+ from Moody's, Standards and Poor's, and Fitch, respectively. Considering the City's fiscal challenges in recent years, the ratings by the three rating agencies together acknowledge the City's moderate debt levels, strong financial management, and proactive responsible leadership. The City of San José remains one of the highest rated large cities in California and the country. The City's strong credit ratings have saved taxpayers money due to lower financing costs for debt issuance including the three general obligation bond measures passed for park, library, and public safety improvements and other debt obligations. The City's Operating and Capital Budgets and the Comprehensive Annual Financial Report (CAFR) have received awards from the Government Finance Officers Association and the California Society of Municipal Finance Officers.

Accessing the Budget

On-line versions of the City of San José's 2015-2016 Adopted Operating and Capital budgets are posted on the City's website under the Budget Office at <http://sanjoseca.gov/index.aspx?nid=4628>.

These documents are also available at your public library. For more information about the City of San José Budget, please contact the City Manager's Budget Office at budgetoffice@sanjoseca.gov or at (408) 535-8144.