

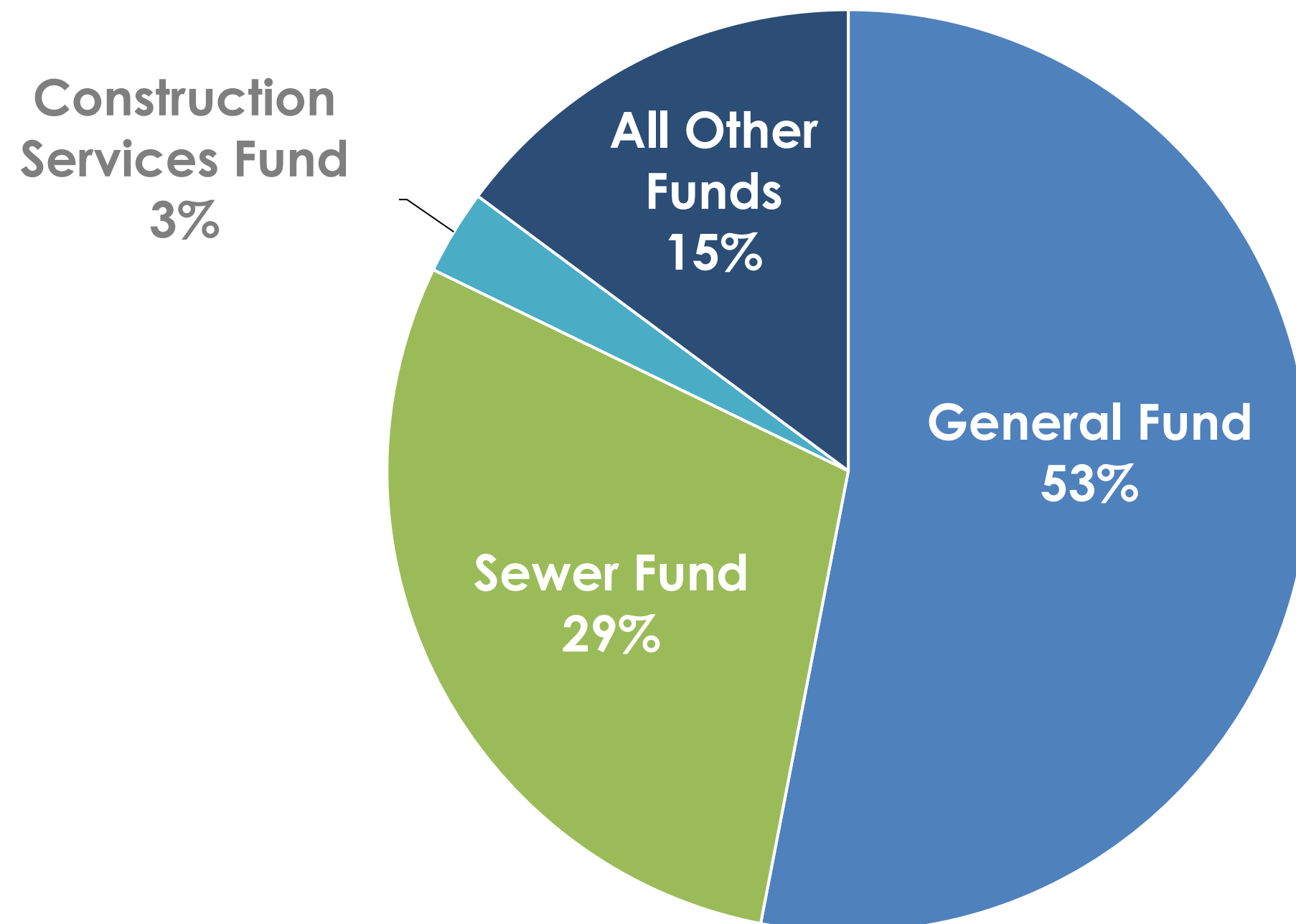
FY 2023-24 Mid-Year Budget Update



February 20, 2024

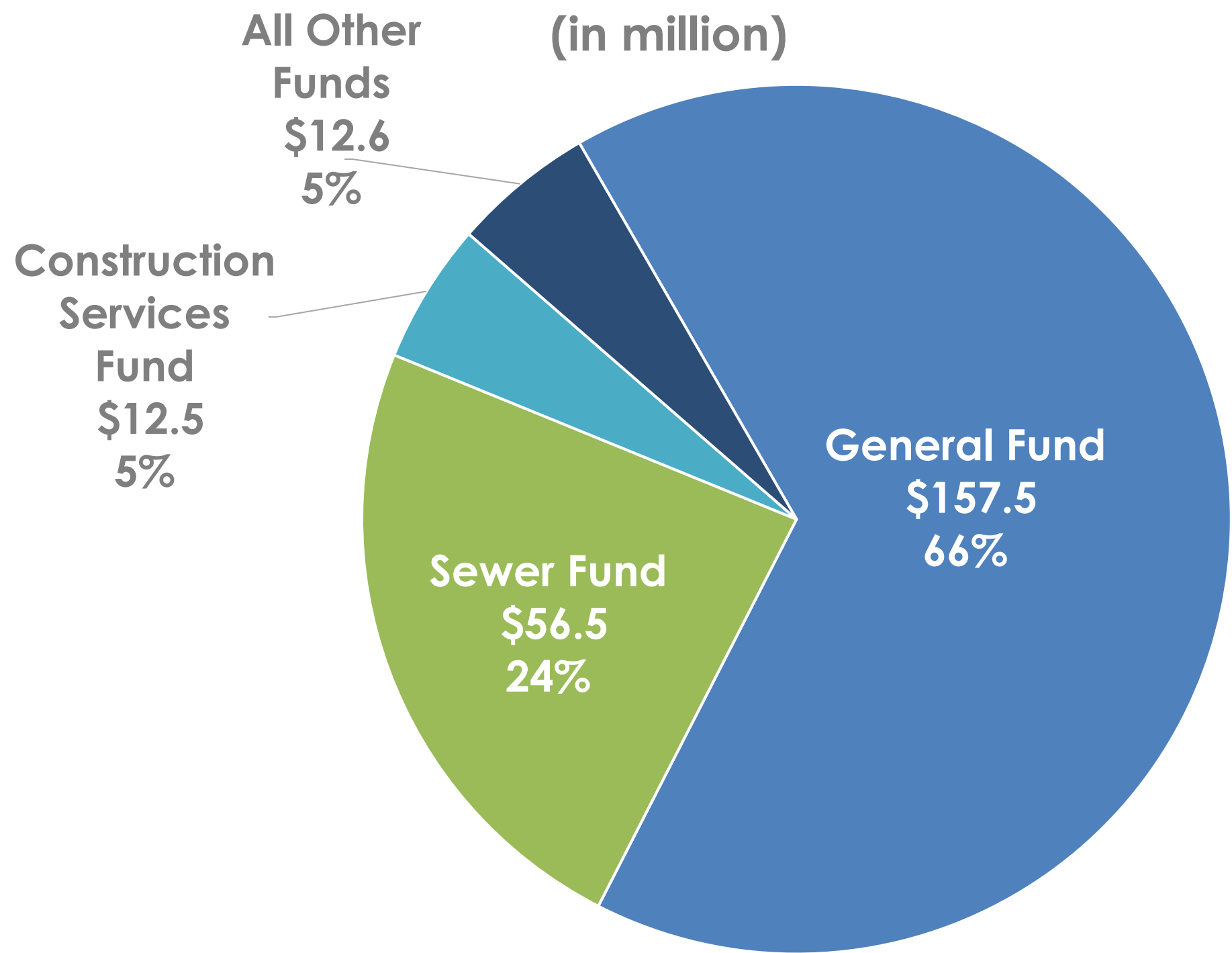


Citywide Revenues



**2023-2024 Adopted Budget
\$296 Million
Citywide Revenues - all funds**

Citywide Operating Expenditures



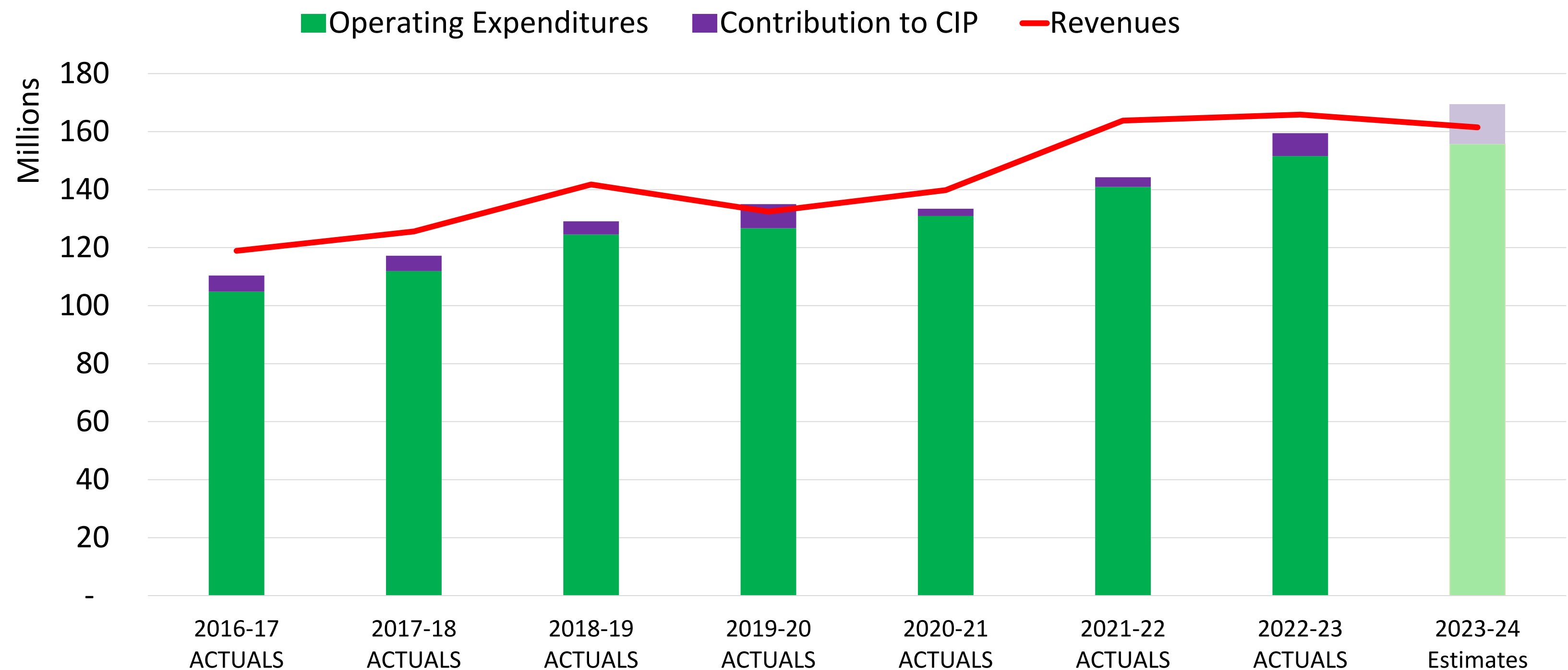
**2023-2024 Adopted Budget
\$239 Million
Citywide Operating Exp. - all funds**

General Fund Overview (in millions)



Account Type	2023-24 Amended Budget	2023-24 Mid-Year Projection	Variance
Total Revenues	\$159.3	\$161.3	\$2.2
Total Expenditures	176.5	169.5	(7.1)
Net	(\$17.2)	(\$8.0)	\$9.3

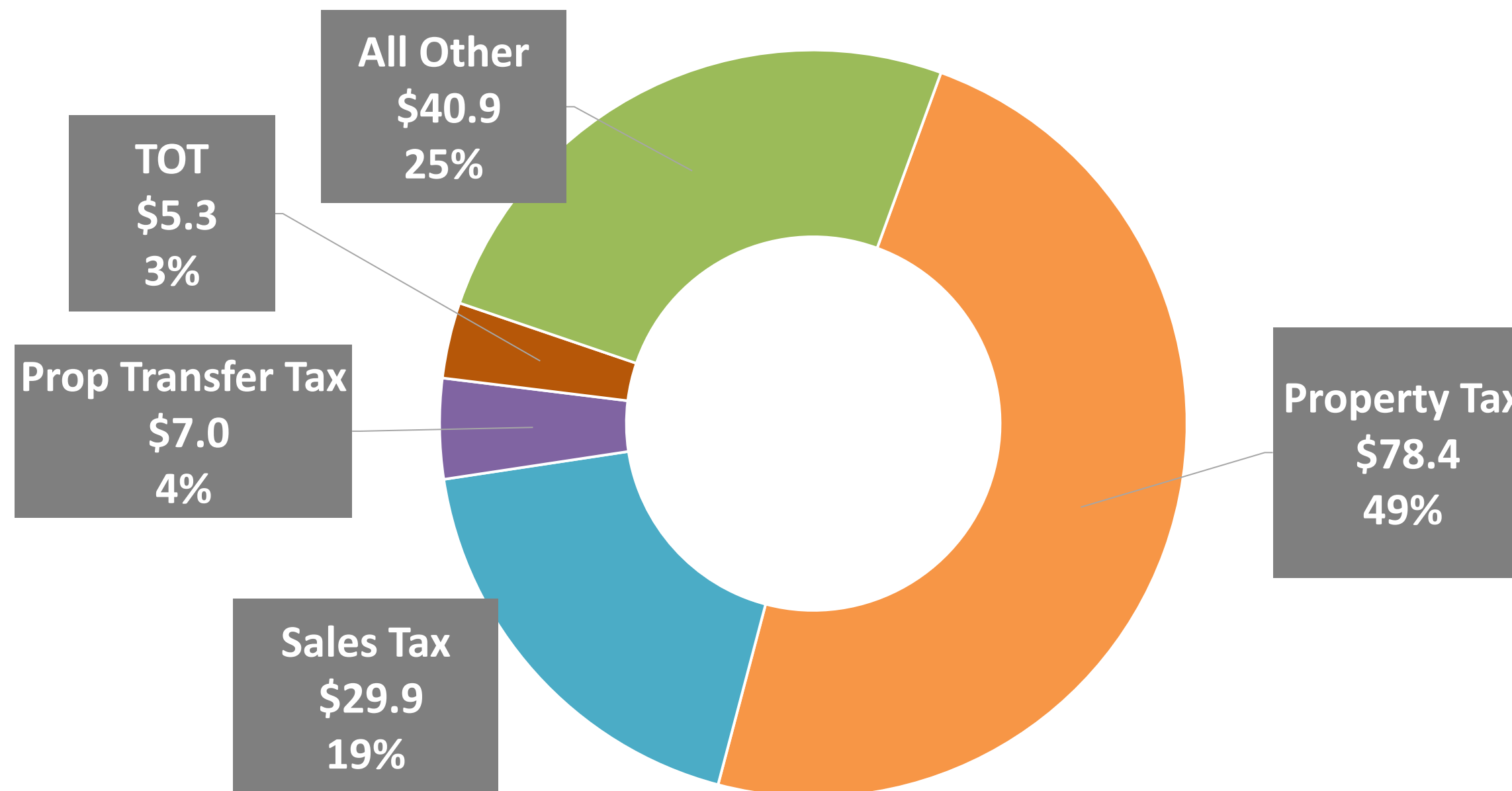
General Fund Historical Trend



Major General Fund Revenues



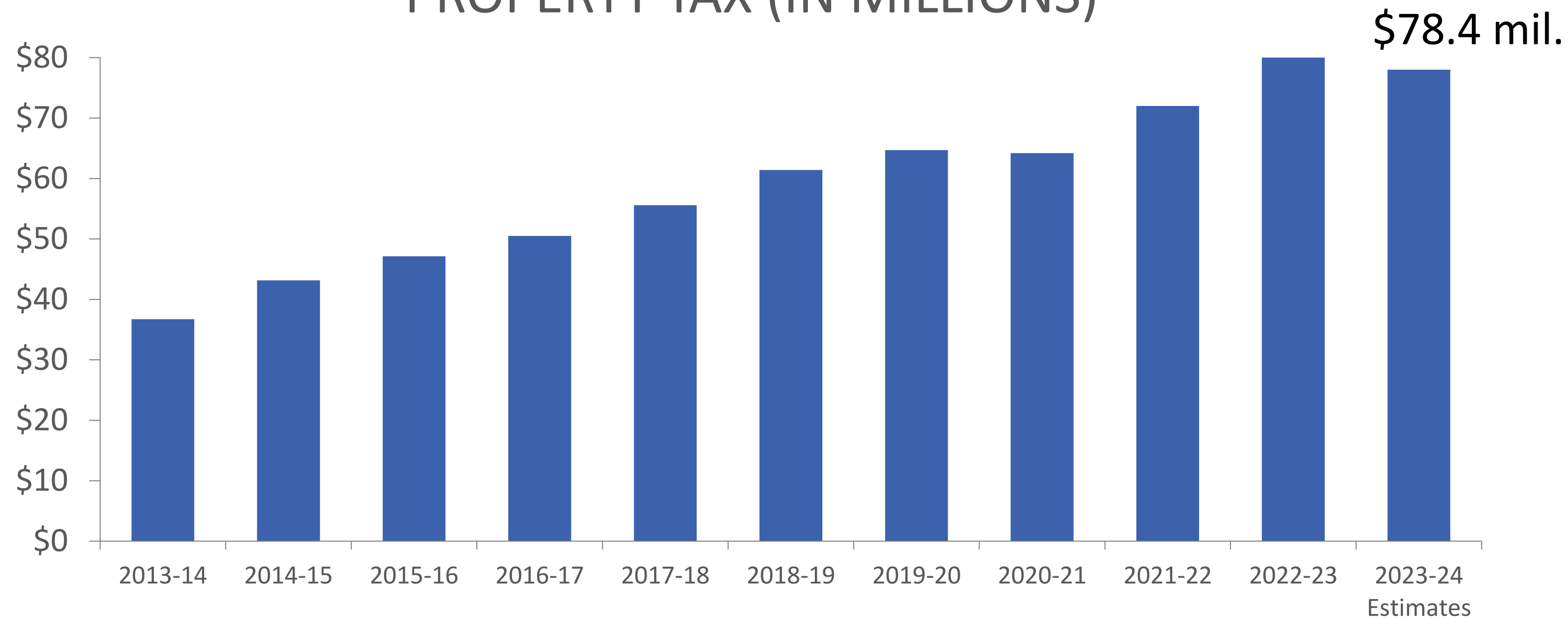
2023-24 Mid-Year Projection (in millions)



General Fund – Property Tax



PROPERTY TAX (IN MILLIONS)



General Fund – Property Tax



Two Uncertainties:

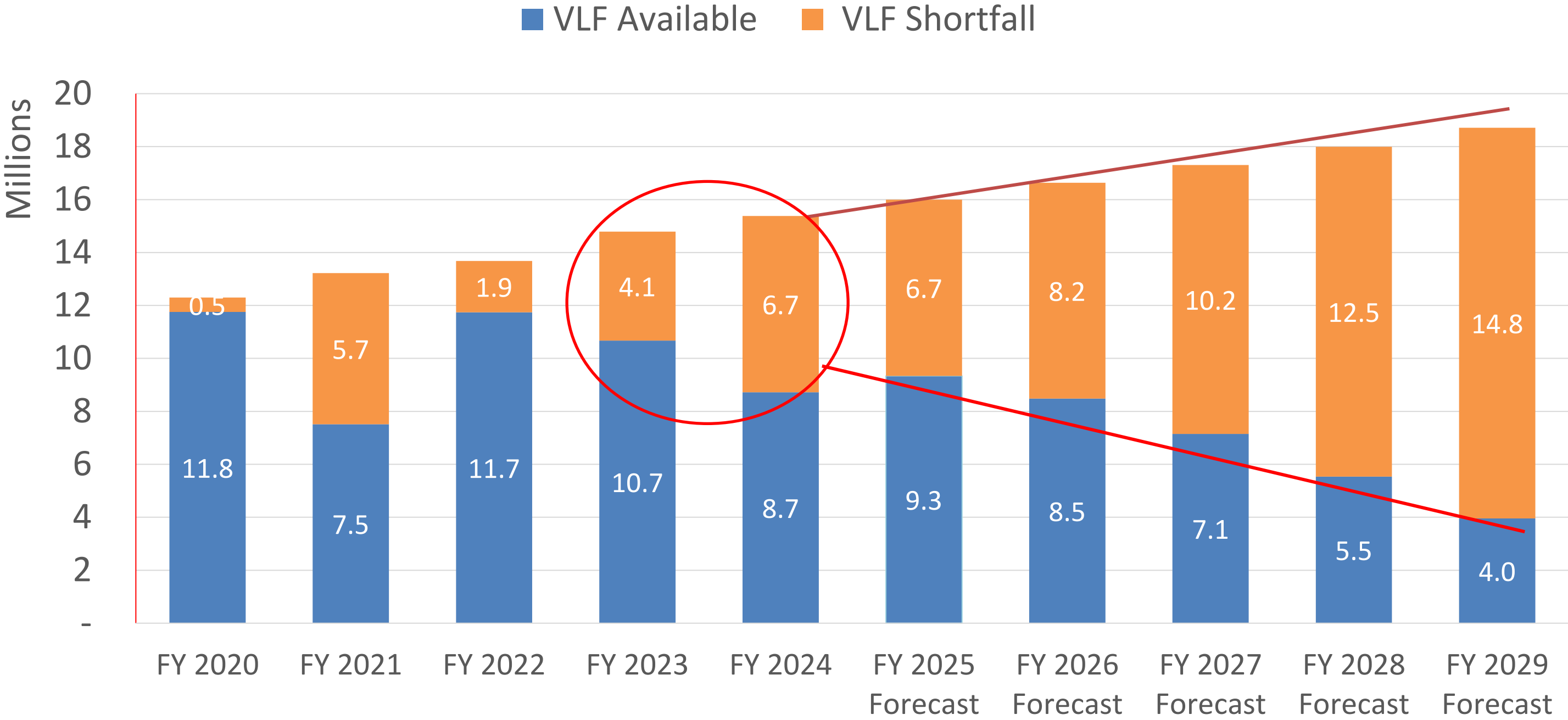
- Housing Market
 - High interest rates
 - Assessed values (AV) growth
- VLF Shortfall
 - Long-term concern

	AV Growth
Avg. over past 12 years	6.9%
2023-24	5.5%
2024-25 (est.)	3.0%

Property Tax in-lieu VLF Shortfall



VLF Shortfall History and Projection (in millions)



Property Tax in-lieu VLF (VLF)



VLF Shortfall

San Mateo
County filed
claim in August



State released
proposed
budget

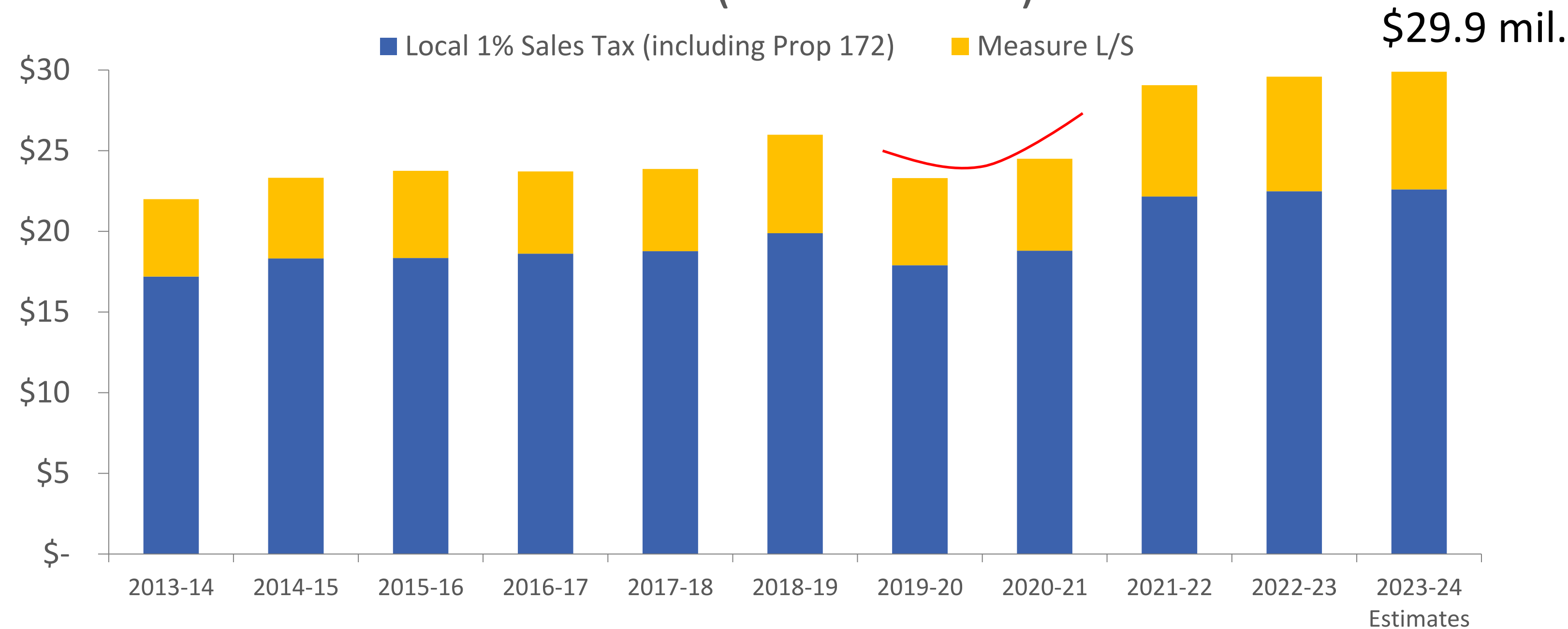


Letter to State
Representatives

General Fund – Sales Tax



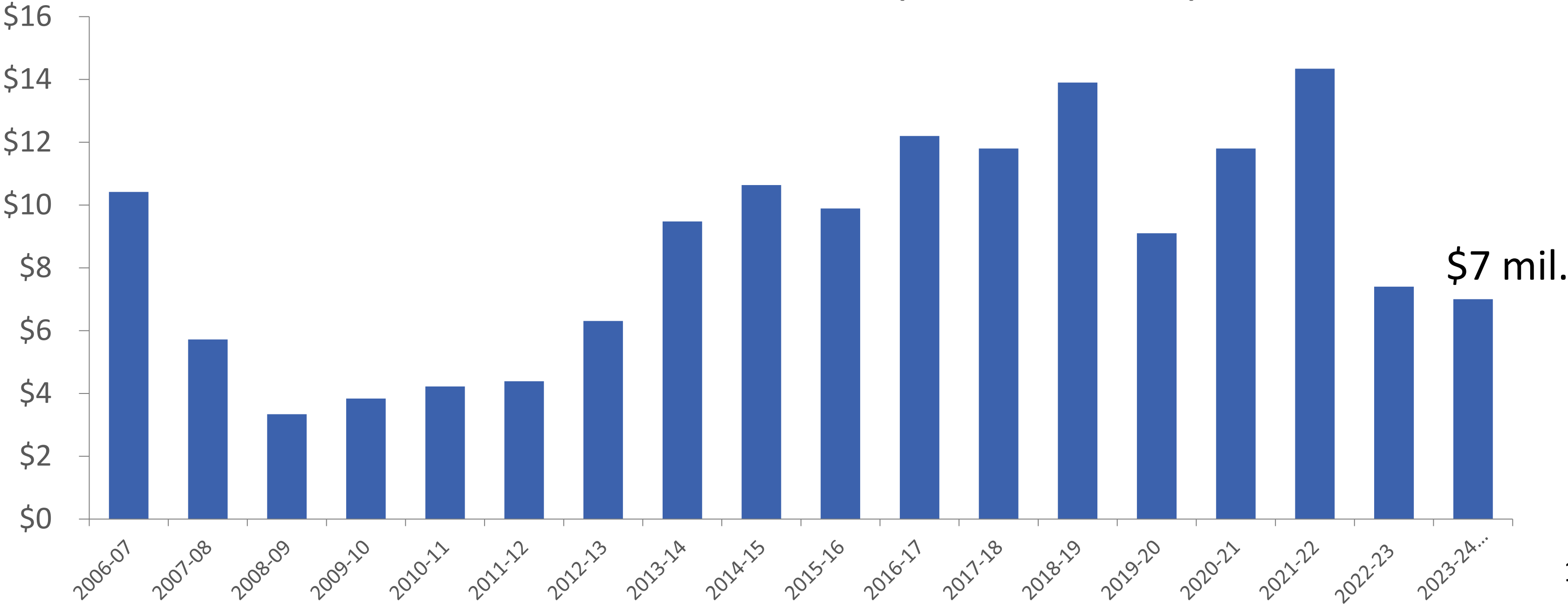
SALES TAX (IN MILLIONS)



General Fund – Property Transfer Tax



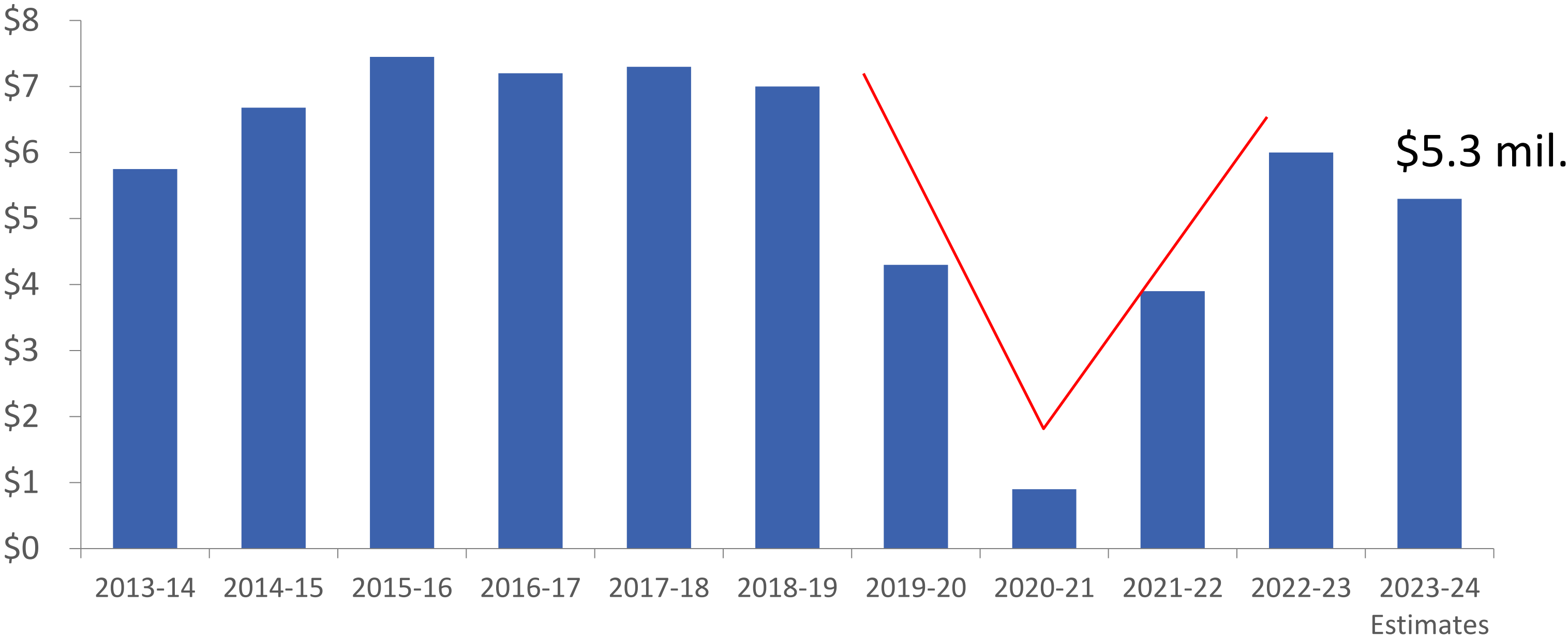
PROPERTY TRANSFER TAX (IN MILLIONS)



General Fund – TOT



TRANSIENT OCCUPANCY TAX (IN MILLIONS)



General Fund Expenditures (in millions)



2023-24 Amended Budget	2023-24 Mid-Year Projection	Variance
176.5	169.5	(7.1)

General Fund Balance (in millions)



GENERAL FUND	2022-23 ACTUALS*	2023-24 MID-YEAR PROJECTION	VARIANCE
Beginning Fund Balance	\$ 111.5	\$ 117.9	\$ -
Total Revenues	165.9	161.5	2.2
Total Expenditures	159.5	169.5	(7.1)
Net	6.4	(8.0)	9.3
Ending Fund Balance	\$ 117.9	\$ 109.9	\$ 9.3

*preliminary

General Fund Balance (in millions)



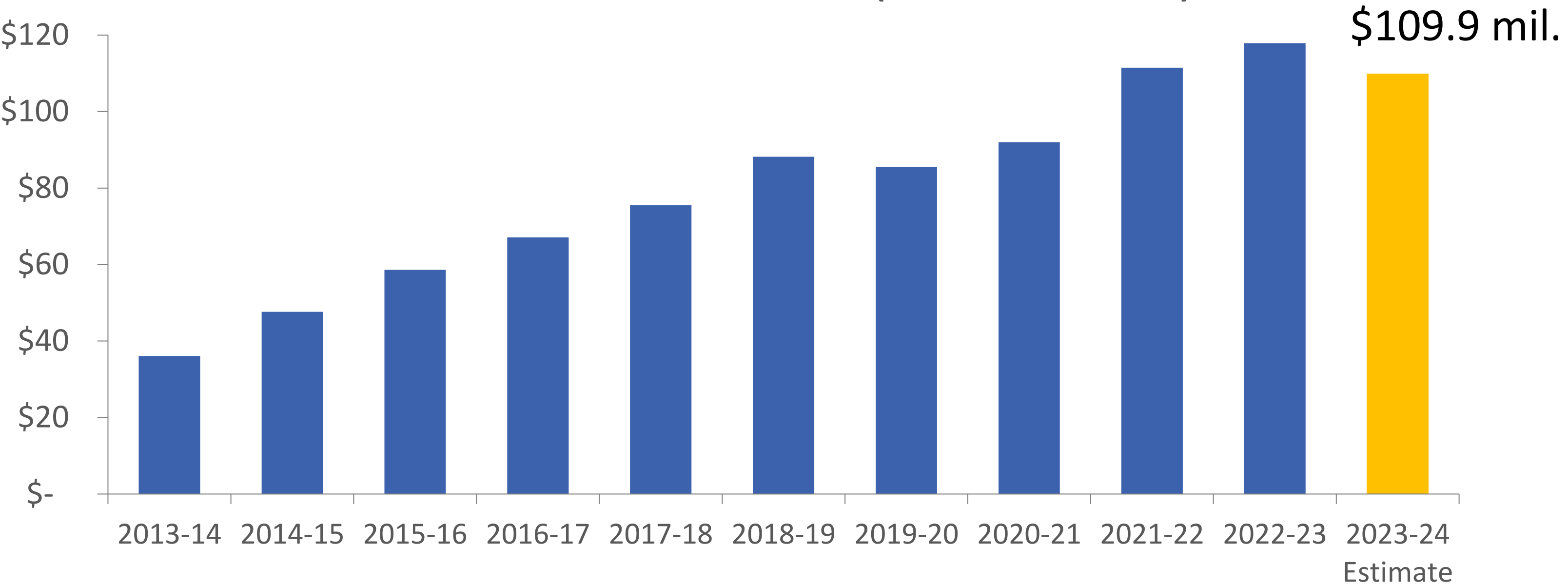
GENERAL FUND	2022-23 ACTUALS*	2023-24 MID-YEAR PROJECTION	Up (Down) \$
25% Operating Reserve	\$ 36.8	\$ 39.4	\$ 2.6
Housing Reserve	4.8	5.9	1.0
Committed to CIP	8.3	8.3	-
Rainy Day Reserve	68.0	56.3	(11.6)
Ending Fund Balance	\$ 117.9	\$ 109.9	\$ (8.0)

*preliminary

General Fund Balance



GENERAL FUND BALANCE (IN MILLIONS)

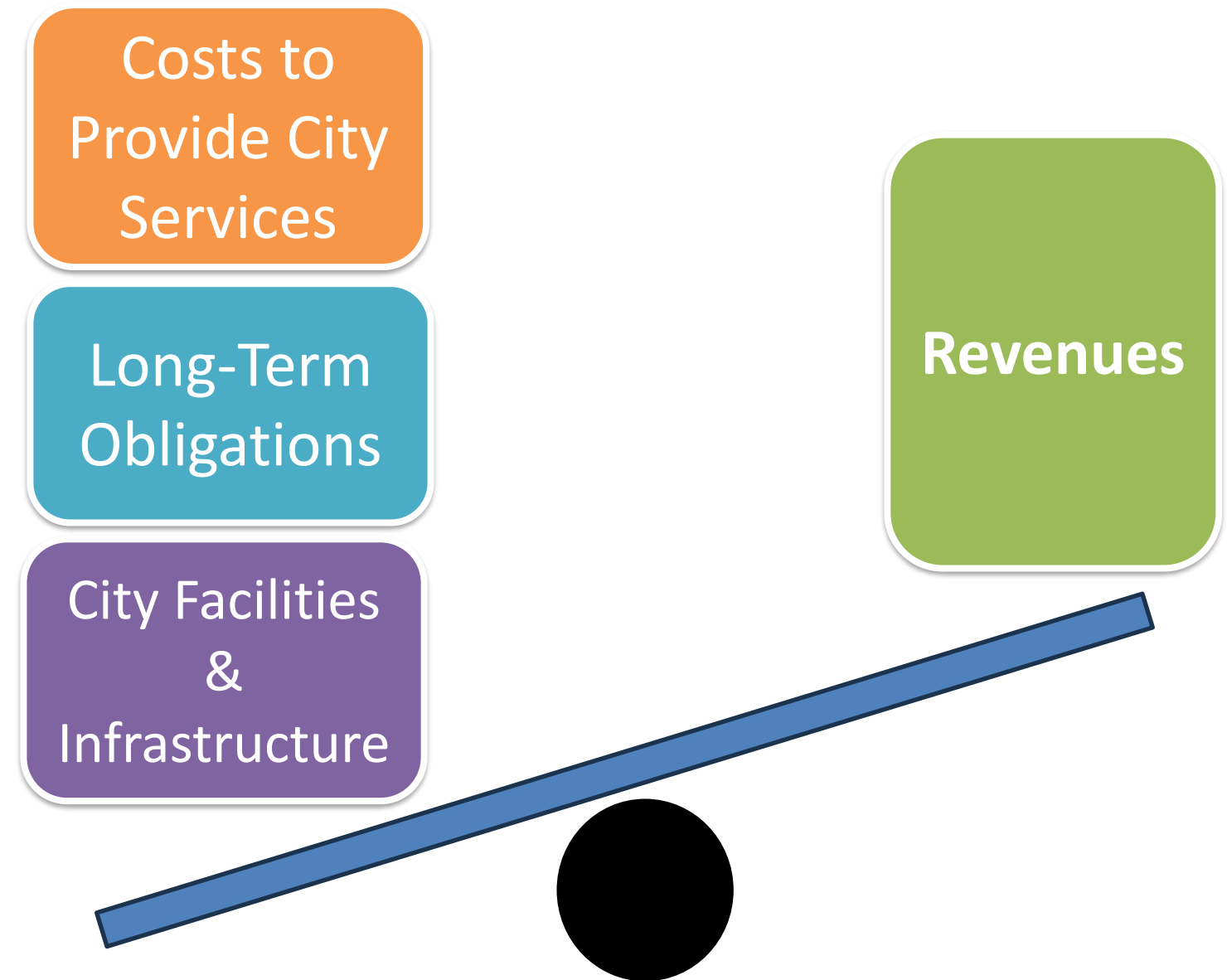


General Fund Challenges



General Fund Challenges

- Costs of providing essential city services
- Fund long-term, legally-obligated liabilities
- Maintain and repair city facilities and provide for infrastructure needs
- Advance longer-term financial health



Construction Services Fund (in millions)



Account Type	2023-24 Amended Budget	2023-24 Mid-Year Projection	Variance
Total Revenues	\$8.8	\$9.2	\$0.4
Total Expenditures	12.5	11.7	(0.8)
Transfers Out	5.5	5.5	-
Net	(\$9.2)	(\$8.0)	\$1.2
Beginning Fund Balance	32.6	32.6	-
Ending Fund Balance	\$23.4	\$24.6	\$1.2

Sewer Fund (in millions)



Account Type	2023-24 Amended Budget	2023-24 Mid-Year Projection	Variance
Total Revenues	\$86.2	\$88.2	\$2.0
Total Expenditures	56.9	52.5	(4.4)
Transfers to CIP	55.8	55.8	-
Net	(\$26.5)	(\$20.1)	\$6.4
Unrestricted Fund, Beginning	164.0	164.0	-
Unrestricted Fund, Ending	\$137.5	\$143.9	\$6.4



Q&A

Karen Huang
Finance Director

khuang@cityofsanmateo.org

650-522-7110