

2026-2027



City of Milpitas • California

PROPOSED  
**BUDGET &  
FINANCIAL  
PLAN**



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# City Council



**Carmen Montano**  
Mayor



**Garry Barbadillo, Esq.**  
Vice Mayor



**Evelyn Chua**  
Councilmember



**Hon Lien**  
Councilmember



**William Lam**  
Councilmember



# 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



# 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.

# Letter Of Transmittal

## CITY OF MILPITAS

Office of the City Manager

5/21/2026

### Honorable Mayor and Members of the City Council

City of Milpitas, California

Dear Mayor and Members of the City Council:

We are pleased to submit the FY 2026-27 Proposed Operating Budget (Budget) of \$292.3 million, including a General Fund of \$152.1 million. The Budget is balanced and includes a workforce of 451 funded positions who deliver services across every City Council priority area – Public Safety, Neighborhoods and Housing, Community Wellness and Open Space, Economic Development and Job Growth, Transportation and Transit, Environment, and Governance and Administration.

Two principles guide this Budget: to provide superior service to our community and maintain fiscal discipline in the years ahead. This Budget reflects those principles, what our community values, and City Council strategic direction.

The General Fund is structurally sound in FY 2026-27. After \$2.7 million in one-time reserves the City Council approved in November 2024 – \$1.9 million from the PERS Rate Stabilization Reserve and \$0.8 million from the Future Deficit Reserve – FY 2026-27 is forecast to close with a \$1.3 million structural surplus. The five-year General Fund forecast has brightened significantly over the last fifteen months. The projected three-year structural deficit of \$16.1 million reported in the 2025-2026 Adopted Operating Budget has been reduced by 61.7% to \$6.2 million. This improvement reflects the multi-year fiscal strategy the City implemented in February 2025, which was advanced by City Council leadership, staff measures and actions, supported by a more favorable economic outlook. Although we are inspired by this progress, we remain committed to closing the structural gap and expect to narrow it further as our work continues.

This Budget was developed with conservative revenue assumptions, maintains well-funded reserves, and supports the community with no reduction in core services, continued investment in public safety and neighborhoods, and a \$33.8 million Capital Improvement Program spanning community, park, street, water, sewer, and storm projects. Measure F continues to protect about \$7.3 million – roughly 5 percent of General Fund revenue – for the services the community relies on most. Measure J extended that funding through March 2037. The Water and Sewer utilities remain balanced under the City Council's adopted rate schedule.

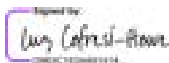
In summary, the FY 2026-27 Proposed Operating Budget is the product of community input, City Council guidance, and the disciplined work of our departments and executive team. We are deeply grateful to the City Council, to our community, and to City staff for their stewardship of public resources.

Respectfully submitted,



Jared Hernandez

Acting City Manager



Luz Cofresí-Howe

Director of Finance

# Economic Outlook

The Proposed Budget is built on a deliberately conservative read of the regional economy. Milpitas sits at the center of Silicon Valley, so the City's revenues track closely with the technology sector, regional employment, and consumer activity – each of which carries more uncertainty than usual heading into FY 2026-27. The City does not attempt to forecast precise economic outcomes; instead it adopts cautious revenue assumptions and preserves City Council-approved reserves so services can be sustained through a downturn.

**Inflation and interest rates**<sup>[2]</sup>: As of the quarter ended March 31, 2026, headline CPI was running at 2.4 percent year over year and core CPI at 2.5 percent, while core PCE – the Federal Reserve's preferred measure – was 3.1 percent, still above the Federal Reserve's 2 percent long-run target. The Federal Reserve held its policy rate at 3.50–3.75 percent through its March 2026 meeting and projects a single rate cut in 2026, citing inflation risk from commodity prices and trade policy. The City's forecast assumes inflation moderates gradually but budgets conservatively against the risk that it remains above target.

**Regional employment**<sup>[1]</sup>: As of March 2026, Milpitas's unemployment rate was 3.7 percent, compared with 5.2 percent for California and 4.3 percent for the nation – all not seasonally adjusted and for the same month, so the three are directly comparable. Milpitas continues to track well below the statewide rate and is consistent with the broader Santa Clara County labor market (3.8 percent). Technology employers continue to adjust headcount as they reallocate toward artificial intelligence and automation; the City treats sustained tech-sector softening as a downside risk to sales- and business-related revenue rather than as its base-case assumption.

**Broader economic conditions**: Real GDP growth slowed to 0.7 percent in the fourth quarter of 2025, and the national labor market has cooled to what the Federal Reserve characterizes as a “no-hire, no-fire” environment. Commodity-price pressure, including elevated crude oil prices, remains an upside risk to inflation and therefore to the City's cost structure. The City assumes no new federal revenue and treats federal policy and energy-price shifts as risks rather than base-case assumptions.

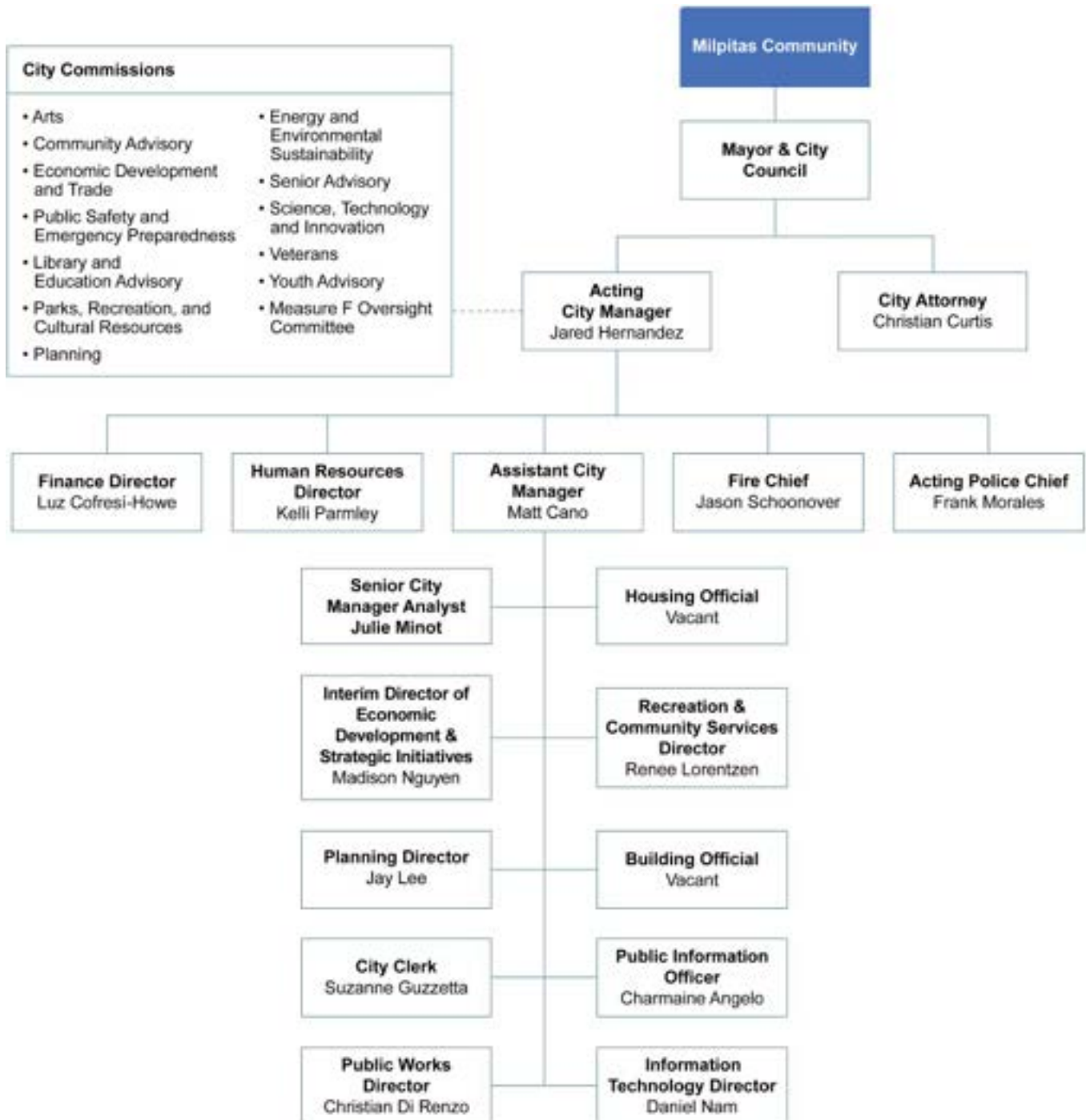
Taken together, these conditions cannot be precisely quantified and the forecast does not try. The Proposed Budget's defense is structural: conservative estimates on the revenue side and intact reserves on the other.

[1] Regional employment – Source: California Employment Development Department, Labor Market Information Division. Milpitas and Santa Clara County rates from Monthly Labor Force Data for Cities and Census Designated Places, March 2026 (preliminary); California and U.S. rates from the EDD March 2026 labor force release (issued May 1, 2026). All figures are not seasonally adjusted and shown for the same month so the geographies are directly comparable; EDD's separately reported seasonally adjusted statewide rate for March 2026 was 5.3 percent. City-level estimates are derived by apportioning county employment and unemployment using 2020–2024 American Community Survey shares and should be interpreted with corresponding caution.

[2] Inflation, rates, and broader conditions – Source: City of Milpitas Quarterly Investment Report, quarter ended March 31, 2026, including the Economic Update prepared by Chandler Asset Management, the City's investment advisor (CPI, PCE, GDP, and federal funds rate data sourced therein from the U.S. Departments of Labor and Commerce and the Federal Reserve). Figures are point-in-time as of March 31, 2026 and are presented for economic context; they are not City forecasts.

# Organizational Chart

## City Profile



# History

## City Profile

Before roads were carved and houses were built, Milpitas and its surrounding areas were home to Native Americans in the Costanoan and Ohlone tribes. Living off the bounty of the land around San Francisco Bay, the Costanoans and the Ohlones prospered for hundreds of years long before Mexican or Spanish immigrants came to conquer the land. In the 18th century, Spanish explorers surveyed the land and were the first to give Milpitas its name - milpa - or little cornfields. Three large ranches began, and two families, the Alvisos and the Higuerras, built adobes in the mid-1800s which still stand today.



*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 82,107 residents.

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*

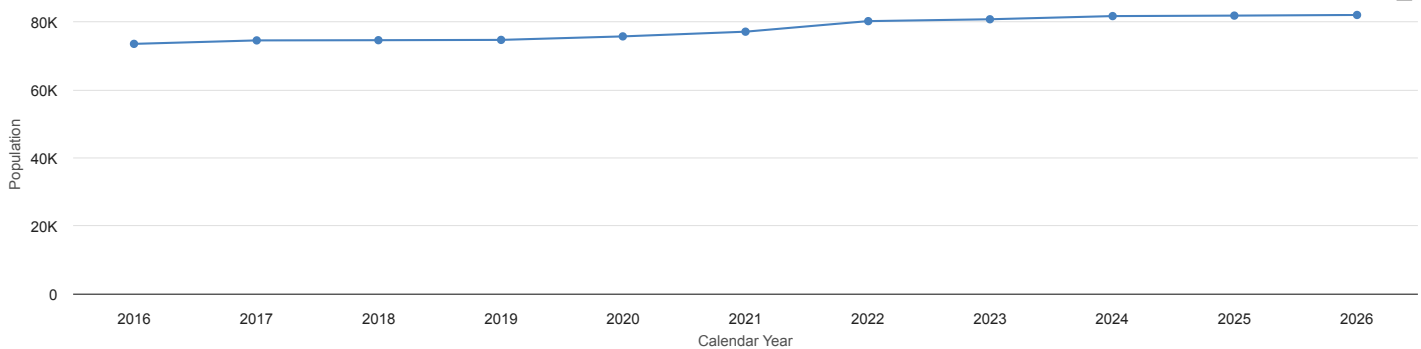
# Demographic Profile

## City 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 82,107 are part of family-centered communities that embrace cultural diversity, quality schooling, and conveniently located neighborhood parks and shopping centers. The table below reflects City population based upon data from California Department of Finance.

Population Chart



Data Updated: May 05, 2026, 11:28 PM

[View Report](#)

## 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.



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.

## EMPLOYMENT

With over 50,000 jobs with an annual average salary of \$102,850 and 41,700 employed residents, Milpitas is a jobs rich community. 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. The City's largest own-source revenue is property tax. Top ten property tax payers are shown below:



| Principal Property Tax Payers: Fiscal Year 2025-26 |                        |                                |
|----------------------------------------------------|------------------------|--------------------------------|
| Taxpayers                                          | Taxable Assessed Value | % of Total City Assessed Value |
| 1. Cisco Systems Inc                               | \$ 842,855,695         | 3.11%                          |
| 2. Headway Technologies Inc.                       | 777,203,130            | 2.87%                          |
| 3. KLA Tencor Corporation                          | 696,020,923            | 2.57%                          |
| 4. Milpitas-District 1 Owner LLC                   | 459,568,031            | 1.69%                          |
| 5. Milpitas Mills LP                               | 374,510,446            | 1.38%                          |
| 6. McCarthy Center Holdings LLC                    | 228,165,921            | 0.84%                          |
| 7. WDMICA001 LP                                    | 197,449,000            | 0.73%                          |
| 8. WH Silicon Valley VI LP                         | 196,189,164            | 0.72%                          |
| 9. LAGO VISTA MILPITAS LLC                         | 186,669,801            | 0.69%                          |
| 10. Amalfi Milpitas LLC                            | 186,666,728            | 0.69%                          |
| <b>Total</b>                                       | <b>\$4,145,298,839</b> | <b>15.28%</b>                  |

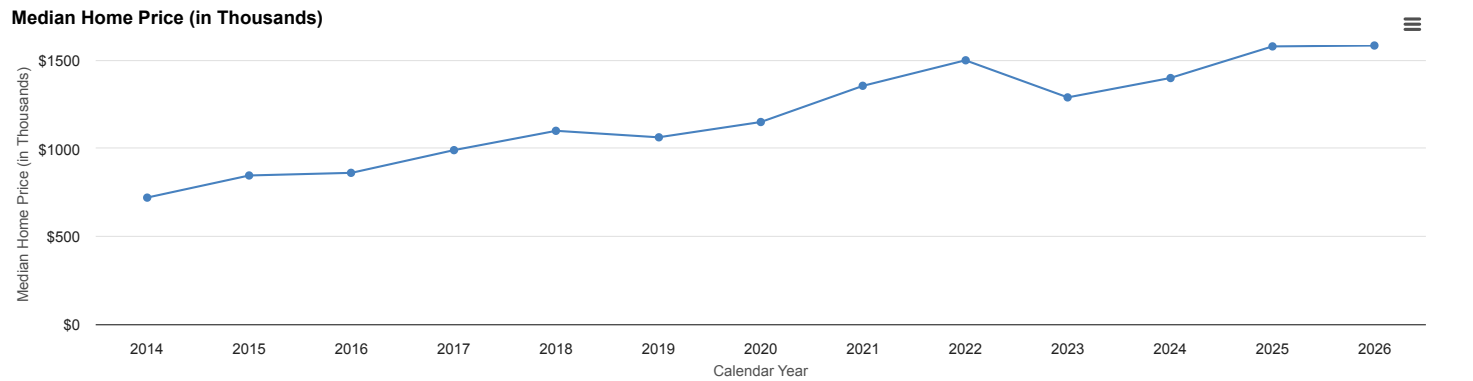
## COMMUNITY

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. 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.



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 March 2026, the median price of a single-family residence in Milpitas is \$1,585,000.

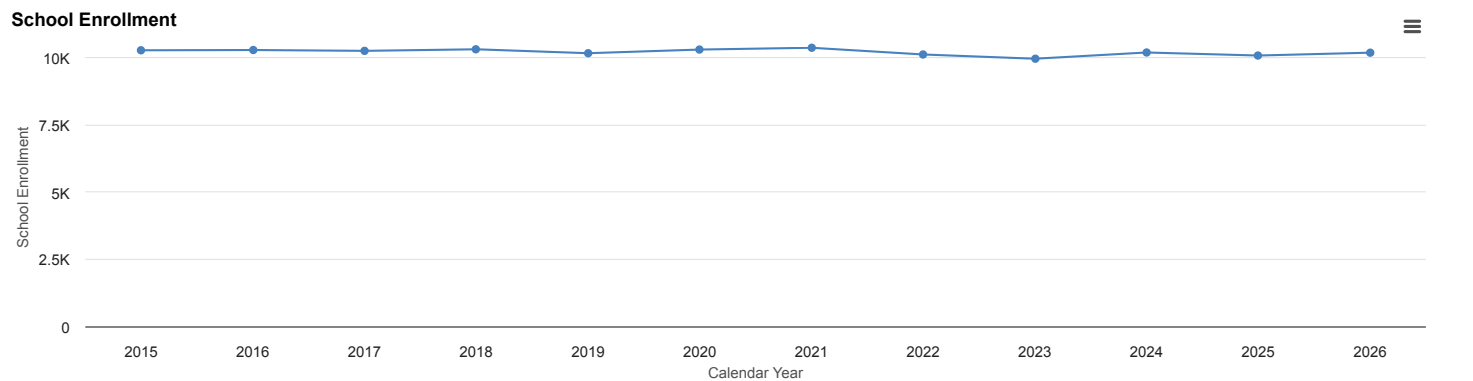


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EDUCATION

With an annual budget of approximately \$122 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 950 employees to serve more than 10,000 students from Pre-K through 12th grade.

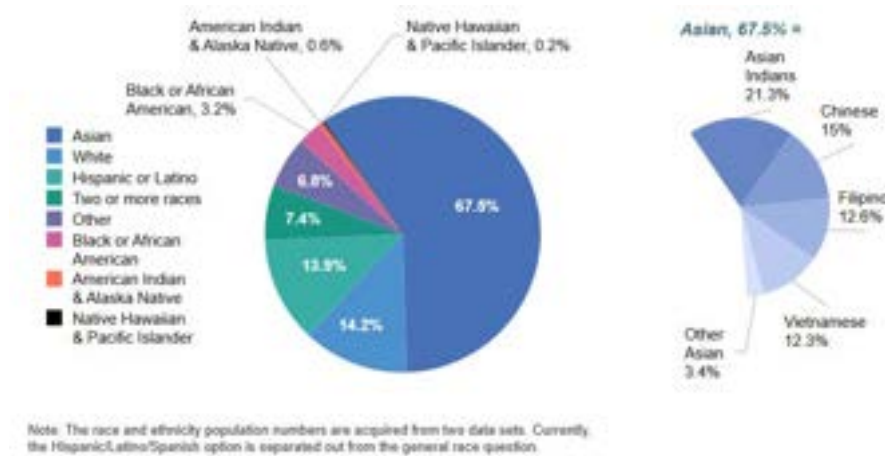
School Enrollment



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FACTS ABOUT OUR RESIDENTS

According to the latest Census Bureau American Community Survey (ACS) Five-Year Estimate, 67.5 percent of residents are Asian with Asian Indians at 21.3 percent, Chinese at 15 percent, Filipino at 12.6 percent, Vietnamese at 12.3 percent, and Other Asian at 3.4 percent. 14.2 percent are White; Hispanic or Latino is at 13.9 percent; Black or African American is at 3.2 percent; American Indian and Alaska Native is at 0.6 percent; Native Hawaiian and Pacific Islander is at 0.2 percent; Other Race is at 6.8 percent, and those who identify as belonging to two or more races is 7.4 percent. Residents of Hispanic and Latino origin are included in racial categories above because Hispanic or Latino denotes ethnicity, 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.

# Milpitas At A Glance

## City Profile

Date of Incorporation:

January 26, 1954

Form of Government:

Council-Manager

### Population (estimated\*)

Land area (Square Miles)

Miles of Streets

Number of Street Lights

82,107

13.6

308

4,592

### Fire Protection

Number of Stations

Number of Firefighters

Fire Apparatus

Number of Fire Hydrants

4

66

13

2,308

### Police Protection

Number of Stations

Number of Substations

Number of Sworn Officers

Number of Crossing Guard Locations

Number of Police Patrol Vehicles

1

1

93

34

30

### Employees - FY 26 Budget

Permanent

Temporary (FTE)

451

63.3

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

### Water Utility

Number of Customers Residential

Commercial

Recycled Water

Average Daily Consumption (in million gallons) Potable Water

Recycled Water

Miles of Water Mains

14,852

2,330

267

6.5

0.72

183

### Sewer Utility

Miles of Sanitary Sewers

Miles of Storm Drains

160

112

### Public Schools Serving the Community

Elementary Schools

Middle Schools

High Schools

San Jose City College (in collaboration with the MUSD and San Jose Evergreen Community College district)

10

2

2

1

### Parks and Recreation

Acres of Parkland

Number of Parks

Number of Playgrounds

Number of Tennis Courts

Number of Swimming Pools

165

37

35

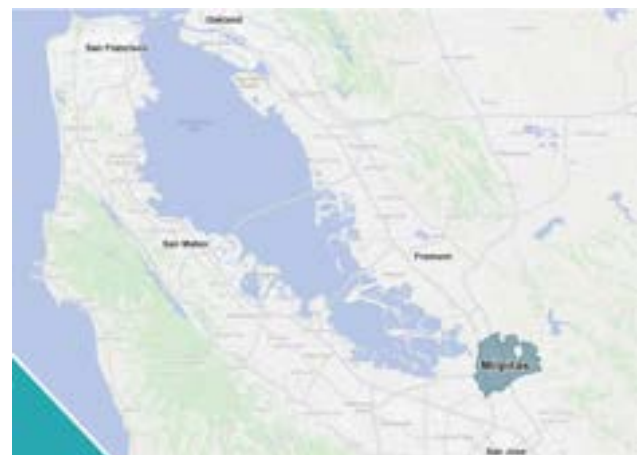
21

3

## 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-modal station opened for service in June 2020.



# FY 2027-2031 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.

The table below shows the FY 2027-2031 Five-Year General Fund Financial Forecast starting with the FY 2026-2027 Proposed 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 proposed balanced budget is 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 \$16.1 million structural deficit, projected in the FY 2025-2026 Adopted Operating Budget, by 61.7%, lowering it to \$6.2 million by FY 2028-2029. On March 3, 2026, the City Council received the Preliminary FY 2027-2031 General Fund Forecast. Consistent with standard budget development practice, this Proposed Budget reflects that Forecast as updated with the most current revenue and expenditure data available since that presentation. Based on this updated information, the Budget projects a \$1.3 million structural surplus in FY 2026-27, with the structural gap widening to \$19.6 million by FY 2030-31 as shown below. With City Council direction, the City will continue to apply incremental and measured strategies to maximize City resources and optimize programs and services to address the projected gap while serving the needs of the community.

The table below also includes information on the City Adopted Amended Budget for FY 2025-2026.

**Table 1 - FY 2027-2031 Five-Year General Fund Financial Forecast - Overview (\$ in million)**

| Sources and Uses                      | FY 2025-26<br>Adopted,<br>Amended Budget | FY 2026-27<br>Proposed Budget | FY 2027-28 Forecast | FY 2028-29 Forecast | FY 2029-30 Forecast | FY 2030-31<br>Forecast |
|---------------------------------------|------------------------------------------|-------------------------------|---------------------|---------------------|---------------------|------------------------|
| Revenues and Other Sources            | \$145.5                                  | \$149.9                       | \$154.0             | \$158.4             | \$163.0             | \$168.2                |
| Use of Reserves                       | 5.4                                      | 2.7                           | -                   | -                   | -                   | -                      |
| Expenditures                          | (150.9)                                  | (152.1)                       | (156.9)             | (162.9)             | (169.1)             | (175.5)                |
| Reduce CMO Unanticipated Expenditures |                                          | 0.8                           |                     |                     |                     |                        |
| Annual Surplus/(Deficit)              | \$ 0.0                                   | \$ 1.3                        | \$ (2.9)            | \$ (4.5)            | \$ (6.1)            | \$ (7.3)               |
| Structural Surplus/(Deficit)          |                                          | \$ 1.3                        | \$ (1.6)            | \$ (6.2)            | \$ (12.3)           | \$ (19.6)              |

\*Numbers may not total due to rounding.

The following sections discuss the year-over-year changes between the FY 2025-2026 Adopted Amended Budget and the FY 2026-2027 Proposed Budget as well as assumptions embedded in the FY 2027-2031 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%.

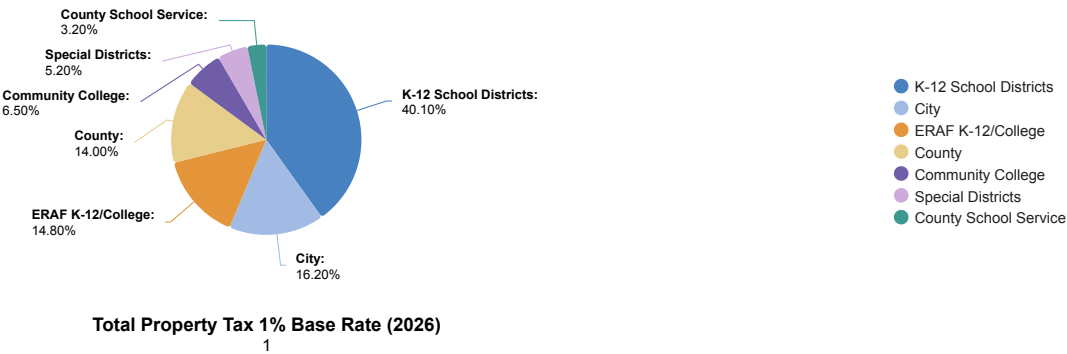
City staff relies on data provided by the City’s property tax consultant and the County of Santa Clara to formulate the property tax revenue estimates. FY 2026-27 reflects modest property tax growth of approximately 3.0%. For the remaining forecast period, the assumed growth rate returns to historical levels 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 \$54.7 million in FY 2026-27, representing an increase of \$1.6 million, or 3.0%, compared to the FY 2025-2026 Adopted budget of \$53.1 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 will continue to monitor 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.

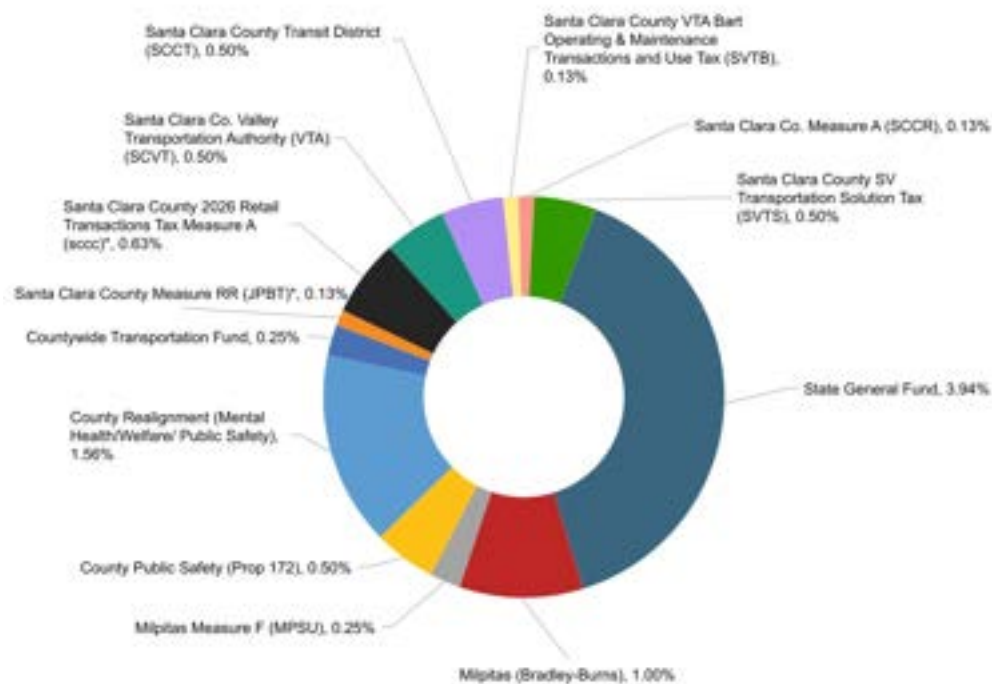
Chart 1: Property Tax Allocation by Percent



Data Updated: Apr 08, 2026, 3:43 PM

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Chart 2: 10.0% Tax Allocation by Percentage



**Sales tax revenue** is projected to be \$29.9 million in FY 2026-2027, an increase of \$1.4 million, or 5.0% compared to FY 2025-2026 Adopted Budget of \$28.5 million. The FY 2026-2027 Proposed Budget projects a slight decrease over the FY 2025-2026 year-end revenue estimate of \$0.1 million, or 0.5%. State and local governments remain in a state of economic uncertainty. A growth rate of 2.0% - 2.5% is projected for the remainder of the Forecast period based on information and analysis provided by the City's sales tax consultant.

The chart above shows the allocation of sales tax rate among the taxing jurisdictions within the City. The City's share of the total sales tax rate is one percentage point and also includes the 0.25% Measure F funds.

**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 \$7.3 million in FY 2026-2027. 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 \$13.6 million in FY 2026-2027. This represents a \$0.3 million increase, or 2.3%, compared to the \$13.3 million projected in the FY 2025-2026 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. Looking ahead, TOT revenue is expected to grow by approximately 3.0% annually for the remainder of the Forecast period, assuming a continued post-pandemic recovery.

**Licenses and permits** consist of building permits and fire permits, which are primarily construction-related. The FY 2026-2027 estimated revenue is \$9.0 million, an increase of \$0.2 million, or 2.6% compared to FY 2025-2026 Adopted Budget. With the current slower economic outlook, the FY 2026-2027 Proposed Budget conservatively assumes the development slowdown will lower building and fire permit revenues. The forecast assumes an 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 2026-2027 estimated revenue from Charges for Services is \$7.8 million, a decrease of \$0.6 million, or 6.9%, compared to FY 2025-2026 Adopted Budget. Charges for services is projected to increase between 2.8% to 3.0% 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 May 15, 2019.

**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 2026-2027 estimated Franchise Fee revenue is \$6.8 million, an increase of \$0.4 million, or 6.3%, compared to FY 2025-2026 Adopted Budget revenue estimate of \$6.4 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 FY 2026-2027 estimated Use of Money and Property revenue is \$3.8 million, an increase of \$2.7 million, or 252.4%, compared to FY 2025-2026 Adopted Budget revenue estimate of \$1.1 million. The City has historically underestimated interest earnings and this Forecast corrects this assumption and projects a marginal increase in FY 2027-2028 of 1.1%, a significant reduction in FY 2028-2029, and remains flat for the remainder of the Forecast.

**Other Taxes** include real estate transfer tax (approximately \$0.5 million), business license tax (approximately \$0.4 million) and motor-vehicle-in-lieu (approximately \$0.1 million). The FY 2026-2027 estimated Other Taxes Revenues is \$1.0 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. Other Taxes are projected to increase between 3.6% to 4.7% annually for the remainder of the Forecast.

**Intergovernmental** represents the revenue account from federal, state, and local agencies (i.e. grants, state reimbursement for fire mutual aid). The FY 2026-2027 estimated revenue for Intergovernmental is \$1.8 million, an increase of \$1.4 million, or 350.0%, from FY 2025-2026 Adopted Budget of \$0.4 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 assumes \$0.8 million for Fire's response to mutual aid requests; however, it does not include an assumption of new grant awards.

**Other Revenues** are primarily reimbursements for other post-employment benefits from the California Employers' Retiree Benefit Trust (\$2.7 million), developer contributions (\$0.3 million), encroachment permit fees (\$0.1 million), and miscellaneous revenue (\$0.1 million). The FY 2026-2027 estimated revenue for Other Revenues is \$3.2 million.

**Operating Transfers In** are mainly reimbursements from other funds for the staff support and administrative services provided by the General Fund. These costs are determined through a methodological allocation process (known as the Cost Allocation Plan, or CAP). Net transfers into the General Fund will increase as operating expenditures increase; estimated at an average of 3.0% to 3.4% annually over the Forecast period. Operating Transfers are projected to be \$10.9 million in FY 2026-2027, an increase of \$0.4 million, or 3.8%, compared to FY 2025-2026 Adopted Budget revenues estimates of \$10.5 million.

## EXPENDITURES

| Expenditures                                | FY 2025-2026<br>Adopted Amended<br>Budget | FY 2026-2027<br>Proposed Budget | FY 2027-2028<br>Forecast | FY 2028-2029<br>Forecast | FY 2029-2030<br>Forecast | FY 2030-2031<br>Forecast |
|---------------------------------------------|-------------------------------------------|---------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Salaries                                    | \$69.0                                    | \$72.4                          | \$74.6                   | \$76.9                   | \$79.2                   | \$81.5                   |
| Benefits                                    | 48.2                                      | 48.9                            | 51.3                     | 53.9                     | 56.6                     | 59.4                     |
| Services & Supplies                         | 31.5                                      | 28.5                            | 28.7                     | 29.8                     | 31.0                     | 32.3                     |
| Debt Services                               | 1.3                                       | 1.4                             | 1.4                      | 1.4                      | 1.4                      | 1.4                      |
| Capital Outlay                              | 0.0                                       | 0.2                             | 0.0                      | 0.0                      | 0.0                      | 0.0                      |
| Operating Transfers Out                     | 0.8                                       | 0.8                             | 0.8                      | 0.8                      | 0.8                      | 0.8                      |
| Reduce CMO<br>Unanticipated<br>Expenditures |                                           | (0.8)                           |                          |                          |                          |                          |
| Total Expenditures                          | \$150.9                                   | \$151.3                         | \$156.9                  | \$162.8                  | \$169.1                  | \$175.5                  |

\*Numbers may not total due to rounding.

**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) remains the same as the FY 2025-2026 Adopted at 451.0 FTE. The \$4.1 million salaries and benefits increase are 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 4.0% COLA for both its represented and non-represented staff effective the first full pay period in July 2026. 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 through December 31, 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, 2026 and are in negotiations; FY 2026-2027 budget assumes COLA placeholders of 3% pending finalization. Unrepresented Employees COLA increases typically follow the MidCon COLAs. COLAs for these groups for FY 2026-2027 are subject to change pending finalization of negotiations. Additionally, an estimate of \$750,000 of reimbursable overtime for the Fire Department to respond to wildfires and mutual aid was included in 2026-2027 Proposed Budget to reflect historical levels of mutual aid support requested by the department.

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 2026-2027, the City budget reflects pension contribution costs based on the most recent actuarial valuation available by CalPERS dated July 2025 based on data ending June 30, 2024. 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 FY 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 2026-2027 at 68.7% of payroll; similarly, the City's Miscellaneous Plan contribution percentages will peak in 2026-2027 at 37.9% 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.

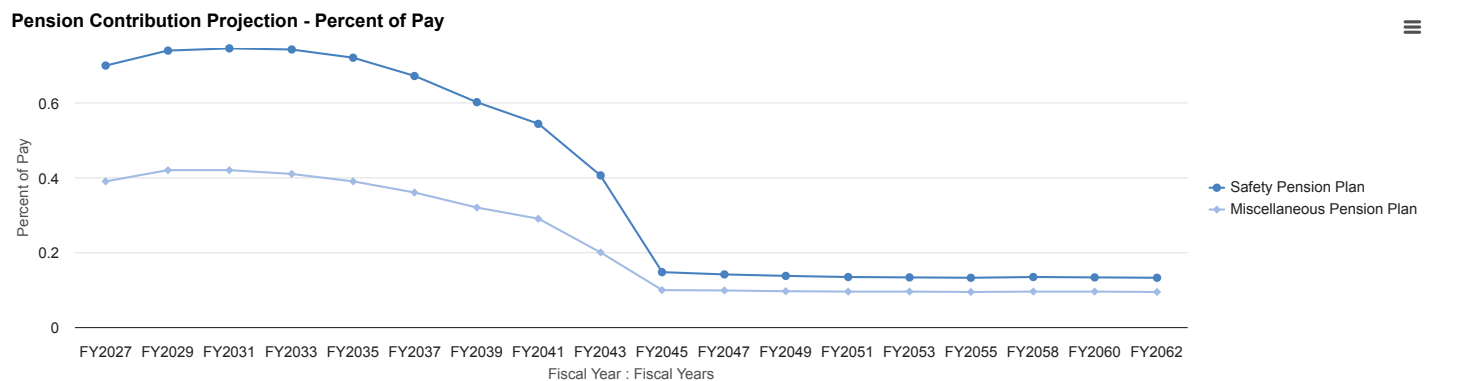
Actual Fiscal Year 2025 CalPERS investment results were published in November 2025<sup>[1]</sup>. Currently, the retirement plan has three tiers based on the hire date of the employee. Tier 1 consists of employees hired before October 9, 2011. Tier 2 consists of employees hired on or after October 9, 2011. Lastly, PEPR (Public Employees' Pension Reform Act), applies to employees hired

on or after January 1, 2013. Tier 1 and 2 retiree benefits are significantly more costly than the 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.

[1] 2024-25 CalPERS ACFR

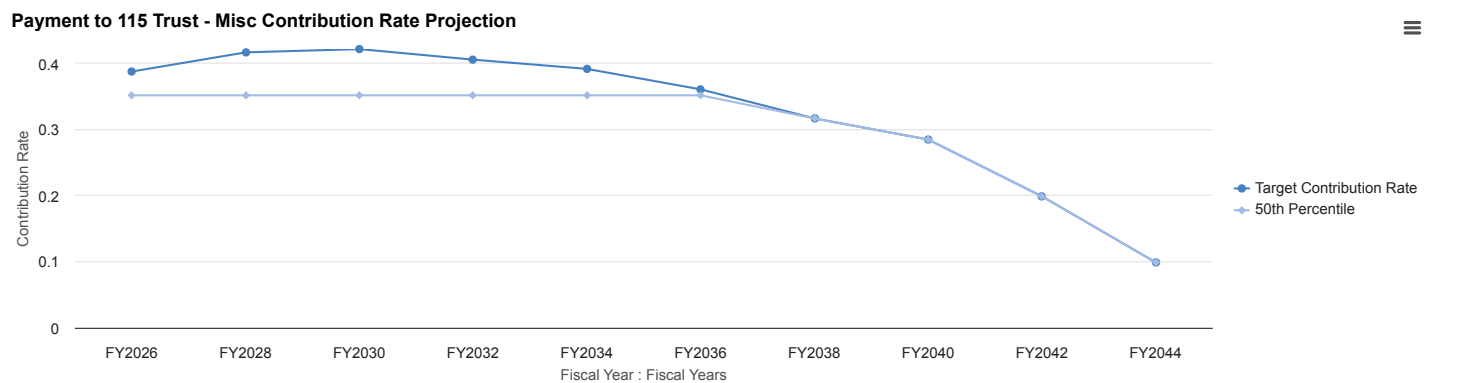
On March 3, 2020, the City Council reviewed the City's Pension Actuarial Report and directed staff to return to City Council with the necessary documents for the establishment of a 115 Pension Trust to invest reserve funds set aside to pay future pension obligations. After a competitive procurement process 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 in July 2021. As of March 31, 2026, the Section 115 Trust held a market value of approximately \$42.8 million, reflecting contributions, withdrawals to date, and investment returns since inception. 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 3: Miscellaneous and Safety Plans Contribution Projections as a Percent of Payroll  
(Foster and Foster, March 2026)



Data Updated: Apr 08, 2026, 5:33 PM

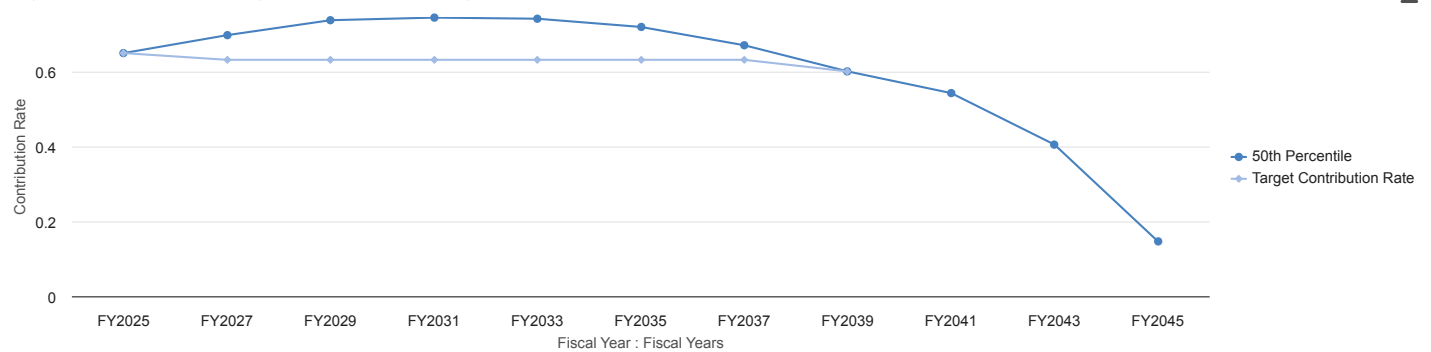
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Payment to 115 Trust - Safety Contribution Rate Projection



Data Updated: Apr 08, 2026, 5:35 PM [View Report](#)

**Services and Supplies** costs are anticipated to be \$28.5 million in FY 2026-27, a decrease of \$3.0 million, or 9.5%, compared to the FY 2025-26 Amended Budget of \$31.5 million. This decrease is primarily due to one-time grant funds rolling off and a modified zero-based budget approach taken by each department as part of the 2026-27 budget development process. 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.

**Reduce CMO Unanticipated Expenditures:** The FY 2026-27 Proposed Budget reflects a \$0.8 million reduction in the City Manager's Office Unanticipated Expenditures line, approved by the City Council in November 2024 as part of the same package of multi-year balancing actions that authorized the use of the PERS Rate Stabilization Reserve and the Future Deficit Reserve. This adjustment is reflected as a credit against expenditures in Table 1 and does not affect departmental operating budgets.

**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 \$1.4 million FY 2026-2027, which is partially offset with assumed energy cost savings from the energy efficiency projects.

**Operating Transfers Out** primarily consists of an annual transfer to the Storm Drain Fund (\$500,000) and the Information Technology Equipment Fund (\$300,000) per the current Fiscal Policies.

**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.

# Fiscal Policies

## Fiscal Policies and Budget Process

### 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 30th of each year.
5. An annual base operating budget will be developed by accurately and realistically projecting revenues and expenditures for the current and forthcoming fiscal year.
6. During the annual budget development process, the existing base budget will be thoroughly examined to assure cost effectiveness and need of the services or programs provided.
7. Once the City Council has adopted the budget, the Administration will track revenues and expenditures closely and will bring forward budget adjustment, 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.

## 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

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.

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, a Public Employees' Retirement (PERS) Rate Stabilization reserve in a Section 115 Trust - after the General Fund Contingency Reserve and General Fund Budget Stabilization Reserve requirements have been met for the General Fund, or after the Capital Reserve requirements have been met for the Utility Funds. The RSR shall be used to mitigate the effects of rising pension costs. 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 to address 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 a 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 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

## Fiscal Policies and Budget Process

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.

### 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 five 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 adopted within the budget in any one fiscal year (\$600,000 in FY 2026-27, or approximately 0.5% 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 \$600,000 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 2025-26 are subject to carry over into FY 2026-27.

## **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.

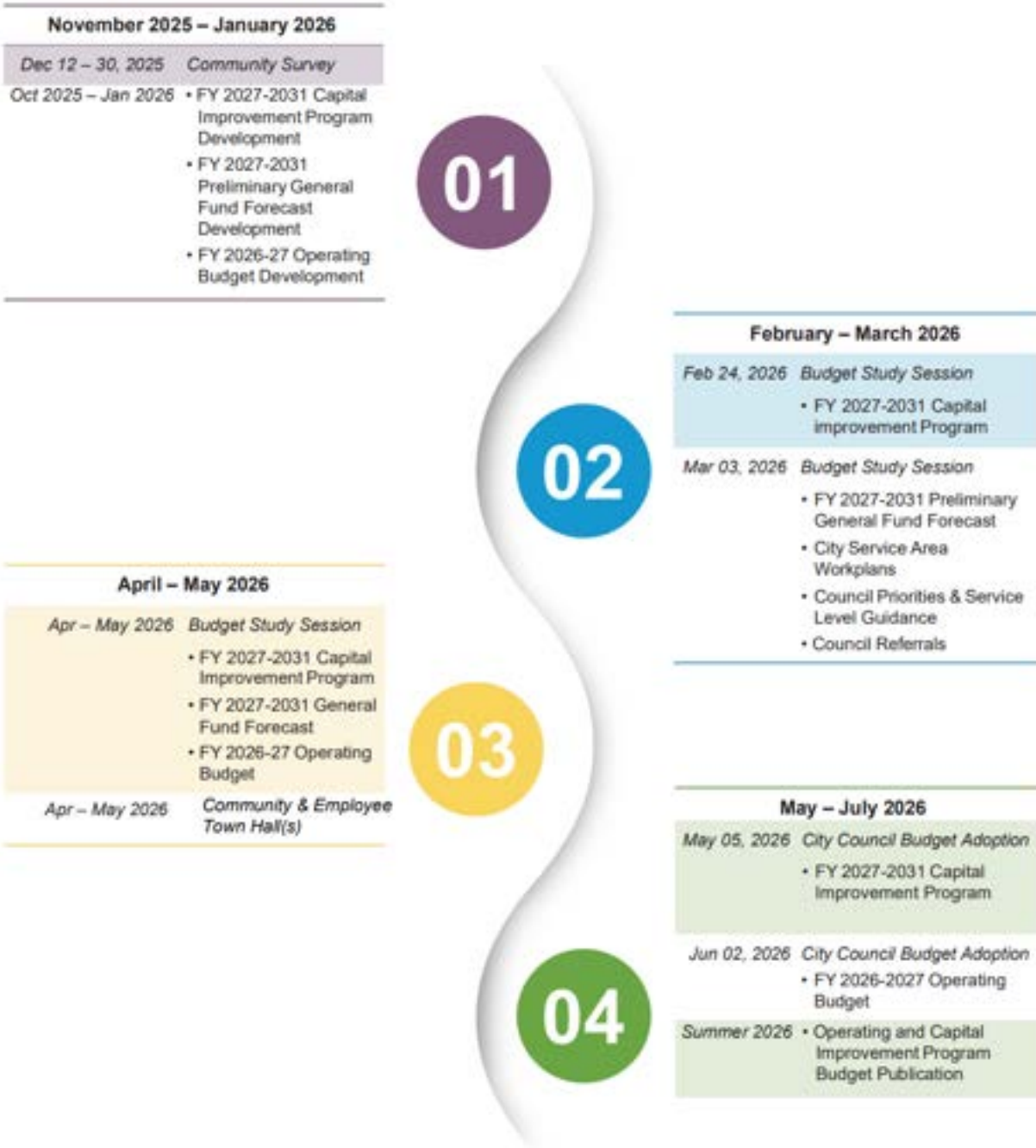
Quarterly Financial Status Reports - The Director of Finance will periodically prepare financial status reports for presentation to the City Council. At the minimum, the report shall include the status of the General Fund revenues and expenditures; Water and Sewer utility fund revenues and expenditures; 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".

# FY 2026-27 Budget Process

## Fiscal Policies and Budget Process



# Budget Development And Document

## Fiscal Policies and Budget Process

### 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



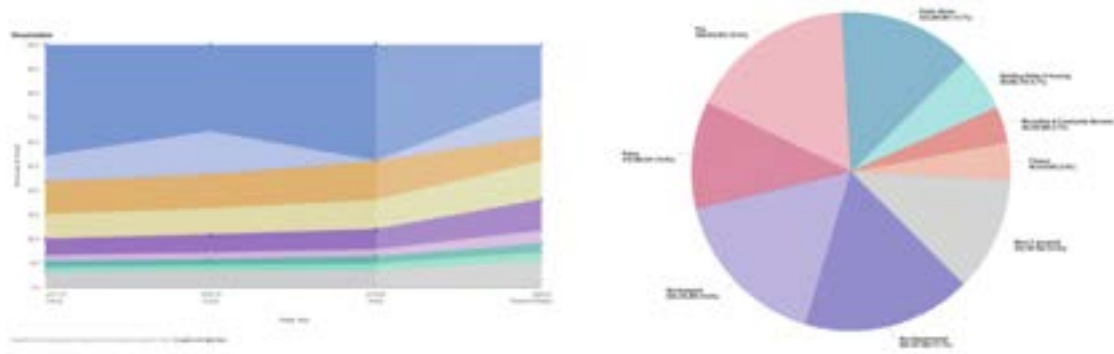
## OPEN BUDGET

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!



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

# Awards

Fiscal Policies and Budget Process



GOVERNMENT FINANCE OFFICERS ASSOCIATION

## *Distinguished Budget Presentation Award*

PRESENTED TO

**City of Milpitas  
California**

For the Fiscal Year Beginning

**July 01, 2025**

*Christopher P. Morill*

Executive Director

# *California Society of Municipal Finance Officers*

*Certificate of Award*

## ***Operating Budget Excellence Award Fiscal Year 2025-2026***

*Presented to the*

***City of Milpitas***

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

***February 5, 2026***

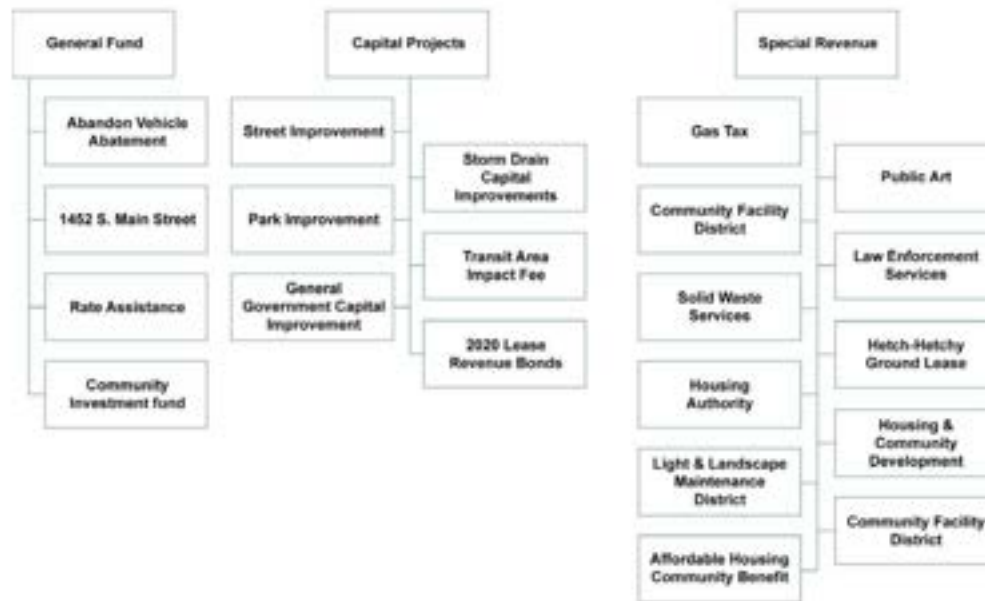


*Jennifer Wakeman*  
**Jennifer Wakeman**  
2025 CSMFO President

*James Russell-Field*  
**James Russell-Field, Chair**  
Recognition Committee

***Dedicated to Excellence in Municipal Financial Reporting***

# Fund Structure



## 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

## Financial Information

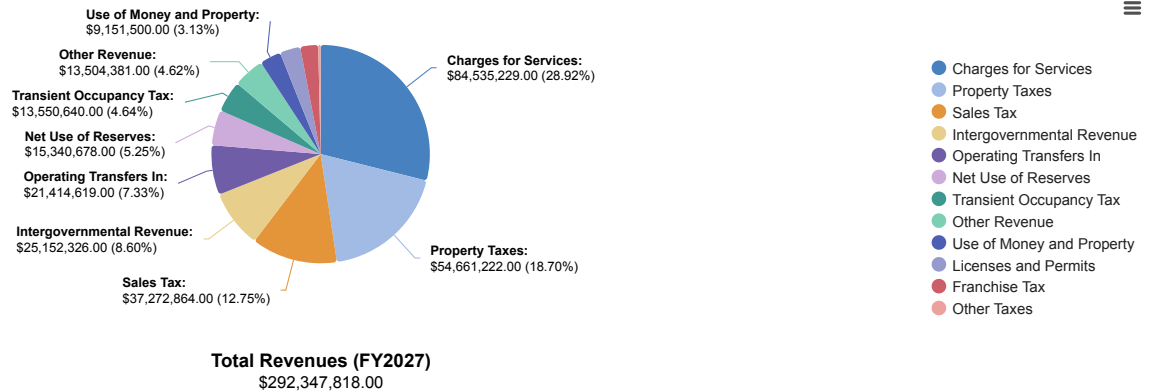
|                                               | Grand Total          | General fund         | Housing Authority  | Other Funds          | Capital project funds | Water Fund          | Sewer Fund          |
|-----------------------------------------------|----------------------|----------------------|--------------------|----------------------|-----------------------|---------------------|---------------------|
| <b>Estimated Revenues</b>                     |                      |                      |                    |                      |                       |                     |                     |
| Property Taxes                                | \$54,661,222         | \$54,661,222         | –                  | –                    | –                     | –                   | –                   |
| Sales Tax                                     | \$37,272,864         | \$37,272,864         | –                  | –                    | –                     | –                   | –                   |
| Franchise Tax                                 | \$7,777,411          | \$6,840,719          | –                  | \$936,692            | –                     | –                   | –                   |
| Transient Occupancy Tax                       | \$13,550,640         | \$13,550,640         | –                  | –                    | –                     | –                   | –                   |
| Other Taxes                                   | \$1,032,800          | \$1,032,800          | –                  | –                    | –                     | –                   | –                   |
| Licenses and Permits                          | \$8,954,148          | \$8,954,148          | –                  | –                    | –                     | –                   | –                   |
| Use of Money and Property                     | \$9,151,500          | \$3,894,000          | \$60,000           | \$943,500            | \$2,049,000           | \$1,035,000         | \$1,170,000         |
| Intergovernmental Revenue                     | \$25,152,326         | \$1,918,875          | –                  | \$20,711,315         | \$2,522,136           | –                   | –                   |
| Charges for Services                          | \$84,535,229         | \$8,000,299          | \$80,000           | \$4,833,265          | –                     | \$43,154,418        | \$28,467,247        |
| Other Revenue                                 | \$13,504,381         | \$3,491,758          | –                  | \$8,232,623          | \$1,230,000           | \$150,000           | \$400,000           |
| Operating Transfers In                        | \$21,414,619         | \$10,934,628         | –                  | \$345,702            | \$9,784,289           | \$350,000           | –                   |
| <b>ESTIMATED REVENUES TOTAL</b>               | <b>\$277,007,140</b> | <b>\$150,551,953</b> | <b>\$140,000</b>   | <b>\$36,003,097</b>  | <b>\$15,585,425</b>   | <b>\$44,689,418</b> | <b>\$30,037,247</b> |
| <b>Budgeted Appropriations</b>                |                      |                      |                    |                      |                       |                     |                     |
| Personnel Services                            | \$139,638,798        | \$121,657,158        | –                  | \$5,795,376          | \$2,198,116           | \$6,280,174         | \$3,707,974         |
| Non-Personnel Expenditures                    | \$77,198,960         | \$27,976,716         | \$455,798          | \$2,773,788          | \$21,218              | \$33,441,956        | \$12,529,484        |
| Debt Service                                  | \$18,951,425         | \$1,374,400          | –                  | \$14,079,875         | –                     | \$1,046,700         | \$2,450,450         |
| Capital Outlay                                | \$2,726,476          | \$208,000            | –                  | \$2,434,476          | –                     | \$42,000            | \$42,000            |
| Operating Transfers Out                       | \$20,069,834         | \$845,702            | –                  | \$12,822,976         | \$1,394,000           | \$3,252,008         | \$1,755,148         |
| <b>BUDGETED APPROPRIATIONS TOTAL</b>          | <b>\$258,585,493</b> | <b>\$152,061,976</b> | <b>\$455,798</b>   | <b>\$37,906,491</b>  | <b>\$3,613,334</b>    | <b>\$44,062,838</b> | <b>\$20,485,056</b> |
| Capital Improvements                          | \$33,762,325         | –                    | –                  | –                    | \$25,373,325          | \$3,775,000         | \$4,614,000         |
| <b>TOTAL BUDGETED APPROPRIATIONS</b>          | <b>\$292,347,818</b> | <b>\$152,061,976</b> | <b>\$455,798</b>   | <b>\$37,906,491</b>  | <b>\$28,986,659</b>   | <b>\$47,837,838</b> | <b>\$25,099,056</b> |
| <b>Fund Balance 7/01/2026</b>                 | <b>\$358,021,944</b> | <b>\$79,559,301</b>  | <b>\$2,674,007</b> | <b>\$126,391,172</b> | <b>\$80,034,704</b>   | <b>\$12,803,450</b> | <b>\$56,559,310</b> |
| <b>Net Changes in Fund Balance</b>            | <b>-\$15,340,678</b> | <b>-\$1,510,023</b>  | <b>-\$315,798</b>  | <b>-\$1,903,394</b>  | <b>-\$13,401,234</b>  | <b>-\$3,148,420</b> | <b>\$4,938,191</b>  |
| <b>Fund Balance</b>                           |                      |                      |                    |                      |                       |                     |                     |
| Structural Surplus                            | \$1,270,897          | \$1,270,897          | –                  | –                    | –                     | –                   | –                   |
| Restricted                                    | \$116,260,766        | –                    | \$2,358,209        | \$113,902,557        | –                     | –                   | –                   |
| Capital Reserve                               | \$130,568,832        | –                    | –                  | –                    | \$66,633,470          | \$7,320,921         | \$56,614,441        |
| Committed, Workers' Compensation              | \$3,408,154          | \$3,408,154          | –                  | –                    | –                     | –                   | –                   |
| Community Investment Fund, Unassigned         | \$1,381,319          | \$1,381,319          | –                  | –                    | –                     | –                   | –                   |
| Unassigned, Unrestricted                      | \$23,426,005         | \$12,840,784         | –                  | \$10,585,221         | –                     | –                   | –                   |
| Committed for PERS                            | \$2,540,780          | \$2,540,780          | –                  | –                    | –                     | –                   | –                   |
| Committed, Artificial Turf                    | \$1,900,000          | \$1,900,000          | –                  | –                    | –                     | –                   | –                   |
| Committed, Technology                         | \$400,000            | \$400,000            | –                  | –                    | –                     | –                   | –                   |
| Committed, Facilities                         | \$3,178,939          | \$3,178,939          | –                  | –                    | –                     | –                   | –                   |
| ERAF Reserve                                  | \$3,554,585          | \$3,554,585          | –                  | –                    | –                     | –                   | –                   |
| SPAR (Strategic Property Acquisition Reserve) | \$710,248            | \$710,248            | –                  | –                    | –                     | –                   | –                   |
| Contingency Reserve, Unassigned               | \$23,431,786         | \$23,431,786         | –                  | –                    | –                     | –                   | –                   |

|                                  | Grand Total   | General fund | Housing Authority | Other Funds   | Capital project funds | Water Fund  | Sewer Fund   |
|----------------------------------|---------------|--------------|-------------------|---------------|-----------------------|-------------|--------------|
| Budget Stabilization, Unassigned | \$30,648,955  | \$23,431,786 | –                 | –             | –                     | \$2,334,109 | \$4,883,060  |
| FUND BALANCE TOTAL               | \$342,681,266 | \$78,049,278 | \$2,358,209       | \$124,487,778 | \$66,633,470          | \$9,655,030 | \$61,497,501 |

# Revenue And Expenditures (All Funds)

## Financial Information

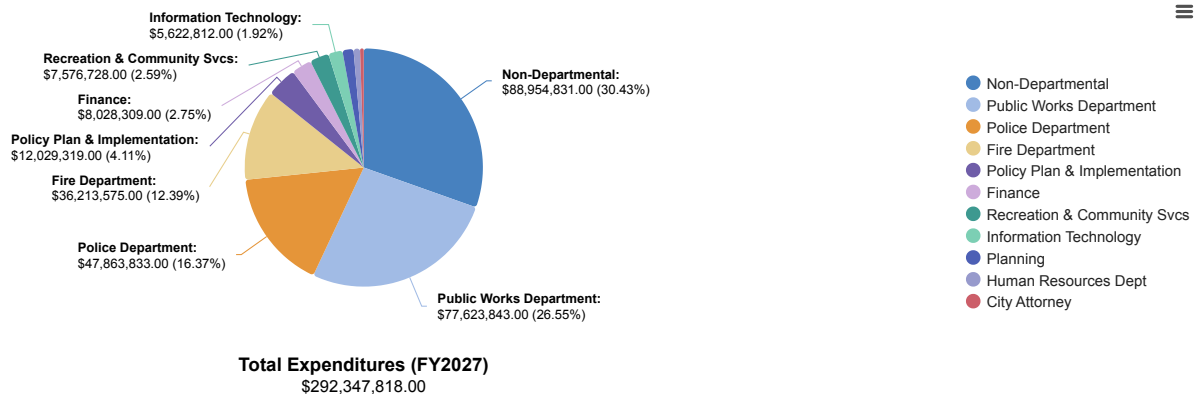
### FY 2026-2027 REVENUES (ALL FUNDS)



Data Updated: May 21, 2026, 5:51 PM

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### FY 2026-2027 EXPENDITURES (ALL FUNDS)



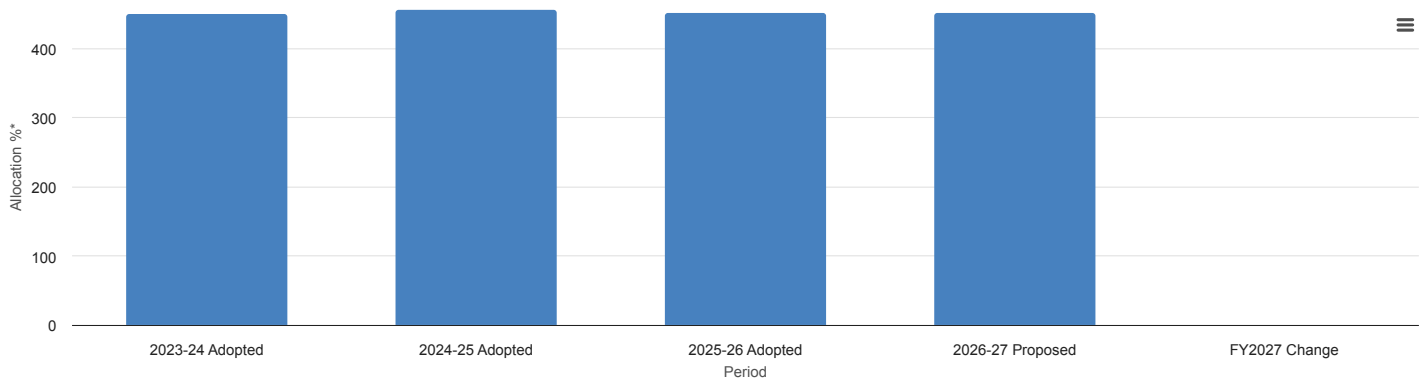
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# Funded Positions By Department

## Financial Information

| Department                      | 2023-24 Adopted | 2024-25 Adopted | 2025-26 Adopted | 2026-27 Proposed | FY2027 Change |
|---------------------------------|-----------------|-----------------|-----------------|------------------|---------------|
| <b>FTE</b>                      |                 |                 |                 |                  |               |
| City Attorney                   | 3               | 3               | 3               | 3                | 0             |
| City Clerk                      | 3               | 3               | 3               | 3                | 0             |
| City Council                    | 5               | 5               | 5               | 5                | 0             |
| City Manager                    | 5               | 6               | 5               | 5                | 0             |
| Economic Development            | 4               | 4               | 3               | 3                | 0             |
| Finance                         | 29              | 30              | 31              | 31               | 0             |
| Fire                            | 82              | 82              | 81              | 81               | 0             |
| Human Resources                 | 7               | 8               | 8               | 8                | 0             |
| Information Technology          | 14              | 14              | 14              | 14               | 0             |
| Office of Building Safety       | 24              | 22              | 21              | 21               | 0             |
| Office of Housing               | 3               | 3               | 4               | 4                | 0             |
| Planning                        | 12              | 12              | 12              | 12               | 0             |
| Police                          | 128             | 128             | 126             | 126              | 0             |
| Public Works                    | 114             | 118             | 117             | 117              | 0             |
| Recreation & Community Services | 17              | 18              | 18              | 18               | 0             |
| <b>FTE</b>                      | <b>450</b>      | <b>456</b>      | <b>451</b>      | <b>451</b>       | <b>0</b>      |



Data Updated: May 07, 2026, 5:06 PM

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# Revenues By Fund

## Financial Information

|                                             | 2023-24 Adopted Budget | 2024-25 Adopted Budget | 2025-26 Adopted Budget | 2026-27 Proposed Budget |
|---------------------------------------------|------------------------|------------------------|------------------------|-------------------------|
| <b>Revenues</b>                             |                        |                        |                        |                         |
| 100 - General Fund                          | \$126,992,699          | \$134,506,952          | \$138,602,707          | \$149,939,953           |
| 103 - 1452 S. Main                          | \$77,000               | \$80,000               | \$80,000               | \$152,000               |
| 105 - Abandon Vehicle Abatement             | \$80,000               | \$100,000              | \$100,000              | \$100,000               |
| 107 - Workers Compensation Fund             | \$0                    | \$0                    | \$0                    | \$75,000                |
| 109 - Utilities Subsidy                     | \$0                    | \$0                    | \$0                    | \$285,000               |
| 211 - HETCH-HETCHY Ground Lease             | \$41,727               | \$23,668               | \$23,668               | \$90,000                |
| 213 - Public Art Fund-Nonrestricted         | \$31,027               | \$17,599               | \$17,599               | \$35,000                |
| 214 - Community Planning Fund               | \$337,700              | \$207,204              | \$207,204              | \$400,500               |
| 215 - Community Benefit Fund                | \$10,608               | \$6,019                | \$6,017                | \$30,000                |
| 216 - Affordable Hsng Community Benf        | \$148,231              | \$84,077               | \$84,077               | \$100,000               |
| 217 - Affordable Hsng Unrestrictd Fd        | \$69,033               | \$39,155               | \$39,155               | \$80,000                |
| 218 - Affordable Hsng Grant Fd              | \$0                    | \$0                    | \$0                    | \$75,000                |
| 221 - Gas Tax Fund                          | \$2,467,161            | \$2,357,229            | \$2,357,229            | \$2,373,187             |
| 222 - Measure B                             | -                      | -                      | -                      | \$2,135,109             |
| 225 - RMRA SBI                              | \$2,027,406            | \$2,120,238            | \$2,120,238            | \$2,181,694             |
| 235 - 95-1 Light&Landscape Maint Dist       | \$455,793              | \$495,800              | \$525,463              | \$479,522               |
| 236 - 98-1 Light&Landscape Maint Dist       | \$91,977               | \$89,413               | \$92,071               | \$74,180                |
| 237 - 2005 Community Facility Dist          | \$1,342,549            | \$1,724,134            | \$1,802,960            | \$1,991,709             |
| 238 - 2008 Community Facility Dist          | \$3,174,121            | \$3,749,732            | \$4,735,557            | \$5,805,914             |
| 250 - Housing Comm Dev Fund                 | \$647,982              | \$650,000              | \$650,000              | \$16,050                |
| <b>261 - Supplemental Law Enforcemt Svc</b> | \$109,266              | \$5,256                | \$5,256                | -                       |
| 262 - State Asset Seizure                   | \$310                  | \$176                  | \$176                  | -                       |
| 263 - Federal Asset Seizure                 | \$1,824                | \$1,034                | \$1,034                | -                       |
| 268 - State Grant Police                    | \$9,627                | \$5,460                | \$5,460                | -                       |
| 280 - Solid Waste Services                  | \$176,517              | \$1,320,316            | \$1,350,600            | \$1,031,692             |
| 295 - Housing Authority Fund                | \$165,658              | \$117,241              | \$117,241              | \$140,000               |
| 310 - Street Improvement Fund               | \$0                    | \$76,372               | \$75,657               | \$75,000                |
| 311 - Street CIP                            | \$5,810,000            | \$6,317,562            | \$9,221,235            | \$8,961,909             |
| 314 - Vehicle Registration Fee              | \$0                    | \$504,171              | \$4,171                | \$15,000                |
| 315 - Calaveras Widening Impact Fee         | \$0                    | \$1,245                | \$1,245                | \$4,000                 |
| 320 - Park Improvement Fund                 | \$0                    | \$83,287               | \$83,287               | \$125,000               |
| 321 - Park Improvement CIP                  | \$755,000              | \$130,000              | \$100,000              | \$1,601,516             |
| 322 - Midtown Park Fund                     | \$0                    | \$21,909               | \$21,909               | \$40,000                |
| 330 - General Government                    | \$0                    | \$373,690              | \$373,690              | \$450,000               |
| 331 - General Government CIP                | \$9,961,100            | \$13,318,400           | \$9,298,500            | \$3,900,000             |
| 340 - Storm Drain Development               | \$306,332              | \$78,317               | \$78,317               | \$110,000               |
| 341 - Storm Drain CIP                       | \$1,958,000            | \$950,000              | \$4,600,000            | \$300,000               |
| 342 - Storm Drain General Fund              | \$500,000              | \$513,718              | \$513,718              | \$560,000               |

|                                      | 2023-24 Adopted Budget | 2024-25 Adopted Budget | 2025-26 Adopted Budget | 2026-27 Proposed Budget |
|--------------------------------------|------------------------|------------------------|------------------------|-------------------------|
| 350 - Transit Area Impact Fee Fund   | \$7,562,227            | \$15,689,265           | \$7,433,583            | \$2,400,000             |
| 351 - Transit Area CIP               | \$8,000                | \$809,000              | \$6,805,000            | \$10,609,900            |
| 400 - Water M & O Fund               | \$34,177,434           | \$33,556,620           | \$35,630,787           | \$39,499,963            |
| 401 - Water CIP                      | \$3,571,000            | \$5,260,000            | \$3,920,000            | \$3,775,000             |
| 402 - Water Line Extension Fund      | \$1,105,631            | \$308,110              | \$989,892              | \$235,000               |
| 405 - Water Infrastructure Replacemt | \$4,325,064            | \$3,973,145            | \$4,181,026            | \$4,604,455             |
| 450 - Sewer M & O Fund               | \$23,826,215           | \$25,161,275           | \$26,496,603           | \$28,917,247            |
| 451 - Sewer CIP                      | \$10,068,000           | \$6,388,000            | \$4,817,000            | \$4,614,000             |
| 452 - Treatment Plant Construction F | \$1,557,988            | \$381,181              | \$1,604,891            | \$420,000               |
| 455 - Sewer Infrastructure Replacemt | \$753,936              | \$427,635              | \$427,635              | \$700,000               |
| 500 - Equipment Management Fund      | \$3,612,663            | \$3,477,344            | \$3,477,344            | \$4,313,265             |
| 505 - Information Technology Rplcmt  | \$342,366              | \$324,030              | \$324,030              | \$320,000               |
| 506 - Permit Automation Fund         | \$413,309              | \$357,549              | \$407,549              | \$360,000               |
| 930 - Rdvelpmnt Obligation Retiremnt | \$0                    | \$0                    | \$0                    | \$14,110,275            |
| <b>REVENUES TOTAL</b>                | <b>\$249,072,481</b>   | <b>\$266,182,528</b>   | <b>\$273,810,781</b>   | <b>\$298,613,040</b>    |
| Intrafund Transfers                  | \$21,079,000           | \$18,849,000           | \$20,001,000           | \$21,605,900            |
| Revenues less Intrafund Transfers    | \$227,993,481          | \$247,333,528          | \$253,809,781          | \$277,007,140           |
| (Increase) Decrease of Reserve       | -                      | -                      | -                      | -\$15,340,678           |
| <b>TOTAL BUDGET SUMMARY REVENUES</b> | <b>\$227,993,481</b>   | <b>\$247,333,528</b>   | <b>\$253,809,781</b>   | <b>\$292,347,818</b>    |

# Revenues By Fund (Detail)

## Financial Information

|                                             | 2023-24 Adopted Budget | 2024-25 Adopted Budget | 2025-26 Adopted Budget | 2026-27 Proposed Budget |
|---------------------------------------------|------------------------|------------------------|------------------------|-------------------------|
| <b>Revenues</b>                             |                        |                        |                        |                         |
| <b>100 - General Fund</b>                   |                        |                        |                        |                         |
| <b>Property Taxes</b>                       |                        |                        |                        |                         |
| 30110 - Property Tax-Current Secured        | \$21,369,917           | \$22,995,000           | \$23,926,240           | \$25,483,054            |
| 30120 - Property Tax-Current Unsecured      | \$1,844,285            | \$2,190,300            | \$2,196,480            | \$1,128,401             |
| 30125 - Property Tax-Homeowners Relief      | \$113,404              | \$110,000              | \$109,200              | \$105,000               |
| 30126 - Property Tax-Supplemental           | \$962,475              | \$895,000              | \$678,080              | \$980,000               |
| 30130 - Property Tax in lieu of VLF         | \$9,926,800            | \$10,497,900           | \$10,792,080           | \$11,013,819            |
| 30140 - Property Tax-ERAF                   | \$2,487,100            | \$3,359,538            | \$4,387,760            | \$4,387,760             |
| 30510 - Property Tax-RPTTF Resid Dist       | \$9,319,870            | \$10,043,600           | \$11,012,560           | \$11,563,188            |
| <b>PROPERTY TAXES TOTAL</b>                 | <b>\$46,023,851</b>    | <b>\$50,091,338</b>    | <b>\$53,102,400</b>    | <b>\$54,661,222</b>     |
| <b>Sales Tax</b>                            |                        |                        |                        |                         |
| 31100 - Sales and Use Tax-Current           | \$27,740,006           | \$28,402,000           | \$27,362,676           | \$28,805,957            |
| 31110 - Sales and Use Tax-0.5%              | \$1,137,554            | \$1,160,305            | \$1,134,892            | \$1,129,254             |
| 31120 - Sales and Use Tax-0.25%             | \$6,991,000            | \$7,340,550            | \$6,985,000            | \$7,337,653             |
| <b>SALES TAX TOTAL</b>                      | <b>\$35,868,560</b>    | <b>\$36,902,855</b>    | <b>\$35,482,568</b>    | <b>\$37,272,864</b>     |
| <b>Franchise Tax</b>                        |                        |                        |                        |                         |
| 31310 - Electric Franchise                  | \$1,716,085            | \$1,800,000            | \$1,890,000            | \$2,135,000             |
| 31330 - Garbage Franchise-Commercial        | \$1,216,900            | \$1,274,334            | \$1,381,842            | \$1,405,288             |
| 31340 - Garbage Franchise-NonComm-Resi      | \$933,340              | \$1,109,085            | \$1,165,435            | \$1,163,457             |
| 31350 - Garbage Franchise-Multi Family      | \$509,500              | \$502,052              | \$351,831              | \$425,659               |
| <b>31360 - Garbage Franchise-Debris Box</b> | <b>\$430,700</b>       | <b>\$457,142</b>       | <b>\$746,771</b>       | <b>\$841,495</b>        |
| 31371 - Gas Franchise                       | \$328,933              | \$330,000              | \$330,000              | \$330,000               |
| 31372 - Nitrogen Gas Franchise              | \$91,410               | \$97,809               | \$111,981              | \$119,820               |
| 31380 - CableTV Franchise                   | \$585,000              | \$420,000              | \$420,000              | \$420,000               |
| <b>FRANCHISE TAX TOTAL</b>                  | <b>\$5,811,868</b>     | <b>\$5,990,422</b>     | <b>\$6,397,860</b>     | <b>\$6,840,719</b>      |
| <b>Transient Occupancy Tax</b>              |                        |                        |                        |                         |
| 31511 - Embassy Suites                      | \$1,128,948            | \$1,470,000            | \$1,330,100            | \$1,330,100             |
| 31512 - Sonesta San Jose                    | \$1,540,347            | \$980,000              | \$741,100              | \$900,000               |
| 31513 - Sheraton                            | \$1,249,863            | \$1,100,000            | \$834,600              | \$1,000,000             |
| 31514 - Best Western Brookside              | \$396,237              | \$336,000              | \$419,800              | \$371,000               |
| 31515 - Larkspur Landing                    | \$555,615              | \$399,000              | \$277,000              | \$293,000               |
| 31516 - Roadway Inn                         | \$145,527              | \$71,400               | \$67,100               | \$58,600                |
| 31517 - Executive Inn                       | \$228,364              | \$170,100              | \$263,300              | \$155,000               |
| 31518 - Days Inn                            | \$367,245              | \$396,900              | \$254,500              | \$372,000               |
| 31520 - Hampton Inn-Milpitas                | \$478,861              | \$420,000              | \$281,100              | \$400,000               |
| 31521 - Hilton Garden Inn                   | \$884,421              | \$819,000              | \$793,300              | \$900,000               |
| 31522 - Homestead Village                   | \$407,401              | \$420,000              | \$394,100              | -                       |
| 31523 - Marriott Courtyard                  | \$651,424              | \$784,350              | \$772,400              | \$860,000               |

|                                        | 2023-24 Adopted Budget | 2024-25 Adopted Budget | 2025-26 Adopted Budget | 2026-27 Proposed Budget |
|----------------------------------------|------------------------|------------------------|------------------------|-------------------------|
| 31524 - Heritage Inn                   | \$70,326               | \$96,600               | \$106,300              | \$110,000               |
| 31525 - Sonesta Silicon Valley         | \$323,767              | \$1,050,000            | \$1,079,800            | \$1,079,800             |
| 31526 - Residence Inn by Marriott      | \$574,412              | \$693,000              | \$776,100              | \$706,000               |
| 31527 - Best Value Inn                 | \$256,205              | \$283,500              | \$134,400              | \$140,000               |
| 31528 - Towneplace                     | \$624,700              | \$569,100              | \$838,500              | \$838,500               |
| 31529 - Stay Bridge Suites             | \$528,905              | \$630,000              | \$905,100              | \$905,100               |
| 31531 - Holiday Inn                    | \$454,236              | \$525,000              | \$488,300              | \$560,000               |
| 31532 - Spring Hill Milpitas           | \$410,475              | \$630,000              | \$655,000              | \$700,000               |
| 31533 - Element Milpitas               | \$341,287              | \$1,050,000            | \$1,754,000            | \$1,771,540             |
| 31681 - Short Term Rentals             | \$192,670              | \$138,600              | \$169,000              | \$100,000               |
| <b>TRANSIENT OCCUPANCY TAX TOTAL</b>   | <b>\$11,811,236</b>    | <b>\$13,032,550</b>    | <b>\$13,334,900</b>    | <b>\$13,550,640</b>     |
| Other Taxes                            |                        |                        |                        |                         |
| 31920 - Real Estate Transfer Tax       | \$715,484              | \$735,518              | \$741,600              | \$518,000               |
| 31940 - Business License Tax           | \$312,676              | \$320,000              | \$330,000              | \$360,000               |
| 31950 - Motor Vehicle In Lieu Tax      | \$60,426               | \$80,000               | \$90,000               | \$154,800               |
| <b>OTHER TAXES TOTAL</b>               | <b>\$1,088,586</b>     | <b>\$1,135,518</b>     | <b>\$1,161,600</b>     | <b>\$1,032,800</b>      |
| Licenses and Permits                   |                        |                        |                        |                         |
| 32100 - Building Permits               | \$3,000,000            | \$3,000,000            | \$2,300,000            | \$2,550,000             |
| 32130 - After Hours Inspection         | \$30,000               | \$20,000               | \$20,000               | \$5,000                 |
| 32140 - Re-Inspection                  | \$1,000                | \$1,000                | \$1,000                | \$1,000                 |
| 32160 - Mobile Home Inspections        | \$13,000               | \$15,450               | \$18,000               | \$13,000                |
| 32165 - Building Investigation         | \$15,000               | \$25,000               | \$25,000               | \$25,000                |
| 32168 - Building Standards/Life Safety | \$4,500                | \$24,000               | \$3,000                | \$3,000                 |
| 32169 - Building Misc Fees             | \$1,450,000            | \$1,450,000            | \$1,600,000            | \$1,450,000             |
| 32171 - Plan Check Revisions           | \$20,000               | \$30,000               | \$30,000               | \$50,000                |
| 32172 - After Hours Plan Check         | \$80,000               | \$100,000              | \$150,000              | \$150,000               |
| 32173 - Plan Check                     | \$1,900,000            | \$2,200,000            | \$2,200,000            | \$2,000,000             |
| 32200 - HazMat Const Permit Inspection | \$60,000               | \$100,000              | \$80,000               | \$92,000                |
| 32220 - HazMat Annual Permit Inpection | \$115,438              | \$300,000              | \$310,000              | \$356,500               |
| 32230 - Fire Prevention Cost Recovery  | \$3,500                | \$3,000                | \$3,000                | \$5,000                 |
| 32400 - Life Safety Annual Permit Insp | \$670,075              | \$614,868              | \$614,868              | \$707,098               |
| 32410 - Life Safety Const Permit Inspe | \$900,000              | \$850,000              | \$850,000              | \$977,500               |
| 32520 - Fire Expedited PC/Inspections  | \$100,000              | \$115,000              | \$125,000              | \$165,000               |
| 32610 - Animal Licenses                | \$45,000               | \$40,000               | \$40,000               | \$40,000                |
| 32620 - Permits-Short Term Rentals     | \$2,500                | \$7,000                | \$10,000               | \$3,500                 |
| 33010 - Vehicle Code Fines             | \$48,389               | \$100,800              | \$105,840              | \$105,000               |
| 33020 - Other Court Fines              | \$68,347               | \$105,000              | \$110,250              | \$105,000               |
| 33050 - Collections from CBA           | \$1,815                | \$1,000                | \$1,050                | \$1,000                 |
| 33060 - Neigh Beau Ord Violation Fees  | \$10,000               | \$10,000               | \$10,000               | \$10,000                |
| 33070 - Police Impound Fees            | \$49,179               | \$52,000               | \$54,600               | \$65,894                |
| 33080 - Animal Violations              | \$5,000                | \$5,000                | \$4,000                | \$4,500                 |
| 33090 - Police False Alarm Fee         | \$59,277               | \$62,000               | \$65,100               | \$69,156                |
| 33100 - Fire Administrative Citation   | \$10,000               | \$0                    | \$0                    | -                       |
| <b>LICENSES AND PERMITS TOTAL</b>      | <b>\$8,662,020</b>     | <b>\$9,231,118</b>     | <b>\$8,730,708</b>     | <b>\$8,954,148</b>      |
| Use of Money and Property              |                        |                        |                        |                         |
| 34311 - Pooled Interest Allocation     | \$414,000              | \$1,067,670            | \$1,067,673            | \$3,762,000             |
| 34340 - Interest Income-Other          | \$0                    | \$111,528              | \$0                    | -                       |
| <b>USE OF MONEY AND PROPERTY TOTAL</b> | <b>\$414,000</b>       | <b>\$1,179,198</b>     | <b>\$1,067,673</b>     | <b>\$3,762,000</b>      |
| Intergovernmental Revenue              |                        |                        |                        |                         |
| 35510 - Federal Contri-General Gov     | \$340,728              | \$0                    | \$0                    | -                       |

|                                        | 2023-24 Adopted Budget | 2024-25 Adopted Budget | 2025-26 Adopted Budget | 2026-27 Proposed Budget |
|----------------------------------------|------------------------|------------------------|------------------------|-------------------------|
| 35580 - Federal Contri-Fire            | \$0                    | \$0                    | \$0                    | \$750,000               |
| 35610 - State Contributions-Gen Govt   | \$150,000              | \$0                    | \$0                    | –                       |
| 35760 - County Contribution-Rec        | \$89,844               | \$95,234               | \$103,066              | \$103,066               |
| 35770 - County Contribution-Police     | \$140,000              | \$183,967              | \$189,486              | –                       |
| 35810 - Other Restrict Grant-Gen Gov   | \$0                    | \$0                    | \$0                    | \$56,633                |
| 35871 - Other Restrict Grant-SB90 Gt   | \$20,000               | \$20,000               | \$20,000               | \$909,176               |
| <b>INTERGOVERNMENTAL REVENUE TOTAL</b> | <b>\$740,572</b>       | <b>\$299,201</b>       | <b>\$312,552</b>       | <b>\$1,818,875</b>      |
| Charges for Services                   |                        |                        |                        |                         |
| 36030 - Rent Lease & Concession-GG     | \$253,151              | \$525,000              | \$525,000              | \$455,000               |
| 36040 - Business Lic Processing Fee    | \$152,341              | \$159,985              | \$167,984              | \$160,939               |
| 36082 - PJ Vendor Reimbursement-Legal  | \$49,798               | \$48,000               | \$48,000               | –                       |
| 36110 - Engineering Fees               | \$125,000              | \$130,000              | \$125,000              | \$125,000               |
| 36120 - Sales of Maps and Doc-Engr     | \$2,000                | \$2,000                | \$2,000                | \$2,000                 |
| 36130 - Rent Lease & Concession-Engr   | \$25,500               | \$24,000               | \$25,500               | \$28,000                |
| 36160 - Plan Check Fees-Engineering    | \$40,000               | \$32,000               | \$45,000               | \$35,000                |
| 36180 - PJ Labor Reimbursement-Eng     | \$410,000              | \$325,000              | \$480,000              | \$400,000               |
| 36181 - PJ Overhead Charges-Eng        | \$825,000              | \$625,000              | \$850,000              | \$800,000               |
| 36182 - PJ Vendor Reimbursement-Eng    | \$31,000               | \$0                    | \$0                    | –                       |
| 36310 - Service Charges-Fire           | \$260,000              | \$260,000              | \$260,000              | \$330,000               |
| 36311 - Fire Ambulance Services        | \$150,000              | \$100,000              | \$100,000              | \$190,000               |
| 36340 - Unwanted Alarms-Fire           | \$35,000               | \$35,000               | \$30,000               | \$25,000                |
| 36370 - Automation Fee-Fire            | \$22,000               | \$50,000               | \$50,000               | \$60,000                |
| 36371 - Fire Electronic Archive Chrg   | \$5,000                | \$5,000                | \$5,000                | \$6,000                 |
| 36380 - PJ Labor Reimbursement-Fire    | \$1,000                | \$300                  | \$500                  | \$500                   |
| 36381 - PJ Overhead Charges-Fire       | \$1,500                | \$300                  | \$500                  | \$500                   |
| 36410 - Service Charges-Police         | \$994,000              | \$1,065,020            | \$1,139,571            | \$1,323,953             |
| 36420 - Sales of Maps and Doc-Police   | \$25,134               | \$27,300               | \$28,665               | \$29,300                |
| 36430 - Rent Lease & Concession-Police | \$20,802               | \$21,600               | \$21,600               | \$21,600                |
| 36451 - Cost Recovery-DUI-Police       | \$13,535               | \$23,100               | \$24,255               | \$28,000                |
| 36460 - Alarm Permit-Police            | \$0                    | \$0                    | \$0                    | \$10,000                |
| 36510 - Recreation Fees                | \$2,416,427            | \$2,639,722            | \$2,421,291            | \$2,048,180             |
| 36520 - Senior Nutrition Fees          | \$14,200               | \$10,796               | \$9,716                | \$9,000                 |
| 36530 - Rent Lease and Concession-Rec  | \$190,000              | \$304,796              | \$334,940              | \$358,444               |
| 36540 - After the Bell                 | \$1,228,500            | \$799,920              | \$903,249              | \$790,013               |
| 36550 - Sales of Merchandise Rec       | \$0                    | \$0                    | \$2,000                | \$2,000                 |
| 36560 - Recreation Transaction Fee     | \$43,220               | \$43,998               | \$57,050               | \$51,494                |
| 36570 - Special Event Fees             | \$59,417               | \$87,884               | \$100,797              | \$110,876               |
| 36640 - Records Retention Fee-Bldg     | \$500                  | \$1,000                | \$500                  | –                       |
| 36670 - State Mandated Stds Fee-Bldg   | \$3,000                | \$5,000                | \$1,100                | \$3,500                 |
| 36690 - Disa Access Fee SB1186-Bldg    | \$20,000               | \$0                    | \$0                    | \$5,000                 |
| 36801 - Planning Admin Review          | \$280,000              | \$250,000              | \$250,000              | \$175,000               |
| 36840 - Planning Discretionary Review  | \$175,000              | \$175,000              | \$190,000              | \$195,000               |
| 36850 - Shopping Cart Retrieval        | \$10,000               | \$10,000               | \$10,000               | \$8,000                 |
| 36860 - Planning Plan Check/Inspection | \$150,000              | \$80,000               | \$80,000               | \$85,000                |
| 36880 - PJ Labor Reimbursement-Plan    | \$500                  | \$5,000                | \$0                    | \$5,000                 |
| 36881 - PJ Overhead Charges-Planning   | \$1,000                | \$5,000                | \$0                    | \$3,000                 |
| 36882 - PJ Vendor Reimbursement-Plan   | \$500                  | \$1,000                | \$2,000                | –                       |
| <b>CHARGES FOR SERVICES TOTAL</b>      | <b>\$8,034,025</b>     | <b>\$7,877,721</b>     | <b>\$8,291,218</b>     | <b>\$7,880,299</b>      |
| Other Revenue                          | \$389,525              | \$288,309              | \$270,000              | \$3,231,758             |
| Operating Transfers In                 | \$8,148,456            | \$8,478,722            | \$10,451,228           | \$10,934,628            |

|                                                  | 2023-24 Adopted Budget | 2024-25 Adopted Budget | 2025-26 Adopted Budget | 2026-27 Proposed Budget |
|--------------------------------------------------|------------------------|------------------------|------------------------|-------------------------|
| <b>100 - GENERAL FUND TOTAL</b>                  | <b>\$126,992,699</b>   | <b>\$134,506,952</b>   | <b>\$138,602,707</b>   | <b>\$149,939,953</b>    |
| 103 - 1452 S. Main                               |                        |                        |                        |                         |
| Use of Money and Property                        |                        |                        |                        |                         |
| 34311 - Pooled Interest Allocation               | \$0                    | \$0                    | \$0                    | \$32,000                |
| <b>USE OF MONEY AND PROPERTY TOTAL</b>           | <b>\$0</b>             | <b>\$0</b>             | <b>\$0</b>             | <b>\$32,000</b>         |
| Charges for Services                             |                        |                        |                        |                         |
| 36030 - Rent Lease & Concession-GG               | \$77,000               | \$80,000               | \$80,000               | \$120,000               |
| <b>CHARGES FOR SERVICES TOTAL</b>                | <b>\$77,000</b>        | <b>\$80,000</b>        | <b>\$80,000</b>        | <b>\$120,000</b>        |
| <b>103 - 1452 S. MAIN TOTAL</b>                  | <b>\$77,000</b>        | <b>\$80,000</b>        | <b>\$80,000</b>        | <b>\$152,000</b>        |
| 105 - Abandon Vehicle Abatement                  |                        |                        |                        |                         |
| Intergovernmental Revenue                        |                        |                        |                        |                         |
| 35770 - County Contribution-Police               | \$80,000               | \$100,000              | \$100,000              | \$100,000               |
| <b>INTERGOVERNMENTAL REVENUE TOTAL</b>           | <b>\$80,000</b>        | <b>\$100,000</b>       | <b>\$100,000</b>       | <b>\$100,000</b>        |
| <b>105 - ABANDON VEHICLE ABATEMENT TOTAL</b>     | <b>\$80,000</b>        | <b>\$100,000</b>       | <b>\$100,000</b>       | <b>\$100,000</b>        |
| 107 - Workers Compensation Fund                  |                        |                        |                        |                         |
| Use of Money and Property                        |                        |                        |                        |                         |
| 34311 - Pooled Interest Allocation               | \$0                    | \$0                    | \$0                    | \$75,000                |
| <b>USE OF MONEY AND PROPERTY TOTAL</b>           | <b>\$0</b>             | <b>\$0</b>             | <b>\$0</b>             | <b>\$75,000</b>         |
| <b>107 - WORKERS COMPENSATION FUND TOTAL</b>     | <b>\$0</b>             | <b>\$0</b>             | <b>\$0</b>             | <b>\$75,000</b>         |
| 109 - Utilities Subsidy                          |                        |                        |                        |                         |
| Use of Money and Property                        |                        |                        |                        |                         |
| 34311 - Pooled Interest Allocation               | \$0                    | \$0                    | \$0                    | \$25,000                |
| <b>USE OF MONEY AND PROPERTY TOTAL</b>           | <b>\$0</b>             | <b>\$0</b>             | <b>\$0</b>             | <b>\$25,000</b>         |
| Other Revenue                                    | \$0                    | \$0                    | \$0                    | \$260,000               |
| <b>109 - UTILITIES SUBSIDY TOTAL</b>             | <b>\$0</b>             | <b>\$0</b>             | <b>\$0</b>             | <b>\$285,000</b>        |
| 211 - HETCH-HETCHY Ground Lease                  |                        |                        |                        |                         |
| Use of Money and Property                        |                        |                        |                        |                         |
| 34311 - Pooled Interest Allocation               | \$41,727               | \$23,668               | \$23,668               | \$90,000                |
| <b>USE OF MONEY AND PROPERTY TOTAL</b>           | <b>\$41,727</b>        | <b>\$23,668</b>        | <b>\$23,668</b>        | <b>\$90,000</b>         |
| <b>211 - HETCH-HETCHY GROUND LEASE TOTAL</b>     | <b>\$41,727</b>        | <b>\$23,668</b>        | <b>\$23,668</b>        | <b>\$90,000</b>         |
| 213 - Public Art Fund-Nonrestricted              |                        |                        |                        |                         |
| Use of Money and Property                        |                        |                        |                        |                         |
| 34311 - Pooled Interest Allocation               | \$31,027               | \$17,599               | \$17,599               | \$35,000                |
| <b>USE OF MONEY AND PROPERTY TOTAL</b>           | <b>\$31,027</b>        | <b>\$17,599</b>        | <b>\$17,599</b>        | <b>\$35,000</b>         |
| <b>213 - PUBLIC ART FUND-NONRESTRICTED TOTAL</b> | <b>\$31,027</b>        | <b>\$17,599</b>        | <b>\$17,599</b>        | <b>\$35,000</b>         |
| 214 - Community Planning Fund                    |                        |                        |                        |                         |
| Use of Money and Property                        |                        |                        |                        |                         |
| 34311 - Pooled Interest Allocation               | \$12,700               | \$7,204                | \$7,204                | \$5,500                 |
| <b>USE OF MONEY AND PROPERTY TOTAL</b>           | <b>\$12,700</b>        | <b>\$7,204</b>         | <b>\$7,204</b>         | <b>\$5,500</b>          |
| Charges for Services                             |                        |                        |                        |                         |
| 36801 - Planning Admin Review                    | \$325,000              | \$200,000              | \$200,000              | \$395,000               |
| <b>CHARGES FOR SERVICES TOTAL</b>                | <b>\$325,000</b>       | <b>\$200,000</b>       | <b>\$200,000</b>       | <b>\$395,000</b>        |
| <b>214 - COMMUNITY PLANNING FUND TOTAL</b>       | <b>\$337,700</b>       | <b>\$207,204</b>       | <b>\$207,204</b>       | <b>\$400,500</b>        |
| 215 - Community Benefit Fund                     |                        |                        |                        |                         |
| Use of Money and Property                        |                        |                        |                        |                         |
| 34311 - Pooled Interest Allocation               | \$10,608               | \$6,017                | \$6,017                | \$30,000                |
| <b>USE OF MONEY AND PROPERTY TOTAL</b>           | <b>\$10,608</b>        | <b>\$6,017</b>         | <b>\$6,017</b>         | <b>\$30,000</b>         |
| Other Revenue                                    | \$0                    | \$2                    | \$0                    | -                       |
| <b>215 - COMMUNITY BENEFIT FUND TOTAL</b>        | <b>\$10,608</b>        | <b>\$6,019</b>         | <b>\$6,017</b>         | <b>\$30,000</b>         |
| 216 - Affordable Hsng Community Benf             |                        |                        |                        |                         |

|                                                        | 2023-24 Adopted Budget | 2024-25 Adopted Budget | 2025-26 Adopted Budget | 2026-27 Proposed Budget |
|--------------------------------------------------------|------------------------|------------------------|------------------------|-------------------------|
| Use of Money and Property                              |                        |                        |                        |                         |
| 34311 - Pooled Interest Allocation                     | \$148,231              | \$84,077               | \$84,077               | \$100,000               |
| <b>USE OF MONEY AND PROPERTY TOTAL</b>                 | <b>\$148,231</b>       | <b>\$84,077</b>        | <b>\$84,077</b>        | <b>\$100,000</b>        |
| <b>216 - AFFORDABLE HSNG COMMUNITY BENF TOTAL</b>      | <b>\$148,231</b>       | <b>\$84,077</b>        | <b>\$84,077</b>        | <b>\$100,000</b>        |
| 217 - Affordable Hsng Unrestrictd Fd                   |                        |                        |                        |                         |
| Use of Money and Property                              |                        |                        |                        |                         |
| 34311 - Pooled Interest Allocation                     | \$69,033               | \$39,155               | \$39,155               | \$80,000                |
| <b>USE OF MONEY AND PROPERTY TOTAL</b>                 | <b>\$69,033</b>        | <b>\$39,155</b>        | <b>\$39,155</b>        | <b>\$80,000</b>         |
| <b>217 - AFFORDABLE HSNG UNRESTRICTD FD TOTAL</b>      | <b>\$69,033</b>        | <b>\$39,155</b>        | <b>\$39,155</b>        | <b>\$80,000</b>         |
| 218 - Affordable Hsng Grant Fd                         |                        |                        |                        |                         |
| Use of Money and Property                              |                        |                        |                        |                         |
| 34311 - Pooled Interest Allocation                     | \$0                    | \$0                    | \$0                    | \$75,000                |
| <b>USE OF MONEY AND PROPERTY TOTAL</b>                 | <b>\$0</b>             | <b>\$0</b>             | <b>\$0</b>             | <b>\$75,000</b>         |
| <b>218 - AFFORDABLE HSNG GRANT FD TOTAL</b>            | <b>\$0</b>             | <b>\$0</b>             | <b>\$0</b>             | <b>\$75,000</b>         |
| 221 - Gas Tax Fund                                     |                        |                        |                        |                         |
| Use of Money and Property                              |                        |                        |                        |                         |
| 34311 - Pooled Interest Allocation                     | \$77,647               | \$44,042               | \$44,042               | \$60,000                |
| <b>USE OF MONEY AND PROPERTY TOTAL</b>                 | <b>\$77,647</b>        | <b>\$44,042</b>        | <b>\$44,042</b>        | <b>\$60,000</b>         |
| Intergovernmental Revenue                              |                        |                        |                        |                         |
| 35430 - Sec 2103-Gas Tax                               | \$812,704              | \$797,772              | \$797,772              | \$797,772               |
| 35450 - Sec 2105-Gas Tax                               | \$538,175              | \$540,263              | \$540,263              | \$540,263               |
| 35460 - Sec 2106-Gas Tax                               | \$317,830              | \$319,634              | \$319,634              | \$319,634               |
| 35470 - Sec 2107-Gas Tax                               | \$646,420              | \$648,018              | \$648,018              | \$648,018               |
| 35480 - Sec 2107.5-Gas Tax                             | \$7,500                | \$7,500                | \$7,500                | \$7,500                 |
| <b>INTERGOVERNMENTAL REVENUE TOTAL</b>                 | <b>\$2,322,629</b>     | <b>\$2,313,187</b>     | <b>\$2,313,187</b>     | <b>\$2,313,187</b>      |
| Operating Transfers In                                 | \$66,885               | \$0                    | \$0                    | -                       |
| <b>221 - GAS TAX FUND TOTAL</b>                        | <b>\$2,467,161</b>     | <b>\$2,357,229</b>     | <b>\$2,357,229</b>     | <b>\$2,373,187</b>      |
| 222 - Measure B                                        |                        |                        |                        |                         |
| Intergovernmental Revenue                              |                        |                        |                        |                         |
| 35650 - State Contributions-Engineer                   | -                      | -                      | -                      | \$2,135,109             |
| <b>INTERGOVERNMENTAL REVENUE TOTAL</b>                 | <b>-</b>               | <b>-</b>               | <b>-</b>               | <b>\$2,135,109</b>      |
| <b>222 - MEASURE B TOTAL</b>                           | <b>-</b>               | <b>-</b>               | <b>-</b>               | <b>\$2,135,109</b>      |
| 225 - RMRA SBI                                         |                        |                        |                        |                         |
| Use of Money and Property                              |                        |                        |                        |                         |
| 34311 - Pooled Interest Allocation                     | \$0                    | \$33,544               | \$33,544               | \$95,000                |
| <b>USE OF MONEY AND PROPERTY TOTAL</b>                 | <b>\$0</b>             | <b>\$33,544</b>        | <b>\$33,544</b>        | <b>\$95,000</b>         |
| Intergovernmental Revenue                              |                        |                        |                        |                         |
| 35490 - Sec 2032-RM&R                                  | \$2,027,406            | \$2,086,694            | \$2,086,694            | \$2,086,694             |
| <b>INTERGOVERNMENTAL REVENUE TOTAL</b>                 | <b>\$2,027,406</b>     | <b>\$2,086,694</b>     | <b>\$2,086,694</b>     | <b>\$2,086,694</b>      |
| <b>225 - RMRA SBI TOTAL</b>                            | <b>\$2,027,406</b>     | <b>\$2,120,238</b>     | <b>\$2,120,238</b>     | <b>\$2,181,694</b>      |
| 235 - 95-1 Light&Landscape Maint Dist                  |                        |                        |                        |                         |
| Use of Money and Property                              |                        |                        |                        |                         |
| 34311 - Pooled Interest Allocation                     | \$2,507                | \$1,422                | \$1,422                | \$5,000                 |
| <b>USE OF MONEY AND PROPERTY TOTAL</b>                 | <b>\$2,507</b>         | <b>\$1,422</b>         | <b>\$1,422</b>         | <b>\$5,000</b>          |
| Other Revenue                                          | \$430,902              | \$471,051              | \$500,000              | \$450,000               |
| Operating Transfers In                                 | \$22,384               | \$23,327               | \$24,041               | \$24,522                |
| <b>235 - 95-1 LIGHT&amp;LANDSCAPE MAINT DIST TOTAL</b> | <b>\$455,793</b>       | <b>\$495,800</b>       | <b>\$525,463</b>       | <b>\$479,522</b>        |
| 236 - 98-1 Light&Landscape Maint Dist                  |                        |                        |                        |                         |
| Use of Money and Property                              |                        |                        |                        |                         |
| 34311 - Pooled Interest Allocation                     | \$19,932               | \$11,306               | \$11,306               | \$3,000                 |

|                                                       | 2023-24 Adopted Budget | 2024-25 Adopted Budget | 2025-26 Adopted Budget | 2026-27 Proposed Budget |
|-------------------------------------------------------|------------------------|------------------------|------------------------|-------------------------|
| <b>USE OF MONEY AND PROPERTY TOTAL</b>                | <b>\$19,932</b>        | <b>\$11,306</b>        | <b>\$11,306</b>        | <b>\$3,000</b>          |
| Other Revenue                                         | \$50,612               | \$55,789               | \$60,000               | \$50,000                |
| Operating Transfers In                                | \$21,433               | \$22,318               | \$20,765               | \$21,180                |
| <b>236 - 98-1 LIGHT&amp;LANDSCPE MAINT DIST TOTAL</b> | <b>\$91,977</b>        | <b>\$89,413</b>        | <b>\$92,071</b>        | <b>\$74,180</b>         |
| 237 - 2005 Community Facility Dist                    |                        |                        |                        |                         |
| Use of Money and Property                             |                        |                        |                        |                         |
| 34311 - Pooled Interest Allocation                    | \$42,549               | \$24,134               | \$24,134               | \$35,000                |
| <b>USE OF MONEY AND PROPERTY TOTAL</b>                | <b>\$42,549</b>        | <b>\$24,134</b>        | <b>\$24,134</b>        | <b>\$35,000</b>         |
| Other Revenue                                         | \$1,300,000            | \$1,700,000            | \$1,778,826            | \$1,956,709             |
| <b>237 - 2005 COMMUNITY FACILITY DIST TOTAL</b>       | <b>\$1,342,549</b>     | <b>\$1,724,134</b>     | <b>\$1,802,960</b>     | <b>\$1,991,709</b>      |
| 238 - 2008 Community Facility Dist                    |                        |                        |                        |                         |
| Use of Money and Property                             |                        |                        |                        |                         |
| 34311 - Pooled Interest Allocation                    | \$2,121                | \$1,201                | \$1,201                | \$30,000                |
| <b>USE OF MONEY AND PROPERTY TOTAL</b>                | <b>\$2,121</b>         | <b>\$1,201</b>         | <b>\$1,201</b>         | <b>\$30,000</b>         |
| Other Revenue                                         | \$3,172,000            | \$3,748,531            | \$4,734,356            | \$5,775,914             |
| <b>238 - 2008 COMMUNITY FACILITY DIST TOTAL</b>       | <b>\$3,174,121</b>     | <b>\$3,749,732</b>     | <b>\$4,735,557</b>     | <b>\$5,805,914</b>      |
| 250 - Housing Comm Dev Fund                           |                        |                        |                        |                         |
| Intergovernmental Revenue                             |                        |                        |                        |                         |
| 35510 - Federal Contri-General Gov                    | \$0                    | \$0                    | \$0                    | \$16,050                |
| 35530 - Federal Contri-Building                       | \$0                    | \$650,000              | \$650,000              | –                       |
| 35590 - Federal Contri-Planning                       | \$647,982              | \$0                    | \$0                    | –                       |
| <b>INTERGOVERNMENTAL REVENUE TOTAL</b>                | <b>\$647,982</b>       | <b>\$650,000</b>       | <b>\$650,000</b>       | <b>\$16,050</b>         |
| <b>250 - HOUSING COMM DEV FUND TOTAL</b>              | <b>\$647,982</b>       | <b>\$650,000</b>       | <b>\$650,000</b>       | <b>\$16,050</b>         |
| 261 - Supplemental Law Enforcemt Svc                  |                        |                        |                        |                         |
| Use of Money and Property                             |                        |                        |                        |                         |
| 34311 - Pooled Interest Allocation                    | \$9,266                | \$5,256                | \$5,256                | –                       |
| <b>USE OF MONEY AND PROPERTY TOTAL</b>                | <b>\$9,266</b>         | <b>\$5,256</b>         | <b>\$5,256</b>         | <b>–</b>                |
| Intergovernmental Revenue                             |                        |                        |                        |                         |
| 35670 - State Contributions-Police                    | \$100,000              | \$0                    | \$0                    | –                       |
| <b>INTERGOVERNMENTAL REVENUE TOTAL</b>                | <b>\$100,000</b>       | <b>\$0</b>             | <b>\$0</b>             | <b>–</b>                |
| <b>261 - SUPPLEMENTAL LAW ENFORCEMT SVC TOTAL</b>     | <b>\$109,266</b>       | <b>\$5,256</b>         | <b>\$5,256</b>         | <b>–</b>                |
| 262 - State Asset Seizure                             |                        |                        |                        |                         |
| Use of Money and Property                             |                        |                        |                        |                         |
| 34311 - Pooled Interest Allocation                    | \$310                  | \$176                  | \$176                  | –                       |
| <b>USE OF MONEY AND PROPERTY TOTAL</b>                | <b>\$310</b>           | <b>\$176</b>           | <b>\$176</b>           | <b>–</b>                |
| <b>262 - STATE ASSET SEIZURE TOTAL</b>                | <b>\$310</b>           | <b>\$176</b>           | <b>\$176</b>           | <b>–</b>                |
| 263 - Federal Asset Seizure                           |                        |                        |                        |                         |
| Use of Money and Property                             |                        |                        |                        |                         |
| 34311 - Pooled Interest Allocation                    | \$1,824                | \$1,034                | \$1,034                | –                       |
| <b>USE OF MONEY AND PROPERTY TOTAL</b>                | <b>\$1,824</b>         | <b>\$1,034</b>         | <b>\$1,034</b>         | <b>–</b>                |
| <b>263 - FEDERAL ASSET SEIZURE TOTAL</b>              | <b>\$1,824</b>         | <b>\$1,034</b>         | <b>\$1,034</b>         | <b>–</b>                |
| 268 - State Grant Police                              |                        |                        |                        |                         |
| Use of Money and Property                             |                        |                        |                        |                         |
| 34311 - Pooled Interest Allocation                    | \$9,627                | \$5,460                | \$5,460                | –                       |
| <b>USE OF MONEY AND PROPERTY TOTAL</b>                | <b>\$9,627</b>         | <b>\$5,460</b>         | <b>\$5,460</b>         | <b>–</b>                |
| <b>268 - STATE GRANT POLICE TOTAL</b>                 | <b>\$9,627</b>         | <b>\$5,460</b>         | <b>\$5,460</b>         | <b>–</b>                |
| 280 - Solid Waste Services                            |                        |                        |                        |                         |
| Franchise Tax                                         |                        |                        |                        |                         |
| 31320 - Garbage Franchise-SW Comp Fee                 | \$0                    | \$0                    | \$0                    | \$936,692               |
| <b>FRANCHISE TAX TOTAL</b>                            | <b>\$0</b>             | <b>\$0</b>             | <b>\$0</b>             | <b>\$936,692</b>        |

|                                                  | 2023-24 Adopted Budget | 2024-25 Adopted Budget | 2025-26 Adopted Budget | 2026-27 Proposed Budget |
|--------------------------------------------------|------------------------|------------------------|------------------------|-------------------------|
| Licenses and Permits                             |                        |                        |                        |                         |
| 32169 - Building Misc Fees                       | \$0                    | \$889,931              | \$954,615              | –                       |
| <b>LICENSES AND PERMITS TOTAL</b>                | <b>\$0</b>             | <b>\$889,931</b>       | <b>\$954,615</b>       | <b>–</b>                |
| Use of Money and Property                        |                        |                        |                        |                         |
| 34311 - Pooled Interest Allocation               | \$26,517               | \$15,041               | \$15,041               | \$45,000                |
| <b>USE OF MONEY AND PROPERTY TOTAL</b>           | <b>\$26,517</b>        | <b>\$15,041</b>        | <b>\$15,041</b>        | <b>\$45,000</b>         |
| Intergovernmental Revenue                        |                        |                        |                        |                         |
| 35640 - State Contributions-PW                   | \$0                    | \$20,000               | \$20,600               | –                       |
| 35735 - County Contri-Wide AB 939 Fee            | \$150,000              | \$120,000              | \$85,000               | \$50,000                |
| <b>INTERGOVERNMENTAL REVENUE TOTAL</b>           | <b>\$150,000</b>       | <b>\$140,000</b>       | <b>\$105,600</b>       | <b>\$50,000</b>         |
| Other Revenue                                    | \$0                    | \$275,344              | \$275,344              | –                       |
| <b>280 - SOLID WASTE SERVICES TOTAL</b>          | <b>\$176,517</b>       | <b>\$1,320,316</b>     | <b>\$1,350,600</b>     | <b>\$1,031,692</b>      |
| 295 - Housing Authority Fund                     |                        |                        |                        |                         |
| Use of Money and Property                        |                        |                        |                        |                         |
| 34311 - Pooled Interest Allocation               | \$65,658               | \$37,241               | \$37,241               | \$60,000                |
| <b>USE OF MONEY AND PROPERTY TOTAL</b>           | <b>\$65,658</b>        | <b>\$37,241</b>        | <b>\$37,241</b>        | <b>\$60,000</b>         |
| Charges for Services                             |                        |                        |                        |                         |
| 36030 - Rent Lease & Concession-GG               | \$100,000              | \$80,000               | \$80,000               | \$80,000                |
| <b>CHARGES FOR SERVICES TOTAL</b>                | <b>\$100,000</b>       | <b>\$80,000</b>        | <b>\$80,000</b>        | <b>\$80,000</b>         |
| <b>295 - HOUSING AUTHORITY FUND TOTAL</b>        | <b>\$165,658</b>       | <b>\$117,241</b>       | <b>\$117,241</b>       | <b>\$140,000</b>        |
| 310 - Street Improvement Fund                    |                        |                        |                        |                         |
| Use of Money and Property                        |                        |                        |                        |                         |
| 34311 - Pooled Interest Allocation               | \$0                    | \$75,657               | \$75,657               | \$75,000                |
| <b>USE OF MONEY AND PROPERTY TOTAL</b>           | <b>\$0</b>             | <b>\$75,657</b>        | <b>\$75,657</b>        | <b>\$75,000</b>         |
| Operating Transfers In                           | \$0                    | \$715                  | \$0                    | –                       |
| <b>310 - STREET IMPROVEMENT FUND TOTAL</b>       | <b>\$0</b>             | <b>\$76,372</b>        | <b>\$75,657</b>        | <b>\$75,000</b>         |
| 311 - Street CIP                                 |                        |                        |                        |                         |
| Intergovernmental Revenue                        |                        |                        |                        |                         |
| 35550 - Federal Contri-Engineering               | \$0                    | \$0                    | \$2,900,000            | –                       |
| 35650 - State Contributions-Engineer             | \$2,700,000            | \$2,177,562            | \$2,726,235            | \$2,220,620             |
| <b>INTERGOVERNMENTAL REVENUE TOTAL</b>           | <b>\$2,700,000</b>     | <b>\$2,177,562</b>     | <b>\$5,626,235</b>     | <b>\$2,220,620</b>      |
| Operating Transfers In                           | \$2,400,000            | \$2,620,000            | \$3,095,000            | \$6,741,289             |
| Intrafund Transfer                               | \$710,000              | \$1,520,000            | \$500,000              | –                       |
| <b>311 - STREET CIP TOTAL</b>                    | <b>\$5,810,000</b>     | <b>\$6,317,562</b>     | <b>\$9,221,235</b>     | <b>\$8,961,909</b>      |
| 314 - Vehicle Registration Fee                   |                        |                        |                        |                         |
| Use of Money and Property                        |                        |                        |                        |                         |
| 34311 - Pooled Interest Allocation               | \$0                    | \$4,171                | \$4,171                | \$15,000                |
| <b>USE OF MONEY AND PROPERTY TOTAL</b>           | <b>\$0</b>             | <b>\$4,171</b>         | <b>\$4,171</b>         | <b>\$15,000</b>         |
| Intergovernmental Revenue                        |                        |                        |                        |                         |
| 35750 - County Contribution-Eng                  | \$0                    | \$500,000              | \$0                    | –                       |
| <b>INTERGOVERNMENTAL REVENUE TOTAL</b>           | <b>\$0</b>             | <b>\$500,000</b>       | <b>\$0</b>             | <b>–</b>                |
| <b>314 - VEHICLE REGISTRATION FEE TOTAL</b>      | <b>\$0</b>             | <b>\$504,171</b>       | <b>\$4,171</b>         | <b>\$15,000</b>         |
| 315 - Calaveras Widening Impact Fee              |                        |                        |                        |                         |
| Use of Money and Property                        |                        |                        |                        |                         |
| 34311 - Pooled Interest Allocation               | \$0                    | \$1,245                | \$1,245                | \$4,000                 |
| <b>USE OF MONEY AND PROPERTY TOTAL</b>           | <b>\$0</b>             | <b>\$1,245</b>         | <b>\$1,245</b>         | <b>\$4,000</b>          |
| <b>315 - CALAVERAS WIDENING IMPACT FEE TOTAL</b> | <b>\$0</b>             | <b>\$1,245</b>         | <b>\$1,245</b>         | <b>\$4,000</b>          |
| 320 - Park Improvement Fund                      |                        |                        |                        |                         |
| Use of Money and Property                        |                        |                        |                        |                         |
| 34311 - Pooled Interest Allocation               | \$0                    | \$83,287               | \$83,287               | \$125,000               |

|                                          | 2023-24 Adopted Budget | 2024-25 Adopted Budget | 2025-26 Adopted Budget | 2026-27 Proposed Budget |
|------------------------------------------|------------------------|------------------------|------------------------|-------------------------|
| USE OF MONEY AND PROPERTY TOTAL          | \$0                    | \$83,287               | \$83,287               | \$125,000               |
| 320 - PARK IMPROVEMENT FUND TOTAL        | \$0                    | \$83,287               | \$83,287               | \$125,000               |
| 321 - Park Improvement CIP               |                        |                        |                        |                         |
| Intergovernmental Revenue                |                        |                        |                        |                         |
| 35650 - State Contributions-Engineer     | –                      | –                      | –                      | \$301,516               |
| INTERGOVERNMENTAL REVENUE TOTAL          | \$0                    | \$0                    | \$0                    | \$301,516               |
| Operating Transfers In                   | \$0                    | \$0                    | \$0                    | \$300,000               |
| Intrafund Transfer                       | \$755,000              | \$130,000              | \$100,000              | \$1,000,000             |
| 321 - PARK IMPROVEMENT CIP TOTAL         | \$755,000              | \$130,000              | \$100,000              | \$1,601,516             |
| 322 - Midtown Park Fund                  |                        |                        |                        |                         |
| Use of Money and Property                |                        |                        |                        |                         |
| 34311 - Pooled Interest Allocation       | \$0                    | \$21,909               | \$21,909               | \$40,000                |
| USE OF MONEY AND PROPERTY TOTAL          | \$0                    | \$21,909               | \$21,909               | \$40,000                |
| 322 - MIDTOWN PARK FUND TOTAL            | \$0                    | \$21,909               | \$21,909               | \$40,000                |
| 330 - General Government                 |                        |                        |                        |                         |
| Use of Money and Property                |                        |                        |                        |                         |
| 34311 - Pooled Interest Allocation       | \$0                    | \$373,690              | \$373,690              | \$450,000               |
| USE OF MONEY AND PROPERTY TOTAL          | \$0                    | \$373,690              | \$373,690              | \$450,000               |
| 330 - GENERAL GOVERNMENT TOTAL           | \$0                    | \$373,690              | \$373,690              | \$450,000               |
| 331 - General Government CIP             |                        |                        |                        |                         |
| Intergovernmental Revenue                |                        |                        |                        |                         |
| 35650 - State Contributions-Engineer     | \$250,000              | \$600,000              | \$0                    | –                       |
| INTERGOVERNMENTAL REVENUE TOTAL          | \$250,000              | \$600,000              | \$0                    | –                       |
| Operating Transfers In                   | \$5,702,100            | \$8,376,400            | \$7,439,500            | \$2,243,000             |
| Intrafund Transfer                       | \$4,009,000            | \$4,342,000            | \$1,859,000            | \$1,657,000             |
| 331 - GENERAL GOVERNMENT CIP TOTAL       | \$9,961,100            | \$13,318,400           | \$9,298,500            | \$3,900,000             |
| 340 - Storm Drain Development            |                        |                        |                        |                         |
| Use of Money and Property                |                        |                        |                        |                         |
| 34311 - Pooled Interest Allocation       | \$0                    | \$78,317               | \$78,317               | \$80,000                |
| USE OF MONEY AND PROPERTY TOTAL          | \$0                    | \$78,317               | \$78,317               | \$80,000                |
| Other Revenue                            | \$306,332              | \$0                    | \$0                    | \$30,000                |
| 340 - STORM DRAIN DEVELOPMENT TOTAL      | \$306,332              | \$78,317               | \$78,317               | \$110,000               |
| 341 - Storm Drain CIP                    |                        |                        |                        |                         |
| Operating Transfers In                   | \$0                    | \$350,000              | \$2,600,000            | –                       |
| Intrafund Transfer                       | \$1,958,000            | \$600,000              | \$2,000,000            | \$300,000               |
| 341 - STORM DRAIN CIP TOTAL              | \$1,958,000            | \$950,000              | \$4,600,000            | \$300,000               |
| 342 - Storm Drain General Fund           |                        |                        |                        |                         |
| Use of Money and Property                |                        |                        |                        |                         |
| 34311 - Pooled Interest Allocation       | \$0                    | \$13,718               | \$13,718               | \$60,000                |
| USE OF MONEY AND PROPERTY TOTAL          | \$0                    | \$13,718               | \$13,718               | \$60,000                |
| Operating Transfers In                   | \$500,000              | \$500,000              | \$500,000              | \$500,000               |
| 342 - STORM DRAIN GENERAL FUND TOTAL     | \$500,000              | \$513,718              | \$513,718              | \$560,000               |
| 350 - Transit Area Impact Fee Fund       |                        |                        |                        |                         |
| Use of Money and Property                |                        |                        |                        |                         |
| 34311 - Pooled Interest Allocation       | \$0                    | \$984,853              | \$984,853              | \$1,200,000             |
| USE OF MONEY AND PROPERTY TOTAL          | \$0                    | \$984,853              | \$984,853              | \$1,200,000             |
| Other Revenue                            | \$6,984,000            | \$14,704,412           | \$6,448,730            | \$1,200,000             |
| Operating Transfers In                   | \$578,227              | \$0                    | \$0                    | –                       |
| 350 - TRANSIT AREA IMPACT FEE FUND TOTAL | \$7,562,227            | \$15,689,265           | \$7,433,583            | \$2,400,000             |
| 351 - Transit Area CIP                   |                        |                        |                        |                         |

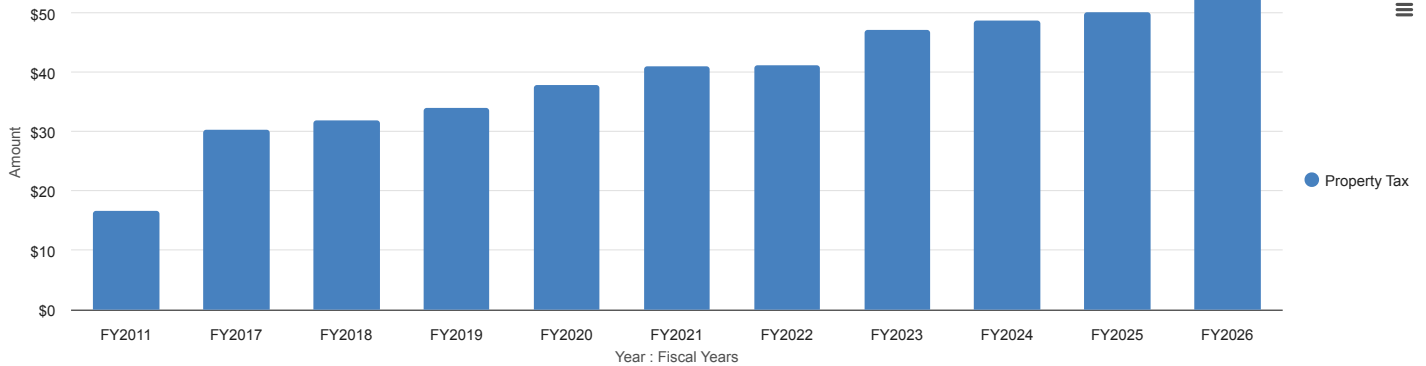
|                                                  | 2023-24 Adopted Budget | 2024-25 Adopted Budget | 2025-26 Adopted Budget | 2026-27 Proposed Budget |
|--------------------------------------------------|------------------------|------------------------|------------------------|-------------------------|
| Intergovernmental Revenue                        |                        |                        |                        |                         |
| 35650 - State Contributions-Engineer             | \$0                    | \$200,000              | \$0                    | –                       |
| <b>INTERGOVERNMENTAL REVENUE TOTAL</b>           | <b>\$0</b>             | <b>\$200,000</b>       | <b>\$0</b>             | <b>–</b>                |
| Intrafund Transfer                               | \$8,000                | \$609,000              | \$6,805,000            | \$10,609,900            |
| <b>351 - TRANSIT AREA CIP TOTAL</b>              | <b>\$8,000</b>         | <b>\$809,000</b>       | <b>\$6,805,000</b>     | <b>\$10,609,900</b>     |
| 400 - Water M & O Fund                           |                        |                        |                        |                         |
| Use of Money and Property                        |                        |                        |                        |                         |
| 34311 - Pooled Interest Allocation               | \$428,455              | \$585,286              | \$585,286              | \$700,000               |
| <b>USE OF MONEY AND PROPERTY TOTAL</b>           | <b>\$428,455</b>       | <b>\$585,286</b>       | <b>\$585,286</b>       | <b>\$700,000</b>        |
| Charges for Services                             |                        |                        |                        |                         |
| 36710 - Water Meter Charge                       | \$5,641,999            | \$5,665,000            | \$6,033,792            | \$6,830,758             |
| 36720 - Water Consumption                        | \$21,195,918           | \$19,956,909           | \$21,256,104           | \$24,997,614            |
| 36728 - Construction Water                       | \$0                    | \$60,000               | \$60,000               | \$40,000                |
| 36730 - Irrigation Meter Charge                  | \$375,500              | \$509,760              | \$542,945              | \$618,011               |
| 36740 - Irrigation Consumption                   | \$3,483,331            | \$3,275,091            | \$3,488,299            | \$2,617,924             |
| 36750 - Fire Line Meter Charge                   | \$173,053              | \$1,038,313            | \$1,038,313            | \$1,100,000             |
| 36760 - Fire Line Consumption                    | \$0                    | \$8,000                | \$8,000                | \$15,669                |
| 36770 - Recycle Meter Charge                     | \$348,998              | \$348,998              | \$371,683              | \$26,450                |
| 36780 - Recycle Consumption                      | \$2,530,180            | \$2,109,263            | \$2,246,365            | \$2,553,537             |
| <b>CHARGES FOR SERVICES TOTAL</b>                | <b>\$33,748,979</b>    | <b>\$32,971,334</b>    | <b>\$35,045,501</b>    | <b>\$38,799,963</b>     |
| <b>400 - WATER M &amp; O FUND TOTAL</b>          | <b>\$34,177,434</b>    | <b>\$33,556,620</b>    | <b>\$35,630,787</b>    | <b>\$39,499,963</b>     |
| 401 - Water CIP                                  |                        |                        |                        |                         |
| Operating Transfers In                           | \$0                    | \$0                    | \$0                    | \$350,000               |
| Intrafund Transfer                               | \$3,571,000            | \$5,260,000            | \$3,920,000            | \$3,425,000             |
| <b>401 - WATER CIP TOTAL</b>                     | <b>\$3,571,000</b>     | <b>\$5,260,000</b>     | <b>\$3,920,000</b>     | <b>\$3,775,000</b>      |
| 402 - Water Line Extension Fund                  |                        |                        |                        |                         |
| Use of Money and Property                        |                        |                        |                        |                         |
| 34311 - Pooled Interest Allocation               | \$103,476              | \$58,692               | \$58,692               | \$85,000                |
| <b>USE OF MONEY AND PROPERTY TOTAL</b>           | <b>\$103,476</b>       | <b>\$58,692</b>        | <b>\$58,692</b>        | <b>\$85,000</b>         |
| Other Revenue                                    | \$1,002,155            | \$249,418              | \$931,200              | \$150,000               |
| <b>402 - WATER LINE EXTENSION FUND TOTAL</b>     | <b>\$1,105,631</b>     | <b>\$308,110</b>       | <b>\$989,892</b>       | <b>\$235,000</b>        |
| 405 - Water Infrastructure Replacemt             |                        |                        |                        |                         |
| Use of Money and Property                        |                        |                        |                        |                         |
| 34311 - Pooled Interest Allocation               | \$401,167              | \$227,543              | \$227,543              | \$250,000               |
| <b>USE OF MONEY AND PROPERTY TOTAL</b>           | <b>\$401,167</b>       | <b>\$227,543</b>       | <b>\$227,543</b>       | <b>\$250,000</b>        |
| Charges for Services                             |                        |                        |                        |                         |
| 36721 - Water Capital Surcharge                  | \$3,923,897            | \$3,745,602            | \$3,953,483            | \$4,354,455             |
| <b>CHARGES FOR SERVICES TOTAL</b>                | <b>\$3,923,897</b>     | <b>\$3,745,602</b>     | <b>\$3,953,483</b>     | <b>\$4,354,455</b>      |
| <b>405 - WATER INFRASTRUCTURE REPLACMT TOTAL</b> | <b>\$4,325,064</b>     | <b>\$3,973,145</b>     | <b>\$4,181,026</b>     | <b>\$4,604,455</b>      |
| 450 - Sewer M & O Fund                           |                        |                        |                        |                         |
| Use of Money and Property                        |                        |                        |                        |                         |
| 34311 - Pooled Interest Allocation               | \$286,967              | \$340,742              | \$340,742              | \$450,000               |
| <b>USE OF MONEY AND PROPERTY TOTAL</b>           | <b>\$286,967</b>       | <b>\$340,742</b>       | <b>\$340,742</b>       | <b>\$450,000</b>        |
| Charges for Services                             |                        |                        |                        |                         |
| 36790 - Sewer Base Charge                        | \$17,305,322           | \$22,947,978           | \$19,460,500           | \$20,295,966            |
| 36795 - Sewer Consumption                        | \$6,233,926            | \$1,872,555            | \$6,695,361            | \$8,171,281             |
| <b>CHARGES FOR SERVICES TOTAL</b>                | <b>\$23,539,248</b>    | <b>\$24,820,533</b>    | <b>\$26,155,861</b>    | <b>\$28,467,247</b>     |
| <b>450 - SEWER M &amp; O FUND TOTAL</b>          | <b>\$23,826,215</b>    | <b>\$25,161,275</b>    | <b>\$26,496,603</b>    | <b>\$28,917,247</b>     |
| 451 - Sewer CIP                                  |                        |                        |                        |                         |
| Intrafund Transfer                               | \$10,068,000           | \$6,388,000            | \$4,817,000            | \$4,614,000             |

|                                                   | 2023-24 Adopted Budget | 2024-25 Adopted Budget | 2025-26 Adopted Budget | 2026-27 Proposed Budget |
|---------------------------------------------------|------------------------|------------------------|------------------------|-------------------------|
| <b>451 - SEWER CIP TOTAL</b>                      | <b>\$10,068,000</b>    | <b>\$6,388,000</b>     | <b>\$4,817,000</b>     | <b>\$4,614,000</b>      |
| 452 - Treatment Plant Construction F              |                        |                        |                        |                         |
| Use of Money and Property                         |                        |                        |                        |                         |
| 34311 - Pooled Interest Allocation                | \$140,851              | \$79,891               | \$79,891               | \$20,000                |
| <b>USE OF MONEY AND PROPERTY TOTAL</b>            | <b>\$140,851</b>       | <b>\$79,891</b>        | <b>\$79,891</b>        | <b>\$20,000</b>         |
| Other Revenue                                     | \$1,417,137            | \$301,290              | \$1,525,000            | \$400,000               |
| <b>452 - TREATMENT PLANT CONSTRUCTION F TOTAL</b> | <b>\$1,557,988</b>     | <b>\$381,181</b>       | <b>\$1,604,891</b>     | <b>\$420,000</b>        |
| 455 - Sewer Infrastructure Replacemt              |                        |                        |                        |                         |
| Use of Money and Property                         |                        |                        |                        |                         |
| 34311 - Pooled Interest Allocation                | \$753,936              | \$427,635              | \$427,635              | \$700,000               |
| <b>USE OF MONEY AND PROPERTY TOTAL</b>            | <b>\$753,936</b>       | <b>\$427,635</b>       | <b>\$427,635</b>       | <b>\$700,000</b>        |
| <b>455 - SEWER INFRASTRUCTURE REPLACMT TOTAL</b>  | <b>\$753,936</b>       | <b>\$427,635</b>       | <b>\$427,635</b>       | <b>\$700,000</b>        |
| 500 - Equipment Management Fund                   |                        |                        |                        |                         |
| Use of Money and Property                         |                        |                        |                        |                         |
| 34311 - Pooled Interest Allocation                | \$312,663              | \$177,344              | \$177,344              | \$225,000               |
| <b>USE OF MONEY AND PROPERTY TOTAL</b>            | <b>\$312,663</b>       | <b>\$177,344</b>       | <b>\$177,344</b>       | <b>\$225,000</b>        |
| Charges for Services                              |                        |                        |                        |                         |
| 36210 - Service Charges-Public Works              | \$3,300,000            | \$3,300,000            | \$3,300,000            | \$4,088,265             |
| <b>CHARGES FOR SERVICES TOTAL</b>                 | <b>\$3,300,000</b>     | <b>\$3,300,000</b>     | <b>\$3,300,000</b>     | <b>\$4,088,265</b>      |
| <b>500 - EQUIPMENT MANAGEMENT FUND TOTAL</b>      | <b>\$3,612,663</b>     | <b>\$3,477,344</b>     | <b>\$3,477,344</b>     | <b>\$4,313,265</b>      |
| 505 - Information Technology Rplcmt               |                        |                        |                        |                         |
| Use of Money and Property                         |                        |                        |                        |                         |
| 34311 - Pooled Interest Allocation                | \$42,366               | \$24,030               | \$24,030               | \$20,000                |
| <b>USE OF MONEY AND PROPERTY TOTAL</b>            | <b>\$42,366</b>        | <b>\$24,030</b>        | <b>\$24,030</b>        | <b>\$20,000</b>         |
| Operating Transfers In                            | \$300,000              | \$300,000              | \$300,000              | \$300,000               |
| <b>505 - INFORMATION TECHNOLOGY RPLCMT TOTAL</b>  | <b>\$342,366</b>       | <b>\$324,030</b>       | <b>\$324,030</b>       | <b>\$320,000</b>        |
| 506 - Permit Automation Fund                      |                        |                        |                        |                         |
| Use of Money and Property                         |                        |                        |                        |                         |
| 34311 - Pooled Interest Allocation                | \$13,309               | \$7,549                | \$7,549                | \$10,000                |
| <b>USE OF MONEY AND PROPERTY TOTAL</b>            | <b>\$13,309</b>        | <b>\$7,549</b>         | <b>\$7,549</b>         | <b>\$10,000</b>         |
| Charges for Services                              |                        |                        |                        |                         |
| 36010 - General Govern Service Charges            | \$400,000              | \$350,000              | \$400,000              | \$350,000               |
| <b>CHARGES FOR SERVICES TOTAL</b>                 | <b>\$400,000</b>       | <b>\$350,000</b>       | <b>\$400,000</b>       | <b>\$350,000</b>        |
| <b>506 - PERMIT AUTOMATION FUND TOTAL</b>         | <b>\$413,309</b>       | <b>\$357,549</b>       | <b>\$407,549</b>       | <b>\$360,000</b>        |
| 930 - Rdvelpmnt Obligation Retiremnt              |                        |                        |                        |                         |
| Intergovernmental Revenue                         |                        |                        |                        |                         |
| 35710 - County Contribution-Gen Govt              | -                      | -                      | -                      | \$14,110,275            |
| <b>INTERGOVERNMENTAL REVENUE TOTAL</b>            | <b>-</b>               | <b>-</b>               | <b>-</b>               | <b>\$14,110,275</b>     |
| <b>930 - RDVELPMNT OBLIGATION RETIREMNT TOTAL</b> | <b>\$0</b>             | <b>\$0</b>             | <b>\$0</b>             | <b>\$14,110,275</b>     |
| <b>REVENUES TOTAL</b>                             | <b>\$249,072,481</b>   | <b>\$266,182,528</b>   | <b>\$273,810,781</b>   | <b>\$298,613,040</b>    |
| Intrafund Transfers                               | \$21,079,000           | \$18,849,000           | \$20,001,000           | \$21,605,900            |
| Revenues less Intrafund Transfers                 | \$227,993,481          | \$247,333,528          | \$253,809,781          | \$277,007,140           |
| (Increase) Decrease of Reserve                    | -                      | -                      | -                      | -\$15,340,678           |
| <b>TOTAL BUDGET SUMMARY REVENUES</b>              | <b>\$227,993,481</b>   | <b>\$247,333,528</b>   | <b>\$253,809,781</b>   | <b>\$292,347,818</b>    |

# General Fund Revenue History

Financial Information

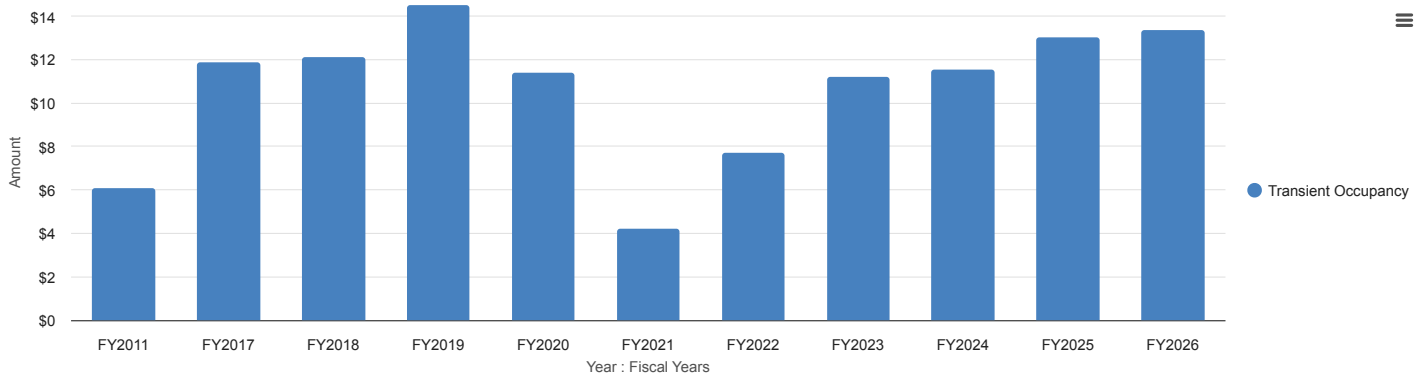
## HISTORY OF PROPERTY TAX REVENUE



Data Updated: Apr 09, 2026, 3:24 PM

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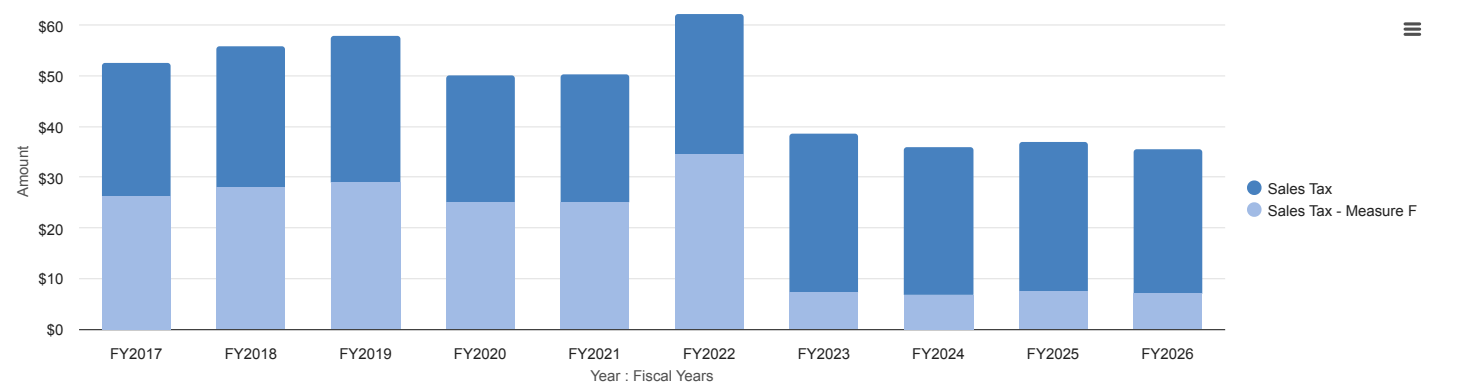
## HISTORY OF TRANSIENT OCCUPANCY TAX REVENUE



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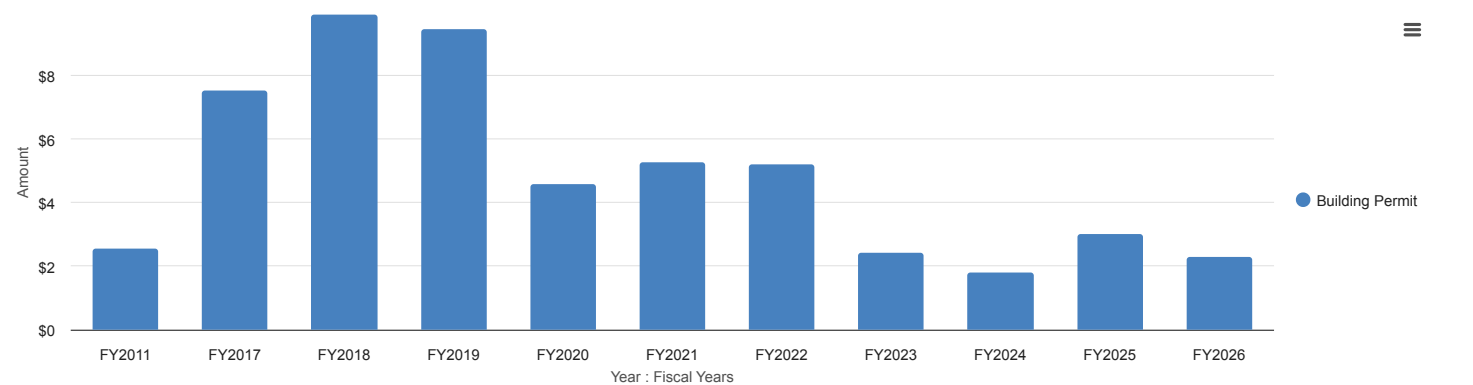
HISTORY OF SALES TAX REVENUE



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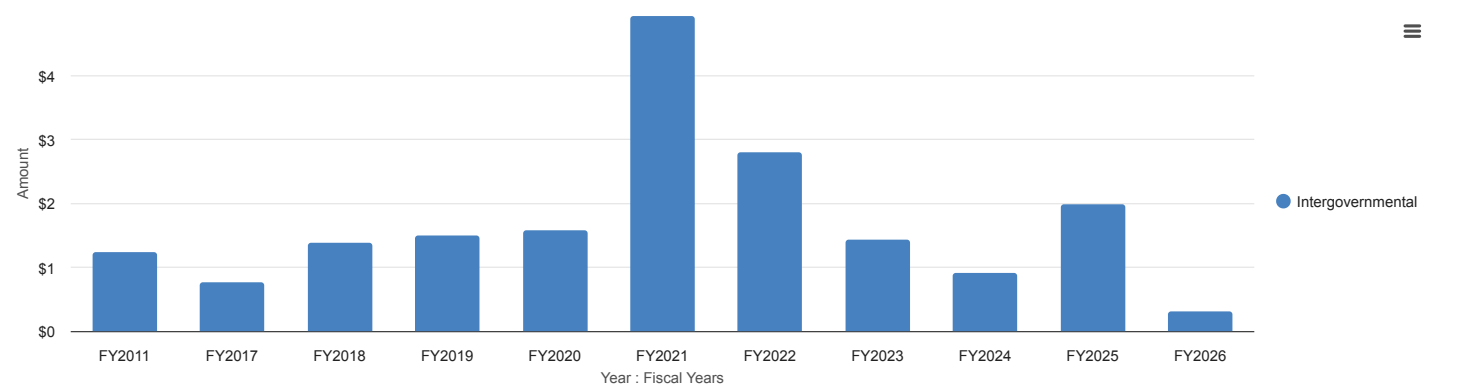
HISTORY OF BUILDING PERMIT REVENUE



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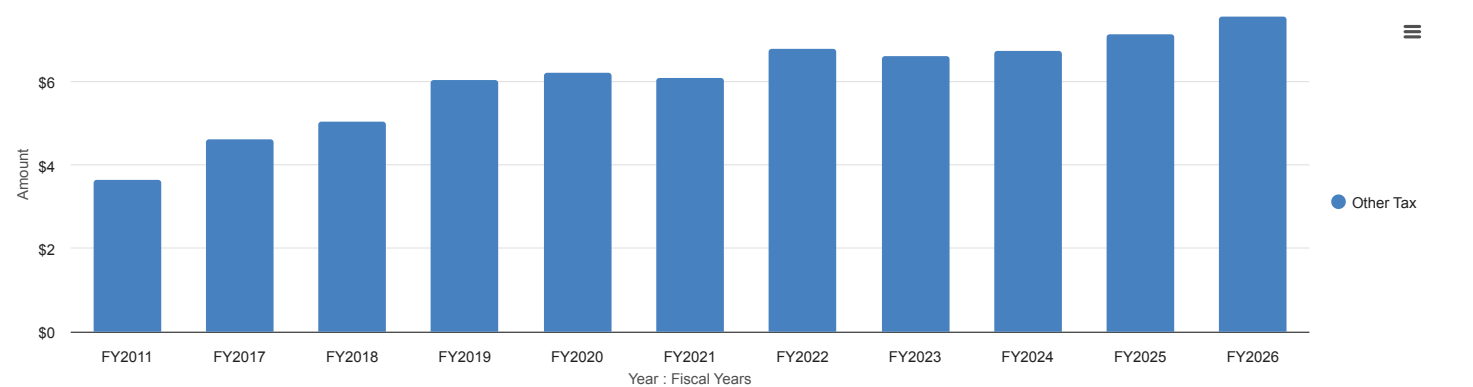
HISTORY OF INTERGOVERNMENTAL REVENUE



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HISTORY OF "OTHER" TAX REVENUE



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# Expenditures By Fund

## Financial Information

|                                       | 2023-24 Adopted Budget | 2024-25 Adopted Budget | 2025-26 Adopted Budget | 2026-27 Proposed Budget |
|---------------------------------------|------------------------|------------------------|------------------------|-------------------------|
| <b>Expenses</b>                       |                        |                        |                        |                         |
| 100 - General Fund                    | \$129,199,520          | \$138,185,394          | \$143,117,051          | \$151,394,604           |
| 103 - 1452 S. Main                    | \$54,000               | \$12,900               | \$12,900               | \$144,500               |
| 105 - Abandon Vehicle Abatement       | \$10,000               | \$10,000               | \$10,000               | \$210,000               |
| 109 - Utilities Subsidy               | \$256,700              | \$256,700              | \$256,700              | \$301,365               |
| 150 - Redevelopment Administration    | \$12,447               | \$10,703               | \$10,771               | \$11,507                |
| 180 - 2021 American Rescue Plan ARPA  | \$0                    | \$0                    | \$589,482              | –                       |
| 211 - HETCH-HETCHY Ground Lease       | \$39,000               | \$43,100               | \$43,100               | \$43,100                |
| 213 - Public Art Fund-Nonrestricted   | \$50,000               | \$50,000               | \$80,712               | \$81,575                |
| 214 - Community Planning Fund         | \$265,175              | \$383,456              | \$427,664              | \$448,334               |
| 216 - Affordable Hsng Community Benf  | \$1,153,118            | \$1,070,058            | \$752,070              | \$965,582               |
| 217 - Affordable Hsng Unrestrictd Fd  | \$0                    | \$0                    | \$177,255              | \$193,515               |
| 218 - Affordable Hsng Grant Fd        | \$0                    | \$0                    | \$50,000               | –                       |
| 221 - Gas Tax Fund                    | \$2,615,000            | \$2,730,000            | \$2,360,000            | \$3,491,180             |
| 222 - Measure B                       | \$0                    | \$0                    | \$0                    | \$2,135,109             |
| 225 - RMRA SBI                        | \$1,500,000            | \$2,000,000            | \$2,000,000            | \$2,000,000             |
| 235 - 95-1 Light&Landscape Maint Dist | \$446,457              | \$495,800              | \$538,748              | \$513,973               |
| 236 - 98-1 Light&Landscape Maint Dist | \$72,044               | \$89,413               | \$87,682               | \$92,465                |
| 237 - 2005 Community Facility Dist    | \$1,704,769            | \$1,972,596            | \$2,462,004            | \$2,660,404             |
| 238 - 2008 Community Facility Dist    | \$3,242,635            | \$3,749,732            | \$4,438,199            | \$3,772,007             |
| 250 - Housing Comm Dev Fund           | \$647,982              | \$650,000              | \$650,000              | \$16,050                |
| <b>262 - State Asset Seizure</b>      | \$30,000               | \$30,000               | \$30,000               | –                       |
| 263 - Federal Asset Seizure           | \$30,000               | \$30,000               | \$30,000               | –                       |
| 280 - Solid Waste Services            | \$963,432              | \$1,320,316            | \$1,120,678            | \$1,160,287             |
| 295 - Housing Authority Fund          | \$431,639              | \$324,787              | \$475,034              | \$455,798               |
| 310 - Street Improvement Fund         | \$855,112              | \$1,020,000            | \$700,000              | –                       |
| 311 - Street CIP                      | \$5,810,000            | \$6,317,562            | \$9,221,235            | \$8,961,909             |
| 314 - Vehicle Registration Fee        | \$500,000              | \$500,000              | \$500,000              | \$500,000               |
| 320 - Park Improvement Fund           | \$1,655,000            | \$280,000              | \$3,300,000            | \$1,100,000             |
| 321 - Park Improvement CIP            | \$755,000              | \$130,000              | \$100,000              | \$1,601,516             |
| 330 - General Government              | \$4,476,030            | \$4,692,715            | \$2,459,000            | \$3,486,084             |
| 331 - General Government CIP          | \$9,961,100            | \$13,318,400           | \$9,298,500            | \$4,137,042             |
| 340 - Storm Drain Development         | \$1,400,000            | \$500,000              | \$0                    | –                       |
| 341 - Storm Drain CIP                 | \$1,958,000            | \$950,000              | \$4,600,000            | \$300,000               |
| 342 - Storm Drain General Fund        | \$558,000              | \$100,000              | \$2,000,000            | \$300,000               |
| 350 - Transit Area Impact Fee Fund    | \$197,659              | \$1,031,538            | \$6,874,218            | \$11,425,118            |
| 351 - Transit Area CIP                | \$8,000                | \$809,000              | \$6,805,000            | \$10,741,890            |
| 400 - Water M & O Fund                | \$33,817,170           | \$37,099,676           | \$37,676,160           | \$42,692,388            |
| 401 - Water CIP                       | \$3,571,000            | \$5,260,000            | \$3,920,000            | \$3,923,450             |

|                                      | 2023-24 Adopted Budget | 2024-25 Adopted Budget | 2025-26 Adopted Budget | 2026-27 Proposed Budget |
|--------------------------------------|------------------------|------------------------|------------------------|-------------------------|
| 402 - Water Line Extension Fund      | \$0                    | \$180,000              | \$200,000              | \$200,000               |
| 405 - Water Infrastructure Replacemt | \$4,817,450            | \$6,491,450            | \$5,221,450            | \$4,447,000             |
| 450 - Sewer M & O Fund               | \$17,049,605           | \$17,608,657           | \$17,343,014           | \$20,164,606            |
| 451 - Sewer CIP                      | \$10,068,000           | \$6,388,000            | \$4,817,000            | \$4,762,450             |
| 452 - Treatment Plant Construction F | \$500,000              | \$1,849,000            | \$0                    | –                       |
| 455 - Sewer Infrastructure Replacemt | \$9,770,000            | \$4,901,000            | \$5,871,000            | \$4,786,000             |
| 500 - Equipment Management Fund      | \$3,276,846            | \$3,311,479            | \$5,360,424            | \$5,523,568             |
| 505 - Information Technology Rplcmt  | \$250,000              | \$2,200,000            | \$952,905              | \$396,000               |
| 506 - Permit Automation Fund         | \$476,587              | \$271,111              | \$273,462              | \$293,067               |
| 590 - Pension Section 115 Trust      | \$0                    | \$0                    | \$0                    | \$10,000                |
| 930 - Rdvelpmnt Obligation Retiremnt | \$0                    | \$0                    | \$0                    | \$14,110,275            |
| EXPENSES TOTAL                       | \$254,454,477          | \$268,624,543          | \$287,213,418          | \$313,953,718           |
| Intrafund Transfers                  | \$21,079,000           | \$18,849,000           | \$20,001,000           | \$21,605,900            |
| TOTAL BUDGET SUMMARY EXPENDITURES    | \$233,375,477          | \$249,775,543          | \$267,212,418          | \$292,347,818           |

# Expenditures By Fund (Detail)

## Financial Information

|                                | 2023-24 Adopted Budget | 2024-25 Adopted Budget | 2025-26 Adopted Budget | 2026-27 Proposed Budget |
|--------------------------------|------------------------|------------------------|------------------------|-------------------------|
| <b>Expenses</b>                |                        |                        |                        |                         |
| 100 - General Fund             |                        |                        |                        |                         |
| City Council                   | \$624,450              | \$631,378              | \$638,942              | \$673,439               |
| City Manager                   | \$2,379,294            | \$2,196,073            | \$2,643,595            | \$2,012,545             |
| Public Information Office      | –                      | –                      | –                      | \$478,033               |
| City Clerk                     | \$649,839              | \$634,488              | \$617,249              | \$913,848               |
| Office of Economic Development | \$1,049,225            | \$1,229,397            | \$1,144,076            | \$915,416               |
| Office of Housing              | \$0                    | \$316,778              | \$465,293              | \$237,926               |
| Building Administration        | \$322,998              | \$375,915              | \$366,120              | \$353,185               |
| Building Inspection Services   | \$2,244,865            | \$2,449,455            | \$2,250,047            | \$2,422,483             |
| Plan Review                    | \$1,436,458            | \$1,561,882            | \$1,638,128            | \$1,657,571             |
| Permit Center                  | \$623,647              | \$822,077              | \$872,853              | \$931,207               |
| City Attorney                  | \$1,189,895            | \$1,214,142            | \$1,108,979            | \$1,394,690             |
| Finance Administration         | \$2,494,478            | \$2,505,450            | \$2,903,703            | \$1,609,938             |
| Finance Operations             | \$2,036,435            | \$2,176,424            | \$2,170,212            | \$2,369,999             |
| Fiscal Services-Utilities      | \$385,090              | \$513,703              | \$680,898              | \$441,466               |
| Finance Purchasing and Risk    | \$0                    | \$0                    | \$7,095                | \$76,413                |
| Finance Budget                 | \$0                    | \$0                    | \$0                    | \$1,118,861             |
| Engineering Administration     | \$190,386              | \$333,387              | \$365,588              | \$651,920               |
| Design & Construction          | \$1,423,953            | \$1,807,610            | \$1,751,320            | \$1,137,364             |
| Land Development               | \$1,711,964            | \$1,830,670            | \$1,823,656            | \$1,410,908             |
| <b>Traffic Engineering</b>     | \$663,610              | \$749,811              | \$817,000              | \$1,267,712             |
| Public Works Administration    | \$856,852              | \$950,283              | \$926,215              | \$934,689               |
| Street Maintenance             | \$2,108,683            | \$1,941,722            | \$2,199,784            | \$1,947,460             |
| Utility Engineering            | \$0                    | \$0                    | \$0                    | \$309,642               |
| Utility Maintenance            | \$1,094,755            | \$1,162,276            | \$1,196,228            | \$1,107,665             |
| Park Maintenance               | \$1,498,054            | \$1,591,432            | \$2,090,180            | \$2,080,466             |
| Trees & Landscape Maint        | \$1,718,519            | \$1,905,234            | \$1,700,093            | \$1,819,804             |
| Fleet Maintenance              | \$211,000              | \$0                    | \$0                    | \$68,181                |
| Facilities Maintenance         | \$3,174,678            | \$3,762,569            | \$3,859,477            | \$3,199,177             |
| Compliance                     | \$415,696              | \$387,923              | \$453,669              | \$475,453               |
| Solid Waste                    | \$8,000                | \$8,000                | \$8,000                | \$8,000                 |
| Planning                       | \$1,955,510            | \$2,030,145            | \$2,076,323            | \$2,386,733             |
| Long Range Planning            | \$68,639               | \$41,361               | \$73,987               | \$79,300                |
| Code Enforcement               | \$0                    | \$1,275,347            | \$618,570              | \$1,507,976             |
| Recreation Administration      | \$2,102,810            | \$2,077,261            | \$2,304,163            | \$2,222,045             |
| Marketing                      | \$279,449              | \$350,133              | \$347,827              | \$363,837               |
| Parks and Facilities Rentals   | \$0                    | \$0                    | \$0                    | \$3,000                 |
| Performing Arts                | \$208,301              | \$188,471              | \$225,475              | \$197,151               |

|                                              | 2023-24 Adopted Budget | 2024-25 Adopted Budget | 2025-26 Adopted Budget | 2026-27 Proposed Budget |
|----------------------------------------------|------------------------|------------------------|------------------------|-------------------------|
| Senior Services                              | \$671,403              | \$776,026              | \$810,070              | \$814,703               |
| Social Services                              | \$190,472              | \$169,262              | \$185,207              | \$179,522               |
| Youth Programs                               | \$1,324,542            | \$1,086,396            | \$1,251,324            | \$1,278,171             |
| General Classes                              | \$549,342              | \$616,125              | \$797,177              | \$825,179               |
| Special Events                               | \$480,175              | \$582,645              | \$638,903              | \$596,507               |
| Aquatics                                     | \$453,781              | \$445,432              | \$470,985              | \$458,910               |
| Sports & Fitness                             | \$515,656              | \$689,306              | \$549,804              | \$584,728               |
| Police Administration                        | \$2,385,308            | \$2,155,534            | \$2,309,737            | \$2,451,017             |
| Records                                      | \$1,515,855            | \$1,611,930            | \$1,707,900            | \$1,849,355             |
| Personnel & Training                         | \$659,098              | \$1,105,341            | \$1,196,769            | \$1,193,309             |
| Communications                               | \$4,446,212            | \$4,652,805            | \$4,871,582            | \$5,492,490             |
| Patrol Services                              | \$22,800,269           | \$27,136,892           | \$28,055,542           | \$24,977,450            |
| Traffic                                      | \$2,120,044            | \$1,601,202            | \$2,456,849            | \$2,553,438             |
| Crossing Guards                              | \$786,631              | \$830,147              | \$877,246              | \$967,585               |
| Community Relations                          | \$1,114,664            | \$1,131,336            | \$1,249,127            | \$1,289,953             |
| Investigations                               | \$5,375,118            | \$5,600,852            | \$5,932,611            | \$6,647,820             |
| Fire Administration                          | \$2,412,262            | \$2,181,174            | \$3,133,262            | \$3,296,047             |
| A/B/C Battalions Operations                  | \$22,647,644           | \$24,793,181           | \$27,062,264           | \$28,549,005            |
| Ambulance Services                           | \$89,627               | \$67,000               | \$64,800               | \$57,200                |
| Disaster Prep & Public Ed                    | \$283,597              | \$297,244              | \$316,099              | \$318,613               |
| Fire Prevention Division Admin               | \$1,118,900            | \$1,170,867            | \$1,200,339            | \$1,330,152             |
| Fire Inspn, Plan Ck & Invstg                 | \$2,741,533            | \$2,933,146            | \$2,532,663            | \$2,646,558             |
| Information Technology                       | \$4,911,128            | \$5,135,405            | \$5,418,659            | \$5,190,265             |
| Human Resources Administration               | \$2,017,207            | \$2,348,798            | \$2,502,994            | \$2,594,307             |
| Non-Departmental                             | \$9,475,860            | \$8,610,642            | \$5,890,993            | \$12,246,715            |
| Operating Transfers                          | -                      | -                      | -                      | \$845,702               |
| Debt Service                                 | \$1,228,000            | \$1,257,200            | \$1,289,400            | \$1,374,400             |
| Equipment to be Depreciated                  | \$0                    | \$178,709              | \$0                    | -                       |
| Housing & Neighborhood Svcs                  | \$1,757,659            | \$0                    | \$0                    | -                       |
| <b>100 - GENERAL FUND TOTAL</b>              | <b>\$129,199,520</b>   | <b>\$138,185,394</b>   | <b>\$143,117,051</b>   | <b>\$151,394,604</b>    |
| 103 - 1452 S. Main                           |                        |                        |                        |                         |
| Office of Housing                            | -                      | -                      | -                      | \$135,000               |
| 1452 S Main                                  | \$54,000               | \$12,900               | \$12,900               | \$9,500                 |
| <b>103 - 1452 S. MAIN TOTAL</b>              | <b>\$54,000</b>        | <b>\$12,900</b>        | <b>\$12,900</b>        | <b>\$144,500</b>        |
| 105 - Abandon Vehicle Abatement              |                        |                        |                        |                         |
| Code Enforcement                             | \$0                    | \$0                    | \$0                    | \$50,000                |
| Traffic                                      | \$10,000               | \$10,000               | \$10,000               | \$160,000               |
| <b>105 - ABANDON VEHICLE ABATEMENT TOTAL</b> | <b>\$10,000</b>        | <b>\$10,000</b>        | <b>\$10,000</b>        | <b>\$210,000</b>        |
| 109 - Utilities Subsidy                      |                        |                        |                        |                         |
| Fiscal Services-Utilities                    | -                      | -                      | -                      | \$12,553                |
| Recreation Administration                    | -                      | -                      | -                      | \$4,082                 |
| Senior Services                              | -                      | -                      | -                      | \$4,113                 |
| Social Services                              | -                      | -                      | -                      | \$23,917                |
| Non-Departmental                             | \$256,700              | \$256,700              | \$256,700              | \$256,700               |
| <b>109 - UTILITIES SUBSIDY TOTAL</b>         | <b>\$256,700</b>       | <b>\$256,700</b>       | <b>\$256,700</b>       | <b>\$301,365</b>        |
| 150 - Redevelopment Administration           |                        |                        |                        |                         |
| City Manager                                 | \$1,007                | \$171                  | \$0                    | -                       |
| Finance Administration                       | \$868                  | \$908                  | \$905                  | \$924                   |
| Finance Operations                           | \$9,194                | \$8,213                | \$8,445                | \$9,077                 |
| Fiscal Services-Utilities                    | \$378                  | \$411                  | \$421                  | \$446                   |

|                                                   | 2023-24 Adopted Budget | 2024-25 Adopted Budget | 2025-26 Adopted Budget | 2026-27 Proposed Budget |
|---------------------------------------------------|------------------------|------------------------|------------------------|-------------------------|
| Non-Departmental                                  | \$1,000                | \$1,000                | \$1,000                | \$1,060                 |
| <b>150 - REDEVELOPMENT ADMINISTRATION TOTAL</b>   | <b>\$12,447</b>        | <b>\$10,703</b>        | <b>\$10,771</b>        | <b>\$11,507</b>         |
| 180 - 2021 American Rescue Plan ARPA              | \$0                    | \$0                    | \$589,482              | –                       |
| 211 - HETCH-HETCHY Ground Lease                   |                        |                        |                        |                         |
| Non-Departmental                                  | \$39,000               | \$43,100               | \$43,100               | \$43,100                |
| <b>211 - HETCH-HETCHY GROUND LEASE TOTAL</b>      | <b>\$39,000</b>        | <b>\$43,100</b>        | <b>\$43,100</b>        | <b>\$43,100</b>         |
| 213 - Public Art Fund-Nonrestricted               |                        |                        |                        |                         |
| Performing Arts                                   | \$0                    | \$0                    | \$0                    | \$20,863                |
| Non-Departmental                                  | \$50,000               | \$50,000               | \$80,712               | –                       |
| Operating Transfers                               | –                      | –                      | –                      | \$60,712                |
| <b>213 - PUBLIC ART FUND-NONRESTRICTED TOTAL</b>  | <b>\$50,000</b>        | <b>\$50,000</b>        | <b>\$80,712</b>        | <b>\$81,575</b>         |
| 214 - Community Planning Fund                     |                        |                        |                        |                         |
| Planning                                          | \$60,803               | \$149,086              | \$117,399              | \$122,135               |
| Long Range Planning                               | \$204,372              | \$234,370              | \$221,961              | \$237,895               |
| Non-Departmental                                  | \$0                    | \$0                    | \$88,304               | –                       |
| Operating Transfers                               | –                      | –                      | –                      | \$88,304                |
| <b>214 - COMMUNITY PLANNING FUND TOTAL</b>        | <b>\$265,175</b>       | <b>\$383,456</b>       | <b>\$427,664</b>       | <b>\$448,334</b>        |
| 216 - Affordable Hsng Community Benf              |                        |                        |                        |                         |
| City Manager                                      | \$63,533               | \$59,240               | \$63,809               | \$42,155                |
| Office of Economic Development                    | \$80,667               | \$34,573               | \$0                    | –                       |
| Office of Housing                                 | \$0                    | \$725,007              | \$274,372              | \$576,756               |
| Building Administration                           | \$156,316              | \$25,411               | \$0                    | –                       |
| City Attorney                                     | \$21,000               | \$21,630               | \$22,279               | \$22,279                |
| Finance Operations                                | \$100,312              | \$108,185              | \$112,803              | \$141,236               |
| Planning                                          | \$96,012               | \$96,012               | \$95,651               | –                       |
| Non-Departmental                                  | \$0                    | \$0                    | \$183,156              | –                       |
| Operating Transfers                               | –                      | –                      | –                      | \$183,156               |
| Housing & Neighborhood Svcs                       | \$635,278              | \$0                    | \$0                    | –                       |
| <b>216 - AFFORDABLE HSNG COMMUNITY BENF TOTAL</b> | <b>\$1,153,118</b>     | <b>\$1,070,058</b>     | <b>\$752,070</b>       | <b>\$965,582</b>        |
| 217 - Affordable Hsng Unrestrictd Fd              |                        |                        |                        |                         |
| Office of Housing                                 | \$0                    | \$0                    | \$177,255              | \$193,515               |
| <b>217 - AFFORDABLE HSNG UNRESTRICTD FD TOTAL</b> | <b>\$0</b>             | <b>\$0</b>             | <b>\$177,255</b>       | <b>\$193,515</b>        |
| 218 - Affordable Hsng Grant Fd                    | \$0                    | \$0                    | \$50,000               | –                       |
| 221 - Gas Tax Fund                                |                        |                        |                        |                         |
| Non-Departmental                                  | \$2,615,000            | \$2,730,000            | \$2,360,000            | –                       |
| Operating Transfers                               | –                      | –                      | –                      | \$3,491,180             |
| <b>221 - GAS TAX FUND TOTAL</b>                   | <b>\$2,615,000</b>     | <b>\$2,730,000</b>     | <b>\$2,360,000</b>     | <b>\$3,491,180</b>      |
| 222 - Measure B                                   |                        |                        |                        |                         |
| Operating Transfers                               | –                      | –                      | –                      | \$2,135,109             |
| <b>222 - MEASURE B TOTAL</b>                      | <b>\$0</b>             | <b>\$0</b>             | <b>\$0</b>             | <b>\$2,135,109</b>      |
| 225 - RMRA SBI                                    |                        |                        |                        |                         |
| Non-Departmental                                  | \$1,500,000            | \$2,000,000            | \$2,000,000            | –                       |
| Operating Transfers                               | –                      | –                      | –                      | \$2,000,000             |
| <b>225 - RMRA SBI TOTAL</b>                       | <b>\$1,500,000</b>     | <b>\$2,000,000</b>     | <b>\$2,000,000</b>     | <b>\$2,000,000</b>      |
| 235 - 95-1 Light&Landscape Maint Dist             |                        |                        |                        |                         |
| Land Development                                  | \$93,156               | \$96,779               | \$101,400              | \$105,100               |
| Public Works Administration                       | \$6,625                | \$6,961                | \$6,424                | \$6,789                 |
| Street Maintenance                                | \$35,142               | \$39,851               | \$40,134               | \$43,811                |
| Park Maintenance                                  | \$0                    | \$0                    | \$0                    | \$18,770                |
| Trees & Landscape Maint                           | \$245,034              | \$277,209              | \$256,897              | \$289,110               |

|                                                       | 2023-24 Adopted Budget | 2024-25 Adopted Budget | 2025-26 Adopted Budget | 2026-27 Proposed Budget |
|-------------------------------------------------------|------------------------|------------------------|------------------------|-------------------------|
| Non-Departmental                                      | \$66,500               | \$75,000               | \$133,893              | –                       |
| Operating Transfers                                   | –                      | –                      | –                      | \$50,393                |
| <b>235 - 95-1 LIGHT&amp;LANDSCPE MAINT DIST TOTAL</b> | <b>\$446,457</b>       | <b>\$495,800</b>       | <b>\$538,748</b>       | <b>\$513,973</b>        |
| 236 - 98-1 Light&Landscape Maint Dist                 |                        |                        |                        |                         |
| Land Development                                      | \$5,645                | \$5,900                | \$5,900                | \$6,400                 |
| Street Maintenance                                    | \$418                  | \$474                  | \$500                  | \$536                   |
| Park Maintenance                                      | \$0                    | \$0                    | \$0                    | \$1,525                 |
| Trees & Landscape Maint                               | \$43,381               | \$59,639               | \$57,989               | \$60,711                |
| Non-Departmental                                      | \$22,600               | \$23,400               | \$23,293               | –                       |
| Operating Transfers                                   | –                      | –                      | –                      | \$23,293                |
| <b>236 - 98-1 LIGHT&amp;LANDSCPE MAINT DIST TOTAL</b> | <b>\$72,044</b>        | <b>\$89,413</b>        | <b>\$87,682</b>        | <b>\$92,465</b>         |
| 237 - 2005 Community Facility Dist                    |                        |                        |                        |                         |
| Public Works Administration                           | \$158,325              | \$165,869              | \$160,061              | \$153,688               |
| Street Maintenance                                    | \$286,281              | \$285,421              | \$446,455              | \$473,635               |
| Park Maintenance                                      | \$344,730              | \$433,912              | \$428,319              | \$452,008               |
| Trees & Landscape Maint                               | \$908,533              | \$1,079,894            | \$1,031,063            | \$1,184,967             |
| Non-Departmental                                      | \$6,900                | \$7,500                | \$396,106              | \$7,500                 |
| Operating Transfers                                   | –                      | –                      | –                      | \$388,606               |
| <b>237 - 2005 COMMUNITY FACILITY DIST TOTAL</b>       | <b>\$1,704,769</b>     | <b>\$1,972,596</b>     | <b>\$2,462,004</b>     | <b>\$2,660,404</b>      |
| 238 - 2008 Community Facility Dist                    |                        |                        |                        |                         |
| Park Maintenance                                      | \$66,035               | \$69,332               | \$72,799               | \$91,607                |
| Non-Departmental                                      | \$3,176,600            | \$3,680,400            | \$4,365,400            | \$5,400                 |
| Operating Transfers                                   | –                      | –                      | –                      | \$3,675,000             |
| <b>238 - 2008 COMMUNITY FACILITY DIST TOTAL</b>       | <b>\$3,242,635</b>     | <b>\$3,749,732</b>     | <b>\$4,438,199</b>     | <b>\$3,772,007</b>      |
| 250 - Housing Comm Dev Fund                           |                        |                        |                        |                         |
| Office of Housing                                     | \$0                    | \$643,000              | \$643,000              | \$9,050                 |
| Non-Departmental                                      | \$7,000                | \$7,000                | \$7,000                | \$7,000                 |
| Housing & Neighborhood Svcs                           | \$640,982              | \$0                    | \$0                    | –                       |
| <b>250 - HOUSING COMM DEV FUND TOTAL</b>              | <b>\$647,982</b>       | <b>\$650,000</b>       | <b>\$650,000</b>       | <b>\$16,050</b>         |
| 262 - State Asset Seizure                             | \$30,000               | \$30,000               | \$30,000               | –                       |
| 263 - Federal Asset Seizure                           | \$30,000               | \$30,000               | \$30,000               | –                       |
| 280 - Solid Waste Services                            |                        |                        |                        |                         |
| City Manager                                          | \$9,166                | \$9,166                | \$9,166                | –                       |
| Solid Waste                                           | \$817,761              | \$1,129,084            | \$920,343              | \$978,221               |
| Non-Departmental                                      | \$136,505              | \$182,066              | \$191,169              | –                       |
| Operating Transfers                                   | –                      | –                      | –                      | \$182,066               |
| <b>280 - SOLID WASTE SERVICES TOTAL</b>               | <b>\$963,432</b>       | <b>\$1,320,316</b>     | <b>\$1,120,678</b>     | <b>\$1,160,287</b>      |
| 295 - Housing Authority Fund                          |                        |                        |                        |                         |
| Office of Housing                                     | \$0                    | \$233,100              | \$383,100              | \$395,575               |
| City Attorney                                         | \$8,000                | \$8,240                | \$8,487                | \$8,487                 |
| Non-Departmental                                      | \$5,539                | \$49,147               | \$49,147               | \$3,236                 |
| 1432 S Main                                           | \$35,000               | \$34,300               | \$34,300               | \$48,500                |
| Housing & Neighborhood Svcs                           | \$383,100              | \$0                    | \$0                    | –                       |
| <b>295 - HOUSING AUTHORITY FUND TOTAL</b>             | <b>\$431,639</b>       | <b>\$324,787</b>       | <b>\$475,034</b>       | <b>\$455,798</b>        |
| 310 - Street Improvement Fund                         |                        |                        |                        |                         |
| Non-Departmental                                      | \$855,112              | \$1,020,000            | \$700,000              | –                       |
| <b>310 - STREET IMPROVEMENT FUND TOTAL</b>            | <b>\$855,112</b>       | <b>\$1,020,000</b>     | <b>\$700,000</b>       | <b>–</b>                |
| 311 - Street CIP                                      |                        |                        |                        |                         |
| Capital Improvement Projects                          | \$5,810,000            | \$6,317,562            | \$9,221,235            | \$8,961,909             |
| <b>311 - STREET CIP TOTAL</b>                         | <b>\$5,810,000</b>     | <b>\$6,317,562</b>     | <b>\$9,221,235</b>     | <b>\$8,961,909</b>      |

|                                                 | 2023-24 Adopted Budget | 2024-25 Adopted Budget | 2025-26 Adopted Budget | 2026-27 Proposed Budget |
|-------------------------------------------------|------------------------|------------------------|------------------------|-------------------------|
| 314 - Vehicle Registration Fee                  |                        |                        |                        |                         |
| Non-Departmental                                | \$500,000              | \$500,000              | \$500,000              | –                       |
| Operating Transfers                             | –                      | –                      | –                      | \$500,000               |
| <b>314 - VEHICLE REGISTRATION FEE TOTAL</b>     | <b>\$500,000</b>       | <b>\$500,000</b>       | <b>\$500,000</b>       | <b>\$500,000</b>        |
| 320 - Park Improvement Fund                     |                        |                        |                        |                         |
| Non-Departmental                                | \$1,655,000            | \$280,000              | \$3,300,000            | –                       |
| Operating Transfers                             | –                      | –                      | –                      | \$100,000               |
| Intrafund Transfers                             | –                      | –                      | –                      | \$1,000,000             |
| <b>320 - PARK IMPROVEMENT FUND TOTAL</b>        | <b>\$1,655,000</b>     | <b>\$280,000</b>       | <b>\$3,300,000</b>     | <b>\$1,100,000</b>      |
| 321 - Park Improvement CIP                      |                        |                        |                        |                         |
| Capital Improvement Projects                    | \$755,000              | \$130,000              | \$100,000              | \$1,601,516             |
| <b>321 - PARK IMPROVEMENT CIP TOTAL</b>         | <b>\$755,000</b>       | <b>\$130,000</b>       | <b>\$100,000</b>       | <b>\$1,601,516</b>      |
| 330 - General Government                        |                        |                        |                        |                         |
| Design & Construction                           | –                      | –                      | –                      | \$1,829,084             |
| Non-Departmental                                | \$4,476,030            | \$4,692,715            | \$2,459,000            | –                       |
| Intrafund Transfers                             | –                      | –                      | –                      | \$1,657,000             |
| <b>330 - GENERAL GOVERNMENT TOTAL</b>           | <b>\$4,476,030</b>     | <b>\$4,692,715</b>     | <b>\$2,459,000</b>     | <b>\$3,486,084</b>      |
| 331 - General Government CIP                    |                        |                        |                        |                         |
| Finance Administration                          | –                      | –                      | –                      | \$23,392                |
| Finance Operations                              | –                      | –                      | –                      | \$40,065                |
| Engineering Administration                      | –                      | –                      | –                      | \$65,112                |
| Design & Construction                           | \$0                    | \$0                    | \$0                    | \$101,605               |
| Land Development                                | –                      | –                      | –                      | \$6,868                 |
| Capital Improvement Projects                    | \$9,961,100            | \$13,318,400           | \$9,298,500            | \$3,900,000             |
| <b>331 - GENERAL GOVERNMENT CIP TOTAL</b>       | <b>\$9,961,100</b>     | <b>\$13,318,400</b>    | <b>\$9,298,500</b>     | <b>\$4,137,042</b>      |
| 340 - Storm Drain Development                   | \$1,400,000            | \$500,000              | \$0                    | –                       |
| 341 - Storm Drain CIP                           |                        |                        |                        |                         |
| Capital Improvement Projects                    | \$1,958,000            | \$950,000              | \$4,600,000            | \$300,000               |
| <b>341 - STORM DRAIN CIP TOTAL</b>              | <b>\$1,958,000</b>     | <b>\$950,000</b>       | <b>\$4,600,000</b>     | <b>\$300,000</b>        |
| 342 - Storm Drain General Fund                  |                        |                        |                        |                         |
| Non-Departmental                                | \$558,000              | \$100,000              | \$2,000,000            | –                       |
| Intrafund Transfers                             | –                      | –                      | –                      | \$300,000               |
| <b>342 - STORM DRAIN GENERAL FUND TOTAL</b>     | <b>\$558,000</b>       | <b>\$100,000</b>       | <b>\$2,000,000</b>     | <b>\$300,000</b>        |
| 350 - Transit Area Impact Fee Fund              |                        |                        |                        |                         |
| City Attorney                                   | \$20,000               | \$20,600               | \$21,218               | \$21,218                |
| Finance Administration                          | \$25,659               | \$25,488               | \$0                    | –                       |
| Engineering Administration                      | \$0                    | \$232,450              | \$0                    | –                       |
| Non-Departmental                                | \$152,000              | \$753,000              | \$6,853,000            | –                       |
| Operating Transfers                             | –                      | –                      | –                      | \$794,000               |
| Intrafund Transfers                             | –                      | –                      | –                      | \$10,609,900            |
| <b>350 - TRANSIT AREA IMPACT FEE FUND TOTAL</b> | <b>\$197,659</b>       | <b>\$1,031,538</b>     | <b>\$6,874,218</b>     | <b>\$11,425,118</b>     |
| 351 - Transit Area CIP                          |                        |                        |                        |                         |
| Finance Administration                          | –                      | –                      | –                      | \$13,389                |
| Finance Operations                              | –                      | –                      | –                      | \$22,887                |
| Engineering Administration                      | –                      | –                      | –                      | \$37,227                |
| Design & Construction                           | –                      | –                      | –                      | \$54,575                |
| Land Development                                | –                      | –                      | –                      | \$3,912                 |
| Capital Improvement Projects                    | \$8,000                | \$809,000              | \$6,805,000            | \$10,609,900            |
| <b>351 - TRANSIT AREA CIP TOTAL</b>             | <b>\$8,000</b>         | <b>\$809,000</b>       | <b>\$6,805,000</b>     | <b>\$10,741,890</b>     |
| 400 - Water M & O Fund                          |                        |                        |                        |                         |

|                                                  | 2023-24 Adopted Budget | 2024-25 Adopted Budget | 2025-26 Adopted Budget | 2026-27 Proposed Budget |
|--------------------------------------------------|------------------------|------------------------|------------------------|-------------------------|
| City Manager                                     | \$9,167                | \$9,167                | \$9,167                | –                       |
| City Attorney                                    | \$9,000                | \$9,270                | \$9,548                | \$9,548                 |
| Fiscal Services-Utilities                        | \$1,097,356            | \$1,251,174            | \$1,262,177            | \$1,245,855             |
| Public Works Administration                      | \$939,322              | \$1,096,911            | \$1,071,669            | \$1,140,562             |
| Street Maintenance                               | \$77,541               | \$83,903               | \$86,849               | \$85,280                |
| Utility Engineering                              | \$893,584              | \$956,390              | \$971,941              | \$31,306,388            |
| Utility Maintenance                              | \$2,837,791            | \$3,013,664            | \$3,664,424            | \$3,755,766             |
| Facilities Maintenance                           | \$0                    | \$0                    | \$10,000               | \$10,000                |
| Compliance                                       | \$244,967              | \$282,965              | \$367,228              | \$417,949               |
| Non-Departmental                                 | \$27,708,442           | \$30,262,416           | \$30,089,341           | \$1,682,532             |
| Operating Transfers                              | –                      | –                      | –                      | \$3,038,508             |
| Equipment to be Depreciated                      | \$0                    | \$133,816              | \$133,816              | –                       |
| <b>400 - WATER M &amp; O FUND TOTAL</b>          | <b>\$33,817,170</b>    | <b>\$37,099,676</b>    | <b>\$37,676,160</b>    | <b>\$42,692,388</b>     |
| 401 - Water CIP                                  |                        |                        |                        |                         |
| Finance Administration                           | –                      | –                      | –                      | \$15,055                |
| Finance Operations                               | –                      | –                      | –                      | \$25,744                |
| Engineering Administration                       | –                      | –                      | –                      | \$41,868                |
| Design & Construction                            | –                      | –                      | –                      | \$61,381                |
| Land Development                                 | –                      | –                      | –                      | \$4,402                 |
| Capital Improvement Projects                     | \$3,571,000            | \$5,260,000            | \$3,920,000            | \$3,775,000             |
| <b>401 - WATER CIP TOTAL</b>                     | <b>\$3,571,000</b>     | <b>\$5,260,000</b>     | <b>\$3,920,000</b>     | <b>\$3,923,450</b>      |
| 402 - Water Line Extension Fund                  |                        |                        |                        |                         |
| Non-Departmental                                 | \$0                    | \$180,000              | \$200,000              | –                       |
| Intrafund Transfers                              | –                      | –                      | –                      | \$200,000               |
| <b>402 - WATER LINE EXTENSION FUND TOTAL</b>     | <b>\$0</b>             | <b>\$180,000</b>       | <b>\$200,000</b>       | <b>\$200,000</b>        |
| 405 - Water Infrastructure Replacemt             |                        |                        |                        |                         |
| Non-Departmental                                 | \$3,773,000            | \$5,445,000            | \$4,177,000            | \$2,800                 |
| Operating Transfers                              | –                      | –                      | –                      | \$172,500               |
| Intrafund Transfers                              | –                      | –                      | –                      | \$3,225,000             |
| Debt Service                                     | \$1,044,450            | \$1,046,450            | \$1,044,450            | \$1,046,700             |
| <b>405 - WATER INFRASTRUCTURE REPLACMT TOTAL</b> | <b>\$4,817,450</b>     | <b>\$6,491,450</b>     | <b>\$5,221,450</b>     | <b>\$4,447,000</b>      |
| 450 - Sewer M & O Fund                           |                        |                        |                        |                         |
| City Manager                                     | \$9,167                | \$9,167                | \$9,167                | –                       |
| Fiscal Services-Utilities                        | \$670,509              | \$802,132              | \$790,320              | \$820,210               |
| Public Works Administration                      | \$659,844              | \$788,092              | \$730,523              | \$795,404               |
| Street Maintenance                               | \$66,463               | \$71,918               | \$74,443               | \$73,099                |
| Utility Engineering                              | \$650,351              | \$686,503              | \$674,359              | \$10,850,124            |
| Utility Maintenance                              | \$1,975,411            | \$1,830,261            | \$1,822,559            | \$1,788,521             |
| Facilities Maintenance                           | \$0                    | \$0                    | \$10,000               | \$10,000                |
| Compliance                                       | \$291,219              | \$161,427              | \$220,704              | \$236,582               |
| Non-Departmental                                 | \$10,294,691           | \$10,786,848           | \$10,541,005           | \$1,557,068             |
| Operating Transfers                              | –                      | –                      | –                      | \$1,583,148             |
| Debt Service                                     | \$2,431,950            | \$2,427,200            | \$2,424,825            | \$2,450,450             |
| Equipment to be Depreciated                      | \$0                    | \$45,109               | \$45,109               | –                       |
| <b>450 - SEWER M &amp; O FUND TOTAL</b>          | <b>\$17,049,605</b>    | <b>\$17,608,657</b>    | <b>\$17,343,014</b>    | <b>\$20,164,606</b>     |
| 451 - Sewer CIP                                  |                        |                        |                        |                         |
| Finance Administration                           | –                      | –                      | –                      | \$15,055                |
| Finance Operations                               | –                      | –                      | –                      | \$25,744                |
| Engineering Administration                       | –                      | –                      | –                      | \$41,868                |
| Design & Construction                            | –                      | –                      | –                      | \$61,381                |

|                                                  | 2023-24 Adopted Budget | 2024-25 Adopted Budget | 2025-26 Adopted Budget | 2026-27 Proposed Budget |
|--------------------------------------------------|------------------------|------------------------|------------------------|-------------------------|
| Land Development                                 | –                      | –                      | –                      | \$4,402                 |
| Capital Improvement Projects                     | \$10,068,000           | \$6,388,000            | \$4,817,000            | \$4,614,000             |
| <b>451 - SEWER CIP TOTAL</b>                     | <b>\$10,068,000</b>    | <b>\$6,388,000</b>     | <b>\$4,817,000</b>     | <b>\$4,762,450</b>      |
| 452 - Treatment Plant Construction F             | \$500,000              | \$1,849,000            | \$0                    | –                       |
| 455 - Sewer Infrastructure Replacemt             |                        |                        |                        |                         |
| Non-Departmental                                 | \$9,770,000            | \$4,901,000            | \$5,871,000            | –                       |
| Operating Transfers                              | –                      | –                      | –                      | \$172,000               |
| Intrafund Transfers                              | –                      | –                      | –                      | \$4,614,000             |
| <b>455 - SEWER INFRASTRUCTURE REPLACMT TOTAL</b> | <b>\$9,770,000</b>     | <b>\$4,901,000</b>     | <b>\$5,871,000</b>     | <b>\$4,786,000</b>      |
| 500 - Equipment Management Fund                  |                        |                        |                        |                         |
| Building Inspection Services                     | \$33,412               | \$0                    | \$0                    | –                       |
| Design & Construction                            | \$81,412               | \$0                    | \$0                    | –                       |
| Public Works Administration                      | \$204,731              | \$215,788              | \$232,733              | \$339,481               |
| Street Maintenance                               | \$41,048               | \$0                    | \$0                    | \$735,844               |
| Utility Maintenance                              | \$46,890               | \$0                    | \$0                    | \$735,844               |
| Park Maintenance                                 | \$0                    | \$0                    | \$0                    | \$108,186               |
| Trees & Landscape Maint                          | \$39,898               | \$0                    | \$0                    | \$423,186               |
| Fleet Maintenance                                | \$2,213,438            | \$2,567,751            | \$2,350,799            | \$2,202,623             |
| Compliance                                       | \$10,000               | \$10,000               | \$10,000               | \$10,000                |
| Senior Services                                  | \$67,336               | \$0                    | \$0                    | –                       |
| Patrol Services                                  | \$202,558              | \$0                    | \$0                    | \$281,416               |
| Investigations                                   | \$40,604               | \$0                    | \$0                    | –                       |
| A/B/C Battalions Operations                      | \$24,408               | \$24,408               | \$24,408               | –                       |
| Non-Departmental                                 | \$271,111              | \$306,730              | \$2,471,682            | \$323,536               |
| Operating Transfers                              | –                      | –                      | –                      | \$363,452               |
| Equipment to be Depreciated                      | \$0                    | \$186,802              | \$270,802              | –                       |
| <b>500 - EQUIPMENT MANAGEMENT FUND TOTAL</b>     | <b>\$3,276,846</b>     | <b>\$3,311,479</b>     | <b>\$5,360,424</b>     | <b>\$5,523,568</b>      |
| 505 - Information Technology Rplcmt              |                        |                        |                        |                         |
| Information Technology                           | \$250,000              | \$250,000              | \$250,000              | \$250,000               |
| Non-Departmental                                 | \$0                    | \$1,950,000            | \$702,905              | –                       |
| Operating Transfers                              | –                      | –                      | –                      | \$146,000               |
| <b>505 - INFORMATION TECHNOLOGY RPLCMT TOTAL</b> | <b>\$250,000</b>       | <b>\$2,200,000</b>     | <b>\$952,905</b>       | <b>\$396,000</b>        |
| 506 - Permit Automation Fund                     |                        |                        |                        |                         |
| Plan Review                                      | \$38,601               | \$42,496               | \$43,707               | \$41,615                |
| Permit Center                                    | \$40,000               | \$42,000               | \$40,000               | \$40,000                |
| Fire Prevention Division Admin                   | \$16,000               | \$16,000               | \$16,000               | \$16,000                |
| Information Technology                           | \$381,986              | \$170,615              | \$173,755              | \$182,547               |
| Operating Transfers                              | –                      | –                      | –                      | \$12,905                |
| <b>506 - PERMIT AUTOMATION FUND TOTAL</b>        | <b>\$476,587</b>       | <b>\$271,111</b>       | <b>\$273,462</b>       | <b>\$293,067</b>        |
| 590 - Pension Section 115 Trust                  | \$0                    | \$0                    | \$0                    | \$10,000                |
| 930 - Rdvelpmnt Obligation Retiremnt             | \$0                    | \$0                    | \$0                    | \$14,110,275            |
| <b>EXPENSES TOTAL</b>                            | <b>\$254,454,477</b>   | <b>\$268,624,543</b>   | <b>\$287,213,418</b>   | <b>\$313,953,718</b>    |
| Intrafund Transfers                              | \$21,079,000           | \$18,849,000           | \$20,001,000           | \$21,605,900            |
| <b>TOTAL BUDGET SUMMARY EXPENDITURES</b>         | <b>\$233,375,477</b>   | <b>\$249,775,543</b>   | <b>\$267,212,418</b>   | <b>\$292,347,818</b>    |

# Expenditures By Function

## Financial Information

|                                          | General fund     | Housing Authority | Water Fund         | Sewer Fund       | Other Funds      | Total              |
|------------------------------------------|------------------|-------------------|--------------------|------------------|------------------|--------------------|
| <b>Expenses</b>                          |                  |                   |                    |                  |                  |                    |
| 100 - City Council                       | \$673,439        | -                 | -                  | -                | -                | \$673,439          |
| 111 - City Manager                       | \$2,012,545      | -                 | -                  | -                | \$42,155         | \$2,054,700        |
| 113 - Public Information Office          | \$478,033        | -                 | -                  | -                | -                | \$478,033          |
| 114 - City Clerk                         | \$913,848        | -                 | -                  | -                | -                | \$913,848          |
| 116 - Office of Economic Development     | \$915,416        | -                 | -                  | -                | -                | \$915,416          |
| 118 - Office of Housing                  | \$372,926        | \$395,575         | -                  | -                | \$779,321        | \$1,547,822        |
| 530 - Building Administration            | \$353,185        | -                 | -                  | -                | -                | \$353,185          |
| 531 - Building Inspection Services       | \$2,422,483      | -                 | -                  | -                | -                | \$2,422,483        |
| 532 - Plan Review                        | \$1,657,571      | -                 | -                  | -                | \$41,615         | \$1,699,186        |
| 534 - Permit Center                      | \$931,207        | -                 | -                  | -                | \$40,000         | \$971,207          |
| 200 - City Attorney                      | \$1,394,690      | \$8,487           | \$9,548            | -                | \$43,497         | \$1,456,222        |
| 300 - Finance Administration             | \$1,610,862      | -                 | \$15,055           | \$15,055         | \$36,781         | \$1,677,753        |
| 310 - Finance Operations                 | \$2,379,076      | -                 | \$25,744           | \$25,744         | \$204,188        | \$2,634,752        |
| 320 - Fiscal Services-Utilities          | \$454,465        | -                 | \$1,245,855        | \$820,210        | -                | \$2,520,530        |
| 330 - Finance Purchasing and Risk        | \$76,413         | -                 | -                  | -                | -                | \$76,413           |
| 340 - Finance Budget                     | \$1,118,861      | -                 | -                  | -                | -                | \$1,118,861        |
| 411 - Engineering Administration         | \$651,920        | -                 | \$41,868           | \$41,868         | \$102,339        | \$837,995          |
| 412 - Design & Construction              | \$1,137,364      | -                 | \$61,381           | \$61,381         | \$1,985,264      | \$3,245,390        |
| 413 - Land Development                   | \$1,410,908      | -                 | \$4,402            | \$4,402          | \$122,280        | \$1,541,992        |
| 415 - Traffic Engineering                | \$1,267,712      | -                 | -                  | -                | -                | \$1,267,712        |
| <b>420 - Public Works Administration</b> | <b>\$934,689</b> | <b>-</b>          | <b>\$1,140,562</b> | <b>\$795,404</b> | <b>\$499,958</b> | <b>\$3,370,613</b> |
| 421 - Street Maintenance                 | \$1,947,460      | -                 | \$85,280           | \$73,099         | \$1,253,826      | \$3,359,665        |
| 422 - Utility Engineering                | \$309,642        | -                 | \$31,306,388       | \$10,850,124     | -                | \$42,466,154       |
| 423 - Utility Maintenance                | \$1,107,665      | -                 | \$3,755,766        | \$1,788,521      | \$735,844        | \$7,387,796        |
| 424 - Park Maintenance                   | \$2,080,466      | -                 | -                  | -                | \$672,096        | \$2,752,562        |
| 425 - Trees & Landscape Maint            | \$1,819,804      | -                 | -                  | -                | \$1,957,974      | \$3,777,778        |
| 426 - Fleet Maintenance                  | \$68,181         | -                 | -                  | -                | \$2,202,623      | \$2,270,804        |
| 427 - Facilities Maintenance             | \$3,199,177      | -                 | \$10,000           | \$10,000         | -                | \$3,219,177        |
| 428 - Compliance                         | \$475,453        | -                 | \$417,949          | \$236,582        | \$10,000         | \$1,139,984        |
| 430 - Solid Waste                        | \$8,000          | -                 | -                  | -                | \$978,221        | \$986,221          |
| 512 - Planning                           | \$2,386,733      | -                 | -                  | -                | \$122,135        | \$2,508,868        |
| 513 - Long Range Planning                | \$79,300         | -                 | -                  | -                | \$237,895        | \$317,195          |
| 541 - Code Enforcement                   | \$1,557,976      | -                 | -                  | -                | -                | \$1,557,976        |
| 610 - Recreation Administration          | \$2,226,127      | -                 | -                  | -                | -                | \$2,226,127        |
| 611 - Marketing                          | \$363,837        | -                 | -                  | -                | -                | \$363,837          |
| 612 - Parks and Facilities Rentals       | \$3,000          | -                 | -                  | -                | -                | \$3,000            |
| 620 - Performing Arts                    | \$197,151        | -                 | -                  | -                | \$20,863         | \$218,014          |
| 630 - Senior Services                    | \$818,816        | -                 | -                  | -                | -                | \$818,816          |

|                                           | General fund         | Housing Authority | Water Fund          | Sewer Fund          | Other Funds         | Total                |
|-------------------------------------------|----------------------|-------------------|---------------------|---------------------|---------------------|----------------------|
| 631 - Social Services                     | \$203,439            | –                 | –                   | –                   | –                   | \$203,439            |
| 640 - Youth Programs                      | \$1,278,171          | –                 | –                   | –                   | –                   | \$1,278,171          |
| 641 - General Classes                     | \$825,179            | –                 | –                   | –                   | –                   | \$825,179            |
| 650 - Special Events                      | \$596,507            | –                 | –                   | –                   | –                   | \$596,507            |
| 651 - Aquatics                            | \$458,910            | –                 | –                   | –                   | –                   | \$458,910            |
| 652 - Sports & Fitness                    | \$584,728            | –                 | –                   | –                   | –                   | \$584,728            |
| 700 - Police Administration               | \$2,451,017          | –                 | –                   | –                   | –                   | \$2,451,017          |
| 711 - Records                             | \$1,849,355          | –                 | –                   | –                   | –                   | \$1,849,355          |
| 712 - Personnel & Training                | \$1,193,309          | –                 | –                   | –                   | –                   | \$1,193,309          |
| 713 - Communications                      | \$5,492,490          | –                 | –                   | –                   | –                   | \$5,492,490          |
| 721 - Patrol Services                     | \$24,977,450         | –                 | –                   | –                   | \$281,416           | \$25,258,866         |
| 722 - Traffic                             | \$2,713,438          | –                 | –                   | –                   | –                   | \$2,713,438          |
| 723 - Crossing Guards                     | \$967,585            | –                 | –                   | –                   | –                   | \$967,585            |
| 731 - Community Relations                 | \$1,289,953          | –                 | –                   | –                   | –                   | \$1,289,953          |
| 732 - Investigations                      | \$6,647,820          | –                 | –                   | –                   | –                   | \$6,647,820          |
| 801 - Fire Administration                 | \$3,296,047          | –                 | –                   | –                   | –                   | \$3,296,047          |
| 812 - A/B/C Battalions Operations         | \$28,549,005         | –                 | –                   | –                   | –                   | \$28,549,005         |
| 814 - Ambulance Services                  | \$57,200             | –                 | –                   | –                   | –                   | \$57,200             |
| 816 - Disaster Prep & Public Ed           | \$318,613            | –                 | –                   | –                   | –                   | \$318,613            |
| 821 - Fire Prevention Division Admin      | \$1,330,152          | –                 | –                   | –                   | \$16,000            | \$1,346,152          |
| 822 - Fire Insptn, Plan Ck & Invstg       | \$2,646,558          | –                 | –                   | –                   | –                   | \$2,646,558          |
| 112 - Information Technology              | \$5,190,265          | –                 | –                   | –                   | \$432,547           | \$5,622,812          |
| 115 - Human Resources Administration      | \$2,594,307          | –                 | –                   | –                   | –                   | \$2,594,307          |
| 910 - Non-Departmental                    | \$12,504,475         | \$3,236           | \$1,685,332         | \$1,557,068         | \$404,136           | \$16,154,247         |
| 991 - Operating Transfers                 | \$845,702            | –                 | \$3,211,008         | \$1,755,148         | \$14,216,976        | \$20,028,834         |
| 992 - Intrafund Transfers                 | –                    | –                 | \$3,425,000         | \$4,614,000         | \$13,566,900        | \$21,605,900         |
| 920 - Debt Service                        | \$1,374,400          | –                 | \$1,046,700         | \$2,450,450         | \$14,079,875        | \$18,951,425         |
| 941 - 1432 S Main                         | –                    | \$48,500          | –                   | –                   | –                   | \$48,500             |
| 942 - 1452 S Main                         | \$9,500              | –                 | –                   | –                   | –                   | \$9,500              |
| 951 - Capital Improvement Projects        | –                    | –                 | \$3,775,000         | \$4,614,000         | \$25,373,325        | \$33,762,325         |
| <b>EXPENSES TOTAL</b>                     | <b>\$152,061,976</b> | <b>\$455,798</b>  | <b>\$51,262,838</b> | <b>\$29,713,056</b> | <b>\$80,460,050</b> | <b>\$313,953,718</b> |
| <b>Less intrafund transfers</b>           | <b>–</b>             | <b>–</b>          | <b>\$3,425,000</b>  | <b>\$4,614,000</b>  | <b>\$13,566,900</b> | <b>\$21,605,900</b>  |
| <b>Expenses Total (without transfers)</b> | <b>\$152,061,976</b> | <b>\$455,798</b>  | <b>\$47,837,838</b> | <b>\$25,099,056</b> | <b>\$66,893,150</b> | <b>\$292,347,818</b> |

# Operating Transfers Statement

## Financial Information

| Origin and Purpose of Transfer                     |                                                                                        | Transfer Distribution |
|----------------------------------------------------|----------------------------------------------------------------------------------------|-----------------------|
| From the General Fund                              | To the LLMD 95-1 Fund for:<br>General Benefit Contribution                             | \$ 24,522             |
|                                                    | sub-total                                                                              | \$ 24,522             |
| From the General Fund                              | To the LLMD 98-1 Fund for:<br>General Benefit Contribution                             | \$ 21,180             |
|                                                    | sub-total                                                                              | \$ 21,180             |
| From the General Fund                              | To the Storm Drain Development Fund for:<br>Contribution to Storm Drain Fund           | \$ 500,000            |
|                                                    | sub-total                                                                              | \$ 500,000            |
| From the General Fund                              | To the Information Technology Replacemet Fund for:<br>Contribution to Storm Drain Fund | \$ 300,000            |
|                                                    | sub-total                                                                              | \$ 300,000            |
| From the Public Art Fund                           | To the General Fund for:<br>Operating Cost Reimbursement                               | \$ 6,060              |
|                                                    | sub-total                                                                              | \$ 6,060              |
| From the Public Art Fund                           | To the General Government CIP for:<br>Public Art Project (3489)                        | \$ 55,000             |
|                                                    | sub-total                                                                              | \$ 55,000             |
| From the Community Planning Fund                   | To the General Fund for:<br>Operating Cost Reimbursement                               | \$ 100,589            |
|                                                    | sub-total                                                                              | \$ 100,589            |
| From the Affordable Housing Community Benefit Fund | To the General Fund for:<br>Operating Cost Reimbursement                               | \$ 192,753            |
|                                                    | sub-total                                                                              | \$ 192,753            |
| From the Affordable Housing Unrestricted Fund      | To the General Fund for:<br>Operating Cost Reimbursement                               | \$ 48,345             |
|                                                    | sub-total                                                                              | \$ 48,345             |
| From the Gas Tax Fund                              | To the General Government CIP for:<br>Annual St & Signal Light R (3440)                | \$ 1,000,000          |
|                                                    | Annual Sidewalk, Curb & Gu (3426)                                                      | \$ 600,000            |
|                                                    | sub-total                                                                              | \$ 1,600,000          |

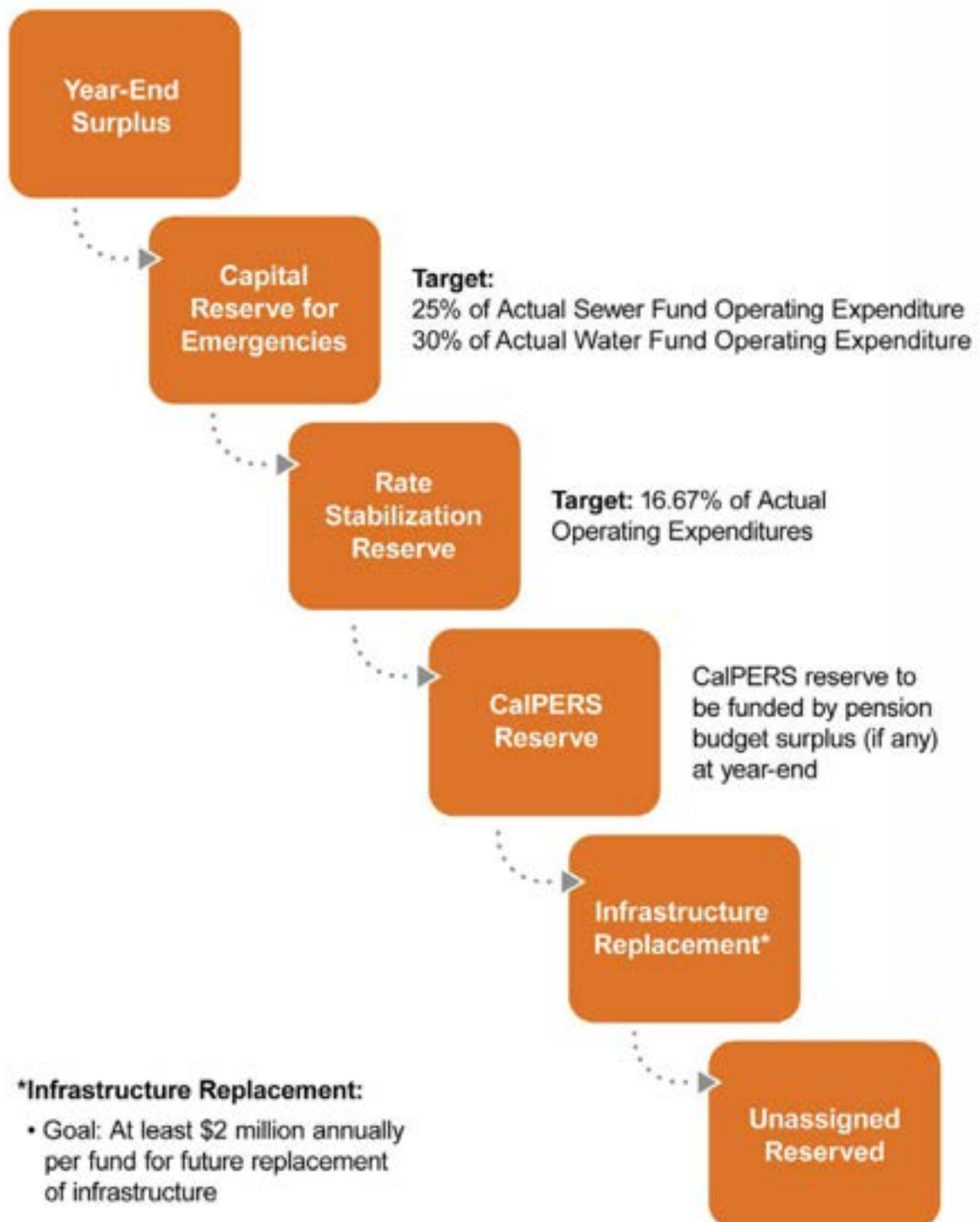
| Origin and Purpose of Transfer          |                                              | Transfer Distribution |
|-----------------------------------------|----------------------------------------------|-----------------------|
| From the Gas Tax Fund                   | To the Street CIP for:                       |                       |
|                                         | Roadway Preservation Program (4316)          | \$ 700,000            |
|                                         | ADA curb Transition Prgm (4283)              | \$ 400,000            |
|                                         | Street Resurfacing Project 2027-28 (4309)    | \$ 250,000            |
|                                         | Street Pavement Restriping (4295)            | \$ 200,000            |
|                                         | HSIP Traffic Safety Improvement (4314)       | \$ 191,180            |
|                                         | Traffic Studies & Safety Improvements (4288) | \$ 150,000            |
|                                         | <b>sub-total</b>                             | <b>\$ 1,891,180</b>   |
| From the Measure B Fund                 | To the Street CIP for:                       |                       |
|                                         | Street Resurfacing Project 2026-27 (4308)    | \$ 2,066,109          |
|                                         | Street Resurfacing Project 2027-28 (4309)    | \$ 1,900,000          |
|                                         | Bike and Pedestrian Outreach (4306)          | \$ 69,000             |
|                                         | <b>sub-total</b>                             | <b>\$ 2,135,109</b>   |
| From the SB1 RMRA                       | To the Street CIP for:                       |                       |
|                                         | Street Resurfacing Project 2026-27 (4308)    | \$ 2,000,000          |
|                                         | Street Resurfacing Project 2027-28 (4309)    | \$ 2,000,000          |
|                                         | <b>sub-total</b>                             | <b>\$ 2,000,000</b>   |
| From the 95-1 Light & Landscape Maint D | To the General Fund for:                     |                       |
|                                         | Operating Cost Reimbursement                 | \$ 63,675             |
|                                         | <b>sub-total</b>                             | <b>\$ 63,675</b>      |
| From the 98-1 Light & Landscape Maint D | To the General Fund for:                     |                       |
|                                         | Operating Cost Reimbursement                 | \$ 5,719              |
|                                         | <b>sub-total</b>                             | <b>\$ 5,719</b>       |
| From the 98-1 Light & Landscape Maint D | To the General Government CIP for:           |                       |
|                                         | Sinclair LMD Improvements (3411)             | \$ 20,000             |
|                                         | <b>sub-total</b>                             | <b>\$ 20,000</b>      |
| From the 2005 Community Facility Dist   | To the General Fund for:                     |                       |
|                                         | Operating Cost Reimbursement                 | \$ 453,977            |
|                                         | <b>sub-total</b>                             | <b>\$ 453,977</b>     |
| From the 2008 Community Facility Dist   | To the General Fund for:                     |                       |
|                                         | Operating Cost Reimbursement                 | \$ 4,382,558          |
|                                         | <b>sub-total</b>                             | <b>\$ 4,382,558</b>   |
| From the Solid Waste Services Fund      | To the General Fund for:                     |                       |
|                                         | Operating Cost Reimbursement                 | \$ 196,162            |
|                                         | <b>sub-total</b>                             | <b>\$ 196,162</b>     |
| From the Vehicle Registration Fee Fund  | To the Street CIP Fund for:                  |                       |
|                                         | Street Resurfacing Project 2026-27 (4308)    | \$ 500,000            |
|                                         | Street Resurfacing Project 2027-28 (4309)    | \$ 500,000            |
|                                         | <b>sub-total</b>                             | <b>\$ 500,000</b>     |

| Origin and Purpose of Transfer            |                                                                                                                                                                                                                                                       | Transfer Distribution                                              |
|-------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------|
| From the Park Improvement Fund            | To the General Government CIP for:<br>On-Call Parks and Landscaping Services (3463)                                                                                                                                                                   | \$ 100,000                                                         |
|                                           | sub-total                                                                                                                                                                                                                                             | \$ 100,000                                                         |
| From the Park Improvement Fund *          | To the Subsidiary CIP Fund for:<br>Parks Pathway Improvement (5118)                                                                                                                                                                                   | \$ 1,000,000                                                       |
|                                           | sub-total                                                                                                                                                                                                                                             | \$ 1,000,000                                                       |
| From the General Government *             | To the Subsidiary CIP Fund for:<br>HVAC Repairs and Upgrades (3499)<br>On-Call Facilities Maintenance & Repairs (3462)<br>Ben Rogers Park Renovation (3477)<br>Capital Improvement Program Administration (3490)<br>City Buildings, Exterior P (3414) | \$ 530,000<br>\$ 400,000<br>\$ 325,000<br>\$ 252,000<br>\$ 150,000 |
|                                           | sub-total                                                                                                                                                                                                                                             | \$ 1,657,000                                                       |
| From the Storm Drain General Fund *       | To the Subsidiary CIP Fund for:<br>Citywide Green Stormwater Infrastructure Improvement (3726)<br>On-Call Storm Maintenance & Repair Services (3719)                                                                                                  | \$ 200,000<br>\$ 100,000                                           |
|                                           | sub-total                                                                                                                                                                                                                                             | \$ 300,000                                                         |
| From the Transit Area Impact Fee Fund *   | To the Subsidiary CIP Fund for:<br>Trade Zone/Montague Park - Central (2023)<br>Land/Right-of-Way Value De (2010)                                                                                                                                     | \$ 10,600,000<br>\$ 9,900                                          |
|                                           | sub-total                                                                                                                                                                                                                                             | \$ 10,609,900                                                      |
| From the Transit Area Impact Fee Fund     | To the General Government CIP for:<br>Delano Manongs Soccer Field Turf Replacement (5177)                                                                                                                                                             | \$ 300,000                                                         |
|                                           | sub-total                                                                                                                                                                                                                                             | \$ 300,000                                                         |
| From the Transit Area Impact Fee Fund     | To the General Government CIP for:<br>Capital Improvement Program Administration (3490)                                                                                                                                                               | \$ 144,000                                                         |
|                                           | sub-total                                                                                                                                                                                                                                             | \$ 144,000                                                         |
| From the Transit Area Impact Fee Fund     | To the General Government CIP for:<br>(Rmb) TASP Recycled Water (2019)                                                                                                                                                                                | \$ 350,000                                                         |
|                                           | sub-total                                                                                                                                                                                                                                             | \$ 350,000                                                         |
| From the Water M&O Fund                   | To the General Fund for:<br>Operating Cost Reimbursement                                                                                                                                                                                              | \$ 3,349,955                                                       |
|                                           | sub-total                                                                                                                                                                                                                                             | \$ 3,349,955                                                       |
| From Water Line Extension Fund *          | To the Subsidiary CIP Fund for:<br>Hydrant Replacement (7110)                                                                                                                                                                                         | \$ 200,000                                                         |
|                                           | sub-total                                                                                                                                                                                                                                             | \$ 200,000                                                         |
| From the Water Infrastructure Replacement | To the General Government CIP for:<br>Capital Improvement Program Administration (3490)                                                                                                                                                               | \$ 162,000                                                         |
|                                           | sub-total                                                                                                                                                                                                                                             | \$ 162,000                                                         |
| From the Water Infrastructure Replacement | To the Storm Drain CIP for:<br>Strickroth Park Renovation (3473)                                                                                                                                                                                      | \$ 10,500                                                          |
|                                           | sub-total                                                                                                                                                                                                                                             | \$ 10,500                                                          |

| Origin and Purpose of Transfer                    |                                                       | Transfer Distribution |
|---------------------------------------------------|-------------------------------------------------------|-----------------------|
| From the Water Infrastructure Replacement *       | To the Subsidiary CIP Fund for:                       |                       |
|                                                   | Fire Flow Pipeline Improvemtns- phase 1 (7150)        | \$ 2,005,000          |
|                                                   | Fire Flow Pipeline Improvemtns- phase 2 (7151)        | \$ 360,000            |
|                                                   | On-Call Water Maintenance & Repair Services (7137)    | \$ 350,000            |
|                                                   | Asset Renewal and Replacement Program (7141)          | \$ 260,000            |
|                                                   | Sunnyhills Turnout Rehabilitation Project (7149)      | \$ 250,000            |
|                                                   | sub-total                                             | \$ 3,225,000          |
| From the Sewer M & O Fund                         | To the General Fund for:                              |                       |
|                                                   | Operating Cost Reimbursement                          | \$ 1,745,421          |
|                                                   | sub-total                                             | \$ 1,745,421          |
| From the Sewer Infrastructure Replacement         | To the Street CIP Fund for:                           |                       |
|                                                   | Strickroth Park Renovation (3473)                     | \$ 10,000             |
|                                                   | sub-total                                             | \$ 10,000             |
| From the Sewer Infrastructure Replacement         | To the General Government CIP for:                    |                       |
|                                                   | Capital Improvement Program Administration (3490)     | \$ 162,000            |
|                                                   | sub-total                                             | \$ 162,000            |
| From the Sewer Infrastructure Replacement *       | To the Subsidiary CIP Fund for:                       |                       |
|                                                   | SJ Water Polution Control (6118)                      | \$ 2,471,000          |
|                                                   | Sanitary Sewer Pipeline Improvement-Phase 1 (6138)    | \$ 730,000            |
|                                                   | Sanitary Sewer CCTV Inspections & Improvements (6135) | \$ 666,000            |
|                                                   | Sanitary Sewer Pipeline Improvement-Phase 1 (6139)    | \$ 347,000            |
|                                                   | Sewr Pump Station Rehab. P (6124)                     | \$ 300,000            |
|                                                   | On-Call Sewer Maintenance & Repair Services (6134)    | \$ 100,000            |
|                                                   | sub-total                                             | \$ 4,614,000          |
| From the Equipment Replacement                    | To the General Fund for:                              |                       |
|                                                   | Operating Cost Reimbursement                          | \$ 353,322            |
|                                                   | sub-total                                             | \$ 353,322            |
| From the Equipment Replacement                    | To the Street CIP for:                                |                       |
|                                                   | Strickroth Park Renovation (3473)                     | \$ 48,500             |
|                                                   | sub-total                                             | \$ 48,500             |
| From the Equipment Replacement                    | To the General Fund for:                              |                       |
|                                                   | Operating Cost Reimbursement                          | \$ 13,292             |
|                                                   | sub-total                                             | \$ 13,292             |
| From the Technology Replacement                   | To the Street CIP for:                                |                       |
|                                                   | Strickroth Park Renovation (3473)                     | \$ 146,000            |
|                                                   | sub-total                                             | \$ 146,000            |
| From the Redevelopment Obligation Retirement Fund | To the General Fund for:                              |                       |
|                                                   | Operating Administrative Cost Reimbursement           | \$ 22,800             |
|                                                   | sub-total                                             | \$ 22,800             |
| TOTAL TRANSFERS                                   |                                                       | \$ 43,020,519         |

# Reserve Allocation

Financial Information



# City Council

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 the elected governing body of Milpitas, accountable to residents and businesses for the City's direction and services.
- Sets the City's strategic vision and community priorities.
- Appoints the City Manager, City Attorney, and members of the City's boards and commissions.
- Establishes policies and fiscal frameworks to ensure the City's long-term financial sustainability.
- Adopts the Annual Operating Budget and Five-Year Capital Improvement Program.
- Advocates for Milpitas before state, regional, and federal bodies.
- Engages directly with residents, businesses, and community organizations.



| Accomplishments |                                                          | Community<br>Wellness and<br>Open Space                                           | Economic<br>Development<br>and Job Growth                                         | Environment                                                                        | Governance &<br>Administration                                                      | Neighborhoods<br>and Housing                                                        | Public Safety                                                                       | Transportation<br>and Transit                                                       |
|-----------------|----------------------------------------------------------|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
|                 |                                                          |  |  |  |  |  |  |  |
| 1.              | Successful Appointment of City Attorney                  |                                                                                   |                                                                                   |                                                                                    | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |
| 2.              | Approved priority setting policy for key new initiatives | ✓                                                                                 | ✓                                                                                 | ✓                                                                                  | ✓                                                                                   | ✓                                                                                   | ✓                                                                                   | ✓                                                                                   |
| 3.              | Successful agreement with Rivian to locate in Milpitas   | ✓                                                                                 | ✓                                                                                 |                                                                                    | ✓                                                                                   | ✓                                                                                   | ✓                                                                                   |                                                                                     |
| 4.              | FY2025-26 Budget Adoption                                | ✓                                                                                 | ✓                                                                                 | ✓                                                                                  | ✓                                                                                   | ✓                                                                                   | ✓                                                                                   | ✓                                                                                   |
| 5.              | FY2026-30 CIP Budget Adoption                            | ✓                                                                                 |                                                                                   | ✓                                                                                  | ✓                                                                                   | ✓                                                                                   | ✓                                                                                   | ✓                                                                                   |

| Initiatives |                                                                                             | Community<br>Wellness and<br>Open Space                                             | Economic<br>Development<br>and Job Growth                                           | Environment                                                                          | Governance &<br>Administration                                                        | Neighborhoods<br>and Housing                                                          | Public Safety                                                                         | Transportation<br>and Transit                                                         |
|-------------|---------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|
|             |                                                                                             |  |  |  |  |  |  |  |
| 1.          | 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

|                                  | 2024-25 Adopted  | 2025-26 Adopted  | 2026-27 Proposed | FY 2027 Change \$ | FY 2027 Change % |
|----------------------------------|------------------|------------------|------------------|-------------------|------------------|
| Dollars by Function              |                  |                  |                  |                   |                  |
| 100 - City Council               | \$631,378        | \$638,942        | \$673,439        | \$34,497          | 5%               |
| <b>DOLLARS BY FUNCTION TOTAL</b> | <b>\$631,378</b> | <b>\$638,942</b> | <b>\$673,439</b> | <b>\$34,497</b>   | <b>5%</b>        |

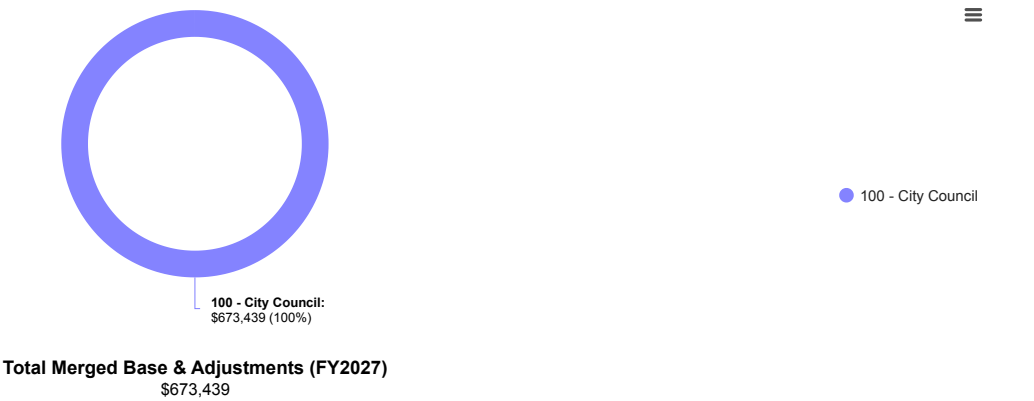
|                                          | 2024-25 Adopted  | 2025-26 Adopted  | 2026-27 Proposed | FY 2027 Change \$ | FY 2027 Change % |
|------------------------------------------|------------------|------------------|------------------|-------------------|------------------|
| Dollars by Category                      |                  |                  |                  |                   |                  |
| Personnel Services                       |                  |                  |                  |                   |                  |
| 41110 - Permanent                        | \$58,688         | \$58,688         | \$99,832         | \$41,144          | 70%              |
| 41120 - Temporary                        | \$144,728        | \$144,728        | \$144,728        | \$0               | 0%               |
| 41210 - Allowances                       | \$37,560         | \$38,700         | \$38,700         | \$0               | 0%               |
| 41310 - PERS                             | \$15,656         | \$15,387         | \$28,018         | \$12,631          | 82%              |
| 41320 - Group Insurance                  | \$122,868        | \$132,396        | \$139,847        | \$7,451           | 6%               |
| 41330 - Medicare-Employer's Contributi   | \$3,495          | \$3,511          | \$11,862         | \$8,351           | 238%             |
| 41350 - Worker's Compensation            | \$1,018          | \$1,017          | \$18,622         | \$17,605          | 1,731%           |
| 41390 - PARS                             | \$2,171          | \$2,171          | \$2,171          | \$0               | 0%               |
| 41420 - Vacancy Factor                   | \$0              | \$0              | -\$35,665        | -\$35,665         | -                |
| 41460 - Short Term Disability            | \$336            | \$336            | \$420            | \$84              | 25%              |
| 41610 - Retiree Medical Reserve          | \$458            | \$458            | \$779            | \$321             | 70%              |
| <b>PERSONNEL SERVICES TOTAL</b>          | <b>\$386,978</b> | <b>\$397,392</b> | <b>\$449,314</b> | <b>\$51,922</b>   | <b>13%</b>       |
| Non-Personnel Expenditures               |                  |                  |                  |                   |                  |
| 42020 - Comm Promo-CtyCil Allocated      | \$19,500         | \$14,500         | \$10,025         | -\$4,475          | -31%             |
| 42030 - Comm Promo-CtyCil Shared         | \$25,000         | \$25,000         | \$25,000         | \$0               | 0%               |
| 42210 - Office Supplies                  | \$11,000         | \$11,000         | \$6,000          | -\$5,000          | -45%             |
| 42370 - Contractual Services - Legacy    | \$23,500         | \$23,500         | \$0              | -\$23,500         | -100%            |
| 42379 - Contractual Services             | \$0              | \$0              | \$23,500         | \$23,500          | -                |
| 45010 - Memberships & Dues               | \$96,400         | \$98,550         | \$88,600         | -\$9,950          | -10%             |
| <b>45030 - Training and Registration</b> | <b>\$50,000</b>  | <b>\$50,000</b>  | <b>\$50,000</b>  | <b>\$0</b>        | <b>0%</b>        |
| 45060 - Meals for Meetings               | \$7,000          | \$7,000          | \$9,000          | \$2,000           | 29%              |
| 45220 - Non-Conference Expenses          | \$12,000         | \$12,000         | \$12,000         | \$0               | 0%               |
| <b>NON-PERSONNEL EXPENDITURES TOTAL</b>  | <b>\$244,400</b> | <b>\$241,550</b> | <b>\$224,125</b> | <b>-\$17,425</b>  | <b>-7%</b>       |
| <b>DOLLARS BY CATEGORY TOTAL</b>         | <b>\$631,378</b> | <b>\$638,942</b> | <b>\$673,439</b> | <b>\$34,497</b>   | <b>5%</b>        |

STAFFING

| Function     | 2023-24 Adopted | 2024-25 Adopted | 2025-26 Adopted | 2026-27 Proposed | FY2027 Change |
|--------------|-----------------|-----------------|-----------------|------------------|---------------|
| FTE          |                 |                 |                 |                  |               |
| City Council | 5               | 5               | 5               | 5                | 0             |
| FTE          | 5               | 5               | 5               | 5                | 0             |

| Position Name | 2023-24 Adopted | 2024-25 Adopted | 2025-26 Adopted | 2026-27 Proposed | FY2027 Change |
|---------------|-----------------|-----------------|-----------------|------------------|---------------|
| FTE           |                 |                 |                 |                  |               |
| Councilmember | 4               | 4               | 4               | 4                | 0             |
| Mayor         | 1               | 1               | 1               | 1                | 0             |
| FTE           | 5               | 5               | 5               | 5                | 0             |

EXPENDITURES BY CATEGORY



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BUDGET RECONCILIATION

|                                                          | Positions | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |
|----------------------------------------------------------|-----------|---------------------------|-------------------------|-----------------------|
| PRIOR YEAR BUDGET                                        | 5.00      | \$638,942                 | \$0                     | \$638,942             |
| Adjustments to Costs of Ongoing Activities               |           |                           |                         |                       |
| Salary and Benefits                                      |           | 51,922                    |                         | 51,922                |
| Non-Personnel Expenditure Alignment to Historical Trends |           | (17,425)                  |                         | (17,425)              |
| Total Adjustment to Costs of Ongoing Activities          | 0.00      | 34,497                    | 0                       | 34,497                |
| Total FY 2026-27 Base Budget                             | 5.00      | \$673,439                 | \$0                     | \$673,439             |
| Service Level Changes                                    |           |                           |                         |                       |
| Total Service Level Changes                              | 0.00      | 0                         | 0                       | 0                     |
| Total FY 2026-27 Proposed Budget                         | 5.00      | \$673,439                 | \$0                     | \$673,439             |

# City Manager

Jared Hernandez (Acting)

## 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

The City Manager's Office leads the organization with integrity, transparency, and accountability, translating City Council strategic and policy direction into effective municipal operations. The Office directs and coordinates all City departments, ensures the efficient delivery of services to residents and businesses, and provides the City Council with the analysis and recommendations needed for informed decision-making.



## SERVICES

- Translates City Council policy direction into effective, transparent municipal operations and service delivery.
- Leads and directs all City departments to advance the Council's strategic priorities.
- Oversees organizational performance, accountability, and workforce development.
- Coordinates preparation of the Annual Operating Budget and Capital Improvement Program.
- Represents the City before external agencies, legislative bodies, and regional partners.
- Monitors federal, state, and regional legislative activity and advises City Council on impacts to Milpitas.
- Provides timely communication to residents and businesses on City services, programs, and emergencies.





| Accomplishments |                                                                                                                                                                                                             | Community<br>Wellness and<br>Open Space                                           | Economic<br>Development<br>and Job Growth                                         | Environment                                                                        | Governance &<br>Administration                                                      | Neighborhoods<br>and Housing                                                        | Public Safety                                                                       | Transportation<br>and Transit                                                       |
|-----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
|                 |                                                                                                                                                                                                             |  |  |  |  |  |  |  |
| 1.              | Proposed a Balanced FY 2026-2027 Budget                                                                                                                                                                     | ✓                                                                                 | ✓                                                                                 | ✓                                                                                  | ✓                                                                                   | ✓                                                                                   | ✓                                                                                   | ✓                                                                                   |
| 2.              | Significantly reduced the ongoing structural budget deficit.                                                                                                                                                |                                                                                   |                                                                                   |                                                                                    | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |
| 3.              | Oversaw executive steering committee for Enterprise Resources Planning System implementation                                                                                                                |                                                                                   |                                                                                   |                                                                                    | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |
| 4.              | Facilitated leadership workshops with executive team                                                                                                                                                        |                                                                                   |                                                                                   |                                                                                    | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |
| 5.              | Facilitated City Council priority setting workshop                                                                                                                                                          | ✓                                                                                 | ✓                                                                                 | ✓                                                                                  | ✓                                                                                   | ✓                                                                                   | ✓                                                                                   | ✓                                                                                   |
| 6.              | 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<br>Wellness and<br>Open Space                                           | Economic<br>Development<br>and Job Growth                                         | Environment                                                                        | Governance &<br>Administration                                                      | Neighborhoods<br>and Housing                                                        | Public Safety                                                                       | Transportation<br>and Transit                                                       |
|-------------|-------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
|             |                                                                                                                                     |  |  |  |  |  |  |  |
| 1.          | Continue to build upon the realignment of 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 Measures                                                                                                                      | Strategic Goals                                                                   | 2022-23 Actual | 2023-24 Actual | 2024-25 Actual | 2025-26 Estimate | 2026-27 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            | N/A            | N/A              | 75%            |
| Employees who feel safe at work                                                                                                           |  | 81%            | N/A            | N/A            | N/A              | 90%            |
| Employees receiving timely annual performance appraisals                                                                                  |  | 70%            | 85%            | 85%            | 85%              | 90%            |

| Activity and Workload Data                                                   | Strategic Goals                                                                     | 2022-23 Actual | 2023-24 Actual | 2024-25 Actual | 2025-26 Estimate | 2026-27 Target |
|------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|----------------|----------------|----------------|------------------|----------------|
| City Council agenda items                                                    |    | 469            | 385            | 450            | 238              | 238            |
| Information Memos published                                                  |    | 30             | 23             | 35             | 20               | 25             |
| City Manager Bi-Weekly Reports                                               |  | 19             | 15             | 19             | 20               | 15             |
| Press Releases                                                               |  | 20             | 18             | 15             | 8                | 12             |
| Communications to all employees<br>(emails, newsletters, town hall meetings) |  | 103            | 80             | 95             | 12               | 80             |

\*The last employee survey was conducted March 2022.

## BUDGET SUMMARY

|                                  | 2024-25 Adopted    | 2025-26 Adopted    | 2026-27 Proposed   | FY 2027 Change \$ | FY 2027 Change % |
|----------------------------------|--------------------|--------------------|--------------------|-------------------|------------------|
| <b>Dollars by Function</b>       |                    |                    |                    |                   |                  |
| 111 - City Manager               | \$2,282,984        | \$2,734,904        | \$2,054,700        | -\$680,204        | -25%             |
| 113 - Public Information Office  | –                  | –                  | \$478,033          | \$478,033         | –                |
| <b>DOLLARS BY FUNCTION TOTAL</b> | <b>\$2,282,984</b> | <b>\$2,734,904</b> | <b>\$2,532,733</b> | <b>-\$202,171</b> | <b>-7%</b>       |

### 111 - City Manager

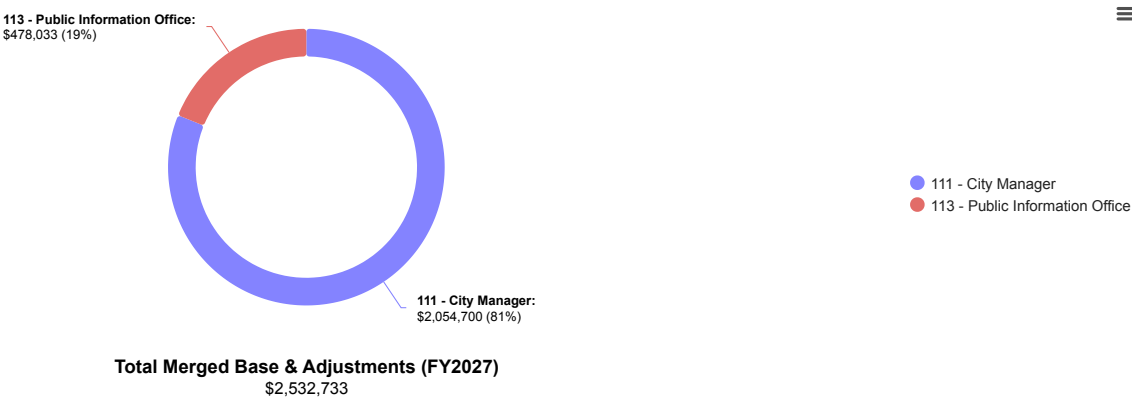
|                                         | 2024-25 Adopted    | 2025-26 Adopted    | 2026-27 Proposed   | FY 2027 Change \$ | FY 2027 Change % |
|-----------------------------------------|--------------------|--------------------|--------------------|-------------------|------------------|
| <b>Dollars by Category</b>              |                    |                    |                    |                   |                  |
| <b>Personnel Services</b>               |                    |                    |                    |                   |                  |
| 41110 - Permanent                       | \$979,777          | \$954,281          | \$1,256,990        | \$302,709         | 32%              |
| 41120 - Temporary                       | \$154,356          | \$154,356          | \$150,980          | -\$3,376          | -2%              |
| 41210 - Allowances                      | \$13,201           | \$6,600            | \$13,200           | \$6,600           | 100%             |
| 41310 - PERS                            | \$379,392          | \$365,632          | \$608,354          | \$242,722         | 66%              |
| 41320 - Group Insurance                 | \$154,992          | \$141,786          | \$200,192          | \$58,406          | 41%              |
| 41330 - Medicare-Employer's Contributi  | \$16,894           | \$16,428           | \$24,451           | \$8,023           | 49%              |
| 41350 - Worker's Compensation           | \$5,749            | \$5,636            | \$8,366            | \$2,730           | 48%              |
| 41380 - Deferred Comp-Employer Contrib  | \$4,503            | \$4,275            | \$6,975            | \$2,700           | 63%              |
| 41390 - PARS                            | \$878              | \$878              | \$0                | -\$878            | -100%            |
| 41460 - Short Term Disability           | \$420              | \$399              | \$484              | \$85              | 21%              |
| 41610 - Retiree Medical Reserve         | \$8,022            | \$7,833            | \$9,941            | \$2,108           | 27%              |
| <b>PERSONNEL SERVICES TOTAL</b>         | <b>\$1,718,184</b> | <b>\$1,658,104</b> | <b>\$2,279,933</b> | <b>\$621,829</b>  | <b>38%</b>       |
| <b>Non-Personnel Expenditures</b>       |                    |                    |                    |                   |                  |
| 42010 - Community Promotions            | \$55,000           | \$0                | \$0                | \$0               | –                |
| 42210 - Office Supplies                 | \$15,000           | \$15,000           | \$15,000           | \$0               | 0%               |
| 42370 - Contractual Services - Legacy   | \$447,500          | \$1,011,500        | \$0                | -\$1,011,500      | -100%            |
| 42379 - Contractual Services            | \$0                | \$0                | \$192,500          | \$192,500         | –                |
| 45010 - Memberships & Dues              | \$9,300            | \$9,300            | \$5,300            | -\$4,000          | -43%             |
| 45030 - Training and Registration       | \$30,000           | \$30,000           | \$30,000           | \$0               | 0%               |
| 45060 - Meals for Meetings              | \$8,000            | \$11,000           | \$10,000           | -\$1,000          | -9%              |
| <b>NON-PERSONNEL EXPENDITURES TOTAL</b> | <b>\$564,800</b>   | <b>\$1,076,800</b> | <b>\$252,800</b>   | <b>-\$824,000</b> | <b>-77%</b>      |
| <b>DOLLARS BY CATEGORY TOTAL</b>        | <b>\$2,282,984</b> | <b>\$2,734,904</b> | <b>\$2,532,733</b> | <b>-\$202,171</b> | <b>-7%</b>       |

STAFFING

| Function     | 2023-24 Adopted | 2024-25 Adopted | 2025-26 Adopted | 2026-27 Proposed | FY2027 Change |
|--------------|-----------------|-----------------|-----------------|------------------|---------------|
| FTE          |                 |                 |                 |                  |               |
| City Manager | 5               | 6               | 5               | 5                | 0             |
| FTE          | 5               | 6               | 5               | 5                | 0             |

| Position Name*                         | 2023-24 Adopted | 2024-25 Adopted | 2025-26 Adopted | 2026-27 Proposed | FY2027 Change |
|----------------------------------------|-----------------|-----------------|-----------------|------------------|---------------|
| FTE                                    |                 |                 |                 |                  |               |
| Administrative Assistant               | 0               | 0               | 0               | 1                | 1             |
| Assistant City Manager                 | 1               | 1               | 1               | 1                | 0             |
| City Manager                           | 1               | 1               | 1               | 1                | 0             |
| Deputy City Manager                    | 1               | 1               | 0               | 0                | 0             |
| Office Specialist                      | 0               | 1               | 1               | 0                | -1            |
| Public Information Officer             | 1               | 1               | 1               | 1                | 0             |
| Senior City Manager Management Analyst | 0               | 0               | 0               | 1                | 1             |
| Senior Executive Assistant             | 1               | 1               | 1               | 0                | -1            |
| FTE                                    | 5               | 6               | 5               | 5                | 0             |

EXPENDITURES BY FUNCTION



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## BUDGET RECONCILIATION

|                                                                       | Positions | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |
|-----------------------------------------------------------------------|-----------|---------------------------|-------------------------|-----------------------|
| PRIOR YEAR BUDGET                                                     | 5.00      | \$2,643,595               | \$91,309                | \$2,734,904           |
| One-Time Prior Year Budget Adjustments                                |           |                           |                         |                       |
| Enhanced Revenue Strategy (One-time)                                  |           | (400,000)                 |                         | (400,000)             |
| Business Tax Reform (One-time)                                        |           | (294,000)                 |                         | (294,000)             |
| One-Time Prior Year Budget Adjustments                                | 0.00      | (694,000)                 | 0                       | (694,000)             |
| Adjustments to Costs of Ongoing Activities                            |           |                           |                         |                       |
| Salary and Benefits changes and the following position reallocations: |           | 615,983                   | 5,846                   | 621,829               |
| -1.0 Senior Executive Assistant to Senior City Management Analyst     |           |                           |                         | 0                     |
| -1.0 Office Specialist to 1.0 Administrative Assistant                |           |                           |                         | 0                     |
| Non-Personnel Expenditure Alignment to Historical Trends              |           | (33,000)                  | (55,000)                | (83,000)              |
| Total Adjustment to Costs of Ongoing Activities                       | 0.00      | 582,983                   | (49,154)                | 533,829               |
| Total FY 2026-27 Base Budget                                          | 5.00      | \$2,532,578               | \$42,155                | \$2,574,733           |
| Service Level Changes                                                 |           |                           |                         |                       |
| Eliminate Grant Consulting                                            |           | (42,000)                  |                         | (42,000)              |
| Total Service Level Changes                                           | 0.00      | (42,000)                  | 0                       | (42,000)              |
| Total FY 2026-27 Proposed Budget                                      | 5.00      | \$2,490,578               | \$42,155                | \$2,532,733           |

## SERVICE LEVEL CHANGES

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Positions | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|---------------------------|-------------------------|-----------------------|
| 1 Eliminate Grant Consulting                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |           | (\$42,000)                | \$0                     | (\$42,000)            |
| <p>This proposal eliminates the ongoing contract expenditure for grant consulting services while transitioning to a retainer-based arrangement that allows department staff to engage their services on an as-needed basis for grant support. This change will provide greater flexibility and cost control by shifting from a fixed recurring cost to a pay-as-needed model funded through departmental budgets. The adjustment will maintain access to specialized grant assistance when required while improving fiscal efficiency and aligning expenditures with actual service utilization. (ongoing)</p> |           |                           |                         |                       |
| <div>Performance Results</div>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |           |                           |                         |                       |
| Total Service Level Changes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 0.00      | (\$42,000)                | \$0                     | (\$42,000)            |

# 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<br>Wellness and<br>Open Space                                           | Economic<br>Development<br>and Job Growth                                         | Environment                                                                        | Governance &<br>Administration                                                      | Neighborhoods<br>and Housing                                                        | Public Safety                                                                       | Transportation<br>and Transit                                                       |
|-----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
|                 |                                                                                                                                                                                                              |  |  |  |  |  |  |  |
| 1.              | Prepared all City Council, Housing Authority, and Public Financing Authority regular & special meeting including Study Session agendas, via use of MuniCode Meetings software, and wrote all meeting minutes | ✓                                                                                 | ✓                                                                                 | ✓                                                                                  | ✓                                                                                   | ✓                                                                                   | ✓                                                                                   | ✓                                                                                   |
| 2.              | Tracked Council agenda items on: Tentative Agenda Items, Major Discussion Items, Preliminary and Final City Council Agenda and List of Requested Agenda Items                                                |                                                                                   |                                                                                   |                                                                                    | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |
| 3.              | Responded to California Public Records Act and Milpitas Open Government Ordinance requests for records                                                                                                       | ✓                                                                                 | ✓                                                                                 | ✓                                                                                  | ✓                                                                                   | ✓                                                                                   | ✓                                                                                   | ✓                                                                                   |
| 4.              | Collected mandated Fair Political Practices Commission documents from filers, including all Statement of Economic Interests (Form 700) and campaign committee reports                                        |                                                                                   |                                                                                   |                                                                                    | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |
| 5.              | Managed the Commission recruitment and appointment process for twelve Commissions, two Task Forces, and one Oversight Committee                                                                              |                                                                                   |                                                                                   |                                                                                    | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |
| 6.              | 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                                                                                                                                                                   |                                                                                   |                                                                                   |                                                                                    | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |

| Initiatives |                                                                                                                                                                                                        | Community<br>Wellness and<br>Open Space                                           | Economic<br>Development<br>and Job Growth                                         | Environment                                                                        | Governance &<br>Administration                                                      | Neighborhoods<br>and Housing                                                        | Public Safety                                                                       | Transportation<br>and Transit                                                       |
|-------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
|             |                                                                                                                                                                                                        |  |  |  |  |  |  |  |
| 1.          | Prepare all City Council, Housing Authority, and Public Financing Authority regular and special meeting agendas and minutes                                                                            | ✓                                                                                 | ✓                                                                                 | ✓                                                                                  | ✓                                                                                   | ✓                                                                                   | ✓                                                                                   | ✓                                                                                   |
| 2.          | Track Council agenda items on: Tentative Agenda Item Lists, Major Discussion Items, 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                                                                                                                                         |                                                                                   |                                                                                   |                                                                                    | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |

| Performance Measures                                                                                                  | Strategic Goals                                                                   | 2022-23 Actual | 2023-24 Actual | 2024-25 Actual | 2025-26 Estimate | 2026-27 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%            | 78%            | 91%            | 95%              | 100%           |
| Comply with timely filings of fair Political Practices Commission Forms 460/Campaign Committee reports                |  | 98%            | 63%            | 85%            | 95%              | 100%           |

| Activity and Workload Data                                           | Strategic Goals                                                                     | 2022-23 Actual | 2023-24 Actual | 2024-25 Actual | 2025-26 Estimate | 2026-27 Target |
|----------------------------------------------------------------------|-------------------------------------------------------------------------------------|----------------|----------------|----------------|------------------|----------------|
| City Council Agenda Reports (regular and special)                    |    | 289            | 243            | 250            | 225              | 225            |
| City Council Meeting Minutes prepared (# pages written)              |    | 32 (170)       | 32 (147)       | 31 (167)       | 32 (150)         | 32 (150)       |
| Candidates Assisted in Municipal Elections                           |   | 15             | 0              | 12             | 0                | 15             |
| Tort Claims received by City Clerk                                   |  | 49             | 50             | 57             | 50               | 50             |
| Fair Political Practices Commission Forms 700 (SEI) Received         |  | 241            | 188            | 201            | 225              | 225            |
| Fair Political Practices Commission Campaign Committee Reports filed |  | 58             | 45             | 63             | 50               | 50             |
| Notary Public acknowledgments (or jurats)                            |  | 79             | 25             | 63             | 55               | 50             |
| Public Records Act Requests Processed                                |  | N/A            | N/A            | 433            | 547              | 550            |

## BUDGET SUMMARY

|                                  | 2024-25 Adopted  | 2025-26 Adopted  | 2026-27 Proposed | FY 2027 Change \$ | FY 2027 Change % |
|----------------------------------|------------------|------------------|------------------|-------------------|------------------|
| Dollars by Function              |                  |                  |                  |                   |                  |
| 114 - City Clerk                 | \$634,488        | \$617,249        | \$913,848        | \$296,599         | 48%              |
| <b>DOLLARS BY FUNCTION TOTAL</b> | <b>\$634,488</b> | <b>\$617,249</b> | <b>\$913,848</b> | <b>\$296,599</b>  | <b>48%</b>       |

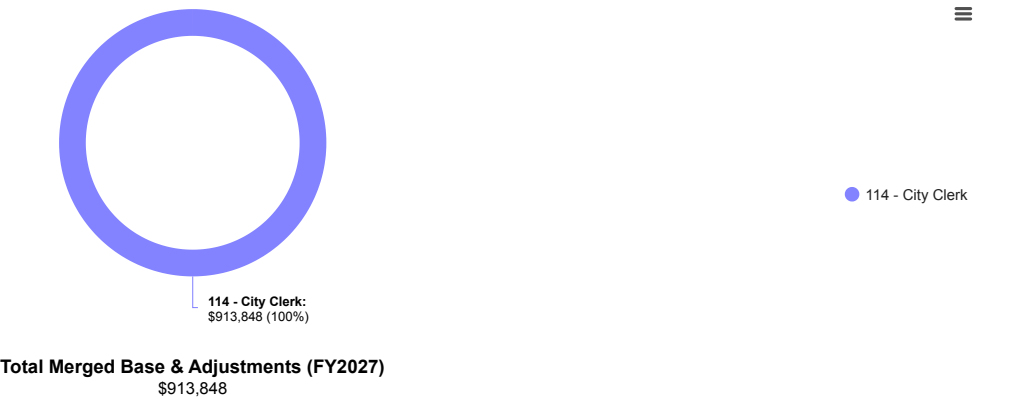
|                                         | 2024-25 Adopted  | 2025-26 Adopted  | 2026-27 Proposed | FY 2027 Change \$ | FY 2027 Change % |
|-----------------------------------------|------------------|------------------|------------------|-------------------|------------------|
| Dollars by Category                     |                  |                  |                  |                   |                  |
| Personnel Services                      |                  |                  |                  |                   |                  |
| 41110 - Permanent                       | \$354,642        | \$352,059        | \$379,438        | \$27,379          | 8%               |
| 41210 - Allowances                      | \$6,600          | \$6,600          | \$6,600          | \$0               | 0%               |
| 41310 - PERS                            | \$123,488        | \$120,476        | \$138,567        | \$18,091          | 15%              |
| 41320 - Group Insurance                 | \$96,648         | \$83,064         | \$87,628         | \$4,564           | 5%               |
| 41330 - Medicare-Employer's Contributi  | \$5,238          | \$5,201          | \$5,598          | \$397             | 8%               |
| 41350 - Worker's Compensation           | \$1,774          | \$1,760          | \$1,898          | \$138             | 8%               |
| 41380 - Deferred Comp-Employer Contrib  | \$2,700          | \$2,700          | \$2,700          | \$0               | 0%               |
| 41460 - Short Term Disability           | \$252            | \$252            | \$252            | \$0               | 0%               |
| 41610 - Retiree Medical Reserve         | \$3,146          | \$3,137          | \$3,367          | \$230             | 7%               |
| <b>PERSONNEL SERVICES TOTAL</b>         | <b>\$594,488</b> | <b>\$575,249</b> | <b>\$626,048</b> | <b>\$50,799</b>   | <b>9%</b>        |
| Non-Personnel Expenditures              |                  |                  |                  |                   |                  |
| 42210 - Office Supplies                 | \$3,000          | \$5,000          | \$3,800          | -\$1,200          | -24%             |
| 42310 - Advertising                     | \$20,000         | \$20,000         | \$17,000         | -\$3,000          | -15%             |
| 42370 - Contractual Services - Legacy   | \$10,000         | \$10,000         | \$0              | -\$10,000         | -100%            |
| 42379 - Contractual Services            | \$0              | \$0              | \$10,000         | \$10,000          | –                |
| 42800 - Elections                       | \$0              | \$0              | \$250,000        | \$250,000         | –                |
| 45010 - Memberships & Dues              | \$2,000          | \$2,000          | \$2,000          | \$0               | 0%               |
| 45030 - Training and Registration       | \$5,000          | \$5,000          | \$5,000          | \$0               | 0%               |
| <b>NON-PERSONNEL EXPENDITURES TOTAL</b> | <b>\$40,000</b>  | <b>\$42,000</b>  | <b>\$287,800</b> | <b>\$245,800</b>  | <b>585%</b>      |
| <b>DOLLARS BY CATEGORY TOTAL</b>        | <b>\$634,488</b> | <b>\$617,249</b> | <b>\$913,848</b> | <b>\$296,599</b>  | <b>48%</b>       |

STAFFING

| Function     | 2023-24 Adopted | 2024-25 Adopted | 2025-26 Adopted | 2026-27 Proposed | FY2027 Change |
|--------------|-----------------|-----------------|-----------------|------------------|---------------|
| FTE          |                 |                 |                 |                  |               |
| City Manager | 0.5             | 0               | 0               | 0                | 0             |
| City Clerk   | 2.5             | 3               | 3               | 3                | 0             |
| FTE          | 3               | 3               | 3               | 3                | 0             |

| Position Name     | 2023-24 Adopted | 2024-25 Adopted | 2025-26 Adopted | 2026-27 Proposed | FY2027 Change |
|-------------------|-----------------|-----------------|-----------------|------------------|---------------|
| FTE               |                 |                 |                 |                  |               |
| City Clerk        | 1               | 1               | 1               | 1                | 0             |
| Deputy City Clerk | 1               | 1               | 1               | 1                | 0             |
| Office Asst II    | 1               | 1               | 1               | 1                | 0             |
| FTE               | 3               | 3               | 3               | 3                | 0             |

EXPENDITURES BY FUNCTION



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BUDGET RECONCILIATION

|                                                 | Positions | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |
|-------------------------------------------------|-----------|---------------------------|-------------------------|-----------------------|
| PRIOR YEAR BUDGET                               | 3.00      | \$617,249                 | \$0                     | \$617,249             |
| Adjustments to Costs of Ongoing Activities      |           |                           |                         |                       |
| Salary and Benefits                             |           | 50,799                    |                         | 50,799                |
| Election Costs                                  |           | 250,000                   |                         | 250,000               |
| Contractual Services                            |           | (4,200)                   |                         | (4,200)               |
| Total Adjustment to Costs of Ongoing Activities | 0.00      | 296,599                   | 0                       | 296,599               |
| Total FY 2026-27 Base Budget                    | 3.00      | \$913,848                 | \$0                     | \$913,848             |
| Total Service Level Changes                     | 0.00      | 0                         | 0                       | 0                     |
| Total FY 2026-27 Proposed Budget                | 3.00      | \$913,848                 | \$0                     | \$913,848             |

# Economic Development

Madison Nguyen (Interim)

## MISSION STATEMENT

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 tax 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 existing and prospective companies to retain and attract businesses that increase tax revenues, fill retail gaps and generate quality job opportunities.
- Develop business assistance programs and messaging to educate and assist businesses with management, permits, marketing, and access to capital.
- Facilitate development projects for permitting guidance from project inception to completion, including commercial, retail, industrial and mixed-use developments.
- 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.



| Accomplishments |                                                                                                                                                                                                      | Community<br>Wellness and<br>Open Space                                           | Economic<br>Development<br>and Job Growth                                         | Environment                                                                         | Governance &<br>Administration                                                      | Neighborhoods<br>and Housing                                                        | Public Safety                                                                       | Transportation<br>and Transit                                                       |
|-----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
|                 |                                                                                                                                                                                                      |  |  |  |  |  |  |  |
| 1.              | Completed, launched and promoted new "Visiting Milpitas" webpage to engage travelers during global sporting events                                                                                   |                                                                                   | ✓                                                                                 |                                                                                     |                                                                                     |                                                                                     |                                                                                     |                                                                                     |
| 2.              | Hosted 7 small business training sessions with professional service providers covering HR compliance, digital marketing, access to capital and more                                                  |                                                                                   | ✓                                                                                 |                                                                                     |                                                                                     |                                                                                     |                                                                                     |                                                                                     |
| 3.              | Negotiated sales tax sharing agreement with Rivian and facilitated permit process for Rivian Last-Mile Hub grand opening                                                                             |                                                                                   | ✓                                                                                 | ✓                                                                                   | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |
| 4.              | Coordinated establishment of MHDBA as a 501(c) and secured \$15,000 in grant funding from the County of Santa Clara to launch Main Street Business Association marketing efforts                     |                                                                                   | ✓                                                                                 |                                                                                     | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |
| 5.              | Issued \$335,000 in microenterprise CDBG grants                                                                                                                                                      |                                                                                   | ✓                                                                                 |                                                                                     | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |
| 6.              | Various real estate work, including attracting and establishing a lease agreement with Car Star Espana on Parcel 3 and completing environmental site assessments at 230 N. Main Street               | ✓                                                                                 | ✓                                                                                 |                                                                                     | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |
| 7.              | Hosted 9th Annual Manufacturing Day attended by more than 90 students, local leaders and community members                                                                                           |                                                                                   | ✓                                                                                 |                                                                                     | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |
| 8.              | Partnered with MUSD, NOVAworks and city departments at community job fairs to increase employment among residents                                                                                    |                                                                                   | ✓                                                                                 |                                                                                     |                                                                                     |                                                                                     |                                                                                     |                                                                                     |
| 9.              | 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 |                                                                                   | ✓                                                                                 |                                                                                     | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |
| 10.             | Engaged 250 businesses, developers, landowners and brokers regarding attraction, expansion and retention                                                                                             |                                                                                   | ✓                                                                                 |                                                                                     | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |

| Initiatives |                                                                                  | Community<br>Wellness and<br>Open Space                                           | Economic<br>Development<br>and Job Growth                                         | Environment                                                                         | Governance &<br>Administration                                                      | Neighborhoods<br>and Housing                                                        | Public Safety                                                                       | Transportation<br>and Transit                                                       |
|-------------|----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
|             |                                                                                  |  |  |  |  |  |  |  |
| 1.          | Create Small Business Development Strategy                                       |                                                                                   | ✓                                                                                 |                                                                                     | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |
| 2.          | Complete Business License Tax ballot measure process                             |                                                                                   | ✓                                                                                 |                                                                                     | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |
| 3.          | Preserve and protect employment lands                                            |                                                                                   | ✓                                                                                 |                                                                                     | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |
| 4.          | Lead City's real estate transaction activities                                   |                                                                                   |                                                                                   |                                                                                     | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |
| 5.          | Continue attracting new business investment and business retention and expansion |                                                                                   | ✓                                                                                 |                                                                                     |                                                                                     |                                                                                     |                                                                                     |                                                                                     |
| 6.          | Host 10th annual Manufacturing Day event in October                              |                                                                                   | ✓                                                                                 |                                                                                     |                                                                                     |                                                                                     |                                                                                     |                                                                                     |
| 7.          | Complete downtown restaurant promotional video program                           |                                                                                   | ✓                                                                                 |                                                                                     |                                                                                     |                                                                                     |                                                                                     |                                                                                     |
| 8.          | Continue Main Street revitalization efforts                                      |                                                                                   | ✓                                                                                 |                                                                                     |                                                                                     |                                                                                     |                                                                                     |                                                                                     |
| 9.          | Continue providing business resources workshops                                  |                                                                                   | ✓                                                                                 |                                                                                     |                                                                                     |                                                                                     |                                                                                     |                                                                                     |

| Performance Measures         | Strategic Goals                                                                   | 2022-23 Actual | 2023-24 Actual | 2024-25 Actual | 2025-26 Estimate | 2026-27 Target |
|------------------------------|-----------------------------------------------------------------------------------|----------------|----------------|----------------|------------------|----------------|
| Corporate Visitation Program |  | 0%             | 60%            | 100%           | 100%             | 100%           |
| Business Engagement          |  | 1,074%*        | 428%           | 731%           | 714%             | 100%           |
| Customer Service             |  | 70%            | 78%            | 80%            | 80%              | 80%            |
| Permit Assistance            |  | 280%           | 250%           | 415%           | 225%             | 100%           |
| Branding                     |  | 428%           | 160%           | 196%           | 140%             | 100%           |

| Activity and Workload Data                                                                                                                                                                                                                                | Strategic Goals                                                                     | 2022-23 Actual | 2023-24 Actual | 2024-25 Actual | 2025-26 Estimate | 2026-27 Target |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|----------------|----------------|----------------|------------------|----------------|
| <b>Corporate Visitation Program</b> - Number of corporate visits                                                                                                                                                                                          |    | 0              | 3              | 5              | 5                | 5              |
| <b>Business Engagement</b> - Number of meetings with the corporate, brokerage and development communities leading to business attraction, retention and expansion                                                                                         |    | 376*           | 256            | 461            | 250              | 50             |
| <b>Permit Assistance</b> - Number of firms who received permit and other assistance from Economic Development staff                                                                                                                                       |   | 56             | 83             | 99             | 45               | 40             |
| <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. |  | 107            | 49             | 66             | 35               | 30             |

\*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

|                                      | 2024-25 Adopted    | 2025-26 Adopted    | 2026-27 Proposed | FY 2027 Change \$ | FY 2027 Change % |
|--------------------------------------|--------------------|--------------------|------------------|-------------------|------------------|
| Dollars by Function                  |                    |                    |                  |                   |                  |
| 116 - Office of Economic Development | \$1,263,970        | \$1,324,076        | \$915,416        | -\$408,660        | -31%             |
| <b>DOLLARS BY FUNCTION TOTAL</b>     | <b>\$1,263,970</b> | <b>\$1,324,076</b> | <b>\$915,416</b> | <b>-\$408,660</b> | <b>-31%</b>      |

|                                         | 2024-25 Adopted    | 2025-26 Adopted    | 2026-27 Proposed | FY 2027 Change \$ | FY 2027 Change % |
|-----------------------------------------|--------------------|--------------------|------------------|-------------------|------------------|
| Dollars by Category                     |                    |                    |                  |                   |                  |
| Personnel Services                      |                    |                    |                  |                   |                  |
| 41110 - Permanent                       | \$685,949          | \$622,195          | \$497,780        | -\$124,415        | -20%             |
| 41120 - Temporary                       | \$14,636           | -\$3,352           | \$0              | \$3,352           | -100%            |
| 41210 - Allowances                      | \$6,600            | \$6,600            | \$6,600          | \$0               | 0%               |
| 41310 - PERS                            | \$235,067          | \$212,887          | \$181,762        | -\$31,125         | -15%             |
| 41320 - Group Insurance                 | \$117,708          | \$105,972          | \$73,082         | -\$32,890         | -31%             |
| 41330 - Medicare-Employer's Contributi  | \$10,620           | \$9,323            | \$7,314          | -\$2,009          | -22%             |
| 41350 - Worker's Compensation           | \$3,597            | \$3,182            | \$2,489          | -\$693            | -22%             |
| 41380 - Deferred Comp-Employer Contrib  | \$3,600            | \$3,600            | \$2,700          | -\$900            | -25%             |
| 41390 - PARS                            | \$599              | \$212              | \$0              | -\$212            | -100%            |
| 41420 - Vacancy Factor                  | \$0                | \$0                | -\$26,274        | -\$26,274         | -                |
| 41460 - Short Term Disability           | \$336              | \$336              | \$252            | -\$84             | -25%             |
| 41610 - Retiree Medical Reserve         | \$5,594            | \$5,107            | \$4,074          | -\$1,033          | -20%             |
| <b>PERSONNEL SERVICES TOTAL</b>         | <b>\$1,084,306</b> | <b>\$966,062</b>   | <b>\$749,779</b> | <b>-\$216,283</b> | <b>-22%</b>      |
| Non-Personnel Expenditures              |                    |                    |                  |                   |                  |
| 42020 - Comm Promo-CtyCil Allocated     | \$6,240            | \$5,242            | \$5,242          | \$0               | 0%               |
| 42050 - Miscellaneous Grants            | \$0                | \$180,000          | \$0              | -\$180,000        | -100%            |
| 42210 - Office Supplies                 | \$1,650            | \$1,650            | \$1,400          | -\$250            | -15%             |
| 42310 - Advertising                     | \$50,147           | \$37,640           | \$33,780         | -\$3,860          | -10%             |
| 42370 - Contractual Services - Legacy   | \$80,000           | \$90,000           | \$0              | -\$90,000         | -100%            |
| 42379 - Contractual Services            | \$0                | \$0                | \$90,000         | \$90,000          | -                |
| 45010 - Memberships & Dues              | \$30,377           | \$32,232           | \$25,330         | -\$6,902          | -21%             |
| 45030 - Training and Registration       | \$11,000           | \$11,000           | \$8,385          | -\$2,615          | -24%             |
| 45060 - Meals for Meetings              | \$250              | \$250              | \$1,500          | \$1,250           | 500%             |
| <b>NON-PERSONNEL EXPENDITURES TOTAL</b> | <b>\$179,664</b>   | <b>\$358,014</b>   | <b>\$165,637</b> | <b>-\$192,377</b> | <b>-54%</b>      |
| <b>DOLLARS BY CATEGORY TOTAL</b>        | <b>\$1,263,970</b> | <b>\$1,324,076</b> | <b>\$915,416</b> | <b>-\$408,660</b> | <b>-31%</b>      |

STAFFING

| Function                       | 2023-24 Adopted | 2024-25 Adopted | 2025-26 Adopted | 2026-27 Proposed | FY2027 Change |
|--------------------------------|-----------------|-----------------|-----------------|------------------|---------------|
| FTE                            |                 |                 |                 |                  |               |
| Office of Economic Development | 4               | 4               | 3               | 3                | 0             |
| FTE                            | 4               | 4               | 3               | 3                | 0             |

| Position Name*                | 2023-24 Adopted | 2024-25 Adopted | 2025-26 Adopted | 2026-27 Proposed | FY2027 Change |
|-------------------------------|-----------------|-----------------|-----------------|------------------|---------------|
| FTE                           |                 |                 |                 |                  |               |
| Administrative Analyst I/II   | 1               | 1               | 0               | 0                | 0             |
| Econ Dev Dir & Strat Init     | 0               | 0               | 1               | 1                | 0             |
| Economic Development Coord    | 1               | 1               | 1               | 1                | 0             |
| Economic Development Director | 1               | 1               | 0               | 0                | 0             |
| Economic Development Spec     | 1               | 1               | 1               | 1                | 0             |
| FTE                           | 4               | 4               | 3               | 3                | 0             |

\*1.0 Administrative Analyst I/II was deleted in FY2025-26 by approval of City Manager for Citywide strategic organization

EXPENDITURES BY FUNCTION



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BUDGET RECONCILIATION

|                                                                                          | Positions | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |
|------------------------------------------------------------------------------------------|-----------|---------------------------|-------------------------|-----------------------|
| PRIOR YEAR BUDGET                                                                        | 4.00      | \$1,080,076               | \$244,000               | \$1,324,076           |
| Adjustments to Costs of Ongoing Activities                                               |           |                           |                         |                       |
| Salary and Benefits                                                                      |           | (216,283)                 |                         | (216,283)             |
| Miscellaneous Grants Reduction (Main Street Revitalization/Storefront Improvement Grant) |           | (180,000)                 |                         | (180,000)             |
| Non-Personnel Expenditure Alignment to Historical Trends                                 |           | (12,377)                  |                         | (12,377)              |
| Total Adjustment to Costs of Ongoing Activities                                          |           | (408,660)                 |                         | (408,660)             |
| Total FY 2026-27 Base Budget                                                             | 3.00      | \$671,416                 | \$244,000               | \$915,416             |
| Service Level Changes                                                                    |           |                           |                         |                       |
| Total Service Level Changes                                                              | 0.00      | 0                         | 0                       | 0                     |
| Total FY 2026-27 Proposed Budget                                                         | 3.00      | \$671,416                 | \$244,000               | \$915,416             |

# Office Of Building Safety

Vacant

## 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 unsanitary 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.
- Provide online submittal portal allowing customers to apply for building permits and upload plan review documents without requiring a physical visit to the City Hall.
- 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.



|                 |                                                                                                                                                                                                                                                                                                           | Community<br>Wellness and<br>Open Space                                           | Economic<br>Development<br>and Job Growth                                         | Environment                                                                        | Governance &<br>Administration                                                      | Neighborhoods<br>and Housing                                                        | Public Safety                                                                       | Transportation<br>and Transit                                                       |
|-----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
| Accomplishments |                                                                                                                                                                                                                                                                                                           |  |  |  |  |  |  |  |
| 1.              | Presented the new ordinances adopting the 2025 California Title 24 Codes to Council, ensuring compliance with the state code adoption process.                                                                                                                                                            |                                                                                   |                                                                                   |                                                                                    | ✓                                                                                   | ✓                                                                                   |                                                                                     |                                                                                     |
| 2.              | Achieved exceptionally high percentage of very good or excellent overall customer satisfaction rating for building permitting process (92%) and building inspection process (98%).                                                                                                                        | ✓                                                                                 | ✓                                                                                 |                                                                                    | ✓                                                                                   | ✓                                                                                   |                                                                                     |                                                                                     |
| 3.              | The Office of Building Safety continued to promote CASp (Certified Access Specialist) training and certification. Through these efforts, an additional staff member has successfully obtained CASp certification, ensuring the Office maintains CASp-certified expertise within the Building Safety team. | ✓                                                                                 | ✓                                                                                 |                                                                                    | ✓                                                                                   | ✓                                                                                   |                                                                                     |                                                                                     |
| 4.              | Relaunched the ADU incentive program to cover all permit fees for eligible ADU permits through the Community Investment Fund aiming to increase housing availability, foster economic growth through increased construction activity, and enhance local property values.                                  | ✓                                                                                 | ✓                                                                                 |                                                                                    | ✓                                                                                   | ✓                                                                                   |                                                                                     |                                                                                     |
| 5.              | Participated in vendor demonstrations and interviews for the new LMS permitting platform and project management services, supporting the selection of the top-ranked, most cost-competitive vendor.                                                                                                       |                                                                                   | ✓                                                                                 |                                                                                    | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |
| 6.              | Participated in fee study sessions with the consultant and reviewed and proposed updates to the fee schedule to address identified gaps in the existing fee schedule and improve alignment between fees and the associated scope of work.                                                                 |                                                                                   | ✓                                                                                 |                                                                                    | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |
| 7.              | Coordinated with the Public Works Department to implement a streamlined permitting process for the replacement or installation of backflow preventers that comply with State-mandated standards, enhancing consumer water safety.                                                                         | ✓                                                                                 | ✓                                                                                 |                                                                                    | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |
| 8.              | Collaborated with other development services departments to establish a systematic process for department sign-offs on development projects, ensuring all conditions are met prior to granting temporary occupancy.                                                                                       |                                                                                   | ✓                                                                                 |                                                                                    | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |
| 9.              | Collaborated with the Planning Department to establish a procedure bridging planning and building permit processes, ensuring applicants are informed of the next steps in the permitting process before construction begins.                                                                              |                                                                                   | ✓                                                                                 |                                                                                    | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |

|             |                                                                                                                                                                                                                                                                                         | Community<br>Wellness and<br>Open Space                                           | Economic<br>Development<br>and Job Growth                                         | Environment                                                                        | Governance &<br>Administration                                                      | Neighborhoods<br>and Housing                                                        | Public Safety                                                                       | Transportation<br>and Transit                                                       |
|-------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
| Initiatives |                                                                                                                                                                                                                                                                                         |  |  |  |  |  |  |  |
| 1.          | Collaborate with LMS and project management vendors, IT, and other development services departments to develop workflows and enhance permitting processes during the implementation of the new permitting system to replace TRAKiT.                                                     |                                                                                   | ✓                                                                                 |                                                                                    | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |
| 2.          | Continue to encourage design professionals to submit ADU plans for pre-approval and inclusion in the Pre-Approved ADU Program, expanding the range of plan options available to residents.                                                                                              | ✓                                                                                 | ✓                                                                                 |                                                                                    | ✓                                                                                   | ✓                                                                                   |                                                                                     |                                                                                     |
| 3.          | Continue to deliver high volume of services and high quality of customer services across all functions of Permit Center, Plan Review, and Inspection.                                                                                                                                   | ✓                                                                                 | ✓                                                                                 |                                                                                    | ✓                                                                                   | ✓                                                                                   |                                                                                     |                                                                                     |
| 4.          | Collaborate with the Economic Development team to rebrand the Plan Review by Appointment service, adopting a strategic marketing approach to increase awareness and utilization of the existing service that streamlines tenant improvement permits for small businesses.               |                                                                                   | ✓                                                                                 |                                                                                    | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |
| 5.          | Continue collaborating with other development Services departments to improve and streamline permitting processes, enhancing the customer experience.                                                                                                                                   |                                                                                   | ✓                                                                                 |                                                                                    | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |
| 6.          | Continue promoting CASp (Certified Access Specialist) training and certification among the Building Safety team to expand staff expertise in accessibility compliance, strengthen plan review and inspection enforcement, and maintain CASp-certified expertise within the Office.      | ✓                                                                                 | ✓                                                                                 |                                                                                    | ✓                                                                                   | ✓                                                                                   |                                                                                     |                                                                                     |
| 7.          | Create initial inspection checklists for residential and commercial projects and implement policy for inspectors to identify critical and commonly missed items at the first inspection, ensuring all requirements are met before project completion and preventing last-minute delays. | ✓                                                                                 | ✓                                                                                 |                                                                                    | ✓                                                                                   | ✓                                                                                   |                                                                                     |                                                                                     |
| 8.          | Produce Building Safety Month Proclamation for Council, engage in supportive activities and community outreach to advocate for building safety during Building Safety Month.                                                                                                            | ✓                                                                                 | ✓                                                                                 | ✓                                                                                  | ✓                                                                                   | ✓                                                                                   |                                                                                     |                                                                                     |

| Performance Measures                                                                                             | Strategic Goals                                                                     | 2022-23 Actual | 2023-24 Actual | 2024-25 Actual | 2025-26 Estimate | 2026-27 Target |
|------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|----------------|----------------|----------------|------------------|----------------|
| Percent of customers rating service at Permit Center "Very Good" or "Excellent"                                  |    | 97%            | 95%            | 93%            | 90%              | 85%            |
| Percent of Over-the-Counter Building Permit Plan Reviews (including express tenant improvements)                 |    | 31%            | 38%            | 37%            | 37%              | 40%            |
| <b>Building permits for new development projects:</b>                                                            |                                                                                     |                |                |                |                  |                |
| New development first submittal average plan review turnaround time (business days)                              |    | 35             | 33             | 32             | 30               | 30             |
| New development subsequent submittal average plan review turnaround time (business days)                         |    | 29             | 27             | 25             | 25               | 25             |
| <b>Building permits for tenant improvements:</b>                                                                 |                                                                                     |                |                |                |                  |                |
| Tenant Improvement first submittal average plan review turnaround time (business days) - Scope over 10,000       |    | 27             | 26             | 24             | 25               | 25             |
| Tenant Improvement subsequent submittal average plan review turnaround time (business days) - Scope over 10,000  |    | 20             | 20             | 18             | 20               | 20             |
| Tenant Improvement first submittal average plan review turnaround time (business days) - Scope up to 10,000      |    | 23             | 20             | 21             | 20               | 20             |
| Tenant Improvement subsequent submittal average plan review turnaround time (business days) - Scope up to 10,000 |  | 14             | 14             | 14             | 15               | 15             |
| <b>Building permits for residential remodel/addition:</b>                                                        |                                                                                     |                |                |                |                  |                |
| Residential remodel/addition first submittal average plan review turnaround time (business days)                 |  | 24             | 21             | 21             | 20               | 20             |
| Residential remodel/addition subsequent submittal average plan review turnaround time (business days)            |  | 20             | 15             | 14             | 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"                                       |  | 95%            | 99%            | 95%            | 95%              | 85%            |

| Activity and Workload Data                           | Strategic Goals                                                                   | FY 22-23 Actual | FY 23-24 Actual | FY 24-25 Actual | FY 25-26 Estimate | FY 26-27 Target |
|------------------------------------------------------|-----------------------------------------------------------------------------------|-----------------|-----------------|-----------------|-------------------|-----------------|
| Total customers served by Permit Center              |  | 15,206          | 15,073          | 14,720          | 16,000            | 15,000          |
| Total Over-the Counter Permit Reviews                |  | 1,767           | 2,209           | 2,500           | 2,400             | 2,400           |
| Total applied building permit construction valuation |  | \$255,538,381   | \$326,576,841   | \$249,653,782   | \$325,000,000     | \$250,000,000   |
| Total building permits issued                        |  | 4,272           | 4,320           | 4,695           | 4,700             | 4,700           |
| Total plan reviews completed                         |  | 5,696           | 5,895           | 6,788           | 6,500             | 6,500           |
| Total building inspections completed                 |  | 16,443          | 21,980          | 15,047          | 17,000            | 15,000          |
| Total Building Code Cases Opened                     |  | 283             | 162             | 178             | 130               | 130             |

## BUDGET SUMMARY

|                                    | 2024-25 Adopted    | 2025-26 Adopted    | 2026-27 Proposed   | FY 2027 Change \$ | FY 2027 Change % |
|------------------------------------|--------------------|--------------------|--------------------|-------------------|------------------|
| <b>Dollars by Function</b>         |                    |                    |                    |                   |                  |
| 530 - Building Administration      | \$401,326          | \$366,120          | \$353,185          | -\$12,935         | -4%              |
| 531 - Building Inspection Services | \$2,449,455        | \$2,250,047        | \$2,422,483        | \$172,436         | 8%               |
| 532 - Plan Review                  | \$1,604,378        | \$1,681,835        | \$1,699,186        | \$17,351          | 1%               |
| 534 - Permit Center                | \$864,077          | \$912,853          | \$971,207          | \$58,354          | 6%               |
| <b>DOLLARS BY FUNCTION TOTAL</b>   | <b>\$5,319,236</b> | <b>\$5,210,855</b> | <b>\$5,446,061</b> | <b>\$235,206</b>  | <b>5%</b>        |

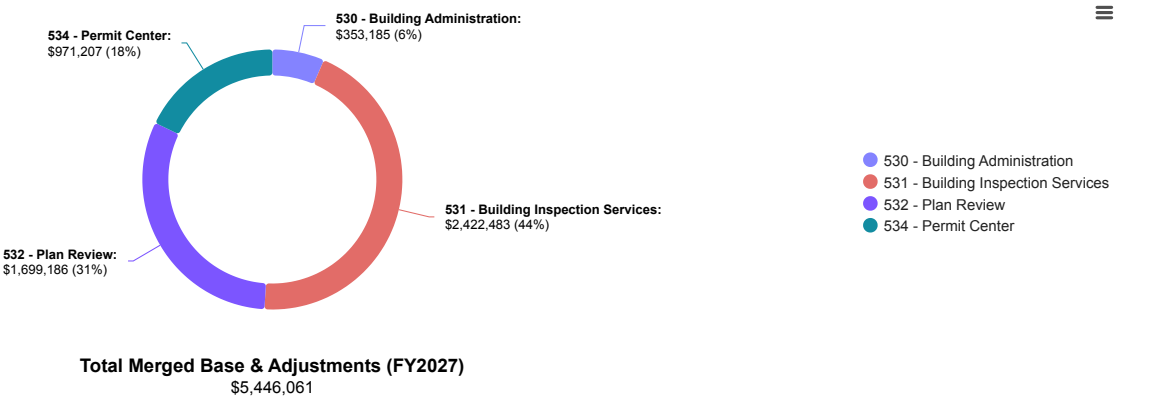
|                                         | 2024-25 Adopted    | 2025-26 Adopted    | 2026-27 Proposed   | FY 2027 Change \$ | FY 2027 Change % |
|-----------------------------------------|--------------------|--------------------|--------------------|-------------------|------------------|
| <b>Dollars by Category</b>              |                    |                    |                    |                   |                  |
| <b>Personnel Services</b>               |                    |                    |                    |                   |                  |
| 41110 - Permanent                       | \$3,238,687        | \$3,197,041        | \$3,374,457        | \$177,416         | 6%               |
| 41130 - Overtime                        | \$60,000           | \$56,000           | \$56,000           | \$0               | 0%               |
| 41210 - Allowances                      | \$6,600            | \$6,600            | \$6,600            | \$0               | 0%               |
| 41310 - PERS                            | \$1,125,168        | \$1,093,749        | \$1,232,207        | \$138,458         | 13%              |
| 41320 - Group Insurance                 | \$555,003          | \$534,544          | \$628,213          | \$93,669          | 18%              |
| 41330 - Medicare-Employer's Contributi  | \$47,036           | \$46,440           | \$49,028           | \$2,588           | 6%               |
| 41350 - Worker's Compensation           | \$104,188          | \$96,897           | \$100,137          | \$3,240           | 3%               |
| 41380 - Deferred Comp-Employer Contrib  | \$19,800           | \$19,716           | \$19,800           | \$84              | 0%               |
| 41420 - Vacancy Factor                  | \$0                | \$0                | -\$186,365         | -\$186,365        | -                |
| 41460 - Short Term Disability           | \$1,849            | \$948              | \$1,849            | \$901             | 95%              |
| 41610 - Retiree Medical Reserve         | \$35,302           | \$34,317           | \$36,454           | \$2,137           | 6%               |
| <b>PERSONNEL SERVICES TOTAL</b>         | <b>\$5,193,633</b> | <b>\$5,086,252</b> | <b>\$5,318,380</b> | <b>\$232,128</b>  | <b>5%</b>        |
| <b>Non-Personnel Expenditures</b>       |                    |                    |                    |                   |                  |
| 42110 - Equip Repl Amortization Chrges  | \$25,003           | \$25,003           | \$27,181           | \$2,178           | 9%               |
| 42210 - Office Supplies                 | \$9,000            | \$9,000            | \$6,000            | -\$3,000          | -33%             |
| 42230 - Departmental Supplies           | \$14,000           | \$8,500            | \$8,500            | \$0               | 0%               |
| 42250 - Health & Safety Supplies        | \$6,000            | \$7,000            | \$5,000            | -\$2,000          | -29%             |
| 42370 - Contractual Services - Legacy   | \$40,000           | \$40,000           | \$0                | -\$40,000         | -100%            |
| 42379 - Contractual Services            | \$0                | \$0                | \$49,000           | \$49,000          | -                |
| 45010 - Memberships & Dues              | \$1,500            | \$1,500            | \$1,500            | \$0               | 0%               |
| 45020 - Professional Licensing          | \$5,600            | \$6,600            | \$4,500            | -\$2,100          | -32%             |
| 45030 - Training and Registration       | \$24,500           | \$27,000           | \$26,000           | -\$1,000          | -4%              |
| <b>NON-PERSONNEL EXPENDITURES TOTAL</b> | <b>\$125,603</b>   | <b>\$124,603</b>   | <b>\$127,681</b>   | <b>\$3,078</b>    | <b>2%</b>        |
| <b>DOLLARS BY CATEGORY TOTAL</b>        | <b>\$5,319,236</b> | <b>\$5,210,855</b> | <b>\$5,446,061</b> | <b>\$235,206</b>  | <b>5%</b>        |

STAFFING

| Function                     | 2023-24 Adopted | 2024-25 Adopted | 2025-26 Adopted | 2026-27 Proposed | FY2027 Change |
|------------------------------|-----------------|-----------------|-----------------|------------------|---------------|
| FTE                          |                 |                 |                 |                  |               |
| Building Administration      | 3               | 1               | 1               | 1                | 0             |
| Building Inspection Services | 11              | 10              | 9               | 9                | 0             |
| Office of Housing            | 4               | 0               | 0               | 0                | 0             |
| Permit Center                | 0               | 5               | 5               | 5                | 0             |
| Plan Review                  | 6               | 6               | 6               | 6                | 0             |
| FTE                          | 24              | 22              | 21              | 21               | 0             |

| Position Name*              | 2023-24 Adopted | 2024-25 Adopted | 2025-26 Adopted | 2026-27 Proposed | FY2027 Change |
|-----------------------------|-----------------|-----------------|-----------------|------------------|---------------|
| FTE                         |                 |                 |                 |                  |               |
| Administrative Analyst II   | 1               | 1               | 1               | 1                | 0             |
| Build Permit Tech           | 3               | 3               | 3               | 3                | 0             |
| Building & Housing Director | 1               | 0               | 0               | 0                | 0             |
| Building Inspection Manager | 1               | 1               | 1               | 1                | 0             |
| Building Official           | 1               | 1               | 1               | 1                | 0             |
| Building/NP Inspector       | 7               | 6               | 5               | 5                | 0             |
| Office Asst II              | 1               | 1               | 1               | 1                | 0             |
| Plan Check Engineer         | 3               | 3               | 3               | 3                | 0             |
| Plan Checker                | 1               | 1               | 1               | 1                | 0             |
| Plan Review Manager         | 1               | 1               | 1               | 1                | 0             |
| Senior Building Inspector   | 3               | 3               | 3               | 3                | 0             |
| Senior Plan Check Engineer  | 1               | 1               | 1               | 1                | 0             |
| FTE                         | 24              | 22              | 21              | 21               | 0             |

EXPENDITURES BY FUNCTION



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BUDGET RECONCILIATION

|                                                         | Positions | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |
|---------------------------------------------------------|-----------|---------------------------|-------------------------|-----------------------|
| PRIOR YEAR BUDGET                                       | 21.00     | \$5,127,148               | \$83,707                | \$5,210,855           |
| Adjustments to Costs of Ongoing Activities              |           |                           |                         |                       |
| Salary and Benefits                                     |           | 234,220                   | (2,092)                 | 232,128               |
| Non-personnel Expenditure Alignment to Historical Trend |           | 3,078                     |                         | 3,078                 |
| Total Adjustment to Costs of Ongoing Activities         |           | 237,298                   | (2,092)                 | 235,206               |
| Total FY 2026-27 Base Budget                            | 21.00     | \$ 5,364,446              | \$ 81,615               | \$5,446,061           |
| Service Level Changes                                   |           |                           |                         |                       |
| Total Service Level Changes                             | 0.00      | 0                         | 0                       | 0                     |
| Total FY 2026-27 Proposed Budget                        | 21.00     | \$ 5,364,446              | \$ 81,615               | \$5,446,061           |

# Office Of Housing

Vacant

## MISSION STATEMENT

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

## DESCRIPTION

The Office 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<br>Wellness and<br>Open Space                                           | Economic<br>Development<br>and Job Growth                                         | Environment                                                                        | Governance &<br>Administration                                                      | Neighborhoods<br>and Housing                                                        | Public Safety                                                                       | Transportation<br>and Transit                                                       |
|-----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
|                 |                                                                                                                                                                       |  |  |  |  |  |  |  |
| 1.              | Managed unhoused programs: mobile shower and laundry services; homeless outreach and assessment.                                                                      |                                                                                   |                                                                                   |                                                                                    |                                                                                     | ✓                                                                                   |                                                                                     |                                                                                     |
| 2.              | Managed supportive services: Rent Relief Program; Community Development Block Grant program; 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 |                                                                                                                                                                      | Community<br>Wellness and<br>Open Space                                             | Economic<br>Development<br>and Job Growth                                           | Environment                                                                          | Governance &<br>Administration                                                        | Neighborhoods<br>and Housing                                                          | Public Safety                                                                         | Transportation<br>and Transit                                                         |
|-------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|
|             |                                                                                                                                                                      |  |  |  |  |  |  |  |
| 1.          | Manage unhoused programs: Mobile shower and laundry; homeless outreach and assessment.                                                                               |                                                                                     |                                                                                     |                                                                                      |                                                                                       | ✓                                                                                     |                                                                                       |                                                                                       |
| 2.          | Manage 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 Measures                                     | Strategic Goals                                                                   | 2022-23 Actual | 2023-24 Actual | 2024-25 Actual | 2025-26 Estimate | 2026-27 Target |
|----------------------------------------------------------|-----------------------------------------------------------------------------------|----------------|----------------|----------------|------------------|----------------|
| Percent of required state and federal reports completed  |  | 100%           | 100%           | 100%           | 100%             | 100%           |
| Percent of CDBG funds benefiting lower-income households |  | 97%            | 97%            | 74%            | 91%              | 70%            |
| Total residents served by Housing                        |  | 1,626          | 1,888          | 1,631          | 1,500            | 1,500          |

| Activity and Workload Data                                        | Strategic Goals                                                                   | 2022-23 Actual | 2023-24 Actual | 2024-25 Actual | 2025-26 Estimate | 2026-27 Target |
|-------------------------------------------------------------------|-----------------------------------------------------------------------------------|----------------|----------------|----------------|------------------|----------------|
| Total residents served through CDBG program service organizations |  | 1,031          | 865            | 871            | 496              | 500            |
| Total residents served through unhoused services programs         |  | 535            | 973            | 708            | 560              | 500            |
| Total residents served through supportive services programs       |  | 60             | 50             | 52             | 261              | 150            |
| Total workshop and outreach events                                |  | 4              | 8              | 3              | 3                | 3              |

## BUDGET SUMMARY

|                                  | 2024-25 Adopted    | 2025-26 Adopted    | 2026-27 Proposed   | FY 2027 Change \$ | FY 2027 Change % |
|----------------------------------|--------------------|--------------------|--------------------|-------------------|------------------|
| Dollars by Function              |                    |                    |                    |                   |                  |
| 118 - Office of Housing          | \$1,917,885        | \$2,065,707        | \$1,547,822        | -\$517,885        | -25%             |
| <b>DOLLARS BY FUNCTION TOTAL</b> | <b>\$1,917,885</b> | <b>\$2,065,707</b> | <b>\$1,547,822</b> | <b>-\$517,885</b> | <b>-25%</b>      |

|                                         | 2024-25 Adopted    | 2025-26 Adopted    | 2026-27 Proposed   | FY 2027 Change \$ | FY 2027 Change % |
|-----------------------------------------|--------------------|--------------------|--------------------|-------------------|------------------|
| Dollars by Category                     |                    |                    |                    |                   |                  |
| Personnel Services                      |                    |                    |                    |                   |                  |
| 41110 - Permanent                       | \$598,643          | \$575,027          | \$629,495          | \$54,468          | 9%               |
| 41120 - Temporary                       | \$17,850           | \$19,980           | \$19,980           | \$0               | 0%               |
| 41310 - PERS                            | \$177,291          | \$204,621          | \$229,863          | \$25,242          | 12%              |
| 41320 - Group Insurance                 | \$74,941           | \$133,647          | \$89,915           | -\$43,732         | -33%             |
| 41330 - Medicare-Employer's Contributi  | \$8,953            | \$8,641            | \$9,419            | \$778             | 9%               |
| 41350 - Worker's Compensation           | \$14,905           | \$17,222           | \$18,986           | \$1,764           | 10%              |
| 41380 - Deferred Comp-Employer Contrib  | \$3,600            | \$3,600            | \$3,600            | \$0               | 0%               |
| 41390 - PARS                            | \$268              | \$0                | \$300              | \$300             | -                |
| 41420 - Vacancy Factor                  | \$0                | \$0                | -\$33,409          | -\$33,409         | -                |
| 41460 - Short Term Disability           | \$242              | \$336              | \$337              | \$1               | 0%               |
| 41610 - Retiree Medical Reserve         | \$4,292            | \$5,734            | \$5,212            | -\$522            | -9%              |
| <b>PERSONNEL SERVICES TOTAL</b>         | <b>\$900,985</b>   | <b>\$968,808</b>   | <b>\$973,698</b>   | <b>\$4,890</b>    | <b>1%</b>        |
| Non-Personnel Expenditures              |                    |                    |                    |                   |                  |
| 42050 - Miscellaneous Grants            | \$50,000           | \$50,000           | \$30,000           | -\$20,000         | -40%             |
| 42070 - Housing Rehab Loans             | \$100,000          | \$100,000          | \$50,000           | -\$50,000         | -50%             |
| 42080 - CDBG Grants                     | \$643,000          | \$643,000          | \$9,050            | -\$633,950        | -99%             |
| 42210 - Office Supplies                 | \$1,000            | \$1,000            | \$1,000            | \$0               | 0%               |
| 42310 - Advertising                     | \$5,000            | \$4,999            | \$4,999            | \$0               | 0%               |
| 42370 - Contractual Services - Legacy   | \$203,100          | \$283,100          | \$0                | -\$283,100        | -100%            |
| 42379 - Contractual Services            | \$0                | \$0                | \$470,575          | \$470,575         | -                |
| 45010 - Memberships & Dues              | \$1,800            | \$1,800            | \$500              | -\$1,300          | -72%             |
| 45030 - Training and Registration       | \$13,000           | \$13,000           | \$8,000            | -\$5,000          | -38%             |
| <b>NON-PERSONNEL EXPENDITURES TOTAL</b> | <b>\$1,016,900</b> | <b>\$1,096,899</b> | <b>\$574,124</b>   | <b>-\$522,775</b> | <b>-48%</b>      |
| <b>DOLLARS BY CATEGORY TOTAL</b>        | <b>\$1,917,885</b> | <b>\$2,065,707</b> | <b>\$1,547,822</b> | <b>-\$517,885</b> | <b>-25%</b>      |

## STAFFING

| Function          | 2023-24 Adopted | 2024-25 Adopted | 2025-26 Adopted | 2026-27 Proposed | FY2027 Change |
|-------------------|-----------------|-----------------|-----------------|------------------|---------------|
| FTE               |                 |                 |                 |                  |               |
| Office of Housing | 3               | 3               | 4               | 4                | 0             |
| <b>FTE</b>        | <b>3</b>        | <b>3</b>        | <b>4</b>        | <b>4</b>         | <b>0</b>      |

| Position Name*                | 2023-24 Adopted | 2024-25 Adopted | 2025-26 Adopted | 2026-27 Proposed | FY2027 Change |
|-------------------------------|-----------------|-----------------|-----------------|------------------|---------------|
| FTE                           |                 |                 |                 |                  |               |
| Administrative Analyst I/II   | 0               | 0               | 1               | 1                | 0             |
| Administrative Analyst II     | 1               | 1               | 1               | 1                | 0             |
| Housing Authority Adminr      | 1               | 1               | 0               | 0                | 0             |
| Housing Official              | 0               | 0               | 1               | 1                | 0             |
| Senior Administrative Analyst | 1               | 1               | 1               | 1                | 0             |
| FTE                           | 3               | 3               | 4               | 4                | 0             |

EXPENDITURES BY FUNCTION



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## BUDGET RECONCILIATION

|                                                                    | Positions | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |
|--------------------------------------------------------------------|-----------|---------------------------|-------------------------|-----------------------|
| PRIOR YEAR BUDGET                                                  | 4.00      | \$537,980                 | \$1,527,727             | \$2,065,707           |
| Adjustments to Costs of Ongoing Activities                         |           |                           |                         |                       |
| Salary and Benefits                                                |           | (300,054)                 | 304,944                 | 4,890                 |
| Contractual Services Increase (1432 S Main. Properties Management) |           | 135,000                   |                         | 135,000               |
| Contractual Services Decrease (CDBG Grants)                        |           |                           | (633,950)               | (633,950)             |
| Non-Personnel Expenditure Alignment to Historical Trends           |           |                           | (23,825)                | (23,825)              |
| Total Adjustment to Costs of Ongoing Activities                    |           | (165,054)                 | (352,831)               | (517,885)             |
| Total FY 2026-27 Base Budget                                       | 4.00      | \$372,926                 | \$1,174,896             | \$1,547,822           |
| Service Level Changes                                              |           |                           |                         |                       |
| Total Service Level Changes                                        | 0.00      | 0                         | 0                       | 0                     |
| Total FY 2026-27 Proposed Budget                                   | 4.00      | \$372,926                 | \$1,174,896             | \$1,547,822           |

# City Attorney

Christian Curtis

## 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





|          |            |       |
|----------|------------|-------|
| New      | FY 2026-27 | FTE   |
| Move     | Permanent  | (3)   |
| Reclass  | Temporary  | (0.5) |
| Defunded |            |       |
| Temp     |            |       |

| Accomplishments |                                                                                                                                | Community<br>Wellness and<br>Open Space                                           | Economic<br>Development<br>and Job Growth                                         | Environment                                                                        | Governance &<br>Administration                                                      | Neighborhoods<br>and Housing                                                        | Public Safety                                                                       | Transportation<br>and Transit                                                       |
|-----------------|--------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
|                 |                                                                                                                                |  |  |  |  |  |  |  |
| 1.              | Provided superior, affordable, timely legal advice and service                                                                 | ✓                                                                                 | ✓                                                                                 | ✓                                                                                  | ✓                                                                                   | ✓                                                                                   | ✓                                                                                   | ✓                                                                                   |
| 2.              | Continued to serve the Police Department on gun confiscation petitions and other matters                                       | ✓                                                                                 |                                                                                   |                                                                                    |                                                                                     |                                                                                     | ✓                                                                                   |                                                                                     |
| 3.              | Provided ongoing legal training to staff, commissions, etc., including training on resolutions, ordinances and public hearings | ✓                                                                                 | ✓                                                                                 | ✓                                                                                  | ✓                                                                                   | ✓                                                                                   | ✓                                                                                   | ✓                                                                                   |
| 4.              | Advised comprehensive update of entire Zoning Code, Gateway Specific Plan, and Innovation District Master Plan                 | ✓                                                                                 | ✓                                                                                 | ✓                                                                                  | ✓                                                                                   | ✓                                                                                   | ✓                                                                                   | ✓                                                                                   |
| 5.              | Updated various Municipal Code sections, as authorized                                                                         | ✓                                                                                 | ✓                                                                                 | ✓                                                                                  | ✓                                                                                   | ✓                                                                                   | ✓                                                                                   | ✓                                                                                   |
| 6.              | Assisted staff with various issues regarding affordable housing                                                                |                                                                                   |                                                                                   |                                                                                    | ✓                                                                                   | ✓                                                                                   |                                                                                     |                                                                                     |
| 7.              | Negotiated property acquisition, easements, joint use agreements and other land rights for S. Milpitas Vehicle Bridge          | ✓                                                                                 |                                                                                   |                                                                                    | ✓                                                                                   | ✓                                                                                   |                                                                                     | ✓                                                                                   |
| 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<br>Wellness and<br>Open Space                                           | Economic<br>Development<br>and Job Growth                                         | Environment                                                                       | Governance &<br>Administration                                                      | Neighborhoods<br>and Housing                                                        | Public Safety                                                                       | Transportation<br>and Transit                                                       |
|-------------|-----------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
|             |                                                                                                                                                     |  |  |  |  |  |  |  |
| 1.          | 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 Measures                                                  | Strategic Goals                                                                   | 2022-23 Actual | 2023-24 Actual | 2024-25 Actual | 2025-26 Estimate | 2026-27 Target |
|-----------------------------------------------------------------------|-----------------------------------------------------------------------------------|----------------|----------------|----------------|------------------|----------------|
| Contract complaints / Council agenda contracts                        |  | 0 / 100        | 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                                                                   | 2022-23 Actual | 2023-24 Actual | 2024-25 Actual | 2025-26 Estimate | 2026-27 Target |
|------------------------------------------------------|-----------------------------------------------------------------------------------|----------------|----------------|----------------|------------------|----------------|
| Ordinances                                           |  | 28             | 10             | 7              | 5                | 5              |
| Resolutions                                          |  | 90             | 76             | 109            | 57               | 75             |
| Court/Administrative cases handled and/or supervised |  | 14             | 14             | 11             | 4                | 5              |
| Contracts reviewed and approved                      |  | 701            | 629            | 489            | 430              | 450            |

## BUDGET SUMMARY

|                                  | 2024-25 Adopted    | 2025-26 Adopted    | 2026-27 Proposed   | FY 2027 Change \$ | FY 2027 Change % |
|----------------------------------|--------------------|--------------------|--------------------|-------------------|------------------|
| Dollars by Function              |                    |                    |                    |                   |                  |
| 200 - City Attorney              | \$1,273,882        | \$1,170,511        | \$1,456,222        | \$285,711         | 24%              |
| <b>DOLLARS BY FUNCTION TOTAL</b> | <b>\$1,273,882</b> | <b>\$1,170,511</b> | <b>\$1,456,222</b> | <b>\$285,711</b>  | <b>24%</b>       |

|                                         | 2024-25 Adopted    | 2025-26 Adopted    | 2026-27 Proposed   | FY 2027 Change \$ | FY 2027 Change % |
|-----------------------------------------|--------------------|--------------------|--------------------|-------------------|------------------|
| Dollars by Category                     |                    |                    |                    |                   |                  |
| Personnel Services                      |                    |                    |                    |                   |                  |
| 41110 - Permanent                       | \$555,465          | \$575,400          | \$680,446          | \$105,046         | 18%              |
| 41120 - Temporary                       | \$17,000           | \$0                | \$18,020           | \$18,020          | –                |
| 41210 - Allowances                      | \$0                | \$0                | \$6,600            | \$6,600           | –                |
| 41310 - PERS                            | \$193,374          | \$190,870          | \$248,435          | \$57,565          | 30%              |
| 41320 - Group Insurance                 | \$49,476           | \$59,388           | \$62,746           | \$3,358           | 6%               |
| 41330 - Medicare-Employer's Contributi  | \$8,302            | \$8,089            | \$9,963            | \$1,874           | 23%              |
| 41350 - Worker's Compensation           | \$85               | \$0                | \$3,403            | \$3,403           | –                |
| 41380 - Deferred Comp-Employer Contrib  | \$2,700            | \$2,700            | \$2,700            | \$0               | 0%               |
| 41390 - PARS                            | \$255              | \$0                | \$622              | \$622             | –                |
| 41460 - Short Term Disability           | \$252              | \$252              | \$252              | \$0               | 0%               |
| 41610 - Retiree Medical Reserve         | \$4,333            | \$4,352            | \$5,308            | \$956             | 22%              |
| <b>PERSONNEL SERVICES TOTAL</b>         | <b>\$831,242</b>   | <b>\$841,051</b>   | <b>\$1,038,495</b> | <b>\$197,444</b>  | <b>23%</b>       |
| Non-Personnel Expenditures              |                    |                    |                    |                   |                  |
| 42210 - Office Supplies                 | \$4,000            | \$4,120            | \$4,120            | \$0               | 0%               |
| 42370 - Contractual Services - Legacy   | \$308,025          | \$311,177          | \$0                | -\$311,177        | -100%            |
| 42379 - Contractual Services            | \$0                | \$0                | \$399,147          | \$399,147         | –                |
| 42395 - Contractual Servs-PJ's Labor    | \$116,864          | \$0                | \$0                | \$0               | –                |
| 45010 - Memberships & Dues              | \$515              | \$530              | \$700              | \$170             | 32%              |
| 45020 - Professional Licensing          | \$1,236            | \$1,273            | \$1,400            | \$127             | 10%              |
| 45050 - Lodging/Travel                  | \$8,000            | \$8,240            | \$8,240            | \$0               | 0%               |
| 45210 - Conference Expenses             | \$4,000            | \$4,120            | \$4,120            | \$0               | 0%               |
| <b>NON-PERSONNEL EXPENDITURES TOTAL</b> | <b>\$442,640</b>   | <b>\$329,460</b>   | <b>\$417,727</b>   | <b>\$88,267</b>   | <b>27%</b>       |
| <b>DOLLARS BY CATEGORY TOTAL</b>        | <b>\$1,273,882</b> | <b>\$1,170,511</b> | <b>\$1,456,222</b> | <b>\$285,711</b>  | <b>24%</b>       |

STAFFING

| Function      | 2023-24 Adopted | 2024-25 Adopted | 2025-26 Adopted | 2026-27 Proposed | FY2027 Change |
|---------------|-----------------|-----------------|-----------------|------------------|---------------|
| FTE           |                 |                 |                 |                  |               |
| City Attorney | 3               | 3               | 3               | 3                | 0             |
| FTE           | 3               | 3               | 3               | 3                | 0             |

| Position Name           | 2023-24 Adopted | 2024-25 Adopted | 2025-26 Adopted | 2026-27 Proposed | FY2027 Change |
|-------------------------|-----------------|-----------------|-----------------|------------------|---------------|
| FTE                     |                 |                 |                 |                  |               |
| Assistant City Attorney | 1               | 1               | 1               | 1                | 0             |
| City Attorney           | 1               | 1               | 1               | 1                | 0             |
| Legal Assistant         | 1               | 1               | 1               | 1                | 0             |
| FTE                     | 3               | 3               | 3               | 3                | 0             |

EXPENDITURES BY FUNCTION



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BUDGET RECONCILIATION

|                                                         | Positions | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |
|---------------------------------------------------------|-----------|---------------------------|-------------------------|-----------------------|
| PRIOR YEAR BUDGET                                       | 3.00      | 1,108,979                 | 61,532                  | 1,170,511             |
| One-Time Prior Year Budget Adjustments                  |           |                           |                         |                       |
| City Attorney Internship Program                        |           | (17,510)                  |                         | (17,510)              |
| Total One-Time Prior Year Budget Adjustments            |           | (17,510)                  |                         | (17,510)              |
| Adjustments to Costs of Ongoing Activities              |           |                           |                         |                       |
| Salary and Benefits                                     |           | 196,312                   |                         |                       |
| Contractual Service Adjustment                          |           | 87,970                    |                         |                       |
| Non-Personnel Expenditure Alignment to Historical Trend |           | 297                       |                         |                       |
| Total Adjustment to Costs of Ongoing Activities         |           | 284,579                   |                         | 284,579               |
| Total FY 2026-27 Base Budget                            | 3.00      | \$1,376,048               | \$61,532                | \$1,437,580           |
| Service Level Changes                                   |           |                           |                         |                       |
| Law Clerk Internship                                    |           | 18,642                    |                         | 18,642                |
| Total Service Level Changes                             |           | 18,642                    | 0                       | 18,642                |
| Total FY 2026-27 Proposed Budget                        | 3.00      | 1,394,690                 | 61,532                  | 1,456,222             |

SERVICE LEVEL CHANGES

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Positions | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|---------------------------|-------------------------|-----------------------|
| 1 Law Clerk Internship                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |           | \$18,642                  | \$0                     | \$18,642              |
| <div>This action would fund a summer Law Clerk position within the City Attorney’s Office on an ongoing basis. The Law Clerk would conduct research and provide recommendations on Municipal Code and document template updates. This will support the timely completion of discrete long-term projects, strengthen succession planning efforts, and help build the City of Milpitas’ presence within the municipal law community. (ongoing)</div> <div>Performance Results</div> |           |                           |                         |                       |
| Total Service Level Changes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |           | 18,642                    |                         | 18,642                |

# Finance

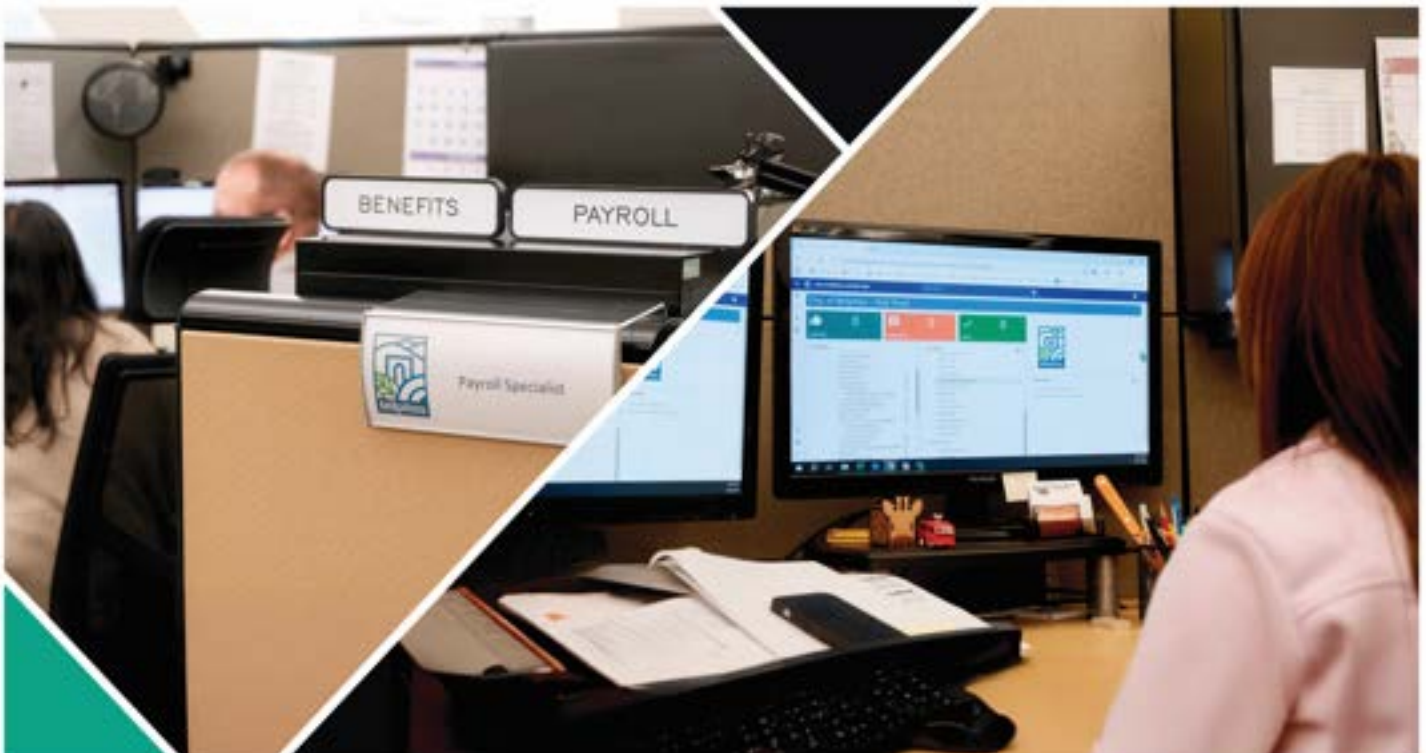
Luz Cofresí-Howe

## MISSION STATEMENT

The Milpitas Finance Department safeguards the City's fiscal resources and advances long-term financial sustainability through sound stewardship, transparency, and responsive service to the City Council, City Staff and the Community.

## DESCRIPTION

The Finance Department provides fiscal strategy, oversight, and support across all City operations. The Department plans, manages, and directs a broad portfolio of programs and services encompassing budgeting, accounting, payroll, procurement, risk management, debt management, investment management, utility billing, and internal audit. The Department oversees financial responsibilities exceeding one billion dollars in combined operating budget and investment portfolio, reflecting the significant public trust placed in the Finance function. The Department advises the City Council and its subcommittees on fiscal policy, financial performance, and long-term sustainability, and supports all City departments in meeting their financial and compliance obligations.



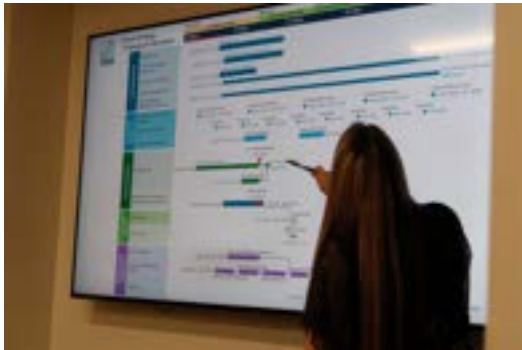
## SERVICES

### Strategic & Advisory

- 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 projections of revenues and expenditures, and publishes the adopted budget through the City online budget portal.

### Financial Reporting & Compliance

- Prepares the Annual Comprehensive Financial Report (ACFR) in accordance with Generally Accepted Accounting Principles and Governmental Accounting Standards Board (GASB) pronouncements.
- Maintains accurate financial records across governmental funds, enterprise funds, capital projects, grants, and fixed assets, and files required reports with local, state, and federal agencies.
- Provides City departments with timely financial performance reports to support operations and service delivery.



### Revenue, Fees & Special Districts

- Collects and records all City revenues, including property tax, sales tax, service fees, utility payments, business licenses, franchise fees, transient occupancy tax, and other levies.
- Provides customer service to utility customers, including billing, new account setup, payment processing, and meter reading coordination.
- Administers the City's fee schedule, development impact fees, and special tax districts, including annual fee adjustments and required statutory reporting in accordance with applicable state and federal law.

### Treasury, Debt & Pension

- Manages the City's investment portfolio in accordance with City Council-approved Investment Policy, balancing safety, liquidity, and return.
- Manages the City's outstanding debt obligations, including bond payments, arbitrage calculations, and continuing disclosure reporting across the City's bond portfolio.
- Oversees the City's pension and Other Post-Employment Benefits (OPEB) financial obligations, including actuarial coordination, Section 115 Trust administration, and CalPERS reporting.



### Procurement & Risk

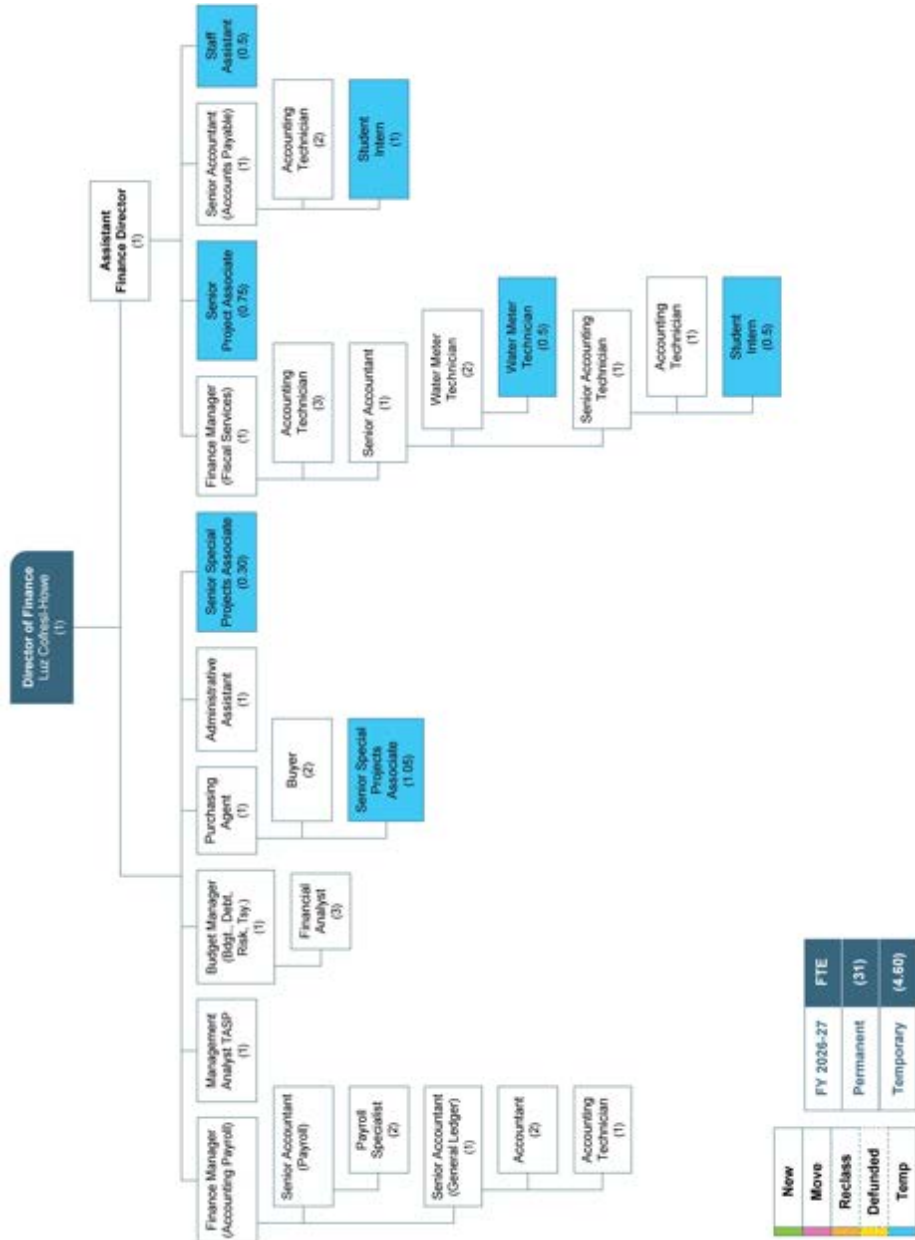
- Procures goods and services competitively and in compliance with applicable Federal and State law and City ordinances.
- Manages the City's risk management and liability programs, including representation on the Pooled Liability Assurance Network Joint Powers Authority (PLAN JPA) Board.

### Internal Controls & Audit

- Maintains the City's internal audit and internal controls framework, including financial policies, payment controls, system access administration, and compliance with applicable accounting standards.

### Transactional Operations

- Processes payments for goods and services accurately and in a timely manner.
- Processes payroll and benefits payments on a bi-weekly cycle and files all required Federal and State payroll tax reports.



| Accomplishments |                                                                                                                                                                 | Community<br>Wellness and<br>Open Space                                           | Economic<br>Development<br>and Job Growth                                         | Environment                                                                        | Governance &<br>Administration                                                      | Neighborhoods<br>and Housing                                                        | Public Safety                                                                       | Transportation<br>and Transit                                                       |
|-----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
|                 |                                                                                                                                                                 |  |  |  |  |  |  |  |
| 1.              | Reduced five-year structural deficit forecast by 31.2%, from \$28.5 million to \$19.6 million.                                                                  |                                                                                   |                                                                                   |                                                                                    | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |
| 2.              | Presented FY 2025-26 Mid-Year Report; budget increased from \$144M to \$150.9M while remaining balanced.                                                        |                                                                                   |                                                                                   |                                                                                    | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |
| 3.              | Received GFOA and CSMFO awards for Distinguished Budget Presentation and Excellence in Financial Reporting.                                                     | ✓                                                                                 | ✓                                                                                 | ✓                                                                                  | ✓                                                                                   | ✓                                                                                   | ✓                                                                                   | ✓                                                                                   |
| 4.              | Received unqualified audit opinions on both the FY 2024-25 Annual Comprehensive Financial Report and Federal Single Audit with no material findings.            |                                                                                   |                                                                                   |                                                                                    | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |
| 5.              | Completed comprehensive Master User and Regulatory Fee schedule review, ensuring fees are current, legally defensible, and aligned with cost of service.        |                                                                                   |                                                                                   |                                                                                    | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |
| 6.              | Advanced Tyler ERP Phase 1 financial system implementation and post-launch stabilization.                                                                       |                                                                                   |                                                                                   |                                                                                    | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |
| 7.              | Co-led Tyler ERP Phase 2 launch with Human Resources, with Finance leadership over payroll migration and continuity.                                            |                                                                                   |                                                                                   | ✓                                                                                  | ✓                                                                                   | ✓                                                                                   |                                                                                     |                                                                                     |
| 8.              | Continued updates to Finance standard operating procedures and internal controls framework.                                                                     |                                                                                   | ✓                                                                                 |                                                                                    | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |
| 9.              | Supported Measure F Oversight Committee oversight of approximately \$7 million in annual sales tax revenue.                                                     |                                                                                   |                                                                                   |                                                                                    | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |
| 10.             | Served as a lead negotiator in collaboration with the City Attorney and Economic Development in finalizing the Rivian Economic Development Incentive Agreement. |                                                                                   |                                                                                   |                                                                                    | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |
| 11.             | Maintained compliance with regulatory reporting, filing, and deadline obligations across payroll, debt, GASB, federal grants, and financial reporting.          |                                                                                   |                                                                                   |                                                                                    | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |
| 12.             | Provided uninterrupted fiscal, procurement, payroll, and administrative support services to all City departments and the Milpitas community.                    | ✓                                                                                 | ✓                                                                                 | ✓                                                                                  | ✓                                                                                   | ✓                                                                                   | ✓                                                                                   | ✓                                                                                   |

| Initiatives |                                                                                                                                                                    | Community<br>Wellness and<br>Open Space                                           | Economic<br>Development<br>and Job Growth                                         | Environment                                                                        | Governance &<br>Administration                                                      | Neighborhoods<br>and Housing                                                        | Public Safety                                                                       | Transportation<br>and Transit                                                       |
|-------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
|             |                                                                                                                                                                    |  |  |  |  |  |  |  |
| 1.          | Refine and enhance budget development processes and long-term financial forecasting methodologies.                                                                 |                                                                                   |                                                                                   |                                                                                    | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |
| 2.          | Advance Section 115 Trust strategy to reduce the City's pension unfunded actuarial liability (UAL).                                                                |                                                                                   |                                                                                   |                                                                                    | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |
| 3.          | Serve as chief fiscal advisor to City labor contract negotiations for all five expiring bargaining unit agreements in support of long-term budget stability.       |                                                                                   |                                                                                   |                                                                                    | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |
| 4.          | Collaborate with City Manager's Office and Economic Development on revenue enhancement efforts including business tax modernization.                               |                                                                                   | ✓                                                                                 |                                                                                    | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |
| 5.          | Update Investment, Debt, and Section 115 Trust policies and develop a new Interfund Loan policy; evaluate bond refunding opportunities for long-term debt savings. |                                                                                   |                                                                                   |                                                                                    | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |
| 6.          | Partner with Public Works on water and sewer enterprise rate studies.                                                                                              |                                                                                   |                                                                                   | ✓                                                                                  | ✓                                                                                   | ✓                                                                                   |                                                                                     |                                                                                     |
| 7.          | Continue stabilization, optimization, and business process transformation of Tyler ERP Phase 1 and Phase 2.                                                        |                                                                                   |                                                                                   |                                                                                    | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |
| 8.          | Enhance public financial transparency and reporting through executive-level financial dashboards utilizing Tyler ERP.                                              | ✓                                                                                 | ✓                                                                                 | ✓                                                                                  | ✓                                                                                   | ✓                                                                                   | ✓                                                                                   | ✓                                                                                   |
| 9.          | Support Land Management system deployment with Finance leadership over financial controls, revenue configuration, and system interoperability.                     |                                                                                   | ✓                                                                                 |                                                                                    | ✓                                                                                   | ✓                                                                                   |                                                                                     |                                                                                     |
| 10.         | Lead procurement code modernization in collaboration with the City Attorney.                                                                                       |                                                                                   |                                                                                   |                                                                                    | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |
| 11.         | Build on the organizational assessment to align Finance structure, roles, and workforce development with post-ERP capabilities and long-term operational needs.    |                                                                                   |                                                                                   |                                                                                    | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |
| 12.         | Formalize and document Finance Department SOPs reflecting new workflows resulting from the Tyler ERP implementation.                                               |                                                                                   |                                                                                   |                                                                                    | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |

| Performance Measures                                                    | Strategic Goals                                                                   | 2022-23 Actual | 2023-24 Actual | 2024-25 Actual | 2025-26 Estimate | 2026-27 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%            |

| Activity and Workload Data                                          | Strategic Goals                                                                     | 2022-23 Actual | 2023-24 Actual | 2024-25 Actual | 2025-26 Estimate | 2026-27 Target |
|---------------------------------------------------------------------|-------------------------------------------------------------------------------------|----------------|----------------|----------------|------------------|----------------|
| Number of Contracts Processed                                       |    | 277            | 302            | 355            | 380              | 380            |
| Number of Vendor Invoices Paid                                      |    | 17,401         | 17,401         | 19,500         | 22,005           | 22,005         |
| Number of Utility Bills Issued                                      |    | 92,223         | 92,223         | 92,476         | 92,376           | 92,500         |
| Number of Regulatory Reports Submitted to Appropriate Agencies      |    | 118            | 118            | 108            | 100              | 100            |
| Number of Financial Informational Reports Submitted to City Council |  | 122            | 122            | 84             | 84               | 84             |
| Number of Payroll Checks Paid                                       |  | 13,606         | 13,606         | 15,885         | 15,885           | 15,885         |

## BUDGET SUMMARY

|                                   | 2024-25 Adopted    | 2025-26 Adopted    | 2026-27 Proposed   | FY 2027 Change \$ | FY 2027 Change % |
|-----------------------------------|--------------------|--------------------|--------------------|-------------------|------------------|
| <b>Dollars by Function</b>        |                    |                    |                    |                   |                  |
| 300 - Finance Administration      | \$2,531,846        | \$2,938,812        | \$1,677,753        | -\$1,261,059      | -43%             |
| 310 - Finance Operations          | \$2,292,822        | \$2,291,460        | \$2,634,752        | \$343,292         | 15%              |
| 320 - Fiscal Services-Utilities   | \$2,567,420        | \$2,733,816        | \$2,520,530        | -\$213,286        | -8%              |
| 330 - Finance Purchasing and Risk | \$0                | \$7,095            | \$76,413           | \$69,318          | 977%             |
| 340 - Finance Budget              | \$0                | \$0                | \$1,118,861        | \$1,118,861       | -                |
| <b>DOLLARS BY FUNCTION TOTAL</b>  | <b>\$7,392,088</b> | <b>\$7,971,183</b> | <b>\$8,028,309</b> | <b>\$57,126</b>   | <b>1%</b>        |

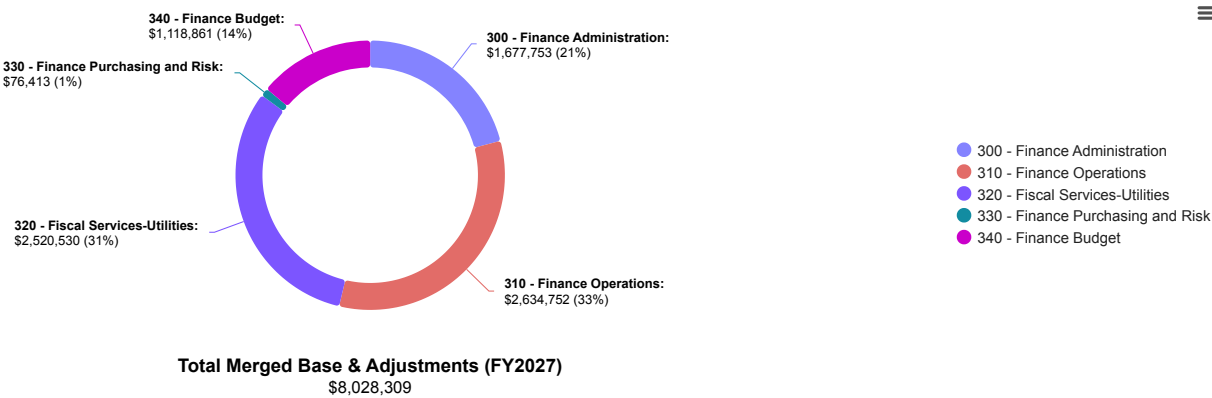
|                                         | 2024-25 Adopted    | 2025-26 Adopted    | 2026-27 Proposed   | FY 2027 Change \$ | FY 2027 Change % |
|-----------------------------------------|--------------------|--------------------|--------------------|-------------------|------------------|
| <b>Dollars by Category</b>              |                    |                    |                    |                   |                  |
| <b>Personnel Services</b>               |                    |                    |                    |                   |                  |
| 41110 - Permanent                       | \$3,682,732        | \$4,071,557        | \$3,947,335        | -\$124,222        | -3%              |
| 41120 - Temporary                       | \$317,611          | \$388,503          | \$296,728          | -\$91,775         | -24%             |
| 41130 - Overtime                        | \$19,000           | \$19,210           | \$19,210           | \$0               | 0%               |
| 41210 - Allowances                      | \$7,814            | \$7,812            | \$7,814            | \$2               | 0%               |
| 41310 - PERS                            | \$1,345,319        | \$1,514,552        | \$1,476,888        | -\$37,664         | -2%              |
| 41320 - Group Insurance                 | \$682,807          | \$770,957          | \$721,432          | -\$49,525         | -6%              |
| 41330 - Medicare-Employer's Contributi  | \$59,062           | \$64,823           | \$68,630           | \$3,807           | 6%               |
| 41350 - Worker's Compensation           | \$20,186           | \$22,779           | \$23,531           | \$752             | 3%               |
| 41380 - Deferred Comp-Employer Contrib  | \$25,202           | \$28,125           | \$25,432           | -\$2,693          | -10%             |
| 41390 - PARS                            | \$3,436            | \$973              | \$1,123            | \$150             | 15%              |
| 41410 - Adjustments-Benefits            | -\$19,906          | \$0                | \$0                | \$0               | -                |
| 41420 - Vacancy Factor                  | \$0                | \$0                | -\$212,072         | -\$212,072        | -                |
| 41430 - Charged to CIPs                 | -\$145,000         | -\$407,365         | \$0                | \$407,365         | -100%            |
| 41460 - Short Term Disability           | \$2,524            | \$2,625            | \$2,469            | -\$156            | -6%              |
| 41610 - Retiree Medical Reserve         | \$35,641           | \$38,525           | \$37,144           | -\$1,381          | -4%              |
| <b>PERSONNEL SERVICES TOTAL</b>         | <b>\$6,036,428</b> | <b>\$6,523,076</b> | <b>\$6,415,664</b> | <b>-\$107,412</b> | <b>-2%</b>       |
| <b>Non-Personnel Expenditures</b>       |                    |                    |                    |                   |                  |
| 42110 - Equip Repl Amortization Chrges  | \$4,773            | \$4,773            | \$4,883            | \$110             | 2%               |
| 42210 - Office Supplies                 | \$79,505           | \$67,350           | \$53,250           | -\$14,100         | -21%             |
| 42230 - Departmental Supplies           | \$62,400           | \$64,900           | \$18,900           | -\$46,000         | -71%             |
| 42310 - Advertising                     | \$4,000            | \$3,700            | \$2,100            | -\$1,600          | -43%             |
| 42370 - Contractual Services - Legacy   | \$1,117,526        | \$1,219,013        | \$0                | -\$1,219,013      | -100%            |
| 42375 - Construction Services           | \$0                | \$0                | \$175,000          | \$175,000         | -                |
| 42379 - Contractual Services            | \$0                | \$0                | \$764,205          | \$764,205         | -                |
| 42390 - Audit Fees                      | \$900              | \$900              | \$900              | \$0               | 0%               |
| 42410 - Repair & Maintenance            | \$37,750           | \$37,750           | \$64,100           | \$26,350          | 70%              |
| 42420 - IT Subscriptions                | \$0                | \$0                | \$191,021          | \$191,021         | -                |
| 45010 - Memberships & Dues              | \$2,635            | \$2,210            | \$17,050           | \$14,840          | 671%             |
| 45030 - Training and Registration       | \$46,171           | \$47,511           | \$44,236           | -\$3,275          | -7%              |
| <b>NON-PERSONNEL EXPENDITURES TOTAL</b> | <b>\$1,355,660</b> | <b>\$1,448,107</b> | <b>\$1,335,645</b> | <b>-\$112,462</b> | <b>-8%</b>       |
| Capital Outlay                          | \$0                | \$0                | \$277,000          | \$277,000         | -                |
| <b>DOLLARS BY CATEGORY TOTAL</b>        | <b>\$7,392,088</b> | <b>\$7,971,183</b> | <b>\$8,028,309</b> | <b>\$57,126</b>   | <b>1%</b>        |

STAFFING

| Function                  | 2023-24 Adopted | 2024-25 Adopted | 2025-26 Adopted | 2026-27 Proposed | FY2027 Change |
|---------------------------|-----------------|-----------------|-----------------|------------------|---------------|
| FTE                       |                 |                 |                 |                  |               |
| Finance Administration    | 9               | 10              | 11              | 11               | 0             |
| Finance Operations        | 12              | 12              | 12              | 11               | -1            |
| Fiscal Services-Utilities | 8               | 8               | 8               | 9                | 1             |
| FTE                       | 29              | 30              | 31              | 31               | 0             |

| Position Name*                 | 2023-24 Adopted | 2024-25 Adopted | 2025-26 Adopted | 2026-27 Proposed | FY2027 Change |
|--------------------------------|-----------------|-----------------|-----------------|------------------|---------------|
| FTE                            |                 |                 |                 |                  |               |
| Accountant                     | 2               | 2               | 2               | 2                | 0             |
| Accounting Technician I        | 2               | 2               | 2               | 2                | 0             |
| Accounting Technician II       | 5               | 5               | 5               | 5                | 0             |
| Administrative Assistant       | 1               | 1               | 1               | 1                | 0             |
| Assistant Finance Director     | 1               | 1               | 1               | 1                | 0             |
| Budget Manager                 | 1               | 1               | 1               | 1                | 0             |
| Buyer                          | 0               | 2               | 2               | 2                | 0             |
| Finance Director               | 1               | 1               | 1               | 1                | 0             |
| Finance Manager                | 2               | 2               | 2               | 2                | 0             |
| Financial Analyst I            | 0               | 1               | 1               | 1                | 0             |
| Financial Analyst II           | 3               | 2               | 2               | 2                | 0             |
| Management Analyst             | 0               | 0               | 1               | 1                | 0             |
| Payroll Specialist             | 2               | 2               | 2               | 2                | 0             |
| Purchasing Agent               | 1               | 1               | 1               | 1                | 0             |
| Senior Accountant              | 4               | 4               | 4               | 4                | 0             |
| Senior Accounting Technician   | 1               | 1               | 1               | 1                | 0             |
| Senior Buyer                   | 1               | 0               | 0               | 0                | 0             |
| Water Meter Technician I - 40  | 0               | 1               | 1               | 1                | 0             |
| Water Meter Technician II - 40 | 2               | 1               | 1               | 1                | 0             |
| FTE                            | 29              | 30              | 31              | 31               | 0             |

EXPENDITURES BY FUNCTION



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BUDGET RECONCILIATION

|                                                                                                  | Positions | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |
|--------------------------------------------------------------------------------------------------|-----------|---------------------------|-------------------------|-----------------------|
| PRIOR YEAR BUDGET                                                                                | 31.00     | \$5,805,883               | \$2,165,300             | \$7,971,183           |
| Adjustments to Costs of Ongoing Activities                                                       |           |                           |                         |                       |
| Salary and Benefits                                                                              |           | (423,174)                 | 260,190                 | (162,984)             |
| Decrease to Contractual Services                                                                 |           | (258,408)                 | (21,400)                | (279,808)             |
| Non-Personnel Expenditure Alignment to Historical Trend (Cayenta, OpenGov & HdL (moved from IT)) |           | 384,736                   | 59,610                  | 444,346               |
| Total Adjustment to Costs of Ongoing Activities                                                  | 0.00      | (296,846)                 | 298,400                 | 1,554                 |
| Total FY 2026-27 Base Budget                                                                     | 31.00     | \$5,509,037               | \$2,463,700             | \$7,972,737           |
| Service Level Changes                                                                            |           |                           |                         |                       |
| Purchasing Manager Position Reclassification                                                     |           | 55,572                    |                         | 55,572                |
| Total Service Level Changes                                                                      | 0.00      | 55,572                    | 0                       | 55,572                |
| Total FY 2026-27 Proposed Budget                                                                 | 31.00     | \$5,564,609               | \$2,463,700             | \$8,028,309           |

SERVICE LEVEL CHANGES

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Positions | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|---------------------------|-------------------------|-----------------------|
| 1 Purchasing Manager Position Reclassification                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 0         | \$55,572                  | \$0                     | \$55,572              |
| <p>This proposal reclassifies the current Purchasing Agent position to a Purchasing Manager position and adjusts the compensation accordingly. The current title understates the scope of the position. Every comparable city in the survey uses the title "Manager," "Officer," or "Division Manager." The reclassification would align with market terminology and accurately reflect the supervisory, contract administration, and policy development responsibilities described in the class specification. The current specification dates to September 2019 and does not reflect the Tyler ERP implementation, the expanded contract administration scope, or the procurement compliance responsibilities that have evolved since that time. A revised specification would document the actual current duties and complexity of the position and strengthen the justification for the salary adjustment. (ongoing)</p> <div>Performance Results</div> |           |                           |                         |                       |
| Total Service Level Changes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 0.00      | \$55,572                  | \$0                     | \$55,572              |

# Fire

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

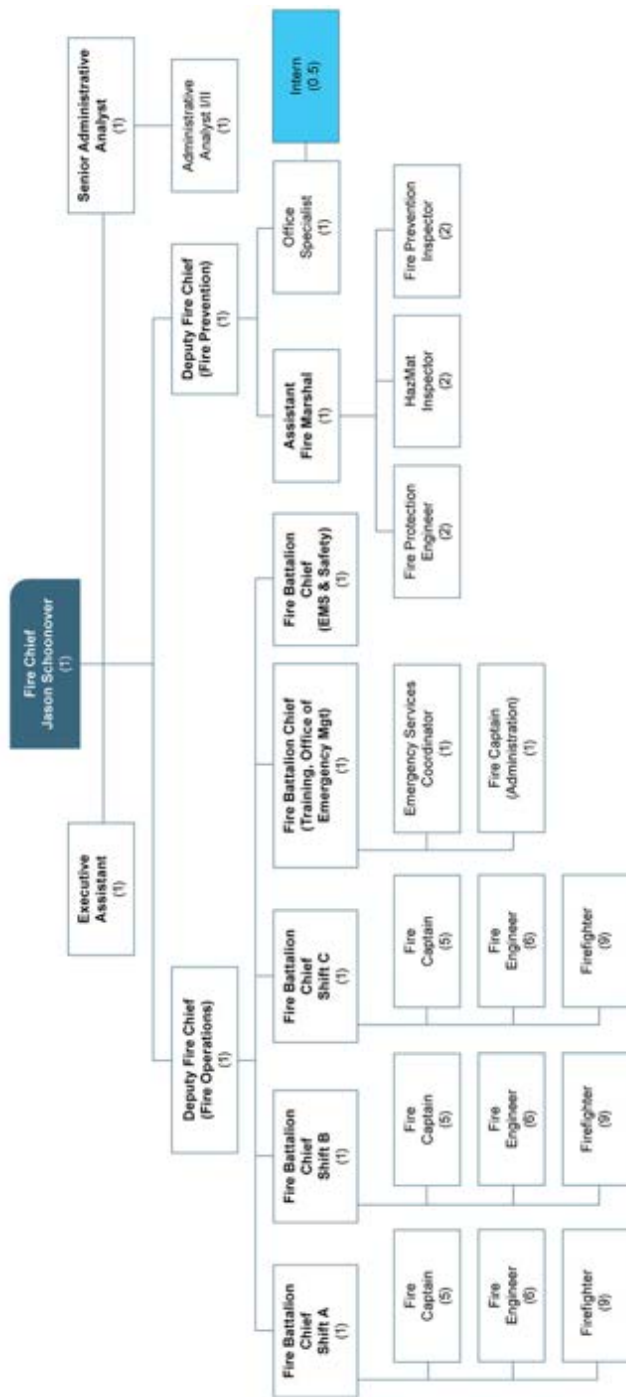
- Fire Department Administration: Directs the department in field operations, budget and fiscal policy, administrative systems and procedures, employee training and development, and labor and management issues. Fire Administration is tasked with strategic planning for the implementation of fire service 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.



- 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.

- 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.





| New     | FY 2026-27 | FTE   |
|---------|------------|-------|
| Move    | Permanent  | (81)  |
| Reclass | Temporary  | (0.5) |
| Temp    |            |       |

| Accomplishments |                                                                                                                                         | Community<br>Wellness and<br>Open Space                                           | Economic<br>Development<br>and Job Growth                                         | Environment                                                                        | Governance &<br>Administration                                                      | Neighborhoods<br>and Housing                                                        | Public Safety                                                                       | Transportation<br>and Transit                                                       |
|-----------------|-----------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
|                 |                                                                                                                                         |  |  |  |  |  |  |  |
| 1.              | Supported ongoing enhancements to the physical health/wellness programs                                                                 | ✓                                                                                 | ✓                                                                                 |                                                                                    |                                                                                     |                                                                                     | ✓                                                                                   |                                                                                     |
| 2.              | Streamlined the permit intake and inspection processes by transitioning from paper-based systems to fully digital workflows             |                                                                                   |                                                                                   | ✓                                                                                  | ✓                                                                                   | ✓                                                                                   | ✓                                                                                   |                                                                                     |
| 3.              | Supported recruitment efforts to fill all Fire department vacancies                                                                     |                                                                                   | ✓                                                                                 |                                                                                    | ✓                                                                                   |                                                                                     | ✓                                                                                   |                                                                                     |
| 4.              | Completed all mandated annual inspections, 2025 code updates, and adoption of associated City Ordinances                                | ✓                                                                                 |                                                                                   | ✓                                                                                  | ✓                                                                                   | ✓                                                                                   | ✓                                                                                   |                                                                                     |
| 5.              | Initiated implementation of CIP project for Urban Search and Rescue Vehicle (USAR) replacement                                          |                                                                                   |                                                                                   |                                                                                    | ✓                                                                                   |                                                                                     | ✓                                                                                   | ✓                                                                                   |
| 6.              | Participated in Phase I implementation of new Citywide ERP system (Tyler)                                                               |                                                                                   | ✓                                                                                 |                                                                                    | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |
| 7.              | Implemented incident command software and record management software (RMS) updates                                                      |                                                                                   |                                                                                   |                                                                                    | ✓                                                                                   |                                                                                     | ✓                                                                                   |                                                                                     |
| 8.              | Collaborated with Police Department to support the adoption of the County-wide Genasys Protect evacuation plan and notifications system | ✓                                                                                 |                                                                                   | ✓                                                                                  | ✓                                                                                   | ✓                                                                                   | ✓                                                                                   |                                                                                     |
| 9.              | Increased Community Emergency Response Team (CERT) engagement                                                                           | ✓                                                                                 |                                                                                   |                                                                                    |                                                                                     | ✓                                                                                   | ✓                                                                                   |                                                                                     |
| 10.             | Updated department staffing policies to align with City's fiscal strategies                                                             |                                                                                   | ✓                                                                                 |                                                                                    | ✓                                                                                   |                                                                                     | ✓                                                                                   |                                                                                     |

| Initiatives |                                                                                               | Community<br>Wellness and<br>Open Space                                           | Economic<br>Development<br>and Job Growth                                         | Environment                                                                        | Governance &<br>Administration                                                      | Neighborhoods<br>and Housing                                                        | Public Safety                                                                       | Transportation<br>and Transit                                                       |
|-------------|-----------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
|             |                                                                                               |  |  |  |  |  |  |  |
| 1.          | Continue to invest in the health and safety/peer support programs for employees               | ✓                                                                                 | ✓                                                                                 |                                                                                    |                                                                                     |                                                                                     | ✓                                                                                   |                                                                                     |
| 2.          | Continue to evaluate and provide for enhancements to the ambulance deployment program         | ✓                                                                                 | ✓                                                                                 |                                                                                    | ✓                                                                                   | ✓                                                                                   | ✓                                                                                   | ✓                                                                                   |
| 3.          | Support implementation of Fire scheduling software                                            |                                                                                   |                                                                                   |                                                                                    | ✓                                                                                   |                                                                                     | ✓                                                                                   |                                                                                     |
| 4.          | Foster the ongoing professional development of all staff with emphasis on succession planning | ✓                                                                                 | ✓                                                                                 |                                                                                    | ✓                                                                                   |                                                                                     | ✓                                                                                   |                                                                                     |
| 5.          | Support Phase II implementation for Citywide ERP system (Tyler)                               |                                                                                   |                                                                                   |                                                                                    | ✓                                                                                   |                                                                                     | ✓                                                                                   |                                                                                     |
| 6.          | Simplify applications to improve the permit submission process                                |                                                                                   |                                                                                   |                                                                                    | ✓                                                                                   |                                                                                     | ✓                                                                                   |                                                                                     |
| 7.          | Coordinate installation and furnishing of new modular building at Fire Station 1              | ✓                                                                                 |                                                                                   | ✓                                                                                  |                                                                                     |                                                                                     | ✓                                                                                   |                                                                                     |
| 8.          | Establish promotional lists for all ranks within the department                               |                                                                                   | ✓                                                                                 |                                                                                    | ✓                                                                                   |                                                                                     | ✓                                                                                   |                                                                                     |
| 9.          | Provide ongoing support for Fire certification courses and training programs                  | ✓                                                                                 | ✓                                                                                 |                                                                                    | ✓                                                                                   |                                                                                     | ✓                                                                                   |                                                                                     |
| 10.         | Implement systems to expand the availability of public documents                              |                                                                                   |                                                                                   | ✓                                                                                  | ✓                                                                                   |                                                                                     | ✓                                                                                   |                                                                                     |

| Performance Measures                                                                                       | Strategic Goals                                                                   | 2022-23 Actual | 2023-24 Actual | 2024-25 Actual | 2025-26 Estimate | 2026-27 Target |
|------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|----------------|----------------|----------------|------------------|----------------|
| Total response time (call to arrival) to emergency calls (minutes)                                         |  | 8:24           | 8:25           | 5:26           | 7:11             | 7:30*          |
| State mandated fire occupancy inspections completed annually                                               |  | 1,500          | 1,335          | 1,233          | 1,588            | 1,700          |
| Effective Response Force (First Alarm) for assembling a complete response on all structure fires (minutes) |  | 11:20          | 11:19          | 11:52          | 9:10             | 11:30**        |

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

\*\*Industry standard for Effective Response Force (First Alarm) assembling a complete response on all structure fires is within 11:30 or less, 90% of the time.

| Activity and Workload Data                              | Strategic Goals                                                                     | 2022-23 Actual | 2023-24 Actual | 2024-25 Actual | 2025-26 Estimate | 2026-27 Target |
|---------------------------------------------------------|-------------------------------------------------------------------------------------|----------------|----------------|----------------|------------------|----------------|
| Fire service calls                                      |    | 6,782          | 7,054          | 6,788          | 7,167            | 7,200          |
| Training Hours / Certifications to serve in higher rank |    | 12,871 / 15    | 11,215 / 15    | 12,235 / 21    | 11,663 / 25      | 15,000 / 25    |
| Total Engine Company Inspections                        |    | 1,858          | 1,365          | 2,306          | 2,000            | 2,100          |
| Total Plan Review / Inspections                         |  | 1,435 / 1,266  | 1,154 / 976    | 1,164 / 873    | 1,300 / 1,235    | 1,300 / 1,050  |
| Public Education Events (attendees)                     |  | 5,079          | 7,960          | 6,336          | 9,900            | 9,000          |
| Apparatus Response Summary (incidents)                  |  | 11,083         | 11,705         | 11,012         | 11,200           | 12,300         |
| Ambulance Transports                                    |  | 98             | 121            | 141            | 150              | 170            |

## BUDGET SUMMARY

|                                      | 2024-25 Adopted     | 2025-26 Adopted     | 2026-27 Proposed    | FY 2027 Change \$  | FY 2027 Change % |
|--------------------------------------|---------------------|---------------------|---------------------|--------------------|------------------|
| <b>Dollars by Function</b>           |                     |                     |                     |                    |                  |
| 801 - Fire Administration            | \$2,181,174         | \$3,133,262         | \$3,296,047         | \$162,785          | 5%               |
| 812 - A/B/C Battalions Operations    | \$24,817,589        | \$27,086,672        | \$28,549,005        | \$1,462,333        | 5%               |
| 814 - Ambulance Services             | \$67,000            | \$64,800            | \$57,200            | -\$7,600           | -12%             |
| 816 - Disaster Prep & Public Ed      | \$297,244           | \$316,099           | \$318,613           | \$2,514            | 1%               |
| 821 - Fire Prevention Division Admin | \$1,186,867         | \$1,216,339         | \$1,346,152         | \$129,813          | 11%              |
| 822 - Fire Insptn, Plan Ck & Invstg  | \$2,933,146         | \$2,532,663         | \$2,646,558         | \$113,895          | 5%               |
| <b>DOLLARS BY FUNCTION TOTAL</b>     | <b>\$31,483,020</b> | <b>\$34,349,835</b> | <b>\$36,213,575</b> | <b>\$1,863,740</b> | <b>5%</b>        |

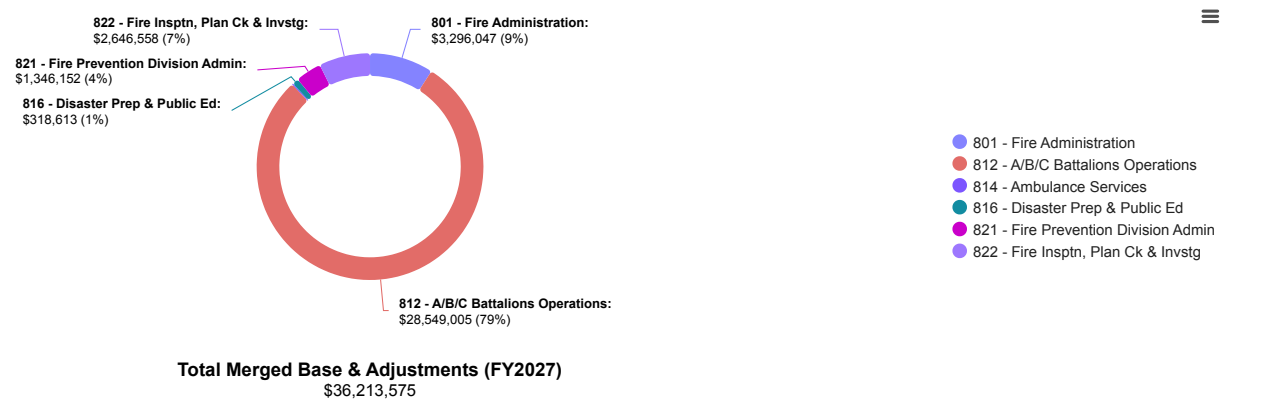
|                                         | 2024-25 Adopted     | 2025-26 Adopted     | 2026-27 Proposed    | FY 2027 Change \$  | FY 2027 Change % |
|-----------------------------------------|---------------------|---------------------|---------------------|--------------------|------------------|
| <b>Dollars by Category</b>              |                     |                     |                     |                    |                  |
| <b>Personnel Services</b>               |                     |                     |                     |                    |                  |
| 41110 - Permanent                       | \$14,395,568        | \$15,856,184        | \$16,912,618        | \$1,056,434        | 7%               |
| 41120 - Temporary                       | \$36,978            | \$21,978            | \$36,978            | \$15,000           | 68%              |
| 41130 - Overtime                        | \$1,615,257         | \$1,615,257         | \$1,615,257         | \$0                | 0%               |
| 41140 - Overtime-Reimbursable           | \$0                 | \$0                 | \$750,000           | \$750,000          | –                |
| 41210 - Allowances                      | \$78,312            | \$77,312            | \$77,652            | \$340              | 0%               |
| 41310 - PERS                            | \$8,486,578         | \$9,735,828         | \$10,207,745        | \$471,917          | 5%               |
| 41320 - Group Insurance                 | \$2,462,352         | \$2,552,913         | \$2,763,706         | \$210,793          | 8%               |
| 41330 - Medicare-Employer's Contributi  | \$210,710           | \$231,811           | \$247,197           | \$15,386           | 7%               |
| 41350 - Worker's Compensation           | \$672,148           | \$736,675           | \$783,262           | \$46,587           | 6%               |
| 41380 - Deferred Comp-Employer Contrib  | \$51,900            | \$51,300            | \$51,600            | \$300              | 1%               |
| 41390 - PARS                            | \$705               | \$705               | \$705               | \$0                | 0%               |
| 41420 - Vacancy Factor                  | \$0                 | \$0                 | -\$336,320          | -\$336,320         | –                |
| 41460 - Short Term Disability           | \$756               | \$672               | \$420               | -\$252             | -37%             |
| 41610 - Retiree Medical Reserve         | \$191,876           | \$211,361           | \$222,551           | \$11,190           | 5%               |
| <b>PERSONNEL SERVICES TOTAL</b>         | <b>\$28,203,140</b> | <b>\$31,091,996</b> | <b>\$33,333,371</b> | <b>\$2,241,375</b> | <b>7%</b>        |
| <b>Non-Personnel Expenditures</b>       |                     |                     |                     |                    |                  |
| 42110 - Equip Repl Amortization Chrges  | \$1,897,630         | \$1,897,630         | \$1,701,361         | -\$196,269         | -10%             |
| 42210 - Office Supplies                 | \$38,500            | \$38,500            | \$38,500            | \$0                | 0%               |
| 42230 - Departmental Supplies           | \$472,660           | \$458,660           | \$417,360           | -\$41,300          | -9%              |
| 42240 - Maintenance Supplies            | \$31,500            | \$31,500            | \$31,500            | \$0                | 0%               |
| 42250 - Health & Safety Supplies        | \$93,900            | \$93,900            | \$93,900            | \$0                | 0%               |
| 42370 - Contractual Services - Legacy   | \$486,707           | \$517,166           | \$0                 | -\$517,166         | -100%            |
| 42379 - Contractual Services            | \$0                 | \$0                 | \$419,608           | \$419,608          | –                |
| 45010 - Memberships & Dues              | \$42,475            | \$39,475            | \$40,375            | \$900              | 2%               |
| 45030 - Training and Registration       | \$177,100           | \$144,600           | \$126,600           | -\$18,000          | -12%             |
| 45050 - Lodging/Travel                  | \$6,000             | \$3,000             | \$3,000             | \$0                | 0%               |
| 45060 - Meals for Meetings              | \$9,000             | \$9,000             | \$8,000             | -\$1,000           | -11%             |
| <b>NON-PERSONNEL EXPENDITURES TOTAL</b> | <b>\$3,255,472</b>  | <b>\$3,233,431</b>  | <b>\$2,880,204</b>  | <b>-\$353,227</b>  | <b>-11%</b>      |
| Capital Outlay                          | \$24,408            | \$24,408            | \$0                 | -\$24,408          | -100%            |
| <b>DOLLARS BY CATEGORY TOTAL</b>        | <b>\$31,483,020</b> | <b>\$34,349,835</b> | <b>\$36,213,575</b> | <b>\$1,863,740</b> | <b>5%</b>        |

## STAFFING

| Function                       | 2023-24 Adopted | 2024-25 Adopted | 2025-26 Adopted | 2026-27 Proposed | FY2027 Change |
|--------------------------------|-----------------|-----------------|-----------------|------------------|---------------|
| <b>FTE</b>                     |                 |                 |                 |                  |               |
| A/B/C Battalions Operations    | 63              | 63              | 63              | 63               | 0             |
| Disaster Prep & Public Ed      | 1               | 1               | 1               | 1                | 0             |
| Fire Administration            | 8               | 8               | 8               | 8                | 0             |
| Fire Inspn, Plan Ck & Invstg   | 6               | 6               | 5               | 5                | 0             |
| Fire Prevention Division Admin | 4               | 4               | 4               | 4                | 0             |
| <b>FTE</b>                     | <b>82</b>       | <b>82</b>       | <b>81</b>       | <b>81</b>        | <b>0</b>      |

| Position Name*                 | 2023-24 Adopted | 2024-25 Adopted | 2025-26 Adopted | 2026-27 Proposed | FY2027 Change |
|--------------------------------|-----------------|-----------------|-----------------|------------------|---------------|
| <b>FTE</b>                     |                 |                 |                 |                  |               |
| Administrative Analyst I/II    | 1               | 1               | 1               | 1                | 0             |
| Assistant Fire Marshal         | 1               | 1               | 1               | 1                | 0             |
| Deputy Fire Chief              | 2               | 2               | 2               | 2                | 0             |
| Emergency Services Coordinator | 1               | 1               | 1               | 1                | 0             |
| Executive Assistant            | 1               | 1               | 1               | 1                | 0             |
| Fire Battalion Chief - 40hr    | 2               | 2               | 2               | 2                | 0             |
| Fire Battalion Chief           | 3               | 3               | 3               | 3                | 0             |
| Fire Captain                   | 15              | 15              | 15              | 15               | 0             |
| Fire Captain - 40              | 1               | 1               | 1               | 1                | 0             |
| Fire Chief                     | 1               | 1               | 1               | 1                | 0             |
| Fire Engineer/EMT              | 8               | 8               | 8               | 8                | 0             |
| Fire Engineer/Paramedic        | 10              | 10              | 10              | 10               | 0             |
| Fire Prev Inspector            | 3               | 3               | 2               | 2                | 0             |
| Fire Protection Engineer       | 2               | 2               | 2               | 2                | 0             |
| Firefighter/EMT                | 16              | 16              | 16              | 16               | 0             |
| Firefighter/Paramedic          | 11              | 11              | 11              | 11               | 0             |
| Haz Mat Inspector              | 2               | 2               | 2               | 2                | 0             |
| Office Specialist              | 1               | 1               | 1               | 1                | 0             |
| Senior Administrative Analyst  | 1               | 1               | 1               | 1                | 0             |
| <b>FTE</b>                     | <b>82</b>       | <b>82</b>       | <b>81</b>       | <b>81</b>        | <b>0</b>      |

EXPENDITURES BY FUNCTION



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BUDGET RECONCILIATION

|                                                                                                              | Positions | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |
|--------------------------------------------------------------------------------------------------------------|-----------|---------------------------|-------------------------|-----------------------|
| PRIOR YEAR BUDGET                                                                                            | 81.00     | \$34,309,427              | \$40,408                | \$34,349,835          |
| Adjustments to Costs of Ongoing Activities                                                                   |           |                           |                         |                       |
| Salary and Benefits                                                                                          |           | 1,491,375                 |                         | 1,491,375             |
| Mutual Aid Reimbursable Overtime                                                                             |           | 750,000                   |                         | 750,000               |
| Non-Personnel Expenditure Alignment to Historical Trend (Fleet Amortization, Supplies, contractual services) |           | (392,835)                 | (24,408)                | (417,243)             |
| Total Adjustment to Costs of Ongoing Activities                                                              |           | 1,848,540                 | (24,408)                | 1,824,132             |
| Total FY 2026-27 Base Budget                                                                                 | 81.00     | \$36,157,967              | \$16,000                | \$36,173,967          |
| Service Level Changes                                                                                        |           |                           |                         |                       |
| Injury Navigation Services (Ready Rebound)                                                                   |           | 39,608                    |                         | 39,608                |
| Total Service Level Changes                                                                                  |           | \$39,608                  |                         | \$39,608              |
| Total FY 2026-27 Proposed Budget                                                                             | 81.00     | \$36,197,575              | \$16,000                | \$36,213,575          |

SERVICE LEVEL CHANGES

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Positions                         | General Fund Expenditures                                                         | Other Fund Expenditures | All Fund Expenditures |          |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------------------------------------------------------|-------------------------|-----------------------|----------|
| 1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Injury Navigation (Ready Rebound) | \$39,608                                                                          | \$0                     | \$39,608              |          |
| <p>This proposal allocates one-time funding to Fire (\$39,608) and Police (\$17,025) to continue an online subscription platform that provides injury navigation resources and support for Fire and Police Department employees. The City is currently participating in a one-year (365-day) pilot program that delivers an end-to-end concierge service connecting injured first responders with medical, rehabilitation, and return-to-work resources to support a faster and healthier recovery and return to duty. The current pilot subscription is set to expire on November 2, 2026. It will ensure uninterrupted access to these critical support services for public safety personnel and promote improved recovery outcomes and workforce readiness. This one-time cost is fully offset by Plan JPA Risk Management grant fund revenue, resulting in a net zero impact to the City's General Fund. (One-Time)</p> |                                   |                                                                                   |                         |                       |          |
| Performance Results                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                   |  |                         |                       |          |
| Total Service Level Changes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                   | 0.00                                                                              | \$39,608                | \$0                   | \$39,608 |

# Human Resources

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

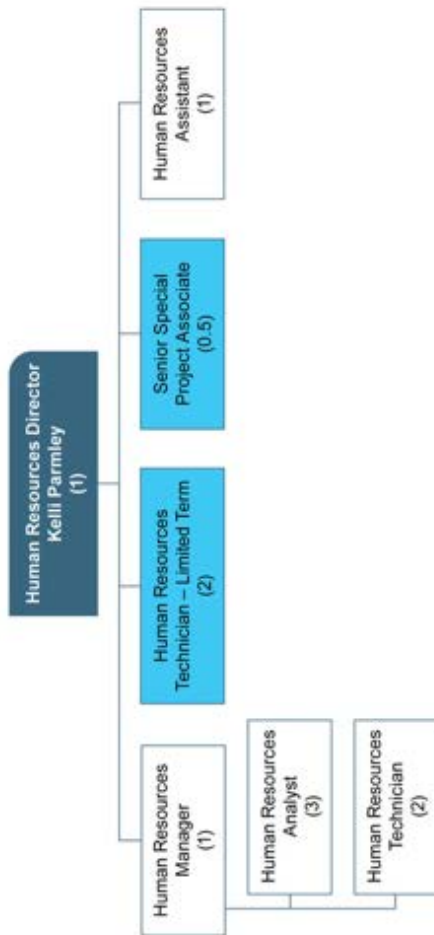
The HR Department provides citywide services related to recruitment, benefits administration, safety (including a self-funded workers' compensation program and DOT Drug and Alcohol Testing), employee relations including compliance with State and Federal employment laws, performance management, training, 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 451 (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.





|         |            |       |
|---------|------------|-------|
| New     | FY 2026-27 | FTE   |
| Move    | Permanent  | (8)   |
| Reclass | Temporary  | (2.5) |
| Temp    |            |       |

| Accomplishments |                                                                                                                                                                             | Community<br>Wellness and<br>Open Space                                           | Economic<br>Development<br>and Job Growth                                         | Environment                                                                        | Governance &<br>Administration                                                      | Neighborhoods<br>and Housing                                                        | Public Safety                                                                       | Transportation<br>and Transit                                                       |
|-----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
|                 |                                                                                                                                                                             |  |  |  |  |  |  |  |
| 1.              | Reviewed, clarified, and created consistency to modernize and document procedures with hiring managers in the recruiting process.                                           |                                                                                   |                                                                                   |                                                                                    | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |
| 2.              | Successfully launched Phase 2 of the Tyler Munis Enterprise Resource Planning system for HR/Payroll and established a go-live date for January 2027.                        |                                                                                   |                                                                                   |                                                                                    | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |
| 3.              | Offered an Employee Wellbeing Fair with more than 150 employees in attendance and more than a dozen wellbeing vendors.                                                      |                                                                                   |                                                                                   |                                                                                    | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |
| 4.              | Onboarded a new benefits consultant (Keenan and Associates) resulting in new voluntary benefits for employees and cost savings for the City.                                |                                                                                   |                                                                                   |                                                                                    | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |
| 5.              | Successfully completed the first innovation academy with a nationally recognized vendor (Change Agents Training) to support professional development for a dozen employees. |                                                                                   |                                                                                   |                                                                                    | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |
| 6.              | Launched the first City of Milpitas Summer College Internship program.                                                                                                      |                                                                                   |                                                                                   |                                                                                    | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |

| Initiatives |                                                                                                                                                                                                                                                                           | Community<br>Wellness and<br>Open Space                                           | Economic<br>Development<br>and Job Growth                                         | Environment                                                                        | Governance &<br>Administration                                                      | Neighborhoods<br>and Housing                                                        | Public Safety                                                                       | Transportation<br>and Transit                                                       |
|-------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
|             |                                                                                                                                                                                                                                                                           |  |  |  |  |  |  |  |
| 1.          | 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 Measures                                              | Strategic Goals                                                                   | 2022-23 Actual | 2023-24 Actual | 2024-25 Actual | 2025-26 Estimate | 2026-27 Target |
|-------------------------------------------------------------------|-----------------------------------------------------------------------------------|----------------|----------------|----------------|------------------|----------------|
| Average time to fill a vacancy (in days)                          |  | 109.06         | 83.52          | 72             | 72               | 75             |
| Percentage of recruitments completed within established timelines |  | 66%            | 53%            | 83%            | 40%              | 70%            |
| Percentage of employees attended Harassment Prevention Training   |  | 86%            | 72%            | 77%            | 75%              | 85%            |

| Activity and Workload Data                               | Strategic Goals                                                                     | 2022-23 Actual | 2023-24 Actual | 2024-25 Actual | 2025-26 Estimate | 2026-27 Target |
|----------------------------------------------------------|-------------------------------------------------------------------------------------|----------------|----------------|----------------|------------------|----------------|
| Number of full-time positions filled                     |    | 53             | 55             | 39             | 41               | 45             |
| Number of workers compensation claims processed          |    | 92             | 40             | 53             | 50               | 45             |
| Number of transactions processed                         |   | 1,131          | 1,042          | 1,016          | 930              | 850            |
| Number of new hires onboarded (includes temporary staff) |  | 214            | 175            | 158            | 130              | 150            |

## BUDGET SUMMARY

|                                      | 2024-25 Adopted    | 2025-26 Adopted    | 2026-27 Proposed   | FY 2027 Change \$ | FY 2027 Change % |
|--------------------------------------|--------------------|--------------------|--------------------|-------------------|------------------|
| Dollars by Function                  |                    |                    |                    |                   |                  |
| 115 - Human Resources Administration | \$2,348,798        | \$2,562,994        | \$2,594,307        | \$31,313          | 1%               |
| <b>DOLLARS BY FUNCTION TOTAL</b>     | <b>\$2,348,798</b> | <b>\$2,562,994</b> | <b>\$2,594,307</b> | <b>\$31,313</b>   | <b>1%</b>        |

|                                         | 2024-25 Adopted    | 2025-26 Adopted    | 2026-27 Proposed   | FY 2027 Change \$ | FY 2027 Change % |
|-----------------------------------------|--------------------|--------------------|--------------------|-------------------|------------------|
| Dollars by Category                     |                    |                    |                    |                   |                  |
| Personnel Services                      |                    |                    |                    |                   |                  |
| 41110 - Permanent                       | \$1,044,289        | \$1,100,650        | \$1,144,550        | \$43,900          | 4%               |
| 41120 - Temporary                       | \$29,527           | \$89,527           | \$0                | -\$89,527         | -100%            |
| 41130 - Overtime                        | \$1,500            | \$1,500            | \$1,500            | \$0               | 0%               |
| 41210 - Allowances                      | \$6,600            | \$13,200           | \$13,200           | \$0               | 0%               |
| 41310 - PERS                            | \$378,070          | \$393,670          | \$417,953          | \$24,283          | 6%               |
| 41320 - Group Insurance                 | \$197,079          | \$158,688          | \$192,822          | \$34,134          | 22%              |
| 41330 - Medicare-Employer's Contributi  | \$16,309           | \$17,007           | \$16,788           | -\$219            | -1%              |
| 41350 - Worker's Compensation           | \$5,586            | \$5,798            | \$5,702            | -\$96             | -2%              |
| 41380 - Deferred Comp-Employer Contrib  | \$7,200            | \$7,200            | \$7,200            | \$0               | 0%               |
| 41390 - PARS                            | \$886              | \$886              | \$0                | -\$886            | -100%            |
| 41410 - Adjustments-Benefits            | -\$9,547           | -\$9,547           | \$0                | \$9,547           | -100%            |
| 41460 - Short Term Disability           | \$672              | \$672              | \$672              | \$0               | 0%               |
| 41610 - Retiree Medical Reserve         | \$8,685            | \$9,042            | \$9,391            | \$349             | 4%               |
| <b>PERSONNEL SERVICES TOTAL</b>         | <b>\$1,686,856</b> | <b>\$1,788,293</b> | <b>\$1,809,778</b> | <b>\$21,485</b>   | <b>1%</b>        |
| Non-Personnel Expenditures              |                    |                    |                    |                   |                  |
| 42010 - Community Promotions            | \$8,755            | \$63,755           | \$55,000           | -\$8,755          | -14%             |
| 42210 - Office Supplies                 | \$7,210            | \$7,210            | \$9,210            | \$2,000           | 28%              |
| 42310 - Advertising                     | \$10,735           | \$10,735           | \$5,950            | -\$4,785          | -45%             |
| 42370 - Contractual Services - Legacy   | \$505,003          | \$516,368          | \$0                | -\$516,368        | -100%            |
| 42379 - Contractual Services            | \$0                | \$0                | \$567,868          | \$567,868         | -                |
| 42410 - Repair & Maintenance            | \$0                | \$46,224           | \$48,997           | \$2,773           | 6%               |
| 45010 - Memberships & Dues              | \$7,717            | \$7,887            | \$7,733            | -\$154            | -2%              |
| 45030 - Training and Registration       | \$118,402          | \$118,402          | \$85,651           | -\$32,751         | -28%             |
| 45060 - Meals for Meetings              | \$4,120            | \$4,120            | \$4,120            | \$0               | 0%               |
| <b>NON-PERSONNEL EXPENDITURES TOTAL</b> | <b>\$661,942</b>   | <b>\$774,701</b>   | <b>\$784,529</b>   | <b>\$9,828</b>    | <b>1%</b>        |
| <b>DOLLARS BY CATEGORY TOTAL</b>        | <b>\$2,348,798</b> | <b>\$2,562,994</b> | <b>\$2,594,307</b> | <b>\$31,313</b>   | <b>1%</b>        |

STAFFING

| Function                       | 2023-24 Adopted | 2024-25 Adopted | 2025-26 Adopted | 2026-27 Proposed | FY2027 Change |
|--------------------------------|-----------------|-----------------|-----------------|------------------|---------------|
| FTE                            |                 |                 |                 |                  |               |
| Human Resources Administration | 7               | 8               | 8               | 8                | 0             |
| FTE                            | 7               | 8               | 8               | 8                | 0             |

| Position Name*               | 2023-24 Adopted | 2024-25 Adopted | 2025-26 Adopted | 2026-27 Proposed | FY2027 Change |
|------------------------------|-----------------|-----------------|-----------------|------------------|---------------|
| FTE                          |                 |                 |                 |                  |               |
| Human Resources Analyst I/II | 2               | 3               | 3               | 3                | 0             |
| Human Resources Assistant    | 1               | 1               | 1               | 1                | 0             |
| Human Resources Director     | 1               | 1               | 1               | 1                | 0             |
| Human Resources Manager      | 1               | 1               | 1               | 1                | 0             |
| Human Resources Technician   | 2               | 2               | 2               | 2                | 0             |
| FTE                          | 7               | 8               | 8               | 8                | 0             |

EXPENDITURES BY FUNCTION



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BUDGET RECONCILIATION

|                                                         | Positions | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |
|---------------------------------------------------------|-----------|---------------------------|-------------------------|-----------------------|
| PRIOR YEAR BUDGET                                       | 8.00      | \$2,562,994               | \$0                     | \$2,562,994           |
| Adjustments to Costs of Ongoing Activities              |           |                           |                         |                       |
| Salary and Benefits                                     |           | 21,485                    |                         |                       |
| Non-Personnel Expenditure Alignment to Historical Trend |           | 9,828                     |                         |                       |
| Total Adjustment to Costs of Ongoing Activities         | 0.00      | 31,313                    | 0                       | 31,313                |
| Total FY 2026-27 Base Budget                            | 8.00      | \$2,594,307               | \$0                     | \$2,594,307           |
| Service Level Changes                                   |           |                           |                         |                       |
| Total Service Level Changes                             | 0.00      | 0                         | 0                       | 0                     |
| Total FY 2026-27 Proposed Budget                        | 8.00      | \$2,594,307               | \$0                     | \$2,594,307           |

# Information Technology

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

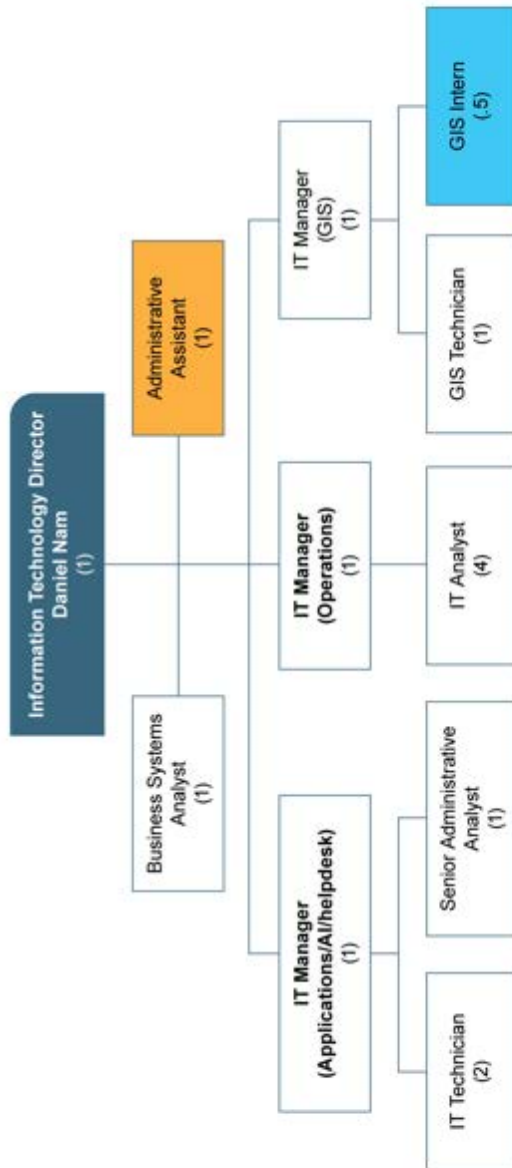
The Information Technology Department is responsible for the strategic planning, implementation, and management of the City's technology infrastructure and cybersecurity initiatives. The department drives technology projects to meet organizational needs, provides integration of systems and services, 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.





| New     | FY 2026-27 | FTE   |
|---------|------------|-------|
| Move    | Permanent  | (14)  |
| Reclass | Temporary  | (0.5) |
| Temp    |            |       |

| Accomplishments |                                                                                                                      | Community<br>Wellness and<br>Open Space                                           | Economic<br>Development<br>and Job Growth                                         | Environment                                                                        | Governance &<br>Administration                                                      | Neighborhoods<br>and Housing                                                        | Public Safety                                                                       | Transportation<br>and Transit                                                       |
|-----------------|----------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
|                 |                                                                                                                      |  |  |  |  |  |  |  |
| 1.              | Initiated new Land Management System (Permitting) implementation                                                     | ✓                                                                                 | ✓                                                                                 | ✓                                                                                  | ✓                                                                                   | ✓                                                                                   | ✓                                                                                   | ✓                                                                                   |
| 2.              | Cybersecurity Program Enhancement (managed detection & response, employee training, email threat reporting, and VPN) | ✓                                                                                 | ✓                                                                                 | ✓                                                                                  | ✓                                                                                   | ✓                                                                                   | ✓                                                                                   | ✓                                                                                   |
| 3.              | Initiated phone system modernization                                                                                 |                                                                                   |                                                                                   |                                                                                    | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |
| 4.              | Optimization of asset management system (Storm & Sewer complete)                                                     |                                                                                   |                                                                                   | ✓                                                                                  | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |
| 5.              | GIS improvement for street striping management                                                                       |                                                                                   |                                                                                   |                                                                                    | ✓                                                                                   |                                                                                     |                                                                                     | ✓                                                                                   |
| 6.              | Citywide internet connectivity enhancement                                                                           | ✓                                                                                 | ✓                                                                                 | ✓                                                                                  | ✓                                                                                   | ✓                                                                                   | ✓                                                                                   | ✓                                                                                   |
| 7.              | Public Safety Systems Enhancements – digital interview room, jail management, fingerprinting                         |                                                                                   |                                                                                   |                                                                                    | ✓                                                                                   |                                                                                     | ✓                                                                                   |                                                                                     |
| 8.              | Implement technology design, equipment, and connectivity for Fire Station 1 modular construction                     |                                                                                   |                                                                                   |                                                                                    | ✓                                                                                   |                                                                                     | ✓                                                                                   |                                                                                     |
| 9.              | Physical access control implementation (Recreation facilities, main lift station, Police garage)                     |                                                                                   |                                                                                   |                                                                                    | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |
| 10.             | Provided technological support for new systems implementation - ERP, HRIS, and Recreation Management                 | ✓                                                                                 |                                                                                   |                                                                                    | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |

| Initiatives |                                                                                                                        | Community<br>Wellness and<br>Open Space                                           | Economic<br>Development<br>and Job Growth                                         | Environment                                                                        | Governance &<br>Administration                                                      | Neighborhoods<br>and Housing                                                        | Public Safety                                                                       | Transportation<br>and Transit                                                       |
|-------------|------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
|             |                                                                                                                        |  |  |  |  |  |  |  |
| 1.          | Continue Cybersecurity Program Enhancement (Security Policies)                                                         | ✓                                                                                 | ✓                                                                                 | ✓                                                                                  | ✓                                                                                   | ✓                                                                                   | ✓                                                                                   | ✓                                                                                   |
| 2.          | Continue implementation of new Permitting System (LMS)                                                                 | ✓                                                                                 | ✓                                                                                 | ✓                                                                                  | ✓                                                                                   | ✓                                                                                   | ✓                                                                                   | ✓                                                                                   |
| 3.          | Continue transitioning departments from legacy systems to the modern SharePoint platform                               |                                                                                   |                                                                                   |                                                                                    | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |
| 4.          | Provide ongoing technology assistance for McCandless Pump Station Construction                                         | ✓                                                                                 |                                                                                   | ✓                                                                                  | ✓                                                                                   |                                                                                     | ✓                                                                                   |                                                                                     |
| 5.          | Continue optimization of asset management system (Water)                                                               |                                                                                   |                                                                                   | ✓                                                                                  | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |
| 6.          | Continue GIS improvements (Parcel easement validation)                                                                 |                                                                                   |                                                                                   |                                                                                    | ✓                                                                                   | ✓                                                                                   |                                                                                     | ✓                                                                                   |
| 7.          | Implementation of redundant Internet connectivity                                                                      | ✓                                                                                 | ✓                                                                                 | ✓                                                                                  | ✓                                                                                   | ✓                                                                                   | ✓                                                                                   | ✓                                                                                   |
| 8.          | Phone system modernization                                                                                             |                                                                                   |                                                                                   |                                                                                    | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |
| 9.          | Continue to provide technological support for Enterprise Systems Implementation - ERP, HRIS, and Recreation Management |                                                                                   |                                                                                   |                                                                                    | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |
| 10.         | Continue to improve City website for accessibility and compliance (WCAG 2.1 AA)                                        |                                                                                   |                                                                                   |                                                                                    | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |

| Performance Measures                                             | Strategic Goals                                                                   | 2022-23 Actual | 2023-24 Actual | 2024-25 Actual | 2025-26 Estimate | 2026-27 Target |
|------------------------------------------------------------------|-----------------------------------------------------------------------------------|----------------|----------------|----------------|------------------|----------------|
| City Council meetings supported                                  |  | 100%           | 100%           | 100%           | 100%             | 100%           |
| Network Availability*                                            |  | 99.9%          | 99.9%          | 99.99%         | 99.99%           | 99.99%         |
| Critical Server Availability*                                    |  | 99.98%         | 100%           | 99.98%         | 99.99%           | 99.99%         |
| Website Availability*                                            |  | 99.66%         | 99.6%          | 99.43%         | 99.6%            | 99.99%         |
| Customer surveys received with a score of 4 or better (out of 5) |  | 100%           | 100%           | 100%           | 100%             | 100%           |

\*Scheduled down time for maintenance is excluded

| Activity and Workload Data                                       | Strategic Goals                                                                     | 2022-23 Actual | 2023-24 Actual | 2024-25 Actual | 2025-26 Estimate | 2026-27 Target |
|------------------------------------------------------------------|-------------------------------------------------------------------------------------|----------------|----------------|----------------|------------------|----------------|
| Help Desk tickets closed                                         |    | 5,895          | 5,712          | 6,886          | 6,471            | 6,500          |
| Website visitors                                                 |    | 346,000        | 400,000        | 347,000        | 371,000          | 375,000        |
| GIS Asset updates                                                |   | 61,232         | 41,251         | 30,182         | 25,000           | 15,000         |
| Number of City Council and Planning Committee meetings supported |  | 62             | 44             | 42             | 45               | 46             |
| Physical servers converted to virtual servers                    |  | 98%            | 99%            | 99%            | 99%              | 99%            |

## BUDGET SUMMARY

|                                  | 2024-25 Adopted    | 2025-26 Adopted    | 2026-27 Proposed   | FY 2027 Change \$ | FY 2027 Change % |
|----------------------------------|--------------------|--------------------|--------------------|-------------------|------------------|
| Dollars by Function              |                    |                    |                    |                   |                  |
| 112 - Information Technology     | \$5,556,020        | \$5,842,414        | \$5,622,812        | -\$219,602        | -4%              |
| <b>DOLLARS BY FUNCTION TOTAL</b> | <b>\$5,556,020</b> | <b>\$5,842,414</b> | <b>\$5,622,812</b> | <b>-\$219,602</b> | <b>-4%</b>       |

|                                         | 2024-25 Adopted    | 2025-26 Adopted    | 2026-27 Proposed   | FY 2027 Change \$ | FY 2027 Change % |
|-----------------------------------------|--------------------|--------------------|--------------------|-------------------|------------------|
| Dollars by Category                     |                    |                    |                    |                   |                  |
| Personnel Services                      |                    |                    |                    |                   |                  |
| 41110 - Permanent                       | \$2,089,992        | \$2,115,873        | \$2,219,640        | \$103,767         | 5%               |
| 41120 - Temporary                       | \$35,000           | \$35,000           | \$52,000           | \$17,000          | 49%              |
| 41210 - Allowances                      | \$6,600            | \$6,600            | \$6,600            | \$0               | 0%               |
| 41310 - PERS                            | \$724,805          | \$723,964          | \$810,505          | \$86,541          | 12%              |
| 41320 - Group Insurance                 | \$347,328          | \$374,508          | \$415,470          | \$40,962          | 11%              |
| 41330 - Medicare-Employer's Contributi  | \$30,909           | \$31,284           | \$31,476           | \$192             | 1%               |
| 41350 - Worker's Compensation           | \$12,055           | \$10,755           | \$10,805           | \$50              | 0%               |
| 41380 - Deferred Comp-Employer Contrib  | \$12,600           | \$11,700           | \$11,700           | \$0               | 0%               |
| 41390 - PARS                            | \$526              | \$526              | \$780              | \$254             | 48%              |
| 41420 - Vacancy Factor                  | \$0                | \$0                | -\$119,417         | -\$119,417        | -                |
| 41460 - Short Term Disability           | \$1,176            | \$1,176            | \$1,176            | \$0               | 0%               |
| 41610 - Retiree Medical Reserve         | \$18,852           | \$19,136           | \$19,889           | \$753             | 4%               |
| <b>PERSONNEL SERVICES TOTAL</b>         | <b>\$3,279,843</b> | <b>\$3,330,522</b> | <b>\$3,460,624</b> | <b>\$130,102</b>  | <b>4%</b>        |
| Non-Personnel Expenditures              |                    |                    |                    |                   |                  |
| 42110 - Equip Repl Amortization Chrges  | \$2,212            | \$2,212            | \$2,263            | \$51              | 2%               |
| 42230 - Departmental Supplies           | \$11,000           | \$11,000           | \$10,000           | -\$1,000          | -9%              |
| 42370 - Contractual Services - Legacy   | \$15,000           | \$15,000           | \$0                | -\$15,000         | -100%            |
| 42410 - Repair & Maintenance            | \$1,622,465        | \$1,835,180        | \$1,571,925        | -\$263,255        | -14%             |
| 44110 - Phone-Local                     | \$95,000           | \$95,000           | \$95,000           | \$0               | 0%               |
| 44120 - Computer Data Lines             | \$80,000           | \$80,000           | \$41,000           | -\$39,000         | -49%             |
| 44160 - Cellular Phones                 | \$127,000          | \$150,000          | \$235,000          | \$85,000          | 57%              |
| 45010 - Memberships & Dues              | \$2,000            | \$2,000            | \$1,000            | -\$1,000          | -50%             |
| 45030 - Training and Registration       | \$71,000           | \$71,000           | \$56,000           | -\$15,000         | -21%             |
| 45080 - Mileage Reimbursement/Parking   | \$500              | \$500              | \$0                | -\$500            | -100%            |
| <b>NON-PERSONNEL EXPENDITURES TOTAL</b> | <b>\$2,026,177</b> | <b>\$2,261,892</b> | <b>\$2,012,188</b> | <b>-\$249,704</b> | <b>-11%</b>      |
| Capital Outlay                          | \$250,000          | \$250,000          | \$150,000          | -\$100,000        | -40%             |
| <b>DOLLARS BY CATEGORY TOTAL</b>        | <b>\$5,556,020</b> | <b>\$5,842,414</b> | <b>\$5,622,812</b> | <b>-\$219,602</b> | <b>-4%</b>       |

## STAFFING

| Function               | 2023-24 Adopted | 2024-25 Adopted | 2025-26 Adopted | 2026-27 Proposed | FY2027 Change |
|------------------------|-----------------|-----------------|-----------------|------------------|---------------|
| FTE                    |                 |                 |                 |                  |               |
| Information Technology | 14              | 14              | 14              | 14               | 0             |
| <b>FTE</b>             | <b>14</b>       | <b>14</b>       | <b>14</b>       | <b>14</b>        | <b>0</b>      |

| Position Name*                 | 2023-24 Adopted | 2024-25 Adopted | 2025-26 Adopted | 2026-27 Proposed | FY2027 Change |
|--------------------------------|-----------------|-----------------|-----------------|------------------|---------------|
| FTE                            |                 |                 |                 |                  |               |
| Administrative Assistant       | 0               | 0               | 0               | 1                | 1             |
| Business Systems Analyst/Dev   | 1               | 1               | 1               | 1                | 0             |
| Deputy IT Director             | 1               | 1               | 1               | 0                | -1            |
| GIS Technician                 | 1               | 1               | 1               | 1                | 0             |
| Information Technology Analyst | 4               | 4               | 4               | 4                | 0             |
| IT Director                    | 1               | 1               | 1               | 1                | 0             |
| IT Manager                     | 2               | 2               | 2               | 3                | 1             |
| IT Technician                  | 2               | 2               | 2               | 2                | 0             |
| Office Specialist              | 1               | 1               | 1               | 0                | -1            |
| Senior Administrative Analyst  | 1               | 1               | 1               | 1                | 0             |
| FTE                            | 14              | 14              | 14              | 14               | 0             |

EXPENDITURES BY FUNCTION



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BUDGET RECONCILIATION

|                                                                       | Positions | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |
|-----------------------------------------------------------------------|-----------|---------------------------|-------------------------|-----------------------|
| PRIOR YEAR BUDGET                                                     | 14.00     | \$5,418,659               | \$423,755               | \$5,842,414           |
| Adjustments to Costs of Ongoing Activities                            |           |                           |                         |                       |
| Salary and Benefits changes and the following position reallocations: |           | 121,310                   | 8,792                   | 130,102               |
| - 1.0 IT Deputy Director to 1.0 IT Manager                            |           |                           |                         |                       |
| - 1.0 Office Specialist to 1.0 Administrative Assistant               |           |                           |                         |                       |
| Non-Personnel Expenditure Alignment to Historical Trend               |           | (86,399)                  |                         | (86,399)              |
| Cayenta, OpenGov & HdL (moved to Finance)                             |           | (314,470)                 |                         | (314,470)             |
| Total Adjustment to Costs of Ongoing Activities                       |           | (279,559)                 | 8,792                   | (270,767)             |
| Total FY 2026-27 Base Budget                                          | 14.00     | \$5,139,100               | \$432,547               | \$5,571,647           |
| Service Level Changes                                                 |           |                           |                         |                       |
| Technology Systems Investment                                         |           | 51,165                    |                         | 51,165                |
| Total Service Level Changes                                           | 0.00      | 51,165                    | 0                       | 51,165                |
| Total FY 2026-27 Proposed Budget                                      | 14.00     | \$5,190,265               | \$432,547               | \$5,622,812           |

SERVICE LEVEL CHANGES

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Positions | General Fund Expenditures                                                           | Other Fund Expenditures | All Fund Expenditures |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|-------------------------------------------------------------------------------------|-------------------------|-----------------------|
| 1 Technology Systems Investment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |           | \$51,165                                                                            | \$0                     | \$51,165              |
| This proposal funds a combination of new and ongoing technology services essential to the City's operational continuity, cybersecurity, and public safety support. These services include maintenance for critical network infrastructure, real-time incident response and alerting platforms supporting 24/7 IT and 911 operations, secure credential and password management solutions, and communication tools for both emergency response and community outreach. Additional components include cybersecurity monitoring, annual penetration testing, document management tools, electronic faxing, and shared aerial LiDAR services for mapping and analysis. Continued funding of these systems ensures secure, reliable operations, strengthens the City's security posture, and supports efficient service delivery across departments. (ongoing) |           |                                                                                     |                         |                       |
| Performance Results                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |           |  |                         |                       |
| Total Service Level Changes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |           | \$51,165                                                                            |                         | \$51,165              |

# Planning

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.

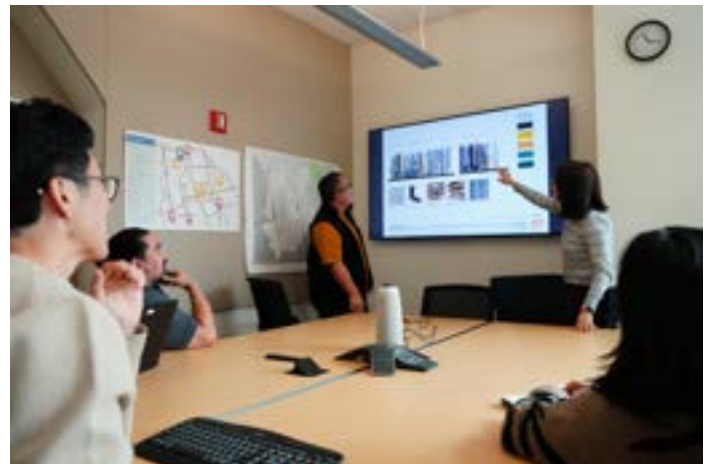
## DESCRIPTION

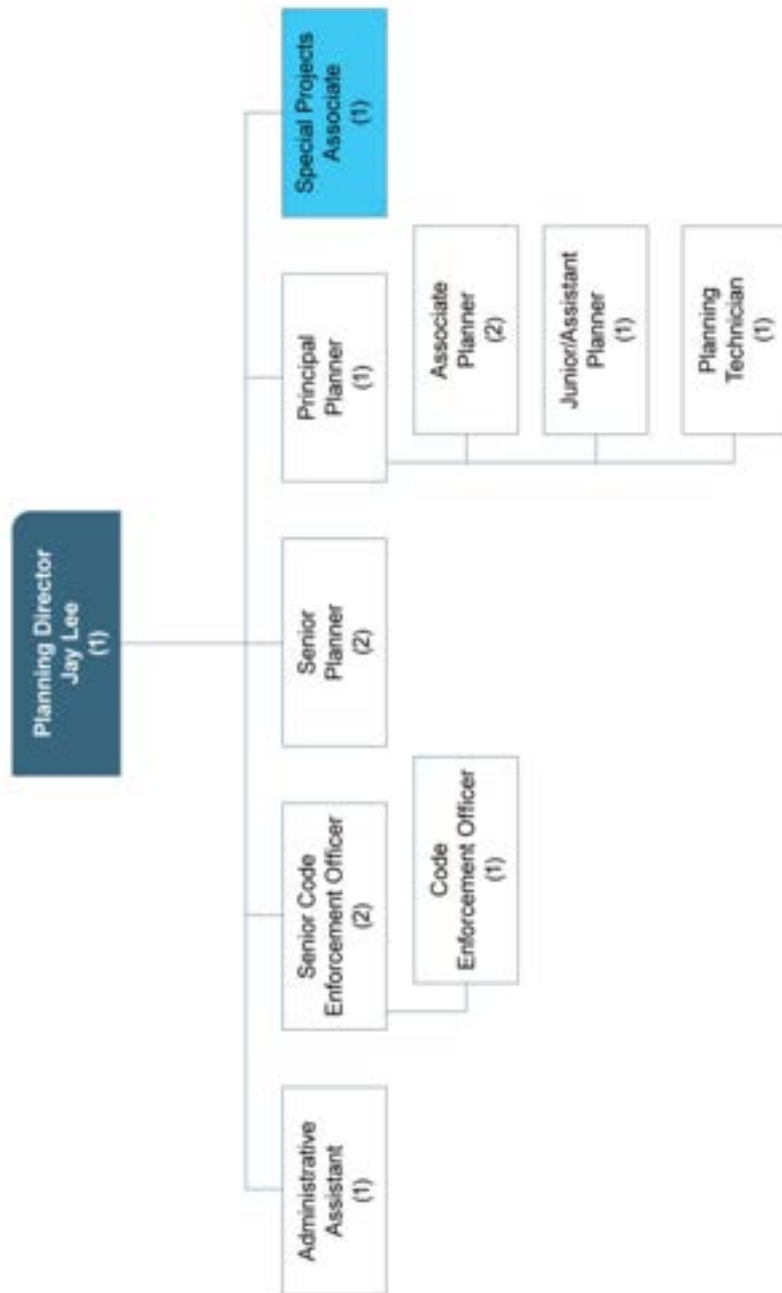
The Planning Department prepares, maintains, and implements the City's General Plan, associated Specific Plans, and other planning and policy documents to positively influence the physical development of the community. Department staff assist residents, businesses, designers, developers, and architects 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.





| New     | FY 2026-27 | FTE   |
|---------|------------|-------|
| Move    | Permanent  | (12)  |
| Reclass | Temporary  | (1.6) |
| Temp    |            |       |

|                 |                                                                                                                                                                                        | Community<br>Wellness and<br>Open Space                                           | Economic<br>Development<br>and Job Growth                                         | Environment                                                                        | Governance &<br>Administration                                                      | Neighborhoods<br>and Housing                                                        | Public Safety                                                                       | Transportation<br>and Transit                                                       |
|-----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
| Accomplishments |                                                                                                                                                                                        |  |  |  |  |  |  |  |
| 1.              | Completed the Gateway-Main St. Specific Plan                                                                                                                                           | ✓                                                                                 | ✓                                                                                 | ✓                                                                                  | ✓                                                                                   | ✓                                                                                   |                                                                                     | ✓                                                                                   |
| 2.              | Continued to operate and expanded Milpitas SMART as a local transit program                                                                                                            |                                                                                   | ✓                                                                                 | ✓                                                                                  | ✓                                                                                   |                                                                                     |                                                                                     | ✓                                                                                   |
| 3.              | Completed 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                           | ✓                                                                                 | ✓                                                                                 |                                                                                    | ✓                                                                                   | ✓                                                                                   |                                                                                     |                                                                                     |

|             |                                                                                                                                                        | Community<br>Wellness and<br>Open Space                                           | Economic<br>Development<br>and Job Growth                                         | Environment                                                                       | Governance &<br>Administration                                                      | Neighborhoods<br>and Housing                                                        | Public Safety                                                                       | Transportation<br>and Transit                                                       |
|-------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
| Initiatives |                                                                                                                                                        |  |  |  |  |  |  |  |
| 1.          | Implement the Gateway-Main St. Specific Plan (establish programs, coordinate public improvements, etc.)                                                | ✓                                                                                 | ✓                                                                                 | ✓                                                                                 | ✓                                                                                   | ✓                                                                                   |                                                                                     | ✓                                                                                   |
| 2.          | Secure external funding sources to continue Milpitas SMART                                                                                             |                                                                                   | ✓                                                                                 | ✓                                                                                 | ✓                                                                                   |                                                                                     |                                                                                     | ✓                                                                                   |
| 3.          | Implement the Comprehensive Zoning Ordinance Update (update permitting procedures and resources, establish programs, prepare cleanup ordinances, etc.) | ✓                                                                                 | ✓                                                                                 | ✓                                                                                 | ✓                                                                                   | ✓                                                                                   | ✓                                                                                   | ✓                                                                                   |
| 4.          | Continue implementing 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 Measures                                                                                                                                                             | Strategic Goals                                                                     | 2022-23 Actual | 2023-24 Actual | 2024-25 Actual | 2025-26 Estimate | 2026-27 Target |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|----------------|----------------|----------------|------------------|----------------|
| Total Projects Received                                                                                                                                                          |    | N/A            | 525            | 481            | 439              | 460            |
| Total Projects Reviewed                                                                                                                                                          |    | N/A            | 385            | 354            | 397              | 375            |
| Average Number of Days for 1st Review of Projects                                                                                                                                |    | N/A            | 112            | 155            | 104              | 130            |
| Total Projects Approved                                                                                                                                                          |    | N/A            | 368            | 314            | 332              | 320            |
| Total items presented to Zoning Administrator                                                                                                                                    |    | N/A            | 9              | 15             | 9                | 12             |
| Total items presented to Planning Commission                                                                                                                                     |    | N/A            | 22             | 12             | 11               | 12             |
| Total items presentations to City Council                                                                                                                                        |    | N/A            | 10             | 15             | 11               | 13             |
| Total Community meetings held/public outreach                                                                                                                                    |    | N/A            | 2              | 7              | 5                | 6              |
| 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            | 9              | 7              | 11               | 15             |
| Total Community meetings held/public outreach (Long Range/Policy Planning)                                                                                                       |  | N/A            | 12             | 6              | 5                | 5              |
| Total Public Counter Visits                                                                                                                                                      |  | N/A            | 1,878          | 1,755          | 2,150            | 1,950          |
| Total Department Call Count                                                                                                                                                      |  | N/A            | 6,384          | 5,671          | 6,930            | 6,300          |
| ADU Monday Appointments                                                                                                                                                          |  | N/A            | 68             | 41             | 53               | 47             |
| Percent of code enforcement cases in compliance within 30 days                                                                                                                   |  | 51%            | 61%            | 53%            | 55%              | 58%            |

| Activity and Workload Data                                                              | Strategic Goals                                                                   | 2022-23 Actual | 2023-24 Actual | 2024-25 Actual | 2025-26 Estimate | 2026-27 Target |
|-----------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|----------------|----------------|----------------|------------------|----------------|
| Total planning permits/zoning approvals issued                                          |  | 340            | 377            | 327            | 360              | 345            |
| Total planning applications with public hearing                                         |  | 22             | 22             | 27             | 34               | 30             |
| Total long-range planning projects (policy and zoning updates) in progress or completed |  | 9              | 5              | 7              | 5                | 4              |
| Total code enforcement customer service requests                                        |  | 1,169          | 984            | 671            | 800              | 800            |

## BUDGET SUMMARY

|                                  | 2024-25 Adopted    | 2025-26 Adopted    | 2026-27 Proposed   | FY 2027 Change \$  | FY 2027 Change % |
|----------------------------------|--------------------|--------------------|--------------------|--------------------|------------------|
| <b>Dollars by Function</b>       |                    |                    |                    |                    |                  |
| 512 - Planning                   | \$2,275,243        | \$2,289,373        | \$2,508,868        | \$219,495          | 10%              |
| 513 - Long Range Planning        | \$275,731          | \$295,948          | \$317,195          | \$21,247           | 7%               |
| 541 - Code Enforcement           | \$1,275,347        | \$766,018          | \$1,557,976        | \$791,958          | 103%             |
| <b>DOLLARS BY FUNCTION TOTAL</b> | <b>\$3,826,321</b> | <b>\$3,351,339</b> | <b>\$4,384,039</b> | <b>\$1,032,700</b> | <b>31%</b>       |

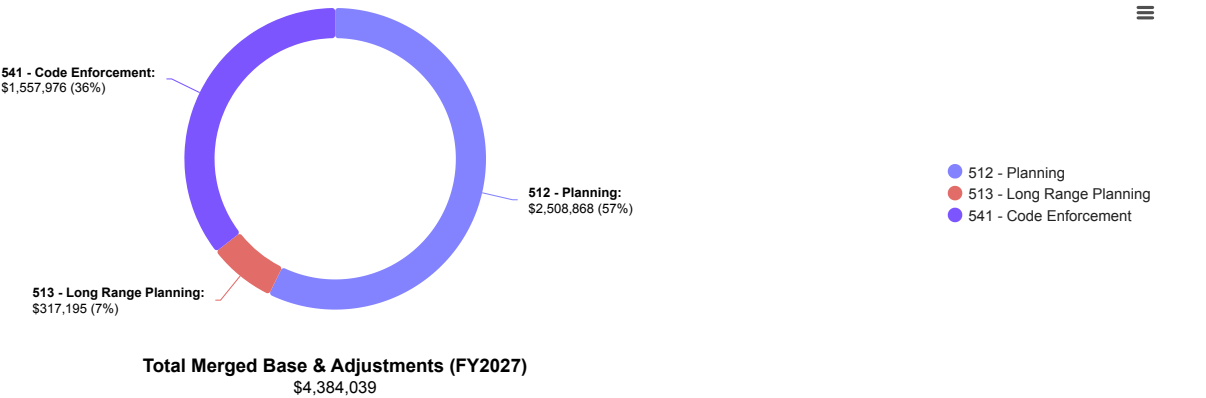
|                                         | 2024-25 Adopted    | 2025-26 Adopted    | 2026-27 Proposed   | FY 2027 Change \$  | FY 2027 Change % |
|-----------------------------------------|--------------------|--------------------|--------------------|--------------------|------------------|
| <b>Dollars by Category</b>              |                    |                    |                    |                    |                  |
| <b>Personnel Services</b>               |                    |                    |                    |                    |                  |
| 41110 - Permanent                       | \$1,827,197        | \$1,459,954        | \$2,003,651        | \$543,697          | 37%              |
| 41120 - Temporary                       | \$270,065          | \$221,708          | \$26,395           | -\$195,313         | -88%             |
| 41130 - Overtime                        | \$12,000           | \$12,000           | \$12,000           | \$0                | 0%               |
| 41210 - Allowances                      | \$6,600            | \$6,600            | \$6,600            | \$0                | 0%               |
| 41310 - PERS                            | \$638,958          | \$508,586          | \$713,373          | \$204,787          | 40%              |
| 41320 - Group Insurance                 | \$350,581          | \$300,228          | \$432,191          | \$131,963          | 44%              |
| 41330 - Medicare-Employer's Contributi  | \$30,467           | \$23,561           | \$28,809           | \$5,248            | 22%              |
| 41350 - Worker's Compensation           | \$69,534           | \$58,922           | \$77,543           | \$18,621           | 32%              |
| 41380 - Deferred Comp-Employer Contrib  | \$10,800           | \$8,100            | \$10,800           | \$2,700            | 33%              |
| 41390 - PARS                            | \$2,761            | \$1,981            | \$397              | -\$1,584           | -80%             |
| 41420 - Vacancy Factor                  | \$0                | \$0                | -\$85,204          | -\$85,204          | -                |
| 41430 - Charged to CIPs                 | -\$109,243         | -\$109,243         | \$0                | \$109,243          | -100%            |
| 41460 - Short Term Disability           | \$1,513            | \$756              | \$1,009            | \$253              | 33%              |
| 41610 - Retiree Medical Reserve         | \$18,368           | \$14,018           | \$19,547           | \$5,529            | 39%              |
| <b>PERSONNEL SERVICES TOTAL</b>         | <b>\$3,129,601</b> | <b>\$2,507,171</b> | <b>\$3,247,111</b> | <b>\$739,940</b>   | <b>30%</b>       |
| <b>Non-Personnel Expenditures</b>       |                    |                    |                    |                    |                  |
| 42050 - Miscellaneous Grants            | \$0                | \$147,448          | \$0                | -\$147,448         | -100%            |
| 42110 - Equip Repl Amortization Chrges  | \$7,954            | \$7,954            | \$8,136            | \$182              | 2%               |
| 42210 - Office Supplies                 | \$12,000           | \$12,000           | \$10,000           | -\$2,000           | -17%             |
| 42310 - Advertising                     | \$15,000           | \$15,000           | \$22,000           | \$7,000            | 47%              |
| 42370 - Contractual Services - Legacy   | \$634,616          | \$634,616          | \$0                | -\$634,616         | -100%            |
| 42379 - Contractual Services            | \$0                | \$0                | \$1,071,642        | \$1,071,642        | -                |
| 45010 - Memberships & Dues              | \$8,000            | \$8,000            | \$6,000            | -\$2,000           | -25%             |
| 45030 - Training and Registration       | \$12,550           | \$12,550           | \$12,550           | \$0                | 0%               |
| 45050 - Lodging/Travel                  | \$5,000            | \$5,000            | \$5,000            | \$0                | 0%               |
| 45060 - Meals for Meetings              | \$800              | \$800              | \$800              | \$0                | 0%               |
| 45080 - Mileage Reimbursement/Parking   | \$800              | \$800              | \$800              | \$0                | 0%               |
| <b>NON-PERSONNEL EXPENDITURES TOTAL</b> | <b>\$696,720</b>   | <b>\$844,168</b>   | <b>\$1,136,928</b> | <b>\$292,760</b>   | <b>35%</b>       |
| <b>DOLLARS BY CATEGORY TOTAL</b>        | <b>\$3,826,321</b> | <b>\$3,351,339</b> | <b>\$4,384,039</b> | <b>\$1,032,700</b> | <b>31%</b>       |

STAFFING

| Function            | 2023-24 Adopted | 2024-25 Adopted | 2025-26 Adopted | 2026-27 Proposed | FY2027 Change |
|---------------------|-----------------|-----------------|-----------------|------------------|---------------|
| FTE                 |                 |                 |                 |                  |               |
| Code Enforcement    | 3               | 3               | 3               | 3                | 0             |
| Long Range Planning | 1               | 1               | 1               | 1                | 0             |
| Planning            | 8               | 8               | 8               | 8                | 0             |
| FTE                 | 12              | 12              | 12              | 12               | 0             |

| Position Name*              | 2023-24 Adopted | 2024-25 Adopted | 2025-26 Adopted | 2026-27 Proposed | FY2027 Change |
|-----------------------------|-----------------|-----------------|-----------------|------------------|---------------|
| FTE                         |                 |                 |                 |                  |               |
| Administrative Assistant    | 1               | 1               | 1               | 1                | 0             |
| Associate Planner           | 3               | 3               | 3               | 3                | 0             |
| Code Enforcement Officer    | 1               | 1               | 1               | 1                | 0             |
| Planning Director           | 1               | 1               | 1               | 1                | 0             |
| Planning Technician         | 1               | 1               | 1               | 1                | 0             |
| Principal Planner           | 1               | 1               | 1               | 1                | 0             |
| Senior Planner              | 2               | 2               | 2               | 2                | 0             |
| Sr Code Enforcement Officer | 2               | 2               | 2               | 2                | 0             |
| FTE                         | 12              | 12              | 12              | 12               | 0             |

EXPENDITURES BY FUNCTION



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## BUDGET RECONCILIATION

|                                                         | Positions | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |
|---------------------------------------------------------|-----------|---------------------------|-------------------------|-----------------------|
| PRIOR YEAR BUDGET                                       | 12.00     | 2,916,328                 | 435,011                 | 3,351,339             |
| Adjustments to Costs of Ongoing Activities              |           |                           |                         |                       |
| Salary and Benefits                                     |           | 814,921                   | (74,981)                | 739,940               |
| Contractual Service Adjustment                          |           | (48,000)                  |                         | (48,000)              |
| Contractual Service Adjustment San Jose Animal Services |           | 185,026                   |                         | 185,026               |
| CEQA Environmental On-Call Consultants Services         |           | 300,000                   |                         | 300,000               |
| Non-Personnel Expenditure Alignment to Historical Trend |           | 3,182                     |                         | 3,182                 |
| Community Investment Fund Miscellaneous Grants          |           |                           | (147,448)               | (147,448)             |
| Total Adjustment to Costs of Ongoing Activities         |           | 1,255,129                 | (222,429)               | 1,032,700             |
| Total FY 2026-27 Base Budget                            | 12.00     | \$4,171,457               | \$212,582               | \$4,384,039           |
| Service Level Changes                                   |           |                           |                         |                       |
| Total Service Level Changes                             | 0.00      | 0                         | 0                       | 0                     |
| Total FY 2026-27 Proposed Budget                        | 12.00     | \$4,171,457               | \$212,582               | \$4,384,039           |

# Police

Frank Morales (Acting)

## 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

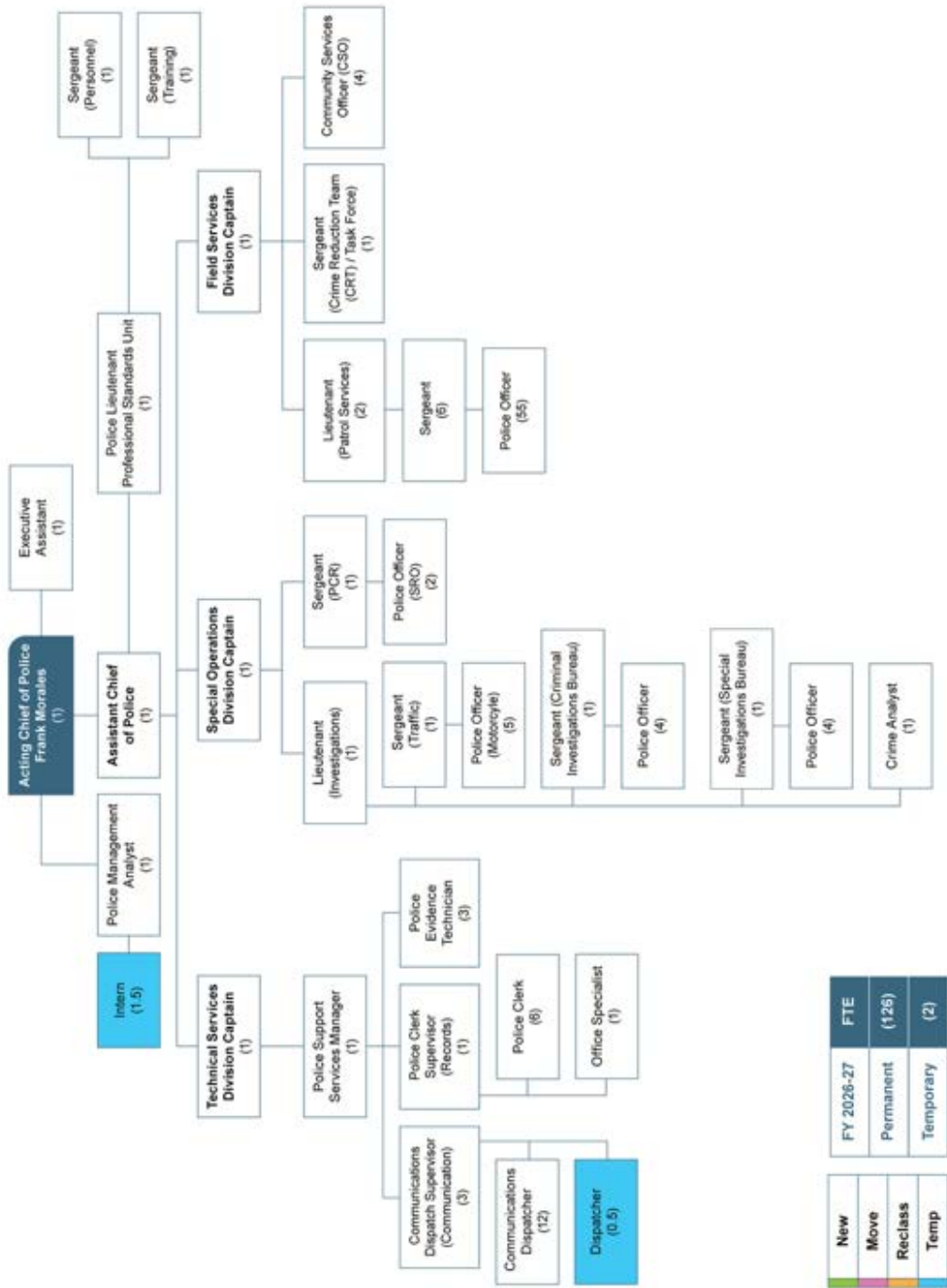
- Provides 24 hours-a-day, 365 days-a-year response to calls for police services. Safeguards the community from crime through deterrence, prevention, and arrest of offenders. Preserves the public peace, protects life & property, and appropriately enforces laws & ordinances.



- Investigates automobile thefts, hit-and-run 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.





|         |            |       |
|---------|------------|-------|
| New     | FY 2026-27 | FTE   |
| Move    | Permanent  | (126) |
| Reclass | Temporary  | (2)   |
| Temp    |            |       |

|                 |                                                                                             | Community<br>Wellness and<br>Open Space                                           | Economic<br>Development<br>and Job Growth                                         | Environment                                                                       | Governance &<br>Administration                                                      | Neighborhoods<br>and Housing                                                        | Public Safety                                                                       | Transportation<br>and Transit                                                       |
|-----------------|---------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
| Accomplishments |                                                                                             |  |  |  |  |  |  |  |
| 1.              | Maintained an average response time to emergency calls of 3:06 (fiscal year 2024-25).       |                                                                                   |                                                                                   |                                                                                   |                                                                                     |                                                                                     | ✓                                                                                   |                                                                                     |
| 2.              | Answered 97% of 911 calls within ten (10) seconds (fiscal year 2024-25).                    |                                                                                   |                                                                                   |                                                                                   |                                                                                     |                                                                                     | ✓                                                                                   |                                                                                     |
| 3.              | Participated in 13 community outreach events (fiscal year 2024-25).                         |                                                                                   |                                                                                   |                                                                                   |                                                                                     |                                                                                     | ✓                                                                                   |                                                                                     |
| 4.              | Initiated a Drone as a First Responder Program (DFR).                                       |                                                                                   |                                                                                   |                                                                                   |                                                                                     |                                                                                     | ✓                                                                                   |                                                                                     |
| 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<br>Wellness and<br>Open Space                                           | Economic<br>Development<br>and Job Growth                                         | Environment                                                                       | Governance &<br>Administration                                                      | Neighborhoods<br>and Housing                                                        | Public Safety                                                                       | Transportation<br>and Transit                                                       |
|-------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
|             |                                                                                                                                                                                             |  |  |  |  |  |  |  |
| 1.          | 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.          | Invest in employee development programs that promote enhanced leadership, succession planning, professional development and long-term organizational sustainability.                        |                                                                                   |                                                                                   |                                                                                   |                                                                                     |                                                                                     | ✓                                                                                   |                                                                                     |

| Performance Measures                                                      | Strategic Goals                                                                   | 2022-23 Actual | 2023-24 Actual | 2024-25 Actual | 2025-26 Estimate | 2026-27 Target |
|---------------------------------------------------------------------------|-----------------------------------------------------------------------------------|----------------|----------------|----------------|------------------|----------------|
| Average response time to emergency calls (minutes)                        |  | 2:55           | 3:03           | 3:06           | 3:25             | 3:00           |
| Part 1 Uniform Crime Reporting Index crimes (2% annual reduction target)* |  | 2,796          | 2,708          | 2,518          | 2,649            | 2,596          |
| Department Hosted Community Events                                        |  | 5              | 9              | 13             | 12               | 13             |
| 9-1-1 calls answered by a dispatcher within ten (10) seconds**            |  | 97%            | 97%            | 97%            | 97%              | 97%            |
| Verification of known sex offenders                                       |  | 100%           | 100%           | 100%           | 100%             | 100%           |

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

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

| Activity and Workload Data                                      | Strategic Goals                                                                     | 2022-23 Actual | 2023-24 Actual | 2024-25 Actual | 2025-26 Estimate | 2026-27 Target |
|-----------------------------------------------------------------|-------------------------------------------------------------------------------------|----------------|----------------|----------------|------------------|----------------|
| Computer Aided Dispatch (CAD) system generated events           |    | 76,427         | 75,744         | 73,544         | 71,702           | 72,149         |
| Arrests (all crimes)                                            |   | 2,073          | 2,474          | 2,420          | 2,061            | 2102           |
| Citations issued                                                |  | 4,048          | 6,193          | 5,569          | 4,959            | 5058           |
| Community presentations                                         |  | 60             | 48             | 64             | 42               | 50             |
| Number of unhoused/homeless related calls for service           |  | 2,436          | 1,877          | 1,471          | 1,277            | 1289           |
| Total hours spent on calls related to unhoused/homeless persons |  | 1,588          | 1,173          | 1,006          | 843              | 983            |

## BUDGET SUMMARY

|                                  | 2024-25 Adopted     | 2025-26 Adopted     | 2026-27 Proposed    | FY 2027 Change \$ | FY 2027 Change % |
|----------------------------------|---------------------|---------------------|---------------------|-------------------|------------------|
| <b>Dollars by Function</b>       |                     |                     |                     |                   |                  |
| 700 - Police Administration      | \$2,155,534         | \$2,309,737         | \$2,451,017         | \$141,280         | 6%               |
| 711 - Records                    | \$1,611,930         | \$1,707,900         | \$1,849,355         | \$141,455         | 8%               |
| 712 - Personnel & Training       | \$1,105,341         | \$1,196,769         | \$1,193,309         | -\$3,460          | 0%               |
| 713 - Communications             | \$4,652,805         | \$4,871,582         | \$5,492,490         | \$620,908         | 13%              |
| 721 - Patrol Services            | \$27,136,892        | \$28,055,542        | \$25,258,866        | -\$2,796,676      | -10%             |
| 722 - Traffic                    | \$1,611,202         | \$2,466,849         | \$2,713,438         | \$246,589         | 10%              |
| 723 - Crossing Guards            | \$830,147           | \$877,246           | \$967,585           | \$90,339          | 10%              |
| 731 - Community Relations        | \$1,131,336         | \$1,249,127         | \$1,289,953         | \$40,826          | 3%               |
| 732 - Investigations             | \$5,660,852         | \$5,992,611         | \$6,647,820         | \$655,209         | 11%              |
| <b>DOLLARS BY FUNCTION TOTAL</b> | <b>\$45,896,039</b> | <b>\$48,727,363</b> | <b>\$47,863,833</b> | <b>-\$863,530</b> | <b>-2%</b>       |

|                                         | 2024-25 Adopted     | 2025-26 Adopted     | 2026-27 Proposed    | FY 2027 Change \$   | FY 2027 Change % |
|-----------------------------------------|---------------------|---------------------|---------------------|---------------------|------------------|
| <b>Dollars by Category</b>              |                     |                     |                     |                     |                  |
| <b>Personnel Services</b>               |                     |                     |                     |                     |                  |
| 41110 - Permanent                       | \$22,770,547        | \$24,644,229        | \$24,487,796        | -\$156,433          | -1%              |
| 41120 - Temporary                       | \$100,190           | \$100,190           | \$110,365           | \$10,175            | 10%              |
| 41130 - Overtime                        | \$778,732           | \$778,732           | \$928,732           | \$150,000           | 19%              |
| 41210 - Allowances                      | \$150,864           | \$147,378           | \$147,372           | -\$6                | 0%               |
| 41310 - PERS                            | \$12,374,667        | \$12,966,357        | \$14,253,454        | \$1,287,097         | 10%              |
| 41320 - Group Insurance                 | \$3,318,312         | \$3,489,533         | \$3,803,584         | \$314,051           | 9%               |
| 41330 - Medicare-Employer's Contributi  | \$316,340           | \$333,140           | \$358,752           | \$25,612            | 8%               |
| 41350 - Worker's Compensation           | \$1,124,284         | \$1,144,619         | \$1,226,125         | \$81,506            | 7%               |
| 41380 - Deferred Comp-Employer Contrib  | \$8,100             | \$9,000             | \$9,000             | \$0                 | 0%               |
| 41390 - PARS                            | \$1,849             | \$1,849             | \$1,656             | -\$193              | -10%             |
| 41410 - Adjustments-Benefits            | \$989,408           | \$989,408           | \$0                 | -\$989,408          | -100%            |
| 41420 - Vacancy Factor                  | \$0                 | \$0                 | -\$2,279,652        | -\$2,279,652        | -                |
| 41460 - Short Term Disability           | \$756               | \$756               | \$420               | -\$336              | -44%             |
| 41610 - Retiree Medical Reserve         | \$418,993           | \$439,567           | \$467,815           | \$28,248            | 6%               |
| <b>PERSONNEL SERVICES TOTAL</b>         | <b>\$42,353,042</b> | <b>\$45,044,758</b> | <b>\$43,515,419</b> | <b>-\$1,529,339</b> | <b>-3%</b>       |
| <b>Non-Personnel Expenditures</b>       |                     |                     |                     |                     |                  |
| 42010 - Community Promotions            | \$500               | \$500               | \$0                 | -\$500              | -100%            |
| 42110 - Equip Repl Amortization Chrges  | \$1,009,023         | \$1,006,467         | \$1,033,264         | \$26,797            | 3%               |
| 42210 - Office Supplies                 | \$83,379            | \$84,379            | \$79,535            | -\$4,844            | -6%              |
| 42230 - Departmental Supplies           | \$106,200           | \$106,200           | \$106,200           | \$0                 | 0%               |
| 42250 - Health & Safety Supplies        | \$3,200             | \$3,200             | \$3,200             | \$0                 | 0%               |
| 42330 - Rents & Leases                  | \$10,331            | \$104,331           | \$0                 | -\$104,331          | -100%            |
| 42370 - Contractual Services - Legacy   | \$2,059,754         | \$2,088,408         | \$0                 | -\$2,088,408        | -100%            |
| 42379 - Contractual Services            | \$0                 | \$0                 | \$2,509,854         | \$2,509,854         | -                |
| 42410 - Repair & Maintenance            | \$28,519            | \$45,504            | \$44,960            | -\$544              | -1%              |
| 42420 - IT Subscriptions                | \$0                 | \$0                 | \$105,531           | \$105,531           | -                |
| 44110 - Phone-Local                     | \$18,000            | \$19,400            | \$20,400            | \$1,000             | 5%               |
| 45010 - Memberships & Dues              | \$5,073             | \$5,198             | \$5,036             | -\$162              | -3%              |
| 45030 - Training and Registration       | \$159,018           | \$159,018           | \$159,018           | \$0                 | 0%               |
| <b>NON-PERSONNEL EXPENDITURES TOTAL</b> | <b>\$3,482,997</b>  | <b>\$3,622,605</b>  | <b>\$4,066,998</b>  | <b>\$444,393</b>    | <b>12%</b>       |
| Capital Outlay                          | \$60,000            | \$60,000            | \$281,416           | \$221,416           | 369%             |

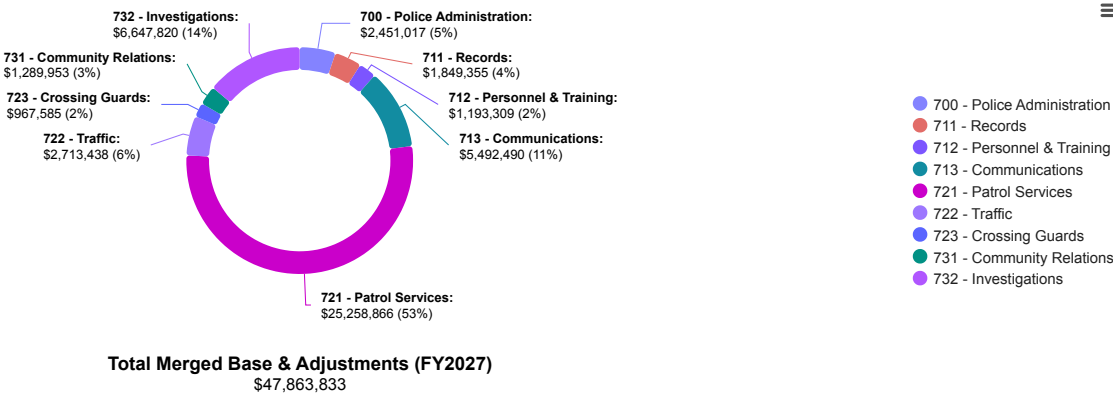
|                           | 2024-25 Adopted | 2025-26 Adopted | 2026-27 Proposed | FY 2027 Change \$ | FY 2027 Change % |
|---------------------------|-----------------|-----------------|------------------|-------------------|------------------|
| DOLLARS BY CATEGORY TOTAL | \$45,896,039    | \$48,727,363    | \$47,863,833     | -\$863,530        | -2%              |

STAFFING

| Function              | 2023-24 Adopted | 2024-25 Adopted | 2025-26 Adopted | 2026-27 Proposed | FY2027 Change |
|-----------------------|-----------------|-----------------|-----------------|------------------|---------------|
| FTE                   |                 |                 |                 |                  |               |
| Community Relations   | 3               | 3               | 3               | 3                | 0             |
| Police Administration | 5               | 5               | 5               | 5                | 0             |
| Records               | 8               | 8               | 8               | 8                | 0             |
| Investigations        | 16              | 16              | 16              | 16               | 0             |
| Patrol Services       | 71              | 71              | 69              | 69               | 0             |
| Personnel & Training  | 2               | 2               | 2               | 2                | 0             |
| Traffic               | 6               | 6               | 6               | 6                | 0             |
| Communications        | 17              | 17              | 17              | 17               | 0             |
| FTE                   | 128             | 128             | 126             | 126              | 0             |

| Position Name*                 | 2023-24 Adopted | 2024-25 Adopted | 2025-26 Adopted | 2026-27 Proposed | FY2027 Change |
|--------------------------------|-----------------|-----------------|-----------------|------------------|---------------|
| FTE                            |                 |                 |                 |                  |               |
| Assistant Chief of Police      | 1               | 1               | 1               | 1                | 0             |
| Chief of Police                | 1               | 1               | 1               | 1                | 0             |
| Comm Dispatcher                | 12              | 12              | 12              | 12               | 0             |
| Communications Dispatch Superv | 3               | 3               | 3               | 3                | 0             |
| Community Service Officer      | 4               | 4               | 4               | 4                | 0             |
| Crime Analyst                  | 1               | 1               | 1               | 1                | 0             |
| Executive Assistant            | 1               | 1               | 1               | 1                | 0             |
| Management Analyst             | 1               | 1               | 1               | 1                | 0             |
| Office Specialist              | 1               | 1               | 1               | 1                | 0             |
| Police Captain                 | 3               | 3               | 3               | 3                | 0             |
| Police Clerk II                | 6               | 6               | 6               | 6                | 0             |
| Police Clerk Super             | 1               | 1               | 1               | 1                | 0             |
| Police Evidence Technician     | 3               | 3               | 3               | 3                | 0             |
| Police Lieutenant              | 5               | 5               | 4               | 4                | 0             |
| Police Officer                 | 71              | 71              | 70              | 70               | 0             |
| Police Sergeant                | 13              | 13              | 13              | 13               | 0             |
| Police Support Services Mgr    | 1               | 1               | 1               | 1                | 0             |
| FTE                            | 128             | 128             | 126             | 126              | 0             |

EXPENDITURES BY FUNCTION



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BUDGET RECONCILIATION

|                                                                         | Positions | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |
|-------------------------------------------------------------------------|-----------|---------------------------|-------------------------|-----------------------|
| PRIOR YEAR BUDGET                                                       | 126.00    | \$48,667,363              | \$60,000                | \$48,727,363          |
| Adjustments to Costs of Ongoing Activities                              |           |                           |                         |                       |
| Salary and Benefits                                                     |           | (1,529,339)               |                         | (1,529,339)           |
| Contractual Services (Crossing Guard Program Management & EMD Services) |           | 345,756                   |                         | 345,756               |
| Non-Personnel Expenditure Alignment to Historical Trends                |           | 81,612                    | (60,000)                | 21,612                |
| Total Adjustment to Costs of Ongoing Activities                         |           | (1,251,973)               | (60,000)                | (1,311,973)           |
| Total FY 2026-27 Base Budget                                            | 126.00    | \$47,565,392              | \$0                     | \$47,565,392          |
| Service Level Changes                                                   |           |                           |                         |                       |
| Police Vehicle Replacement                                              |           |                           | 281,416                 | 281,416               |
| Injury Navigation Services (Ready Rebound)                              |           | 17,025                    |                         | 17,025                |
| Total Service Level Changes                                             | 0.00      | 17,025                    | 281,416                 | 298,441               |
| Total FY 2026-27 Proposed Budget                                        | 126.00    | \$47,582,415              | \$281,416               | \$47,863,833          |

SERVICE LEVEL CHANGES

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Positions                         | General Fund Expenditures                                                         | Other Fund Expenditures | All Fund Expenditures |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------------------------------------------------------|-------------------------|-----------------------|
| 1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Police Vehicle Replacement        | \$0                                                                               | \$281,416               | \$281,416             |
| <p>This proposal funds the replacement of four Police Department vehicles to maintain a reliable and effective public safety fleet. These vehicles have met or exceeded established mileage and retention requirements, and replacing them ensures continued operational readiness, safety, and efficiency for police services. (one-time)</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                   |                                                                                   |                         |                       |
| Performance Results                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                   |  |                         |                       |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Positions                         | General Fund Expenditures                                                         | Other Fund Expenditures | All Fund Expenditures |
| 2                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Injury Navigation (Ready Rebound) | \$17,025                                                                          | \$0                     | \$17,025              |
| <p>This proposal allocates one-time funding to Fire (\$39,608) and Police (\$17,025) to continue an online subscription platform that provides injury navigation resources and support for Fire and Police Department employees. The City is currently participating in a one-year (365-day) pilot program that delivers an end-to-end concierge service connecting injured first responders with medical, rehabilitation, and return-to-work resources to support a faster and healthier recovery and return to duty. The current pilot subscription is set to expire on November 2, 2026. It will ensure uninterrupted access to these critical support services for public safety personnel and promote improved recovery outcomes and workforce readiness. This one-time cost is fully offset by Plan JPA Risk Management grant fund revenue, resulting in a net zero impact to the City's General Fund. (One-Time)</p> |                                   |                                                                                   |                         |                       |
| Performance Results                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                   |  |                         |                       |
| Total Service Level Changes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                   | \$17,025                                                                          | \$281,416               | \$298,441             |

# Public Works Department

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, streetlights, paved roadways, and pavement markings in accordance with the Clean & Safe Streets program and Manual on Uniform Traffic Control Devices (MUTCD) Federal 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.
- The City operates and maintains the Wholesaler's (City of San Jose South Bay Water Recycling (SBWR)) recycled water distribution system within the City's boundaries. The recycled water distribution system includes 24 miles of recycled water main lines and over 280 valves and appurtenances that serve approximately 0.8 MGD to 252 irrigation and industrial customers.
- 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.



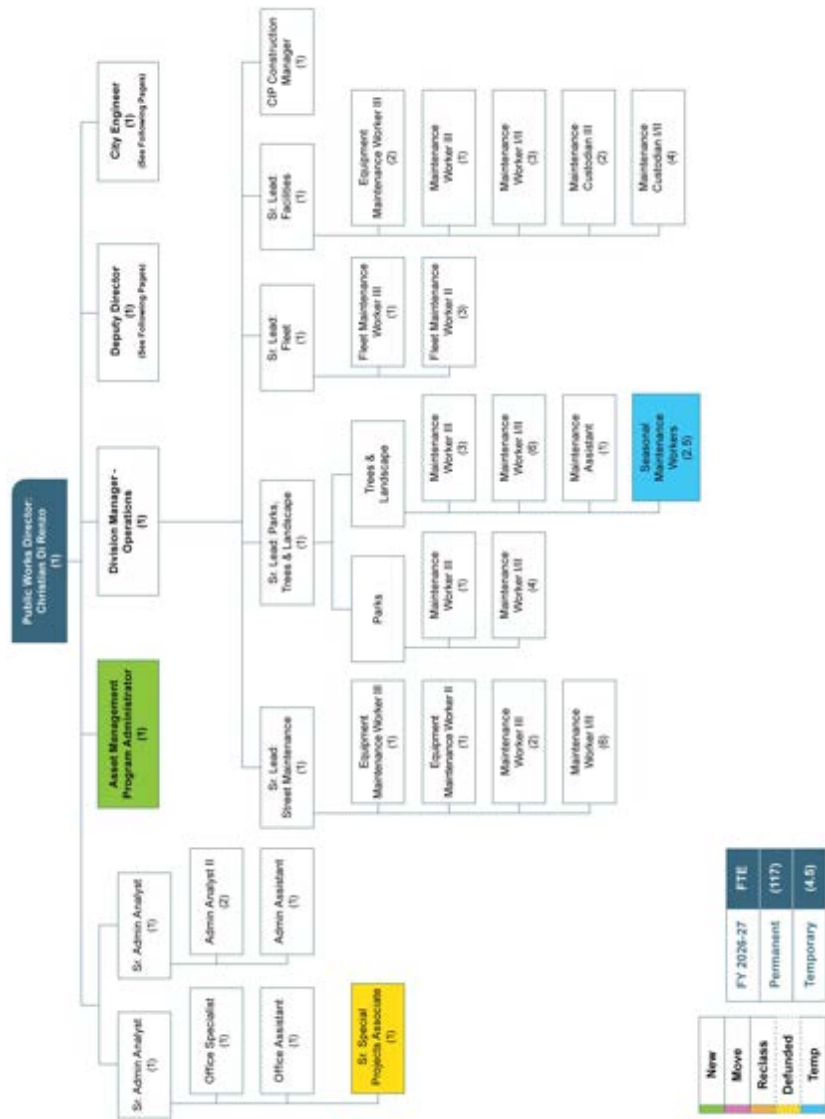
- Maintains 464,914 square feet of City buildings and grounds, including building systems (plumbing, electrical,

heating, air conditioning, ventilation, and backup power); sets up rooms for rental groups and meetings; and provides custodial services.

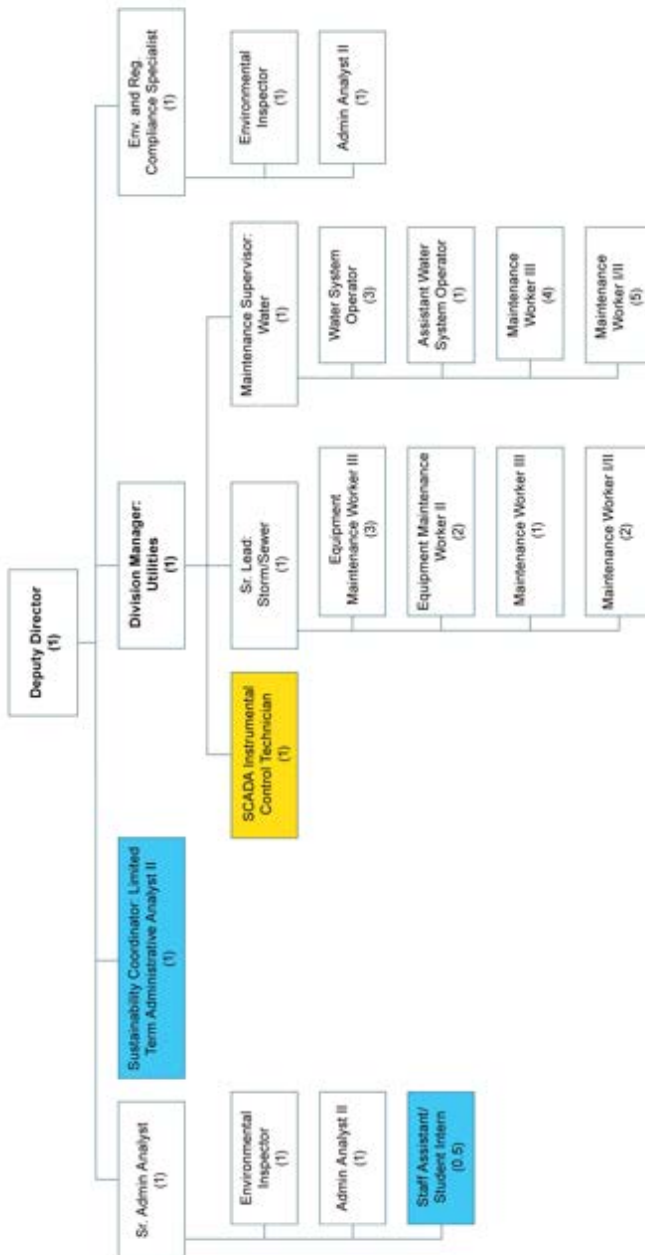
- Oversees the project management of various major capital projects; works with the Finance Department, to administer the annual capital budget of the 5-year Capital Improvement Program (CIP) which funds and prioritizes the completion of capital projects for community, parks, streets and utilities infrastructure; 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.







|          |
|----------|
| New      |
| Move     |
| Reclass  |
| Defunded |
| Temp     |

|            |       |
|------------|-------|
| FY 2026-27 | FTE   |
| Permanent  | (117) |
| Temporary  | (4.5) |

| Accomplishments |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Community<br>Wellness and<br>Open Space                                           | Economic<br>Development<br>and Job Growth                                         | Environment                                                                        | Governance &<br>Administration                                                      | Neighborhoods<br>and Housing                                                        | Public Safety                                                                       | Transportation<br>and Transit                                                       |
|-----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
|                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |  |  |  |  |  |  |  |
| 1.              | 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 surplused 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<br>Wellness and<br>Open Space                                           | Economic<br>Development<br>and Job Growth                                         | Environment                                                                        | Governance &<br>Administration                                                      | Neighborhoods<br>and Housing                                                        | Public Safety                                                                       | Transportation<br>and Transit                                                       |
|-----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
|                 |                                                                                                                                                                         |  |  |  |  |  |  |  |
| 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<br>Wellness and<br>Open Space                                           | Economic<br>Development<br>and Job Growth                                         | Environment                                                                        | Governance &<br>Administration                                                      | Neighborhoods<br>and Housing                                                        | Public Safety                                                                       | Transportation<br>and Transit                                                       |
|-----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
|                 |                                                                                                                                                                                                                                                                                    |  |  |  |  |  |  |  |
| 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<br>Wellness and<br>Open Space                                           | Economic<br>Development<br>and Job Growth                                         | Environment                                                                        | Governance &<br>Administration                                                      | Neighborhoods<br>and Housing                                                        | Public Safety                                                                       | Transportation<br>and Transit                                                       |
|-------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
|             |                                                                                                                                                                                    |  |  |  |  |  |  |  |
| 1.          | 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.          | Assess 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<br>Wellness and<br>Open Space                                           | Economic<br>Development<br>and Job Growth                                         | Environment                                                                        | Governance &<br>Administration                                                      | Neighborhoods<br>and Housing                                                        | Public Safety                                                                       | Transportation<br>and Transit                                                       |
|-------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
|             |                                                                                                                                                            |  |  |  |  |  |  |  |
| 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.                                                                  |                                                                                   |                                                                                   | ✓                                                                                  | ✓                                                                                   |                                                                                     | ✓                                                                                   |                                                                                     |

| Activity and Workload Data                                                             | Strategic Goals                                                                     | 2022-23 Actual | 2023-24 Actual | 2024-25 Actual | 2025-26 Estimate | 2026-27 Target |
|----------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|----------------|----------------|----------------|------------------|----------------|
| Number of phone calls received for service*                                            |    | N/A            | N/A            | 7,701          | 8,000            | 8,000          |
| Total Facility Maintenance service requests closed in the Fiscal Year* (instances)     |    | N/A            | N/A            | 1,423          | 2,500            | 2,500          |
| Total amount spent on vehicle/equipment routine & non-routine repairs*                 |    | N/A            | N/A            | \$160,471      | \$135,000        | \$135,000      |
| Total of Fleet Maintenance service requests closed in the Fiscal Year                  |    | 2,493          | 2,223          | 1,737          | 1,500            | 1,500          |
| Sidewalk maintenance (instance)*                                                       |    | N/A            | N/A            | 316            | 400              | 400            |
| Illegal Dumping/Debris pickup (per instance)**                                         |    | N/A            | N/A            | 1,337          | 1,300            | 1,300          |
| Number of graffiti/vandalism reported on City property (instance)*                     |    | N/A            | N/A            | 536            | 500              | 500            |
| Number of Park Maintenance service requests closed in the Fiscal Year*                 |    | N/A            | N/A            | 1,258          | 1,100            | 1,100          |
| Number of Trees & Landscape Maintenance service requests closed in the Fiscal Year*    |    | N/A            | N/A            | 743            | 700              | 700            |
| Water distribution cleaned (linear feet)                                               |  | 137,285        | 122,240        | 73,205         | 150,000          | 150,000        |
| Sanitary sewer pipelines cleaned (linear feet)                                         |  | 242,877        | 313,632        | 260,602        | 300,000          | 300,000        |
| Number of after-hours service requests performed*                                      |  | N/A            | N/A            | 194            | 120              | 120            |
| Number of Sanitary Sewer Overflows (SSOs) reported***                                  |  | N/A            | 2              | 3              | 1                | 0              |
| Number of large item pick-ups completed                                                |  | 2,046          | 2,013          | 2,848          | 3,000            | 3,000          |
| Number of solid waste customer service calls                                           |  | 8,341          | 10,173         | 8,505          | 6,000            | 6,000          |
| Number of participants who submitted rebates and attended water conservation workshops |  | 225            | 455            | 505            | 450              | 400            |
| Number of encroachment permits approved                                                |  | 297            | 324            | 319            | 340              | 350            |

| Activity and Workload Data                            | Strategic Goals                                                                   | 2022-23 Actual | 2023-24 Actual | 2024-25 Actual | 2025-26 Estimate | 2026-27 Target |
|-------------------------------------------------------|-----------------------------------------------------------------------------------|----------------|----------------|----------------|------------------|----------------|
| Number of encroachment permit inspections completed   |  | 1,465          | 1,868          | 2,156          | 2,500            | 2,750          |
| Number of Traffic Control Plan reviewed and approved* |  | N/A            | N/A            | 349            | 360              | 365            |
| Number of traffic service requests received*          |  | N/A            | N/A            | 50             | 60               | 60             |
| Value of CIP construction contracts awarded           |  | \$2.89M        | \$6M           | \$14.4M        | \$19.7M          | \$14.7M        |
| Number of construction contracts awarded              |  | N/A            | 5              | 5              | 10               | 8              |
| Number of construction projects completed             |  | N/A            | 3              | 7              | 7                | 7              |

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

\*\* New performance measures added for FY 2024-2025.

\*\*\* New performance measures added for FY 2023-2024.

| Performance Measures                                                          | Strategic Goals                                                                     | 2022-23 Actual | 2023-24 Actual | 2024-25 Actual | 2025-26 Estimate | 2026-27 Target |
|-------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|----------------|----------------|----------------|------------------|----------------|
| Number of annual work orders completed*                                       |    | N/A            | N/A            | 11,453         | 12,000           | 12,000         |
| % of preventative maintenance work orders completed*                          |   | N/A            | N/A            | 35%            | 30%              | 30%            |
| % of reactive maintenance work orders completed*                              |  | N/A            | N/A            | 15%            | 15%              | 15%            |
| 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%            | 22%            | 23%            | 24%              | 25%            |
| City compliance with SB 1383 requirements*                                    |  | N/A            | N/A            | 79%            | 85%              | 95%            |

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

## BUDGET SUMMARY

|                                   | 2024-25 Adopted     | 2025-26 Adopted     | 2026-27 Proposed    | FY 2027 Change \$   | FY 2027 Change % |
|-----------------------------------|---------------------|---------------------|---------------------|---------------------|------------------|
| <b>Dollars by Function</b>        |                     |                     |                     |                     |                  |
| 411 - Engineering Administration  | \$565,837           | \$365,588           | \$837,995           | \$472,407           | 129%             |
| 412 - Design & Construction       | \$1,807,610         | \$1,751,320         | \$3,245,390         | \$1,494,070         | 85%              |
| 413 - Land Development            | \$1,933,349         | \$1,930,956         | \$1,541,992         | -\$388,964          | -20%             |
| 415 - Traffic Engineering         | \$749,811           | \$817,000           | \$1,267,712         | \$450,712           | 55%              |
| 420 - Public Works Administration | \$3,223,904         | \$3,127,625         | \$3,370,613         | \$242,988           | 8%               |
| 421 - Street Maintenance          | \$2,423,289         | \$2,848,165         | \$3,359,665         | \$511,500           | 18%              |
| 422 - Utility Engineering         | \$1,642,893         | \$1,646,300         | \$42,466,154        | \$40,819,854        | 2,479%           |
| 423 - Utility Maintenance         | \$6,006,201         | \$6,683,211         | \$7,387,796         | \$704,585           | 11%              |
| 424 - Park Maintenance            | \$2,094,676         | \$2,591,298         | \$2,752,562         | \$161,264           | 6%               |
| 425 - Trees & Landscape Maint     | \$3,321,976         | \$3,046,042         | \$3,777,778         | \$731,736           | 24%              |
| 426 - Fleet Maintenance           | \$2,567,751         | \$2,350,799         | \$2,270,804         | -\$79,995           | -3%              |
| 427 - Facilities Maintenance      | \$3,762,569         | \$3,879,477         | \$3,219,177         | -\$660,300          | -17%             |
| 428 - Compliance                  | \$842,315           | \$1,051,601         | \$1,139,984         | \$88,383            | 8%               |
| 430 - Solid Waste                 | \$1,137,084         | \$938,200           | \$986,221           | \$48,021            | 5%               |
| <b>DOLLARS BY FUNCTION TOTAL</b>  | <b>\$32,079,265</b> | <b>\$33,027,582</b> | <b>\$77,623,843</b> | <b>\$44,596,261</b> | <b>135%</b>      |

|                                        | 2024-25 Adopted     | 2025-26 Adopted     | 2026-27 Proposed    | FY 2027 Change \$  | FY 2027 Change % |
|----------------------------------------|---------------------|---------------------|---------------------|--------------------|------------------|
| <b>Dollars by Category</b>             |                     |                     |                     |                    |                  |
| <b>Personnel Services</b>              |                     |                     |                     |                    |                  |
| 41110 - Permanent                      | \$14,730,482        | \$15,079,376        | \$15,850,788        | \$771,412          | 5%               |
| 41120 - Temporary                      | \$360,724           | \$255,954           | \$125,000           | -\$130,954         | -51%             |
| 41130 - Overtime                       | \$349,300           | \$374,300           | \$374,300           | \$0                | 0%               |
| 41210 - Allowances                     | \$47,142            | \$47,135            | \$47,143            | \$8                | 0%               |
| 41220 - Standby Pay MEA                | \$123,682           | \$123,682           | \$123,682           | \$0                | 0%               |
| 41310 - PERS                           | \$5,115,216         | \$5,165,206         | \$5,794,621         | \$629,415          | 12%              |
| 41320 - Group Insurance                | \$3,181,169         | \$3,434,104         | \$3,731,169         | \$297,065          | 9%               |
| 41330 - Medicare-Employer's Contributi | \$220,081           | \$223,581           | \$226,713           | \$3,132            | 1%               |
| 41350 - Worker's Compensation          | \$177,327           | \$223,042           | \$230,289           | \$7,247            | 3%               |
| 41380 - Deferred Comp-Employer Contrib | \$43,201            | \$42,301            | \$43,210            | \$909              | 2%               |
| 41390 - PARS                           | \$4,674             | \$4,674             | \$670               | -\$4,004           | -86%             |
| 41420 - Vacancy Factor                 | \$0                 | \$0                 | -\$1,150,863        | -\$1,150,863       | -                |
| 41430 - Charged to CIPs                | -\$1,919,975        | -\$1,946,149        | \$0                 | \$1,946,149        | -100%            |
| 41460 - Short Term Disability          | \$9,921             | \$9,818             | \$9,850             | \$32               | 0%               |
| 41610 - Retiree Medical Reserve        | \$184,633           | \$188,952           | \$196,292           | \$7,340            | 4%               |
| <b>PERSONNEL SERVICES TOTAL</b>        | <b>\$22,627,577</b> | <b>\$23,225,976</b> | <b>\$25,602,864</b> | <b>\$2,376,888</b> | <b>10%</b>       |
| <b>Non-Personnel Expenditures</b>      |                     |                     |                     |                    |                  |
| 42010 - Community Promotions           | \$131,840           | \$131,840           | \$120,324           | -\$11,516          | -9%              |
| 42110 - Equip Repl Amortization Chrges | \$1,378,004         | \$1,378,004         | \$1,280,109         | -\$97,895          | -7%              |
| 42210 - Office Supplies                | \$25,860            | \$26,010            | \$18,229            | -\$7,781           | -30%             |
| 42230 - Departmental Supplies          | \$205,150           | \$247,377           | \$242,467           | -\$4,910           | -2%              |
| 42240 - Maintenance Supplies           | \$823,176           | \$932,820           | \$998,303           | \$65,483           | 7%               |
| 42250 - Health & Safety Supplies       | \$109,337           | \$119,508           | \$83,751            | -\$35,757          | -30%             |
| 42310 - Advertising                    | \$6,750             | \$6,750             | \$3,750             | -\$3,000           | -44%             |
| 42320 - Printing/Publications          | \$15,000            | \$0                 | \$0                 | \$0                | -                |
| 42330 - Rents & Leases                 | \$16,029            | \$46,029            | \$0                 | -\$46,029          | -100%            |

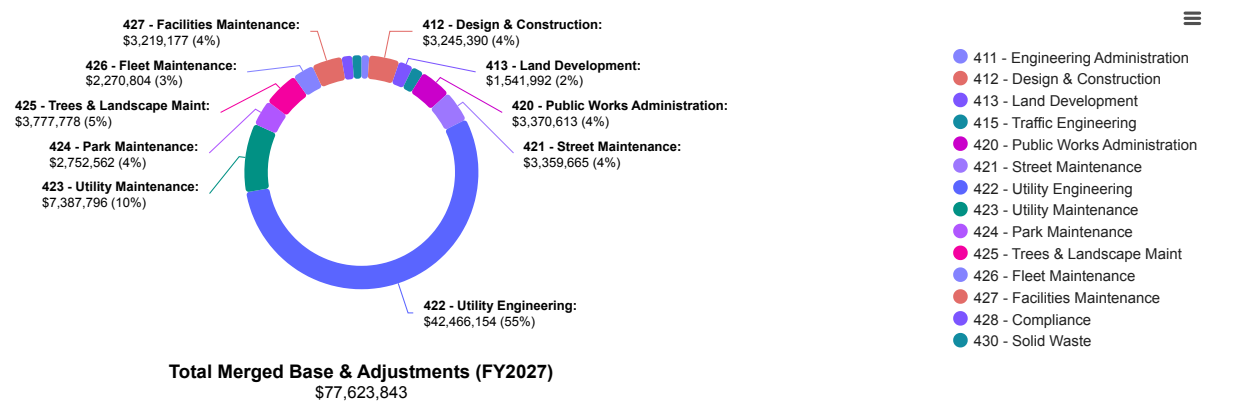
|                                         | 2024-25 Adopted     | 2025-26 Adopted     | 2026-27 Proposed    | FY 2027 Change \$   | FY 2027 Change % |
|-----------------------------------------|---------------------|---------------------|---------------------|---------------------|------------------|
| 42370 - Contractual Services - Legacy   | \$5,517,194         | \$5,839,784         | \$51,197            | -\$5,788,587        | -99%             |
| 42379 - Contractual Services            | \$0                 | \$0                 | \$5,517,059         | \$5,517,059         | -                |
| 42410 - Repair & Maintenance            | \$270,056           | \$339,056           | \$350,509           | \$11,453            | 3%               |
| 42420 - IT Subscriptions                | \$0                 | \$0                 | \$44,029            | \$44,029            | -                |
| 44120 - Computer Data Lines             | \$18,180            | \$18,180            | \$5,200             | -\$12,980           | -71%             |
| 44150 - Pagers                          | \$2,940             | \$2,940             | \$1,440             | -\$1,500            | -51%             |
| 44160 - Cellular Phones                 | \$0                 | \$0                 | \$3,500             | \$3,500             | -                |
| 44200 - Utilities-Solid Waste           | \$2,000             | \$2,000             | \$0                 | -\$2,000            | -100%            |
| 44220 - Utilities-Electric              | \$17,336            | \$17,336            | \$17,336            | \$0                 | 0%               |
| 44230 - Utilities-Water                 | \$247,605           | \$251,072           | \$301,705           | \$50,633            | 20%              |
| 45010 - Memberships & Dues              | \$40,890            | \$42,089            | \$29,752            | -\$12,337           | -29%             |
| 45020 - Professional Licensing          | \$5,825             | \$5,825             | \$3,625             | -\$2,200            | -38%             |
| 45030 - Training and Registration       | \$237,300           | \$247,586           | \$184,336           | -\$63,250           | -26%             |
| 45050 - Lodging/Travel                  | \$3,600             | \$3,600             | \$0                 | -\$3,600            | -100%            |
| 45060 - Meals for Meetings              | \$4,500             | \$4,500             | \$1,500             | -\$3,000            | -67%             |
| 45080 - Mileage Reimbursement/Parking   | \$300               | \$300               | \$0                 | -\$300              | -100%            |
| 46540 - Wholesale Water Purchase        | -                   | -                   | \$27,332,114        | \$27,332,114        | -                |
| 46570 - Recycled Water Purchase         | -                   | -                   | \$3,100,888         | \$3,100,888         | -                |
| 46690 - Treatment Plant-Maint & Oper    | -                   | -                   | \$10,285,796        | \$10,285,796        | -                |
| <b>NON-PERSONNEL EXPENDITURES TOTAL</b> | <b>\$9,078,872</b>  | <b>\$9,662,606</b>  | <b>\$49,976,919</b> | <b>\$40,314,313</b> | <b>417%</b>      |
| Capital Outlay                          | \$372,816           | \$139,000           | \$2,003,060         | \$1,864,060         | 1,341%           |
| Operating Transfers Out                 |                     |                     |                     |                     |                  |
| 49310 - Op Trfs Out to 310 Street Imp   | -                   | -                   | \$21,000            | \$21,000            | -                |
| 49320 - Op Trfs Out to 320 Park Imprv   | -                   | -                   | \$20,000            | \$20,000            | -                |
| <b>OPERATING TRANSFERS OUT TOTAL</b>    | <b>-</b>            | <b>-</b>            | <b>\$41,000</b>     | <b>\$41,000</b>     | <b>-</b>         |
| <b>DOLLARS BY CATEGORY TOTAL</b>        | <b>\$32,079,265</b> | <b>\$33,027,582</b> | <b>\$77,623,843</b> | <b>\$44,596,261</b> | <b>135%</b>      |

### STAFFING

| Function                    | 2023-24 Adopted | 2024-25 Adopted | 2025-26 Adopted | 2026-27 Proposed | FY2027 Change |
|-----------------------------|-----------------|-----------------|-----------------|------------------|---------------|
| <b>FTE</b>                  |                 |                 |                 |                  |               |
| Compliance                  | 3               | 3               | 3               | 3                | 0             |
| Design & Construction       | 14              | 14              | 13              | 13               | 0             |
| Engineering Administration  | 2               | 3               | 2               | 2                | 0             |
| Facilities Maintenance      | 12              | 13              | 13              | 13               | 0             |
| Fleet Maintenance           | 6               | 6               | 5               | 5                | 0             |
| Land Development            | 7               | 7               | 7               | 7                | 0             |
| Park Maintenance            | 4               | 4               | 5               | 5                | 0             |
| Public Works Administration | 10              | 10              | 10              | 10               | 0             |
| Solid Waste                 | 3               | 3               | 3               | 3                | 0             |
| Street Maintenance          | 12              | 12              | 12              | 12               | 0             |
| Traffic Engineering         | 3               | 3               | 4               | 4                | 0             |
| Trees & Landscape Maint     | 11              | 11              | 11              | 11               | 0             |
| Utility Engineering         | 6               | 6               | 6               | 6                | 0             |
| Utility Maintenance         | 21              | 23              | 23              | 23               | 0             |
| <b>FTE</b>                  | <b>114</b>      | <b>118</b>      | <b>117</b>      | <b>117</b>       | <b>0</b>      |

| Position Name*                 | 2023-24 Adopted | 2024-25 Adopted | 2025-26 Adopted | 2026-27 Proposed | FY2027 Change |
|--------------------------------|-----------------|-----------------|-----------------|------------------|---------------|
| <b>FTE</b>                     |                 |                 |                 |                  |               |
| Administrative Analyst I       | 1               | 1               | 1               | 1                | 0             |
| Administrative Analyst II      | 3               | 3               | 3               | 3                | 0             |
| Administrative Assistant       | 1               | 1               | 1               | 1                | 0             |
| Assistant Civil Engineer       | 1               | 1               | 0               | 0                | 0             |
| Assistant Engineer             | 8               | 8               | 8               | 10               | 2             |
| Assistant Water Operator - 40  | 1               | 1               | 1               | 1                | 0             |
| Assoc Civil Engineer           | 6               | 7               | 7               | 6                | -1            |
| CIP Manager                    | 1               | 1               | 0               | 0                | 0             |
| City Engineer                  | 1               | 1               | 1               | 1                | 0             |
| Cross Connection Specialist    | 1               | 1               | 1               | 1                | 0             |
| Deputy Public Works Director   | 1               | 1               | 1               | 1                | 0             |
| Engineering Aide               | 3               | 3               | 3               | 2                | -1            |
| Envir & Regulatory Comply Spec | 1               | 1               | 1               | 1                | 0             |
| Environmental Inspector        | 2               | 2               | 2               | 2                | 0             |
| Equip Maint Worker II - 40     | 3               | 4               | 4               | 4                | 0             |
| Equip Maint Worker III - 40    | 7               | 6               | 6               | 6                | 0             |
| Fleet Maint Worker II - 40     | 3               | 3               | 3               | 3                | 0             |
| Fleet Maint Worker III - 40    | 2               | 2               | 1               | 1                | 0             |
| Junior Engineer                | 1               | 0               | 0               | 0                | 0             |
| Maint Custodian II-40          | 4               | 4               | 4               | 4                | 0             |
| Maint Worker I-40              | 12              | 6               | 4               | 4                | 0             |
| Maint Worker II-40             | 11              | 17              | 20              | 20               | 0             |
| Maintenance Assistant          | 4               | 0               | 0               | 0                | 0             |
| Maintenance Assistant - 40     | 0               | 4               | 3               | 3                | 0             |
| Maintenance Custodian III - 40 | 2               | 2               | 2               | 2                | 0             |
| Maintenance Worker III - 40    | 9               | 10              | 11              | 11               | 0             |
| Management Analyst             | 0               | 1               | 0               | 0                | 0             |
| Office Asst I                  | 1               | 0               | 0               | 0                | 0             |
| Office Asst II                 | 0               | 1               | 1               | 1                | 0             |
| Office Specialist              | 1               | 1               | 1               | 1                | 0             |
| Princ Civil Engineer           | 3               | 3               | 4               | 3                | -1            |
| Pub Works Insp                 | 3               | 3               | 3               | 3                | 0             |
| Public Works Director          | 1               | 1               | 1               | 1                | 0             |
| Public Works Manager           | 3               | 3               | 1               | 1                | 0             |
| PW DIVISION MGR. - ENG.        | 0               | 0               | 2               | 3                | 1             |
| PW Division Mgr. - Opr.        | 0               | 0               | 1               | 1                | 0             |
| PW Division Mgr. - Utl.        | 0               | 0               | 1               | 1                | 0             |
| SCADA Technician               | 0               | 1               | 1               | 1                | 0             |
| Senior Administrative Analyst  | 3               | 3               | 3               | 3                | 0             |
| Senior Public Works Inspector  | 1               | 1               | 1               | 1                | 0             |
| Senior Public Works Lead       | 7               | 6               | 6               | 6                | 0             |
| Transporation & Traffic Mgr    | 1               | 1               | 0               | 0                | 0             |
| Water System Operator - 40     | 1               | 3               | 3               | 3                | 0             |
| <b>FTE</b>                     | <b>114</b>      | <b>118</b>      | <b>117</b>      | <b>117</b>       | <b>0</b>      |

EXPENDITURES BY FUNCTION



Data Updated: May 20, 2026, 7:09 PM

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BUDGET RECONCILIATION

|                                                                                                  | Positions | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |
|--------------------------------------------------------------------------------------------------|-----------|---------------------------|-------------------------|-----------------------|
| PRIOR YEAR BUDGET                                                                                | 117.00    | \$17,201,067              | \$15,826,515            | \$33,027,582          |
| One-Time Prior Year Budget Adjustments                                                           |           |                           |                         |                       |
| Storage Tank Condition Assessment                                                                |           | (75,000)                  | (75,000)                | (150,000)             |
| One-Time Prior Year Budget Adjustments                                                           | 0.00      | (75,000)                  | (75,000)                | (150,000)             |
| Adjustments to Costs of Ongoing Activities                                                       |           |                           |                         |                       |
| Salary and Benefits changes and the following position reallocations:                            |           | (1,066,934)               | 3,425,601               | 2,358,667             |
| - 1.0 Associate Engineer (Design & Construction) to 1.0 Principal Civil Engineer (Traffic)       |           |                           |                         | 0                     |
| - 1.0 Equipment Maintenance Worker II to 1.0 Maintenance Worker III                              |           |                           |                         | 0                     |
| - 2.0 Maintenance Assistant to 2.0 Maintenance Worker                                            |           |                           |                         | 0                     |
| Contractual Services Decrease (On-call support consultants, ChargePoint charging stations, etc.) |           | (84,439)                  | (37,089)                | (121,528)             |
| Non-Personnel Expenditure Alignment to Historical Trend                                          |           | (24,230)                  | (206,727)               | (253,438)             |
| Water Purchases (moved from Non-Departmental)                                                    |           |                           | 30,433,002              | 30,433,002            |
| Treatment Plan expense (moved from Non-Departmental)                                             |           |                           | 10,285,796              | 10,285,796            |
| Total Adjustment to Costs of Ongoing Activities                                                  |           | (1,250,603)               | 43,825,583              | 42,574,980            |
| Total FY 2026-27 Base Budget                                                                     |           | \$15,950,464              | \$59,652,098            | \$75,602,562          |
| Service Level Changes                                                                            |           |                           |                         |                       |
| Asset Management Realignment                                                                     | 0.00      | (83,379)                  | 63,179                  | (20,200)              |
| Utility Engineering Reclassification                                                             | 0.00      |                           | 38,421                  | 38,421                |
| Public Works Fleet Replacement                                                                   |           |                           | 2,003,060               | 2,003,060             |
| Total Service Level Changes                                                                      | 0.00      | (83,379)                  | 2,104,660               | 2,021,281             |
| Total FY 2026-27 Proposed Budget                                                                 | 117.00    | \$15,867,085              | \$61,756,758            | \$77,623,843          |

SERVICE LEVEL CHANGES

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                      | Positions | General Fund Expenditures                                                           | Other Fund Expenditures | All Fund Expenditures |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|-----------|-------------------------------------------------------------------------------------|-------------------------|-----------------------|
| 1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Public Works Fleet Replacement       |           |                                                                                     | \$2,003,060             | \$2,003,060           |
| This proposal funds the replacement of 11 Public Works vehicles to maintain a safe, reliable, and compliant fleet. The replacements are driven by vehicle age, rising maintenance costs, and new regulatory requirements, ensuring continued operational efficiency. (one-time)                                                                                                                                                                                                                                                                                                                                                                                                                |                                      |           |                                                                                     |                         |                       |
| Performance Results                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                      |           |    |                         |                       |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                      | Positions | General Fund Expenditures                                                           | Other Fund Expenditures | All Fund Expenditures |
| 2                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Asset Management Realignment         | 0         | (\$83,379)                                                                          | \$63,179                | \$20,200              |
| This proposal funds the reorganization of Public Works staffing by adding an Asset Management Program Administrator, removing a SCADA Instrument Control Technician, and eliminating a Senior Special Projects Associate to better align with operational needs. This position will support the management of citywide infrastructure and critical assets by enhancing system coordination within the Computerized Maintenance Management System and GIS, improving tracking of maintenance activities and integration with other systems. Without this change, temporary staffing would need to be retained to continue meeting operational demands. (ongoing)                                |                                      |           |                                                                                     |                         |                       |
| Performance Results                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                      |           |    |                         |                       |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                      | Positions | General Fund Expenditures                                                           | Other Fund Expenditures | All Fund Expenditures |
| 3                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Utility Engineering Reclassification | 0         |                                                                                     | \$38,421                | \$38,421              |
| This proposal funds the reclassification of an Engineering Aide position to an Assistant Engineer to strengthen the staffing structure within the Utility Engineering section. This change will better align staffing levels with increased workload demands following the adoption of the City's water, sewer, and stormwater master plans, improving the section's ability to deliver planned projects and services. The Utility Engineering section is currently staffed with a Division Manager, two Associate Engineers, one Assistant Engineer, and one Engineering Aide. This adjustment will help address resource gaps and support ongoing and future infrastructure needs. (ongoing) |                                      |           |                                                                                     |                         |                       |
| Performance Results                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                      |           |  |                         |                       |
| Total Service Level Changes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                      | 0.00      | (83,379)                                                                            | 2,104,660               | 2,021,281             |

# Recreation & Community Services

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, special events, arts and cultural programming, 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 operations 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 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.



- Oversees Community Services operations, including social service needs assessments and referrals for all residents in need of any supportive services such as low-income assistance, disability, mental health, food insecurity, caregiver support. 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.
- 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, Milpitas Community Choir, Phantom Art Gallery, Milpitas Art and Cultural Grant Program and Alviso Adobe historic exhibit tours.
- Manages the City's Public Art Program, including collection maintenance and developer compliance with the Public Art ordinance.



|         |            |          |
|---------|------------|----------|
| New     | FY 2026-27 | FTE      |
| Move    | Permanent  | (18)     |
| Reclass | Temporary  | (44.625) |
| Temp    |            |          |

1: 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.              | Launched a new Recreation Management System creating a more modern, integrated and accessible system for customers and staff.              | ✓                                                                                 |                                                                                   |                                                                                    | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |
| 2.              | Developed a year-round private swim lesson program.                                                                                        | ✓                                                                                 |                                                                                   |                                                                                    |                                                                                     |                                                                                     | ✓                                                                                   |                                                                                     |
| 3.              | Successfully concluded the Pickleball Pilot Program delivering a data-informed project that enhanced facilities to better serve residents. | ✓                                                                                 |                                                                                   |                                                                                    | ✓                                                                                   | ✓                                                                                   |                                                                                     |                                                                                     |
| 4.              | Successfully delivered the 2025 Milpitas Youth Force Program, achieving record-high application volume and participant enrollment.         | ✓                                                                                 | ✓                                                                                 |                                                                                    |                                                                                     |                                                                                     |                                                                                     |                                                                                     |

| Initiatives |                                                                                                    | Community<br>Wellness and<br>Open Space                                           | Economic<br>Development<br>and Job Growth                                         | Environment                                                                       | Governance &<br>Administration                                                      | Neighborhoods<br>and Housing                                                        | Public Safety                                                                       | Transportation<br>and Transit                                                       |
|-------------|----------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
|             |                                                                                                    |  |  |  |  |  |  |  |
| 1.          | Complete 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.          | Launch marketing campaign to promote facility rental and use.                                      | ✓                                                                                 |                                                                                   |                                                                                   | ✓                                                                                   |                                                                                     |                                                                                     |                                                                                     |

| Performance Measures                                           | Strategic Goals                                                                   | 2022-23 Actual | 2023-24 Actual | 2024-25 Actual | 2025-26 Estimate | 2026-27 Target |
|----------------------------------------------------------------|-----------------------------------------------------------------------------------|----------------|----------------|----------------|------------------|----------------|
| Customer Service Satisfaction Surveys Rating Good or Excellent |  | 90%            | 94%            | 94%            | 95%              | 95%            |
| Resident Transactions                                          |  | 8,891          | 8,672          | 8,672          | 9,100            | 9,100          |

| Activity and Workload Data                | Strategic Goals                                                                   | 2022-23 Actual | 2023-24 Actual | 2024-25 Actual | 2025-26 Estimate | 2026-27 Target |
|-------------------------------------------|-----------------------------------------------------------------------------------|----------------|----------------|----------------|------------------|----------------|
| Recreation Program and Class Fees Revenue |  | \$3,455,949    | \$2,834,264    | \$3,106,991    | \$3,156,000      | \$3,200,000    |
| Number of Social Media Engagements        |  | 36,301         | 22,589         | 22,589         | 46,000           | 49,000         |
| Facility and Park Rental Revenue          |  | \$228,853      | \$428,399      | \$428,399      | \$448,500        | \$450,500      |
| Number of Community Events Offered        |  | 34*            | 30**           | 30**           | 22***            | 22             |
| Number of Social Services Calls           |  | 1,836          | 2,272          | 2,272          | 1700             | 2000           |

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

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

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

## BUDGET SUMMARY

|                                    | 2024-25 Adopted    | 2025-26 Adopted    | 2026-27 Proposed   | FY 2027 Change \$ | FY 2027 Change % |
|------------------------------------|--------------------|--------------------|--------------------|-------------------|------------------|
| <b>Dollars by Function</b>         |                    |                    |                    |                   |                  |
| 610 - Recreation Administration    | \$2,077,261        | \$2,304,163        | \$2,226,127        | -\$78,036         | -3%              |
| 611 - Marketing                    | \$350,133          | \$347,827          | \$363,837          | \$16,010          | 5%               |
| 612 - Parks and Facilities Rentals | \$0                | \$0                | \$3,000            | \$3,000           | –                |
| 620 - Performing Arts              | \$188,471          | \$225,475          | \$218,014          | -\$7,461          | -3%              |
| 630 - Senior Services              | \$776,026          | \$810,070          | \$818,816          | \$8,746           | 1%               |
| 631 - Social Services              | \$169,262          | \$201,341          | \$203,439          | \$2,098           | 1%               |
| 640 - Youth Programs               | \$1,086,396        | \$1,320,476        | \$1,278,171        | -\$42,305         | -3%              |
| 641 - General Classes              | \$616,125          | \$797,177          | \$825,179          | \$28,002          | 4%               |
| 650 - Special Events               | \$582,645          | \$638,903          | \$596,507          | -\$42,396         | -7%              |
| 651 - Aquatics                     | \$445,432          | \$470,985          | \$458,910          | -\$12,075         | -3%              |
| 652 - Sports & Fitness             | \$689,306          | \$549,804          | \$584,728          | \$34,924          | 6%               |
| <b>DOLLARS BY FUNCTION TOTAL</b>   | <b>\$6,981,057</b> | <b>\$7,666,221</b> | <b>\$7,576,728</b> | <b>-\$89,493</b>  | <b>-1%</b>       |

|                                        | 2024-25 Adopted    | 2025-26 Adopted    | 2026-27 Proposed   | FY 2027 Change \$ | FY 2027 Change % |
|----------------------------------------|--------------------|--------------------|--------------------|-------------------|------------------|
| <b>Dollars by Category</b>             |                    |                    |                    |                   |                  |
| <b>Personnel Services</b>              |                    |                    |                    |                   |                  |
| 41110 - Permanent                      | \$2,037,455        | \$2,090,365        | \$2,180,593        | \$90,228          | 4%               |
| 41120 - Temporary                      | \$1,811,733        | \$1,999,795        | \$2,021,641        | \$21,846          | 1%               |
| 41130 - Overtime                       | \$56,152           | \$56,152           | \$51,152           | -\$5,000          | -9%              |
| 41210 - Allowances                     | \$6,600            | \$6,600            | \$6,600            | \$0               | 0%               |
| 41310 - PERS                           | \$717,455          | \$727,687          | \$817,086          | \$89,399          | 12%              |
| 41320 - Group Insurance                | \$399,171          | \$430,397          | \$422,650          | -\$7,747          | -2%              |
| 41330 - Medicare-Employer's Contributi | \$55,291           | \$56,140           | \$60,391           | \$4,251           | 8%               |
| 41350 - Worker's Compensation          | \$27,096           | \$27,353           | \$17,871           | -\$9,482          | -35%             |
| 41380 - Deferred Comp-Employer Contrib | \$16,020           | \$16,020           | \$16,200           | \$180             | 1%               |
| 41390 - PARS                           | \$45,210           | \$45,819           | \$28,393           | -\$17,426         | -38%             |
| 41420 - Vacancy Factor                 | \$0                | \$0                | -\$121,752         | -\$121,752        | –                |
| 41430 - Charged to CIPs                | -\$3,000           | \$0                | \$0                | \$0               | –                |
| 41460 - Short Term Disability          | \$1,496            | \$1,495            | \$1,516            | \$21              | 1%               |
| 41610 - Retiree Medical Reserve        | \$20,624           | \$21,156           | \$22,195           | \$1,039           | 5%               |
| <b>PERSONNEL SERVICES TOTAL</b>        | <b>\$5,191,303</b> | <b>\$5,478,979</b> | <b>\$5,524,536</b> | <b>\$45,557</b>   | <b>1%</b>        |
| <b>Non-Personnel Expenditures</b>      |                    |                    |                    |                   |                  |
| 42010 - Community Promotions           | \$29,015           | \$20,500           | \$32,500           | \$12,000          | 59%              |
| 42050 - Miscellaneous Grants           | \$28,500           | \$46,134           | \$42,000           | -\$4,134          | -9%              |
| 42110 - Equip Repl Amortization Chrges | \$89,371           | \$89,371           | \$31,068           | -\$58,303         | -65%             |
| 42210 - Office Supplies                | \$76,744           | \$82,752           | \$76,570           | -\$6,182          | -7%              |
| 42230 - Departmental Supplies          | \$351,360          | \$357,354          | \$313,735          | -\$43,619         | -12%             |
| 42240 - Maintenance Supplies           | \$1,400            | \$1,550            | \$0                | -\$1,550          | -100%            |
| 42250 - Health & Safety Supplies       | \$4,088            | \$5,771            | \$5,183            | -\$588            | -10%             |
| 42260 - Senior Nutrition Food Supplies | \$158,038          | \$163,882          | \$163,882          | \$0               | 0%               |
| 42310 - Advertising                    | \$25,000           | \$35,000           | \$40,000           | \$5,000           | 14%              |
| 42320 - Printing/Publications          | \$12,000           | \$0                | \$0                | \$0               | –                |
| 42330 - Rents & Leases                 | \$0                | \$10,320           | \$12,000           | \$1,680           | 16%              |
| 42340 - Senior Nutrition Non-Food      | \$8,577            | \$8,835            | \$8,835            | \$0               | 0%               |
| 42370 - Contractual Services - Legacy  | \$974,737          | \$1,283,076        | \$0                | -\$1,283,076      | -100%            |

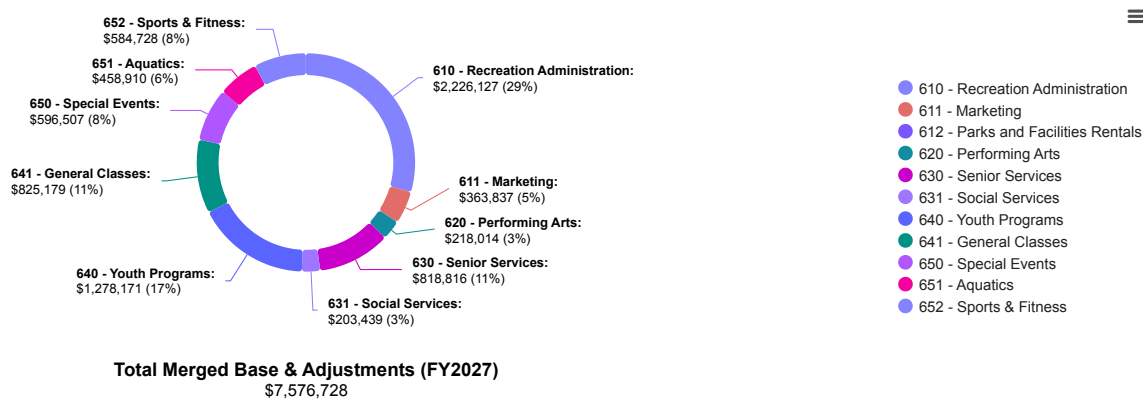
|                                         | 2024-25 Adopted    | 2025-26 Adopted    | 2026-27 Proposed   | FY 2027 Change \$ | FY 2027 Change % |
|-----------------------------------------|--------------------|--------------------|--------------------|-------------------|------------------|
| 42379 - Contractual Services            | \$0                | \$0                | \$1,254,100        | \$1,254,100       | –                |
| 42410 - Repair & Maintenance            | \$9,000            | \$10,000           | \$7,000            | -\$3,000          | -30%             |
| 45010 - Memberships & Dues              | \$8,924            | \$9,697            | \$7,619            | -\$2,078          | -21%             |
| 45030 - Training and Registration       | \$12,500           | \$12,500           | \$7,200            | -\$5,300          | -42%             |
| 45080 - Mileage Reimbursement/Parking   | \$500              | \$500              | \$500              | \$0               | 0%               |
| 46020 - Liability Insurance             | \$0                | \$35,000           | \$35,000           | \$0               | 0%               |
| <b>NON-PERSONNEL EXPENDITURES TOTAL</b> | <b>\$1,789,754</b> | <b>\$2,172,242</b> | <b>\$2,037,192</b> | <b>-\$135,050</b> | <b>-6%</b>       |
| Capital Outlay                          | \$0                | \$15,000           | \$15,000           | \$0               | 0%               |
| <b>DOLLARS BY CATEGORY TOTAL</b>        | <b>\$6,981,057</b> | <b>\$7,666,221</b> | <b>\$7,576,728</b> | <b>-\$89,493</b>  | <b>-1%</b>       |

### STAFFING

| Function                  | 2023-24 Adopted | 2024-25 Adopted | 2025-26 Adopted | 2026-27 Proposed | FY2027 Change |
|---------------------------|-----------------|-----------------|-----------------|------------------|---------------|
| <b>FTE</b>                |                 |                 |                 |                  |               |
| General Classes           | 1               | 1               | 1               | 1                | 0             |
| Marketing                 | 1               | 1               | 1               | 1                | 0             |
| Performing Arts           | 1               | 1               | 1               | 1                | 0             |
| Recreation Administration | 6               | 6               | 7               | 7                | 0             |
| Senior Services           | 3               | 3               | 3               | 3                | 0             |
| Social Services           | 1               | 1               | 1               | 1                | 0             |
| Special Events            | 1               | 1               | 1               | 1                | 0             |
| Sports & Fitness          | 2               | 3               | 2               | 2                | 0             |
| Youth Programs            | 1               | 1               | 1               | 1                | 0             |
| <b>FTE</b>                | <b>17</b>       | <b>18</b>       | <b>18</b>       | <b>18</b>        | <b>0</b>      |

| Position Name*                 | 2023-24 Adopted | 2024-25 Adopted | 2025-26 Adopted | 2026-27 Proposed | FY2027 Change |
|--------------------------------|-----------------|-----------------|-----------------|------------------|---------------|
| <b>FTE</b>                     |                 |                 |                 |                  |               |
| Assistant Dir Recr & Comm Svcs | 0               | 1               | 1               | 1                | 0             |
| Comm Svc Engmt & Incl Admin    | 1               | 0               | 0               | 0                | 0             |
| Dir of Recr & Community Svcs   | 1               | 1               | 1               | 1                | 0             |
| Marketing Coordinator          | 0               | 0               | 1               | 1                | 0             |
| Program Coordinator            | 6               | 6               | 5               | 5                | 0             |
| Public Services Assistant II   | 2               | 2               | 2               | 2                | 0             |
| Rec Serv Asst I/II             | 1               | 1               | 1               | 1                | 0             |
| Rec Serv Asst III              | 2               | 2               | 2               | 2                | 0             |
| Rec Serv Asst IV               | 1               | 1               | 1               | 1                | 0             |
| Rec Services Super             | 2               | 3               | 3               | 3                | 0             |
| Sr Public Services Assistant   | 1               | 1               | 1               | 1                | 0             |
| <b>FTE</b>                     | <b>17</b>       | <b>18</b>       | <b>18</b>       | <b>18</b>        | <b>0</b>      |

EXPENDITURES BY FUNCTION



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BUDGET RECONCILIATION

|                                                          | Positions | General Fund Expenditures | Other Fund Expenditures | All Fund Expenditures |
|----------------------------------------------------------|-----------|---------------------------|-------------------------|-----------------------|
| PRIOR YEAR BUDGET                                        | 18.00     | \$7,666,221               | \$0                     | \$7,666,221           |
| One-Time Prior Year Budget Adjustments                   |           |                           |                         |                       |
| Milpitas Youth Force Program Expansion                   |           | (69,152)                  |                         | (69,152)              |
| Total One-Time Prior Year Budget Adjustments             |           | (69,152)                  |                         | (69,152)              |
| Adjustments to Costs of Ongoing Activities               |           |                           |                         |                       |
| Salary and Benefits                                      |           | 15,610                    | 20,863                  | 36,473                |
| Non-Personnel Expenditure Alignment to Historical Trends |           | (73,247)                  |                         | (73,247)              |
| Equipment Replacement Amortization                       |           | (58,303)                  |                         | (58,303)              |
| Total Adjustment to Costs of Ongoing Activities          |           | (115,940)                 | 20,863                  | (95,077)              |
| Total FY 2026-27 Base Budget                             | 18.00     | 7,481,129                 | 20,863                  | 7,501,992             |
| Service Level Changes                                    |           |                           |                         |                       |
| After the Bell and Summer Camp                           |           | 56,736                    |                         | 56,736                |
| Family Rental Staffing                                   |           | 18,000                    |                         | 18,000                |
| Total Service Level Changes                              |           | 74,736                    |                         | 74,736                |
| Total FY 2026-27 Proposed Budget                         | 18.00     | \$7,555,865               | \$20,863                | \$7,576,728           |

SERVICE LEVEL CHANGES

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Positions                      | General Fund Expenditures                                                         | Other Fund Expenditures | All Fund Expenditures |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|-----------------------------------------------------------------------------------|-------------------------|-----------------------|
| 1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | After the Bell and Summer Camp | \$56,736                                                                          |                         | \$56,736              |
| <p>This proposal allocates additional Recreation Leader hours to support After the Bell programming and internal summer day camps, addressing current staffing constraints and ensuring adequate coverage during staff absences and periods of increased enrollment. This change will better align staffing levels with program demand, helping maintain safe child-to-leader ratios and improving the quality and reliability of services. The cost is expected to be offset through increased revenue from program fee adjustments and transportation services, supporting a sustainable approach to expanded program capacity. (ongoing)</p> |                                |                                                                                   |                         |                       |
| Performance Results                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                |  |                         |                       |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Positions                      | General Fund Expenditures                                                         | Other Fund Expenditures | All Fund Expenditures |
| 2                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Family Rental Staffing         | \$18,000                                                                          |                         | \$18,000              |
| <p>This proposal allocates additional Recreation Attendant hours to support facility rentals, reducing reliance on Public Works staff for event coverage and allowing them to focus on preventative care and maintenance of City facilities. This change will better align staff responsibilities with core operational priorities, improving efficiency and overall facility upkeep. The cost is expected to be fully offset by facility rental revenue, making the ongoing investment sustainable while enhancing service delivery for rental operations. (ongoing)</p>                                                                       |                                |                                                                                   |                         |                       |
| Performance Results                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                |  |                         |                       |
| Total Service Level Changes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                | \$74,736                                                                          | \$0                     | \$74,736              |

# 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. This category also funds debt service as well as equipment and vehicle expenditures.

## PERSONNEL SERVICES

The budget includes a \$3,088,941 retiree medical payment obligation that was not accounted for in prior budgets; this cost will be fully reimbursed by the CalPERS OPEB Trust. An additional \$0.7 million is allocated to cover vacation and leave cashouts, MOU contractual obligations, retiree medical benefits, and unemployment benefits. The budget also includes \$0.6 million for an unanticipated expenditure reserve.

## DEBT SERVICE

The budget includes an appropriation of \$11,579,875 for scheduled Redevelopment Obligation payments related to the 2015 Tax Allocation Refunding Bonds, and \$2,500,000 for the Elmwood land purchase agreement with the County of Santa Clara; both are fully offset by Santa Clara County tax increment reimbursements.

Additionally, \$1,374,400 is allocated for debt service on the 2020 Lease Revenue Bond. Payments of \$645,750 are scheduled for principal and interest on the 2017 Wastewater Revenue Refunding Bond (supporting the sewer system and an interfund loan). The budget also includes \$1,046,700 for principal and interest on the 2019 Water Bond, and \$1,794,325 for principal and interest on the 2019 Wastewater Bond.

## SERVICE AND SUPPLIES

The budget includes \$4,678,365 for gas, electric, and water utilities. An additional \$4,196,158 is based on the preliminary estimate of the City's liability insurance premiums for FY 2026–27. Funding of \$168,000 is included for costs associated with a green vehicle lease program for vehicles that currently lack replacement funding. The budget also allocates \$446,700 for the Citywide Rate Assistance Program, which supports Building and Planning fees as well as Water and Sewer Utility bills. Finally, \$30,000 is designated for citywide tuition reimbursement.



## BUDGET SUMMARY

|                                         | Grand Total         | General fund        | Housing Authority | Other Funds         | Capital project funds | Water Fund         | Sewer Fund         |
|-----------------------------------------|---------------------|---------------------|-------------------|---------------------|-----------------------|--------------------|--------------------|
| <b>Expenses</b>                         |                     |                     |                   |                     |                       |                    |                    |
| <b>Personnel Services</b>               |                     |                     |                   |                     |                       |                    |                    |
| 41240 - Leave Cashout                   | \$700,000           | \$650,000           | -                 | -                   | -                     | \$25,000           | \$25,000           |
| 41310 - PERS                            | \$30,000            | \$30,000            | -                 | -                   | -                     | -                  | -                  |
| 41320 - Group Insurance                 | \$29,090            | \$26,000            | -                 | -                   | -                     | \$1,545            | \$1,545            |
| 41360 - Unemployment                    | \$71,500            | \$70,000            | -                 | -                   | -                     | \$1,500            | -                  |
| 41370 - Annual Contribution to Depd Fd  | \$1,374,253         | \$1,236,828         | -                 | -                   | -                     | \$68,713           | \$68,712           |
| 41620 - Retiree Medical Payment         | \$3,088,941         | \$2,544,531         | -                 | -                   | -                     | \$320,246          | \$224,164          |
| <b>PERSONNEL SERVICES TOTAL</b>         | <b>\$5,293,784</b>  | <b>\$4,557,359</b>  | <b>-</b>          | <b>-</b>            | <b>-</b>              | <b>\$417,004</b>   | <b>\$319,421</b>   |
| <b>Non-Personnel Expenditures</b>       |                     |                     |                   |                     |                       |                    |                    |
| 42090 - Subsidies-Homeownr Bldg Permit  | \$446,700           | \$446,700           | -                 | -                   | -                     | -                  | -                  |
| 42120 - Vehicle Lease Charges           | \$168,000           | \$168,000           | -                 | -                   | -                     | -                  | -                  |
| 42330 - Rents & Leases                  | \$43,100            | -                   | -                 | \$43,100            | -                     | -                  | -                  |
| 42360 - Bank Fees                       | \$13,700            | -                   | -                 | \$13,700            | -                     | -                  | -                  |
| 42376 - Finance & Economic Consulting   | \$2,700             | -                   | -                 | \$2,700             | -                     | -                  | -                  |
| 42379 - Contractual Services            | \$214,785           | \$138,541           | \$28,000          | \$12,900            | -                     | \$11,297           | \$24,047           |
| 42390 - Audit Fees                      | \$99,455            | \$66,255            | -                 | \$8,200             | -                     | \$12,500           | \$12,500           |
| 42410 - Repair & Maintenance            | \$8,000             | -                   | \$8,000           | -                   | -                     | -                  | -                  |
| 42530 - Attorney Fees                   | \$155,000           | \$80,000            | -                 | -                   | -                     | \$25,000           | \$50,000           |
| 42540 - Legal Settlements               | \$115,000           | \$60,000            | -                 | -                   | -                     | \$15,000           | \$40,000           |
| 44200 - Utilities-Solid Waste           | \$6,500             | -                   | \$6,500           | -                   | -                     | -                  | -                  |
| 44210 - Utilities-Gas                   | \$321,300           | \$300,000           | -                 | -                   | -                     | \$10,300           | \$11,000           |
| 44220 - Utilities-Electric              | \$3,025,565         | \$1,971,200         | -                 | -                   | -                     | \$760,365          | \$294,000          |
| 44230 - Utilities-Water                 | \$1,331,500         | \$1,159,500         | \$6,000           | -                   | -                     | \$136,000          | \$30,000           |
| 45090 - Tuition Reimbursement           | \$30,000            | \$24,000            | -                 | -                   | -                     | \$3,000            | \$3,000            |
| 46020 - Liability Insurance             | \$4,196,158         | \$2,908,920         | \$3,236           | \$323,536           | -                     | \$241,366          | \$719,100          |
| 46040 - CMO Unanticipated Expense       | \$600,000           | \$600,000           | -                 | -                   | -                     | -                  | -                  |
| 46100 - Uncollectible Accounts          | \$130,000           | \$30,000            | -                 | -                   | -                     | \$50,000           | \$50,000           |
| 46110 - Collection Fees                 | \$11,000            | \$3,500             | -                 | -                   | -                     | \$3,500            | \$4,000            |
| <b>NON-PERSONNEL EXPENDITURES TOTAL</b> | <b>\$10,918,463</b> | <b>\$7,956,616</b>  | <b>\$51,736</b>   | <b>\$404,136</b>    | <b>-</b>              | <b>\$1,268,328</b> | <b>\$1,237,647</b> |
| <b>Debt Service</b>                     |                     |                     |                   |                     |                       |                    |                    |
| 47010 - Retirement of Principal         | \$13,919,875        | \$735,000           | -                 | \$11,579,875        | -                     | \$375,000          | \$1,230,000        |
| 47110 - Interest Expense                | \$2,531,550         | \$639,400           | -                 | -                   | -                     | \$671,700          | \$1,220,450        |
| 47200 - Contractual Obligation-Elmwood  | \$2,500,000         | -                   | -                 | \$2,500,000         | -                     | -                  | -                  |
| <b>DEBT SERVICE TOTAL</b>               | <b>\$18,951,425</b> | <b>\$1,374,400</b>  | <b>-</b>          | <b>\$14,079,875</b> | <b>-</b>              | <b>\$1,046,700</b> | <b>\$2,450,450</b> |
| <b>EXPENSES TOTAL</b>                   | <b>\$35,163,672</b> | <b>\$13,888,375</b> | <b>\$51,736</b>   | <b>\$14,484,011</b> | <b>-</b>              | <b>\$2,732,032</b> | <b>\$4,007,518</b> |

# Capital Improvement Program Overview

## Capital Budget

On February 24, 2026, the proposed 2027-2031 Capital Improvement Program (CIP) was presented to the Council during a study session.

The Proposed FY 2026-2027 Capital Improvement Program funding in the amount of \$33.8 million is \$5.0 million less than the FY 2025-2026 Adopted CIP of \$38.8 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 PROPOSED CAPITAL IMPROVEMENT BUDGET FUNDING FOR FY 2026-27 BY PROJECT CATEGORY

|                         | FY2026-27           |
|-------------------------|---------------------|
| <b>Expenses</b>         |                     |
| Community Improvement   | \$1,864,900         |
| Park Improvement        | \$12,841,516        |
| Sewer Improvement       | \$4,614,000         |
| Storm Drain Improvement | \$300,000           |
| Street Improvement      | \$10,366,909        |
| Water Improvement       | \$3,775,000         |
| <b>EXPENSES TOTAL</b>   | <b>\$33,762,325</b> |
| <b>Revenues</b>         | <b>\$33,762,325</b> |

Major projects recommended to be funded for FY 2026-2027 include the construction of Metro Tango Subdistrict Park; the design and construction of the Street Resurfacing Project 2027; City capital contribution to the San José-Santa Clara Regional Wastewater Facility; Construction for the 1st phase of water main upgrades as identified in the Water Master Plan; design and construction for HSIP Grant Traffic Safety Improvements; streetlight, signage, & traffic signal Improvements; pathway improvements at various parks; construction for the 1st phase of sewer main upgrades as identified in the Sewer Master Plan; funding for the roadway preservation program; funding for the annual sidewalk repair program; design and construction of signal improvements along Main Street; installation of Real-Time Monitoring Center; construction of the large dog park at Delano Manongs Park; design for the replacement of sport field turf at Delano Manongs Park; and Various repairs, rehabilitation or replacement projects and programs managed by the Information Technology, Planning, Public Works, and Recreation & Community Services Departments.

On April 6, 2026, staff presented the Park Improvement section of the proposed 2027-31 Capital Improvement Program to the Parks Recreation and Cultural Resources Commission (PRCRC) and they recommended approval to the City Council. On March 25, 2026 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 Hammond Way Solar Streetlight Pilot, the Hall Park Pickleball Court Enhancements, the Dempsey Water Main Replacement, the Street Sealing Project, and the PD Locker Room Renovation. Additionally, the Public Art Master Plan and completion of

ongoing projects such as the Milpitas Gateway-Main Street Specific Plan Update, Comprehensive Zoning Ordinance Update, Innovation District Parks and Trails Master Plan, Bicycle Improvement Project, and Cardoza Park/Dixon Landing Park Softball Feasibility Study, have all been completed.

The chart below provides an overview of the City’s anticipated capital improvement projects by category in FY 2026-27:

PROPOSED CIP EXPENDITURES BY CATEGORY (IN MILLIONS, \$33.8M)

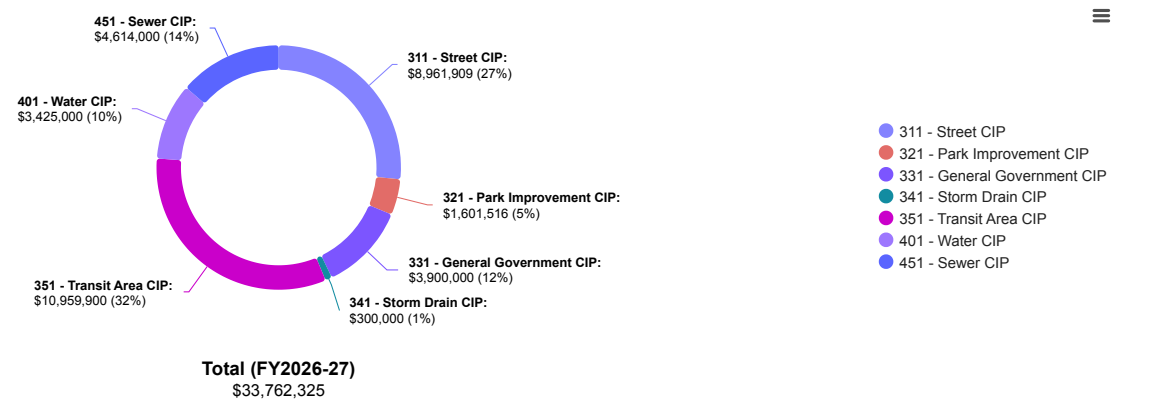


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The funding for FY 2026-27 capital improvement projects, as shown by the chart below, is primarily from Sewer Infrastructure Fund, General Government CIP, Gas Tax Fund, SB1 RMRA, Storm Drain Funds, and Water Capital Surcharge Fund.

PROPOSED FUNDING SOURCES FOR 2026-27 CIP PROJECTS



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Since the City’s budget is an annual budget, the Budget only incorporates funding for FY 2026-2027 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 2027 through 2031 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 2027-2031 CIP project expenses and funding sources. For further details on the capital improvement projects, 2027-2031 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 will return to City Council on May 5, 2026 for the Council to conduct a public hearing, for adoption and approval of the 2027-2031 Capital Improvement Program.

The FY 2026-2027 Proposed CIP funding in the amount of \$33.8 million is \$5.0 million less than the FY 2025-2026 Adopted CIP of \$38.8 million, which includes projects across six areas: community improvements, parks, streets, water, sewer and storm.

# Capital Improvement Program Grand Summary

## Capital Budget

|                              | Total                | FY 2026-27          | FY 2027-28          | FY 2028-29          | FY 2029-30          | FY 2030-31          |
|------------------------------|----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Expenses</b>              |                      |                     |                     |                     |                     |                     |
| Community Improvement        | \$35,644,500         | \$18,064,900        | \$9,149,900         | \$3,109,900         | \$2,659,900         | \$2,659,900         |
| Park Improvement             | \$21,051,516         | \$12,841,516        | \$5,015,000         | \$1,065,000         | \$1,065,000         | \$1,065,000         |
| Sewer Improvement            | \$81,889,196         | \$4,614,000         | \$36,420,971        | \$8,674,087         | \$8,655,022         | \$23,525,116        |
| Storm Drain Improvement      | \$2,499,843          | \$300,000           | \$2,199,843         | \$0                 | \$0                 | \$0                 |
| Street Improvement           | \$42,346,909         | \$10,366,909        | \$8,995,000         | \$7,945,000         | \$7,095,000         | \$7,945,000         |
| Water Improvement            | \$43,959,000         | \$3,775,000         | \$7,927,000         | \$10,300,000        | \$6,775,000         | \$15,182,000        |
| <b>EXPENSES TOTAL</b>        | <b>\$227,390,964</b> | <b>\$49,962,325</b> | <b>\$69,707,714</b> | <b>\$31,093,987</b> | <b>\$26,249,922</b> | <b>\$50,377,016</b> |
| <b>Funding Sources</b>       |                      |                     |                     |                     |                     |                     |
| Street CIP                   | \$32,821,909         | \$8,961,909         | \$5,465,000         | \$6,415,000         | \$5,565,000         | \$6,415,000         |
| Park Improvement CIP         | \$5,951,516          | \$1,601,516         | \$3,900,000         | \$150,000           | \$150,000           | \$150,000           |
| General Government CIP       | \$31,930,000         | \$3,900,000         | \$11,395,000        | \$6,845,000         | \$4,895,000         | \$4,895,000         |
| Storm Drain CIP              | \$3,299,843          | \$300,000           | \$2,399,843         | \$200,000           | \$200,000           | \$200,000           |
| Transit Area CIP             | \$43,251,500         | \$27,159,900        | \$699,900           | \$9,900             | \$3,809,900         | \$11,571,900        |
| Water CIP                    | \$28,247,000         | \$3,425,000         | \$7,927,000         | \$10,300,000        | \$2,975,000         | \$3,620,000         |
| Sewer CIP                    | \$81,889,196         | \$4,614,000         | \$36,420,971        | \$8,674,087         | \$8,655,022         | \$23,525,116        |
| <b>FUNDING SOURCES TOTAL</b> | <b>\$227,390,964</b> | <b>\$49,962,325</b> | <b>\$68,207,714</b> | <b>\$32,593,987</b> | <b>\$26,249,922</b> | <b>\$50,377,016</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

|                         |                                                                                                                                                                                                                      |
|-------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Project Description     | 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. |
| Operating Budget Impact | Fair market land values are evaluated annually as recommended in Section 1 of the 2014 Transit Area Development Impact Fee Update. Evaluation is typically completed annually by June. (TASP ID #45)                 |

## 3403 - FIRE STATION IMPROVEMENTS

|                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|-------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Project Description     | 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.                                                             |
| Operating Budget Impact | Public Works completed the installation or upgrades of the overhead door operators in the apparatus bays at Fire Stations 1, 3 and 4 in FY2023-24, and "No smoke" units on four new apparatus vehicles and training tower handrails in FY 2024-25. Workplan in FY2024-25 is to complete the design of the living quarters at Fire Station 3 & 4, continue the upgrades and repairs of the training tower and remodel of the kitchen at Fire Station 1. Workplan in FY2025-26 is to construct the restroom improvements at Fire Station 4 and living quarters at Fire Stations 3 and 4. Funding request in FY2025-26 is for the installation of a vehicle canopy at Fire Station 1. This project is only partially funded. |

## 3406 - CITY BUILDINGS IMPROVEMENTS

|                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|-------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Project Description     | 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. |
| Operating Budget Impact |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |

## 3422 - CITY BUILDINGS ROOF IMPROVEMENTS

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|---------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Project Description | 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. |
|---------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

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|-------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Operating Budget Impact | City Council awarded a construction contract for the roof repairs at the Sports Center building on 11/14/2023 and the replacement of the metal roof at the City library on 5/7/2024, which both were completed in FY2024-25. Workplan in FY2024-25 is to rehabilitate the roof at the Sports Center Building above Annex, Large Gym, Dance Studio and administration work area. Funding request in FY2025-26 is for the design of the roof rehabilitation at Public Works/Information Technology/Police Department Building. Planned funding request in FY2026-27 is for the roof rehabilitation at Public Works/Information Technology/Police Department Building and Fire Station 4. |
|-------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

### 3462 ON-CALL FACILITIES MAINTENANCE & REPAIR SERVICES

|                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|-------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Project Description     | 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. |
| Operating Budget Impact | Funding request in FY2025-26 is for on-call repair & maintenance service contracts related to City facilities.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

### 3473 - END-USER COMPUTER REPLACEMENT

|                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|-------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Project Description     | 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. |
| Operating Budget Impact | The funding request in FY2025-26 is for the replacement of 191 computers/laptops. Planned funding request from FY2026/27 to FY2029/30 is for the replacement of approximately 141 units per fiscal year.                                                                                                                                                                                                                                                                            |

### 3474 - CITY FACILITIES AV SYSTEM REPLACEMENT

|                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|-------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Project Description     | 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. |
| Operating Budget Impact | Funding Request in FY2025-26 is for the design and assessment of the AV systems at the Community Center, Senior Center and Sports Center and the implementation at the Community Center. Planned funding requests in FY2026-27 and 2027-28 are for the implementation at the Sports Center and Senior Center, respectively.                                                                                                                                                                                                                  |

### 3475 - URBAN SEARCH AND RESCUE VEHICLE

|                         |                                                                                                                                                                                                                                                                                                                                                                                                                           |
|-------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Project Description     | 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. |
| Operating Budget Impact | Funding request in FY2025-26 is for the purchase of USAR. The manufacturing of the USAR may take up to 4 years and is anticipated to be delivered in 2029.                                                                                                                                                                                                                                                                |

3489 - PUBLIC ART PROGRAM

|                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|-------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Project Description     | 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.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Operating Budget Impact | <p>On 10/5/2021, City Council adopted a Mural Program policy. City Council approved the historical marker concept on 9/19/2023 and design services agreement on 3/18/2025 for Bob McGuire, Delano Manongs, Frederick Creighton, Peter B. Gill, Jose Higuera Adobe, Leo Murphy, and Sunnyhills Albert Augustine Jr. Memorial Park. On 12/12/2023, City Council approved a mural to be painted on 3 traffic signal cabinets located at Jacklin/Escuela, Yosemite/Sinclair Frontage, and Calaveras/Gadsden. On 5/7/2024, City Council approved a design service agreement for Dixon Landing Park public art mural. On 5/6/2025, City Council adopted the Public Art Master Plan.</p> <p>In FY2023-2024, Recreation completed the installation of the art sculpture at Higuera Park. Workplan in FY2024-25 is to continue the development of the Public Art Master Plan, design the mural on VTA's light rail pillars, paint a mural on 3 traffic signal cabinets, and install historical markers at various parks. Funding request in FY2025-26 is for the annual contribution from the Public Art Fund for continuous implementation of the Mural Program and the maintenance work on existing art pieces per recommendations provided in the Master Plan.</p> |

3490 - CAPITAL IMPROVEMENT PROGRAM ADMINISTRATION

|                         |                                                                                                                                                                           |
|-------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Project Description     | This project provides for the annual preparation of the Capital Improvement Program. Work includes program administration, printing, and software programming assistance. |
| Operating Budget Impact | Funding request in FY2025-26 is for the annual administration and preparation of the Capital Improvement Program.                                                         |

# Park Improvement Projects

## Capital Budget

### 2023 METRO TANGO SUBDISTRICT PARK

|                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|-------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Project Description     | 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.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Operating Budget Impact | Rapbone Park (0.75 acres) was completed by K. Hovnanian Homes in 2017. The City purchased 1700 Sango Court (1.3-acres) and 1831 Tarob Court (2.5-acres) and needs to acquire 0.45 acres property on Sango Ct. (APN 86-036-011) to complete the land requirement for the park. The project will be coordinated with the S. Milpitas Blvd. Road Extension Project (#2016) and Geomax 2 Development (Toll Brothers) at 1901 Tarob Ct. to construct the park and road network. On 3/19/2024, City Council approved a consultant agreement for master planning of the park. On 3/4/2025, City Council adopted a resolution expressing support to fully fund the project from TASP Impact Fees per the Outdoor Recreation Legacy Partnership (ORLP) Grant Application Requirement, but in May, the National Park Service paused the ORLP program. On 6/17/2025, City Council approved the conceptual design of the park. Workplan in FY2024-25 is to complete the community outreach, and conceptual design, and in FY2025- 26 is to complete CEQA review and the design of the proposed improvements. Construction is anticipated to start in 2027 after the completion of Sango and S. Milpitas Blvd road extension. Funding request in FY2025-26 is for the design and construction support. (TASP ID: DB#28). |

### 3471 - SINNOTT PARK PLAYGROUND RENOVATION

|                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|-------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Project Description     | 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. |
| Operating Budget Impact | On 4/2/2024, City Council approved amendment no.1 to the design service agreement associated with ARPA Park Rehabilitation - Engineering Project (#3501) for the conceptual design and community outreach which was completed in spring 2025. On 5/6/2025, the playground conceptual design was presented to Park, Recreation, and Cultural Resources Commission (PRCRC). In spring 2025, City Manager approved a design agreement for the completion of construction documents and construction support, which is anticipated to be completed by winter 2026. Funding request in FY2025-26 is for the construction, which is anticipated to start by summer 2026.                              |

### 3505 - MSC BLEACHER REPLACEMENT AND ADA IMPROVEMENTS

|                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|-------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Project Description     | 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. |
| Operating Budget Impact | The design was completed in spring 2025. Funding request in FY2025-26 is for the construction of the new bleachers and associated ADA site improvements which is anticipated to start in 2026.                                                                                                                                                                                                                                                                                                         |

5116 - PICKLEBALL IMPROVEMENTS

|                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|-------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Project Description     | <p>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.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Operating Budget Impact | <p>On March 15, 2022, City Council approved a Pickleball Pilot Program at Peter Gill Park and Hall Memorial Park. On April 18, 2023, City Council approved reserve funding of \$100,000 for future pickleball improvements. Recreation &amp; Community Services will present community feedback and alternative options to the City Council for consideration prior to proceeding with the use of funding. On 5/20/2025, City Council approved site mitigation measures at Hall Park, including installing additional sound dampening panels, adjusting fence between pickleball and tennis courts, painting tandem parking stalls on the south side of La Honda Drive and red curb in parking lot, installing court signage, restriping pickleball courts to temporarily remove tennis courts, developing and managing a court-use queuing system, and providing a limited-term Neighbor Assistance Program for residents near Hall Park.</p> <p>In FY2024-25, Public Works completed an installation of sound dampening and temporary fencing at Hall Memorial Park. Funding request in FY2025-26 is for the implementation of mitigation measures and site assessment. Workplan in FY2025-26 is to conduct a feasibility study for indoor and outdoor opportunities for pickleball and to evaluate the potential for accommodating pickleball courts at Dixon Landing Park, as part of the softball fields improvements feasibility study, Project no. 3491.</p> |

# Street Improvement Projects

## Capital Budget

### 2016 - S. MILPITAS BLVD. ROAD EXTENSION

|                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|-------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Project Description     | 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.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Operating Budget Impact | <p>The project includes the architectural enhancement of the vehicular bridge; demolition of the building and site at 1831 Tarob Court, reimbursement to Toll Brother for the construction of the Sango Ct. extension to complete the road network; and reimbursement to Lennar Homes for the design documents of the vehicular bridge. On 6/20/2023, City Council approved the fee reimbursement agreement with Sango Court L.P. of \$445k for constructing portion of the road network between Sango Ct. and Tarob Ct. along the frontage of 355 Sango project.</p> <p>On 5/21/2024, City Council approved the conceptual design of the bridge and road network, and adopted Initial Study/Mitigated Negative Declaration under CEQA. Workplan in FY2024-25 is to continue project administration, NEPA clearances, permitting process and design. Construction is anticipated to start spring 2026 pending Valley Water right-of-way acquisition, permit approval from regulatory agencies, and development of 1901 Tarob Ct.</p> <p>The project was awarded \$3 million earmarked from the Federal Community Project Funding as part of the federal appropriations package signed by the President on March 11, 2022. The City must obligate the funds by 9/30/2025 and request reimbursement for expenditures by 9/30/2030. Funding request in FY2025-26 is for the construction of the project. (TASP ID:DB#9)</p> |

### 3402 MCCARTHY BLVD. LLMD 95-1 IMPROVEMENTS

|                         |                                                                                                                                                                                                                                                                                                      |
|-------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Project Description     | 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.                  |
| Operating Budget Impact | Funding request in FY2025-26 is for the annual contribution for the improvements of the LLMD. In FY2024-25, Public Works completed the repair of the Gateway sign, replacement of irrigation controllers, improvements and upgrades of the irrigation system, and replanting of decaying vegetation. |

### 3411 SINCLAIR LLMD 98-1 IMPROVEMENTS

|                         |                                                                                                                                                                                                                                                                              |
|-------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Project Description     | 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.                          |
| Operating Budget Impact | Funding request in FY2025-26 is for the annual contribution for the improvements of the LLMD. In FY2024-25, Public Works completed the replacement of the irrigation controllers, improvements and upgrades of the irrigation system, and replanting of decaying vegetation. |

3426 ANNUAL SIDEWALK REPAIR PROGRAM

|                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|-------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Project Description     | This project provides for repairs and replacement of citywide sidewalks, curb & 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.                                                                                                                                           |
| Operating Budget Impact | In FY2023-24, Public Works completed the repair or replacement of approximately 880 locations of sidewalk panels with trip hazards and 33 utility boxes throughout the city. Workplan in FY2024-25 is to complete the assessment of sidewalk trip hazards along routes to school and the annual repair and replacement contract. Funding request in FY 2025-26 is for the ongoing assessment of sidewalk trip hazards along routes to school, the annual repair and replacement contract, and on-call service repair contracts. |

3440 STREETLIGHT, SIGNAGE, TRAFFIC SIGNAL IMPROVEMENTS

|                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|-------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Project Description     | 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.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Operating Budget Impact | City Council approved the purchasing of traffic cameras and funding agreement with VTA for the installation of 4 traffic control cabinets along Great Mall Parkway corridor on 11/7/2023 and traffic detection controllers, cabinets, and battery backup system on 3/5/2024. In FY2023-24, Public Works completed the installation of 4 traffic controllers, and detection cameras at 3 intersections, and improvements to the sign shop.<br><br>Workplan in FY2024-25 is to continue the replacement of various type of streetlights, and street signage, upgrades to traffic signal intersections including detection cameras, and battery backup system; and conduct a traffic signal assessment. Funding request in FY2025-26 is for the annual on-call traffic signal repair contracts; ongoing replacement of street signs and streetlights; upgrades to traffic signal intersections including controllers, detection cameras, cabinets, and battery backup system; and replacement of intersection communication equipment at Public Works building. |

4312 - STREET PAVEMENT RESTRIPIING PROGRAM

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|-------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Project Description     | This project provides for the planning, design, and implementation of safety enhancements along established routes to school 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. |
| Operating Budget Impact | On 9/5/2024, the City was notified that it would receive \$2.9 million in federal grant through the Safe Streets and Roads for all (SS4A) Grant Program. The City's local match is \$725k. The anticipated schedule is to start design in 2026 and complete construction by 2028, pending execution of the funding agreement with U.S. Department of Transportation which is anticipated to be completed by fall 2025.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |

4283 - ADA CURB RAMP TRANSITION PROGRAM

|                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|-------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Project Description     | 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. |
| Operating Budget Impact | In 2024, 16 curb ramps were upgraded in conjunction with Street Resurfacing Project 2023-24 (#4304 & 4305). In 2025, 61 curb ramps are planned to be upgraded in conjunction with Street Resurfacing Project 2023-24 - Phase 2 (#4305). In 2026, 15 curb ramps are planned to be upgraded in conjunction with Street Resurfacing Project 2024-25 - Great Mall Parkwy Phase 2 (#4300).                                                                                                                                                                                                     |

4295 - BIKE AND PEDESTRIAN OUTREACH

|                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|-------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Project Description     | 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.                                                                                                                                                             |
| Operating Budget Impact | In FY2023-24, Public Works completed restriping of school zones in the Sunnyhill area including Milpitas High School, Pomeroy and Russell schools, and bike lane on Evans Road from Jacklin Ave to Calaveras Blvd. On 6/3/2025, the City Council granted acceptance for the street restriping of North and South Milpitas Blvd., Evans/Piedmont Road, Dixon Landing/Dixon Road, and Marylinn Dr. from North Abel St. to North Main St. Funding request in FY2025-26 is for on-call service repair contracts; restriping in school zones, high traffic areas and main thorough-fares; minor repairs to asphalt pavement; and responding to public requests received through the MyMilpitas App. |

4306 - STREET RESURFACING PROJECT 2025-26

|                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|-------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Project Description     | 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.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Operating Budget Impact | <p>On 6/1/2025, City Council approved a Master Agreement with VTA for the 2016 Measure B Bike and Pedestrian Education and Encouragement Program. On 5/6/2025, City Council approved an amendment extending the agreement term to March 31, 2047, when Measure B sunsets. In FY 2023-24, staff completed a parent survey regarding the Safe Route to Schools program, contracted a production company to develop the bike educational video content in various languages, implemented a community survey collecting input on updating the City's bike and pedestrian map, initiated the filming of Bike Education and Encouragement videos that feature the City's diverse community, and carried out community outreach efforts at select City events, including the Holi Festival and Earth Day.</p> <p>Workplan in FY2024-25 is to present program objectives to the Parks, Recreation and Cultural Resources Commission; Science, Technology, and Innovation Commission; and Transportation Subcommittee for feedback. Work includes updating the City's bike and pedestrian map, completing the educational videos, offering classes and workshops in partnership with SVBC, and expanding outreach efforts through participation in community events.</p> |

4307 - SS4A IMPROVEMENT PROJECT

|                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|-------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Project Description     | 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. |
| Operating Budget Impact | On 9/2/25, City Council approved a design service agreement for the street resurfacing of Yellowstone Ave. from S. Park Victoria Dr. to Landess Ave; S. Park Victoria Dr. from Yosemite Dr. to Yellowstone Ave; Acadia Ave; Glacier Ave; Lassen Ave; Olympic Dr; Platt Ave. and Ct.; Saratoga Ave; and Big Basin Dr. The construction is anticipated to be completed by summer 2026.                                                                                                                                                                                                                                                                                          |

4312 - STREET PAVEMENT RESTRIPIING PROGRAM

|                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|-------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Project Description     | This project provides for the planning, design, and implementation of safety enhancements along established routes to school 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. |
| Operating Budget Impact | On 9/5/2024, the City was notified that it would receive \$2.9 million in federal grant through the Safe Streets and Roads for all (SS4A) Grant Program. The City's local match is \$725k. The anticipated schedule is to start design in 2026 and complete construction by 2028, pending execution of the funding agreement with U.S. Department of Transportation which is anticipated to be completed by fall 2025.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |

# Water Improvement Projects

In this section, you can go into further detail. Make your content more accessible by writing short sentences, choosing words and phrases you'd use when talking to a neighbor, and avoiding jargon.

## 7110 - HYDRANT REPLACEMENT PROGRAM

|                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|-------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Project Description     | 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.                                                                                                                                                                                                                                                                 |
| Operating Budget Impact | On 4/18/2023, City Council authorized the purchase of hydrants and valves. On 3/18/2025, City Council authorized the purchase of 30 hydrants and valves and the issuance of additional purchase orders as needed for a period of up to five years. Workplan in FY2024-25 is for operation staff to replace hydrants that are knocked down, aging or pose potential risks. Funding request in FY2025-26 is for the purchase and replacement of 30 hydrants and valves to meet the annual replacement goal. |

## 7126 - WATER CONSERVATION PROGRAM

|                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|-------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Project Description     | <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> |
| Operating Budget Impact | Workplan in FY2024-25 and funding request in FY2025-26 is to continue Valley Water Cost Share Agreement for landscape rebate, customer portal/water use reports, Our City Forest Lawn Conversion pilot, WaterSmart customer portal, community outreach and education, and Public Works management of the project. On 11/7/2023, City Council approved an amendment to the agreement with Valley Water District for "Our City Forest" to continue administering the Lawn Bust Milpitas pilot program.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |

## 7127 - WATER SUPERVISORY CONTROL & DATA ACQUISITION

|                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|---------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Project Description | 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. |
|---------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

|                         |                                                                                                                                                                                                                                                                                                                                              |
|-------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Operating Budget Impact | On 11/17/2020, City Council approved an agreement with Engie Service Inc. for the implementation of energy and water conservation measures, which was completed in 2024. Funding request in FY2025-26 is for the ongoing consulting service to support the programing, connection and implementation of the SCADA system at City facilities. |
|-------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

7133 - MINOR WATER PROJECTS

|                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|-------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Project Description     | 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.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Operating Budget Impact | <p>In FY2023-24, Public Works completed the replacement of the check valve on Ames Ave. at S. Milpitas Blvd. On 5/6/2025, City Council granted acceptance of the improvement for the relocation of pressure-reducing stations at Fire Station No.1.</p> <p>Workplan in FY2024-25 is to rehabilitate the vault, replace the VFD, and design the replacement of valves and repair suction piping at Gibraltar Pump Station; upgrade the security gate, and replace the surge tank controls and VDFs at Ayer Reservoir; improve the building and concrete at Minnis Reservoir; and replace the hatch, repair the pavement, and paint the building at Tularcitos/Country Club Reservoir. On 10/21/2025, City Council awarded a construction contract for the repair/replacement of additional valves and piping at Gibraltar Pump Station, which is anticipated to be completed by fall 2026.</p> |

7137 - ON-CALL WATER MAINTENANCE & REPAIR SERVICES

|                         |                                                                                                                                                                                                                                                                                                                                                                                                                         |
|-------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Project Description     | 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. |
| Operating Budget Impact | Funding request in FY2025-26 is for on-call maintenance and repair contracts related to the City's water infrastructure. On July 30, 2024, Public Works Director declared an emergency to implement various security and access improvements to the McCarthy Ranch Lift Station, which has been completed. On 5/20/2025, City Council terminated the emergency action.                                                  |

7140 - CROSS CONNECTION CONTROL PROGRAM

|                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|-------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Project Description     | 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. |
| Operating Budget Impact | On 5/21/2024, City Council approved a professional service agreement for a backflow hazard assessment survey, which is anticipated to be completed in 2025. Workplan in FY2024-25 and FY2025-26 is to complete the cross-connection control plan by the summer of 2025 and continue to develop procedures and protocols to administer the program in accordance with Title 17. Funding request in FY2025-26 is for the repairs and upgrades to the City-owned backflow preventer assemblies.                                                                                                                                                                                                                                                                                                                                                                                                           |

## 7141 - ASSET RENEWAL AND REPLACEMENT PROGRAM

|                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|-------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Project Description     | 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. |
| Operating Budget Impact | Funding request in FY2025-26 is for annual budget allocation as recommended per the adopted Water Master Plan Update. Portion of funding will be allocated for replacement of the booster pump suction piping at Gibraltar Pump Station associated with CIP No. 7133. On 10/21/2025, City Council awarded a construction contract for the repair/replacement of additional valves and piping at Gibraltar Pump Station, which is anticipated to be completed by fall 2026.                                                                                                        |

## 7143 - RISK AND RESILIENCY IMPROVEMENTS

|                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|-------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Project Description     | 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. |
| Operating Budget Impact | Funding request in FY2025-26 is for the fencing repairs at the City's water facilities, site security protocols development, and ShakeAlert program participation. Planned funding request in FY2027-28 is for the replacement of isolation valves that will strengthen the City's water system in the event of an earthquake.                                                                                                                                                                                                                                                                                                                                                                                                         |

## 7150 - FIRE FLOW PIPELINE IMPROVEMENT - PHASE 1

|                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|-------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Project Description     | 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. |
| Operating Budget Impact | Funding request in FY2025-26 is for the design of phase 1 and planning of phase 2 and 3 as identified in the adopted Water Master Plan Update. Planned funding request in FY2026-27 is for the construction of phase 1.                                                                                                                                                                                                                                                                                                                                                                                                                                    |

# Sewer Improvement Projects

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

## 6118 - SJ/SC REGIONAL WASTE WATER FACILITY

|                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|-------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Project Description     | 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. |
| Operating Budget Impact | Funding request in FY2025-26 and planned funding request from FY2026-27 to FY2029-30 are based on Water Pollution Control 2026-2030 Draft Capital Improvement Program.                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |

## 6124 - SEWER PUMP STATION REHABILITATION PROGRAM

|                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|-------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Project Description     | 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 Plant. 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.                                                                                                                                                                                           |
| Operating Budget Impact | On June 30, 2024, Public Works Director declared an emergency for the security improvements at the McCarthy Ranch Sewer Lift Station which was completed in February 2025. On 11/19/2024, City Council approved the replacement of grinders, which is anticipated to be completed in 2025. Workplan in FY2024-25 and FY2025-26 is to replace or repair grinder(s) and VFD(s), prepare a technical memo and the design for the installation of Vactor Truck Disposal Facility, and the replacement of the air release valves along Forcemain "B" and magnetic flow meters at the Main Lift Station. Funding request in FY2025-26 is for the annual replacement of grinders and VFDs, and the construction of Vactor Truck Disposal Facility project at the Main Lift Station. |

## 6134 - ON-CALL SEWER MAINTENANCE & REPAIR SERVICES

|                         |                                                                                                                                                                                                                                                                                                                                                                      |
|-------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Project Description     | 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 & generators), motors and pumps, pipelines, and other related improvements. All work will be performed on a priority and funding availability basis. |
| Operating Budget Impact | Funding request in FY2025-26 is for on-call maintenance and repair contracts related to the city's sewer infrastructure.                                                                                                                                                                                                                                             |

6135 - ON-CALL SEWER MAINTENANCE & REPAIR SERVICES

|                         |                                                                                                                                                                                                                                                                                                                                                                                             |
|-------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Project Description     | 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.     |
| Operating Budget Impact | On 10/1/2024, City Council approved a fee reimbursement agreement with the developer of the 1355 California Circle Project for sanitary sewer sectional liner improvements. Funding request in FY2025-26 is for the ongoing CCTV inspection of pipelines greater than 24" and repair pipeline defects discovered during inspections. CCTV inspections is anticipated to start in FY2025-26. |

6138 - SANITARY SEWER PIPELINE IMPROVEMENT - PHASE 1

|                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|-------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Project Description     | 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. |
| Operating Budget Impact | Funding request in FY25-26 is for the design of phase 1 and planning of phase 2 and 3 as identified in the adopted Sewer Master Plan. Planned funding request FY26-27 is for construction of phase 1.                                                                                                                                                                                                                                                                                                                                                                                                                                                     |

# 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

|                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|-------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Project Description     | 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. |
| Operating Budget Impact | Funding request in FY2025-26 is for the construction of the improvements.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |

# Fund Descriptions

## Appendix

### 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.

In this section, you can go into further detail. Make your content more accessible by writing short sentences, choosing words and phrases you'd use when talking to a neighbor, and avoiding jargon.

**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

## Appendix

### 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 evergrowing 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 BradleyBurns 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** – A 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

## Appendix

### 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.

**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.

**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.

# Departments

## 1 City Manager

- 1 City Council
  - 100 City Council
- 1 City Manager
  - 111 City Manager
  - 114 City Clerk
  - 116 Economic Development
  - 118 Office of Housing
- ## Office of Building Safety
  - 530 Office of Building Safety
  - 531 Building Inspection
  - 532 Plan Review
  - 534 Permit Center

## 2 City Attorney

- 2 City Attorney
  - 200 City Attorney

## 3 Finance

- 3 Finance Administration
  - 300 Finance Administration
- 3 Finance Operations
  - 310 Finance Operations
- ## Fiscal Services - Utilities
  - 320 Fiscal Services - Utilities
- ## Finance Purchasing and Risk
  - 330 Finance Purchasing &
- ## Finance Budget
  - 340 Finance Budget

## 4 Public Works

- 4 Engineering
  - 411 Engineering
  - 412 Design & Construction
  - 413 Land Development
  - 415 Traffic Engineering
- 4 Maintenance
  - 420 Public Works
  - 421 Street Maintenance
  - 422 Utility Engineering
  - 423 Utility Maintenance
  - 424 Park Maintenance
  - 425 Trees & Landscape
  - 426 Fleet Maintenance
  - 427 Facilities Maintenance
  - 428 Compliance
  - 430 Solid Waste

## 5 Planning

- 5 Planning
  - 512 Planning
  - 513 Long Range Planning
- ## Code Enforcement
  - 541 Code Enforcement

## 6 Recreation and Community Services

- ## Recreation and Community
  - 610 Recreation
  - 611 Marketing
  - 612 Parks & Facilities Rental
- ## Arts & Culture
  - 620 Performing Arts
- ## Seniors
  - 630 Senior Services
  - 631 Social Services
- ## Youth, Teens, Contract Classes
  - 640 Youth Program
  - 641 General Classes
- ## Sports, Aquatics, Events
  - 650 Special Events
  - 651 Aquatics
  - 652 Sports & Fitness

## 7 Police

- 7 Police Administration
  - 700 Police Administration
- 7 Technical Services
  - 711 Records
  - 712 Personnel & Training
  - 713 Communications
- 7 Field Services
  - 721 Patrol Services
  - 722 Traffic
  - 723 Crossing Guards
- 7 Special Operations
  - 731 Community Relations
  - 732 Investigations

## 8 Fire

- 8 Fire Administration
  - 801 Fire Administration
- 8 Emgr Res & Prep Div Admin
  - 812 A/B/C Battalions
  - 814 Ambulance Services
  - 816 Disaster Prep & Public Ed
- 8 Prevention Division
  - 821 Fire Prevention
  - 822 Fire Inspn, Plan Ck &

## 12 Information Technology

- ## Information Technology
  - 112 Information Technology

## 15 Human Resources

- 1 Human Resources
  - 115 Human Resources

## 9 Non-Departmental

- 9 Non-Departmental
  - 910 Non-Departmental
- 9 Debt Service
  - 920 Debt Service
- 9 Equipment to be Depreciated
  - 930 Equipment to be
- 9 Properties Management
  - 941 1432 S. Main
  - 942 1452 S. Main
- 9 Other Functions
  - 951 Capital Improvement
- 9 Transfers
  - 991 Transfers
  - 992 Transfers (Intrafund)

# Expenditures

## 410 Personnel Services

|                       |                             |
|-----------------------|-----------------------------|
| Wages                 |                             |
| 41110                 | Permanent                   |
| 41120                 | Temporary                   |
| 41130                 | Overtime                    |
| 41140                 | Reimbursable Overtime       |
| 41190                 | Adjustments-Payroll         |
| Allowances/Leaves     |                             |
| 41210                 | Allowances                  |
| 41220                 | Standby Pay MEA             |
| 41240                 | Leave Cashout               |
| 41250                 | Accrued Leave               |
| 41260                 | Meal Stipend MEA            |
| Benefits              |                             |
| 41310                 | PERS                        |
| 41320                 | Group Insurance             |
| 41330                 | Medicare                    |
| 41350                 | Worker's Compensation       |
| 41360                 | Unemployment                |
| 41370                 | Annual Contribution to Depd |
| 41380                 | Deferred Comp-              |
| 41390                 | PARS                        |
| Adjustments - Payroll |                             |
| 41410                 | Adjustments-Payroll         |
| 41420                 | Vacancy Factor              |
| 41430                 | Charged to CIPs             |
| 41460                 | Short Term Disability       |
| 41470                 | Compensation Reduction      |
| 41480                 | Employee Pay PERS           |
| 41490                 | Overhead-Payroll            |
| Retiree Benefits      |                             |
| 41610                 | Retiree Medical Reserve     |
| 41620                 | Retiree Medical Payment     |
| 41630                 | Retiree Medical             |
| Pension Expense       |                             |
| 41710                 | Pension/OPEB Expense        |
| 41720                 | OPEB Expense                |

## Repair & Maintenance

|                                        |                               |
|----------------------------------------|-------------------------------|
| 42410                                  | Repair & Maintenance          |
| 42411                                  | Janitorial Services           |
| 42415                                  | Damages to City Facilities-PW |
| 42420                                  | IT Subscriptions              |
| Legal Services                         |                               |
| 42530                                  | Attorney Fees                 |
| 42540                                  | Legal Settlements             |
| 42550                                  | Litigation                    |
| 42560                                  | Liability IBNR Adjustment     |
| Elections                              |                               |
| 42800                                  | Elections                     |
| Communications                         |                               |
| 44110                                  | Phone-Local                   |
| 44120                                  | Computer Data Lines           |
| 44150                                  | Pagers                        |
| 44160                                  | Cellular Phones               |
| Utilities                              |                               |
| 44200                                  | Utilities-Solid Waste         |
| 44210                                  | Utilities-Gas                 |
| 44220                                  | Utilities-Electric            |
| 44230                                  | Utilities-Water               |
| Training, Travel, & Memberships        |                               |
| 45010                                  | Memberships & Dues            |
| 45020                                  | Professional Licensing        |
| 45030                                  | Training and Registration     |
| 45050                                  | Lodging/Travel                |
| 45060                                  | Meals for Meetings            |
| 45070                                  | Travel Per Diem               |
| 45080                                  | Mileage                       |
| 45090                                  | Tuition Reimbursement         |
| Commissions & Boards                   |                               |
| 45210                                  | Conference Expenses           |
| 45220                                  | Non-Conference Expenses       |
| Insurance, Settlements & Miscellaneous |                               |
| 46020                                  | Liability Insurance           |
| 46025                                  | Property Insurance            |
| 46030                                  | Settlements                   |
| 46040                                  | CMO Unanticipated Expense     |
| 46100                                  | Uncollectible Accounts        |
| 46110                                  | Collection Fees               |
| 46180                                  | Loss on Sale-Property         |
| Depreciation & Amortization            |                               |
| 46300                                  | Depreciation & Amortization   |
| 46310                                  | Amortization-SBITA            |
| 46320                                  | Amortization-RtU Leased       |
| Utilities - Water Purchase             |                               |
| 46540                                  | Wholesale Water Purchase      |
| 46570                                  | Recycled Water Purchase       |
| 46690                                  | Treatment Plant               |
| 46690                                  | Treatment Plant-Maint &       |

## 480 Capital Outlay > \$5,000

|                            |                               |
|----------------------------|-------------------------------|
| Land                       |                               |
| 48110                      | Land >\$5k                    |
| Land Improvements          |                               |
| 48210                      | Land Improvements >\$5k       |
| Buildings and Improvements |                               |
| 48310                      | Buildings and Improvemnts     |
| Infrastructure             |                               |
| 48410                      | Infrastructure >\$5k          |
| Vehicles                   |                               |
| 48510                      | Vehicles >\$5k                |
| Capitalized Leases         |                               |
| 48640                      | Capitalized Leases >\$5k      |
| 48650                      | Capital Lease Interest >\$5k  |
| 48660                      | Right to use SBITA-           |
| 48680                      | SBITA Capitalizable Exp >\$5k |
| 48690                      | Adj-GASB87 Addition >\$5k     |
| Machinery & Equipment      |                               |
| 48730                      | Machinery & Equipment >\$5k   |
| 48740                      | Computer Hardware >\$5k       |
| 48750                      | Computer Software >\$5k       |
| 48755                      | Computer SaaS GASB96 >\$5k    |
| Furniture and Fixtures     |                               |
| 48810                      | Furniture and Fixtures >\$5k  |
| Adjustments CIP            |                               |
| 48910                      | Adjustments-CIP-Addition      |
| 48920                      | Adjustments-CIP-Deletion      |
| 48930                      | Adjustments-CIP-Transfer      |
| 48940                      | Adjustments-CIP-LTD           |

**420 Services and Supplies**

## Community Promotion, Grant/Loan

- 42010 Community Promotions
- 42020 Comm Promo-CityCil
- 42030 Comm Promo-CityCil Shared
- 42050 Miscellaneous Grants
- 42060 Miscellaneous Grants 1099G
- 42070 Housing Rehab Loans
- 42080 CDBG Grants
- 42090 Subsidies-Homeownr Bldg

## Department Allocations

- 42110 Equipment Replacement
- 42120 Vehicle Lease Charges

## Supplies

- 42210 Office Supplies
- 42230 Departmental Supplies
- 42231 Fuel-Gasoline/Diesel
- 42240 Maintenance Supplies
- 42250 Health & Safety Supplies
- 42260 Senior Nutrition Food
- 42299 Pcard Suspense

## Services

- 42310 Advertising
- 42320 Printing/Publications
- 42330 Rents & Leases
- 42340 Senior Nutrition Non-Food
- 42350 Compliance/Permit Renewals
- 42360 Bank Fees
- 42370 Contractual Services-Legacy
- 42371 Planning Services
- 42372 Design Services
- 42373 Architectural Services
- 42374 Engineering Services
- 42375 Construction Services
- 42376 Finance & Economic
- 42379 Contractual Services
- 42380 Planning PassThru Cost CEQA
- 42390 Audit Fees
- 42395 P3 Contractual Svcs-Labor

**470 Debt Service**

## Principal

- 47010 Retirement of Principal
- 47020 Principal-Leases
- 47030 Principal-Advance

## Interest

- 47110 Interest Expense
- 47120 Late Payment Fees

## Contractual Obligation

- 47200 Contractual Obligation-

**475 Capital Outlay < \$5,000**

## Office Furniture &amp; Fixtures

- 47511 Office Furniture Fixtures

## Machinery, Tools &amp; Equipment

- 47521 Machinery Tools & Equipmt
- 47522 Computer Hardware <\$5k
- 47523 Computer Software <\$5k
- 47524 Electronic Equipment <\$5k
- 47525 Computer SaaS <\$5k

## Hydrants &amp; Meters

- 47531 Hydrants <\$5k
- 47532 Meters <\$5k

# Revenues

|     |                                          |  |  |  |  |
|-----|------------------------------------------|--|--|--|--|
| 300 | Property Taxes<br>Secured & Unsecured    |  |  |  |  |
|     | 30110 Current- Secured Property Tax      |  |  |  |  |
|     | 30120 Current-Unsecured Property Tax     |  |  |  |  |
|     | 30125 Homeowners Property Tax Relief     |  |  |  |  |
|     | 30126 Property Tax, Supplemental         |  |  |  |  |
|     | Property Tax-VLF                         |  |  |  |  |
|     | 30130 Property Tax-VLF                   |  |  |  |  |
|     | Property Tax-ERAF                        |  |  |  |  |
|     | 30140 Property Tax-ERAF                  |  |  |  |  |
|     | RPTTF Distribution                       |  |  |  |  |
|     | 30510 RPTTF Distribution                 |  |  |  |  |
| 305 | Sales Taxes                              |  |  |  |  |
|     | Sales and Use Tax                        |  |  |  |  |
|     | 31100 Sales and Use Tax                  |  |  |  |  |
|     | 31110 Public Safety Sales and Use Tax    |  |  |  |  |
|     | 31120 Sales Tax - Measure F              |  |  |  |  |
|     | 31140 Sales Tax Sharing                  |  |  |  |  |
| 310 | Transient Occupancy Tax                  |  |  |  |  |
|     | Transient Occupancy Tax                  |  |  |  |  |
|     | 31510 Holiday Inn & Suite                |  |  |  |  |
|     | 31511 Embassy Suites                     |  |  |  |  |
|     | 31512 Sonesta San Jose                   |  |  |  |  |
|     | 31513 Sheraton                           |  |  |  |  |
|     | 31514 Best Western Brookside             |  |  |  |  |
|     | 31515 Larkspur Landing                   |  |  |  |  |
|     | 31516 Roadway Inn                        |  |  |  |  |
|     | 31517 Executive Inn                      |  |  |  |  |
|     | 31518 Days Inn                           |  |  |  |  |
|     | 31519 Extended Stay of America           |  |  |  |  |
|     | 31520 Hampton Inn-Milpitas               |  |  |  |  |
|     | 31521 Hilton Garden Inn                  |  |  |  |  |
|     | 31522 Homestead Village                  |  |  |  |  |
|     | 31523 Marriott Courtyard                 |  |  |  |  |
|     | 31524 Heritage Inn                       |  |  |  |  |
|     | 31525 Sonesta Silicon Valley             |  |  |  |  |
|     | 31526 Residence Inn by Marriott          |  |  |  |  |
|     | 31527 Best Value Inn                     |  |  |  |  |
|     | 31528 Townplace                          |  |  |  |  |
|     | 31529 Stay Bridge Suites                 |  |  |  |  |
|     | 31530 Synergy Corporate Housing          |  |  |  |  |
|     | 31531 Holiday Inn                        |  |  |  |  |
|     | 31532 Spring Hill Milpitas               |  |  |  |  |
|     | 31533 Element Milpitas                   |  |  |  |  |
|     | 32620 Permits-Short Term Rentals         |  |  |  |  |
| 313 | Franchise Fees                           |  |  |  |  |
|     | Electric Franchise                       |  |  |  |  |
|     | 31310 Electric                           |  |  |  |  |
|     | Garbage Franchise                        |  |  |  |  |
|     | 31320 Garbage Franchise-SW Comp Fee      |  |  |  |  |
|     | 31330 Garbage - Commercial               |  |  |  |  |
|     | 31340 Garbage - NonComm - Resi           |  |  |  |  |
|     | 31350 Garbage - Multi Family             |  |  |  |  |
|     | 31360 Garbage - Debris Box               |  |  |  |  |
|     | Gas Franchise                            |  |  |  |  |
|     | 31371 Gas                                |  |  |  |  |
|     | 31372 Nitrogen Gas                       |  |  |  |  |
|     | Cable TV Franchise                       |  |  |  |  |
|     | 31380 Cable TV                           |  |  |  |  |
| 315 | Other Taxes                              |  |  |  |  |
|     | Other Taxes                              |  |  |  |  |
|     | 31920 Real Estate Transfer Tax           |  |  |  |  |
|     | 31940 Business License Tax               |  |  |  |  |
|     | 31950 Motor Vehicle in-Lieu              |  |  |  |  |
|     | 35490 Sec 2032 - RM&R                    |  |  |  |  |
|     | Gas Tax                                  |  |  |  |  |
|     | 35430 Sec 2103-Gas Tax                   |  |  |  |  |
|     | 35450 Sec 2105-Gas Tax                   |  |  |  |  |
|     | 35460 Sec 2106-Gas Tax                   |  |  |  |  |
|     | 35470 Sec 2107-Gas Tax                   |  |  |  |  |
|     | 35480 Sec 2107.5-Gas Tax                 |  |  |  |  |
| 320 | Licenses, Permits & Fines                |  |  |  |  |
|     | Building Permit & Inspection Fees        |  |  |  |  |
|     | 32100 Building Permits                   |  |  |  |  |
|     | 32130 After Hours Inspection             |  |  |  |  |
|     | 32140 Re-Inspection                      |  |  |  |  |
|     | 32150 Dedicated Building Services        |  |  |  |  |
|     | 32160 Mobile Home Inspections            |  |  |  |  |
|     | 32165 Building Investigation             |  |  |  |  |
|     | 32168 Building Standards/Life Safety     |  |  |  |  |
|     | 32169 Building Misc Fees & Permits       |  |  |  |  |
|     | Building Plan Review Fees                |  |  |  |  |
|     | 32171 Plan Check Revisions               |  |  |  |  |
|     | 32172 After Hours Plan Check             |  |  |  |  |
|     | 32173 Plan Check                         |  |  |  |  |
|     | Fire Permit & Inspection Fees            |  |  |  |  |
|     | 32200 Haz. Materials Const Permit/In     |  |  |  |  |
|     | 32450 Life Safety Const. Permit/Insp     |  |  |  |  |
|     | 32500 Fire Inspections                   |  |  |  |  |
|     | 32520 Fire Expedited PC/Inspections      |  |  |  |  |
|     | Fire Annual Permit & Inspection Fees     |  |  |  |  |
|     | 32220 Haz. Materials Annual Permit/I     |  |  |  |  |
|     | 32400 Life Safety Annual Permits/In      |  |  |  |  |
|     | Other Licenses & Permits                 |  |  |  |  |
|     | 32610 Animal Licenses                    |  |  |  |  |
|     | Fines & Forfeits                         |  |  |  |  |
|     | 33010 Vehicle Code Fines                 |  |  |  |  |
|     | 33020 Other Court Fines                  |  |  |  |  |
|     | 33040 Hazardous Materials Fines          |  |  |  |  |
|     | 33050 Collections from CBA               |  |  |  |  |
|     | 33060 NBD Violation Fees                 |  |  |  |  |
|     | 33070 Impound Fees                       |  |  |  |  |
|     | 33080 Animal Violations                  |  |  |  |  |
|     | 33090 Police False Alarm Fee             |  |  |  |  |
|     | 33100 Fire Administrative Citation       |  |  |  |  |
|     | 33120 Planning Admin Citation            |  |  |  |  |
|     | 33130 PW Municipal Code Fines            |  |  |  |  |
|     | 33140 Nuisance Abatement                 |  |  |  |  |
|     | 33150 Urban Runoff Fines                 |  |  |  |  |
| 340 | Use of Money & Property                  |  |  |  |  |
|     | Investment Interest                      |  |  |  |  |
|     | 34310 Pooled Interest (nonallocation)    |  |  |  |  |
|     | 34311 Pooled Interest (allocation)       |  |  |  |  |
|     | 34320 Interest Income-Grant              |  |  |  |  |
|     | 34330 Interest Income-Bond               |  |  |  |  |
|     | 34340 Interest Income-Other              |  |  |  |  |
|     | Gain/Loss on Investments                 |  |  |  |  |
|     | 34350 Gain/Loss on Sale of Investments   |  |  |  |  |
|     | 34370 Gain on Bond Refunding             |  |  |  |  |
|     | Year End Market Value Adj                |  |  |  |  |
|     | 34390 Market Value Gain/Loss on Inv      |  |  |  |  |
|     | Sale of Property, Plant and Equipment    |  |  |  |  |
|     | 37700 Sale of Property, Plant and Equip. |  |  |  |  |
|     | 37720 Police Abandon Properties          |  |  |  |  |
| 350 | Intergovernmental Revenue                |  |  |  |  |
|     | Federal Contributions                    |  |  |  |  |
|     | 35510 Federal Contri-General Gov         |  |  |  |  |
|     | 35530 Federal Contri-Building            |  |  |  |  |
|     | 35540 Federal Contri-Public Works        |  |  |  |  |
|     | 35550 Federal Contri-Engineering         |  |  |  |  |
|     | 35560 Federal Contri-Recreation          |  |  |  |  |
|     | 35570 Federal Contributions-Police       |  |  |  |  |
|     | 35580 Federal Contributions-Fire         |  |  |  |  |
|     | 35590 Federal Contri - Planning          |  |  |  |  |
|     | State Contributions                      |  |  |  |  |
|     | 35610 State Contributions-Gen Govt       |  |  |  |  |
|     | 35630 State Contributions-Building       |  |  |  |  |
|     | 35640 State Contributions-PW             |  |  |  |  |
|     | 35650 State Contributions-Engineer       |  |  |  |  |
|     | 35651 State Contributions-TDA-Eng        |  |  |  |  |
|     | 35660 State Contributions-Recreation     |  |  |  |  |
|     | 35670 State Contributions-Police         |  |  |  |  |
|     | 35671 State Contributions-POST Grant     |  |  |  |  |
|     | 35680 State Contributions-Fire           |  |  |  |  |
|     | 35690 State Contributions-Planning       |  |  |  |  |
|     | County Contributions                     |  |  |  |  |
|     | 35710 County Contribution-Gen Govt       |  |  |  |  |
|     | 35735 County Contri-Wide AB 939 Fee      |  |  |  |  |
|     | 35740 County Contribution-PW             |  |  |  |  |
|     | 35750 County Contribution-Eng            |  |  |  |  |
|     | 35760 County Contribution-Rec            |  |  |  |  |
|     | 35770 County Contribution-Police         |  |  |  |  |
|     | 35780 County Contribution-Fire           |  |  |  |  |
|     | 35790 County Contribution-Planning       |  |  |  |  |
|     | Other Restricted Grants                  |  |  |  |  |
|     | 35810 Other Restrict Grant-Gen Gov       |  |  |  |  |
|     | 35830 Other Restrict Grant-Building      |  |  |  |  |
|     | 35840 Other Restrict Grant- PW           |  |  |  |  |
|     | 35850 Other Restrict Grant-Eng           |  |  |  |  |
|     | 35860 Other Restrict Grant-Rec           |  |  |  |  |
|     | 35870 Other Restrict Grant-Police        |  |  |  |  |
|     | 35871 Other Restrict Grant-SB90 Gt       |  |  |  |  |
|     | 35880 Other Restrict Grant-Fire          |  |  |  |  |
|     | 35890 Other Restrict Grant-Planning      |  |  |  |  |
| 360 | Charges For Services                     |  |  |  |  |
|     | General Government                       |  |  |  |  |
|     | 36010 General Govern Service Charges     |  |  |  |  |
|     | 36020 Sales of Maps and Doc-GG           |  |  |  |  |
|     | 36030 Rent Lease & Concession-GG         |  |  |  |  |
|     | 36040 Business Lic Processing Fee        |  |  |  |  |
|     | 36050 South Bay Water Recycling Prog     |  |  |  |  |
|     | 36080 PJ Labor Reimbursement-Legal       |  |  |  |  |
|     | 36081 PJ Overhead Charges-Legal          |  |  |  |  |
|     | 36082 PJ Vendor Reimbursement-Legal      |  |  |  |  |
|     | Engineering Services                     |  |  |  |  |
|     | 36110 Engineering Fees                   |  |  |  |  |
|     | 36120 Sales of Maps and Doc-Engr         |  |  |  |  |
|     | 36130 Rent Lease & Concession-Engr       |  |  |  |  |
|     | 36160 Plan Check Fees-Engineering        |  |  |  |  |
|     | 36180 PJ Labor Reimbursement-Eng         |  |  |  |  |
|     | 36181 PJ Overhead Charges-Eng            |  |  |  |  |
|     | 36182 PJ Vendor Reimbursement-Eng        |  |  |  |  |
|     | Public Works Services                    |  |  |  |  |
|     | 36210 Service Charges-Public Works       |  |  |  |  |
|     | 36250 Cost Recovery-Public Works         |  |  |  |  |
|     | 36255 Insurance Reimb-Public Works       |  |  |  |  |
|     | 36260 Backflow Testing-PW UE             |  |  |  |  |
|     | 36261 Hydrant Flow Testing-PW UM         |  |  |  |  |
|     | 36262 Sewer Lateral Inspection-PW UM     |  |  |  |  |
|     | 36263 Fats, Oils, Grease Vio-PW Comp     |  |  |  |  |
|     | 36264 Stormwater Vio-PW Compl            |  |  |  |  |
|     | 36280 PJ Labor Reimbursement-PW          |  |  |  |  |
|     | 36281 PJ Overhead Charges-PW             |  |  |  |  |
|     | 36282 PJ Vendor Reimbursement-PW         |  |  |  |  |

#### Fire Services

36310 Service Charges-Fire  
 36311 Fire Ambulance Services  
 36320 Sales of Maps and Doc-Fire  
 36321 GIS Mapping-Fire  
 36340 Unwanted Alarms-Fire  
 36350 Cost Recovery-Fire  
 36360 Enforcement Training-Fire  
 36361 Enforcement Penalties-Fire  
 36370 Automation Fee-Fire  
 36371 Fire Electronic Archive Chrg  
 36380 PJ Labor Reimbursement-Fire  
 36381 PJ Overhead Charges-Fire  
 36382 PJ Vendor Reimbursement-Fire

#### Police Services

36410 Service Charges-Police  
 36420 Sales of Maps and Doc-Police  
 36430 Rent Lease & Concession-Police  
 36450 Cost Recovery-Police  
 36451 Cost Recovery-DUI-Police  
 36460 Alarm Permit-Police  
 36470 Fingerprints-Police  
 36480 PJ Labor Reimbursement-Police  
 36481 PJ Overhead Charges-Police  
 36482 PJ Vendor Reimbursement-Police

#### Recreation Services

36510 Recreation Fees  
 36520 Senior Nutrition Fees  
 36530 Rent Lease and Concession-Rec  
 36540 After the Bell  
 36550 Sales of Merchandise Rec  
 36560 Recreation Transaction Fee  
 36570 Special Event Fees  
 36580 Sale of Food

#### Building Services

36610 Service Charges-Bldg  
 36640 Records Retention Fee-Bldg  
 36670 State Mandated Stds Fee-Bldg  
 36680 PJ Labor Reimbursement-Bldg  
 36681 PJ Overhead Charges-Bldg  
 36682 PJ Vendor Reimbursement-Bldg  
 36690 Disa Access Fee SB1186-Bldg

#### Utility Charges

36710 Water Meter Charge  
 36720 Water Consumption  
 36721 Water Capital Surcharge  
 36728 Construction Water  
 36730 Irrigation Meter Charge  
 36740 Irrigation Consumption  
 36750 Fire Line Meter Charge  
 36760 Fire Line Consumption  
 36770 Recycle Meter Charge  
 36780 Recycle Consumption  
 36790 Sewer Base Charge  
 36795 Sewer Consumption

#### Planning Services

36801 Planning Admin Review  
 36840 Planning Discretionary Review  
 36850 Shopping Cart Retrieval  
 36855 SMART ridership Rev  
 36860 Planning Plan Check/Inspection  
 36870 Planning PassThru Revenue CEQA  
 36880 PJ Labor Reimbursement-Plan  
 36881 PJ Overhead Charges-Planning  
 36882 PJ Vendor Reimbursement-Plan  
 36890 Planning Other

#### 370 Miscellaneous Revenue Development

37110 Storm Drain Connection Fees  
 37120 Park Development Fees  
 37140 Treatment Plant Fees  
 37150 Connection Fees  
 37170 Encroachment Permit Fees  
 37180 Impact Fees  
 37600 Developer Contribution

#### Special Assessments

37200 Special Assessments  
 3721 Special Assessments Pre-Pmt

#### Reimbursements

37410 Employee Repayment  
 37420 Property Loan-Principal  
 37425 OPEB CERBT reimbursement  
 37440 Advance-Principal Repayment  
 37450 Advance-Interest Earnings

#### Donations

37500 Donations

#### Miscellaneous Other Revenue

37910 Cash Over/(Short)  
 37930 Other Financing Srcs-GASB96GAP  
 37940 Lease & Other Fin Procs GASB87  
 37950 Other Revenue- Fares  
 37990 Miscellaneous Other Revenue

#### 390 Other Financing Sources Bond Proceeds

38700 Bond Proceeds

#### Other Financing Sources

38810 Contributions-Proprietary Fund  
 38850 Extraordinary Item



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