

Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Councilmember Bien Doan
Councilmember Pamela Campos
Councilmember George Casey
Councilmember Michael Mulcahy

SUBJECT: See Below

DATE: June 6, 2025

Approved

Date:

Bien Doan *George Casey* *Michael Mulcahy*

SUBJECT: Mayor's June Budget Message for Fiscal Year 2025-2026

RECOMMENDATION

Adopt the Mayor's June Budget Message with the following amendments to the FY 2025–2026 Proposed Operating Budget:

1. Decline the \$250,000 rebudget in MBA #32 for the ERP Feasibility Project City-Wide Expenses allocation.
2. Decline the \$175,000 rebudget in MBA #32 for the Virtual Accelerator Program for Small Businesses City-Wide Expenses allocation.
3. Decline the following allocations from Manager's Budget Addendum #26 (MBA #26):
 - a. EMS Temporary Fire Captain: \$200,000
 - b. EMS Standby Pay: \$123,000 (ongoing)
4. Increase the Fire Department's Personal Services appropriation by \$748,000 to fund a seven-month reinstatement of the Emergency Medical Services Field Coordinator Program (MedXX) to support EMS delivery.
 - a. After seven months make the MedXX program permanent by allocating \$489,000 from additional Ambulance Transport and User Fees that may be collected in excess of the \$1,700,000 revenue estimate for the remainder of this fiscal year and \$1,271,000 ongoing from additional Ambulance Transport and User Fees, or
 - b. Should the additional Ambulance Transport and User Fees be insufficient, direct the City Manager to identify potential offsets for the City Council to consider prior to the end of the seven-month period.
5. Defer elimination of the Family, Friend and Neighbor (FFN) Early Childhood Education Program for FY 2026/27, incorporate the direction in BD #45 (Campos), and offset costs by the ongoing savings from item 3b above and decreasing the 2026-2027 future deficit reserve by \$375,106.

ANALYSIS

Med30

Given that approximately 95% of San José's emergency calls are medical in nature, Med30 is integral to the city's emergency response infrastructure. Its versatility allows it to enhance medical response by providing on-site medical support, and it ensures timely care during emergencies. Additionally, it supports firefighter well-being by ensuring that personnel have access to necessary resources for recovery, maintaining operational efficiency.

In 2023, the City Council approved a budget that eliminated the Med30 Emergency Medical Services Field Coordinator position—a move justified at the time as a “least impactful” tradeoff to fund other staffing priorities. Despite objections, the decision was made to redistribute Med30's core oversight responsibilities across already overburdened personnel.

It is important that we ensure we have as much capacity as possible in the Department to handle issues like this and Med30 could play an important role. Med30 has provided, and will continue to provide, important safeguards within our Fire Department if we fund it. Budget Document #21(Doan) supports reinstating the Med30 program for up to 6-months with one time funding, giving time for alternative funding resources to kick in, such as the first responder fee and the transport recovery fees.

The 2025-2026 Proposed Operating Budget eliminates the project management staffing originally envisioned to kick-start the Enterprise Resource Planning (ERP) system replacement project, as this project is indefinitely deferred pending a reevaluation of Citywide organizational capacity. The Virtual Accelerator Program for Small Businesses would fund a new program to provide technical assistance for start-ups, which is an area of business we do not currently serve. So, while eliminating this rebudget would diminish future capacity, it does not affect existing service levels.

Note – The recommendation language reads “MedXX” because the number will be assigned once a station is chosen.

Family, Friend, and Neighbor (FFN) Early Childhood Education Program

Aimed at ensuring that all children, regardless of zip code, income level, or race have access to a childcare environment that is safe and enriching so that they can enter kindergarten ready to learn, the Family, Friend, and Neighbor (FFN) program launched in 2021. This program provides informal caregivers with professional development training and supplies to provide an enriching environment for the children in their care. The Children and Youth Services (CYS) Master Plan calls for sustained focus from the City and community partners to continue to enhance access to quality childcare and early learning environments. In support of the CYS Master Plan priority areas of Early Learning & Childcare and Learning & Empowerment, in FY 25-26 the FFN program will focus on supporting caregivers in the Demonstration Areas of Mayfair/Poco Way and Seven Trees/Santee neighborhoods.

The proposed elimination of the FFN program in FY 26-27 will impact the City's implementation of the CYS Master Plan and the variety of supports identified for children, parents and caregivers through increased citywide programming if the Early Education-FFN staff is retained. Ongoing federal and state policy changes and funding reductions are projected to further limit

access to critical local early childhood education programs, services and resources, particularly among the most vulnerable households.

Based on the ongoing and persistent need for early education services in our community to ensure that San Jose's children develop and grow to meet their full potential, we request that the City Council withhold and defer a decision on the elimination of the FFN program in FY 26-27. The City Manager should produce an environmental scan of the early and primary education landscape impacts to San José children and youth, including and fully considering changes to federal and state funded educational programs for children, while identifying best practices and opportunities to bolster community integration of early childhood education programs through CYS Master Plan Demonstration Sites.

Table: FY 24-25 FFN Participants, by zip code

Council District	ZIP Code	Area	Participants	% of Total
District 5			37	20.00%
	95127	East San José	19	10.27%
	95116	East San José	18	9.73%
District 4			26	14.05%
	95132	Berryessa area	17	9.19%
	95133	Berryessa area	4	2.16%
	95054	North San José	2	1.08%
	95131	North San José	2	1.08%
	94089	Alviso	1	0.54%
District 7			23	12.43%
	95111	South San José	13	7.03%
	95122	East San José	10	5.41%
District 3			19	10.27%
	95112	Downtown and East San José	12	6.49%
	95110	Central San José	4	2.16%
	95113	Downtown San José	3	1.62%
District 2			18	9.73%
	95123	South San José	13	7.03%
	95119	South San José	4	2.16%
	95137	South San José	1	0.54%

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The signers of this memorandum have not had, and will not have, any private conversation with any other member of the City Council, or that member's staff, concerning any action discussed in the memorandum; and each signer's staff members have not had, and have been instructed not to have, any such conversation with any other member of the City Council or that member's staff.