

FOR IMMEDIATE RELEASE:

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San Mateo City Council Adopts Fiscal Year Budget

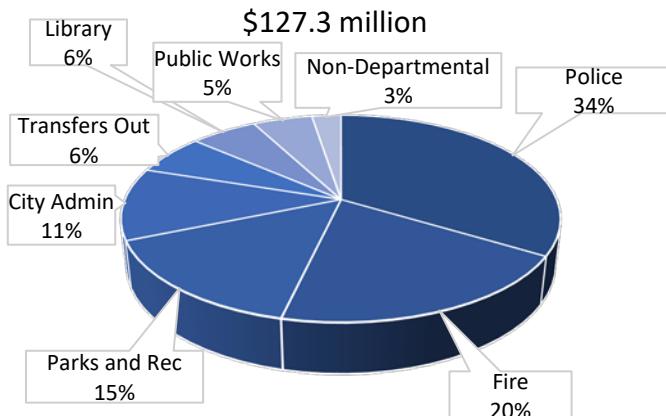
Spending plan marks investments in community priorities, focus on fiscal sustainability

San Mateo, CA — The San Mateo City Council unanimously adopted a \$752 million balanced budget for the coming fiscal year that makes significant investments in community priorities such as public safety, street and sewer system improvements, enhancements to parks and maintaining reserves.

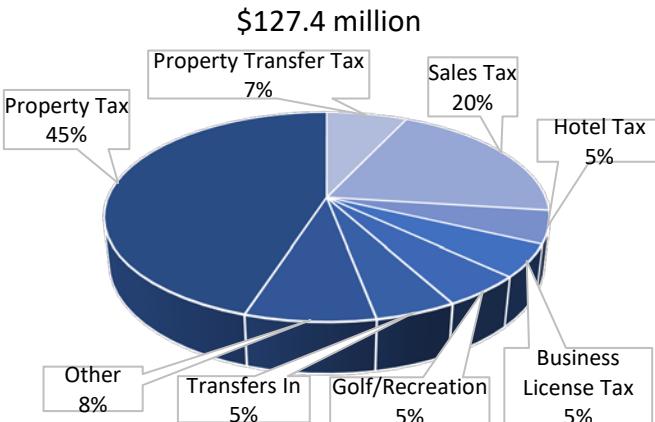
This week, the Council approved a two-year business plan as well as the City's annual operating and capital budgets for Fiscal Year 2018-19. The budgets for the coming year include a \$127.3 million General Fund and \$581 million Capital Improvement Program.

Infrastructure enhancements are a major component of planned allocations for the coming year and include a substantial \$538 million commitment to the Clean Water Program, an overhaul of the City's wastewater treatment plant and conveyance system. The General Fund supports core services and is expected to close with a \$71.2 million balance, which includes a fully-funded 25 percent operating reserve and a set aside for housing.

General Fund Expenditures



General Fund Revenue



Thanks to the voter-approved Measure S, a locally-controlled quarter-cent sales tax, the City plans to allocate over \$4.35 million toward community priorities including funding for additional public safety personnel, a mobile recreation program and park enhancements, neighborhood traffic improvements and increased library hours.

While the City is currently on sturdy financial footing having recovered from the recession, officials remain cautious as rising pension costs and economic uncertainties pose looming challenges.

"The City's focus is on fiscal sustainability, and as such, we will need to remain prudent in ensuring that ongoing spending commitments made now can be maintained in the long term," said Drew Corbett, Finance Director and Assistant City Manager.

In the coming years, the City expects that it will need to reduce expenses or find ways to increase revenue to avoid a structural deficit and preserve its unassigned fund balance over the next decade. Like other California municipalities, San Mateo pension costs are expected to rise with the City's contributions projected to nearly double from \$15.7 million in 2018-19 to \$29.2 million by 2028-29.

The coming year is expected to bring about change as the City evaluates potential means to enhance revenue, City Manager Larry Patterson plans to retire, and the community embarks on an update of the General Plan to guide future growth in San Mateo.

Visit <https://tinyurl.com/sanmateobudget18-19> to review the Business Plan.

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