COUNCIL AGENDA: 09-15-09
ITEM: 2.5

CITY OF SAN JOSE
CAPITAL OF SILICON VALLEY

Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: Jennifer A. Maguire

SUBJECT: **SEE BELOW**

DATE: 08-24-09

Approved

Date 8/28/09

SUBJECT: ADOPTION OF APPROPRIATION ORDINANCE AND FUNDING SOURCES RESOLUTION AMENDMENTS IN VARIOUS FUNDS TO REBUDGET FUNDS TO 2009-2010 TO COMPLETE PROJECTS

RECOMMENDATION

1. Adoption of the following Appropriation Ordinance and Funding Sources Resolution Amendments in the Construction Excise Tax Fund (Fund 465):
   a. Increase the Beginning Fund Balance by $65,000; and
   b. Increase the Public Art appropriation to the Office of Economic Development by $65,000.

2. Adoption of the following Appropriation Ordinance and Funding Sources Resolution Amendments in the San José-Santa Clara Treatment Plant Capital Fund (Fund 512):
   a. Increase the Beginning Fund Balance by $507,000; and
   b. Increase the Public Art appropriation to the Office of Economic Development by $507,000.

OUTCOME

Approval of this memorandum will allow the continuation of public art activities related to the Diridon Station and Water Pollution Control Plant in a timely manner. These expenditures were anticipated to occur by the end of 2008-2009, but it is now estimated that expenditures will be completed in 2009-2010.

BACKGROUND

At the end of each fiscal year, all appropriations lapse and any unspent funds become part of the following year's beginning fund balance. In order to complete projects not completed at the end of the 2008-2009 fiscal year, the City Council must re-appropriate, or rebudget, the funds remaining to 2009-2010.

ANALYSIS

The majority of those rebudget adjustments will be brought forward once a final reconciliation of all funds is completed as part of the 2008-2009 Annual Report to be published at the end of September 2009. However, there are two rebudgets that are necessary in order to pay staff and encumber consultant contracts for projects currently underway. These projects include public art activities related to the Diridon Station and two projects at the Water Pollution Control Plant. The rebudget of these funds would allow these efforts to continue without delay.

EVALUATION AND FOLLOW-UP

No additional follow up actions with the City Council are expected at this time.

POLICY ALTERNATIVES

Not applicable.

PUBLIC OUTREACH/INTEREST

- ☐ **Criterion 1**: Requires Council action on the use of public funds equal to $1 million or greater. **(Required: Website Posting)**
- ☐ **Criterion 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- ☐ **Criterion 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

This memorandum does not meet any of the above criterion, however, it will be posted on the City's website for the September 15, 2009 City Council agenda.

COORDINATION

This memorandum has been coordinated with the Office of Economic Development.

FISCAL/POLICY ALIGNMENT

This memorandum is consistent with the City Council-approved Budget Strategy to continue with capital investments that spur construction spending in our local economy.

COST SUMMARY/IMPLICATIONS

A year-end reconciliation was completed for each of the projects recommended in this memorandum to ensure that it was available to rebudget unexpended funds.

BUDGET REFERENCE

Not applicable.

CEQA

Not a project.

JENNIFER A. MAGUIRE
Budget Director

I hereby certify that there will be available for appropriation in the designated fund and in the amounts listed below in Fiscal Year 2009-2010 moneys in excess of those heretofore appropriated therefrom:

Construction Excise Tax Fund	$65,000
San José-Santa Clara Treatment Plant Capital Fund	$507,000

JENNIFER A. MAGUIRE
Budget Director

For questions please contact Kenn Lee, Capital Budget Coordinator, at 408-535-8136.