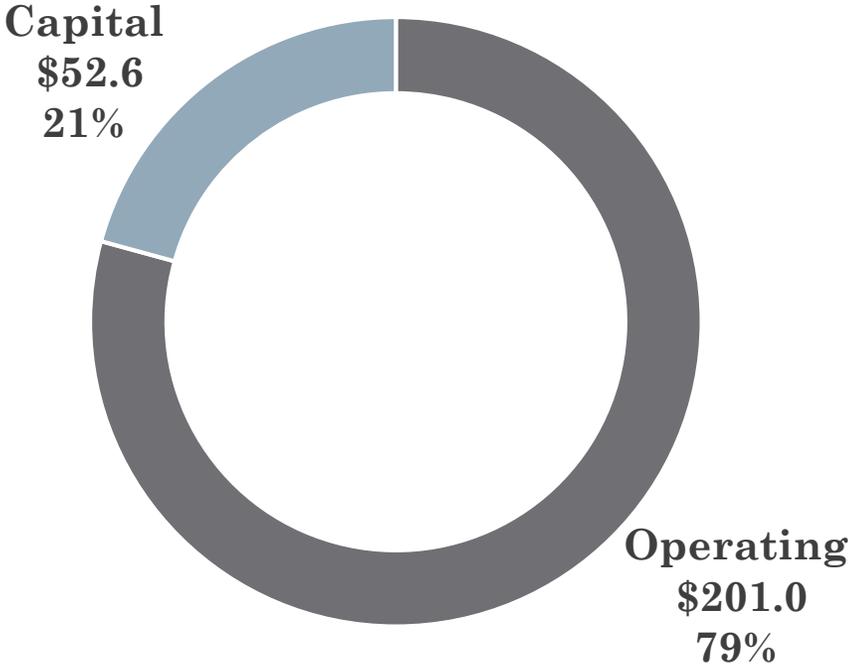
The background of the slide is the official seal of the City of Mantoloking. The seal is circular and features a stylized tree on the right side, a sun in the upper left, and a sailboat on the water in the lower left. The words "CITY OF MANTOLOKING" are written around the perimeter of the seal. The text is white and centered over the seal.

Proposed 2021-22 Operating Budget
and
2021-26 Capital Improvement Program

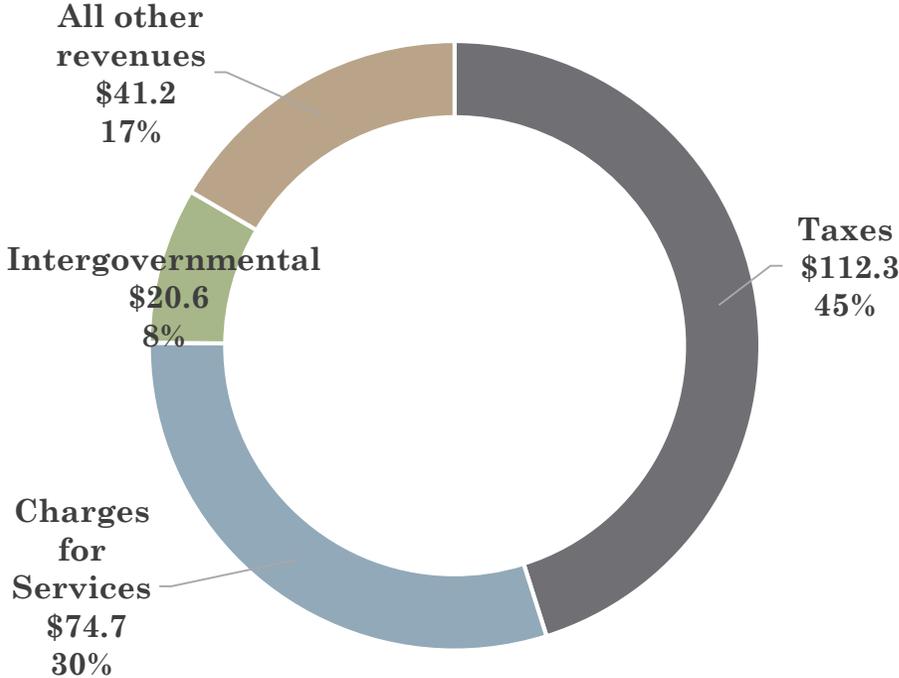
June 7, 2021

Proposed 2021-22 Operating Budget and 2021-26 Capital Improvement Program

Total Appropriations
\$253.6 million



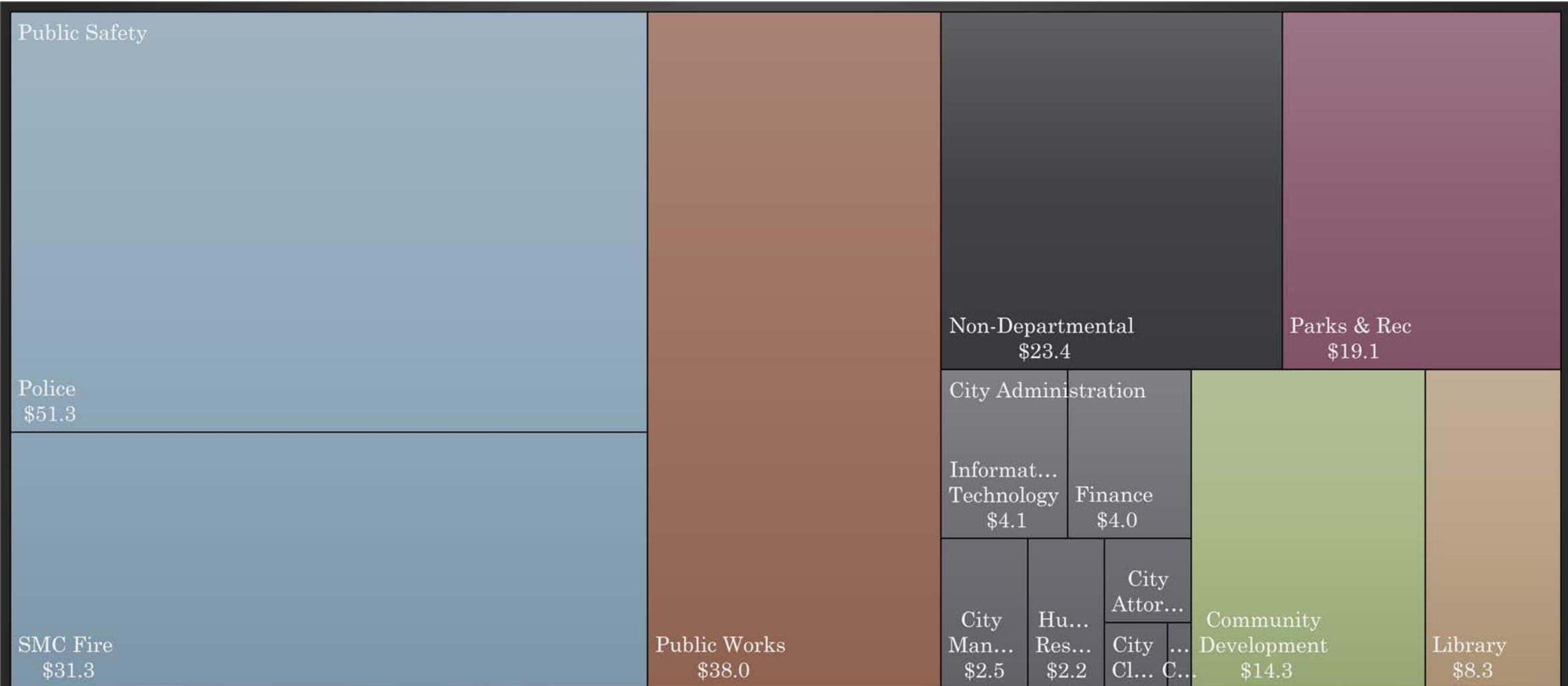
Total Funding Sources
\$248.8 million



Proposed 2021-22 Budget

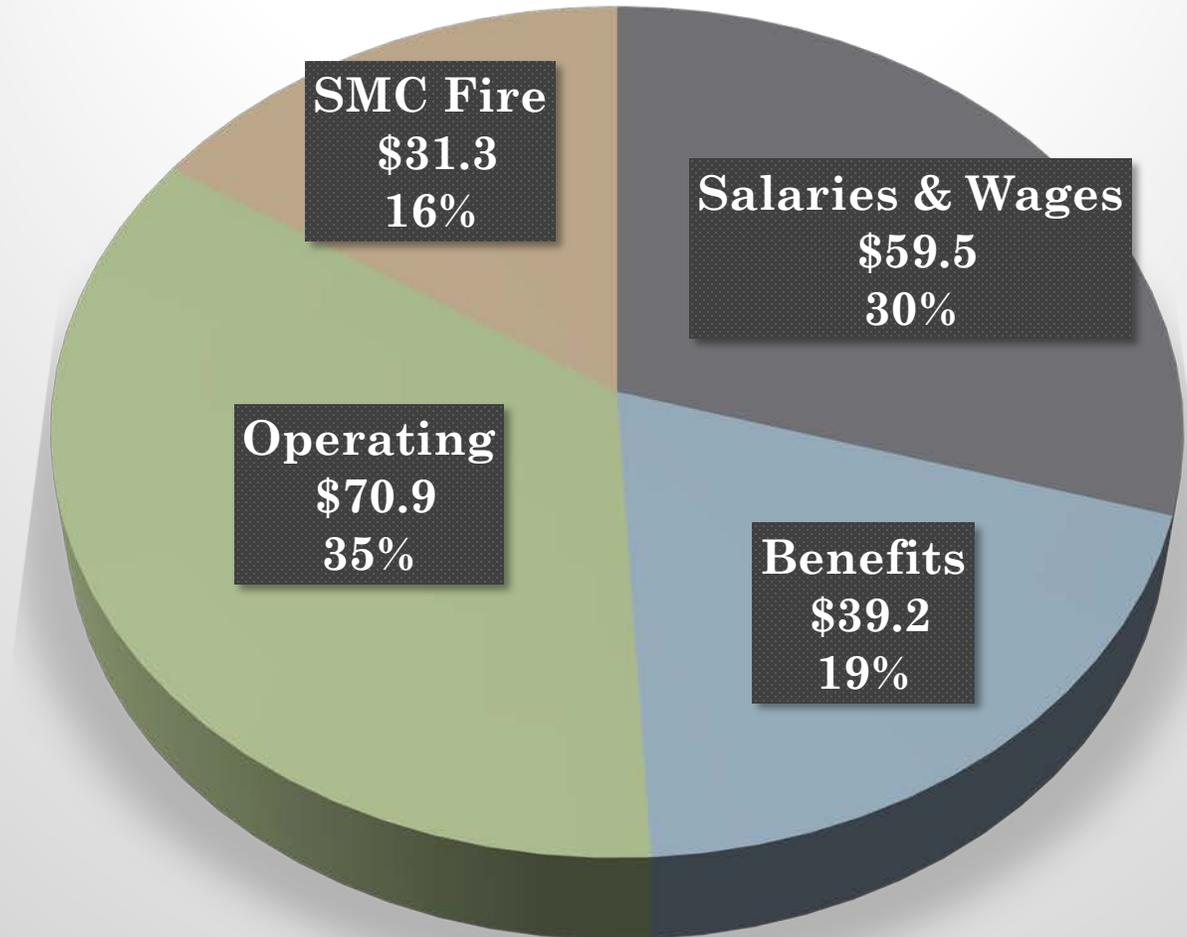
\$201.0M Operating Budget

by Department (in millions)

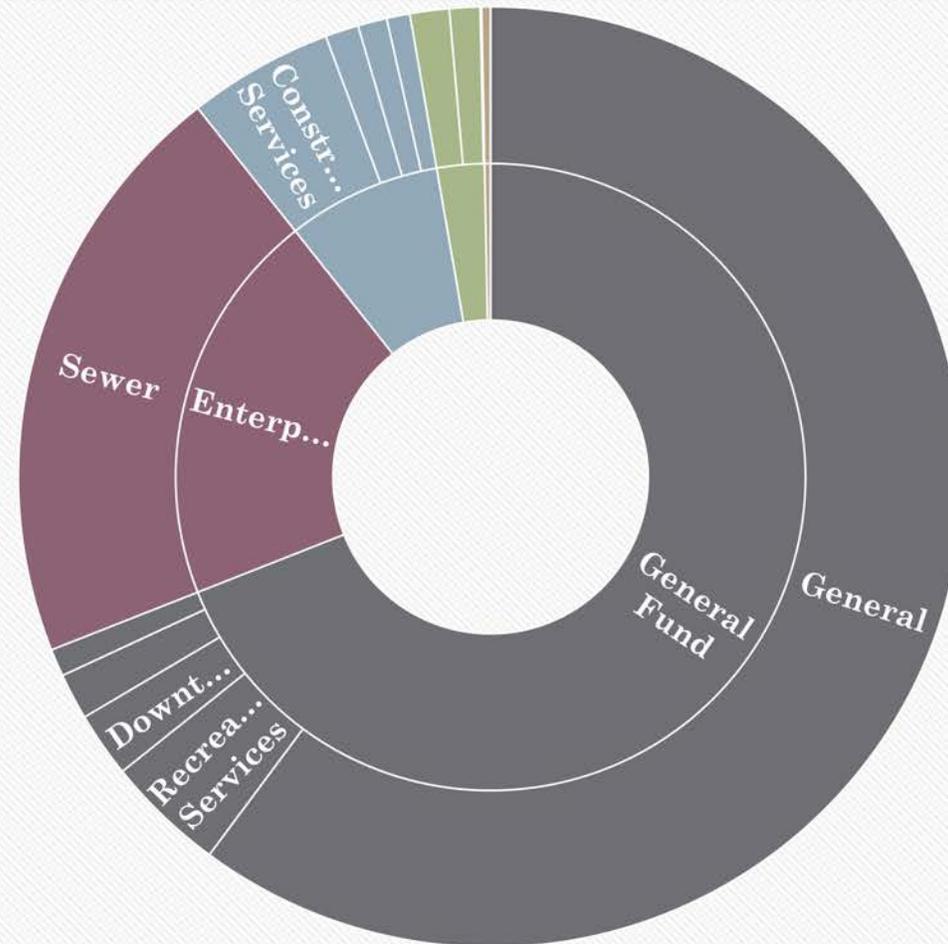


Proposed 2021-22 Budget

Operating Budget by Expenditure Type (in millions)



Proposed 2021-22 Budget Operating Budget by Fund



■ General Fund ■ Special Revenue Funds ■ Debt Service Funds ■ Capital Program Funds ■ Enterprise

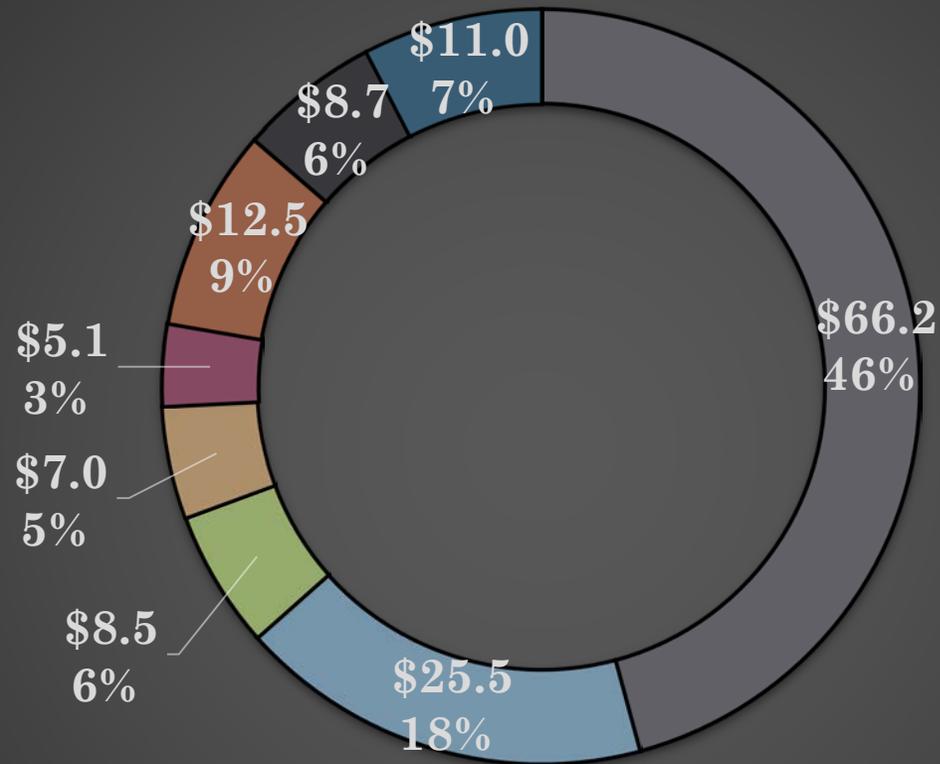
General Fund

Proposed 2021-22 Budget General Fund



General Fund Revenues

\$144.5 million

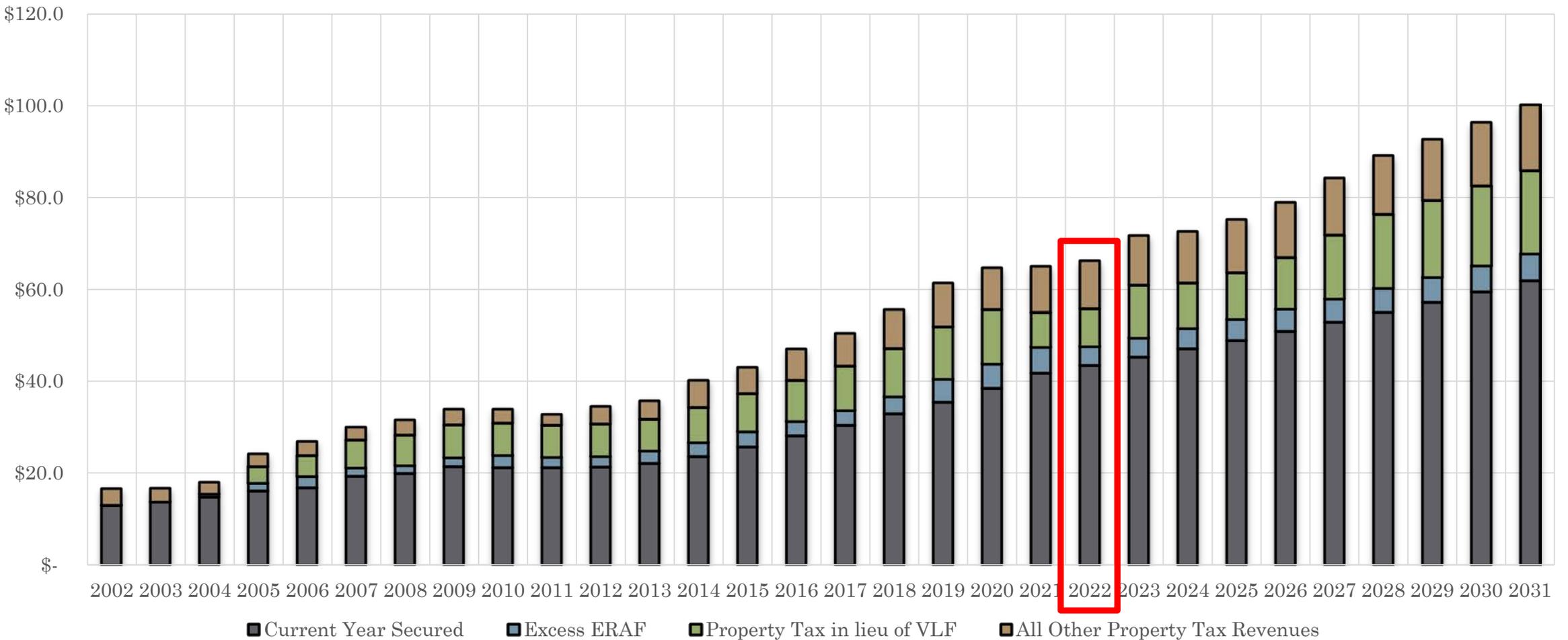


- Property Tax
- Sales Tax
- Property Transfer Tax
- All Other Tax
- Permits, Fees, and Fines
- Intergovernmental
- Transfers In
- All Other Revenues



Property Tax

\$66.2 million



Property Tax Major Factors

Near term

- CCPI: 1.036%

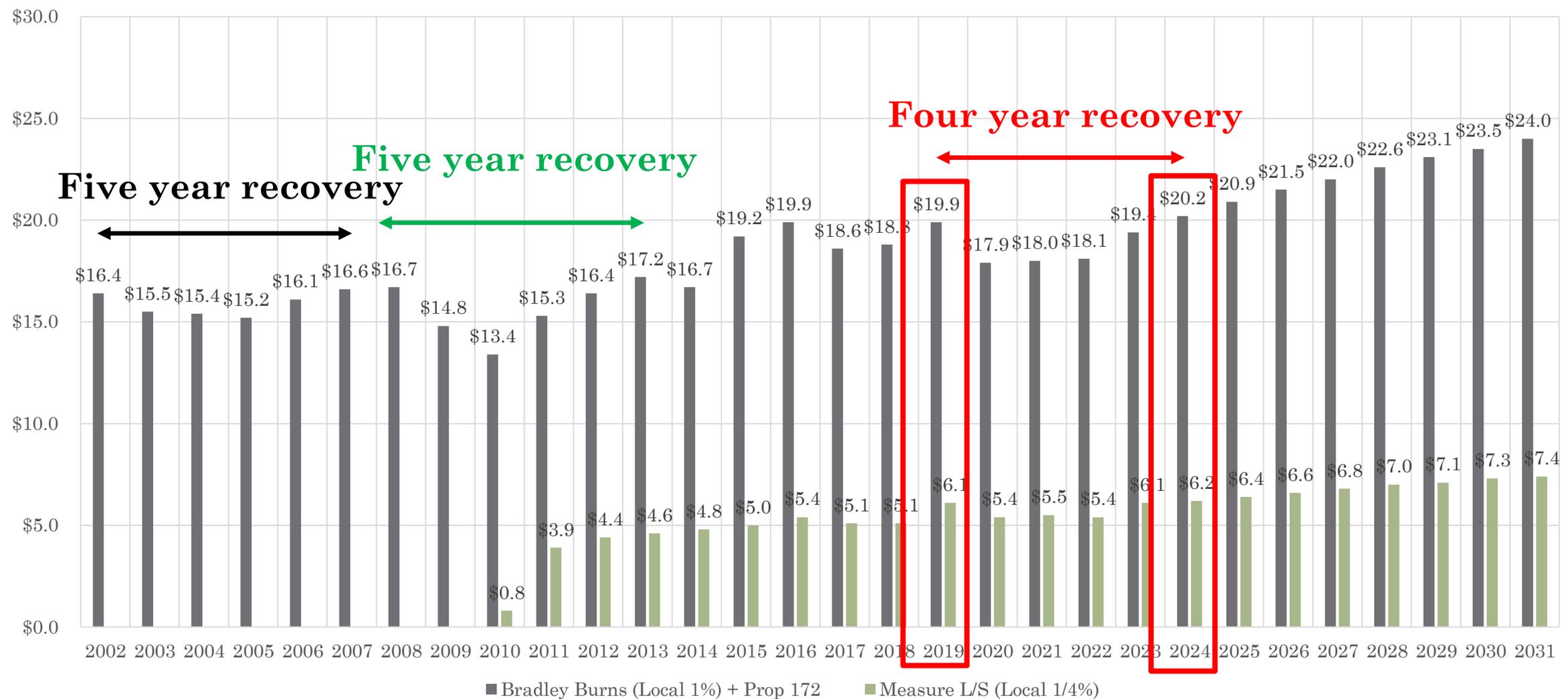
Long term

- Property tax in lieu of VLF shortfall
 - 2020-21 shortfall: \$96.2M; high probability to increase to \$120M
 - Potential legislative fix; letter sent to Governor Newsom, Senator Skinner, Assemblymember Ting



Sales Tax

Local 1% - \$19.4 million | Local 1/4% - \$6.1 million





Sales Tax Major Factors



Shift to online
commerce



Services > Goods



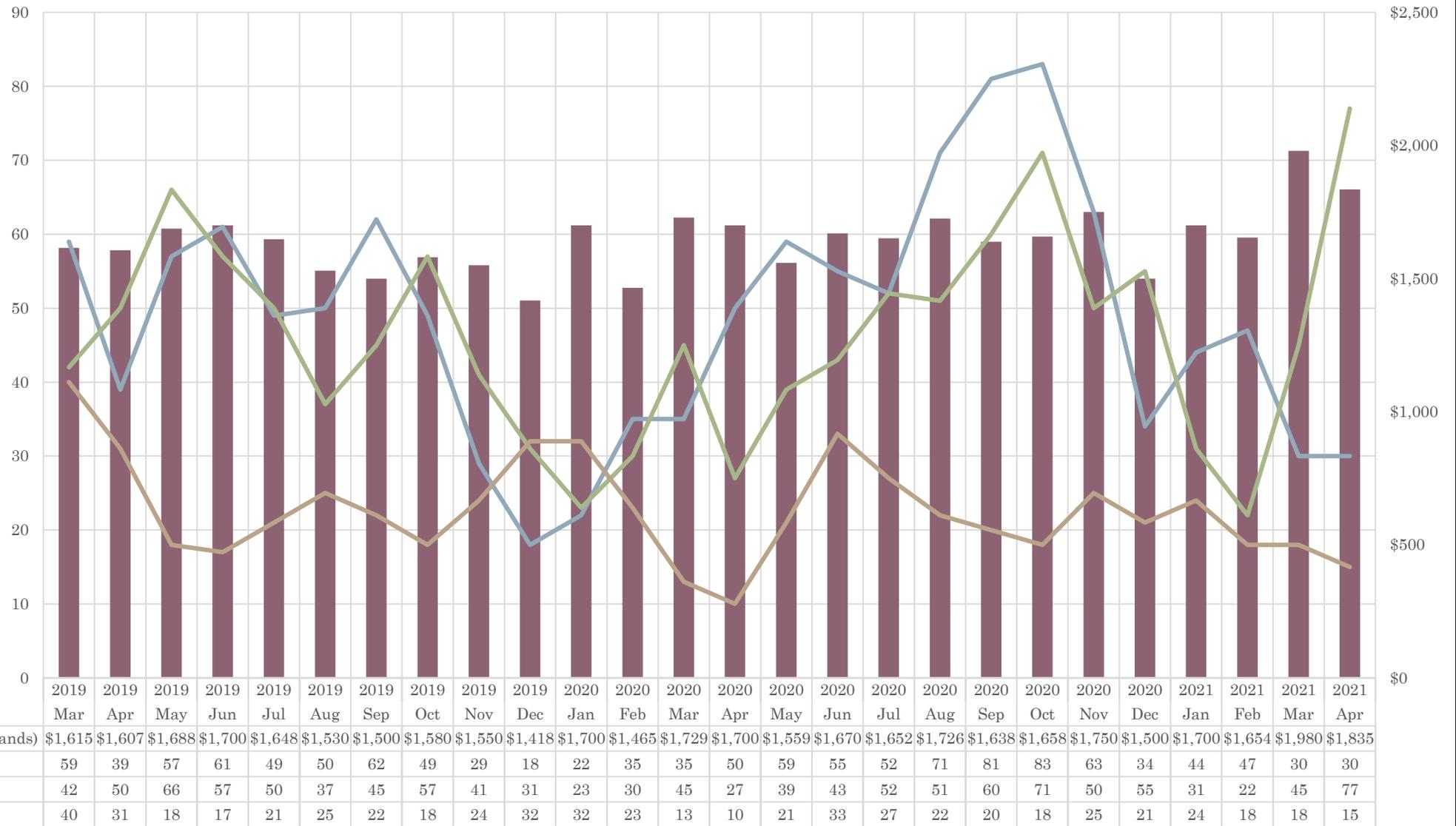
Wayfair Decision



Localization of
Use Tax

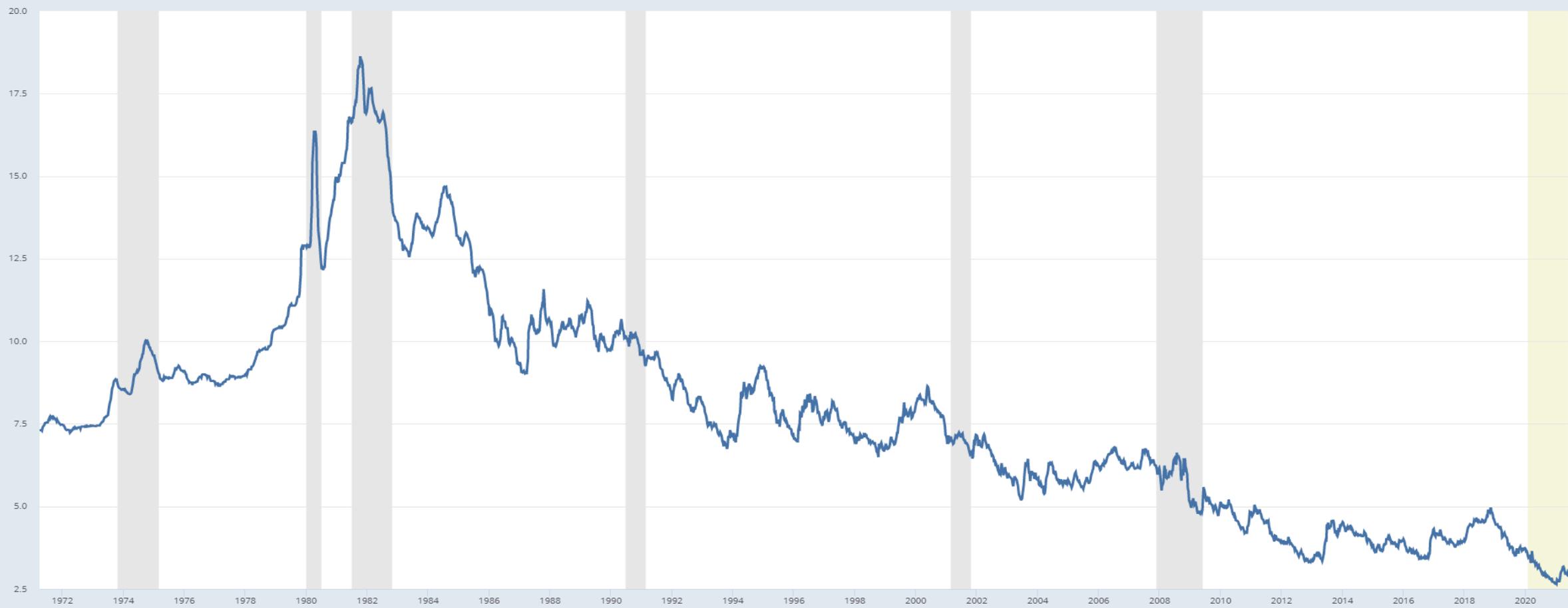
Single Family Residential Real Estate Trends

March 2019 – April 2021



Source: Statistics reports are provided by SAMCAR with data collected and compiled by MLSListings.Inc.

30-year Mortgage Rates

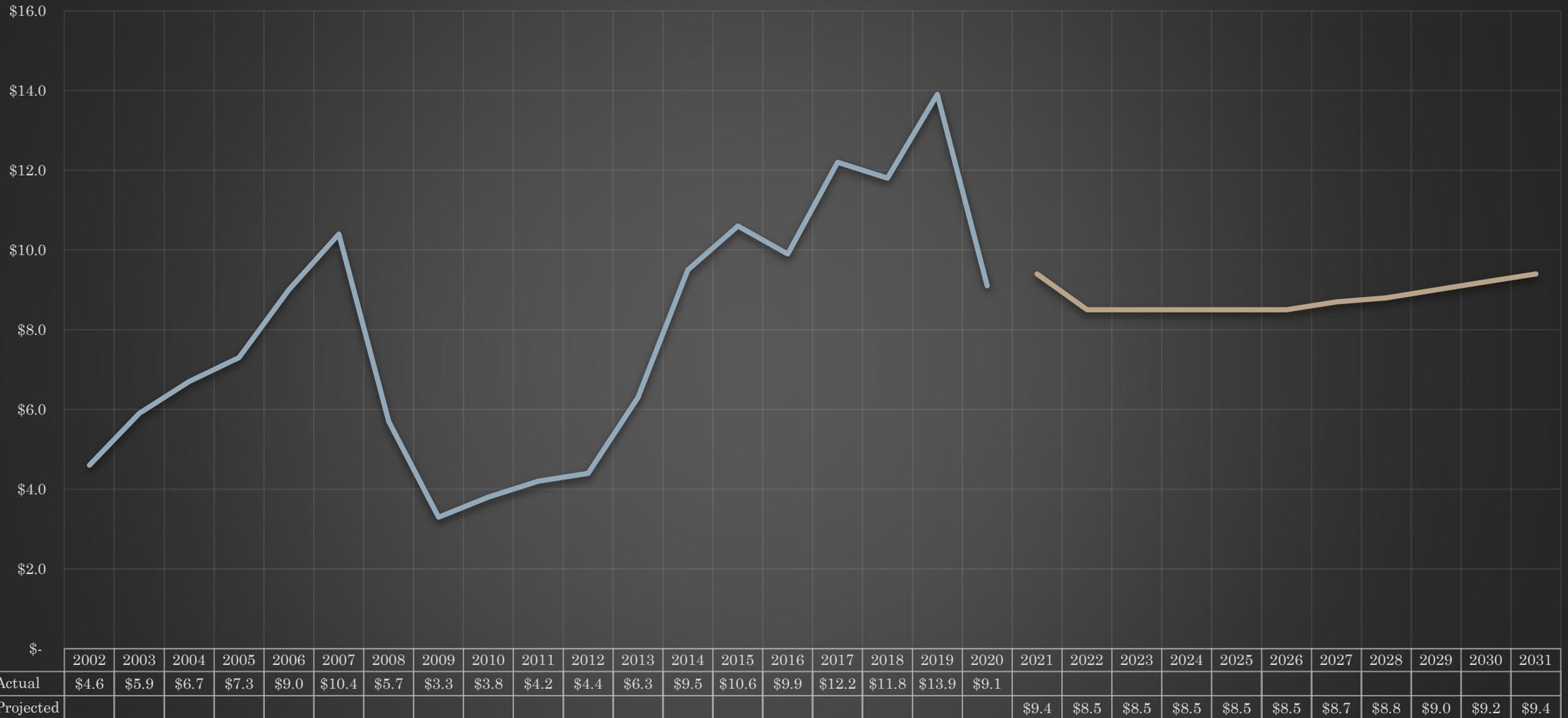


Source: Freddie Mac, 30-Year Fixed Rate Mortgage Average in the United States [MORTGAGE30US], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/MORTGAGE30US>, June 5, 2021.



Property Transfer Tax

\$8.5 million





Transient Occupancy Tax Major Factors



Tax Base:
Business Travel



One of last
sectors to recover
(ETA 2025)



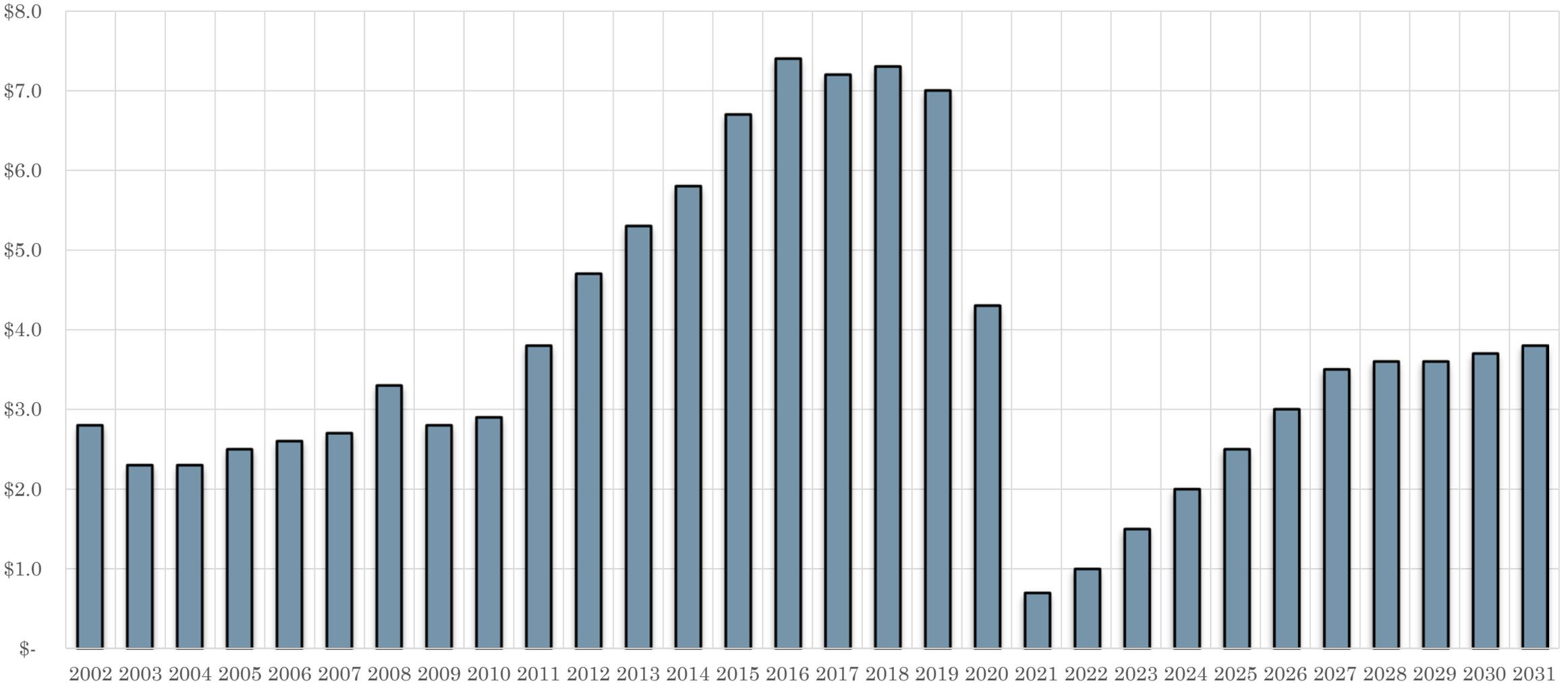
Business travel
may not ever
recover





Transient Occupancy Tax

\$1.0 million





Intergovernmental \$12.5 million

ARPA
\$19.27M

\$9.6M
received
(2021)

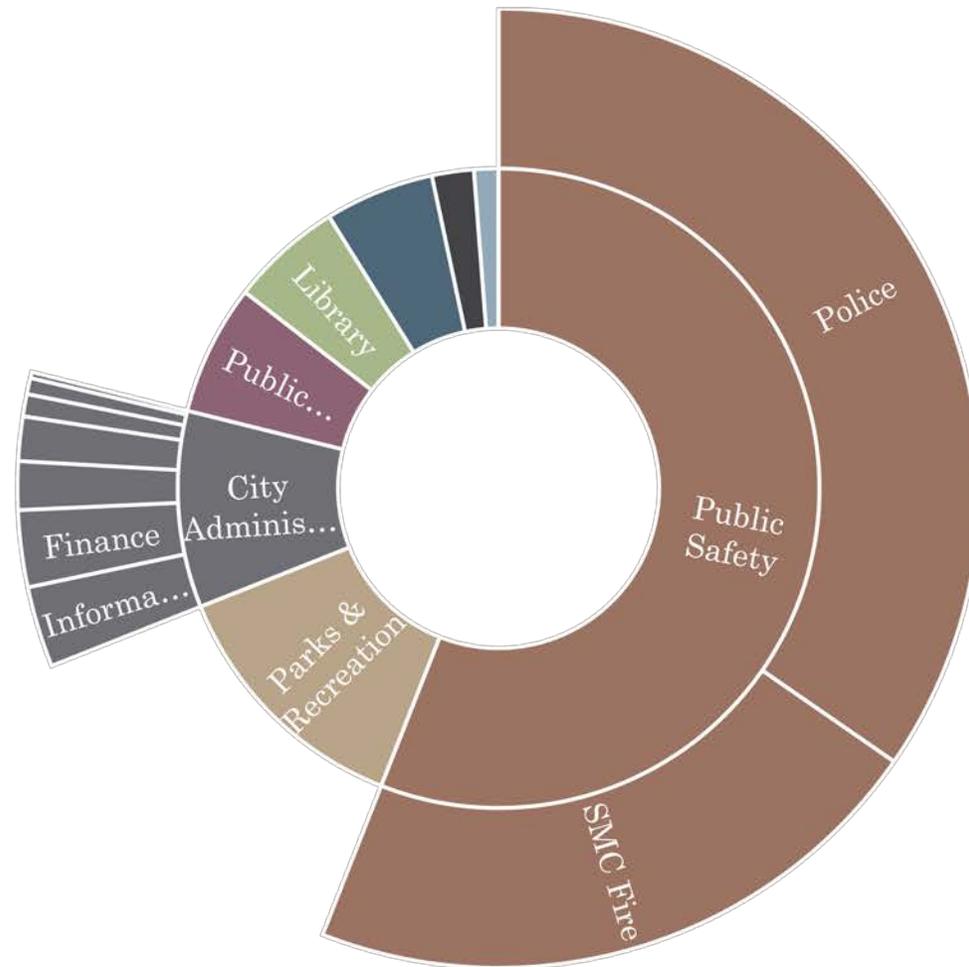
\$9.6M (2022)

\$0.63M
Increase from
prior estimate

General Fund Expenditures

General Fund Expenditures

\$146.8 million



■ City Administration ■ Community Development ■ Library ■ Parks & Recreation ■ Public Works ■ Public Safety ■ Non-Departmental ■ Transfers Out

Fiscal Sustainability Plan

Employee Compensation - \$3.0M

Strategic/Permanent Elimination of Vacant Positions - \$1.0M

Revenue Enhancement - \$1.0M

CIP Funding - \$2.0M

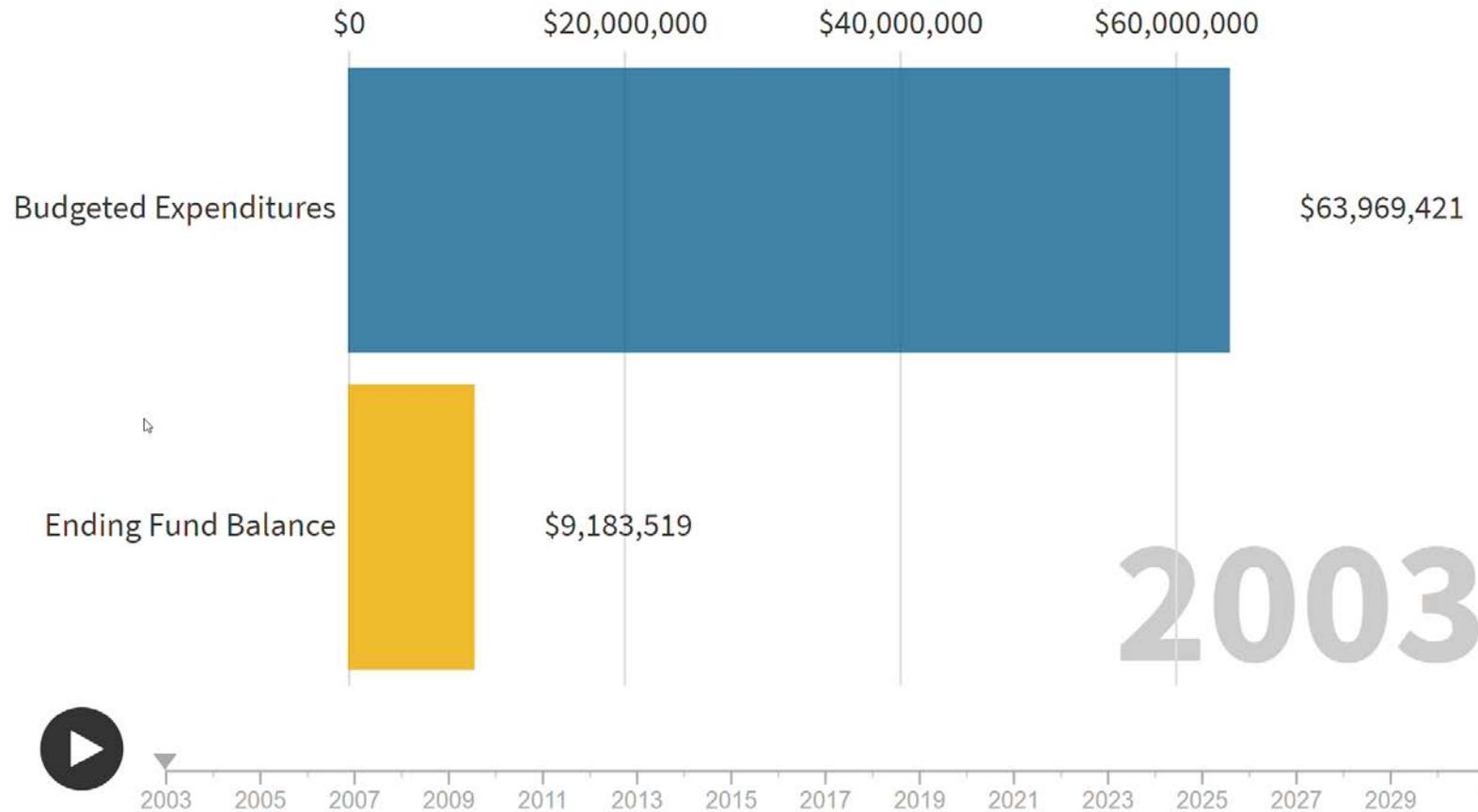
Strategic/Permanent Elimination of Vacant Positions \$1.0M – 7.0 FTE

| Position | Department | FTE |
|------------------------------------|------------------|------------|
| Senior Facility Maintenance Worker | Public Works | 1.0 |
| Community Services Officer | Police | 1.0 |
| Traffic Enforcement Coordinator | Police | 1.0 |
| Purchasing Coordinator | Finance | 1.0 |
| Librarian II | Library | 1.0 |
| Administrative Assistant | HR/CMO/CAO | 1.0 |
| Police Officer (SRO) | Police | 1.0 |
| | Total FTE | 7.0 |

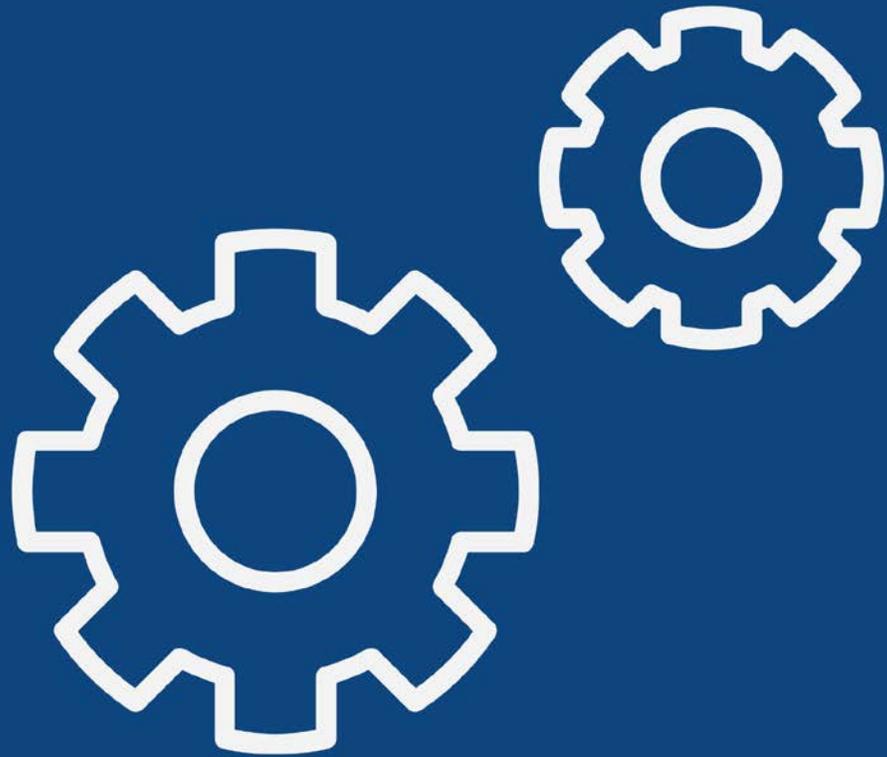
General Fund Long-Term Financial Plan (in millions)

| Desc | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 |
|------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Rev | \$142 | \$132 | \$136 | \$144 | \$145 | \$148 | \$153 | \$159 | \$166 | \$173 | \$178 | \$183 | \$188 |
| Exp | 129 | 135 | 134 | 146 | 150 | 153 | 157 | 161 | 167 | 171 | 176 | 180 | 184 |
| Net | 13 | (3) | 2 | (2) | (5) | (5) | (4) | (2) | (1) | 2 | 2 | 3 | 4 |
| Beg. Bal. | 75 | 88 | 85 | 87 | 85 | 80 | 75 | 71 | 69 | 68 | 70 | 72 | 75 |
| 25% Reserve | 29 | 31 | 31 | 35 | 35 | 36 | 37 | 38 | 39 | 40 | 42 | 43 | 44 |
| Housing | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| Rainy Day | 54 | 49 | 51 | 45 | 40 | 34 | 29 | 26 | 24 | 25 | 25 | 27 | 30 |
| End. Bal. | \$88 | \$85 | \$87 | \$85 | \$80 | \$75 | \$71 | \$69 | \$68 | \$70 | \$72 | \$75 | \$79 |

General Fund Budgeted Expenditures | Reserves



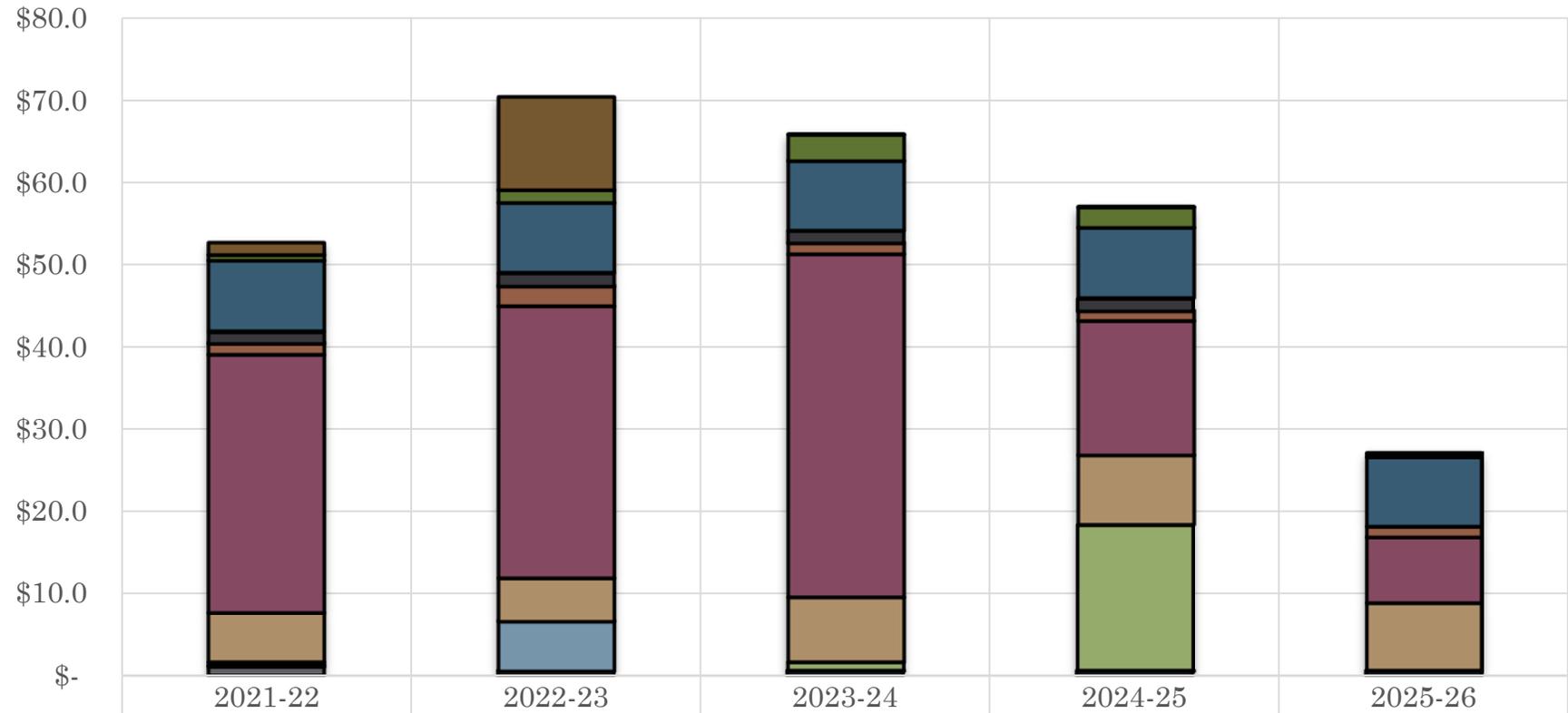
2003 2005 2007 2009 2011 2013 2015 2017 2019 2021 2023 2025 2027 2029



Capital Improvement Program

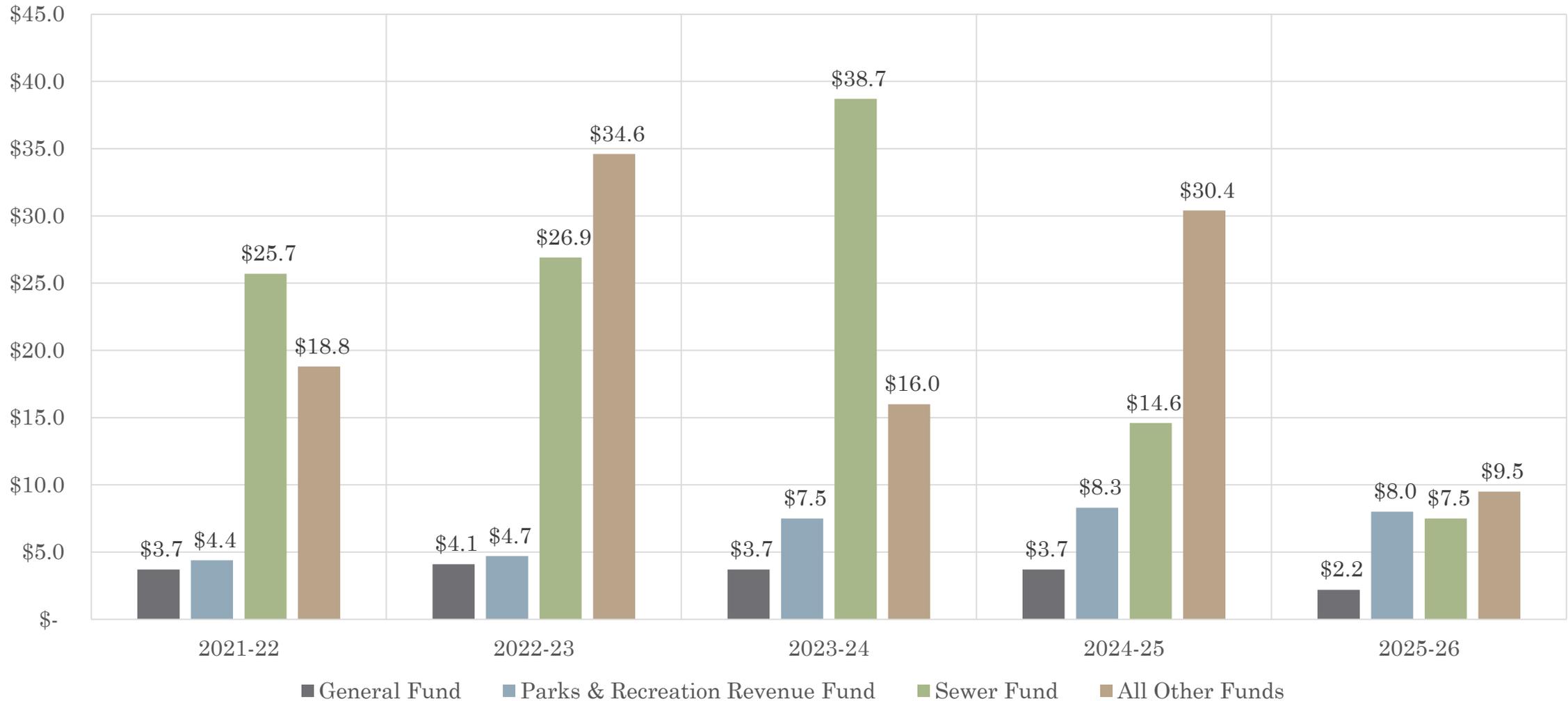
2021 - 2026

2021-26 CIP



| | | | | | |
|---|---------------|---------------|---------------|---------------|--------------|
| Other City Projects | \$1.5 | \$11.3 | \$0.1 | \$0.1 | \$0.1 |
| Traffic | \$0.7 | \$1.6 | \$3.2 | \$2.5 | \$0.4 |
| Streets | \$8.6 | \$8.5 | \$8.5 | \$8.6 | \$8.5 |
| Streetlights | \$1.4 | \$1.6 | \$1.5 | \$1.5 | \$- |
| Storm Drains | \$1.5 | \$2.5 | \$1.4 | \$1.3 | \$1.3 |
| Sanitary Sewer & Wastewater Management | \$31.3 | \$33.0 | \$41.6 | \$16.3 | \$8.0 |
| Parks | \$6.0 | \$5.3 | \$7.9 | \$8.5 | \$8.2 |
| Buildings | \$0.4 | \$- | \$1.0 | \$17.6 | \$- |
| Bridges | \$0.2 | \$6.0 | \$0.1 | \$0.1 | \$0.1 |
| Bikeway/Pedestrian | \$1.1 | \$0.6 | \$0.6 | \$0.6 | \$0.6 |

2021-26 CIP Funding Sources



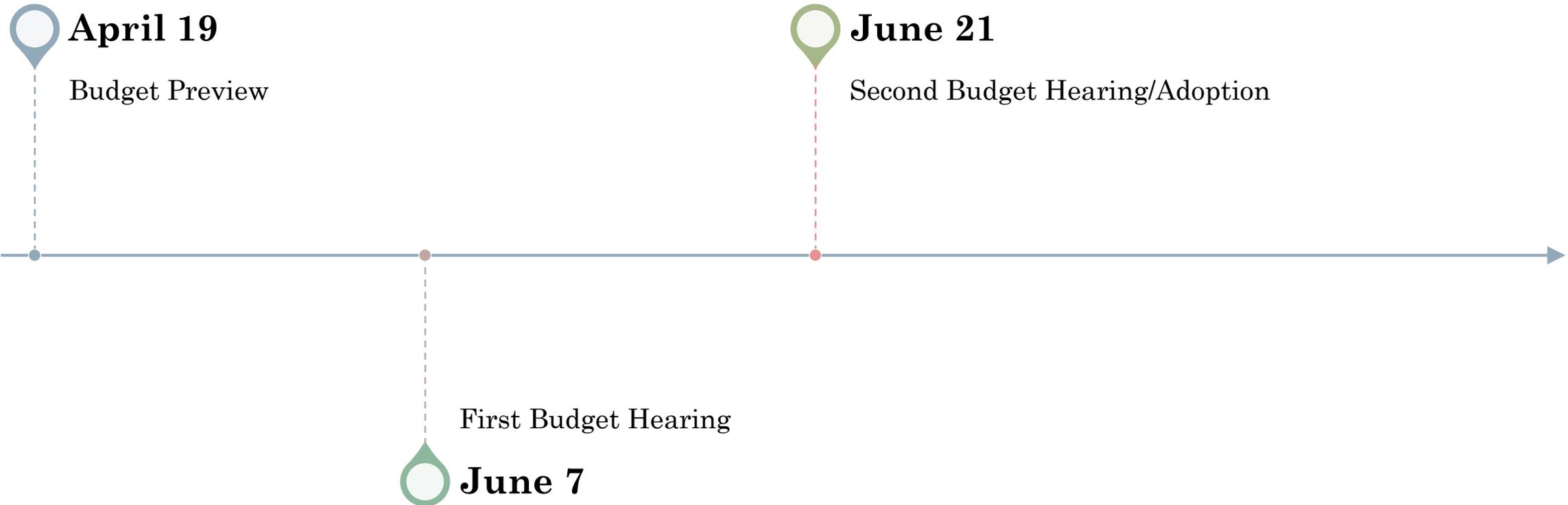
Clean Water Program

2021-26

\$130.2 million

| Description | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 | Five-Year Total |
|--------------------|---------------|---------------|---------------|---------------|--------------|-----------------|
| Collection Systems | \$16.1 | \$15.4 | \$31.0 | \$10.2 | \$5.7 | \$78.4 |
| Program Management | 6.7 | 5.9 | 4.2 | 2.1 | 2.3 | 21.2 |
| WWTP | 8.5 | 11.6 | 6.5 | 4.0 | 0.0 | 30.6 |
| Total | \$31.3 | \$32.9 | \$41.7 | \$16.3 | \$8.0 | \$130.2 |

Budget Timeline



Questions

Rich Lee

Finance Director

rlee@cityofsanmateo.org

650-522-7102