

2025-2026



City of Milpitas • California

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



**Carmen Montano**  
Mayor



**Garry Barbadillo, Esq.**  
Vice Mayor



**Evelyn Chua**  
Councilmember



**Hon Lien**  
Councilmember



**William Lam**  
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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September 26, 2025



**Honorable Mayor and Members of the City Council**

The City Manager’s Office is pleased to present the FY 2025-2026 Adopted Operating Budget in the amount of \$268.5 million. As the City continues to recover from the financial impacts of the worldwide COVID-19 pandemic, we remain optimistic about the future but watchful of near-term economic uncertainty arising from the high-to-moderate inflation, growing income disparity, high cost of housing, high interest rates, ultimate impact of inconsistent federal tariff policy and its effect on trade flows, continued war in Ukraine, and ongoing conflict in the Middle East and other arenas. Additionally, we are aware that rising labor costs will require us to continue maintaining fiscal discipline while simultaneously identifying ways to increase revenue while controlling expenses.

The FY 2025-2026 Adopted Operating Budget (Budget) is aligned with high priority areas for the community and ensuring financial stability for the City of Milpitas. We have identified expenditure efficiencies, capacity constraints, economic alternatives, and allocated costs to appropriate sources or activity across the organization, saving \$2.5 million in staffing and services. In addition, we recommend strategic investments of \$0.9 million in the FY 2025-2026 Adopted Operating Budget, including technology systems, exploring revenue generating options, identifying operational efficiencies, and enhancing quality of life for Milpitas residents. The result is a balanced budget that maintains Council-approved reserves and leverages City funds to support a variety of critical needs among residents and businesses in our community. With City Council direction, we will continue to apply incremental and measured strategies to maximize City resources and optimize programs and services to serve the needs of our community.

The City’s fiscal discipline and decisive actions have helped maintain City service levels in City Council priority areas while maintaining fiscal stability. The General Fund portion of the FY 2025-2026 Adopted Operating Budget is balanced at \$144.0 million.

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

	FY 24-25 Adopted Budget	FY 25-26 Adopted Budget	FY 26-27 Forecast	FY 27-28 Forecast	FY 28-29 Forecast	FY 29-30 Forecast
Revenues	\$136.5	\$138.8	\$142.7	\$147.1	\$151.7	\$157.3
Use of One-Time Funds	5.3	5.2	2.7			
<b>Expenditures</b>	<b>(\$141.8)</b>	<b>(\$144.0)</b>	<b>(\$146.4)</b>	<b>(\$153.3)</b>	<b>(\$160.9)</b>	<b>(\$166.8)</b>
<b>Annual Surplus/(Deficit)<sup>1</sup></b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>(\$1.0)</b>	<b>(\$6.1)</b>	<b>(\$9.2)</b>	<b>(\$9.5)</b>
<b>Structural Surplus/(Deficit)</b>				<b>(\$1.0)</b>	<b>(\$7.1)</b>	<b>(\$16.3)</b>

<sup>1</sup>Numbers may not total due to rounding.

The FY 2025-2026 Adopted Operating Budget includes the following use of one-time funds:

- \$2.8 million from the Public Employees Retirement System (PERS) Rate Stabilization Reserve, approved by the City Council in November 2024;

- \$0.9 million from the Future Deficit Reserve, also approved by the City Council in November 2024;
- \$0.8 million from Future Deficit Reserve to support one-time projects authorized by the City Council during the May 13, 2025 Study Session;
- \$0.1 million from the Community Investment Fund for additional initiatives, including the Milpitas Community Choir, discussed in the May 13, 2025 Study Session; and,
- An additional \$1.2 million of the \$1.6 million in net excess revenues (from property, sales, and Educational Revenue Augmentation Fund [ERAF] funds) identified in the May 13, 2025 Study Session. These funds, earned in FY 2024-2025 and carried over to FY 2025-2026 at the fiscal year-end budget reconciliation, appears as a use of one-time funds in FY 2025-2026 but are necessary carryover amounts to fully balance the budget.

During the FY 2025-2026 Preliminary Budget Study Session held on February 18, 2025, staff projected a structural deficit of \$28.5 million over five years with a deficit of \$3.1 million in FY 2025-2026. During that Study Session, City Council directed staff to balance the FY 2025-2026 budget without reducing services to the community and without the additional use of reserves. Since that time, additional Budget Study Sessions were held (April 2 and May 13) to bring forward options for City Council consideration, feedback, direction and prioritization; resulting in the FY 2025-2026 Adopted Operating Budget. The current five-year forecast estimates a nominal structural deficit of \$1.0 million in FY 2027-2028 and \$16.3 million by FY 2029-2030, a substantial reduction of 42.9% from the \$28.5 million structural deficit projected at the February 18, 2025 Study Session.

The ongoing discussions with the City Council were crucial in achieving a balanced FY 2025-2026 Adopted Budget that aligns with City Council priorities. However, these discussions resulted in a significantly shortened timeline for producing the Proposed Operating Budget book ahead of the June 3, 2025 City Council meeting. On June 3, 2025, the budget was presented to City Council for adoption prior to the legal deadline for budget approval and appropriation of funds prior to July 1, 2025 deadline. Given the compressed timeline, certain sections were omitted from the FY 2025-2026 Proposed Operating Budget to facilitate the publication of the Proposed Operating Budget. The sections omitted included the City Profile, historical comparisons with other jurisdictions in the Financial Section, City Council and department-specific areas, Non-Departmental, and the Capital Budget. This FY 2025-2026 Adopted Operating Budget incorporates all previously omitted sections from the Proposed Operating Budget, consistent with prior years publications.

### **Economic Outlook**

Several factors are shaping our economic outlook. Key among these is the ongoing war in Ukraine and conflicts in other regions, persistent tensions in the Middle East, elevated interest rates, and fluctuating levels of inflation, which range from high to moderate. Additionally, rising housing costs, increasing income inequality, and uncertainty surrounding federal tariff policies and other governmental initiatives contribute to the unpredictability of our economic landscape. Given Milpitas sits at the crossroads of Silicon Valley, the recent layoffs in the technology sector are concerning and further complicate this economic picture.

Moreover, the recent downgrade of the United States government's long-term issuer rating from Aaa to Aa1 highlights the troubling trend in the nation's debt situation. This downgrade, along with similar reductions for several highly rated financial institutions and government-sponsored enterprises, serves as a stark reminder of the economic challenges we face. Additionally, economic impacts resulting from HR-1, One Big Beautiful Bill Act, are still being evaluated with significant cuts in public health services, nutrition programs, and affordable housing services.

The current U.S. inflation rate is 2.3% for the 12-month period ending April 2025, down from 2.4% in March. For the 30-year period from 1989 to 2019, the average annual inflation rate was 2.5%. The Federal Open Market Committee, the arm of the U.S. central bank that makes decisions about managing the nation's money supply, targets a 2% rate of inflation over time. The Consumer Price Index (CPI), which measures changes in prices increased 0.2% from March per the United States Bureau of Labor and Statistics (BLS). The prices of different goods and services can rise at different rates. For example, education and health care costs are generally subject to higher inflation rates than the average inflation rate.

Ecommerce consumer purchases as a percentage of total U.S. retail sales have grown every year but one since the Commerce Department began tracking this data in 2000. In 2022, ecommerce penetration was 20.7%, a slight dip compared to 20.8% in 2021. As such, ecommerce penetration reached a record 22.7% in 2024. Ecommerce has accounted for at least a fifth of U.S. retail sales every year since 2020.

Layoffs in the technology sector are especially relevant in Silicon Valley following the hiring scramble from 2020 to 2022 to meet the outsized demand for working from home. The Bay Area added 74,700 tech jobs during this period but shed 80,000 jobs combined in 2023 and 2024. Tech companies are focusing on increasing efficiency and sustained revenues as they further develop artificial intelligence (AI) and automation technology, signaling adjustments to the local economy.

Another critical variable is how societal changes from the pandemic continue to affect the economy, such as cutbacks in in-person commerce or services through online shopping. While some employers are requiring more employees to work in office for a portion of the work week, still significant numbers of Bay Area residents work virtually. Recoveries in sales tax, which is based on consumer confidence and hotel tax (transient occupancy tax), which significantly depends on business travelers are encouraging; however, we are cognizant that full recovery of hotel tax revenue may be challenging and require multiple years. It is challenging to quantify this overall level of economic uncertainty the forecast takes this uncertainty into perspective and the Adopted Budget is conservative, taking the economic outlook into consideration.

The City continues to monitor key metrics such as the unemployment rate in Milpitas, which is 4.1% as of April 2025 and represents a decrease from the overall unemployment rate in Milpitas of 4.7% in 2024. This compares favorably to the State of California unemployment rate of 5.0% issued by the Employment Development Department and is higher than the national rate of 3.9% issued by the U.S. Bureau of Labor Statistics. In Santa Clara County, healthcare, social assistance services, and government jobs experienced employment gains year-over-year, while cutbacks occurred in the professional, scientific, and technical services sectors. Jobs related to durable goods, which include consumer electronics, appliances, medical equipment and vehicles were the main contributor to manufacturing sector declines between April 2024 and April 2025. However, education, health services, professional development and business services experienced employment increases due to gains in professional, scientific and technical services.

## **FY 2025-2026 Operating Budget Summary**

The FY 2025-2026 Adopted Budget of \$268.5 million increased \$18.7 million, or 7.5%, in comparison to the Fiscal Year 2024-25 Adopted Budget of \$249.8 million. This Adopted Budget decreases the position count by 3.0 full-time equivalent (FTE) from 455 to 452 total FTEs, as shown in Table 2 below. Of the 3.0 FTE net decreases, 2.0 FTEs are defunded vacant inspector positions tied to development activity in the City, which has declined over the years significantly decreasing the workload. As development activity increases, the need to fund these positions will be reevaluated and the positions will be reinstated when the workload and revenue can support them. Additionally, a

vacant Police Officer position is also defunded as the City recognizes its inability to eliminate vacancies for all budgeted positions due to vacancies caused by departures, retirements and promotions, along with the scarcity of police officer candidates. It is anticipated the Police Department will have at least two vacant positions at any one time over the next few years. In addition, the expiration of 1.0 limited term Police Lieutenant and the addition of 1.0 FTE Administrative Analyst in Housing Department are represented in the table below.

**Table 2 – FY 2025-2026 Funded Position Summary by City Service Area**

City Service Area	FY 2024-2025 Adopted Budget	FY 2025-2026 Adopted Budget Changes	FY 2025-2026 Adopted Budget
Public Safety	199.0	(2.0)	197.0
Community Development	62.0	(1.0)	61.0
Community Services and Sustainable Infrastructure	125.0	(1.0)	124.0
Leadership and Strategic Support	69.0	1.0	70.0
<b>Total</b>	<b>455.0</b>	<b>-3.0</b>	<b>452.0</b>

As shown in Table 3 below, the FY 2025-2026 Adopted Budget is balanced with \$268.5 million in revenues (including Transfers In) and \$268.5 million in expenditures (including Transfers Out). The FY 2025-2026 estimated revenues and expenses across all funds of \$268.5 million has increased \$18.7 million, or 7.5% compared to the FY 2024-2025 Adopted Budget estimated revenue of \$249.8 million. This is primarily due to an increase in Capital Improvement Program funding for community infrastructure, scheduled salary increases and increases in costs for supplies and services.

**Table 3 – FY 2025-26 Citywide Budget Summary (All Funds)  
Citywide Revenues and other Financing Sources (\$ in millions)**

	FY 2024-2025 Adopted Budget	FY 2025-2026 Adopted Budget	% Change from Prior Year Adopted
General Fund	\$138.5	\$144.0	4.0%
Housing Authority	0.3	0.5	66.7%
Other Funds	20.4	23.8	16.7%
Water Fund	43.8	42.5	(3.0)%
Sewer Fund	24.4	23.1	(5.3)%
<b>Net Operating Funds Total</b>	<b>\$227.4</b>	<b>\$233.9</b>	<b>2.9%</b>
Capital Projects Funds	22.4	34.6	54.5%
<b>Total</b>	<b>\$249.8</b>	<b>\$268.5</b>	<b>7.5%</b>

### Citywide Expenditures

	FY 2024-2025 Adopted Budget	FY 2025-2026 Adopted Budget	% Change from Prior Year Adopted
Personnel Services	\$121.3	\$127.5	5.1%
Supplies & Contractual Services	68.7	70.8	3.1%
Capital Outlay	1.2	0.9	(25.0)%
Operating Transfers Out	20.7	25.8	24.6%
<b>Subtotal</b>	\$211.9	\$225.0	6.2%
Capital Improvements	33.2	38.8	16.9%
Debt Service	4.7	4.7	0.0%
<b>Total</b>	<b>\$249.8</b>	<b>\$268.5</b>	<b>7.5%</b>

### General Fund

The Fiscal Year 2025-26 Adopted General Fund budget is balanced with \$144.0 million in estimated revenues and other sources (Revenues) such as the planned one-time use of the Public Employees Retirement System (PERS) Rate Stabilization Reserve in the amount of \$2.8 million and the Future Deficit Reserve of \$0.9 million (use of reserves was previously approved by City Council in November 2024). Excluding the use of one-time funds, the FY 2025-2026 estimated revenues of \$138.8 is an increase of \$4.1 million, or 3.0%, in comparison to the FY 2024-2025 revenue estimate of \$134.7 million. The increase in revenue is primarily due to property tax (\$3.0 million). The City is closely monitoring pending litigation related to the Educational Revenue Augmentation Fund (ERAF), which is a mechanism created by the State Legislature in 1992, to shift local tax revenues from cities, counties, and special districts to a State-controlled fund used to reduce its obligation to the schools. The City will continue to monitor the outcome of current litigation, which may reduce the City's property tax excess ERAF revenues. The litigation involves the California School Boards Association (CSBA) vs. State Controller litigation over the guidance on charter schools. Per the recommendation of the County of Santa Clara, the City currently sets aside a portion of the excess ERAF funds received into a reserve to mitigate the impact to the City General Fund should an adverse final decision be reached.

This budget and the accompanying FY 2026-2030 Five-Year General Fund Financial Forecast (Forecast) assume the City revenues will continue to recover from the economic impacts of the COVID-19 pandemic, although we expect a longer recovery for the City transient occupancy tax revenues.

With the passage of Measure F, a sales tax measure with a sunset of eight years (and the subsequent passage of Measure J in November 2024 extending the sales tax measure an additional eight years to 2037), the voters set the foundation for the City to maintain fiscal stability and preserve basic City services over several years. Consistent with the ballot measure, the City Council established the Measure F Oversight Committee (Committee) and charged it with the responsibility to annually review projected revenues and expenditures for the funds generated by Measure F. The Committee exercises this oversight as part of the development of the budget and advises the Council on whether the recommended Measure F funded expenditures are consistent with the ballot measure. The estimated Measure F revenues in the amount of \$7.0 million are equivalent to 5.0% of the \$138.9 million General Fund revenues (excluding one-time funds) estimated for Fiscal Year 2025-26. With this additional tax revenue, the City can maintain the services summarized in the table below:

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

Description of Services Maintained with Measure F Funds	FY 2025-2026 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 and continue effort for Police succession planning	\$2.0
Fire Stations to ensure 24/7 coverage across the City, maintain necessary fleet & equipment and create paramedic services	\$2.3
Services for aquatic, senior, and youth services including restored defunded positions	\$0.5
Services for parks, tree and facility maintenance and necessary fleet & equipment, including restored defunded positions and enhanced positions	\$1.8
Support local businesses in their economic recovery, retain existing business and attract new businesses	\$0.2
Neighborhood preservation and code enforcement	\$0.2
Maintain library hours which keep the Library open on weekday evenings and weekends. Library District Board suspended Milpitas contribution for FY2025-26*.	\$0.0
<b>Total Services Funding</b>	<b>\$7.0</b>

\*The extended library hours were maintained. However, library district suspended City of Milpitas financial contribution due to adequate reserves in the Library District's budget. This is a year-by-year determination based on Library District's budget funding status.

As shown in Table 5 below, Measure F sunsets effective April 1, 2029, however, voters passed Measure J in November 2024 which extends the sales tax measure an additional eight years, sunsetting March 31, 2037. The FY 2025-2026 Adopted General Fund expenditures of \$144.0 million are \$5.5 million, or 4.0% higher, in comparison to the Fiscal Year 2024-25 Adopted General Fund expenditures of \$138.5 million primarily due to increase in salaries and benefits (\$6.6 million) and services and supplies (\$1.7 million), offset in part by a decrease in operating transfers (\$2.5 million) reflecting the one-time use of the Facilities Reserve Fund for facility improvement Capital Improvement Program (CIP) projects in 2024-2025. The increase in salaries is due to cost of living adjustment (COLA) per labor contracts, increase in unaccrued actuarial liability, and base budget adjustments due to inflation.

Table 5 below shows the FY 2026-30 Five-Year General Fund Financial Forecast. Based on information available in May 2025, staff currently projects a structural deficit of \$16.3 million over the five years of the Forecast. The City remains cautious and concerned about the longer-term economic forecast and will continue to work with the City Council on options to maintain a balanced budget in future years..

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

	FY 24-25 Adopted Budget	FY 25-26 Adopted Budget	FY 26-27 Forecast	FY 27-28 Forecast	FY 28-29 Forecast	FY 29-30 Forecast
Revenues	\$136.5	\$138.8	\$142.7	\$147.1	\$151.7	\$157.3
Use of One-Time Funds	5.3	5.2	2.7			
<b>Expenditures</b>	<b>(\$141.8)</b>	<b>(\$144.0)</b>	<b>(\$146.4)</b>	<b>(\$153.3)</b>	<b>(\$160.9)</b>	<b>(\$166.8)</b>
<b>Annual Surplus/(Deficit)<sup>2</sup></b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>(\$1.0)</b>	<b>(\$6.1)</b>	<b>(\$9.2)</b>	<b>(\$9.5)</b>
<b>Structural Surplus/(Deficit)</b>				<b>(\$1.0)</b>	<b>(\$7.1)</b>	<b>(\$16.3)</b>

<sup>2</sup>Numbers may not total due to rounding.

**Utility Funds**

The City’s Utility Funds for the Water and Sewer utilities are balanced in FY 2025-2026. On April 18, 2023, the City Council adopted Ordinance Nos. 120.50 and 208.55, adjusting water, recycled water, and sewer service charges and fees for Fiscal Years FY 2023-24 through FY 2027-28. In accordance with the rate ordinances, Water and Sewer rates will increase by approximately 6.4 percent and 4.0 percent, respectively. For a typical single-family residential household, the bi-monthly water charge will increase by \$9.76 from \$152.21 to \$161.97; and the bi-monthly sewer charge will increase by \$5.14 from \$128.44 to \$133.58. The combined increased cost for a typical single-family residential household will be \$14.90 bi-monthly, or \$89.40 annually.

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).

**Capital Improvement Program**

On February 11, 2025, the City Council held a Special Study Session and another subsequent Study Session on April 2, 2025 to consider the draft FY 2026-2030 Capital Improvement Program (CIP). Based on the feedback provided at the Special Study Sessions, the FY 2026-2030 CIP was approved by City Council on June 3, 2025. The funds for the first year of the FY 2025-2029 Adopted CIP are appropriated with the approval of the FY 2025-2026 Operating Budget. The FY 2025-2026 Proposed CIP funding in the amount of \$38.7 million is \$5.5 million more than the FY 2024-2025 Adopted CIP of \$33.2 million, which includes projects across six areas: community improvements, parks, streets, water, sewer, and storm.

**Council Priority Areas**

During the FY 2025-2026 Preliminary Budget Study Session held on February 18, the City Council reviewed and confirmed 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 development of the annual budget is a comprehensive fiscal strategic planning process 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 February 18, 2025 meeting, the City Council received the preliminary FY 2026-30 five-year General Fund financial forecast, which was later revised to a five-year General Fund financial forecast with City Council agreement. Additionally, the Council provided feedback on prioritization of Council referrals to consider in the development of the FY 2025-2026 Operating Budget.

The community outreach efforts included a statistically valid survey conducted in December 2024, a community townhall meeting (April 16, 2025), and two employee townhalls (March 19 and April 9, 2025). In the December 2024 community engagement survey, 86% of adult Milpitas residents surveyed both online and via telephone are satisfied with the overall quality of life in Milpitas, 71% approve of City government overall, and 78% are satisfied with overall City services. Furthermore, Public Safety continues to rate as residents' top priority.

As part of the community survey, community members were also given a hypothetical \$100 budget and asked to allocate dollars based on their view of the most important of the six Council Priority Areas the City should prioritize investment in the upcoming year. The dollars respondents allocated to each Council Priority Area demonstrates the importance of a particular Priority Areas for the survey respondents. Based on the responses, Public Safety was ranked as the most important Council Priority Area with \$24.06 of the allocations, followed by Neighborhoods and Housing (\$18.57), Economic Development (\$15.79), Transportation and Transit (\$13.95), Community Wellness and Open Space (\$13.90), and Environment (\$13.73).

Community "Dollars" allocated to Council Priority Areas



The community survey research reflected a consensus among community members that things are progressing positively in Milpitas. Most residents continue to like living in Milpitas, feeling it is a safe community and welcoming of varied cultures. In addition, affordable housing, inflation, and cost of living, maintaining 911 emergency response times and public safety services, repairing streets and fixing potholes, and tracking and investigating crime are considered top priorities of community members.

The dollars allocated to each Council Priority Area in the Proposed Operating budget, as shown in the *Proposed Operating Budget 'Dollars' allocated to Council Priority Areas* graphic below, closely correlate with the priority ranking of the community members responding to the survey. In the FY 2025-2026 Adopted Operating Budget, Public Safety is funded as the most important Council Priority Area with \$39.58 per \$100, followed by Neighborhoods and Housing (\$22.69), Community Wellness and Open Space (\$18.42), Economic Development & Job Growth (\$9.38), Environment (\$6.48), and Transportation & Transit (\$3.45).

Proposed Operating Budget 'Dollars' allocated to Council Priority Areas



Service Level Changes

This Adopted Budget includes modest service level changes that reflect exploring revenue generating options; identifying operational efficiencies; enhancing quality of life for Milpitas residents; respond to prioritized City Council referrals; strategic investments in technology systems; the current management needs of the City; and invests in capital improvements. City Council referrals will be considered on an on-going basis and will be incorporated into the budget as prioritized by the Council and as funding becomes available.

The Adopted Budget includes strategic and conservative proposals across all four City Service Areas (CSAs). The largest investment is in the Community Services and Sustainable Infrastructure CSA in the amount of \$0.6 million. The 2025-26 Proposed Operating Budget reduces overall costs in the remaining CSAs. The largest reduction in cost is in the Public Safety CSA by \$0.7 million, the Leadership and Strategic Support CSA by \$0.4 million, and the Community Development CSA by \$0.2 million. Each proposal is detailed below in the respective CSA.

**Community Services and Sustainable Infrastructure: \$588,231**

(Information Technology, Public Works, Recreation & Community Services)

Service Level Changes

- Day Porter Services (-\$99,333)..... Ongoing**  
 This proposal eliminates day porter service contract for the City of Milpitas as a cost-saving measure given current budget constraints. Following the City Council's approval of a five-year agreement for janitorial and porter services, ending day porter services, which are scheduled from 6:30 AM to 3:00 PM, will result in reduced maintenance during regular building operations. While this decision may lead to a noticeable decrease in cleanliness across City facilities and potentially delayed response times to janitorial requests during those hours, it is necessary to align with the City's financial limitations.
- Private Swim Lessons (-\$6,548)..... Ongoing**  
 This proposal expands the City of Milpitas Aquatic Program to include year-round private swim lessons, responding to significant community interest in personalized aquatic instruction. By offering tailored lessons, the City can better meet resident needs, enhance accessibility, and promote inclusivity for individuals of all

abilities. Failing to implement this initiative may lead to residents seeking alternative providers, resulting in lost revenue and dissatisfaction. The plan estimates approximately \$6,550 in net additional revenue while utilizing existing staff during non-peak hours and ensuring quality instruction through additional training.

**3. Technology Systems (\$158,000)..... Ongoing**

This proposal funds ongoing software and maintenance renewal essential for the City’s operational continuity and disaster recovery preparedness. These systems, currently supported through previously approved multi-year agreements, include secure offsite storage solutions, infrastructure enhancements for improved IT management and performance, automated backup solutions to ensure the recoverability of critical information, and web filtering for enhanced online safety. Continued funding for these vital services through the operating budget is crucial for maintaining the City’s strategic objectives in data integrity and service reliability. (ongoing)

**4. Storage Tank Condition Assessment (\$150,000)..... One-Time**

This proposal allocates \$150,000 for one-time inspections of the City of Milpitas’ 27 fuel tanks, essential for maintaining safety, environmental protection, and operational efficiency. The funding will support comprehensive condition assessments and integrity inspections of the aging diesel fuel storage tanks, which are critical for backup power at emergency generators across various City facilities. Most of these tanks are over 15-20 years old and have experienced significant issues, including fuel line leaks and corrosion, posing risks of failures that could lead to environmental contamination and operational disruptions. By investing in these proactive inspections, the City can extend the lifespan of the fuel tanks, minimize long-term repair costs, and ensure uninterrupted fuel operations. Funding for this proposal includes General Fund (\$75,000), Sewer Maintenance & Operations Fund (\$37,500), and Water Maintenance & Operations Fund (\$37,000).

**5. Utility Maintenance Repair Supplies (\$100,000)..... Ongoing**

This proposal allocates a total of \$100,000 to fund dedicated repair supply line items with funding split between the water enterprise (\$50,000) and the sewer enterprise (\$50,000). Repairing supply lines are critical for preserving the operational integrity and regulatory compliance of the City’s water and sewer systems. Without these funds, the Water and Sewer Divisions in the Public Works Department may be unable to procure necessary supplies, leading to delays in essential repairs and potential service disruptions. This investment ensures both systems remain efficient, reliable, and compliant with applicable standards.

**6. Stump Grinder Purchase (\$84,000)..... One-Time**

This proposal provides one-time funding for the replacement of the current non-operational stump grinder used by the City of Milpitas for tree operations. It is essential to remove tree stumps and mitigating potential public hazards. The Equipment Replacement Fund is the source of funding and acquiring a new stump grinder will enhance operational efficiency by eliminating the need to rent equipment at a weekly cost of \$2,700, which is subject to availability of the equipment and can delay necessary work. Additionally, securing a permanent grinder will reduce the City’s reliance on contractor support at a cost of \$1,749 per stump removal in addition to the equipment rental costs.

**7. Milpitas Youth Force Program Expansion (\$69,152)..... One-Time**

This proposal funds a one-time expansion of the Milpitas Youth Force (MYF) Program for the Summer 2026 program. The Milpitas Youth Force is an 8-week summer program for Milpitas high school-age students (ages 15½ to 18) that aims to provide high school students with valuable work experience, career development opportunities, mentorship and potential connections in their chosen field of interest. Businesses/organizations are matched with participants to help them gain practical skills and knowledge. Participants work 15–20 hours per week at minimum wage, funded by the City of Milpitas.

Staff received 81 applications for the Summer 2025 program, far exceeding the budgeted 20 student program space. Between the participating businesses and City departments, there is capacity to accept up to 45 students in the program. One-time costs associated with this proposal include the hourly rate of the MYF students, wrap-around services such as SMART rides to and from work, professional clothing, skill-building presentations, and end of program ceremony for an additional 25 students.

- 8. Miscellaneous Insurance (\$35,000)..... Ongoing**  
This proposal secures funding for essential liability insurance coverage for the City of Milpitas' Recreation and Community Services Department, which involves numerous staff, contractors, and volunteers working with youth, seniors, and vulnerable adults. Recent guidance indicates that this coverage is necessary to mitigate potential risks associated with the Department's activities, ensuring the City is financially safeguarded. If the insurance is not obtained, the City risks losing vital service providers who may be unable to afford their own coverage, leading to significant reductions in programs and potential revenue losses exceeding \$200,000.
- 9. Recreation Administrative Assistants (\$16,640)..... Ongoing**  
This proposal funds additional part-time administrative assistant hours at the Milpitas Community Center during the closing shift, specifically from 2 p.m. to 6 p.m. Monday through Thursday. The increase in customer traffic, particularly after work hours (4 p.m. to 6 p.m.), necessitates additional front desk support to maintain high levels of customer service. Without this staffing enhancement, full-time staff will continue to be diverted from their primary tasks to address front desk demands, resulting in delays and increased comp-time or overtime costs. By adding these hours, the Department can ensure prompt and effective service for customers, allowing full-time staff to focus on their critical responsibilities.
- 10. Mobile Stage Rental (\$15,000)..... Ongoing**  
This proposal allocates an additional \$15,000 to fund renting a mobile stage essential for the City of Milpitas' special event program. A mobile stage is crucial for hosting a variety of community events, accommodating nearly 19,000 spectators each year and enhancing engagement and inclusivity across neighborhoods. The stage supports various activities, including concerts and cultural celebrations, while generating sponsorship revenue through logo placements on stage banners. Without this funding, the City will be forced to reduce the number of events utilizing a mobile stage and resort to smaller events, which would negatively impact resident experiences, event activities, and potential sponsorship opportunities.
- 11. Smoke Opacity Testing (\$11,000)..... Ongoing**  
This proposal funds mandated smoke opacity testing for heavy-duty trucks with a gross vehicle weight rating of over 14,000 pounds to ensure that the City of Milpitas' fleet remains compliant with the California Air Resources Board's requirements. Twenty-three (23) diesel-engine vehicles in the City's fleet will be tested. Compliance with these regulations is essential to minimize pollutants from diesel exhaust and protect air quality. Funding source is the Equipment Replacement Fund and dedication of these funds ensures the City will uphold its commitment to environmental standards and avoid potential non-compliance consequences.
- 12. Milpitas Community Concert Choir (\$10,000)..... Ongoing**  
This proposal continues an allocation of \$10,000 to support the Milpitas Community Concert Choir, a new initiative within the City arts and culture services. The recurring expenses for this program encompass the hiring of a choir director and a piano accompanist, procurement of choral and sheet music portfolios, and the acquisition of pre-recorded music for rehearsals and performances. Additionally, funds will be designated for marketing materials to enhance participant recruitment and promote concerts. It is contemplated choir practices will take place weekly, culminating in three concerts annually. Rehearsal and performance sessions will be hosted in City Recreation facilities, and potential choir members can conveniently register online or in person at any public counter located in City Recreation sites.
- 13. Black April (\$5,000)..... Ongoing**  
This proposal provides ongoing funding of \$5,000 to continue hosting a Black April Ceremony each year. The City's has held a Black April Ceremony for two years, commemorating the anniversary of the fall of Saigon. This ceremony is significant for the Vietnamese community and Vietnam War veterans and their loved ones. The proposal to add the ceremony to the annual event calendar includes re-occurring event costs such as contracting cultural performers and speaker(s), décor, and refreshments for the public.
- 14. Minnis Circle Storage Lease (\$40,320)..... Ongoing**  
This proposal continues funding for the lease of two commercial spaces on Minnis Circle to address the pressing space limitations faced by multiple City departments. The Police Department requires 5,400 to

10,000 square feet of replacement space due to the impending demolition of its current warehouse, which is essential for managing evidence vehicles and equipment. The Recreation and Community Services Department currently stores program materials across various disconnected locations, including a rented storage unit, and consolidating these supplies would enhance access and inventory control. Additionally, Public Works would benefit from a new location to securely store surplus City furniture and high-value maintenance equipment. By securing these leased spaces, the City can improve operational efficiency, ensure the security of assets, and accommodate departmental needs more effectively. Additional funding of \$94,000 is provided for this lease in the Public Safety CSA for a total ongoing cost for the leases at Minnis Circle of \$134,320.

**Community Development CSA: (-\$153,398)**

(Building Safety, Economic Development & Strategic Initiatives, Housing, Planning)

**Service Level Changes**

- 1. Building Inspector (VACANT 1.0 FTE) (-\$224,909)..... Ongoing**  
This proposal defunds one vacant full-time equivalent (1.0 FTE) Building Inspector/NP position within the Office of Building Safety's Building Inspection section. This position is responsible for conducting essential building inspections and ensuring code compliance, which supports homeowners, landlords, builders, and developers while safeguarding community health and safety. Analysis of inspection services indicates that existing staff can manage the current volume of inspection activity effectively, as the current level of inspection services consistently receive positive feedback from customers. Consequently, eliminating this position is anticipated to have little to no impact on service delivery, service quality or customer satisfaction, given the ongoing decline in inspection activity and the capacity of existing staff to absorb the duties of the defunded position.
- 2. Storefront Improvement Grant (-\$50,000)..... One-Time**  
This proposal is a one-time reduction of \$50,000 from the Storefront Improvement Grant Program, which was originally funded at \$365,000 through the General Fund Community Investment Fund. This adjustment reduces staff workload, while still allowing for ongoing support of exterior commercial storefront improvements that enhance downtown economic vitality. By implementing this reduction, the City can effectively allocate resources while continuing to foster revitalization efforts in the downtown area.
- 3. Economic Development Special Projects (Ltd) (-\$45,744)..... One-Time**  
This proposal is a one-time reduction from the remaining funds of the originally \$330,000 allocated for a Limited Term Economic Development Specialist position in the Office of Economic Development that was initially set to expire in September 2025. This role managed grant programs that support economic vitality and job growth. Allowing this adjustment will enable a reallocation of these funding resources. Existing staff will integrate the City Council's Main Street Revitalization efforts into their responsibilities, potentially requiring a reprioritization of initiatives such as the Downtown Business Association and Storefront Improvement Grant Program.
- 4. International Trade & Commerce Program (-\$10,000)..... Ongoing**  
This proposal is an ongoing budget reduction in the Office of Economic Development for the International Trade & Commerce Program, which supports local business globalization and Foreign Direct Investment (FDI). The proposal eliminates approximately \$6,000 in direct international trade and foreign delegation funding and reduces participation in national conferences from two staff to one, resulting in additional savings of approximately \$4,000. Given the current uncertainties at the federal level and their consequent effect on international trade and commerce, continue to fund one staff member's attendance at national events to leverage opportunities if the economic environment changes.
- 5. Cost Allocation & Expenditure Efficiencies (\$274,372; Net \$0 across all City Funds)..... Ongoing**  
This proposal is a cost allocation adjustment \$274,372 for the City's Office of Housing reallocating the salaries and benefits of 1.0 FTE Administrative Analyst II, ancillary non-personnel expenditures, and a portion of the Housing Official's compensation. This action will reduce general fund expenditures by 91%, with funding sourced from Fund 250 (CDBG) and Fund 216 (Affordable Housing). Service levels will remain

unchanged as the essential functions of administering the City's Affordable Housing Ordinance and Community Development Block Grant programs will continue without interruption and be appropriately funded by Housing funds.

**6. Rent Relief Program Management (\$177,255)..... Ongoing**

This proposal converts the existing limited-term Analyst II position within the Office of Housing into a permanent, ongoing position to effectively administer the rent and mortgage relief program, homeless response services, and other vital initiatives aligned with the City's priorities. The Office of Housing is currently managing multiple critical functions, including compliance for federal grant programs, analyzing data related to unhoused services, and implementing various housing policies. With existing staff fully committed to these responsibilities, making the Analyst II position permanent is essential for sustaining the City's commitment to addressing housing challenges and enhancing community support services. This position will be fully supported through the Affordable Housing Unrestricted fund.

**Public Safety CSA: (-\$651,498)**

(Fire and Police)

**Service Level Changes**

**1. Fire Prevention Inspector (VACANT 1.0 FTE) (-\$354,992)..... Ongoing**

This proposal defunds one vacant full-time equivalent (1.0 FTE) Fire Prevention Inspector position within the Fire Department. Similar to the Office of Building Safety building inspector reduction, this position is responsible for conducting essential building inspections and ensuring code compliance as these inspections specifically relate to fire regulations and safety. Also as with the building inspector position, eliminating this position is anticipated to have little to no impact on service delivery, service quality or customer satisfaction, given the ongoing decline in inspection activity and the capacity of existing staff to absorb the duties of the defunded position. As development activity increases, along with the related revenue, this position would be reactivated and funded to manage workload.

**2. Police Officer (VACANT 1.0 FTE) (-\$343,256)..... Ongoing**

This proposal defunds one vacant full-time equivalent (1.0 FTE) Police Officer position within the Police Department. The Police Department currently anticipates approximately two (2) or more additional sworn vacancies in FY 2025-2026 due to impending retirements. While recruiting efforts for sworn positions are ongoing and continuous, with the current vacancies and anticipated upcoming vacancies, it is unlikely the City would be able to fill all vacant Police Officer positions within FY 2025-2026. These savings reflect the pace of recruitment and dollars saved during the vacant term for one position.

**3. Miscellaneous Expenses (-\$77,000)..... Ongoing**

This proposal reduces miscellaneous expenses across all Fire Department operations by trimming various function areas without fully eliminating any. Public safety service levels will remain unaffected. To offset decreased spending on fire supplies, the department will actively seek grant opportunities. Although training cuts may limit future staff development, they will not impact current service levels.

**4. Office Assistant (-\$15,000)..... Ongoing**

This proposal eliminates funding for a part-time Office Assistant position in the Fire Operations division. The role currently supports administrative staff; however, ongoing cross-training efforts have prepared current personnel to absorb the duties. The reduction is expected to have minimal impact on service levels.

**5. Minnis Circle Storage Lease (\$94,000)..... Ongoing**

This proposal continues funding for the lease of two commercial spaces on Minnis Circle to address the pressing space limitations faced by multiple City departments. The Police Department requires 5,400 to 10,000 square feet of replacement space due to the impending demolition of its current warehouse, which is essential for managing evidence vehicles and equipment. The Recreation and Community Services Department currently stores program materials across various disconnected locations, including a rented storage unit, and consolidating these supplies would enhance access and inventory control. Additionally, Public Works would benefit from a new location to securely store surplus City furniture and high-value maintenance equipment. By securing these leased spaces, the City can improve operational efficiency,

ensure the security of assets, and accommodate departmental needs more effectively. Additional funding of \$40,320 is provided for this lease in a proposal in the Community Services & Sustainable Infrastructure CSA for a total ongoing cost for the leases at Minnis Circle of \$134,320.

- 6. Incident & Disaster Management Software (\$44,750)..... Ongoing**  
 This proposal funds two essential public safety technology platforms to enhance the City of Milpitas' emergency management capabilities. The first platform improves evacuation management by providing residents with real-time, location-specific information, supporting first responders and the Office of Emergency Management in executing effective evacuations. The second platform enhances incident response and management within the Fire Department by improving situational awareness and resource management through integration with the City's existing dispatch system. Securing funding for these technologies is vital for maintaining effective emergency operations and modernizing response capabilities.

**Leadership and Strategic Support CSA (-\$375,809)**

(City Council, City Manager, City Attorney, City Clerk, Finance, Human Resources,)

**Service Level Changes**

- 1. Cost Allocation & Expenditure Efficiencies (-\$1,047,319)..... Ongoing**  
 This proposal realigns funding according to the City Central Services Cost Allocation Plan (CAP), thereby promoting financial accountability and transparency. This proactive measure facilitates systemic, accurate budgeting and reflects the effective use of administrative resources across departments and initiative, ensuring indirect costs are not solely covered by the City General Fund.
- 2. Legislative Support (-\$100,000)..... Ongoing**  
 This proposal implements an ongoing budget reduction of \$100,000 for the City's legislative support program. This program currently funds a government relations consultant responsible for monitoring legislation, identifying possible earmark requests, and assisting in interactions with federal and state agencies to secure funding for City initiatives that benefit residents, businesses, and stakeholders. To continue advancing its funding efforts, the City will leverage its existing resources and memberships in organizations such as the League of California Cities, the National League of Cities, and the Government Finance Officers Association to effectively support its objectives in obtaining financial assistance from state and federal agencies. (ongoing)
- 3. Enhanced Revenue Strategy (\$400,000)..... One-Time**  
 This proposal supports the City of Milpitas' efforts to adopt and fund a comprehensive fiscal strategy framework to effectively address its long-term structural deficit resulting from expenditures outpacing revenues. The proposal advocates for fiscal initiatives designed to enhance revenue including, but not limited to, an already ongoing Citywide fee study and a potential future ballot measure aimed at receiving voter support to reform the City's business tax system, along with developing a debt and grants revenue toolkit for addressing deferred maintenance and improving infrastructure. An organizational assessment will further optimize service delivery, ensuring the City continues to efficiently meet community needs. Securing funding to engage specialized expertise for the successful implementation of these strategies is essential.
- 4. Business Tax Reform (\$294,000)..... One-Time**  
 This proposal funds a review of the City of Milpitas business license tax structure to reform the current tax structure which could increase annual revenue from approximately \$330,000 per year to \$900,000 and \$3million per year based on different tax models. By shifting to a gross receipts or square footage tax structure, the City can capitalize on existing non-residential property data to better reflect the economic activity of local businesses. To move forward, it is recommended the City Council direct staff to analyze potential tax increase options, present this analysis for Council consideration and approval, conduct a community survey and engage communications and/or other contractual services, with the intention to

placing a respective voter measure on the November 3, 2026 ballot. This one-time proposal covers the cost for economic and communication consultants, along with the anticipated election costs.

**5. Milpitas Summer College Intern Program (\$60,000)..... One-Time**

This proposal allocates one-time funding amount of \$60,000 to launch the Milpitas Summer College Intern Program, which will support five (5) college interns. The City of Milpitas currently offers a diverse range of internship opportunities across various departments, allowing interns to gain practical experience while exploring potential career paths in government and public service. At present, the City hosts between 8 to 12 interns, primarily engaged within the City Council, Finance, Information Technology, and Public Works departments. However, there is no structured program specifically designed to provide a cohesive experience for college interns. By establishing a summer component, the City can enhance its existing “talent pipeline” initiatives and bring clarity and organization to the current internship offerings, ultimately creating a more enriching and structured experience for the college interns.

**6. Internship Program (\$17,510)..... One-Time**

This proposal funds a summer Law Clerk Internship to support the Office of the City Attorney. The intern will conduct essential research and provide recommendations on document templates and municipal code updates, facilitating the timely completion of important long-term projects. By investing in this position, the City can ensure the efficient progression of these initiatives but also strengthen the Milpitas brand within the municipal law community.

**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.

**Changes to Fiscal Policies**

The City’s Fiscal Policies are organized in the following categories: 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. The City Council has also adopted separate debt and investment policies consistent with State law.

This Adopted Budget is balanced and remains focused on sound City fiscal policies and protecting existing reserves. These reserves provide some flexibility on an operating surplus, if any, and consistent with Council direction, continue to fund the City’s Strategic Property Acquisition Reserve (SPAR). Staff does not propose any changes to the Fiscal Policies as part of the FY2025-2026 budget.

**Reserves**

This budget protects the City’s reserves and balance sheet position by not utilizing the contingency reserve or budget stabilization reserve to fund FY 2025-2026 appropriations. Specifically, as of the FY 2024 audited financial statements, , the City will retain its reserve balances as follows: \$75.9 million of General Fund reserves as shown below in the “committed” category of \$23.7 million, “assigned” category of \$7.4 million, “unassigned” category of \$49.2 million, and Section 115 Pension Irrevocable Trust of \$38.0 million<sup>3</sup> (as of December 31, 2024), which is held separately in a trust fund. 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, 2023), which is presented separately from the General Fund in the ACFR.

<sup>3</sup>For the General Fund, Water, and Sewer Funds, the Section 115 Pension Trust market value was \$36.5 million on June 30, 2024.

**Table 6 – General Fund – Fund Balance FY2019-20 to FY2023-24 (Audited balances, \$ in Millions)**

(\$ in Million)	FY2020	FY2021	FY2022	FY2023	FY2024
PERS stabilization†	\$33.9	\$2.8†	\$5.10	\$6.1	\$8.0
Artificial turf replacement	\$1.2	\$1.4	\$1.7	\$1.9	\$1.9
Technology replacement	\$2.0	\$2.0	\$2.0	\$2.0	\$0.4
Facilities replacement	\$7.0	\$7.0	\$7.0	\$7.0	\$6.2
Community Investment Fund	\$0.0	\$0.0	\$0.0	\$0.0	\$7.2
<b>Subtotal Committed</b>	<b>\$44.1</b>	<b>\$13.2</b>	<b>\$15.8</b>	<b>\$17.0</b>	<b>\$23.7</b>
Change in investment market values	\$1.1	\$0.0	\$0.0	\$0.0	\$0.0
Uninsured claims payable	\$2.0	\$2.3	\$2.3	\$2.8	\$2.9
Contracts	\$3.0	\$2.4	\$2.5	\$3.6	\$2.3
Other assigned	\$0.0	\$1.8	\$1.2	\$0.5	\$2.2
General government capital projects	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>Subtotal Assigned</b>	<b>\$6.1</b>	<b>\$6.5</b>	<b>\$6.1</b>	<b>\$6.9</b>	<b>\$7.4</b>
General Fund Contingency Reserve	\$17.3	\$18.3	\$18.5	\$19.8	\$20.8
Budget stabilization	\$17.1	\$18.3	\$18.5	\$19.8	\$20.8
Future deficit	\$0.0	\$1.5	\$1.5	\$1.5	\$1.5
ERAF Reserve	\$0.0	\$1.2	\$1.2	\$2.3	\$3.6
SPAR (Strategic Property Acquisition Revenue)	\$0.0	\$0.0	\$0.0	\$0.7	\$0.7
Unassigned	\$0.0	\$0.2	\$0.3	\$0.7	\$1.8
<b>Subtotal Unassigned</b>	<b>\$34.4</b>	<b>\$38.3</b>	<b>\$40.0</b>	<b>\$44.7</b>	<b>\$49.2</b>
<b>Total fund balances</b>	<b>\$94.8</b>	<b>\$62.8</b>	<b>\$66.8</b>	<b>\$73.5</b>	<b>\$75.9</b>

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

## Major Development Activities in the City

**Milpitas Metro Specific Plan** – The Milpitas City Council unanimously adopted the Milpitas Metro Specific Plan (Metro Plan) on February 7, 2023. The Metro Plan updates the original 20-year Transit Area Specific Plan (TASP) and incorporates changes to address current and future economic and social conditions that have evolved since the original plan was adopted in 2008. As described in the Plan document: “The Milpitas Metro area is a unique and vital hub in Silicon Valley. It is a major transportation crossroads, including transit stops served by BART, VTA light rail, and bus, and it includes major roadways and highway access. It is also emerging as Milpitas’s densest urban center, featuring new multifamily development, a range of shopping opportunities, and a planned Innovation District. Milpitas Metro will be an urban, future-forward center that supports a balanced mix of housing, retail, and employment uses; provides safe multimodal connections and public spaces; and is distinguished by urban design standards that create a visually memorable environment.”

The expansion of the Metro Plan area eastward toward Interstate 680 will include approximately 75 acres on both sides of Montague Expressway for future development of an Innovation District. This area will focus primarily on technology and research and development that provides employment opportunities and revenue generation for the City. The Office of Economic Development will commence business attraction efforts focused on artificial intelligence, biosciences, and automotive technology sectors. In preparation for targeted business attraction efforts, staff is developing the Innovation District Branding Initiative in partnership with local marketing firm Navajo

Company. This area may also include some existing and future housing in a mixed-use environment within proximity to jobs and transit. The Metro Plan also envisions future hotel and hospitality uses within the Innovation District as demand emerges. In addition, the Metro Plan recognizes the great potential for future evolution of the 99-acre Great Mall site into a wider range of mixed uses. The Plan anticipates that both the City and the property owner of the Great Mall will want to plan in more detail how future redevelopment of the Great Mall could occur in the best interests of both parties, retaining commercial services and enhancing the value of this land, such that a comprehensive Development Agreement (DA) would be a likely path to follow up on how to implement the Metro Plan in that area following Metro Plan adoption. The Metro Plan establishes a framework articulating the initial expectations of the City relative to the redevelopment of the site and will serve as a strong foundation for a future Development Agreement.

Finally, the Metro Plan recognizes the great value of the Milpitas Transit Center and its connection to regional BART service to support significant commercial and employment development. The Metro area, particularly with the eastward boundary expansion of the Innovation District, can add significant capacity to the original commercial opportunity by adding more commercial/ employment space. It is anticipated that such development could bring new high-paying jobs to the City, particularly providing new opportunities for Milpitas residents. Significant job growth near new and existing residential development can also be expected to reduce VMT and enhance the City's overall fiscal and environmental sustainability.

The City created new zoning districts to implement the land use designations identified in the Metro Plan and facilitate redevelopment. The City is also preparing an update to the Transit Area Development Impact Fee (TADIF) based on changes in property valuations and the proposed public improvements in the Metro Plan. The TADIF will be used to fund public improvements such as streets, utilities, pedestrian facilities, and parks and open space as the Metro area continues to redevelop.

**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 and a team of consultants from Ascent Environmental teamed up to kick off the long-awaited update of the Midtown Specific Plan. This effort has identified four primary focus areas: South Main Street between Sinnott Lane and Curtis Ave., the area surrounding the Serra Way and South Main Street intersection, Calaveras Blvd. between I-880 and S. Abbott Ave., and the I-880 frontage along Abbott Ave and Thompson Court. These four inter-related areas form an important gateway into the City via Highway 237 and South Main Street, and the updated Midtown Plan has been rebranded as the Milpitas Gateway-Main Street Specific Plan in recognition of the significance of this area as a primary entrance to the City. 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 well underway on the Plan with completion of the existing conditions report, analysis of the area's urban form, a detailed market study, community outreach, and preferred Plan strategies. The Draft Plan and environmental analysis are in progress. The Plan's estimated completion date is Summer 2025.

**Economic Development Strategy** – Economic Development and Job Growth are key City Council priorities, and both are vital to the health of the local economy and revenue generation. The City Council adopted the Economic Development Strategy and Implementation Actions report (EDS) on May 5, 2020, to serve as a road map to grow and diversify the City's economy, support businesses and workers, and improve quality of life in Milpitas. The EDS

was a five-year strategy and implementation action plan that sunset on May 5, 2025 and is approximately 84% complete with various other implementation actions in progress. While the EDS has officially sunset, efforts are continuing to complete the remaining implementation actions while a new EDS is developed and approved. The 64 implementation actions are supported by 7 topic areas dedicated to creating a resilient and sustainable local economy.

The Office of Economic Development has executed many implementation actions of the EDS. Accomplishments include business attraction, retention and expansion with Amazon, Apple, Asteelflash, BD Biosciences, Falcon X, Flex, Legoland Discovery Center, Rivian, Smart Modular Technology, SocioNext, and Tarana Wireless, to name a few. The Office of Economic Development has commenced the Innovation District Branding Initiative with a project scope including naming concept, brand development and messaging, marketing and promotional materials, and a website dedicated to the Innovation District.

Staff also hosted a successful eighth annual Manufacturing Day event in partnership with BD Biosciences and Corsair Gaming, and the Milpitas Unified School District. More than 100 guests including students, teachers, City and school district officials and community members participated in facility tours, product and process demonstrations, and professional development Q&A sessions to educate and inform high school students about manufacturing careers. Successful workforce development programs implemented include Manufacturing Day events and the Milpitas MyPlan for residents seeking advice focused on personal assessments, career exploration, resume development, job search strategies, interview fundamentals, and communication essentials that resulted in participants starting and interviewing for new jobs. Staff has hosted various business resources workshops and trainings consisting of the following: Artificial Intelligence (AI) for Business, the inaugural EmpowerHer.ai Summit, Small Business Resources Workshop with Senator Aisha Wahab's Office, international trade and commerce webinar series with Mission College, Access to Capital, and Credit Restoration.

**Residential Development** – The City continued to process new development projects in FY 2024-2025. The City entitled significant multi-family residential projects, including modifications to a 206-unit residential development at 1355 California Circle. The project includes 131 market-rate townhomes and 75 affordable apartment units. The modifications will allow the applicant to partner with an affordable housing developer to build the affordable apartments. Within the Metro area, the City also entitled a 100 percent affordable 116-unit apartment development at 1300 South Main Street and a modification to a 361-unit mixed-use apartment building to add 38 apartment units. Additionally, the City approved a proposal for a 43-unit townhouse development at 1905 Tarob Court, which includes 13 ground-floor accessory dwelling units (ADUs). The project is significant because it includes the connector street between Tarob Court with Sango Court, which will eventually connect to a new bridge over Penitencia Creek and create a direct connection from this neighborhood to the Milpitas Transit Center. The Planning Department is also reviewing proposals for a 134-unit townhome development at 600 Valley Way, 20 units of which will be below-market rate, and a 272-unit townhome development at 1601 S. Main Street, 41 of which would be affordable units.

**New Business Development** – The following technology and advanced manufacturing businesses have moved to, are in the process of moving, or have expanded in Milpitas: Super Micro Computer, Amazon (1000 Gibraltar), Apple (production studio), Corsair Gaming, BD Biosciences, Commonwealth Fusion Systems, KLA+, TDK, Headway Technologies, Tarana Wireless, Ascenx, Trace3, Global4PL, and Rivian. On March 4, 2025, the City Council approved an Economic Development Incentive Agreement and related Economic Development Subsidy Report with electric vehicle manufacturer Rivian to establish a point-of-sale for EV purchases and leases and create 25 new technical jobs. The agreement would generate approximately \$19.4M (average of \$2.4M annually) of sales tax revenues during the term of the eight-year agreement, which will help fund essential City services. Rivian's investment not only brings new jobs and revenues, but clean technology practices, and national visibility to Milpitas. These Milpitas businesses have created new jobs and generate sales tax revenues through business-to-business relationships.

**Non-residential Development** – In FY 2024-2025, the City approved several new non-residential development projects for tenant and site improvements and new construction for new and existing Milpitas companies including Asteelflash, BD Biosciences, KLA, Sutter Health, Western Digital Dunkin Donuts, Miniso and Altitude Trampoline Park.

### **Conclusion**

The FY 2025-2026 Adopted Budget appropriately maintains and realigns priority service areas to address the current needs of the Milpitas community and the need of the City as an organization. We remain committed to supporting our community and maintaining fiscally sound policies to fund City reserves, continue long-term planning and investing in City economic development. This balanced budget provides funding for a portfolio of essential City services and infrastructure improvements. Throughout this process, we have faithfully sought Council, community, and employee feedback to inform budget priorities.

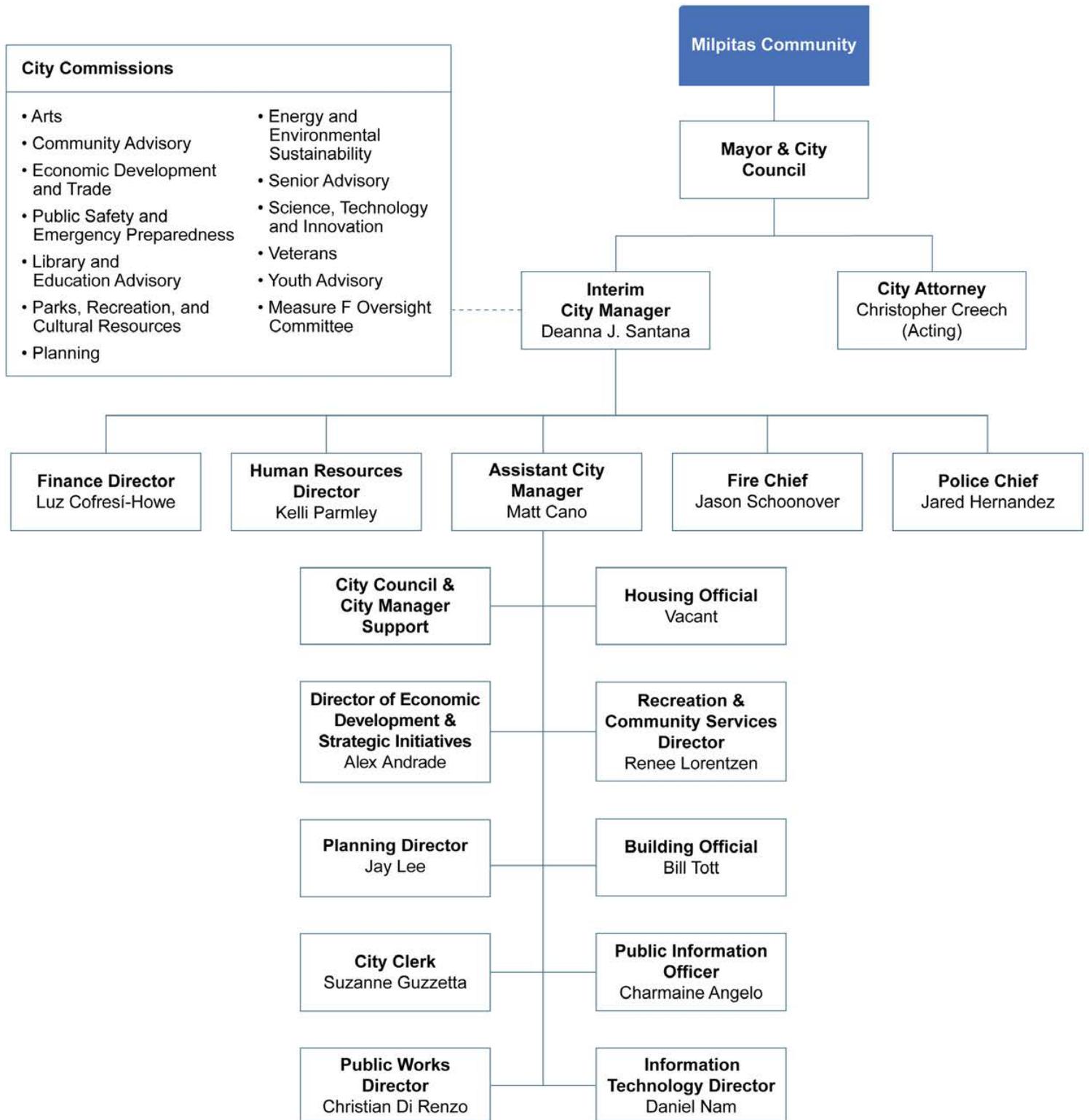
I greatly appreciate the foresight, leadership, and direction of Mayor Montano and our dedicated City Council members, in pursuing a collaborative and successful budget process. This budget could not be accomplished without the tremendous leadership of the City Council, and the hard work of the Executive Leadership Team and staff. I am especially thankful to the Budget Team, including Finance Director Luz Cofresí-Howe, Assistant Finance Director Gabrielle Tsang and Budget Manager Alice Vurich, as well as the entire Finance Department for their dedication, professionalism, and expertise in the development and publication of the FY 2025-2026 Adopted Budget. With Council's continued guidance and support, Milpitas is poised for fiscal stability and continued success as we face the year ahead, however, we remain cautious and concerned about the longer-term economic forecast and will continue to work with the City Council on options to maintain a balanced budget in future years.

Respectfully submitted,



Deanna J. Santana  
**City Manager**

# Organization Chart



## 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 Higueras, built adobes in the mid-1800s which still stand today.



The José Alviso Adobe principal residence of Rancho Milpitas as it appeared in 1940. (Photo by Willis Foster, Library of Congress Historic American Buildings Survey collection).



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, population 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 81,067 residents<sup>1</sup>.

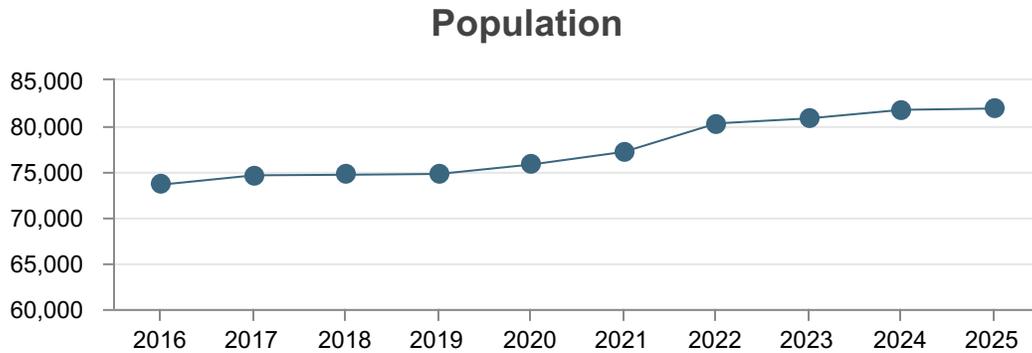
Alviso Adobe Park is one of Milpitas’ hidden gems – perfect for a family or small group outing to discover the past. Built on the site of the 1837 José Maria Alviso Adobe, today this peaceful special purpose park celebrates and preserves the community’s ranching and agriculture roots with historic farm outbuildings, public art, interpretive signage, heritage trees, fruit trees, flowers and wildlife visitors. There is an interpretive exhibit – If These Walls Could Talk – that tells the adobe’s story through a dynamic visual and audio presentation that helps visitors learn about the adobe’s significance both locally and regionally.

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. Residents of the burgeoning city of 81,915 are part of 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 California Department of Finance.



### Development



Incorporated in 1954 with 825 residents, Milpitas is located at the southern tip of the San Francisco Bay and in Silicon Valley. The 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 2025, Milpitas had an existing inventory of approximately 15.5 million square feet of office, R&D, and manufacturing space. 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 6.5 million square feet of warehouse and distribution space currently exists in Milpitas.<sup>2</sup>



Milpitas has a large and diverse offering of retail stores and restaurants, mostly concentrated in suburban-style shopping centers. Milpitas has more than 5.2 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 retail center.<sup>2</sup>

## Employment

With over 50,000 jobs<sup>3</sup> with an annual average salary of \$102,850 and 41,400 employed residents, Milpitas is a jobs rich community.<sup>4</sup> The three largest employers in Milpitas are Cisco Systems (3,000 employees), KLA (2,500 employees) and Western Digital (1,200 employees).<sup>4</sup> Other major employers include Amazon, BD Biosciences, Flex LTD, TDK Headway Technologies, and Milpitas Unified School District. Several of these top employers have made Milpitas their corporate headquarters location. The largest percentage of Milpitas’ employment-eligible population at more than 25% is employed in professional, scientific, and management, and administrative and waste management positions. More than 23% of Milpitas’ labor force is employed in manufacturing jobs, and approximately 15% in educational services, and health care and social assistance roles. Approximately 8% of Milpitas’ labor force works in retail trade while more than 6% are employed in arts and entertainment.<sup>5</sup>

The City’s largest own-source revenue is property tax. Top ten property tax payers are shown below:<sup>6</sup>



Principal Property Tax Payers: Fiscal Year 2024-25		
Taxpayers	Taxable Assessed Value <sup>1</sup>	% of Total City Assessed Value
1. Cisco Systems Inc	\$862,834,650	3.29%
2. KLA Tencor Corporation	693,736,044	2.65%
3. Headway Technologies Inc.	616,714,687	2.35%
4. Milpitas-District 1 Owner LLC	450,768,179	1.72%
5. Milpitas Mills LP	367,457,455	1.4%
6. McCarthy Center Holdings LLC	222,454,965	0.85%
7. MG Eleanor Apartments LLC	196,900,473	0.75%
8. WH Silicon Valley VI LP	193,282,324	0.74%
9. WDMICA001 LP	192,450,000	0.73%
10. Amalfi Milpitas LLC	183,060,160	0.70%
<b>Total</b>	<b>\$3,979,658,937</b>	<b>15.18%</b>

<sup>1</sup> The total City assessed valuation for fiscal year 2024-25 is \$26,225,617,897. Source: Hdl, Coren & Cone, Santa Clara County Assessor 2024/25 Combined Tax Rolls and the SBE Non Unitary Tax Roll

## Community

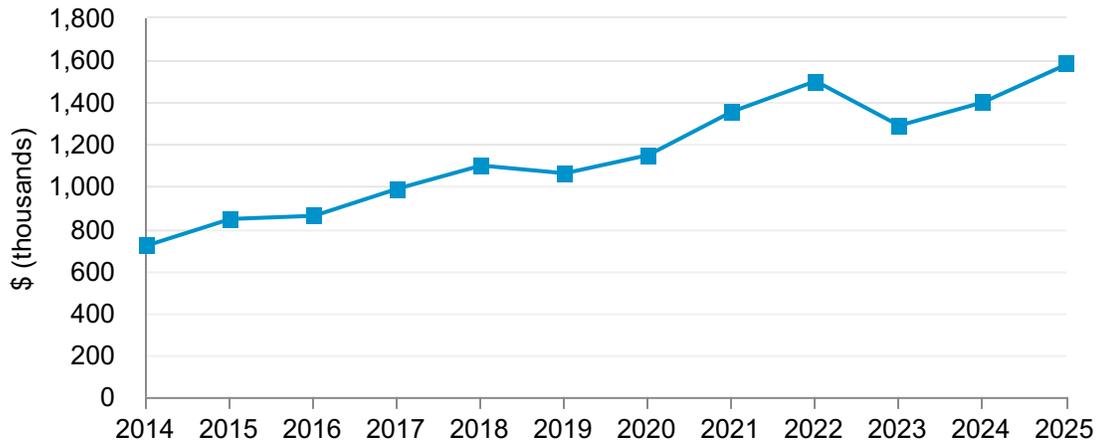
At 20 feet above sea level, Milpitas’ summers are long, warm, arid, and mostly clear and the winters are short, cold, wet and partly cloudy. Over the course of the year, the temperature typically varies from 43 degrees to 83 degrees and it is rarely below 34 degrees or above 93 degrees.<sup>7</sup> Milpitas’ neighborhoods are dotted with over 24,700 households with an average size of 3.2 people per household. The City maintains 37 city parks as well as one dog park and 21 tennis courts to serve the community. 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 \$176,822.<sup>8</sup>



### Housing

Nearly 26,000 housing units exist in Milpitas and more than 59% of Milpitanians own their home. The average rent in Milpitas is \$3,183. As February 2025, the median price of a single-family residence as of in Milpitas is \$1,580,000.<sup>8</sup>

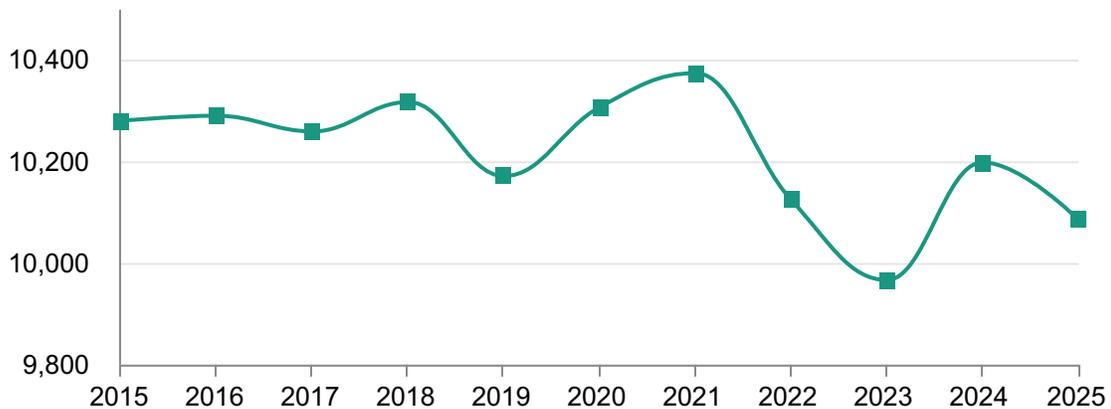
**Median Home Price (in thousands)**



### Education

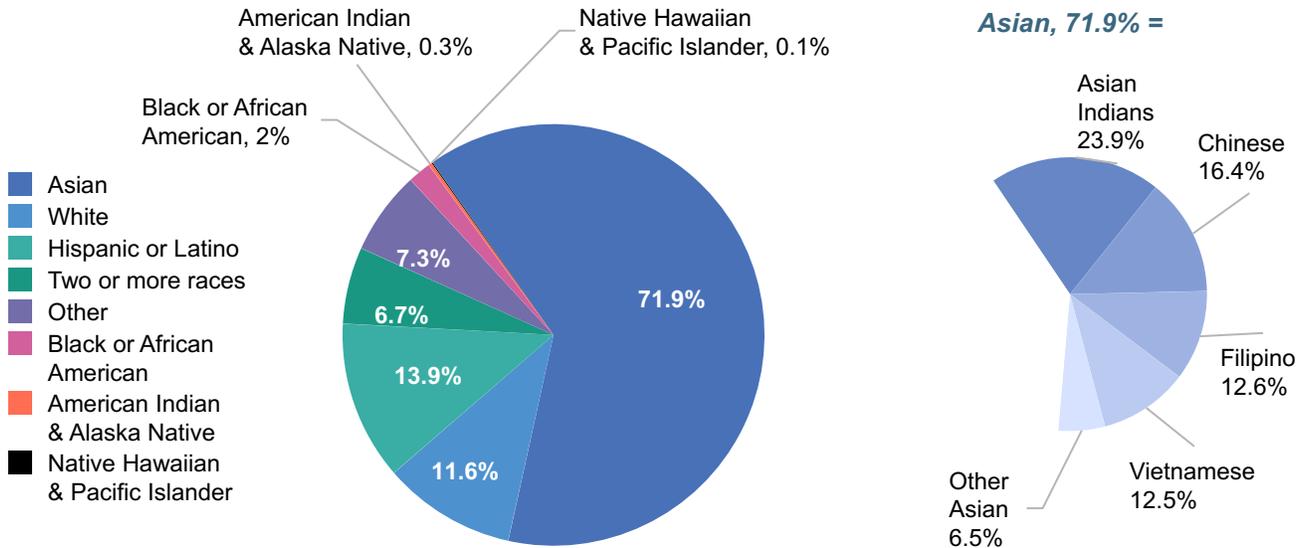
With an annual budget of approximately \$124 million, The Milpitas Unified School District operates ten elementary schools (K-6), two middle schools (7-8), one comprehensive high school (9-12), one continuation high school, one college extension school, a child development center and two adult education facilities. The district employs over 940 employees to serve more than 10,000 students from Pre-K through 12th grade.<sup>9</sup>

**School Enrollment**



### Facts About Our Residents

According to the latest Census Bureau American Community Survey (ACS) Five-Year Estimate, 71.9 percent of residents are Asian with Asian Indians at 23.9 percent, Chinese at 16.4 percent, Filipino at 12.6 percent, Vietnamese at 12.5 percent and Other Asian at 6.5 percent. 11.6 percent are White; Hispanic or Latino is at 13.9 percent; Black or African American is at 2.0 percent; American Indian and Alaska Native is at 0.3 percent; Native Hawaiian and Pacific Islander is at 0.1 percent; Other Race is at 7.3 percent and those who identify as belonging to two or more races is 6.7 percent. Residents of Hispanic and Latino origin are included in demographic data above because Hispanic or Latino denotes ethnicity and not race.



Note: The race and ethnicity population numbers are acquired from two data sets. Currently, the Hispanic/Latino/Spanish option is separated out from the general race question.

### 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 terms.

The City Council makes the ultimate planning and policy decisions for residents, and oversees the city’s budget. The five member City Council meets twice a month in public meetings. At these times, the public is able to provide comments.

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 and one Oversight Committee 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.

<sup>1</sup> July 1, 2025 population data from Department of Finance  
<sup>2</sup> Century Urban Real Estate Consultants LLC  
<sup>3</sup> CoStar Group  
<sup>4</sup> NOVworks  
<sup>5</sup> California Employment Development Department  
<sup>6</sup> HdL Coren & Cone  
<sup>7</sup> WeatherSpark.com - Climate and Average Weather Year Round in Milpitas  
<sup>8</sup> American Community Survey Five-Year Estimates 2019-2023  
<sup>9</sup> Santa Clara County Association of Realtors  
<sup>10</sup> <https://dq.cde.ca.gov/dataquest/>

# Milpitas at a Glance

**Date of Incorporation:**  
January 26, 1954

**Form of Government:**  
Council-Manager

<b>Population (estimated*)</b>	<b>81,915</b>
Land area (Square Miles) .....	<b>13.6</b>
Miles of Streets .....	<b>308</b>
Number of Street Lights .....	<b>4,584</b>

### Fire Protection

Number of Stations .....	<b>4</b>
Number of Firefighters .....	<b>66</b>
Fire Apparatus .....	<b>13</b>
Number of Fire Hydrants .....	<b>2,308</b>

### Police Protection

Number of Stations .....	<b>1</b>
Number of Substations .....	<b>1</b>
Number of Sworn Officers .....	<b>94</b>
Number of Crossing Guard Locations .....	<b>34</b>
Number of Police Patrol Vehicles .....	<b>30</b>

### Employees - FY 26 Budget

Permanent .....	<b>452</b>
Temporary (FTE) .....	<b>63.3</b>

### Water Utility

Number of Customers	
Residential .....	<b>14,704</b>
Commercial .....	<b>2,425</b>
Recycled Water .....	<b>248</b>
Average Daily Consumption (in million gallons)	
Potable Water .....	<b>6.5</b>
Recycled Water .....	<b>0.72</b>
Miles of Water Mains .....	<b>183</b>

### Sewer Utility

Miles of Sanitary Sewers .....	<b>160</b>
Miles of Storm Drains .....	<b>112</b>

### Public Schools Serving the Community

Elementary Schools .....	<b>10</b>
Middle Schools .....	<b>2</b>
High Schools .....	<b>2</b>
San José City College in collaboration with the MUSD and San José Evergreen Community College district .....	<b>1</b>

### Parks and Recreation

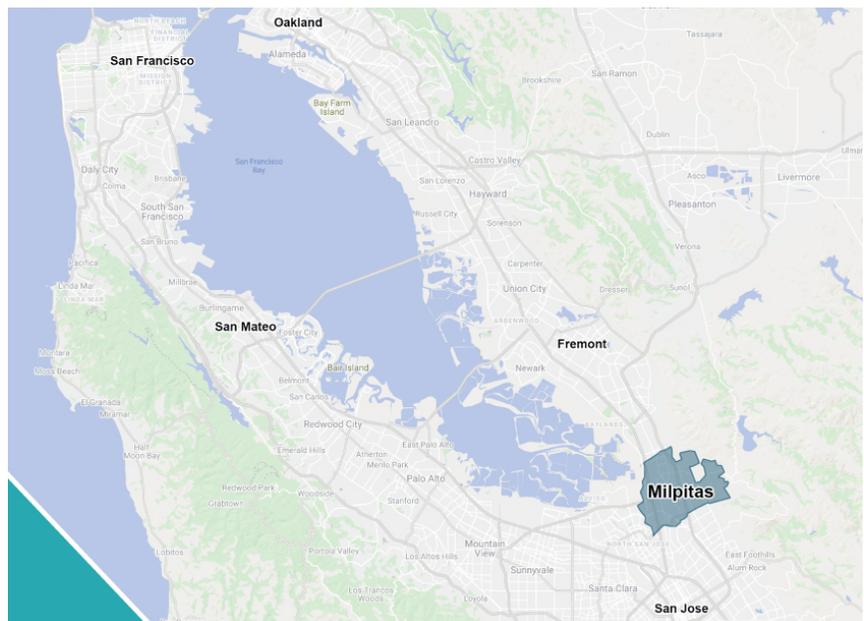
Acres of Parkland .....	<b>165</b>
Number of Parks .....	<b>37</b>
Number of Playgrounds .....	<b>35</b>
Number of Tennis Courts .....	<b>25</b>
Number of Swimming Pools ..	<b>3</b>

\*July 1, 2025 population provided by Department of Finance.

## 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 2026-2030 Five-Year General Fund Financial Forecast

The City of Milpitas develops a Five-Year General Fund Financial Forecast (Forecast) during its annual budgeting process to enhance financial planning and ensure fiscal stability by anticipating potential challenges and developing proactive strategies. This Forecast considers economic trends, supports informed policy decisions, and promotes transparency with stakeholders. Additionally, the Forecast aligns financial resources with long-term strategies and prepares the City for emergencies and/or economic downturns by identifying potential funding gaps and increased costs. In summary, this Forecast is a strategic tool, strengthening informed decision-making and fostering a sustainable financial environment for the Milpitas community.

Table 1 below shows the FY 2026-2030 Five-Year General Fund Financial Forecast starting with the FY 2025-2026 Adopted Budget. Revenues and other Sources include taxes, fees, overhead charges and use of reserves, as applicable. Uses include personnel and non-personnel expenditures, debt service and contributions to reserves, as applicable.

Over the five years covered by the Forecast, the Council adopted balanced budget was achieved through effective cost allocation and expenditure efficiencies with minimal impact to services and no filled positions adversely affected. This Forecast also reduces the previously estimated five-year \$28.5 million structural deficit, projected in the February 18, 2025, Preliminary General Fund Forecast for FY 2025-2026, by 42.9%, lowering it to \$16.3 million by FY 2029-2030. On February 18, 2025, the Preliminary General Fund Forecast FY 2026-2030 projected a five-year structural deficit of \$28.5 million. The structural deficit was reduced by 42.9% to \$16.3 million with the adoption of the FY 2025-2026 budget which took actions to balance the budget. The Adopted FY 2025-2026 Budget defers the City structural deficit to FY 2027-2028 while simultaneously funding new initiatives aimed at stabilizing services and funding the implementation of a comprehensive Fiscal Strategy and Framework. This comprehensive, multi-year organizational assessment and revitalization initiative is designed to systematically evaluate and strengthen the City operational framework. Through this process, we will identify and develop targeted initiatives that not only enhance efficiency but also cultivate sustainable practices aimed at securing the City’s long-term financial stability. By focusing on strategic implementation, we aim to build a resilient financial foundation that will support City growth and service delivery well into the future, ensuring the City can effectively respond to changing community needs and economic challenges.

**Table 1 – FY 2026-2030 Five-Year General Fund Financial Forecast - Overview (\$ in millions)**

Sources and Uses	FY 24-25 Adopted, Amended Budget	FY 25-26 Adopted Budget	FY 26-27 Forecast	FY 27-28 Forecast	FY 28-29 Forecast	FY 29-30 Forecast
Revenues and Other Sources	\$136.5	\$138.8	\$142.7	\$147.1	\$151.7	\$157.3
Use of One-Time Funds	5.3	5.2	2.7			
Expenditures	(141.8)	(144.0)	(146.4)	(153.3)	(160.9)	(166.8)
<b>Annual Surplus/(Deficit)<sup>1</sup></b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>(\$1.0)</b>	<b>(\$6.1)</b>	<b>(\$9.2)</b>	<b>(\$9.5)</b>
<b>Structural Deficit</b>			<b>\$0.0</b>	<b>(\$1.0)</b>	<b>(\$7.1)</b>	<b>(\$16.3)</b>

<sup>1</sup>Numbers may not total due to rounding.

The following sections discuss the year-over-year changes between the FY 2024-2025 Adopted/Amended Budget and the FY 2025-2026 Adopted Budget as well as assumptions embedded in the FY 2026-2030 Five-Year General Fund Financial Forecast for major revenue and expenditure categories.

**Revenues and Other Sources**

**Property tax revenues:** California Proposition 13 establishes a base property tax rate cap of 1% of assessed value, with annual increases in assessed value limited to the lesser of 2% or the California Consumer Price Index (CCPI). Projections for the CCPI over the next five years indicate a trend of moderating inflation, with the state’s average annual inflation rate expected to settle at 2.3% in 2025. In the long run, California's steady-state inflation rate is forecasted to reach approximately 2.6%. Given these conditions, it is likely that the 2% limit imposed by Proposition 13 will apply. Moreover, anticipated increases in assessed valuation due to new housing developments and the reassessment of properties resulting from changes in ownership are expected to influence overall property tax growth. Consequently, the average projected increase in property tax revenue for the forecast period is estimated to be 3.75%.

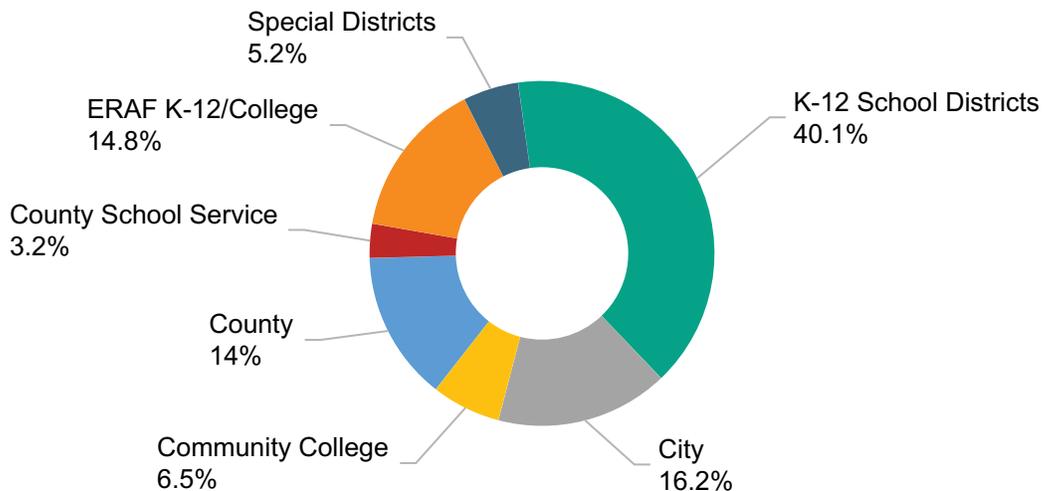
City staff relies on data provided by the City’s property tax consultant and the County of Santa Clara to formulate the property tax revenue estimates. For FY 2025-2026, there is a modest increase in property tax revenue, reflecting a return to historical growth rates for the remaining forecast period, with expected property tax revenue growth rate of 3.75% for secured property tax revenue and 3.0% for Excess Educational Revenue Augmentation Fund (ERAF) collections. Property tax revenues are anticipated to reach \$53.1 million in FY 2025-26, representing an increase of \$2.8 million, or 5.6%, compared to the FY 2024-2025 Adopted budget of \$50.3 million.

**Property Tax - Excess ERAF** – In light of recent litigation involving excess ERAF, we are adopting a conservative approach by setting aside an 18% contingency of the excess ERAF revenue projections. Established by the California Legislature in 1991, ERAF was designed to reduce state-general fund expenditure on education, directing a portion of property tax revenue toward supporting local school districts. The allocation of excess ERAF funds to cities is determined by a variety of factors, including countywide property tax growth, the sale of Redevelopment Agency assets, the California Department of Education’s local control funding formula, school district attendance rates, and special education costs. Currently, the legal dispute regarding the "excess ERAF" revenue has been adjudicated and won in favor of the intervening counties and the State Controller, who determined charter schools are not eligible to receive ERAF. However, the 2024-2025 California budget included language enabling the use of ERAF monies to fund charter schools. Staff continues monitoring developments on this issue and provide updates as available.

**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.

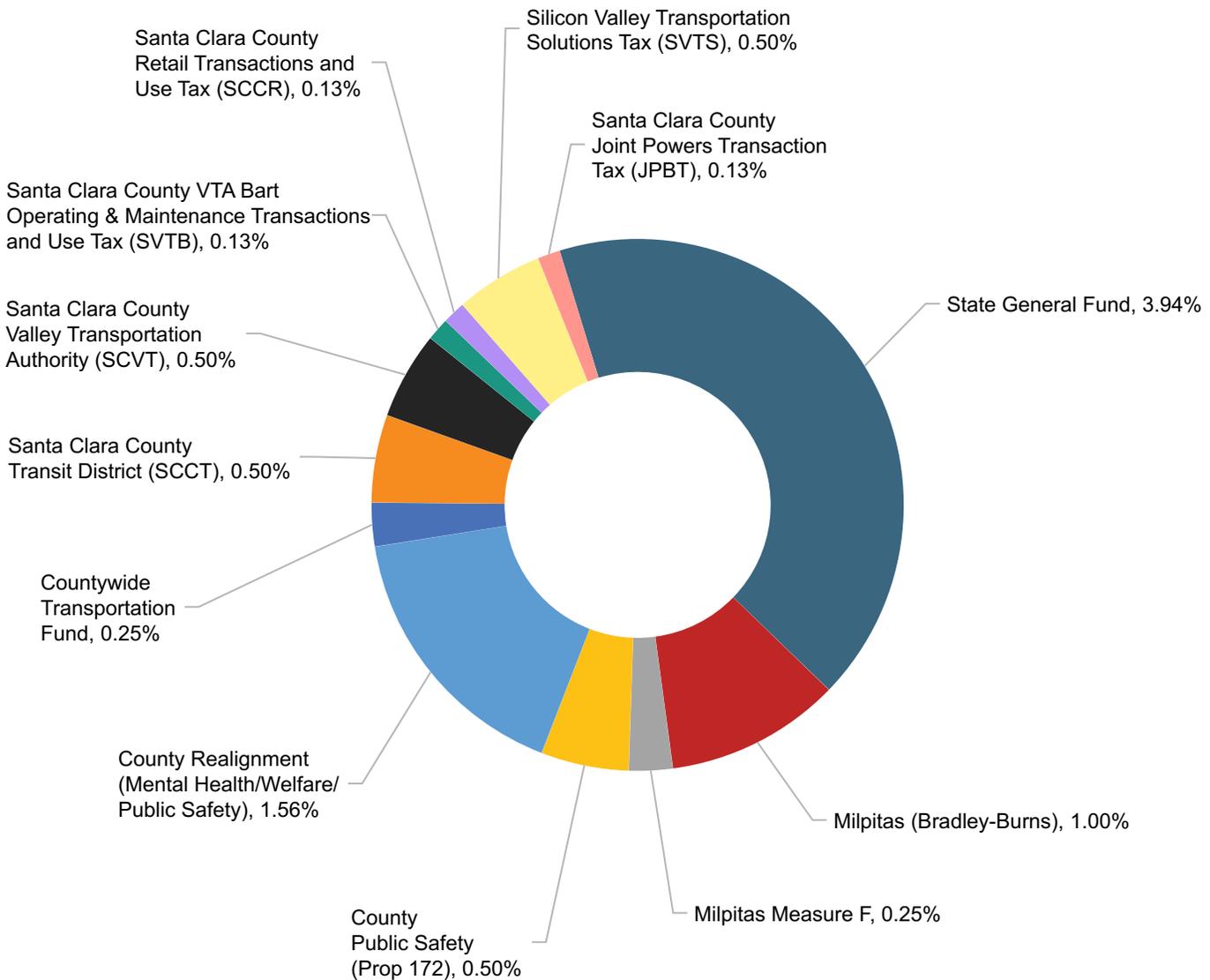
**Chart 1: Property Tax Allocation by Percent among various Governmental Entities**



**Sales tax revenue** is projected to be \$28.5 million in FY 2025-26, a decrease of \$0.9 million, or 3.8% compared to FY 2024-25 Adopted Budget of \$29.6 million. The FY 2025-26 Adopted Budget is approximately status quo to the FY 2024-25 year-end revenue estimate – with a slight decrease of \$0.4 million, or 1.1%. State and local governments are in post-Covid recovery, and consumer spending is assumed to return to more sustained levels. A growth rate of 2.0% - 2.5% 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 and also includes the 0.25% Measure F funds.

**Chart 2: 9.375% Sales Tax Allocation by Percentage Points among various Governmental Entities**  
**Allocation of Sales Tax**



**City of Milpitas Public Services 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 generate \$7.0 million in FY 2025-2026. The City of Milpitas Public Services Measure is a general tax to provide funding to maintain the City finances and services, including police and fire protection, 911 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. Measure F effective period is April 1, 2021 through March 31, 2029; Measure J, approved by voters on November 5, 2024, extended Measure F by eight years to March 31, 2037.

**Transient Occupancy Tax (TOT)**, also known as Hotel/Motel Tax Revenues, is projected to reach \$13.3 million in fiscal year 2025-2026. This represents a \$0.3 million increase, or 2.3%, compared to the \$10.0 million projected in the FY 2024-2025 Adopted Budget. The post-COVID recovery has led to a gradual resurgence in travel, positively affecting hotel and lodging sectors. However, the long-term impact of the pandemic on business travel and its subsequent impact on these industries remain uncertain. While the City does expect some overflow economic benefits from NBA All-Star event in 2025, and Super Bowl LX and the FIFA World Cup soccer events in 2026, most of the TOT revenues will accrue to the respective host cities, San Francisco, Santa Clara, and San José. Looking ahead, TOT revenue is expected to grow by approximately 5% in FY 2026-2027, assuming a continued recovery followed by a more modest growth rate of 3.0% for the subsequent years in the Forecast.

**Licenses and permits** consist of building permits and fire permits, which are primarily construction-related. The FY 2025-2026 estimated revenue is \$8.7 million, a decrease of \$0.5 million, or 5.4% compared to FY 2024-2025 Adopted Budget. The estimated revenue reduction is primarily due to declining trends for building permits in comparison to prior years. While plan check revenues are holding steady, construction of projects and therefore building permit and other related fees are declining. With the current slower economic outlook, the FY 2025-2026 Adopted Budget conservatively assumes the development slowdown will lower building and fire permit revenues. The forecast for FY 2026-2027 assumes significant revenue recovery and then is projected to increase between 3.5% to 3.8% for the remainder of the Forecast.

**Charges for Services** are primarily user fees, including charges for private development related services, engineering fees, and recreation service charges. The FY 2025-2026 estimated revenue from Charges for Services is \$8.2 million, an increase of \$0.2 million, or 2.5%, compared to FY 2024-2025 Adopted Budget. Charges for services is projected to increase by 2.8% annually (?) for the remainder of the Forecast. The Charges for Services Master Fee Schedule is reviewed annually by City staff as part of standard operations. Proposed year-over-year adjustments reflect inflation, based on the estimated average annual increase in employee compensation, with separate calculations for miscellaneous and safety employees, as well as additional costs associated with each service or activity. A comprehensive cost-of-service study for City fees is typically conducted every three to five years, with the last major update having occurred on April 18, 2023. An interim update is scheduled for City Council consideration and approval in September 2025.

The City is currently conducting an in-depth review of its cost recovery framework to create a consistent and objective fee and rate system (Master Fee Schedule) that aligns with the interests of both the City and its residents. This Comprehensive Fee Study will focus on the principle of “true and total costs to serve,” which will serve as the foundational rationale for determining City fees for various services and activities. Additionally, it will incorporate a City Council policy currently being considered regarding the subsidization of specific activities and/or groups within Milpitas.

The Comprehensive Fee Study will be a resource in the preparation of the annual update of the Master Fee Schedule for FY 2026-2027, which will be effective on July 1, 2026. The Master Fee Schedule is developed ensuring compliance with all relevant laws and regulations. The updated Master Fee Schedule will serve as a strong foundation for interim updates until the next comprehensive fee study is conducted.

**Franchise Fees** are regulatory fees 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 2025-2026 estimated Franchise Fee revenue is \$6.4 million, an increase of \$0.4 million, or 6.7%, compared to FY 2024-2025 Adopted Budget revenue estimate of \$6.0 million. 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 similar interest earnings from the FY 2024-2025 estimate of \$1.2 million in FY 2025-2026.

**Other Taxes** include real estate transfer tax (approximately \$0.7 million), business license tax (approximately \$0.3 million) and motor-vehicle-in-lieu (approximately \$90,000). The FY 2025-2026 estimated Other Taxes Revenues is \$1.2 million. When real estate transfers ownership (i.e. via existing real estate sales and/or newly constructed real estate sales), it generates a transfer tax revenue to the City. Average annual increases of 2.8% are projected for the remainder of the Forecast.

**Intergovernmental** represents the revenue account from federal and state agencies (i.e. grants, state reimbursement for fire mutual aid). The FY2025-2026 estimated revenue for Intergovernmental is \$0.4 million, an increase of \$0.1 million, or 33.3%, from FY2024-2025 Adopted Budget of \$0.3 million. The variability of this revenue category depends upon the award of competitive grants and Fire’s response to mutual aid needs to wildfire season and other events. Conservatively, the forecast does not include an assumption of new grant awards or Fire’s response to mutual aid requests.

**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 3.6% annually over the Forecast period. Operating Transfers are projected to be \$9.4 million in FY 2025-2026, an increase of \$0.9 million, or 10.6%, compared to FY 2024-2025 Adopted Budget revenues estimates of \$8.5 million.

**Expenditures**

**Table 3 – FY 2026-2030 Five-Year General Fund Financial Forecast - Expenditures (\$ in millions)**

	FY 24-25 Adopted/ Amended Budget	FY 25-26 Adopted Budget	FY 26-27 Forecast	FY 27-28 Forecast	FY 28-29 Forecast	FY 29-30 Forecast
<b>Expenditures</b>						
Salaries	\$66.6	\$68.9	\$69.5	\$72.0	\$74.3	\$76.6
Benefits	43.4	46.3	46.9	49.2	52.8	54.9
Services & Supplies	26.9	26.7	27.8	30.0	31.7	33.2
Debt Services	1.3	1.3	1.4	1.4	1.4	1.4
Capital Outlay	0.3	0.0	0.0	0.0	0.0	0.0
Operating Transfers Out	3.3	0.8	0.8	0.8	0.8	0.8
<b>Total Expenditures</b>	<b>\$141.8</b>	<b>\$144.0</b>	<b>\$146.4</b>	<b>\$153.4</b>	<b>\$161.0</b>	<b>\$166.9</b>

**Salaries and Benefits** is projected to increase due to scheduled and negotiated salary increases along with related benefit increases. The overall full-time-equivalent (FTE) decreases from FY 2024-2025 by 3.0 FTE to 452.0 FTE. The \$5.2 million salaries and benefits increase is primarily related to negotiated scheduled cost of living adjustments (COLA) and increased costs in benefits. The current International Association of Fire Fighters 1699 (IAFF) contract has a 5.0% COLA for both its represented and non-represented staff effective the first full pay period in July 2025. The Milpitas Police Officers Association contract has a 4.0% COLA for Sworn and Police Unrepresented employees and a 3.0% COLA for non-Sworn employees effective the first full pay period in January 2026. The remaining three bargaining units – Milpitas Professional and Technical (ProTech), Mid-Management Confidential Unit (MidCon) and the Milpitas Employee Association (MEA) – contracts expire June 30, 2025 and are in negotiations. Unrepresented Employees COLA increases typically follow the MidCon COLAs. COLAs for these groups for FY 2025-2026 are subject to change pending finalization of negotiations.

The City has two pension plans with California Public Employees Retirement System (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 2025-2026, the City budget reflects pension contribution costs based on the most recent actuarial valuation available by CalPERS dated July 2024 based on data ending June 30, 2023. The CalPERS annually provides member agencies with an actuarial valuation, which considers payroll data, inflation and demographic assumptions and serves as the basis for annual contribution rates of its member agencies pension plans. CalPERS actuarial valuations are typically released in June of each year and reflect data as of June 30 of the prior fiscal year. Often, due to headcount changes and granted salary increases per memoranda of understanding with the City bargaining units, the budgeted payroll data is higher than the CalPERS assumption in its valuations.

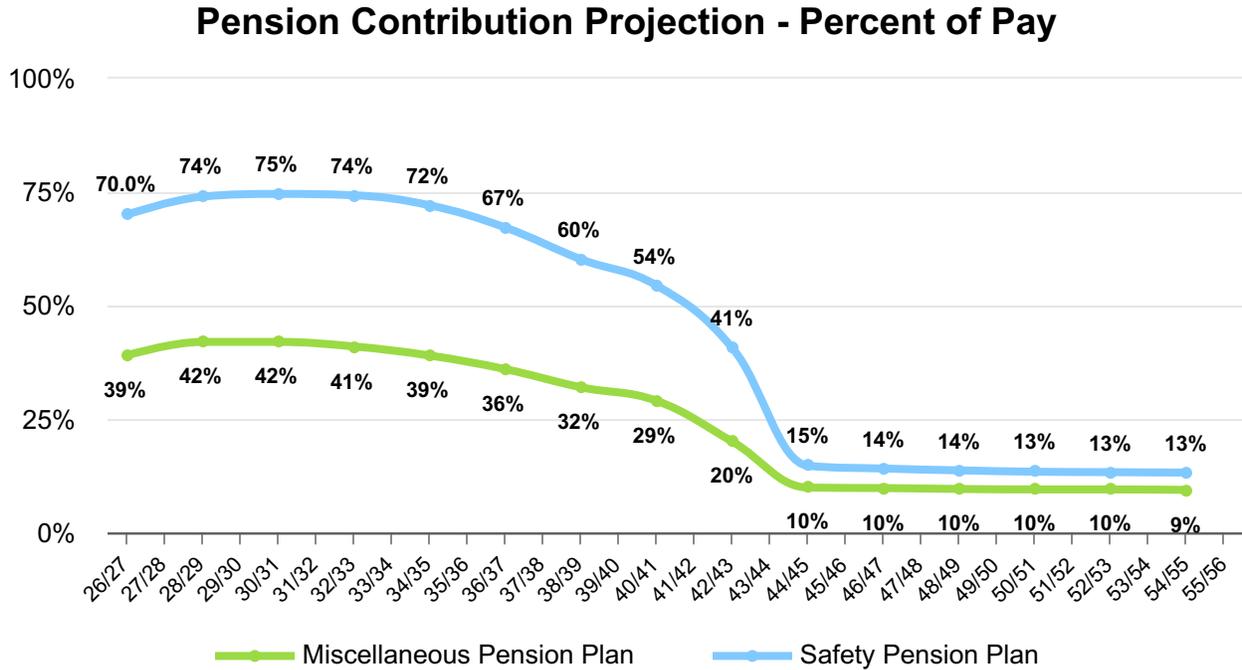
In Fiscal Year 2015-2016, CalPERS changed its pension contribution methodology for agencies. Agencies are charged a flat fee for the unfunded accrued liability (UAL), which is not based on a percent of payroll, and the normal cost of the pension benefit, which is based on a percent of payroll. Normal 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 exceeds its investment earnings target.

The charts below were part of the report prepared by Foster and Foster, the City actuary. With a 50% probability, the City's Sworn Plan contribution percentages will peak in approximately 6 years at 74.6% of payroll; similarly, the City's Miscellaneous Plan contribution percentages will peak in approximately 6 years at 42% of payroll. In Fiscal Year 2021-22, CalPERS experienced lower than expected return of (6.1%). Consequently, the return increased overall unfunded accrued liability (UAL) for out years, increasing contribution rates. Actual Fiscal Year 2024 CalPERS investment results were published in November 2024<sup>2</sup>. 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, PEPRA (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 PEPRA tier because PEPRA 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 Tier 2 member population declines, the pension contributions as a percent of payroll are expected to decline substantially.

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<sup>2</sup> [2023-24 CalPERS ACFR](#)

**Chart 3: Miscellaneous and Safety Plans Contribution Projections as a Percent of Payroll**  
(Foster and Foster, November 2024)



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 Foster and Foster 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**  
(Foster and Foster, November 2024)

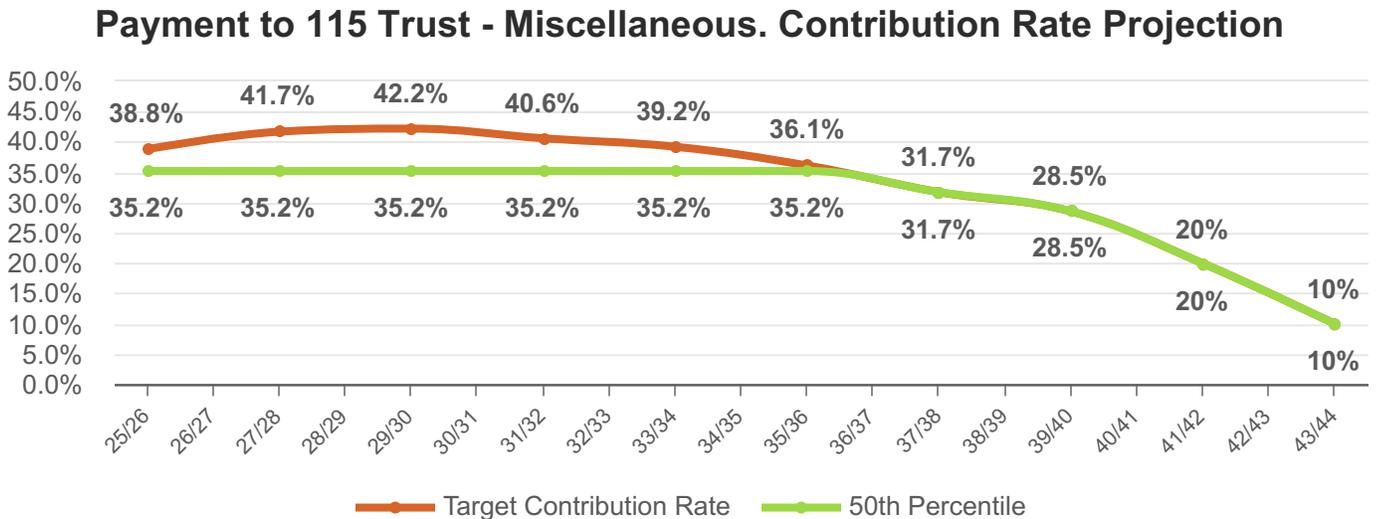
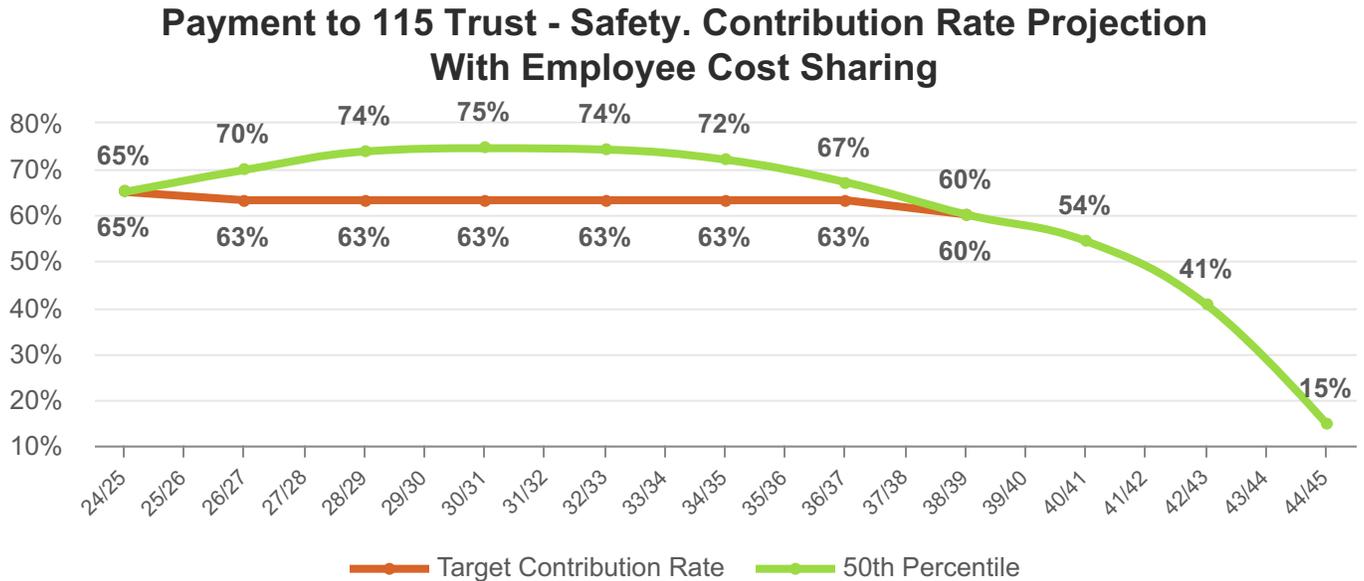


Chart 5: Payment to 115 Trust - Safety Contribution Rate Projection With EE Cost Sharing  
(Foster and Foster, January 2024)



**Services and Supplies** costs are anticipated to be \$26.7 million in FY 2025-2026, a decrease of \$0.2 million, or 0.7%, compared to FY 2024-2025 Amended Budget of \$26.9 million. This slight decrease is primarily due to limited term contracts expiring June 30, 2025. An average annual increase of 3% is projected for the remainder of the Forecast but consumer price index (CPI) may increase given the current economic conditions. There are also fluctuations of cost increases every other year due to election costs incurred by the City. The City may experience more fluctuations due to supply chain challenges and inflation.

**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 approximately \$1.3 million FY 2025-2026, which is partially offset with assumed energy cost savings from the energy efficiency projects.

**Capital Outlay** consists of the purchase of equipment (primarily vehicle, large equipment and computers) 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.

**Operating Transfers Out** consists of transfers to the Information Technology Equipment Fund (\$300,000) per the current Fiscal Policies. This budget continues the annual transfer to the Storm Drain Fund for FY 2025-2026 of \$0.5 million.

# 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 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 30 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, 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 therefore is 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 applicable 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 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 cash pool for City Council 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 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 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 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 from General Fund sources that may be identified during the preparation of the City's annual audited financial statements.
  - **Part I**
    - Contingency Reserve (Policy Statement #41)
    - General Fund Budget Stabilization Reserve (Policy Statement #42)
  - **Part II (any remaining balance)**
    - Pension budgetary surplus allocated to the 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)**
    - 30% to the General Government Capital Improvement Fund (Policy Statement #56);
    - 20% to Storm Drain Fund;
    - 10% to the Affordable Housing Community Benefit Fund (Fund 216);
    - 10% to Transportation/Transit (Fund 310);
    - 15% to Technology Replacement Fund;
    - 10% to Strategic Property Acquisition Revenue (SPAR) Fund (Policy #57); and
    - 5% Unassigned

40. The City will periodically review and update reserve guidelines to ensure 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 due to 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 Annual Comprehensive 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 Annual Comprehensive 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. 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.
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, drought events or natural disasters), increased water conservation, and poor regional economic conditions. The RSR should be used to smooth out revenue variability resulting from these factors and ensure 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 Annual Comprehensive Financial Report are known. 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 Annual Comprehensive 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 artificial turf fields 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 Annual Comprehensive 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 30% of any General Fund audited year end operating surplus to a General Government Capital Improvement Fund to address the funding needs of capital improvement projects after General Fund Contingency and General Fund Budget Stabilization reserve requirements have been met and pension budget surplus are allocated to the PERS Rate Stabilization Reserve (Policy Statement #43).

57. The City may direct 10% of any General Fund audited year end operating surplus to the SPAR Fund to support strategic property acquisition, development and long-term revenue opportunities after General Fund Contingency and General Fund Budget Stabilization reserve requirements have been met and pension budget surplus is allocated to the PERS Rate Stabilization Reserve (Policy Statement #43).

### Accounting, Auditing, and Financial Reporting Policies

58. The City's accounting and financial reporting systems will be maintained in conformance with generally accepted accounting principles (GAAP) as they apply to governmental accounting.
59. An annual audit will be performed by an independent public accounting firm with the subsequent issuance of the Annual Comprehensive Financial Report, within six months of the close of the previous fiscal year.

60. 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 consistent with City Council 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 City 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 five-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 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 Proposed Budget

The Five-Year General Fund Financial Forecast and the City Manager 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 City Council preliminary general fund forecast study session.
- Projected revenues by major category.
- 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 fiscal year 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 four 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 appropriations amount and authority of the City Manager to administer the adopted budget. Unless otherwise directed, all funds presented in the operating budget document are subject to City Council approval.

### 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 (\$1,300,000 in FY 2025-26, or approximately 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;
- Amend the budget for grant interest earned to update the grant budget revenue(s) and associated grant appropriation(s).
- 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 if 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 if 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, if 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 \$1,300,000 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.

### 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 the City 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 future year 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 2024-25 are subject to carry over into FY 2025-26.

## 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 2025-2026 Budget Process

## November 2024 – January 2025

- Dec 12 – 30, 2024* Community Survey
- Oct 2024 – Jan 2025*
  - FY 2026-2035 Capital Improvement Program Development
  - FY 2026-2035 Preliminary General Fund Forecast Development
  - FY 2025-26 Operating Budget Development

01

## February – March 2025

- Feb 11, 2025* Budget Study Session
  - FY 2026-2035 Capital improvement Program
- Feb 18, 2025* Budget Study Session
  - FY 2026-2035 Preliminary General Fund Forecast
  - City Service Area Workplans
  - Council Priorities & Service Level Guidance
  - Council Referrals

02

## April – May 2025

- Apr 2, 2025* Budget Study Session
  - FY 2026-2035 Capital Improvement Program
  - FY 2026-2030 General Fund Forecast
  - FY 2025-26 Operating Budget
- Apr 9, 2025* Employee Town Hall
- Apr 16, 2025* Community Town Hall
- May 15, 2025* City Manager Town Hall

03

## June – July 2025

- May 13, 2025* Budget Study Session
  - FY 2026-2030 General Fund Forecast
  - FY 2025-26 Operating Budget
- Jun 3, 2025* City Council Budget Adoption
  - FY 2026-2035 Capital Improvement Program
  - FY 2025-2026 Operating Budget
- Summer 2025* • Operating and Capital Improvement Program Budget Publication

04

# 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 Priority Areas and other City Council directives.
- The City five-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 five-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 five fiscal years to develop the Forecast. The five-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 with a review of City Council Priority Areas and the presentation of the five-year General Fund Financial Forecast. Through surveys and community meetings, staff engages the community for input into budget priorities. Based on guidance from City Council and input from the community, the City Manager publishes the proposed budget for the upcoming year. From April to June, the City Council holds study sessions and public hearings prior to adopting the annual budget. The City Council adopts the Proposed Budget based on discussion or direction during the budget hearings. In summer, the City publishes its Adopted Budget. For the Fiscal Year 2025-26 budget development process, please review the timeline and steps shown on the previous page.

## Understanding the Budget Document

The operating budget document includes Citywide 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. City budget information is available in the annual Adopted Budget publication, which occurs in the summer following adoption. The City also publishes a Budget-in-Brief document, and the annual budget will also be available on the City website. The City lists all fund names by fund type in the Appendix.

**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 intended to be substantially self-supporting through fees for services. In areas where specific benefit for a service can be identified to specific individuals and/or entities, 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 fund revenue or taxes. The utility bills sent to each household and business in the City recover 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 main internal service fund, the Equipment Management Fund, provides vehicle and fleet maintenance services 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 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 for ensuring that appropriations are not exceeded during the fiscal year.

Appropriations automatically lapse at the end of the fiscal year unless an encumbrance exists, except for 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 annually establishes an appropriations limit by resolution during the budget process that is consistent with the State Constitution, 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 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 subject to accrual are property and sales taxes and interest revenue. Transient Occupancy Tax (TOT), forfeitures, licenses, permits, and miscellaneous revenue are not subject 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 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 by function, if applicable, and expenditure categories.

**Staffing:** lists all full-time equivalent (FTE) positions for the department for several fiscal years by function, if applicable, and by classifications. Defunded, reclassified and moved positions are noted as appropriate in exhibits, such as organization charts and specific exhibits.

**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.

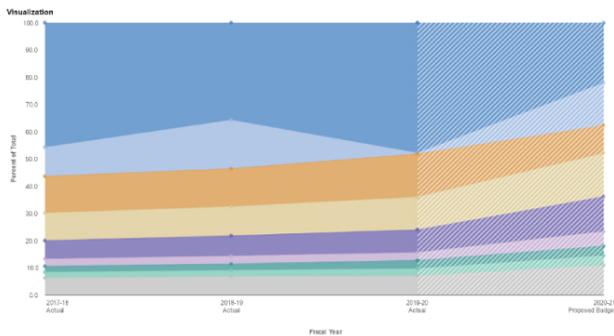
## How Does it Work?

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

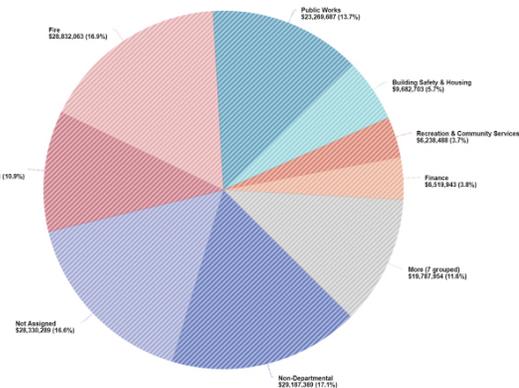
By clicking on one these icons, you can choose whether you want to display graphs showing changes over the years, a pie chart for a single year, or download portions into Excel.



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



Data shared by Departments. Expenses and reported on April 9, 2020. Created with OpenGov



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



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**City of Milpitas  
California**

For the Fiscal Year Beginning

**July 01, 2024**

*Christopher P. Morill*

Executive Director

*California Society of Municipal  
Finance Officers*

*Certificate of Award*

***Operating Budget Excellence Award  
Fiscal Year 2024-2025***

*Presented to the*

***City of Milpitas***

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

*February 7, 2025*



*Ernie Reyna*

*Ernie Reyna  
2024 CSMFO President*

*James Russell-Field*

*James Russell-Field, Chair  
Recognition Committee*

*Dedicated to Excellence in Municipal Financial Reporting*



**RESOLUTION NO. 9424****A JOINT RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILPITAS AND THE HOUSING AUTHORITY OF THE CITY OF MILPITAS APPROVING THE FY 2025-26 OPERATING BUDGET FOR THE CITY OF MILPITAS AND THE MILPITAS HOUSING AUTHORITY, THE APPROPRIATIONS LIMIT FOR FISCAL YEAR 2025-26, 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/Executive Director has submitted a FY 2025-26 Proposed Budget and Financial Plan; and

**WHEREAS**, on June 3, 2025, 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 ("Authority") reviewed the City Manager's FY 2025-26 Proposed Budget and Financial Plan; and

**WHEREAS**, the first year, or FY 2025-26, of the Capital Improvement Program (CIP) is a part of the 2025-26 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 2025-26 of \$149,704,437; 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 and Authority 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 consideration of this Resolution by the City Council and Authority; and

**WHEREAS**, the budget document contains fiscal policies that the City Council and Authority have 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 and Authority have 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 30; the City Manager 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 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 and Authority meeting packet, inclusive of capital improvement appropriations, for the City of Milpitas and Authority for fiscal year 2025-26 is hereby affirmed and adopted totaling \$268,389,321 for all appropriated funds.
3. The amounts shown as "Appropriations" and estimated fund balances are hereby approved for the various purposes designated in the 2025-2026 Adopted Budget.
4. The budgets for all departments for the period July 1, 2025 through June 30, 2026, inclusive, contained in this 2025-26 Adopted Budget, are approved as the operating budget for those departments for fiscal 2025-26.
5. The appropriations limit for fiscal year 2025-2026 shall be \$149,704,437 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 in establishing the appropriations limit for fiscal year 2025-2026 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 2024-2025 may be re-appropriated for continued use in fiscal year 2025-26 subject to the approval of the City Manager/ Executive Director. Furthermore, any outstanding contract and/or purchase order obligations (or encumbrances) remaining at the end of FY 2024-2025 are subject to carry-over into FY 2025-26.
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/Authority 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/Executive Director may authorize, when in his or her judgment such action is consistent with the purposes and intent of the 2025-2026 Adopted Budget as approved, budget revisions subject to the following conditions:

Prior Approval Not Required. Prior approval of the City Council and/or Authority 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 (\$1,000,000 in FY 2025-26), provided that the Council/Authority 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.

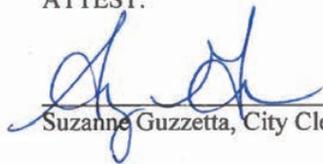
- ii. When revisions involve transfers from the appropriated leave cash-out account less than or equal to the aggregate amount adopted within the budget in any one fiscal year (\$700,000 in FY 2025-26) to the various departments for cash-outs when employees leave City/Authority service.
  - iii. When 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/Authority 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/Executive Director 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/Authority 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/Executive Director is authorized to execute and enter into these contracts and make these payments during fiscal year 2025-26 up to the amounts listed by contract or payment in **Exhibit 2**.
12. Prior Approval Required. Prior approval of the City Council and/or Authority is required for revisions to the 2025-2026 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 \$1,000,000 during fiscal year 2025-26, 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 3, 2025, and in prior budget presentations.
14. The approval of the 2025-26 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 3<sup>rd</sup> day of June, 2025, by the following vote:

- AYES: (5) Mayor Montano, Vice Mayor Barbadillo, Councilmembers Chua, Lam, and Lien.
- NOES: (0) None
- ABSENT: (0) None
- ABSTAIN: (0) None

ATTEST:

  
Suzanne Guzzetta, City Clerk

APPROVED:

  
Carmen Montano, Mayor/Chair

APPROVED AS TO FORM:

  
Christopher Creech, Acting City Attorney/General Counsel

## Exhibit 1

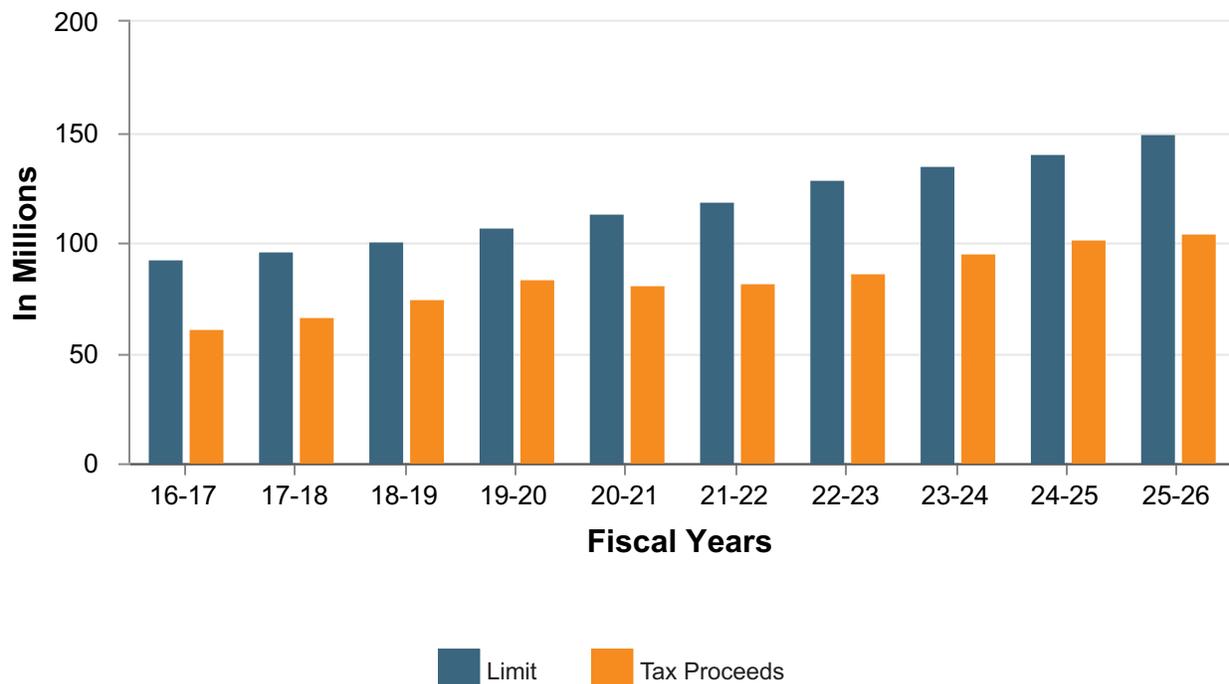
## Gann Appropriations Limit Analysis

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 (FY) 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 FY 2025-26 has been computed to be \$149,704,437. Appropriations subject to the limitation in FY2025-26 budget total \$104,149,141 that is \$45,555,296 less than the computed limit.

The following chart shows the annual Appropriations Limit and the tax proceeds received since FY 2016-17. 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.

### City of Milpitas Annual 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 2025-2026 Budget Contracts/Payments over \$100,000

### 1. FY 2025-26 Operating Budget

Department Name	Contractor Name (If known) or Type of Contract	Description of Contract/Payment	Estimated Amount	Funds
City Manager	Meyers Nave	Outside Legal Services	\$206,000	• General Fund
City Manager	Blais & Associates, LLC	City-wide Grants Consulting Services	\$153,000	• General Fund
Finance	PLAN JPA	Liability Insurance	\$3,664,836	• General Fund • Water Fund • Sewer Fund • Housing Authority Fund • Equipment Fund
Finance	PLAN JPA	Attorney Fees for Claims/Lawsuits	\$391,500	• General Fund • Water Fund • Sewer Fund
Finance	PG&E	Utility - Electric	\$2,300,000	• General Fund • Water Fund • Sewer Fund
Finance	Integrus	Utility - Electric	\$500,000	• General Fund • Water Fund • Sewer Fund
Finance	Chandler	Investment Portfolio Management	\$132,000	• General Fund
Finance	ABAG Power	Utility - Gas	\$283,000	• General Fund • Water Fund • Sewer Fund
Finance	Brown & Brown	Excess Workers' Compensation Insurance	\$400,000	• General Fund
Housing	Housekeys	BMR Home Ownership Program Administration	\$200,000	• Housing Authority Fund
Housing	WeHOPE	Homeless Outreach	\$203,033	• Affordable Housing Grant Fund
Housing	WeHOPE (Dignity on Wheels)	Mobile Shower & Laundry Services for Unhoused Individuals (3 years)	\$150,000	• Assemblymember Alex Lee's State Funding
Housing	FORWARD	Rent Relief Program	\$763,000	• Affordable Housing Grant Fund
Housing	FORWARD	Workforce Housing Rental Assistance Program (WHRAP)	\$852,609	• GT1153-536-4237 (2019), GT1154-536-4237 (2020), GT1155-536-4237 (2021) • Affordable Housing Fund Affordable

Department Name	Contractor Name (If known) or Type of Contract	Description of Contract/Payment	Estimated Amount	Funds
Human Resource	Sedgwick	Third Party Administrator for Worker's Compensation	\$152,162	• General Fund
Information Technology (Finance)	Cayenta	Cayenta Software Maintenance	\$206,756	• General Fund
Information Technology	SHI International Corp	Microsoft Office 365 Licensing	\$171,900	• General Fund
Information Technology	Central Square Technologies	VisiCAD Software Maintenance	\$150,000	• General Fund
Information Technology	OpenGov, Inc.	Open Town Hall/Budget and Performance Software/Consolidation of the Management Reporting	\$155,444	• General Fund
Information Technology	Mark43	Police Records Management System	\$162,476	• General Fund
Planning	City of San José	San José Animal Services Contract	\$573,681	• General Fund
Police	County of Santa Clara	Crime Lab Major Case Evidence Examination	\$215,249	• General Fund
Police	Silicon Valley Regional Interoperability Authority	Silicon Valley Regional Communications Systems (SVRCS) - Annual Operations and Maintenance for Digital Radio System	\$128,782	• General Fund
Police	County of Santa Clara	Cal-ID	\$198,450	• General Fund
Police	Axon Enterprise, Inc.	Police Body Worn Cameras / Tasers / Cloud Storage	\$211,063	• General Fund
Police	All City Management Services	Crossing Guard Services	\$878,308	• General Fund
Public Works	SFPUC	Wholesale Water Purchase	\$16,522,969	• Water Fund
Public Works	City of San José*	O&M for Treatment Plant	\$9,969,598	• Sewer Fund
Public Works	Valley Water	Wholesale Water Purchase	\$7,886,042	• Water Fund
Public Works	City of San José	Recycled Water Purchase	\$2,877,814	• Water Fund
Public Works	Brightview Landscape Services	Park Maintenance Services	\$1,393,008	• General Fund / CFD
Public Works	Brightview Landscape Services	Facilities Landscape Maintenance	\$128,330	• General Fund
Public Works	Merrimac Petroleum Inc.	Diesel & Unleaded Fuel	\$575,620	• Equipment Replacement Fund

# Resolutions

Department Name	Contractor Name (If known) or Type of Contract	Description of Contract/Payment	Estimated Amount	Funds
Public Works	West Coast Arborist	Tree Maintenance Services	\$480,000	• General Fund / CFD
Public Works	Imperial Maintenance Services Inc.	Janitorial Services	\$385,000	• General Fund
Public Works	Bay Area Water Supply and Conservation Agency (BAWSCA)	BAWSCA Membership	\$223,567	• Water Fund
Public Works	Enterprise FM Trust	Fleet Lease Agreement	\$168,000	• General Fund
Public Works	City of Sunnyvale	Santa Clara Valley Urban Runoff Pollution Prevention Program	\$176,757	• General Fund
Public Works	Environmental Systems Inc	HVAC Maintenance	\$121,475	• General Fund
Public Works	Five M, LLC	Minnis Circle Lease Agreement	\$131,040	• General Fund • Water Fund • Sewer Fund
Recreation	County of Santa Clara "SNP"	Senior Nutrition Program	\$102,644	• GT1007-162-4226
Recreation	Moonchef, LLC	Amendment to extend Moonchef's contract for the Senior Nutrition Program for FY24/25 by an additional three months, ending on September 30, 2025, in coordination with an Asian-inspired meal RFP for FY25/26.	\$116,569	• GT1007-162-4226
Recreation	Vermont Systems	Recreation Management Software. Previous contractor was Activenet. Software costs budgeted in annual budget. Contract term of 3 years (estimated cost)	\$127,961	• General Fund
City-wide	Staples Business Advantage	City-wide Departmental Supplies	\$150,000	• General Fund

\* This is an estimate provided by the City of San José in March. Actual budget for O&M and CIP are not available yet.

\*\* Includes 15% contingency. Budget amounts were estimates and actual costs may be higher.

## 2. FY 2025-26 Capital Improvement Program (CIP) Budget

Department Name	CIP Project No. & Name	Description of Contract	Estimated Amount	Funds
Storm Drain Improvement	CIP 3724 - Main Street Flood Study	Amendment No.1 to Design/ Professional Service Agreement with Schaaf and Wheeler to develop construction documents for the improvements to alleviate the flooding occurring on S. Main Street near the City's library.	\$300,000	• Storm Drain Fund
Street Improvement	CIP 4302 - Calaveras Landslide Repair	New Design/Professional Services Agreement to obtain a consultant to provide design services for the landslide repair on Calaveras Road.	\$400,000	• Street Improvement Fund
Community Improvement	CIP 3422 & 3485 - Community Center Roof Renovation	New Design/Professional Services Agreement to obtain a consultant to provide assessment, planning and/or design services for the replacement of the roof including mechanical equipment at Milpitas Community Center.	\$400,000	• General Gov. CIP Fund
Community Improvement	CIP 3470 - City Hall Fountain & Landscape Renovation	New Design/Professional Services Agreement to obtain a consultant to provide mastering planning and conceptual design services for the renovation of the landscape areas and fountains, pond, and water fall areas at City Hall campus.	\$200,000	• General Gov. CIP Fund
Community Improvement	• CIP 3466 - Financial System Enterprise Resource Planning • CIP 3467 - Human Resources Information System	Tyler SaaS for Financial & Human Resources Information Systems	\$1,012,678	• General Fund
Community Improvement	• CIP 3466 - Financial System Enterprise Resource Planning • CIP 3467 - Human Resources Information System	Enterprise Resource Planning Consulting Services	\$708,880	• General Fund • Information Technology Replacement Fund
Community Improvement	CIP 3494 - City Hall Air Handlers Replacement	New Design/Professional Services Agreement to obtain a consultant to provide design services and construction support for the replacement of the air handlers at City Hall.	\$400,000	• General Fund
Park Improvement	CIP 2023 - Metro Tango Subdistrict Park	Amendment No.1 to the Design/ Professional Service Agreement with Callander Associates Landscape Architecture to provide construction documents and construction support for the construction of the new Tango Park.	\$600,000	• TASP Impact Fees

## Resolutions

Department Name	CIP Project No. & Name	Description of Contract	Estimated Amount	Funds
Street Improvement	CIP 2016 - S. Milpitas Blvd. Road Extension	New Design/Professional Services Agreement to obtain a consultant to provide environmental oversight related to the deed restriction and conditions imposed by Regional Water Board for the construction of the road extension.	\$400,000	• TASP Impact Fees
Street Improvement	CIP 2016 - S. Milpitas Blvd. Road Extension	Amendment No.1 to the Design/ Professional Service Agreement with Cornerstone Structural Engineering Group to provide construction support and 3rd party inspection for the installation of the vehicular bridge and road construction.	\$300,000	• TASP Impact Fees
Street Improvement	CIP 2016 - S. Milpitas Blvd. Road Extension	Amendment No.1 to the Design/ Professional Service Agreement with Bill Gould Architectural Corporation DBA Artik to provide construction support and 3rd party inspection for the installation of architectural enhancement along the rail of the vehicular bridge.	\$300,000	• TASP Impact Fees
Water Improvement	CIP 7076 - Well Upgrade Project (McCandless Well)	Amendment No.1 to Design/ Professional Services Agreement with West Yost & Associates, Inc. to provide construction support and 3rd party inspection for the installation of new potable water well facilities at Delano Manongs Park.	\$400,000	• Water Capital Surcharge
Water Improvement	CIP 7133 - Minor Water Projects	Amendment No. 1 to Design/ Professional Services Agreement with MNS Engineers, Inc. to provide additional design services and construction support for Gibraltar Pump Station Suction Piping Repair and Valves Replacement.	\$100,000	• Water Capital Surcharge
Water Improvement	CIP 7147 - Pinewood Well Facility Rehabilitation Project	Amendment No. 1 to Design/ Professional Services Agreement with MNS Engineers, Inc. to provide additional assessment and construction drawings for the Pinewood Well improvements or conversation to a full time production well.	\$400,000	• Water Capital Surcharge
Sewer Improvement	CIP 6118 – City of San José - SC Regional Wastewater Facility	City of Milpitas cost share amount with City of San José for rehab improvements to RWF	\$3,506,507	• Sewer Infrastructure Fund
Sewer Improvement	CIP 6124 - Sewer Pump Station Rehabilitation Program	New Design/Professional Service Agreement to obtain a consultant to provide design services and construction supports for Main Lift Station Vactor Truck Disposal Facility Project.	\$300,000	• Sewer Infrastructure Fund

Department Name	CIP Project No. & Name	Description of Contract	Estimated Amount	Funds
Sewer Improvement	CIP 6124 - Sewer Pump Station Rehabilitation Program	Amendment No. 1 to Design/ Professional Services Agreement with MNS Engineers, Inc. to provide design services and construction support of the Main Lift Station Flow Meters Replacement project.	\$200,000	• Sewer Infrastructure Fund
Public Safety	CIP 3459 – ALPRs and Security Cameras	ALPRs and Security Cameras - Flock Safety	\$159,000	• General Government CIP Fund • Grants/ Reimb./ Developer Fees
Community Improvement	CIP 3406 - City Building Improvements	New Design/Professional Services Agreement for building improvement projects at Recreation Facilities, Police Department, Public Works, and City Hall.	\$200,000	• General Government CIP Fund
Community Improvement	CIP 3406 - City Building Improvements	Amendment No.1 to the Design/ Professional Service Agreement with NJA to provide design services for planned facilities improvements planned for FY25-26.	\$100,000	• General Government CIP Fund
Community Improvement	CIP 3462 - On-Call Facilities Maintenance & Repair Services	As-required repairs at City facilities.	\$200,000	• General Government CIP Fund
Community Improvement	CIP 3494 - City Hall Air Handlers Replacement	New Design/Professional Services Agreement to obtain a consultant to provide design services for the replacement of the air handlers at City Hall.	\$150,000	• General Fund
Street Improvement	CIP 3426 - Annual Sidewalk Repair Program	Professional Services Agreement for sidewalk inspections and repairs as set forth in the Plan JPA agreement for identifying sidewalk hazards.	\$200,000	• Gas Tax Fund
Water Improvement	CIP 7110 - Hydrant Replacement Program	Purchase and replacement hydrants and valves to meet the annual replacement goal.	\$200,000	• Water Line Extension Fund
Street Improvement	CIP 3468 - Median Conversion Project	Amendment No.1 to the Design/ Professional Service Agreement with Verde to provide design services for planned Calaveras Blvd. median conversion project.	\$100,000	• General Government CIP Fund
Street Improvement	CIP 4307 - Street Resurfacing Project 2026	New Design/Professional Services Agreement to obtain a consultant to provide design services and construction support for the street resurfacing projects in 2026 and provide planning services for street resurfacing projects in 2027 and 2028.	\$550,000	• Gas Tax Fund, • Measure B, • SB1 RMRA, • Vehicle Registration Fee

## Resolutions

Department Name	CIP Project No. & Name	Description of Contract	Estimated Amount	Funds
Street Improvement	CIP 4312 - SS4A Improvement Project	New Design/Professional Services Agreement to obtain a consultant to provide design services and construction support for the safety improvements along established routes to schools.	\$350,000	<ul style="list-style-type: none"> <li>• Gas Tax Fund,</li> <li>• General Government CIP Fund</li> <li>• Grant</li> </ul>
Sewer Improvement	CIP 6135 - Sanitary Sewer CCTV Inspections & Improvements	New Professional Service Agreement to obtain a consultant/vendor to provide closed-circuit television inspections of medium to extreme risk of 24" or greater sewer pipelines as recommended per the adopted 2021 Sewer Master Plan.	\$400,000	<ul style="list-style-type: none"> <li>• Sewer Infrastructure Fund</li> </ul>
Sewer Improvement	CIP 6138 - Sanitary Sewer Pipeline Improvement - Phase 1	New Design/Professional Service Agreement to obtain a consultant to provide design services and construction supports for Sanitary Sewer Pipeline Improvement - Phase 1 Project and planning and design services for Sanitary sewer Pipeline Improvement Phase 2 and 3.	\$266,000	<ul style="list-style-type: none"> <li>• Sewer Infrastructure Fund</li> </ul>
Water Improvement	CIP 7150 - Fire Flow Pipeline Improvement - Phase 1	New Design/Professional Service Agreement to obtain a consultant to provide design services and construction supports for Fire Flow Pipeline Improvement - Phase 1 Project and planning and design services for Fire Flow Pipeline Improvement Phase 2 and 3.	\$750,000	<ul style="list-style-type: none"> <li>• Water Capital Surcharge</li> </ul>
Street Improvement	CIP 3493 - Milpitas SMART	Milpitas SMART Subscription and Services	\$608,979	<ul style="list-style-type: none"> <li>• General Government CIP Fund</li> </ul>
Park Improvement	CIP 2024 - Innovation District Parks and Trails Master Plan	Innovation District Parks and Trail - Milpitas	\$168,643	<ul style="list-style-type: none"> <li>• Planning Grant Program through Metropolitan Transportation Commission (MTC)</li> </ul>
Community Improvement	CIP 3504 - Milpitas Gateway-Main St. Impact Fee Study and Sense of Place Plan	Main Street Sense of Place Plan	\$393,956	<ul style="list-style-type: none"> <li>• Planning Grant Program through Metropolitan Transportation Commission (MTC)</li> </ul>
Community Improvement	CIP 3503 - Historic Resource Master Plan Update and Marker Program	Professional Services Agreement to manager Master Plan update and new marker program	\$200,000	<ul style="list-style-type: none"> <li>• General Government CIP Fund</li> </ul>

**RESOLUTION NO. 9425****A JOINT RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILPITAS AND THE HOUSING AUTHORITY OF THE CITY OF MILPITAS APPROVING AMENDMENTS TO THE FISCAL YEAR 2025-26 PROPOSED OPERATING BUDGET FOR THE CITY OF MILPITAS AND THE MILPITAS HOUSING AUTHORITY AND AUTHORIZING VARIOUS FINANCIAL ACTIONS**

**WHEREAS**, the City Manager/Executive Director has submitted a FY 2025-26 Proposed Budget and Financial Plan; and

**WHEREAS**, on June 3, 2025, 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 ("Authority") reviewed the FY 2025-26 Proposed Budget and Financial Plan; and

**WHEREAS**, staff recommends the use of \$129,152 from the unallocated funds in the Community Investment Program Fund, leaving a balance of \$445,469 of unallocated funds; and \$15,000 from the Contingency Reserve in the General Fund, leaving a balance of \$20,552,647, to fund projected expenditures as indicated in the Approval of the Fiscal Year 2025-26 Proposed Operating Budget; and

**NOW, THEREFORE**, the City Council of the City of Milpitas and the Milpitas Housing Authority hereby finds, determines, and resolves 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 amendments to the Fiscal Year 2025-26 Adopted Operating Budget, as attached in the City Council and Authority meeting packet, are hereby affirmed and adopted. All appropriations and other financial actions, accounting, and amendments recommended in that staff report are approved unless expressly disapproved by majority vote of the City Council/Authority at the meeting on June 3, 2025.

PASSED AND ADOPTED this 3<sup>rd</sup> day of June, 2025, by the following vote:

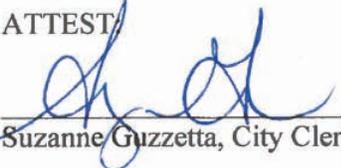
AYES: (5) Mayor Montano, Vice Mayor Barbadillo, Councilmembers Chua, Lam, and Lien.

NOES: (0) None

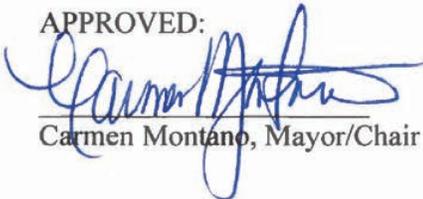
ABSENT: (0) None

ABSTAIN: (0) None

ATTEST

  
Suzanne Guzzetta, City Clerk

APPROVED:

  
Carmen Montano, Mayor/Chair

APPROVED AS TO FORM:

  
Christopher Creech, Acting City Attorney/General Counsel

**RESOLUTION NO. 9426**

**A JOINT RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILPITAS AND THE HOUSING AUTHORITY COMMISSION 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;

**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 and the Milpitas Housing Authority ("Authority") hereby finds, determines, and resolves as follows:

1. The City Council and Authority have 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 1, 2025 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 2025-26 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.

**• AUTHORIZE THE FOLLOWING CHANGES TO THE CLASSIFICATION PLAN:**

- Create a Senior City Manager Analyst (1.0 full-time equivalent)  
Salary Range: \$135,000 to \$175,000, Exempt, Unrepresented
- Delete Deputy City Manager (1.0 full-time equivalent)
- Delete Deputy City Attorney (1.0 full-time equivalent)

PASSED AND ADOPTED this 3<sup>rd</sup> day of June, 2025, by the following vote:

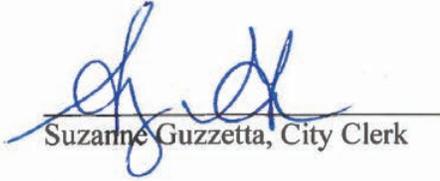
AYES: (5) Mayor Montano, Vice Mayor Barbadillo, Councilmembers Chua, Lam, and Lien.

NOES: (0) None

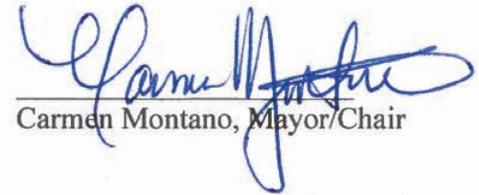
ABSENT: (0) None

ABSTAIN: (0) None

ATTEST:

  
Suzanne Guzzetta, City Clerk

APPROVED:

  
Carmen Montano, Mayor/Chair

APPROVED AS TO FORM:

  
Christopher Creech, Acting City Attorney/General Counsel

**RESOLUTION NO. 9427**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILPITAS AND THE HOUSING AUTHORITY 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, 2024 as \$17.70 per hour; and

**WHEREAS**, the City of Milpitas updated its minimum wage ordinance effective July 1, 2025; and

**WHEREAS**, the City must update its hourly rate for certain classifications currently below the \$18.20 hourly rate in conformance with Ordinance No. 292.

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

1. The City Council and Authority have 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 \$18.20 per hour and all other hourly range classifications that required adjustments in order to address compaction.
3. Resolution No. 1626, as amended, is hereby further amended to adjust the hourly rate ranges for the below listed classifications effective July 1, 2025, as follows:

Title	From		To	
	Step A	Top Step	Step A	Top Step
Lifeguard	\$17.70	\$22.88	\$18.20	\$25.36
Recreation Administrative Asst	\$17.70	\$24.66	\$18.20	\$25.36
Recreation Attendant	\$17.70	\$24.66	\$18.20	\$25.36
Recreation Leader	\$17.70	\$24.66	\$18.20	\$25.36
Staff Assistant	\$17.70	\$27.39	\$18.20	\$28.16
Student Intern	\$17.70	\$27.39	\$18.20	\$30.00
Maintenance Worker/Seasonal	\$19.88	\$24.85	\$22.43	\$31.25
Assistant Pool Manager	\$22.16	\$28.55	\$22.66	\$31.57
Pool Manager	\$23.22	\$29.90	\$23.72	\$33.05

- 4. These adjusted hourly rate ranges will be included in the All Job Classifications/Salary Table attached to the June 3, 2025 Resolution of the City Council of the City of Milpitas amending Resolution No. 1626, the Classification Plan, which also increases by four (4) percent the base Salary Schedules for all International Association of Fire Fighters 1699 (IAFF) per the July 1, 2024 through June 30, 2027 *City of Milpitas And IAFF Memorandum of Understanding*, and for Fire Unrepresented Classifications by City policy.

PASSED AND ADOPTED this 3<sup>rd</sup> day of June, 2025, by the following vote:

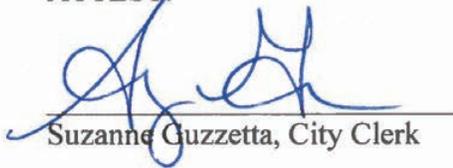
AYES: (5) Mayor Montano, Vice Mayor Barbadillo, Councilmembers Chua, Lam, and Lien.

NOES: (0) None

ABSENT: (0) None

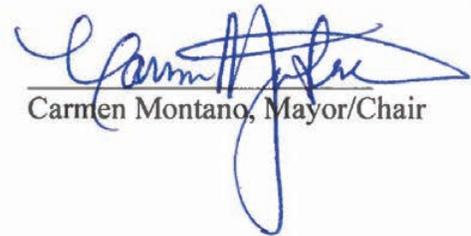
ABSTAIN: (0) None

ATTEST:



Suzanne Guzzetta, City Clerk

APPROVED:



Carmen Montano, Mayor/Chair

APPROVED AS TO FORM:



Christopher Creech, Acting City Attorney/General Counsel

**RESOLUTION NO. 9428**

**A JOINT RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILPITAS AND THE HOUSING AUTHORITY OF THE CITY OF MILPITAS AMENDING THE CLASSIFICATION PLAN TO AMEND THE SALARY SCHEDULES FOR VARIOUS CLASSIFICATIONS TO ALIGN WITH THE CURRENT MEMORANDUMS OF UNDERSTANDING (MOUs)**

**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;

**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 and the Milpitas Housing Authority ("Authority") hereby finds, determines, and resolves as follows:

1. The City Council and Authority have 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 13, 2025, as follows:

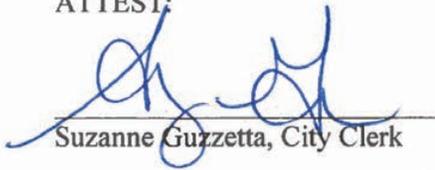
The City Council hereby adopts the salary schedule attached hereto as **Exhibit A** ("All Job Classifications/Salary Table Effective July 13, 2025"), which includes updated salary ranges for the following classifications:

- a. All classifications represented by International Association of Firefighters Local 1699 (IAFF) in accordance with the following Memorandums of Understanding (MQUs):
  - International Association of Firefighters Local 1699 MOU dated July 1, 2024 -June 30, 2027
- b. All classifications included in the Unrepresented Fire group, in accordance with the following:
  - Unrepresented Fire Employees Salary increase of five percent (5%) to align with the International Association of Firefighters Local 1699 (IAFF) per Council action on March 3, 2025
3. The City Council and Authority hereby authorize the revised Miscellaneous Exempt classifications listed in **Exhibit B**, attached hereto, for Unrepresented Management Employees.

PASSED AND ADOPTED this 3<sup>rd</sup> day of June, 2025, by the following vote:

AYES: (5) Mayor Montano, Vice Mayor Barbadillo, Councilmembers Chua, Lam, and Lien.  
 NOES: (0) None  
 ABSENT: (0) None  
 ABSTAIN: (0) None

ATTEST:

  
Suzanne Guzzetta, City Clerk

APPROVED:

  
Carmen Montano, Mayor/Chair

APPROVED AS TO FORM:

  
Christopher Creech, Acting City Attorney/General Counsel

**EXHIBIT B  
UNREPRESENTED MANAGEMENT  
BENEFITS PACKAGE  
Effective July 1, 2025**

**MISCELLANEOUS EXEMPT CLASSIFICATIONS:**

**UNREPRESENTED EXECUTIVE STAFF** - Assistant City Attorney, Assistant City Manager, City Clerk, Director of Economic Development and Strategic Initiatives, Director of Finance, Human Resources Director, Information Technology Director, Planning Director, Public Works Director, Public Information Officer, and Recreation, Community Services Director, and Senior City Manager Analyst

**UNREPRESENTED MANAGEMENT STAFF** - Assistant Finance Director\*, Assistant Director Recreation and Community Services\*, Building Official\*, City Engineer\*, Deputy Information Technology Director\*, Deputy Public Works Director\*, Human Resources Manager\*, Finance Manager, Housing Official\*, Planning Manager\*, Plan Review Manager, Police Support Services Manager, Public Works Manager, Public Works Division Manager - Engineering, Public Works Division Manager - Operations, Public Works Division Manager - Utilities

**POLICE EXEMPT CLASSIFICATIONS:**

**UNREPRESENTED EXECUTIVE STAFF** - Police Chief

**UNREPRESENTED MANAGEMENT STAFF** - Assistant Police Chief\* and Police Captain

**FIRE EXEMPT CLASSIFICATIONS:**

**UNREPRESENTED EXECUTIVE STAFF** - Fire Chief

**UNREPRESENTED MANAGEMENT STAFF** - Deputy Fire Chief\*, Chief Fire Enforcement Officer, and Assistant Fire Marshal  
\*2nd in charge

BENEFITS	DESCRIPTION	ELIGIBLE
MERIT INCREASES	Employees are eligible for merit-based salary increases annually, provided they are not at the maximum of their compensation range. The City manager will have the authority to recommend the amount of the merit increase.	All
HEALTH PLANS	The City provides CalPERS medical coverage. City paid premium is capped at the Kaiser rates for each level of coverage. Only active employees who have eligible dependents enrolled in the plan are eligible for City-paid premium above the single plan rate.	All
HEALTH PLAN WAIVER	Employees who are covered as an eligible dependent under another health insurance plan may waive health coverage and receive a total of \$250 per month in lieu of medical plan coverage with appropriate documentation. (no change since 1999)	All
LIFE INSURANCE	\$50,000 for full-time employees	All
SHORT TERM DISABILITY	City provides a plan similar to State Disability Insurance	Miscellaneous
	Police: Covered under the MPOA Trust Fund	Police Captains Only
	Fire: None (See Family Leave provision)	Fire
LONG TERM DISABILITY	After the first 60 days, coverage at 60% of base salary up to \$1,500 per month. Additional buy-up options are available.	Miscellaneous
	Coverage for Police is provided through California Law Enforcement Association (CLEA).	Police
	Coverage for Fire is provided through California Association of Professional Firefighters (CAPFF).	Fire
DENTAL--Misc and Fire	City provides a self-funded Delta Dental plan with graduated benefits based on years of service, including preventative, routine, major, and orthodontia.	Miscellaneous and Fire
DENTAL--Police	City provides Delta Dental coverage.	Police
VISION	City provides a vision plan for eye examination, lenses and frames.	All
TRUST FUND	\$50 per month contribution into the MPOA Trust Fund for spousal/dependent coverage and Short Term Disability coverage	Police Captains Only
DEFERRED COMPENSATION--SECTION 457 PLAN	City provides \$900 per year toward deferred compensation (no change since 1999), with contributions being pro-rated per pay period (approximately \$34.62 per pay period). Employees are eligible to voluntarily participate in the plan.	Unrepresented Management Staff
DEFERRED COMPENSATION--SECTION 457 PLAN	Employees are eligible to voluntarily participate in the plan.	Unrepresented Executive Staff
401a	The City provides a 401a plan with a 1% employee contribution upon initial enrollment, increasing by 0.25% each subsequent July 1, up to a maximum of 5% employee contribution. Enrolled participants shall have the value of vacation accruals over 260 hours put into their 401a effective the pay period including June 1 of each year. Upon separation enrolled participants shall have one-half of vacation pay put into the plan. City contributes \$900 per year into the 401a plan, with contributions being pro-rated per pay period (approximately \$34.62 per pay period).	Unrepresented Executive Staff
FLEXIBLE SPENDING PLAN	City offers employees who wish to participate a pre-tax deduction for an IRS Section 125 plan for medical expenses, premiums; child or elder care expenses; or traffic and vanpooling.	All

BENEFITS	DESCRIPTION	ELIGIBLE	
<b>EMPLOYEE ASSISTANCE PROGRAM (EAP)</b>	City offered plan: 5 visits per incident per calendar year for Unrepresented Miscellaneous & Fire employees.	Miscellaneous & Fire	
	City offered plan: 15 visits per calendar year for Unrepresented Police employees.	Police	
<b>VACATION LEAVE ACCRUALS</b>	40 hour employees: <u>Years of Service</u> <u>Yearly Accruals</u>	All	
	0-4		16 Days
	5-9		21 Days
	10-14		26 Days
	15-19		31 Days
	20 +		36 Days
<b>VACATION CARRYOVER RATE</b>	Maximum number of hours that can be carried over is 260 hours for 40-hour employees. Accruals in excess of maximum will be cashed out at the end of the pay period including June 1.	Unrepresented Management & Fire	
	Maximum number of hours that can be carried over is 260 hours. Accruals in excess of the maximum will be cashed out effective the end of the pay period including June 1. The value of accruals in excess of the maximum will be deposited into the 401a plan effective the end of the pay period including June 1.	Unrepresented Executive Staff	
	336 hours for Police Management employees. Hours over maximum will be cashed out at the end of the pay period including June 1.	Police	
	City Manager may authorize approval to carry over vacation hours in excess of the maximum.	Unrepresented Management	
<b>VACATION CASH-OUT PER IRS CONSTRUCTIVE RECEIPT</b>	Unrepresented Employees may elect to cash out up to 80 hours of accrued vacation hours each calendar year.	Unrepresented Management & Fire	
<b>VACATION CASH-OUT PER IRS CONSTRUCTIVE RECEIPT</b>	Unrepresented Executive Employees may elect to cash out any hours above 260 or up to 80 hours of accrued vacation hours each calendar year, whichever is greater.	Unrepresented Executive Staff	
<b>VACATION ACCRUAL</b>	Accrual tier will be based on total years of public service.	All	
<b>VACATION USE</b>	No minimum waiting period for use of accrued vacation.	All	
<b>MANAGEMENT INCENTIVE PAID (MIP) LEAVE</b>	Eligible employees will accrue 5 hours of Management Incentive Paid Leave (MIP) for each full pay period worked. Maximum carryover is 260 hours. Hours cannot be cashed out during employment, or at separation.	Executive Staff & 2nd in charge	
<b>MANAGEMENT LEAVE</b>	Eligible employees will receive 40 hours of Management Leave added to their Floating Holiday Bank on the pay period following December 31. Employees appointed mid-year will receive pro-rated amount based on date of hire/promotion. Hours can be taken in any increment. There is no annual carryover and hours cannot be cashed out during employment, or at separation. An additional 40 hours of Management Leave can be earned with Department Head recommendation and City Manager approval upon annual evaluation for past performance.	Unrepresented Staff Only (Staff that receive MIP are not eligible for Management Leave)	
<b>SICK LEAVE ACCRUALS</b>	12 work days per year. 8 hours = 1 work day	All	
<b>SICK LEAVE PAY-OFF--Separating Employees (Not Retiring)</b>	Employees hired prior to July 18, 1999, with 5 years of service, separating in "good standing" as determined by the City Manager may elect to cash in sick leave using this formula: 2.5% x Yrs. of Service x highest hourly rate x sick leave hours accrued.	Miscellaneous	
	Employees hired after January 1, 1995, with 5 years of service, separating in "good standing" as determined by the City Manager may use this formula:	Fire	
	After 4th year: .25%/year x hourly rate x accrued sick leave		
	After 9th year: .50%[year x hourly rate x accrued sick leave		
	After 14th year: .75%/year x hourly rate x accrued sick leave		
	After 19th year: 1.0%/year x hourly rate x accrued sick leave		
	Employees hired after July 18, 1999, with 5 years of service, separating in "good standing" as determined by the City Manager may use this formula:	Police	
	After 4th year: .25%[year x hourly rate x accrued sick leave		
	After 9th year: .50%[year x hourly rate x accrued sick leave		
	After 14th year: .75%[year x hourly rate x accrued sick leave		
	After 19th year: 1.0%[year x hourly rate x accrued sick leave		

# Resolutions

BENEFITS	DESCRIPTION	ELIGIBLE
SICK LEAVE CASH OUT PER IRS CONSTRUCTIVE RECEIPT	In January, an employee with 5 years of service may elect sick leave cash-out in accordance with the terms in Sick Leave Pay-Off above.	Fire
	For employees hired on or before 7/17/99, each November, an employee with 5 or more years of service may elect to cash out accrued sick leave. Payout shall be in accordance with appropriate pay out formulas. The maximum annual amount shall not exceed 50% of employees sick leave balance. Employees eligible for this benefit shall at all times maintain a sick leave balance of at least 240 hours.	Miscellaneous & Police
HOLIDAYS	The City observes 12 holidays: January 1 (New Years), Third Monday in January (Dr. Martin Luther King's Birthday), Third Monday in February (Washington's Birthday), March 31, Cesar Chavez Day, Last Monday in May (Memorial Day), July 4, First Monday in September (Labor Day), November 11 (Veterans Day), Thanksgiving Day, Day After Thanksgiving, Christmas Eve, Christmas Day.	All
FLOATING HOLIDAY	Each calendar year 8 hours of floating holiday to be used by December 31 of each year otherwise it will be lost.	All
FITNESS PROGRAM	Offers employees free access to City-sponsored sports and fitness programs.	All
TUITION & TRAINING	City provides reimbursement for education up to \$3,000 per year. Work related training costs including transportation and lodging expenses.	All
MILEAGE REIMBURSEMENT	Use of personal vehicle for City business will be reimbursed at the IRS established rate. Not eligible for Mileage Reimbursement if receiving a car allowance.	All
CAR ALLOWANCE	\$550 per month	Unrepresented Executive Staff
CALPERS RETIREMENT	2.7% at 55 Retirement Plan including the final year compensation amendment for those employed before 10/9/2011. (Employee pays 8% contribution rate).	Miscellaneous
	Tier 2 (Classic): 2% at 60 Retirement Plan including the final three-year compensation average for those Classic employees hired on or after 10/9/2011. (Employee pays 7% contribution rate).	Miscellaneous
	Tier 3 (PEPRA): 2% at 62 Retirement Plan including the final three-year average compensation for employees hired on or after 01/01/2013. (Employee contribution rate as stated in CalPERS actuarial report).	Miscellaneous
	3.0% at 50 Plan, The 1959 Survivors Benefit in full force and effect. (Fire pays 12%; Police pays 9%).	Police & Fire
	Tier 2 (Classic): 3.0% at 55 Plan, Effective 4/8/2012. Including three-year compensation average; The 1959 Survivors Benefit in full force and effect. (Police pays 9%; Fire pays 12%).	Police & Fire
	Tier 3 (PEPRA): 2.7% at 57 Plan, Effective 1/1/2013. Including three-year compensation average; The 1959 Survivors Benefit in full force and effect. (Employee contribution rate as stated in CalPERS actuarial report).	Police & Fire
PERS ENHANCEMENTS	Military Service Buy-back (GC 21024)	All
	PERS Credit for Unused Sick Leave (GC 20965)	All
	Death Benefit (GC 21620)	All
	Prior Service Credit ( GC20055)	All
	1959 Survivor's Benefit (GC21573)	All
EYEGLOSS REIMBURSEMENT	Reimbursement up to \$175 per fiscal year for eyeglasses and \$200 for bifocals when prescribed by a physician for use at a video display terminal provided the glasses are not covered by health or vision plan first.	All
SAFETY EQUIPMENT	The City shall furnish appropriate safety equipment, the employee shall maintain in good order, and is the City's property.	Fire
UNIFORM ALLOWANCE	\$1,000 per year for 40 hour employees plus one pair of safety shoes every 2 years.	Fire
	\$1,350 per year for 40 hour employees.	Police
FAMILY LEAVE	Up to 80 hours of sick leave to care for a family member including: mother, father, spouse, registered domestic partner, brother, sister, son/daughter, grandparents, or domestic partner, whether the immediate family member is of the employee's or spouse's family, including step or adopted relatives. It also includes concurrent use of sick leave accruals for self or other accruals for eligible family members under FMLA or CRFA.	All
	Fire personnel may use 14 days of accrued sick leave (without medical note) for birth or adoption of a child.	Fire

BENEFITS	DESCRIPTION	ELIGIBLE
<b>FAMILY LEAVE (continued)</b>	Fire Unrep may use available sick leave for family medical purposes including same members as above. The use of family leave shall be limited to 80 hours per calendar year. Family medical purposes shall mean illness, accident, medical appointments or other related occurrences. Fire Unrep may take up to four months unpaid family or medical leave within a 24 month period, unless they qualify for FMLA/CFRA and this benefit is	Fire
	Birth, adoption, or serious illness of a child; self, parent, spouse, or registered domestic partner of an employee.	
	City will provide benefit coverage for up to 4 months and employee may elect to continue benefits at his/her own expense for up to an additional 18 months.	
	Available leave balances must be exhausted first prior to leave without pay.	
<b>COMPASSIONATE LEAVE</b>	City provides up to 40 hours of paid leave in the event of the death of an eligible family member (same family members as in Family Leave).	All
<b>MILITARY LEAVE</b>	Paid military leave is provided for active and temporary duty in accordance with City policy and provisions of the State and Federal Laws.	All
<b>JURY LEAVE</b>	City provides paid time upon jury summons if called to duty.	All
<b>LEAVE OF ABSENCE</b>	An unpaid personal leave of absence is available upon approval of the City Manager.	All
<b>FMLA/CFRA</b>	Employees may take up to 12 weeks paid/unpaid family or medical leave under Family Medical Leave Act (FMLA) or California Family Rights Act (CFRA) within a 12 month period for the following: birth or adoption; serious illness of a child, self, parent or spouse; or baby bonding. Employee must exhaust available leave balances to qualify for leave without pay. Benefits will be covered during FMLA/CFRA leave.	All
<b>WORKERS COMPENSATION</b>	First 80 hours of lost work time is covered at 100% pay; next 240 hours at 80% pay.	All
	Sworn Police and Fire employees are eligible for up to one year paid workers' compensation leave per labor code 4850.	Sworn Police and Fire
<b>MEDICARE</b>	Both City and employee contribute, if hired after March 31, 1986.	All
<b>SEVERANCE PAY</b>	If employee is terminated for reasons other than "for cause" employee would be eligible for up to 16 weeks of salary plus benefits, depending on date of hire. For additional details, see Muni Code section VI-3-4.00 - Severance Payments for Specified At-Will Positions.	All

RETIREMENT BENEFITS		
<b>ELIGIBILITY CRITERIA</b>	Eligibility for retiree benefits is predicated upon retirement from CalPERS Retirement System.	All
<b>SICK LEAVE CASH-OUT</b>	Upon retirement, disability retirement, or death, for those employees who were hired on or before 7/17/99, and who had at least 5 years of service, the City shall pay retiree or estate for unused accrued sick leave using this formula: 2.5% x years of service x highest hourly rate x sick leave hours.	Miscellaneous and Police
	Upon retirement, disability retirement, or death, for those employees who were hired on or before 1/1/95, and who had at least 5 years of service, the City shall pay retiree or estate for unused accrued sick leave using this formula: 2.5% x years of service x highest hourly rate x sick leave hours.	Fire
	Employees hired after January 1, 1995, with 5 years of service, separating in "good standing" as determined by the City Manager may use this formula:	Fire
	After 4th year: .25%/year x hourly rate x accrued sick leave	
	After 9th year: .50%/year x hourly rate x accrued sick leave	
	After 14th year: .75%/year x hourly rate x accrued sick leave	
	After 19th year: 1.0%/year x hourly rate x accrued sick leave	Police
	Employees hired after July 18, 1999, with 5 years of service, separating in "good standing" as determined by the City Manager may use this formula:	
	After 4th year: .25%/year x hourly rate x accrued sick leave	
	After 9th year: .50%/year x hourly rate x accrued sick leave	
After 14th year: .75%/year x hourly rate x accrued sick leave		
After 19th year: 1.0%/year x hourly rate x accrued sick leave		
<b>SICK LEAVE CREDIT</b>	Upon retiring with PERS, all employees shall be eligible for the PERS Credit for Unused Sick Leave provision (20965). Employees hired prior to July 17, 1999 may choose a cash out or Credit for Unused Sick Leave.	All
<b>RETIREMENT MEDICAL COVERAGE</b>	See Unrepresented Employee Benefit Handbook	All

# Resolutions

BENEFITS	DESCRIPTION	ELIGIBLE
<b>DISABILITY RETIREMENT</b>	For Medical Coverage: employees on disability retirement who had at least 5 years of full-time or equivalent service with the City and retired after June 30, 2003, the City agrees to contribute up to "the retiree cap amount" or until the retiree is re-employed.	Police
<b>RETIREE DENTAL</b>	Benefits may be continued at the retiree's expense 50% of City's Premium.	Miscellaneous and Fire
	Benefits may be continued at the retiree's expense.	Police
<b>RETIREE VISION</b>	Benefits may be continued at the retiree's expense.	All
<b>RETIREE SPOUSAL/ DEPENDENT MEDICAL PLAN</b>	1% of payroll plus benefits contributed to a specific fund to assist in paying for spousal/dependent medical premiums for each of the following groups: Miscellaneous Unrep, Police Unrep and Fire Unrep. If fund is depleted, reimbursement will end for FY.	All
	See Dependent Benefits Grid	
<b>SAFETY EQUIPMENT</b>	Upon retirement, the city shall give a command officer his/her service weapon and holsters without charge if either (1) the Milpitas Police Chief endorses an identification certificate approving the officer carrying a concealed and loaded firearm or (2) a hearing board determines that, under Penal Code section 12027.1, at the time the officer retired from the Milpitas Police Department, the employee had a right to a certificate permitting the carrying of a concealed and loaded firearm.	Police



## Final Salary Schedule

Classification	Union Code	Occ Code	Pay Grade	Step A			Step B		
				Hourly	BiWeekly	Annual	Hourly	BiWeekly	Annual
Accountant	50	2101	500	51.81	4,144.60	107,759.60	54.40	4,351.80	113,146.80
Accounting Technician I	50	6104	513	33.74	2,699.17	70,178.42	35.43	2,834.16	73,688.16
Accounting Technician II	50	6105	514	37.11	2,969.08	77,196.08	38.97	3,117.58	81,057.08
Administrative Analyst I	80	2102	801	43.28	3,462.67	90,029.42	0	0	0
Administrative Analyst II	80	2103	802	47.80	3,824.11	99,426.86	0	0	0
Administrative Assistant	80	6111	828	41.29	3,303.48	85,890.48	43.36	3,468.65	90,184.90
Assistant Chief of Police	60	1405	649	116.80	9,344.14	242,947.64	0	0	0
Assistant City Attorney	60	1113	645	80.82	6,465.24	168,096.24	0	0	0
Assistant City Manager	60	1104	666	101.41	8,112.63	210,928.38	0	0	0
Assistant Dir Recr & Comm Svcs	60	1121	659	69.20	5,535.95	143,934.70	0	0	0
Assistant Engineer	50	2201	502	56.13	4,490.60	116,755.60	58.94	4,715.12	122,593.12
Assistant Finance Director	60	1109	669	72.98	5,838.26	151,794.76	0.00	0.00	0.00
Assistant Fire Marshal	60	2501	632	93.05	7,443.79	193,538.44	0.00	0.00	0.00
Assistant Planner	50	2801	503	53.82	4,305.89	111,953.14	56.52	4,521.30	117,553.80
Assistant Pool Manager	70	5609	709	22.66	1,812.80	47,132.80	0.00	0.00	0.00
Assistant Water Operator	20	7212	221	46.16	3,462.27	90,019.02	48.47	3,635.40	94,520.40
Assistant Water Operator - 40	20	8611	226	46.43	3,714.73	96,582.98	48.76	3,900.66	101,417.16
Associate Civil Engineer	50	2202	504	64.55	5,164.16	134,268.16	67.78	5,422.40	140,982.40
Associate Planner	50	2802	505	61.89	4,950.99	128,725.74	64.99	5,199.21	135,179.46
Budget Manager	80	1115	839	63.09	5,047.51	131,235.26	-	-	-
Building & Housing Director	60	1802	658	88.20	7,055.63	183,446.38	-	-	-
Building Inspection Manager	80	3809	848	65.73	5,258.33	136,716.58	-	-	-
Building Inspector Apprentice	70	8610	770	28.00	2,240.00	58,240.00	-	-	-
Building Official	60	1804	676	77.58	6,206.24	161,362.24	-	-	-
Building Permit Technician	50	5801	508	41.10	3,288.12	85,491.12	43.16	3,452.88	89,774.88
Building/NP Inspector	50	3801	507	54.48	4,358.21	113,313.46	57.20	4,576.17	118,980.42
Business Systems Analyst/Dev	80	2119	853	57.70	4,615.99	120,015.74	-	-	-
Buyer	80	2106	803	42.89	3,431.28	89,213.28	-	-	-
CIP Manager	60	2211	642	67.02	5,361.33	139,394.58	-	-	-
Case Manager	50	5612	544	36.83	2,946.17	76,600.42	-	-	-
Chief Fire Enforcement Officer	60	1505	656	80.45	6,436.20	167,341.08	-	-	-
Chief of Police	60	1402	650	122.64	9,811.05	255,087.30	-	-	-
City Attorney	60	1112	644	99.96	7,997.00	207,922.00	-	-	-
City Clerk	60	1101	605	67.06	5,364.87	139,486.62	-	-	-
City Engineer	60	1201	606	78.23	6,258.32	162,716.32	-	-	-
City Manager	60	1102	697	182.21	14,576.92	378,999.92	-	-	-
Code Enforcement Officer	50	5804	515	47.63	3,810.70	99,078.20	50.02	4,001.29	104,033.54
Communications Dispatch Superv	40	6409	456	61.94	4,954.90	128,827.40	65.03	5,202.64	135,268.64

\*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
57.11	4,568.50	118,781.00	59.98	4,798.00	124,748.00	62.96	5,037.03	130,962.78
37.20	2,975.87	77,372.62	39.06	3,124.66	81,241.16	41.01	3,280.90	85,303.40
40.92	3,273.45	85,109.70	42.96	3,437.16	89,366.16	45.11	3,608.94	93,832.44
0.00	0.00	0.00	0.00	0.00	0.00	56.98	4,558.39	118,518.14
0.00	0.00	0.00	0.00	0.00	0.00	62.92	5,033.41	130,868.66
45.53	3,642.10	94,694.60	47.80	3,824.18	99,428.68	50.19	4,015.38	104,399.88
0.00	0.00	0.00	0.00	0.00	0.00	163.52	13,081.79	340,126.54
0.00	0.00	0.00	0.00	0.00	0.00	109.40	8,751.75	227,545.50
0.00	0.00	0.00	0.00	0.00	0.00	141.97	11,357.69	295,299.94
0.00	0.00	0.00	0.00	0.00	0.00	96.88	7,750.33	201,508.58
61.89	4,950.86	128,722.36	64.98	5,198.44	135,159.44	68.23	5,458.39	141,918.14
0.00	0.00	0.00	0.00	0.00	0.00	102.17	8,173.76	212,517.76
0.00	0.00	0.00	0.00	0.00	0.00	130.27	10,421.31	270,954.14
59.33	4,746.55	123,410.30	62.30	4,983.82	129,579.32	65.41	5,233.11	136,060.86
0.00	-	-	-	-	-	31.57	2,525.60	65,665.60
50.90	3,817.16	99,246.16	53.44	4,008.00	104,208.00	56.11	4,208.43	109,419.18
51.20	4,095.86	106,492.36	53.77	4,301.48	111,838.48	56.46	4,516.46	117,427.96
71.17	5,693.53	148,031.78	74.73	5,978.21	155,433.46	78.46	6,277.14	163,205.64
68.24	5,459.44	141,945.44	71.65	5,731.70	149,024.20	75.23	6,018.18	156,472.68
-	-	-	-	-	-	83.05	6,643.99	172,743.74
-	-	-	-	-	-	123.47	9,877.89	256,825.14
-	-	-	-	-	-	79.89	6,391.58	166,181.08
-	-	-	-	-	-	35.00	2,800.00	72,800.00
-	-	-	-	-	-	108.61	8,688.74	225,907.24
45.33	3,626.11	94,278.86	47.58	3,806.73	98,974.98	49.96	3,996.87	103,918.62
60.06	4,804.93	124,928.18	63.07	5,045.20	131,175.20	66.22	5,297.43	137,733.18
-	-	-	-	-	-	75.95	6,076.05	157,977.30
-	-	-	-	-	-	56.46	4,516.63	117,432.38
-	-	-	-	-	-	93.83	7,506.45	195,167.70
-	-	-	-	-	-	45.96	3,676.76	95,595.76
-	-	-	-	-	-	112.63	9,010.68	234,277.68
-	-	-	-	-	-	171.69	13,735.51	357,123.26
-	-	-	-	-	-	124.95	9,996.27	259,903.02
-	-	-	-	-	-	93.90	7,511.67	195,303.42
-	-	-	-	-	-	109.52	8,761.65	227,802.90
-	-	-	-	-	-	182.21	14,576.92	378,999.92
52.53	4,202.20	109,257.20	55.15	4,412.30	114,719.80	57.91	4,632.76	120,451.76
68.28	5,462.79	142,032.54	71.70	5,735.94	149,134.44	75.28	6,022.74	156,591.24

## Final Salary Schedule

Classification	Union Code	Occ Code	Pay Grade	Step A			Step B		
				Hourly	BiWeekly	Annual	Hourly	BiWeekly	Annual
Communications Dispatcher	40	6408	455	53.63	4,290.14	111,543.64	56.31	4,504.62	117,120.12
Community Service Officer	40	6412	460	46.22	3,697.73	96,140.98	48.53	3,882.63	100,948.38
Councilmember	60	1107	699	20.87	417.40	10,852.40	-	-	-
Crime Analyst	80	2105	809	51.81	4,145.13	107,773.38	-	-	-
Cross Connection Specialist	20	8626	239	47.99	3,839.31	99,822.06	50.52	4,041.37	105,075.62
Customer Services Supervisor	80	2127	847	50.24	4,019.43	104,505.18	-	-	-
Deputy City Clerk	80	6102	835	49.34	3,947.07	102,623.82	-	-	-
Deputy Director of IT	60	1123	679	80.31	6,424.82	167,045.32	-	-	-
Deputy Fire Chief	60	1504	633	117.25	9,379.84	243,875.81	-	-	-
Deputy Public Works Director	60	1207	654	78.23	6,258.32	162,716.32	-	-	-
Digital Media Specialist	80	2121	840	44.63	3,570.76	92,839.76	-	-	-
Dir of Recr & Community Svcs	60	1208	655	86.37	6,909.53	179,647.78	-	-	-
Econ Dev Dir & Strat Init	60	1206	653	86.37	6,909.53	179,647.78	-	-	-
Economic Development Coord	80	8623	852	54.45	4,355.63	113,246.38	-	-	-
Economic Development Spec	80	8606	850	51.85	4,147.86	107,844.36	-	-	-
Electrical/Building Inspector	50	3802	511	57.20	4,576.16	118,980.16	60.06	4,804.93	124,928.18
Emergency Services Coordinator	80	2502	836	57.28	4,582.72	119,150.72	-	-	-
Engineering Aide	50	3201	512	44.64	3,571.17	92,850.42	46.87	3,749.74	97,493.24
Engineering Permit Technician	50	2210	540	40.18	3,214.68	83,581.68	42.19	3,375.42	87,760.92
Entry Firefighter/EMT - 40	10	4512	115	58.36	4,668.57	121,382.90	61.28	4,902.01	127,452.23
Entry Firefighter/EMT - 56	10	4510	112	41.68	4,668.57	121,382.90	43.77	4,902.01	127,452.23
Entry Firefighter/Paramedic-40	10	4513	116	65.36	5,228.81	135,949.09	68.63	5,490.25	142,746.51
Entry Firefighter/Paramedic-56	10	4511	113	46.69	5,228.81	135,949.09	49.02	5,490.25	142,746.51
Entry Level Fire Inspector	10	3508	114	50.39	4,031.53	104,819.72	52.91	4,233.11	110,060.77
Envir & Regulatory Comply Spec	80	8624	851	55.34	4,426.88	115,098.88	-	-	-
Environmental Inspector	50	2213	553	57.20	4,576.16	118,980.16	60.06	4,804.96	124,928.96
Equip Maint Worker I - 40	20	8612	227	42.23	3,378.26	87,834.76	44.32	3,545.47	92,182.22
Equip Maint Worker II - 40	20	8613	228	46.43	3,714.73	96,582.98	48.76	3,900.66	101,417.16
Equip Maint Worker III - 40	20	8614	229	52.31	4,185.18	108,814.68	54.94	4,394.96	114,268.96
Equipment Maint. Worker I	20	7202	200	41.97	3,147.51	81,835.26	44.07	3,304.89	85,927.14
Equipment Maint. Worker II	20	7203	201	46.16	3,462.27	90,019.02	48.47	3,635.40	94,520.40
Equipment Maint. Worker III	20	7204	202	52.01	3,901.05	101,427.30	54.61	4,096.03	106,496.78
Executive Assistant	80	6117	812	45.42	3,633.30	94,465.80	47.69	3,815.00	99,190.00
FF/Paramedic Trainee - 40	10	4504	107	62.25	4,979.81	129,475.16	62.25	4,979.81	129,475.16
FF/Paramedic Trainee - 56	10	4514	155	44.46	4,979.81	129,475.16	44.46	4,979.81	129,475.16
Finance Director	60	1103	627	88.58	7,086.27	184,243.02	-	-	-
Finance Manager	60	1116	647	62.51	5,001.18	130,030.68	-	-	-
Financial Analyst I	80	2125	844	40.41	3,233.17	84,062.42	-	-	-

Step C			Step D			Step E		
Hourly	BiWeekly	Annual	Hourly	BiWeekly	Annual	Hourly	BiWeekly	Annual
59.12	4,729.84	122,975.84	62.08	4,966.29	129,123.54	65.18	5,214.61	135,579.86
50.96	4,076.76	105,995.76	53.51	4,280.59	111,295.34	56.18	4,494.64	116,860.64
-	-	-	-	-	-	20.87	417.40	10,852.40
-	-	-	-	-	-	68.20	5,456.27	141,863.02
53.18	4,254.08	110,606.08	55.97	4,477.97	116,427.22	58.92	4,713.65	122,554.90
-	-	-	-	-	-	66.13	5,290.45	137,551.70
-	-	-	-	-	-	59.97	4,797.68	124,739.68
-	-	-	-	-	-	102.85	8,227.82	213,923.32
-	-	-	-	-	-	164.15	13,131.77	341,426.09
-	-	-	-	-	-	109.52	8,761.65	227,802.90
-	-	-	-	-	-	58.75	4,700.21	122,205.46
-	-	-	-	-	-	121.15	9,692.19	251,996.94
-	-	-	-	-	-	121.15	9,692.19	251,996.94
-	-	-	-	-	-	67.51	5,400.93	140,424.18
-	-	-	-	-	-	62.59	5,006.89	130,179.14
63.06	5,045.19	131,174.94	66.22	5,297.43	137,733.18	69.53	5,562.32	144,620.32
-	-	-	-	-	-	75.39	6,031.47	156,818.22
49.22	3,937.21	102,367.46	51.68	4,134.05	107,485.30	54.26	4,340.75	112,859.50
44.30	3,544.17	92,148.42	46.52	3,721.34	96,754.84	48.84	3,907.44	101,593.44
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
55.56	4,444.77	115,563.90	58.34	4,667.01	121,342.22	61.25	4,900.36	127,409.37
-	-	-	-	-	-	72.84	5,827.05	151,503.30
63.07	5,045.21	131,175.46	66.22	5,297.46	137,733.96	69.53	5,562.32	144,620.32
46.54	3,723.07	96,799.82	48.87	3,909.97	101,659.22	51.32	4,105.21	106,735.46
51.20	4,095.86	106,492.36	53.77	4,301.48	111,838.48	56.46	4,516.46	117,427.96
57.69	4,615.14	119,993.64	60.57	4,845.68	125,987.68	63.61	5,088.69	132,305.94
46.27	3,470.18	90,224.68	48.58	3,643.67	94,735.42	51.01	3,825.85	99,472.10
50.90	3,817.16	99,246.16	53.44	4,008.00	104,208.00	56.11	4,208.43	109,419.18
57.34	4,300.87	111,822.62	60.21	4,515.91	117,413.66	63.22	4,741.72	123,284.72
50.07	4,005.74	104,149.24	52.58	4,206.02	109,356.52	55.20	4,416.32	114,824.32
62.25	4,979.81	129,475.16	62.25	4,979.81	129,475.16	62.25	4,979.81	129,475.16
44.46	4,979.81	129,475.16	44.46	4,979.81	129,475.16	44.46	4,979.81	129,475.16
-	-	-	-	-	-	124.00	9,919.98	257,919.48
-	-	-	-	-	-	87.52	7,001.68	182,043.68
-	-	-	-	-	-	53.20	4,255.81	110,651.06

## Final Salary Schedule

Classification	Union Code	Occ Code	Pay Grade	Step A			Step B		
				Hourly	BiWeekly	Annual	Hourly	BiWeekly	Annual
Financial Analyst II	80	2126	845	44.63	3,570.76	92,839.76	-	-	-
Fire Battalion Chief	10	2508	153	62.45	6,993.89	181,841.21	-	-	-
Fire Battalion Chief - 40	10	2509	154	87.42	6,993.89	181,841.21	-	-	-
Fire Captain	10	2504	100	54.65	6,120.86	159,142.35	57.38	6,426.90	167,099.48
Fire Captain - 40	10	2507	108	76.51	6,120.86	159,142.35	80.34	6,426.90	167,099.48
Fire Chief	60	1502	630	129.27	10,341.38	268,875.79	-	-	-
Fire Engineer/EMT	10	4501	102	48.19	5,397.38	140,331.83	50.60	5,667.26	147,348.75
Fire Engineer/EMT - 40	10	4515	156	67.47	5,397.38	140,331.83	70.84	5,667.26	147,348.75
Fire Engineer/Paramedic	10	4505	151	53.97	6,045.08	157,172.11	56.67	6,347.34	165,030.96
Fire Prevention Inspector	10	3501	106	77.26	6,180.56	160,694.63	81.12	6,489.60	168,729.56
Fire Protection Engineer	10	3507	110	77.26	6,180.56	160,694.63	81.12	6,489.60	168,729.56
Firefighter/EMT	10	4502	103	45.96	5,147.11	133,824.87	48.25	5,404.48	140,516.38
Firefighter/EMT - 40	10	4516	157	64.34	5,147.11	133,824.87	67.56	5,404.48	140,516.38
Firefighter/EMT Trainee - 40	10	4509	109	55.58	4,446.26	115,602.67	55.58	4,446.26	115,602.67
Firefighter/Paramedic	10	4503	104	51.47	5,764.76	149,883.83	54.04	6,053.01	157,378.22
Fitness Instructor	70	5620	713	35.00	2,800.00	72,800.00	-	-	-
Fleet Maint Worker I -40	20	8615	230	40.31	3,224.94	83,848.44	42.33	3,386.56	88,050.56
Fleet Maint Worker II - 40	20	8616	231	44.34	3,547.12	92,225.12	46.56	3,724.68	96,841.68
Fleet Maint Worker III -40	20	8617	232	51.00	4,079.81	106,075.06	53.55	4,283.98	111,383.48
Fleet Maintenance Worker I	20	7207	213	40.31	3,023.39	78,608.14	42.33	3,174.53	82,537.78
Fleet Maintenance Worker II	20	7208	214	44.34	3,325.74	86,469.24	46.56	3,491.99	90,791.74
Fleet Maintenance Worker III	20	7209	215	50.99	3,824.56	99,438.56	53.54	4,015.77	104,410.02
GIS Technician	50	2212	552	56.13	4,490.60	116,755.60	58.94	4,715.12	122,593.12
Hazardous Materials Inspector	10	3502	105	77.26	6,180.56	160,694.63	81.12	6,489.60	168,729.56
Housing Official	60	1120	673	72.98	5,838.26	151,794.76	-	-	-
Human Resources Analyst I	80	2124	843	43.28	3,462.67	90,029.42	-	-	-
Human Resources Analyst II	80	2123	842	47.80	3,824.11	99,426.86	-	-	-
Human Resources Assistant	80	2108	846	30.83	2,466.62	64,132.12	32.37	2,589.86	67,336.36
Human Resources Director	60	1105	613	88.08	7,046.40	183,206.40	-	-	-
Human Resources Manager	60	1209	677	67.22	5,377.53	139,815.78	-	-	-
Human Resources Technician	80	2107	816	37.40	2,991.70	77,784.20	39.27	3,141.93	81,690.18
I T Director	60	2113	624	86.92	6,953.71	180,796.46	-	-	-
I T Manager	80	2116	819	65.16	5,212.88	135,534.88	-	-	-
I T Technician	50	3101	542	44.66	3,572.89	92,895.14	46.89	3,751.52	97,539.52
Information Technology Analyst	80	2118	831	54.81	4,385.16	114,014.16	-	-	-
Junior Engineer	50	2203	519	51.03	4,082.33	106,140.58	53.58	4,286.46	111,447.96
Junior Planner	50	2804	520	46.20	3,696.12	96,099.12	48.51	3,880.95	100,904.70
Legal Assistant	60	1124	689	41.29	3,303.48	85,890.48	43.36	3,468.65	90,184.90
Lifeguard	70	5610	710	18.20	1,456.00	37,856.00	-	-	-
Maint Worker III - 40	20	8619	234	43.42	3,473.75	90,317.50	45.60	3,647.70	94,840.20
Maintenance Assistant	20	8625	238	26.48	2,118.21	55,073.46	27.73	2,218.58	57,683.08
Maintenance Custodian I	20	8101	203	30.93	2,319.75	60,313.50	32.48	2,435.74	63,329.24

Step C			Step D			Step E		
Hourly	BiWeekly	Annual	Hourly	BiWeekly	Annual	Hourly	BiWeekly	Annual
-	-	-	-	-	-	58.75	4,700.21	122,205.46
-	-	-	-	-	-	87.42	9,791.45	254,577.69
-	-	-	-	-	-	122.39	9,791.45	254,577.69
60.25	6,748.26	175,454.64	63.27	7,085.68	184,227.77	66.43	7,439.97	193,439.34
84.35	6,748.26	175,454.64	88.57	7,085.68	184,227.77	93.00	7,439.97	193,439.34
-	-	-	-	-	-	180.97	14,477.97	376,427.14
53.13	5,950.62	154,716.20	55.79	6,248.16	162,452.20	58.58	6,560.57	170,574.77
74.38	5,950.62	154,716.20	78.10	6,248.16	162,452.20	82.01	6,560.57	170,574.77
59.51	6,664.71	173,282.38	62.48	6,997.96	181,946.86	65.61	7,347.86	191,044.31
85.18	6,814.09	177,166.35	89.43	7,154.79	186,024.66	93.91	7,512.54	195,326.04
85.18	6,814.09	177,166.35	89.43	7,154.79	186,024.66	93.91	7,512.54	195,326.04
50.67	5,674.70	147,542.30	53.20	5,958.45	154,919.58	55.86	6,256.37	162,665.69
70.93	5,674.70	147,542.30	74.48	5,958.45	154,919.58	78.20	6,256.37	162,665.69
55.58	4,446.26	115,602.67	55.58	4,446.26	115,602.67	55.58	4,446.26	115,602.67
56.75	6,355.66	165,247.17	59.58	6,673.45	173,509.79	62.56	7,007.13	182,185.46
-	-	-	-	-	-	75.00	6,000.00	156,000.00
44.45	3,555.63	92,446.38	46.66	3,733.18	97,062.68	49.00	3,920.33	101,928.58
48.88	3,910.74	101,679.24	51.33	4,106.40	106,766.40	53.90	4,311.62	112,102.12
56.22	4,497.70	116,940.20	59.03	4,722.03	122,772.78	61.99	4,959.14	128,937.64
44.44	3,333.28	86,665.28	46.67	3,499.88	90,996.88	49.00	3,674.90	95,547.40
48.89	3,666.62	95,332.12	51.33	3,849.97	100,099.22	53.90	4,042.39	105,102.14
56.22	4,216.53	109,629.78	59.03	4,427.34	115,110.84	61.98	4,648.79	120,868.54
61.89	4,950.90	128,723.40	64.98	5,198.42	135,158.92	68.23	5,458.41	141,918.66
85.18	6,814.09	177,166.35	89.43	7,154.79	186,024.66	93.91	7,512.54	195,326.04
-	-	-	-	-	-	102.17	8,173.76	212,517.76
-	-	-	-	-	-	56.98	4,558.39	118,518.14
-	-	-	-	-	-	62.92	5,033.41	130,868.66
33.99	2,719.35	70,703.10	35.69	2,855.34	74,238.84	37.48	2,998.08	77,950.08
-	-	-	-	-	-	123.31	9,864.99	256,489.74
-	-	-	-	-	-	94.11	7,528.53	195,741.78
41.23	3,298.33	85,756.58	43.30	3,463.89	90,061.14	45.46	3,636.63	94,552.38
-	-	-	-	-	-	121.69	9,735.17	253,114.42
-	-	-	-	-	-	85.78	6,862.06	178,413.56
49.24	3,939.05	102,415.30	51.70	4,136.01	107,536.26	54.29	4,342.83	112,913.58
-	-	-	-	-	-	72.15	5,772.16	150,076.16
56.26	4,500.79	117,020.54	59.07	4,725.82	122,871.32	62.03	4,962.12	129,015.12
50.94	4,074.97	105,949.22	53.48	4,278.78	111,248.28	56.16	4,492.67	116,809.42
45.53	3,642.10	94,694.60	47.80	3,824.18	99,428.68	50.19	4,015.38	104,399.88
-	-	-	-	-	-	25.36	2,028.80	52,748.80
47.87	3,829.97	99,579.22	50.27	4,021.63	104,562.38	52.78	4,222.66	109,789.16
29.03	2,322.41	60,382.66	30.40	2,432.30	63,239.80	31.83	2,546.52	66,209.52
34.10	2,557.55	66,496.30	35.81	2,685.43	69,821.18	37.60	3,007.68	78,199.68

## Final Salary Schedule

Classification	Union Code	Occ Code	Pay Grade	Step A			Step B		
				Hourly	BiWeekly	Annual	Hourly	BiWeekly	Annual
Maintenance Custodian I - 40	20	8107	222	30.93	2,474.42	64,334.92	32.48	2,598.11	67,550.86
Maintenance Custodian II	20	8102	204	34.02	2,551.79	66,346.54	35.72	2,679.34	69,662.84
Maintenance Custodian II - 40	20	8108	223	34.02	2,721.90	70,769.40	35.72	2,857.93	74,306.18
Maintenance Custodian III	20	8103	205	39.13	2,934.49	76,296.74	41.08	3,081.20	80,111.20
Maintenance Custodian III - 40	20	8618	233	39.13	3,130.33	81,388.58	41.08	3,286.61	85,451.86
Maintenance Supervisor	80	6124	858	65.26	5,220.80	135,740.80	68.53	5,482.40	142,542.40
Maintenance Worker I	20	8202	206	34.02	2,551.79	66,346.54	35.72	2,679.34	69,662.84
Maintenance Worker I-40	20	8203	207	34.33	2,746.71	71,414.46	36.04	2,883.16	74,962.16
Maintenance Worker II	20	8204	208	37.43	2,806.93	72,980.18	39.30	2,947.26	76,628.76
Maintenance Worker II-40	20	8205	209	37.76	3,020.65	78,536.90	39.65	3,171.69	82,463.94
Maintenance Worker III	20	8206	210	43.04	3,227.92	83,925.92	45.19	3,389.33	88,122.58
Maintenance Worker/Seasonal	70	8207	760	22.43	1,794.40	46,654.40	-	-	-
Management Analyst	80	2128	854	57.38	4,590.78	119,360.28	-	-	-
Marketing Coordinator	50	5614	548	43.37	3,469.45	90,205.70	45.54	3,642.91	94,715.66
Mayor	60	1118	696	26.09	521.88	13,568.88	-	-	-
Office Assistant I	50	6108	516	29.34	2,347.19	61,026.94	30.81	2,464.53	64,077.78
Office Assistant II	50	6109	517	32.27	2,581.79	67,126.54	33.89	2,710.83	70,481.58
Office Specialist	50	6110	518	37.11	2,969.04	77,195.04	38.97	3,117.54	81,056.04
PW Division Mgr. - Eng.	60	1127	692	78.83	6,306.41	163,966.66	-	-	-
PW Division Mgr. - Opr.	60	1126	691	78.83	6,306.41	163,966.66	-	-	-
PW Division Mgr. - Utl.	60	1128	693	78.83	6,306.41	163,966.66	-	-	-
Patrol Officer	40	4401	404	58.45	4,675.95	121,574.70	61.37	4,909.75	127,653.50
Patrol Officer Trainee	40	4402	458	57.19	4,575.53	118,963.78	60.05	4,804.22	124,909.72
Payroll Specialist	50	5102	546	39.64	3,171.01	82,446.26	41.62	3,329.57	86,568.82
Plan Check Engineer	50	3807	521	66.06	5,284.74	137,403.24	69.36	5,548.42	144,258.92
Plan Checker	50	3803	522	56.33	4,506.38	117,165.88	59.15	4,731.65	123,022.90
Plan Review Manager	60	1210	678	73.27	5,861.99	152,411.74	-	-	-
Planning Commissioners	70	1108	698	1.00	20.00	520.00	-	-	-
Planning Director	60	1803	607	88.20	7,055.63	183,446.38	-	-	-
Planning Manager	60	2803	602	67.22	5,377.53	139,815.78	-	-	-
Planning Technician	50	2813	554	41.10	3,288.12	85,491.12	43.16	3,452.88	89,774.88
Police Assistant	40	6401	450	54.48	4,358.54	113,322.04	57.21	4,576.41	118,986.66
Police Captain	60	1401	651	111.24	8,898.85	231,370.10	-	-	-
Police Clerk I	40	6402	451	39.05	3,124.14	81,227.64	41.00	3,280.38	85,289.88
Police Clerk II	40	6403	452	42.96	3,436.49	89,348.74	45.11	3,608.41	93,818.66
Police Clerk Supervisor	40	6404	454	49.62	3,969.23	103,199.98	52.10	4,167.73	108,360.98
Police Evidence Technician	40	8607	459	45.56	3,644.48	94,756.48	47.83	3,826.68	99,493.68
Police Lieutenant	40	2402	400	89.65	7,172.22	186,477.72	94.14	7,530.84	195,801.84
Police Officer	40	4403	403	63.91	5,113.19	132,942.94	67.11	5,368.93	139,592.18

Step C			Step D			Step E		
Hourly	BiWeekly	Annual	Hourly	BiWeekly	Annual	Hourly	BiWeekly	Annual
34.10	2,728.03	70,928.78	35.81	2,864.45	74,475.70	37.60	3,007.65	78,198.90
37.51	2,813.33	73,146.58	39.39	2,953.91	76,801.66	41.36	3,308.43	86,019.09
37.51	3,000.87	78,022.62	39.39	3,150.86	81,922.36	41.36	3,308.46	86,019.96
43.14	3,235.26	84,116.76	45.29	3,397.04	88,323.04	47.56	3,804.73	98,922.86
43.14	3,451.42	89,736.92	45.30	3,623.66	94,215.16	47.56	3,804.42	98,914.92
71.95	5,756.00	149,656.00	75.55	6,044.00	157,144.00	79.33	6,346.40	165,006.40
37.51	2,813.33	73,146.58	39.39	2,953.99	76,803.74	41.36	3,308.43	86,019.09
37.85	3,027.95	78,726.70	39.74	3,178.98	82,653.48	41.73	3,338.35	86,797.10
41.26	3,094.59	80,459.34	43.32	3,249.35	84,483.10	45.49	3,639.28	94,621.14
41.64	3,331.06	86,607.56	43.71	3,496.66	90,913.16	45.90	3,671.65	95,462.90
47.45	3,558.80	92,528.80	49.82	3,736.74	97,155.24	52.31	4,185.17	108,814.51
-	-	-	-	-	-	31.25	2,500.00	65,000.00
-	-	-	-	-	-	80.36	6,428.51	167,141.26
47.81	3,825.05	99,451.30	50.20	4,016.30	104,423.80	52.71	4,217.13	109,645.38
-	-	-	-	-	-	26.09	521.88	13,568.88
32.35	2,587.78	67,282.28	33.96	2,717.13	70,645.38	35.66	2,852.99	74,177.74
35.58	2,846.46	74,007.96	37.36	2,988.77	77,708.02	39.23	3,138.15	81,591.90
40.92	3,273.45	85,109.70	42.96	3,437.16	89,366.16	45.11	3,608.94	93,832.44
-	-	-	-	-	-	98.54	7,883.01	204,958.26
-	-	-	-	-	-	98.54	7,883.01	204,958.26
-	-	-	-	-	-	98.54	7,883.01	204,958.26
64.44	5,155.20	134,035.20	67.66	5,412.97	140,737.22	71.04	5,683.59	147,773.34
63.06	5,044.49	131,156.74	66.21	5,296.68	137,713.68	69.52	5,561.46	144,597.96
43.70	3,496.03	90,896.78	45.89	3,670.86	95,442.36	48.18	3,854.33	100,212.58
72.83	5,826.23	151,481.98	76.46	6,117.06	159,043.56	80.34	6,426.93	167,100.18
62.11	4,968.63	129,184.38	65.20	5,216.33	135,624.58	68.47	5,477.88	142,424.88
-	-	-	-	-	-	95.30	7,624.07	198,225.82
-	-	-	-	-	-	1.00	20.00	520.00
-	-	-	-	-	-	123.47	9,877.89	256,825.14
-	-	-	-	-	-	94.11	7,528.53	195,741.78
45.33	3,626.11	94,278.86	47.58	3,806.73	98,974.98	49.96	3,996.87	103,918.62
60.07	4,805.22	124,935.72	63.07	5,045.52	131,183.52	66.22	5,297.80	137,742.80
-	-	-	-	-	-	155.73	12,458.34	323,916.84
43.05	3,444.37	89,553.62	45.21	3,616.60	94,031.60	47.47	3,797.35	98,731.10
47.36	3,788.81	98,509.06	49.73	3,978.28	103,435.28	52.21	4,177.11	108,604.86
54.70	4,376.06	113,777.56	57.44	4,594.89	119,467.14	60.31	4,824.61	125,439.86
50.23	4,018.04	104,469.04	52.74	4,218.97	109,693.22	55.37	4,429.90	115,177.40
98.84	7,907.41	205,592.66	103.79	8,302.80	215,872.80	108.97	8,717.92	226,665.92
70.47	5,637.36	146,571.36	73.99	5,919.17	153,898.42	77.69	6,215.20	161,595.20

## Final Salary Schedule

Classification	Union Code	Occ Code	Pay Grade	Step A			Step B		
				Hourly	BiWeekly	Annual	Hourly	BiWeekly	Annual
Police Officer Trainee	40	4404	457	62.54	5,003.38	130,087.88	65.67	5,253.60	136,593.60
Police Sergeant	40	4405	401	77.21	6,176.88	160,598.88	81.07	6,485.73	168,628.98
Police Support Services Mgr	60	1404	657	65.19	5,215.27	135,597.02	-	-	-
Pool Manager	70	5608	708	23.72	1,897.60	49,337.60	-	-	-
Principal Civil Engineer	80	2204	822	68.48	5,478.50	142,441.00	-	-	-
Principal Planner	80	2811	823	70.61	5,648.47	146,860.22	-	-	-
Program Coordinator	50	5606	523	40.44	3,235.55	84,124.30	-	-	-
Public Information Officer	60	1122	674	64.70	5,175.88	134,572.88	-	-	-
Public Services Assistant I	50	6601	524	33.74	2,699.17	70,178.42	35.43	2,834.16	73,688.16
Public Services Assistant II	50	6602	525	37.11	2,969.08	77,196.08	38.97	3,117.58	81,057.08
Public Works Director	60	1204	635	90.69	7,255.01	188,630.26	-	-	-
Public Works Inspector	50	3202	526	54.48	4,358.21	113,313.46	57.20	4,576.17	118,980.42
Public Works Manager	60	1117	648	60.36	4,828.73	125,546.98	-	-	-
Purchasing Agent	80	1106	826	56.53	4,522.79	117,592.54	-	-	-
Recreation Administrative Asst	70	5619	712	18.20	1,456.00	37,856.00	-	-	-
Recreation Attendant	70	5618	711	18.20	1,456.00	37,856.00	-	-	-
Recreation Instructors	70	5607	707	18.82	1,505.60	39,145.60	-	-	-
Recreation Leader	70	5617	706	18.20	1,456.00	37,856.00	-	-	-
Recreation Services Supervisor	80	2601	827	54.01	4,320.43	112,331.18	-	-	-
Recreation Svcs Assistant I	50	8601	527	19.07	1,525.69	39,667.94	20.02	1,601.95	41,650.70
Recreation Svcs Assistant II	50	8602	528	22.64	1,811.48	47,098.48	23.78	1,902.25	49,458.50
Recreation Svcs Assistant III	50	8603	529	26.03	2,082.27	54,139.02	27.33	2,186.33	56,844.58
Recreation Svcs Assistant IV	50	8604	530	30.54	2,443.05	63,519.30	32.06	2,565.19	66,694.94
Retired Annuitant - Extra Help	70	5107	747	50.00	4,000.00	104,000.00	-	-	-
Retired Annuitant - Interim	70	5108	748	50.00	4,000.00	104,000.00	-	-	-
Risk Analyst	80	2130	857	44.63	3,570.76	92,839.76	-	-	-
SCADA Technician	20	8627	240	48.92	3,913.60	101,753.60	51.49	4,119.59	107,109.34
Senior Accountant	80	2110	829	50.24	4,019.43	104,505.18	-	-	-
Senior Accounting Technician	50	6106	539	40.82	3,265.99	84,915.74	42.87	3,429.32	89,162.32
Senior Administrative Analyst	80	2112	834	55.50	4,439.60	115,429.60	-	-	-
Senior Building Inspector	50	3804	531	62.92	5,033.70	130,876.20	66.07	5,285.46	137,421.96
Senior Buyer	80	2129	856	53.33	4,266.36	110,925.36	-	-	-
Sr. City Manager Analyst	60	1125	694	64.90	5,192.31	135,000.00	-	-	-
Senior Executive Assistant	80	6123	855	47.80	3,824.11	99,426.86	-	-	-
Senior HR Analyst	80	2122	841	51.81	4,145.16	107,774.16	-	-	-
Senior Plan Check Engineer	50	3806	534	72.67	5,813.21	151,143.46	76.30	6,104.03	158,704.78
Senior Planner	80	2805	830	64.73	5,178.17	134,632.42	-	-	-
Senior Public Works Inspector	50	3203	535	62.92	5,033.74	130,877.24	66.07	5,285.46	137,421.96
Senior Public Works Lead	20	8609	225	57.56	4,605.03	119,730.78	60.44	4,835.28	125,717.28

Step C			Step D			Step E		
Hourly	BiWeekly	Annual	Hourly	BiWeekly	Annual	Hourly	BiWeekly	Annual
68.95	5,516.33	143,424.58	72.40	5,792.09	150,594.34	76.02	6,081.71	158,124.46
85.13	6,810.01	177,060.26	89.38	7,150.61	185,915.86	93.85	7,508.13	195,211.38
-	-	-	-	-	-	91.27	7,301.71	189,844.46
-	-	-	-	-	-	33.05	2,644.00	68,744.00
-	-	-	-	-	-	89.07	7,125.29	185,257.54
-	-	-	-	-	-	85.51	6,841.17	177,870.42
-	-	-	-	-	-	53.24	4,258.96	110,732.96
-	-	-	-	-	-	90.58	7,246.26	188,402.76
37.20	2,975.90	77,373.40	39.06	3,124.68	81,241.68	41.01	3,280.90	85,303.40
40.92	3,273.44	85,109.44	42.96	3,437.17	89,366.42	45.11	3,608.94	93,832.44
-	-	-	-	-	-	126.96	10,157.05	264,083.30
60.06	4,804.93	124,928.18	63.07	5,045.20	131,175.20	66.22	5,297.43	137,733.18
-	-	-	-	-	-	84.50	6,760.22	175,765.72
-	-	-	-	-	-	72.91	5,833.14	151,661.64
-	-	-	-	-	-	25.36	2,028.80	52,748.80
-	-	-	-	-	-	25.36	2,028.80	52,748.80
-	-	-	-	-	-	37.64	3,011.20	78,291.20
-	-	-	-	-	-	25.36	2,028.80	52,748.80
-	-	-	-	-	-	71.08	5,686.26	147,842.76
21.03	1,682.11	43,734.86	22.08	1,766.17	45,920.42	23.18	1,854.52	48,217.52
24.97	1,997.32	51,930.32	26.22	2,097.23	54,527.98	27.53	2,202.04	57,253.04
28.70	2,295.65	59,686.90	30.13	2,410.42	62,670.92	31.64	2,530.99	65,805.74
33.67	2,693.44	70,029.44	35.35	2,828.13	73,531.38	37.12	2,969.52	77,207.52
-	-	-	-	-	-	125.00	10,000.00	260,000.00
-	-	-	-	-	-	125.00	10,000.00	260,000.00
-	-	-	-	-	-	58.75	4,700.21	122,205.46
54.21	4,336.42	112,746.92	57.06	4,564.64	118,680.64	60.06	4,804.89	124,927.14
-	-	-	-	-	-	66.13	5,290.45	137,551.70
45.01	3,600.78	93,620.28	47.26	3,780.85	98,302.10	49.62	3,969.85	103,216.10
-	-	-	-	-	-	73.05	5,844.08	151,946.08
69.37	5,549.69	144,291.94	72.84	5,827.14	151,505.64	76.48	6,118.52	159,081.52
-	-	-	-	-	-	64.93	5,194.15	135,047.90
-	-	-	-	-	-	84.14	2,188.00	175,000.00
-	-	-	-	-	-	62.92	5,033.41	130,868.66
-	-	-	-	-	-	68.20	5,456.27	141,863.02
80.11	6,408.96	166,632.96	84.11	6,729.08	174,956.08	88.32	7,065.46	183,701.96
-	-	-	-	-	-	78.68	6,294.27	163,651.02
69.37	5,549.70	144,292.20	72.84	5,827.14	151,505.64	76.48	6,118.52	159,081.52
63.46	5,077.05	132,003.30	66.64	5,330.88	138,602.88	69.97	5,597.58	145,537.08

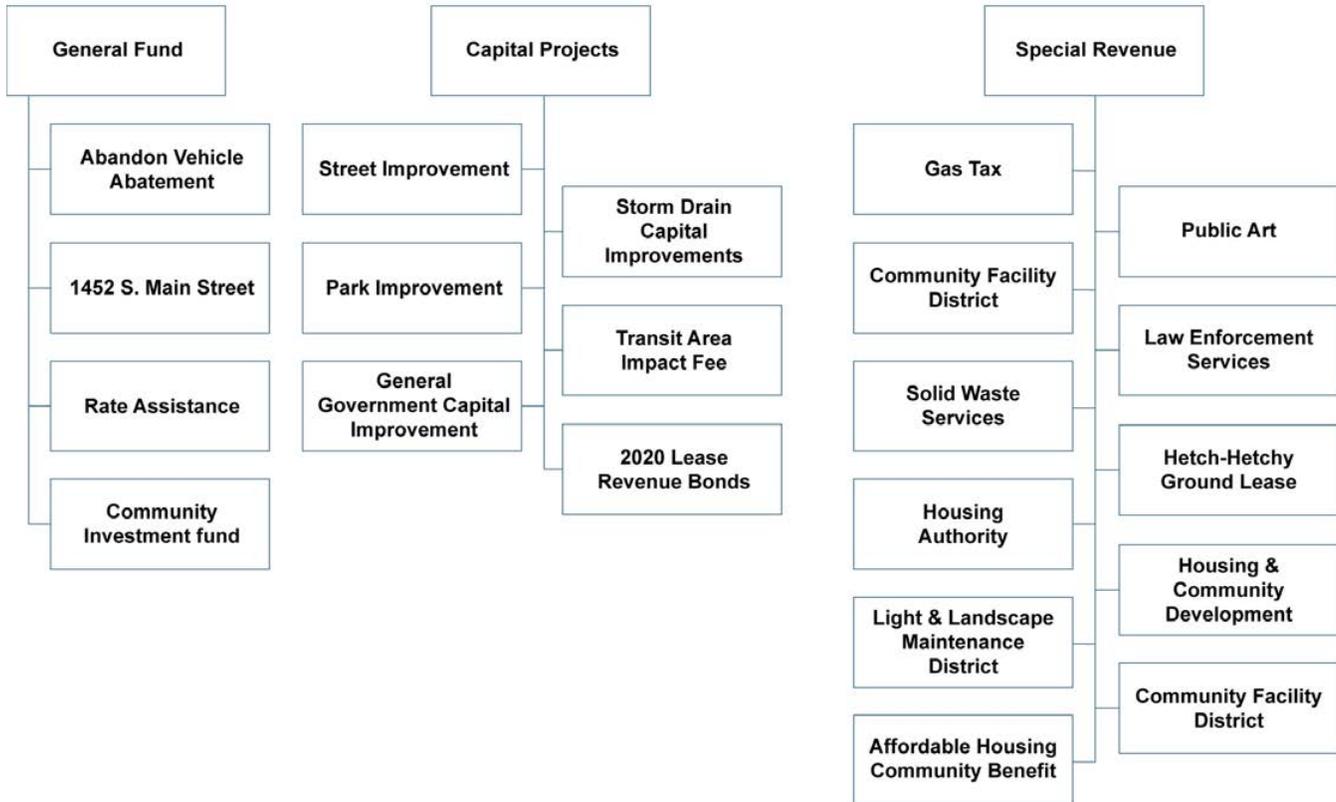
## Final Salary Schedule

Classification	Union Code	Occ Code	Pay Grade	Step A			Step B		
				Hourly	BiWeekly	Annual	Hourly	BiWeekly	Annual
Senior SCADA Technician	20	8628	241	53.81	4,304.97	111,929.22	56.64	4,531.55	117,820.30
Special Project Associate	70	5105	750	20.00	1,600.00	41,600.00	-	-	-
Special Project Associate	70	8605	750	20.00	1,600.00	41,600.00	-	-	-
Sr Code Enforcement Officer	50	5806	545	55.90	4,472.03	116,272.78	58.68	4,694.75	122,063.50
Sr. Public Services Assistant	50	5615	549	41.40	3,311.82	86,107.32	43.47	3,477.41	90,412.66
Sr. Special Projects Associate	70	5106	749	50.00	4,000.00	104,000.00	-	-	-
Staff Assistant	70	5104	745	18.20	1,456.00	37,856.00	-	-	-
Student Intern	70	5103	740	18.20	1,456.00	37,856.00	-	-	-
Transportation & Traffic Mgr	60	1202	675	64.70	5,175.88	134,572.88	-	-	-
Water Meter Technician I	20	8104	216	34.02	2,551.68	66,343.68	35.72	2,679.34	69,662.84
Water Meter Technician I -40	20	8620	235	34.03	2,722.00	70,772.00	35.73	2,858.11	74,310.86
Water Meter Technician II	20	8105	217	37.43	2,806.93	72,980.18	39.30	2,947.24	76,628.24
Water Meter Technician II -40	20	8621	236	37.43	2,994.19	77,848.94	39.30	3,144.14	81,747.64
Water Systems Operator	20	7211	219	52.01	3,901.04	101,427.04	54.61	4,095.68	106,487.68
Water Systems Operator - 40	20	8622	237	52.31	4,185.18	108,814.68	54.94	4,394.96	114,268.96

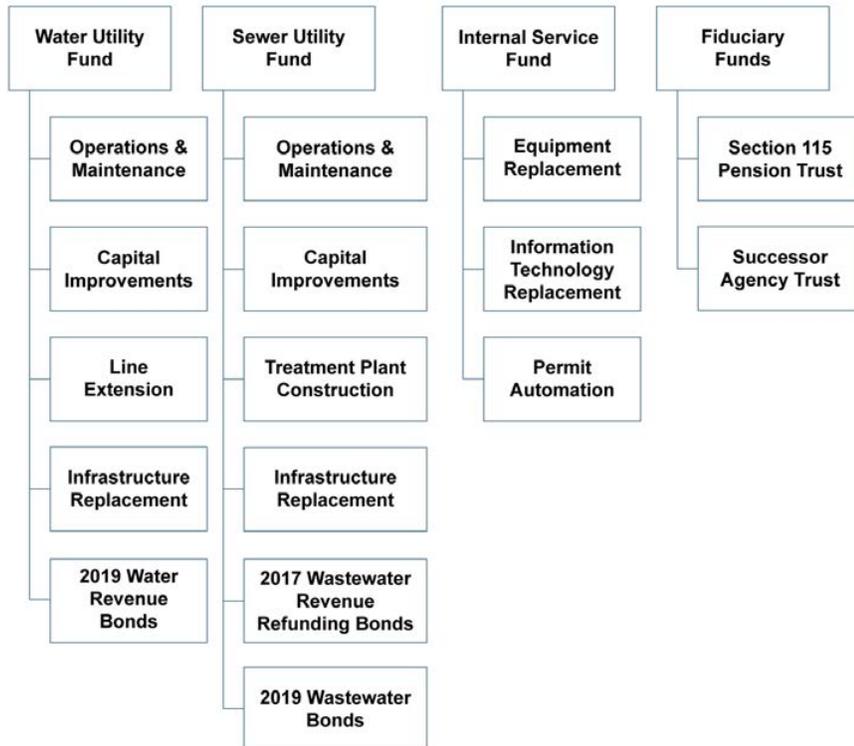
Step C			Step D			Step E		
Hourly	BiWeekly	Annual	Hourly	BiWeekly	Annual	Hourly	BiWeekly	Annual
59.63	4,770.05	124,021.30	62.76	5,021.11	130,548.86	66.07	5,285.38	137,419.88
-	-	-	-	-	-	50.00	4,000.00	104,000.00
-	-	-	-	-	-	50.00	4,000.00	104,000.00
61.63	4,930.13	128,183.38	64.71	5,177.00	134,602.00	67.94	5,435.31	141,318.06
45.64	3,651.27	94,933.02	47.92	3,833.84	99,679.84	50.32	4,025.53	104,663.78
-	-	-	-	-	-	125.00	10,000.00	260,000.00
-	-	-	-	-	-	28.16	2,252.80	58,572.80
-	-	-	-	-	-	28.16	2,252.80	58,572.80
-	-	-	-	-	-	90.58	7,246.26	188,402.76
37.51	2,813.31	73,146.06	39.39	2,953.91	76,801.66	41.36	3,101.64	80,642.64
37.51	3,000.59	78,015.34	39.38	3,150.50	81,913.00	41.36	3,308.95	86,032.70
41.26	3,094.57	80,458.82	43.32	3,249.32	84,482.32	45.49	3,411.82	88,707.32
41.26	3300.44	85811.44	43.33	3466.31	90,124.06	45.50	3639.63	94,630.38
57.34	4300.86	111822.36	60.21	4515.91	117,413.66	63.22	4741.72	123,284.72
57.69	4615.14	119993.64	60.57	4845.68	125,987.68	63.61	5088.69	132,305.94



## 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.

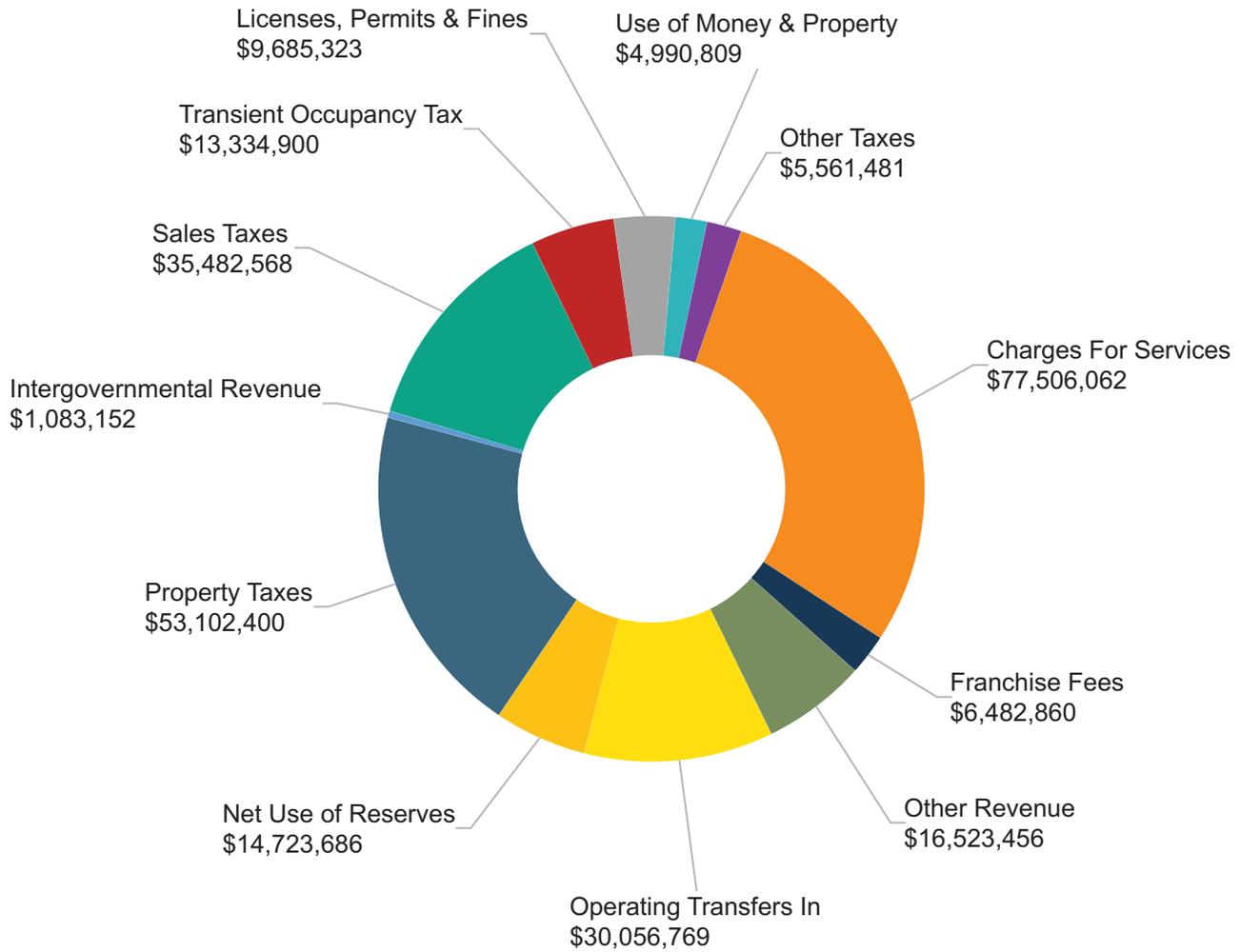
**Modified Accrual Basis** is a basis of accounting in which revenues are recognized when measurable and available and expenditures are recorded when the related fund liability is incurred.

# Budget Summary

	<u>Grand Total</u>	<u>General Fund<sup>(1)</sup></u>
<b>Estimated Revenues</b>		
Property Taxes .....	\$53,102,400	\$53,102,400
Sales Taxes .....	35,482,568	35,482,568
Transient Occupancy Tax .....	13,334,900	13,334,900
Licenses, Permits & Fines .....	9,685,323	8,730,708
Charges For Services .....	77,506,062	8,371,218
Franchise Fees .....	6,482,860	6,397,860
Use of Money & Property .....	4,990,809	1,067,673
Other Taxes .....	5,561,481	1,161,600
Intergovernmental Revenue .....	1,083,152	412,552
Other Revenue .....	16,523,456	270,000
Operating Transfers In .....	30,056,769	10,451,228
<b>sub-total</b>	<b>253,809,780</b>	<b>138,782,707</b>
<b>Other Financing Sources</b>		
(Increase) Decrease in Fund Balance .....	3,654,956	5,214,197
(Increase) Decrease in CIP Reserve .....	11,068,730	0
Other Financing Sources .....	0	0
<b>sub-total</b>	<b>14,723,686</b>	<b>5,214,197</b>
<b>TOTAL</b>	<b>\$268,533,468</b>	<b>\$143,996,904</b>
<b>Budgeted Appropriations</b>		
Personnel Services .....	\$127,523,274	\$113,626,564
Non-Personnel Expenditures .....	70,800,067	28,221,134
Capital Outlay .....	938,135	15,000
Operating Transfers Out .....	25,751,584	844,806
<b>sub-total</b>	<b>225,013,060</b>	<b>142,707,504</b>
Capital Improvements .....	38,761,735	0
Debt Service .....	4,758,675	1,289,400
<b>sub-total</b>	<b>43,520,410</b>	<b>1,289,400</b>
<b>TOTAL</b>	<b>\$268,533,468</b>	<b>\$143,996,904</b>
<b>Fund Balance</b>		
Fund Balance 7/01/2025 .....	336,656,421	69,073,618
Net Changes in Fund Balance .....	(14,723,685)	(5,214,197)
<b>TOTAL</b>	<b>\$321,932,736</b>	<b>\$63,859,421</b>
Restricted .....	\$16,243,955	\$0
Restricted for CIP .....	112,233,386	0
Committed for CIP .....	80,831,687	0
Committed, Artificial Turf .....	1,900,000	1,900,000
Committed, Technology .....	400,000	400,000
Committed, Facilities .....	3,178,939	3,178,939
Committed for PERS .....	12,202,487	3,932,036
Unassigned, Unrestricted .....	20,773,600	4,150,256
Reserve for Encumbrances .....	2,340,251	2,340,251
Committed, Workers' Compensation .....	2,914,954	2,914,954
Future Deficit Reserve .....	2,187	2,187
ERAF Reserve .....	2,764,787	2,764,787
SPAR (Strategic Property Acquisition Reserve) .....	710,248	710,248
Community Investment Fund, Unassigned .....	574,621	445,469
Capital Reserve, Unassigned .....	15,337,239	
Contingency Reserve, Unassigned .....	20,552,647	20,552,647
Budget (Rate) Stabilization, Unassigned .....	27,784,816	20,567,647
<b>TOTAL</b>	<b>\$320,745,806</b>	<b>\$63,859,421</b>

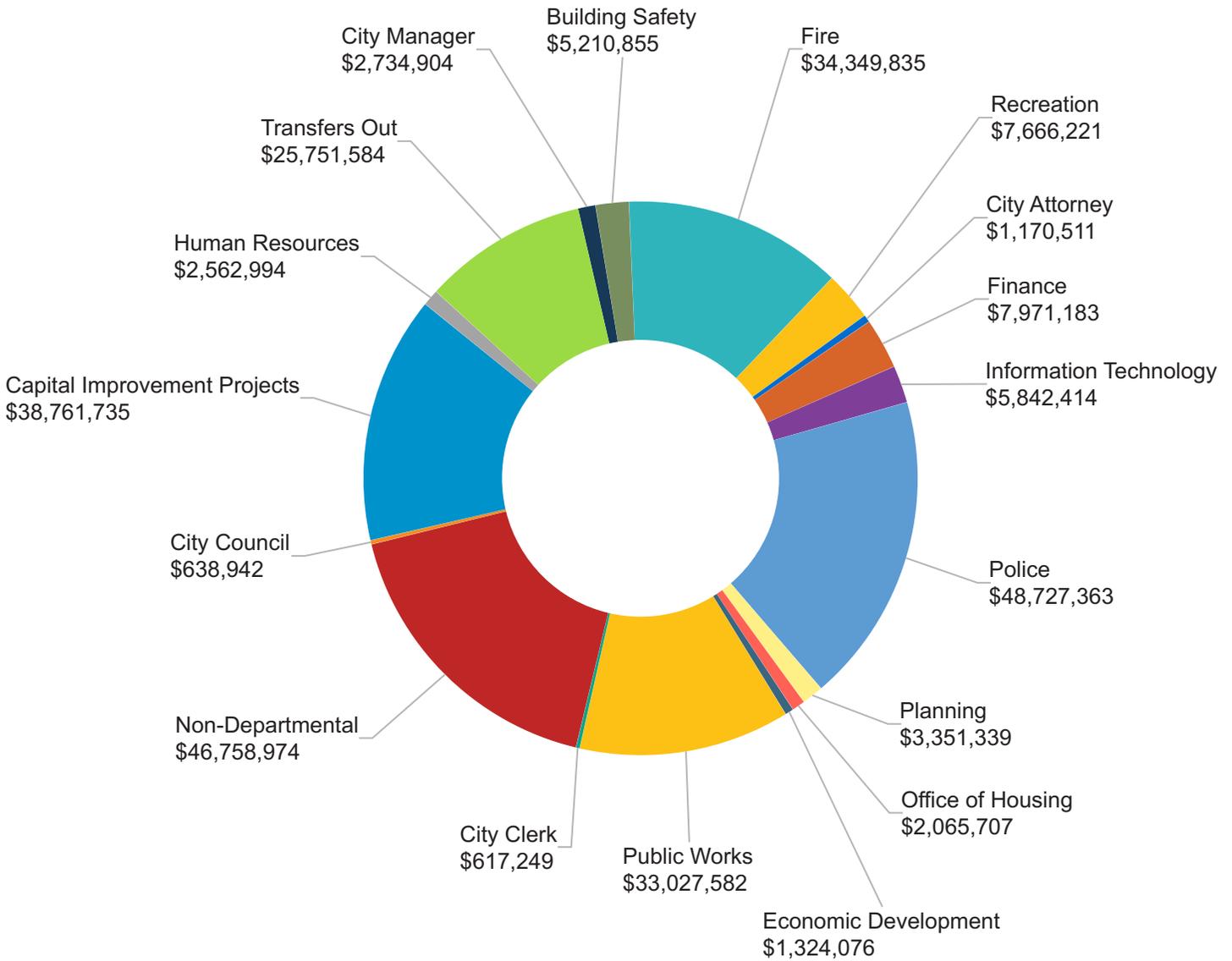


## FY 2025-26 Revenues (All Funds) \$268.5 Million



\*\$268.5 Million revenue excludes interfund transfers of \$20.0 million.

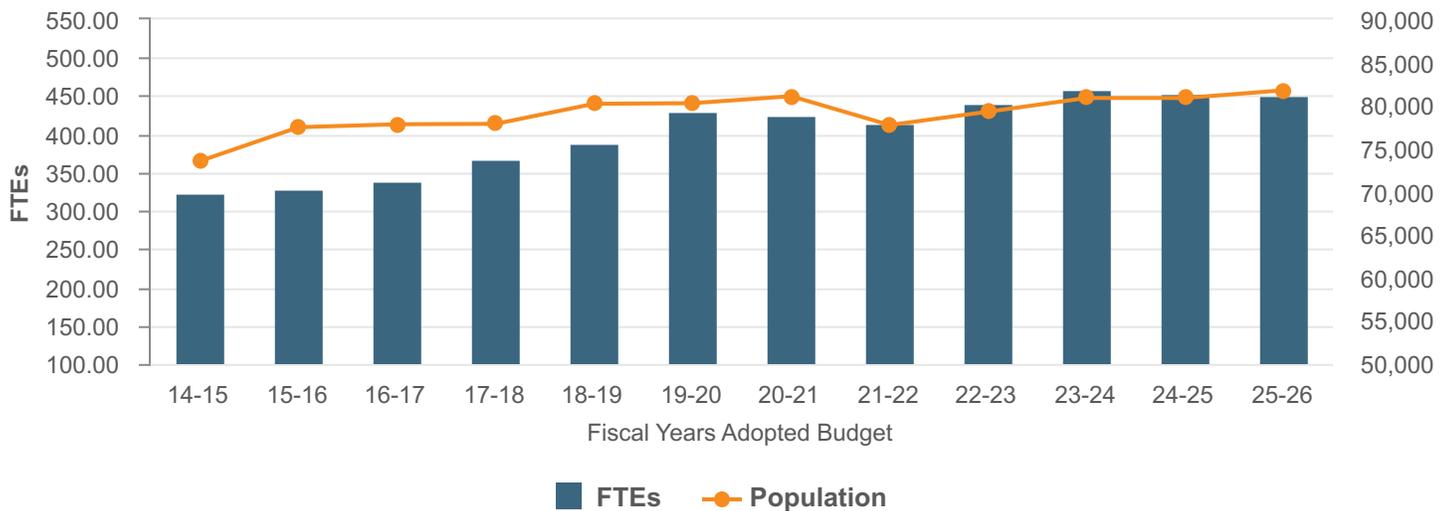
## FY 2025-26 Expenditures (All Funds) \$268.5 Million



## Funded Permanent Positions by Department\*

	Adopted Budget 22-23	Change from the prior FY	Adopted Budget 23-24	Change from the prior FY	Adopted Budget 24-25	Change from the prior FY	Adopted Budget 25-26	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	5.50	0.00	6.00	0.50	5.00	(1.00)	5.00	0.00
City Clerk	2.50	0.00	3.00	0.50	3.00	0.00	3.00	0.00
Economic Development	3.00	0.00	4.00	1.00	4.00	0.00	4.00	0.00
City Attorney	3.00	3.00	3.00	0.00	3.00	0.00	3.00	0.00
Building Safety	25.00	(6.00)	24.00	(1.00)	22.00	(2.00)	21.00	(1.00)
Finance	29.50	1.00	29.00	(0.50)	30.00	1.00	31.00	1.00
Fire	82.00	5.00	82.00	0.00	82.00	0.00	81.00	(1.00)
Housing	3.00	1.00	3.00	0.00	3.00	0.00	4.00	1.00
Human Resources	7.00	1.00	7.00	0.00	8.00	1.00	8.00	0.00
Information Technology	13.00	1.00	14.00	1.00	14.00	0.00	14.00	0.00
Planning	12.00	0.00	12.00	0.00	12.00	0.00	12.00	0.00
Police	127.00	3.00	128.00	1.00	128.00	0.00	126.00	(2.00)
Public Works	106.00	9.00	114.00	8.00	118.00	4.00	117.00	(1.00)
Recreation and Community Services	17.00	2.00	18.00	1.00	18.00	0.00	18.00	0.00
<b>TOTAL</b>	<b>440.50</b>	<b>20.00</b>	<b>452.00</b>	<b>11.50</b>	<b>455.00</b>	<b>3.00</b>	<b>452.00</b>	<b>(3.00)</b>

### Funded Permanent Positions 452 FTEs - All Funds



\*Population is based upon US Census estimates except in FY2019-20 the Official US Census was published, in FY2021-22 US Census republished an estimate with a decline, and subsequently population is estimated based upon 10-year US Census growth factor.

## Revenues by Fund

Fund Number/Description	2022-23 Actual	2023-24 Actual	2024-25 Adopted	2025-26 Adopted
100 General Fund.....	\$128,469,687	\$130,120,547	\$134,506,958	\$138,602,707
103 1452-1474 S. Main .....	96,494	14,796	80,000	80,000
105 Abandon Veh Abatement.....	128,940	206,977	100,000	100,000
106 Short Term Disability .....	0	0	0	0
109 Utility Rate Assistance .....	468,428	57,590	0	0
150 Redevelopment Administration.....	0	13,377	0	0
211 Hetch Hetchy Ground Lease .....	20,909	40,766	23,668	23,668
213 Public Art Fund-Nonrestricted .....	95,645	156,736	17,599	17,599
214 Community Planning Fee Fund .....	544,413	311,457	207,204	207,204
215 Community Benefit Fund .....	64,385	0	6,019	6,017
216 Affordable Housing Fund .....	910,369	790,020	84,077	84,077
217 Affordable Housing Unrestricted .....	744,007	16,842	39,155	39,155
221 Gas Tax Fund .....	4,812,345	2,865,000	2,357,229	2,357,229
225 SB1 Road Maintenance & Rehab .....	1,862,882	1,822,427	2,120,238	2,120,238
235 95-1 Lighting/Lscape Dist .....	432,768	407,605	495,800	525,463
236 98-1 Lighting/Lscape Dist .....	77,766	55,090	89,413	92,071
237 05 Community Fclty Dist.....	1,595,078	1,622,856	1,724,134	1,802,960
238 08 Community Fclty Dist.....	3,087,674	3,244,661	3,749,732	4,735,557
250 HCD Fund .....	581,154	687,922	650,000	650,000
251 HCD Loan .....	0	0	0	0
261 Supplemental Law Enforcement .....	132,109	203,900	5,256	5,256
262 State Asset Seizure .....	156	0	176	176
263 Federal Asset Seizure .....	1,021	73,863	1,034	1,034
267 Federal Grants Police Department .....	45,763	132,866	0	0
268 State Grants Police Department.....	50,625	16,762	5,460	5,460
269 Grants Fire Department .....	38,887	14,748	0	0
280 Solid Waste Services .....	2,081,164	932,742	1,320,316	1,350,600
295 Housing Authority.....	689,874	222,365	117,241	117,241
310 Street Fund .....	771,428	855,112	75,657	75,657
311 Street CIP.....	4,153,967	19,966,994	6,317,562	9,911,235
312 Traffic Impact Fee .....	0	0	0	0
314 Vehicle Registration Fee.....	471,322	390,092	504,171	4,171
315 Calaveras Widening Impact Fee .....	4,521	0	1,245	1,245
316 Montague Widening Impact Fee .....	0	0	0	0

## Financial Information

Fund Number/Description		2022-23 Actual	2023-24 Actual	2024-25 Adopted	2025-26 Adopted
317	Milpitas Business Park Impact Fee .....	0	0	0	0
320	Park Improvement Fund .....	73,953	1,655,000	83,287	83,287
321	Park Improvement CIP .....	438,647	24,118,441	130,000	100,000
322	Midtown Park Fund .....	672,982	0	21,909	21,909
330	General Government .....	4,903,141	4,921,030	373,690	373,690
331	General Government CIP .....	5,552,064	77,619,609	13,318,400	8,608,500
334	2020 Fire Station Bonds .....	21,666	161,822	0	0
340	Storm Drain Development .....	228,083	1,400,000	78,317	78,317
341	Storm Drain CIP .....	200,000	8,431,457	950,000	4,600,000
342	Storm Drain General Fund .....	1,433,883	558,000	513,718	513,718
350	Transit Area Impact Fee Fund .....	1,613,364	441,304	15,689,265	7,433,583
351	Transit Area Impact Fee CIP Fund .....	0	19,147,625	809,000	6,805,000
400	Water M & O Fund .....	31,290,575	31,231,911	33,556,620	35,630,787
401	Water CIP .....	0	48,475,607	5,260,000	3,920,000
402	Water Line Extension Fund .....	498,452	505,170	308,110	989,892
403	2019 Water Bonds .....	69,436	870,996	0	0
405	Water Infrastructure Replacement .....	3,714,727	4,817,450	3,973,145	4,181,026
450	Sewer M & O Fund .....	25,313,518	26,290,689	25,161,275	26,496,603
451	Sewer CIP .....	0	88,230,125	6,388,000	4,817,000
452	Treatment Plant Construction .....	592,146	500,000	381,181	1,604,891
453	2017 Sewer Refunding Bonds .....	0	0	0	0
454	2019 Sewer Bonds .....	9,844	0	0	0
455	Sewer Infrastructure Replacement .....	357,295	9,915,692	427,635	427,635
500	Equipment Replacement Fund .....	3,381,895	4,118,878	3,477,344	3,477,344
505	Information Technology Replacement .....	1,384,131	104,309	324,030	324,030
506	Permit Automation Fund .....	411,447	145,121	357,549	407,548
<b>TOTAL</b>		<b>\$ 234,595,030</b>	<b>\$ 518,904,349</b>	<b>\$ 266,181,819</b>	<b>\$ 273,810,780</b>
Less Interfund Operating Transfers*				(21,923,000)	(20,001,000)
(Increase) Decrease of Reserves				5,381,996	14,723,685
<b>TOTAL BUDGET SUMMARY REVENUES</b>				<b>\$ 249,640,815</b>	<b>\$ 268,533,468</b>

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

<b>Revenues by Fund (Detail)</b>		<b>2022-23 Actual</b>	<b>2023-24 Actual</b>	<b>2024-25 Adopted</b>	<b>2025-26 Adopted</b>
<b>GENERAL FUND (100)</b>					
<b>PROPERTY TAXES</b>					
<b>3010</b>	Secured & Unsecured .....	\$24,358,604	\$24,852,151	\$26,190,300	\$26,910,000
<b>3013</b>	Vehicle License Fee .....	9,545,088	9,998,056	10,497,900	10,792,080
<b>3014</b>	Educational Revenue Augmentation Fund .....	3,804,718	4,162,921	3,359,538	4,387,760
<b>3051</b>	Redevelopment Property Tax Trust Fund .....	9,502,011	9,710,414	10,043,600	11,012,560
	<b>sub-total</b>	<b>47,210,421</b>	<b>48,723,542</b>	<b>50,091,338</b>	<b>53,102,400</b>
<b>SALES TAXES</b>					
<b>3110</b>	Sales and Use Tax .....	30,128,378	27,793,146	28,402,000	27,362,676
<b>3111</b>	Public Safety Sales and Use Tax .....	1,131,424	1,219,427	1,160,305	1,134,892
<b>3113</b>	Measure F Sales Tax .....	7,215,906	6,823,562	7,340,550	6,985,000
	<b>sub-total</b>	<b>31,259,802</b>	<b>35,836,135</b>	<b>36,902,855</b>	<b>35,482,568</b>
<b>OTHER TAXES</b>					
<b>3120</b>	Real Estate Transfer Tax .....	626,302	708,861	735,518	741,600
<b>3140</b>	Business License Tax .....	333,988	333,592	320,000	330,000
<b>3511</b>	Motor Vehicle In-Lieu .....	84,066	101,305	80,000	90,000
	<b>sub-total</b>	<b>1,044,356</b>	<b>1,143,758</b>	<b>1,135,518</b>	<b>1,161,600</b>
<b>FRANCHISE FEES</b>					
<b>3131</b>	Electric Franchise .....	1,681,812	1,823,381	1,800,000	1,890,000
<b>3132</b>	Gas Franchise .....	393,044	410,708	427,809	441,981
<b>3133</b>	Garbage Franchise-Commercial .....	3,171,086	3,650,260	3,342,613	3,645,879
<b>3138</b>	CATV Franchise .....	443,780	300,708	420,000	420,000
	<b>sub-total</b>	<b>5,689,722</b>	<b>6,185,057</b>	<b>5,990,422</b>	<b>6,397,860</b>
<b>TRANSIENT OCCUPANCY TAX</b>					
<b>3150</b>	Transient Occupancy Tax .....	11,189,757	11,537,074	13,032,550	13,334,900
	<b>sub-total</b>	<b>11,189,757</b>	<b>11,537,074</b>	<b>13,032,550</b>	<b>13,334,900</b>
<b>LICENSES, PERMITS, AND FINES</b>					
<b>3210</b>	Building Permit & Inspection Fees .....	3,911,650	3,320,212	4,511,453	3,964,000
<b>3217</b>	Building Plan Review Fees .....	1,946,601	1,978,243	2,330,000	2,380,000
<b>3220</b>	Fire Permit & Inspection Fees .....	1,073,154	1,025,511	1,089,000	1,058,000
<b>3240</b>	Fire Annual Permit & Inspection Fees .....	870,174	903,353	917,868	927,868
<b>3260</b>	Other Licenses & Permits .....	48,575	42,353	47,000	50,000
<b>3300</b>	Fines & Forfeits .....	441,036	381,620	335,800	350,840
	<b>sub-total</b>	<b>8,291,190</b>	<b>7,651,292</b>	<b>9,231,121</b>	<b>8,730,708</b>
<b>USE OF MONEY AND PROPERTY</b>					
<b>3430</b>	Investment Interest .....	590,349	1,169,801	1,179,201	1,067,673
<b>3770</b>	Sale of Property, Plant, & Equipment .....	4,201	4,743	0	0
	<b>sub-total</b>	<b>594,550</b>	<b>1,174,544</b>	<b>1,179,201</b>	<b>1,067,673</b>

<b>Revenues by Fund (Detail)</b>		<b>2022-23 Actual</b>	<b>2023-24 Actual</b>	<b>2024-25 Adopted</b>	<b>2025-26 Adopted</b>
<b>INTERGOVERNMENTAL</b>					
<b>3550</b>	Federal Contributions .....	483,775	675,357	0	0
<b>3560</b>	State Contributions .....	1,077,102	81,853	0	0
<b>3570</b>	County Contributions .....	280,957	270,015	279,201	292,552
<b>3580</b>	Other Restricted Grants .....	43,794	45,265	20,000	20,000
	<b>sub-total</b>	<b>1,885,628</b>	<b>1,072,490</b>	<b>299,201</b>	<b>312,552</b>
<b>CHARGES FOR CURRENT SERVICES</b>					
<b>3600</b>	General Government Service Charges .....	676,047	624,264	732,985	740,984
<b>3610</b>	Engineering Service Charges .....	856,024	1,173,433	1,138,000	1,527,500
<b>3630</b>	Fire Service Charges .....	589,476	424,504	450,600	446,000
<b>3640</b>	Police Service Charges .....	1,131,754	1,142,208	1,137,020	1,214,091
<b>3650</b>	Recreation Service Charges .....	2,671,826	2,909,607	3,887,116	3,829,043
<b>3660</b>	Building Service Charges .....	9,363	37,621	6,000	1,600
<b>3680</b>	Planning Service Charges .....	503,903	517,270	526,000	532,000
	<b>sub-total</b>	<b>6,512,527</b>	<b>7,008,833</b>	<b>7,877,721</b>	<b>8,291,218</b>
<b>OTHER REVENUE</b>					
<b>3710</b>	Development .....	154,755	98,316	188,309	170,000
<b>3740</b>	Reimbursements .....	7,474	12,666	0	0
<b>3750</b>	Donations .....	0	0	0	0
<b>3790</b>	Miscellaneous Other Revenue .....	232,213	821,591	100,000	100,000
	<b>sub-total</b>	<b>394,442</b>	<b>932,573</b>	<b>288,309</b>	<b>270,000</b>
<b>OPERATING TRANSFERS IN</b>					
<b>3806</b>	Op Trfs in from Solid Waste Service .....	157,997	136,505	182,066	191,169
<b>3809</b>	Op Trfs in Street Improv Fund .....	0	0	0	0
<b>3812</b>	Op Trfs in from Water Fund .....	2,687,393	2,869,298	3,038,508	3,190,433
<b>3815</b>	Op Trfs in from Sewer Fund .....	1,444,196	1,503,623	1,583,148	1,662,305
<b>3819</b>	Op Trfs in from Other .....	2,879,042	3,172,000	3,675,000	5,086,657
<b>3822</b>	Op Trfs in from General Gov't Fund .....	0	450,000	0	0
<b>3826</b>	Op Trfs in from Measure I TOT Fund .....	0	0	0	0
<b>3852</b>	Appn Tfr in from General Gov't Fund .....	0	17,030	0	0
	<b>sub-total</b>	<b>7,168,628</b>	<b>8,148,456</b>	<b>8,478,722</b>	<b>10,451,228</b>
	<b>TOTAL (100)</b>	<b>121,241,023</b>	<b>129,413,754</b>	<b>134,506,958</b>	<b>138,602,707</b>
<b>1452-1474 S. MAIN (103)</b>					
<b>3430</b>	Investment Interest .....	16,992	32,763	0	0
<b>3600</b>	General Government Service Charges .....	79,502	139,699	80,000	80,000
	<b>TOTAL (103)</b>	<b>96,494</b>	<b>172,462</b>	<b>80,000</b>	<b>80,000</b>

<b>Revenues by Fund (Detail)</b>		<b>2022-23 Actual</b>	<b>2023-24 Actual</b>	<b>2024-25 Adopted</b>	<b>2025-26 Adopted</b>
<b>ABANDON VEH ABATEMENT (105)</b>					
3570	County Contributions.....	128,940	118,277	100,000	100,000
3899	Op Trfs in from Subsidiary CIP Fund.....	0	96,943	0	0
	<b>TOTAL (105)</b>	<b>128,940</b>	<b>215,220</b>	<b>100,000</b>	<b>100,000</b>
<b>SHORT TERM DISABILITY (106)</b>					
3899	Op Trfs in from Subsidiary CIP Fund.....	0	0	0	0
	<b>TOTAL (106)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>UTILITY RATE ASSISTANCE (109)</b>					
3430	Investment Interest.....	8,341	16,858	0	0
3790	Miscellaneous Other Revenue.....	460,087	264,371	0	0
3899	Op Trfs in from Subsidiary CIP Fund.....	0	0	0	0
	<b>TOTAL (109)</b>	<b>468,428</b>	<b>281,229</b>	<b>0</b>	<b>0</b>
<b>REDEVELOPMENT ADMINISTRATION (150)</b>					
3899	Op Trfs in from Subsidiary CIP Fund.....	0	13,806	0	0
	<b>TOTAL (150)</b>	<b>0</b>	<b>13,806</b>	<b>0</b>	<b>0</b>
<b>HETCH HETCHY GROUND LEASE (211)</b>					
3430	Investment Interest.....	20,909	30,522	23,668	23,668
	<b>TOTAL (211)</b>	<b>20,909</b>	<b>30,522</b>	<b>23,668</b>	<b>23,668</b>
<b>PUBLIC ART FUND-NONRESTRICTED (213)</b>					
3430	Investment Interest.....	15,069	19,302	17,599	17,599
3710	Development.....	80,576	81,881	0	0
	<b>TOTAL (213)</b>	<b>95,645</b>	<b>101,183</b>	<b>17,599</b>	<b>17,599</b>
<b>COMMUNITY PLANNING FEE FUND (214)</b>					
3430	Investment Interest.....	6,217	6,111	7,204	7,204
3680	Planning Service Charges.....	302,712	222,656	200,000	200,000
	<b>TOTAL (214)</b>	<b>308,929</b>	<b>228,767</b>	<b>207,204</b>	<b>207,204</b>
<b>COMMUNITY BENEFIT FUND (215)</b>					
3430	Investment Interest.....	4,385	8,188	6,017	6,017
3710	Development.....	60,000	0	2	0
	<b>TOTAL (215)</b>	<b>64,385</b>	<b>8,188</b>	<b>6,019</b>	<b>6,017</b>
<b>AFFORDABLE HOUSING FUND (216)</b>					
3430	Investment Interest.....	72,183	93,300	84,077	84,077
3710	Development.....	786,631	161,503	0	0
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>858,814</b>	<b>254,803</b>	<b>84,077</b>	<b>84,077</b>

<b>Revenues by Fund (Detail)</b>		<b>2022-23 Actual</b>	<b>2023-24 Actual</b>	<b>2024-25 Adopted</b>	<b>2025-26 Adopted</b>
<b>AFFORDABLE HOUSING FUND UNRESTR. (217)</b>					
3434	Investment Interest .....	27,504	61,075	39,155	39,155
<b>TOTAL (217)</b>		<b>27,504</b>	<b>61,075</b>	<b>39,155</b>	<b>39,155</b>
<b>GAS TAX FUND (221)</b>					
3430	Investment Interest .....	43,199	117,011	44,042	44,042
3540	Gas Tax .....	2,057,753	2,222,181	2,313,187	2,313,187
3802	Op Trfs in from Gas Tax Fund .....	0	0	0	0
3809	Op Trfs in Street Improv Fund .....	848,458	0	0	0
<b>TOTAL (221)</b>		<b>2,949,410</b>	<b>2,339,192</b>	<b>2,357,229</b>	<b>2,357,229</b>
<b>SB1 ROAD MAINTENANCE &amp; REHABILITATION (225)</b>					
3434	Road Maintenance & Rehabilitation .....	24,966	55,466	33,544	33,544
3549	Road Maintenance & Rehabilitation .....	1,830,348	2,116,458	2,086,694	2,086,694
<b>TOTAL (225)</b>		<b>1,855,314</b>	<b>2,171,924</b>	<b>2,120,238</b>	<b>2,120,238</b>
<b>95-1 LIGHTING/LSCAPE DIST (235)</b>					
3430	Investment Interest .....	1,716	6,848	1,422	1,422
3720	Special Assessments .....	409,692	426,623	471,051	500,000
3801	Op Trfs in from General Fund .....	21,360	22,384	23,327	24,041
<b>TOTAL (235)</b>		<b>432,768</b>	<b>455,855</b>	<b>495,800</b>	<b>525,463</b>
<b>98-1 LIGHTING/LSCAPE DIST (236)</b>					
3430	Investment Interest .....	9,427	2,794	11,306	11,306
3720	Special Assessments .....	47,833	50,105	55,789	60,000
3801	Op Trfs in from General Fund .....	20,506	21,433	22,318	20,765
<b>TOTAL (236)</b>		<b>77,766</b>	<b>74,332</b>	<b>89,413</b>	<b>92,071</b>
<b>05 COMMUNITY FCLTY DIST (237)</b>					
3430	Investment Interest .....	23,142	32,922	24,134	24,134
3720	Special Assessments .....	1,571,936	1,631,951	1,700,000	1,778,826
<b>TOTAL (237)</b>		<b>1,595,078</b>	<b>1,664,873</b>	<b>1,724,134</b>	<b>1,802,960</b>
<b>08 COMMUNITY FCLTY DIST (238)</b>					
3430	Investment Interest .....	7,822	52,230	1,201	1,201
3720	Special Assessments .....	3,079,852	3,880,620	3,748,531	4,734,356
<b>TOTAL (238)</b>		<b>3,087,674</b>	<b>3,932,850</b>	<b>3,749,732</b>	<b>4,735,557</b>
<b>HCD FUND (250)</b>					
3550	Federal Contributions .....	581,154	687,922	650,000	650,000
<b>TOTAL (250)</b>		<b>581,154</b>	<b>687,922</b>	<b>650,000</b>	<b>650,000</b>

<b>Revenues by Fund (Detail)</b>		<b>2022-23 Actual</b>	<b>2023-24 Actual</b>	<b>2024-25 Adopted</b>	<b>2025-26 Adopted</b>
<b>HCD LOAN (251)</b>					
3430	Investment Interest .....	0	0	0	0
	<b>TOTAL (251)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>SUPPLEMENTAL LAW ENFORCEMENT (261)</b>					
3430	Investment Interest .....	3,775	6,764	5,256	5,256
3560	State Contributions .....	128,334	200,204	0	0
	<b>TOTAL (261)</b>	<b>132,109</b>	<b>206,968</b>	<b>5,256</b>	<b>5,256</b>
<b>STATE ASSET SEIZURE (262)</b>					
3430	Investment Interest .....	156	281	176	176
3560	State Contributions .....	0	2,995	0	0
	<b>TOTAL (262)</b>	<b>156</b>	<b>3,276</b>	<b>176</b>	<b>176</b>
<b>FEDERAL ASSET SEIZURE (263)</b>					
3430	Investment Interest .....	1,021	1,403	1,034	1,034
	<b>TOTAL (263)</b>	<b>1,021</b>	<b>1,403</b>	<b>1,034</b>	<b>1,034</b>
<b>FEDERAL GRANTS POLICE DEPARTMENT (267)</b>					
3550	Federal Contributions .....	45,763	130,866	0	0
	<b>TOTAL (267)</b>	<b>45,763</b>	<b>130,866</b>	<b>0</b>	<b>0</b>
<b>STATE GRANTS POLICE DEPARTMENT (268)</b>					
3430	Investment Interest .....	3,968	8,036	5,460	5,460
3560	State Contributions .....	46,657	13,474	0	0
	<b>TOTAL (268)</b>	<b>50,625</b>	<b>21,510</b>	<b>5,460</b>	<b>5,460</b>
<b>GRANTS FIRE DEPARTMENT (269)</b>					
3550	Federal Contributions .....	0	0	0	0
3570	County Contributions .....	38,887	14,748	0	0
	<b>TOTAL (269)</b>	<b>38,887</b>	<b>14,748</b>	<b>0</b>	<b>0</b>
<b>SOLID WASTE SERVICES (280)</b>					
3139	County-wide AB 939 Fee .....	98,933	91,367	120,000	85,000
3219	Building Misc Fees & Permits .....	0	0	889,931	954,615
3430	Investment Interest .....	16,158	57,153	15,041	15,041
3560	State Contributions .....	95,209	51,483	20,000	20,600
3610	Engineering Service Charges .....	0	0	0	0
3670	Utility Charges .....	19,732	0	0	0
3740	Reimbursements .....	0	0	0	0
3790	Miscellaneous Other Revenue .....	0	0	275,344	275,344
3822	Op Trfs in from General Gov't Fund .....	0	0	0	0
	<b>TOTAL (280)</b>	<b>230,032</b>	<b>200,003</b>	<b>1,320,316</b>	<b>1,350,600</b>
<b>HOUSING AUTHORITY (295)</b>					
3430	Investment Interest .....	446,176	212,756	37,241	37,241
3600	General Government Service Charges .....	81,496	83,269	80,000	80,000
3770	Sale of Property, Plant, & Equipment .....	87,063	0	0	0
	<b>TOTAL (295)</b>	<b>614,735</b>	<b>296,025</b>	<b>117,241</b>	<b>117,241</b>

<b>Revenues by Fund (Detail)</b>		<b>2022-23 Actual</b>	<b>2023-24 Actual</b>	<b>2024-25 Adopted</b>	<b>2025-26 Adopted</b>
<b>STREET FUND (310)</b>					
3430	Investment Interest.....	61,180	70,200	75,657	75,657
3790	Miscellaneous Other Revenue.....	0	0	0	0
3831	Appn Transfers in from General Fund.....	710,248	0	0	0
	<b>TOTAL (310)</b>	<b>771,428</b>	<b>70,200</b>	<b>75,657</b>	<b>75,657</b>
<b>STREET CIP (311)</b>					
3560	State Contributions.....	1,660,442	3,287,245	2,177,562	0
3570	County Contributions.....	401,811	2,310,914	0	0
3710	Development.....	0	100,475	0	0
3802	Op Trfs in from Gas Tax Fund.....	378,026	6,013,594	620,000	495,000
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.....	1,713,688	2,677,229	2,000,000	8,316,235
3822	Op Trfs in from General Gov't Fund.....	0	400,000	0	600,000
3824	Op Trfs in Transit Area Fund.....	0	0	0	0
3826	Op Trfs in from Measure I TOT Fund.....	0	0	0	0
3849	Other Appn Transfers In.....	0	68,235	0	0
3899	Op Trfs in from Subsidiary CIP Fund.....	0	3,797,542	1,520,000	500,000
	<b>TOTAL (311)</b>	<b>4,153,967</b>	<b>18,655,234</b>	<b>6,317,562</b>	<b>9,911,235</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.....	0	0	0	0
	<b>TOTAL (312)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>VEHICLE REGISTRATION FEE (314)</b>					
3430	Investment Interest.....	5,172	9,611	4,171	4,171
3570	County Contributions.....	466,150	600,705	500,000	0
3809	Op Trfs in Street Improv Fund.....	0	0	0	0
3822	Op Trfs in from General Gov't Fund.....	0	0	0	0
3829	Op Trfs in from Vehicle Registration Fee.....	0	0	0	0
	<b>TOTAL (314)</b>	<b>471,322</b>	<b>610,316</b>	<b>504,171</b>	<b>4,171</b>
<b>CALAVERAS WIDENING IMPACT FEE (315)</b>					
3430	Investment Interest.....	1,114	1,769	1,245	1,245
3710	Development.....	3,407	0	0	0
	<b>TOTAL (315)</b>	<b>4,521</b>	<b>1,769</b>	<b>1,245</b>	<b>1,245</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.....	0	0	0	0
	<b>TOTAL (317)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>Revenues by Fund (Detail)</b>	<b>2022-23 Actual</b>	<b>2023-24 Actual</b>	<b>2024-25 Adopted</b>	<b>2025-26 Adopted</b>
<b>PARK IMPROVEMENT FUND (320)</b>				
3430 Investment Interest .....	73,953	50,697	83,287	83,287
3712 Park Development Fees .....	0	35,792	0	0
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 .....	0	0	0	0
<b>TOTAL (320)</b>	<b>73,953</b>	<b>86,489</b>	<b>83,287</b>	<b>83,287</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 .....	0	2,560,000	0	0
3824 Op Trfs in Transit Area Fund .....	0	9,975,000	0	0
3831 Appn Transfers in from General Fund .....	0	0	0	0
3852 Appn Transfers in from General Gov't .....	0	1,375,000	0	0
3899 Op Trfs in from Subsidiary CIP Fund .....	0	8,322,042	130,000	100,000
<b>TOTAL (321)</b>	<b>438,647</b>	<b>24,562,459</b>	<b>130,000</b>	<b>100,000</b>
<b>MIDTOWN PARK FUND (322)</b>				
3430 Investment Interest .....	16,989	26,927	21,909	21,909
3710 Development .....	655,993	0	0	0
3899 Op Trfs in from Subsidiary CIP Fund .....	0	0	0	0
<b>TOTAL (320)</b>	<b>672,982</b>	<b>26,927</b>	<b>21,909</b>	<b>21,909</b>
<b>GENERAL GOVERNMENT (330)</b>				
3430 Investment Interest .....	335,807	574,504	373,690	373,690
3801 Op Trfs in from General Fund .....	0	0	0	0
3809 Op Trfs in Street Improv Fund .....	0	0	0	0
3810 Op Trfs in from Park Improvement .....	328,004	0	0	0
3822 Op Trfs in General Government .....	0	0	0	0
3823 Op Trfs in Storm Drain Fund .....	3,844	0	0	0
3831 Appn Transfers in from General Fund .....	3,830,745	0	0	0
3899 Op Trfs in from Subsidiary CIP Fund .....	0	1,937,000	0	0
3982 Capital Leases .....	0	0	0	0
<b>TOTAL (330)</b>	<b>4,498,400</b>	<b>2,511,504</b>	<b>373,690</b>	<b>373,690</b>
<b>GENERAL GOVERNMENT CIP (331)</b>				
3560 State Contributions .....	342,972	1,019,285	600,000	0
3580 Other Restricted Grants .....	700,702	863,860	0	0
3710 Development .....	0	200,000	0	0
3801 Op Trfs in from General Fund .....	0	2,400,000	2,500,000	0
3802 Op Trfs in from Gas Tax Fund .....	595,000	4,114,037	2,110,000	1,365,000
3803 Op Trfs in from Gas Tax Fund .....	142,500	453,500	50,000	75,000
3809 Op Trfs in Street Improv Fund .....	0	1,200,000	0	0
3810 Op Trfs in from Park Improvement .....	500,000	2,225,000	150,000	3,200,000
3815 Op Trfs in from Sewer Fund .....	0	333,110	325,000	0

<b>Revenues by Fund (Detail)</b>		<b>2022-23 Actual</b>	<b>2023-24 Actual</b>	<b>2024-25 Adopted</b>	<b>2025-26 Adopted</b>
3817	Op Trfs in from Equipment Replacement.....	0	161,131	0	1,850,000
3819	Op Trfs in from Other .....	924,000	6,015,485	2,674,000	108,000
3824	Op Trfs in Transit Area Fund.....	144,000	366,000	144,000	48,000
3827	Op Trfs in from LLMD Fund.....	11,000	1,265,856	98,400	103,500
3847	Appn Transfers in from Equipment .....	0	0	0	0
3849	Other Appn Transfers In.....	1,786	1,819,765	0	0
3899	Op Trfs in from Subsidiary CIP Fund.....	0	65,762,316	4,342,000	1,859,000
	<b>TOTAL (331)</b>	<b>3,361,960</b>	<b>89,949,345</b>	<b>13,318,400</b>	<b>8,608,500</b>
<b>2020 FIRE STATION BONDS (334)</b>					
3970	Bond Proceeds.....	0	0	0	0
	<b>TOTAL (331)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>STORM DRAIN DEVELOPMENT (340)</b>					
3430	Investment Interest.....	63,824	80,487	78,317	78,317
3710	Development .....	164,259	32,703	0	0
3831	Appn Transfers in from General Fund.....	0	0	0	0
3899	Op Trfs in from Subsidiary CIP Fund.....	0	0	0	0
	<b>TOTAL (340)</b>	<b>228,083</b>	<b>113,190</b>	<b>78,317</b>	<b>78,317</b>
<b>STORM DRAIN CIP (341)</b>					
3815	Op Trfs in from Sewer Fund.....	0	15,000	0	0
3822	Op Trfs in from General Gov't Fund.....	200,000	2,880,000	350,000	0
3852	Appn Transfers in General Government.....	0	145,000	0	0
3899	Op Trfs in from Subsidiary CIP Fund.....	0	9,104,590	600,000	2,000,000
	<b>TOTAL (341)</b>	<b>200,000</b>	<b>12,144,590</b>	<b>950,000</b>	<b>4,600,000</b>
<b>STORM DRAIN GENERAL FUND (342)</b>					
3434	Op Trfs in from Sewer Fund.....	11,963	58,168	13,718	13,718
3801	Op Trfs in from General Fund.....	0	500,000	500,000	500,000
	<b>TOTAL (342)</b>	<b>11,963</b>	<b>558,168</b>	<b>513,718</b>	<b>513,718</b>
<b>TRANSIT AREA IMPACT FEE FUND (350)</b>					
3430	Investment Interest.....	868,430	1,310,406	984,853	984,853
3710	Development .....	728,766	2,093,717	14,704,412	6,448,730
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 (350)</b>	<b>1,597,196</b>	<b>3,404,123</b>	<b>15,689,265</b>	<b>7,433,583</b>
<b>TRANSIT AREA IMPACT FEE CIP FUND (351)</b>					
3570	County Contributions.....	0	1,832,842	0	0
3710	Development .....	0	250,000	0	0
3899	Op Trfs in from Subsidiary CIP Fund.....	0	34,078,767	609,000	6,805,000
	<b>TOTAL (351)</b>	<b>0</b>	<b>36,161,609</b>	<b>809,000</b>	<b>6,805,000</b>
<b>WATER M &amp; O FUND (400)</b>					
3430	Investment Interest.....	523,553	833,409	585,286	585,286
3550	Federal Contributions.....	0	0	0	0

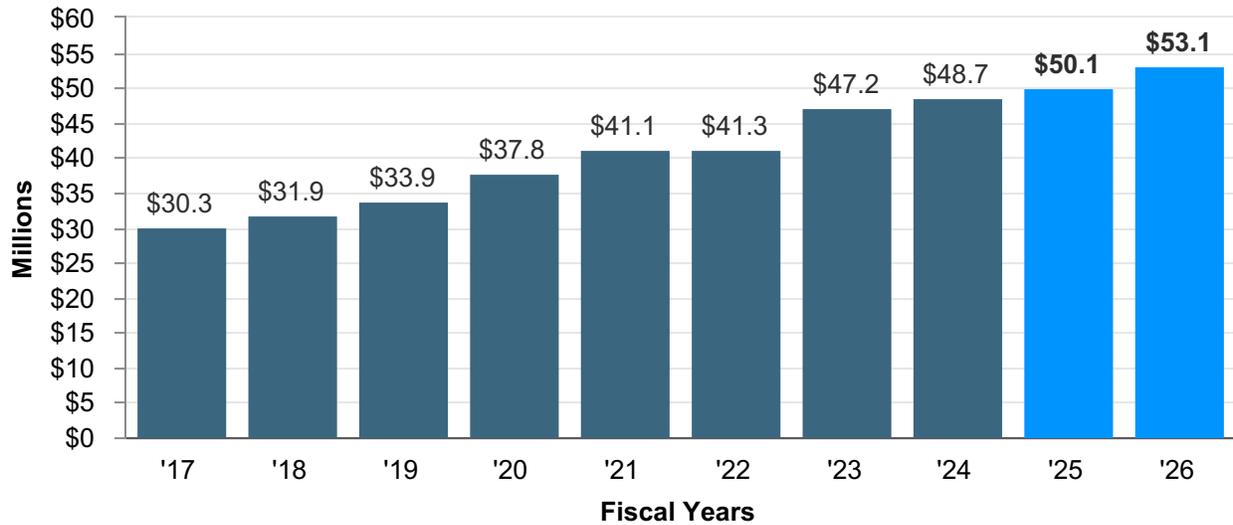
<b>Revenues by Fund (Detail)</b>		<b>2022-23 Actual</b>	<b>2023-24 Actual</b>	<b>2024-25 Adopted</b>	<b>2025-26 Adopted</b>
<b>3580</b>	Other Restricted Grants .....	59,084	61,437	0	0
<b>3620</b>	Public Works Service Charges .....	0	0	0	0
<b>3670</b>	Utility Charges .....	30,647,787	32,070,393	32,971,334	35,045,501
<b>3790</b>	Miscellaneous Other Revenue .....	59,517	294,908	0	0
<b>3981</b>	Contributions-Proprietary Fund .....	0	0	0	0
<b>3809</b>	Op Trfs in from Street Fund .....	0	0	0	0
<b>3899</b>	Op Trfs in from Subsidiary CIP Fund .....	0	798,562	0	0
	<b>TOTAL (400)</b>	<b>31,289,941</b>	<b>34,058,709</b>	<b>33,556,620</b>	<b>35,630,787</b>
<b>WATER CIP (401)</b>					
<b>3810</b>	Op Trfs in from Park Improvement .....	0	200,000	0	0
<b>3824</b>	Op Trfs in Transit Area Fund .....	0	2,075,000	0	0
<b>3899</b>	Op Trfs in from Subsidiary CIP Fund .....	0	63,141,000	5,260,000	3,920,000
	<b>TOTAL (401)</b>	<b>0</b>	<b>68,946,000</b>	<b>5,260,000</b>	<b>3,920,000</b>
<b>WATER LINE EXTENSION FUND (402)</b>					
<b>3430</b>	Investment Interest .....	50,884	94,514	58,692	58,692
<b>3710</b>	Development .....	437,947	72,444	249,418	931,200
<b>3790</b>	Miscellaneous Other Revenue .....	9,621	9,620	0	0
<b>3812</b>	Op Trfs in from Water Fund .....	0	0	0	0
<b>3899</b>	Op Trfs in from Subsidiary CIP Fund .....	0	505,170	0	0
	<b>TOTAL (402)</b>	<b>498,452</b>	<b>681,748</b>	<b>308,110</b>	<b>989,892</b>
<b>2019 WATER BONDS (403)</b>					
<b>3970</b>	Bond Proceeds .....	0	0	0	0
	<b>TOTAL (403)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>WATER INFRASTRUCTURE REPLACEMENT (405)</b>					
<b>3430</b>	Investment Interest .....	190,311	376,894	227,543	227,543
<b>3670</b>	Utility Charges .....	3,422,345	3,587,942	3,745,602	3,953,483
<b>3899</b>	Op Trfs in from Subsidiary CIP Fund .....	0	0	0	0
	<b>TOTAL (405)</b>	<b>3,612,656</b>	<b>3,964,836</b>	<b>3,973,145</b>	<b>4,181,026</b>
<b>SEWER M &amp; O FUND (450)</b>					
<b>3430</b>	Investment Interest .....	321,169	614,256	340,742	340,742
<b>3435</b>	Gain/Loss on Investments .....	254,038	254,038	0	0
<b>3670</b>	Utility Charges .....	24,698,395	24,744,543	24,820,533	26,155,861
<b>3550</b>	Federal Contributions .....	0	0	0	0
<b>3580</b>	Other Restricted Grants .....	0	0	0	0
<b>3790</b>	Miscellaneous Other Revenue .....	0	111,293	0	0
<b>3809</b>	Op Trfs in from Street Fund .....	0	0	0	0
<b>3899</b>	Op Trfs in from Subsidiary CIP Fund .....	0	0	0	0
	<b>TOTAL (450)</b>	<b>25,273,602</b>	<b>25,724,130</b>	<b>25,161,275</b>	<b>26,496,603</b>
<b>SEWER CIP (451)</b>					
<b>3899</b>	Op Trfs in from Subsidiary CIP Fund .....	0	101,317,129	6,388,000	4,817,000
	<b>TOTAL (451)</b>	<b>0</b>	<b>101,317,129</b>	<b>6,388,000</b>	<b>4,817,000</b>

<b>Revenues by Fund (Detail)</b>	<b>2022-23 Actual</b>	<b>2023-24 Actual</b>	<b>2024-25 Adopted</b>	<b>2025-26 Adopted</b>
<b>TREATMENT PLANT CONSTRUCTION (452)</b>				
3430 Investment Interest .....	54,111	(22,003)	79,891	79,891
3710 Development .....	538,035	101,232	301,290	1,525,000
<b>TOTAL (452)</b>	<b>592,146</b>	<b>79,229</b>	<b>381,181</b>	<b>1,604,891</b>
<b>2017 SEWER REFUNDING BONDS (453)</b>				
3430 Investment Interest .....	0	0	0	0
<b>TOTAL (453)</b>	<b>0</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 .....	357,295	612,936	427,635	427,635
3899 Intrafund Trf In-Parent/Child .....	0	11,291,345	0	0
<b>TOTAL (455)</b>	<b>357,295</b>	<b>11,904,281</b>	<b>427,635</b>	<b>427,635</b>
<b>EQUIPMENT REPLACEMENT FUND (500)</b>				
3430 Investment Interest .....	158,682	248,994	177,344	177,344
3610 Engineering Service Charges .....	0	0	0	0
3620 Public Works Service Charges .....	3,145,354	3,707,021	3,300,000	3,300,000
3670 Utility Charges .....	0	0	0	0
3770 Sale of Property, Plant and Equipment .....	12,326	0	0	0
3790 Miscellaneous Other Revenue .....	65,533	173,479	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>3,381,895</b>	<b>4,129,494</b>	<b>3,477,344</b>	<b>3,477,344</b>
<b>INFORMATION TECHNOLOGY REPLACEMENT (505)</b>				
3430 Investment Interest .....	18,758	70,799	24,030	24,030
3801 Op Trfs in from General Fund .....	300,000	300,000	300,000	300,000
<b>TOTAL (505)</b>	<b>318,758</b>	<b>370,799</b>	<b>324,030</b>	<b>324,030</b>
<b>PERMIT AUTOMATION FUND (506)</b>				
3430 Investment Interest .....	4,710	5,164	7,549	7,549
3601 General Government Service Charges .....	406,737	325,444	350,000	400,000
<b>TOTAL (506)</b>	<b>411,447</b>	<b>330,608</b>	<b>357,549</b>	<b>407,549</b>
<b>TOTAL REVENUES</b>	<b>\$ 217,184,710</b>	<b>\$ 582,726,399</b>	<b>\$ 265,668,101</b>	<b>\$ 273,810,781</b>
Less Interfund Operating Transfers*			(21,923,000)	(20,001,000)
(Increase) Decrease of Reserves			5,381,996	14,723,685
<b>TOTAL BUDGET SUMMARY REVENUES</b>			<b>\$ 249,127,097</b>	<b>\$ 268,533,468</b>

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

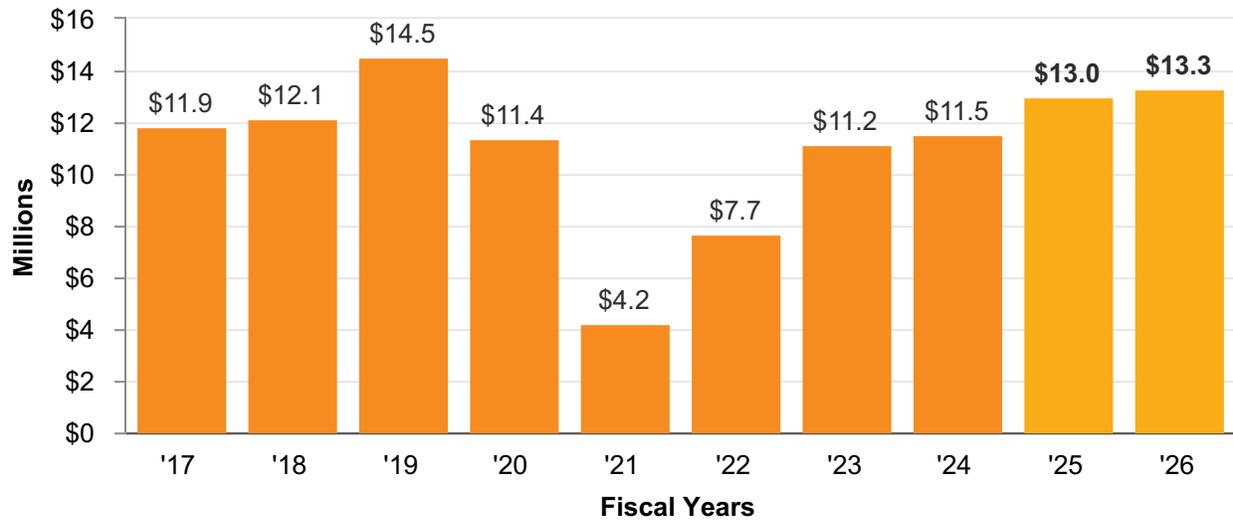
## General Fund Revenue History

### History of Property Tax Revenue



Amounts include RPTTF distribution ■ Actual ■ Adopted Budget

### History of Transient Occupancy Tax Revenue



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

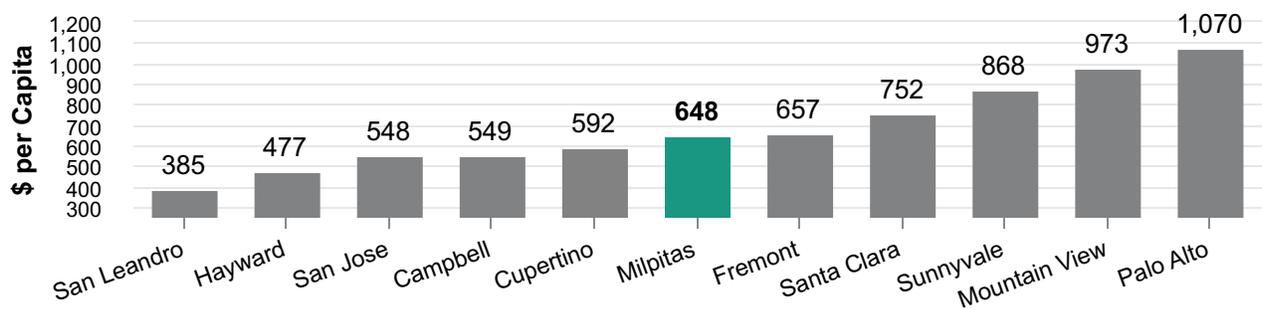
■ Actual ■ Adopted Budget

## Property Tax, Comparison with Other Jurisdictions\*

FY 2021-22 through FY 2025-26

	2021-22 Actual	2022-23 Actual	2023-24 Actual	2024-25 Adopted	2025-26 Adopted
<b>Milpitas</b>	<b>\$42,758,865</b>	<b>\$47,210,421</b>	<b>\$48,723,543</b>	<b>\$50,091,338</b>	<b>\$53,102,400</b>
% of General Fund	38 %	37 %	36 %	36 %	37 %
Per Capita	530	583	594	608	648
<b>Campbell</b>	<b>\$19,510,782</b>	<b>\$20,907,124</b>	<b>\$21,912,688</b>	<b>\$22,676,800</b>	<b>\$23,761,700</b>
% of General Fund	34 %	33 %	34 %	33 %	34 %
Per Capita	448	484	506	523	549
<b>Cupertino</b>	<b>\$29,700,000</b>	<b>\$31,889,639</b>	<b>\$33,036,853</b>	<b>\$33,174,977</b>	<b>\$35,413,310</b>
% of General Fund	27 %	28 %	30 %	37 %	36 %
Per Capita	493	535	552	554	592
<b>Fremont</b>	<b>\$118,943,000</b>	<b>\$130,525,000</b>	<b>\$140,361,000</b>	<b>\$147,306,000</b>	<b>\$152,832,000</b>
% of General Fund	43 %	45 %	53 %	58 %	56 %
Per Capita	518	570	604	634	657
<b>Hayward</b>	<b>\$61,196,000</b>	<b>\$68,458,000</b>	<b>\$73,406,000</b>	<b>\$72,938,000</b>	<b>\$77,459,000</b>
% of General Fund	33 %	32 %	34 %	34 %	35 %
Per Capita	378	428	453	450	477
<b>Mountain View</b>	<b>\$63,996,035</b>	<b>\$70,873,872</b>	<b>\$74,659,795</b>	<b>\$78,063,000</b>	<b>\$84,168,000</b>
% of General Fund	39 %	39 %	41 %	42 %	43 %
Per Capita	766	842	881	901	973
<b>Palo Alto</b>	<b>\$59,353,000</b>	<b>\$63,129,000</b>	<b>\$66,344,000</b>	<b>\$68,623,000</b>	<b>\$73,627,000</b>
% of General Fund	27 %	27 %	26 %	27 %	27 %
Per Capita	873	930	969	1,001	1,070
<b>San Jose</b>	<b>\$414,123,282</b>	<b>\$449,014,347</b>	<b>\$473,724,109</b>	<b>\$495,000,000</b>	<b>\$536,500,000</b>
% of General Fund	24 %	26 %	33 %	34 %	35 %
Per Capita	419	463	484	505	548
<b>San Leandro</b>	<b>\$27,772,678</b>	<b>\$29,211,368</b>	<b>\$31,935,352</b>	<b>\$31,924,885</b>	<b>\$33,776,329</b>
% of General Fund	21 %	21 %	22 %	22 %	23 %
Per Capita	309	332	360	362	385
<b>Santa Clara</b>	<b>\$74,630,557</b>	<b>\$84,599,469</b>	<b>\$90,710,410</b>	<b>\$94,391,000</b>	<b>\$101,181,000</b>
% of General Fund	32 %	31 %	31 %	32 %	30 %
Per Capita	574	648	680	705	752
<b>Sunnyvale</b>	<b>\$113,499,852</b>	<b>\$120,086,118</b>	<b>\$129,062,478</b>	<b>\$131,816,996</b>	<b>\$138,622,234</b>
% of General Fund	45 %	49 %	49 %	51 %	50 %
Per Capita	727	769	817	829	868

### FY 25-26 Property Tax - \$ Per Capita\*



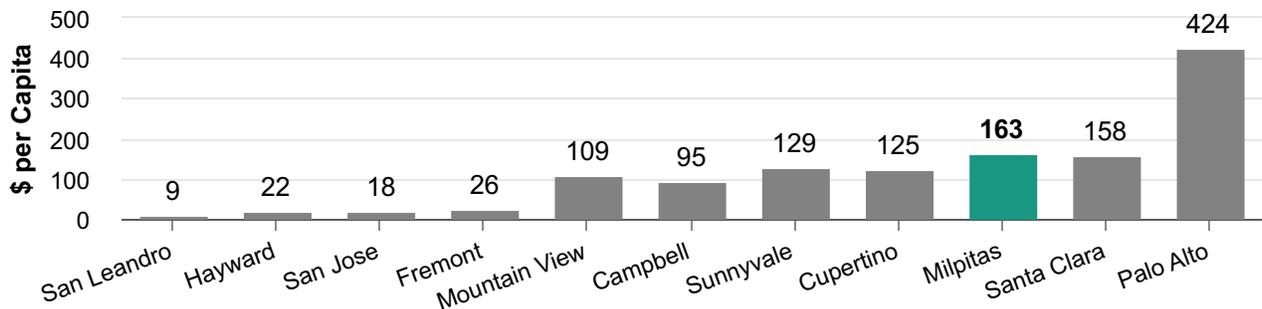
\*Department of Finance Population Estimates

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

FY 2021-22 through FY 2025-26

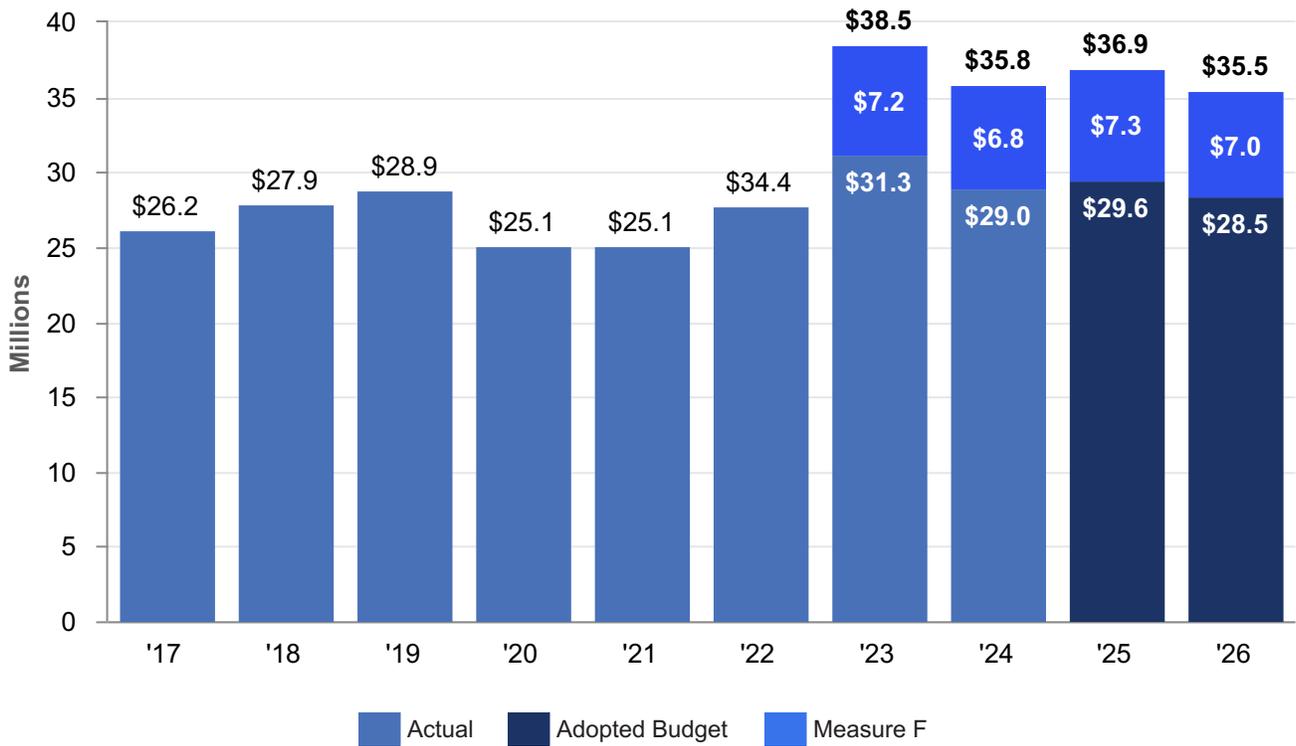
	2021-22 Actual	2022-23 Actual	2023-24 Actual	2024-25 Adopted	2025-26 Adopted
<b>Milpitas</b>	<b>\$8,012,004</b>	<b>\$11,189,211</b>	<b>\$11,529,102</b>	<b>\$13,032,550</b>	<b>\$13,334,900</b>
% of General Fund	7 %	9 %	9 %	9 %	9 %
Per Capita	99	138	141	158	163
<b>Campbell</b>	<b>\$2,657,334</b>	<b>\$3,626,019</b>	<b>\$3,747,247</b>	<b>\$4,100,000</b>	<b>\$4,100,000</b>
% of General Fund	5 %	6 %	6 %	6 %	6 %
Per Capita	61	84	87	95	95
<b>Cupertino</b>	<b>\$4,400,000</b>	<b>\$7,062,150</b>	<b>\$6,486,798</b>	<b>\$7,731,947</b>	<b>\$7,500,000</b>
% of General Fund	4 %	6 %	6 %	9 %	8 %
Per Capita	73	118	108	129	125
<b>Fremont</b>	<b>\$4,722,000</b>	<b>\$6,012,000</b>	<b>\$6,071,000</b>	<b>\$6,507,000</b>	<b>\$6,128,000</b>
% of General Fund	2 %	2 %	2 %	3 %	2 %
Per Capita	21	26	26	28	26
<b>Hayward</b>	<b>\$1,552,000</b>	<b>\$2,359,000</b>	<b>\$2,359,000</b>	<b>\$3,125,000</b>	<b>\$3,500,000</b>
% of General Fund	1 %	1 %	1 %	1 %	2 %
Per Capita	10	15	15	19	22
<b>Mountain View</b>	<b>\$4,437,081</b>	<b>\$9,521,577</b>	<b>\$7,961,020</b>	<b>\$8,571,000</b>	<b>\$9,390,000</b>
% of General Fund	3 %	5 %	4 %	5 %	5 %
Per Capita	53	113	94	99	109
<b>Palo Alto</b>	<b>\$16,946,000</b>	<b>\$25,485,000</b>	<b>\$27,781,000</b>	<b>\$27,857,000</b>	<b>\$29,139,000</b>
% of General Fund	8 %	11 %	11 %	11 %	11 %
Per Capita	249	375	406	406	424
<b>San Jose</b>	<b>\$10,515,117</b>	<b>\$14,936,816</b>	<b>\$15,894,163</b>	<b>\$16,000,000</b>	<b>\$18,000,000</b>
% of General Fund	1 %	1 %	1 %	1 %	1 %
Per Capita	11	15	16	16	18
<b>San Leandro</b>	<b>\$685,026</b>	<b>\$711,200</b>	<b>\$605,960</b>	<b>\$757,050</b>	<b>\$779,762</b>
% of General Fund	1 %	1 %	0.4 %	1 %	1 %
Per Capita	8	8	7	9	9
<b>Santa Clara</b>	<b>\$10,812,400</b>	<b>\$18,989,012</b>	<b>\$22,347,394</b>	<b>\$22,850,000</b>	<b>\$28,600,000</b>
% of General Fund	5 %	7 %	8 %	8 %	8 %
Per Capita	83	146	167	171	158
<b>Sunnyvale</b>	<b>\$10,584,492</b>	<b>\$16,962,728</b>	<b>\$18,915,542</b>	<b>\$17,339,657</b>	<b>\$20,645,098</b>
% of General Fund	4 %	7 %	7 %	7 %	7 %
Per Capita	68	109	120	109	129

### FY 25-26 Transient Occupancy Tax - \$ Per Capita\*

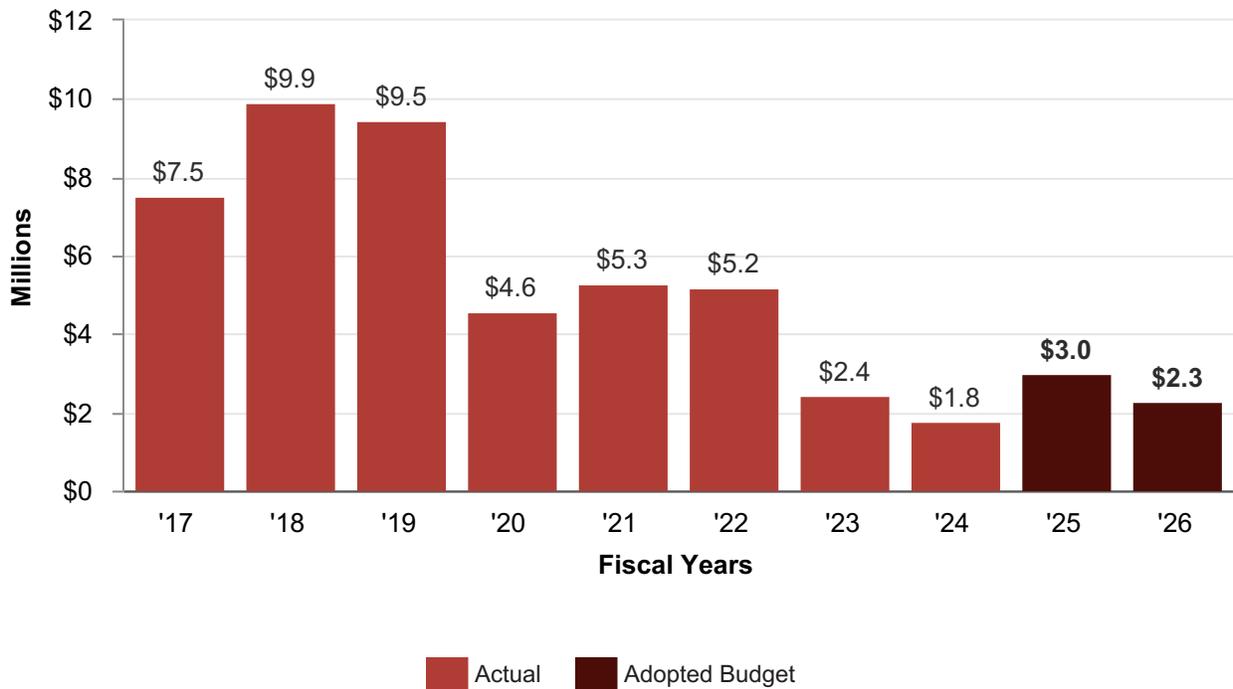


\*Department of Finance Estimates

### History of Sales Tax Revenue



### History of Building Permit Revenue

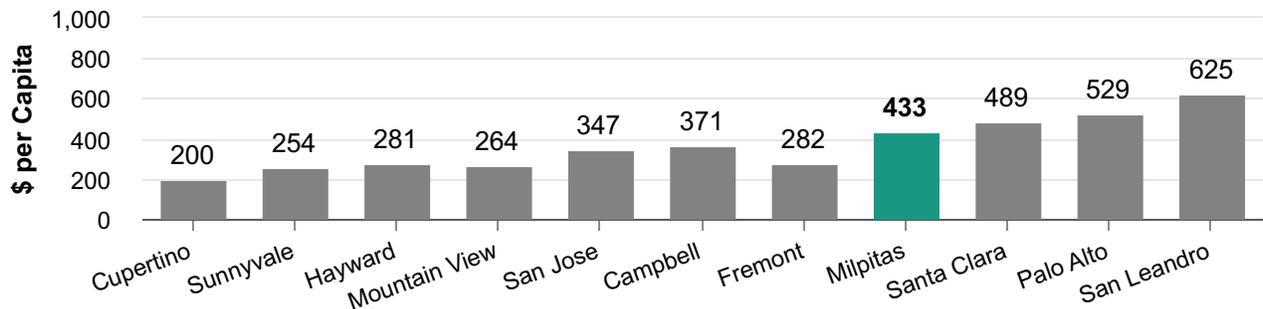


## Sales Tax, Comparison with Other Jurisdictions\*

FY 2021-22 through FY 2025-26

	2021-22 Actual	2022-23 Actual	2023-24 Actual	2024-25 Adopted	2025-26 Adopted
<b>Milpitas</b>	<b>\$34,364,274</b>	<b>\$38,475,708</b>	<b>\$35,836,135</b>	<b>\$36,902,855</b>	<b>\$35,482,568</b>
% of General Fund	31 %	30 %	27 %	27 %	25 %
Per Capita	426	475	437	448	433
<b>Campbell</b>	<b>\$16,419,362</b>	<b>\$18,832,569</b>	<b>\$16,549,228</b>	<b>\$16,832,986</b>	<b>\$16,071,437</b>
% of General Fund	29 %	30 %	26 %	24 %	23 %
Per Capita	377	436	382	388	371
<b>Cupertino</b>	<b>\$42,200,000</b>	<b>\$34,819,341</b>	<b>\$30,961,166</b>	<b>\$11,648,962</b>	<b>\$11,983,958</b>
% of General Fund	38 %	31 %	28 %	13 %	12 %
Per Capita	701	584	517	195	200
<b>Fremont</b>	<b>\$86,799,000</b>	<b>\$111,575,000</b>	<b>\$69,118,000</b>	<b>\$57,510,000</b>	<b>\$65,484,000</b>
% of General Fund	32 %	38 %	26 %	23 %	24 %
Per Capita	378	487	297	248	282
<b>Hayward</b>	<b>\$40,075,000</b>	<b>\$44,051,000</b>	<b>\$53,034,000</b>	<b>\$47,619,000</b>	<b>\$45,600,000</b>
% of General Fund	22 %	21 %	24 %	22 %	21 %
Per Capita	248	275	327	294	281
<b>Mountain View</b>	<b>\$23,376,289</b>	<b>\$25,346,202</b>	<b>\$24,488,500</b>	<b>\$24,478,000</b>	<b>\$22,843,000</b>
% of General Fund	14 %	14 %	13 %	13 %	12 %
Per Capita	280	301	289	282	264
<b>Palo Alto</b>	<b>\$32,705,000</b>	<b>\$36,926,000</b>	<b>\$37,482,000</b>	<b>\$39,577,000</b>	<b>\$36,377,000</b>
% of General Fund	15 %	16 %	15 %	15 %	14 %
Per Capita	481	544	547	577	529
<b>San Jose</b>	<b>\$323,143,574</b>	<b>\$343,472,084</b>	<b>\$333,411,487</b>	<b>\$352,000,000</b>	<b>\$340,000,000</b>
% of General Fund	19 %	20 %	23 %	24 %	22 %
Per Capita	327	354	341	359	347
<b>San Leandro</b>	<b>\$90,578,121</b>	<b>\$41,375,038</b>	<b>\$54,202,823</b>	<b>\$53,276,000</b>	<b>\$54,874,280</b>
% of General Fund	67 %	30 %	37 %	37 %	37 %
Per Capita	1,007	470	612	605	625
<b>Santa Clara</b>	<b>\$56,901,656</b>	<b>\$64,497,774</b>	<b>\$61,776,045</b>	<b>\$62,900,000</b>	<b>\$65,850,000</b>
% of General Fund	24 %	23 %	21 %	21 %	20 %
Per Capita	438	494	463	470	489
<b>Sunnyvale</b>	<b>\$35,801,316</b>	<b>\$38,358,415</b>	<b>\$40,175,300</b>	<b>\$37,378,546</b>	<b>\$40,546,351</b>
% of General Fund	14 %	16 %	15 %	14 %	15 %
Per Capita	229	246	254	235	254

### FY 25-26 Sales Tax - \$ Per Capita\*



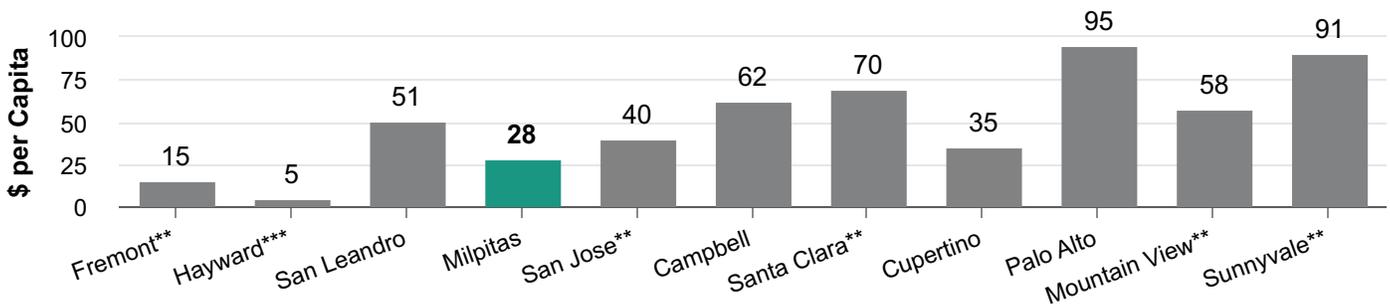
\*Department of Finance Estimates

## Building Permits, Comparison with Other Jurisdictions\*

FY 2021-22 through FY 2025-26

	2021-22 Actual	2022-23 Actual	2023-24 Actual	2024-25 Adopted	2025-26 Adopted
<b>Milpitas</b>	\$5,203,880	\$2,431,435	\$1,786,235	\$3,000,000	\$2,300,000
% of General Fund	5 %	2 %	1 %	2 %	2 %
Per Capita	65	30	22	36	28
<b>Campbell</b>	\$2,360,113	\$2,159,714	\$2,250,479	\$2,700,000	\$2,700,000
% of General Fund	4 %	3 %	3 %	4 %	4 %
Per Capita	54	50	52	62	62
<b>Cupertino</b>	\$4,100,000	\$4,093,631	\$1,979,413	\$1,515,000	\$2,115,000
% of General Fund	4 %	4 %	2 %	2 %	2 %
Per Capita	68	69	33	25	35
<b>Fremont**</b>	\$5,042,964	\$4,531,000	\$3,265,000	\$4,500,000	\$3,500,000
% of General Fund	2 %	2 %	1 %	2 %	1 %
Per Capita	22	20	14	19	15
<b>Hayward***</b>	\$670,473	\$799,245	\$694,685	\$854,677	\$854,677
% of General Fund	3 %	3 %	0 %	0 %	0 %
Per Capita	30	35	4	5	5
<b>Mountain View**</b>	\$6,248,019	\$5,635,082	\$4,366,074	\$4,289,900	\$4,984,971
% of General Fund	4 %	3 %	2 %	2 %	3 %
Per Capita	75	67	52	49	58
<b>Palo Alto</b>	\$4,570,964	\$3,785,000	\$5,445,567	\$6,491,524	\$6,566,019
% of General Fund	2 %	2 %	2 %	3 %	2 %
Per Capita	67	56	80	95	95
<b>San Jose**</b>	\$36,305,981	\$37,237,465	\$37,256,196	\$36,604,300	\$39,631,127
% of General Fund	2 %	2 %	3 %	2 %	3 %
Per Capita	37	38	38	37	40
<b>San Leandro</b>	\$2,714,532	\$3,598,373	\$4,032,621	\$4,008,000	\$4,506,900
% of General Fund	2 %	3 %	3 %	3 %	3 %
Per Capita	30	41	46	45	51
<b>Santa Clara**</b>	\$10,818,884	\$11,795,557	\$8,540,817	\$9,098,000	\$9,415,000
% of General Fund	5 %	4 %	3 %	3 %	3 %
Per Capita	83	90	64	68	70
<b>Sunnyvale**</b>	\$18,310,162	\$14,896,293	\$12,243,082	\$14,376,718	\$14,561,878
% of General Fund	7 %	6 %	5 %	6 %	5 %
Per Capita	117	95	77	90	91

### FY 25-26 Building Permits - \$ Per Capita\*

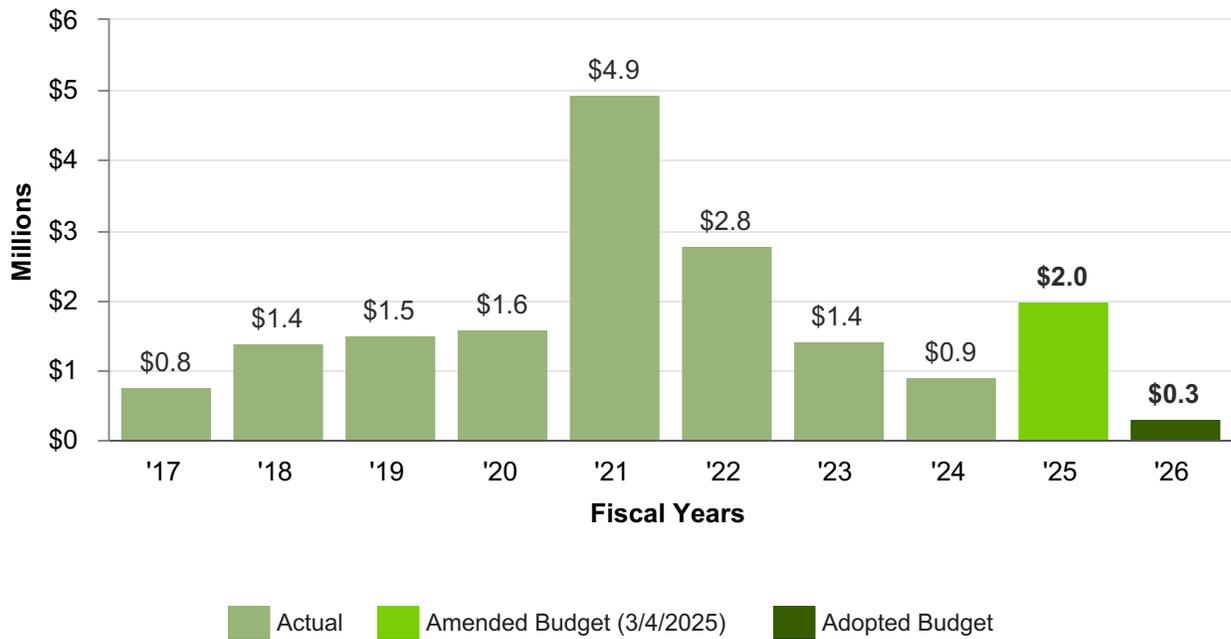


\*Department of Finance Estimates

\*\*Building permit revenues are not part of Operating General Fund but are included for comparison purposes

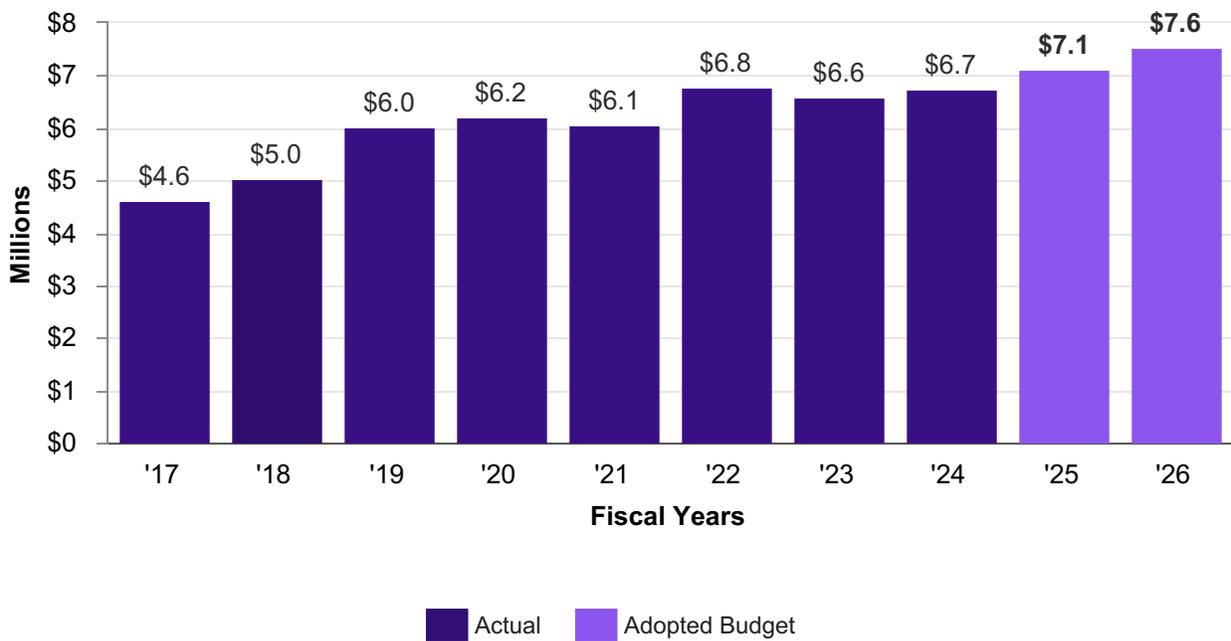
\*\*\*FY22 and FY23 actual revenues have been restated; prior revenues were not strictly building permit revenue.

### 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

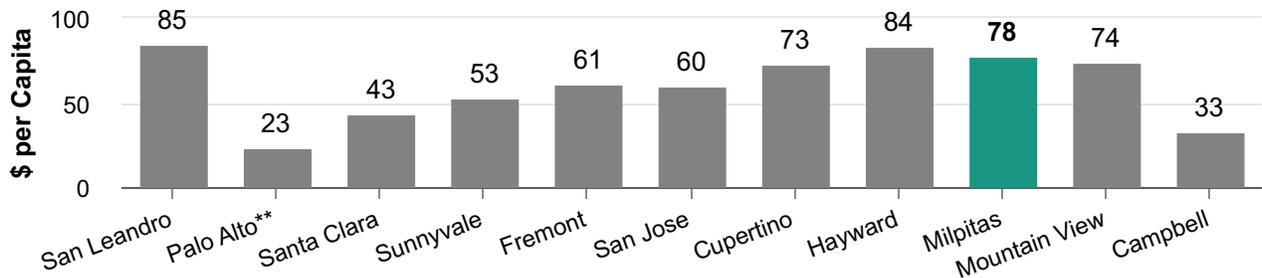


## Franchise Fees, Comparison with Other Jurisdictions\*

FY 2021-22 through FY 2025-26

	2021-22 Actual	2022-23 Actual	2023-24 Actual	2024-25 Adopted	2025-26 Adopted
<b>Milpitas</b>	\$5,187,786	\$5,689,722	\$6,185,057	\$5,990,422	\$6,397,860
% of General Fund	5 %	5 %	5 %	4 %	4 %
Per Capita	64	70	75	73	78
<b>Campbell</b>	\$3,690,355	\$3,924,558	\$4,135,644	\$1,505,860	\$1,438,100
% of General Fund	6 %	6 %	6 %	2 %	2 %
Per Capita	85	91	95	35	33
<b>Cupertino</b>	\$3,500,000	\$3,995,018	\$4,313,669	\$3,509,346	\$4,394,563
% of General Fund	3 %	4 %	4 %	4 %	5 %
Per Capita	58	67	72	59	73
<b>Fremont</b>	\$11,213,000	\$11,813,000	\$12,595,000	\$13,103,000	\$14,182,000
% of General Fund	4 %	4 %	5 %	5 %	5 %
Per Capita	49	52	54	56	61
<b>Hayward</b>	\$10,624,000	\$11,907,000	\$12,558,000	\$12,928,000	\$13,630,000
% of General Fund	6 %	6 %	6 %	6 %	6 %
Per Capita	66	74	77	80	84
<b>Mountain View</b>	\$5,491,204	\$5,778,455	\$6,155,628	\$6,190,400	\$6,442,800
% of General Fund	3 %	3 %	3 %	3 %	3 %
Per Capita	66	69	73	71	74
<b>Palo Alto**</b>	\$1,584,907	\$1,497,000	\$1,382,243	\$1,600,000	\$1,600,000
% of General Fund	1 %	1 %	1 %	1 %	1 %
Per Capita	23	22	20	23	23
<b>San Jose</b>	\$48,378,348	\$44,823,852	\$52,475,857	\$55,022,632	\$58,988,263
% of General Fund	3 %	3 %	4 %	4 %	4 %
Per Capita	49	46	54	56	60
<b>San Leandro</b>	\$929,636	\$6,222,940	\$7,182,526	\$7,207,000	\$7,427,510
% of General Fund	1 %	4 %	5 %	5 %	5 %
Per Capita	10	71	81	82	85
<b>Santa Clara</b>	\$4,632,522	\$4,874,306	\$5,370,928	\$5,350,000	\$5,824,000
% of General Fund	2 %	2 %	2 %	2 %	2 %
Per Capita	36	37	40	40	43
<b>Sunnyvale</b>	\$7,221,935	\$7,692,185	\$7,834,916	\$8,249,196	\$8,418,045
% of General Fund	3 %	3 %	3 %	3 %	3 %
Per Capita	46	49	50	52	53

### FY 25-26 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**

	<b>2022-23 Actual</b>	<b>2023-24 Actual</b>	<b>2024-25 Adopted</b>	<b>2025-26 Adopted</b>
<b>100</b> General Fund .....	\$122,026,892	\$130,120,547	\$138,185,397	\$143,117,051
<b>103</b> 1452-1474 S. Main .....	34,010	14,796	12,900	12,900
<b>105</b> Abandon Veh Abatement .....	150,467	206,977	10,000	10,000
<b>109</b> Utility Rate Assistance .....	308,016	57,590	256,700	256,700
<b>150</b> Redevelopment Administration .....	11,358	13,377	10,703	10,771
<b>180</b> Community Investment Fund .....	0	0	0	589,482
<b>211</b> H-Hetch Ground Lease .....	35,789	40,766	43,100	43,100
<b>213</b> Public Art Fund-Nonrestricted .....	143,957	156,736	50,000	80,712
<b>214</b> Community Planning Fee Fund .....	529,185	311,457	383,456	427,664
<b>215</b> Community Benefit Fund .....	6,110	0	0	0
<b>216</b> Affordable Housing Fund .....	926,027	790,020	1,070,058	752,070
<b>217</b> Affordable Housing Unrestricted Fund .....	0	0	0	177,255
<b>218</b> Affordable Housing Grant Fund .....	0	0	0	50,000
<b>221</b> Gas Tax Fund .....	973,026	2,865,000	2,730,000	2,360,000
<b>222</b> Measure B .....	0	0	0	2,646,235
<b>225</b> SB1 Road Maintenance & Rehab .....	1,713,687	1,822,427	2,000,000	2,000,000
<b>235</b> 95-1 Lighting/Lscape Dist .....	321,160	407,605	495,800	538,748
<b>236</b> 98-1 Lighting/Lscape Dist .....	36,197	55,090	89,413	87,682
<b>237</b> 05 Community Fclty Dist .....	1,775,574	1,622,856	1,972,596	2,462,004
<b>238</b> 08 Community Fclty Dist .....	2,940,669	3,244,661	3,749,732	3,753,199
<b>250</b> HCD Fund .....	581,154	687,922	650,000	650,000
<b>251</b> HCD Loan .....	0	0	0	0
<b>261</b> Supplemental Law Enforcement .....	132,649	203,900	0	0
<b>262</b> State Asset Seizure .....	0	0	30,000	30,000
<b>263</b> Federal Asset Seizure .....	0	73,863	30,000	30,000
<b>267</b> Justice Assistance Grant .....	46,763	132,866	0	0
<b>268</b> Justice Assistance Grant 2009 .....	47,747	16,762	0	0
<b>269</b> Grant Fund .....	38,887	14,748	0	0
<b>280</b> Solid Waste Services .....	840,157	932,742	1,320,316	1,111,575
<b>295</b> Housing Authority .....	549,928	222,365	324,787	475,034
<b>310</b> Street Fund .....	848,458	855,112	1,020,000	700,000
<b>311</b> Street CIP .....	8,007,294	19,966,994	6,317,562	9,911,235
<b>314</b> Vehicle Registration Fee .....	0	390,092	500,000	500,000
<b>317</b> Milpitas Business Pk Impact Fe .....	0	0	0	0
<b>320</b> Park Improvement Fund .....	883,454	1,655,000	280,000	3,300,000

**Expenditures by Fund**

	<b>2022-23 Actual</b>	<b>2023-24 Actual</b>	<b>2024-25 Adopted</b>	<b>2025-26 Adopted</b>
<b>321</b> Park Improvement CIP .....	3,330,967	24,118,441	130,000	100,000
<b>322</b> Midtown Park Fund .....	0	0	0	0
<b>330</b> General Government .....	435,484	4,921,030	4,692,000	2,459,000
<b>331</b> General Government CIP .....	9,402,736	77,619,609	13,318,400	8,608,500
<b>334</b> 2020 Fire Station Bonds .....	0	161,822	0	0
<b>340</b> Storm Drain Development .....	3,844	1,400,000	500,000	0
<b>341</b> Storm Drain CIP .....	1,441,653	8,431,457	950,000	4,600,000
<b>342</b> Storm Drain General Fund .....	0	0	100,000	2,000,000
<b>350</b> Transit Area Impact Fee Fund .....	573,660	441,304	1,031,538	6,874,218
<b>351</b> Transit Area Impact Fee CIP Fund .....	1,036,711	19,147,625	809,000	6,805,000
<b>400</b> Water M & O Fund .....	28,103,451	31,231,911	37,099,676	37,524,235
<b>401</b> Water CIP .....	5,210,314	48,475,607	5,260,000	3,920,000
<b>402</b> Water Line Extension Fund .....	0	505,170	180,000	200,000
<b>403</b> 2019 Water Bonds .....	0	870,996	0	0
<b>405</b> Water Infrastructure Replmnt .....	1,311,850	4,817,450	6,491,450	4,821,450
<b>450</b> Sewer M & O Fund .....	17,354,230	26,290,689	17,608,657	17,263,857
<b>451</b> Sewer CIP .....	6,432,907	88,230,125	6,388,000	4,817,000
<b>452</b> Treatment Plant Construction .....	0	500,000	1,849,000	0
<b>454</b> 2019 Wastewater Bonds .....	0	0	0	0
<b>455</b> Sewer Infrastrture Reprmnt .....	262,000	9,915,692	4,901,000	5,871,000
<b>500</b> Equipment Mgnt Fund .....	2,850,881	4,118,878	3,311,479	5,360,424
<b>505</b> Information Tec Replmt .....	43,216	104,309	2,200,000	940,000
<b>506</b> Permit Automation Fund .....	732,440	145,121	271,111	286,368
<b>TOTAL</b>	<b>\$ 222,434,959</b>	<b>\$ 518,329,507</b>	<b>\$ 268,623,831</b>	<b>\$ 288,534,469</b>
Less Interfund Operating Transfers*			(21,923,000)	(20,001,000)
<b>TOTAL BUDGET SUMMARY EXPENDITURES</b>			<b>\$ 246,700,831</b>	<b>\$ 268,533,468</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 .....	\$397,392	\$241,550	\$0	\$0	\$0	\$0	\$638,942
City Manager .....	1,621,795	1,021,800	0	0	0	0	2,643,595
City Clerk .....	575,249	42,000	0	0	0	0	617,249
Economic Development	966,062	178,014	0	0	0	0	1,144,076
City Attorney .....	841,051	267,928	0	0	0	0	1,108,979
Building Inspection .....	2,203,544	46,503	0	0	0	0	2,250,047
Building Safety Administration .....	361,620	4,500	0	0	0	0	366,120
Housing .....	(226,338)	0	0	0	0	0	(226,338)
Housing and Neighborhood Svcs .....	691,631	0	0	0	0	0	691,631
Permit Center .....	856,853	16,000	0	0	0	0	872,853
Plan Review .....	1,620,528	17,600	0	0	0	0	1,638,128
Design & Construction .....	1,698,215	53,105	0	0	0	0	1,751,320
Engineering Administration .....	334,908	30,680	0	0	0	0	365,588
Land Development .....	1,687,256	136,400	0	0	0	0	1,823,656
Traffic Engineering .....	694,365	122,635	0	0	0	0	817,000
Finance Administration .....	2,510,353	393,350	0	0	0	0	2,903,703
Finance Operations .....	2,103,876	66,336	0	0	0	0	2,170,212
Fiscal Services-Utilities .....	443,549	237,349	0	0	0	0	680,898
Purchasing .....	0	7,095	0	0	0	0	7,095
EMS Transport Services	0	64,800	0	0	0	0	64,800
Fire Administration .....	3,066,384	66,878	0	0	0	0	3,133,262
Fire Prevention .....	2,500,665	31,998	0	0	0	0	2,532,663
Fire Prevention Administration .....	1,139,948	60,391	0	0	0	0	1,200,339
Office of Emergency Management .....	267,099	49,000	0	0	0	0	316,099
Operations Division .....	24,117,900	2,944,364	0	0	0	0	27,062,264
Human Resources .....	1,728,293	774,701	0	0	0	0	2,502,994
Information Technology .....	3,312,417	2,106,242	0	0	0	0	5,418,659
Long Range Planning .....	73,987	0	0	0	0	0	73,987
Planning .....	1,998,173	78,150	0	0	0	0	2,076,323
Communications .....	4,529,962	341,620	0	0	0	0	4,871,582
Community Relations .....	1,213,727	35,400	0	0	0	0	1,249,127
Crossing Guards .....	0	877,246	0	0	0	0	877,246
Investigations .....	5,463,204	469,407	0	0	0	0	5,932,611
Patrol Services .....	26,815,281	1,240,261	0	0	0	0	28,055,542
Personnel & Training .....	927,611	269,158	0	0	0	0	1,196,769
Police Administration .....	2,293,366	16,371	0	0	0	0	2,309,737
Records .....	1,435,501	272,399	0	0	0	0	1,707,900

# Financial Information

FUND/FUNCTION	Personal Services	Supplies Contractual Services	Capital Outlay	Debt Service	Capital Improvements	Operating Transfers Out	Total
Traffic .....	2,356,106	100,743	0	0	0	0	2,456,849
Code Enforcement .....	0	618,570	0	0	0	0	618,570
Compliance .....	117,494	336,175	0	0	0	0	453,669
Facilities Maintenance .....	2,540,438	1,319,039	0	0	0	0	3,859,477
Park Maintenance .....	426,175	1,664,005	0	0	0	0	2,090,180
Public Works Administration .....	816,419	109,796	0	0	0	0	926,215
Solid Waste Services .....	8,000	0	0	0	0	0	8,000
Street Maintenance .....	1,586,868	612,916	0	0	0	0	2,199,784
Trees & Landscape Mnt .....	1,068,665	631,428	0	0	0	0	1,700,093
Utility Maintenance .....	920,384	275,844	0	0	0	0	1,196,228
Aquatics .....	452,670	18,315	0	0	0	0	470,985
General Classes .....	121,921	675,256	0	0	0	0	797,177
Marketing .....	226,417	121,410	0	0	0	0	347,827
Performing Arts .....	123,545	101,930	0	0	0	0	225,475
Recreation Administration .....	2,124,993	179,170	0	0	0	0	2,304,163
Senior Services .....	492,823	317,247	0	0	0	0	810,070
Social Services .....	153,207	32,000	0	0	0	0	185,207
Special Events .....	267,795	356,108	15,000	0	0	0	638,903
Sports & Fitness .....	491,968	57,836	0	0	0	0	549,804
Youth Programs .....	957,988	293,336	0	0	0	0	1,251,324
Equipment to be Depreciated .....	0	0	0	0	0	0	0
Debt Service .....	0	0	0	1,289,400	0	0	1,289,400
Non-Departmental .....	(2,110,849)	7,157,036	0	0	0	0	5,046,187
Transfers Out .....	0	0	0	0	0	844,806	844,806
<b>sub-total (100)</b>	<b>113,408,454</b>	<b>27,559,391</b>	<b>15,000</b>	<b>1,289,400</b>	<b>0</b>	<b>844,806</b>	<b>143,117,051</b>
<b>1452-1474 S. MAIN (103)</b>							
1452 S. Main Street Properties .....	0	12,900	0	0	0	0	12,900
<b>sub-total (103)</b>	<b>0</b>	<b>12,900</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>12,900</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 .....	905	0	0	0	0	0	905
Finance Operations .....	8,445	0	0	0	0	0	8,445

FUND/FUNCTION	Personal Services	Supplies Contractual Services	Capital Outlay	Debt Service	Capital Improvements	Operating Transfers Out	Total
Non-Departmental .....	0	1,000	0	0	0	0	1,000
City Manager .....	0	0	0	0	0	0	0
Fiscal Services-Utilities ..	421	0	0	0	0	0	421
<b>sub-total (150)</b>	<b>9,771</b>	<b>1,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10,771</b>
<b>COMMUNITY INVESTMENT FUND (180)</b>							
Human Resources .....	60,000	0	0	0	0	0	60,000
Economic Development	0	180,000	0	0	0	0	180,000
Housing .....	72,687	0	0	0	0	0	72,687
Youth Program .....	65,652	3,500	0	0	0	0	69,152
Social Services .....	0	16,134	0	0	0	0	16,134
Finance Administration ..	0	34,204	0	0	0	0	34,204
Solid Waste .....	0	9,857	0	0	0	0	9,857
Code Enforcement .....	0	147,448	0	0	0	0	147,448
<b>sub-total (211)</b>	<b>198,339</b>	<b>391,143</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>589,482</b>
<b>HETCH HETCHY GROUND LEASE (211)</b>							
Non-Departmental .....	0	43,100	0	0	0	0	43,100
<b>sub-total (211)</b>	<b>0</b>	<b>43,100</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>43,100</b>
<b>PUBLIC ART FUND-NONRESTRICTED (213)</b>							
Recreation Administration .....	0	0	0	0	0	0	0
Transfers Out .....	0	0	0	0	0	80,712	80,712
<b>sub-total (213)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>80,712</b>	<b>80,712</b>
<b>COMMUNITY PLANNING FEE FUND (214)</b>							
Long Range Planning ....	221,961	0	0	0	0	0	221,961
Planning .....	117,399	0	0	0	0	0	117,399
Non-Departmental .....	0	0	0	0	0	0	0
Transfers Out .....	0	0	0	0	0	88,304	88,304
<b>sub-total (214)</b>	<b>339,360</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>88,304</b>	<b>427,664</b>
<b>AFFORDABLE HOUSING FUND (216)</b>							
City Manager .....	36,309	27,500	0	0	0	0	63,809
Planning .....	95,651	0	0	0	0	0	95,651
Housing .....	253,573	20,799	0	0	0	0	274,372
City Attorney .....	0	22,279	0	0	0	0	22,279
Economic Development	0	0	0	0	0	0	0
Finance Operations .....	112,803	0	0	0	0	0	112,803
Transfers Out .....	0	0	0	0	0	183,156	183,156
<b>sub-total (216)</b>	<b>498,336</b>	<b>70,578</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>183,156</b>	<b>752,070</b>

# Financial Information

FUND/FUNCTION	Personal Services	Supplies Contractual Services	Capital Outlay	Debt Service	Capital Improvements	Operating Transfers Out	Total
<b>AFFORDABLE HOUSING UNRESTRICTED FUND (217)</b>							
Housing .....	177,255	0	0	0	0	0	177,255
<b>sub-total (217)</b>	<b>177,255</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>177,255</b>
<b>AFFORDABLE HOUSING GRANT FUND (218)</b>							
Housing .....	0	50,000	0	0	0	0	50,000
<b>sub-total (218)</b>	<b>0</b>	<b>50,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>50,000</b>
<b>GAS TAX FUND (221)</b>							
Transfers Out .....	0	0	0	0	0	2,360,000	2,360,000
<b>sub-total (221)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,360,000</b>	<b>2,360,000</b>
<b>MEASURE B FUND (222)</b>							
Transfers Out .....	0	0	0	0	0	2,646,235	2,646,235
<b>sub-total (222)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,646,235</b>	<b>2,646,235</b>
<b>SB1 ROAD MAINT &amp; REHAB (225)</b>							
Transfers Out .....	0	0	0	0	0	2,000,000	2,000,000
<b>sub-total (225)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,000,000</b>	<b>2,000,000</b>
<b>95-1 LIGHTING/LSCAPE DIST (235)</b>							
Land Development .....	400	101,000	0	0	0	0	101,400
Public Works Administration .....	6,424	0	0	0	0	0	6,424
Street Maintenance .....	40,134	0	0	0	0	0	40,134
Trees & Landscape Mnt .....	150,544	106,353	0	0	0	0	256,897
Transfers Out .....	0	0	0	0	0	133,893	133,893
<b>sub-total (235)</b>	<b>197,502</b>	<b>207,353</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>133,893</b>	<b>538,748</b>
<b>98-1 LIGHTING/LSCAPE DIST (236)</b>							
Land Development .....	400	5,500	0	0	0	0	5,900
Street Maintenance .....	500	0	0	0	0	0	500
Trees & Landscape Mnt .....	29,493	28,496	0	0	0	0	57,989
Transfers Out .....	0	0	0	0	0	23,293	23,293
<b>sub-total (236)</b>	<b>30,393</b>	<b>33,996</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>23,293</b>	<b>87,682</b>
<b>05 COMMUNITY FCLTY DIST (237)</b>							
Park Maintenance .....	321,520	106,799	0	0	0	0	428,319
Public Works Administration .....	160,061	0	0	0	0	0	160,061
Street Maintenance .....	446,455	0	0	0	0	0	446,455
Trees & Landscape Mnt .....	847,122	183,941	0	0	0	0	1,031,063
Non-Departmental .....	0	7,500	0	0	0	0	7,500
<b>sub-total (237)</b>	<b>1,775,158</b>	<b>298,240</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>388,606</b>	<b>2,462,004</b>

FUND/FUNCTION	Personal Services	Supplies Contractual Services	Capital Outlay	Debt Service	Capital Improvements	Operating Transfers Out	Total
<b>08 COMMUNITY FCLTY DIST (238)</b>							
Park Maintenance .....	0	72,799	0	0	0	0	72,799
Non-Departmental .....	0	5,400	0	0	0	0	5,400
Transfers Out .....	0	0	0	0	0	3,675,000	3,675,000
<b>sub-total (238)</b>	<b>0</b>	<b>78,199</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,675,000</b>	<b>3,753,199</b>
<b>HCD FUND (250)</b>							
Housing .....	0	643,000	0	0	0	0	643,000
Non-Departmental .....	0	7,000	0	0	0	0	7,000
<b>sub-total (250)</b>	<b>0</b>	<b>650,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>650,000</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 .....	670,598	249,745	0	0	0	0	920,343
City Manager .....	0	9,166	0	0	0	0	9,166
Transfers Out .....	0	0	0	0	0	182,066	182,066
<b>sub-total (280)</b>	<b>670,598</b>	<b>258,911</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>182,066</b>	<b>1,111,575</b>
<b>HOUSING AUTHORITY (295)</b>							
Housing .....	0	383,100	0	0	0	0	383,100
1432 S. Main Street Properties .....	0	34,300	0	0	0	0	34,300
City Attorney .....	0	8,487	0	0	0	0	8,487
Non-Departmental .....	0	49,147	0	0	0	0	49,147
<b>sub-total (295)</b>	<b>0</b>	<b>475,034</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>475,034</b>
<b>STREET IMPROVEMENT (310)</b>							
Transfers Out .....	0	0	0	0	0	700,000	700,000
<b>sub-total (310)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>700,000</b>	<b>700,000</b>
<b>STREET CIP (311)</b>							
Capital Improvement Projects .....	0	0	0	0	9,911,235	0	9,911,235
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>9,911,235</b>	<b>0</b>	<b>9,911,235</b>

# Financial Information

FUND/FUNCTION	Personal Services	Supplies Contractual Services	Capital Outlay	Debt Service	Capital Improvements	Operating Transfers Out	Total
<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	3,300,000	3,300,000
<b>sub-total (320)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,300,000</b>	<b>3,300,000</b>
<b>PARK IMPROVEMENT CIP (321)</b>							
Capital Improvement Projects .....	0	0	0	0	100,000	0	100,000
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>100,000</b>	<b>0</b>	<b>100,000</b>
<b>MIDTOWN PARK FUND (322)</b>							
Transfers Out .....	0	0	0	0	0	0	0
<b>sub-total (322)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>GENERAL GOVERNMENT (330)</b>							
Transfers Out .....	0	0	0	0	0	2,459,000	2,459,000
<b>sub-total (330)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,459,000</b>	<b>2,459,000</b>
<b>GENERAL GOVERNMENT CIP (331)</b>							
Capital Improvement Projects .....	0	0	0	0	8,608,500	0	8,608,500
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>8,608,500</b>	<b>0</b>	<b>8,608,500</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	4,600,000	0	4,600,000
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>4,600,000</b>	<b>0</b>	<b>4,600,000</b>
<b>STORM DRAIN GENERAL FUND (342)</b>							
Transfers Out .....	0	0	0	0	0	2,000,000	2,000,000
<b>sub-total (342)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,000,000</b>	<b>2,000,000</b>

FUND/FUNCTION	Personal Services	Supplies Contractual Services	Capital Outlay	Debt Service	Capital Improvements	Operating Transfers Out	Total
<b>TRANSIT AREA IMPACT FEE FUND (350)</b>							
Debt Service .....	0	0	0	0	0	0	0
Engineering Administration .....	0	0	0	0	0	0	0
Finance Administration ..	0	0	0	0	0	0	0
City Attorney .....	0	21,218	0	0	0	0	21,218
City Manager .....	0	0	0	0	0	0	0
Transfers Out .....	0	0	0	0	0	6,853,000	6,853,000
<b>sub-total (350)</b>	<b>0</b>	<b>21,218</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,853,000</b>	<b>6,874,218</b>
<b>TRANSIT AREA IMPACT FEE CIP FUND (351)</b>							
Capital Improvement Projects .....	0	0	0	0	6,805,000	0	6,805,000
<b>sub-total (351)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,805,000</b>	<b>0</b>	<b>6,805,000</b>
<b>WATER M &amp; O FUND (400)</b>							
Facilities Maintenance ...	0	10,000	0	0	0	0	10,000
Finance Administration ..	0	0	0	0	0	0	0
Finance Operations .....	0	0	0	0	0	0	0
Fiscal Services-Utilities ..	878,359	383,818	0	0	0	0	1,262,177
Compliance .....	274,685	92,543	0	0	0	0	367,228
City Attorney .....	0	9,548	0	0	0	0	9,548
Public Works Administration .....	778,783	292,886	0	0	0	0	1,071,669
Street Maintenance .....	86,849	0	0	0	0	0	86,849
Utility Engineering .....	775,834	196,107	0	0	0	0	971,941
Utility Maintenance .....	2,706,197	917,227	41,000	0	0	0	3,664,424
Non-Departmental .....	75,216	26,823,692	0	0	0	0	26,898,908
Transfers Out .....	0	0	133,816	0	0	3,038,508	3,172,324
<b>sub-total (400)</b>	<b>5,575,923</b>	<b>28,734,988</b>	<b>174,816</b>	<b>0</b>	<b>0</b>	<b>3,038,508</b>	<b>37,524,235</b>
<b>WATER CIP (401)</b>							
Capital Improvement Projects .....	0	0	0	0	3,920,000	0	3,920,000
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>3,920,000</b>	<b>0</b>	<b>3,920,000</b>
<b>WATER LINE EXTENSION FUND (402)</b>							
Transfers Out .....	0	0	0	0	0	200,000	200,000
<b>sub-total (402)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>200,000</b>	<b>200,000</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>

# Financial Information

FUND/FUNCTION	Personal Services	Supplies Contractual Services	Capital Outlay	Debt Service	Capital Improvements	Operating Transfers Out	Total
<b>WATER INFRASTRUCTURE REPLACEMENT (405)</b>							
Debt Service .....	0	0	0	1,044,450	0	0	1,044,450
Non-Departmental .....	0	3,000	0	0	0	0	3,000
Transfers Out .....	0	0	0	0	0	3,774,000	3,774,000
<b>sub-total (405)</b>	<b>0</b>	<b>3,000</b>	<b>0</b>	<b>1,044,450</b>	<b>0</b>	<b>3,774,000</b>	<b>4,821,450</b>
<b>SEWER M &amp; O FUND (450)</b>							
Fiscal Services-Utilities ..	464,365	325,955	0	0	0	0	790,320
Finance Administration ..	0	0	0	0	0	0	0
Compliance .....	182,765	37,939	0	0	0	0	220,704
Public Works Administration .....	669,908	60,615	0	0	0	0	730,523
Street Maintenance .....	74,443	0	0	0	0	0	74,443
Utility Engineering .....	583,621	90,738	0	0	0	0	674,359
Utility Maintenance .....	1,233,683	588,876	0	0	0	0	1,822,559
Debt Service .....	0	0	0	2,424,825	0	0	2,424,825
Non-Departmental .....	75,216	8,803,484	45,109	0	0	0	8,923,809
Transfers Out .....	0	0	0	0	0	1,583,148	1,583,148
<b>sub-total (450)</b>	<b>3,284,001</b>	<b>9,926,774</b>	<b>45,109</b>	<b>2,424,825</b>	<b>0</b>	<b>1,583,148</b>	<b>17,263,857</b>
<b>SEWER CIP (451)</b>							
Capital Improvement Projects .....	0	0	0	0	4,817,000	0	4,817,000
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>4,817,000</b>	<b>0</b>	<b>4,817,000</b>
<b>TREATMENT PLANT CONSTRUCTION (452)</b>							
Transfers Out .....	0	0	0	0	0	0	0
<b>sub-total (452)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</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	5,871,000	5,871,000
<b>sub-total (455)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,871,000</b>	<b>5,871,000</b>
<b>EQUIPMENT MGNT FUND (500)</b>							
Compliance .....	0	10,000	0	0	0	0	10,000
Finance Administration ..	0	0	0	0	0	0	0
Operations .....	0	0	24,408	0	0	0	24,408
Investigations .....	0	0	0	0	0	0	0
Patrol Services .....	0	0	0	0	0	0	0
Building Inspection .....	0	0	0	0	0	0	0

FUND/FUNCTION	Personal Services	Supplies Contractual Services	Capital Outlay	Debt Service	Capital Improvements	Operating Transfers Out	Total
Trees & Landscape Maintenance .....	0	0	0	0	0	0	0
Design & Construction ...	0	0	0	0	0	0	0
Street Maintenance .....	0	0	0	0	0	0	0
Utility Maintenance .....	0	0	0	0	0	0	0
Fleet Maintenance .....	1,053,637	1,199,162	98,000	0	0	0	2,350,799
Public Works Administration .....	232,733	0	0	0	0	0	232,733
Equipment to be Depreciated .....	0	0	270,802	0	0	0	270,802
Non-Departmental .....	0	306,730	0	0	0	0	306,730
<b>sub-total (500)</b>	<b>1,286,370</b>	<b>1,515,892</b>	<b>393,210</b>	<b>0</b>	<b>0</b>	<b>2,164,952</b>	<b>5,360,424</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>690,000</b>	<b>940,000</b>
<b>PERMIT AUTOMATION FUND (506)</b>							
Permit Center .....	0	40,000	0	0	0	0	40,000
Plan Review .....	43,707	0	0	0	0	0	43,707
Fire Prevention Administration .....	0	16,000	0	0	0	0	16,000
Information Technology .....	18,105	155,650	0	0	0	0	173,755
Transfers Out .....	0	0	0	0	0	12,905	12,905
<b>sub-total (506)</b>	<b>61,812</b>	<b>211,650</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>12,905</b>	<b>286,367</b>
<b>TOTAL EXPENDITURES</b>	<b>127,147,678</b>	<b>70,358,924</b>	<b>938,135</b>	<b>4,758,675</b>	<b>38,761,735</b>	<b>45,752,584</b>	<b>288,534,468</b>
Less Interfund Operating Transfers*	0	0	0	0	0	(20,001,000)	(20,001,000)
<b>TOTAL BUDGET SUMMARY EXPENDITURES</b>	<b>\$127,147,678</b>	<b>\$70,358,924</b>	<b>\$938,135</b>	<b>\$4,758,675</b>	<b>\$38,761,735</b>	<b>\$25,751,584</b>	<b>\$268,533,468</b>



## 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 .....	\$638,942	\$0	\$0	\$0	\$0	\$638,942
City Manager .....	2,643,595	0	9,167	9,167	72,975	2,734,904
City Clerk .....	617,249	0	0	0	0	617,249
Economic Development .....	1,324,076	0	0	0	0	1,324,076
City Attorney .....	1,108,979	8,487	9,548	0	43,497	1,170,511
Building Inspection .....	2,250,047	0	0	0	0	2,250,047
Building Safety Administration .....	366,120	0	0	0	0	366,120
Housing .....	(153,651)	383,100	0	0	1,144,627	1,374,076
Housing and Neighborhood Services .....	691,631	0	0	0	0	691,631
Permit Center .....	872,853	0	0	0	40,000	912,853
Plan Review .....	1,638,128	0	0	0	43,707	1,681,835
Design & Construction .....	1,751,320	0	0	0	0	1,751,320
Engineering Administration .....	365,588	0	0	0	0	365,588
Land Development .....	1,823,656	0	0	0	107,300	1,930,956
Traffic Engineering .....	817,000	0	0	0	0	817,000
Finance Administration .....	2,939,717	0	0	0	(905)	2,938,812
Finance Operations .....	2,178,657	0	0	0	112,803	2,291,460
Fiscal Services-Utilities .....	681,319	0	1,262,177	790,320	0	2,733,816
EMS Transport Services .....	64,800	0	0	0	0	64,800
Fire Administration .....	3,133,262	0	0	0	0	3,133,262
Fire Prevention .....	2,532,663	0	0	0	0	2,532,663
Purchasing .....	7,095	0	0	0	0	7,095
Fire Prevention Administration .....	1,200,339	0	0	0	16,000	1,216,339
Office of Emergency Management .....	316,099	0	0	0	0	316,099
Operations Division .....	27,062,264	0	0	0	24,408	27,086,672
Human Resources .....	2,562,994	0	0	0	0	2,562,994
Information Technology .....	5,418,659	0	0	0	423,755	5,842,414
Long Range Planning .....	73,987	0	0	0	221,961	295,948
Planning .....	2,076,323	0	0	0	213,050	2,289,373
Communications .....	4,871,582	0	0	0	0	4,871,582
Community Relations .....	1,249,127	0	0	0	0	1,249,127
Crossing Guards .....	877,246	0	0	0	0	877,246
Investigations .....	5,932,611	0	0	0	60,000	5,992,611
Patrol Services .....	28,055,542	0	0	0	0	28,055,542
Personnel & Training .....	1,196,769	0	0	0	0	1,196,769
Police Administration .....	2,309,737	0	0	0	0	2,309,737
Records .....	1,707,900	0	0	0	0	1,707,900

## Financial Information

Function	General Fund <sup>(1)</sup>	Housing Authority	Water Fund <sup>(2)</sup>	Sewer Fund <sup>(3)</sup>	Other Funds <sup>(4)</sup>	Total
Traffic.....	2,466,849	0	0	0	0	2,466,849
Code Enforcement.....	766,018	0	0	0	0	766,018
Compliance.....	453,669	0	367,228	220,704	10,000	1,051,601
Facilities Maintenance.....	3,859,477	0	10,000	10,000	0	3,879,477
Fleet Maintenance.....	0	0	0	0	2,350,799	2,350,799
Park Maintenance.....	2,090,180	0	0	0	501,118	2,591,298
Public Works Administration.....	926,215	0	1,071,669	730,523	399,218	3,127,625
Solid Waste Services.....	17,857	0	0	0	920,343	938,200
Street Maintenance.....	2,199,784	0	86,849	74,443	487,089	2,848,165
Trees & Landscape Mnt....	1,700,093	0	0	0	1,345,949	3,046,042
Utility Engineering.....	0	0	971,941	674,359	0	1,646,300
Utility Maintenance.....	1,196,228	0	3,664,424	1,822,559	0	6,683,211
Aquatics.....	470,985	0	0	0	0	470,985
General Classes.....	797,177	0	0	0	0	797,177
Marketing.....	347,827	0	0	0	0	347,827
Performing Arts.....	225,475	0	0	0	0	225,475
Recreation Administration..	2,304,163	0	0	0	0	2,304,163
Senior Services.....	810,070	0	0	0	0	810,070
Social Services.....	201,341	0	0	0	0	201,341
Special Events.....	638,903	0	0	0	0	638,903
Sports & Fitness.....	549,804	0	0	0	0	549,804
Youth Programs.....	1,320,476	0	0	0	0	1,320,476
1432 S. Main Street Properties.....	0	34,300	0	0	0	34,300
1452 S. Main Street Properties.....	12,900	0	0	0	0	12,900
Debt Service.....	1,289,400	0	1,044,450	2,424,825	0	4,758,675
Equipment to be Depreciated.....	0	0	133,816	45,109	270,802	449,727
Non-Departmental.....	5,303,887	49,147	26,901,908	8,878,700	369,730	41,503,372
Capital Improvement Projects.....	0	0	3,920,000	4,817,000	30,024,735	38,761,735
Transfers Out*.....	844,806	0	3,092,508	2,637,148	19,177,122	25,751,584
<b>TOTAL</b>	<b>\$143,997,809</b>	<b>\$475,034</b>	<b>\$42,545,685</b>	<b>\$23,134,857</b>	<b>\$58,380,083</b>	<b>\$268,533,468</b>

\* Interfund Transfers Out are excluded from this schedule

- (1) General 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.

## Operating Transfers Statement

Origin and Purpose of Transfer		Transfer Distribution
From the General Fund	To the LLMD 95-1 Fund for:	
	General Benefit Contribution	24,041
	<b>sub-total</b>	<b>24,041</b>
From the General Fund	To the LLMD 98-1 Fund for:	
	General Benefit Contribution	20,765
	<b>sub-total</b>	<b>20,765</b>
From the General Fund	To the Information Technology Fund for:	
	IT Equipment Replacement	300,000
	<b>sub-total</b>	<b>300,000</b>
From the General Fund	To the Storm General Fund for:	
	Contribution to Storm Drain	500,000
	<b>sub-total</b>	<b>500,000</b>
From the Public Art Fund	To the General Government CIP for:	
	Public Art Project (3489)	75,000
	<b>sub-total</b>	<b>75,000</b>
From the Gas Tax Fund	To the General Government CIP for:	
	Annual Sidewalk, Curb & Gutter Repair (3426)	765,000
	Annual Street Light, Signal, and Signage (3440)	600,000
	<b>sub-total</b>	<b>1,365,000</b>
From the Gas Tax Fund	To the Street CIP for:	
	ADA Curb Ramp Transition Program (4283)	220,000
	Street Pavement Restriping (4295)	150,000
	SS4A Safe Route to School Program (4312)	125,000
	<b>sub-total</b>	<b>495,000</b>
From the Gas Tax Fund	To the Storm Drain CIP for:	
	Technology Drive Utilities and Road Improvement (3725)	500,000
	<b>sub-total</b>	<b>500,000</b>

Origin and Purpose of Transfer		Transfer Distribution
From the Measure B Fund	To the Street CIP for:	
	Bike and Pedestrian Outreach (4306)	190,000
	Street Resurfacing Project 2025-26 (4307)	2,456,235
	<b>sub-total</b>	<b>2,646,235</b>
From the SB1 RMRA	To the Street CIP for:	
	Street Resurfacing Project 2025-26 (4307)	2,000,000
	<b>sub-total</b>	<b>2,000,000</b>
From the 95-1 Light & Landscape Maint D	To the General Government CIP for:	
	McCarthy Blvd. LLMD Improvement 95-1 (3402)	83,500
	<b>sub-total</b>	<b>83,500</b>
From the 98-1 Light & Landscape Maint D	To the General Government CIP for:	
	Sinclair LLMD Improvements 98-1 (3411)	20,000
	<b>sub-total</b>	<b>20,000</b>
From the 2008 Community Facility Dist	To the General Fund for:	
	Operating Cost Reimbursement	3,675,000
	<b>sub-total</b>	<b>3,675,000</b>
From the Solid Waste Services Fund	To the General Fund for:	
	Operating Cost Reimbursement	182,056
	<b>sub-total</b>	<b>182,056</b>
From Street Improvement Fund	To the Storm Drain CIP for:	
	Technology Drive Utilities and Road Improvement (3725)	700,000
	<b>sub-total</b>	<b>700,000</b>
From the Vehicle Registration Fee Fund*	To the Street CIP Fund for:	
	Street Resurfacing Project 2025-26 (4307)	500,000
	<b>sub-total</b>	<b>500,000</b>
From the Park Improvement Fund	To the General Government CIP for:	
	Sinnott Park Renovation (3471)	1,700,000
	Sports Center Field Visitor Bleacher - CIP 3505 (3505)	1,500,000
	<b>sub-total</b>	<b>3,200,000</b>

Origin and Purpose of Transfer

Transfer Distribution

From the Park Improvement Fund*	To the Subsidiary CIP Fund for:	
	Pickleball Project (5116)	100,000
	<b>sub-total</b>	<b>100,000</b>
From the General Government Fund*	To the General Government CIP for:	
	On-Call Facilities Maintenance & Repairs (3462)	400,000
	Fire Station Improvements (3403)	100,000
	City Building Improvements (3406)	1,075,000
	City Building Roofing Repair (3422)	200,000
	Capital Improvement Program Administration (3490)	84,000
	<b>sub-total</b>	<b>1,859,000</b>
From the General Government Fund	To the Street CIP for:	
	SS4A Safe Route to School Program (4312)	600,000
	<b>sub-total</b>	<b>600,000</b>
From the Storm Drain General Fund*	To the Storm Drain CIP for:	
	Technology Drive Utilities and Road Improvement (3725)	2,000,000
	<b>sub-total</b>	<b>2,000,000</b>
From the Transit Area Impact Fee Fund*	To the Subsidiary CIP Fund for:	
	Land/Right-of-Way Value Determination (2010)	5,000
	S Milpitas Blvd Veh. Bridge (2016)	6,300,000
	Trade Zone/Montague Park - Central (2023)	500,000
	<b>sub-total</b>	<b>6,805,000</b>
From the Transit Area Impact Fee Fund	To the General Government CIP for:	
	Capital Improvement Program Administration (3490)	48,000
	<b>sub-total</b>	<b>48,000</b>
From the Water M&O Fund	To the General Fund for:	
	Operating Cost Reimbursement	3,038,508
	<b>sub-total</b>	<b>3,038,508</b>
From the Water Line Extension Fund*	To the Subsidiary CIP Fund for:	
	Hydrant Replacement Program (7110)	200,000
	<b>sub-total</b>	<b>200,000</b>

Origin and Purpose of Transfer		Transfer Distribution
From the Water Infrastructure Replacement	To the General Government CIP for:	
	Capital Improvement Program Administration (3490)	54,000
	<b>sub-total</b>	<b>54,000</b>
From the Water Infrastructure Replacement	To the Storm Drain CIP for:	
	Technology Drive Utilities and Road Improvement (3725)	400,000
	<b>sub-total</b>	<b>400,000</b>
From the Water Infrastructure Replacement*	To the Subsidiary CIP Fund for:	
	Water Conservation Prgrm (7126)	200,000
	Supervisory Control & Data (7127)	200,000
	Minor Water Projects (7133)	500,000
	On-Call Water Maintenance & Repair Services (7137)	350,000
	Cross Connection Control Program (7140)	400,000
	Asset Renewal and Replacement Program (7141)	1,185,000
	Risk and Resiliency Improvements (7143)	135,000
	Fire Flow Pipeline Improvements - Phase 1 (7150)	750,000
	<b>sub-total</b>	<b>3,720,000</b>
From the Sewer M & O Fund	To the General Fund for:	
	Operating Cost Reimbursement	1,583,148
	<b>sub-total</b>	<b>1,583,148</b>
From the Sewer Infrastructure Replacement	To the General Government CIP for:	
	Capital Improvement Program Administration (3490)	54,000
	<b>sub-total</b>	<b>54,000</b>
From the Sewer Infrastructure Replacement	To the Storm Drain CIP for:	
	Technology Drive Utilities and Road Improvement (3725)	1,000,000
	<b>sub-total</b>	<b>1,000,000</b>

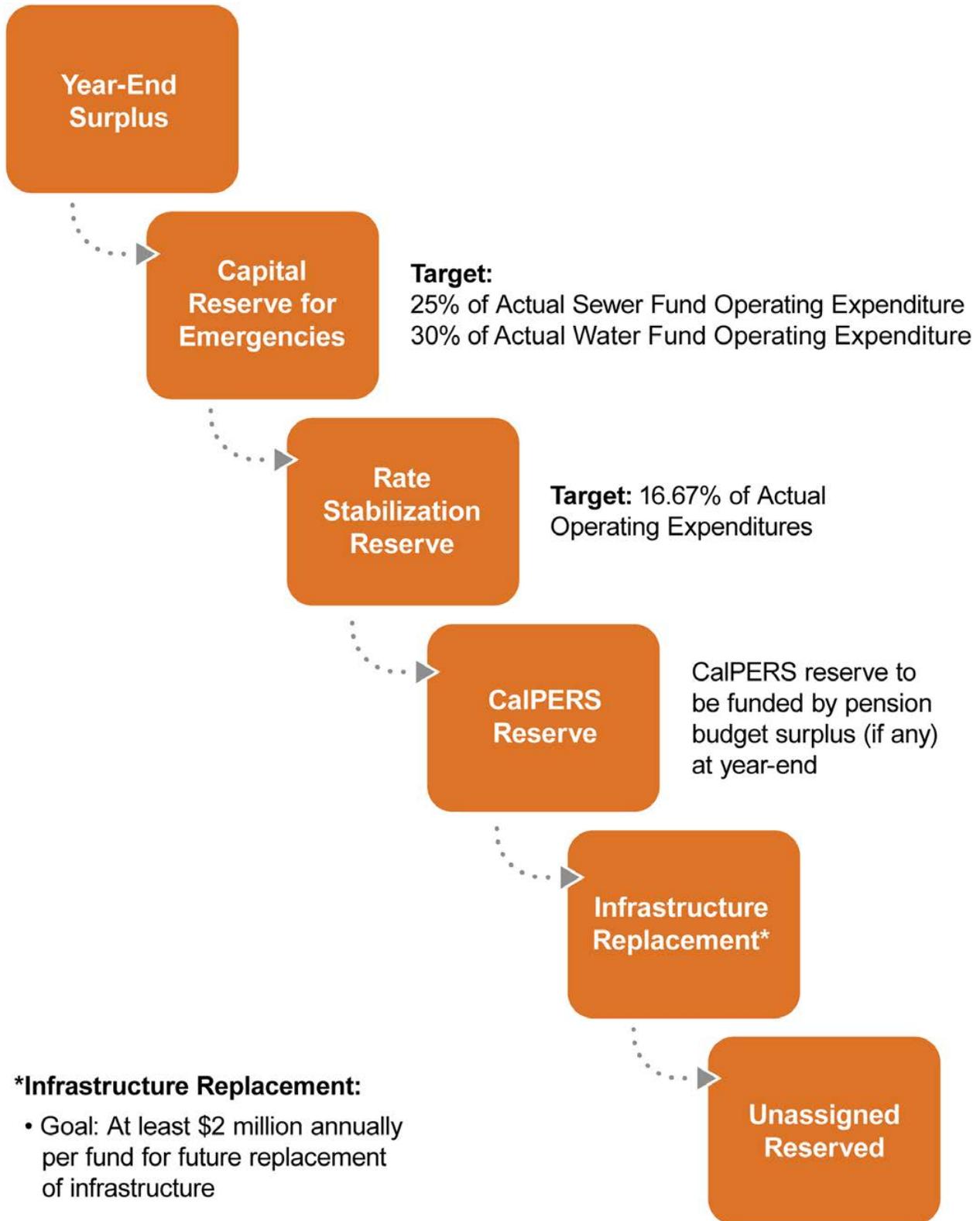
Origin and Purpose of Transfer

Transfer Distribution

From the Sewer Infrastructure Replacement*	To the Subsidiary CIP Fund for:	
	On-Call Sewer Maintenance & Repair Services (6134)	100,000
	Sewer Pump Station Rehab. Program (6124)	800,000
	SJ Water Pollution Control (6118)	3,551,000
	Sanitary Sewer CCTV Inspections & Improvements (6135)	100,000
	Sanitary Sewer Pipeline Improvement-Phase 1 (6138)	266,000
	<b>sub-total</b>	<b>4,817,000</b>
<hr/>		
From the Equipment Replacement Fund	To the General Government CIP for:	
	Higuera Adobe Caretaker Cottage Renovation (3475)	1,850,000
	<b>sub-total</b>	<b>1,850,000</b>
<hr/>		
From Technology Replacement Fund	To the Street CIP for:	
	Fire Station No. 3 Replacement (3474)	400,000
	End User Computer Replacement (3473)	290,000
	<b>sub-total</b>	<b>690,000</b>
<hr/>		
<b>TOTAL TRANSFERS</b>		<b>\$45,105,253</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  
Fiscal Year 2019-20 to 2023-24

(\$ in Million)	FY2020	FY2021	FY2022	FY2023	FY2024
<b>Nonspendable:</b>					
Loan receivable	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Prepays, materials, supplies and deposits	\$0.6	\$0.6	\$0.7	\$0.7	\$0.8
Property held for resale	\$4.2	\$4.2	\$4.2	\$4.2	\$4.2
Advance to Other Funds	\$5.4	\$0.0	\$0.0	\$0.0	\$0.0
<b>Subtotal Nonspendable</b>	<b>\$10.2</b>	<b>\$4.8</b>	<b>\$4.9</b>	<b>\$4.9</b>	<b>\$5.0</b>
<b>Committed to:</b>					
PERS stabilization*	\$33.9	\$2.8*	\$5.1*	\$6.1*	\$8.0
Artificial turf replacement	\$1.2	\$1.4	\$1.7	\$1.9	\$1.9
Technology replacement	\$2.0	\$2.0	\$2.0	\$2.0	\$0.4
Facilities replacement	\$7.0	\$7.0	\$7.0	\$7.0	\$6.2
Community Investment Program	\$0.0	\$0.0	\$0.0	\$0.0	\$7.2
<b>Subtotal Committed</b>	<b>\$44.1</b>	<b>\$10.4</b>	<b>\$10.7</b>	<b>\$10.9</b>	<b>\$23.7</b>
<b>Assigned to:</b>					
Change in investment market values	\$1.1	\$0.0	\$0.0	\$0.0	\$0.0
Uninsured claims payable	\$2.0	\$2.3	\$2.3	\$2.8	\$2.9
Contracts	\$3.0	\$2.4	\$2.5	\$3.6	\$2.3
Other assigned	\$0.0	\$1.8	\$1.2	\$0.5	\$2.2
General government capital projects	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>Subtotal Assigned</b>	<b>\$6.1</b>	<b>\$6.5</b>	<b>\$6.0</b>	<b>\$6.9</b>	<b>\$7.4</b>
<b>Unassigned:</b>					
General Fund Contingency Reserve	\$17.3	\$18.3	\$18.5	\$19.8	\$20.8
Budget stabilization	\$17.1	\$18.3	\$18.5	\$19.8	\$20.8
Future deficit	\$0.0	\$1.5	\$1.5	\$1.5	\$1.5
ERAF Reserve	\$0.0	\$0.0	\$1.2	\$2.3	\$3.6
†SPAR (Strategic Property Acquisition Revenue)	\$0.0	\$0.0	\$0.0	\$0.7	\$0.7
Unassigned	\$0.0	\$0.2	\$0.3	\$0.7	\$1.8
<b>Subtotal Unassigned</b>	<b>\$34.4</b>	<b>\$38.3</b>	<b>\$40.0</b>	<b>\$44.8</b>	<b>\$49.2</b>
<b>Total fund balances</b>	<b>\$94.8</b>	<b>\$60.0</b>	<b>\$61.6</b>	<b>\$67.5</b>	<b>\$85.3</b>

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

†SPAR (Strategic Property Acquisition Revenue) was established in FY23-24 budget to support long-term revenue opportunities for strategic property acquisition and development. See Reserve Policies statement no. 57.

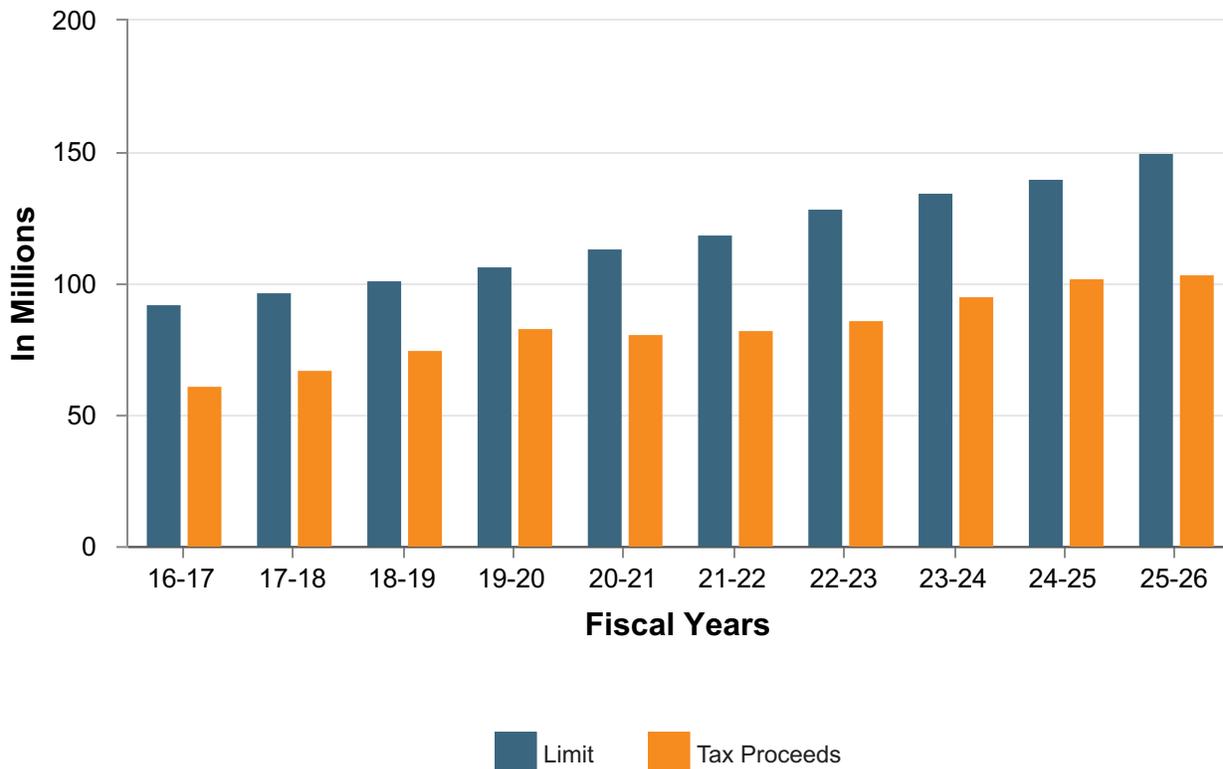
## Gann Appropriations Limit Analysis

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 (FY) 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 FY 2025-26 has been computed to be \$149,704,437. Appropriations subject to the limitation in FY 2025-26 budget total \$104,149,141 that is \$45,555,296 less than the computed limit.

The following chart shows the annual Appropriations Limit and the tax proceeds received since FY 2016-17. 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.

**City of Milpitas Annual 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.

## FISCAL YEAR 2025-26

### Calculation of Appropriations Limit

On June 5, 1990, the California electorate passed Proposition 111, which modified the method of adjusting the annual appropriations limit. Beginning with FY 1990-91 appropriations limit, the City may choose from the following indices when determining the adjustment factor:

The annual growth in the City's population OR the annual growth in the County's population as provided by the State Department of Finance.

AND

The annual growth in the California Per Capita Personal Income OR the growth in the non-residential assessed valuation due to new construction within the City.

In computing the FY 2025-26 appropriations limit, the population growth of the City and the California Per Capita Personal Income change were used.

<b>Fiscal Year 2024-25 Limit</b>	<b>\$ 140,254,073</b>
Per Capita Change	1.0644
Population Change	1.0028
Calculation Factor FY 25-26	1.0674
FY 25-26 Limit	\$ 149,704,437
Appropriations Subject to Limit	<u>\$ 104,149,141</u>
Appropriations under Limit	<u>\$ 45,555,296</u>

## Legal Bonded Debt Margin

### City of Milpitas (as of June 30, 2025)

ASSESSED VALUATION		
Total property assessed value, net of exempt real property		\$26,227,211,781
BONDED DEBT LIMIT (3.75% OF ASSESSED VALUE) (a)		\$983,520,442
AMOUNT OF DEBT SUBJECT TO LIMIT:		
Total Bonded Debt		\$60,610,000
Less Bonds not subject to debt limit:		
2017 Wastewater Revenue Refunding Bonds		(\$1,205,000)
2019 Wastewater Revenue Bonds		(\$27,310,000)
2019 Water Revenue Bonds		(\$15,485,000)
2020 Lease Revenue Bonds		(\$16,610,000)
Total Bonds not subject to debt limit		(\$60,610,000)
Amount of debt subject to limit		\$0
LEGAL BONDED DEBT MARGIN		\$983,520,442

(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.

### Debt Summary (as of June 30, 2025)

Fiscal Year	Principal Payment				Interest Payment			
	2017 Wastewater Revenue Refunding Bonds	2019 Wastewater Revenue Bonds	2019 Water Revenue Bonds	2020 Lease Revenue Bonds	2017 Wastewater Revenue Refunding Bonds	2019 Wastewater Revenue Bonds	2019 Water Revenue Bonds	2020 Lease Revenue Bonds
2026	590,000	585,000	355,000	625,000	45,500	1,204,325	689,450	664,400
2027	615,000	615,000	375,000	735,000	15,375	1,174,325	671,700	639,400
2028		645,000	395,000	830,000		1,142,825	652,950	610,000
2029		680,000	415,000	870,000		1,109,700	633,200	576,800
2030-2034		3,940,000	2,405,000	4,880,000		4,989,750	2,833,750	2,334,800
2035-2039		5,030,000	3,060,000	5,950,000		3,874,250	2,170,000	1,276,800
2040-2044		6,345,000	3,825,000	2,720,000		2,555,500	1,402,000	164,200
2045-2049		7,735,000	4,655,000			1,144,500	573,000	
2050-2051		1,735,000				34,700		
<b>Total</b>	<b>\$1,205,000</b>	<b>\$27,310,000</b>	<b>\$15,485,000</b>	<b>\$16,610,000</b>	<b>\$60,875</b>	<b>\$17,229,875</b>	<b>\$9,626,050</b>	<b>\$6,266,400</b>
Unamortized bond premium	141,712	4,579,552	2,449,706	2,778,813				

**Credit/Bond Ratings by S&P** – City AAA; Water Utility AA+; Wastewater Utility AA+

**2017 Wastewater Revenue Refunding Bonds** – \$4,725,000 issued for prefund Installment Sales Agreement between the City and Milpitas Public Financing Authority.

**2019 Wastewater Revenue Bonds** – \$29,840,000 issued for certain improvements to City’s wastewater system.

**2019 Water Revenue Bonds** – \$17,210,000 issued for certain improvements to the City’s water system.

**2020 General Fund Lease Revenue Bonds** – \$18,445,000 issued for Fire Station No. 2 and energy improvement projects.

# City Council

**Mayor:** Carmen Montano

### 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**

## Accomplishments

	Community Wellness and Open Space	Economic Development and Job Growth	Environment	Governance & Administration	Neighborhoods and Housing	Public Safety	Transportation and Transit
							
1. Successful Appointment of Interim City Manager				✓			
2. Approved priority setting policy for key new initiatives	✓	✓	✓	✓	✓	✓	✓
3. Successful closeout of the 15-year KLA-Tencor Tax Sharing Agreement	✓	✓		✓	✓	✓	
4. FY2024-25 Budget Adoption	✓	✓	✓	✓	✓	✓	✓
5. FY2025-29 CIP Budget Adoption	✓		✓	✓	✓	✓	✓

## Initiatives

	Community Wellness and Open Space	Economic Development and Job Growth	Environment	Governance & Administration	Neighborhoods and Housing	Public Safety	Transportation and Transit
							
1. Assist Small Business	✓	✓		✓			
2. Advocate for Federal and State legislation and funding to benefit the residents of Milpitas	✓	✓	✓		✓	✓	✓
3. Continue to support policies and programs that promote equity, inclusion and diversity	✓	✓	✓	✓	✓	✓	✓
4. Spur economic development and job growth through City policies and programs	✓	✓	✓	✓	✓	✓	✓

## Budget Summary

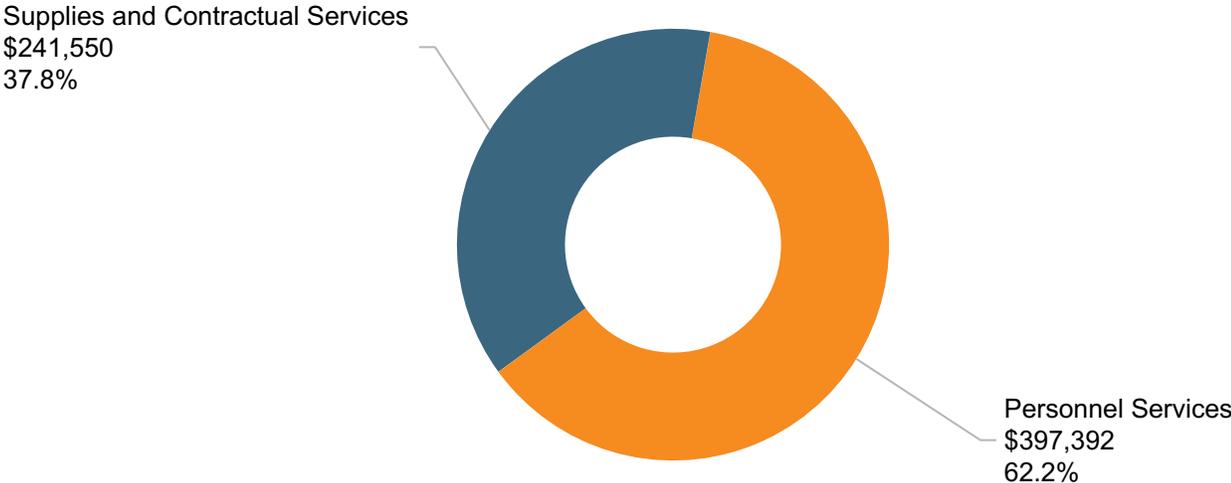
DOLLARS BY CATEGORY		2022-23 Actual	2023-24 Actual	2024-25 Adopted	2025-26 Adopted	FY 2026 Change \$	FY 2026 Change %
<b>PERSONNEL SERVICES</b>							
4111	Permanent Salaries	\$57,882	\$58,449	\$58,688	\$58,688	\$0	0.0%
4112	Temporary Salaries	9,399	2,980	144,728	144,728	0	0.0%
4121	Allowances	37,602	39,005	37,560	38,700	1,140	3.0%
4131	PERS	14,991	15,365	15,656	15,387	(269)	(1.7)%
4132	Group Insurance	104,555	119,054	122,868	132,396	9,528	7.8%
4133	Medicare	1,535	1,434	3,495	3,511	16	0.5%
4135	Worker's Compensation	2,392	1,017	1,018	1,017	(1)	(0.1)%
4139	PARS	162	48	2,171	2,171	0	0.0%
4146	Short Term Disability	0	0	336	336	0	0.0%
4161	Retiree Medical Reserve	562	448	458	458	0	0.0%
<b>sub-total</b>		<b>229,080</b>	<b>237,800</b>	<b>386,978</b>	<b>397,392</b>	<b>10,414</b>	<b>2.7%</b>
<b>SUPPLIES AND CONTRACTUAL SERVICES</b>							
4200	Community Promotion, Grant/ Loan	20,466	21,240	44,500	39,500	(5,000)	(11.2)%
4220	Supplies	2,483	8,406	11,000	11,000	0	0.0%
4230	Services	883	5,880	23,500	23,500	0	0.0%
4500	Training, Travel, & Memberships	89,603	79,441	153,400	155,550	2,150	1.4%
4520	Commissions & Boards	1,081	7,654	12,000	12,000	0	0.0%
<b>sub-total</b>		<b>114,516</b>	<b>122,621</b>	<b>244,400</b>	<b>241,550</b>	<b>(2,850)</b>	<b>(1.2)%</b>
<b>TOTAL</b>		<b>\$343,596</b>	<b>\$360,421</b>	<b>\$631,378</b>	<b>\$638,948</b>	<b>\$7,564</b>	<b>1.2%</b>

## Staffing\*

POSITIONS	2022-23 Adopted	2023-24 Adopted	2024-25 Adopted	2025-26 Adopted	FY 2026 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	\$631,378	\$0	\$631,378
<b>Adjustments to Costs of Ongoing Activities</b>				
Salary and Benefits		10,414		10,414
Non-Personnel Expenditure Alignment to Historical Trends		(2,850)		(2,850)
<b>Adjustments to Costs of Ongoing Activities</b>	<b>0.00</b>	<b>10,414</b>	<b>0</b>	<b>7,564</b>
<b>Total FY 2025-26 Budget</b>	<b>5.00</b>	<b>\$641,792</b>	<b>\$0</b>	<b>\$638,942</b>



# City Manager

**City Manager:** Deanna J. Santana (Interim)

### Mission Statement

The City Manager’s Office oversees day-to-day operations of the City, consistent with Council policy and direction, and provides executive leadership and professional management to the organization.

### Description

This office establishes a high standard of ethics, open communication, transparency, and professionalism for the organization and seeks to ensure the highest level of efficient and effective administration in accordance with the general policy guidelines of the City Council. This office receives requests from residents, business owners, and Council members and recommends strategies and solutions 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.
- Coordinates with all City departments to prepare and submit 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.
- Monitor legislative activities of federal, state, regional and local political bodies and keeps Council apprised of the potential impact to the City.





Accomplishments		Community Wellness and Open Space	Economic Development and Job Growth	Environment	Governance & Administration	Neighborhoods and Housing	Public Safety	Transportation and Transit
								
1.	Proposed a Balanced FY 2025-2026 Budget	✓	✓	✓	✓	✓	✓	✓
2.	Realigned the Building, Housing and Code Enforcement functions of the City for enhanced service delivery		✓		✓	✓		
3.	Successful passing of a ¼ cent sales tax ballot measure until 2037				✓			
4.	Oversaw executive steering committee for Enterprise Resources Planning System implementation				✓			
5.	Facilitated leadership workshops with executive team				✓			
6.	Facilitated City Council priority setting workshop	✓	✓	✓	✓	✓	✓	✓
7.	Facilitated municipal election and onboard of new City Council				✓			
8.	Shared important updates and information with residents through a variety of communication channels, including X, Facebook, Nextdoor, LinkedIn, YouTube, City website, newsletters, and electronic signages	✓	✓	✓	✓	✓	✓	✓

### Initiatives

	Community Wellness and Open Space	Economic Development and Job Growth	Environment	Governance & Administration	Neighborhoods and Housing	Public Safety	Transportation and Transit
							
1.	Continue to build upon Realign Departments for Organizational Efficiency and Success, with focus on Development Services	✓		✓			
2.	Initiate plan for Main Street parcels conversion to Housing				✓		
3.	Continue to strengthen community engagement through consistent, multi-channel communication	✓					
4.	Business License Tax Alternatives Review for potential 2026 ballot measure	✓	✓	✓	✓	✓	✓

## Performance and Workload Measures

PERFORMANCE MEASURES	Strategic Goal	FY 21-22 Actual	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Estimate	FY 25-26 Target
Residents that are satisfied or very satisfied with the quality of City services		80%	80%	83%	83%	83%
Residents contacting the City who say they are satisfied or very satisfied with the timeliness, courtesy and competency of City employees		78%	83%	78%	80%	80%
Employees who feel their work is valued by the City*		58%	N/A	70%	75%	75%
Employees who feel safe at work		81%	N/A	90%	90%	90%
Employees receiving timely annual performance appraisals		0.7	85%	85%	90%	90%

ACTIVITY AND WORKLOAD DATA	Strategic Goal	FY 21-22 Actual	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Estimate	FY 25-26 Target
City Council agenda items		469	385	450	450	450
Information Memos published		30	23	35	30	30
Milpitas Matters Reports		19	15	19	15	15
Press Releases		20	18	15	20	20
Communications to all employees (emails, newsletters, town hall meetings)		103	80	95	90	90

\*Employee survey is only conducted every two years, last survey was conducted March 2022.

## Budget Summary

DOLLARS BY CATEGORY		2022-23 Actual	2023-24 Actual	2024-25 Adopted	2025-26 Adopted	FY 2026 Change \$	FY 2026 Change %
<b>PERSONNEL SERVICES</b>							
4111	Permanent Salaries	\$1,162,877	\$958,005	\$979,777	\$954,281	(\$25,496)	(2.6)%
4112	Temporary Salaries	33,244	112,290	154,356	154,356	0	0.0%
4113	Overtime	70	15,491	0	0	0	0.0%
4121	Allowances	23,538	15,551	13,201	6,600	(6,601)	(50.0)%
4124	Leave Cashout	201,287	126,004	0	0	0	0.0%
4131	PERS	367,041	327,176	379,392	365,632	(13,760)	(3.6)%
4132	Group Insurance	100,437	131,797	154,992	141,786	(13,206)	(8.5)%
4133	Medicare	20,771	17,720	16,894	16,428	(466)	(2.8)%
4135	Worker's Compensation	1,629	(5,582)	5,749	5,636	(113)	(2.0)%
4138	Deferred Comp-Employer	35,694	4,470	4,503	4,275	(228)	(5.1)%
4139	PARS	451	403	878	878	0	0.0%
4146	Short Term Disability	0	0	420	399	(21)	(5.0)%
4161	Retiree Medical Reserve	12,214	10,410	8,022	7,833	(189)	(2.4)%
	<b>sub-total</b>	<b>1,959,253</b>	<b>1,713,735</b>	<b>1,718,184</b>	<b>1,658,104</b>	<b>(60,080)</b>	<b>(3.5)%</b>
<b>SUPPLIES AND CONTRACTUAL SERVICES</b>							
4200	Community Promotion, Grant/ Loan	1,933	45,712	55,000	0	(55,000)	(100.0)%
4210	Department Allocations	0	0	0	0	0	0.0%
4220	Supplies	17,252	21,512	15,000	15,000	0	0.0%
4230	Services	245,719	171,271	447,500	1,011,500	564,000	126.0%
4500	Training, Travel, & Memberships	33,916	22,710	47,300	50,300	3,000	6.3%
	<b>sub-total</b>	<b>298,820</b>	<b>261,205</b>	<b>564,800</b>	<b>1,076,800</b>	<b>512,000</b>	<b>90.7%</b>
	<b>TOTAL</b>	<b>\$2,258,073</b>	<b>\$1,974,940</b>	<b>\$2,282,984</b>	<b>\$2,734,906</b>	<b>\$451,920</b>	<b>19.8%</b>

## Staffing

POSITIONS	2022-23 Adopted	2023-24 Adopted	2024-25 Adopted	2025-26 Proposed	FY 2026 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	0.00	0.00	0.00	0.00
Office Specialist	1.00	1.00	1.00	1.00	0.00
Public Information Officer	1.00	1.00	1.00	1.00	0.00
Senior Executive Assistant	1.00	1.00	1.00	1.00	0.00
<b>Total Positions</b>	<b>6.00</b>	<b>5.00</b>	<b>5.00</b>	<b>5.00</b>	<b>0.00</b>

## Expenditures by Category

Supplies and Contractual Services  
\$1,076,800  
39.4%



Personnel Services  
\$1,658,104  
60.6%

## Budget Reconciliation

	Positions	General Fund Expenditures	Other Fund Expenditures	All Fund Expenditures
<b>PRIOR YEAR BUDGET</b>	<b>5.00</b>	<b>\$2,196,244</b>	<b>\$86,740</b>	<b>\$2,282,984</b>
<b>Adjustments to Costs of Ongoing Activities</b>				
Salary and Benefits		(94,649)	4,569	(90,080)
Non-Personnel Expenditure Alignment to Historical Trend		(52,000)		(52,000)
<b>Adjustments to Costs of Ongoing Activities</b>	<b>0.00</b>	<b>(146,649)</b>	<b>4,569</b>	<b>(142,080)</b>
<b>Total FY 2025-26 Base Budget</b>	<b>5.00</b>	<b>\$2,049,595</b>	<b>\$91,309</b>	<b>\$2,140,904</b>
<b>Service Level Changes</b>				
Legislative Support		(100,000)		(100,000)
Enhanced Revenue Strategy (One-time)		400,000		400,000
Business Tax Reform (One-time)		294,000		294,000
<b>Total Service Level Changes</b>	<b>0.00</b>	<b>594,000</b>	<b>0</b>	<b>594,000</b>
<b>Total FY 2025-26 Budget</b>	<b>5.00</b>	<b>\$2,643,595</b>	<b>\$91,309</b>	<b>\$2,734,904</b>

## Service Level Changes

	Positions	General Fund Expenditures	Other Fund Expenditures	All Fund Expenditures
<b>1. Legislative Support</b>		(\$100,000)	\$0	(\$100,000)
 <p>This action implements an ongoing budget reduction of \$100,000 for the City's legislative support program. This program currently funds a government relations consultant responsible for monitoring legislation, identifying possible earmark requests, and assisting in interactions with federal and state agencies to secure funding for City initiatives that benefit residents, businesses, and stakeholders. To continue advancing its funding efforts, the City will leverage its existing resources and memberships in organizations such as the League of California Cities, the National League of Cities, and the Government Finance Officers Association to effectively support its objectives in obtaining financial assistance from state and federal agencies. (ongoing)</p>				
<b>Performance Results:</b>	  			
<b>2. Enhanced Revenue Strategy</b>		\$400,000	\$0	\$400,000
 <p>This proposal supports the City of Milpitas' efforts to adopt and fund a comprehensive fiscal strategy framework to effectively address its long-term structural deficit resulting from expenditures outpacing revenues. The proposal advocates for fiscal initiatives designed to enhance revenue including, but not limited to, an already ongoing Citywide fee study and a potential future ballot measure aimed at receiving voter support to reform the City's business tax system, along with developing a debt and grants revenue toolkit for addressing deferred maintenance and improving infrastructure. An organizational assessment will further optimize service delivery, ensuring the City continues to efficiently meet community needs. Securing funding to engage specialized expertise for the successful implementation of these strategies is essential. (one-time)</p>				
<b>Performance Results:</b>	    			
<b>3. Business Tax Reform</b>		\$294,000	\$0	\$294,000
 <p>This proposal funds a review of the City of Milpitas business license tax structure to reform the current tax structure which could increase annual revenue from approximately \$330,000 per year to \$900,000 and \$3million per year based on different tax models. By shifting to a gross receipts or square footage tax structure, the City can capitalize on existing non-residential property data to better reflect the economic activity of local businesses. To move forward, it is recommended the City Council direct staff to analyze potential tax increase options, present this analysis for Council consideration and approval, conduct a community survey and engage communications and/or other contractual services, with the intention to placing a respective voter measure on the November 3, 2026 ballot. This one-time proposal covers the cost for economic and communication consultants, along with the anticipated election costs. (one-time)</p>				
<b>Performance Results:</b>	  			
<b>Total Service Level Changes</b>	<b>0.00</b>	<b>\$594,000</b>	<b>\$0</b>	<b>\$594,000</b>

\*Above proposals may have fiscal impacts in other functions as well.

# City Clerk

**City Clerk: Suzanne Guzzetta**

## Mission Statement

The City Clerk works to ensure public trust in government by maximizing public access to government through administering democratic processes, facilitating legislative processes, and overseeing compliance activities in accordance with legal requirements.

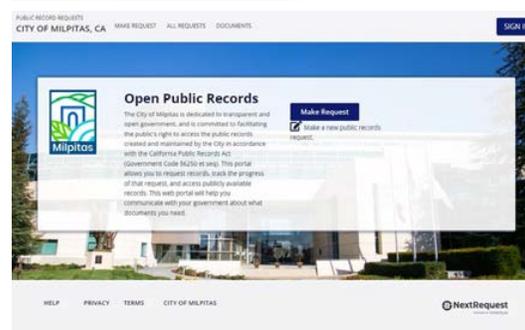
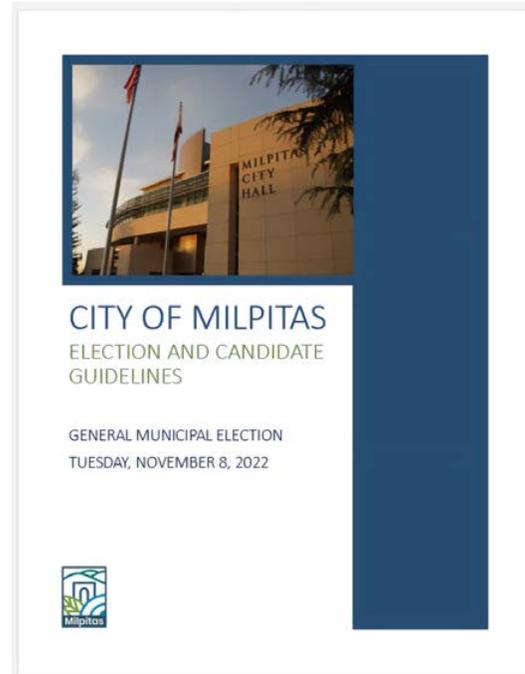
## Description

The City Clerk serves as the legislative administrator, elections official, and records manager for the City, while also serving as the Clerk of the City Council and Secretary to the Milpitas Public Financing Authority, Municipal Financing Authority and Housing Authority. As the Office of Record, the City Clerk is responsible for maintaining the official record of council actions and execution of all minutes, ordinances, and resolutions. The City Clerk also 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.



## 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 other municipal code violations.



## Accomplishments

	Community Wellness and Open Space	Economic Development and Job Growth	Environment	Governance & Administration	Neighborhoods and Housing	Public Safety	Transportation 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 (From 700) and campaign committee reports			✓			
5.	Managed the Commission recruitment and appointment process for twelve Commissions, two Task Forces, and one Oversight Committee			✓			
6.	Tracked all Commissioner terms, maintained directory, provided Commissioner Handbook and training to City of Milpitas appointed Commissioners			✓			
7.	Provided Notary Public service for City staff, as needed			✓			
8.	Conducted City Commission Liaison Training			✓			
9.	Implemented new Electronic Agenda Management System			✓			

## Initiatives

	Community Wellness and Open Space	Economic Development and Job Growth	Environment	Governance & Administration	Neighborhoods and Housing	Public Safety	Transportation 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, Preview List, Council referral items, Preliminary and Final City Council Agenda and List of Requested Agenda items			✓			
3.	Respond to Calif. 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.	Conduct City Commission Liaison/ Chair and Vice Chair Training			✓			
9.	Roll out Electronic Agenda Management System to all commissions			✓			

## Performance and Workload Measures

PERFORMANCE MEASURES	Strategic Goals	FY 21-22 Actual	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Estimate	FY 25-26 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		100%	100%	100%	100%	100%
Compliance with timely filings of Fair Political Practices Commission Form 700 Statements of Economic Interest		92%	99%	78%	91%	100%
Comply with timely filings of fair Political Practices Commission Forms 460/Campaign Committee reports		98%	91%	63%	67%	100%

ACTIVITY AND WORKLOAD DATA	Strategic Goals	FY 21-22 Actual	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Estimate	FY 25-26 Target
City Council Agenda Reports (Regular and Special)		356	289	243	228	225
City Council Meeting Minutes prepared (# pages)		37 (228)	32 (170)	32 (147)	30 (135)	32 (150)
Candidates Assisted in Municipal Election		0	15	0	23	0
Tort Claims received by City Clerk		49	49	50	60	50
Fair Political Practices Commission Forms 700 (SEI) Received		180	241	188	250	225
Fair Political Practices Commission Campaign Committee Reports filed		34	58	45	60	50
Notary Public acknowledgments (or jurats)		99	79	25	60	55

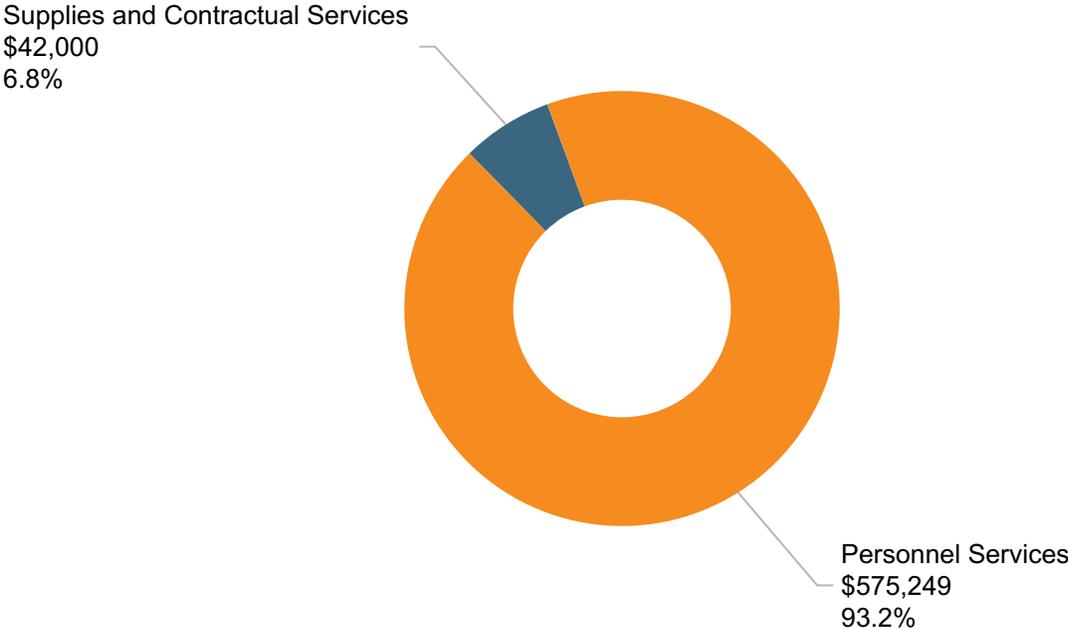
## Budget Summary

DOLLARS BY CATEGORY		2022-23 Actual	2023-24 Actual	2024-25 Adopted	2025-26 Adopted	FY 2026 Change \$	FY 2026 Change %
<b>PERSONNEL SERVICES</b>							
4111	Permanent Salaries	\$186,872	\$265,115	\$354,642	\$352,059	(\$2,583)	(0.7)%
4112	Temporary Salaries	0	0	0	0	0	0.0%
4113	Overtime	(145)	3,359	0	0	0	0.0%
4121	Allowances	5,534	6,854	6,600	6,600	0	0.0%
4124	Leave Cashout	24,930	10,280	0	0	0	0.0%
4131	PERS	62,440	90,168	123,488	120,476	(3,012)	(2.4)%
4132	Group Insurance	44,401	74,761	96,648	83,064	(13,584)	(14.1)%
4133	Medicare	3,179	4,156	5,238	5,201	(37)	(0.7)%
4135	Worker's Compensation	1,701	1,819	1,774	1,760	(14)	(0.8)%
4138	Deferred Comp-Employer	3,083	2,231	2,700	2,700	0	0.0%
4139	PARS	0	0	0	0	0	0.0%
4146	Short Term Disability	0	0	252	252	0	0.0%
4161	Retiree Medical Reserve	3,511	3,041	3,146	3,137	(9)	(0.3)%
<b>sub-total</b>		<b>335,506</b>	<b>461,784</b>	<b>594,488</b>	<b>575,249</b>	<b>(19,239)</b>	<b>(3.2)%</b>
<b>SUPPLIES AND CONTRACTUAL SERVICES</b>							
4220	Supplies	2,153	5,720	3,000	5,000	2,000	66.7%
4230	Services	74,305	13,434	30,000	30,000	0	0.0%
4280	Elections	0	0	0	0	0	0.0%
4500	Training, Travel, & Memberships	4,623	15,874	7,000	7,000	0	0.0%
<b>sub-total</b>		<b>81,081</b>	<b>35,028</b>	<b>40,000</b>	<b>42,000</b>	<b>2,000</b>	<b>5.0%</b>
<b>TOTAL</b>		<b>\$416,587</b>	<b>\$496,812</b>	<b>\$634,488</b>	<b>\$617,249</b>	<b>(\$17,239)</b>	<b>(2.7)%</b>

## Staffing

POSITIONS	2022-23 Adopted	2023-24 Adopted	2024-25 Adopted	2025-26 Proposed	FY 2026 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	0.50	1.00	1.00	1.00	0.00
<b>Total Positions</b>	<b>2.50</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	\$634,488	\$0	\$634,488
<b>Adjustments to Costs of Ongoing Activities</b>				
Salary and Benefits		(19,239)		(19,239)
Non-Personnel Expenditure Alignment to Historical Trends		2,000		2,000
<b>Adjustments to Costs of Ongoing Activities</b>		<b>(17,239)</b>		<b>(17,239)</b>
<b>Total FY 2025-26 Budget</b>	<b>3.00</b>	<b>\$617,249</b>	<b>\$0</b>	<b>\$617,249</b>



# Economic Development

Economic Development & Strategic Initiatives 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

- Diversify the local economy by engaging with existing and prospective companies to retain and attract businesses that increase tax revenues and generate quality job opportunities.
- Develop educational, business assistance programs, and messaging to assist businesses with business management, permits, marketing, and access to capital.
- Facilitate development projects for permitting guidance from project inception to completion. Projects include commercial and mixed-use developments, hotels, industrial, restaurants, and retail.
- Recruit key businesses that fill retail gaps and provide sales tax revenues and needed services to the community. Oversee the City's real estate transactions and asset management activities.
- Develop and implement branding and marketing strategies to promote business attraction and development opportunities.
- Lead workforce development programs for skills development and job placement.



**Economic  
Development**



<b>Accomplishments</b>		Community Wellness and Open Space	Economic Development and Job Growth	Environment	Governance & Administration	Neighborhoods and Housing	Public Safety	Transportation and Transit
								
1.	Completed implementation of Economic Development Strategy		✓		✓			
2.	Negotiated and obtained City Council approval for tax sharing agreement with Rivian		✓	✓	✓			
3.	Main Street revitalization efforts include forming a Main Street Business Association and executing two storefront improvement grant agreements totaling \$45,000		✓		✓			
4.	Issued \$200,000 in microenterprise CDBG grants		✓		✓			
5.	Approved name and tagline for Milpitas Innovation District		✓		✓			
6.	Hosted 8th Annual Manufacturing Day attended by more than 90 students, local leaders and community members		✓		✓			
7.	Branding Efforts included sponsoring State of the Valley Conference, AI Made Simple Workshop and issuing 12 Constant Contact messages to business about programs, incentives and professional events		✓		✓			
8.	Engaged 225 businesses, developers, landowners and brokers regarding attraction, expansion and retention		✓		✓			
9.	Provided permitting assistance to 56 new and existing businesses		✓		✓			

Initiatives		Community Wellness and Open Space	Economic Development and Job Growth	Environment	Governance & Administration	Neighborhoods and Housing	Public Safety	Transportation and Transit
								
1.	Create new Economic Development Strategy Action Plan		✓		✓			
2.	Preserve and protect employment lands		✓		✓			
3.	Complete Innovation District Branding Initiative		✓		✓			
4.	Lead City's real estate transaction activities		✓		✓			
5.	Continue attracting new business investment and business retention and expansion		✓		✓			
6.	Host 9th annual Manufacturing Day event in October		✓		✓			
7.	Launch downtown restaurant promotional video program		✓		✓			
8.	Promote Milpitas Businesses, engage community and attract visitors regarding Super Bowl LX and FIFA World Cup matches at Levi's Stadium		✓		✓			
9.	Continue Main Street revitalization efforts		✓		✓			
10.	Continue providing business resources workshops		✓		✓			

## Performance and Workload Measures

PERFORMANCE MEASURES	Strategic Goals	FY 21-22 Actual	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Estimate	FY 25-26 Target
Corporate Visitation Program		60%	0%	60%	100%	100%
Business Engagement*		1,200%	1,074%	428%	731%	100%
Customer Service		64%	70%	78%	80%	80%
Permit Assistance		1,600%	280%	250%	415%	100%
Branding		1,220%	428%	160%	196%	100%

ACTIVITY AND WORKLOAD DATA	Strategic Goals	FY 21-22 Actual	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Estimate	FY 25-26 Target
<b>Corporate Visitation Program</b> - Number of corporate visits		3 / 5	0 / 5	3 / 5	5 / 5	5 / 5
<b>Business Engagement</b> - Number of meetings with the corporate, brokerage and development communities leading to business attraction, retention and expansion		420* / 35	376* / 35	256 / 35	260 / 35	50 / 35
<b>Permit Assistance</b> - Number of firms who received permit and other assistance from Economic Development staff		32 / 20	56 / 20	83 / 20	84 / 20	30 / 20
<b>Branding</b> - Number of promotions and marketing of the local business community via Constant Contact, social media, city website, Silicon Valley Business Journal and other reputable media platforms and government and professional organizations.		305 / 25	107 / 25	49 / 25	50 / 25	25 / 25

\*Staff consistently worked extended hours during the COVID pandemic resulting in high data points due to ease and frequency of virtual outreach and engagement with businesses, but FY 23-24 actual is reflecting towards pre-pandemic totals.

## Budget Summary

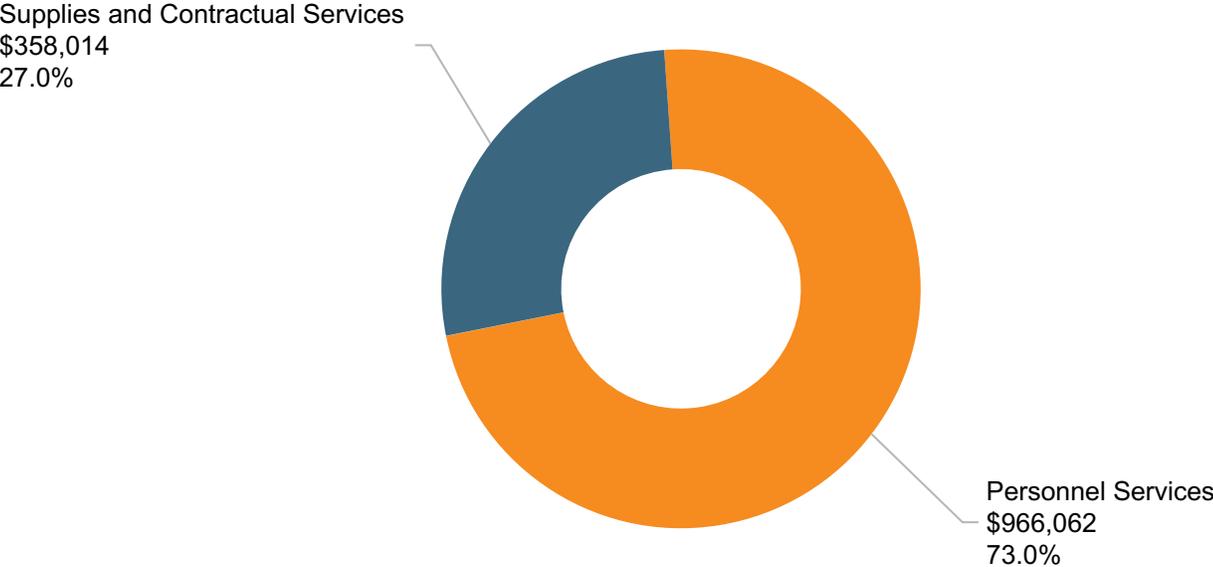
DOLLARS BY CATEGORY		2022-23 Actual	2023-24 Actual	2024-25 Adopted	2025-26 Adopted	FY 2026 Change \$	FY 2026 Change %
<b>PERSONNEL SERVICES</b>							
4111	Permanent Salaries	\$527,535	\$423,823	\$685,949	\$622,195	(\$63,754)	(9.3)%
4112	Temporary Salaries	32,954	33,450	14,636	(3,352)	(17,988)	(122.9)%
4113	Overtime	70	5,329	0	0	0	0.0%
4121	Allowances	6,600	6,854	6,600	6,600	0	0.0%
4122	Standby Pay MEA	0	0	0	0	0	0.0%
4124	Leave Cashout	1,456	71,736	0	0	0	0.0%
4125	Accrued Leave	0	0	0	0	0	0.0%
4126	Stipend MEA	0	0	0	0	0	0.0%
4131	PERS	171,324	132,348	235,067	212,887	(22,180)	(9.4)%
4132	Group Insurance	80,449	62,696	117,708	105,972	(11,736)	(10.0)%
4133	Medicare	8,017	7,778	10,620	9,323	(1,297)	(12.2)%
4135	Worker's Compensation	2,670	3,382	3,597	3,182	(415)	(11.5)%
4136	Unemployment	0	0	0	0	0	0.0%
4137	MOU Contractual Agreements	0	0	0	0	0	0.0%
4138	Deferred Comp-Employer	2,869	2,145	3,600	3,600	0	0.0%
4139	PARS	406	833	599	212	(387)	(64.6)%
4146	Short Term Disability	0	0	336	336	0	0.0%
4161	Retiree Medical Reserve	4,759	5,120	5,594	5,107	(487)	(8.7)%
<b>sub-total</b>		<b>839,109</b>	<b>755,494</b>	<b>1,084,306</b>	<b>966,062</b>	<b>(118,244)</b>	<b>(10.9)%</b>
<b>SUPPLIES AND CONTRACTUAL SERVICES</b>							
4200	Community Promotion, Grant/ Loan	6,110	75,431	6,240	185,242	179,002	2,868.6%
4220	Supplies	2,093	1,657	1,650	1,650	0	0.0%
4230	Services	256,084	71,335	130,147	127,640	(2,507)	(1.9)%
4500	Training, Travel, & Memberships	37,214	49,007	41,627	43,482	1,855	4.5%
<b>sub-total</b>		<b>301,501</b>	<b>197,430</b>	<b>179,664</b>	<b>358,014</b>	<b>178,350</b>	<b>99.3%</b>
<b>TOTAL</b>		<b>\$1,140,610</b>	<b>\$952,924</b>	<b>\$1,263,970</b>	<b>\$1,324,076</b>	<b>\$60,106</b>	<b>4.8%</b>

# Staffing

POSITIONS	2022-23 Adopted	2023-24 Adopted	2024-25 Adopted	2025-26 Adopted	FY 2026 Change
Administrative Analyst I/II	0.00	1.00	1.00	1.00	0.00
Economic Development Specialist	1.00	1.00	1.00	1.00	0.00
Economic Development Coordinator	1.00	1.00	1.00	1.00	0.00
Economic Development Director	1.00	1.00	0.00	0.00	0.00
Economic Development & Strategic Initiatives Director	0.00	0.00	1.00	1.00	0.00
<b>Total Positions</b>	<b>3.00</b>	<b>4.00</b>	<b>4.00</b>	<b>4.00</b>	<b>0.00</b>

\*Reclass Economic Development Director to Director of Economic Development & Strategic Initiatives

# Expenditures by Category



## Budget Reconciliation

	Positions	General Fund Expenditures	Other Fund Expenditures	All Fund Expenditures
<b>PRIOR YEAR BUDGET</b>	<b>4.00</b>	<b>\$1,229,397</b>	<b>\$34,573</b>	<b>\$1,263,970</b>
<b>Adjustments to Costs of Ongoing Activities</b>				
Salary and Benefits		(64,793)	209,427	144,634
Non-Personnel Expenditure Alignment to Historical Trend		(10,528)		(10,528)
<b>Adjustments to Costs of Ongoing Activities</b>	<b>0.00</b>	<b>(75,321)</b>	<b>209,427</b>	<b>134,106</b>
<b>Total FY 2025-26 Base Budget</b>	<b>4.00</b>	<b>\$1,154,076</b>	<b>\$244,000</b>	<b>\$1,398,076</b>
<b>Service Level Changes</b>				
Storefront Improvement Grant		(50,000)		(50,000)
Economic Development Special Projects (Ltd)		(14,000)		(14,000)
International Trade & Commerce Program		(10,000)		(10,000)
<b>Total Service Level Changes</b>	<b>0.00</b>	<b>(74,000)</b>	<b>0</b>	<b>(74,000)</b>
<b>Total FY 2025-26 Budget</b>	<b>4.00</b>	<b>\$1,080,076</b>	<b>\$244,000</b>	<b>\$1,324,076</b>

## Service Level Changes

	Positions	General Fund Expenditures	Other Fund Expenditures	All Fund Expenditures
<b>1. Storefront Improvement Grant</b>		<b>(\$50,000)</b>	<b>\$0</b>	<b>(\$50,000)</b>
 This proposal is a one-time reduction of \$50,000 from the Storefront Improvement Grant Program, which was originally funded at \$365,000 through the General Fund Community Investment Fund. This adjustment reduces staff workload, while still allowing for ongoing support of exterior commercial storefront improvements that enhance downtown economic vitality. By implementing this reduction, the City can effectively allocate resources while continuing to foster revitalization efforts in the downtown area. (one-time)				
<b>Performance Results:</b>				
<b>2. Economic Development Special Projects (Ltd.)</b>		<b>(\$14,000)</b>	<b>\$0</b>	<b>(\$14,000)</b>
 This proposal is a one-time reduction of \$14,000 from the remaining funds of the originally \$330,000 allocated for a Limited Term Economic Development Specialist position in the Office of Economic Development. This role manages grant programs that support economic vitality and job growth. Allowing this adjustment will enable a reallocation of these funding resources. Existing staff will integrate the City Council's Main Street Revitalization efforts into their responsibilities, potentially requiring a reprioritization of initiatives such as the Downtown Business Association and Storefront Improvement Grant Program. (one-time)				
<b>Performance Results:</b>				
<b>3. International Trade &amp; Commerce Program</b>		<b>(\$10,000)</b>	<b>\$0</b>	<b>(\$10,000)</b>
 This proposal is an ongoing budget reduction in the Office of Economic Development for the International Trade & Commerce Program, which supports local business globalization and Foreign Direct Investment (FDI). The proposal eliminates approximately \$6,000 in direct international trade and foreign delegation funding and reduces participation in national conferences from two staff to one, resulting in additional savings of approximately \$4,000. Given the current uncertainties at the federal level and their consequent effect on international trade and commerce, continue to fund one staff member's attendance at national events to leverage opportunities if the economic environment changes. (one-time)				
<b>Performance Results:</b>				
<b>Total Service Level Changes</b>	<b>0.00</b>	<b>(\$74,000)</b>	<b>\$0</b>	<b>(\$74,000)</b>

\*Above proposals may have fiscal impacts in other functions as well.



# Office of Building Safety

**Building Official: Bill Tott**

## Mission Statement

The Office of Building Safety is steadfast in its dedication 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.

## Description

This office provides plan review, permitting, and inspection services to implement building safety codes and standards to safeguard public health and safety for the built environment.

It is also committed to maintaining the quality of neighborhoods through code enforcement efforts related to insanitary conditions as well as coordinating with fire and police as requested to assist with structure fire damage assessments.



### 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.
- Provide and update an easy-to-follow website allowing customers to receive up-to-date information on building activities, resources, policies, programs, and code requirements; submit permit applications; obtain submittal requirements; and ask questions regarding other Building Safety and 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 three mobile home parks; provide reports and documentation to HCD.



## Accomplishments

	Community Wellness and Open Space	Economic Development and Job Growth	Environment	Governance & Administration	Neighborhoods and Housing	Public Safety	Transportation and Transit
							
1.	CASp (Certified Access Specialist) certification. The Office of Building Safety now has a CASp certified plan check engineer on staff. This is the first CASp certified Building Safety staff member in the history of the Building Safety department.	✓	✓	✓			
2.	New LMS (Land Management System) permitting platform. Completed all reviews of the RFP respondents which allowed finance to schedule demonstrations in a timely manner.	✓	✓	✓	✓		
3.	Developed new online permit types for streamlining electrification. In response to the review with SVCE of the Milpitas Action Plan for advancing electrification through expedited permitting processes, two new permits were added to the online permit list.	✓	✓	✓	✓		
4.	Continued to review and fine tune building permit inspection list to further streamline inspection process and code enforcement notification letters to increase compliance.	✓		✓	✓		

## Initiatives

	Community Wellness and Open Space	Economic Development and Job Growth	Environment	Governance & Administration	Neighborhoods and Housing	Public Safety	Transportation and Transit
							
1.				✓	✓		
2.				✓			
3.	✓		✓		✓		
4.	✓		✓	✓	✓		
5.				✓			
6.	✓	✓		✓			

## Performance and Workload Measures

PERFORMANCE MEASURES	Strategic Goals	FY 21-22 Actual	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Estimate	FY 25-26 Target
Percent of customers rating service at Permit Center "Very Good" or "Excellent"		85%	97%	95%	85%	85%
Percent of Over-the-Counter Building Permit Plan Reviews (including express tenant improvements)		40%	31%	38%	40%	40%
<b>Building permits for new development projects:</b>						
1) New development first submittal average plan review turnaround time (business days)		39	35	33	30	30
2) New development subsequent submittal average plan review turnaround time (business days)		25	29	27	25	25
<b>Building permits for tenant improvements:</b>						
1) Tenant Improvement first submittal average plan review turnaround time (business days)		29	27	25	25	25
2) Tenant Improvement subsequent submittal average plan review turnaround time (business days)		22	19	19	20	20
<b>Building permits for residential remodel/addition:</b>						
1) Residential remodel/addition first submittal average plan review turnaround time (business days)		29	24	21	20	20
2) Residential remodel/addition subsequent submittal average plan review turnaround time (business days)		21	20	15	15	15
Percent of building inspections completed within one day		99%	99%	99%	95%	95%
Percent of customers rating inspection services "Very Good" or "Excellent"		98%	95%	99%	85%	85%

## Budget Narrative and Summary

ACTIVITY AND WORKLOAD DATA	Strategic Goals	FY 21-22 Actual	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Estimate	FY 25-26 Target
Total customers served by Permit Center		15,599	15,206	15,073	13,000	14,500
Total Over-the-Counter Permit Reviews		2,249	1,767	2,209	2,300	2,300
Total issued building permit construction valuation		\$219,939,083	\$255,538,381	\$326,576,841	\$250,000,000	\$240,000,000
Total building permits issued		4,376	4,272	4,320	3,800	4,700
Total plan reviews completed		5,732	5,696	5,895	5,200	6,500
Total building inspections completed		16,695	16,443	21,980	17,000	15,000

## Budget Summary

DOLLARS BY FUNCTION	2022-23 Actual	2023-24 Actual	2024-25 Adopted	2025-26 Adopted	FY 2026 Change \$	FY 2026 Change %
Building Inspection	\$2,148,135	\$2,159,660	\$2,449,455	\$2,250,047	(\$199,408)	(8.1)%
Building Safety Administration	555,429	384,708	401,326	366,120	(35,206)	(8.8)%
Permit Center	651,020	705,273	864,077	912,853	48,776	5.6%
Plan Review	1,502,886	1,576,983	1,604,378	1,681,835	77,457	4.8%
<b>TOTAL</b>	<b>\$4,857,470</b>	<b>\$4,826,624</b>	<b>\$5,319,236</b>	<b>\$5,210,856</b>	<b>(\$108,380)</b>	<b>(2.0)%</b>

DOLLARS BY CATEGORY		2022-23 Actual	2023-24 Actual	2024-25 Adopted	2025-26 Adopted	FY 2026 Change \$	FY 2026 Change %
<b>PERSONNEL SERVICES</b>							
4111	Permanent Salaries	\$2,662,889	\$2,941,196	\$3,238,687	\$3,197,042	(\$41,645)	(1.3)%
4112	Temporary Salaries	170,007	0	0	0	0	0.0%
4113	Overtime	92,410	33,623	60,000	56,000	(4,000)	(6.7)%
4121	Allowances	3,519	3,115	6,600	6,600	0	0.0%
4124	Leave Cashout	130,206	35,184	0	0	0	0.0%
4131	PERS	936,153	997,806	1,125,168	1,093,749	(31,419)	(2.8)%
4132	Group Insurance	456,438	484,119	555,003	534,544	(20,459)	(3.7)%
4133	Medicare	44,322	43,582	47,036	46,440	(596)	(1.3)%
4135	Worker's Compensation	20,564	101,170	104,188	96,897	(7,291)	(7.0)%
4138	Deferred Comp-Employer	16,112	16,777	19,800	19,716	(84)	(0.4)%
4139	PARS	9	0	0	0	0	0.0%
4146	Short Term Disability	0	0	1,849	948	(901)	(48.7)%
4161	Retiree Medical Reserve	43,750	31,826	35,302	34,317	(985)	(2.8)%
	<b>sub-total</b>	<b>4,576,379</b>	<b>4,688,398</b>	<b>5,193,633</b>	<b>5,086,253</b>	<b>(107,380)</b>	<b>(2.1)%</b>

## Budget Narrative and Summary

DOLLARS BY CATEGORY		2022-23 Actual	2023-24 Actual	2024-25 Adopted	2025-26 Adopted	FY 2026 Change \$	FY 2026 Change %
<b>SUPPLIES AND CONTRACTUAL SERVICES</b>							
4200	Community Promotion, Grant/ Loan	0	0	0	0	0	0.0%
4210	Department Allocations	16,577	22,365	25,003	25,003	0	0.0%
4220	Supplies	27,564	11,418	29,000	24,500	(4,500)	(15.5)%
4230	Services	215,144	80,178	40,000	40,000	0	0.0%
4500	Training, Travel, & Memberships	19,871	24,264	31,600	35,100	3,500	11.1%
<b>sub-total</b>		<b>279,156</b>	<b>138,225</b>	<b>125,603</b>	<b>124,603</b>	<b>(1,000)</b>	<b>(0.8)%</b>
<b>TOTAL</b>		<b>\$4,857,470</b>	<b>\$4,826,623</b>	<b>\$5,319,236</b>	<b>\$5,210,856</b>	<b>(\$108,380)</b>	<b>(2.0)%</b>

## Staffing

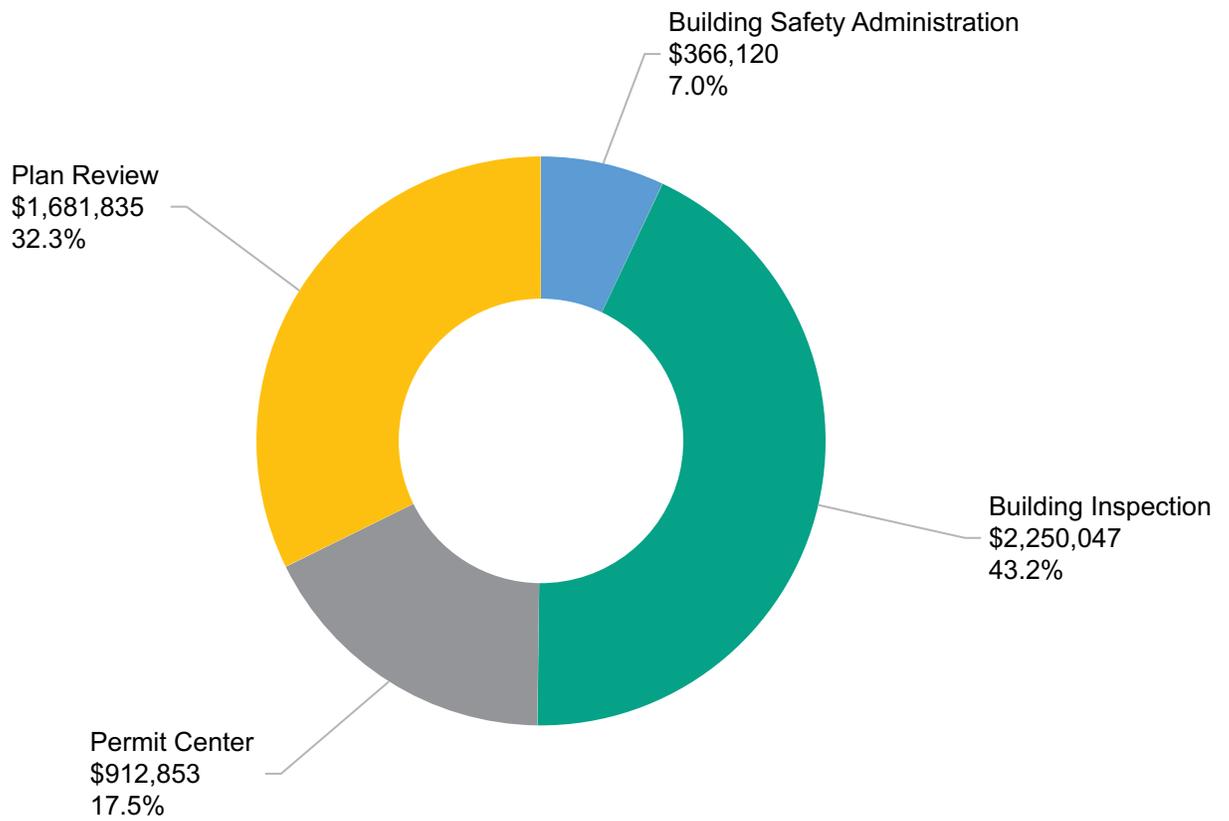
POSITIONS BY FUNCTION	2022-23 Adopted	2023-24 Adopted	2024-25 Adopted	2025-26 Adopted	FY 2026 Change
Building Safety Administration	3.00	3.00	2.00	2.00	0.00
Building Inspection*	11.00	11.00	10.00	9.00	(1.00)
Permit Center	5.00	4.00	4.00	4.00	0.00
Plan Review	6.00	6.00	6.00	6.00	0.00
<b>TOTAL</b>	<b>25.00</b>	<b>24.00</b>	<b>22.00</b>	<b>21.00</b>	<b>(1.00)</b>

\*1.0 Building/NP Inspector defunded in FY2025-26.

POSITIONS	2022-23 Adopted	2023-24 Adopted	2024-25 Adopted	2025-26 Adopted	FY 2026 Change
Administrative Analyst II	1.00	1.00	1.00	1.00	0.00
Building Safety and Housing Director	1.00	1.00	0.00	0.00	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	3.00	3.00	3.00	3.00	0.00
Building/NP Inspector*	7.00	7.00	6.00	5.00	(1.00)
Office Assistant II	1.00	1.00	1.00	1.00	0.00
Plan Check Engineer	3.00	3.00	3.00	3.00	0.00
Plan Checker	1.00	1.00	1.00	1.00	0.00
Plan Review Manager	1.00	1.00	1.00	1.00	0.00
Senior Administrative Analyst	1.00	0.00	0.00	0.00	0.00
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
<b>Total Positions</b>	<b>25.00</b>	<b>24.00</b>	<b>22.00</b>	<b>21.00</b>	<b>(1.00)</b>

\*1.0 Building/NP Inspector defunded.

### Expenditures by Function



## Budget Reconciliation

	Positions	General Fund Expenditures	Other Fund Expenditures	All Fund Expenditures
<b>PRIOR YEAR BUDGET</b>	22.00	\$5,209,329	\$109,907	\$5,319,236
<b>Adjustments to Costs of Ongoing Activities</b>				
Salary and Benefits		141,728	(24,200)	117,528
Training on Code updates		1,000	(2,000)	(1,000)
<b>Adjustments to Costs of Ongoing Activities</b>	<b>0.00</b>	<b>142,728</b>	<b>(26,200)</b>	<b>116,528</b>
<b>Total FY 2025-26 Base Budget</b>	<b>22.00</b>	<b>5,352,057</b>	<b>83,707</b>	<b>5,435,764</b>
<b>Service Level Changes</b>				
Defund Building Inspector	(1.00)	(224,909)		(224,909)
<b>Total Service Level Changes</b>	<b>(1.00)</b>	<b>(224,909)</b>	<b>0</b>	<b>(224,909)</b>
<b>Total FY 2025-26 Budget</b>	<b>21.00</b>	<b>\$5,127,148</b>	<b>\$83,707</b>	<b>\$5,210,855</b>

## Service Level Changes

	Positions	General Fund Expenditures	Other Fund Expenditures	All Fund Expenditures
1 <b>Defund Building Inspector</b>		(\$224,909)	\$0	\$0
 <p>This proposal defunds one vacant full-time equivalent (1.0 FTE) Building Inspector/NP position within the Office of Building Safety's Building Inspection section. This position is responsible for conducting essential building inspections and ensuring code compliance, which supports homeowners, landlords, builders, and developers while safeguarding community health and safety. Analysis of inspection services indicates that existing staff can manage the current volume of inspection activity effectively, as the current level of inspection services consistently receive positive feedback from homeowners. Consequently, eliminating this position is anticipated to have little to no impact on service delivery, service quality or customer satisfaction, given the ongoing decline in inspection activity and the capacity of existing staff to absorb the duties of the defunded position. (ongoing)</p>				
<b>Performance Results</b>				
<b>Total Service Level Changes</b>		(\$224,909)	\$0	(\$224,909)

# Office of Housing

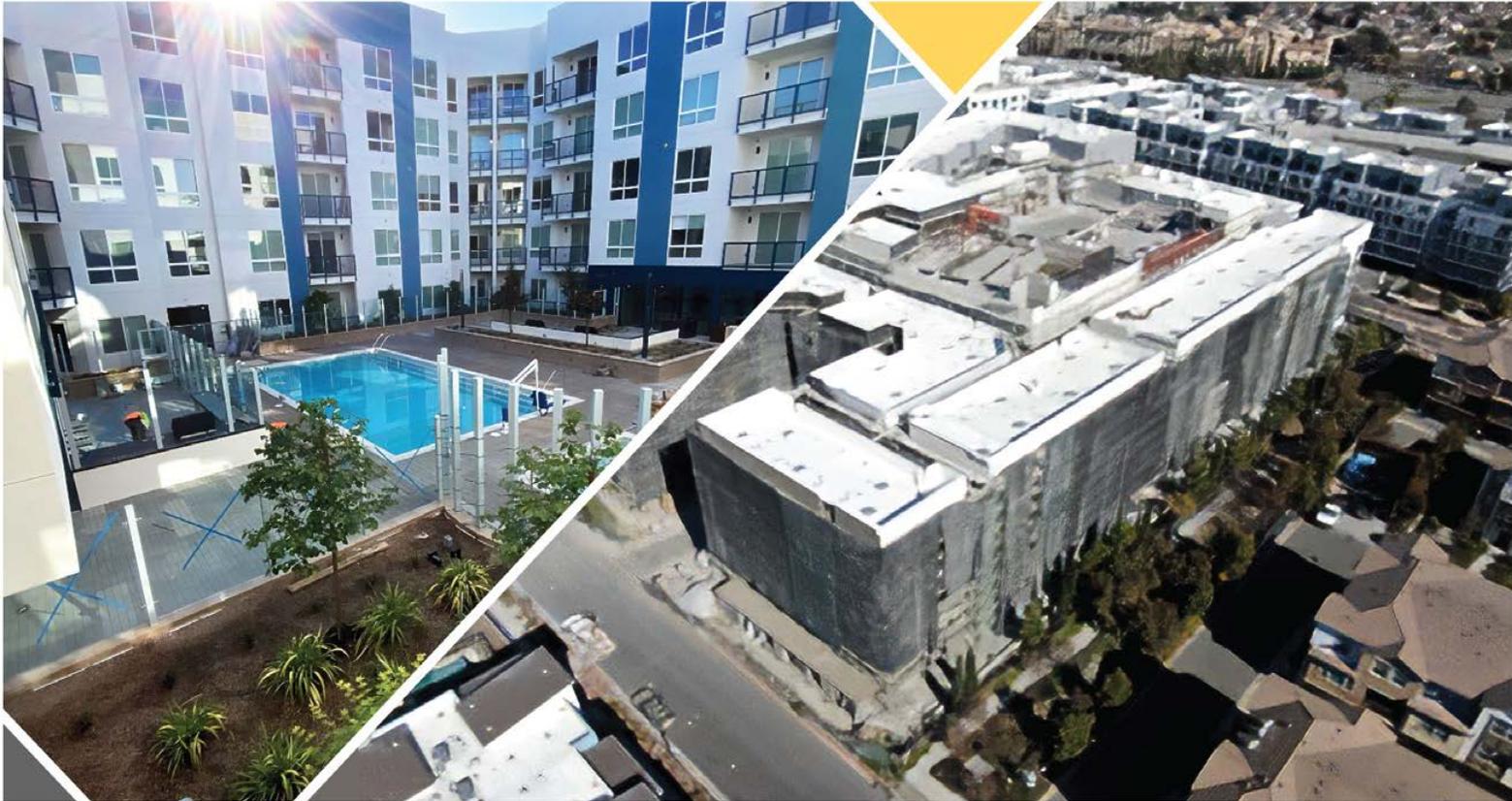
**Housing Official: Vacant**

## Mission Statement

The goal of the City’s Housing Division is to protect current residents from displacement, preserve existing affordable housing, produce new housing at all income levels, and coordinate homeless and fair housing services with a commitment to safe, sustainable, and affordable housing for all Milpitas residents.

## Description

The Division also administers the City’s Affordable Housing Ordinance, Community Development Block Grant programs, and develops and implements policies and programs to create affordable housing, assist vulnerable residents, and enhance unhoused and supportive services for the community.



## Services

- Administer the City’s Rent and Mortgage 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.
- Monitor the City’s Below Market Rate homeownership and rental program.
- Identify or coordinate funding sources for affordable housing development and preservation.
- Manage the Community Development Block Grant (CDBG) program to serve low and moderate income residents through public services, capital projects, and economic development activities.
- 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 WeHOPE.



## Accomplishments

	Community Wellness and Open Space	Economic Development and Job Growth	Environment	Governance & Administration	Neighborhoods and Housing	Public Safety	Transportation and Transit
							
1. Managed unhooded programs: mobile shower and laundry services; homeless outreach and assessment.					✓		
2. Managed Supportive Services: Rent Relief Program; Community Development Block Grant program; developed Workforce Housing Rental Assistance Program.	✓	✓					
3. Continued to conduct outreach on housing resources and assistance programs for vulnerable residents.	✓	✓		✓	✓		
4. Continued to facilitate affordable housing production and preservation. Identify, implement, and administer programs to create more affordable housing opportunities.	✓	✓		✓	✓		
5. Continued working with Housekeys to administer and manage Below Market Rate Program.	✓			✓	✓		

## Initiatives

							
1. Unhooded Programs: Mobile shower and laundry; homeless outreach and assessment					✓		
2. Supportive Services: Rent Relief Program; Community Development Block Grant; Workforce Housing Rental Assistance Program	✓	✓		✓	✓		
3. Continue to facilitate affordable housing production and preservation. Identify, implement, and administer programs to create more affordable housing opportunities	✓	✓		✓	✓		
4. Continue to conduct outreach on housing resources and assistance programs for vulnerable residents	✓	✓		✓	✓		

## Performance and Workload Measures

PERFORMANCE MEASURES	Strategic Goals	FY 21-22 Actual	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Estimate	FY 25-26 Target
Percent of required state and federal reports completed		New	100%	100%	100%	100%
Percent of CDBG funds benefiting lower-income households		New	97%	97%	100%	70%
Total residents served by Housing		New	1,600	1,423	1,160	1,550

ACTIVITY AND WORKLOAD DATA	Strategic Goals	FY 21-22 Actual	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Estimate	FY 25-26 Target
Total residents served through CDBG program service organizations		1,876	1,031	865	545	1000*
Total residents served through unhoused services programs		New	510	500	560	500
Total residents served through supportive services programs		New	60	50	52	50
Total workshop and outreach events		New	4	8	2	4

\* City Council approved the repurpose of CDBG revolving loan repayments to be used for Micro Enterprise Grants on [May 6, 2025](#).

## Budget Summary

DOLLARS BY FUNCTION	2022-23 Actual	2023-24 Actual	2024-25 Adopted	2025-26 Adopted	FY 2026 Change \$	FY 2026 Change %
Housing	\$0	\$0	\$1,917,885	\$1,374,076	(\$543,809)	(28.4)%
Housing and Neighborhood Svcs			0	691,631	691,631	0.0%
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,917,885</b>	<b>\$2,065,707</b>	<b>\$147,822</b>	<b>7.7%</b>

DOLLARS BY CATEGORY		2022-23 Actual	2023-24 Actual	2024-25 Adopted	2025-26 Adopted	FY 2026 Change \$	FY 2026 Change %
<b>PERSONNEL SERVICES</b>							
4111	Permanent Salaries	\$776,009	\$881,806	\$598,643	\$575,027	(\$23,616)	(3.9)%
4112	Temporary Salaries	20,625	3,539	17,850	19,980	2,130	11.9%
4113	Overtime	0	0	0	0	0	0.0%
4121	Allowances	0	0	0	0	0	0.0%
4124	Leave Cashout	2,280	1,756	0	0	0	0.0%
4131	PERS	251,788	296,485	177,291	204,621	27,330	15.4%
4132	Group Insurance	93,663	129,272	74,941	133,647	58,706	78.3%
4133	Medicare	11,667	12,846	8,953	8,641	(312)	(3.5)%
4135	Worker's Compensation	5,329	38,012	14,905	17,222	2,317	15.5%
4138	Deferred Comp-Employer	5,222	6,218	3,600	3,600	0	0.0%
4139	PARS	0	0	268	0	(268)	(100.0)%
4141	Adjustments-Payroll	0	0	0	0	0	0.0%
4146	Short Term Disability	0	0	242	336	94	38.8%
4161	Retiree Medical Reserve	10,773	9,644	4,292	5,734	1,442	33.6%
	<b>sub-total</b>	<b>1,177,356</b>	<b>1,379,578</b>	<b>900,985</b>	<b>968,808</b>	<b>67,823</b>	<b>7.5%</b>

<b>SUPPLIES AND CONTRACTUAL SERVICES</b>							
4200	Community Promotion, Grant/ Loan	839,808	1,169,045	793,000	793,000	0	0.0%
4210	Department Allocations	6,127	7,134	0	0	0	0.0%
4220	Supplies	606	457	1,000	1,000	0	0.0%
4230	Services	2,108,892	1,973,625	208,100	288,099	79,999	38.4%
4240	Repair & Maintenance	0	0	0	0	0	0.0%
4500	Training, Travel, & Memberships	1,256	9,915	14,800	14,800	0	0.0%

## Budget Narrative and Summary

DOLLARS BY CATEGORY	2022-23 Actual	2023-24 Actual	2024-25 Adopted	2025-26 Adopted	FY 2026 Change \$	FY 2026 Change %
sub-total	2,956,689	3,160,176	1,016,900	1,096,899	79,999	7.9 %
<b>TOTAL</b>	<b>\$4,134,045</b>	<b>\$4,539,754</b>	<b>\$1,917,885</b>	<b>\$2,065,707</b>	<b>\$147,822</b>	<b>7.7 %</b>

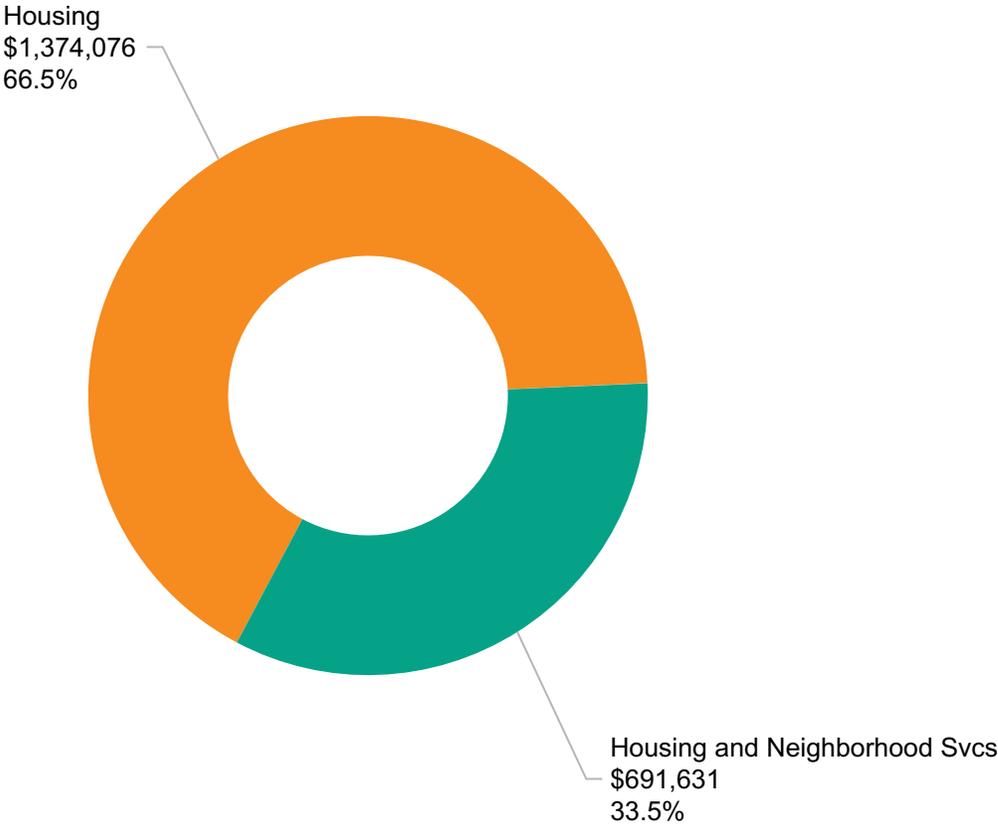
## Staffing

POSITIONS BY FUNCTION	2022-23 Adopted	2023-24 Adopted	2024-25 Adopted	2025-26 Adopted	FY 2026 Change
Housing	3.00	3.00	3.00	4.00	1.00
<b>TOTAL</b>	<b>3.00</b>	<b>3.00</b>	<b>3.00</b>	<b>4.00</b>	<b>1.00</b>

POSITIONS	2022-23 Adopted	2023-24 Adopted	2024-25 Adopted	2025-26 Adopted	FY 2026 Change
Administrative Analyst II	1.00	1.00	1.00	2.00	1.00
Housing and Neighborhood Services Administrator	1.00	1.00	0.00	0.00	0.00
Housing Official*	0.00	0.00	1.00	1.00	0.00
Senior Administrative Analyst	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>4.00</b>	<b>1.00</b>

\*Reclass Housing Authority Administrator to Housing Official in FY2024-25

### Expenditures by Function



## Budget Reconciliation

	Positions	General Fund Expenditures	Other Fund Expenditures	All Fund Expenditures
<b>PRIOR YEAR BUDGET</b>	<b>3.00</b>	<b>\$316,778</b>	<b>\$1,601,107</b>	<b>\$1,917,885</b>
<b>Adjustments to Costs of Ongoing Activities</b>				
Salary and Benefits		545,574	(655,007)	(109,433)
Mobile Shower for Unhoused (moved from General Fund to Housing Fund)		(50,000)	50,000	0
Housekeys Contractual Services			80,000	80,000
<b>Adjustments to Costs of Ongoing Activities</b>	<b>0.00</b>	<b>495,574</b>	<b>(525,007)</b>	<b>(29,433)</b>
<b>Total FY 2025-26 Base Budget</b>	<b>3.00</b>	<b>812,352</b>	<b>1,076,100</b>	<b>1,888,452</b>
<b>Service Level Changes</b>				
Cost Allocation & Expenditure Efficiencies		(274,372)	274,372	0
Rent Relief Program Management	1.00		177,255	177,255
<b>Total Service Level Changes</b>	<b>1.00</b>	<b>(274,372)</b>	<b>451,627</b>	<b>177,255</b>
<b>Total FY 2025-26 Budget</b>	<b>4.00</b>	<b>\$537,980</b>	<b>\$1,527,727</b>	<b>\$2,065,707</b>

## Service Level Changes

		Positions	General Fund Expenditures	Other Fund Expenditures	All Fund Expenditures
<b>1.</b>	<b>Cost Allocation &amp; Expenditure Efficiencies</b>	<b>0.00</b>	<b>(\$274,372)</b>	<b>\$274,372</b>	<b>\$0</b>
	<p>This proposal is a cost allocation adjustment \$274,372 for the City's Office of Housing reallocating the salaries and benefits of 1.0 FTE Administrative Analyst II, ancillary non-personnel expenditures, and a portion of the Housing Official's compensation. This action will reduce general fund expenditures by 91%, with funding sourced from Fund 250 (CDBG) and Fund 216 (Affordable Housing). Service levels will remain unchanged as the essential functions of administering the City's Affordable Housing Ordinance and Community Development Block Grant programs will continue without interruption and be appropriately funded by Housing funds. (ongoing)</p>				
<b>Performance Results:</b>		 			
<b>2.</b>	<b>Rent Relief Program Management</b>	<b>1.00</b>	<b>\$0</b>	<b>\$177,255</b>	<b>\$177,255</b>
	<p>This proposal converts the existing limited-term Analyst II position within the Office of Housing into a permanent, ongoing position to effectively administer the rent and mortgage relief program, homeless response services, and other vital initiatives aligned with the City's priorities. The Office of Housing is currently managing multiple critical functions, including compliance for federal grant programs, analyzing data related to unhoused services, and implementing various housing policies. With existing staff fully committed to these responsibilities, making the Analyst II position permanent is essential for sustaining the City's commitment to addressing housing challenges and enhancing community support services. This position will be fully supported through the Affordable Housing Unrestricted fund. (ongoing)</p>				
<b>Performance Results:</b>		    			
<b>Total Service Level Changes</b>		<b>1.00</b>	<b>(\$274,372)</b>	<b>\$451,627</b>	<b>\$177,255</b>



# City Attorney

## City Attorney: Vacant

### 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.

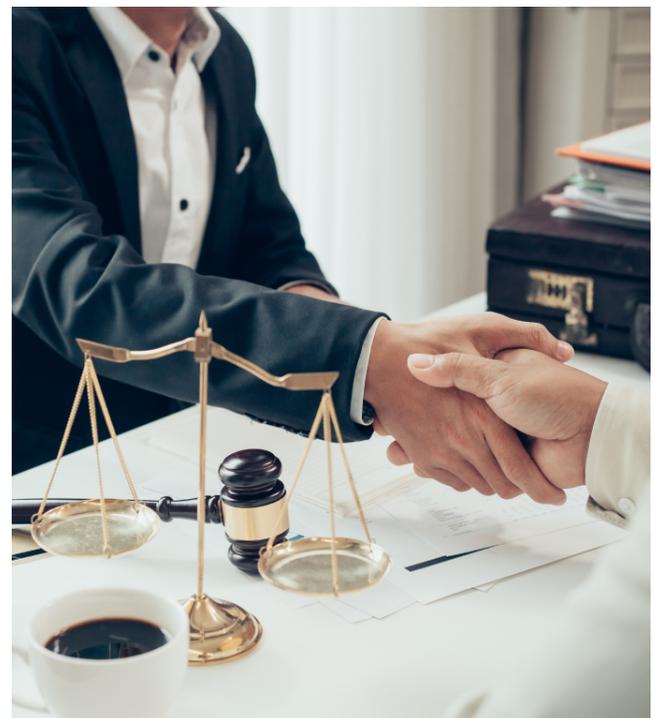
### Description

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.

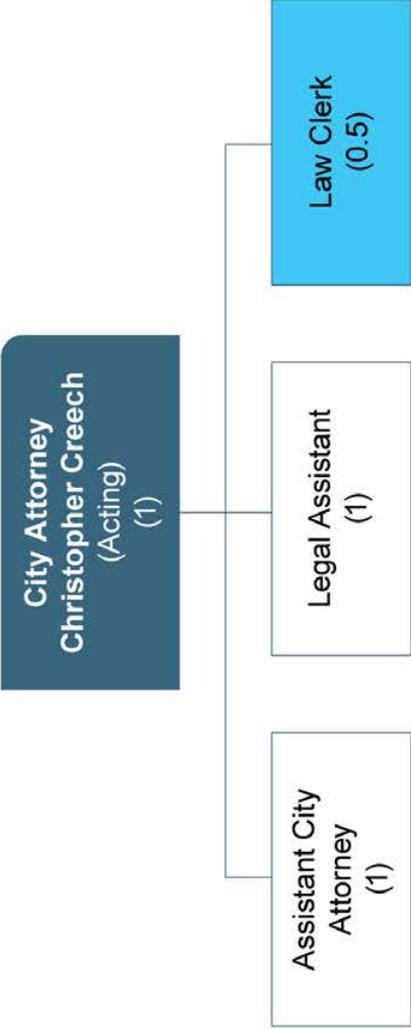


## Services

- 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 2025-26	FTE
Move	Permanent	(3)
Reclass	Temporary	(0.5)
Defunded		
Temp		

## Accomplishments

	Community Wellness and Open Space	Economic Development and Job Growth	Environment	Governance & Administration	Neighborhoods and Housing	Public Safety	Transportation and Transit
							
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: Metro Plan (Formerly TASP) and development in the Metro Plan, including BART project		✓	✓		✓	✓
5.	Updated various Municipal Code sections, as authorized	✓	✓	✓	✓	✓	✓
6.	Assisted staff with various issues regarding affordable housing			✓	✓		
7.	Prepared all legal documents for the Term Limits ballot measure, reviewed educational information to the community, and prepared ordinance.			✓		✓	
8.	Assisted with complex litigation matters	✓	✓	✓		✓	✓
9.	Aided the City Council in various conflict, gift, and ethics questions			✓			
10.	Continued to advise on Public Records Act requests and provided training for City staff on the Public Records Act		✓	✓		✓	

## Initiatives

	Community Wellness and Open Space	Economic Development and Job Growth	Environment	Governance & Administration	Neighborhoods and Housing	Public Safety	Transportation and Transit
							
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 21-22 Actual	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Estimate	FY 25-26 Target
Contract complaints / Council agenda contracts		0 / 92	0 / 100	0 / 100	0 / 100	0 / 100
Documents timely produced for Council and Planning Commission Agendas		100%	100%	100%	100%	100%

ACTIVITY AND WORKLOAD DATA	Strategic Goals	FY 21-22 Actual	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Estimate	FY 25-26 Target
Ordinances		64	28	10	7	10
Resolutions		102	90	76	81	80
Court/Administrative cases handled and/or supervised		25	14	14	13	15
Contracts reviewed and approved		367	701	629	492	600

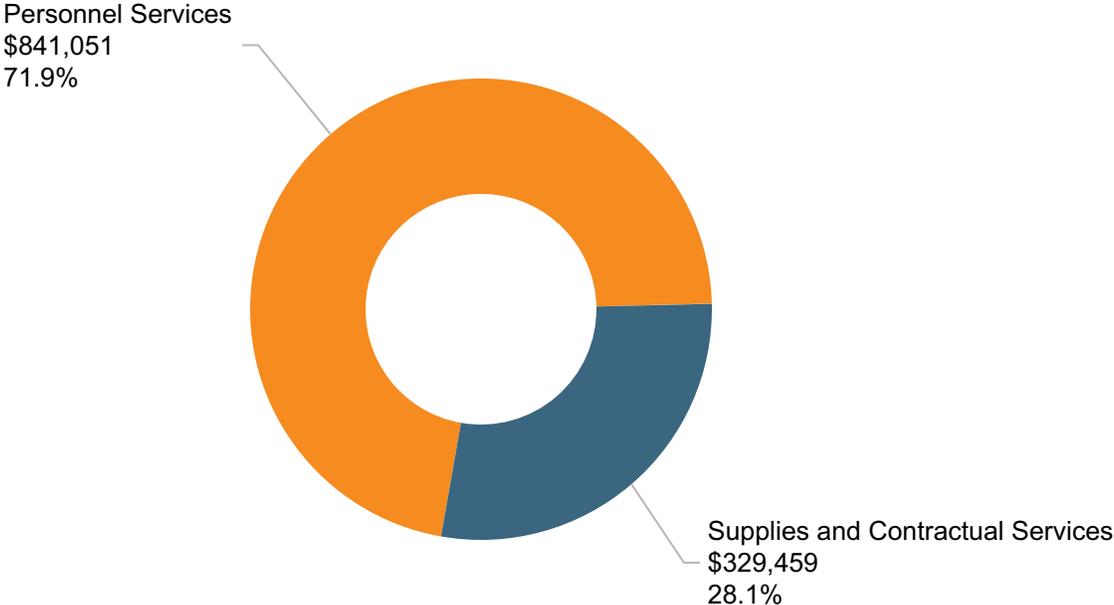
## Budget Summary

DOLLARS BY CATEGORY		2022-23 Actual	2023-24 Actual	2024-25 Adopted	2025-26 Adopted	FY 2026 Change \$	FY 2026 Change %
<b>PERSONNEL SERVICES</b>							
4111	Permanent Salaries	\$308,058	\$544,751	\$555,465	\$575,400	\$19,935	3.6%
4124	Leave Cashout	0	5,641	0	0	0	0.0%
4131	PERS	95,960	165,770	193,374	190,870	(2,504)	(1.3)%
4132	Group Insurance	36,004	46,007	49,476	59,388	9,912	20.0%
4133	Medicare	4,538	8,152	8,302	8,089	(213)	(2.6)%
4135	Worker's Compensation	0	4	85	0	(85)	(100.0)%
4138	Deferred Comp-Employer	1,608	2,809	2,700	2,700	0	0.0%
4141	Adjustments-Payroll	0	0	0	0	0	0.0%
4146	Short Term Disability	0	0	252	252	0	0.0%
4161	Retiree Medical Reserve	0	3,944	4,333	4,352	19	0.4%
<b>sub-total</b>		<b>453,231</b>	<b>792,856</b>	<b>831,242</b>	<b>841,051</b>	<b>9,809</b>	<b>1.2%</b>
<b>SUPPLIES AND CONTRACTUAL SERVICES</b>							
4220	Supplies	965	1,716	4,000	4,120	120	3.0%
4230	Services	254,576	283,599	424,888	311,176	(113,712)	(26.8)%
<b>sub-total</b>		<b>260,308</b>	<b>292,297</b>	<b>442,639</b>	<b>329,459</b>	<b>(113,180)</b>	<b>(25.6)%</b>
<b>TOTAL</b>		<b>\$713,539</b>	<b>\$1,085,153</b>	<b>\$1,273,881</b>	<b>\$1,170,510</b>	<b>(\$103,371)</b>	<b>(8.1)%</b>

## Staffing

POSITIONS	2022-23 Adopted	2023-24 Adopted	2024-25 Adopted	2025-26 Adopted	FY 2026 Change
Assistant City Attorney	0.00	1.00	1.00	1.00	0.00
City Attorney	0.00	1.00	1.00	1.00	0.00
Legal Assistant	0.00	1.00	1.00	1.00	0.00
<b>Total Positions</b>	<b>0.00</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>	<b>3.00</b>	<b>\$1,214,142</b>	<b>\$59,740</b>	<b>\$1,273,882</b>
<b>One-Time Prior Year Budget Adjustments</b>				
City Attorney Internship Program		(17,587)		(17,587)
<b>One-Time Prior Year Budget Adjustments</b>	<b>0.00</b>	<b>(17,587)</b>	<b>0</b>	<b>(17,587)</b>
<b>Adjustments to Costs of Ongoing Activities</b>				
Salary and Benefits		9,886		9,886
Contractual Service Adjustment		(114,972)	1,792	(113,180)
<b>Adjustments to Costs of Ongoing Activities</b>	<b>0.00</b>	<b>(105,086)</b>	<b>1,792</b>	<b>(103,294)</b>
<b>Total FY 2025-26 Base Budget</b>	<b>3.00</b>	<b>\$1,091,469</b>	<b>\$61,532</b>	<b>\$1,153,001</b>
<b>Service Level Changes</b>				
Internship Program		17,510		17,510
<b>Total Service Level Changes</b>	<b>0.00</b>	<b>17,510</b>	<b>0</b>	<b>17,510</b>
<b>Total FY 2025-26 Budget</b>	<b>3.00</b>	<b>\$1,108,979</b>	<b>\$61,532</b>	<b>\$1,170,511</b>

# Service Level Changes

	Positions	General Fund Expenditures	Other Fund Expenditures	All Fund Expenditures
<b>1. Internship Program</b>	0.00	\$17,510	\$0	\$17,510
 <p>This action would fund a summer Law Clerk position on a one-time basis. The Law Clerk would conduct research and make recommendations on document templates and municipal code updates. This will allow timely completion of discrete long-term projects and help build the Milpitas brand within the municipal law bar.</p>				
<b>Performance Results</b>			 	
<b>Total Service Level Changes</b>	0.00	\$17,510	\$0	\$17,510



# Finance

**Finance Director: Luz Cofresí-Howe**

## Mission Statement

The Milpitas Finance Department is committed to the City’s fiscal sustainability and stewardship by working with the City Council, staff, and our community and providing excellent customer services.

## Description

The Finance Department provides fiscal strategy and support in accordance with policies and regulations. The department plans, manages, and directs programs and services including policies, budgets, audits, grants, transparency reporting, asset and debt management, procurement, risk management, utility fiscal services and taxation. The Department supports the City Council, Measure F Oversight Committee and Finance Sub-Committee by promoting transparency, internal controls and fiscally sustainability.

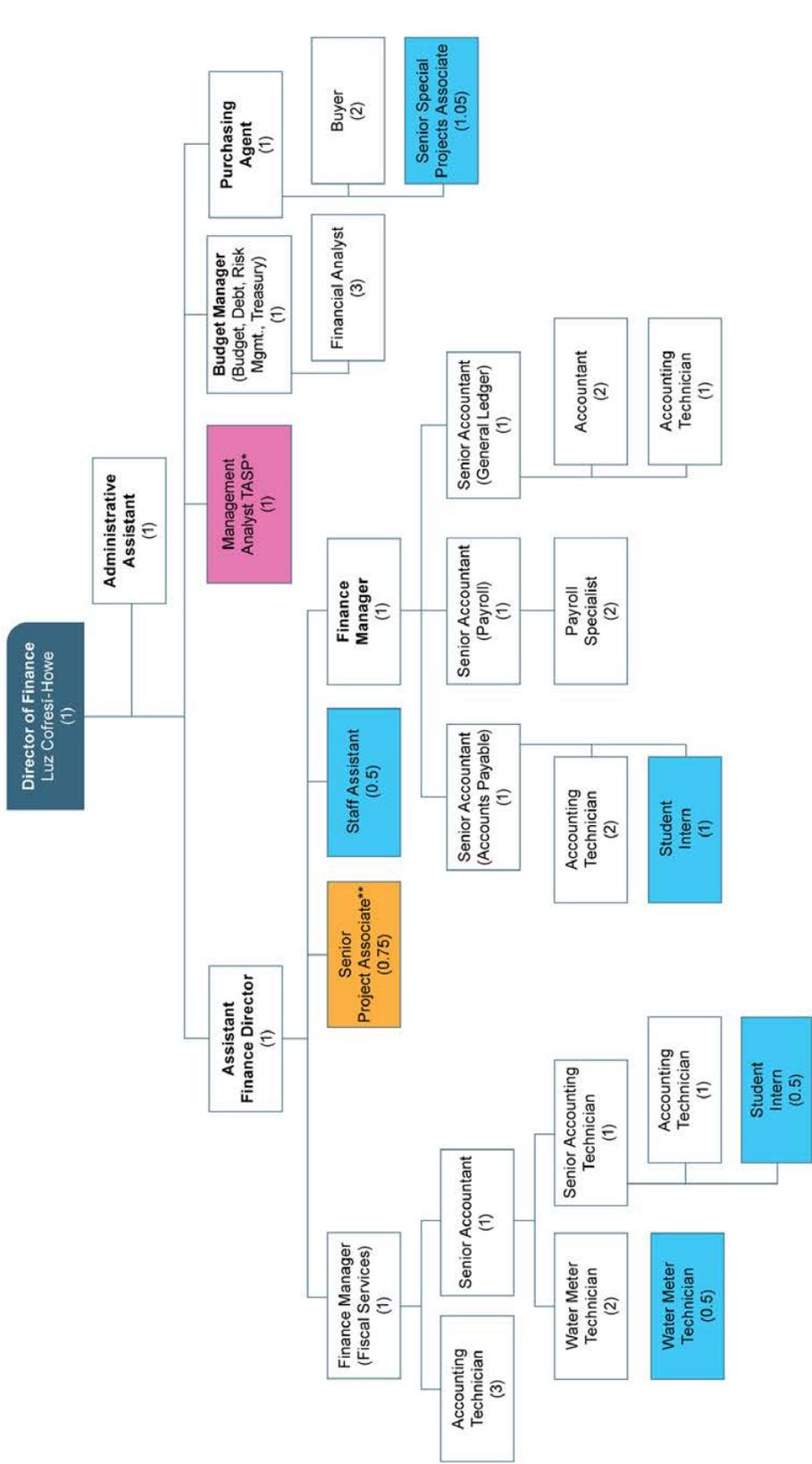


### Services

- Advises 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 Five-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 Comprehensive 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 Citywide departments with timely and clear financial performance reports to support their operations and services.
- 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 citywide 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



	FY 2025-26	FTE
<b>New</b>		
<b>Move</b>		
<b>Reclass</b>		
<b>Defunded</b>		
<b>Temp</b>		
	<b>Permanent</b>	<b>(31)</b>
	<b>Temporary</b>	<b>(4.30)</b>

•	Moved from Public Works
**	Reclassified to 0.75 FTE

<b>Accomplishments</b>		Community Wellness and Open Space	Economic Development and Job Growth	Environment	Governance & Administration	Neighborhoods and Housing	Public Safety	Transportation and Transit
								
1.	Launched new Financial System ERP – Phase 1				✓			
2.	Received GFOA and CSMFO award for Adopted Budget and GFOA award for Annual Comprehensive Financial Report.				✓			
3.	Continued implementation of Federal ARPA programs	✓	✓	✓	✓	✓	✓	✓
4.	Continued updates of finance standard operating procedures				✓			
5.	Continued Section 115 Pension Trust oversight and reporting				✓			
6.	Continued ETL (extract, load and transform) workflows to allow for enhanced reporting				✓			
7.	Continued partnering with Public Works to implement the Automated Meter Infrastructure Project			✓	✓	✓		
8.	Supported Measure F Oversight Committee		✓		✓			
9.	Completed Assessment of Key Financial Processes				✓			
10.	Partnered with Fire Department to implement paramedic medical reimbursement billing program				✓			

## Initiatives

	Community Wellness and Open Space	Economic Development and Job Growth	Environment	Governance & Administration	Neighborhoods and Housing	Public Safety	Transportation and Transit
							
1.	Continue to update Finance standard operating protocol (SOP) for succession planning			✓			
2.	Continue partnering with Public Works to complete Automated Meter Infrastructure Project		✓	✓	✓		
3.	Partner with Human Resources on upcoming labor contract negotiations			✓			
4.	Partner with Planning Department to enhance permit payment process			✓	✓		
5.	Partner with City Manager's Office on TASP Impact Fee Update	✓		✓	✓		
6.	Implement proposed City department consolidations as approved in FY2025-2026 Budget			✓			
7.	Partner with Human Resources and Information Technology Departments to launch Financial System ERP – Phase 2			✓			

## Performance and Workload Measures

PERFORMANCE MEASURES	Strategic Goals	FY 21-22 Actual	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Estimate	FY 25-26 Target
Consecutive years receiving award for Distinguished Budget Presentation		21	21	22	23	23
Consecutive years receiving award for Excellence in Financial Reporting		28	28	29	30	30
Tort Claims Resolved within 180 Days		88%	88%	80%	80%	80%
Average number of days from approved invoice received to check issuance		4	4	4	4	4

ACTIVITY AND WORKLOAD DATA	Strategic Goals	FY 21-22 Actual	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Estimate	FY 25-26 Target
Number of Contracts Processed		277	277	302	270	270
Number of Vendor Invoices Paid		17,401	17,401	19,500	19,500	19,500
Number of Utility Bills Issued		92,223	92,223	93,450	93,450	93,450
Number of Regulatory Reports Submitted to Appropriate Agencies		118	118	100	100	100
Number of Financial Informational Reports Submitted to City Council		122	122	100	100	100
Number of Payroll Checks Paid		13,606	13,606	13,600	13,600	13,600

## Budget Summary

DOLLARS BY FUNCTION	2022-23 Actual	2023-24 Actual	2024-25 Adopted	2025-26 Adopted	FY 2026 Change \$	FY 2026 Change %
Finance Administration	\$2,138,632	\$2,145,830	\$2,531,846	\$2,938,812	\$406,966	16.1%
Finance Operations	1,933,076	2,150,995	2,292,822	2,291,460	(1,362)	(0.1)%
Fiscal Services-Utilities	1,759,369	1,916,256	2,567,420	2,733,816	166,396	6.5%
Purchasing	0	0	0	7,095	7,095	0.0%
<b>TOTAL</b>	<b>\$5,831,077</b>	<b>\$6,213,081</b>	<b>\$7,392,088</b>	<b>\$7,971,183</b>	<b>\$579,095</b>	<b>7.8%</b>

DOLLARS BY CATEGORY		2022-23 Actual	2023-24 Actual	2024-25 Adopted	2025-26 Adopted	FY 2026 Change \$	FY 2026 Change %
<b>PERSONNEL SERVICES</b>							
4111	Permanent Salaries	\$2,650,854	\$2,885,816	\$3,682,732	\$4,071,557	\$388,825	10.6%
4112	Temporary Salaries	489,106	414,931	317,611	388,503	70,892	22.3%
4113	Overtime	31,968	8,235	19,000	19,210	210	1.1%
4121	Allowances	8,084	8,358	7,814	7,812	(2)	0.0%
4124	Leave Cashout	128,980	163,232	0	0	0	0.0%
4125	Accrued Leave	0	0	0	0	0	0.0%
4131	PERS	969,505	1,065,280	1,345,319	1,514,552	169,233	12.6%
4132	Group Insurance	457,879	489,370	682,807	770,957	88,150	12.9%
4133	Medicare	47,857	50,584	59,062	64,823	5,761	9.8%
4135	Worker's Compensation	15,839	19,788	20,186	22,779	2,593	12.8%
4138	Deferred Comp-Employer	19,893	22,215	25,202	28,125	2,923	11.6%
4139	PARS	1,589	1,007	3,436	973	(2,463)	(71.7)%
4141	Adjustments-Payroll	0	0	(19,906)	0	19,906	(1)
4143	Charged to CIPs	0	0	(145,000)	(407,365)	(262,365)	180.9%
4146	Short Term Disability	0	0	2,524	2,625	101	4.0%
4161	Retiree Medical Reserve	40,677	34,780	35,641	38,525	2,884	8.1%
	<b>sub-total</b>	<b>4,862,231</b>	<b>5,163,596</b>	<b>6,036,428</b>	<b>6,523,076</b>	<b>486,648</b>	<b>8.1%</b>

SUPPLIES AND CONTRACTUAL SERVICES		2022-23 Actual	2023-24 Actual	2024-25 Adopted	2025-26 Adopted	FY 2026 Change \$	FY 2026 Change %
4210	Department Allocations	10,599	6,024	4,773	4,773	0	0.0%
4220	Supplies	111,296	106,864	141,905	132,250	(9,655)	(6.8)%
4230	Services	833,441	893,439	1,122,426	1,223,613	101,187	9.0%
4240	Repair & Maintenance	2,580	2,258	37,750	37,750	0	0.0%

## Budget Narrative and Summary

DOLLARS BY CATEGORY		2022-23 Actual	2023-24 Actual	2024-25 Adopted	2025-26 Adopted	FY 2026 Change \$	FY 2026 Change %
4500	Training, Travel, & Memberships	10,930	16,885	48,806	49,721	915	1.9%
<b>sub-total</b>		<b>968,846</b>	<b>1,025,470</b>	<b>1,355,660</b>	<b>1,448,107</b>	<b>92,447</b>	<b>6.8%</b>
CAPITAL OUTLAY							
4870	Machinery and Equipment	0	24,013	0	0	0	0.0%
<b>sub-total</b>		<b>0</b>	<b>24,013</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>
<b>TOTAL</b>		<b>\$5,831,077</b>	<b>\$6,213,079</b>	<b>\$7,392,088</b>	<b>\$7,971,183</b>	<b>\$579,093</b>	<b>7.8%</b>

## Staffing

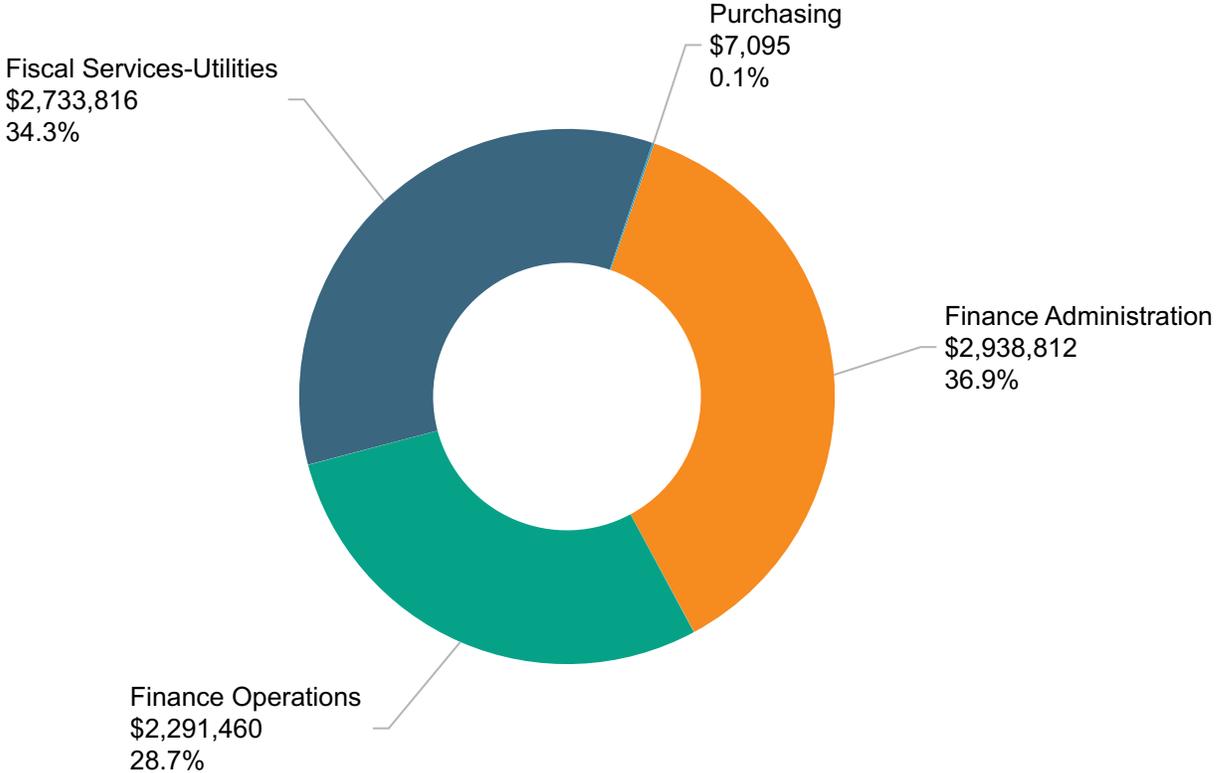
POSITIONS BY FUNCTION	2022-23 Adopted	2023-24 Adopted	2024-25 Adopted	2025-26 Adopted	FY 2026 Change
Finance Administration	9.00	9.00	10.00	11.00	1.00
Finance Operations	12.00	12.00	12.00	12.00	0.00
Fiscal Services-Utilities	8.50	8.00	8.00	8.00	0.00
Purchasing	0.00	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>29.50</b>	<b>29.00</b>	<b>30.00</b>	<b>31.00</b>	<b>1.00</b>

POSITIONS	2022-23 Adopted	2023-24 Adopted	2024-25 Adopted	2025-26 Adopted	FY 2026 Change
Accountant	2.00	2.00	2.00	2.00	0.00
Accounting Technician I/II	7.00	7.00	7.00	7.00	0.00
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	2.00	2.00	0.00
Customer Services Supervisor	1.00	0.00	0.00	0.00	0.00
Director of Finance	1.00	1.00	1.00	1.00	0.00
Finance Manager	1.00	2.00	2.00	2.00	0.00
Financial Analyst	3.00	3.00	3.00	3.00	0.00
Management Analyst*	0.00	0.00	0.00	1.00	1.00
Junior Accountant	0.00	0.00	0.00	0.00	0.00
Payroll Specialist	2.00	2.00	2.00	2.00	0.00
Purchasing Agent	1.00	1.00	1.00	1.00	0.00

POSITIONS	2022-23 Adopted	2023-24 Adopted	2024-25 Adopted	2025-26 Adopted	FY 2026 Change
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 Technician I/II	2.50	2.00	2.00	2.00	0.00
<b>Total Positions</b>	<b>29.50</b>	<b>29.00</b>	<b>30.00</b>	<b>31.00</b>	<b>1.00</b>

\*Management Analyst moved from Public Works to Finance in 2024-25 for the TASP program.

### Expenditures by Function



## Budget Reconciliation

	Positions	General Fund Expenditures	Other Fund Expenditures	All Fund Expenditures
<b>PRIOR YEAR BUDGET</b>	30.00	\$5,205,109	\$2,186,979	\$7,392,088
<b>Adjustments to Costs of Ongoing Activities</b>				
Salary and Benefits		356,945	(30,149)	326,796
Management Analyst TASP (moved from Public Works)	1.00	159,852		159,852
Increase to Contractual Services		95,517	5,970	101,487
Non-Personnel Expenditure Alignment to Historical Trend		(11,540)	2,500	(9,040)
<b>Adjustments to Costs of Ongoing Activities</b>	<b>1.00</b>	<b>600,774</b>	<b>(21,679)</b>	<b>579,095</b>
<b>Total FY2025-26 Base Budget</b>	<b>31.00</b>	<b>5,805,883</b>	<b>2,165,300</b>	<b>7,971,183</b>
<b>Total Service Level Changes</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total FY 2025-26 Budget</b>	<b>31.00</b>	<b>\$5,805,883</b>	<b>\$2,165,300</b>	<b>\$7,971,183</b>

# Fire

**Fire Chief:** Jason Schoonover

## 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 comprehensive emergency response, fire protection, emergency medical services, disaster preparedness, community education, risk reduction, and other related services in an efficient, effective, and caring manner to the Milpitas community. The Fire Department is organized into six functions as follows: Fire Administration; Operations Division, EMS Transport and Training, Office of Emergency Management, Fire Prevention, and Fire Prevention Administration.



## Services

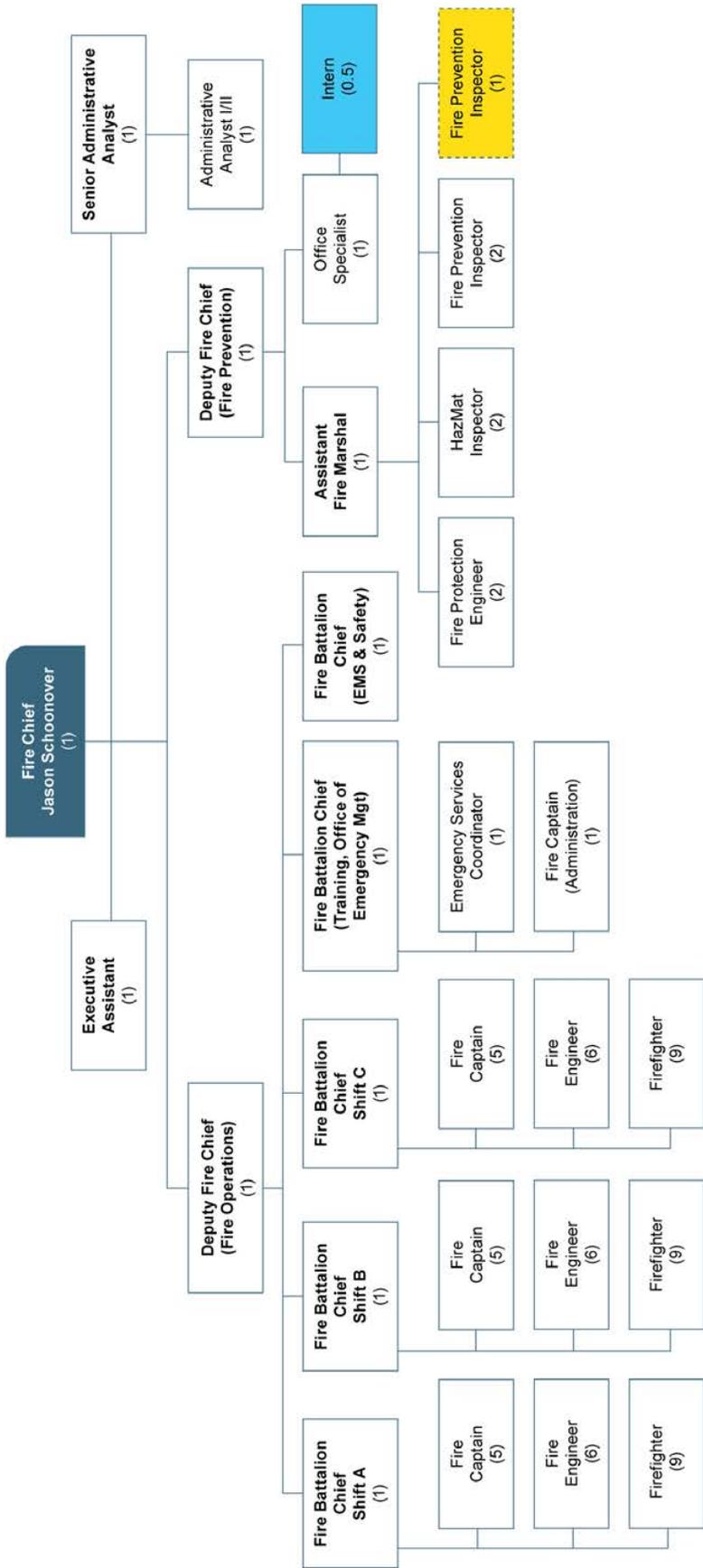
- Fire Department Administration: Directs the department in field operations, budget and fiscal policy, administrative systems and procedures, employee training and development, and labor and management issues. Fire Administration is tasked with strategic planning for the implementation of fire service 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 housing response, and specialized response to the transit area. The Operations Division is focused on emergency response.
- 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, 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.
- The Fire Prevention Division plans, organizes and manages all Fire Department prevention and inspection programs. In collaboration with other city departments and partner agencies, the Fire Prevention Division conducts fire and arson investigations, vegetation management, hazard abatement, code enforcement, public fire safety education, plan review, and evaluation and development of codes and ordinances. The Fire Prevention Division provides comprehensive fire/life safety guidance and plan review for land development, new building construction, remodel projects, fire suppression systems, and fire alerting systems. Inspections are performed to ensure completed construction projects conform to state and local fire safety regulations.



- Fire Department Training, Emergency Medical Services, and Safety Division: Directs firefighter training and succession planning. Operates drill grounds and training curricula to ensure readiness for all-risk 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 rescue ambulance. Provides safety programs to reduce the firefighter injury rate and risks.



# Fire Department



New		
Move		
Reclass		
Defunded		
Temp		
	FY 2025-26	FTE
	Permanent	(81)
	Temporary	(0.5)

Accomplishments		Community Wellness and Open Space	Economic Development and Job Growth	Environment	Governance & Administration	Neighborhoods and Housing	Public Safety	Transportation and Transit
								
1.	Implemented various enhancements to the physical health/wellness programs	✓	✓				✓	
2.	Supported the ongoing ambulance deployment program	✓	✓		✓	✓	✓	✓
3.	Added additional staff which can serve in a higher class		✓		✓		✓	
4.	Completed demolition and removal of existing modular building at Fire Station 1	✓		✓			✓	
5.	Launched fentanyl awareness webpage to share important information with the public	✓		✓			✓	
6.	Collaborated with City Attorney Office to evaluate fire record management and implemented new procedures for administrative staff				✓		✓	
7.	Updated a significant number of Radio Amateur Civil Emergency Service (RACES) equipment	✓				✓	✓	
8.	Developed the 2025 Multi-Jurisdictional Hazard Mitigation Plan, the Community Wildfire Prevention Plan, and 20 Annexes for emergency response	✓	✓			✓	✓	✓
9.	Supported upfitting and deployment of Skeeter Type 6 Vehicles for fire season			✓			✓	
10.	Implemented digital availability of plans and project records, providing better information access to customers	✓			✓		✓	

Initiatives		Community Wellness and Open Space	Economic Development and Job Growth	Environment	Governance & Administration	Neighborhoods and Housing	Public Safety	Transportation and Transit
								
1.	Develop a fitness program based on National Fire Protection Association (NFPA) 1583	✓	✓				✓	
2.	Continue to evaluate and provide for enhancements to the ambulance deployment program	✓	✓		✓	✓	✓	✓
3.	Foster the ongoing professional development of all staff with emphasis on succession planning	✓	✓		✓		✓	
4.	Support implementation of incident command software and record management software (RMS) updates				✓		✓	
5.	Ongoing efforts to replace the Urban Search and Rescue Vehicle						✓	✓
6.	Deliver Urban Search and Rescue special operations courses		✓				✓	
7.	Continue partnership with Police Department to support the adoption of the County-wide Genasys Protect evacuation plan and notifications system	✓		✓	✓	✓	✓	
8.	Increase Community Emergency Response Team (CERT) engagement	✓				✓	✓	
9.	Ongoing support of the wildland response program	✓			✓		✓	
10.	Replace paper and analog tasks with digital processes for all aspects of project management from initial permit to final inspections	✓		✓	✓	✓	✓	✓

## Performance and Workload Measures

PERFORMANCE MEASURES	Strategic Goals	FY 21-22 Actual	FY 22-23 Actual	FY 23-24 Estimate	FY 24-25 Target	FY 25-26 Target
Total response time (call to arrival) to emergency calls (minutes)		8:29	8:24	8:25	8:20	7:30*
State mandated fire occupancy inspections completed annually		1,515	1,500	1,335	1,500	1,700
Effective Response Force (First Alarm) for assembling a complete response on all structure fires (minutes)		11:20	11:20	11:19	11:20	11:30

\*Industry standard for total response time (call to arrival) to emergency calls is within 7:30 or less 90% of the time.

ACTIVITY AND WORKLOAD DATA	Strategic Goals	FY 21-22 Actual	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Estimate	FY 25-26 Target
Fire service calls		6,170	6,782	7,054	7,080	7,200
Training Hours / Certifications to serve in higher rank		9,644 / 24	12,871 / 15***	11,215 / 15	13,900 / 17	15,000 / 18
Total Engine Company Inspections		2,082	1,858	1,365	2,000	2,100
Total Plan Review / Inspections		1,401 / 1652	1,435 / 1,266	1,154 / 976	1,200 / 1,000	1,300 / 1,050
Public Education Events (attendees)		2,082	5,079	7,960	8,200	9,000
Apparatus Response Summary (incidents)		8,805	11,083	11,705	12,000	12,300
Ambulance Transports		0	98	121	150	170

## Budget Summary

DOLLARS BY FUNCTION	2022-23 Actual	2023-24 Actual	2024-25 Adopted	2025-26 Adopted	FY 2026 Change \$	FY 2026 Change %
EMS Transport Services	\$104,229	\$60,906	\$67,000	\$64,800	(\$2,200)	(3.3)%
Fire Administration	3,026,666	2,474,824	2,181,174	3,133,262	952,088	43.7%
Fire Prevention	2,028,903	1,953,118	2,933,146	2,532,663	(400,483)	(13.7)%
Fire Prevention Administration	1,299,483	997,453	1,186,867	1,216,339	29,472	2.5%
Office of Emergency Management	415,545	366,552	297,244	316,098	18,854	6.3%
Operations Division	22,354,801	22,705,395	24,817,589	27,086,672	2,269,083	9.1%
<b>TOTAL</b>	<b>\$29,229,627</b>	<b>\$28,558,248</b>	<b>\$31,483,020</b>	<b>\$34,349,834</b>	<b>\$2,866,814</b>	<b>9.1%</b>

DOLLARS BY CATEGORY		2022-23 Actual	2023-24 Actual	2024-25 Adopted	2025-26 Adopted	FY 2026 Change \$	FY 2026 Change %
<b>PERSONNEL SERVICES</b>							
4111	Permanent Salaries	\$12,739,190	\$13,086,474	\$14,395,568	\$15,856,184	\$1,460,616	10.1%
4112	Temporary Salaries	12,669	0	36,978	21,978	(15,000)	(40.6)%
4113	Overtime	2,414,467	2,354,206	1,615,257	1,615,257	0	0.0%
4114	Reimbursable Overtime	58,438	85,635	0	0	0	0.0%
4121	Allowances	78,043	75,917	78,312	77,312	(1,000)	(1.3)%
4124	Leave Cashout	1,011,438	211,586	0	0	0	0.0%
4131	PERS	6,987,410	6,709,632	8,486,578	9,735,828	1,249,250	14.7%
4132	Group Insurance	2,029,155	2,208,055	2,462,352	2,552,913	90,561	3.7%
4133	Medicare	231,635	223,197	210,710	231,811	21,101	10.0%
4135	Worker's Compensation	623,166	433,135	672,148	736,675	64,527	9.6%
4138	Deferred Comp-Employer	48,561	51,235	51,900	51,300	(600)	(1.2)%
4139	PARS	0	0	705	705	0	0.0%
4146	Short Term Disability	0	0	756	672	(84)	(11.1)%
4161	Retiree Medical Reserve	209,285	178,385	191,876	211,361	19,485	10.2%
	<b>sub-total</b>	<b>26,443,457</b>	<b>25,617,457</b>	<b>28,203,140</b>	<b>31,091,996</b>	<b>2,888,856</b>	<b>10.2%</b>

## Budget Narrative and Summary

DOLLARS BY CATEGORY		2022-23 Actual	2023-24 Actual	2024-25 Adopted	2025-26 Adopted	FY 2026 Change \$	FY 2026 Change %
<b>SUPPLIES AND CONTRACTUAL SERVICES</b>							
4210	Department Allocations	1,485,915	1,608,529	1,897,630	1,897,630	0	0.0%
4220	Supplies	543,272	508,050	636,560	622,560	(14,000)	(2.2)%
4230	Services	413,667	404,251	486,707	517,166	30,459	6.3%
4240	Repair & Maintenance	2,524	2,256	0	0	0	0.0%
4500	Training, Travel, & Memberships	135,309	127,185	234,575	196,075	(38,500)	(16.4)%
<b>sub-total</b>		<b>2,580,687</b>	<b>2,650,271</b>	<b>3,255,472</b>	<b>3,233,431</b>	<b>(22,041)</b>	<b>(0.7)%</b>
<b>CAPITAL OUTLAY</b>							
4850	Vehicles	166,770	50,641	0	0	0	0.0%
4870	Machinery and Equipment	38,713	239,880	24,408	24,408	0	0.0%
4920	Machinery, Tools & Equipment	0	0	0	0	0	0.0%
<b>sub-total</b>		<b>205,483</b>	<b>290,521</b>	<b>24,408</b>	<b>24,408</b>	<b>0</b>	<b>0.0%</b>
<b>TOTAL</b>		<b>\$29,229,627</b>	<b>\$28,558,249</b>	<b>\$31,483,020</b>	<b>\$34,349,835</b>	<b>\$2,866,815</b>	<b>9.1%</b>

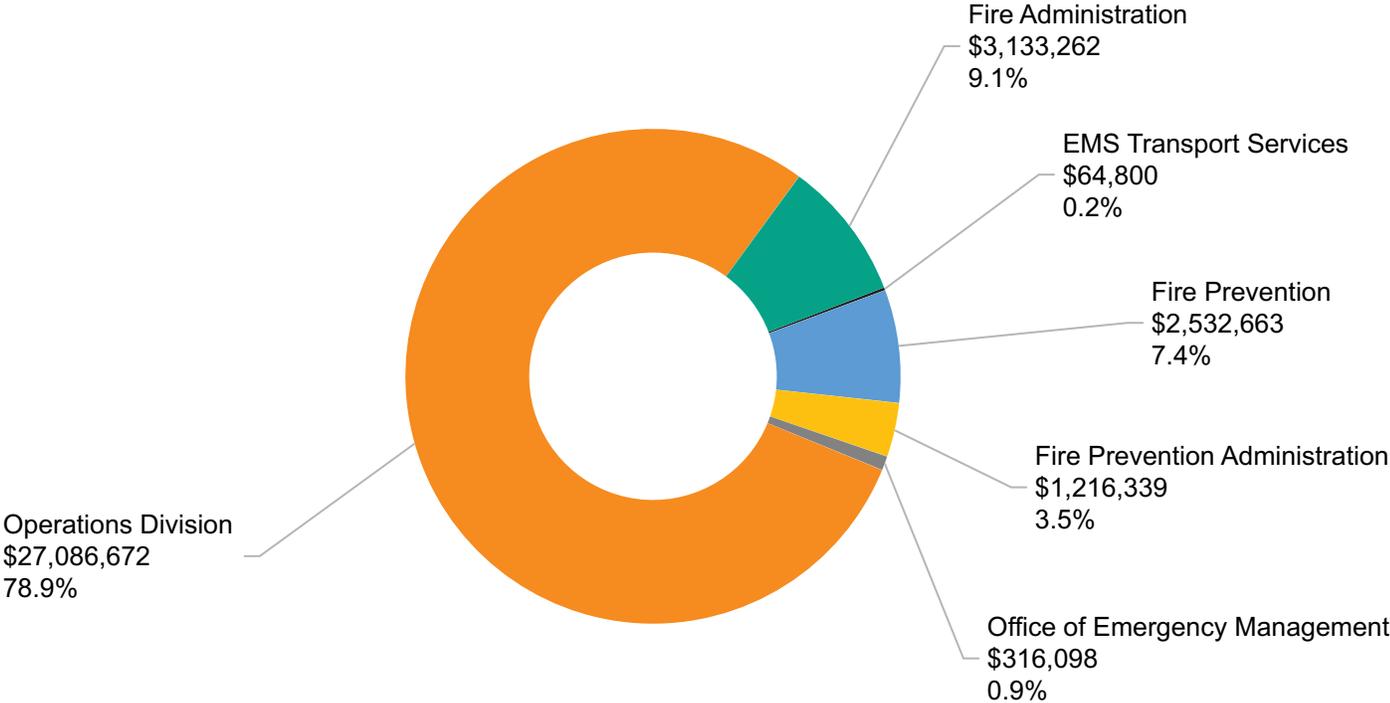
## Staffing

POSITIONS BY FUNCTION	2022-23 Adopted	2023-24 Adopted	2024-25 Adopted	2025-26 Adopted	FY 2026 Change
Fire Administration	7.00	8.00	8.00	8.00	0.00
Fire Prevention	7.00	6.00	6.00	5.00	(1.00)
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	63.00	63.00	63.00	63.00	0.00
<b>TOTAL</b>	<b>82.00</b>	<b>82.00</b>	<b>82.00</b>	<b>81.00</b>	<b>(1.00)</b>

POSITIONS	2022-23 Adopted	2023-24 Adopted	2024-25 Adopted	2025-26 Adopted	FY 2026 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
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
Executive Assistant	1.00	1.00	1.00	1.00	0.00
Fire Battalion Chief	3.00	3.00	3.00	3.00	0.00

POSITIONS	2022-23 Adopted	2023-24 Adopted	2024-25 Adopted	2025-26 Adopted	FY 2026 Change
Fire Battalion Chief-40 hr	1.00	2.00	2.00	2.00	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	8.00	8.00	8.00	8.00	0.00
Fire Engineer-Paramedic	10.00	10.00	10.00	10.00	0.00
Fire Prevention Inspector	4.00	3.00	3.00	2.00	(1.00)
Fire Protection Engineer	2.00	2.00	2.00	2.00	0.00
Firefighter	16.00	16.00	16.00	16.00	0.00
Firefighter/Paramedic	11.00	11.00	11.00	11.00	0.00
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	1.00	1.00	1.00	1.00	0.00
<b>Total Positions</b>	<b>82.00</b>	<b>82.00</b>	<b>82.00</b>	<b>81.00</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>	82.00	\$31,442,612	\$40,408	\$31,483,020
<b>Adjustments to Costs of Ongoing Activities</b>				
Salary and Benefits		3,258,848		3,258,848
Motorola Annual Increase		17,709		17,709
Non-Personnel Expenditure Alignment to Historical Trend		3,000		3,000
<b>Adjustments to Costs of Ongoing Activities</b>	<b>0.00</b>	<b>3,279,557</b>	<b>0</b>	<b>3,279,557</b>
<b>Total FY 2025-26 Base Budget</b>	<b>82.00</b>	<b>34,722,169</b>	<b>40,408</b>	<b>34,762,577</b>
<b>Service Level Changes</b>				
Defund Fire Prevention Inspector	(1.00)	(354,992)		(354,992)
Miscellaneous Expenses Reduction		(77,000)		(77,000)
Office Assistant		(15,000)		(15,000)
Incident & Disaster Management Software		34,250		34,250
<b>Total Service Level Changes</b>	<b>(1.00)</b>	<b>(412,742)</b>	<b>0</b>	<b>(412,742)</b>
<b>Total FY 2025-26 Budget</b>	<b>81.00</b>	<b>\$34,309,427</b>	<b>\$40,408</b>	<b>\$34,349,835</b>

## Service Level Changes

		Positions	General Fund Expenditures	Other Fund Expenditures	All Fund Expenditures		
<b>1</b>	<b>Defund Fire Prevention Inspector</b>	(1.00)	(\$354,992)		(\$354,992)		
	<p>This proposal defunds one vacant full-time equivalent (1.0 FTE) Fire Prevention Inspector position within the Fire Department. Similar to the Office of Building Safety building inspector reduction, this position is responsible for conducting essential building inspections and ensuring code compliance as these inspections specifically relate to fire regulations and safety. Also as with the building inspector position, eliminating this position is anticipated to have little to no impact on service delivery, service quality or customer satisfaction, given the ongoing decline in inspection activity and the capacity of existing staff to absorb the duties of the defunded position. As development activity increases, along with the related revenue, this position would be reactivated and funded to manage workload. (ongoing)</p>						
	<b>Performance Results</b>						
<b>2</b>	<b>Miscellaneous Expenses Reduction</b>		\$(77,000)	\$0	\$(77,000)		
	<p>This proposal reduces miscellaneous expenses across all Fire Department operations by trimming various budget areas without fully eliminating any. Public safety service levels will remain unaffected. To offset decreased spending on fire supplies, the department will actively seek grant opportunities. Although training cuts may limit future staff development, they will not impact current service levels. (ongoing)</p>						
	<b>Performance Results:</b>						
<b>3.</b>	<b>Office Assistant</b>		\$(15,000)	\$0	\$(15,000)		
	<p>This proposal eliminates funding for a part-time Office Assistant position in the Fire Operations division. The role currently supports administrative staff; however, ongoing cross-training efforts have prepared current personnel to absorb the duties. The reduction is expected to have minimal impact on service levels. (ongoing)</p>						
	<b>Performance Results:</b>						
<b>4.</b>	<b>Incident &amp; Disaster Management Software</b>		\$34,250	\$0	\$34,250		
	<p>This proposal funds an essential public safety technology platform to enhance the City of Milpitas' emergency management capabilities. This platform enhances incident response and management within the Fire Department by improving situational awareness and resource management through integration with the City's existing dispatch system. Securing funding for these technologies is vital for maintaining effective emergency operations and modernizing response capabilities. (ongoing)</p>						
	<b>Performance Results:</b>						
<b>Total Service Level Changes</b>		(1.00)	(\$412,742)	\$0	(\$412,742)		



# Human Resources

**HR Director: Kelli Parmley**

## Mission Statement

The HR Department supports the achievement of the City’s goals by: 1) recruiting and retaining highly qualified individuals and ensuring they have the resources to operate effectively, 2) providing an environment that is diverse, safe, and conscious of community goals, and 3) establishing policies/practices that treat employees with respect, while maintaining compliance with labor laws and labor agreements.

## Description

The HR Department 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 labor relations, including negotiations and administration of labor agreements.

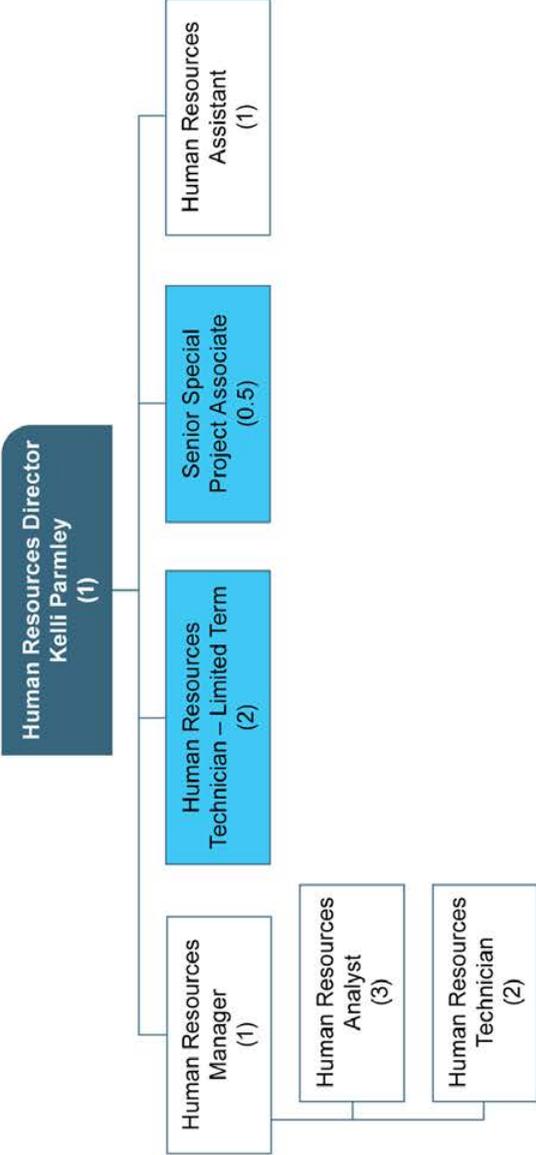


### Services

- Recruitment - The HR Department partners with all areas of City service to find energetic, engaged, and highly capable public employees. This is done through the use of cloud-based applicant tracking and management systems, target advertising, and executive recruiting firms as needed to compete for and secure the very best talent.
- Health and Wellness - The HR Department oversees comprehensive benefits packages for approximately 455 (FTE) positions, focusing on overall health and wellness for employees and their families. We do this by taking a holistic approach on quality of life and providing excellent benefits including medical coverage through CalPERS Health, Dental, Vision, Life Insurance, Long Term Disability, Short Term Disability, Employee Assistance Program (EAP), Deferred Compensation (457 or 401A plan depending on bargaining unit), and other financial wellness resources.
- Workers' Compensation - The City is self-insured for workers' compensation contracted through a Third Party Administrator (TPA). Staff work 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 builds productive and collaborative relationships with our five separate bargaining units to achieve the City's goals and provide exemplary service to our community. Human Resources team members are critical components of administering, implementing, and interpreting labor contracts and assisting in the resolution of potential issues.
- 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 and professional growth opportunities to promote employees' learning and development in alignment with the organization's needs and goals.



# Human Resources Department



New		
Move		
Reclass		
Defunded		
Temp		
	FY 2025-26	FTE
	Permanent	(8)
	Temporary	(2.5)

## Accomplishments

		Community Wellness and Open Space	Economic Development and Job Growth	Environment	Governance & Administration	Neighborhoods and Housing	Public Safety	Transportation and Transit
								
1.	Maintained a vacancy rate, in partnership with Departments, within the range of 7-10%				✓			
2.	Reviewed, clarified, and created consistency to modernize and document procedures with hiring managers in the recruiting process.				✓			
3.	Launched a collaborative, agile HR/Payroll team in preparation for an enterprise-wide system in seven key areas				✓			
4.	Offered an employee recognition event with more than 200 employees and initiated a partnership the Milpitas Library with an event and library card campaign				✓			
5.	Increased communication, education, and campaign to education employee about benefits including a series of webinars about our Employee Assistance Program (EAP)				✓			
6.	Co-created a leadership development program with an outside consultant over five sessions with our Executive Leadership Team (ELT) and created the foundation for succession planning through a leadership development program for the next level leaders.				✓			
7	Established a relationship with Ohlone College for the Junior Leadership Academy Micro-internship program and provided opportunities for three students.				✓			

### Initiatives

	Community Wellness and Open Space	Economic Development and Job Growth	Environment	Governance & Administration	Neighborhoods and Housing	Public Safety	Transportation and Transit
							
1.	Create Capacity for our People: Create a Human Resource Information System (HRIS) to positively impact and optimize the capacity of our employees to contribute their analytic, creative, innovative and relational capacities to better serve the residents of Milpitas.						
2.	Powered by our People: Modernize our system of hiring to ensure its competitive, open, fair, and equitable to enable a diversely talented workforce and create a pipeline of next generation employees						
3.	Engaging, Growing, and Retaining our People: Provide a work environment that is safe, supports growth and engages employees to retain a diverse and thriving workforce that will serve our residents well.						

## Performance and Workload Measures

PERFORMANCE MEASURES	Strategic Goals	FY 21-22 Actual	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Estimate	FY 25-26 Target
Average time to fill a vacancy (in days)		98.53	109.06	83.52	80	75
Percentage of recruitments completed within established timelines		67%	66%	53%	65%	70%
Percentage of employees attended Harassment Prevention Training		77%	86%	72%	75%	85%

ACTIVITY AND WORKLOAD DATA	Strategic Goals	FY 21-22 Actual	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Estimate	FY 25-26 Target
Number of full-time positions filled		98	53	55	60	45
Number of workers compensation claims processed		105	92	40	50	50
Number of transactions processed		986	1,131	1,042	850	900
Number of new hires onboarded (includes temporary staff)		163	214	175	100	150

## Budget Summary

DOLLARS BY CATEGORY		2022-23 Actual	2023-24 Actual	2024-25 Adopted	2025-26 Adopted	FY 2026 Change \$	FY 2026 Change %
<b>PERSONNEL SERVICES</b>							
4111	Permanent Salaries	\$839,680	\$894,097	\$1,044,289	\$1,100,650	\$56,361	5.4%
4112	Temporary Salaries	72,713	75,474	29,527	89,527	60,000	203.2%
4113	Overtime	598	51	1,500	1,500	0	0.0%
4121	Allowances	5,458	5,313	6,600	13,200	6,600	100.0%
4124	Leave Cashout	92,951	30,024	0	0	0	0.0%
4131	PERS	268,342	292,804	378,070	393,670	15,600	4.1%
4132	Group Insurance	126,106	139,331	197,079	158,688	(38,391)	(19.5)%
4133	Medicare	14,706	14,570	16,309	17,007	698	4.3%
4135	Worker's Compensation	1,408	232	5,586	5,798	212	3.8%
4138	Deferred Comp-Employer	5,616	6,025	7,200	7,200	0	0.0%
4139	PARS	4	0	886	886	0	0.0%
4146	Short Term Disability	0	0	672	672	0	0.0%
4161	Retiree Medical Reserve	8,705	7,142	8,685	9,042	357	4.1%
	<b>sub-total</b>	<b>1,436,287</b>	<b>1,465,063</b>	<b>1,686,856</b>	<b>1,788,293</b>	<b>101,437</b>	<b>6.0%</b>
<b>SUPPLIES AND CONTRACTUAL SERVICES</b>							
4200	Community Promotion, Grant/ Loan	8,748	9,704	8,755	63,755	55,000	628.2%
4220	Supplies	9,058	11,090	7,210	7,210	0	0.0%
4230	Services	290,862	302,484	515,738	527,103	11,365	2.2%
4500	Training, Travel, & Memberships	69,363	18,406	130,239	130,409	170	0.1%
	<b>sub-total</b>	<b>378,031</b>	<b>341,684</b>	<b>661,942</b>	<b>774,701</b>	<b>112,759</b>	<b>17.0%</b>
	<b>TOTAL</b>	<b>\$1,814,318</b>	<b>\$1,806,747</b>	<b>\$2,348,798</b>	<b>\$2,562,994</b>	<b>\$214,196</b>	<b>9.1%</b>

## Staffing

POSITIONS	2022-23 Adopted	2023-24 Adopted	2024-25 Adopted	2025-26 Adopted	FY 2026 Change
Employee Relations Officer	1.00	0.00	0.00	0.00	0.00
Human Resources Analyst I	1.00	1.00	1.00	1.00	0.00
Human Resources Analyst II	1.00	1.00	2.00	2.00	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 Manager	0.00	1.00	1.00	1.00	0.00
Human Resources Technician	2.00	2.00	2.00	2.00	0.00
<b>Total Positions</b>	<b>7.00</b>	<b>7.00</b>	<b>8.00</b>	<b>8.00</b>	<b>0.00</b>

## Expenditures by Category

Supplies and Contractual Services  
\$774,701  
30.2%



Personnel Services  
\$1,788,293  
69.8%

## Budget Reconciliation

	Positions	General Fund Expenditures	Other Fund Expenditures	All Fund Expenditures
<b>PRIOR YEAR BUDGET</b>	<b>8.00</b>	<b>\$2,348,798</b>	<b>\$0</b>	<b>\$2,348,798</b>
<b>Adjustments to Costs of Ongoing Activities</b>				
Salary and Benefits		41,437		41,437
NeoGov (moved from Information Technology)		46,224		46,224
Community Promotions (moved from City Manager's Office)		55,000		55,000
Increase to Contractual Services		11,365		11,365
Non-Personnel Expenditure Alignment to Historical Trend		170		170
<b>Adjustments to Costs of Ongoing Activities</b>	<b>0.00</b>	<b>154,196</b>	<b>0</b>	<b>154,196</b>
<b>Total FY2025-26 Base Budget</b>	<b>8.00</b>	<b>\$2,502,994</b>	<b>0</b>	<b>\$2,502,994</b>
<b>Service Level Changes</b>				
Milpitas Summer College Internship Program		60,000		60,000
<b>Total Service Level Changes</b>	<b>0.00</b>	<b>60,000</b>	<b>0</b>	<b>60,000</b>
<b>Total FY 2025-26 Budget</b>	<b>8.00</b>	<b>\$2,562,994</b>	<b>\$0</b>	<b>\$2,562,994</b>

## Service Level Changes

	Positions	General Fund Expenditures	Other Fund Expenditures	All Fund Expenditures
1 <b>Milpitas Summary College Internship Program</b>		\$60,000		\$60,000
 <p>This proposal allocates one-time funding amount of \$60,000 to launch the Milpitas Summer College Intern Program, which will support five (5) college interns. The City of Milpitas currently offers a diverse range of internship opportunities across various departments, allowing interns to gain practical experience while exploring potential career paths in government and public service. At present, the City hosts between 8 to 12 interns, primarily engaged within the City Council, Finance, Information Technology, and Public Works departments. However, there is no structured program specifically designed to provide a cohesive experience for college interns. By establishing a summer component, the City can enhance its existing “talent pipeline” initiatives and bring clarity and organization to the current internship offerings, ultimately creating a more enriching and structured experience for the college interns.</p>				
<b>Performance Results</b>			 	
<b>Total Service Level Changes</b>	<b>0.00</b>	<b>\$60,000</b>	<b>\$0</b>	<b>\$60,000</b>

# Information Technology

**IT Director: Daniel Nam**

### Mission Statement

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

### Description

The Information Technology Department is responsible for the strategic planning, implementation, and management of the City's technology infrastructure and cybersecurity initiatives. The department drives technology projects to meet organizational needs, provides integration of systems and services, and fosters partnerships with key service providers. Additionally, the department supports automation efforts, facilitates training, provides comprehensive GIS services, oversees the City's website and security access systems.



### Services

- IT Strategic Planning – Manage and continuously evaluate multi-year technology initiatives to ensure strategic and effective use of technology across City departments, aligning with the City’s overall mission and goals.
- 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.
- Cybersecurity Program – Establish cybersecurity measures and implement systems, including providing ongoing employee training and awareness programs to enhance protection against cyber threats.
- Development Services – Support the development of effective, secure and reliable software and technology solutions to enhance service delivery.
- Servers and Application Support – Provide management and support of the City’s datacenter, including the oversight of City’s servers and storage resources, public-safety systems, primary computer directory services, e-mail, teleconference, system automation, cloud technologies, system integrations, and disaster recovery planning.
- Infrastructure Support – Design, implement, and maintain the technology infrastructure, including Internet connectivity, IP telephony systems, mobile phones and data services, metro-area fiber optic network and wireless enterprise network.
- GIS – Provide comprehensive GIS services, including software development, data acquisition, aerial imagery, and mapping. Enable cross-departmental coordination and integrate GIS data into key enterprise systems such as Computer Aided Dispatch, Computerized Maintenance Management, and Land Records & Permitting Applications.
- Helpdesk – Provide centralized support for City staff. Helpdesk service provides technical resources, including troubleshooting assistance for

software, hardware, and technology resources. The Helpdesk supports and manages the City’s technology assets, including 770 computers, 400 mobile devices, and 125 printers.

- Public Information – Develop and support the City’s website and provide support for virtual and hybrid public meetings.
- Technology Contract Management – Coordinate and manage various technology system contracts.
- Security Access and Control – Enhance safety and protect City’s assets by supporting and managing the security access and control system for City facilities.





Accomplishments		Community Wellness and Open Space	Economic Development and Job Growth	Environment	Governance & Administration	Neighborhoods and Housing	Public Safety	Transportation and Transit
								
1.	Cybersecurity – Completed Network Penetration Testing to identify potential vulnerabilities and improve security	✓	✓	✓	✓	✓	✓	✓
2.	Cybersecurity – Upgraded legacy network firewall to enhance network security and protect against evolving cyber threats	✓	✓	✓	✓	✓	✓	✓
3.	Completed Council Chamber Audio/Visual technology replacement and implemented translation service to improve community access to public meetings				✓			
4.	Modernized Committee Room Audio/Visual system to support commission and council subcommittee meetings				✓			
5.	Public Safety – Upgraded 9-1-1 Dispatch System to the next major version to support public safety emergency response						✓	
6.	Completed Police Mobile Computer Replacement to support enhanced efficiency and safety in Police operation						✓	
7.	GIS – Enhanced various GIS online applications including Feature Report, Redmarks, and Cloud-first data editing to support future projects	✓	✓	✓	✓	✓	✓	✓
8.	Completed GIS data acquisition efforts for mapping all City park irrigations, 20 as-builts & 100 miscellaneous utilities datasets to improve data accuracy	✓	✓	✓	✓	✓	✓	✓
9.	Infrastructure – Improved connectivity and reliability for Citywide Wi-Fi upgrade	✓	✓	✓	✓	✓	✓	✓
10.	Supported various departments with software implementation and improvement projects such as, Tablet Command, ERP/HRIS, Lucity and Traffic Management System				✓		✓	

Initiatives		Community Wellness and Open Space	Economic Development and Job Growth	Environment	Governance & Administration	Neighborhoods and Housing	Public Safety	Transportation and Transit
								
1.	Continue Cybersecurity Program Enhancement	✓	✓	✓	✓	✓	✓	✓
2.	Prepare phone system for upcoming modernization				✓			
3.	Continue with transitioning departments from legacy systems to the modern SharePoint platform				✓			
4.	Provide ongoing technology assistance for McCandless Pump Station Construction	✓	✓		✓			
5.	Complete optimization of asset management system				✓			
6.	Complete GIS improvements for parcel easement validation and street striping management		✓		✓	✓		
7.	Continue partnership with the Fire Department for Tablet Command implementation				✓		✓	
8.	Continue to provide technology resources for ERP/HRIS project				✓			
9.	Initiate new Permitting System (LMS)		✓		✓	✓		
10.	Continue to provide technology resources to Public Works for Traffic Management System enhancement				✓	✓	✓	

## Performance and Workload Measures

PERFORMANCE MEASURES	Strategic Goals	FY 21-22 Actual	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Estimate	FY 25-26 Target
City Council meetings supported		100%	100%	100%	100%	100%
Network Availability*		99.95%	99.9%	99.99%	99.99%	99.99%
Critical Server Availability*		99.98%	99.98%	100%	99.99%	99.99%
Website Availability*		99.55%	99.66%	99.6%	99.99%	99.99%
Customer surveys received with a score of 4 or better (out of 5)		100%	100%	100%	100%	100%

ACTIVITY AND WORKLOAD DATA	Strategic Goals	FY 21-22 Actual	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Estimate	FY 25-26 Target
Help Desk tickets closed		5,760	5,895	5,712	6,000	7,462
Website visitors		450,000	346,000	400,000	300,000	300,000
GIS Asset updates		49,167	61,232	41,251	40,000	40,000
Number of City Council and Planning Committee meetings supported		50	62	44	50	56
Physical servers converted to virtual servers		97%	98%	99%	99%	99%

\*Scheduled down time for maintenance is excluded

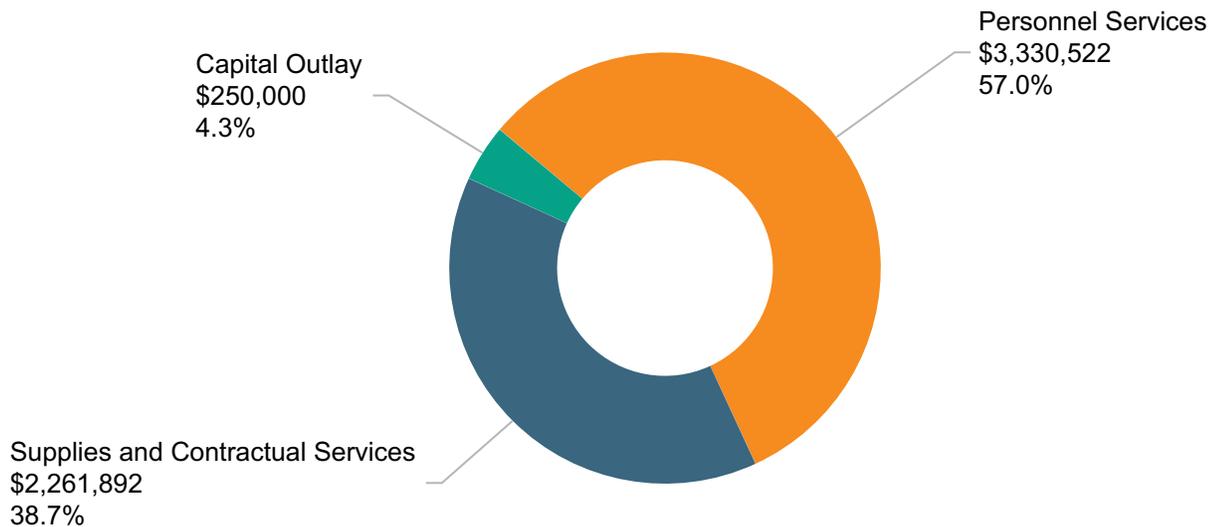
## Budget Summary

DOLLARS BY CATEGORY		2022-23 Actual	2023-24 Actual	2024-25 Adopted	2025-26 Adopted	FY 2026 Change \$	FY 2026 Change %
<b>PERSONNEL SERVICES</b>							
4111	Permanent Salaries	\$1,116,095	\$1,238,786	\$2,089,992	\$2,115,873	\$25,881	1.2%
4112	Temporary Salaries	3,515	13,997	35,000	35,000	0	0.0%
4113	Overtime	1,977	200	0	0	0	0.0%
4121	Allowances	3,948	7,229	6,600	6,600	0	0.0%
4124	Leave Cashout	73,858	46,582	0	0	0	0.0%
4125	Accrued Leave	0	0	0	0	0	0.0%
4131	PERS	368,046	415,083	724,805	723,964	(841)	(0.1)%
4132	Group Insurance	131,681	156,076	347,328	374,508	27,180	7.8%
4133	Medicare	17,564	19,091	30,909	31,284	375	1.2%
4135	Worker's Compensation	(32,389)	533	12,055	10,755	(1,300)	(10.8)%
4138	Deferred Comp-Employer	6,271	8,063	12,600	11,700	(900)	(7.1)%
4139	PARS	53	210	526	526	0	0.0%
4146	Short Term Disability	0	0	1,176	1,176	0	0.0%
4161	Retiree Medical Reserve	19,760	18,915	18,852	19,136	284	1.5%
<b>sub-total</b>		<b>1,710,379</b>	<b>1,924,765</b>	<b>3,279,843</b>	<b>3,330,522</b>	<b>50,679</b>	<b>1.5%</b>
<b>SUPPLIES AND CONTRACTUAL SERVICES</b>							
4210	Department Allocations	1,704	1,984	2,212	2,212	0	0.0%
4220	Supplies	15,808	8,070	11,000	11,000	0	0.0%
4230	Services	320,003	444,038	15,000	15,000	0	0.0%
4240	Repair & Maintenance	1,236,967	1,466,913	1,622,465	1,835,180	212,715	13.1%
4410	Communications	349,872	338,342	302,000	325,000	23,000	7.6%
4500	Training, Travel, & Memberships	15,267	11,368	73,500	73,500	0	0.0%
<b>sub-total</b>		<b>1,939,621</b>	<b>2,270,715</b>	<b>2,026,177</b>	<b>2,261,892</b>	<b>235,715</b>	<b>11.6%</b>
<b>CAPITAL OUTLAY</b>							
4860	Capitalized Leases	0	0	0	0	0	0
4870	Machinery and Equipment	0	0	0	0	0	0.0%
4920	Machinery, Tools & Equipment	19,866	289,447	250,000	250,000	0	0.0%
<b>sub-total</b>		<b>19,866</b>	<b>289,447</b>	<b>250,000</b>	<b>250,000</b>	<b>0</b>	<b>0.0%</b>
<b>TOTAL</b>		<b>\$3,669,866</b>	<b>\$4,484,927</b>	<b>\$5,556,020</b>	<b>\$5,842,414</b>	<b>\$286,395</b>	<b>5.2%</b>

## Staffing

POSITIONS	2022-23 Adopted	2023-24 Adopted	2024-25 Adopted	2025-26 Adopted	FY 2026 Change
Business Systems Analyst/ Developer	1.00	1.00	1.00	1.00	0.00
Deputy IT Director	1.00	1.00	1.00	1.00	0.00
GIS Technician	1.00	1.00	1.00	1.00	0.00
Information Technology Analyst	3.00	4.00	4.00	4.00	0.00
Information Technology Director	1.00	1.00	1.00	1.00	0.00
Information Technology Manager	2.00	2.00	2.00	2.00	0.00
Information Technology Technician	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	1.00	1.00	1.00	0.00
<b>Total Positions</b>	<b>13.00</b>	<b>14.00</b>	<b>14.00</b>	<b>14.00</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>	<b>14.00</b>	<b>\$5,135,405</b>	<b>\$420,615</b>	<b>\$5,556,020</b>
<b>Adjustments to Costs of Ongoing Activities</b>				
Salary and Benefits		50,679		50,679
Various Software Maintenance		128,575	3,140	131,715
NeoGov (moved to Human Resources)		(77,000)		(77,000)
Non-Personnel Expenditure Alignment to Historical Trend		23,000		23,000
<b>Adjustments to Costs of Ongoing Activities</b>	<b>0.00</b>	<b>125,254</b>	<b>3,140</b>	<b>128,394</b>
<b>Total FY 2025-26 Base Budget</b>	<b>14.00</b>	<b>5,260,659</b>	<b>423,755</b>	<b>5,684,414</b>
<b>Service Level Changes</b>				
Technology Systems		158,000		158,000
<b>Total Service Level Changes</b>	<b>0.00</b>	<b>158,000</b>	<b>0</b>	<b>158,000</b>
<b>Total FY 2025-26 Budget</b>	<b>14.00</b>	<b>\$5,418,659</b>	<b>\$423,755</b>	<b>\$5,842,414</b>

## Service Level Changes

		Positions	General Fund Expenditures	Other Fund Expenditures	All Fund Expenditures
1	<b>Technology Systems</b>		\$158,000		\$158,000
	<p>This proposal funds the ongoing software and maintenance renewal essential for the City’s operational continuity and disaster recovery preparedness. These systems, currently supported through previously approved multi-year agreements, include secure offsite storage solutions, infrastructure enhancements for improved IT management and performance, automated backup solutions to ensure the recoverability of critical information, and web filtering for enhanced online safety. Continued funding for these vital services through the operating budget is crucial for maintaining the City’s strategic objectives in data integrity and service reliability. (ongoing)</p>				
	<b>Performance Results</b>			 	
<b>Total Service Level Changes</b>		0.00	\$158,000	\$0	\$158,000

# Planning

Planning Director: Jay Lee

## 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. Preserving the quality and beauty of neighborhoods through enforcement of City regulations are also at the forefront of efforts by the Department to promote the health and welfare of this vibrant and diverse City.

## 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. The Department provides code enforcement services to enhance neighborhood quality and general welfare.

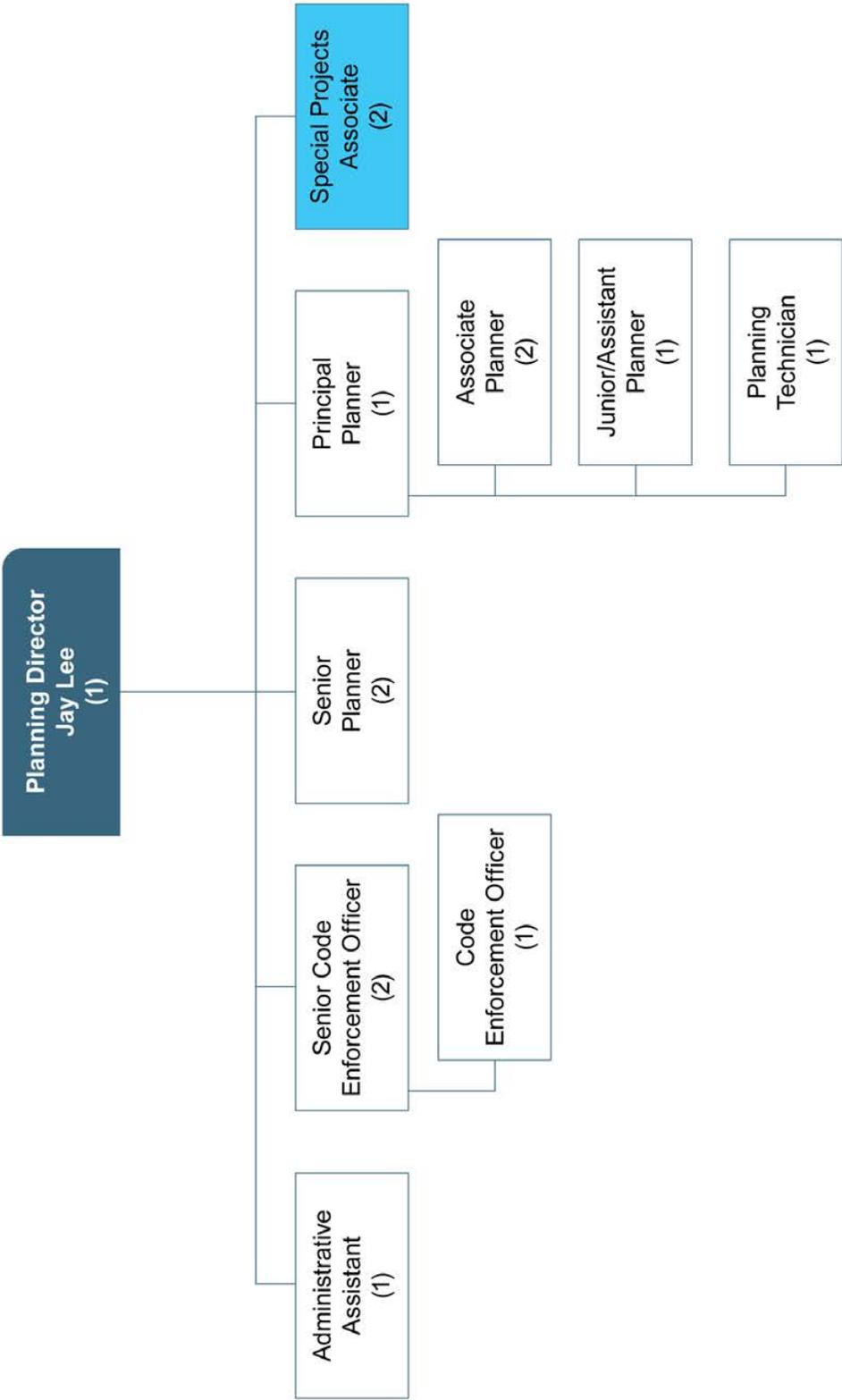


## Services

- 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).
- Reviews the City's CEQA documents for capital projects.
- 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 pre-application consultation to application submittal and formal review.
- Implements the Milpitas Metro Specific Plan and Gateway-Main St. Specific Plan and coordinates with other departments to ensure timely review of development proposals.
- Supports the Office of Housing in updating the Housing Element and implementing the City's housing policies.
- 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.
- Reviews various City license and permit applications for zoning conformance.
- Provides staff support to the Planning Commission and other planning-related advisory groups.
- Secures regional, state, and federal grant funding to initiate planning, transportation, and parks projects.
- 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.
- Provide code enforcement services to correct Health and Safety Code and Municipal Code violations.
- Administer programs for abandoned vehicles, shopping carts, animal control, and neighborhood beautification.



# Planning



	FY 2025-26	FTE
New		
Move		
Reclass		
Defunded	Permanent	(12)
Temp	Temporary	(2.0)

Accomplishments		Community Wellness and Open Space	Economic Development and Job Growth	Environment	Governance & Administration	Neighborhoods and Housing	Public Safety	Transportation and Transit
								
1.	Completed a public draft of the Gateway-Main St. Specific Plan	✓	✓	✓	✓	✓		✓
2.	Continued to operate and expanded Milpitas SMART as a local transit program		✓	✓	✓			✓
3.	Completed a public draft of a comprehensive update to the City's Zoning Ordinance	✓	✓	✓	✓	✓	✓	✓
4.	Supported Housing Element implementation, including adoption of Housing Opportunity Districts (HODs)		✓		✓	✓		
5.	Initiated the Main St. Sense of Place Plan and Impact Fee Study	✓	✓		✓	✓	✓	✓
6.	Initiated the Innovation District Parks and Trails Master Plan	✓			✓	✓		
7.	Continued work on the Metro Area Development Impact Fee	✓	✓		✓	✓		✓
8.	Secured \$400k in grant funding to implement MTC's Transit Oriented Communities (TOC) Policy					✓		✓
9.	Continued collaboration with other departments to implement upgrades to the City's online permit tracking system to increase efficiency and enhance service delivery to the community.				✓	✓		
10.	Processed a high volume of development entitlements, including those requiring hearings with the Planning Commission, Zoning Administrator, and City Council	✓	✓		✓	✓		

Initiatives		Community Wellness and Open Space	Economic Development and Job Growth	Environment	Governance & Administration	Neighborhoods and Housing	Public Safety	Transportation and Transit
								
1.	Complete the Gateway-Main St. Specific Plan	✓	✓	✓	✓	✓		✓
2.	Secure external funding sources to continue Milpitas SMART		✓	✓	✓			✓
3.	Complete the Comprehensive Zoning Ordinance Update	✓	✓	✓	✓	✓	✓	✓
4.	Continue implementing of the Housing Element		✓		✓	✓		
5.	Complete the Metro Area Development Impact Fee Study	✓	✓		✓	✓		✓
6.	Collaborate with other departments to launch a new online permit tracking system				✓	✓		
7.	Implement buffers for tobacco retailers	✓			✓			
8.	Continue work on the Main St. Sense of Place Plan and Impact Fee Study	✓	✓		✓	✓	✓	✓
9.	Continue work on the Innovation District Parks and Trails Master Plan	✓			✓	✓		
10.	Initiate work on MTC's TOC Policy compliance				✓	✓		

## Performance and Workload Measures

PERFORMANCE MEASURES	Strategic Goals	FY 21-22 Actual	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Estimate	FY 25-26 Target
Total Projects Received		N/A	N/A	525	441	490
Total Projects Reviewed		N/A	N/A	385	328.5	360
Average Number of Days for 1st Review of Projects		N/A	N/A	112	115.5	114
Total Projects Approved		N/A	N/A	368	289.5	330
Total items presented to Zoning Administrator		N/A	N/A	9	12	11
Total items presented to Planning Commission		N/A	N/A	22	15	20
Total items presentations to City Council		N/A	N/A	10	10.5	11
Total Community meetings held/public outreach		N/A	N/A	2	6	5
Average number of projects (Municipal Code amendments, Area Plans, annual reports, Policy Updates etc.) underway in the Department at any one time. (Long Range/Policy Planning)		N/A	N/A	60	60	60
Total Community meetings held/public outreach (Long Range/Policy Planning)		N/A	N/A	12	7.5	10
Total Public Counter Visits		N/A	N/A	1,878	1,794	1,840
Total Department Call Count		N/A	N/A	6,384	5,733	6,050
ADU Monday Appointments		N/A	N/A	68	47	60
Percent of code enforcement cases in compliance within 30 days		59%	51%	61%	61%	62%

ACTIVITY AND WORKLOAD DATA	Strategic Goals	FY 21-22 Actual	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Estimate	FY 25-26 Target
Total planning permits/zoning approvals issued		332	340	377	302	350
Total planning applications with public hearing		52	22	22	15	20
Total long-range planning projects (policy and zoning updates) in progress or completed		9	9	5	5	5
Total code enforcement customer service requests		761	1,169	984	1,000	1,000

## Budget Summary

DOLLARS BY FUNCTION	2022-23 Actual	2023-24 Actual	2024-25 Adopted	2025-26 Adopted	FY 2026 Change \$	FY 2026 Change %
Long Range Planning	\$272,481	\$165,549	\$275,731	\$295,948	\$20,217	7.3%
Planning	2,211,984	2,129,422	2,275,243	2,289,373	14,130	0.6%
Code Enforcement	0	0	1,275,347	766,018	(509,329)	(39.9)%
<b>TOTAL</b>	<b>\$2,484,465</b>	<b>\$2,294,971</b>	<b>\$3,826,321</b>	<b>\$3,351,339</b>	<b>(\$474,982)</b>	<b>(12.4)%</b>

DOLLARS BY CATEGORY		2022-23 Actual	2023-24 Actual	2024-25 Adopted	2025-26 Adopted	FY 2026 Change \$	FY 2026 Change %
<b>PERSONNEL SERVICES</b>							
4111	Permanent Salaries	\$1,296,274	\$1,261,923	\$1,827,197	\$1,459,954	(\$367,243)	(20.1)%
4112	Temporary Salaries	73,310	161,803	270,065	221,708	(48,357)	(17.9)%
4113	Overtime	13,876	14,034	12,000	12,000	0	0.0%
4119	Adjustments-Payroll	0	0	0	0	0	0.0%
4121	Allowances	7,120	7,585	6,600	6,600	0	0.0%
4122	Standby Pay MEA	0	0	0	0	0	0.0%
4124	Leave Cashout	26,837	6,111	0	0	0	0.0%
4125	Accrued Leave	0	0	0	0	0	0.0%
4131	PERS	428,505	474,317	638,958	508,586	(130,372)	(20.4)%
4132	Group Insurance	212,306	220,606	350,581	300,228	(50,353)	(14.4)%
4133	Medicare	20,540	20,866	30,467	23,561	(6,906)	(22.7)%
4135	Worker's Compensation	68,466	3,408	69,534	58,922	(10,612)	(15.3)%
4138	Deferred Comp-Employer	7,716	7,673	10,800	8,100	(2,700)	(25.0)%
4139	PARS	0	191	2,761	1,981	(780)	(28.3)%
4141	Adjustments-Payroll	0	0	0	0	0	0.0%
4143	Charged to CIPs	0	0	(109,243)	(109,243)	0	0.0%
4146	Short Term Disability	0	0	1,513	756	(757)	(50.0)%
4161	Retiree Medical Reserve	16,106	12,962	18,368	14,018	(4,350)	(23.7)%
<b>sub-total</b>		<b>2,171,056</b>	<b>2,191,479</b>	<b>3,129,601</b>	<b>2,507,171</b>	<b>(622,430)</b>	<b>(19.9)%</b>

DOLLARS BY CATEGORY		2022-23 Actual	2023-24 Actual	2024-25 Adopted	2025-26 Adopted	FY 2026 Change \$	FY 2026 Change %
<b>SUPPLIES AND CONTRACTUAL SERVICES</b>							
4200	Community Promotion, Grant/ Loan	0	0	0	147,448	147,448	0.0%
4210	Department Allocations	0	0	7,954	7,954	0	0.0%
4220	Supplies	10,056	13,048	12,000	12,000	0	0.0%
4230	Services	284,700	73,082	649,616	649,616	0	0.0%
4500	Training, Travel, & Memberships	18,653	17,362	27,150	27,150	0	0.0%
	<b>sub-total</b>	<b>313,409</b>	<b>103,492</b>	<b>696,720</b>	<b>844,168</b>	<b>147,448</b>	<b>21.2%</b>
	<b>TOTAL</b>	<b>\$2,484,465</b>	<b>\$2,294,971</b>	<b>\$3,826,321</b>	<b>\$3,351,339</b>	<b>(\$474,982)</b>	<b>(12.4)%</b>

## Staffing

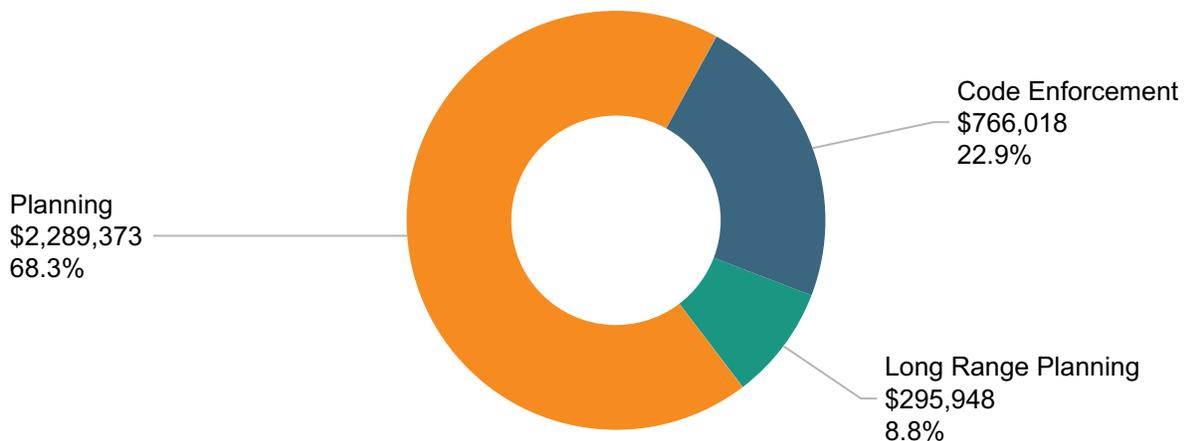
POSITIONS BY FUNCTION	2022-23 Adopted	2023-24 Adopted	2024-25 Adopted	2025-26 Adopted	FY 2026 Change
Code Enforcement*	3.00	3.00	3.00	3.00	0.00
Planning	8.00	8.00	8.00	8.00	0.00
Long Range Planning	1.00	1.00	1.00	1.00	0.00
<b>TOTAL</b>	<b>12.00</b>	<b>12.00</b>	<b>12.00</b>	<b>12.00</b>	<b>0.00</b>

POSITIONS	2022-23 Adopted	2023-24 Adopted	2024-25 Adopted	2025-26 Adopted	FY 2026 Change
Administrative Assistant	1.00	1.00	1.00	1.00	0.00
Associate Planner**	3.00	3.00	2.00	2.00	0.00
Code Enforcement Officer	1.00	1.00	1.00	1.00	0.00
Junior Planner**	1.00	0.00	1.00	1.00	0.00
Planning Director	1.00	1.00	1.00	1.00	0.00
Planning Technician	0.00	1.00	1.00	1.00	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
Sr. Code Enforcement Officer	2.00	2.00	2.00	2.00	0.00
<b>Total Positions</b>	<b>12.00</b>	<b>12.00</b>	<b>12.00</b>	<b>12.00</b>	<b>0.00</b>

\*Code Enforcement function re-classified to Planning Department from Office of Building Safety in FY2024-25

\*\*1.0 Associate Planner was deleted and 1.0 Junior/Assistant Planner was added in December 2024

## 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>\$3,346,853</b>	<b>\$479,468</b>	<b>\$3,826,321</b>
<b>One-Time Prior Year Budget Adjustments</b>				
Part-time Staff Assistant (One-Time)		(53,794)		(53,794)
<b>One-Time Prior Year Budget Adjustments</b>	<b>0.00</b>	<b>(53,794)</b>	<b>0</b>	<b>(53,794)</b>
<b>Adjustments to Costs of Ongoing Activities</b>				
Salary and Benefits		(524,179)	(44,457)	(568,636)
Community Investment Fund Miscellaneous Grants		147,448		147,448
<b>Adjustments to Costs of Ongoing Activities</b>	<b>0.00</b>	<b>(376,731)</b>	<b>(44,457)</b>	<b>(421,188)</b>
<b>Total FY 2025-26 Budget</b>	<b>9.00</b>	<b>\$2,916,328</b>	<b>\$435,011</b>	<b>\$3,351,339</b>



# 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 functions include: Administration, Patrol Services, Traffic Safety Unit, Police Community Relations Unit, Investigations Unit, Communications Unit, Records Unit, and Professional Standards Unit.



## 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.

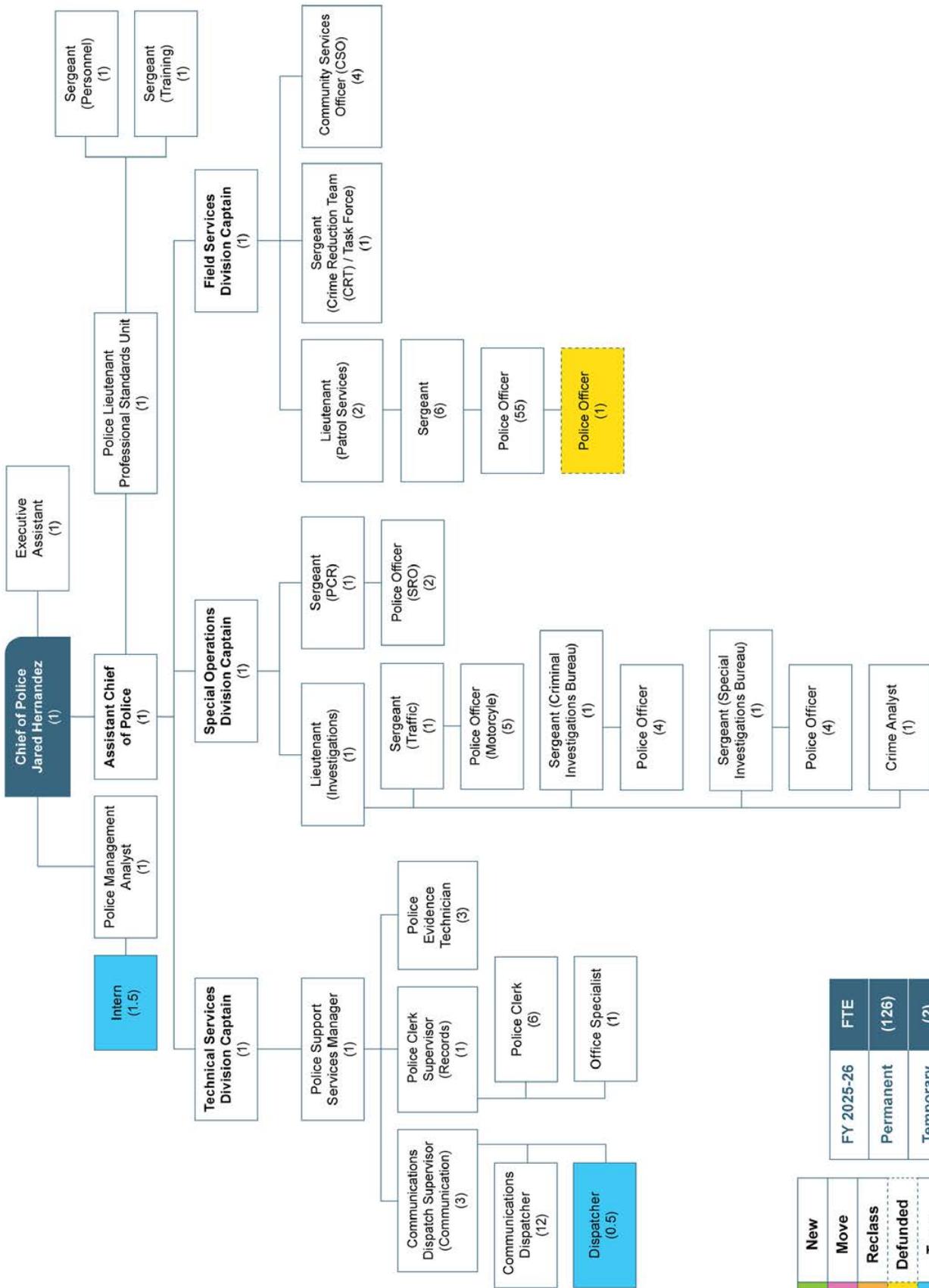


- Investigates automobile thefts, hit-and- runs collisions, and traffic accidents; conducts accident reconstruction for major injury & fatal collisions; provides traffic control at major events and enforces traffic laws.
- Facilitates PAL activities & programs and conducts Neighborhood Watch, Police 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 Officers in the Police Community Relations Unit serve the City's secondary schools.
- 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



New	FY 2025-26	FTE
Move	Permanent	(126)
Reclass	Temporary	(2)
Defunded		
Temp		

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 3:03 (fiscal year 2023-24).	✓				✓	✓	
2.	Answered 97% of 911 calls within ten (10) seconds (fiscal year 2023-24).						✓	
3.	Participated in 48 community outreach events (fiscal year 2023-24).	✓				✓	✓	
4.	Initiated a Drone as first Responder (DFR) program						✓	
5.	Enhanced community safety by offering basic self-defense curriculum to the community.	✓					✓	
6.	Enhanced officer safety by deploying a specialized medical vehicle.						✓	
7.	Onboarded a new Canine.						✓	
8.	Maintained female Police Officer staffing at a level that exceeds the State average of 13%.						✓	
9.	Expanded employee wellness services.						✓	

**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 are under three (3) minutes.	✓	✓			✓	✓	
2.	Reduce crime 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 90% 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.	Identify and implement a strategy to promote diversity in professional development and career advancement of staff.	✓			✓		✓	

## Performance and Workload Measures

PERFORMANCE MEASURES	Strategic Goals	FY 21-22 Actual	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Estimate	FY 25-26 Target
Average response time to emergency calls (minutes)		2:49	2:55	3:03	2:55	3:00
Part 1 Uniform Crime Reporting Index crimes (2% annual reduction target)*		2,915	2,796	2,708	2,268	2,488
Department Hosted Community Events		7	5	9	12	10
9-1-1 calls answered by a dispatcher within ten (10) seconds**		95%	97%	97%	96%	96%
Verification of known sex offenders		100%	100%	100%	100%	100%

ACTIVITY AND WORKLOAD DATA	Strategic Goals	FY 21-22 Actual	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Estimate	FY 25-26 Target
Computer Aided Dispatch (CAD) system generated events		82,753	76,427	75,744	73,917	77,210
Arrests reported to FBI (all crimes)		2,028	2,073	2,474	2,507	2,270
Citations issued		4,095	4,048	6,193	5,294	4,908
Community presentations		61	60	48	52	48
Number of unhoused/homeless persons contacted		2,708	2,436	1,877	1,655	1,671
Total hours spent on calls related to unhoused/homeless persons		2,131	1,588	1,173	1,118	1,129

\*Crime reporting for FY23-24 will be under the National Incident Based Reporting System (NIBRS).

\*\*State standard is 90% within 15 seconds.

## Budget Summary

DOLLARS BY FUNCTION	2022-23 Actual	2023-24 Actual	2024-25 Adopted	2025-26 Adopted	FY 2026 Change \$	FY 2026 Change %
Communications	\$3,947,271	\$4,047,290	\$4,652,805	\$4,871,582	\$218,777	4.7%
Community Relations	1,149,237	816,635	1,131,336	1,249,127	117,791	10.4%
Crossing Guards	333,343	711,755	830,147	877,246	47,099	5.7%
Investigations	4,357,370	5,322,737	5,660,852	5,992,611	331,759	5.9%
Patrol Services	22,537,873	23,809,477	27,136,892	28,055,542	918,650	3.4%
Personnel & Training	1,021,414	1,046,218	1,105,341	1,196,769	91,428	8.3%
Police Administration	1,320,869	1,170,889	2,155,534	2,309,737	154,203	7.2%
Records	1,356,793	1,407,089	1,611,930	1,707,900	95,970	6.0%
Traffic	1,666,169	1,445,030	1,611,202	2,466,849	855,647	53.1%
<b>TOTAL</b>	<b>\$37,690,339</b>	<b>\$39,777,120</b>	<b>\$45,896,039</b>	<b>\$48,727,363</b>	<b>\$2,831,324</b>	<b>6.2%</b>

DOLLARS BY CATEGORY		2022-23 Actual	2023-24 Actual	2024-25 Adopted	2025-26 Adopted	FY 2026 Change \$	FY 2026 Change %
<b>PERSONNEL SERVICES</b>							
4111	Permanent Salaries	\$18,682,067	\$19,903,198	\$22,770,547	\$24,644,229	\$1,873,682	8.2%
4112	Temporary Salaries	402,076	71,958	100,190	100,190	0	0.0%
4113	Overtime	723,728	693,536	778,732	778,732	0	0.0%
4121	Allowances	142,185	159,892	150,864	147,378	(3,486)	(2.3)%
4124	Leave Cashout	755,702	483,347	0	0	0	0.0%
4131	PERS	10,119,736	9,983,349	12,374,667	12,966,357	591,690	4.8%
4132	Group Insurance	2,649,900	2,891,775	3,318,312	3,489,533	171,221	5.2%
4133	Medicare	286,081	283,874	316,340	333,140	16,800	5.3%
4135	Worker's Compensation	1,010,639	971,127	1,124,284	1,144,619	20,335	1.8%
4138	Deferred Comp-Employer	12,100	8,946	8,100	9,000	900	11.1%
4139	PARS	4,586	41	1,849	1,849	0	0.0%
4141	Adjustments-Payroll	0	0	989,408	989,408	0	0.0%
4146	Short Term Disability	0	0	756	756	0	0.0%
4161	Retiree Medical Reserve	461,087	390,165	418,993	439,567	20,574	4.9%
	<b>sub-total</b>	<b>35,249,887</b>	<b>35,841,208</b>	<b>42,353,042</b>	<b>45,044,758</b>	<b>2,691,716</b>	<b>6.4%</b>

<b>SUPPLIES AND CONTRACTUAL SERVICES</b>							
4200	Community Promotion, Grant/ Loan	59,162	6,400	500	500	0	0.0%
4210	Department Allocations	681,999	809,089	1,009,023	1,006,467	(2,556)	(0.3)%
4220	Supplies	455,429	378,587	192,779	193,779	1,000	0.5%

## Budget Narrative and Summary

DOLLARS BY CATEGORY		2022-23 Actual	2023-24 Actual	2024-25 Adopted	2025-26 Adopted	FY 2026 Change \$	FY 2026 Change %
4230	Services	1,046,611	1,720,390	2,059,754	2,088,408	28,654	1.4%
4240	Repair & Maintenance	9,110	14,284	38,850	149,835	110,985	285.7%
4410	Communications	13,823	19,405	18,000	19,400	1,400	7.8%
4500	Training, Travel, & Memberships	110,857	143,118	164,091	164,216	125	0.1%
<b>sub-total</b>		<b>2,376,991</b>	<b>3,091,273</b>	<b>3,482,997</b>	<b>3,622,605</b>	<b>139,608</b>	<b>4.0%</b>

CAPITAL OUTLAY							
4850	Vehicles	33,483	753,112	0	0	0	0.0%
4870	Machinery and Equipment	0	83,462	0	0	0	0.0%
4910	Office Furniture & Fixtures	29,978	8,064	0	0	0	0.0%
4920	Machinery, Tools & Equipment	0	0	60,000	60,000	0	0.0%
<b>sub-total</b>		<b>63,461</b>	<b>844,638</b>	<b>60,000</b>	<b>60,000</b>	<b>0</b>	<b>0.0%</b>
<b>TOTAL</b>		<b>\$37,690,339</b>	<b>\$39,777,119</b>	<b>\$45,896,039</b>	<b>\$48,727,363</b>	<b>\$2,831,324</b>	<b>6.2%</b>

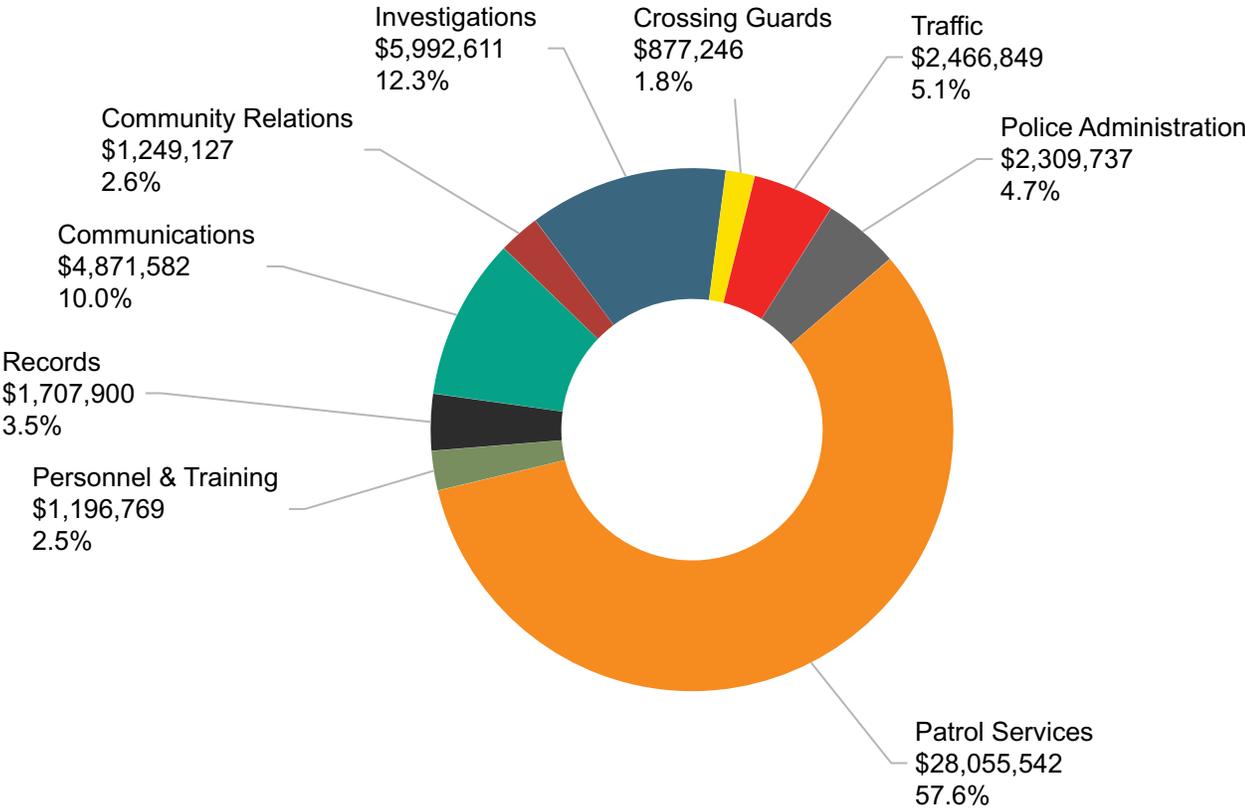
## Staffing

POSITIONS BY FUNCTION	2022-23 Adopted	2023-24 Adopted	2024-25 Adopted	2025-26 Adopted	FY 2026 Change
Communications	17.00	17.00	17.00	17.00	0.00
Community Relations	3.00	3.00	3.00	3.00	0.00
Crossing Guards	0.00	0.00	0.00	0.00	0.00
Investigations	16.00	16.00	16.00	16.00	0.00
Patrol Services	71.00	71.00	71.00	69.00	(2.00)
Personnel & Training	1.00	2.00	2.00	2.00	0.00
Police Administration	5.00	5.00	5.00	5.00	0.00
Records	8.00	8.00	8.00	8.00	0.00
Traffic	6.00	6.00	6.00	6.00	0.00
<b>TOTAL</b>	<b>127.00</b>	<b>128.00</b>	<b>128.00</b>	<b>126.00</b>	<b>(2.00)</b>

POSITIONS	2022-23 Adopted	2023-24 Adopted	2024-25 Adopted	2025-26 Adopted	FY 2026 Change
Assistant Chief of Police	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	2022-23 Adopted	2023-24 Adopted	2024-25 Adopted	2025-26 Adopted	FY 2026 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
Office Specialist	1.00	1.00	1.00	1.00	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	3.00	3.00	3.00	3.00	0.00
Police Lieutenant	4.00	5.00	5.00	4.00	(1.00)
Police Management Analyst	1.00	1.00	1.00	1.00	0.00
Police Officer	71.00	71.00	71.00	70.00	(1.00)
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>127.00</b>	<b>128.00</b>	<b>128.00</b>	<b>126.00</b>	<b>(2.00)</b>

Expenditures by Function



## Budget Reconciliation

	Positions	General Fund Expenditures	Other Fund Expenditures	All Fund Expenditures
<b>PRIOR YEAR BUDGET</b>	128.00	\$45,836,039	\$60,000	\$45,896,039
<b>One-Time Prior Year Budget Adjustments</b>				
Limited Term Police Lieutenant (expired 6/30/25)	(1.00)	(448,622)		(448,622)
<b>One-Time Prior Year Budget Adjustments</b>	<b>(1.00)</b>	<b>(448,622)</b>	<b>0</b>	<b>(448,622)</b>
<b>Adjustments to Costs of Ongoing Activities</b>				
Salary and Benefits		3,483,594		3,483,594
Non-Personnel Expenditure Alignment to Historical Trend		35,108		35,108
<b>Adjustments to Costs of Ongoing Activities</b>	<b>0.00</b>	<b>3,518,702</b>	<b>0</b>	<b>3,518,702</b>
<b>Total FY 2025-26 Base Budget</b>	<b>127.00</b>	<b>48,906,119</b>	<b>60,000</b>	<b>48,966,119</b>
<b>Service Level Changes</b>				
Defund Police Officer	(1.00)	(343,256)		(343,256)
Minnis Circle Storage Lease		94,000		94,000
Incident & Disaster Management Software		10,500		10,500
<b>Total Service Level Changes</b>	<b>(1.00)</b>	<b>(238,756)</b>	<b>0</b>	<b>(238,756)</b>
<b>Total FY 2025-26 Budget</b>	<b>126.00</b>	<b>\$48,667,363</b>	<b>\$60,000</b>	<b>\$48,727,363</b>

## Service Level Changes

	Positions	General Fund Expenditures	Other Fund Expenditures	All Fund Expenditures
<b>1. Defund Police Officer</b>		<b>(\$343,256)</b>	<b>\$0</b>	<b>(\$343,256)</b>
 This proposal defunds one vacant full-time equivalent (1.0 FTE) Police Officer position within the Police Department. The Police Department currently anticipates approximately two (2) or more additional sworn vacancies in FY 2025-26 due to impending retirements. While recruiting efforts for sworn positions are ongoing and continuous, with the current vacancies and anticipated upcoming vacancies, it is unlikely the City would be able to fill all vacant Police Officer positions within FY 2025-26. These savings reflect the pace of recruitment and dollars saved during the vacant term for one position. (ongoing)				
<b>Performance Impact</b>				
<b>2. Minnis Circle Storage Lease</b>		<b>\$94,000</b>	<b>\$0</b>	<b>\$94,000</b>
 This proposal continues funding for the lease of two commercial spaces on Minnis Circle to address the pressing space limitations faced by multiple City departments. The Police Department requires 5,400 to 10,000 square feet of replacement space due to the impending demolition of its current warehouse, which is essential for managing evidence vehicles and equipment. The Recreation and Community Services Department currently stores program materials across various disconnected locations, including a rented storage unit, and consolidating these supplies would enhance access and inventory control. Additionally, Public Works would benefit from a new location to securely store surplus City furniture and high-value maintenance equipment. By securing these leased spaces, the City can improve operational efficiency, ensure the security of assets, and accommodate departmental needs more effectively. Additional funding of \$40,320 is provided for this lease in a proposal in the Community Services & Sustainable Infrastructure CSA for a total ongoing cost for the leases at Minnis Circle of \$134,320. (ongoing)				
<b>Performance Impact</b>			 	
<b>3. Incident &amp; Disaster Management Software</b>	<b>0.00</b>	<b>\$10,500</b>	<b>\$0</b>	<b>\$10,500</b>
 This proposal funds an essential public safety technology platform to enhance the City of Milpitas' emergency management capabilities. This platform improves evacuation management by providing residents with real-time, location-specific information, supporting first responders and the Office of Emergency Management in executing effective evacuations. (ongoing)				
<b>Performance Results:</b>				
<b>Total Service Level Changes</b>		<b>(\$238,756)</b>	<b>\$0</b>	<b>(\$238,756)</b>



# Public Works

**Public Works Director:** Christian Di Renzo

## Mission Statement

The Public Works Department is committed to enhancing the quality of life and ensuring public health and safety in the community by striving to enhance, improve, develop, and maintain public infrastructure, through the design, construction, and maintenance of various public works programs.

## Description

The Public Works Department’s key responsibilities are the design, construction, and maintenance of the City’s infrastructure and facilities, including public streets, utilities, parks, street landscaping, City vehicles, and City buildings. Additionally, the Department provides professional engineering services for the completion of the City’s annual Capital Improvement Program (CIP), performs construction inspection services, provides review and plan check services for private development projects to ensure compliance with adopted City standards, and administers encroachment permits for construction work within the public right-of-way. The Department also oversees and implements key environmental services and sustainability programs, including the Climate Action Plan, solid waste program, and regulatory compliance. The 13 functional areas of the Department are Administration, CIP Design & Construction, Transportation & Traffic, Land Development, Streets Maintenance, Utility Engineering, Utility Operations & Maintenance, Park Maintenance, Trees & Landscape Maintenance, Fleet Maintenance, Facilities Maintenance, Environmental Compliance & Sustainability, and Solid Waste.

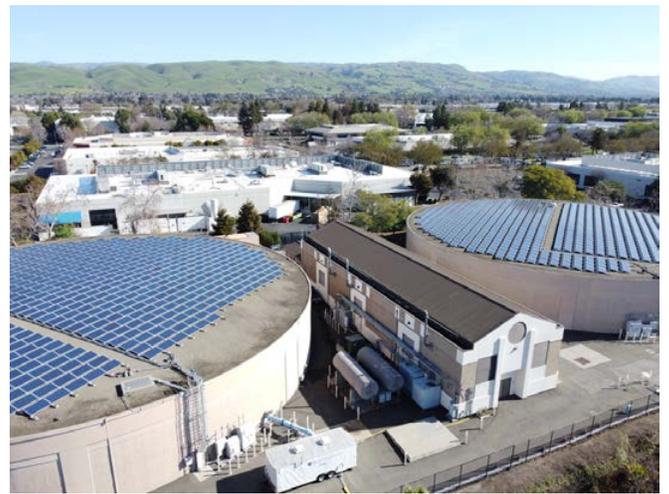


### Services

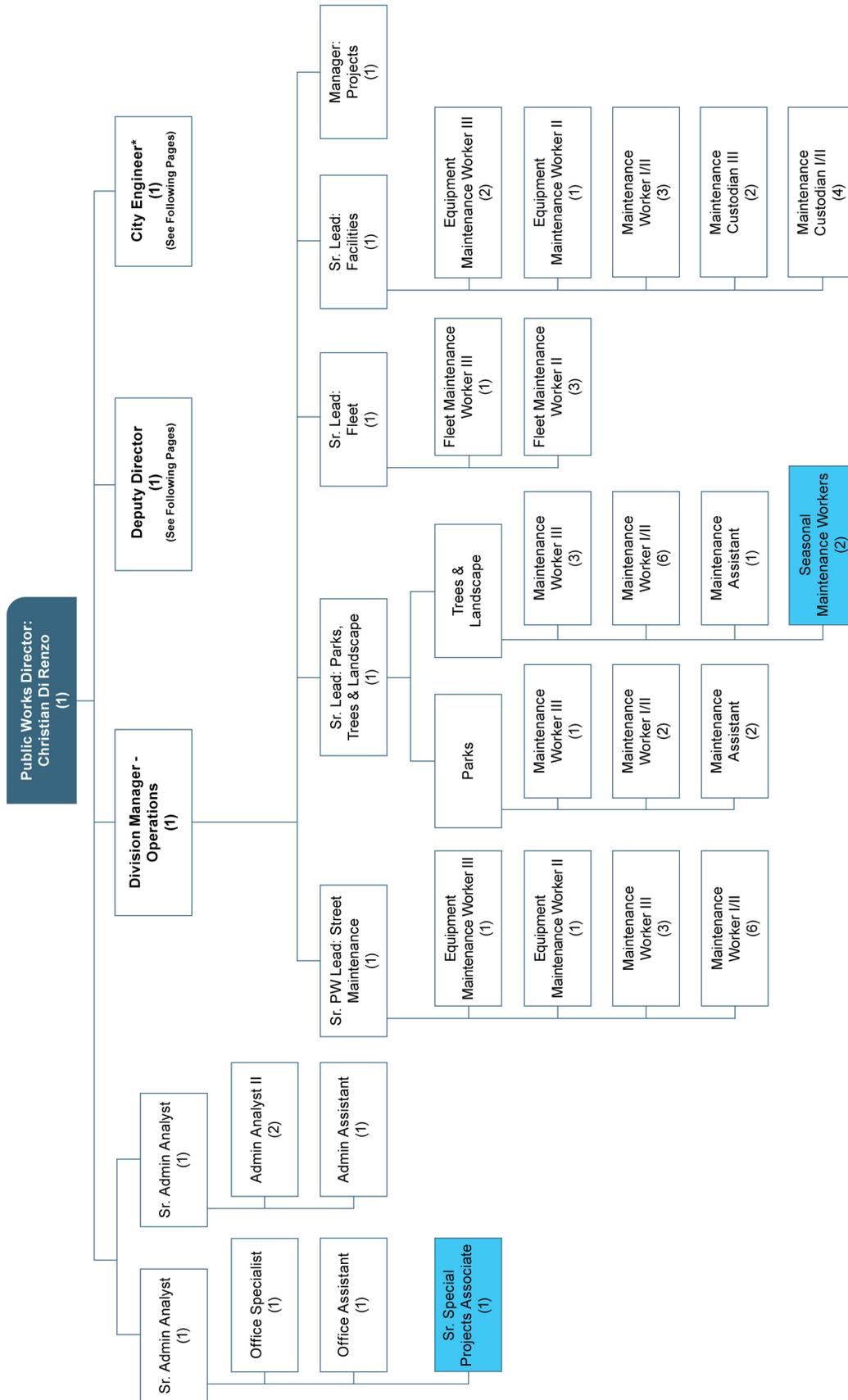
- Provides management, direction and coordination for the operation, maintenance, and repair of City infrastructure and equipment assets.
- Controls and manages department budgets, including large/complex projects and contracts; implements improvements to operations of department functions and formulates 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 15,884 service connections.
- Provides asset management and engineering support to ensure compliance with regulatory permits for the City's water, sewer, and stormwater systems and administers the backflow and cross connection control program.
- Operates and maintains the sewer collection system, including 175 miles of sewer lines and 2 pumping stations with the ability to discharge up to 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 464,914 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.
- Oversees the project management of various major capital projects; works with the Finance Department, to administer the annual capital budget of the 5-year Capital Improvement Program (CIP) which funds and prioritizes the completion of capital projects for community, parks, streets and utilities infrastructure; and inspects city capital and private development construction projects for compliance with the City standards and construction documents.



- Manage right-of-way encroachments and review private development plans and maps for conformance with City Standards and local, state and federal requirements and ensure private development projects provide required public infrastructure in accordance with development Conditions of Approval; regulate development with the designated floodplain and maintain the City's Community Rating System (CRS) flood insurance rating; and manage the Engineering record drawing library of city infrastructure.
- Provides technical review and evaluation of traffic and transportation studies related to development within the City; 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; and implements transportation projects in the city and coordinates the development of regionally significant transportation infrastructure with partnering agencies.



# Public Works Department

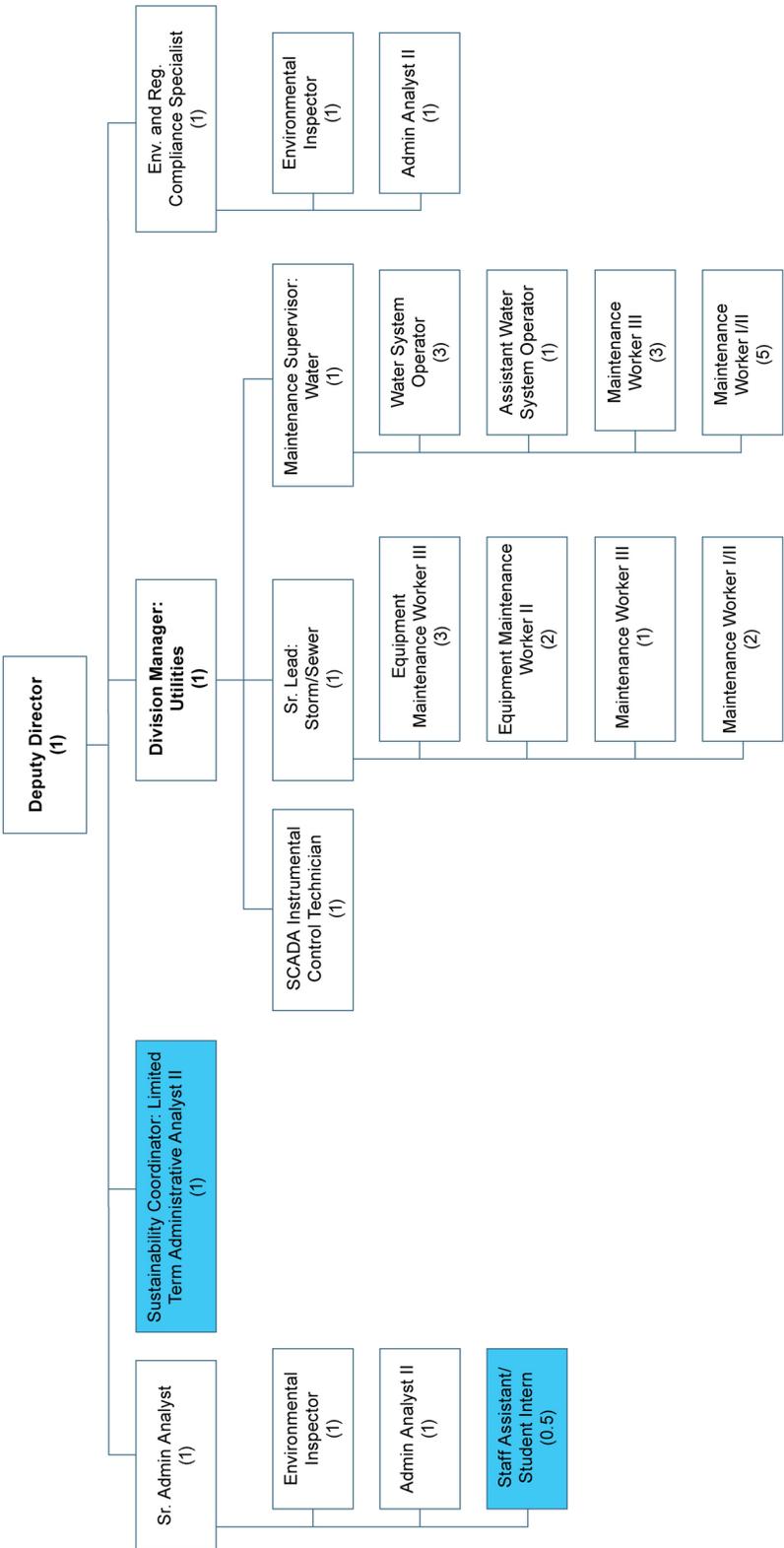


FY 2025-26	FTE
Permanent	(117)
Temporary	(5)

New	
Move	
Reclass	
Defunded	
Temp	

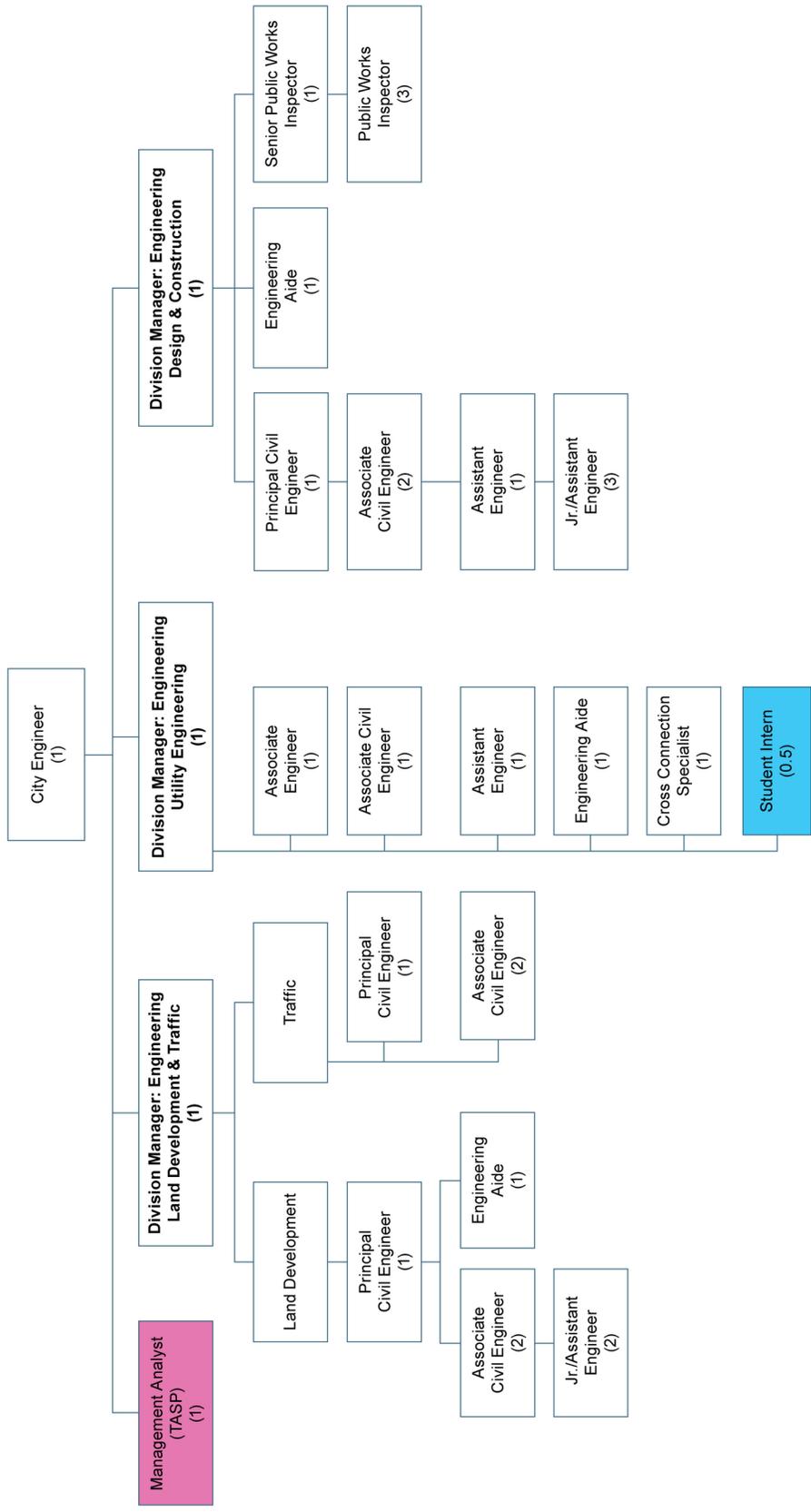
\*Added in December 2023  
\*Reclass in December 2023

# Public Works Department



<b>New</b>	FY 2025-26	FTE
<b>Move</b>	Permanent	(117)
<b>Reclass</b>	Temporary	(5)
<b>Defunded</b>		
<b>Temp</b>		

# Public Works Department



<b>New</b>		
<b>Move</b>		
<b>Reclass</b>		
<b>Defunded</b>		
<b>Temp</b>		
	FY 2025-26	FTE
	Permanent	(117)
	Temporary	(5)

## Accomplishments

	Community Wellness and Open Space	Economic Development and Job Growth	Environment	Governance & Administration	Neighborhoods and Housing	Public Safety	Transportation and Transit
							
1. Completed leak detection of 2 miles of underground waterlines in the City and performed non-destructive condition assessment of 2 miles of high-risk water pipelines.	✓		✓	✓			
2. Implemented various facilities improvement projects, including fence replacement, gutter seal, Duct wrap, and ceiling rehabilitation at Milpitas Sports Center, installation of gate at the Skate Park; library roof replacement at the Milpitas Library; fire panel replacements at MSC, MCC, PW/PD; the completion of the Alviso Adobe wallpaper restoration; and gutter and roof replacement at Dixon Landing Park Snack Shack. Awarded PSA for City Hall Air Handler #1 & #2 replacement.				✓		✓	
3. Awarded contract for elevator modernization at Milpitas Library.				✓		✓	
4. Completed Main Lift Station security enhancements.				✓		✓	
5. Completed sound wall assessment, red curb painting in response to Daylighting Law, award and completed annual street pavement restriping contract, and completed annual sidewalk assessment and repairs				✓		✓	✓
6. Purchased, outfitted, and deployed 12 PD patrol units, and surplus 41 vehicles in August. Purchased valve exerciser and concrete trailer equipment.				✓		✓	
7. Completed the installation of traffic detection controllers, cabinets, and battery backup systems to support multi-modal operations on Tasman Drive corridor through grant funding received from VTA.				✓		✓	✓
8. Bid and awarded new Tree Maintenance agreement.	✓			✓			

## Accomplishments

		Community Wellness and Open Space	Economic Development and Job Growth	Environment	Governance & Administration	Neighborhoods and Housing	Public Safety	Transportation and Transit
								
9.	Completed Hetch Hetchy Trail improvements and installed sound dampening screens at Hall Park, resurfaced Dixon Landing Tennis Courts	✓			✓			
10.	Adopted drought tolerant median landscape standards.	✓			✓			
11.	Completed 2025 SSMP Update and updated greenhouse gas (GHG) emissions inventory and began work on the 2025 Urban Water Management Plan Update.	✓		✓	✓			
12.	Launched the Milpitas Carbon Neutral Homes Incentive Program.			✓	✓			
13.	Completed the construction of Gateway Signage at Rotten Robbie Gas Stations.				✓			
14.	Completed the design for the replacement of the Fire Station No. 1 Modular Building.				✓		✓	
15.	Completed the watershed analysis to support the City's FEMA CRS Class 7 rating.			✓	✓			
16.	Completed the installation of the HVAC system at the Alviso Adobe House.				✓		✓	
17.	Completed the feasibility study and community outreach for the Cardoza Park Softball Field Improvements, Sinnott park Playground Renovations, and Tango Park projects.	✓			✓		✓	
18.	Completed the construction for the ARPA Parks Rehabilitation – Phase II and completed the design of the Sport Center Bleacher Replacement and ADA Improvements project.	✓			✓		✓	

## Accomplishments

	Community Wellness and Open Space	Economic Development and Job Growth	Environment	Governance & Administration	Neighborhoods and Housing	Public Safety	Transportation and Transit
							
19.	Completed the construction of the Street Resurfacing 2024 Project along portion Great Mall Parkway and Thompson St. and the design for the Street Resurfacing 2024 – Phase 2 and 2025 projects and the design of the Montague Pedestrian Overcrossing at Penitencia Creek project.			✓		✓	✓
20.	Completed the solicitation for consultants of the Bicycle Improvement, Forcemain “A” Replacement, and Community Center Roof Renovation projects.		✓	✓		✓	✓
21.	Obtained a \$2.9 million funding through the federal SS4A grant program and \$2M HSIP for construction of safety improvements along school routes.			✓		✓	✓
22.	Completed the construction of Fire Station 1 PRV Project and design of Forcemain “B” ARV Replacement, Sunnyhills Turnout Rehabilitation, and Gibraltar Pump Station Valve Replacement projects.		✓	✓		✓	
23.	Completed the design and bid award of Dempsey Road Water Main Replacement, McCandless Well, and Technology Dr. Road and Utility Improvement projects.		✓	✓		✓	✓

## Initiatives

	Community Wellness and Open Space	Economic Development and Job Growth	Environment	Governance & Administration	Neighborhoods and Housing	Public Safety	Transportation and Transit
							
1.	Conduct route inspection and outreach to businesses and multi-family properties to add organics collection services in compliance with SB 1383 with enforcement beginning in 2024.	✓	✓	✓			
2.	Implement conversion of city medians to low water and low maintenance landscapes.	✓	✓	✓			
3.	Access and develop conceptual design for restoring landscaping and converting water features within Civic Center.	✓	✓	✓			
4.	Complete the installation of Fire Station No. 1 Modular Building Replacement project.		✓	✓		✓	
5.	Complete the design and bid award for Sinnott Park Playground Renovation Project.	✓		✓		✓	
6.	Start the design phase of Metro Tango Park project and Street Resurfacing Project 2026.	✓		✓		✓	✓
7.	Complete the construction of the Street Resurfacing Project 2024 – Phase 2 and Technology Dr. Road and Utility Improvement Project.			✓		✓	✓
8.	Complete the design and permitting for Bicycle Lane Improvement, Delano Manongs, McCandless Pedestrian Bridge project, and South Milpitas Blvd. Vehicle Bridge project.			✓		✓	✓
9.	Conduct various traffic safety assessments along Escuela Parkway, McCandless Drive, and Abbott Ave.			✓		✓	✓
10.	Start the planning and design phase for the SS4A Safety Improvement Project.			✓		✓	✓
11.	Start the construction for the Dempsey Road Water Main Replacement, McCandless Well, Sunnyhills Turnout Rehabilitation, and Gibraltar Pump Station Valve Replacement Projects.		✓	✓		✓	
12.	Complete feasibility study to convert Pinewood Well to a production well.		✓	✓		✓	
13.	Finalize Cross Connection Control Plan and complete Urban Water Management Plan Update.		✓	✓			

### Initiatives

		Community Wellness and Open Space	Economic Development and Job Growth	Environment	Governance & Administration	Neighborhoods and Housing	Public Safety	Transportation and Transit
								
14.	Complete the Main Street Flooding Study.			✓			✓	✓
15.	Complete the planning and environmental analysis phase of Forcemain “A” Replacement Project and the construction of Forcemain “B” ARV Replacement Project.			✓	✓		✓	
16.	Begin the design of the Annual Water and Sewer Pipeline Upgrades and Improvement project.			✓	✓		✓	

## Performance and Workload Measures

PERFORMANCE MEASURES	Strategic Goals	FY 21-22 Actual	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Estimate	FY 25-26 Target
% of work orders completed in a Fiscal Year*		N/A	N/A	N/A	N/A	85%
% of preventative maintenance work orders completed**		N/A	N/A	N/A	N/A	30%
% of corrective maintenance work orders completed**		N/A	N/A	N/A	N/A	10%
% of reactive maintenance work orders completed**		N/A	N/A	N/A	N/A	60%
Water samples meeting or surpassing State and Federal water quality standards		100%	100%	100%	100%	100%
Reduction in community-wide greenhouse gas (GHG) emissions below baseline***		19%*	19%*	22%	22%	22%
City compliance with SB 1383 requirements*		N/A	N/A	N/A	N/A	85%

\* New performance measure added for FY 2025-2026.

\*\* "% of work orders completed in a Fiscal Year" is broken down to capture all work orders completed with a goal of 85% of all work orders are completed within a fiscal year. Work orders include three types of maintenance: Preventive, Corrective, and Reactive.

\*\*\* Next scheduled GHG inventory to be completed for CY 2023 since CAP Update approved August 2022.

ACTIVITY AND WORKLOAD DATA	Strategic Goals	FY 21-22 Actual	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Estimate	FY 25-26 Target
Number of phone calls received for service****		N/A	N/A	N/A	N/A	8,000
Total Facility Maintenance service requests closed in the Fiscal Year**** (instances)		N/A	N/A	N/A	N/A	1,300
Total amount spent on vehicle/equipment routine & non-routine repairs****		N/A	N/A	N/A	N/A	\$135,000
Total of Fleet Maintenance service requests closed in the Fiscal Year		1,792	2,493	2,300	2,000	2,000
Sidewalk maintenance (instance)****		N/A	N/A	N/A	N/A	400
Illegal Dumping/Debris pickup (per instance)***		N/A	N/A	N/A	1,200	1,200
Number of graffiti/vandalism reported on City property (instance)****		N/A	N/A	N/A	N/A	200
Number of Park Maintenance service requests closed in the Fiscal Year.****		N/A	N/A	N/A	N/A	1,100
Number of Trees & Landscape Maintenance service requests closed in the Fiscal Year.****		N/A	N/A	N/A	N/A	700
Water distribution cleaned (linear feet)*		172,364	137,285	122,240	115,000	150,000
Sanitary sewer pipelines cleaned (linear feet)		263,656	242,877	313,632	300,000	300,000
Number of Sanitary Sewer Overflows (SSOs) reported.**		N/A	N/A	2	4	0
Number of large item pick-ups completed		2,236	2,046	2,013	2,227	2,548
Number of solid waste customer service calls		13,127	8,341	10,173	13,600	6,000
Number of participants who submitted rebates and attended water conservation workshops		170	225	455	450	400
Value of CIP construction contracts awarded		\$5.35M	\$2.89M	\$6M	\$16.4M	\$22.8M
Encroachment permits reviewed and approved		237	297	324	330	340
Number of encroachment permit inspections completed		2,210	1,465	1,868	2,300	2,500
Number of Traffic Control Plan reviewed and approved****		N/A	N/A	N/A	N/A	60
Number of traffic service requests received****		N/A	N/A	N/A	N/A	470

\*New performance measures added for FY 2022-2023.  
 \*\*New performance measures added for FY 2023-2024.  
 \*\*\*New performance measures added for FY 2024-2025.  
 \*\*\*\*New performance measure added for FY 2025-2026.

## Budget Summary

DOLLARS BY FUNCTION	2022-23 Actual	2023-24 Actual	2024-25 Adopted	2025-26 Adopted	FY 2026 Change \$	FY 2026 Change %
Compliance	\$769,330	\$736,315	\$842,315	\$1,051,601	\$209,286	24.8%
Design & Construction	906,118	1,104,072	1,807,610	1,751,320	(56,290)	(3.1)%
Engineering Administration	344,250	127,641	565,837	365,588	(200,249)	(35.4)%
Facilities Maintenance	2,879,580	3,421,566	3,762,569	3,879,477	116,908	3.1%
Fleet Maintenance	2,355,992	2,210,391	2,567,751	2,350,799	(216,952)	(8.4)%
Land Development	1,688,005	1,723,979	1,933,349	1,930,956	(2,393)	(0.1)%
Park Maintenance	1,781,055	1,939,708	2,094,676	2,591,298	496,622	23.7%
Public Works Administration	6,479,095	2,887,179	3,223,904	3,127,625	(96,279)	(3.0)%
Solid Waste	690,171	797,798	1,137,084	938,200	(198,884)	(17.5)%
Street Maintenance	2,274,102	2,572,685	2,423,289	2,848,165	424,876	17.5%
Traffic Engineering	600,812	628,484	749,811	817,000	67,189	9.0%
Trees & Landscape Maintenance	2,445,706	2,609,639	3,321,976	3,046,042	(275,934)	(8.3)%
Utility Engineering	1,154,750	985,626	1,642,893	1,646,300	3,407	0.2%
Utility Maintenance	4,477,379	4,935,556	6,006,201	6,683,211	677,010	11.3%
<b>TOTAL</b>	<b>\$28,846,345</b>	<b>\$26,680,639</b>	<b>\$32,079,265</b>	<b>\$33,027,582</b>	<b>\$948,317</b>	<b>3.0%</b>

DOLLARS BY CATEGORY		2022-23 Actual	2023-24 Actual	2024-25 Adopted	2025-26 Adopted	FY 2026 Change \$	FY 2026 Change %
<b>PERSONNEL SERVICES</b>							
4111	Permanent Salaries	\$9,909,494	\$10,684,942	\$14,730,482	\$15,079,376	\$348,894	2.4%
4112	Temporary Salaries	344,623	344,218	360,724	255,954	(104,770)	(29.0)%
4113	Overtime	620,530	398,359	349,300	374,300	25,000	7.2%
4119	Adjustments-Payroll	0	0	0	0	0	0.0%
4121	Allowances	128,875	127,586	47,142	47,135	(7)	0.0%
4122	Standby Pay MEA	0	0	123,682	123,682	0	0.0%
4124	Leave Cashout	308,744	395,465	0	0	0	0.0%
4126	Stipend MEA	130	125	0	0	0	0.0%
4131	PERS	3,294,931	3,582,247	5,115,216	5,165,206	49,990	1.0%
4132	Group Insurance	1,898,499	2,206,918	3,181,169	3,434,104	252,935	8.0%
4133	Medicare	169,184	172,382	220,081	223,581	3,500	1.6%
4135	Worker's Compensation	178,692	102,065	177,327	223,042	45,715	25.8%
4138	Deferred Comp-Employer	34,382	36,819	43,201	42,301	(900)	(2.1)%
4139	PARS	3,051	2,464	4,674	4,674	0	0.0%

DOLLARS BY CATEGORY		2022-23 Actual	2023-24 Actual	2024-25 Adopted	2025-26 Adopted	FY 2026 Change \$	FY 2026 Change %
4141	Adjustments-Payroll	0	0	0	0	0	0.0%
4143	Charged to CIPs	0	0	(1,919,975)	(1,946,149)	(26,174)	1.4%
4146	Short Term Disability	0	0	9,921	9,818	(103)	(1.0)%
4161	Retiree Medical Reserve	180,962	159,877	184,633	188,952	4,319	2.3%
<b>sub-total</b>		<b>17,072,097</b>	<b>18,213,467</b>	<b>22,627,577</b>	<b>23,225,976</b>	<b>598,399</b>	<b>2.6%</b>

SUPPLIES AND CONTRACTUAL SERVICES							
4200	Community Promotion,Grant/ Loan	75,941	126,192	131,840	131,840	0	0.0%
4210	Department Allocations	886,304	1,173,350	1,378,004	1,378,004	0	0.0%
4220	Supplies	1,969,630	1,982,839	1,163,523	1,325,715	162,192	13.9%
4230	Services	11,559,999	8,400,708	5,538,944	5,846,534	307,590	5.6%
4240	Repair & Maintenance	489,270	389,714	286,085	385,085	99,000	34.6%
4410	Communications	1,147	1,314	21,120	21,120	0	0.0%
4420	Utilities	192,640	197,566	266,941	270,408	3,467	1.3%
4500	Training, Travel, & Memberships	140,161	149,264	292,415	303,900	11,485	3.9%
<b>sub-total</b>		<b>15,315,092</b>	<b>12,420,947</b>	<b>9,078,872</b>	<b>9,662,606</b>	<b>583,734</b>	<b>6.4%</b>

CAPITAL OUTLAY							
4800	Capital Improvements	-3,644,742	-4,180,647	0	0	0	0.0%
4850	Vehicles	0	77,658	231,816	98,000	(133,816)	(57.7)%
4870	Machinery and Equipment	94,556	160,093	100,000	0	(100,000)	(100.0)%
4910	Office Furniture & Fixtures	0	0	0	0	0	0.0%
4920	Machinery, Tools & Equipment	1,205	0	0	0	0	0.0%
4930	Hydrants and Meters	8,137	(10,880)	41,000	41,000	0	0.0%
<b>sub-total</b>		<b>(3,540,844)</b>	<b>(3,953,776)</b>	<b>372,816</b>	<b>139,000</b>	<b>(233,816)</b>	<b>(62.7)%</b>
<b>TOTAL</b>		<b>\$28,846,345</b>	<b>\$26,680,638</b>	<b>\$32,079,265</b>	<b>\$33,027,582</b>	<b>\$948,318</b>	<b>3.0%</b>

## Staffing

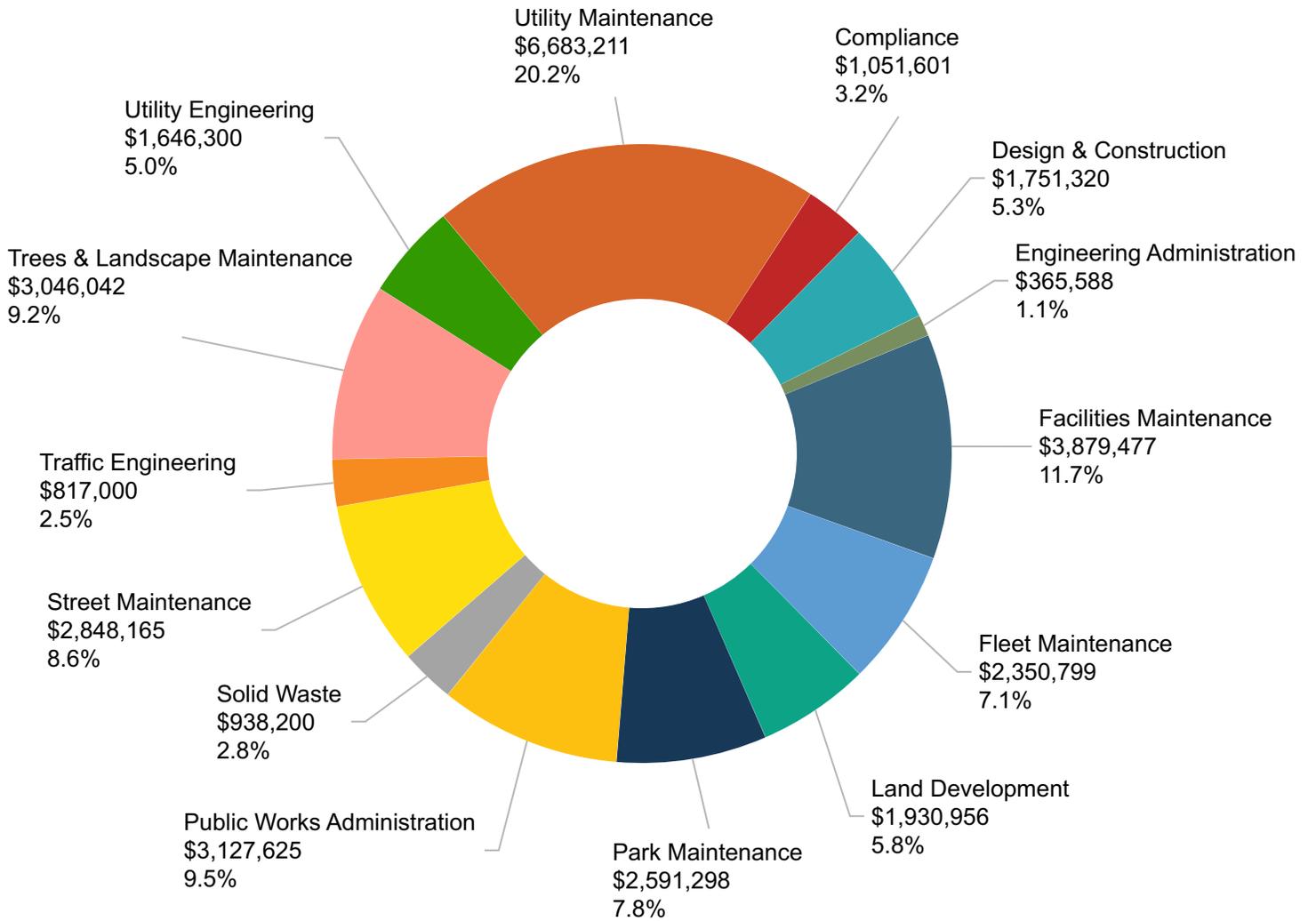
POSITIONS BY FUNCTION	2022-23 Adopted	2023-24 Adopted	2024-25 Adopted	2025-26 Adopted	FY 2026 Change
Design & Construction	13.00	14.00	14.00	13.00	(1.00)
Engineering Administration	2.00	2.00	3.00	2.00	(1.00)
Land Development	7.00	7.00	7.00	7.00	0.00
Traffic Engineering	3.00	3.00	3.00	4.00	1.00
Compliance	2.00	3.00	3.00	3.00	0.00
Facilities Maintenance	11.00	12.00	13.00	13.00	0.00
Fleet Maintenance	5.00	6.00	6.00	5.00	(1.00)
Park Maintenance*	0.00	4.00	4.00	5.00	1.00
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*	14.00	12.00	12.00	12.00	0.00
Trees & Landscape Maintenance*	11.00	11.00	11.00	11.00	0.00
Utility Engineering	5.00	6.00	6.00	6.00	0.00
Utility Maintenance	20.00	21.00	23.00	23.00	0.00
<b>TOTAL</b>	<b>106.00</b>	<b>114.00</b>	<b>118.00</b>	<b>117.00</b>	<b>(1.00)</b>

\*\*4.0 FTE from Street Maintenance and Trees & Landscape Maintenance are presented in Parks Maintenance for FY2023-24.

POSITIONS	2022-23 Adopted	2023-24 Adopted	2024-25 Adopted	2025-26 Adopted	FY 2026 Change
Administrative Analyst I/II	4.00	4.00	4.00	4.00	0.00
Administrative Assistant	1.00	1.00	1.00	1.00	0.00
Assistant Civil Engineer	5.00	5.00	5.00	5.00	0.00
Assistant Water Operator	1.00	1.00	1.00	1.00	0.00
Associate Civil Engineer	9.00	9.00	9.00	9.00	0.00
CIP Manager	1.00	1.00	0.00	0.00	0.00
City Engineer	0.00	1.00	1.00	1.00	0.00
Cross Connection Specialist	0.00	1.00	1.00	1.00	0.00
Deputy Public Works Director	1.00	1.00	1.00	1.00	0.00
Engineering Aide	3.00	3.00	3.00	3.00	0.00
Engineering Director/City Eng	1.00	0.00	0.00	0.00	0.00
Envir & Regulatory Compliance Spec	1.00	1.00	1.00	1.00	0.00
Environmental Inspector	1.00	2.00	2.00	2.00	0.00
Equipment Maint Worker II	3.00	4.00	4.00	4.00	0.00

POSITIONS	2022-23 Adopted	2023-24 Adopted	2024-25 Adopted	2025-26 Adopted	FY 2026 Change
Equipment Maint Worker III	5.00	5.00	6.00	6.00	0.00
Fleet Maintenance Worker II	3.00	3.00	3.00	3.00	0.00
Fleet Maintenance Worker III**	1.00	2.00	2.00	1.00	(1.00)
Instrument Control Technician	0.00	1.00	1.00	1.00	0.00
Junior Civil Engineer	2.00	2.00	2.00	2.00	0.00
Maintenance Assistant	4.00	4.00	4.00	3.00	(1.00)
Maintenance Custodian II	4.00	4.00	4.00	4.00	0.00
Maintenance Custodian III	2.00	2.00	2.00	2.00	0.00
Maintenance Worker I	5.00	7.00	7.00	4.00	(3.00)
Maintenance Worker II	16.00	15.00	15.00	20.00	5.00
Maintenance Worker III	10.00	11.00	11.00	11.00	0.00
Maintenance Supervisor	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	1.00	1.00	1.00	0.00
Principal Civil Engineer	3.00	3.00	3.00	2.00	(1.00)
Public Works Director	1.00	1.00	1.00	1.00	0.00
Public Works Division Manager	0.00	0.00	3.00	5.00	2.00
Public Works Inspector	2.00	3.00	3.00	3.00	0.00
Public Works Manager	3.00	3.00	2.00	1.00	(1.00)
Senior Administrative Analyst	3.00	3.00	3.00	3.00	0.00
Senior Public Works Inspector	1.00	1.00	1.00	1.00	0.00
Senior Public Works Lead	6.00	6.00	6.00	5.00	(1.00)
TASP Management Analyst	0.00	0.00	1.00	0.00	(1.00)
Transportation and Traffic Mgr	1.00	1.00	0.00	0.00	0.00
Water System Operator	1.00	1.00	3.00	3.00	0.00
<b>Total Positions</b>	<b>106.00</b>	<b>114.00</b>	<b>118.00</b>	<b>117.00</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>118.00</b>	<b>\$16,430,917</b>	<b>\$15,648,348</b>	<b>\$32,079,265</b>
<b>One-Time Prior Year Budget Adjustments</b>				
Public Works Vehicle Enhancement			(133,816)	(133,816)
Public Works Trees & Landscape Maintenance Equipment Enhancement		(100,000)		(100,000)
<b>One-Time Prior Year Budget Adjustments</b>	<b>0.00</b>	<b>(100,000)</b>	<b>(133,816)</b>	<b>(233,816)</b>
<b>Adjustments to Costs of Ongoing Activities</b>				
Salary and Benefits changes and the following position reallocations:		740,504	17,747	758,251
– 1.0 Fleet Maintenance Worker III to 1.0 Maintenance Worker I/II				0
– 1.0 Maintenance Assistant to 1.0 Maintenance Worker I/II				0
– 1.0 Senior Public Works Lead to 1.0 Maintenance Supervisor				0
– 1.0 Principal Engineer to 1.0 Public Works Division Manager - Engineering				0
Management Analyst TASP (moved to Finance)	(1.00)	(159,852)		(159,852)
Contractual Service Increase (Park and Tree Maintenance Services, ChargePoint Charging Stations, etc.)		208,185	52,738	260,923
Non-Personnel Expenditure Alignment to Historical Trend		95,646	35,498	131,144
<b>Adjustments to Costs of Ongoing Activities</b>	<b>(1.00)</b>	<b>884,483</b>	<b>105,983</b>	<b>990,466</b>
<b>Total FY 2025-26 Base Budget</b>	<b>117.00</b>	<b>17,215,400</b>	<b>15,620,515</b>	<b>32,835,915</b>
<b>Service Level Changes</b>				
Day Porter Service Reduction		(99,333)		(99,333)
Storage Tank Condition Assessment (One-time)		75,000	75,000	150,000
Utility Maintenance Repair Supplies			100,000	100,000
Minnis Circle Storage Lease		10,000	20,000	30,000
Smoke Opacity Testing			11,000	11,000
<b>Total Service Level Changes</b>	<b>0.00</b>	<b>(14,333)</b>	<b>206,000</b>	<b>191,667</b>
<b>Total FY 2025-26 Budget</b>	<b>117.00</b>	<b>\$17,201,067</b>	<b>\$15,826,515</b>	<b>\$33,027,582</b>

## Service Level Changes

	Positions	General Fund Expenditures	Other Fund Expenditures	All Fund Expenditures
<b>1. Day Porter Service Reduction</b>		<b>(\$99,333)</b>		<b>(\$99,333)</b>
 This proposal eliminates day porter service contract for the City of Milpitas as a cost-saving measure given current budget constraints. Following the City Council's approval of a five-year agreement for janitorial and porter services, ending day porter services, which are scheduled from 6:30 AM to 3:00 PM, will result in reduced maintenance during regular building operations. While this decision may lead to a noticeable decrease in cleanliness across City facilities and potentially delayed response times to janitorial requests during those hours, it is necessary to align with the City's financial limitations. (ongoing)				
<b>Performance Results:</b>		 		
<b>2. Storage Tank Condition Assessment</b>		<b>\$75,000</b>	<b>\$75,000</b>	<b>\$150,000</b>
 This proposal allocates \$150,000 for one-time inspections of the City of Milpitas' 27 fuel tanks, essential for maintaining safety, environmental protection, and operational efficiency. The funding will support comprehensive condition assessments and integrity inspections of the aging diesel fuel storage tanks, which are critical for backup power at emergency generators across various City facilities. Most of these tanks are over 15-20 years old and have experienced significant issues, including fuel line leaks and corrosion, posing risks of failures that could lead to environmental contamination and operational disruptions. By investing in these proactive inspections, the City can extend the lifespan of the fuel tanks, minimize long-term repair costs, and ensure uninterrupted fuel operations. Funding for this proposal includes General Fund (\$75,000), Sewer Maintenance & Operations Fund (\$37,500), and Water Maintenance & Operations Fund (\$37,000). (one-time)				
<b>Performance Results:</b>		  		
<b>3. Utility Maintenance Repair Supplies</b>		<b>\$0</b>	<b>\$100,000</b>	<b>\$100,000</b>
 This proposal allocates a total of \$100,000 to fund dedicated repair supply line items with funding split between the water enterprise (\$50,000) and the sewer enterprise (\$50,000). Repairing supply lines are critical for preserving the operational integrity and regulatory compliance of the City's water and sewer systems. Without these funds, the Division may be unable to procure necessary supplies, leading to delays in essential repairs and potential service disruptions. This investment ensures both systems remain efficient, reliable, and compliant with applicable standards. (ongoing)				
<b>Performance Results:</b>		 		

	Positions	General Fund Expenditures	Other Fund Expenditures	All Fund Expenditures
<b>4. Minnis Circle Lease Agreement</b>		\$10,000	\$20,000	\$30,000
 This proposal continues funding for the lease of two commercial spaces on Minnis Circle to address the pressing space limitations faced by multiple City departments. The Police Department requires 5,400 to 10,000 square feet of replacement space due to the impending demolition of its current warehouse, which is essential for managing evidence vehicles and equipment. The Recreation and Community Services Department currently stores program materials across various disconnected locations, including a rented storage unit, and consolidating these supplies would enhance access and inventory control. Additionally, Public Works would benefit from a new location to securely store surplus City furniture and high-value maintenance equipment. By securing these leased spaces, the City can improve operational efficiency, ensure the security of assets, and accommodate departmental needs more effectively. Additional funding of \$94,000 is provided for this lease in the Public Safety CSA for a total ongoing cost for the leases at Minnis Circle of \$134,320. (ongoing)				
<b>Performance Results:</b>				
<b>5. Smoke Opacity Testing</b>		\$11,000	\$0	\$11,000
 This proposal funds mandated smoke opacity testing for heavy-duty trucks with a gross vehicle weight rating of over 14,000 pounds to ensure that the City of Milpitas' fleet remains compliant with the California Air Resources Board's requirements. Twenty-three (23) diesel-engine vehicles in the City's fleet will be tested. Compliance with these regulations is essential to minimize pollutants from diesel exhaust and protect air quality. Funding source is the Equipment Replacement Fund and dedication of these funds ensures the City will uphold its commitment to environmental standards and avoid potential non-compliance consequences. (ongoing)				
<b>Performance Results:</b>				 
<b>Total Service Level Changes</b>		(\$14,333)	\$206,000	\$191,667



# 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 recreation programs and community 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, services, 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 park buildings. It also oversees and offers a financial assistance program providing discounts on fee-based City Services for low income residents.



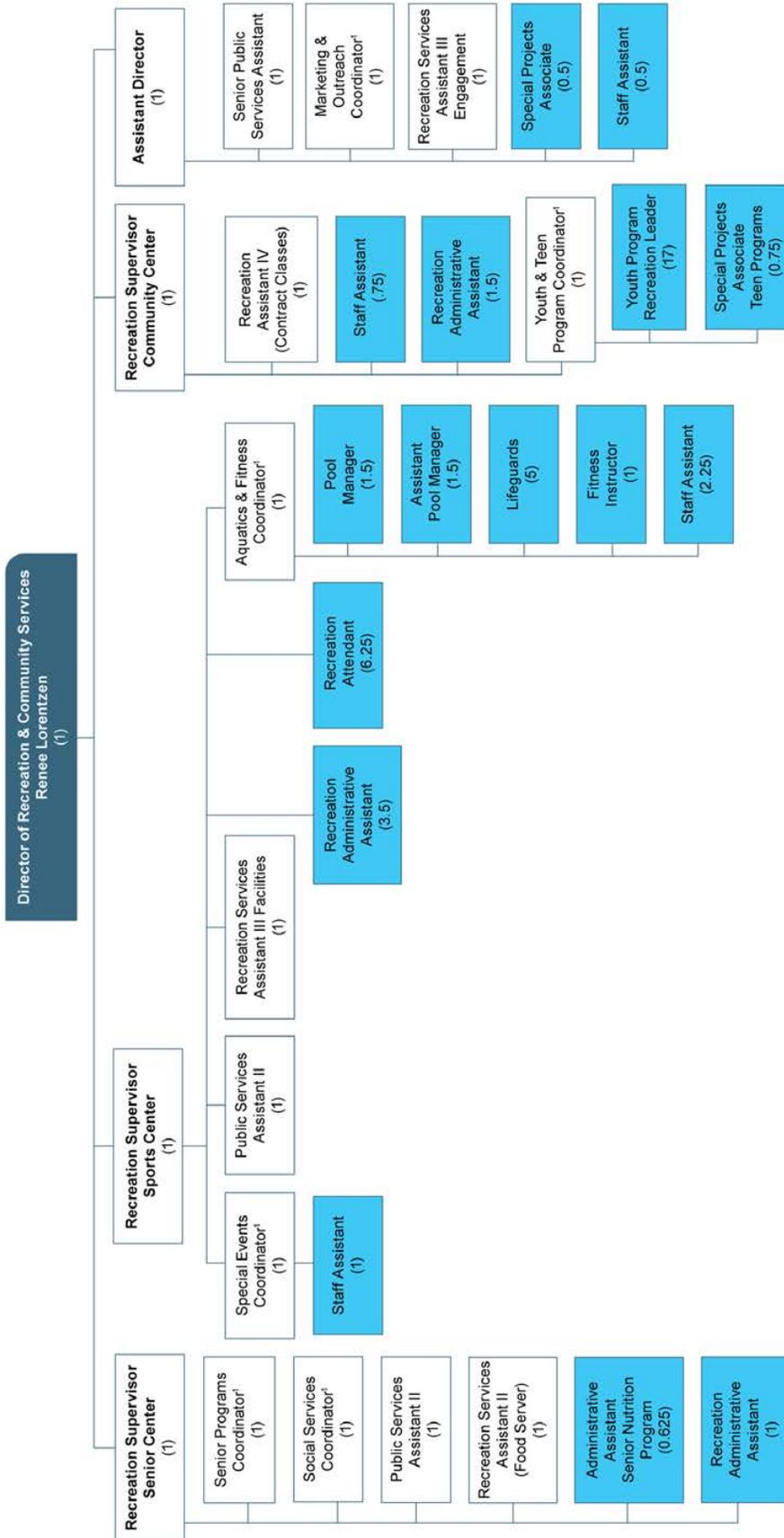
## Services

- Oversees Community Center daily operations and provides recreation programming, including indoor/outdoor recreation facility rentals, in-person and virtual contract classes, registration services, sponsorship and donor relationships, marketing/promotions, publishes three (3) Recreation Activity Guides, and staffs six City Commissions, two City Council subcommittees and one City Task Force. Provides a volunteer program for individuals to help serve their community, and runs the City's Beautify Milpitas Program.
- Oversees Senior Center daily operations and provides senior programs, including a daily congregate lunch program in partnership with Santa Clara County; drop-in programs; recreation classes; community resource and services presentations, including tax preparation, senior digital literacy and laptop loaner program, hosts onsite well-being services, such as HICAP and legal services assistance, and produces special events.
- Oversees Community Services operations, including social service needs assessments and referrals for seniors, low-income, disabled, mentally ill, and other residents in need of any supportive services. Administers the Milpitas Assistance Program (MAP), which provides fee discounts for recreation programs, utility services and certain residential building permit fees. Manages grants and community service partnerships with other agencies. Manages partnerships with the County of Santa Clara.
- Provides youth programs and care, including daily after school programming at five elementary schools and both Milpitas middle schools; a Teen Center with in-person and virtual programs, services, activities and trips; a daily pre-K enrichment program; summer and school break camps; and a summer teen youth workforce program. Manages partnerships with Milpitas Unified School District.



- Oversees Sports Center daily operations and wellness programs, including Fitness Center and outdoor Pools, fitness and yoga classes, drop-in gym for basketball, volleyball, and pickleball, lap swimming and water aerobics, adult and youth sports programs, swim lessons, indoor and outdoor sports facility and field usage and coordination with local sports organizations.
- Offers Special Events, including Fourth of July fireworks, cultural events, seasonal family events, patriotic events, summer concerts, outdoor movies, flag raising ceremonies, ground breakings, park openings and revitalization events.
- Offers Cultural Arts programs, including Milpitas Community Theatre, Milpitas Community Concert Band, Phantom Art Gallery, Milpitas Art and Cultural Grant Program and Alviso Adobe historic exhibit.
- Manages the City's Public Art Program, including collection maintenance and developer compliance with the Public Art ordinance.

# Recreation and Community Services Department



	FY 2025-26	FTE
<b>New</b>		
<b>Move</b>		
<b>Reclass</b>		
<b>Defunded</b>	Permanent	(18)
<b>Temp</b>	Temporary	(44.625)

<sup>1</sup> Represents Working Title

## Accomplishments

	Community Wellness and Open Space	Economic Development and Job Growth	Environment	Governance & Administration	Neighborhoods and Housing	Public Safety	Transportation and Transit
							
1.	Evaluate options for potential enhancements to Teen Center programming and teen services.	✓					
2.	Complete Public Art Master Plan and collection maintenance plan.	✓		✓			
3.	Launched Group Gardening pilot at Cesar Chavez Community Garden.	✓					
4.	Completed market research activities with younger seniors and launched 40 North branding.	✓					

## Initiatives

	Community Wellness and Open Space	Economic Development and Job Growth	Environment	Governance & Administration	Neighborhoods and Housing	Public Safety	Transportation and Transit
							
1.	Complete update to the City's Historic and Cultural Resources Plan and develop new marker program.	✓		✓			
2.	Update Facility Use Manual and associated Municipal Code.	✓	✓	✓	✓		
3.	Complete VTA Murals pillar project and three utility box murals.	✓			✓		
4.	Develop a year-round private swim lesson program.	✓				✓	
5.	Launch marketing campaign to promote facility rental and use.	✓		✓			

## Performance and Workload Measures

PERFORMANCE MEASURES	Strategic Goals	FY 21-22 Actual	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Estimate	FY 25-26 Target
Customer Service Satisfaction Surveys Rating Good or Excellent		95%	90%	94%	95%	95%
Resident Transactions		4,384	8,891	8,672	8,900	9,000

ACTIVITY AND WORKLOAD DATA	Strategic Goals	FY 21-22 Actual	FY 22-23 Actual	FY 23-24 Actual	FY 24-25 Estimate	FY 25-26 Target
Recreation Program and Class Fees Revenue		\$2,347,573	\$3,455,949	\$2,834,264	\$3,132,302	\$3,100,000
Number of Social Media Engagements		39,876	36,301	22,589	20,000	20,000
Facility and Park Rental Revenue		\$132,163	\$228,853	\$428,399	\$445,049	\$400,000
Number of Community Events Offered		9	34*	30**	22***	22
Number of Social Services Calls		1,591	1,836	2,272	2,403	2,400

\*Includes ARPA-funded events, Delano Manongs Park Openings, Black April

\*\*Removes Big Bunny, Family Game Night, 2 movie nights, 2 concerts

\*\*\* Removes Artwalk, Earth Day, Big Bunny, Family Game Night, 2 movie nights, 2 concerts

## Budget Summary

DOLLARS BY FUNCTION	2022-23 Actual	2023-24 Actual	2024-25 Adopted	2025-26 Adopted	FY 2026 Change \$	FY 2026 Change %
Aquatics	\$313,479	\$327,804	\$445,432	\$470,985	\$25,553	5.7%
General Classes	631,310	620,523	616,125	797,177	181,052	29.4%
Marketing	256,925	246,724	350,133	347,827	(2,306)	(0.7)%
Performing Arts	131,019	211,148	188,471	225,475	37,004	19.6%
Recreation Administration	1,712,465	1,947,017	2,077,261	2,304,163	226,902	10.9%
Senior Services	703,578	788,780	776,026	810,070	34,044	4.4%
Social Services	512,739	509,311	169,262	201,341	32,079	19.0%
Special Events	512,662	584,337	582,645	638,903	56,258	9.7%
Sports & Fitness	595,849	614,027	689,306	549,804	(139,502)	(20.2)%
Youth Program	1,269,843	1,117,244	1,086,396	1,320,476	234,080	21.5%
<b>TOTAL</b>	<b>\$6,639,869</b>	<b>\$6,966,915</b>	<b>\$6,981,057</b>	<b>\$7,666,221</b>	<b>\$685,164</b>	<b>9.8%</b>

DOLLARS BY CATEGORY		2022-23 Actual	2023-24 Actual	2024-25 Adopted	2025-26 Adopted	FY 2026 Change \$	FY 2026 Change %
<b>PERSONNEL SERVICES</b>							
4111	Permanent Salaries	\$1,615,154	\$1,794,995	\$2,037,455	\$2,090,365	\$52,910	2.6%
4112	Temporary Salaries	1,709,642	1,716,173	1,811,733	1,999,795	188,062	10.4%
4113	Overtime	100,355	151,054	56,152	56,152	0	0.0%
4121	Allowances	6,600	6,854	6,600	6,600	0	0.0%
4124	Leave Cashout	50,646	69,105	0	0	0	0.0%
4131	PERS	580,300	670,449	717,455	727,687	10,232	1.4%
4132	Group Insurance	314,958	330,891	399,171	430,397	31,226	7.8%
4133	Medicare	50,192	54,096	55,291	56,140	849	1.5%
4135	Worker's Compensation	1,439	17,300	27,096	27,353	257	0.9%
4138	Deferred Comp-Employer	12,364	14,781	16,020	16,020	0	0.0%
4139	PARS	24,241	24,416	45,210	45,819	609	1.3%
4141	Adjustments-Payroll	0	0	0	0	0	0.0%
4143	Charged to CIPs	0	0	(3,000)	0	3,000	(100.0)%
4146	Short Term Disability	0	0	1,496	1,495	(1)	(0.1)%
4161	Retiree Medical Reserve	22,327	19,326	20,624	21,156	532	2.6%
	<b>sub-total</b>	<b>4,488,218</b>	<b>4,869,440</b>	<b>5,191,303</b>	<b>5,478,979</b>	<b>287,676</b>	<b>5.5%</b>

DOLLARS BY CATEGORY		2022-23 Actual	2023-24 Actual	2024-25 Adopted	2025-26 Adopted	FY 2026 Change \$	FY 2026 Change %
<b>SUPPLIES AND CONTRACTUAL SERVICES</b>							
4200	Community Promotion, Grant/ Loan	298,008	346,609	57,515	66,634	9,119	15.9%
4210	Department Allocations	56,129	78,546	89,371	89,371	0	0.0%
4220	Supplies	685,811	628,653	591,630	611,309	19,679	3.3%
4230	Services	1,091,948	1,006,076	1,020,314	1,326,911	306,597	30.0%
4230	Advertising	0	0	0	35,000	35,000	0.0%
4240	Repair & Maintenance	0	150	9,000	20,320	11,320	125.8%
4500	Training, Travel, & Memberships	19,755	18,834	21,924	22,697	773	3.5%
<b>sub-total</b>		<b>2,151,651</b>	<b>2,078,868</b>	<b>1,789,754</b>	<b>2,172,242</b>	<b>382,488</b>	<b>21.4%</b>
<b>CAPITAL OUTLAY</b>							
4870	Machinery and Equipment	0	18,608	0	15,000	15,000	0.0%
<b>sub-total</b>		<b>0</b>	<b>18,608</b>	<b>0</b>	<b>15,000</b>	<b>15,000</b>	<b>0.0%</b>
<b>TOTAL</b>		<b>\$6,639,869</b>	<b>\$6,966,916</b>	<b>\$6,981,057</b>	<b>\$7,666,221</b>	<b>\$685,164</b>	<b>9.8%</b>

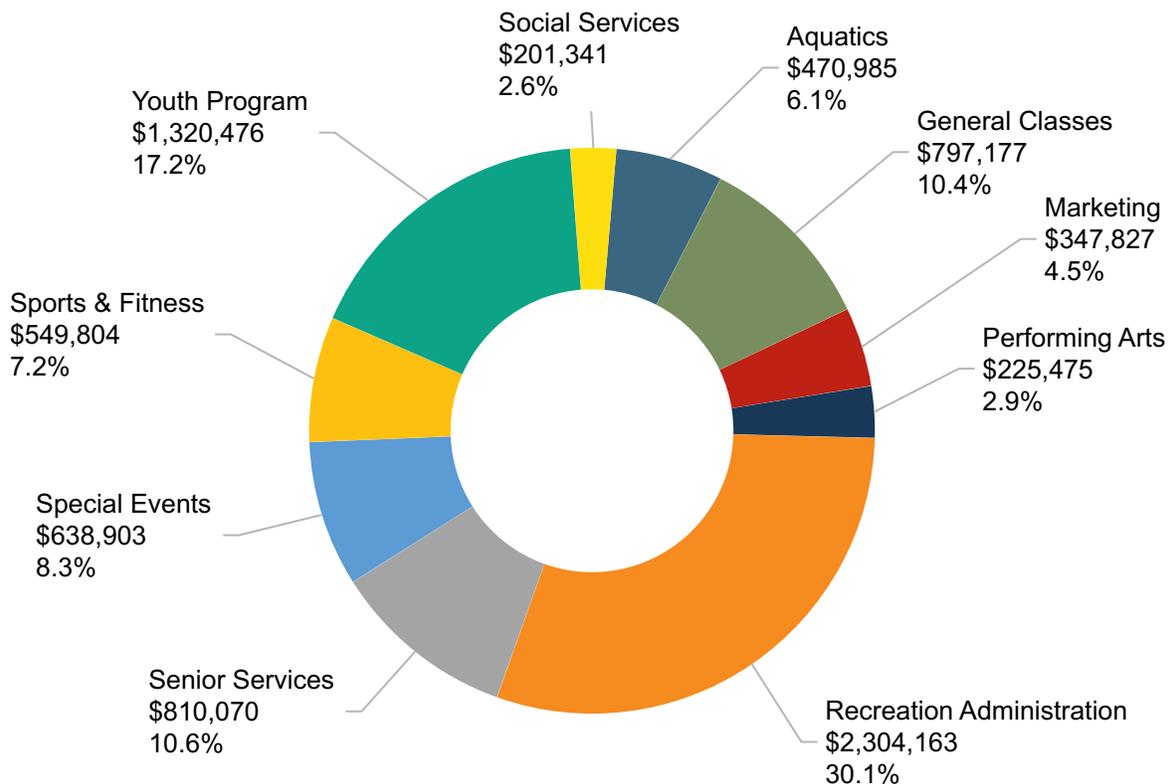
## Staffing

POSITIONS BY FUNCTION	2022-23 Adopted	2023-24 Adopted	2024-25 Adopted	2025-26 Adopted	FY 2026 Change
General Classes	1.00	1.00	1.00	1.00	0.00
Marketing	1.00	1.00	1.00	1.00	0.00
Recreation Administration	7.00	8.00	8.00	8.00	0.00
Senior Services	3.00	3.00	3.00	3.00	0.00
Social Services	1.00	1.00	1.00	1.00	0.00
Special Events	2.00	2.00	2.00	2.00	0.00
Sports & Fitness	1.00	1.00	1.00	1.00	0.00
Youth Program	1.00	1.00	1.00	1.00	0.00
<b>TOTAL</b>	<b>17.00</b>	<b>18.00</b>	<b>18.00</b>	<b>18.00</b>	<b>0.00</b>

# Budget Narrative and Summary

POSITIONS	2022-23 Adopted	2023-24 Adopted	2024-25 Adopted	2025-26 Adopted	FY 2026 Change
Assistant Director of Recreation & Community Services	0.00	1.00	1.00	1.00	0.00
Community Svc. Eng & Inc Admin	1.00	0.00	0.00	0.00	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
Program Coordinator	5.00	5.00	5.00	5.00	0.00
Public Services Assistant I/II	2.00	2.00	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	2.00	2.00	0.00
Recreation Services Asst IV	1.00	1.00	1.00	1.00	0.00
Recreation Services Supervisor*	2.00	3.00	3.00	3.00	0.00
Sr Public Services Assistant	1.00	1.00	1.00	1.00	0.00
<b>Total Positions</b>	<b>17.00</b>	<b>18.00</b>	<b>18.00</b>	<b>18.00</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>18.00</b>	<b>\$6,981,057</b>	<b>\$0</b>	<b>\$6,981,057</b>
<b>Adjustments to Costs of Ongoing Activities</b>				
Salary and Benefits		202,707		202,707
Increase to Contractual Services (contract classes, ATB bus contract, etc.)		261,038		261,038
Non-Personnel Expenditure Alignment to Historical Trend		57,630		57,630
<b>Adjustments to Costs of Ongoing Activities</b>	<b>0.00</b>	<b>521,375</b>	<b>0</b>	<b>521,375</b>
<b>Total FY 2025-26 Base Budget</b>	<b>18.00</b>	<b>\$7,502,432</b>	<b>\$0</b>	<b>\$7,502,432</b>
<b>Service Level Changes</b>				
Milpitas Youth Force Program Expansion		69,152		69,152
Miscellaneous Insurance		35,000		35,000
Recreation Administrative Assistants		16,640		16,640
Mobile Stage Rental		15,000		15,000
Minnis Circle Storage Lease		10,320		10,320
Milpitas Community Concert Choir		10,000		10,000
Black April		5,000		5,000
Private Swim Lessons		2,677		2,677
<b>Total Service Level Changes</b>	<b>0.00</b>	<b>163,789</b>	<b>0</b>	<b>163,789</b>
<b>Total FY 2025-26 Budget</b>	<b>18.00</b>	<b>\$7,666,221</b>	<b>\$0</b>	<b>\$7,666,221</b>

## Service Level Changes

		Positions	General Fund Expenditures	Other Fund Expenditures	All Fund Expenditures
<b>1.</b>	<b>Milpitas Youth Force Program Expansion</b>		<b>\$69,152</b>	<b>\$0</b>	<b>\$69,152</b>
	<p>This proposal funds a one-time expansion of the Milpitas Youth Force (MYF) Program for the Summer 2026 program. The Milpitas Youth Force is an 8-week summer program for Milpitas high school-age students (ages 15½ to 18) that aims to provide high school students with valuable work experience, career development opportunities, mentorship and potential connections in their chosen field of interest. Businesses/organizations are matched with participants to help them gain practical skills and knowledge. Participants work 15–20 hours per week at minimum wage, funded by the City of Milpitas.</p> <p>Staff received 81 applications for the Summer 2025 program, far exceeding the budgeted 20 student program space. Between the participating businesses and City departments, there is capacity to accept up to 45 students in the program. One-time costs associated with this proposal include the hourly rate of the MYF students, wrap-around services such as SMART rides to and from work, professional clothing, skill-building presentations, and end of program ceremony for an additional 25 students. (one-time)</p>				
	<b>Performance Results</b>				
<b>2.</b>	<b>Miscellaneous Insurance</b>	<b>0.00</b>	<b>\$35,000</b>	<b>\$0</b>	<b>\$35,000</b>
	<p>This proposal secures funding for essential liability insurance coverage for the City of Milpitas' Recreation and Community Services Department, which involves numerous staff, contractors, and volunteers working with youth, seniors, and vulnerable adults. Recent guidance indicates that this coverage is necessary to mitigate potential risks associated with the Department's activities, ensuring the City is financially safeguarded. If the insurance is not obtained, the City risks losing vital service providers who may be unable to afford their own coverage, leading to significant reductions in programs and potential revenue losses exceeding \$200,000. (ongoing)</p>				
	<b>Performance Results</b>				
<b>3.</b>	<b>Recreation Administrative Assistants</b>		<b>\$16,640</b>	<b>\$0</b>	<b>\$16,640</b>
	<p>This proposal funds additional part-time administrative assistant hours at the Milpitas Community Center during the closing shift, specifically from 2 p.m. to 6 p.m. Monday through Thursday. The increase in customer traffic, particularly after work hours (4 p.m. - 6 p.m.), necessitates additional front desk support to maintain high levels of customer service. Without this staffing enhancement, full-time staff will continue to be diverted from their primary tasks to address front desk demands, resulting in delays and increased comp-time or overtime costs. By adding these hours, the Department can ensure prompt and effective service for customers, allowing full-time staff to focus on their critical responsibilities. (ongoing)</p>				
	<b>Performance Results</b>				

	Positions	General Fund Expenditures	Other Fund Expenditures	All Fund Expenditures
<b>4. Mobile Stage Rental</b>	<b>0.00</b>	<b>\$15,000</b>		<b>\$15,000</b>



This proposal allocates an additional \$15,000 to fund renting a mobile stage essential for the City of Milpitas' special event program. A mobile stage is crucial for hosting a variety of community events, accommodating nearly 19,000 spectators each year and enhancing engagement and inclusivity across neighborhoods. The stage supports various activities, including concerts and cultural celebrations, while generating sponsorship revenue through logo placements on stage banners. Without this funding, the City will be forced to reduce the number of events utilizing a mobile stage and resort to smaller events, which would negatively impact resident experiences, event activities, and potential sponsorship opportunities. (ongoing)

<b>5. Minnis Circle Storage Lease</b>	<b>0.00</b>	<b>\$10,320</b>	<b>\$0</b>	<b>\$10,320</b>
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This proposal continues funding for the lease of two commercial spaces on Minnis Circle to address the pressing space limitations faced by multiple City departments. The Police Department requires 5,400 to 10,000 square feet of replacement space due to the impending demolition of its current warehouse, which is essential for managing evidence vehicles and equipment. The Recreation and Community Services Department currently stores program materials across various disconnected locations, including a rented storage unit, and consolidating these supplies would enhance access and inventory control. Additionally, Public Works would benefit from a new location to securely store surplus City furniture and high-value maintenance equipment. By securing these leased spaces, the City can improve operational efficiency, ensure the security of assets, and accommodate departmental needs more effectively. Additional funding of \$94,000 is provided for this lease in the Public Safety CSA for a total ongoing cost for the leases at Minnis Circle of \$134,320. (ongoing)

**Performance Impact**



<b>6. Milpitas Community Concert Choir</b>	<b>0.00</b>	<b>\$10,000</b>	<b>\$0</b>	<b>\$10,000</b>
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This proposal continues an allocation of \$10,000 to support the Milpitas Community Concert Choir, a new initiative within the City arts and culture services. The recurring expenses for this program encompass the hiring of a choir director and a piano accompanist, procurement of choral and sheet music portfolios, and the acquisition of pre-recorded music for rehearsals and performances. Additionally, funds will be designated for marketing materials to enhance participant recruitment and promote concerts. It is contemplated choir practices will take place weekly, culminating in three concerts annually. Rehearsal and performance sessions will be hosted in City Recreation facilities, and potential choir members can conveniently register online or in person at any public counter located in City Recreation sites. (ongoing)

**Performance Impact**



## Budget Narrative and Summary

	Positions	General Fund Expenditures	Other Fund Expenditures	All Fund Expenditures
<b>7. Black April</b>	<b>(1.00)</b>	<b>\$5,000</b>	<b>\$0</b>	<b>\$5,000</b>
 This proposal provides ongoing funding of \$5,000 to continue hosting a Black April Ceremony each year. The City's has held a Black April Ceremony for two years, commemorating the anniversary of the fall of Saigon. This ceremony is significant for the Vietnamese community and Vietnam War veterans and their loved ones. The proposal to add the ceremony to the annual event calendar includes re-occurring event costs such as contracting cultural performers and speaker(s), décor, and refreshments for the public. (ongoing)				
<b>Performance Impact</b>				
<b>8. Private Swim Lessons</b>	<b>0.00</b>	<b>\$2,677</b>	<b>\$0</b>	<b>\$2,677</b>
 This proposal expands the City of Milpitas Aquatic Program to include year-round private swim lessons, responding to significant community interest in personalized aquatic instruction. By offering tailored lessons, the City can better meet resident needs, enhance accessibility, and promote inclusivity for individuals of all abilities. Failing to implement this initiative may lead to residents seeking alternative providers, resulting in lost revenue and dissatisfaction. The plan estimates approximately \$6,550 in net additional revenue while utilizing existing staff during non-peak hours and ensuring quality instruction through additional training. (ongoing)				
<b>Total Service Level Changes</b>		<b>\$163,789</b>	<b>\$0</b>	<b>\$163,789</b>

# 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 an estimated 4% vacancy factor in the General Fund. \$1.3 million unanticipated expenditure reserve is included.

### Services and Supplies

\$7,568,416 is for Treatment Plant fees; \$3,783,817 is for gas, electric, and water utilities; \$22,977,357 is for water purchases; \$2,627,196 is for recycled water purchase. A total of \$30,000 is reflected in this function for citywide tuition reimbursement. \$3,688,303 is budget based on preliminary estimate of the City's insurance premium with PLAN JPA for the 2024-25. \$220,000 is also included for costs related to a green vehicle lease program for 43 vehicles in FY 2024-25 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.

### Debt Service

\$1,289,400 scheduled to pay the Lease Revenue Bond \$635,500 scheduled to pay the principal and interest due on the 2017 Wastewater Revenue Refunding Bond for the sewer system and interfund loan. \$1,044,450 is the payment for the principal and interest due on the 2019 Water Bond, and \$1,489,325 is for the 2019 Wastewater Bond.



# Budget Narrative and Summary

	<u>Grand Total</u>	<u>General Fund<sup>(1)</sup></u>
<b>Personnel Services</b>		
4119 Adjustments-Payroll .....	\$0	\$0
4124 Leave Cashout .....	700,000	650,000
4131 PERS .....	30,000	30,000
4132 Group Insurance .....	29,090	26,000
4136 Unemployment .....	73,000	70,000
4137 MOU Contractual Agreements .....	1,298,225	1,203,883
4141 Adjustments-Payroll .....	(4,090,732)	(4,090,732)
4161 Retiree Medical Reserve .....	—	—
<b>sub-total</b>	<b>(1,960,417)</b>	<b>(2,110,849)</b>
<b>Supplies &amp; Contractual Services</b>		
4209 Rate Assistance Program .....	446,700	446,700
4212 Vehicle Lease Charges .....	220,000	220,000
4237 Contractual Services .....	150,100	40,000
4239 Audit Fees .....	98,000	66,000
4241 Repair & Maintenance .....	8,000	—
4242 Rents & Leases .....	43,100	—
4253 Plan JPA Attorney's Fees .....	220,000	80,000
4254 Plan JPA Settlements .....	171,500	76,500
4280 Elections .....	—	120,000
4421 Utilities-Gas .....	226,300	206,000
4422 Utilities-Electric .....	2,000,000	992,000
4423 Utilities-Water .....	1,557,517	1,384,000
4424 SFWD, Wholesale Water Purchase .....	15,871,456	—
4425 SCVWD, Wholesale Water Purchase .....	7,105,901	—
4426 Utilities - Solid Waste .....	6,500	—
4427 Recycled Water Purchase .....	2,627,196	—
4429 Treatment Plant, M&O .....	7,568,416	—
4509 Tuition Reimbursement .....	30,000	24,000
4602 Liability, Property Insurance .....	3,688,303	2,534,936
4610 Uncollectible Accounts .....	150,000	50,000
4611 Collection Fees .....	22,000	7,500
4640 Unanticipated Expenditures Reserve .....	1,300,000	1,300,000
<b>sub-total</b>	<b>43,510,989</b>	<b>7,427,636</b>
<b>Debt Service</b>		
4701 Retirement of Principal .....	2,155,000	625,000
4711 Interest Expense .....	2,603,675	664,400
<b>sub-total</b>	<b>4,758,675</b>	<b>1,289,400</b>
<b>Capital Outlay</b>		
4851 Vehicles .....	307,029	—
4873 Machinery & Equipment .....	142,698	—
<b>sub-total</b>	<b>449,727</b>	<b>—</b>
<b>TOTAL</b>	<b>\$46,758,974</b>	<b>\$6,606,187</b>

(1) General Fund, Abandoned 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	\$0	\$0
—	—	—	25,000	25,000
—	—	—	—	—
—	—	—	1,545	1,545
—	—	—	1,500	1,500
—	—	—	47,171	47,171
—	—	—	—	—
—	—	—	—	—
—	—	—	<b>75,216</b>	<b>75,216</b>
—	—	—	—	—
—	—	—	—	—
60,200	12,900	—	10,350	26,650
—	7,000	—	12,500	12,500
8,000	—	—	—	—
—	43,100	—	—	—
—	—	—	40,000	100,000
—	—	—	25,000	70,000
—	—	—	—	—
—	—	—	10,300	10,000
—	—	—	714,000	294,000
6,000	—	—	136,517	31,000
—	—	—	15,871,456	—
—	—	—	7,105,901	—
6,500	—	—	—	—
—	—	—	2,627,196	—
—	—	—	—	7,568,416
—	—	—	3,000	3,000
2,747	306,730	—	211,972	631,918
—	—	—	50,000	50,000
—	—	—	8,500	6,000
—	—	—	—	—
<b>83,447</b>	<b>369,730</b>	<b>—</b>	<b>26,826,692</b>	<b>8,803,484</b>
—	—	—	355,000	1,175,000
—	—	—	689,450	1,249,825
—	—	—	<b>1,044,450</b>	<b>2,424,825</b>
—	128,104	—	133,816	45,109
—	142,698	—	—	—
—	<b>270,802</b>	<b>—</b>	<b>133,816</b>	<b>45,109</b>
<b>\$83,447</b>	<b>\$640,532</b>	<b>\$0</b>	<b>\$28,080,174</b>	<b>\$11,348,634</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 11, 2025, the proposed 2026-2030 Capital Improvement Program (CIP) was presented to the Council during a study session.

The FY 2025-2026 adopted Capital Improvement Program funding in the amount of \$38.8 million is \$5.6 million greater than the FY 2024-2025 Adopted CIP of \$33.2 million. Due to limited General Government funding, staff evaluated General Government funded and strategically funded projects in the current plan. These funds will continue to be analyzed each year to maximize the public benefit for use of these limited funds.

**The Capital Improvement Budget funding for FY 2025-26 by Project Category is as follows:**

Project Category	FY 2025-26 Budget	Percentage of Total
Community Improvement	\$4,635,000	12%
Park Improvement	\$3,800,000	9.8%
Street Improvement	\$16,989,735	43.8%
Water Improvement	\$3,920,000	10.1%
Sewer Improvement	\$4,817,000	12.4%
Storm Drain Improvement	\$4,600,000	11.9%
<b>TOTAL</b>	<b>\$38,761,735</b>	<b>100.0%</b>

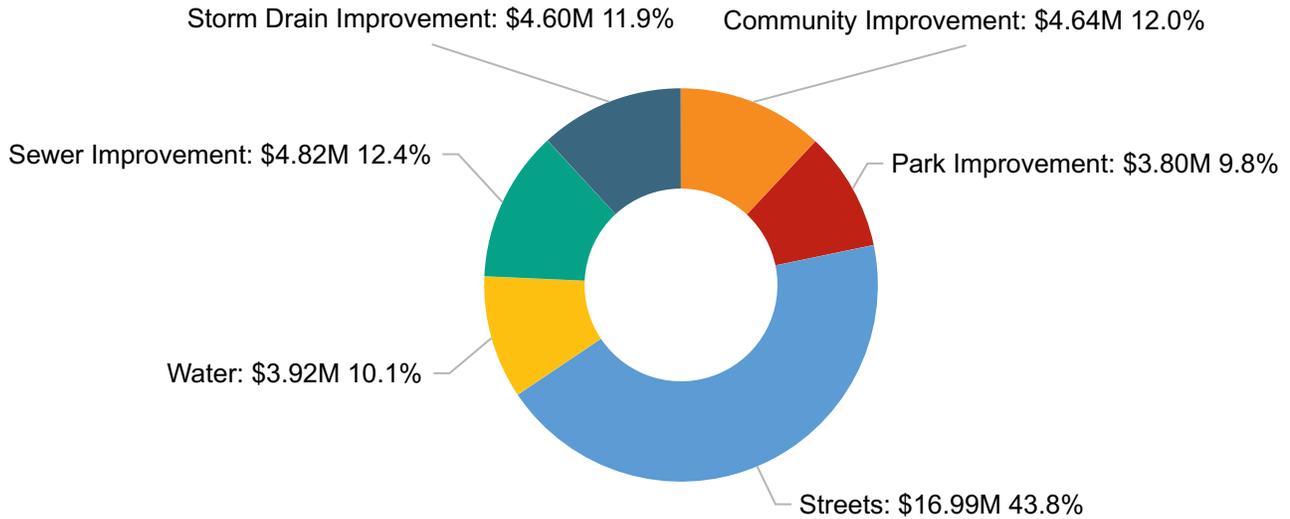
Major projects recommended to be funded for FY 2025-2026 include the construction of S. Milpitas Boulevard Road Extension Project; the design and construction of the Annual Street Resurfacing Project for FY 2025-26; repair of the roadway and utilities along Technology Drive; design and construction for safety enhancement project along established routes to school funded by the SS4A grant; the City’s capital contribution to the San Jose-Santa Clara Regional Wastewater Facility; the purchase of the Urban Search and Rescue vehicle for the Fire Department; the renovation of the playground area at Sinnott Park; replacement of the bleachers including ADA improvements at the Milpitas Sports Center; the Annual Sidewalk Repair Program; design of the first phase of water main upgrades identified in the adopted Water Master Plan; design of the Metro Tango Subdistrict Park; design and replacement of the audio-visual system at the Community Center; replacement of 191 computers/laptops; and various maintenance and rehabilitation projects and programs managed by the Information Technology, Public Works, and Recreation & Community Services Departments.

On March 3, 2025, staff presented the Park Improvement section of the proposed 2026-30 Capital Improvement Program to the Parks Recreation and Cultural Resources Commission (PRCRC) and they recommended approval to the City Council. On March 26, 2025 the proposed CIP document was presented to the Planning Commission who found the document to be in conformance with the City’s General Plan in accordance with the California Government Code Section 65401.

The City is pleased to report the significant progress and completion of several key projects over the past year. These include the ARPA Park Rehabilitation Phase 2 project, the Council Chamber Audio Video System upgrade, the replacement of the City Library’s metal roof, as well as important repairs at the Milpitas Sports Center, including roof repairs, fire alarm upgrades, and pool fence replacement. Additionally, the adoption of Public Art Master Plan and completion of ongoing projects such as the Annual Street Resurfacing, Restriping, Sidewalk Repair Projects and Minor Park and Utility improvements have all been completed.

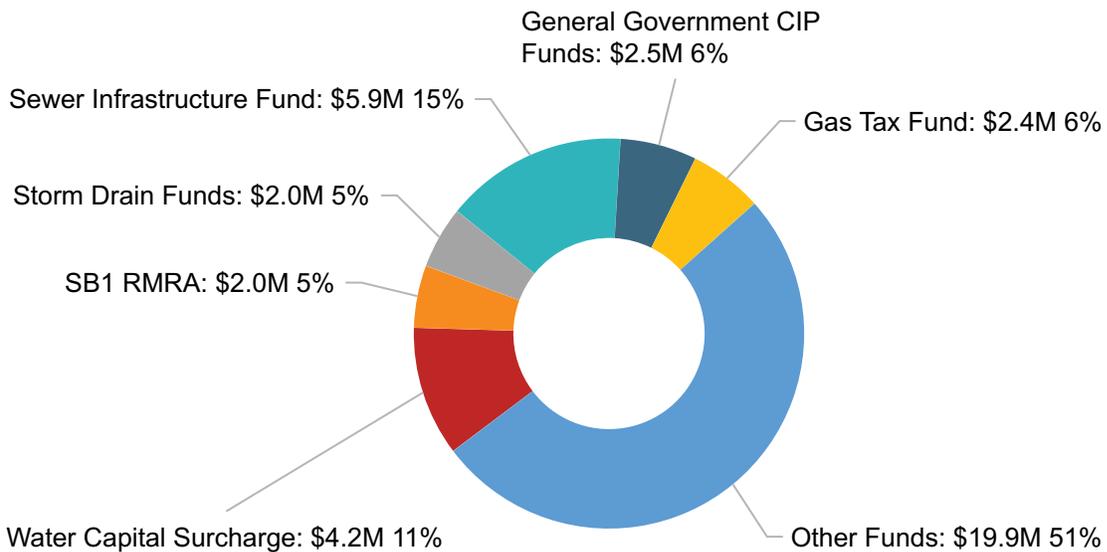
The chart below provides an overview of the City’s anticipated capital improvement projects by category in FY 2025-26:

**CIP Expenditures by Category (In Millions, \$38.8M)**



The funding for FY 2025-26 capital improvement projects, as shown by the chart below, is primarily from Sewer Infrastructure Fund, General Government CIP, Gas Tax Fund, SB1 RMRA, Storm Drain Funds, and Water Capital Surcharge Fund.

**Funding Sources for 2025-26 CIP Projects (In Millions, \$38.8M)**



Since the City's budget is an annual budget, the Budget only incorporates funding for FY 2025-2026 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 2026 through 2030 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 grouped by the category and a Grand Summary of the 2026-2030 CIP project expenses and funding sources. For further details on the capital improvement projects, 2026-2030 Capital Improvement Program document prepared by the Engineering Department may be obtained at the Milpitas City Hall or the City's website.

### **CIP Budget Adoption**

Staff returned to City Council on June 3, 2025 and the Council conducted a public hearing, and adopted Resolution No. 9429 approving the 2026-2030 Capital Improvement Program.

The FY 2025-2026 Adopted CIP funding in the amount of \$38.8 million is \$5.6 million greater than the FY 2024-2025 Adopted CIP of \$33.2 million, which includes projects across six areas: community improvements, parks, streets, water, sewer and storm.

## Capital Improvement Program Grand Summary

Project Expenses	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	Total
Community Improvement	4,635,000	5,249,000	8,109,000	2,769,000	2,769,000	23,531,000
Park Improvement	3,800,000	10,850,000	10,050,000	850,000	850,000	26,400,000
Street Improvement	16,989,735	8,970,609	32,695,000	7,395,000	8,945,000	74,995,344
Water Improvement	3,920,000	11,262,000	8,295,000	6,525,000	14,427,000	44,429,000
Sewer Improvement	4,817,000	30,631,000	12,933,000	4,377,000	17,156,000	69,914,000
Storm Drain Improvement	4,600,000	400,000	1,799,843	0	0	6,799,843
<b>Total</b>	<b>\$38,761,735</b>	<b>\$67,362,609</b>	<b>\$73,881,843</b>	<b>\$21,916,000</b>	<b>\$44,147,000</b>	<b>\$246,069,187</b>
Funding Sources	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	Total
Gas Tax Fund	2,360,000	3,020,000	2,420,000	2,170,000	2,020,000	11,990,000
General Fund	0	0	0	0	0	0
General Government CIP Fund	2,459,000	0	0	0	0	2,459,000
Information Technology Replacement	0	300,000	0	0	0	300,000
LLMD	103,500	95,500	95,000	95,000	95,000	484,000
Measure B	2,646,235	2,125,109	1,950,000	1,950,000	1,950,000	10,621,344
Park Fund	3,300,000	0	0	0	0	3,300,000
Public Art Fund	75,000	50,000	50,000	50,000	50,000	275,000
SB1 RMRA	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	10,000,000
Sewer Fund	0	0	0	0	0	0
Sewer Infrastructure Fund	5,871,000	10,793,000	13,095,000	4,539,000	17,318,000	51,616,000
Sewer Treatment Fund	\$0	\$0	\$0	\$0	\$0	\$0
Storm Drain General Fund	\$2,000,000	\$400,000	\$0	\$0	\$0	\$2,400,000
Storm Drain Fund	\$0	\$0	\$1,799,843	\$0	\$0	\$1,799,843
Street Improvement Fund	700,000	0	0	0	0	700,000
TASP Impact Fees	6,853,000	10,153,000	843,000	3,953,000	11,715,000	33,517,000
Vehicle Registration Fee	500,000	500,000	500,000	500,000	500,000	2,500,000
Water Capital Surcharge	4,174,000	11,224,000	8,257,000	2,687,000	2,827,000	29,169,000
Water Fund	0	0	0	0	0	0
Water Line Extension Fund	200,000	200,000	200,000	200,000	200,000	1,000,000
<b>Sub Total</b>	<b>\$35,861,735</b>	<b>\$40,855,609</b>	<b>\$31,504,843</b>	<b>\$18,439,000</b>	<b>\$38,970,000</b>	<b>\$165,631,187</b>
External Financing	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	Total
Grants/Reimb./Developer Fees	2,900,000	0	0	0	0	2,900,000
Wastewater Revenue Bonds	0	20,000,000	0	0	0	20,000,000
Water Bonds	0	0	0	0	0	0
Revenue Bond	0	0	0	0	0	0
<b>Sub Total</b>	<b>\$2,900,000</b>	<b>\$20,000,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$22,900,000</b>
	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	Total
No Funding Source	0	6,507,000	42,377,000	3,477,000	5,177,000	57,538,000
<b>Total</b>	<b>\$38,761,735</b>	<b>\$67,362,609</b>	<b>\$73,881,843</b>	<b>\$21,916,000</b>	<b>\$44,147,000</b>	<b>\$246,069,187</b>

## Community Improvement Projects

The Community Improvement category funds a total of ten projects, including three 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 the assessment, design, and construction of minor improvements at all Fire Stations, including the Training Tower at Fire Station 1. Work may include renovation, repairs, or replacement of apparatus bays, electrical, mechanical, and plumbing systems, equipment, emergency power generator systems, flooring, furnishings, kitchen, interior and exterior painting, living quarters, parking lot, restroom and shower facilities, roofing, signage, security systems, sprinkler system, watch room, 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 Buildings Improvements

<i>Project Description</i>	This project provides for the assessment, design, and construction of improvements at City facilities, including Public Works/Police/IT, Senior Center, Community Center, City Hall, Library and its parking garage, and Sports Center. Work may include renovation, repairs, or replacement of electrical, mechanical, and plumbing systems, pool equipment and systems, equipment, emergency power generator systems, flooring, furnishings, fountain, kitchen, interior and exterior painting, restroom and shower facilities, signage, security systems, sprinkler system, workspaces, and other building and site related improvements. 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.

### 3422 - City Buildings Roof Improvements

<i>Project Description</i>	This project provides for renovation, replacement, and repairs of the roofs at City buildings including Public Works, Police, Senior Center, Community Center, City Hall, Library, Sports Center, and restrooms at parks. The service life of a typical building roof is approximately 20 years.
<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.

### 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. 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.

### 3473 - End-User Computer Replacement

<i>Project Description</i>	The project provides for the replacement of approximately 755 desktop and laptop computers by establishing a proactive replacement cycle of 6 years for desktops and 5 years for laptops. This initiative ensures system reliability, performance, and security of computers, and reduces crashes, workflow disruptions, and vulnerabilities. This approach aligns with industry best practices, enhances staff productivity, and strengthens the City's technology infrastructure.
<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.

### 3474 - City Facilities AV System Replacement

<i>Project Description</i>	This project provides for the replacement of the audiovisual (AV) system at city facilities that have exceeded their useful lifespan. Many of the systems were installed during the facilities' original construction and have not been upgraded. The outdated equipment is unreliable, negatively impacting the community's experience and requiring significant staff time for troubleshooting and temporary fixes. Upgrading these systems will provide modern, efficient, and user-friendly technology to meet current and future needs.
<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.

**3475 - Urban Search and Rescue Vehicle**

<i>Project Description</i>	This project provides for the purchase of an Urban Search and Rescue Vehicle (USAR) for the Fire Department. The USAR will be used for technical rescue incidents such as motor vehicle, rope and water rescues; basic life support emergency medical services; and basic truck operations. In addition, it centralizes a full complement of rescue tools meeting the needs of the State Certified Technical Rescue Team.
<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.

**3489 - Public Art Program**

<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, and procedures; implementation of the Mural Program policy to promote mural activity reflective of the heritage, diversity and aspirations of the 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.

# Capital Budget

FUND# / CIP#	PROJECT TITLE	ADOPTED
351- 2010	Land/Right-of-Way Value Determination	\$5,000
331- 3403	Fire Station Improvements	100,000
331- 3406	City Buildings Improvements	1,075,000
331- 3422	City Buildings Roof Improvements	200,000
331- 3462	On-Call Facilities Maintenance & Repair Services	400,000
311- 3473 *	End-User Computer Replacement	290,000
331- 3474 *	City Facilities AV System Replacement	400,000
331- 3475 *	Urban Search and Rescue Vehicle	1,850,000
331- 3489	Public Art Program	75,000
331- 3490	Capital Improvement Program Administration	240,000
<b>Total Cost</b>		<b>\$4,635,000</b>
<b>AVAILABLE FINANCING SOURCE</b>		
	Equipment Replacement Fund	1,850,000
	General Government CIP Fund	1,859,000
	Information Technology Replacement	690,000
	Public Art Fund	75,000
	Sewer Infrastructure Fund	54,000
	TASP Impact Fees	53,000
	Water Capital Surcharge	54,000
<b>Total Available</b>		<b>\$4,635,000</b>

\*New Project

## Park Improvement Projects

The Park Improvement category funds a total of four projects.

### 2023 - Metro Tango Subdistrict Park

<i>Project Description</i>	This project provides for the design and construction of a new 5-acre City park within the Tango Subdistrict of the Milpitas Metro Specific Plan area. The park will expand Rapbone Park and be adjacent to Expedition Lane, Jubilee Lane, Sango Court, and Tarob Court. The park may include benches, landscaping and irrigation system, pedestrian pathways, picnic areas, restroom, sports fields or courts, and other passive recreation facilities.
<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.

### 3471 - Sinnott Park Playground Renovation

<i>Project Description</i>	This project provides for the assessment of the play area at Sinnott Park which is 4.7-acre neighborhood park located in the southeastern corner of the City. The park was built in 1967 and expanded in 1970, and the play equipment was replaced in 1991. As specified in the adopted 2021 Parks & Recreation Master Plan, the park's infrastructure is aging and lacks of ADA complaint amenities and play area. The assessment will evaluate the condition of the play area including equipment and surfacing and ADA compliance, and provide a cost analysis for alternatives such as a like-for-like equipment replacement or a complete play area renovation including ADA improvements.
<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.

### 3505 - MSC Bleacher Replacement and ADA Improvements

<i>Project Description</i>	The project provides for design and construction of the home-side football bleachers at the Sport Center Complex. The bleachers were installed in the 1970s which are not in compliance with current building code and ADA regulations. Work includes removal of existing bleachers, installation of new bleachers that are compliant with the current building code and ADA regulations, providing ADA accessible routes and pathways, and storm drain improvements to comply with State regulations.
<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.

### 5116 - Pickleball Improvements

<i>Project Description</i>	This project provides for improvements of permanent pickleball courts at a City park(s). Work may include resurfacing and restriping, permanent and/or temporary netting, striping overlay of existing tennis court, etc.
<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.

# Capital Budget

FUND# / CIP#	PROJECT TITLE	ADOPTED
351- 2023	Metro Tango Subdistrict Park	\$500,000
331- 3471	Sinnott Park Playground Renovation	1,700,000
331- 3505	MSC Bleacher Replacement and ADA Improvements	1,500,000
321- 5116	Pickleball Improvements	100,000
	<b>Total Cost</b>	<b>\$3,800,000</b>
<b>AVAILABLE FINANCING SOURCE:</b>		
	Park Fund	3,300,000
	TASP Impact Fees	500,000
	<b>Total Available</b>	<b>\$3,800,000</b>

## Street Improvement Projects

The Street Improvement category funds a total of ten projects, including one new project:

### 2016 - S. Milpitas Blvd. Road Extension

<p><i>Project Description</i></p>	<p>This Project provides for the design and construction and reimbursement to developers of the extension of Sango Court to Tarob Court, and South Milpitas Boulevard to Sango Court road extension. The Project aligns with the circulation infrastructure plan of the Milpitas Metro Specific Plan to provide safe and convenient bicycle, pedestrian, and vehicular connectivity between residential neighborhoods, parks, schools, Milpitas Bart Station, and the Great Mall. The S. Milpitas Blvd. road extension will comprise of 11' vehicular travel lanes, 6' bike lanes, and 6' sidewalks in both directions and a bridge to cross over the Penitencia Creek. Sango Ct. road extension comprises of 11' vehicular travel lanes with 12' planter and sidewalk in both directions and an 8' parking lane.</p>
<p><i>Operating Budget Impact</i></p>	<p>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.</p>

### 3402 - McCarthy Blvd. LLMD 95-1 Improvements

<p><i>Project Description</i></p>	<p>This project provides for the design and construction of landscape and irrigation renovations on McCarthy Blvd. between State Route 237 and Dixon Landing Road and a portion of Ranch Drive. Work is part of the Lighting, Landscape, Maintenance, Assessment District (LLMD) 95-1.</p>
<p><i>Operating Budget Impact</i></p>	<p>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.</p>

### 3411 - Sinclair LLMD 98-1 Improvements

<p><i>Project Description</i></p>	<p>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.</p>
<p><i>Operating Budget Impact</i></p>	<p>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.</p>

### 3426 - Annual Sidewalk Repair Program

<p><i>Project Description</i></p>	<p>This project provides for repairs and replacement of citywide sidewalks, curb &amp; gutter and curb ramps to address safety and trip hazards that may be caused by settlement, tree roots, and drainage issues. Prioritization of repairs and replacement are based on service requests from the public and suggested routes to school which will minimize the City's risk and liability.</p>
<p><i>Operating Budget Impact</i></p>	<p>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.</p>

### 3440 - Streetlight, Signage, Traffic Signal Improvements

<i>Project Description</i>	This project provides for repairs, replacement, and minor improvements of streetlights, street signage, and traffic signal control system. Work includes replacement of various type of streetlights, street signage, and illuminated overhead street signs; upgrades to traffic signal system including controllers & cabinets, detection cameras, cabinets, battery backup system and pedestrian safety devices; on-call service repair contracts; 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.

### 4312 - Street Pavement Restriping Program

<i>Project Description</i>	This project provides for the planning, design, and implementation of safety enhancements along established routes to schools in the City. The initiative aims to improve pedestrian and bicycle safety in school zones by using engineering safety countermeasures identified in the adopted 2024 Citywide Travel Safety Plan to address intersections with known safety issues and prevent the occurrence of fatal and severe injury crashes. These improvements will protect the most vulnerable road users, encourage active transportation among students, and promote public health, well-being, and happiness. Additionally, the project will help reduce greenhouse gas emissions, contributing to a more sustainable environment for Milpitas residents. Safety improvements that may be implemented include advance warning signs, flashing warning beacons, speed feedback signs, safety lighting, pedestrian refuge islands, bulb-outs, advanced stop bars, green conflict zone striping and bike route signage, restripe existing intersections with raised pavement markers, and pedestrian barricade signage.
<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.

### 4283 - ADA Curb Ramp Transition Program

<i>Project Description</i>	This mandatory program is for the replacement of existing curb ramps to comply with Americans with Disabilities Act (ADA) current standards. The project allows the City to be eligible for future Federal transportation aid funds such as TDA Article III. The curb ramp improvements will be coordinated and implemented with the annual Street Resurfacing project. Work also includes push button upgrades, crosswalk striping, signage, and sidewalk improvement associate with curb ramps. The target completion date for citywide ADA public street curb ramp compliance is 2040.
<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.

**4295 - Bike and Pedestrian Outreach**

<p><i>Project Description</i></p>	<p>This project provides for the improvement, restriping, and replacement of pavement markings on City's paved roadways in accordance with California Manual on Uniform Traffic Control Devices (MUTCD). The program will provide guidance and information, and improve roadway safety for motorists, bicyclists, and pedestrians. Work includes minor repairs to asphalt pavement; restriping of existing pavement legends, lane lines, and crosswalks; placement of markers; and respond to public requests through MyMilpitas App.</p>
<p><i>Operating Budget Impact</i></p>	<p>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.</p>

**4306 - Street Resurfacing Project 2025-26**

<p><i>Project Description</i></p>	<p>This project provides for the public outreach activities to promote, educate, and encourage bicycling and walking in support of the circulation policy goals of the City's 2040 General Plan and Trail, Pedestrian, and Bicycle Master Plan. The Valley Transportation Authority (VTA) adopted and established a 2016 Measure B Bike and Pedestrian Education and Encouragement Program. They distributed based funding on a population-based formula to eligible cities that encourages the use of bicycles and walking for transportation rather than motorized vehicles.</p>
<p><i>Operating Budget Impact</i></p>	<p>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.</p>

**4307 - SS4A Improvements Project**

<p><i>Project Description</i></p>	<p>This project provides for the repair, rehabilitation, and/or reconstruction of roadway pavement. 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, and installation of Class II bike lanes and Class III bike route facilities as described in the adopted 2022 Trail, Pedestrian and Bicycle Master Plan.</p>
<p><i>Operating Budget Impact</i></p>	<p>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.</p>

### 4312 - Street Pavement Restriping Program

<i>Project Description</i>	This project provides for the planning, design, and implementation of safety enhancements along established routes to schools in the City. The initiative aims to improve pedestrian and bicycle safety in school zones by using engineering safety countermeasures identified in the adopted 2024 Citywide Travel Safety Plan to address intersections with known safety issues and prevent the occurrence of fatal and severe injury crashes. These improvements will protect the most vulnerable road users, encourage active transportation among students, and promote public health, well-being, and happiness. Additionally, the project will help reduce greenhouse gas emissions, contributing to a more sustainable environment for Milpitas residents. Safety improvements that may be implemented include advance warning signs, flashing warning beacons, speed feedback signs, safety lighting, pedestrian refuge islands, bulb-outs, advanced stop bars, green conflict zone striping and bike route signage, restripe existing intersections with raised pavement markers, and pedestrian barricade signage.
<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. Road Extension	\$6,300,000
331- 3402	McCarthy Blvd. LLMD 95-1 Improvements	83,500
331- 3411	Sinclair LLMD 98-1 Improvements	20,000
331- 3426	Annual Sidewalk Repair Program	765,000
331- 3440	Streetlight, Signage, Traffic Signal Improvements	600,000
311- 4283	ADA Curb Ramp Transition Program	300,000
311- 4295	Street Pavement Restriping Program	150,000
311- 4306	Bike and Pedestrian Outreach	190,000
311- 4307	Street Resurfacing Project 2025-26	4,956,235
311- 4312 *	SS4A Improvements Project	3,625,000
<b>Total Cost</b>		<b>\$16,989,735</b>
<b>AVAILABLE FINANCING SOURCE:</b>		
	Gas Tax Fund	\$1,860,000
	General Government CIP Fund	600,000
	Grants/Reimb./Developer Fees	2,900,000
	LLMD	103,500
	Measure B	2,646,235
	SB1 RMRA	2,000,000
	TDA Article III	80,000
	TASP Impact Fees	6,300,000
	Vehicle Registration Fee	500,000
<b>Total Available</b>		<b>\$16,989,735</b>

\*New Project

## Water Improvement Projects

The Water Improvement category funds a total of nine projects, including one new project:

### 7110 - Hydrant Replacement Program

<i>Project Description</i>	This project provides for replacement of citywide hydrants and related infrastructure as recommended in the 2021 Water Master Plan. The City maintains approximately 2,900 fire hydrants which typically have a service life of 30 years.
<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>	<p>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 program and lawn conversion pilot.</p> <p>While California’s water and snowpack conditions have vastly improved due to significant rainfall and storms in the winter of 2023, California continues to encourage and emphasize efficient use and management of water resources. Existing water efficiency legislation (AB 1668 and SB 606) establish guidelines for efficient water use and a framework for the implementation and oversight of the new water efficiency standards that local water retailers must meet over the next five years and beyond.</p>
<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.

### 7127 - Water Supervisory Control & Data Acquisition

<i>Project Description</i>	This project provides for the installation of Supervisory Control and Data Acquisition (SCADA) to the City’s water infrastructure. Currently, Public Works relies on unsophisticated alarms at limited locations and customer complaints to become aware of water system issues. City staff then must investigate the issues at the location and implement corrective action which may prolong a system shutdown. SCADA allows operations to control, monitor, and maintain the water system more efficiency to help with making decisions and mitigate downtime. It provides for real-time data of water tank levels, pump operational status, system pressure, and flow rates. This information can be used to identify operational problems, such as high velocities, low pressures, and pressure spikes which are indicators of pipe breaks. It also allows for remote monitoring to interact with sensors, valves, pumps, and motors to implement corrective actions when there is a system problem.
<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.

**7133 - Minor Water Projects**

<i>Project Description</i>	This project provides for the design and construction of minor improvements to the City's water system. Work may include improvements, repairs, or replacement to equipment, generators, PRVs, pumps, security at facilities, vaults, valves, and water lines.
<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.

**7137 - On-Call Water Maintenance & Repair Services**

<i>Project Description</i>	This project provides for on-call maintenance and repair services of the City's water infrastructure. Work may include, but is not limited to, the repair and replacement of electrical and mechanical systems (VFD & generators), motors and pumps, pipelines, meters, 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.

**7140 - Cross Connection Control Program**

<i>Project Description</i>	This project provides for the administration and implementation of the City's cross-connection control program to protect the City water supply from contamination, which is required per Title 17, Chapter 5, Sections 7583-7622 under California Code of Regulations (Title 17). Title 17 requires for initial and follow-up hazard assessments, program training, backflow prevention testing and certification, maintenance of records, incident response, reporting and notification, public outreach and education, and local entity coordination. Work includes creation of the cross-connection program, conduct surveys to identify water user premises where cross-connections are likely to occur, identify provisions of backflow protection by the water user at the connection, administer compliance with the Title 17, and repair and maintain City-own backflow preventer assemblies.
<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.

**7141 - Asset Renewal and Replacement Program**

<p><i>Project Description</i></p>	<p>This project provides for assessment, renewal, improvement, or replacement of the City's aging water infrastructure as recommended per the adopted Water Master Plan Update, dated June 2021. The Master Plan developed a forecast of asset replacement to establish a baseline order of magnitude estimate for fiscal planning which is based on asset age and the risk prioritization of likelihood of failure and consequence of failure. Projects will be prioritized per the Master Plan but are subject to change pending findings from the detailed condition assessments.</p>
<p><i>Operating Budget Impact</i></p>	<p>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.</p>

**7143 - Risk and Resiliency Improvements**

<p><i>Project Description</i></p>	<p>This project provides for security enhancements of the City's critical water infrastructure as recommended per the adopted Water Master Plan Update, dated June 2021. The project is mandated by America's Water Infrastructure Act of 2018 (AWIA) to improve drinking water and water quality and enhance public health and quality of life. Work includes physical security to prohibit malicious activity; develop site security protocols; harden critical transmission mains against earthquakes by replacing isolation valves that cross faults; participating in ShakeAlert program to minimize risk to personnel, property, community, and the environment; and increase water system resiliency in the event of an emergency.</p>
<p><i>Operating Budget Impact</i></p>	<p>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.</p>

**7150 - Fire Flow Pipeline Improvement - Phase 1**

<p><i>Project Description</i></p>	<p>This project provides for the design and construction of upsizing several water mains to deliver the recommended fire flow at surrounding fire hydrants as recommended per the adopted Water Master Plan Update, dated June 2021. According to the City's potable water design guidelines and the State's recommendations, the City's water system shall provide minimum standard fire flow rate for a required duration while maintaining at least 20 pounds per square inch (psi) residual pressure during a fire flow event. This phase includes the upsizing of water mains as identified in the Master Plan as ID ECIP-PI-05, 06, 07, 08, 10, 11, 16.</p>
<p><i>Operating Budget Impact</i></p>	<p>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.</p>

FUND# / CIP#	PROJECT TITLE	ADOPTED
401- 7110	Hydrant Replacement Program	\$200,000
401- 7126	Water Conservation Program	200,000
401- 7127	Water Supervisory Control & Data Acquisition	200,000
401- 7133	Minor Water Projects	500,000
401- 7137	On-Call Water Maintenance & Repair Services	350,000
401- 7140	Cross Connection Control Program	400,000
401- 7141	Asset Renewal and Replacement Program	1,185,000
401- 7143	Risk and Resiliency Improvements	135,000
401- 7150 *	Fire Flow Pipeline Improvement - Phase 1	750,000
<b>Total Cost</b>		<b>\$3,920,000</b>
<b>AVAILABLE FINANCING SOURCE:</b>		
	Water Capital Surcharge	3,720,000
	Water Line Extension Fund	\$200,000
<b>Total Available</b>		<b>\$3,920,000</b>

\*New Project

## Sewer Improvement Projects

The Sewer Improvement category funds a total of five projects, including one new project:

### 6118 - SJ/SC Regional Waste Water Facility

<p><i>Project Description</i></p>	<p>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. The City of Milpitas uses approximately 7%, which equals to approximately \$140 million of the cost of improvements over the next 30 years. This project funds Milpitas' share of the rehabilitation costs.</p>
<p><i>Operating Budget Impact</i></p>	<p>There are no operating or maintenance expenses associated with this project.</p>

### 6124 - Sewer Pump Station Rehabilitation Program

<p><i>Project Description</i></p>	<p>This project provides for facility improvements and upgrades at the 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 to the San Jose Regional Treatment Plan. Work may include, but not limited to, rotational assessment of the wastewater pumps and peripheral equipment rehabilitation; replacement of electrical control, flow meters and equipment, variable frequency drives (VFD), and grinders; upgrades and repairs to pipelines, valves and facilities amenities, etc.</p>
<p><i>Operating Budget Impact</i></p>	<p>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.</p>

### 6134 - On-Call Sewer Maintenance & Repair Services

<p><i>Project Description</i></p>	<p>This project provides for on-call maintenance and repair services of the City's sewer infrastructure. Work may include, but is not limited to, repair and replacement of electrical and mechanical systems (VFD &amp; generators), motors and pumps, pipelines, and other related improvements. All work will be performed on a priority and funding availability basis.</p>
<p><i>Operating Budget Impact</i></p>	<p>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.</p>

**6135 - On-Call Sewer Maintenance & Repair Services**

<i>Project Description</i>	This project provides for Closed-Circuit Television (CCTV) inspection of medium to extreme risk 24-inch diameter or greater sewer pipelines and to repair defects discovered during the inspection as recommended per the adopted Sewer Master Plan, dated August 2021. The Master Plan includes an inspection map (figure 9-3) of the highest priority areas which totals 55,000 feet.
<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.

**6138 - Sanitary Sewer Pipeline Improvement - Phase 1**

<i>Project Description</i>	This project provides for the design and construction of sewer pipe segments with significant defects and considered extreme risk with the greatest likelihood of deterioration and the highest consequence of failure as recommended per the adopted Sewer Master Plan, dated August 2021. The sewer renewal and replacement study in the Master Plan identifies several pipelines that are considered extreme risk of failure based on CCTV inspection, structural rating, susceptibility to liquefaction, pipe obstruction, age, and material type. Phase 1 Improvements (PI 1-5) as recommended per the adopted Sewer Master Plan, dated August 2021.
<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
451- 6118	SJ/SC Regional Waste Water Facility	\$3,551,000
451- 6124	Sewer Pump Station Rehabilitation Program	800,000
451- 6134	On-Call Sewer Maintenance & Repair Services	100,000
451- 6135	Sanitary Sewer CCTV Inspections & Improvements	100,000
451- 6138 *	Sanitary Sewer Pipeline Improvement - Phase 1	266,000
<b>Total Cost</b>		<b>\$4,817,000</b>
<b>AVAILABLE FINANCING SOURCE:</b>		
Sewer Infrastructure Fund		\$4,817,000
<b>Total Available</b>		<b>\$4,817,000</b>

\*New Project

## Storm Drain Improvement Projects

The Storm Drain Improvement category funds a total of one projects, including one new project:

### 3725 - Technology Drive Utilities and Road Improvement

<i>Project Description</i>	This project provides for the design and replacement of utility mains and road section along Technology Drive, approximately 700 feet west of McCarthy Boulevard. In early 2024, a significant pavement deformation was discovered that was attributed to unsuitable subgrade soil conditions and deficiencies in the storm drain and sewer mains. Work includes removal of unsuitable soil to approximate depth of 12', replacement of 125' of 66" storm drain, replacement and repair of 780' of 12" sewer main, replacement of 125' of 12" water main, and road pavement reconstruction.
<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
341- 3725 *	Technology Drive Utilities and Road Improvement	\$4,600,000
	<b>Total Cost</b>	<b>\$4,600,000</b>
<b>AVAILABLE FINANCING SOURCE:</b>		
	Gas Tax Fund	\$500,000
	Sewer Infrastructure Fund	1,000,000
	Storm Drain General Fund	2,000,000
	Street Improvement Fund	700,000
	Water Capital Surcharge	400,000
	<b>Total Available</b>	<b>\$4,600,000</b>

\*New Project

## 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.

- **Community Investment Program Fund** – was established with monies the City received from the American Rescue Plan Act (ARPA), a federal stimulus program enacted to address the COVID-19 Pandemic economic impacts. ARPA funds were allocated to cities based on a modified Community Development Block Grant (CDBG) formula. The City received \$16,736,815 in two tranches – one in 2021 and the other in 2022. The City focused ARPA funding across community services, economic vitality, infrastructure, public safety, and technology programs. In April 2024, remaining ARPA funds were allocated to the ARPA revenue replacement category, which allowed the City to reimburse itself for lost revenue due to the pandemic and use that revenue to support certain general government services. On April 16, 2024, City Council action reappropriated General Fund from general government services reimbursed by ARPA funds to community investment programs.
- **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** – two funds were established to account for assessments within the respective districts used for servicing and maintaining the public landscaping and additional lighting.

- **Community Facility District Fund** – two funds were established to account for special taxes collected within the respective districts to provide park maintenance, street landscape maintenance services, and public safety services.
- **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 are restricted to specified law enforcement purposes and must 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: the 2020 General Fund Lease Revenue Bonds, 2019 Wastewater Revenue Bonds, 2017 Wastewater Revenue Refunding Bonds, 2019 Water Revenue Bonds, and 2015 Tax Allocation Bond.

**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

**Section 115 Pension Trust Fund** – is an irrevocable, tax-exempt fund established under Section 115 of the Internal Revenue Code, which may fund annual actuarially determined pension contribution amounts, pay down unfunded pension liabilities with CalPERS, and/or reduce the length of pension cost amortization schedules with CalPERS.

**Successor Agency to the Milpitas Redevelopment Agency Private-Purpose Trust Fund** – was established to account for the accumulation of resources to be used to make payments that are on the Recognized Obligation Payment Schedule, including debt service on outstanding bonds, and to dispose of assets and property of the former Redevelopment Agency for the benefit of the taxing agencies.

## Revenue Descriptions

The City of Milpitas provides many services to its residents such as Police, Fire, Parks, and Recreation. 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 of Santa Clara (County) Assessor in the 1975-76 assessment role value is adjusted by an inflation factor per year, not to exceed two percent (2%). 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, enacted a ¼ cent local sales tax for eight years, set to expire on March 31, 2029, with locally-controlled funding that cannot be taken by the state. On November 5, 2024, voters approved Measure J, which extended the ¼ cent local sales tax by eight years to March 31, 2037.

### 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** – Franchise Fees are 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. Taxes are based on bracketed structures according to the type of business. The City tax structure includes 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 the City 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 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 Governmental Accounting Standards Board (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 –**

- Abandoned Vehicle Abatement Services Authority (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, 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, and janitorial supplies.

**Health & Safety Supplies** – Used for health and safety purposes. Examples are goggles, safety shoes, hard hats, gloves, first-aid kits, and VDT glasses.

### 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 under a contract or an agreement with the City of Milpitas. 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, such as the preparation of the Annual Comprehensive 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 term 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.

### 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 paid to the County of Santa Clara 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 a professional 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 their vehicle to conduct business offsite including parking costs. City of Milpitas mileage reimbursement rates follow the rate set by the Internal Revenue Code, and reimbursed for the distance between home and destination or work and destination, whichever is less.

**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 long-term debt.

**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.

## ***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.

### **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 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
- 107 Workers Compensation Fund
- 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
- 218 Affordable Hsng Grant 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
- 252 HCD PLHA
- 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

### 300 Capital Projects Funds (cont)

- 312 Traffic Impact Fees
- 313 Traffic Congestion Relief
- 314 Vehicle Registration Fee
- 315 Calaveras Widening Impact Fee
- 316 Montague Widening Impact Fee
- 317 Milpitas Business Pk Impact Fee
- 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
- 590 Pension Section 115 Trust

### 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
  - 118 Office of Housing

### 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

- 41 Engineering
  - 411 Engineering Administration
  - 412 Design & Construction
  - 413 Land Development
  - 415 Traffic Engineering
- 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
  - 541 Code Enforcement

### 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

- 53 Building Safety
  - 531 Building Inspection
  - 532 Plan Review
  - 533 Building Safety and Housing Administration
  - 534 Permit Center

### 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)	3630	Fire Services
3573	County Contribution-Building	3631	PJ Overhead Charges - Fire
3574	County Contribution-PW	3632	PJ Labor Reimb - Fire
3575	County Cont-Engineering	3633	Fire Cost Recovery
3576	County Contribution-Recreation	3634	Fire Unwanted Alarms
3577	County Contribution-Police	3635	Fire Enforcement Penalties
3578	County Contribution-Fire	3636	Fire Enforcement-Training
3579	County Contributions-Planning	3637	Fire Service Charges
3580	Other Restricted Grants	3638	Fire Sales of Maps & Document
3581	Other Res Grants-General Govt.	3639	Fire Electronic Archive Chg
3582	SB90 Grant	3691	Fire GIS Mapping
3583	Other Res Grants-Building	3692	Fire Automation Fee
3584	Other Res Grant -PW	3693	Fire-Rent, Lease & Concess
3585	Other Res Grant-Engineering	3694	Ambulance Services
3586	Other Restri Grants-Recreation	3640	Police Services
3587	Other Restri Grants-Police	3641	Police Service Charges
3588	Other Restri Grants-Fire	3643	Fingerprints
3589	Other Restri Grants-Planning	3644	Sales of Maps and Document-Pol
3590	Misc. Unrestricted Intergovernmental	3645	Police Cost Recovery
3591	Mis Unrestricted Intergovernmental	3646	Rent, Lease and Concession-Pol
		3647	DUI-Police Cost Recovery
		3648	PJ Overhead Charges - Police
		3649	PJ Labor Reimb - Police
<b>360</b>	<b>Charges For Services</b>	3650	Recreation Services
3600	General Government	3651	Rent,Lease and Concession-Recr
3601	General Govern Service Charges	3652	Recreation Fees
3602	Sale of Maps and Documents-GG	3653	Senior Nutrition Fees
3603	Rent, Lease & Concession-GG	3654	Contract Classes
3604	Business License Procng Fee	3655	Sales of Merchandise Rec
3608	PJ Legal Overhead Charges	3656	Recreation Transaction Fee
3609	PJ Legal Reimbursement	3657	Special Event Fees
3610	Engineering Services	3658	Sale of Food
3611	PJ Overhead Charges-Eng	3660	Building Services
3612	PJ Labor Reimbursement-Eng	3661	Sales of Documents-Building
3613	PJ Vendor Reimbursement-Eng	3662	Records Retention Fee-Building
3615	Engineering Fees	3663	Building Service Charges
3616	Engr Plan Check Fees	3664	Overhead Charges Reimbursement
3618	Sales of Maps and Doc-Engr	3665	PJ Overhead Charges - Building
3619	Rent,Lease & Concession-Engr	3666	PJ Labor Reimb - Building
3620	Public Works Services	3667	Building State Mndatd Stds Fee
3621	Public Works Service Charges		
3622	Public Works Cost Recovery		

## 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
- 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

### 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

### 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
  - 4119 Adjustments-Payroll
  - 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
  - 4143 Charged to CIPs
  - 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
  - 4242 Rents & Leases
  - 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	<b>485 Capital Outlay &gt; \$5,000</b>	
4509	Tuition Reimbursement	4810	Land
4520	Commissions & Boards	4811	Land
4521	Conference Expenses	4820	Land Improvements
4522	Non-Conference Expenses	4821	Land Improvements
4600	Insurance, Settlements & Miscellaneous	4830	Buildings and Improvements
4602	Liability Insurance	4831	Buildings and Improvements
4603	Settlements	4840	Infrastructure
4610	Uncollectible Accounts	4841	Infrastructure
4611	Collection Fees	4850	Vehicles
4640	Unanticipated Expenditure Reserve	4851	Vehicles

## List of Expenditures

4860	Capitalized Leases	490	<b>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	4980	Adjustments-Capital Outlay
4893	Adjustments-CIP-Transfer	4981	95% Funding-Capital Outlay
4894	Adjustments-CIP-LTD		

## Abbreviations and Acronyms

<b>AB</b>	Assembly Bill
<b>ABAG</b>	Association of Bay Area Governments
<b>ACFR</b>	Annual Comprehensive Financial Rpt
<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>	Heating <sup>8</sup> 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>RPTTF</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

**Accomplishment** – Programs and activities successfully completed in the prior fiscal year.

**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.

**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).

**Annual Comprehensive Financial Report** – The official annual financial report for the City. A Annual Comprehensive 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.

**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.

**Audit** – A comprehensive examination of the City's accounts by an independent auditing firm to determine whether the City's financial statements are fairly presented.

**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 tax is a flat rate plus a 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). Capital Outlay is budgeted in the operating budget.

**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.

**Credit/Bond Ratings by S&P** – City AAA; Water Utility AA+; Wastewater Utility AA+

**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.

**Deficit** – An excess of expenditures over revenues (resources).

**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 or proposed 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.

**Full-Time Equivalent (FTE)** – Staffing levels are measured in FTE to give a consistent comparison from year to year and refers to the equivalent of one person working full-time for one year or may consist of several part-time positions.

**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 non-General Fund source or developer account 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.

**Permanent Employee** – A continuing position to be filled 12 months a year with a normal work schedule.

**Permanent Fund** – Permanent funds are required to be used to report resources that are legally restricted to the extent that only earnings (and not principal, thus making the fund a nonexpendable trust) may be used for purposes that support the reporting government's programs.

**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 and/or

June, and the approval of the Proposed 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 State and 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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