



City of Milpitas

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City Releases Proposed Budget for Fiscal Year 2024 - 2025

Milpitas, CA – May 9, 2024 – FOR IMMEDIATE RELEASE

Milpitas City Manager Ned Thomas has released the Fiscal Year 2024-25 Proposed Budget in the amount of \$248.4 million. The Proposed Budget is now available for public review on the [City's website](#) and will be presented for discussion at a special City Council Study Session on May 14, 2024. Overall, the proposed budget reflects optimism in the City's financial future but also wariness of near-term economic uncertainty arising from high interest rates, moderate-to-high inflation, foreign conflicts, and the lingering financial impacts of the worldwide COVID-19 pandemic. In addition, the City recognizes that the expiration of a critical local revenue source – the Milpitas Public Services Measure (Measure F) – in 2028-29 requires strict fiscal discipline while simultaneously finding ways to increase revenues and control expenses.

The Proposed Budget aligns well with areas of high priority in the Milpitas community. For example, the City will invest over \$1 million in staffing and equipment to address ongoing maintenance of City streets, parks, water and sewer infrastructure, and other critical community services. The Proposed Budget is balanced and maintains the City's financial reserves in accordance with Council-approved policies.

With the release of the Proposed Budget, City Manager Ned Thomas stated: "As we have developed the proposed budget under the direction of our City Council, our collective goal has been to maintain long-term fiscal sustainability while addressing the City's most pressing needs and fostering thoughtful community and economic development. We believe that the proposed budget strikes a careful balance by continuing in the City's long-term investment strategy while prioritizing needed services and initiatives to enhance the quality of life and well-being of our residents."

The General Fund portion of the Proposed FY 2024-25 Budget is a structurally balanced budget of \$137.2 million, which includes a one-time General Fund transfer of prior year reserve in the amount of \$2.5 million to fund capital improvement plan (CIP) projects. The prior year reserve was designated for infrastructure and technology. The City's financial forecast shows a structurally balanced budget in subsequent years, until Measure F expires in March 2029.

During the FY 2024-25 Preliminary Budget Study Session held on January 30th, City staff projected a

structurally balanced budget, modest revenue increases and status quo service levels. The proposed budget includes modest realignment of responsibilities in the City Manager's Office and Development Services as well as additional staff in Public Works, Finance, and Human Resources to ensure efficient delivery of key services in those departments.

The Proposed Budget has been informed by a robust outreach plan, which included a community survey, Open Townhall online survey, City Council study sessions, employee townhall, and a community meeting. This open and active engagement with the Milpitas community yielded valuable feedback to guide staff in allocating limited resources to the services, programs, and facilities that contribute most significantly to the well-being of residents and the community.

The proposed FY 2024-25 Budget is scheduled for a City Council study session on May 14 and a public hearing and adoption on June 4. Both meetings will be live streamed on the City's Facebook account and can be accessed by visiting the City's Website and clicking on the City Council Agendas and Minutes link. To register for the May 14 Special Meeting, visit: <https://milpitas.info/BudgetStudySession>

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About the City of Milpitas

About the City of Milpitas Located at the southern end of San Francisco Bay, Milpitas is a progressive community that is an integral part of Silicon Valley. A full-service city with water utility, sewer utility, police and fire services, Milpitas is a flourishing community with a very diverse and inclusive resident population of over 80,000. Often referred to as the Crossroads of Silicon Valley, the City is situated between major thoroughfares in the Bay Area and considered a highly desirable location for world-class technology companies seeking to build a central base of operations. With the addition of the new Milpitas Transit Center offering BART, light rail, and bus service, and multiple new mixed-use development projects, along with a host of new City Plans and Programs in support of an inspiring and sustainable future, the City is at the forefront of building the next generation economy. For more information, visit: www.milpitas.gov