

CITY OF SAN JOSE

2011-2012 ADOPTED OPERATING BUDGET

OPERATING BUDGET GUIDE

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

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

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

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

As an introduction to the CSA section, an **Overview** of the CSA concept, structure, and role in strategic planning and cross-departmental management of service delivery is included. Also, **City Service Area Budget and Position Summary** charts, including information regarding total operations and staffing, and a **City Service Area/Core Service Map** are provided.

CSA Section

Individual sections on each of the six CSAs follow. Each individual CSA section begins with a **Cover Page** that lists the **CSA Mission Statement**, **Outcomes**, and **Primary Partners**, followed by a **Service Delivery Framework** that maps the linkage between the CSA mission, outcomes, and core services. A **Budget Summary** follows, which includes the CSA's **Expected Service Delivery** and **Impacts of Budget Actions** for the next year, a chart dividing the CSA's **Total Operations** by

CITY OF SAN JOSE

2011-2012 ADOPTED OPERATING BUDGET

OPERATING BUDGET GUIDE

CSA Section (Cont'd.)

Core Service, and a detailed City Service Area Budget Summary.

The CSA Budget Summary is followed by a **CSA Overview** that includes highlights of the CSA's **Service Delivery Accomplishments, Service Delivery Environment, and Priorities/Key Services**. The CSA Overview continues with the **Budget Dollars At Work: Performance Goals** section, which focuses on strategic goals and performance measures by outcome. A chart is displayed under each outcome outlining the current year, subsequent year, and five-year Strategic Goals and associated performance measures. Below the charts, key highlights are discussed that help explain service delivery objectives related to current and planned performance (the "ends" toward which the plans, efforts, and resources of the CSA are directed); performance and budget changes in that outcome; the CSA's strategy to achieve strategic goals with available resources; and/or explanations of performance data variances or adjusted targets to reflect program changes. The **Budget Changes** section provides a listing of actions including position and budget changes.

City Departments

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

This framework is followed by a **Department Budget Summary**, which includes a summary description of expected 2011-2012 service delivery, impacts of 2011-2012 budget actions, and a list of operating funds managed by the department (if applicable). A table reflecting funding by core service, category, and funding source for four separate points in time: 2009-2010 Actual Expenditures, 2010-2011 Adopted Budget, 2011-2012 Forecast (Base Budget), and 2011-2012 Adopted Budget follows. Total Authorized Positions by Core Service are also provided.

Next, the **Budget Reconciliation** is presented, providing significant Base Budget adjustments (such as negotiated salary and benefit changes and contractual obligations) from the prior year's Adopted Budget and a listing of Budget Proposals approved for 2011-2012.

The details of **Budget Changes by Department** are provided next. Included for each change is a budget action title; the action's impact on positions, all funds, and the General Fund; a list of the CSAs and core services impacted; followed by a description of what will be added or deleted, the need for the change, the amount and nature of the funding involved, and performance results expected to occur when the action is implemented. The **Performance Results** describe, in quantitative terms, wherever possible, the expected outcome of the approved action. This information is characterized by one or more of the four key measurement areas: Quality, Cost, Cycle Time, and/or Customer Satisfaction.

CITY OF SAN JOSE

2011-2012 ADOPTED OPERATING BUDGET

OPERATING BUDGET GUIDE

City Departments (Cont'd.)

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



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



Cost – What resources are used to achieve results?



Cycle Time – Timeliness of service delivery.



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

Attempts were made to limit the total number of measures shown by combining similar types, such as Customer Satisfaction measures, for all operational services within the core service.

Any performance measures that are new, revised or deleted from the prior year are highlighted in footnotes underneath the Performance Summary chart. The following footnote symbols delineate the type of change, followed by a rationale and additional information where applicable: **+** New, **U** Revised, **X** Deleted.

The **Activity and Workload Highlights** section shows the scope and extent of the workload demand and the activities completed. For example, while the Performance Summary section focuses on percentages of workload accomplished successfully, the Activity and Workload Highlights section may provide a count of the total workload attempted/completed. As with performance measures, any activity and workload highlights that are new, revised, or deleted from the prior year are highlighted in footnotes with the same footnote symbols as described above.

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

City-Wide

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

CITY OF SAN JOSE
2011-2012 ADOPTED OPERATING BUDGET

OPERATING BUDGET GUIDE

Selected Special Funds Summaries

The **Selected Special Funds Summaries** section provides budget summary information for certain special funds, including the Community Development Block Grant Fund, Integrated Waste Management Fund, Sewer Service and Use Charge Fund, Storm Sewer Operating Fund, and Transient Occupancy Tax Fund. These funds support activities in several CSAs and departments. Each summary provides the fund's **Mission Statement**, **Budget Summary**, **Budget Highlights**, a **Budget Byte** (a graph or chart that communicates key information for the fund, such as growth in demand, progress toward multi-year goals, or benchmarking comparisons), a **Fund Overview** (an overview of the fund's status and performance and service delivery issues for the upcoming year), a **Fund Summary** (detail on the major areas of each fund's sources and uses), a **Budget Category Overview** (providing a high-level description of the budget category), and a **Budget Category Summary** (a listing of allocations for the next year).

Source and Use of Funds Statements

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

Appendices

In the Proposed Budget, the appendices section includes the Mayor's March Budget Message. In the Adopted Budget, the Mayor's March and June Budget Messages and the Gann Limit Compliance Memorandum are included.