

2014-2015 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.

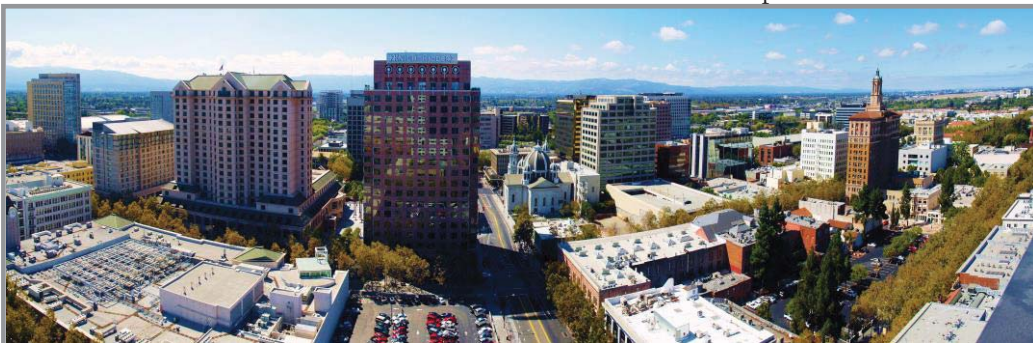


The 2014-2015 Adopted Operating and Capital Budgets for the City of San José total \$3.0 billion. With this funding, the City will continue to deliver a wide range of services to the City's residents and businesses. These include police and fire services, parks, libraries, community centers, the San José 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 fairly stable position. The difficult budget balancing actions implemented in recent years played a critical role in bringing revenues and expenditures into close alignment. Over the next five years, very small variances of less than 1% between projected General Fund revenues and expenditures are expected.

Major actions approved in the Adopted Budget will address the highest priority needs:

- ✓ **Keeping Our Community Safe:** investments in services and programs as well as infrastructure that address broad public safety needs. These include police community service officers, crime prevention staffing, downtown police foot patrol program, a third police recruit academy, code enforcement staffing, illegal dumping rapid response pilot, pedestrian and traffic safety improvements, overnight security patrols in City parking facilities, as well as continued funding for gang prevention (San José BEST and Safe Summer Initiative Programs) and homeless services.
- ✓ **Investing in Our Future:** investments that support growth and development in the City, address the most urgent capital infrastructure and maintenance needs, and ensure continued fiscal stability. These include development fee program resources to meet service needs, Urban Village implementation staff, the move of the US Patent and Trademark Office to City Hall, the set aside of \$2.4 million to address the projected 2015-2016 General Fund shortfall, capital infrastructure investments and preventative maintenance, and efforts to expand the Airport market share.
- ✓ **Effectively Delivering Services:** investments that support innovation and more efficient service delivery as well as actions that generate cost savings and provide or generate additional revenue. These include the repurposing of the South San José Police Substation, open data initiative, and major system replacements, as well as additional revenue from the close-out of inactive special assessment districts.



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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	1,000,536
Registered Voters	412,375
Median Household Income	\$81,349
Miles of Streets	2,415
Miles of Alleys	2
Area of City (square miles)	180.2

Major Employers

Cisco Systems	16,100
Santa Clara County	15,766
eBay/PayPal, Inc.	5,860
City of San José	5,579
IBM Corporation	3,920
US Postal Service	3,900
San José State University	3,800
Western Digital/Hitachi	2,540
San José Unified School District	2,320

Airport*

Size	Approx. 1,050 Acres
Terminals	2
Runways	3
Hours of Operation	24
Number of Passengers	9.1 Million

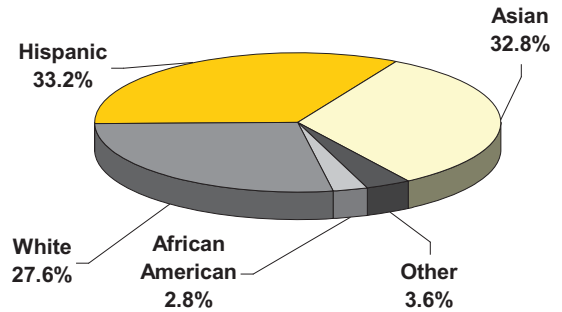
Environment and Utilities*

Miles of Municipal Sewer Mains	2,294
Tons of Recycled Materials	103,000
Tons of Yard Trimmings	129,000
Tons of Used Motor Oil	273

Parking*

Parking Meters	2,628
Parking Lots (1,308 total spaces)	6
Parking Garages (6,172 total spaces)	8

Demographics



Public Safety*

Police Stations	1
Emergency Police Calls	549,000
Non-Emergency Police Calls	368,000
Fire Stations	33
Fire Companies	40
Emergency Medical Calls	49,000
Fire Safety Code Inspections	12,368

Neighborhood Services*

Park Sites**	194
Park Amenities:	
Basketball Courts	95.5
Skate Parks	6
Softball/Baseball/T-Ball Fields	52
Swimming Pools	6
Tennis Courts	93
Soccer Fields	46
Park Acreage**	3,436
City Operated Community Centers	12
Partner Operated Re-Use Sites	42
Participation in Recreation Programs at Community Centers	555,000

Libraries*

Number of Outlets:	
Main Library	1
Branches**	22
Items Checked Out (Circulation)	10,491,139

* Current counts or 2013-2014 year-end estimates

** Data represents City services (excludes school data)

San José at a Glance

2014-2015 Adopted Budget

GENERAL FUND

Police	\$326,289,104
Fire	174,283,010
City-Wide Expenses	103,789,911
Parks, Recreation & Neighborhood Services	56,065,473
Planning, Building & Code Enforcement	42,578,056
Public Works	36,838,035
Transfers to Other Funds	35,917,380
Transportation	28,343,511
Library	27,664,331
City Management (Manager and City Council)	23,762,280
Finance and Human Resources	21,250,136
Information Technology	15,402,395
City Attorney	13,294,574
Capital Improvements	34,624,000
Other	11,217,096
Reserves	181,361,545

Total General Fund \$1,132,680,837

SPECIAL FUNDS

Airport	\$529,264,186
Waste Water Treatment Plant & Sanitary Sewer	330,013,020
Waste Mgmt (Garbage Collection/Recycling)	145,242,102
Housing	79,626,968
Storm Sewer Operations	49,385,156
Convention and Cultural Facilities	48,974,474
Municipal Water	46,382,782
Parking	32,003,275
Transient Occupancy Tax	20,583,105
Library Parcel Tax	16,662,297
Community Development Block Grant	15,719,595
Workforce Investment Act	10,202,210
Other	228,754,532

Total Special Funds \$1,552,813,702

CAPITAL IMPROVEMENT FUNDS

Traffic	\$188,193,593
Parks and Community Facilities	186,876,464
Water Pollution Control	181,615,697
Airport	133,285,354
Sanitary Sewer System	97,436,491
Library	38,431,040
Storm Sewer System	33,122,915
Public Safety	24,349,582
Other	54,583,551

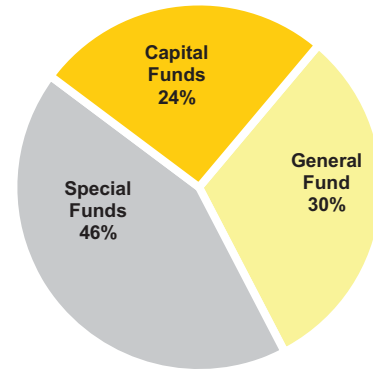
Total Capital Funds \$937,894,687

TOTAL ALL FUNDS \$3,623,389,226

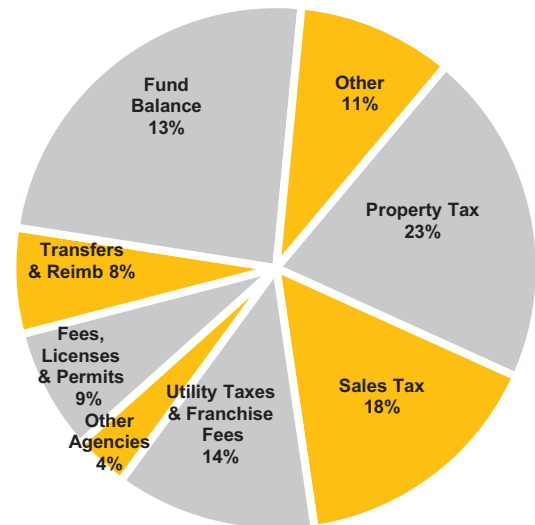
Less Transfers, Loans & Contributions (613,023,848)

NET CITY USE OF FUNDS \$3,010,365,378

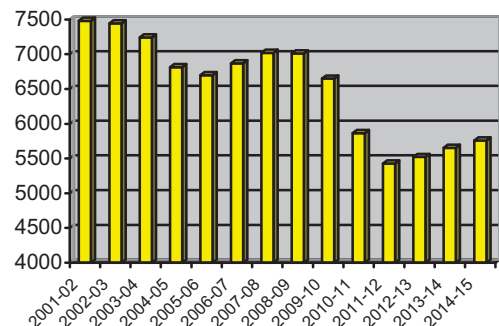
2014-2015 Adopted Budget



2014-2015 Sources of General Fund Revenues



Total City Positions



In the 2014-2015 Adopted Budget, the number of City positions totals 5,759, which is up 104 positions (1.6%) from the 2013-2014 Adopted Budget. While staffing levels have started to increase, the City's overall workforce remains well below the peak of almost 7,500 positions in 2001-2002.

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, and transportation.

2014-2015 Adopted Operating Budget General Fund Budget Balancing Plan (in 000's)		
	2014-2015	Ongoing
2014-2015 General Fund Surplus	\$ 1,058	\$ 1,058
Development Fee Program Impact	1,394	1,394
Revised Base Budget Forecast	\$ 2,452	\$ 2,452
Balancing Strategy		
Source of Funds		
Available Fund Balance:		
2014-2015 Future Deficit Reserve Elimination	\$ 18,112	\$ 0
Successor Agency City Legal Obligations Reserve	8,000	0
Development Fee Program Reserves	4,182	3,120
Police Department Overtime Reserve	4,000	0
Homeless Rapid Rehousing/Response Team Reserves	3,500	0
San José BEST/Safe Summer Initiative Reserve	1,500	0
Various Other Reserve Eliminations	2,078	0
Additional 2013-2014 Ending Fund Balance	10,459	0
Property Tax	5,400	5,400
Transfers and Reimbursements	1,885	1,288
Grants/Reimbursements/Fees	1,344	163
Other Revenue Changes	844	223
Subtotal Source of Funds	\$ 61,304	\$ 10,194
Use of Funds		
Service Level Enhancements	\$ 25,107	\$ 5,258
Earmarked Reserves (e.g., Homeless Services, Essential Services, San José BEST, Air Service Incentive, HR/Payroll, Business Tax, Contingency)	20,072	3,452
SERAF Former Redevelopment Agency/City Loans Repayment	10,200	0
Development Fee Programs	4,457	3,268
Unmet/Deferred Infrastructure and Maintenance	2,620	0
2015-2016 Future Deficit Reserve	2,400	0
2013-2014 One-Time Funded Services	1,989	1,039
Other Fee Programs/Grants/Reimbursements/Fees	1,683	634
Cost Reductions/Service Delivery Efficiencies	(3,768)	(2,538)
Use of Reserves (Committed Additions/Deferred Infrastructure)	(1,004)	(267)
Subtotal Use of Funds	\$ 63,756	\$ 10,846
Total Balancing Strategy	\$ (2,452)	\$ (652)
Remaining Balance	\$ 0	\$ 1,800

Balancing the General Fund Budget

Based on forecasted General Fund revenues and expenditures, a slight surplus of \$2.5 million was projected for 2014-2015. In the 2014-2015 Adopted Budget, budget actions combine the General Fund surplus of \$2.5 million with \$61.3 million in additional funding sources to fund \$63.8 million in additional uses. Approximately 85% of this added funding is generated from 2014-2015 Beginning Fund Balance (\$51.8 million), with one-time reserves accounting for the majority of these funds. Many of these reserves were set aside to be used for a specific service or purpose, such as the Rapid Rehousing Program, Homeless Response Team, San José BEST and Safe Summer Initiative Programs, and Police Overtime. Budget actions also allocate funds to address other priority needs as summarized in this Budget in Brief.

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!

2014-2015 Key Budget Actions

- Police Department Staffing Reserve:** sets aside \$10.0 million to support a Police Staffing Restoration Strategy to reach a level of 1,250 officers, an increase of 141 positions from the current staffing level.
- Police Field Patrol Community Service Officers:** adds 7.0 Community Service Officers (bringing staffing level to 28) to respond to lower priority calls, thereby increasing capacity for existing Police Officers to respond to higher priority calls.
- Police Overtime:** adds \$4 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; adds \$100,000 for medical marijuana enforcement.
- Third Police Recruit Academy:** adds ongoing funding to support a third Police Recruit Academy.
- South San José Police Substation Repurpose:** a temporary repurpose will allow the relocation of the Training Unit from leased space, provide a facility for a third Police Recruit Academy, house the Community Service Officer Program, serve as the alternate Public Safety Answering Point, and facilitate Police Department fleet needs.
- Anti-Human Trafficking Task Force:** adds one-time funding of \$150,000 to allow the Police Department to continue to combat human trafficking and assist victims while both State and federal funds are pursued over the coming months.
- Police Recruitment and Background Services:** continues \$385,000 for backgrounding services for hiring and \$325,000 for recruiting and hiring efforts.
- Police Crime Prevention Staffing:** adds 1.0 Crime Prevention Specialist and 1.0 Analyst II to increase community outreach, disseminate crime prevention information, and respond to residents' concerns about crime.
- Downtown Foot Patrol Program:** continues one-time Police Department overtime funds of \$525,000 to allow the Department to continue the recently implemented Downtown Foot Patrol program to enhance safety in the Downtown area.
- School Safety and Education Unit:** adds funding for 1.0 School Safety and Education Unit Supervisor and 3.3 School Crossing Guards PT to support the Adult Crossing Guard Program.
- Fire Department Organizational Review:** adds \$150,000 for a comprehensive organizational review that will provide critical information in support of efforts to improve fire and emergency medical services response time performance.
- Fire Department Information Technology Staffing:** adds 1.0 Senior Geographic Systems Specialist to assist with Fire Department data analytic needs and to help with the implementation of Computer-Aided Dispatch (CAD) system software.
- Fire Non-Development Fee Program:** eliminates 1.0 vacant Hazardous Materials Inspector position, adds \$40,000 to conduct a fee study, and increases fees 3% 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

- Operate 12 community centers
- Continue anti-gang activities
- Continue anti-graffiti efforts
- Offer Family Camp Program
- Keep parks and trails open
- Deliver Senior Nutrition and Wellness Program

Code Enforcement

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

Library Services

- Branch Hours:**
 - Open 4 days per week (33-34 hours per week)
 - Evergreen Branch open 5 days per week
- Dr. Martin Luther King, Jr. Library:**
 - Open 77 hours/week during the academic year
 - Open 63 hours/week when the University is not in session

Animal Care and Services

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

2014-2015 Key Budget Actions

- **San José BEST Program and Safe Summer Initiative:** allocates \$1.5 million from an Earmarked Reserve and adds an additional \$1.0 million in 2014-2015, and sets aside a reserve of \$1.5 million for 2015-2016 to continue a higher level of funding for gang prevention and suppression efforts (San José BEST and Safe Summer Initiative Programs). In 2014-2015 and 2015-2016, \$5.6 million and \$4.6 million, respectively, will be available for these efforts.
- **Homeless Response Team Park Rangers:** continues funding for 4.0 Park Ranger positions for the Homeless Response Team to continue efforts to address watershed protection and public safety in parks and trails.
- **Park Rangers:** adds 6.0 Park Rangers and 1.0 Senior Park Ranger to patrol the Downtown core parks, regional parks, the Los Gatos Creek Trail, as well as other trails and neighborhood park hot spots.
- **Senior Transportation Services:** continues ongoing funding for gas cards for seniors and adds funding to meet the demand for other transportation options, including gas cards, bus passes and van service, to the 14 senior nutrition sites.
- **PRNS Neighborhood Programs:** continues funding for neighborhood support initiatives, including Spartan Keyes Neighborhood Action Center and Franklin McKinley Children's Initiative Summer Programming.
- **Summer Swim Programs:** continues funding for summer swim programs in the Evergreen Community and at the Mayfair pool.
- **Fit Camp:** expands this summer camp to all ten community center hubs to help youth build habits for a healthier lifestyle.
- **Reservable Picnic Sites:** adds six reservable picnic sites at Emma Prusch Farm Park (1) and Frank Bramhall Park (5).
- **Evergreen Branch Library:** extends Saturday hours at the Evergreen Branch Library through June 30, 2015, and sets aside funding for these Saturday hours through March 31, 2016, at which time the new Southeast Branch is anticipated to open.
- **Dr. Martin Luther King, Jr. Library's Teen Center:** reallocates staff to increase safety and positive programming at the Dr. Martin Luther King, Jr. Library's Teen Center and Children's Room.
- **Code Enforcement:** adds 3.0 Code Enforcement Inspectors to address all routine complaints city-wide and adds 1.0 temporary Code Enforcement Inspector to support enforcement of medical marijuana regulations.
- **Multiple Housing Occupancy Permits Tier Program:** implements a tier program for Multiple Housing Occupancy Permits, a risk-based and self-certification program that will allow Code Enforcement to focus on more problematic properties.
- **Illegal Dumping Rapid Response Pilot:** adds one-time funding to address illegal dumping by providing for an external consultant to help identify best practices and provide recommendations to address illegal dumping; installation of deterrent infrastructure in "hot spots;" educational outreach; and additional rapid response pick-ups and removals in neighborhoods.
- **Animal Care and Services (ACS):** adds 1.0 Volunteer Coordinator to manage the ACS volunteer program and adds funding for technology upgrades and equipment replacement needs at the ACS Center.

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

2014-2015 Key Budget Actions

- **Development Fee Programs:**
 - Adds resources, including approximately 29 positions, to support the development fee programs (Building, Planning, Public Works, Fire) with no general fee increases necessary to meet service delivery demands.
 - Targeted fee decreases, primarily for small residential alterations, were approved in the Building and Public Works Fee Programs.
 - Shared support services funded by Development Services partners include: funding for the implementation and ongoing support of the Geographic Information System data migration project, workspace improvements, communications coordination, modernization of the desktop environment, cashiering support, and customer service training.
- **Urban Villages Implementation:** adds 6.5 positions to support the implementation of Urban Village Master Plans as identified in the Envision San José 2040 General Plan: Planning, Building and Code Enforcement (2.5 positions); Public Works (1.0 position); Parks, Recreation, and Neighborhood Services (1.0 position); Transportation (1.0 position), and City Attorney's Office (1.0 position).
- **Envision San José 2040 General Plan:** extends 1.0 positions to continue implementation of the General Plan and facilitate economic development by completing environmental review and plans for Urban Villages and other strategic areas.
- **Rapid Rehousing Program/Homeless Response Team:** extends one-time staffing and contractual funding for a second year in 2014-2015 as well as adds 2.0 positions (one funded by Homeless Response Team allocation and one funded by Housing Trust Fund) to address concerns about homeless encampments and provide supportive services and rental subsidies to assist homeless individuals in their transition from homelessness to permanent housing. Also establishes a \$2.0 million Homeless Rapid Rehousing Reserve and a \$1.5 million Homeless Response Team Reserve for 2015-2016, which would continue these programs for a third year.
- **Housing Asset Management Program:** adds 1.0 position to the Housing Department to support the compliance management of the City's \$800 million affordable housing loan portfolio and its multi-family housing finance program. (Special Funds)
- **Economic Development/Incentive Fund:** adds \$1.0 million to support the location of new companies in San Jose.
- **Move Your Jobs to San José Communications:** adds one-time funding of \$100,000 for a communications campaign targeted at Silicon Valley driving industry companies seeking location and/or expansion space with a target launch of July 1, 2014.
- **Business Development and Economic Strategy Staffing:** adds 1.0 position to the Business Development Division of the Office of Economic Development to support the Business Cooperation Program.
- **Enterprise Zone Program Elimination:** eliminates 1.0 position and contractual services funding for the Enterprise Zone Program, offset by a corresponding reduction in fee revenue, to reflect the elimination of this program by the State in December 2013.

Housing Services/Community Development Block Grant (CDBG)

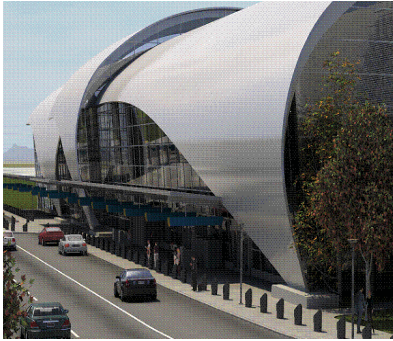
- Continue to work with Destination: Home, a public-private partnership with the goal of ending chronic homelessness
- Continue to employ a place-based, neighborhood-focused strategy

Arts and Cultural Events

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

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

2014-2015 Key Budget Actions

- **Airport Passenger Marketing:** continues funding of \$500,000 and adds funding of \$175,000 for passenger advertising and marketing focused on retaining and increasing passenger levels. (Special Funds)
- **Air Service Development Consultant and Airports Council International's World Airport Service Quality Program:** adds ongoing funding of \$175,000 for an air service development consultant to enhance business development efforts, and adds \$18,000 for annual membership to the Airport Service Quality program to support customer service. (Special Funds)
- **Airport Web Content Management System (CMS) and Asset Management System SQL Conversion:** adds \$60,000 for a web CMS and adds \$35,000 to convert the asset system from Oracle to Structured Query Language Server. (Special Funds)
- **Maintenance Assessment Districts and Community Facilities Districts Renovation Projects:** adds one-time funding of \$1.3 million for renovation projects in several special assessment districts. (Special Funds)
- **Transportation Local Projects and Transportation Planning and Sustainability Group:** adds resources to assist in the acquisition of new transportation grants and coordinate the delivery of CIP grants, support "Green Vision" initiatives and partnerships, and provide multimodal transportation support for the Envision San José 2040 General Plan. (Special Funds)
- **Traffic Signal, Lighting Maintenance, and Signal Operations/System Management Staffing:** adds resources for traffic related electrical maintenance for the expanding infrastructure needs and for increased local traffic signal project work by providing proactive traffic management and regional project support. (Special Funds)
- **Pedestrian and Traffic Safety:** significant grant and local funding in the Adopted Capital Budget is targeted towards a variety of safety-related projects, including pedestrian safety improvements. (Capital Funds)
- **Walk n' Roll Program:** adds resources to support a Valley Transportation Authority (VTA) grant encouraging families to bike or walk children to school. (Special Funds)
- **Parking Revenues:** Allocates \$700,000 of parking meter revenues generated from a rate adjustment and installation of Smart meters to establish reserves for the SAP Center and Downtown areas for priority parking projects in those areas. (Special Funds)
- **Pavement Maintenance:** Allocates additional development tax revenue in the CIP to pavement maintenance (\$16.0 million); an average of \$25 million annually is programmed towards street maintenance in the CIP. (Capital Funds)
- **Employee Commute Program Subsidy:** adds \$245,000 for an Employee Commute Program for City employees, including EcoPass VTA transit passes and potentially the ability to subsidize public transportation costs using pre-tax dollars. This program is subject to meet and confer with the City's bargaining units. (Special Funds)
- **Sidewalk Program Expansion:** adds resources for an expanded Sidewalk Program by assessing landscape conditions and ensuring that any repair work completed is up to industry and City specifications.
- **Overnight Security Patrol:** provides ongoing contractual funding of \$58,000 to address property crime and homeless issues in the City-owned and operated parking facilities within the Downtown core. (Special Funds)

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, 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
- ❑ Lead implementation on four Green Vision goals (Goal 2: Reduce per capita energy use by 50%; Goal 3: Receive 100% of our electrical power from clean renewable sources; Goal 5: Divert 100% of the waste from our landfill; and Goal 6: Recycle or reuse 100% of our wastewater)

2014-2015 Key Budget Actions

- **Single Family Dwelling Waste Materials Processing – Phase I:** adds a net \$1.5 million for the sorting and processing of all waste materials collected from approximately 20% of single-family residences (phase 1) prior to being sent to the landfill, with the goal of increasing the amount of materials recycled and diverting waste sent to the landfill. (Special Funds)
- **Multi-Family Dwelling Bulky Goods Collections:** adds funding to enhance the bulky item collections at multi-family dwellings by offering two separate bulky item collection requests (1-3 items per request) each year. (Special Funds)
- **Vehicles to Support the Sanitary and Storm Sewer Programs, Water Pollution Control Plant, and the Municipal Water System:** adds \$1.2 million to replace outdated vehicles that support the sanitary sewer and storm sewer programs; adds \$550,000 to purchase an additional Caterpillar 980 Front Loader for the Water Pollution Control Plant; and adds \$150,000 to replace four vehicles to support the Municipal Water System. (Special Funds)
- **Water Pollution Control Plant (WPCP) – Capital Improvement Program Staffing:** adds 1.0 Wastewater Operations Superintendent, 1.0 Principal Engineer, 1.0 Associate Engineering Technician, and 1.0 Geographic System Specialist II positions at the Plant for various capital improvement programs. The City Council-approved Plant Master Plan identifies nearly \$1.0 billion in Plant capital improvements over the next 10-15 years. (Special Funds)
- **Water Pollution Control Plant (WPCP) – Plant Attendant Staffing:** adds 9.0 Plant Attendant positions to create additional points of entry into the WPCP Mechanic classification series and help obtain a qualified candidate pool for existing Wastewater positions. (Special Funds)
- **Municipal Water Staffing:** adds 1.0 Senior Engineer position to manage the water supply master planning, new infrastructure development, alternative water supplies; and conservation and drought response. (Special Funds)
- **Street Sweeping Signage:** adds 1.0 Parking and Traffic Control Officer and 0.25 Associate Construction Inspector and provides funding to install up to 40 curb miles of prohibitive parking signs on residential streets that experience high parking impacts, which would result in reducing the City’s trash load and producing cleaner streets. (General Fund, Special Funds)
- **Sanitary Sewer and Storm Sewer Pump Crew Maintenance:** adds 2.0 Maintenance Worker positions to maintain service levels at the City’s pump stations and better position the City to address future expansion. Three additional pump stations are expected to come on-line in 2015. (Special Funds)
- **Rate Changes:** no rate increases were implemented for the Sewer Service and Use Charge Fee and the Storm Sewer Service Fee in 2014-2015. Recycle Plus rates increased by 3% for single-family dwelling units and 5% for multi-family dwelling units. Municipal Water System rates increased by 11%, due primarily to the higher cost for wholesale water and increased operating costs. (Special Funds)

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
Retirement Services



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 that meet both customer and City staff needs
- 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

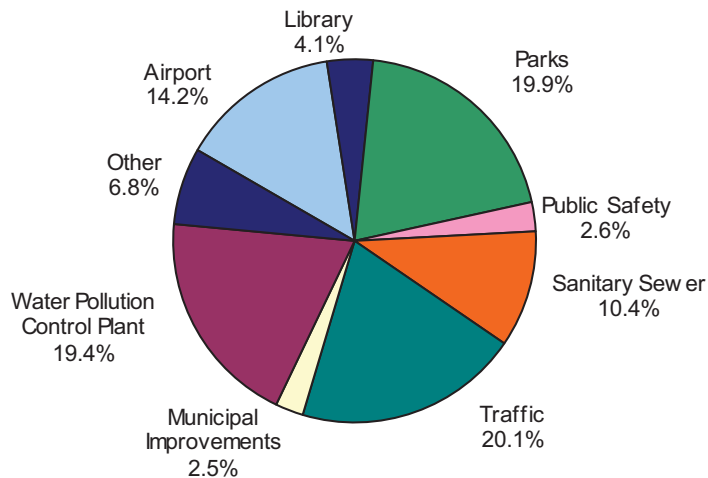
2014-2015 Key Budget Actions

- **United States Patent and Trademark Office at City Hall:** adds one-time funding of \$4.5 million to relocate City offices to make space for the US Patent and Trademark Office (USPTO) to move into the City Hall Wing by mid-2015. These costs will be recovered through USPTO lease payments over the next five years.
- **Deferred Infrastructure and Maintenance Needs:** adds one-time funding (\$1.6 million) to address a limited amount of unmet/deferred infrastructure needs at several City-owned facilities, including the Children's Discovery Museum, City Hall, Police Communications Center, Police Administration Building, and the Municipal Garage.
- **Preventative Maintenance at City Facilities:** continues \$1.3 million (\$800,000 ongoing) to maintain preventative 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 funding to replace the Human Resources/Payroll (\$1.0 million) and Business Tax (\$850,000) systems, modernize desktop infrastructure across the city (\$500,000), replace servers (\$250,000), provide an incremental replacement to the Storage Area Network (SAN) (\$150,000), and train staff to support the newest technology (\$100,000).
- **Data Analytics:** adds a data analytics team (1.0 Senior Executive Analyst and 1.0 Analyst) in the City Manager's Office to assess the current analytic capacity in individual City departments and increase the use of data analytics throughout City operations.
- **Open Data Initiative:** adds 1.0 Open Data Architect and funding for an open data tool set to the Information Technology Department to link the City's current open data platform to legacy databases. This initiative increases transparency and emphasizes accountability by providing the public access to the same data sets used by the Administration to make decisions.
- **Technical Business Analyst:** adds 1.0 Technology Business Analyst to analyze business processes and recommend solutions to enhance productivity and efficiency by leveraging investments the City has already made.
- **Civic Innovation Staffing:** adds 1.0 position to manage skills-based volunteers through the Silicon Valley Talent Partnership.
- **Police Department Human Resources Staffing:** adds 1.0 position to address the human resources-related questions and assist with disability retirement issues in the Police Department.
- **Capital Project Staffing:** adds a net 7.5 positions in the Public Works Dept. for the delivery of the City's Capital Program.
- **Retirement Services:** adds 1.0 Sr. Auditor to address operational audits and 1.0 Staff Tech to support the Investments Division.
- **City Attorney's Office:** continues 2.0 positions for legal support for the Water Pollution Control and Sanitary Sewer Capital Programs. Adds \$525,000 in one-time funding for staffing to fill critical needs in the following areas: complex litigation; legal staffing for Planning, Administrative Hearings, and Environmental Services; implementation of Urban Villages; and medical marijuana enforcement.

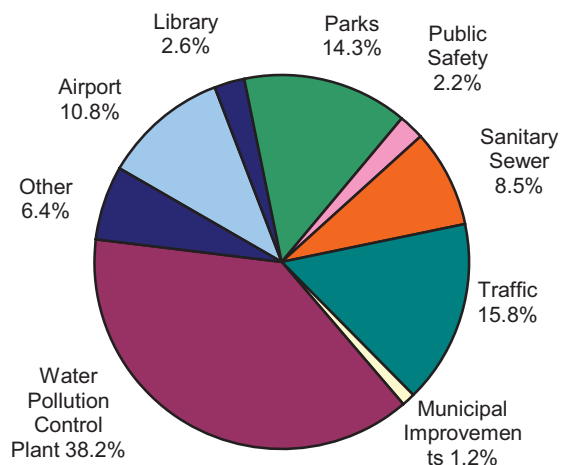
Capital Budget Highlights

The CIP is composed of 14 capital programs. The following pie charts depict the funding uses by capital programs and percentage of funding for the 2014-2015 Capital Budget and the 2015-2019 Capital Improvement Program. Major projects to be completed over the next five years are highlighted in the sidebar.

**2014-2015 Adopted Capital Budget
Use of Funds (\$937.9 million)**



**2015-2019 Capital Improvement Program
Use of Funds (\$2.4 billion)**



Major Projects to be Completed Over the Next Five Years

2014-2015 Projects

Alviso Storm Pump Station
 Autumn Street Extension
 Charcot Storm Pump Station at Coyote Creek
 Coleman Soccer Fields
 Del Monte Park
 ITS: Transportation Incident Management Center
 Federal Inspection Facility Sterile Corridor Extension
 Martin Park Expansion
 Montague Expressway Improvements Phase 2
 Monterey – Riverside Relief Sanitary Sewer Improvements
 North San José Improvement – 880/Charcot
 North San José Water Well Evaluation and Rehabilitation
 Pavement Maintenance – Federal (OBAG)
 Police Communications Emergency Uninterrupted Power Supply
 Terminal Area Improvement, Phase 1
 TRAIL: Penitencia Creek Reach 1B (Noble Avenue to Dorel Drive)
 West Evergreen Park

2015-2016 Projects

Fire Station 21 – Relocation (White Road)
 Fourth Major Interceptor, Phase IIB/IIIB
 Fowler Creek Park Improvements
 Lake Cunningham Bike Park
 Large Trash Capture Devices
 North San José Improvement – 101/Zanker
 TRAIL: Coyote Creek (Story Road to Selma Olinder Park)
 Safe Routes to School Program (OBAG)
 SBWR System Reliability and Infrastructure Replacement
 Southeast Branch Library
 Southeast Ramp Reconstruction, Phase I
 United States Patent and Trademark Office – City Staff Relocation

2016-2017 Projects

60" Brick Interceptor, Phase VIA and VIB
 BART Design and Construction
 Iron Salt Feed Station
 Plant Electrical Reliability
 Southeast Ramp Reconstruction, Phase II
 The Alameda "Beautiful Way" Phase 2 (OBAG)

2017-2018 Projects

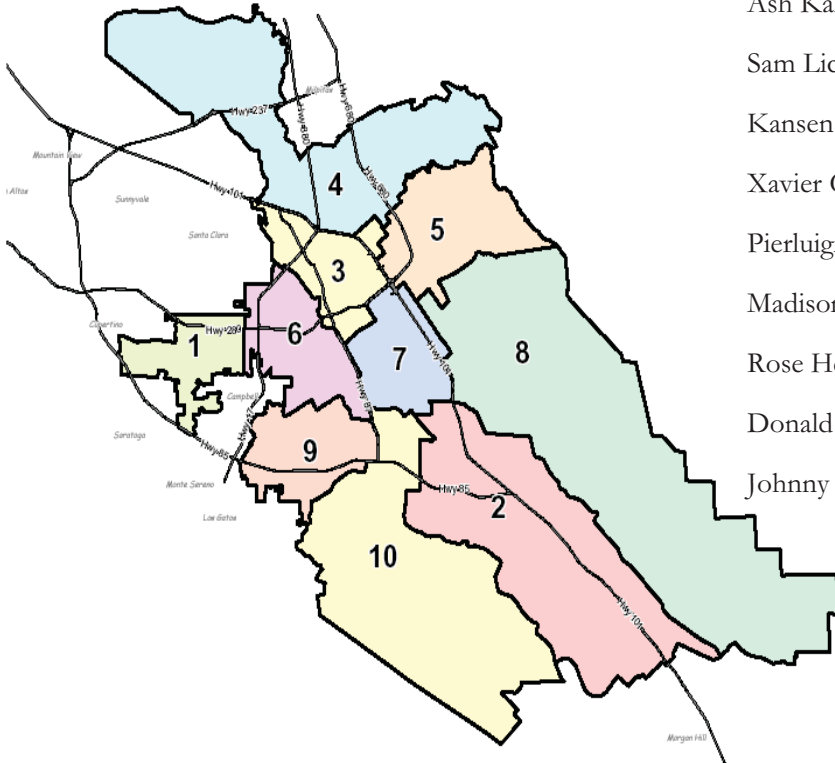
Energy Generation Improvements (Plant)
 Taxiway H and K Extension

2018-2019 Projects

Airport Rescue and Fire Fighting Facility
 Digested Sludge Dewatering Facility (Plant)
 Plant Instrument Air System Upgrade
 Route 101/Blossom Hill Road Interchange
 Route 101/Mabury Road Project Development

Roster of City Officials

City Council Districts



Roster of Elected Officials

CITY COUNCIL	DISTRICT	TELEPHONE/ E-MAIL
Chuck Reed	Mayor	535-4800 mayoremail@sanjoseca.gov
Pete Constant	1	535-4901 District1@sanjoseca.gov
Ash Kalra	2	535-4902 District2@sanjoseca.gov
Sam Liccardo	3	535-4903 District3@sanjoseca.gov
Kansen Chu	4	535-4904 District4@sanjoseca.gov
Xavier Campos	5	535-4905 District5@sanjoseca.gov
Pierluigi Oliverio	6	535-4906 pierluigi.oliverio@sanjoseca.gov
Madison P. 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

Edward K. Shikada
 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 2014-2015 Adopted Operating and Capital budgets are posted on the City's website under the Budget Office at <http://www.sanjoseca.gov/index.aspx?nid=4259>.

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.