



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Jim Shannon

SUBJECT: Approval of Various Budget
Actions for Fiscal Year
2025-2026

DATE: June 5, 2026

Approved

Date:

6/5/26

COUNCIL DISTRICT: Citywide

RECOMMENDATION

Adopt 2025-2026 Appropriation Ordinance and Funding Sources Resolution amendments in various funds as detailed in the General Fund and Special/Capital Fund attachments to this memorandum.

SUMMARY AND OUTCOME

Approval of the recommended budget adjustments will help to ensure that appropriations are not over-expended at the end of 2025-2026, align revenues and expenditures with actual performance and assumptions used in the development of the 2026-2027 Operating Budget and 2026-2027 Mid-Biennial Capital Budget, and recognize new revenues and associated expenditures.

BACKGROUND

The City Manager's Budget Office has conducted a final detailed review of year-to-date expenditures, encumbrances, and revenues against year-end projected levels to align budgeted amounts with actual performance. Based on this review, the following types of adjustments to the Appropriation Ordinance and Funding Sources Resolution are recommended in this memorandum:

- Adjustments to ensure that adequate funding in various departments, City-Wide expenses, capital projects, and other appropriations are available through the end of the fiscal year for estimated expenditure levels.

- Adjustments to align revenue estimates and appropriations with the latest information and assumptions used to develop the 2026-2027 Operating and 2026-2027 Mid-Biennial Capital Budgets.
- Adjustments to recognize and appropriate funding and reimbursements from other agencies for eligible activities.

These actions are intended to be responsive to past City Council direction to prevent after-the-fact ratifications of over-expenditures. Many of the adjustments included in this memorandum were also assumed in the development of the 2026-2027 Operating and 2026-2027 Mid-Biennial Capital Budgets. Additionally, separate, related adjustments are also included in Manager's Budget Addendum #26, *Recommended Amendments to the 2026-2027 Proposed Operating Budget and 2026-2027 Proposed Mid-Biennial Capital Budget*, and the Mayor's June Budget Message for Fiscal Year 2026-2027 to rebudget or otherwise adjust funding for 2026-2027, as appropriate.

ANALYSIS

Provided below is a brief overview of the budget actions recommended in this report. Budget actions are categorized as: 1) Recommended Budget Adjustments; and 2) Clean-Up Actions.

Recommended Budget Adjustments

The attached Budget Adjustment Summaries for the General Fund, Special Funds, and Capital Funds include actions to align estimated revenues and corresponding expenditures with actual performance. A detailed description of each recommended budget adjustment is also included, by fund and the type of adjustment. These actions are summarized below.

General Fund

Required Technical/Rebalancing Actions – A thorough analysis has been completed on all revenue categories based on activity through April. Based on this analysis, it is anticipated that overall General Fund revenue will end the year at or slightly below the budgeted estimate. Adjustments to revenue categories in this memorandum totaling \$9.2 million, however, are limited to categories where there is confidence of the year-end collection level. Upward adjustments include: increasing Sales Tax revenue by \$6.2 million based on receipts through the first three quarters of the fiscal year and resolution of the dispute with the State; increasing Transfers and Reimbursements by \$6.2 million due to higher interest earnings and overhead reimbursements within eligible Special and Capital Funds; increasing Business Tax revenue by \$3.0 million based on higher Cannabis Business Tax collections; and increasing Property Tax revenues by \$2.0 million based on information received from Santa Clara County. Downward adjustments include: decreasing Utility Tax revenues by \$5.0 million due to activity levels being down for most of the fiscal year; and decreasing the revenues from fire

emergency response by \$2.9 million – the Ambulance Transport and User Fee is down due to the timing of the billing vendor being onboarded and the First Responder Fee is under-collecting due to a significant portion of the individuals receiving the service lacking medical insurance and the City does not anticipate receiving payment from those individuals. As part of the 2025-2026 Annual Report process, the General Fund will be fully reconciled and additional information about revenue and expenditure performances will be discussed as part of that report.

Actions included in the 2025-2026 Mid-Year Budget Review reduced the budget for General Fund expenditures by \$16.6 million in response to weaker than expected revenues in 2025-2026. Despite these actions, budgetary pressures remain – primarily within the Police and Fire Departments – and a number of adjustments are necessary to ensure adequate funding in various individual appropriations is available through the end of the fiscal year for estimated expenditure levels. The most significant adjustments to resolve expected overages include: an increase to the Police Department's Personal Services appropriation of \$10.5 million to address a projected overage of overtime expenses to maintain minimum staffing levels to effectively respond to calls for service¹; an increase to the Fire Department's Personal Services appropriation of \$9.5 million to address a projected overage due to an increase in disability and modified-duty hours, continued vacancy levels in paramedic assignments, and additional sworn vacancies requiring overtime to maintain daily minimum staffing levels²; an increase to the Public Works Department's Personal Services appropriation of \$2.3 million to address a projected overage due to staffing costs for positions supported by capital-funded projects that charged to the General Fund to perform maintenance activities due to delays in active capital project work, partially offset by anticipated savings in the Public Works Department's Non-Personal/Equipment (\$1.2 million) and Janitorial Services appropriations (\$625,000); and increases to the Workers' Compensation Claims – Police (\$500,000) and Workers' Compensation Claims – Fire (\$350,000) appropriations to align funding with actual claims costs and projected settlements for the remainder of 2025-2026. These actions are offset by the increased General Fund revenues and use of the Budget Stabilization Reserve, as discussed below.

In addition, several net-zero actions are recommended to reallocate savings from a designated appropriation to fund increases in another appropriation, including: from the Salaries and Benefits Reserve to the Fire Department's Personal Services appropriation to address a calculation error during the development of the Base Budget that underbudgeted estimated Fire Department retirement costs due to changes in how the

¹ This projected overage is slightly lower than the \$11 - \$14 million estimated overage included in the Police Department Overtime Spending memorandum approved by the City Council at their meeting on March 10, 2026. While still high, the decelerating overage is attributable to additional overtime controls implemented by the Police Chief and the redeployment of existing employees from other specialized units to Field Patrol to reduce the number of overtime slots to backfill for vacant patrol positions that took effect May 2026, resulting in a reduction of approximately 12,400 overtime hours from March through May compared with the same period last year.

² The Fire Department and the City Manager's Budget Office will continue to closely monitor overtime usage in 2026-2027 and bring forward recommendations for future City Council action, as appropriate.

Police and Fire Retirement Board allocated required contributions between the Police and Fire Departments (\$3.0 million); from the Homeless Rapid Rehousing appropriation to the Housing Department's Non-Personal/Equipment appropriation for the Homeless Management Information System and grant compliance monitoring (\$1.2 million); from the Police Department's Non-Personal/Equipment - Police Vehicle Replacements and Operations & Maintenance appropriation due to deferred vehicle purchases to its Non-Personal/Equipment appropriation to address higher costs for sexual assault forensic exams, telecommunications services, and towing services for oversized vehicles (\$1.1 million); from the Planning, Building, and Code Enforcement Department's Personal Services appropriation to its Non-Personal/Equipment appropriation to address unanticipated expenses for property abatement, collection of abandoned shopping carts, inspection services associated with Accessory Dwelling Unit, and temporary board up and clean-up of properties (\$500,000); from the Parks, Recreation, and Neighborhood Services Department's Non-Personal/Equipment appropriation to the Police Department's Personal Services appropriation for overtime costs incurred in support of encampment management (\$350,000); and from the Office of the City Attorney's Personal Services appropriation to its Non-Personal/Equipment appropriation to address higher-than-anticipated costs for court filings, subpoenas, and legal notices (\$180,000).

To offset these General Fund expenditure overages, and to partly achieve the 2025-2026 fund balance estimate of \$21.0 million included in the 2026-2027 City Manager's Budget Request and 2027-2031 Five-Year Forecast – as revised by Manager's Budget Addendum #27, Beginning Fund Balance Adjustments – recommendations are included to reduce the Revenue Loss Reserve by \$75.0 million to reallocate those funds to the Budget Stabilization Reserve, which has a current balance of \$12.5 million. From this revised interim balance of \$87.5 million, a decrease of \$30.0 million is recommended to meet the Beginning Fund Balance estimate included in the 2026-2027 Proposed Operating Budget, for a revised interim balance of \$57.5 million. Due to continued revenue weakness and strained expenditure budgets, even with the increased cost controls and actions taken as part of the 2025-2026 Mid-Year Budget Review, the General Fund is expected to have very little, if any, remaining fund balance at the end of 2025-2026. Allocating \$30.0 million from the Budget Stabilization Reserve offsets the balance of General Fund adjustments recommended in this memorandum while also providing initial funding to the 2025-2026 Ending Fund Balance Reserve of \$14.3 million. A combination of additional revenues or expenditure savings is necessary to reach the \$21.0 million fund balance target, which is expected to be realized during the close-out of the fiscal year. Finally, the 2026-2027 Proposed Operating Budget assumes the use of an additional \$35.0 million of this reserve to fund urgent one-time needs, including deferred capital maintenance and to provide bridge funding in 2026-2027 to allow for the full phase-in of ongoing budget reductions.

Due to these actions, the remaining balance of the Budget Stabilization Reserve in 2025-2026 is \$22.5 million, which is below the \$25.0 million recommended for rebudget into 2026-2027 as part of the Manager's Budget Addendum #26, Recommended Amendments to the 2026-2027 Proposed Operating Budget and 2026-2027 Proposed

Mid-Biennial Capital Budget. Actions will be included in the 2025-2026 Annual Report, scheduled for City Council review in October 2026, to reconcile the final amount in the Budget Stabilization Reserve in alignment with actions necessary to close the fiscal year.

Grants/Reimbursements/Fees – A series of net-zero, revenue-supported adjustments in the General Fund, totaling \$4.6 million, are recommended to reflect updated revenues and expenditures for grants, reimbursements, and/or fee activities. Notable adjustments include actions to recognize and appropriate: reimbursements from the State of California for Fire Department wildland fire response assistance in 2025-2026 (\$2.5 million); sponsorship revenue from the Mayor’s Office and several City Council Districts (\$565,000); reimbursements from the United States Marshals Services for Police Department overtime incurred in support of the Regional Fugitive Task Force (\$250,000); reimbursements from Santa Clara County FIFA World Cup Program (FI) Funds for Police Department security services associated with the 2026 FIFA World Cup (\$250,000); reimbursements from property owners for additional Sidewalk Repairs (\$200,000) completed in late spring 2026; San José Public Library Foundation grant funding for temporary staffing in support of the Library’s Digital Equity and Inclusion Program (\$176,000); donations from the Diane M. Brandenburg Survivor’s Trust for Office of Economic Development and Cultural Affairs staffing costs related to the installation of the Seeds of Peace Monument Project (\$150,000); federal grant funding to partially support a Lieutenant position in the Northern California Regional Intelligence Center (\$141,000); and fee revenue for Police Department overtime support at billable festivals (\$140,000).

Special/Capital Funds

Special Fund Adjustments – These actions rebalance funds to adjust for revenue variances in the current year, recognize new grants and reimbursements, reflect changes in project and program allocations based on revised cost estimates, and shift allocations between funds. In every case, funding is available within the respective funds to offset the required adjustment.

Capital Fund Adjustments – These actions rebalance funds to adjust for revenue variances in the current year, recognize new grants and reimbursements, adjust capital allocations based on revised cost estimates and project timing, and adjust budgets to properly align project expenditures and corresponding revenues. In every case, funding is available within the respective funds to offset the required adjustment.

Clean-Up Actions

The Recommended Budget Adjustments and Clean-Up Actions for the General Fund, Special Funds, and Capital Funds summarize all budget adjustments by fund, and additionally include technical, net-zero clean-up actions for the General Fund and Special/Capital Funds to: correct existing appropriations, avoid cost overruns at year-end through net-zero adjustments, and adjust for final fund balance reconciliations.

General Fund and Special/Capital Funds

Clean Up Actions – These actions include technical adjustments and net-zero transfers between appropriations. The following adjustments are identified by title only:

- **Appropriation Reallocations** – Actions are recommended to adjust expenditures between appropriations to align funding levels within a fund or department to prevent over-expenditure. Offsetting (“Reallocation”) actions have been identified to address these overages. This includes the shift of funding between Personal Services and Non-Personal/Equipment appropriations within the same fund to use savings to cover temporary staffing costs. In all cases, these actions facilitate the completion of work efforts previously approved by the City Council.
- **Capital Program and Public Works Department Support Service Costs** – Recommended increases to various appropriations for higher than anticipated labor and professional services costs incurred by the Public Works Department while supporting capital projects in various funds.
- **Fund Balance Reconciliation** – Beginning Fund Balances in each budgeted fund are adjusted each year as part of the Annual Report process based on unaudited Annual Comprehensive Financial Report (ACFR) statements. For some funds, however, additional actions are included to further revise Beginning Fund Balances based on a reconciliation to the final audited 2024-2025 ACFR.
- **Overhead** – Increases Overhead allocations in various Special and Capital Funds to account for higher than anticipated costs.
- **Personal Services Overage** – Recommended increases of \$10,000 or less for several departmental Personal Services appropriation to fund minor projected overages due to the department’s lower than budgeted vacancies, position payments, or hiring positions at a salary higher than budgeted.
- **Salary and Benefits Program** – Recommended increases to several departmental Personal Services appropriations to address projected overages as a result of the funding that was set aside in the Salaries and Benefits Reserve for management pay for performance increases and health rate increases not being distributed as part of the 2025-2026 Mid-Year Budget Review.
- **Transfer to the General Fund – Interest Income** – Interest earnings are transferred from several Special/Capital Funds to the General Fund. These actions adjust these transfers to reflect actual projected revenue for 2025-2026.

EVALUATION AND FOLLOW-UP

This memorandum presents recommended adjustments to align budgeted levels for 2025-2026 with current year-end estimates of revenues and expenditures. The final reconciliation of the 2025-2026 fiscal year will be presented in the 2025-2026 Annual Report, which is scheduled to be released on September 30, 2026, and the 2025-2026 Annual Comprehensive Financial Report scheduled to be released prior to the end of calendar year 2026.

FISCAL IMPACTS

A series of budget actions are recommended in the General Fund, Special Funds, and Capital Funds to reflect anticipated year-end performance. There are sufficient resources in each fund to support the recommended budget actions.

COORDINATION

The adjustments recommended in this memorandum have been coordinated with the various City departments.

PUBLIC OUTREACH

This memorandum will be posted on the City's Council Agenda website for the June 16, 2026 City Council meeting.

BOARD, COMMISSION, COMMITTEE RECOMMENDATION AND INPUT

No board, commission, or committee recommendation or input is associated with this action.

CEQA

Not a Project, File No. PP17-004, Government Funding Mechanism or Fiscal Activity with no commitment to a specific project which may result in a potentially significant physical impact on the environment.

HONORABLE MAYOR AND COUNCIL

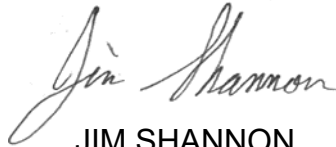
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PUBLIC SUBSIDY REPORTING

This item does not include a public subsidy as defined in section 53083 or 53083.1 of the California Government Code or the City's Open Government Resolution.



JIM SHANNON
Budget Director

For questions, please contact Jim Shannon, Budget Director, at jim.shannon@sanjoseca.gov

ATTACHMENTS:

Attachment A – General Fund Recommended Budget Adjustments Summary

Attachment B – Special Funds Recommended Budget Adjustments Summary

Attachment C – Capital Funds Recommended Budget Adjustments Summary

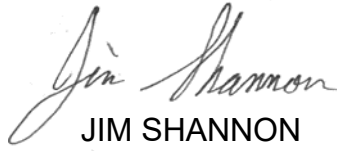
Attachment D – General Fund Recommended Budget Adjustments and Clean-Up
Actions

Attachment E – Special Funds Recommended Budget Adjustments and Clean-Up
Actions

Attachment F – Capital Funds Recommended Budget Adjustments and Clean-Up
Actions

I hereby certify that there will be available for appropriation in the amounts as listed in the Fiscal Year 2025-2026 monies in excess of those heretofore appropriated therefrom:

General Fund (001)	\$13,575,235
Airport Maintenance and Operation Fund (523)	\$25,000,000
Airport Revenue Fund (521)	\$3,298,185
Benefits Funds - Benefit Fund (160).....	\$246,000
Communications Construction and Conveyance Tax Fund (397).....	\$35,000
Community Facilities District No.8 (Communication Hill) Fund (373)	\$41,457
Ice Centre Revenue Fund (432)	\$142,326
Library Construction and Conveyance Tax Fund (393)	\$65,000
Library Parcel Tax Capital Fund (483).....	\$576,000
Parks City-Wide Construction and Conveyance Tax Fund (391).....	\$261,000
Public Works Development Fee Program Fund (241)	\$3,000,000
Public Works Program Support Fund (150).....	\$1,400,000
Real Property Transfer Tax Fund (404).....	\$19,200,000
Residential Construction Tax Contribution Fund (420)	\$35,000
San José Opioid Response Fund (130).....	\$145,000
Storm Drainage Fee Fund (413).....	\$8,000
Storm Sewer Capital Fund (469)	\$1,633,632
Workforce Development Fund (290).....	\$34,000



JIM SHANNON
Budget Director

**2025-2026 General Fund Recommended Budget Adjustments Summary
Year End Adjustments**

<u>Action</u>	<u>Department</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
Required Technical-Rebalancing Actions			
<p>Non-Personal/Equipment (Microbusiness Start-Up Grants)</p> <p>This action recommends a change in the grant award amount for the Microbusiness Start-Up Grants project that was approved as part of the 2024-2025 Adopted Operating Budget. The 2024-2025 Adopted Operating Budget allocated one-time funding of \$150,000 for a Microbusiness Start-Up grant project focused on entrepreneurs, particularly immigrants and low-income residents, who lack collateral to secure small sums of startup capital at low rates of interest. Originally, grants between \$1,000 and \$3,000 were to be offered. However, feedback from the City's Small Business Advisory Committee indicated that grants within this range would be too small to be meaningful. Therefore, it is recommended to increase the individual grant award amount to \$5,000 or \$10,000, which would allow for up to 30 grants, based on total available funding for the project of \$150,000.</p>	<p>City Manager - Office of Economic Development and Cultural Affairs</p>		
<p>Personal Services (Overage)</p> <p>This action increases the Energy Department's Personal Services appropriation by \$30,000 to align funding levels with projected personal services costs. A 2% vacancy factor in the Energy Department was applied to all General Fund positions to account for anticipated turnover and employee attrition that may occur in a given fiscal year. A vacancy factor typically better aligns a department budget with staffing level trends; however, the Energy Department's Climate Smart team – exclusively funded in the General Fund – was fully staffed and no vacancy savings occurred. The vacancy factor has been removed in the development of the 2026-2027 budget on an ongoing basis.</p>	<p>Energy Department</p>	<p>\$30,000</p>	
<p>Banking Services</p> <p>This action increases the Banking Services City-Wide Expenses appropriation by \$50,000, from \$635,000 to \$685,000. This funding is to support banking and financial services such as general banking and lockbox services, merchant card processing services, and investment custodial services. This action also supports unanticipated increases in city-wide transaction volumes and expanded utilization of payments made in person or via the online payment system throughout the fiscal year.</p>	<p>Finance Department</p>	<p>\$50,000</p>	

2025-2026 General Fund Recommended Budget Adjustments Summary
Year End Adjustments

<u>Action</u>	<u>Department</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
Commercial Paper Program Fees This action increases the Commercial Paper Program Fees City-Wide Expenses appropriation by \$30,000, from \$152,000 to \$182,000. The cost of the City's Commercial Paper Program is proportionately allocated to each active Commercial Paper debt service appropriation, with the balance of the unallocated capacity paid by the General Fund. Due to unanticipated delays to several projects that were anticipated to access Commercial Paper, additional costs must be paid by the General Fund.	Finance Department	\$30,000	
Property Tax Administration Fee This action increases the Property Tax Administration Fee City-Wide Expenses appropriation by \$456,000, from \$2.7 million to \$3.2 million, to support higher than anticipated Santa Clara County administration costs. These fees are related to the collection and distribution of the City's portion of property tax proceeds.	Finance Department	\$456,000	
Fire Training Center Relocation This action increases the Fire Department's Fire Training Center Relocation (FTC) appropriation by \$70,000, from \$130,000 to \$200,000, for project close-out expenses. Stretched over 75,900 square feet, the FTC houses training rooms, offices, storage, a 6-story training tower, auxiliary buildings, and the co-located Emergency Operations Center (EOC). This funding will fund the replacement of the EOC video wall. Although the current displays were state-of-the-art when installed, operational feedback notes significant clarity limitations at various distances. Upgrading to a high-resolution system will drastically improve legibility and viewing angles. Finally, the Air Handling Unit will be modified to convert its existing chilled-water cooling configuration to a standalone Direct Expansion cooling system, ensuring operational independence and efficiency for critical zones.	Fire Department	\$70,000	
Non-Personal/Equipment (Firefighter Academy Turnouts) This action increases the Fire Department's Non-Personal/Equipment appropriation by \$174,000 to cover higher than anticipated costs for turnout gear, driven by rising equipment prices and an increase in the number of participants attending the academy. The department conducts two academies per fiscal year with up to 30 recruits each, and to ensure safety and operational readiness, each recruit is issued two sets of turnout gear.	Fire Department	\$174,000	

2025-2026 General Fund Recommended Budget Adjustments Summary
Year End Adjustments

<u>Action</u>	<u>Department</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
Personal Services (Overage)	Fire Department	\$9,500,000	

This action increases the Fire Department's Personal Services appropriation by \$9.5 million to align funding levels with increased overtime usage in 2025-2026. The budgetary overage is due to an increase in disability and modified-duty hours, continued vacancy levels in paramedic assignments, and additional sworn vacancies requiring overtime to maintain the daily minimum staffing level of 190 personnel and avoid emergency response service delays, as well as vacation and sick time payouts. The Fire Department and the City Manager's Budget Office will continue to closely monitor overtime usage in 2026-2027 and bring forward recommendations for future City Council action, as appropriate.

Personal Services (Retirement Calculation)	Fire Department	\$3,000,000	
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This action increases the Fire Department's Personal Services appropriation by \$3.0 million to cover higher than anticipated retirement costs as a result of a calculation error during the development of the Base Budget. Due to a change in how the Police and Fire Department Retirement Board split the retirement obligations between Police and Fire, the distribution of budgeted Fire Department retirement costs does not align with estimated level of contributions to the Police and Fire retirement system. The split between Police and Fire will continue to be monitored in 2026-2027, and a redistribution will be brought forward, if necessary, as part of a future budget action.

Workers' Compensation Claims - Fire	Fire Department	\$350,000	
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This action increases the Workers' Compensation Claims - Fire City-Wide Expenses appropriation by \$350,000, from \$12.6 million to \$13.0 million, to align budgeted levels with higher than anticipated Fire Department claims costs, including multiple permanent disability payments in the amount of \$406,000 and a one-time benefit payment of \$60,000.

Business Taxes	General Fund Revenue		\$3,000,000
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This action increases the revenue estimate for Business Taxes by \$3.0 million, from \$85.0 million to \$88.0 million, to align the budgeted estimate for the Cannabis Business Tax with current collection trends and more closely align with assumptions included in the 2026-2027 Operating Budget. The increase in this revenue category is recommended to offset expenditure increases, revenue reductions, and/or increase the 2025-2026 Ending Fund Balance Reserve, as described elsewhere in this memorandum.

2025-2026 General Fund Recommended Budget Adjustments Summary
Year End Adjustments

<u>Action</u>	<u>Department</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
Fees, Rates and Charges (Fire Emergency Response Fees)	General Fund Revenue		(\$2,850,000)

This action decreases the revenue estimate for Fees, Rates and Charges by \$2.9 million, from \$32.3 million to \$29.4 million, to more closely align the budgeted estimate with current collection trends and with assumptions included in the 2026-2027 Proposed Operating Budget. This decrease reflects lower Ambulance Transport and User Fee revenue (-\$1.6 million) and lower First Responder Fee revenue (-\$1.3 million). The Ambulance Transport and User Fee recovers service costs directly from users based on Santa Clara County's Schedule of Ambulance and User Fees. Due to the selection and onboarding of the billing vendor taking longer than anticipated, 2025-2026 Ambulance Transport and User Fee revenue will fall short of the budgeted estimate. The First Responder Fee is charged to anyone who receives the service, whether they are insured or uninsured. Fee revenue is anticipated to be substantially lower than first anticipated as a significant portion of individuals receiving emergency medical services lack medical insurance and the City does not anticipate receiving payment from a significant portion of uninsured individuals. The First Responder Fee revenue was decreased on an ongoing basis as part of the 2026-2027 Forecast; however, the action recommended in this report reduces the 2025-2026 fee revenue. The Fees, Rates and Charges adjustments recommended as part of this action will be offset by increases in other revenue categories, as described elsewhere in this memorandum.

Property Tax	General Fund Revenue		\$2,000,000
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This action increases the revenue estimate for Property Tax by a net of \$2.0 million, from \$522.5 million to \$524.5 million, to align the budgeted estimate with the most recent information provided by Santa Clara County. The net increase in Property Tax reflects additional Aircraft Property Tax (\$1.0 million), Educational Revenue Augmentation Fund (ERAF) revenue (\$800,000), Unsecured Property Tax (\$600,000), and Successor Agency to the Redevelopment Agency (SARA) Property Tax (\$500,000), partially offset by lower General Secured Property Tax (-\$700,000), Homeowner's Property Tax Relief (-\$100,000), and SB 813 Property Tax (-\$100,000). The net increase in this revenue category is recommended to offset expenditure increases, revenue reductions, and/or increase the 2025-2026 Ending Fund Balance Reserve, as described elsewhere in this memorandum.

2025-2026 General Fund Recommended Budget Adjustments Summary
Year End Adjustments

<u>Action</u>	<u>Department</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
Sales Tax (Dispute Resolution)	General Fund Revenue		\$1,880,351

This action increases the revenue estimate for Sales Tax by \$1.9 million on a one-time basis in 2025-2026 as the result of the resolution of a tax dispute with the State of California. Additional discussion regarding the impacts of the resolution in 2026-2027 and beyond is included in the General Fund Revenue Estimates section of the 2026-2027 Proposed Operating Budget. Another action to increase the revenue estimate from Sales Tax proceeds is recommended elsewhere in this memorandum to align the budgeted estimate with collection trends through the third quarter of the fiscal year. After accounting for all Sales Tax transactions recommended in this memorandum, the revised Sales Tax budgeted estimate will increase from \$340.0 million to \$345.9 million, of which \$277.9 million is anticipated in General Sales Tax. A corresponding adjustment to increase the Revenue Loss Reserve is recommended elsewhere in this memorandum to offset this adjustment.

Sales Tax	General Fund Revenue		\$4,000,000
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This action increases the revenue estimate for Sales Tax by \$4.0 million, to align the General Sales Tax budgeted estimate with collection trends through the third quarter of the fiscal year. An additional action is recommended elsewhere in this memorandum to reconcile General Sales Tax following the resolution of a dispute with the State of California. After accounting for all Sales Tax transactions recommended in this memorandum, the revised Sales Tax budgeted estimate will increase from \$340.0 million to \$345.9 million, of which \$277.9 million is anticipated for General Sales Tax. The increase in this revenue category is recommended to offset expenditure increases, revenue reductions, and/or increase the 2025-2026 Ending Fund Balance Reserve, as described elsewhere in this memorandum.

Transfers and Reimbursements	General Fund Revenue		\$6,222,000
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This action increases the revenue estimate for Transfers and Reimbursements by \$6.2 million (from \$148.2 million to \$154.4 million) to align the budgeted estimate with current collection trends and more closely align with assumptions included in the 2026-2027 Proposed Operating Budget. The increase in this revenue category reflects higher transfers from other funds related to interest earnings (\$5.3 million) and higher overhead reimbursements (\$879,000). The increase in this revenue category is recommended to offset expenditure increases, revenue reductions, and/or increase the 2025-2026 Ending Fund Balance Reserve, as described elsewhere in this memorandum.

2025-2026 General Fund Recommended Budget Adjustments Summary
Year End Adjustments

<u>Action</u>	<u>Department</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
Utility Tax	General Fund Revenue		(\$5,000,000)

This action decreases the revenue estimate for Utility Tax by \$5.0 million, from \$142.5 million to \$137.5 million, to align the budgeted estimate with current collection trends and more closely align with assumptions included in the 2026-2027 Proposed Operating Budget. The decrease in Utility Tax reflects lower Electricity Utility Tax revenue (-\$3.0 million), Gas Utility Tax revenue (-\$1.0 million), and Water Utility Tax revenue (-\$1.0 million). The Utility Tax adjustments recommended as part of this action will be offset by increases in other revenue categories, as described elsewhere in this memorandum.

Homeless Rapid Rehousing	Housing Department	(\$1,200,000)	
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This action decreases the Homeless Rapid Rehousing appropriation by \$1.2 million, from \$2.6 million to \$1.4 million, due to savings from sunseting the former Rapid Rehousing Program. The savings are recommended to be reallocated to the Housing Department's Non-Personal/Equipment appropriation to fund the Homeless Management Information System and contractual services for grant monitoring. A corresponding action to increase the Housing Department's Non-Personal/Equipment appropriation is recommended to offset this action in this memorandum.

Non-Personal/Equipment (Homeless Management Information System & Compliance Monitoring)	Housing Department	\$1,200,000	
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This action increases the Housing Department's Non-Personal/Equipment appropriation by \$1.2 million, from \$15,000 to \$1.2 million, to fund the Homeless Management Information System and contractual services for monitoring grant subrecipients that administer local, state, and federal grants funds supporting housing, homelessness, and community development programs for compliance with financial and programmatic requirements. This action is offset by reallocating savings from the Homeless Rapid Rehousing appropriation, which a corresponding decrease is recommended in this memorandum.

Non-Personal/Equipment (Overage)	Office of the City Attorney	\$180,000	
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This action increases the Office of the City Attorney's Non-Personal/Equipment appropriation by \$180,000 to cover higher-than-anticipated costs for court filings, subpoenas, and legal notices.

Personal Services (Vacancy Savings)	Office of the City Attorney	(\$180,000)	
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This action decreases the Office of the City Attorney's Personal Services appropriation by \$180,000 to reflect salary and benefit savings driven by staff vacancies. These savings are recommended to offset a corresponding increase to the Office of the City Attorney's Non-Personal/Equipment appropriation as included in this memorandum.

2025-2026 General Fund Recommended Budget Adjustments Summary
Year End Adjustments

<u>Action</u>	<u>Department</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
2025-2026 Ending Fund Balance Reserve	Office of the City Manager	\$14,340,642	

This action establishes the 2025-2026 Ending Fund Balance Reserve in the amount of \$14.3 million to set aside funds to partly achieve the 2025-2026 fund balance estimate of \$21.0 million included in the 2026-2027 City Manager's Budget Request and 2027-2031 Five-Year Forecast, and as amended by Manager's Budget Addendum #27, Beginning Fund Balance Adjustments.

Additional funding from excess revenues and expenditure savings must be realized in 2025-2026 to fully meet the fund balance estimate for 2026-2027. Necessary adjustments will be brought forward for City Council consideration following the reconciliation of actual 2025-2026 financial performance as part of the 2025-2026 Annual Report.

Budget Stabilization Reserve	Office of the City Manager	\$45,000,000	
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This action includes several adjustments to the Budget Stabilization Reserve, which has a current balance of \$12.5 million. The first is an increase of \$75.0 million reallocated from the Revenue Loss Reserve, as described elsewhere in this memorandum, for an interim balance of \$87.5 million.

The second is a decrease of \$30.0 million to meet the Beginning Fund Balance estimate included in the 2026-2027 Proposed Operating Budget, for a revised interim balance of \$57.5 million. Due to continued revenue weakness and strained expenditure budgets, even with the increased cost controls and actions taken as part of the 2025-2026 Mid-Year Budget Review, the General Fund is expected to have very little, if any, remaining fund balance at the end of 2025-2026. Allocating \$30.0 million from the Budget Stabilization Reserve offsets the balance of General Fund adjustments recommended in this memorandum while also providing initial funding to the 2025-2026 Ending Fund Balance Reserve. The 2026-2027 Proposed Operating Budget assumes the use of an additional \$35.0 million to fund urgent one-time needs, including deferred capital maintenance and to provide bridge funding in 2026-2027 to allow for the full phase-in of ongoing budget reductions. Due to all of these actions, the remaining balance of the Budget Stabilization Reserve in 2025-2026 is expected to be \$22.5 million, which is below the \$25.0 million recommended for rebudget into 2026-2027 as part of the Manager's Budget Addendum #26, Recommended Amendments to the 2026-2027 Proposed Operating Budget and 2026-2027 Proposed Mid-Biennial Capital Budget.

Actions will be included in the 2025-2026 Annual Report, scheduled for City Council review in October 2026, to reconcile the final amount in the Budget Stabilization Reserve in alignment with actions necessary to close the fiscal year.

2025-2026 General Fund Recommended Budget Adjustments Summary

Year End Adjustments

<u>Action</u>	<u>Department</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
<p>Non-Personal/Equipment (Savings)</p> <p>This action decreases the Office of the City Manager's Non-Personal/Equipment appropriation by \$220,000 which reflects savings in contractual services and reallocates the savings to the Office of the City Manager's Personal Services appropriation to offset an anticipated overage.</p>	Office of the City Manager	(\$220,000)	
<p>Personal Services (Office of City Manager - Road to 2026 Executive Leadership)</p> <p>This action increases the Office of the City Manager's Personal Services appropriation by \$70,000 to fund a temporary position to provide continued oversight and coordination of the FIFA World Cup event and other major events occurring in San José.</p>	Office of the City Manager	\$70,000	
<p>Personal Services (Overage)</p> <p>This action increases the Office of the City Manager's Personal Services appropriation by \$150,000 to provide funding for a projected overage primarily due to unbudgeted position costs for the Urban Areas Security Initiative grant and leave balance payouts. Because of delays in receiving the Urban Areas Security Initiative grant funding, the costs for the position had to be funded by the Office of the City Manager's existing appropriation. A corresponding decrease to the Office of the City Manager's Non-Personal/Equipment appropriation is recommended elsewhere in this memorandum.</p>	Office of the City Manager	\$150,000	
<p>Revenue Loss Reserve (Dispute Resolution)</p> <p>This action increases the Revenue Loss Reserve by \$1.9 million as the result of the resolution of a tax dispute with the State of California. Additional discussion regarding the impacts of the resolution in 2026-2027 and beyond is included in the General Fund Revenue Estimates section of the 2026-2027 Proposed Operating Budget. A corresponding adjustment to Sales Tax is recommended elsewhere in this memorandum.</p>	Office of the City Manager	\$1,880,351	
<p>Revenue Loss Reserve</p> <p>This action decreases the Revenue Loss Reserve by \$75.0 million to reallocate funds to the Budget Stabilization Reserve. Combined with a separate recommended action to increase the Revenue Loss Reserve by \$1.9 million, the revised reserve totals \$66.9 million. This reserve will be spent down over 16 fiscal year quarters beginning July 1, 2026 in accordance with the resolution of a dispute with the State of California, inclusive of the temporary impact to the City's share of County Pool sales tax proceeds. Of this amount, \$15.5 million is used in the 2026-2027 Proposed Operating Budget to support the repayment of prior year tax proceeds in 2026-2027, with the remaining balance expected to be spent down over the subsequent 12 quarters.</p>	Office of the City Manager	(\$75,000,000)	

2025-2026 General Fund Recommended Budget Adjustments Summary
Year End Adjustments

<u>Action</u>	<u>Department</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
Salaries and Benefits Reserve This action decreases the Salaries and Benefits Reserve by \$3.0 million, from \$5.0 million to \$2.0 million, to reallocate funds to partially offset an overage in the Fire Department's Personal Services appropriation resulting from higher than anticipated retirement costs due to a calculation error during the development of the 2025-2026 Base Budget. A corresponding increase to the Fire Department's Personal Services appropriation is recommended in this memorandum.	Office of the City Manager	(\$3,000,000)	
Coyote Creek Project Reaches 5-7 (Valley Water) This action decreases the Coyote Creek Project Reaches 5-7 (Valley Water) City-Wide Expenses appropriation by \$325,000, from \$1.5 million to \$1.2 million. In April 2023, Santa Clara Valley Water District (SCVWD) awarded grant funding of \$4.8 million to the Parks, Recreation and Neighborhood Services (PRNS) Department to facilitate trash and debris removal in encampments along creeks and waterways. This work has been completed and PRNS has spent approximately \$3.3 million of the total grant award, leaving unallocated funding of \$1.5 million. In continued partnership, an agreement was executed on March 6, 2026, between the City and SCVWD to reallocate a portion of the remaining funds to support the Police Department's patrol of the Coyote Creek and Guadalupe River Trails in 2025-2026 and 2026-2027. The 2025-2026 Adopted Budget includes actions that allocated \$650,000 in overtime funding to the Police Department for trail patrol, partially offset by a \$325,000 contribution from SCVWD. Since this funding is already budgeted in the Police Department, this appropriation can be reduced. A corresponding action to reduce the 2025-2026 estimate for Revenue from Local Agencies is included elsewhere in this memorandum.	Parks, Recreation and Neighborhood Services Department	(\$325,000)	
Non-Personal/Equipment (BSJ Encampment Management Savings) This action decreases PRNS's non-personal/equipment allocation by \$350,000. Savings generated from Beautify San José (BSJ) can be reallocated for Police Department support of BSJ's encampment management services and this action will ensure the expenditures are booked correctly. A corresponding action to increase the Police Department's Personal Services appropriation by \$350,000 is included elsewhere in this memorandum.	Parks, Recreation and Neighborhood Services Department	(\$350,000)	

2025-2026 General Fund Recommended Budget Adjustments Summary
Year End Adjustments

<u>Action</u>	<u>Department</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
<p>Non-Personal/Equipment (Overage)</p> <p>This action increases the Planning, Building, and Code Enforcement Department's Non-Personal/Equipment appropriation by \$500,000 to address projected overages related to abatement services, inspection support, and operational service costs. Major cost drivers include approximately \$100,000 for property abatements associated with public health and safety responses; \$100,000 for temporary board up and clean-up of properties; and \$200,000 for inspection services associated with previously constructed Accessory Dwelling Units to ensure code compliance. A corresponding decrease to the Planning, Building, and Code Enforcement Department's Personal Services appropriation is recommended in this memorandum to offset this action.</p>	<p>Planning, Building and Code Enforcement Department</p>	\$500,000	
<p>Personal Services (Savings)</p> <p>This action decreases the Planning, Building, and Code Enforcement Department's Personal Services appropriation by \$500,000 to recognize estimated vacancy savings. The savings are recommended to offset a corresponding increase to the Planning, Building, and Code Enforcement Department's Non-Personal/Equipment appropriation related to abatement services, inspection support, and other operational costs. A corresponding increase to the Planning, Building, and Code Enforcement Department's Non-Personal/Equipment appropriation is recommended in this memorandum to offset this action.</p>	<p>Planning, Building and Code Enforcement Department</p>	(\$500,000)	
<p>Non-Personal/Equipment - Police Vehicle Replacements and Operations & Maintenance</p> <p>This action decreases the Police Department's Non-Personal/Equipment - Police Vehicle Replacements and Operations & Maintenance appropriation by \$1.1 million to recognize one-time savings and to offset the projected overage in the Police Department's Non-Personal/Equipment appropriation. The savings are generated by aligning the anticipated expenditures for vehicle replacements with their anticipated arrival. After analyzing vehicle purchase orders and likely delivery, one-time savings can be realized without any near-term impact to the Police Department's vehicle replacement schedule. These savings are recommended to be reallocated to the Police Department's Non-Personal/Equipment appropriation to offset the overage. The vehicle replacement schedule will be evaluated annually, and funding adjustments will be made accordingly as part of the annual development of the budget.</p>	<p>Police Department</p>	(\$1,050,000)	

2025-2026 General Fund Recommended Budget Adjustments Summary
Year End Adjustments

<u>Action</u>	<u>Department</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
Non-Personal/Equipment (Overage)	Police Department	\$1,050,000	

This action increases the Police Department's Non-Personal/Equipment appropriation by \$1.1 million to address a projected overage. Key drivers of the overage are higher than budgeted costs for sexual assault forensic exams (\$570,000), telecommunications services (\$408,000), towing services for oversized vehicles (\$219,000), and server replacement (\$36,000), that were partially offset by controls for other miscellaneous expenses. The Department has approximately \$8.0 million, or 14.6% of its non-personal/equipment budget available for the remainder of the fiscal year but will not have sufficient funding to cover higher than budgeted expenses. A corresponding decrease to the Non-Personal/Equipment – Police Vehicle Replacements and Operations & Maintenance appropriation is recommended in this memorandum to offset this action.

Personal Services (Overage)	Police Department	\$10,500,000	
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This action increases the Police Department's Personal Services appropriation by \$10.5 million to address a projected overage in overtime costs, slightly lower than the range of \$11 - \$14 million reported in the April 2026 update to the Public Safety, Finance, and Strategic Support Committee as part of the Bi-Monthly Financial Report. As discussed in the Police Department Overtime Spending memorandum that was approved by the City Council at their meeting on March 10, 2026, the overage is due to overtime expenses exceeding the savings from vacant positions to maintain minimum staffing and service levels. While still high, the decelerating overage is attributable to additional overtime controls implemented by the Police Chief and the redeployment of existing employees from other specialized units to Field Patrol to reduce the number of overtime slots to backfill for vacant patrol positions that took effect May 2026, resulting in a reduction of approximately 12,400 overtime hours from March through May compared with the same period last year. Additional actions regarding the Police Department's overtime budget are included in the 2026-2027 Proposed Operating Budget.

**2025-2026 General Fund Recommended Budget Adjustments Summary
Year End Adjustments**

<u>Action</u>	<u>Department</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
Personal Services (Overtime for Encampment Management)	Police Department	\$350,000	

This action increases the Police Department's Personal Services appropriation by \$350,000 for overtime for encampment management. The Police Department assists the BeautifySJ Team during various clean ups and encampment closures. This action will cover the funding gap between the currently available funding and what is needed to complete this work. Police presence during encampment clean ups is important to help ensure the safety of everyone involved, including unhoused individuals, outreach workers, and city staff. Officers can assist in maintaining order, preventing potential conflicts, and responding quickly to emergencies. A corresponding decrease to the Parks, Recreation and Neighborhood Services Department's Non-Personal/Equipment appropriation is recommended elsewhere in this memorandum to offset this action.

Revenue from Local Agencies (Coyote and Guadalupe River Trail Patrol)	Police Department		(\$325,000)
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This action decreases the estimate to Revenue from Local Agencies by \$325,000 to reflect no revenue collection that was assumed from the Santa Clara Valley Water District (SCVWD) for their contribution to support San Jose Police Department's patrol of the Coyote Creek and Guadalupe River Trail. As part of the 2025-2026 Adopted Operating Budget, an action was included to allocate \$650,000 in overtime funding to the Police Department for trail patrol, partially offset by a \$325,000 contribution from SCVWD. However, SCVWD's contribution will no longer occur as a revenue collection in 2025-2026 but instead the contribution will be from repurposing grant funds previously received and allocated to the Coyote Creek Project Reaches 5-7 (Valley Water) allocation as described elsewhere in this memorandum.

Workers' Compensation Claims - Police	Police Department	\$500,000	
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This action increases the Workers' Compensation Claims - Police City-Wide Expenses appropriation by \$500,000, from \$11.4 million to \$11.9 million, to align budgeted levels with higher than anticipated Police Department claims costs, including a projected one-time settlement cost of \$2.6 million, as of April 2026.

2025-2026 General Fund Recommended Budget Adjustments Summary
Year End Adjustments

<u>Action</u>	<u>Department</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
<p>City Hall Water Intrusion Remediation</p> <p>This action establishes the City Hall Water Intrusion Remediation appropriation in the amount of \$150,000 to procure consultant services to serve as an Owner’s Advisor. The consultant will support project planning, cost control, and technical oversight during development of a Design-Build delivery approach where a single contractor will be responsible for both design and construction. The overall remediation effort is currently estimated to cost approximately \$45 million to \$50 million, with \$2.0 million of initial funding included in the 2026-2027 Proposed Budget. Staff will return to the City Council later in the 2026-2027 with a recommended strategy to initiate construction, which could include a phased project schedule and leverage a mix of one-time sources and financing proceeds.</p>	Public Works Department	\$150,000	
<p>Closed Landfill Compliance</p> <p>This action increases the Closed Landfill Compliance appropriation by \$200,000, from \$514,000 to \$714,000, to fund final construction costs for the Singleton Landfill Gas Collection System and Flare project at the Singleton Road Disposal Site and increased operating and maintenance costs at the Story Road Landfill. Due to escalating costs for ongoing closed landfill operations and maintenance activities, a portion of the funding originally set aside for the Singleton project was used for operational needs. Of the recommended increase, \$75,000 supports operational costs and \$125,000 is needed to complete the Singleton Landfill Gas Collection System and Flare project. The increased ongoing operational costs will be evaluated as part of the development of the 2027-2028 Base Budget.</p>	Public Works Department	\$200,000	
<p>Janitorial Services - Non-Personal/Equipment (Savings)</p> <p>This action decreases the Janitorial Services – Non-Personal/Equipment appropriation by \$625,000 to recognize contract savings resulting from the renegotiation of janitorial services from a variable hourly rate model to a monthly flat-rate structure. As part of the 2026-2027 Base Budget, the ongoing funding for this appropriation has been decreased by \$1.0 million to reflect the renegotiated contract. These savings are recommended to be reallocated to the Public Works Department’s Personal Services appropriation to partially offset the projected overage.</p>	Public Works Department	(\$625,000)	

2025-2026 General Fund Recommended Budget Adjustments Summary
Year End Adjustments

<u>Action</u>	<u>Department</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
<p>Non-Personal/Equipment (Savings)</p> <p>This action decreases the Public Works Department's Non-Personal/Equipment appropriation by \$1.2 million to recognize savings in contractual services and supplies and materials. Savings were primarily realized in heating, ventilation, and air conditioning, electrical, and plumbing services as City staff performed facility maintenance work that would have otherwise been completed by contractors. These savings were partially attributable to positions supported by capital-funded projects temporarily charging to the General Fund due to delays in active capital project work. These savings are recommended to be reallocated to the Public Works Department's Personal Services appropriation to partially offset the projected overage.</p>	Public Works Department	(\$1,200,000)	
<p>Personal Services (Overage)</p> <p>This action increases the Public Works Department's Personal Services appropriation by \$2.3 million to address projected overages primarily attributable to staffing costs for positions supported by capital-funded projects that temporarily charged to the General Fund due to delays in active capital project work (\$2.2 million). During this period, staff supported facility maintenance activities, including heating, ventilation, and air conditioning, electrical, and plumbing-related work. As a result, savings were realized within the Public Works Department's Non-Personal/Equipment appropriation due to City staff completing work that would have otherwise been performed by contractors. Additional overages include temporary staffing, part-time staffing, and overtime costs within Animal Care and Services related to shelter operations activity and temporary program support activities, and temporary staffing costs for Super Bowl-related activities within the Events Team that are largely offset with additional revenues. Decreases to the Public Work's Non-Personal/Equipment and Janitorial Services appropriations are recommended elsewhere in this memorandum to partially offset this action.</p>	Public Works Department	\$2,300,000	

2025-2026 General Fund Recommended Budget Adjustments Summary
Year End Adjustments

<u>Action</u>	<u>Department</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
Transfer to the Willow Glen Community Benefit Improvement District Fund	Public Works Department	(\$642)	

This action decreases the Transfer to the Willow Glen Community Benefit Improvement District Fund appropriation by \$642, from \$16,198 to \$15,556, to align the City's special assessments obligation with the Consumer Price Index adjustment applied on the two City-owned properties within the district boundaries. Special Assessments are collected from property owners within the district boundaries and may only be used for enhanced services and activities such as maintenance and cleaning of sidewalk areas, information and safety services, beautification activities beyond those provided by the City, and administrative costs. This adjustment updates the City's special assessments obligation to reflect the latest approved district assessments for 2025-2026.

Unanticipated/Emergency Maintenance	Public Works Department	\$150,000	
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This action increases the Unanticipated/Emergency Maintenance appropriation by \$150,000, from \$1.15 million to \$1.3 million, to fund heating, ventilation, and air conditioning repairs at the Police Administration Communication Building and replacement of broken windows at City Hall. Existing funding in the appropriation has been fully spent to address emergency facility repairs and urgent operational needs, including structural repairs at the Employee Garage, emergency heating, ventilation, and air conditioning repairs at multiple City facilities, Police Department access control and electrical repairs, emergency chiller replacements and repairs, fire panel repairs, and various public safety facility repairs.

**2025-2026 General Fund Recommended Budget Adjustments Summary
Year End Adjustments**

<u>Action</u>	<u>Department</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
Oversized Vehicle Regulation Pilot Program	Transportation Department	\$150,000	

This action increases the Oversized Vehicle Regulation Pilot Program City-Wide Expenses appropriation by \$150,000, from \$425,000 to \$575,000. In the 2024-2025 Operating Budget, the City administration established the Oversized Lived-In Vehicle Regulation (OLIVE) pilot program to institute comprehensive regulation of oversized vehicles on City streets. The OLIVE pilot program, as implemented, funded a range of temporary and permanent parking restrictions to facilitate the clean-up of impacted areas, encourage vehicle circulation, and mitigate potential environmental and safety impacts posed by extended parking of oversized vehicles on City streets.

An ongoing City-Wide allocation of \$425,000 was approved, which provided \$200,000 for contractual towing services and vehicle disposal, \$150,000 for enforcement support, and \$75,000 for BeautifySJ staffing support to help with onsite clean up. Initially, the comprehensive funding needs were unknown; however, with the pilot program well underway, additional costs have been identified. This action adds funding for disposal costs for 60 Recreational Vehicles (RV), which is estimated to cost \$192,000 in 2025-2026. Although some funding exists to offset these costs, an additional \$150,000 is needed. Actions to increase funding for RV disposal costs will be brought forward as part of the development of the 2027-2028 Operating Budget.

Required Technical-Rebalancing Actions

\$8,680,351

\$8,927,351

**2025-2026 General Fund Recommended Budget Adjustments Summary
Year End Adjustments**

<u>Action</u>	<u>Department</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
Grants-Reimbursements-Fees			
<p>Seeds of Peace Monument Project/Other Revenue</p> <p>This action establishes the Seeds of Peace Monument Project City-Wide Expenses appropriation in the amount of \$150,000 and increases the estimate for Other Revenue by the same amount to recognize funding from the Diane M. Brandenburg Survivor’s Trust (Trust). The Trust is donating a large-scale public art sculpture, entitled the Seeds of Peace Monument, along with site improvements to be installed at Arena Green West, a City-owned park space located at Santa Clara and Autumn Streets. The funding will cover initial City staff costs, which is limited to plan review, construction oversight, and required inspections, in coordination with the Office of Economic Development and Cultural Affairs, Public Works Department, Parks, Recreation, and Neighborhood Services Department, and other outside agencies as required. At or near 95% of construction plan review, the City and Trust will re-evaluate the remaining staff costs needed to complete the project, and the Trust will provide sufficient funds to cover the remainder of the City’s staff costs. The Trust will directly procure and manage its own contractors for the design, construction, and installation of the monument and site improvement. The project is anticipated to be completed by December 2026.</p>	<p>City Manager - Office of Economic Development and Cultural Affairs</p>	<p>\$150,000</p>	<p>\$150,000</p>
<p>Non-Personal/Equipment/Revenue from State of California (Strike Team Reimbursement)</p> <p>This action increases the Fire Department’s Non-Personal/Equipment appropriation and corresponding estimate for Revenue from the State of California by \$283,032 to recognize reimbursements received in accordance with the California Governor’s Office of Emergency Services Fire Assistance Agreement. These reimbursements are for Strike Team costs associated with the deployments of Fire Department personnel and resources to assist with wildland fire response in 2024-2025 and 2025-2026.</p>	<p>Fire Department</p>	<p>\$283,032</p>	<p>\$283,032</p>

2025-2026 General Fund Recommended Budget Adjustments Summary
Year End Adjustments

Action	Department	Expenditure Change	Revenue Change
Personal Services/Revenue from State of California (Strike Team Reimbursement)	Fire Department	\$2,202,636	\$2,202,636

This action increases the Fire Department's Personal Services appropriation and corresponding estimate for Revenue from the State of California by \$2.2 million to recognize reimbursements received for staff deployments in accordance with the California Governor's Office of Emergency Services Fire Assistance Agreement. These reimbursements are for Strike Team costs associated with the deployment of Fire Department personnel and resources to assist with wildland fire response in 2024-2025 and 2025-2026.

Californians4All Phase 4 Learning Pathway - Library/Revenue from State of California	Library Department	\$31,787	\$31,787
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This action increases funding for the Californians4All Phase 4 Learning Pathway - Library City-Wide Expenses appropriation and the corresponding estimate for Revenue from State of California by \$31,787, from \$1.58 million to \$1.61 million. On May 6, 2025, the City Council adopted a resolution to accept a \$5.6 million grant from California Volunteers for the Youth Service Corps to continue the Resilience Corps Program through December 31, 2026. This is the first year of a two-year grant that provides funding for the Learning Pathway administration costs and to pay wages to 52 young adults who provide afterschool program supervision to children in San José as part of the Resilience Corps Program. The San José Public Library (SJPL), in partnership with the San José Public Library Foundation, leads the Learning Pathway, which focuses on mitigating learning loss among K-8 students in low-resource census tracts through expanded learning opportunities. This increase will align operational expenses incurred this fiscal year and enable the City to better advance the goals of the grant while also ensuring compliance with grant requirements.

2025-2026 General Fund Recommended Budget Adjustments Summary
Year End Adjustments

<u>Action</u>	<u>Department</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
Library Grants/Revenue from State of California (Lunch at the Library)	Library Department	\$45,897	\$45,897

This action increases the Library Grants City-Wide Expenses appropriation and the corresponding estimate for Revenue from the State of California by \$45,897 to recognize and allocate grant funding from the California State Library. This funding will support programming for the Lunch at the Library Program, including training, resources, and technical assistance to help libraries establish successful summer meal sites.

SJPL Foundation Grants/Other Revenue	Library Department	\$21,000	\$21,000
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This action increases the SJPL Foundation Grants City-Wide Expenses appropriation and the corresponding estimate for Other Revenue by \$21,000 to recognize and appropriate grant funding from the SJPL STEAM 25-26 Program (\$20,000) and the Summer Learning Program (\$1,000). Funding will support STEAM programming at library branches focused on Digital Empowerment. This programming will provide participants with opportunities to build technological literacy and digital skills, as well as connect patrons with external resources to help them navigate a rapidly evolving technology landscape. The Summer Learning Program provides programming aimed at preventing learning loss among youth during the summer months when school is not in session.

SJPL Foundation Grants - Coding 5K/Other Revenue	Library Department	\$176,300	\$176,300
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This action increases the SJPL Foundation Grants City-Wide Expenses appropriation and the corresponding estimate for Other Revenue by \$176,300 to recognize and appropriate grant funding from the SJPL Foundation to support the Digital Equity Inclusion Program. The funding supports temporary staffing needed to deliver the Library's Digital Equity and Inclusion Program, which provides computer programming lessons and digital learning activities for San Jose youth at branch library locations city-wide.

Council District #01/Other Revenue (Sponsorship)	Mayor & City Council	\$9,200	\$9,200
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This action increases the Council District #01 appropriation and corresponding estimate for Other Revenue by \$9,200 to allocate revenue received from sponsorship to support the Disability Awareness Day and Black History Month events.

2025-2026 General Fund Recommended Budget Adjustments Summary
Year End Adjustments

Action	Department	Expenditure Change	Revenue Change
<p>Council District #03/Other Revenue (Sponsorship)</p> <p>This action increases the Council District #03 appropriation and corresponding estimate for Other Revenue by \$5,000 to allocate revenue received from sponsorship to support the Christmas Tree Giveaway event.</p>	<p>Mayor & City Council</p>	<p>\$5,000</p>	<p>\$5,000</p>
<p>Council District #05/Other Revenue (Sponsorship)</p> <p>This action increases the Council District #05 appropriation and corresponding estimate for Other Revenue by \$92,725 to allocate revenue received from sponsorship to support the 2025 Cinco de Mayo, 2025 Lowrider, and 2026 Cinco de Mayo events.</p>	<p>Mayor & City Council</p>	<p>\$92,725</p>	<p>\$92,725</p>
<p>Council District #08/Other Revenue (Sponsorship)</p> <p>This action increases the Council District #08 appropriation and corresponding estimate for Other Revenue by \$33,000 to allocate revenue received from sponsorship to support the 2025 4th of July Fireworks and 2025 Fall Family Festival events.</p>	<p>Mayor & City Council</p>	<p>\$33,000</p>	<p>\$33,000</p>
<p>Council District #09/Other Revenue (Sponsorship)</p> <p>This action increases the Council District #09 appropriation and corresponding estimate for Other Revenue by \$35,000 to allocate revenue received from sponsorship to support the 2025 Disability Awareness Event and 2026 Music in the Valley events.</p>	<p>Mayor & City Council</p>	<p>\$35,000</p>	<p>\$35,000</p>
<p>Office of the Mayor/Other Revenue (Sponsorship)</p> <p>This action increases the Office of the Mayor appropriation and corresponding estimate for Other Revenue by \$390,000 to allocate revenue received to fund positions in the Office of the Mayor for the Strategic Partnerships program and sponsorship to support the National Night Out event.</p>	<p>Mayor & City Council</p>	<p>\$390,000</p>	<p>\$390,000</p>

2025-2026 General Fund Recommended Budget Adjustments Summary
Year End Adjustments

<u>Action</u>	<u>Department</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
<p>Californians4All Phase 4 Climate Change Pathway - PRNS/Revenue from State of California</p> <p>This action increases funding for the Californians4All Phase 4 Climate Change Pathway - PRNS City-Wide Expenses appropriation and the corresponding estimate for Revenue from State of California by \$12,738, from \$3.61 million to \$3.62 million. On May 6, 2025, the City Council adopted a resolution to accept a \$5.6 million grant from California Volunteers for the Youth Service Corps to continue the Resilience Corps Program through December 31, 2026 and this is the first year of a two-year grant. Parks, Recreation, and Neighborhood Services (PRNS) Department will continue to partner with the San Jose Conservation Corps to implement the Climate Change Pathway, which aims to support the cleanup of watersheds, trails, and parks. San Jose Conservation Corps will partner with various community organizations to host program participants and support environmental stewardship. This increase will align operational expenses incurred this fiscal year and enable the City to better advance the goals of the grant while also ensuring compliance with grant requirements.</p>	<p>Parks, Recreation and Neighborhood Services Department</p>	<p>\$12,738</p>	<p>\$12,738</p>
<p>Personal Services/Revenue from State of California (Blight Eradication)</p> <p>This action increases PRNS's Personal Services appropriation and corresponding estimate for Revenue from the State of California by \$55,000 to recognize the completion of year one of a two-year maintenance agreement with the California Department of Transportation (Caltrans). The maintenance agreement with Caltrans covers encampment clean-up costs in State rights-of-way up to \$400,000 through June 30, 2027. Including this action, a total of \$105,000 will be allocated in 2025-2026. The remaining \$295,000 is recommended to be funded in 2026-2027. The maintenance agreement identifies 13 specific areas to be addressed, including routes along Highways 680, 280, 101, 87, and 85.</p>	<p>Parks, Recreation and Neighborhood Services Department</p>	<p>\$55,000</p>	<p>\$55,000</p>

**2025-2026 General Fund Recommended Budget Adjustments Summary
Year End Adjustments**

Action	Department	Expenditure Change	Revenue Change
Northern California Regional Intelligence Center – Police 2024/Revenue from Federal Government	Police Department	\$141,569	\$141,569

This action increases the Northern California Regional Intelligence Center – Police 2024 City-Wide Expenses appropriation and increases the corresponding estimate for Revenue from the Federal Government by \$141,569. The Northern California Regional Intelligence Center (NCRIC) works to improve the region's ability to detect, prevent, investigate, and respond to criminal and terrorist activity. This allocation, which spans two fiscal years, will partially fund the salary, benefits, and overtime for one San José Police Department Lieutenant position for the period from January 2026 to June 2026. With this action and the existing budget already appropriated in the 2025-2026 Modified Budget (\$227,800 from the Northern California Regional Intelligence Center Staffing City-Wide Expenses), the Lieutenant position will be fully funded in 2025-2026.

Personal Services/Fees, Rates, and Charges (Billable Festivals)	Police Department	\$140,000	\$140,000
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This action increases the Police Department's Personal Services appropriation and the corresponding revenue estimate for Fees, Rates, and Charges by \$140,000 to align funding with billable festivals activity for 2025-2026. The Police Department uses overtime by Police Officers to provide services to parades, traffic security, and marathons. The event organizers are responsible for the costs incurred for securing the events and reimburses the City for the costs.

**2025-2026 General Fund Recommended Budget Adjustments Summary
Year End Adjustments**

Action	Department	Expenditure Change	Revenue Change
Personal Services/Revenue from Federal Government (United States Marshal Service Regional Fugitive Task Force)	Police Department	\$250,000	\$250,000

This action increases the Police Department's Personal Services appropriation and the corresponding estimate for Revenue from Federal Government by \$250,000. The Police Department has entered into an Agreement with the United States Marshals Service (USMS) to participate in the Regional Fugitive Task Force. Officers from the Covert Response Unit have been deputized and are credentialed as US Marshals Special Deputies. The main focus will be to combine the efforts and resources of federal, State, and local law enforcement agencies to locate and apprehend their most dangerous fugitives across jurisdictional boundaries. The USMS will reimburse the Police Department for task force overtime hours for the USMS 2026 Fiscal Year which began October 1, 2025 and will end September 30, 2026.

Personal Services/Revenue from Local Agencies (2026 FIFA World Cup)	Police Department	\$250,000	\$250,000
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This action increases the Police Department's Personal Services appropriation and the corresponding estimate for Revenue from Local Agencies by \$250,000. The Santa Clara County FIFA World Cup Program (FI) Funds is a reimbursable Federal Emergency Management Agency (FEMA) grant that provides funding from Bay Area Host Committee via the California Office of Emergency Services (CalOES). The Santa Clara County Office of Emergency Services is the fiscal agent of these funds; these funds are to be used for staffing and other costs related to planning for and securing team hotels and training sites.

**2025-2026 General Fund Recommended Budget Adjustments Summary
Year End Adjustments**

<u>Action</u>	<u>Department</u>	<u>Expenditure Change</u>	<u>Revenue Change</u>
Personal Services/Other Revenue (Market Access Grant Program)	Public Works Department	\$123,000	\$123,000

This action increases the Public Works Department's Personal Services appropriation and the corresponding estimate for Other Revenue by \$123,000 to recognize alternative energy grant revenues received from the Market Access Program. This funding will be used to pay for temporary staffing costs supporting the City's Resiliency/Green Building Team and lead coordinator to PG&E on the Market Access Program. The Market Access Program is a State program in response to Governor Newsom's July 30, 2021 Emergency Proclamation, which directed state agencies to address the statewide shortage of electricity. The Public Utilities Commission authorized the program to fund projects that would increase energy efficiency. Agencies received payments based on actual savings at the meter during peak energy times for the summer of 2025.

Sidewalk Repairs/Other Revenue	Transportation Department	\$200,000	\$200,000
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This action increases the Transportation Department's Sidewalk Repairs City-Wide Expenses appropriation by \$200,000, from \$2.5 million to \$2.7 million, and increases the estimate for Other Revenue by \$200,000. The Transportation Department received an unanticipated invoice from its sidewalk repair vendor for work completed in late spring along 67 citywide locations. The work totaled \$293,000. While the Department anticipates disputing some of the charges, an increase of \$200,000 is needed. Since this repair work is cost-recovery, the City will issue invoices to property owners, which will help offset the overall cost to the City.

Grants-Reimbursements-Fees

\$4,647,884	\$4,647,884
\$13,328,235	\$13,575,235

TOTAL

**2025-2026 Special Funds Recommended Budget Adjustments Summary
Year End Adjustments**

Affordable Housing Impact Fee Fund (452)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Housing Project Reserve	Housing Department	(\$1,889,545)	
<p>This action eliminates the Housing Project Reserve by \$1.9 million to offset the increase to the Housing Loans and Grants appropriation recommended in this memorandum.</p>			
Ending Fund Balance Adjustment	Housing Department	(\$110,455)	
<p>This action decreases the Ending Fund Balance to offset the actions recommended in this memorandum.</p>			
Housing Loans and Grants	Housing Department	\$2,000,000	
<p>This action increases the Housing Loans and Grants appropriation by \$2.0 million, from \$1.4 million to \$3.4 million, to account for a \$3.4 million refund for the Santana Row Lot 12 development located at 358 Hatton Street that was approved by City Council on June 17, 2025 and issued in 2025-2026. This action would provide additional funds to ensure that the full amount is refunded. This action is offset by decreases to the Housing Project Reserve and Ending Fund Balance as recommended in this memorandum.</p>			
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Affordable Housing Impact Fee Fund (452)		\$0	\$0

**2025-2026 Special Funds Recommended Budget Adjustments Summary
Year End Adjustments**

Airport Customer Facility And Transportation Fee Fund (519)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Rental Car Agency Distribution	Airport Department	\$1,044,819	
<p>This action establishes the Rental Car Agency Distribution appropriation in the amount of \$1.0 million. The Rental Car Agencies will be reimbursed for qualifying expenses made during the COVID-19 pandemic for transportation costs and debt service payments when the revenue from the Customer Facility Charge was insufficient to cover expenses. Reimbursements totaling approximately \$4.0 million will be made over multiple years, with the budget actions brought forward as part of future budget phases. A corresponding decrease to the Future Debt Service Reserve will offset this action.</p>			
Future Debt Service Reserve	Airport Department	(\$1,044,819)	
<p>This action decreases the Future Debt Service Reserve by \$1.0 million, from \$21.4 million to \$20.4 million, to fund the Rental Car Agency Distribution allocation as discussed above.</p>			
Airport Customer Facility And Transportation Fee Fund (519)		\$0	\$0

**2025-2026 Special Funds Recommended Budget Adjustments Summary
Year End Adjustments**

Airport Fiscal Agent Fund (525)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Transfer to the Airport Revenue Fund	Airport Department	\$3,298,185	
<p>This action re-establishes the transfer to the Airport Revenue Fund in the amount of \$3.3 million to account for additional interest revenue earned. The Airport's Bond Trustee makes debt service payments twice per year. Because the additional interest revenue is applied directly to this fiscal year's debt service payments, the overall debt service cost is reduced. The series of actions recommended in this memorandum to transfer funds from the Airport Fiscal Agent Fund back to the Airport Revenue Fund reflects the use of savings from lower debt service payments to replenish the Airline Agreement Reserve. Corresponding actions to reduce the Debt Service Reserve in the Airport Fiscal Agent Fund, along with adjustments in the Airport Revenue Fund, are recommended elsewhere in this memorandum.</p>			
Debt Service Reserve	Airport Department	(\$3,298,185)	
<p>This action decreases the Debt Service Reserve by \$3.3 million, from \$79.6 million to \$76.3 million, to offset the action recommended in this memorandum.</p>			
Airport Fiscal Agent Fund (525)		\$0	\$0

**2025-2026 Special Funds Recommended Budget Adjustments Summary
Year End Adjustments**

Airport Maintenance and Operation Fund (523)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Airline Reserve Funds Distribution	Airport Department	\$25,000,000	
<p>This action re-establishes the Airline Reserve Funds Distribution appropriation in the amount of \$25.0 million. As part of the Airline-Airport Lease and Operating Agreement effective July 1, 2019, any net remaining revenue at the end of a fiscal year will be paid to the signatory airlines in proportionate share of their enplaned passengers. For 2025-2026, Airport estimates the payment to be \$25.0 million. Corresponding actions to increase the Transfers and Reimbursements in this fund, along with actions in the Airport Revenue Fund to ultimately decrease the Airline Agreement Reserve and transfer those funds back to this fund, are recommended elsewhere in this memorandum.</p>			
Transfers and Reimbursements (Transfer from the Airport Revenue Fund)	Airport Department		\$25,000,000
<p>This action increases the Transfer from the Airport Revenue Fund by \$25.0 million, from \$139.6 million to \$164.6 million, to re-establish the Airline Reserve Funds Distribution appropriation, as discussed above. Corresponding actions to increase the Airline Reserve Funds Distribution in this fund, along with adjustments in the Airport Revenue Fund, are recommended elsewhere in this memorandum.</p>			
Airport Maintenance and Operation Fund (523)		\$25,000,000	\$25,000,000

**2025-2026 Special Funds Recommended Budget Adjustments Summary
Year End Adjustments**

Airport Revenue Fund (521)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Transfer to the Airport Maintenance and Operation Fund This action increases the Transfer to the Airport Maintenance and Operation Fund by \$25.0 million, from \$139.6 million to \$164.6 million, to re-establish the Airline Reserve Funds Distribution appropriation in the Airport Maintenance and Operation Fund to distribute extra revenue. As part of the Airline-Airport Lease and Operating Agreement, any net remaining revenue at the end of a fiscal year will be paid to the signatory airlines in proportionate share of their enplaned passengers. For 2025-2026, Airport Department estimates the payment to be \$25.0 million. Corresponding actions to decrease the Airline Agreement Reserve in the Airport Revenue Fund, along with adjustments in the Airport Maintenance and Operation Fund, are recommended elsewhere in this memorandum.	Airport Department	\$25,000,000	
Airline Agreement Reserve This action decreases the Airline Agreement Reserve by \$12.2 million, from \$166.3 million to \$154.1 million, to offset the various actions recommended elsewhere in this memorandum.	Airport Department	(\$12,201,815)	
Transfers and Reimbursements (Transfer from the Airport Fiscal Agent Fund) This action re-establishes the Transfer from the Airport Fiscal Agent Fund in the amount of \$3.3 million, to account for the additional interest revenue that was applied to the 2025-2026 bond debt service payment, which resulted in lower debt service costs. Corresponding actions to replenish the Airline Agreement Reserve in the Airport Revenue Fund, along with actions in the Airport Fiscal Agent Fund, are recommended elsewhere in this memorandum.	Airport Department		\$3,298,185
Transfer to the Airport Surplus Revenue Fund This action decreases the Transfer to the Airport Surplus Revenue Fund by \$9.5 million, from \$39.4 million to \$29.9 million, to reflect a delay in the Consolidated Rental Car Center Accessibility Upgrades project. Corresponding actions in the Airport Surplus Revenue Fund and in the Airport Renewal and Replacement Fund are recommended elsewhere in this memorandum.	Airport Department	(\$9,500,000)	
Airport Revenue Fund (521)		\$3,298,185	\$3,298,185

**2025-2026 Special Funds Recommended Budget Adjustments Summary
Year End Adjustments**

Airport Surplus Revenue Fund (524)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Transfers and Reimbursements (Transfer from the Airport Revenue Fund)	Airport Department		(\$9,500,000)
<p>This action decreases the transfer from the Airport Revenue Fund by \$9.5 million, from \$39.4 million to \$29.9 million, to reflect a delay in the Consolidated Rental Car Center Accessibility Upgrades project. Corresponding actions in the Airport Revenue Fund and in the Airport Renewal and Replacement Fund to reduce the amount of funding needed for the project are recommended elsewhere in this memorandum.</p>			
Transfer to the Airport Renewal and Replacement Fund	Airport Department	(\$9,500,000)	
<p>This action decreases the transfer to the Airport Renewal and Replacement Fund by \$9.5 million, from \$39.4 million to \$29.9 million, to reflect a delay in the Consolidated Rental Car Center Accessibility Upgrades project as discussed previously. Corresponding actions in the Airport Revenue Fund and the Airport Renewal and Replacement Fund are recommended elsewhere in this memorandum.</p>			
Airport Surplus Revenue Fund (524)		(\$9,500,000)	(\$9,500,000)

**2025-2026 Special Funds Recommended Budget Adjustments Summary
Year End Adjustments**

Benefits Funds - Benefit Fund (160)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Wellness Program/Other Revenue This action increases the Wellness Program appropriation by \$246,000, from \$242,000 to \$488,000, and the corresponding estimate for Other Revenue to recognize additional revenues received from Anthem to support health and wellness fairs, fitness challenges, wellness webinars, and rewards for behavior changes, such as increased engagement with primary care physicians (PCPs).	Human Resources Department	\$246,000	\$246,000
Benefits Consultant Fee This action increases the Benefit Consultant Fee appropriation by \$8,000, from \$280,000 to \$288,000, to fund higher than anticipated contract costs. A corresponding action to decrease the Ending Fund Balance is recommended in this memorandum to offset this action.	Human Resources Department	\$8,000	
Ending Fund Balance Adjustment This action decreases the Ending Fund Balance to offset the action recommended in this memorandum.	Human Resources Department	(\$8,000)	
Benefits Funds - Benefit Fund (160)		<hr/> \$246,000	\$246,000

**2025-2026 Special Funds Recommended Budget Adjustments Summary
Year End Adjustments**

Community Facilities District No. 8 (Communications Hill) Fund (373)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Community Facilities District No. 8 Annexation Feasibility Project/Other Revenue	Public Works Department	\$41,457	\$41,457
<p>This action increases the Community Facilities District No. 8 Annexation Feasibility Project appropriation by \$41,457, from \$28,683 to \$70,140, and the corresponding estimate for Other Revenue to recognize funding from a private developer for City staff and consultant support to evaluate and investigate the potential annexation of certain properties into Community Facilities District No. 8 (Communications Hill). The funding will support feasibility analysis and initial annexation activities associated with the maintenance of public improvements within the Communications Hill Specific Plan area.</p>			
Community Facilities District No. 8 (Communications Hill) Fund (373)		\$41,457	\$41,457

**2025-2026 Special Funds Recommended Budget Adjustments Summary
Year End Adjustments**

Community Facilities District No. 14 (Raleigh-Charlotte) Fund (379)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<p>Non-Personal/Equipment (Overage)</p> <p>This action increases the Transportation Department's Non-Personal/Equipment appropriation by \$43,000, from \$76,700 to \$119,700, to primarily fund landscape maintenance, emergency repair and renovation work, critical tree work, and increased water costs. Funding is needed to address one-time renovation costs, including planting and emergency irrigation repairs. Additionally, throughout the year, the Department's Arborist team identifies high priority tree work, which includes identifying conditions that pose a danger or other potential emergencies. The team identified critical tree work; however, it was not included in the original budget. Furthermore, the non-personal/equipment allocation is used to reimburse the General Fund for the Public Works Department's support incurred throughout the year for outreach, assessments, and other projects as needed. Lastly, water costs and usage are higher than anticipated due to leaks and damaged irrigation equipment which have been fixed or replaced. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.</p>	Transportation Department	\$43,000	
Ending Fund Balance Adjustment	Transportation Department	(\$148,000)	
<p>This action decreases the Ending Fund Balance to offset actions recommended in this memorandum.</p> <p>Personal Services (Ramac Restroom Repairs)</p> <p>This action establishes the Public Works Department's Personal Services appropriation in the amount of \$105,000 to support staff costs associated with the reconstruction of the restroom facility at Ramac Park that was destroyed in a fire in December 2025. The funding will support project management, site preparation, coordination of temporary restroom accommodations, abatement of fire-damaged materials and smoke remediation, roof demolition and reconstruction activities, and oversight of associated restoration work. A corresponding decrease to the Ending Fund Balance is recommended in this memorandum to offset this action.</p>	Public Works Department	\$105,000	
Community Facilities District No. 14 (Raleigh-Charlotte) Fund (379)		\$0	\$0

**2025-2026 Special Funds Recommended Budget Adjustments Summary
Year End Adjustments**

Homeless Housing, Assistance, and Prevention Fund (454)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Ending Fund Balance Adjustment	Housing Department	(\$450,000)	
This action decreases the Ending Fund Balance to offset the action recommended in this memorandum.			
Emergency Shelters	Housing Department	\$450,000	
This action increases the Emergency Shelters appropriation by \$450,000, from \$7.1 million to \$7.6 million, to fund higher than anticipated shelter operations costs and for unanticipated construction costs associated with development of an interim housing site. This action is offset by a decrease to the Ending Fund Balance as recommended in this memorandum.			
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Homeless Housing, Assistance, and Prevention Fund (454)		\$0	\$0

**2025-2026 Special Funds Recommended Budget Adjustments Summary
Year End Adjustments**

Housing Trust Fund (440)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Personal Services (Overage) This action increases the Office of the City Attorney's Personal Services appropriation by \$28,000 to align funding levels with projected personal services costs. The projected overage is primarily due to higher than budgeted salary and benefit costs and changes to assigned staff. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.	Office of the City Attorney	\$28,000	
Ending Fund Balance Adjustment	Housing Department	(\$28,000)	
This action decreases the Ending Fund Balance to offset the actions recommended in this memorandum.			
Housing Trust Fund (440)		\$0	\$0

**2025-2026 Special Funds Recommended Budget Adjustments Summary
Year End Adjustments**

Integrated Waste Management Fund (423)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<p>Non-Personal/Equipment (Overage)</p> <p>This action increases the Environmental Services Department's Non-Personal/Equipment appropriation by \$1.0 million to align the budget with anticipated expenditures for the fiscal year. Funding is needed for the following items: \$350,000 for public litter collection hauling costs, driven primarily by events related to Super Bowl LX and the upcoming FIFA World Cup events; \$340,000 for the first round of the competitive grants under the Zero Waste Innovation Grant Program to expand local waste reduction initiatives, with contracts finalized in April 2026; \$200,000 for Environmental Innovation Center facility improvement projects, including carpet replacement, roll-up door replacements, conference room lighting upgrades, plumbing upgrades, bathroom upgrades, and back driveway fence replacement; and \$110,000 for the CART program to cover contractual employees and vehicle rental costs while a vehicle is procured. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.</p>	Environmental Services Department	\$1,000,000	
<p>Multi-Family Recycle Plus</p> <p>This action increases the Multi-Family Recycle Plus appropriation by \$1.0 million, from \$34.7 million to \$35.7 million, to align the budget with anticipated expenditures for the fiscal year. A combination of increased program participation in the large items collection program and an increase in the number of large items from cleanout events throughout the year has resulted in higher than anticipated costs. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.</p>	Environmental Services Department	\$1,000,000	
<p>Cal Recycle CRV Grant</p> <p>This action increases the CalRecycle CRV Grant appropriation by \$14,911, from \$110,663 to \$125,574. A \$275,000 CalRecycle grant for multi-family recycling was awarded, the grant-funded activities have been completed, and the final report has been submitted to CalRecycle. However, a prior year encumbrance was liquidated inadvertently, creating a negative balance for the appropriation. This action corrects that negative balance and aligns the budget with actual expenditures. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.</p>	Environmental Services Department	\$14,911	
<p>Workers' Compensation Claims</p> <p>This action increases the Workers' Compensation Claims appropriation by \$200,000, from \$137,000 to \$337,000, to reflect higher than anticipated settlement and regular claim activity for 2025-2026. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.</p>	Environmental Services Department	\$200,000	

**2025-2026 Special Funds Recommended Budget Adjustments Summary
Year End Adjustments**

Integrated Waste Management Fund (423)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Banking Services	Finance Department	\$5,000	
<p>This action increases the Banking Services appropriation by \$5,000, from \$200,000 to \$205,000. This funding is to support banking and financial services such as general banking and lockbox services, merchant card processing services, and investment custodial services. This action also supports unanticipated increases in city-wide transaction volumes and expanded utilization of payments made in person or via the online payment system throughout the fiscal year. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.</p>			
Personal Services (Overage)	Public Works Department	\$20,000	
<p>This action increases the Public Works Department's Personal Services appropriation by \$20,000 to fund higher than anticipated staff costs for contract/labor compliance and technology service support. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.</p>			
Ending Fund Balance Adjustment	Environmental Services Department	(\$2,239,911)	
<p>This action decreases the Ending Fund Balance to offset the actions recommended in this report.</p>			
Integrated Waste Management Fund (423)		\$0	\$0

**2025-2026 Special Funds Recommended Budget Adjustments Summary
Year End Adjustments**

Library Parcel Tax Fund (418)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Transfer to the Library Parcel Tax Capital Fund	Library Department	\$576,000	
<p>This action increases the Transfers to the Library Parcel Tax Capital Fund by \$576,000, from \$1.3 million to \$1.9 million, to support unanticipated expenditures for critical capital needs at branch library facilities. A total of \$1.4 million is needed for the lighting repairs project, which is funded by the Branch Libraries Bond Projects Fund (\$640,000), the Library Construction and Conveyance Tax Fund (\$32,379), and the Library Parcel Tax Capital Fund (\$776,000). A corresponding decrease to the Ending Fund Balance is recommended in this memorandum to offset this action.</p>			
Ending Fund Balance Adjustment	Library Department	(\$576,000)	
<p>This action decreases the Ending Fund Balance to offset the action recommended in this memorandum.</p>			
		\$0 \$0	
Library Parcel Tax Fund (418)			

**2025-2026 Special Funds Recommended Budget Adjustments Summary
Year End Adjustments**

Low and Moderate Income Housing Asset Fund (346)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Personal Services (Overage)	Finance Department	\$18,000	
<p>This action increases the Finance Department's Personal Services appropriation by \$18,000 to fund higher than budgeted costs due to lower vacancy savings, positions at a higher salary, and compensation payouts. A corresponding decrease to the Ending Fund Balance is recommended elsewhere in this memorandum to offset this action.</p>			
Ending Fund Balance Adjustment	Housing Department	(\$412,000)	
<p>This action decreases the Ending Fund Balance to offset the actions recommended in this memorandum.</p>			
Non-Personal/Equipment (Consultant Services)	Housing Department	\$344,000	
<p>This action increases the Housing Department's Non-Personal/Equipment appropriation by \$344,000 to account for an increase in consulting services for project financial feasibility and housing site selection software tools. This action is offset by a decrease to the Ending Fund Balance as recommended in this memorandum.</p>			
Personal Services (Overage)	Public Works Department	\$50,000	
<p>This action increases the Public Works Department's Personal Services appropriation by \$50,000 to fund higher than anticipated staff costs associated with labor compliance oversight for Housing projects. Increased workload was driven by prevailing wage compliance monitoring, certified payroll review, contractor compliance investigations, training and coordination activities, and enforcement support associated with active affordable housing construction projects. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.</p>			
Low and Moderate Income Housing Asset Fund (346)		\$0	\$0

**2025-2026 Special Funds Recommended Budget Adjustments Summary
Year End Adjustments**

Maintenance District No. 1 (Los Paseos) Fund (352)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<p>Non-Personal/Equipment (Emergency Sidewalk Repairs Costs)</p> <p>This action increases the Non-Personal/Equipment appropriation in the Maintenance District No. 1 (Los Paseos) Fund by \$43,000, from \$192,500 to \$235,500 to align the budget with anticipated expenditures. In spring 2026, the City received a report from the community concerning damage at several locations, including Avenida Rotella and Vía Colina in the Maintenance District. Subsequently, the Transportation Department's Sidewalk Inspection team conducted an on-site evaluation, which led to emergency sidewalk repairs completed by a sidewalk repair contractor. This action is offset by a corresponding decrease to the Ending Fund Balance as recommended in this memorandum.</p>	Transportation Department	\$43,000	
Ending Fund Balance Adjustment	Transportation Department	(\$43,000)	
<p>This action decreases the Ending Fund Balance to offset the action recommended in this memorandum.</p>			
Maintenance District No. 1 (Los Paseos) Fund (352)		<hr style="width: 100%; border: 1px solid black;"/> \$0	\$0

**2025-2026 Special Funds Recommended Budget Adjustments Summary
Year End Adjustments**

Maintenance District No. 15 (Silver Creek Valley) Fund (368)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<p>Non-Personal/Equipment (Contractual Landscape and Tree Services Costs)</p> <p>This action increases the Non-Personal/Equipment appropriation by \$100,000, from \$1.1 million to \$1.2 million, to fund contractual services for increased landscape maintenance costs, a prior-year accrual for landscape maintenance, and critical tree work in Maintenance District No. 15 (Silver Creek Valley). Funding is needed to address contractual service costs for ongoing landscape maintenance that increased by 10.4% from the prior year, which was accounted for to some extent in the development of the 2026-2027 Operating Budget. Additionally, the Department did not sufficiently accrue for prior year landscaping costs in 2024-2025. As a result, the City issued a subsequent payment in 2025-2026 for services. Furthermore, throughout the year, the Department's Arborist team identifies high priority tree work, which includes identifying conditions that pose a danger or other potential emergencies. The team identified critical tree work; however, it was not included in the original budget. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.</p>	<p>Transportation Department</p>	<p>\$100,000</p>	
<p>Ending Fund Balance Adjustment</p> <p>This action decreases the Ending Fund Balance to offset the action recommended in this memorandum.</p>	<p>Transportation Department</p>	<p>(\$100,000)</p>	
<p>Maintenance District No. 15 (Silver Creek Valley) Fund (368)</p>		<hr/> <p>\$0</p>	<p>\$0</p>

**2025-2026 Special Funds Recommended Budget Adjustments Summary
Year End Adjustments**

Maintenance District No. 18 (The Meadowlands) Fund (372)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<p>Non-Personal/Equipment (Overage)</p> <p>This action increases the Non-Personal/Equipment appropriation by \$66,000, from \$40,850 to \$106,840, to primarily fund emergency repairs, renovation work, and critical tree work. Funding is needed to address one-time renovations, including planting and landscape design, as well as emergency sidewalk repairs and the replacement of a missing cast-iron sign for the District. Additionally, throughout the year, the Department's Arborist team identifies high priority tree work, which includes identifying conditions that pose a danger or other potential emergencies. The team identified critical tree work; however, it was not included in the original budget. Furthermore, the non-personal/equipment allocation is used to reimburse the General Fund for the Public Works Department's support incurred throughout the year for outreach, assessments, and other projects as needed. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.</p>	<p>Transportation Department</p>	<p>\$66,000</p>	
<p>Ending Fund Balance Adjustment</p> <p>This action decreases the Ending Fund Balance to offset the action recommended in this memorandum.</p>	<p>Transportation Department</p>	<p>(\$66,000)</p>	
<p>Maintenance District No. 18 (The Meadowlands) Fund (372)</p>		<hr/> <p>\$0</p>	<p>\$0</p>

**2025-2026 Special Funds Recommended Budget Adjustments Summary
Year End Adjustments**

Multi-Source Housing Fund (448)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Capitol Park Neighborhood Center Improvements This action establishes the Capitol Park Neighborhood Center Improvements allocation in the amount of \$200,000 to fund the conversion of a community center to a childcare center at Capitol Park. The childcare center is anticipated to be operational by fall 2026. This action is offset by a decrease to the Ending Fund Balance as recommended in this memorandum.	Housing Department	\$200,000	
Ending Fund Balance Adjustment This action decreases the Ending Fund Balance to offset actions recommended in this memorandum.	Housing Department	(\$225,000)	
Personal Services (Overage) This action increases the Office of the City Attorney's Personal Services appropriation by \$25,000 to align funding levels with projected personal services costs. The projected overage is primarily due to higher than budgeted salary and benefit costs and changes to assigned staff. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.	Office of the City Attorney	\$25,000	
		<hr/>	
Multi-Source Housing Fund (448)		\$0	\$0

**2025-2026 Special Funds Recommended Budget Adjustments Summary
Year End Adjustments**

Municipal Golf Course Fund (518)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<p>Los Lagos Golf Course Repair Projects</p> <p>This action establishes a Los Lagos Golf Course Repair Projects appropriation in the amount of \$226,000. There have been several instances of stray golf balls from Los Lagos driving range that have caused damage to solar panels and City and employee vehicles at the San José Municipal Water System office. PRNS conducted a golf ball trajectory study and determined that a prompt, short-term action to replace the driving range netting was necessary. This short-term solution will protect Municipal Water employees while the study's findings are reviewed. Once a permanent solution can be executed, recommended actions will be brought forward as part of a future budget process. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.</p>	<p>Parks, Recreation and Neighborhood Services Department</p>	\$226,000	
<p>Ending Fund Balance Adjustment</p> <p>This action decreases the Ending Fund Balance to offset the action recommended in this memorandum.</p>	<p>Parks, Recreation and Neighborhood Services Department</p>	(\$226,000)	
Municipal Golf Course Fund (518)		\$0	\$0

**2025-2026 Special Funds Recommended Budget Adjustments Summary
Year End Adjustments**

Planning Development Fee Program Fund (238)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Personal Services (Overage)	Office of the City Attorney	\$33,000	
This action increases the Office of the City Attorney's Personal Services appropriation by \$33,000 to cover projected costs driven by rising service workload demand. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.			
Ending Fund Balance Adjustment	Planning, Building and Code Enforcement Department	(\$33,000)	
This action decreases the Ending Fund Balance to offset the action recommended in this memorandum.			
Planning Development Fee Program Fund (238)		\$0	\$0

**2025-2026 Special Funds Recommended Budget Adjustments Summary
Year End Adjustments**

Public Works Development Fee Program Fund (241)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Personal Services (Overage)/Fee, Rates and Charges (Utility Fee Program)	Public Works Department	\$3,000,000	\$3,000,000
<p>This action increases the Public Works Development Fee Program - Personal Services appropriation and the corresponding revenue estimate for Fees, Rates, and Charges by \$3.0 million to recognize and allocate revenues from higher than anticipated utility permitting activity associated with PG&E, Comcast, Verizon, and other telecommunications-related projects. Staff anticipates utility permitting activity will continue into 2026-2027; however, activity levels may vary based on project schedules, funding, and utility company priorities. This additional revenue offsets the projected overage in the Public Works Development Fee Program – Personal Services appropriation due to higher-than-anticipated activity in the Utility Fee Program and higher compensated absence costs incurred in 2025- 2026 for paid employee time off, including sick, holiday, vacation, and jury duty leave.</p>			
Public Works Development Fee Program Fund (241)		\$3,000,000	\$3,000,000

**2025-2026 Special Funds Recommended Budget Adjustments Summary
Year End Adjustments**

Public Works Program Support Fund (150)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<p>Personal Services (Overage)</p> <p>This action increases the Public Works Department's Personal Services appropriation by \$400,000 to address projected overages due to higher than anticipated compensated absence costs incurred in 2025-2026 for paid employee time off, including sick, holiday, vacation, and jury duty leave for positions that are funded by various Capital Funds. Public Works Department positions directly charge to capital project budgets for active time in support of project delivery; whereas, undesignated time off is charged to the Public Works Program Support Fund in accordance with an internal cost allocation methodology. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.</p>	Public Works Department	\$400,000	
<p>Non-Personal/Equipment (Overage)</p> <p>This action increases the Public Works Department's Non-Personal/Equipment appropriation by \$100,000 to support higher than anticipated costs incurred primarily for ergonomic assessments, laptops/computer equipment, and software user licenses. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.</p>	Public Works Department	\$100,000	
<p>Ending Fund Balance Adjustment</p> <p>This action decreases the Ending Fund Balance to offset the actions recommended in this memorandum.</p>	Public Works Department	(\$2,400,000)	
<p>Compensated Absences</p> <p>This action increases the Compensated Time Off appropriation by \$3.3 million, from \$14.0 million to \$17.3 million to reflect higher than budgeted compensated absences. Compensated absences fund employee time off pay, such as sick, holiday, vacation, and jury duty for positions funded by various Capital Funds. Public Works Department positions charge active project delivery time to capital project budgets while compensated absence costs are charged to the Public Works Program Support Fund in accordance with the department's internal cost allocation methodology. Staff used leave balances at a higher rate than anticipated in 2025-2026, resulting in increased expenditures. Corresponding actions to recognize additional revenues from transfers and reimbursements and a decrease to the Ending Fund Balance are recommended to offset this action.</p>	Public Works Department	\$3,300,000	

**2025-2026 Special Funds Recommended Budget Adjustments Summary
Year End Adjustments**

Public Works Program Support Fund (150)

Action

Transfers and Reimbursements (Compensated Absences)

This action increases the revenue estimate for Transfers and Reimbursements by \$1.4 million, from \$28.5 million to \$29.9 million, to recognize additional compensated absences transfers from various funds. Compensated absences fund employee time off pay, including sick, holiday, vacation, and jury duty leave for positions funded by various Capital Funds. Public Works Department positions charge active project delivery time to capital project budgets while compensated absence costs are charged to the Public Works Program Support Fund.

Department

Public Works
Department

Use

Source

\$1,400,000

Public Works Program Support Fund (150)

\$1,400,000

\$1,400,000

**2025-2026 Special Funds Recommended Budget Adjustments Summary
Year End Adjustments**

Real Property Transfer Tax Fund (404)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Measure E - Real Property Transfer Tax	Housing Department		\$14,000,000
<p>This action increases the revenue estimate for Measure E - Real Property Transfer Tax by \$14.0 million, from \$55.0 million to \$69.0 million, to align the budget with the project higher revenue collections, as described in Manager's Budget Addendum #27: 2026-2027 Beginning Fund Balance Adjustments. The increased revenue collection is largely driven by a number of high valuation property sales in excess of \$10 million. A corresponding increase to the Ending Fund Balance is recommended to offset this action.</p>			
Ending Fund Balance Adjustment	Housing Department	\$14,000,000	
<p>This action increases the Ending Fund Balance to offset the action recommended in this memorandum.</p>			
Real Property Transfer Tax Fund (404)		\$14,000,000	\$14,000,000

**2025-2026 Special Funds Recommended Budget Adjustments Summary
Year End Adjustments**

San José Clean Energy Operating Fund (501)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
PG&E Security Fees This action increases the PG&E Security Fees appropriation by \$125,000, from \$1.5 million to \$1.6 million. The Energy Department makes monthly payments to Pacific Gas & Electric (PG&E) for active PG&E electricity meters associated with San José Clean Energy customer accounts. As a result of the errant accrual, an additional payment was made to PG&E in 2025-2026. This adjustment will ensure there is sufficient funding for the 13th payment. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.	Energy Department	\$125,101	
Ending Fund Balance Adjustment This action decreases the Ending Fund Balance to offset actions recommended in this memorandum.	Energy Department	(\$185,101)	
Office of the City Attorney - Personal Services (Overage) This action increases the Office of the City Attorney's Personal Services appropriation by \$42,000 to align funding levels with projected personal services costs. The projected overage is primarily due to higher than budgeted salary and benefit costs. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.	Office of the City Attorney	\$42,000	
Personal Services (Overage) This action increases the Information Technology Department Personal Services appropriation by \$18,000, from \$ 233,799 to \$251,799, to account for higher salary and benefit costs. A corresponding decrease to the Ending Fund Balance is recommended elsewhere in this memorandum.	Information Technology Department	\$18,000	
San José Clean Energy Operating Fund (501)		\$0	\$0

**2025-2026 Special Funds Recommended Budget Adjustments Summary
Year End Adjustments**

San José Opioid Response Fund (130)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Community Paramedicine - Fire/Revenue from State of California	Fire Department	\$145,000	\$145,000
<p>This action establishes the Community Paramedicine – Fire appropriation and increases the estimate for Revenue from the State of California in the amount of \$145,000. The Community Paramedicine Pilot Program is intended to explore alternatives to improve patient outcomes and system efficiency by reducing non-emergency 9-1-1 utilization and expanding access to patient-centered care in community settings, rather than defaulting to emergency department transport. Leveraging best practices in Mobile Integrated Healthcare and Community Paramedicine, specially trained Emergency Medical Services providers will focus on high-utilizer populations, mental health and substance-use needs, and social service navigation. The Captain position is funded to start in the spring and is responsible for creating the policies and procedures required to launch the program. The remaining costs for the pilot program, including continuing the Captain position, adding 1.0 Fire Engineer and 1.0 Firefighter positions, and funding one-time non-personal/equipment costs, are recommended in the 2026-2027 Proposed Operating Budget.</p>			
San José Opioid Response Fund (130)		\$145,000	\$145,000

**2025-2026 Special Funds Recommended Budget Adjustments Summary
Year End Adjustments**

San José-Santa Clara Treatment Plant Operating Fund (513)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<p>Personal Services (Overage)</p> <p>This action increases the Office of the City Attorney's Personal Services appropriation by \$26,500 to align funding levels with projected personal services costs. The projected overage is primarily due to higher than budgeted salary and benefit costs. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.</p>	Office of the City Attorney	\$26,500	
<p>Non-Personal/Equipment (Reallocation to Inventory)</p> <p>This action decreases the Environmental Services Department's Non-Personal/Equipment appropriation by \$300,000 and reallocates the funding to the Inventory Appropriation. Funding is available in the Non-Personal/Equipment appropriation because the new mechanical dewatering facility is not yet fully operational, resulting in savings in hauling costs. A corresponding increase to the Inventory appropriation is recommended to offset this action.</p>	Environmental Services Department	(\$300,000)	
<p>Inventory (Reallocation from Non-Personal/Equipment)</p> <p>This action increases the Inventory appropriation by \$300,000, from \$600,000 to \$900,000. The increase is needed due to higher-than-anticipated costs to replenish maintenance and operations supplies, such as personal protective equipment, batteries, hardware fittings, and lubricants at the San José-Santa Clara Regional Wastewater Facility. A corresponding decrease to the Non-Personal/Equipment appropriation is recommended to offset this action.</p>	Environmental Services Department	\$300,000	
<p>Public Works Department - Personal Services (Overage)</p> <p>This action increases Public Works Department's Personal Services appropriation by \$175,000 for labor compliance work at the San José-Santa Clara Regional Wastewater Facility. The additional costs are primarily due to extensive efforts to ensure compliance with labor laws on active projects. These efforts included developing and conducting training for inspectors, construction managers, and project managers; responding to Public Records Act requests; and managing complex wage theft investigations involving over 60 contractors, certified payroll reviews, and coordination with multiple City departments and consultants. A corresponding action to decrease the Environmental Services Department's Personal Services appropriation is recommended to offset this action.</p>	Public Works Department	\$175,000	

**2025-2026 Special Funds Recommended Budget Adjustments Summary
Year End Adjustments**

San José-Santa Clara Treatment Plant Operating Fund (513)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Non-Personal/Equipment (2 Heavy-Duty Off-Road Tractors)	Environmental Services Department	\$0	
<p>The 2025-2026 Adopted Operating Budget allocated one-time funding of \$1.6 million to replace two heavy-duty off-road tractors; however, based on updated pricing received during the procurement process, the cost has increased to \$966,000 for each vehicle, plus \$200,000 for parts and materials, for a revised cost of \$2.1 million. The Non-Personal/Equipment appropriation has sufficient available balance to support the estimated \$500,000 needed to procure the tractors.</p>			
Personal Services (Savings)	Environmental Services Department	(\$226,500)	
<p>This action decreases the Environmental Services Department Personal Services appropriation by \$226,500 to recognize vacancy savings and to offset increases recommended in this fund. A corresponding increase to the Ending Fund Balance is recommended to offset this action.</p>			
Ending Fund Balance Adjustment	Environmental Services Department	\$25,000	
<p>This action Increases the Ending Fund Balance to offset the actions recommended in this report.</p>			
San José-Santa Clara Treatment Plant Operating Fund (513)		\$0	\$0

**2025-2026 Special Funds Recommended Budget Adjustments Summary
Year End Adjustments**

Sewer Service and Use Charge Fund (541)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<p>Personal Services (Overage)</p> <p>This action increases the Environmental Services Department's Personal Services appropriation by \$100,000, from \$617,062 to \$717,062, to align the budget with anticipated expenditures for the fiscal year. Additional funding is needed to primarily correct a budget misalignment in the Cost Allocation Plan, as well as to cover expenses associated with a temporary position that supported work on a sanitary sewer funding model. The Cost Allocation Plan has been corrected, and the changes have been incorporated into the 2026-2027 Base Budget. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.</p>	Environmental Services Department	\$100,000	
<p>Personal Services (Savings)</p> <p>This action decreases the Public Works Department's Personal Services appropriation by \$40,000 to recognize vacancy savings and to offset increases recommended in this fund. A corresponding increase to the Ending Fund Balance is recommended to offset this action.</p>	Public Works Department	(\$40,000)	
<p>Ending Fund Balance Adjustment</p> <p>This action decreases the Ending Fund Balance to offset the actions recommended in this report.</p>	Environmental Services Department	(\$60,000)	
Sewer Service and Use Charge Fund (541)		\$0	\$0

**2025-2026 Special Funds Recommended Budget Adjustments Summary
Year End Adjustments**

Storm Sewer Operating Fund (446)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<p>Non-Personal/Equipment (Outside Counsel Services)</p> <p>This action increases the Office of the City Attorney’s Non-Personal/Equipment appropriation by \$50,000 for outside legal services to assess revenue alternatives and develop an implementation strategy to sustainably fund stormwater programs. Retaining the law firm will expand the Office of the City Attorney’s capacity to assist the Environmental Services Department in implementing a revenue strategy that addresses the shortfall in funding for regulatory compliance requirements, ongoing operations and maintenance, and deferred infrastructure backlog. A corresponding decrease to Polychlorinated Biphenyls Settlement Reserve is recommended to offset this action.</p>	Office of the City Attorney	\$50,000	
<p>Personal Services (Overage)</p> <p>This action increases the Office of the City Attorney’s Personal Services appropriation by \$67,000 to align funding levels with projected personal services costs. The anticipated overage is primarily driven by higher than anticipated salary and benefit costs. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.</p>	Office of the City Attorney	\$67,000	
<p>Polychlorinated Biphenyls Settlement Reserve</p> <p>This action decreases the Polychlorinated Biphenyls Settlement Reserve by \$50,000, from \$3.52 million to \$3.47 million. The funds will offset an increase to the Office of the City Attorney’s Non-Personal/Equipment appropriation for outside legal services as discussed above.</p>	Environmental Services Department	(\$50,000)	
<p>Workers' Compensation Claims</p> <p>This action increases the Workers' Compensation Claims appropriation by \$50,000, from \$117,000 to \$167,000, to reflect higher than anticipated settlement and regular claim activity for 2025-2026. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.</p>	Environmental Services Department	\$50,000	
<p>Ending Fund Balance Adjustment</p> <p>This action decreases the Ending Fund Balance to offset the actions recommended in this report.</p>	Environmental Services Department	(\$117,000)	
Storm Sewer Operating Fund (446)		\$0	\$0

**2025-2026 Special Funds Recommended Budget Adjustments Summary
Year End Adjustments**

Vehicle Maintenance and Operations Fund (552)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Police Vehicle Replacements/Transfers and Reimbursements	Public Works Department	(\$1,050,000)	(\$1,050,000)
<p>This action decreases the Police Vehicle Replacements appropriation by \$1.05 million, from \$11.87 million to \$10.82 million, and the corresponding revenue estimate for Transfers and Reimbursements by \$1.05 million. After analyzing vehicle purchase orders and anticipated delivery, one-time savings can be realized without any near-term impacts to the Police Department's vehicle replacement schedule. The Public Works Department's Fleet Division will continue to fulfill purchase order requests for eligible vehicle replacements in 2026-2027 from ongoing (\$7.0 million) and rebudgeted funds (\$6.6 million). The replacement schedule will be evaluated annually, and funding adjustments will be made accordingly as part of the annual development of the budget.</p>			
Vehicle Maintenance and Operations Fund (552)		(\$1,050,000)	(\$1,050,000)

**2025-2026 Special Funds Recommended Budget Adjustments Summary
Year End Adjustments**

Water Utility Fund (515)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<p>Personal Services (Overage)</p> <p>This action increases the Office of the City Attorney's Personal Services appropriation by \$41,500 to align funding levels with projected personal services costs. The projected overage is primarily due to higher than budgeted salary and benefit costs and changes to assigned staff. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.</p>	Office of the City Attorney	\$41,500	
<p>Banking Services</p> <p>This action increases the Banking Services appropriation by \$10,000, from \$322,688 to \$332,688. This funding is to support banking and financial services such as general banking and lockbox services, merchant card processing services, and investment custodial services. This action also supports unanticipated increases in city-wide transaction volumes and expanded utilization of payments made in person or via the online payment system throughout the fiscal year. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.</p>	Finance Department	\$10,000	
<p>Workers' Compensation Claims</p> <p>This action increases the Workers' Compensation Claims appropriation by \$30,000, from \$31,000 to \$61,000, to reflect higher than anticipated settlement and regular claim activity for 2025-2026. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.</p>	Environmental Services Department	\$40,000	
<p>Ending Fund Balance Adjustment</p> <p>This action decreases the Ending Fund Balance to offset the actions recommended in this report.</p>	Environmental Services Department	(\$51,500)	
<p>Workers' Compensation Claims Reserve</p> <p>This action decreases the Workers' Compensation Claims Reserve appropriation by \$40,000, from \$50,000 to \$10,000, to reflect higher than anticipated claim activities. A corresponding increase to the Workers' Compensation Claims is recommended to offset this action.</p>	Environmental Services Department	(\$40,000)	
Water Utility Fund (515)		\$0	\$0

**2025-2026 Special Funds Recommended Budget Adjustments Summary
Year End Adjustments**

Willow Glen Community Benefit Improvement District Fund (343)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Transfers and Reimbursements (Transfer from the General Fund)	Public Works Department		(\$642)
<p>This action decreases the revenue estimate for Transfers and Reimbursements by \$642 to align the City's special assessments obligation with the Consumer Price Index adjustment applied on the two City-owned properties within the district boundaries. Special Assessments are collected from property owners within the district boundaries and may only be used for enhanced services and activities such as maintenance and cleaning of sidewalk areas, information and safety services, beautification activities beyond those provided by the City, and administrative costs. This adjustment updates the City's special assessments obligation to reflect the latest approved district assessments for 2025-2026. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.</p>			
Ending Fund Balance Adjustment	Public Works Department	(\$642)	
<p>This action decreases the Ending Fund Balance to offset the action recommended in this memorandum.</p>			
Willow Glen Community Benefit Improvement District Fund (343)		(\$642)	(\$642)

**2025-2026 Special Funds Recommended Budget Adjustments Summary
Year End Adjustments**

Workforce Development Fund (290)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<p>SJ Works (Wells Fargo)/Other Revenue</p> <p>This action increases the SJ Works (Wells Fargo) appropriation by \$34,000 and establishes an estimate for Other Revenue in the same amount to recognize grant funding received from Wells Fargo. The grant provides funding for paid internships as part of the San José Works summer work experience program. The grant was executed in August 2025, and the term extends through August 30, 2028.</p>	<p>City Manager - Office of Economic Development and Cultural Affairs</p>	\$34,000	\$34,000
Workforce Development Fund (290)		\$34,000	\$34,000

**Capital Funds Recommended Budget Adjustments Summary
2025-2026 Year-End Budget Review**

Airport Capital Improvement Fund (520)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Airfield Configuration Updates	Airport	\$(1,316,544)	
<p>This action decreases the Airfield Configurations Updates appropriation by \$1.3 million from \$6.8 million to \$5.4 million to offset a transfer from the Airport Capital Improvement Fund to the Storm Sewer Capital Fund as discussed below.</p>			
Transfer to Storm Sewer Capital Fund	Finance	\$1,316,544	
<p>This action establishes the Transfer to the Storm Sewer Capital Fund from the Airport Capital Improvement Fund in the amount of \$1.3 million. Provisions of the Municipal Regional Stormwater Permit require new and redevelopment projects to create or replace impervious surfaces to incorporate low impact development stormwater treatment systems or pay for an offsite treatment. A Memorandum of Understanding between the Airport and Public Works Departments regarding this provision was drawn up and the Airport will comply with this requirement by paying an in-lieu fee per impervious acre for the Taxiway projects that are budgeted in the Airfield Configuration Updates project. The transfer represents the Airport's contribution toward the River Oaks Stormwater Capture Project and supports stormwater compliance requirements associated with the Airport's Airfield Configuration Updates Project.</p>			
Airport Capital Improvement Fund (520) TOTAL		_____	_____

**Capital Funds Recommended Budget Adjustments Summary
2025-2026 Year-End Budget Review**

Airport Renewal and Replacement Fund (527)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Airfield Configurations Updates	Airport	\$(9,317,088)	
<p>This action decreases the Airfield Configurations Updates appropriation by \$9.3 million, from \$9.5 million to \$131,912, due to delays for this project. This action is offset by a corresponding increase to the Ending Fund Balance.</p>			
Ending Fund Balance Adjustment	Finance	\$(500,000)	
<p>This action decreases the Ending Fund Balance by \$500,000 to offset the action recommended in this memorandum.</p>			
Transfer in from Airport Surplus Revenue Fund	Finance		\$(9,500,000)
<p>This action decreases the transfer from the Airport Surplus Revenue Fund by \$9.5 million, from \$39.4 million to \$29.9 million, to reflect a delay in the Consolidated Rental Car Center Accessibility Upgrades project. Corresponding actions in the Airport Revenue Fund and Airport Surplus Revenue Fund are recommended elsewhere in this memorandum.</p>			
Transfer to Storm Sewer Capital Fund	Finance	\$317,088	
<p>This action establishes the Transfer to the Storm Sewer Capital Fund from the Airport Renewal and Replacement Fund in the amount of \$317,088. Provisions of the Municipal Regional Stormwater Permit require new and redevelopment projects to create or replace impervious surfaces to incorporate low impact development stormwater treatment systems or pay for an offsite treatment. A Memorandum of Understanding between the Airport and Public Works Departments regarding this provision was drawn up and the Airport will comply with this requirement by paying an in-lieu fee per impervious acre for the Taxiway projects that are budgeted in the Airfield Configuration Updates project. The transfer represents the Airport's contribution toward the River Oaks Stormwater Capture Project and supports stormwater compliance requirements associated with the Airport's Airfield Configuration Updates Project.</p>			
Airport Renewal and Replacement Fund (527) TOTAL		\$(9,500,000)	\$(9,500,000)

**Capital Funds Recommended Budget Adjustments Summary
2025-2026 Year-End Budget Review**

Branch Libraries Bond Projects Fund (472)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<p>Biblioteca Library Improvements</p> <p>This action decreases the Biblioteca Library Improvements appropriation by \$640,000, from \$940,000 to \$300,000, to reallocate funding for critical lighting repair projects and related facility infrastructure improvements at various branch library facilities. Planned Biblioteca Library renovation costs in 2026-2027 and 2027-2028 are expected to be supported through the Building Forward Library Infrastructure Grant Round 1. This reallocation is not expected to impact the renovation's scope or schedule. A corresponding increase to the Branch Efficiency Projects appropriation is recommended in this memorandum to offset this action.</p>	Library	\$(640,000)	
<p>Branch Efficiency Projects</p> <p>This action increases the Branch Efficiency Projects appropriation by \$640,000, from \$17,000 to \$657,000, to support critical lighting repair projects and related infrastructure improvements at various branch library facilities. A total of \$1.4 million is needed for the lighting repairs project, which is funded by the Branch Libraries Bond Projects Fund (\$640,000), the Library Construction and Conveyance Tax Fund (\$32,379), and the Library Parcel Tax Capital Fund (\$776,000). The project includes the replacement of aging electric panels, controls, and non-functional lighting fixtures for which replacement parts are unavailable with modern LED lighting systems. These lighting repairs and updates are critical to library branches remaining open due to safety hazards associated with lack of indoor lighting. A corresponding action to decrease the Biblioteca Library Improvements appropriation is recommended to reallocate funds to this project.</p>	Library	\$640,000	

Branch Libraries Bond Projects Fund (472) TOTAL

**Capital Funds Recommended Budget Adjustments Summary
2025-2026 Year-End Budget Review**

Construction Excise Tax Fund (465)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Bridge Maintenance and Repair	Transportation	\$58,000	

This action increases the Bridge Maintenance and Repair appropriation by \$58,000, from \$200,000 to \$258,000, to align funding levels with projected personal services costs to deliver emergency bridge repairs. The overage is primarily due to emergency bridge repair work on San Felipe Road. In addition, funding is provided for activities such as training and paid leave absences that are ineligible to be funded by the Measure T – Bridges project in the Public Safety and Infrastructure Bond Fund. This action is offset by a corresponding decrease to the Ending Fund Balance as recommended in this memorandum.

Ending Fund Balance Adjustment	Finance	\$(58,000)	
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This action decreases the Ending Fund Balance to offset the action recommended in this memorandum.

Construction Excise Tax Fund (465) TOTAL

**Capital Funds Recommended Budget Adjustments Summary
2025-2026 Year-End Budget Review**

Council District 7 Construction and Conveyance Tax Fund (385)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Elia Park Development	Parks, Recreation and Neighborhood Services	\$27,000	
<p>This action increases the Elia Park Development allocation by \$27,000, from \$387,000 to \$414,000, to reflect the acceleration of the project schedule from 2026-2027 to 2025-2026. A corresponding action to decrease the Ending Fund Balance is recommended in this memorandum to offset this action.</p>			
Ending Fund Balance Adjustment	Finance	\$(27,000)	
<p>This action decreases the Ending Fund Balance to offset the action recommended in this memorandum.</p>			
Council District 7 Construction and Conveyance Tax Fund (385)			
TOTAL			

**Capital Funds Recommended Budget Adjustments Summary
2025-2026 Year-End Budget Review**

Lake Cunningham Fund (462)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Ending Fund Balance Adjustment	Finance	\$(42,000)	

This action decreases the Ending Fund Balance to offset the action recommended in this memorandum.

Lake Cunningham Park Settlement

Parks, Recreation and Neighborhood Services	\$42,000
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This action establishes the Lake Cunningham Park Settlement appropriation in the amount of \$42,000. On April 28, 2026, the City Council approved the settlement to resolve the litigation filed by contractor for the construction of the Lake Cunningham Bike Park in 2017 for a total payment of \$675,000. The settlement will be funded by the Lake Cunningham Fund (\$42,000), the Subdivision Park Trust Fund (\$303,000), and the General Fund (\$330,000). A corresponding action to decrease the Ending Fund Balance is recommended in this memorandum.

Lake Cunningham Fund (462) TOTAL

**Capital Funds Recommended Budget Adjustments Summary
2025-2026 Year-End Budget Review**

Library Construction and Conveyance Tax Fund (393)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Branch Efficiency Projects	Library	\$32,379	

This action increases the Branch Efficiency Projects appropriation by \$32,379, from \$115,000 to \$147,379, to support lighting infrastructure repairs and related infrastructure improvement work at various branch library facilities. A total of \$1.4 million is needed for the lighting repairs project, which is funded by the Branch Libraries Bond Projects Fund (\$640,000), the Library Construction and Conveyance Tax Fund (\$32,379), and the Library Parcel Tax Capital Fund (\$776,000). This additional funding will support work at various branch libraries to replace aging electrical panels, controls, and non-functional lighting fixtures for which replacement parts are unavailable with modern LED lighting systems. A corresponding decrease to the Ending Fund Balance is recommended in this memorandum to offset this action.

Ending Fund Balance Adjustment	Finance	\$(32,379)	
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This action decreases the Ending Fund Balance to offset the action recommended in this memorandum.

Library Construction and Conveyance Tax Fund (393) TOTAL

**Capital Funds Recommended Budget Adjustments Summary
2025-2026 Year-End Budget Review**

Library Parcel Tax Capital Fund (483)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<p>Branch Efficiency Projects</p> <p>This action establishes the Branch Efficiency Projects appropriation in the amount of \$776,000 to support one-time lighting repair projects and related infrastructure improvements at various branch library facilities. Funding for this action is supported by a \$576,000 transfer from the Library Parcel Tax Operating Fund and a \$200,000 reallocation of vacancy savings from the Facilities Management appropriation. This additional funding will support work at various branch libraries to replace aging electric panels, controls, and non-functional lighting fixtures for which replacement parts are unavailable with modern LED lighting systems. These lighting repairs and updates are critical to library branches remaining open due to safety hazards associated with a lack of indoor lighting. A total of \$1.4 million is needed for the lighting repairs project, which is funded by the Branch Libraries Bond Projects Fund (\$640,000), the Library Construction and Conveyance Tax Fund (\$32,379), and the Library Parcel Tax Capital Fund (\$776,000). A corresponding decrease to the Facilities Management appropriation and increase to the Transfers and Reimbursement estimate are recommended in this memorandum to offset this action.</p>	Library	\$776,000	
<p>Facilities Management</p> <p>This action decreases the Facilities Management appropriation by \$200,000, from \$300,000 to \$100,000, to recognize vacancy savings associated with a limit-dated Principal Engineer/Architect in the Public Works Department, originally planned to support the implementation of the Library Facilities Master Plan. This position could not be filled and the associated work has been reorganized and absorbed by staff in Public Works Department. A corresponding increase to the Branch Efficiency Projects appropriation is recommended in this memorandum to reallocate the savings from this project.</p>	Library	\$(200,000)	
<p>Transfers and Reimbursements (Transfer from the Library Parcel Tax Fund)</p> <p>This action increases the Transfers and Reimbursements estimate by \$576,000, from \$1.3 million to \$1.9 million, from the Library Parcel Tax Operating Fund. The funding will support critical capital needs at branch library facilities. A total of \$1.4 million is needed for the lighting repairs project, which is funded by the Branch Libraries Bond Projects Fund (\$640,000), the Library Construction and Conveyance Tax Fund (\$32,379), and the Library Parcel Tax Capital Fund (\$776,000). A corresponding increase to the Branch Efficiency Projects appropriation is recommended in this memorandum to offset this action.</p>	Finance		\$576,000
Library Parcel Tax Capital Fund (483) TOTAL		\$576,000	\$576,000

**Capital Funds Recommended Budget Adjustments Summary
2025-2026 Year-End Budget Review**

Measure T: Public Safety and Infrastructure Bond Fund (498)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<p>Measure T - Fire Station 8 Relocation</p> <p>This action increases the Measure T - Fire Station 8 Relocation appropriation by \$148,000, from \$1.1 million to \$1.2 million, due to project schedule delays and additional project oversight requirements. The project's original completion date of March 2025 has been extended to July 2026 due to unforeseen site conditions discovered during construction, additional PG&E scope of work, procurement delays for materials, and other construction-related impacts. Additionally, the extended project schedule resulted in the need for additional consultant services, inspections, and oversight by City staff to support continued project delivery activities in 2025-2026. A corresponding decrease to the Measure T - Program Reserve (Public Safety) is recommended to offset this action.</p>	Public Works	\$148,000	
<p>Measure T - Flood Prevention Improvements</p> <p>This action establishes the Measure T – Flood Prevention Improvements appropriation in the amount of \$3.3 million to provide funding for flood prevention and storm drainage capacity improvement projects identified in the 2026 Deferred Maintenance and Infrastructure Backlog Report. There are project savings from the Measure T - Storm Drain Improvements at Charcot Avenue project because only Package 1 (\$23.9 million) was completed with the existing funding. Package 1 constructed approximately 4,200 linear feet of large-diameter storm pipe and provides the majority of the planned flood protection benefits for the system. Package 2 included the construction of approximately 3,100 additional linear feet of large-diameter storm pipe; however, not enough Measure T funding remained to complete the design and construction of the next phase of work. A corresponding recommendation to decrease the Measure T - Storm Drain Improvements at Charcot Avenue appropriation is included in this memorandum.</p>	Public Works	\$3,300,000	
<p>Measure T - Police Air Support Hangar</p> <p>This action increases the Measure T - Police Air Support Hangar appropriation by \$361,000, from \$1.3 million to \$1.6 million, due to project schedule delays, expanded project scope requirements, and continued construction administration needs. The project's original completion date of April 2025 has been extended to August 2026 due to unforeseen site conditions discovered during construction, client-requested expansion of the hangar bay door, addition of a fire foam suppression system, procurement delays for materials, and delays associated with PG&E coordination. Additionally, the extended project schedule resulted in the need for additional consultant services, inspections, and oversight by City staff to support continued project delivery activities in 2025-2026. A corresponding decrease to the Measure T - Program Reserve (Public Safety) is recommended to offset this action.</p>	Public Works	\$361,000	
<p>Measure T - Program Reserve (Public Safety)</p> <p>This action decreases the Measure T - Program Reserve (Public Safety) to offset the action recommended in this memorandum.</p>	Public Works	\$(509,000)	

**Capital Funds Recommended Budget Adjustments Summary
 2025-2026 Year-End Budget Review**

Measure T: Public Safety and Infrastructure Bond Fund (498)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Measure T - Storm Drain Improvements at Charcot Avenue	Public Works	\$(3,300,000)	

This action decreases the Measure T – Storm Drain Improvements at Charcot Avenue appropriation by \$3.3 million due to project savings associated with revised scope as described above. A corresponding recommendation to establish the Measure T - Flood Prevention Improvements appropriation is included in this memorandum.

**Measure T: Public Safety and Infrastructure Bond Fund (498)
 TOTAL**

**Capital Funds Recommended Budget Adjustments Summary
2025-2026 Year-End Budget Review**

Parks City-Wide Construction and Conveyance Tax Fund (391)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Ending Fund Balance Adjustment	Finance	\$211,000	
<p>This action increases the Ending Fund Balance to offset the action recommended in this memorandum.</p>			
Happy Hollow Park and Zoo Exhibit Improvements	Parks, Recreation and Neighborhood Services	\$50,000	
<p>This action increases the Happy Hollow Park and Zoo Exhibit Improvements appropriation by \$50,000, from \$831,000 to \$881,000, for unanticipated construction costs of a night house for the Fossa exhibit, which is anticipated to be completed by June 2026. A corresponding action to decrease the Ending Fund Balance is recommended in this memorandum to offset this action.</p>			
Other Revenue (Happy Hollow Park and Zoo Exhibit Improvements)	Parks, Recreation and Neighborhood Services		\$261,000
<p>This action increases the estimate for Other Revenue by \$261,000 to recognize funds from a resolution of a dispute with the contractor for the construction of a night house for the Fossa exhibit at Happy Hollow Park and Zoo. On December 9, 2025, City Council approved the contract termination of the Happy Hollow Park and Zoo Fossa Night House Project due to contractor performance issues and their failure to complete construction in accordance with contract requirements. A corresponding action to increase the Ending Fund Balance is recommended in this memorandum to offset this action.</p>			
Parks City-Wide Construction and Conveyance Tax Fund (391)		\$261,000	\$261,000
TOTAL			

**Capital Funds Recommended Budget Adjustments Summary
2025-2026 Year-End Budget Review**

Service Yards Construction and Conveyance Tax Fund (395)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
2021A Arbitrage Reserve	Public Works	\$521,000	
<p>This action establishes the 2021A Arbitrage Reserve in the amount of \$521,000 associated with the Service Yards Lease Revenue Bonds 2021A. Due to the City's inability to fully expend tax-exempt bond proceeds within the required three-year spending period, excess interest earnings must be reserved for potential arbitrage rebate obligations and related Internal Revenue Service compliance requirements. Corresponding decreases to the Central Service Yard - Bldg. F Expansion and Central Service Yard - Service Yards Generators Replacement allocations are recommended to offset this action.</p>			
Central Service Yard - Bldg. F Expansion	Public Works	\$(207,000)	
<p>This action eliminates the Central Service Yard - Bldg. F Expansion appropriation of \$207,000 due to revised project cost estimates and funding constraints within the fund. Updated estimates determined that the project would require significantly more funding than originally anticipated and cannot be supported with the current amount of available funding sources. As a result, the funding for this project will be reallocated to support arbitrage obligations associated with the Service Yards Lease Revenue Bonds 2021A. A corresponding increase to the 2021A Arbitrage Reserve is recommended to offset this action.</p>			
Central Service Yard - Service Yards Generators Replacement	Public Works	\$(335,000)	
<p>This action decreases Central Service Yard - Service Yards Generators Replacement appropriation by \$335,000, from \$556,000 to \$221,000, to reflect project savings due to lower-than-anticipated soft costs and unused project contingency following completion of the project. The full intended project scope was completed, and approximately 40% of the project contingency was utilized during construction. Of the total savings, \$314,000 is recommended to be used to support arbitrage obligations associated with the Service Yards Lease Revenue Bonds 2021A. Corresponding actions to establish the 2021A Arbitrage Reserve and increase the Ending Fund Balance are recommended to offset this action.</p>			
Ending Fund Balance Adjustment	Finance	\$21,000	
<p>This action increases the Ending Fund Balance to offset the actions recommended in this memorandum.</p>			
Service Yards Construction and Conveyance Tax Fund (395) TOTAL			

**Capital Funds Recommended Budget Adjustments Summary
2025-2026 Year-End Budget Review**

State Gas Tax Pavement Maintenance Fund (480)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Ending Fund Balance Adjustment	Finance	\$(994,940)	
<p>This action decreases the Ending Fund Balance to offset the action recommended in this memorandum.</p>			
Pavement Maintenance - State Gas Tax	Transportation	\$994,940	
<p>This action increases the Pavement Maintenance – State Gas Tax appropriation by \$944,940, from \$7.7 million to \$8.6 million, due to higher than anticipated costs for pavement maintenance. Funding will help ensure the repair of potholes, debris hauling, and pay for vehicle operating and maintenance costs. This action is offset by a corresponding decrease to the Ending Fund Balance as recommended in this memorandum.</p>			

State Gas Tax Pavement Maintenance Fund (480) TOTAL

**Capital Funds Recommended Budget Adjustments Summary
2025-2026 Year-End Budget Review**

Storm Sewer Capital Fund (469)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Ending Fund Balance Adjustment	Finance	\$1,150,000	
This action Increases the Ending Fund Balance to offset the actions recommended in this memorandum.			
Green Infrastructure Improvements	Public Works	\$1,633,632	
This action establishes the Green Infrastructure Improvements appropriation in the amount of \$1.6 million. As discussed previously, \$1.6 million in Airport funds will be transferred into this fund to represent the Airport's contribution toward the River Oaks Stormwater Capture Project and to support stormwater compliance requirements associated with the Airport's Airfield Configuration Updates Project. Since the River Oaks Stormwater Capture Project was completed, this funding will enable the Public Works Department to continue clean water projects. Work may include, but is not limited to, a new regional stormwater capture project at Guadalupe Gardens, coordination on potential partnership projects with Santa Clara Valley Water District and Santa Clara County, and development of an Alternate Compliance Program. An increase to the revenue estimate for Transfer and Reimbursements is recommended to offset this action.			
Large Trash Capture Devices	Public Works	\$500,000	
This action increases the Large Trash Capture Devices appropriation by \$500,000, from \$2.5 million to \$3.0 million. The increase is needed for contract bids that came in higher than estimated. The total project cost is increasing from \$3.0 million to \$3.5 million, with all costs expected to be reimbursed by Caltrans. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.			
Large Trash Capture Devices Phase IX Feasibility Study	Public Works	\$700,000	
This action increases the Large Trash Capture Devices Phase IX Feasibility Study appropriation by \$700,000, from \$100,000 to \$800,000. The increase is needed for staff time related to developing an agreement with the California Department of Transportation (Caltrans) for large trash capture devices that will treat stormwater from the Caltrans right-of-way. Staff activities include providing maps to Caltrans, early scope design, and project feasibility analysis. The agreement is anticipated to be finalized by the end of December 2026. These costs are expected to be reimbursed by Caltrans as part of the approved agreement. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.			
Small Trash Capture Devices	Public Works	\$(2,600,000)	
This action eliminates funding of \$2.6 million for the Small Trash Capture Devices project. The \$5.0 million project was completed under budget, and \$2.6 million in savings is available. A corresponding increase to the Ending Fund Balance is recommended to offset this action.			
Storm Sewer Improvements	Public Works	\$250,000	
This action increases the Storm Sewer Improvements appropriation by \$250,000, from \$250,000 to \$500,000. An increase is needed to cover increased project management costs. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.			

**Capital Funds Recommended Budget Adjustments Summary
2025-2026 Year-End Budget Review**

Storm Sewer Capital Fund (469)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
<p>Transfers and Reimbursements (Transfer from Airport Capital Improvement Fund)</p> <p>This action increases the revenue estimate for Transfers and Reimbursements by \$1.3 million to recognize a transfer from the Airport Capital Improvement Fund. A Memorandum of Understanding between the Airport and Public Works Departments regarding provisions of the Municipal Regional Stormwater Permit was drawn up, and the Airport will comply with the permit requirements by paying an in-lieu fee per impervious acre for the Taxiway projects that are budgeted in the Airfield Configuration Updates project. The transfer represents the Airport's contribution toward the River Oaks Stormwater Capture Project and supports stormwater compliance requirements associated with the Airport's Airfield Configuration Updates Project. The total transfer amount is \$1.6 million, consisting of \$1.3 million from the Airport Capital Improvement Fund and \$317,088 from the Airport Renewal and Replacement Fund. A Green Infrastructure Improvements appropriation is recommended to be established to offset this action.</p>	Finance		\$1,316,544
<p>Transfers and Reimbursements (Transfer from Airport Renewal and Replacement Fund)</p> <p>This action increases the revenue estimate for Transfers and Reimbursements by \$317,088 to recognize a transfer from the Airport Renewal and Replacement Fund. A Memorandum of Understanding between the Airport and Public Works Departments regarding provisions of the Municipal Regional Stormwater Permit was drawn up, and the Airport will comply with the permit requirements by paying an in-lieu fee per impervious acre for the Taxiway projects that are budgeted in the Airfield Configuration Updates project. The transfer represents the Airport's contribution toward the River Oaks Stormwater Capture Project and supports stormwater compliance requirements associated with the Airport's Airfield Configuration Updates Project. The total transfer amount is \$1.6 million, consisting of \$1.3 million from the Airport Capital Improvement Fund and \$317,088 from the Airport Renewal and Replacement Fund. A Green Infrastructure Improvements appropriation is recommended to be established to offset this action.</p>	Finance		\$317,088
Storm Sewer Capital Fund (469) TOTAL		\$1,633,632	\$1,633,632

**Capital Funds Recommended Budget Adjustments Summary
2025-2026 Year-End Budget Review**

Subdivision Park Trust Fund (375)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Alma Community Center HVAC Replacement This action establishes the Alma Community Center HVAC Replacement appropriation in the amount of \$160,000 to replace the heating, ventilation, and air conditioning unit at the Alma Community Center as it's beyond its useful life and will ensure proper air and temperature control at the center. This project is anticipated to be completed by June 2026. A corresponding action to decrease the Future PDO/PIO Projects Reserve is recommended in this memorandum to offset this action.	Parks, Recreation and Neighborhood Services	\$160,000	
Future PDO/PIO Projects Reserve This action decreases the Future PDO/PIO Projects Reserve to offset the actions recommended in this memorandum.	Parks, Recreation and Neighborhood Services	\$(969,000)	
Lake Cunningham Park Settlement This action establishes the Lake Cunningham Park Settlement appropriation in the amount of \$303,000. On April 28, 2026, the City Council approved the settlement to resolve the litigation filed by a contractor for the construction of the Lake Cunningham Bike Park in 2017 for a total payment of \$675,000. The settlement will be funded by the Lake Cunningham Fund (\$42,000), the Subdivision Park Trust Fund (\$303,000), and the General Fund (\$330,000). A corresponding action to decrease the Future PDO/PIO Projects Reserve is recommended in this memorandum to offset this action.	Parks, Recreation and Neighborhood Services	\$303,000	
Northside Community Center HVAC Improvement This action establishes the Northside Community Center HVAC Improvement appropriation in the amount of \$256,000 to replace a chiller component, which is an integral part of the heating, ventilation, and air conditioning system as it's beyond its useful life. This project is anticipated to be completed by June 2026. A corresponding action to decrease the Future PDO/PIO Projects Reserve is recommended in this memorandum to offset this action.	Parks, Recreation and Neighborhood Services	\$256,000	
Ramac Park Restroom Reconstruction This action establishes the Ramac Park Restroom Reconstruction appropriation in the amount of \$250,000 for critical electrical work and restroom reconstruction due to a fire that occurred in December 2025. A corresponding action to decrease the Future PDO/PIO Projects Reserve is recommended in this memorandum to offset this action.	Parks, Recreation and Neighborhood Services	\$250,000	

Subdivision Park Trust Fund (375) TOTAL

**Capital Funds Recommended Budget Adjustments Summary
2025-2026 Year-End Budget Review**

Underground Utility Fund (416)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Ending Fund Balance Adjustment	Finance	\$(5,000)	
<p>This action decreases the Ending Fund Balance to offset the action recommended in this memorandum.</p>			
Underground Utility Administration (20B)	Public Works	\$5,000	
<p>This action increases the Underground Utility Administration (20B) appropriation by \$5,000, from \$120,000 to \$125,000, to fund additional staff time and consultant support associated with extended project development activities for the Rule 20B Underground Utility – McKee/Jose Figueres project. The project experienced a longer-than-anticipated design period due to PG&E updating its design during the project development phase, which required additional coordination and revisions to incorporate PG&E’s updated design into the 95% composite plan. Additional work included reviewing and revising composite plans, updating design details, and coordinating changes to ensure consistency with updated PG&E design requirements. A corresponding decrease to the Ending Fund Balance is recommended to offset this action.</p>			

Underground Utility Fund (416) TOTAL

**Capital Funds Recommended Budget Adjustments Summary
2025-2026 Year-End Budget Review**

Water Utility Capital Fund (500)

<u>Action</u>	<u>Department</u>	<u>Use</u>	<u>Source</u>
Advanced Metering Infrastructure Implementation	Environmental Services	\$(18,000,000)	
<p>This action eliminates the Advanced Metering Infrastructure Implementation appropriation in the amount of \$18.0 million. Due to project delays, no project activity is planned for this fiscal year. The project is anticipated to begin in 2026-2027, and the funding has been programmed into the 2026-2027 Proposed Capital Budget. A corresponding increase to the Ending Fund Balance is recommended to offset this action.</p>			
Debt Service	Environmental Services	\$(1,508,000)	
<p>This action decreases the Debt Service appropriation by \$1.5 million, from \$3.5 million to \$2.0 million, for debt service costs related to the Water Resources Administration and Operations Facility (WRAOF) and the Advanced Metering Infrastructure Implementation (AMI) projects. Financing is not needed in 2025-2026 but is anticipated for 2026-2027 for the AMI project since the project has been delayed; therefore, the debt service cost has been revised based on updated cash flow projections. Additionally, the WRAOF was partially financed using commercial paper. Subsequently, long-term bonds have been issued for the WRAOF project, and the commercial paper that was used initially has been retired. The updated debt service costs have also been incorporated into the 2027-2031 Capital Improvement Program. A corresponding increase to the Ending Fund Balance is recommended to offset this action.</p>			
Ending Fund Balance Adjustment	Finance	\$19,508,000	
<p>This action Increases the Ending Fund Balance to offset the actions recommended in this memorandum.</p>			
Water Utility Capital Fund (500) TOTAL		_____	_____

**General Fund
2025-2026 Recommendations Budget Adjustments and Clean Up Actions
Year End Adjustments**

Department/Proposal		USE		SOURCE		NET COST	
		Personal Services	Non-Personal/Equipment	Total Use	Revenue	Beg Fund Balance	
DEPARTMENTAL EXPENSES							
City Manager - Office of Economic Development and Cultural Affairs							
Required Technical-Rebalancing Actions	Non-Personal/Equipment (Microbusiness Start-Up Grants)	-	-	-	-	-	-
Energy Department	Tech Adjust: Personal Services (Overage - Salary and Benefits Program)	\$20,000	-	\$20,000	-	-	\$20,000
Clean-Up Actions	Energy Department						
Required Technical-Rebalancing Actions	Personal Services (Overage)	\$30,000	-	\$30,000	-	-	\$30,000
Finance Department	Tech Adjust: Personal Services (Overage - Salary and Benefits Program)	\$50,000	-	\$50,000	-	-	\$50,000
Clean-Up Actions	Fire Department						
Required Technical-Rebalancing Actions	Tech Adjust: Personal Services (Reallocation from Salary and Benefits to Overtime of \$8.0 million)	-	-	-	-	-	-
Energy Department	Non-Personal/Equipment/Revenue from State of California (Strike Team Reimbursement)	-	\$283,032	\$283,032	\$283,032	-	-
Clean-Up Actions	Personal Services/Revenue from State of California (Strike Team Reimbursement)	\$2,202,636	-	\$2,202,636	\$2,202,636	-	-
Fire Department							
Required Technical-Rebalancing Actions	Non-Personal/Equipment (Firefighter Academy Turnouts)	-	\$174,000	\$174,000	-	-	\$174,000
Energy Department	Personal Services (Overage)	\$9,500,000	-	\$9,500,000	-	-	\$9,500,000
Clean-Up Actions	Personal Services (Retirement Calculation)	\$3,000,000	-	\$3,000,000	-	-	\$3,000,000

**General Fund
2025-2026 Recommendations Budget Adjustments and Clean Up Actions
Year End Adjustments**

Department/Proposal		USE		SOURCE		NET COST	
		Personal Services	Non-Personal/Equipment	Total Use	Revenue	Beg Fund Balance	
DEPARTMENTAL EXPENSES							
Housing Department	Non-Personal/Equipment (Homeless Management Information System & Compliance Monitoring)	-	\$1,200,000	\$1,200,000	-	-	\$1,200,000
Required Technical-Rebalancing Actions Mayor & City Council							
Grants-Reimbursements-Fees	Council District #01/Other Revenue (Sponsorship)	\$9,200	-	\$9,200	\$9,200	-	-
	Council District #03/Other Revenue (Sponsorship)	\$5,000	-	\$5,000	\$5,000	-	-
	Council District #05/Other Revenue (Sponsorship)	\$92,725	-	\$92,725	\$92,725	-	-
	Council District #08/Other Revenue (Sponsorship)	\$33,000	-	\$33,000	\$33,000	-	-
	Council District #09/Other Revenue (Sponsorship)	\$35,000	-	\$35,000	\$35,000	-	-
Office of the Mayor/Other Revenue (Sponsorship)		\$390,000	-	\$390,000	\$390,000	-	-
Office of the City Attorney							
Required Technical-Rebalancing Actions	Non-Personal/Equipment (Overage)	-	\$180,000	\$180,000	-	-	\$180,000
	Personal Services (Vacancy Savings)	(\$180,000)	-	(\$180,000)	-	-	(\$180,000)
Office of the City Manager	Tech Adjust: Non-Personal/Equipment (Reallocation to Labor/Employee Relations Consultant Funding)	-	(\$100,000)	(\$100,000)	-	-	(\$100,000)
Clean-Up Actions	Tech Adjust: Personal Services (Overage - Salary and Benefits Program)	\$95,000	-	\$95,000	-	-	\$95,000
Office of the City Manager							
Required Technical-Rebalancing Actions	Non-Personal/Equipment (Savings)	-	(\$220,000)	(\$220,000)	-	-	(\$220,000)

**General Fund
2025-2026 Recommendations Budget Adjustments and Clean Up Actions
Year End Adjustments**

Department/Proposal		USE		SOURCE		NET COST	
		Personal Services	Non-Personal/Equipment	Total Use	Revenue		Beg Fund Balance
DEPARTMENTAL EXPENSES							
	Personal Services (Office of City Manager - Road to 2026 Executive Leadership)	\$70,000	-	\$70,000	-	-	\$70,000
	Personal Services (Overage)	\$150,000	-	\$150,000	-	-	\$150,000
Parks, Recreation and Neighborhood Services Department	Personal Services/Revenue from State of California (Blight Eradication)	\$55,000	-	\$55,000	\$55,000	-	-
Parks, Recreation and Neighborhood Services Department	Non-Personal/Equipment (BSJ Encampment Management Savings)	-	(\$350,000)	(\$350,000)	-	-	(\$350,000)
Required Technical-Rebalancing Actions Planning, Building and Code Enforcement Department	Tech Adjust: Development Fee Program - Shared Resources						
Clean-Up Actions Planning, Building and Code Enforcement Department	Personal Services (Overage)	\$2,000	-	\$2,000	-	-	\$2,000
Required Technical-Rebalancing Actions	Non-Personal/Equipment (Overage)	-	\$500,000	\$500,000	-	-	\$500,000
	Personal Services (Savings)	(\$500,000)	-	(\$500,000)	-	-	(\$500,000)
Police Department	Tech Adjust: Personal Services (Reallocation from Salary and Benefits to Overtime of \$15.0 million)	-	-	-	-	-	-
Clean-Up Actions Police Department	Personal Services/Fees, Rates, and Charges (Billable Festivals)	\$140,000	-	\$140,000	\$140,000	-	-
Grants-Reimbursements-Fees	Personal Services/Revenue from Federal Government (United States Marshal Service Regional Fugitive Task Force)	\$250,000	-	\$250,000	\$250,000	-	-

**General Fund
2025-2026 Recommendations Budget Adjustments and Clean Up Actions
Year End Adjustments**

Department/Proposal	USE		SOURCE		NET COST	
	Personal Services	Non-Personal/Equipment	Total Use	Revenue	Beg Fund Balance	
DEPARTMENTAL EXPENSES						
	Personal Services/Revenue from Local Agencies (2026 FIFA World Cup)					
Police Department	\$250,000	-	\$250,000	\$250,000	-	-
Required Technical-Rebalancing Actions		Non-Personal/Equipment - Police Vehicle Replacements and Operations & Maintenance				
	-	(\$1,050,000)	(\$1,050,000)	-	-	(\$1,050,000)
		Non-Personal/Equipment (Overage)				
	-	\$1,050,000	\$1,050,000	-	-	\$1,050,000
	Personal Services (Overage)					
	\$10,500,000	-	\$10,500,000	-	-	\$10,500,000
Public Works Department		Personal Services (Overtime for Encampment Management)				
	\$350,000	-	\$350,000	-	-	\$350,000
Grants-Reimbursements-Fees		Personal Services/Other Revenue (Market Access Grant Program)				
Public Works Department	\$123,000	-	\$123,000	\$123,000	-	-
Required Technical-Rebalancing Actions		Janitorial Services - Non-Personal/Equipment (Savings)				
	-	(\$625,000)	(\$625,000)	-	-	(\$625,000)
		Non-Personal/Equipment (Savings)				
	-	(\$1,200,000)	(\$1,200,000)	-	-	(\$1,200,000)
	Personal Services (Overage)					
	\$2,300,000	-	\$2,300,000	-	-	\$2,300,000
DEPARTMENTAL EXPENSES TOTAL						
	\$28,972,561	(\$157,968)	\$28,814,593	\$3,868,593	-	\$24,946,000

**General Fund
2025-2026 Recommendations Budget Adjustments and Clean Up Actions
Year End Adjustments**

Department/Proposal	USE		SOURCE		Beg Fund Balance	NET COST		
	Personal Services	Non-Personal/ Equipment	Total Use	Revenue				
CITY-WIDE EXPENSES								
Clean-Up Actions		Tech Adjust: Labor/Employee Relations Consultant Funding (Reallocation from Office of the City Manager Non-Personal/Equipment)	-	\$100,000	\$100,000	-	-	\$100,000
Grants-Reimbursements-Fees		Californians4All Phase 4 Climate Change Pathway - PRNS/Revenue from State of California	-	\$12,738	\$12,738	\$12,738	-	-
		Californians4All Phase 4 Learning Pathway - Library/Revenue from State of California	-	\$31,787	\$31,787	\$31,787	-	-
		Library Grants/Revenue from State of California (Lunch at the Library)	-	\$45,897	\$45,897	\$45,897	-	-
		Northern California Regional Intelligence Center – Police 2024/Revenue from Federal Government	\$141,569	-	\$141,569	\$141,569	-	-
		Seeds of Peace Monument Project/Other Revenue	-	\$150,000	\$150,000	\$150,000	-	-
		Sidewalk Repairs/Other Revenue	-	\$200,000	\$200,000	\$200,000	-	-
		SJPL Foundation Grants/Other Revenue	-	\$21,000	\$21,000	\$21,000	-	-
		SJPL Foundation Grants - Coding 5K/Other Revenue	\$176,300	-	\$176,300	\$176,300	-	-
Required Technical-Rebalancing Actions		Banking Services	-	\$50,000	\$50,000	-	-	\$50,000
		Commercial Paper Program Fees	-	\$30,000	\$30,000	-	-	\$30,000
		Coyote Creek Project Reaches 5-7 (Valley Water)	-	(\$325,000)	(\$325,000)	-	-	(\$325,000)
		Homeless Rapid Rehousing	-	(\$1,200,000)	(\$1,200,000)	-	-	(\$1,200,000)

General Fund
 2025-2026 Recommendations Budget Adjustments and Clean Up Actions
 Year End Adjustments

Department/Proposal	USE		SOURCE		NET COST	
	Personal Services	Non-Personal/ Equipment	Total Use	Revenue	Beg Fund Balance	
CITY-WIDE EXPENSES						
	Oversized Vehicle Regulation Pilot Program	-	\$150,000	\$150,000	-	- \$150,000
	Property Tax Administration Fee	-	\$456,000	\$456,000	-	- \$456,000
	Workers' Compensation Claims - Fire	-	\$350,000	\$350,000	-	- \$350,000
	Workers' Compensation Claims - Police	-	\$500,000	\$500,000	-	- \$500,000
SpecFund Adjustments	Ending Fund Balance Adjustment	-	-	-	-	-
	CITY-WIDE EXPENSES TOTAL	\$317,869	\$572,422	\$890,291	\$779,291	- \$111,000

**General Fund
 2025-2026 Recommendations Budget Adjustments and Clean Up Actions
 Year End Adjustments**

Department/Proposal	USE		SOURCE		NET COST			
	Personal Services	Non-Personal/ Equipment	Total Use	Revenue	Beg Fund Balance			
CAPITAL PROJECT EXPENSES								
Clean-Up Actions		Tech Adjust: Capital Program and Public Works Department Support Service Costs (PWCAP Overage)	-	\$80,000	\$80,000	-	-	\$80,000
Required Technical-Rebalancing Actions		City Hall Water Intrusion Remediation	-	\$150,000	\$150,000	-	-	\$150,000
		Closed Landfill Compliance	-	\$200,000	\$200,000	-	-	\$200,000
		Fire Training Center Relocation	-	\$70,000	\$70,000	-	-	\$70,000
		Unanticipated/Emergency Maintenance	-	\$150,000	\$150,000	-	-	\$150,000
		CAPITAL PROJECTS EXPENSES TOTAL	-	\$650,000	\$650,000	-	-	\$650,000

General Fund
 2025-2026 Recommendations Budget Adjustments and Clean Up Actions
 Year End Adjustments

Department/Proposal	USE		SOURCE		NET COST
	Personal Services	Non-Personal/ Equipment	Total Use	Revenue	
EARMARKED RESERVES					
Required Technical-Rebalancing Actions	2025-2026 Ending Fund Balance Reserve	- \$14,340,642	\$14,340,642	-	- \$14,340,642
	Budget Stabilization Reserve	- \$45,000,000	\$45,000,000	-	- \$45,000,000
	Revenue Loss Reserve	- (\$75,000,000)	(\$75,000,000)	-	- (\$75,000,000)
	Revenue Loss Reserve (Dispute Resolution)	- \$1,880,351	\$1,880,351	-	- \$1,880,351
	Salaries and Benefits Reserve	- (\$3,000,000)	(\$3,000,000)	-	- (\$3,000,000)
	EARMARKED RESERVES TOTAL	- (\$16,779,007)	(\$16,779,007)	-	- (\$16,779,007)

General Fund
 2025-2026 Recommendations Budget Adjustments and Clean Up Actions
 Year End Adjustments

Department/Proposal	USE		SOURCE		NET COST			
	Personal Services	Non-Personal/ Equipment	Total Use	Revenue	Beg Fund Balance			
TRANSFERS								
Required Technical-Rebalancing Actions		Transfer to the Willow Glen Community Benefit Improvement District Fund	-	(\$642)	(\$642)	-	-	(\$642)
		TRANSFERS TOTAL	-	(\$642)	(\$642)	-	-	(\$642)

General Fund
 2025-2026 Recommendations Budget Adjustments and Clean Up Actions
 Year End Adjustments

Department/Proposal	USE		SOURCE		NET COST
	Personal Services	Non-Personal/ Equipment	Total Use	Revenue	
REVENUE ADJUSTMENTS					
Required Technical-Rebalancing Actions	Property Tax	-	-	\$2,000,000	-\$2,000,000
	Sales Tax	-	-	\$4,000,000	-\$4,000,000
	Sales Tax (Dispute Resolution)	-	-	\$1,880,351	-\$1,880,351
	Business Taxes	-	-	\$3,000,000	-\$3,000,000
	Transfers and Reimbursements	-	-	\$6,222,000	-\$6,222,000
	Utility Tax	-	-	(\$5,000,000)	\$5,000,000
	Fees, Rates and Charges (Fire Emergency Response Fees)	-	-	(\$2,850,000)	\$2,850,000
	Revenue from Local Agencies (Coyote and Guadalupe River Trail Patrol)	-	-	(\$325,000)	\$325,000
	REVENUE ADJUSTMENTS TOTAL	-	-	\$8,927,351	(\$8,927,351)
	GENERAL FUND TOTAL	\$29,290,430	(\$15,715,195)	\$13,575,235	\$13,575,235

Special Funds
 2025-2026 Recommendations Budget Adjustments and Clean Up Actions
 Year End Adjustments

Affordable Housing Impact Fee Fund (452)

Department/Proposal		Personal Services	Non-Personal/ Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Budget Adjustments									
Housing Department	Ending Fund Balance Adjustment	-	-	-	(\$110,455)	(\$110,455)	-	-	(\$110,455)
	Housing Loans and Grants	-	-	\$2,000,000	-	\$2,000,000	-	-	\$2,000,000
	Housing Project Reserve	-	-	-	(\$1,889,545)	(\$1,889,545)	-	-	(\$1,889,545)
Budget Adjustments Total		\$0	\$0	\$2,000,000	(\$2,000,000)	\$0	\$0	\$0	\$0
Affordable Housing Impact Fee Fund (452) TOTAL		\$0	\$0	\$2,000,000	(\$2,000,000)	\$0	\$0	\$0	\$0

Special Funds
2025-2026 Recommendations Budget Adjustments and Clean Up Actions
Year End Adjustments

Airport Customer Facility And Transportation Fee Fund (519)

Department/Proposal		Personal Services	Non-Personal/ Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Budget Adjustments									
Airport Department	Future Debt Service Reserve	-	-	-	(\$1,044,819)	(\$1,044,819)	-	-	(\$1,044,819)
	Rental Car Agency Distribution	-	-	\$1,044,819	-	\$1,044,819	-	-	\$1,044,819
	Budget Adjustments Total	\$0	\$0	\$1,044,819	(\$1,044,819)	\$0	\$0	\$0	\$0
	Airport Customer Facility And Transportation Fee Fund (519)								
	TOTAL	\$0	\$0	\$1,044,819	(\$1,044,819)	\$0	\$0	\$0	\$0

Special Funds
2025-2026 Recommendations Budget Adjustments and Clean Up Actions
Year End Adjustments

Airport Fiscal Agent Fund (525)

Department/Proposal		Personal Services	Non-Personal/ Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Budget Adjustments									
Airport Department	Debt Service Reserve	-	-	-	(\$3,298,185)	(\$3,298,185)	-	-	(\$3,298,185)
	Transfer to the Airport Revenue Fund	-	-	\$3,298,185	-	\$3,298,185	-	-	\$3,298,185
	Budget Adjustments Total	\$0	\$0	\$3,298,185	(\$3,298,185)	\$0	\$0	\$0	\$0
	Airport Fiscal Agent Fund (525) TOTAL	\$0	\$0	\$3,298,185	(\$3,298,185)	\$0	\$0	\$0	\$0

Special Funds
2025-2026 Recommendations Budget Adjustments and Clean Up Actions
Year End Adjustments

Airport Maintenance and Operation Fund (523)

Department/Proposal		Personal Services	Non-Personal/ Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Clean-Up and Rebudget Actions									
Airport Department	Tech Adjust: Operations Contingency (Overage)	-	-	(\$3,000)	-	(\$3,000)	-	-	(\$3,000)
Information Technology Department	Tech Adjust: Personal Services (Overage)	\$3,000	-	-	-	\$3,000	-	-	\$3,000
Clean-Up and Rebudget Actions TOTAL									
		\$3,000	\$0	(\$3,000)	\$0	\$0	\$0	\$0	\$0
Budget Adjustments									
Airport Department	Airline Reserve Funds Distribution Transfers and Reimbursements (Transfer from the Airport Revenue Fund)	-	-	\$25,000,000	-	\$25,000,000	-	-	\$25,000,000
		-	-	-	-	-	\$25,000,000	-	(\$25,000,000)
Budget Adjustments Total									
		\$0	\$0	\$25,000,000	\$0	\$25,000,000	\$25,000,000	\$0	\$0
Airport Maintenance and Operation Fund (523) TOTAL									
		\$3,000	\$0	\$24,997,000	\$0	\$25,000,000	\$25,000,000	\$0	\$0

Special Funds
2025-2026 Recommendations Budget Adjustments and Clean Up Actions
Year End Adjustments

Airport Revenue Fund (521)

Department/Proposal		Personal Services	Non-Personal/ Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Budget Adjustments									
Airport Department	Airline Agreement Reserve	-	-	-	(\$12,201,815)	(\$12,201,815)	-	-	(\$12,201,815)
	Transfer to the Airport Maintenance and Operation Fund	-	-	\$25,000,000	-	\$25,000,000	-	-	\$25,000,000
	Transfer to the Airport Surplus Revenue Fund	-	-	(\$9,500,000)	-	(\$9,500,000)	-	-	(\$9,500,000)
	Transfers and Reimbursements (Transfer from the Airport Fiscal Agent Fund)	-	-	-	-	-	\$3,298,185	-	(\$3,298,185)
	Budget Adjustments Total	\$0	\$0	\$15,500,000	(\$12,201,815)	\$3,298,185	\$3,298,185	\$0	\$0
	Airport Revenue Fund (521) TOTAL	\$0	\$0	\$15,500,000	(\$12,201,815)	\$3,298,185	\$3,298,185	\$0	\$0

Special Funds
2025-2026 Recommendations Budget Adjustments and Clean Up Actions
Year End Adjustments

Airport Surplus Revenue Fund (524)

Department/Proposal		Personal Services	Non-Personal/ Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Budget Adjustments									
Airport Department	Transfer to the Airport Renewal and Replacement Fund	-	-	(\$9,500,000)	-	(\$9,500,000)	-	-	(\$9,500,000)
	Transfers and Reimbursements (Transfer from the Airport Revenue Fund)	-	-	-	-	-	(\$9,500,000)	-	\$9,500,000
Budget Adjustments Total		\$0	\$0	(\$9,500,000)	\$0	(\$9,500,000)	(\$9,500,000)	\$0	\$0
Airport Surplus Revenue Fund (524) TOTAL		\$0	\$0	(\$9,500,000)	\$0	(\$9,500,000)	(\$9,500,000)	\$0	\$0

Special Funds
2025-2026 Recommendations Budget Adjustments and Clean Up Actions
Year End Adjustments

Benefits Funds - Benefit Fund (160)

Department/Proposal		Personal Services	Non-Personal/ Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Clean-Up and Rebudget Actions									
Human Resources Department	Tech Adjust: Ending Fund Balance (Overage - Salary and Benefits Program)	-	-	-	(\$16,000)	(\$16,000)	-	-	(\$16,000)
	Tech Adjust: Personal Services (Overage - Salary and Benefits Program)	\$16,000	-	-	-	\$16,000	-	-	\$16,000
Clean-Up and Rebudget Actions TOTAL		\$16,000	\$0	\$0	(\$16,000)	\$0	\$0	\$0	\$0
Budget Adjustments									
Human Resources Department	Benefits Consultant Fee	-	-	\$8,000	-	\$8,000	-	-	\$8,000
	Ending Fund Balance Adjustment	-	-	-	(\$8,000)	(\$8,000)	-	-	(\$8,000)
	Wellness Program/Other Revenue	-	-	\$246,000	-	\$246,000	\$246,000	-	\$0
Budget Adjustments Total		\$0	\$0	\$254,000	(\$8,000)	\$246,000	\$246,000	\$0	\$0
Benefits Funds - Benefit Fund (160) TOTAL		\$16,000	\$0	\$254,000	(\$24,000)	\$246,000	\$246,000	\$0	\$0

Special Funds
2025-2026 Recommendations Budget Adjustments and Clean Up Actions
Year End Adjustments

Benefits Funds - Life Insurance Fund (156)

Department/Proposal		Personal Services	Non-Personal/ Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Clean-Up and Rebudget Actions									
Human Resources Department	Tech Adjust: Ending Fund Balance (Overage)	-	-	-	(\$4,000)	(\$4,000)	-	-	(\$4,000)
	Tech Adjust: Personal Services (Overage)	\$4,000	-	-	-	\$4,000	-	-	\$4,000
Clean-Up and Rebudget Actions									
TOTAL		\$4,000	\$0	\$0	(\$4,000)	\$0	\$0	\$0	\$0
Benefits Funds - Life Insurance Fund (156) TOTAL		\$4,000	\$0	\$0	(\$4,000)	\$0	\$0	\$0	\$0

Special Funds
2025-2026 Recommendations Budget Adjustments and Clean Up Actions
Year End Adjustments

Benefits Funds - Unemployment Insurance Fund (157)

Department/Proposal		Personal Services	Non-Personal/ Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Clean-Up and Rebudget Actions									
Human Resources Department	Tech Adjust: Ending Fund Balance (Overage)	-	-	-	(\$2,000)	(\$2,000)	-	-	(\$2,000)
	Tech Adjust: Personal Services (Overage)	\$2,000	-	-	-	\$2,000	-	-	\$2,000
Clean-Up and Rebudget Actions TOTAL									
		\$2,000	\$0	\$0	(\$2,000)	\$0	\$0	\$0	\$0
Benefits Funds - Unemployment Insurance Fund (157) TOTAL									
		\$2,000	\$0	\$0	(\$2,000)	\$0	\$0	\$0	\$0

Special Funds
2025-2026 Recommendations Budget Adjustments and Clean Up Actions
Year End Adjustments

Building Development Fee Program Fund (237)

Department/Proposal		Personal Services	Non-Personal/ Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Clean-Up and Rebudget Actions									
Finance Department	Tech Adjust: Development Fee Program - Shared Resources Personal Services (Overage)	\$5,000	-	-	-	\$5,000	-	-	\$5,000
Planning, Building and Code Enforcement Department	Tech Adjust: Ending Fund Balance (Overage)	-	-	-	(\$5,000)	(\$5,000)	-	-	(\$5,000)
Clean-Up and Rebudget Actions TOTAL		\$5,000	\$0	\$0	(\$5,000)	\$0	\$0	\$0	\$0
Building Development Fee Program Fund (237) TOTAL		\$5,000	\$0	\$0	(\$5,000)	\$0	\$0	\$0	\$0

**Special Funds
2025-2026 Recommendations Budget Adjustments and Clean Up Actions
Year End Adjustments**

Community Facilities District No. 8 (Communications Hill) Fund (373)

Department/Proposal		Personal Services	Non-Personal/ Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Budget Adjustments									
Public Works Department	Community Facilities District No. 8 Annexation Feasibility Project/Other Revenue	-	-	\$41,457	-	\$41,457	\$41,457	-	-
Budget Adjustments Total		\$0	\$0	\$41,457	\$0	\$41,457	\$41,457	\$0	\$0
Community Facilities District No. 8 (Communications Hill) Fund (373) TOTAL		\$0	\$0	\$41,457	\$0	\$41,457	\$41,457	\$0	\$0

Special Funds
2025-2026 Recommendations Budget Adjustments and Clean Up Actions
Year End Adjustments

Community Facilities District No. 14 (Raleigh-Charlotte) Fund (379)

Department/Proposal		Personal Services	Non-Personal/ Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Budget Adjustments									
Public Works Department	Personal Services (Ramac Restroom Repairs)	\$105,000	-	-	-	\$105,000	-	-	\$105,000
Transportation Department	Ending Fund Balance Adjustment	-	-	-	(\$148,000)	(\$148,000)	-	-	(\$148,000)
	Non-Personal/Equipment (Overage)	-	\$43,000	-	-	\$43,000	-	-	\$43,000
	Budget Adjustments Total	\$105,000	\$43,000	\$0	(\$148,000)	\$0	\$0	\$0	\$0
	Community Facilities District No. 14 (Raleigh-Charlotte) Fund (379) TOTAL	\$105,000	\$43,000	\$0	(\$148,000)	\$0	\$0	\$0	\$0

Special Funds
2025-2026 Recommendations Budget Adjustments and Clean Up Actions
Year End Adjustments

Downtown Property and Business Improvement District Fund (302)

Department/Proposal		Personal Services	Non-Personal/ Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Clean-Up and Rebudget Actions									
Transportation Department	Tech Adjust: Ending Fund Balance (Overhead)	-	-	-	(\$3,000)	(\$3,000)	-	-	(\$3,000)
	Tech Adjust: Overhead	-	-	\$3,000	-	\$3,000	-	-	\$3,000
Clean-Up and Rebudget Actions TOTAL		\$0	\$0	\$3,000	(\$3,000)	\$0	\$0	\$0	\$0
Downtown Property and Business Improvement District Fund (302) TOTAL		\$0	\$0	\$3,000	(\$3,000)	\$0	\$0	\$0	\$0

Special Funds
2025-2026 Recommendations Budget Adjustments and Clean Up Actions
Year End Adjustments

Fire Development Fee Program Fund (240)

Department/Proposal		Personal Services	Non-Personal/ Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Clean-Up and Rebudget Actions									
Finance Department	Tech Adjust: Development Fee Program - Shared Resources Personal Services (Overage)	\$1,000	-	-	-	\$1,000	-	-	\$1,000
Fire Department	Tech Adjust: Ending Fund Balance (Overhead and Overage)	-	-	-	(\$203,500)	(\$203,500)	-	-	(\$203,500)
	Tech Adjust: Overhead	-	-	\$200,000	-	\$200,000	-	-	\$200,000
Planning, Building and Code Enforcement Department	Tech Adjust: Fire Development Fee Program - Shared Resources Personal Services (PBCE) (Overage - Salary and Benefits Program)	\$2,500	-	-	-	\$2,500	-	-	\$2,500
Clean-Up and Rebudget Actions TOTAL		\$3,500	\$0	\$200,000	(\$203,500)	\$0	\$0	\$0	\$0
Fire Development Fee Program Fund (240) TOTAL		\$3,500	\$0	\$200,000	(\$203,500)	\$0	\$0	\$0	\$0

Special Funds
2025-2026 Recommendations Budget Adjustments and Clean Up Actions
Year End Adjustments

General Purpose Parking Fund (533)

Department/Proposal		Personal Services	Non-Personal/ Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Clean-Up and Rebudget Actions									
Information									
Technology Department	Tech Adjust: Personal Services (Overage)	\$1,000	-	-	-	\$1,000	-	-	\$1,000
Transportation Department	Tech Adjust: Ending Fund Balance (Overage)	-	-	-	(\$1,000)	(\$1,000)	-	-	(\$1,000)
Clean-Up and Rebudget Actions TOTAL		\$1,000	\$0	\$0	(\$1,000)	\$0	\$0	\$0	\$0
General Purpose Parking Fund (533) TOTAL		\$1,000	\$0	\$0	(\$1,000)	\$0	\$0	\$0	\$0

Special Funds
2025-2026 Recommendations Budget Adjustments and Clean Up Actions
Year End Adjustments

Homeless Housing, Assistance, and Prevention Fund (454)

Department/Proposal		Personal Services	Non-Personal/ Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Budget Adjustments									
Housing									
Department	Emergency Shelters	-	-	\$450,000	-	\$450,000	-	-	\$450,000
	Ending Fund Balance Adjustment	-	-	-	(\$450,000)	(\$450,000)	-	-	(\$450,000)
	Budget Adjustments Total	\$0	\$0	\$450,000	(\$450,000)	\$0	\$0	\$0	\$0
Homeless Housing, Assistance, and Prevention Fund (454)									
	TOTAL	\$0	\$0	\$450,000	(\$450,000)	\$0	\$0	\$0	\$0

Special Funds
2025-2026 Recommendations Budget Adjustments and Clean Up Actions
Year End Adjustments

Housing Trust Fund (440)

Department/Proposal		Personal Services	Non-Personal/ Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Budget Adjustments									
Housing Department	Ending Fund Balance Adjustment	-	-	-	(\$28,000)	(\$28,000)	-	-	(\$28,000)
Office of the City Attorney	Personal Services (Overage)	\$28,000	-	-	-	\$28,000	-	-	\$28,000
Budget Adjustments Total		\$28,000	\$0	\$0	(\$28,000)	\$0	\$0	\$0	\$0
Housing Trust Fund (440) TOTAL		\$28,000	\$0	\$0	(\$28,000)	\$0	\$0	\$0	\$0

Special Funds
2025-2026 Recommendations Budget Adjustments and Clean Up Actions
Year End Adjustments

Ice Centre Revenue Fund (432)

Department/Proposal		Personal Services	Non-Personal/ Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Clean-Up and Rebudget Actions									
Finance									
Department	Fund Balance Reconciliation	-	-	-	\$142,326	\$142,326	-	\$142,326	-
Clean-Up and Rebudget Actions									
TOTAL		\$0	\$0	\$0	\$142,326	\$142,326	\$0	\$142,326	\$0
Ice Centre Revenue Fund (432)									
TOTAL		\$0	\$0	\$0	\$142,326	\$142,326	\$0	\$142,326	\$0

Special Funds
2025-2026 Recommendations Budget Adjustments and Clean Up Actions
Year End Adjustments

Integrated Waste Management Fund (423)

Department/Proposal		Personal Services	Non-Personal/Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Clean-Up and Rebudget Actions									
Environmental Services Department	Tech Adjust: Ending Fund Balance (Overage)	-	-	-	(\$1,000)	(\$1,000)	-	-	(\$1,000)
Information Technology Department	Tech Adjust: Non-Personal/Equipment (Reallocation from Personal Services for Temporary Staffing)	-	\$80,000	-	-	\$80,000	-	-	\$80,000
	Tech Adjust: Personal Services (Reallocation to Non-Personal/Equipment for Temporary Staffing)	(\$80,000)	-	-	-	(\$80,000)	-	-	(\$80,000)
Office of the City Manager	Tech Adjust: Personal Services (Overage)	\$1,000	-	-	-	\$1,000	-	-	\$1,000
Clean-Up and Rebudget Actions TOTAL		(\$79,000)	\$80,000	\$0	(\$1,000)	\$0	\$0	\$0	\$0
Budget Adjustments									
Environmental Services Department	Cal Recycle CRV Grant	-	-	\$14,911	-	\$14,911	-	-	\$14,911
	Ending Fund Balance Adjustment	-	-	-	(\$2,239,911)	(\$2,239,911)	-	-	(\$2,239,911)
	Multi-Family Recycle Plus	-	\$1,000,000	-	-	\$1,000,000	-	-	\$1,000,000
	Non-Personal/Equipment (Overage)	-	\$1,000,000	-	-	\$1,000,000	-	-	\$1,000,000
	Workers' Compensation Claims	-	-	\$200,000	-	\$200,000	-	-	\$200,000
Finance Department	Banking Services	-	-	\$5,000	-	\$5,000	-	-	\$5,000
Public Works Department	Personal Services (Overage)	\$20,000	-	-	-	\$20,000	-	-	\$20,000
Budget Adjustments Total		\$20,000	\$2,000,000	\$219,911	(\$2,239,911)	\$0	\$0	\$0	\$0
Integrated Waste Management Fund (423) TOTAL		(\$59,000)	\$2,080,000	\$219,911	(\$2,240,911)	\$0	\$0	\$0	\$0

Special Funds
2025-2026 Recommendations Budget Adjustments and Clean Up Actions
Year End Adjustments

Library Parcel Tax Fund (418)

Department/Proposal	Personal Services	Non- Personal/ Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Budget Adjustments								
Library Department Ending Fund Balance Adjustment	-	-	-	(\$576,000)	(\$576,000)	-	-	(\$576,000)
Transfer to the Library Parcel Tax Capital Fund	-	-	\$576,000	-	\$576,000	-	-	\$576,000
Budget Adjustments Total	\$0	\$0	\$576,000	(\$576,000)	\$0	\$0	\$0	\$0
Library Parcel Tax Fund (418)								
TOTAL	\$0	\$0	\$576,000	(\$576,000)	\$0	\$0	\$0	\$0

Special Funds
2025-2026 Recommendations Budget Adjustments and Clean Up Actions
Year End Adjustments

Low and Moderate Income Housing Asset Fund (346)

Department/Proposal		Personal Services	Non-Personal/Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Clean-Up and Rebudget Actions									
Housing Department	Tech Adjust: Ending Fund Balance (Overage - Salary and Benefits Program)	-	-	-	(\$4,000)	(\$4,000)	-	-	(\$4,000)
Information Technology Department	Tech Adjust: Personal Services (Overage - Salary and Benefits Program)	\$4,000	-	-	-	\$4,000	-	-	\$4,000
Clean-Up and Rebudget Actions TOTAL		\$4,000	\$0	\$0	(\$4,000)	\$0	\$0	\$0	\$0
Budget Adjustments									
Finance Department	Personal Services (Overage)	\$18,000	-	-	-	\$18,000	-	-	\$18,000
Housing Department	Ending Fund Balance Adjustment	-	-	-	(\$412,000)	(\$412,000)	-	-	(\$412,000)
	Non-Personal/Equipment (Consultant Services)	-	\$344,000	-	-	\$344,000	-	-	\$344,000
Public Works Department	Personal Services (Overage)	\$50,000	-	-	-	\$50,000	-	-	\$50,000
Budget Adjustments Total		\$68,000	\$344,000	\$0	(\$412,000)	\$0	\$0	\$0	\$0
Low and Moderate Income Housing Asset Fund (346) TOTAL		\$72,000	\$344,000	\$0	(\$416,000)	\$0	\$0	\$0	\$0

Special Funds
2025-2026 Recommendations Budget Adjustments and Clean Up Actions
Year End Adjustments

Maintenance District No. 1 (Los Paseos) Fund (352)

Department/Proposal		Personal Services	Non-Personal/Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Budget Adjustments									
Transportation Department	Ending Fund Balance Adjustment	-	-	-	(\$43,000)	(\$43,000)	-	-	(\$43,000)
	Non-Personal/Equipment (Emergency Sidewalk Repairs Costs)	-	\$43,000	-	-	\$43,000	-	-	\$43,000
	Budget Adjustments Total	\$0	\$43,000	\$0	(\$43,000)	\$0	\$0	\$0	\$0
	Maintenance District No. 1 (Los Paseos) Fund (352) TOTAL	\$0	\$43,000	\$0	(\$43,000)	\$0	\$0	\$0	\$0

Special Funds
2025-2026 Recommendations Budget Adjustments and Clean Up Actions
Year End Adjustments

Maintenance District No. 15 (Silver Creek Valley) Fund (368)

Department/Proposal		Personal Services	Non-Personal/Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Budget Adjustments									
Transportation Department	Ending Fund Balance Adjustment	-	-	-	(\$100,000)	(\$100,000)	-	-	(\$100,000)
	Non-Personal/Equipment (Contractual Landscape and Tree Services Costs)	-	\$100,000	-	-	\$100,000	-	-	\$100,000
	Budget Adjustments Total	\$0	\$100,000	\$0	(\$100,000)	\$0	\$0	\$0	\$0
Maintenance District No. 15 (Silver Creek Valley) Fund (368)									
	TOTAL	\$0	\$100,000	\$0	(\$100,000)	\$0	\$0	\$0	\$0

Special Funds
2025-2026 Recommendations Budget Adjustments and Clean Up Actions
Year End Adjustments

Maintenance District No. 18 (The Meadowlands) Fund (372)

Department/Proposal		Personal Services	Non-Personal/ Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Budget Adjustments									
Transportation									
Department	Ending Fund Balance Adjustment	-	-	-	(\$66,000)	(\$66,000)	-	-	(\$66,000)
	Non-Personal/Equipment (Overage)	-	\$66,000	-	-	\$66,000	-	-	\$66,000
	Budget Adjustments Total	\$0	\$66,000	\$0	(\$66,000)	\$0	\$0	\$0	\$0
	Maintenance District No. 18 (The Meadowlands) Fund (372) TOTAL	\$0	\$66,000	\$0	(\$66,000)	\$0	\$0	\$0	\$0

Special Funds
2025-2026 Recommendations Budget Adjustments and Clean Up Actions
Year End Adjustments

Multi-Source Housing Fund (448)

Department/Proposal		Personal Services	Non-Personal/ Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Budget Adjustments									
Housing Department	Capitol Park Neighborhood Center Improvements	-	-	\$200,000	-	\$200,000	-	-	\$200,000
	Ending Fund Balance Adjustment	-	-	-	(\$225,000)	(\$225,000)	-	-	(\$225,000)
Office of the City Attorney	Personal Services (Overage)	\$25,000	-	-	-	\$25,000	-	-	\$25,000
Budget Adjustments Total		\$25,000	\$0	\$200,000	(\$225,000)	\$0	\$0	\$0	\$0
Multi-Source Housing Fund (448) TOTAL		\$25,000	\$0	\$200,000	(\$225,000)	\$0	\$0	\$0	\$0

Special Funds
2025-2026 Recommendations Budget Adjustments and Clean Up Actions
Year End Adjustments

Municipal Golf Course Fund (518)

Department/Proposal		Personal Services	Non-Personal/ Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Budget Adjustments									
Parks, Recreation and Neighborhood Services Department									
	Ending Fund Balance Adjustment	-	-	-	(\$226,000)	(\$226,000)	-	-	(\$226,000)
	Los Lagos Golf Course Repair Projects	-	-	\$226,000	-	\$226,000	-	-	\$226,000
	Budget Adjustments Total	\$0	\$0	\$226,000	(\$226,000)	\$0	\$0	\$0	\$0
	Municipal Golf Course Fund (518) TOTAL	\$0	\$0	\$226,000	(\$226,000)	\$0	\$0	\$0	\$0

Special Funds
2025-2026 Recommendations Budget Adjustments and Clean Up Actions
Year End Adjustments

Planning Development Fee Program Fund (238)

Department/Proposal		Personal Services	Non-Personal/ Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Clean-Up and Rebudget Actions									
Finance Department	Tech Adjust: Development Fee Program - Shared Resources Personal Services (Overage)	\$2,000	-	-	-	\$2,000	-	-	\$2,000
Planning, Building and Code Enforcement Department	Tech Adjust: Development Fee Program - Shared Resources Personal Services (PBCE) (Overage)	\$9,000	-	-	-	\$9,000	-	-	\$9,000
	Tech Adjust: Ending Fund Balance (Overage)	-	-	-	(\$11,000)	(\$11,000)	-	-	(\$11,000)
Clean-Up and Rebudget Actions TOTAL		\$11,000	\$0	\$0	(\$11,000)	\$0	\$0	\$0	\$0
Budget Adjustments									
Office of the City Attorney	Personal Services (Overage)	\$33,000	-	-	-	\$33,000	-	-	\$33,000
Planning, Building and Code Enforcement Department	Ending Fund Balance Adjustment	-	-	-	(\$33,000)	(\$33,000)	-	-	(\$33,000)
Budget Adjustments Total		\$33,000	\$0	\$0	(\$33,000)	\$0	\$0	\$0	\$0
Planning Development Fee Program Fund (238) TOTAL		\$44,000	\$0	\$0	(\$44,000)	\$0	\$0	\$0	\$0

Special Funds
2025-2026 Recommendations Budget Adjustments and Clean Up Actions
Year End Adjustments

Public Works Development Fee Program Fund (241)

Department/Proposal		Personal Services	Non-Personal/ Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Clean-Up and Rebudget Actions									
Finance Department	Tech Adjust: Development Fee Program - Shared Resources Personal Services (Overage)	\$2,000	-	-	-	\$2,000	-	-	\$2,000
Public Works Department	Tech Adjust: Ending Fund Balance (Overhead and Overage)	-	-	-	(\$452,000)	(\$452,000)	-	-	(\$452,000)
	Tech Adjust: Overhead	-	-	\$450,000	-	\$450,000	-	-	\$450,000
Clean-Up and Rebudget Actions TOTAL		\$2,000	\$0	\$450,000	(\$452,000)	\$0	\$0	\$0	\$0
Budget Adjustments									
Public Works Department	Personal Services (Overage)/Fee, Rates and Charges (Utility Fee Program)	\$3,000,000	-	-	-	\$3,000,000	\$3,000,000	-	-
Budget Adjustments Total		\$3,000,000	\$0	\$0	\$0	\$3,000,000	\$3,000,000	\$0	\$0
Public Works Development Fee Program Fund (241) TOTAL		\$3,002,000	\$0	\$450,000	(\$452,000)	\$3,000,000	\$3,000,000	\$0	\$0

Special Funds
2025-2026 Recommendations Budget Adjustments and Clean Up Actions
Year End Adjustments

Public Works Program Support Fund (150)

Department/Proposal		Personal Services	Non-Personal/Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Clean-Up and Rebudget Actions									
Information									
Technology Department	Tech Adjust: Personal Services (Overage)	\$7,000	-	-	-	\$7,000	-	-	\$7,000
Public Works Department	Tech Adjust: Ending Fund Balance (Overhead and Overage)	-	-	-	(\$157,000)	(\$157,000)	-	-	(\$157,000)
	Tech Adjust: Overhead	-	-	\$150,000	-	\$150,000	-	-	\$150,000
Clean-Up and Rebudget Actions TOTAL		\$7,000	\$0	\$150,000	(\$157,000)	\$0	\$0	\$0	\$0
Budget Adjustments									
Public Works Department	Compensated Absences	-	-	\$3,300,000	-	\$3,300,000	-	-	\$3,300,000
	Ending Fund Balance Adjustment	-	-	-	(\$2,400,000)	(\$2,400,000)	-	-	(\$2,400,000)
	Non-Personal/Equipment (Overage)	-	\$100,000	-	-	\$100,000	-	-	\$100,000
	Personal Services (Overage)	\$400,000	-	-	-	\$400,000	-	-	\$400,000
	Transfers and Reimbursements (Compensated Absences)	-	-	-	-	-	\$1,400,000	-	(\$1,400,000)
Budget Adjustments Total		\$400,000	\$100,000	\$3,300,000	(\$2,400,000)	\$1,400,000	\$1,400,000	\$0	\$0
Public Works Program Support Fund (150) TOTAL		\$407,000	\$100,000	\$3,450,000	(\$2,557,000)	\$1,400,000	\$1,400,000	\$0	\$0

Special Funds
2025-2026 Recommendations Budget Adjustments and Clean Up Actions
Year End Adjustments

Real Property Transfer Tax Fund (404)

Department/Proposal		Personal Services	Non-Personal/ Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Clean-Up and Rebudget Actions									
Housing Department	Tech Adjust: Transfer to the General Fund/Revenue from the Use of Money/Property (Interest Income)	-	-	\$5,200,000	-	\$5,200,000	\$5,200,000	-	-
Clean-Up and Rebudget Actions TOTAL		\$0	\$0	\$5,200,000	\$0	\$5,200,000	\$5,200,000	\$0	\$0
Budget Adjustments									
Housing Department	Ending Fund Balance Adjustment Measure E - Real Property Transfer Tax	-	-	-	\$14,000,000	\$14,000,000	-	-	\$14,000,000
Budget Adjustments Total		\$0	\$0	\$0	\$14,000,000	\$14,000,000	\$14,000,000	\$0	\$0
Real Property Transfer Tax Fund (404) TOTAL		\$0	\$0	\$5,200,000	\$14,000,000	\$19,200,000	\$19,200,000	\$0	\$0

Special Funds
2025-2026 Recommendations Budget Adjustments and Clean Up Actions
Year End Adjustments

San José Clean Energy Operating Fund (501)

Department/Proposal		Personal Services	Non-Personal/ Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Clean-Up and Rebudget Actions									
Energy Department	Tech Adjust: Ending Fund Balance (Overage)	-	-	-	(\$114,000)	(\$114,000)	-	-	(\$114,000)
	Tech Adjust: Personal Services (Overage - Salary and Benefits Program)	\$100,000	-	-	-	\$100,000	-	-	\$100,000
Finance Department	Tech Adjust: Personal Services (Overage)	\$4,000	-	-	-	\$4,000	-	-	\$4,000
Office of the City Manager	Tech Adjust: Office of the City Manager - Personal Services (Overage)	\$10,000	-	-	-	\$10,000	-	-	\$10,000
Clean-Up and Rebudget Actions TOTAL		\$114,000	\$0	\$0	(\$114,000)	\$0	\$0	\$0	\$0
Budget Adjustments									
Energy Department	Ending Fund Balance Adjustment	-	-	-	(\$185,101)	(\$185,101)	-	-	(\$185,101)
	PG&E Security Fees	-	-	\$125,101	-	\$125,101	-	-	\$125,101
Information Technology Department	Personal Services (Overage)	\$18,000	-	-	-	\$18,000	-	-	\$18,000
Office of the City Attorney	Office of the City Attorney - Personal Services (Overage)	\$42,000	-	-	-	\$42,000	-	-	\$42,000
Budget Adjustments Total		\$60,000	\$0	\$125,101	(\$185,101)	\$0	\$0	\$0	\$0
San José Clean Energy Operating Fund (501) TOTAL		\$174,000	\$0	\$125,101	(\$299,101)	\$0	\$0	\$0	\$0

Special Funds
2025-2026 Recommendations Budget Adjustments and Clean Up Actions
Year End Adjustments

San José Opioid Response Fund (130)

Department/Proposal		Personal Services	Non-Personal/ Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Budget Adjustments									
Fire Department	Community Paramedicine - Fire/Revenue from State of California	-	-	\$145,000	-	\$145,000	\$145,000	-	\$0
Budget Adjustments Total		\$0	\$0	\$145,000	\$0	\$145,000	\$145,000	\$0	\$0
San José Opioid Response Fund (130) TOTAL		\$0	\$0	\$145,000	\$0	\$145,000	\$145,000	\$0	\$0

Special Funds
2025-2026 Recommendations Budget Adjustments and Clean Up Actions
Year End Adjustments

San José-Santa Clara Treatment Plant Operating Fund (513)

Department/Proposal		Personal Services	Non-Personal/Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Clean-Up and Rebudget Actions									
Environmental Services Department	Tech Adjust: Ending Fund Balance (PWCAP Overage)	-	-	-	(\$25,000)	(\$25,000)	-	-	(\$25,000)
Public Works Department	Tech Adjust: Non-Personal/Equipment (PWCAP Overage)	-	\$25,000	-	-	\$25,000	-	-	\$25,000
Clean-Up and Rebudget Actions TOTAL		\$0	\$25,000	\$0	(\$25,000)	\$0	\$0	\$0	\$0
Budget Adjustments									
Environmental Services Department	Ending Fund Balance Adjustment	-	-	-	\$25,000	\$25,000	-	-	\$25,000
	Inventory (Reallocation from Non-Personal/Equipment)	-	-	\$300,000	-	\$300,000	-	-	\$300,000
	Non-Personal/Equipment (2 Heavy-Duty Off-Road Tractors)	-	\$0	-	-	\$0	-	-	\$0
	Non-Personal/Equipment (Reallocation to Inventory)	-	(\$300,000)	-	-	(\$300,000)	-	-	(\$300,000)
	Personal Services (Savings)	(\$226,500)	-	-	-	(\$226,500)	-	-	(\$226,500)
Office of the City Attorney	Personal Services (Overage)	\$26,500	-	-	-	\$26,500	-	-	\$26,500
Public Works Department	Public Works Department - Personal Services (Overage)	\$175,000	-	-	-	\$175,000	-	-	\$175,000
Budget Adjustments Total		(\$25,000)	(\$300,000)	\$300,000	\$25,000	\$0	\$0	\$0	\$0
San José-Santa Clara Treatment Plant Operating Fund (513) TOTAL		(\$25,000)	(\$275,000)	\$300,000	\$0	\$0	\$0	\$0	\$0

Special Funds
2025-2026 Recommendations Budget Adjustments and Clean Up Actions
Year End Adjustments

Sewage Treatment Plant Connection Fee Fund (539)

Department/Proposal		Personal Services	Non-Personal/ Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Clean-Up and Rebudget Actions									
Environmental Services Department	Tech Adjust: Treatment Plant Expansion Reserve (Overhead)	-	-	-	(\$6,000)	(\$6,000)	-	-	(\$6,000)
Public Works Department	Tech Adjust: Overhead	-	-	\$6,000	-	\$6,000	-	-	\$6,000
Clean-Up and Rebudget Actions TOTAL		\$0	\$0	\$6,000	(\$6,000)	\$0	\$0	\$0	\$0
Sewage Treatment Plant Connection Fee Fund (539) TOTAL		\$0	\$0	\$6,000	(\$6,000)	\$0	\$0	\$0	\$0

Special Funds
2025-2026 Recommendations Budget Adjustments and Clean Up Actions
Year End Adjustments

Sewer Service and Use Charge Fund (541)

Department/Proposal		Personal Services	Non-Personal/ Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Clean-Up and Rebudget Actions									
Environmental Services Department	Tech Adjust: Ending Fund Balance (Overage)	-	-	-	(\$49,000)	(\$49,000)	-	-	(\$49,000)
Finance Department	Tech Adjust: Personal Services (Overage - Salary and Benefits Program)	\$2,000	-	-	-	\$2,000	-	-	\$2,000
Office of the City Manager	Tech Adjust: Personal Services (Overage)	\$7,000	-	-	-	\$7,000	-	-	\$7,000
Public Works Department	Tech Adjust: Non-Personal/Equipment (PWCAP Overage)	-	\$40,000	-	-	\$40,000	-	-	\$40,000
Clean-Up and Rebudget Actions TOTAL		\$9,000	\$40,000	\$0	(\$49,000)	\$0	\$0	\$0	\$0
Budget Adjustments									
Environmental Services Department	Ending Fund Balance Adjustment	-	-	-	(\$60,000)	(\$60,000)	-	-	(\$60,000)
	Personal Services (Overage)	\$100,000	-	-	-	\$100,000	-	-	\$100,000
Public Works Department	Personal Services (Savings)	(\$40,000)	-	-	-	(\$40,000)	-	-	(\$40,000)
Budget Adjustments Total		\$60,000	\$0	\$0	(\$60,000)	\$0	\$0	\$0	\$0
Sewer Service and Use Charge Fund (541) TOTAL		\$69,000	\$40,000	\$0	(\$109,000)	\$0	\$0	\$0	\$0

Special Funds
2025-2026 Recommendations Budget Adjustments and Clean Up Actions
Year End Adjustments

South Bay Water Recycling Operating Fund (570)

Department/Proposal		Personal Services	Non-Personal/ Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Clean-Up and Rebudget Actions									
Environmental Services Department	Tech Adjust: Ending Fund Balance (Overage)	-	-	-	(\$1,000)	(\$1,000)	-	-	(\$1,000)
Office of the City Manager	Tech Adjust: Personal Services (Overage)	\$1,000	-	-	-	\$1,000	-	-	\$1,000
Clean-Up and Rebudget Actions TOTAL		\$1,000	\$0	\$0	(\$1,000)	\$0	\$0	\$0	\$0
South Bay Water Recycling Operating Fund (570) TOTAL		\$1,000	\$0	\$0	(\$1,000)	\$0	\$0	\$0	\$0

Special Funds
2025-2026 Recommendations Budget Adjustments and Clean Up Actions
Year End Adjustments

Storm Sewer Operating Fund (446)

Department/Proposal		Personal Services	Non-Personal/Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Clean-Up and Rebudget Actions									
Environmental Services Department	Tech Adjust: Ending Fund Balance (Overage)	-	-	-	(\$11,000)	(\$11,000)	-	-	(\$11,000)
Office of the City Manager	Tech Adjust: Personal Services (Overage)	\$1,000	-	-	-	\$1,000	-	-	\$1,000
Public Works Department	Tech Adjust: Non-Personal/Equipment (PWCAP Overage)	-	\$10,000	-	-	\$10,000	-	-	\$10,000
Clean-Up and Rebudget Actions TOTAL		\$1,000	\$10,000	\$0	(\$11,000)	\$0	\$0	\$0	\$0
Budget Adjustments									
Environmental Services Department	Ending Fund Balance Adjustment	-	-	-	(\$117,000)	(\$117,000)	-	-	(\$117,000)
	Polychlorinated Biphenyls Settlement Reserve	-	-	-	(\$50,000)	(\$50,000)	-	-	(\$50,000)
	Workers' Compensation Claims	-	-	\$50,000	-	\$50,000	-	-	\$50,000
Office of the City Attorney	Non-Personal/Equipment (Outside Counsel Services)	-	\$50,000	-	-	\$50,000	-	-	\$50,000
	Personal Services (Overage)	\$67,000	-	-	-	\$67,000	-	-	\$67,000
Budget Adjustments Total		\$67,000	\$50,000	\$50,000	(\$167,000)	\$0	\$0	\$0	\$0
Storm Sewer Operating Fund (446) TOTAL		\$68,000	\$60,000	\$50,000	(\$178,000)	\$0	\$0	\$0	\$0

Special Funds
2025-2026 Recommendations Budget Adjustments and Clean Up Actions
Year End Adjustments

Vehicle Maintenance and Operations Fund (552)

Department/Proposal		Personal Services	Non-Personal/ Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Clean-Up and Rebudget Actions									
Public Works									
Department	Fund Balance Reconciliation	-	-	-	(\$628)	(\$628)	-	(\$628)	-
	Fund Balance Reconciliation (Fuel Reserve)	-	-	-	(\$500,000)	(\$500,000)	-	(\$500,000)	\$0
Clean-Up and Rebudget Actions TOTAL		\$0	\$0	\$0	(\$500,628)	(\$500,628)	\$0	(\$500,628)	\$0
Budget Adjustments									
Public Works									
Department	Police Vehicle Replacements/Transfers and Reimbursements	-	-	(\$1,050,000)	-	(\$1,050,000)	(\$1,050,000)	-	-
Budget Adjustments Total		\$0	\$0	(\$1,050,000)	\$0	(\$1,050,000)	(\$1,050,000)	\$0	\$0
Vehicle Maintenance and Operations Fund (552) TOTAL		\$0	\$0	(\$1,050,000)	(\$500,628)	(\$1,550,628)	(\$1,050,000)	(\$500,628)	\$0

Special Funds
2025-2026 Recommendations Budget Adjustments and Clean Up Actions
Year End Adjustments

Water Utility Fund (515)

Department/Proposal		Personal Services	Non-Personal/ Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Clean-Up and Rebudget Actions									
Environmental Services Department	Tech Adjust: Ending Fund Balance (Overage)	-	-	-	(\$1,000)	(\$1,000)	-	-	(\$1,000)
Office of the City Manager	Tech Adjust: Personal Services (Overage)	\$1,000	-	-	-	\$1,000	-	-	\$1,000
Clean-Up and Rebudget Actions TOTAL		\$1,000	\$0	\$0	(\$1,000)	\$0	\$0	\$0	\$0
Budget Adjustments									
Environmental Services Department	Ending Fund Balance Adjustment	-	-	-	(\$51,500)	(\$51,500)	-	-	(\$51,500)
	Workers' Compensation Claims	-	-	\$40,000	-	\$40,000	-	-	\$40,000
	Workers' Compensation Claims Reserve	-	-	-	(\$40,000)	(\$40,000)	-	-	(\$40,000)
Finance Department	Banking Services	-	-	\$10,000	-	\$10,000	-	-	\$10,000
Office of the City Attorney	Personal Services (Overage)	\$41,500	-	-	-	\$41,500	-	-	\$41,500
Budget Adjustments Total		\$41,500	\$0	\$50,000	(\$91,500)	\$0	\$0	\$0	\$0
Water Utility Fund (515) TOTAL		\$42,500	\$0	\$50,000	(\$92,500)	\$0	\$0	\$0	\$0

Special Funds
 2025-2026 Recommendations Budget Adjustments and Clean Up Actions
 Year End Adjustments

Willow Glen Community Benefit Improvement District Fund (343)

Department/Proposal		Personal Services	Non-Personal/ Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Budget Adjustments									
Public Works									
Department									
	Ending Fund Balance Adjustment	-	-	-	(\$642)	(\$642)	-	-	(\$642)
	Transfers and Reimbursements (Transfer from the General Fund)	-	-	-	-	-	(\$642)	-	\$642
	Budget Adjustments Total	\$0	\$0	\$0	(\$642)	(\$642)	(\$642)	\$0	\$0
Willow Glen Community Benefit Improvement District Fund (343)									
	TOTAL	\$0	\$0	\$0	(\$642)	(\$642)	(\$642)	\$0	\$0

Special Funds
2025-2026 Recommendations Budget Adjustments and Clean Up Actions
Year End Adjustments

Workforce Development Fund (290)

Department/Proposal		Personal Services	Non-Personal/ Equipment	Use Other	Ending Fund Balance	Total Use	Source Revenue	Beg Fund Balance	Net Cost
Budget Adjustments									
City Manager - Office of Economic Development and Cultural Affairs	SJ Works (Wells Fargo)/Other Revenue	-	-	\$34,000	-	\$34,000	\$34,000	-	-
Budget Adjustments Total		\$0	\$0	\$34,000	\$0	\$34,000	\$34,000	\$0	\$0
Workforce Development Fund (290) TOTAL		\$0	\$0	\$34,000	\$0	\$34,000	\$34,000	\$0	\$0

Capital Funds Recommended Budget Adjustments and Clean-Up Actions
 2025-2026 Year-End Budget Review

Fund/Proposal	Expense	USE		SOURCE		NET COST
		Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
Airport Renewal and Replacement Fund (527)						
Airfield Configurations Updates	\$(9,317,088)		\$(9,317,088)			\$(9,317,088)
Ending Fund Balance Adjustment		\$(500,000)	\$(500,000)			\$(500,000)
Transfer in from Airport Surplus Revenue Fund				\$(9,500,000)		\$9,500,000
Transfer to Storm Sewer Capital Fund	\$317,088		\$317,088			\$317,088
Budget Adjustments TOTAL	\$(9,000,000)	\$(500,000)	\$(9,500,000)	\$(9,500,000)		
Airport Renewal and Replacement Fund (527) TOTAL	\$(9,000,000)	\$(500,000)	\$(9,500,000)	\$(9,500,000)		

Capital Funds Recommended Budget Adjustments and Clean-Up Actions
 2025-2026 Year-End Budget Review

Fund/Proposal	USE		SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance
Branch Libraries Bond Projects Fund (472)					
Biblioteca Library Improvements	\$(640,000)		\$(640,000)		\$(640,000)
Branch Efficiency Projects	\$640,000		\$640,000		\$640,000
Budget Adjustments TOTAL					
Branch Libraries Bond Projects Fund (472) TOTAL					

Capital Funds Recommended Budget Adjustments and Clean-Up Actions
 2025-2026 Year-End Budget Review

Fund/Proposal	USE		SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance
Communications Construction and Conveyance Tax Fund (397)					
Tech Adjust: Revenue from the Use of Money/Property (Interest Income)				\$35,000	\$(35,000)
Tech Adjust: Transfer to the General Fund (Interest Income)	\$35,000		\$35,000		\$35,000
Clean-Up and Rebudget Actions TOTAL	\$35,000		\$35,000	\$35,000	
Communications Construction and Conveyance Tax Fund (397) TOTAL	\$35,000		\$35,000	\$35,000	

Capital Funds Recommended Budget Adjustments and Clean-Up Actions
 2025-2026 Year-End Budget Review

Fund/Proposal	Expense	USE		SOURCE		NET COST
		Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
Construction Excise Tax Fund (465)						
Bridge Maintenance and Repair	\$58,000		\$58,000			\$58,000
Ending Fund Balance Adjustment		\$(58,000)	\$(58,000)			\$(58,000)
Budget Adjustments TOTAL	\$58,000	\$(58,000)				
Construction Excise Tax Fund (465) TOTAL	\$58,000	\$(58,000)				

Capital Funds Recommended Budget Adjustments and Clean-Up Actions
 2025-2026 Year-End Budget Review

Fund/Proposal	Expense	USE		SOURCE		NET COST
		Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
Council District 7 Construction and Conveyance Tax Fund (385)						
Elia Park Development	\$27,000		\$27,000			\$27,000
Ending Fund Balance Adjustment		\$(27,000)	\$(27,000)			\$(27,000)
Budget Adjustments TOTAL	\$27,000	\$(27,000)				
Council District 7 Construction and Conveyance Tax Fund (385) TOTAL	\$27,000	\$(27,000)				

Capital Funds Recommended Budget Adjustments and Clean-Up Actions
 2025-2026 Year-End Budget Review

Fund/Proposal	USE		SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance
General Purpose Parking Capital Fund (559)					
Tech Adjust: Capital Program and Public Works Department Support Service Costs (PWCAP Overage)	\$100,000		\$100,000		\$100,000
Tech Adjust: Ending Fund Balance (PWCAP Overage)		\$(100,000)	\$(100,000)		\$(100,000)
Clean-Up and Rebudget Actions TOTAL	\$100,000	\$(100,000)			
General Purpose Parking Capital Fund (559) TOTAL	\$100,000	\$(100,000)			

Capital Funds Recommended Budget Adjustments and Clean-Up Actions
 2025-2026 Year-End Budget Review

Fund/Proposal	USE		SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance
Lake Cunningham Fund (462)					
Tech Adjust: Capital Program and Public Works Department Support Service Costs (PWCAP Overage)	\$25,000		\$25,000		\$25,000
Tech Adjust: Ending Fund Balance (PWCAP Overage)		\$(25,000)	\$(25,000)		\$(25,000)
Clean-Up and Rebudget Actions TOTAL	\$25,000	\$(25,000)			
Ending Fund Balance Adjustment		\$(42,000)	\$(42,000)		\$(42,000)
Lake Cunningham Park Settlement	\$42,000		\$42,000		\$42,000
Budget Adjustments TOTAL	\$42,000	\$(42,000)			
Lake Cunningham Fund (462) TOTAL	\$67,000	\$(67,000)			

Capital Funds Recommended Budget Adjustments and Clean-Up Actions
 2025-2026 Year-End Budget Review

Fund/Proposal	USE		SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance
Library Construction and Conveyance Tax Fund (393)					
Tech Adjust: Revenue from the Use of Money/Property (Interest Income)				\$65,000	\$(65,000)
Tech Adjust: Transfer to the General Fund (Interest Income)	\$65,000		\$65,000		\$65,000
Clean-Up and Rebudget Actions TOTAL	\$65,000		\$65,000	\$65,000	
Branch Efficiency Projects	\$32,379		\$32,379		\$32,379
Ending Fund Balance Adjustment		\$(32,379)	\$(32,379)		\$(32,379)
Budget Adjustments TOTAL	\$32,379	\$(32,379)			
Library Construction and Conveyance Tax Fund (393) TOTAL	\$97,379	\$(32,379)	\$65,000	\$65,000	

Capital Funds Recommended Budget Adjustments and Clean-Up Actions
 2025-2026 Year-End Budget Review

Fund/Proposal	USE		SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance
Library Parcel Tax Capital Fund (483)					
Branch Efficiency Projects	\$776,000		\$776,000		\$776,000
Facilities Management	\$(200,000)		\$(200,000)		\$(200,000)
Transfers and Reimbursements (Transfer from the Library Parcel Tax Fund)				\$576,000	\$(576,000)
Budget Adjustments TOTAL	\$576,000		\$576,000	\$576,000	
Library Parcel Tax Capital Fund (483) TOTAL	\$576,000		\$576,000	\$576,000	

Capital Funds Recommended Budget Adjustments and Clean-Up Actions
 2025-2026 Year-End Budget Review

Fund/Proposal	Expense	USE		SOURCE		NET COST
		Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
Measure T: Public Safety and Infrastructure Bond Fund (498)						
Measure T - Fire Station 8 Relocation	\$148,000		\$148,000			\$148,000
Measure T - Flood Prevention Improvements	\$3,300,000		\$3,300,000			\$3,300,000
Measure T - Police Air Support Hangar	\$361,000		\$361,000			\$361,000
Measure T - Program Reserve (Public Safety)	\$(509,000)		\$(509,000)			\$(509,000)
Measure T - Storm Drain Improvements at Charcot Avenue	<u>\$(3,300,000)</u>		<u>\$(3,300,000)</u>			<u>\$(3,300,000)</u>

Budget Adjustments TOTAL

Measure T: Public Safety and Infrastructure Bond Fund (498) TOTAL

Capital Funds Recommended Budget Adjustments and Clean-Up Actions
 2025-2026 Year-End Budget Review

Fund/Proposal	USE		SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance
Park Yards Construction and Conveyance Tax Fund (398)					
Tech Adjust: Capital Program and Public Works Department Support Service Costs (PWCAP Overage)	\$3,000		\$3,000		\$3,000
Tech Adjust: Ending Fund Balance (PWCAP Overage)		\$(3,000)	\$(3,000)		\$(3,000)
Clean-Up and Rebudget Actions TOTAL	\$3,000	\$(3,000)			
Park Yards Construction and Conveyance Tax Fund (398) TOTAL	\$3,000	\$(3,000)			

Capital Funds Recommended Budget Adjustments and Clean-Up Actions
 2025-2026 Year-End Budget Review

Fund/Proposal	Expense	USE		SOURCE		NET COST
		Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
Parks Central Construction and Conveyance Tax Fund (390)						
Tech Adjust: Capital Program and Public Works Department Support Service Costs (PWCAP Overage)	\$100,000		\$100,000			\$100,000
Tech Adjust: Ending Fund Balance (PWCAP Overage)		\$(100,000)	\$(100,000)			\$(100,000)
Clean-Up and Rebudget Actions TOTAL	\$100,000	\$(100,000)				
Parks Central Construction and Conveyance Tax Fund (390) TOTAL	\$100,000	\$(100,000)				

Capital Funds Recommended Budget Adjustments and Clean-Up Actions
 2025-2026 Year-End Budget Review

Fund/Proposal	Expense	USE		SOURCE		NET COST
		Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
Parks City-Wide Construction and Conveyance Tax Fund (391)						
Ending Fund Balance Adjustment		\$211,000	\$211,000			\$211,000
Happy Hollow Park and Zoo Exhibit Improvements	\$50,000		\$50,000			\$50,000
Other Revenue (Happy Hollow Park and Zoo Exhibit Improvements)				\$261,000		\$(261,000)
Budget Adjustments TOTAL	\$50,000	\$211,000	\$261,000	\$261,000		
Parks City-Wide Construction and Conveyance Tax Fund (391) TOTAL	\$50,000	\$211,000	\$261,000	\$261,000		

Capital Funds Recommended Budget Adjustments and Clean-Up Actions
 2025-2026 Year-End Budget Review

Fund/Proposal	USE		SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance
Residential Construction Tax Contribution Fund (420)					
Tech Adjust: Capital Program and Public Works Department Support Service Costs (PWCAP Overage)	\$4,000		\$4,000		\$4,000
Tech Adjust: Ending Fund Balance (PWCAP Overage)		\$(4,000)	\$(4,000)		\$(4,000)
Tech Adjust: Revenue from the Use of Money/Property (Interest Income)				\$35,000	\$(35,000)
Tech Adjust: Transfer to the General Fund (Interest Income)	\$35,000		\$35,000		\$35,000
Clean-Up and Rebudget Actions TOTAL	\$39,000	\$(4,000)	\$35,000	\$35,000	
Residential Construction Tax Contribution Fund (420) TOTAL	\$39,000	\$(4,000)	\$35,000	\$35,000	

Capital Funds Recommended Budget Adjustments and Clean-Up Actions
2025-2026 Year-End Budget Review

Fund/Proposal	Expense	USE		SOURCE		NET COST
		Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
Service Yards Construction and Conveyance Tax Fund (395)						
Tech Adjust: Capital Program and Public Works Department Support Service Costs (PWCAP Overage)	\$25,000		\$25,000			\$25,000
Tech Adjust: Ending Fund Balance (PWCAP Overage)		\$(25,000)	\$(25,000)			\$(25,000)
Clean-Up and Rebudget Actions TOTAL	\$25,000	\$(25,000)				
2021A Arbitrage Reserve	\$521,000		\$521,000			\$521,000
Central Service Yard - Bldg. F Expansion	\$(207,000)		\$(207,000)			\$(207,000)
Central Service Yard - Service Yards Generators Replacement	\$(335,000)		\$(335,000)			\$(335,000)
Ending Fund Balance Adjustment		\$21,000	\$21,000			\$21,000
Budget Adjustments TOTAL	\$(21,000)	\$21,000				
Service Yards Construction and Conveyance Tax Fund (395) TOTAL	\$4,000	\$(4,000)				

Capital Funds Recommended Budget Adjustments and Clean-Up Actions
 2025-2026 Year-End Budget Review

Fund/Proposal	USE		SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance
State Gas Tax Pavement Maintenance Fund (480)					
Ending Fund Balance Adjustment		\$(994,940)	\$(994,940)		\$(994,940)
Pavement Maintenance - State Gas Tax	\$994,940		\$994,940		\$994,940
Budget Adjustments TOTAL	\$994,940	\$(994,940)			
State Gas Tax Pavement Maintenance Fund (480) TOTAL	\$994,940	\$(994,940)			

Capital Funds Recommended Budget Adjustments and Clean-Up Actions
 2025-2026 Year-End Budget Review

Fund/Proposal	USE		SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance
Storm Drainage Fee Fund (413)					
Tech Adjust: Revenue from the Use of Money/Property (Interest Income)				\$8,000	\$(8,000)
Tech Adjust: Transfer to the General Fund (Interest Income)	\$8,000		\$8,000		\$8,000
Clean-Up and Rebudget Actions TOTAL	\$8,000		\$8,000	\$8,000	
Storm Drainage Fee Fund (413) TOTAL	\$8,000		\$8,000	\$8,000	

Capital Funds Recommended Budget Adjustments and Clean-Up Actions
2025-2026 Year-End Budget Review

Fund/Proposal	Expense	USE		SOURCE		NET COST
		Ending Fund Balance	Total Use	Revenue	Beg Fund Balance	
Storm Sewer Capital Fund (469)						
Ending Fund Balance Adjustment		\$1,150,000	\$1,150,000			\$1,150,000
Green Infrastructure Improvements	\$1,633,632		\$1,633,632			\$1,633,632
Large Trash Capture Devices	\$500,000		\$500,000			\$500,000
Large Trash Capture Devices Phase IX Feasibility Study	\$700,000		\$700,000			\$700,000
Small Trash Capture Devices	\$(2,600,000)		\$(2,600,000)			\$(2,600,000)
Storm Sewer Improvements	\$250,000		\$250,000			\$250,000
Transfers and Reimbursements (Transfer from Airport Capital Improvement Fund)				\$1,316,544		\$(1,316,544)
Transfers and Reimbursements (Transfer from Airport Renewal and Replacement Fund)				\$317,088		\$(317,088)
Budget Adjustments TOTAL	\$483,632	\$1,150,000	\$1,633,632	\$1,633,632		
Storm Sewer Capital Fund (469) TOTAL	\$483,632	\$1,150,000	\$1,633,632	\$1,633,632		

Capital Funds Recommended Budget Adjustments and Clean-Up Actions
 2025-2026 Year-End Budget Review

Fund/Proposal	USE		SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance
Subdivision Park Trust Fund (375)					
Tech Adjust: Capital Program and Public Works Department Support Service Costs (PWCAP Overage)	\$100,000		\$100,000		\$100,000
Tech Adjust: Future PDO/PIO Projects Reserve (PWCAP Overage)	\$(100,000)		\$(100,000)		\$(100,000)
Clean-Up and Rebudget Actions TOTAL					
Alma Community Center HVAC Replacement	\$160,000		\$160,000		\$160,000
Future PDO/PIO Projects Reserve	\$(969,000)		\$(969,000)		\$(969,000)
Lake Cunningham Park Settlement	\$303,000		\$303,000		\$303,000
Northside Community Center HVAC Improvement	\$256,000		\$256,000		\$256,000
Ramac Park Restroom Reconstruction	\$250,000		\$250,000		\$250,000
Budget Adjustments TOTAL					
Subdivision Park Trust Fund (375) TOTAL					

Capital Funds Recommended Budget Adjustments and Clean-Up Actions
 2025-2026 Year-End Budget Review

Fund/Proposal	USE		SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance
Underground Utility Fund (416)					
Tech Adjust: Capital Program and Public Works Department Support Service Costs (PWCAP Overage)	\$45,000		\$45,000		\$45,000
Tech Adjust: Ending Fund Balance (PWCAP Overage)		\$(45,000)	\$(45,000)		\$(45,000)
Clean-Up and Rebudget Actions TOTAL	\$45,000	\$(45,000)			
Ending Fund Balance Adjustment		\$(5,000)	\$(5,000)		\$(5,000)
Underground Utility Administration (20B)	\$5,000		\$5,000		\$5,000
Budget Adjustments TOTAL	\$5,000	\$(5,000)			
Underground Utility Fund (416) TOTAL	\$50,000	\$(50,000)			

Capital Funds Recommended Budget Adjustments and Clean-Up Actions
 2025-2026 Year-End Budget Review

Fund/Proposal	USE		SOURCE		NET COST
	Expense	Ending Fund Balance	Total Use	Revenue	Beg Fund Balance
Water Utility Capital Fund (500)					
Tech Adjust: Capital Program and Public works Department Support Cost (PWCAP Overage)	\$45,000		\$45,000		\$45,000
Tech Adjust: Ending Fund Balance (PWCAP Overage)		\$(45,000)	\$(45,000)		\$(45,000)
Clean-Up and Rebudget Actions TOTAL	\$45,000	\$(45,000)			
Advanced Metering Infrastructure Implementation	\$(18,000,000)		\$(18,000,000)		\$(18,000,000)
Debt Service	\$(1,508,000)		\$(1,508,000)		\$(1,508,000)
Ending Fund Balance Adjustment		\$19,508,000	\$19,508,000		\$19,508,000
Budget Adjustments TOTAL	\$(19,508,000)	\$19,508,000			
Water Utility Capital Fund (500) TOTAL	\$(19,463,000)	\$19,463,000			