



City of Milpitas

455 E. Calaveras Blvd. Milpitas, CA 95035

Contact:

Charmaine Angelo, Public Information Officer

cangelo@ci.milpitas.ca.gov

408-906-9603

Milpitas City Council Unanimously Adopts FY 2021-22 Budget

Milpitas, CA – June 7, 2021 – FOR IMMEDIATE RELEASE

The City Council adopted the FY 2021-22 Budget at the June 1, 2021 City Council meeting, with consideration of public input that resulted in a balanced budget that also delivers structural stability. The City of Milpitas' FY 2021-22 budget does not use any reserves or American Rescue Plan Act funds and reflects the continuation of the City's fiscal discipline.

City Manager Steven G. McHarris shares that "It took a highly deliberate and sound approach of short-term, and long-term strategies to develop a balanced budget." He explains that on the revenue side, Council and the community's support of Measure F is anticipated to raise approximately \$6 million dollars annually for maintaining City services. He also adds that updated fees also reflect improved cost recovery and alignment with City services. On the expenditure side, there was a reduction of 23.75 positions, which included defunding and eliminating positions. This was necessary because the Pandemic reduced revenues beyond what Measure F could offset. Additionally, 4 of the 6 City employee groups agreed to forego promised wage increases saving \$2.4 million of expenditures – a big-hearted move that City Manager McHarris is grateful for. Also, re-organizations and streamlining of City functions were incorporated to improve efficiency and costs.

The FY 2021-22 Budget also includes a \$1.45 million Future Deficit Reserve designed to provide a safety net for any possible fiscal setback this coming year. This is a one-time reserve to cover any changes in COVID-19 containment; revenue shortfalls; or increases in service demands that could occur in the next 12 months.

Mayor Rich Tran underscores the significance of a budget reserve during a time of uncertainty and a challenging path to economic recovery. He says "I want to thank the Milpitas community for all the engagement, feedback, and support for Measure F. Because of their trust, our City is in an enviable position to react and respond to any additional COVID-19 impacts when necessary. I couldn't be prouder to be the Mayor of this great City and be part of this special moment in Milpitas. The FY 2021-22 Budget demonstrates our continued resilience as we move towards advancing the City Council's Strategic Priorities."

All Budget meetings and presentation materials can be accessed by visiting the City's Website and clicking on the City Council Agendas and Minutes [tab](#). For a copy of the FY 2021-22 Budget, follow this [link](#).

###

About the City of Milpitas

Located at the southern end of San Francisco Bay, Milpitas is a progressive community that is an integral part of Silicon Valley. A full-service city with water utility, sewer utility, police and fire services, Milpitas celebrates a diverse population of nearly 80,000. Under a Council-Manager form of government, the City Council has established the following seven priority areas of service and policy: public safety, environment, transportation and transit, economic development and job growth, neighborhoods and housing, community wellness and open space, and governance and administration. For more information visit: www.ci.milpitas.ca.gov