

**Capital Funds Recommended Budget Adjustments Summary
2021-2022 Mid-Year Budget Review**

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Airport Renewal and Replacement Fund (527)			
Administration Lot Improvements	Airport	\$800,000	
<p>This action establishes the Administration Lot Improvements appropriation in the amount of \$800,000 to facilitate safety upgrades to the roadway intersection at Airport Parkway and Airport Boulevard which is adjacent to the staff parking lot. The Airport has experienced multiple incidents involving vehicles crashes into the lot. The proposed safety enhancements are anticipated to prevent these incidents by providing a safer roadway intersection for vehicular and pedestrian use. A corresponding decrease to the Ending Fund Balance is recommended in this report to offset this action.</p>			
Advanced Planning	Airport	\$565,000	
<p>This action increases the Advanced Planning appropriation by \$565,000, from \$604,000 to \$1.2 million. This funding will be used for the design of the Fueling Station which is a critical project for the next phase of the terminal development. The relocation of the Facilities Division and Fueling Station clears the space south of Terminal B to enable eventual design and construction of the new terminal project. A corresponding decrease to the Ending Fund Balance is recommended in this report to offset this action.</p>			
Airfield Geometric Implementation	Airport	\$2,500,000	
<p>This action increases the Airfield Geometric Implementation appropriation by \$2.5 million, from \$3.5 million to \$6.0 million. This funding will facilitate the completion of the design for the reconstruction of Taxiway V. Reconstruction of Taxiway V is anticipated to be a multi-year project eligible for grant funding from the Federal Aviation Administration. A corresponding decrease to the Ending Fund Balance is recommended in this report to offset this action.</p>			
Ending Fund Balance Adjustment	Airport	\$(3,965,000)	
<p>This action decreases the Ending Fund Balance to offset the actions recommended in this report.</p>			
Facilities Division Relocation	Airport	\$30,000	
<p>This action increases the Facilities Division Relocation appropriation by \$30,000, from \$348,000 to \$378,000. This funding will facilitate Public Works Department's review and issuance of the RFQ/RFP for the Facilities Division Relocation project. This project will construct a new building to house the Airport's Facilities Division administration and field personnel and is a necessary step to enable development of the new terminal. A corresponding decrease to the Ending Fund Balance is recommended in this report to offset this action.</p>			
Seismic Shutoff Valves	Airport	\$70,000	
<p>This action establishes the Seismic Shutoff Valves appropriation in the amount of \$70,000 to facilitate installation of seismic gas shutoff valves for Airport terminal buildings and other City occupied facilities on the Airport campus that are supplied with natural gas. Per national standards, the valves are recommended to be installed to reduce risk should there be an earthquake. A corresponding decrease to the Ending Fund Balance is recommended in this report to offset this action.</p>			
Airport Renewal and Replacement Fund (527) TOTAL			

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<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Branch Libraries Bond Projects Fund (472)			
Branch Efficiency Projects	Library	\$584,414	
<p>This action increases the Branch Efficiency Projects appropriation by \$584,414, from \$715,586 to \$1.3 million. This increase will support the purchase and installation of book lockers at various Library branches. These lockers will create efficiencies by enabling the public to access Library materials during unstaffed hours and reducing staffing needs. This action is offset by a corresponding decrease to Ending Fund Balance recommended elsewhere in this report.</p>			
Ending Fund Balance Adjustment	Library	\$(584,414)	
<p>This action decreases Ending Fund Balance to offset actions recommended elsewhere in this report.</p>			
Branch Libraries Bond Projects Fund (472) TOTAL			
Building and Structure Construction Tax Fund (429)			
Airport Connector	Transportation	\$203,000	
<p>This action establishes the Airport Connector appropriation in the amount of \$203,000. On June 29, 2021 funding was approved by the City Council for work on pre-development agreement for the Airport Connector project. At that time, the funds were added to the Regional Rail Planning appropriation. A portion of that funding was unspent last fiscal year and fell to the ending fund balance. This action reestablishes funding for the project. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.</p>			
Ending Fund Balance Adjustment	Transportation	\$(898,000)	
<p>This action decreases the Ending Fund Balance to offset the actions recommended in this memorandum.</p>			
Route 101/Mabury Road Project Development	Transportation	\$695,000	
<p>This action increases the Route 101/Mabury Road Project Development appropriation by \$695,000, from \$1.75 million to \$2.45 million. The additional funding is needed to fully cover the consultant services contract and staff time for the environmental study phase of the project. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.</p>			
Building and Structure Construction Tax Fund (429) TOTAL			
Communications Construction and Conveyance Tax Fund (397)			
Construction and Conveyance Tax	Public Works		\$748,000
<p>This action increases the Communications Construction and Conveyance Tax (C&C) revenue estimate by \$748,000, from \$1.3 million to \$2.0 million, to account for higher than anticipated C&C Tax collections. The overall C&C Tax estimate is recommended to increase by \$22.0 million (from \$38.0 million to \$60.0 million) to reflect higher collection trends. When the 2021-2022 Adopted Capital Budget was developed, there was uncertainty regarding the pandemic's long-term effect on the local real estate market, which is the primary driver for this revenue collection. However, the market has continued to be extremely strong, which has resulted in higher than anticipated C&C Tax collections. Further detail regarding C&C Tax receipts, as well as a discussion of the housing statistics for the local real estate market, can be found in Section II - Status of Selected Special and Capital Funds.</p>			

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Ending Fund Balance Adjustment	Public Works	\$748,000	
<p>This action increases the Ending Fund Balance to offset the action recommended in this report.</p>			
Communications Construction and Conveyance Tax Fund (397) TOTAL		\$748,000	\$748,000
Construction Excise Tax Fund (465)			
Airport Connector	Transportation	\$250,000	
<p>This action increases the Airport Connector appropriation by \$250,000, from \$2.5 million to \$2.75 million. On June 29, 2021 funding was approved by the City Council for work on a pre-development agreement for the Airport Connector project. At that time, the funds were added to the Regional Rail Planning appropriation. The funding was unspent last fiscal year and fell to the ending fund balance. This action reestablishes funding for the project. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.</p>			
BART Design and Construction Phase 2	Transportation	\$307,000	
<p>This action establishes the BART Design and Construction Phase 2 appropriation in the amount of \$307,000 to fund project development prior to the advertisement for procurement of design-build contracts for the BART Phase 2 project. The project development work includes developing the construction outreach management program, reviewing condition assessment reports for architectural historic properties, reviewing preliminary engineering contract documents, and defining key milestones and review schedules for formal review and consolidated comments of plans and specification for city infrastructure. The total project cost is \$990,000, and the remaining project funding will be included as part of the 2023-2027 Proposed Capital Improvement Program. This action is offset by a corresponding increase to the estimate for Revenue from Local Agencies to recognize revenue from the Valley Transportation Authority which will reimburse the City for this work.</p>			
Copper to Fiber and Adaptive Timing	Transportation	\$150,000	
<p>This action establishes the Copper to Fiber and Adaptive Timing appropriation in the amount of \$150,000 to fund copper to fiber communications upgrades and adaptive signal timing on 15 intersections along White Road in the Evergreen area. The total estimated cost of the project is \$250,000, and the remaining funding of \$100,000 will be programmed in the 2023-2027 Proposed Capital Improvement Program. A corresponding decrease to the Evergreen Traffic Impact Fees Reserve is recommended to offset this action.</p>			
Ending Fund Balance Adjustment	Transportation	\$(700,000)	
<p>This action decreases the Ending Fund Balance to offset the actions recommended in this report.</p>			
Evergreen Traffic Impact Fees Reserve	Transportation	\$(250,000)	
<p>This action decreases the Evergreen Traffic Impact Fees Reserve to fund the projects recommended in this report.</p>			
Pavement Maintenance - VTA 2016 Measure B	Transportation	\$6,550,000	
<p>This action increases the Pavement Maintenance - VTA Measure B 2016 appropriation by \$6.55 million, from \$27.8 million to \$34.4 million, based on revised projections from the Valley Transportation Authority that were received by the City in September 2021. This additional \$6.55 million is comprised of an increase of \$6.3 million to the City's allocation for 2021-2022 (from \$19.0 million to \$25.3 million), and a one-time adjustment of \$223,000 from the prior year that is available this fiscal year. The funds will be used to encumber new pavement maintenance contracts in Spring 2022. A corresponding increase to the estimate for Revenue from Local Agencies is recommended to offset this action.</p>			

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<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Construction Excise Tax Fund (465)			
Revenue from Local Agencies (Pavement Maintenance - VTA Measure B 2016)	Transportation		\$6,550,000
<p>This action increases the estimate for Revenue from Local Agencies by \$6.55 million based on revised 2021-2022 projections for the 2016 Measure B Local Streets and Roads allocation from the Valley Transportation Authority that were received by the City in September 2021. The \$6.55 million is comprised of an increase of \$6.3 million to the City's allocation for 2021-2022 (from \$19.0 million to \$25.3 million), and a one-time cleanup that is available in this fiscal year of \$223,000. The funds will be used to encumber new pavement maintenance contracts in Spring 2022, and a corresponding increase to the Pavement Maintenance - VTA 2016 Measure B appropriation is recommended to offset this action.</p>			
Revenue from Local Agencies (VTA - BART Phase 2)	Transportation		\$307,000
<p>This action increases the estimate for Revenue from Local Agencies by \$307,000 based on an agreement with the Valley Transportation Authority which will reimburse the City for project development prior to the advertisement for procurement of design-build contracts for the BART Phase 2 project. The total reimbursement is \$990,000, and the remaining funding will be included in the 2023-2027 Proposed Capital Improvement Program. This report includes a recommendation to establish a corresponding BART Design and Construction Phase 2 appropriation that will be funded by this agreement.</p>			
Story and Clayton Road Intersection Improvements	Transportation	\$100,000	
<p>This action establishes the Story and Clayton Road Intersection Improvements appropriation in the amount of \$100,000 to fund the design phase of pedestrian improvements through traffic calming and sidewalks. The total estimated cost of the design work is \$300,000, and the remaining project funding will be programmed in the 2023-2027 Proposed Capital Improvement Program. A corresponding decrease to the Evergreen Traffic Impact Fees Reserve is recommended to offset this action.</p>			
Street Tree Inventory and Management Plan	Transportation	\$350,000	
<p>This action establishes the Street Tree Inventory and Management Plan appropriation in the amount of \$350,000 to fund citywide tree pruning (\$140,000), an update of the citywide street tree inventory (\$125,000) and a temporary Assistant Arborist (\$85,000) as part of the Community Forest Management Plan (CFMP). The CFMP was presented to the Transportation and Environment Committee on October 4, 2021 and is scheduled to go to the City Council on February 8, 2022. The City last completed a street tree inventory in 2014 and does not have current information on the condition of trees in the public space. The funding for tree pruning will provide for the pruning of approximately 900 street trees and potential tree removals citywide. Updating the street tree inventory is necessary to understand what species are in decline and contributing to the loss of citywide canopy cover as well as to inform the appropriate management actions to preserve the health and safety of trees in the public space. The temporary position will help establish and serve as a lead point of contact for the Community Forest Advisory Committee, which is targeted to be formed by the end of June 2022. A corresponding action to decrease the Ending Fund Balance is recommended to offset this action.</p>			
Traffic Safety Data Collection	Transportation	\$100,000	
<p>This action increases the Traffic Safety Data Collection appropriation by \$100,000, from \$321,000 to \$421,000, for consultant services to assist with Engineering and Traffic Survey (ETS) backlog due to delays caused by the COVID-19 pandemic. The total cost of the consultant services is \$400,000, and the remaining project funding will be programmed as part of the 2023-2027 Proposed Capital Improvement Program. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.</p>			
Construction Excise Tax Fund (465) TOTAL		\$6,857,000	\$6,857,000

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<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Council District 1 Construction and Conveyance Tax Fund (377)			
Council District 1 C&C Tax Fund: Needs-Based Transfer	Parks, Recreation and Neighborhood Services		\$1,001,000
<p>This action increases the Needs-Based Transfer allocation from the Parks Central Construction and Conveyance Tax Fund by \$1.0 million, from \$437,000 to \$1.4 million, to account for higher than anticipated Construction and Conveyance Tax revenue collections.</p>			
Council District 1 C&C Tax Fund: Special Needs Transfer	Parks, Recreation and Neighborhood Services		\$159,000
<p>This action increases the Special Needs Transfer allocation from the Parks Central Construction and Conveyance Tax Fund by \$159,000, from \$70,000 to \$229,000, to account for higher than anticipated Construction and Conveyance Tax revenue collections.</p>			
Ending Fund Balance Adjustment	Parks, Recreation and Neighborhood Services	\$1,160,000	
<p>This action increases the Ending Fund Balance to offset actions recommended in this report.</p>			
Council District 1 Construction and Conveyance Tax Fund (377) TOTAL		\$1,160,000	\$1,160,000
Council District 10 Construction and Conveyance Tax Fund (389)			
Council District 10 C&C Tax Fund: Needs-Based Transfer	Parks, Recreation and Neighborhood Services		\$221,000
<p>This action increases the Needs-Based Transfer allocation from the Parks Central Construction and Conveyance Tax Fund by \$221,000, from \$96,000 to \$317,000, to account for higher than anticipated Construction and Conveyance Tax revenue collections.</p>			
Council District 10 C&C Tax Fund: Special Needs Transfer	Parks, Recreation and Neighborhood Services		\$159,000
<p>This action increases the Special Needs Transfer allocation from the Parks Central Construction and Conveyance Tax Fund by \$159,000, from \$70,000 to \$229,000, to account for higher than anticipated Construction and Conveyance Tax revenue collections.</p>			
Ending Fund Balance Adjustment	Parks, Recreation and Neighborhood Services	\$380,000	
<p>This action increases the Ending Fund Balance to offset actions recommended in this report.</p>			
Guadalupe Oak Grove Outdoor Classroom	Parks, Recreation and Neighborhood Services	\$30,000	
<p>This action establishes the Guadalupe Oak Grove Outdoor Classroom in the amount of \$30,000. This project provides funding to enhance undeveloped parkland by promoting enrichment activities and nature-based outdoor play, which will encourage deeper connection between the community and parks. A corresponding action is recommended in this report to recognize funding from the Open Space Authority for costs associated with the Guadalupe Oak Grove Outdoor Classroom project.</p>			
Revenue from Local Agencies (Open Space Authority - Guadalupe Oak Grove Outdoor Classroom)	Parks, Recreation and Neighborhood Services		\$30,000
<p>This action increases the Revenue from Local Agencies by \$30,000 to recognize funding received from the Open Space Authority for the Guadalupe Oak Grove Outdoor Classroom. A corresponding action is included in this report to allocate this funding to the Guadalupe Oak Grove Outdoor Classroom project.</p>			
Council District 10 Construction and Conveyance Tax Fund (389) TOTAL		\$410,000	\$410,000

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<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Council District 2 Construction and Conveyance Tax Fund (378)			
Council District 2 C&C Tax Fund: Needs-Based Transfer	Parks, Recreation and Neighborhood Services		\$352,000
This action increases the Needs-Based Transfer allocation from the Parks Central Construction and Conveyance Tax Fund by \$352,000, from \$153,000 to \$505,000, to account for higher than anticipated Construction and Conveyance Tax revenue collections.			
Council District 2 C&C Tax Fund: Special Needs Transfer	Parks, Recreation and Neighborhood Services		\$159,000
This action increases the Special Needs Transfer allocation from the Parks Central Construction and Conveyance Tax Fund by \$159,000, from \$70,000 to \$229,000, to account for higher than anticipated Construction and Conveyance Tax revenue collections.			
Ending Fund Balance Adjustment	Parks, Recreation and Neighborhood Services	\$511,000	
This action increases the Ending Fund Balance to offset actions recommended in this report.			
Council District 2 Construction and Conveyance Tax Fund (378) TOTAL		\$511,000	\$511,000
 Council District 3 Construction and Conveyance Tax Fund (380)			
Council District 3 C&C Tax Fund: Needs-Based Transfer	Parks, Recreation and Neighborhood Services		\$313,000
This action increases the Needs-Based Transfer allocation from the Parks Central Construction and Conveyance Tax Fund by \$313,000, from \$137,000 to \$450,000, to account for higher than anticipated Construction and Conveyance Tax revenue collections.			
Council District 3 C&C Tax Fund: Special Needs Transfer	Parks, Recreation and Neighborhood Services		\$159,000
This action increases the Special Needs Transfer allocation from the Parks Central Construction and Conveyance Tax Fund by \$159,000, from \$70,000 to \$229,000, to account for higher than anticipated Construction and Conveyance Tax revenue collections.			
Ending Fund Balance Adjustment	Parks, Recreation and Neighborhood Services	\$372,000	
This action increases the Ending Fund Balance to offset actions recommended in this report.			
Northside Community Center HVAC Replacement	Parks, Recreation and Neighborhood Services	\$100,000	
This action establishes the Northside HVAC Replacement project in the amount of \$100,000. This project provides funding to replace the cooling tower at Northside Community Center, which has been malfunctioning over the past two years. A corresponding action to decrease the Ending Fund Balance is recommended in this report to offset this action.			
Other Revenue (Urban Confluence Silicon Valley)	Parks, Recreation and Neighborhood Services		\$275,000
This action increases the estimate for Other Revenue by \$275,000 to recognize funding received from the San Jose Light Tower Corporation. A corresponding action is included in this report to allocate this funding to Urban Confluence Silicon Valley project.			
Urban Confluence Silicon Valley	Parks, Recreation and Neighborhood Services	\$275,000	
This action establishes the Urban Confluence Silicon Valley project in the amount of \$275,000. This project provides funding for design development costs associated with the future Breeze of Innovation project. The Breeze of Innovation landmark, when completed, will be located within the Arena Green at Guadalupe River Park. A corresponding recommendation is included in this report to recognize funding from the			

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<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
San Jose Light Tower Corporation for staff costs and consultant fees associated with this project.			
Council District 3 Construction and Conveyance Tax Fund (380) TOTAL		\$747,000	\$747,000
Council District 4 Construction and Conveyance Tax Fund (381)			
Council District 4 C&C Tax Fund: Needs-Based Transfer	Parks, Recreation and Neighborhood Services		\$214,000
This action increases the Needs-Based Transfer allocation from the Parks Central Construction and Conveyance Tax Fund by \$214,000, from \$93,000 to \$307,000, to account for higher than anticipated Construction and Conveyance Tax revenue collections.			
Council District 4 C&C Tax Fund: Special Needs Transfer	Parks, Recreation and Neighborhood Services		\$159,000
This action increases the Special Needs Transfer allocation from the Parks Central Construction and Conveyance Tax Fund by \$159,000, from \$70,000 to \$229,000, to account for higher than anticipated Construction and Conveyance Tax revenue collections.			
Ending Fund Balance Adjustment	Parks, Recreation and Neighborhood Services	\$373,000	
This action increases the Ending Fund Balance to offset actions recommended in this report.			
Council District 4 Construction and Conveyance Tax Fund (381) TOTAL		\$373,000	\$373,000
Council District 5 Construction and Conveyance Tax Fund (382)			
Council District 5 C&C Tax Fund: Needs-Based Transfer	Parks, Recreation and Neighborhood Services		\$1,059,000
This action increases the Needs-Based Transfer allocation from the Parks Central Construction and Conveyance Tax Fund by \$1.1 million, from \$463,000 to \$1.5 million, to account for higher than anticipated Construction and Conveyance Tax revenue collections.			
Council District 5 C&C Tax Fund: Special Needs Transfer	Parks, Recreation and Neighborhood Services		\$159,000
This action increases the Special Needs Transfer allocation from the Parks Central Construction and Conveyance Tax Fund by \$159,000, from \$70,000 to \$229,000, to account for higher than anticipated Construction and Conveyance Tax revenue collections.			
Ending Fund Balance Adjustment	Parks, Recreation and Neighborhood Services	\$1,218,000	
This action increases the Ending Fund Balance to offset actions recommended in this report.			
Overfelt Gardens Improvements Reserve	Parks, Recreation and Neighborhood Services	\$(100,000)	
This action decreases the Overfelt Gardens Improvement Reserve by \$100,000, from \$800,000 to \$700,000. A corresponding action is recommended in this report to allocate this funding to the Overfelt Master Plan project.			
Overfelt Master Plan	Parks, Recreation and Neighborhood Services	\$100,000	
This action establishes the Overfelt Master Plan project in the Council District 5 Construction and Conveyance Tax Fund in the amount of \$100,000. The Overfelt Master Plan project is currently underway, with funding of \$400,000 allocated in the Parks City-Wide Construction and Conveyance Tax Fund. As part of the master planning process, the ponds have been defined as a primary attraction to the park, but sustaining their water levels and quality has been challenging due to drought conditions and a lack of other reliable water sources. This action allocates an additional \$100,000 to			

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the Overfelt Master Plan project, from the Council District 5 Construction and Conveyance Tax Fund, to explore the cost and feasibility of maintaining and/or converting the water features to an alternative use. The study will also include community feedback for the potential future use of the ponds. A corresponding action to decrease the Overfelt Gardens Improvements Reserve is recommended in this report to offset this action.			
Council District 5 Construction and Conveyance Tax Fund (382) TOTAL		\$1,218,000	\$1,218,000
Council District 6 Construction and Conveyance Tax Fund (384)			
Council District 6 C&C Tax Fund: Needs-Based Transfer	Parks, Recreation and Neighborhood Services		\$967,000
This action increases the Needs-Based Transfer allocation from the Parks Central Construction and Conveyance Tax Fund by \$967,000, from \$422,000 to \$1.4 million, to account for higher than anticipated Construction and Conveyance Tax revenue collections.			
Council District 6 C&C Tax Fund: Special Needs Transfer	Parks, Recreation and Neighborhood Services		\$159,000
This action increases the Special Needs Transfer allocation from the Parks Central Construction and Conveyance Tax Fund by \$159,000, from \$70,000 to \$229,000, to account for higher than anticipated Construction and Conveyance Tax revenue collections.			
Ending Fund Balance Adjustment	Parks, Recreation and Neighborhood Services	\$1,076,000	
This action increases the Ending Fund Balance to offset actions recommended in this report.			
Strategic Capital Replacement and Maintenance Needs	Parks, Recreation and Neighborhood Services	\$50,000	
This action increases the Strategic Capital Replacement and Maintenance Needs allocation by \$50,000, from \$150,000 to \$200,000. Through December 2021, over 95% of the appropriation has been expended on various capital replacement and maintenance needs. However, additional funding is needed for the final six months of the fiscal year for various capital improvements, including concrete repairs to prevent tripping hazards, playground equipment and surfacing needs, and sports court surfacing repairs. A corresponding action to decrease the Ending Fund Balance is recommended in this report to offset this action.			
Council District 6 Construction and Conveyance Tax Fund (384) TOTAL		\$1,126,000	\$1,126,000
Council District 7 Construction and Conveyance Tax Fund (385)			
Council District 7 C&C Tax Fund: Needs-Based Transfer	Parks, Recreation and Neighborhood Services		\$928,000
This action increases the Needs-Based Transfer allocation from the Parks Central Construction and Conveyance Tax Fund by \$928,000, from \$405,000 to \$1.3 million, to account for higher than anticipated Construction and Conveyance Tax revenue collections.			
Council District 7 C&C Tax Fund: Special Needs Transfer	Parks, Recreation and Neighborhood Services		\$159,000
This action increases the Special Needs Transfer allocation from the Parks Central Construction and Conveyance Tax Fund by \$159,000, from \$70,000 to \$229,000, to account for higher than anticipated Construction and Conveyance Tax revenue collections.			
Ending Fund Balance Adjustment	Parks, Recreation and Neighborhood Services	\$1,087,000	
This action increases the Ending Fund Balance to offset actions recommended in this report.			
Council District 7 Construction and Conveyance Tax Fund (385) TOTAL		\$1,087,000	\$1,087,000

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Council District 8 Construction and Conveyance Tax Fund (386)			
Council District 8 C&C Tax Fund: Needs-Based Transfer	Parks, Recreation and Neighborhood Services		\$606,000
This action increases the Needs-Based Transfer allocation from the Parks Central Construction and Conveyance Tax Fund by \$606,000, from \$265,000 to \$871,000, to account for higher than anticipated Construction and Conveyance Tax revenue collections.			
Council District 8 C&C Tax Fund: Special Needs Transfer	Parks, Recreation and Neighborhood Services		\$159,000
This action increases the Special Needs Transfer allocation from the Parks Central Construction and Conveyance Tax Fund by \$159,000, from \$70,000 to \$229,000, to account for higher than anticipated Construction and Conveyance Tax revenue collections.			
Ending Fund Balance Adjustment	Parks, Recreation and Neighborhood Services	\$765,000	
This action increases the Ending Fund Balance to offset actions recommended in this report.			
Council District 8 Construction and Conveyance Tax Fund (386) TOTAL		\$765,000	\$765,000
Council District 9 Construction and Conveyance Tax Fund (388)			
Council District 9 C&C Tax Fund: Needs-Based Transfer	Parks, Recreation and Neighborhood Services		\$728,000
This action increases the Needs-Based Transfer allocation from the Parks Central Construction and Conveyance Tax Fund by \$728,000, from \$318,000 to \$1.0 million, to account for higher than anticipated Construction and Conveyance Tax revenue collections.			
Council District 9 C&C Tax Fund: Special Needs Transfer	Parks, Recreation and Neighborhood Services		\$159,000
This action increases the Special Needs Transfer allocation from the Parks Central Construction and Conveyance Tax Fund by \$159,000, from \$70,000 to \$229,000, to account for higher than anticipated Construction and Conveyance Tax revenue collections.			
Ending Fund Balance Adjustment	Parks, Recreation and Neighborhood Services	\$887,000	
This action increases the Ending Fund Balance to offset actions recommended in this report.			
Council District 9 Construction and Conveyance Tax Fund (388) TOTAL		\$887,000	\$887,000
Fire Construction and Conveyance Tax Fund (392)			
Construction and Conveyance Tax	Fire		\$1,848,000
This action increases the Fire Construction and Conveyance Tax (C&C) revenue estimate by \$1.85 million, from \$3.19 million to \$5.04 million, to account for higher than anticipated C&C Tax collections. The overall C&C Tax estimate is recommended to increase by \$22.0 million (from \$38.0 million to \$60.0 million) to reflect higher collection trends. When the 2021-2022 Adopted Capital Budget was developed, there was uncertainty regarding the pandemic's long-term effect on the local real estate market, which is the primary driver for this revenue collection. However, the market has continued to be extremely strong, which has resulted in higher than anticipated C&C Tax collections. Further detail regarding C&C Tax receipts, as well as a discussion of the housing statistics for the local real estate market, can be found in Section II - Status of Selected Special and Capital Funds.			
Ending Fund Balance Adjustment	Fire	\$1,488,000	

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<p>This action increases the Ending Fund Balance to offset the actions recommended in this report.</p>			
Fire Apparatus Replacement	Fire	\$(2,958,000)	
<p>This action decreases the Fire Apparatus Replacement appropriation in the Construction Tax and Property Conveyance Tax Fund: Fire Protection Purposes by \$2.96 million, from \$5.80 million to \$2.84 million. The savings from reducing the Fire Apparatus Replacement appropriation by \$2.96 million, along with \$360,000 from the Ending Fund Balance, will be reallocated to establish the Fire Facilities Remediation appropriation in the amount of \$3.32 million. A related action to increase the Fire Apparatus Replacement Capital Contributions appropriation by \$2.96 million to the Fire Department in the General Fund is recommended elsewhere in this report.</p>			
Fire Facilities Remediation	Fire	\$3,318,000	
<p>This action establishes the Fire Facilities Remediation appropriation in the Construction Tax and Property Conveyance Tax Fund: Fire Protection Purposes in the amount of \$3.3 million to expedite the expenditure of the remaining resources within the Neighborhood Security Bond Fund, which need to be expended by June 30, 2022. Since construction of the Fire Training Center Relocation is currently underway and is a bond-eligible use, corresponding actions are included to establish a Fire Training Center Relocation appropriation of \$3.3 million and reduce the Fire Facilities Remediation by \$3.3 million in the Neighborhood Security Bond Fund, along with other actions described elsewhere in this report to reallocate Fire Department-related eligible capital funding between the Neighborhood Security Bond Fund, the Fire C&C Tax Fund, and the General Fund with no changes to the existing project budgets.</p>			
Fire Construction and Conveyance Tax Fund (392) TOTAL		\$1,848,000	\$1,848,000
General Purpose Parking Capital Fund (559)			
Ending Fund Balance Adjustment	Transportation	\$3,312,000	
<p>This action increases the Ending Fund Balance to offset the action recommended in this memorandum.</p>			
Transfer to General Purpose Parking Operating Fund	Transportation	\$(3,312,000)	
<p>This action decreases the Transfer to General Purpose Parking Operating Fund by \$3.3 million, from \$4.9 million to \$1.6 million. The General Purpose Parking Fund is the source of funding for capital projects in the Parking Capital Program, and a transfer of capital funds to the General Purpose Parking Fund was included in the 2021-2022 Adopted Capital Budget due to reduced revenue collection from parking garages and lots and parking meters as a result of the COVID-19 pandemic. Parking demand has increased substantially as more people return to pre-pandemic activities, and as a result, revenues from parking facilities are projected to be higher than the 2021-2022 adopted estimate by \$3.3 million. Correspondingly, the transfer of capital funds to offset the reduced revenue collections from parking facilities can be decreased by \$3.3 million. A corresponding increase to the Ending Fund Balance is recommended to offset this action.</p>			
General Purpose Parking Capital Fund (559) TOTAL			

**Capital Funds Recommended Budget Adjustments Summary
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<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Lake Cunningham Fund (462)			
Capital Program and Public Works Department Support Service Costs	Public Works	\$38,000	
<p>This action increases the Capital Program and Public Works Department Support Services Costs allocation by \$38,000, from \$8,000 to \$46,000, to reflect higher than anticipated direct labor and professional services costs incurred by the Public Works Department for projects in the Lake Cunningham Fund. A corresponding decrease to the Ending Fund Balance is recommended in this report to offset this action.</p>			
Ending Fund Balance Adjustment	Public Works	\$(38,000)	
<p>This action decreases the Ending Fund Balance to offset the action recommended in this report.</p>			
Lake Cunningham Fund (462) TOTAL			
Library Construction and Conveyance Tax Fund (393)			
Automation Projects and System Maintenance	Library	\$44,000	
<p>This action increases the Automation Projects and System Maintenance appropriation by \$44,000, from \$400,000 to \$444,000. This additional funding will support the replacement of outdated equipment for remotely hosted programming conducted by Library staff. Existing equipment has been unable to meet the quality standards required for consistent programming usage and must be replaced. This action is offset by an adjustment to Ending Fund Balance recommended elsewhere in this report.</p>			
Branch Efficiency Projects	Library	\$177,000	
<p>This action increases the Branch Efficiency Projects appropriation by \$177,000, from \$23,000 to \$200,000. This increase will support the purchase and installation of book lockers at various Library branches. These lockers will create efficiencies by enabling the public to access Library materials during unstaffed hours and reducing staffing needs. This action is offset by an adjustment to Ending Fund Balance recommended elsewhere in this report.</p>			
Construction & Conveyance Tax	Library		\$3,128,000
<p>This action increases the Library Construction and Conveyance Tax (C&C) revenue estimate by \$3.1 million, from \$5.4 million to \$8.5 million, to account for higher than anticipated C&C Tax collections. The overall C&C Tax estimate is recommended to increase by \$22.0 million (from \$38.0 million to \$60.0 million) to reflect higher collection trends. When the 2021-2022 Adopted Capital Budget was developed, there was uncertainty regarding the pandemic's long-term effect on the local real estate market, which is the primary driver for this revenue collection. However, the market has continued to be extremely strong, which has resulted in higher than anticipated C&C Tax collections. Further detail regarding C&C Tax receipts, as well as a discussion of the housing statistics for the local real estate market, can be found in Section II - Status of Selected Special and Capital Funds.</p>			
Ending Fund Balance Adjustment	Library	\$2,679,000	
<p>This action increases Ending Fund Balance to offset actions recommended elsewhere in this report.</p>			
Facilities Improvements - Library	Library	\$228,000	
<p>This action increases the Facilities Improvements - Library appropriation by \$228,000, from \$272,000 to \$500,000. This action provides funding to support a number of work orders at Library branches for repairs and improvements, including electrical repairs to restore power outlet service, boiler and HVAC repairs, plumbing repairs, graffiti and vandalism remediation, and the restriping of overflow parking lots. This action is offset by an adjustment to Ending Fund Balance recommended elsewhere in this report.</p>			
Library Construction and Conveyance Tax Fund (393) TOTAL		\$3,128,000	\$3,128,000

**Capital Funds Recommended Budget Adjustments Summary
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<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Measure T: Public Safety and Infrastructure Bond Fund (498)			
Measure T - Admin (Municipal Improvements)	Public Works	\$14,000	
This action increases the Measure T - Admin (Municipal Improvements) appropriation by \$14,000 to reflect 2021-2022 projected actual expenses. A corresponding decrease to the Measure T - Admin Reserve for the Municipal Improvements Capital Program is recommended to offset this action.			
Measure T - Admin (Public Safety)	Public Works	\$(88,000)	
This action decreases the Measure T - Admin (Public Safety) appropriation by \$88,000 to reflect 2021-2022 projected actual expenses. A corresponding increase to the Measure T - Admin Reserve for the Public Safety Capital Program is recommended to offset this action.			
Measure T - Admin (Storm Sewer)	Public Works	\$100,000	
This action increases the Measure T - Admin (Storm Sewer) appropriation by \$100,000 to reflect 2021-2022 projected actual expenses. A corresponding decrease to the Measure T - Admin Reserve for the Storm Sewer Capital Program is recommended to offset this action.			
Measure T - Admin (Traffic)	Public Works	\$(8,000)	
This action decreases the Measure T - Admin Traffic appropriation by \$8,000 to reflect 2021-2022 projected actual expenses. A corresponding increase to the Measure T - Admin Reserve for the Traffic Capital Program is recommended to offset this action.			
Measure T - Admin Reserve (Municipal Improvements)	Public Works	\$(14,000)	
This action decreases the Measure T - Admin Reserve for the Municipal Improvements Program by \$14,000 based on projected Measure T administrative costs. A corresponding increase to the Measure T - Admin (Municipal Improvements) appropriation is recommended to offset this action.			
Measure T - Admin Reserve (Public Safety)	Public Works	\$88,000	
This action increases the Measure T - Admin Reserve for the Public Safety Program by \$88,000 based on projected savings in Measure T administrative costs. A corresponding decrease to the Measure T - Admin (Public Safety) appropriation is recommended to offset this action.			
Measure T - Admin Reserve (Storm Sewer)	Public Works	\$(100,000)	
This action decreases the Measure T - Admin Reserve for the Storm Sewer Program by \$100,000 based on projected Measure T administrative costs. A corresponding increase to the Measure T - Admin (Storm Sewer) appropriation is recommended to offset this action.			
Measure T - Admin Reserve (Traffic)	Public Works	\$8,000	
This action increases the Measure T - Admin Reserve for the Traffic Program by \$8,000 based on projected savings in Measure T administrative costs. A corresponding decrease to the Measure T - Admin Traffic appropriation is recommended to offset this action.			
Measure T - Police Headquarters Infrastructure Upgrades	Public Works	\$50,000	
This action increases the Measure T - Police Headquarters Infrastructure Upgrades project by \$50,000, from \$13,000 to 63,000. This project is moving forward sooner than anticipated and additional funding is required for feasibility work. A corresponding decrease to the Measure T Program Reserve is included elsewhere in this report.			

**Capital Funds Recommended Budget Adjustments Summary
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<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Measure T - Program Reserve (Public Safety)	Public Works	\$(50,000)	
This action decreases the Measure T Program Reserve Public Safety by \$50,000 to fund the Measure T - Police Headquarters Infrastructure Upgrades project as recommended in this report.			
Measure T: Public Safety and Infrastructure Bond Fund (498) TOTAL			
Neighborhood Security Bond Fund (475)			
Fire Facilities Remediation	Fire	\$(3,318,000)	
This action decreases the Fire Facilities Remediation appropriation in the amount of \$3.3 million, from \$3.4 million to \$100,000, to expedite the expenditure of the remaining resources within the fund, which need to be expended by June 30, 2022. Since construction of the Fire Training Center Relocation is currently underway and is a bond-eligible use, corresponding actions are included to establish a Fire Training Center Relocation appropriation of \$3.3 million in the Neighborhood Security Bond Fund, along with other actions described elsewhere in this report to reallocate Fire Department-related eligible capital funding between the Neighborhood Security Bond Fund, the Fire C&C Tax Fund, and the General Fund with no changes to the existing project budgets.			
Fire Training Center Relocation	Fire	\$3,318,000	
This action establishes the Fire Training Center Relocation Capital Contributions appropriation in the amount of \$3.3 million, to expedite the expenditure of the remaining resources within the fund, which need to be expended by June 30, 2022. Since construction of the Fire Training Center Relocation is currently underway and is a bond-eligible use, corresponding actions are included to decrease the Fire Training Center Relocation Capital Contributions appropriation to the Fire Department by \$3.3 million in the General Fund, along with other actions described elsewhere in this report to reallocate Fire Department-related eligible capital funding between the Neighborhood Security Bond Fund, the Fire C&C Tax Fund, and the General Fund with no changes to the existing project budgets.			
Neighborhood Security Bond Fund (475) TOTAL			
Park Yards Construction and Conveyance Tax Fund (398)			
Construction and Conveyance Tax	Parks, Recreation and Neighborhood Services		\$264,000
This action increases the Parks Construction and Conveyance Tax (C&C) revenue estimate by \$264,000, from \$456,000 to \$720,000, to account for higher than anticipated C&C Tax collections. The overall C&C Tax estimate is recommended to increase by \$22.0 million (from \$38.0 million to \$60.0 million) to reflect higher collection trends. When the 2021-2022 Adopted Capital Budget was developed, there was uncertainty regarding the pandemic's long-term effect on the local real estate market, which is the primary driver for this revenue collection. However, the market has continued to be extremely strong, which resulted in higher than anticipated C&C Tax collections. Further detail regarding the C&C Tax receipts, as well as a discussion of the housing statistics for the local real estate market, can be found in Section II - Status of Selected Special and Capital Funds.			
Ending Fund Balance Adjustment	Parks, Recreation and Neighborhood Services	\$224,000	
This action increases the Ending Fund Balance to offset actions recommended in this report.			
Transfer to General Fund - Park Yards Operating and Maintenance Expenses	Parks, Recreation and Neighborhood Services	\$40,000	
This action increases the transfer to the General Fund for operating and maintenance costs by \$40,000, from \$68,000 to \$108,000, to account for higher than anticipated Construction and Conveyance Tax (C&C) revenue collections. Per previous City Council direction, 15% of all the Parks C&C Tax revenue may be transferred to the			

**Capital Funds Recommended Budget Adjustments Summary
2021-2022 Mid-Year Budget Review**

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
General Fund for operating and maintenance costs associated with the Parks, Recreation and Neighborhood Services Department.			
Park Yards Construction and Conveyance Tax Fund (398) TOTAL		\$264,000	\$264,000
Parks Central Construction and Conveyance Tax Fund (390)			
Construction and Conveyance Tax	Parks, Recreation and Neighborhood Services		\$14,080,000
This action increases the Parks Construction and Conveyance Tax (C&C) revenue estimate by \$14.1 million, from \$24.3 million to \$38.4 million, to account for higher than anticipated C&C Tax collections. The overall C&C Tax estimate is recommended to increase by \$22.0 million (from \$38.0 million to \$60.0 million) to reflect higher collection trends. When the 2021-2022 Adopted Capital Budget was developed, there was uncertainty regarding the pandemic's long-term effect on the local real estate market, which is the primary driver for this revenue collection. However, the market has continued to be extremely strong, which resulted in higher than anticipated C&C Tax collections. Further detail regarding the C&C Tax receipts, as well as a discussion of the housing statistics for the local real estate market, can be found in Section II - Status of Selected Special and Capital Funds.			
Council District 1 C&C Tax Fund: Needs-Based Transfer	Parks, Recreation and Neighborhood Services	\$1,001,000	
This action increases the Needs-Based Transfer to the Council District 1 Construction and Conveyance Tax Fund to account for higher than anticipated Construction and Conveyance Tax revenue collections.			
Council District 1 C&C Tax Fund: Special Needs Transfer	Parks, Recreation and Neighborhood Services	\$159,000	
This action increases the Special Needs Transfer to the Council District 1 Construction and Conveyance Tax Fund to account for higher than anticipated Construction and Conveyance Tax revenue collections.			
Council District 10 C&C Tax Fund: Needs-Based Transfer	Parks, Recreation and Neighborhood Services	\$221,000	
This action increases the Needs-Based Transfer to the Council District 10 Construction and Conveyance Tax Fund to account for higher than anticipated Construction and Conveyance Tax revenue collections.			
Council District 10 C&C Tax Fund: Special Needs Transfer	Parks, Recreation and Neighborhood Services	\$159,000	
This action increases the Special Needs Transfer to the Council District 10 Construction and Conveyance Tax Fund to account for higher than anticipated Construction and Conveyance Tax revenue collections.			
Council District 2 C&C Tax Fund: Needs-Based Transfer	Parks, Recreation and Neighborhood Services	\$352,000	
This action increases the Needs-Based Transfer to the Council District 2 Construction and Conveyance Tax Fund to account for higher than anticipated Construction and Conveyance Tax revenue collections.			
Council District 2 C&C Tax Fund: Special Needs Transfer	Parks, Recreation and Neighborhood Services	\$159,000	
This action increases the Special Needs Transfer to the Council District 2 Construction and Conveyance Tax Fund to account for higher than anticipated Construction and Conveyance Tax revenue collections.			
Council District 3 C&C Tax Fund: Needs-Based Transfer	Parks, Recreation and Neighborhood Services	\$313,000	
This action increases the Needs-Based Transfer to the Council District 3 Construction and Conveyance Tax Fund to account for higher than anticipated Construction and Conveyance Tax revenue collections.			

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<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<p>Council District 3 C&C Tax Fund: Special Needs Transfer</p> <p>This action increases the Special Needs Transfer to the Council District 3 Construction and Conveyance Tax Fund to account for higher than anticipated Construction and Conveyance Tax revenue collections.</p>	Parks, Recreation and Neighborhood Services	\$159,000	
<p>Council District 4 C&C Tax Fund: Needs-Based Transfer</p> <p>This action increases the Needs-Based Transfer to the Council District 4 Construction and Conveyance Tax Fund to account for higher than anticipated Construction and Conveyance Tax revenue collections.</p>	Parks, Recreation and Neighborhood Services	\$214,000	
Parks Central Construction and Conveyance Tax Fund (390)			
<p>Council District 4 C&C Tax Fund: Special Needs Transfer</p> <p>This action increases the Special Needs Transfer to the Council District 4 Construction and Conveyance Tax Fund to account for higher than anticipated Construction and Conveyance Tax revenue collections.</p>	Parks, Recreation and Neighborhood Services	\$159,000	
<p>Council District 5 C&C Tax Fund: Needs-Based Transfer</p> <p>This action increases the Needs-Based Transfer to the Council District 5 Construction and Conveyance Tax Fund to account for higher than anticipated Construction and Conveyance Tax revenue collections.</p>	Parks, Recreation and Neighborhood Services	\$1,059,000	
<p>Council District 5 C&C Tax Fund: Special Needs Transfer</p> <p>This action increases the Special Needs Transfer to the Council District 5 Construction and Conveyance Tax Fund to account for higher than anticipated Construction and Conveyance Tax revenue collections.</p>	Parks, Recreation and Neighborhood Services	\$159,000	
<p>Council District 6 C&C Tax Fund: Needs-Based Transfer</p> <p>This action increases the Needs-Based Transfer to the Council District 6 Construction and Conveyance Tax Fund to account for higher than anticipated Construction and Conveyance Tax revenue collections.</p>	Parks, Recreation and Neighborhood Services	\$967,000	
<p>Council District 6 C&C Tax Fund: Special Needs Transfer</p> <p>This action increases the Special Needs Transfer to the Council District 6 Construction and Conveyance Tax Fund to account for higher than anticipated Construction and Conveyance Tax revenue collections.</p>	Parks, Recreation and Neighborhood Services	\$159,000	
<p>Council District 7 C&C Tax Fund: Needs-Based Transfer</p> <p>This action increases the Needs-Based Transfer to the Council District 7 Construction and Conveyance Tax Fund to account for higher than anticipated Construction and Conveyance Tax revenue collections.</p>	Parks, Recreation and Neighborhood Services	\$928,000	
<p>Council District 7 C&C Tax Fund: Special Needs Transfer</p> <p>This action increases the Special Needs Transfer to the Council District 7 Construction and Conveyance Tax Fund to account for higher than anticipated Construction and Conveyance Tax revenue collections.</p>	Parks, Recreation and Neighborhood Services	\$159,000	
<p>Council District 8 C&C Tax Fund: Needs-Based Transfer</p> <p>This action increases the Needs-Based Transfer to the Council District 8 Construction and Conveyance Tax Fund to account for higher than anticipated Construction and Conveyance Tax revenue collections.</p>	Parks, Recreation and Neighborhood Services	\$606,000	

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<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Council District 8 C&C Tax Fund: Special Needs Transfer This action increases the Special Needs Transfer to the Council District 8 Construction and Conveyance Tax Fund to account for higher than anticipated Construction and Conveyance Tax revenue collections.	Parks, Recreation and Neighborhood Services	\$159,000	
Council District 9 C&C Tax Fund: Needs-Based Transfer This action increases the Needs-Based Transfer to the Council District 9 Construction and Conveyance Tax Fund to account for higher than anticipated Construction and Conveyance Tax revenue collections.	Parks, Recreation and Neighborhood Services	\$728,000	
Council District 9 C&C Tax Fund: Special Needs Transfer This action increases the Special Needs Transfer to the Council District 9 Construction and Conveyance Tax Fund to account for higher than anticipated Construction and Conveyance Tax revenue collections.	Parks, Recreation and Neighborhood Services	\$159,000	
Parks Central Construction and Conveyance Tax Fund (390) Transfer to the General Fund (Parks Eligible Maintenance Costs) This action increases the transfer to the General Fund for operating and maintenance costs by \$2.1 million to account for higher than anticipated Construction and Conveyance Tax (C&C) revenue collections. Per previous City Council direction, 15% of all the Parks C&C Tax revenue may be transferred to the General Fund for operating and maintenance costs associated with the Parks, Recreation and Neighborhood Services Department.	Parks, Recreation and Neighborhood Services	\$2,112,000	
Transfer to the Parks City-Wide C&C Tax Fund This action increases the transfer allocation to the Parks City-Wide Construction and Conveyance Tax Fund to account for higher than anticipated Construction and Conveyance Tax revenue collections.	Parks, Recreation and Neighborhood Services	\$3,989,000	
Parks Central Construction and Conveyance Tax Fund (390) TOTAL		\$14,080,000	\$14,080,000
Parks City-Wide Construction and Conveyance Tax Fund (391) Ending Fund Balance Adjustment This action increases the Ending Fund Balance to offset the actions recommended in this report.	Parks, Recreation and Neighborhood Services	\$3,556,000	
Happy Hollow Park and Zoo Exhibit Improvements This action increases the Happy Hollow Park and Zoo Exhibit Improvements project by \$433,000, from \$1.5 million to \$1.9 million, to fully fund the Fossa Night House. This project provides funding for improvements to the Jaguar, Fossa, and Red Panda exhibits at Happy Hollow Park and Zoo. When the project budget was initially developed, insufficient funding was available in the Parks City-Wide Construction and Conveyance Tax Fund for construction costs associated with the new Fossa Night House. A corresponding decrease to the Ending Fund Balance is recommended in this report to offset this action.	Parks, Recreation and Neighborhood Services	\$433,000	
Transfers and Reimbursements (Transfer in from Parks Central C&C Tax Fund) This action increases the Transfers and Reimbursements (transfer in from C&C Tax Fund: Parks Purposes Central Fund) allocation from the Parks Central Construction and Conveyance Tax Fund by \$4.0 million, from \$1.7 million to \$5.7 million, to account for higher than anticipated Construction and Conveyance Tax revenue collections.	Parks, Recreation and Neighborhood Services		\$3,989,000
Parks City-Wide Construction and Conveyance Tax Fund (391) TOTAL		\$3,989,000	\$3,989,000
Service Yards Construction and Conveyance Tax Fund (395) Construction and Conveyance Tax	Public Works		\$1,932,000

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<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<p>This action increases the Service Yards Construction and Conveyance Tax (C&C) revenue estimate by \$1.9 million, from \$3.3 million to \$5.2 million, to account for higher than anticipated C&C Tax collections. The overall C&C Tax estimate is recommended to increase by \$22.0 million (from \$38.0 million to \$60.0 million) to reflect higher collection trends. When the 2021-2022 Adopted Capital Budget was developed, there was uncertainty regarding the pandemic's long-term effect on the local real estate market, which is the primary driver for this revenue collection. However, the market has continued to be extremely strong, which has resulted in higher than anticipated C&C Tax collections. Further detail regarding C&C Tax receipts, as well as a discussion of the housing statistics for the local real estate market, can be found in Section II - Status of Selected Special and Capital Funds.</p>			
Ending Fund Balance Adjustment	Public Works	\$1,932,000	
<p>This action increases the Ending Fund Balance to offset the action recommended in this report.</p>			
Service Yards Construction and Conveyance Tax Fund (395) TOTAL		\$1,932,000	\$1,932,000
Storm Sewer Capital Fund (469)			
Ending Fund Balance Adjustment	Environmental Services	\$(54,286)	
<p>This action decreases the Ending Fund Balance to offset the actions recommended in this report.</p>			
FEMA/CalOES Grant Refund	Environmental Services	\$54,286	
<p>This action establishes the FEMA/CalOES Grant Refund appropriation in the amount of \$54,286 to reimburse the California Governor's Office of Emergency Services (Cal OES) for previously obligated funds for the 2017 Flood – Bailey Ave Storm Drain Inlet Repair project. After the February 2017 flood event, excessive storm water runoff and increased groundwater infiltration along Bailey Avenue caused the storm drain inlet to uplift and disconnect from a 24-inch storm sewer pipe. In March and April of 2018, the City received Federal Emergency Management Agency (FEMA) and Cal OES funding for the repairs completed at the Bailey Ave Storm Drain Inlet. Prior to the reimbursements issued by Cal OES, the project received funding through the Federal Highway Administration (FHWA). Since the City was able to cover the costs of repairs through FHWA funding, Cal OES issued a letter to the City de-obligating the funds that were issued. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.</p>			
Storm Sewer Capital Fund (469) TOTAL			
Subdivision Park Trust Fund (375)			
Almaden Community Center HVAC Replacement	Parks, Recreation and Neighborhood Services	\$90,000	
<p>This action increases the Almaden Community Center HVAC Replacement project by \$90,000, from \$200,000 to \$290,000. This project provides funding to replace the Heating, Ventilation, and Air Conditioning (HVAC) system and other associated minor improvements to extend the usefulness of the Almaden Community Center. The initial project budget totaled \$200,000, however, due to higher material and labor costs, the project has increased to \$290,000. A corresponding decrease to the Future PDO/PIO Projects Reserve is recommended in this report to offset this action.</p>			
Future PDO / PIO Projects Reserve	Parks, Recreation and Neighborhood Services	\$(211,157)	
<p>This action decreases the Future PDO/PIO Projects Reserve to offset the actions recommended in this report.</p>			
In-Lieu Fee Refund	Parks, Recreation and Neighborhood Services	\$11,157	
<p>This action establishes the In-Lieu Fee Refund allocation by \$11,157. The parkland obligation has been fulfilled, resulting in a refund of \$11,157 owed to the developer,</p>			

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<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<p>which includes interest earnings. A corresponding decrease to the Future PDO/PIO Projects Reserve is recommended in this report to offset this action.</p>			
<p>TRAIL: Five Wounds Land Acquisition Reserve</p> <p>This action eliminates the TRAIL: Five Wounds Land Acquisition Reserve to offset the action recommended in this report. As discussed elsewhere in this report, this funding is recommended to be allocated to the TRAIL: Five Wounds Trestle Study project.</p>	<p>Parks, Recreation and Neighborhood Services</p>	<p>\$(230,000)</p>	
<p>TRAIL: Five Wounds Trestle Study</p> <p>This action increases the TRAIL: Five Wounds Trestle Study by \$230,000, from \$350,000 to \$580,000. A fire recently damaged the trestle that is located along the Five Wounds Trail. A study is currently underway which is focusing on assessing the integrity of the trestle and whether the Coyote Creek Trail below the structure can be accessed by bicyclists and pedestrians. Additional funding is recommended to be allocated to the study for the second phase, which will evaluate the information gathered in the first phase and determine whether the trestle should be rebuilt or removed and replaced. The information determined in the second phase of the study will guide the future Five Wounds Trail master plan. A corresponding decrease to the TRAIL: Five Wounds Trail Land Acquisition Reserve is recommended in this report to offset this action.</p>	<p>Parks, Recreation and Neighborhood Services</p>	<p>\$230,000</p>	
<p>TRAIL: Penitencia Creek Trail Realignment</p> <p>This action establishes the TRAIL: Penitencia Creek Trail Realignment totaling \$110,000. This project provides funding to reinforce approximately 100 feet of the Penitencia Creek Trail, which has begun to erode. A corresponding decrease to the Future PDO/PIO Projects Reserve is recommended in this report to offset this action.</p>	<p>Parks, Recreation and Neighborhood Services</p>	<p>\$110,000</p>	
Subdivision Park Trust Fund (375) TOTAL			