



**2022-2023**

ADOPTED  
**BUDGET &  
FINANCIAL  
PLAN**





# City of Milpitas

## Community Vision

Milpitas will preserve its close-knit community and rich cultural diversity as it moves with innovation into the future by supporting sustainable growth and development, ensuring public safety, enhancing the environment and natural landscape, and nurturing family and community connections.

## Organizational Mission

The City of Milpitas is committed to accomplishing the community's vision by providing fiscally sound, superior services.

## Our Values

Superior Customer Service • Open Communication • Integrity and Accountability  
Trust and Respect • Recognition and Celebration





# City Council



**Rich Tran**  
Mayor



**Carmen Montano**  
Vice Mayor



**Anthony Phan**  
Councilmember



**Karina R. Dominguez**  
Councilmember



**Evelyn Chua**  
Councilmember



# Council Priority Areas



## Community Wellness and Open Space

Continue to provide parks and amenities for people of all ages and abilities to enjoy higher levels of physical and mental health.



## Economic Development and Job Growth

Continue to strengthen our economic foundations that support community prosperity and opportunity while ensuring a sustainable and livable city.



## Environment

Promote a sustainable community and protect the natural environment.



## Governance and Administration

Continue to streamline processes for enhanced service and remain committed to long-term fiscal discipline and financial stewardship.



## Neighborhoods and Housing

Continue to explore innovative approaches to incentivize affordable housing projects, collaborate with key stakeholders to care for our most vulnerable populations, and support and engage neighborhoods through dedicated programs and services.



## Public Safety

Continue to invest in police and fire protection, in partnership with our community.



## Transportation and Transit

Continue to seek and develop collaborative solutions to meet the transportation challenges facing our community and our region.



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July 30, 2022



## Honorable Mayor and Members of the City Council

As the City continues to recover from this unprecedented pandemic, the Adopted FY 2022-23 Budget in the amount of \$207.8 million transitions the City from the severe impacts caused by the Pandemic to a recovery mode, while being cautiously optimistic. The Adopted FY 2022-23 Budget was approved by City Council on June 7, 2022. With the Pandemic almost behind us after two years, we are optimistic about the future but remain tempered by possible economic impacts that may stem from the unfortunate war in Europe, rising interest rates, rising inflation rates, unprecedented fuel prices and continued supply chain challenges. This budget includes enhanced service levels especially in public safety, public works and infrastructure, and modest investments in internal support departments as well as contract services and part-time services to support housing, long term planning, and community services. This is a balanced budget that maintains Council approved reserves and leverages funding from the American Rescue Plan Act to support impacted residents and businesses in our community. We continue transitioning with incremental and measured strategies to maximize City resources and optimize services to the community.

In early 2022, the State experienced a third pandemic surge with Omicron and while vaccination remains high at 95.9% of Milpitas residents (5 years and older) fully vaccinated, the test positivity has surged to 15.6% in Santa Clara County by summer. While the number of cases reported are rising, fewer people are being admitted to the hospital intensive care unit (ICU) for COVID, which is a favorable indication of the milder COVID symptoms. During early 2022 with hospitalizations falling to pre-surge levels, on February 25, 2022, Governor Gavin Newsom acted to lift almost all of the remaining provisions of his COVID-19 executive orders (EOs). Also on March 11, 2022, the State adopted new indoor mask policies and moved from indoor mask requirements to mask recommendations, with the exception of high transmission settings (i.e. public transit, health care settings, etc.). As the State recovers, the Governor continues to focus on scaling back mandatory COVID-19 regulations while maintaining essential testing, vaccination, and health care system supports that ensure California has the needed tools and flexibility to strategically adapt our response for what lies ahead. Through collaboration at all levels -- Federal, State and County -- the City played an active role in providing Pandemic health response through testing, vaccination and Emergency Operations Center management.

Additionally, President Biden's American Rescue Plan Act (ARPA) is providing direct relief to our residents and businesses in need, funding efforts to combat the virus, and allocating \$16.7 million to the City of Milpitas over a period of two years, partially offsetting the financial impact the City experienced. Council authorized five Investment Areas including Community Services, Economic Vitality, Infrastructure, Public Safety, and Technology and over 25 diverse programs to directly help the residents and businesses while also funding essential City services and infrastructure.

The economic impacts of the Pandemic significantly affected the financial condition of the City's General Fund, which pays for most City services such as police and fire; youth, senior, and recreation services; repairing park equipment and maintaining parks and recreation centers; and internal support departments and administration. In comparison to the last pre-pandemic revenue for FY 2018-19, the City's General Fund incurred cumulative revenue losses of approximately \$30 million over FY2019-20 and FY2020-21. Despite the revenue loss, the Council's decisive actions and strategies which included Measure F, a ¼ cent local sales tax measure with an eight-year sunset, defunding 20 capital improvement projects (\$5.7 million), use of reserves, interfund transfers, deferred maintenance, and defunding of positions (23.75), as well as significant employee wage concessions,

guided the City through this financial downturn. This collective effort helped the City navigate the Pandemic with minimal service level reductions while maintaining fiscal stability. As the City recovers, the City's General Fund is projected to receive higher revenues, provide for restorations and/or measured increases of services, and generate modest annual surpluses in the coming years (see Table 1).

**Table 1 – 5-Year General Fund Forecast (\$ in millions)**

|                                 | FY 21-22<br>Adopted<br>Budget | FY 22-23<br>Adopted<br>Budget | FY 23-24<br>Forecast | FY 24-25<br>Forecast | FY 25-26<br>Forecast | FY 26-27<br>Forecast |
|---------------------------------|-------------------------------|-------------------------------|----------------------|----------------------|----------------------|----------------------|
| Revenues and other Sources      | \$110.8                       | \$117.6                       | \$123.9              | \$130.0              | \$134.3              | \$138.7              |
| Expenditures                    | (110.8)                       | (117.6)                       | (122.5)              | (126.7)              | (130.3)              | (135.0)              |
| <b>Annual Surplus/(Deficit)</b> | <b>\$0.0</b>                  | <b>\$0.0</b>                  | <b>\$1.4</b>         | <b>\$3.3</b>         | <b>\$4.0</b>         | <b>\$3.7</b>         |

During the FY 2022-23 Preliminary Budget Study Session held on January 25, staff projected a structurally balanced budget, modest revenues increases and a status quo service level. Since that time, more data has been provided to inform the revenue assumptions and service prioritizations through the City Council, community engagement and employee townhall. This is a transitional stage that allows incremental strategies to utilize City resources in a manner that optimize services to the community.

## Economic Outlook

Two years after the National COVID-19 Emergency Declaration, we are tempered with the fiscal recovery and forecast ahead. The June 2022 UCLA Anderson School Economic Forecast expects U.S. economic growth will likely slow to 2.8% in 2022, followed by 2.0% in 2023 and 1.9% in 2024. Just a few months ago, the forecast was for growth of 4.3%, 2.8% and 2.3%, respectively, for the same years. Per the State's Employment Development Department, the unemployment rate for Milpitas is 1.8% for May 2022, which is at pre-pandemic levels.

At the Federal level, the American Rescue Plan Act (ARPA) injected a \$2 trillion fiscal stimulus into the economy with \$16.7 million allocated to the City. Federal COVID funding efforts continue in Congress to provide response to COVID health and economic impacts. On April 4, 2022, Congress approved \$10 billion to fund domestic needs for vaccines, tests and therapeutic drug treatment. This leverages the City's path to recovery.

Various factors influence our economic outlook. These include the tragic war in Ukraine, inflation with forty-year historically high CPI and fuel prices, rising interest rates, rising inflation rates, reduction of Federal Reserve economic easing, continued supply chain challenges and labor shortages. Another critical variable is how the Pandemic may permanently impact society, such as cut back to in-person commerce or services through online shopping, virtual work, conferences and/or leisure services to name only a few. While the City forecasts our sales tax revenues will recover to pre-pandemic levels, we forecast the Pandemic will permanently alter business travel impairing the City hotel (transient occupancy tax) revenues.

## FY 2022-23 Citywide Budget

As stated above, the FY 2022-23 Adopted Budget funds restored and enhanced service levels as compared to the current fiscal year. The FY 2022-23 citywide Adopted Budget of \$207.8 million has increased \$12.5 million, or 6.4%, in comparison to the Fiscal Year 2021-22 Adopted Budget of \$195.2 million. As part of Council approved actions related to American Rescue Plan Act (ARPA), 4 Firefighter/Paramedics, 2 Police Officers and 1 Program Coordinator (Recreation) were funded earlier than originally planned. Consistent with FY 2021-22 Adopted Budget actions, 1 Human Resource Technician and 1 Information Technology Analyst were funded effective January 1, 2022 and July 1, 2022, respectively. With these actions, the FY 2021-22 Amended Budget funded position count



increased by 9 positions from 415.50 FTEs to 424.50 FTEs. This Budget proposes to increase the position count by 16 FTEs, which includes the restructure of City Attorney Office, to 440.50 FTEs. Of the total 25 FTE increase, 12 FTEs are restored positions previously defunded in FY2021-22 Adopted Budget, reducing total defunded positions from 21.75 to 9.75 FTEs; the other 13 FTEs are newly added positions.

**Table 2 – FY 2022-23 Funded Position Summary by City Service Area**

| City Service Area                                 | FY 2021-22 Adopted Budget | FY 2021-22 Changes* | FY 2021-22 Amended Budget | FY 2022-23 Adopted Budget Changes | FY 2022-23 Adopted Budget |
|---|---------------------------|---------------------|---------------------------|-----------------------------------|---------------------------|
| Public Safety                                     | 190.00                    | 6.00                | 196.00                    | 2.00                              | 198.00                    |
| Community Development                             | 65.00                     |                     | 65.00                     |                                   | 65.00                     |
| Community Services and Sustainable Infrastructure | 101.00                    | 1.00                | 102.00                    | 10.00                             | 112.00                    |
| Leadership and Strategic Support                  | 59.50                     | 2.00                | 61.50                     | 4.00                              | 65.50                     |
| <b>Total</b>                                      | <b>415.50</b>             | <b>9.00</b>         | <b>424.50</b>             | <b>16.00</b>                      | <b>440.50</b>             |

The City's population expanded by 15,677 residents, or 24%, from 65,162 in 2009 to 80,839 in 2023, population based on data available from Department of Finance. At the same time, the City's funded positions to provide services only expanded by 13.8% from 387 positions to 440.5 positions, an increase of 53.5 positions.

As shown in Table 3 below, the FY 2022-23 Adopted Budget is balanced with \$207.8 million in revenues (including Transfers In) and \$207.8 million in expenditures (including Transfers Out). The FY 2022-23 estimated revenue across all funds of \$207.8 million is an increase of \$12.6 million, or 6.5%, compared to the FY 2021-22 Adopted Budget estimated revenue of \$195.2 million. The FY 2022-23 estimated expenditures across all funds of \$207.8 million is an increase of \$12.6 million, or 6.5%, compared to FY 2021-22 adopted expenditures of \$195.2 million. This is primarily due to proposed service enhancements, an increase in Capital Improvement Program funding, and scheduled salary increases. Also, the Housing Authority budget variance is primarily due to clerical over estimation of prior year budget appropriation.

**Table 3 – FY 2022-23 Citywide Budget Summary (All Funds)  
Citywide Revenues and other Financing Sources (\$ in millions)**

|                                  | FY 2021-22 Adopted Budget | FY 2022-23 Adopted Budget |             |
|----------------------------------|---------------------------|---------------------------|-------------|
| General Fund                     | \$110.8                   | \$117.6                   | 6.1%        |
| Housing Authority                | 1.0                       | 0.7                       | (30.0)%     |
| Other Funds                      | 16.5                      | 16.2                      | (1.8)%      |
| Water Fund                       | 31.5                      | 34.1                      | 8.3%        |
| Sewer Fund                       | 21.8                      | 23.7                      | 8.7%        |
| <b>Net Operating Funds Total</b> | <b>181.6</b>              | <b>192.3</b>              | <b>5.9%</b> |
| Capital Projects Funds           | 13.6                      | 15.5                      | 14.0%       |
| <b>Total</b>                     | <b>\$195.2</b>            | <b>\$207.8</b>            | <b>6.5%</b> |

### Citywide Expenditures

|                                 | FY 2021-22<br>Adopted Budget | FY 2022-23<br>Adopted Budget | % Change from<br>Prior Year Adopted |
|---------------------------------|------------------------------|------------------------------|-------------------------------------|
| Personnel Services              | \$99.5                       | \$105.9                      | 6.5%                                |
| Supplies & Contractual Services | 55.8                         | 60.2                         | 7.9%                                |
| Capital Outlay                  | 1.0                          | 2.1                          | 110.0%                              |
| Operating Transfers Out         | 12.1                         | 10.9                         | (9.9)%                              |
| <b>Subtotal</b>                 | 168.4                        | 179.1                        | 6.5%                                |
| Capital Improvements            | 22.3                         | 24.0                         | 7.2%                                |
| Debt Service                    | 4.5                          | 4.7                          | 4.4%                                |
| <b>Total</b>                    | <b>\$195.2</b>               | <b>\$207.8</b>               | <b>6.5%</b>                         |

### General Fund

The Fiscal Year 2022-23 Adopted General Fund budget of \$117.6 million is balanced with \$117.6 million in estimated revenues and other sources (Revenues) without the use of reserves. The Fiscal Year 2022-23 Revenues are estimated at \$117.6 million, an increase of \$6.8 million, or 6.1 percent, in comparison to the Fiscal Year 2021-22 Revenue estimate of \$110.8. The increase in revenue is primarily due to estimates from Sales Tax (\$1.9 million), and charges for services (\$1.6 million) such as fees related to recreation activities, licenses, permits and fines (\$1.2 million) and Property Tax (\$1.4 million). As a contingency, Staff will continue to monitor several emerging issues that may reduce property tax excess ERAF revenues: (1) a new State trailer bill, which is pending State legislature consideration and (2) California School Boards Association (CSBA) vs. State Controller litigation over the guidance on charter schools, which is pending the judge's ruling.

This budget and the accompanying FY 2023-2032 Ten-Year General Fund Financial Forecast (Forecast) assume that the Pandemic was transformative, and that brick and mortar shopping and business travel will not return to pre-pandemic levels resulting in ongoing revenue loss estimated in the millions per year.

With the passage of Measure F, a sales tax measure with a sunset in eight years and requiring independent audits and a citizens' oversight committee, the voters set the foundation for the City to maintain fiscal stability and preserve City services during these trying times. Consistent with the ballot measure, the City Council established the Measure F Oversight Committee (Committee) and approved the roles and responsibilities of the Committee. One of Committee's responsibilities is to annually review the projected revenues and recommended expenditures for the funds generated by Measure F as part of the development of the budget and to advise the Council whether the recommended Measure F funded expenditures are consistent with the ballot measure. The City Council appointed the Committee members and March 16, 2022, the Committee reviewed Table 4 (below) and confirmed that the services recommended to be maintained with Measure F funding are an allowable expenditure consistent with Measure F. The estimated Measure F revenues in the amount of \$6.5 million are equivalent to 5.4% of the \$117.6 million General Fund revenues estimated for Fiscal Year 2022-2023. With this additional tax revenue, the City is able to maintain the services as summarized in the table below:



**Table 4 - Services Maintained by Measure F Funds (\$ in millions)**

| Description of Services Maintained with Measure F Funds   | FY 2022-23 Budget Cost (\$ Million) |
|---|-------------------------------------|
| Respond to 911 calls within established parameters, resolve crime, dedicate staff to traffic safety and practice community-oriented policing and maintain necessary fleet & equipment | \$1.9                               |
| Fire stations to ensure 24/7 coverage across the City and maintain necessary fleet & equipment  | \$1.8                               |
| Services for aquatic, senior, and youth services  | \$0.5                               |
| Services for parks, tree and facility maintenance and necessary fleet & equipment   | \$1.3                               |
| Support local businesses in their economic recovery, retain existing business and attract new businesses, workforce development and property asset management                         | \$0.2                               |
| Neighborhood preservation and code enforcement  | \$0.4                               |
| Maintain library hours which keep the library open on weekday evenings and weekends   | \$0.3                               |
| <b>Total Services Funding</b>   | <b>\$6.5</b>                        |

As shown in Table 5 below, with the sunseting of Measure F effective April 1, 2029, deficits are anticipated starting with FY 2029-30. The City continues to prioritize economic development, innovations, and cost management to eliminate this forecasted deficit.

The Fiscal Year 2022-23 General Fund adopted expenditures of \$117.6 million are \$6.8 million, or 6.1% higher, in comparison to the Fiscal Year 2021-22 General Fund expenditures of \$110.8 million primarily due to increase in salaries and benefits (\$5.1 million), services and supplies (\$1.3 million) and capital outlay (\$0.4 million). The increase in salaries is due to cost of living adjustment (COLA) per labor contracts, positions approved for funding during the current fiscal year and adopted prioritized positions to be restored and added in the upcoming fiscal year. There are no newly added employee benefits; however, as salaries increase, benefit costs also increase as they are directly correlated. Risk management costs for liability and property insurance will increase approximately \$0.6 million for all funds, with 69% allocated to General Fund and 31% to other funds. As a member of the Common Interest Group (CIG) which has sued San Jose and Santa Clara over contractual disputes at the San Jose Santa Clara Regional Wastewater Facility (RWF), the City's 40% share of legal costs is anticipated to be \$1 million. Eleven (11) vehicles are planned to be purchased within the police, fire and public work departments.

Table 5 below shows the FY 2023-2032 Ten-Year General Fund Financial Forecast. Over the ten years of the Forecast based on information available in March, staff projects annual surplus and deficits between \$1.5 million and -\$11.1 million respectively. With the sunseting of Measure F effective April 1, 2029, deficits are anticipated starting with FY 2029-30.

**Table 5 – Ten-Year General Fund Financial Forecast (\$ in millions)**

|                                 | FY 21-22<br>Adopted<br>Budget | FY 22-23<br>Adopted<br>Budget | FY 23-24<br>Forecast | FY 24-25<br>Forecast | FY 25-26<br>Forecast | FY 26-27<br>Forecast |
|---------------------------------|-------------------------------|-------------------------------|----------------------|----------------------|----------------------|----------------------|
| Revenues and other Sources      | \$110.8                       | \$117.6                       | \$123.9              | \$130.0              | \$134.3              | \$138.7              |
| Expenditures                    | (110.8)                       | (117.6)                       | (122.5)              | (126.7)              | (130.3)              | (135.0)              |
| <b>Annual Surplus/(Deficit)</b> | <b>\$0.0</b>                  | <b>\$0.0</b>                  | <b>\$1.4</b>         | <b>\$3.3</b>         | <b>\$4.0</b>         | <b>\$3.7</b>         |

|                                 | FY 27-28<br>Forecast | FY 28-29<br>Forecast | FY 29-30<br>Forecast | FY 30-31<br>Forecast | FY 31-32<br>Forecast |
|---------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Revenues and other Sources      | \$143.5              | \$146.5              | \$145.9              | \$148.8              | \$153.5              |
| Expenditures                    | (139.4)              | (145.7)              | (151.9)              | (158.8)              | (164.6)              |
| <b>Annual Surplus/(Deficit)</b> | <b>\$4.1</b>         | <b>\$0.8</b>         | <b>(\$6.0)</b>       | <b>(\$10.0)</b>      | <b>(\$11.1)</b>      |

## American Rescue Plan Act

On Thursday March 11, 2021, President Biden signed into law the American Rescue Plan, a \$1.9 trillion stimulus package, to counteract the economic impacts of the Pandemic. The bill contains a \$350 billion allocation for state and local government aid including \$45.5 billion allocated to metropolitan cities (pop. over 50,000), such as the City of Milpitas, utilizing a modified CDBG (Community Development Block Grant) formula. Based on this formula, our City will receive \$16.7 million paid in two tranches - first half was received on June 1, 2021 and the second half was received on June 9, 2022. The U.S. Treasury issued the Interim Final Rule (IFR) on May 10, 2021 and the Final Rule on January 6, 2022, which went into effect on April 1, 2022. Council began ARPA discussions in March 2021 and adopted guidelines, investments plans and project appropriations by August 2021. The five ARPA investment areas include: community services, economic vitality, infrastructure, public safety, and technology. The majority of ARPA funding is directly allocated to programs with only 2.1% set aside for administration costs. Appropriation and planning for ARPA programs are ongoing processes and are reviewed and modified periodically per guidance provided by Council.

## Utility Funds

The City's Utility Funds for the Water and Sewer utilities are balanced. On February 19, 2019, the City Council adopted Ordinance Nos. 120.48 and 208.53, adjusting water, recycled water, and sewer service charges and fees for Fiscal Years FY 2018-19 through FY 2022-23. In accordance with the rate ordinances, Water and Sewer rates will increase by approximately 6 percent and 5 percent, respectively. For a typical single-family residential household, the bi-monthly water charge will increase by \$8.15 from \$135.77 to \$143.92; and the bi-monthly sewer charge will increase by \$5.8 from \$118.34 to \$124.14. The combined bi-monthly increased cost for a typical single-family residential household will be \$16.53.

With the increased water rates, the Water Utility is better positioned to respond to water system gaps including infrastructure repair and rehabilitation identified in the Water Master Plan. The increased water rates will also ensure sufficient funds are available to pay for projected wholesale rates from our two providers for future years. However, Staff will continue to monitor wholesale rates which may increase at a higher rate than the budget assumption consequently diminishing water fund resources for infrastructure repair. Similarly, the sewer rate increase will better position the Sewer Utility to cover anticipated funding needs for CIP projects expected to be identified in the Sewer Master Plan, and the many unknowns associated with the modernization of the San Jose/



Santa Clara Regional Wastewater Facility (RWF). Both the water and sewer master plans and financial plans will be revised in the upcoming months.

## Capital Improvement Program

May 3, the City Council approved the 2023-2027 Capital Improvement Program (CIP). A summary of the CIP can be found in this document as resources from various funds are transferred to capital projects annually. The funds for the first year of the Council approved FY 2023-2027 CIP are appropriated with the approval of the FY 2022-23 budget. The FY 2022-23 Adopted Capital Improvement Program funding in the amount of \$24.0 million is \$1.7 million more than the FY 2021-22 Adopted CIP of \$22.3 million, which includes projects amongst community improvements, parks, streets, water, sewer and storm.

## Council Priority Areas

During the FY 2022-23 Preliminary Budget Study Session held on January 26 as continued to the February 2nd City Council meeting, the City Council reviewed its seven priority areas to guide the development of the Budget.



**Community Wellness and Open Space:** Continue to provide parks and amenities for people of all ages and abilities to enjoy higher levels of physical and mental health.



**Economic Development and Job Growth:** Continue to strengthen our economic foundations that support community prosperity and opportunity while ensuring a sustainable and livable city.



**Environment:** Promote a sustainable community and protect the natural environment.



**Governance and Administration:** Continue to streamline processes for enhanced service and remain committed to long-term fiscal discipline and financial stewardship.



**Neighborhoods and Housing:** Continue to explore innovative approaches to incentivize affordable housing projects, collaborate with key stakeholders to care for our most vulnerable populations, and support and engage neighborhoods through dedicated programs and services.



**Public Safety:** Continue to invest in police and fire protection, in partnership with our community.



**Transportation and Transit:** Continue to seek and develop collaborative solutions to meet the transportation challenges facing our community and our region.

## Citywide Budget Process, Council Referrals, and Community Engagement

The budget process is an exercise in fiscal strategic planning that involves overall guidance from the City Council, input from the community, and close coordination between the executive team and numerous staff budget representatives across all departments. At the January 11, 2022 meeting, Council selected the top ten Council referral items including some with budgetary implications to move forward. At the May 3, 2022 meeting, Council

further prioritized referrals for budget consideration. At the May 10, 2022 Preliminary Budget Study Session, the City Council received the Proposed Budget presentation and provided input for staff budget considerations. On June 7, 2022, City Council held a public hearing and adopted the budget.

The community outreach program included a statistically valid resident survey, an Open Townhall survey, two virtual community meetings (March 11 and April 7), and an employee townhall (April 7). In the January 2022 community engagement survey, 83% of adult residents rated that they are satisfied with the overall quality of life in Milpitas, a significant increase from last year’s 79% and suggesting that residents continue to view living in Milpitas favorably; 88% of residents overwhelmingly agree that Milpitas’ diversity is an asset, 84% of residents feel that different cultures are celebrated, and 87% agree that the city is family friendly. Further, Police, 911 response and infrastructure continue to rate as residents’ top priorities. However, slightly more funding is given to environment, community wellness, and transportation in 2022 compared to 2021.

Community members were also given a hypothetical \$100 budget and asked to allocate dollars based on what they considered the most important of the six Council Priority Areas the City should invest for the upcoming year. The dollars respondents allocated to each Council Priority Area shows how important, in the aggregate, a particular Priority Areas is. Based on the responses, Public Safety was ranked as the most important Council Priority Area with \$22.46 of the allocations, followed by Neighborhoods and Housing (\$17.23), Economic Development (\$16.60), Environment (\$15.03), Community Wellness and Open Space (\$14.65), and Transportation and Transit (\$14.03).

Graph 1 - Community Survey Response

'Dollars' allocated to Council Priority Areas



## Adopted Service Level Changes

This Adopted Budget includes service level changes reflecting additions which are legally mandated; responds to prioritized City Council referrals; restores defunded priority positions; addresses areas of concern in Public Safety; adds positions to support increased service demands in park/land maintenance and capital improvements. The consideration of City Council referrals is on-going and will be incorporated in the budget as prioritized and funding becomes available.

In FY 2018-19, the City structured its operations into City Services Areas (CSAs) that foster interdepartmental coordination of efforts, resources, and goals. Service level changes are described briefly within each CSA section below and in more detail in the Department Budget sections including statements regarding the performance outcome and impacts if the service level change is not approved.

## Public Safety CSA

(Fire and Police)

### Service Level Changes

#### 1. Fire Fleet Enhancement (\$200,000 one-time)

This action funds 2 command/deployment vehicles (model F250s) to replace part of an aging fleet. Fire department (Department) currently utilizes repurposed retired Police patrol vehicles. These repurposed vehicles are approaching 20 years of useful life and are no longer reliable. This funding will start the gradual process of modernizing the Department's command vehicle fleet.

#### 2. Lifepak for Ambulance Program (\$37,728 one-time)

This action funds an additional Lifepak 15 Monitor and Defibrillator, primarily used for emergency response and resuscitation of patients and it will be placed on the new ambulance. Defibrillators are devices that restore a normal heartbeat by sending an electric pulse or shock to the heart. They are effective in preventing or correcting an arrhythmia and temporarily restoring cardiac function.

#### 3. Interra Operations Module Enhancement (\$33,000 one-time)

This action funds the Regional Interra Operations, Preplan and Incident Management Milpitas bridge invoices for the current regional system agencies for one full calendar year. Interra is National Fire Protection Agency (NFPA) 950/951 Compliant, which covers the standard for data development and exchange for the Fire Service. This sole source is also based on interoperability with other governmental agencies within Santa Clara County (SCC) as Interra is the only provider of the regional Operations, Preplanning and Incident Management to Santa Clara County Fire as well as the City of Santa Clara Fire Department - no other system provides this functionality to the region and interoperability is required for sharing of information and reporting.

#### 4. Fire Administrative Support Staffing (\$152,913)

This action adds 1.0 Administrative Analyst to assist with multiple programs/projects across multiple divisions in the Fire Department. This position will relieve critical workload gaps and support critical business services in Fire Administration, Suppression, Training, EMS, and the Office of Emergency Management (OEM). Insufficient administrative capacity has significantly impacted the Fire Department's ability to accomplish required operations, program management, personnel development, data analysis, and service enhancements to the City. This position will be able to manage projects currently being managed by Battalion Chiefs (BC). The Battalion Chiefs are working a 48/96 shift schedule which creates difficulties coordinating and communicating with internal and external stakeholders which work traditional 40-hour schedule. The shift schedule causes delays in project implementation and coordination and

ultimately creates frustration with the project managers in other departments supporting the Fire Department. Approximately 60-70% of the BC's work time is spent coordinating/managing department level programs/projects and performing administrative tasks.

### **5. Police Property Evidence Unit Staffing (\$136,855)**

This action adds 1.0 Police Evidence Technician in response to increasing workload in the Property Evidence Unit (PEU). The PEU is responsible for receiving, documenting, storing, managing, and maintaining the integrity and security of the property and evidence retained by the Milpitas Police Department. The primary job functions include but are not limited to: intake; custody/control; disposition; discovery requests; property returns; report processing, crime lab submissions; and purging evidence/property.

### **6. Axon Taser Upgrade (\$39,235)**

This action adds additional funding to Axon Enterprises contractual services to upgrade the current Taser X26P to Taser 7 model. The department currently issues Axon Enterprise, Inc. body worn cameras and conducted energy weapons to sworn personnel and subscribes to their cloud-based digital evidence management system for data storage, items critical to operations. Conducted energy weapons have been part of Milpitas Police officers' daily equipment for 25+ years and are an integral tool that provide officers with a less than lethal force option, reducing risk of injury to officers and suspects. The Department has issued the Taser X26P model to all sworn officers for 10+ years. Due to advancing technology, Axon Enterprise, Inc. developed the Taser 7 model and will not support the currently issued model. The Taser 7 model offers enhancements including close-range optimization, more effective connection, enhanced inventory and data management, daylight laser, improved ergonomic design, and more.

### **7. Wellness Services Enhancement (\$30,000)**

This action funds additional wellness services for the Police Department staff to enhance existing Peer Support and Employee Wellness Program by implementing additional wellness resources for staff, such as attending Post-Traumatic Stress Retreats and providing an on-call mental health clinician for those seeking help and for post-critical incident debriefs.

## **Community Development CSA**

(Building Safety and Housing, Economic Development, Planning, Engineering - Land Development, Fire Prevention)

### **Service Level Changes**

#### **1. Tiny Home Village Feasibility Study (\$130,000 one-time)**

This action funds a Tiny Home Village Feasibility Study. As a result of the Homelessness Task Force report and further staff research, City Council has directed staff to conduct this study. This study will evaluate the feasibility of a tiny home village as an interim housing program or rapid rehousing model for the unhoused community, with the purpose of transitioning participants to permanent housing. The study will engage stakeholders, identify possible sites, impacts, potential program models and service providers, develop project budget and financing options, and identify potential outcomes. Staff resources are fully committed to delivering existing services and programs. In order to conduct the Tiny Home Village Feasibility Study and ensure the Council's direction is realized, a consultant with knowledge and expertise in this area will be utilized. This feasibility study is estimated to cost \$130,000 and will be funded by the Housing Authority Fund.



**2. Part-time Staff Assistant (\$72,147 one-time)**

This action funds a part-time Staff Assistant for one fiscal year to mitigate increased administrative workload. During the closure of City Hall due to the COVID-19 pandemic, the department experienced a significant increase in incoming phone calls and email inquiries from residents, developers, and business owners. Many customers, either for convenience or to avoid contact with other people, are requesting continued remote business practices rather than coming to City Hall. This has resulted in significant added workload and increased response times because of the need to manage increased phone calls and email messages with other work such as meetings, staff report preparation, and project coordination.

**3. Property Asset Management Service (\$50,000 one-time)**

This action provides one-time funding for a consultant to provide services for developing and managing the City's real estate portfolio, and plan for future acquisition, disposition, leasing, relocation, valuation, and property management. The consultant will provide a real estate management report that describes the City's real estate assets; mapping of assets; develop real property policies and activities; business relocation services; procedures for property disposition and leasing, appraisals, preliminary title reports, grant deeds, purchase and sale agreements, and due diligence and administration of all real estate transactions. The consultant's real estate management services and report will result in a better understanding of current and future real property asset needs.

**4. Professional Services Enhancement (\$200,000, net \$0, one-time)**

This action funds Building Safety and Housing (Department) Professional Services to assist with Building Safety Programs for FY2022-23. Building safety professional services contracts are for services on an as-needed and on-call basis and can encompass plan review, inspection, or permit processing. Recruitments stopped due to the pandemic and while recruitments began again in FY2021-22, staffing has been insufficient compounded further by staff departures and vacancies in the department. In light of the uncertain staff situation and increased workload, the use of contractual services can enable the department to maintain a minimum level of service. This proposal will be funded from departmental vacancy savings as availability allows, resulting in net zero impact on the budget.

**5. Housing Staff Enhancement (\$172,302)**

This action funds a limited-term Administrative Analyst II (Housing) position for three years to administer the rent and mortgage relief program, homeless response services, resources and prevention initiatives, and Council priorities. Existing Staff resources are fully committed to delivering existing services and programs, many of which include require complying with federal and state mandates. Multiple new programs and initiatives have been added because of significantly increased funding, including ARPA, and other Council funded priorities. These include managing CDBG and Coronavirus funding programs; implementing rent and mortgage relief programs; implementing homeless outreach and assessment services; implementing mobile shower and laundry for unhoused residents; and conducting research on homeless resources and programs. Staff has also been working on several policy initiatives including the Housing Element, Assessment of Fair Housing, and Affordable Housing Ordinance. In order to accomplish these new programs and initiatives, ensure compliance, and achieve Council's housing priorities, this limited term position is being proposed.

**6. Special Project Associate for Zoning Ordinance Update (\$93,142)**

This action funds a limited term Senior Planner to help with the update of the Zoning Ordinance to align with the new General Plan adopted in March 2021. The Zoning Ordinance is the primary implementation tool of the General Plan, impacting housing, transportation, economic development, public safety and general well-being of the residents in this community. State Law requires land use classifications and regulations in the

Zoning Ordinance to be consistent with the Land Use designations established in the General Plan. Currently, the City's Zoning Ordinance is not consistent with the new General Plan. Parts of the City's current Zoning Ordinance date back to 1955, and the document has been amended multiple times over the past several decades and is in need of a comprehensive update.

### **7. Accessibility Training (\$20,000)**

This action funds accessibility training to improve compliance with federal and state disability laws. The expenditure is offset with state fees revenues collected from local business licenses to increase disability access and compliance with construction related accessibility requirements.

### **8. Granicus Annual Renewal Subscription Fees (\$10,000)**

This action funds the City's annual subscription renewal fee with Granicus Host Compliance to identify and monitor STRs operating in Milpitas. On March 3, 2020, the Milpitas City Council adopted Ordinance 38.835 to regulate short-term rentals (STRs) within the City of Milpitas. The new Ordinance established a Short-term Rental program that includes a fee as well as a clear and simple process for new and existing STRs to come into conformance with the new operating standards, registration requirements, and record-keeping obligations. The City will continue its contract with Granicus Host Compliance to identify and monitor STRs operating in Milpitas. Based on the information provided, the Planning Department will continue to notify non-compliant STR operators of their obligations under the City's STR Ordinance..

## **Community Services and Sustainable Infrastructure CSA**

(Engineering-Capital Improvement Programs, Recreation and Community Services, and Public Works)

### **Service Level Changes**

#### **1. Common Interest Group Legal Services Contribution (\$1,000,000 one-time)**

This action funds legal costs incurred as part of the cost sharing agreement entered into by the City and Common Interest Group (CIG) formed by various sanitation districts in the region. In 2018, due to failed efforts to resolve contractual disputes in the Master Agreements with San Jose Santa Clara Regional Wastewater Facility (RWF), CIG filed lawsuits against the cities of San Jose and Santa Clara.

#### **2. Roller-Skating Event (\$100,000 one-time)**

This action funds a 2-day roller rink event for the community as directed by City Council. It is estimated that an event budget of approximately \$100,000 is needed for the rink and event operations. Costs include staff costs, contractual costs for the rink and related infrastructure, sound, lighting, entertainment, food permitting, printing and advertising.

#### **3. Recreation and Community Services Organizational Study (\$50,000 one-time)**

This action provides for one-time funding of an organizational study for the Department of Recreation and Community Services (Department). The Council approved Parks Master Plan Update included a Department cost-recovery policy, which set the cost-recovery goals for certain services provided by the Department. This organizational study will focus on the effective and efficient delivery of these services and the current structure and staff complement.

#### **4. Utility Maintenance Fleet Addition (\$37,356 one-time)**

This action funds one F250 with tommy lift gate for the Storm/Sewer Senior Lead. As part of the FY 2021-22 Adopted Budget, the City Council approved the addition of 1.0 Senior Lead position in the Utility Maintenance Division. The Senior Lead is currently using the truck that is assigned to the defunded

Equipment Maintenance Worker III (EMWIII) (Storm) position, which is proposed to be restored as part of this budget.

**5. Solar Panel Feasibility Study (\$25,000 one-time)**

This action funds a solar panel feasibility study. On October 6, 2020, the City Council received the findings of an Investment Grade Audit (IGA) for the Energy and Water Savings Program for the City and approved the installation of solar and backup battery systems at the Senior Center and Community Center as part of the Program. The IGA also evaluated and included an optional bundle for solar and battery backup systems at City Hall, Public Works/Police Building, and the Sports Center (Bundle C.2), which was not recommended for implementation. In May, City Council approved funding for a referral that would allow staff to work with Engie, the City's Project Management Contractor for the project, to breakdown construction costs by location, update construction cost estimates to capture current market conditions, identify current available financial incentives/grants to offset costs to the City, and conduct a financial review to determine options for project funding. Once this work is completed, the results will be presented to Council for further consideration.

**6. Youth Sports Grants (\$20,000 one-time)**

This action funds \$20,000 of Youth Sports Scholarships for low-income Milpitas resident youth seeking support to participate in organized youth sports programs and performing arts. Staff will bring forward a program framework for Council consideration during the first quarter of Fiscal Year 2022-23.

**7. Organic Waste Diversion Program and Solid Waste Contract Administration Funding (\$0 Expenditure, \$400,000 in Revenue)**

This action funds ongoing existing programs required to ensure compliance with new regulations from the passing of Senate Bill 1383 (SB1383). Senate Bill 1383 (SB 1383), which became effective on January 1, 2022, mandates jurisdictions to divert organic waste from the landfill by requiring all residents and businesses to collect organic waste, such as food scraps. The staff cost related to the one-time implementation of SB 1383 has been charged to the Solid Waste Fund; however, there is no identified ongoing revenue source for the ongoing compliance work such as compliance inspections, route reviews, education and outreach, recordkeeping/documentation. Further, this action is the first phase of eliminating the structural deficit in the Solid Waste Fund, which is projected to have insufficient resources by the end of fiscal year 2022-23 to support solid waste programs. The City will charge an administrative fee of \$400,000 to MSI, and MSI will incorporate this into their rates, effective August 1, 2022. \$400,000 is approximately 2% (or \$0.87) increase per month charge for the typical residential household or \$10.50 annually.

**8. Storm Water Maintenance Staffing (\$164,802)**

This action restores the previously defunded 1.0 Equipment Maintenance Worker III (EMWIII). On February 16, 2021, Council approved to defund multiple vacant positions to offset the budget shortfall, including a vacant EMWIII leadership position in the Utility Maintenance Division. This EMWIII position is responsible for ensuring ongoing operations of mechanical equipment at the City's 13 storm water pump stations; provides Standby coverage and leads storm water pump station emergency response during storms; assists Sewer and Water Pump Station crews when additional staff are needed for large repair and maintenance jobs; and is responsible for building and ground maintenance at the 13 pump station facilities.

**9. Supervisory Control and Data Acquisition (SCADA) Contract Service (\$150,000)**

This action funds Supervisory Control and Data Acquisition (SCADA) contract service. In October 2020, Council approved a contract with ENGIE to implement energy and water savings measures for the City. One of the Council approved measures is the implementation of SCADA, a remote utility infrastructure

monitoring and operation system. SCADA will require ongoing monitoring of network, equipment and systems troubleshooting and maintenance, programming, user upkeep, security maintenance and integration with existing CMMS and GIS systems.

### **10. Landscape Maintenance Staffing (\$134,046)**

This action funds the addition of 2.0 Maintenance Worker I and one 1.0 Maintenance Assistant to provide enhanced landscape maintenance services. On October 19, 2021, the City Council received a report on the status of Citywide Landscape and Park Maintenance and expressed to enhance the service levels for landscape maintenance. The 1.0 Maintenance Worker I and 1.0 Maintenance Assistant will be deployed to address work requests that are submitted to Public Works which must be completed within established time frames. The second Maintenance Worker I position will provide additional work support when the Maintenance Worker III position is supervising the Parks Maintenance Function.

### **11. Community Engagement Program Staffing (\$77,551)**

This action restores the previously defunded Recreation Assistant III with a modified list of duties in response to changes in service demands. As the pandemic continues to dissipate, Council has provided more referrals in the function area of engagement and inclusion such as the forthcoming opening of the Alviso Adobe Building this year, which necessitates the development and oversight of a Docent Program, community-collaborative programs like the Children's Memorial Garden, Park Champions, and mural programs as well as the development of the cultural/historical program.

### **12. CIP Design and Construction Principal Engineer Position (\$69,358)**

This action funds 1.0 Principal Engineer in Design and Construction (D&C) section. The section serves the community by completing City Council approved and funded Capital Improvement Program (CIP) projects identified in the annual 5-year CIP document. Projects include, but are not limited to, repair and improvement of City streets, repair and replacement of underground utilities, rehabilitation of parks, Transit Area Specific Plan (TASP) infrastructure and other community improvements. The D&C Section is led by the CIP Manager and has two Associate Civil Engineer and four Junior/Assistant Engineer positions with one vacancy. The Principal Engineer will assist the CIP manager in project managing and planning, preparing the annual CIP document, supervising project teams and develop and implement goals, policies, procedures and priorities of the Section.

### **13. CIP Design and Construction Junior/Assistant Engineer Position (\$63,203)**

This action funds 1.0 Junior/Assistant Engineer position in the Design and Construction Engineering Section (D&C). The section serves the community by completing City Council approved and funded Capital Improvement Program (CIP) projects identified in the annual 5-year CIP document. Projects include, but are not limited to, repair and improvement of City streets, repair and replacement of underground utilities, rehabilitation of parks, TASP infrastructure and other community improvements. The D&C Section is led by the CIP Manager and has two Associate Civil Engineer and four Junior/Assistant Engineer positions with one vacancy. The Junior/Assistant Engineer will assist the Associate Engineers in project administration from design through construction, review and prepare construction documents and manage contracts from design consultant and contractor.

### **14. Part-time Staff Salary Alignment (\$27,423)**

This action provides funding for temporary Recreation and Community Services (RCS) staff salary increases in response to minimum wage increases to retain experienced PT employees. RCS is increasingly unable to hire and retain part-time staff at the salary rates budgeted. Frequent staff turn-over



and lengthy vacancies are making it difficult for the department to maintain its expected outstanding customer service.

#### **15. Park Maintenance Staffing (\$12,362)**

This action funds the addition of 3.0 Maintenance Assistants and shifts 1.0 Maintenance Worker III position from the Trees and Landscape Maintenance Function to the Parks Maintenance Function in-lieu of contracting out park maintenance for 10 parks. New total programmatic cost (1.0 Maintenance Worker III, 3.0 Maintenance Assistants and supplies) for enhanced services is \$459,153 in comparison with the prior contract service appropriation of \$446,791.

### **Leadership and Strategic Support CSA**

(City Council, City Manager, City Attorney, City Clerk, Finance, Human Resources, and Information Technology)

#### **Service Level Changes**

##### **1. Labor Negotiations Survey (\$35,000, one-time)**

This action funds professional services to conduct a survey of its comparative cities to benchmark classifications in Milpitas Professional and Technical Group (PROTECH) and Milpitas Employee Association (MEA). The contracts for these two bargaining units expire in June 2023, the survey is needed to prepare for labor negotiations.

##### **2. Risk Management Staffing (\$145,893)**

This action funds 1 Financial Analyst in the risk management section. The Financial Analyst position will be tasked primarily with the development and operation of a robust citywide Risk Management Program including but not limited to analysis of historical claims data, identification of training and policies to minimize reoccurrence of historical claims experience in the future, and liaison with PLAN JPA for integration of risk management best practices into City operations and also strengthening the City's cybersecurity practices.

##### **3. Office 365 Feature Enhancement (\$37,533)**

This action funds additional features in Office 365 to improve connectivity and efficiency. On January 25, 2019, Council approved the purchase of Office 365 subscription for a 3-year period. Office 365 subscription includes a suite of essential Office software, as well as the City's email, online collaboration, communication, and virtual meeting services. IT staff has evaluated various add-on features that will improve productivity and efficiency and determined that the following three new features be added for the next renewal period. The Audio Conferencing feature allows meeting attendees to use traditional phones to dial into the meeting. This allows in-field staff with unreliable or no internet connectivity, and staff without a smartphone to join virtual meetings by dialing a number assigned to a meeting. Mobile Device Management (MDM) feature allows IT staff a centralized oversight of mobile devices, including software license assignments, device configurations, and critical security features necessary to deploy mobile devices for law enforcement. Azure AD Premium is an advanced set of tools that will help IT Staff to better manage the interface between Microsoft services and the City systems. This feature will greatly impact the management efficiency for essential tasks such as remote management of Multi-factor Authentication (MFA).

##### **4. Enhanced Cellular Service (\$37,000)**

This action funds additional cellphones to deploy to the Milpitas Police Department. Police Department continuously performs market research for technology products that will improve efficiency and help enhance the law enforcement services delivered to our community. Many products are becoming increasingly mobile and web-centric, and to enable officers' remote access to these services, the Police

Department is looking to deploy approximately 70 smartphones to its officers. The City procured late-model smartphones at discounted pricing which was covered by the IT operating budget. The cellular service cost associated with the citywide cellular services is also in IT's operating budget. To cover the substantial increase in the service cost for the newly procured devices, funding is requested for the increased annual service cost of approximately \$37,000.

### **5. Part-time Staff Enhancement (\$32,264)**

This action funds 0.5 Staff Assistant to support City Manager's Office (CMO), Mayor and Councilmembers. The Staff Assistant will provide office coverage and full-time assistance to the entire City Manager's Office staff with various internal and external projects/initiatives to meet the Council priorities.

### **6. Reclassification of Information Technology Manager (\$28,752)**

This action funds the reclassification of Information Technology Manager to Deputy Director of Information Technology. The Information Technology (IT) Department has grown from 10 positions to 13 positions since FY 17-18. This growth reflects the increased technology needs of the City and the critical role IT plays in supporting all departments to deliver services to the community in an efficient and effective manner. Currently, the IT Director directly oversees 50% of his staff. So as to more effectively distribute the work and supervisory responsibilities, a reclassification of an existing vacant IT Manager (1 of 3 IT Managers) position is proposed.

### **7. Public Records Act Management Software (\$9,500)**

This action funds a software platform to manage requests related to the Public Records Act (PRA). As part of the budget strategy in July of 2021, the City Clerk's office took over the PRA request program from the City's Attorney's office. The California PRA was created to foster transparency, accountability, and greater public access. When a PRA is received, the City must provide all requested records unless there is a legal basis not to do so. Request for public records can be very broad and the legal exceptions to producing those are very limited. Many requests ask for an expansive range of communications that must be identified by individual employees and then reviewed in detail for responsiveness. As a result of the volume and complexity of these requests, the Clerk's Office has identified the need to implement an automated Public Records Request system. The automated system will increase efficiency in tracking and managing the workflow of requests from receipt to production. It will centralize all requests for improved staff response and action. The system also includes functions that help staff review responsive documents for privileged or confidential information, resulting in a cost savings of staff time and making responsive documents available to the requestor more quickly.

## **Amendments to Fiscal Policies and Budget Guidelines**

As part of the annual budget process, staff reviews the Fiscal Policies and Budget Guidelines, which can be found in a separate section of this budget document. These policies and guidelines set the fiscal framework for the annual budget process and long-term financial decisions. Below please find a summary of changes to the Fiscal Policies and Budget Guidelines, which were presented for Council consideration on May 10, 2022.

### **Changes to Fiscal Policies**

The City's Fiscal Policies are broken down into General Financial Goals; Operating Budget, Revenue, and Expenditure Policies; Utility Rates and Fees; Capital Budget Policies; Debt, Reserve, and Investment Policies; and Accounting, Auditing, and Financial Reporting Policies. It is important to note that the City Council also adopted separate debt and investment policies consistent with State law.

This balanced Adopted Budget remains focused on sound City fiscal policies and to preserving existing reserves. The adopted changes are minor and provide some flexibility and emphasis to facility, infrastructure and technology needs. The revision to the PERS Stabilization Reserve inserts a confirmation from the City's actuary for additional contribution from any savings and removes the adjustment for additional costs. This enables the City to incorporate information from the actuary as an additional measure for implementing this policy and reduces adjustments from the reserve without bringing this for Council consideration.

Other minor changes pertain to the waterfall of operating surplus wherein the PERS Rate Stabilization Reserve would be dependent upon actuary confirmation and the subsequent allocations will be emphasizing facility, infrastructure, and technology.

### **Changes to Budget Guidelines**

Through adoption of this budget, the City Council approves the Budget Guidelines found in a separate section of this document. The Budget Guidelines set forth the Basis of Budgeting; Budget Calendar requirements; form and content of the City Manager's Adopted Budget; adoption of the Budget by June 30th; the City Manager's budget authority; requirement that budget amendments be approved by the City Council; budget transfers and modification procedures; automatic adjustments and re-appropriations; budget monitoring and reporting; and reserve requirements for all funds.

The changes to the Budget Guidelines memorialize the Council direction on August 9, 2021 wherein for ARPA funding, the City Council delegated authority to the City Manager including appropriation and contract approval authority up to the approved amount for each program approved by Council, once compliance with ARPA procurement, contracting and reporting requirements. For budget monitoring and reporting, it includes a quarterly ARPA report for program updates to the City Council.

Also, for operational efficiency and especially as it relates to Recreation and Community Services, the Budget Guidelines clarify that the City Manager's authority pertaining to grants or donation consists of both monetary and non-monetary contributions. Specifically, the adopted budget guideline reads: "The City Manager shall have the authority to accept grants or donations up to \$100,000 or less (monetary and non-monetary based upon market value), increase department revenues and appropriations accordingly and execute related agreements as long as no matching funds are required, and/or departments do not require additional funding for ongoing maintenance costs or future replacement costs."

### **Reserves**

This budget retains the City's reserves and balance sheet position by not utilizing the contingency reserve, budget stabilization reserve, future year deficit reserve nor PERS stabilization reserve to fund FY 2022-23 appropriations. Specifically, as of the audited FY2021 reserve balances, the City will retain \$85 million of reserves as show below in the "committed" category of \$13.3 million, "unassigned" category of \$38.1 million and Section 115 Pension Irrevocable Trust of \$33.9 million. Table 6 below summarizes the Audited Comprehensive Financial Report (ACFR) for the General Fund balance and considers the footnote for the Section 115 Trust (effective June 30, 2021), which is presented separately from the General Fund in the ACFR.

**Table 6 – General Fund – Fund Balance FY2017 – FY2021 (Audited balances, \$ in Millions)**

| (\$ in Million)                           | FY2017        | FY2018        | FY2019         | FY2020        | FY2021         |
|---|---------------|---------------|----------------|---------------|----------------|
| <b>Nonspendable:</b>                      |               |               |                |               |                |
| Loan receivable                           | \$10.3        | \$0.0         | \$0.0          | \$0.0         | \$0.0          |
| Prepays, materials, supplies and deposits | \$0.6         | \$0.7         | \$0.7          | \$0.6         | \$0.6          |
| Property held for resale                  | \$4.2         | \$4.2         | \$4.2          | \$4.2         | \$4.2          |
| Advance to Other Funds                    | \$5.1         | \$5.2         | \$5.3          | \$5.4         | \$0.0          |
| <b>Subtotal Nonspendable</b>              | <b>\$20.2</b> | <b>\$10.1</b> | <b>\$10.2</b>  | <b>\$10.2</b> | <b>\$4.8</b>   |
| <b>Committed to:</b>                      |               |               |                |               |                |
| PERS stabilization*                       | \$19.0        | \$29.9        | \$33.9         | \$33.9        | \$2.8*         |
| Artificial turf replacement               | \$0.0         | \$0.8         | \$1.0          | \$1.2         | \$1.4          |
| Technology replacement                    | \$0.0         | \$1.0         | \$2.0          | \$2.0         | \$2.0          |
| Facilities replacement                    | \$0.0         | \$2.0         | \$7.0          | \$7.0         | \$7.0          |
| <b>Subtotal Committed</b>                 | <b>\$19.0</b> | <b>\$33.7</b> | <b>\$43.9</b>  | <b>\$44.1</b> | <b>\$13.2*</b> |
| <b>Assigned to:</b>                       |               |               |                |               |                |
| Change in investment market values        | \$0.0         | \$0.0         | \$0.0          | \$1.1         | \$0.0          |
| Uninsured claims payable                  | \$2.8         | \$2.8         | \$2.8          | \$2.0         | \$2.3          |
| Contracts                                 | \$0.8         | \$1.2         | \$3.1          | \$3.0         | \$2.4          |
| Other assigned                            | \$0.0         | \$0.0         | \$0.0          | \$0.0         | \$1.8          |
| General government capital projects       | \$4.5         | \$4.6         | \$0.0          | \$0.0         | \$0.0          |
| <b>Subtotal Assigned</b>                  | <b>\$8.1</b>  | <b>\$8.6</b>  | <b>\$5.9</b>   | <b>\$6.1</b>  | <b>\$6.5</b>   |
| <b>Unassigned:</b>                        | <b>\$0.0</b>  | <b>\$0.0</b>  | <b>\$0.0</b>   | <b>\$0.0</b>  | <b>\$0.0</b>   |
| General Fund Contingency Reserve          | \$0.0         | \$0.0         | \$0.0          | \$17.3        | \$18.3         |
| Budget stabilization                      | \$0.0         | \$4.0         | \$9.5          | \$17.1        | \$18.3         |
| Future deficit                            | \$0.0         | \$0.0         | \$0.0          | \$0.0         | \$1.5          |
| Unassigned                                | \$25.4        | \$36.5        | \$31.2         | \$0.0         | \$0.2          |
| <b>Subtotal Unassigned</b>                | <b>\$25.4</b> | <b>\$40.5</b> | <b>\$40.7</b>  | <b>\$34.4</b> | <b>\$38.3</b>  |
| <b>Total fund balances</b>                | <b>\$72.7</b> | <b>\$92.9</b> | <b>\$100.7</b> | <b>\$94.8</b> | <b>\$62.8</b>  |

\*\$33.9 million of PERS stabilization are put into a Section 115 Pension Trust on June 30, 2021 at Council's direction.

## Major Development Activities in the City

**Milpitas 2040 General Plan** – In June 2008, the Milpitas City Council adopted the Transit Area Specific Plan (TASP) to establish a vision for future pedestrian-oriented development in the area surrounding the future Milpitas Transit Center. The TASP also established a strategy for creating a regional transportation hub in Milpitas connecting Valley Transportation Authority (VTA) light rail and regional bus service with the long-awaited extension of Bay Area Rapid Transit (BART) into the South Bay. Consistent with TASP vision and strategy, much of the plan area has transitioned from low-intensity industrial buildings and uses into an emerging new mix of



residential, commercial, and office/employment uses at significantly higher densities and intensities of development to create a true transit-oriented community.

In February 2020, the City of Milpitas teamed up with consultants from Urban Field Studio to update the TASP and enhance the plan vision consistent with the City's new General Plan. This update effort, rebranded as the Milpitas Metro Specific Plan, envisions a robust expansion of the TASP to take advantage of the unique relationship and proximity to both BART and VTA light rail. The Metro Plan will provide clear policy guidance for the future development of nearly 168 acres (48% of the plan area) that have yet to be redeveloped in accordance with the original TASP vision and standards. In addition to providing for a new jobs-rich Innovation District within walking distance of the Transit Center, the Metro Plan will play an important role in the City's efforts to develop new affordable housing to meet its Regional Housing Needs Allocation (RHNA) from the State of California.

Work is substantially complete on the draft Metro Specific Plan and its associated Subsequent Environmental Impact Report, and both documents will be presented to the City Council for final adoption later this year.

**Gateway-Main Street Specific Plan (Midtown Specific Plan Update)** – In March 2002, the Milpitas City Council adopted the Milpitas Midtown Specific Plan to establish a framework for redevelopment of the City's historic Main Street and adjacent areas along the Calaveras Blvd. corridor between Main Street and Interstate 880. The overall strategy for the Midtown area was to create a mixed-use community that includes high-density, transit-oriented housing and a central community "gathering place" while maintaining needed retail and commercial service uses. The original Midtown Plan was amended in 2008 concurrent with adoption of the Transit Area Specific Plan.

In October 2021, the City of Milpitas teamed up with consultant from Ascent Environmental to update the Midtown Specific Plan with three primary focus areas: South Main Street between Great Mall Parkway and Weller Ave.; Calaveras Blvd. Between Main Street and I-880; and the I-880 frontage along Abbott Ave and Thompson Court. These three inter-related areas form an important gateway into the City via Highway 237, and the updated Midtown Plan has been rebranded as the Milpitas Gateway-Main Street Specific Plan. The Gateway-Main Street Plan will establish the types, locations, and intensities of land uses to be accommodated within each focus area. A variety of uses will be allowed, including entertainment, retail, civic, cultural, office, and high-density mixed-use residential in a compact, walkable, and unique centralized setting. Work is now underway in preparation of the existing conditions report and urban form analysis, and the Plan's estimated completion date is June 2023.

**Economic Development Strategy** – Economic Development and Job Growth is a key City Council priority, which is vital to the health of the local economy. The City Council adopted the Economic Development Strategy and Implementation Actions report (EDS) on May 5, 2020 to serve as Milpitas' road map to grow and diversify the City's economy, support businesses and workers, and improve quality of life in the community. Staff has executed several implementation actions of the EDS. Accomplishments include, but are not limited to, business attraction/retention/expansion, Fiscal Benefits of Employment Lands Study as part of the Innovation District, COVID-19 Workforce Recovery Program, launched the International Trade and Commerce Program, regional Hotel and Travel Report, and hosted the 5th Annual Manufacturing Day. The Office of Economic Development is engaged in various American Rescue Plan Act (ARPA) Economic Vitality Investment Framework actions including the Small Business Assistance Grant Program, Hotel Grants, Milpitas Chamber of Commerce Financial Assistance, and Workforce Development focused on various programming categories that include at-risk youth, youth and adult, green/sustainable jobs, childcare workforce and to partner with the unhoused population on community beautification. Staff will continue to work on the ARPA funded Storefront Improvement Grant Program and will partner with a consultant on a Business Improvement District (BID) feasibility analysis as part of the ARPA Main Street Revitalization efforts.

**Residential Development** – The City approved several new residential and mixed-use projects in FY 2021-22. Within the Milpitas Metro Area, the City approved an 85-unit multi-family residential project (100% affordable) by Pacific Communities at 308 Sango Court and a 32-unit townhome project by the True-Life Company at 2001

Tarob Court. Within the Metro Area, construction will also soon be underway on a 102-unit multifamily residential project (100% affordable) at 355 Sango Court as well as a 213-unit mixed-use residential-commercial project at 1320 McCandless Drive (The Fields – Elion). In addition, construction will soon be completed on a 216-unit mixed-use residential-commercial project at 720 Montague Expressway (Lantana) as well as a 213-unit mixed-use residential project at 1400 McCandless Drive (The Fields – Gideon). Several other townhome projects are currently making their way through the development review process.

**Non-residential Development** – In FY 2021-22, the City approved several new non-residential development projects. In August 2021, Stratford Schools received approval to convert the former Orchard Supply Hardware store at 125 North Milpitas Blvd. into a new private early education facility for up to 480 students, kindergarten through 2nd grade. This project is now under construction and includes exterior alterations to the building façade, development of two outdoor play areas, and site improvements such as new fencing and parking lot upgrades for efficient circulation and access. In March 2022, Stratford also completed renovations to an existing office building at 25 Corning Street and opened that facility for up to 576 students. In September 2021, the City approved plans for a new 216-room business hotel at 1851 McCarthy Blvd. The five-story hotel will include an 11,000-square foot outdoor pool and patio courtyard, a 3,750-square foot indoor meeting area, a 2,227-square foot dining area, a 1,312-square foot bar and lounge, and a one-story, ground-floor parking garage with space for 241 vehicles. The City also approved two new commercial childcare facilities and the expansion of several local retail businesses. In addition, vital business attraction and investment efforts are underway in Milpitas. The following businesses have signed leases for space in Milpitas: Apple, Amazon, Corsair Gaming, Weee!, Virtusa Corporation, Advanced Energy Industries, SMTC Manufacturing, and Socionext. These new Milpitas businesses will create new jobs and generate sales tax revenues through business-to-business relationships.

## Conclusion

I submit this Adopted FY 2022-23 Budget with tempered optimism for your consideration. We are pleased to restore and enhance priority service areas during this recovery and will continue to monitor the situation for timely decisions.

We remain committed to leveraging the Federal ARPA funds to aid the community and maintain fiscally sound policies to fund City reserves and continue long-term planning. This balanced budget provides a portfolio of essential City services and infrastructure funding. Staff presented the Proposed Budget on May 10 and Council held a public hearing and adopted the budget on June 7. Throughout this process, we sought Council, community, and employee feedback to inform the budget development.

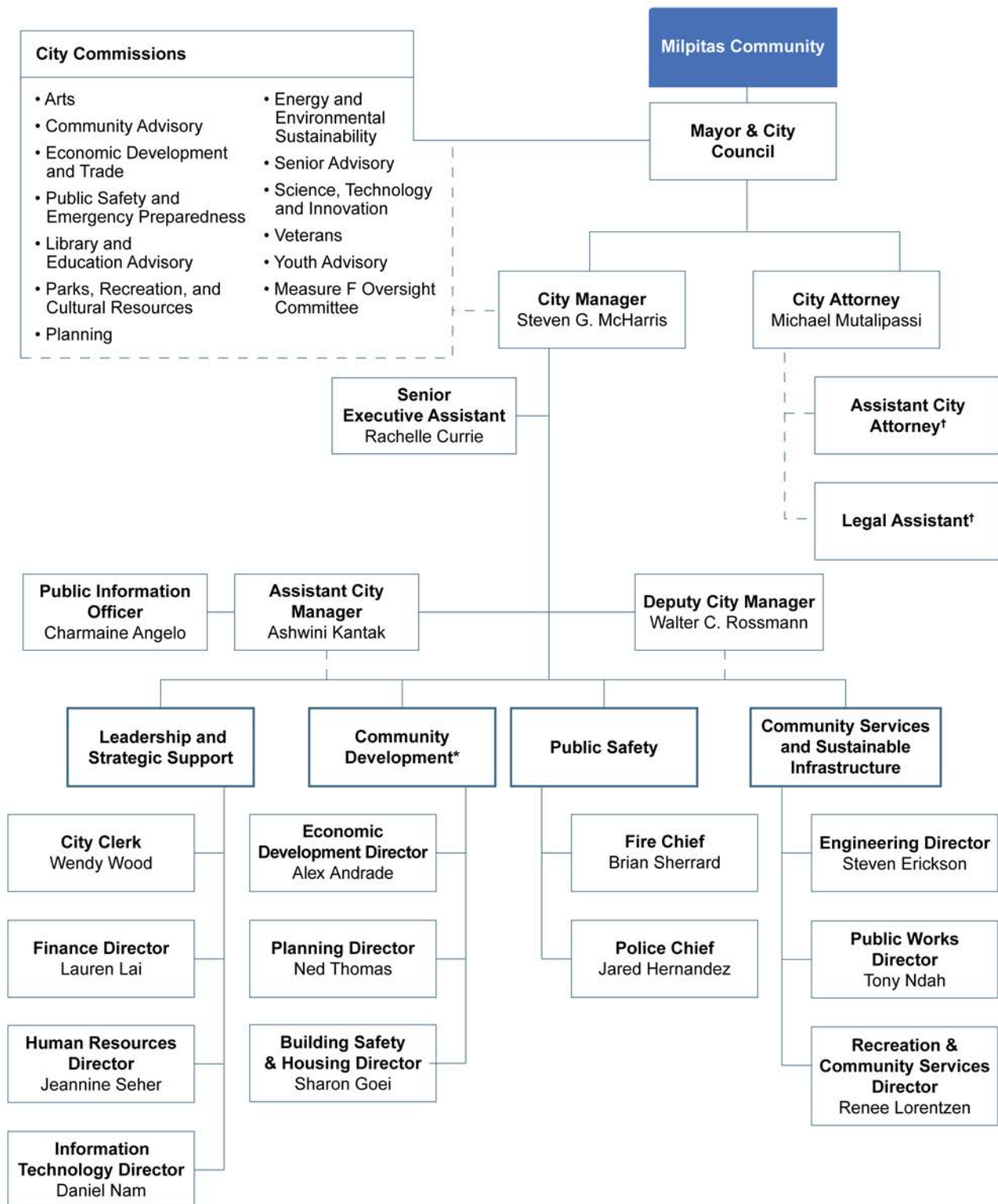
This budget could not be accomplished without the tremendous work of the Executive Leadership Team and their staff for helping me maneuver through this Pandemic and developing this budget. I am especially thankful to Fenny Lei, Budget Manager, and her team as well as the entire Finance Department under the leadership of Lauren Lai, Director of Finance, for their dedication, professionalism, and expertise in the development and publication of the FY 2022-23 Adopted Budget. However, we only arrived at this juncture through the foresight, leadership and direction of the Mayor and Members of our City Council, for which I am grateful. With your guidance, Milpitas has successfully navigated through this uncertainty we experienced and is poised to continue our recovery.

Respectfully submitted,



Steven G. McHarris  
**City Manager**

# Organization Chart



\*Fire Prevention (Fire Department) and Land Development (Engineering Department) are part of Community Development.

†Temporary placeholder positions, final positions to be determined by City Council and City Attorney

## History

Before roads were carved and houses were built, Milpitas and its surrounding areas were home to Native Americans in the Costanoan and Ohlone tribes. Living off the bounty of the land around San Francisco Bay, the Costanoans and the Ohlones prospered for hundreds of years long before Mexican or Spanish immigrants came to conquer the land.

In the 18th century, Spanish explorers surveyed the land and were the first to give Milpitas its name - milpa - or little cornfields. Three large ranches began, and two families, the Alvisos and the Higuerras, built adobes in the mid-1800s which still stand today.



In 1850, the California Gold Rush began, and “American” settlers started taking over the region. In 1852, a settler from Ireland, Michael Hughes, built the first redwood-framed house in what is now Milpitas. Soon after, the first school was built, and by 1857, Milpitas had a hotel, general store and a post office.

Fruit orchards began to spring up in the 1870s, and later the region was known for its hay growing. The population continued to grow into the 1880s and settlers numbered over 1,500. But by the turn of the century, only about a third of those people remained.

Populations would remain low until shortly after World War II, when Western Pacific Railroad bought a 300 acre industrial park within the city and Ford Motor Company announced it would shift its manufacturing plant from Richmond (just north of Oakland) to Milpitas. The population grew to 825. Sewer and water service, and fire protection were set up shortly after, as was one of the country’s first integrated housing communities.

On January 26, 1954, the city was officially incorporated, after fighting off annexation attempts by neighboring San Jose. Ten years later, populations grew to 7,000.

Following the computer firm boom of the 1980s and the opening of one of the nation’s largest malls in 1994, the city is now home to 80,839 residents<sup>1</sup>.

Photos courtesy of: Eliren Pasion  
History courtesy of: The Milpitas Post

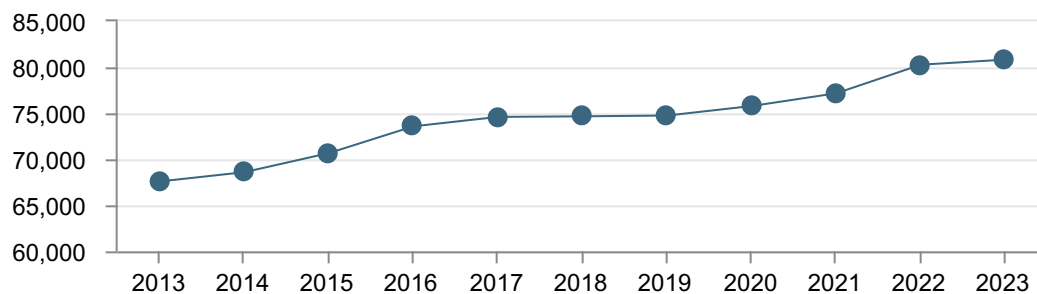


## Demographic Profile

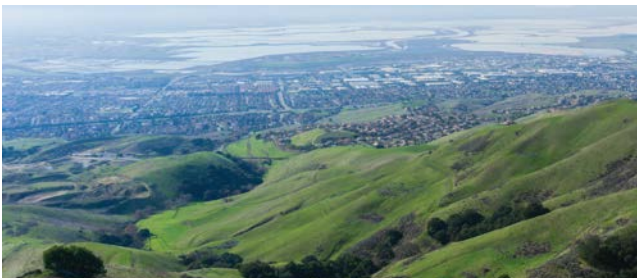
### Population

Once a small agricultural town and later a stopover point for travelers between Oakland and San Jose, Milpitas has blossomed into one of the world's premier computer and semiconductor producers. Tenants of the burgeoning city of 80,839 are family-centered communities that embrace cultural diversity, quality schooling, and conveniently located neighborhood parks and shopping centers.<sup>1</sup> The table below reflects City population based upon data from Department of Finance.

### Population



### Development



Incorporated in 1954 with 825 residents, Milpitas is located at the southern tip of the San Francisco Bay and in Silicon Valley. City covers 13.6 square miles, with grassy foothills and picturesque Mount Hamilton to the east and the Santa Clara Valley floor to the west. The city is located in Santa Clara County, home to approximately 1.9 million residents. To the north is the city of Fremont. To the south lies San Jose, the third largest city in California. As of 2019, Milpitas had an existing inventory of approximately 14.5 million square feet of office, R&D, and manufacturing space.<sup>1</sup> This inventory is flexible and includes a diversity of building types and sizes, which can accommodate businesses in need of different types of spaces. About 5.5 million square feet of warehouse and distribution space existed in Milpitas in 2019.<sup>2</sup>



Milpitas has a large and diverse offering of retail stores and restaurants, mostly concentrated in suburban-style shopping centers. As of 2019, Milpitas had nearly 5 million square feet of retail, of which three quarters was located in retail centers of different sizes and trade areas.<sup>2</sup> Milpitas has an ethnically diverse array of retail and restaurants, and a significant portion of retail in Milpitas is specialized in Asian products. Milpitas has major regional retail destinations that attract shoppers from beyond the city. The largest centers are the Great Mall, a 1.4 million square feet super-regional mall, and McCarthy Ranch, a 415,000 square feet power center.<sup>2</sup>

## Employment

With over 40,800 jobs<sup>8</sup> and 39,600 employed residents, Milpitas is a jobs rich community.<sup>3</sup> The two largest employers in Milpitas are Cisco Systems with over 3,000 employees and KLA with over 2,000 employees.<sup>3</sup> Other major employers are, Flex, Headway Technologies and Milpitas Unified School District. Several of these top employers have made Milpitas their corporate headquarters location. The largest percentage of the Milpitas workforce, approximately 26%, are employed in professional, scientific, and management, and administrative and waste management, 23% manufacturing, and approximately 16% educational services, and health care and social assistance.<sup>4</sup>

The City's largest own-source revenue is property tax. Top ten property tax payers are shown below:<sup>5</sup>



| Principal Property Tax Payers: Fiscal Year 2021-22 |                                     |                                |
|--|-------------------------------------|--------------------------------|
| Taxpayers  | Taxable Assessed Value <sup>1</sup> | % of Total City Assessed Value |
| 1. Cisco Systems Inc.                              | \$502,128,423                       | 2.46%                          |
| 2. KLA Tencor Corporation                          | 465,867,697                         | 2.28%                          |
| 3. Milpitas-District 1 Owner LLC                   | 345,971,636                         | 1.69%                          |
| 4. Milpitas Mills LP                               | 345,901,346                         | 1.69%                          |
| 5. Sandbox Expansion LLC                           | 244,429,905                         | 1.2%                           |
| 6. McCarthy Center Holdings LLC                    | 199,182,830                         | 0.98%                          |
| 7. Amalfi Milpitas LLC                             | 172,689,312                         | 0.85%                          |
| 8. Lago Vista Milpitas LLC                         | 172,078,619                         | 0.84%                          |
| 9. Essex Portfolio LP                              | 166,647,097                         | 0.82%                          |
| 10. Anton Milpitas LLC                             | 164,604,890                         | 0.81%                          |
| <b>Total</b>                                       | <b>\$2,779,501,755</b>              | <b>14%</b>                     |

<sup>1</sup> The total City assessed valuation for fiscal year 2021-22 is \$20,427,309,061.  
Source: California Municipal Statistics, Inc.

## Community

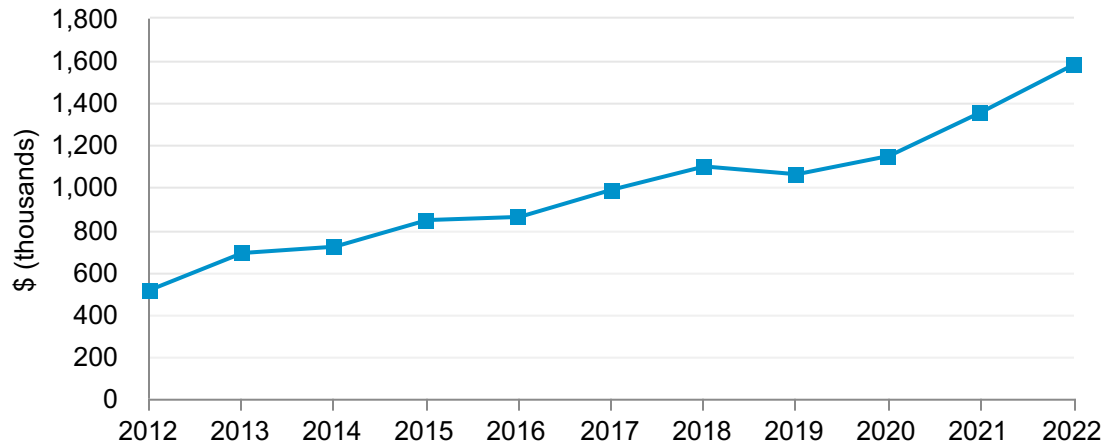
At 20 feet above sea level, Milpitas' mild climate averages 59 degrees, with gentle winds from the northwest and little more than 13 inches of rain expected in a typical year. Milpitas' neighborhoods are dotted with over 20,000 households and well-placed parks. Thirty-two community parks are maintained by Milpitas, in addition to one dog park and 21 tennis courts. The City provides a multitude of outstanding recreational opportunities, including aquatics, cultural arts and theater, sports leagues and activities, youth programming, and senior activities and services. Milpitas' median household income is \$137,000.<sup>6</sup>



## Housing<sup>4</sup>

Close to 63.7 percent of Milpitasans own their own home. The median gross rent in Milpitas is \$2,626. The median price of a single family residence as of February 2022 in Milpitas is \$1,583,000. About 22.1 percent of the city's population are under 18 years of age. About 78 percent of the population are 18 years and over. About 12 percent of residents are 65 years and over.

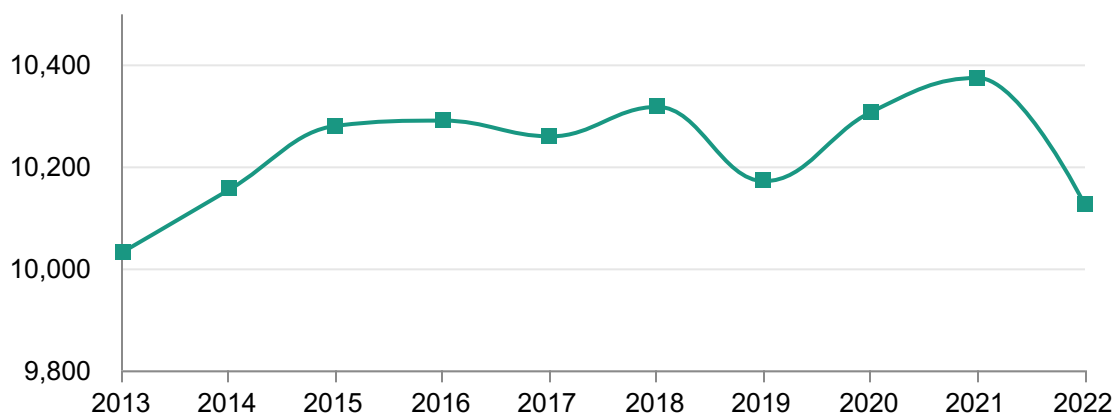
**Medium Home Price (in thousands)**



## Education

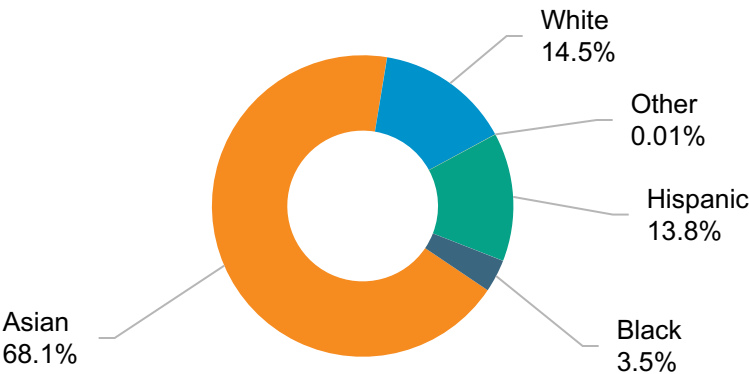
The Milpitas Unified School District operates ten elementary schools (K-6), two middle schools (7-8), two high schools (9-12), one continuation high school, and one adult education school. The district employed over 500 individuals on a full-time basis to serve approximately 10,000 students as a Pre K-12 grade school system.<sup>7</sup>

**School Enrollment**



Facts About Our Residents

According to census data, an estimated 68.1 percent of residents are Asian; 14.5 percent are White; 13.8 percent are Hispanic or Latino; and 3.5 percent are Black. According to the 2014-2018 American Community Survey, 52% of Milpitas residents are foreign born compared with 39% of residents in Santa Clara County and 27% of residents in California.



Government

The bustling general law city is supervised by a council-manager form of government. The Milpitas City Council is the flagship decision making body that appoints members to many commissions that serve in advisory capacities. The mayorship is an elected position, as are all the council seats. Mayors serve two-year terms; council members have four-year seats.

The City Council makes the ultimate planning and policy decisions for residents, and oversees the city’s \$208 million budget. The five members carry out twice a month public meetings. At these times, the public’s comments are usually heard, under the citizen’s forum.

The Council’s meetings are held the first and third Tuesdays of each month at 7:00 p.m. in the Milpitas City Hall, 455 E. Calaveras Blvd.

There are 12 advisory commissions on which residents can participate - the Planning Commission, Arts Commission, Youth Advisory Commission, Library and Education Advisory Commission and Senior Advisory Commission, to name a few.

Issues challenging most commissions these days are development, quality of life and how to streamline traffic bottlenecks that plague this area at commute times.

<sup>1</sup> July 1, 2023 population data from Department of Finance  
<sup>2</sup> City of Milpitas Economic Development Strategy and Implementation Actions Report (May 2020)  
<sup>3</sup> California EDD (February 2022)  
<sup>4</sup> 2020 ACS 5-Year Estimates Data Profiles  
<sup>5</sup> HdL Coren & Cone  
<sup>6</sup> Santa Clara County Association of Realtors, Marketing Housing Statistics, February 2022  
<sup>7</sup> <https://dq.cde.ca.gov/dataquest/>  
<sup>8</sup> The decline is due to different reporting methodology. In prior budgets, a different data set was used that included jobs held by non-Milpitas residents.

## Milpitas at a Glance

**Date of Incorporation:**

**January 26, 1954**

**Form of Government:**

**Council-Manager**

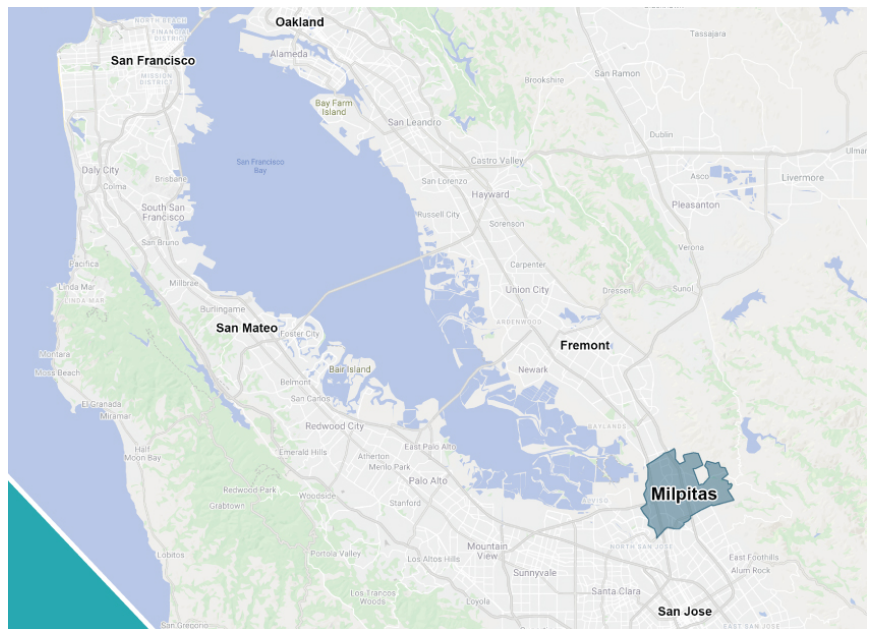
|                                  |               |   |               |
|----------------------------------|---------------|---|---------------|
| <b>Population (estimated*)</b>   | <b>80,839</b> | <b>Water Utility</b>                              |               |
| Land area (Square Miles)         | <b>13.6</b>   | Number of Customers                               |               |
| Miles of Streets                 | <b>308</b>    | Residential                                       | <b>14,728</b> |
| Number of Street Lights          | <b>4,516</b>  | Commercial  | <b>2,232</b>  |
|                                  |               | Recycled Water                                    | <b>236</b>    |
| <b>Fire Protection</b>           |               | Average Daily Consumption<br>(in million gallons) |               |
| Number of Stations               | <b>4</b>      | Potable Water                                     | <b>7.49</b>   |
| Number of Firefighters           | <b>65</b>     | Recycled Water                                    | <b>1.01</b>   |
| Fire Apparatus                   | <b>13</b>     | Miles of Water Mains                              | <b>206</b>    |
| Number of Fire Hydrants          | <b>2,308</b>  |   |               |
| <b>Police Protection</b>         |               | <b>Sewer Utility</b>                              |               |
| Number of Stations               | <b>1</b>      | Miles of Sanitary Sewers                          | <b>173</b>    |
| Number of Substations            | <b>1</b>      | Miles of Storm Drains                             | <b>99</b>     |
| Number of Sworn Officers         | <b>93</b>     | <b>Public Schools Serving the Community</b>       |               |
| Number of Crossing Guard Posts   | <b>38</b>     | Elementary Schools                                | <b>10</b>     |
| Number of Police Patrol Vehicles | <b>30</b>     | Middle Schools                                    | <b>2</b>      |
|                                  |               | High Schools                                      | <b>2</b>      |
| <b>Employees - FY 23 Budget</b>  |               | Community College Extension                       | <b>1</b>      |
| Permanent                        | <b>440.5</b>  |   |               |
| Temporary (FTE)                  | <b>80.3</b>   |   |               |
|                                  |               | <b>Parks and Recreation</b>                       |               |
|                                  |               | Acres of Parkland                                 | <b>153.81</b> |
|                                  |               | Number of Parks                                   | <b>36</b>     |
|                                  |               | Number of Playgrounds                             | <b>33</b>     |
|                                  |               | Number of Tennis Courts                           | <b>21</b>     |
|                                  |               | Number of Swimming Pools                          | <b>3</b>      |

\*July 1, 2022 population provided by Department of Finance, 2020 Census population was 80,273  
 City of Milpitas - Finance  
 City of Milpitas - Fire  
 City of Milpitas - Information Technology  
 City of Milpitas - Police  
 City of Milpitas - Public Works  
 City of Milpitas - Recreation and Community Engagements

## Map

The City of Milpitas is located near the southern tip of San Francisco Bay, forty-five miles south of San Francisco. Milpitas is often called the “Crossroads of Silicon Valley” with most of its 13.63 square miles of land situated between two major freeways (I-880 and I-680), State Route 237, and a county expressway.

A light rail line opened for service in 2004 and an extension of BART, including a major multi-model station opened for service in June 2020.







## FY 2023-2032 Ten-Year General Fund Financial Forecast

Starting with the FY 2021-22 Budget, staff developed a Ten-Year General Fund Financial Forecast to highlight long-term impacts of projected revenues and expenditures primarily to enhance the City's fiscal long-term stability and pension costs management. When the California Public Employees Retirement System (CalPERS) changes the actuarial assumptions of the pension portfolio, such as lowering the interest earning or demographic assumptions, such changes become fully effective seven years after CalPERS Board approval. In addition, Measure F is an eight-year tax measure, consequently, long-term forecasts provide an invaluable planning tool to understand the fiscal implications of today's budget actions and are an indication of sound fiscal planning and strategy.

The table below shows the FY 2023-2032 Ten-Year General Fund Financial Forecast starting with the FY 2022-23 Adopted Budget. Over the ten years of the Forecast based on information available in March, staff projects annual surplus and deficits between \$1.4 million and -\$11.1 million. With the sunseting of Measure F effective April 1, 2029, deficits are anticipated starting with FY 2029-30. Therefore, to prevent service reductions, the City continues with economic development, cost management and innovations. The table below also includes the information on the City's current year Adopted Budget for FY 2021-22. Revenues and other Sources includes taxes, fees, overhead charges and use of reserves, as applicable. Uses includes personnel and non-personnel expenditures, debt service and contributions to reserves, as applicable.

**Table 1 – FY 2023-2032 Ten-Year General Fund Financial Forecast - Overview (\$ in millions)**

|                                      | FY 21-22<br>Adopted Budget | FY 22-23<br>Adopted Budget | FY 23-24<br>Forecast | FY 24-25<br>Forecast | FY 25-26<br>Forecast |
|--------------------------------------|----------------------------|----------------------------|----------------------|----------------------|----------------------|
| Revenues and Other Sources           | \$110.8                    | \$117.6                    | \$123.9              | \$130.0              | \$134.3              |
| Expenditures                         | (110.8)                    | (117.6)                    | (122.5)              | (126.7)              | (130.3)              |
| <b>Annual Surplus/<br/>(Deficit)</b> | <b>\$0.0</b>               | <b>\$0.0</b>               | <b>\$1.4</b>         | <b>\$3.3</b>         | <b>\$4.0</b>         |

|                                      | FY 26-27<br>Forecast | FY 27-28<br>Forecast | FY 28-29<br>Forecast | FY 29-30<br>Forecast | FY 30-31<br>Forecast | FY 31-32<br>Forecast |
|--------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Revenues and Other Sources           | \$138.7              | \$143.5              | \$146.5              | \$145.9              | \$148.8              | \$153.5              |
| Expenditures                         | (135.0)              | (139.4)              | (145.7)              | (151.9)              | (158.8)              | (164.6)              |
| <b>Annual Surplus/<br/>(Deficit)</b> | <b>\$3.7</b>         | <b>\$4.1</b>         | <b>\$0.8</b>         | <b>(\$6.0)</b>       | <b>(\$10.0)</b>      | <b>(\$11.1)</b>      |

The following sections discuss the year-over-year change between the FY 2021-22 Adopted Budget, as amended on February 15th, 2022 and the FY 2022-23 Adopted Budget as well as assumptions embedded in the FY 2023-2032 Ten-Year General Fund Financial Forecast for major revenue and expenditure categories.

# Ten-Year General Fund Financial Forecast

## Revenues and Other Sources

**Table 2 – FY 2023-2032 Ten-Year General Fund Financial Forecast –  
Revenues and Other Sources (\$ in millions)**

|                               | FY 21-22<br>Adopted<br>Budget | FY 22-23<br>Adopted<br>Budget | FY 23-24<br>Forecast | FY 24-25<br>Forecast | FY 25-26<br>Forecast |
|-------------------------------|-------------------------------|-------------------------------|----------------------|----------------------|----------------------|
| <b>Revenues/Sources</b>       |                               |                               |                      |                      |                      |
| Property Taxes                | \$41.3                        | \$42.6                        | \$44.3               | \$46.6               | \$48.4               |
| Sales & Use Tax               | 25.6                          | 27.4                          | 28.4                 | 29                   | 29.6                 |
| Sales Tax – Measure F         | 6.3                           | 6.4                           | 6.6                  | 6.7                  | 6.9                  |
| Transient Occupancy Tax       | 7.7                           | 8.3                           | 9.4                  | 9.9                  | 10.2                 |
| Licenses, Permits & Fines     | 10.3                          | 11.5                          | 13.0                 | 14.1                 | 14.6                 |
| Charges for Services          | 4.2                           | 5.9                           | 6.5                  | 6.7                  | 6.9                  |
| Franchise Fees                | 5.8                           | 5.4                           | 5.6                  | 5.8                  | 6.0                  |
| Use of Money and Property     | 0.5                           | 0.4                           | 0.4                  | 0.4                  | 0.4                  |
| Other Taxes                   | 1.0                           | 1.1                           | 1.1                  | 1.1                  | 1.1                  |
| Intergovernmental             | 1.2                           | 1.0                           | 0.2                  | 0.2                  | 0.2                  |
| Other Revenues                | 0.4                           | 0.4                           | 0.4                  | 0.4                  | 0.4                  |
| Operating Transfers In        | 6.6                           | 7.2                           | 8.0                  | 9.0                  | 9.6                  |
| Budget Stabilization Reserve  | 0                             | 0                             | 0                    | 0                    | 0                    |
| <b>Total Revenues/Sources</b> | <b>\$110.8</b>                | <b>\$117.6</b>                | <b>\$123.9</b>       | <b>\$130.0</b>       | <b>\$134.3</b>       |

|                               | FY 26-27<br>Forecast | FY 27-28<br>Forecast | FY 28-29<br>Forecast | FY 29-30<br>Forecast | FY 30-31<br>Forecast | FY 31-32<br>Forecast |
|-------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>Revenues/Sources</b>       |                      |                      |                      |                      |                      |                      |
| Property Taxes                | \$50.2               | \$52.1               | \$54.0               | \$56.1               | \$58.2               | \$60.4               |
| Sales & Use Tax               | 30.2                 | 31.0                 | 31.7                 | 32.5                 | 33.4                 | 34.2                 |
| Sales Tax – Measure F         | 7.0                  | 7.2                  | 5.5                  | 0.0                  | 0.0                  | 0.0                  |
| Transient Occupancy Tax       | 10.5                 | 10.8                 | 11.1                 | 11.4                 | 11.8                 | 12.1                 |
| Licenses, Permits & Fines     | 15.2                 | 15.7                 | 16.3                 | 16.9                 | 17.5                 | 18.1                 |
| Charges for Services          | 7.1                  | 7.3                  | 7.6                  | 7.8                  | 8.0                  | 8.2                  |
| Franchise Fees                | 6.1                  | 6.3                  | 6.5                  | 6.7                  | 7.0                  | 7.2                  |
| Use of Money and Property     | 0.5                  | 0.5                  | 0.5                  | 0.5                  | 0.5                  | 0.5                  |
| Other Taxes                   | 1.2                  | 1.2                  | 1.2                  | 1.2                  | 1.3                  | 1.3                  |
| Intergovernmental             | 0.2                  | 0.2                  | 0.2                  | 0.2                  | 0.2                  | 0.2                  |
| Other Revenues                | 0.4                  | 0.4                  | 0.4                  | 0.4                  | 0.4                  | 0.5                  |
| Operating Transfers In        | 10.2                 | 10.8                 | 11.4                 | 12.1                 | 10.6                 | 10.8                 |
| Deficit Reserve               | 0.0                  | 0.0                  | 0.0                  | 0.0                  | 0.0                  | 0.0                  |
| <b>Total Revenues/Sources</b> | <b>\$138.7</b>       | <b>\$143.5</b>       | <b>\$146.5</b>       | <b>\$145.9</b>       | <b>\$148.8</b>       | <b>\$153.5</b>       |

**Property tax revenues** are estimated to be \$42.6 million in FY 2022-23, an increase of \$1.4 million, or 3.3%, compared to the FY 2021-22 Adopted Budget of \$41.3 million. Excess ERAF (Educational Revenue Augmentation Fund) of \$2.2 million was included for FY 2022-23 and a increase in FY2023-24 by \$1.7 million, or 4%, from estimated FY2022-2023 ERAF, based on recent developments and 30% contingency. Excess ERAF is the mechanism that moves state funds through the County system. The California Legislature created the Educational Revenue Augmentation Fund in 1991 to reduce state general fund spending on schools, therefore a portion of property tax revenue goes to ERAF to support local school districts. The Excess ERAF formula for allocation to cities is based on various factors, mainly the countywide property tax growth, Redevelopment Agency assets sale, department of education's local control funding formula, school districts attendance rate, and special education charges. Staff develops the Property Tax revenue estimates based on information provided by the City's property tax consultant and the County of Santa Clara. For FY 2023-24, staff has built in a slight increase of property tax revenue estimates returning to historical annual growth rates over the remainder of the Forecast between 2.5% and 4.0%.

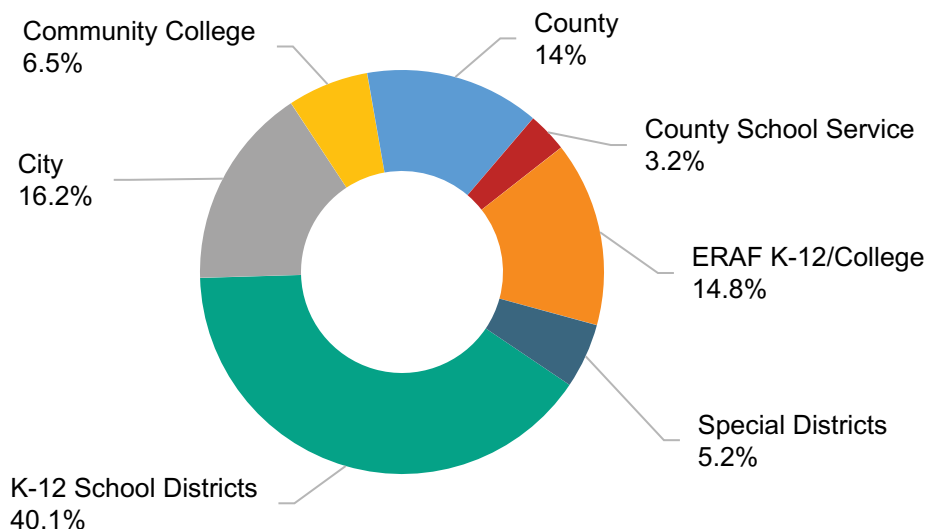
**Property Tax - Excess ERAF** - The dispute over the residual property tax source entitled "excess ERAF" revenue has developed. (1) The Governor's May Budget Revision includes a trailer bill that proposes to use local excess ERAF for vehicle license fee (VLF). Legal counsels are reviewing this trailer bill and the State budget adoption in September will determine whether or not this trailer bill is moving forward. (2) The California School Boards Association (CSBA) vs State Controller litigation over the guidance on charter schools held its court hearing on May 20 and the judge's ruling is pending. Staff will continue to monitor and provide updates.

Proposition 13 limits the base property tax rate to 1% of the assessed value and an annual increase of the assessed value at the lesser of 2% or the California consumer price index (CCPI). Based on a 10-year average, staff estimated that the California consumer price index in the San Francisco/San Jose metropolitan area will likely increase at a rate of 2 to 5% in each of the next five years and therefore the 2% limit of Proposition 13 will apply. Added assessed valuation from new housing and the reassessment of existing properties with change of ownerships are factored into the forecast.

## Allocation of Property Tax 1% Base Rate

The chart below shows the allocation of the property tax 1% base rate to all the taxing entities within the jurisdiction. The City's share is approximately 16.2% of the 1% base rate.

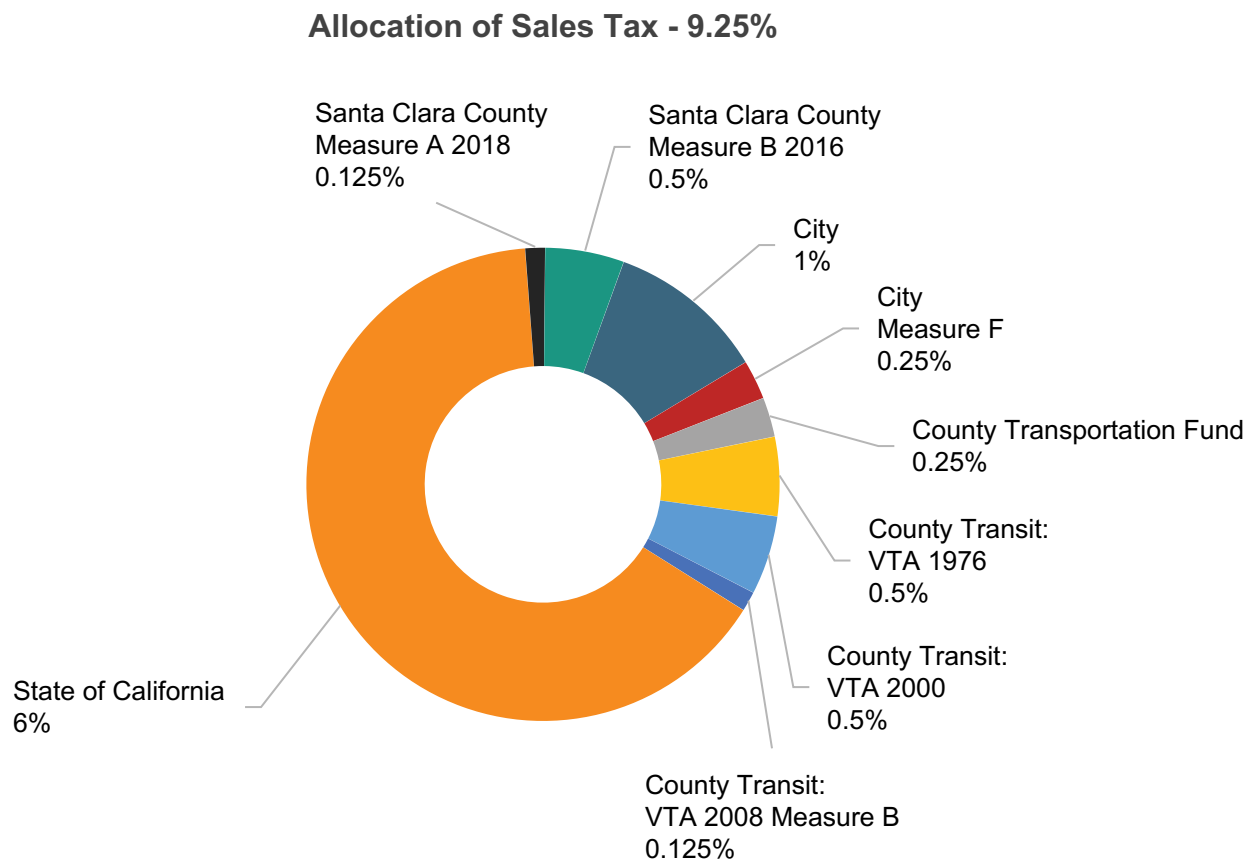
**Chart 1: Property Tax Allocation by Percent among various Governmental Entities**



**Sales tax revenue** is projected to be \$27.4 million in FY2022-23, an increase of \$1.8 million, or 7.0% compared to FY2021-22 Adopted Budget of \$25.6 million. At the February 15th City Council meeting, the City Council approved the increase of the FY2021-22 revenue estimate for sales tax in amount of \$1.0 million, or 3.9%, from \$25.6 million to \$26.6 million. In comparison to the FY2021-22 Amended Budget, the revenue estimate for the FY2022-23 Adopted Budget is expected to increase by \$0.8 million, or 2.9%, from \$26.6 million to \$27.4 million. With the lifting of the shelter-in-place order and mask mandates, consumer spending is assumed to return to more sustained levels. An annual historical growth rate between 2.0% and 2.9% is projected for the remainder of the Forecast. The projected increase is mostly based on estimates from the City's sales tax consultant.

The chart below shows the allocation of sales tax rate among the taxing jurisdictions. The City's share of the total sales tax rate is one percentage point.

**Chart 2: 9.25% Sales Tax Allocation by Percentage Points among various Governmental Entities**



**Measure F ¼ Cent Local Sales Tax**, approved by the voters of the City of Milpitas in November 2020 with an eight-year sunset clause, is projected to be \$6.4 million in FY2022-23. The City of Milpitas Public Services Measure provides funding to maintain the City's finances and services including: police and fire protection, 9-1-1 emergency response, and natural disaster preparation; youth, senior, and recreation services; repairing park equipment and maintaining parks and recreation centers; and attracting and retaining local businesses.

**Transient Occupancy Tax (TOT)**, or Hotel/Motel tax Revenues, is projected to be \$8.3 million in FY2022-23, an increase of \$0.6 million, or 8.0% compared to FY2021-22 Adopted Budget of \$7.7 million. The COVID-19 Pandemic continues to impact the travel and hotel industry. At the February 15th City Council meeting, the City Council approved a reduction of the FY 2021-22 revenue estimate for TOT in the amount of \$0.2 million, or 3.2%, from \$7.7 million to \$7.5 million— primarily due to the delayed opening to two new hotels. In comparison to the FY



2021-22 Amended Budget, the revenue estimate for the FY 2022-23 Adopted Budget is expected to increase by \$0.9 million, or 11.5% from \$7.5 million to \$8.3 million. This Forecast further assumes that the travel and hotel industry will never regain the occupancy levels as assumed prior to the Pandemic. TOT revenue estimates are projected to increase between 3.0% and 4.5% for the remainder of the Forecast.

**Licenses and permits** consist of building permits and fire permits which are primarily construction related. The estimated revenue for licenses and permits, for the FY 2022-23 Adopted Budget is \$11.5 million. It is projected to increase by \$1.6 million, or 15.8% from \$9.9 million to \$11.5 million in comparison to the FY 2021-22 Amended Budget (an increase of \$1.2 million, or 11.8%, from the FY2021-22 Adopted revenue estimates of \$10.3 million). Thereafter, it is projected that these revenues will resume pre-recession levels by FY 2023-24, primarily due to continued interest in residential developments in the Transit Area, and annual growth rates around 3.5% based on the assumed annual growth rate of personnel cost increases.

**Charges for Services** are primarily user fees, including charges for private development related services, engineering fees and recreation service charges. The FY 2022-23 estimated revenue from Charges for Services is \$5.9 million, an increase of \$1.2 million, or 25.5%, to FY 2021-22 amended revenue estimates of \$4.7 million (an increase of \$0.5 million, or 10.9%, from the FY 2021-22 adopted revenue estimates of \$4.2 million). Charges for Services is projected to increase between 2.5% and 2.8% for the remainder of the forecast. As demand for recreation services increases over the next few years, expenditures and revenues will be adjusted accordingly.

**Franchise Fees** are a regulatory fee charged to utility companies for the privilege of doing business in the City of Milpitas (i.e.: garbage franchise fee, gas and electric franchise fee). The FY 2022-23 estimated revenue from Franchise Fees is \$5.4 million, a decrease of \$0.3 million, or 5.3%, compared to FY 2021-22 Adopted Budget revenue estimates of \$5.8 million. The decrease in Franchise Fees is primarily due to the decline in Cable Television franchise fee revenues. Franchise Fees are projected to increase an average of 3.0% for the remainder of the Forecast.

**Use of Money and Property** includes interest earnings on the City's cash pool. The City expects a decrease of \$0.1 million, or 17.2%, from the FY 2021-22 estimate of \$0.5 million to the FY 2022-23 estimate of \$0.4 million due to the declining interest rate environment.

**Other Taxes** include real estate transfer tax and business license tax. As residential units are being developed and occupied, it is anticipated that the City will collect more real estate transfer tax. Due to the Pandemic, there has been a slight decrease in revenues, therefore the FY 2022-23 estimated revenue from Other Taxes is \$1.1 million, a slight increase of \$0.04 million, or 4.3%, compared to FY 2021-22 Adopted Budget of \$1.0 million. Average annual increases of 3.0% are projected for the remainder of the Forecast.

**Intergovernmental** represents the revenue account for federal and state grants. The main grant sources for the City include the annual Community Development Block Grants allocation and the three-year SAFER Grant for the addition of six Firefighter positions effective October 2019. In FY2021-22, the City also received Coronavirus Relief Funds. The FY2022-23 estimated revenue for Intergovernmental is \$1.0 million, a decrease of \$0.2 million, or 13.2%, from FY2021-22 Adopted Budget of \$1.2 million.

**Operating Transfers In** are mainly reimbursements from other funds for the staff support and administrative services provided by the General Fund. These costs are determined through a methodological allocation process (known as the Cost Allocation Plan, or CAP). Net transfers into the General Fund will increase in conjunction with operating expenditure increases, an average of 3.4% annually over the Forecast period. Operating Transfers are projected to be \$7.2 million in FY 2022-23, an increase of \$0.6 million, or 9.4%, compared to FY 2021-2022 Adopted Budget revenues estimates of \$6.6 million. This increase was primarily due to an increase in operating transfer in from Community Facility District (CFD) 2008 of \$0.5 million.

## Expenditures

**Table 3 – FY 2022-2032 Ten-Year General Fund Financial Forecast - Expenditures (\$ in millions)**

|                           | FY 21-22<br>Adopted<br>Budget | FY 22-23<br>Adopted | FY 23-24<br>Forecast | FY 24-25<br>Forecast | FY 25-26<br>Forecast |
|---------------------------|-------------------------------|---------------------|----------------------|----------------------|----------------------|
| <b>Expenditures</b>       |                               |                     |                      |                      |                      |
| Salaries                  | \$54.1                        | \$57.8              | \$60.3               | \$62.3               | \$64.2               |
| Benefits                  | 34.3                          | 35.8                | 37.1                 | 38.1                 | 38.7                 |
| Services & Supplies       | 21.0                          | 22.2                | 22.8                 | 24.0                 | 25.1                 |
| Debt Services             | 1.0                           | 1.2                 | 1.2                  | 1.2                  | 1.3                  |
| Capital Outlay            | 0.0                           | 0.4                 | 0.3                  | 0.3                  | 0.3                  |
| Operating Transfers Out   | 0.3                           | 0.3                 | 0.8                  | 0.8                  | 0.8                  |
| <b>Total Expenditures</b> | <b>\$110.8</b>                | <b>\$117.6</b>      | <b>\$122.5</b>       | <b>\$126.7</b>       | <b>\$130.3</b>       |

|                           | FY 26-27<br>Forecast | FY 27-28<br>Forecast | FY 28-29<br>Forecast | FY 29-30<br>Forecast | FY 30-31<br>Forecast | FY 31-32<br>Forecast |
|---------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>Expenditures</b>       |                      |                      |                      |                      |                      |                      |
| Salaries                  | \$66.1               | \$68.1               | \$70.2               | \$72.3               | \$74.5               | \$76.8               |
| Benefits                  | 39.9                 | 40.9                 | 43.2                 | 45.5                 | 48.0                 | 49.4                 |
| Services & Supplies       | 26.5                 | 27.9                 | 29.7                 | 31.4                 | 33.6                 | 35.8                 |
| Debt Services             | 1.3                  | 1.4                  | 1.4                  | 1.4                  | 1.4                  | 1.4                  |
| Capital Outlay            | 0.3                  | 0.3                  | 0.3                  | 0.3                  | 0.4                  | 0.4                  |
| Operating Transfers Out   | 0.8                  | 0.8                  | 0.8                  | 0.8                  | 0.8                  | 0.8                  |
| <b>Total Expenditures</b> | <b>\$135.0</b>       | <b>\$139.4</b>       | <b>\$145.7</b>       | <b>\$151.9</b>       | <b>\$158.8</b>       | <b>\$164.6</b>       |

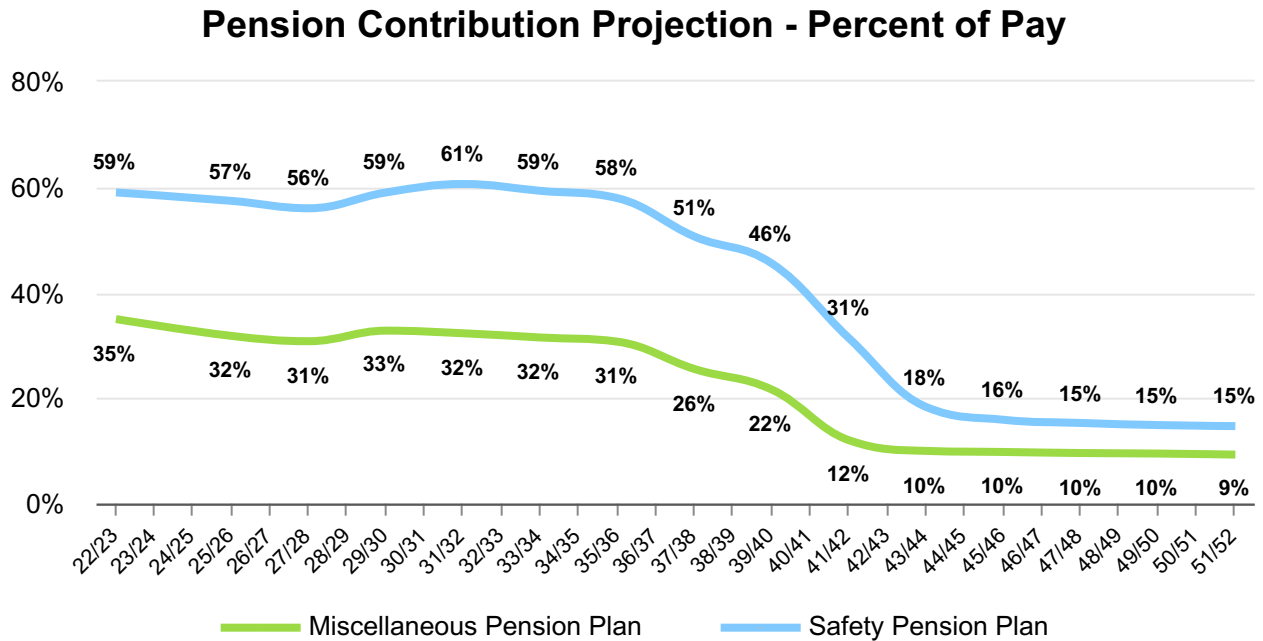
**Salaries and Benefits** is projected to increase due to scheduled salary increases along with related benefit increases. As part of Council approved actions related to American Rescue Plan Act (ARPA), 4 Firefighter/ Paramedics, 2 Police Officers and 1 Program Coordinator were funded earlier than originally planned. Consistent with FY 2021-22 Adopted Budget actions, 1 Human Resource Technician and 1 Information Technology Analyst were funded effective January 1, 2022 and July 1, 2022, respectively. With these actions, the FY 2021-22 Amended Budget funded position count increased by 9 positions from 415.50 FTEs to 424.50 FTEs. This Budget proposes to increase the position count by 16 FTEs, which includes the restructure of City Attorney Office, to 440.50 FTEs. Of the \$5.1 million salaries and benefits increase, approximately \$2.6 million is related to scheduled cost of living adjustment and \$2.5 million is related to added/restored positions. Based upon current contract, the scheduled COLA are as follows: MEA (3% 7/1/2022), PROTECH (3% 7/1/2022), MidCon (2% 7/1/2022), IAFF/ UNREP Fire (2% 1/1/2023), MPOA/UNREP Police (2.5% 7/1/2022), UNREP MISC (2% 7/1/2022).

The California Public Employees Retirement System (CalPERS) annually provides member agencies with an actuarial valuation of member agencies' pension plans. The City has two pension plans with CalPERS, the Safety Plan for sworn Police and Fire Department employees and the Miscellaneous Plan for non-sworn employees working in all City Departments. For FY 2022-23, the City budget reflects pension contribution costs based on the most recent actuarial valuation available by CalPERS dated July 2021. These valuations are based on data, including payroll data, as of June 30, 2020. Often, due to increased positions and granted salary increases per MOUs with the City's bargaining units, the budgeted payroll data is higher than CalPERS' assumption in its valuations.

In Fiscal Year 2015-16, CalPERS started to change its pension contribution methodology for agencies. Agencies are being charged a flat fee for the unfunded accrued liability (UAL), which is not based on a percent of payroll, and the normal cost of the pension benefit, which is based on a percent of payroll. Normal cost is the percentage of payroll that is required to fully fund the annual cost of service for the upcoming fiscal year for active employees only. Unlike normal costs, UAL represents outstanding funding needed for services provided by active or former City employees. The UAL is impacted when current plan benefit, demographic assumptions (retiree longevity), or assumed rate of investment earnings change, or when CalPERS does not meet or exceed its investment earnings target.

The charts below were part of the report titled "CalPERS Actuarial Analysis – 6/30/20 Valuation" prepared by Bartel and Associates, the City's actuary. With a 50% probability, the City's Sworn Plan contribution percentages will peak in just over 10 years at 59% of payroll; similarly, the City's Miscellaneous Plan contribution percentages will peak in just over 10 years at 32% of payroll. By the end of the Forecast Period, based on information from the City's actuary, staff projects that the City's pension contributions will be \$33.9 million for all funds and \$30 million for the General Fund. In Fiscal Year 2021, CalPERS experienced significantly higher than expected return of 21.3%. Consequently, the return lowered overall unfunded accrued liability (UAL) for out years, reducing contribution rates. However, in Fiscal Year 2022, the significant investment losses during January to June 2022 will likely erode the prior year gains. Actual Fiscal Year 2022 CalPERS investments results have not been published as of the date of this report. Currently, the retirement plan has three tiers based on the hire date of the employee. Tier 1 consists of employees hired before October 9, 2011. Tier 2 consists of employees hired on or after October 9, 2011. Lastly, PEPR (Public Employees' Pension Reform Act), applies to employees hired on or after January 1, 2013. Tier 1 and 2 retiree benefits are significantly more costly than the PEPR tier because PEPR has a much lower pensionable compensation cap. Accordingly, as the chart for both pension plan shows, due to the demographic changes of the plans' population over the next 30 years as Tier 1 and 2 member population declines, the pension contributions as a percent of payroll are expected to decline substantially.

**Chart 3: Miscellaneous and Safety Plans Contribution Projections as a Percent of Payroll (Bartel & Associates, January 2022)**



On March 3, 2020, the City Council reviewed the City's Pension Actuarial Report and directed staff to return to City Council with the necessary documents for the establishment of a 115 Pension Trust to invest reserve funds set aside to pay future pension obligations. After a competitive procurement process and a detailed legal review, staff brought forward a plan for Council consideration and awarded the contract to PFM to establish a Section 115 Trust with the \$33.9 million CalPERS reserve. The charts below were prepared by Bartel & Associates to demonstrate scenarios where annual withdrawal from Section 115 Trust is used to stabilize contribution rates to smooth out the peak years for Miscellaneous and Safety plans.

**Chart 4: Payment to 115 Trust - Miscellaneous Contribution Rate Projection (Bartel & Associates, January 2022)**

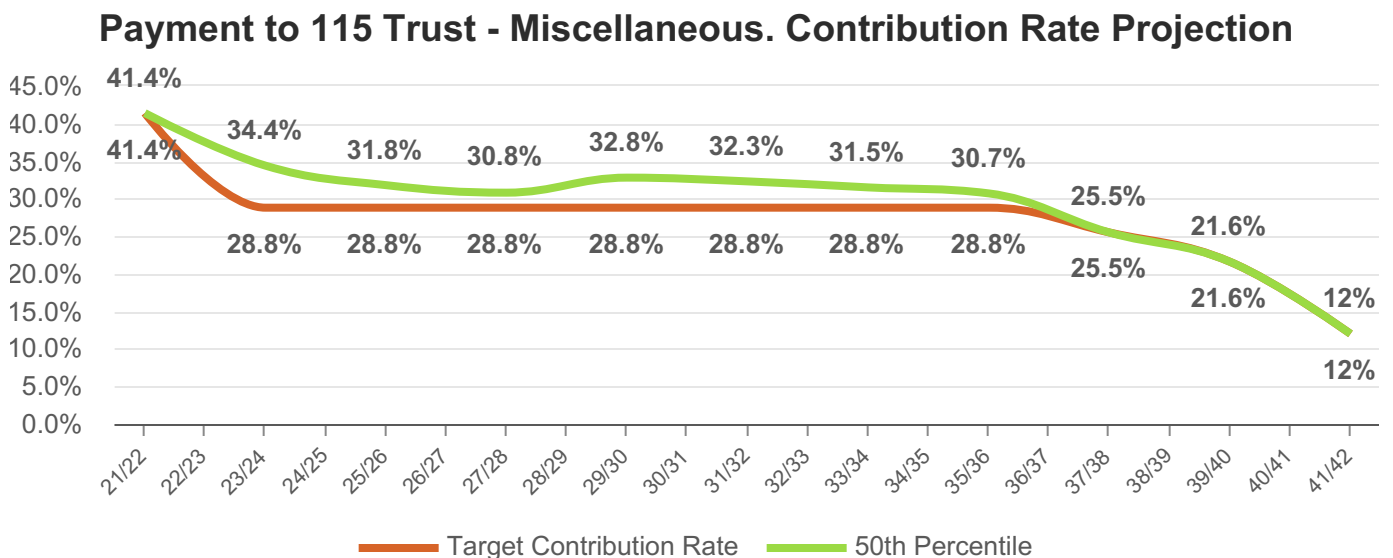
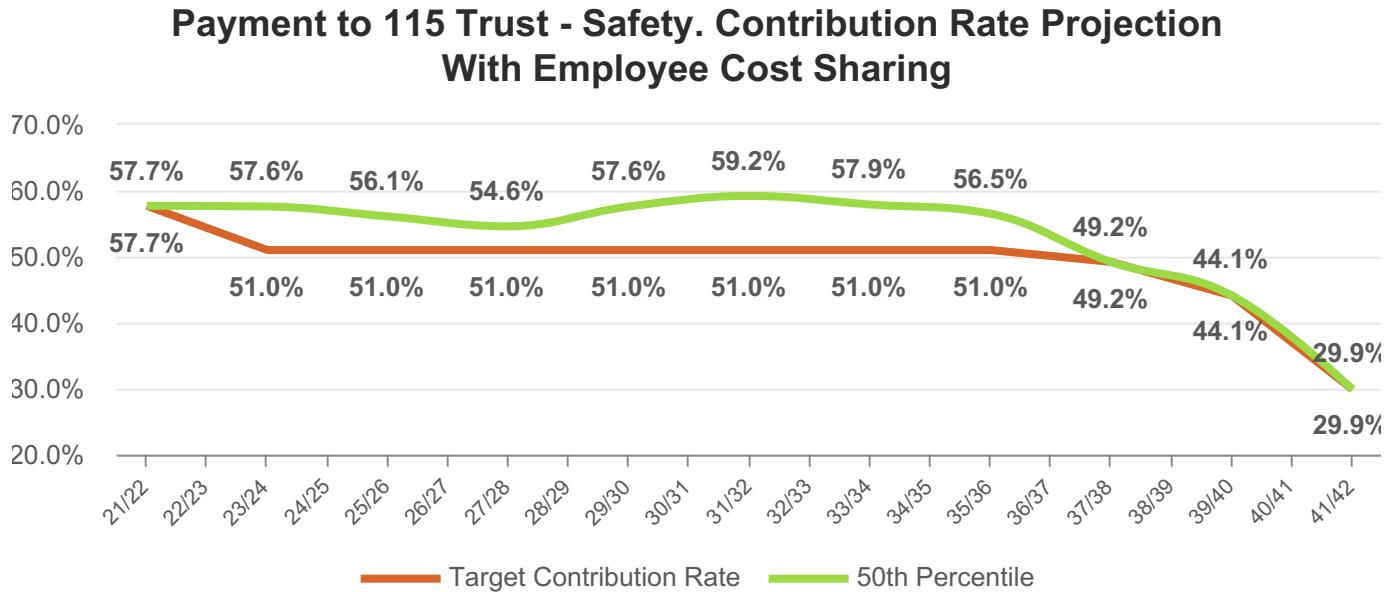


Chart 5: Payment to 115 Trust - Safety Contribution Rate Projection With EE Cost Sharing (Bartel & Associates, January 2022)



**Services and Supplies** costs are anticipated to be \$22 million in FY 2022-23, a increase of \$1 million, or 4.7%, compared to FY 2021-22 adopted budget of \$21 million. This increase is primarily in the areas of PLAN JPA premium, election cost, utility cost and proposed enhanced services. An average annual increase of 2.89% is projected for the remainder of the Forecast but consumer price index (CPI) may increase given the current inflationary economic conditions. There are also fluctuations of cost increases every other year due to election costs that are incurred by the City. The City may experience more fluctuations due to labor shortage, supply chain challenges and inflation. Over the last 12 months ended June 2022, the all items index increased 9.1 percent before seasonal adjustment. These are unprecedented inflationary percentages, which are not reflected in the ten-year forecast.

**Debt Service** The City issued Lease Revenue Bonds in the principal amount of \$18.4 million authorized by Council on October 20, 2020 to fund the Fire Station #2 Construction Project and Energy Efficiency projects with ENGIE Services. This Forecast assumes annual General Fund debt service to be \$1.2 million starting in FY 2022-23 partially offset with assumed energy cost savings from the energy efficiency projects.

**Capital Outlay** consists of the purchase of equipment with an estimated replacement value greater than \$5,000. Annually, departmental budgets are funded and charged for ongoing equipment replacement charges. These charges are based on the anticipated replacement cost for existing equipment. However, annually the General Fund supplements these costs with an additional amount. For FY 2022-23, additional \$0.4 million is requested to fund capital assets (6 Police vehicles, 2 Fire vehicles and 3 Public Works vehicles). On average, for the remainder of Forecast period, \$323,000 of supplemental funding is anticipated to be budgeted annually based on historical trends.

**Operating Transfers Out** consists of transfers to the Information Technology Equipment Fund (\$300,000) per the current Fiscal Policies. As approved as part of the FY2021-22 Adopted Budget, this budget suspends the annual transfer to the Storm Drain Fund for FY 2022-23 and the transfer will resume in FY 2023-24. Further, the City is undergoing a master plan study of its storm drain system which will assess the long-term funding need for the maintenance and repair of the system.





# Fiscal Policies

## General Financial Goals

1. To maintain a financially viable City that can maintain an adequate level of municipal services.
2. To maintain financial flexibility in order to be able to continually adapt to local, regional, and national economic change.
3. To maintain and enhance long-term the sound fiscal condition of the City.

## Operating Budget Policies

4. The City will adopt a balanced budget by June 30th of each year.
5. An annual base operating budget will be developed by accurately and realistically projecting revenues and expenditures for the current and forthcoming fiscal year.
6. During the annual budget development process, the existing base budget will be thoroughly examined to assure cost effectiveness and need of the services or programs provided.
7. Once the City Council has adopted the budget, the Administration will track revenues and expenditures closely and will bring forward budget adjustment recommendations at Mid-Year, as needed.
8. Annual operating budgets will include the cost of operations of capital projects.
9. The City will avoid balancing the current budget at the expense of future budgets, unless the use of reserves is expressly authorized by the City Council.
10. The City's operating budget will be prepared on a basis consistent with generally accepted accounting principles (GAAP) except that encumbrances are considered budgetary expenditures in the year of the commitment to purchase and capital project expenditures are budgeted on a project length basis.

## Revenue Policies

11. The City will try to maintain a diversified and stable revenue system to avoid over-reliance on any one revenue source.
12. Revenue estimates are to be accurate and realistic, sensitive to local, regional, and national economic conditions.
13. The City will estimate its annual revenues by an objective, analytical process utilizing trend, judgmental, and statistical analysis, as appropriate.
14. User fees will be reviewed annually for potential adjustments to recover the full cost of services provided, except when the City Council determines that a subsidy is in the public interest. To maintain cost recovery, annually, staff shall bring forward the Master Fee Schedule as part of the budget process with an escalation to reflect increases in staff cost.
15. The City will actively pursue federal, state, and other grant opportunities when deemed appropriate. Before accepting any grant, the City will thoroughly consider the implications in terms of ongoing obligations that will be required in connection with acceptance of said grant.
16. One-time revenues will be used for one-time expenditures only including capital outlay and reserves.

### Expenditures Policies

17. The City will maintain levels of service, as approved by the City Council, to provide for the public well-being and safety of the residents of the community.
18. Employee benefits and salaries will be maintained at competitive levels.
19. Fixed assets will be maintained and replaced as necessary, minimizing deferred maintenance.
20. The City will develop and use technology and productivity enhancements that are cost effective in reducing or avoiding increased personnel costs.

### Utility Rates and Fees

21. Water and sewer utility customer rates and fees will be reviewed annually as part of the budget process and adjusted as needed to ensure full cost recovery.
22. All utility enterprise funds will be operated in a manner similar to private enterprise. As such, the City will set fees and user charges for each utility fund at a level that fully supports the total direct and indirect cost of the activity, including depreciation of assets, overhead charges, and reserves for unanticipated expenses and capital projects.

### Capital Budget Policies

23. The City will develop an annual Five-Year Capital Improvement Program (CIP) with the goal to develop and maintain infrastructure in support of existing residences and businesses and future anticipated development.
24. The CIP will identify the estimated full cost of each project which includes administration, design, development and implementation, and operating costs once the projects are completed.
25. The CIP will identify potential funding sources for each proposed capital project, prior to submitting proposed projects to the City Council for approval. When appropriate, the CIP will seek other funding sources such as State and Federal funds, private funds and leverage these funding sources with public money to help meet the highest priority community needs.
26. The City Council will provide funding for the first year of the Five-Year CIP as a component of the annual operating budget and appropriate funding at the project level. Funding for future projects identified in the Five-Year CIP may not have been secured and/or legally authorized and is therefore subject to change.
27. Each CIP project will be assigned to a project manager whose responsibilities are to monitor all phases of the project to ensure timely completion of the project and compliance with the project budget and all regulations and laws.

### Debt Policies

28. The City will limit long-term debt to only those capital improvements or long-term liabilities that cannot be financed from current revenue sources.
29. The City will utilize debt financing for projects which have a useful life that can reasonably be expected to exceed the period of debt service for the project.
30. The City will utilize conservative financing methods and techniques so as to obtain the highest practical credit ratings (if applicable) and the lowest practical borrowing costs.
31. The City may utilize inter-fund loans rather than outside debt to meet short-term cash flow needs.
32. The City will not issue long-term debt to finance operating expenses and routine maintenance expenses.

## Investment Policies

33. The Finance Director/City Treasurer will annually render an investment policy for the City's cash pool for City Council's review no later than the beginning of the Fiscal Year and recommend modifications as appropriate. The review will take place at a public meeting and the policy shall be adopted by resolution of the City Council.
34. City funds and investment portfolio will be managed in a prudent and diligent manner with emphasis on safety, liquidity, and yield, in that order.
35. Reports on the City's investment portfolio and cash position shall be developed by the Finance Director/City Treasurer and reviewed by the City Council quarterly.
36. Generally Accepted Accounting Principles require that differences between the costs of the investment portfolio and the fair value of the securities be recognized as income or losses in a government's annual financial report. These variances shall not be considered as budgetary resources or uses of resources unless the securities are sold before maturity or the values of the investments are permanently impaired.
37. The City has set up an Other Post Employment Benefits (OPEB) Trust Fund to prefund its retiree medical benefit to eligible former employees with the California Employers' Retiree Benefit Trust (CERBT). Bi-annually, the City shall engage an actuary to provide the City with an actuarial valuation. Working with the actuary, staff shall review the assumed interest earnings, investment strategy, and other factors to ensure the long-term health of the fund.
38. Per the pension valuation provided by the City's actuary, the City's pension costs will continue to rise during the next ten plus years. The City set aside and invested the CalPERS Rate Stabilization Reserve funds in the City of Milpitas Section 115 Pension Trust Fund in order to invest funds with moderate risk achieving a 3% to 6% investment earnings goal during the next 5 to 10 years to mitigate the rising pension costs. The City may use the trust funds to fund either the annual actuarially determined pension contribution amounts, pay down unfunded pension liabilities with CalPERS, or reduce the length of pension cost amortization schedules with CalPERS.

## Reserve Policies

39. The City will fund the following reserves as follows with any General Fund audited year end operating surplus after the General Fund Contingency Reserve and General Fund Budget Stabilization Reserve requirements are met and pension budgetary surplus are allocated to the PERS Rate Stabilization Reserve.
  - **Part I**
    - Contingency Reserve (Policy Statement #41)
    - General Fund Budget Stabilization Reserve (Policy Statement #42)
  - **Part II (any remaining balance)**
    - If confirmed by actuary, 20% to PERS Rate Stabilization Reserve (Policy Statement #43)
    - If not confirmed by actuary, 0% to PERS Rate Stabilization Reserve (Policy Statement #43);
  - **Part III (any remaining balance)**
    - Artificial Turf Replacement (\$230,000) (Policy Statement #54)
  - **Part IV (any remaining balance)**
    - 20% to the General Government Capital Improvement Fund (Policy Statement #56);
    - 30% to Storm Drain Fund
    - 10% to the Affordable Housing Community Benefit Fund (Fund 216);
    - 10% to Transportation/Transit (Fund 310)
    - 20% to Technology Replacement Fund; and
    - 10% Unassigned

40. The City will periodically review and update reserve guidelines, to ensure that the City has sufficient reserve balances to adequately provide for emergencies, economic uncertainties, unforeseen operating or capital needs, economic development opportunities, and cash flow requirements.
41. The City will maintain a Contingency Reserve of at least 16.67% or two months of the annual operating expenditures in the General Fund to be used only in the case of dire need as a result of physical or financial emergencies and disasters as determined by the City Council. Any use of the General Fund Contingency Reserve shall require a majority vote by the City Council through the adoption of the Operating Budget or by appropriation action during the fiscal year. The City Council will set the reserve amount annually after the results of the prior fiscal year's Comprehensive Annual Financial Report are known. The replenishment of this reserve may also be incorporated into the annual Adopted Operating Budget if resources are available to replenish the reserve.
42. The City will maintain a General Fund Budget Stabilization Reserve with a target of 16.67%, or two months, of annual operating expenditures. The purpose of this reserve is to provide budget stability when there are fluctuations that result in lower than projected revenues and/or higher than projected expenditures that cannot be rebalanced within existing budget resources in any given fiscal year. This reserve is intended to provide a buffer, or bridge funding, to protect against reducing service levels when these fluctuations occur. This reserve will be funded only after General Fund Contingency Reserve requirements have been met. Any use of the General Fund Budget Stabilization Reserve shall require a majority vote by the City Council through the adoption of the Operating Budget or by appropriation action during the fiscal year. The City Council will set the reserve amount annually after the results of the prior fiscal year's Comprehensive Annual Financial Report are known. The replenishment of this reserve may also be incorporated into the annual Adopted Operating Budget if resources are available to replenish the reserve.
43. The City will maintain in the General Fund and the Water and Sewer Utility Enterprise Funds or in a Section 115 Trust a Public Employees Retirement (PERS) Rate Stabilization Reserve. The City's actuary has determined that the General Fund portion of the Unfunded Actuarial Liability for the Miscellaneous Retirement Plan is 84.9% and for the Water and Sewer Utility Enterprise Funds portion of the Unfunded Actuarial Liability for the Miscellaneous Retirement Plan is 8.5% and 6.6%, respectively. The contributions to the PERS Rate Stabilization Reserve from the Utility Funds shall be consistent with the General Fund contributions. If confirmed by City's actuary that contributions are advised for that respective year, then any savings resulting from the pension budgeting methodologies shall be contributed to the PERS Rate Stabilization Reserve. However, the General Fund portion of any pension savings shall only be allocated to the PERS Rate Stabilization Reserve after the General Fund Contingency Reserve and the General Fund Budget Stabilization Reserve requirements have been met. The Utility Funds' portion of any pension savings shall only be allocated to the PERS Rate Stabilization Reserve after the Capital Reserve and Rate Stabilization Reserve (RSR) requirements in the Water and Sewer utility funds have been met. If confirmed by City's actuary that contributions are advised for that respective year, then additionally, 20% of any General Fund or Enterprise Funds annual operating surpluses shall be allocated to the PERS Rate Stabilization Reserve.
44. Annually, the City will endeavor to transfer \$500,000 from the General Fund to the Storm Drain Fund to replace and repair storm drain infrastructure.
45. The City will maintain a retiree medical benefits account established by an irrevocable trust and fund the annual actuarially determined contribution. Any savings resulting from the budgeting methodologies shall be used to pay off the actuarial unfunded liability.
46. The City will maintain a General Liability and Workers' Compensation Claims Reserve of at least \$2 million in the General Fund, which will be reviewed for adjustments annually. As part of closing out a fiscal year, any Workers' Compensation savings in the General Fund may be allocated to this General Fund reserve and any Workers' Compensation savings in the Utility Funds may be allocated to a Workers' Compensation Claims Reserve established for each utility fund.
47. The City will maintain a Rate Stabilization Reserve (RSR) in the Water and Sewer utility enterprise funds with a goal of at least 16.67% or two months of the respective annual operating expenditures after the



Capital Reserve requirements have been met. The RSR shall be used to mitigate the effects of occasional shortfalls in revenue or unanticipated expenditures that cannot be rebalanced within existing budgeted resources in any given fiscal year. Revenue shortfalls may result from a number of events such as weather factors (wet weather or drought events and natural disasters), increased water conservation, and poor regional economic conditions. The Rate Stabilization Reserves should be used to assist in smoothing out revenue variability resulting from these factors and ensure that adequate resources are available during such times that might otherwise require large rate increases to utility customers. The City Council will set the reserve amounts annually after the results of the prior fiscal year's Comprehensive Annual Financial Report are known. The RSR funding will be phased within five years, or sooner, as part of the fiscal year-end closing process. Thereafter, the replenishment of these reserves may also be incorporated into the annual Adopted Operating Budget if resources are available to replenish the reserves.

48. The City will maintain capital reserves in the Water and Sewer utility enterprise funds to provide for future capital projects and unanticipated emergencies, such as water main break repairs, pump station repairs. The City will attempt to maintain a capital reserve of approximately 30% of the annual operating and maintenance expenses for the Water utility fund and 25% of the annual operating and maintenance expenses for the Sewer utility fund. The City Council will set the reserve amounts annually after the results of the prior fiscal year's Comprehensive Annual Financial Report are known.
49. In addition, the City will maintain Infrastructure Replacement Funds for both water and sewer utilities. The goal is to accumulate at least \$2 million a year from each utility fund to set-aside for replacement of infrastructure as the infrastructure reaches the end of its useful life after Capital Reserve, the Rate Stabilization Reserve, and CalPERS Rate Stabilization Reserve requirements have been met.
50. Reserve levels for Debt Service Funds will be established and maintained as prescribed by the bond covenants authorized at the time of debt issuance.
51. The City will maintain a capital reserve in an Equipment Replacement Fund, set up as an internal service fund, to enable the timely replacement of vehicles and depreciable equipment as cost. The City will maintain a minimum fund balance of at least 30% of the replacement costs for equipment accounted for in this fund.
52. Annually, the City will endeavor to transfer \$300,000 from the General Fund to the Technology Replacement Fund set aside in a reserve with a target of \$5 million. This reserve shall be used to accrue funding for technology projects such as the major rehabilitation or replacement of the City's technology infrastructure or new technology initiatives.
53. The City will maintain a capital reserve for Facilities Replacement with a target of \$10 million. This reserve shall be used to accrue funding for major rehabilitation or replacement of City facilities (buildings/ structures). Eligible uses of this reserve may include both the direct funding of public facility improvements and the servicing of related debt. The City Council will set the reserve amount annually after the results of the prior fiscal year's Comprehensive Annual Financial Report are known. The replenishment of this reserve may also be incorporated into the annual Adopted Operating Budget as resources are available to replenish the reserve.
54. The City will maintain a capital reserve for Artificial Turf Replacement with a target of \$2 million and an annual set-aside amount of at least \$230,000 until the target is reached. This reserve shall be used to accrue funding for the normal depreciation expense of the City's artificial turf fields over their useful life. Eligible uses of this reserve may include the replacement of the City's artificial turf fields so as to eliminate large spikes in capital expenses and normalize annual costs. The City Council will set the reserve amount annually after the results of the prior fiscal year's Comprehensive Annual Financial Report are known. The replenishment of this reserve may also be incorporated into the annual Adopted Operating Budget as resources are available to replenish the reserve.
55. The City may direct any loan repayments from the former Redevelopment Agency and residual property tax distributions from the Redevelopment Property Tax Trust Fund to a General Government Capital Improvement Fund to address the funding needs of capital improvement projects.

56. The City may direct 20% of any General Fund audited year end operating surplus after General Fund Contingency and General Fund Budget Stabilization reserve requirements have been met to a General Government Capital Improvement Fund to address the funding needs of capital improvement projects.

### Accounting, Auditing, and Financial Reporting Policies

57. The City's accounting and financial reporting systems will be maintained in conformance with generally accepted accounting principles as they apply to governmental accounting.
58. An annual audit will be performed by an independent public accounting firm with the subsequent issuance of a Comprehensive Annual Financial Report, within six months of the close of the previous fiscal year.
59. Quarterly financial reports and status reports will be submitted to the City Council within six weeks after the end of each Quarter and be made available to the public. The report will provide an analysis of budgeted versus actual revenues and expenditures, on a year-to-date basis. At the minimum, the report shall include the status of the General Fund and Water and Sewer utility fund revenues and expenditures.

## Budget Guidelines

Through the adoption of the annual operating budget, the City Council approves the funding of City services and estimates of resources available to fund the City's services. Through adoption of this budget, the City Council also approves these budget guidelines providing certain responsibilities and authority to the City Manager to adjust the budget given fluctuations in revenues. These budget guidelines provide sufficient flexibility to make budget adjustments during the year, provided these adjustments do not materially alter the general intent of the City Council approved budget, and establish adequate controls through budget monitoring and periodic reporting.

Annually, the City Council establishes Council Priority Areas regarding service levels to provide guidance to management in preparing the adopted budget. This budget reflects the City Council Priority Areas. Through its legislative authority, the Council approves and adopts the budget by resolution.

The City Manager is responsible for proposing to the City Council a balanced budget which is consistent with the Council's service level priorities and sound business practices. A Balanced Budget is defined as a budget where the anticipated operating revenues and other financing resources including carryover of outstanding encumbrances from prior year are equal to or exceed operating expenditures. The City Manager is also responsible for establishing a system for the preparation, execution, and control of the budget which provides reasonable assurances that the intent of Council priorities is met.

The Finance Director is responsible for developing the operating budget on behalf of the City Manager, synchronizing the operating budget with the annual capital plan, developing a ten-year General Fund Financial Forecast, establishing budget and fiscal policy, providing periodic budget status reports to the City Manager and the City Council, and developing internal monthly budget management reports for the Department Heads to facilitate control and compliance with the budget.

The Department Heads are responsible for assisting in the development of annual budgets and monitoring their respective budgets for compliance with the intent of Council priorities to ensure that appropriations of the aggregate total of the department are not exceeded.

## Summary of Budget Guidelines

### 1. Basis of Budgeting

City budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) except that encumbrances are considered budgetary expenditures in the year of the commitment to purchase, and capital

project expenditures are budgeted on a project length basis rather than a fiscal year. For all governmental funds, revenues and expenditures are budgeted on a modified accrual basis. For all proprietary funds, revenues and expenditures are budgeted on an accrual basis.

## 2. Budget Calendar

The Finance Director publishes a budget preparation calendar to the Department Heads and to the City Council at the beginning of the budget process each year. The calendar sets forth, at a minimum, dates for the following:

- Review of service level priorities by the City Council at an annual Planning Session.
- Review and update of the Master Fee Schedule.
- Community Engagement and Outreach.
- Engagement and Outreach for City employees.
- Capital Improvement Projects Budget.
- Presentation of the City Manager's Proposed Budget to the City Council, which shall be no later than the second week in May.

## 3. Form and Content of the City Manager's Proposed Budget

The Ten-Year General Fund Financial Forecast and the City Manager's Proposed Budget shall be presented in a form which facilitates the City Council to determine and review, as applicable:

- Alignment of the proposed service level changes to City Council priorities as established at the annual Planning Session.
- Projected revenues by major category; based on an updated Master Fee Schedule.
- Operating expenditures by major category.
- Historical and proposed authorized staffing levels.
- Department and Office Proposed budgets as follows:
  - Service level descriptions.
  - Summary of accomplishments and initiatives.
  - Performance and workload measures.
  - Expenditure comparison with the preceding year's budget and two years of actual results.
  - Authorized staffing comparison with the preceding three years.
  - Budget reconciliation from the prior fiscal year to the Proposed Budget.
  - Recommendations for service level changes with a detailed description, performance outcome, and impact statement if the recommendation is not funded.
- Capital improvement appropriations by project.
- A schedule showing General Fund Revenue and Expenditure projection for the next nine years.

## 4. Adoption of the Budget

The City Council will adopt the budget by resolution no later than June 30th of the previous fiscal year, setting forth the amount of appropriations and authority of the City Manager to administer the adopted budget. Unless otherwise directed, all funds that are presented in the operating budget document are subject to Council approval of appropriations.

## 5. Budget Authority of the City Manager

The City Manager shall have the authority to make revisions involving transfers from the appropriated Unanticipated Expenditure Reserve account less than or equal to the aggregate amount of amount adopted within the budget in any one fiscal year (\$1,140,000 in FY 2022-23, or 1% of total General Fund appropriations),

provided that the Council is notified in writing of the revision, giving the reason, the amount of the revision and the year-to-date total amount of revisions as part of the quarterly financial reports.

Additionally, the City Manager shall have the authority to:

- Amend and/or transfer appropriations among departments and projects within any one fund, provided that the amount of the amended appropriation is \$100,000 or less;
- Accept grants or donations up to \$100,000 or less (monetary and non-monetary based upon market value), increase department revenues and appropriations accordingly and execute related agreements as long as no matching funds are required, and/or departments do not require additional funding for ongoing maintenance costs or future replacement costs.
- Reasonably deviate from the budgeted personnel allocation schedule provided that at no time the number of permanent funded positions or personnel cost appropriations authorized by the City Council is exceeded;
- Hire full-time employees in overstrength positions for no more than one year as long as appropriations are not exceeded to ensure adequate staffing levels for sworn positions, to facilitate training of new employees in critical positions by the outgoing incumbents, or to respond to urgent staffing needs; and
- Add/delete positions or to move positions between departments to respond to organizational needs, as long as the number of permanent funded positions and the approved personnel cost appropriations remain the same.

Prior approval of the City Council is required for changes that:

- Increase the overall appropriation level within any one Fund.
- Transfer or reallocate appropriations between different Funds.
- Cause an increase or decrease in funded authorized position counts in the Adopted Budget.
- Cause the aggregate amount of contract change orders to exceed 15 percent of the contract amount and/or exceed prior approved appropriation levels for the subject contract.
- Cause transfers from unanticipated expenditure reserve to exceed the aggregate amount of \$1,140,000 during the fiscal year.
- Result in changes not consistent with the purpose and intent of the Budget as adopted.
- Require an appropriation action from any unassigned fund balances or reserves.

Pertaining to ARPA:

- On August 9, 2021 wherein for ARPA funding, the City Council delegated authority to the City Manager including appropriation and contract approval authority up to the approved amount for each program approved by Council, once compliance with ARPA procurement, contracting and reporting requirements. For budget monitoring and reporting, it includes a quarterly ARPA report for program updates to the City Council.

## 6. Budget Amendments by the City Council

At City Council meetings, the City Council may from time to time approve expenditures and identify funding sources not provided for in the adopted budget including those expenditures funded through unassigned fund balances or reserves.

## 7. Budget Transfers and Modification Procedures

Procedures to implement budget transfers or budget modifications are detailed in Standard Operating Procedure No. 21-1, subject to any changes by the Budget Resolution.

## 8. Automatic Adjustments and Reappropriations

Outstanding encumbrances at prior fiscal year-end will automatically be carried over to current year's budgets.

Unspent appropriations that are authorized and funded by grant revenues or donations from prior fiscal year will automatically be carried over to current year's budgets. Unspent City funded grant appropriations from prior fiscal year will automatically be carried over to the current year's budgets.

Incomplete multiple year project (capital improvement project) balances will automatically be appropriated.

Any unused non-salary and benefits-related appropriations, subject to the approval of the City Manager, at the end of the fiscal year may be re-appropriated for continued use in the subsequent fiscal year. Furthermore, any outstanding contract and/or purchase order obligations (or encumbrances) remaining at the end of FY 2021-22 are subject to carry over into FY 2022-23.

### **9. Budget Monitoring and Reporting**

**Monthly Financial Reports** - The Director of Finance will prepare and make available a monthly budget report including actual expenditures and encumbrances for distribution to the City Manager and Department Heads, to facilitate monitoring of the budget.

**Quarterly Financial Status Reports** - The Director of Finance will periodically prepare financial status reports for presentation to the City Council. At the minimum, the report shall include the status of the General Fund revenues and expenditures; Water and Sewer utility fund revenues and expenditures; and document any use of the appropriated Unanticipated Expenditure Reserve; and report the acceptance of any grants and donations as authorized in these budget guidelines.

Annually, as part of the 4th Quarter Financial Status Report, the Director of Finance shall report on all active grants and grants closed out during the fiscal year including the purpose of the grant, the granting agency, the grant amount awarded, remaining grant funds, and grant activities completed or underway.

### **10. Reserves**

Various unallocated reserves are desired in each of the City's funds to protect the City in emergencies, economic uncertainties, and to finance unforeseen opportunities and/or requirements. Key reserve policies for various funds are described in detail in the document entitled "City of Milpitas Fiscal Policies".



## City of Milpitas FY 2022-2023 Budget Process



# Budget Development and Document

## Annual Budget Development

Every year the City Council adopts a Budget and Financial Plan for the next fiscal year, (the City's fiscal year runs from July 1 of one year through June 30 of the next year). Through the adoption of the annual budget, the City Council approves the funding of City services and estimates of resources available to fund the City's services. The budget is also developed based on the following:

- The City Council's Priority Area and other City Council directives.
- The City's ten-year General Fund Financial Forecast, which is updated annually and presented to the City Council prior to the release of the proposed budget.
- Input from the Community through surveys and community meetings.
- Service level prioritization as identified by the City Manager.
- Availability and sustainability of revenues.
- Legal mandates.
- Prioritization criteria outlined in the capital budget.

In the fall of each year, staff develops the base budget for the upcoming fiscal year and the ten-year General Fund Financial Forecast based on available information. The base budget reflects the Council approved service level with updated costs. As part of developing the base budget for the upcoming fiscal year, staff projects the revenues and expenditures for the next 10 fiscal years to develop the Forecast. The ten-year General Fund Financial Forecast projects whether the City will experience budget shortfalls or surpluses in the next fiscal year and thereafter.

The annual public budget development process begins in January with a review of City Council Priority Areas and the presentation of the ten-year General Fund Financial Forecast. Through surveys and community meetings, staff engages the community for input into budget priorities. In May, based on the input from City Council and the community, the City Manager publishes the proposed budget for the upcoming year. During May and June, the City Council holds study sessions and public hearings prior to adopting the annual budget. The City Council adopts the Proposed Budget as it may be amended based on discussion or direction during the budget hearings. In summer, the City publishes its Adopted Budget. For the Fiscal Year 2022-23 budget development process, please review the timeline and steps shown on the previous page.

## Understanding the Budget Document

The operating budget document includes city-wide information as well as information specific to each fund and each department. The City receives revenue from numerous different sources, many of which have restrictions on how they can be used. Separate funds are established to account for the different types of revenues and allowable uses of those revenues. The annual budget information is available after the publication of the annual Adopted Budget, which occurs in July or August. At this time, staff also publishes a Budget-in-Brief document and the annual budget will also be available on Open Budget, which is described below. In the Appendix, the City lists all fund names by fund type.

**General Fund:** This is the primary fund used to account for all general revenues of the City (e.g. property, sales, transient occupancy and utility user taxes). In general, these funds are allocated at the discretion of the City Council. This revenue is used to support citywide services such as public safety, community services, planning and community environment, and administrative support services. Some activities in the General Fund, such as building inspection and recreation functions, are also intended to be substantially self-supporting through fees for services charged to individuals. In areas where specific benefit for a service can be identified to specific individuals, the City has a policy of charging a fee to offset the cost of providing the service.

**Enterprise Funds:** These funds are established to function as self-supporting operations wherein expenditures are entirely offset by fees or charges for services. These funds are used to account for specific services which are funded directly by fees and charges to users. In Milpitas, Enterprise Funds include the Water Fund and the Sewer

Fund. The intent is that these two funds be completely self-supporting and not be subsidized by any general revenue or taxes. The utility bills sent to each household and business in the community charge for the cost of providing water and sewer customer services.

**Internal Service Fund:** This type of fund is established to account for a variety of business services provided by one City department (or division) to other City departments. The City's main internal service fund, the Equipment Management Fund, provides vehicle and fleet maintenance services that are provided to all City departments through an internal service fund. Departments are charged for these services based on their respective utilization.

**Capital Projects Funds:** Revenues and expenses for capital projects are accounted for in separate funds. A capital improvement is usually a large construction project such as the resurfacing of City streets, the development of park land, the construction of an overpass, the installation of a traffic signal, or the acquisition of land and construction or remodeling of a public building. The City's Capital Improvement Funds include Street Improvement Fund, the Park Fund, General Government Fund, and Storm Drain Fund Construction Fund.

**Special Revenue Funds:** These funds are used to account for the proceeds of revenues that are designated for specific or restricted uses. These funds include gas tax funds from the State, federal revenue for Justice Assistance Grants, and Lightning and Maintenance District funds.

### Budgets and Budgetary Accounting

The City's budget is adopted on a basis consistent with generally accepted accounting principles (GAAP) except that encumbrances are considered budgetary expenditures in the year of the commitment to purchase, and capital project expenditures are budgeted on a project length basis.

The legal level of budgetary control or authorized appropriations is exercised at the departmental level for those funds which have annually adopted budgets such as the General Fund, Enterprise Funds, Special Revenue Funds and Capital Improvement Funds. Finance is responsible that appropriations are not exceeded during the fiscal year.

Appropriations automatically lapse at the end of the fiscal year unless an encumbrance exists, with the exception of balances remaining in the capital project accounts and grant accounts at the end of the fiscal year. These balances are carried forward to the following fiscal year until the project is completed.

### Prop 4 - Appropriations Limit

The City establishes an appropriations limit by resolution consistent with the State Constitution, each year during the budget process, which commences after the beginning of each fiscal year. The appropriation base is adjusted each year by changes in population, cost of living and transfers of financial responsibility. As shown in the Financial Information section of the Adopted Budget document, the City has not exceeded its annual Appropriations Limit for the last ten years and in any single fiscal year since this requirement was approved by the voters in 1979.

### Budget Amendments

The operating budget is subject to supplemental appropriations throughout its term in order to provide flexibility to meet changing needs and conditions consistent with the Council approved Budget Guidelines. Per the Guidelines, the City Manager is authorized to amend and/or transfer appropriations among departments and projects within any one fund, provided that the amount of the amended appropriation is \$100,000 or less as well as other authorizations related to positions. Otherwise, any other budget amendment which changes the total appropriation for a department or fund requires Council approval.

Examples of these amendments include but are not limited to:

- The acceptance of additional grant money which might become available;
- The number of positions approved in the Budget;
- The appropriation of additional funding if expenditures are projected to exceed budgeted amounts; or
- The re-appropriation of monies from one fund to another.

## Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements, regardless of the measurement that is applied. All governmental funds and agency funds are accounted for using the modified accrual basis of accounting. Fund revenues are recognized when they become measurable and available as net current assets. Measurable means the amount of the transaction can be determined and available means the amount is collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

Those revenues susceptible to accrual are property and sales taxes and interest revenue. Transient Occupancy Tax, forfeitures, licenses, permits, and miscellaneous revenue are not susceptible to accrual because they are not measurable until received in cash. Revenues not considered earned but received are accounted for as revenue collected in advance.

Expenditures are also generally recognized under the modified accrual basis of accounting. An exception to this rule is principal and interest on general long-term debt, which is not recognized until it is due. Financial resources usually are appropriated in funds responsible for repaying debt in the period in which maturing debt principal and interest must be paid.

All proprietary funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned, and their expenses are recognized when they are incurred. Revenues for services provided but not billed at the end of the fiscal year are not material and are not accrued.

## Cost Accounting

The City uses cost accounting to determine the proper allocation to recover costs for services provided. For each City service or program, in addition to direct staff support and appropriations for supplies and services, it also receives support from the administrative staff and benefits from centralized services such as equipment maintenance. These indirect costs (also known as administrative and overhead costs) need to be allocated to each major service or program in order to determine the full cost of providing City services. Similarly, the centralized service costs also need to be allocated to various operating funds. Centralized service costs are typically budgeted and advanced by the General Fund. Cost allocation is necessary to ensure that each of these operating funds share the administrative and overhead costs equitably.

## Department Information

The Budget Narrative and Summary section of the budget document summarizes the service delivery and budgetary information for each department as follows: Mission Statement, Description, and Services highlight the purpose and functions for each department.

**Organizational Chart:** this functional organizational chart depicts full-time equivalent (FTE) positions, which report to a department director and identifies any position changes such as additions, deletions, or reclassifications; position moves from one department to another; and temporary positions.

**Accomplishments:** identifies the department's noteworthy accomplishments over the past 12 to 18 months and their alignment to Council Priority Areas.

**Initiatives:** highlights the major work plan items for the department for the upcoming Fiscal Year and their alignment to Council Priority Areas.

**Performance and Workload Measures:** lists key department performance measures and identifies key quantifiable department outputs.

**Budget Summary:** summarizes key expenditure data for the department for several fiscal years (FY 2020 Actuals, FY 2021 Actuals, FY 2022 Adopted, and FY 2023 Adopted) by function, if applicable, and expenditure categories.

**Staffing:** lists all full-time equivalent (FTE) positions for the department for several fiscal years (FY 2020 Actuals, FY 2021 Actuals, FY 2022 Adopted, and FY 2023 Adopted) by function, if applicable, and by classifications.

Positions were defunded as part of the FY 2020-21 Mid-Year and FY 2021-22 Proposed Budget process and they are noted in the staffing tables and footnotes.

**Budget Reconciliation:** outlines the major base budget and service level changes from the previously adopted budget to the newly presented proposed or adopted budget. Base budget reconciliation changes include deletion of one-time expenditures, updated salary and benefits cost in accordance with the salary and benefits structure approved the City Council, or addition of ongoing expenditures as approved by the City Council. The service level change table itemizes service level changes and related expenditures.

**Service Level Changes:** describes service level changes compared to the prior fiscal year in alignment with the dominant Council Priority Area identified with one of the icons below; the anticipated performance impact as it relates to Quality, Cost, Cycle Time, Customer Satisfaction, and Sustainability with the icons identified below; and the impact, if the service level change is not funded.

Council Priority Areas Icons:



**Community Wellness  
and Open Space**

Continue to provide parks and amenities for people of all ages and abilities to enjoy higher levels of physical and mental health.



**Economic Development  
and Job Growth**

Continue to strengthen our economic foundations that support community prosperity and opportunity while ensuring a sustainable and livable city.



**Environment**

Promote a sustainable community and protect the natural environment.



**Governance and  
Administration**

Continue to streamline processes for enhanced service and remain committed to long-term fiscal discipline and financial stewardship.



**Neighborhoods  
and Housing**

Continue to explore innovative approaches to incentivize affordable housing projects, collaborate with key stakeholders to care for our most vulnerable populations, and support and engage neighborhoods through dedicated programs and services.



**Public Safety**

Continue to invest in police and fire protection, in partnership with our community.



**Transportation  
and Transit**

Continue to seek and develop collaborative solutions to meet the transportation challenges facing our community and our region.

Performance Impact Icons:



**Cost**



**Cycle Time**



**Customer Satisfaction**



**Quality**



**Sustainability**



## Open Budget

In order to facilitate understanding and transparency of the budget document, the City presents budget information through OpenGov, an online tool that provides users with different views of the City's budget data by fund, department, revenues, and expenditures. The tool can be accessed by visiting [www.milpitasca.opengov.com](http://www.milpitasca.opengov.com). The City invites you to use the online tool to:

- Search the current year's budget and financial data.
- View trends in revenues and expenditures over time.
- Drill down into expenses by department or account type.
- Display the data as graphs or charts.
- Download into Excel.
- Share with friends using email or social media.
- Send comments directly to the City online.

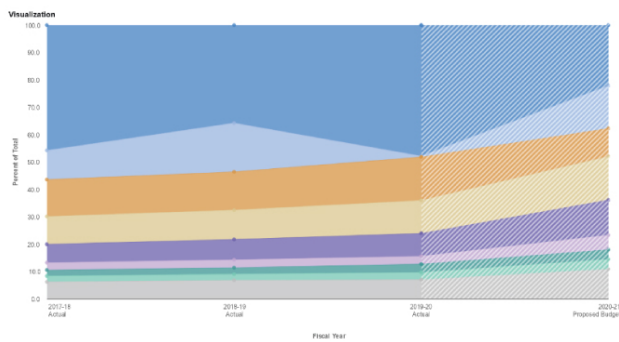
### How Does it Work?

Governmental budgets are composed of funds, departments, and accounts. Using a pull-down filter, you can choose the combination you want to explore.

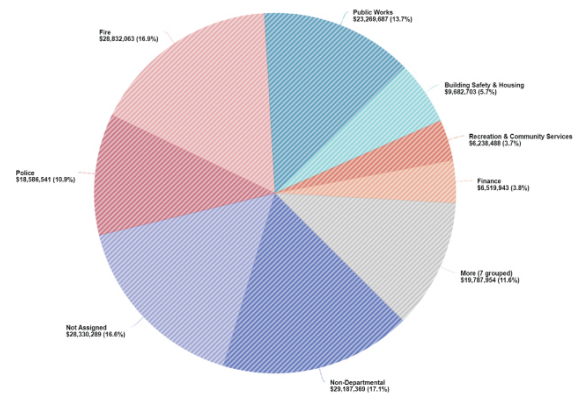
By clicking on one these icons, you can choose whether you want to display graphs showing changes over the years, a pie chart for a single year, or download portions into Excel.



You can also cut and paste any illustration into another document, send it to friends using email or Twitter, or post it on Facebook!



Data derived by Departments, Expenses and reported on April 6, 2020. Created with OpenGov



Note: On the OpenGov portal, numbers may appear slightly different due to rounding.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

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Budget Presentation  
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For the Fiscal Year Beginning

**July 01, 2021**

*Christopher P. Morill*

Executive Director

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***Operating Budget Excellence Award  
Fiscal Year 2021-2022***

*Presented to the*

***City of Milpitas***

For meeting the criteria established to achieve the CSMFO Excellence Award in Budgeting.

*February 28, 2022*



*Marcus Pimentel*

*Marcus Pimentel  
CSMFO President*

*Michael Manno*

*Michael Manno, Chair  
Recognition Committee*

*Dedicated Excellence in Municipal Financial Reporting*



**RESOLUTION NO. 9167**

**A JOINT RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILPITAS AND THE HOUSING AUTHORITY COMMISSION OF THE CITY OF MILPITAS APPROVING THE FY 2022-23 OPERATING BUDGET FOR THE CITY OF MILPITAS AND THE MILPITAS HOUSING AUTHORITY, THE APPROPRIATIONS LIMIT FOR FISCAL YEAR 2022-23, FISCAL POLICIES, AND BUDGET GUIDELINES, AND AUTHORIZING VARIOUS FINANCIAL ACTIONS BY THE CITY MANAGER, INCLUDING APPROVING AND AUTHORIZING THE EXECUTION OF VARIOUS CONTRACTS AND PAYMENTS OVER \$100,000**

**WHEREAS**, the City Manager has submitted a FY 2022-23 Proposed Budget and Financial Plan; and

**WHEREAS**, on June 7, 2022, a public hearing on the Proposed Budget and Financial Plan was opened where all interested persons were heard; and

**WHEREAS**, the City Council and Milpitas Housing Authority Commission ("Authority") reviewed the City Manager's FY 2022-23 Proposed Budget and Financial Plan; and

**WHEREAS**, the first year, or FY 2022-23, of the CIP is a part of the 2022-23 Proposed Budget and Financial Plan; and.

**WHEREAS**, Article XIII B, Section 1, of the Constitution of the State of California requires that total annual appropriations subject to limitation of the City of Milpitas shall not exceed the appropriations limit of the City for the prior year adjusted for changes in the cost of living and population except as otherwise provided, also referred to as the Gann Appropriations Limit; and

**WHEREAS**, this Article became effective July 1, 1980, as amended, which requires the City to establish its appropriations limit by resolution each year at a regularly scheduled meeting or a noticed special meeting, commencing after the beginning of each fiscal year; and

**WHEREAS**, the appropriations base for 1978-79 had been determined and since adjusted by the changes in population, cost of living, and transfers of financial responsibility, establishing an appropriations limit for fiscal year 2022-23 of \$129,057,419; and

**WHEREAS**, the calculations for the appropriations limit are included as part of the budget document materials being considered and approved by the City Council as part of this Resolution; and

**WHEREAS**, documentation used in determining the appropriations limit has been made available to the public for a period of not less than fifteen (15) days prior to City Council consideration of this Resolution; and

**WHEREAS**, the budget document contains fiscal policies that the City Council has reviewed and approved and which are updated from time to time, as follows: General Financial Goals, Operating Budget Policies, Revenue and Expenditure Policies, Utility Rates and Fees, Capital Budget Policies, Debt Policies, Reserve Policies, Investment Policies, and Accounting/Auditing and Financial Reporting Policies; and

**WHEREAS**, the budget document contains budget guidelines that the City Council has reviewed and approved and which are updated from time to time, as follows: Basis of Budgeting; Budget Calendar requirements; form and content of the City Manager's Proposed Budget; adoption of the Budget by June 30th; the City Manager's budget authority; requirement that budget amendments be approved by the City Council; budget transfers and modification procedures; automatic adjustments and re-appropriations; budget monitoring and reporting; and reserve requirements for all funds.



**NOW, THEREFORE,** the City Council of the City of Milpitas and the Milpitas Housing Authority Commission hereby find, determine, and resolve as follows:

1. The City Council and Authority have considered the full record before them, which may include but is not limited to such things as the staff report, testimony by staff and the public, and other materials and evidence submitted or provided to them. Furthermore, the recitals set forth above are found to be true and correct and are incorporated herein by reference.
2. The annual Budget and Financial Plan, as attached in the City Council meeting packet, inclusive of capital improvement appropriations, for the City of Milpitas for fiscal year 2022-23 is hereby affirmed and adopted totaling \$207,780,203 for all appropriated funds.
3. The amounts shown as "Appropriations" and estimated fund balances are hereby approved for the various purposes designated in the 2022-2023 Adopted Budget.
4. The budgets for all departments for the period July 1, 2022 through June 30, 2023, inclusive, contained in this 2022-23 Adopted Budget, are approved as the operating budget for those departments for fiscal 2022-23.
5. The appropriations limit for fiscal year 2022-2023 shall be \$129,057,419 as shown in **Exhibit 1**.
6. Pursuant to Government Code Section 7910, no judicial action or proceeding to attack, review, set aside, void, or annul the action of the City Council in establishing the appropriations limit for fiscal year 2022-2023 shall be brought unless such action or proceeding shall have been commenced within forty-five (45) days of the date of adoption of this Resolution.
7. Any unused non-salary and benefits-related appropriations at the end of fiscal 2021-2022 may be re-appropriated for continued use in fiscal year 2022-23 subject to the approval of the City Manager. Furthermore, any outstanding contract and/or purchase order obligations (or encumbrances) remaining at the end of FY 2021-2022 are subject to carry-over into FY 2022-23.
8. Subject to any grant restrictions, unspent appropriations that are authorized and funded by grant revenues from prior fiscal year will automatically be carried over to current year's budgets. Unspent City funded grant appropriations from prior fiscal year will automatically be carried over to the current year's budgets.
9. As part of year-end closing of the budget, previously appropriated capital project funds will be automatically carried forward to the next fiscal year for the same capital project until the project is closed out.
10. No office, department, or agency shall expend any amount or incur any liability or enter into any contract, which by its terms involves expenditures of money for any purpose in excess of the amounts appropriated for the particular departments, and funds set forth herein.
11. The City Manager may authorize, when in his or her judgment such action is consistent with the purposes and intent of the 2022-2023 Adopted Budget as approved, budget revisions subject to the following conditions:

Prior Council Approval Not Required. Prior approval of the City Council is not required under the following circumstances:

- i. When revisions involve transfers from the Unanticipated Expenditure Reserve less than or equal to the aggregate amount adopted within the budget in any one fiscal year (\$1,140,000 in FY 2022-23), provided that the Council is notified in writing of the revision, giving the reason, the amount of the revision and the year-to-date total amount of revisions as part of the quarterly financial reports.


- ii. When revisions involve transfers from the appropriated leave cash-out account less than or equal to the aggregate amount adopted within the budget in any one fiscal year (\$650,000 in FY 2022-23) to the various departments for cash-outs when employees leave City service.
  - iii. When revisions involve transfers, or reallocations, within any one fund among the various departments or projects, provided that the amount of transfer in any single instance does not exceed \$100,000.
  - iv. When revisions involve reasonable deviation from the budgeted personnel allocation schedule, provided that at no time the number of permanent funded positions authorized by the City Council is exceeded.
  - v. When revisions involve hiring full-time employees in overstrength positions for no more than one year as long as appropriations are not exceeded to ensure adequate staffing levels for sworn positions, facilitate training of new employees by the outgoing incumbent or respond to urgent staffing needs.
  - vi. When revisions involve adding/deleting positions or moving positions between departments to respond to organizational needs, as long as the number of permanent funded positions and the approved personnel cost appropriations remain the same.
  - vii. When revisions involve allocating, redistributing and/or appropriating monies between department and non-department divisions so as to reflect budgetary savings in one or more departments.
  - viii. For Police goods and services to be purchased from Asset Seizure funds, the City Manager or his/her designee, has the authority to purchase such goods or services if the expenditures of such goods and services do not exceed the amount designated from Asset Seizure funds as approved by the City Council during the Budget hearing.
  - ix. To use judgment to modify citywide administrative financial policies and procedures from time to time that are consistent with municipal government best practices unless those policies would otherwise be in conflict with the budget provisions incorporated in this Resolution or the City's Municipal Code.
  - x. **Exhibit 2** lists contracts and payments that are specifically identified in the budget document and materials enclosed herein. None of these contracts require a formal, public bidding process. The list of contracts and payments is hereby approved and the City Manager is authorized to execute and enter into these contracts and make these payments during fiscal year 2022-23 up to the amounts listed by contract or payment in **Exhibit 2**.
12. Prior Council Approval Required. Prior approval of the City Council is required for revisions to the 2022-2023 Final Budget as adopted if any of the following are involved:
- i. An increase in overall appropriation level within any one Fund.
  - ii. The transfers or reallocation of appropriations greater than \$100,000 between different Funds, except not for reallocations between subfunds within one Fund.
  - iii. Changes providing for increases or decreases in funded permanent personnel counts in the adopted Budget.
  - iv. Contract change orders which would cause the aggregate contract amount to exceed \$100,000 and/or exceed prior approved appropriation levels for the subject contract.
  - v. Transfers from Unanticipated Expenditure Reserve, which would cause the aggregate amount of \$1,140,000 during fiscal year 2022-23, to be exceeded.
  - vi. Result in changes not consistent with the purpose and intent of the Budget as adopted.

- vii.** Require an appropriation action from any unassigned fund balances or reserves.
- 13.** Information establishing the current budget situation and steps to be taken to present balanced City Budgets have been presented during the public hearing on this meeting June 7, 2022, and in prior budget presentations.
- 14.** The approval of the 2022-23 Adopted Budget, including the authority to enter into any contract, make payments, or undertake other actions, does not commit the City to any action that may have significant effect on the environment. This is because the actions are financial or administrative and do not directly impact the environment or the environmental impacts of any action would be speculative to analyze at this time. As a result, there is no potential impact on the environment from this action per Section 15061(b) (3) of the California Environmental Quality Act ("CEQA") Guidelines and this action does not constitute a project under CEQA per CEQA Guidelines Section 15378(b)(4). Although the budget does authorize certain types of contracts to be entered into, none are anticipated to have any environmental impact at the time of entering into the contract, and if ultimately leading to a project that could impact the environment, the impacts of that action will be analyzed once the project is designed and the analysis is no longer speculative.


PASSED AND ADOPTED this 7th day of June, 2022, by the following vote:

AYES: (3) Mayor Tran, Vice Mayor Montano, and Councilmembers Chua  
NOES: (1) Councilmember Phan  
ABSENT: (0) None  
ABSTAIN: (1) Councilmember Dominguez


ATTEST:

  
Wendy Wood, City Clerk

APPROVED:

  
Rich Tran, Mayor

APPROVED AS TO FORM:

  
Michael Mutalipassi, City Attorney

## Exhibit 1

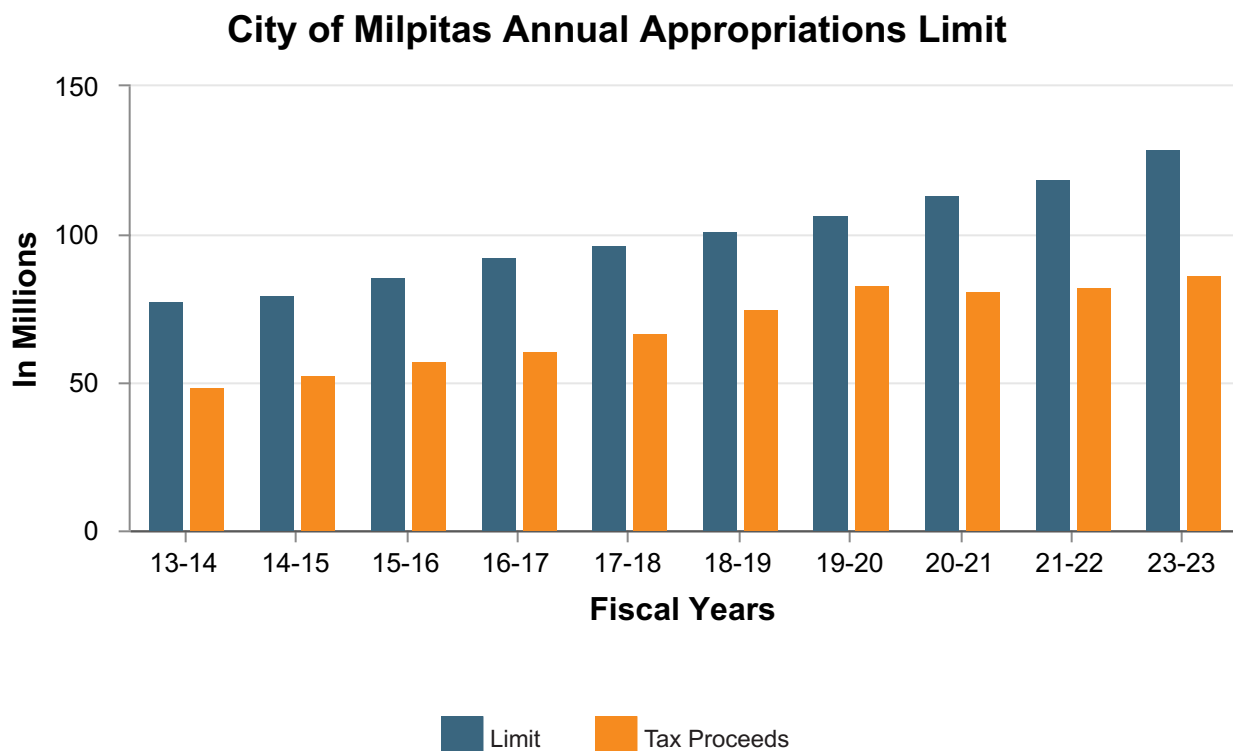
## Gann Appropriations Limit Analysis

Article XIII B of the California State Constitution, more commonly referred to as the Gann Initiative or Gann Appropriations Limit, was approved by California voters in November 1979 and placed limits on the amount of proceeds of taxes that state and local governmental agencies can receive and spend each year. If an agency receives more revenue than the Appropriations Limit, the excess revenue must be returned to the taxpayers through a tax reduction or refund within the next two years. Alternatively, the agency can increase its Appropriations Limit through voters' approval.

Each year's limit is based on the amount of tax proceeds that were authorized to be spent in Fiscal Year 1978-79 in each agency, modified for changes in inflation and population in each subsequent year. The City

Council must adopt, by resolution, an Appropriations Limit for the following year. Using the population and per capita personal income change factors provided by the State of California, the City's Appropriations Limit for FY2022-23 has been computed to be \$129,057,419. Appropriations subject to the limitation in FY2022-23 budget total \$86,163,597 that is \$42,893,822 less than the computed limit.

The following chart shows the annual Appropriations Limit and the tax proceeds received since Fiscal Year 2013-14. The amounts for Tax Proceeds have been restated to exclude Franchise Fees, which were inadvertently included in the past, which is inconsistent with the law. The City has not exceeded its annual Appropriations Limit in any single fiscal year. The City has been under 80% of the limitation and should not be impacted by the Appropriations Limit.



\*In prior years, Franchise Fees were inadvertently included in the calculation of the tax proceeds, which is inconsistent with the law. This chart has been corrected to show only tax proceeds subject to the limit.

## Approval of FY 2022-2023 Budgeted Contracts/Payments over \$100,000

### 1. FY 2022-23 Operating Budget

| Department Name                 | Contractor Name<br>(If known) or Type<br>of Contract | Description of Contract/<br>Payment                 | Estimated<br>Amount | Fund   |
|---------------------------------|--|---|---------------------|--|
| Building Safety & Housing Dept. | Raimi & Associates, Inc.                             | Consulting Services for 2023-2031 Housing Element   | \$431,710           | Affordable Housing Fund  |
| Building Safety & Housing Dept. | Municipal Plan Check Svcs                            | Building Safety Services                            | \$100,000           | General Fund   |
| Building Safety & Housing Dept. | True North Compliance Services                       | Building Safety Services                            | \$100,000           | General Fund   |
| Building Safety & Housing Dept. | City of San Jose - Animal Services                   | Animal Services Contract                            | \$510,000           | Building Safety & Housing Dept.  |
| Building Safety & Housing Dept. | Sunnyhills Investors LLC                             | Sunnyhills Reimbursement                            | \$250,000           | Housing Authority Fund   |
| Building Safety & Housing Dept. | Julie Leadbetter                                     | Tiny Home Village Feasibility Study                 | \$130,000           | Housing Authority Fund   |
| Finance                         | PLAN JPA   | Liability/Cyber Insurance                           | \$2,370,000         | General Fund<br>Water Fund<br>Sewer Fund<br>Housing Authority Fund<br>Equipment Fund |
| Finance                         | PLAN JPA   | Attorney Fees for Claims/Lawsuits                   | \$150,000           | General Fund   |
| Finance                         | PG&E   | Utility - Electric                                  | \$2,930,005         | General Fund<br>Sewer Fund<br>Water Fund   |
| Finance                         | Chandler   | Investment Portfolio Management                     | \$158,000           | General Fund   |
| Finance                         | Integrus   | Utility - Gas                                       | \$225,000           | General Fund   |
| Finance                         | Brown & Brown  | Excess Insurance                                    | \$349,712           | General Fund   |
| Human Resource                  | Sedgwick   | Third Party Administrator for Worker's Compensation | \$132,600           | General Fund   |
| Information Technology          | Cayenta  | Enterprise Financial System                         | \$184,000           | General Fund<br>Sewer Fund<br>Water Fund   |
| Police                          | County of Santa Clara                                | Crime Lab Major Case Evidence Examination           | \$190,807           | General Fund   |



| Department Name | Contractor Name (If known) or Type of Contract     | Description of Contract/ Payment  | Estimated Amount | Fund                       |
|-----------------|--|---|------------------|----------------------------|
| Police          | Silicon Valley Regional Interoperability Authority | Silicon Valley Regional Communications Systems (SVRCS) - Annual Operations and Maintenance for digital radio system | \$126,624        | General Fund               |
| Police          | Axon Enterprise, Inc.                              | Police Body Worn Cameras / Tasers / Cloud Storage   | \$182,636        | General Fund               |
| Public Works    | SFPUC  | FY 2022-2023 Wholesale Water Purchase   | \$14,576,248     | Water Fund                 |
| Public Works    | City of San Jose                                   | FY 2022-2023 WPCP - O&M   | \$6,882,265      | Sewer Fund                 |
| Public Works    | Valley Water                                       | FY 2022-2023 Wholesale Water Purchase   | \$5,563,349      | Water Fund                 |
| Public Works    | City of San Jose                                   | FY 2022-2023 Recycled Water Purchase  | \$1,699,496      | Water Fund                 |
| Public Works    | Brightview   | Park maintenance services   | \$1,295,050      | General Fund / CFD         |
| Public Works    | Cupertino Sanitary District                        | Common Interest Group legal services  | \$1,000,000      | Sewer Fund                 |
| Public Works    | Merrimac Petroleum Inc.                            | FY 2022-2023 Diesel & Unleaded Fuel   | \$477,616        | Equipment Replacement Fund |
| Public Works    | West Coast Arborist                                | Tree maintenance services   | \$383,353        | General Fund / CFD         |
| Public Works    | Nova   | Janitorial services   | \$376,828        | General Fund               |
| Public Works    | Enterprise FM Trust                                | FY 2022- 2023 Fleet Lease Agreement   | \$168,000        | General Fund               |
| Public Works    | BAWSCA   | Bay Area Water Supply and Conservation Agency (BAWSCA) membership   | \$163,800        | Water Fund                 |
| Public Works    | City of Sunnyvale                                  | Santa Clara Valley Urban Runoff Pollution Prevention Program  | \$153,892        | General Fund               |
| Public Works    | Brightview   | Facilities landscape maintenance  | \$116,260        | General Fund               |
| Recreation      | County of Santa Clara "SNP"                        | Senior Nutrition Program  | \$130,000        | GT1007-162-4226            |
| Recreation      | TRIO Community Meals                               | Senior Nutrition Program Meals  | \$110,000        | GT1007-162-4226            |

## 2. FY 2022-23 Capital Improvement Program (CIP) Budget

| Department Name       | CIP Project No. & Name                            | Description of Contract   | Estimated Amount | Fund   |
|-----------------------|---|---|------------------|--|
| Community Improvement | CIP New - Fire Station No. 1 Modular Building     | New Design/Professional Services Agreement to obtain a consultant to provide design services the for removal and replacement of modular classroom/office building at Fire station No.1.                             | \$250,000        | General Gov. CIP Fund                        |
| Community Improvement | CIP 3447 - Fire Station No. 2 Replacement         | Amendment to the Design Service Agreement between the City and Shan Kawasaki Architects for additional construction administration for the Fire Station 2 Project. The aggregate contract amount exceeds \$100,000. | \$150,000        | Revenue Bond/ General Gov. CIP Fund          |
| Community Improvement | CIP 3447 - Fire Station No. 2 Replacement         | Amendment to the Professional Service Agreement between the City and Swinerton Management & Consulting for continuing Construction Management Services. The aggregate contract amount exceeds \$100,000.            | \$150,000        | Revenue Bond/ General Gov. CIP Fund          |
| Park Improvement      | CIP 2005 Lower Penitencia Creek Pedestrian Bridge | New Design/Professional Services Agreement to obtain a consultant to provide design services for a new pedestrian bridge at McCandless Park.  | \$200,000        | TASP Impact Fees                             |
| Park Improvement      | CIP 3491 Cardoza Park Softball Fields Improvement | New Design/Professional Services Agreement to obtain a consultant to provide design services for new softball field improvements at Cardoza Park.   | \$500,000        | General Gov. CIP Fund, Park Improvement Fund |
| Park Improvement      | CIP 3501 ARPA Park Rehabilitation - Engineering   | New Design/Professional Services Agreement to obtain a consultant to provide design services for ARPA funded improvements at 20 City Parks.   | \$500,000        | Grants (APRA Funds)                          |

| Department Name    | CIP Project No. & Name  | Description of Contract   | Estimated Amount | Fund                  |
|--------------------|---|---|------------------|-----------------------|
| Park Improvement   | CIP 5055 Alviso Adobe Renovation  | Amendment to the Design/Professional Services Agreement between the City and Page & Turnbull for additional construction services, training, and programming related to media and exhibits for the interior renovation of the Alviso Adobe building. The aggregate contract amount exceeds \$100,000.                         | \$150,000        | General Gov. CIP Fund |
| Street Improvement | CIP 4297 - Citywide Traffic Modeling  | New Design/Professional Services Agreement to obtain a consultant to complete a Citywide traffic operation model of current conditions and future 10-year horizon to assess motor vehicle traffic level-of-service at key roadway corridors and intersections to identified roadway improvements to improve level-of-service. | \$400,000        | Gas Tax               |
| Street Improvement | CIP 4293 Citywide Traffic Safety Assessment   | New Design/Professional Services Agreement to obtain a consultant to complete a Citywide traffic safety assessment to analyze and identify locations of safety concerns and to provide a safety mitigation plan.  | \$400,000        | Gas Tax               |
| Street Improvement | CIP 2016 S. Milpitas Blvd. Vehicle Bridge at Penitencia   | New Design/Professional Services Agreement to obtain a consultant to provide design services for a new vehicle bridge over Penitencia Creek including between new connecting roadway at Sango Ct. and Tarob Ct.   | \$700,000        | TASP Impact Fees      |
| Street Improvement | CIP 2016 S. Milpitas Blvd. Vehicle Bridge at Penitencia & CIP 2018 Montague Ped. Overcrossing at Penitencia | Amendment to the Professional Service Agreement between the City and David J. Powers & Associates for additional environmental review and permitting, and update the Initial Study and Mitigated Negative Declaration. The aggregate contract amount exceeds \$100,000.   | \$150,000        | TASP Impact Fees      |

## Resolutions

| Department Name                 | CIP Project No. & Name  | Description of Contract   | Estimated Amount | Fund   |
|---------------------------------|---|---|------------------|--|
| Street Improvement              | CIP 2018<br>Montague Ped.<br>Overcrossing at<br>Penitencia                    | New Design/Professional Services Agreement to obtain a consultant to provide design services for a new pedestrian bridge overcrossing at Montague expressway.   | \$2,000,000      | TASP Impact Fees   |
| Street Improvement              | CIP 3402<br>McCarthy Blvd.<br>LLMD 95-1 and<br>CIP 3411 Sinclair<br>LLMD 98-1 | New Design/Professional Services Agreement to obtain a consultant to provide design services for the renovation of the lighting and irrigation system of the LLMDs.   | \$200,000        | LLMD   |
| Street Improvement              | CIP 4304 - Street<br>Resurfacing<br>Project 2022-2023                         | Design/Professional Services Agreement to obtain a consultant to provide design services for FY2023-24 street resurfacing project.  | \$600,000        | Gas Tax Fund,<br>Measure B, SB1<br>RMRA, Vehicle<br>Registration Fee   |
| Water Improvement               | CIP 7076 - Well<br>Upgrade Project  | Design/Professional Services Agreement to obtain a consultant to provide design services for potable water Well facilities at McCandless Park.  | \$2,000,000      | Water Capital<br>Surcharge   |
| Storm Drain & Water Improvement | CIP 7118 -<br>Dempsey Water<br>Line Project                                   | New Design/Professional Services Agreement to obtain a consultant to provide design services for water main improvements on Dempsey Road.   | \$700,000        | Water Capital<br>Surcharge   |
| Water Improvement               | CIP 3709 -<br>Dempsey Storm<br>Drain Line Project                             | New Design/Professional Services Agreement to obtain a consultant to provide design services for storm drain improvements on Dempsey Road.  | \$500,000        | Storm Drain Fee  |
| Sewer Improvement               | CIP 6131 -<br>Sanitary Sewer<br>Cathodic<br>Protection<br>Improvement         | Design/Professional Service Agreement to obtain a consultant to provide an assessment of the sewer force main "A" from Milpitas Main Sewer Lift Station to San Jose/ Santa Clara Regional Waste Water Facility. | \$600,000        | Sewer<br>Infrastructure Fund,<br>Sewer Fund                            |
| Public Safety                   | CIP 3459 - ALPRs<br>and Security<br>Cameras                                   | ALPR cameras-Flock Safety   | \$117,500        | General<br>Government CIP<br>Fund, Grants/<br>Reimb./Developer<br>Fees |

| Department Name       | CIP Project No. & Name   | Description of Contract  | Estimated Amount | Fund  |
|-----------------------|--|--|------------------|---|
| Public Safety         | CIP 3423 - Police Records Management System  | Police Records Management System-Mark43  | \$162,476        | General Fund, General Government CIP Fund       |
| Sewer Improvement     | CIP 6118 SJ - SC Regional Waste Water Facility                                       | City of Milpitas cost share amount with City of San Jose for rehab improvements to RWF | \$11,790,000     | Sewer Infrastructure Fund, Sewer Treatment Fund |
| Community Improvement | CIP 3503 - Landmark Policy - Historic Resource Master Plan Update and Marker Program | Consultant for Update to Historic & Cultural Resources Plan                            | \$100,000        | General Government Fund                         |
| Community Improvement | CIP 3489 - Public Art Project  | Consultant for Public Art Master Plan & Maintenance Assessment                         | \$150,000        | Public Art Fund                                 |



**RESOLUTION NO. 9168**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILPITAS AMENDING RESOLUTION NO. 1626, THE CLASSIFICATION PLAN, TO AUTHORIZE ADDITIONAL POSITIONS, AND AMEND BUDGETED ALLOCATED POSITIONS**

**WHEREAS**, the City of Milpitas has a Classification Plan adopted as Resolution No. 1626 on December 17, 1968, which has been amended from time to time, and which is in accordance with the Personnel Rules and Regulations of the City of Milpitas (Resolution No. 792 as amended); and

**WHEREAS**, amendments to the Classification Plan are necessary to account for changes within the organization, transfer of duties, new job responsibilities, and adjustments to salary ranges; and

**WHEREAS**, the annual budget process necessitates changes in position authorizations that result from modifications made to the Classification Plan.

**NOW THEREFORE**, the City Council of the City of Milpitas hereby finds, determines, and resolves as follows:

- 1.** The City Council has considered the full record before it, which may include but is not limited to such things as the staff report, testimony by staff and the public, and other materials and evidence submitted or provided to it. Furthermore, the recitals set forth above are found to be true and correct and are incorporated herein by reference.
- 2.** Resolution No. 1626, as amended, is hereby further amended effective July 3, 2022, as set forth below. If any of the below-mentioned groups or classifications receive a cost of living adjustment separate from the adoption of the 2022-23 budget, that same percentage amount and effective date will be applied accordingly pursuant to the applicable bargaining unit agreement(s) for the below-listed classification salary ranges by further Resolution.

**a. AUTHORIZE THE FOLLOWING POSITIONS:**

Add One (1) FTE Administrative Analyst I/II - Fire Department  
Add One (1) FTE Police Evidence Technician – Police Department  
Add One (1) FTE Principal Engineer – Engineering Department  
Add One (1) FTE Junior/Assistant Engineer – Engineering Department  
Add Two (2) FTE Maintenance Worker I/II - Public Works Department  
Add Four (4) FTE Maintenance Assistant – Public Works Department  
Add One (1) FTE City Attorney – City Attorney’s Office  
Add One (1) FTE Assistant City Attorney – City Attorney’s Office  
Add One (1) FTE Legal Assistant – City Attorney’s Office

**b. AMEND THE FOLLOWING BUDGETED ALLOCATED POSITIONS:**

Restore One (1) FTE Equipment Maintenance Worker III – Public Works Department  
Restore One (1) FTE Recreation Services Assistant III - Recreation & Community Services Department  
Restore One (1) FTE Financial Analyst I/II - Finance Department

**c. RETITLE THE FOLLOWING BUDGETED ALLOCATED POSITIONS:**

Retitle Sr. Information Analyst/Dev to Business Systems Analyst/Developer

Retitle Housing Manager to Senior Administrative Analyst

Retitle City Council to Councilmember

**d. RETITLE THE FOLLOWING BUDGETED ALLOCATED POSITIONS:**

Reclassify One (1) FTE Information Technology Manager to Deputy Information Technology Director – Information Technology Department

Reclassify One (1) FTE Assistant Planner to Administrative Analyst II – Building Safety and Housing Department

PASSED AND ADOPTED this 7th day of June, 2022, by the following vote:

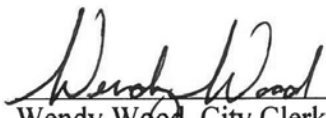
AYES: (3) Mayor Tran, Vice Mayor Montano, and Councilmembers Chua

NOES: (1) Councilmember Phan

ABSENT: (0) None

ABSTAIN: (1) Councilmember Dominguez


ATTEST:

  
Wendy Wood, City Clerk

APPROVED:

  
Rich Tran, Mayor

APPROVED AS TO FORM:

  
Michael Mutalipassi, City Attorney

**RESOLUTION NO. 9169****A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILPITAS AMENDING RESOLUTION NO. 1626, THE CLASSIFICATION PLAN, TO ADJUST HOURLY RATE RANGES FOR CLASSIFICATIONS DUE TO A MINIMUM WAGE INCREASE PURSUANT TO ORDINANCE NO. 292**

**WHEREAS**, the City of Milpitas has a Classification Plan adopted as Resolution No. 1626 on December 17, 1968, which has been amended from time to time, and which is in accordance with the Personnel Rules and Regulations of the City of Milpitas (Resolution No. 792 as amended); and

**WHEREAS**, salary increases granted to temporary classifications pursuant to changes in Resolution No. 6598, the Resolution providing compensation for unrepresented part-time temporary employees, have been incorporated into Resolution No. 1626, the Classification Plan.

**WHEREAS**, amendments to the Classification Plan are necessary to account for changes within the organization, transfer of duties, new job responsibilities, and adjustments to salary ranges; and

**WHEREAS**, the City of Milpitas local minimum wage ordinance, Ordinance No. 292, established the minimum wage hourly rate effective July 1, 2021 as \$15.65 per hour; and

**WHEREAS**, the City of Milpitas updated its minimum wage ordinance effective July 1, 2021; and

**WHEREAS**, the City must update its hourly rate for certain classifications currently below the \$16.40 hourly rate in conformance with Ordinance No. 292.

**NOW THEREFORE**, the City Council of the City of Milpitas hereby finds, determines, and resolves as follows:

1. The City Council has considered the full record before it, which may include but is not limited to such things as the staff report, testimony by staff and the public, and other materials and evidence submitted or provided to it. Furthermore, the recitals set forth above are found to be true and correct and are incorporated herein by reference.
2. The table below contains hourly wage adjustments for classifications that are currently below the minimum wage of \$16.40 per hour with the exception of the Adult Crossing Guard Supervisor.
3. Resolution No. 1626, as amended, is hereby further amended to adjust the hourly rate ranges for the below listed classifications effective July 1, 2022, as follows

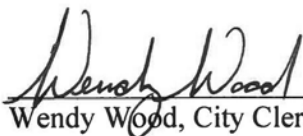
| <u>Title</u>                    | <u>FROM</u>   |                 | <u>TO</u>     |                 |
|---------------------------------|---------------|-----------------|---------------|-----------------|
|                                 | <u>Step A</u> | <u>Top Step</u> | <u>Step A</u> | <u>Top Step</u> |
| Adult Crossing Guard            | \$15.65       | \$18.46         | \$16.40       | \$19.57         |
| Adult Crossing Guard Supervisor | \$17.71       | \$21.21         | \$17.71       | \$22.93         |
| Lifeguard                       | \$15.65       | \$21.56         | \$16.40       | \$22.85         |
| Recreation Admin. Assistant     | \$15.65       | \$21.56         | \$16.40       | \$22.85         |
| Recreation Attendant            | \$15.65       | \$21.56         | \$16.40       | \$22.85         |
| Recreation Leader               | \$15.65       | \$21.56         | \$16.40       | \$22.85         |
| Staff Assistant                 | \$15.65       | \$24.64         | \$16.40       | \$25.38         |
| Student Intern                  | \$15.65       | \$24.64         | \$16.40       | \$25.38         |

4. These adjusted hourly rate ranges will be included in the All Job Classifications/Salary Table attached to the June 10, 2022 Resolution of the City Council of the City of Milpitas amending Resolution No. 1626, the Classification Plan, to Adjust the Salary Schedules for all IAFF, MidCon, ProTech, Miscellaneous Unrepresented, Fire Unrepresented Classifications and Police Unrepresented Classifications.


PASSED AND ADOPTED this 7th day of June, 2022, by the following vote:

AYES: (3) Mayor Tran, Vice Mayor Montano, and Councilmembers Chua  
NOES: (1) Councilmember Phan  
ABSENT: (0) None  
ABSTAIN: (0) Councilmember Dominguez

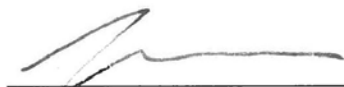
ATTEST:

  
Wendy Wood, City Clerk

APPROVED:

  
Rich Tran, Mayor

APPROVED AS TO FORM:

  
Michael Mutalipassi, City Attorney

**RESOLUTION NO. 9170**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILPITAS AMENDING RESOLUTION NO. 1626, THE CLASSIFICATION PLAN, TO APPROVE THE SALARY SCHEDULES FOR ALL IAFF, MIDCON, PROTECH, MEA, MISCELLANEOUS UNREPRESENTED AND POLICE UNREPRESENTED CLASSIFICATIONS**

**WHEREAS**, the City of Milpitas has a Classification Plan adopted as Resolution No. 1626 on December 17, 1968, which has been amended from time to time, and which is in accordance with the Personnel Rules and Regulations of the City of Milpitas (Resolution No. 792 as amended); and

**WHEREAS**, amendments to the Classification Plan are necessary to account for changes within the organization, transfer of duties, new job responsibilities, and adjustments to salary ranges.

**NOW THEREFORE**, the City Council of the City of Milpitas hereby finds, determines, and resolves as follows:

1. The City Council has considered the full record before it, which may include but is not limited to such things as the staff report, testimony by staff and the public, and other materials and evidence submitted or provided to it. Furthermore, the recitals set forth above are found to be true and correct and are incorporated herein by reference.
2. Resolution No. 1626, as amended, is hereby further amended effective July 3, 2022, as follows:

The City Council hereby adopts the salary schedule attached hereto as **Exhibit A** ("All Job Classifications/Salary Table Effective July 3, 2022"), which includes updated salary ranges for the following classifications:

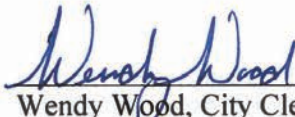
1. All classifications represented by the International Association of Firefighters (IAFF), Mid-Management and Confidential Unit (MidCon), Milpitas Police Officers Association (MPOA) and the Professional and Technical Group (ProTech), in accordance with the following Memorandums of Understanding (MOUs):
  - Milpitas Police Officers Association dated January 1, 2017 – December 31, 2021, extended by side letter through December 31, 2023.
  - International Association of Firefighters MOU dated July 1, 2018– June 30, 2022, extended by side letter through June 30, 2024
  - Mid-Management and Confidential Unit MOU dated July 1, 2019– June 30, 2023, extended by side letter through June 30, 2025
  - Professional and Technical Group MOU dated July 1, 2019– June 30, 2023
  - Milpitas Employees Association Group MOU dated July 1, 2020 – June 30, 2023
2. All classifications included in the Unrepresented Miscellaneous group and the Unrepresented Police group, in accordance with the following document:
  - Unrepresented Management Employees Salary and Benefit Package dated July 1, 2020, and as amended through resolution #9154 on May 17, 2022.
  - Unrepresented Management Employees Salary increase of three percent (3%) per resolution #8888 approved on March 3, 2020 shall be decreased to two percent (2%)
  - Unrepresented Police Employees Salary increase of two and half percent (2.5%) which is tied to MPOA per Council action on March 3, 2020.




PASSED AND ADOPTED this 7th day of June, 2022, by the following vote:

AYES: (3) Mayor Tran, Vice Mayor Montano, and Councilmembers Chua  
NOES: (1) Councilmember Phan  
ABSENT: (0) None  
ABSTAIN: (1) Councilmember Dominguez

ATTEST:

  
Wendy Wood, City Clerk

APPROVED:

  
Rich Tran, Mayor

APPROVED AS TO FORM:

  
Michael Mutalipassi, City Attorney

## Final Salary Schedule

|                                     |            |          |           | Step A   |           |            | Step B |          |            |
|-------------------------------------|------------|----------|-----------|----------|-----------|------------|--------|----------|------------|
| Classification                      | Union Code | Occ Code | Pay Grade | Hourly   | BiWeekly  | Annual     | Hourly | BiWeekly | Annual     |
| Accountant                          | 50         | 2101     | 500       | 47.9     | 3,831.91  | 99,629.63  | 50.29  | 4,023.48 | 104,610.45 |
| Accounting Technician I             | 50         | 6104     | 513       | 31.19    | 2,495.54  | 64,883.92  | 32.75  | 2,620.34 | 68,128.86  |
| Accounting Technician II            | 50         | 6105     | 514       | 34.31    | 2,745.08  | 71,372.18  | 36.03  | 2,882.37 | 74,941.69  |
| Administrative Analyst I            | 80         | 2102     | 801       | 41.2     | 3,295.9   | 85,693.28  | 0      | 0        | 0          |
| Administrative Analyst II           | 80         | 2103     | 802       | 45.5     | 3,639.93  | 94,638.21  | 0      | 0        | 0          |
| Administrative Assistant            | 80         | 6111     | 828       | 39.3     | 3,144.37  | 81,753.73  | 41.27  | 3,301.59 | 85,841.26  |
| Adult Crossing Guard                | 70         | 8401     | 725       | 16.4     | 1,312     | 34,112     | 0      | 0        | 0          |
| Adult Crossing Guard Supervisor     | 70         | 8402     | 720       | 17.71    | 1,416.8   | 36,836.8   | 0      | 0        | 0          |
| Assistant Chief of Police           | 60         | 1405     | 649       | 101.91   | 8,152.44  | 211,963.44 | 0      | 0        | 0          |
| Assistant City Engineer             | 60         | 1205     | 639       | 72.46    | 5,796.43  | 150,707.06 | 0      | 0        | 0          |
| Assistant City Manager              | 60         | 1104     | 666       | 96.52    | 7,721.9   | 200,769.39 | 0      | 0        | 0          |
| Assistant Engineer                  | 50         | 2201     | 502       | 51.9     | 4,151.81  | 107,946.97 | 54.49  | 4,359.39 | 113,344.21 |
| Assistant Finance Director          | 60         | 1109     | 669       | 69.46    | 5,557.07  | 144,483.88 | 0      | 0        | 0          |
| Assistant Fire Marshal              | 60         | 2501     | 632       | 78.14    | 6,251.4   | 162,536.4  | 0      | 0        | 0          |
| Assistant Planner                   | 50         | 2801     | 503       | 49.76    | 3,981.04  | 103,507.11 | 52.25  | 4,180.19 | 108,685.02 |
| Assistant Pool Manager              | 70         | 5609     | 709       | 17.45    | 1,396     | 36,296     | 0      | 0        | 0          |
| Assistant Water Operator            | 20         | 7212     | 221       | 42.68    | 3,201.06  | 83,227.69  | 44.82  | 3,361.13 | 87,389.3   |
| Assistant Water Operator - 40       | 20         | 8611     | 226       | 42.68    | 3,414.18  | 88,768.74  | 44.82  | 3,585.23 | 93,216.09  |
| Associate Civil Engineer            | 50         | 2202     | 504       | 59.68    | 4,774.55  | 124,138.42 | 62.67  | 5,013.32 | 130,346.29 |
| Associate Planner                   | 50         | 2802     | 505       | 57.22    | 4,577.47  | 119,014.34 | 60.09  | 4,806.96 | 124,980.92 |
| Budget Manager                      | 80         | 1115     | 839       | 60.06    | 4,804.4   | 124,914.5  | 0      | 0        | 0          |
| Building & Housing Director         | 60         | 1802     | 658       | 83.95    | 6,715.81  | 174,611.13 | 0      | 0        | 0          |
| Building Inspection Manager         | 80         | 3809     | 848       | 62.56    | 5,005.07  | 130,131.78 | 0      | 0        | 0          |
| Building Inspector Apprentice       | 70         | 8610     | 770       | 28       | 2,240     | 58,240     | 0      | 0        | 0          |
| Building Official                   | 60         | 1804     | 676       | 73.84    | 5,907.33  | 153,590.58 | 0      | 0        | 0          |
| Building Permit Technician          | 50         | 5801     | 508       | 38       | 3,040.05  | 79,041.17  | 39.9   | 3,192.38 | 83,001.93  |
| Building/NP Inspector               | 50         | 3801     | 507       | 50.37    | 4,029.41  | 104,764.7  | 52.89  | 4,230.92 | 110,003.94 |
| Business Systems Analyst/Developer* | 80         | 2119     | 853       | 54.92    | 4,393.67  | 114,235.43 | 0      | 0        | 0          |
| Buyer                               | 80         | 2106     | 803       | 40.83    | 3,266.02  | 84,916.51  | 0      | 0        | 0          |
| CIP Manager                         | 60         | 2211     | 642       | 63.79    | 5,103.11  | 132,680.89 | 0      | 0        | 0          |
| Case Manager                        | 50         | 5612     | 544       | 34.05    | 2,723.9   | 70,821.32  | 0      | 0        | 0          |
| Chief Fire Enforcement Officer      | 60         | 1505     | 656       | 69.61    | 5,569     | 144,793.9  | 0      | 0        | 0          |
| Chief of Police                     | 60         | 1402     | 650       | 107      | 8,559.98  | 222,559.48 | 0      | 0        | 0          |
| City Attorney                       | 60         | 1112     | 644       | 99.9625  | 7,997     | 207,922    | 0      | 0        | 0          |
| City Clerk                          | 60         | 1101     | 605       | 63.83    | 5,106.48  | 132,768.4  | 0      | 0        | 0          |
| Councilmember**                     | 60         | 1107     | 699       | 21.29    | 417.4     | 10,852.4   | 0      | 0        | 0          |
| City Manager                        | 60         | 1102     | 697       | 100.7535 | 12,860.28 | 334,367.28 | 0      | 0        | 0          |
| Code Enforcement Officer            | 50         | 5804     | 515       | 44.04    | 3,523.2   | 91,603.13  | 46.24  | 3,699.41 | 96,184.65  |

\*Sr. Information Analyst/Dev retitled to Business Systems Analyst/Developer

\*\*City Council retitled to Councilmember

<sup>1</sup> City Manager and City Attorney salaries are based upon employment contract. Councilmember and Mayor stipends are based upon Milpitas Municipal Code.

| Step C |          |            | Step D |          |            | Step E     |           |            |
|--------|----------|------------|--------|----------|------------|------------|-----------|------------|
| Hourly | BiWeekly | Annual     | Hourly | BiWeekly | Annual     | Hourly     | BiWeekly  | Annual     |
| 52.8   | 4,223.84 | 109,819.96 | 55.45  | 4,436.02 | 115,336.64 | 58.21      | 4,657.02  | 121,082.56 |
| 34.39  | 2,751.36 | 71,535.27  | 36.11  | 2,888.92 | 75,112.01  | 37.92      | 3,033.37  | 78,867.64  |
| 37.83  | 3,026.49 | 78,688.75  | 39.72  | 3,177.85 | 82,624.07  | 41.71      | 3,336.66  | 86,753.27  |
| 0      | 0        | 0          | 0      | 0        | 0          | 54.24      | 4,338.84  | 112,809.72 |
| 0      | 0        | 0          | 0      | 0        | 0          | 59.89      | 4,790.99  | 124,565.77 |
| 43.33  | 3,466.69 | 90,134.05  | 45.5   | 3,640    | 94,640.07  | 47.77      | 3,821.99  | 99,371.77  |
| 0      | 0        | 0          | 0      | 0        | 0          | 19.57      | 1,565.6   | 40,705.6   |
| 0      | 0        | 0          | 0      | 0        | 0          | 22.93      | 1,834.4   | 47,694.4   |
| 0      | 0        | 0          | 0      | 0        | 0          | 142.66     | 11,412.76 | 296,731.76 |
| 0      | 0        | 0          | 0      | 0        | 0          | 101.44     | 8,115     | 210,989.94 |
| 0      | 0        | 0          | 0      | 0        | 0          | 135.13     | 10,810.67 | 281,077.52 |
| 57.22  | 4,577.35 | 119,011.12 | 60.08  | 4,806.25 | 124,962.44 | 63.08      | 5,046.59  | 131,211.29 |
| 0      | 0        | 0          | 0      | 0        | 0          | 97.25      | 7,780.09  | 202,282.36 |
| 0      | 0        | 0          | 0      | 0        | 0          | 109.4      | 8,751.98  | 227,551.48 |
| 54.86  | 4,388.45 | 114,099.67 | 57.6   | 4,607.82 | 119,803.28 | 60.48      | 4,838.31  | 125,796.1  |
| 0      | 0        | 0          | 0      | 0        | 0          | 24.44      | 1,955.2   | 50,835.2   |
| 47.06  | 3,529.18 | 91,758.72  | 49.41  | 3,705.62 | 96,346.14  | 51.88      | 3,890.93  | 101,164.13 |
| 47.05  | 3,764.15 | 97,867.78  | 49.41  | 3,952.9  | 102,775.48 | 51.88      | 4,150.51  | 107,913.22 |
| 65.8   | 5,263.99 | 136,863.74 | 69.09  | 5,527.19 | 143,706.84 | 72.54      | 5,803.57  | 150,892.71 |
| 63.09  | 5,047.56 | 131,236.46 | 66.24  | 5,299.28 | 137,781.23 | 69.55      | 5,564.14  | 144,667.7  |
| 0      | 0        | 0          | 0      | 0        | 0          | 79.05      | 6,324     | 164,424    |
| 0      | 0        | 0          | 0      | 0        | 0          | 117.53     | 9,402.14  | 244,455.53 |
| 0      | 0        | 0          | 0      | 0        | 0          | 76.05      | 6,083.74  | 158,177.21 |
| 0      | 0        | 0          | 0      | 0        | 0          | 35         | 2,800     | 72,800     |
| 0      | 0        | 0          | 0      | 0        | 0          | 103.38     | 8,270.26  | 215,026.81 |
| 41.91  | 3,352.54 | 87,165.95  | 43.99  | 3,519.54 | 91,508.06  | 46.19      | 3,695.33  | 96,078.61  |
| 55.53  | 4,442.42 | 115,502.94 | 58.31  | 4,664.57 | 121,278.85 | 61.22      | 4,897.77  | 127,342.11 |
| 0      | 0        | 0          | 0      | 0        | 0          | 72.29      | 5,783.41  | 150,368.67 |
| 0      | 0        | 0          | 0      | 0        | 0          | 53.74      | 4,299.1   | 111,776.5  |
| 0      | 0        | 0          | 0      | 0        | 0          | 89.31      | 7,144.92  | 185,767.83 |
| 0      | 0        | 0          | 0      | 0        | 0          | 42.49      | 3,399.37  | 88,383.64  |
| 0      | 0        | 0          | 0      | 0        | 0          | 97.46      | 7,796.59  | 202,711.45 |
| 0      | 0        | 0          | 0      | 0        | 0          | 149.79     | 11,983.48 | 311,570.48 |
| 0      | 0        | 0          | 0      | 0        | 0          | 124.953375 | 9,996.27  | 259,903.02 |
| 0      | 0        | 0          | 0      | 0        | 0          | 89.37      | 7,149.88  | 185,896.98 |
| 0      | 0        | 0          | 0      | 0        | 0          | 21.29      | 417.4     | 10,852.4   |
| 0      | 0        | 0          | 0      | 0        | 0          | 160.7535   | 12,860.28 | 334,367.28 |
| 48.56  | 3,885.17 | 101,014.43 | 50.99  | 4,079.42 | 106,064.87 | 53.54      | 4,283.24  | 111,364.36 |

## Final Salary Schedule

|                                |            |          |           | Step A |          |            | Step B |          |            |
|--------------------------------|------------|----------|-----------|--------|----------|------------|--------|----------|------------|
| Classification                 | Union Code | Occ Code | Pay Grade | Hourly | BiWeekly | Annual     | Hourly | BiWeekly | Annual     |
| Comm Svc Engmt & Incl Admin    | 60         | 1121     | 659       | 65.87  | 5,269.32 | 137,002.32 | 0      | 0        | 0          |
| Communications Dispatch Superv | 40         | 6409     | 456       | 55.09  | 4,406.81 | 114,577.14 | 57.84  | 4,627.15 | 120,305.83 |
| Communications Dispatcher      | 40         | 6408     | 455       | 47.69  | 3,815.58 | 99,205.16  | 50.08  | 4,006.34 | 104,164.72 |
| Community Service Officer      | 50         | 5807     | 551       | 42.14  | 3,370.92 | 87,643.98  | 44.24  | 3,539.47 | 92,026.26  |
| Crime Analyst                  | 80         | 2105     | 809       | 49.32  | 3,945.49 | 102,582.81 | 0      | 0        | 0          |
| Customer Services Supervisor   | 80         | 2127     | 847       | 47.82  | 3,825.84 | 99,471.75  | 0      | 0        | 0          |
| Deputy City Clerk              | 80         | 6102     | 835       | 46.96  | 3,756.97 | 97,681.12  | 0      | 0        | 0          |
| Deputy City Manager            | 60         | 1119     | 672       | 94.59  | 7,567.46 | 196,754    | 0      | 0        | 0          |
| Deputy Fire Chief              | 60         | 1504     | 633       | 98.47  | 7,877.33 | 204,810.58 | 0      | 0        | 0          |
| Deputy Public Works Director   | 60         | 1207     | 654       | 74.46  | 5,956.9  | 154,879.45 | 0      | 0        | 0          |
| Dir of Recr & Community Svcs   | 60         | 1208     | 655       | 82.21  | 6,576.74 | 170,995.13 | 0      | 0        | 0          |
| Economic Development Coord     | 80         | 8623     | 852       | 51.82  | 4,145.85 | 107,792.13 | 0      | 0        | 0          |
| Economic Development Director  | 60         | 1206     | 653       | 77.22  | 6,177.54 | 160,615.99 | 0      | 0        | 0          |
| Economic Development Spec      | 80         | 8606     | 850       | 49.35  | 3,948.09 | 102,650.43 | 0      | 0        | 0          |
| Electrical/Building Inspector  | 50         | 3802     | 511       | 52.89  | 4,230.91 | 110,003.67 | 55.53  | 4,442.42 | 115,502.94 |
| Emergency Services Coordinator | 80         | 2502     | 836       | 54.52  | 4,362    | 113,411.98 | 0      | 0        | 0          |
| Employee Relations Officer     | 60         | 1209     | 677       | 63.98  | 5,118.53 | 133,081.87 | 0      | 0        | 0          |
| Engineering Aide               | 50         | 3201     | 512       | 41.27  | 3,301.75 | 85,845.43  | 43.34  | 3,466.85 | 90,138     |
| Engineering Director/City Eng  | 60         | 1201     | 606       | 83.95  | 6,715.81 | 174,611.13 | 0      | 0        | 0          |
| Engineering Permit Technician  | 50         | 2210     | 540       | 37.15  | 2,972.15 | 77,275.83  | 39.01  | 3,120.77 | 81,139.92  |
| Entry Firefighter - 40         | 10         | 4512     | 115       | 48.54  | 3,883.39 | 100,968.14 | 50.48  | 4,038.73 | 105,006.98 |
| Entry Firefighter - 56         | 10         | 4510     | 112       | 34.67  | 2,773.85 | 72,120.1   | 36.06  | 4,038.73 | 105,006.98 |
| Entry Firefighter/Paramedic-40 | 10         | 4513     | 116       | 54.37  | 4,349.39 | 113,084.14 | 56.54  | 4,523.39 | 117,608.14 |
| Entry Firefighter/Paramedic-56 | 10         | 4511     | 113       | 38.83  | 3,106.71 | 80,774.39  | 40.39  | 4,523.39 | 117,608.14 |
| Entry Level Fire Inspector     | 10         | 3508     | 114       | 42.32  | 3,385.74 | 88,029.24  | 44.44  | 3,555.03 | 92,430.78  |
| Envir & Regulatory Comply Spec | 80         | 8624     | 851       | 52.67  | 4,213.67 | 109,555.45 | 0      | 0        | 0          |
| Environmental Inspector        | 50         | 2213     | 553       | 52.89  | 4,230.91 | 110,003.67 | 55.53  | 4,442.45 | 115,503.75 |
| Equip Maint Worker I - 40      | 20         | 8612     | 227       | 39.04  | 3,123.39 | 81,208.21  | 40.97  | 3,277.99 | 85,227.62  |
| Equip Maint Worker II - 40     | 20         | 8613     | 228       | 42.93  | 3,434.48 | 89,296.57  | 45.08  | 3,606.37 | 93,765.62  |
| Equip Maint Worker III - 40    | 20         | 8614     | 229       | 48.37  | 3,869.43 | 100,605.23 | 50.79  | 4,063.38 | 105,647.9  |
| Equipment Maint. Worker I      | 20         | 7202     | 200       | 38.8   | 3,104.05 | 80,705.35  | 40.74  | 3,055.56 | 79,444.48  |
| Equipment Maint. Worker II     | 20         | 7203     | 201       | 42.68  | 3,414.47 | 88,776.2   | 44.82  | 3,361.13 | 87,389.3   |
| Equipment Maint. Worker III    | 20         | 7204     | 202       | 48.09  | 3,847.19 | 100,026.94 | 50.49  | 3,787.01 | 98,462.29  |
| Executive Assistant            | 80         | 6117     | 812       | 43.23  | 3,458.31 | 89,916.06  | 45.39  | 3,631.25 | 94,412.53  |
| FF/Paramedic Trainee - 40      | 10         | 4504     | 107       | 52.28  | 4,182.11 | 108,734.86 | 52.28  | 4,182.11 | 108,734.86 |
| FF/Paramedic Trainee - 56      | 10         | 4514     | 155       | 37.34  | 2,987.22 | 77,667.76  | 37.34  | 4,182.11 | 108,734.86 |
| Finance Director               | 60         | 1103     | 627       | 84.31  | 6,744.97 | 175,369.33 | 0      | 0        | 0          |
| Finance Manager                | 60         | 1116     | 647       | 59.5   | 4,760.3  | 123,767.78 | 0      | 0        | 0          |

| Step C |          |            | Step D |          |            | Step E |           |            |
|--------|----------|------------|--------|----------|------------|--------|-----------|------------|
| Hourly | BiWeekly | Annual     | Hourly | BiWeekly | Annual     | Hourly | BiWeekly  | Annual     |
| 0      | 0        | 0          | 0      | 0        | 0          | 92.21  | 7,377.05  | 191,803.25 |
| 60.73  | 4,858.52 | 126,321.53 | 63.77  | 5,101.45 | 132,637.58 | 66.96  | 5,356.53  | 139,269.7  |
| 52.58  | 4,206.64 | 109,372.67 | 55.21  | 4,416.94 | 114,840.45 | 57.97  | 4,637.8   | 120,582.72 |
| 46.46  | 3,716.45 | 96,627.6   | 48.78  | 3,902.26 | 101,458.71 | 51.22  | 4,097.4   | 106,532.45 |
| 0      | 0        | 0          | 0      | 0        | 0          | 64.92  | 5,193.48  | 135,030.56 |
| 0      | 0        | 0          | 0      | 0        | 0          | 62.95  | 5,035.65  | 130,926.85 |
| 0      | 0        | 0          | 0      | 0        | 0          | 57.08  | 4,566.61  | 118,731.9  |
| 0      | 0        | 0          | 0      | 0        | 0          | 132.38 | 10,590.05 | 275,341.25 |
| 0      | 0        | 0          | 0      | 0        | 0          | 137.85 | 11,028.26 | 286,734.76 |
| 0      | 0        | 0          | 0      | 0        | 0          | 104.25 | 8,339.67  | 216,831.5  |
| 0      | 0        | 0          | 0      | 0        | 0          | 115.32 | 9,225.38  | 239,859.87 |
| 0      | 0        | 0          | 0      | 0        | 0          | 64.26  | 5,140.8   | 133,660.8  |
| 0      | 0        | 0          | 0      | 0        | 0          | 108.11 | 8,648.53  | 224,861.75 |
| 0      | 0        | 0          | 0      | 0        | 0          | 59.57  | 4,765.74  | 123,909.13 |
| 58.31  | 4,664.56 | 121,278.59 | 61.22  | 4,897.77 | 127,342.11 | 64.28  | 5,142.67  | 133,709.33 |
| 0      | 0        | 0          | 0      | 0        | 0          | 71.76  | 5,740.98  | 149,265.43 |
| 0      | 0        | 0          | 0      | 0        | 0          | 89.57  | 7,165.93  | 186,314.14 |
| 45.5   | 3,640.17 | 94,644.54  | 47.78  | 3,822.15 | 99,376.03  | 50.17  | 4,013.27  | 104,345.06 |
| 0      | 0        | 0          | 0      | 0        | 0          | 117.53 | 9,402.14  | 244,455.53 |
| 40.96  | 3,276.79 | 85,196.55  | 43.01  | 3,440.59 | 89,455.38  | 45.16  | 3,612.64  | 93,928.71  |
| 0      | 0        | 0          | 0      | 0        | 0          | 0      | 0         | 0          |
| 0      | 0        | 0          | 0      | 0        | 0          | 0      | 0         | 0          |
| 0      | 0        | 0          | 0      | 0        | 0          | 0      | 0         | 0          |
| 0      | 0        | 0          | 0      | 0        | 0          | 0      | 0         | 0          |
| 46.66  | 3,732.79 | 97,052.54  | 48.99  | 3,919.43 | 101,905.18 | 50.97  | 4,077.95  | 106,026.7  |
| 0      | 0        | 0          | 0      | 0        | 0          | 69.33  | 5,546.4   | 144,206.48 |
| 58.31  | 4,664.58 | 121,279.12 | 61.22  | 4,897.8  | 127,342.92 | 64.28  | 5,142.67  | 133,709.33 |
| 43.03  | 3,442.18 | 89,496.62  | 45.19  | 3,614.99 | 93,989.77  | 47.44  | 3,795.5   | 98,682.96  |
| 47.34  | 3,786.86 | 98,458.28  | 49.71  | 3,976.96 | 103,401.06 | 52.2   | 4,175.72  | 108,568.8  |
| 53.34  | 4,266.95 | 110,940.7  | 56     | 4,480.11 | 116,482.82 | 58.81  | 4,704.78  | 122,324.35 |
| 42.78  | 3,208.37 | 83,417.56  | 44.92  | 3,368.78 | 87,588.27  | 47.16  | 3,773.02  | 98,098.5   |
| 47.06  | 3,529.18 | 91,758.72  | 49.41  | 3,705.62 | 96,346.14  | 51.88  | 4,150.32  | 107,908.4  |
| 53.02  | 3,976.39 | 103,386.06 | 55.67  | 4,175.21 | 108,555.41 | 58.45  | 4,676.25  | 121,582.63 |
| 47.66  | 3,812.81 | 99,133.09  | 50.04  | 4,003.44 | 104,089.41 | 52.55  | 4,203.62  | 109,294.22 |
| 52.28  | 4,182.11 | 108,734.86 | 52.28  | 4,182.11 | 108,734.86 | 52.28  | 4,182.11  | 108,734.86 |
| 37.34  | 4,182.11 | 108,734.86 | 37.34  | 4,182.11 | 108,734.86 | 37.34  | 2,987.22  | 77,667.76  |
| 0      | 0        | 0          | 0      | 0        | 0          | 118.03 | 9,442.21  | 245,497.5  |
| 0      | 0        | 0          | 0      | 0        | 0          | 83.31  | 6,664.46  | 173,275.85 |



## Final Salary Schedule

|                               |            |          |           | Step A |          |            | Step B |          |            |
|-------------------------------|------------|----------|-----------|--------|----------|------------|--------|----------|------------|
| Classification                | Union Code | Occ Code | Pay Grade | Hourly | BiWeekly | Annual     | Hourly | BiWeekly | Annual     |
| Financial Analyst I           | 80         | 2125     | 844       | 38.47  | 3,077.45 | 80,013.76  | 0      | 0        | 0          |
| Financial Analyst II          | 80         | 2126     | 845       | 42.48  | 3,398.78 | 88,368.35  | 0      | 0        | 0          |
| Fire Battalion Chief          | 10         | 2508     | 153       | 52.44  | 4,195.41 | 109,080.77 | 0      | 0        | 0          |
| Fire Battalion Chief - 40     | 10         | 2509     | 154       | 73.42  | 5,873.58 | 152,713.08 | 0      | 0        | 0          |
| Fire Captain                  | 10         | 2504     | 100       | 45.9   | 3,671.71 | 95,464.39  | 48.13  | 5,390.99 | 140,165.74 |
| Fire Captain - 40             | 10         | 2507     | 108       | 64.25  | 5,140.39 | 133,650.14 | 67.39  | 5,390.99 | 140,165.74 |
| Fire Chief                    | 60         | 1502     | 630       | 108.56 | 8,684.85 | 225,806.1  | 0      | 0        | 0          |
| Fire Engineer                 | 10         | 4501     | 102       | 40.47  | 3,237.71 | 84,180.57  | 42.44  | 4,753.02 | 123,578.52 |
| Fire Engineer - 40            | 10         | 4515     | 156       | 56.66  | 4,532.8  | 117,852.8  | 59.41  | 4,753.02 | 123,578.52 |
| Fire Engineer/Paramedic       | 10         | 4505     | 151       | 45.19  | 3,615.17 | 93,994.46  | 47.39  | 5,307.92 | 138,005.92 |
| Fire Prevention Inspector     | 10         | 3501     | 106       | 64.88  | 5,190.53 | 134,953.78 | 68.05  | 5,443.63 | 141,534.38 |
| Fire Protection Engineer      | 10         | 3507     | 110       | 64.88  | 5,190.53 | 134,953.78 | 68.05  | 5,443.63 | 141,534.38 |
| Firefighter                   | 10         | 4502     | 103       | 37.82  | 3,025.99 | 78,675.81  | 39.66  | 4,441.71 | 115,484.46 |
| Firefighter Trainee - 40      | 10         | 4509     | 109       | 46.68  | 3,734.04 | 97,085.04  | 46.68  | 3,734.04 | 97,085.04  |
| Firefighter/Paramedic         | 10         | 4503     | 104       | 42.23  | 3,378.06 | 87,829.49  | 44.28  | 4,959.2  | 128,939.2  |
| Fitness Instructor            | 70         | 5620     | 713       | 35     | 2,800    | 72,800     | 0      | 0        | 0          |
| Fleet Maint Worker I -40      | 20         | 8615     | 230       | 37.27  | 2,981.63 | 77,522.48  | 39.14  | 3,131.07 | 81,407.72  |
| Fleet Maint Worker II - 40    | 20         | 8616     | 231       | 40.99  | 3,279.51 | 85,267.25  | 43.05  | 3,443.67 | 89,535.45  |
| Fleet Maint Worker III -40    | 20         | 8617     | 232       | 47.15  | 3,772.01 | 98,072.38  | 49.51  | 3,960.78 | 102,980.35 |
| Fleet Maintenance Worker I    | 20         | 7207     | 213       | 37.27  | 2,981.65 | 77,522.89  | 39.13  | 2,935.03 | 76,310.68  |
| Fleet Maintenance Worker II   | 20         | 7208     | 214       | 41     | 3,279.83 | 85,275.52  | 43.05  | 3,228.54 | 83,941.91  |
| Fleet Maintenance Worker III  | 20         | 7209     | 215       | 47.15  | 3,771.76 | 98,065.65  | 49.5   | 3,712.81 | 96,533.06  |
| GIS Technician                | 50         | 2212     | 552       | 51.9   | 4,151.81 | 107,946.97 | 54.49  | 4,359.39 | 113,344.21 |
| Hazardous Materials Inspector | 10         | 3502     | 105       | 64.88  | 5,190.53 | 134,953.78 | 68.05  | 5,443.63 | 141,534.38 |
| Housing Authority Adminr      | 60         | 1120     | 673       | 62.12  | 4,969.45 | 129,205.71 | 0      | 0        | 0          |
| Human Resources Analyst I     | 80         | 2124     | 843       | 41.2   | 3,295.9  | 85,693.28  | 0      | 0        | 0          |
| Human Resources Analyst II    | 80         | 2123     | 842       | 45.5   | 3,639.93 | 94,638.21  | 0      | 0        | 0          |
| Human Resources Assistant     | 80         | 2108     | 846       | 29.35  | 2,347.82 | 61,043.21  | 30.81  | 2,465.13 | 64,093.27  |
| Human Resources Director      | 60         | 1105     | 613       | 83.84  | 6,707.02 | 174,382.53 | 0      | 0        | 0          |
| Human Resources Technician    | 80         | 2107     | 816       | 35.6   | 2,847.61 | 74,037.74  | 37.38  | 2,990.61 | 77,755.84  |
| I T Director                  | 60         | 2113     | 624       | 82.73  | 6,618.79 | 172,088.55 | 0      | 0        | 0          |
| I T Manager                   | 80         | 2116     | 819       | 62.02  | 4,961.81 | 129,007.07 | 0      | 0        | 0          |
| I T Technician                | 50         | 3101     | 542       | 41.29  | 3,303.34 | 85,886.94  | 43.36  | 3,468.49 | 90,180.85  |
| Information Services Analyst  | 80         | 2118     | 831       | 52.17  | 4,173.96 | 108,523.02 | 0      | 0        | 0          |
| Junior Engineer               | 50         | 2203     | 519       | 47.18  | 3,774.35 | 98,133.17  | 49.54  | 3,963.08 | 103,040.07 |
| Junior Planner                | 50         | 2804     | 520       | 42.72  | 3,417.27 | 88,849.08  | 44.85  | 3,588.15 | 93,291.88  |
| Lifeguard                     | 70         | 5610     | 710       | 16.4   | 1,312    | 34,112     | 0      | 0        | 0          |
| Maint Worker III - 40         | 20         | 8619     | 234       | 40.15  | 3,211.67 | 83,503.52  | 42.16  | 3,372.5  | 87,684.95  |
| Maintenance Assistant         | 20         | 8625     | 238       | 24.48  | 1,958.4  | 50,918.4   | 25.64  | 2,051.2  | 53,331.2   |
| Maintenance Custodian I       | 20         | 8101     | 203       | 28.6   | 2,287.72 | 59,480.74  | 30.03  | 2,251.98 | 58,551.52  |
| Maintenance Custodian I - 40  | 20         | 8107     | 222       | 28.6   | 2,287.74 | 59,481.33  | 30.03  | 2,402.1  | 62,454.71  |

| Step C |          |            | Step D |          |            | Step E |           |            |
|--------|----------|------------|--------|----------|------------|--------|-----------|------------|
| Hourly | BiWeekly | Annual     | Hourly | BiWeekly | Annual     | Hourly | BiWeekly  | Annual     |
| 0      | 0        | 0          | 0      | 0        | 0          | 50.64  | 4,050.83  | 105,321.53 |
| 0      | 0        | 0          | 0      | 0        | 0          | 55.92  | 4,473.83  | 116,319.64 |
| 0      | 0        | 0          | 0      | 0        | 0          | 73.42  | 5,873.58  | 152,713.04 |
| 0      | 0        | 0          | 0      | 0        | 0          | 102.79 | 8,223.01  | 213,798.26 |
| 50.48  | 5,654.12 | 147,007.12 | 52.95  | 5,930.37 | 154,189.62 | 55.54  | 4,443.19  | 115,523.01 |
| 70.68  | 5,654.12 | 147,007.12 | 74.13  | 5,930.37 | 154,189.62 | 77.76  | 6,220.47  | 161,732.22 |
| 0      | 0        | 0          | 0      | 0        | 0          | 151.99 | 12,158.82 | 316,129.32 |
| 44.5   | 4,984.22 | 129,589.72 | 46.67  | 5,226.98 | 135,901.48 | 48.95  | 3,915.63  | 101,806.34 |
| 62.3   | 4,984.22 | 129,589.72 | 65.34  | 5,226.98 | 135,901.48 | 68.52  | 5,481.88  | 142,528.88 |
| 49.7   | 5,566.86 | 144,738.36 | 52.13  | 5,838.72 | 151,806.72 | 54.68  | 4,374.45  | 113,735.7  |
| 71.37  | 5,709.37 | 148,443.62 | 74.85  | 5,988.39 | 155,698.14 | 78.52  | 6,281.37  | 163,315.62 |
| 71.37  | 5,709.37 | 148,443.62 | 74.85  | 5,988.39 | 155,698.14 | 78.52  | 6,281.37  | 163,315.62 |
| 41.58  | 4,657.36 | 121,091.36 | 43.61  | 4,883.81 | 126,979.06 | 45.73  | 3,658.2   | 95,113.2   |
| 46.68  | 3,734.04 | 97,085.04  | 46.68  | 3,734.04 | 97,085.04  | 46.68  | 3,734.04  | 97,085.04  |
| 46.44  | 5,200.75 | 135,219.5  | 48.7   | 5,454.3  | 141,811.8  | 51.08  | 4,086.14  | 106,239.71 |
| 0      | 0        | 0          | 0      | 0        | 0          | 75     | 6,000     | 156,000    |
| 41.09  | 3,287.37 | 85,471.58  | 43.14  | 3,451.54 | 89,740.05  | 45.31  | 3,624.57  | 94,238.82  |
| 45.2   | 3,615.7  | 94,008.24  | 47.46  | 3,796.6  | 98,711.62  | 49.83  | 3,986.34  | 103,644.76 |
| 51.98  | 4,158.37 | 108,117.56 | 54.57  | 4,365.78 | 113,510.24 | 57.31  | 4,585     | 119,210.1  |
| 41.09  | 3,081.81 | 80,127.1   | 43.14  | 3,235.84 | 84,131.78  | 45.3   | 3,624.16  | 94,228.18  |
| 45.2   | 3,390    | 88,139.94  | 47.46  | 3,559.5  | 92,547.13  | 49.83  | 3,986.57  | 103,650.74 |
| 51.98  | 3,898.42 | 101,358.82 | 54.58  | 4,093.33 | 106,426.67 | 57.31  | 4,584.6   | 119,199.71 |
| 57.22  | 4,577.38 | 119,011.93 | 60.08  | 4,806.23 | 124,961.91 | 63.08  | 5,046.61  | 131,211.82 |
| 71.37  | 5,709.37 | 148,443.62 | 74.85  | 5,988.39 | 155,698.14 | 78.52  | 6,281.37  | 163,315.62 |
| 0      | 0        | 0          | 0      | 0        | 0          | 86.96  | 6,957.19  | 180,886.82 |
| 0      | 0        | 0          | 0      | 0        | 0          | 54.24  | 4,338.84  | 112,809.72 |
| 0      | 0        | 0          | 0      | 0        | 0          | 59.89  | 4,790.99  | 124,565.77 |
| 32.35  | 2,588.38 | 67,297.95  | 33.97  | 2,717.81 | 70,663.07  | 35.67  | 2,853.69  | 74,196.06  |
| 0      | 0        | 0          | 0      | 0        | 0          | 117.37 | 9,389.85  | 244,136.22 |
| 39.24  | 3,139.47 | 81,626.17  | 41.21  | 3,297.06 | 85,723.51  | 43.27  | 3,461.48  | 89,998.54  |
| 0      | 0        | 0          | 0      | 0        | 0          | 115.83 | 9,266.29  | 240,923.59 |
| 0      | 0        | 0          | 0      | 0        | 0          | 81.64  | 6,531.56  | 169,820.55 |
| 45.52  | 3,641.87 | 94,688.72  | 47.8   | 3,823.97 | 99,423.16  | 50.19  | 4,015.19  | 104,394.87 |
| 0      | 0        | 0          | 0      | 0        | 0          | 68.68  | 5,494.16  | 142,848.12 |
| 52.02  | 4,161.23 | 108,192    | 54.62  | 4,369.29 | 113,601.56 | 57.35  | 4,587.76  | 119,281.87 |
| 47.09  | 3,767.54 | 97,956.15  | 49.45  | 3,955.97 | 102,855.29 | 51.92  | 4,153.72  | 107,996.78 |
| 0      | 0        | 0          | 0      | 0        | 0          | 22.85  | 1,828     | 47,528     |
| 44.26  | 3,541.02 | 92,066.43  | 46.48  | 3,718.22 | 96,673.66  | 48.8   | 3,904.09  | 101,506.38 |
| 26.84  | 2,147.2  | 55,827.2   | 28.11  | 2,248.8  | 58,468.8   | 29.43  | 2,354.4   | 61,214.4   |
| 31.53  | 2,364.6  | 61,479.65  | 33.1   | 2,482.83 | 64,553.46  | 34.76  | 2,780.77  | 72,300     |
| 31.53  | 2,522.22 | 65,577.79  | 33.1   | 2,648.35 | 68,857     | 34.76  | 2,780.74  | 72,299.31  |

## Final Salary Schedule

|                                |            |          |           | Step A |          |            | Step B |          |            |
|--------------------------------|------------|----------|-----------|--------|----------|------------|--------|----------|------------|
| Classification                 | Union Code | Occ Code | Pay Grade | Hourly | BiWeekly | Annual     | Hourly | BiWeekly | Annual     |
| Maintenance Custodian II       | 20         | 8102     | 204       | 31.46  | 2,516.55 | 65,430.32  | 33.03  | 2,477.2  | 64,407.24  |
| Maintenance Custodian II - 40  | 20         | 8108     | 223       | 31.46  | 2,516.55 | 65,430.24  | 33.03  | 2,642.32 | 68,700.34  |
| Maintenance Custodian III      | 20         | 8103     | 205       | 36.17  | 2,893.98 | 75,243.37  | 37.98  | 2,848.74 | 74,067.32  |
| Maintenance Custodian III - 40 | 20         | 8618     | 233       | 36.18  | 2,894.16 | 75,248.05  | 37.98  | 3,038.65 | 79,005.02  |
| Maintenance Worker I           | 20         | 8202     | 206       | 31.46  | 2,516.55 | 65,430.32  | 33.03  | 2,477.2  | 64,407.24  |
| Maintenance Worker I-40        | 20         | 8203     | 207       | 31.74  | 2,539.49 | 66,026.63  | 33.32  | 2,665.64 | 69,306.64  |
| Maintenance Worker II          | 20         | 8204     | 208       | 34.6   | 2,768.17 | 71,972.36  | 36.33  | 2,724.9  | 70,847.29  |
| Maintenance Worker II-40       | 20         | 8205     | 209       | 34.91  | 2,792.76 | 72,611.83  | 36.65  | 2,932.4  | 76,242.39  |
| Maintenance Worker III         | 20         | 8206     | 210       | 39.79  | 3,183.35 | 82,767.2   | 41.78  | 3,133.62 | 81,474.13  |
| Maintenance Worker/Seasonal    | 70         | 8207     | 760       | 19.88  | 1,590.4  | 41,350.4   | 0      | 0        | 0          |
| Management Analyst             | 80         | 2128     | 854       | 54.62  | 4,369.68 | 113,611.68 | 0      | 0        | 0          |
| Marketing Coordinator          | 50         | 5614     | 548       | 40.1   | 3,207.7  | 83,400.15  | 42.1   | 3,368.08 | 87,570.06  |
| Mayor                          | 60         | 1118     | 696       | 26.62  | 521.88   | 13,568.88  | 0      | 0        | 0          |
| Office Assistant I             | 50         | 6108     | 516       | 27.13  | 2,170.11 | 56,422.78  | 28.48  | 2,278.6  | 59,243.52  |
| Office Assistant II            | 50         | 6109     | 517       | 29.84  | 2,387.01 | 62,062.38  | 31.33  | 2,506.32 | 65,164.31  |
| Office Specialist              | 50         | 6110     | 518       | 34.31  | 2,745.05 | 71,371.38  | 36.03  | 2,882.34 | 74,940.88  |
| Patrol Officer                 | 40         | 4401     | 404       | 50.99  | 4,079.5  | 106,067    | 53.54  | 4,283.46 | 111,370.08 |
| Patrol Officer Trainee         | 40         | 4402     | 458       | 49.9   | 3,991.89 | 103,789.22 | 52.39  | 4,191.41 | 108,976.65 |
| Payroll Specialist             | 50         | 5102     | 546       | 36.65  | 2,931.78 | 76,226.32  | 38.48  | 3,078.37 | 80,037.65  |
| Plan Check Engineer            | 50         | 3807     | 521       | 61.08  | 4,886.04 | 127,037.09 | 64.12  | 5,129.83 | 133,375.65 |
| Plan Checker                   | 50         | 3803     | 522       | 52.08  | 4,166.4  | 108,326.44 | 54.68  | 4,374.67 | 113,741.36 |
| Plan Review Manager            | 60         | 1210     | 678       | 65.18  | 5,214.64 | 135,580.58 | 0      | 0        | 0          |
| Planning Commissioners         | 70         | 1108     | 698       | 1      | 80       | 2,080      | 0      | 0        | 0          |
| Planning Director              | 60         | 1803     | 607       | 83.95  | 6,715.81 | 174,611.13 | 0      | 0        | 0          |
| Planning Manager               | 60         | 2803     | 602       | 63.98  | 5,118.53 | 133,081.87 | 0      | 0        | 0          |
| Planning Technician            | 50         | 2813     | 554       | 38     | 3,040.05 | 79,041.17  | 39.9   | 3,192.38 | 83,001.93  |
| Police Assistant               | 40         | 6401     | 450       | 48.46  | 3,876.41 | 100,786.57 | 50.88  | 4,070.19 | 105,825.02 |
| Police Captain                 | 60         | 1401     | 651       | 97.05  | 7,763.76 | 201,857.76 | 0      | 0        | 0          |
| Police Clerk I                 | 40         | 6402     | 451       | 34.73  | 2,778.57 | 72,242.82  | 36.47  | 2,917.51 | 75,855.23  |
| Police Clerk II                | 40         | 6403     | 452       | 38.2   | 3,056.36 | 79,465.24  | 40.12  | 3,209.26 | 83,440.88  |
| Police Clerk Supervisor        | 40         | 6404     | 454       | 44.13  | 3,530.17 | 91,784.47  | 46.33  | 3,706.71 | 96,374.4   |
| Police Evidence Technician     | 40         | 8607     | 459       | 40.52  | 3,241.35 | 84,275.03  | 42.54  | 3,403.39 | 88,488.13  |
| Police Lieutenant              | 40         | 2402     | 400       | 78.22  | 6,257.36 | 162,691.32 | 82.13  | 6,570.23 | 170,825.97 |
| Police Officer                 | 40         | 4403     | 403       | 55.76  | 4,460.97 | 115,985.33 | 58.55  | 4,684.09 | 121,786.24 |
| Police Officer Trainee         | 40         | 4404     | 457       | 54.56  | 4,365.16 | 113,494.09 | 57.29  | 4,583.47 | 119,170.27 |
| Police Sergeant                | 40         | 4405     | 401       | 67.36  | 5,388.98 | 140,113.44 | 70.73  | 5,658.44 | 147,119.46 |
| Police Support Services Mgr    | 60         | 1404     | 657       | 62.05  | 4,964.09 | 129,066.21 | 0      | 0        | 0          |
| Pool Manager                   | 70         | 5608     | 708       | 18.74  | 1,499.2  | 38,979.2   | 0      | 0        | 0          |
| Principal Civil Engineer       | 80         | 2204     | 822       | 65.18  | 5,214.64 | 135,580.58 | 0      | 0        | 0          |
| Principal Planner              | 80         | 2811     | 823       | 67.21  | 5,376.42 | 139,786.92 | 0      | 0        | 0          |

| Step C |          |            | Step D |          |            | Step E |          |            |
|--------|----------|------------|--------|----------|------------|--------|----------|------------|
| Hourly | BiWeekly | Annual     | Hourly | BiWeekly | Annual     | Hourly | BiWeekly | Annual     |
| 34.68  | 2,601.08 | 67,628.07  | 36.41  | 2,731.06 | 71,007.44  | 38.24  | 3,058.83 | 79,529.6   |
| 34.68  | 2,774.47 | 72,136.21  | 36.41  | 2,913.14 | 75,741.61  | 38.24  | 3,058.86 | 79,530.44  |
| 39.88  | 2,991.18 | 77,770.73  | 41.88  | 3,140.75 | 81,659.45  | 43.97  | 3,517.69 | 91,459.91  |
| 39.89  | 3,191.03 | 82,966.85  | 41.88  | 3,350.28 | 87,107.31  | 43.97  | 3,517.4  | 91,452.36  |
| 34.68  | 2,601.08 | 67,628.07  | 36.41  | 2,731.12 | 71,009.04  | 38.24  | 3,058.83 | 79,529.6   |
| 34.99  | 2,799.51 | 72,787.24  | 36.74  | 2,939.14 | 76,417.53  | 38.58  | 3,086.49 | 80,248.68  |
| 38.15  | 2,861.12 | 74,389.22  | 40.06  | 3,004.2  | 78,109.23  | 42.06  | 3,364.71 | 87,482.48  |
| 38.5   | 3,079.75 | 80,073.54  | 40.41  | 3,232.86 | 84,054.39  | 42.43  | 3,394.64 | 88,260.72  |
| 43.87  | 3,290.31 | 85,548.17  | 46.06  | 3,454.83 | 89,825.48  | 48.37  | 3,869.43 | 100,605.1  |
| 0      | 0        | 0          | 0      | 0        | 0          | 24.85  | 1,988    | 51,688     |
| 0      | 0        | 0          | 0      | 0        | 0          | 76.49  | 6,118.89 | 159,091.09 |
| 44.21  | 3,536.47 | 91,948.33  | 46.42  | 3,713.3  | 96,545.92  | 48.74  | 3,898.97 | 101,373.28 |
| 0      | 0        | 0          | 0      | 0        | 0          | 26.62  | 521.88   | 13,568.88  |
| 29.91  | 2,392.55 | 62,206.19  | 31.4   | 2,512.13 | 65,315.35  | 32.97  | 2,637.75 | 68,581.44  |
| 32.9   | 2,631.71 | 68,424.51  | 34.54  | 2,763.29 | 71,845.65  | 36.27  | 2,901.39 | 75,436.05  |
| 37.83  | 3,026.49 | 78,688.75  | 39.72  | 3,177.85 | 82,624.07  | 41.71  | 3,336.66 | 86,753.27  |
| 56.22  | 4,497.62 | 116,938.07 | 59.03  | 4,722.51 | 122,785.34 | 61.98  | 4,958.6  | 128,923.64 |
| 55.01  | 4,401.03 | 114,426.84 | 57.76  | 4,621.05 | 120,147.26 | 60.65  | 4,852.06 | 126,153.64 |
| 40.4   | 3,232.28 | 84,039.39  | 42.42  | 3,393.91 | 88,241.71  | 44.54  | 3,563.55 | 92,652.37  |
| 67.33  | 5,386.67 | 140,053.51 | 70.69  | 5,655.57 | 147,044.7  | 74.28  | 5,942.06 | 154,493.55 |
| 57.42  | 4,593.78 | 119,438.26 | 60.28  | 4,822.79 | 125,392.53 | 63.31  | 5,064.61 | 131,679.94 |
| 0      | 0        | 0          | 0      | 0        | 0          | 84.78  | 6,782.12 | 176,335.19 |
| 0      | 0        | 0          | 0      | 0        | 0          | 1      | 80       | 2,080      |
| 0      | 0        | 0          | 0      | 0        | 0          | 117.53 | 9,402.14 | 244,455.53 |
| 0      | 0        | 0          | 0      | 0        | 0          | 89.57  | 7,165.93 | 186,314.14 |
| 41.91  | 3,352.54 | 87,165.95  | 43.99  | 3,519.54 | 91,508.06  | 46.19  | 3,695.33 | 96,078.61  |
| 53.42  | 4,273.69 | 111,115.84 | 56.09  | 4,487.4  | 116,672.37 | 58.9   | 4,711.78 | 122,506.32 |
| 0      | 0        | 0          | 0      | 0        | 0          | 135.86 | 10,869.1 | 282,596.6  |
| 38.29  | 3,063.37 | 79,647.52  | 40.21  | 3,216.55 | 83,630.37  | 42.22  | 3,377.31 | 87,810.15  |
| 42.12  | 3,369.71 | 87,612.41  | 44.23  | 3,538.22 | 91,993.67  | 46.44  | 3,715.05 | 96,591.33  |
| 48.65  | 3,892    | 101,191.92 | 51.08  | 4,086.62 | 106,252.22 | 53.64  | 4,290.94 | 111,564.36 |
| 44.67  | 3,573.58 | 92,913.09  | 46.9   | 3,752.28 | 97,559.25  | 49.25  | 3,939.88 | 102,437    |
| 86.23  | 6,898.77 | 179,368.09 | 90.55  | 7,243.73 | 188,336.88 | 95.07  | 7,605.89 | 197,753.13 |
| 61.48  | 4,918.27 | 127,874.96 | 64.55  | 5,164.14 | 134,267.76 | 67.78  | 5,422.41 | 140,982.76 |
| 60.16  | 4,812.68 | 125,129.75 | 63.17  | 5,053.28 | 131,385.3  | 66.32  | 5,305.94 | 137,954.52 |
| 74.27  | 5,941.35 | 154,475.13 | 77.98  | 6,238.5  | 162,200.96 | 81.88  | 6,550.42 | 170,310.82 |
| 0      | 0        | 0          | 0      | 0        | 0          | 86.88  | 6,950.04 | 180,700.92 |
| 0      | 0        | 0          | 0      | 0        | 0          | 26.23  | 2,098.4  | 54,558.4   |
| 0      | 0        | 0          | 0      | 0        | 0          | 84.78  | 6,782.12 | 176,335.19 |
| 0      | 0        | 0          | 0      | 0        | 0          | 81.4   | 6,511.68 | 169,303.68 |

## Final Salary Schedule

|                                |            |          |           | Step A |          |            | Step B |          |            |
|--------------------------------|------------|----------|-----------|--------|----------|------------|--------|----------|------------|
| Classification                 | Union Code | Occ Code | Pay Grade | Hourly | BiWeekly | Annual     | Hourly | BiWeekly | Annual     |
| Program Coordinator            | 50         | 5606     | 523       | 37.39  | 2,991.45 | 77,777.69  | 0      | 0.00     | 0.00       |
| Public Information Officer     | 60         | 1122     | 674       | 61.58  | 4,926.60 | 128,091.60 | 0      | 0.00     | 0.00       |
| Public Services Assistant I    | 50         | 6601     | 524       | 31.19  | 2,495.54 | 64,883.92  | 32.75  | 2,620.34 | 68,128.86  |
| Public Services Assistant II   | 50         | 6602     | 525       | 34.31  | 2,745.08 | 71,372.18  | 36.03  | 2,882.37 | 74,941.69  |
| Public Works Director          | 60         | 1204     | 635       | 86.32  | 6,905.59 | 179,545.44 | 0      | 0.00     | 0.00       |
| Public Works Inspector         | 50         | 3202     | 526       | 50.37  | 4,029.41 | 104,764.70 | 52.89  | 4,230.92 | 110,003.94 |
| Public Works Manager           | 60         | 1117     | 648       | 57.45  | 4,596.17 | 119,500.45 | 0      | 0.00     | 0.00       |
| Purchasing Agent               | 80         | 1106     | 826       | 53.81  | 4,304.96 | 111,928.99 | 0      | 0.00     | 0.00       |
| Recreation Administrative Asst | 70         | 5619     | 712       | 16.4   | 1,312.00 | 34,112.00  | 0      | 0.00     | 0.00       |
| Recreation Attendant           | 70         | 5618     | 711       | 16.4   | 1,252.00 | 32,552.00  | 0      | 0.00     | 0.00       |
| Recreation Instructors         | 70         | 5607     | 707       | 18.82  | 1,505.60 | 39,145.60  | 0      | 0.00     | 0.00       |
| Recreation Leader              | 70         | 5617     | 706       | 16.4   | 1,312.00 | 34,112.00  | 0      | 0.00     | 0.00       |
| Recreation Services Supervisor | 80         | 2601     | 827       | 51.4   | 4,112.34 | 106,920.95 | 0      | 0.00     | 0.00       |
| Recreation Svcs Assistant I    | 50         | 8601     | 527       | 17.63  | 1,410.59 | 36,675.21  | 18.51  | 1,481.10 | 38,508.57  |
| Recreation Svcs Assistant II   | 50         | 8602     | 528       | 20.94  | 1,674.82 | 43,545.35  | 21.98  | 1,758.74 | 45,727.12  |
| Recreation Svcs Assistant III  | 50         | 8603     | 529       | 24.06  | 1,925.17 | 50,054.50  | 25.27  | 2,021.38 | 52,555.75  |
| Recreation Svcs Assistant IV   | 50         | 8604     | 530       | 28.23  | 2,258.74 | 58,727.20  | 29.65  | 2,371.66 | 61,663.09  |
| Retired Annuitant - Extra Help | 70         | 5107     | 747       | 50     | 4,000.00 | 104,000.00 | 0      | 0.00     | 0.00       |
| Retired Annuitant - Interim    | 70         | 5108     | 748       | 50     | 4,000.00 | 104,000.00 | 0      | 0.00     | 0.00       |
| Senior Accountant              | 80         | 2110     | 829       | 47.82  | 3,825.84 | 99,471.75  | 0      | 0.00     | 0.00       |
| Senior Accounting Technician   | 50         | 6106     | 539       | 37.74  | 3,019.59 | 78,509.32  | 39.63  | 3,170.60 | 82,435.54  |
| Senior Administrative Analyst  | 80         | 2112     | 834       | 52.82  | 4,225.77 | 109,869.97 | 0      | 0.00     | 0.00       |
| Senior Building Inspector      | 50         | 3804     | 531       | 58.17  | 4,653.94 | 121,002.48 | 61.08  | 4,886.70 | 127,054.23 |
| Senior Buyer                   | 80         | 2129     | 856       | 50.76  | 4,060.88 | 105,582.75 | 0      | 0.00     | 0.00       |
| Senior Executive Assistant     | 80         | 6123     | 855       | 45.5   | 3,639.93 | 94,638.21  | 0      | 0.00     | 0.00       |
| Senior HR Analyst              | 80         | 2122     | 841       | 49.32  | 3,945.52 | 102,583.60 | 0      | 0.00     | 0.00       |
| Senior Plan Check Engineer     | 50         | 3806     | 534       | 67.18  | 5,374.63 | 139,740.45 | 70.54  | 5,643.52 | 146,731.64 |
| Senior Planner                 | 80         | 2805     | 830       | 61.61  | 4,928.77 | 128,148.09 | 0      | 0.00     | 0.00       |
| Senior Public Works Inspector  | 50         | 3203     | 535       | 58.17  | 4,653.97 | 121,003.29 | 61.08  | 4,886.70 | 127,054.23 |
| Senior Public Works Lead       | 20         | 8609     | 225       | 53.22  | 4,257.61 | 110,697.81 | 55.88  | 4,470.49 | 116,232.70 |
| Special Project Associate      | 70         | 5105     | 750       | 20     | 1,600.00 | 41,600.00  | 0      | 0.00     | 0.00       |
| Special Project Associate      | 70         | 8605     | 750       | 20     | 1,600.00 | 41,600.00  | 0      | 0.00     | 0.00       |
| Sr Code Enforcement Officer    | 50         | 5806     | 545       | 51.68  | 4,134.64 | 107,500.54 | 54.26  | 4,340.56 | 112,854.67 |
| Sr. Public Services Assistant  | 50         | 5615     | 549       | 38.27  | 3,061.96 | 79,611.05  | 40.19  | 3,215.06 | 83,591.63  |
| Sr. Special Projects Associate | 70         | 5106     | 749       | 50     | 4,000.00 | 104,000.00 | 0      | 0.00     | 0.00       |
| Staff Assistant                | 70         | 5104     | 745       | 16.4   | 1,312.00 | 34,112.00  | 0      | 0.00     | 0.00       |
| Student Intern                 | 70         | 5103     | 740       | 16.4   | 1,312.00 | 34,112.00  | 0      | 0.00     | 0.00       |
| Transportation & Traffic Mgr   | 60         | 1202     | 675       | 61.58  | 4,926.60 | 128,091.60 | 0      | 0.00     | 0.00       |
| Video Media Specialist         | 80         | 2121     | 840       | 42.48  | 3,398.78 | 88,368.35  | 0      | 0.00     | 0.00       |

| Step C |          |            | Step D |          |            | Step E |          |            |
|--------|----------|------------|--------|----------|------------|--------|----------|------------|
| Hourly | BiWeekly | Annual     | Hourly | BiWeekly | Annual     | Hourly | BiWeekly | Annual     |
| 0      | 0        | 0          | 0      | 0        | 0          | 49.22  | 3,937.64 | 102,378.6  |
| 0      | 0        | 0          | 0      | 0        | 0          | 86.22  | 6,897.25 | 179,328.51 |
| 34.39  | 2,751.38 | 71,535.81  | 36.11  | 2,888.94 | 75,112.54  | 37.92  | 3,033.37 | 78,867.64  |
| 37.83  | 3,026.48 | 78,688.48  | 39.72  | 3,177.86 | 82,624.33  | 41.71  | 3,336.66 | 86,753.27  |
| 0      | 0        | 0          | 0      | 0        | 0          | 120.85 | 9,667.85 | 251,363.99 |
| 55.53  | 4,442.42 | 115,502.94 | 58.31  | 4,664.57 | 121,278.85 | 61.22  | 4,897.77 | 127,342.11 |
| 0      | 0        | 0          | 0      | 0        | 0          | 80.43  | 6,434.63 | 167,300.36 |
| 0      | 0        | 0          | 0      | 0        | 0          | 69.4   | 5,552.2  | 144,357.11 |
| 0      | 0        | 0          | 0      | 0        | 0          | 22.85  | 1,828    | 47,528     |
| 0      | 0        | 0          | 0      | 0        | 0          | 22.85  | 1,828    | 47,528     |
| 0      | 0        | 0          | 0      | 0        | 0          | 37.64  | 3,011.2  | 78,291.2   |
| 0      | 0        | 0          | 0      | 0        | 0          | 22.85  | 1,828    | 47,528     |
| 0      | 0        | 0          | 0      | 0        | 0          | 67.65  | 5,412.39 | 140,722.02 |
| 19.44  | 1,555.2  | 40,435.12  | 20.41  | 1,632.92 | 42,455.94  | 21.43  | 1,714.61 | 44,579.86  |
| 23.08  | 1,846.63 | 48,012.26  | 24.24  | 1,939.01 | 50,414.15  | 25.45  | 2,035.91 | 52,933.62  |
| 26.53  | 2,122.46 | 55,183.94  | 27.86  | 2,228.57 | 57,942.81  | 29.25  | 2,340.04 | 60,840.95  |
| 31.13  | 2,490.24 | 64,746.27  | 32.68  | 2,614.77 | 67,983.98  | 34.32  | 2,745.49 | 71,382.63  |
| 0      | 0        | 0          | 0      | 0        | 0          | 125    | 10,000   | 260,000    |
| 0      | 0        | 0          | 0      | 0        | 0          | 125    | 10,000   | 260,000    |
| 0      | 0        | 0          | 0      | 0        | 0          | 62.95  | 5,035.65 | 130,926.85 |
| 41.61  | 3,329.12 | 86,557.24  | 43.7   | 3,495.61 | 90,885.96  | 45.88  | 3,670.35 | 95,429.19  |
| 0      | 0        | 0          | 0      | 0        | 0          | 69.53  | 5,562.61 | 144,627.88 |
| 64.14  | 5,131    | 133,405.91 | 67.34  | 5,387.52 | 140,075.47 | 70.71  | 5,656.91 | 147,079.78 |
| 0      | 0        | 0          | 0      | 0        | 0          | 61.8   | 4,943.98 | 128,543.5  |
| 0      | 0        | 0          | 0      | 0        | 0          | 59.89  | 4,790.99 | 124,565.77 |
| 0      | 0        | 0          | 0      | 0        | 0          | 64.92  | 5,193.48 | 135,030.56 |
| 74.07  | 5,925.44 | 154,061.32 | 77.77  | 6,221.41 | 161,756.56 | 81.66  | 6,532.41 | 169,842.78 |
| 0      | 0        | 0          | 0      | 0        | 0          | 74.89  | 5,991.12 | 155,769.2  |
| 64.14  | 5,131.01 | 133,406.18 | 67.34  | 5,387.52 | 140,075.47 | 70.71  | 5,656.91 | 147,079.78 |
| 58.68  | 4,694.02 | 122,044.49 | 61.61  | 4,928.7  | 128,146.32 | 64.69  | 5,175.28 | 134,557.18 |
| 0      | 0        | 0          | 0      | 0        | 0          | 50     | 4,000    | 104,000    |
| 0      | 0        | 0          | 0      | 0        | 0          | 50     | 4,000    | 104,000    |
| 56.98  | 4,558.18 | 118,512.75 | 59.83  | 4,786.42 | 124,446.93 | 62.82  | 5,025.25 | 130,656.41 |
| 42.2   | 3,375.81 | 87,771.18  | 44.31  | 3,544.6  | 92,159.62  | 46.52  | 3,721.83 | 96,767.66  |
| 0      | 0        | 0          | 0      | 0        | 0          | 125    | 10,000   | 260,000    |
| 0      | 0        | 0          | 0      | 0        | 0          | 25.38  | 2,030.4  | 52,790.4   |
| 0      | 0        | 0          | 0      | 0        | 0          | 25.38  | 2,030.4  | 52,790.4   |
| 0      | 0        | 0          | 0      | 0        | 0          | 86.22  | 6,897.25 | 179,328.51 |
| 0      | 0        | 0          | 0      | 0        | 0          | 55.92  | 4,473.83 | 116,319.64 |



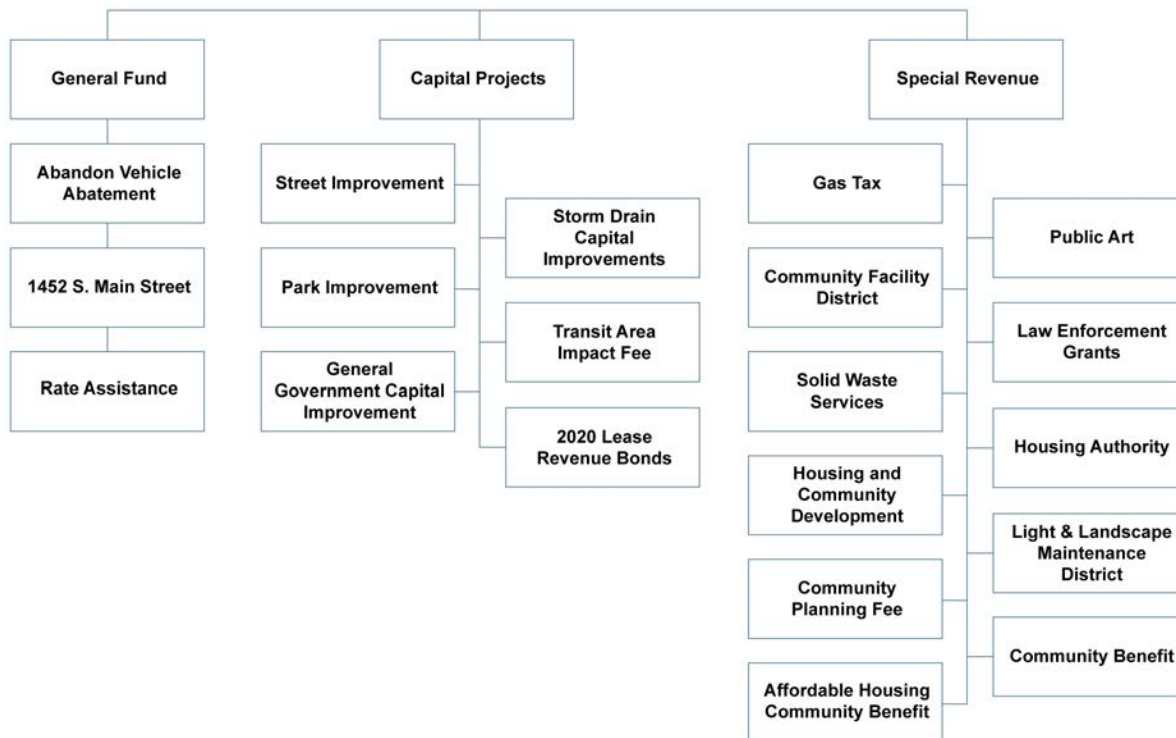
## Final Salary Schedule

|                             |            |          |           | Step A |          |            | Step B |          |            |
|-----------------------------|------------|----------|-----------|--------|----------|------------|--------|----------|------------|
| Classification              | Union Code | Occ Code | Pay Grade | Hourly | BiWeekly | Annual     | Hourly | BiWeekly | Annual     |
| Water Meter Reader I        | 20         | 8104     | 216       | 31.46  | 2,359.17 | 61,338.52  | 33.03  | 2,477.20 | 64,407.24  |
| Water Meter Reader I -40    | 20         | 8620     | 235       | 31.46  | 2,516.64 | 65,432.65  | 33.03  | 2,642.48 | 68,704.36  |
| Water Meter Reader II       | 20         | 8105     | 217       | 34.6   | 2,595.16 | 67,474.08  | 36.33  | 2,724.88 | 70,846.76  |
| Water Meter Reader II -40   | 20         | 8621     | 236       | 34.6   | 2,768.30 | 71,975.80  | 36.34  | 2,906.93 | 75,580.12  |
| Water Systems Operator      | 20         | 7211     | 219       | 48.09  | 3,606.73 | 93,774.99  | 50.49  | 3,786.68 | 98,453.72  |
| Water Systems Operator - 40 | 20         | 8622     | 237       | 48.09  | 3,847.26 | 100,028.66 | 50.49  | 4,039.25 | 105,020.45 |

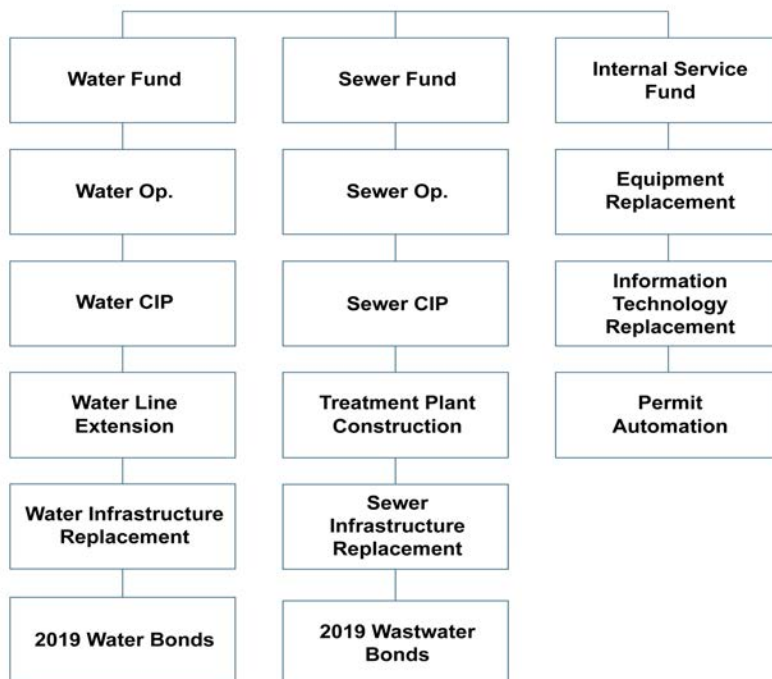
| Step C |          |            | Step D |          |            | Step E |          |            |
|--------|----------|------------|--------|----------|------------|--------|----------|------------|
| Hourly | BiWeekly | Annual     | Hourly | BiWeekly | Annual     | Hourly | BiWeekly | Annual     |
| 34.68  | 2,601.07 | 67,627.8   | 36.41  | 2,731.06 | 71,007.44  | 38.24  | 2,867.64 | 74,558.73  |
| 34.68  | 2,774.21 | 72,129.52  | 36.41  | 2,912.82 | 75,733.3   | 38.24  | 3,059.31 | 79,541.96  |
| 38.15  | 2,861.11 | 74,388.95  | 40.06  | 3,004.18 | 78,108.69  | 42.06  | 3,154.42 | 82,014.82  |
| 38.14  | 3,051.44 | 79,337.36  | 40.06  | 3,204.8  | 83,324.9   | 42.06  | 3,365.04 | 87,491.06  |
| 53.02  | 3,976.38 | 103,385.8  | 55.67  | 4,175.21 | 108,555.41 | 58.45  | 4,383.99 | 113,983.71 |
| 53.01  | 4,241.13 | 110,269.33 | 55.67  | 4,453.72 | 115,796.72 | 58.45  | 4,676.2  | 121,581.2  |



## Fund Structure



## Accrual Basis of Budgeting



### Basis of Budgeting

City budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) except that encumbrances are considered budgetary expenditures in the year of the commitment to purchase, and capital project expenditures are budgeted on a project length basis rather than a fiscal year. For all governmental funds, revenues and expenditures are budgeted on a modified accrual basis for all proprietary funds, revenues and expenditures are budgeted on an accrual basis.

**Accrual Basis** is a basis of accounting in which transactions are recognized at the time they are incurred, as opposed to when cash is received and spent.

**Modified Accrual Basis** is a basis of accounting in which revenues are recognized when measurable and available and expenditures are recorded when the related fund liability is incurred.

## Budget Summary

### Estimated Revenues

|                                 | Grand Total        | General Fund <sup>(1)</sup> |
|---------------------------------|--------------------|-----------------------------|
| Property Taxes .....            | \$42,636,192       | \$42,636,192                |
| Sales Taxes .....               | 33,827,435         | 33,827,435                  |
| Transient Occupancy Tax .....   | 8,329,238          | 8,329,238                   |
| Licenses, Permits & Fines ..... | 11,484,759         | 11,484,759                  |
| Charges For Services .....      | 72,076,668         | 5,969,453                   |
| Franchise Fees .....            | 6,058,428          | 5,448,428                   |
| Use of Money & Property .....   | 3,031,210          | 264,000                     |
| Other Taxes .....               | 4,984,984          | 1,067,452                   |
| Intergovernmental Revenue ..... | 3,604,159          | 1,081,728                   |
| Other Revenue .....             | 32,030,807         | 349,657                     |
| Operating Transfers In .....    | 10,992,934         | 7,168,628                   |
| <b>sub-total</b>                | <b>229,056,814</b> | <b>117,626,970</b>          |

### Other Financing Sources

|   |                      |                      |
|---|----------------------|----------------------|
| (Increase) Decrease in Fund Balance ..... | (9,859,020)          | 0                    |
| (Increase) Decrease in CIP Reserve .....  | (11,417,591)         | 0                    |
| Other Financing Sources .....             | 0                    | 0                    |
| <b>sub-total</b>                          | <b>(21,276,611)</b>  | <b>0</b>             |
| <b>TOTAL</b>                              | <b>\$207,780,203</b> | <b>\$117,626,970</b> |

### Budgeted Appropriations

|                                  |                      |                      |
|----------------------------------|----------------------|----------------------|
| Personnel Services .....         | \$105,890,225        | \$93,537,069         |
| Non-Personnel Expenditures ..... | 60,171,888           | 22,179,917           |
| Capital Outlay .....             | 2,074,032            | 371,318              |
| Operating Transfers Out .....    | 10,992,934           | 341,866              |
| <b>sub-total</b>                 | <b>179,129,079</b>   | <b>116,430,170</b>   |
| Capital Improvements .....       | 23,976,000           | 0                    |
| Debt Service .....               | 4,675,125            | 1,196,800            |
| <b>sub-total</b>                 | <b>28,651,125</b>    | <b>1,196,800</b>     |
| <b>TOTAL</b>                     | <b>\$207,780,203</b> | <b>\$117,626,970</b> |

### Fund Balance

|                                   |                      |                     |
|-----------------------------------|----------------------|---------------------|
| Fund Balance 7/01/2022 .....      | 324,387,606          | 53,739,788          |
| Net Changes in Fund Balance ..... | 21,276,612           | 0                   |
| <b>TOTAL</b>                      | <b>\$345,664,218</b> | <b>\$53,739,788</b> |

|   |                      |                     |
|---|----------------------|---------------------|
| Restricted .....                              | \$28,387,987         | \$0                 |
| Restricted for CIP .....                      | 158,300,137          | 0                   |
| Committed for CIP .....                       | 80,515,966           | 0                   |
| Committed, Artificial Turf .....              | 1,440,000            | 1,440,000           |
| Committed, Technology .....                   | 7,000,000            | 7,000,000           |
| Committed, Facilities .....                   | 2,000,000            | 2,000,000           |
| Committed for PERS .....                      | 7,958,147            | 2,826,484           |
| Committed, Workers' Compensation .....        | 2,344,962            | 2,344,962           |
| Future Deficit Reserve .....                  | 1,452,576            | 1,452,576           |
| Capital Reserve, Unassigned .....             | 12,178,036           |                     |
| Contingency Reserve, Unassigned .....         | 18,253,286           | 18,253,286          |
| Budget (Rate) Stabilization, Unassigned ..... | 26,209,542           | 18,253,286          |
| <b>TOTAL</b>                                  | <b>\$345,664,218</b> | <b>\$53,739,788</b> |

(1) General Fund Fund, Abandon Vehicle Abatement Fund, 1452 S. Main St Fund and administration funds of the former Redevelopment Agency.

(2) Other Funds include Community Benefit Fund, Community Facility District Funds, Community Planning Fee Fund, Gas Tax Fund, Equipment Replacement Fund, Housing and Community Development Fund, Information Technology Replacement Fund, Law Enforcement Grant Funds, Light & Landscape Maintenance District Funds, Measure B Fund, Permit Automation Fund, Public Art Fund, and Solid Waste Services Fund. The decrease in Fund Balance is mostly attributed to changes in Solid Waste Services and Housing Authority Fund.

| Housing Authority | Other Funds <sup>(2)</sup> | Capital Projects <sup>(3)</sup> | Water Fund <sup>(4)</sup> | Sewer Fund <sup>(5)</sup> |
|-------------------|----------------------------|---------------------------------|---------------------------|---------------------------|
| \$0               | \$0                        | \$0                             | \$0                       | \$0                       |
| 0                 | 0                          | 0                               | 0                         | 0                         |
| 0                 | 0                          | 0                               | 0                         | 0                         |
| 0                 | 0                          | 0                               | 0                         | 0                         |
| 100,000           | 4,453,999                  | 0                               | 37,070,999                | 24,482,217                |
| 0                 | 610,000                    | 0                               | 0                         | 0                         |
| 214,605           | 768,591                    | 0                               | 724,561                   | 1,059,453                 |
| 0                 | 3,917,532                  | 0                               | 0                         | 0                         |
| 0                 | 760,871                    | 1,761,560                       | 0                         | 0                         |
| 0                 | 5,116,044                  | 24,138,599                      | 1,009,370                 | 1,417,137                 |
| 0                 | 341,866                    | 3,482,440                       | 0                         | 0                         |
| <b>314,605</b>    | <b>15,968,903</b>          | <b>29,382,599</b>               | <b>38,804,930</b>         | <b>26,958,807</b>         |
| 360,007           | 255,003                    | 0                               | (2,260,480)               | (8,213,550)               |
| 0                 | (65,988)                   | (13,822,940)                    | (2,466,936)               | 4,938,273                 |
| 0                 | 0                          | 0                               | 0                         | 0                         |
| 360,007           | 189,015                    | (13,822,940)                    | (4,727,416)               | (3,275,277)               |
| <b>\$674,612</b>  | <b>\$16,157,918</b>        | <b>\$15,559,659</b>             | <b>\$34,077,514</b>       | <b>\$23,683,530</b>       |
| \$0               | \$5,356,519                | \$25,659                        | \$4,154,186               | \$2,816,792               |
| 674,612           | 3,180,561                  | 20,000                          | 24,371,884                | 9,744,914                 |
| 0                 | 1,625,358                  | 0                               | 40,000                    | 37,356                    |
| 0                 | 5,995,479                  | 0                               | 2,949,393                 | 1,706,196                 |
| <b>674,612</b>    | <b>16,157,917</b>          | <b>45,659</b>                   | <b>31,515,463</b>         | <b>14,305,258</b>         |
| 0                 | 0                          | 15,514,000                      | 1,515,000                 | 6,947,000                 |
| 0                 | 0                          | 0                               | 1,047,050                 | 2,431,275                 |
| 0                 | 0                          | 15,514,000                      | 2,562,050                 | 9,378,275                 |
| <b>\$674,612</b>  | <b>\$16,157,917</b>        | <b>\$15,559,659</b>             | <b>\$34,077,513</b>       | <b>\$23,683,533</b>       |
| 883,094           | 27,508,299                 | 125,451,151                     | 63,530,143                | 53,275,131                |
| (360,007)         | (189,015)                  | 13,822,940                      | 4,727,416                 | 3,275,277                 |
| <b>\$523,087</b>  | <b>\$27,319,284</b>        | <b>\$139,274,091</b>            | <b>\$68,257,559</b>       | <b>\$56,550,408</b>       |
| \$523,087         | \$27,864,900               | \$0                             | \$0                       | \$0                       |
| 0                 | 0                          | 85,964,710                      | 34,334,531                | 38,000,896                |
| 0                 | 0                          | 53,309,381                      | 18,928,362                | 8,278,223                 |
| 0                 | 0                          | 0                               | 0                         | 0                         |
| 0                 | 0                          | 0                               | 0                         | 0                         |
| 0                 | 0                          | 0                               | 0                         | 0                         |
| 0                 | 0                          | 0                               | 1,097,481                 | 4,034,182                 |
| 0                 | 0                          | 0                               | 0                         | 0                         |
| 0                 | 0                          | 0                               | 0                         | 0                         |
| 0                 | 0                          | 0                               | 8,687,233                 | 3,490,803                 |
| 0                 | 0                          | 0                               | 5,209,952                 | 2,746,304                 |
| <b>\$523,087</b>  | <b>\$27,319,284</b>        | <b>\$139,274,091</b>            | <b>\$68,257,559</b>       | <b>\$56,550,408</b>       |

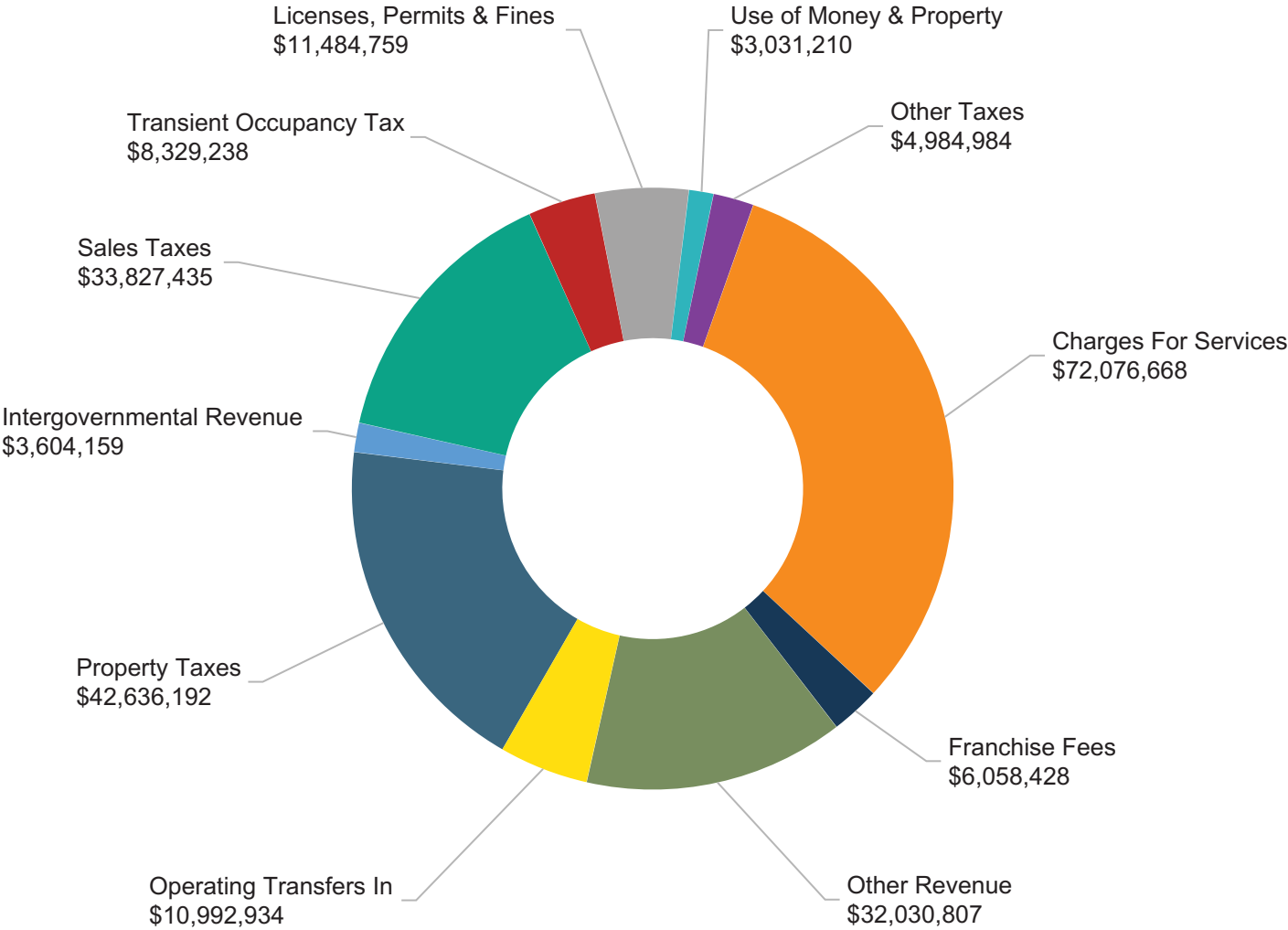
(3) Capital Projects include Street Improvement Fund, Park Improvement Funds, General Government Capital Improvement Fund, Storm Drain Capital Improvement Fund and Transit Area Impact Fee Fund.

(4) Water Fund includes Water Maintenance & Operations Fund, 2019 Water Bonds Fund, Water CIP Fund, Water Line Extension Fund, and Water Infrastructure Replacement Fund.

(5) Sewer Fund includes Sewer Maintenance & Operations Fund, 2019 Wastewater Bonds Fund, Sewer Fund CIP, Treatment Plant Construction Fund and Sewer Infrastructure replacement Fund.

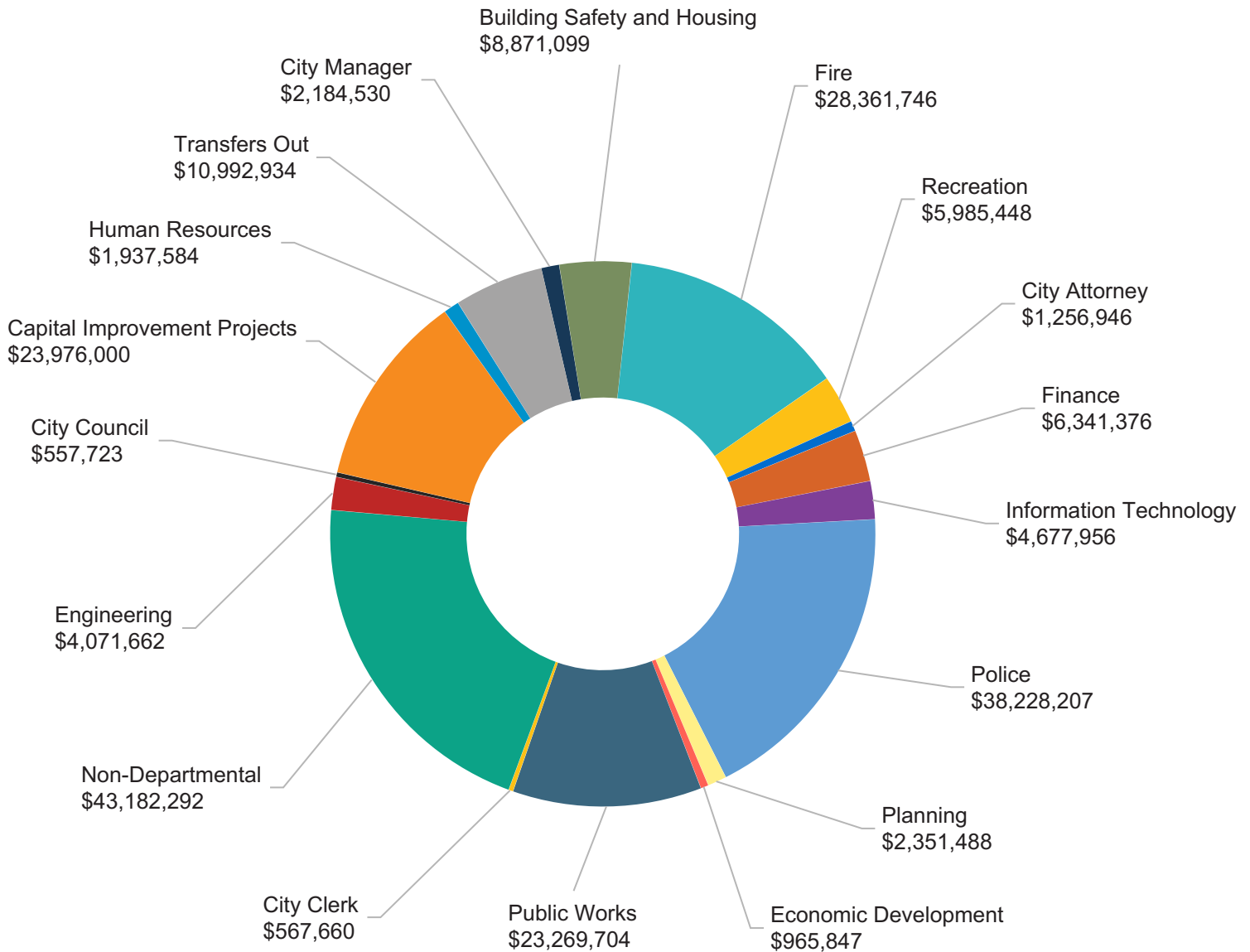


FY 2022-23 Revenues  
(All Funds)  
\$207.8 Million



\*\$207.8 Million revenue excludes changes in fund balance and/or CIP reserve of \$21.5 million and interfund transfers of \$18.7 million.

## FY 2022-23 Expenditures (All Funds) \$207.8 Million



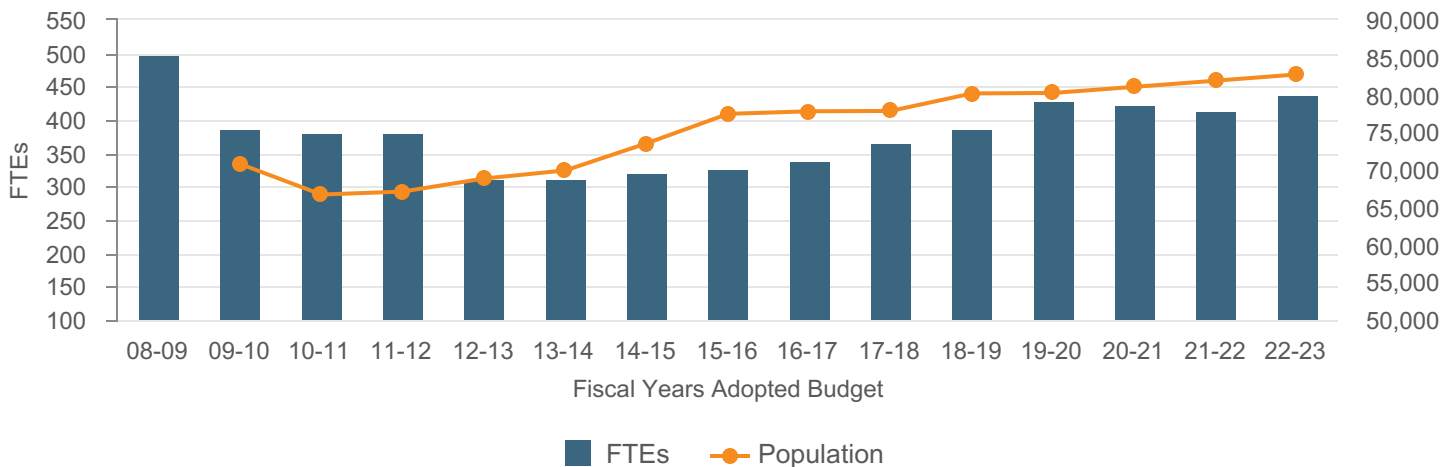
## Funded Permanent Positions by Department\*

|  | Adopted Budget 19-20 | Change from the prior FY | Adopted Budget 20-21 | Change from the prior FY | Adopted Budget 21-22 | Change from the prior FY | Adopted Budget 22-23 | Change from the prior FY |
|--|----------------------|--------------------------|----------------------|--------------------------|----------------------|--------------------------|----------------------|--------------------------|
| <b>City Council</b>                      | 5.00                 | 0.00                     | 5.00                 | 0.00                     | 5.00                 | 0.00                     | 5.00                 | 0.00                     |
| <b>City Manager</b>                      | 6.00                 | 0.00                     | 6.00                 | 0.00                     | 5.50                 | (0.50)                   | 5.50                 | 0.00                     |
| <b>City Clerk</b>                        | 3.00                 | 0.00                     | 3.00                 | 0.00                     | 2.50                 | (0.50)                   | 2.50                 | 0.00                     |
| <b>Economic Development</b>              | 3.00                 | 0.00                     | 3.00                 | 0.00                     | 3.00                 | 0.00                     | 3.00                 | 0.00                     |
| <b>City Attorney</b>                     | 1.00                 | 0.00                     | 1.00                 | 0.00                     | 0.00                 | (1.00)                   | 3.00                 | 3.00                     |
| <b>Building Safety and Housing</b>       | 33.00                | 9.00                     | 33.00                | 0.00                     | 31.00                | (2.00)                   | 31.00                | 0.00                     |
| <b>Engineering</b>                       | 25.00                | 2.00                     | 24.00                | (1.00)                   | 23.00                | (1.00)                   | 25.00                | 2.00                     |
| <b>Finance</b>                           | 29.50                | 2.00                     | 29.50                | 0.00                     | 28.50                | (1.00)                   | 29.50                | 1.00                     |
| <b>Fire</b>                              | 77.00                | 8.00                     | 83.00                | 6.00                     | 77.00                | (6.00)                   | 82.00                | 5.00                     |
| <b>Human Resources</b>                   | 7.00                 | 2.00                     | 7.00                 | 0.00                     | 6.00                 | (1.00)                   | 7.00                 | 1.00                     |
| <b>Information Technology</b>            | 12.00                | 1.00                     | 13.00                | 1.00                     | 12.00                | (1.00)                   | 13.00                | 1.00                     |
| <b>Planning</b>                          | 10.00                | 1.00                     | 10.00                | 0.00                     | 9.00                 | (1.00)                   | 9.00                 | 0.00                     |
| <b>Police</b>                            | 126.00               | 9.00                     | 126.00               | 0.00                     | 124.00               | (2.00)                   | 127.00               | 3.00                     |
| <b>Public Works</b>                      | 73.00                | 5.00                     | 75.00                | 2.00                     | 74.00                | (1.00)                   | 81.00                | 7.00                     |
| <b>Recreation and Community Services</b> | 20.75                | 2.75                     | 20.75                | 0.00                     | 15.00                | (5.75)                   | 17.00                | 2.00                     |
| <b>TOTAL</b>                             | <b>431.25</b>        | <b>41.75</b>             | <b>439.25</b>        | <b>8.00</b>              | <b>415.50</b>        | <b>(23.75)</b>           | <b>440.50</b>        | <b>25.00</b>             |

\*In FY 2021-22, 9 positions were amended and funded. The Adopted FY22-23 Budget funded 16 positions.

### Funded Permanent Positions

440.50 FTEs - All Funds



\*FY 2019 population data is used as placeholder due to absent population data for FY 2021 and FY 2022

\*\*Great Recession occurred in FY 2009-10 and Redevelopment Agency Dissolution (RDA) occurred in FY 2012-13.

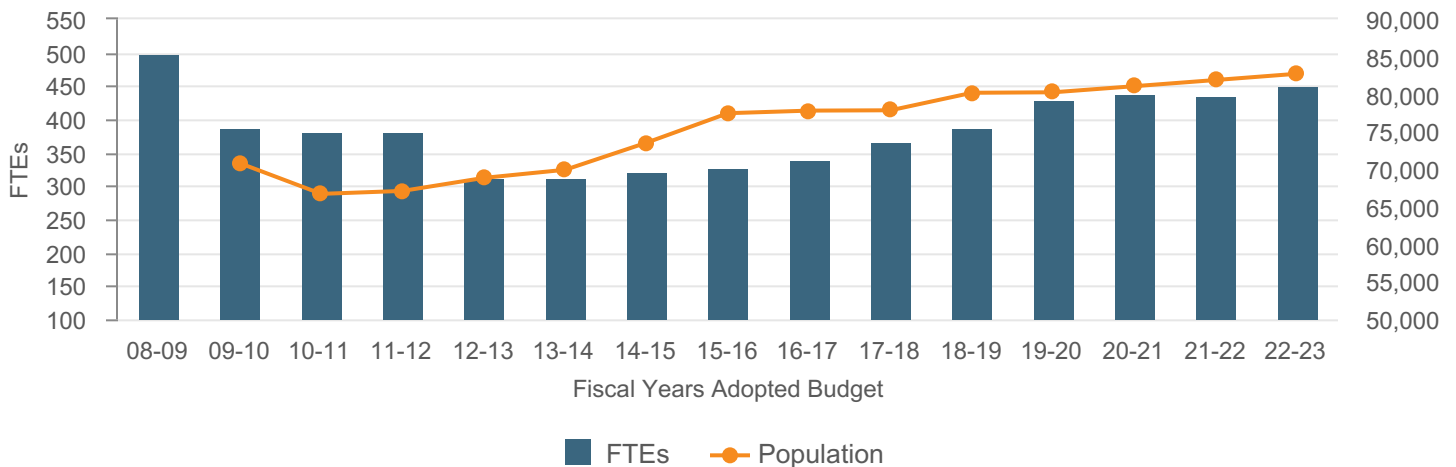
## All Permanent Positions by Department\*

|                                   | Adopted Budget 19-20 | Change from the prior FY | Adopted Budget 20-21 | Change from the prior FY | Adopted Budget 21-22 | Change from the prior FY | Adopted Budget 22-23 | Change from the prior FY |
|-----------------------------------|----------------------|--------------------------|----------------------|--------------------------|----------------------|--------------------------|----------------------|--------------------------|
| City Council                      | 5.00                 | 0.00                     | 5.00                 | 0.00                     | 5.00                 | 0.00                     | 5.00                 | 0.00                     |
| City Manager                      | 6.00                 | 0.00                     | 6.00                 | 0.00                     | 6.00                 | 0.00                     | 6.00                 | 0.00                     |
| City Clerk                        | 3.00                 | 0.00                     | 3.00                 | 0.00                     | 3.00                 | 0.00                     | 3.00                 | 0.00                     |
| Economic Development              | 3.00                 | 0.00                     | 3.00                 | 0.00                     | 3.00                 | 0.00                     | 3.00                 | 0.00                     |
| City Attorney                     | 1.00                 | 0.00                     | 1.00                 | 0.00                     | 0.00                 | (1.00)                   | 3.00                 | 3.00                     |
| Building Safety and Housing       | 33.00                | 9.00                     | 33.00                | 0.00                     | 33.00                | 0.00                     | 33.00                | 0.00                     |
| Engineering                       | 25.00                | 2.00                     | 24.00                | (1.00)                   | 24.00                | 0.00                     | 26.00                | 2.00                     |
| Finance                           | 29.50                | 2.00                     | 29.50                | 0.00                     | 29.50                | 0.00                     | 29.50                | 0.00                     |
| Fire                              | 77.00                | 8.00                     | 83.00                | 6.00                     | 82.00                | (1.00)                   | 83.00                | 1.00                     |
| Human Resources                   | 7.00                 | 2.00                     | 7.00                 | 0.00                     | 7.00                 | 0.00                     | 7.00                 | 0.00                     |
| Information Technology            | 12.00                | 1.00                     | 13.00                | 1.00                     | 13.00                | 0.00                     | 13.00                | 0.00                     |
| Planning                          | 10.00                | 1.00                     | 10.00                | 0.00                     | 9.00                 | (1.00)                   | 9.00                 | 0.00                     |
| Police                            | 126.00               | 9.00                     | 126.00               | 0.00                     | 126.00               | 0.00                     | 127.00               | 1.00                     |
| Public Works                      | 73.00                | 5.00                     | 75.00                | 2.00                     | 76.00                | 1.00                     | 82.00                | 6.00                     |
| Recreation and Community Services | 20.75                | 2.75                     | 20.75                | 0.00                     | 20.75                | 0.00                     | 20.75                | 0.00                     |
| <b>TOTAL</b>                      | <b>431.25</b>        | <b>41.75</b>             | <b>439.25</b>        | <b>8.00</b>              | <b>437.25</b>        | <b>(2.00)</b>            | <b>450.25</b>        | <b>13.00</b>             |

\*This table includes 9.75 defunded positions for FY 2022-23.

## All Permanent Positions

450.25 FTEs - All Funds



\*FY 2019 population data is used as placeholder due to absent population data for FY 2021 and FY 2022

\*\*Great Recession occurred in FY 2009-10 and Redevelopment Agency Dissolution (RDA) occurred in FY 2012-13.

## Revenues by Fund

| Fund Number/Description |  | 2019-20<br>Actual | 2020-21<br>Actual | 2021-22<br>Adopted | 2022-23<br>Adopted |
|-------------------------|--|-------------------|-------------------|--------------------|--------------------|
| 100                     | General Fund.....                      | \$105,057,101     | \$109,208,085     | \$110,639,648      | \$117,476,970      |
| 103                     | 1452-1474 S. Main .....                | 155,536           | 88,867            | 70,000             | 70,000             |
| 105                     | Abandon Veh Abatement.....             | 79,152            | 91,290            | 70,000             | 80,000             |
| 106                     | Short Term Disability .....            | 45                | 52,617            | 0                  | 0                  |
| 109                     | Utility Rate Assistance .....          | 266,930           | 9,485             | 0                  | 0                  |
| 150                     | Redevelopment Administration.....      | 29,037            | 14,252            | 0                  | 0                  |
| 211                     | Hetch Hetchy Ground Lease .....        | 32,063            | 7,294             | 24,000             | 39,539             |
| 213                     | Public Art Fund-Nonrestricted.....     | 507,423           | 104,848           | 18,500             | 30,944             |
| 214                     | Community Planning Fee Fund .....      | 353,211           | 998,949           | 389,500            | 270,846            |
| 215                     | Community Benefit Fund .....           | 5,209             | 103,239           | 4,000              | 9,414              |
| 216                     | Affordable Housing Fund.....           | 1,865,619         | 2,088,278         | 850,500            | 629,124            |
| 217                     | Affordable Housing Unrestricted .....  | 2,165,406         | 64,067            | 32,500             | 56,574             |
| 221                     | Gas Tax Fund .....                     | 3,620,270         | 1,717,117         | 1,970,804          | 2,235,494          |
| 225                     | SB1 Road Maintenance & Rehab .....     | 0                 | 1,454,502         | 1,489,911          | 1,724,712          |
| 235                     | 95-1 Lighting/Lscape Dist.....         | 357,727           | 368,936           | 412,677            | 433,600            |
| 236                     | 98-1 Lighting/Lscape Dist.....         | 43,802            | 45,624            | 69,210             | 69,617             |
| 237                     | 05 Community Fclty Dist.....           | 1,232,078         | 1,291,849         | 1,253,200          | 1,272,958          |
| 238                     | 08 Community Fclty Dist.....           | 1,918,900         | 2,169,104         | 2,463,179          | 2,935,942          |
| 250                     | HCD Fund .....                         | 397,259           | 1,473,732         | 1,265,213          | 660,871            |
| 251                     | HCD Loan .....                         | 89,915            | 182,134           | 4,400              | 10,952             |
| 261                     | Supplemental Law Enforcement .....     | 210,896           | 162,391           | 3,000              | 106,078            |
| 262                     | State Asset Seizure .....              | 5,991             | 2,582             | 1,000              | 1,237              |
| 263                     | Federal Asset Seizure .....            | 1,241             | 667               | 1,000              | 1,128              |
| 267                     | Federal Grants Police Department ..... | 34,082            | 141,293           | 0                  | 0                  |
| 268                     | State Grants Police Department.....    | 40,246            | 107,520           | 12,200             | 13,972             |
| 269                     | Grants Fire Department .....           | (42)              | 17,799            | 200                | 0                  |
| 280                     | Solid Waste Services .....             | 242,768           | 313,484           | 237,000            | 646,650            |
| 295                     | Housing Authority.....                 | 737,206           | 516,359           | 271,000            | 314,605            |
| 310                     | Street Fund .....                      | 215,305           | 22,214            | 70,100             | 0                  |
| 311                     | Street CIP.....                        | 10,267,043        | 3,979,044         | 4,450,000          | 4,384,000          |
| 312                     | Traffic Impact Fee .....               | 7,831             | 0                 | 0                  | 0                  |
| 314                     | Vehicle Registration Fee.....          | 515,617           | 271,759           | 271,132            | 0                  |
| 315                     | Calaveras Widening Impact Fee .....    | 294,255           | (105,688)         | 238,500            | 0                  |
| 316                     | Montague Widening Impact Fee .....     | 0                 | 0                 | 0                  | 0                  |

| Fund Number/Description              |  | 2019-20<br>Actual     | 2020-21<br>Actual     | 2021-22<br>Adopted    | 2022-23<br>Adopted    |
|--------------------------------------|--|-----------------------|-----------------------|-----------------------|-----------------------|
| 317                                  | Milpitas Business Park Impact Fee .....  | 373,460               | 0                     | 0                     | 0                     |
| 320                                  | Park Improvement Fund .....              | 1,549,758             | 547,517               | 167,500               | 5,124,443             |
| 321                                  | Park Improvement CIP .....               | 2,950,000             | 0                     | 135,000               | 580,000               |
| 322                                  | Midtown Park Fund .....                  | 627,033               | 46,049                | 272,500               | 0                     |
| 330                                  | General Government .....                 | 11,240,289            | 8,265,133             | 396,000               | 0                     |
| 331                                  | General Government CIP .....             | 13,090,296            | 12,273,421            | 5,991,932             | 6,851,000             |
| 334                                  | 2020 Fire Station Bonds .....            | 0                     | 21,230,021            | 0                     | 0                     |
| 340                                  | Storm Drain Development .....            | 821,221               | 708,400               | 390,900               | 306,332               |
| 341                                  | Storm Drain CIP .....                    | 1,755,000             | 3,386,590             | 0                     | 200,000               |
| 350                                  | Transit Area Impact Fee Fund .....       | 27,318,903            | 14,062,032            | 14,000,000            | 18,707,824            |
| 351                                  | Transit Area Impact Fee CIP Fund .....   | 11,619,251            | 3,401,250             | 3,400,000             | 3,499,000             |
| 400                                  | Water M & O Fund .....                   | 29,683,288            | 30,803,073            | 31,533,170            | 33,513,944            |
| 401                                  | Water CIP .....                          | 5,126,172             | 10,293,306            | 2,090,000             | 1,515,000             |
| 402                                  | Water Line Extension Fund .....          | 339,255               | 365,621               | 346,216               | 1,088,049             |
| 403                                  | 2019 Water Bonds .....                   | 372,984               | 20,177,078            | 0                     | 0                     |
| 405                                  | Water Infrastructure Replacement .....   | 7,888,030             | 6,971,884             | 4,134,653             | 4,202,937             |
| 450                                  | Sewer M & O Fund .....                   | 20,173,838            | 20,254,874            | 20,908,555            | 24,688,080            |
| 451                                  | Sewer CIP .....                          | 22,682,019            | 10,474,415            | 6,480,000             | 6,947,000             |
| 452                                  | Treatment Plant Construction .....       | 443,970               | 480,024               | 536,400               | 1,573,859             |
| 453                                  | 2017 Sewer Refunding Bonds .....         | 58                    | 0                     | 0                     | 0                     |
| 454                                  | 2019 Sewer Bonds .....                   | 202,844               | 35,478,145            | 0                     | 0                     |
| 455                                  | Sewer Infrastructure Replacement .....   | 6,363,877             | 9,490,960             | 310,500               | 696,868               |
| 500                                  | Equipment Replacement Fund .....         | 3,718,482             | 3,550,101             | 3,555,000             | 3,680,052             |
| 505                                  | Information Technology Replacement ..... | 0                     | 306,847               | 310,500               | 319,197               |
| 506                                  | Permit Automation Fund .....             | 0                     | 704,080               | 769,500               | 820,002               |
| <b>TOTAL</b>                         |  | <b>\$ 299,089,150</b> | <b>\$ 340,234,514</b> | <b>\$ 222,310,700</b> | <b>\$ 247,788,814</b> |
| Less Interfund Operating Transfers*  |  |                       |                       | (16,672,304)          | (18,732,000)          |
| (Increase) Decrease of Reserves      |  |                       |                       | (10,469,256)          | (21,276,612)          |
| <b>TOTAL BUDGET SUMMARY REVENUES</b> |  |                       |                       | <b>\$ 195,169,140</b> | <b>\$ 207,780,203</b> |

\*Interfund Operating Transfers are transfers within the same fund group on the Budget Summary



**Revenues by Fund (Detail)**

|   | <b>2019-20<br/>Actual</b> | <b>2020-21<br/>Actual</b> | <b>2021-22<br/>Adopted</b> | <b>2022-23<br/>Adopted</b> |
|---|---------------------------|---------------------------|----------------------------|----------------------------|
| <b>GENERAL FUND (100)</b>                       |                           |                           |                            |                            |
| <b>PROPERTY TAXES</b>                           |                           |                           |                            |                            |
| 3010 Secured & Unsecured .....                  | \$19,745,533              | \$21,345,836              | \$21,312,839               | \$22,449,950               |
| 3013 VLF .....                                  | 7,912,802                 | 8,498,010                 | 9,007,880                  | 9,195,231                  |
| 3014 ERAF .....                                 | 2,295,848                 | 3,303,865                 | 2,467,078                  | 2,162,451                  |
| 3051 RPTTF .....                                | 7,844,901                 | 7,945,590                 | 8,482,120                  | 8,828,560                  |
| <b>sub-total</b>                                | <b>37,799,084</b>         | <b>41,093,301</b>         | <b>41,269,917</b>          | <b>42,636,192</b>          |
| <b>SALES TAXES</b>                              |                           |                           |                            |                            |
| 3110 Sales and Use Tax .....                    | 24,173,315                | 22,839,166                | 24,655,000                 | 26,325,044                 |
| 3111 Public Safety Sales and Use Tax .....      | 885,010                   | 944,357                   | 978,000                    | 1,093,372                  |
| 3113 Measure F Sales Tax .....                  | 0                         | 1,330,572                 | 6,308,250                  | 6,409,019                  |
| <b>sub-total</b>                                | <b>25,058,325</b>         | <b>25,114,095</b>         | <b>31,941,250</b>          | <b>33,827,435</b>          |
| <b>OTHER TAXES</b>                              |                           |                           |                            |                            |
| 3120 Real Estate Transfer Tax .....             | 720,932                   | 677,039                   | 686,526                    | 695,996                    |
| 3140 Business License Tax .....                 | 328,115                   | 312,676                   | 306,699                    | 312,676                    |
| 3511 Motor Vehicle In-Lieu .....                | 60,333                    | 57,179                    | 30,196                     | 58,780                     |
| <b>sub-total</b>                                | <b>1,109,380</b>          | <b>1,046,894</b>          | <b>1,023,421</b>           | <b>1,067,452</b>           |
| <b>FRANCHISE FEES</b>                           |                           |                           |                            |                            |
| 3131 Electric Franchise .....                   | 1,325,038                 | 1,469,518                 | 1,571,470                  | 1,642,186                  |
| 3132 Gas Franchise .....                        | 282,339                   | 290,889                   | 277,035                    | 291,395                    |
| 3133 Garbage Franchise-Commercial .....         | 3,069,769                 | 2,837,837                 | 3,238,808                  | 3,129,455                  |
| 3138 CATV Franchise .....                       | 496,045                   | 437,232                   | 663,820                    | 385,392                    |
| <b>sub-total</b>                                | <b>5,173,191</b>          | <b>5,035,476</b>          | <b>5,751,133</b>           | <b>5,448,428</b>           |
| <b>TRANSIENT OCCUPANCY TAX</b>                  |                           |                           |                            |                            |
| 3150 Transient Occupancy Tax .....              | 11,376,522                | 4,213,326                 | 7,713,639                  | 8,329,238                  |
| <b>sub-total</b>                                | <b>11,376,522</b>         | <b>4,213,326</b>          | <b>7,713,639</b>           | <b>8,329,238</b>           |
| <b>LICENSES, PERMITS, AND FINES</b>             |                           |                           |                            |                            |
| 3210 Building Permit & Inspection Fees .....    | 4,585,232                 | 6,428,337                 | 4,329,292                  | 6,538,000                  |
| 3217 Building Plan Review Fees .....            | 1,958,461                 | 2,100,846                 | 3,021,296                  | 2,415,000                  |
| 3220 Fire Permit & Inspection Fees .....        | 1,361,750                 | 1,358,782                 | 1,647,182                  | 1,440,000                  |
| 3240 Fire Annual Permit & Inspection Fees ..... | 751,662                   | 783,525                   | 764,067                    | 789,013                    |
| 3260 Other Licenses & Permits .....             | 43,482                    | 51,627                    | 142,935                    | 52,500                     |
| 3300 Fines & Forfeits .....                     | 338,753                   | 270,179                   | 372,045                    | 250,246                    |
| <b>sub-total</b>                                | <b>9,039,340</b>          | <b>10,993,296</b>         | <b>10,276,817</b>          | <b>11,484,759</b>          |
| <b>USE OF MONEY AND PROPERTY</b>                |                           |                           |                            |                            |
| 3430 Investment Interest .....                  | 2,047,377                 | 1,142,062                 | 500,000                    | 264,000                    |
| 3770 Sale of Property, Plant, & Equipment ..... | 2,764                     | 2,500                     | 0                          | 0                          |
| <b>sub-total</b>                                | <b>2,050,141</b>          | <b>1,146,633</b>          | <b>500,000</b>             | <b>264,000</b>             |

## Revenues by Fund (Detail)

|  | 2019-20<br>Actual  | 2020-21<br>Actual  | 2021-22<br>Adopted | 2022-23<br>Adopted |
|--|--------------------|--------------------|--------------------|--------------------|
| <b>INTERGOVERNMENTAL</b>                       |                    |                    |                    |                    |
| 3550 Federal Contributions .....               | 985,984            | 4,472,801          | 834,571            | 561,728            |
| 3560 State Contributions .....                 | 172,576            | 145,264            | 0                  | 200,000            |
| 3570 County Contributions .....                | 226,726            | 165,021            | 230,000            | 220,000            |
| 3580 Other Restricted Grants .....             | 57,605             | 59,874             | 20,000             | 20,000             |
| <b>sub-total</b>                               | <b>1,442,891</b>   | <b>4,842,960</b>   | <b>1,084,571</b>   | <b>1,001,728</b>   |
| <b>CHARGES FOR CURRENT SERVICES</b>            |                    |                    |                    |                    |
| 3600 General Government Service Charges .....  | 660,803            | 702,661            | 311,538            | 528,574            |
| 3610 Engineering Service Charges .....         | 1,881,074          | 1,375,646          | 1,148,994          | 1,427,052          |
| 3630 Fire Service Charges .....                | 301,174            | 464,305            | 183,258            | 471,500            |
| 3640 Police Service Charges .....              | 756,983            | 800,068            | 290,822            | 775,521            |
| 3650 Recreation Service Charges .....          | 1,144,804          | 761,935            | 1,894,481          | 2,115,386          |
| 3660 Building Service Charges .....            | 11,488             | (33,244)           | 18,326             | 31,000             |
| 3680 Planning Service Charges .....            | 467,355            | 420,597            | 308,550            | 550,420            |
| <b>sub-total</b>                               | <b>5,223,681</b>   | <b>4,496,538</b>   | <b>4,155,969</b>   | <b>5,899,453</b>   |
| <b>OTHER REVENUE</b>                           |                    |                    |                    |                    |
| 3710 Development .....                         | 50,412             | 143,901            | 120,000            | 149,657            |
| 3740 Reimbursements .....                      | 0                  | 15,639             | 0                  | 0                  |
| 3750 Donations .....                           | 0                  | 0                  | 50,000             | 0                  |
| 3790 Miscellaneous Other Revenue .....         | 231,313            | 277,900            | 200,000            | 200,000            |
| <b>sub-total</b>                               | <b>281,725</b>     | <b>437,440</b>     | <b>370,000</b>     | <b>349,657</b>     |
| <b>OPERATING TRANSFERS IN</b>                  |                    |                    |                    |                    |
| 3806 Op Trfs in from Solid Waste Service ..... | 99,456             | 109,778            | 138,558            | 157,997            |
| 3809 Op Trfs in Street Improv Fund .....       | 26,564             | 0                  | 0                  | 0                  |
| 3812 Op Trfs in from Water Fund .....          | 2,725,061          | 2,748,779          | 2,571,407          | 2,687,393          |
| 3815 Op Trfs in from Sewer Fund .....          | 1,568,485          | 1,585,433          | 1,482,966          | 1,444,196          |
| 3819 Op Trfs in from Other .....               | 1,600,000          | 2,175,000          | 2,360,000          | 2,879,042          |
| 3822 Op Trfs in from General Gov't Fund .....  | 0                  | 0                  | 0                  | 0                  |
| 3826 Op Trfs in from Measure I TOT Fund .....  | 0                  | 0                  | 0                  | 0                  |
| 3852 Appn Tfr in from General Gov't Fund ..... | 0                  | 4,000,000          | 0                  | 0                  |
| <b>sub-total</b>                               | <b>6,019,566</b>   | <b>10,618,990</b>  | <b>6,552,931</b>   | <b>7,168,628</b>   |
| <b>TOTAL (100)</b>                             | <b>104,573,846</b> | <b>109,038,949</b> | <b>110,639,648</b> | <b>117,476,970</b> |
| <b>1452-1474 S. MAIN (103)</b>                 |                    |                    |                    |                    |
| 3430 Investment Interest .....                 | 21,440             | 11,767             | 0                  | 0                  |
| 3600 General Government Service Charges .....  | 134,096            | 77,100             | 70,000             | 70,000             |
| <b>TOTAL (103)</b>                             | <b>155,536</b>     | <b>88,867</b>      | <b>70,000</b>      | <b>70,000</b>      |

## Revenues by Fund (Detail)

|  | 2019-20<br>Actual | 2020-21<br>Actual | 2021-22<br>Adopted | 2022-23<br>Adopted |
|--|-------------------|-------------------|--------------------|--------------------|
| <b>ABANDON VEH ABATEMENT (105)</b>             |                   |                   |                    |                    |
| 3570 County Contributions .....                | 79,078            | 91,364            | 70,000             | 80,000             |
| 3899 Op Trfs in from Subsidiary CIP Fund ..... | 0                 | 0                 | 0                  | 0                  |
| <b>TOTAL (105)</b>                             | <b>79,078</b>     | <b>91,364</b>     | <b>70,000</b>      | <b>80,000</b>      |
| <b>SHORT TERM DISABILITY (106)</b>             |                   |                   |                    |                    |
| 3899 Op Trfs in from Subsidiary CIP Fund ..... | 0                 | 52,662            | 0                  | 0                  |
| <b>TOTAL (106)</b>                             | <b>0</b>          | <b>52,662</b>     | <b>0</b>           | <b>0</b>           |
| <b>UTILITY RATE ASSISTANCE (109)</b>           |                   |                   |                    |                    |
| 3430 Investment Interest .....                 | 8,517             | 4,416             | 0                  | 0                  |
| 3790 Miscellaneous Other Revenue .....         | 158,413           | 5,069             | 0                  | 0                  |
| 3899 Op Trfs in from Subsidiary CIP Fund ..... | 100,000           | 0                 | 0                  | 0                  |
| <b>TOTAL (109)</b>                             | <b>266,930</b>    | <b>9,485</b>      | <b>0</b>           | <b>0</b>           |
| <b>REDEVELOPMENT ADMINISTRATION (150)</b>      |                   |                   |                    |                    |
| 3899 Op Trfs in from Subsidiary CIP Fund ..... | 29,037            | 14,252            | 0                  | 0                  |
| <b>TOTAL (150)</b>                             | <b>29,037</b>     | <b>14,252</b>     | <b>0</b>           | <b>0</b>           |
| <b>HETCH HETCHY GROUND LEASE (211)</b>         |                   |                   |                    |                    |
| 3430 Investment Interest .....                 | 30,002            | 22,382            | 24,000             | 39,539             |
| <b>TOTAL (211)</b>                             | <b>30,002</b>     | <b>22,382</b>     | <b>24,000</b>      | <b>39,539</b>      |
| <b>PUBLIC ART FUND-NONRESTRICTED (213)</b>     |                   |                   |                    |                    |
| 3430 Investment Interest .....                 | 22,767            | 12,483            | 18,500             | 30,944             |
| 3710 Development .....                         | 475,411           | 103,857           | 0                  | 0                  |
| <b>TOTAL (213)</b>                             | <b>498,178</b>    | <b>116,340</b>    | <b>18,500</b>      | <b>30,944</b>      |
| <b>COMMUNITY PLANNING FEE FUND (214)</b>       |                   |                   |                    |                    |
| 3430 Investment Interest .....                 | 16,291            | 6,902             | 9,500              | 16,846             |
| 3680 Planning Service Charges .....            | 336,920           | 242,047           | 380,000            | 254,000            |
| <b>TOTAL (214)</b>                             | <b>353,211</b>    | <b>248,949</b>    | <b>389,500</b>     | <b>270,846</b>     |
| <b>COMMUNITY BENEFIT FUND (215)</b>            |                   |                   |                    |                    |
| 3430 Investment Interest .....                 | 5,209             | 3,239             | 4,000              | 9,414              |
| 3710 Development .....                         | 0                 | 100,000           | 0                  | 0                  |
| <b>TOTAL (215)</b>                             | <b>5,209</b>      | <b>103,239</b>    | <b>4,000</b>       | <b>9,414</b>       |
| <b>AFFORDABLE HOUSING FUND (216)</b>           |                   |                   |                    |                    |
| 3430 Investment Interest .....                 | 63,987            | 39,167            | 50,500             | 129,124            |
| 3710 Development .....                         | 1,801,632         | 2,049,111         | 800,000            | 500,000            |
| 3819 Op Trfs in from Other .....               | 0                 | 0                 | 0                  | 0                  |
| 3831 Appn Transfers in from General Fund ..... | 0                 | 0                 | 0                  | 0                  |
| <b>TOTAL (216)</b>                             | <b>1,865,619</b>  | <b>2,088,278</b>  | <b>850,500</b>     | <b>629,124</b>     |

**Revenues by Fund (Detail)**

|  | <b>2019-20<br/>Actual</b> | <b>2020-21<br/>Actual</b> | <b>2021-22<br/>Adopted</b> | <b>2022-23<br/>Adopted</b> |
|--|---------------------------|---------------------------|----------------------------|----------------------------|
| <b>AFFORDABLE HOUSING FUND UNRESTR. (217)</b>          |                           |                           |                            |                            |
| 3434 Investment Interest .....                         | 41,407                    | 26,159                    | 32,500                     | 56,574                     |
| <b>TOTAL (217)</b>                                     | <b>41,407</b>             | <b>26,159</b>             | <b>32,500</b>              | <b>56,574</b>              |
| <b>GAS TAX FUND (221)</b>                              |                           |                           |                            |                            |
| 3430 Investment Interest .....                         | 38,848                    | 18,200                    | 29,500                     | 42,674                     |
| 3540 Gas Tax .....                                     | 1,739,693                 | 1,698,917                 | 1,941,304                  | 2,192,820                  |
| 3802 Op Trfs in from Gas Tax Fund .....                | 0                         | 0                         | 0                          | 0                          |
| 3809 Op Trfs in Street Improv Fund .....               | 131,350                   | 0                         | 0                          | 0                          |
| <b>TOTAL (221)</b>                                     | <b>3,230,202</b>          | <b>1,717,117</b>          | <b>1,970,804</b>           | <b>2,235,494</b>           |
| <b>SB1 ROAD MAINTENANCE &amp; REHABILITATION (225)</b> |                           |                           |                            |                            |
| 3549 Road Maintenance & Rehabilitation .....           | 0                         | 1,445,283                 | 1,489,911                  | 1,724,712                  |
| <b>TOTAL (225)</b>                                     | <b>0</b>                  | <b>1,445,283</b>          | <b>1,489,911</b>           | <b>1,724,712</b>           |
| <b>95-1 LIGHTING/LSCAPE DIST (235)</b>                 |                           |                           |                            |                            |
| 3430 Investment Interest .....                         | 570                       | 302                       | 200                        | 1,084                      |
| 3720 Special Assessments .....                         | 356,565                   | 368,147                   | 392,493                    | 411,156                    |
| 3801 Op Trfs in from General Fund .....                | 0                         | 0                         | 19,984                     | 21,360                     |
| <b>TOTAL (235)</b>                                     | <b>357,135</b>            | <b>368,449</b>            | <b>412,677</b>             | <b>433,600</b>             |
| <b>98-1 LIGHTING/LSCAPE DIST (236)</b>                 |                           |                           |                            |                            |
| 3430 Investment Interest .....                         | 107                       | 130                       | 100                        | 794                        |
| 3720 Special Assessments .....                         | 43,622                    | 45,434                    | 48,504                     | 48,317                     |
| 3801 Op Trfs in from General Fund .....                | 0                         | 0                         | 20,606                     | 20,506                     |
| <b>TOTAL (236)</b>                                     | <b>43,729</b>             | <b>45,564</b>             | <b>69,210</b>              | <b>69,617</b>              |
| <b>05 COMMUNITY FCLTY DIST (237)</b>                   |                           |                           |                            |                            |
| 3430 Investment Interest .....                         | 26,716                    | 16,330                    | 23,200                     | 42,958                     |
| 3720 Special Assessments .....                         | 1,203,336                 | 1,273,881                 | 1,230,000                  | 1,230,000                  |
| <b>TOTAL (237)</b>                                     | <b>1,230,052</b>          | <b>1,290,211</b>          | <b>1,253,200</b>           | <b>1,272,958</b>           |
| <b>08 COMMUNITY FCLTY DIST (238)</b>                   |                           |                           |                            |                            |
| 3430 Investment Interest .....                         | 3,682                     | 12,043                    | 5,100                      | 9,371                      |
| 3720 Special Assessments .....                         | 1,913,461                 | 2,154,437                 | 2,458,079                  | 2,926,571                  |
| <b>TOTAL (238)</b>                                     | <b>1,917,143</b>          | <b>2,166,480</b>          | <b>2,463,179</b>           | <b>2,935,942</b>           |
| <b>HCD FUND (250)</b>                                  |                           |                           |                            |                            |
| 3550 Federal Contributions .....                       | 397,259                   | 1,473,732                 | 1,265,213                  | 660,871                    |
| <b>TOTAL (250)</b>                                     | <b>397,259</b>            | <b>1,473,732</b>          | <b>1,265,213</b>           | <b>660,871</b>             |
| <b>HCD LOAN (251)</b>                                  |                           |                           |                            |                            |
| 3430 Investment Interest .....                         | 0                         | 0                         | 4,400                      | 10,952                     |
| <b>TOTAL (251)</b>                                     | <b>0</b>                  | <b>0</b>                  | <b>4,400</b>               | <b>10,952</b>              |

| Revenues by Fund (Detail)                     |  | 2019-20<br>Actual | 2020-21<br>Actual | 2021-22<br>Adopted | 2022-23<br>Adopted |
|---|--|-------------------|-------------------|--------------------|--------------------|
| <b>SUPPLEMENTAL LAW ENFORCEMENT (261)</b>     |  |                   |                   |                    |                    |
| 3430  | Investment Interest .....                  | 3,011             | 1,905             | 3,000              | 6,078              |
| 3560  | State Contributions .....                  | 207,885           | 160,486           | 0                  | 100,000            |
|   | <b>TOTAL (261)</b>                         | <b>210,896</b>    | <b>162,391</b>    | <b>3,000</b>       | <b>106,078</b>     |
| <b>STATE ASSET SEIZURE (262)</b>              |  |                   |                   |                    |                    |
| 3430  | Investment Interest .....                  | 1,274             | 705               | 1,000              | 1,237              |
| 3560  | State Contributions .....                  | 4,717             | 1,877             | 0                  | 0                  |
|   | <b>TOTAL (262)</b>                         | <b>5,991</b>      | <b>2,582</b>      | <b>1,000</b>       | <b>1,237</b>       |
| <b>FEDERAL ASSET SEIZURE (263)</b>            |  |                   |                   |                    |                    |
| 3430  | Investment Interest .....                  | 1,241             | 667               | 1,000              | 1,128              |
|   | <b>TOTAL (263)</b>                         | <b>1,241</b>      | <b>667</b>        | <b>1,000</b>       | <b>1,128</b>       |
| <b>FEDERAL GRANTS POLICE DEPARTMENT (267)</b> |  |                   |                   |                    |                    |
| 3550  | Federal Contributions .....                | 34,082            | 111,516           | 0                  | 0                  |
|   | <b>TOTAL (267)</b>                         | <b>34,082</b>     | <b>111,516</b>    | <b>0</b>           | <b>0</b>           |
| <b>STATE GRANTS POLICE DEPARTMENT (268)</b>   |  |                   |                   |                    |                    |
| 3430  | Investment Interest .....                  | 14,532            | 9,663             | 12,200             | 13,972             |
| 3560  | State Contributions .....                  | 25,714            | 97,857            | 0                  | 0                  |
|   | <b>TOTAL (268)</b>                         | <b>40,246</b>     | <b>107,520</b>    | <b>12,200</b>      | <b>13,972</b>      |
| <b>GRANTS FIRE DEPARTMENT (269)</b>           |  |                   |                   |                    |                    |
| 3550  | Federal Contributions .....                | 0                 | 0                 | 0                  | 0                  |
| 3570  | County Contributions .....                 | (44)              | 18,290            | 0                  | 0                  |
|   | <b>TOTAL (269)</b>                         | <b>(42)</b>       | <b>17,799</b>     | <b>200</b>         | <b>0</b>           |
| <b>SOLID WASTE SERVICES (280)</b>             |  |                   |                   |                    |                    |
| 3139  | County-wide AB 939 Fee .....               | 200,198           | 272,781           | 210,000            | 210,000            |
| 3134  | Garbage Franchise-NonComm-Resi .....       | 0                 | 0                 | 0                  | 400,000            |
| 3430  | Investment Interest .....                  | 37,017            | 16,921            | 27,000             | 36,650             |
| 3560  | State Contributions .....                  | 5,553             | 23,850            | 0                  | 0                  |
| 3610  | Engineering Service Charges .....          | 0                 | 0                 | 0                  | 0                  |
| 3670  | Utility Charges .....                      | 0                 | 0                 | 0                  | 0                  |
| 3740  | Reimbursements .....                       | 0                 | 0                 | 0                  | 0                  |
| 3790  | Miscellaneous Other Revenue .....          | 0                 | (68)              | 0                  | 0                  |
| 3822  | Op Trfs in from General Gov't Fund .....   | 0                 | 0                 | 0                  | 0                  |
|   | <b>TOTAL (280)</b>                         | <b>242,768</b>    | <b>313,484</b>    | <b>237,000</b>     | <b>646,650</b>     |
| <b>HOUSING AUTHORITY (295)</b>                |  |                   |                   |                    |                    |
| 3430  | Investment Interest .....                  | 154,220           | 82,959            | 122,000            | 214,605            |
| 3600  | General Government Service Charges .....   | 102,487           | 139,679           | 149,000            | 100,000            |
| 3770  | Sale of Property, Plant, & Equipment ..... | 0                 | 0                 | 0                  | 0                  |
|   | <b>TOTAL (295)</b>                         | <b>256,707</b>    | <b>222,638</b>    | <b>271,000</b>     | <b>314,605</b>     |

**Revenues by Fund (Detail)**

|   | 2019-20<br>Actual | 2020-21<br>Actual | 2021-22<br>Adopted | 2022-23<br>Adopted |
|---|-------------------|-------------------|--------------------|--------------------|
| <b>STREET FUND (310)</b>                            |                   |                   |                    |                    |
| 3430 Investment Interest .....                      | 88,064            | 68,471            | 70,100             | 0                  |
| 3790 Miscellaneous Other Revenue .....              | 0                 | 0                 | 0                  | 0                  |
| 3831 Appn Transfers in from General Fund .....      | 0                 | 42,298            | 0                  | 0                  |
| <b>TOTAL (310)</b>                                  | <b>88,064</b>     | <b>110,769</b>    | <b>70,100</b>      | <b>0</b>           |
| <b>STREET CIP (311)</b>                             |                   |                   |                    |                    |
| 3560 State Contributions .....                      | 0                 | 1,615,314         | 500,000            | 1,761,560          |
| 3570 County Contributions .....                     | 3,097,585         | 0                 | 0                  | 0                  |
| 3710 Development .....                              | 0                 | 314               | 0                  | 0                  |
| 3802 Op Trfs in from Gas Tax Fund .....             | 4,371,569         | 1,596,569         | 1,585,568          | 378,026            |
| 3810 Op Trfs in from Park Improvement .....         | 0                 | 0                 | 0                  | 0                  |
| 3815 Op Trfs in from Sewer Fund .....               | 0                 | 0                 | 0                  | 0                  |
| 3819 Op Trfs in from Other .....                    | 0                 | 0                 | 1,500,000          | 1,444,414          |
| 3822 Op Trfs in from General Gov't Fund .....       | 0                 | 0                 | 100,000            | 0                  |
| 3824 Op Trfs in Transit Area Fund .....             | 245,000           | 0                 | 0                  | 0                  |
| 3826 Op Trfs in from Measure I TOT Fund .....       | 0                 | 0                 | 0                  | 0                  |
| 3849 Other Appn Transfers In .....                  | 0                 | 0                 | 0                  | 0                  |
| 3899 Op Trfs in from Subsidiary CIP Fund .....      | 880,000           | 74,335            | 764,432            | 800,000            |
| <b>TOTAL (311)</b>                                  | <b>10,194,154</b> | <b>3,286,532</b>  | <b>4,450,000</b>   | <b>4,384,000</b>   |
| <b>TRAFFIC IMPACT FEE (312)</b>                     |                   |                   |                    |                    |
| 3430 Investment Interest .....                      | 0                 | 0                 | 0                  | 0                  |
| 3710 Development .....                              | 0                 | 0                 | 0                  | 0                  |
| 3899 Op Trfs in from Subsidiary CIP Fund .....      | 7,831             | 0                 | 0                  | 0                  |
| <b>TOTAL (312)</b>                                  | <b>7,831</b>      | <b>0</b>          | <b>0</b>           | <b>0</b>           |
| <b>VEHICLE REGISTRATION FEE (314)</b>               |                   |                   |                    |                    |
| 3430 Investment Interest .....                      | 4,793             | 7,327             | 6,700              | 0                  |
| 3570 County Contributions .....                     | 510,824           | 0                 | 0                  | 0                  |
| 3809 Op Trfs in Street Improv Fund .....            | 0                 | 0                 | 0                  | 0                  |
| 3822 Op Trfs in from General Gov't Fund .....       | 0                 | 0                 | 264,432            | 0                  |
| 3829 Op Trfs in from Vehicle Registration Fee ..... | 0                 | 0                 | 0                  | 0                  |
| <b>TOTAL (314)</b>                                  | <b>515,617</b>    | <b>7,327</b>      | <b>271,132</b>     | <b>0</b>           |
| <b>CALAVERAS WIDENING IMPACT FEE (315)</b>          |                   |                   |                    |                    |
| 3430 Investment Interest .....                      | 28,220            | 16,436            | 23,500             | 0                  |
| 3710 Development .....                              | 11,087            | (122,124)         | 215,000            | 0                  |
| <b>TOTAL (315)</b>                                  | <b>294,255</b>    | <b>(105,688)</b>  | <b>238,500</b>     | <b>0</b>           |
| <b>MONTAGUE WIDENING IMPACT FEE (316)</b>           |                   |                   |                    |                    |
| 3430 Investment Interest .....                      | 0                 | 0                 | 0                  | 0                  |
| <b>TOTAL (316)</b>                                  | <b>0</b>          | <b>0</b>          | <b>0</b>           | <b>0</b>           |
| <b>MILPITAS BUSINESS PARK IMPACT FEE (317)</b>      |                   |                   |                    |                    |
| 3430 Investment Interest .....                      | (1,804)           | 0                 | 0                  | 0                  |
| <b>TOTAL (317)</b>                                  | <b>(1,804)</b>    | <b>0</b>          | <b>0</b>           | <b>0</b>           |



## Revenues by Fund (Detail)

|   | 2019-20<br>Actual | 2020-21<br>Actual | 2021-22<br>Adopted | 2022-23<br>Adopted |
|---|-------------------|-------------------|--------------------|--------------------|
| <b>PARK IMPROVEMENT FUND (320)</b>              |                   |                   |                    |                    |
| 3430 Investment Interest .....                  | 386,347           | 105,295           | 167,500            | 0                  |
| 3712 Park Development Fees .....                | 0                 | 0                 | 0                  | 5,124,443          |
| 3822 Op Trfs in from General Gov't Fund .....   | 0                 | 0                 | 0                  | 0                  |
| 3824 Op Trfs in Transit Area Fund .....         | 0                 | 0                 | 0                  | 0                  |
| 3899 Op Trfs in from Subsidiary CIP Fund .....  | 1,100,000         | 649,000           | 0                  | 0                  |
| <b>TOTAL (320)</b>                              | <b>1,486,347</b>  | <b>754,295</b>    | <b>167,500</b>     | <b>5,124,443</b>   |
| <b>PARK IMPROVEMENT CIP (321)</b>               |                   |                   |                    |                    |
| 3815 Op Trfs in from Sewer Fund .....           | 0                 | 0                 | 0                  | 0                  |
| 3822 Op Trfs in from General Gov't Fund .....   | 1,250,000         | 0                 | 0                  | 0                  |
| 3824 Op Trfs in Transit Area Fund .....         | 300,000           | 0                 | 0                  | 0                  |
| 3831 Appn Transfers in from General Fund .....  | 0                 | 0                 | 0                  | 0                  |
| 3852 Appn Transfers in from General Gov't ..... | 0                 | 0                 | 0                  | 0                  |
| 3899 Op Trfs in from Subsidiary CIP Fund .....  | 1,400,000         | 0                 | 135,000            | 580,000            |
| <b>TOTAL (321)</b>                              | <b>2,950,000</b>  | <b>0</b>          | <b>135,000</b>     | <b>580,000</b>     |
| <b>MIDTOWN PARK FUND (322)</b>                  |                   |                   |                    |                    |
| 3430 Investment Interest .....                  | 19,632            | 17,035            | 22,500             | 0                  |
| 3710 Development .....                          | 607,401           | 0                 | 250,000            | 0                  |
| 3899 Op Trfs in from Subsidiary CIP Fund .....  | 0                 | 0                 | 0                  | 0                  |
| <b>TOTAL (320)</b>                              | <b>627,033</b>    | <b>17,035</b>     | <b>272,500</b>     | <b>0</b>           |
| <b>GENERAL GOVERNMENT (330)</b>                 |                   |                   |                    |                    |
| 3430 Investment Interest .....                  | 570,581           | 278,955           | 396,000            | 0                  |
| 3801 Op Trfs in from General Fund .....         | 4,000,000         | 0                 | 0                  | 0                  |
| 3809 Op Trfs in Street Improv Fund .....        | 0                 | 200,000           | 0                  | 0                  |
| 3810 Op Trfs in from Park Improvement .....     | 0                 | 0                 | 0                  | 0                  |
| 3822 Op Trfs in General Government .....        | 0                 | 1,500,000         | 0                  | 0                  |
| 3823 Op Trfs in Storm Drain Fund .....          | 1,000,000         | 1,580,000         | 0                  | 0                  |
| 3831 Appn Transfers in from General Fund .....  | 0                 | 84,597            | 0                  | 0                  |
| 3899 Op Trfs in from Subsidiary CIP Fund .....  | 4,352,245         | 4,600,387         | 0                  | 0                  |
| 3982 Capital Leases .....                       | 0                 | 0                 | 0                  | 0                  |
| <b>TOTAL (330)</b>                              | <b>9,922,826</b>  | <b>8,243,939</b>  | <b>396,000</b>     | <b>0</b>           |
| <b>GENERAL GOVERNMENT CIP (331)</b>             |                   |                   |                    |                    |
| 3560 State Contributions .....                  | 0                 | 0                 | 433,429            | 0                  |
| 3580 Other Restricted Grants .....              | 29,000            | 0                 | 0                  | 0                  |
| 3710 Development .....                          | 0                 | 0                 | 0                  | 0                  |
| 3801 Op Trfs in from General Fund .....         | 0                 | 0                 | 0                  | 0                  |
| 3802 Op Trfs in from Gas Tax Fund .....         | 800,000           | 395,090           | 608,947            | 595,000            |
| 3803 Op Trfs in from Gas Tax Fund .....         | 0                 | 0                 | 273,500            | 130,000            |
| 3809 Op Trfs in Street Improv Fund .....        | 0                 | 1,200,000         | 0                  | 0                  |
| 3810 Op Trfs in from Park Improvement .....     | 0                 | 750,000           | 0                  | 650,000            |
| 3815 Op Trfs in from Sewer Fund .....           | 0                 | 129,910           | 0                  | 0                  |

**Revenues by Fund (Detail)**

|             |  | <b>2019-20<br/>Actual</b> | <b>2020-21<br/>Actual</b> | <b>2021-22<br/>Adopted</b> | <b>2022-23<br/>Adopted</b> |
|-------------|--|---------------------------|---------------------------|----------------------------|----------------------------|
| <b>3817</b> | Op Trfs in from Equipment Replacement..... | 0                         | 0                         | 161,131                    | 0                          |
| <b>3819</b> | Op Trfs in from Other .....                | 2,075,000                 | 1,350,000                 | 1,422,485                  | 924,000                    |
| <b>3824</b> | Op Trfs in Transit Area Fund .....         | 0                         | 0                         | 78,000                     | 144,000                    |
| <b>3827</b> | Op Trfs in from LLMD Fund.....             | 108,000                   | 97,500                    | 4,000                      | 11,000                     |
| <b>3847</b> | Appn Transfers in from Equipment .....     | 0                         | 0                         | 0                          | 0                          |
| <b>3849</b> | Other Appn Transfers In.....               | 0                         | 0                         | 0                          | 0                          |
| <b>3899</b> | Op Trfs in from Subsidiary CIP Fund.....   | 9,664,143                 | 8,067,296                 | 3,010,440                  | 4,397,000                  |
|             | <b>TOTAL (331)</b>                         | <b>12,676,143</b>         | <b>11,989,796</b>         | <b>5,991,932</b>           | <b>6,851,000</b>           |

**2020 FIRE STATION BONDS (334)**

|             |                    |          |          |          |          |
|-------------|--------------------|----------|----------|----------|----------|
| <b>3970</b> | Bond Proceeds..... | 0        | 0        | 0        | 0        |
|             | <b>TOTAL (331)</b> | <b>0</b> | <b>0</b> | <b>0</b> | <b>0</b> |

**STORM DRAIN DEVELOPMENT (340)**

|             |   |                |                |                |                |
|-------------|---|----------------|----------------|----------------|----------------|
| <b>3430</b> | Investment Interest .....                 | 132,357        | 40,132         | 50,900         | 0              |
| <b>3710</b> | Development .....                         | 105,739        | 664,673        | 340,000        | 306,332        |
| <b>3831</b> | Appn Transfers in from General Fund ..... | 0              | 0              | 0              | 0              |
| <b>3899</b> | Op Trfs in from Subsidiary CIP Fund.....  | 0              | 75,000         | 0              | 0              |
|             | <b>TOTAL (340)</b>                        | <b>238,096</b> | <b>779,805</b> | <b>390,900</b> | <b>306,332</b> |

**STORM DRAIN CIP (341)**

|             |  |                  |                  |          |                |
|-------------|--|------------------|------------------|----------|----------------|
| <b>3815</b> | Op Trfs in from Sewer Fund .....           | 0                | 0                | 0        | 0              |
| <b>3822</b> | Op Trfs in from General Gov't Fund.....    | 250,000          | 0                | 0        | 200,000        |
| <b>3852</b> | Appn Transfers in General Government ..... | 0                | 0                | 0        | 0              |
| <b>3899</b> | Op Trfs in from Subsidiary CIP Fund.....   | 1,505,000        | 3,386,590        | 0        | 0              |
|             | <b>TOTAL (341)</b>                         | <b>1,755,000</b> | <b>3,386,590</b> | <b>0</b> | <b>200,000</b> |

**TRANSIT AREA IMPACT FEE FUND (350)**

|             |  |                   |                   |                   |                   |
|-------------|--|-------------------|-------------------|-------------------|-------------------|
| <b>3430</b> | Investment Interest .....                | 1,278,584         | 683,854           | 1,000,000         | 0                 |
| <b>3710</b> | Development .....                        | 22,158,628        | 13,065,471        | 13,000,000        | 18,707,824        |
| <b>3812</b> | Op Trfs in from Water Fund .....         | 0                 | 0                 | 0                 | 0                 |
| <b>3899</b> | Op Trfs in from Subsidiary CIP Fund..... | 2,700,000         | 599,609           | 0                 | 0                 |
|             | <b>TOTAL (350)</b>                       | <b>26,137,212</b> | <b>14,348,934</b> | <b>14,000,000</b> | <b>18,707,824</b> |

**TRANSIT AREA IMPACT FEE CIP FUND (351)**

|             |  |                   |                  |                  |                  |
|-------------|--|-------------------|------------------|------------------|------------------|
| <b>3570</b> | County Contributions.....                | 0                 | 0                | 0                | 0                |
| <b>3710</b> | Development .....                        | 0                 | 0                | 0                | 0                |
| <b>3899</b> | Op Trfs in from Subsidiary CIP Fund..... | 11,619,251        | 3,401,250        | 3,400,000        | 3,499,000        |
|             | <b>TOTAL (351)</b>                       | <b>11,619,251</b> | <b>3,401,250</b> | <b>3,400,000</b> | <b>3,499,000</b> |

**WATER M & O FUND (400)**

|             |                                      |            |            |            |            |
|-------------|--------------------------------------|------------|------------|------------|------------|
| <b>3430</b> | Investment Interest .....            | 552,105    | 352,604    | 372,000    | 369,729    |
| <b>3550</b> | Federal Contributions .....          | 0          | 13,761     | 0          | 0          |
| <b>3580</b> | Other Restricted Grants.....         | 140,154    | 97,807     | 0          | 0          |
| <b>3620</b> | Public Works Service Charges .....   | 0          | 0          | 0          | 0          |
| <b>3670</b> | Utility Charges .....                | 28,727,511 | 30,582,368 | 31,143,569 | 33,144,215 |
| <b>3790</b> | Miscellaneous Other Revenue .....    | 17,601     | 0          | 17,601     | 0          |
| <b>3981</b> | Contributions-Proprietary Fund ..... | 0          | 0          | 0          | 0          |

## Revenues by Fund (Detail)

|   | 2019-20<br>Actual | 2020-21<br>Actual | 2021-22<br>Adopted | 2022-23<br>Adopted |
|---|-------------------|-------------------|--------------------|--------------------|
| 3809 Op Trfs in from Street Fund.....         | 3,089             | 0                 | 0                  | 0                  |
| 3899 Op Trfs in from Subsidiary CIP Fund..... | 0                 | 150,000           | 0                  | 0                  |
| <b>TOTAL (400)</b>                            | <b>29,440,460</b> | <b>31,196,540</b> | <b>31,533,170</b>  | <b>33,513,944</b>  |

### WATER CIP (401)

|   |                  |                   |                  |                  |
|---|------------------|-------------------|------------------|------------------|
| 3810 Op Trfs in from Park Improvement.....    | 0                | 0                 | 0                | 0                |
| 3824 Op Trfs in Transit Area Fund.....        | 0                | 0                 | 0                | 0                |
| 3899 Op Trfs in from Subsidiary CIP Fund..... | 5,126,172        | 10,293,306        | 2,090,000        | 1,515,000        |
| <b>TOTAL (401)</b>                            | <b>5,126,172</b> | <b>10,293,306</b> | <b>2,090,000</b> | <b>1,515,000</b> |

### WATER LINE EXTENSION FUND (402)

|   |                |                |                |                  |
|---|----------------|----------------|----------------|------------------|
| 3430 Investment Interest.....                 | 50,975         | 29,582         | 42,000         | 78,679           |
| 3710 Development.....                         | 281,064        | 326,418        | 297,000        | 1,002,155        |
| 3790 Miscellaneous Other Revenue.....         | 7,216          | 9,621          | 7,216          | 7,215            |
| 3812 Op Trfs in from Water Fund.....          | 0              | 0              | 0              | 0                |
| 3899 Op Trfs in from Subsidiary CIP Fund..... | 0              | 0              | 0              | 0                |
| <b>TOTAL (402)</b>                            | <b>339,255</b> | <b>365,621</b> | <b>346,216</b> | <b>1,088,049</b> |

### 2019 WATER BONDS (403)

|                         |          |          |          |          |
|-------------------------|----------|----------|----------|----------|
| 3970 Bond Proceeds..... | 0        | 0        | 0        | 0        |
| <b>TOTAL (403)</b>      | <b>0</b> | <b>0</b> | <b>0</b> | <b>0</b> |

### WATER INFRASTRUCTURE REPLACEMENT (405)

|   |                  |                  |                  |                  |
|---|------------------|------------------|------------------|------------------|
| 3430 Investment Interest.....                 | 200,083          | 103,066          | 150,000          | 276,153          |
| 3670 Utility Charges.....                     | 3,937,947        | 3,946,747        | 3,984,653        | 3,926,784        |
| 3899 Op Trfs in from Subsidiary CIP Fund..... | 3,750,000        | 2,820,000        | 0                | 0                |
| <b>TOTAL (405)</b>                            | <b>7,888,030</b> | <b>6,869,813</b> | <b>4,134,653</b> | <b>4,202,937</b> |

### SEWER M & O FUND (450)

|   |                   |                   |                   |                   |
|---|-------------------|-------------------|-------------------|-------------------|
| 3430 Investment Interest.....                 | 285,147           | 228,486           | 251,000           | 205,863           |
| 3435 Gain/Loss on Investments.....            | 254,038           | 254,038           | 0                 | 0                 |
| 3670 Utility Charges.....                     | 19,293,825        | 19,897,503        | 20,657,555        | 24,482,217        |
| 3550 Federal Contributions.....               | 0                 | 13,761            | 0                 | 0                 |
| 3580 Other Restricted Grants.....             | 0                 | 0                 | 0                 | 0                 |
| 3790 Miscellaneous Other Revenue.....         | 0                 | 0                 | 0                 | 0                 |
| 3809 Op Trfs in from Street Fund.....         | 103,089           | 0                 | 0                 | 0                 |
| 3899 Op Trfs in from Subsidiary CIP Fund..... | 0                 | 207,646           | 0                 | 0                 |
| <b>TOTAL (450)</b>                            | <b>19,936,099</b> | <b>20,601,434</b> | <b>20,908,555</b> | <b>24,688,080</b> |

### SEWER CIP (451)

|   |                   |                   |                  |                  |
|---|-------------------|-------------------|------------------|------------------|
| 3899 Op Trfs in from Subsidiary CIP Fund..... | 22,651,274        | 10,474,415        | 6,480,000        | 6,947,000        |
| <b>TOTAL (451)</b>                            | <b>22,651,274</b> | <b>10,474,415</b> | <b>6,480,000</b> | <b>6,947,000</b> |

### TREATMENT PLANT CONSTRUCTION (452)

|                               |                |                |                |                  |
|-------------------------------|----------------|----------------|----------------|------------------|
| 3430 Investment Interest..... | 106,447        | 57,522         | 84,400         | 156,722          |
| 3710 Development.....         | 337,523        | 422,502        | 452,000        | 1,417,137        |
| <b>TOTAL (452)</b>            | <b>443,970</b> | <b>480,024</b> | <b>536,400</b> | <b>1,573,859</b> |

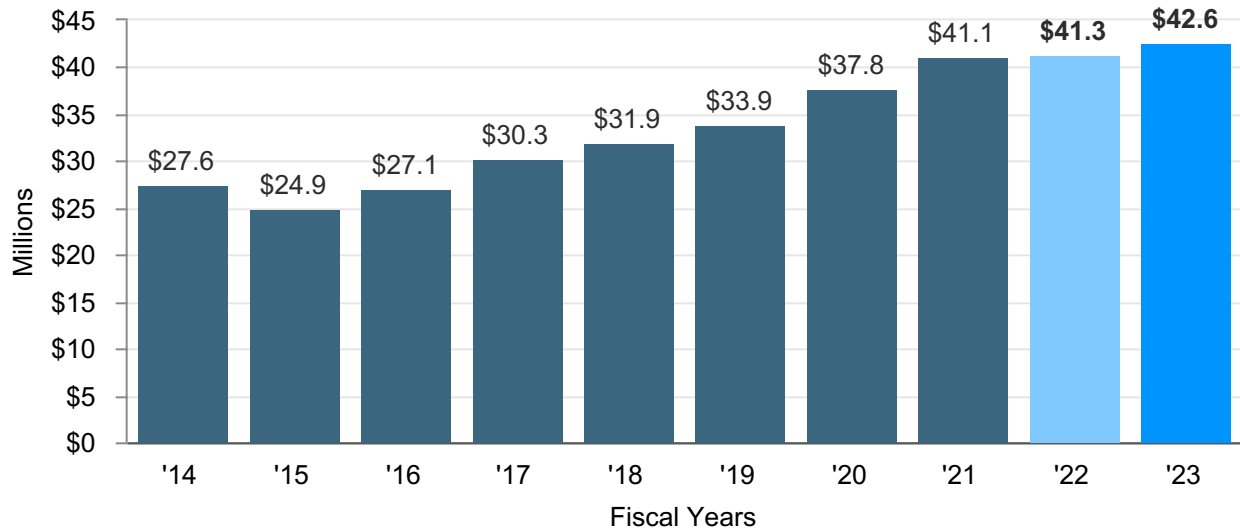
## Revenues by Fund (Detail)

|  | 2019-20<br>Actual     | 2020-21<br>Actual     | 2021-22<br>Adopted    | 2022-23<br>Adopted    |
|--|-----------------------|-----------------------|-----------------------|-----------------------|
| <b>2017 SEWER REFUNDING BONDS (453)</b>          |                       |                       |                       |                       |
| 3430 Investment Interest .....                   | 58                    | 0                     | 0                     | 0                     |
| <b>TOTAL (453)</b>                               | <b>58</b>             | <b>0</b>              | <b>0</b>              | <b>0</b>              |
| <b>2019 SEWER BONDS (454)</b>                    |                       |                       |                       |                       |
| 3970 Bond Proceeds .....                         | 0                     | 0                     | 0                     | 0                     |
| <b>TOTAL (454)</b>                               | <b>0</b>              | <b>0</b>              | <b>0</b>              | <b>0</b>              |
| <b>SEWER INFRASTRUCTURE REPLACEMENT (455)</b>    |                       |                       |                       |                       |
| 3430 Investment Interest .....                   | 283,877               | 251,601               | 310,500               | 696,868               |
| 3899 Intrafund Trf In-Parent/Child .....         | 6,080,000             | 9,239,359             | 0                     | 0                     |
| <b>TOTAL (455)</b>                               | <b>6,363,877</b>      | <b>9,490,960</b>      | <b>310,500</b>        | <b>696,868</b>        |
| <b>EQUIPMENT REPLACEMENT FUND (500)</b>          |                       |                       |                       |                       |
| 3430 Investment Interest .....                   | 189,351               | 105,981               | 155,000               | 280,052               |
| 3610 Engineering Service Charges .....           | 1,200                 | 1,100                 | 0                     | 0                     |
| 3620 Public Works Service Charges .....          | 3,422,578             | 3,355,930             | 3,400,000             | 3,400,000             |
| 3670 Utility Charges .....                       | 0                     | 0                     | 0                     | 0                     |
| 3770 Sale of Property, Plant and Equipment ..... | 42,754                | 25,043                | 0                     | 0                     |
| 3790 Miscellaneous Other Revenue .....           | 1,696                 | 148,690               | 0                     | 0                     |
| 3981 Contributions-Proprietary Fund .....        | 0                     | 0                     | 0                     | 0                     |
| 3822 Op Trfs in from General Gov't Fund .....    | 0                     | 0                     | 0                     | 0                     |
| <b>TOTAL (500)</b>                               | <b>3,657,579</b>      | <b>3,636,744</b>      | <b>3,555,000</b>      | <b>3,680,052</b>      |
| <b>INFORMATION TECHNOLOGY REPLACEMENT (505)</b>  |                       |                       |                       |                       |
| 3430 Investment Interest .....                   | 0                     | 6,847                 | 10,500                | 19,197                |
| 3801 Op Trfs in from General Fund .....          | 300,000               | 300,000               | 300,000               | 300,000               |
| <b>TOTAL (505)</b>                               | <b>300,000</b>        | <b>306,847</b>        | <b>310,500</b>        | <b>319,197</b>        |
| <b>PERMIT AUTOMATION FUND (506)</b>              |                       |                       |                       |                       |
| 3430 Investment Interest .....                   | 0                     | 9,988                 | 19,500                | 20,003                |
| 3601 General Government Service Charges .....    | 0                     | 694,092               | 750,000               | 800,000               |
| <b>TOTAL (506)</b>                               | <b>0</b>              | <b>704,080</b>        | <b>769,500</b>        | <b>820,003</b>        |
| <b>TOTAL REVENUES</b>                            | <b>\$ 290,480,854</b> | <b>\$ 261,960,568</b> | <b>\$ 222,310,700</b> | <b>\$ 247,788,815</b> |
| Less Interfund Operating Transfers*              |                       |                       | (16,672,304)          | (18,732,000)          |
| (Increase) Decrease of Reserves                  |                       |                       | (10,469,256)          | (21,276,612)          |
| <b>TOTAL BUDGET SUMMARY REVENUES</b>             |                       |                       | <b>\$ 195,169,140</b> | <b>\$ 207,780,203</b> |

\*Interfund Operating Transfers are transfers within the same fund group on the Budget Summary

## General Fund Revenue History

### History of Property Tax Revenue



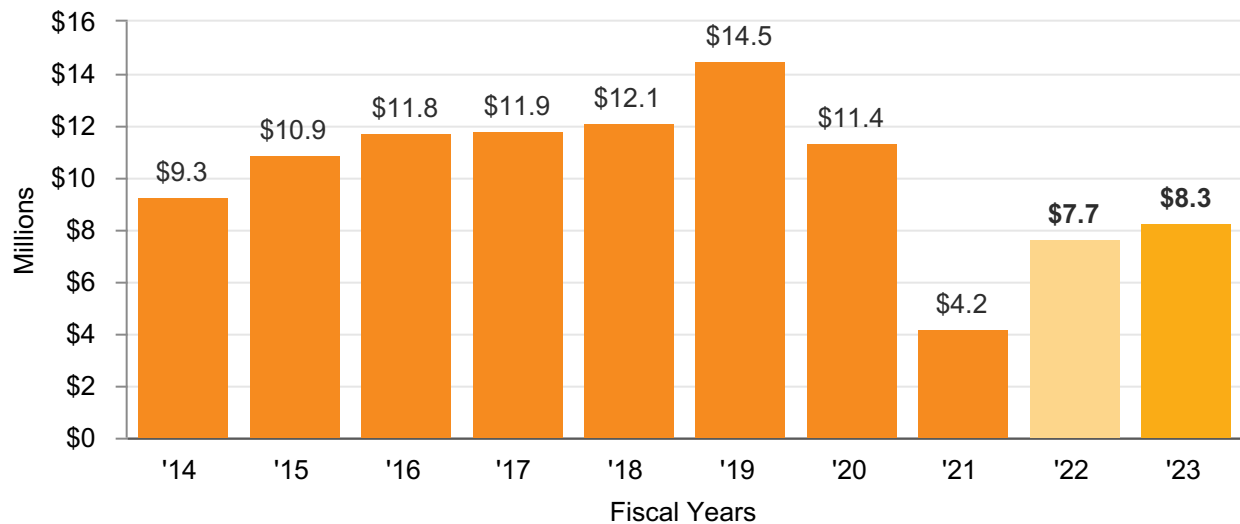
Amounts include RPTTF distribution

Actual

Amended Budget (02/15/2022)

Adopted Budget

### History of Transient Occupancy Tax Revenue



TOT rate increased from 10% to 14% effective January 1, 2019.

Actual

Amended Budget (2/15/2022)

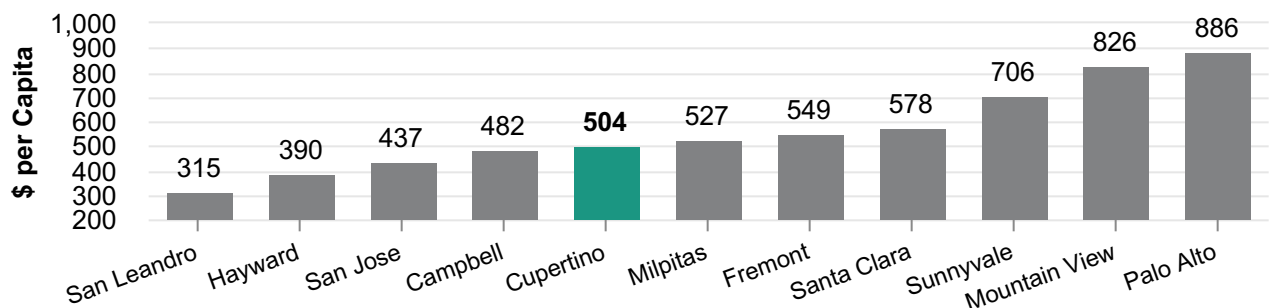
Adopted Budget

## Property Tax, Comparison with Other Jurisdictions\*

FY 2018-19 through FY 2022-23

|                      | 2018-19<br>Actual    | 2019-20<br>Actual    | 2020-21<br>Actual    | 2021-22<br>Adopted   | 2022-23<br>Adopted   |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>Milpitas</b>      | <b>\$33,924,593</b>  | <b>\$37,799,083</b>  | <b>\$41,093,301</b>  | <b>\$41,269,917</b>  | <b>\$42,636,192</b>  |
| % of General Fund    | 30 %                 | 36 %                 | 42 %                 | 37 %                 | 36 %                 |
| Per Capita           | 454                  | 499                  | 532                  | 514                  | 527                  |
| <b>Campbell</b>      | <b>\$15,646,864</b>  | <b>\$17,208,898</b>  | <b>\$17,911,445</b>  | <b>\$18,847,020</b>  | <b>\$20,654,400</b>  |
| % of General Fund    | 29 %                 | 34 %                 | 33 %                 | 33 %                 | 34 %                 |
| Per Capita           | 375                  | 410                  | 428                  | 437                  | 482                  |
| <b>Cupertino</b>     | <b>\$25,301,094</b>  | <b>\$26,606,844</b>  | <b>\$28,277,839</b>  | <b>\$27,840,341</b>  | <b>\$30,039,574</b>  |
| % of General Fund    | 28 %                 | 33 %                 | 27 %                 | 31 %                 | 32 %                 |
| Per Capita           | 423                  | 448                  | 477                  | 465                  | 504                  |
| <b>Fremont</b>       | <b>\$99,606,000</b>  | <b>\$106,563,000</b> | <b>\$112,812,817</b> | <b>\$116,312,166</b> | <b>\$126,040,996</b> |
| % of General Fund    | 48 %                 | 53 %                 | 47 %                 | 55 %                 | 52 %                 |
| Per Capita           | 429                  | 458                  | 484                  | 508                  | 549                  |
| <b>Hayward</b>       | <b>\$54,467,978</b>  | <b>\$58,431,803</b>  | <b>\$61,196,000</b>  | <b>\$58,809,000</b>  | <b>\$62,670,000</b>  |
| % of General Fund    | 30 %                 | 34 %                 | 35 %                 | 31 %                 | 31 %                 |
| Per Capita           | 343                  | 367                  | 384                  | 364                  | 390                  |
| <b>Mountain View</b> | <b>\$51,450,527</b>  | <b>\$54,839,123</b>  | <b>\$59,783,296</b>  | <b>\$66,108,200</b>  | <b>\$69,232,000</b>  |
| % of General Fund    | 35 %                 | 38 %                 | 42 %                 | 43 %                 | 42 %                 |
| Per Capita           | 642                  | 677                  | 735                  | 795                  | 826                  |
| <b>Palo Alto</b>     | <b>\$47,327,394</b>  | <b>\$51,089,154</b>  | <b>\$56,571,734</b>  | <b>\$51,227,800</b>  | <b>\$59,770,000</b>  |
| % of General Fund    | 23 %                 | 27 %                 | 31 %                 | 28 %                 | 28 %                 |
| Per Capita           | 691                  | 748                  | 830                  | 760                  | 886                  |
| <b>San Jose</b>      | <b>\$330,199,269</b> | <b>\$369,506,527</b> | <b>\$390,896,950</b> | <b>\$395,500,000</b> | <b>\$427,000,000</b> |
| % of General Fund    | 24 %                 | 31 %                 | 29 %                 | 32 %                 | 32 %                 |
| Per Capita           | 316                  | 354                  | 375                  | 399                  | 437                  |
| <b>San Leandro</b>   | <b>\$24,123,875</b>  | <b>\$30,096,293</b>  | <b>\$26,664,153</b>  | <b>\$26,893,500</b>  | <b>\$27,876,400</b>  |
| % of General Fund    | 20 %                 | 26 %                 | 20 %                 | 21 %                 | 21 %                 |
| Per Capita           | 273                  | 341                  | 304                  | 299                  | 315                  |
| <b>Santa Clara</b>   | <b>\$58,614,758</b>  | <b>\$65,498,024</b>  | <b>\$68,772,921</b>  | <b>\$71,559,000</b>  | <b>\$75,261,000</b>  |
| % of General Fund    | 21 %                 | 27 %                 | 29 %                 | 28 %                 | 31 %                 |
| Per Capita           | 464                  | 520                  | 540                  | 554                  | 578                  |
| <b>Sunnyvale</b>     | <b>\$84,827,810</b>  | <b>\$91,839,180</b>  | <b>\$101,296,792</b> | <b>\$108,198,390</b> | <b>\$110,227,140</b> |
| % of General Fund    | 40 %                 | 47 %                 | 47 %                 | 46 %                 | 50 %                 |
| Per Capita           | 555                  | 596                  | 657                  | 697                  | 706                  |

### FY 22-23 Property Tax - \$ Per Capita\*



\*Department of Finance Population Estimates

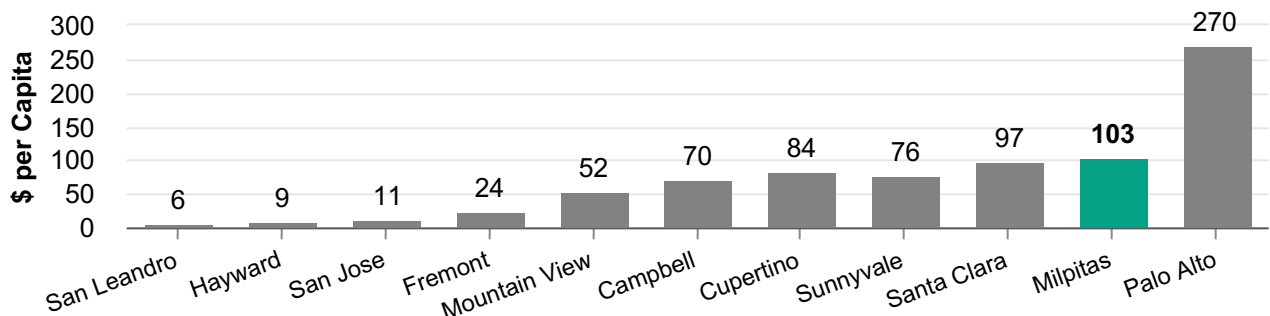


## Transient Occupancy Tax, Comparison with Other Jurisdictions\*

FY 2018-19 through FY 2022-23

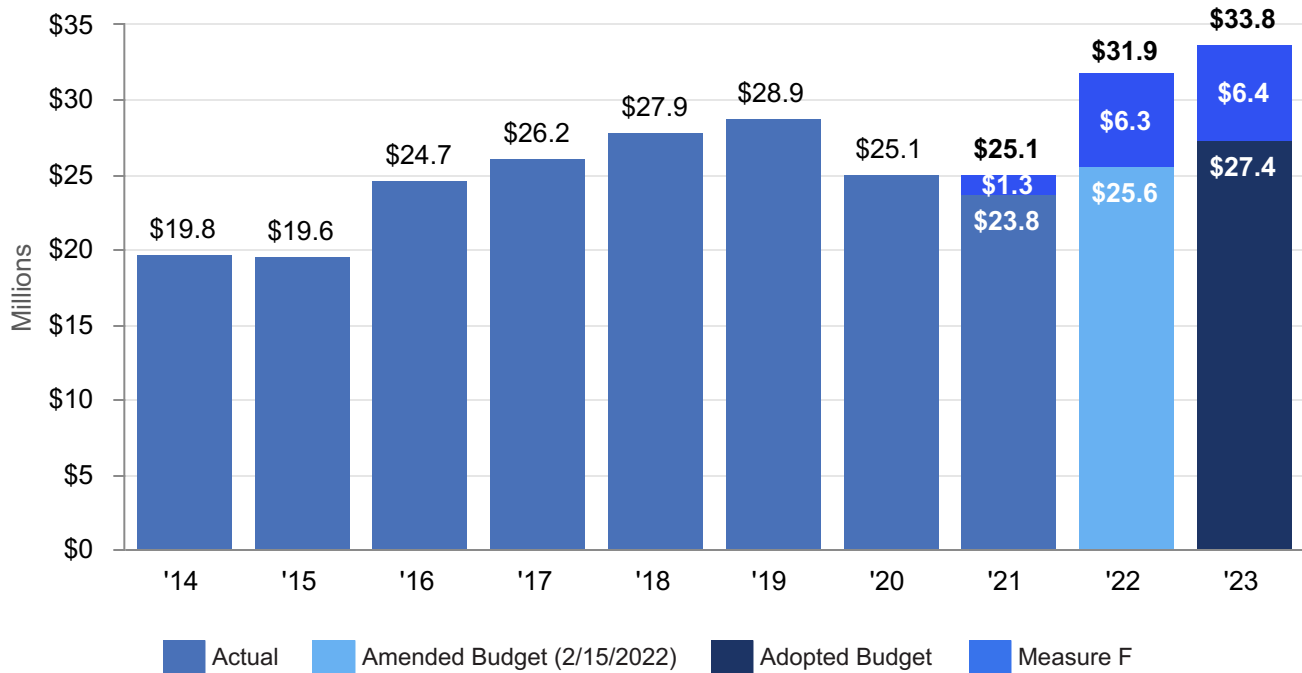
|                      | 2018-19<br>Actual   | 2019-20<br>Actual   | 2020-21<br>Actual  | 2021-22<br>Adopted  | 2022-23<br>Adopted  |
|----------------------|---------------------|---------------------|--------------------|---------------------|---------------------|
| <b>Milpitas</b>      | <b>\$14,502,737</b> | <b>\$11,376,522</b> | <b>\$4,213,326</b> | <b>\$7,713,639</b>  | <b>\$8,329,238</b>  |
| % of General Fund    | 13 %                | 11 %                | 4 %                | 7 %                 | 7 %                 |
| Per Capita           | 194                 | 150                 | 55                 | 96                  | 103                 |
| <b>Campbell</b>      | <b>\$4,768,864</b>  | <b>\$3,144,208</b>  | <b>\$1,568,908</b> | <b>\$2,000,000</b>  | <b>\$3,000,000</b>  |
| % of General Fund    | 9 %                 | 6 %                 | 3 %                | 4 %                 | 5 %                 |
| Per Capita           | 114                 | 75                  | 37                 | 46                  | 70                  |
| <b>Cupertino</b>     | <b>\$8,901,337</b>  | <b>\$7,286,083</b>  | <b>\$2,141,058</b> | <b>\$3,000,000</b>  | <b>\$5,000,000</b>  |
| % of General Fund    | 10 %                | 9 %                 | 2 %                | 3 %                 | 5 %                 |
| Per Capita           | 149                 | 123                 | 36                 | 50                  | 84                  |
| <b>Fremont</b>       | <b>\$8,292,000</b>  | <b>\$5,915,000</b>  | <b>\$2,848,472</b> | <b>\$3,368,166</b>  | <b>\$5,451,688</b>  |
| % of General Fund    | 4 %                 | 3 %                 | 1 %                | 2 %                 | 2 %                 |
| Per Capita           | 36                  | 25                  | 12                 | 15                  | 24                  |
| <b>Hayward</b>       | <b>\$2,822,564</b>  | <b>\$2,186,927</b>  | <b>\$1,000,000</b> | <b>\$700,000</b>    | <b>\$1,500,000</b>  |
| % of General Fund    | 2 %                 | 1 %                 | 1 %                | 0 %                 | 1 %                 |
| Per Capita           | 18                  | 14                  | 6                  | 4                   | 9                   |
| <b>Mountain View</b> | <b>\$7,050,530</b>  | <b>\$5,601,695</b>  | <b>\$1,917,637</b> | <b>\$3,288,600</b>  | <b>\$4,341,000</b>  |
| % of General Fund    | 5 %                 | 4 %                 | 1 %                | 2 %                 | 3 %                 |
| Per Capita           | 88                  | 69                  | 24                 | 40                  | 52                  |
| <b>Palo Alto</b>     | <b>\$25,648,696</b> | <b>\$18,553,491</b> | <b>\$5,178,992</b> | <b>\$8,427,700</b>  | <b>\$18,199,239</b> |
| % of General Fund    | 12 %                | 10 %                | 3 %                | 5 %                 | 8 %                 |
| Per Capita           | 375                 | 272                 | 76                 | 125                 | 270                 |
| <b>San Jose</b>      | <b>\$20,536,084</b> | <b>\$14,103,867</b> | <b>\$5,409,142</b> | <b>\$10,000,000</b> | <b>\$11,000,000</b> |
| % of General Fund    | 1 %                 | 1 %                 | 0 %                | 1 %                 | 1 %                 |
| Per Capita           | 20                  | 14                  | 5                  | 10                  | 11                  |
| <b>San Leandro</b>   | <b>\$965,710</b>    | <b>\$906,080</b>    | <b>\$395,831</b>   | <b>\$500,000</b>    | <b>\$515,000</b>    |
| % of General Fund    | 1 %                 | 1 %                 | 0 %                | 0 %                 | 0 %                 |
| Per Capita           | 11                  | 10                  | 5                  | 6                   | 6                   |
| <b>Santa Clara</b>   | <b>\$26,558,027</b> | <b>\$15,933,791</b> | <b>\$2,949,235</b> | <b>\$9,000,000</b>  | <b>\$12,600,000</b> |
| % of General Fund    | 9 %                 | 7 %                 | 1 %                | 4 %                 | 5 %                 |
| Per Capita           | 210                 | 127                 | 23                 | 70                  | 97                  |
| <b>Sunnyvale</b>     | <b>\$21,248,918</b> | <b>\$15,929,808</b> | <b>\$5,192,090</b> | <b>\$8,278,183</b>  | <b>\$11,893,731</b> |
| % of General Fund    | 10 %                | 8 %                 | 2 %                | 4 %                 | 5 %                 |
| Per Capita           | 139                 | 103                 | 34                 | 53                  | 76                  |

### FY 22-23 Transient Occupancy Tax - \$ Per Capita\*

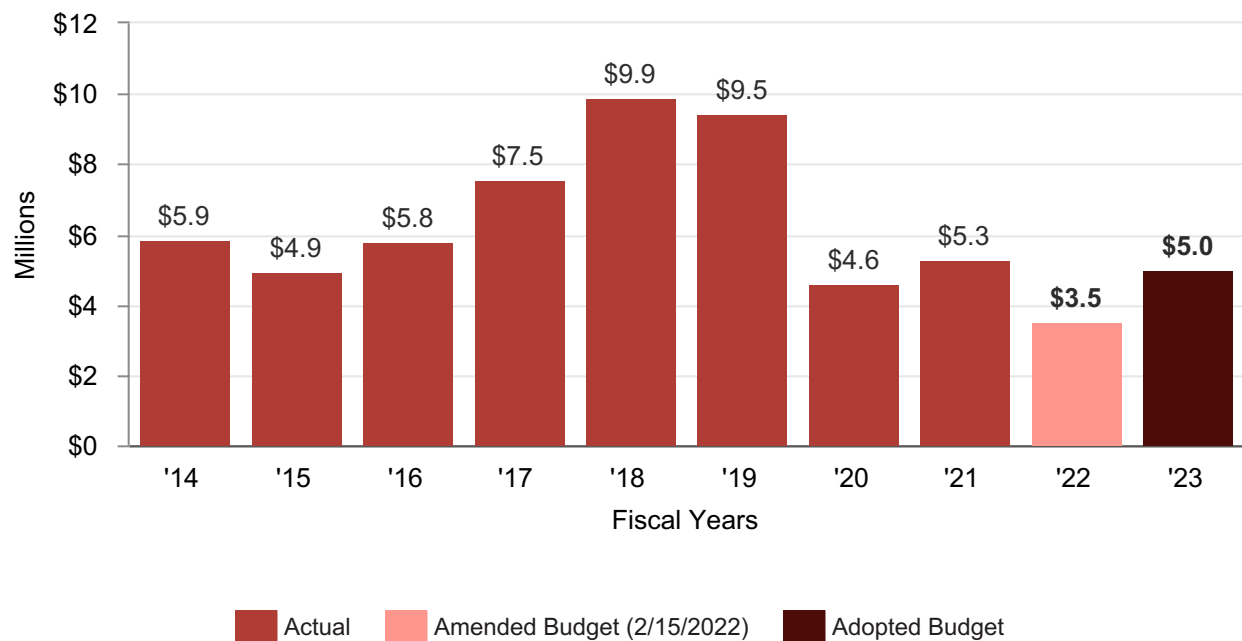


\*Department of Finance Estimates

### History of Sales Tax Revenue



### History of Building Permit Revenue

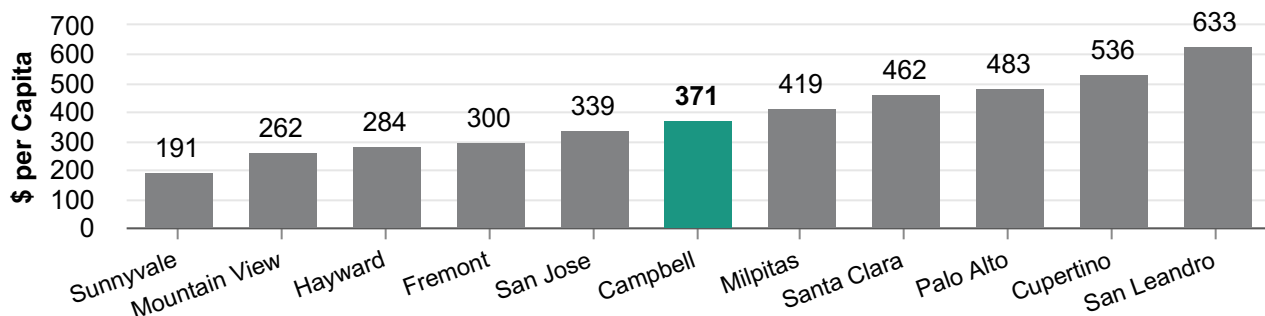


## Sales Tax, Comparison with Other Jurisdictions\*

FY 2018-19 through FY 2022-23

|                      | 2018-19<br>Actual    | 2019-20<br>Actual    | 2020-21<br>Actual    | 2021-22<br>Adopted   | 2022-23<br>Adopted   |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>Milpitas</b>      | <b>\$28,889,784</b>  | <b>\$25,058,325</b>  | <b>\$25,114,095</b>  | <b>\$31,941,250</b>  | <b>\$33,852,435</b>  |
| % of General Fund    | 26 %                 | 24 %                 | 26 %                 | 29 %                 | 29 %                 |
| Per Capita           | 386                  | 329                  | 325                  | 398                  | 419                  |
| <b>Campbell</b>      | <b>\$15,684,222</b>  | <b>\$13,493,745</b>  | <b>\$14,478,163</b>  | <b>\$15,521,900</b>  | <b>\$15,903,012</b>  |
| % of General Fund    | 29 %                 | 27 %                 | 27 %                 | 27 %                 | 26 %                 |
| Per Capita           | 376                  | 321                  | 346                  | 360                  | 371                  |
| <b>Cupertino</b>     | <b>\$24,901,779</b>  | <b>\$35,657,215</b>  | <b>\$42,576,587</b>  | <b>\$27,855,559</b>  | <b>\$31,944,089</b>  |
| % of General Fund    | 28 %                 | 45 %                 | 40 %                 | 31 %                 | 34 %                 |
| Per Capita           | 417                  | 600                  | 719                  | 465                  | 536                  |
| <b>Fremont</b>       | <b>\$64,831,000</b>  | <b>\$52,067,000</b>  | <b>\$60,430,421</b>  | <b>\$56,178,306</b>  | <b>\$68,768,003</b>  |
| % of General Fund    | 31 %                 | 26 %                 | 25 %                 | 27 %                 | 28 %                 |
| Per Capita           | 279                  | 224                  | 259                  | 245                  | 300                  |
| <b>Hayward</b>       | <b>\$36,010,642</b>  | <b>\$39,679,957</b>  | <b>\$40,075,000</b>  | <b>\$42,078,000</b>  | <b>\$45,534,000</b>  |
| % of General Fund    | 20 %                 | 23 %                 | 23 %                 | 22 %                 | 23 %                 |
| Per Capita           | 227                  | 249                  | 252                  | 260                  | 284                  |
| <b>Mountain View</b> | <b>\$24,389,890</b>  | <b>\$19,452,148</b>  | <b>\$18,057,796</b>  | <b>\$18,477,000</b>  | <b>\$21,960,000</b>  |
| % of General Fund    | 17 %                 | 14 %                 | 13 %                 | 12 %                 | 13 %                 |
| Per Capita           | 304                  | 240                  | 222                  | 222                  | 262                  |
| <b>Palo Alto</b>     | <b>\$36,507,728</b>  | <b>\$30,563,248</b>  | <b>\$29,127,330</b>  | <b>\$28,118,360</b>  | <b>\$32,580,000</b>  |
| % of General Fund    | 18 %                 | 16 %                 | 16 %                 | 15 %                 | 15 %                 |
| Per Capita           | 533                  | 448                  | 427                  | 417                  | 483                  |
| <b>San Jose</b>      | <b>\$263,530,326</b> | <b>\$260,558,394</b> | <b>\$284,020,471</b> | <b>\$280,200,000</b> | <b>\$331,000,000</b> |
| % of General Fund    | 19 %                 | 22 %                 | 21 %                 | 23 %                 | 24 %                 |
| Per Capita           | 252                  | 250                  | 273                  | 283                  | 339                  |
| <b>San Leandro</b>   | <b>\$45,865,704</b>  | <b>\$44,654,873</b>  | <b>\$49,574,000</b>  | <b>\$52,927,000</b>  | <b>\$55,995,000</b>  |
| % of General Fund    | 39 %                 | 38 %                 | 38 %                 | 41 %                 | 42 %                 |
| Per Capita           | 519                  | 506                  | 564                  | 589                  | 633                  |
| <b>Santa Clara</b>   | <b>\$68,797,353</b>  | <b>\$55,269,669</b>  | <b>\$56,178,097</b>  | <b>\$58,183,000</b>  | <b>\$60,173,000</b>  |
| % of General Fund    | 24 %                 | 23 %                 | 23 %                 | 23 %                 | 25 %                 |
| Per Capita           | 544                  | 439                  | 441                  | 451                  | 462                  |
| <b>Sunnyvale</b>     | <b>\$32,219,912</b>  | <b>\$27,118,152</b>  | <b>\$26,089,903</b>  | <b>\$30,569,555</b>  | <b>\$29,876,069</b>  |
| % of General Fund    | 15 %                 | 14 %                 | 12 %                 | 13 %                 | 14 %                 |
| Per Capita           | 211                  | 176                  | 169                  | 197                  | 191                  |

### FY 22-23 Sales Tax - \$ Per Capita\*



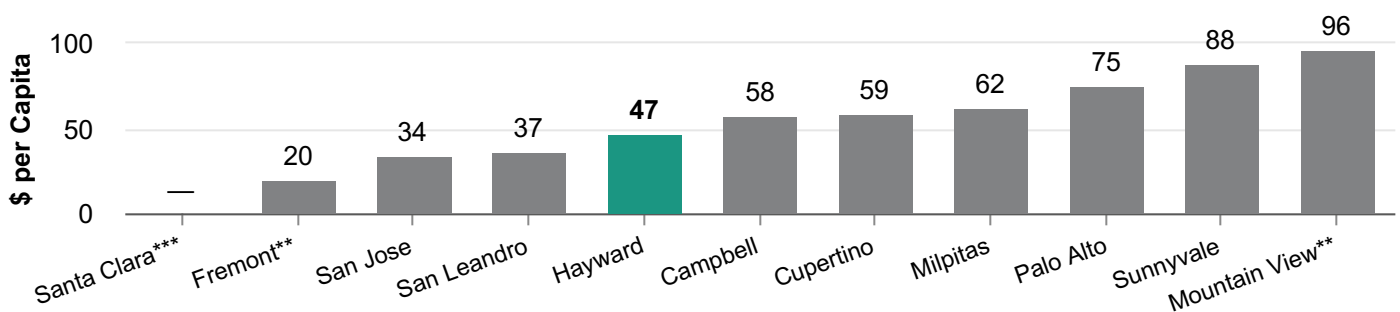
\*Department of Finance Estimates

## Building Permits, Comparison with Other Jurisdictions\*

FY 2018-19 through FY 2022-23

|                        | 2018-19<br>Actual   | 2019-20<br>Actual   | 2020-21<br>Actual   | 2021-22<br>Adopted  | 2022-23<br>Adopted  |
|------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Milpitas</b>        | <b>\$9,451,604</b>  | <b>\$4,585,232</b>  | <b>\$5,268,786</b>  | <b>\$3,540,115</b>  | <b>\$5,000,000</b>  |
| % of General Fund      | 8 %                 | 4 %                 | 5 %                 | 3 %                 | 4 %                 |
| Per Capita             | 126                 | 60                  | 68                  | 44                  | 62                  |
| <b>Campbell</b>        | <b>\$1,391,341</b>  | <b>\$1,596,158</b>  | <b>\$1,995,966</b>  | <b>\$1,987,556</b>  | <b>\$2,478,000</b>  |
| % of General Fund      | 3 %                 | 3 %                 | 4 %                 | 3 %                 | 4 %                 |
| Per Capita             | 33                  | 38                  | 48                  | 46                  | 58                  |
| <b>Cupertino</b>       | <b>\$4,102,665</b>  | <b>\$4,692,845</b>  | <b>\$4,068,238</b>  | <b>\$3,140,195</b>  | <b>\$3,541,012</b>  |
| % of General Fund      | 5 %                 | 6 %                 | 4 %                 | 4 %                 | 4 %                 |
| Per Capita             | 69                  | 79                  | 69                  | 52                  | 59                  |
| <b>Fremont**</b>       | <b>\$9,676,246</b>  | <b>\$5,738,351</b>  | <b>\$4,108,329</b>  | <b>\$4,048,229</b>  | <b>\$4,648,229</b>  |
| % of General Fund      | 5 %                 | 3 %                 | 2 %                 | 2 %                 | 2 %                 |
| Per Capita             | 42                  | 25                  | 18                  | 18                  | 20                  |
| <b>Hayward</b>         | <b>\$3,914,605</b>  | <b>\$3,246,560</b>  | <b>\$7,099,000</b>  | <b>\$6,869,000</b>  | <b>\$7,509,000</b>  |
| % of General Fund      | 2 %                 | 2 %                 | 4 %                 | 4 %                 | 4 %                 |
| Per Capita             | 25                  | 20                  | 45                  | 42                  | 47                  |
| <b>Mountain View**</b> | <b>\$8,483,810</b>  | <b>\$6,149,575</b>  | <b>\$7,150,337</b>  | <b>\$8,065,100</b>  | <b>\$8,075,100</b>  |
| % of General Fund      | 6 %                 | 4 %                 | 5 %                 | 5 %                 | 5 %                 |
| Per Capita             | 106                 | 76                  | 88                  | 97                  | 96                  |
| <b>Palo Alto</b>       | <b>\$4,666,891</b>  | <b>\$3,931,913</b>  | <b>\$4,024,352</b>  | <b>\$4,609,399</b>  | <b>\$5,056,159</b>  |
| % of General Fund      | 2 %                 | 2 %                 | 2 %                 | 3 %                 | 2 %                 |
| Per Capita             | 68                  | 58                  | 59                  | 68                  | 75                  |
| <b>San Jose</b>        | <b>\$36,727,607</b> | <b>\$36,249,608</b> | <b>\$34,799,861</b> | <b>\$32,178,325</b> | <b>\$33,626,338</b> |
| % of General Fund      | 3 %                 | 3 %                 | 3 %                 | 3 %                 | 2 %                 |
| Per Capita             | 35                  | 35                  | 33                  | 32                  | 34                  |
| <b>San Leandro</b>     | <b>\$2,591,389</b>  | <b>\$3,280,028</b>  | <b>\$3,290,000</b>  | <b>\$3,250,900</b>  | <b>\$3,260,900</b>  |
| % of General Fund      | 2 %                 | 3 %                 | 2 %                 | 3 %                 | 2 %                 |
| Per Capita             | 29                  | 37                  | 37                  | 36                  | 37                  |
| <b>Santa Clara</b>     | <b>\$8,270,925</b>  | <b>\$4,768,771</b>  | <b>\$9,464,865</b>  | <b>\$0</b>          | <b>\$0</b>          |
| % of General Fund      | 3 %                 | 2 %                 | 4 %                 | 0 %                 | 0 %                 |
| Per Capita             | 65                  | 38                  | 74                  | —                   | —                   |
| <b>Sunnyvale</b>       | <b>\$15,939,900</b> | <b>\$14,024,473</b> | <b>\$9,831,528</b>  | <b>\$13,865,201</b> | <b>\$13,735,905</b> |
| % of General Fund      | 8 %                 | 7 %                 | 5 %                 | 6 %                 | 6 %                 |
| Per Capita             | 104                 | 91                  | 64                  | 89                  | 88                  |

### FY 22-23 Building Permits - \$ Per Capita\*

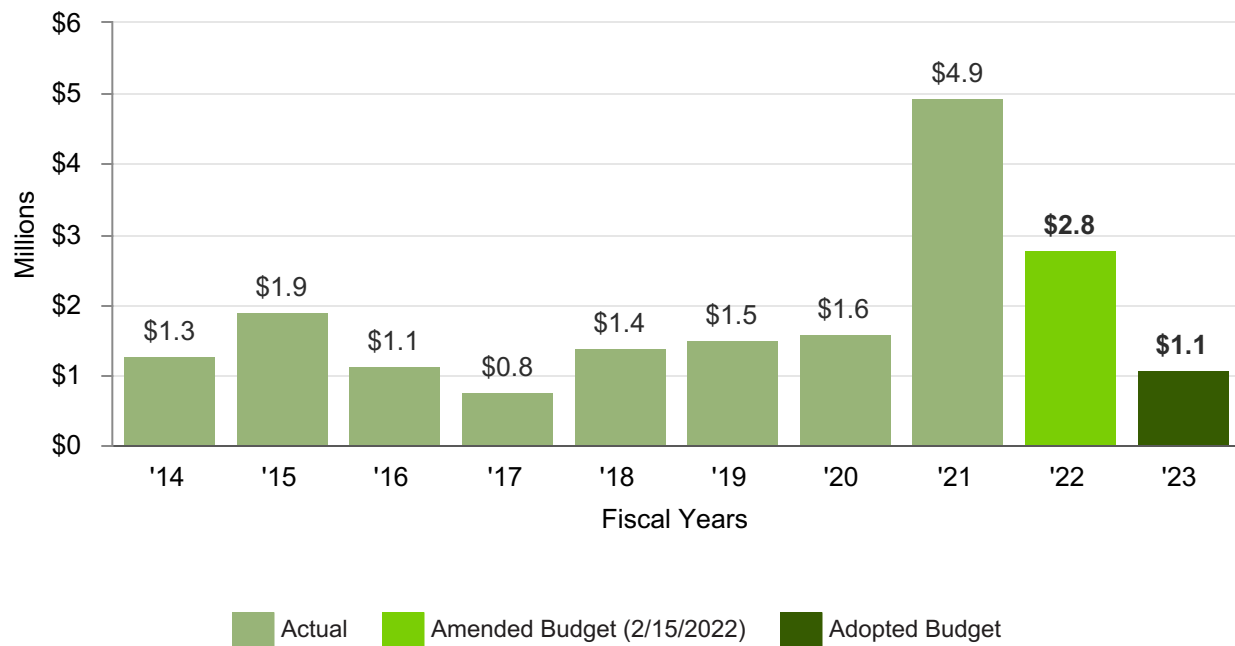


\*Department of Finance Estimates

\*\*Building permits are not part of General Fund but are included for comparison purposes

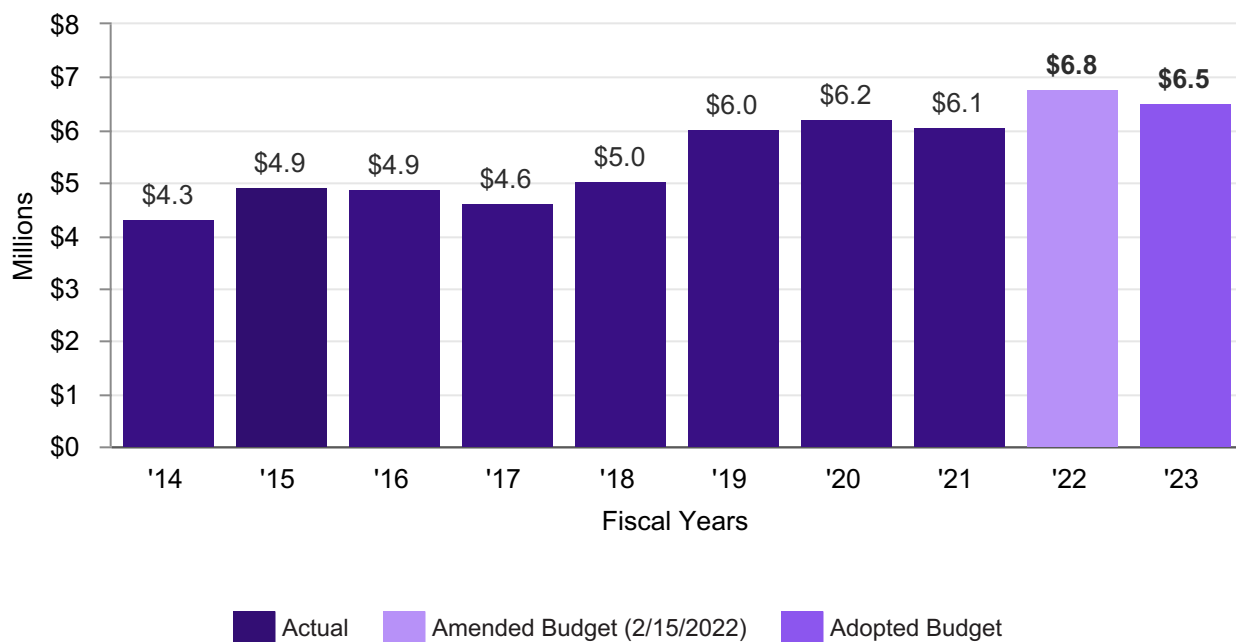
\*\*\*Building-related revenues are not reflected in the General Fund.

## History of Intergovernmental Revenue



\*Significant decrease in FY22 and FY23 is due to gradual expiration of SAFER Grant and Coronavirus Grants from Federal Government.

## History of "Other" Tax Revenue

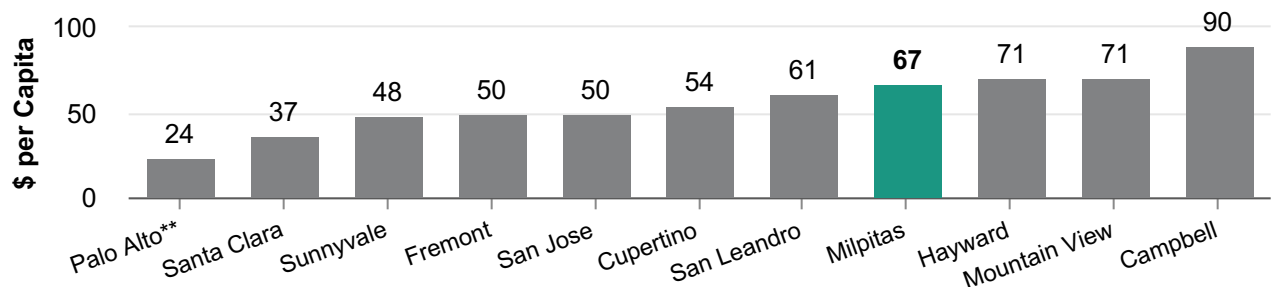


## Franchise Fees, Comparison with Other Jurisdictions\*

FY 2018-19 through FY 2022-23

|                      | 2018-19<br>Actual   | 2019-20<br>Actual   | 2020-21<br>Actual   | 2021-22<br>Adopted  | 2022-23<br>Adopted  |
|----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Milpitas</b>      | <b>\$5,127,311</b>  | <b>\$5,173,191</b>  | <b>\$5,035,476</b>  | <b>\$5,751,133</b>  | <b>\$5,448,428</b>  |
| % of General Fund    | 5 %                 | 5 %                 | 5 %                 | 5 %                 | 5 %                 |
| Per Capita           | 69                  | 68                  | 65                  | 72                  | 67                  |
| <b>Campbell</b>      | <b>\$3,515,547</b>  | <b>\$3,527,926</b>  | <b>\$3,458,300</b>  | <b>\$3,881,019</b>  | <b>\$3,859,300</b>  |
| % of General Fund    | 6 %                 | 7 %                 | 6 %                 | 7 %                 | 6 %                 |
| Per Capita           | 84                  | 84                  | 83                  | 90                  | 90                  |
| <b>Cupertino</b>     | <b>\$3,445,253</b>  | <b>\$3,418,909</b>  | <b>\$3,368,287</b>  | <b>\$3,380,986</b>  | <b>\$3,230,101</b>  |
| % of General Fund    | 4 %                 | 4 %                 | 3 %                 | 4 %                 | 3 %                 |
| Per Capita           | 58                  | 58                  | 57                  | 56                  | 54                  |
| <b>Fremont</b>       | <b>\$10,112,000</b> | <b>\$10,421,000</b> | <b>\$10,727,019</b> | <b>\$10,720,284</b> | <b>\$11,425,763</b> |
| % of General Fund    | 5 %                 | 5 %                 | 5 %                 | 5 %                 | 5 %                 |
| Per Capita           | 44                  | 45                  | 46                  | 47                  | 50                  |
| <b>Hayward</b>       | <b>\$9,730,174</b>  | <b>\$10,581,959</b> | <b>\$11,150,000</b> | <b>\$10,590,000</b> | <b>\$11,360,000</b> |
| % of General Fund    | 5 %                 | 6 %                 | 6 %                 | 6 %                 | 6 %                 |
| Per Capita           | 61                  | 66                  | 70                  | 65                  | 71                  |
| <b>Mountain View</b> | <b>\$5,293,472</b>  | <b>\$5,457,701</b>  | <b>\$5,245,357</b>  | <b>\$5,830,500</b>  | <b>\$5,944,400</b>  |
| % of General Fund    | 4 %                 | 4 %                 | 4 %                 | 4 %                 | 4 %                 |
| Per Capita           | 66                  | 67                  | 65                  | 70                  | 71                  |
| <b>Palo Alto**</b>   | <b>\$1,732,528</b>  | <b>\$1,665,836</b>  | <b>\$1,576,173</b>  | <b>\$1,600,000</b>  | <b>\$1,600,000</b>  |
| % of General Fund    | 1 %                 | 1 %                 | 1 %                 | 1 %                 | 1 %                 |
| Per Capita           | 25                  | 24                  | 23                  | 24                  | 24                  |
| <b>San Jose</b>      | <b>\$48,397,444</b> | <b>\$44,435,817</b> | <b>\$45,628,289</b> | <b>\$44,651,652</b> | <b>\$49,168,393</b> |
| % of General Fund    | 3 %                 | 4 %                 | 3 %                 | 4 %                 | 4 %                 |
| Per Capita           | 46                  | 43                  | 44                  | 45                  | 50                  |
| <b>San Leandro</b>   | <b>\$5,192,137</b>  | <b>\$5,648,899</b>  | <b>\$5,844,000</b>  | <b>\$5,270,000</b>  | <b>\$5,365,000</b>  |
| % of General Fund    | 4 %                 | 5 %                 | 4 %                 | 4 %                 | 4 %                 |
| Per Capita           | 59                  | 64                  | 67                  | 59                  | 61                  |
| <b>Santa Clara</b>   | <b>\$5,335,853</b>  | <b>\$4,529,679</b>  | <b>\$4,332,635</b>  | <b>\$4,630,000</b>  | <b>\$4,780,000</b>  |
| % of General Fund    | 2 %                 | 2 %                 | 2 %                 | 2 %                 | 2 %                 |
| Per Capita           | 42                  | 36                  | 34                  | 36                  | 37                  |
| <b>Sunnyvale</b>     | <b>\$6,976,089</b>  | <b>\$7,179,493</b>  | <b>\$6,979,663</b>  | <b>\$7,485,026</b>  | <b>\$7,507,779</b>  |
| % of General Fund    | 3 %                 | 4 %                 | 3 %                 | 3 %                 | 3 %                 |
| Per Capita           | 46                  | 47                  | 45                  | 48                  | 48                  |

### FY 22-23 Franchise Fees - \$ Per Capita\*



\*Department of Finance Estimates

\*\*Franchise fees are not part of the General Fund but are included for comparison purposes

## Expenditures by Fund

|   | 2019-20<br>Actual | 2020-21<br>Actual | 2021-22<br>Adopted | 2022-23<br>Adopted |
|---|-------------------|-------------------|--------------------|--------------------|
| <b>100</b> General Fund .....                   | \$111,162,757     | \$141,343,144     | \$110,435,632      | \$117,280,000      |
| <b>103</b> 1452-1474 S. Main .....              | 64,724            | 34,214            | 61,000             | 64,000             |
| <b>105</b> Abandon Veh Abatement .....          | 60,578            | 94,083            | 10,000             | 10,000             |
| <b>109</b> Utility Rate Assistance .....        | 5,540             | 14,349            | 256,700            | 256,700            |
| <b>150</b> Redevelopment Administration .....   | 27,740            | 15,793            | 16,315             | 16,270             |
| <b>211</b> H-Hetch Ground Lease .....           | 35,258            | 36,209            | 37,500             | 39,000             |
| <b>213</b> Public Art Fund-Nonrestricted .....  | 9,587             | 97,500            | 273,500            | 145,466            |
| <b>214</b> Community Planning Fee Fund .....    | 664,988           | 909,165           | 826,768            | 530,533            |
| <b>215</b> Community Benefit Fund .....         | 0                 | 0                 | 0                  | 0                  |
| <b>216</b> Affordable Housing Fund .....        | 176,420           | 636,750           | 692,742            | 1,194,209          |
| <b>221</b> Gas Tax Fund .....                   | 5,244,458         | 1,991,659         | 2,194,515          | 973,026            |
| <b>222</b> Measure B .....                      | 0                 | 0                 | 0                  | 0                  |
| <b>225</b> SB1 Road Maintenance & Rehab .....   | 0                 | 0                 | 1,500,000          | 1,444,414          |
| <b>235</b> 95-1 Lighting/Lscape Dist .....      | 488,462           | 407,232           | 382,549            | 407,017            |
| <b>236</b> 98-1 Lighting/Lscape Dist .....      | 52,390            | 36,582            | 58,650             | 66,139             |
| <b>237</b> 05 Community Fclty Dist .....        | 898,188           | 1,085,225         | 1,439,385          | 1,764,888          |
| <b>238</b> 08 Community Fclty Dist .....        | 1,661,933         | 2,293,813         | 2,463,179          | 2,935,942          |
| <b>250</b> HCD Fund .....                       | 397,259           | 1,473,732         | 1,265,213          | 660,871            |
| <b>251</b> HCD Loan .....                       | 8                 | 0                 | 0                  | 0                  |
| <b>261</b> Supplemental Law Enforcement .....   | 212,342           | 163,315           | 0                  | 0                  |
| <b>262</b> State Asset Seizure .....            | 0                 | 0                 | 90,000             | 30,000             |
| <b>263</b> Federal Asset Seizure .....          | 0                 | 0                 | 90,000             | 30,000             |
| <b>267</b> Justice Assistance Grant .....       | 34,082            | 141,292           | 0                  | 0                  |
| <b>268</b> Justice Assistance Grant 2009 .....  | 25,714            | 97,858            | 0                  | 0                  |
| <b>269</b> Grant Fund .....                     | 0                 | 18,290            | 0                  | 0                  |
| <b>280</b> Solid Waste Services .....           | 243,201           | 619,442           | 970,527            | 942,390            |
| <b>295</b> Housing Authority .....              | 795,197           | 407,578           | 952,973            | 674,612            |
| <b>310</b> Street Fund .....                    | 164,092           | 1,610,661         | 0                  | 300,000            |
| <b>311</b> Street CIP .....                     | 7,961,025         | 2,820,601         | 4,450,000          | 4,384,000          |
| <b>314</b> Vehicle Registration Fee .....       | 264,432           | 0                 | 764,432            | 500,000            |
| <b>317</b> Milpitas Business Pk Impact Fe ..... | 0                 | 0                 | 0                  | 0                  |
| <b>320</b> Park Improvement Fund .....          | 0                 | 954,656           | 35,000             | 655,000            |
| <b>321</b> Park Improvement CIP .....           | 7,731,573         | 5,503,071         | 135,000            | 580,000            |
| <b>322</b> Midtown Park Fund .....              | 75,000            | 300,000           | 450,000            | 575,000            |
| <b>330</b> General Government .....             | 2,279,036         | 4,030,333         | 3,110,440          | 4,597,000          |



## Expenditures by Fund

|  | 2019-20<br>Actual     | 2020-21<br>Actual     | 2021-22<br>Adopted    | 2022-23<br>Adopted    |
|--|-----------------------|-----------------------|-----------------------|-----------------------|
| 331 General Government CIP.....              | 7,367,537             | 14,991,102            | 5,991,932             | 6,851,000             |
| 334 2020 Fire Station Bonds.....             | 0                     | 346,658               | 0                     | 0                     |
| 340 Storm Drain Development.....             | 0                     | 0                     | 0                     | 0                     |
| 341 Storm Drain CIP.....                     | 1,872,108             | 2,338,379             | 0                     | 200,000               |
| 350 Transit Area Impact Fee Fund.....        | 6,501,273             | 11,316,251            | 3,493,429             | 3,688,659             |
| 351 Transit Area Impact Fee CIP Fund.....    | 4,210,743             | 1,085,311             | 3,400,000             | 3,499,000             |
| 400 Water M & O Fund.....                    | 26,380,537            | 21,529,448            | 28,306,246            | 31,253,463            |
| 401 Water CIP.....                           | 2,136,781             | 8,282,303             | 2,090,000             | 1,515,000             |
| 402 Water Line Extension Fund.....           | 0                     | 0                     | 0                     | 0                     |
| 403 2019 Water Bonds.....                    | 263,144               | 0                     | 0                     | 0                     |
| 405 Water Infrastructure Replmnt.....        | 798,259               | 885,912               | 3,220,050             | 2,824,050             |
| 450 Sewer M & O Fund.....                    | 11,563,288            | 15,020,182            | 15,083,053            | 16,474,533            |
| 451 Sewer CIP.....                           | 23,796,569            | 2,876,888             | 6,480,000             | 6,947,000             |
| 452 Treatment Plant Construction.....        | 0                     | 0                     | 0                     | 6,300,000             |
| 454 2019 Wastewater Bonds.....               | 326,527               | 0                     | 2,062,755             | 0                     |
| 455 Sewer Infrastrture Replmnt.....          | 0                     | 129,910               | 4,633,730             | 909,000               |
| 500 Equipment Mgnt Fund.....                 | 1,856,047             | 3,227,474             | 3,047,834             | 3,723,503             |
| 505 Information Tec Replmt.....              | 0                     | 315,828               | 250,000               | 250,000               |
| 506 Permit Automation Fund.....              | 0                     | 1,303,493             | 820,395               | 1,020,518             |
| <b>TOTAL</b>                                 | <b>\$ 227,808,797</b> | <b>\$ 250,785,686</b> | <b>\$ 211,841,444</b> | <b>\$ 226,512,203</b> |
| Less Interfund Operating Transfers*          |                       |                       | (16,672,304)          | (18,732,000)          |
| <b>TOTAL BUDGET SUMMARY<br/>EXPENDITURES</b> |                       |                       | <b>\$ 195,169,140</b> | <b>\$ 207,780,203</b> |

\*Interfund Operating Transfers are transfers within the same fund group on the Budget Summary

## Expenditures by Fund (Detail)

| FUND/FUNCTION                                    | Personal Services | Supplies Contractual Services | Capital Outlay | Debt Service | Capital Improvements | Operating Transfers Out | Total      |
|--|-------------------|-------------------------------|----------------|--------------|----------------------|-------------------------|------------|
| <b>GENERAL FUND (100)</b>                        |                   |                               |                |              |                      |                         |            |
| City Council .....                               | \$348,723         | \$209,000                     | \$0            | \$0          | \$0                  | \$0                     | \$557,723  |
| City Manager .....                               | 1,834,015         | 315,350                       | 0              | 0            | 0                    | 0                       | 2,149,365  |
| City Clerk .....                                 | 527,660           | 40,000                        | 0              | 0            | 0                    | 0                       | 567,660    |
| Economic Development .....                       | 764,737           | 201,110                       | 0              | 0            | 0                    | 0                       | 965,847    |
| City Attorney .....                              | 827,846           | 371,100                       | 0              | 0            | 0                    | 0                       | 1,198,946  |
| Building Inspection .....                        | 2,270,659         | 64,577                        | 0              | 0            | 0                    | 0                       | 2,335,236  |
| Building Safety and Housing Administration ..... | 685,904           | 11,000                        | 0              | 0            | 0                    | 0                       | 696,904    |
| Housing and Neighborhood Svcs .....              | 609,548           | 594,427                       | 0              | 0            | 0                    | 0                       | 1,203,975  |
| Permit Center .....                              | 460,278           | 12,000                        | 0              | 0            | 0                    | 0                       | 472,278    |
| Plan Review .....                                | 1,254,470         | 212,600                       | 0              | 0            | 0                    | 0                       | 1,467,070  |
| Design & Construction .....                      | 1,564,940         | 7,480                         | 0              | 0            | 0                    | 0                       | 1,572,420  |
| Engineering Administration .....                 | 319,517           | 20,338                        | 0              | 0            | 0                    | 0                       | 339,855    |
| Land Development .....                           | 1,223,700         | 171,250                       | 0              | 0            | 0                    | 0                       | 1,394,950  |
| Traffic Engineering .....                        | 547,686           | 116,445                       | 0              | 0            | 0                    | 0                       | 664,131    |
| Finance Administration .....                     | 1,837,389         | 346,409                       | 0              | 0            | 0                    | 0                       | 2,183,798  |
| Finance Operations .....                         | 1,740,675         | 60,590                        | 0              | 0            | 0                    | 0                       | 1,801,265  |
| Fiscal Services-Utilities .....                  | 275,780           | 108,250                       | 0              | 0            | 0                    | 0                       | 384,030    |
| EMS Transport Services .....                     | 0                 | 68,627                        | 37,728         | 0            | 0                    | 0                       | 106,355    |
| Fire Administration .....                        | 1,811,289         | 80,191                        | 0              | 0            | 0                    | 0                       | 1,891,480  |
| Fire Prevention .....                            | 2,626,114         | 25,800                        | 0              | 0            | 0                    | 0                       | 2,651,914  |
| Fire Prevention Administration .....             | 977,788           | 61,186                        | 0              | 0            | 0                    | 0                       | 1,038,974  |
| Office of Emergency Management .....             | 212,673           | 39,500                        | 0              | 0            | 0                    | 0                       | 252,173    |
| Operations Division .....                        | 19,419,198        | 2,577,012                     | 251,763        | 0            | 0                    | 0                       | 22,247,973 |
| Human Resources .....                            | 1,418,862         | 518,722                       | 0              | 0            | 0                    | 0                       | 1,937,584  |
| Information Technology .....                     | 2,563,103         | 1,528,841                     | 0              | 0            | 0                    | 0                       | 4,091,944  |
| Long Range Planning .....                        | 39,857            | 0                             | 0              | 0            | 0                    | 0                       | 39,857     |
| Planning .....                                   | 1,828,756         | 59,200                        | 0              | 0            | 0                    | 0                       | 1,887,956  |
| Communications .....                             | 4,523,352         | 304,295                       | 0              | 0            | 0                    | 0                       | 4,827,647  |
| Community Relations .....                        | 1,029,138         | 26,763                        | 0              | 0            | 0                    | 0                       | 1,055,901  |
| Crossing Guards .....                            | 510,946           | 2,000                         | 0              | 0            | 0                    | 0                       | 512,946    |
| Investigations .....                             | 4,680,529         | 382,183                       | 8,026          | 0            | 0                    | 0                       | 5,070,738  |
| Patrol Services .....                            | 20,392,218        | 887,549                       | 66,139         | 0            | 0                    | 0                       | 21,345,906 |
| Personnel & Training .....                       | 389,631           | 213,175                       | 0              | 0            | 0                    | 0                       | 602,806    |
| Police Administration .....                      | 1,223,081         | 15,073                        | 0              | 0            | 0                    | 0                       | 1,238,154  |
| Records .....                                    | 1,268,219         | 232,867                       | 0              | 0            | 0                    | 0                       | 1,501,086  |
| Traffic .....                                    | 1,682,257         | 87,763                        | 0              | 0            | 0                    | 0                       | 1,770,020  |
| Compliance .....                                 | 68,056            | 295,854                       | 0              | 0            | 0                    | 0                       | 363,910    |

| FUND/FUNCTION                             | Personal Services | Supplies Contractual Services | Capital Outlay | Debt Service     | Capital Improvements | Operating Transfers Out | Total              |
|---|-------------------|-------------------------------|----------------|------------------|----------------------|-------------------------|--------------------|
| Facilities Maintenance .....              | 1,741,463         | 1,048,375                     | 0              | 0                | 0                    | 0                       | 2,789,838          |
| Park Maintenance .....                    | 99,740            | 1,165,889                     | 0              | 0                | 0                    | 0                       | 1,265,629          |
| Public Works Administration .....         | 723,964           | 100,180                       | 0              | 0                | 0                    | 0                       | 824,144            |
| Solid Waste Services .....                | 8,000             | 56,000                        | 0              | 0                | 0                    | 0                       | 64,000             |
| Street Maintenance .....                  | 1,348,342         | 525,521                       | 7,662          | 0                | 0                    | 0                       | 1,881,525          |
| Trees & Landscape Mnt .....               | 944,264           | 540,701                       | 0              | 0                | 0                    | 0                       | 1,484,965          |
| Utility Maintenance .....                 | 794,851           | 223,302                       | 0              | 0                | 0                    | 0                       | 1,018,153          |
| Aquatics .....                            | 397,040           | 11,300                        | 0              | 0                | 0                    | 0                       | 408,340            |
| General Classes .....                     | 109,113           | 269,599                       | 0              | 0                | 0                    | 0                       | 378,712            |
| Marketing .....                           | 181,111           | 77,200                        | 0              | 0                | 0                    | 0                       | 258,311            |
| Performing Arts .....                     | 0                 | 79,900                        | 0              | 0                | 0                    | 0                       | 79,900             |
| Recreation Administration ..              | 1,656,008         | 155,092                       | 0              | 0                | 0                    | 0                       | 1,811,100          |
| Senior Services .....                     | 449,391           | 241,518                       | 0              | 0                | 0                    | 0                       | 690,909            |
| Social Services .....                     | 143,288           | 49,000                        | 0              | 0                | 0                    | 0                       | 192,288            |
| Special Events .....                      | 181,977           | 347,418                       | 0              | 0                | 0                    | 0                       | 529,395            |
| Sports & Fitness .....                    | 540,340           | 35,759                        | 0              | 0                | 0                    | 0                       | 576,099            |
| Youth Programs .....                      | 900,188           | 144,740                       | 0              | 0                | 0                    | 0                       | 1,044,928          |
| Equipment to be Depreciated .....         | 0                 | 0                             | 0              | 0                | 0                    | 0                       | 0                  |
| Non-Departmental .....                    | (465,875)         | 6,518,196                     | 0              | 0                | 0                    | 0                       | 6,052,321          |
| Transfers Out .....                       | 0                 | 0                             | 0              | 0                | 0                    | 341,866                 | 341,866            |
| <b>sub-total (100)</b>                    | <b>93,511,799</b> | <b>21,858,217</b>             | <b>371,318</b> | <b>1,196,800</b> | <b>0</b>             | <b>341,866</b>          | <b>117,280,000</b> |
| <b>1452-1474 S. MAIN (103)</b>            |                   |                               |                |                  |                      |                         |                    |
| 1452 S. Main Street Properties .....      | 0                 | 64,000                        | 0              | 0                | 0                    | 0                       | 64,000             |
| <b>sub-total (103)</b>                    | <b>0</b>          | <b>64,000</b>                 | <b>0</b>       | <b>0</b>         | <b>0</b>             | <b>0</b>                | <b>64,000</b>      |
| <b>ABANDON VEHICLE ABATEMENT (105)</b>    |                   |                               |                |                  |                      |                         |                    |
| Traffic .....                             | 10,000            | 0                             | 0              | 0                | 0                    | 0                       | 10,000             |
| <b>sub-total (105)</b>                    | <b>10,000</b>     | <b>0</b>                      | <b>0</b>       | <b>0</b>         | <b>0</b>             | <b>0</b>                | <b>10,000</b>      |
| <b>UTILITY RATE ASSISTANCE (109)</b>      |                   |                               |                |                  |                      |                         |                    |
| Non-Departmental .....                    | 0                 | 256,700                       | 0              | 0                | 0                    | 0                       | 256,700            |
| <b>sub-total (109)</b>                    | <b>0</b>          | <b>256,700</b>                | <b>0</b>       | <b>0</b>         | <b>0</b>             | <b>0</b>                | <b>256,700</b>     |
| <b>REDEVELOPMENT ADMINISTRATION (150)</b> |                   |                               |                |                  |                      |                         |                    |
| Finance Administration .....              | 3,944             | 0                             | 0              | 0                | 0                    | 0                       | 3,944              |
| Finance Operations .....                  | 10,959            | 0                             | 0              | 0                | 0                    | 0                       | 10,959             |
| Fiscal Services-Utilities .....           | 367               | 0                             | 0              | 0                | 0                    | 0                       | 367                |
| <b>sub-total (150)</b>                    | <b>15,270</b>     | <b>1,000</b>                  | <b>0</b>       | <b>0</b>         | <b>0</b>             | <b>0</b>                | <b>16,270</b>      |

## Financial Information

| FUND/FUNCTION                                    | Personal Services | Supplies Contractual Services | Capital Outlay | Debt Service | Capital Improvements | Operating Transfers Out | Total            |
|--|-------------------|-------------------------------|----------------|--------------|----------------------|-------------------------|------------------|
| <b>HETCH HETCHY GROUND LEASE (211)</b>           |                   |                               |                |              |                      |                         |                  |
| Non-Departmental .....                           | 0                 | 39,000                        | 0              | 0            | 0                    | 0                       | 39,000           |
| <b>sub-total (211)</b>                           | <b>0</b>          | <b>39,000</b>                 | <b>0</b>       | <b>0</b>     | <b>0</b>             | <b>0</b>                | <b>39,000</b>    |
| <b>PUBLIC ART FUND-NONRESTRICTED (213)</b>       |                   |                               |                |              |                      |                         |                  |
| Recreation Administration ..                     | 15,466            | 0                             | 0              | 0            | 0                    | 0                       | 15,466           |
| Transfers Out .....                              | 0                 | 0                             | 0              | 0            | 0                    | 130,000                 | 130,000          |
| <b>sub-total (213)</b>                           | <b>15,466</b>     | <b>0</b>                      | <b>0</b>       | <b>0</b>     | <b>0</b>             | <b>130,000</b>          | <b>145,466</b>   |
| <b>COMMUNITY PLANNING FEE FUND (214)</b>         |                   |                               |                |              |                      |                         |                  |
| Long Range Planning .....                        | 225,856           | 0                             | 0              | 0            | 0                    | 0                       | 225,856          |
| Planning .....                                   | 104,677           | 0                             | 0              | 0            | 0                    | 0                       | 104,677          |
| Non-Departmental .....                           | 0                 | 0                             | 0              | 0            | 0                    | 0                       | 0                |
| Transfers Out .....                              | 0                 | 0                             | 0              | 0            | 0                    | 200,000                 | 200,000          |
| <b>sub-total (214)</b>                           | <b>330,533</b>    | <b>0</b>                      | <b>0</b>       | <b>0</b>     | <b>0</b>             | <b>200,000</b>          | <b>530,533</b>   |
| <b>AFFORDABLE HOUSING FUND (216)</b>             |                   |                               |                |              |                      |                         |                  |
| City Manager .....                               | 35,165            | 0                             | 0              | 0            | 0                    | 0                       | 35,165           |
| Planning .....                                   | 93,142            | 0                             | 0              | 0            | 0                    | 0                       | 93,142           |
| Building Safety and Housing Administration ..... | 181,410           | 0                             | 0              | 0            | 0                    | 0                       | 181,410          |
| City Attorney .....                              | 0                 | 21,000                        | 0              | 0            | 0                    | 0                       | 21,000           |
| Housing and Neighborhood Svcs .....              | 766,650           | 0                             | 0              | 0            | 0                    | 0                       | 766,650          |
| Finance Operations .....                         | 96,842            | 0                             | 0              | 0            | 0                    | 0                       | 96,842           |
| <b>sub-total (216)</b>                           | <b>1,173,209</b>  | <b>21,000</b>                 | <b>0</b>       | <b>0</b>     | <b>0</b>             | <b>0</b>                | <b>1,194,209</b> |
| <b>GAS TAX FUND (221)</b>                        |                   |                               |                |              |                      |                         |                  |
| Transfers Out .....                              | 0                 | 0                             | 0              | 0            | 0                    | 973,026                 | 973,026          |
| <b>sub-total (221)</b>                           | <b>0</b>          | <b>0</b>                      | <b>0</b>       | <b>0</b>     | <b>0</b>             | <b>973,026</b>          | <b>973,026</b>   |
| <b>SB1 ROAD MAINT &amp; REHAB (225)</b>          |                   |                               |                |              |                      |                         |                  |
| Transfers Out .....                              | 0                 | 0                             | 0              | 0            | 0                    | 1,444,414               | 1,444,414        |
| <b>sub-total (225)</b>                           | <b>0</b>          | <b>0</b>                      | <b>0</b>       | <b>0</b>     | <b>0</b>             | <b>1,444,414</b>        | <b>1,444,414</b> |
| <b>95-1 LIGHTING/LSCAPE DIST (235)</b>           |                   |                               |                |              |                      |                         |                  |
| Land Development .....                           | 400               | 94,766                        | 0              | 0            | 0                    | 0                       | 95,166           |
| Public Works Administration .....                | 6,512             | 0                             | 0              | 0            | 0                    | 0                       | 6,512            |
| Street Maintenance .....                         | 34,806            | 0                             | 0              | 0            | 0                    | 0                       | 34,806           |
| Trees & Landscape Mnt .....                      | 141,537           | 128,996                       | 0              | 0            | 0                    | 0                       | 270,533          |
| Transfers Out .....                              | 0                 | 0                             | 0              | 0            | 0                    | 0                       | 0                |
| <b>sub-total (235)</b>                           | <b>183,255</b>    | <b>223,762</b>                | <b>0</b>       | <b>0</b>     | <b>0</b>             | <b>0</b>                | <b>407,017</b>   |

| FUND/FUNCTION                           | Personal Services | Supplies Contractual Services | Capital Outlay | Debt Service | Capital Improvements | Operating Transfers Out | Total            |
|---|-------------------|-------------------------------|----------------|--------------|----------------------|-------------------------|------------------|
| <b>98-1 LIGHTING/LSCAPE DIST (236)</b>  |                   |                               |                |              |                      |                         |                  |
| Land Development .....                  | 800               | 4,340                         | 0              | 0            | 0                    | 0                       | 5,140            |
| Street Maintenance .....                | 437               | 0                             | 0              | 0            | 0                    | 0                       | 437              |
| Trees & Landscape Mnt .....             | 28,762            | 20,800                        | 0              | 0            | 0                    | 0                       | 49,562           |
| Transfers Out .....                     | 0                 | 0                             | 0              | 0            | 0                    | 11,000                  | 11,000           |
| <b>sub-total (236)</b>                  | <b>29,999</b>     | <b>25,140</b>                 | <b>0</b>       | <b>0</b>     | <b>0</b>             | <b>11,000</b>           | <b>66,139</b>    |
| <b>05 COMMUNITY FCLTY DIST (237)</b>    |                   |                               |                |              |                      |                         |                  |
| Park Maintenance .....                  | 167,960           | 256,260                       | 0              | 0            | 0                    | 0                       | 424,220          |
| Public Works Administration .....       | 152,116           | 0                             | 0              | 0            | 0                    | 0                       | 152,116          |
| Street Maintenance .....                | 280,860           | 0                             | 0              | 0            | 0                    | 0                       | 280,860          |
| Trees & Landscape Mnt .....             | 687,019           | 164,873                       | 0              | 0            | 0                    | 0                       | 851,892          |
| Non-Departmental .....                  | 0                 | 5,800                         | 0              | 0            | 0                    | 0                       | 5,800            |
| <b>sub-total (237)</b>                  | <b>1,287,955</b>  | <b>426,933</b>                | <b>0</b>       | <b>0</b>     | <b>0</b>             | <b>50,000</b>           | <b>1,764,888</b> |
| <b>08 COMMUNITY FCLTY DIST (238)</b>    |                   |                               |                |              |                      |                         |                  |
| Park Maintenance .....                  | 0                 | 53,000                        | 0              | 0            | 0                    | 0                       | 53,000           |
| Non-Departmental .....                  | 0                 | 3,900                         | 0              | 0            | 0                    | 0                       | 3,900            |
| Transfers Out .....                     | 0                 | 0                             | 0              | 0            | 0                    | 2,879,042               | 2,879,042        |
| <b>sub-total (238)</b>                  | <b>0</b>          | <b>56,900</b>                 | <b>0</b>       | <b>0</b>     | <b>0</b>             | <b>2,879,042</b>        | <b>2,935,942</b> |
| <b>HCD FUND (250)</b>                   |                   |                               |                |              |                      |                         |                  |
| Housing and Neighborhood Services ..... | 0                 | 653,871                       | 0              | 0            | 0                    | 0                       | 653,871          |
| Non-Departmental .....                  | 0                 | 7,000                         | 0              | 0            | 0                    | 0                       | 7,000            |
| <b>sub-total (250)</b>                  | <b>0</b>          | <b>660,871</b>                | <b>0</b>       | <b>0</b>     | <b>0</b>             | <b>0</b>                | <b>660,871</b>   |
| <b>STATE-ASSET SEIZURE (262)</b>        |                   |                               |                |              |                      |                         |                  |
| Investigations .....                    | 0                 | 0                             | 30,000         | 0            | 0                    | 0                       | 30,000           |
| <b>sub-total (262)</b>                  | <b>0</b>          | <b>0</b>                      | <b>30,000</b>  | <b>0</b>     | <b>0</b>             | <b>0</b>                | <b>30,000</b>    |
| <b>FEDERAL ASSET SEIZURE (263)</b>      |                   |                               |                |              |                      |                         |                  |
| Investigations .....                    | 0                 | 0                             | 30,000         | 0            | 0                    | 0                       | 30,000           |
| <b>sub-total (263)</b>                  | <b>0</b>          | <b>0</b>                      | <b>30,000</b>  | <b>0</b>     | <b>0</b>             | <b>0</b>                | <b>30,000</b>    |
| <b>SOLID WASTE SERVICES (280)</b>       |                   |                               |                |              |                      |                         |                  |
| Solid Waste .....                       | 586,323           | 198,070                       | 0              | 0            | 0                    | 0                       | 784,393          |
| Transfers Out .....                     | 0                 | 0                             | 0              | 0            | 0                    | 157,997                 | 157,997          |
| <b>sub-total (280)</b>                  | <b>586,323</b>    | <b>198,070</b>                | <b>0</b>       | <b>0</b>     | <b>0</b>             | <b>157,997</b>          | <b>942,390</b>   |

## Financial Information

| FUND/FUNCTION                           | Personal Services | Supplies Contractual Services | Capital Outlay | Debt Service | Capital Improvements | Operating Transfers Out | Total            |
|---|-------------------|-------------------------------|----------------|--------------|----------------------|-------------------------|------------------|
| <b>HOUSING AUTHORITY (295)</b>          |                   |                               |                |              |                      |                         |                  |
| Housing and Neighborhood Services ..... | 0                 | 575,200                       | 0              | 0            | 0                    | 0                       | 575,200          |
| 1432 S. Main Street Properties .....    | 0                 | 33,500                        | 0              | 0            | 0                    | 0                       | 33,500           |
| City Attorney .....                     | 0                 | 8,000                         | 0              | 0            | 0                    | 0                       | 8,000            |
| Non-Departmental .....                  | 0                 | 57,912                        | 0              | 0            | 0                    | 0                       | 57,912           |
| <b>sub-total (295)</b>                  | <b>0</b>          | <b>674,612</b>                | <b>0</b>       | <b>0</b>     | <b>0</b>             | <b>0</b>                | <b>674,612</b>   |
| <b>STREET IMPROVEMENT (310)</b>         |                   |                               |                |              |                      |                         |                  |
| Transfers Out .....                     | 0                 | 0                             | 0              | 0            | 0                    | 300,000                 | 300,000          |
| <b>sub-total (310)</b>                  | <b>0</b>          | <b>0</b>                      | <b>0</b>       | <b>0</b>     | <b>0</b>             | <b>300,000</b>          | <b>300,000</b>   |
| <b>STREET CIP (311)</b>                 |                   |                               |                |              |                      |                         |                  |
| Capital Improvement Projects .....      | 0                 | 0                             | 0              | 0            | 4,384,000            | 0                       | 4,384,000        |
| Transfers Out .....                     | 0                 | 0                             | 0              | 0            | 0                    | 0                       | 0                |
| <b>sub-total (311)</b>                  | <b>0</b>          | <b>0</b>                      | <b>0</b>       | <b>0</b>     | <b>4,384,000</b>     | <b>0</b>                | <b>4,384,000</b> |
| <b>VEHICLE REGISTRATION FEE (314)</b>   |                   |                               |                |              |                      |                         |                  |
| Transfers Out .....                     | 0                 | 0                             | 0              | 0            | 0                    | 500,000                 | 500,000          |
| <b>sub-total (314)</b>                  | <b>0</b>          | <b>0</b>                      | <b>0</b>       | <b>0</b>     | <b>0</b>             | <b>500,000</b>          | <b>500,000</b>   |
| <b>PARK IMPROVEMENT FUND (320)</b>      |                   |                               |                |              |                      |                         |                  |
| Transfers Out .....                     | 0                 | 0                             | 0              | 0            | 0                    | 655,000                 | 655,000          |
| <b>sub-total (320)</b>                  | <b>0</b>          | <b>0</b>                      | <b>0</b>       | <b>0</b>     | <b>0</b>             | <b>655,000</b>          | <b>655,000</b>   |
| <b>PARK IMPROVEMENT CIP (321)</b>       |                   |                               |                |              |                      |                         |                  |
| Capital Improvement Projects .....      | 0                 | 0                             | 0              | 0            | 580,000              | 0                       | 580,000          |
| Transfers Out .....                     | 0                 | 0                             | 0              | 0            | 0                    | 0                       | 0                |
| <b>sub-total (321)</b>                  | <b>0</b>          | <b>0</b>                      | <b>0</b>       | <b>0</b>     | <b>580,000</b>       | <b>0</b>                | <b>580,000</b>   |
| <b>MIDTOWN PARK FUND (322)</b>          |                   |                               |                |              |                      |                         |                  |
| Transfers Out .....                     | 0                 | 0                             | 0              | 0            | 0                    | 575,000                 | 575,000          |
| <b>sub-total (322)</b>                  | <b>0</b>          | <b>0</b>                      | <b>0</b>       | <b>0</b>     | <b>0</b>             | <b>575,000</b>          | <b>575,000</b>   |
| <b>GENERAL GOVERNMENT (330)</b>         |                   |                               |                |              |                      |                         |                  |
| Transfers Out .....                     | 0                 | 0                             | 0              | 0            | 0                    | 4,597,000               | 4,597,000        |
| <b>sub-total (330)</b>                  | <b>0</b>          | <b>0</b>                      | <b>0</b>       | <b>0</b>     | <b>0</b>             | <b>4,597,000</b>        | <b>4,597,000</b> |

| FUND/FUNCTION                                 | Personal Services | Supplies Contractual Services | Capital Outlay | Debt Service | Capital Improvements | Operating Transfers Out | Total            |
|---|-------------------|-------------------------------|----------------|--------------|----------------------|-------------------------|------------------|
| <b>GENERAL GOVERNMENT CIP (331)</b>           |                   |                               |                |              |                      |                         |                  |
| Capital Improvement Projects .....            | 0                 | 0                             | 0              | 0            | 6,851,000            | 0                       | 6,851,000        |
| Transfers Out .....                           | 0                 | 0                             | 0              | 0            | 0                    | 0                       | 0                |
| <b>sub-total (331)</b>                        | <b>0</b>          | <b>0</b>                      | <b>0</b>       | <b>0</b>     | <b>6,851,000</b>     | <b>0</b>                | <b>6,851,000</b> |
| <b>2020 FIRE STATION BONDS (334)</b>          |                   |                               |                |              |                      |                         |                  |
| Transfers Out .....                           | 0                 | 0                             | 0              | 0            | 0                    | 0                       | 0                |
| <b>sub-total (334)</b>                        | <b>0</b>          | <b>0</b>                      | <b>0</b>       | <b>0</b>     | <b>0</b>             | <b>0</b>                | <b>0</b>         |
| <b>STORM DRAIN DEVELOPMENT (340)</b>          |                   |                               |                |              |                      |                         |                  |
| Transfers Out .....                           | 0                 | 0                             | 0              | 0            | 0                    | 0                       | 0                |
| <b>sub-total (340)</b>                        | <b>0</b>          | <b>0</b>                      | <b>0</b>       | <b>0</b>     | <b>0</b>             | <b>0</b>                | <b>0</b>         |
| <b>STORM DRAIN CIP (341)</b>                  |                   |                               |                |              |                      |                         |                  |
| Capital Improvement Projects .....            | 0                 | 0                             | 0              | 0            | 200,000              | 0                       | 200,000          |
| Transfers Out .....                           | 0                 | 0                             | 0              | 0            | 0                    | 0                       | 0                |
| <b>sub-total (341)</b>                        | <b>0</b>          | <b>0</b>                      | <b>0</b>       | <b>0</b>     | <b>200,000</b>       | <b>0</b>                | <b>200,000</b>   |
| <b>TRANSIT AREA IMPACT FEE FUND (350)</b>     |                   |                               |                |              |                      |                         |                  |
| Debt Service .....                            | 0                 | 0                             | 0              | 0            | 0                    | 0                       | 0                |
| Finance Administration .....                  | 25,659            | 0                             | 0              | 0            | 0                    | 0                       | 25,659           |
| City Attorney .....                           | 0                 | 20,000                        | 0              | 0            | 0                    | 0                       | 20,000           |
| Transfers Out .....                           | 0                 | 0                             | 0              | 0            | 0                    | 3,643,000               | 3,643,000        |
| <b>sub-total (350)</b>                        | <b>25,659</b>     | <b>20,000</b>                 | <b>0</b>       | <b>0</b>     | <b>0</b>             | <b>3,643,000</b>        | <b>3,688,659</b> |
| <b>TRANSIT AREA IMPACT FEE CIP FUND (351)</b> |                   |                               |                |              |                      |                         |                  |
| Capital Improvement Projects .....            | 0                 | 0                             | 0              | 0            | 3,499,000            | 0                       | 3,499,000        |
| <b>sub-total (351)</b>                        | <b>0</b>          | <b>0</b>                      | <b>0</b>       | <b>0</b>     | <b>3,499,000</b>     | <b>0</b>                | <b>3,499,000</b> |
| <b>WATER M &amp; O FUND (400)</b>             |                   |                               |                |              |                      |                         |                  |
| Land Development .....                        | 0                 | 0                             | 0              | 0            | 0                    | 0                       | 0                |
| Finance Administration .....                  | 8,171             | 0                             | 0              | 0            | 0                    | 0                       | 8,171            |
| Finance Operations .....                      | 0                 | 0                             | 0              | 0            | 0                    | 0                       | 0                |
| Fiscal Services-Utilities .....               | 832,022           | 271,029                       | 0              | 0            | 0                    | 0                       | 1,103,051        |
| Compliance .....                              | 188,183           | 57,780                        | 0              | 0            | 0                    | 0                       | 245,963          |
| City Attorney .....                           | 0                 | 9,000                         | 0              | 0            | 0                    | 0                       | 9,000            |
| Public Works Administration .....             | 688,408           | 210,285                       | 0              | 0            | 0                    | 0                       | 898,693          |
| Street Maintenance .....                      | 0                 | 0                             | 0              | 0            | 0                    | 0                       | 0                |
| Utility Engineering .....                     | 675,256           | 171,160                       | 0              | 0            | 0                    | 0                       | 846,416          |
| Utility Maintenance .....                     | 1,687,561         | 653,584                       | 40,000         | 0            | 0                    | 0                       | 2,381,145        |



## Financial Information

| FUND/FUNCTION                                 | Personal Services | Supplies Contractual Services | Capital Outlay | Debt Service     | Capital Improvements | Operating Transfers Out | Total             |
|---|-------------------|-------------------------------|----------------|------------------|----------------------|-------------------------|-------------------|
| Non-Departmental .....                        | 74,585            | 22,999,046                    | 0              | 0                | 0                    | 0                       | 23,073,631        |
| Transfers Out .....                           | 0                 | 0                             | 0              | 0                | 0                    | 2,687,393               | 2,687,393         |
| <b>sub-total (400)</b>                        | <b>4,154,186</b>  | <b>24,371,884</b>             | <b>40,000</b>  | <b>0</b>         | <b>0</b>             | <b>2,687,393</b>        | <b>31,253,463</b> |
| <b>WATER CIP (401)</b>                        |                   |                               |                |                  |                      |                         |                   |
| Capital Improvement Projects .....            | 0                 | 0                             | 0              | 0                | 1,515,000            | 0                       | 1,515,000         |
| Transfers Out .....                           | 0                 | 0                             | 0              | 0                | 0                    | 0                       | 0                 |
| <b>sub-total (401)</b>                        | <b>0</b>          | <b>0</b>                      | <b>0</b>       | <b>0</b>         | <b>1,515,000</b>     | <b>0</b>                | <b>1,515,000</b>  |
| <b>WATER LINE EXTENSION FUND (402)</b>        |                   |                               |                |                  |                      |                         |                   |
| Transfers Out .....                           | 0                 | 0                             | 0              | 0                | 0                    | 0                       | 0                 |
| <b>sub-total (402)</b>                        | <b>0</b>          | <b>0</b>                      | <b>0</b>       | <b>0</b>         | <b>0</b>             | <b>0</b>                | <b>0</b>          |
| <b>2019 WATER BONDS (403)</b>                 |                   |                               |                |                  |                      |                         |                   |
| Transfers Out .....                           | 0                 | 0                             | 0              | 0                | 0                    | 0                       | 0                 |
| <b>sub-total (403)</b>                        | <b>0</b>          | <b>0</b>                      | <b>0</b>       | <b>0</b>         | <b>0</b>             | <b>0</b>                | <b>0</b>          |
| <b>WATER INFRASTRUCTURE REPLACEMENT (405)</b> |                   |                               |                |                  |                      |                         |                   |
| Debt Service .....                            | 0                 | 0                             | 0              | 1,047,050        | 0                    | 0                       | 1,047,050         |
| Transfers Out .....                           | 0                 | 0                             | 0              | 0                | 0                    | 1,777,000               | 1,777,000         |
| <b>sub-total (405)</b>                        | <b>0</b>          | <b>0</b>                      | <b>0</b>       | <b>1,047,050</b> | <b>0</b>             | <b>1,777,000</b>        | <b>2,824,050</b>  |
| <b>SEWER M &amp; O FUND (450)</b>             |                   |                               |                |                  |                      |                         |                   |
| Fiscal Services-Utilities .....               | 473,857           | 212,670                       | 0              | 0                | 0                    | 0                       | 686,527           |
| Finance Administration .....                  | 24,778            | 0                             | 0              | 0                | 0                    | 0                       | 24,778            |
| Compliance .....                              | 120,128           | 71,751                        | 0              | 0                | 0                    | 0                       | 191,879           |
| Public Works Administration .....             | 586,328           | 1,038,755                     | 0              | 0                | 0                    | 0                       | 1,625,083         |
| Street Maintenance .....                      | 0                 | 0                             | 0              | 0                | 0                    | 0                       | 0                 |
| Utility Engineering .....                     | 378,364           | 102,150                       | 0              | 0                | 0                    | 0                       | 480,514           |
| Utility Maintenance .....                     | 1,158,752         | 387,681                       | 37,356         | 0                | 0                    | 0                       | 1,583,789         |
| Debt Service .....                            | 0                 | 0                             | 0              | 2,431,275        | 0                    | 0                       | 2,431,275         |
| Non-Departmental .....                        | 74,585            | 7,931,907                     | 0              | 0                | 0                    | 0                       | 8,006,492         |
| Transfers Out .....                           | 0                 | 0                             | 0              | 0                | 0                    | 1,444,196               | 1,444,196         |
| <b>sub-total (450)</b>                        | <b>2,816,792</b>  | <b>9,744,914</b>              | <b>37,356</b>  | <b>2,431,275</b> | <b>0</b>             | <b>1,444,196</b>        | <b>16,474,533</b> |
| <b>SEWER CIP (451)</b>                        |                   |                               |                |                  |                      |                         |                   |
| Capital Improvement Projects .....            | 0                 | 0                             | 0              | 0                | 6,947,000            | 0                       | 6,947,000         |
| Transfers Out .....                           | 0                 | 0                             | 0              | 0                | 0                    | 0                       | 0                 |
| <b>sub-total (451)</b>                        | <b>0</b>          | <b>0</b>                      | <b>0</b>       | <b>0</b>         | <b>6,947,000</b>     | <b>0</b>                | <b>6,947,000</b>  |

| FUND/FUNCTION                                 | Personal Services | Supplies Contractual Services | Capital Outlay   | Debt Service | Capital Improvements | Operating Transfers Out | Total            |
|---|-------------------|-------------------------------|------------------|--------------|----------------------|-------------------------|------------------|
| <b>TREATMENT PLANT CONSTRUCTION (452)</b>     |                   |                               |                  |              |                      |                         |                  |
| Transfers Out .....                           | 0                 | 0                             | 0                | 0            | 0                    | 6,300,000               | 6,300,000        |
| <b>sub-total (452)</b>                        | <b>0</b>          | <b>0</b>                      | <b>0</b>         | <b>0</b>     | <b>0</b>             | <b>6,300,000</b>        | <b>6,300,000</b> |
| <b>2019 WASTEWATER BONDS (454)</b>            |                   |                               |                  |              |                      |                         |                  |
| Transfers Out .....                           | 0                 | 0                             | 0                | 0            | 0                    | 0                       | 0                |
| <b>sub-total (454)</b>                        | <b>0</b>          | <b>0</b>                      | <b>0</b>         | <b>0</b>     | <b>0</b>             | <b>0</b>                | <b>0</b>         |
| <b>SEWER INFRASTRUCTURE REPLACEMENT (455)</b> |                   |                               |                  |              |                      |                         |                  |
| Transfers Out .....                           | 0                 | 0                             | 0                | 0            | 0                    | 909,000                 | 909,000          |
| <b>sub-total (455)</b>                        | <b>0</b>          | <b>0</b>                      | <b>0</b>         | <b>0</b>     | <b>0</b>             | <b>909,000</b>          | <b>909,000</b>   |
| <b>EQUIPMENT MGNT FUND (500)</b>              |                   |                               |                  |              |                      |                         |                  |
| Compliance .....                              | 0                 | 10,000                        | 0                | 0            | 0                    | 0                       | 10,000           |
| Finance Administration .....                  | 11,985            | 0                             | 0                | 0            | 0                    | 0                       | 11,985           |
| Operations .....                              | 0                 | 0                             | 156,877          | 0            | 0                    | 0                       | 156,877          |
| Investigations .....                          | 0                 | 0                             | 34,987           | 0            | 0                    | 0                       | 34,987           |
| Patrol Services .....                         | 0                 | 0                             | 198,016          | 0            | 0                    | 0                       | 198,016          |
| Street Maintenance .....                      | 0                 | 0                             | 136,531          | 0            | 0                    | 0                       | 136,531          |
| Utility Maintenance .....                     | 0                 | 7,500                         | 0                | 0            | 0                    | 0                       | 7,500            |
| Fleet Maintenance .....                       | 926,060           | 1,047,121                     | 98,000           | 0            | 0                    | 0                       | 2,071,181        |
| Public Works Administration .....             | 190,515           | 0                             | 0                | 0            | 0                    | 0                       | 190,515          |
| Equipment to be Depreciated .....             | 0                 | 0                             | 690,947          | 0            | 0                    | 0                       | 690,947          |
| Non-Departmental .....                        | 0                 | 214,964                       | 0                | 0            | 0                    | 0                       | 214,964          |
| <b>sub-total (500)</b>                        | <b>1,128,560</b>  | <b>1,279,585</b>              | <b>1,315,358</b> | <b>0</b>     | <b>0</b>             | <b>0</b>                | <b>3,723,503</b> |
| <b>INFORMATION TECH REPLMT (505)</b>          |                   |                               |                  |              |                      |                         |                  |
| Information Technology .....                  | 0                 | 0                             | 250,000          | 0            | 0                    | 0                       | 250,000          |
| <b>sub-total (505)</b>                        | <b>0</b>          | <b>0</b>                      | <b>250,000</b>   | <b>0</b>     | <b>0</b>             | <b>0</b>                | <b>250,000</b>   |

## Financial Information

| FUND/FUNCTION                           | Personal<br>Services | Supplies<br>Contractual<br>Services | Capital<br>Outlay  | Debt<br>Service    | Capital<br>Improvements | Operating<br>Transfers<br>Out | Total                 |
|---|----------------------|-------------------------------------|--------------------|--------------------|-------------------------|-------------------------------|-----------------------|
| <b>PERMIT AUTOMATION<br/>FUND (506)</b> |                      |                                     |                    |                    |                         |                               |                       |
| Permit Center .....                     | 342,374              | 90,000                              | 0                  | 0                  | 0                       | 0                             | 432,374               |
| Plan Review .....                       | 86,131               | 0                                   | 0                  | 0                  | 0                       | 0                             | 86,131                |
| Fire Prevention<br>Administration ..... | 0                    | 16,000                              | 0                  | 0                  | 0                       | 0                             | 16,000                |
| Information Technology .....            | 192,712              | 143,300                             | 0                  | 0                  | 0                       | 0                             | 336,012               |
| Transfers Out .....                     | 0                    | 0                                   | 0                  | 0                  | 0                       | 150,000                       | 150,000               |
| <b>sub-total (506)</b>                  | <b>621,217</b>       | <b>249,300</b>                      | <b>0</b>           | <b>0</b>           | <b>0</b>                | <b>150,000</b>                | <b>1,020,517</b>      |
| <b>TOTAL EXPENDITURES</b>               | <b>105,890,223</b>   | <b>60,171,888</b>                   | <b>2,074,032</b>   | <b>4,675,125</b>   | <b>23,976,000</b>       | <b>29,724,934</b>             | <b>226,512,203</b>    |
| Less Interfund Operating<br>Transfers*  | 0                    | 0                                   | 0                  | 0                  | 0                       | (18,732,000)                  | (18,732,000)          |
| <b>TOTAL BUDGET<br/>SUMMARY</b>         | <b>\$105,890,223</b> | <b>\$60,171,888</b>                 | <b>\$2,074,032</b> | <b>\$4,675,125</b> | <b>\$ 23,976,000</b>    | <b>\$10,992,934</b>           | <b>\$ 207,780,203</b> |
| <b>EXPENDITURES</b>                     |                      |                                     |                    |                    |                         |                               |                       |

\*Interfund Operating Transfers are transfers within the same fund group on the Budget Summary



## Expenditures by Function

| Function   | General Fund <sup>(1)</sup> | Housing Authority | Water Fund <sup>(2)</sup> | Sewer Fund <sup>(3)</sup> | Other Funds <sup>(4)</sup> | Total      |
|--|-----------------------------|-------------------|---------------------------|---------------------------|----------------------------|------------|
| City Council .....                               | \$557,723                   | \$0               | \$0                       | \$0                       | \$0                        | \$557,723  |
| City Manager .....                               | 2,149,365                   | 0                 | 0                         | 0                         | 35,165                     | 2,184,530  |
| City Clerk .....                                 | 567,660                     | 0                 | 0                         | 0                         | 0                          | 567,660    |
| Economic Development .....                       | 965,847                     | 0                 | 0                         | 0                         | 0                          | 965,847    |
| City Attorney .....                              | 1,198,946                   | 8,000             | 9,000                     | 0                         | 41,000                     | 1,256,946  |
| Building Inspection .....                        | 2,335,236                   | 0                 | 0                         | 0                         | 0                          | 2,335,236  |
| Building Safety and Housing Administration ..... | 696,904                     | 0                 | 0                         | 0                         | 181,410                    | 878,314    |
| Housing and Neighborhood Svcs .....              | 1,203,975                   | 575,200           | 0                         | 0                         | 1,420,521                  | 3,199,696  |
| Permit Center .....                              | 472,278                     | 0                 | 0                         | 0                         | 432,374                    | 904,652    |
| Plan Review .....                                | 1,467,070                   | 0                 | 0                         | 0                         | 86,131                     | 1,553,201  |
| Design & Construction .....                      | 1,572,420                   | 0                 | 0                         | 0                         | 0                          | 1,572,420  |
| Engineering Administration .....                 | 339,855                     | 0                 | 0                         | 0                         | 0                          | 339,855    |
| Land Development .....                           | 1,394,950                   | 0                 | 0                         | 0                         | 100,306                    | 1,495,256  |
| Traffic Engineering .....                        | 664,131                     | 0                 | 0                         | 0                         | 0                          | 664,131    |
| Finance Administration .....                     | 2,187,742                   | 0                 | 8,171                     | 24,778                    | 37,644                     | 2,258,335  |
| Finance Operations .....                         | 1,812,224                   | 0                 | 0                         | 0                         | 96,842                     | 1,909,066  |
| Fiscal Services-Utilities .....                  | 384,397                     | 0                 | 1,103,051                 | 686,527                   | 0                          | 2,173,975  |
| EMS Transport Services .....                     | 106,355                     | 0                 | 0                         | 0                         | 0                          | 106,355    |
| Fire Administration .....                        | 1,891,480                   | 0                 | 0                         | 0                         | 0                          | 1,891,480  |
| Fire Prevention .....                            | 2,651,914                   | 0                 | 0                         | 0                         | 0                          | 2,651,914  |
| Fire Prevention Administration .....             | 1,038,974                   | 0                 | 0                         | 0                         | 16,000                     | 1,054,974  |
| Office of Emergency Management .....             | 252,173                     | 0                 | 0                         | 0                         | 0                          | 252,173    |
| Operations Division .....                        | 22,247,973                  | 0                 | 0                         | 0                         | 156,877                    | 22,404,850 |
| Human Resources .....                            | 1,937,584                   | 0                 | 0                         | 0                         | 0                          | 1,937,584  |
| Information Technology .....                     | 4,091,944                   | 0                 | 0                         | 0                         | 586,012                    | 4,677,956  |
| Long Range Planning .....                        | 39,857                      | 0                 | 0                         | 0                         | 225,856                    | 265,713    |
| Planning .....                                   | 1,887,956                   | 0                 | 0                         | 0                         | 197,819                    | 2,085,775  |
| Communications .....                             | 4,827,647                   | 0                 | 0                         | 0                         | 0                          | 4,827,647  |
| Community Relations .....                        | 1,055,901                   | 0                 | 0                         | 0                         | 0                          | 1,055,901  |
| Crossing Guards .....                            | 512,946                     | 0                 | 0                         | 0                         | 0                          | 512,946    |
| Investigations .....                             | 5,070,738                   | 0                 | 0                         | 0                         | 94,987                     | 5,165,725  |
| Patrol Services .....                            | 21,345,906                  | 0                 | 0                         | 0                         | 198,016                    | 21,543,922 |
| Personnel & Training .....                       | 602,806                     | 0                 | 0                         | 0                         | 0                          | 602,806    |
| Police Administration .....                      | 1,238,154                   | 0                 | 0                         | 0                         | 0                          | 1,238,154  |
| Records .....                                    | 1,501,086                   | 0                 | 0                         | 0                         | 0                          | 1,501,086  |
| Traffic .....                                    | 1,780,020                   | 0                 | 0                         | 0                         | 0                          | 1,780,020  |

| Function                             | General Fund <sup>(1)</sup> | Housing Authority | Water Fund <sup>(2)</sup> | Sewer Fund <sup>(3)</sup> | Other Funds <sup>(4)</sup> | Total                 |
|--------------------------------------|-----------------------------|-------------------|---------------------------|---------------------------|----------------------------|-----------------------|
| Compliance .....                     | 363,910                     | 0                 | 245,963                   | 191,879                   | 10,000                     | 811,754               |
| Facilities Maintenance .....         | 2,789,838                   | 0                 | 0                         | 0                         | 0                          | 2,789,838             |
| Fleet Maintenance .....              | 0                           | 0                 | 0                         | 0                         | 2,071,181                  | 2,071,181             |
| Park Maintenance .....               | 1,265,629                   | 0                 | 0                         | 0                         | 477,220                    | 1,742,849             |
| Public Works Administration .....    | 824,144                     | 0                 | 898,693                   | 1,625,083                 | 349,143                    | 3,697,063             |
| Solid Waste Services .....           | 64,000                      | 0                 | 0                         | 0                         | 784,393                    | 848,393               |
| Street Maintenance .....             | 1,881,525                   | 0                 | 0                         | 0                         | 452,634                    | 2,334,159             |
| Trees & Landscape Mnt .....          | 1,484,965                   | 0                 | 0                         | 0                         | 1,171,987                  | 2,656,952             |
| Utility Engineering .....            | 0                           | 0                 | 846,416                   | 480,514                   | 0                          | 1,326,930             |
| Utility Maintenance .....            | 1,018,153                   | 0                 | 2,381,145                 | 1,583,789                 | 7,500                      | 4,990,587             |
| Aquatics .....                       | 408,340                     | 0                 | 0                         | 0                         | 0                          | 408,340               |
| General Classes .....                | 378,712                     | 0                 | 0                         | 0                         | 0                          | 378,712               |
| Marketing .....                      | 258,311                     | 0                 | 0                         | 0                         | 0                          | 258,311               |
| Performing Arts .....                | 79,900                      | 0                 | 0                         | 0                         | 0                          | 79,900                |
| Recreation Administration .....      | 1,811,100                   | 0                 | 0                         | 0                         | 15,466                     | 1,826,566             |
| Senior Services .....                | 690,909                     | 0                 | 0                         | 0                         | 0                          | 690,909               |
| Social Services .....                | 192,288                     | 0                 | 0                         | 0                         | 0                          | 192,288               |
| Special Events .....                 | 529,395                     | 0                 | 0                         | 0                         | 0                          | 529,395               |
| Sports & Fitness .....               | 576,099                     | 0                 | 0                         | 0                         | 0                          | 576,099               |
| Youth Programs .....                 | 1,044,928                   | 0                 | 0                         | 0                         | 0                          | 1,044,928             |
| 1432 S. Main Street Properties ..... | 0                           | 33,500            | 0                         | 0                         | 0                          | 33,500                |
| 1452 S. Main Street Properties ..... | 64,000                      | 0                 | 0                         | 0                         | 0                          | 64,000                |
| Debt Service .....                   | 1,196,800                   | 0                 | 1,047,050                 | 2,431,275                 | 0                          | 4,675,125             |
| Equipment to be Depreciated .....    | 0                           | 0                 | 0                         | 0                         | 690,947                    | 690,947               |
| Non-Departmental .....               | 6,310,021                   | 57,912            | 23,073,631                | 8,006,492                 | 270,664                    | 37,718,720            |
| Capital Improvement Projects .....   | 0                           | 0                 | 1,515,000                 | 6,947,000                 | 15,514,000                 | 23,976,000            |
| Transfers Out* .....                 | 341,866                     | 0                 | 2,949,393                 | 1,706,196                 | 5,995,479                  | 10,992,934            |
| <b>TOTAL</b>                         | <b>\$ 117,626,970</b>       | <b>\$ 674,612</b> | <b>\$ 34,077,513</b>      | <b>\$ 23,683,533</b>      | <b>\$ 31,717,574</b>       | <b>\$ 207,780,203</b> |

\* Interfund Transfers Out are excluded from this schedule

(1) General Fund Fund, Abandon Vehicle Abatement Fund, 1452 S. Main St Fund and administration funds of the former Redevelopment Agency.

(2) Water Fund includes Water Maintenance & Operations Fund, 2019 Water Bonds Fund, Water CIP Fund, Water Line Extension Fund, and Water Infrastructure Replacement Fund.

(3) Sewer Fund includes Sewer Maintenance & Operations Fund, 2019 Wastewater Bonds Fund, Sewer Fund CIP, Treatment Plant Construction Fund and Sewer Infrastructure replacement Fund.

(4) Other Funds include Community Benefit Fund, Community Facility District Funds, Community Planning Fee Fund, Gas Tax Fund, Equipment Replacement Fund, Housing and Community Development Fund, Information Technology Replacement Fund, Law Enforcement Grant Funds, Light & Landscape Maintenance District Funds, Measure B Fund, Permit Automation Fund, Public Art Fund, Solid Waste Services Fund, Street Improvement Fund, Park Improvement Funds, General Government Capital Improvement Fund, Storm Drain Capital Improvement Fund, and Transit Area Impact Fee Fund.

## Internal Cost Allocation

|  | DIRECT COST         |                     |                           |                    |
|--|---------------------|---------------------|---------------------------|--------------------|
| INDIRECT COSTS   | Police              | Fire                | Building Safety & Housing | Planning           |
| Legislation & Policy .....                               | \$34,097            | \$35,721            | \$10,554                  | \$89,302           |
| General Administration                                   |                     |                     | 0                         | 0                  |
| City Manager .....                                       | 520,523             | 490,757             | 311,016                   | 167,537            |
| City Clerk .....   | 64,341              | 51,559              | 12,138                    | 36,484             |
| City Attorney .....                                      | 445,435             | 284,001             | 80,216                    | 148,745            |
| Human Resources .....                                    | 667,651             | 429,204             | 135,120                   | 41,066             |
| Finance .....  | 1,073,042           | 774,595             | 178,419                   | 56,793             |
| Information Technology .....                             | 1,435,964           | 923,120             | 290,612                   | 88,323             |
| General Liability, Uncollectable<br>and Audit Fees ..... | 322,186             | 238,226             | 50,989                    | 16,439             |
| Unanticipated Expenditures Reserve .....                 | 376,597             | 278,457             | 59,600                    | 19,215             |
| Facilities Maintenance .....                             | 614,352             | 434,536             | 40,692                    | 49,757             |
| Utilities .....  | 650,545             | 460,135             | 43,089                    | 52,688             |
| Building Occupancy .....                                 | 413,796             | 292,681             | 27,408                    | 33,514             |
| <b>TOTAL INDIRECT COSTS .....</b>                        | <b>6,612,714</b>    | <b>4,689,254</b>    | <b>1,238,676</b>          | <b>799,505</b>     |
| <b>TOTAL DIRECT COSTS .....</b>                          | <b>37,857,985</b>   | <b>28,227,019</b>   | <b>5,979,662</b>          | <b>1,927,812</b>   |
| <b>TOTAL COSTS .....</b>                                 | <b>\$44,470,699</b> | <b>\$32,916,272</b> | <b>\$7,218,337</b>        | <b>\$2,727,317</b> |
| <b>INDIRECT COST RATE .....</b>                          | <b>17.5%</b>        | <b>16.6%</b>        | <b>20.7%</b>              | <b>41.5%</b>       |



| PROGRAMS     |              |              |              |              |              |                      |
|--------------|--------------|--------------|--------------|--------------|--------------|----------------------|
| Public Works | Engineering  | Recreation   | Water        | Sewer        | Solid Waste  | TOTAL                |
| \$12,989     | \$241,114    | \$83,619     | \$36,532     | \$11,366     | \$2,435      | <b>\$549,474</b>     |
| 0            | 0            | 0            | 0            | 0            | 0            |                      |
| 105,735      | 262,333      | 227,952      | 638,173      | 285,875      | 25,417       | <b>2,847,883</b>     |
| 6,013        | 96,830       | 48,123       | 52,672       | 21,376       | 2,535        | <b>429,534</b>       |
| 25,692       | 56,310       | 149,771      | 64,569       | 55,416       | 11,430       | <b>1,011,838</b>     |
| 16,824       | 121,873      | 171,470      | 118,625      | 77,204       | 15,896       | <b>1,771,871</b>     |
| 23,484       | 127,888      | 330,463      | 697,697      | 314,046      | 32,167       | <b>3,527,538</b>     |
| 36,184       | 262,120      | 368,792      | 255,134      | 166,048      | 34,190       | <b>3,484,318</b>     |
| 6,814        | 33,868       | 102,880      | 115,611      | 66,721       | 10,099       | <b>1,608,498</b>     |
| 7,965        | 39,588       | 120,255      | 66,688       | 56,419       | 11,805       | <b>1,017,711</b>     |
| 241,410      | 75,594       | 1,001,140    | 235,219      | 142,874      | 4,450        | <b>2,646,305</b>     |
| 255,632      | 80,047       | 1,060,119    | 249,076      | 151,291      | 4,713        | <b>3,150,552</b>     |
| 162,601      | 50,916       | 674,316      | 158,431      | 96,233       | 2,998        | <b>1,912,892</b>     |
| 901,196      | 1,447,420    | 4,337,407    | 2,687,394    | 1,444,197    | 157,997      | <b>26,690,360</b>    |
| 7,060,697    | 3,971,865    | 5,811,233    | 34,364,337   | 16,494,361   | 1,322,952    | <b>143,017,923</b>   |
| \$7,961,894  | \$5,419,287  | \$10,148,639 | \$37,051,730 | \$17,938,557 | \$1,480,949  | <b>\$167,333,681</b> |
| <b>12.8%</b> | <b>36.4%</b> | <b>74.6%</b> | <b>7.8%</b>  | <b>8.8%</b>  | <b>11.9%</b> | <b>17%</b>           |

## Operating Transfers Statement

| Origin and Purpose of Transfer          |   | Transfer Distribution |
|---|---|-----------------------|
| From the General Fund                   | To the Information Technology Replacement Fund for:<br>IT Equipment Replacement   | 300,000               |
|   | <b>sub-total</b>  | <b>300,000</b>        |
| From the General Fund                   | To the LLMD 95-1 Fund for:<br>General Benefit Contribution  | 21,360                |
|   | <b>sub-total</b>  | <b>21,360</b>         |
| From the General Fund                   | To the LLMD 98-1 Fund for:<br>General Benefit Contribution  | 20,506                |
|   | <b>sub-total</b>  | <b>20,506</b>         |
| From the Public Art Fund                | To the General Government CIP for:<br>Public Art Project (3489)   | 130,000               |
|   | <b>sub-total</b>  | <b>130,000</b>        |
| From the Community Planning Fund        | To the General Government CIP for:<br>Comprehensive Zoning Ordinance Update (3460)  | 200,000               |
|   | <b>sub-total</b>  | <b>200,000</b>        |
| From the Gas Tax Fund                   | To the General Government CIP for:<br>Annual Sidewalk, Curb & Gutter Repair (3426)<br>Annual Street Light, Signal, and Signage (3440) | 220,000<br>375,000    |
|   | <b>sub-total</b>  | <b>595,000</b>        |
| From the Gas Tax Fund                   | To the Street CIP for:<br>Street Resurfacing Project 2022-23 (4304)   | 378,026               |
|   | <b>sub-total</b>  | <b>378,026</b>        |
| From the SB1 RMRA                       | To the Street CIP for:<br>Street Resurfacing Project 2022-23 (4304)   | 1,444,414             |
|   | <b>sub-total</b>  | <b>1,444,414</b>      |
| From the 98-1 Light & Landscape Maint D | To the General Government CIP for:<br>Sinclair LLMD Improvements 98-1 (3411)  | 11,000                |
|   | <b>sub-total</b>  | <b>11,000</b>         |

Note: \*Interfund Transfers, within the same fund group, are not included in the Budget Summary.

## Origin and Purpose of Transfer

Transfer  
Distribution

|  |   |                  |
|--|---|------------------|
| From the 2008 Community Facility Dist    | To the General Fund for:<br>Operating Cost Reimbursement                                  | 2,879,042        |
|  | <b>sub-total</b>  | <b>2,879,042</b> |
| From the 2005 Community Facility Dist    | To the General Government CIP for:<br>On-Call Parks and Landscaping Services (3463)       | 50,000           |
|  | <b>sub-total</b>  | <b>50,000</b>    |
| From the Solid Waste Services Fund       | To the General Fund for:<br>Operating Cost Reimbursement                                  | 157,997          |
|  | <b>sub-total</b>  | <b>157,997</b>   |
| From Street Improvement Fund             | To the Street CIP Fund for:<br>Soundwall and Barrier Repair and Renovation Program (4267) | 300,000          |
|  | <b>sub-total</b>  | <b>300,000</b>   |
| From the Vehicle Registration Fee Fund * | To the Street CIP Fund for:<br>Street Resurfacing Project 2022-23 (4304)                  | 500,000          |
|  | <b>sub-total</b>  | <b>500,000</b>   |
| From the Park Improvement Fund *         | To the General Government CIP for:<br>Cardoza Park Softball Fields Improvement (3491)     | 500,000          |
|  | <b>sub-total</b>  | <b>500,000</b>   |
| From the Park Improvement Fund *         | To the Subsidiary CIP Fund for:<br>Minor Sports Courts Rehabilitation (5113)              | 155,000          |
|  | <b>sub-total</b>  | <b>155,000</b>   |
| From the Midtown Park Fund *             | To the Subsidiary CIP Fund for:<br>Sports Fields Turf Rehab. Program (5108)               | 225,000          |
|  | Minor Sports Courts Rehabilitation (5113)   | 200,000          |
|  | <b>sub-total</b>  | <b>425,000</b>   |
| From the General Government *            | To the Storm Drain CIP<br>City Parking Lot Rehabilitation Program (3716)                  | 200,000          |
|  | <b>sub-total</b>  | <b>200,000</b>   |

Note: \*Interfund Transfers, within the same fund group, are not included in the Budget Summary.

| Origin and Purpose of Transfer            |  | Transfer Distribution |
|---|--|-----------------------|
| From the General Government *             | To the General Government CIP for:   |                       |
|   | Fire Station Improvements (3403)   | 200,000               |
|   | City Building Improvements (3406)  | 800,000               |
|   | Annual Tree Replacement Program (3438)   | 125,000               |
|   | Street Landscape Irrigation Repair (3449)  | 360,000               |
|   | Pilot Street Sweeping Program (3455)   | 300,000               |
|   | On-Call Facilities Maintenance & Repair Services (3462)                          | 330,000               |
|   | On-Call Parks and Landscaping Services (3463)                                    | 150,000               |
|   | Fire Training/OES Facility Portable (3465)                                       | 550,000               |
|   | Capital Improvement Program Administration (3490)                                | 252,000               |
|   | Cardoza Park Softball Fields Improvement (3491)                                  | 300,000               |
|   | Public Safety Mobile Computer Terminals (3497)                                   | 360,000               |
|   | HVAC Repairs and Upgrades (3499)   | 620,000               |
|   | Landmark Policy - Historic Resource Master Plan Update and Marker Program (3503) | 200,000               |
|   | <b>sub-total</b>   | <b>4,547,000</b>      |
| From the Transit Area Impact Fee Fund *   | To the Subsidiary CIP Fund for:  |                       |
|   | Land/Right-of-Way Value Determination (2010)                                     | 9,000                 |
|   | S. Milpitas Blvd. Vehicle Bridge at Penitencia (2016)                            | 700,000               |
|   | Montague Ped. Overcrossing at Penitencia (2018)                                  | 2,490,000             |
|   | (Rmb) Metro Recycled Water Distribution (2019)                                   | 300,000               |
|   | <b>sub-total</b>   | <b>3,499,000</b>      |
| From the Transit Area Impact Fee Fund *   | To the General Government CIP for:   |                       |
|   | Capital Improvement Program Administration (3490)                                | 144,000               |
|   | <b>sub-total</b>   | <b>144,000</b>        |
| From the Water M&O Fund                   | To the General Fund for:   |                       |
|   | Operating Cost Reimbursement   | 2,687,393             |
|   | <b>sub-total</b>   | <b>2,687,393</b>      |
| From the Water Infrastructure Replacement | To the General Government CIP for:   |                       |
|   | Capital Improvement Program Administration (3490)                                | 162,000               |
|   | GIS Development and Data Collection (3496)                                       | 100,000               |
|   | <b>sub-total</b>   | <b>262,000</b>        |

Note: \*Interfund Transfers, within the same fund group, are not included in the Budget Summary.

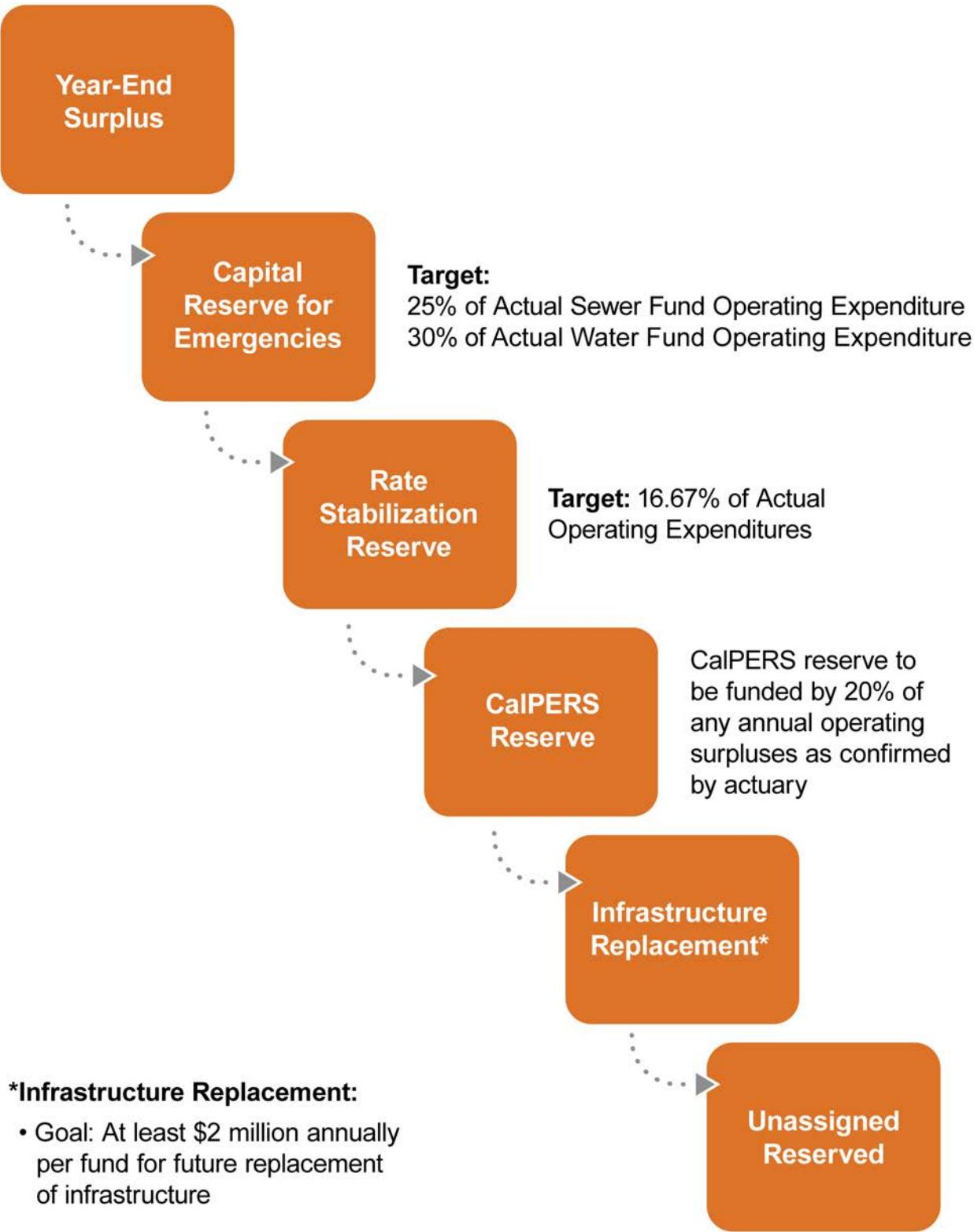
## Origin and Purpose of Transfer

Transfer  
Distribution

|   |  |                     |
|---|--|---------------------|
| From the Water Infrastructure Replacement * | To the Subsidiary CIP Fund for:                    |                     |
|   | Well Upgrade Project (7076)                        | 515,000             |
|   | Hydrant Replacement Program (7110)                 | 90,000              |
|   | Reservoir Cleaning (7112)                          | 60,000              |
|   | Water Conservation Program (7126)                  | 160,000             |
|   | Minor Water Projects (7133)                        | 390,000             |
|   | On-Call Water Maintenance & Repair Services (7137) | 300,000             |
|   | <b>sub-total</b>                                   | <b>1,515,000</b>    |
| From the Sewer M & O Fund                   | To the General Fund for:                           |                     |
|   | Operating Cost Reimbursement                       | 1,444,196           |
|   | <b>sub-total</b>                                   | <b>1,444,196</b>    |
| From the Sewer Treatment Fund *             | To the Subsidiary CIP Fund for:                    |                     |
|   | SJ/SC Regional Waste Water Facility (6118)         | 6,300,000           |
|   | <b>sub-total</b>                                   | <b>6,300,000</b>    |
| From the Sewer Infrastructure Replacement * | To the General Government CIP for:                 |                     |
|   | GIS Development and Data Collection (3496)         | 100,000             |
|   | Capital Improvement Program Administration (3490)  | 162,000             |
|   | <b>sub-total</b>                                   | <b>262,000</b>      |
| From the Sewer Infrastructure Replacement * | To the Subsidiary CIP Fund for:                    |                     |
|   | SJ/SC Regional Waste Water Facility (6118)         | 330,000             |
|   | Sewer Pump Station Rehab. Program (6124)           | 200,000             |
|   | Minor Sewer Projects (6126)                        | 50,000              |
|   | On-Call Sewer Maintenance & Repair Services (6134) | 67,000              |
|   | <b>sub-total</b>                                   | <b>647,000</b>      |
| From the Permit Automation Fund             | To the General Government CIP for:                 |                     |
|   | GIS Development and Data Collection (3496)         | 150,000             |
|   | <b>sub-total</b>                                   | <b>150,000</b>      |
| <b>TOTAL TRANSFERS</b>                      |  | <b>\$29,724,934</b> |

Note: \*Interfund Transfers, within the same fund group, are not included in the Budget Summary.

# Utility Funds Reserve Allocation



# General Fund Reserves Summary

## Per Annual Comprehensive Financial Statement

| (\$ in Million)                           | FY2017        | FY2018        | FY2019         | FY2020        | FY2021         |
|---|---------------|---------------|----------------|---------------|----------------|
| <b>Nonspendable:</b>                      |               |               |                |               |                |
| Loan receivable                           | \$10.3        | \$0.0         | \$0.0          | \$0.0         | \$0.0          |
| Prepays, materials, supplies and deposits | \$0.6         | \$0.7         | \$0.7          | \$0.6         | \$0.6          |
| Property held for resale                  | \$4.2         | \$4.2         | \$4.2          | \$4.2         | \$4.2          |
| Advance to Other Funds                    | \$5.1         | \$5.2         | \$5.3          | \$5.4         | \$0.0          |
| <b>Subtotal Nonspendable</b>              | <b>\$20.2</b> | <b>\$10.1</b> | <b>\$10.2</b>  | <b>\$10.2</b> | <b>\$4.8</b>   |
| <b>Committed to:</b>                      |               |               |                |               |                |
| PERS stabilization*                       | \$19.0        | \$29.9        | \$33.9         | \$33.9        | \$2.8*         |
| Artificial turf replacement               | \$0.0         | \$0.8         | \$1.0          | \$1.2         | \$1.4          |
| Technology replacement                    | \$0.0         | \$1.0         | \$2.0          | \$2.0         | \$2.0          |
| Facilities replacement                    | \$0.0         | \$2.0         | \$7.0          | \$7.0         | \$7.0          |
| <b>Subtotal Committed</b>                 | <b>\$19.0</b> | <b>\$33.7</b> | <b>\$43.9</b>  | <b>\$44.1</b> | <b>\$13.2*</b> |
| <b>Assigned to:</b>                       |               |               |                |               |                |
| Change in investment market values        | \$0.0         | \$0.0         | \$0.0          | \$1.1         | \$0.0          |
| Uninsured claims payable                  | \$2.8         | \$2.8         | \$2.8          | \$2.0         | \$2.3          |
| Contracts                                 | \$0.8         | \$1.2         | \$3.1          | \$3.0         | \$2.4          |
| Other assigned                            | \$0.0         | \$0.0         | \$0.0          | \$0.0         | \$1.8          |
| General government capital projects       | \$4.5         | \$4.6         | \$0.0          | \$0.0         | \$0.0          |
| <b>Subtotal Assigned</b>                  | <b>\$8.1</b>  | <b>\$8.6</b>  | <b>\$5.9</b>   | <b>\$6.1</b>  | <b>\$6.5</b>   |
| <b>Unassigned:</b>                        | \$0.0         | \$0.0         | \$0.0          | \$0.0         | \$0.0          |
| General Fund Contingency Reserve          | \$0.0         | \$0.0         | \$0.0          | \$17.3        | \$18.3         |
| Budget stabilization                      | \$0.0         | \$4.0         | \$9.5          | \$17.1        | \$18.3         |
| Future deficit                            | \$0.0         | \$0.0         | \$0.0          | \$0.0         | \$1.5          |
| Unassigned                                | \$25.4        | \$36.5        | \$31.2         | \$0.0         | \$0.2          |
| <b>Subtotal Unassigned</b>                | <b>\$25.4</b> | <b>\$40.5</b> | <b>\$40.7</b>  | <b>\$34.4</b> | <b>\$38.3</b>  |
| <b>Total fund balances</b>                | <b>\$72.7</b> | <b>\$92.9</b> | <b>\$100.7</b> | <b>\$94.8</b> | <b>\$62.8</b>  |

\*\$33.9 million of PERS stabilization are put into a Section 115 Pension Trust on June 30, 2021 at Council's direction.



## ARPA Informational Schedule

On March 11, 2021, President Biden signed into law the American Rescue Plan Act (ARPA), a \$1.9 trillion stimulus package, to counteract the economic impacts of the pandemic. The City’s ARPA allocation of \$16,736,815 is available in two tranches; the first half was received in June 1, 2021, and the second half was received in June 9, 2022.

The U.S. Treasury issued the Interim Final Rule (IFR) on May 10, 2021 and the Final Rule on January 6, 2022, which went into effect on April 1, 2022. Funds need to be either expended or encumbered by December 31, 2024, with all funds to be expended by December 31, 2026.

Council began ARPA discussions in March 2021 and adopted guidelines, investments plans and project appropriations by August 2021. Specifically, in June 2021, Council approved the ARPA Investment Framework including the Fiscal Guidelines and Five Investment Areas. Fiscal Guidelines include the following:

- 1. Identify and promote other ARPA or State funding sources to the extent possible before dedicating local ARPA funds.
- 2. Use one-time ARPA funds for one-time expenditures such as investment in infrastructure or technology with minimum ongoing operating costs.
- 3. Avoid ongoing General Fund commitments with additional programs and positions.
- 4. Avoid creating a structural budget deficit if restoring any reduced services.
- 5. Leverage regional agencies, non-profit partners, and existing programs to maximize efficiency in delivering programs and services.

On August 9, Council approved funding for 25 programs (and later expanded) in the ARPA Investment Plan and delegated authority to the City Manager to proceed with appropriation actions and contract approvals, up to the approved amount for each program approved by Council, once compliance with ARPA procurement, contracting, and reporting requirements are confirmed. This allows the funding to go to residents and businesses significantly impacted by the pandemic, in an efficient and expeditious manner.

Funding for the Five Investment areas of **Community Services, Economic Vitality, Infrastructure, Public Safety, and Technology** is as follows:

Milpitas ARPA Funding Investments (\$16.7 million)

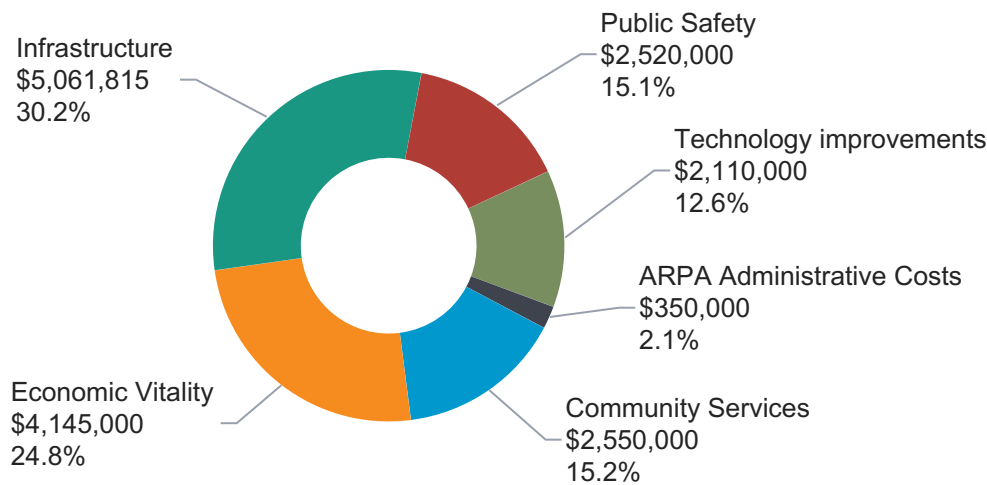


Table 1: Summary of ARPA Investment Plan – as of April 13, 2022

| No. | Program/Activity | Approved Appropriation |
|-----|------------------|------------------------|
|-----|------------------|------------------------|

**Community Services**

|                 |   |                    |
|-----------------|---|--------------------|
| 1               | Rent and mortgage relief  | \$1,100,000        |
| 2               | Social services – mental health services, services for domestic violence and abuse victims and LGBTQ plus community | \$500,000          |
| 3               | Financial assistance to low and moderate income residents for utility payments and childcare costs                  | \$575,000          |
| 4a              | Beautify Milpitas program   | \$100,000          |
| 4b              | Weed Abatement  | \$90,000           |
| 5               | Pilot curbside trash pickup program   | \$85,000           |
| 6               | Homeless outreach and assessment  | \$100,000          |
| <b>Subtotal</b> |   | <b>\$2,550,000</b> |

**Economic Vitality**

|                 |   |                    |
|-----------------|---|--------------------|
| 7               | Small Business Assistance Grant Program               | \$1,570,000        |
| 8               | Hotel Assistance Grant Program                        | \$130,000          |
| 9               | Accessory Dwelling Unit program                       | \$990,000          |
| 10              | Storefront Improvement Grant Program                  | \$365,000          |
| 11              | Community events                                      | \$125,000          |
| 12              | Financial assistance to the Chamber of Commerce       | \$200,000          |
| 13              | Workforce Development Program                         | \$300,000          |
| 14              | Limited term Economic Development Specialist position | \$330,000          |
| 15              | Business Improvement District                         | \$75,000           |
| 16              | Sustainable Neighborhood Program                      | \$60,000           |
| <b>Subtotal</b> |   | <b>\$4,145,000</b> |

| No. | Program/Activity | Approved Appropriation |
|-----|------------------|------------------------|
|-----|------------------|------------------------|

## Infrastructure

|          |   |             |
|----------|---|-------------|
| 17       | Parks Rehabilitation                      | \$4,386,815 |
| 18       | Public Safety Facilities' Rehabilitation  | \$250,000   |
| 19       | Mobile Emergency Operations Center (MEOC) | \$425,000   |
| Subtotal |   | \$5,061,815 |

## Public Safety

|          |  |             |
|----------|--|-------------|
| 20       | Public Safety staffing ( 2 Police and 4 Fire positions for one year) | \$1,200,000 |
| 21       | Fire Pumper Truck  | \$920,000   |
| 22       | Emergency Management Program Assessment Study                        | \$200,000   |
| 23       | Catalytic Converter Public Safety Initiative                         | \$200,000   |
| Subtotal |  | \$2,520,000 |

## Technology

|          |                                     |             |
|----------|-------------------------------------|-------------|
| 24       | Human Resources Information System  | \$1,100,000 |
| 25       | Financial Management System         | \$100,000   |
| 26       | Cybersecurity programs and training | \$300,000   |
| 27       | Technology infrastructure           | \$610,000   |
| Subtotal |                                     | \$2,110,000 |

## Recommendation for Unassigned Allocation

|          |                           |           |
|----------|---------------------------|-----------|
| 28       | ARPA Funds Administration | \$350,000 |
| Subtotal |                           | \$350,000 |

|             |              |
|-------------|--------------|
| Grand Total | \$16,736,815 |
|-------------|--------------|

TABLE 2: ARPA-funded Positions – as of April 13, 2022

| Investment Area         | Position/Title   | FTE | Duration           |
|-------------------------|--|-----|--------------------|
| Public Safety           | Police - Police Officers   | 2   | 1 year             |
| Public Safety           | Fire - Firefighter/Paramedics  | 4   | 1 year             |
| Economic Vitality       | Economic Development – Special Project Associate   | 1   | Limited Term       |
| Economic Vitality       | Recreation Services – Events Coordinator   | 1   | 1 year             |
| Economic Vitality       | Recreation Services – Youth Recreation Program Temporary Staffing                          | —   | Limited Term       |
| Economic Vitality       | Economic Development – Workforce Development - Recreation Youth Program Temporary Staffing | —   | Limited Term       |
| Community Services      | Public Works - Maintenance Worker  | 2   | Seasonal/Part-time |
| Technology Improvements | Information Technology Staff   | 1   | 2 years            |
| Administration          | Finance - Senior Buyer (Reclassification)  | 1   | Limited Term       |

## ARPA Programs

### 1. Rent and mortgage relief

This Milpitas ARPA allocation will expand eligibility for the Milpitas Rent Relief Program and create a Milpitas Mortgage Relief program.

### 2. Social services – mental health, domestic violence, LGBTQ plus

This Milpitas ARPA allocation will provide a variety of social services such as mental health services and services to the LGBTQ plus community and at-risk youth as well as victims of domestic violence and abuse. The City would partner with non-profits that are already serving in these areas.

### 3. Low income assistance – utility bills, childcare

Financial assistance to low and moderate income residents for utility payments and childcare costs.

### 4. Beautify Milpitas

The City will provide staffing support and materials for one clean-up day every month and a National Clean-Up Day once a year.

### 5. Curbside trash pick-up pilot program

Under the current Bulky Item/On Call Clean-up Program, single-family residential customers are entitled to four bulky item/clean ups per a rolling 12-month period. Residents can either dispose of their unwanted items into two 1.5-cubic yard bags or instead of using the bags, one (1) large/bulky item may be set out for collection. Under the pilot program, residents would be able to set out up to three (3) large/bulky items for collection.

### 6. Homeless Outreach and Assessment

This Milpitas ARPA allocation will continue services with Santa Clara County Office of Supportive Housing and the County's Homeless Engagement and Access Team to provide direct outreach, assessment, and case management services to the City's unhoused residents.

### **7. Small Business Assistance Grant Program**

ARPA small business grant program (\$70,000 ARPA re-allocation) – Council re-allocated the undistributed \$70,000 balance from the hotel assistance program to small business assistance program. This will retain the funding within economic vitality investment area and assist businesses impacted by COVID, and allow for the remaining qualified small businesses to receive a proportional share of the remaining balances of approximately \$122,000 (\$70,000 re-allocation and \$50,000 from first grant lottery). This action will assist 342 small businesses of which 276 from the first grant lottery and 66 from this Council funding.

### **8. Hotel Assistance Grant Program**

Milpitas is home to twenty hotels which serve the Silicon Valley region. The local lodging industry plays a significant multiplier role in the local economy. During the pandemic, hotels have suffered tremendous loss in revenues and jobs. The Department of Treasury has determined that aid to impacted industries such as tourism, travel, and hospitality take place to restore these industries to pre-pandemic levels. The City of Milpitas is providing \$10,000 grants to each local hotel to assist with COVID-19 business impacts.

### **9. Accessory Dwelling Unit (ADU) program**

The Milpitas ARPA allocation will provide payment of permit fees to incentivize the building of new ADUs and encourage the legalization of unpermitted ADUs through the ADU Incentive Program and the Safe ADU Legalization Program. These ADU programs can provide housing options, foster economic growth through increased construction activity, and increase property value.

### **10. Storefront Improvement Grant Program**

The Storefront Improvement Grant Program is meant to spur Main Street revitalization and economic vitality. The grant program will include five Level 1 Grants of up to \$15,000 each, six Level 2 Grants of up to \$25,000 each and design services estimated at \$75,000 for a total grant program amount of \$300,000.

### **11. Community events**

Community events over the next two years and funding could be used to partner with external entities to host events such as Cultural Celebrations, Art Walk and/or 5k Run.

### **12. Milpitas Chamber of Commerce**

The Milpitas Chamber of Commerce will receive ARPA funding for staff to assist with supporting local businesses through the following events and business assistance activities: Crab Feed, Art and Wine Festival, Business Workshops, and Job Fair(s).

### **13. Workforce Development Program**

The Workforce Development Program includes funding for Milpitas Youth Force (\$40,000) to support low-income youth and develop a local workforce pipeline, Evergreen Valley College for an Amazon Web Services Cloud Practitioner Program (\$50,000), First 5 Santa Clara County for a Pilot Early Childhood Education Teacher Apprenticeship program (\$40,000), Rising Sun Center for Opportunity Climate Careers will develop a program addressing climate change by employing local youth to provide energy efficiency services (\$10,000), and Build It Green to implement a Certified Green Building Professional training program (\$10,000).

### **14. Limited term Economic Development Specialist position**

In order to assist with the ARPA Economic Vitality Investment Framework, the City Council approved funding for a two-year limited term Economic Development Specialist position for the Office of Economic Development (\$330,000).

### **15. Business Improvement District**

ARPA funding will be used for a Business Improvement District (BID) feasibility analysis and technical support for property owners and business owners on North and South Main Street to assist with the formation of a BID and an Engineer's Report. A feasibility and analysis study will cost approximately \$75,000 in one-time funding. A business improvement district (BID) is a geographic area in which businesses or property owners opt to pay a self-assessed levy to fund projects and services within the district's boundaries. BIDs are employed as an economic development tool to fund services such as cleaning streets, providing security, making capital improvements, construction of pedestrian and streetscape enhancements, various public infrastructure improvements, restoring and re-establishing

historic districts, and marketing the area. The establishment of BID is aligned with the City Council's goal of Main Street Revitalization and the City's Economic Development Strategy.

**16. Sustainable Neighbor Program**

The purpose of this program is to support Milpitas in achieving its CAP (Climate Action Plan) goals by demonstrating how the community can utilize the many city-promoted and city-supported sustainability and resiliency programs to reduce GHG emissions; developing and instilling long term skills and behaviors that can be shared with neighbors, family, friends and future generations to continue a low environmental impact community; promoting "how-to" steps that work; and proving Milpitas' resilience to global trends, like climate change and pandemics.

**17. Parks Rehabilitation – Engineering & Public Works**

This provides ARPA funding for needed repairs and improvements to 20 of the City's 36 parks. The implementation of these repairs and improvements will address health and safety repairs and improve the condition of parks noted as in critical and poor condition.

**18. Public Safety Facilities' Rehabilitation**

This project would complete a safety risk assessment for Fire Station 1 to identify weak areas in safety, to determine and implement the proper technology and infrastructure to mitigate the identified risks.

**19. Mobile Emergency Operation Center (MEOC)**

This project provides partial funding for the purchase of a Mobile Emergency Operations Center (MEOC) to be used by the Police and Fire Department during extended incidents and field deployments. This vehicle provides a safe operational environment for staff to plan and coordinate resources during a major incident. The MEOC will also serve as a backup Public Safety Answering Point (PSAP) allowing the City to provide continuous and uninterrupted service to the community in the event the primary system fails.

**20. Public Safety Staffing (Police and Fire)**

This project supports the funding of these two positions with ARPA funds, in order for the Police Department to restore pre-pandemic funded staffing levels. This project will also fund four Firefighter-Paramedic positions which will enable the Fire Department to deploy an ambulance during FY 2021-22 and FY 2022-23.

**21. Fire equipment (1 fire pumper)**

The addition of this new fire pumper will substantially improve the reliability of the reserve fleet as well as allowing the reduction of the reserve fleet from three to two reserve fire pumpers. By adding a new pumper to the fleet in front line status, the most utilized current pumper will be placed in the reserve fleet thereby extending the useful life of the existing front-line apparatus.

**22. Implementation of Emergency Mgt Plan (EMP)**

This funding will partially fund the high priority Emergency Management Program (EMP) Assessment Study.

**23. Catalytic Converter**

This provides funding for various catalytic converter program(s) to provide economic support to businesses and address this public safety challenge.

**24. HR Information System**

This funding enables the City to implement a new HR Information System (HRIS). Currently, the City relies upon a 24-year old Financial Management System, that has a HRIS component. This new system will address many of the current system deficiencies.

**25. Financial Management System evaluation**

This ARPA funding will provide a financial management system evaluation and operational assessment, as the City plans to replace its 26 year old legacy system.

### **26. Cybersecurity and training**

This ARPA funding will assist the City in cyber threats by funding possibly 1) hardware and software protection systems and/or 2) end-user security training.

### **27. Technology improvements**

This project supports general technology improvements. This includes, but not limited to 1) addressing outdated and vulnerable systems, 2) improving security, 3) implementing additional infrastructure necessary to better support the City's remote workforce, 4) supporting hybrid public meeting requirements.

### **28. Procurement, monitoring, compliance**

The U.S. ARPA program is a Federal program wherein the U.S. Treasury imposes comprehensive, complex procurement, monitoring and compliance requirements. These mandates endeavor to ensure best practices in procurement, fiscal oversight and achieving the primary desired program outcome of helping the United States rebuild from the COVID-19 pandemic. The City set aside 2% of the total Milpitas ARPA funding to assist with procurement, monitoring and compliance.

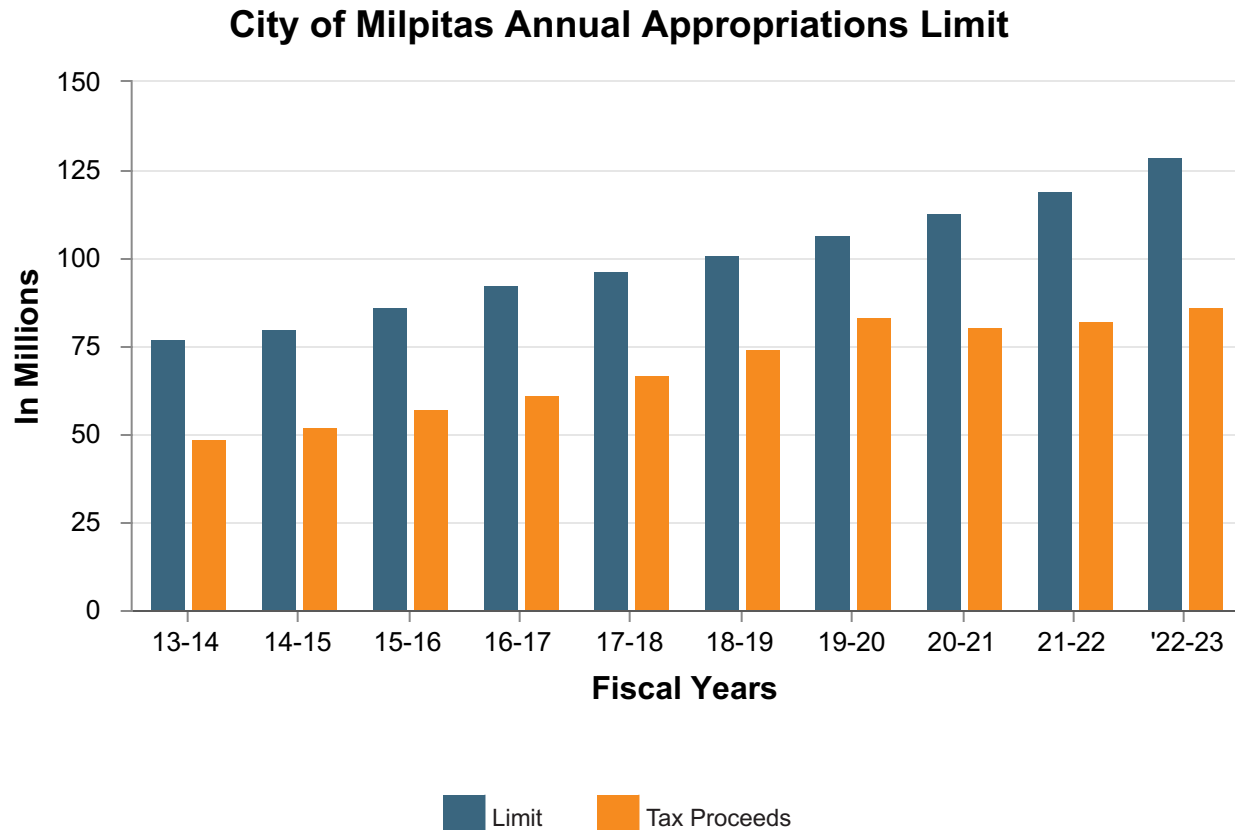


## Gann Appropriations Limit Analysis

Article XIII B of the California State Constitution, more commonly referred to as the Gann Initiative or Gann Appropriations Limit, was approved by California voters in November 1979 and placed limits on the amount of proceeds of taxes that state and local governmental agencies can receive and spend each year. If an agency receives more revenue than the Appropriations Limit, the excess revenue must be returned to the taxpayers through a tax reduction or refund within the next two years. Alternatively, the agency can increase its Appropriations Limit through voters' approval.

Each year's limit is based on the amount of tax proceeds that were authorized to be spent in Fiscal Year 1978-79 in each agency, modified for changes in inflation and population in each subsequent year. The City Council must adopt, by resolution, an Appropriations Limit for the following year. Using the population and per capita personal income change factors provided by the State of California, the City's Appropriations Limit for FY2022-23 has been computed to be \$129,057,419. Appropriations subject to the limitation in FY2022-23 budget total \$86,163,597 that is \$42,893,822 less than the computed limit.

The following chart shows the annual Appropriations Limit and the tax proceeds received since Fiscal Year 2013-14. The amounts for Tax Proceeds have been restated to exclude Franchise Fees, which were inadvertently included in the past, which is inconsistent with the law. The City has not exceeded its annual Appropriations Limit in any single fiscal year. The City has been under 80% of the limitation and should not be impacted by the Appropriations Limit.



\*In prior years, Franchise Fees were inadvertently included in the calculation of the tax proceeds, which is inconsistent with the law. This chart has been corrected to show only tax proceeds subject to the limit.

## Legal Bonded Debt Margin

**City of Milpitas**  
**June 30, 2022**

ASSESSED VALUATION:

|  |                         |
|--|-------------------------|
| Total property assessed value, net of exempt real property | <u>\$22,346,414,172</u> |
|--|-------------------------|

|   |                      |
|---|----------------------|
| BONDED DEBT LIMIT (3.75% OF ASSESSED VALUE) (a) | <u>\$837,990,531</u> |
|---|----------------------|

AMOUNT OF DEBT SUBJECT TO LIMIT:

|                   |              |
|-------------------|--------------|
| Total Bonded Debt | \$66,360,000 |
|-------------------|--------------|

Less Bonds not subject to debt limit:

|   |               |
|---|---------------|
| 2017 Wastewater Revenue Refunding Bonds | (\$2,815,000) |
|---|---------------|

|                               |                |
|-------------------------------|----------------|
| 2019 Wastewater Revenue Bonds | (\$28,910,000) |
|-------------------------------|----------------|

|                          |                |
|--------------------------|----------------|
| 2019 Water Revenue Bonds | (\$16,465,000) |
|--------------------------|----------------|

|                          |                       |
|--------------------------|-----------------------|
| 2020 Lease Revenue Bonds | <u>(\$18,170,000)</u> |
|--------------------------|-----------------------|

|                                       |                       |
|---------------------------------------|-----------------------|
| Total Bonds not subject to debt limit | <u>(\$66,360,000)</u> |
|---------------------------------------|-----------------------|

|                                 |            |
|---------------------------------|------------|
| Amount of debt subject to limit | <u>\$0</u> |
|---------------------------------|------------|

|                          |                      |
|--------------------------|----------------------|
| LEGAL BONDED DEBT MARGIN | <u>\$837,990,531</u> |
|--------------------------|----------------------|

- (a) California Government Code, Section 43605 sets the debt limit at 15%. The Code section was enacted prior to the change in basing assessed value to full market value when it was previously 25% of market value. Thus, the limit shown as 3.75% is one-fourth the limit to account for the adjustment of showing assessed valuation at full cash value.

# City Council

**Mayor:** Rich Tran

## Mission Statement

The City Council serves as the informed, legislative governing body of the City on all issues, provides guidance in assessing the needs of the community and policy direction for the development of programs and provision of services to the Milpitas community.

## Description

The City has a Council/Manager form of government. The Council sets policy and approves the budget, contracts, and programs.



### Services

- Serves as governing body of the City.
- Provides legislative direction to the City.
- Promulgates policies for provision of services and direction for the City.
- Enacts ordinances and resolutions necessary for governing the affairs of the City.
- Adopts the Annual Operating Budget and Five-Year Capital Improvement Program.
- Serves as City Representatives at public events and functions.



### Council Priority Areas



**Community Wellness  
and Open Space**



**Economic  
Development and  
Job Growth**



**Environment**



**Governance and  
Administration**










**Neighborhoods  
and Housing**










**Public Safety**



**Transportation  
and Transit**

|    |   | Community<br>Wellness and<br>Open Space   | Economic<br>Development<br>and Job Growth   | Environment  | Governance &<br>Administration  | Neighborhoods<br>and Housing  | Public Safety   | Transportation<br>and Transit   |
|----|---|---|---|--|---|---|---|---|
|    | Accomplishments   |  |  |  |  |  |  |  |
| 1. | Mask Mandate (first City in Santa Clara County)   | ✓   |   |  |   | ✓   | ✓   |   |
| 2. | Milpitas COVID-19 Testing sites   | ✓   |   |  |   | ✓   | ✓   |   |
| 3. | Authorized Community Assistance during the Pandemic (e.g.: food distribution, rent relief program, small business grants) | ✓   | ✓   |  | ✓   | ✓   |   |   |
| 4. | General Plan Adoption   | ✓   | ✓   | ✓  | ✓   | ✓   | ✓   | ✓   |
| 5. | FY2021-22 Budget Adoption   | ✓   | ✓   | ✓  | ✓   | ✓   | ✓   | ✓   |

|    |  |  |  |  |  |  |  |  |
|----|--|---|---|--|---|---|---|---|
|    | Initiatives  |   |   |  |   |   |   |   |
| 1. | Supporting implementation of a Milpitas Mobile Vaccination Program                     | ✓   |   |  |   | ✓   | ✓   |   |
| 2. | Assisting Small Businesses   | ✓   | ✓   |  | ✓   |   |   |   |
| 3. | Investing American Rescue Plan Act funds strategically                                 | ✓   | ✓   | ✓  | ✓   | ✓   | ✓   | ✓   |
| 4. | Adopting long-term infrastructure and utility strategies                               | ✓   | ✓   | ✓  | ✓   | ✓   | ✓   | ✓   |
| 5. | Enhancing Transportation and Transit Connectivity Options                              | ✓   | ✓   | ✓  |   | ✓   | ✓   | ✓   |
| 6. | Continue to support policies and programs that promote equity, inclusion and diversity | ✓   | ✓   | ✓  | ✓   | ✓   | ✓   | ✓   |

# Budget Summary

| DOLLARS BY CATEGORY                      |                                     | 2019-20<br>Actual | 2020-21<br>Actual | 2021-22<br>Adopted | 2022-23<br>Adopted | FY 2023<br>Change \$ | FY 2023<br>Change % |
|--|-------------------------------------|-------------------|-------------------|--------------------|--------------------|----------------------|---------------------|
| <b>PERSONNEL SERVICES</b>                |                                     |                   |                   |                    |                    |                      |                     |
| 4111                                     | Permanent Salaries                  | \$60,199          | \$57,784          | \$67,844           | \$58,688           | (\$9,156)            | (13.5)%             |
| 4112                                     | Temporary Salaries                  | 10,360            | 6,655             | 144,728            | 144,722            | (6)                  | 0.0%                |
| 4121                                     | Allowances                          | 37,883            | 37,581            | 38,700             | 38,700             | 0                    | 0.0%                |
| 4131                                     | PERS                                | 14,966            | 14,314            | 13,762             | 15,095             | 1,333                | 9.7%                |
| 4132                                     | Group Insurance                     | 83,639            | 83,292            | 77,042             | 83,220             | 6,178                | 8.0%                |
| 4133                                     | Medicare                            | 1,456             | 1,413             | 2,269              | 2,136              | (133)                | (5.9)%              |
| 4135                                     | Worker's Compensation               | 702               | 2,395             | 2,438              | 2,392              | (46)                 | (1.9)%              |
| 4139                                     | PARS                                | 185               | 106               | 2,171              | 2,171              | 0                    | 0.0%                |
| 4146                                     | Short Term Disability               | 0                 | 0                 | 252                | 1,200              | 948                  | 376.2%              |
| 4161                                     | Retiree Medical Reserve             | 6,888             | 265               | 273                | 399                | 126                  | 46.2%               |
| <b>sub-total</b>                         |                                     | <b>218,958</b>    | <b>203,805</b>    | <b>349,479</b>     | <b>348,723</b>     | <b>(756)</b>         | <b>(0.2)%</b>       |
| <b>SUPPLIES AND CONTRACTUAL SERVICES</b> |                                     |                   |                   |                    |                    |                      |                     |
| 4200                                     | Community Promotion, Grant/<br>Loan | 14,354            | 8,071             | 37,500             | 39,500             | 2,000                | 5.3%                |
| 4220                                     | Supplies                            | 1,127             | 222               | 11,000             | 11,000             | 0                    | 0.0%                |
| 4230                                     | Services                            | 18,161            | 1,286             | 31,600             | 35,000             | 3,400                | 10.8%               |
| 4500                                     | Training, Travel, &<br>Memberships  | 79,933            | 66,002            | 107,895            | 111,500            | 3,605                | 3.3%                |
| 4520                                     | Commissions & Boards                | 763               | 750               | 12,000             | 12,000             | 0                    | 0.0%                |
| <b>sub-total</b>                         |                                     | <b>114,338</b>    | <b>76,331</b>     | <b>199,995</b>     | <b>209,000</b>     | <b>9,005</b>         | <b>4.5%</b>         |
| <b>TOTAL</b>                             |                                     | <b>\$333,296</b>  | <b>\$280,136</b>  | <b>\$549,474</b>   | <b>\$557,729</b>   | <b>\$8,249</b>       | <b>1.5%</b>         |

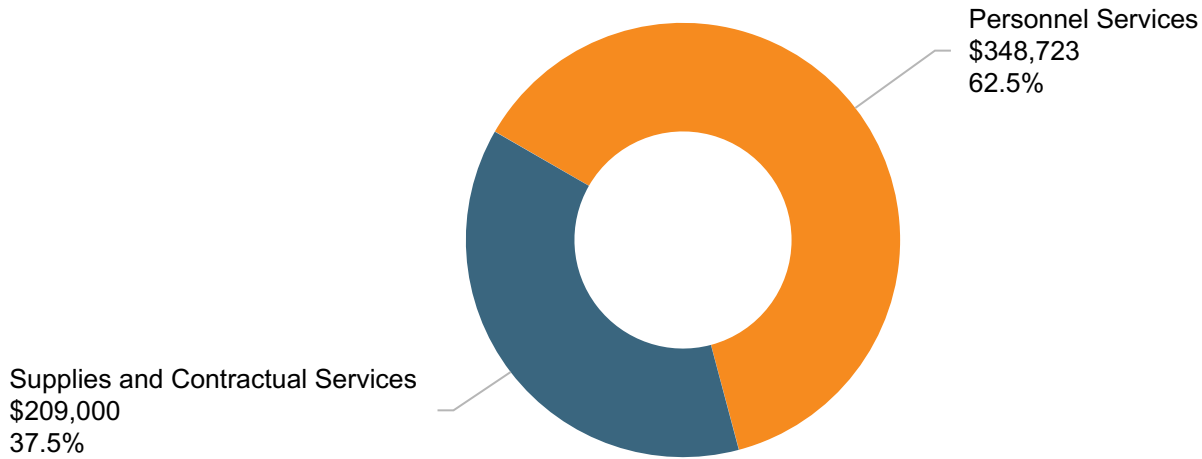
## Staffing\*

| POSITIONS              | 2019-20<br>Adopted | 2020-21<br>Adopted | 2021-22<br>Adopted | 2022-23<br>Adopted | FY 2023<br>Change |
|------------------------|--------------------|--------------------|--------------------|--------------------|-------------------|
| City Council           | 4.00               | 4.00               | 4.00               | 4.00               | 0.00              |
| Mayor                  | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| <b>Total Positions</b> | <b>5.00</b>        | <b>5.00</b>        | <b>5.00</b>        | <b>5.00</b>        | <b>0.00</b>       |

\*Funding for 5 interns (2.5 Temporary FTEs) included in the City Council budget.



## Expenditures by Category



## Budget Reconciliation

|   | Positions   | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |
|---|-------------|---------------------------|-------------------------|-----------------------|
| <b>PRIOR YEAR BUDGET</b>                                | 5.00        | \$549,474                 | \$0                     | \$549,474             |
| <b>Adjustments to Costs of Ongoing Activities</b>       |             |                           |                         |                       |
| Salary and Benefits                                     |             | (1,750)                   |                         | (1,750)               |
| Non-Personnel Expenditure Alignment to Historical Trend |             | 10,005                    |                         | 10,005                |
| <b>Adjustments to Costs of Ongoing Activities</b>       | <b>0</b>    | <b>8,255</b>              | <b>0</b>                | <b>8,255</b>          |
| <b>Total FY 2022-23 Budget</b>                          | <b>5.00</b> | <b>\$557,729</b>          | <b>\$0</b>              | <b>\$557,729</b>      |





# City Manager

**City Manager:** Steven G. McHarris

## Mission Statement

The City Manager's Office is responsible for implementing and supporting City Council direction, managing day-to-day operations of the City, and providing leadership and professional management to the organization.

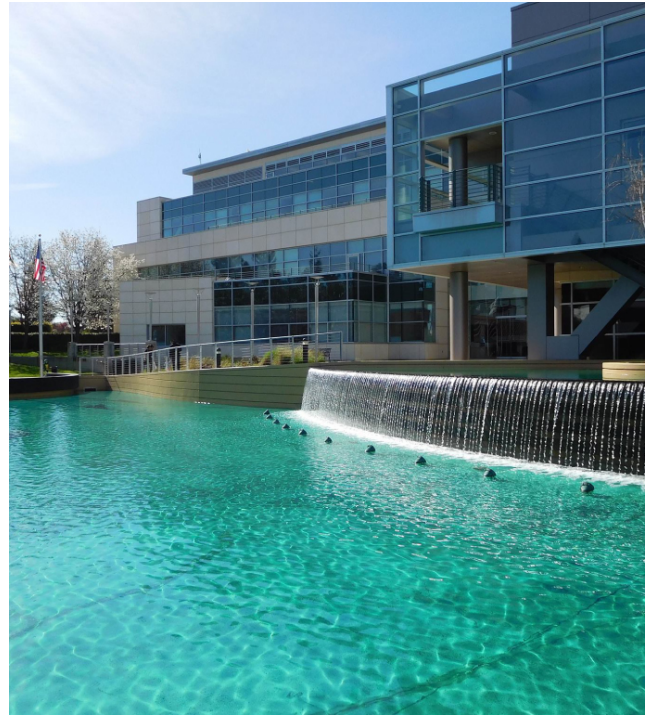
## Description

This function provides the administration of City government in an efficient and effective manner according to the general policy guidelines of the City Council and recommends strategies and solutions to issues for Council consideration.

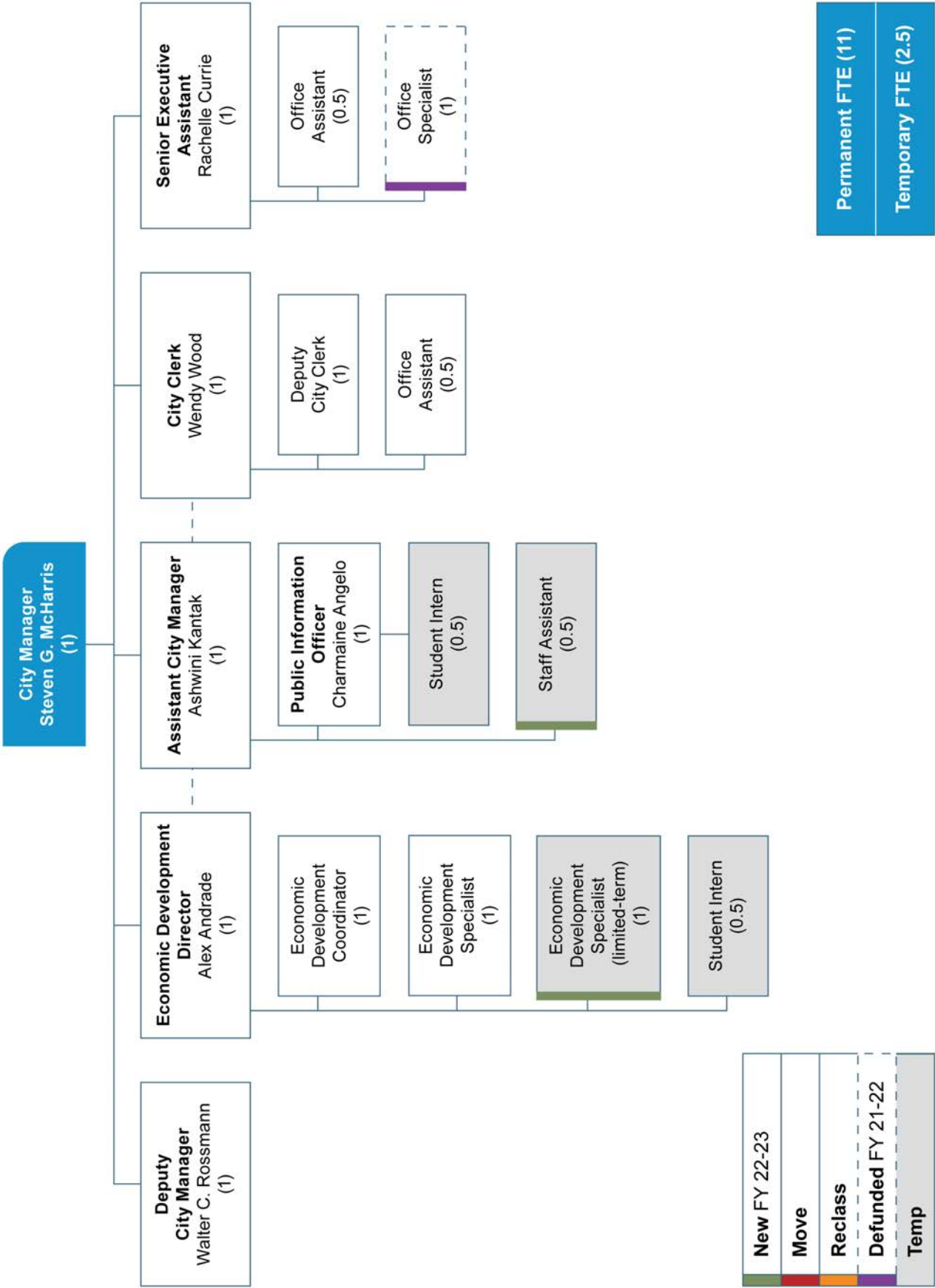


### Services

- Provides professional expertise and support to the City Council in formulation, interpretation and application of public policy to achieve community goals and objectives.
- Implements the City Council approved policies.
- Ensures the delivery of services to the Milpitas community in an effective and efficient manner.
- Administers the operations of City government.
- Advances organizational vision, determines organizational accountability, goals, and organizational capacity.
- Provides strong leadership and ensures timely dissemination of critical information to the community during times of emergency.
- Submits for adoption a balanced budget that identifies all the anticipated revenues and expenditures.
- Communicates with the City's diverse community about services, programs, and policies.
- Responds to inquiries from Milpitas residents and businesses, external agencies, customers, and other interested parties.
- Follows legislative activities of federal, state, regional and local political bodies and keeps Council apprised of the potential impact to the City.








City Manager















| <b>Accomplishments</b> |   | Community<br>Wellness and<br>Open Space   | Economic<br>Development<br>and Job Growth   | Environment  | Governance &<br>Administration  | Neighborhoods<br>and Housing  | Public Safety   | Transportation<br>and Transit   |
|------------------------|---|---|---|--|---|---|---|---|
|                        |   |  |  |  |  |  |  |  |
| 1.                     | EOC Lead and Management during COVID-19                                       | ✓   |   |  | ✓   | ✓   | ✓   |   |
| 2.                     | Proposed a Balanced FY2022-23 Budget  | ✓   | ✓   | ✓  | ✓   | ✓   | ✓   | ✓   |
| 3.                     | Completed Successful Appointments of Two Executive Positions                  |   |   |  | ✓   |   |   |   |
| 4.                     | Vaccination and Testing Sites Partnership                                     | ✓   |   |  | ✓   |   | ✓   |   |
| 5.                     | Adoption and Implementation of Community Identification and Branding Strategy |   | ✓   |  | ✓   | ✓   |   |   |
| 6.                     | Adoption of Climate Action Plan   | ✓   | ✓   | ✓  | ✓   | ✓   | ✓   | ✓   |
| 7.                     | Adoption of Water, Sewer, Storm Master Plan and Financial Utility Master Plan | ✓   | ✓   | ✓  | ✓   | ✓   | ✓   |   |
| 8.                     | Adoption and Implementation of \$16.7M ARPA Investment Plan                   | ✓   | ✓   | ✓  | ✓   | ✓   | ✓   |   |
| 9.                     | Led Prioritization and Implementation of over 100 individual Council Requests | ✓   | ✓   | ✓  | ✓   | ✓   | ✓   | ✓   |
| 10.                    | Adoption of City Council Procedures and Protocols Handbook                    |   |   |  | ✓   |   |   |   |

| Initiatives |  | Community<br>Wellness and<br>Open Space   | Economic<br>Development<br>and Job Growth   | Environment  | Governance &<br>Administration  | Neighborhoods<br>and Housing  | Public Safety   | Transportation<br>and Transit   |
|-------------|--|---|---|--|---|---|---|---|
|             |  |  |  |  |  |  |  |  |
| 1.          | Lead Initiatives to Prevent Homelessness and increase Affordable Housing Options | ✓   |   | ✓  | ✓   | ✓   | ✓   |   |
| 2.          | Continue Implementation of ARPA Investment Plan                                  | ✓   | ✓   | ✓  | ✓   | ✓   | ✓   | ✓   |
| 3.          | Adopt and Implement Trails, Bikeway and Pedestrian Master Plan                   | ✓   |   | ✓  | ✓   |   |   | ✓   |
| 4.          | Adopt and Implement Milpitas Metro Specific Plan                                 | ✓   | ✓   | ✓  | ✓   | ✓   |   | ✓   |
| 5.          | Develop and Implement Strategic Communications Plan                              |   | ✓   |  | ✓   |   |   |   |
| 6.          | Develop and Implement Street Landscape and Parks Maintenance Plan                | ✓   |   | ✓  | ✓   | ✓   |   |   |
| 7.          | Implement Milpitas OnDemand Micro-Transit Pilot Program                          |   | ✓   |  | ✓   |   |   | ✓   |
| 8.          | Implement Emergency Management Program   |   |   |  |   |   | ✓   |   |

## Performance and Workload Measures

| PERFORMANCE MEASURES  | Strategic Goal  | FY 19-20 Actual | FY 20-21 Actual | FY 21-22 Target | FY 21-22 Estimate | FY 22-23 Target |
|---|---|-----------------|-----------------|-----------------|-------------------|-----------------|
| Residents that are satisfied or very satisfied with the quality of City services  |  | 76%             | 79%             | 75%             | 83%               | 83%             |
| Residents contacting the City who say they are satisfied or very satisfied with the timeliness, courtesy and competency of City employees |  | 76%             | 77%             | 80%             | 78%               | 78%             |
| Employees who feel their work is valued by the City *   |  | 67%             | 67%             | 70%             | 70%               | 70%             |
| Employees who feel safe at work   |  | 75%             | 85%             | 90%             | 90%               | 90%             |
| Employees receiving timely annual performance appraisals  |  | N/A             | N/A             | 90%             | 93%               | 95%             |

| ACTIVITY AND WORKLOAD DATA  | Strategic Goal  | FY 19-20 Actual | FY 20-21 Actual | FY 21-22 Target | FY 21-22 Estimate | FY 22-23 Target |
|---|---|-----------------|-----------------|-----------------|-------------------|-----------------|
| City Council agenda items   |   | 494             | 503             | 450             | 450               | 450             |
| Information Memos published <sup>1</sup>  |  | 38              | 64              | 26              | 45                | 50              |
| City Manager Weekly Reports <sup>2</sup>  |  | 43              | 15              | 26              | 19                | 19              |
| Press Releases <sup>3</sup>   |  | 33              | 22              | 20              | 13                | 15              |
| Communications to all employees <sup>4</sup><br>(emails, newsletters, town hall meetings) |  | 87              | 74              | 30              | 57                | 60              |

\* Employee survey is only conducted every two years

1 - 26 out of 64 info memos are related to COVID-19 in FY21, 5 of these 45 memos are related to COVID-19 in FY22

2 - No weekly reports were published during the peak of the COVID-19 pandemic in FY21

3 - 3 items are COVID-19 related

4 - 30 items are related to COVID-19 in FY21, 5 of the 57 communications are related to COVID-19 in FY22



## Budget Summary

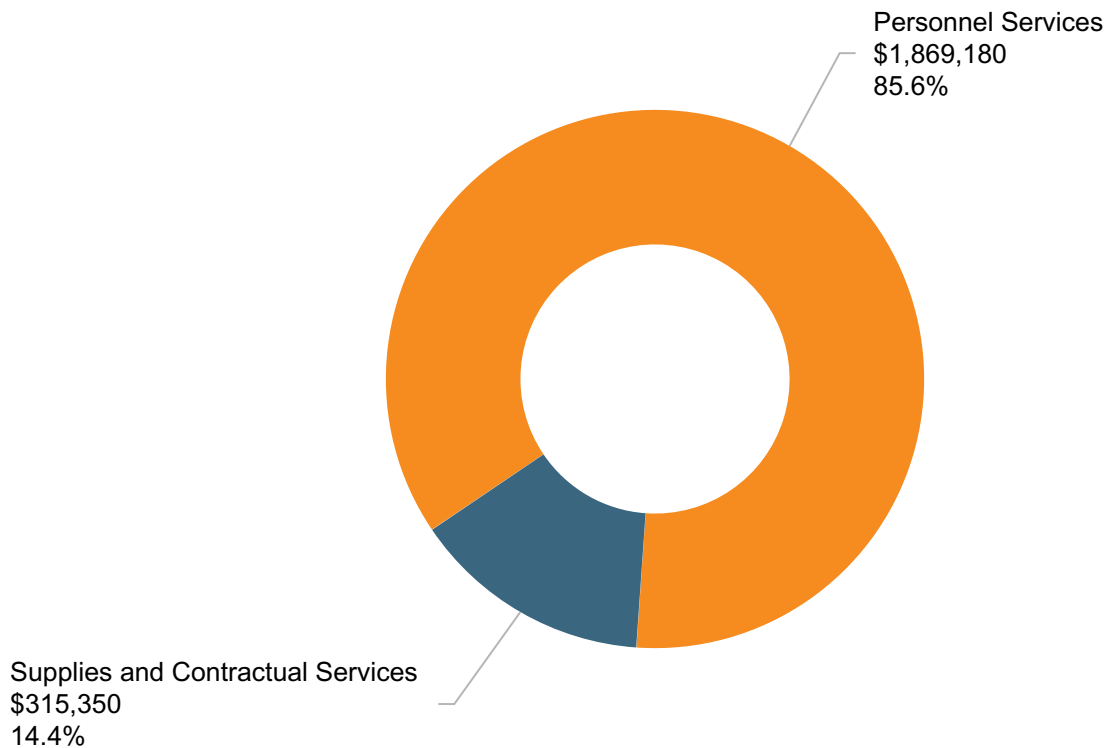
| DOLLARS BY CATEGORY                      |                                     | 2019-20<br>Actual  | 2020-21<br>Actual  | 2021-22<br>Adopted | 2022-23<br>Adopted | FY 2023<br>Change \$ | FY 2023<br>Change % |
|--|-------------------------------------|--------------------|--------------------|--------------------|--------------------|----------------------|---------------------|
| <b>PERSONNEL SERVICES</b>                |                                     |                    |                    |                    |                    |                      |                     |
| 4111                                     | Permanent Salaries                  | \$896,147          | \$1,113,859        | \$1,204,273        | \$1,251,444        | \$47,171             | 3.9%                |
| 4112                                     | Temporary Salaries                  | 203,635            | 184,318            | 17,362             | 41,977             | 24,615               | 141.8%              |
| 4113                                     | Overtime                            | 60,588             | 22,269             | 0                  | 0                  | 0                    | 0.0%                |
| 4121                                     | Allowances                          | 16,556             | 7,222              | 19,532             | 26,384             | 6,852                | 35.1%               |
| 4124                                     | Leave Cashout                       | 60,256             | 96,381             | 0                  | 0                  | 0                    | 0.0%                |
| 4131                                     | PERS                                | 381,793            | 421,897            | 385,227            | 378,299            | (6,928)              | (1.8)%              |
| 4132                                     | Group Insurance                     | 106,620            | 135,496            | 88,709             | 94,509             | 5,800                | 6.5%                |
| 4133                                     | Medicare                            | 17,742             | 20,831             | 18,266             | 19,049             | 783                  | 4.3%                |
| 4135                                     | Worker's Compensation               | (3,676)            | 372                | 6,118              | 6,422              | 304                  | 5.0%                |
| 4138                                     | Deferred Comp-Employer              | 6,774              | 38,565             | 38,516             | 39,387             | 871                  | 2.3%                |
| 4139                                     | PARS                                | 1,750              | 283                | 539                | 539                | 0                    | 0.0%                |
| 4146                                     | Short Term Disability               | 0                  | 0                  | 470                | 1,649              | 1,179                | 250.9%              |
| 4161                                     | Retiree Medical Reserve             | 55,704             | 8,720              | 8,149              | 8,672              | 523                  | 6.4%                |
| <b>sub-total</b>                         |                                     | <b>1,803,889</b>   | <b>2,050,213</b>   | <b>1,787,161</b>   | <b>1,869,180</b>   | <b>82,019</b>        | <b>4.6%</b>         |
| <b>SUPPLIES AND CONTRACTUAL SERVICES</b> |                                     |                    |                    |                    |                    |                      |                     |
| 4200                                     | Community Promotion, Grant/<br>Loan | 15,009             | 0                  | 25,000             | 26,550             | 1,550                | 6.2%                |
| 4210                                     | Department Allocations              | 0                  | 0                  | 0                  | 0                  | 0                    | 0.0%                |
| 4220                                     | Supplies                            | 5,704              | 8,172              | 8,200              | 8,800              | 600                  | 7.3%                |
| 4230                                     | Services                            | 141,760            | 144,177            | 250,000            | 250,000            | 0                    | 0.0%                |
| 4500                                     | Training, Travel, &<br>Memberships  | 25,686             | 10,433             | 27,000             | 30,000             | 3,000                | 11.1%               |
| <b>sub-total</b>                         |                                     | <b>188,159</b>     | <b>162,782</b>     | <b>310,200</b>     | <b>315,350</b>     | <b>5,150</b>         | <b>1.7%</b>         |
| <b>TOTAL</b>                             |                                     | <b>\$1,992,048</b> | <b>\$2,212,995</b> | <b>\$2,097,361</b> | <b>\$2,184,532</b> | <b>\$87,169</b>      | <b>4.2%</b>         |

## Staffing

| POSITIONS                  | 2019-20<br>Adopted | 2020-21<br>Adopted | 2021-22<br>Adopted | 2022-23<br>Adopted | FY 2022<br>Change |
|----------------------------|--------------------|--------------------|--------------------|--------------------|-------------------|
| Assistant City Manager     | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| City Manager               | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Deputy City Manager        | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Executive Assistant        | 1.00               | 0.00               | 0.00               | 0.00               | 0.00              |
| Office Specialist*         | 1.00               | 1.00               | 0.00               | 0.00               | 0.00              |
| Office Assistant II*       | 0.00               | 0.00               | 0.50               | 0.50               | 0.00              |
| Public Information Officer | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Senior Executive Assistant | 0.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| <b>Total Positions</b>     | <b>6.00</b>        | <b>6.00</b>        | <b>5.50</b>        | <b>5.50</b>        | <b>0.00</b>       |

\*1.0 Office Specialist is defunded, 0.5 Office Assistant II from City Clerk is transferred over for administrative support.




## Expenditures by Category



## Budget Reconciliation

|   | Positions   | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |
|---|-------------|---------------------------|-------------------------|-----------------------|
| <b>PRIOR YEAR BUDGET</b>                                | <b>5.50</b> | <b>\$2,062,856</b>        | <b>\$34,505</b>         | <b>\$2,097,361</b>    |
| <b>Adjustments to Costs of Ongoing Activities</b>       |             |                           |                         |                       |
| Salary and Benefits                                     |             | 47,697                    | 660                     | 48,357                |
| Non-Personnel Expenditure Alignment to Historical Trend |             | 6,550                     |                         | 6,550                 |
| <b>Adjustments to Costs of Ongoing Activities</b>       | <b>0.00</b> | <b>54,247</b>             | <b>660</b>              | <b>54,907</b>         |
| <b>Total FY2022-23 Base Budget</b>                      | <b>5.50</b> | <b>2,117,103</b>          | <b>35,165</b>           | <b>2,152,268</b>      |
| <b>Service Level Changes</b>                            |             |                           |                         |                       |
| Part-time Staff Enhancement                             |             | 32,264                    |                         | 32,264                |
| <b>Total Service Level Changes</b>                      | <b>0.00</b> | <b>32,264</b>             | <b>0</b>                | <b>32,264</b>         |
| <b>Total FY 2022-23 Budget</b>                          | <b>5.50</b> | <b>\$2,149,367</b>        | <b>\$35,165</b>         | <b>\$2,184,532</b>    |

# Service Level Changes

|   | Positions   | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |
|---|---|---------------------------|-------------------------|-----------------------|
| 1. Part-time Staff Enhancement  |   | \$32,264                  | \$0                     | \$32,264              |
|    | This action funds 0.5 Staff Assistant to support City Manager's Office (CMO), Mayor and Councilmembers. The Staff Assistant will provide office coverage and full time assistance to the entire City Manager's Office staff with various internal and external projects/initiatives to meet the Council priorities. |                           |                         |                       |
| Performance Results   |     |                           |                         |                       |
| Temporary staff will support the CMO administratively and provide coverage for any gaps created by the defunding of the Office Specialist.                                      |   |                           |                         |                       |
| Impact if funding is not approved   |   |                           |                         |                       |
| If this action is not funded, CMO will not receive adequate administrative support and that can negatively impact project timeline, delaying alignment with Council priorities. |   |                           |                         |                       |
| Total Service Level Changes   |   | \$32,264                  | \$0                     | \$32,264              |

# City Clerk

**City Clerk:** Wendy Wood

## Mission Statement

The City Clerk holds several statutory responsibilities, including administration of municipal elections and records management. City Clerk provides timely agenda material for the City Council to take action at bi-monthly regular meetings.

City Clerk ensures compliance with relevant laws aimed at safeguarding democracy and public transparency including the Ralph M. Brown Act, California Elections Code, the Political Reform Act and Public Records Act.

## Description

The Milpitas City Clerk serves as the legislative administrator, elections official, and records manager of the City as well as the Clerk of City Council and Secretary to the Milpitas Public Financing Authority, Milpitas Municipal Financing Authority and Housing Authority.



### Services

- Prepares, edits, and publishes City Council agenda and meeting minutes for all regular and special City Council meetings.
- Ensures municipal records are readily available and accessible to all and serve as main point of contact for residents, City officials and staff, and other governments.
- Complies with the Ralph M. Brown Act, the Public Records Act, and the City's Open Government Ordinance.
- Provides centralized records management, including production and retention of all meeting agendas and minutes of all City Council (and related entity) meetings.
- Coordinates outreach and tracking of terms of service and Mayor's appointments to 12 City Commissions.
- Maintains codification of ordinances, i.e., ensuring publication of Milpitas Municipal Code by vendor Municipal Code Corporation.
- Administers municipal elections, including candidate filing in November of even years, and receives required campaign finance reports on semi-annual basis.
- Receives and files annual Fair Political Practices Commission Forms 700 / Statements of Economic Interest for all designated employees, Commissioners, and elected officials.
- Responsible for requests for rental of City Hall facilities.
- Conducts Administrative Hearings, upon request, for Parking Citations and others municipal code violations.














| Accomplishments |  | Community<br>Wellness and<br>Open Space   | Economic<br>Development<br>and Job Growth   | Environment  | Governance &<br>Administration  | Neighborhoods<br>and Housing  | Public Safety   | Transportation<br>and Transit   |
|-----------------|--|---|---|--|---|---|---|---|
|                 |  |  |  |  |  |  |  |  |
| 1.              | Prepared all City Council, Housing Authority, and Public Financing Authority regular & special meeting including Study Session agendas, via use of MuniCode Meetings software, and wrote all meeting minutes | ✓   | ✓   | ✓  | ✓   | ✓   | ✓   | ✓   |
| 2.              | Tracked Council agenda items on: Tentative Agenda Items, Major Discussion Items, Preliminary and Final City Council Agenda and List of Requested Agenda Items  |   |   |  | ✓   |   |   |   |
| 3.              | Responded to Calif. Public Records Act and Milpitas Open Government Ordinance requests for records   | ✓   | ✓   | ✓  | ✓   | ✓   | ✓   | ✓   |
| 4.              | Collected mandated Fair Political Practices Commission documents from filers, including all Statement of Economic Interests (Form 700) and campaign committee reports  |   |   |  | ✓   |   |   |   |
| 5.              | Managed the Commission recruitment and appointment process for twelve Commissions, two Task Forces, and one Oversight Committee  |   |   |  | ✓   |   |   |   |
| 6.              | Provided Notary Public service for City staff, as needed   |   |   |  | ✓   |   |   |   |
| 7.              | Recruited for and hired a new Deputy City Clerk  |   |   |  | ✓   |   |   |   |
| 8.              | Implemented a new Commissioner application process   |   |   |  | ✓   |   |   |   |
| 9.              | Implemented an internal Public Records Request process   |   |   |  | ✓   |   |   |   |
| 10.             | Updated Open Government Ordinance to align with current City practices and State law   |   |   |  | ✓   |   |   |   |



| Initiatives  | Community<br>Wellness and<br>Open Space   | Economic<br>Development<br>and Job Growth   | Environment  | Governance &<br>Administration  | Neighborhoods<br>and Housing  | Public Safety   | Transportation<br>and Transit   |
|--|---|---|--|---|---|---|---|
|  |  |  |  |  |  |  |  |
| 1. Prepare all City Council, Housing Authority, and Public Financing Authority regular and special meeting agendas and minutes   | ✓   | ✓   | ✓  | ✓   | ✓   | ✓   | ✓   |
| 2. Track Council agenda items on: Tentative Agenda Item Lists, Major Discussion Items (6 mos. excel), Preview List, Council referral items (excel), Preliminary and Final City Council Agenda and List of Requested Agenda items |   |   |  | ✓   |   |   |   |
| 3. Respond to Public Records Act and Open Govt. Ord. requests for public records.  |   |   |  | ✓   |   |   |   |
| 4. Collect mandated Fair Political Practices Commission documents from filers, including all annual Statements of Economic Interests (700) and campaign committee reports  |   |   |  | ✓   |   |   |   |
| 5. Track all Commissioner terms, maintain directory, provide Commissioner Handbook and training to City of Milpitas appointed Commissioners  |   |   |  | ✓   |   |   |   |
| 6. Continue to Provide Notary Public service for City staff, as needed   |   |   |  | ✓   |   |   |   |
| 7. Review and revise the City's Records Retention Schedule   |   |   |  | ✓   |   |   |   |
| 8. Implement an automated Public Records Request System  |   |   |  | ✓   |   |   |   |
| 9. Conduct City Commission Liaison/ Chair and Vice Chair Training  |   |   |  | ✓   |   |   |   |

## Performance and Workload Measures

| PERFORMANCE MEASURES  | Strategic Goals   | FY 19-20 Actual | FY 20-21 Actual | FY 21-22 Target | FY 21-22 Estimate | FY 22-23 Target |
|---|---|-----------------|-----------------|-----------------|-------------------|-----------------|
| City Council preliminary agenda posted on time, in accordance with Open Government Ordinance, 6 days prior to meeting |  | 100%            | 100%            | 100%            | 100%              | 100%            |
| City Council Agendas packets prepared, posted and delivered 5 days prior to meeting                                   |  | 97%             | 100%            | 100%            | 100%              | 100%            |
| Compliance with timely filings of Fair Political Practices Commission Form 700 Statements of Economic Interest        |  | 92%             | 85%             | 100%            | 90%               | 100%            |
| Comply with timely filings of fair Political Practices Commission Forms 460/Campaign Committee reports                |  | 81%             | 94%             | 100%            | 83%               | 100%            |

| ACTIVITY AND WORKLOAD DATA   | Strategic Goals   | FY 19-20 Actual | FY 20-21 Actual | FY 21-22 Target | FY 21-22 Estimate | FY 22-23 Target |
|--|---|-----------------|-----------------|-----------------|-------------------|-----------------|
| City Council Agenda Reports (Regular and Special)                    |   | 340             | 465             | 375             | 335               | 355             |
| City Council Meeting Minutes prepared (# pages)                      |  | 41 (207)        | 43 (205)        | 30(184)         | 35 (255)          | 37 (225)        |
| Candidates Assisted in Municipal Election                            |  | 0               | 11              | 0               | 0                 | 11              |
| Tort Claims received by City Clerk                                   |  | 34              | 34              | 45              | 38                | 40              |
| Fair Political Practices Commission Forms 700 (SEI) received         |  | 161             | 152             | 200             | 215               | 200             |
| Fair Political Practices Commission Campaign Committee Reports filed |  | 37              | 37              | 70              | 35                | 45              |
| Notary Public acknowledgments (or jurats)                            |  | 22              | 22              | 35              | 45                | 38              |

## Budget Summary

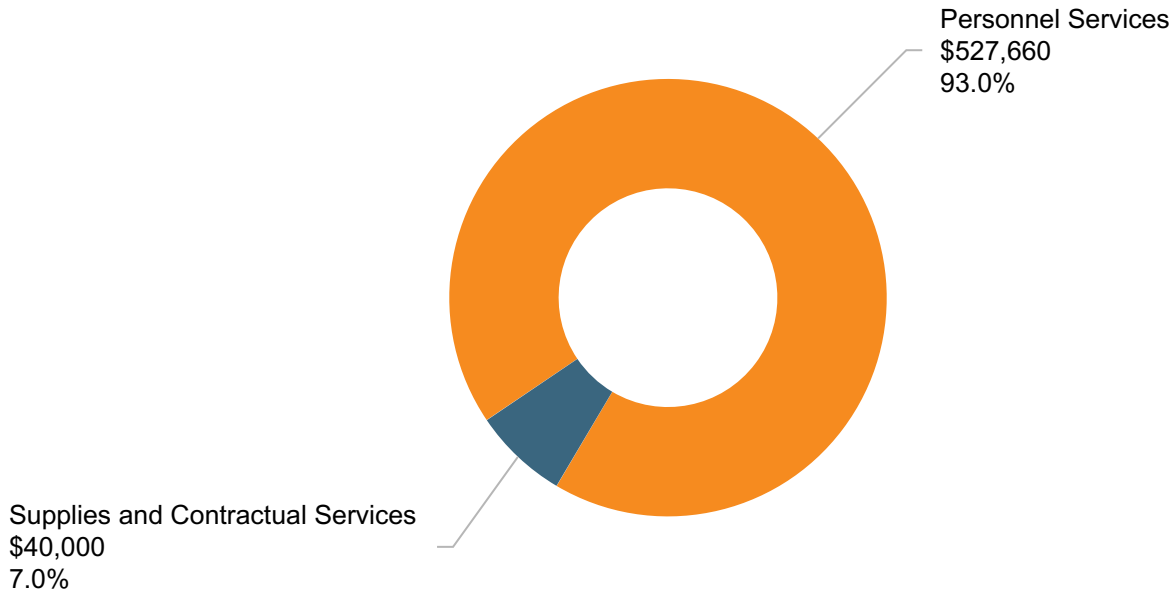
| DOLLARS BY CATEGORY                      |                                 | 2019-20<br>Actual | 2020-21<br>Actual | 2021-22<br>Adopted | 2022-23<br>Adopted | FY 2023<br>Change \$ | FY 2023<br>Change % |
|--|---------------------------------|-------------------|-------------------|--------------------|--------------------|----------------------|---------------------|
| <b>PERSONNEL SERVICES</b>                |                                 |                   |                   |                    |                    |                      |                     |
| 4111                                     | Permanent Salaries              | \$349,318         | \$358,923         | \$340,227          | \$340,143          | (\$84)               | 0.0%                |
| 4112                                     | Temporary Salaries              | 0                 | 0                 | 0                  | 0                  | 0                    | 0.0%                |
| 4113                                     | Overtime                        | 143               | 0                 | 0                  | 0                  | 0                    | 0.0%                |
| 4121                                     | Allowances                      | 6,600             | 3,554             | 6,430              | 6,600              | 170                  | 2.6%                |
| 4124                                     | Leave Cashout                   | 7,751             | 33,560            | 0                  | 0                  | 0                    | 0.0%                |
| 4131                                     | PERS                            | 138,415           | 120,851           | 114,571            | 103,031            | (11,540)             | (10.1)%             |
| 4132                                     | Group Insurance                 | 61,661            | 62,316            | 57,750             | 65,664             | 7,914                | 13.7%               |
| 4133                                     | Medicare                        | 5,334             | 5,704             | 5,027              | 5,028              | 1                    | 0.0%                |
| 4135                                     | Worker's Compensation           | 1,671             | 1,828             | 1,658              | 1,701              | 43                   | 2.6%                |
| 4138                                     | Deferred Comp-Employer          | 2,700             | 2,326             | 2,497              | 2,250              | (247)                | (9.9)%              |
| 4139                                     | PARS                            | 0                 | 0                 | 0                  | 0                  | 0                    | 0.0%                |
| 4146                                     | Short Term Disability           | 0                 | 0                 | 230                | 750                | 520                  | 226.1%              |
| 4161                                     | Retiree Medical Reserve         | 16,716            | 2,760             | 2,401              | 2,493              | 92                   | 3.8%                |
| sub-total                                |                                 | 590,309           | 591,822           | 530,791            | 527,660            | (3,131)              | (0.6)%              |
| <b>SUPPLIES AND CONTRACTUAL SERVICES</b> |                                 |                   |                   |                    |                    |                      |                     |
| 4220                                     | Supplies                        | 1,029             | 355               | 3,000              | 3,000              | 0                    | 0.0%                |
| 4230                                     | Services                        | 28,147            | 14,319            | 30,000             | 30,000             | 0                    | 0.0%                |
| 4280                                     | Elections                       | 0                 | 1,811             | 0                  | 0                  | 0                    | 0.0%                |
| 4500                                     | Training, Travel, & Memberships | 2,173             | 245               | 7,000              | 7,000              | 0                    | 0.0%                |
| sub-total                                |                                 | 31,349            | 16,730            | 40,000             | 40,000             | 0                    | 0.0%                |
| TOTAL                                    |                                 | \$621,658         | \$608,552         | \$570,791          | \$567,660          | (\$3,131)            | (0.5)%              |

## Staffing

| POSITIONS              | 2019-20<br>Adopted | 2020-21<br>Adopted | 2021-22<br>Adopted | 2022-23<br>Adopted | FY 2023<br>Change |
|------------------------|--------------------|--------------------|--------------------|--------------------|-------------------|
| City Clerk             | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Deputy City Clerk      | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Office Assistant II    | 1.00               | 1.00               | 0.50               | 0.50               | 0.00              |
| <b>Total Positions</b> | <b>3.00</b>        | <b>3.00</b>        | <b>2.50</b>        | <b>2.50</b>        | <b>0.00</b>       |

\*0.5 FTE of Office Assistant II was transferred to City Manager's Office due to defunding of Office Specialist.

## Expenditures by Category



## Budget Reconciliation

|   | Positions | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |
|---|-----------|---------------------------|-------------------------|-----------------------|
| <b>PRIOR YEAR BUDGET</b>                          | 2.50      | \$570,791                 | \$0                     | \$570,791             |
| <b>Adjustments to Costs of Ongoing Activities</b> |           |                           |                         |                       |
| Salary and Benefits                               |           | (3,131)                   |                         | (3,131)               |
| <b>Adjustments to Costs of Ongoing Activities</b> |           | <b>(3,131)</b>            |                         | <b>(3,131)</b>        |
| <b>Total FY 2022-23 Budget</b>                    | 2.50      | \$567,660                 | \$0                     | \$567,660             |



# Economic Development

**Economic Development Director:** Alex Andrade

## Mission Statement

To provide services and resources to the business and development communities with the purpose of attracting, retaining and expanding business and employment opportunities for area residents, stimulating the local economy and expanding local retail sales, transient occupancy and commercial property tax bases while maintaining a positive balance between growth, social equity and the economic vitality of Milpitas.

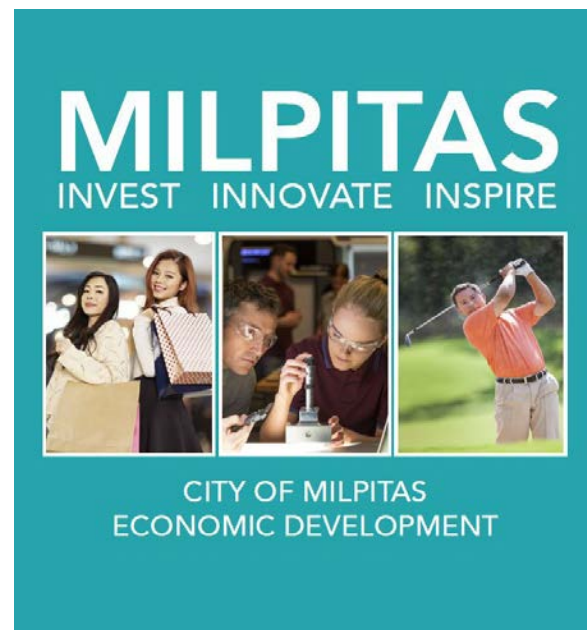
## Description

The Office of Economic Development strategizes, manages and directs programs and activities such as business retention, expansion, and attraction, workforce development, marketing and branding, and real estate transactions/asset management and development.










### Services

- **COVID-19:** The Office of Economic Development continues to support Milpitas' diverse business community as it responds to the impacts of the COVID-19 pandemic. Continuing in FY 2022-23, the Office of Economic Development will continue to prioritize its resources to focus on business recovery and sustainability.
- **Business Recruitment, Retention, and Expansion:** Enhance the City's connection to the global economy by engaging with existing and prospective companies in order to attract and retain job-creating businesses.
- **Small Businesses Assistance:** Develop seminars, educational programs, and collateral materials to assist small businesses in various aspects of business management, permits, and marketing.
- **Development Facilitation:** Facilitate development projects that generate property tax, transient occupancy tax, and sales tax revenues. Ombudsman for permitting process to largest economic development projects from the inception of the project to the completion. Projects include hotels, mixed-use development, industrial, restaurants, retail, etc.
- **Economic Development Studies:** Conduct studies that enhance and sustain the city's economic vitality and utilize data to enhance the economic base of the city.
- **Retail Development:** Recruit key businesses that fill retail gaps and provide sales tax revenues and needed services to the community.
- **Branding and Marketing:** Develop and implement branding and marketing strategies to promote the city at regional, national, and international levels.
- **Economic Development Analysis:** Evaluate economic development data such as, but not limited to jobs, gross domestic product, populations growth locally, regionally, statewide, and nationally; and track sales and transient occupancy taxes to follow trends and gaps.
- **Workforce Development:** Support workforce development by collaborating with regional workforce development organizations, educational institutions, business corporations, and nonprofit organizations.
- **Real Estate Transactions/Asset Management:** Manage the City's real estate portfolio through property acquisition, disposition, leases, valuation, and analysis through CoStar research.












| Accomplishments |  | Community Wellness and Open Space   | Economic Development and Job Growth   | Environment  | Governance & Administration   | Neighborhoods and Housing   | Public Safety   | Transportation and Transit  |
|-----------------|--|---|---|--|---|---|---|---|
|                 |  |  |  |  |  |  |  |  |
| 1.              | Continued Economic Development Strategy implementation (yr. 2) w/COVID-19 business assistance, attraction, retention, diversifying the tax base, workforce development, and real estate transactions   |   | ✓   |  |   |   |   |   |
| 2.              | Implemented Council approved American Rescue Plan Act (ARPA) Programs: Small Business Grant Program, Hotel Assistance, Workforce Development, Storefront Improvements, Chamber of Commerce and hired limited-term Economic Development Specialist. |   | ✓   |  |   |   |   |   |
| 3.              | Completed COVID-19 Workforce Recovery Program Phase I/II resulting in career assessment, navigation and counseling services for Milpitas residents.  |   | ✓   |  |   |   |   |   |
| 4.              | Completed Fiscal Benefits of Employment Lands Study Phase I/II to preserve and protect commercial property for the future Innovation District & Metro Specific Plan.   |   | ✓   |  |   |   |   |   |
| 5.              | Launched International Trade & Commerce and Storefront Improvement Grant Program.  |   | ✓   |  |   |   |   |   |
| 6               | Hosted 5th Annual Manufacturing Day in partnership with the Economic Development and Trade Commission, MUSD, and advanced manufacturing businesses. Over 250 MUSD students participated.   |   | ✓   |  |   |   |   |   |
| 7               | 1432-1446 S. Main St. - Initiated environmental assessment analysis, exploring tenant relocation grants, and marketing for disposition of Parcel #1 per Council direction.   |   | ✓   |  |   |   |   |   |
| 8               | Executed a Commercial Lease Agreement with Nibbi Bros. General Contractor's for Sango and Tarob Court City-owned properties for construction staging, storage, and employee parking.   |   | ✓   |  |   |   |   |   |
| 9               | Developed and implemented 305 branding and marketing promotions through social media, webinars, and other digital/print/email media platforms.   |   | ✓   |  |   |   |   |   |
| 10              | Co-hosted 8 monthly Community Development Roundtable meetings in collaboration with the City Manager's Office.   |   | ✓   |  |   |   |   |   |

| Initiatives   | Community Wellness and Open Space   | Economic Development and Job Growth   | Environment  | Governance & Administration   | Neighborhoods and Housing   | Public Safety   | Transportation and Transit  |
|---|---|---|--|---|---|---|---|
|   |  |  |  |  |  |  |  |
| 1. Cultivate a strong, stable and diverse local economy (continued emphasis on COVID-19 business assistance and recovery)             | ✓   | ✓   | ✓  |   |   |   |   |
| 2. Achieve fiscal sustainability and maintain adequate revenues to provide quality and essential public services.                     | ✓   | ✓   | ✓  | ✓   | ✓   | ✓   | ✓   |
| 3. Encourage new development in key opportunity areas that provide high-quality work environments and competitive business locations. |   | ✓   |  |   |   |   | ✓   |
| 4. Pursue economic development opportunities that foster and improve local quality of life.   | ✓   | ✓   |  |   |   |   |   |
| 5. Increase community workforce preparedness and cultivate an entrepreneurial environment that fosters innovation.                    | ✓   | ✓   | ✓  |   |   |   |   |

## Performance and Workload Measures

| PERFORMANCE MEASURES   | Strategic Goals   | FY 19-20 Actual | FY 20-21 Actual | FY 21-22 Target | FY 21-22 Estimate | FY 22-23 Target |
|--|---|-----------------|-----------------|-----------------|-------------------|-----------------|
| <b>Corporate Visitation Program</b> - Percent of corporate visits that may lead to a follow up   |  | 100%            | 0%*             | 100%            | 71%               | 100%            |
| <b>Business Engagement</b> - Percent of meetings with the corporate, brokerage and development communities that may lead to business attraction, retention and expansion |  | 1000%           | 473%            | 100%            | 250%              | 100%            |
| <b>Customer Service</b> - Percent of business partners engaged with the Economic Development team who rank their experience as "very good" or "excellent" on a survey    |  | N/A             | 80              | 70%             | 70%               | 70%             |

| ACTIVITY AND WORKLOAD DATA  | Strategic Goals   | FY 19-20 Actual | FY 20-21 Actual | FY 21-22 Target | FY 21-22 Estimate | FY 22-23 Target |
|---|---|-----------------|-----------------|-----------------|-------------------|-----------------|
| <b>Corporate Visitation Program</b> - Number of corporate visits  |   | 7               | 0*              | 7               | 5*                | 5               |
| <b>Business Engagement</b> - Number of meetings with the corporate, brokerage and development communities                                   |  | 546             | 260             | 100             | 250               | 35              |
| <b>Permit Assistance</b> - Number of firms who received permit and other assistance from Economic Development staff                         |  | 35              | 36              | 30              | 27                | 20              |
| <b>Branding</b> - Number of promotions and marketing of the local business community through social media and other digital media platforms |  | 54              | 117             | 25              | 305               | 25              |

\*Program has been on pause due to the pandemic

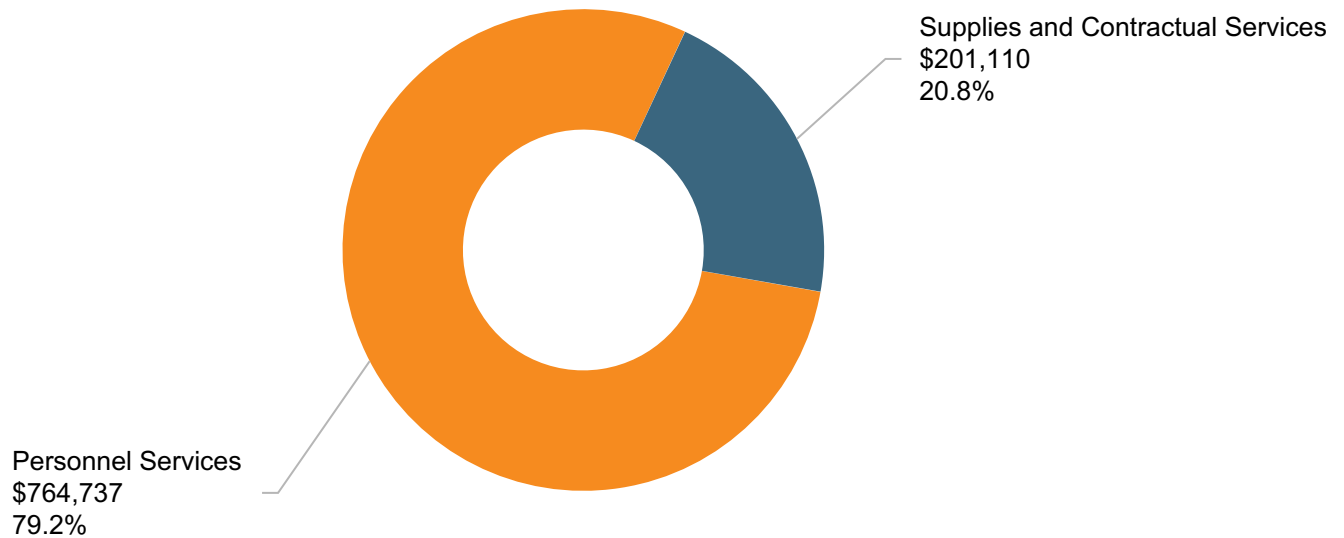
## Budget Summary

| DOLLARS BY CATEGORY                      |                                     | 2019-20<br>Actual | 2020-21<br>Actual | 2021-22<br>Adopted | 2022-23<br>Adopted | FY 2023<br>Change \$ | FY 2023<br>Change % |
|--|-------------------------------------|-------------------|-------------------|--------------------|--------------------|----------------------|---------------------|
| <b>PERSONNEL SERVICES</b>                |                                     |                   |                   |                    |                    |                      |                     |
| 4111                                     | Permanent Salaries                  | \$337,646         | \$440,749         | \$461,683          | \$478,436          | \$16,753             | 3.6%                |
| 4112                                     | Temporary Salaries                  | 24,510            | 21,780            | 38,098             | 38,097             | (1)                  | 0.0%                |
| 4121                                     | Allowances                          | 6,600             | 3,554             | 6,600              | 6,600              | 0                    | 0.0%                |
| 4124                                     | Leave Cashout                       | 0                 | 2,957             | 0                  | 0                  | 0                    | 0.0%                |
| 4131                                     | PERS                                | 127,129           | 145,251           | 155,336            | 151,114            | (4,222)              | (2.7)%              |
| 4132                                     | Group Insurance                     | 49,630            | 64,555            | 68,954             | 72,168             | 3,214                | 4.7%                |
| 4133                                     | Medicare                            | 5,260             | 6,697             | 7,242              | 7,839              | 597                  | 8.2%                |
| 4135                                     | Worker's Compensation               | 2,295             | 2,401             | 2,464              | 2,670              | 206                  | 8.4%                |
| 4138                                     | Deferred Comp-Employer              | 917               | 3,825             | 1,800              | 2,700              | 900                  | 50.0%               |
| 4139                                     | PARS                                | 365               | 339               | 468                | 834                | 366                  | 78.2%               |
| 4146                                     | Short Term Disability               | 0                 | 0                 | 252                | 900                | 648                  | 257.1%              |
| 4161                                     | Retiree Medical Reserve             | 20,274            | 3,241             | 3,093              | 3,379              | 286                  | 9.2%                |
| sub-total                                |                                     | 574,692           | 695,349           | 745,990            | 764,737            | 18,747               | 2.5%                |
| <b>SUPPLIES AND CONTRACTUAL SERVICES</b> |                                     |                   |                   |                    |                    |                      |                     |
| 4200                                     | Community Promotion, Grant/<br>Loan | 0                 | 0                 | 6,240              | 6,240              | 0                    | 0.0%                |
| 4220                                     | Supplies                            | 408               | 82                | 1,500              | 1,593              | 93                   | 6.2%                |
| 4230                                     | Services                            | 202,996           | 56,253            | 105,000            | 155,000            | 50,000               | 47.6%               |
| 4500                                     | Training, Travel, &<br>Memberships  | 26,970            | 29,592            | 37,077             | 38,277             | 1,200                | 3.2%                |
| sub-total                                |                                     | 230,374           | 85,927            | 149,817            | 201,110            | 51,293               | 34.2%               |
| TOTAL                                    |                                     | \$805,066         | \$781,276         | \$895,807          | \$965,847          | \$70,040             | 7.8%                |

## Staffing

| POSITIONS                           | 2019-20<br>Adopted | 2020-21<br>Adopted | 2021-22<br>Adopted | 2022-23<br>Adopted | FY 2023<br>Change |
|-------------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------|
| Econ Development Specialist         | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Economic Development<br>Coordinator | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Economic Development<br>Director    | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| <b>Total Positions</b>              | <b>3.00</b>        | <b>3.00</b>        | <b>3.00</b>        | <b>3.00</b>        | <b>0.00</b>       |




## Expenditures by Category



## Budget Reconciliation

|   | Positions   | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |
|---|-------------|---------------------------|-------------------------|-----------------------|
| <b>PRIOR YEAR BUDGET</b>                                | 3.00        | \$895,807                 | \$0                     | \$895,807             |
| <b>Adjustments to Costs of Ongoing Activities</b>       |             |                           |                         |                       |
| Salary and Benefits                                     | 0.00        | 17,905                    | 0                       | 17,905                |
| Non-Personnel Expenditure Alignment to Historical Trend |             | 2,135                     |                         | 2,135                 |
| <b>Adjustments to Costs of Ongoing Activities</b>       | <b>0.00</b> | <b>20,040</b>             | <b>0</b>                | <b>20,040</b>         |
| <b>Total FY 2022-23 Base Budget</b>                     | <b>3.00</b> | <b>\$915,847</b>          | <b>0</b>                | <b>\$915,847</b>      |
| <b>Service Level Changes</b>                            |             |                           |                         |                       |
| Property Asset Management Fees (One-Time)               |             | 50,000                    |                         | 50,000                |
| <b>Total Service Level Changes</b>                      | <b>0</b>    | <b>50,000</b>             | <b>0</b>                | <b>50,000</b>         |
| <b>Total FY 2022-23 Budget</b>                          | <b>3.00</b> | <b>\$965,847</b>          | <b>\$0</b>              | <b>\$965,847</b>      |

## Service Level Changes

|   |   | Positions   | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |
|---|---|---|---------------------------|-------------------------|-----------------------|
| 1   | Property Asset Management Service   |   | \$50,000                  | \$0                     | \$50,000              |
|  | This action provides one-time funding for a consultant to provide services for developing and managing the City's real estate portfolio, and plan for future acquisition, disposition, leasing, relocation, valuation, and property management. The consultant will provide a real estate management report that describes the City's real estate assets; mapping of assets; develop real property policies and activities; business relocation services; procedures for property disposition and leasing, appraisals, preliminary title reports, grant deeds, purchase and sale agreements, and due diligence and administration of all real estate transactions. The consultant's real estate management services and report will result in a better understanding of current and future real property asset needs. |   |                           |                         |                       |
|   | Performance Results   |   |                           |                         |                       |
|   | The consultant is expected to develop a complete asset management portfolio, centralized location of relevant documents (i.e., grant deed documents, purchase of sale agreements, lease agreements, disposition of property, etc.), streamlined real estate transactions processes and a real estate management report.   |   |                           |                         |                       |
|   | Impact if funding is not approved   |   |                           |                         |                       |
|   | If this action is not funded, the City will miss an opportunity to develop a real property and asset management strategy, which could hinder economic and community development efforts and diversifying the City's tax base.   |   |                           |                         |                       |
| Total Service Level Changes   |   |   | \$50,000                  | \$0                     | \$50,000              |

# City Attorney

**City Attorney: Michael Mutalipassi**

## Mission Statement

The Office of the City Attorney provides cost effective legal representation, analysis and guidance to the City Council and City staff at the highest level of professionalism.

## Description

This department provides general legal advice and services to the City Council, RDA Successor Agency, Housing Authority, City Commissions, City Manager, City departments and other entities as approved by City Council. The City Attorney's department prepares or approves as to form all proposed ordinances, resolutions, agreements and amendments thereto. This department negotiates and drafts complex agreements, including at times development agreements with developers. This department represents the City in litigation and supervises litigation of PLAN JPA appointed counsel. This department also provides guidance in personnel matters.



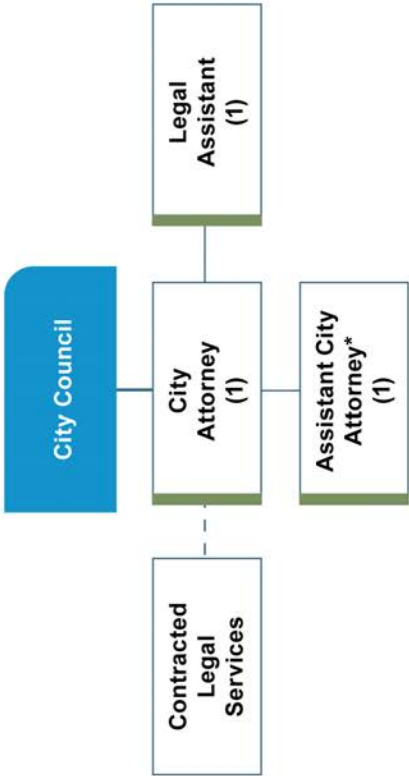


## Services

- General legal advice
- Personnel advice
- Litigation
- Employee legal training
- Compliance advice related to current and forthcoming federal and State regulations
- Housing Authority and RDA Successor Agency legal services
- Land use advice and document preparation
- Conflict of Interest and Open Government guidance








City Attorney




|                   |
|-------------------|
| New FY 22-23      |
| Move              |
| Reclass           |
| Defunded FY 21-22 |
| Temp              |



|                   |
|-------------------|
| Permanent FTE (3) |
| Temporary FTE (0) |





\*Temporary placeholder positions, final positions to be determined by City Council and City Attorney

|     |   | Community<br>Wellness and<br>Open Space   | Economic<br>Development<br>and Job Growth   | Environment  | Governance &<br>Administration  | Neighborhoods<br>and Housing  | Public Safety   | Transportation<br>and Transit   |
|-----|---|---|---|--|---|---|---|---|
|     | Accomplishments   |  |  |  |  |  |  |  |
| 1.  | Provided superior, affordable, timely legal advice and service  | ✓   | ✓   | ✓  | ✓   | ✓   | ✓   | ✓   |
| 2.  | Continued to serve the Police Department on gun confiscation petitions and other related matters  | ✓   |   |  |   |   |   | ✓   |
| 3.  | Provided ongoing legal training to staff, commissions, etc., including training on resolutions, ordinances and public hearings  | ✓   |   |  |   |   |   | ✓   |
| 4.  | Provided ongoing advice re: TASP and development in the TASP, including BART project  |   |   | ✓  | ✓   |   | ✓   |   |
| 5.  | Updated various Municipal Code sections, as authorized  | ✓   | ✓   | ✓  | ✓   | ✓   | ✓   | ✓   |
| 6.  | Assist staff with various ordinances regarding affordable housing   |   |   |  | ✓   | ✓   |   |   |
| 7.  | Prepare all legal documents for the sales tax ballot measure, review educational information to the community, and prepare legal documents, including ordinance, necessary for the State of California to collect the tax |   |   |  |   |   |   | ✓   |
| 8.  | Assist with complex litigation matters  | ✓   | ✓   | ✓  |   |   |   | ✓   |
| 9.  | Aide the City Council in various conflict, gift, and ethics questions   |   |   |  |   |   |   | ✓   |
| 10. | Continue to advise on Public Records Act requests and provide training for City staff on the Public Records Act   |   |   |  |   |   |   | ✓   |

|    |   |  |  |  |  |  |  |  |
|----|---|---|---|--|---|---|---|---|
|    | Initiatives   |   |   |  |   |   |   |   |
| 1. | Continue to provide superior, affordable, timely legal advice and service   | ✓   | ✓   | ✓  | ✓   | ✓   | ✓   | ✓   |
| 2. | Continue to advise the Council on various legal issues including conflicts of interest, gift rules, and ethics compliance                           |   |   |  |   |   |   | ✓   |
| 3. | Continue to offer various legal trainings to staff and coordinate on ethics training, sexual harassment avoidance training, and other timely topics |   |   |  |   |   |   | ✓   |
| 4. | Continue to update the Municipal Code based on changes in the law   | ✓   | ✓   | ✓  | ✓   | ✓   | ✓   | ✓   |
| 5. | Work in tandem with City staff to ensure legal compliance   | ✓   | ✓   | ✓  | ✓   | ✓   | ✓   | ✓   |
| 6. | Continue to monitor all pending litigation and provide timely updates to the Council  |   |   |  |   |   |   | ✓   |

## Performance and Workload Measures

| PERFORMANCE MEASURES  | Strategic Goals   | FY 19-20 Actual | FY 20-21 Actual | FY 21-22 Target | FY 21-22 Estimate | FY 22-23 Target |
|---|---|-----------------|-----------------|-----------------|-------------------|-----------------|
| Contract complaints / Council agenda contracts                        |  | 0 / 81          | 0 / 92          | 0 / 85          | 0 / 92            | 0 / 85          |
| Documents timely produced for Council and Planning Commission Agendas |  | 100%            | 100%            | 100%            | 100%              | 100%            |

| ACTIVITY AND WORKLOAD DATA                        | Strategic Goals  | FY 19-20 Actual | FY 20-21 Actual | FY 21-22 Target | FY 21-22 Estimate | FY 22-23 Target |
|---|--|-----------------|-----------------|-----------------|-------------------|-----------------|
| Ordinances  |   | 16              | 15              | 15              | 15                | 15              |
| Resolutions (Council & Planning Commission)       |   | 117             | 115             | 105             | 115               | 105             |
| Contracts reviewed / approved                     |   | 484             | 485             | 450             | 485               | 450             |
| Court / administrative cases handled / supervised |  | 39              | 40              | 40              | 40                | 40              |

## Budget Summary

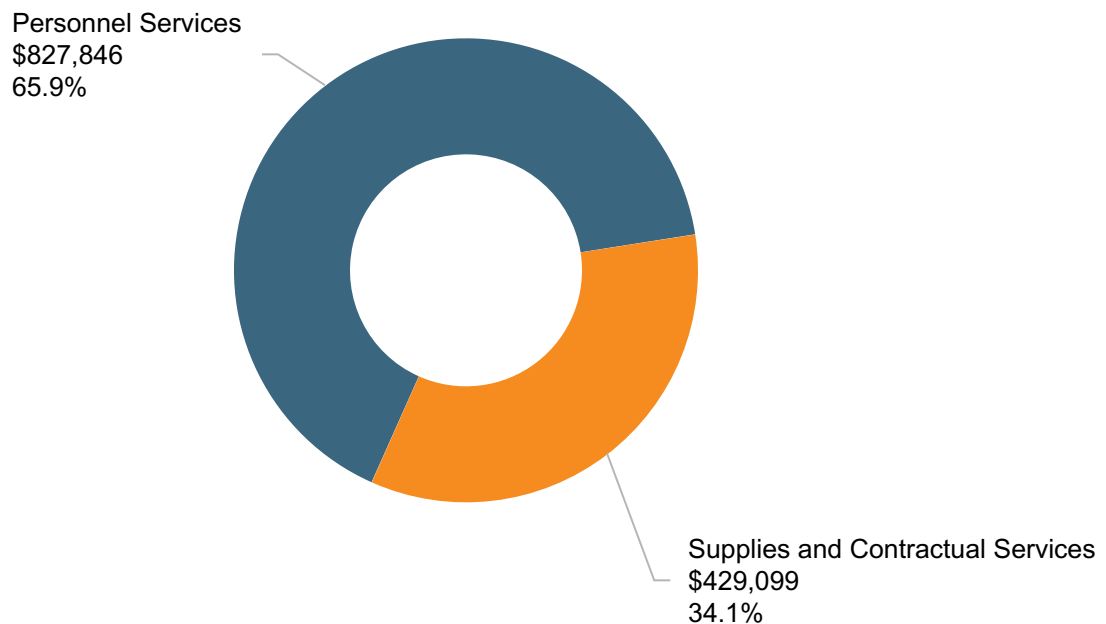
| DOLLARS BY CATEGORY       |                         | 2019-20 Actual | 2020-21 Actual | 2021-22 Adopted | 2022-23 Adopted | FY 2023 Change \$ | FY 2023 Change % |
|---------------------------|-------------------------|----------------|----------------|-----------------|-----------------|-------------------|------------------|
| <b>PERSONNEL SERVICES</b> |                         |                |                |                 |                 |                   |                  |
| 4111                      | Permanent Salaries      | \$116,176      | \$116,792      | \$0             | \$547,000       | \$547,000         | 0.0%             |
| 4124                      | Leave Cashout           | 0              | 4,204          | 0               | 0               | 0                 | 0.0%             |
| 4131                      | PERS                    | 42,138         | 36,891         | 0               | 0               | 0                 | 0.0%             |
| 4132                      | Group Insurance         | 12,335         | 12,452         | 0               | 0               | 0                 | 0.0%             |
| 4133                      | Medicare                | 1,694          | 1,774          | 0               | 0               | 0                 | 0.0%             |
| 4135                      | Worker's Compensation   | 492            | 536            | 0               | 0               | 0                 | 0.0%             |
| 4138                      | Deferred Comp-Employer  | 900            | 900            | 0               | 0               | 0                 | 0.0%             |
| 4146                      | Short Term Disability   | 0              | 0              | 0               | 0               | 0                 | 0.0%             |
| 4161                      | Retiree Medical Reserve | 4,908          | 773            | 0               | 0               | 0                 | 0.0%             |
| <b>sub-total</b>          |                         | <b>178,643</b> | <b>175,527</b> | <b>0</b>        | <b>827,846</b>  | <b>827,846</b>    | <b>0.0%</b>      |

| DOLLARS BY CATEGORY                      |          | 2019-20<br>Actual  | 2020-21<br>Actual  | 2021-22<br>Adopted | 2022-23<br>Adopted | FY 2023<br>Change \$ | FY 2023<br>Change % |
|--|----------|--------------------|--------------------|--------------------|--------------------|----------------------|---------------------|
| <b>SUPPLIES AND CONTRACTUAL SERVICES</b> |          |                    |                    |                    |                    |                      |                     |
| <b>4220</b>                              | Supplies | 384                | 0                  | 0                  | 0                  | 0                    | 0.0%                |
| <b>4230</b>                              | Services | 1,083,024          | 1,310,493          | 1,074,099          | 429,099            | (645,000)            | (60.1)%             |
| <b>sub-total</b>                         |          | <b>1,083,408</b>   | <b>1,310,493</b>   | <b>1,074,099</b>   | <b>429,099</b>     | <b>(645,000)</b>     | <b>(60.1)%</b>      |
| <b>TOTAL</b>                             |          | <b>\$1,262,051</b> | <b>\$1,486,020</b> | <b>\$1,074,099</b> | <b>\$1,256,945</b> | <b>\$182,846</b>     | <b>17.0%</b>        |

## Staffing

| POSITIONS               | 2019-20<br>Adopted | 2020-21<br>Adopted | 2021-22<br>Adopted | 2022-23<br>Adopted | FY 2023<br>Change |
|-------------------------|--------------------|--------------------|--------------------|--------------------|-------------------|
| Executive Assistant     | 0.00               | 1.00               | 0.00               | 0.00               | 0.00              |
| Executive Secretary     | 1.00               | 0.00               | 0.00               | 0.00               | 0.00              |
| City Attorney           | 0.00               | 0.00               | 0.00               | 1.00               | 1.00              |
| Legal Assistant         | 0.00               | 0.00               | 0.00               | 1.00               | 1.00              |
| Assistant City Attorney | 0.00               | 0.00               | 0.00               | 1.00               | 1.00              |
| <b>Total Positions</b>  | <b>1.00</b>        | <b>1.00</b>        | <b>0.00</b>        | <b>3.00</b>        | <b>3.00</b>       |

## Expenditures by Category



## Budget Reconciliation

|   | Positions   | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |
|---|-------------|---------------------------|-------------------------|-----------------------|
| <b>PRIOR YEAR BUDGET</b>                          | <b>0.00</b> | <b>\$1,029,100</b>        | <b>\$45,000</b>         | <b>\$1,074,100</b>    |
| <b>Adjustments to Costs of Ongoing Activities</b> |             |                           |                         |                       |
| Departmental In-House Restructure Costs           | 3.00        | 169,846                   | 13,000                  | 182,846               |
| <b>Adjustments to Costs of Ongoing Activities</b> | <b>3.00</b> | <b>169,846</b>            | <b>13,000</b>           | <b>182,846</b>        |
| <b>Total FY 2022-23 Budget</b>                    | <b>3.00</b> | <b>\$1,198,946</b>        | <b>\$58,000</b>         | <b>\$1,256,946</b>    |





# Building Safety and Housing

**Building Safety and Housing Director: Sharon Goei**

## Mission Statement

The Building Safety and Housing Department is dedicated to enhancing the community's safety, welfare, economic vitality, and quality of life by ensuring that buildings are reviewed, permitted, and inspected to be safe, sustainable, and resilient. Preserving the quality and beauty of neighborhoods through enforcement of City regulations and creating, increasing, and preserving affordable housing and supportive programs for the community are also at the forefront of efforts by the Department to promote the health and welfare of this vibrant and diverse City.

## Description

The Building Safety and Housing Department provides plan review, permitting, and inspection services to implement building safety codes and standards to safeguard public health and safety for the built environment. The Department provides code enforcement services to enhance neighborhood quality and general welfare. The Department also administers the Housing Authority and Community Development Block Grant programs, and develops and implements policies and programs to create affordable housing, assist vulnerable residents, and enhance supportive services for the community.

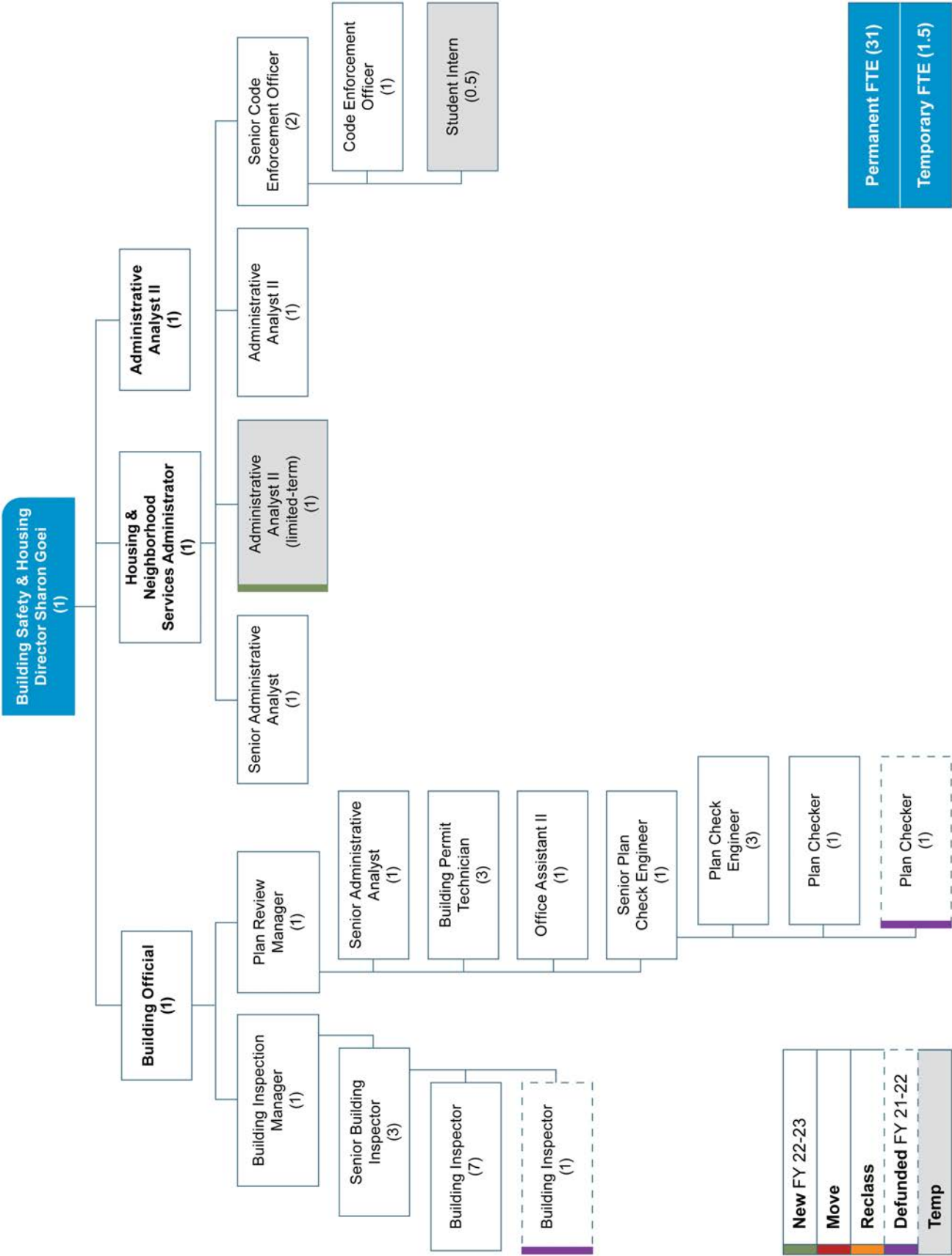


### Services

- Perform review of construction plans and documents, and conduct inspections, including occupancy inspections, to ensure safety through compliance with technical codes, State and local regulations, and acceptable engineering practices.
- Assist customers in obtaining building permits and monitoring plan submittal process from initial submittal to permit issuance using 'One Point of Contact' approach.
- Process permit applications, collect permit fees, perform records research, and maintain building plans and records.
- Implement technology systems and improvements to enhance service delivery to the community.
- Develop and update an easy-to-follow website allowing customers to receive up-to-date information on housing resources, housing policies, programs, and code requirements; submit permit applications; obtain submittal requirements; and ask questions regarding other Building Safety and Housing information.
- Meet with developers, design professionals, homeowners, and contractors to assist them in the timely issuance of permits and completion projects including after business hours services as requested.
- Provide assistance to the Fire Department in fire investigations and building owners for other emergencies.
- Provide assistance and inspections to mobile home parks.
- Provide code enforcement services to correct Health and Safety Code and Municipal Code violations to enhance neighborhood quality and general welfare.
- Administer programs for abandoned vehicles, shopping carts, animal control, and neighborhood beautification.
- Prepare the City's Housing Element, Assessment of Fair Housing, and administer the City's Affordable Housing Ordinance to advance toward the City's Regional Housing Needs Allocation (RHNA) goals.
- Administer the City's Rent Relief Program to aid Milpitas residents who are at risk of eviction.
- Conduct outreach events and workshops in partnership with regional nonprofits to communicate with and serve Milpitas' vulnerable population.
- Manage and maintain the City's Below Market Rate homeownership program and selection process.
- Identify or coordinate funding sources for affordable housing development and preservation.
- Administer the City's Housing Authority and related properties.
- Manage the Community Development Block Grant (CDBG) program to serve low and moderate income residents through public services, capital projects, and fair housing services.
- Serve as the staff liaison to the City Council Housing Subcommittee, Community Advisory Commission, and housing-related bodies.
- Administer programs to assist unhoused residents including the mobile shower and laundry program and the homeless outreach, assessment and street-based case management services in partnership with the Santa Clara County Office of Supportive Housing.










Building Safety and Housing






















|                 |  | Community<br>Wellness and<br>Open Space   | Economic<br>Development<br>and Job Growth   | Environment  | Governance &<br>Administration  | Neighborhoods<br>and Housing  | Public Safety   | Transportation<br>and Transit   |
|-----------------|--|---|---|--|---|---|---|---|
| Accomplishments |  |  |  |  |  |  |  |  |
| 1.              | Conducted extensive analysis and outreach, developed recommendations, and received Council direction for Housing Authority- and City-owned South Main St. properties.  | ✓   | ✓   | ✓  | ✓   | ✓   | ✓   | ✓   |
| 2.              | Created Accessory Dwelling Unit (ADU) Incentive Program using ARPA funds to encourage ADU production and create more housing. Created Safe ADU Legalization Program to encourage residents to legalize and improve the safety of ADUs.           |   | ✓   |  | ✓   | ✓   |   |   |
| 3.              | Served as staff liaison to Homelessness Task Force and facilitated Task Force Report presentation to City Council.   | ✓   | ✓   | ✓  | ✓   | ✓   | ✓   |   |
| 4.              | Implemented services for unhoused residents; created monthly reports for outreach and assessment, and mobile shower and laundry services.  | ✓   | ✓   | ✓  | ✓   | ✓   | ✓   |   |
| 5.              | Managed the Community Development Block Grant program and partnered with non-profits to serve low and moderate income residents. Developed 3-year Consolidated Plan.   | ✓   | ✓   | ✓  | ✓   | ✓   | ✓   |   |
| 6.              | Developed amendments to Affordable Housing Ordinance to clarify and strengthen affordable housing policies and encourage on-site affordable housing production. Implemented Council-adopted selection criteria through developing a new process. | ✓   | ✓   |  | ✓   | ✓   |   |   |
| 7.              | Initiated work on Assessment of Fair Housing and 2023-2031 Housing Element to plan for housing needs across community; initiated community engagement and sites inventory.   | ✓   | ✓   |  | ✓   | ✓   |   |   |
| 8.              | Continued providing housing resources and assistance programs (e.g., Rent Relief Program). Conducted outreach and workshops on fair housing and tenant support resources in partnership with nonprofits for vulnerable residents.                | ✓   | ✓   |  | ✓   | ✓   |   |   |
| 9.              | Overhauled building permit inspection list to streamline inspection process. Developed a new set of code enforcement notification letters to increase compliance.  | ✓   | ✓   | ✓  | ✓   | ✓   | ✓   |   |
| 10.             | Continued development review, permitting, and inspection functions through the pandemic; implemented safety protocols for internal staff and external builders.  | ✓   | ✓   | ✓  | ✓   | ✓   | ✓   |   |



| Initiatives |   | Community Wellness and Open Space   | Economic Development and Job Growth   | Environment  | Governance & Administration   | Neighborhoods and Housing   | Public Safety   | Transportation and Transit  |
|-------------|---|---|---|--|---|---|---|---|
|             |   |  |  |  |  |  |  |  |
| 1.          | Complete Assessment of Fair Housing and 2023-2031 Housing Element to plan for housing needs and establish policies and strategies to accommodate housing growth to meet the City's Regional Housing Needs Allocation (RHNA) goals and promote fair housing. | ✓   | ✓   |  | ✓   | ✓   |   |   |
| 2.          | Develop and enhance reach codes to reduce greenhouse gas emissions; conduct community outreach to implement and promote green development.  | ✓   | ✓   | ✓  | ✓   | ✓   |   |   |
| 3.          | Expand Rent Relief Program and create mortgage relief program utilizing ARPA funding. Continue to conduct outreach on housing resources and assistance programs for vulnerable residents.   | ✓   | ✓   |  | ✓   | ✓   |   |   |
| 4.          | Implement FY2022-2025 Consolidated Plan and continue to manage the Community Development Block Grant program and partner with nonprofits to assist low and moderate income residents.   | ✓   | ✓   | ✓  | ✓   | ✓   | ✓   |   |
| 5.          | Continue homeless response and prevention efforts in collaboration with the County and other nonprofit partners.  | ✓   | ✓   | ✓  | ✓   | ✓   | ✓   |   |
| 6.          | Continue to collaborate with Departments on South Main St. properties' disposition or development.  | ✓   | ✓   | ✓  | ✓   | ✓   | ✓   | ✓   |
| 7.          | Continue to facilitate affordable housing production and preservation. Identify, implement, and administer programs to create more affordable housing opportunities.  | ✓   | ✓   |  | ✓   | ✓   | ✓   |   |
| 8.          | Continue to conduct recruitment for vacant positions to enhance service delivery. Provide resources, training, and professional development opportunities for team members.   |   | ✓   |  | ✓   | ✓   |   |   |
| 9.          | Continue outreach with development community to improve service delivery. Continue to streamline and enhance plan review, permitting, and inspection processes for increased efficiency and effectiveness.  | ✓   | ✓   | ✓  | ✓   | ✓   | ✓   |   |
| 10.         | Continue to implement technology improvements, website updates, along with improvement of permit system and electronic plan review and integration with other systems, to increase efficiency and enhance service delivery to the community.                | ✓   | ✓   | ✓  | ✓   | ✓   |   |   |

## Performance and Workload Measures

| PERFORMANCE MEASURES   | Strategic Goals   | FY 19-20 Actual | FY 20-21 Actual | FY 21-22 Target | FY 21-22 Estimate | FY 22-23 Target |
|--|---|-----------------|-----------------|-----------------|-------------------|-----------------|
| Percent of customers rating service at Permit Center "Very Good" or "Excellent"                          |    | N/A             | 76%             | 85%             | 90%               | 90%             |
| Percent of Over-the-Counter Building Permit Plan Reviews (including express tenant improvements)         |    | 28%             | 41%             | 40%             | 40%               | 40%             |
| <b>Building permits for new development projects:</b>  |   |                 |                 |                 |                   |                 |
| 1) New development first submittal average plan review turnaround time (business days)                   |    | N/A             | N/A             | 30              | 36                | 35              |
| 2) New development subsequent submittal average plan review turnaround time (business days)              |    | N/A             | N/A             | 25              | 28                | 25              |
| <b>Building permits for tenant improvements:</b>   |   |                 |                 |                 |                   |                 |
| 1) Tenant Improvement first submittal average plan review turnaround time (business days)                |   | N/A             | N/A             | 25              | 29                | 25              |
| 2) Tenant Improvement subsequent submittal average plan review turnaround time (business days)           |  | N/A             | N/A             | 20              | 22                | 20              |
| <b>Building permits for residential remodel/addition:</b>  |   |                 |                 |                 |                   |                 |
| 1) Residential remodel/addition first submittal average plan review turnaround time (business days)      |  | N/A             | N/A             | 20              | 30                | 25              |
| 2) Residential remodel/addition subsequent submittal average plan review turnaround time (business days) |  | N/A             | N/A             | 15              | 27                | 20              |
| Percent of building inspections completed within one day   |  | 97%             | 99%             | 95%             | 98%               | 98%             |
| Percent of customers rating inspection services "Very Good" or "Excellent"                               |  | N/A             | 75%             | 85%             | 90%               | 90%             |
| Percent of code enforcement cases in compliance within 30 days   |  | 77%             | 77%             | 75%             | 61%               | 75%             |

| ACTIVITY AND WORKLOAD DATA  | Strategic Goals   | FY 19-20 Actual | FY 20-21 Actual | FY 21-22 Target | FY 21-22 Estimate | FY 22-23 Target |
|---|---|-----------------|-----------------|-----------------|-------------------|-----------------|
| Total customers served by Permit Center                           |  | 5,477           | 8,069           | 5,400           | 12,000            | 13,000          |
| Total Over-the-Counter Permit Reviews                             |  | 1,339           | 2,326           | 1,400           | 2,200             | 2,300           |
| Total issued building permit construction valuation               |  | \$603,090,345   | \$187,485,526   | \$300,000,000   | \$200,000,000     | \$250,000,000   |
| Total building permits issued                                     |  | 2,980           | 3,560           | 3,000           | 3,600             | 3,800           |
| Total plan reviews completed                                      |  | 4,826           | 5,677           | 4,900           | 5,000             | 5,200           |
| Total building inspections completed                              |  | 17,711          | 16,935          | 18,000          | 16,000            | 17,000          |
| Total code enforcement customer service requests                  |  | 559             | 569             | 600             | 570               | 600             |
| Total residents served through CDBG program service organizations |  | 855             | 2,826           | 2,000           | 1,800             | 1,800           |



## Budget Summary

| DOLLARS BY FUNCTION                           | 2019-20<br>Actual  | 2020-21<br>Actual  | 2021-22<br>Adopted | 2022-23<br>Adopted | FY 2023<br>Change \$ | FY 2023<br>Change % |
|---|--------------------|--------------------|--------------------|--------------------|----------------------|---------------------|
| Building Inspection                           | \$2,375,915        | \$2,291,862        | \$2,260,895        | \$2,335,236        | \$74,341             | 3.3%                |
| Building Safety and Housing<br>Administration | 837,153            | 853,099            | 857,152            | 878,314            | 21,162               | 2.5%                |
| Housing and Neighborhood<br>Svcs              | 2,223,277          | 3,259,898          | 3,557,642          | 3,199,696          | (357,946)            | (10.1)%             |
| Permit Center                                 | 612,487            | 892,992            | 882,633            | 904,652            | 22,019               | 2.5%                |
| Plan Review                                   | 734,314            | 1,109,904          | 1,360,132          | 1,553,201          | 193,069              | 14.2%               |
| <b>TOTAL</b>                                  | <b>\$6,783,146</b> | <b>\$8,407,755</b> | <b>\$8,918,454</b> | <b>\$8,871,095</b> | <b>(\$47,359)</b>    | <b>(0.5)%</b>       |

| DOLLARS BY CATEGORY                 | 2019-20<br>Actual | 2020-21<br>Actual | 2021-22<br>Adopted | 2022-23<br>Adopted | FY 2023<br>Change \$ | FY 2023<br>Change % |
|-------------------------------------|-------------------|-------------------|--------------------|--------------------|----------------------|---------------------|
| <b>PERSONNEL SERVICES</b>           |                   |                   |                    |                    |                      |                     |
| <b>4111</b> Permanent Salaries      | \$3,040,572       | \$3,409,987       | \$4,111,840        | \$4,344,745        | \$232,905            | 5.7%                |
| <b>4112</b> Temporary Salaries      | 149,400           | 79,513            | 17,850             | 17,850             | 0                    | 0.0%                |
| <b>4113</b> Overtime                | 31,934            | 126,238           | 70,000             | 70,000             | 0                    | 0.0%                |
| <b>4121</b> Allowances              | 6,600             | 3,554             | 5,282              | 13,200             | 7,918                | 149.9%              |
| <b>4124</b> Leave Cashout           | 75,452            | 154,522           | 0                  | 0                  | 0                    | 0.0%                |
| <b>4131</b> PERS                    | 1,253,381         | 1,168,314         | 1,375,684          | 1,341,179          | (34,505)             | (2.5)%              |
| <b>4132</b> Group Insurance         | 505,777           | 530,673           | 628,423            | 721,933            | 93,510               | 14.9%               |
| <b>4133</b> Medicare                | 47,570            | 54,437            | 59,957             | 63,463             | 3,506                | 5.8%                |
| <b>4135</b> Worker's Compensation   | 12,076            | 27,648            | 27,715             | 25,893             | (1,822)              | (6.6)%              |
| <b>4138</b> Deferred Comp-Employer  | 23,007            | 21,774            | 25,424             | 28,800             | 3,376                | 13.3%               |
| <b>4139</b> PARS                    | 287               | 0                 | 268                | 268                | 0                    | 0.0%                |
| <b>4146</b> Short Term Disability   | 0                 | 0                 | 2,604              | 9,382              | 6,778                | 260.3%              |
| <b>4161</b> Retiree Medical Reserve | 195,914           | 38,587            | 34,486             | 38,712             | 4,226                | 12.3%               |
| <b>sub-total</b>                    | <b>5,341,970</b>  | <b>5,658,536</b>  | <b>6,359,533</b>   | <b>6,657,425</b>   | <b>297,892</b>       | <b>4.7%</b>         |

| DOLLARS BY CATEGORY                      |                                     | 2019-20<br>Actual  | 2020-21<br>Actual  | 2021-22<br>Adopted | 2022-23<br>Adopted | FY 2023<br>Change \$ | FY 2023<br>Change % |
|--|-------------------------------------|--------------------|--------------------|--------------------|--------------------|----------------------|---------------------|
| <b>SUPPLIES AND CONTRACTUAL SERVICES</b> |                                     |                    |                    |                    |                    |                      |                     |
| <b>4200</b>                              | Community Promotion, Grant/<br>Loan | 335,512            | 1,365,260          | 1,558,213          | 803,871            | (754,342)            | (48.4)%             |
| <b>4210</b>                              | Department Allocations              | 53,971             | 31,574             | 26,907             | 22,704             | (4,203)              | (15.6)%             |
| <b>4220</b>                              | Supplies                            | 61,006             | 11,655             | 34,000             | 34,000             | 0                    | 0.0%                |
| <b>4230</b>                              | Services                            | 960,315            | 1,316,428          | 894,900            | 1,288,200          | 393,300              | 43.9%               |
| <b>4500</b>                              | Training, Travel, &<br>Memberships  | 30,372             | 24,302             | 44,900             | 64,900             | 20,000               | 44.5%               |
| <b>sub-total</b>                         |                                     | <b>1,441,176</b>   | <b>2,749,219</b>   | <b>2,558,920</b>   | <b>2,213,675</b>   | <b>(345,245)</b>     | <b>(13.5)%</b>      |
| <b>TOTAL</b>                             |                                     | <b>\$6,783,146</b> | <b>\$8,407,755</b> | <b>\$8,918,453</b> | <b>\$8,871,095</b> | <b>(\$47,353)</b>    | <b>(0.5)%</b>       |

## Staffing

| POSITIONS BY FUNCTION                         | 2019-20<br>Adopted | 2020-21<br>Adopted | 2021-22<br>Adopted | 2022-23<br>Adopted | FY 2023<br>Change |
|---|--------------------|--------------------|--------------------|--------------------|-------------------|
| Building Safety and Housing<br>Administration | 3.00               | 3.00               | 3.00               | 3.00               | 0.00              |
| Building Inspection*                          | 13.00              | 12.00              | 11.00              | 11.00              | 0.00              |
| Housing and Neighborhood<br>Svcs              | 6.00               | 6.00               | 6.00               | 6.00               | 0.00              |
| Permit Center                                 | 5.00               | 5.00               | 5.00               | 5.00               | 0.00              |
| Plan Review*                                  | 6.00               | 7.00               | 6.00               | 6.00               | 0.00              |
| <b>TOTAL</b>                                  | <b>33.00</b>       | <b>33.00</b>       | <b>31.00</b>       | <b>31.00</b>       | <b>0.00</b>       |

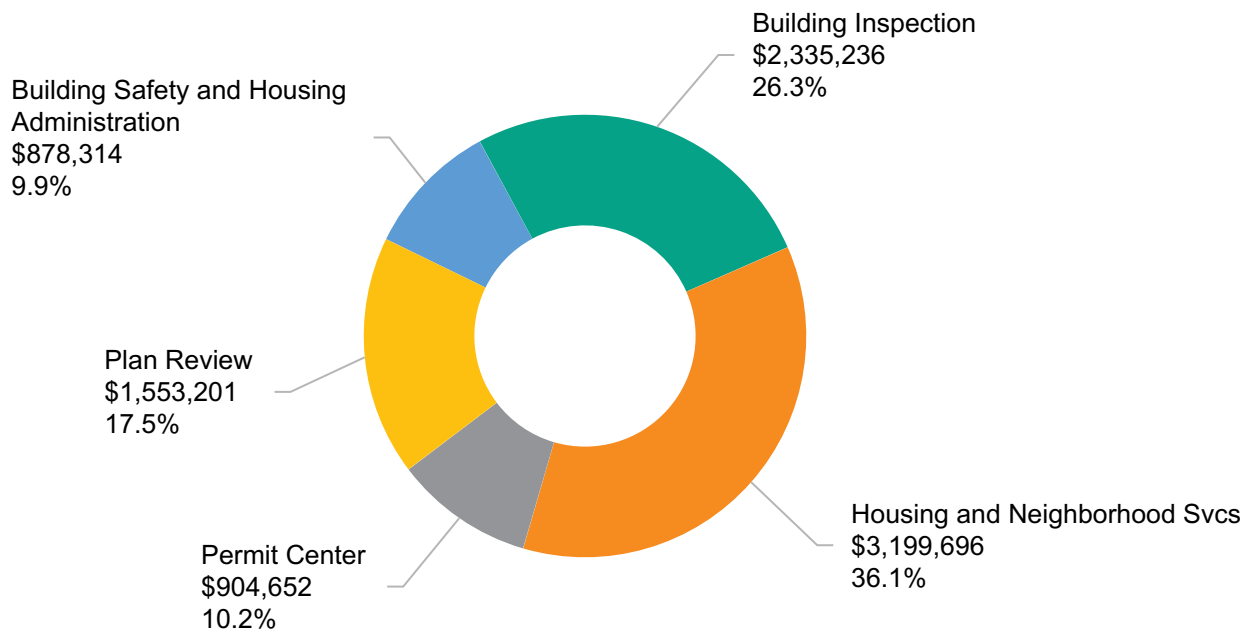
\*1.0 Building Inspector and 1.0 Plan Checker are defunded.

| POSITIONS                                    | 2019-20<br>Adopted | 2020-21<br>Adopted | 2021-22<br>Adopted | 2022-23<br>Adopted | FY 2023<br>Change |
|--|--------------------|--------------------|--------------------|--------------------|-------------------|
| Administrative Analyst II                    | 1.00               | 1.00               | 1.00               | 2.00               | 1.00              |
| Assistant Planner                            | 1.00               | 1.00               | 1.00               | 0.00               | (1.00)            |
| Building Safety and Housing<br>Director      | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Building Inspection Manager                  | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Building Official                            | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Building Permit Technician                   | 2.00               | 3.00               | 3.00               | 3.00               | 0.00              |
| Building/NP Inspector*                       | 9.00               | 8.00               | 7.00               | 7.00               | 0.00              |
| Code Enforcement Officer                     | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Housing and Neighborhood<br>Services Manager | 1.00               | 1.00               | 1.00               | 0.00               | (1.00)            |
| Housing Authority Administrator              | 1.00               | 1.00               | 1.00               | 0.00               | (1.00)            |

| POSITIONS   | 2019-20<br>Adopted | 2020-21<br>Adopted | 2021-22<br>Adopted | 2022-23<br>Adopted | FY 2023<br>Change |
|---|--------------------|--------------------|--------------------|--------------------|-------------------|
| Housing and Neighborh'd<br>Services Administrator | 0.00               | 0.00               | 0.00               | 1.00               | 1.00              |
| Office Assistant II                               | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Office Specialist                                 | 1.00               | 0.00               | 0.00               | 0.00               | 0.00              |
| Plan Check Engineer                               | 3.00               | 3.00               | 3.00               | 3.00               | 0.00              |
| Plan Checker*                                     | 1.00               | 2.00               | 1.00               | 1.00               | 0.00              |
| Plan Review Manager                               | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Senior Administrative Analyst                     | 1.00               | 1.00               | 1.00               | 2.00               | 1.00              |
| Senior Building Inspector                         | 3.00               | 3.00               | 3.00               | 3.00               | 0.00              |
| Senior Plan Check Engineer                        | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Sr. Code Enforcement Officer                      | 2.00               | 2.00               | 2.00               | 2.00               | 0.00              |
| <b>Total Positions</b>                            | <b>33.00</b>       | <b>33.00</b>       | <b>31.00</b>       | <b>31.00</b>       | <b>0.00</b>       |

\*1.0 Building Inspector and 1.0 Plan Checker are defunded.




## Expenditures by Function















## Budget Reconciliation







|   | Positions    | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |
|---|--------------|---------------------------|-------------------------|-----------------------|
| <b>PRIOR YEAR BUDGET</b>                                      | <b>31.00</b> | <b>\$5,833,754</b>        | <b>\$3,084,700</b>      | <b>\$8,918,454</b>    |
| <b>Adjustments to Costs of Ongoing Activities</b>             |              |                           |                         |                       |
| Salary and Benefits   |              | 22,608                    | 95,976                  | 118,584               |
| Contractual Service Increase (San Jose Animal Services)       |              | 108,900                   |                         | 108,900               |
| Non-Personnel Expenditure Changes to Align with Current Trend |              | (5,600)                   |                         | (5,600)               |
| Contractual Service Decrease (Project Sentinel)               |              |                           | (40,000)                | (40,000)              |
| Decrease in CDBG Grant Funding                                |              |                           | (747,342)               | (747,342)             |
| Equipment Replacement Amortization                            |              | (4,203)                   |                         | (4,203)               |
| <b>Adjustments to Costs of Ongoing Activities</b>             | <b>0</b>     | <b>121,705</b>            | <b>(691,366)</b>        | <b>(569,661)</b>      |
| <b>Total FY2022-23 Base Budget</b>                            | <b>31.00</b> | <b>5,955,459</b>          | <b>2,393,334</b>        | <b>8,348,793</b>      |
| <b>Service Level Changes</b>                                  |              |                           |                         |                       |
| Accessibility Training  |              | 20,000                    |                         | 20,000                |
| Professional Service Enhancement                              |              | 200,000                   |                         | 200,000               |
| Tiny Home Village Feasibility Study                           |              |                           | 130,000                 | 130,000               |
| Housing Staff Enhancement (1 FTE, Limited Term)               |              |                           | 172,302                 | 172,302               |
| <b>Total Service Level Changes</b>                            | <b>0</b>     | <b>220,000</b>            | <b>302,302</b>          | <b>522,302</b>        |
| <b>Total FY 2022-23 Budget</b>                                | <b>31.00</b> | <b>\$6,175,459</b>        | <b>\$2,695,636</b>      | <b>\$8,871,095</b>    |

## Service Level Changes

|   |   | Positions   | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |
|---|---|---|---------------------------|-------------------------|-----------------------|
| 1   | Housing Staff Enhancement   |   | \$0                       | \$172,302               | \$172,302             |
|  | <p>This action funds a limited-term Administrative Analyst II (Housing) position for three years to administer the rent and mortgage relief program, homeless response services, resources and prevention initiatives, and Council priorities. Existing Staff resources are fully committed to delivering existing services and programs, many of which include require complying with federal and state mandates. Multiple new programs and initiatives have been added because of significantly increased funding, including ARPA, and other Council funded priorities. These include managing CDBG and Coronavirus funding programs; implementing rent and mortgage relief programs; implementing homeless outreach and assessment services; implementing mobile shower and laundry for unhoused residents; and conducting research on homeless resources and programs. In order to accomplish these new programs and initiatives, ensure compliance, and achieve Council’s housing priorities, this limited term position is being proposed. Staff has also been working on many policy initiatives including the Housing element, Assessment of Fair Housing and Affordable Housing Ordinance.</p> |   |                           |                         |                       |
|   | Performance Results   |   |                           |                         |                       |
|   | <p>This position is expected to enable staff to carry out new programs, initiatives, and Council housing priorities funded by ARPA and other funding and ensure compliance with applicable state and federal regulations.</p>   |   |                           |                         |                       |
|   | Impact if funding is not approved   |   |                           |                         |                       |
|   | <p>If this action is not funded, some initiatives will be delayed. Without additional staff resources, staff will not be able to pursue potential funding or program opportunities that will benefit the Milpitas community.</p>  |   |                           |                         |                       |

|   |  |   |           |     |           |
|---|--|---|-----------|-----|-----------|
| 2   | Professional Services Enhancement  |   | \$200,000 | \$0 | \$200,000 |
|  | This action funds Building Safety and Housing (Department) Professional Services to assist with Building Safety Programs for FY2022-23. Building safety professional services contracts are for services on an as-needed and on-call basis and can encompass plan review, inspection, or permit processing. Recruitments stopped due to the pandemic and while recruitments began again in FY2021-22, staffing has been insufficient and this issue was compounded by staff departures and vacancies in the department. In light of the uncertain staff situation and increased workload, the use of contractual services can enable the department to maintain a minimum level of service. Cost of this proposal will be paid from departmental vacancy savings as funding availability allows. |   |           |     |           |
|   | Performance Results:   |      |           |     |           |
|   | Professional services contract will allow the Department to operate efficiently and effectively and maintain adequate level of service during staffing shortages.  |   |           |     |           |
|   | Impact if funding is not approved  |   |           |     |           |
|   | If this action is not funded, the Department service delivery can become negatively impacted and delay plan review, inspection and permit processing.  |   |           |     |           |

|   |   |   |          |     |          |
|---|---|---|----------|-----|----------|
| 3   | Accessibility Training  |   | \$20,000 | \$0 | \$20,000 |
|  | This action funds accessibility training to improve compliance with federal and state disability laws. The expenditure is offset with state fees collected from local business licenses to increase disability access training and compliance with construction related accessibility requirements. |   |          |     |          |
| Performance Results:  |   |      |          |     |          |
|   |   | Staff will be trained in accordance with state legislation and better equipped to enforce compliance with federal and state disability laws.  |          |     |          |
| Impact if funding is not approved   |   |   |          |     |          |
|   |   | If this action is not funded, compliance with federal and state disability laws may be negatively impacted.   |          |     |          |

|   |   |   |     |           |           |
|---|---|---|-----|-----------|-----------|
| 4.  | Tiny Home Village Feasibility Study   | 0.00  | \$0 | \$130,000 | \$130,000 |
|  | This action funds a Tiny Home Village Feasibility Study. As a result of the Homelessness Task Force report and further staff research, City Council has directed staff to conduct this study. This study will evaluate the feasibility of a tiny home village as an interim housing program or rapid rehousing model for the unhoused community, with the purpose of transitioning participants to permanent housing. The study will engage stakeholders, identify possible sites, impacts, potential program models and service providers, develop project budget and financing options, and identify potential outcomes. Staff resources are fully committed to delivering existing services and programs. In order to conduct the Tiny Home Village Feasibility Study and ensure the Council's direction is realized, a consultant with knowledge and expertise in this area will be utilized. This feasibility study is estimated to cost \$130,000 and will be funded by the Housing Authority Fund. |   |     |           |           |
| Performance Results:  |   |      |     |           |           |
|   |   | If this action is not funded, Council direction of conducting a tiny home village feasibility study will not be realized.   |     |           |           |
| Impact if funding is not approved   |   |   |     |           |           |
|   |   | The feasibility study of a tiny home village will achieve Council direction and align with Council priority to address homelessness.  |     |           |           |

|                             |  |           |           |           |
|-----------------------------|--|-----------|-----------|-----------|
| Total Service Level Changes |  | \$220,000 | \$302,302 | \$522,302 |
|-----------------------------|--|-----------|-----------|-----------|





# Engineering

**Director of Engineering/City Engineer: Steven Erickson**

## Mission Statement

The Engineering Department provides resources to enhance and improve City infrastructure through the design, management, and construction of public improvements, including the administration of various public works programs in a safe, coordinated, timely, and cost-effective manner with responsive service to the entire community.

## Description

The Department provides professional engineering services for the completion of the City's annual Capital Improvement Program (CIP), performs construction inspection services for both capital projects and private development construction impacting streets and the public right-of-way. Department staff provide review and plan check services for private development project drawings and maps to ensure compliance with adopted city standards, and they administer encroachment permits for construction work within the public right-of-way. Department staff participate in regional programs and coordinate with local agencies in the areas of flood control, urban runoff, and transportation. The Engineering Department has three functions: Design & Construction, Land Development, and Transportation & Traffic.

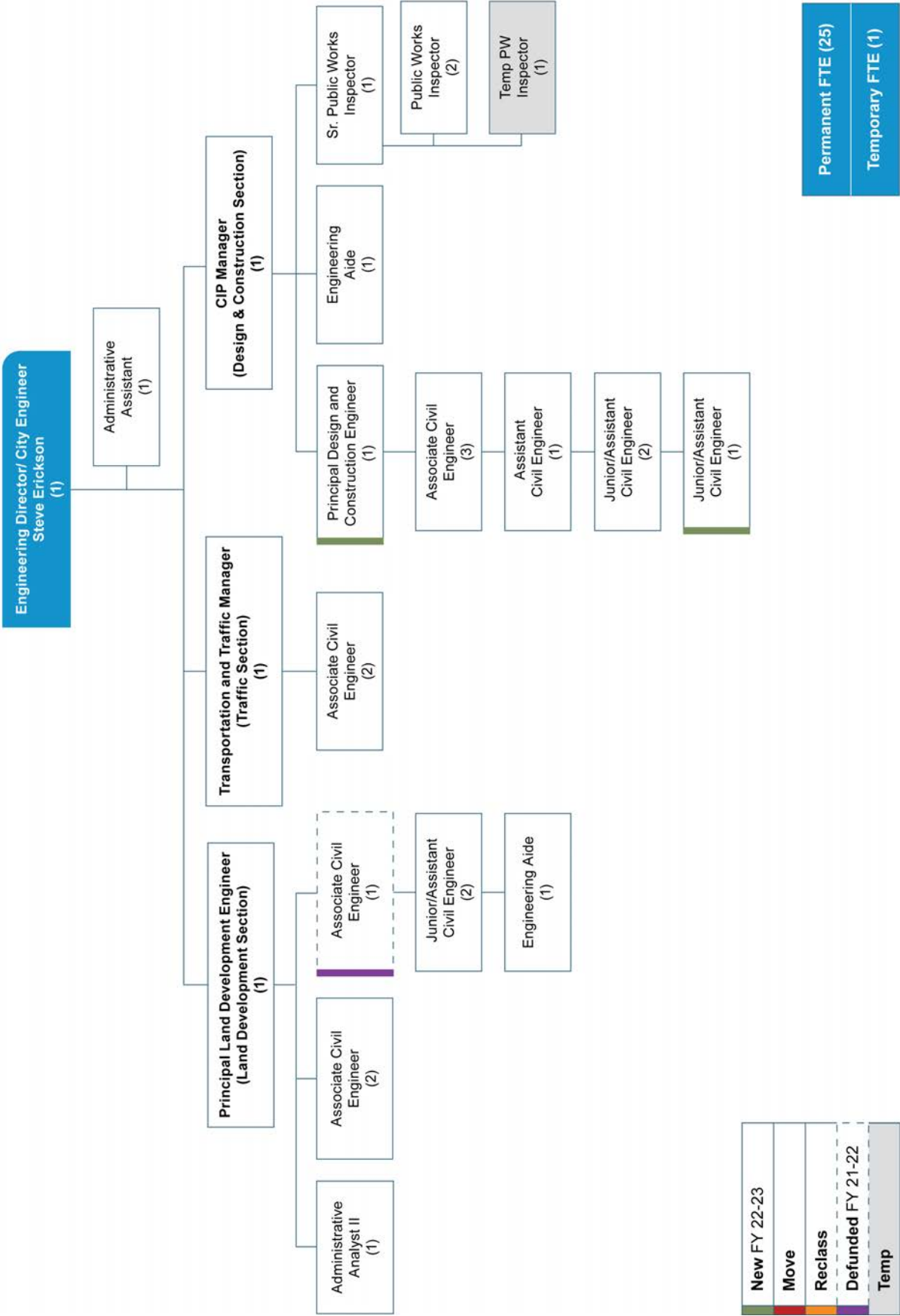


### Services








- The Engineering Director/City Engineer leads the Department, including the allocation of resources, determination of staff assignments, and oversees the workload to ensure that infrastructure and work constructed within the City's right-of-way is completed in accordance with industry standards, City codes, state, and federal regulations to protect public health and safety.
- Design & Construction staff oversee the preparation of construction documents, administer and manage construction contracts for the completion of the City's Capital Improvement Program (CIP). Design & Construction Section staff, in conjunction with the Finance Department, create the annual 5-year Capital Improvement Program (CIP) document which funds and prioritizes the completion of capital projects for streets, water, sewer, storm drain utilities, parks, and community infrastructure. Design & Construction Inspection staff review city capital and private development construction projects for compliance with the City standards.
- Land Development staff manage right-of-way encroachments and review private development plans and maps for conformance with City Standards, local, state and federal requirements. Staff ensure private development projects provide required public infrastructure in accordance with development Conditions of Approval. Land Development staff manage encroachment permits for construction within City streets and the public right-of-way, regulate development within the designated floodplain, maintain the City's Community Rating System (CRS) flood insurance rating, and manage the Engineering record drawing library of city infrastructure.
- Transportation & Traffic engineering staff provide technical review and evaluation of traffic and transportation studies related to development within the City. Staff oversees the operation and timing of traffic signals to ensure safe and efficient operation, reviews construction documents for streets and transportation projects, manages the City's pavement condition index, and completion of annual pavement resurfacing projects.









Engineering



## Accomplishments






|    |                                       | Community<br>Wellness and<br>Open Space   | Economic<br>Development<br>and Job Growth   | Environment  | Governance &<br>Administration  | Neighborhoods<br>and Housing  | Public Safety   | Transportation<br>and Transit   |
|----|---------------------------------------|---|---|--|---|---|---|---|
|    |                                       |  |  |  |  |  |  |  |
| 1. | Calaveras Bridge Widening CEQA        |   |   | ✓  |   |   | ✓   | ✓   |
| 2. | Fire Station 2 Replacement            |   |   |  | ✓   |   | ✓   |   |
| 3. | Parks & Recreation Master Plan Update | ✓   |   | ✓  | ✓   | ✓   |   |   |
| 4. | McCandless Park Phase 1 Construction  | ✓   |   | ✓  |   | ✓   |   |   |
| 5. | Montague Pedestrian Bridge            |   |   |  |   |   | ✓   | ✓   |
| 6. | City Building ADA Compliance Review   |   |   |  | ✓   |   | ✓   |   |
| 7. | Annual City Street Resurfacing        |   |   |  |   |   | ✓   | ✓   |







## Initiatives

|    |                                    |  |  |  |  |  |  |  |
|----|------------------------------------|---|---|--|---|---|---|---|
| 1. | Costa Street Plan Line Study       |   | ✓   |  |   | ✓   |   | ✓   |
| 2. | Light Rail Pedestrian Bridge Study |   |   |  |   |   | ✓   | ✓   |
| 3. | Citywide Traffic Modeling          |   |   |  |   |   | ✓   | ✓   |
| 4. | Traffic Safety Assessment          |   |   |  |   |   | ✓   | ✓   |
| 5. | LLMD Landscape Renovation          | ✓   |   |  | ✓   |   |   |   |
| 6. | ARPA Park Improvements             |   |   |  | ✓   | ✓   | ✓   |   |



## Performance and Workload Measures

| PERFORMANCE MEASURES  | Strategic Goals   | FY 19-20 Actual | FY 20-21 Actual | FY 21-22 Target | FY 21-22 Estimate | FY 22-23 Target |
|---|---|-----------------|-----------------|-----------------|-------------------|-----------------|
| Mandated FEMA / CRS goals achieved  |  | 100%            | 100%            | 100%            | 100%              | 100%            |
| State mandated storm water permit goals achieved  |  | 100%            | 100%            | 100%            | 100%              | 100%            |
| CIP projects completed on schedule / budget (no additional time/budget requested)                                   |  | 100%            | 100%            | 100%            | 100%              | 100%            |
| Number of Encroachment Permits for subdivisions and major projects/% first review completed within 45 calendar days |  | 10/90%          | 0/100%          | 6/100%          | 4/100%            | 7/100%          |
| Number of Minor Encroachment Permits/% first review completed within 30 calendar days                               |  | 242/90%         | 142/100%        | 220/100%        | 226/100%          | 310/100%        |

| ACTIVITY AND WORKLOAD DATA                          | Strategic Goals   | FY 19-20 Actual | FY 20-21 Actual | FY 21-22 Target | FY 21-22 Estimate | FY 22-23 Target |
|---|---|-----------------|-----------------|-----------------|-------------------|-----------------|
| Value of CIP construction contracts awarded         |  | \$9M            | \$20.3M         | \$10.2M         | \$6M              | \$5.65M         |
| Construction contracts awarded                      |  | 12              | 12              | 8               | 1                 | 5               |
| CIP & Private Development Projects Completed        |  | 10              | 18              | 16              | 9                 | 16              |
| Professional services contracts awarded             |  | 20              | 36              | 11              | 5                 | 11              |
| Encroachment permits reviewed and approved          |  | 221             | 207             | 220             | 138               | 220             |
| Number of Encroachment Permit Inspections Completed |  | 2,434           | 2,261           | 2,300           | 1,522             | 2,300           |

## Budget Summary

| DOLLARS BY FUNCTION*        | 2019-20<br>Actual  | 2020-21<br>Actual  | 2021-22<br>Adopted | 2022-23<br>Adopted | FY 2023<br>Change \$ | FY 2023<br>Change % |
|-----------------------------|--------------------|--------------------|--------------------|--------------------|----------------------|---------------------|
| Design & Construction*      | \$917,688          | \$868,528          | \$1,158,233        | \$1,572,420        | \$414,187            | 35.8%               |
| Engineering Administration* | 487,691            | 468,931            | 357,424            | 339,855            | (17,569)             | (4.9)%              |
| Land Development            | 1,747,671          | 1,912,621          | 1,691,177          | 1,495,256          | (195,921)            | (11.6)%             |
| Traffic Engineering*        | 406,375            | 548,925            | 641,147            | 664,131            | 22,984               | 3.6%                |
| <b>TOTAL</b>                | <b>\$3,559,425</b> | <b>\$3,799,005</b> | <b>\$3,847,981</b> | <b>\$4,071,662</b> | <b>\$223,681</b>     | <b>5.8%</b>         |

| DOLLARS BY CATEGORY*                | 2019-20<br>Actual | 2020-21<br>Actual | 2021-22<br>Adopted | 2022-23<br>Adopted | FY 2023<br>Change \$ | FY 2023<br>Change % |
|-------------------------------------|-------------------|-------------------|--------------------|--------------------|----------------------|---------------------|
| <b>PERSONNEL SERVICES</b>           |                   |                   |                    |                    |                      |                     |
| <b>4111</b> Permanent Salaries      | \$1,822,966       | \$1,979,046       | \$1,574,686        | \$1,635,578        | \$60,892             | 3.9%                |
| <b>4112</b> Temporary Salaries      | 9,396             | 33,000            | 108,873            | 117,749            | 8,876                | 8.2%                |
| <b>4113</b> Overtime                | 3,058             | 7,366             | 8,500              | 8,500              | 0                    | 0.0%                |
| <b>4121</b> Allowances              | 6,600             | 3,554             | 5,851              | 6,600              | 749                  | 12.8%               |
| <b>4124</b> Leave Cashout           | 43,972            | 111,878           | 0                  | 0                  | 0                    | 0.0%                |
| <b>4131</b> PERS                    | 731,481           | 674,652           | 1,101,229          | 1,061,498          | (39,731)             | (3.6)%              |
| <b>4132</b> Group Insurance         | 293,755           | 321,768           | 528,611            | 591,001            | 62,390               | 11.8%               |
| <b>4133</b> Medicare                | 27,418            | 31,018            | 48,056             | 49,178             | 1,122                | 2.3%                |
| <b>4135</b> Worker's Compensation   | 3,373             | 10,157            | 18,209             | 16,886             | (1,323)              | (7.3)%              |
| <b>4138</b> Deferred Comp-Employer  | 19,950            | 18,520            | 19,804             | 20,700             | 896                  | 4.5%                |
| <b>4139</b> PARS                    | 0                 | 0                 | 0                  | 0                  | 0                    | 0.0%                |
| <b>4141</b> Adjustments-Payroll     | 0                 | 0                 | (22,168)           | 112,908            | 135,076              | (609.3)%            |
| <b>4146</b> Short Term Disability   | 0                 | 0                 | 1,920              | 6,900              | 4,980                | 259.4%              |
| <b>4161</b> Retiree Medical Reserve | 141,423           | 28,320            | 32,737             | 29,545             | (3,192)              | (9.8)%              |
| <b>sub-total</b>                    | <b>3,103,392</b>  | <b>3,219,279</b>  | <b>3,426,308</b>   | <b>3,657,043</b>   | <b>230,735</b>       | <b>6.7%</b>         |

|  |        |        |        |        |       |        |
|--|--------|--------|--------|--------|-------|--------|
| <b>SUPPLIES AND CONTRACTUAL SERVICES</b>     |        |        |        |        |       |        |
| <b>4200</b> Community Promotion, Grant/ Loan | 0      | 0      | 0      | 0      | 0     | 0.0%   |
| <b>4210</b> Department Allocations           | 25,423 | 13,181 | 11,723 | 11,213 | (510) | (4.4)% |
| <b>4220</b> Supplies                         | 9,737  | 3,233  | 9,750  | 9,900  | 150   | 1.5%   |

\*For FY 2022-23, costs for staff for three functions in the Engineering Department totaling \$1,652,051, which directly support the Capital Improvement Program, are charged to the capital projects as follows: Engineering Administration (\$213,214); Design & Construction (\$1,279,575); and Traffic Engineering (\$159,262). These costs are not included in this presentation.

| DOLLARS BY CATEGORY* |                                 | 2019-20<br>Actual | 2020-21<br>Actual | 2021-22<br>Adopted | 2022-23<br>Adopted | FY 2023<br>Change \$ | FY 2023<br>Change % |
|----------------------|---------------------------------|-------------------|-------------------|--------------------|--------------------|----------------------|---------------------|
| 4230                 | Services                        | 1,486,349         | 1,962,014         | 392,850            | 386,106            | (6,744)              | (1.7)%              |
| 4240                 | Repair & Maintenance            | 0                 | 0                 | 0                  | 0                  | 0                    | 0.0 %               |
| 4500                 | Training, Travel, & Memberships | 2,580             | 5,121             | 7,350              | 7,400              | 50                   | 0.7 %               |
| sub-total            |                                 | 1,524,089         | 1,983,549         | 421,673            | 414,619            | (7,054)              | (1.7)%              |
| TOTAL                |                                 | \$4,627,481       | \$5,209,692       | \$3,847,981        | \$4,071,662        | \$223,681            | 5.8 %               |

## Staffing

| POSITIONS BY FUNCTION      | 2019-20<br>Adopted | 2020-21<br>Adopted | 2021-22<br>Adopted | 2022-23<br>Adopted | FY 2023<br>Change |
|----------------------------|--------------------|--------------------|--------------------|--------------------|-------------------|
| Design & Construction      | 11.00              | 11.00              | 11.00              | 13.00              | 2.00              |
| Engineering Administration | 2.00               | 2.00               | 2.00               | 2.00               | 0.00              |
| Land Development*          | 9.00               | 8.00               | 7.00               | 7.00               | 0.00              |
| Traffic Engineering        | 3.00               | 3.00               | 3.00               | 3.00               | 0.00              |
| TOTAL                      | 25.00              | 24.00              | 23.00              | 25.00              | 2.00              |

\*1.0 Associate Civil Engineering in Land Development is defunded.

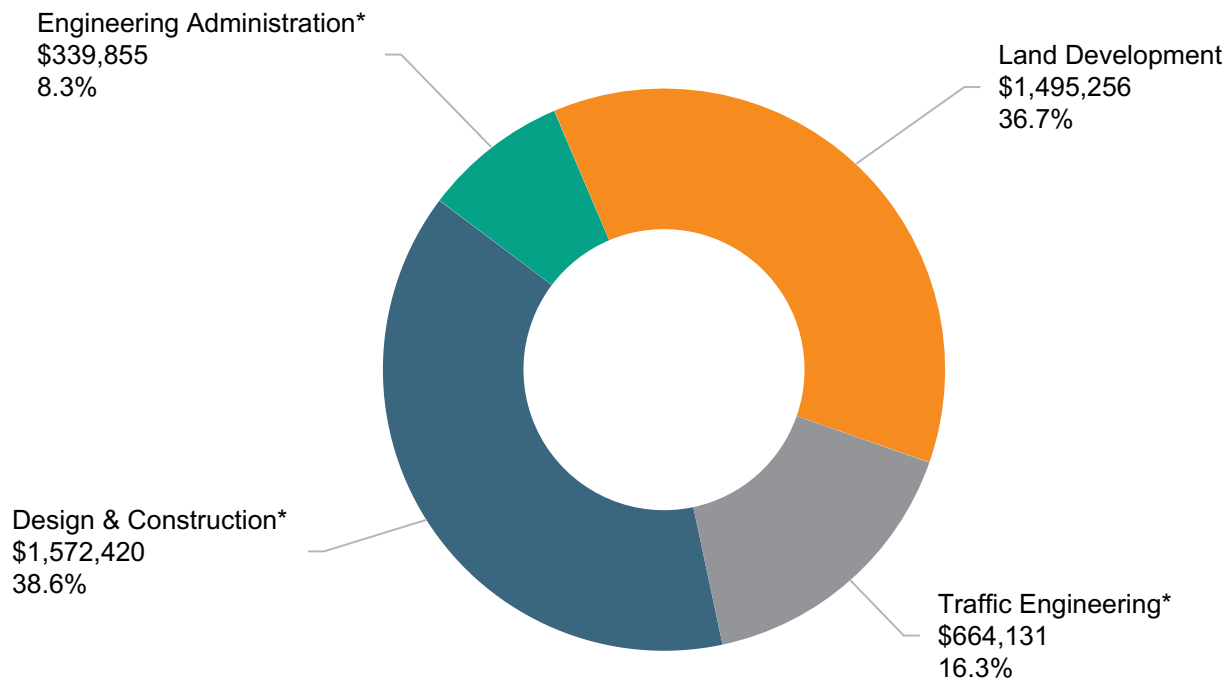
| POSITIONS                     | 2019-20<br>Adopted | 2020-21<br>Adopted | 2021-22<br>Adopted | 2022-23<br>Adopted | FY 2023<br>Change |
|-------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------|
| Administrative Analyst II     | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Administrative Assistant      | 0.00               | 0.00               | 0.00               | 1.00               | 1.00              |
| Assistant Civil Engineer      | 5.00               | 4.00               | 4.00               | 4.00               | 0.00              |
| Associate Civil Engineer*     | 7.00               | 8.00               | 7.00               | 7.00               | 0.00              |
| CIP Manager                   | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Engineering Aide              | 2.00               | 2.00               | 2.00               | 2.00               | 0.00              |
| Engineering Director/City Eng | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Executive Assistant           | 1.00               | 1.00               | 1.00               | 0.00               | (1.00)            |
| GIS Technician                | 1.00               | 0.00               | 0.00               | 0.00               | 0.00              |
| Junior Civil Engineer         | 1.00               | 1.00               | 1.00               | 2.00               | 1.00              |
| Principal Civil Engineer      | 1.00               | 1.00               | 1.00               | 2.00               | 1.00              |
| Public Information Specialist | 0.00               | 0.00               | 0.00               | 0.00               | 0.00              |
| Public Works Inspector        | 2.00               | 2.00               | 2.00               | 2.00               | 0.00              |



| POSITIONS                      | 2019-20<br>Adopted | 2020-21<br>Adopted | 2021-22<br>Adopted | 2022-23<br>Adopted | FY 2023<br>Change |
|--------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------|
| Senior Public Works Inspector  | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Traffic Engineer               | 0.00               | 0.00               | 0.00               | 0.00               | 0.00              |
| Transportation and Traffic Mgr | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| <b>Total Positions</b>         | <b>25.00</b>       | <b>24.00</b>       | <b>23.00</b>       | <b>25.00</b>       | <b>2.00</b>       |

\*1.0 Associate Civil Engineering in Land Development is defunded.

## Expenditures by Function












\*For FY 2022-23, costs for staff for three functions in the Engineering Department totaling \$1,652,051, which directly support the Capital Improvement Program, are charged to the capital projects as follows: Engineering Administration (\$213,214); Design & Construction (\$1,279,575); and Traffic Engineering (\$159,262). These costs are not included in this presentation.

## Budget Reconciliation

|   | Positions    | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |
|---|--------------|---------------------------|-------------------------|-----------------------|
| <b>PRIOR YEAR BUDGET</b>  | <b>23.00</b> | <b>\$3,740,281</b>        | <b>\$107,700</b>        | <b>\$3,847,981</b>    |
| <b>Adjustments to Costs of Ongoing Activities</b>               |              |                           |                         |                       |
| Salary and Benefits   |              | 118,637                   |                         | 118,637               |
| Engineering Staff Capital Improvement Program Funding Alignment |              | (19,614)                  |                         | (19,614)              |
| LLMD Contractual Adjustments                                    |              |                           | (7,394)                 | (7,394)               |
| Equipment Replacement Amortization                              |              | (510)                     |                         | (510)                 |
| <b>Adjustments to Costs of Ongoing Activities</b>               | <b>0.00</b>  | <b>98,513</b>             | <b>(7,394)</b>          | <b>91,119</b>         |
| <b>Total FY 2022-23 Base Budget</b>                             | <b>23.00</b> | <b>3,838,794</b>          | <b>100,306</b>          | <b>3,939,100</b>      |
| <b>Service Level Changes</b>                                    |              |                           |                         |                       |
| CIP Design and Construction Principal Engineer Position         | 1.00         | 69,358                    |                         | 69,358                |
| CIP Design and Construction Junior/Assistant Engineer Position  | 1.00         | 63,203                    |                         | 63,203                |
| <b>Total Service Level Changes</b>                              | <b>2.00</b>  | <b>132,561</b>            | <b>0</b>                | <b>132,561</b>        |
| <b>Total FY 2022-23 Budget</b>                                  | <b>25.00</b> | <b>\$3,971,355</b>        | <b>\$100,306</b>        | <b>\$4,071,661</b>    |

## Service Level Changes

|  |   | Positions   | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |
|--|---|---|---------------------------|-------------------------|-----------------------|
| 1.   | CIP Design and Construction Principal Engineer Position   | 1.00  | \$69,358                  | \$0                     | \$69,358              |
|   | <p>This action funds 1.0 Principal Engineer in Design and Construction (D&amp;C) section. The section serves the community by completing City Council approved and funded Capital Improvement Program (CIP) projects identified in the annual 5-year CIP document. Projects include, but not limited to, repair and improvement of City streets, repair and replacement of underground utilities, rehabilitation of parks, TASP infrastructure and other community improvements. The D&amp;C Section is led by the CIP Manager and has two Associate Civil Engineer and four Junior/Assistant Engineer positions with one vacancy. The Principal Engineer will assist the CIP manager in project managing and planning, preparing the annual CIP document, supervising project teams and develop and implement goals, policies, procedures and priorities of the Section.</p> |   |                           |                         |                       |
| Performance Results:   |   |   |                           |                         |                       |
| <p>Currently, the D&amp;C Section is working on 12 projects in various projects stages for approximately value of \$50.0M. There are planned \$86.0M in projects between 2023 to 2027 in proposed 2023-2027 CIP Document, a potential \$75M in projects that are identified in the Utility Master Plans to be completed in the next 10-20 years, and potential \$75M to \$150M in infrastructure projects for Metro Specific Plan. Current D&amp;C staffing levels allows for staff to work on 6-9 project for approximately value between \$15-\$20M annually. In order to complete high volume of Projects, future infrastructure needs, and expedite City Council projects priorities such as Cardoza Park Softball Fields Improvement, South Milpitas Blvd. Bridge at Penitencia, Rose Garden Memorial, Railroad Quiet Zone, and Dempsey Road Water Line Project, additional staffing is required.</p> |   |   |                           |                         |                       |
| Impact if funding is not approved  |   |   |                           |                         |                       |
| <p>If this action is not funded, the current staffing levels will not be able to reduce the CIP backlog or to deliver requested projects for the City Council, community or infrastructure needs.</p>  |   |   |                           |                         |                       |

|  |  |   |           |     |           |
|--|--|---|-----------|-----|-----------|
| 2.   | CIP Design and Construction Junior/ Assistant Engineer Position  | 1.00  | \$63,203  | \$0 | \$63,203  |
|   | <p>This action funds 1.0 Junior/Assistant Engineer position in the Design and Construction Engineering Section (D&amp;C). The section serves the community by completing City Council approved and funded Capital Improvement Program (CIP) projects identified in the annual 5-year CIP document. Projects include, but not limited to, repair and improvement of City streets, repair and replacement of underground utilities, rehabilitation of parks, TASP infrastructure and other community improvements. The D&amp;C Section is led by the CIP Manager and has two Associate Civil Engineer and four Junior/Assistant Engineer positions with one vacancy. The Junior/Assistant Engineer will assist the Associate Engineers in project administration from design through construction, review and prepare construction documents and manage contracts from design consultant and contractor.</p> |   |           |     |           |
| Performance Results:   |  |      |           |     |           |
| <p>Currently, the D&amp;C Section is working on 12 projects in various projects stages for approximately value of \$50.0M. There are planned \$86.0M in projects between 2023 to 2027 in proposed 2023-2027 CIP Document, a potential \$75M in projects that are identified in the Utility Master Plans to be completed in the next 10-20 years, and potential \$75M to \$150M in infrastructure projects for Metro Specific Plan. Current D&amp;C staffing levels allows for staff to work on 6-9 project for approximately value between \$15-\$20M annually. In order to complete high volume of Projects, future infrastructure needs, and expedite City Council projects priorities such as Cardoza Park Softball Fields Improvement, South Milpitas Blvd. Bridge at Penitencia, Rose Garden Memorial, Railroad Quiet Zone, and Dempsey Road Water Line Project, additional staffing is required.</p> |  |   |           |     |           |
| Impact if funding is not approved  |  |   |           |     |           |
| <p>If this action is not funded, the current staffing levels will not be able to reduce the CIP backlog or to deliver requested projects for the City Council, community or infrastructure needs.</p>  |  |   |           |     |           |
| Total Service Level Changes  |  | 2.00  | \$132,561 | \$0 | \$132,561 |



# Finance

**Finance Director:** Lauren Lai, CPA, MPA

## Mission Statement

The Finance Department is dedicated to providing accurate, credible and timely financial information to support sound fiscal management and professional customer service to Milpitas residents, the business community, the City Council, and internal staff.

## Description

Finance provides a key service role to all departments, the City Council, and the public and manages the City's financial operations in accordance with industry standards and established fiscal policies. Prudent fiscal stewardship, customer service, compliance, strategic planning, transparency and effective financial reporting are key elements of its mission. The department is organized into three functions: Administration, Operations, and Fiscal Services - Utilities; each provides essential customer services and support to City departments, the City Council, and the public.



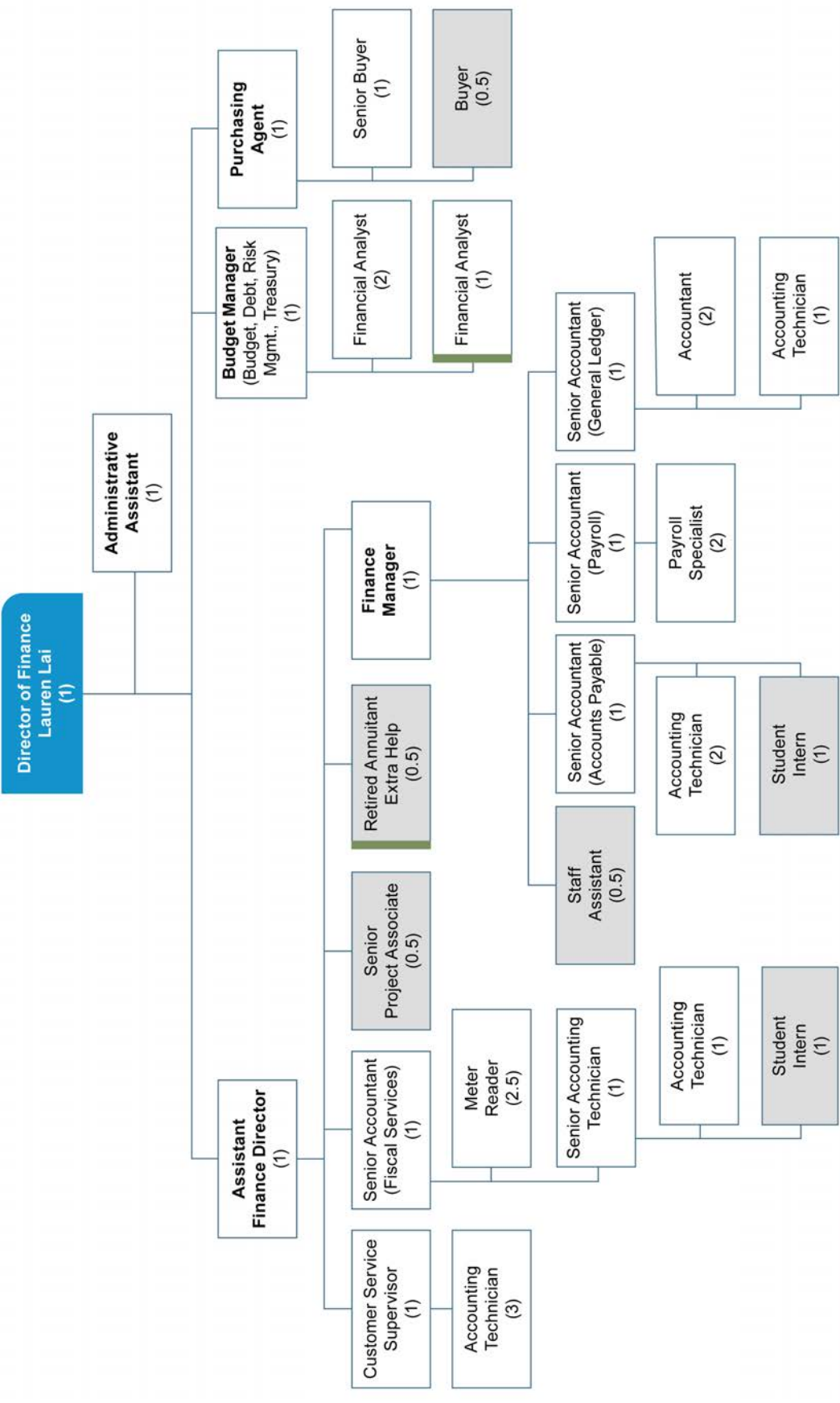
### Services

- Acts as an adviser to the City Manager, City Council and Departments in the areas of financial planning and fiscal analysis. Provides leadership in the development and implementation of sound financial policies for the City.
- Develops the Ten-Year General Fund Financial Forecast.
- Develops the annual Operating Budget on behalf of the City Manager including projection of revenues and expenditures; coordinates the preparation and publication of the Operating Budget document; and makes the annual budget available through its transparency tool.
- Prepares the Annual Financial Report in accordance with Generally Accepted Accounting Principles and pronouncements of the Governmental Accounting Standards Board (GASB).
- Prepares and maintains accurate financial records including grants, capital projects, enterprise funds, governmental funds, and fixed assets and files required grant reports with local, state, and federal agencies.
- Provides operating departments with timely and clear financial performance reports to assist them in their daily decision making.
- Monitors all the capital projects that have external funding sources to ensure collection of funds.
- Collects and records all City revenues including property tax, sales tax, various service fees, utility payments, business licenses, franchise fees, transient occupancy taxes, levies and other revenues.
- Provides customer service to the City's utility customers, including billing, new account setups, inquiries and meter readings.
- Procures goods and services at competitive prices and in compliance with Federal and State laws and City ordinances on behalf of City departments.
- Invests the City's idle cash in accordance with the Council approved Investment Policy to ensure that there is sufficient cash available to meet operating needs while maintaining safety, liquidity and competitive returns on the investment portfolio.
- Manages the City's and Successor Agency's outstanding bonds by ensuring timely payments, performance of arbitrage calculations and filing of required continual disclosure reports.
- Manages all the tort claims against the City and represents the City in the Pooled Liability Assurance Network Joint Powers Authority (PLAN JPA) Board.
- Processes all the payments for goods and services timely and accurately.
- Issues payroll checks and benefits payments bi-weekly and files all the required Federal and State payroll tax withholding reports.
- Processes outgoing mail and distributes incoming mail citywide.












Finance Department








|                      |
|----------------------|
| Permanent FTE (29.5) |
| Temporary FTE (3.5)  |






|                   |
|-------------------|
| New FY 22-23      |
| Move              |
| Reclass           |
| Defunded FY 21-22 |
| Temp              |

| Accomplishments |   | Community<br>Wellness and<br>Open Space   | Economic<br>Development<br>and Job Growth   | Environment  | Governance &<br>Administration  | Neighborhoods<br>and Housing  | Public Safety   | Transportation<br>and Transit   |
|-----------------|---|---|---|--|---|---|---|---|
|                 |   |  |  |  |  |  |  |  |
| 1.              | Rebalanced the budget due to COVID-19 economic impacts  |   |   |  | ✓   |   |   |   |
| 2.              | Implemented invoice for online payments including misc AR, employee reimbursements, upgrade to current ERP, implemented online business license application, online credit card payment                   | ✓   |   | ✓  | ✓   | ✓   | ✓   | ✓   |
| 3.              | Implemented citywide contract management system (ProcureNow)  | ✓   |   |  | ✓   | ✓   | ✓   | ✓   |
| 4.              | Received GFOA and CSMFO award for Adopted Budget Book and GFOA award for Annual Comprehensive Financial Report.   |   |   |  | ✓   |   |   |   |
| 5.              | Assisted with energy savings company project and obtained financing   |   | ✓   | ✓  | ✓   |   |   |   |
| 6.              | Upgraded current ERP (Cayenta) to include new modules Connect Finance, Employee Self-Service Portal   |   |   |  | ✓   |   |   |   |
| 7.              | Improved financial reporting for departments (Department Budget Book, Management Reports and Trend Analysis) through replacement of manual reports with online analytic reporting/visualization (Tableau) |   |   |  | ✓   |   |   |   |
| 8.              | Continued to manage debt obligations associated with previously issued Lease Revenue Bonds and Wastewater Bonds   |   | ✓   |  | ✓   |   |   |   |
| 9.              | Implemented online business license applications and online payment system for miscellaneous accounts receivable items  | ✓   | ✓   | ✓  | ✓   | ✓   | ✓   | ✓   |
| 10.             | Assisted with the development of CIP budget in OpenGov.   |   |   |  | ✓   |   |   |   |

| Initiatives |   | Community Wellness and Open Space   | Economic Development and Job Growth   | Environment  | Governance & Administration   | Neighborhoods and Housing   | Public Safety   | Transportation and Transit  |
|-------------|---|---|---|--|---|---|---|---|
|             |   |  |  |  |  |  |  |  |
| 1.          | Review and maximize the funding from the American Rescue Plan Act   |   |   |  | ✓   |   |   |   |
| 2.          | Review and maximize FEMA reimbursements for COVID-19 Expenditures   |   |   |  | ✓   |   |   |   |
| 3.          | Implement a Loss Prevention Program including analysis of department loss and related claims experience                   | ✓   |   |  | ✓   | ✓   | ✓   | ✓   |
| 4.          | Continue to review and update finance related standard operating procedures   |   |   |  | ✓   |   |   |   |
| 5.          | Manage Section 115 Pension Trust to stabilize future PERS pension contribution costs                                      |   |   |  | ✓   |   |   |   |
| 6.          | Continue to update Finance standard operating protocol (SOP) for succession planning                                      |   |   |  | ✓   |   |   |   |
| 7.          | Continue to build ETL (extract, load and transform) workflows to replace manual reporting processes and enhance reporting |   |   |  | ✓   |   |   |   |
| 8.          | Support Public Works with the implementation of the Automated Meter Infrastructure project                                |   |   | ✓  | ✓   | ✓   |   |   |
| 9.          | Implement new banking services  |   |   |  | ✓   |   |   |   |
| 10.         | Support oversight committee for Measure F   |   | ✓   |  | ✓   |   |   |   |

## Performance and Workload Measures

| PERFORMANCE MEASURES  | Strategic Goals   | FY 19-20 Actual | FY 20-21 Actual | FY 21-22 Target | FY 21-22 Estimate | FY 22-23 Target |
|---|---|-----------------|-----------------|-----------------|-------------------|-----------------|
| Consecutive years receiving award for Distinguished Budget Presentation |  | 19              | 20              | 21              | 21                | 22              |
| Consecutive years receiving award for Excellence in Financial Reporting |  | 26              | 27              | 28              | 28                | 29              |
| Tort Claims Resolved within 180 Days                                    |  | 70%             | 75%             | 70%             | 80%               | 80%             |
| Average number of days from approved invoice received to check issuance |  | 4.71            | 4               | 4               | 4                 | 4               |
| Customers rating service as good or excellent                           |  | 71%             | N/A             | 75%             | N/A               | 75%             |

| ACTIVITY AND WORKLOAD DATA                                     | Strategic Goals   | FY 19-20 Actual | FY 20-21 Actual | FY 21-22 Target | FY 21-22 Estimate | FY 22-23 Target |
|--|---|-----------------|-----------------|-----------------|-------------------|-----------------|
| Number of Contracts Processed                                  |   | 224             | 236             | 260             | 260               | 260             |
| Number of Vendor Invoices Paid                                 |  | 22,998          | 17,820          | 24,000          | 19,500            | 19,500          |
| Number of Utility Bills Issued                                 |  | 92,310          | 87,221          | 92,500          | 92,250            | 92,500          |
| Number of Regulatory Reports Submitted to Appropriate Agencies |  | 75              | 104             | 85              | 85                | 85              |
| Number of Payroll Checks Paid                                  |  | 14,263          | 12,476          | 12,500          | 12,500            | 12,500          |

## Budget Summary

| DOLLARS BY FUNCTION       | 2019-20<br>Actual  | 2020-21<br>Actual  | 2021-22<br>Adopted | 2022-23<br>Adopted | FY 2023<br>Change \$ | FY 2023<br>Change % |
|---------------------------|--------------------|--------------------|--------------------|--------------------|----------------------|---------------------|
| Finance Administration    | \$2,165,988        | \$2,280,073        | \$2,117,398        | \$2,258,335        | \$140,937            | 6.7%                |
| Finance Operations        | 3,225,002          | 1,925,866          | 1,813,552          | 1,909,066          | 95,514               | 5.3%                |
| Fiscal Services-Utilities | 71,072             | 1,298,345          | 1,945,141          | 2,173,975          | 228,834              | 11.8%               |
| <b>TOTAL</b>              | <b>\$5,462,062</b> | <b>\$5,504,284</b> | <b>\$5,876,091</b> | <b>\$6,341,378</b> | <b>\$465,287</b>     | <b>7.9%</b>         |

| DOLLARS BY CATEGORY                 | 2019-20<br>Actual | 2020-21<br>Actual | 2021-22<br>Adopted | 2022-23<br>Adopted | FY 2023<br>Change \$ | FY 2023<br>Change % |
|-------------------------------------|-------------------|-------------------|--------------------|--------------------|----------------------|---------------------|
| <b>PERSONNEL SERVICES</b>           |                   |                   |                    |                    |                      |                     |
| <b>4111</b> Permanent Salaries      | \$2,474,456       | \$2,735,468       | \$3,089,531        | \$3,347,674        | \$258,143            | 8.4%                |
| <b>4112</b> Temporary Salaries      | 271,858           | 330,855           | 175,950            | 293,051            | 117,101              | 66.6%               |
| <b>4113</b> Overtime                | 6,313             | 11,489            | 15,000             | 15,000             | 0                    | 0.0%                |
| <b>4121</b> Allowances              | 14,550            | 11,054            | 7,570              | 13,824             | 6,254                | 82.6%               |
| <b>4124</b> Leave Cashout           | 91,890            | 140,492           | 0                  | 0                  | 0                    | 0.0%                |
| <b>4125</b> Accrued Leave           | 24,377            | (3,578)           | 0                  | 0                  | 0                    | 0.0%                |
| <b>4131</b> PERS                    | 993,247           | 972,688           | 1,072,407          | 1,057,711          | (14,696)             | (1.4)%              |
| <b>4132</b> Group Insurance         | 409,796           | 417,624           | 550,575            | 579,979            | 29,404               | 5.3%                |
| <b>4133</b> Medicare                | 41,494            | 47,389            | 47,459             | 53,005             | 5,546                | 11.7%               |
| <b>4135</b> Worker's Compensation   | 2,047             | 9,389             | 17,146             | 18,296             | 1,150                | 6.7%                |
| <b>4138</b> Deferred Comp-Employer  | 20,001            | 21,560            | 23,594             | 24,300             | 706                  | 3.0%                |
| <b>4139</b> PARS                    | 3,086             | 1,762             | 1,178              | 2,075              | 897                  | 76.1%               |
| <b>4143</b> Charged to CIPs         | 0                 | 0                 | (71,758)           | (100,000)          | (28,242)             | 39.4%               |
| <b>4146</b> Short Term Disability   | 0                 | 0                 | 2,403              | 8,633              | 6,230                | 259.3%              |
| <b>4161</b> Retiree Medical Reserve | 142,516           | 26,556            | 25,225             | 28,880             | 3,655                | 14.5%               |
| <b>sub-total</b>                    | <b>4,495,631</b>  | <b>4,722,748</b>  | <b>4,956,280</b>   | <b>5,342,428</b>   | <b>386,148</b>       | <b>7.8%</b>         |

|   |                |                |                |                |               |             |
|---|----------------|----------------|----------------|----------------|---------------|-------------|
| <b>SUPPLIES AND CONTRACTUAL SERVICES</b>    |                |                |                |                |               |             |
| <b>4210</b> Department Allocations          | 19,166         | 18,450         | 18,075         | 10,599         | (7,476)       | (41.4)%     |
| <b>4220</b> Supplies                        | 71,434         | 36,832         | 130,008        | 130,300        | 292           | 0.2%        |
| <b>4230</b> Services                        | 833,882        | 715,412        | 690,095        | 785,414        | 95,319        | 13.8%       |
| <b>4240</b> Repair & Maintenance            | 6,651          | 2,414          | 47,750         | 37,750         | (10,000)      | (20.9)%     |
| <b>4500</b> Training, Travel, & Memberships | 9,409          | 8,428          | 33,885         | 34,885         | 1,000         | 3.0%        |
| <b>sub-total</b>                            | <b>940,542</b> | <b>781,536</b> | <b>919,813</b> | <b>998,948</b> | <b>79,135</b> | <b>8.6%</b> |

| DOLLARS BY CATEGORY   |                         | 2019-20<br>Actual  | 2020-21<br>Actual  | 2021-22<br>Adopted | 2022-23<br>Adopted | FY 2023<br>Change \$ | FY 2023<br>Change % |
|-----------------------|-------------------------|--------------------|--------------------|--------------------|--------------------|----------------------|---------------------|
| <b>CAPITAL OUTLAY</b> |                         |                    |                    |                    |                    |                      |                     |
| <b>4870</b>           | Machinery and Equipment | 25,889             | 0                  | 0                  | 0                  | 0                    | 0.0%                |
| <b>sub-total</b>      |                         | <b>25,889</b>      | <b>0</b>           | <b>0</b>           | <b>0</b>           | <b>0</b>             | <b>0.0%</b>         |
| <b>TOTAL</b>          |                         | <b>\$5,462,062</b> | <b>\$5,504,284</b> | <b>\$5,876,093</b> | <b>\$6,341,378</b> | <b>\$465,281</b>     | <b>7.9%</b>         |

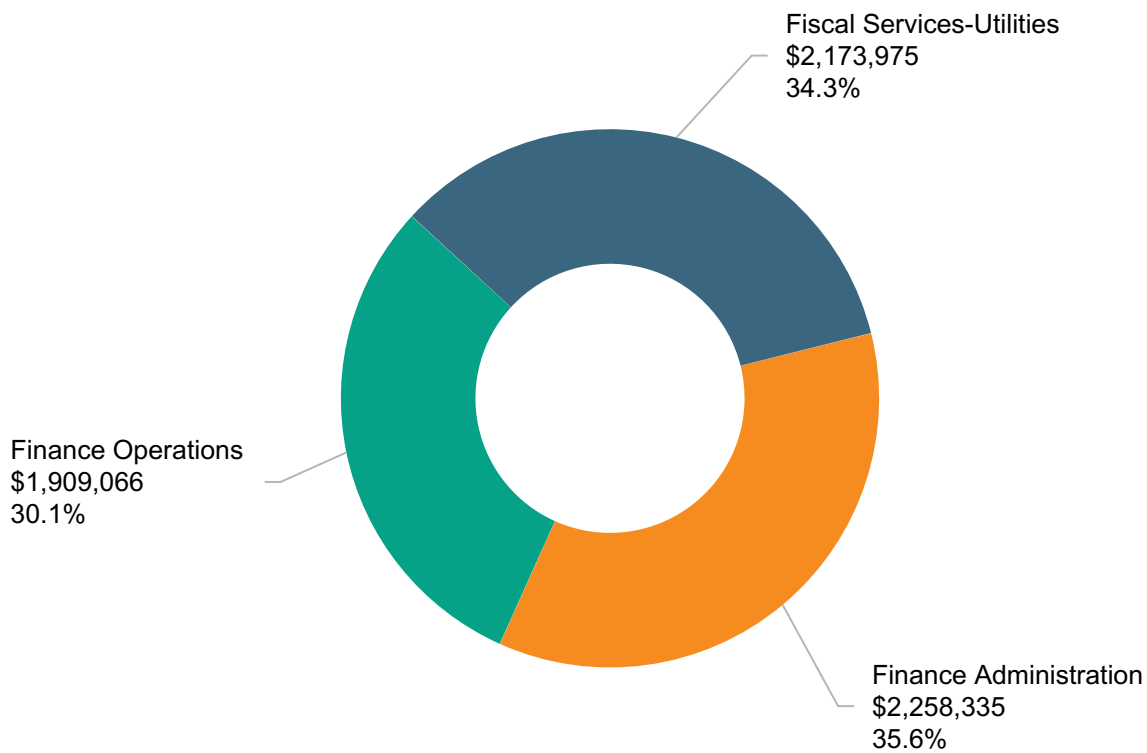
## Staffing

| POSITIONS BY FUNCTION     | 2019-20<br>Adopted | 2020-21<br>Adopted | 2021-22<br>Adopted | 2022-23<br>Adopted | FY 2023<br>Change |
|---------------------------|--------------------|--------------------|--------------------|--------------------|-------------------|
| Finance Administration    | 10.00              | 9.00               | 8.00               | 9.00               | 1.00              |
| Finance Operations        | 19.50              | 11.00              | 12.00              | 12.00              | 0.00              |
| Fiscal Services-Utilities | 0.00               | 9.50               | 8.50               | 8.50               | 0.00              |
| <b>TOTAL</b>              | <b>29.50</b>       | <b>29.50</b>       | <b>28.50</b>       | <b>29.50</b>       | <b>1.00</b>       |

| POSITIONS                    | 2019-20<br>Adopted | 2020-21<br>Adopted | 2021-22<br>Adopted | 2022-23<br>Adopted | FY 2023<br>Change |
|------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------|
| Accountant                   | 2.00               | 2.00               | 2.00               | 2.00               | 0.00              |
| Accounting Technician I/II   | 6.00               | 6.00               | 6.00               | 7.00               | 1.00              |
| Administrative Assistant     | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Assistant Finance Director   | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Budget Manager               | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Buyer                        | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Customer Services Supervisor | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Director of Finance          | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Finance Manager              | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Finance Technician           | 1.00               | 0.00               | 0.00               | 0.00               | 0.00              |
| Financial Analyst            | 2.00               | 3.00               | 2.00               | 3.00               | 1.00              |
| Fiscal Assistant I           | 0.00               | 0.00               | 0.00               | 0.00               | 0.00              |
| Fiscal Assistant II          | 0.00               | 0.00               | 0.00               | 0.00               | 0.00              |
| Junior Accountant            | 1.00               | 1.00               | 1.00               | 0.00               | (1.00)            |

| POSITIONS                    | 2019-20<br>Adopted | 2020-21<br>Adopted | 2021-22<br>Adopted | 2022-23<br>Adopted | FY 2023<br>Change |
|------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------|
| Payroll Specialist           | 2.00               | 2.00               | 2.00               | 2.00               | 0.00              |
| Purchasing Agent             | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Senior Accountant            | 4.00               | 4.00               | 4.00               | 4.00               | 0.00              |
| Senior Accounting Technician | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Water Meter Reader II        | 2.50               | 2.50               | 2.50               | 2.50               | 0.00              |
| <b>Total Positions</b>       | <b>29.50</b>       | <b>29.50</b>       | <b>28.50</b>       | <b>29.50</b>       | <b>1.00</b>       |

## Expenditures by Function








## Budget Reconciliation

|   | Positions    | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |
|---|--------------|---------------------------|-------------------------|-----------------------|
| <b>PRIOR YEAR BUDGET</b>  | <b>28.50</b> | <b>\$4,180,124</b>        | <b>\$1,695,967</b>      | <b>\$5,876,091</b>    |
| <b>Adjustments to Costs of Ongoing Activities</b>   |              |                           |                         |                       |
| Salary and Benefits   |              | 94,485                    | 141,753                 | 236,238               |
| Non-Personnel Expenditure Alignment to Historical Trend   |              | 8,796                     |                         | 8,796                 |
| Equipment Amortization  |              |                           | (7,476)                 | (7,476)               |
| Contractual Services (Badger AMI Meters, Gateway Cellular Backhaul Service, Invoice Cloud, Cayenta, etc.) |              |                           | 57,196                  | 57,196                |
| Temporary Staff Cost  |              |                           | 24,640                  | 24,640                |
| <b>Adjustments to Costs of Ongoing Activities</b>   | <b>0.00</b>  | <b>103,281</b>            | <b>216,113</b>          | <b>319,394</b>        |
| <b>Total FY2021-22 Base Budget</b>  | <b>28.50</b> | <b>4,283,405</b>          | <b>1,912,080</b>        | <b>6,195,485</b>      |
| <b>Service Level Changes</b>  |              |                           |                         |                       |
| Risk Management Staffing  | 1.00         | 100,959                   | 44,934                  | 145,893               |
| <b>Total Service Level Changes</b>  | <b>1.00</b>  | <b>100,959</b>            | <b>44,934</b>           | <b>145,893</b>        |
| <b>Total FY 2021-22 Budget</b>  | <b>29.50</b> | <b>\$4,384,364</b>        | <b>\$1,957,014</b>      | <b>\$6,341,378</b>    |

## Service Level Changes

|  |   | Positions   | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |
|--|---|---|---------------------------|-------------------------|-----------------------|
| 1  | Risk Management Staffing  | 1.00  | \$100,959                 | \$44,934                | \$145,893             |
|   | This action funds 1 Financial Analyst in the risk management section. The Financial Analyst position will be tasked primarily with the development and operation of a robust citywide Risk Management Program including but not limited to analysis of historical claims data, identification of training and policies to minimize reoccurrence of historical claims experience in the future, and liaison with PLAN JPA for integration of risk management best practices into City operations and with Beazley Risk Management, the City's Cybersecurity Insurance provider, for continuously strengthening the City's cybersecurity practices. |   |                           |                         |                       |
| Performance Results  |   |   |                           |                         |                       |
| The restoration of Financial Analyst position is expected to result in reduced claims occurrence and cost savings. Additionally, it will provide for the appropriate skill set to manage the City's Risk, Debt, and Investment programs. |   |   |                           |                         |                       |
| Impact if funding is not approved  |   |   |                           |                         |                       |
| The minimally prudent oversight of the City's Risk, Debt, and Investment programs will fall to existing management positions; however, improvements to these programs will not take place.   |   |   |                           |                         |                       |
| Total Service Level Changes  |   | 1.00  | \$100,959                 | \$44,934                | \$145,893             |



# Fire

**Fire Chief:** Brian Sherrard

## Mission Statement

The Milpitas Fire Department is driven by the vision to provide outstanding service to the community through the core values of our mission statement. "The preservation of life, property, and the environment within the community is the reason for our existence".

The core elements of the Fire Department's budget support growth within the organization to ensure mission, succession planning for organizational stability, and the ability to be flexible with emergency response in the community.

## Description

The Milpitas Fire Department is committed to providing fast and effective emergency response, fire prevention, emergency medical services, disaster preparedness, public education, community risk reduction, and other related services to the Milpitas community. The Fire Department is organized into six functions as follows: Fire Administration; Operations Division, EMS and Training, Office of Emergency Management, Fire Prevention, and Fire Prevention Administration.



### Services

- **Fire Department Administration:** Directs the department in field operations, budget and fiscal policy, administrative systems and procedures, employee development/succession planning, and labor and management relations. Fire Administration is tasked with strategic planning for the implementation of fire service best practices and ensuring response readiness for the community.
- **Fire Department Operations Division:** Responds to emergency incidents involving fires, medical emergencies, vehicle accidents, specialized rescues, hazardous material releases, and other risks affecting the health and welfare of the community. Personnel staff six apparatus at four stations strategically located for quick response throughout the City. Specialized actions within the division include urban search and rescue, hazardous materials response, high density-high rise housing response, and specialized response to the transit area. The Operations Division is focused on emergency response.



- **Fire Department Training, Emergency Medical Services, and Safety Division:** Directs ongoing firefighter training and annual mandatory compliance training. Operates drill grounds and training curricula to ensure readiness for all-risk emergency response. Oversees compliance with paramedic and emergency medical technician licenses and certifications, State and local

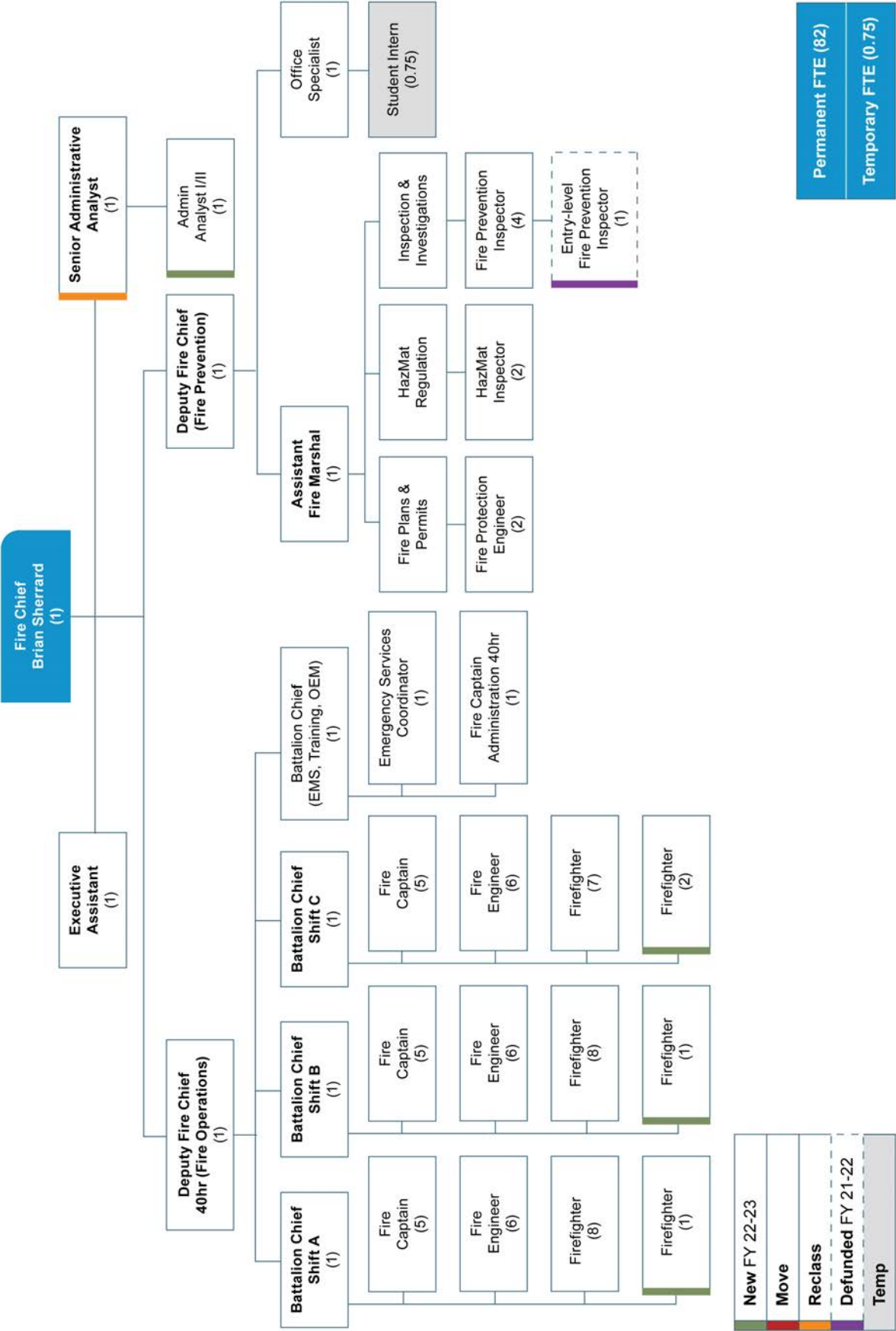
reporting and quality assurance requirements, and cooperative contracts with the ambulance service provider. Ensures the readiness of the patient transport ambulance. Provides safety programs to reduce the firefighter injury rate and risks.

- **The Office of Emergency Management (OEM)** implements disaster preparedness and response programs, outreach and education, and regional collaboration planning. Ensures citywide disaster readiness by performing Emergency Operations Center training and maintenance, coordination of the City Emergency Operations Plan (EOP) and continuity of operations plans (COOP), community volunteer training, and care-and-shelter cache maintenance. Provides risk reduction efforts for the community by coordinating with allied agencies and non-governmental organizations.
- **Fire Prevention Division:** The Fire Prevention Division plans, organizes and implements all Fire Department prevention and inspection programs, including fire and arson investigations, vegetation management, hazard abatement, code enforcement, public fire safety education, plan checking, and evaluation and development of codes and ordinances. Provides fire cause and origin investigations. Conducts inspections related to fire code compliance for new construction and high-risk occupancies e.g., hazardous material-occupancies.












Fire Department












|     | <b>Accomplishments</b>  | Community<br>Wellness and<br>Open Space   | Economic<br>Development<br>and Job Growth   | Environment  | Governance &<br>Administration  | Neighborhoods<br>and Housing  | Public Safety   | Transportation<br>and Transit   |
|-----|---|---|---|--|---|---|---|---|
|     |   |  |  |  |  |  |  |  |
| 1.  | Enhanced employee safety, mental and physical health/wellness programs  | ✓   |   |  |   |   | ✓   |   |
| 2.  | Completed implementation of forty-four new Lexipol Fire Department policies   |   | ✓   |  | ✓   | ✓   | ✓   | ✓   |
| 3.  | Emergency Operations Plan completed and adopted   | ✓   | ✓   |  | ✓   | ✓   | ✓   | ✓   |
| 4.  | Initiated succession planning gap analysis  |   | ✓   |  | ✓   |   | ✓   |   |
| 5.  | Implementation of Multi-Year Training and Exercise Plan (MYTEP)   | ✓   | ✓   |  | ✓   | ✓   | ✓   | ✓   |
| 6.  | Worked collaboratively with internal and external stakeholders to ensure Fire Station #2 construction remains on schedule and on budget | ✓   | ✓   | ✓  | ✓   | ✓   | ✓   | ✓   |
| 7.  | Developed methods to streamline plan review and inspection processes in order to address heavy workload demands during Covid-19         | ✓   | ✓   | ✓  |   |   | ✓   | ✓   |
| 8.  | Completed hiring and promotional processes to fill key positions heavy workload   |   | ✓   |  | ✓   |   | ✓   |   |
| 9.  | All required staff completed ambulance implementation task book and inspection processes in order to address heavy workload             | ✓   | ✓   |  |   | ✓   | ✓   | ✓   |
| 10. | Continued to support EOC and Covid-19, monitoring, testing, and vaccination initiatives heavy workload                                  | ✓   | ✓   |  |   | ✓   | ✓   | ✓   |



| Initiatives |   | Community<br>Wellness and<br>Open Space   | Economic<br>Development<br>and Job Growth   | Environment  | Governance &<br>Administration  | Neighborhoods<br>and Housing  | Public Safety   | Transportation<br>and Transit   |
|-------------|---|---|---|--|---|---|---|---|
|             |   |  |  |  |  |  |  |  |
| 1.          | Improve employee safety, mental and physical health/wellness programs                     | ✓   |   |  |   |   | ✓   |   |
| 2.          | Hire and train authorized personnel for vacancies to ensure service levels are maintained |   | ✓   |  | ✓   |   | ✓   |   |
| 3.          | Complete training / succession plan for key positions                                     |   | ✓   |  | ✓   |   | ✓   |   |
| 4.          | Complete Fire Station #2 construction and place into operation                            | ✓   | ✓   | ✓  | ✓   | ✓   | ✓   | ✓   |
| 5.          | Support Emergency Management initiatives including MYTEP and EOP Annexes                  | ✓   | ✓   |  |   | ✓   | ✓   | ✓   |
| 6.          | Deploy ambulance as allowed by financial and operational limitations                      | ✓   | ✓   |  |   | ✓   | ✓   | ✓   |
| 7.          | Develop remaining Lexipol Fire Department policies  |   |   |  | ✓   |   | ✓   |   |
| 8.          | Complete migration to Intterra to enhance Fire Department analytic/GIS capabilities       |   | ✓   |  | ✓   | ✓   | ✓   | ✓   |
| 9.          | Support the deployment of two new Type 5 apparatus and build of one new Type 1 apparatus  |   |   | ✓  |   |   | ✓   |   |
| 10.         | Enhance community engagement opportunities through increased social media presence        |   |   |  | ✓   |   | ✓   |   |

## Performance and Workload Measures

| PERFORMANCE MEASURES   | Strategic Goals   | FY 19-20 Actual | FY 20-21 Actual | FY 21-22 Target | FY 21-22 Estimate | FY 22-23 Target |
|--|---|-----------------|-----------------|-----------------|-------------------|-----------------|
| Total response time (call to arrival) to emergency calls (minutes)*  |  | 7:24            | 8:20            | 7:30            | 8:20              | 7:30            |
| State mandated fire occupancy inspections completed annually   |  | 1,138           | 1,228           | 100%            | 1,240             | 1,240           |
| Effective Response Force (First Alarm) for assembling a complete response on all structure fires (minutes) |  | 11:15           | 11:16           | 11:30           | 11:16             | 11:30           |

| ACTIVITY AND WORKLOAD DATA                              | Strategic Goals   | FY 19-20 Actual | FY 20-21 Actual | FY 21-22 Target | FY 21-22 Estimate | FY 22-23 Target |
|---|---|-----------------|-----------------|-----------------|-------------------|-----------------|
| Fire service calls                                      |    | 5,253           | 5,390           | 5,400           | 6,000             | 5,500           |
| Training Hours / Certifications to serve in higher rank |    | 13,556 / 23     | 8,755 / 20*     | 14,400 / 22     | 9,000 / 24*       | 14,400 / 24     |
| Total Engine Company Inspections                        |   | 2,084           | 0**             | 0**             | 0**               | 2,000           |
| Total Plan Review / Inspections                         |  | 1,644 / 7,592   | 1,884 / 2,949   | 100%            | 1,200 / 1,800**   | 100%            |
| Public Education Events (attendees)                     |  | 2,385           | 0*              | 2,500           | 2,000             | 4,000           |
| Apparatus Response Summary (incidents)                  |  | 7,822           | 7,736           | 8,000           | 8,600             | 8,500           |

\*Number due to COVID-19 conditions/school closures

\*\*Due to COVID-19 Engine Company Inspections not conducted

## Budget Summary

| DOLLARS BY FUNCTION               | 2019-20<br>Actual   | 2020-21<br>Actual   | 2021-22<br>Adopted  | 2022-23<br>Adopted  | FY 2023<br>Change \$ | FY 2023<br>Change % |
|-----------------------------------|---------------------|---------------------|---------------------|---------------------|----------------------|---------------------|
| EMS Transport Services            | \$27,597            | \$27,309            | \$68,627            | \$106,355           | \$37,728             | 55.0%               |
| Fire Administration               | 2,135,682           | 2,165,576           | 1,972,718           | 1,891,480           | (81,238)             | (4.1)%              |
| Fire Prevention                   | 1,733,256           | 2,027,931           | 2,914,138           | 2,651,914           | (262,224)            | (9.0)%              |
| Fire Prevention Administration    | 1,386,571           | 1,319,488           | 744,956             | 1,054,974           | 310,018              | 41.6%               |
| Office of Emergency<br>Management | 259,221             | 246,993             | 244,243             | 252,173             | 7,930                | 3.2%                |
| Operations Division               | 20,873,268          | 22,431,263          | 20,664,289          | 22,404,850          | 1,740,561            | 8.4%                |
| <b>TOTAL</b>                      | <b>\$26,415,595</b> | <b>\$28,218,560</b> | <b>\$26,608,971</b> | <b>\$28,361,746</b> | <b>\$1,752,775</b>   | <b>6.6%</b>         |

| DOLLARS BY CATEGORY                 | 2019-20<br>Actual | 2020-21<br>Actual | 2021-22<br>Adopted | 2022-23<br>Adopted | FY 2023<br>Change \$ | FY 2023<br>Change % |
|-------------------------------------|-------------------|-------------------|--------------------|--------------------|----------------------|---------------------|
| <b>PERSONNEL SERVICES</b>           |                   |                   |                    |                    |                      |                     |
| <b>4111</b> Permanent Salaries      | \$11,922,767      | \$12,574,849      | \$12,712,106       | \$13,548,107       | \$836,001            | 6.6%                |
| <b>4112</b> Temporary Salaries      | 150,369           | 265,038           | 25,000             | 25,000             | 0                    | 0.0%                |
| <b>4113</b> Overtime                | 1,744,426         | 2,029,606         | 1,615,257          | 1,615,257          | 0                    | 0.0%                |
| <b>4114</b> Reimbursable Overtime   | 104,903           | 1,241,700         | 0                  | 0                  | 0                    | 0.0%                |
| <b>4121</b> Allowances              | 71,136            | 72,175            | 73,512             | 77,964             | 4,452                | 6.1%                |
| <b>4124</b> Leave Cashout           | 725,429           | 423,522           | 0                  | 0                  | 0                    | 0.0%                |
| <b>4131</b> PERS                    | 5,959,271         | 6,312,594         | 6,515,130          | 6,973,640          | 458,510              | 7.0%                |
| <b>4132</b> Group Insurance         | 1,731,056         | 1,799,022         | 1,920,625          | 2,116,273          | 195,648              | 10.2%               |
| <b>4133</b> Medicare                | 206,218           | 231,591           | 186,285            | 198,266            | 11,981               | 6.4%                |
| <b>4135</b> Worker's Compensation   | 240,337           | 610,866           | 560,732            | 624,882            | 64,150               | 11.4%               |
| <b>4138</b> Deferred Comp-Employer  | 47,230            | 48,367            | 50,978             | 51,900             | 922                  | 1.8%                |
| <b>4139</b> PARS                    | 0                 | 0                 | 924                | 699                | (225)                | (24.4)%             |
| <b>4146</b> Short Term Disability   | 0                 | 0                 | 726                | 2,482              | 1,756                | 241.9%              |
| <b>4161</b> Retiree Medical Reserve | 568,505           | 135,380           | 135,052            | 148,592            | 13,540               | 10.0%               |
| <b>sub-total</b>                    | <b>23,471,647</b> | <b>25,744,710</b> | <b>23,796,327</b>  | <b>25,047,062</b>  | <b>1,250,735</b>     | <b>5.3%</b>         |

| DOLLARS BY CATEGORY                      |                                 | 2019-20<br>Actual   | 2020-21<br>Actual   | 2021-22<br>Adopted  | 2022-23<br>Adopted  | FY 2023<br>Change \$ | FY 2023<br>Change % |
|--|---------------------------------|---------------------|---------------------|---------------------|---------------------|----------------------|---------------------|
| <b>SUPPLIES AND CONTRACTUAL SERVICES</b> |                                 |                     |                     |                     |                     |                      |                     |
| <b>4210</b>                              | Department Allocations          | 1,660,850           | 1,542,518           | 1,524,064           | 1,485,915           | (38,149)             | (2.5)%              |
| <b>4220</b>                              | Supplies                        | 643,959             | 338,808             | 599,100             | 623,460             | 24,360               | 4.1%                |
| <b>4230</b>                              | Services                        | 181,204             | 263,205             | 456,405             | 522,866             | 66,461               | 14.6%               |
| <b>4240</b>                              | Repair & Maintenance            | 31                  | 24,319              | 0                   | 0                   | 0                    | 0.0%                |
| <b>4500</b>                              | Training, Travel, & Memberships | 127,920             | 106,009             | 233,075             | 236,075             | 3,000                | 1.3%                |
| <b>sub-total</b>                         |                                 | <b>2,613,964</b>    | <b>2,274,859</b>    | <b>2,812,644</b>    | <b>2,868,316</b>    | <b>55,672</b>        | <b>2.0%</b>         |
| <b>CAPITAL OUTLAY</b>                    |                                 |                     |                     |                     |                     |                      |                     |
| <b>4850</b>                              | Vehicles                        | 269,488             | 0                   | 0                   | 220,000             | 220,000              | 0.0%                |
| <b>4870</b>                              | Machinery and Equipment         | 59,428              | 198,991             | 0                   | 226,368             | 226,368              | 0.0%                |
| <b>4920</b>                              | Machinery, Tools & Equipment    | 1,068               | 0                   | 0                   | 0                   | 0                    | 0.0%                |
| <b>sub-total</b>                         |                                 | <b>329,984</b>      | <b>198,991</b>      | <b>0</b>            | <b>446,368</b>      | <b>446,368</b>       | <b>0.0%</b>         |
| <b>TOTAL</b>                             |                                 | <b>\$26,415,595</b> | <b>\$28,218,560</b> | <b>\$26,608,971</b> | <b>\$28,361,746</b> | <b>\$1,752,775</b>   | <b>6.6%</b>         |

## Staffing

| POSITIONS BY FUNCTION          | 2019-20<br>Adopted | 2020-21<br>Adopted | 2021-22<br>Adopted | 2022-23<br>Adopted | FY 2023<br>Change |
|--------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------|
| Fire Administration            | 6.00               | 6.00               | 6.00               | 7.00               | 1.00              |
| Fire Prevention*               | 9.00               | 9.00               | 7.00               | 7.00               | 0.00              |
| Fire Prevention Administration | 4.00               | 4.00               | 4.00               | 4.00               | 0.00              |
| Office of Emergency Management | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Operations Division            | 57.00              | 63.00              | 59.00              | 63.00              | 4.00              |
| <b>TOTAL</b>                   | <b>77.00</b>       | <b>83.00</b>       | <b>77.00</b>       | <b>82.00</b>       | <b>5.00</b>       |

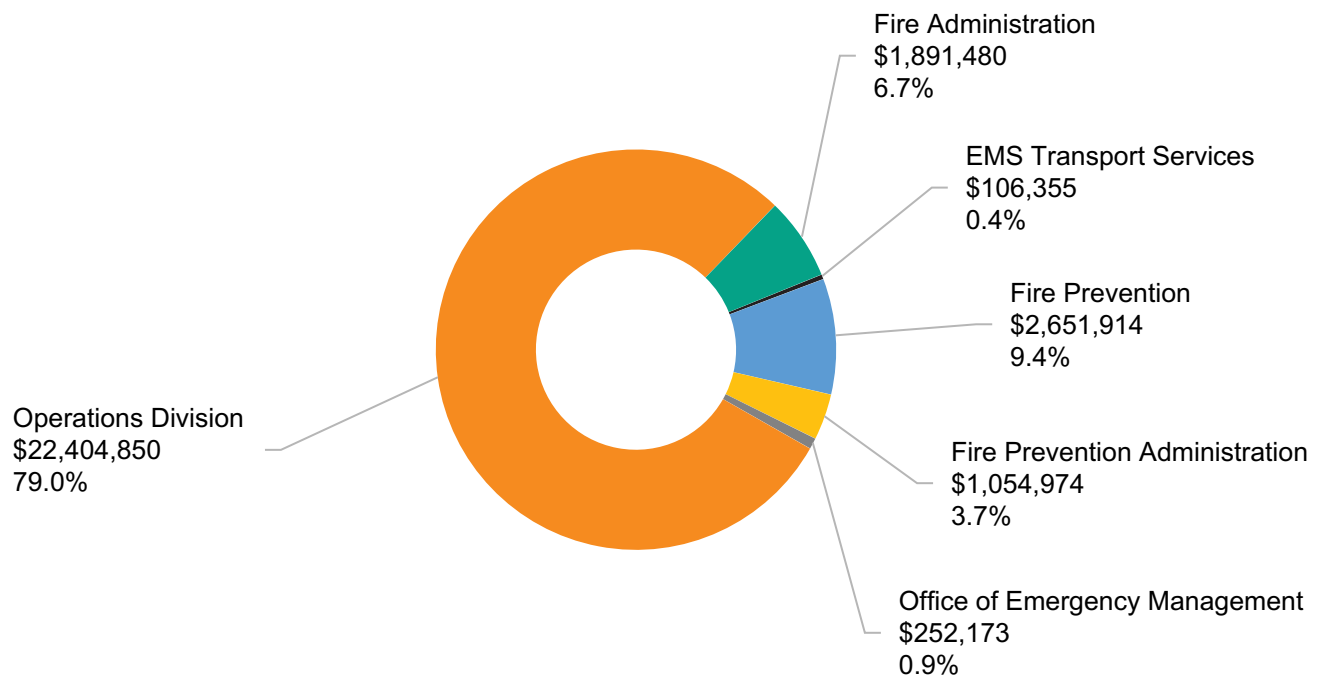
\*1.0 Entry Level Fire Prevention Inspector defunded.

| POSITIONS                      | 2019-20<br>Adopted | 2020-21<br>Adopted | 2021-22<br>Adopted | 2022-23<br>Adopted | FY 2023<br>Change |
|--------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------|
| Administrative Analyst II      | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Assistant Fire Marshal         | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Chief Fire Enforcement Officer | 1.00               | 1.00               | 0.00               | 0.00               | 0.00              |
| Deputy Fire Chief              | 2.00               | 2.00               | 2.00               | 2.00               | 0.00              |
| Emergency Svcs Coordinator     | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Entry Level Fire Inspector     | 1.00               | 1.00               | 0.00               | 0.00               | 0.00              |
| Executive Assistant            | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |

| POSITIONS                     | 2019-20<br>Adopted | 2020-21<br>Adopted | 2021-22<br>Adopted | 2022-23<br>Adopted | FY 2023<br>Change |
|-------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------|
| Fire Battalion Chief          | 3.00               | 3.00               | 3.00               | 3.00               | 0.00              |
| Fire Battalion Chief-40 hr    | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Fire Captain                  | 15.00              | 15.00              | 15.00              | 15.00              | 0.00              |
| Fire Captain - 40             | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Fire Chief                    | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Fire Engineer                 | 6.00               | 6.00               | 6.00               | 8.00               | 2.00              |
| Fire Engineer-Paramedic       | 12.00              | 12.00              | 12.00              | 10.00              | (2.00)            |
| Fire Prevention Inspector     | 4.00               | 4.00               | 4.00               | 4.00               | 0.00              |
| Fire Protection Engineer      | 2.00               | 2.00               | 2.00               | 2.00               | 0.00              |
| Firefighter                   | 14.00              | 15.00              | 15.00              | 16.00              | 1.00              |
| Firefighter/Paramedic         | 7.00               | 12.00              | 8.00               | 11.00              | 3.00              |
| Hazardous Materials Inspector | 2.00               | 2.00               | 2.00               | 2.00               | 0.00              |
| Office Specialist             | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Senior Administrative Analyst | 0.00               | 0.00               | 0.00               | 1.00               | 1.00              |
| <b>Total Positions</b>        | <b>77.00</b>       | <b>83.00</b>       | <b>77.00</b>       | <b>82.00</b>       | <b>5.00</b>       |

\*1.0 Entry Level Fire Prevention Inspector defunded.



## Expenditures by Function









## Budget Reconciliation







|  | Positions    | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |
|--|--------------|---------------------------|-------------------------|-----------------------|
| <b>PRIOR YEAR BUDGET</b>   | <b>77.00</b> | <b>\$26,592,971</b>       | <b>\$16,000</b>         | <b>\$26,608,971</b>   |
| <b>One-Time Prior Year Budget Adjustments</b>                                |              |                           |                         |                       |
| Restore 4.0 Firefighters/Paramedics (8/9/2021)                               | 4.00         | 610,188                   | 0                       | 610,188               |
| <b>One-Time Prior Year Budget Adjustments</b>                                | <b>4.00</b>  | <b>610,188</b>            | <b>0</b>                | <b>610,188</b>        |
| <b>Adjustments to Costs of Ongoing Activities</b>                            |              |                           |                         |                       |
| Salary and Benefits  |              | 498,735                   | 0                       | 498,735               |
| Lifepak Replacement  |              | 31,763                    | 156,877                 | 188,640               |
| Equipment Replacement Amortization   |              | (38,149)                  | 0                       | (38,149)              |
| Increase in Supplies Cost  |              | 16,260                    | 0                       | 16,260                |
| Increase in Contractual Costs (Lexipol, Hargis, Image Trend, Stanford, etc.) |              | 33,461                    | 0                       | 33,461                |
| <b>Adjustments to Costs of Ongoing Activities</b>                            | <b>0.00</b>  | <b>542,070</b>            | <b>156,877</b>          | <b>698,947</b>        |
| <b>Total FY2022-23 Base Budget</b>   | <b>81.00</b> | <b>27,745,229</b>         | <b>172,877</b>          | <b>27,918,106</b>     |
| <b>Service Level Changes</b>   |              |                           |                         |                       |
| Interra Operations Modules Enhancement (One-Time)                            |              | 33,000                    |                         | 33,000                |
| Lifepak for Ambulance Program (One-Time)                                     |              | 37,728                    |                         | 37,728                |
| Fire Administrative Support Staffing (1 FTE)                                 | 1.00         | 152,913                   |                         | 152,913               |
| Fire Fleet Enhancement (One-Time)  |              | 220,000                   |                         | 220,000               |
| <b>Total Service Level Changes</b>   | <b>1.00</b>  | <b>443,641</b>            | <b>0</b>                | <b>443,641</b>        |
| <b>Total FY 2022-23 Budget</b>   | <b>82.00</b> | <b>\$28,188,870</b>       | <b>\$172,877</b>        | <b>\$28,361,747</b>   |







## Service Level Changes

|   |  | Positions   | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |
|---|--|---|---------------------------|-------------------------|-----------------------|
| 1.  | Interra Operations Module Enhancement  |   | \$33,000                  | \$0                     | \$33,000              |
|  | This action funds the Regional Interra Operations, Preplan and Incident Management Milpitas bridge invoices for the current regional system agencies for one full calendar year. Interra is National Fire Protection Agency (NFPA) 950/951 Compliant, which covers the standard for data development and exchange for the Fire Service. This sole source is also based on interoperability with other governmental agencies within Santa Clara County (SCC) as Interra is the only provider of the regional Operations, Preplanning and Incident Management to Santa Clara County Fire as well as the City of Santa Clara Fire Department - no other system provides this functionality to the region and interoperability is required for sharing of information and reporting. |   |                           |                         |                       |
|   | Performance Impact   |  |                           |                         |                       |
|   | Continued funding of this service will enhance inter-agency collaboration through information sharing and reporting as more Cities are planning to implement this system in the future. The County is expected to fund this service starting in FY2023-24.   |   |                           |                         |                       |
|   | Impact If Not Funded   |   |                           |                         |                       |
|   | If this action is not funded, the Department will not be able to use a system that allows interoperability with other partners in the County.  |   |                           |                         |                       |

|   |   |   |          |     |          |
|---|---|---|----------|-----|----------|
| 2.  | Lifepak for Ambulance Program   |   | \$37,728 | \$0 | \$37,728 |
|  | This action funds an additional Lifepak 15 Monitor and Defibrillator, primarily used for emergency response and resuscitation of patients and it will be placed on the new ambulance. Defibrillators are devices that restore a normal heartbeat by sending an electric pulse or shock to the heart. They are effective in preventing or correcting an arrhythmia and temporarily restoring cardiac function. |   |          |     |          |
|   | Performance Results:  |      |          |     |          |
|   | This equipment is expected to save patients' lives and enhance emergency medical services provided by the Milpitas Fire Department.   |   |          |     |          |
|   | Impact if funding is not approved   |   |          |     |          |
|   | If this action is not funded, ambulance staff would not be adequately equipped to save lives in the event the patient needs resuscitation. It would negatively impact service level provided by the Department.   |   |          |     |          |



|   |   | Positions  | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |
|---|---|--|---------------------------|-------------------------|-----------------------|
| <b>3.</b>   | <b>Fire Administrative Support Staffing</b>   | <b>1.00</b>  | <b>\$152,913</b>          | <b>\$0</b>              | <b>\$152,913</b>      |
|  | <p>This action adds 1.0 Administrative Analyst to assist with multiple programs/projects across multiple divisions in the Fire Department. This position will relieve critical workload gaps and support critical business services in Fire Administration, Suppression, Training, EMS, and the Office of Emergency Management (OEM). Insufficient administrative capacity has significantly impacted the Fire Department's ability to accomplish required operations, program management, personnel development, data analysis, and service enhancements to the City. The department currently has a single point of failure without redundant capacity for critical department level business processes and services, including accounts payable/receivable, payroll, human resources, contract administration, and policy management. Additionally, there has been significant service enhancements and program development within the Fire Department over the past year which require additional analyst level capacity. The addition of an ambulance service delivery program as well as the expansion of the OEM program require the addition of additional workload capacity. This position will be able to manage projects currently being managed by Battalion Chiefs. The Battalion Chiefs are working a 48/96 shift schedule which creates difficulties coordinating and communicating with internal and external stakeholders which work traditional 40 hour schedule. The shift schedule causes delays in project implementation and coordination and ultimately creates frustration with the project managers in other departments supporting the Fire Department. Approximately 60-70% of the BC's work time is spent coordinating/managing department level programs/projects and performing administrative tasks.</p> |  |                           |                         |                       |
| <b>Performance Results:</b>   |   |      |                           |                         |                       |
|   |   | <p>Insufficient administrative support capacity has significantly impacted the fire department's ability to efficiently and effectively accomplish their mission. Operations, program/projects, ambulance operations, and personnel management workloads have surpassed the current staff's ability to be effective. The addition of this position will help alleviate the administrative burden on current staff.</p>                 |                           |                         |                       |
| <b>Impact if funding is not approved</b>  |   |  |                           |                         |                       |
|   |   | <p>If this action is not funded, it has a negative impact on internal and external operations. The Battalion Chiefs will be required to continue working on multiple special projects as assigned instead of supervising, training, scheduling and evaluating firefighters. This has an immediate negative impact on operations as well as a long-term impact on employee development and succession planning.</p>                     |                           |                         |                       |

|  | Positions   | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |
|--|---|---------------------------|-------------------------|-----------------------|
| 4. Fire Fleet Enhancement  |   | \$220,000                 | \$0                     | \$220,000             |
|   | This action funds 2 command/deployment vehicles (model F250s) to replace part of an aging fleet. Fire department (Department) currently utilizes repurposed retired Police patrol vehicles. These repurposed vehicles are approaching 20 years of useful life and the vehicles are no longer reliable. This funding will start the gradual process of modernizing the Department's command vehicle fleet.                         |                           |                         |                       |
| Performance Results:   |      |                           |                         |                       |
| The two command vehicles are expected to improve reliability of the command fleet when transporting personal protection equipment (PPE) and command staff to sites of emergency calls. |   |                           |                         |                       |
| Impact if funding is not approved  |   |                           |                         |                       |
| If this action is not funded, Department will not be able to replace part of the aging fleet. Services can be negatively impacted.   |   |                           |                         |                       |
| Total Service Level Changes  | 1.00  | \$443,641                 | \$0                     | \$443,641             |



# Human Resources

**HR Director:** Jeannine Seher

## Mission Statement

Through strategic partnerships and collaboration, the Human Resources Department recruits, develops, and retains a high-performing, innovative and diverse workforce and fosters a healthy, safe, and productive work environment to support individual potential and organizational objectives.

## Description

The Human Resources (HR) Department is a centralized full-service department that provides citywide services related to recruitment, benefits administration, safety (including a self-funded workers' compensation program and DOT Drug and Alcohol Testing), employee relations including compliance with State and Federal employment laws, performance management, training, and maintenance of personnel systems and files, and labor relations, including negotiations and administration of labor agreements with the various employee groups.



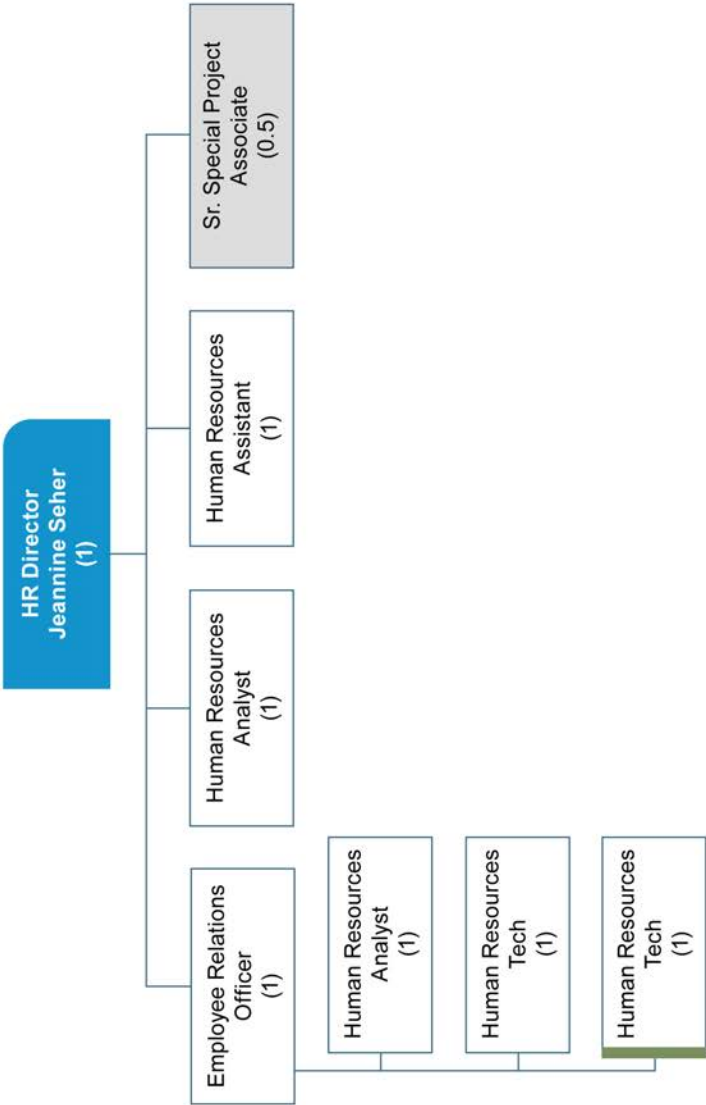
### Services

- **Recruitment** - The HR Department is committed to finding high-quality candidates promptly. The HR department takes an aggressive approach in identifying and recruiting the most qualified candidates for City positions.
- **Benefits Administration** - The HR Department provides benefits administration to approximately 437.5 (FTE) positions with an excellent benefits package that includes medical coverage through CalPERS Health. Additional benefits include Dental, Vision, Life Insurance, Flexible Spending Accounts, Long Term Disability, Short Term Disability, Deferred Compensation (457 or 401A plan depending on bargaining unit), and the Employee Assistance Program (EAP).
- **Workers' Compensation** - The City is self-insured for workers' compensation contracted through a Third Party Administrator (TPA). The staff works closely with our TPA to ensure that all injured employees receive proper care for their work-related injuries and/or illnesses.
- **Labor Relations** - The HR Department negotiates on behalf of the City and oversees five separate bargaining units by administering, implementing, and interpreting labor contracts and assisting in the resolution of grievances.
- **Employee Relations and Customer Service** - The HR Department treats all applicants, employees, retirees, and residents with dignity and respect. We strive to ensure equal employment opportunities and a workplace free of discrimination and harassment. We assist managers and supervisors with performance management matters. We encourage positive employer-employee relations and maintain a high level of service to those we serve.

- **Training** - The HR Department manages and maintains training programs including mandatory training such as Harassment Prevention Training and Professional Development Opportunities in accordance with the organization's needs.










Human Resources Department










|                   |
|-------------------|
| New FY 22-23      |
| Move              |
| Reclass           |
| Defunded FY 21-22 |
| Temp              |

|                     |
|---------------------|
| Permanent FTE (7)   |
| Temporary FTE (0.5) |






| Accomplishments |   | Community<br>Wellness and<br>Open Space   | Economic<br>Development<br>and Job Growth   | Environment  | Governance &<br>Administration  | Neighborhoods<br>and Housing  | Public Safety   | Transportation<br>and Transit   |
|-----------------|---|---|---|--|---|---|---|---|
|                 |   |  |  |  |  |  |  |  |
| 1.              | As of March 1st, updated and/or completed meet and confer process on 10 policy revisions  |   |   |  | ✓   |   |   |   |
| 2.              | Completed Training needs assessment and provided 9 professional development training courses via Zoom, including implicit bias training   |   |   |  | ✓   |   |   |   |
| 3.              | Maintained 85% compliance with mandated sexual harassment prevention training program   |   |   |  | ✓   |   |   |   |
| 4.              | Implemented Wellness Initiative; including Worldwide Wellness challenge, Health Check App to comply with COVID regulations; held online health and benefits enrollment fair; Offered CalPERS retirement sessions, Mission Square/Financial Planning sessions, offered Employee Assistance Program sessions; and information in a monthly newsletter |   |   |  | ✓   |   |   |   |
| 5.              | Conducted new hire orientations for 85 employees, processed 1034 personnel transactions   |   |   |  | ✓   |   |   |   |
| 6.              | Processed 2003 applications   |   |   |  | ✓   |   |   |   |
| 7.              | Piloted LinkedIn Learning Portal in which 255 courses were completed within 35-day Pilot  |   |   |  | ✓   |   |   |   |
| 8.              | Transitioned to an online process for transactional onboard functions, and redesigned in-person orientation to focus on City's Vision/Mission, and Values   |   |   |  | ✓   |   |   |   |
| 9.              | Completed assessment of employee physical and background process  |   |   |  | ✓   |   |   |   |
| 10.             | Developed training on hiring and interviewing best practices  |   |   |  | ✓   |   |   |   |







|    | Initiatives   | Community<br>Wellness and<br>Open Space   | Economic<br>Development<br>and Job Growth   | Environment  | Governance &<br>Administration  | Neighborhoods<br>and Housing  | Public Safety   | Transportation<br>and Transit   |
|----|---|---|---|--|---|---|---|---|
|    |   |  |  |  |  |  |  |  |
| 1. | Continued implementation of NEOGOV Performance Management Software  |   |   |  | ✓   |   |   |   |
| 2. | Continue to maintain compliance with Sexual Harassment Prevention Training  |   |   |  | ✓   |   |   |   |
| 3. | Review and Revise Personnel Rules and City Policies   |   |   |  | ✓   |   |   |   |
| 4. | Assess advantages and identify challenges to moving to a paperless personnel file system and recommend implementation plan, if feasible |   |   |  | ✓   |   |   |   |
| 5. | Complete Request for Information Process on HRIS and Financial system to determine feasibility for systems upgrade                      |   |   |  | ✓   |   |   |   |
| 6. | Develop and implement training on leave administration, and ADA processes   |   |   |  | ✓   |   |   |   |
| 7. | Revitalize Employee Mentorship Program  |   |   |  | ✓   |   |   |   |

## Performance and Workload Measures

| PERFORMANCE MEASURES   | Strategic Goals   | FY 19-20 Actual | FY 20-21 Actual | FY 21-22 Target | FY 21-22 Estimate | FY 22-23 Target |
|--|---|-----------------|-----------------|-----------------|-------------------|-----------------|
| Average time to fill a vacancy (in days)                           |  | 70              | 95              | 90              | 86                | 80              |
| Percentage of recruitments completed within established timelines* |  | 40%             | 70%             | 75%             | 69%               | 75%             |
| Percentage of employees attended Harassment Prevention Training*   |  | N/A             | 90%             | 100%            | 85%               | 100%            |

\*Percentage of recruitments completed within established timelines was affected due to the difficulty recruiting during the COVID-19 Shelter in Place.

| ACTIVITY AND WORKLOAD DATA                      | Strategic Goals   | FY 19-20 Actual | FY 20-21 Actual | FY 21-22 Target | FY 21-22 Estimate | FY 22-23 Target |
|---|---|-----------------|-----------------|-----------------|-------------------|-----------------|
| Number of positions filled                      |    | 70              | 67              | 65              | 60                | 65              |
| Number of workers compensation claims processed |   | 55              | 58              | 58              | 70                | 60              |
| Number of transactions processed                |  | 3,820           | 3,000           | 3,500           | 1,034             | 1,000           |
| Number of new hires onboarded                   |  | 144             | 100             | 75              | 85                | 100             |

\*\*\*Full Time Employees are all current on Harassment Prevention Training. The law changed to have Temporary Seasonal employees trained from January 2020 to January 2021.

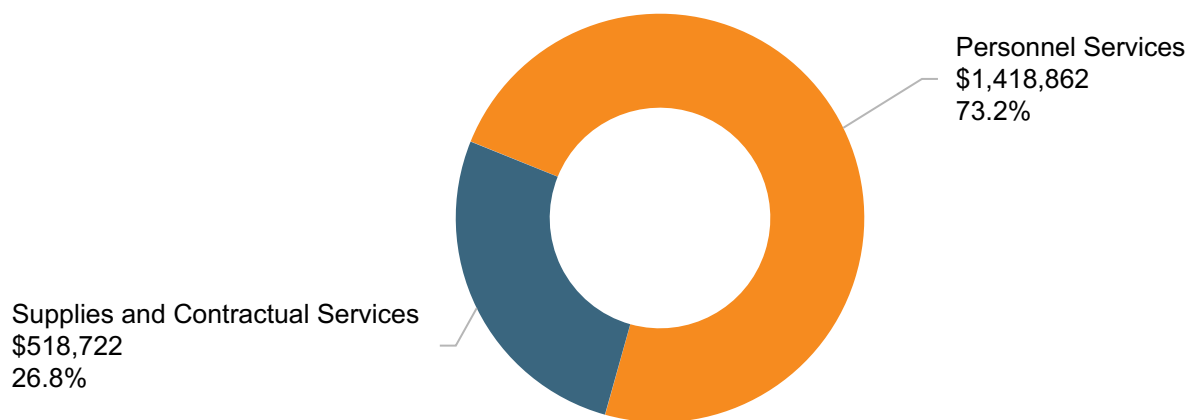
## Budget Summary

| DOLLARS BY CATEGORY                      |                                     | 2019-20<br>Actual  | 2020-21<br>Actual  | 2021-22<br>Adopted | 2022-23<br>Adopted | FY 2023<br>Change \$ | FY 2023<br>Change % |
|--|-------------------------------------|--------------------|--------------------|--------------------|--------------------|----------------------|---------------------|
| <b>PERSONNEL SERVICES</b>                |                                     |                    |                    |                    |                    |                      |                     |
| 4111                                     | Permanent Salaries                  | \$737,627          | \$704,304          | \$842,070          | \$878,386          | \$36,316             | 4.3%                |
| 4112                                     | Temporary Salaries                  | 61,100             | 63,291             | 59,000             | 59,000             | 0                    | 0.0%                |
| 4113                                     | Overtime                            | 41                 | 3,231              | 1,000              | 1,500              | 500                  | 50.0%               |
| 4121                                     | Allowances                          | 6,600              | 2,945              | 6,354              | 13,200             | 6,846                | 107.7%              |
| 4124                                     | Leave Cashout                       | 13,755             | 74,673             | 0                  | 0                  | 0                    | 0.0%                |
| 4131                                     | PERS                                | 292,112            | 253,339            | 302,195            | 292,862            | (9,333)              | (3.1)%              |
| 4132                                     | Group Insurance                     | 84,677             | 98,229             | 142,672            | 140,772            | (1,900)              | (1.3)%              |
| 4133                                     | Medicare                            | 11,915             | 12,401             | 13,152             | 13,778             | 626                  | 4.8%                |
| 4135                                     | Worker's Compensation               | 522                | 2,494              | 4,498              | 4,723              | 225                  | 5.0%                |
| 4138                                     | Deferred Comp-Employer              | 6,146              | 4,890              | 6,006              | 6,300              | 294                  | 4.9%                |
| 4139                                     | PARS                                | 54                 | 0                  | 60                 | 60                 | 0                    | 0.0%                |
| 4146                                     | Short Term Disability               | 0                  | 0                  | 557                | 2,100              | 1,543                | 277.0%              |
| 4161                                     | Retiree Medical Reserve             | 38,920             | 6,264              | 5,535              | 6,181              | 646                  | 11.7%               |
| <b>sub-total</b>                         |                                     | <b>1,253,469</b>   | <b>1,226,061</b>   | <b>1,383,099</b>   | <b>1,418,862</b>   | <b>35,763</b>        | <b>2.6%</b>         |
| <b>SUPPLIES AND CONTRACTUAL SERVICES</b> |                                     |                    |                    |                    |                    |                      |                     |
| 4200                                     | Community Promotion, Grant/<br>Loan | 208                | 0                  | 8,500              | 8,500              | 0                    | 0.0%                |
| 4220                                     | Supplies                            | 4,725              | 679                | 7,000              | 7,000              | 0                    | 0.0%                |
| 4230                                     | Services                            | 527,323            | 551,456            | 395,608            | 433,958            | 38,350               | 9.7%                |
| 4500                                     | Training, Travel, &<br>Memberships  | 37,599             | 28,783             | 71,064             | 69,264             | (1,800)              | (2.5)%              |
| <b>sub-total</b>                         |                                     | <b>569,855</b>     | <b>580,918</b>     | <b>482,172</b>     | <b>518,722</b>     | <b>36,550</b>        | <b>7.6%</b>         |
| <b>TOTAL</b>                             |                                     | <b>\$1,823,324</b> | <b>\$1,806,979</b> | <b>\$1,865,271</b> | <b>\$1,937,584</b> | <b>\$72,313</b>      | <b>3.9%</b>         |

## Staffing

| POSITIONS                  | 2019-20<br>Adopted | 2020-21<br>Adopted | 2021-22<br>Adopted | 2022-23<br>Adopted | FY 2023<br>Change |
|----------------------------|--------------------|--------------------|--------------------|--------------------|-------------------|
| Employee Relations Officer | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Human Resource Analyst II  | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Human Resources Analyst I  | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Human Resources Assistant  | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Human Resources Director   | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Human Resources Technician | 2.00               | 2.00               | 1.00               | 2.00               | 1.00              |
| <b>Total Positions</b>     | <b>7.00</b>        | <b>7.00</b>        | <b>6.00</b>        | <b>7.00</b>        | <b>1.00</b>       |




## Expenditures by Category



## Budget Reconciliation

|   | Positions   | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |
|---|-------------|---------------------------|-------------------------|-----------------------|
| <b>PRIOR YEAR BUDGET</b>                          | <b>6.00</b> | <b>\$1,865,271</b>        | <b>\$0</b>              | <b>\$1,865,271</b>    |
| <b>One-Time Prior Year Budget Adjustments</b>     |             |                           |                         |                       |
| Restored Human Resource Technician (1/1/2022)     | 1.00        | 61,134                    |                         | 61,134                |
| <b>One-Time Prior Year Budget Adjustments</b>     | <b>1.00</b> | <b>61,134</b>             | <b>0</b>                | <b>61,134</b>         |
| <b>Adjustments to Costs of Ongoing Activities</b> |             |                           |                         |                       |
| Salary and Benefits                               |             | (23,821)                  |                         | (23,821)              |
| <b>Adjustments to Costs of Ongoing Activities</b> | <b>0.00</b> | <b>(23,821)</b>           | <b>0</b>                | <b>(23,821)</b>       |
| <b>Total FY2021-22 Base Budget</b>                | <b>7.00</b> | <b>\$1,902,584</b>        | <b>0</b>                | <b>\$1,902,584</b>    |
| <b>Service Level Changes</b>                      |             |                           |                         |                       |
| Labor Negotiations Survey                         |             | 35,000                    |                         | 35,000                |
| <b>Total Service Level Changes</b>                | <b>0</b>    | <b>35,000</b>             | <b>0</b>                | <b>35,000</b>         |
| <b>Total FY 2022-23 Budget</b>                    | <b>7.00</b> | <b>\$1,937,584</b>        | <b>\$0</b>              | <b>\$1,937,584</b>    |

Service Level Changes

|   |  | Positions   | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |
|---|--|---|---------------------------|-------------------------|-----------------------|
| 1   | Labor Negotiations Survey  |   | \$35,000                  | \$0                     | \$35,000              |
|  | This action funds professional services to conduct a survey of its comparative cities to benchmark classifications in Milpitas Professional and Technical Group (PROTECH) and Milpitas Employee Association (MEA). The contracts for these two bargaining units expire in June 2023, the survey is needed to prepare for labor negotiations. |   |                           |                         |                       |
|   | Performance Results  |   |                           |                         |                       |
|   | This labor survey is expected to benchmark existing classifications in those two labor groups and make labor negotiations more efficient and effective.  |   |                           |                         |                       |
|   | Impact if funding is not approved  |   |                           |                         |                       |
|   | If this action is not funded, the City cannot establish a good benchmark for labor negotiations.   |   |                           |                         |                       |
| Total Service Level Changes   |  |   | \$35,000                  | \$0                     | \$35,000              |

# Information Technology

**IT Director:** Daniel Nam

## Mission Statement

The Information Technology Department supports the mission of the City by providing innovative, reliable, secure, and cost-effective technology services in the areas of telecommunications, data processing, desktop support, Geographic Information System (GIS) and technology systems management.

## Description

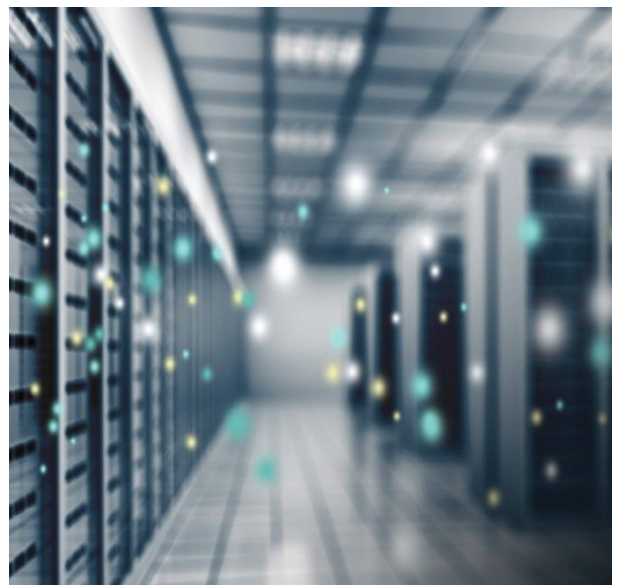
This department provides automation planning, coordination of system procurement and implementation, administration of the City's cyber security program, management of technology projects to fulfill customer-defined functional requirements, development and maintenance of the City's technical architecture and infrastructure, partnering with key product and service providers, ensuring customer satisfaction, providing automation support and training development, support of the City's web site, implementation and support of security access systems and all automated data systems.



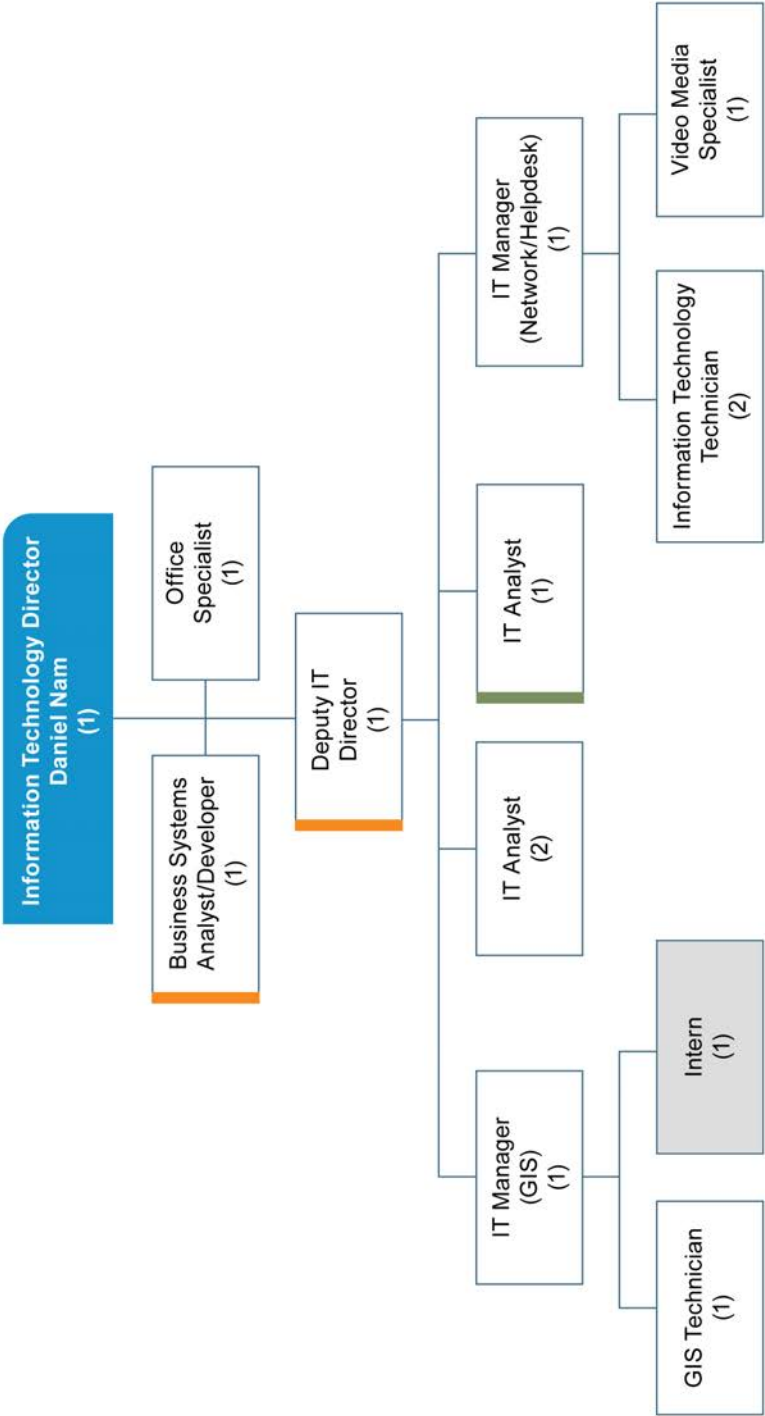


### Services

- IT Strategic Planning – Administer and continuously monitor multi-year technology initiatives to ensure the smart and effective use of technology across the City's departments and aligned with the City's overall mission.
- IT Project Management – Provide effective project management services for technology projects of varying scope from short-term department projects to multi-year implementations that bring new solutions to users across the organization.
- Technology Contract Management – Provide management and coordination of technology system contracts.
- Development Services – Support the development of highly effective, secure, and reliable customized software and technology solutions to enhance service delivery.
- Servers and Application Support – Provide management and support of the City's data center. This includes the management of City's computer and storage resources, public-safety systems, primary computer directory services, e-mail, teleconference, system automation, administration of cloud technologies, system implementation and integrations, security and disaster recovery.
- Infrastructure Support – Develop and support the technology systems architecture and infrastructure, including implementation and support of City's Internet connectivity, IP telephone systems, mobile phones and data services, metro-area fiber optic network and wireless enterprise network.
- Public Information – Develop and support the City's website and provide support for virtual and hybrid public meetings.
- Security Access and Control – Enhance safety and protect the City's assets by supporting the city facility security access and control system.
- GIS – Provide various GIS services and enable coordination between various departments across the organization. This service includes software development, data acquisition, aerial imagery, and map services. The data collected serves various enterprise systems including the Computer Aided Dispatch System, Computerized Maintenance Management System, Land Records & Permitting Application, and systems used by the Community Development Services CSA.
- Helpdesk – Provide centralized support channel for City staff. Helpdesk service provides technical resources, including software and hardware troubleshooting assistance, as well as managing the City's technology assets. IT department procures, implements and maintains all technology resources used for the City's operation, including 700 computers, 400 mobile devices and 100 printers.











Information Technology Department








|                   |
|-------------------|
| New FY 22-23      |
| Move              |
| Reclass           |
| Defunded FY 21-22 |
| Temp              |






|                    |
|--------------------|
| Permanent FTE (13) |
| Temporary FTE (1)  |

| Accomplishments |  | Community Wellness and Open Space   | Economic Development and Job Growth   | Environment  | Governance & Administration   | Neighborhoods and Housing   | Public Safety   | Transportation and Transit  |
|-----------------|--|---|---|--|---|---|---|---|
|                 |  |  |  |  |  |  |  |  |
| 1.              | Network Threat Detection System Implementation       | ✓   | ✓   | ✓  | ✓   | ✓   | ✓   | ✓   |
| 2.              | Hybrid meeting support and technology implementation | ✓   | ✓   | ✓  | ✓   | ✓   | ✓   | ✓   |
| 3.              | City Hall Technology Refresh                         |   |   |  | ✓   |   |   |   |
| 4.              | Asset Management System Implementation               |   |   |  | ✓   |   |   |   |
| 5.              | Office 365 Enhancement                               | ✓   | ✓   | ✓  | ✓   | ✓   | ✓   | ✓   |

| Initiatives |  |  |  |  |  |  |  |  |
|-------------|--|---|---|--|---|---|---|---|
| 1.          | Police Records Management System             |   |   |  | ✓   |   | ✓   |   |
| 2.          | Cybersecurity Training Program               | ✓   | ✓   | ✓  | ✓   | ✓   | ✓   | ✓   |
| 3.          | City Website Redesign                        | ✓   | ✓   | ✓  | ✓   | ✓   | ✓   | ✓   |
| 4.          | PRA Management System                        |   |   |  | ✓   |   |   |   |
| 5.          | Development Services Software Implementation | ✓   | ✓   |  | ✓   | ✓   |   | ✓   |

## Performance and Workload Measures

| PERFORMANCE MEASURES   | Strategic Goals   | FY 19-20 Actual | FY 20-21 Actual | FY 21-22 Target | FY 21-22 Estimate | FY 22-23 Target |
|--|---|-----------------|-----------------|-----------------|-------------------|-----------------|
| City Council meetings supported                                  |  | 100%            | 100%            | 100%            | 100%              | 100%            |
| Network Availability*  |  | 99.99%          | 99.93%          | 99.99%          | 100%              | 99.99%          |
| Critical Server Availability*                                    |  | 99.99%          | 99.99%          | 99.99%          | 99.99%            | 99.99%          |
| Website Availability*  |  | 99.99%          | 99.54%          | 99.99%          | 98%               | 99.99%          |
| Customer surveys received with a score of 4 or better (out of 5) |  | 96%             | 96%             | 97%             | 96%               | 97%             |

| ACTIVITY AND WORKLOAD DATA                                       | Strategic Goals   | FY 19-20 Actual | FY 20-21 Actual | FY 21-22 Target | FY 21-22 Estimate | FY 22-23 Target |
|--|---|-----------------|-----------------|-----------------|-------------------|-----------------|
| Help Desk tickets closed   |   | 3,330           | 4,153           | 4,000           | 5,053             | 5,000           |
| Website visitors   |  | 1,900,000       | 216,000**       | 222,000         | 608,000           | 600,000         |
| GIS Asset updates  |  | 44,097          | 48,401          | 32,000          | 43,000            | 40,000          |
| Number of City Council and Planning Committee meetings supported |  |                 |                 |                 | 52                | 52              |
| Physical servers converted to virtual servers                    |  | 90%             | 91%             | 98%             | 97%               | 98%             |

\*Scheduled down time for maintenance is excluded

\*\*Previously included bots and other countries. FY21 and forward counts actual visitors.

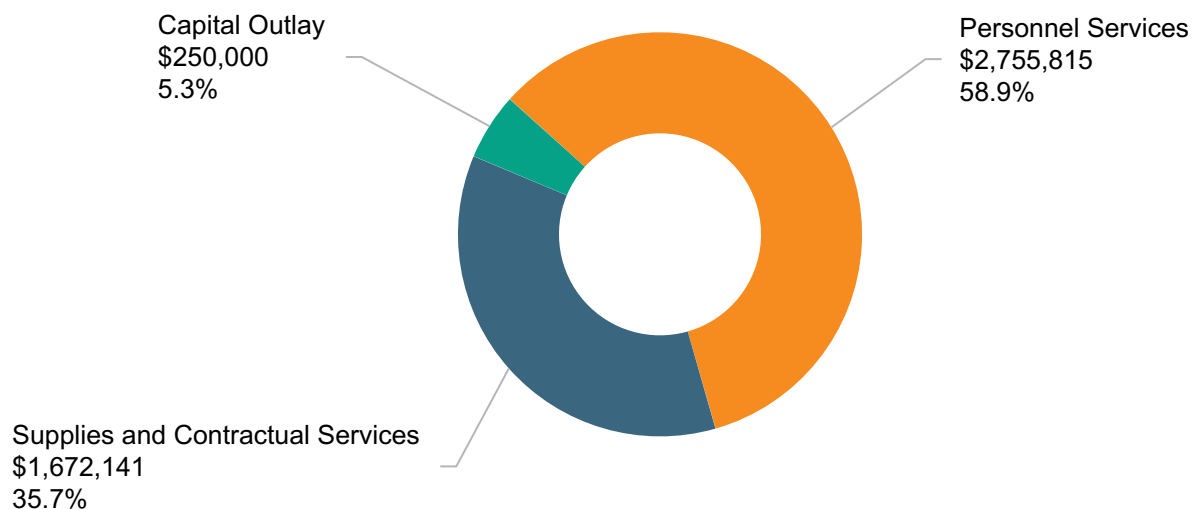
## Budget Summary

| DOLLARS BY CATEGORY                      |                                 | 2019-20<br>Actual  | 2020-21<br>Actual  | 2021-22<br>Adopted | 2022-23<br>Adopted | FY 2023<br>Change \$ | FY 2023<br>Change % |
|--|---------------------------------|--------------------|--------------------|--------------------|--------------------|----------------------|---------------------|
| <b>PERSONNEL SERVICES</b>                |                                 |                    |                    |                    |                    |                      |                     |
| 4111                                     | Permanent Salaries              | \$1,066,571        | \$1,547,673        | \$1,637,205        | \$1,803,077        | \$165,872            | 10.1%               |
| 4112                                     | Temporary Salaries              | 8,980              | 0                  | 35,000             | 35,000             | 0                    | 0.0%                |
| 4113                                     | Overtime                        | 1,720              | 2,032              | 0                  | 0                  | 0                    | 0.0%                |
| 4121                                     | Allowances                      | 6,694              | 3,554              | 5,899              | 6,600              | 701                  | 11.9%               |
| 4124                                     | Leave Cashout                   | 63,169             | 91,886             | 0                  | 0                  | 0                    | 0.0%                |
| 4131                                     | PERS                            | 420,272            | 517,260            | 551,232            | 551,929            | 697                  | 0.1%                |
| 4132                                     | Group Insurance                 | 144,559            | 216,307            | 246,565            | 293,184            | 46,619               | 18.9%               |
| 4133                                     | Medicare                        | 16,513             | 23,896             | 24,333             | 26,749             | 2,416                | 9.9%                |
| 4135                                     | Worker's Compensation           | 317                | 4,623              | 8,185              | 9,120              | 935                  | 11.4%               |
| 4138                                     | Deferred Comp-Employer          | 6,974              | 10,209             | 10,861             | 11,700             | 839                  | 7.7%                |
| 4139                                     | PARS                            | 145                | (11)               | 526                | 526                | 0                    | 0.0%                |
| 4146                                     | Short Term Disability           | 0                  | 0                  | 1,003              | 3,900              | 2,897                | 288.8%              |
| 4161                                     | Retiree Medical Reserve         | 68,705             | 13,184             | 11,693             | 14,030             | 2,337                | 20.0%               |
| <b>sub-total</b>                         |                                 | <b>1,804,619</b>   | <b>2,431,362</b>   | <b>2,532,502</b>   | <b>2,755,815</b>   | <b>223,313</b>       | <b>8.8%</b>         |
| <b>SUPPLIES AND CONTRACTUAL SERVICES</b> |                                 |                    |                    |                    |                    |                      |                     |
| 4210                                     | Department Allocations          | 6,841              | 1,966              | 1,782              | 1,704              | (78)                 | (4.4)%              |
| 4220                                     | Supplies                        | 34,863             | 16,287             | 10,000             | 11,000             | 1,000                | 10.0%               |
| 4230                                     | Services                        | 163,291            | 117,608            | 15,000             | 15,000             | 0                    | 0.0%                |
| 4240                                     | Repair & Maintenance            | 731,481            | 1,031,959          | 1,107,890          | 1,268,937          | 161,047              | 14.5%               |
| 4410                                     | Communications                  | 249,148            | 293,006            | 265,000            | 302,000            | 37,000               | 14.0%               |
| 4500                                     | Training, Travel, & Memberships | 19,341             | 9,610              | 61,500             | 73,500             | 12,000               | 19.5%               |
| <b>sub-total</b>                         |                                 | <b>1,204,965</b>   | <b>1,470,436</b>   | <b>1,461,172</b>   | <b>1,672,141</b>   | <b>210,969</b>       | <b>14.4%</b>        |
| <b>CAPITAL OUTLAY</b>                    |                                 |                    |                    |                    |                    |                      |                     |
| 4870                                     | Machinery and Equipment         | 0                  | 71,395             | 0                  | 0                  | 0                    | 0.0%                |
| 4920                                     | Machinery, Tools & Equipment    | 38,610             | 209,452            | 250,000            | 250,000            | 0                    | 0.0%                |
| <b>sub-total</b>                         |                                 | <b>38,610</b>      | <b>280,847</b>     | <b>250,000</b>     | <b>250,000</b>     | <b>0</b>             | <b>0.0%</b>         |
| <b>TOTAL</b>                             |                                 | <b>\$3,048,194</b> | <b>\$4,182,645</b> | <b>\$4,243,674</b> | <b>\$4,677,957</b> | <b>\$434,283</b>     | <b>10.2%</b>        |

## Staffing

| POSITIONS                              | 2019-20<br>Adopted | 2020-21<br>Adopted | 2021-22<br>Adopted | 2022-23<br>Adopted | FY 2023<br>Change |
|--|--------------------|--------------------|--------------------|--------------------|-------------------|
| Deputy IT Director                     | 0.00               | 0.00               | 0.00               | 1.00               | 1.00              |
| GIS Technician                         | 0.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Information System Analyst             | 3.00               | 3.00               | 2.00               | 3.00               | 1.00              |
| Information Technology<br>Director     | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Information Technology<br>Manager      | 3.00               | 3.00               | 3.00               | 2.00               | (1.00)            |
| Information Technology<br>Technician   | 2.00               | 2.00               | 2.00               | 2.00               | 0.00              |
| Office Specialist                      | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Business Systems Analyst/<br>Developer | 0.00               | 0.00               | 0.00               | 1.00               | 1.00              |
| Sr. Information Analyst/Dev            | 1.00               | 1.00               | 1.00               | 0.00               | (1.00)            |
| Video Media Specialist                 | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| <b>Total Positions</b>                 | <b>12.00</b>       | <b>13.00</b>       | <b>12.00</b>       | <b>13.00</b>       | <b>1.00</b>       |

## Expenditures by Category








## Budget Reconciliation



|   | Positions    | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |
|---|--------------|---------------------------|-------------------------|-----------------------|
| <b>PRIOR YEAR BUDGET</b>  | <b>12.00</b> | <b>\$3,659,099</b>        | <b>\$584,576</b>        | <b>\$4,243,675</b>    |
| <b>One-Time Prior Year Budget Adjustments</b>                                       |              |                           |                         |                       |
| Restore Information System Analyst (7/1/2022)                                       | 1.00         | 197,089                   |                         | 197,089               |
| <b>One-Time Prior Year Budget Adjustments</b>                                       | <b>1.00</b>  | <b>197,089</b>            | <b>0</b>                | <b>197,089</b>        |
| <b>Adjustments to Costs of Ongoing Activities</b>                                   |              |                           |                         |                       |
| Salary and Benefits   |              | (3,964)                   | 1,436                   | (2,528)               |
| Police RMS Maintenance Cost   |              | 86,000                    |                         | 86,000                |
| Vectra Cybersecurity Cost   |              | 40,000                    |                         | 40,000                |
| Non-Personnel Expenditure Alignment to Historical Trend                             |              | 1,014                     |                         | 1,014                 |
| Equipment Amortization  |              | (78)                      |                         | (78)                  |
| <b>Adjustments to Costs of Ongoing Activities</b>                                   | <b>0.00</b>  | <b>122,972</b>            | <b>1,436</b>            | <b>124,408</b>        |
| <b>Total FY2022-23 Base Budget</b>  | <b>13.00</b> | <b>3,979,160</b>          | <b>586,012</b>          | <b>4,565,172</b>      |
| <b>Service Level Changes</b>  |              |                           |                         |                       |
| Reclass Information Technology Manager to Deputy Director of Information Technology |              | 28,752                    |                         | 28,752                |
| Additional Cellular Phones for Staff  |              | 37,000                    |                         | 37,000                |
| PRA (Public Records Act) Request Management Software                                |              | 9,500                     |                         | 9,500                 |
| Microsoft Office 365 Service Enhancement  |              | 37,533                    |                         | 37,533                |
| <b>Total Service Level Changes</b>  | <b>0.00</b>  | <b>112,785</b>            | <b>0</b>                | <b>112,785</b>        |
| <b>Total FY 2022-23 Budget</b>  | <b>13.00</b> | <b>\$4,091,945</b>        | <b>\$586,012</b>        | <b>\$4,677,957</b>    |





## Service Level Changes

|   |  | Positions   | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |
|---|--|---|---------------------------|-------------------------|-----------------------|
| 1   | <b>Reclassification of Information Technology Manager</b>  |   | \$28,752                  | \$0                     | \$28,752              |
|  | <p>This action funds the reclassification of Information Technology Manager to Deputy Director of Information Technology. The Information Technology (IT) Department has grown from 10 positions to 13 positions since FY 17-18. This growth reflects the increased technology needs of the City and the critical role IT plays in supporting all departments to deliver services to the community in an efficient and effective manner. Currently, the IT Director directly oversees 50% of his staff. So as to more effectively distribute the work and supervisory responsibilities, a reclassification of an existing vacant IT Manager (1 of 3 IT Managers) position is proposed.</p> |   |                           |                         |                       |
|   | <b>Performance Results</b>   |   |                           |                         |                       |
|   | <p>The proposed reclassification will provide balanced supervisory oversight of each IT division. With the proposed re-classification, the organizational structure will be able to serve the needs of the department and the City more efficiently and will enable the IT Director to focus more on strategy, vision, and City priorities. The reclassification will also be more closely aligned with the organizational structure in other City departments, allowing for better succession planning.</p>   |   |                           |                         |                       |
|   | <b>Impact if funding is not approved</b>   |   |                           |                         |                       |
|   | <p>If this action is not funded, the Department will need to fill the current vacant IT Manager position and may not be able to change the structure for several years. Although some limited re-organization may be feasible without the reclassification, the department will not be well-positioned for succession planning nor will it be able to maximize efficiency and workload distribution. The department will also not be aligned with the organizational structure of other City departments.</p>  |   |                           |                         |                       |

|   |  | Positions   | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |
|---|--|---|---------------------------|-------------------------|-----------------------|
| 2   | Enhanced Cellular Service  |   | \$37,000                  | \$0                     | \$37,000              |
|  | <p>This action funds additional cellphones to deploy to the Milpitas Police Department. Police Department continuously performs market research for technology products that will improve efficiency and help enhance the law enforcement services delivered to our community. Many products are becoming increasingly mobile and web-centric, and to enable officers’ remote access to these services, the Police Department is looking to deploy approximately 70 smartphones to its officers. The City procured late-model smartphones at discounted pricing which was covered by the IT operating budget. The cellular service cost associated with the citywide cellular services is also in IT’s operating budget. To cover the substantial increase in the service cost for the newly procured devices, funding is requested for the increased annual service cost of approximately \$37,000.</p> |   |                           |                         |                       |
|   | Performance Results  |  |                           |                         |                       |
|   | <p>Continuing research effort resulted in the implementation of several key technology products that directly impact the productivity of our officers and response times. This includes web-based reports, Record Management System, Electronic Citation Software, Body-Worn Cameras, License Plate Readers, Photo Evidence Collection, and more. Deploying mobile phones to the officers will enable remote access to these systems and other city-wide services such as electronic timesheet, email access, remote meeting and collaboration tools. Verizon Wireless has been the cellular service of choice for over 15 years. The staff has recently completed the paperwork and agreements necessary to benefit from the discounted pricing plans specific to law enforcement and government organizations.</p>   |   |                           |                         |                       |
|   | Impact if funding is not approved  |   |                           |                         |                       |
|   | <p>If this action is not funded, the Police Department cannot deploy the smartphones and the latest law enforcement technology products will not be available to the officers in the field.</p>  |   |                           |                         |                       |

|   |   | Positions   | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |
|---|---|---|---------------------------|-------------------------|-----------------------|
| 3   | Office 365 Feature Enhancement  |   | \$37,533                  | \$0                     | \$37,533              |
|    | <p>This action funds additional features in Office 365 to improve connectivity and efficiency. On January 25, 2019, Council approved the purchase of Office 365 subscription for a 3-year period. Office 365 subscription includes a suite of essential Office software, as well as the City’s email, online collaboration, communication, and virtual meeting services. IT staff has evaluated various add-on features that will improve productivity and efficiency and determined that the following three new features be added for the next renewal period. The Audio Conferencing feature allows meeting attendees to use traditional phones to dial into the meeting. This allows in-field staff with unreliable or no internet connectivity, and staff without a smartphone to join virtual meetings by dialing a number assigned to a meeting. Mobile Device Management (MDM) feature allows IT staff a centralized oversight of mobile devices, including software license assignments, device configurations, and critical security features necessary to deploy mobile devices for law enforcement. Azure AD Premium is an advanced set of tools that will help IT Staff to better manage the interface between Microsoft services and the City systems. This feature will greatly impact the management efficiency for essential tasks such as remote management of Multi-factor Authentication (MFA).</p> |   |                           |                         |                       |
| Performance Result  |   |  |                           |                         |                       |
| <p>The added conferencing features directly impact the ability of a certain group of the workforce without smartphones to join virtual meetings. Without centralized and remote management features such as MDM, the IT staff resources required to manage and support the increasing number of mobile devices will be significantly higher. IT will not have the ability to remote lock or wipe lost devices which is critical to maintaining the security of the City’s data. Without MDM, the Police Department will not be able to meet the compliance requirements for the use of mobile devices for law enforcement purposes.</p> |   |   |                           |                         |                       |
| Impact if funding is not approved   |   |   |                           |                         |                       |
| <p>If this action is not funded, the City cannot benefit from the various essential features, such as improved security of the mobile data access, better utilization of the latest cloud services, meeting compliance requirements of the California Department of Justice for law enforcement use of the mobile devices. Employees in the field without smartphones will not be able to join the virtual meetings without being in front of a computer, and IT Department cannot streamline the security and asset management of mobile devices.</p>  |   |   |                           |                         |                       |

|   |   | Positions   | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |
|---|---|---|---------------------------|-------------------------|-----------------------|
| 4   | Public Records Act Management Software  |   | \$9,500                   | \$0                     | \$9,500               |
|  | <p>This action funds a software platform to manage requests related to the Public Records Act (PRA). As part of the budget strategy in July of 2021, the City Clerk's office took over the PRA request program from the City's Attorney's office. The California PRA was created to foster transparency, accountability, and greater public access. When a PRA is received, the City must provide all requested records unless there is a legal basis not to do so. Request for public records can be very broad and the legal exceptions to producing those are very limited. Many requests ask for an expansive range of communications that must be identified by individual employees and then reviewed in detail for responsiveness. As a result of the volume and complexity of these requests, the Clerk's Office has identified the need to implement an automated Public Records Request system. The automated system will increase efficiency in tracking and managing the workflow of requests from receipt to production. It will centralize all requests allowing staff to respond easier and take action. The system also includes functions that help staff review responsive documents for privileged or confidential information, resulting in a cost savings of staff time and making responsive documents available to the requestor more quickly.</p> |   |                           |                         |                       |
|   | Performance Result  |  |                           |                         |                       |
|   | <p>A new records request system will provide a centralized, secure public records portal allowing residents to track their requests online and standardizes workflows for city employees. The functions of this system will make it easy to share information, improve the intake of requests, and improve production timelines. The new system will also provide an accurate and efficient process to securely review and release records, protecting personally identifiable information (PII) and other sensitive data.</p>  |   |                           |                         |                       |
|   | Impact if funding is not approved   |   |                           |                         |                       |
|   | <p>If this action is not funded, staff will continue to manage the limited resources available by manually tracking requests, due dates, records, and responses on spreadsheets. Staff will also continue to review and redaction each individual responsive document for privileged or confidential information which can total into the thousands. If this action is not approved and the PRA requests continue to increase in volume and complexity the result will be longer production timelines and a larger workload for staff.</p>  |   |                           |                         |                       |
| Total Service Level Changes   |   |   | \$112,785                 | \$0                     | \$112,785             |

# Planning

**Planning Director:** Ned Thomas, AICP

## Mission Statement

The Planning Department develops and implements policies to guide the physical and economic development of the City. We seek to create and maintain a high quality of life for Milpitas residents through enforcement of land use, architectural design, and environmental regulations. We also strive to provide excellent customer service in support of an efficient development review process and fair and inclusive community engagement activities.

## Description

The Planning Department prepares, maintains, and implements the City's General Plan, associated Specific Plans, and other planning and policy documents to positively influence the physical development of the community. Department staff assist residents, businesses, designers, developers, and architects to understand and follow the City's policies and regulations for development, including the General Plan, two Specific Plans, and the Zoning Ordinance. The Department collaborates with other City departments to administer various policies and regulations related to the physical development of the City, including the California Environmental Quality Act (CEQA). The Department provides professional and administrative support to the Planning Commission and promotes informed decision-making by conducting analysis, making findings and recommendations, and facilitating community and neighborhood meetings.



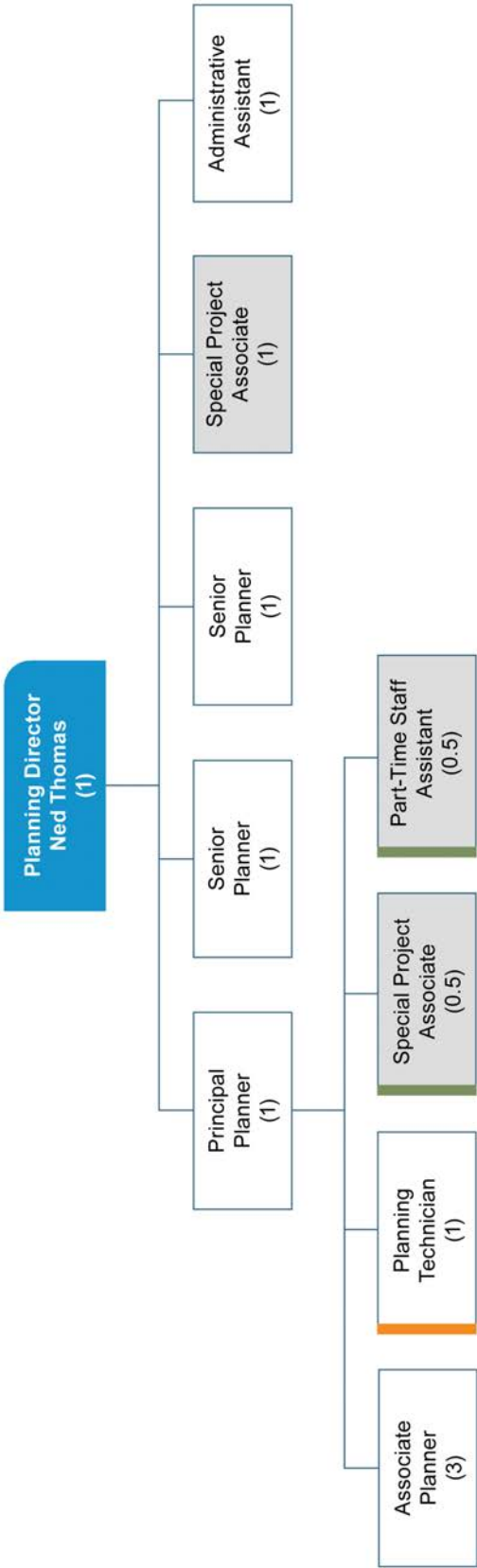


### Services

- Prepares, maintains, and implements the City's General Plan and associated Specific Plans.
- Conducts research, prepares long-range planning documents, and assists other departments in preparing special-purpose long-range plans.
- Administers the City's Zoning Ordinance and collaborates with other departments to administer other development policies and regulations, including the California Environmental Quality Act (CEQA).
- Performs and coordinates review of land development applications and provides information to the public regarding land development regulations and processes.
- Assists developers in obtaining planning entitlements and coordinates the development review process from conceptual design and preapplication consultation to application submittal and formal review.
- Implements the Milpitas Metro Specific Plan and Main Street/Gateway Specific Plan and coordinates with other departments to ensure timely review of development proposals.
- Provides and updates planning permit fees, submittal requirements, checklists, design guidelines, and publications to support a streamlined permit application and development review process.
- Reviews building plans for conformance with zoning regulations and conditions of approval.
- Administers the City's short-term rental program.
- Provides staff support to the Planning Commission and other planning-related advisory groups.
- Coordinates with the City Manager's office in working with outside agencies, regional organizations, and local businesses.
- Coordinates with outside agencies on regional planning, transportation, and environmental issues.
- Maintains City demographics and geographic based information.
- Promotes the City of Milpitas as a vibrant community to live, work, shop, learn, and play.










Planning Department










|                   |
|-------------------|
| New FY 22-23      |
| Move              |
| Reclass           |
| Defunded FY 21-22 |
| Temp              |










|                   |
|-------------------|
| Permanent FTE (9) |
| Temporary FTE (2) |






| Accomplishments |  | Community<br>Wellness and<br>Open Space   | Economic<br>Development<br>and Job Growth   | Environment  | Governance &<br>Administration  | Neighborhoods<br>and Housing  | Public Safety   | Transportation<br>and Transit   |
|-----------------|--|---|---|--|---|---|---|---|
|                 |  |  |  |  |  |  |  |  |
| 1.              | Continued work on the Milpitas Metro Specific Plan   | ✓   | ✓   | ✓  |   | ✓   |   | ✓   |
| 2.              | Initiated work on the Gateway/Main St. Specific Plan, including three Community Conversations for Community Engagement                           |   | ✓   |  |   | ✓   |   | ✓   |
| 3.              | Prepared and published Development Review Handbook   |   | ✓   |  | ✓   | ✓   |   |   |
| 4.              | Prepared and published an Accessory Dwelling Units (ADU) Toolkit and online resources to promote ADUs  |   |   |  | ✓   | ✓   |   |   |
| 5.              | Accepted \$1.2 million grant from VTA and partnered with RideCo to develop and implement a local on-demand transit program                       |   | ✓   | ✓  | ✓   |   |   | ✓   |
| 6.              | Developed a set of Objective Design Standards to streamline the review process for multi-family residential and mixed-use development            |   |   |  | ✓   | ✓   |   |   |
| 7.              | Initiated a grant-funded project to create Housing Opportunity Zones to streamline residential development at specific sites across the City.    |   |   |  | ✓   | ✓   |   |   |
| 8.              | Partnered with Symbium to pilot innovative online tools that empowers residents and business owners to access and understand zoning information. |   | ✓   |  | ✓   |   |   |   |

| Initiatives |   | Community<br>Wellness and<br>Open Space   | Economic<br>Development<br>and Job Growth   | Environment  | Governance &<br>Administration  | Neighborhoods<br>and Housing  | Public Safety   | Transportation<br>and Transit   |
|-------------|---|---|---|--|---|---|---|---|
|             |   |  |  |  |  |  |  |  |
| 1.          | Complete the Milpitas Metro Specific Plan and Environmental Impact Report (EIR)                           | ✓   | ✓   | ✓  |   | ✓   |   | ✓   |
| 2.          | Initiate an update of the Metro Area Development Impact Fee   | ✓   | ✓   |  | ✓   | ✓   |   | ✓   |
| 3.          | Complete the Gateway/Main St. Specific Plan and EIR   | ✓   | ✓   | ✓  |   | ✓   |   | ✓   |
| 4.          | Initiate a comprehensive update of the City's Zoning Ordinance  |   | ✓   |  | ✓   | ✓   |   | ✓   |
| 5.          | Implement and evaluate the Milpitas OnDemand local transit program  |   | ✓   | ✓  | ✓   |   |   | ✓   |
| 6.          | Develop and implement a citywide policy for micro-mobility  |   |   | ✓  | ✓   |   |   | ✓   |
| 7.          | Support implementation of the Economic Development Strategy   |   | ✓   |  | ✓   |   |   |   |
| 8.          | Continue to support efforts to revitalize Main Street.  | ✓   | ✓   |  | ✓   | ✓   |   | ✓   |
| 9.          | Adopt ad hoc Zoning Ordinance Amendments to regulate food trucks, building heights, and personal services |   |   |  | ✓   |   |   |   |

## Performance and Workload Measures

| PERFORMANCE MEASURES  | Strategic Goals   | FY 19-20 Actual | FY 20-21 Actual                                       | FY 21-22 Target                  | FY 21-22 Estimate                                     | FY 22-23 Target                                      |
|---|---|-----------------|---|----------------------------------|---|--|
| <b>Administrative Approvals/Permits:</b>  |   |                 |   |                                  |   |  |
| 1) First review completed within 21 calendar days   |    | N/A             | 80%   | 90%                              | 70%   | 90%  |
| 2) Average cumulative staff review time   |    | N/A             | 9 calendar days                                       | 7 calendar days                  | 7 calendar days                                       | 7 calendar days                                      |
| 3) Average total processing time from complete application to disposition   |    | N/A             | 9 calendar days                                       | 14 calendar days                 | 10 calendar days                                      | 10 calendar days                                     |
| <b>Zoning Administrator Applications:</b>   |   |                 |   |                                  |   |  |
| 1) First review completed within 30 calendar days   |    | N/A             | 100%  | 90%                              | 90%   | 90%  |
| 2) Average cumulative staff review time   |    | N/A             | 49 calendar days                                      | 45 calendar days                 | 70 calendar days                                      | 45 calendar days                                     |
| 3) Average total processing time from complete application to disposition   |   | N/A             | 59 calendar days                                      | 60 calendar days                 | 75 calendar days                                      | 60 calendar days                                     |
| <b>Planning Commission Applications:</b>  |   |                 |   |                                  |   |  |
| 1) First review completed within 45 calendar days   |  | N/A             | 100%  | 90%                              | 90%   | 90%  |
| 2) Average cumulative staff review time   |  | N/A             | 314 calendar days                                     | 75 calendar days                 | 75 calendar days                                      | 75 calendar days                                     |
| 3) Average total processing time from complete application to disposition:<br>a. Projects with Exemption<br>b. Projects with Mitigated Negative Declaration<br>c. Projects with Environmental Impact Report |  | N/A             | 300 calendar days<br>260 days<br>213 days<br>276 days | 150 days<br>180 days<br>360 days | 280 calendar days<br>180 days<br>180 days<br>677 days | 75 calendar days<br>150 days<br>180 days<br>360 days |

| ACTIVITY AND WORKLOAD DATA  | Strategic Goals   | FY 19-20 Actual | FY 20-21 Actual | FY 21-22 Target | FY 21-22 Estimate | FY 21-22 Target |
|---|---|-----------------|-----------------|-----------------|-------------------|-----------------|
| Total planning permits/zoning approvals issued  |  | N/A             | 332             | 400             | 350               | 400             |
| Total planning applications with public hearing   |  | N/A             | 52              | 60              | 45                | 60              |
| Total long-range planning projects (policy and zoning updates) in progress or completed |  | N/A             | 9               | 9               | 9                 | 9               |

## Budget Summary

| DOLLARS BY FUNCTION | 2019-20<br>Actual  | 2020-21<br>Actual  | 2021-22<br>Adopted | 2022-23<br>Adopted | FY 2023<br>Change \$ | FY 2023<br>Change % |
|---------------------|--------------------|--------------------|--------------------|--------------------|----------------------|---------------------|
| Long Range Planning | \$43,689           | \$229,187          | \$238,961          | \$265,713          | \$26,752             | 11.2%               |
| Planning            | 2,072,244          | 2,064,077          | 1,743,197          | 2,085,775          | 342,578              | 19.7%               |
| <b>TOTAL</b>        | <b>\$2,115,933</b> | <b>\$2,293,264</b> | <b>\$1,982,158</b> | <b>\$2,351,488</b> | <b>\$369,330</b>     | <b>18.6%</b>        |

| DOLLARS BY CATEGORY                 | 2019-20<br>Actual | 2020-21<br>Actual | 2021-22<br>Adopted | 2022-23<br>Adopted | FY 2023<br>Change \$ | FY 2023<br>Change % |
|-------------------------------------|-------------------|-------------------|--------------------|--------------------|----------------------|---------------------|
| <b>PERSONNEL SERVICES</b>           |                   |                   |                    |                    |                      |                     |
| <b>4111</b> Permanent Salaries      | \$1,265,110       | \$1,356,667       | \$1,317,224        | \$1,385,487        | \$68,263             | 5.2%                |
| <b>4112</b> Temporary Salaries      | 12,612            | 2,268             | 105,600            | 79,557             | (26,043)             | (24.7)%             |
| <b>4113</b> Overtime                | 1,148             | (230)             | 12,000             | 12,000             | 0                    | 0.0%                |
| <b>4121</b> Allowances              | 6,600             | 3,553             | 5,666              | 6,600              | 934                  | 16.5%               |
| <b>4124</b> Leave Cashout           | 14,373            | 40,454            | 0                  | 0                  | 0                    | 0.0%                |
| <b>4131</b> PERS                    | 470,142           | 423,608           | 409,081            | 419,331            | 10,250               | 2.5%                |
| <b>4132</b> Group Insurance         | 170,364           | 184,316           | 159,458            | 273,109            | 113,651              | 71.3%               |
| <b>4133</b> Medicare                | 18,810            | 20,812            | 19,182             | 22,936             | 3,754                | 19.6%               |
| <b>4138</b> Deferred Comp-Employer  | 8,100             | 7,405             | 7,883              | 9,000              | 1,117                | 14.2%               |
| <b>4139</b> PARS                    | 167               | 35                | 0                  | 1,584              | 1,584                | 0.0%                |
| <b>4141</b> Adjustments-Payroll     | 0                 | 0                 | 0                  | 0                  | 0                    | 0.0%                |
| <b>4146</b> Short Term Disability   | 0                 | 0                 | 721                | 2,782              | 2,061                | 285.9%              |
| <b>4161</b> Retiree Medical Reserve | 63,947            | 11,137            | 9,793              | 11,435             | 1,642                | 16.8%               |
| <b>sub-total</b>                    | <b>2,037,946</b>  | <b>2,057,380</b>  | <b>2,052,958</b>   | <b>2,292,288</b>   | <b>239,330</b>       | <b>11.7%</b>        |

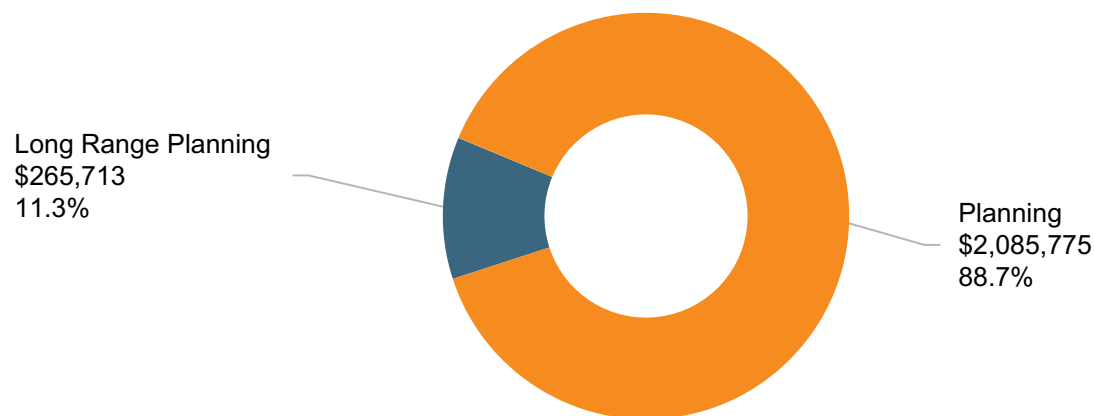
|   |                    |                    |                    |                    |                  |              |
|---|--------------------|--------------------|--------------------|--------------------|------------------|--------------|
| <b>SUPPLIES AND CONTRACTUAL SERVICES</b>    |                    |                    |                    |                    |                  |              |
| <b>4210</b> Department Allocations          | 2,473              | 0                  | 0                  | 0                  | 0                | 0.0%         |
| <b>4220</b> Supplies                        | 3,915              | 1,720              | 6,000              | 12,000             | 6,000            | 100.0%       |
| <b>4230</b> Services                        | 52,582             | 219,202            | 15,000             | 25,000             | 10,000           | 66.7%        |
| <b>4500</b> Training, Travel, & Memberships | 19,017             | 14,962             | 13,800             | 22,200             | 8,400            | 60.9%        |
| <b>sub-total</b>                            | <b>77,987</b>      | <b>235,884</b>     | <b>34,800</b>      | <b>59,200</b>      | <b>24,400</b>    | <b>70.1%</b> |
| <b>TOTAL</b>                                | <b>\$2,115,933</b> | <b>\$2,293,264</b> | <b>\$2,087,758</b> | <b>\$2,351,488</b> | <b>\$263,730</b> | <b>12.6%</b> |

## Staffing

| POSITIONS BY FUNCTION | 2019-20<br>Adopted | 2020-21<br>Adopted | 2021-22<br>Adopted | 2022-23<br>Adopted | FY 2023<br>Change |
|-----------------------|--------------------|--------------------|--------------------|--------------------|-------------------|
| Planning              | 9.00               | 9.00               | 8.00               | 8.00               | 0.00              |
| Long Range Planning   | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| <b>TOTAL</b>          | <b>10.00</b>       | <b>10.00</b>       | <b>9.00</b>        | <b>9.00</b>        | <b>0.00</b>       |

| POSITIONS                | 2019-20<br>Adopted | 2020-21<br>Adopted | 2021-22<br>Adopted | 2022-23<br>Adopted | FY 2023<br>Change |
|--------------------------|--------------------|--------------------|--------------------|--------------------|-------------------|
| Administrative Assistant | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Assistant Planner        | 2.00               | 2.00               | 0.00               | 0.00               | 0.00              |
| Associate Planner        | 2.00               | 2.00               | 3.00               | 3.00               | 0.00              |
| Junior Planner           | 0.00               | 0.00               | 1.00               | 0.00               | (1.00)            |
| Planning Technician      | 0.00               | 0.00               | 0.00               | 1.00               | 1.00              |
| Planning Director        | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Planning Manager         | 1.00               | 1.00               | 0.00               | 0.00               | 0.00              |
| Principal Planner        | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Senior Planner           | 2.00               | 2.00               | 2.00               | 2.00               | 0.00              |
| <b>Total Positions</b>   | <b>10.00</b>       | <b>10.00</b>       | <b>9.00</b>        | <b>9.00</b>        | <b>0.00</b>       |



## Expenditures by Function





## Budget Reconciliation



|  | Positions   | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |
|--|-------------|---------------------------|-------------------------|-----------------------|
| <b>PRIOR YEAR BUDGET</b>                               | <b>9.00</b> | <b>\$1,712,347</b>        | <b>\$269,811</b>        | <b>\$1,982,158</b>    |
| <b>One-Time Prior Year Budget Adjustments</b>          |             |                           |                         |                       |
| Non-Personnel Expenditure Reduction                    |             | 14,400                    |                         | 14,400                |
| <b>One-Time Prior Year Budget Adjustments</b>          | <b>0.00</b> | <b>14,400</b>             | <b>0</b>                | <b>14,400</b>         |
| <b>Adjustments to Costs of Ongoing Activities</b>      |             |                           |                         |                       |
| Salary and Benefits                                    |             | 118,918                   | 60,721                  | 179,639               |
| <b>Adjustments to Costs of Ongoing Activities</b>      | <b>0.00</b> | <b>118,918</b>            | <b>60,721</b>           | <b>179,639</b>        |
| <b>Total FY2022-23 Base Budget</b>                     | <b>9.00</b> | <b>1,845,665</b>          | <b>330,532</b>          | <b>2,176,197</b>      |
| <b>Service Level Changes</b>                           |             |                           |                         |                       |
| Special Projects Associate for Zoning Ordinance Update |             |                           | 93,143                  | 93,143                |
| Part-time Staff Assistant                              |             | 72,147                    |                         | 72,147                |
| Granicus Annual Renewal Subscription Fees              |             | 10,000                    |                         | 10,000                |
| <b>Total Service Level Changes</b>                     | <b>0.00</b> | <b>82,147</b>             | <b>93,143</b>           | <b>175,290</b>        |
| <b>Total FY 2022-23 Budget</b>                         | <b>9.00</b> | <b>\$1,927,812</b>        | <b>\$423,675</b>        | <b>\$2,351,487</b>    |

## Service Level Changes

|   |  | Positions   | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |
|---|--|---|---------------------------|-------------------------|-----------------------|
| 1.  | Part-time Staff Assistant  |   | \$72,147                  | \$0                     | \$72,147              |
|  | This action funds a part-time Staff Assistant for one fiscal year to mitigate increased administrative workload. During the closure of City Hall due to the COVID-19 pandemic, the department experienced a significant increase in incoming phone calls and email inquiries from residents, developers, and business owners. Many customers, either for convenience or to avoid contact with other people, want to continue conducting business remotely rather than coming to City Hall. This has resulted in significant added workload and increased response times because of the need to juggle increased phone calls and email messages with other work such as meetings, staff report preparation, and project coordination. |   |                           |                         |                       |
|   | Performance Impact   |  |                           |                         |                       |
|   | This position will support the entire department by alleviating administrative burden and increasing capacity in other function areas. Consequently, operations will be more efficient and effective. Other staff can focus more time on development review projects and staff reports, conduct research on more complex issues, and administer various special projects as outlined above.  |   |                           |                         |                       |
|   | Mitigation   |   |                           |                         |                       |
|   | If this action is not funded, administrative burden will continue to fall on current staff and capacity to focus on other function areas will be reduced.  |   |                           |                         |                       |

|   |   |   |     |          |          |
|---|---|---|-----|----------|----------|
| 2.  | Special Project Associate for Zoning Ordinance Update   |   | \$0 | \$93,142 | \$93,142 |
|  | This action funds a limited term Senior Planner to help with the update of the Zoning Ordinance to align with the new General Plan adopted in March 2021. The Zoning Ordinance is the primary implementation tool of the General Plan, impacting housing, transportation, economic development, public safety and general well-being of the residents in this community. State Law requires land use classifications and regulations in the Zoning Ordinance to be consistent with the Land Use designations established in the General Plan. Currently, the City's Zoning Ordinance is not consistent with the new General Plan. Parts of the City's current Zoning Ordinance date back to 1955, and the document has been amended multiple times over the past several decades and is need of a comprehensive update. |   |     |          |          |
|   | Performance Impact  |  |     |          |          |
|   | Funding for a Comprehensive Zoning Ordinance Update is included in the City's CIP (Project No. 3460). Consultants will be hired to advise the City, conduct public outreach, and prepare the comprehensive update. The limited term Senior Planner will help prepare an RFP for consultants and manage the overall project from kick-off to completion, including the required environmental review under CEQA.   |   |     |          |          |
|   | Mitigation  |   |     |          |          |
|   | If this action is not funded, then an Associate Planner has to be promoted to limited term Senior Planner for three years and that position will be reassigned to work on long-range and special projects under the supervision of the Principal Planner. This would require other adjustments to staffing in the department such as creating and funding a part-time staff person to cover phones and email during peak hours.   |   |     |          |          |



|   |   | Positions   | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |
|---|---|---|---------------------------|-------------------------|-----------------------|
| 3.  | <b>Granicus Annual Renewal Subscription Fees</b>  |   | \$10,000                  | \$0                     | \$10,000              |
|    | <p>This action funds the City’s annual subscription renewal fee with Granicus Host Compliance to identify and monitor STRs operating in Milpitas. On March 3, 2020, the Milpitas City Council adopted Ordinance 38.835 to regulate short-term rentals (STRs) within the City of Milpitas. The new Ordinance established a Short-term Rental program that includes a fee as well as a clear and simple process for new and existing STRs to come into conformance with the new operating standards, registration requirements, and record-keeping obligations. The City will continue its contract with Granicus Host Compliance to identify and monitor STRs operating in Milpitas. Based on the information provided, the Planning Department will continue to notify non-compliant STR operators of their obligations under the City’s STR Ordinance.</p> |   |                           |                         |                       |
| <b>Performance Impact</b>   |   |  |                           |                         |                       |
| <p>Renewing the subscription will help the City to continue identifying non-compliant STRs to improve compliance and collect outstanding STR fees owed to the City. Currently, 31 non-compliant STRs have been identified, which translates into approximately \$19,344 in outstanding revenue that will be used to support the STR pilot program. Granicus has also identified 38 additional STRs within Milpitas, for which it has the general locations and images of the rental but has not yet matched with an APN or mailing address. These additional 38 STRs can potentially generate an estimated \$23,712 in fee revenues for the City.</p> |   |   |                           |                         |                       |
| <b>Mitigation</b>   |   |   |                           |                         |                       |
| <p>If this action is not funded, the subscription will be terminated and the services the department relies on will no longer be available. Compliance will most likely decrease, resulting in lower STR fee revenues for the City.</p>   |   |   |                           |                         |                       |
| <b>Total Service Level Changes</b>  |   |   | \$82,147                  | \$93,142                | \$175,289             |



# Police

**Police Chief:** Jared Hernandez

## Mission Statement

The Milpitas Police Department is committed to the protection of lives and property by working with our community and providing professional and responsive police services.

## Description

This department provides 24 hours-a-day, 365 days-a-year policing services to the City, keeps the peace, and prevents & controls crime. The Department's nine functions include: Administration, Patrol Services, Traffic Safety Unit, Crossing Guards, Police Community Relations Unit, Investigations Unit, Communications Unit, Records Unit, and Personnel & Training.

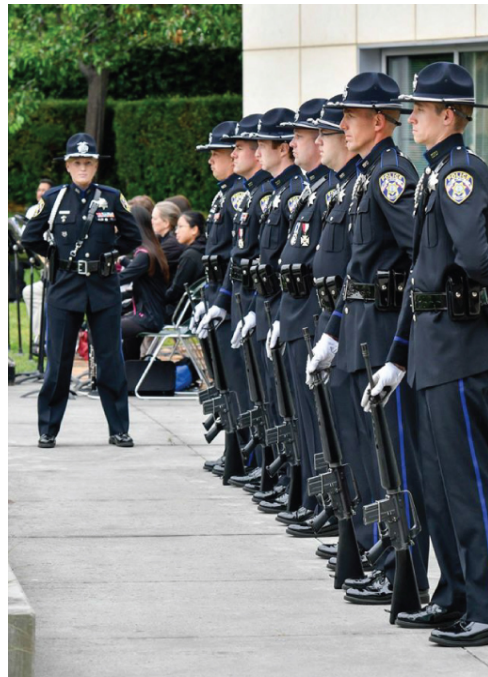


### Services

- Provides 24 hours-a-day, 365 days-a-year response to calls for police services. Safeguards the community from crime through deterrence, prevention, and arrest of offenders. Preserves the public peace, protects life & property, and appropriately enforces laws & ordinances.

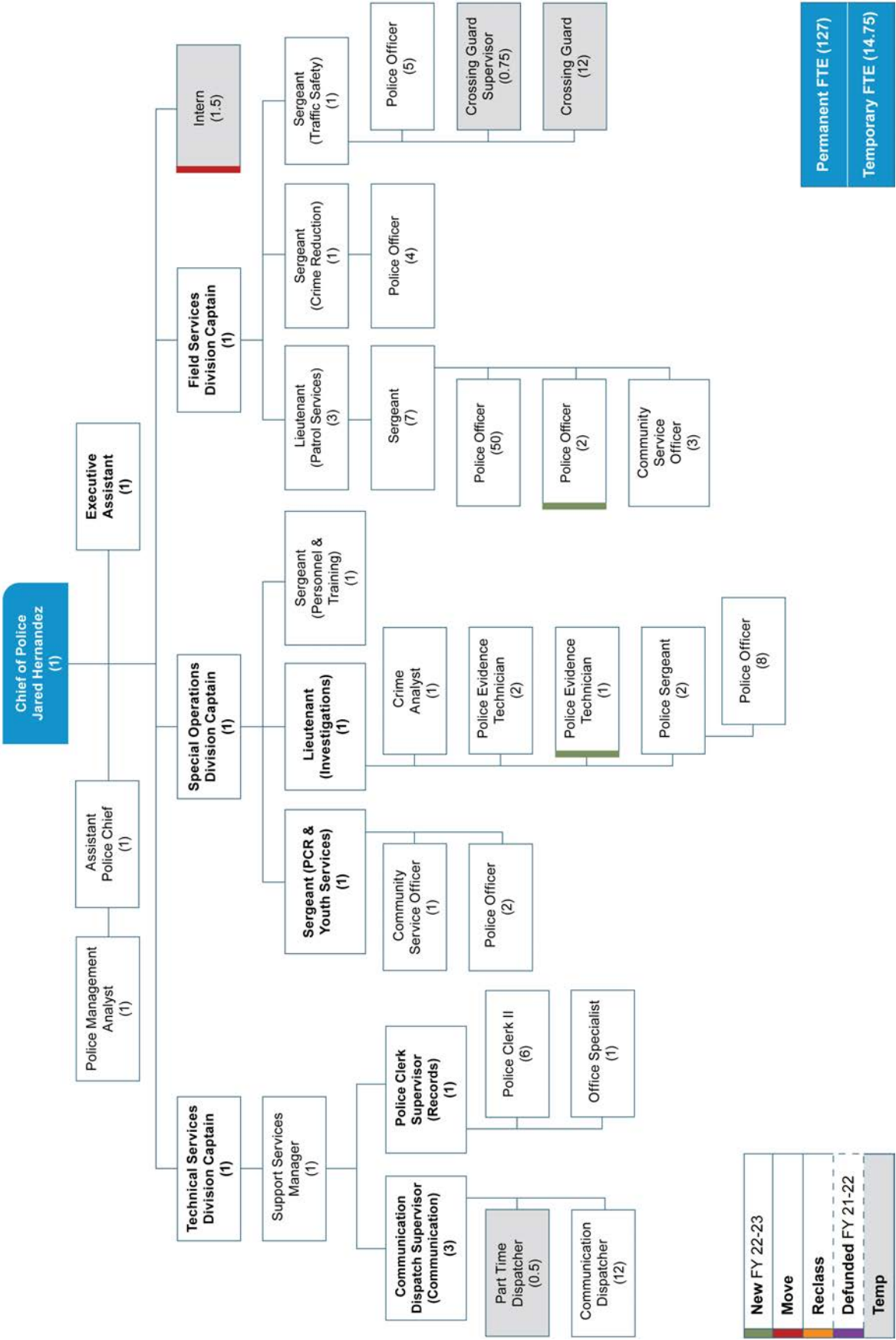









- Investigates automobile thefts, hit-and- runs collisions, and traffic accidents; conducts accident reconstruction for major injury & fatal collisions; provides traffic control at major events and enforces traffic laws.
- Manages the Crossing Guard program, which staffs critical intersections within the City to ensure the safety of children walking to and from schools.
- Facilitates PAL activities & programs and conducts Neighborhood Watch, Police Explorer, Citizen Volunteer, and other crime prevention & education programs.
- Works closely with the school district and county agencies to divert first time offenders from the juvenile justice system through parent counseling and other innovative programs. The School Resource Officer in the Police Community Relations Unit serves Milpitas High School and Calaveras Hills High School.
- Provides follow-up investigation of crimes against persons, fraud, high technology crimes, missing persons, and property crimes.
- Conducts gang prevention, intervention, and investigation programs; tracks sex registrants; and conducts proactive narcotic investigations.
- Provides 24 hours-a-day, 365 days-a-year 9-1-1 emergency telephone answering and emergency dispatching for the police department, fire department, and other City Departments.
- Provides public counter service, filing of criminal complaints, and evidence management. Processes, maintains, and distributes police reports and fire reports, prepares statistical data required by law, and responds to report requests and telephone inquiries from citizens and other authorized entities.
- Maintains a Community Service Officer (CSO) Program to expand services. The CSOs have absorbed many non-hazardous tasks previously assigned to police officers and police officers will remain dedicated to higher priority items. The CSOs provide the community with responsive services at a cost far less than that of a police officer.












Police Department








| Accomplishments |  | Community Wellness and Open Space   | Economic Development and Job Growth   | Environment  | Governance & Administration   | Neighborhoods and Housing   | Public Safety   | Transportation and Transit  |
|-----------------|--|---|---|--|---|---|---|---|
|                 |  |  |  |  |  |  |  |  |
| 1.              | Maintained an average response time to emergency calls of 2:44 (calendar year 2021).   | ✓   | ✓   |  |   | ✓   | ✓   |   |
| 2.              | Answered 95.18% of 911 calls within ten (10) seconds (calendar year 2021).   |   | ✓   |  |   |   | ✓   |   |
| 3.              | Participated in over 75 community outreach events (calendar year 2021).  | ✓   |   |  |   | ✓   | ✓   |   |
| 4.              | Implemented a process to collect and report data in compliance with the Racial and Identity Profiling Act (RIPA).            |   |   |  |   |   | ✓   |   |
| 5.              | Deployed remote restraint devices.   | ✓   |   |  |   |   | ✓   |   |
| 6.              | Implemented a program to redirect youth offenders away from the juvenile justice system.                                     | ✓   |   |  |   |   | ✓   |   |
| 7.              | Developed a department policy to ensure compliance with Assembly Bill 481 (Military Equipment Funding, Acquisition and Use). |   |   |  |   |   | ✓   |   |
| 8.              | Implemented a traffic diversion program for juveniles and seniors.   | ✓   |   |  |   |   | ✓   |   |







|    | Initiatives   | Community Wellness and Open Space   | Economic Development and Job Growth   | Environment  | Governance & Administration   | Neighborhoods and Housing   | Public Safety   | Transportation and Transit  |
|----|---|---|---|--|---|---|---|---|
|    |   |  |  |  |  |  |  |  |
| 1. | Ensure average response times to emergency calls remains under three (3) minutes.   | ✓   | ✓   |  |   | ✓   | ✓   |   |
| 2. | Reduce Part 1 Uniform Crime Reporting and Index crimes* through prevention, deterrence, and enforcement efforts.  |   |   |  |   |   | ✓   |   |
| 3. | Ensure 95% of 911 calls are answered by a dispatcher within ten (10) seconds/ The state standard is 95% within fifteen (15) seconds.  |   | ✓   |  |   |   | ✓   |   |
| 4. | Host Community Engagement events (in-person, virtual) such as coffee with a cop, HOA community presentations, citizen academies, virtual book readings, and faith-based community meetings. | ✓   |   |  |   | ✓   | ✓   |   |
| 5. | Ensure 100% registration verification of known sex offenders.   |   |   |  |   | ✓   | ✓   |   |
| 6. | Conduct 15 directed enforcement events to improve traffic safety.   | ✓   |   |  |   | ✓   | ✓   | ✓   |
| 7. | Transition to the National Incident-Based Reporting System.   |   |   |  |   |   | ✓   |   |

\*Part 1 Uniform Crime Reporting and index crimes: murder, sex offenses, robbery, aggravated assault, burglary, motor vehicle theft, and arson.



## Performance and Workload Measures

| PERFORMANCE MEASURES  | Strategic Goals   | FY 19-20 Actual | FY 20-21 Actual | FY 21-22 Target | FY 21-22 Estimate | FY 22-23 Target |
|---|---|-----------------|-----------------|-----------------|-------------------|-----------------|
| Average response time to emergency calls (minutes)  |  | 2:37            | 2:43            | 2:45            | 2:56              | 2:50            |
| Part 1 Uniform Crime Reporting Index crimes (2% annual reduction target)                                  |  | 2,286           | 2,146           | 2,129           | 2,777             | 2,721           |
| Community Events: Coffee with a cop, HOA presentations, Citizen academies, faith-based community meetings |  | 14              | 11              | 11              | 11                | 11              |
| 9-1-1 calls answered by a dispatcher within ten (10) seconds*   |  | 96%             | 96%             | 96%             | 96%               | 96%             |
| Verification of known sex offenders   |  | 100%            | 100%            | 100%            | 100%              | 100%            |

| ACTIVITY AND WORKLOAD DATA                                      | Strategic Goals   | FY 19-20 Actual | FY 20-21 Actual | FY 21-22 Target | FY 21-22 Estimate | FY 21-22 Target |
|---|---|-----------------|-----------------|-----------------|-------------------|-----------------|
| Computer Aided Dispatch (CAD) system generated events           |   | 72,650          | 73,813          | 74,500          | 73,724            | 77,289          |
| Arrests reported to FBI (all crimes)                            |  | 1,807           | 1,893           | 2,100           | 1,887             | 1,884           |
| Citations issued  |  | 4,660           | 3,370           | 4,200           | 3,791             | 3,375           |
| Community presentations   |  | 64              | 81              | 80              | 61                | 67              |
| Number of unhoused/homeless persons contacted                   |  | 999             | 1,676           | 1,550           | 2,547             | 3,126           |
| Total hours spent on calls related to unhoused/homeless persons |  | 569             | 1,255           | 1,033           | 1,746             | 2,318           |

\*State standard is 95% within 15 seconds

## Budget Summary

| DOLLARS BY FUNCTION   | 2019-20<br>Actual   | 2020-21<br>Actual   | 2021-22<br>Adopted  | 2022-23<br>Adopted  | FY 2023<br>Change \$ | FY 2023<br>Change % |
|-----------------------|---------------------|---------------------|---------------------|---------------------|----------------------|---------------------|
| Communications        | \$3,420,887         | \$3,921,419         | \$4,093,208         | \$4,827,647         | \$734,439            | 17.9%               |
| Community Relations   | 697,122             | 719,892             | 878,718             | 1,055,901           | 177,183              | 20.2%               |
| Crossing Guards       | 358,278             | 65,082              | 513,444             | 512,946             | (498)                | (0.1)%              |
| Investigations        | 4,419,179           | 4,143,464           | 4,902,514           | 5,165,725           | 263,211              | 5.4%                |
| Patrol Services       | 19,807,169          | 20,526,802          | 19,210,118          | 21,543,922          | 2,333,804            | 12.1%               |
| Personnel & Training  | 641,674             | 650,221             | 546,825             | 602,806             | 55,981               | 10.2%               |
| Police Administration | 1,601,175           | 1,548,846           | 1,691,187           | 1,238,154           | (453,033)            | (26.8)%             |
| Records               | 1,747,344           | 1,346,700           | 1,559,043           | 1,501,086           | (57,957)             | (3.7)%              |
| Traffic               | 1,608,523           | 1,862,656           | 2,271,848           | 1,780,020           | (491,828)            | (21.6)%             |
| <b>TOTAL</b>          | <b>\$34,301,351</b> | <b>\$34,785,082</b> | <b>\$35,666,905</b> | <b>\$38,228,206</b> | <b>\$2,561,301</b>   | <b>7.2%</b>         |

| DOLLARS BY CATEGORY                 | 2019-20<br>Actual | 2020-21<br>Actual | 2021-22<br>Adopted | 2022-23<br>Adopted | FY 2023<br>Change \$ | FY 2023<br>Change % |
|-------------------------------------|-------------------|-------------------|--------------------|--------------------|----------------------|---------------------|
| <b>PERSONNEL SERVICES</b>           |                   |                   |                    |                    |                      |                     |
| <b>4111</b> Permanent Salaries      | \$17,106,838      | \$17,451,886      | \$18,538,251       | \$19,910,663       | \$1,372,412          | 7.4%                |
| <b>4112</b> Temporary Salaries      | 551,812           | 170,244           | 585,873            | 585,873            | 0                    | 0.0%                |
| <b>4113</b> Overtime                | 719,723           | 587,898           | 767,643            | 778,732            | 11,089               | 1.4%                |
| <b>4121</b> Allowances              | 145,544           | 141,478           | 139,250            | 143,532            | 4,282                | 3.1%                |
| <b>4124</b> Leave Cashout           | 496,058           | 1,351,629         | 0                  | 0                  | 0                    | 0.0%                |
| <b>4131</b> PERS                    | 8,725,809         | 8,656,246         | 9,333,231          | 10,092,630         | 759,399              | 8.1%                |
| <b>4132</b> Group Insurance         | 2,324,032         | 2,392,107         | 2,716,944          | 2,926,554          | 209,610              | 7.7%                |
| <b>4133</b> Medicare                | 267,668           | 285,723           | 279,253            | 299,276            | 20,023               | 7.2%                |
| <b>4135</b> Worker's Compensation   | 580,977           | 727,947           | 946,854            | 1,020,193          | 73,339               | 7.7%                |
| <b>4138</b> Deferred Comp-Employer  | 7,816             | 12,556            | 11,590             | 12,600             | 1,010                | 8.7%                |
| <b>4139</b> PARS                    | 5,586             | 1,114             | 8,297              | 7,666              | (631)                | (7.6)%              |
| <b>4141</b> Adjustments-Payroll     | 0                 | 0                 | 0                  | (160,000)          | (160,000)            | 0.0%                |
| <b>4146</b> Short Term Disability   | 0                 | 0                 | 1,082              | 4,282              | 3,200                | 295.7%              |
| <b>4161</b> Retiree Medical Reserve | 825,915           | 276,532           | 320,047            | 327,370            | 7,323                | 2.3%                |
| <b>sub-total</b>                    | <b>31,757,778</b> | <b>32,055,360</b> | <b>33,648,315</b>  | <b>35,709,371</b>  | <b>2,061,056</b>     | <b>6.1%</b>         |

|  |         |         |         |         |        |       |
|--|---------|---------|---------|---------|--------|-------|
| <b>SUPPLIES AND CONTRACTUAL SERVICES</b>     |         |         |         |         |        |       |
| <b>4200</b> Community Promotion, Grant/ Loan | 0       | 150     | 500     | 500     | 0      | 0.0%  |
| <b>4210</b> Department Allocations           | 617,268 | 660,966 | 614,780 | 681,999 | 67,219 | 10.9% |
| <b>4220</b> Supplies                         | 400,600 | 615,576 | 175,579 | 193,579 | 18,000 | 10.3% |

## Budget Narrative and Summary

| DOLLARS BY CATEGORY |                                 | 2019-20<br>Actual | 2020-21<br>Actual | 2021-22<br>Adopted | 2022-23<br>Adopted | FY 2023<br>Change \$ | FY 2023<br>Change % |
|---------------------|---------------------------------|-------------------|-------------------|--------------------|--------------------|----------------------|---------------------|
| 4230                | Services                        | 1,152,086         | 940,764           | 972,060            | 1,066,549          | 94,489               | 9.7%                |
| 4240                | Repair & Maintenance            | 34,911            | 20,406            | 33,769             | 34,950             | 1,181                | 3.5%                |
| 4410                | Communications                  | 16,896            | 17,753            | 18,000             | 18,000             | 0                    | 0.0%                |
| 4500                | Training, Travel, & Memberships | 179,247           | 121,021           | 143,901            | 156,091            | 12,190               | 8.5%                |
| sub-total           |                                 | 2,401,008         | 2,376,636         | 1,958,589          | 2,151,668          | 193,079              | 9.9%                |

### CAPITAL OUTLAY

|           |                              |              |              |              |              |             |        |
|-----------|------------------------------|--------------|--------------|--------------|--------------|-------------|--------|
| 4850      | Vehicles                     | 73,349       | 235,877      | 0            | 307,168      | 307,168     | 0.0%   |
| 4870      | Machinery and Equipment      | 0            | 0            | 0            | 0            | 0           | 0.0%   |
| 4910      | Office Furniture & Fixtures  | 68,426       | 111,611      | 0            | 0            | 0           | 0.0%   |
| 4920      | Machinery, Tools & Equipment | 790          | 5,598        | 60,000       | 60,000       | 0           | 0.0%   |
| sub-total |                              | 142,565      | 353,086      | 60,000       | 367,168      | 307,168     | 511.9% |
| TOTAL     |                              | \$34,301,351 | \$34,785,082 | \$35,666,904 | \$38,228,207 | \$2,561,303 | 7.2%   |

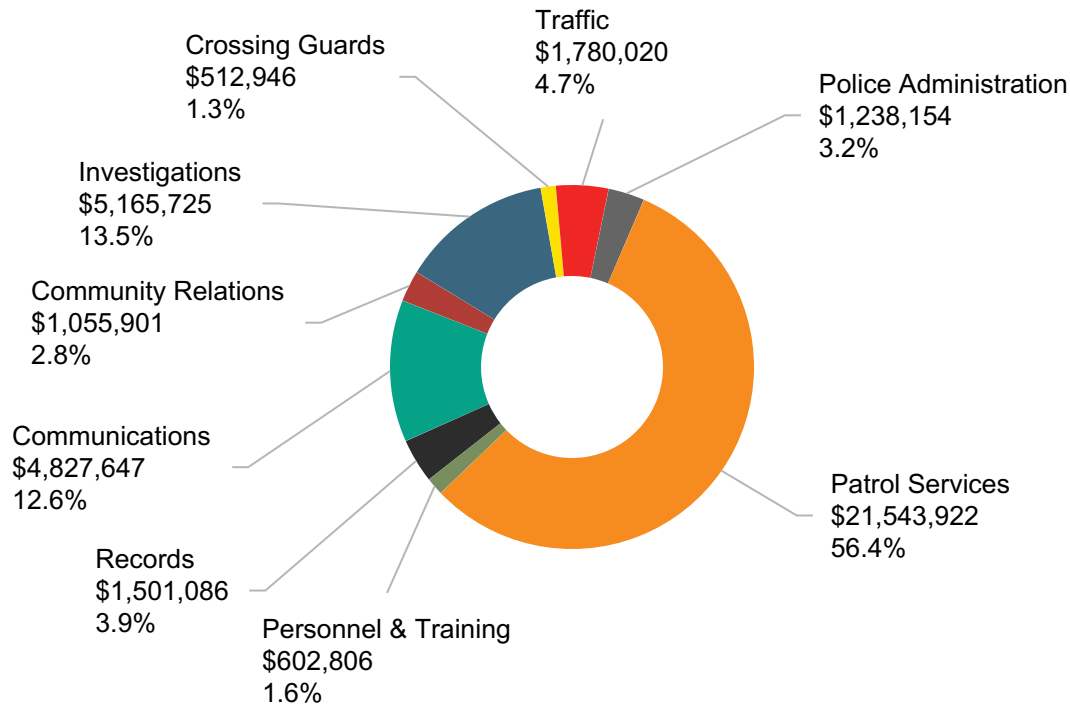
## Staffing

| POSITIONS BY FUNCTION | 2019-20<br>Adopted | 2020-21<br>Adopted | 2021-22<br>Adopted | 2022-23<br>Adopted | FY 2023<br>Change |
|-----------------------|--------------------|--------------------|--------------------|--------------------|-------------------|
| Communications        | 17.00              | 17.00              | 17.00              | 17.00              | 0.00              |
| Community Relations   | 2.00               | 3.00               | 3.00               | 3.00               | 0.00              |
| Crossing Guards       | 0.00               | 0.00               | 0.00               | 0.00               | 0.00              |
| Investigations        | 13.00              | 15.00              | 15.00              | 16.00              | 1.00              |
| Patrol Services       | 72.00              | 71.00              | 69.00              | 71.00              | 2.00              |
| Personnel & Training  | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Police Administration | 5.00               | 5.00               | 5.00               | 5.00               | 0.00              |
| Records               | 10.00              | 8.00               | 8.00               | 8.00               | 0.00              |
| Traffic               | 6.00               | 6.00               | 6.00               | 6.00               | 0.00              |
| TOTAL                 | 126.00             | 126.00             | 124.00             | 127.00             | 3.00              |

| POSITIONS                          | 2019-20<br>Adopted | 2020-21<br>Adopted | 2021-22<br>Adopted | 2022-23<br>Adopted | FY 2023<br>Change |
|------------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------|
| Assistant Police Chief             | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Chief of Police                    | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Communications Dispatch Supervisor | 3.00               | 3.00               | 3.00               | 3.00               | 0.00              |
| Communications Dispatcher          | 12.00              | 12.00              | 12.00              | 12.00              | 0.00              |
| Community Service Officer          | 4.00               | 4.00               | 4.00               | 4.00               | 0.00              |

| POSITIONS                   | 2019-20<br>Adopted | 2020-21<br>Adopted | 2021-22<br>Adopted | 2022-23<br>Adopted | FY 2023<br>Change |
|-----------------------------|--------------------|--------------------|--------------------|--------------------|-------------------|
| Crime Analyst               | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Executive Assistant         | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Executive Secretary         | 0.00               | 0.00               | 0.00               | 0.00               | 0.00              |
| Office Specialist           | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Patrol Officer              | 3.00               | 0.00               | 0.00               | 0.00               | 0.00              |
| Police Captain              | 3.00               | 3.00               | 3.00               | 3.00               | 0.00              |
| Police Clerk II             | 6.00               | 6.00               | 6.00               | 6.00               | 0.00              |
| Police Clerk Supervisor     | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Police Evidence Technician  | 2.00               | 2.00               | 2.00               | 3.00               | 1.00              |
| Police Lieutenant           | 4.00               | 4.00               | 4.00               | 4.00               | 0.00              |
| Police Management Analyst   | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Police Officer              | 68.00              | 71.00              | 69.00              | 71.00              | 2.00              |
| Police Sergeant             | 13.00              | 13.00              | 13.00              | 13.00              | 0.00              |
| Police Support Services Mgr | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| <b>Total Positions</b>      | <b>126.00</b>      | <b>126.00</b>      | <b>124.00</b>      | <b>127.00</b>      | <b>3.00</b>       |



## Expenditures by Function






## Budget Reconciliation



|  | Positions     | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |
|--|---------------|---------------------------|-------------------------|-----------------------|
| <b>PRIOR YEAR BUDGET</b>   | <b>124.00</b> | <b>\$35,606,904</b>       | <b>\$60,000</b>         | <b>\$35,666,904</b>   |
| <b>One-Time Prior Year Budget Adjustments</b>                                    |               |                           |                         |                       |
| Restore 2.0 Police Officers (8/9/2021)   | 2.00          | 109,568                   |                         | 109,568               |
| 4th of July, 2021 Savings - Police   |               | 11,089                    |                         | 11,089                |
| <b>One-Time Prior Year Budget Adjustments</b>                                    | <b>2.00</b>   | <b>120,657</b>            | <b>0</b>                | <b>120,657</b>        |
| <b>Adjustments to Costs of Ongoing Activities</b>                                |               |                           |                         |                       |
| Salary and Benefits  |               | 1,793,597                 |                         | 1,793,597             |
| Equipment Replacement Amortization   |               | 67,219                    |                         | 67,219                |
| Silicon Valley Regional Interoperability Authority (SVRIA) Operation Maintenance |               | 17,173                    |                         | 17,173                |
| Ammunition Cost Increase   |               | 13,000                    |                         | 13,000                |
| Non-Personnel Expenditure Alignment to Historical Trend                          |               | 36,399                    | 233,003                 | 269,402               |
| Police Vehicle Replacement   |               | 74,165                    |                         | 74,165                |
| <b>Adjustments to Costs of Ongoing Activities</b>                                | <b>0.00</b>   | <b>2,001,553</b>          | <b>233,003</b>          | <b>2,234,556</b>      |
| <b>Total FY2022-23 Base Budget</b>   | <b>126.00</b> | <b>37,729,114</b>         | <b>293,003</b>          | <b>38,022,117</b>     |
| <b>Service Level Changes</b>   |               |                           |                         |                       |
| Police Property Evidence Unit Staffing (1 FTE)                                   | 1.00          | 136,855                   |                         | 136,855               |
| Wellness Services Enhancement  |               | 30,000                    |                         | 30,000                |
| Axon Taser Upgrade   |               | 39,235                    |                         | 39,235                |
| <b>Total Service Level Changes</b>   | <b>1.00</b>   | <b>206,090</b>            | <b>0</b>                | <b>206,090</b>        |
| <b>Total FY 2022-23 Budget</b>   | <b>127.00</b> | <b>\$37,935,204</b>       | <b>\$293,003</b>        | <b>\$38,228,207</b>   |

## Service Level Changes

|   | Positions   | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |
|---|---|---------------------------|-------------------------|-----------------------|
| <b>1. Police Property Evidence Unit Staffing</b>                                  | <b>1.00</b>   | <b>\$136,855</b>          | <b>\$0</b>              | <b>\$136,855</b>      |
|  | <p>This action adds 1.0 Police Evidence Technician in response to increasing workload in the Property Evidence Unit (PEU). The PEU is responsible for receiving, documenting, storing, managing, and maintaining the integrity and security of the property and evidence retained by the Milpitas Police Department. The primary job functions include but are not limited to: intake, custody/control, disposition, discovery requests, property returns, report processing, crime lab submissions, and purging evidence/property. As the City grew, new residential and business developments have led to increases in call volume and evidence collection. In addition, technological advances have also led to an increase in discovery requests since more digital, audio, and Body Worn Camera footage is available. As a short-term solution, additional staff have been temporarily assigned to the PEU to mitigate the increased workload. However, best practices suggest physical access to property and evidence storage areas should be limited to Police Evidence Technicians and supervisors only. As such, an additional Police Evidence Technician is necessary to ensure performance of the department.</p> |                           |                         |                       |
| <b>Performance Impact</b>   |  <p>The addition of 1.0 Police Evidence Technician is expected to result in reduced processing time, increased capacity in volume of evidence processed and contribution to the efficient function of the department.</p>  |                           |                         |                       |
| <b>Mitigation</b>   | <p>If not funded, the PEU would not function as efficiently; there would be a delay in the processing of evidence items internally (intake, cataloging, safe storage, purging, etc.), externally (prepping evidence items for forensic analysis, releasing of property to owners, etc.), and for judicial proceedings (discovery requests). Without the additional Police Evidence Technician, other staff may need to be temporarily reassigned to assist solely with the weekly demand of discovery requests, conflicting with best practices. In addition, one of the two current Police Evidence Technicians would spend the majority, if not all, of their work week processing discovery requests, thereby leaving the remaining Police Evidence Technician to handle the day-to-day operations of the unit which will hamper the efficiency of the unit as well.</p>   |                           |                         |                       |

|   | Positions  | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |
|---|--|---------------------------|-------------------------|-----------------------|
| 2. Wellness Services Enhancement  | 0.00   | \$30,000                  | \$0                     | \$30,000              |
|    | This action funds additional wellness services for the Police Department staff. The Milpitas Police Department is a full-service police department that consists of 93 sworn and 33 non-sworn positions, serving a population of over 80,000 residents. In addition, officers respond to almost 20,000 emergency calls for service per calendar year, including several critical and traumatic incidents (such as recent homicide and child death cases, for example). Law enforcement personnel, both sworn and non-sworn, experience a range of daily stressors within the course of their work, highlighting the need for direct and continuous support for their mental and physical well-being. Research indicates that mental and physical health directly impacts job performance, thus dedicated wellness funding will impact our employees' ability to effectively serve the community. This proposal enhances our existing Peer Support and Employee Wellness Program by implementing additional wellness resources for staff, such as attending Post-Traumatic Stress Retreats and providing an on-call mental health clinician for those seeking help and for post-critical incident debriefs. |                           |                         |                       |
| Performance Impact  |    |                           |                         |                       |
| This funding will contribute to a more proactive approach to employee wellness, thus helping to ensure our staff can continue providing a high level of service to the community. This proposed increase aims not to only enhance our current wellness services provided to employees, such as peer support and Cordico, but is also intended to promote a wellness culture throughout the entire department. Funding is requested for mental health wellness retreats and a dedicated clinician, upon employee request and for post-critical incident debriefs, to provide those in need with an educational experience designed to help staff recognize signs and symptoms of work related stress and to build the skills necessary to cope with stressors, establish better social support, increase self-understanding and improve overall quality of life through wellness based approaches. |  |                           |                         |                       |
| Mitigation  |  |                           |                         |                       |
| If this action is not funded, the department will not have dedicated funding to support the ongoing need for the aforementioned wellness services.  |  |                           |                         |                       |



|  | Positions  | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |           |
|--|--|---------------------------|-------------------------|-----------------------|-----------|
| 3. Axon Taser Upgrade  | 0.00   | \$39,235                  | \$0                     | \$39,235              |           |
|   | This action adds additional funding to Axon Enterprises contractual services to upgrade the current Taser X26P to Taser 7 model. The department currently issues Axon Enterprise, Inc. body worn cameras and conducted energy weapons to sworn personnel and subscribes to their cloud-based digital evidence management system for data storage, items critical to operations. Conducted energy weapons have been part of Milpitas Police officers’ daily equipment for 25+ years and are an integral tool that provide officers with a less than lethal force option, reducing risk of injury to officers and suspects. The Department has issued the Taser X26P model to all sworn officers for 10+ years. Due to advancing technology, Axon Enterprise, Inc. developed the Taser 7 model and will not support the currently issued model, anymore. The Taser 7 model offers enhancements including close-range optimization, more effective connection, enhanced inventory and data management, daylight laser, improved ergonomic design, and more. |                           |                         |                       |           |
| Performance Results:   |   |                           |                         |                       |           |
| The upgrade to Taser 7 model will give officers the confidence to de-escalate dangerous situations due to the noted enhancements thereby potentially reducing the risk of injury to suspects and officers. Consequently, this action can yield cost savings for the City in injury claims and litigation.  |  |                           |                         |                       |           |
| Impact if funding is not approved  |  |                           |                         |                       |           |
| If this action is not funded, the department would continue to use the Taser X26P model, which will no longer be supported by Axon Enterprises in the next five years. This would leave the department with an aging less than lethal tool for which replacement parts will become difficult to acquire. As a result, the new Taser 7 conducted energy weapons would need to be purchased as replacements as needed, therefore creating a familiarity issue with officers as there would be two different models of conducted energy weapons issued to sworn personnel. The purchase of Taser 7 conducted energy weapons out of contract will incur a price increase in the per unit cost, as the intent of the bundled pricing model from Axon Enterprises, Inc. is to provide one set price. Purchasing hardware out of contract will cause additional staff work as there will be new items purchased on a different billing and warranty cycle than the original contract purchase. The police department’s continued use of outdated technology may increase the likelihood of device failure during a critical incident, which may result in injury to suspects and/or officers and the City’s exposure to potential litigation. |  |                           |                         |                       |           |
| Total Service Level Changes  |  | 1.00                      | \$206,090               | \$0                   | \$206,090 |



# Public Works

**Director:** Tony Ndah

## Mission Statement

The Public Works Department is committed to enhancing the quality of life and ensuring public health and safety in the community. We are defined by our responsiveness to the public and our commitment to provide excellent customer service, which includes quality and responsive service and resources to operate and maintain the City's infrastructure in a safe, timely, and efficient manner.

## Description

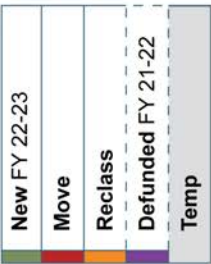
The Public Works Department operates and maintains the City's infrastructure and facilities, including public streets, utilities, parks, street landscaping, City vehicles, and City buildings. The Department also oversees and implements key environmental services and sustainability programs, including the Climate Action Plan, solid waste program and regulatory compliance. The ten functional areas of the Department are Administration, Streets Maintenance, Utility Engineering, Utility Operations and Maintenance, Park Maintenance, Trees and Landscape Maintenance, Fleet Maintenance, Facilities Maintenance, Environmental Compliance and Sustainability, and Solid Waste.



### Services

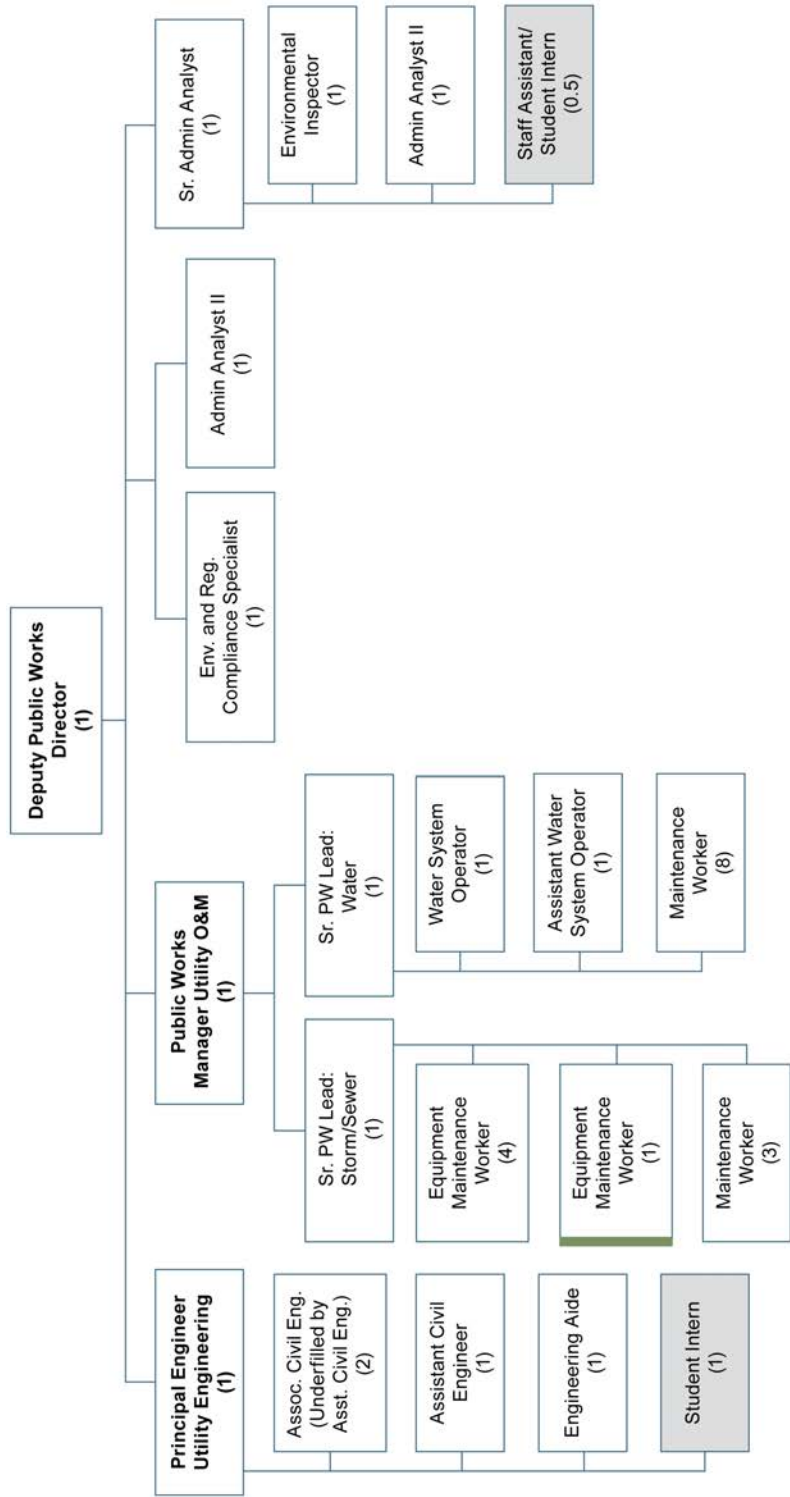
- Provides management, direction and coordination for the operation, maintenance, and repair of City infrastructure and equipment assets.
- Controls and manages department budgets, including large/complex projects and contracts; implements improvements to operations of department functions and formulates policies and procedures; and administers department training and safety programs.
- Maintains the City's traffic signal system, street signs, street lights, paved roadways, and pavement markings in accordance with the Clean & Safe Streets program and State Code requirements.
- Provides sidewalk repair, right-of-way weed abatement, and debris and graffiti removal.
- Operates and maintains the water distribution system, including 206 miles of water lines, 4 pumping stations, 5 storage reservoirs, and numerous pressure valves regulating 7 pressure zones, to deliver 11 million gallons per day of potable water to approximately 15,688 accounts.
- Provides asset management and engineering support to ensure compliance with regulatory permits for the City's water, sewer, and stormwater systems.
- Operates and maintains the sewer collection system, including 175 miles of sewer lines and 2 pumping stations to discharge 14.25 million gallons per day to the San Jose/Santa Clara Regional Wastewater Facility.
- Operates and maintains the stormwater collection system, including 105 miles of storm pipe and 13 pump stations to convey storm water to local creeks.
- Manages the City's sustainability and environmental programs including climate action, solid waste, stormwater management, and compliance with state, federal and local environmental regulations.
- Provides park maintenance for more than 190 acres of parkland, including playgrounds, picnic areas, athletic fields, pathways, landscaping, park restrooms, park trees, lagoons, and parking lots.
- Maintains more than 17,500 trees and 130 acres of median landscaping, including City tree planting and pruning, trails, and litter control.
- Maintains and repairs City vehicles and motorized equipment, including police vehicles, fire apparatus, construction equipment, mowers, and communication radios.
- Maintains 368,150 square feet of City buildings and grounds, including building systems (plumbing, electrical, heating, air conditioning, ventilation, and backup power); sets up rooms for rental groups and meetings; and provides custodial services.














Public Works Department










|                   |
|-------------------|
| New FY 22-23      |
| Move              |
| Reclass           |
| Defunded FY 21-22 |
| Temp              |











|                     |
|---------------------|
| Permanent FTE (81)  |
| Temporary FTE (4.5) |











| Accomplishments |   | Community<br>Wellness and<br>Open Space   | Economic<br>Development<br>and Job Growth   | Environment  | Governance &<br>Administration  | Neighborhoods<br>and Housing  | Public Safety   | Transportation<br>and Transit   |
|-----------------|---|---|---|--|---|---|---|---|
|                 |   |  |  |  |  |  |  |  |
| 1.              | Implemented Council approved Energy and Water Savings program measures for water meter, water fixtures, lighting, and solar resiliency at Senior Center and Community Center. | ✓   |   | ✓  | ✓   |   | ✓   |   |
| 2.              | Started construction of Main Lift Odor Emissions Control Project at the Main Lift Pump Station.   | ✓   |   | ✓  | ✓   |   |   |   |
| 3.              | Implemented Council approved water conservation measures and programs to meet conservation targets per State and City Ordinance.  | ✓   |   | ✓  | ✓   |   |   |   |
| 4.              | Implemented Council approved dumpster days and pilot voucher program for solid waste.   | ✓   |   | ✓  |   |   |   |   |
| 5.              | Implemented Council approved Street Sweeping Pilot Program.   | ✓   |   | ✓  |   |   |   |   |
| 6.              | Completed upgrades to Advanced Traffic Management System facility.  |   |   |  |   |   | ✓   | ✓   |
| 7.              | Completed leak detection of 25 miles of underground waterlines in the City and performed non-destructive condition assessment of 2 miles of high-risk water pipelines.        | ✓   |   | ✓  | ✓   |   |   |   |
| 8.              | Launched citywide motor pool service.   |   |   |  | ✓   |   |   | ✓   |
| 9.              | Completed park renovations at Dixon Landing sports field and snack shack.   | ✓   |   |  |   |   |   |   |



| Initiatives |   | Community Wellness and Open Space   | Economic Development and Job Growth   | Environment  | Governance & Administration   | Neighborhoods and Housing   | Public Safety   | Transportation and Transit  |
|-------------|---|---|---|--|---|---|---|---|
|             |   |  |  |  |  |  |  |  |
| 1.          | Finalize Financial Utility Master Plan and Adopt Final Master Plans for Water, Sewer, and Storm for Council consideration, implement capital projects and programs based on recommendations of the Utility Master Plans, and complete construction of the emissions odor control project at Main Lift Sewer Pump Station. | ✓   |   | ✓  |   |   | ✓   |   |
| 2.          | Finalize SCADA portion of Council approved energy and water savings projects and transition to measurement and verification of savings achieved.  | ✓   |   | ✓  | ✓   |   |   |   |
| 3.          | Complete update of the Climate Action Plan and begin implementation strategies and measures to meet the City's sustainability goals.  | ✓   |   | ✓  | ✓   |   |   |   |
| 4.          | Sequence and schedule maintenance activities to achieve 70% completion rate of preventive maintenance versus reactive maintenance. Refine asset management programs to ensure the City's assets and infrastructure are updated and well maintained.   |   |   |  | ✓   |   | ✓   |   |
| 5.          | Conduct route inspection and outreach to businesses and multi-family properties to add organics collection services in compliance with SB 1383.   | ✓   |   | ✓  | ✓   |   |   |   |
| 6.          | Execute design services contract to convert city medians to low water and low maintenance landscapes.   | ✓   |   | ✓  |   |   |   |   |
| 7.          | Implement improvements to City's traffic control systems to improve mobility and communication with City's Advanced Traffic Management System.  |   |   |  | ✓   |   | ✓   | ✓   |
| 8.          | Implement capital projects based on Parks Master Plan.  | ✓   |   |  |   |   |   |   |
| 9.          | Right sizing of City fleet to ensure efficient use and implementation of green fleet in support of the climate action plan.   |   |   | ✓  | ✓   |   |   |   |
| 10.         | Implement Facilities CIPs for HVAC to replace aging infrastructure and improve comfort of staff working in City buildings.  |   |   |  | ✓   |   |   |   |

## Performance and Workload Measures

| PERFORMANCE MEASURES  | Strategic Goals   | FY 19-20 Actual | FY 20-21 Actual | FY 21-22 Target | FY 21-22 Estimate | FY 22-23 Target |
|---|---|-----------------|-----------------|-----------------|-------------------|-----------------|
| Customers surveyed that are satisfied with facility maintenance services                                |    | N/A             | 90%             | 90%             | 90%               | 90%             |
| Up-time for City vehicles and equipment   |    | N/A             | 98%             | 95%             | 95%               | 95%             |
| Graffiti incidents removed in 10 days   |    | 19%             | 52%             | 90%             | 90%               | 90%             |
| Water samples meeting or surpassing State and Federal water quality standards                           |    | 100%            | 100%            | 100%            | 100%              | 100%            |
| Utility capital projects completed on schedule and within budget in accordance with work plan milestone |    | N/A             | N/A             | 80%             | 100%              | 80%             |
| Reduction in community-wide greenhouse gas (GHG) emissions below baseline                               |    | 19%             | 15%             | 15%             | 20%               | 22%             |
| Users rating parks in good or better condition  |    | N/A             | N/A             | 80%             | 85%               | 80%             |
| Regulatory compliance items completed on-time   |   | N/A             | N/A             | 100%            | 100%              | 100%            |
| Stormwater permit requirements completed on-time  |  | N/A             | N/A             | 100%            | 100%              | 100%            |
| Total work orders closed out within one month or less   |  | N/A             | N/A             | 80%             | 80%               | 80%             |

| ACTIVITY AND WORKLOAD DATA   | Strategic Goals   | FY 19-20 Actual | FY 20-21 Actual | FY 21-22 Target | FY 21-22 Estimate | FY 22-23 Target |
|--|---|-----------------|-----------------|-----------------|-------------------|-----------------|
| Signs repaired   |    | 279             | 812             | 600             | 600               | 600             |
| Acreage of Weed Abatement*   |    | N/A             | N/A             | N/A             | N/A               | N/A             |
| Number of fleet work orders received for service                                       |    | 1,486           | N/A             | 1,200           | 1,800             | 1,800           |
| Number of Facilities work orders received for service*                                 |    | N/A             | N/A             | N/A             | N/A               | N/A             |
| Water distribution pipelines cleaned (linear feet)                                     |    | N/A             | N/A             | 208,000         | 106,000           | 165,000         |
| Sanitary sewer pipelines cleaned (linear feet)   |    | 528,051         | 549,693         | 360,000         | 360,000           | 260,000         |
| Number of calls received by DPW Customer Service                                       |    | 12,500          | 8,209           | 10,000          | 10,000            | 10,000          |
| Number of large item pick-ups completed  |   | N/A             | N/A             | 2,735           | 2,735             | 2,735           |
| Number of solid waste customer service calls   |  | N/A             | N/A             | 15,900          | 15,900            | 15,900          |
| Number of participants who submitted rebates and attended water conservation workshops |  | N/A             | N/A             | 610             | 460               | 500             |

\*New performance measures added for FY22-23.

## Budget Summary

| DOLLARS BY FUNCTION              | 2019-20<br>Actual   | 2020-21<br>Actual   | 2021-22<br>Adopted  | 2022-23<br>Adopted  | FY 2023<br>Change \$ | FY 2023<br>Change % |
|----------------------------------|---------------------|---------------------|---------------------|---------------------|----------------------|---------------------|
| Compliance                       | \$455,473           | \$734,121           | \$778,664           | \$811,752           | \$33,088             | 4.2%                |
| Facilities Maintenance           | 2,827,880           | 2,692,318           | 2,625,111           | 2,789,838           | 164,727              | 6.3%                |
| Fleet Maintenance                | 1,759,771           | 1,867,295           | 1,858,936           | 2,071,181           | 212,245              | 11.4%               |
| Park Maintenance                 | 1,460,124           | 1,447,147           | 1,789,492           | 1,742,849           | (46,643)             | (2.6)%              |
| Public Works Administration      | 2,462,239           | 2,361,014           | 2,637,517           | 3,697,063           | 1,059,546            | 40.2%               |
| Solid Waste                      | 143,745             | 503,090             | 895,969             | 848,393             | (47,576)             | (5.3)%              |
| Street Maintenance               | 1,660,372           | 2,040,701           | 2,062,846           | 2,334,159           | 271,313              | 13.2%               |
| Trees & Landscape<br>Maintenance | 1,751,260           | 2,011,098           | 2,176,008           | 2,656,952           | 480,944              | 22.1%               |
| Utility Engineering              | 1,286,140           | 1,123,341           | 1,310,693           | 1,326,930           | 16,237               | 1.2%                |
| Utility Maintenance              | 5,024,844           | 5,387,131           | 4,266,369           | 4,990,587           | 724,218              | 17.0%               |
| <b>TOTAL</b>                     | <b>\$18,831,848</b> | <b>\$20,167,256</b> | <b>\$20,401,605</b> | <b>\$23,269,699</b> | <b>\$2,868,094</b>   | <b>14.1%</b>        |

| DOLLARS BY CATEGORY          | 2019-20<br>Actual | 2020-21<br>Actual | 2021-22<br>Adopted | 2022-23<br>Adopted | FY 2023<br>Change \$ | FY 2023<br>Change % |
|------------------------------|-------------------|-------------------|--------------------|--------------------|----------------------|---------------------|
| <b>PERSONNEL SERVICES</b>    |                   |                   |                    |                    |                      |                     |
| 4111 Permanent Salaries      | \$6,164,918       | \$7,138,713       | \$7,853,825        | \$8,780,885        | \$927,060            | 11.8%               |
| 4112 Temporary Salaries      | 261,651           | 138,322           | 277,554            | 277,554            | 0                    | 0.0%                |
| 4113 Overtime                | 259,622           | 297,404           | 288,950            | 307,300            | 18,350               | 6.4%                |
| 4119 Adjustments-Payroll     | 0                 | 0                 | 0                  | 0                  | 0                    | 0.0%                |
| 4121 Allowances              | 124,728           | 128,389           | 30,284             | 29,424             | (860)                | (2.8)%              |
| 4122 Standby Pay MEA         | 0                 | 0                 | 123,682            | 123,682            | 0                    | 0.0%                |
| 4124 Leave Cashout           | 208,850           | 198,304           | 0                  | 0                  | 0                    | 0.0%                |
| 4125 Accrued Leave           | (6,266)           | 211,699           | 0                  | 0                  | 0                    | 0.0%                |
| 4126 Stipend MEA             | 995               | 350               | 0                  | 0                  | 0                    | 0.0%                |
| 4131 PERS                    | 2,420,301         | 2,378,507         | 2,644,682          | 2,677,328          | 32,646               | 1.2%                |
| 4132 Group Insurance         | 1,190,711         | 1,357,738         | 1,553,759          | 1,731,990          | 178,231              | 11.5%               |
| 4133 Medicare                | 101,090           | 115,417           | 118,544            | 128,740            | 10,196               | 8.6%                |
| 4135 Worker's Compensation   | 37,610            | 58,366            | 65,331             | 182,619            | 117,288              | 179.5%              |
| 4138 Deferred Comp-Employer  | 14,945            | 15,480            | 17,222             | 18,001             | 779                  | 4.5%                |
| 4139 PARS                    | 3,838             | 2,072             | 4,674              | 4,674              | 0                    | 0.0%                |
| 4146 Short Term Disability   | 0                 | 0                 | 6,219              | 22,132             | 15,913               | 255.9%              |
| 4161 Retiree Medical Reserve | 347,224           | 87,273            | 93,189             | 98,937             | 5,748                | 6.2%                |
| <b>sub-total</b>             | <b>11,130,217</b> | <b>12,128,034</b> | <b>13,077,915</b>  | <b>14,414,567</b>  | <b>1,336,652</b>     | <b>10.2%</b>        |

| DOLLARS BY CATEGORY                      |                                     | 2019-20<br>Actual   | 2020-21<br>Actual   | 2021-22<br>Adopted  | 2022-23<br>Adopted  | FY 2023<br>Change \$ | FY 2023<br>Change % |
|--|-------------------------------------|---------------------|---------------------|---------------------|---------------------|----------------------|---------------------|
| <b>SUPPLIES AND CONTRACTUAL SERVICES</b> |                                     |                     |                     |                     |                     |                      |                     |
| 4200                                     | Community Promotion, Grant/<br>Loan | 8,806               | 24,268              | 236,500             | 155,840             | (80,660)             | (34.1)%             |
| 4210                                     | Department Allocations              | 936,272             | 990,101             | 962,543             | 875,091             | (87,452)             | (9.1)%              |
| 4220                                     | Supplies                            | 1,219,674           | 1,625,084           | 1,288,294           | 1,521,255           | 232,961              | 18.1%               |
| 4230                                     | Services                            | 3,969,752           | 4,094,884           | 4,053,289           | 5,211,276           | 1,157,987            | 28.6%               |
| 4240                                     | Repair & Maintenance                | 534,346             | 250,160             | 261,100             | 276,196             | 15,096               | 5.8%                |
| 4410                                     | Communications                      | 7,769               | 9,963               | 21,120              | 21,120              | 0                    | 0.0%                |
| 4420                                     | Utilities                           | 168,410             | 232,988             | 239,527             | 247,945             | 8,418                | 3.5%                |
| 4500                                     | Training, Travel, &<br>Memberships  | 87,570              | 43,218              | 221,315             | 226,865             | 5,550                | 2.5%                |
| <b>sub-total</b>                         |                                     | <b>6,932,599</b>    | <b>7,270,666</b>    | <b>7,283,688</b>    | <b>8,535,588</b>    | <b>1,251,900</b>     | <b>17.2%</b>        |
| <b>CAPITAL OUTLAY</b>                    |                                     |                     |                     |                     |                     |                      |                     |
| 4850                                     | Vehicles                            | 574,816             | 62,543              | 0                   | 259,532             | 259,532              | 0.0%                |
| 4870                                     | Machinery and Equipment             | 32,743              | 680,645             | 0                   | 20,017              | 20,017               | 0.0%                |
| 4920                                     | Machinery, Tools & Equipment        | 0                   | 10,047              | 0                   | 0                   | 0                    | 0.0%                |
| 4930                                     | Hydrants and Meters                 | 161,473             | 15,321              | 40,000              | 40,000              | 0                    | 0.0%                |
| <b>sub-total</b>                         |                                     | <b>769,032</b>      | <b>768,556</b>      | <b>40,000</b>       | <b>319,549</b>      | <b>279,549</b>       | <b>698.9%</b>       |
| <b>TOTAL</b>                             |                                     | <b>\$18,831,848</b> | <b>\$20,167,256</b> | <b>\$20,401,603</b> | <b>\$23,269,699</b> | <b>\$2,868,102</b>   | <b>14.1%</b>        |

## Staffing

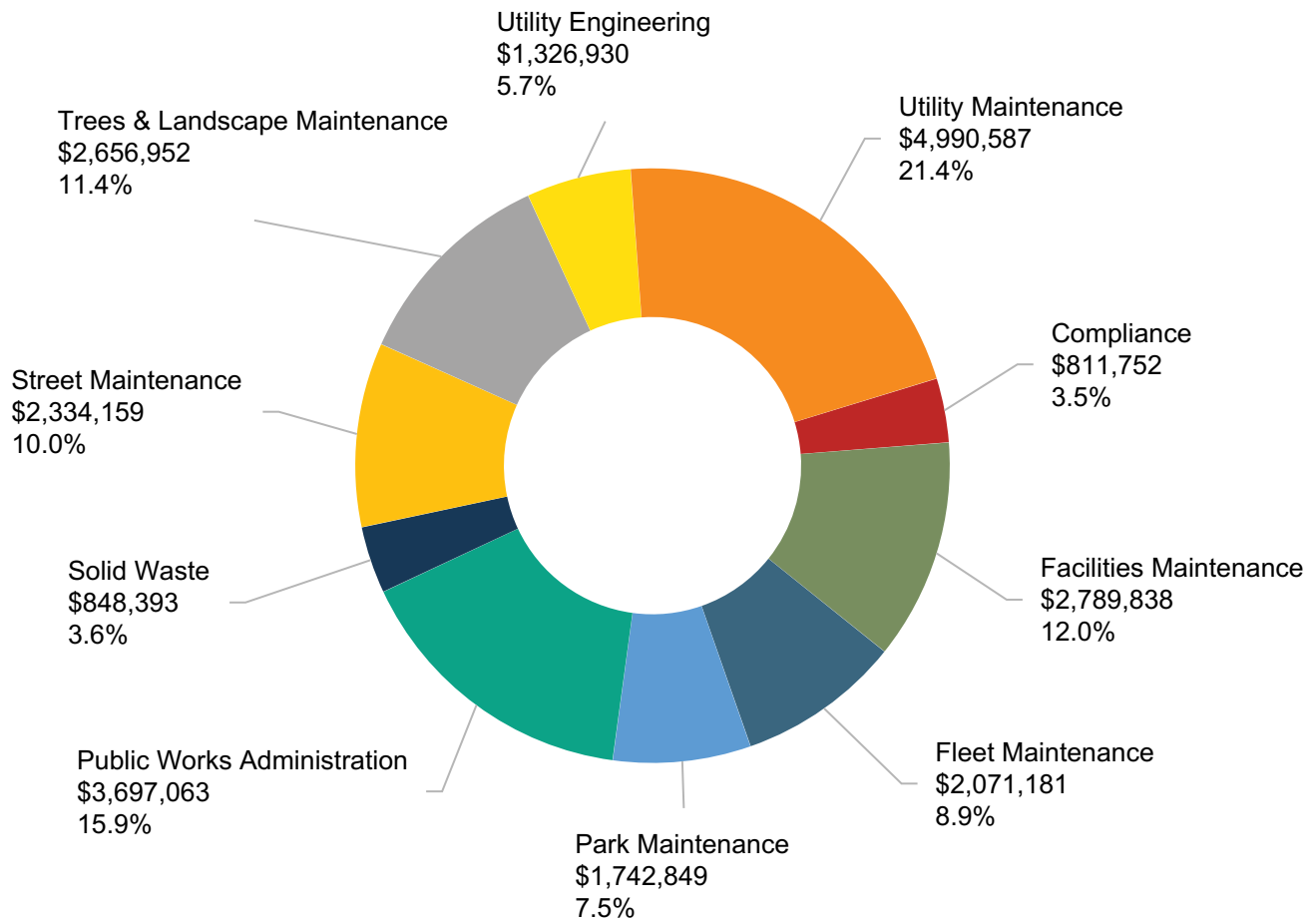
| POSITIONS BY FUNCTION            | 2019-20<br>Adopted | 2020-21<br>Adopted | 2021-22<br>Adopted | 2022-23<br>Adopted | FY 2023<br>Change |
|----------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------|
| Compliance                       | 2.00               | 2.00               | 2.00               | 2.00               | 0.00              |
| Facilities Maintenance           | 10.00              | 12.00              | 11.00              | 11.00              | 0.00              |
| Fleet Maintenance                | 5.00               | 5.00               | 5.00               | 5.00               | 0.00              |
| Public Works Administration      | 10.00              | 10.00              | 10.00              | 10.00              | 0.00              |
| Solid Waste                      | 3.00               | 3.00               | 3.00               | 3.00               | 0.00              |
| Street Maintenance               | 10.00              | 10.00              | 11.00              | 14.00              | 3.00              |
| Trees & Landscape<br>Maintenance | 8.00               | 8.00               | 8.00               | 11.00              | 3.00              |
| Utility Engineering              | 5.00               | 5.00               | 5.00               | 5.00               | 0.00              |
| Utility Maintenance              | 20.00              | 20.00              | 19.00              | 20.00              | 1.00              |
| <b>TOTAL</b>                     | <b>73.00</b>       | <b>75.00</b>       | <b>74.00</b>       | <b>81.00</b>       | <b>7.00</b>       |

\*1.0 Equipment Maintenance Worker II is defunded.

| POSITIONS                             | 2019-20<br>Adopted | 2020-21<br>Adopted | 2021-22<br>Adopted | 2022-23<br>Adopted | FY 2023<br>Change |
|---------------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------|
| Administrative Analyst I              | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Administrative Analyst II             | 2.00               | 2.00               | 2.00               | 2.00               | 0.00              |
| Assistant Civil Engineer              | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Assistant Water Operator              | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Associate Civil Engineer              | 2.00               | 2.00               | 2.00               | 2.00               | 0.00              |
| Deputy Public Works Director          | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Engineering Aide                      | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Envir & Regulatory Compliance<br>Spec | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Environmental Inspector               | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Equipment Maint Worker II*            | 4.00               | 4.00               | 3.00               | 3.00               | 0.00              |
| Equipment Maint Worker III            | 5.00               | 5.00               | 4.00               | 5.00               | 1.00              |
| Fleet Maintenance Worker II           | 3.00               | 3.00               | 3.00               | 3.00               | 0.00              |
| Fleet Maintenance Worker III          | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Maintenance Custodian II              | 3.00               | 4.00               | 4.00               | 4.00               | 0.00              |
| Maintenance Custodian III             | 1.00               | 2.00               | 2.00               | 2.00               | 0.00              |
| Maintenance Worker I                  | 3.00               | 3.00               | 3.00               | 5.00               | 2.00              |
| Maintenance Worker II                 | 16.00              | 16.00              | 16.00              | 16.00              | 0.00              |
| Maintenance Worker III                | 9.00               | 9.00               | 10.00              | 10.00              | 0.00              |
| Maintenance Assistant                 | 0.00               | 0.00               | 0.00               | 4.00               | 4.00              |
| Office Assistant II                   | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Office Specialist                     | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Principal Civil Engineer              | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Public Works Director                 | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Public Works Manager                  | 3.00               | 3.00               | 3.00               | 3.00               | 0.00              |
| Senior Administrative Analyst         | 3.00               | 3.00               | 3.00               | 3.00               | 0.00              |
| Senior Public Works Lead              | 6.00               | 6.00               | 6.00               | 6.00               | 0.00              |
| Water System Operator                 | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| <b>Total Positions</b>                | <b>73.00</b>       | <b>75.00</b>       | <b>74.00</b>       | <b>81.00</b>       | <b>7.00</b>       |

\*1.0 Equipment Maintenance Worker II is defunded.

## Expenditures by Function






## Budget Reconciliation





|  | Positions    | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |
|--|--------------|---------------------------|-------------------------|-----------------------|
| <b>PRIOR YEAR BUDGET</b>                           | <b>74.00</b> | <b>\$8,789,057</b>        | <b>\$11,612,547</b>     | <b>\$20,401,604</b>   |
| <b>One-Time Prior Year Budget Adjustments</b>      |              |                           |                         |                       |
| Wet Well Cleaning Deferral (One-Time)              |              | 62,440                    |                         | 62,440                |
| 4th of July 2021 Savings - Public Works (One-Time) |              | 21,000                    |                         | 21,000                |
| Water Quality Dechlorination (One-Time)            |              |                           | (54,000)                | (54,000)              |
| <b>One-Time Prior Year Budget Adjustments</b>      | <b>0.00</b>  | <b>83,440</b>             | <b>(54,000)</b>         | <b>29,440</b>         |










| Adjustments to Costs of Ongoing Activities  |              |                    |                     |                     |
|---|--------------|--------------------|---------------------|---------------------|
| Salary and Benefits   |              | 317,361            | 305,811             | 623,172             |
| Nova Contractual Service Increase   |              | 71,528             |                     | 71,528              |
| Battery Maintenance Increase  |              | 28,284             |                     | 28,284              |
| Encampment Clean Up   |              | 100,000            |                     | 100,000             |
| Other Contractual Service Increase (Brightview, Central Square, SeeClickFix, etc.)                                |              | 45,287             | 214,073             | 259,360             |
| Equipment Amortization  |              | (79,444)           | (8,008)             | (87,452)            |
| Equipment Replacement (Concrete Saw and Flatbed Crane)  |              |                    | 136,531             | 136,531             |
| Fuel Cost   |              |                    | 65,666              | 65,666              |
| Police Car Upfitting Cost   |              |                    | 98,000              | 98,000              |
| <b>Adjustments to Costs of Ongoing Activities</b>   | <b>0.00</b>  | <b>483,016</b>     | <b>812,073</b>      | <b>1,295,089</b>    |
| <b>Total FY2022-23 Base Budget</b>  | <b>74.00</b> | <b>9,355,513</b>   | <b>12,370,620</b>   | <b>21,726,133</b>   |
| Service Level Changes   |              |                    |                     |                     |
| Supervisory Control and Data Acquisition (SCADA) Contract Service   |              | 67,500             | 82,500              | 150,000             |
| Common Interest Group Legal Services  |              |                    | 1,000,000           | 1,000,000           |
| Storm Water Maintenance Staffing (Equipment Maintenance Worker III 1 FTE)   | 1.00         | 140,290            | 24,512              | 164,802             |
| Utility Maintenance Fleet Addition (One-Time)   |              |                    | 37,356              | 37,356              |
| Landscape Maintenance Staffing (3 FTE)  | 3.00         | 143,964            | 156,135             | 300,099             |
| Solar Panel Feasibility Study   |              | 25,000             |                     | 25,000              |
| Organic Waste Diversion Program Funding and Phase I of Eliminating the Structural Deficit in the Solid Waste Fund |              |                    |                     | 0                   |
| Park Maintenance Staffing (3 FTE)   | 3.00         | (40,107)           | (93,583)            | (133,690)           |
| <b>Total Service Level Changes</b>  | <b>7.00</b>  | <b>336,647</b>     | <b>1,206,920</b>    | <b>1,543,567</b>    |
| <b>Total FY 2022-23 Budget</b>  | <b>81.00</b> | <b>\$9,692,160</b> | <b>\$13,577,540</b> | <b>\$23,269,699</b> |




## Service Level Changes



|   |   | Positions   | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |
|---|---|---|---------------------------|-------------------------|-----------------------|
| 1.  | <b>Supervisory Control and Data Acquisition (SCADA) Contract Services</b>   | 0.00  | \$67,500                  | \$82,500                | \$150,000             |
|  | This action funds Supervisory Control and Data Acquisition (SCADA) contract service. In October 2020, Council approved a contract with ENGIE to implement energy and water savings measures for the City. One of the Council approved measures is the implementation of SCADA, a remote utility infrastructure monitoring and operation system. SCADA will require ongoing monitoring of network, equipment and systems troubleshooting and maintenance, programming, user upkeep, security maintenance and integration with existing CMMS and GIS systems. |   |                           |                         |                       |
|   | <b>Performance Results:</b>   |   |                           |                         |                       |
|   | With the funding, the City can procure services to maintain, operate and monitor the newly implemented SCADA instruments.   |   |                           |                         |                       |
|   | <b>Impact if funding is not approved</b>  |   |                           |                         |                       |
|   | If this action is not funded, the Public Works Department will not be able to efficiently maintain and operate the new SCADA instrumentation.   |   |                           |                         |                       |



|   |  |   |     |             |             |
|---|--|---|-----|-------------|-------------|
| 2.  | <b>Common Interest Group Legal Services Contribution</b>   | 0.00  | \$0 | \$1,000,000 | \$1,000,000 |
|  | This action funds legal costs incurred as part of the cost sharing agreement entered into by the City and Common Interest Group (CIG) formed by various sanitation districts in the region. In 2018, due to failed efforts to resolve contractual disputes in the Master Agreements with San Jose Santa Clara Regional Wastewater Facility (RWF), CIG filed lawsuits against the cities of San Jose and Santa Clara. |   |     |             |             |
|   | <b>Performance Results:</b>  |    |     |             |             |
|   | Funding legal service fees will allow the City to fulfil its obligations with the CIG and continue the litigation against San Jose and Santa Clara to resolve existing contractual disputes.   |   |     |             |             |
|   | <b>Impact if funding is not approved</b>   |   |     |             |             |
|   | If this action is not funded, the City can be exposed to potential litigation and will not allow the City to fund ongoing associated legal costs.  |   |     |             |             |

|  | Positions  | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |
|--|--|---------------------------|-------------------------|-----------------------|
| 3. Storm Water Maintenance Staffing  | 1.00   | \$140,290                 | \$24,512                | \$164,802             |
|   | <p>This action restores the previously defunded 1.0 Equipment Maintenance Worker III (EMWIII). On February 16, 2021, Council approved to defund multiple vacant positions to offset the budget shortfall, including a vacant EMWIII leadership position in the Utility Maintenance Division. This EMWIII position is responsible for ensuring ongoing operations of mechanical equipment at the City's 13 storm water pump stations; provides Standby coverage and leads storm water pump station emergency response during storms; assists Sewer and Water Pump Station crews when additional staff are needed for large repair and maintenance jobs; and is responsible for building and ground maintenance at the 13 pump station facilities.</p> <p>This position provides Standby coverage and leads storm water pump station emergency response during storms. This position assists Sewer and Water Pump Station crews when additional staff are needed for large repair and maintenance jobs.</p> <p>Additionally, the position is also responsible for building and ground maintenance at the 13 pump station facilities. This includes repairing to building doors and gates, painting bollards, rail, trim, and floors, and graffiti removal. Due to the location of the pump stations by creeks, these facilities are targets for vandalism.</p> |                           |                         |                       |
| Performance Impact   | <div></div>  |                           |                         |                       |
| <p>Currently, reduction in staff has restricted the department's maintenance capacity. Staff can only perform limited preventative maintenance on storm pump station mechanical and electrical equipment. This bare minimum level of preventative maintenance focuses on checking for engine performance, checking engine belts for damage and replacement only when damaged, and oil changes only when oil analysis warrants change. While the level of limited preventative maintenance is possible for one year, it is not sustainable and especially due to the age of our equipment, restoration of this position is needed so that more complete preventative maintenance can be conducted to ensure that these engines, pumps, and electrical equipment are operational during storm events. The restoration of EMWIII will complete preventative maintenance on all equipment, ensures early detection and repair of equipment, and will minimize surprise engine and pump breakdowns during storm events.</p> |  |                           |                         |                       |
| Mitigation   |  |                           |                         |                       |
| <p>If this action is not funded, only minimum level preventative maintenance service can be provided for the water pump stations, electric engines, right angle drive engines and other mechanical equipment part of the utility system. This will eventually cause a significant breakdown in the system due to inadequate maintenance and can result in flooding.</p>  |  |                           |                         |                       |

|   |   | Positions   | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |
|---|---|---|---------------------------|-------------------------|-----------------------|
| 4.  | Utility Maintenance Fleet Addition  |   | \$0                       | \$37,356                | \$37,356              |
|  | This action funds one F250 with tommy lift gate for the Storm/Sewer Senior Lead. As part of the FY 2018-19 Adopted Budget, the City Council approved the addition of 1.0 Senior Lead position in the Utility Maintenance Division. The Senior Lead is currently using the truck that is assigned to the defunded Equipment Maintenance Worker III (EMWIII) (Storm) position, which is proposed to be restored as part of this budget. |   |                           |                         |                       |
|   | Performance Results:  |   |                           |                         |                       |
|   | The new vehicle will provide the necessary equipment for staff to perform their work efficiently.   |   |                           |                         |                       |
|   | Impact if funding is not approved   |   |                           |                         |                       |
|   | If this action is not funded, there will not be enough vehicles in utility maintenance fleet for staff.   |   |                           |                         |                       |

|  |   |   |           |           |           |
|--|---|---|-----------|-----------|-----------|
| 5.   | Landscape Maintenance Staffing  | 2.00  | \$153,654 | \$146,445 | \$300,099 |
|   | <p>This action funds the addition of 2.0 Maintenance Worker I positions, and one limited term 1.0 Maintenance Assistant to provide enhanced landscape maintenance services. On October 19, 2021, the City Council received a report on the status of Citywide Landscape and Park Maintenance and expressed to enhance the service levels for landscape maintenance. The 1.0 Maintenance Worker I and 1.0 Maintenance Assistant will be deployed to address work requests that are submitted to Public Works which must be completed within established time frames. The second Maintenance Worker I position will provide additional work support when the Maintenance Worker III position is supervising the Parks Maintenance Division.</p> |   |           |           |           |
| Performance Impact   |   |   |           |           |           |
| <p>Additional Maintenance Worker (I) positions and Maintenance Assistant will enhance existing landscape maintenance services.</p> |   |   |           |           |           |
| Mitigation   |   |   |           |           |           |
| <p>If this action is not funded, staff will not be able to provide enhanced landscape maintenance services for the community.</p>  |   |   |           |           |           |

|   |  | Positions  | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |
|---|--|--|---------------------------|-------------------------|-----------------------|
| 6.  | Park Maintenance Staffing  | 3.00   | (\$49,797)                | (\$83,894)              | (\$133,691)           |
|  | This action funds the addition of 3.0 limited term Maintenance Assistants and shifts 1.0 Maintenance Worker III position from the Trees and Landscape Maintenance Function to the Parks Maintenance Function in-lieu of contracting out park maintenance for 10 parks and skate park. New total programmatic cost for the four positions as well as equipment and supplies (ongoing and one-time) for enhanced services is \$459,153 in comparison with the prior contract service appropriation of \$446,791. |  |                           |                         |                       |
|   | Performance Results:   |     |                           |                         |                       |
|   | The maintenance level of the 10 City parks and skate park is expected to be equivalent to the remaining 26 parks in the City.  |  |                           |                         |                       |
|   | Impact if funding is not approved  |  |                           |                         |                       |
|   | If this action is not approved, the maintenance for those 10 parks and skate park will not be maintained at the same service level as the parks under the Brightview contract.   |  |                           |                         |                       |

|   |  |   |          |     |          |
|---|--|---|----------|-----|----------|
| 7.  | Solar Panel Feasibility Study  |   | \$25,000 | \$0 | \$25,000 |
|    | <p>This action funds a solar panel feasibility study. On October 6, 2020, the City Council received the findings of an Investment Grade Audit (IGA) for the Energy and Water Savings Program for the City and approved the installation of solar and backup battery systems at the Senior Center and Community Center as part of the Program. The IGA also evaluated and included an optional bundle for solar and battery backup systems at City Hall, Public Works/Police Building, and the Sports Center (Bundle C.2), which was not recommended for implementation. In May, City Council approved funding for a referrals that would allow staff would work with the Engie, the City's Project Management Contractor for the project, to breakdown construction costs by location, update construction cost estimates to capture current market conditions, identify current available financial incentives/grants to offset costs to the City, and conduct a financial review to determine options for project funding. Once this work is completed the results will be presented to Council for Council consideration.</p> |   |          |     |          |
| Performance Results:  |  |  |          |     |          |
| <p>The project will result in an updated construction cost estimate and financial plan (including potential long-term cost savings) for expanding the solar and battery backup microgrid technology at additional City facilities. This is project is aligned with City Council priorities and the soon to be adopted Climate Action Plan Update. It will provide for clean, reliable energy at the identified facilities and improve the City's resiliency in response to potential power outages and Public Safety Power Shutdowns.</p> |  |   |          |     |          |
| Impact if funding is not approved   |  |   |          |     |          |
| <p>If action is not funded, the City will not be able to expand solar and back up battery systems to any additional City facilities.</p>  |  |   |          |     |          |

|                                    |             |                  |                    |                    |
|------------------------------------|-------------|------------------|--------------------|--------------------|
| <b>Total Service Level Changes</b> | <b>7.00</b> | <b>\$336,647</b> | <b>\$1,206,919</b> | <b>\$1,543,566</b> |
|------------------------------------|-------------|------------------|--------------------|--------------------|





# Recreation and Community Services

**Recreation and Community Services Director: Renee Lorentzen**

## Mission Statement

The City of Milpitas Recreation and Community Services Department's mission is to enrich our community through exceptional programs and services. Our vision is a Milpitas where all residents have access to excellent, affordable, innovative and well-run recreation activities, programs, facilities and community services. Our work encourages cultural unity and hometown pride, creates a sense of place, supports economic development, promotes health and wellness, fosters human development, addresses important social service needs and adds fun to the lives of those who live and work in Milpitas.

## Description

The department provides recreational opportunities and experiences, community and social services, and park and facility rentals for all residents and visitors of Milpitas. The department is committed to providing the highest standard of excellence in public service through our programs, events, and interactions with the community. The department strives to create a sense of community, support economic development, promote health and wellness, increase cultural awareness and facilitate solutions to community needs. The department monitors daily operation at three full-service Recreation Centers and three satellite centers. It also oversees and offers financial assistance program providing discounts on fee-based City Services for low income residents.





### Services

- Oversees Community Center operations, including facility and park rentals, contract classes, registration, sponsorships, and marketing. Staffs six City Commissions, a City Council subcommittee and a City Task Force. Manages volunteer program, Beautify Milpitas and the Adopt a Spot Program.
- Oversees Senior Center operations, including a daily lunch program in partnership with Santa Clara County, drop-in programs, recreation classes, events, community resources, digital literacy and lap top loaner program, onsite well-being services such as HICAP and legal and tax assistance.
- Oversees Sports Center operations and wellness programs, including Fitness Center and outdoor Pools, exercise classes, drop-in gym, lap swim, adult and youth sports programs, swim lessons, sports facility and field usage and coordination with local sports organizations.



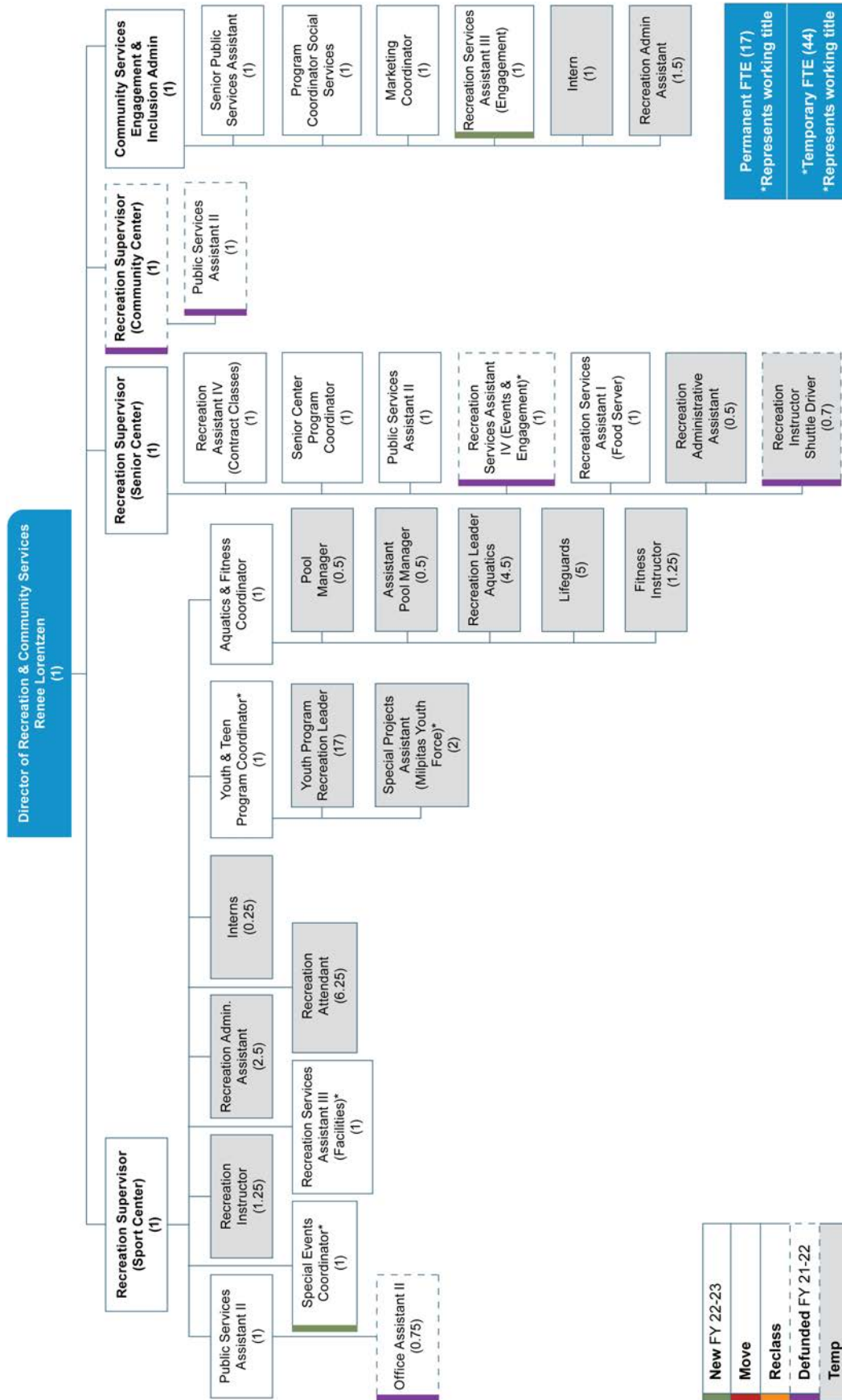
- Oversees Community Services operations, including needs assessments and referrals for seniors, low-income, disabled, mentally ill and others in need. Administers the Milpitas Assistance Program (MAP), which provides discounts on recreation programs, utility services and residential building permit fees. Administers two American Recovery Program Act (ARPA)








Coronavirus Local Fiscal Recovery Fund (CLFRF) programs: childcare subsidy for median and low-income families, and mental health programs for underserved populations. Manages community service partnerships, including pandemic-related efforts and care and shelter during local emergencies.








- Provides youth programs, including daily after school programming at seven elementary schools and both Milpitas middle schools; Teen Center; daily pre-K enrichment program; summer and school break camps; and a summer youth workforce program.
- Offers Special Events, including outdoor concerts and movies; patriotic, cultural events, and seasonal family events; ground breakings, park openings and revitalization events.
- Offers Cultural Arts, including Milpitas Community Theatre, Milpitas Community Concert Band, Phantom Art Gallery, and the Milpitas Art and Cultural Grant Program.
- Manages Public Art collection maintenance and developer compliance with the Public Art ordinance.






# Recreation and Community Services Department








|    |  | Community<br>Wellness and<br>Open Space   | Economic<br>Development<br>and Job Growth   | Environment  | Governance &<br>Administration  | Neighborhoods<br>and Housing  | Public Safety   | Transportation<br>and Transit   |
|----|--|---|---|--|---|---|---|---|
|    | Accomplishments  |  |  |  |  |  |  |  |
| 1. | Completed Park and Recreation Master Plan  | ✓   |   | ✓  |   | ✓   |   |   |
| 2. | Established intern partnerships with local universities in social services and senior services.    | ✓   | ✓   |  |   |   |   |   |
| 3. | Developed and produced 16-day Holiday Magic event to activate a section of Main Street             | ✓   | ✓   |  |   | ✓   |   |   |
| 4. | Developed and launched Milpitas Civic Leadership Program to train, recruit potential commissioners |   |   |  | ✓   |   |   |   |
| 5. | Developed and launched Mural program   | ✓   |   |  |   | ✓   |   |   |
| 6. | Launched monthly Beautify Milpitas Program   | ✓   |   | ✓  |   | ✓   |   |   |

|    |  | Community<br>Wellness and<br>Open Space   | Economic<br>Development<br>and Job Growth   | Environment  | Governance &<br>Administration  | Neighborhoods<br>and Housing  | Public Safety   | Transportation<br>and Transit   |
|----|--|---|---|--|---|---|---|---|
|    | Initiatives  |  |  |  |  |  |  |  |
| 1. | Complete and report on first full year of ARPA grant programs (childcare subsidy and nonprofit grants, and new community events).      | ✓   | ✓   |  | ✓   |   |   |   |
| 2. | Open renovated Alviso Adobe House and launch public access schedule, docent and field trip program.                                    | ✓   |   |  |   |   |   |   |
| 3. | Assess current cost recovery by program/service and develop/implement strategic plan to reach cost recovery targets within five years. | ✓   |   |  | ✓   |   |   |   |
| 4. | Complete update to the City's Historic and Cultural Resources Plan and develop new marker program.                                     | ✓   | ✓   |  | ✓   |   |   |   |
| 5. | Develop and launch new programming to active park spaces, in line with Parks & Recreation Master Plan recommendation.                  | ✓   |   |  |   | ✓   |   |   |
| 5. | Complete Public Art Master Plan, and collection maintenance plan.  | ✓   |   |  | ✓   |   |   |   |

## Performance and Workload Measures

| PERFORMANCE MEASURES   | Strategic Goals   | FY 19-20 Actual | FY 20-21 Actual | FY 21-22 Target | FY 21-22 Estimate | FY 22-23 Target |
|--|---|-----------------|-----------------|-----------------|-------------------|-----------------|
| Customer Service satisfaction surveys rating Good or Excellent |  | 93%             | 98%             | 95%             | 95%               | 95%             |
| Resident Transactions‡   |  | 4,688           | 4,898           | 6,656           | 6,656             | 7,000           |
| Number of Park Acres per 1,000 Residents**                     |  | 1.95            | 1.95            | 1.95            | 1.95              | 1.95            |

| ACTIVITY AND WORKLOAD DATA                | Strategic Goals   | FY 19-20 Actual | FY 20-21 Actual | FY 21-22 Target | FY 21-22 Estimate | FY 22-23 Target |
|---|---|-----------------|-----------------|-----------------|-------------------|-----------------|
| Recreation Program and Class Fees Revenue |    | \$1,093,964     | \$233,189       | \$1,206,916     | \$1,893,400       | \$1,893,400     |
| Number of Social Media Engagements***     |    | 9,863           | 33,790          | 8,000           | 8,000             | 10,000          |
| Facility and Park Rental Revenue          |   | \$72,811        | \$37,630        | \$91,690        | \$135,000         | \$183,381       |
| Number of Community Events Offered****    |  | 37              | 10              | 16              | 16                | 29              |
| Number of Social Services Calls           |  | N/A             | 767             | 1,560           | 1,480             | 1,480           |

‡Proposed new measure to replace percentage increase of residents served. Actual count of resident transactions is more accurate, and provides a better, easier-to-calculate performance measure. An increase in transactions reflects both the relevance of services being offered and customer satisfaction as this may include repeat customers. This combines resident Senior Center and Sports center memberships, resident rentals, and resident enrollments in classes and ticketed events. All data can easily be exported from the Recreation registration system.

\*\*3 acres per 1,000 residents - Quimby Act Standards (above acreage does not include Ed Levin Park County Park)

\*\*\*Social media analytic tools for Recreation channels, plus manual counts for Recreation posts on Citywide channels. Beginning with FY 2018-19 Actual, Recreation and Community Services is counting only its own department post engagements. Prior to hire of Public Information Officer, Recreation handled all social media for City, so counts were based on social media posts by Recreation on behalf of all City Departments.

\*\*\*\*Due to Public Health Orders, events from March 2020-present have been cancelled, or shifted to virtual or drive-thru format. Due to expected continuing capacity limits through 2021 and budget reductions, number of community events is sharply reduced from pre-pandemic numbers.

# Budget Summary

| DOLLARS BY FUNCTION       | 2019-20<br>Actual  | 2020-21<br>Actual  | 2021-22<br>Adopted | 2022-23<br>Adopted | FY 2023<br>Change \$ | FY 2023<br>Change % |
|---------------------------|--------------------|--------------------|--------------------|--------------------|----------------------|---------------------|
| Aquatics                  | \$236,988          | \$145,321          | \$399,081          | \$408,340          | \$9,259              | 2.3%                |
| General Classes           | 388,478            | 155,435            | 372,465            | 378,712            | 6,247                | 1.7%                |
| Marketing                 | 227,396            | 191,224            | 255,818            | 258,311            | 2,493                | 1.0%                |
| Performing Arts           | 48,692             | 19,234             | 79,900             | 79,900             | 0                    | 0.0%                |
| Recreation Administration | 1,801,524          | 1,559,741          | 1,767,830          | 1,826,566          | 58,736               | 3.3%                |
| Senior Services           | 750,630            | 713,818            | 623,431            | 690,909            | 67,478               | 10.8%               |
| Social Services           | 0                  | 86,019             | 168,505            | 192,288            | 23,783               | 14.1%               |
| Special Events            | 481,850            | 85,820             | 223,631            | 529,395            | 305,764              | 136.7%              |
| Sports & Fitness          | 516,234            | 386,573            | 444,567            | 576,099            | 131,532              | 29.6%               |
| Youth Program             | 774,915            | 318,269            | 999,446            | 1,044,928          | 45,482               | 4.6%                |
| <b>TOTAL</b>              | <b>\$5,226,707</b> | <b>\$3,661,454</b> | <b>\$5,334,674</b> | <b>\$5,985,447</b> | <b>\$650,773</b>     | <b>12.2%</b>        |

| DOLLARS BY CATEGORY                 | 2019-20<br>Actual | 2020-21<br>Actual | 2021-22<br>Adopted | 2022-23<br>Adopted | FY 2023<br>Change \$ | FY 2023<br>Change % |
|-------------------------------------|-------------------|-------------------|--------------------|--------------------|----------------------|---------------------|
| <b>PERSONNEL SERVICES</b>           |                   |                   |                    |                    |                      |                     |
| <b>4111</b> Permanent Salaries      | \$1,563,494       | \$1,603,199       | \$1,534,660        | \$1,804,307        | \$269,647            | 17.6%               |
| <b>4112</b> Temporary Salaries      | 1,228,379         | 494,509           | 1,609,512          | 1,661,649          | 52,137               | 3.2%                |
| <b>4113</b> Overtime                | 4,453             | 1,019             | 25,000             | 40,000             | 15,000               | 60.0%               |
| <b>4121</b> Allowances              | 6,600             | 3,554             | 3,802              | 13,200             | 9,398                | 247.2%              |
| <b>4124</b> Leave Cashout           | 69,709            | 95,295            | 0                  | 0                  | 0                    | 0.0%                |
| <b>4131</b> PERS                    | 624,356           | 539,214           | 517,917            | 560,072            | 42,155               | 8.1%                |
| <b>4132</b> Group Insurance         | 325,569           | 304,177           | 359,661            | 358,275            | (1,386)              | (0.4)%              |
| <b>4133</b> Medicare                | 41,424            | 31,858            | 46,494             | 51,435             | 4,941                | 10.6%               |
| <b>4135</b> Worker's Compensation   | 7,078             | 16,685            | 28,301             | 26,317             | (1,984)              | (7.0)%              |
| <b>4138</b> Deferred Comp-Employer  | 12,353            | 12,058            | 15,327             | 15,150             | (177)                | (1.2)%              |
| <b>4139</b> PARS                    | 17,870            | 7,396             | 25,022             | 25,795             | 773                  | 3.1%                |
| <b>4141</b> Adjustments-Payroll     | 0                 | 0                 | 0                  | 0                  | 0                    | 0.0%                |
| <b>4143</b> Charged to CIPs         | 0                 | 0                 | (3,000)            | (3,000)            | 0                    | 0.0%                |
| <b>4146</b> Short Term Disability   | 0                 | 0                 | 1,386              | 4,869              | 3,483                | 251.3%              |
| <b>4161</b> Retiree Medical Reserve | 88,360            | 16,386            | 12,358             | 15,853             | 3,495                | 28.3%               |
| <b>sub-total</b>                    | <b>3,989,645</b>  | <b>3,125,350</b>  | <b>4,176,440</b>   | <b>4,573,922</b>   | <b>397,482</b>       | <b>9.5%</b>         |

| DOLLARS BY CATEGORY                      |   | 2019-20<br>Actual | 2020-21<br>Actual | 2021-22<br>Adopted | 2022-23<br>Adopted | FY 2023<br>Change \$ | FY 2023<br>Change % |
|--|---|-------------------|-------------------|--------------------|--------------------|----------------------|---------------------|
| <b>SUPPLIES AND CONTRACTUAL SERVICES</b> |   |                   |                   |                    |                    |                      |                     |
| 4200                                     | Community Promotion, Grant/<br>Loan     | 23,542            | 7,833             | 51,200             | 71,200             | 20,000               | 39.1%               |
| 4210                                     | Department Allocations                  | 100,314           | 97,174            | 67,381             | 56,129             | (11,252)             | (16.7)%             |
| 4220                                     | Supplies                                | 283,421           | 227,805           | 437,146            | 590,176            | 153,030              | 35.0%               |
| 4230                                     | Services                                | 630,644           | 196,229           | 582,402            | 673,516            | 91,114               | 15.6%               |
| 4240                                     | Repair & Maintenance                    | 0                 | 0                 | 1,600              | 1,600              | 0                    | 0.0%                |
| 4500                                     | Training, Travel, &<br>Memberships      | 8,630             | 6,823             | 16,525             | 16,925             | 400                  | 2.4%                |
| 4600                                     | Insurance, Settlements &<br>Contingency | 1,560             | 240               | 1,980              | 1,980              | 0                    | 0.0%                |
| sub-total                                |   | 1,048,111         | 536,104           | 1,158,234          | 1,411,526          | 253,292              | 21.9%               |
| TOTAL                                    |   | \$5,226,707       | \$3,661,454       | \$5,334,674        | \$5,985,447        | \$650,774            | 12.2%               |

## Staffing

| POSITIONS BY FUNCTION     | 2019-20<br>Adopted | 2020-21<br>Adopted | 2021-22<br>Adopted | 2022-23<br>Adopted | FY 2023<br>Change |
|---------------------------|--------------------|--------------------|--------------------|--------------------|-------------------|
| Adult Sports              | 0.00               | 0.00               | 0.00               | 0.00               | 0.00              |
| General Classes           | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Marketing                 | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Performing Arts           | 0.00               | 0.00               | 0.00               | 0.00               | 0.00              |
| Recreation Administration | 8.00               | 8.00               | 7.00               | 7.00               | 0.00              |
| Senior Services           | 4.00               | 4.00               | 3.00               | 3.00               | 0.00              |
| Social Services           | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Special Events            | 2.00               | 2.00               | 0.00               | 2.00               | 2.00              |
| Sports & Fitness          | 2.75               | 2.75               | 1.00               | 1.00               | 0.00              |
| Youth Program             | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| TOTAL                     | 20.75              | 20.75              | 15.00              | 17.00              | 2.00              |

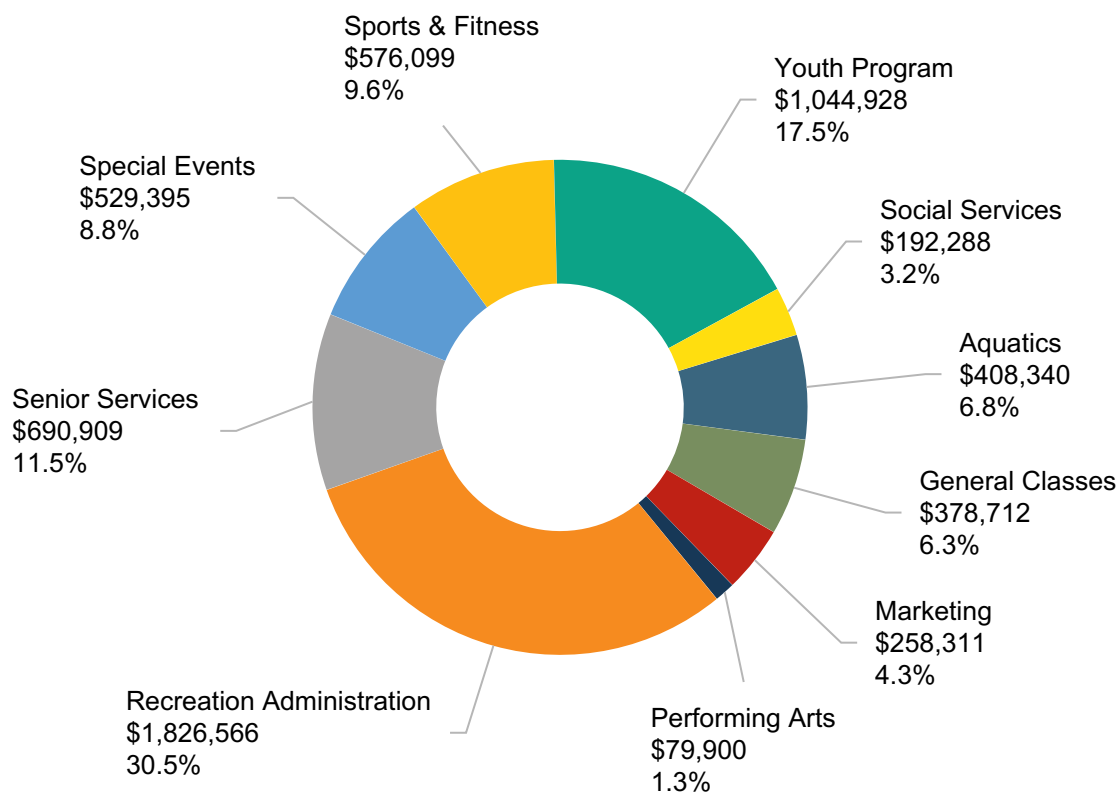
\*3.75 FTEs are defunded (Public Service Assistant I/II, Recreation Services Asst IV, Office Assistant II, Recreation Services Supervisor)



| POSITIONS                       | 2019-20<br>Adopted | 2020-21<br>Adopted | 2021-22<br>Adopted | 2022-23<br>Adopted | FY 2023<br>Change |
|---------------------------------|--------------------|--------------------|--------------------|--------------------|-------------------|
| Community Svc Eng & Inc Admin   | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Director of Rec & Comm Svcs     | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Marketing Coordinator           | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Office Assistant II*            | 0.75               | 0.75               | 0.00               | 0.00               | 0.00              |
| Program Coordinator             | 5.00               | 5.00               | 4.00               | 5.00               | 1.00              |
| Public Services Assistant I/II* | 3.00               | 3.00               | 2.00               | 2.00               | 0.00              |
| Recreation Services Asst I/II   | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| Recreation Services Asst III    | 2.00               | 2.00               | 1.00               | 2.00               | 1.00              |
| Recreation Services Asst IV*    | 2.00               | 2.00               | 1.00               | 1.00               | 0.00              |
| Recreation Services Supervisor* | 3.00               | 3.00               | 2.00               | 2.00               | 0.00              |
| Sr Public Services Assistant    | 1.00               | 1.00               | 1.00               | 1.00               | 0.00              |
| <b>Total Positions</b>          | <b>20.75</b>       | <b>20.75</b>       | <b>15.00</b>       | <b>17.00</b>       | <b>2.00</b>       |

\*3.75 FTEs are defunded (Public Service Assistant I/II, Recreation Services Asst IV, Office Assistant II, Recreation Services Supervisor)

## Expenditures by Function












## Budget Reconciliation



|  | Positions    | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |
|--|--------------|---------------------------|-------------------------|-----------------------|
| <b>PRIOR YEAR BUDGET</b>   | <b>15.00</b> | <b>\$5,334,674</b>        | <b>\$0</b>              | <b>\$5,334,674</b>    |
| <b>One-Time Prior Year Budget Adjustments</b>                                |              |                           |                         |                       |
| 4th of July, 2021 Savings - Recreation                                       |              | 74,000                    |                         | 74,000                |
| Restore Overtime and Non-Personnel Expenditure Reduction Related to COVID-19 |              | 36,900                    |                         | 36,900                |
| <b>One-Time Prior Year Budget Adjustments</b>                                | <b>0.00</b>  | <b>110,900</b>            | <b>0</b>                | <b>110,900</b>        |
| <b>Adjustments to Costs of Ongoing Activities</b>                            |              |                           |                         |                       |
| Salary and Benefits  |              | 75,955                    |                         | 75,955                |
| Senior Nutrition Meals Increase  |              | 46,870                    |                         | 46,870                |
| Restore Program Coordinator (1/1/2022)                                       | 1.00         | 124,751                   |                         | 124,751               |
| Temporary Staff Minimum Wage Increase  |              | 28,575                    |                         | 28,575                |
| Equipment Replacement Amortization   |              | (11,252)                  |                         | (11,252)              |
| <b>Adjustments to Costs of Ongoing Activities</b>                            | <b>1.00</b>  | <b>264,899</b>            | <b>0</b>                | <b>264,899</b>        |
| <b>Total FY2022-23 Base Budget</b>   | <b>16.00</b> | <b>\$5,710,473</b>        | <b>\$0</b>              | <b>\$5,710,473</b>    |
| <b>Service Level Changes</b>   |              |                           |                         |                       |
| Community Engagement Program Staffing  | 1.00         | 62,085                    | 15,466                  | 77,551                |
| Recreation and Community Services Organizational Study                       |              | 50,000                    |                         | 50,000                |
| Roller-Skating Event   |              | 100,000                   |                         | 100,000               |
| Youth Sports Grants  |              | 20,000                    |                         | 20,000                |
| Part-time Staff Salary Enhancement   |              | 27,423                    |                         | 27,423                |
| <b>Total Service Level Changes</b>   | <b>1.00</b>  | <b>259,508</b>            | <b>15,466</b>           | <b>274,974</b>        |
| <b>Total FY 2022-23 Budget</b>   | <b>17.00</b> | <b>\$5,969,981</b>        | <b>\$15,466</b>         | <b>\$5,985,447</b>    |




## Service Level Changes

|   |  | Positions   | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |
|---|--|---|---------------------------|-------------------------|-----------------------|
| 1.  | Community Engagement Program Staffing  | 1.00  | \$62,085                  | \$15,466                | \$77,551              |
|  | This action restores the previously defunded Recreation Assistant III with a modified list of duties in response to changes in service demands. As the pandemic continues to dissipate, Council has provided more referrals in the function area of engagement and inclusion such as the forthcoming opening of the Alviso Adobe Building this year, which necessitates the development and oversight of a Docent Program, community-collaborative programs like the Children's Memorial Garden, Park Champions, and mural programs as well as the development of the cultural/historical program. |   |                           |                         |                       |
|   | Performance Results  |   |                           |                         |                       |
|   | With the restoration of Recreation Assistant III, it will allow the department to timely execute plans for opening Alviso Adobe, implementing the new mural program and other Arts, Heritage and Cultural and Community Engagement-related events.   |   |                           |                         |                       |
|   | Impact if funding is not approved  |   |                           |                         |                       |
|   | If this action is not funded, some of these planning tasks would be distributed among other coordinators/ or continued by the Community Engagement and Inclusion Administrator as time allows. Consequently, high profile and Council referred projects would likely be delayed or eliminated.   |   |                           |                         |                       |

|   |  |   |          |     |          |
|---|--|---|----------|-----|----------|
| 2.  | Part-time Staff Salary Alignment   |   | \$27,423 | \$0 | \$27,423 |
|  | This action provides funding for temporary Recreation and Community Services (RCS) staff salary increases in response to minimum wage increases to retain experienced PT employees. RCS is increasingly unable to hire and retain part-time staff at the salary rates budgeted. Frequent staff turn-over and lengthy vacancies are making it difficult for the department to maintain its expected outstanding customer service. |   |          |     |          |
|   | Performance Results  |  |          |     |          |
|   | The department will have additional funds available to provide merit increases needed to retain its most experienced staff and raise hiring salaries to be competitive in the market.  |   |          |     |          |
|   | Impact if funding is not approved  |   |          |     |          |
|   | If this action is not funded, the department can expect continued difficulty hiring and retaining qualified individuals for positions such as Building Attendants and Community Center Front Desk staff.   |   |          |     |          |

|   |  | Positions   | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |
|---|--|---|---------------------------|-------------------------|-----------------------|
| 3.  | <b>Recreation and Community Services Organizational Study</b>  |   | \$50,000                  | \$0                     | \$50,000              |
|  | This action provides for one-time funding of an organizational study for the Department of Recreation and Community Services (Department). The Council approved Parks Master Plan Update included a Department cost-recovery policy, which set the cost-recovery goals for certain services provided by the Department. This organizational study will focus on the effective and efficient delivery of these services and the current structure and staff complement. |   |                           |                         |                       |
|   | <b>Performance Results</b>   |  |                           |                         |                       |
|   | The outcome of the Study is to develop a set of recommendations that will set up the Department for the successful delivery of these services.   |   |                           |                         |                       |
|   | <b>Impact if funding is not approved</b>   |   |                           |                         |                       |
|   | If this action is not funded, the Department will not be able to conduct an organizational study.  |   |                           |                         |                       |

|   |  |   |           |     |           |
|---|--|---|-----------|-----|-----------|
| 4.  | Roller-Skating Event   | 0.00  | \$100,000 | \$0 | \$100,000 |
|  | This action funds a 2 day roller rink event for the community as directed by City Council. It is estimated that an event budget of approximately \$100,000 is needed for the rink and event operations. Costs include staff costs, contractual costs for the rink and related infrastructure, sound, lighting, entertainment, food permitting, printing and advertising. |   |           |     |           |
|   | Performance Impact   |  |           |     |           |
|   | As this is the first roller skating rink event to be produced, results remain unknown, however the performance will be measured by rink ticket sales, vendor fees and overall attendance numbers.  |   |           |     |           |
|   | Mitigation   |   |           |     |           |
|   | If this action is not funded, this event cannot be produced.   |   |           |     |           |

|   | Positions   | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |           |
|---|---|---------------------------|-------------------------|-----------------------|-----------|
| 5. Youth Sports Grants  | 0.00  | \$20,000                  | \$0                     | \$20,000              |           |
|    | This action funds \$20,000 of Youth Sports Scholarships for low-income Milpitas resident youth seeking support to participate in organized youth sports programs and performing arts. Staff will bring forward a program framework for Council consideration during the first quarter of Fiscal Year 2022-23. |                           |                         |                       |           |
| Performance Impact  |     |                           |                         |                       |           |
| This program will help encourage more low-income Milpitas resident youths' participation in youth sports program and performing arts.   |   |                           |                         |                       |           |
| Mitigation  |   |                           |                         |                       |           |
| If this action is not funded, the City would not be able to provide Youth Sports scholarships for low-income families in the community. |   |                           |                         |                       |           |
| Total Service Level Changes   |   | 1.00                      | \$259,508               | \$15,466              | \$274,974 |

# Non-Departmental

## Description

This category funds a variety of activities that are not specific to any one department. Personnel Services include expenditures not budgeted in the individual departments such as vacation and leave cashouts, benefit administration fees, and self-funded unemployment insurance. Supplies and Contractual Services include centralized copier costs for City Hall, utility payments and citywide tuition reimbursement. Sewer treatment plant maintenance and operation are funded in this category, as are all water purchases for the water fund. This category also funds debt service as well as equipment and vehicle expenditures.

## Expenditure Analysis

### Personnel Services

\$0.7 million will fund vacation and leave cashouts, MOU contractual obligations, retiree medical benefits and unemployment benefits, and also incorporate a 2.7% vacancy factor in the General Fund.

### Debt Services

\$1,196,800 scheduled to pay the Lease Revenue Bonds \$629,950 scheduled to pay the principal and interest due on the 2017 Wastewater Revenue Refunding Bonds for the sewer system and interfund loan. \$1,047,050 is the payment for the principal and interest due on the 2019 Water Bonds, and \$1,791,325 is for the 2019 Wastewater Bond.

### Services and Supplies

\$6,882,265 is for Treatment Plant fees; \$3,900,893 is for gas, electric, and water utilities; \$20,139,597 is for water purchases; \$1,699,496 is for recycled water purchase. A total of \$30,000 is reflected in this function for citywide tuition reimbursement. \$2,265,662 is budget based on preliminary estimate of the City's insurance premium with PLAN JPA for the 2022-23 fiscal year. \$200,000 is also included for costs related to a green vehicle lease program for 43 vehicles in FY 2022-23 that do not currently have replacement funding. All of these vehicles are 10 years and older and are proposed to be replaced with hybrid and electric vehicles. \$446,700 is also included for the Citywide Rate Assistance Program for Building and Planning fees and Water and Sewer Utility bills.

### Equipment Replacement

\$560,406 is for equipment replacement from monies that are available in the Equipment Replacement Fund.



|   | Grand Total         | General Fund <sup>(1)</sup> |
|---|---------------------|-----------------------------|
| <b>Personnel Services</b>                               |                     |                             |
| 4119 Adjustments-Payroll .....                          | \$0                 | \$0                         |
| 4124 Leave Cashout .....                                | \$700,000           | \$650,000                   |
| 4131 PERS .....   | 33,500              | 30,000                      |
| 4132 Group Insurance .....                              | 23,000              | 20,000                      |
| 4136 Unemployment .....                                 | 203,000             | 200,000                     |
| 4137 MOU Contractual Agreements .....                   | 1,109,000           | 1,019,330                   |
| 4141 Adjustments-Payroll .....                          | (2,385,205)         | (2,385,205)                 |
| 4161 Retiree Medical Reserve .....                      | —                   | —                           |
| <b>sub-total</b>  | <b>(316,705)</b>    | <b>(465,875)</b>            |
| <b>Supplies &amp; Contractual Services</b>              |                     |                             |
| 4209 Rate Assistance Program .....                      | 446,700             | 446,700                     |
| 4212 Vehicle Lease Charges .....                        | 200,000             | 200,000                     |
| 4237 Contractual Services .....                         | 190,900             | 84,900                      |
| 4239 Audit Fees .....                                   | 98,000              | 66,000                      |
| 4241 Repair & Maintenance .....                         | 5,000               | —                           |
| 4242 Rents & Leases .....                               | 94,000              | 55,000                      |
| 4253 Plan JPA Attorney's Fees .....                     | 220,000             | 80,000                      |
| 4254 Plan JPA Settlements .....                         | 171,500             | 76,500                      |
| 4280 Elections .....                                    | 127,200             | 120,000                     |
| 4421 Utilities-Gas .....                                | 220,000             | 200,000                     |
| 4422 Utilities-Electric .....                           | 2,197,876           | 1,167,871                   |
| 4423 Utilities-Water .....                              | 1,477,517           | 1,304,000                   |
| 4424 SFWD, Wholesale Water Purchase .....               | 14,576,248          | —                           |
| 4425 SCVWD, Wholesale Water Purchase .....              | 5,563,349           | —                           |
| 4426 Utilities - Solid Waste .....                      | 5,500               | —                           |
| 4427 Recycled Water Purchase .....                      | 1,699,496           | —                           |
| 4429 Treatment Plant, M&O .....                         | 6,882,265           | —                           |
| 4509 Tuition Reimbursement .....                        | 30,000              | 24,000                      |
| 4602 Cybersecurity, Liability, Property Insurance ..... | 2,615,374           | 1,810,225                   |
| 4610 Uncollectible Accounts .....                       | 150,000             | 50,000                      |
| 4611 Collection Fees .....                              | 22,000              | 7,500                       |
| 4640 Unanticipated Expenditures Reserve .....           | 1,140,000           | 1,140,000                   |
| <b>sub-total</b>  | <b>38,132,925</b>   | <b>6,839,896</b>            |
| <b>Debt Service</b>                                     |                     |                             |
| 4701 Retirement of Principal .....                      | 1,805,000           | 470,000                     |
| 4711 Interest Expense .....                             | 2,870,125           | 726,800                     |
| <b>sub-total</b>  | <b>4,675,125</b>    | <b>1,196,800</b>            |
| <b>Capital Outlay</b>                                   |                     |                             |
| 4851 Vehicles .....                                     | 560,406             | —                           |
| 4873 Machinery & Equipment .....                        | 130,541             | —                           |
| <b>sub-total</b>  | <b>690,947</b>      | <b>—</b>                    |
| <b>TOTAL</b>  | <b>\$43,182,292</b> | <b>\$7,570,821</b>          |

(1) General Fund, Abandon Vehicle Abatement Fund, 1452 S. Main St Fund and administration funds of the former Redevelopment Agency.

(2) Other Funds include Community Benefit Fund, Community Facility District Funds, Community Planning Fee Fund, Gas Tax Fund, Equipment Replacement Fund, Housing and Community Development Fund, Information Technology Replacement Fund, Law Enforcement Grant Funds, Light & Landscape Maintenance District Funds, Measure B Fund, Permit Automation Fund, Public Art Fund, and Solid Waste Services Fund.

| Housing Authority | Other Funds <sup>(2)</sup> | Capital Projects <sup>(3)</sup> | Water Fund <sup>(4)</sup> | Sewer Fund <sup>(5)</sup> |
|-------------------|----------------------------|---------------------------------|---------------------------|---------------------------|
| \$0               | \$0                        | \$0                             | \$25,000                  | \$25,000                  |
| —                 | —                          | —                               | 1,750                     | 1,750                     |
| —                 | —                          | —                               | 1,500                     | 1,500                     |
| —                 | —                          | —                               | 1,500                     | 1,500                     |
| —                 | —                          | —                               | 44,835                    | 44,835                    |
| —                 | —                          | —                               | —                         | —                         |
| —                 | —                          | —                               | —                         | —                         |
| —                 | —                          | —                               | <b>74,585</b>             | <b>74,585</b>             |
| —                 | —                          | —                               | —                         | —                         |
| —                 | —                          | —                               | —                         | —                         |
| 73,050            | 9,700                      | —                               | 7,350                     | 15,900                    |
| —                 | 7,000                      | —                               | 12,500                    | 12,500                    |
| 5,000             | —                          | —                               | —                         | —                         |
| —                 | 39,000                     | —                               | —                         | —                         |
| —                 | —                          | —                               | 40,000                    | 100,000                   |
| —                 | —                          | —                               | 25,000                    | 70,000                    |
| —                 | —                          | —                               | —                         | —                         |
| —                 | —                          | —                               | 10,000                    | 10,000                    |
| —                 | —                          | —                               | 720,005                   | 310,000                   |
| 6,000             | —                          | —                               | 136,517                   | 31,000                    |
| —                 | —                          | —                               | 14,576,248                | —                         |
| —                 | —                          | —                               | 5,563,349                 | —                         |
| 5,500             | —                          | —                               | —                         | —                         |
| —                 | —                          | —                               | 1,699,496                 | —                         |
| —                 | —                          | —                               | —                         | 6,882,265                 |
| —                 | —                          | —                               | 3,000                     | 3,000                     |
| 1,862             | 214,964                    | —                               | 147,081                   | 441,242                   |
| —                 | —                          | —                               | 50,000                    | 50,000                    |
| —                 | —                          | —                               | 8,500                     | 6,000                     |
| —                 | —                          | —                               | —                         | —                         |
| <b>91,412</b>     | <b>270,664</b>             | <b>—</b>                        | <b>22,999,046</b>         | <b>7,931,907</b>          |
| —                 | —                          | —                               | 315,000                   | 1,020,000                 |
| —                 | —                          | —                               | 732,050                   | 1,411,275                 |
| —                 | —                          | —                               | <b>1,047,050</b>          | <b>2,431,275</b>          |
| —                 | 560,406                    | —                               | —                         | —                         |
| —                 | 130,541                    | —                               | —                         | —                         |
| —                 | <b>690,947</b>             | —                               | —                         | —                         |
| <b>\$91,412</b>   | <b>\$961,611</b>           | <b>\$0</b>                      | <b>\$24,120,681</b>       | <b>\$10,437,767</b>       |

(3) Capital Projects include Street Improvement Fund, Park Improvement Funds, General Government Capital Improvement Fund, Storm Drain Capital Improvement Fund and Transit Area Impact Fee Fund.

(4) Water Fund includes Water Maintenance & Operations Fund, 2019 Water Bond Fund, Water CIP Fund, Water Line Extension Fund, and Water Infrastructure Replacement Fund.

(5) Sewer Fund includes Sewer Operations Fund, 2019 Sewer Bonds Fund, Sewer Fund CIP, Treatment Plant Construction Fund, 2017 Sewer Refunding Bonds, and Sewer Infrastructure Replacement Fund.





## Capital Improvement Program Overview

On February 8, 2022, FY 2023-2027 Capital Improvement Program (CIP) went before Council during the study session, then on April 5, 2022, a presentation of responses to Council inquiries from the study session was given. On May 3, the City Council adopted the FY 2023-2027 Capital Improvement Program (CIP) for a total amount of \$23,976,000. This summary section of the CIP by project category describes the Adopted Operating Budget.

The FY 2022-23 Capital Improvement Program funding in the amount of \$24.0 million is \$1.7 million more than the FY 2021-22 Adopted CIP of \$22.3 million. Due to limited General Government funding, staff evaluated projects that had General Government funding and strategically funded projects in the current plan. The estimated 2021-22 Ending Fund Balance / 2022-23 Beginning Fund Balance for the General Government Fund is \$10 million, of which \$4.6 million is being used in the current plan. These funds will continue to be analyzed each year to maximize the public benefit for use of these funds.

**The Capital Improvement Budget funding for FY 2022-23 by Project Category is as follows:**

| Project Category      | FY 2022-23 Adopted Budget | Percentage of Total |
|-----------------------|---------------------------|---------------------|
| Community Improvement | \$4,794,000               | 20%                 |
| Park Improvement      | \$1,580,000               | 6.6%                |
| Street Improvement    | \$8,840,000               | 36.8%               |
| Water Improvement     | \$1,815,000               | 7.6%                |
| Sewer Improvement     | \$6,947,000               | 29%                 |
| <b>TOTAL</b>          | <b>\$23,976,000</b>       |                     |

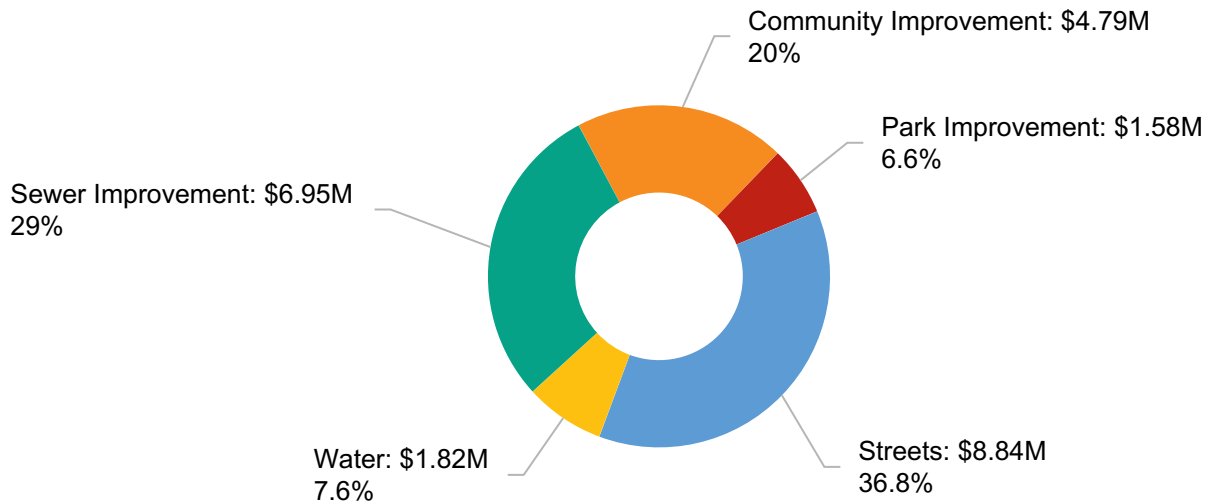
Noteworthy projects recommended for funding in FY 2022-23 includes Cardoza Park Softball Field Improvement; Street Resurfacing Project 2022-23; S. Milpitas Blvd. Vehicle Bridge at Penitencia Creek; Well Upgrade Project; and Montague Pedestrian Overcrossing at Penitencia Creek.

The Capital Improvement Budget was reviewed by the Planning Commission on March 23 to determine its conformance with the City's General Plan. The Parks, Recreation and Cultural Resources Commission met on March 7 to review the park improvement projects for FY 2022-23.

The City is pleased to report the significant progress and completion of some major improvements this past year, including Alviso Adobe Media and Exhibits, Citywide LED Lighting Retrofit project; Facilities Water Fixtures Retrofit project; Fire Station 2 Replacement, General Plan 2040; McCandless Park Phase 1, Park and Recreation Master Plan Update; Radar Speed Feedback Signage and Beacon project and also keeping pace with the Annual Street Resurfacing and Minor Sewer System Improvements projects.

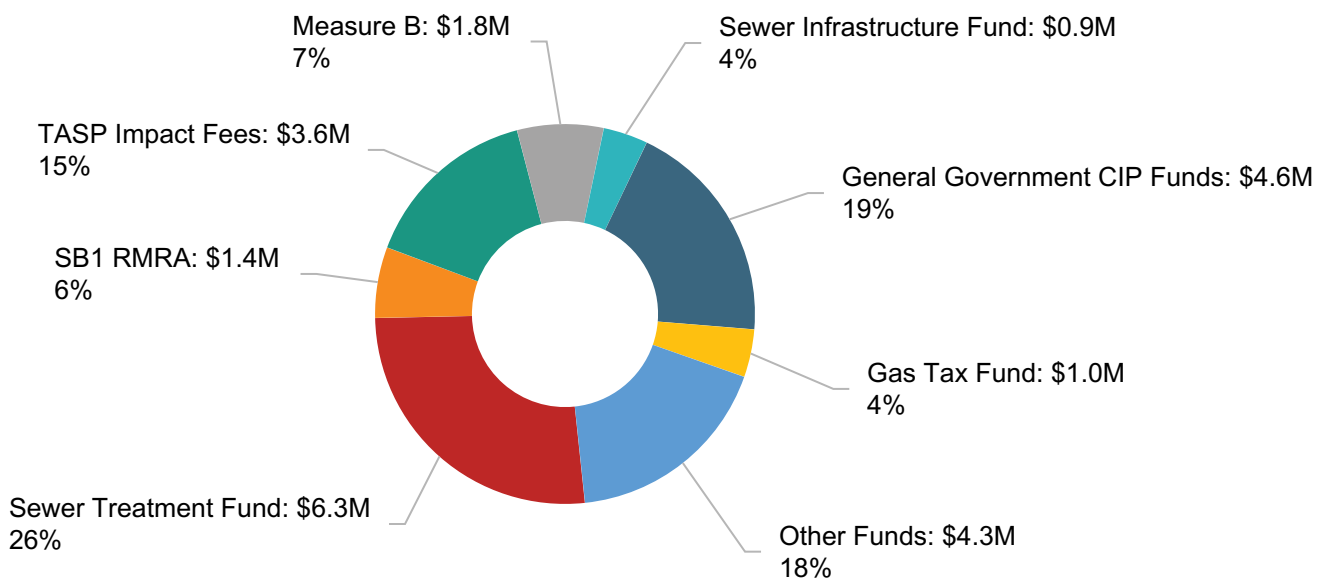
The chart below provides an overview of the City's anticipated capital improvement projects by category in FY 2022-23:

### CIP Expenditures by Category (in Millions \$23.9)



The funding for FY 2022-23 capital improvement projects, as shown by the chart below, is primarily from Sewer Treatment Fund, TASP Impact Fees, General Government CIP, Gas Tax Fund, SB1 RMRA, Measure B, and Sewer Infrastructure Fund:

### Funding Sources for 2022-23 CIP Projects (in Millions \$23.9)



Since the City's budget is an annual budget, the Budget only incorporates funding for FY 2022-23 capital improvement projects. It should also be noted that while staff prioritizes and anticipates the longer-term funding needs for the next four years in the five-year CIP, years 2023 through 2027 are shown only for planning purposes and are not funded at this time.

The Capital Budget section of this document provides a summary of each project description grouped by project category and a 2023-2027 Capital Improvement Program Grand Summary of project expenses and funding sources. For further details on the capital improvement projects, a separate Five-Year FY 2023-2027 Capital Improvement Program prepared by the Engineering Department may be obtained at the Milpitas City Hall or the City's website.

## Capital Improvement Program Grand Summary

| Project Expenses        | FY 2022-23          | FY 2023-24          | FY 2024-25          | FY 2025-26          | FY 2026-27          | Total                |
|-------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
| Community Improvement   | 4,794,000           | 3,335,000           | 2,460,000           | 2,235,000           | 3,050,000           | 15,874,000           |
| Park Improvement        | 1,580,000           | 975,000             | 9,800,000           | 600,000             | 5,850,000           | 18,805,000           |
| Street Improvement      | 8,840,000           | 34,856,000          | 9,756,000           | 26,541,000          | 7,641,000           | 87,634,000           |
| Water Improvement       | 1,815,000           | 4,090,000           | 2,790,000           | 530,000             | 34,735,000          | 43,960,000           |
| Sewer Improvement       | 6,947,000           | 7,060,000           | 11,590,000          | 6,535,000           | 3,230,000           | 35,362,000           |
| Storm Drain Improvement | 0                   | 825,000             | 0                   | 850,000             | 1,430,000           | 3,105,000            |
| <b>Total</b>            | <b>\$23,976,000</b> | <b>\$51,141,000</b> | <b>\$36,396,000</b> | <b>\$37,291,000</b> | <b>\$55,936,000</b> | <b>\$204,740,000</b> |

| Funding Sources               | FY 2022-23          | FY 2023-24          | FY 2024-25          | FY 2025-26         | FY 2026-27          | Total                |
|-------------------------------|---------------------|---------------------|---------------------|--------------------|---------------------|----------------------|
| Community Facilities District | 50,000              | 0                   | 0                   | 0                  | 0                   | 50,000               |
| Community Planning Fees       | 200,000             | 0                   | 0                   | 0                  | 0                   | 200,000              |
| Gas Tax Fund                  | 973,026             | 900,000             | 700,000             | 700,000            | 600,000             | 3,873,026            |
| General Government CIP Fund   | 4,747,000           | 0                   | 0                   | 0                  | 0                   | 4,747,000            |
| LLMD                          | 11,000              | 11,000              | 11,000              | 11,000             | 11,000              | 55,000               |
| Measure B                     | 1,761,560           | 1,700,000           | 1,700,000           | 1,700,000          | 1,700,000           | 8,561,560            |
| Midtown Park Fund             | 425,000             | 225,000             | 0                   | 0                  | 0                   | 650,000              |
| Park Fund                     | 655,000             | 0                   | 0                   | 0                  | 0                   | 655,000              |
| Permit Automation Fund        | 150,000             | 0                   | 0                   | 0                  | 0                   | 150,000              |
| Public Art Fund               | 130,000             | 50,000              | 50,000              | 50,000             | 50,000              | 330,000              |
| SB1 RMRA                      | 1,444,414           | 1,500,000           | 1,500,000           | 1,500,000          | 1,500,000           | 7,444,414            |
| Sewer Infrastructure Fund     | 909,000             | 7,060,000           | 11,590,000          | 1,150,000          | 250,000             | 20,959,000           |
| Sewer Treatment Fund          | 6,300,000           | 0                   | 0                   | 0                  | 0                   | 6,300,000            |
| Street Improvement Fund       | 300,000             | 0                   | 0                   | 0                  | 0                   | 300,000              |
| TASP Impact Fees              | 3,643,000           | 15,410,000          | 10,000              | 1,410,000          | 33,480,000          | 53,953,000           |
| Vehicle Registration Fee      | 500,000             | 500,000             | 500,000             | 500,000            | 500,000             | 2,500,000            |
| Water Capital Surcharge       | 1,777,000           | 4,090,000           | 2,790,000           | 530,000            | 1,905,000           | 11,092,000           |
| <b>Sub Total</b>              | <b>\$23,976,000</b> | <b>\$31,446,000</b> | <b>\$18,851,000</b> | <b>\$7,551,000</b> | <b>\$39,996,000</b> | <b>\$121,820,000</b> |

| External Financing           | FY 2022-23 | FY 2023-24 | FY 2024-25 | FY 2025-26 | FY 2026-27 | Total      |
|------------------------------|------------|------------|------------|------------|------------|------------|
| Grants/Reimb./Developer Fees | 0          | 0          | 0          | 0          | 0          | 0          |
| Wastewater Revenue Bonds     | 0          | 0          | 0          | 0          | 0          | 0          |
| Water Bonds                  | 0          | 0          | 0          | 0          | 0          | 0          |
| Revenue Bond                 | 0          | 0          | 0          | 0          | 0          | 0          |
| <b>Sub Total</b>             | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |
|                              | FY 2022-23 | FY 2023-24 | FY 2024-25 | FY 2025-26 | FY 2026-27 | Total      |
| No Funding Source            | 0          | 19,695,000 | 17,545,000 | 29,740,000 | 15,940,000 | 82,920,000 |

|              |                     |                     |                     |                     |                     |                      |
|--------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
| <b>Total</b> | <b>\$23,976,000</b> | <b>\$51,141,000</b> | <b>\$36,396,000</b> | <b>\$37,291,000</b> | <b>\$55,936,000</b> | <b>\$204,740,000</b> |
|--------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|

## Community Improvement Projects

The Community Improvement category funds a total of fourteen projects, including five new projects:

### 2010 - Land/Right-of-Way Value Determination

|                                |  |
|--------------------------------|--|
| <i>Project Description</i>     | This project provides for the annual evaluation and determination of land and right-of-way fair market values within the City for the purpose of updating development fee calculations such as the park-in-lieu fee. |
| <i>Operating Budget Impact</i> | There are no operating or maintenance expenses associated with this project.   |

### 3403 - Fire Station Improvements

|                                |   |
|--------------------------------|---|
| <i>Project Description</i>     | This project provides for various minor improvements to all Fire Stations including, but not limited too, renovation or replacement of electrical and mechanical systems, HVAC systems, plumbing, parking lot repairs, emergency power generator systems, interior and exterior painting, replacement of floor coverings, restroom and shower facilities, kitchen improvements, re-roofing and other building and site related improvements. All work will be performed on a priority and funding availability basis. |
| <i>Operating Budget Impact</i> | There are no additional operating impacts anticipated from this project. Any additional maintenance costs that occur will be absorbed within the annual maintenance operating budget.   |

### 3406 - City Building Improvements

|                                |   |
|--------------------------------|---|
| <i>Project Description</i>     | This project provides for improvements at City buildings including Public Works, Police, Senior Center, Community Center, City Hall, Library and its parking garage, and Sports Center. Work includes electrical and mechanical systems, pool equipment, motors/pumps, fountain repairs, leak repairs, emergency power, HVAC systems, painting, carpeting, code upgrades, space planning, interior remodels, replacement of furnishings, and other related improvements. Work may also include energy savings improvements, such as replacement of lighting fixtures, and installation of more efficient climate controls systems. Work will be completed on a priority and funding availability basis. |
| <i>Operating Budget Impact</i> | There are no additional operating impacts anticipated from this project. Any additional maintenance costs that occur will be absorbed within the annual maintenance operating budget.   |

### 3438 - Annual Tree Replacement Program

|                                |  |
|--------------------------------|--|
| <i>Project Description</i>     | This project provides for the replacement of aging City-owned trees as recommended by the Urban Forestry Management Plan (UFMP), dated March 2019. The program will enhance the City's urban forest inventory, which includes over 15,000 City-owned trees. Project funds minor tree maintenance, irrigation improvements, and utility relocations for proper tree sustainability. |
| <i>Operating Budget Impact</i> | There are no additional operating impacts anticipated from this project. Any additional maintenance costs that occur will be absorbed within the annual maintenance operating budget.  |

### 3460 - Comprehensive Zoning Ordinance Update

|                                |   |
|--------------------------------|---|
| <i>Project Description</i>     | This project provides for the update to the City's Zoning Ordinance which is a primary implementation tool of the General Plan with regard to land use. It was last updated in 2008 and has had multiple amendments in recent years in response to changes in State law, zoning practice, and technology. A comprehensive review and update of the Zoning Ordinance is required to ensure consistency between the recently adopted General Plan 2040 policies related to land use and the primary regulations to implement those policies. The Update will also ensure conformance of local land use regulations and design standards with State law. |
| <i>Operating Budget Impact</i> | There are no operating or maintenance expenses associated with this project.  |

### 3462 - On-Call Facilities Maintenance & Repair Services

|                                |  |
|--------------------------------|--|
| <i>Project Description</i>     | This project provides for on-call repair and maintenance services at all City facilities. Work may include, but is not limited to, repair and replacement of electrical and mechanical systems, plumbing, parking lots, UPS battery backup system replacement, pool equipment, motors/pumps, fountain repairs, leak repairs, emergency power, HVAC systems, painting, carpeting, code upgrades, replacement of floor coverings, restroom and shower facilities, kitchen improvements, locksmith services, windows, doors and gates, replacement of furniture and fixtures, removal and disposal of hazardous materials such as ballasts, lamps/ bulbs, batteries, paint, aerosol, cleaning products, pesticides, appliances etc., and other related improvements. Work may also include energy savings improvements, such as replacement of lighting fixtures with energy saving fixtures, and installation of a more efficient climate controls systems. All work will be performed on a priority and funding availability basis. |
| <i>Operating Budget Impact</i> | There are no additional operating impacts anticipated from this project. Any additional maintenance costs that occur will be absorbed within the annual maintenance operating budget.  |



**3489 - Public Art Project**

|                                |  |
|--------------------------------|--|
| <i>Project Description</i>     | This project provides for the design and installation of new art and murals; creation of a Public Art Master Plan to establish goals, roles, procedures, and use of the Public Art Fund; implementation of the Mural Program policy to promote mural activity reflective of the heritage, diversity and aspirations of our community through engagement with muralists, property owners, community stakeholders and residents; and assessment and maintenance of City's public art collection. |
| <i>Operating Budget Impact</i> | This project may impact operating expenses in future years. As the scope of this project is better defined through the design process, operating impacts will be reviewed and adjustments may be brought forward in future budgets.  |

**3490 - Capital Improvement Program Administration**

|                                |   |
|--------------------------------|---|
| <i>Project Description</i>     | This project provides for the annual preparation of the Capital Improvement Program. Work includes program administration, printing, and software programming assistance. |
| <i>Operating Budget Impact</i> | There are no operating or maintenance expenses associated with this project.  |

**3716 - City Parking Lot Rehabilitation Program**

|                                |  |
|--------------------------------|--|
| <i>Project Description</i>     | This project provides for the rehabilitation of parking lots at City facilities including City Hall, Public Works, Police Department, Community Center, Barbara Lee Senior Center, Fire Stations, and Utility Pump Stations. |
| <i>Operating Budget Impact</i> | There are no additional operating impacts anticipated from this project. Any maintenance costs that arise will be absorbed within the available maintenance schedule and annual operating budget.                            |

**3496 - GIS Development and Data Collection**

|                                |  |
|--------------------------------|--|
| <i>Project Description</i>     | This project provides for the maintenance and enhancements of the City's Geographic Information System (GIS). The GIS provides field-verified spatial information data that is extensively used by numerous applications in all City departments and the public. |
| <i>Operating Budget Impact</i> | There are no additional operating impacts anticipated from this project. Any additional maintenance costs that occur will be absorbed within the annual maintenance operating budget.  |

### 3497 - Public Safety Mobile Computer Terminals

|                                |  |
|--------------------------------|--|
| <i>Project Description</i>     | This project provides for the replacement of Fire and Police department vehicles mobile computers terminals (MCT) that are approaching the end of their service life. The MCT is a computerized device to communicate with central dispatch office in the field and essential tool for public safety daily operations as it provides real time information. The devices are recommended to be replaced every 5-7 years to meet the current hardware and software technologies. |
| <i>Operating Budget Impact</i> | There are no additional operating impacts anticipated from this project. Any additional maintenance costs that occur will be absorbed within the annual maintenance operating budget.  |

### 3499 - HVAC Repairs and Upgrades

|                                |   |
|--------------------------------|---|
| <i>Project Description</i>     | The project provides for the repair and upgrades to the HVAC system at the Public Works and Police building. It was discovered during an air balancing assessment that the building's air delivery system and associated controls are not compliant with Outside Air Supply (OSA) requirements. The project will be completed in two phases to address the temperature, comfort, and OSA issues. Phase 1 is to address immediate repairs to the existing VAV systems to meet current codes and mandates. Phase 2 is to address the existing poor to failed condition EMS/BMS HVAC controls which only partially controls the building's HVAC systems. |
| <i>Operating Budget Impact</i> | There are no additional operating impacts anticipated from this project. Any additional maintenance costs that occur will be absorbed within the annual maintenance operating budget.   |

### 3465 - Fire Station No. 1 Modular Building

|                                |   |
|--------------------------------|---|
| <i>Project Description</i>     | This project provides for design and replacement of the modular building at Main Fire Station No. 1 which has reach the end of its service life. The building was installed in late 1990's to house the operation staff during the construction of the fire station. Since the completion of the fire station, the building is being used as City's Office of Emergency Services (OES) and for training meetings and conferences. |
| <i>Operating Budget Impact</i> | This project may impact operating expenses in future years. As the scope of this project is better defined through the design process, operating impacts will be reviewed and adjustments may be brought forward in future budgets.   |

### 3503 - Historic Resource Master Plan Update

|                                |   |
|--------------------------------|---|
| <i>Project Description</i>     | This project provides for an update to the Historic Resources Master Plan adopted in 2011. The update includes identifying and assessing historic resources; updating the City's landmark policy for public and private resources; establish preservation efforts; identify potential funding mechanisms; and creating a program for Historic Resource Markers. |
| <i>Operating Budget Impact</i> | There are no operating or maintenance expenses associated with this project.  |

| FUND# / CIP#      | PROJECT TITLE                                    | ADOPTED            |
|-------------------|--|--------------------|
| 351- 2010         | Land/Right-of-Way Value Determination            | \$9,000            |
| 331- 3403         | Fire Station Improvements                        | 200,000            |
| 331- 3406         | City Building Improvements                       | 800,000            |
| 331- 3438         | Annual Tree Replacement Program                  | 125,000            |
| 331- 3460         | Comprehensive Zoning Ordinance Update            | 200,000            |
| 331- 3462         | On-Call Facilities Maintenance & Repair Services | 330,000            |
| 331- 3489         | Public Art Project                               | 130,000            |
| 331- 3490         | Capital Improvement Program Administration       | 720,000            |
| 341- 3716         | City Parking Lot Rehabilitation Program          | 200,000            |
| 331- 3496 *       | GIS Development and Data Collection              | 350,000            |
| 331- 3497 *       | Public Safety Mobile Computer Terminals          | 360,000            |
| 331- 3499 *       | HVAC Repairs and Upgrades                        | 620,000            |
| 331- 3465 *       | Fire Station No. 1 Modular Building              | 550,000            |
| 331- 3503 *       | Historic Resource Master Plan Update             | 200,000            |
| <b>Total Cost</b> |  | <b>\$4,794,000</b> |

#### AVAILABLE FINANCING SOURCE

|                              |                    |
|------------------------------|--------------------|
| Community Planning Fees      | \$200,000          |
| Equipment Replacement Fund   | 0                  |
| General Government CIP Fund  | 3,637,000          |
| Grants/Reimb./Developer Fees | 0                  |
| Permit Automation Fund       | 150,000            |
| Public Art Fund              | 130,000            |
| Sewer Infrastructure Fund    | 262,000            |
| TASP Impact Fees             | 153,000            |
| Water Capital Surcharge      | 262,000            |
| <b>Total Available</b>       | <b>\$4,794,000</b> |

\*New Project

## Park Improvement Projects

The Park Improvement category funds a total of four projects.

### 3463 - On-Call Parks and Landscaping Services

|                                |  |
|--------------------------------|--|
| <i>Project Description</i>     | This project provides for on-call maintenance and repair services at all City parks and street landscape areas. Work may include, but is not limited to, repair and replacement of irrigation valves, irrigation main lines, controllers, landscaping, drainage, pathways, playground equipment, athletic courts and fields, picnic areas, lighting, parks buildings and restrooms, and other amenities as needed. |
| <i>Operating Budget Impact</i> | There are no additional operating impacts anticipated from this project. Any additional maintenance costs that occur will be absorbed within the annual maintenance operating budget.  |

### 3491 - Cardoza Park Softball Fields Improvement

|                                |   |
|--------------------------------|---|
| <i>Project Description</i>     | This project provides for the design and construction of new softball fields at Cardoza Park.   |
| <i>Operating Budget Impact</i> | This project is anticipated to impact operating expenses in future years. As the scope of this project is better defined through the design process, operating impacts will be reviewed and adjustments may be brought forward in future budgets. |

### 5108 - Sports Fields Turf Rehab. Program

|                                |  |
|--------------------------------|--|
| <i>Project Description</i>     | This project provides for turf rehabilitation at City sports fields. The program addresses deferred maintenance, trip hazards and over compaction which impacts the health and growth of the turf. Work may include re-sodding, re-seeding, irrigation repairs and minor hardscape improvements. |
| <i>Operating Budget Impact</i> | There are no additional operating impacts anticipated from this project. Any additional maintenance costs that occur will be absorbed within the annual maintenance operating budget.  |

### 5113 - Minor Sports Courts Rehabilitation

|                                |   |
|--------------------------------|---|
| <i>Project Description</i>     | This project provides for the assessment and minor improvements for the City's tennis, basketball, and sports courts.   |
| <i>Operating Budget Impact</i> | There are no additional operating impacts anticipated from this project. Any additional maintenance costs that occur will be absorbed within the annual maintenance operating budget. |

| FUND# / CIP#                       | PROJECT TITLE                            | ADOPTED            |
|------------------------------------|--|--------------------|
| 331- 3463                          | On-Call Parks and Landscaping Services   | \$200,000          |
| 331- 3491                          | Cardoza Park Softball Fields Improvement | 800,000            |
| 321- 5108                          | Sports Fields Turf Rehab. Program        | 225,000            |
| 321- 5113                          | Minor Sports Courts Rehabilitation       | 355,000            |
| <b>Total Cost</b>                  |  | <b>\$1,580,000</b> |
| <b>AVAILABLE FINANCING SOURCE:</b> |  |                    |
|                                    | Community Facilities District            | \$50,000           |
|                                    | General Government CIP Fund              | 450,000            |
|                                    | Midtown Park Fund                        | 425,000            |
|                                    | Park Fund                                | 655,000            |
| <b>Total Available</b>             |  | <b>\$1,580,000</b> |

## Street Improvement Projects

The Street Improvement category funds a total of ten projects.

### 2016 - S. Milpitas Blvd. Vehicle Bridge at Penitencia

|                                |   |
|--------------------------------|---|
| <i>Project Description</i>     | This project provides for the design and construction of a vehicular bridge over Penitencia Creek at the end of the new S. Milpitas Blvd. Extension. The vehicular bridge is part of the Metro Area Specific Plan circulation infrastructure plan to provide vehicular, bicycle and pedestrian connectivity between Metro developments, Milpitas BART Station, Great Mall and surrounding residential developments. |
| <i>Operating Budget Impact</i> | This project is anticipated to impact operating expenses in future years. As the scope of this project is better defined through the design process, operating impacts will be reviewed and adjustments may be brought forward in future budgets.   |

### 2018 - Montague Ped. Overcrossing at Penitencia

|                                |  |
|--------------------------------|--|
| <i>Project Description</i>     | This project provides for the design and construction of a pedestrian overcrossing (POC) over Montague Expressway at the east levee of Penitencia Creek. The pedestrian overcrossing is part of the Metro Specific Plan circulation infrastructure plan to provide safe and convenient pedestrian connectivity between Metro residential developments, schools, parks, Great Mall, and the BART Station. |
| <i>Operating Budget Impact</i> | This project is anticipated to impact operating expenses in future years. As the scope of this project is better defined through the design process, operating impacts will be reviewed and adjustments may be brought forward in future budgets.  |

### 3411 - Sinclair LLMD Improvements 98-1

|                                |   |
|--------------------------------|---|
| <i>Project Description</i>     | This project provides for the design and construction of landscape and irrigation renovation along portions of Los Coches Street and Sinclair Frontage Road. Work is part of the Lighting, Landscape, Maintenance, Assessment District (LLMD) 98-1. |
| <i>Operating Budget Impact</i> | There are no additional operating impacts anticipated from this project. Any additional maintenance costs that occur will be absorbed within the annual maintenance operating budget.   |

### 3426 - Annual Sidewalk, Curb & Gutter Repair

|                                |   |
|--------------------------------|---|
| <i>Project Description</i>     | This project provides for repairs and replacement of citywide sidewalk, curb, and gutter to address reported safety/trip hazards caused by tree roots and drainage issues. Repairs and replacement will minimize City's risk and liability. |
| <i>Operating Budget Impact</i> | There are no additional operating impacts anticipated from this project. Any additional maintenance costs that occur will be absorbed within the annual maintenance operating budget.   |

### 3440 - Annual Street Light, Signal, and Signage

|                                |  |
|--------------------------------|--|
| <i>Project Description</i>     | This project provides for repairs, replacement, and minor improvements to streetlights, street signage, and signal traffic control equipment. Work may include street light and traffic signal fixtures, poles and wiring, traffic signage, traffic/pedestrian safety devices, signal battery backup systems, and related appurtenances. |
| <i>Operating Budget Impact</i> | There are no additional operating impacts anticipated from this project. Any additional maintenance costs that occur will be absorbed within the annual maintenance operating budget.  |

### 3455 - Pilot Street Sweeping Program

|                                |   |
|--------------------------------|---|
| <i>Project Description</i>     | The projects provides for a Pilot Street Sweeping program to address residents' concerns about neighborhood beautification, as well as reducing litter impacts into nearby waterways. The goal of the program is to evaluate the effectiveness of street sweeping signage in residential areas, to inform residents of when to move their vehicles off the street so that the street sweeper can access the street all the way to the curb, and maximize the collection of litter and debris. |
| <i>Operating Budget Impact</i> | This project may impact operating expenses in future years. As the scope of this project is better defined through the design process, operating impacts will be reviewed and adjustments may be brought forward in future budgets.   |

### 3449 - Street Landscape Irrigation Repair

|                                |   |
|--------------------------------|---|
| <i>Project Description</i>     | This project provides for repairs and upgrades of citywide irrigation systems within streetscape and medians that has reached the end of its service life. These systems are inefficient, leaking, not well-documented, doesn't provide suitable irrigation to support healthy landscape or meet current City landscape ordinance. Work includes restoration of landscaping, controller and equipment replacement, and repairs or replacement to aging pipes. |
| <i>Operating Budget Impact</i> | There are no additional operating impacts anticipated from this project. Any additional maintenance costs that occur will be absorbed within the annual maintenance operating budget.   |

### 4267 - Soundwall and Barrier Repair and Renovation Program

|                                |  |
|--------------------------------|--|
| <i>Project Description</i>     | This project provides for the renovation and repair of City-owned sound walls, fences and barriers within parks and along streets. Portions of the walls have deteriorated and will need to be structurally repaired or completely replaced. |
| <i>Operating Budget Impact</i> | There are no additional operating impacts anticipated from this project. Any additional maintenance costs that occur will be absorbed within the annual maintenance operating budget.  |



## 4304 - Street Resurfacing Project 2022-23

|                                |   |
|--------------------------------|---|
| <i>Project Description</i>     | This project provides for roadway pavement repair, rehabilitation, and/or reconstruction. Streets are selected for improvement based on a Pavement Management System to optimize the pavement condition rating and use of funding. Locations and streets may vary dependent on the City's needs and funding. There are currently 129 center lane miles of streets that are owned by the City. The project will include replacement and upgrade of curb, gutter, driveway, sidewalk, installation of ADA ramps, implementation of Class II bike lanes, and Class III bike route facilities as described in the City's latest Bikeway Master Plan Update. |
| <i>Operating Budget Impact</i> | There are no additional operating impacts anticipated from this project. Any additional maintenance costs that occur will be absorbed within the annual maintenance operating budget.   |

## 4306 - Bike and Pedestrian Outreach

|                                |   |
|--------------------------------|---|
| <i>Project Description</i>     | Project will provide public outreach activities to promote, educate, and encourage cycling and walking in support of the General Plan's circulation policy goals and Trail, Bike, and Pedestrian Master Plan. |
| <i>Operating Budget Impact</i> | There are no additional operating impacts anticipated from this project. Any additional maintenance costs that occur will be absorbed within the annual maintenance operating budget.                         |

| NUMBER                             | PROJECT TITLE                                       | ADOPTED            |
|------------------------------------|---|--------------------|
| 351- 2016                          | S. Milpitas Blvd. Vehicle Bridge at Penitencia      | \$700,000          |
| 351- 2018                          | Montague Ped. Overcrossing at Penitencia            | 2,490,000          |
| 331- 3411                          | Sinclair LLMD Improvements 98-1                     | 11,000             |
| 331- 3426                          | Annual Sidewalk, Curb & Gutter Repair               | 220,000            |
| 331- 3440                          | Annual Street Light, Signal, and Signage            | 375,000            |
| 331- 3449                          | Street Landscape Irrigation Repair                  | 360,000            |
| 331- 3455 *                        | Pilot Street Sweeping Program                       | 300,000            |
| 311- 4267                          | Soundwall and Barrier Repair and Renovation Program | 300,000            |
| 311- 4304                          | Street Resurfacing Project 2022-23                  | 4,000,000          |
| 311- 4306                          | Bike and Pedestrian Outreach                        | 84,000             |
| <b>Total Cost</b>                  |   | <b>\$8,840,000</b> |
| <b>AVAILABLE FINANCING SOURCE:</b> |   |                    |
|                                    | Gas Tax Fund  | \$973,026          |
|                                    | General Government CIP Fund                         | 660,000            |
|                                    | LLMD  | 11,000             |
|                                    | Measure B   | 1,761,560          |
|                                    | SB1 RMRA  | 1,444,414          |
|                                    | Street Improvement Fund                             | 300,000            |
|                                    | Sewer Infrastructure Fund                           | 0                  |
|                                    | TASP Impact Fees                                    | 3,190,000          |
|                                    | Vehicle Registration Fee                            | 500,000            |
| <b>Total Available</b>             |   | <b>\$8,840,000</b> |

## Water Improvement Projects

The Water Improvement category funds a total of seven projects.

### 2019 - (Rmb) Metro Recycled Water Distribution

|                                |  |
|--------------------------------|--|
| <i>Project Description</i>     | This project provides for reimbursement to developers for the construction of recycled water system extension in the Metro Specific Plan area. This project is the City's effort to diversify the water supply system and offset the use of potable water with recycled water mainly for irrigation purposes. New mains will be installed along Great Mall Pky., E. Capitol Ave., Montague Expy., S. Milpitas Blvd., Main St., McCandless Dr., Sango Ct., Tarob Ct., and the Piper/Montague subdistrict. |
| <i>Operating Budget Impact</i> | There are no additional operating impacts anticipated from this project. Any additional maintenance costs that occur will be absorbed within the annual maintenance operating budget.  |

### 7076 - Well Upgrade Project

|                                |  |
|--------------------------------|--|
| <i>Project Description</i>     | This project provides for design, construction, and installation of the existing and new Wells as recommended by the Water Supply Augmentation Feasibility Report, March 2015. Project includes the design and construction of a new Well at McCandless Park site to serve the Midtown and Metro Specific Plan (TASP) areas; installation of a treatment facilities at Curtis Well; and improvements to the facilities at Pinewood Well. |
| <i>Operating Budget Impact</i> | This project is anticipated to impact operating expenses in future years. As the scope of this project is better defined through the design process, operating impacts will be reviewed and adjustments may be brought forward in future budgets.  |

### 7110 - Hydrant Replacement Program

|                                |  |
|--------------------------------|--|
| <i>Project Description</i>     | This project provides for citywide replacement of hydrants and related infrastructure as recommended in the Water Supply Augmentation Feasibility Report, March 2015. The City maintains approximately 2,200 fire hydrants and they have a 30-year service life. |
| <i>Operating Budget Impact</i> | There are no additional operating impacts anticipated from this project. Any additional maintenance costs that occur will be absorbed within the annual maintenance operating budget.  |

### 7112 - Well Upgrade Project

|                                |  |
|--------------------------------|--|
| <i>Project Description</i>     | This project provides for the interior cleaning, inspections, and repairs of City's potable water reservoirs and storage tanks. Regular potable water tank cleaning of storage tanks and reservoirs helps to maintain high water quality and recommended chlorine residual levels for the City's potable water system. |
| <i>Operating Budget Impact</i> | There are no additional operating impacts anticipated from this project. Any additional maintenance costs that occur will be absorbed within the annual maintenance operating budget.  |

**7126 - Water Conservation Program**

|                                |   |
|--------------------------------|---|
| <i>Project Description</i>     | This project provides for the development, implementation, and management of the Water Conservation Program. The program includes staff response to water waste complaints, implementation of new State mandates, community outreach and education, and managing of Citywide water rationing and conservation plan. It also assists with converting privately-owned potable irrigation facilities to recycled water, if feasible, and funds the cost share agreement with Valley Water for the landscape rebate programs and lawn conversion pilot. |
| <i>Operating Budget Impact</i> | This project may impact operating expenses in future years. As the scope of this project is better defined through the design process, operating impacts will be reviewed and adjustments may be brought forward in future budgets.   |

## Capital Budget

| FUND# / CIP#                       | PROJECT TITLE                               | ADOPTED            |
|------------------------------------|---|--------------------|
| 351- 2019                          | (Rmb) Metro Recycled Water Distribution     | \$300,000          |
| 401- 7076                          | Well Upgrade Project                        | 515,000            |
| 401- 7110                          | Hydrant Replacement Program                 | 90,000             |
| 401- 7112                          | Reservoir Cleaning                          | 60,000             |
| 401- 7126                          | Water Conservation Program                  | 160,000            |
| 401- 7133                          | Minor Water Projects                        | 390,000            |
| 401- 7137                          | On-Call Water Maintenance & Repair Services | 300,000            |
| <b>Total Cost</b>                  |   | <b>\$1,815,000</b> |
| <b>AVAILABLE FINANCING SOURCE:</b> |   |                    |
|                                    | TASP Impact Fees                            | 300,000            |
|                                    | Water Capital Surcharge                     | \$1,515,000        |
| <b>Total Available</b>             |   | <b>\$1,815,000</b> |

## Sewer Improvement Projects

The Sewer Improvement category funds a total of four projects.

### 6118 - SJ/SC Regional Waste Water Facility

|                                |   |
|--------------------------------|---|
| <i>Project Description</i>     | The City pumps sewage to the San Jose/Santa Clara Regional Waste Water Facility for waste water treatment before it can be discharged into the San Francisco Bay. The facility was originally constructed in 1956 and is reaching the end of its useful life. The City of San Jose, who operates the facility, is undergoing an estimated \$2 billion rehabilitation project to completely overhaul the facility over the next 30 years. Since the City of Milpitas uses approximately 7%, it will be responsible for 7% of the cost of improvements which is approximately \$140 million over the next 30 years. This project funds Milpitas' share of the rehabilitation costs. |
| <i>Operating Budget Impact</i> | There are no operating or maintenance expenses associated with this project.  |

### 6126 - Minor Sewer Projects

|                                |   |
|--------------------------------|---|
| <i>Project Description</i>     | This project provides for ongoing analysis, engineering, and implementation of various minor modifications and improvements to existing sewer systems.                                |
| <i>Operating Budget Impact</i> | There are no additional operating impacts anticipated from this project. Any additional maintenance costs that occur will be absorbed within the annual maintenance operating budget. |

### 6134 - Minor Sewer Projects

|                                |  |
|--------------------------------|--|
| <i>Project Description</i>     | This project provides for on-call maintenance and repair services of all City sewer infrastructure, assets, and appurtenances. Work may include, but is not limited to, repair and replacement of electrical and mechanical systems (VFD & generators), motors and pumps, pipelines, aboveground/underground storage tanks, and other related improvements. All work will be performed on a priority and funding availability basis. |
| <i>Operating Budget Impact</i> | There are no additional operating impacts anticipated from this project. Any additional maintenance costs that occur will be absorbed within the annual maintenance operating budget.  |

6124 - Sewer Pump Station Rehab. Program

|                                |   |
|--------------------------------|---|
| <i>Project Description</i>     | This project provides for rehabilitation or replacement of wastewater pumps at Main and Venus Wastewater Lift Stations to improve the resiliency of the system and ensure that sewage will continue to be pumped out of the City. Work includes rotational assessment of the City's six wastewater pumps and peripheral equipment replacement such as electrical control, flow equipment, and variable frequency drives and grinders. |
| <i>Operating Budget Impact</i> | There are no additional operating impacts anticipated from this project. Any additional maintenance costs that occur will be absorbed within the annual maintenance operating budget.   |



| <b>FUND# / CIP#</b>                | <b>PROJECT TITLE</b>                        | <b>ADOPTED</b>     |
|------------------------------------|---|--------------------|
| 451- 6118                          | SJ/SC Regional Waste Water Facility         | \$6,630,000        |
| 451- 6124                          | Sewer Pump Station Rehab. Program           | 200,000            |
| 451- 6126                          | Minor Sewer Projects                        | 50,000             |
| 451- 6134                          | On-Call Sewer Maintenance & Repair Services | 67,000             |
| <b>Total Cost</b>                  |   | <b>\$6,947,000</b> |
| <b>AVAILABLE FINANCING SOURCE:</b> |   |                    |
|                                    | Sewer Treatment Fund                        | \$6,300,000        |
|                                    | Sewer Infrastructure Fund                   | 647,000            |
| <b>Total Available</b>             |   | <b>\$6,947,000</b> |



## Fund Descriptions

The basic accounting and reporting entity for a City is a fund. A fund is "an independent fiscal and accounting entity used to record all financial transactions related to the specific purpose for which the fund was created". Funds are established for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

Funds used in government are classified into three broad categories: governmental, proprietary and fiduciary. Governmental funds include activities usually associated with a typical state or local government's operations (public safety, general government activities, etc.). Proprietary funds are used in governments to account for activities often found in the private sector (utilities, stadiums, and golf courses are prime examples). Trust and Agency funds are utilized in situations where the government is acting in a fiduciary capacity as a trustee or agent. The various funds are grouped in fund types and categories as follows:

### Governmental Funds

Government Funds include activities usually associated with the governmental entities' operations (police, fire and general government functions).

**General Fund** – The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. The major revenue sources for this Fund are sales taxes, property taxes, unrestricted revenues from the State, fines and forfeitures and interest income. Expenditures are made for general government activities, public safety, most street work and the other services described above.

**Special Revenue Funds** – Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specific purposes.

- **Public Art Fund** – was established to account for construction or acquisition of public art to expand opportunities for the City of Milpitas' citizens to experience public art and enhance the quality of life in the community. The city dedicates 1.5% of eligible projects within the annual Capital Improvement Project expenditures to the acquisition and installation of public art. The expenditures will include, but not limited to, the cost of public art, its installation, maintenance and repair of artwork funded by this fund.
- **Gas Tax Fund** – was established to account for the construction and maintenance of the street system in Milpitas. Financing is provided by the City's share of state gasoline taxes.
- **Lighting and Landscape Maintenance District Fund** – was established to account for assessments within a district. Revenue is used for servicing and maintaining the public landscaping and additional lighting for the district.
- **Community Facility District Fund** – was established to account for special taxes collected within the district to provide park maintenance and street landscape maintenance services, public safety.
- **Housing and Community Development Fund** – was established to account for community development block grants and expenditures.
- **Law Enforcement Services Fund** – was established to account for the proceeds from the sale of assets which were seized in connection with drug related arrests made by the Allied Agency Narcotic Enforcement Team (AANET) of Santa Clara County and federal asset forfeiture funds received through the Equitable Sharing program. Shared funds must be used only for specified law enforcement purposes; funds are to be used to augment law enforcement budgets, not supplant them. This fund also accounts for the Supplemental Law Enforcement Services grant and expenditures.
- **Solid Waste Services Fund** – was established to account for landfill tipping fees allocated by Santa Clara County. The County allocates a fee of \$1 per ton to each City to be used in relation to the State of California Waste Reduction Act. Revenue is used for the implementation of future waste reduction programs to meet the

future State required landfill deposits percentage reduction. The fund also accounts for special charges built into garbage rates specifically for community promotions and household hazardous waste activities. These activities support the City's ongoing efforts to meet State mandates to reduce waste.

- **Hetch-Hetchy Ground Lease Fund** – Established to account for the lease payment to the City and County of San Francisco for the permitted use of the Hetch-Hetchy land.
- **Housing Authority Fund** – was established to allow the City to aggressively plan and address aging of the Milpitas housing stock, limited amount of land, high costs of housing, continuous overcrowding and potential increase in unsanitary conditions. The establishment of a Housing Authority allows the City to improve the quality of life and standard of living for a substantial number of its residents.

**Debt Service Funds** – Debt Service Funds are used to account for financial resources to be used for the payment of principal and interest on governmental fund long-term debt. The City has the following outstanding bonds: 2015 Tax Allocation Bond and 2017 Wastewater Revenue Refunding Bonds.

**Capital Projects Funds** – Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds and Trust Funds).

- **Redevelopment Project** – was established to account for the financing and construction activities in the redevelopment project areas. This fund is inactive as of 1/31/2012 due to Assembly Bill 1X26.
- **Street Improvement Fund** – was established to account for the construction and maintenance of the street system in Milpitas. Financing is provided through State and federal grants.
- **General Government Fund** – was established to account for the construction and maintenance of community improvements. Capital projects previously accounted for in the General Fund has been incorporated in this fund.
- **Park Improvement Fund** – was established to account for the construction and maintenance of City parks. Financing is provided by a special parks improvement fee imposed on developments.
- **Transit Area Impact Fee Fund** – was established to account for the financing and construction activities of infrastructure in the Transit Area Specific Plan.
- **Storm Drain Improvement Fund** – was established to account for the construction and maintenance of City storm drains. Financing is partially provided by fees imposed on developments

### Proprietary Funds

**Enterprise Funds** – Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises where the intent of the City is that the costs and expenses, including depreciation, of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the City has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The City operates the Water Utility and Sewer Utility enterprise funds.

- **Water Utility Fund** – was established to provide water services to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, capital improvements, maintenance, and billing and collection.
- **Sewer Utility Fund** – was established to provide sewer services to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, capital improvements, maintenance, financing and related debt service, and billing and collection.

**Internal Service Funds** – Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City on a cost reimbursement basis.

- **Equipment Management Fund** – was established to finance and account for the replacement of equipment used by City departments on a cost reimbursement basis.
- **Information Technology Replacement Fund** – was established to finance and account for the replacement of information technology equipment used by City departments.
- **Permit Automation Fund** – was established to finance and maintain the online permit development system.

## **Fiduciary Funds**

**Agency Funds** – Agency Funds are used to account for assets held by the City as an agent for individuals, private organizations, and other governments.

- **Employee Deferred Compensation Plan** – was established to account for accumulated employee funds withheld and invested as provided by the Plan.
- **Employee Benefit Fund** – was established to account for self-insured employee dental plan, short term disability plan and MOU contractual agreements.
- **Senior Advisory Commission Fund** – was established to account for the fund raising activities of the Commission.

## Revenue Descriptions

The City of Milpitas provides many services to its residents such as Police, Fire, Parks, Recreation, etc. These services are not without cost to the taxpayer. It is the task of City Officials to produce the necessary revenue to satisfy the ever-growing demand for local services.

The City of Milpitas receives revenue from many sources to offset the costs of its operations. Revenue is received from sales taxes, property taxes, and many other sources. For each fiscal year, the City's revenues are estimated conservatively and, therefore, actual revenues received often exceed the estimated projections. This section will describe the major revenue sources available to the City. The Summary of Current Revenues by Fund will provide a more detailed breakdown of all revenues. The major revenue sources are as follows:

### Property Taxes

**Property Taxes** – Property tax is imposed on real property (land and permanently attached improvements, such as buildings) and tangible personal property located within the City. The tax comprises one percent of the assessed value of the property. The assessed value of real property appraised by the County Assessor in the 1975-76 assessment role value adjusted after 1975 by a two percent inflation factor per year. When property changes hands or new construction occurs, it is reassessed at its current market value. Included in Property tax revenue is Excess Educational Revenue Augmentation Fund (ERAF), which is the mechanism that moves state funds through the County system. The California Legislature created ERAF in 1991 to reduce state general fund spending on schools, in which a portion of property tax revenue goes to ERAF to support local school districts. When the amount contributed to ERAF is more than the minimum cost of funding local schools, excess funds are returned to the County, Cities, and Special Districts. Redevelopment Property Tax Trust Fund (RPTTF) is property tax revenue which had previously been paid to each Redevelopment Agencies (RDA), but is now required to be transferred to a new trust fund, RPTTF, as all RDAs were dissolved.

### Sales Taxes

**Sales and Use Tax** – Sales and use tax is imposed on retailers for the privilege of selling, at retail, within the City limits. This tax is based on the sales price of any taxable transaction of tangible personal property. The Bradley-Burns Uniform Local Sales and Use Tax Law, adopted in 1955, extends the authority to impose local tax to counties. One percentage point of the sales tax collected by the State Board of Equalization is allocated back to the City for general purposes. This revenue is placed in the General Fund for unrestricted uses. Operative April 2021, Measure F, a Transaction and Use tax, will enact a ¼ cent local sales tax for eight years, with locally-controlled funding that cannot be taken by the state.

### Transient Occupancy Tax

**Transient Occupancy Tax** – The Transient Occupancy Tax in Milpitas is a fourteen percent (14%) tax on the cost of a hotel room and imposed on "transients" who occupy a room or rooms in a hotel, inn, motel, tourist home or other lodging facility within the City's limits.

### Franchise Fees

**Franchise Fees** – A Franchise Fee is imposed on various utilities and organizations which permits them to use and operate those facilities within the City. In Milpitas, franchise fees are charged for Electric, Gas, Garbage, Nitrogen Gas and Cable Television franchises.

### Other Taxes

**Business License Tax** – A Business License Tax is imposed on businesses for the privilege of conducting business within the City. Fees are based on bracketed structures according to the type of business. The fee

structures are as follows: average number of employees, number of units or rooms, number of vehicles or a flat fee.

**Motor Vehicle In-Lieu Tax** – The Motor Vehicle In-Lieu Tax is collected by the State Department of Motor Vehicles through its vehicle registration program in-lieu of a City personal property tax on motor vehicles.

**Gas Tax** – The State Gas Tax is derived from State of California taxes on gasoline purchases and is allocated, on a share basis, to cities. The Gas Tax revenues are broken down into Sections 2106, 2107 and 2107.5. Sections 2106 and 2107 funds are restricted to the construction, improvements and maintenance of public streets. Section 2107.5 funds are restricted to engineering costs and administrative expenses with respect to City streets.

## Licenses, Permits & Fines

**Building Permits** – The City requires that building permits be obtained to ensure that structures meet specific standards as identified in the Municipal Code. The City requires various construction permits for activities such as the installation of electrical and plumbing. The City charges a fee for issuing these permits in order to recover the costs incurred.

**Fire Permits** – The Milpitas Municipal code requires permits be obtained and inspections conducted to ensure activities regulated by the fire code meet specific standards for the protection of life, property and the environment. Activities include: high piled combustible storage, hazardous materials, assembly, and life safety inspections of licensed facilities, apartments, and hotels and motels.

**Vehicle Code and Other Court Fines** – The City receives a portion of all fines assessed, in Milpitas, for infractions of the State of California Vehicle Code and may receive other court fines as directed by the County, State or Federal Courts.

**False Alarm Fees** – Currently the Milpitas Municipal Code provides that a property may have two false alarms in a one-year period. Subsequent false alarms, within that period, are assessed a service charge that can increase from \$300 to \$900 depending on the number of alarms.

**Booking Fees** – Counties within California are authorized to charge a "criminal justice administrative fee" intended to cover the "reimbursement of County expenses incurred" for booking and processing of arrested persons who are brought to the County jail for booking or detention. In return, Judges may pass along the City's costs to the offender as part of their court-ordered restitution.

## Use of Money and Property

**Interest on Pooled Investments** – Interest income is earned as the City invests its idle funds in various investment instruments. The goal of the City regarding investments is to ensure the safety of each investment and maintain liquidity while achieving a fair rate of return - safety, liquidity and yield - in that particular order.

## Intergovernmental

**Federal, State and County Contributions** – Senior Nutrition fees are one example of a County contribution that is reimbursed to the City from the County of Santa Clara for lunches provided to senior citizens.

### Miscellaneous Grants –

- **Community Development Block Grant** – The Housing and Community Development Block Grant (CDBG or HCD) program was designed by the Department of Housing and Urban Development (HUD) to revitalize low and moderate income areas within a city. The use of CDBG funds is restricted by specific provisions and is managed by the Housing function.
- **Public Safety Grants** - The City is currently receiving multiple public safety grants including: Supplemental Law Enforcement Services Grant, Local Law Enforcement Block Grant, and Justice Assistance Grant. Future grant spending will be designated for vehicles, equipment and technology improvements.



- SB90 - The law in the State of California provides for the reimbursement of costs incurred by local agencies for costs mandated by the State. Costs mandated by the State means any increased costs which a local agency is required to incur after July 1, 1990, as a result of any new statute enacted after January 1, 1975, or any executive order implementing such statute which mandates a new program or higher level of service in an existing program.

### Charges for Services

**Charges for Current Services** – All City's basic service charges are recorded at the department or division levels that are associated with specific governmental and enterprise activities. These service levels are: General Government, Planning, Fire, Police, Recreation, Building and Public Works. This is a GASB 34 requirement.

**Planning Fees and Sale of Maps and Documents** – Included in these fees are a range of service charges for staff responses to inquiries from the public to review and interpretation of complicated planning and zoning ordinances. Also included are reproduction costs associated with maps and documents from all functions within the organization.

**Recreation Fees** – Recreation fees include user program fees for preschool, after-school, teen and summer camp programs; swimming lessons; special events and youth and adult recreational classes.

**Rents and Concessions** – Rental fees are charged for the private use of City facilities. Rental facilities include the Community Center, Sports Center, Senior Center, the Jose Higuera Adobe and parks throughout the City.

**Utility Charges** – Utility service charges for water and sewer, based on volume and flat meter charges.

### Other Revenues

#### **Development –**

- Park Development Fees - The Park Development Fee is paid by a developer or subdivider for park or recreation purposes, in-lieu of the dedication of the land.
- Treatment Plant Fees - Treatment Plant fees are payment for the purchase of waste water treatment capacity rights. The fee is measured in gallons per day, and the higher the usage, the higher the fee. All fees collected are used for Capital Improvement Projects or for Capital Operating Costs at the San Jose/Santa Clara Water Pollution Control Plant or within the City.
- Traffic Impact Fees - A Traffic Impact Fee is an exaction from a developer to mitigate traffic impacts associated with the development of the subject property. These fees can be dictated by ordinance or by documentation in a Traffic Impact Analysis (TIA) and are then conditions of approval for the development.
- Transit Area Specific Plan (TASP) Impact Fees - TASP impact fee is an exaction from a developer to mitigate impacts associated with the development of the TASP area. There are four different rate structures based on the development type: residential, office, hotel and retail. The fee is calculated using a blended rate, which on average consists of 16% street improvement, 12% sewer, 13% water, 40% community and park improvement, 12% traffic mitigation and 7% for other miscellaneous categories.

#### **Reimbursements -**

- AVASA - Beginning in 1996, the State of California, through the Abandoned Vehicle Abatement Service Authority, began reimbursing cities for vehicle abatement activities based on a per vehicle cost. The State reimbursement varies from year to year based on the number of vehicles claimed by all participating cities.

#### **Miscellaneous -**

- Solid Waste - Currently the Solid Waste function has two very different revenue streams. The first AB939 is collected by the County as a Tipping Fee at the Landfill and reimbursed to the City on a quarterly basis. The purpose of this fee is to encourage achievement of the State's landfill reduction goal. The second fee is paid by the solid waste customers, incorporated in user rates, and is specifically earmarked for community education and the Household Hazardous Waste programs.

## Expenditure Descriptions

### *Personnel Services*

#### Salaries and Wages

**Permanent** – Salaries for full time and part time permanent employees.

**Temporary** – Salaries full time and part time employees who are hired in temporary or substitute basis.

**Overtime** – Amounts paid to employees for work performed in addition to the normal work period. Hours work in excess of 40 hours per week.

**Charged to CIPs** – Budget amount to account for payroll costs that will be charged to the Capital Improvement Projects.

#### Allowances / Leaves

**Allowances** – Amounts paid to employees who are entitled to allowances such as car, telephone, uniform, special licenses, canine, motorcycle, SWAT, pager and bilingual pay.

**Leave CashOut** – Amounts paid to employees for hours cashed out from sick or vacation time banks.

**Accrued Leave** – To record year-end adjustments of accrued vacation according to the Generally Accepted Accounting Principles (GAAP).

#### Benefits

**PERS** – Amounts contributed to the Public Employees' Retirement System (PERS) plan for its employees.

**Group Insurance** – City of Milpitas' share of any insurance coverage for its employees such as Medical, Dental, Vision, Life Insurance, Long Term Disability and Short Term Disability.

**Medicare-Employer's Contribution** – City of Milpitas' share of the Federal Medicare contributions for its employees.

**Worker's Compensation** – Amount allocated to pay for worker's compensation claims made by employees.

**MOU Contractual Agreements** – Amounts paid according to negotiated MOU agreements.

**Deferred Compensation** – Employer Contribution - Contributions made to the employees' deferred compensation plan.

**PARS** – Amounts contributed to the Public Agency Retirement System-Alternate Retirement System (PARS-ARS) plan for temporary employees not in the PERS system. This is an alternative to the Social Security System.

#### Adjustments - Payroll

**Adjustments** – Payroll - To record year-end payroll adjustments in accordance to the Generally Accepted Accounting Principles (GAAP), i.e., Accrued Payroll which reflects salaries and wages earned by employees as of June 30 but not paid until July.

**Vacancy Factor** – Budget amount to account for vacant positions.

**Overhead** – Private Jobs (PJs) contractual Labor and Payroll - A charge made to a developer account to defray the direct and indirect overhead costs associated with an employee performing duties or providing services to the fund or account charged.

**Salary Reduction** – Budget amount to account for reduced funding.

### Retiree Benefits

**Retiree Medical Reserve** – Amount allocated to fund a portion of the outstanding retiree medical benefits liability.

**Retiree Medical Payment** – Payment of the outstanding retiree medical benefits liability.

**Retiree Medical Reimbursement** – Reimbursement from California Employer Benefit Trust fund for retiree medical payment.

### *Supplies and Contractual Services*

#### Community Promotions, Grants and Loans

**Community Promotions** – Public relations activities that are aimed to contribute to the progress or growth of the community.

**Community Promotions CC Allocated** – Public relations activities for progress or growth of the community allocated by the CITY COUNCIL.

**Community Promotions CC Unallocated** – Public relations activities for progress or growth of the community not yet allocated by the CITY COUNCIL.

**Cultural Arts Grants** – Financial assistance provided for Cultural Arts programs or activities.

**Miscellaneous Grants** – Financial assistance provided for miscellaneous grant programs.

**Sports Grants** – Financial assistance provided for Sports programs or activities.

**Housing Rehab Loans** – Amount loaned to homeowners for housing rehabilitation purposes under the Community Development Block Grant (CDBG) program.

**CDBG Grants** – Payment to subrecipients of CDBG Grants.

**Miscellaneous Loans** – Loans other than for housing rehabilitation purposes under the CDBG program.

#### Department Allocations

**Equipment Replacement Amortization** – Department's share of the fund being set aside for the purpose of replacing equipment in the Equipment Replacement Program.

#### Supplies

Generally, these are items that are consumed.

**Office Supplies** – Purchased for office use. Examples are pen, folders, drinking water, and coffee.

**Departmental Supplies** – Items that are used for the programs of the department. Examples are food for the Senior Center, sports supplies for the Recreation Department, target supplies for the Police Department, and tools for Public Works.

**Maintenance Supplies** – Used for repairs and maintenance of equipment or building. Examples are bolts, screws, nails, janitorial supplies, etc.

**Health & Safety Supplies** – Used for health and safety purposes. Examples are goggles, safety shoes, hard hats, gloves, first-aid kits, VDT glasses, etc.

#### Services

Generally, amount paid for services rendered by organization or personnel not on the payroll of the City of Milpitas. Although a product may or may not result from the transaction, the primary reason for the purchase is the service provided.

**Advertising** – Costs of media services and associated costs. Media advertising includes magazines, newspapers, radio and television programs, direct mail, exhibits, and the like. Examples are advertising for such purposes as personnel recruitment, legal ads, new and used equipment and sale of property, and City Clerk notices of meetings.

**Blueprinting** – Usually are services provided to blueprint the engineering plans.

**Contractual Services** – Services rendered by organizations or personnel not on the payroll of the City of Milpitas under a contract or an agreement. Payment of fees to contractors to acquire license or permits for the City of Milpitas should be recorded in this account. NOTE: Copier charges should be paid from this account.

**Contractual Services-PJ's Labor** – Rendered by organizations or personnel not on the payroll of the City of Milpitas under a contract or an agreement for its Private Jobs (PJ). Examples are carpentry, painting, and other labor for the City's Private Jobs.

**Audit Fees** – Professional services provided by Certified Public Accountants (CPA) firms for the purpose of auditing the City's financial statements. Example is the Comprehensive Annual Financial Report.

**Street Sweeping** – Includes sweeping and washing streets, flushing gutters and underpasses and collecting and disposing of debris from streets and public roadways.

## Repair & Maintenance

**Repair & Maintenance** – Repair and maintenance services provided by personnel not on the payroll of the City of Milpitas. This includes repair and maintenance of the City's buildings and equipment. Examples are vehicular, equipment, and/or facilities repair and maintenance. Cost of warranty obtained after the original equipment warranty expired or any warranties obtained after the purchase of the equipment should be recorded to this account. Annual maintenance agreement or contract on equipment should be recorded here.

**Rents and Leases** – Costs for renting or leasing land, buildings, equipment and vehicles for either temporary or long range use by the City of Milpitas. Agreement should not have an option to buy or to acquire ownership at the end of the lease term. (Please see Capitalized Leases, also).

**Contributions to Non-City owned Capital Assets** – Costs incurred in capital improvement projects that the City does not have the ownership of the property. These costs generally incurred by the City for the benefits of the residents in Milpitas but the property is owned by another government agency. For example, the City spent money to improve the I880/237 intersection to improve the quality of life for local residents, but the City does not own the intersection. Caltrain owns the intersection. GASB 34

## Legal Services

**Retainers and Fees** – Fees paid to engage the services of a professional adviser such as an attorney.

**Pooled Liability Assurance Network Joint Powers Authority (Plan JPA) Attorney's Fees** – Fees paid to Plan JPA attorney.

**Pooled Liability Assurance Network Joint Powers Authority (Plan JPA) Settlements** – Costs paid to Plan JPA for settling insurance claims.

**Litigation** – Costs incurred to settling litigation or lawsuits. This should include costs incurred during legal proceedings.

## Elections

**Elections** – Includes expenditures for holding general primary and special elections.

## Communications

**Communications** – Except the categories below, any services provided by persons or businesses to assist in transmitting and receiving messages or information.

**Phone-Local** – Basic monthly telephone charges. Computer Data Lines - Charges for computer data lines services such as Internet user's fees and charges, T1 line monthly charges, and web site charges, if any.

**Phone-Long Distance** – Long distance telephone charges.

**FAX** – Fax line fees and charges.

**Pagers** – Pagers monthly fees.

**Cellular Phones** – Fees and charges associated with cellular telephones.

**Fire Alarms** – Fees and charges for usage and maintenance of fire alarm lines.

**Police Alarms** – Fees and charges for usage and maintenance of police alarm lines.

### Utilities

**Utilities** – Expenditures for energy except gas, electric and water. Examples are bulk oil normally used for heating, and bulk gasoline or diesel purchase for non-transportation use. Gasoline or diesel purchased for transportation purposes should be charged to account 4223 departmental supplies.

**Utilities-Gas** – Gas purchased from a public or private utility company for the City of Milpitas facilities consumption.

**Utilities-Electric** – Electricity purchased from a public or private utility company for the City of Milpitas facilities consumption.

**Utilities-Water** – Water purchased for the City of Milpitas facilities consumption. Drinking water bottles purchased should be charged to account 4221 Office Supplies.

### Utilities - Water Purchase

**SFWD, Wholesale Water Purchase** – Water purchased from San Francisco Water Department (SFWD) for resale to the residence and businesses being served by the City of Milpitas.

**SCVWD, Wholesale Water Purchase** – Water purchased from Santa Clara Valley Water District (SCVWD) for resale to the residence and businesses being served by the City of Milpitas.

**Recycled Water Purchase** – Purchased for resale to the businesses being served by the City of Milpitas. For irrigation use only.

### Treatment Plant

**Treatment Plant, M & O** – City of Milpitas waste water treatment fees paid to City of San Jose -Maintenance and Operation.

### Training, Travel & Memberships

**Membership and Dues** – Amount paid for an employee or group of employees of the City of Milpitas to be a member of an organization.

**Professional Licensing** – Fees paid for an employee of the City of Milpitas to acquire or renew a license or permit in order for him/her to exercise his/her profession. Examples are CPA and Civil Engineer licenses.

**Training/Registration** – Fees paid for a City of Milpitas employee to enroll or attend a seminar, workshop, and/or training class.

**Lodging/Travel** – This is the actual amount paid for a place to stay while a City of Milpitas employee is conducting out-of-the-office business (e.g. hotel accommodation). Airfare and other transportation expenses, except use of own vehicle, such as shuttle to airport and hotel, and car rental are recorded in this account. This is associated with approved travel request.

**Meals for Meetings** – Expenses incurred to provide food in conducting department and/or business meetings. Restaurant meals eaten off site must be approved in advance according to the SOP 8-1.

**Per Diem** – Specified daily meals, incidental expenses, and/or lodging allowance in lieu of actual meal(s), and/or lodging expenses incurred while conducting out-of-the-office business. This is associated with approved travel request. Per Diem rates vary according to your business destination. City of Milpitas' per diem rates are according to the Maximum Federal Per Diem Rates for Travel in Continental United States (CONUS). Please call the Finance Department or refer to the current IRS Publication 1542 for the appropriate per diem rates of your business destination.

**Mileage Reimbursement and Parking** – Payment to an employee for the use of his/her vehicle to conduct out-of-the-office business including parking costs. According to the City of Milpitas SOP 6-1, Section 2d, "Mileage reimbursement shall be at the rate as set by the Internal Revenue Code and shall be reimbursed for the distance between home and destination or work and destination, whichever is less." Please call the Finance Department or refer to the current IRS Publication 535 for the mileage rate.

**Tuition Reimbursement** – Amount reimbursed by the City of Milpitas to any employee qualifying for tuition reimbursement, based upon the City's policy. Please refer to the Memorandum of Understanding of each bargaining unit.

## Commissions & Boards

**Conference Expenses** – For COMMISSIONS and BOARDS USE ONLY. This is for conference related expenses.

**Non-Conference Expenses** – For COMMISSIONS and BOARDS USE ONLY. This is for nonconference related expenses.

## Insurance, Settlements & Miscellaneous

**Liability** – Payments of insurance premiums for general liability coverage, public official bond, administrative and property coverage.

**Uncollectible Accounts** – Portion of a receivable not expected to be collected.

**Collection Fees** – Fees paid to a collection agent (bureau) for collecting monies owed the City from unpaid receivables. The fees are usually based on a percentage of the collected total amount.

**Unanticipated Expenditures Reserve** – Items that may become liabilities as a result of conditions undetermined at a given date, such as guarantees, pending lawsuits, unsettled disputed claims. Includes reserve 1% of the General Fund Budget per the budget resolution, adjusted annually.

**Loss on Sale** – Records the loss incurred on sale of property or equipment.

## Depreciation and Amortization

**Depreciation & Amortization** – Depreciation is the portion of the cost of a fixed asset charged as an expense during a particular period. Amortization is the portion of the cost of a limited-life or intangible asset charged as an expense during a particular period.

## Adjustment - Service and Supplies

**Reduced Funding** – Budget amount to account for reduced funding.

## ***Debt Service***

### **Principal**

Expenditures for periodic principal maturities of general obligation bonds or payments of principal on general long-term debt other than bonds.

**Retirement of Principal** – Payments of Bond Principal.

**Principal – COP** – Payments of Bond Principal - Certificate of Participation.

**Principal – Advance** – Payments of other debt principal - Advanced fund.

### **Interest**

Periodic interest on general obligation bonds or interest payments on general long-term debt other than bonds.

**Interest Expense** – Bond interest payments.

**Interest – COP** – Bond interest payments - Certificate of Participation

**Interest – Advance** – Other debt interest payments-Advanced fund.

### **Contractual Obligation**

Fiscal Agent's fees are payments made to financial institutions for services rendered in paying interest and redeeming debt at maturity.

**Cost of Issuance** – Payments to bond underwriters, legal fees and other costs associated with bond issuance.

### **Premium-Bond Prepayment**

**Premium-Bond Prepayment** – Fees (redemption premium) paid for early bond call (bond or any portion of its principal redeemed and paid in advance of maturity).

## ***Capital Improvements***

### **Capital Improvements**

**Capital Improvements** – Expenditures for the acquisition or construction of major capital facilities that do not fall under any of the Capital Outlay > \$5,000 categories. This is usually the accumulation of the Capital Improvement Project's (CIP) expenditures by phase. Though CIPs expenditures are coded in detail, the result rolls up to this account by phase.

## ***Capital Outlay > \$5,000***

### **Capital Outlay > \$5,000**

Items to be recorded to the object and detail codes under this category should have acquisition cost of \$5,000 or more per unit and have a useful life of two or more years. Acquisition cost means the net invoice unit price of an item including the cost of any modifications, attachments, accessories, or auxiliary apparatus necessary to make it usable for the purpose for which it is acquired. Ancillary charges such as taxes, duty, protective in-transit insurance, freight, and installation; and, extended warranties when purchased at the time of the equipment can be included in the acquisition cost. Please see FIXED ASSETS INVENTORY CONTROL and CAPITALIZATION POLICY, also.



## Land

**Land** – Purchase price plus legal and title fees, professional fees, surveying fees, site preparation cost, and/or any cost incurred to place land in condition for its intended use.

## Land Improvements

**Land Improvements** – Permanent improvements, other than buildings, that add value or useful life to land. Examples are parking lot, fence and gates, retaining walls, fountains, swimming pools, tennis courts, trails and paths.

## Buildings and Improvements

**Buildings and Improvements** – Permanent structures purchased or otherwise acquired by the City. Includes the principal amount of capital lease payments resulting in the acquisition of the building. Payments to building authorities or similar agencies are not to be included in the acquisition cost. The category includes improvements to buildings owned by the City of Milpitas. Examples are additional installation of heating and ventilating systems, and installation of fire protection system.

## Infrastructure

**Infrastructure** – Public domain capital assets includes roads, curbs and gutters, streets and sidewalks, drainage systems, lighting systems, landscape systems, storm systems and traffic systems.

## Vehicles

**Vehicles** – Equipment used to transport persons or objects. Cost includes transportation charges, sales tax, installation costs and extended maintenance or warranty contracts, if purchased at the same time of the equipment. Examples are police cars, fire trucks, and maintenance trucks. Accessories and installation costs can be included if done during the purchase or within 30 days after the purchase of the vehicle.

## Capitalized Leases

**Capitalized Leases** – Principal lease payments for land, building, and/or equipment that will be acquired or subject for ownership within the term of the lease or at the end of the lease. Once acquired, it will be reclassified as land, building, or equipment. Lease contract usually has a clause indicating the option to buy.

## Machinery and Equipment

**Machinery and Equipment** – Any single machinery or equipment except vehicles and computer hardware and software, with an acquisition cost of \$5,000 or more per unit and have a useful life of two or more years. Examples of machinery and equipment are printing press, lathe machines, drill presses and movable generators.

**Computer Hardware** – Example is a server.

**Computer Software** – Examples are the Accounting Software being utilized by the City of Milpitas Finance Department and the Best Fixed Assets system.

## Furniture and Fixtures

**Furniture and Fixtures** – Office furniture and building fixtures.

## Adjustments - Capital Improvement Program (CIP)

**Adjustments - CIP** – Account being used to record year-end CIP adjustments in accordance to the Generally Accepted Accounting Principles (GAAP) to reclassify CIP capital expenditures to the Fixed Assets.

### ***Capital Outlay < \$5,000***

#### **Capital Outlay < \$5,000**

In addition to the fixed asset categories above, the City of Milpitas performs a risk assessment on City assets to identify those at risk or vulnerable to loss. Items that have a unit acquisition cost of less than \$5,000 but are vulnerable to loss is to be recorded to the following detail codes. Items that are not falling under the categories below should be charged to supplies categories.

#### **Office Furniture and Fixtures**

**Office Furniture and Fixtures** – Examples are chair, table, dividers and workstations.

#### **Machinery and Equipment**

**Machinery and Equipment** – Examples are fax machines, firearms, weapons, and defibrillators.

**Computer Hardware** – Examples are desktop computers, laptops, printers, and scanners.

**Computer Software** – Examples are application and utility programs such as Microsoft Windows programs.

**Electronic Equipment** – Examples are cell phones, radios, PDAs, digital cameras, and televisions.

#### **Hydrants and Meters**

**Hydrants and Meters** – Cost of fire hydrants and water meters.

## List of Funds

### 100 General Fund

- 100 General Fund
- 103 1452 S. Main
- 104 Cable Rebate
- 105 Abandon Vehicle Abatement
- 106 Short Term Disability
- 109 Utility Rate Assistance
- 130 Private Jobs Developer Deposit
- 150 Redevelopment Administration
- 180 American Rescue Plan Act
- 199 Allocation Fund

### 200 Special Revenue Funds

- 211 Hetch Hetchy Ground Lease
- 213 Public Art Fund-Nonrestricted
- 214 Community Planning Fund
- 215 Community Benefit Fund
- 216 Affordable Hsng Community Benefit
- 217 Affordable Hsng Unrestricted Fund
- 221 Gas Tax Fund
- 222 Measure B
- 225 SB1 Road Maintenance & Rehabilitation
- 235 95-1 Light & Landscape Maint Dist.
- 236 98-1 Light & Landscape Maint Dist.
- 237 2005 Community Facility Dist
- 238 2008 Community Facility Dist
- 250 HCD Fund
- 251 HCD Loan
- 261 Supplemental Law Enforcement S
- 262 State Asset Seizure
- 263 Federal Asset Seizure
- 267 Federal Grant Police
- 268 State Grant Police
- 269 Fire Grant
- 280 Solid Waste Services
- 295 Housing Authority Fund

### 300 Capital Projects Funds

- 310 Street Improvement Fund
- 311 Street CIP
- 312 Traffic Impact Fees
- 313 Traffic Congestion Relief

### 300 Capital Projects Funds (cont)

- 314 Vehicle Registration Fee
- 315 Calaveras Widening Impact Fee
- 316 Montague Widening Impact Fee
- 317 Milpitas Business Pk Impact Fe
- 320 Park Improvement Fund
- 321 Park Improvement CIP
- 322 Midtown Park Fund
- 330 General Government
- 331 General Government CIP
- 334 2020 Fire Station Bonds
- 340 Storm Drain Development CIP
- 341 Storm Drain Project Fund
- 342 Storm Drain General Fund
- 350 Transit Area Impact Fee Fund
- 351 Transit Area CIP
- 352 Piper Montague Infrastructure

### 400 Enterprise Funds

- 400 Water M & O Fund
- 401 Water CIP
- 402 Water Line Extension Fund
- 403 2019 Water Bonds
- 405 Water Infrastructure Replacement
- 406 Recycled Water Fund
- 450 Sewer M & O Fund
- 451 Sewer CIP
- 452 Treatment Plant Construction Fund
- 453 2017 Sewer Refunding Bonds
- 454 2019 Sewer Bonds
- 455 Sewer Infrastructure Replacement

### 500 Internal Service Funds

- 500 Equipment Replacement Fund
- 505 Information Technology Replacement
- 506 Permit Automation Fund

### 930 Successor Agency

- 930 Successor Agency

## List of Departments / Divisions / Functions

### 1 City Manager

- 10 City Council
  - 100 City Council
- 11 City Manager
  - 111 City Manager
  - 114 City Clerk
  - 116 Economic Development

### 2 City Attorney

- 12 City Attorney
  - 120 City Attorney

### 3 Finance

- 30 Finance Administration
  - 300 Finance Administration
- 31 Finance Operations
  - 310 Finance Operations
  - 323 Fiscal Services

### 4 Public Works

- 42 Public Works
  - 400 Public Works Administration
  - 421 Street Maintenance
  - 422 Utility Engineering
  - 423 Utility Maintenance
  - 424 Park Maintenance
  - 425 Trees & Landscape Maintenance
  - 426 Fleet Maintenance
  - 427 Facilities Maintenance
  - 428 Compliance
  - 430 Solid Waste

### 5 Planning

- 51 Planning
  - 512 Planning
  - 513 Long Range Planning

### 6 Recreation and Community Services

- 45 Recreation and Community Services
  - 161 Recreation Administration
  - 162 Senior Services
  - 164 Youth Program
  - 167 Special Events
  - 168 Marketing
  - 169 Performing Arts
  - 170 General Classes
  - 171 Aquatics
  - 172 Sports & Fitness
  - 175 Social Services

### 7 Police

- 70 Police Administration
  - 700 Police Administration
- 71 Technical Services
  - 711 Records
  - 712 Personnel & Training
  - 713 Communications
- 72 Field Services
  - 721 Patrol Services
  - 722 Traffic
  - 723 Crossing Guards
- 73 Special Operations
  - 714 Community Relations
  - 724 Investigations

### 8 Fire

- 80 Fire Administration
  - 801 Fire Administration
- 81 Operations Division
  - 812 Operations
- 82 Prevention Division
  - 821 Fire Prevention Administration
  - 822 Fire Prevention
- 83 Training, Emergency Medical Services, & Safety
  - 801 Fire Administration
  - 814 EMS Transport Services
- 84 Office of Emergency Services
  - 840 Office of Emergency Management

## List of Departments / Divisions / Functions

### 11 Information Technology

- 14 Information Technology
- 112 Information Technology

### 12 Human Resources

- 15 Human Resources
- 115 Human Resources

### 13 Building Safety and Housing

- 53 Building Safety and Housing
  - 531 Building Inspection
  - 532 Plan Review
  - 533 Building Safety and Housing Administration
  - 534 Permit Center
  - 536 Housing and Neighborhood Svcs
  - 551 Housing

### 14 Engineering

- 41 Engineering
  - 411 Engineering Administration
  - 412 Design & Construction
  - 413 Land Development
  - 415 Traffic Engineering

### 9 Non-Departmental

- 91 Non-Departmental
  - 910 Non-Departmental
- 92 Debt Service
  - 920 Debt Service
- 93 Equipment to be Depreciated
  - 930 Equipment to be Depreciated
- 94 Properties Management
  - 941 1432 S. Main
  - 942 1452 S. Main
- 95 Other Functions
  - 951 Capital Improvement Projects
- 99 Transfers
  - 991 Transfers
  - 992 Transfers (Intrafund)

## List of Revenues

### 300 Property Taxes

- 3010 Secured & Unsecured
  - 3011 Current- Secured Property Taxes
  - 3012 Current-Unsecured Property Tax
- 3020 Property Taxes-Prior
  - 3021 Prior-Secured Property Taxes
  - 3022 Prior-Unsecured Property Taxes
- 3521 Homeowners Property Tax Relief
- 3531 Property Tax, Supplemental
- 3013 Property Tax-VLF
  - 3013 Property Tax-VLF
- 3014 Property Tax-ERAF
  - 3014 Property Tax-ERAF
- 3051 RPTTF Distribution
  - 3051 RPTTF Distribution

### 305 Sales Taxes

- 3110 Sales and Use Tax
  - 3110 Sales and Use Tax
  - 3111 Public Safety Sales and Use Tax
- 3113 Sales Tax - Measure F

### 310 Transient Occupancy Tax

- 3150 Transient Occupancy Tax
  - 3151 Holiday Inn & Suite
  - 3152 Embassy Suites
  - 3153 Crowne Plaza
  - 3154 Sheraton
  - 3155 Best Western Brookside
  - 3156 Larkspur Landing
  - 3157 Park Inn
  - 3158 Audited T O T
  - 3160 Executive Inn
  - 3161 Days Inn
  - 3162 Extended Stay of America
  - 3163 Hampton Inn - Milpitas
  - 3164 Hilton Garden Inn
  - 3165 Homestead Village
  - 3166 Marriott Courtyard
  - 3167 Milpitas Travelodge

- 3150 Transient Occupancy Tax (cont)
  - 3168 Sonesta Silicon Valley
  - 3169 Residence Inn by Marriott
  - 3170 Best Value Inn
  - 3171 Towneplace
  - 3172 Stay Bridge Suites
  - 3173 Synergy Corporate Housing
  - 3174 Holiday Inn
  - 3175 Short Term Rentals (STRs)
  - 3176 Spring Hill Milpitas
  - 3177 Element Milpitas

### 313 Franchise Fees

- 3131 Electric Franchise
  - 3131 Electric
- 3132 Gas Franchise
  - 3132 Gas
  - 3137 Nitrogen Gas
- 3133 Garbage Franchise
  - 3133 Garbage - Commercial
  - 3134 Garbage - NonComm - Resi
  - 3135 Garbage - Multi Family
  - 3136 Garbage - Debris Box
  - 3139 County-wide AB 939 Fee
- 3138 Cable TV Franchise
  - 3138 Cable TV

### 315 Other Taxes

- 3120 Other Taxes
  - 3120 Real Estate Transfer Tax
  - 3140 Business License Tax
  - 3511 Motor Vehicle in-Lieu
  - 3549 Sec 2032 - RM&R
- 3540 Gas Tax
  - 3543 Sec 2103-Gas Tax
  - 3545 Sec 2105-Gas Tax
  - 3547 Sec 2107-Gas Tax
  - 3548 Sec 2107.5-Gas Tax

## List of Revenues

### 320 Licenses, Permits & Fines

- 3210 Building Permit & Inspection Fees
  - 3210 Building Permits
  - 3213 After Hours Inspection
  - 3214 Re-Inspection
  - 3215 Dedicated Building Services
  - 3216 Mobile Home Inspections
  - 3218 Building Investigation
  - 3219 Building Misc Fees & Permits
- 3217 Building Plan Review Fees
  - 3211 Plan Review Revisions
  - 3212 After Hours Plan Review
  - 3217 Plan Review
- 3220 Fire Permit & Inspection Fees
  - 3220 Haz. Materials Const Permit/In
  - 3221 Life Safety Const. Permit/Insp
  - 3250 Fire Inspections
  - 3251 Building Standards/Life Safety
  - 3252 Fire Expedited PC/Inspections
- 3240 Fire Annual Permit & Inspection Fees
  - 3222 Haz. Materials Annual Permit/I
  - 3223 Fire Penalties
  - 3240 Life Safety Annual Permits/Ins
- 3260 Other Licenses & Permits
  - 3261 Animal Licenses
- 3300 Fines & Forfeits
  - 3301 Vehicle Code Fines
  - 3302 Other Court Fines
  - 3304 Hazardous Materials Fines
  - 3305 Booking Fees
  - 3306 NBO Violation Fees
  - 3307 Impound Fees
  - 3308 Animal Violations
  - 3309 False Alarm Fee
  - 3310 Fire Administrative Citation
  - 3311 Building Admin Citation
  - 3312 Planning Admin Citation
  - 3313 PW Municipal Code Fines
  - 3321 Urban Runoff Fines

### 340 Use of Money & Property

- 3430 Investment Interest
  - 3431 Pooled Interest (nonallocation)
  - 3432 Cash with Fiscal Agents
  - 3433 Other Interest Income
  - 3434 Pooled Interest (allocation)
- 3435 Gain/Loss on Investments
  - 3435 Gain/Loss on Sale of Investments
  - 3437 Gain on Bond Refunding
- 3436 Year End Market Value Adj
  - 3436 Market Value Gain/Loss on Inv
- 3770 Sale of Property, Plant and Equipment
  - 3770 Sale of Property, Plant and Equip.
  - 3771 Fire Safe Program
  - 3772 Police Abandon Properties

### 350 Intergovernmental Revenue

- 3550 Federal Contributions
  - 3551 Federal Contri-General Gov
  - 3553 Federal Contri-Building
  - 3554 Federal Contri-Public Works
  - 3555 Federal Contri-Engineering
  - 3556 Federal Contri-Recreation
  - 3557 Federal Contributions-Police
  - 3558 Federal Contributions-Fire
  - 3559 Federal Contri - Planning
- 3560 State Contributions
  - 3561 State Contr-General Government
  - 3562 POST Grant
  - 3563 State Contributions-Building
  - 3564 State Contri-Public Works
  - 3565 State Contri-Engineering
  - 3566 State Contribution-Recreation
  - 3567 State Contribution-Police
  - 3568 State Contribution-Fire
  - 3569 State Contributions - Planning
- 3570 County Contributions
  - 3571 County Con-General Government
  - 3572 South Bay Water Recycling Prog



## List of Revenues

- 3570 County Contributions (cont)
  - 3573 County Contribution-Building
  - 3574 County Contribution-PW
  - 3575 County Cont-Engineering
  - 3576 County Contribution-Recreation
  - 3577 County Contribution-Police
  - 3578 County Contribution-Fire
  - 3579 County Contributions-Planning
- 3580 Other Restricted Grants
  - 3581 Other Res Grants-General Govt.
  - 3582 SB90 Grant
  - 3583 Other Res Grants-Building
  - 3584 Other Res Grant -PW
  - 3585 Other Res Grant-Engineering
  - 3586 Other Restri Grants-Recreation
  - 3587 Other Restri Grants-Police
  - 3588 Other Restri Grants-Fire
  - 3589 Other Restri Grants-Planning
- 3590 Misc. Unrestricted Intergovernmental
  - 3591 Mis Unrestricted Intergovernmental

### 360 Charges For Services

- 3600 General Government
  - 3601 General Govern Service Charges
  - 3602 Sale of Maps and Documents-GG
  - 3603 Rent, Lease & Concession-GG
  - 3604 Business License Procng Fee
  - 3608 PJ Legal Overhead Charges
  - 3609 PJ Legal Reimbursement
- 3610 Engineering Services
  - 3611 PJ Overhead Charges-Eng
  - 3612 PJ Labor Reimbursement-Eng
  - 3613 PJ Vendor Reimbursement-Eng
  - 3615 Engineering Fees
  - 3616 Engr Plan Check Fees
  - 3618 Sales of Maps and Doc-Engr
  - 3619 Rent,Lease & Concession-Engr
- 3620 Public Works Services
  - 3621 Public Works Service Charges
  - 3622 Public Works Cost Recovery

- 3630 Fire Services
  - 3631 PJ Overhead Charges - Fire
  - 3632 PJ Labor Reimb - Fire
  - 3633 Fire Cost Recovery
  - 3634 Fire Unwanted Alarms
  - 3635 Fire Enforcement Penalties
  - 3636 Fire Enforcement-Training
  - 3637 Fire Service Charges
  - 3638 Fire Sales of Maps & Document
  - 3639 Fire Electronic Archive Chg
  - 3691 Fire GIS Mapping
  - 3692 Fire Automation Fee
  - 3693 Fire-Rent, Lease & Concess
  - 3694 Ambulance Services
- 3640 Police Services
  - 3641 Police Service Charges
  - 3643 Fingerprints
  - 3644 Sales of Maps and Document-Pol
  - 3645 Police Cost Recovery
  - 3646 Rent, Lease and Concession-Pol
  - 3647 DUI-Police Cost Recovery
  - 3648 PJ Overhead Charges - Police
  - 3649 PJ Labor Reimb - Police
- 3650 Recreation Services
  - 3651 Rent,Lease and Concession-Recr
  - 3652 Recreation Fees
  - 3653 Senior Nutrition Fees
  - 3654 Contract Classes
  - 3655 Sales of Merchandise Rec
  - 3656 Recreation Transaction Fee
  - 3657 Special Event Fees
  - 3658 Sale of Food
- 3660 Building Services
  - 3661 Sales of Documents-Building
  - 3662 Records Retention Fee-Building
  - 3663 Building Service Charges
  - 3664 Overhead Charges Reimbursement
  - 3665 PJ Overhead Charges - Building
  - 3666 PJ Labor Reimb - Building
  - 3667 Building State Mndatd Stds Fee

## List of Revenues

- 3670 Utility Charges
  - 3671 Water Meter Charge
  - 3672 Water Consumption
  - 3673 Irrigation Meter Charge
  - 3674 Irrigation Consumption
  - 3675 Fire Line Meter Charge
  - 3676 Fire Line Consumption
  - 3677 Recycle Meter Charge
  - 3678 Recycle Consumption
- 3680 Planning Services
  - 3617 Planning Fees
  - 3681 PJ Overhead Charges - Planning
  - 3682 PJ Labor Reimb - Planning
  - 3683 PJ Vendor Reimb - Planning
  - 3684 Sales of Maps and Doc-Planning
  - 3685 Housing & Neighborhood Svcs
  - 3686 Planning Plan Check Fee
  - 3687 Animal Control Services Fee

### 370 Miscellaneous Revenue

- 3710 Development
  - 3710 Development
  - 3711 Storm Drain Connection Fees
  - 3712 Park Development Fees
  - 3713 Sewer Permit Fees
  - 3714 Treatment Plant Fees
  - 3715 Connection Fees
  - 3716 Fire Hydrant Fees
  - 3717 Encroachment Permit Fees
  - 3718 Impact Fees
- 3760 Developer Contribution
- 3761 Contribution-Equipment

- 3720 Special Assessments
  - 3720 Special Assessments
  - 3721 Special Assessments Pre-Pmt
- 3730 Recycling
  - 3730 Recycling
- 3740 Reimbursements
  - 3741 Repayment
  - 3742 Principal
  - 3743 Interest Income
  - 3744 Advance-Principal Repayment
  - 3745 Advance-Interest Earnings
  - 3746 HAZMAT Incidents
- 3750 Donations
  - 3750 Donations
- 3790 Miscellaneous Other Revenue
  - 3791 Cash Over/(Short)
  - 3792 Clearing, Various
  - 3799 Miscellaneous Other Revenue

### 390 Other Financing Sources

- 3970 Bond Proceeds
  - 3970 Bond Proceeds
- 3980 Other Financing Sources
  - 3980 Other Financing Sources
  - 3981 Contributions-Proprietary Fund
  - 3982 Capital Leases
  - 3983 Pmnt to Refunded Bond Escrow A
  - 3985 Extraordinary Item
  - 3982 Capital Leases
  - 3983 Pmnt to Refunded Bond Escrow A
  - 3985 Extraordinary Item

## List of Expenditures

### 410 Personnel Services

- 4110 Wages
  - 4111 Permanent
  - 4112 Temporary
  - 4113 Overtime
  - 4114 Reimbursable Overtime
  - 4143 Charged to CIPs
- 4120 Allowances/Leaves
  - 4121 Allowances
  - 4122 Standby Pay MEA
  - 4124 Leave Cashout
  - 4125 Accrued Leave
  - 4126 Meal Stipend MEA
- 4130 Benefits
  - 4131 PERS
  - 4132 Group Insurance
  - 4133 Medicare-Employer's Contributi
  - 4135 Worker's Compensation
  - 4136 Unemployment
  - 4137 MOU Contractual Agreements
  - 4138 Deferred Comp-Employer Contrib
  - 4139 PARS
- 4140 Adjustments - Payroll
  - 4141 Adjustments-Payroll
  - 4142 Vacancy Factor
  - 4146 Short Term Disability
  - 4151 Compensation Reduction
  - 4152 Employee Pay PERS Contribution
  - 4198 Overhead-PJ's Contractual Labo
  - 4199 Overhead-Payroll
- 4160 Retiree Benefits
  - 4161 Retiree Medical Reserve
  - 4162 Retiree Medical Payment
  - 4163 Retiree Medical Reimbursement
- 4170 Pension Expense
  - 4171 Pension/OPEB Expense
  - 4172 OPEB Expense

### 420 Services and Supplies

- 4200 Community Promotion, Grant/Loan
  - 4201 Community Promotions
  - 4202 Com Promotions-CC Allocated
  - 4203 Com Prom-CC Unallocated
  - 4204 Cultural Arts Grants
  - 4205 Miscellaneous Grants
  - 4206 Sports Grants
  - 4207 Housing Loans
  - 4208 CDBG Grants
  - 4209 Miscellaneous Loans
- 4210 Department Allocations
  - 4211 Equipment Replacement Amortization
  - 4212 Vehicle Lease Charges
- 4220 Supplies
  - 4221 Office Supplies
  - 4223 Departmental Supplies
  - 4224 Maintenance Supplies
  - 4225 Health & Safety Supplies
  - 4226 Senior Nutrition Food Supplies
- 4230 Services
  - 4231 Advertising
  - 4232 Blueprinting
  - 4237 Contractual Services
  - 4238 Contractual Servs-PJ's Labor
  - 4239 Audit Fees
  - 4244 Senior Nutrition Non-Food
- 4240 Repair & Maintenance
  - 4241 Repair & Maintenance
  - 4242 Rents & Leases
- 4250 Legal Services
  - 4252 Retainers & Fees
  - 4253 Plan JPA Attorney's Fees
  - 4254 Plan JPA Settlements
  - 4255 Litigation
  - 4256 Liability IBNR Adjustment
- 4280 Elections
  - 4280 Elections

## List of Expenditures

|      |  |  |   |
|------|--|--|---|
| 4410 | Communications                         | 4600                                   | Insurance, Settlements & Miscellaneous (cont) |
| 4411 | Phone-Local                            | 4650                                   | Loss on Sale                                  |
| 4412 | Computer Data Lines                    | 4660                                   | Other Miscellaneous and Correc                |
| 4415 | Pagers                                 | 4630                                   | Depreciation & Amortization                   |
| 4416 | Cellular Phones                        | 4630                                   | Depreciation & Amortization                   |
| 4417 | Fire Alarms                            |  |   |
| 4418 | Police Alarms                          |  |   |
| 4420 | Utilities                              | <b>470 Debt Service</b>                |   |
| 4421 | Utilities-Gas                          | 4700                                   | Principal                                     |
| 4422 | Utilities-Electric                     | 4701                                   | Retirement of Principal                       |
| 4423 | Utilities - Water                      | 4702                                   | Principal - COP                               |
| 4426 | Utilities - Solid Waste                | 4703                                   | Principal - Advance                           |
| 4430 | Utilities - Water Purchase             | 4710                                   | Interest                                      |
| 4424 | SFWD, Wholesale Water Purch.           | 4711                                   | Interest Expense                              |
| 4425 | SCVWD, Wholesale Water Purch.          | 4712                                   | Interest - COP                                |
| 4427 | Recycled Water Purchase                | 4713                                   | Interest - Advance                            |
| 4440 | Treatment Plant                        | 4720                                   | Contractual Obligation                        |
| 4428 | Treatment Plant, Capital               | 4720                                   | Contractual Obligation                        |
| 4429 | Treatment Plant, M & O                 | 4721                                   | Cost of Issuance                              |
| 4500 | Training, Travel, & Memberships        | 4730                                   | Premium-Bond Prepayment                       |
| 4501 | Memberships & Dues                     | 4730                                   | Premium-Bond Prepayment                       |
| 4502 | Professional Licensing                 |  |   |
| 4503 | Training and Registration              | <b>480 Capital Improvements</b>        |   |
| 4505 | Lodging/Travel                         | 4800                                   | Capital Improvements                          |
| 4506 | Meals for Meetings                     | 4800                                   | Capital Improvements                          |
| 4507 | Per Diem                               |  |   |
| 4508 | Mileage Reimbursement/Parking          |  |   |
| 4509 | Tuition Reimbursement                  |  |   |
| 4520 | Commissions & Boards                   | <b>485 Capital Outlay &gt; \$5,000</b> |   |
| 4521 | Conference Expenses                    | 4810                                   | Land  |
| 4522 | Non-Conference Expenses                | 4811                                   | Land  |
| 4600 | Insurance, Settlements & Miscellaneous | 4820                                   | Land Improvements                             |
| 4602 | Liability Insurance                    | 4821                                   | Land Improvements                             |
| 4603 | Settlements                            | 4830                                   | Buildings and Improvements                    |
| 4610 | Uncollectible Accounts                 | 4831                                   | Buildings and Improvements                    |
| 4611 | Collection Fees                        | 4840                                   | Infrastructure                                |
|      |  | 4841                                   | Infrastructure                                |
| 4640 | Unanticipated Expenditure Reserve      | 4850                                   | Vehicles                                      |
|      |  | 4851                                   | Vehicles                                      |

## List of Expenditures

|      |                          |  |
|------|--------------------------|--|
| 4860 | Capitalized Leases       | <b>490 Capital Outlay &lt; \$5,000</b> |
| 4864 | Capitalized Leases       | 4910 Office Furniture & Fixtures       |
| 4865 | Capital Lease Interest   | 4911 Office Furniture & Fixtures       |
| 4870 | Machinery & Equipment    | 4920 Machinery, Tools & Equipment      |
| 4873 | Machinery & Equipment    | 4921 Machinery, Tools & Equipment      |
| 4874 | Computer Hardware        | 4922 Computer Hardware                 |
| 4875 | Computer Software        | 4923 Computer Software                 |
| 4880 | Furniture and Fixtures   | 4924 Electronic Equipment              |
| 4881 | Furniture and Fixtures   | 4930 Hydrants & Meters                 |
| 4890 | Adjustments CIP          | 4931 Hydrants                          |
| 4891 | Adjustments-CIP-Addition | 4932 Meters                            |
| 4892 | Adjustments-CIP-Deletion |  |
| 4893 | Adjustments-CIP-Transfer |  |
| 4894 | Adjustments-CIP-LTD      |  |

## Abbreviations and Acronyms

|                 |   |
|-----------------|---|
| <b>AB</b>       | Assembly Bill                                   |
| <b>ABAG</b>     | Association of Bay Area Governments             |
| <b>ADA</b>      | Americans with Disabilities Act                 |
| <b>ALS</b>      | Advanced Life Support                           |
| <b>AMR</b>      | American Medical Response                       |
| <b>AP</b>       | Accounts Payable                                |
| <b>AR</b>       | Accounts Receivable                             |
| <b>ARPA</b>     | American Rescue Plan Act                        |
| <b>AuthFTE</b>  | Authorized Full-Time Equivalent positions       |
| <b>AVASA</b>    | Abandoned Vehicle Abatement Service Authority   |
| <b>A / V</b>    | Audio/Visual Equipment                          |
| <b>BAAQMD</b>   | Bay Area Air Quality Management District        |
| <b>BART</b>     | Bay Area Rapid Transit                          |
| <b>CAD</b>      | Computer Aided Dispatch                         |
| <b>CSA</b>      | City Service Area                               |
| <b>Caltrans</b> | California Department of Transportation         |
| <b>CAPER</b>    | Consolidated Annual Plan & Performance Eval Rpt |
| <b>CATV</b>     | Cable Television                                |
| <b>CCPI</b>     | California Consumer Price Index                 |
| <b>CDBG</b>     | Community Development Block Grant               |
| <b>CEQA</b>     | California Environmental Quality Act            |
| <b>CERBT</b>    | California Employers' Retiree Benefit Trust     |
| <b>CIP</b>      | Capital Improvement Program                     |
| <b>CIT</b>      | Counselor in Training Program                   |
| <b>CMAS</b>     | California Multiple Awards Schedule             |
| <b>CMO</b>      | City Manager's Office                           |
| <b>CO</b>       | Certificate of Occupancy                        |
| <b>COBRA</b>    | Consolidated Omnibus Budget Reconciliation Act  |
| <b>COMPST</b>   | Computerized Statistics                         |
| <b>COPs</b>     | Certificates of Participation                   |
| <b>COPS</b>     | Community Oriented Policing Services            |
| <b>CPI</b>      | Consumer Price Index                            |

|                |   |
|----------------|---|
| <b>CPR</b>     | Cardio-Pulmonary Resuscitation            |
| <b>CRS</b>     | Community Rating System                   |
| <b>CSA</b>     | City Service Area                         |
| <b>EMD</b>     | Emergency Medical Dispatch                |
| <b>EMS</b>     | Emergency Medical Service                 |
| <b>EMT</b>     | Emergency Medical Technician              |
| <b>EOC</b>     | Emergency Operations Center               |
| <b>EPA</b>     | Environmental Protection Agency           |
| <b>EPC</b>     | Emergency Preparedness Commission         |
| <b>ERAF</b>    | Educational Revenue Augmentation Fund     |
| <b>FBI</b>     | Federal Bureau of Investigation           |
| <b>FEHA</b>    | Fair Employment and Housing Act           |
| <b>FEMA</b>    | Federal Emergency Management Admin        |
| <b>FICA</b>    | Federal Insurance Contributions Act       |
| <b>FMLA</b>    | Family Medical Leave Act                  |
| <b>FPPC</b>    | Fair Political Practices Commission       |
| <b>FTA</b>     | Federal Transit Authority                 |
| <b>FTE</b>     | Full-Time Equivalent                      |
| <b>FY</b>      | Fiscal Year                               |
| <b>GAAP</b>    | Generally Accepted Accounting Principles  |
| <b>GASB</b>    | Governmental Accounting Standards Board   |
| <b>GFOA</b>    | Government Finance Officers Association   |
| <b>GIS</b>     | Geographic Information System             |
| <b>GPS</b>     | Global Positioning System                 |
| <b>Haz Mat</b> | Hazardous Materials                       |
| <b>HCD</b>     | Housing and Community Development         |
| <b>HMO</b>     | Health Maintenance Organization           |
| <b>HR</b>      | Human Resources                           |
| <b>HUD</b>     | U.S. Housing and Urban Development        |
| <b>HVAC</b>    | Heating8 Ventilating and Air Conditioning |
| <b>I</b>       | Interstate                                |
| <b>ICMA</b>    | Intern'l City/County Mgmt Association     |
| <b>IT</b>      | Information Technology                    |
| <b>IVR</b>     | Integrated Voice Recognition              |
| <b>JPA</b>     | Joint Power Authority                     |

|                  |   |
|------------------|---|
| <b>LAFCO</b>     | Local Agency Formation Commission           |
| <b>LED</b>       | Light-Emitting Diode                        |
| <b>LIUNA</b>     | Laborers' International Union of N. America |
| <b>LID</b>       | Local Improvement District                  |
| <b>LLEBG</b>     | Local Law Enforcement Block Grant           |
| <b>LLMD</b>      | Light & Landscape Maintenance District      |
| <b>M &amp; O</b> | Maintenance and Operation                   |
| <b>MEA</b>       | Milpitas Employees Association              |
| <b>MLS</b>       | Major League Soccer                         |
| <b>MOU</b>       | Memorandum of Understanding                 |
| <b>MUSD</b>      | Milpitas Unified School District            |
| <b>MVP</b>       | Milpitas Volunteer Program                  |
| <b>NAIOP</b>     | Nat Assoc of Industrial & Office Properties |
| <b>MLS</b>       | Major League Soccer                         |
| <b>MOU</b>       | Memorandum of Understanding                 |
| <b>MUSD</b>      | Milpitas Unified School District            |
| <b>MVP</b>       | Milpitas Volunteer Program                  |
| <b>NAIOP</b>     | Nat Assoc of Industrial & Office Properties |
| <b>NBO</b>       | Neighborhood Beautification Ordinance       |
| <b>NOVA</b>      | North Valley Private Industry Council       |
| <b>O&amp;M</b>   | Operating and Maintenance                   |
| <b>OES</b>       | Office of Environmental Services            |
| <b>OPA</b>       | Owner Participation Agreement               |
| <b>OPEB</b>      | Other Post-Employment Benefits              |
| <b>OSHA</b>      | Occupational Safety and Health Admin        |
| <b>PAL</b>       | Police Athletic League                      |
| <b>PAR</b>       | Performance Appraisal Report                |
| <b>PC</b>        | Planning Commission                         |
| <b>PCR</b>       | Police Community Relations                  |
| <b>PERS</b>      | Public Employees Retirement System          |
| <b>PLAN</b>      | Pooled Liability Assurance Network          |
| <b>POST</b>      | Peace Officers Standards and Training       |
| <b>PPO</b>       | Preferred Provider Organization             |
| <b>PRV</b>       | Pressure Reducing Valves                    |
| <b>PUC</b>       | Public Utility Commission                   |
| <b>RAP</b>       | Recreation Assistance Program               |

|                  |   |
|------------------|---|
| <b>R &amp; D</b> | Research and Development                    |
| <b>RDA</b>       | Redevelopment Agency                        |
| <b>RFP</b>       | Request for Proposal                        |
| <b>RPTT</b>      | Redevelopment Property Tax Trust Fund       |
| <b>RMS</b>       | Records Management System                   |
| <b>RWQCB</b>     | Regional Water Quality Control Board        |
| <b>SB</b>        | Senate Bill                                 |
| <b>SBDC</b>      | Small Business Development Center           |
| <b>SBWRP</b>     | South Bay Water Recycling Program           |
| <b>SAFE</b>      | Strategic Actions For Emergencies           |
| <b>SCVWD</b>     | Santa Clara Valley Water District           |
| <b>SEMS</b>      | Standardized Emergency Management           |
| <b>SERAF</b>     | Supplmntl Educ. Rev. Augmentation Fund      |
| <b>SFPUC</b>     | San Francisco Public Utilities Commission   |
| <b>SLETS</b>     | Sheriff's Law Enforcement Telecom System    |
| <b>SOP</b>       | Standard Operating Procedure                |
| <b>SV-ITS</b>    | Silicon Valley Intelligent Transportation   |
| <b>SVU</b>       | Silicon Valley Unwired                      |
| <b>SWAT</b>      | Special Weapons and Tactics                 |
| <b>TABs</b>      | Tax Allocation Bonds                        |
| <b>TAG</b>       | Technology Application Group                |
| <b>TIA</b>       | Traffic Impact Analysis                     |
| <b>TDM</b>       | Transportation Demand Management            |
| <b>TOT</b>       | Transient Occupancy Tax                     |
| <b>UBC</b>       | Uniform Building Code                       |
| <b>UCR</b>       | Uniform Crime Reports                       |
| <b>UFC</b>       | Uniform Fire Code                           |
| <b>VLF</b>       | Vehicle License Fee                         |
| <b>VTa</b>       | Santa Clara Valley Transportation Authority |
| <b>WMD</b>       | Weapons of Mass Destruction                 |
| <b>WPCP</b>      | Water Pollution Control Plant               |
| <b>YBA</b>       | Youth Basketball Association                |
| <b>YSB</b>       | Youth Services Bureau                       |
| <b>YTD</b>       | Year to Date                                |



## Glossary of Terms

**Accrual Basis** – A basis of accounting in which transactions are recognized at the time they are incurred, as opposed to when cash is received and spent.

**Accomplishment** – Programs and activities successfully completed in the prior fiscal year.

**Agency Funds** – One of four types of fiduciary funds. Agency funds are used to report resources held by the reporting government in a purely custodial capacity (assets equal liabilities).

**Appropriation** – An authorization made by the City Council that permits officials to incur obligations against and to make expenditures of resources. Appropriations are usually made for fixed amounts and are typically granted for a one-year period.

**Appropriations Limit** – Proposition 4 approved by the voters in 1980 limits the amount of money that cities may spend each year. This limit is set each year based on the amount that was appropriated in 1978-79 and adjusted each year for population growth and a cost-of-living factor.

**Assessed Valuation** – The value of real property and improvements, as determined by the County Assessor, against which the property tax levy is assessed.

**Asset** – Resources owned or held by a government that have a monetary value.

**Balanced Budget** – A balanced budget is defined as a budget where the anticipated operating revenues and other financing resources including carryover of outstanding encumbrances from prior year are equal to or exceed operating expenditures.

**Bond** – A financial obligation for which the issuer promises to pay the bondholder a specified stream of future cash flows, including periodic interest payments and a principal repayment.

**Budget** – A plan of financial operation embodying an estimate of proposed expenditures for a given period of time and the proposed means of financing them.

**Budgetary Basis** – This refers to the basis of accounting used to estimate financing sources and uses in the budget. This generally takes one of three forms: GAAP, cash, or modified accrual.

**Budget Calendar** – The schedule of key dates which government follows in preparation and adoption of the budget.

**Budgetary Integration** – The control or management of a government in accordance with the approved budget for the purpose of keeping expenditures within the limitations of the available appropriations and resources. A system of controls to ensure and demonstrate budgetary compliance with uncommitted balance of appropriations (avoid overspending or over committing budget) and unrealized revenues (monitor on an ongoing basis to determine whether spending reductions are needed to keep the budget in balance).

**Building Permit Fee** – Fee required for new construction or for any alteration or addition to a residence or commercial building. The fee is based on valuation. Electrical or plumbing/mechanical work also requires a similar permit with an itemized fee schedule.

**Business License Tax** – A tax imposed upon businesses in the community. The fee is a flat rate plus a minimal charge per employee.

**California Employers' Retiree Benefit Trust (CERBT)** – A Section 115 trust fund dedicated to prefunding Other Post-Employment Benefits (OPEB) for all eligible California public agencies.

**Capital Assets** – Assets of significant value and having a useful life of several years (the term fixed assets is also used).

**Capital Budget** – A plan of proposed capital expenditures and the appropriations to finance them. The capital budget is usually enacted as part of the complete annual budget that includes both an operating component and a capital component. The capital budget should be based on a capital improvement program (CIP) and is typically the first year of a multi-year CIP.

**Capital Improvement** – Projects which purchase or construct capital assets. Typically capital improvements include new street improvements, park development, the acquisition of land, major construction of public facilities, and major maintenance/repair projects such as street resurfacing or modifications to public facilities.

**Capital Improvement Program** – A comprehensive five-year plan of implementing proposed capital projects which identifies priorities as to need, cost, and method of financing during the next five years. The first year of the CIP is typically adopted as the current capital budget.

**Capital Projects Fund** – Fund type used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

**Capital Outlay** – Expenditure for the acquisition of equipment for direct services with a useful life of two or more years and an acquisition cost of \$5,000 or more per unit (i.e. police vehicles, riding mowers, etc.). Capital Outlay is budgeted in the operating budget.

**Comprehensive Annual Financial Report** – The official annual financial report for the City. A Comprehensive Annual Financial Report is compiled by a state, municipal or other governmental accounting staff and audited by an external American Institute of Certified Public Accountants (AICPA) certified accounting firm utilizing Governmental Accounting Standards Board (GASB) requirements. It is composed of three sections: Introductory, Financial and Statistical. It combines the financial information of fund accounting and Enterprise Authorities accounting.

**Contractual Services** – Services rendered to a government by private firms, individuals, or other governmental agencies. Examples include utilities, rent, maintenance agreements and professional consulting services.

**Debt Service** – Payment of interest and repayment of principal to holders of the City's debt instruments.

**Defeasance** – The legal release of a debtor from being the primary obligor under the debt, either by the courts or by the creditor.

**Department** – An organizational unit of government which is functionally unique in its delivery of services.

**Discount** – The difference between the cost of a security and its value at maturity when quoted at lower than face value.

**Effectiveness** – The degree to which an entity, program or procedure is successful at achieving its goals and objectives.

**Efficiency** – The degree to which an entity, program or procedure is successful at achieving its goals and objectives with the least use of scarce resources. Efficiency necessarily presupposes effectiveness.

**Encumbrances** – Commitments against an approved budget for unperformed (executed) contracts for goods and services. They cease to be encumbrances when the obligations are paid or otherwise terminated.

**Enterprise Fund** – Used to account for specific services, i.e. water and sewer, which are funded directly by fees and charges to external users.

**Equipment Charges** – Charges or "rental fees" charged to user departments to defray the cost of maintaining the equipment used and to replace the equipment when it exceeds its useful life.

**Expenditure** – The payment of cash on the transfer of property or services for the purpose of acquiring an asset, service or settling a loss.

**Expense** – Charges incurred for operations, maintenance, interest or other charges.

**Fiduciary Fund** – The term is used when a governmental unit acts in a fiduciary capacity such as a trustee or agent. The government unit is responsible for handling the assets placed under its control.

**Final Budget** – The budget document adopted by resolution following the budget hearings in June of each year. The document formally incorporates any Council changes to the preliminary budget, resulting from the budget hearings.

**Fiscal Year** – The financial year for the City of Milpitas is July 1 through June 30 of the subsequent year.

**Fixed Assets** – Assets of long-term character that are intended to continue to be held or used, such as land, buildings, machinery, furniture or other equipment.

**Franchise Fee** – A regulatory fee charged to utility companies for the privilege of doing business in the City of Milpitas, i.e. garbage franchise fee, gas and electric franchise fee, and nitrogen gas franchise fee.

**Function** – A discrete entity such as an organizational unit or groupings of interrelated programs within a department or division whose appropriations for salaries, services and supplies, and capital outlay can easily be subjected to analysis in the budget process.

**Fund** – An independent fiscal and accounting entity used to record all financial transactions related to the specific purpose for which the fund was created.

**Fund Balance** – Also known as financial position, fund balance is the excess of current assets over current liabilities, and represents the cumulative effect of revenues and other financing sources over expenditures and other uses.

**Gas Tax** – Share of revenue derived from the State taxes on gasoline.

**Generally Accepted Accounting Principles (GAAP)** – The standard framework of guidelines for financial accounting used in any given jurisdiction; generally known as Accounting Standards. GAAP includes the standards, conventions, and rules accountants follow in recording and summarizing, and in the preparation of financial statement.

**General Fund** – The main operating fund of the City.

**Government Accounting Standards Board (GASB)** – A standard-setting body, associated with the Financial Accounting Foundation, which prescribes standard accounting practices for governmental units.

**Governmental Funds** – Funds generally used to account for tax-supported activities. There are five different types of governmental funds: the general fund, special revenue funds, debt service funds, capital projects funds and permanent funds.

**Hotel/Motel Tax** – A transient occupancy (less than 30 days at a hotel or motel) tax imposed for general purposes. The tax is currently 14% of receipts.

**Infrastructure** – The physical assets of a government (i.e. streets, water and sewer systems, public buildings and parks).

**Interest** – Income resulting from the prudent investment of idle cash. The types of investments are controlled by the City's Investment Policy in accordance with the California Government Code.

**Internal Service Funds** – Proprietary fund type that may be used to report any activity that provides goods or services to other funds, departments or agencies of the primary government and its component units or to other governments on a cost-reimbursement basis.

**Legal Level of Budgetary Control** – The lowest level at which a government's management may not reallocate resources without special approval from the legislative body.

**Level of Service** – A description of the services provided, or activities performed, and the cost and personnel requirements.

**Line Item** – The description of an object of expenditure, i.e. salaries, supplies, contract services, etc.

**Materiality** – The magnitude of an omission or misstatement of accounting information that, in the light of surrounding circumstance, makes it probable that the judgment of a reasonable person relying on the information would have been changed or influenced by the omission or misstatement. The objective of accountability in governmental financial reporting requires materiality to be judged in both a quantitative and qualitative manner (involves such issues as legal and contractual compliance).

**Modified Accrual Basis** – A basis of accounting in which revenues are recognized when measurable and available and expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and accumulated unpaid vacation, sick pay and other employee benefit amounts, which are recognized as expenditures to the extent they have matured.

**Motor Vehicle In Lieu** – A share of the revenue derived from registration fees charged by the State.

**Objective** – Program or activity intended to be implemented in the ensuing fiscal year.

**Operating Budget** – A financial plan for the provision of direct services and support functions.

**Overhead Charges** – A charge made to a developer account or the Redevelopment Agency to defray the direct and indirect overhead costs associated with an employee performing duties or providing services to the fund or account.

**Park Development Fee** – The fee paid by a developer or sub-developer for park or recreation purposes in lieu of the dedication of land.

**Performance Indicators** – Quantitative measures of accomplishments and objectives, sometimes known as workload/performance measures.

**Personnel Services** – Expenditures for salaries, wages and fringe benefits of a government's employees.

**Personnel Allotment** – List of full-time and part-time employees required to support a division or function, listed by their classification or title.

**Personnel Analysis** - Changes to personnel allotment from the previous fiscal year. Reorganizations, reclassifications and reallocation of resources are highlighted in this section.

**Prior-Year Encumbrances** – Obligations from previous fiscal years in the form of purchase orders, contracts or salary commitments which are chargeable to an appropriation, and for which a part of the appropriation is reserved. They cease to be an encumbrance when the obligations are paid or otherwise terminated.

**Property Tax** – A tax imposed on real property (land and permanently attached improvements) based upon the assessed value of the property. The tax rate may not exceed 1% of assessed value.

**Proposed Budget** – The budget document recommended by the City Manager that is approved as may be amended by the City Council during budget hearings. The hearings are held in May or June, and the approval of the Preliminary Budget gives spending authority effective each July 1st for the subsequent fiscal year.

**Proprietary Funds** – Funds that focus on the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. There are two different types of proprietary funds: enterprise funds and internal service funds.

**Recreation Fees** – Charges for services provided to participants of Community and Recreation Services' classes, activities, and recreational sports.

**Redevelopment** – The planning, development, replanning, redesign, clearance, reconstruction, or rehabilitation of real property, and the provision of such residential, commercial, industrial, public, or other structures appropriate to the general welfare of the City.

**Redevelopment Property Tax Trust Fund** – residual distributions of property tax revenue from dissolved Redevelopment Agency. The Redevelopment Agency is dissolved on 1/31/2012 due to ABX126.

**Rents and Concessions** – Charges for group rentals of City facilities.

**Reserves** – A savings account maintained for restricted use, i.e. self-insurance programs, capital improvement projects, or for unrestricted use to protect the City from emergencies or unanticipated expenditures.

**Revenue Analysis** – Departmental revenue sources are described. Revenue increases, decreases and strategies are highlighted in this section.

**Sales Tax** – The City receives one percent of the County's nine percent sales tax, and a ¼ cent Transaction & Use Tax (Measure F). Sales tax is one of the City's major general fund revenue sources.

**Section 115 Trust** – A grantor trust established by a governmental unit to set aside funds for paying future employee benefits such as pensions and Other Post-Employment Benefits (OPEB).

**Supplies and Contractual Services** – The category of line items that describe non-salary and non-capital outlay expenditures.

**Special Revenue Fund** – Used to account for revenue that is set aside for restricted use, e.g. gas tax receipts are set aside in such a fund to be used solely for street improvements.

**Supplemental Appropriation** – An additional appropriation made by the governing body after the budget year has started.

**Taxes** – Compulsory charges levied by a government for the purposes of financing services performed for the common benefit of the people. This term does not include specific charges made against particular persons or property for current or permanent benefit, such as special assessments.

**Transfers In/Out** – Amounts transferred from one fund to another to assist in financing the services for the recipient fund.

**Unanticipated Expenditures Reserve** – A specific line item appropriation from which to distribute additional funds to decision units for salary increases resulting from employee contract negotiations and to pay for emergencies or unanticipated expenditures that from time to time arise during the course of a fiscal year.

**Unassigned Unrestricted Fund Balance** – Available expendable financial resources in a governmental fund that are not the object of tentative management plans.

**Working Capital** – Working Capital is a financial metric which represents operating liquidity available to a business, organization, or other entity, including governmental entity. Along with fixed assets such as plant and equipment, working capital is considered a part of operating capital.

**Workload/Performance Measures** – Quantitative measures of services provided, or activities performed, by an organizational unit.

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