



San Mateo Budget Lays Foundation for Vital Services

City Council Adopts \$317 Million Spending Plan for Fiscal Year, Looks to Prepare for Hard Times

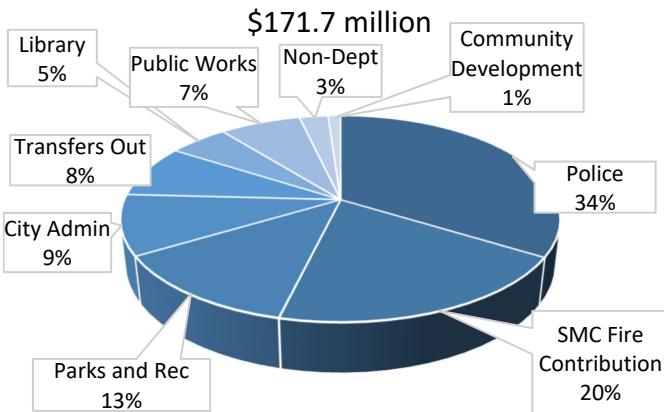
San Mateo, CA — Past prudent fiscal planning is enabling the City of San Mateo to weather expected financial deficits with the City Council adopting its Fiscal Year 2023-24 Budget that provides the community with \$317 million toward a wide array of vital services and capital improvements over the next year.

On June 20, the Council approved a spending plan that outlines \$239 million toward operations and a \$78 million Capital Improvement Program. This public funding allows the City to enhance the infrastructure and services residents rely upon daily including fixing potholes, improving safety on our streets, supporting San Mateo's network of parks, and ensuring our wastewater treatment system serves the community for future generations. The 2023-24 budget will also fund emergency response services and crime prevention, enhancements to the downtown B Street pedestrian mall, the array of library and recreation programs local families rely upon, and sustainability improvements.

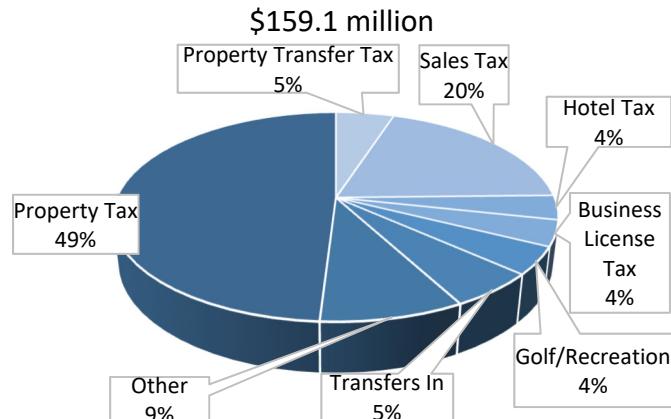
Municipal finances are directly impacted by broader economic challenges and ongoing budget deficits are expected for the next 8 years. San Mateo is projecting a \$12.6 million deficit in the coming fiscal year, with \$171.7 million in General Fund expenditures and \$159.1 million in General Fund revenues. Fortunately, San Mateo's financial position is strong enough to overcome this challenge and the City will draw down on its reserves to cover future deficits. The City has \$68.8 million in unrestricted rainy day reserves, of which it will use \$12.6 million this fiscal year. The City will continue to rely on reserves to cover core services during future deficits, drawing them down to \$21.0 million by 2031 before building back up to the City's policy goal of \$30 million in 2033.

"The City's budget reflects the priorities of our community while balancing the fiscal challenges we face. San Mateo residents rely upon our core services every day – whether it's flushing your toilet, walking down the street, visiting a park, or if you have an emergency and need to call 911. Prudent fiscal leadership will enable us to navigate financial challenges and maintain these necessary services," said City Manager Drew Corbett.

General Fund Expenditures



General Fund Revenue



Highlights from San Mateo's \$78 million Capital Improvement Plan:

- \$41 million toward the Clean Water Program
- \$7.5 million to rehabilitate local streets and repair potholes
- \$5 million to complete conversion of high voltage city street lights to sustainable LEDs
- \$4.8 million toward a new Central Park Playground
- \$3 million in pedestrian and bicycle improvements