



# Memorandum

**TO:** MAYOR REED

**FROM:** Councilmember Pete Constant

**SUBJECT:** BUDGET DOCUMENT

**DATE:** May 25, 2011

Approved

Date: May 25, 2011

## RECOMMENDATION

That the following recommendation be enacted.

## BACKGROUND

### City-Council Initiated Neighborhood Improvement Reserve Fund/Other Budget Proposals

**Program/Project Title:** Acceptance of COPS Grant for 53 Police Officer Positions

**Amount of City Funding Required:** \$2,400,000

**Fund Type (i.e. General Fund, C&C funds, etc.):** General Fund

**Anticipated Outcomes:** Requested funding changes would affect benefits or services for San José residents, businesses, community groups, etc., as described below: (Use as much space as required.)

This will provide funding to preserve 53 police officers in the San José Police Department through a combination of a federal grant and city funds.

#### **Funding Source #1**

**Program/Project Title:** Mayor and City Council Office Re-budgets

**Amount of City Funding Change:** \$2,400,000 (of \$2,727,415)

**Fund Type (i.e. General Fund, C&C funds, etc.):** General Fund

#### **Funding Source #2**

**Program/Project Title:** Asset Forfeiture Fund

**Amount of City Funding Change:** \$300,000 - \$500,000 from current balance, remainder from anticipated asset seizures in the next 2 fiscal years.

**Fund Type (i.e. General Fund, C&C funds, etc.):** General Fund

**Anticipated Outcomes:** Requested funding changes would affect benefits or services for San José residents, businesses, community groups, etc., as described below: (Use as much space as required.)

The city has been offered a COPS Grant which could be implemented in FY11-12. In order to accept the grant, the city must provide additional funding as required by the grant stipulations. The proposed additional funding by the city will be derived from 2 funding sources: Mayor and City Council Office Re-budget and the Asset Forfeiture Fund. Accepting this Budget Document will ensure adequate sources of funds for years 1-3 of the COPS Grant.

In an economic environment where the City is struggling to provide basic essential services, like basic police services, it is imprudent for the Mayor and Council offices to rollover unused funds for use in the next fiscal year.

As you can see by the table below, the amount of funds anticipated to be rolled over from FY10-11 are significant:

Office	Projected Re-Budget	Office	Projected Re-Budget
D1	\$23,165	D7	\$90,846
D2	\$179,757	D8	\$18,963
D3	\$56,232	D9	\$63,249
D4	\$149,021	D10	\$131,832
D5	\$110,743	Mayor	\$688,469
D6	\$180,173	Co. General	\$1,034,965
	<b>Total Rebudgets</b>		<b>\$2,727,415</b>

\*excludes Constituent Outreach Funds

It's important to note that the projected Mayor and Council office annual projected re-budget amounts consistently hover in the range of \$1.8 to \$2.4 million (FY07-08: \$2,129,087; FY08-09: \$1,864,495; FY09-10: \$2,453,713; FY10-11: \$2,727,415). This clearly illustrates that re-budgeted funds are not necessary for the delivery of constituent services.

In addition, the total re-budget amount from FY10-11 does not include \$139,502 that is appropriated for Constituent Outreach Funds. Per the HP Grants Agreement with the city, these funds must be rolled over to the next fiscal year and added to each Council Office's total operating budget with restrictions to the use of the funds.

The Mayor and City Council budgets should not be treated differently than any other city department budgets, where unallocated or unencumbered funds are not allowed to roll over to the next fiscal year. With the exception of the Constituent Outreach Funds, these funds should be re-budgeted to fund essential police services.

Approving this Budget Document will prevent the layoff of 53 active police officers for 3 fiscal years. With looming deficits for the next several fiscal years we know that we may be looking at further reductions in police personnel, however we know that there are a significant number of police officers that are eligible for retirement and any further reductions could be accomplished by attrition.

**Department or Organization Contact** (Please list contact information for the individual that certified cost estimates contained within your recommendation.)

**Department or Organization for Funding Source #1:** Mayor and Council Offices

**Name:** Dennis Hawkins, City Clerk's Office  
**Phone number:** 408-535-1275  
**E-mail address:** dennis.hawkins@sanjoseca.gov

**Department or Organization for Funding Source #2:** San José Police Department

**Name:** Chief Chris Moore, San José Police Department  
**Phone number:** 408-277-4212  
**E-mail address:** christopher.moore@sanjoseca.gov

This change is:

One-time for 3 fiscal years \_\_\_\_\_ Ongoing

The City Service Area to which the change best relates:

- |                                                                    |                                                               |
|--------------------------------------------------------------------|---------------------------------------------------------------|
| <input type="checkbox"/> Community & Economic Development Services | <input type="checkbox"/> Environmental and Utility Services   |
| <input type="checkbox"/> Neighborhood Services                     | <input type="checkbox"/> Transportation and Aviation Services |
| <input checked="" type="checkbox"/> Public Safety                  | <input checked="" type="checkbox"/> Strategic Support         |