



Memorandum

TO: MAYOR REED

FROM: Councilmember Pete Constant

SUBJECT: BUDGET DOCUMENT

DATE: May 24, 2012

Approved

Date May 24, 2012

RECOMMENDATION

That the following recommendation be enacted.

BACKGROUND

Program/Project Title: Reinstate 4.0 Code Enforcement Inspector positions
Amount of City Funding Required: \$446,124
Fund Type (i.e. General Fund, C&C funds, etc.): General Fund

Anticipated Outcomes:

This will provide *one-time* General Fund dollars to fund 4.0 Code Enforcement FTE positions that are currently vacant that were previously funded through CDBG funds.

Funding Source

Program/Project Title: Library Parcel Tax Funding Reallocation
Amount of City Funding Change: (\$446,124)
Fund Type (i.e. General Fund, C&C funds, etc.): Library Parcel Tax Fund

Anticipated Outcomes:

This action reallocates funding from the Library Parcel Tax Fund in the unrestricted balance to pay for library staffing that is currently supported by the General Fund.

The resulting General Fund savings from this action in the sum of \$446,124 would be used to fund 4.0 Code Enforcement positions proposed for elimination in FY12-13.

Proceeds from the Library Parcel Tax may be expended for Library purposes including the staffing of libraries. The Library Parcel Tax Fund in the FY12-13 Proposed Budget will carry an unrestricted fund balance of \$4,725,965 with a total fund balance of \$5,771,631. This action would leave the unrestricted fund balance at \$4,279,841. This is well above the unrestricted fund balance of \$2,159,754 that the City Council approved in the FY11-12 Adopted Budget. Looking at the past years, the unrestricted balance has consistently exceeded budgeted amounts.

The fund balance has been maintained in order to mitigate the effects of the loss of funding that may result when the Library Parcel Tax sunsets in 2014. However, this action would still leave the fund balance higher level than the ending unrestricted fund balance in previous years.

This reallocation is consistent with the primary goal of upholding the health, safety, and quality of life that San José residents expect from their government. The City is facing increased demands for Code Enforcement, particularly in regard to Medicinal Marijuana. The proposed budget includes continued funding for one position specializing in this area, but by funding several more inspectors from the General Fund this will give the City more resources to address neighborhood health, safety, and quality of life issues. As has been made clear by our residents, the timely resolution of complaints of blight and other code violations are a high priority.

Department or Organization: Planning, Building and Code Enforcement Department
Library Department

Department or Organization Contact

Cost Estimates arrived at utilizing proposed budget and conversations with Budget Office

This change is:

 X One-time Ongoing

The City Service Area to which the change best relates:

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