



"The City With a Heart"

Rico E. Medina, Mayor
Marty Medina, Vice Mayor
Sandy Alvarez, Councilmember, District 1
Tom Hamilton, Councilmember, District 2
Michael Salazar, Councilmember, District 3

AGENDA
SAN BRUNO CITY COUNCIL REGULAR MEETING
February 11, 2025
7:00 PM

| | |
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| <p>IN PERSON* MEETING LOCATION</p> <p>San Bruno Recreation & Aquatic Center, Community Room 251 City Park Way San Bruno, CA 94066</p> <p>*Please turn off all electronic devices before the start of the meeting to prevent disruptions*</p> | <p>**Zoom Link https://sanbruno-ca-gov.zoom.us/j/88023335622?pwd=ycDy2q9swahPeabghjQFdb6ed6WIMK.1 Phone Line: 1-646-558-8656 Webinar ID: 880 2333 5622 Webinar Password: 784087</p> <p>*Broadcast of the meeting is offered via Zoom as a courtesy to the public. **No public comment accepted via Zoom.</p> |
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PUBLIC COMMENT: In person attendees who want to provide public comment, will be asked to fill out a speaker card and turn it into the City Clerk. Public comment may also be emailed to CityClerk@sanbruno.ca.gov. Comments received via email will not be read aloud during the meeting.

ACCESSIBILITY: In compliance with the Americans with Disabilities Act, individuals requiring special accommodations or modifications to participate in this meeting should contact the City Clerk's Office 48 hours prior to the meeting at (650) 616-7061 or CityClerk@sanbruno.ca.gov.

*Any disclosable public writings related to an open session item on a regular meeting agenda and distributed by the City to at least a majority of the City Council less than 72 hours prior to that meeting are available for public inspection at the City Clerk's Office at City Hall located at 567 El Camino Real, San Bruno, California during normal business hours. In addition, the City may also post such documents on the City's Website at sanbruno.ca.gov/AgendaCenter.

1. **CALL TO ORDER**
2. **ROLL CALL**
3. **PLEDGE OF ALLEGIANCE**
4. **PUBLIC COMMENTS FOR ITEMS NOT ON THE AGENDA**
Individuals allowed up to three minutes, subject to the Mayor's discretion based on the anticipated length in the meeting. It is the Council's policy to refer matters raised in this forum to staff for investigation and/or action where appropriate. The Brown Act prohibits the Council from discussing or acting upon any matter not agendized pursuant to State Law.
5. **ANNOUNCEMENTS/PRESENTATIONS**
There is a single public comment period for all items in this section
 - a. Presentation of a Community Grant Check to the San Bruno City Council for the Library's Summer Reading Program from San Bruno Community Foundation

6. **CONSENT CALENDAR**

All items are considered routine or implement an earlier Council action and may be enacted by one motion; there will be no separate discussion, unless requested. There will be a single public comment period for all items in this section unless a Councilmember requests to pull an item for a separate vote.

- a. Approve the Draft Special Meeting Minutes for the Meetings of January 24, 2025 and January 28, 2025 and Regular Meeting Minutes for the Meetings of January 14, 2025 and January 28, 2025
- b. Approve Accounts Payable for January 27, 2025 and February 3, 2025
- c. Accept Payroll for January 26, 2025
- d. Approve Investment Report Dated January 31, 2025
- e. Consider Adoption of a Resolution Accepting the 2023-24 Slurry Seal Project as Complete; Authorizing the Filing of Notice of Completion with the San Mateo County Recorder's Office; and Authorizing the Release of the Construction Contract Retention in the Amount of \$29,796.72
- f. Consider Adopting the Fiscal Year 2025-26 City Council Priorities and Budget Principles
- g. Consider Adoption of a Resolution Accepting the Winter Storm Hazard Mitigation Project Adjacent to Water Tank 1 by Cunningham Way as Complete; Authorizing the Filing of Notice of Completion with the San Mateo County Recorder's Office; and Authorizing the Release of the Construction Contract Retention in the Amount of \$15,420
- h. Receive and File the Annual Comprehensive Financial Report, Report on Agreed-Upon Procedures Applied to Appropriations Limit Schedule, and Other Required Outside Agency Reports for the Fiscal Year Ended June 30, 2024
- i. Consider Adoption of an Ordinance Entitled "An Ordinance of the City Council of the City of San Bruno Repealing San Bruno Municipal Code Chapter 10.24 (Municipal Cable Television And Communications System) and Amending Chapter 10.28 (State Video Franchises) and Finding Such Action Exempt from the California Environmental Quality Act"

7. **CONDUCT OF BUSINESS**

Public comment will be requested after each topic in this section

- a. Consider Introducing, Reading by Title Only and Waiving a Further Reading of an Ordinance Entitled "An Ordinance of the City Council of the City of San Bruno Adopting by Reference Chapter 4.98 of the San Mateo County Ordinance Code (Tobacco Retailer Permit); Repealing and Replacing in its Entirety San Bruno Municipal Code Chapter 6.52 (Tobacco Retailer Permit) in Connection with such Adoption; and Finding the Amendment Exempt from the California Environmental Quality Act" and Set Public Hearing on Adoption of Ordinance for February 25, 2025

8. **COUNCIL COMMITTEE REPORT OUT**

9. **COMMENTS FROM COUNCIL MEMBERS**

10. **ADJOURNMENT** – The next Regular City Council Meeting will be held on February 25, 2025 at 7:00 pm

POSTING: I declare a copy of this agenda was posted at City Hall, 567 El Camino Real, San Bruno, among other locations in the city limits of San Bruno, on February 6, 2025, by 6:00 pm.


Lupita Huerta, City Clerk

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"The City With a Heart"

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Tom Hamilton, Councilmember, District 2
Michael Salazar, Councilmember, District 3

MINUTES
SAN BRUNO CITY COUNCIL SPECIAL MEETING
January 24, 2025
12:00 PM

1. **CALL TO ORDER**

The meeting was called to order at 12:00 pm.

2. **ROLL CALL**

Councilmembers Alvarez, Hamilton, Salazar, Vice Mayor M. Medina and Mayor R. Medina were all present.

3. **STUDY SESSION**

- a. City Council's Annual Strategic Initiatives & Prioritization Retreat
City Manager Alex McIntyre introduced department directors

The following members of the public provided public comments:

- Gail Lee
- Unknown member of the public
- Robert Whitehair

The following department directors and staff provided presentations to the City Council and answered questions:

City Manager Alex McIntyre
Chief Financial Officer Nick Pegueros
Public Works Director Matt Lee
Management Analyst Ana Morales

The City Council meeting recessed at 1:19 pm and reconvened at 1:30 pm

The following department directors provided presentations to the City Council and answered questions:

City Manager Alex McIntyre
Community Development Director Peter Gilli
Chief Financial Officer Nick Pegueros

The following City Council Members presented their proposed Council Initiatives:

Councilmember Hamilton
Councilmember Alvarez
Councilmember Salazar

The City Council meeting recessed at 3:08 pm and reconvened at 3:19 pm

Cont'd: City Council Members presented their proposed Council Initiatives:

Vice Mayor M. Medina
Mayor R. Medina

The City Council meeting recessed at 4:27 pm and reconvened at 4:40 pm

No reportable action was taken

4. **ADJOURNMENT**

This meeting adjourned at 4:51 pm to the next Regular City Council Meeting on January 28, 2025 at 7:00 pm.

These City Council meeting minutes were prepared by Lupita Huerta, City Clerk, and presented to the City Council for approval at the regular meeting of February 11, 2025.

Lupita Huerta
City Clerk

Rico E. Medina
Mayor



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MINUTES
SAN BRUNO CITY COUNCIL SPECIAL MEETING
January 28, 2025
5:30 PM

1. **CALL TO ORDER**

The meeting was called to order at 5:30 pm.

2. **ROLL CALL**

Councilmembers Alvarez, Hamilton, Salazar, Vice Mayor M. Medina and Mayor R. Medina were all present.

3. **CLOSED SESSION**

a. **CONFERENCE WITH LABOR NEGOTIATORS**

Agency designated representatives: City Manager
Employee organizations: Teamsters Local 856, IBT Miscellaneous, Fire, Police and Public Safety Mid-Management; Teamsters Local 350, IBT MidManagement; San Bruno Management Employees Association; and, Unrepresented Employees

No reportable action was taken

4. **STUDY SESSION**

a. Receive Update on the South Linden Avenue and Scott Street Grade Separation Project and Provide Direction on the Optimized Alternative

Public Works Deputy Director Hae Won Ritchie and Caltrain Chief of Design Robert Barnard presented the item to the City Council and answered questions.

No members of the public wished to speak under this item.

No reportable action was taken.

5. **ADJOURNMENT**

The meeting adjourned at 6:31 pm to the next Regular City Council Meeting on January 28, 2025 at 7:00 pm.

These City Council meeting minutes were prepared by Lupita Huerta, City Clerk, and presented to the City Council for approval at the regular meeting of February 11, 2025.

Lupita Huerta
City Clerk

Rico E. Medina
Mayor



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MINUTES
SAN BRUNO CITY COUNCIL REGULAR MEETING
January 14, 2025
7:00 PM

1. CALL TO ORDER

The meeting was called to order at 7:00 pm

2. ROLL CALL

Councilmembers Alvarez, Hamilton, Salazar, Vice Mayor M. Medina and Mayor R. Medina were all present

3. PLEDGE OF ALLEGIANCE

Mayor R. Medina led the pledge

4. PUBLIC COMMENTS FOR ITEMS NOT ON THE AGENDA

The following member(s) of the public provided comment(s):

- Chris
- Rebecca Molano

Mayor R. Medina provided a brief statement surrounding the recent fires

5. ANNOUNCEMENTS/PRESENTATIONS

- Do you know a person or group who has provided special or extraordinary service to the San Bruno community? Nominate them for a service award! The City of San Bruno is accepting service nomination applications through February 19. Applications will be considered on February 27. For more information and an application, go to sanbruno.ca.gov/srp
- Proclamation recognizing January as National Human Trafficking Prevention Month
- The City thanks Police Chief Ryan Johansen and Community Services Director Travis Karlen for their contributions to the San Bruno Community

Community Services Director Travis Karlen and Police Chief Ryan Johansen provided brief statements

No members of the public wished to speak under Announcements/Presentations

6. CONSENT CALENDAR

- Approve the Draft Regular Meeting Minutes for the Meeting of December 10, 2024
- Approve Accounts Payable for December 10, 2024, December 16, 2024, and December 23, 2024

- c. Accept Payroll for November 17, 2024, December 1, 2024 and December 15, 2024
- d. Consider Endorsing the Five-Year Long Range Planning Strategy Prioritization
- e. Consider Adoption of a Resolution Approving Publicly Available Pay Schedule Effective January 13, 2025 Pursuant to the Public Employees' Retirement Law (PERL), Public Employees' Pension Reform Act of 2013 (PEPRA), and Title 2 of the California Code of Regulations (CCR)
- f. Consider Adoption of a Resolution Acknowledging Receipt of a Report Made by the Fire Marshal of the San Bruno Fire Department Regarding the Inspection of Certain Occupancies Required Pursuant to Sections 13146.2 and 13146.3 of the California Health and Safety Code
- g. Consider Adoption of a Resolution:
 - Accepting the Winter Storm Hazard Mitigation Project within City-owned Property within Crestmoor Canyon, Located near the 1400-block of Claremont Drive as Complete;
 - Authorizing the Filing of Notice of Completion with the San Mateo County Recorder's Office; and
 - Authorizing the Release of the Construction Contract Retention in the Amount of \$10,215
- h. Consider Adoption of a Resolution Authorizing the City Manager to Execute a Second Revised and Restated Joint Exercise of Power Agreement with the San Mateo County Operational Area Emergency Services Organization
- i. Consider Adoption of a Resolution Accepting and Appropriating Grant Funding and Approving Funding Agreements with the San Bruno Community Foundation in an Amount Not to Exceed \$3.4M for the Crestmoor Fields Project (CIP #51038); Authorizing the City Manager to Execute the Agreement and to Take Other Related Actions; and Determining the Project is Categorically Exempt Under the California Environmental Quality Act

No items were pulled for a separate vote

Item I – Vice Mayor M. Medina pulled item for comment

No members of the public wished to speak under Consent Calendar

M/S Salazar/Alvarez to approve the Consent Calendar. Motion passed unanimously.

7. PUBLIC HEARING(S)

- a. Consider Introducing, Reading by Title Only and Waiving a Further Reading of an Ordinance Entitled "An Ordinance of the City Council of the City of San Bruno Amending Title 11 (Buildings, Construction and Fire Protection) of the Municipal Code to Strike All-Electric Requirements in Section 11.06.030 and Article III (Zoning) of Title 12 (Land Use) of the Municipal Code to Implement Programs 10b and 11a of the 2023-2031 Housing Element and Finding the Amendment Exempt from the California Environmental Quality Act"

Community Development Director Peter Gilli presented the item to the City Council

No members of the public wished to speak under this item

M/S Hamilton/Salazar to close public hearing. Motion passed unanimously.

M/S Hamilton/Salazar to approve as read by the City Clerk. Motion passed

unanimously.

8. **CONDUCT OF BUSINESS**

- a. Receive Report and Confirm Appointment of City Councilmembers to Serve as Representatives and Alternates to San Mateo County Agencies and Other Regional Bodies

No members of the public wished to speak under this item

M/S Hamilton/M. Medina to confirm appointments. Motion passed unanimously.

- b. Receive Paid Parking Program Update and Consider Adoption of a Resolution Amending Recognized Holidays for Paid Parking on City Owned or Controlled on and Off-Street Parking Facilities and Determining the Project is Exempt Under the California Environmental Quality Act

Police Chief Ryan Johansen presented the item to the City Council and answered questions

City Manager Alex McIntyre answered questions

The following member(s) of the public provided comment(s):

- John Marshall
- Kim Hanh Diep
- Rebecca Molano

City Attorney Trisha Ortiz answered questions

Chief Financial Officer Nick Pegueros answered questions

The City Council meeting recessed at 8:45 pm and reconvened at 8:59 pm

M/S Hamilton/M. Medina to extend the meeting to no later than 11:30 pm. Motion passed unanimously.

M/S Salazar/Hamilton to approve updating the holiday schedule to reflect the recognized holidays. Motion passed unanimously

- c. Consider Adoption of a Resolution Appointing Ms. Susan E. Manheimer as Interim Police Chief Pursuant to California Government Code Section 21221(H)

Chief Financial Officer Nick Pegueros presented the item to the City Council

No members of the public wished to speak under this item

M/S Salazar/Alvarez to approve the resolution. Motion passed unanimously.

9. **COUNCIL COMMITTEE REPORT OUT**

The City Council had no committee report outs

10. **COMMENTS FROM COUNCIL MEMBERS**

The following member(s) of the City Council provided comment(s):

- Vice Mayor M. Medina
- Mayor R. Medina

11. **ADJOURNMENT**

The meeting adjourned at 10:41 pm to the next Regular City Council Meeting on January 28, 2025 at 7:00 pm.

These City Council meeting minutes were prepared by Lupita Huerta, City Clerk, and presented to the City Council for approval at the regular meeting of February 11, 2025.

Lupita Huerta
City Clerk

Rico E. Medina
Mayor



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Michael Salazar, Councilmember, District 3

MINUTES
SAN BRUNO CITY COUNCIL REGULAR MEETING
January 28, 2025
7:00 PM

1. **CALL TO ORDER**

The meeting was called to order at 7:00 pm.

2. **ROLL CALL**

Councilmembers Alvarez, Hamilton, Salazar, Vice Mayor M. Medina and Mayor R. Medina were all present.

3. **PLEDGE OF ALLEGIANCE**

Mayor R. Medina led the pledge

4. **PUBLIC COMMENTS FOR ITEMS NOT ON THE AGENDA**

No members of the public wished to speak under Public Comment

5. **ANNOUNCEMENTS/PRESENTATIONS**

- a. Proclamation Recognizing January 29, 2025 as Lunar New Year
- b. Proclamation Recognizing February as Black History Month
- c. Receive HIP Housing 2025 Calendar Presentation

HIP Housing Board Member Aaron Aknin presented the item to the City Council

- d. Receive Update on OneShoreline Work

Public Works Director Matt Lee introduced the item and **OneShoreline Chief Executive Officer Len Matterman** presented the item to the City Council and answered questions

- e. Receive Presentation from OneWatershed

Public Works Director Matt Lee introduced the item and **OneWatershed Program Director Reid Bogert** presented the item to the City Council

No members of the public wished to speak under Announcements/Presentations

6. **CONSENT CALENDAR**

- a. Approve the Draft Special Meeting Minutes of January 14, 2025

- b. Approve Accounts Payable for January 14, 2025 and January 21, 2025
- c. Accept Payroll for December 29, 2024 and January 12, 2025
- d. Approve Investment Report Dated December 31, 2024
- e. Consider Adoption of an Ordinance Entitled “An Ordinance of the City Council of the City of San Bruno Amending Title 11 (Buildings, Construction and Fire Protection) of the Municipal Code to Strike All-Electric Requirements in Section 11.06.030 and Article III (Zoning) of Title 12 (Land Use) of the Municipal Code to Implement Programs 10b and 11a of the 2023-2031 Housing Element, and Finding Such Action Exempt from the California Environmental Quality Act”
- f. Consider Adoption of a Resolution Authorizing the Receipt and Expenditure of \$82,000 in California Office of Traffic Safety (OTS) Grant Funds to Facilitate the Selective Traffic Enforcement Program (STEP) #PT25220
- g. Consider Adoption of a Resolution Accepting the Annual Report of Development Impact Fees (DIF) and Capacity Charges for Fiscal Year Ended June 30, 2024
- h. Approve the Amended 2025 City Council Meeting Calendar

No items were pulled for a separate vote

No items were pulled for questions/comments

No members of the public wished to speak under the Consent Calendar

M/S Salazar/Hamilton to approve consent items. Motion passed unanimously.

7. CONDUCT OF BUSINESS

- a. Consider Adoption of a Resolution Approving an Asset Purchase Agreement with Comcast of California IX, Inc. for the Sale of the San Bruno CityNet Services, Authorizing the City Manager to Take Certain Actions in Connection therewith, and Finding the Action Exempt from the California Environmental Quality Act

CityNet Services Director Sandeep Krishnamurphy presented the item to the City Council and answered questions.

No members of the public wished to speak under this item

City Manager Alex McIntyre introduced Comcast representative David Tashjin

Comcast representatives David Tashjin, Jacob Mitchell and Jonathan Fischer presented the item to the City Council and answered questions

The following member(s) of the public provided public comment:

- Maria Concha

M/S Hamilton/Alvarez to adopt the resolution as read by the City Clerk. Motion passed unanimously

- b. Consider Introducing, Reading by Title Only and Waiving a Further Reading of an Ordinance Entitled “An Ordinance of the City Council of the City of San Bruno Repealing Chapter 10.24 (Municipal Cable Television And Communications System) and Amending Chapter 10.28 (State Video Franchises) and Finding Such Action Exempt from the California Environmental Quality Act”

Assistant City Manager Darcy Smith presented the item to the City Council

No members of the public wished to speak under this item

M/S Hamilton/Salazar to approve the action as read by the City Clerk. Motion passed unanimously.

8. **COUNCIL COMMITTEE REPORT OUT**

The following member(s) of the City Council provided comment(s):

- Councilmember Hamilton
- Mayor R. Medina

9. **COMMENTS FROM COUNCIL MEMBERS**

The following member(s) of the City Council provided comment(s):

- Mayor R. Medina

10. **ADJOURNMENT**

The meeting adjourned at 8:44 pm to the next Regular City Council Meeting on February 11, 2025 at 7:00 pm.

These City Council meeting minutes were prepared by Lupita Huerta, City Clerk, and presented to the City Council for approval at the regular meeting of February 11, 2025.

Lupita Huerta
City Clerk

Rico E. Medina
Mayor



**City Council Agenda Item
Staff Report**

CITY OF SAN BRUNO

DATE: January 27, 2025

TO: Honorable Mayor and Members of the City Council

FROM: Alex D. McIntyre, City Manager


PREPARED BY: Nick Pegueros, Chief Financial Officer
Kathleen O'Malley, Accounting & Customer Service Representative

SUBJECT: Accounts Payable Warrant Register

This is to certify that the claims listed on pages 1 to 3 inclusive, and/or claims numbered from 212807 through 212923 inclusive, totaling \$955,210.59, have been checked in detail and approved by the proper officials, and in my opinion, represent fair and just charges against the City in accordance with their respective amounts. The table below summarizes the total paid by Fund.

| Fund | Fund Name | Amount |
|---------------------------|------------------------------------|---------------------|
| 001 | General Fund | \$128,806.60 |
| 122 | Solid Waste/Recycle | \$1,827.20 |
| 131 | In-Lieu Fees | \$3,166.64 |
| 132 | Agency on Aging | \$30,934.91 |
| 133 | Restricted Revenues | \$2,823.01 |
| 141 | Community Development | \$3,232.50 |
| 142 | Recreation & Aquatics Center (RAC) | \$17,598.01 |
| 201 | Parks and Facilities Capital | \$158,520.74 |
| 203 | Street Improvement Projects | \$468,065.50 |
| 611 | Water Fund | \$55,808.76 |
| 621 | Stormwater Fund | \$162.24 |
| 631 | Wastewater Fund | \$29,105.27 |
| 641 | CityNet Services Fund | \$23,496.36 |
| 701 | Central Garage | \$11,884.02 |
| 702 | Facility Maintenance Fund | \$10,257.71 |
| 707 | Technology Development | \$2,467.64 |
| 711 | Self-Insurance | \$7,053.48 |
| TOTAL FOR APPROVAL | | \$955,210.59 |

Respectfully submitted,

DocuSigned by:

 8783F2EF5A30407
 Chief Financial Officer

1/28/2025

 Date

apPosPay

Positive Pay Listing

Page: 1

1/27/2025 11:35:29AM

City of San Bruno

Document group: komalley Bank: apbank 432000438

| Vendor Code & Name | Check # | Check Date | Amount |
|--|---------|------------|-----------|
| 0107770 A & D AUTOMATIC GATE COMPANY | 212807 | 1/27/2025 | 2,160.00 |
| 0104680 ACCESS 24 COMMUNICATIONS INC. | 212808 | 1/27/2025 | 648.30 |
| 0106193 ACCESS UNIFORMS INC. | 212809 | 1/27/2025 | 246.67 |
| 0110685 ACME WORKWEAR | 212810 | 1/27/2025 | 302.94 |
| 0000858 ADECCO EMPLOYMENT SERVICES | 212811 | 1/27/2025 | 2,439.76 |
| 0109189 AGE OF LEARNING, INC. | 212812 | 1/27/2025 | 1,200.00 |
| 0000163 AIRPORT AUTO PARTS INC. | 212813 | 1/27/2025 | 2,075.14 |
| 0097137 ALERT DOOR SERVICE INC | 212814 | 1/27/2025 | 920.00 |
| 0018976 ALPHA ANALYTICAL LAB. INC. | 212815 | 1/27/2025 | 2,385.00 |
| 0000274 ALPINE AWARDS INC | 212816 | 1/27/2025 | 4,976.42 |
| 0109190 AMERICAN PORTABLES | 212818 | 1/27/2025 | 5,863.50 |
| 0096700 ANDY'S WHEELS & TIRES | 212819 | 1/27/2025 | 1,384.47 |
| 0017191 AT&T | 212820 | 1/27/2025 | 71.95 |
| 0098916 AT&T | 212821 | 1/27/2025 | 86.48 |
| 0015110 AT&T MOBILITY | 212822 | 1/27/2025 | 1,496.89 |
| 0018465 AT&T MOBILITY | 212823 | 1/27/2025 | 161.81 |
| 0000345 BAKER & TAYLOR BOOKS | 212824 | 1/27/2025 | 5,046.54 |
| 0100526 BAY ALARM COMPANY | 212825 | 1/27/2025 | 209.01 |
| 0001849 BAY AREA WATER SUPPLY & CONSERVATION AGENCY | 212903 | 1/27/2025 | 28,468.00 |
| 0109613 BAYSPORT PREVENTIVE MEDICAL GROUP | 212885 | 1/27/2025 | 170.00 |
| 0109646 BIO CAR CARE | 212827 | 1/27/2025 | 560.00 |
| 0110279 BOUCHER LAW, PC | 212828 | 1/27/2025 | 16,252.50 |
| 0000098 BRODART CO. | 212829 | 1/27/2025 | 210.50 |
| 0017600 BURTON'S FIRE INC. | 212830 | 1/27/2025 | 1,165.12 |
| 0106548 CAPITAL ONE TRADE CREDIT | 212831 | 1/27/2025 | 298.64 |
| 0000729 CERTIFIED LABORATORIES, INC. | 212832 | 1/27/2025 | 1,073.42 |
| 0017284 CHEMSEARCHFE | 212834 | 1/27/2025 | 1,363.55 |
| 0016324 CINTAS CORPORATION #464 | 212835 | 1/27/2025 | 4,707.83 |
| 0000386 CITY OF SOUTH SAN FRANCISCO | 212836 | 1/27/2025 | 6,183.64 |
| 0018978 CLEAN HARBORS ENVIRONMENTAL SERVICES, INC | 212847 | 1/27/2025 | 3,548.21 |
| 0109998 CONSOR PMCM, INC. | 212837 | 1/27/2025 | 39,779.21 |
| 0109731 COOLRITE REFRIGERATION INC. | 212838 | 1/27/2025 | 1,489.58 |
| 0110800 CORPORATE CUISINE DBA CREEKSIDE GRILL | 212841 | 1/27/2025 | 30,166.66 |
| 0018331 CSG CONSULTANTS INC. | 212839 | 1/27/2025 | 1,062.50 |
| 0106011 CWEA-SFBS | 212840 | 1/27/2025 | 116.00 |
| 0000197 DEMCO SUPPLY INC. | 212842 | 1/27/2025 | 392.21 |
| 0103088 DUNN-EDWARDS CORP. | 212843 | 1/27/2025 | 169.23 |
| 0110123 DUNNIGAN PSYCHOLOGICAL & THREAT ASSESSMENTS, L | 212907 | 1/27/2025 | 625.00 |
| 0000198 EBSCO SUBSCRIPTION SVCS. | 212844 | 1/27/2025 | 44.38 |
| 0106234 FASTRAK INVOICE PROCESSING DEPT. | 212864 | 1/27/2025 | 21.00 |
| 0102627 FASTRK VIOLATION PROCESSING DEPT. | 212915 | 1/27/2025 | 23.00 |
| 0018503 FASTSIGNS - SAN MATEO | 212848 | 1/27/2025 | 272.95 |
| 0000944 FEDEX | 212849 | 1/27/2025 | 171.33 |
| 0001782 FLOWERS ELECTRIC & SVC.CO.INC. | 212850 | 1/27/2025 | 882.15 |
| 0096236 FOLGER GRAPHICS, INC. | 212851 | 1/27/2025 | 16,586.27 |
| 0017720 FOX TELEVISION STATIONS, INC. | 212852 | 1/27/2025 | 9,143.40 |
| 0109776 FRESH LINE PRODUCE | 212853 | 1/27/2025 | 266.75 |
| 0016363 GCS ENVIRONMENTAL & EQUIPMENT SVC. | 212846 | 1/27/2025 | 1,170.21 |
| 0104135 GLOBAL TRACKING COMMUNICATIONS, INC. | 212909 | 1/27/2025 | 282.99 |
| 0102989 GOT POWER INC. | 212854 | 1/27/2025 | 2,468.68 |
| 0000162 GRAINGER | 212855 | 1/27/2025 | 2,578.18 |
| 0000541 GRANITE ROCK COMPANY | 212856 | 1/27/2025 | 1,693.75 |
| 0095966 GREAT AMERICA FINANCIAL SVC. | 212857 | 1/27/2025 | 2,002.96 |

apPosPay
1/27/2025 11:35:29AM

Positive Pay Listing
City of San Bruno

Document group: komalley Bank: apbank 432000438

| Vendor Code & Name | Check # | Check Date | Amount |
|---|---------|------------|------------|
| 0095792 HARRISON & BONINI | 212858 | 1/27/2025 | 54.61 |
| 0109502 HAULAWAY STORAGE CONTAINERS, INC. | 212901 | 1/27/2025 | 255.36 |
| 0111486 HD SUPPLY, INC. | 212859 | 1/27/2025 | 2,433.33 |
| 0018544 HEART OF SAN MATEO COUNTY | 212860 | 1/27/2025 | 3,166.64 |
| 0108404 IMAGETREND, INC. | 212861 | 1/27/2025 | 4,057.46 |
| 0015531 INTERSTATE BATTERY SYS. OF SF | 212862 | 1/27/2025 | 1,261.18 |
| 0016941 INTERSTATE GRADING&PAVING,INC. | 212863 | 1/27/2025 | 431,970.23 |
| 0016347 JEFFREY MADONICH | 212869 | 1/27/2025 | 143.00 |
| 0108128 JOSHUA YOUNGBERG | 212922 | 1/27/2025 | 250.00 |
| 0018376 JT2 INTEGRATED RESOURCES | 212865 | 1/27/2025 | 7,053.48 |
| 0109423 KIRK WALLER | 212916 | 1/27/2025 | 403.00 |
| 0110872 KRISTIE WOO | 212920 | 1/27/2025 | 2,170.00 |
| 0109978 LINDE GAS & EQUIPMENT INC. | 212866 | 1/27/2025 | 203.20 |
| 0017924 LORAL LANDSCAPING INC. | 212867 | 1/27/2025 | 2,100.00 |
| 0018177 LOWE'S | 212868 | 1/27/2025 | 2,825.30 |
| 0106643 MICHAEL PAULIN | 212881 | 1/27/2025 | 425.00 |
| 0106447 MOORE,IACOFANO, GOLTSMAN, INC. | 212871 | 1/27/2025 | 20,386.25 |
| 0104730 MUNICIPAL EMERGENCY SERVICES | 212872 | 1/27/2025 | 2,000.75 |
| 0000762 MUNICIPAL MAINTENANCE EQUIPMENT INC. | 212870 | 1/27/2025 | 146.00 |
| 0000357 NATIONAL CABLE TV CO-OP, INC. | 212873 | 1/27/2025 | 990.98 |
| 0103301 NHL NETWORK US, LP | 212874 | 1/27/2025 | 674.37 |
| 0111055 O'REILLY AUTO PARTS | 212877 | 1/27/2025 | 631.90 |
| 0110243 ODP BUSINESS SOLUTIONS, LLC | 212875 | 1/27/2025 | 364.83 |
| 0097567 ONE HOUR DRY CLEANING | 212876 | 1/27/2025 | 566.35 |
| 0104416 OVERDRIVE, INC. | 212878 | 1/27/2025 | 1,317.53 |
| 0000012 PACIFIC GAS & ELECTRIC | 212879 | 1/27/2025 | 31,037.92 |
| 0111846 PACIFIC POLYMERS, INC. | 212880 | 1/27/2025 | 132,525.00 |
| 0017260 PETERSON TRUCKS, INC. | 212882 | 1/27/2025 | 1,853.16 |
| 0111229 PORTER CAPITAL CORPORATION | 212883 | 1/27/2025 | 6,450.00 |
| 0000285 PREFERRED ALLIANCE, INC. | 212884 | 1/27/2025 | 373.67 |
| 0013981 QUILL CORPORATION | 212886 | 1/27/2025 | 188.50 |
| 0107432 RED WING BRANDS OF AMERICA,INC | 212887 | 1/27/2025 | 297.72 |
| 0106293 ROBERT HALF | 212890 | 1/27/2025 | 6,319.45 |
| 0013581 ROVI GUIDES, INC. | 212891 | 1/27/2025 | 3,535.36 |
| 0098129 SCOTT ZAYAC | 212923 | 1/27/2025 | 500.00 |
| 0018461 SERRAMONTE FORD, INC. | 212892 | 1/27/2025 | 673.11 |
| 0104767 SESAC | 212893 | 1/27/2025 | 1,217.00 |
| 0103732 SFO MEDICAL CLINIC | 212894 | 1/27/2025 | 531.00 |
| 0097626 SHARP ELECTRONICS CORP. | 212895 | 1/27/2025 | 302.87 |
| 0104726 SHARPS SOLUTIONS, LLC | 212896 | 1/27/2025 | 140.00 |
| 0018962 SHOE DEPOT INC. | 212897 | 1/27/2025 | 1,080.97 |
| 0111850 SILICON VALLEY PIPE BAND | 212898 | 1/27/2025 | 1,000.00 |
| 0017508 SOUTH CITY LUMBER AND SUPPLY | 212899 | 1/27/2025 | 65.53 |
| 0017036 STEVEN'S BAY AREA DIESEL SERVICE, INC. | 212826 | 1/27/2025 | 5,728.29 |
| 0000801 STEWART AUTOMOTIVE GROUP | 212900 | 1/27/2025 | 299.83 |
| 0105796 SUNRISE FOOD DISTRIBUTOR INC. | 212902 | 1/27/2025 | 501.50 |
| 0095565 SWINERTON BUILDERS | 212904 | 1/27/2025 | 23,065.00 |
| 0111462 TALHA AMAR | 212817 | 1/27/2025 | 500.00 |
| 0002025 TELECOMMUNICATIONS ENGINEERING ASSOCIATES | 212845 | 1/27/2025 | 496.00 |
| 0000241 THE ADAM-HILL COMPANY | 212905 | 1/27/2025 | 228.20 |
| 0103559 THE MLB NETWORK, LLC | 212906 | 1/27/2025 | 685.80 |
| 0017527 TIFCO INDUSTRIES INC. | 212908 | 1/27/2025 | 725.38 |
| 0001362 TV GUIDE MAGAZINE, LLC | 212910 | 1/27/2025 | 47.82 |
| 0106008 TYLER CHARLES | 212833 | 1/27/2025 | 500.00 |

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Positive Pay Listing
City of San Bruno

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| Vendor Code & Name | Check # | Check Date | Amount |
|--|---------|------------|-------------------|
| 0110714 UNDERGROUND REPUBLIC WATER WORKS, INC. | 212888 | 1/27/2025 | 1,232.96 |
| 0018618 UNITED SITE SERVICES INC. | 212911 | 1/27/2025 | 325.93 |
| 0000110 UNITED TEXTILE INC | 212912 | 1/27/2025 | 610.60 |
| 0102744 UNIVERSAL BUILDING SERVICES | 212913 | 1/27/2025 | 2,272.00 |
| 0096844 USA BLUE BOOK | 212914 | 1/27/2025 | 1,604.67 |
| 0104660 WEST YOST ASSOCIATES, INC. | 212917 | 1/27/2025 | 19,036.75 |
| 0110001 WHITE BRENNER LLP | 212918 | 1/27/2025 | 2,044.88 |
| 0110293 WILLIAM RIVAS | 212889 | 1/27/2025 | 155.00 |
| 0096893 WILSEY HAM | 212919 | 1/27/2025 | 13,157.24 |
| 0109476 WORLD PAC INC | 212921 | 1/27/2025 | 966.05 |
| GrandTotal: | | | 955,210.59 |
| Total count: | | | 117 |



**City Council Agenda Item
Staff Report**

CITY OF SAN BRUNO

DATE: February 3, 2025

TO: Honorable Mayor and Members of the City Council

FROM: Alex D. McIntyre, City Manager


PREPARED BY: Nick Pegueros, Chief Financial Officer
Kathleen O'Malley, Accounting & Customer Service Representative

SUBJECT: Accounts Payable Warrant Register

This is to certify that the claims listed on pages 1 to 3 inclusive, and/or claims numbered from 212924 through 213048 inclusive, totaling \$1,019,974.11, have been checked in detail and approved by the proper officials, and in my opinion, represent fair and just charges against the City in accordance with their respective amounts. The table below summarizes the total paid by Fund.

| Fund | Fund Name | Amount |
|---------------------------|---------------------------------|-----------------------|
| 001 | General Fund | \$247,994.23 |
| 111 | Police Asset Forfeiture | \$2,400.00 |
| 122 | Solid Waste/Recycle | \$1,461.76 |
| 132 | Agency on Aging | \$190.50 |
| 137 | Developer Project Contributions | \$67,502.03 |
| 201 | Parks and Facilities Capital | \$8,809.40 |
| 203 | Street Improvement Projects | \$249,450.65 |
| 207 | Technology Capital | \$15,900.00 |
| 611 | Water Fund | \$72,847.21 |
| 621 | Stormwater Fund | \$47,639.46 |
| 631 | Wastewater Fund | \$30,672.95 |
| 641 | CityNet Services Fund | \$40,250.98 |
| 701 | Central Garage | \$4,247.62 |
| 702 | Facility Maintenance Fund | \$41,129.04 |
| 703 | General Equipment Revolving | \$127,342.31 |
| 707 | Technology Development | \$2,071.81 |
| 711 | Self-Insurance | \$60,064.16 |
| TOTAL FOR APPROVAL | | \$1,019,974.11 |

Respectfully submitted,

DocuSigned by:

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 Chief Financial Officer

2/3/2025

 Date

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Positive Pay Listing
City of San Bruno

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| Vendor Code & Name | Check # | Check Date | Amount |
|---|---------|------------|-----------|
| 0096852 ABAG PLAN CORPORATION | 212924 | 2/3/2025 | 42,436.16 |
| 0110685 ACME WORKWEAR | 212925 | 2/3/2025 | 287.78 |
| 0109701 AIRDATA UAV, INC. | 212926 | 2/3/2025 | 2,400.00 |
| 0018976 ALPHA ANALYTICAL LAB. INC. | 212927 | 2/3/2025 | 4,055.00 |
| 0111869 AM SIGNAL, LLC | 212928 | 2/3/2025 | 80,433.35 |
| 0016123 AT&T | 212929 | 2/3/2025 | 928.16 |
| 0015110 AT&T MOBILITY | 212930 | 2/3/2025 | 687.27 |
| 0018465 AT&T MOBILITY | 212931 | 2/3/2025 | 139.47 |
| 0000345 BAKER & TAYLOR BOOKS | 212932 | 2/3/2025 | 1,096.83 |
| 0110591 BAVCO | 212933 | 2/3/2025 | 3,706.49 |
| 0109646 BIO CAR CARE | 212934 | 2/3/2025 | 525.00 |
| 0000378 BROADMOOR LANDSCAPE SUPPLY | 212935 | 2/3/2025 | 329.63 |
| 0000098 BRODART CO. | 212936 | 2/3/2025 | 97.92 |
| 0018323 BSK ASSOCIATES | 212937 | 2/3/2025 | 2,627.00 |
| 0106437 CALIX, INC. | 212938 | 2/3/2025 | 816.60 |
| 0110323 CAPF | 212939 | 2/3/2025 | 944.00 |
| 0106548 CAPITAL ONE TRADE CREDIT | 212940 | 2/3/2025 | 553.74 |
| 0017284 CHEMSEARCHFE | 212941 | 2/3/2025 | 913.06 |
| 0016324 CINTAS CORPORATION #464 | 212942 | 2/3/2025 | 930.52 |
| 0016324 CINTAS CORPORATION #464 | 212943 | 2/3/2025 | 253.78 |
| 0110074 COGENT COMMUNICATIONS, INC. | 212945 | 2/3/2025 | 4,000.00 |
| 0110941 CORODATA RECORDS MANAGEMENT, INC. | 213010 | 2/3/2025 | 57.95 |
| 0015857 COUNTY OF SAN MATEO | 212948 | 2/3/2025 | 164.51 |
| 0105811 CSAC EXCESS INSURANCE AUTHORITY | 212958 | 2/3/2025 | 14,339.72 |
| 0018331 CSG CONSULTANTS INC. | 212949 | 2/3/2025 | 16,705.00 |
| 0106011 CWEA-SFBS | 212950 | 2/3/2025 | 239.00 |
| 0018188 DAU PRODUCTS | 212951 | 2/3/2025 | 2,623.86 |
| 0093479 DEPARTMENT OF JUSTICE | 212952 | 2/3/2025 | 1,446.00 |
| 0103088 DUNN-EDWARDS CORP. | 212954 | 2/3/2025 | 187.18 |
| 0110123 DUNNIGAN PSYCHOLOGICAL& THREAT ASSESSMENTS, L | 213031 | 2/3/2025 | 975.00 |
| 0110713 EKI ENVIRONMENT&WATER, INC. | 212955 | 2/3/2025 | 11,036.74 |
| 0017300 ENVIRONMENTAL HEALTH FEE | 212956 | 2/3/2025 | 6,103.00 |
| 0018899 EOA INC. | 212957 | 2/3/2025 | 21,282.01 |
| 0106234 FASTRAK INVOICE PROCESSING DEPT. | 212978 | 2/3/2025 | 42.00 |
| 0102627 FASTRK VIOLATION PROCESSING DEPT. | 213042 | 2/3/2025 | 7.00 |
| 0091890 FIDELITY NATIONAL TITLE CO. | 212960 | 2/3/2025 | 850.00 |
| 0109510 FIRST ALARM | 212961 | 2/3/2025 | 5.93 |
| 0018117 FLYERS ENERGY, LLC | 212962 | 2/3/2025 | 16,903.65 |
| 0102869 FRANCHISE TAX BOARD | 212963 | 2/3/2025 | 75.00 |
| 0109776 FRESH LINE PRODUCE | 212964 | 2/3/2025 | 102.00 |
| 0018939 GLADWELL GOV'T SERVICES INC. | 212965 | 2/3/2025 | 650.00 |
| 0104135 GLOBAL TRACKING COMMUNICATIONS, INC. | 213036 | 2/3/2025 | 299.88 |
| 0102989 GOT POWER INC. | 212966 | 2/3/2025 | 27,525.81 |
| 0000162 GRAINGER | 212967 | 2/3/2025 | 1,125.34 |
| 0095966 GREAT AMERICA FINANCIAL SVC. | 212968 | 2/3/2025 | 280.66 |
| 0111833 HART HR SOLUTIONS | 212969 | 2/3/2025 | 3,300.00 |
| 0111486 HD SUPPLY, INC. | 212970 | 2/3/2025 | 887.83 |
| 0111486 HD SUPPLY, INC. | 212971 | 2/3/2025 | 716.45 |
| 0108221 HDL COREN & CONE | 212972 | 2/3/2025 | 3,556.25 |
| 0096946 HDR ENGINEERING, INC. | 212973 | 2/3/2025 | 23,073.65 |
| 0111908 HELEN MANTLER | 212985 | 2/3/2025 | 125.95 |
| 0111906 ILLUSIVE COMICS & GAMES, LLC | 212974 | 2/3/2025 | 403.95 |
| 0111585 IMPREMEDIA | 212975 | 2/3/2025 | 634.00 |

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| Vendor Code & Name | Check # | Check Date | Amount |
|--|---------|------------|------------|
| 0016941 INTERSTATE GRADING&PAVING,INC. | 212976 | 2/3/2025 | 194,092.60 |
| 0110898 ITPIPES OPCO, LLC | 212979 | 2/3/2025 | 3,750.00 |
| 0108549 JEANETTE M FEINBERG | 212959 | 2/3/2025 | 138.60 |
| 0095465 JENNIFER DIANOS | 212953 | 2/3/2025 | 500.00 |
| 0018844 JENNIFER SHAPONA | 213019 | 2/3/2025 | 213.36 |
| 0111153 JERI EILEEN MCGOVERN | 212987 | 2/3/2025 | 126.00 |
| 0018050 KAISER FOUNDATION HEALTH PLAN | 212980 | 2/3/2025 | 6,686.62 |
| 0096379 KAREN OJAKIAN | 212996 | 2/3/2025 | 165.60 |
| 0017661 KATHY M SCHMIDT | 213016 | 2/3/2025 | 1,429.20 |
| 0111829 LANGAN CA, INC. | 212981 | 2/3/2025 | 7,747.00 |
| 0103799 LDVALI LLC | 212982 | 2/3/2025 | 385.20 |
| 0105822 LEE & RO, INC. | 212983 | 2/3/2025 | 5,336.63 |
| 0017570 LEHR AUTO ELECTRIC | 212984 | 2/3/2025 | 35,606.57 |
| 0109759 LUHDORFF&SCALMANINI CONSULTING ENGINEERS, INC. | 212947 | 2/3/2025 | 4,683.85 |
| 0109532 MATRIX HG, INC. | 212986 | 2/3/2025 | 2,024.39 |
| 0016041 METROMOBILE COMMUNICATIONS | 212988 | 2/3/2025 | 370.50 |
| 0092285 MICROMARKETING LLC | 212989 | 2/3/2025 | 15.99 |
| 0103600 MOMENTUM TELECOM, INC. | 212990 | 2/3/2025 | 8,035.63 |
| 0108222 NATIONAL AUTO FLEET GROUP | 212991 | 2/3/2025 | 91,735.77 |
| 0108117 NETFILE, INC. | 212992 | 2/3/2025 | 5,400.00 |
| 0111902 NEW SHIDAI DEVELOPMENT, LLC | 212993 | 2/3/2025 | 1,815.30 |
| 0100765 NOEL RUANE | 213015 | 2/3/2025 | 10.53 |
| 0111878 NVA BRENTWOOD VETERINARY MANAGEMENT, LP | 213041 | 2/3/2025 | 591.38 |
| 0110243 ODP BUSINESS SOLUTIONS, LLC | 212994 | 2/3/2025 | 596.51 |
| 0111904 OFF THE GRID SERVICES | 212995 | 2/3/2025 | 6,017.24 |
| 0097567 ONE HOUR DRY CLEANING | 212997 | 2/3/2025 | 1,366.55 |
| 0018701 ORKIN PEST CONTROL | 212998 | 2/3/2025 | 860.94 |
| 0000012 PACIFIC GAS & ELECTRIC | 212999 | 2/3/2025 | 41,573.56 |
| 0000012 PACIFIC GAS & ELECTRIC | 213000 | 2/3/2025 | 488.78 |
| 0106829 PACIFIC OFFICE AUTOMATION INC. | 213001 | 2/3/2025 | 548.33 |
| 0111882 PARODI INVESTIGATIVE SOLUTIONS LLC | 212977 | 2/3/2025 | 3,087.00 |
| 0001154 PENINSULA LIBRARY SYSTEM | 213002 | 2/3/2025 | 468.27 |
| 0001327 PENINSULA PUMP & EQUIPMENT INC | 213003 | 2/3/2025 | 1,320.51 |
| 0017260 PETERSON TRUCKS, INC. | 213004 | 2/3/2025 | 76.26 |
| 0018861 PITNEY BOWES | 213005 | 2/3/2025 | 6,000.00 |
| 0111816 PLUMBER'S PARADISE | 213006 | 2/3/2025 | 4,626.85 |
| 0111229 PORTER CAPITAL CORPORATION | 213007 | 2/3/2025 | 18,649.75 |
| 0109760 PRISM | 213008 | 2/3/2025 | 17,628.00 |
| 0013981 QUILL CORPORATION | 213009 | 2/3/2025 | 43.05 |
| 0110332 RICHARDS,WATSON & GERSHON | 213013 | 2/3/2025 | 83,361.90 |
| 0106293 ROBERT HALF | 213014 | 2/3/2025 | 14,388.13 |
| 0108539 ROSALIE L. STEINWAY | 213024 | 2/3/2025 | 112.50 |
| 0108537 SCOTT TONG | 213034 | 2/3/2025 | 50.40 |
| 0110128 SEHI COMPUTER PRODUCTS INC. | 213017 | 2/3/2025 | 971.90 |
| 0018461 SERRAMONTE FORD, INC. | 213018 | 2/3/2025 | 2,760.90 |
| 0097626 SHARP ELECTRONICS CORP. | 213020 | 2/3/2025 | 76.95 |
| 0109953 SHRED CITY | 213021 | 2/3/2025 | 63.72 |
| 0102909 SMITH-EMERY COMPANY | 213022 | 2/3/2025 | 1,705.00 |
| 0110212 STATE ROOFING SYSTEMS, INC. | 213023 | 2/3/2025 | 827.00 |
| 0018028 STATE WATER RESOURCES CONTROL BOARD(SWRCB) | 213012 | 2/3/2025 | 727.00 |
| 0105796 SUNRISE FOOD DISTRIBUTOR INC. | 213025 | 2/3/2025 | 88.50 |
| 0095565 SWINERTON BUILDERS | 213026 | 2/3/2025 | 474.00 |
| 0101086 T-MOBILE | 213033 | 2/3/2025 | 843.07 |
| 0018073 TEAMSTERS LOCAL 350 | 213027 | 2/3/2025 | 3,150.00 |

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| Vendor Code & Name | Check # | Check Date | Amount |
|---|---------|------------|---------------------|
| 0015691 TEAMSTERS LOCAL 856 | 213028 | 2/3/2025 | 12,091.00 |
| 0015671 TECHNOLOGY, ENGINEERING & CONSTRUCTION, INC. | 212946 | 2/3/2025 | 6,495.00 |
| 0107098 TELSTAR INSTRUMENTS | 213029 | 2/3/2025 | 1,011.00 |
| 0000241 THE ADAM-HILL COMPANY | 213030 | 2/3/2025 | 491.43 |
| 0097449 TK ELEVATOR CORPORATION | 213032 | 2/3/2025 | 1,814.20 |
| 0093068 TOWN OF HILLSBOROUGH | 213035 | 2/3/2025 | 110.00 |
| 0018687 TYLER TECHNOLOGIES INC. | 213037 | 2/3/2025 | 1,078.55 |
| 0110714 UNDERGROUND REPUBLIC WATER WORKS, INC. | 213011 | 2/3/2025 | 2,089.07 |
| 0018618 UNITED SITE SERVICES INC. | 213038 | 2/3/2025 | 325.93 |
| 0102744 UNIVERSAL BUILDING SERVICES | 213039 | 2/3/2025 | 9,133.96 |
| 0016835 US BANK NATIONAL ASSOCIATION | 213040 | 2/3/2025 | 3,271.33 |
| 0104233 WAVE | 213043 | 2/3/2025 | 10,050.00 |
| 0016899 WECO INDUSTRIES LLC | 213044 | 2/3/2025 | 2,937.80 |
| 0105955 WEST COAST CODE CONSULTANTS, INC. | 212944 | 2/3/2025 | 17,969.50 |
| 0104660 WEST YOST ASSOCIATES, INC. | 213045 | 2/3/2025 | 24,642.25 |
| 0096893 WILSEY HAM | 213046 | 2/3/2025 | 15,425.97 |
| 0108261 WOODARD & CURRAN | 213047 | 2/3/2025 | 13,973.75 |
| 0109122 ZERO TURN POWER WASHING | 213048 | 2/3/2025 | 9,363.00 |
| GrandTotal: | | | 1,019,974.11 |
| Total count: | | | 125 |



**City Council Agenda Item
Staff Report**

CITY OF SAN BRUNO

DATE: February 11, 2025
TO: Honorable Mayor and Members of the City Council
FROM: Alex D. McIntyre, City Manager
PREPARED BY: Brian Liu, Management Analyst
SUBJECT: Payroll Acceptance

City Council acceptance of the City payroll distributed January 31, 2025 is recommended. The Labor Summary report reflecting the total payroll amount of \$2,138,386.83 for bi-weekly pay period ending January 26, 2025, by fund is shown below:

| Fund | Amount |
|---|---------------------|
| Fund: 001 - GENERAL FUND | 1,447,474.75 |
| Fund: 121 -FEDERAL/STATE GRANTS | 19,994.04 |
| Fund: 122 - SOLID WASTE/RECYCLE | 3,389.03 |
| Fund: 132 - AGENCY ON AGING | 4,397.70 |
| Fund: 137 - DEVELOPER PROJECT CONTRIBUTIONS | 1,790.01 |
| Fund: 141 - COMMUNITY DEVELOPMENT | 101,738.96 |
| Fund: 142 - RECREATION AND AQUATICS CENTER | 109,221.15 |
| Fund: 201 - PARKS AND FACILITIES CAPITAL | 1,641.35 |
| Fund: 203 - STREET IMPROVE. PROJECTS | 18,469.56 |
| Fund: 207 - TECHNOLOGY CAPITAL | 5,744.70 |
| Fund: 611 - WATER FUND | 123,049.45 |
| Fund: 621 - STORMWATER FUND | 30,662.82 |
| Fund: 631 - WASTEWATER FUND | 92,346.63 |
| Fund: 641 - CITYNET SERVICES FUND | 91,880.43 |
| Fund: 701 - CENTRAL GARAGE | 20,325.91 |
| Fund: 702 - FACILITY MAINT.FUND | 41,056.62 |
| Fund: 707 - TECHNOLOGY DEVELOPMENT | 20,151.82 |
| Fund: 711 - SELF INSURANCE | 5,051.90 |
| Total: | 2,138,386.83 |

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2/4/2025

Nick Pegueros, Administrative Services Director / CFO

Date



**City Council Agenda Item
Staff Report**

CITY OF SAN BRUNO

DATE: February 11, 2025

TO: Honorable Mayor and Members of the City Council

FROM: Nick Pegueros, Administrative Services Director & CFO

PREPARED BY: Esther Garibay, Finance Manager

SUBJECT: Month End Investment Report – January 2025

The table below summarizes the investment portfolio’s total book value by Investment type.

| Investment Type | Total Book Value |
|--------------------------------------|-------------------------|
| TriCounties Bank | \$8,141,790 |
| Wells Fargo Bank /Sweep Money Market | 28,930,725 |
| CalTrust Liquid Money Market Fund | 17,893,852 |
| CalTrust Medium Term Fund | 20,441,374 |
| Local Agency Investment Fund | 41,682,808 |
| Government Agency Investments | 91,680,023 |
| Municipal Bonds | 24,947,026 |
| Money Market Investments | 17,190,903 |
| Total Investments | \$250,908,502 |

All securities held by the City of San Bruno as of January 2025 are in compliance with the City’s Investment Policy adopted on June 25, 2024.

Respectfully submitted,

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 Administrative Services Director & CFO

2/5/2025

 Date



CITY OF SAN BRUNO
Portfolio Summary
January 31, 2025

| Investments | Coupon Rate | CUSIP | Book Value | Market Value | YTM | Maturity Date | % of Portfolio |
|---|-------------|-----------|--------------------|--------------------|-------|------------------|----------------|
| Short Term Investments | | | | | | | |
| TriCounties Bank Cash Balance | | | 8,141,790 | 8,141,790 | 3.98% | N/A | 3% |
| Wells Fargo General Acct /Sweep Money Market | | | 28,930,725 | 28,930,725 | 4.25% | N/A | 12% |
| CalTrust Liquidity Money Market Fund | | | 17,893,852 | 17,893,852 | 4.42% | N/A | 7% |
| CalTrust Medium Term Fund | | | 20,441,374 | 20,441,374 | 4.16% | N/A | 8% |
| Total CalTrust | | | 38,335,226 | 38,335,226 | | | 15% |
| Pooled Investments | | | | | | | |
| Local Agency Investment Fund | | | 38,081,515 | 38,081,515 | 4.37% | NA | 15% |
| Glenview Fire Local Agency Investment Fund | | | 3,601,292 | 3,601,292 | 4.37% | NA | 1% |
| Total LAIF | | | 41,682,808 | 41,682,808 | | | 17% |
| US Bank Portfolio/Securities | | | | | | | |
| Money Market Investments | | | | | | | |
| U.S. Government Money Market | | 31846V567 | 15,287,533.33 | 15,287,533 | 4.28% | NA | 6% |
| U.S. Treasury Bills | | | | | | | |
| U.S. Treasury Bills | 4.85% | 912797LN5 | 1,903,369 | 1,970,080 | 4.20% | June 12, 2025 | 1% |
| Total Money Market and US Treas. Bills Investments | | | 17,190,903 | 17,257,613 | | | 7% |
| Total Short Term Investments | | | 134,281,452 | 134,348,163 | | | |
| Municipal Bonds | | | | | | | |
| California St Federally Taxable Var | 3.38% | 13063DGB8 | 1,105,910 | 1,001,838 | 0.69% | April 1, 2025 | 0% |
| California St Federally Taxable Var | 3.38% | 13063DGB8 | 1,466,885 | 1,328,843 | 0.65% | April 1, 2025 | 1% |
| University Calif Revs Taxable Gen Bds | 0.88% | 91412HGE7 | 1,513,455 | 1,485,405 | 0.65% | May 15, 2025 | 1% |
| Los Angeles Calif Comm Coll Dist GOB Unlimited Tax | 0.77% | 54438CYK2 | 2,000,000 | 1,963,440 | 0.77% | August 1, 2025 | 1% |
| California St Univ Revenue | 0.89% | 13077DML3 | 1,459,170 | 1,461,750 | 1.64% | November 1, 2025 | 1% |
| California St Taxable Various GOB | 2.65% | 13063DMA3 | 1,068,690 | 981,800 | 1.07% | April 1, 2026 | 0% |
| Pasadena USD non-callable GOB | 2.07% | 702282QD9 | 1,043,920 | 972,930 | 1.09% | May 1, 2026 | 0% |
| Los Angeles Unified SD non-callable | 1.46% | 544547FC9 | 2,009,340 | 1,915,080 | 1.35% | July 1, 2026 | 1% |
| Southern California St Public Pwer Auth | 1.26% | 842475P82 | 1,555,751 | 1,517,353 | 1.77% | July 1, 2026 | 1% |
| San Jose CA Redev Agy Successor Agy Tax Allocation | 3.18% | 798170AJ5 | 1,405,984 | 1,302,008 | 1.51% | August 1, 2026 | 1% |
| San Jose CA Redev Agy Successor Agy Tax Allocation | 3.18% | 798170AJ5 | 1,223,083 | 1,132,633 | 2.09% | August 1, 2026 | 0% |
| Cupertino UHSD Taxable non-callable GOB | 2.15% | 231237P28 | 1,057,240 | 969,130 | 0.96% | August 1, 2026 | 0% |
| Santa Monica CCD taxable non-callable GOB | 1.04% | 802385RR7 | 755,235 | 712,890 | 0.90% | August 1, 2026 | 0% |
| Los Angeles Calif Comm Coll Dist GOB Unlimited Tax | 1.17% | 54438CYL0 | 998,010 | 951,000 | 1.22% | August 1, 2026 | 0% |
| San Dieguito CA Union High Sch Dist | 1.86% | 797508HF8 | 987,050 | 964,000 | 2.17% | August 1, 2026 | 0% |
| California St Taxable BID non-callable | 2.38% | 13063DRD2 | 736,400 | 680,143 | 1.28% | October 1, 2026 | 0% |
| California St Taxable BID non-callable | 2.38% | 13063DRD2 | 743,022 | 686,260 | 1.37% | October 1, 2026 | 0% |
| California St Univ Revenue | 1.14% | 13077DQE5 | 949,640 | 945,680 | 1.14% | November 1, 2026 | 0% |
| Los Angeles CA Dept of ARPTS ARPT Revenue | 1.10% | 544445TW9 | 991,001 | 1,042,166 | 3.74% | May 15, 2027 | 0% |
| University Calif Rgts Med Center Pool Rev Taxable Srs M | 2.56% | 913366JB7 | 1,877,240 | 1,915,280 | 4.68% | May 15, 2027 | 1% |
| Total Municipal Bonds Investments | | | 24,947,026 | 23,929,628 | | | 10% |



CITY OF SAN BRUNO
Portfolio Summary
January 31, 2025

| Investments | Coupon Rate | CUSIP | Book Value | Market Value | YTM | Maturity Date | % of Portfolio |
|---|-------------|-----------|--------------------|--------------------|---------------|--------------------|----------------|
| US Treasuries & Agencies | | | | | | | |
| U.S. Treasury Notes | 1.13% | 912828ZC7 | 2,036,016 | 1,995,500 | 0.63% | February 28, 2025 | 1% |
| U.S. Treasury Notes | 0.50% | 912828ZF0 | 1,989,219 | 1,988,540 | 0.64% | March 31, 2025 | 1% |
| Federal Farm Credit Bank | 5.13% | 3133ERDY4 | 2,000,258 | 2,004,320 | 5.11% | May 9, 2025 | 1% |
| U.S. Treasury Notes | 4.25% | 91282CHD6 | 983,633 | 999,530 | 5.32% | May 31, 2025 | 0% |
| U.S. Treasury Notes | 0.25% | 912828ZW3 | 1,963,750 | 1,967,940 | 0.71% | June 30, 2025 | 1% |
| U.S. Treasury Notes | 0.25% | 91282CAB7 | 1,305,746 | 1,299,229 | 0.60% | July 31, 2025 | 1% |
| U.S. Treasury Notes | 4.75% | 91282CHN4 | 4,008,281 | 4,008,920 | 4.43% | July 31, 2025 | 2% |
| U.S. Treasury Notes | 0.25% | 91282CAJ0 | 1,958,750 | 1,954,320 | 0.75% | August 31, 2025 | 1% |
| U.S. Treasury Notes | 5.00% | 91282CHV6 | 1,990,938 | 2,007,260 | 5.25% | August 31, 2025 | 1% |
| U.S. Treasury Notes | 0.25% | 91282CAM3 | 1,967,446 | 1,948,180 | 0.63% | September 30, 2025 | 1% |
| U.S. Treasury Notes | 5.00% | 91282CJB8 | 1,991,953 | 2,008,820 | 5.22% | September 30, 2025 | 1% |
| U.S. Treasury Notes | 0.26% | 91282CAT8 | 1,465,547 | 1,456,425 | 0.76% | October 31, 2025 | 1% |
| U.S. Treasury Notes | 5.00% | 91282CJE2 | 2,016,563 | 2,014,085 | 4.17% | October 31, 2025 | 1% |
| U.S. Treasury Notes | 5.00% | 91282CJE2 | 4,021,094 | 4,016,155 | 4.41% | October 31, 2025 | 2% |
| Federal Farm Credit Bank | 4.88% | 3133EPC37 | 1,295,239 | 1,306,370 | 5.07% | November 13, 2025 | 1% |
| U.S. Treasury Notes | 0.38% | 91282CAZ4 | 1,962,891 | 1,937,400 | 0.78% | November 30, 2025 | 1% |
| U.S. Treasury Notes | 4.00% | 91282CGA3 | 990,610 | 997,980 | 4.69% | December 15, 2025 | 0% |
| U.S. Treasury Notes | 0.38% | 91282CBC4 | 1,971,878 | 1,931,920 | 0.69% | December 31, 2025 | 1% |
| U.S. Treasury Notes | 0.38% | 91282CBH3 | 970,234 | 962,560 | 1.10% | January 31, 2026 | 0% |
| U.S. Treasury Notes | 1.57% | 912828P46 | 2,075,391 | 1,947,080 | 0.84% | February 15, 2026 | 1% |
| U.S. Treasury Notes | 0.51% | 91282CBQ3 | 1,966,172 | 1,922,120 | 0.85% | February 28, 2026 | 1% |
| U.S. Treasury Notes | 4.63% | 91282CGR6 | 2,001,328 | 2,008,200 | 4.58% | March 15, 2026 | 1% |
| U.S. Treasury Notes | 0.75% | 91282CBT7 | 1,884,859 | 1,826,071 | 0.91% | March 31, 2026 | 1% |
| Federal Farm Credit Bank | 4.63% | 3133EP7C3 | 1,986,960 | 2,007,640 | 4.98% | April 1, 2026 | 1% |
| U.S. Treasury Notes | 0.75% | 91282CBW0 | 1,987,813 | 1,916,800 | 0.88% | April 30, 2026 | 1% |
| U.S. Treasury Notes | 1.63% | 912828R36 | 1,456,000 | 1,354,878 | 0.80% | May 15, 2026 | 1% |
| Federal Home Loan Bank | 0.88% | 3130AN4T4 | 1,148,747 | 1,099,895 | 0.90% | June 12, 2026 | 0% |
| U.S. Treasury Notes | 0.63% | 91282CCP4 | 992,773 | 948,710 | 0.77% | July 31, 2026 | 0% |
| U.S. Treasury Notes | 0.75% | 91282CCW9 | 1,997,813 | 1,895,460 | 0.77% | August 31, 2026 | 1% |
| U.S. Treasury Notes | 1.63% | 912828YG9 | 1,034,219 | 959,140 | 0.92% | September 30, 2026 | 0% |
| U.S. Treasury Notes (WIT) | 0.88% | 91282CCZ2 | 997,227 | 947,110 | 0.93% | September 30, 2026 | 0% |
| U.S. Treasury Notes | 4.63% | 91282CJC6 | 988,477 | 1,006,480 | 5.04% | October 15, 2026 | 0% |
| U.S. Treasury Notes (WIT) | 1.13% | 91282CDG3 | 995,391 | 948,325 | 1.22% | October 31, 2026 | 0% |
| U.S. Treasury Notes (WIT) | 1.13% | 91282CDG3 | 996,367 | 949,255 | 1.20% | October 31, 2026 | 0% |
| U.S. Treasury Notes (WIT) | 1.25% | 91282CDK4 | 1,501,684 | 1,422,885 | 1.23% | November 30, 2026 | 1% |
| Federal Farm Credit Bank | 4.83% | 3133EPM28 | 2,000,000 | 2,000,380 | 4.83% | December 11, 2026 | 1% |
| U.S. Treasury Notes | 1.25% | 91282CDQ1 | 1,647,422 | 1,561,445 | 1.28% | December 31, 2026 | 1% |
| U.S. Treasury Notes | 4.00% | 91282CJT9 | 3,968,125 | 3,984,080 | 4.34% | January 15, 2027 | 2% |
| U.S. Treasury Notes | 1.25% | 912828ZT8 | 1,995,685 | 1,897,420 | 1.55% | January 31, 2027 | 1% |
| U.S. Treasury Notes | 4.13% | 91282CKA8 | 2,004,260 | 1,996,400 | 4.03% | February 15, 2027 | 1% |
| U.S. Treasury Notes | 1.88% | 91282CEC1 | 1,982,500 | 1,907,820 | 2.06% | February 28, 2027 | 1% |
| U.S. Treasury Notes | 2.50% | 91282CEF4 | 1,475,156 | 1,447,905 | 2.86% | March 31, 2027 | 1% |
| U.S. Treasury Notes | 0.50% | 912828ZN3 | 1,326,680 | 1,382,220 | 2.86% | April 30, 2027 | 1% |
| U.S. Treasury Notes | 4.13% | 91282CFM8 | 2,006,875 | 1,995,400 | 4.00% | September 30, 2027 | 1% |
| U.S. Treasury Notes | 4.00% | 91282CGP0 | 1,998,364 | 1,985,780 | 4.03% | February 29, 2028 | 1% |
| U.S. Treasury Notes | 4.38% | 91282CHK2 | 2,033,125 | 2,005,620 | 3.91% | August 31, 2028 | 1% |
| Federal Farm Credit Bank | 4.63% | 3133EPC45 | 1,294,557 | 1,313,832 | 4.72% | November 13, 2028 | 1% |
| Federal Home Loan Bank | 4.50% | 3130AVBD3 | 1,986,480 | 2,008,820 | 4.65% | March 29, 2029 | 1% |
| U.S. Treasury Notes | 4.63% | 91282CKP5 | 2,059,531 | 2,023,360 | 3.90% | April 30, 2029 | 1% |
| Federal Home Loan Bank | 4.20% | 3130B3CP6 | 3,000,000 | 2,953,020 | 4.20% | October 9, 2029 | 1% |
| Total U.S. Treasuries & Agencies | | | 91,680,023 | 90,429,004 | | | 37% |
| TOTAL PORTFOLIO | | | 250,908,502 | 248,706,795 | 3.477% | | 100% |

There is adequate cash flow and maturity of investments to meet the City's needs for the next six months.

Prepared By: DocuSigned by: Nick Pejaros 7F40318EEEB446B

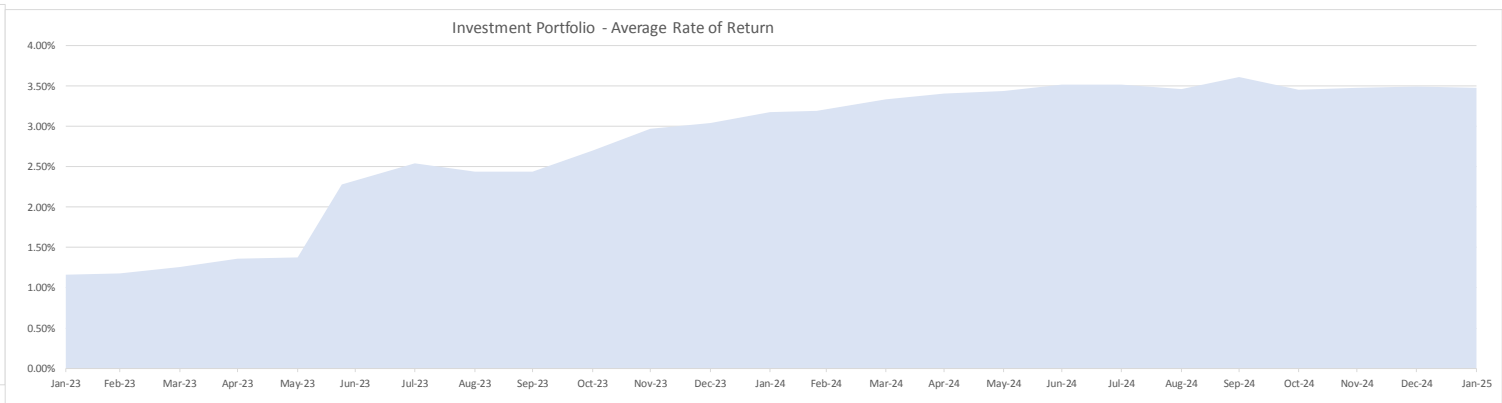
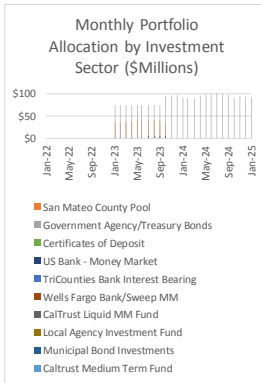
Reviewed By: Nick Pejaros 82832C6CA30A007



CITY OF SAN BRUNO
Portfolio Summary Metrics
January 31, 2025

Monthly Portfolio Allocation by Investment Sector (\$Millions)

| | Jan-23 | Feb-23 | Mar-23 | Apr-23 | May-23 | Jun-23 | Jul-23 | Aug-23 | Sep-23 | Oct-23 | Nov-23 | Dec-23 | Jan-24 | Feb-24 | Mar-24 | Apr-24 | May-24 | Jun-24 | Jul-24 | Aug-24 | Sep-24 | Oct-24 | Nov-24 | Dec-24 | Jan-25 |
|-----------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| TriCounties Bank Interest Bearing | \$65.8 | \$67.7 | \$64.8 | \$64.8 | \$67.9 | \$21.9 | \$12.2 | \$9.7 | \$10.1 | \$11.5 | \$22.0 | \$15.2 | \$15.7 | \$13.2 | \$14.7 | \$18.8 | \$17.6 | \$19.1 | \$10.2 | \$13.9 | \$13.7 | \$8.1 | \$16.9 | \$9.5 | \$8.1 |
| Wells Fargo Bank/Sweep MM | - | - | - | - | - | \$42.0 | \$42.2 | \$24.4 | \$25.4 | \$22.7 | \$23.9 | \$22.9 | \$23.9 | \$20.9 | \$22.1 | \$27.7 | \$23.9 | \$26.7 | \$21.4 | \$19.3 | \$19.9 | \$37.3 | \$24.3 | \$25.3 | \$28.9 |
| CalTrust Liquid MM Fund | - | - | - | - | - | - | - | - | - | - | - | \$2.0 | \$2.0 | \$12.1 | \$22.1 | \$22.2 | \$25.3 | \$25.4 | \$15.5 | \$11.6 | \$11.6 | \$11.7 | \$17.8 | \$17.8 | \$17.9 |
| Caltrust Medium Term Fund | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | \$20.1 | \$20.3 | \$20.4 | \$20.3 | \$20.3 | \$20.4 | \$20.4 |
| Local Agency Investment Fund | 33.2 | 33.2 | 33.2 | 33.2 | 33.4 | 33.4 | 33.7 | 51.5 | 44.5 | 44.8 | 29.8 | 29.8 | 30.2 | 30.2 | 15.2 | 15.5 | 15.5 | 15.5 | 15.7 | 15.6 | 15.7 | 25.9 | 25.9 | 41.4 | 41.7 |
| San Mateo County Pool | 35.8 | 36.1 | 36.7 | 36.7 | 43.2 | 43.6 | 38.6 | 40.4 | 40.7 | 36.6 | 37.2 | 45.2 | 47.7 | 41.9 | 36.8 | 32.7 | 28.7 | 25.2 | 22.5 | 22.6 | 20.0 | - | - | - | - |
| Government Agency/Treasury Bonds | 74.4 | 74.4 | 74.4 | 74.4 | 74.4 | 74.4 | 74.4 | 74.4 | 74.4 | 94.3 | 95.9 | 97.9 | 92.5 | 90.5 | 88.6 | 95.9 | 98.4 | 98.4 | 101.9 | 99.9 | 96.9 | 89.9 | 95.8 | 93.7 | 91.7 |
| Municipal Bond Investments | 27.3 | 27.3 | 27.3 | 27.3 | 27.3 | 27.3 | 27.3 | 27.3 | 27.3 | 27.3 | 25.7 | 25.7 | 25.7 | 25.7 | 27.6 | 27.6 | 27.6 | 27.6 | 27.6 | 26.5 | 26.5 | 26.5 | 24.9 | 24.9 | 24.9 |
| Certificates of Deposit | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | - | - | - |
| US Bank - Money Market | 0.3 | 0.5 | 0.6 | 0.6 | 0.9 | 0.9 | 6.4 | 6.6 | 6.6 | 5.9 | 6.1 | 4.2 | 9.8 | 12.1 | 17.2 | 5.4 | 7.2 | 11.7 | 8.4 | 11.6 | 14.9 | 16.5 | 12.7 | 14.9 | 17.2 |
| Total | \$237.3 | \$239.7 | \$237.5 | \$237.5 | \$247.6 | \$244.0 | \$235.3 | \$234.8 | \$229.5 | \$243.6 | \$241.1 | \$243.4 | \$248.0 | \$247.0 | \$244.7 | \$246.3 | \$244.7 | \$250.2 | \$243.8 | \$241.8 | \$240.1 | \$236.6 | \$238.6 | \$247.9 | \$250.9 |
| Average Rate of Return | 1.16% | 1.18% | 1.26% | 1.36% | 1.38% | 2.28% | 2.54% | 2.44% | 2.44% | 2.70% | 2.97% | 3.04% | 3.18% | 3.19% | 3.33% | 3.40% | 3.44% | 3.52% | 3.52% | 3.46% | 3.61% | 3.45% | 3.48% | 3.49% | 3.48% |





**City Council Agenda Item
Staff Report**

CITY OF SAN BRUNO

DATE: February 11, 2025

TO: Honorable Mayor and Members of the City Council

FROM: Alex D. McIntyre, City Manager

PREPARED BY: Matthew Lee, P.E., Public Works Director
Diana Agcaoili, Assistant Engineer

SUBJECT: Consider Adoption of a Resolution Accepting the 2023-24 Slurry Seal Project as Complete; Authorizing the Filing of Notice of Completion with the San Mateo County Recorder’s Office; and Authorizing the Release of the Construction Contract Retention in the Amount of \$29,796.72

BACKGROUND:

The City’s Capital Improvement Program (CIP) includes the 2023-24 Slurry Seal Project to repair and apply preventative maintenance treatment to local, collector, and arterial streets. The City utilizes the Metropolitan Transportation Commission’s Pavement Management Program (PMP), known as *Streetsaver*, to analyze pavement data and select street treatments to optimize use of funds for maintenance and rehabilitation. The streets selected for this project are those that would benefit from preventative maintenance to prevent roadway deterioration.

A total of 21 street segments totaling approximately 2.92 centerline miles received preventative maintenance slurry seal treatment. The project scope of work consisted of base repair of failed street areas, slurry seal application, and restriping of pavement markings. The completion of this project extended the life of the pavement and reduced life cycle costs by deferring the need for more expensive rehabilitative repairs. The street segments that received preventative maintenance treatment were as follows:

| STREET NAME | FROM | TO |
|--------------------|--------------------|-----------------|
| AMADOR AVENUE | MONTEREY DRIVE | SNEATH LANE |
| BURROWS AVENUE | PARK AVENUE | KAINS AVENUE |
| CASTLETON WAY | LONGVIEW DRIVE | ROSS WAY |
| CEDAR AVENUE | JENEVEIN AVENUE | PARK AVENUE |
| CEDAR AVENUE | KAINS AVENUE | CEDARWOOD COURT |
| CEDAR AVENUE | PARK AVENUE | KAINS AVENUE |
| DE SOTO WAY | SANTA LUCIA AVENUE | CITY PARK |
| EMALITA COURT | END | LINDEN AVENUE |
| EMARON DRIVE | GOODWIN DRIVE | GOODWIN DRIVE |
| HICKORY AVENUE | CHERRY AVENUE | CEDAR AVENUE |
| HOLLY AVENUE | CHERRY AVENUE | CEDAR AVENUE |
| JUNIPER AVENUE | CHERRY AVENUE | CEDAR AVENUE |

| | | |
|---------------------|------------------|-----------------|
| KAINS AVENUE | CHERRY AVENUE | PEPPER DRIVE |
| LASSEN DRIVE | LAKE DRIVE | AMADOR AVENUE |
| MERCED DRIVE | AMADOR AVENUE | CUL-DE-SAC |
| PARK AVENUE | CHERRY AVENUE | CEDAR AVENUE |
| PINECREST DRIVE | VALLEYWOOD DRIVE | EVERGREEN DRIVE |
| SANTA BARBARA PLACE | SNEATH LANE | CUL-DE-SAC |
| SERRA COURT | PARKVIEW DRIVE | END |
| SHERYL DRIVE | FASMAN DRIVE | COLLEGE DRIVE |
| SISKIYOU COURT | SNEATH LANE | CUL-DE-SAC |

DISCUSSION:

On July 23, 2024, the City Council approved a construction contract with American Asphalt Repair and Resurfacing Company, Inc. (Company) in the amount of \$668,398.08 with a construction contingency of \$100,000. Due to the actual quantities completed being less than the bid quantity estimate, a change order for a credit in the amount of \$72,463.68 was issued, which decreased the final contract amount to \$595,934.40. The project was completed under budget and without any issues.

Company began the project in August 2024. All construction work as part of this contract has been completed to the satisfaction of the City's project team. There are no unresolved stop notices or outstanding construction claims for this project. The construction contract required a 5% retention, which totaled \$29,796.72, be withheld by the City. Staff recommends that the City Council accept the project as complete, authorize filing a Notice of Completion with the San Mateo County Recorder's Office, and approve release of the contract retention.

FISCAL IMPACT:

The 2023-24 Slurry Seal Project is an established Capital Improvement Project with an approved CIP budget of \$996,600. The project budget was augmented by \$26,000 from the Pedestrian Safety and Traffic-Calming Program - TSPC Studies (Project #60020) for installation of speed humps within the project limits. The total project budget was \$1,022,600. As detailed below, the total expenditure for the project was approximately \$762,000. The remaining budget will be returned to the Pavement Management Program.

| Description | Expenditure |
|--|--------------------|
| Design Contract (CSG Consultants, Inc.) | \$ 80,194.50 |
| Staff Management for Design | \$ 45,000.00 |
| Project Management (CSG Consultants, Inc.) | \$ 5,500.00 |
| Construction Contract (American Asphalt Repair & Resurfacing Co., Inc. | \$ 595,934.40 |
| Materials & Compaction Testing (Ninyo & Moore) | \$ 8,692.50 |
| Construction Management and Inspection | \$ 25,000.00 |
| Reproduction & Advertisement | \$ 875.56 |
| <hr/> | |
| Total Rounded | \$ 762,000.00 |

ENVIRONMENTAL IMPACT:

The action is not a project subject to CEQA. City Council's action is not considered a "Project" per CEQA Guidelines and therefore no further environmental analysis is required.

RECOMMENDATION:

Consider Adopting a Resolution:

- Accepting the 2023-24 Slurry Seal Project as complete;
- Authorizing the filing of Notice of Completion with the San Mateo County Recorder's Office; and
- Authorizing the release of the construction contract retention in the amount of \$29,796.72

ALTERNATIVES:

1. Do not accept the construction contract as complete and do not authorize filing of a Notice of Completion.

ATTACHMENTS:

1. Resolution
2. Project Acceptance Information Form

RESOLUTION NO. 2025 - ____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN BRUNO ACCEPTING THE 2023-24 SLURRY SEAL PROJECT AS COMPLETE; AUTHORIZING THE FILING OF NOTICE OF COMPLETION WITH THE SAN MATEO COUNTY RECORDER'S OFFICE; AND AUTHORIZING RELEASE OF THE CONSTRUCTION CONTRACT RETENTION IN THE AMOUNT OF \$29,796.72

WHEREAS, the City's Capital Improvement Program (CIP) includes the 2023-24 Slurry Seal Project to repair and apply preventative maintenance treatment to local, collector, and arterial streets; and

WHEREAS, a total of 21 street segments totaling approximately 2.92 centerline miles received preventative maintenance slurry seal treatment; and

WHEREAS, the project scope of work consisted of slurry seal application, base repair of failed street areas and restriping of pavement markings; and

WHEREAS, on July 23, 2024, the City Council approved a construction contract with American Asphalt Repair and Resurfacing Company Inc. in the amount of \$668,398.08 with a construction contingency of \$100,000; and

WHEREAS, American Asphalt Repair and Resurfacing Company, Inc. began the Project in August 2024; and

WHEREAS, all construction work as part of this contract has been completed to the satisfaction of the City's project management team; and

WHEREAS, due to the actual quantities completed being less than the initial estimate, a change order for credit in the amount of \$72,463.68 was issued which decreased the final contract amount to \$595,934.40; and

WHEREAS, the construction contract requires the filing of a Notice of Completion of this project with the San Mateo County Recorder's Office and release of the construction contract retention in the amount of \$29,796.72 in accordance with the contract documents upon the acceptance of the project as complete.

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby:

- Accepts the 2023-24 Slurry Seal Project as complete;
- Authorizes the filing of a Notice of Completion with the San Mateo County Recorder's Office; and
- Authorizes release of the construction contract retention in the amount of \$29,796.72.

---oOo---

I hereby certify that foregoing **Resolution No. 2025 - ____** was introduced and adopted by the San Bruno City Council at a regular meeting on February 11, 2025, by the following vote:

AYES: Councilmembers:
NOES: Councilmembers:
ABSENT: Councilmembers

Lupita Huerta, City Clerk



**Capital Improvement Program
Project Acceptance Information Form**

As of February 11, 2025

| | | | |
|---|---|---------------|-------|
| Contract Name: | 2023-24 Slurry Seal Project | Contract No.: | 60038 |
| Construction Contractor: | American Asphalt Repair and Resurfacing Company, Inc. | | |
| Construction Management and Inspection Services | City Staff | | |

Project Information:

| | |
|-------------------------------|--|
| Project Description: | This Project consists of slurry sealing 21 street segments totaling approximately 2.92 centerline miles, base repair of failed street areas and restriping of pavement markings. |
| Construction Contract Award: | American Asphalt Repair and Resurfacing Company, Inc. – July 23, 2024 |
| Start of Construction: | August 2024 |
| Contract Change Orders (CCO): | Actual quantities completed being less than the bid quantity estimate, a change order for credit in the amount of \$72,463.68 was issued which decreased the final contract amount to \$595,934.40 |
| Substantial Completion: | October 2024 |
| Final Completion: | November 2024 |
| Notice of Completion: | Scheduled for filing on February 14, 2025 |

Construction Project Costs:

| | Budget | Actual |
|--|-----------------|----------------|
| AVAILABLE PROJECT FY 23-24 CAPITAL BUDGET | \$ 1,022,600.00 | |
| TOTAL PROJECT | \$ 1,017,000.00 | \$ 762,000.00 |
| Design Contract (CSG Consultants, Inc.) | \$ 100,485.00 | \$ 80,194.50 |
| Staff Management for Design | \$ 45,000.00 | \$ 49,499.98 |
| Project Management (CSG Consultants, Inc.) | | \$ 5,500.00 |
| Construction Contract (American Asphalt Repair & Resurfacing Co., Inc. | \$ 668,398.08 | \$ 595,934.40 |
| Construction Contingency (15%) | \$ 100,000.00 | \$ - |
| Contract Change Orders CCOs | \$ - | \$ (72,463.68) |
| Materials & Compaction Testing (Ninyo & Moore) | \$ 27,840.00 | \$ 8,692.50 |
| Estimated Staff Management and Inspection for Construction | \$ 65,000.00 | \$ 25,000.00 |
| Reproduction & Advertisement | \$ 10,000.00 | \$ 875.56 |



City Council Agenda Item Staff Report

CITY OF SAN BRUNO

DATE: February 11, 2025

TO: Honorable Mayor and Members of the City Council

FROM: Alex D. McIntyre, City Manager

PREPARED BY: Nick Pegueros, Administrative Services Director & CFO

SUBJECT: Consider Adopting the Fiscal Year 2025-26 City Council Priorities and Budget Principles

BACKGROUND:

On January 24, 2025, the City Council held its Strategic Initiatives and Prioritization Retreat at the Recreation & Aquatic Center. The retreat is a key milestone in the yearly budget development process because it allows staff to present a high-level summary of the fiscal climate or potential challenges and proposed capital improvement projects. Moreover, the retreat also creates space for the City Council to elaborate on potential strategic initiatives before ultimately deciding on five to prioritize for the coming fiscal year. This process helps to build consensus on priorities and ensure each fiscal year's key initiatives are actionable and achievable.

The recommended action is for City Council to formally adopt direction provided at their strategic initiatives retreat on January 24, 2025. This direction will guide staff in preparing a budget that aligns with established budget principles and includes funding for the City Council's five top priority initiatives for Fiscal Year 2025-26 (FY26).

DISCUSSION:

During the retreat, the City Council conducted its annual strategic initiatives and prioritization session, which provided important guidance for the upcoming budget preparation. The City Manager, alongside individual City Council members, presented a list of 25 strategic initiatives for consideration in FY26. After discussion, the City Council identified five key priority initiatives, described in this report. Additionally, the Council reviewed and confirmed the recommended budget principles for FY26 and decided not to make any changes.

FY26 Top Priority Initiatives

The following project descriptions are based on staff's understanding of City Council discussion at the January 24th retreat. Scope clarity is necessary to ensure the initiative's success, and staff requests that the Council provide clarity to the scope of work outlined below as part of their adoption process. All costs are estimates based on preliminary analysis. If amended and/or approved as is, staff will bring back the fully resourced initiatives as part of the City Manager's recommended budget.

Community Communications and Engagement Program

The Community Communications and Engagement Program's primary objective is to enhance internal and external communications through strategically utilizing various channels. The Program will be designed to foster transparency, trust, and inclusivity among all stakeholders.

The Program's overarching goal is to establish a series of proactive mechanisms to keep the community, employees, business community, and other stakeholders informed about City initiatives and activities while enhancing engagement through various communication channels. The Program will be designed to establish communication standards and style, address news and media requirements, develop proactive content, manage social media platforms, and support other marketing-related needs. **Estimated FY26 fiscal impact: \$0.1 million for developing communications and engagement strategy plan. On-going costs, depending on the initiative's scope, may range from \$0.15 to \$0.37 million per year.**

Mitigation of illegal dumping and maintenance of street medians

This initiative expands the current program, which leverages the City's relationship with Recology on illegal dumping. Recology currently picks up the larger discarded items, and City staff clean up the smaller items. Staff needs clarification on the expanded scope, particularly those dumping on land controlled by external agencies.

One approach is establishing a collaborative working group with City departments and external agencies with jurisdiction over the sites subject to illegal dumping to determine how to address the problem best. In addition to Public Works and Parks, Police and Code Enforcement are also needed due to the homelessness issue that drives some of the illegal dumping complaints and code violations that require fines and enforcement—initial estimates for a programmatic quarterly dumping, trash removal, and periodic enforcement total \$0.3 million. In addition, the City has a contract with a landscape maintenance company for \$0.05 million per year, which provides minimum median maintenance. It is recommended that the appropriation be increased by \$0.2 million, providing a more appropriate level of landscaping. **Estimated FY26 fiscal impact: \$0.5 million**

Residential Parking Permit Program (RPPP) Reassessment

Reassessment of the established Residential Parking Permit Program (RPPP), through identifying and analyzing the existing residential parking permit program, comprehensive survey and mapping of on-street parking spaces, analysis of socio-economic and built environment conditions that factor into parking supply and demand in parking impacted areas of the City, stakeholder outreach/public engagement, and preparing a report finalizing the current RPPP and preliminary recommendations for policy considerations to be presented at City Council for review and feedback. **Estimated FY26 fiscal impact: \$0.3 million**

Retrofit of R.O. streetlight system

The Regulated Output (R.O.) Streetlight Replacement Project - Phase 2 aims to replace the remaining streetlights and poles currently connected to the City's unreliable regulated output circuit with solar-powered streetlights. Some remaining R.O. lights in the City are on Caltrans right-of-way and will require coordination and approval from Caltrans to replace them with solar-powered streetlights. **Estimated FY26 fiscal impact: \$1.8 million**

Strategic Analysis of Major City-owned Properties

The primary objective of the strategic analysis of City-owned properties is to conduct a long-term real estate planning study of the City’s major real estate portfolio. These real estate properties include but are not limited to City Hall, the Library, Fire Stations, CityNet headquarters, the Carlton Corners Scout House, the Catalpa House, 140 Arbor Court, Corporation Yard, downtown parking lots, and potentially underutilized park sites.

The analysis will focus on the real estate value of the property based on permitted development intensity and the economics of the highest and best land use and current market. This may include market-rate and/or affordable housing and various commercial uses. A report will be prepared that includes assessments of the development potential of these properties and make recommendations for repurposing or surplus, either for sale or lease based on the value, development feasibility, and marketability. The study may also evaluate the cost of acquiring new property for the potential relocation sites for City facilities. The City has an on-call list of real estate investment, advisory, and asset management consultants based on a recent Request for Proposals (RFP) process. Staff may select a qualified firm to prepare this report that will be presented at City Council for review and feedback. **Estimated FY26 fiscal impact: \$0.2 million**

Table 1 – Top Priority Initiatives Resources Requirement Summary

| | FY26 (est.) | Ongoing (est.) |
|---|----------------------|----------------------|
| Community Communications and Engagement Program | \$0.1 million | \$0.4 million |
| Mitigation of illegal dumping and maintenance of street medians | 0.5 | 0.5 |
| Residential Parking Permit Program (RPPP) Assessment | 0.3 | 0.4 |
| Retrofit of RO streetlight system | 1.8 | 0.2 |
| Strategic Analysis of Major City-owned Properties | 0.2 | 0.0 |
| Total | \$2.9 million | \$1.5 million |

FY25 Top Priority Initiatives Carried Forward to FY26

- Assess the fiscal feasibility of the Transit Corridor Plan
- Conduct a comprehensive employee classification and compensation study
- Finalize Downtown Park improvement plans: Florida and Posy Parks
- Initiate Downtown beautification efforts including greening, banners, and marquee sign
- Stabilize CityNet’s fiscal sustainability

FY24 Initiatives Carried Forward to FY26

- City Offices Renovations
- Citywide Wildfire Mitigation Project & Public Education Programs Covering Fire Safety and Emergency Preparedness
- Climate Action Plan
- Crestmoor Wildfire Mitigation Project
- Implement Online Permitting

Budget Principles

The City Council has received the recommended budget principles for FY26, as outlined in Attachment 2, which remain unchanged from City Council adopted budget principles for the current fiscal year. These principles are essential for guiding the development of the City Manager's recommended budget and ensuring the effective use of available funds each fiscal year. Budget principles provide a framework for sound financial management and strategic planning. They help align resource allocation with the service levels and priorities set by the City Council, while also ensuring a balanced budget.

FISCAL IMPACT:

The estimated fiscal impact of the top priority initiatives is \$2.9 million in FY26. City staff's FY26 budget recommendation is to fully fund the City Council's top priority initiatives using Measure G revenues. The proposal will be submitted to the Revenue Measure Oversight Committee (Measure G Committee) at their February 13, 2025 meeting, and the Committee will make a formal recommendation to the Council on staff's recommendation. The City Council retains discretion over using Measure G funds, and there are no restrictions on their use for general governmental purposes.

ENVIRONMENTAL IMPACT:

The action is not a project subject to CEQA. City Council's action is not considered a "Project" per CEQA Guidelines and therefore no further environmental analysis is required.

RECOMMENDATION:

Consider a Resolution Adopting the Fiscal Year 2025-26 City Council Priorities and Budget Principles

ALTERNATIVES:

Consider Adopting the Fiscal Year 2025-26 City Council Priorities and Budget Principles

ATTACHMENTS:

1. DRAFT FY26 City Council Initiatives
2. DRAFT FY26 Budget Principles

City of San Bruno
DRAFT FY26 Strategic Initiatives
 As of 2/6/25

% Complete as of
 6/30/25

FY26 Top Priority Initiatives

| Ref No. | Initiative | 0-20 | 21-40 | 41-60 | 61-80 | 81-100 |
|---------|---|------|-------|-------|-------|--------|
| 1 | Community Communications and Engagement Program | | | | | |
| 2 | Mitigation of illegal dumping and maintenance of street medians | | | | | |
| 3 | Residential Parking Permit Program (RPPP) Assessment | | | | | |
| 4 | Retrofit of RO streetlight system | | | | | |
| 5 | Strategic Analysis of Major City-owned Properties | | | | | |

% Complete as of
 6/30/25

FY26 Initiatives Carried Forward from FY24 & FY25

| Ref No. | Initiative | 0-20 | 21-40 | 41-60 | 61-80 | 81-100 |
|---------|--|------|-------|-------|-------|--------|
| 6 | Adopt an Affordable Housing Fund Implementation Plan | | | | | |
| 7 | City Offices Renovations | | | | | |
| 8 | Citywide Wildfire Mitigation Project & Public Education Programs Covering Fire Safety and Emergency Preparedness | | | | | |
| 9 | Climate Action Plan | | | | | |
| 10 | Conduct a comprehensive employee classification and compensation study | | | | | |
| 11 | Crestmoor Wildfire Mitigation Project | | | | | |
| 12 | Finalize Downtown Park improvement plans: Florida and Posy Parks | | | | | |
| 13 | Implement Online Permitting | | | | | |
| 14 | Initiate Downtown beautification efforts including greening, banners, and marquee sign | | | | | |
| 15 | Stabilize CityNet's fiscal sustainability | | | | | |

Presented alphabetically, by category

| | |
|--|-------------|
| | Complete |
| | In progress |
| | On hold |

City of San Bruno
DRAFT FY26 Budget Principles

1. Actively pursue revenue enhancements and strive to achieve full cost recovery for all fee-based services, except where the City Council establishes a public interest in providing a subsidy.
2. Enhance and maintain core City services and infrastructure by prioritizing City Council adopted initiatives and strategies that contribute to the quality of life in San Bruno.
3. Promote the City's long-term financial sustainability through monitoring and reporting on changes in unfunded liabilities and including those changes in the City's long-term forecast.
4. Evaluate one-time revenues for highest and best investment.
5. Improve productivity through continual review of City services, identifying new programs/ initiatives and enhancing, reducing, or eliminating existing programs.
6. Proactively manage the loss of institutional knowledge through succession planning efforts including the ability to provide for overlap in critical positions, at the discretion of the City Manager.
7. Manage staff capacity to efficiently deliver services to the community through investment in new technologies that drive efficiency and productivity.
8. Incorporate a budget assumption for employee vacancies and resulting salary savings into the forecast.
9. Develop programs and initiatives that strengthen San Bruno's standing as an employer of choice to retain and attract highly qualified personnel.
10. Clearly define the cost and timing of all cash outlays associated with major projects, to allow investment of idle cash, while maintaining liquidity.
11. Communicate the City's financial position by continuing to refine the budget document and provide comparison to actual results, while enhancing the public's access to financial information.
12. Increase reserve funds, on an annual basis, as funds are available.



City Council Agenda Item Staff Report

CITY OF SAN BRUNO

DATE: February 11, 2025

TO: Honorable Mayor and Members of the City Council

FROM: Alex D. McIntyre, City Manager

PREPARED BY: Matthew Lee, Public Works Director
Talha Amar, Assistant Engineer

SUBJECT: Consider Adoption of a Resolution Accepting the Winter Storm Hazard Mitigation Project Adjacent to Water Tank 1 by Cunningham Way as Complete; Authorizing the Filing of Notice of Completion with the San Mateo County Recorder's Office; and Authorizing the Release of the Construction Contract Retention in the Amount of \$15,420

BACKGROUND:

During the winter storms of 2022-23, severe stormwater runoffs triggered landslides at six locations in the City of San Bruno. One of these landslides was located on City property near the 400 block of Cunningham Way. The geotechnical engineer performed reconnaissance and determined that the site required the design and construction of an engineered debris wall to prevent debris from damaging private property at the bottom of the hill.

A project was included in the FY 2023-24 Capital Improvement Program (CIP) budget to design and construct improvements at this landslide location. The landslide occurred on City owned land behind the 425 Cunningham Way on a relatively steep, graded grassy slope that is 50 to 60 feet in length. The City water storage Tank 1 is located at the top of the slope and 400 block residences of Cunningham Way are at the bottom. The landslide is roughly 10 feet wide, located close to the top of the slope, below the corrugated metal pipe (CMP). A 15-foot tension crack was observed that extended to the south along the source of the landslide

DISCUSSION:

On July 23, 2024, the City Council approved a construction contract with Farallon Company Engineering, Inc. in the amount of \$213,980 with a construction contingency of \$32,097. The scope of the work included constructing a debris retention wall, hydroseeding disturbed and/or denuded areas on the hillside slope, and installing storm drain inlets and piping.

Change orders were issued to Farallon Company Engineering, Inc. during the construction due to unforeseen conditions and work scope changes. The change orders included an emergency replacement of damaged corrugated metal pipe with high-density polyethylene pipe, installation of a new concrete inlet box, additional erosion control, and increase in bid quantities. The final change order amount was \$94,420. The total contract amount is \$308,400.

All construction work as part of this contract has been completed to the satisfaction of the City's project management team. There are no unresolved stop notices or outstanding construction

claims for this project. The construction contract required a 5% retention, which totals \$15,420, be withheld by the City. Staff recommends that the City Council accept the project as complete, authorize filing a Notice of Completion with the San Mateo County Record's Office, and approve release of the contract retention.

FISCAL IMPACT:

The Winter Storm Hazard Mitigation Project is a project within the approved FY 2023-24 CIP budget. The project budget for work associated with Water Tank 1 near Cunningham Way has an approved budget of \$549,486 to complete design, bid and construction phases. The original approved budget was \$429,486 and City Council approved an additional \$120,000 on November 19, 2024 to perform emergency work. As detailed below, the total expenditure for the project was approximately \$476,000. The remaining budget of \$73,486 can be returned to the fund.

| <u>Description</u> | <u>Expenditure</u> |
|--|--------------------|
| Design Contract (Wilsey Ham) | \$ 128,409 |
| Staff Management & Design | \$ 12,000 |
| Construction Contract (Farallon Company Engineering, Inc.) | \$ 308,400 |
| Material & Compaction Testing (Smith-Emery of San Francisco, Inc.) | \$ 3,540 |
| Construction Management & Inspection (City Staff) | \$ 20,000 |
| Reproduction & Advertisement | \$ 1,371 |
| Pre-Construction Bee Removal | \$ 900 |
| Legal Fees | \$ 950 |
| Total (rounded) | \$ 476,000 |

The full expenditures for the project are to be submitted to the State of California Office of Emergency Services (CalOES) California Disaster Assistance Act (CDAA) and Federal Emergency Management Agency (FEMA) Public Assistance (PA) programs (FEMA-4683-DR-CA/CDAA 2023-01) under their emergency protective measures damage category. If these efforts are unsuccessful, these expenditures will be funded through the General Fund Emergency Reserves.

ENVIRONMENTAL IMPACT:

The action is not a project subject to CEQA. City Council's action is not considered a "Project" per CEQA Guidelines and therefore no further environmental analysis is required.

RECOMMENDATION:

Consider Adoption of a Resolution:

- Accepting the Winter Storm Hazard Mitigation Project Adjacent to Water Tank 1 by Cunningham Way as Complete;
- Authorizing the Filing of Notice of Completion with the San Mateo County Recorder's Office; and
- Authorizing the Release of the Construction Contract Retention in the Amount of \$15,420

ALTERNATIVES:

1. Do not authorize the construction contract as complete and do not authorize filing of a Notice of Completion. This could result in a claim being filed if there is not a valid reason for not releasing the retention to the contractor

ATTACHMENTS:

1. Resolution
2. Project Acceptance Information Form

RESOLUTION NO. 2025 - __

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN BRUNO
ACCEPTING THE WINTER STORM HAZARD MITIGATION PROJECT ADJACENT TO
WATER TANK 1 BY CUNNINGHAM WAY AS COMPLETE; AUTHORIZING THE FILING OF
NOTICE OF COMPLETION WITH THE SAN MATEO COUNTY RECORDER'S OFFICE; AND
AUTHORIZING THE RELEASE OF THE CONSTRUCTION CONTRACT RETENTION IN THE
AMOUNT OF \$15,420**

WHEREAS, during the winter storms of 2022-23, severe stormwater runoffs triggered landslides in the City of San Bruno (City); and

WHEREAS, a geotechnical engineer was retained to provide reconnaissance at six locations, three of the landslides located on City property near the 400-block of Cunningham way, San Bruno Avenue East of the access road to Water Tank #4, and the 1400-block of Claremont Drive were determined to require engineering design and construction to install improvements; and

WHEREAS, a project was included in the FY 2023-24 Capital Improvement Program (CIP) budget to design and construct improvements at the three locations of the landslides; and

WHEREAS, one of the landslides occurred in City owned open space within City property near the 400 block of Cunningham Way on a relatively steep, graded grassy slope that is 50 to 60 feet in length and City water storage Tank 1 is located at the top of the slope and 400 block residences of Cunningham Way are at the bottom; and

WHEREAS, on July 23, 2024, the City Council approved a construction contract with Farallon Company Engineering, Inc. in the amount of \$213,980 with a construction contingency of \$32,097 for construction work near Cunningham Way; and

WHEREAS, the scope of the work constructing a debris retention wall, hydroseeding disturbed and/or denuded areas on the hillside slope, and installing storm drain inlets and piping; and

WHEREAS, change orders were issued to Farallon Company Engineering, Inc. during the construction due to unforeseen conditions and work scope changes; and

WHEREAS, change orders included an emergency replacement of damaged corrugated metal pipe with high density polyethylene, installation of a new concrete inlet box, additional erosion control, and increase in bid quantities with the final change order amount of \$94,420 and total contract amount of \$308,400; and

WHEREAS, all construction work as part of this contract has been completed to satisfaction of the City's project management team; and

WHEREAS, the construction contract requires the filing of a Notice of Completion of this project with the San Mateo County Recorder's Office and release of the construction contract retention in the amount of \$15,420 in accordance with the contract documents upon the acceptance of the project as complete.

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby:

- Accepts the Winter Storm Hazard Mitigation Project adjacent to Water Tank 1 by Cunningham Way as Complete;
- Authorizes the filing of a Notice of Completion with the San Mateo County Recorder's Office; and
- Authorizes the release of the construction contract retention in the amount of \$15,420

---oOo---

I hereby certify that foregoing **Resolution No. 2025 - __**
was introduced and adopted by the San Bruno City Council at a regular meeting on
February 11, 2025, by the following vote:

AYES: Councilmembers:

NOES: Councilmembers:

ABSENT: Councilmembers:

Lupita Huerta, City Clerk



**Capital Improvement Program
Project Acceptance Information Form**

As of February 11, 2025

| | | | |
|---|--|---------------|-------|
| Contract Name: | Winter Storm Hazard Mitigation Project | Contract No.: | 21015 |
| Construction Contractor: | Farallon Company Engineering, Inc. | | |
| Construction Management and Inspection Services | City Staff | | |

Project Information:

| | |
|-------------------------------|--|
| Project Description: | This Project consists of constructing a debris retention wall, replacement of damaged CMP with HDPE, installation of a new concrete inlet box, hydroseeding disturbed and/or denuded areas on the hillside slope, and installing storm drain inlets and piping. |
| Construction Contract Award: | Farallon Company Engineering, Inc. – July 23, 2024 |
| Start of Construction: | September 2024 |
| Contract Change Orders (CCO): | Change orders were issued to Farallon Company Engineering, Inc. during the construction due to emergency replacement of damaged CMP with HDPE, installation of a new concrete inlet box, additional erosion control, and increase in bid quantities. The change order with quantities adjustment totaled \$94,420. |
| Substantial Completion: | December 2024 |
| Final Completion: | December 2024 |
| Notice of Completion: | Scheduled for filing on February 14, 2025 |

Construction Project Costs:

| | Budget | Actual |
|---|------------|------------|
| AVAILABLE PROJECT FY 2023-24 CAPITAL BUDGET | \$ 921,000 | |
| TOTAL PROJECT | \$ 549,486 | \$ 476,000 |
| Design Contract (Wilsey Ham) | \$ 128,409 | \$ 128,409 |
| Staff Management & Design | \$ 15,000 | \$ 12,000 |
| Construction Contract (C2R Engineering, Inc.) | \$ 213,980 | \$ 213,980 |
| Construction Contingency (15%) | \$ 32,097 | |
| Contract Change Orders CCOs | \$ - | \$ 94,420 |
| Material & Compaction Testing (Smith-Emery of San Francisco, Inc. | | \$ 3,540 |
| Estimated Construction Management & Inspection | \$ 40,000 | \$ 20,000 |
| Reproduction & Advertisement | \$ - | \$ 1,371 |
| Pre-Construction Bee Removal | \$ - | \$ 900 |
| Legal Fees | \$ - | \$ 950 |



City Council Agenda Item Staff Report

CITY OF SAN BRUNO

DATE: February 11, 2025

TO: Honorable Mayor and Members of the City Council

FROM: Alex D. McIntyre, City Manager

PREPARED BY: Nick Pegueros, Administrative Services Director & CFO
Esther Garibay, Finance Manager
Jeff Lichtenstein, Accounting Supervisor
Yu-Chiao Chao, Accountant
John Mercado, Accountant

SUBJECT: Receive and File the Annual Comprehensive Financial Report, Report on Agreed-Upon Procedures Applied to Appropriations Limit Schedule, and Other Required Outside Agency Reports for the Fiscal Year Ended June 30, 2024

BACKGROUND:

San Bruno Municipal Code Section 2.28.030(b) and California state law require the City to engage an independent certified public accountant to audit the City's financial transactions and reports annually. The City engaged Badawi & Associates (Independent Auditor) to conduct the audit, with this year's audit being the firm's third for San Bruno. The audit examines the financial statements, evaluates compliance with applicable laws and regulations, and assesses the City's internal controls against fraud. The Annual Comprehensive Financial Report (ACFR) is the City's formal financial statements document, and it includes important disclosures about a city's financial policies, assets, liabilities, and performance over the past two years.

DISCUSSION:

As a result of their annual independent audit of the City's financial records and statements, the Independent Auditor has rendered an unmodified opinion, the optimal opinion issued by independent auditors. "In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining funds information of the City, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America."

A discussion of the City's financial position is included as the Management's Discussion and Analysis in the ACFR beginning on page 5 of the report.

FISCAL IMPACT:

There is no fiscal impact.

ENVIRONMENTAL IMPACT:

The action is not a project subject to CEQA. City Council's action is not considered a "Project" per CEQA Guidelines and therefore no further environmental analysis is required.

RECOMMENDATION:

Receive and File the Annual Comprehensive Financial Report, Report on Agreed-Upon Procedures Applied to Appropriations Limit Schedule, and Other Required Outside Agency Reports for the Fiscal Year Ended June 30, 2024.

ALTERNATIVES:

1. Receive and file report and request that the City's auditor provide a presentation at a future City Council meeting.

ATTACHMENTS:

1. City of San Bruno Annual Comprehensive Financial Report (ACFR) for the Fiscal Year Ended June 30, 2024
2. Independent Accountants' Report on Agreed-Upon Procedures Applied to Appropriations Limit Schedule
3. Measure A Fund Audit Report for the Fiscal Year Ended June 30, 2024
4. Measure W Fund Audit Report for the Fiscal Year Ended June 30, 2024

City of San Bruno, California

Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2024

(with comparative totals for the fiscal year ended June 30, 2023)



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CITY OF SAN BRUNO, CALIFORNIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Prepared by:
Finance Department

City of San Bruno
Annual Comprehensive Financial Report
For the year ended June 30, 2024

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Annual Comprehensive Financial Report
For the year ended June 30, 2024

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City of San Bruno
Annual Comprehensive Financial Report
For the year ended June 30, 2024

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Introductory Section



February 5, 2025

Honorable Mayor and Members of the City Council
City of San Bruno
San Bruno, CA 94066

Dear Mayor, Members of the City Council, and Residents of the City of San Bruno, California:

The Annual Comprehensive Financial Report (ACFR) of the City of San Bruno (City) for the fiscal year ended June 30, 2024, is herewith submitted. The City compiles and assists in the preparation of the ACFR covering the financial condition and results of operations for the City. Responsibility for the accuracy of the presented data, and the completeness and fairness of the presentation, including all footnotes and disclosures, rests with the management of the City. To the best of my knowledge and belief, the enclosed financial statements and schedules are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds and component units of the City.

FINANCIAL STATEMENT PRESENTATION

This report has been prepared in accordance with Generally Accepted Accounting Principles (GAAP) in the United States of America for state and local governments as promulgated by the Government Accounting Standards Board (GASB) and includes all disclosures necessary for readers to gain an understanding of the financial activities of the City.

The ability to produce a timely and accurate ACFR depends upon the adequacy of the internal controls of the City. To provide a reasonable basis for making these representations, management of the City made a commitment to establish a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Management is responsible for establishing and maintaining adequate internal controls in the City. As such, management made a commitment to establish a framework designed to provide reasonable rather than absolute assurance regarding the achievement of objectives in the following categories: (a) efficiency and effectiveness of operations; (b) reliability of financial reporting, and (c) compliance with applicable laws and regulations. Reasonable assurance is defined as a high, but not absolute, level of assurance about whether the representations are free of material misstatement. Internal controls cannot provide absolute level of assurance due to certain inherent limitations, such as errors in judgment, collusion, or management override of controls.

The City's financial statements for the fiscal year ending June 30, 2024 have been audited by Badawi and Associates, a public accounting firm licensed and qualified to perform audits of local governments within the State of California. The audit was conducted in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

The independent audit of the financial statements of the City was part of a broader, federally mandated “Single Audit” designed to meet the special needs of Federal grantor agencies, including compliance with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards issued by the United States Office of Management and Budget (OMB). The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government’s internal controls and compliance with legal requirements, with special emphasis related to and involving the administration of Federal Awards. These reports are available in the City’s separately issued Single Audit Report (issued in January 2025).

This letter of transmittal is designed to complement the Management’s Discussion and Analysis (MD&A), and therefore, does not discuss the financial operations and results of the City, which are fully discussed in the MD&A. For that reason, this letter should be read in conjunction with the MD&A in order to gain better understanding of the financial conditions of the City.

This ACFR is presented in three sections: introductory, financial, and statistical. The introductory section includes this transmittal letter, the City’s organizational chart, and a list of principal officials. The financial section includes the basic financial statements and the combined financial statements and schedules, the independent auditor’s report on these financial statements and schedules, and management’s discussion and analysis (MD&A). The statistical section includes selected financial and demographic information, generally presented on a multiyear basis.

The independent auditor’s report is presented as the first component of the financial section of the ACFR, followed by the MD&A, which provides a narrative introduction, overview, and analysis to accompany the basic financial statements. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City’s MD&A can be found immediately following the Independent Auditor’s Report.

CITY PROFILE & SERVICES

With a population currently estimated at 42,152, San Bruno is 202nd largest city in California and the fifth largest city in San Mateo County. San Bruno is located on the San Francisco Peninsula, approximately 12 miles south of Downtown San Francisco. The city covers a total land area of 5.5 square miles, located between South San Francisco and Millbrae, and immediately adjacent to the San Francisco International Airport and Golden Gate National Cemetery. San Bruno serves as a major transportation center, with immediate access to major interstate freeways, including 101, 280 and 380; and commuter rail lines, such as Caltrain and Bay Area Rapid Transit (BART). San Bruno is adjacent to San Francisco International Airport, which can be accessed using BART or US 101. However, the other major San Francisco Bay Area airports (Oakland and San Jose) are accessible from San Bruno via BART, for the former, and Caltrain plus VTA services, for the latter. The community has more than 12,000 homes and residences of all types; and vast opportunities for commercial and industrial development. Major commercial facilities include Google, Amazon, Walmart, and Tanforan Crossing.

City Structure

San Bruno is a general law city incorporated in 1914 that operates under the council-manager form of government. Policy-making and legislative authorities are vested in the City Council consisting of the mayor and four other members. City Council members are elected at large for staggered four-year terms, and the Mayor is elected for a two-year term. The Mayor and City Council serve as the legislative and policy-making body of the City government and are responsible for passing ordinances, adopting the budget, appointing committees, and appointing the City Manager and City Attorney. The City Council adopts financial policies that provide guidance to critical areas such as budget administration and long-term planning, debt and cash management, fund balance/reserve levels, and risk management. The City Manager is responsible for the daily administration of the policies and ordinances of the City Council, providing overall direction to all City Departments, and appointing department directors.

City Services

The City provides a wide range of services to its residents including public safety protection through Police and Fire; the construction and maintenance of streets and infrastructure including water, wastewater, and stormwater services; community development through planning, building inspection, code enforcement, and redevelopment of key city areas; parks maintenance and full recreation services; library services; cable television and broadband internet services; and financial management and administration of the overall organization. Other entities within the city-incorporated area provide service to the City's population even though the City may not exercise oversight responsibility or fiscal control over such entities; these entities include school districts and other special districts. The City employs 282 full-time equivalent positions.

Financial Reporting Entity

For financial reporting purposes, the reporting entity of the City consists of: (1) the primary government; (2) one discretely presented component unit: San Bruno Public Financing Authority; and (3) two blended component units: Successor Agency to the San Bruno Redevelopment Agency Trust Fund, and the Recology San Bruno Custodial Fund, for which the City Council is financially accountable; therefore, these component unit activities are included in the accompanying basic financial statements. The San Bruno Community Foundation is considered a related organization because the City is not financially accountable for its operations. Furthermore, the City has an equity interest via participation in a number of joint ventures, which exist due to joint exercise of power agreements. The complete financial activities have not been included for these entities as the City Council is not financially accountable for them. The funds and accounts for all agencies, boards, and authorities that have been identified as part of the primary government or the component units have been included in the reporting entity. Further information on the reporting entity can be found in Note 1, on page 55 of the Notes to the Basic Financial Statements.

Budgetary Information

Public meetings are conducted to obtain public comments. The City Council annually adopts the budget for the ensuing fiscal year prior to July 1st. Budgeted appropriations for the various governmental funds become effective each July 1. The City Council may amend the budget during the fiscal year. Under Article XIII B of the California Constitution (the GANN Spending Limitation Initiative), the City is restricted as to the amount of annual appropriations from the proceeds of taxes, and if proceeds of taxes exceed allowed appropriations, the excess must either be refunded to the State Controller, returned to the taxpayers through revised tax rates or revised fees schedules, or an excess in one year may be offset against a deficit in the following year.

Budgetary Controls

The City utilizes budgetary controls designed to monitor compliance with expenditure limitations and legal provisions embodied in the annual operating and capital budget approved by the City Council. The annual operating and capital budget serves as the foundation for the City's financial planning and control. All departments and divisions are required to submit requests for appropriations to the City Manager. These requests are used as the starting point for developing a proposed operating and capital budget. The City Manager and Chief Financial Officer then present the proposed budget for the City Council's review. The City Council is required to hold a public hearing on the proposed budget and adopt a final budget no later than June 30, the last day of each fiscal year. Activities of all funds, except fiduciary funds, are included in the Annual Operating and Capital Budget. The City also adopts a five-year capital improvement program, appropriating the current year's expenditures in the annual budget. The level of control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level. The City Manager may authorize transfers of appropriations in the adopted budget within funds; however, any revisions which alter the total expenditures of any fund must be approved by the City Council. Quarterly financial reports are presented to the City Council to assess and evaluate budget variances during the year. Budget amendments requiring a change in appropriations require approval by the City Council and are submitted as needed during the course of the fiscal year. Budgets for the General, Major Special Revenue, and Capital Project Funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP). The annual budget is assigned specific accounting attributes and is uploaded into the accounting system, thereby establishing the budget authority. The

budget authority established in the accounting system of record is then reconciled to the levels of funding authorized by the Adopted Budget.

In addition, the City used encumbrance accounting as a means of strengthening budgetary controls and financial reporting. Under this method of accounting, purchase orders, contracts, and other commitments for the expenditure of funds are recorded in the accounting system for the City in order to reserve the portion of the related appropriation that will be needed for the expenditure to ensure that expenditures are within the budgeted amounts. Generally, encumbered amounts lapse at year-end in the General Fund but not in the Capital Project Funds or the Special Revenue Funds.

General Fund Reserves

The City shall establish reserve funds in accordance with the objectives listed above as outlined below. The funding levels outlined in this policy are goals and it is the City's intent to maintain its reserves at the prescribed levels; compliance with this policy will be evaluated annually upon final closing of the City's financial books for the fiscal year.

A. Contingency Reserve – The Contingency Reserve shall be established with a goal of maintaining a target fund balance of 10% of the budgeted General Fund expenditures and is intended to be used for non-fiscal emergencies and disasters. The Contingency Reserve can only be utilized through resolution of the City Council. While intended for non-financial emergencies or disasters, the Contingency Reserve can be utilized for other purposes at Council discretion.

B. Budget Stabilization Reserve – The Budget Stabilization Reserve is established to shield the General Fund from adverse economic fluctuations, ensuring minimal immediate impacts on service levels. This reserve aims to maintain a target balance of at least 20% of budgeted expenditures at the start of each fiscal year.

a. Use - Utilization of the Budget Stabilization Reserve will occur in response to budgeted revenue shortfalls stemming from economic volatility or unforeseen financial events. Reports on its use will be presented to the City Council through the mid-year financial report and/or during the budget adoption process for the ensuing fiscal year.

b. Replenishment - Should the Budget Stabilization Reserve be employed, causing it to dip below the 20% target, a strategic plan will be devised to restore the balance to the desired level. Depending on the situation, this restoration plan may span multiple fiscal years, aligning with the fund's role in a broader multi-year forecasting strategy. This strategy aims to fortify fiscal sustainability and uphold consistent service levels.

C. One-Time Revenue Reserve – The One-Time Revenue Reserve shall be established to set aside one-time revenues until the point at which point they can be appropriated by City Council for one-time uses. One-time revenues that have a legal restriction for their use or are otherwise dedicated for a particular purpose will be held in a separate special revenue fund. One-time revenues will be approved by Council, either through the budget adoption process or by a separate resolution, for inclusion into the One-Time Revenue Reserve. As a part of the annual budget process, this reserve will be reviewed along with existing unfunded capital projects for consideration of an appropriation from this reserve in the forthcoming budget. In general, the purpose of this reserve is for it to be used for projects and initiatives throughout the City that have no other identifiable funding source.

Budget Stabilization Reserve – The Budget Stabilization Reserve has a 06/30/24 fund balance of \$13,531,363.

One Time Revenue Reserve – The One Time Revenue Reserve has a 06/30/24 fund balance of \$16,523,056.

Contingency Reserve – The Contingency Reserve has a 06/30/24 fund balance of \$10,892,936.

City Accounting and Financial System

The accounting system of the City is organized and maintained on a fund basis. A fund is a separate, distinct accounting entity that has its own assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balance/net position, revenues, and expenditures/expenses. The City uses GAAP when determining the types

of funds to establish and sound financial management practices when determining the number of funds within each fund type.

Measurement Focus and Basis of Accounting

The financial statements for the City are prepared in accordance with GAAP. Accordingly, the measurement focus and basis of accounting applied in the preparation of the government-wide financial statements and fund financial statements are as follows:

- The government-wide financial statements focus on all of the economic resources of the City and are prepared using the full accrual basis of accounting. The governmental fund financial statements focus primarily on the sources, uses, and balances of current financial resources and are prepared using the modified accrual basis of accounting.
 - Proprietary funds, pension trust funds, Other Employee Benefits Trust Funds, and other fiduciary funds are accounted for in the same manner as business enterprises, which use the full accrual basis of accounting.
- Transparency in Government Operations and Financial Reporting

ECONOMIC CONDITION AND OUTLOOK

The information presented in the financial statements is best understood when it is considered within the broader perspective of the specific environment in the City of San Bruno.

Local Economy

The City's geographic location is in close proximity to Silicon Valley which significantly elevates its economic position and makes San Bruno a highly desirable location for businesses and residents. The City is located at the intersection of three major interstate freeways (Highway 101, Interstate 380, and Interstate 280), making the City easily accessible from San Francisco to the north and from Silicon Valley to the south. The City also has Bay Area Rapid Transit (BART) and Caltrain stations located within its limits, making it readily accessible via public transportation. In addition, the San Francisco International Airport is immediately adjacent to the City making it a popular destination for business travelers and tourists.

The City has continued the positive momentum of a healthy recovery from the effects of COVID pandemic emergency during the 2024 fiscal year with the ARPA funding was exhausted by June 30, 2024. As evidence of the positive momentum, San Bruno has seen a year over year increase in its assessed valuation in 2024, even as signs begin to emerge that retail spaces may be experiencing a fundamental shift.

Long-term Perspective

The City has been prudent with its financial resources and has contained costs by implementing both structural and one-time budget savings. The City worked incredibly diligently to reduce the level of reserves used during FY24 and will continue to do so moving forward. While the City has consistently worked to balance its budget, the City must continue this effort and make additional adjustments to its general fund expenditures to address and resolve an ongoing structural deficit largely driven by rising employee benefit costs.

The City employs long-term planning as the framework for its fiscal decisions and recently updated its forecasting model to provide a comprehensive and agile tool projecting the City's finances for a five-year period for the General Fund as well as other key operating funds. While the General Fund structural budget gap has been greatly reduced as compared to years past, the City continues its efforts to eliminate structural gaps and achieve a more stable fiscal outlook on a long-term basis.

While San Bruno's underlying economy is viewed as stable and positive in the long-term, today's economic challenges, notably to the City's General Fund, must be dealt with immediately to ensure long-term economic stability. The other enormous challenge is continuing to provide an ever-increasing high level of service to the

community with limited resources and rising employee benefit costs – while ensuring long-term economic stability.

Long Range Financial Planning: The City took proactive steps to evaluate its operations, including the establishment of special revenue funds to separate activities which are reasonably distinguishable from General Fund activities. Additionally, the City continues to refine its long-range financial planning tools as part of managing the annual budget for the General Fund, other key revenue funds such as internal service and enterprise funds, and the Capital Improvement Program. Utilizing a five-year approach has helped the City identify and plan accordingly to manage potential future structural deficits.

Long-term Debt Ratings: The City maintains excellent ratings on its debt issuances. In recent fiscal years, the City has received high ratings, including a AAA rating from Standard & Poor for the 2013 Taxable Pension Obligation Bonds and a AA+ rating for the 2017 Water Revenue Bonds, 2017 Wastewater Revenue Bonds, 2017 Water Revenue Bonds and 2019 Lease Revenue Bonds. A critical component of the rating agency review is the City’s financial management status, i.e., appropriate reserve levels, plans to reduce liabilities, fiscal policies, etc. If the City fails to maintain these areas of fiscal control, the City could see a reduction in future ratings.

Debt Administration: The City has adopted a comprehensive debt management policy that guides the issuance and management of City debt. The policy includes establishing the legal debt limits (per State law this equates to 15% of assessed value of all real and personal property of the city); identifying the types of debt that can be issued and purposes for which debt proceeds can be used; establishing financial limits affecting debt issuance; and identifying guidelines regarding the structuring of debt. As of June 30, 2024, the City had total debt outstanding of \$58.6 million, which complies with, and is significantly under, the current policy limits. This is further detailed in the accompanying Management Discussion and Analysis (MD&A) section of this document.

Long-term Planning: One of the financial policies noted above outlines the City’s goals related to long-range financial forecasting. The City annually prepares and adopts a five-year financial plan for the General Fund as part of the operating budget. In addition, the City maintains long-range forecasting models for other key operating funds, including a capital improvement program plan. Each fiscal year, the City develops a five-year Capital Improvement Program (CIP) plan that details specific budgeted capital projects. Each of the projects is consistent with the overall goals and principles of the City Council and includes planned capital projects in the areas of parks, stormwater drainage, water and wastewater infrastructure, maintenance of streets, and City’s facilities improvements. All these investments in the various areas reflect the City Council’s commitment to maintain or improve the City and provide the citizens with the highest possible service and level of infrastructure possible given constrained funding.

Cash Management: The City’s investment policy is conservative and is supported by the annual adoption by the City Council of a Statement of Investment Policy that defines the objectives and priorities of the investment program, which stresses the safety and liquidity of funds as the highest priority. The final priority is to achieve the maximum yield possible within the constraints and limits stated in the policy. As of June 30, 2024, the City manages and balances the City’s pooled cash portfolio of \$248.0 million market value, with the overall yield within policy guidelines.

MAJOR INITIATIVES & ACCOMPLISHMENTS

The San Bruno City Council established the following seven critical priorities to move the community forward:

- (1) Assess the Fiscal Feasibility of the Transit Corridor Plan
- (2) Conduct a Comprehensive Employee Classification and Compensation Study
- (3) Finalize Downtown Park Improvement Plans: Centennial Plaza, Florida and Posy Parks
- (4) Initiate Downtown Beautification Efforts: Greening, Banners, and Marquee Sign
- (5) Stabilize CityNet’s Fiscal Sustainability

The management team has aligned its service delivery objectives and program priorities through the budget planning process, and with City Council direction and the strategic Priorities. Some of the accomplishments and ongoing efforts in these Priority areas are discussed below.

Capital Improvement Program

One way through which the City implements the Strategic Priorities is through the Capital Improvement Program (CIP). The capital budget for FY24 totaled about \$97.3 million, with approximately \$243.9 million tentatively programmed for the entire five-year period from FY24 through FY28. The City's CIP Projects predominantly support the Infrastructure Improvement Priority. Despite the global economic challenges, the City made major steps forward in all areas of the City's operation that directly address the City Council's established long-term objectives. Just a few of the many accomplishments the City has achieved in the FY24 are the following:

- **Finalizing a New Recreation and Aquatic Center:** The new facilities will replace Veterans Memorial Recreation Center and the adjacent community swimming pool that have served generations of San Bruno residents for over six decades. Generously supported by the San Bruno Community Foundation, the Recreation and Aquatic Center's completion and opening provides a world-class facility for the community.
- **Planning and Building Process Improvements:** Even amidst major activity in areas such as issuing permits and conducting inspections, the Community Development Department adopted a new coordinated plan review fee structure and completed Municipal Code Amendments to improve planning permit and hearing processes, streamlining the service to the community.
- **Downtown Parking Program:** The City adopted and began operations for a downtown parking program, including meter installation, community outreach, and selection of a vendor. The downtown parking program aims to ensure adequate parking is available to support a vibrant and thriving business center.

Economic Development

Another application of the City's Strategic Priorities is to encourage economic development that supports the overall community and leverages the City's desirable transit access with major public transit and north-south freeway interchanges, as well as the City's proximity to San Francisco International Airport. The following notable economic development activity occurred in FY23:

- **Bayhill Specific Plan:** The Bayhill Office Park houses Walmart.com and YouTube, two of the City's largest employers, and includes office space expansion, creation of a private multi-modal transportation hub and a housing overlay. In October 2022, the City received a \$54.96 million payment of building, plumbing, plans check and other permits/fees as well as impact fees, affordable housing fees and negotiated community benefit payments for Phases 1 and 2 of the YouTube campus expansion.
- **YouTube Development:** The plan will build 440,000 square feet of new office space on an existing surface parking lots adjacent to existing buildings at 900 and 1000 Cherry Avenue.
- **Sale of the City-Owned Vacant Lot at The Crossing:** In 2020, the City was approached by Cardinale Auto Group with a proposal to develop and construct a new Hyundai and Genesis dealership on the City-owned vacant lot at The Crossing. The dealership opened in October 2022 on a limited lease duration basis at The Shops at Tanforan until the permanent location is constructed and operational. Completed in June, 2024, the sale expects to provide the City with receive significant revenue increases from sales tax generating activities and operations and increased property tax revenue based on the assessed value.
- **Reimagining Tanforan:** In early 2022, Alexandria Real Estate bought the 44-acre Tanforan shopping center site. A master plan of a modern, mixed-use development plan is under making to include offices, hotels, retail, entertainment and a minimum of 1,000 housing units. In October 2022, the City received a preliminary plan to for that matter; it is estimated to generate more property tax on new assessed value.

Acknowledgments

The issuance of this report would not have been possible without the enthusiastic efforts of the entire Finance Department team, especially Jeff Lichtenstein, John Mercado, Yu-Chiao Chao, Kathy O'Malley, and Dana Liu; the many team members in other City departments who support fiscal operations; and the audit firm of Badawi & Associates. I also wish to recognize the commitment of the City Manager, the Mayor, and the City Council to upholding high standards and ensuring accountability as presented in this report.

Respectfully submitted,

Nick Pegueros
Chief Financial Officer

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Elected and Appointed Officials

As of June 30, 2024

City Council

Rico E. Medina, Mayor
Michael Salazar, Vice Mayor
Sandy Alvarez, Council member, District 1
Tom Hamilton, Council member
Marty Medina, Council member, District 4

City Council Appointed Officials

City Manager, Alex D. McIntyre
City Attorney, Trisha A. Ortiz - RWG Law

City Manager Appointed Officials

Assistant City Manager, Darcy Smith
Chief Financial Officer, Nick Pegueros
City Clerk, Lupita Huerta
CityNet Services Director, Sandeep Krishnamurthy
Community Development Director, Peter Gilli
Community Services Director, Travis Karlen
Fire Chief, Ari Delay
Interim Human Resources Director, Jennifer Dianos
Police Chief, Ryan Johansen
Public Works Director, Matthew Lee, P.E.

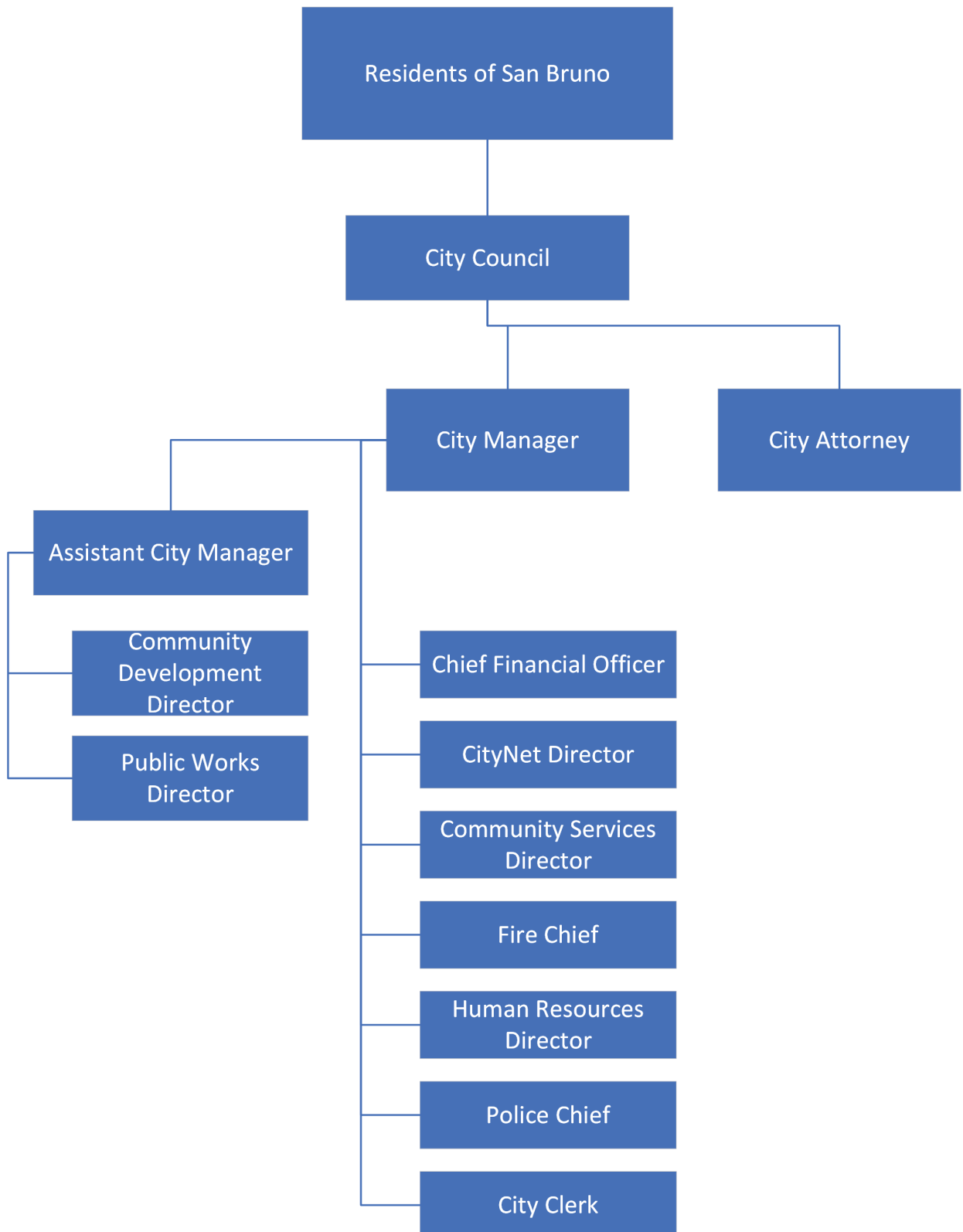
Cover photo:
Newly opened San Bruno Recreation and Aquatic Center (RAC) outdoor pool

City of San Bruno
567 El Camino Real
San Bruno, CA 94066
(650) 616-7080
sanbruno.ca.gov



Organizational Chart

As of June 30, 2024



Financial Section

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of the City Council
of the City of San Bruno
San Bruno, California

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of San Bruno (City), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedules for the General Fund, and major special revenue fund, and the required pension schedules on pages 7-23 and 107-117 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information

and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining General Fund statements and budgetary comparison schedules, combining Developer Agreements and Impact Fees Fund statements, combining and individual nonmajor fund statements, and the budgetary comparison schedules for the Street Improvement Fund and the Parks and Facilities and Technology Capital Improvement Fund and nonmajor governmental funds are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining General Fund statements and budgetary comparison schedules, combining Developer Agreements and Impact Fees Fund statements, combining and individual nonmajor fund statements, and the budgetary comparison schedules for the Street Improvement Fund and the Parks and Facilities and Technology Capital Improvement Fund and nonmajor governmental funds are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining General Fund statements and budgetary comparison schedules, combining Developer Agreements and Impact Fees statements, combining and individual nonmajor fund statements, and the budgetary comparison schedules for the Parks and Facilities and Technology Capital Improvement Fund and nonmajor governmental funds are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the Introductory and Statistical Sections included in the annual comprehensive financial report but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

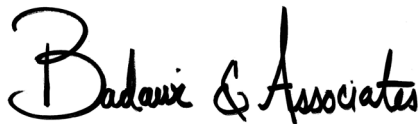
To the Honorable Mayor and Members of the City Council
of the City of San Bruno
San Bruno, California
Page 4

Report on Summarized Comparative Information

We have previously audited the City's 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated January 25, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 5, 2025 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



Badawi & Associates, CPAs
Berkeley, California
February 5, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

**CITY OF SAN BRUNO, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024**

The Management's Discussion and Analysis (MD&A) provides an overview of the City of San Bruno's activities for the fiscal year ended June 30, 2024. The intent of this discussion and analysis is to present a full picture of the City's financial performance. Readers should review the discussion and analysis in conjunction with the basic financial statements, as well as the notes to the financial statements to enhance their overall understanding.

Financial Highlights for Fiscal Year 2023-24 (FY24)

Entity-wide:

- The City's assets and deferred outflow of resources exceeded its liabilities and deferred inflow of resources at June 30, 2024 by \$344.2 million (net position). The City's net position increased \$50.5 million, or 17.2%, from the previous fiscal year.
- The City's governmental activities program and general revenues (including net transfers) of \$96.3 million exceeded expenses of \$78.4 million by \$17.9 million, increasing net position to \$176.7 million.
- The City's business-type activities program revenues and general revenues from the five enterprise operations of \$47.7 million were greater than expenses of \$45.2 million by \$2.5 million while net transfers of \$25.3 million increased net position to \$167.4 million.

Fund level:

- At the close of the fiscal year, the City's governmental funds reported combined fund balances of \$131.3 million, an increase of \$0.8 million or 0.6% compared to the prior year. Of this amount, \$2.9 million is non-spendable, \$49.9 million is restricted, \$2.4 million is committed, \$37.2 million is assigned, and \$38.9 million is unassigned.
- Revenues for governmental funds exceeded expenditures by \$1.0 million. Tax revenue grew \$1.1 million, or 2.3 %, from the prior year. Expenditures for governmental funds increased \$6.2 million, or 6.9%, from the prior year mainly due to increased public safety and capital outlay spending.

Detailed analysis can be found under the Government-wide Financial Analysis Section and Financial Analysis of the City's Funds Section

Overview of Financial Statements

This discussion and analysis serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-wide financial statements are designed to provide readers a broad overview of the City finances in a manner similar to a private-sector business.

The Statement of Net Position presents information on all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as an indicator of whether the financial position of the City is improving or deteriorating.

The Statement of Activities presents information showing how the City's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for

**CITY OF SAN BRUNO, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024**

some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City consist of general government, public safety, public works, streets, parks and recreation, library and community and economic development. The business-type activities of the City include water, stormwater, wastewater, cable television, and downtown parking.

The government-wide financial statements can be found on pages 29-31 of this report.

Fund financial statements. A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Unlike government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the City's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains nineteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Developer Agreements and Impact Fees Fund, Street Improvement Capital Improvement Fund, and Parks and Facilities and Technology Capital Improvement Fund, which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds are provided in the form of combined statements in the Supplementary Information section of this report.

The City adopts an annual appropriated budget for its general fund and most governmental funds. A budgetary comparison statement has been provided for all major and non-major funds (with adopted budgets) in governmental activities to demonstrate compliance with this budget.

The governmental fund financial statements can be found on pages 44-49 of this report.

Proprietary funds. The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for water, stormwater, wastewater, CityNet, and paid parking services. CityNet is a municipally owned and operated enterprise for cable television, internet, and other services.

**CITY OF SAN BRUNO, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024**

Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its central garage, self-insurance, technology development, and facilities maintenance activities. Because these services predominantly benefit governmental rather than business-type functions, it has been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, but in more detail. The proprietary fund financial statements provide separate information for all of the City's proprietary funds as they are all considered to be major funds by the City. Conversely, the internal service fund is combined into a single, aggregated presentation in the proprietary financial statements. More detailed information for the internal service funds is provided in the form of combined statements elsewhere in the report.

The proprietary fund financial statements can be found on pages 44-49 of this report.

Fiduciary funds. Trust and custodial funds are fiduciary funds that account for assets held by the City in a purely custodial capacity. The reporting entity includes the Recology San Bruno Custodial Fund to account for funds billed, collected, and remitted to the company for waste management services within the City. In addition to the custodial fund, the Successor Agency to the San Bruno Redevelopment Agency Trust Fund was created as a result of the California Supreme Court decision on December 29, 2011 upholding ABx1 26, which eliminated all redevelopment agencies in California and created a process for winding down their operations. Both funds report a "balance sheet" referred to as a statement of fiduciary net position and an "income statement" referred to as a statement of changes in fiduciary net position.

The fiduciary fund financial statements can be found on pages 52-53 of this report.

Notes to the Basic Financial Statements. The notes provide additional information essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found starting on page 57 of this report.

Required and Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages 107-117 of this report.

The combining statements referred to earlier in connection with non-major governmental funds and internal service and fiduciary funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found starting on page 122 of this report.

**CITY OF SAN BRUNO, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024**

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of the City's financial position. Assets and deferred outflows exceeded liabilities and deferred inflows by \$344.2 million at the close of FY24.

| | Governmental Activities | | Business-Type Activities | | Total | |
|----------------------------------|-------------------------|----------------|--------------------------|----------------|----------------|----------------|
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| Current assets | \$ 151,445,181 | \$ 157,989,721 | \$ 113,128,715 | \$ 92,198,769 | \$ 264,573,896 | \$ 250,188,490 |
| Capital assets, net | 124,914,273 | 104,369,144 | 126,973,051 | 107,742,119 | 251,887,324 | 212,111,263 |
| Other noncurrent assets | 3,628,657 | 3,363,030 | - | - | 3,628,657 | 3,363,030 |
| Total assets | 279,988,111 | 265,721,895 | 240,101,766 | 199,940,888 | 520,089,877 | 465,662,783 |
| Deferred outflow of resources | 36,675,037 | 38,371,977 | 4,613,724 | 5,114,187 | 41,288,761 | 43,486,164 |
| Current Liabilities | 22,103,759 | 30,098,870 | 6,287,040 | 10,675,087 | 28,390,799 | 40,773,957 |
| Noncurrent liabilities | 115,251,246 | 110,419,487 | 71,011,198 | 59,610,465 | 186,262,444 | 170,029,952 |
| Total liabilities | 137,355,005 | 140,518,357 | 77,298,238 | 70,285,552 | 214,653,243 | 210,803,909 |
| Deferred inflow of resources | 2,566,282 | 4,696,453 | 8,608 | 20,906 | 2,574,890 | 4,717,359 |
| Net Position | | | | | | |
| Net investment in capital assets | 123,061,965 | 102,207,599 | 73,473,142 | 65,375,009 | 196,535,107 | 167,582,608 |
| Restricted | 49,911,286 | 75,224,281 | 1,963,235 | 1,936,756 | 51,874,521 | 77,161,037 |
| Unrestricted | 3,768,610 | (18,552,818) | 91,972,267 | 67,436,852 | 95,740,877 | 48,884,034 |
| Total Net Position | \$ 176,741,861 | \$ 158,879,062 | \$ 167,408,644 | \$ 134,748,617 | \$ 344,150,505 | \$ 293,627,679 |

By far the largest portion of the City's net position reflects its investment in capital assets (e.g. land, infrastructure, buildings, machinery, equipment, and vehicles) less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets (\$196.5 million) to provide services to its citizens. Consequently, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets cannot be used to liquidate these liabilities.

An additional portion of the City's net position, \$51.9 million, represents resources that are subject to external restrictions on how the funds may be used, such as constructing specified capital projects, debt service, or other community programs. The remaining balance in unrestricted net position amounts to \$95.7 million. This amount may be used at the City's discretion to meet ongoing obligations to citizens and creditors.

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MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024**

The City's overall net position increased by \$50.5 million, or 17.2%, from the prior fiscal year. Key elements of these changes are as follows:

| Statement of Activities | | | | | | |
|--|--------------------------------|-----------------------|---------------------------------|-----------------------|-----------------------|-----------------------|
| | Governmental activities | | Business-type activities | | Totals | |
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| Revenues: | | | | | | |
| Program revenues: | | | | | | |
| Charges for services | \$ 19,666,505 | \$ 48,086,500 | \$ 47,748,410 | \$ 45,693,566 | \$ 67,414,915 | \$ 93,780,066 |
| Operating grants and contributions | 23,302,874 | 33,764,892 | - | - | 23,302,874 | 33,764,892 |
| Capital grants and contributions | 12,561,974 | 23,660,274 | - | - | 12,561,974 | 23,660,274 |
| General revenues: | | | | | | |
| Property taxes | 15,417,048 | 14,931,681 | - | - | 15,417,048 | 14,931,681 |
| Transient occupancy taxes | 3,558,287 | 3,459,947 | - | - | 3,558,287 | 3,459,947 |
| Franchise taxes | 2,076,227 | 1,705,417 | - | - | 2,076,227 | 1,705,417 |
| Sales taxes | 20,818,065 | 20,928,603 | - | - | 20,818,065 | 20,928,603 |
| Cardroom taxes | 3,333,236 | 3,181,236 | - | - | 3,333,236 | 3,181,236 |
| Other taxes | 4,028,690 | 2,219,479 | - | - | 4,028,690 | 2,219,479 |
| Intergovernmental, unrestricted | - | - | - | - | - | - |
| State gasoline tax | 5,584,474 | 5,314,866 | - | - | 5,584,474 | 5,314,866 |
| Use of money and property | 11,237,201 | (541,036) | 2,767,893 | 1,154,107 | 14,005,094 | 613,071 |
| Total revenues | <u>121,584,581</u> | <u>156,711,859</u> | <u>50,516,303</u> | <u>46,847,673</u> | <u>172,100,884</u> | <u>203,559,532</u> |
| Expenses | | | | | | |
| General government | 11,797,858 | 12,014,857 | - | - | 11,797,858 | 12,014,857 |
| Public safety | 40,661,541 | 28,793,275 | - | - | 40,661,541 | 28,793,275 |
| Public works | 2,586,715 | 2,059,383 | - | - | 2,586,715 | 2,059,383 |
| Streets | 9,943,745 | 7,012,289 | - | - | 9,943,745 | 7,012,289 |
| Parks and recreation | 7,262,037 | 6,179,928 | - | - | 7,262,037 | 6,179,928 |
| Library | 2,374,855 | 2,287,233 | - | - | 2,374,855 | 2,287,233 |
| Community and economic development | 3,591,682 | 3,249,383 | - | - | 3,591,682 | 3,249,383 |
| Interest expense | 217,131 | 270,665 | - | - | 217,131 | 270,665 |
| Water | - | - | 16,288,579 | 16,179,423 | 16,288,579 | 16,179,423 |
| Stormwater | - | - | 2,262,271 | 2,042,242 | 2,262,271 | 2,042,242 |
| Wastewater | - | - | 17,532,875 | 15,117,460 | 17,532,875 | 15,117,460 |
| CityNet | - | - | 8,717,915 | 9,073,317 | 8,717,915 | 9,073,317 |
| Parking | - | - | 432,177 | 2,490 | - | - |
| Total expenses | <u>78,435,564</u> | <u>61,867,013</u> | <u>45,233,817</u> | <u>42,414,932</u> | <u>123,669,381</u> | <u>104,281,945</u> |
| Increase (decrease) in net position before transfers | 43,149,017 | 94,844,846 | 5,282,486 | 4,432,741 | 48,431,503 | 99,277,587 |
| Transfers | (25,286,218) | 94,724 | 25,286,218 | (94,724) | - | - |
| Increase (decrease) in net position | <u>17,862,799</u> | <u>94,939,570</u> | <u>30,568,704</u> | <u>4,338,017</u> | <u>48,431,503</u> | <u>99,277,587</u> |
| Net position - beginning of year | 158,879,062 | 63,939,492 | 134,748,617 | 130,410,600 | 293,627,679 | 194,350,092 |
| Restatements | - | - | 2,091,323 | - | 2,091,323 | - |
| Net position - beginning, as restated | 158,879,062 | 63,939,492 | 136,839,940 | 130,410,600 | 295,719,002 | 194,350,092 |
| Net position - ending | <u>\$ 176,741,861</u> | <u>\$ 158,879,062</u> | <u>\$ 167,408,644</u> | <u>\$ 134,748,617</u> | <u>\$ 344,150,505</u> | <u>\$ 293,627,679</u> |

**CITY OF SAN BRUNO, CALIFORNIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024**

Governmental Activities

Governmental activities increased the City's net position by \$17.9 million, with a total net position of \$176.7 million at the end of the fiscal year. Overall, revenues experienced a \$16.5 million increase as compared to prior year, driven largely by \$14.0 million in use of money and property, including investment income. Taxes were largely flat, increasing \$2.8 million, or 6.0% from prior year, but concentrated in one area. Business license taxes increased by \$1.8 million, 81.5%, over prior year; however, it is critical to note that this is driven by one-time settlements of outstanding licenses. The second-highest increase was in property taxes, which rose \$0.5 million over prior year. This overall modest growth is consistent with expectations as the economy extends the distance from the pandemic. The aforementioned investment income is driven by an increase in both deposited cash and still-elevated rates.

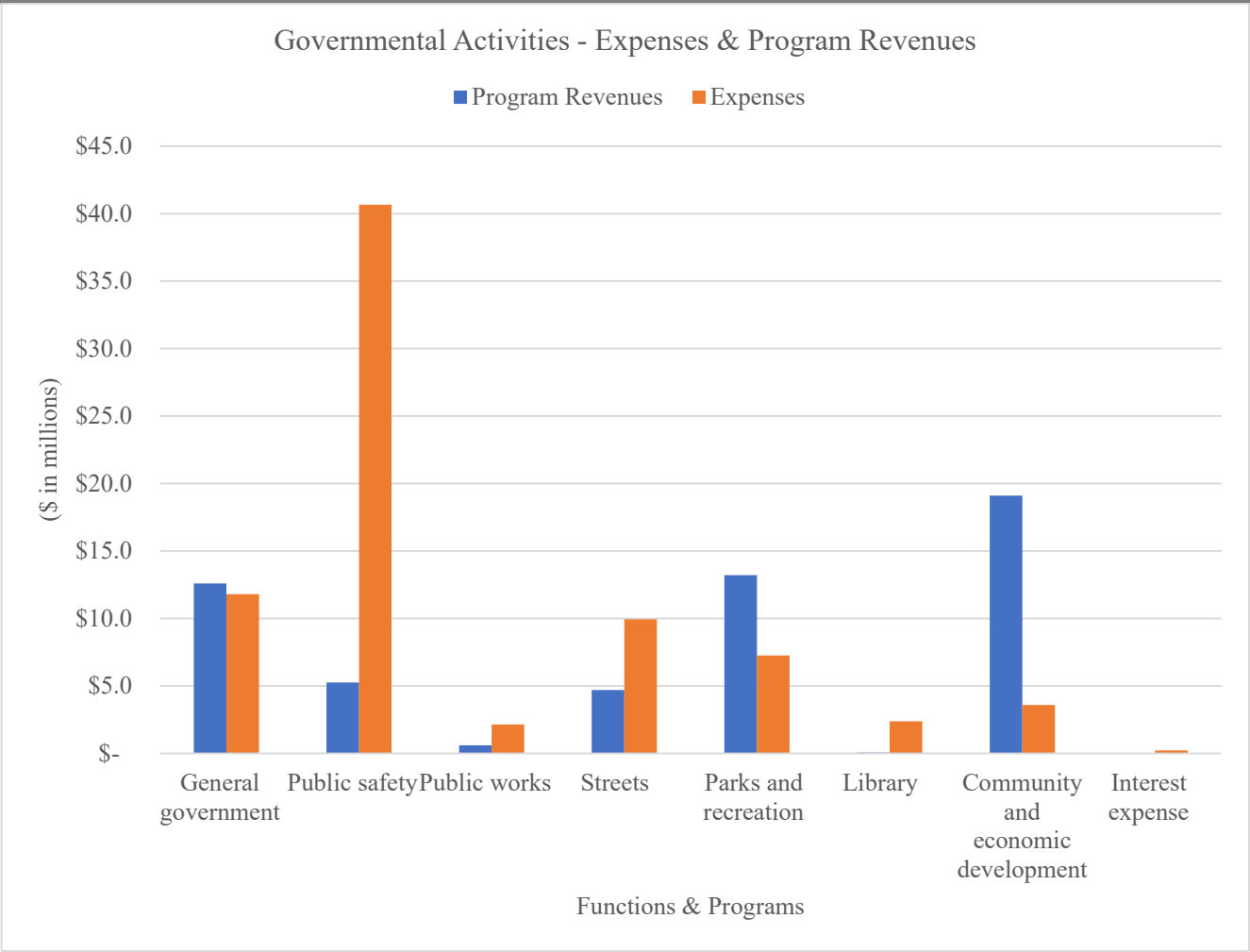
The cost of all governmental activities this year was \$78.4 million. As shown in the statement of activities, the amount that taxpayers paid for these activities with general revenues was \$55.5 million because some of the costs were paid by those specifically benefiting from the programs (\$19.7 million), and by other governments and organizations subsidizing programs with grants and contributions for operations and capital improvement (\$35.9 million). The higher expenditures in public safety activities are primarily due to actuarial adjustments within the safety risk pool pension plan.

The City's programs include general government, public safety, public works, streets, parks and recreation, library, and community and economic development. Each program's net cost (total cost less revenues generated by the activities) is presented below. The net cost shows the financial burden that was placed on the City's taxpayers by each of these functions.

| Governmental activities | Operating Revenues | | Operating Expenses | | Net Revenue (Expense) and Change in Net Position | |
|--------------------------------------|----------------------|-----------------------|----------------------|----------------------|---|----------------------|
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| General government | \$ 12,595,748 | \$ 7,715,775 | \$ 11,797,858 | \$ 12,014,857 | \$ 797,890 | \$ (4,299,082) |
| Public safety | 5,255,346 | 5,207,635 | 40,661,541 | 28,793,275 | (35,406,195) | (23,585,640) |
| Public works | 606,079 | 516,259 | 2,586,715 | 2,059,383 | (1,980,636) | (1,543,124) |
| Streets | 4,695,935 | 4,768,844 | 9,943,745 | 7,012,289 | (5,247,810) | (2,243,445) |
| Parks and recreation | 13,214,973 | 23,896,504 | 7,262,037 | 6,179,928 | 5,952,936 | 17,716,576 |
| Library | 60,343 | 45,785 | 2,374,855 | 2,287,233 | (2,314,512) | (2,241,448) |
| Community and economic development | 19,102,929 | 63,360,864 | 3,591,682 | 3,249,383 | 15,511,247 | 60,111,481 |
| Interest expense | - | - | 217,131 | 270,665 | (217,131) | (270,665) |
| Total governmental activities | \$ 55,531,353 | \$ 105,511,666 | \$ 78,435,564 | \$ 61,867,013 | \$ (22,904,211) | \$ 43,644,653 |

Operating resources (program revenues) and operating expenses are depicted graphically as follows:

**CITY OF SAN BRUNO, CALIFORNIA
 MANAGEMENT'S DISCUSSION AND ANALYSIS
 FOR THE YEAR ENDED JUNE 30, 2024**



**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024**

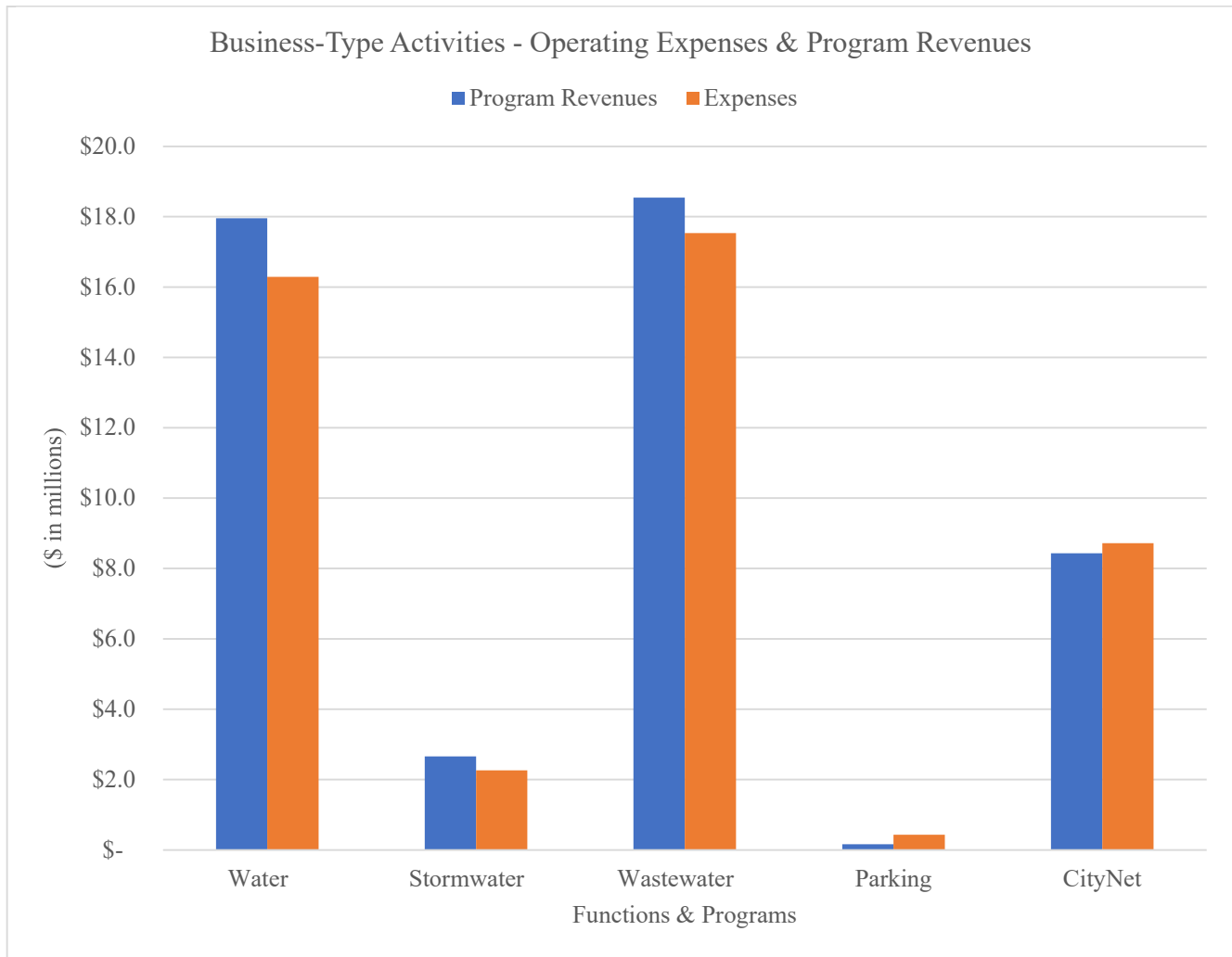
Business-type Activities

The City's business-type activities include water, stormwater, wastewater, parking and CityNet. While water and wastewater are true enterprise funds that pay for their services through user fees, both stormwater and CityNet require funding from the General Fund, as user fees do not cover all operating or capital costs. The parking fund, newly established in FY24, may require funding from the General Fund if future meter and fine revenues are not sufficient to cover the operating and startup costs of the enterprise. The results for the current fiscal year were positive in that overall net position increased to reach an ending balance of \$167.4 million. The total increase in net position for business-type activities was \$30.5 million. The Water and Wastewater Funds continues to directly contribute to the growth. Charges for services of \$18.0 million and \$18.5 million covered expenses of \$16.3 million and \$17.5 million, respectively. The Stormwater Fund contributed to the growth as compared to last year's operational deficit, with charges for services of \$2.7 million covering expenses of \$2.3 million. CityNet charges for services of \$8.4 million also continued to be insufficient to support expenses of \$8.7 million. Transfers of \$21.5 million and \$2.2 million were from the Governmental Funds to CityNet and Stormwater Funds respectively to remove the deficit that accumulated over multiple year of operational loss. Parking charges for service of \$0.2 million is insufficient to support expenses of \$0.4 million, though it is important to note that this does not represent a full year of operations. Total resources available during the year to finance business-type activities were \$76.5 million consisting of program revenues, investment income, and transfers in. Total business-type activities expenses during the year were \$46.0 million including operating expenses, debt service expenses, and transfers out.

CITY OF SAN BRUNO, CALIFORNIA

**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024**

Operating revenues and expenses are depicted graphically as follows:



Each program’s net cost (total cost less revenues generated by the activities) is presented below. The net cost shows the financial burden placed on City’s taxpayers by each of these functions.

| Business-type activities | Program Revenues | | Program Expenses | | Net Revenue (Expense) and Change in Net Position | |
|---------------------------------------|----------------------|----------------------|----------------------|----------------------|--|---------------------|
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| Water | \$ 17,954,725 | \$ 16,964,116 | \$ 16,288,579 | \$ 15,816,262 | \$ 1,666,146 | \$ 1,147,854 |
| Stormwater | 2,657,101 | 935,728 | 2,262,271 | 2,035,128 | 394,830 | (1,099,400) |
| Wastewater | 18,543,371 | 19,526,658 | 17,532,875 | 14,096,167 | 1,010,496 | 5,430,491 |
| CityNet | 8,432,677 | 8,267,064 | 8,717,915 | 9,061,916 | (285,238) | (794,852) |
| Parking | 160,536 | - | 432,177 | 2,490 | (271,641) | (2,490) |
| Total business-type activities | \$ 47,748,410 | \$ 45,693,566 | \$ 45,233,817 | \$ 41,011,963 | \$ 2,514,593 | \$ 4,681,603 |

CITY OF SAN BRUNO, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2024

Financial Analysis of the City's Funds

Governmental Funds:

The City uses fund accounting, which focuses on current financial resources affecting near-term liquidity. It is also a management tool for segregating certain resources for specific activities or objectives in accordance with special regulations, restrictions, or limitations.

At June 30, 2024, governmental funds reported combined fund balances of \$131.3 million, an increase of \$0.8 million, 1% over the prior year. Of this amount, \$2.0 million is non-spendable due to funds being advanced to Parking Fund services as a loan. CityNet continued making improvements in FY24 to control costs and focus on higher margin business. The City continues to negotiate the sale of CityNet to Comcast in 2025 which will ensure modern & stable internet services to the community without needing a subsidy from the General Fund. The remainder of the fund balance is either restricted, committed, assigned, or unassigned to indicate that it is (1) restricted for particular purposes, \$49.9 million; or (2) committed for a particular purpose, \$2.4 million; or (3) assigned for particular purposes, \$37.2 million; or (4) unassigned and available at the City's discretion, \$38.9 million.

Analysis of Major Funds

The General Fund is the main operating fund of the City. For financial statement presentation purposes, the General Fund includes the operating fund, reserve funds, Measure G fund, and American Rescue Plan Act fund. Revenues totaled \$86.2 million, which is an increase of \$16.5 million, 23.6%, from the prior year. This was due to moderate growth in taxes, licenses and permits, charges for services, and changes in fair market value of investments. Expenditures totaled \$62.6 million, which increased by \$3.6 million, 6.1%, from the prior year. The increase is mainly attributed to additional funding allocated to public safety, general public works and streets maintenance efforts.

The Developer Agreement and Impact Fees Fund accounts for funds from new developments to pay for public facilities and infrastructure needed to accommodate growth in the City. Revenues decreased by \$44.4 million, a drop to more typical levels after the prior fiscal year's major development activities. Expenditures and transfers out increased \$29.1 million, with 21.5 million transferred to CityNet and the remainder used to fund various Capital Improvement Projects. Fund balance decreased by \$18.8 million, resulting in an ending fund balance of \$35.9 million. This fund balance will be used in future years to enable projects which mitigate the effects of growth on the community.

The Parks and Facilities and Technologies Capital Improvement Capital Projects Fund provides for the improvement of the City's parks and facilities, for which revenues decreased by \$10.8 million. The main reason for the decrease in revenues was due to the exhaustion of the construction grant received from the San Bruno Community Foundation for the Recreation and Aquatic Center. Expenditures decreased by \$3.4 million which can mainly be attributed to the capital outlay for the Recreation and Aquatic Center's construction. The net change in fund balance for fiscal year was a decrease of \$1.4 million, netting to an ending fund balance of \$9.2 million which is assigned for capital improvement projects.

A newly designated major fund in FY2024, the Street Improvement Capital Project Fund accounts for funds expended for transportation infrastructure such as street rehabilitation, streetlights, traffic signals and street medians. Revenue and transfers in were \$10.2 million while expenditures and transfers out were \$10.9 million resulting in a decrease in fund balance of \$0.7 million. The fund balance at the end of the fiscal year is \$13.7 million which is assigned for capital improvement projects.

CITY OF SAN BRUNO, CALIFORNIA

**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024**

Proprietary Funds:

The City’s proprietary funds provide the same type of information found in the business-type activities portion of the government-wide financial statements, but in more detail.

Water Fund’s net position rose by \$2.9 million to \$75.7 million, a significant increase from the previous year’s \$0.8 million increase due to the increase in investment income and rate adjustments for the Fund’s operations and capital improvements. Although the City adopted a five-year rate plan with annual 5% increases in 2017, the City chose not to raise water rates in the final two years of the five-year plan due to the pandemic. The City resumed its past practice of annual rate increases to ensure the enterprise's fiscal solvency by adopting a five-year water rate plan, effective January 1, 2024.

Wastewater Fund's net position increased by \$2.1 million to \$79.9 million, a smaller increase compared to previous year's \$5.6 million increase. Although the City adopted a five-year rate plan with annual 5% increases in 2017, the City chose not to raise wastewater rates in the final two years of the five-year plan due to the pandemic. The City resumed its past practice of annual rate increases to ensure the enterprises’ fiscal solvency by adopting a five-year wastewater rate plan, effective July 1, 2023.

As of June 30, 2024, the CityNet Fund had a net position of \$1.6 million, a positive position after receiving a \$21.5 million transfer from the General Fund. The Fund has been experiencing annual operating losses, including losses of \$301,598 in FY24 and \$794,852 in the prior year.

The City is in active negotiations with Comcast to sell the CityNet infrastructure and customer bases in 2025.

General Fund Budgetary Highlights

The budget comparison information presented on page 107, as Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual shows the initial adopted and final budgets for the General Fund. In this financial statement, the General Fund is comprised of the General Operating fund, reserve funds, Measure G fund, American Rescue Plan Act fund, and Developer Project Contributions fund.

Original Budget Compared to Final Budget:

The most significant differences between original and final revenue estimates were as follows:

| Revenues | Orig Budget | Final Budget | Variance | Percent Change |
|---------------------|--------------------|---------------------|-----------------|-----------------------|
| License and permits | \$ 6,744,562 | \$ 7,344,562 | 600,000 | 8.9% |

Licenses and permits were increased by \$0.6 million for a one-time adjustment to business license revenue from the recently executed business license agreement with Walmart. This adjustment reflects the terms of the new agreement, which ensures accurate revenue collection. The additional funds will contribute to the City’s general fund, supporting essential services and programs that benefit the community.

CITY OF SAN BRUNO, CALIFORNIA

**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024**

The most significant differences between original and final expenditure budgets were as follows:

| Expenditures | Orig Budget | Final Budget | Variance | Percent Change |
|------------------------------------|--------------------|---------------------|-----------------|-----------------------|
| Community and economic development | \$ 4,304,068 | \$ 5,509,747 | 1,205,679 | 28.0% |
| Capital outlay | 652,000 | 1,861,465 | 1,209,465 | 185.5% |

Under the Community and economic development category, the budget increase is primarily attributed to multi-year professional service contracts, such as on-demand contract inspectors to support routine inspection work and development projects for the Building and Planning divisions. These contracts extend beyond a single fiscal year, and the associated budget was reflected under purchase orders, which were not included in the original operating budget.

Within the Capital Outlay category, the budget increased to account for encumbrances from purchase orders submitted at the end of the prior fiscal year, which had not been included during the budget process.

Final Budget Compared to Actual Results:

The most significant differences between estimated and actual revenues were as follows:

| Revenues | Final Budget | Actual Revenues | Variance | Percent Change |
|---------------------|---------------------|------------------------|-----------------|-----------------------|
| Taxes | \$37,831,527 | \$ 45,201,975 | 7,370,448 | 19.5% |
| License and permits | 7,344,562 | 9,226,757 | 1,882,195 | 25.6% |
| Intergovernmental | 6,252,705 | 10,603,420 | 4,350,715 | 69.6% |

The local economy keeps blooming after COVID-19, resulting in higher-than-expected tax collections. Tax revenues have experienced substantial growth in sales tax, property tax, and transient occupancy tax. The City's final budget for General Sales Tax is \$18.54 million, whereas the amount actually received is \$22.7 million. Though the City anticipated the rise in sales tax revenue and updated its year-end estimate to \$21.2 million, this update does not reflect in the final budget amount. In addition, a portion of property tax revenue was remitted to the City from the Educational Revenue Augmentation Fund (ERAF). The city received 50% of FY24 excess ERAF in January 2024 and 45% of FY24 excess ERAF and the remaining excess ERAF from FY22 in August 2024, totaling \$1.9 million. The FY24 budget did not account for the August remittance, so the ERAF revenue is \$1.1 million higher than the budget. The budget towards revenue remained conservative given the expectation that excess ERAF is not a consistent revenue source to fund ongoing operations in the long term.

The actual revenue increases of Licenses and permits were primarily due to an agreement between Walmart and the City regarding the application of the City’s business license tax to Walmart’s internet retailing business conducted within and outside the City of San Bruno in January 2024. For fiscal years 2023 and 2024, Walmart is to pay a business license tax in the amount of \$1.2 million, which was not included in the final budget. The revenue increase is also attributed to plan check fees collected for YouTube’s new office sites on Bayhill Dr. and Grundy Lane. In the Intergovernmental category, the actual revenue reflects the ARPA funds spent in FY24. Although the City received the entire amount of ARPA funding prior to FY24, the revenue was recognized when the ARPA funds were actually spent. Consequently, \$4.7 million of ARPA funds were not included in the final budget.

CITY OF SAN BRUNO, CALIFORNIA

**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024**

The most significant differences between the final budget and actual expenditures were as follows:

| Expenditures | Final Budget | Actual Expenditures | Variance | Percent Change |
|---------------------------------------|-------------------------|--------------------------------|-----------------|---------------------------|
| General government | \$10,469,531 | \$8,632,785 | 1,836,746 | 17.5% |
| Parks and recreation | 8,670,941 | 6,576,173 | 2,094,768 | 24.2% |
| Community and economic development | 5,509,747 | 3,364,108 | 2,145,639 | 38.9% |

In the General government category, \$1.2 million was budgeted for external consultants to conduct and manage City Attorney Office operations. During the year, some legal costs were allocated to developer/ capital projects and enterprise fund, thus mitigating the burden on the General Fund, resulting in savings of \$0.62 million compared to an in-house City Attorney. In Parks and recreation, the budget was developed based on the planned opening of the Recreation and Aquatic Center, which had not been completed and staffed by the end of FY24. This resulted in lower-than-expected expenditures, including salary savings of \$0.95 million and savings on services and supplies totaling \$0.24 million. The new Recreation and Aquatic Center began operations in August 2024.

Finally, within Community and economic development, the encumbrance of multi-year on-demand service agreements was not factored into the original budget, which caused the final budget to exceed actual expenditures by \$1.1 million. The original budget was based on a percentage of plan review fee revenue and did not account for funds carried forward through purchase orders from previous years.

Cash Management

The City employs a pooled cash system (Reference Note 2 in the notes to the basic financial statements). To maintain flexibility in cash management under the pooled cash concept, the City invests the cash of all funds with maturities planned to coincide with cash needs. Idle cash is invested in eligible securities as defined by the California Government Code and further authorized by the City's Investment Policy. The goals of the City's Investment Policy are safety, liquidity, and yield in that order of priority.

Capital Assets

The capital assets of the City are those assets used in the performance of the City’s functions including infrastructure assets. At June 30, 2024, net capital assets of the governmental activities totaled \$124.9 million. Depreciation on capital assets is recognized in the government-wide financial statements. During FY24, net capital assets for governmental activities increased by \$20.5 million due to additions in excess of depreciation of existing assets. For business-type activities, capital assets increased by \$19.2 million to \$127.0 million due to significant addition to the Sewer Plant in excess of depreciation. Detailed information about capital assets can be found in Note 4 to the financial statements.

CITY OF SAN BRUNO, CALIFORNIA

**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024**

| | Governmental Activities | | Business-Type Activities | | Totals | |
|--------------------------|-------------------------|----------------------|--------------------------|----------------------|----------------------|----------------------|
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| Land | \$ 3,249,087 | \$ 4,649,235 | \$ 576,842 | \$ 576,842 | \$ 3,825,929 | \$ 5,226,077 |
| Construction in Progress | 65,418,685 | 42,478,758 | 8,830,579 | 18,172,179 | 74,249,265 | 60,650,938 |
| Infrastructure | 44,356,477 | 45,146,310 | | | 44,356,477 | 45,146,310 |
| Sewer Plant | - | - | 27,102,678 | 11,830,897 | 27,102,678 | 11,830,897 |
| Buildings & Structures | 6,284,705 | 6,290,414 | 84,843,457 | 71,696,434 | 91,128,162 | 77,986,848 |
| Machinery & Equipment | 5,205,241 | 5,155,799 | 5,619,493 | 5,465,765 | 10,824,734 | 10,621,564 |
| Right to use-Software | 400,079 | 651,178.00 | - | - | 400,079 | 651,178 |
| Total | \$124,914,274 | \$104,371,694 | \$126,973,050 | \$107,742,118 | \$251,887,324 | \$212,113,812 |

CITY OF SAN BRUNO, CALIFORNIA

**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2024**

Debt Administration

The City and Successor Agency to the Former Redevelopment Agency debt obligations are in the form of capital leases, pension obligation bond, loans payable to South San Francisco, and revenue bonds. A summary of the City’s outstanding debt follows:

| | Summary of Long-Term Debt | |
|---|--------------------------------------|-----------------------------|
| | <u>2024</u> | <u>2023</u> |
| Governmental Activities | | |
| 2022 Financed Purchased Obligation | 1,426,436 | 1,462,844 |
| 2013 Pension Obligation Bond | 3,206,446 | 4,191,928 |
| Subscription-Based Information | | |
| Technology Agreement (SBITA) Liability | <u>425,872</u> | <u>698,701</u> |
| Subtotal Government Activities Debt | <u>5,058,754</u> | <u>6,353,473</u> |
| Business-Type Activities | | |
| Due to South San Francisco - 2007 Loan | 883,668 | 1,724,756 |
| Due to South San Francisco - 2024 Loan | 13,203,488 | - |
| 2013 Wastewater Revenue Refunding Bond | 4,130,879 | 4,493,753 |
| 2017 Wastewater Revenue Bond | 23,970,813 | 24,563,347 |
| 2017 Water Revenue Bond | <u>11,377,315</u> | <u>11,658,870</u> |
| Subtotal Business-Type Activities Debt | <u>53,566,163</u> | <u>42,440,726</u> |
| Fiduciary Activities | | |
| 2019 Lease Revenue Bonds | <u>3,340,954</u> | <u>3,754,661</u> |
| Subtotal Fiduciary Activities | <u>3,340,954</u> | <u>4,186,798</u> |
| Total Long-Term Debt Obligations | <u><u>\$ 61,965,872</u></u> | <u><u>\$ 52,980,997</u></u> |

Additional information about long-term debt can be found in Note 5 to the financial statements.

Economic Factors Impacting City’s Finances

The City Council and management considered the following economic factors in preparation of the fiscal year 2024-25 budget:

CITY OF SAN BRUNO, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2024

General Fund revenues

- Total General Fund revenues of \$68.0 million projected for FY25, a modest increase as compared to the FY24 Amended Budget amounts.
- Property Taxes – San Bruno only receives about 12 ½ cents from every property tax dollar paid in San Bruno. An additional 2 cents of property tax revenue have come to the City in recent years from the Educational Revenue Augmentation Fund, or ERAF, but this is not a consistent or reliable revenue source to fund on-going operations in the long term. The remainder of property taxes paid by property owners in the City goes to San Mateo County, school districts, and special districts. The housing industry and home sales boomed when more and more people worked from home because of pandemic induced changes in work-from-home patterns. Secured property tax revenue is expected to increase by a reduced amount, 3.7%, over the prior fiscal year budget in recognition of the recent economic factors which have reduced the slope of assessed valuations.
- Sales Tax of 9.875% is assessed on every taxable sale in San Bruno. Of the 9.875%, the City receives 1.5% or approximately 15% of the total tax. For FY25 total Sales Tax revenue is anticipated to remain flat following several years of increased collections post-pandemic. The planned redevelopment of Tanforan Mall will cause reduced sales in the area beginning in FY26 or FY27 depending on redevelopment plans which include residential, retail, and life-sciences commercial uses. Of considerable concern for sales taxes is the City's exposure to California Department of Tax and Fee Administration's (CDTFA) challenge to a tax share agreement with Walmart.com. See Note 11.
- Transient Occupancy Tax (TOT) in the amount of 14% is collected on the cost of each room rental at each of the 12 lodging establishments in the City. Occupancy in hotels declined by more than 75% shortly after the coronavirus outbreak. The hospitality industry is on the mend, reaching pre-pandemic levels in FY24. Staff projects that TOT revenue has largely recovered and any future increase will be modest.
- Business license tax is an annual tax based on prior year gross receipts. The pandemic devastated many sectors of San Bruno's business community and some businesses reported lower gross receipts for multiple years following. In the recent past, businesses faced strong headwinds with escalating inflation, disrupted supply chains and tight labor markets. However, as inflation begins to ease, this category is expected to rebound and staff therefore increased business license expectations to exceed pre-pandemic levels.
- Departmental Revenue – Total departmental revenues are projected to increase by 5.0% from the FY24 final budget. While modest growth is expected in a number of categories, the creation of the Community Development and Recreation & Aquatic Center special revenue funds did move some revenues outside the General Fund.

General Fund expenditures

Personnel costs represent the largest share General Fund expenditures, totaling \$47.1 million or 69% of total expenditures as follows:

- Regular and Part-Time Salaries – Salaries for all full time and part time staff is the single largest category of expenditures in the operating budget at approximately 38% of total General Fund expenditures. The total budget for salaries across all General Fund departments is \$25.7 million.
- CalPERS Retirement - Employee retirement benefits total \$13.0 million, or 19% of the General Fund expenditures. The City continues to experience significant impacts from increasing costs for retirement benefits through the CalPERS system. The only revenues available to the CalPERS system to fund employee pension costs comes from three sources: PERS investment earnings, employee contributions and employer contributions. As a result, the reduction of available revenue in the investment earnings category must be made up from increases to employer contributions.

CITY OF SAN BRUNO, CALIFORNIA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2024

- Employee Insurance Premiums - Employee insurance benefits (medical, life and long-term disability) are provided through the Teamster's Health and Welfare Trust and amount to \$5.5 Million in FY25. The Trust notifies the City of the projected premium increase at the end of each calendar year.

Enterprise Funds

The City completed a comprehensive review of operating and capital needs in the Water and Wastewater Enterprises and established new multi-year utility rate schedules in June 2023 (Wastewater) & September 2023 (Water). The rate analysis included careful evaluation of all operational costs and the planned schedule and costs for delivery of capital improvement projects necessary to replace and rehabilitate the City's aging water and wastewater system infrastructure. The multi-year Wastewater rate program adopted by the City Council in June 2023 provided for an annual 5.25% rate increase from FY24 (07/01/23) through FY28 (06/30/28). The multi-year Water rate program adopted by the City Council in September 2023 provided for an annual 6% rate increase from FY24 (01/01/24) through FY29 (12/31/28).

The Stormwater Enterprise is responsible for maintaining the stormwater conveyance system as well as adhering to the requirements outlined in the National Pollutant Discharge Elimination System (NPDES). Stormwater fees are collected through the County property tax, and a minimum of \$46.16 per assessor parcel number (APN) is assessed for most properties in San Bruno. These fees have been in place since 1994 and are inadequate to fund ongoing operations and necessary equipment and capital investments to meet federal requirements. The City held a mail ballot property-owner election to increase Storm Drainage and Flood Protection Fee on June 15, 2021, which was rejected by voters overwhelmingly. The City negotiated an agreement with the solid waste franchise to contribute \$798,993 annually for street sweeping to protect the stormwater infrastructure and discharge from debris. The City continues to explore opportunities in FY25 that will shore up the Stormwater Fund in the absence of a dedicated revenue source.

CityNet Fund – CityNet has continued making improvements in FY24 to control expenses and focus on higher margin business. However, the City continues to negotiate the sale of CityNet to Comcast in 2025 which will ensure modern and stable internet services to the community without the need for subsidy from the General Fund.

Capital Improvement Program and Debt Service

The FY2024-29 Capital Improvement Program identifies 94 funded and partially funded projects/programs organized into 8 categories. \$255.0 million in capital investment is programmed through the 5-year CIP to assure rehabilitation, replacement, and improvement of City facilities and infrastructure. \$136.6 million of this amount is the expected cost of scheduled improvements to the City's water and sewer systems.

A total of \$5.3 million is set aside to meet debt service obligations.

Contacting the City's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to show the City's accountability for the revenues it received. Questions about this report should be directed to the Finance Department at webfinance@sanbruno.ca.gov or 567 El Camino Real, San Bruno, CA 94066. This report as well as other financial reports can be viewed on the City of San Bruno's website at www.sanbruno.ca.gov.

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BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

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City of San Bruno
Statement of Net Position
June 30, 2024 (with comparative totals for June 30, 2023)

| | Governmental Activities | Business-type Activities | Totals | |
|---|----------------------------|-----------------------------|-----------------------|-----------------------|
| | | | 2024 | 2023 |
| ASSETS | | | | |
| Current assets: | | | | |
| Cash and investments | \$ 138,144,701 | \$ 107,019,693 | \$ 245,164,394 | \$ 231,468,901 |
| Cash and investments with fiscal agent | 144,351 | 1,963,235 | 2,107,586 | 2,078,584 |
| Receivables: | | | | |
| Taxes | 9,227,148 | 74,953 | 9,302,101 | 7,141,333 |
| Accounts | 91,311 | 4,323,102 | 4,414,413 | 6,049,679 |
| Interest | 741,905 | - | 741,905 | 647,297 |
| Loans | 885,047 | - | 885,047 | 1,089,120 |
| Other | 1,956,554 | 1,896 | 1,958,450 | 1,713,576 |
| Internal balances | 254,164 | (254,164) | - | - |
| Total current assets | 151,445,181 | 113,128,715 | 264,573,896 | 250,188,490 |
| Noncurrent assets: | | | | |
| Other assets | 3,628,657 | - | 3,628,657 | 3,363,030 |
| Capital assets: | | | | |
| Nondepreciable | 68,667,772 | 9,407,422 | 78,075,194 | 65,874,465 |
| Depreciable | 143,012,348 | 206,952,769 | 349,965,117 | 314,279,364 |
| Less accumulated depreciation | (86,765,847) | (89,387,140) | (176,152,987) | (168,042,566) |
| Total capital assets | 124,914,273 | 126,973,051 | 251,887,324 | 212,111,263 |
| Total noncurrent assets | 128,542,930 | 126,973,051 | 255,515,981 | 215,474,293 |
| Total assets | 279,988,111 | 240,101,766 | 520,089,877 | 465,662,783 |
| DEFERRED OUTFLOWS OF RESOURCES | | | | |
| Deferred charges on refunding | - | 66,254 | 66,254 | 73,616 |
| Deferred pension related items | 36,675,037 | 4,547,470 | 41,222,507 | 43,412,548 |
| Total deferred outflows of resources | 36,675,037 | 4,613,724 | 41,288,761 | 43,486,164 |
| LIABILITIES | | | | |
| Current liabilities: | | | | |
| Accounts payable and accrued liabilities | 13,281,752 | 2,489,135 | 15,770,887 | 19,840,356 |
| Interest payable | 29,181 | 939,450 | 968,631 | 871,203 |
| Deposits payable | 4,130,195 | - | 4,130,195 | 4,558,979 |
| Unearned revenue | 98,133 | 631,761 | 729,894 | 9,293,220 |
| Other liabilities | 1,228,558 | - | 1,228,558 | 1,102,681 |
| Compensated absences - current | 577,914 | 71,933 | 649,847 | 638,811 |
| Claims and judgements - current | 1,316,000 | - | 1,316,000 | 1,118,000 |
| Long-term debt - current portion | 1,442,026 | 2,165,404 | 3,607,430 | 3,350,707 |
| Total current liabilities | 22,103,759 | 6,297,683 | 28,401,442 | 40,773,957 |
| Noncurrent liabilities: | | | | |
| Compensated absences | 2,531,044 | 562,993 | 3,094,037 | 2,794,286 |
| Claims and judgements | 4,284,000 | - | 4,284,000 | 3,905,000 |
| Net pension liability | 104,819,474 | 19,036,803 | 123,856,277 | 117,887,174 |
| Long-term debt | 3,616,728 | 51,400,759 | 55,017,487 | 45,443,492 |
| Total noncurrent liabilities | 115,251,246 | 71,000,555 | 186,251,801 | 170,029,952 |
| Total liabilities | 137,355,005 | 77,298,238 | 214,653,243 | 210,803,909 |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Deferred inflows of resources - pension | 2,566,282 | 8,608 | 2,574,890 | 4,717,359 |
| Total deferred inflows of resources | 2,566,282 | 8,608 | 2,574,890 | 4,717,359 |
| NET POSITION | | | | |
| Net investment in capital assets | 123,061,965 | 73,473,142 | 196,535,107 | 167,582,608 |
| Restricted for: | | | | |
| Capital projects | 14,336,828 | 1,963,235 | 16,300,063 | 35,796,524 |
| Measure A | 1,107,775 | - | 1,107,775 | 1,813,989 |
| Community services | 34,466,683 | - | 34,466,683 | 39,550,524 |
| Total restricted | 49,911,286 | 1,963,235 | 51,874,521 | 77,161,037 |
| Unrestricted | 3,768,610 | 91,972,267 | 95,740,877 | 48,884,034 |
| Total net position | \$ 176,741,861 | \$ 167,408,644 | \$ 344,150,505 | \$ 293,627,679 |

City of San Bruno

Statement of Activities

For the year ended June 30, 2024 (with comparative totals for June 30, 2023)

| Functions/Programs | Expenses | Program Revenues | | | Total |
|------------------------------------|-----------------------|----------------------|------------------------------------|----------------------------------|-----------------------|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | |
| Governmental activities: | | | | | |
| General government | \$ 11,797,858 | \$ 7,523,530 | \$ 5,028,489 | \$ 43,729 | \$ 12,595,748 |
| Public safety | 40,661,541 | 4,287,281 | 968,065 | - | 5,255,346 |
| Public works | 2,586,715 | 323,780 | 282,299 | - | 606,079 |
| Streets | 9,943,745 | 18,700 | 4,262,237 | 414,998 | 4,695,935 |
| Parks and recreation | 7,262,037 | 419,003 | 692,723 | 12,103,247 | 13,214,973 |
| Library | 2,374,855 | 12,734 | 47,609 | - | 60,343 |
| Community and economic development | 3,591,682 | 7,081,477 | 12,021,452 | - | 19,102,929 |
| Interest expense | 217,131 | - | - | - | - |
| Total governmental activities | 78,435,564 | 19,666,505 | 23,302,874 | 12,561,974 | 55,531,353 |
| Business-type Activities: | | | | | |
| Water | 16,288,579 | 17,954,725 | - | - | 17,954,725 |
| Stormwater | 2,262,271 | 2,657,101 | - | - | 2,657,101 |
| Wastewater | 17,532,875 | 18,543,371 | - | - | 18,543,371 |
| Cable television | 8,717,915 | 8,432,677 | - | - | 8,432,677 |
| Parking | 432,177 | 160,536 | - | - | 160,536 |
| Total business-type activities | 45,233,817 | 47,748,410 | - | - | 47,748,410 |
| Total primary government | \$ 123,669,381 | \$ 67,414,915 | \$ 23,302,874 | \$ 12,561,974 | \$ 103,279,763 |

General Revenues:

Taxes:

Property taxes, levied for general purpose
 Transient occupancy tax
 Franchise tax
 Sales tax, including subvention
 Cardroom taxes
 Other taxes

Total taxes

Intergovernmental, unrestricted

State motor vehicle in-lieu tax, including subvention

Use of money and property

Transfers

Total general revenues and transfers

Change in net position

Net position - beginning of year

Restatements

Net position - beginning of year, as restated

Net position - end of year

| Net (Expense) Revenue and Changes in Net Position | | Totals | |
|--|-----------------------------|----------------|----------------|
| Governmental Activities | Business-Type Activities | 2024 | 2023 |
| \$ 797,890 | \$ - | \$ 797,890 | \$ (4,299,082) |
| (35,406,195) | - | (35,406,195) | (23,585,640) |
| (1,980,636) | - | (1,980,636) | (1,543,124) |
| (5,247,810) | - | (5,247,810) | (2,243,445) |
| 5,952,936 | - | 5,952,936 | 17,716,576 |
| (2,314,512) | - | (2,314,512) | (2,241,448) |
| 15,511,247 | - | 15,511,247 | 60,111,481 |
| (217,131) | - | (217,131) | (270,665) |
| (22,904,211) | - | (22,904,211) | 43,644,653 |
| - | 1,666,146 | 1,666,146 | 784,693 |
| - | 394,830 | 394,830 | (1,106,514) |
| - | 1,010,496 | 1,010,496 | 4,409,198 |
| - | (285,238) | (285,238) | (806,253) |
| - | (271,641) | (271,641) | (2,490) |
| - | 2,514,593 | 2,514,593 | 3,278,634 |
| (22,904,211) | 2,514,593 | (20,389,618) | 46,923,287 |
| 15,417,048 | - | 15,417,048 | 14,931,681 |
| 3,558,287 | - | 3,558,287 | 3,459,947 |
| 2,076,227 | - | 2,076,227 | 1,705,417 |
| 20,818,065 | - | 20,818,065 | 20,928,603 |
| 3,333,236 | - | 3,333,236 | 3,181,236 |
| 4,028,690 | - | 4,028,690 | 2,219,479 |
| 49,231,553 | - | 49,231,553 | 46,426,363 |
| 5,584,474 | - | 5,584,474 | 5,314,866 |
| 11,237,201 | 2,767,893 | 14,005,094 | 613,071 |
| (25,286,218) | 25,286,218 | - | - |
| 40,767,010 | 28,054,111 | 68,821,121 | 52,354,300 |
| 17,862,799 | 30,568,704 | 48,431,503 | 99,277,587 |
| 158,879,062 | 134,748,617 | 293,627,679 | 194,350,092 |
| - | 2,091,323 | 2,091,323 | - |
| 158,879,062 | 136,839,940 | 295,719,002 | 194,350,092 |
| \$ 176,741,861 | \$ 167,408,644 | \$ 344,150,505 | \$ 293,627,679 |

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FUND FINANCIAL STATEMENTS

Governmental Fund Financial Statements

Proprietary Fund Financial Statements

Fiduciary Fund Financial Statements

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MAJOR GOVERNMENTAL FUNDS

General Fund

The General Fund is the primary operating fund of the City, accounting for all activities except those legally or administratively required to be accounted for in other funds. The General Fund includes activities such as public safety, parks and recreation services, community and economic development, public works and streets maintenance, legal and administrative services. The General Fund also accounts for reserves, Measure G funds, American Rescue Plan Act funds, and developer contributions.

Developer Agreements and Impact Fees Fund

Accounts for funds from new developments to pay for public facilities and infrastructure needed to accommodate growth in the City.

Street Improvement Capital Improvement Fund

The Street Improvement Capital Project Fund accounts for funds expended for transportation infrastructure such as street rehabilitation, streetlights, traffic signals and street medians.

Parks and Facilities and Technology Capital Improvement Fund

Accounts for funds expended on the improvement and development of the City's facilities, infrastructure, major equipment and technological upgrades used to deliver services to the community. Funding comes from the General Fund, grants, and other sources.

City of San Bruno

Balance Sheet

Governmental Funds

June 30, 2024 (with comparative totals for June 30, 2023)

| | Capital Projects Funds | | | |
|---|------------------------|--|----------------------|--|
| | General Fund | Developer Agreements and Impact Fees | Street Improvement | Parks and Facilities and Technology Capital Improvement |
| ASSETS | | | | |
| Cash and investments | \$ 54,052,858 | \$ 37,856,269 | \$ 17,048,787 | \$ 13,425,206 |
| Cash and investments with fiscal agent | 53,082 | - | - | - |
| Receivables: | | | | |
| Taxes | 8,796,961 | - | - | - |
| Accounts | 91,112 | - | - | - |
| Interest | 723,898 | - | - | - |
| Loans | 885,047 | - | - | - |
| Other | 1,552,472 | - | 7,388 | 253,523 |
| Due from other funds | 1,671,225 | - | - | - |
| Advances to other funds | 2,000,000 | - | - | - |
| Other assets | - | - | - | - |
| Total assets | \$ 69,826,655 | \$ 37,856,269 | \$ 17,056,175 | \$ 13,678,729 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | | | | |
| Liabilities: | | | | |
| Accounts payable and accrued liabilities | 5,512,618 | 4,289 | 3,336,227 | 3,890,103 |
| Due to other funds | - | - | - | 569,420 |
| Interest payable | - | - | - | - |
| Deposits payable | 2,150,139 | 1,980,056 | - | - |
| Unearned revenue | 98,133 | - | - | - |
| Other liabilities | 1,228,558 | - | - | - |
| Total liabilities | 8,989,448 | 1,984,345 | 3,336,227 | 4,459,523 |
| Deferred Inflows of Resources | | | | |
| Unavailable revenue | - | - | - | - |
| Total deferred inflows of resources | - | - | - | - |
| Fund Balances: | | | | |
| Nonspendable | 2,885,047 | - | - | - |
| Restricted | - | 25,520,967 | 9,214,766 | 5,051,748 |
| Committed | - | - | - | - |
| Assigned | 18,161,142 | 10,350,957 | 4,505,182 | 4,167,458 |
| Unassigned | 39,791,018 | - | - | - |
| Total fund balances | 60,837,207 | 35,871,924 | 13,719,948 | 9,219,206 |
| Total liabilities, deferred inflows of resources and fund balances | \$ 69,826,655 | \$ 37,856,269 | \$ 17,056,175 | \$ 13,678,729 |

| Nonmajor Governmental Funds | Totals | |
|-----------------------------------|-----------------------|-----------------------|
| | 2024 | 2023 |
| \$ 11,991,782 | \$ 134,374,902 | \$ 129,458,177 |
| 150 | 53,232 | 50,709 |
| 430,187 | 9,227,148 | 7,141,333 |
| - | 91,112 | 69,757 |
| 18,007 | 741,905 | 647,297 |
| - | 885,047 | 1,089,120 |
| 143,171 | 1,956,554 | 1,713,576 |
| - | 1,671,225 | 1,450,548 |
| - | 2,000,000 | 16,679,225 |
| 3,628,657 | 3,628,657 | 3,363,030 |
| <u>\$ 16,211,954</u> | <u>\$ 154,629,782</u> | <u>\$ 161,662,772</u> |

| | | |
|------------------|-------------------|-------------------|
| 291,194 | 13,034,431 | 12,238,947 |
| 1,101,805 | 1,671,225 | 1,450,548 |
| 13,855 | 13,855 | 17,416 |
| - | 4,130,195 | 4,558,979 |
| - | 98,133 | 8,652,144 |
| - | 1,228,558 | 1,102,681 |
| <u>1,406,854</u> | <u>20,176,397</u> | <u>28,020,715</u> |

| | | |
|------------------|------------------|------------------|
| 3,147,900 | 3,147,900 | 3,177,900 |
| <u>3,147,900</u> | <u>3,147,900</u> | <u>3,177,900</u> |

| | | |
|-------------------|--------------------|--------------------|
| - | 2,885,047 | 16,679,225 |
| 10,123,805 | 49,911,286 | 75,224,281 |
| 2,404,964 | 2,404,964 | - |
| - | 37,184,739 | 40,624,476 |
| (871,569) | 38,919,449 | (2,063,825) |
| <u>11,657,200</u> | <u>131,305,485</u> | <u>130,464,157</u> |

| | | |
|----------------------|-----------------------|-----------------------|
| <u>\$ 16,211,954</u> | <u>\$ 154,629,782</u> | <u>\$ 161,662,772</u> |
|----------------------|-----------------------|-----------------------|

City of San Bruno
Reconciliation of the Governmental Funds Balance Sheet
to the Government-Wide Statement of Net Position
June 30, 2024

Total Fund Balances - Total Governmental Funds \$ 131,305,485

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities were not current financial resources. Therefore, they were not reported in the Governmental Funds Balance Sheet. Except for the internal service funds reported below, the capital assets were adjusted as follows:

| | Government- Wide Statement of Net Position | Internal Service Funds | Total |
|-----------------------------|--|---------------------------|--------------------|
| Nondepreciable | \$ 68,667,772 | \$ - | 68,667,772 |
| Depreciable, net | 56,246,501 | (112,359) | 56,134,142 |
| Total capital assets | \$ 124,914,273 | \$ (112,359) | 124,801,914 |

Internal service funds were used by management to charge the costs of certain activities, such as insurance, to individual funds. The assets and liabilities of the Internal service funds were included in governmental activities in the Government-Wide Statement of Net Position.

(2,150,440)

Net amount of internal service funds allocated to business-type activities

(1,745,836)

Unavailable revenues recorded in the fund financial statements resulting from activities in which revenues were earned but were not available are reclassified as revenues in the Government-Wide Financial Statements.

3,147,900

In the Government-Wide Financial Statements, deferred employer contributions for pension, certain differences between actuarial estimates and actual results, and other adjustments resulting from changes in assumptions and benefits are deferred in the current year.

| | Government- Wide Statement of Net Position | Internal Service Funds | |
|---|--|---------------------------|-------------|
| Deferred outflows of resources related to pension | 36,675,037 | - | 36,675,037 |
| Deferred inflows of resources related to pension | (2,566,282) | - | (2,566,282) |

Long-term liabilities were not due and payable in the current period. Therefore, they were not reported in the Governmental Funds Balance Sheet.

| | Government- Wide Statement of Net Position | Internal Service Funds | Total |
|--|--|---------------------------|----------------------|
| Compensated absences - due within one year | \$ (577,914) | \$ 26,079 | \$ (551,835) |
| Additional interest payable | (15,326) | - | (15,326) |
| Long-term debt - due within one year, not already included in accounts payable | (1,347,217) | - | (1,347,217) |
| Claims and judgements - due within one year | (1,316,000) | 1,316,000 | - |
| Compensated absences - due in more than one year | (2,531,044) | 155,707 | (2,375,337) |
| Long-term debt - due in more than one year | (3,616,728) | - | (3,616,728) |
| Claims and judgements - due in more than one year | (4,284,000) | 4,284,000 | - |
| Net pension liability | (104,819,474) | - | (104,819,474) |
| Total long-term liabilities | \$ (118,507,703) | \$ 5,781,786 | (112,725,917) |

Net Position of Governmental Activities **\$ 176,741,861**

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City of San Bruno
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the year ended June 30, 2024 (with comparative totals for June 30, 2023)

| | | | Capital Projects Funds | |
|---|--------------------|--|------------------------|--|
| | General Fund | Developer Agreements and Impact Fees | Street Improvement | Parks and Facilities and Technology Capital Improvement |
| REVENUES: | | | | |
| Taxes | \$ 45,201,975 | \$ - | \$ - | \$ - |
| Licenses and permits | 9,226,757 | 11,064,354 | - | - |
| Intergovernmental and grants | 10,603,420 | - | 438,408 | 12,103,247 |
| Charges for services | 4,288,484 | - | - | - |
| Fines and forfeitures | 973,565 | - | - | - |
| Use of money and property | 7,802,726 | 1,242,046 | - | - |
| Other revenues | 8,062,262 | - | (23,410) | - |
| Total revenues | 86,159,189 | 12,306,400 | 414,998 | 12,103,247 |
| EXPENDITURES: | | | | |
| Current: | | | | |
| General government | 8,632,785 | 22,449 | - | - |
| Public safety | 36,271,472 | - | - | - |
| Public works | 2,143,316 | - | - | - |
| Streets | 2,423,858 | - | 870 | - |
| Parks and recreation | 6,576,173 | - | - | - |
| Library | 2,303,670 | - | - | - |
| Community and economic development | 3,364,108 | - | - | - |
| Capital outlay | 881,804 | - | 10,117,501 | 20,645,920 |
| Debt service: | | | | |
| Principal | - | - | - | - |
| Interest and fiscal charges | - | - | - | - |
| Total expenditures | 62,597,186 | 22,449 | 10,118,371 | 20,645,920 |
| REVENUES OVER (UNDER) | | | | |
| EXPENDITURES | 23,562,003 | 12,283,951 | (9,703,373) | (8,542,673) |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers in | 4,204,266 | 125,000 | 9,748,027 | 9,240,635 |
| Transfers out | (11,661,913) | (31,230,048) | (767,117) | (2,109,889) |
| Proceeds from sale of property | 4,705,755 | - | - | - |
| Proceeds from long-term debt | - | - | - | - |
| Total other financing sources (uses) | (2,751,892) | (31,105,048) | 8,980,910 | 7,130,746 |
| Net change in fund balances | 20,810,111 | (18,821,097) | (722,463) | (1,411,927) |
| FUND BALANCES: | | | | |
| Beginning of year | 40,027,096 | 54,693,021 | - | 10,631,133 |
| Restatement | - | - | 14,442,411 | - |
| Beginning of year, as restated | 40,027,096 | 54,693,021 | 14,442,411 | 10,631,133 |
| End of year | \$ 60,837,207 | \$ 35,871,924 | \$ 13,719,948 | \$ 9,219,206 |

| Nonmajor Governmental Funds | Totals | |
|-----------------------------------|-----------------------|-----------------------|
| | 2024 | 2023 |
| \$ 1,871,185 | \$ 47,073,160 | \$ 46,012,683 |
| 1,137,996 | 21,429,107 | 40,065,556 |
| 3,146,148 | 26,291,223 | 11,092,673 |
| 51,042 | 4,339,526 | 4,636,795 |
| 51,119 | 1,024,684 | 1,078,325 |
| 620,448 | 9,665,220 | 329,244 |
| 447,202 | 8,486,054 | 53,579,817 |
| <u>7,325,140</u> | <u>118,308,974</u> | <u>156,795,093</u> |
| 406,034 | 9,061,268 | 10,465,883 |
| 645,874 | 36,917,346 | 34,619,832 |
| - | 2,143,316 | 2,053,186 |
| 191,595 | 2,616,323 | 2,127,432 |
| 439,006 | 7,015,179 | 5,744,341 |
| 61,416 | 2,365,086 | 2,250,227 |
| 245,411 | 3,609,519 | 3,251,228 |
| - | 31,645,225 | 28,272,567 |
| 1,146,790 | 1,146,790 | 1,446,246 |
| 217,131 | 217,131 | 290,595 |
| <u>3,353,257</u> | <u>96,737,183</u> | <u>90,521,537</u> |
| <u>3,971,883</u> | <u>21,571,791</u> | <u>66,273,556</u> |
| 3,239,858 | 26,557,786 | 30,679,744 |
| (6,225,037) | (51,994,004) | (30,585,020) |
| - | 4,705,755 | - |
| - | - | 690,702 |
| <u>(2,985,179)</u> | <u>(20,730,463)</u> | <u>785,426</u> |
| 986,704 | 841,328 | 67,058,982 |
| 25,112,907 | 130,464,157 | 63,405,175 |
| (14,442,411) | - | - |
| <u>10,670,496</u> | <u>130,464,157</u> | <u>63,405,175</u> |
| <u>\$ 11,657,200</u> | <u>\$ 131,305,485</u> | <u>\$ 130,464,157</u> |

City of San Bruno
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances
of Governmental Funds to the Government-Wide Statement of Activities
For the year ended June 30, 2024

| | | |
|---|----|---------|
| Net Change in Fund Balances - Total Governmental Funds | \$ | 841,328 |
|---|----|---------|

Amounts reported for governmental activities in the Government-Wide Statement of Activities were different because:

| | | |
|--|--|------------|
| Governmental funds reported capital outlay as expenditures. However, in the Government-Wide Statement of Activities, the cost of those assets was allocated over their estimated lives as depreciation expense. This was the amount of capital assets recorded in the current period, net of the amount related to internal service funds. | | 25,754,730 |
|--|--|------------|

| | | |
|--|--|-------------|
| Depreciation expense on capital assets was reported in the Government-Wide Statement of Activities, but did not require the use of current financial resources. Therefore, depreciation expense was not reported as expenditures in the governmental funds, net of the amount related to internal service funds. | | (3,809,587) |
|--|--|-------------|

| | | |
|---|--|-------------|
| Capital assets sold in the governmental funds are recognized as revenue, but in the Government-Wide Statement of Net Position, the underlying net capital asset is removed from the accounting records at the time of the sale. This is the capital asset net of depreciation that was removed. | | (1,400,148) |
|---|--|-------------|

| | | |
|--|--|-----------|
| Accrued compensated leave payments were reported as expenditures in the governmental funds, however expense is recognized in the Government-Wide Statement of Activities based on earned leave accruals. | | (258,707) |
|--|--|-----------|

| | | |
|---|--|-----------|
| Debt proceeds provide current financial resources to governmental funds, but issuing debt increased long-term liabilities in the Government-Wide Statement of Net Position. Repayment of debt was an expenditure in governmental funds, but the repayment reduced long-term liabilities in the Government-Wide Statement of Net Position. | | |
| Long-term debt repayments | | 1,370,010 |
| Change in interest payable | | 6,710 |
| Amortization of bonds premium (discount), net | | 19,518 |

| | | |
|--|--|------------|
| Current year employer pension contributions are recorded as expenditures in the governmental funds, however, these amounts are reported as a deferred outflow of resources in the Government-Wide Statement of Net Position. | | 11,609,871 |
|--|--|------------|

| | | |
|--|--|--------------|
| Pension expense is reported in the Government-Wide Statement of Activities does not require the use of current financial resources, and therefore is not reported as expenditures in governmental funds. | | (16,652,235) |
|--|--|--------------|

| | | |
|---|--|----------|
| Unavailable revenues removed in the fund financial statements resulting from activities in which revenues were earned in the governmental funds but were already recognized as revenues in the Government-Wide Financial Statements in a prior year | | (30,000) |
|---|--|----------|

| | | |
|---|--|---------|
| Internal service funds were used by management to charge the costs of certain activities, such as insurance and fleet management, to individual funds. The net revenue (expense) of the internal service funds was reported with governmental activities. | | 411,309 |
|---|--|---------|

| | | |
|--|-----------|-------------------|
| Change in Net Position of Governmental Activities | \$ | 17,862,799 |
|--|-----------|-------------------|

PROPRIETARY FUNDS

Proprietary funds account for City operations financed and operated in a manner similar to a private business enterprise. The intent of the City is that the cost of providing goods and services be financed primarily through user charges.

The City has identified the funds below as major proprietary funds.

Water Fund

To account for water services provided to the citizens of San Bruno. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, capital improvement, and billing and collections.

Wastewater Fund

To account for sanitary sewer services provided to the citizens of San Bruno. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, treatment and capital improvement.

CityNet Fund

To account for operating and capital improvement costs to provide a full suite of video, data and voice services to residential and business customers.

City of San Bruno
Statement of Net Position
Proprietary Funds
June 30, 2024 (with comparative totals for June 30, 2023)

| | Business Type Activities - Enterprise Funds | | | |
|---|---|-------------|----------------------|---------------------|
| | Water | Stormwater | Wastewater | CityNet |
| ASSETS | | | | |
| Current Assets: | | | | |
| Cash and investments | \$ 49,844,947 | \$ - | \$ 47,883,757 | \$ 5,719,472 |
| Cash and investments with fiscal agent | 467,027 | - | 1,496,208 | - |
| Receivables: | | | | |
| Taxes | - | - | - | - |
| Accounts | 2,830,695 | - | 663,577 | 654,338 |
| Other | - | - | - | - |
| Total current assets | <u>53,142,669</u> | <u>-</u> | <u>50,043,542</u> | <u>6,373,810</u> |
| Noncurrent: | | | | |
| Capital assets: | | | | |
| Nondepreciable capital assets | 5,125,125 | - | 2,385,655 | 500,000 |
| Depreciable capital assets | 61,581,787 | - | 114,705,393 | 22,440,138 |
| Accumulated depreciation | <u>(26,353,245)</u> | <u>-</u> | <u>(39,475,873)</u> | <u>(21,478,752)</u> |
| Net capital assets | <u>40,353,667</u> | <u>-</u> | <u>77,615,175</u> | <u>1,461,386</u> |
| Total noncurrent assets | <u>40,353,667</u> | <u>-</u> | <u>77,615,175</u> | <u>1,461,386</u> |
| Total assets | <u>93,496,336</u> | <u>-</u> | <u>127,658,717</u> | <u>7,835,196</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | | | |
| Deferred amount on pensions | 1,452,721 | - | 1,309,015 | 1,589,451 |
| Deferred amount on refunding | - | - | 66,254 | - |
| Total deferred outflows of resources | <u>1,452,721</u> | <u>-</u> | <u>1,375,269</u> | <u>1,589,451</u> |
| LIABILITIES | | | | |
| Current liabilities: | | | | |
| Accounts payable and accrued liabilities | 1,430,957 | - | 567,648 | 301,805 |
| Interest payable | 215,826 | - | 723,624 | - |
| Deposits payable | - | - | - | - |
| Unearned revenue | - | - | - | 631,761 |
| Other liabilities | - | - | - | - |
| Compensated absences - current | 19,494 | - | 15,451 | 33,232 |
| Claims and judgements - current | - | - | - | - |
| Long-term debt - current portion | 250,000 | - | 1,915,404 | - |
| Total current liabilities | <u>1,916,277</u> | <u>-</u> | <u>3,222,127</u> | <u>966,798</u> |
| Noncurrent liabilities: | | | | |
| Advances from other funds | - | - | - | - |
| Compensated absences | 161,845 | - | 144,391 | 229,031 |
| Claims payable | - | - | - | - |
| Net pension liability | 6,081,441 | - | 5,479,852 | 6,653,821 |
| Long-term debt | 11,127,315 | - | 40,273,444 | - |
| Total noncurrent liabilities | <u>17,370,601</u> | <u>-</u> | <u>45,897,687</u> | <u>6,882,852</u> |
| Total liabilities | <u>19,286,878</u> | <u>-</u> | <u>49,119,814</u> | <u>7,849,650</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Deferred amount on pensions | 2,750 | - | 2,478 | 3,009 |
| Total deferred inflows of resources | <u>2,750</u> | <u>-</u> | <u>2,478</u> | <u>3,009</u> |
| NET POSITION | | | | |
| Net investment in capital assets | 28,976,352 | - | 35,492,581 | 1,461,386 |
| Restricted | 467,027 | - | 1,496,208 | - |
| Unrestricted | 46,216,050 | - | 42,922,905 | 110,602 |
| Total net position | <u>\$ 75,659,429</u> | <u>\$ -</u> | <u>\$ 79,911,694</u> | <u>\$ 1,571,988</u> |
| Reconciliation to the government-wide statement of net position: | | | | |
| Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds | \$ 944,978 | \$ - | \$ (45,556) | \$ 766,964 |
| Net position of business-type activities | <u>\$ 76,604,407</u> | <u>\$ -</u> | <u>\$ 79,866,138</u> | <u>\$ 2,338,952</u> |

See accompanying Notes to Basic Financial Statements.

| Nonmajor Enterprise Funds | Business-Type Activities - Enterprise Funds | | Governmental Activities - Internal Service Funds | |
|---------------------------|--|-----------------------|---|-----------------------|
| | Totals | | Totals | |
| | 2024 | 2023 | 2024 | 2023 |
| \$ 3,571,517 | \$ 107,019,693 | \$ 99,266,462 | \$ 3,769,799 | 2,744,262 |
| - | 1,963,235 | 1,936,756 | 91,119 | 91,119 |
| | - | - | - | - |
| 74,953 | 74,953 | - | - | - |
| 174,492 | 4,323,102 | 5,979,473 | 199 | 449 |
| 1,896 | 1,896 | - | - | - |
| <u>3,822,858</u> | <u>113,382,879</u> | <u>107,182,691</u> | <u>3,861,117</u> | <u>2,835,830</u> |
| | | | | |
| 1,396,642 | 9,407,422 | 18,749,022 | - | - |
| 8,225,451 | 206,952,769 | 173,041,849 | 182,060 | 171,319 |
| (2,079,270) | (89,387,140) | (84,048,752) | (69,701) | (59,094) |
| <u>7,542,823</u> | <u>126,973,051</u> | <u>107,742,119</u> | <u>112,359</u> | <u>112,225</u> |
| <u>7,542,823</u> | <u>126,973,051</u> | <u>107,742,119</u> | <u>112,359</u> | <u>112,225</u> |
| <u>11,365,681</u> | <u>240,355,930</u> | <u>214,924,810</u> | <u>3,973,476</u> | <u>2,948,055</u> |
| | | | | |
| 196,283 | 4,547,470 | 5,040,571 | - | - |
| - | 66,254 | 73,616 | - | - |
| <u>196,283</u> | <u>4,613,724</u> | <u>5,114,187</u> | <u>-</u> | <u>-</u> |
| | | | | |
| 188,725 | 2,489,135 | 7,191,354 | 342,130 | 410,055 |
| - | 939,450 | 831,751 | - | - |
| - | - | - | - | - |
| - | 631,761 | 641,076 | - | - |
| - | - | - | - | - |
| 3,756 | 71,933 | 79,818 | 26,079 | 26,401 |
| - | - | - | 1,316,000 | 1,118,000 |
| - | 2,165,404 | 1,931,088 | - | - |
| <u>192,481</u> | <u>6,297,683</u> | <u>10,675,087</u> | <u>1,684,209</u> | <u>1,554,456</u> |
| | | | | |
| 2,000,000 | 2,000,000 | 16,679,225 | - | - |
| 27,726 | 562,993 | 557,532 | 155,707 | 100,881 |
| - | - | - | 4,284,000 | 3,905,000 |
| 821,689 | 19,036,803 | 18,543,295 | - | - |
| - | 51,400,759 | 40,509,638 | - | - |
| <u>2,849,415</u> | <u>73,000,555</u> | <u>76,289,690</u> | <u>4,439,707</u> | <u>4,005,881</u> |
| <u>3,041,896</u> | <u>79,298,238</u> | <u>86,964,777</u> | <u>6,123,916</u> | <u>5,560,337</u> |
| | | | | |
| 371 | 8,608 | 20,906 | - | - |
| <u>371</u> | <u>8,608</u> | <u>20,906</u> | <u>-</u> | <u>-</u> |
| | | | | |
| 7,542,823 | 73,473,142 | 65,375,009 | 104,303 | 112,225 |
| - | 1,963,235 | 1,936,756 | - | - |
| 976,874 | 90,226,431 | 65,741,549 | (2,254,743) | (2,724,507) |
| <u>\$ 8,519,697</u> | <u>\$ 165,662,808</u> | <u>\$ 133,053,314</u> | <u>\$ (2,150,440)</u> | <u>\$ (2,612,282)</u> |
| | | | | |
| \$ 79,450 | \$ 1,745,836 | \$ 1,695,303 | | |
| <u>\$ 8,599,147</u> | <u>\$ 167,408,644</u> | <u>\$ 134,748,617</u> | | |

City of San Bruno

Statement of Revenues, Expenses and Changes in Net Position

Proprietary Funds

For the year ended June 30, 2024 (with comparative totals for June 30, 2023)

| | Business Type Activities - Enterprise Funds | | | |
|---|---|-------------|-------------------|-------------------|
| | Water | Stormwater | Wastewater | CityNet |
| OPERATING REVENUES: | | | | |
| Charges for services: | | | | |
| Water sales | \$ 17,567,116 | \$ - | \$ - | \$ - |
| Sewer service charges | - | - | 18,408,221 | - |
| Cable television charges | - | - | - | 8,432,677 |
| Other service charges | 214,168 | - | 135,150 | - |
| Other operating revenue | 173,441 | - | - | - |
| Total operating revenues | 17,954,725 | - | 18,543,371 | 8,432,677 |
| OPERATING EXPENSES: | | | | |
| Water supply | 14,092,708 | - | - | - |
| Distribution | - | - | - | - |
| Treatment | - | - | 13,109,786 | - |
| Cable operations | - | - | - | 8,535,691 |
| Central garage | - | - | - | - |
| Insurance expenses | - | - | - | - |
| Technology support | - | - | - | - |
| Facilities maintenance | - | - | - | - |
| Depreciation and amortization | 1,816,932 | - | 2,990,898 | 198,584 |
| Total operating expenses | 15,909,640 | - | 16,100,684 | 8,734,275 |
| Operating income (loss) | 2,045,085 | - | 2,442,687 | (301,598) |
| NONOPERATING REVENUES (EXPENSES): | | | | |
| Investment income | 1,236,265 | - | 1,271,300 | 213,616 |
| Interest and debt service expenses | (397,194) | - | (1,448,558) | - |
| Total nonoperating revenues (expenses) | 839,071 | - | (177,258) | 213,616 |
| Income before contributions and transfers | 2,884,156 | - | 2,265,429 | (87,982) |
| CONTRIBUTIONS AND TRANSFERS: | | | | |
| Transfers in | - | - | - | 21,548,667 |
| Transfers out | - | - | (120,000) | (68,078) |
| Total contributions and transfers | - | - | (120,000) | 21,480,589 |
| Change in net position | 2,884,156 | - | 2,145,429 | 21,392,607 |
| NET POSITION: | | | | |
| Beginning of year | 71,069,732 | 4,426,208 | 77,380,483 | (19,820,619) |
| Restatements | 1,705,541 | (4,426,208) | 385,782 | - |
| Beginning of year, as restated | 72,775,273 | - | 77,766,265 | (19,820,619) |
| End of year | \$ 75,659,429 | \$ - | \$ 79,911,694 | \$ 1,571,988 |
| Reconciliation to government-wide statement of activities: | | | | |
| Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds | \$ 18,255 | - | \$ 16,367 | \$ 16,360 |
| Change in net position of business-type activities - End of year | \$ 2,902,411 | \$ - | \$ 2,161,796 | \$ 21,408,967 |

See accompanying Notes to Basic Financial Statements.

| Nonmajor Enterprise Funds | Business-Type Activities - Enterprise Funds | | Governmental Activities - Internal Service Funds | |
|------------------------------|--|----------------|---|----------------|
| | Totals | | Totals | |
| | 2024 | 2023 | 2024 | 2023 |
| \$ - | \$ 17,567,116 | \$ 16,238,503 | \$ - | \$ - |
| - | 18,408,221 | 18,577,763 | - | - |
| - | 8,432,677 | 8,253,573 | - | - |
| 716,894 | 1,066,212 | 2,077,538 | 8,347,546 | 7,300,833 |
| 2,100,743 | 2,274,184 | 546,189 | 13,240 | 649 |
| 2,817,637 | 47,748,410 | 45,693,566 | 8,360,786 | 7,301,482 |
| - | 14,092,708 | 13,874,541 | - | - |
| 2,035,734 | 2,035,734 | 1,908,154 | - | - |
| - | 13,109,786 | 11,340,620 | - | - |
| - | 8,535,691 | 8,832,751 | - | - |
| - | - | - | 914,802 | 971,084 |
| - | - | - | 3,627,989 | 3,059,462 |
| - | - | - | 1,496,517 | 1,315,296 |
| 326,291 | 326,291 | 2,490 | 1,999,029 | 1,922,473 |
| 331,974 | 5,338,388 | 5,053,407 | 10,607 | 7,928 |
| 2,693,999 | 43,438,598 | 41,011,963 | 8,048,944 | 7,276,243 |
| 123,638 | 4,309,812 | 4,681,603 | 311,842 | 25,239 |
| 46,712 | 2,767,893 | 1,154,107 | - | - |
| - | (1,845,752) | (1,486,526) | - | - |
| 46,712 | 922,141 | (332,419) | - | - |
| 170,350 | 5,231,953 | 4,349,184 | 311,842 | 25,239 |
| 4,458,397 | 26,007,064 | 1,870,381 | 150,000 | - |
| (532,768) | (720,846) | (1,965,105) | - | - |
| 3,925,629 | 25,286,218 | (94,724) | 150,000 | - |
| 4,095,979 | 30,518,171 | 4,254,460 | 461,842 | 25,239 |
| (2,490) | 133,053,314 | 128,798,854 | (2,612,282) | (2,637,521) |
| 4,426,208 | 2,091,323 | - | - | - |
| 4,423,718 | 135,144,637 | 128,798,854 | (2,612,282) | (2,637,521) |
| \$ 8,519,697 | \$ 165,662,808 | \$ 133,053,314 | \$ (2,150,440) | \$ (2,612,282) |

| | | |
|--------------|---------------|--------------|
| \$ (449) | \$ 50,533 | \$ 83,557 |
| \$ 4,095,530 | \$ 30,568,704 | \$ 4,338,017 |

City of San Bruno

Statement of Cash Flows

Proprietary Funds

For the year ended June 30, 2024 (with comparative totals for June 30, 2023)

| | Business Type Activities - Enterprise Funds | | | |
|--|---|-------------|----------------------|---------------------|
| | Water | Stormwater | Wastewater | CityNet |
| CASH FLOWS FROM OPERATING ACTIVITIES: | | | | |
| Cash received from interfund services provided | \$ - | \$ - | \$ - | \$ - |
| Cash receipts from customers | 17,986,871 | - | 20,285,498 | 8,473,352 |
| Cash payments to suppliers for goods and services | (17,550,795) | - | (13,419,875) | (8,741,082) |
| Cash (payments) receipts to employees for services | 313,953 | - | 313,799 | 329,796 |
| Cash reimbursements for loss claims | - | - | - | - |
| Net cash provided by (used in) operating activities | 750,029 | - | 7,179,422 | 62,066 |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES: | | | | |
| Loans from other funds | - | - | - | - |
| Loans repayments to other funds | - | - | - | (16,036,799) |
| Transfers received from other funds | - | - | - | 21,548,667 |
| Transfers paid to other funds | - | - | (120,000) | (68,078) |
| Net cash provided by (used in) noncapital financing activities | - | - | (120,000) | 5,443,790 |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES: | | | | |
| Proceeds from debt issuance | - | - | 13,792,446 | - |
| Acquisition and construction of capital assets | (1,370,991) | - | (19,844,688) | - |
| Principal payments on long-term debt | (281,555) | - | (2,385,454) | - |
| Interest paid on long-term debt | (401,967) | - | (1,336,086) | - |
| Net cash provided by (used in) capital and related financing activities | (2,054,513) | - | (9,773,782) | - |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | | | |
| Investment income (expense) | 1,236,265 | - | 1,271,300 | 213,616 |
| Net cash provided by (used in) investing activities | 1,236,265 | - | 1,271,300 | 213,616 |
| Net cash flows | (68,219) | - | (1,443,060) | 5,719,472 |
| CASH AND INVESTMENTS - Beginning of year | 50,380,193 | - | 50,823,025 | - |
| CASH AND INVESTMENTS - End of year | \$ 50,311,974 | \$ - | \$ 49,379,965 | \$ 5,719,472 |
| RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES: | | | | |
| Operating income (loss) | \$ 2,045,085 | \$ - | \$ 2,442,687 | \$ (301,598) |
| Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities: | | | | |
| Depreciation and amortization | 1,816,932 | - | 2,990,898 | 198,584 |
| (Increase) decrease in current assets: | | | | |
| Taxes receivable | - | - | - | - |
| Accounts receivable | 32,146 | - | 1,742,127 | 49,990 |
| Other receivable | - | - | - | - |
| Prepaid items | - | - | - | - |
| (Increase) decrease in deferred outflows of resources | 157,525 | - | 149,304 | 172,349 |
| Increase (decrease) in liabilities: | | | | |
| Accounts payable and accrued liabilities | (3,458,087) | - | (310,089) | (205,391) |
| Unearned revenue | - | - | - | (9,315) |
| Compensated absences | 2,703 | - | 25,976 | (10,750) |
| Net pension liability | 157,654 | - | 142,059 | 172,495 |
| Claims liability | - | - | - | - |
| Increase (decrease) in deferred inflows of resources | (3,929) | - | (3,540) | (4,298) |
| Net cash provided by (used in) operating activities | \$ 750,029 | \$ - | \$ 7,179,422 | \$ 62,066 |

See accompanying Notes to Basic Financial Statements.

| Nonmajor Enterprise Funds | Business-Type Activities - Enterprise Funds Totals | | Governmental Activities - Internal Service Funds Totals | |
|------------------------------|--|----------------|---|--------------|
| | 2024 | 2023 | 2024 | 2023 |
| | \$ - | \$ - | \$ - | \$ 8,361,036 |
| 2,572,896 | 49,318,617 | 45,612,058 | - | - |
| (3,090,677) | (42,802,429) | (30,743,792) | (7,474,758) | (7,219,462) |
| 21,701 | 979,249 | 590,136 | - | - |
| - | - | - | - | 649 |
| (496,080) | 7,495,437 | 15,458,402 | 886,278 | 81,571 |
| 2,000,000 | 2,000,000 | 1,616,450 | - | - |
| (642,426) | (16,679,225) | (155,671) | - | - |
| 4,458,397 | 26,007,064 | 1,870,381 | 150,000 | - |
| (532,768) | (720,846) | (1,965,105) | - | - |
| 5,283,203 | 10,606,993 | 1,366,055 | 150,000 | - |
| - | 13,792,446 | - | - | - |
| (1,262,318) | (22,477,997) | (10,205,394) | (10,741) | (118,826) |
| - | (2,667,009) | (1,771,576) | - | - |
| - | (1,738,053) | (1,485,007) | - | - |
| (1,262,318) | (13,090,613) | (13,461,977) | (10,741) | (118,826) |
| 46,712 | 2,767,893 | 1,154,107 | - | - |
| 46,712 | 2,767,893 | 1,154,107 | - | - |
| 3,571,517 | 7,779,710 | 4,516,587 | 1,025,537 | (37,255) |
| - | 101,203,218 | 96,686,631 | 2,835,381 | 2,872,636 |
| \$ 3,571,517 | \$ 108,982,928 | \$ 101,203,218 | \$ 3,860,918 | \$ 2,835,381 |
| \$ 123,638 | \$ 4,309,812 | 4,681,603 | 311,842 | 25,239 |
| 331,974 | 5,338,388 | 5,053,407 | 10,607 | 7,928 |
| (74,953) | (74,953) | - | - | - |
| (167,892) | 1,656,371 | (92,577) | 250 | (449) |
| (1,896) | (1,896) | - | - | - |
| - | - | 47,540 | - | - |
| 21,285 | 500,463 | (3,054,242) | - | - |
| - | (4,702,219) | 5,214,764 | (67,925) | 20,323 |
| (728,652) | (9,315) | (36,471) | - | - |
| - | (2,424) | 91,651 | 54,504 | 33,530 |
| (20,353) | 493,508 | 7,392,238 | - | - |
| 21,300 | - | - | 577,000 | (5,000) |
| - | (12,298) | (3,839,511) | - | - |
| (531) | - | - | - | - |
| \$ (496,080) | \$ 7,495,437 | \$ 15,458,402 | \$ 886,278 | \$ 81,571 |

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FIDUCIARY FUNDS

Fiduciary funds are used to report assets held for fiduciary activities, which may be carried out by primary governments or their component units. Fiduciary funds may be (1) held for legally established trust funds or similar arrangements, or (2) held outside of a trust exclusively for the benefit of individuals or organizations and used for activities that meet the criteria to be treated as fiduciary activities.

Redevelopment Agency Obligation Retirement Trust Fund

To account for the assets, liabilities and activities of the former Redevelopment Agency of the City in a trustee capacity to pay for enforceable obligations of the former Redevelopment Agency. In accordance with Assembly Bill (AB) X1 26 and AB 1484, the San Bruno Redevelopment Agency was dissolved February 1, 2012.

City of San Bruno
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2024 (with comparative totals for June 30, 2023)

| | Redevelopment Agency Obligation Retirement Trust Fund | |
|---|---|-----------------------|
| | 2024 | 2023 |
| ASSETS | | |
| Cash and investments | \$ 705,298 | \$ 1,323,606 |
| Cash and investments with fiscal agent | 534 | 263 |
| Total assets | 705,832 | 1,323,869 |
| DEFERRED OUTFLOWS OF RESOURCES | | |
| Deferred loss on refunding | 26,001 | 29,715 |
| Total deferred outflows of resources | 26,001 | 29,715 |
| LIABILITIES | | |
| Accounts payable | 206,474 | 202,738 |
| Interest payable | 21,106 | 23,486 |
| Long-term liabilities: | | |
| Long-term debt - due within one year | 375,000 | 365,000 |
| Long-term debt - due in more than one year | 2,991,954 | 3,419,376 |
| Total liabilities | 3,594,534 | 4,010,600 |
| NET POSITION | | |
| Restricted for: | | |
| Net position held in trust | (2,862,701) | (2,657,016) |
| Total Net Position | \$ (2,862,701) | \$ (2,657,016) |

City of San Bruno
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the year ended June 30, 2024 (with comparative totals for June 30, 2023)

| | Redevelopment Agency Obligation Retirement Trust Fund | |
|-------------------------------|---|-----------------------|
| | 2024 | 2023 |
| ADDITIONS: | | |
| Administration allowance | \$ 609 | \$ 287 |
| Taxes | 107,355 | 206,767 |
| Other revenues | 11,085 | 11,085 |
| Total additions | <u>119,049</u> | <u>218,139</u> |
| DEDUCTIONS: | | |
| Community development | 209,602 | 404,874 |
| Interest and fiscal charges | 115,132 | 144,131 |
| Total deductions | <u>324,734</u> | <u>549,005</u> |
| Change in net position | (205,685) | (330,866) |
| NET POSITION: | | |
| Beginning of year | <u>(2,657,016)</u> | <u>(2,326,150)</u> |
| End of year | <u>\$ (2,862,701)</u> | <u>\$ (2,657,016)</u> |

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NOTES TO BASIC FINANCIAL STATEMENTS

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City of San Bruno
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Financial Reporting Entity

The financial reporting entity consists of (a) the primary government, the City of San Bruno (City), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

B. Related Organizations

The San Bruno Community Foundation (Foundation) is a California nonprofit corporation which was organized in 2013 as a public benefit 501(c)(3) nonprofit corporation and has been determined to be a Type I supporting organization under Section 509(a)(3) of the Internal Revenue Code. Pursuant to the settlement agreement dated March 12, 2012, between Pacific Gas & Electric Company (PG&E) and the City of San Bruno, both parties agreed to resolve and settle all claims arising out of the September 9, 2010, pipeline incident. The terms required PG&E to contribute a total of \$70 million to the City, which comprised of 1) five vacant plots of land in the Glenview (Crestmoor) neighborhood, which had a total fair market value of \$1,250,000 and 2) \$68,750,000 in cash, to transfer to a tax-exempt, nonprofit public purpose entity. Hence, the Foundation was created from the Settlement Agreement. The Foundation engages primarily in the administration of PG&E restitution funds. The election of the Foundation's Board is controlled by the City. Separate financial statements for the Foundation may be obtained by contacting the San Bruno Community Foundation, 901 Sneath Lane, Ste. 209, San Bruno, CA 94066.

In the fiscal year ended June 30, 2024, The Foundation provided the City \$11,811,142 in grant funding for the Recreation and Aquatics Center project, and \$2,500 for the Narita Exchange Program. The City has recorded \$253,523 in receivables from the Foundation as of June 30, 2024.

C. Basis of Presentation

Government-Wide Financial Statements - The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

Fund Financial Statements - Fund financial statements of the reporting entity are organized into funds each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, liabilities, fund balance/net position, revenues, and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories, each of which is displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

City of San Bruno
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

C. Basis of Presentation, Continued

The Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the City Council is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or where the City Council has decided that periodic determination of net income is appropriate for accountability purposes.

A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

- (a) Total assets, deferred outflows of resources, liabilities, deferred inflow of resources, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and,
- (b) Total assets, deferred outflows of resources, liabilities, deferred inflow of resources, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined. However, some funds are reported as major funds due to the significance to the users of the financial statements.

The major funds of the financial reporting entity are described below.

Government Activities

General Fund – The General Fund is the City’s primary operating fund. It accounts for all financial resources of the general government except those required to be accounted for in another fund.

Developer Agreements and Impact Fees Fund – Accounts for funds from new developments to pay for public facilities and infrastructure needed to accommodate growth in the City.

Street Improvement - The Street Improvement Capital Project Fund accounts for funds expended for transportation infrastructure such as street rehabilitation, streetlights, traffic signals and street medians.

Parks and Facilities and Technology Capital Improvement – Accounts for funds expended on the improvement and development of the City’s facilities, infrastructure, major equipment and technological upgrades used to deliver services to the community. Funding comes from the General Fund, grants, and other sources.

City of San Bruno
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

C. Basis of Presentation, Continued

Business-type Activities

The City reported the following enterprise funds as major funds in the accompanying financial statements:

Water Fund – Accounts for water services provided to the citizens of San Bruno. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, capital improvement, and billing and collections.

Wastewater Fund – Accounts for sanitary sewer services provided to the citizens of San Bruno. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, treatment.

CityNet Fund – Accounts for operating costs associated with administering the cable television franchise.

The City also reports the following fund types:

Internal Service Funds – The Internal Service Funds are used to account for financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governments, on a cost-reimbursement basis. The internal service funds are used to account for central garage, insurance programs, technology development, and facility maintenance. These funds are eliminated as part of the reconciliation process and treated as governmental activities, since these are the primary funds served.

Fiduciary Funds – These funds include: Redevelopment Agency Obligation Retirement Trust Fund – which accounts for the assets, liabilities and activities of the former Redevelopment Agency of the City in a trustee capacity to pay for enforceable obligations of the former Redevelopment Agency; and Recology San Bruno Custodial Fund – which accounts for funds billed, collected, and remitted to Recology San Bruno for waste management services within the City.

D. Measurement Focus

Measurement focus is a term used to describe how transactions are recorded within the various financial statements.

On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-type activities are presented using the economic resources measurement focus as defined in item b below.

City of San Bruno
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

D. Measurement Focus, Continued

In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate:

- (a) All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- (b) The enterprise and internal service funds utilize an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of net income, financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Enterprise and internal service fund equity is classified as net position.
- (c) Fiduciary funds are accounted for using the flow of economic resources measurement focus and the accrual basis of accounting. Fiduciary funds are excluded from the government-wide financial statements because they do not represent resources of the City.

E. Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities both governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period, considered to be 60 days, or soon enough thereafter to pay current liabilities. Major revenue sources meeting this criterion are property taxes, sales taxes, grants and interest. Expenditures (including capital outlay) are recorded when the related fund liability is incurred.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than program revenues. Likewise, general revenues include all taxes.

City of San Bruno
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

E. Basis of Accounting, Continued

The enterprise, internal service and fiduciary funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as nonoperating expenses.

Assets, Liabilities, and Equity

F. Cash Deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

The City pools cash and investments from all funds for the purpose of increasing income through investment activities. Highly liquid money market investments with maturities of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value in accordance with GASB Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools. Market value is used as fair value for those securities for which market quotations are readily available.

The City indirectly participates in an investment pool managed by the State of California titled Local Agency Investment Fund (LAIF) which invests a portion of the pool funds in Structured Notes and Asset-Backed Securities. LAIF's investments are subject to credit risk with the full faith and credit of the State of California collateralizing these investments. In addition, these Structured Notes and Asset-Backed Securities are subject to market risk such as changes in interest rates.

G. Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as "due to and from other funds." Short-term interfund loans are reported as "interfund receivables and payables." Long-term interfund loans (noncurrent portion) are reported as "advances from and to other funds."

Interfund receivables and payables between funds within governmental activities are eliminated in the Statement of Net Position. See Note 3 for details of interfund transactions, including receivables and payables at year-end.

City of San Bruno
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

H. Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Allowances of uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivable balances for the governmental activities include property taxes, sales and use taxes, franchise taxes, intergovernmental subventions, interest earnings, paramedic service, and expense reimbursements.

Business-type activities report service charges and expense reimbursements as its major receivables. In the fund financial statements, significant receivables in governmental funds include revenue accruals such as property tax, sales tax, transient occupancy tax, franchise tax, and intergovernmental subventions since they are usually both measurable and available. Non-exchange transactions collectible but not available are deferred in the fund financial statements in accordance with the modified accrual basis, but not deferred in the government-wide financial statements in accordance with the accrual basis. Interest and investment earnings are recorded when earned only if paid within 60 days since they would be considered both measurable and available.

Proprietary fund material receivables consist of all revenues earned at year-end and not yet received. Customer and intergovernmental accounts receivable comprise the majority of proprietary fund receivables.

I. Inventories

The cost of other consumable materials and supplies on hand are immaterial to the financial statements, and the City has therefore chosen to report these items as expenditures/expenses at the time of purchase.

J. Capital Assets

The City's assets are capitalized at historical cost or estimated historical cost if actual is available. Policy has set the capitalization threshold for reporting capital assets at \$10,000. Contributed capital assets are valued at their estimated acquisition value on the date contributed. Donated works of art and similar items and capital assets received in a service concession arrangement are reported at acquisition value rather than fair value. Right-to-use assets held for long-term leases and software agreements are capitalized at \$75,000. Public domain (infrastructure) capital assets include roads, bridges, curbs and gutters, streets, sidewalks, drainage systems, and lighting systems and are capitalized at \$100,000.

The accounting treatment of property, plant and equipment (capital assets) depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

Government-Wide Statements - Prior to July 1, 2003, governmental funds' infrastructure assets were not capitalized. These assets (back to July 1, 1980) have been valued at estimated historical cost.

City of San Bruno
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

J. Capital Assets, Continued

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

| | |
|----------------------------|---------------|
| Infrastructure | 25 - 40 years |
| Buildings and improvements | 20 - 30 years |
| Machinery and equipment | 3 - 15 years |

Fund Financial Statements - In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same way as in the government-wide statements.

K. Long-Term Debt

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental and business-type resources is reported as a liability in the government-wide statements. The long-term debt consists of bonds, finance purchase agreements, leases, software subscriptions, compensated absences, and a liability for claims.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources, and payment of principal and interest reported as expenditures. The accounting for proprietary funds is the same in the fund statements as it is in the government-wide statements.

L. Compensated Absences

The City's policies regarding vacation time and compensatory time permit employees to accumulate earned but unused leave. The current portion of this debt is estimated based on historical trend and funded in the individual fund generating the liability with the long-term portion shown as a long-term liability.

City of San Bruno
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

L. Compensated Absences, Continued

The changes of the compensated absences were as follows:

| | Governmental Activities | Business-Type Activities | Total |
|-----------------------------|----------------------------|-----------------------------|-------------------|
| Balance as of June 30, 2023 | \$ 2,795,747 | \$ 637,350 | \$ 3,433,097 |
| Additions | 783,693 | 77,378 | 861,071 |
| Payments | (470,482) | (79,802) | (550,284) |
| Balance as of June 30, 2024 | <u>3,108,958</u> | <u>634,926</u> | <u>3,743,884</u> |
| Current Portion | <u>\$ 577,914</u> | <u>\$ 71,933</u> | <u>\$ 649,847</u> |

M. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's California Public Employees' Retirement System (CalPERS) plan (the Plan) and additions to/deductions from the Plan fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

N. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position or balance sheet reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position or balance sheet reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

City of San Bruno
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

Revenues, Expenditures, and Expenses

O. Property Tax

Under California law, property taxes are assessed and collected by the counties up to 1% of assessed value, plus other increases approved by the voters. The property taxes go into a pool and are then allocated to the cities based on complex formulas. Accordingly, the City accrues only those taxes which are receivable from the county within sixty days after year end.

| | |
|-----------------|---------------------------|
| Lien Date | January 1 |
| Levy Date | July 1 |
| Due Dates | November 1 and February 1 |
| Delinquent Date | December 10 and April 10 |

Property taxes attach annually as an enforceable lien as of January 1. Taxes are levied on July 1, are payable in two installments, and are delinquent after December 10 and April 10. All general property taxes are then allocated by the San Mateo County Controller’s Office to the various taxing entities in accordance with Proposition 13. Property tax revenues are recognized when levied to the extent that they are measurable and that they will be received in 60 days. Since the County utilizes the Teeter system of allocation, all property tax revenue is allocated to the City and accounted for as revenue in the fiscal year that it is levied.

P. Expenditures/Expenses

In the government-wide financial statements, expenses are classified by function for both governmental and business-type activities.

In the fund financial statements, expenditures are classified as follows:

- Governmental funds - by character
- Current (further classified by function)
- Capital outlay
- Debt service

In the fund financial statements, governmental funds report expenditures of current financial resources.

Q. Interfund Transfers

Resources are reallocated between funds by reporting them as interfund transfers. For the purposes of the Statement of Activities, all interfund transfers between individual governmental funds have been eliminated with internal balances (between governmental and business-type activities) remaining on the statement of net position.

City of San Bruno
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

R. *Prior Year Comparative Financial Information*

The basic financial statements included certain prior year summarized comparative information. This information has been included for comparison purposes and does not represent a complete presentation in accordance with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the City's prior year financial statements, from which this selected data was derived. Certain minor reclassifications of prior year data may have been made in order to enhance their comparability with current year figures.

S. *Use of Estimates*

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

T. *Budgetary Policies*

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

- (a) Public meetings are conducted to obtain public comments. The City Council annually adopts the budget for the ensuing fiscal year prior to July 1st.
- (b) Legally adopted budgets and formal budgetary integration is employed as a management control device during the year for all Governmental, Proprietary and Fiduciary fund types.
- (c) Budgets for the General, Special Revenue, Capital Project, and Debt Service Funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP).
- (d) Under Article XIII B of the California Constitution (the Gann Spending Limitation Initiative), the City is restricted as to the amount of annual appropriations from the proceeds of taxes, and if proceeds of taxes exceed allowed appropriations, the excess must either be refunded to the State Controller, returned to the taxpayers through revised tax rates or revised fees schedules, or an excess in one year may be offset against a deficit in the following year. For the fiscal year ended June 30, 2024 based on the calculations by City Management, proceeds of taxes did not exceed the appropriations limit.
- (e) Budgeted revenue and expenditure amounts represent the original budget modified by adjustments authorized during the year.
- (f) Appropriations, except for those encumbered under purchase orders, lapse at the end of the fiscal year. Encumbered amounts are then carried over for the coming year.

City of San Bruno
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

T. Budgetary Policies, Continued

- (g) Budgeted appropriations for the various governmental funds become effective each July 1. The City Council may amend the budget during the fiscal year. The legal level of budgetary control has been established at the fund level.
- (h) Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for all governmental funds.

U. Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels based on the extent to which inputs used in measuring fair value are observable in the market.

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 inputs are inputs – other than quoted prices included within level 1 – that are observable for an asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for an asset or liability.

If the fair value of an asset or liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

V. Loans Receivable – Related Parties

The City routinely loans funds to employees, including to the former City Manager, for the purchase of a primary residence within the City limits. Amounts range from \$95,000-\$140,000. The interest rate on these loans is set at the Local Agency Investment Fund (LAIF) interest rate. At June 30, 2024, seven such loans were outstanding for an amount totaling \$885,047 owed to the City. Loans must be paid off within 15 years, or earlier if one of the following occurs: a) Six months following termination of the employee's employment with the City, b) three months following the employee no longer living at the residence. During the fiscal year, the City made no new loans, and employees and former employees paid \$204,073 in principal.

City of San Bruno
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

W. New Pronouncements

The City adopted new accounting standards in order to conform to the following Governmental Accounting Standards Board Statements:

- GASB Statement No. 100 – *Accounting Changes and Error Corrections* – The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. As a result of this statement, the City updated the financial statements to reflect new major funds, funds that are no longer major, and a newly created fund from an existing revenue stream.

2. CASH AND INVESTMENTS

The City pools cash from all sources and all funds, except certain specific investments within funds and cash with fiscal agents, so that it can be invested at the maximum yield, consistent with safety and liquidity, while individual funds can make expenditures at any time.

The City and its fiscal agents invest in individual investments and in investment pools. Individual investments are evidenced by specific identifiable pieces of paper called securities instruments, or by an electronic entry registering the owner in the records of the institution issuing the security, called the book entry system. Individual investments are generally made by the City’s fiscal agents as required under its debt issues. In order to maximize security, the City employs the Trust Department of a bank as the custodian of all City managed investments, regardless of their form.

The City’s investments are carried at fair value, as required by generally accepted accounting principles. The City adjusts the carrying value of its investments to reflect their fair value at each fiscal year end.

A. Classification

Cash and investments are classified in the financial statements as shown below, based on whether or not their use is restricted under the terms of City debt instruments or agency agreements.

City of San Bruno
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

2. CASH AND INVESTMENTS, Continued

A. Classification, Continued

Cash and investments as of June 30, 2024, consisted of the following:

| | <u>Amount</u> |
|---|------------------------------|
| <i>Statement of Net Position</i> | |
| Cash and investments | \$ 245,164,394 |
| Restricted cash and investments held by fiscal agents | <u>2,107,586</u> |
| Total cash and investments in primary government | <u>\$ 247,271,980</u> |
| <i>Statement of Fiduciary Net Position</i> | |
| Cash and Investments | |
| Private Purpose Trust Funds | 705,298 |
| Restricted cash investments held by fiscal agents | <u>534</u> |
| Total cash and investments in fiduciary funds | <u>705,832</u> |
| Total cash and investments | <u><u>\$ 247,977,812</u></u> |

Cash and investments with original maturities of three months or less are treated as cash and equivalents for the purpose of preparing Proprietary Fund statements of cash flows. Also, each Proprietary Funds' portion of the City's overall cash and investment pool is treated as cash and equivalents since these amounts are in substance demand deposits.

B. Investments Authorized by the California Government Code and the City's Investment Policy

Investments are reported at fair value. California statutes authorize cities to invest idle or surplus funds in a variety of credit instruments as provided for in the California Government Code, Section 53600, Chapter 4 - Financial Affairs. The table below identifies the investment types that are authorized for the City by the California Government Code (or the City's investment policy, where more restrictive) that address interest rate risk, and concentration of credit risk.

City of San Bruno
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

2. CASH AND INVESTMENTS, Continued

B. Investments Authorized by the California Government Code and the City's Investment Policy, Continued

During the year ended June 30, 2024, the City's permissible investments included the following instruments:

| Authorized Investment Type | Maximum Maturity | Minimum Credit Quality | Maximum Percentage of Portfolio | Investment in One Issuer |
|--|------------------|------------------------|---------------------------------|--------------------------|
| U.S. Treasury bills, bonds, notes, obligations | 5 years | N/A | None | None |
| U.S. agency securities | 5 years | N/A | 75% | 40% |
| Commercial paper | 270 days | A-1 | 25% | 5% |
| LAIF | N/A | None | State \$ Limit | N/A |
| San Mateo County pool | N/A | None | 20% | N/A |
| Non-negotiable certificates of deposit | 3 years | N/A | 15% | 5% |
| | | Short term: A-1 | | |
| California municipal bonds | 5 years | Long term: A | 20% | 5% |
| Money market funds | N/A | AAA | 40% | 15% |

The City complied with the provisions of California Government Code (or the City's investment policy, where more restrictive) pertaining to the types of investments held, institutions in which deposits were made and security requirements. The City will continue to monitor compliance with applicable statutes pertaining to public deposits and investments.

C. Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates which will adversely affect the fair value of an investment. Normally, the longer the maturity of an investment, the greater the sensitivity of its fair value is to changes in market interest rates. As a means of limiting its exposure to fair value losses arising from rising interest rates, one of the ways the City manages its exposure to interest rate risk is by purchasing a combination of shorter and longer term investments. This allows the City to time cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturing evenly over time as necessary to provide the cash flow and liquidity needed for operations. The City also manages its interest rate risk by holding most investments to maturity, thus reversing unrealized market gains and losses.

City of San Bruno
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

2. CASH AND INVESTMENTS, Continued

C. Interest Rate Risk, Continued

Information about the sensitivity of the fair values of the City’s investments (including investments held by bond trustees) to market interest rate fluctuations is provided by the following table that shows the distribution of the City’s investments by maturity or earliest call date:

| Cash and Investments | 12 Months or less | 13 to 24 Months | 25 to 60 Months | Total |
|----------------------------------|-------------------|-----------------|-----------------|----------------|
| U.S. Treasuries & Agencies | \$ 40,079,410 | \$ 28,194,945 | \$ 27,127,438 | \$ 95,401,793 |
| Municipal Bonds | 6,247,775 | 5,236,165 | 14,367,667 | 25,851,607 |
| Local Agency Investment Fund | 15,440,730 | - | - | 15,440,730 |
| San Mateo County Investment Pool | 25,032,427 | - | - | 25,032,427 |
| Certificate of Deposit | 492,708 | - | - | 492,708 |
| Money Market Funds | 38,435,030 | - | - | 38,435,030 |
| CalTRUST Investment | 25,438,068 | - | - | 25,438,068 |
| Subtotal Investment | \$ 151,166,148 | \$ 33,431,110 | \$ 41,495,105 | \$ 226,092,363 |
| Cash in bank and on hand | | | | 21,885,449 |
| Total Cash and Investments | | | | \$ 247,977,812 |

The City’s investments in U.S. Treasuries, U.S. Agencies, and municipal bonds had a weighted average maturity of 1.4 years at June 30, 2024.

The City is a participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. LAIF management calculates the fair value and cost of the entire LAIF pool. The City adjusts its cost basis invested in LAIF to fair value based upon this factor. The City’s investments with LAIF at June 30, 2024, include a portion of the pool funds invested in Structured Notes and Asset-Backed Securities. These investments include the following:

Structured Notes – are debt securities (other than asset-backed securities) whose cash flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or have embedded forwards or options.

Asset-Backed Securities – the bulk of which are mortgage-backed securities, entitle their purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (such as Collateralized Mortgage Obligations) or credit card receivables.

As of June 30, 2024, the City had \$15,440,730 invested in LAIF, which had invested 3.00% of the pool investment funds in Structured Notes and Asset-Backed Securities as compared to 2.78% in the previous year. The LAIF fair value factor of 0.996316042 was used to calculate the fair value of the investments in LAIF.

City of San Bruno
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

2. CASH AND INVESTMENTS, Continued

C. Interest Rate Risk, Continued

The City invests in the San Mateo County Pooled Investment Fund (SMCPIF), an external investment pool. The pool determines fair value on its investment portfolio based on market quotations for those securities where market quotations are readily available, and valuations are based on amortized cost or best estimate for those securities where market value is not readily available. The responsibility for managing the SMCPIF resides with the County Treasurer. The County Board of Supervisors, in consultation with the Treasurer, establishes an eight-member County Treasury Oversight Committee pursuant to California Government Code Section 27130. The investment program is supervised within the guidelines set forth in the investment policy developed by the Treasurer, reviewed and approved annually by the County Treasury Oversight Committee and the County Board of Supervisors.

The SMCPIF fair value factor is determined by dividing all SMCPIF participants' total aggregate fair value by total aggregate amortized cost resulting in a factor of 0.9913. The financial statements for the San Mateo County are available in the San Mateo County website at www.co.sanmateo.ca.us.

D. Fair Value Hierarchy

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure fair value of the assets. Level 1 inputs are quoted prices in an active market for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The following is a summary of the fair value hierarchy of the fair value of investments of the City as of June 30, 2024:

| <u>Investments by Fair Value Level:</u> | <u>Level 2</u> | <u>Total</u> |
|--|----------------|----------------|
| U.S. Treasuries & Agencies | \$ 95,401,793 | \$ 95,401,793 |
| Municipal Bonds | 25,851,607 | 25,851,607 |
| Certificate of Deposit | 492,708 | 492,708 |
| Money Market Mutual Fund | 38,435,030 | 38,435,030 |
| CalTRUST Investment | 25,438,068 | 25,438,068 |
| Totals | \$ 185,619,206 | 185,619,206 |
| <i>Investments Measured Using Fair Value Factor:</i> | | |
| Local Agency Investment Fund (LAIF) | | 15,440,730 |
| San Mateo County Investment Pool | | 25,032,427 |
| Totals | | 40,473,157 |
| Total Investments | | \$ 226,092,363 |

City of San Bruno
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

2. CASH AND INVESTMENTS, Continued

D. Fair Value Hierarchy, Continued

Federal Agency Securities, classified in Level 2 of the fair value hierarchy, are valued using a quoted price in a non-active market for an identical asset. Municipal Bonds, classified in Level 2 of the fair value hierarchy, are valued using yield to maturity quoted price. These prices are obtained from various pricing sources by the custodian bank. The California Local Agency Investment Fund (LAIF) and San Mateo County Investment Pool are classified as exempt in the fair value hierarchy, as they are valued at amortized cost, which is exempt from being classified under GASB 72. Fair value is defined as the quoted market value on the last trading day of the period. These prices are obtained from various pricing sources by the custodian bank.

E. Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. As disclosed in Note 2B, State law and the City's investment Policy limit the City's investments to certain minimum credit ratings. Minimal credit ratings are also established by the bond indentures in the case of cash and investments held by fiscal agents.

Presented below is the actual rating as of June 30, 2024, for each investment type as provided by Moody's investment rating system:

| Investment Type | Aaa | Aa1 | Aa2 | Aa3 | Total |
|-------------------------------------|-------------------|------------------|-------------------|------------------|-----------------------|
| U.S. Government Agencies | \$ 28,626,668 | \$ - | \$ - | \$ - | \$ 28,626,668 |
| U.S. Treasury Notes | 60,965,025 | - | - | - | 60,965,025 |
| Municipal Bonds | 2,836,150 | 2,882,320 | 12,429,494 | 3,842,985 | 21,990,949 |
| Totals | 92,427,843 | 2,882,320 | 12,429,494 | 3,842,985 | 111,582,642 |
| Not Rated: | | | | | |
| U.S. Government Agencies | | | | | 1,999,560 |
| U.S. Treasury Notes | | | | | 3,810,540 |
| Municipal Bonds ¹ | | | | | 3,860,658 |
| Money Market Funds | | | | | 38,435,030 |
| Certificate of Deposit | | | | | 492,708 |
| Local Agency Investment Fund (LAIF) | | | | | 15,440,730 |
| San Mateo County Investment Pool | | | | | 25,032,427 |
| CalTRUST Investment | | | | | 25,438,068 |
| Total Investments | | | | | \$ 226,092,363 |

City of San Bruno
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

3. TRANSFERS AMONG FUNDS

A. Transfers Among Funds

With Council approval, resources may be transferred from one City fund to another. Transfers between funds during the fiscal year ended June 30, 2024, were as follows:

| Transfers Out | Transfers In | | | | | | | | Total |
|--------------------------------------|--------------|--------------------------------------|--------------------|-------------------------------------|------------------------------|----------------------------|--------------|------------------------|--------------|
| | General Fund | Developer Agreements and Impact Fees | Street Improvement | Parks and Facilities and Technology | Non-Major Governmental Funds | Non-Major Enterprise Funds | CityNet | Internal Service Funds | |
| Major Governmental Funds: | | | | | | | | | |
| General Fund | \$ - | \$ 111,740 | \$ 3,500,000 | \$ 4,242,465 | \$ 2,856,272 | \$ 733,358 | \$ 68,078 | \$ 150,000 | \$11,661,913 |
| Developer Agreements and Impact Fees | 85,000 | - | 1,811,250 | 4,128,170 | - | 3,725,039 | 21,480,589 | - | 31,230,048 |
| Street Improvement | 459,701 | - | - | - | 307,416 | - | - | - | 767,117 |
| Parks and Facilities | 2,108,719 | - | - | - | 1,170 | - | - | - | 2,109,889 |
| Non-Major Governmental Funds | 950,000 | 13,260 | 4,436,777 | 750,000 | 75,000 | - | - | - | 6,225,037 |
| Major Enterprise Funds: | | | | | | | | | |
| Wastewater | - | - | - | 120,000 | - | - | - | - | 120,000 |
| CityNet | 68,078 | - | - | - | - | - | - | - | 68,078 |
| Non-Major Enterprise Funds | 532,768 | - | - | - | - | - | - | - | 532,768 |
| Total | \$ 4,204,266 | \$ 125,000 | \$ 9,748,027 | \$ 9,240,635 | \$ 3,239,858 | \$ 4,458,397 | \$21,548,667 | \$ 150,000 | \$52,714,850 |

General Fund

Transfers from the General Fund to all funds except non-major enterprise and \$1,382,118 to the non-major governmental funds were to support budgeted capital projects. The purpose of transferring \$1,382,118 from the General Fund to the Non-Major Governmental Funds was to make payments on long-term debt. The transfer from the General Fund to the non-major enterprise funds was to support the Stormwater Fund.

Transfers to the General Fund from the Street Improvement, Parks and Facilities and Technology, and non-major enterprise funds were to return unused monies previously contributed by the General Fund for capital projects. Transfers to the General Fund from non-major governmental funds to the General Fund were to augment various City services such as street maintenance and police.

Parks and Facilities and Technology Capital Improvement Fund and Street Improvement Fund

Transfers into the Parks and Facilities and Technology fund and Street Improvement fund were for capital projects.

Developer Agreements and Impact Fees Fund

Transfers from the Developer Agreements and Impact Fees fund to the non-major enterprise funds and CityNet were to support and pay for capital projects in the Stormwater Fund and to make the CityNet fund whole.

City of San Bruno
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

3. TRANSFERS AMONG FUNDS, Continued

B. Interfund Advances

In fiscal year 2024, the General Fund loaned the Parking Fund \$2,000,000 to start the fund as it installed new parking meters.

| Fund Receiving Advance | Fund Making Advance | Amount of Advance |
|------------------------|---------------------|---------------------|
| Parking Fund | General Fund | \$ 2,000,000 |
| | Total | <u>\$ 2,000,000</u> |

C. Interfund Balances

Interfund balance arise in normal course of business. Amounts due to and due from other Funds reflect interfund balances for services rendered or short-term loan expected to be repaid in the next fiscal year. At June 30,2024, interfund balances comprised the following:

| Due to Other Funds | Due From Other Funds | Amount |
|---|----------------------|---------------------|
| Parks and Facilities and Technology Capital Improvement | General Fund | \$ 569,420 |
| Federal/State Grant Special Revenue Fund (nonmajor) | General Fund | 1,101,805 |
| | Total | <u>\$ 1,671,225</u> |

City of San Bruno
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

4. CAPITAL ASSETS

A. Capital Asset Additions and Retirements

Governmental activities capital assets as of June 30, 2024 comprise:

| | Balance July 1, 2023 | Additions | Deletions | Transfers | Balance June 30, 2024 |
|---|-------------------------|---------------|----------------|-------------|--------------------------|
| <i>Governmental Activities</i> | | | | | |
| Capital assets not being depreciated: | | | | | |
| Land | \$ 4,649,235 | \$ - | \$ (1,400,148) | \$ - | \$ 3,249,087 |
| Construction in progress | 42,478,758 | 24,856,397 | - | (1,916,470) | 65,418,685 |
| Total capital assets not being depreciated | 47,127,993 | 24,856,397 | (1,400,148) | (1,916,470) | 68,667,772 |
| Capital assets being depreciated: | | | | | |
| Buildings and improvements | 17,036,353 | - | - | 553,717 | 17,590,070 |
| Machinery, improvements and equipment | 19,673,020 | 906,524 | (887,236) | 219,746 | 19,912,054 |
| Infrastructure | 103,556,938 | - | - | 1,143,007 | 104,699,945 |
| Right to use-Software | 971,204 | - | (160,925) | - | 810,279 |
| Total capital assets being depreciated | 141,237,515 | 906,524 | (1,048,161) | 1,916,470 | 143,012,348 |
| Less accumulated depreciation for: | | | | | |
| Buildings and improvements | (10,745,939) | (559,426) | - | - | (11,305,365) |
| Machinery, improvements and equipment | (14,517,221) | (1,076,829) | 887,236 | - | (14,706,814) |
| Infrastructure | (58,410,628) | (1,932,840) | - | - | (60,343,468) |
| Right to use-Software | (320,026) | (251,099) | 160,925 | - | (410,200) |
| Total accumulated depreciation | (83,993,814) | (3,820,194) | 1,048,161 | - | (86,765,847) |
| Net capital assets being depreciated | 57,243,701 | (2,913,670) | - | 1,916,470 | 56,246,501 |
| Governmental Activities capital assets, net | \$ 104,371,694 | \$ 21,942,727 | \$ (1,400,148) | \$ - | \$124,914,273 |

City of San Bruno
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

4. CAPITAL ASSETS, Continued

A. Capital Asset Additions and Retirements, Continued

Business-type activities capital assets as of June 30, 2024 comprise:

| | Balance July 1, 2023 | Additions | Deletions | Transfers | Balance June 30, 2024 |
|--|-------------------------|----------------------|-------------|---------------------|--------------------------|
| <i>Business-type activities:</i> | | | | | |
| Capital assets not being depreciated: | | | | | |
| Land | \$ 576,842 | \$ - | \$ - | \$ - | \$ 576,842 |
| Construction in progress | 18,172,180 | 7,037,029 | - | (16,378,629) | 8,830,580 |
| Total capital assets not being depreciated | <u>18,749,022</u> | <u>7,037,029</u> | <u>-</u> | <u>(16,378,629)</u> | <u>9,407,422</u> |
| Capital assets being depreciated: | | | | | |
| Buildings and improvements | 108,236,520 | - | - | 16,378,629 | 124,615,149 |
| Machinery, improvements and equipment | 33,757,625 | 1,135,327 | - | - | 34,892,952 |
| Sewer plant | 31,047,704 | 16,396,964 | - | - | 47,444,668 |
| Total capital assets being depreciated | <u>173,041,849</u> | <u>17,532,291</u> | <u>-</u> | <u>16,378,629</u> | <u>206,952,769</u> |
| Less accumulated depreciation for: | | | | | |
| Buildings and improvements | (36,540,087) | (3,231,606) | - | - | (39,771,693) |
| Machinery, improvements and equipment | (28,291,859) | (981,600) | - | - | (29,273,459) |
| Sewer Plant | (19,216,806) | (1,125,182) | - | - | (20,341,988) |
| Total accumulated depreciation | <u>(84,048,752)</u> | <u>(5,338,388)</u> | <u>-</u> | <u>-</u> | <u>(89,387,140)</u> |
| Net capital assets being depreciated | <u>88,993,097</u> | <u>12,193,903</u> | <u>-</u> | <u>16,378,629</u> | <u>117,565,629</u> |
| Business-type activity capital assets, net | <u>\$ 107,742,119</u> | <u>\$ 19,230,932</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$126,973,051</u> |

B. Depreciation Allocation

Depreciation expense is charged to functions and programs based on their usage of the related assets. The amounts allocated to each function or program are as follows:

| Governmental Activities | Amount |
|------------------------------------|---------------------|
| General government | \$ 556,731 |
| Public safety | 978,653 |
| Public works | 16,965 |
| Streets | 1,896,220 |
| Parks and recreation | 323,154 |
| Library | 45,207 |
| Community and economic development | 3,264 |
| Total | <u>\$ 3,820,194</u> |

City of San Bruno
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

4. CAPITAL ASSETS, Continued

B. Depreciation Allocation, Continued

| Business-Type Activities | Amount |
|--------------------------|---------------------|
| Water | 1,816,932 |
| Stormwater | 226,088 |
| Wastewater | 1,865,715 |
| SSF Sewer Plant | 1,125,183 |
| CityNet | 198,584 |
| Parking Fund | 105,886 |
| Total | <u>\$ 5,338,388</u> |

5. LONG-TERM DEBT

The City generally incurs long-term debt to finance projects or purchase assets which will have useful lives equal to or greater than the related debt.

A. The City's Long-Term Debt

The following is a summary of long-term debt transactions for the year ended June 30, 2024:

| | Balance July 1, 2023 | Additions | Retirements | Balance June 30, 2024 | Amount due within one year |
|---|-------------------------|------------------|----------------------|-----------------------------|----------------------------------|
| Governmental Activity - Bonds: | | | | | |
| 2013 Pension Obligation Bond | \$ 4,270,000 | \$ - | \$(1,005,000) | \$ 3,265,000 | \$ 1,045,000 |
| Discount on Pension Obligation Bond | (78,072) | - | 19,518 | (58,554) | - |
| Total Governmental Activity - Bonds | <u>4,191,928</u> | <u>-</u> | <u>(985,482)</u> | <u>3,206,446</u> | <u>1,045,000</u> |
| Governmental Activity - Direct Borrowings: | | | | | |
| 2022 Fire Pumper Trucks | 1,462,844 | 33,898 | (70,306) | 1,426,436 | 251,962 |
| SBITA Liability | 698,701 | - | (272,829) | 425,872 | 145,064 |
| Total Governmental Activity - Direct Borrowings | <u>2,161,545</u> | <u>33,898</u> | <u>(343,135)</u> | <u>1,852,308</u> | <u>397,026</u> |
| Total Governmental Activities | <u>\$ 6,353,473</u> | <u>\$ 33,898</u> | <u>\$(1,328,617)</u> | <u>\$ 5,058,754</u> | <u>\$ 1,442,026</u> |

City of San Bruno
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

5. LONG-TERM DEBT, Continued

A. The City's Long-Term Debt, Continued

| | Balance June 30, 2023 | Additions | Retirements | Balance June 30, 2024 | Amount due within one year |
|--|--------------------------|----------------------|-----------------------|--------------------------|----------------------------------|
| Business-Type Activity - Bonds: | | | | | |
| 2017 Water Revenue Bond | \$ 10,620,000 | \$ - | (240,000) | \$ 10,380,000 | \$ 250,000 |
| Premium of Revenue Bond | 1,038,870 | - | (41,555) | 997,315 | - |
| 2017 Wastewater Revenue Bond | 22,375,000 | - | (505,000) | 21,870,000 | 525,000 |
| Premium of Revenue Bond | 2,188,347 | - | (87,534) | 2,100,813 | - |
| 2013 Wastewater Refunding Revenue Bond | 4,315,000 | - | (345,000) | 3,970,000 | 365,000 |
| Premium of Revenue Bond | 178,753 | - | (17,874) | 160,879 | - |
| Total Business-Type Activity - Bonds | <u>40,715,970</u> | <u>-</u> | <u>(1,236,963)</u> | <u>39,479,007</u> | <u>1,140,000</u> |
| Business-Type Activity - Direct Borrowings: | | | | | |
| Due to City of South San Francisco | | | | | |
| 2007 Loan | 1,724,756 | - | (841,088) | 883,668 | 436,379 |
| 2023 Loan | - | 13,792,446 | (588,958) | 13,203,488 | 589,025 |
| Total Business-Type Activity - Direct Borrowings | <u>1,724,756</u> | <u>13,792,446</u> | <u>(1,430,046)</u> | <u>14,087,156</u> | <u>1,025,404</u> |
| Total Business-Type Activities | <u>\$ 42,440,726</u> | <u>\$ 13,792,446</u> | <u>\$ (2,667,009)</u> | <u>\$ 53,566,163</u> | <u>\$ 2,165,404</u> |

B. Governmental Activities

2013 Pension Obligation Bonds

In January 2013, the City issued \$13,175,000 in Series 2013 Pension Obligation Bonds in order to pay off amounts owed for the City's CalPERS "side-fund." Principal payments are due annually on June 1 while interest payments are due semi-annually on June 1 and December 1. True interest cost is 4.05%.

The Pension Obligation Bond debt represents a refunding of a debt that the City owed to CalPERS. The issuance of the Pension Obligation Bonds reduced the interest rate on this debt from 7.5% to just over 4%. The debt service payments are funded through savings achieved in the City's employer contribution rate, which decreased from 36.604% to 24.706% after the payoff of the side fund. Payments are made out of the debt service fund.

The Bonds are payable from any source of legally available funds of the City. The bond covenants contain events of default that require the revenue of the City to be applied by the Trustee as specified in the terms of the agreement if any of the following conditions occur: default on debt service payments; the failure of the City to observe or perform the conditions, covenants, or agreement terms of the debt; bankruptcy filing by the City; or if any court or competent jurisdiction shall assume custody or control of the City. During fiscal year 2023-24, the City made principal and interest payments totaling \$1,005,000 and \$170,800, respectively. The bonds mature on June 1, 2027.

City of San Bruno
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

5. LONG-TERM DEBT, Continued

B. Governmental Activities, Continued

The annual debt service requirement on the 2013 Pension Obligation Bonds is as follows:

| For The Year Ending June 30 | 2013 Pension Obligation Bonds | | |
|--------------------------------|-------------------------------|-------------------|---------------------|
| | Principal | Interest | Total |
| 2025 | \$ 1,045,000 | \$ 130,600 | \$ 1,175,600 |
| 2026 | 1,090,000 | 88,800 | 1,178,800 |
| 2027 | 1,130,000 | 45,200 | 1,175,200 |
| Subtotal | 3,265,000 | 264,600 | 3,529,600 |
| Less Discount | (58,554) | - | (58,554) |
| Total | <u>\$ 3,206,446</u> | <u>\$ 264,600</u> | <u>\$ 3,471,046</u> |

Direct Borrowings

2022 Fire Pumper Truck

In June 2022, the City entered into a \$1,600,000 capital lease-purchase agreement with Western Alliance Equipment Finance, Inc., to purchase two fire pumper trucks. Principal payments are due semi-annually on December 1 and June 1 with an interest rate of 3.35%. The debt payments are made by the debt service fund. The first payment on the debt was December 1, 2022, and will be paid in full on June 1, 2032. During fiscal year 2023-24, the City made principal and interest payments totaling \$70,306 and \$24,503, respectively.

The annual debt service requirement on the 2022 fire pumper trucks borrowing is as follows:

| For The Year Ending June 30 | 2022 Fire Pumper Trucks Obligation | | |
|--------------------------------|------------------------------------|-------------------|--------------------|
| | Principal | Interest | Total |
| 2025 | \$ 251,962 | \$ 43,038 | \$ 295,000 |
| 2026 | 151,531 | 38,086 | 189,617 |
| 2027 | 156,650 | 32,967 | 189,617 |
| 2028 | 161,942 | 27,676 | 189,618 |
| 2029 | 167,412 | 22,205 | 189,617 |
| 2030-2033 | 536,939 | 31,914 | 568,853 |
| Total | <u>\$ 1,426,436</u> | <u>\$ 195,886</u> | <u>\$1,622,322</u> |

City of San Bruno
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

5. LONG-TERM DEBT, Continued

B. Governmental Activities, Continued

Subscription Based Information Technology Arrangements (SBITAs)

In fiscal year 2023, the City implemented GASB 96 by recording long-term subscription-based software contracts. Currently, the City is under contract for Microsoft Office and Axon enterprises, for government-wide applications, and police software, respectively.

City has a multiyear contract with a Microsoft vendor for Microsoft Office 365 that ends 09/2024. The City paid \$56,301 for access to the software applications in the current fiscal year.

In November 2022, City entered into multiyear agreements with Axon enterprises for police camera software, and cloud storage expiring on 10/2027. The City paid \$151,652 in fiscal year 2024 to Axon for this technology.

The future payments on the aforementioned SBITA liabilities were as follows:

| For The Year Ending June 30 | SBITA Liability | | |
|--------------------------------|-------------------|------------------|-------------------|
| | Principal | Interest | Total |
| 2025 | \$ 145,064 | \$ 20,663 | \$ 165,727 |
| 2026 | 137,685 | 13,966 | 151,651 |
| 2027 | 143,123 | 7,056 | 150,179 |
| Total | <u>\$ 425,872</u> | <u>\$ 41,685</u> | <u>\$ 467,557</u> |

C. Business-Type Activities

2017 Water Revenue Bonds

In December 2017, the San Bruno Public Financing Authority issued \$11.62 million of Series 2017 Water Revenue Bonds to finance the construction of certain improvements to the Water System. Principal payments commenced on July 1, 2018 and are payable annually on July 1. Interest payments are payable on July 1st and January 1st of each year.

The Bonds are payable solely from the Net Revenues of the Water System. The bond covenants contain events of default that require the revenue of the City to be applied by the Trustee as specified in the terms of the agreement if any of the following conditions occur: default on debt service payments; the failure of the City to observe or perform the conditions, covenants, or agreement terms of the debt; bankruptcy filing by the City; or if any court or competent jurisdiction shall assume custody or control of the City. During fiscal year 2023-24, the City made principal and interest payments totaling \$240,000 and \$438,850, respectively. The bonds mature on July 1, 2047.

City of San Bruno
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

5. LONG-TERM DEBT, Continued

C. Business-Type Activities, Continued

The annual debt service requirement on the bonds is as follows:

| For the Year Ending June 30 | 2017 Water Revenue | | |
|--------------------------------|--------------------|--------------|---------------|
| | Principal | Interest | Total |
| 2025 | \$ 250,000 | \$ 427,800 | \$ 677,800 |
| 2026 | 260,000 | 415,050 | 675,050 |
| 2027 | 275,000 | 401,675 | 676,675 |
| 2028 | 290,000 | 387,550 | 677,550 |
| 2029 | 305,000 | 372,675 | 677,675 |
| 2030-2034 | 1,760,000 | 1,613,500 | 3,373,500 |
| 2035-2039 | 2,160,000 | 1,218,325 | 3,378,325 |
| 2040-2044 | 2,600,000 | 764,000 | 3,364,000 |
| 2045-2048 | 2,480,000 | 203,000 | 2,683,000 |
| Subtotal | 10,380,000 | 5,803,575 | 16,183,575 |
| Plus Premium | 997,315 | - | 997,315 |
| Total | \$ 11,377,315 | \$ 5,803,575 | \$ 17,180,890 |

2017 Wastewater Revenue Bonds

In December 2017, the San Bruno Public Financing Authority issued \$24.47 million of Series 2017 Wastewater Revenue Bonds to finance the construction of certain improvements to the Wastewater System. Principal payments commenced on July 1, 2018 and are payable annually on July 1. Interest payments are payable on July 1st and January 1st.

The Bonds are payable solely from Net Revenues of the Wastewater System. The bond covenants contain events of default that require the revenue of the City to be applied by the Trustee as specified in the terms of the agreement if any of the following conditions occur: default on debt service payments; the failure of the City to observe or perform the conditions, covenants, or agreement terms of the debt; bankruptcy filing by the City; or if any court or competent jurisdiction shall assume custody or control of the City. During fiscal year 2023-24, the City made principal and interest payments totaling \$505,000 and \$924,550, respectively. The bonds mature on July 1, 2047.

City of San Bruno
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

5. LONG-TERM DEBT, Continued

C. Business-Type Activities, Continued

The annual debt service requirement on the bonds is as follows:

| For the Year Ending June 30 | 2017 Wastewater Revenue | | |
|--------------------------------|-------------------------|---------------|---------------|
| | Principal | Interest | Total |
| 2025 | \$ 525,000 | \$ 901,325 | \$ 1,426,325 |
| 2026 | 550,000 | 874,450 | 1,424,450 |
| 2027 | 580,000 | 846,200 | 1,426,200 |
| 2028 | 610,000 | 816,450 | 1,426,450 |
| 2029 | 640,000 | 785,200 | 1,425,200 |
| 2030-2034 | 3,705,000 | 3,400,875 | 7,105,875 |
| 2035-2039 | 4,555,000 | 2,568,075 | 7,123,075 |
| 2040-2044 | 5,480,000 | 1,610,600 | 7,090,600 |
| 2045-2048 | 5,225,000 | 428,300 | 5,653,300 |
| Subtotal | 21,870,000 | 12,231,475 | 34,101,475 |
| Plus Premium | 2,100,813 | - | 2,100,813 |
| Total | \$ 23,970,813 | \$ 12,231,475 | \$ 36,202,288 |

2013 Wastewater Revenue Refunding Bonds

In August 2013, the City paid off the remaining balance of \$7.56 million of 2002 Certificates of Participation by placing the proceeds of new 2013 Wastewater Revenue Refunding Bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. All of the amounts held in the escrow fund were applied to pay the prepayment price of the 2002 certificates and, therefore, the 2002 Certificates of Participation were paid-off as of June 30, 2014.

The Bonds are payable solely from Net Revenues of the Wastewater System. The bond covenants contain events of default that require the revenue of the City to be applied by the Trustee as specified in the terms of the agreement if any of the following conditions occur: default on debt service payments; the failure of the City to observe or perform the conditions, covenants, or agreement terms of the debt; bankruptcy filing by the City; or if any court or competent jurisdiction shall assume custody or control of the City. During fiscal year 2023-24, the City made principal and interest payments totaling \$345,000 and \$188,100 respectively. The bonds mature on July 1, 2032.

City of San Bruno
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

5. LONG-TERM DEBT, Continued

C. Business-Type Activities, Continued

The annual debt service requirement on the bonds is as follows:

| For the Year Ending June 30 | 2013 Wastewater Revenue Refunding | | |
|--------------------------------|-----------------------------------|------------|--------------|
| | Principal | Interest | Total |
| 2025 | \$ 365,000 | \$ 170,350 | \$ 535,350 |
| 2026 | 380,000 | 151,725 | 531,725 |
| 2027 | 405,000 | 132,100 | 537,100 |
| 2028 | 425,000 | 113,475 | 538,475 |
| 2029 | 440,000 | 95,900 | 535,900 |
| 2030-2033 | 1,955,000 | 179,763 | 2,134,763 |
| Subtotal | 3,970,000 | 843,313 | 4,813,313 |
| Plus Premium | 160,879 | - | 160,879 |
| Total | \$ 4,130,879 | \$ 843,313 | \$ 4,974,192 |

City of South San Francisco Sewer Plant Agreement

The City entered into a joint-ownership agreement with the City of South San Francisco (SSF) to operate a water quality control plant and appurtenant facilities to service both communities. The agreement was entered into in January 1947 and has numerous subsequent amendments that detail various aspects in sharing the capital investment (including related debt service) and operating expenses related to the joint sewage plant. Operating costs of the enterprise are shared in accordance with a formula and division of operation and maintenance cost set forth in an agreement dated April 3, 1972. The most recent arrangement indicates that the City shares in 25.82% of the plant capacity. There are no separately issued financial statements for this agreement.

To finance the expansion of the water quality control plant, the State Water Resources Control Board issued loans directly to SSF totaling \$73,091,753, (\$21.9 million in April 2007, and \$51.2 million in October 2023). Loan proceeds were disbursed as the projects progressed and debt service payments commenced one year after project completion. As a result of the joint ownership agreement, the City is obligated to SSF for its portion of the loans annually in April and October, respectively, for the 2007 and 2023 loans. The City’s portion that was financed through these agreements totaled \$20,939,623 payable over 20-year periods. During fiscal year 2023-24, the City made principal and interest payments totaling \$1,014,694, and \$270,465, respectively. The 2007 loan will be paid in full on April 30, 2026, and the 2023 loan will be paid in full on October 3, 2042.

City of San Bruno
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

5. LONG-TERM DEBT, Continued

C. Business-Type Activities, Continued

The City's annual debt service requirements on the loans are as follows:

| For the Year Ending June 30 | 2007 Loan South San Francisco | | |
|--------------------------------|-------------------------------|------------------|-------------------|
| | Principal | Interest | Total |
| 2025 | \$ 436,379 | \$ 22,092 | \$ 458,471 |
| 2026 | 447,289 | 11,182 | 458,471 |
| Total | \$ 883,668 | \$ 33,274 | \$ 916,942 |

| For the Year Ending June 30 | 2023 Loan South San Francisco | | |
|--------------------------------|-------------------------------|---------------------|---------------------|
| | Principal | Interest | Total |
| 2025 | \$ 589,025 | \$ 237,663 | \$ 826,688 |
| 2026 | 599,628 | 227,060 | 826,688 |
| 2027 | 610,421 | 216,267 | 826,688 |
| 2028 | 621,408 | 205,279 | 826,687 |
| 2029 | 632,594 | 194,094 | 826,688 |
| 2030-2034 | 3,337,923 | 795,515 | 4,133,438 |
| 2035-2039 | 3,649,348 | 484,091 | 4,133,439 |
| 2040-2043 | 3,163,141 | 143,611 | 3,306,752 |
| Total | \$ 13,203,488 | \$ 2,503,580 | \$15,707,068 |

D. Fiduciary Funds

The following is a summary of the Redevelopment Obligation Retirement Fund's long-term debt transactions for the year ended June 30, 2024:

| | Balance June 30, 2023 | Retirements | Balance June 30, 2024 | Amount due within one year |
|---------------------------------|--------------------------|---------------------|--------------------------|----------------------------------|
| 2019 Lease Revenue Bonds | \$ 3,365,000 | \$ (365,000) | \$ 3,000,000 | \$ 375,000 |
| Premium on Refunding Bond | 419,376 | (52,422) | 366,954 | - |
| Total Fiduciary Activity | \$ 3,784,376 | \$ (417,422) | \$ 3,366,954 | \$ 375,000 |

City of San Bruno
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

5. LONG-TERM DEBT, Continued

D. Fiduciary Funds, Continued

2019 Lease Revenue Bonds

In 2000, the Redevelopment Agency issued Certificates of Participation, Series 2000 (Police Facility Financing) in the original principal amount of \$9,600,000 to fund the construction of the Police Facility. In March 2019, the Redevelopment Agency paid off the remaining balance of \$6 million of the 2000 Certificates of Participation by placing the proceeds of the new Lease Revenue Bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. All of the amounts held in the escrow fund were applied to pay the prepayment price of the 2000 Certificates and, therefore, the 2000 Certificates of Participation were paid off as of June 30, 2019.

Principal payments are due annually on the Lease Revenue Bonds on May 1 and interest payments are due semi-annually on May 1 and November 1. Interest rates range from 4.00% to 5.00%. During fiscal year 2023-24, the Redevelopment Agency made principal and interest payments totaling \$365,000, and \$144,050, respectively.

The Bonds are payable from any source of available funds of the Redevelopment Agency. The bond covenants contain events of default that require the revenue of the Redevelopment Agency to be applied by the Trustee as specified in the terms of the agreement if any of the following conditions occur: default on debt service payments; the failure of the Redevelopment Agency to observe or perform the conditions, covenants, or agreement terms of the debt; bankruptcy filing by the Redevelopment Agency; or if any court or competent jurisdiction shall assume custody or control of the Redevelopment Agency.

| For the Year Ending June 30 | 2019 Lease Revenue Bonds | | |
|--------------------------------|--------------------------|-------------------|---------------------|
| | Principal | Interest | Total |
| 2025 | \$ 375,000 | \$ 129,450 | \$ 504,450 |
| 2026 | 395,000 | 114,450 | 509,450 |
| 2027 | 410,000 | 98,650 | 508,650 |
| 2028 | 430,000 | 82,250 | 512,250 |
| 2029 | 445,000 | 65,050 | 510,050 |
| 2030-2031 | 945,000 | 71,500 | 1,016,500 |
| Subtotal | 3,000,000 | 561,350 | 3,561,350 |
| Add Premium | 366,954 | - | 366,954 |
| Total | <u>\$ 3,366,954</u> | <u>\$ 561,350</u> | <u>\$ 3,928,304</u> |

6. NET POSITION AND FUND BALANCES

Net Position is measured on the full accrual basis while Fund Balance is measured on the modified accrual basis.

City of San Bruno
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

6. NET POSITION AND FUND BALANCES, Continued

A. Net Position

Net Position is the excess of all the City's assets and deferred outflows, if any, over all its liabilities and deferred inflows, if any, regardless of fund. Net Position is divided into three captions. These captions apply only to Net Position, which is determined only at the Government-wide level, and are described below:

Net Investment in Capital Assets describes the portion of Net Position which is represented by the current net book value of the City's capital assets, less the outstanding balance of any debt issued to finance these assets.

Restricted describes the portion of Net Position which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions which the City cannot unilaterally alter.

Unrestricted describes the portion of Net Position which is not restricted to use.

B. Fund Balances

The City's fund balances are classified in accordance with Governmental Accounting Standards Board Statement Number 54 (GASB 54), Fund Balance Reporting and Governmental Fund Type Definitions, which requires the City to classify its fund balances based on spending constraints imposed on the use of resources. For programs with multiple funding sources, the City prioritizes and expends funds in the following order: Restricted, Committed, Assigned, and Unassigned. Each category in the following hierarchy is ranked according to the degree of spending constraint:

Nonspendables represents balances set aside to indicate items that do not represent available, spendable resources even though they are a component of assets. Fund balances required to be maintained intact, such as Permanent Funds, and assets not expected to be converted to cash, such as prepaids, notes receivable, and land held for resale are included. However, if proceeds realized from the sale or collection of nonspendable assets are restricted, committed or assigned, then Nonspendable amounts are required to be presented as a component of the applicable category.

Restricted fund balances have external restrictions imposed by creditors, grantors, contributors, laws, regulations, or enabling legislation which requires the resources to be used only for a specific purpose. Nonspendable amounts subject to restrictions are included along with spendable resources.

Committed fund balances have constraints imposed by resolution of the City Council which may be altered only by resolution of the City Council. Nonspendable amounts subject to council commitments are included along with spendable resources.

City of San Bruno
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

6. NET POSITION AND FUND BALANCES, Continued

B. Fund Balances, Continued

Assigned fund balances are amounts constrained by the City’s intent to be used for a specific purpose but are neither restricted nor committed. Intent is expressed by the City Council or its designee and may be changed at the discretion of the City Council or its designee. This category includes encumbrances; Nonspendables, when it is the City’s intent to use proceeds or collections for a specific purpose, and residual fund balances, if any, of Special Revenue, Capital Projects and Debt Service Funds which have not been restricted or committed. Through a Council Resolution, the City Council has designated the City Manager to determine the amount of assigned fund balances.

Unassigned fund balance represents residual amounts that have not been restricted, committed, or assigned. This includes the residual General Fund balance and residual fund deficits, if any, of other governmental funds.

C. Spending Order Policy

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the City Council has provided otherwise in its commitment or assignment actions.

D. Encumbrances

The City uses an encumbrance system as an extension of normal budgetary accounting for governmental funds. Encumbrance accounting is utilized to the extent necessary to ensure effective budgetary control and accountability and to facilitate effective cash planning and control. Unexpended appropriations lapse at year-end and must be re-appropriated in the following year. At year end, the amount of encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

| Governmental Funds | Amount |
|---|--------------|
| Major Funds: | |
| General Fund | \$ 1,638,086 |
| Street Improvement Capital Projects | 6,951,043 |
| Parks and Facilities and Technology Capital Improvement | 4,392,338 |
| Total Major Funds | 12,981,467 |
| Non-Major Funds: | |
| Other non-major funds | 498,707 |
| Total Non-Major Funds | 498,707 |
| Total | \$13,480,174 |

City of San Bruno
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

6. NET POSITION AND FUND BALANCES, Continued

E. Fund Balance Classifications

Detailed classifications of the City's fund balance, as of June 30, 2024, are below:

| Fund Balance Classifications | General Fund | Developer Agreements and Impact Fees | Street Improvement | Parks and Facilities and Technology Capital Improvement Fund | Other Governmental Funds | Total |
|---------------------------------------|----------------------|---|-----------------------|---|--------------------------------|-----------------------|
| Nonspendables: | | | | | | |
| Advances to other funds | \$ 2,000,000 | \$ - | \$ - | \$ - | \$ - | \$ 2,000,000 |
| Loans receivable | 885,047 | - | - | - | - | 885,047 |
| Total Nonspendable Balances | 2,885,047 | - | - | - | - | 2,885,047 |
| Restricted for: | | | | | | |
| Special Revenue Programs | - | 25,520,967 | - | - | 9,423,156 | 34,944,123 |
| Capital Projects | - | - | 9,214,766 | 5,051,748 | - | 14,266,514 |
| Affordable Housing Activities | - | - | - | - | 700,649 | 700,649 |
| Total Restricted Fund Balances | - | 25,520,967 | 9,214,766 | 5,051,748 | 10,123,805 | 49,911,286 |
| Committed for: | | | | | | |
| Community Development | - | - | - | - | 2,403,255 | 2,403,255 |
| Debt Service | - | - | - | - | 1,709 | 1,709 |
| Total Committed Fund Balances | - | - | - | - | 2,404,964 | 2,404,964 |
| Assigned to: | | | | | | |
| One-Time Revenue Reserve | 16,523,056 | - | - | - | - | 16,523,056 |
| Capital Projects | - | 10,350,957 | 4,505,182 | 4,167,458 | - | 19,023,597 |
| Encumbrances | 1,638,086 | - | - | - | - | 1,638,086 |
| Total Assigned Fund Balances | 18,161,142 | 10,350,957 | 4,505,182 | 4,167,458 | - | 37,184,739 |
| Contingency Reserve | 10,892,936 | | | | | 10,892,936 |
| Budget Stabilization | 13,531,363 | | | | | 13,531,363 |
| Unassigned | 15,366,719 | - | - | - | (871,569) | 14,495,150 |
| Total Unassigned Fund Balances | 39,791,018 | - | - | - | (871,569) | 38,919,449 |
| Total Fund Balances | \$ 60,837,207 | \$ 35,871,924 | \$ 13,719,948 | \$ 9,219,206 | \$ 11,657,200 | \$ 131,305,485 |

City of San Bruno
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

6. NET POSITION AND FUND BALANCES, Continued

E. Fund Balance Classifications, Continued

General Fund Reserves

In October 2024, the City established reserve funds in accordance with the objectives as outlined below. The funding levels outlined in this policy are goals and it is the City's intent to maintain its reserves at the prescribed levels; compliance with this policy will be evaluated annually upon final closing of the City's financial books for the fiscal year.

Contingency Reserve - The Contingency Reserve shall be established with a goal of maintaining a target fund balance of 10% of the budgeted General Fund expenditures and is intended to be used for non-fiscal emergencies and disasters. The Contingency Reserve can only be utilized through resolution of the City Council. While intended for non-financial emergencies or disasters, the Contingency Reserve can be utilized for other purposes at Council discretion. At June 30, 2024, the Contingency Reserve was \$10,892,936.

Budget Stabilization Reserve - The Budget Stabilization Reserve is established to shield the General Fund from adverse economic fluctuations, ensuring minimal immediate impacts on service levels. This reserve aims to maintain a target balance of at least 20% of budgeted expenditures at the start of each fiscal year.

Utilization of the Budget Stabilization Reserve will occur in response to budgeted revenue shortfalls stemming from economic volatility or unforeseen financial events. Reports on its use will be presented to the City Council through the mid-year financial report and/or during the budget adoption process for the ensuing fiscal year.

Should the Budget Stabilization Reserve be employed, causing it to dip below the 20% target, a strategic plan will be devised to restore the balance to the desired level. Depending on the situation, this restoration plan may span multiple fiscal years, aligning with the fund's role in a broader multi-year forecasting strategy. This strategy aims to fortify fiscal sustainability and uphold consistent service levels.

At June 30, 2024, the Budget Stabilization Reserve was \$13,531,363.

One-Time Revenue Reserve - The One-Time Revenue Reserve shall be established to set aside one-time revenues until the point at which point they can be appropriated by City Council for one-time uses. One-time revenues that have a legal restriction for their use or are otherwise dedicated for a particular purpose will be held in a separate special revenue fund. One-time revenues will be approved by Council, either through the budget adoption process or by a separate resolution, for inclusion into the One-Time Revenue Reserve. As a part of the annual budget process, this reserve will be reviewed along with existing unfunded capital projects for consideration of an appropriation from this reserve in the forthcoming budget. In general, the purpose of this reserve is for it to be used for projects and initiatives throughout the City that have no other identifiable funding source. At June 30, 2024, the One Time Revenue Reserve was \$16,523,056.

Encumbrances represent commitments related to contracts not yet performed and purchase orders not yet filled. The total encumbrances at June 30, 2024 were \$13,480,174.

City of San Bruno
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

6. NET POSITION AND FUND BALANCES, Continued

F. Net Position and Fund Balance Deficits

The City has a deficit net position of \$3,095,000 in the Self Insurance Internal Service Fund which will be remedied by future cost allocations from other funds.

The City has a deficit fund balance of \$608,954 in the Federal/State Grants Special Revenue Fund, \$190,466 in Agency on Aging Special Revenue Fund and \$72,149 in the Measure A Transportation Tax Fund. The intent is that these deficits will be funded by future revenues.

G. Excess of Expenditures and Transfers Out Over Appropriations

The following expenditures exceeded budgeted amounts for the fiscal year ended June 30, 2024:

| Fund/Department | Expenditures/Transfers Out Exceeding Budget |
|-------------------------------|--|
| General Fund: | |
| Public safety | \$ 125,466 |
| Non-major governmental funds: | |
| Agency on Aging | 44,065 |
| Measure A Transportation Tax | 27,211 |

7. RISK MANAGEMENT

The City participates in the PLAN JPA, a joint powers authority established to provide liability insurance coverage, claims, risk management, and legal defense to its participating members. PLAN JPA provides \$5,000,000 per occurrence of general liability and automobile coverage, \$25,000,000 excess liability coverage per occurrence, \$5,000,000 of catastrophic liability coverage, and is responsible for paying the claims in excess of the City’s \$100,000 self-insurance retention. PLAN JPA also provides for property coverage up to \$1 billion per occurrence subject to lower categorical sub-limits in excess of the City’s self-insurance retention of \$5,000 or property and vehicle loss.

The retained earnings/net position of the Self-Insurance Fund, which is categorized as part of Governmental Activities, represent amounts set aside for possible additional losses after providing for actuarially determined liabilities for claims including claims adjustment expenses.

City of San Bruno
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

7. RISK MANAGEMENT, Continued

No claim settlement exceeded either this self-insured amount or the insurance coverage for any of the past three years. As of June 30, 2024, claims payable are as follows:

| | |
|---------------------------------------|---------------------|
| Claims payable June 30, 2022 | \$ 5,028,000 |
| Changes to estimated claims liability | 878,317 |
| Claims paid | <u>(883,317)</u> |
| Claims payable June 30, 2023 | 5,023,000 |
| Changes to estimated claims liability | 1,305,724 |
| Claims paid | <u>(728,724)</u> |
| Claims payable June 30, 2024 | <u>\$ 5,600,000</u> |
| Current Portion | <u>\$ 1,316,000</u> |

8. PUBLIC EMPLOYEES’ RETIREMENT SYSTEM

A. General Information about the Pension Plans and Summary of Balances by Plan

The City participates in the following Pension Plans (Plans) administered by the California Public Employees Retirement System (CalPERS):

Agent Multiple-Employer Defined Benefit Pension Plans (Miscellaneous Plan) for its Miscellaneous employees.

An agent multiple-employer plan is one in which the assets of the participating government employers are pooled for investment purposes, but separate accounts are maintained for each individual employer.

Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Safety Plan) for its Safety employees.

A cost-sharing multiple-employer defined benefit pension plan is a plan in which the pension obligations to the employees of more than one employer are pooled and pension plan assets can be used to pay benefits of the employees of any employer that provides pensions through the plan.

City of San Bruno
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

8. PUBLIC EMPLOYEES’ RETIREMENT SYSTEM, Continued

B. Actuarial Assumptions and Discount Rate

Actuarial Assumptions - For the measurement period ended June 30, 2023, the total pension liabilities were determined by rolling forward the June 30, 2022 total pension liability. The June 30, 2023 total pension liabilities were based on the following actuarial methods and assumptions:

| | All CalPERS Plans |
|----------------------------------|--|
| Valuation Date | 6/30/2022 |
| Measurement Date | 6/30/2023 |
| Actuarial Cost Method | Entry-Age Actuarial Cost Method |
| Actuarial Assumptions: | |
| Discount Rate | 6.90% |
| Inflation | 2.30% |
| Salary Increases | Varies by Entry Age and Service |
| Morality Rate Table(1) | Derived using CalPERS' Membership Data for all Funds Lesser of Contract COLA or 2.30% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.30% thereafter |
| Post Retirement Benefit Increase | |

(1)The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study for the period from 2001 to 2019. Pre-retirement and Post-retirement mortality rates include generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from November 2021 that can be found on the CalPERS website.

Discount Rate - The discount rate used to measure the total pension liability for each Plan as of the measurement date of June 30, 2023 was 6.90%. The projection of cash flows used to determine the discount rate for the Plans assumed that contributions from all plan members in the Public Employees Retirement Fund (PERF) will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, each Plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members for all plans. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefits payments to determine the total pension liability for each Plan.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations. Using historical returns for all the funds’ asset classes, expected compound (geometric) returns were calculated over the next 20 years using a building-block approach.

City of San Bruno
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

8. PUBLIC EMPLOYEES' RETIREMENT SYSTEM, Continued

B. Actuarial Assumptions and Discount Rate, Continued

The expected rate of return was then adjusted to account for assumed administrative expenses of 10 basis points. The expected real rates of return by asset class are as follows:

| Asset Class(a) | Assumed Asset Allocation | Real Return Years 1,2 |
|----------------------------------|--------------------------|--------------------------|
| Global Equity - Cap-weighted | 30.00% | 4.54% |
| Global Equity - Non-Cap-weighted | 12% | 3.84 |
| Private Equity | 13% | 7.28 |
| Treasury | 5% | 0.27 |
| Mortgage-backed Securities | 5% | 0.50 |
| Investment Grade Corporates | 10% | 1.56 |
| High Yield | 5% | 2.27 |
| Emerging Market Debt | 5% | 2.48 |
| Private Debt | 5% | 3.57 |
| Real Assets | 15% | 3.21 |
| Leverage | -5% | (0.59) |
| Total | 100% | |

(1) An expected inflation of 2.30% is used this period.

(2) Figures are based on the 2021 Asset Liability Management Study.

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions and pension expense, information about the fiduciary net position of the plan and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Below is a summary of the deferred outflows of resources, net pension liabilities and deferred inflows of resources, and pension expense by Plan:

| | Deferred Outflows of Resources | Net Pension Liability/Proportionate | | Pension Expense |
|---------------|-----------------------------------|--|----------------------------------|----------------------|
| | | Share of the Net Pension Liability | Deferred Inflows of Resources | |
| Miscellaneous | \$ 13,709,830 | \$ 57,392,643 | \$ 25,953 | \$ 9,305,474 |
| Safety | 27,512,677 | 66,463,634 | 2,548,937 | 10,429,900 |
| | \$ 41,222,507 | \$ 123,856,277 | \$ 2,574,890 | \$ 19,735,374 |

City of San Bruno
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

8. PUBLIC EMPLOYEES' RETIREMENT SYSTEM, Continued

B. Actuarial Assumptions and Discount Rate, Continued

A summary of the changes in net pension liability by plan type as of June 30, 2023 and June 30, 2024 are as follows:

| Net Pension Liability | Miscellaneous | Safety | Total - Both Plans |
|----------------------------|---------------|---------------|--------------------|
| 6/30/2023 | \$ 55,904,828 | \$ 61,982,346 | \$ 117,887,174 |
| 6/30/2024 | 57,392,643 | 66,463,634 | 123,856,277 |
| Change-Increase (Decrease) | \$ 1,487,815 | \$ 4,481,288 | \$ 5,969,103 |

C. CalPERS Miscellaneous Plan

Plan Descriptions - All qualified permanent and probationary employees are eligible to participate in the City's Miscellaneous Plan, agent multiple-employer defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS), which acts as a common investment and administrative agent for its participating member employers. Benefit provisions under the Miscellaneous Plan are established by State statute and the City's resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided - CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees, and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Miscellaneous Plan's provisions and benefits in effect at June 30, 2024, are summarized as follows:

| | Miscellaneous | |
|--|-----------------------------|--------------------------------|
| | Prior to January 1, 2013 | On or after January 1, 2013 |
| Hire Date | | |
| Benefit formula | 2.7% @ 55 | 2% @ 62 |
| Benefit vesting schedule | 5 years service | 5 years service |
| Benefit payments | monthly for life | monthly for life |
| Retirement age | 50 - 67 | 52 - 67 |
| Monthly benefit, as a % of eligible compensation | 2.0% - 2.7% | 1.0% - 2.5% |
| Required employee contribution rates | 8% | 6.25% |
| Required employer contribution rates | 11.860% | 11.860% |
| Required UAL payment | \$4,195,961 | \$0 |

City of San Bruno
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

8. PUBLIC EMPLOYEES’ RETIREMENT SYSTEM, Continued

C. CalPERS Miscellaneous Plan, Continued

Beginning in fiscal year 2016, CalPERS collects employer contributions for the miscellaneous plan as a percentage of the payroll for the normal cost portion as noted in the rates above and as a dollar amount for contributions toward the unfunded liability. The dollar amounts are billed on a monthly basis or can be prepaid in full no later than July 31. The City’s required contribution for the unfunded liability in the Miscellaneous Plan was \$4,195,961 in fiscal year 2024.

Employees Covered - At the measurement date June 30, 2023, the following employees were covered by the benefit terms of the Miscellaneous Plan:

| | <u>Miscellaneous</u> |
|--|----------------------|
| Inactive employees or beneficiaries currently receiving benefits | 284 |
| Inactive employees entitled to but not yet receiving benefits | 202 |
| Active employees | <u>145</u> |
| Total | <u><u>631</u></u> |

Contributions - Section 20814(c) of the California Public Employees’ Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plan are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

Net Pension Liability - The City’s net pension liability for the Miscellaneous Plan is measured as the total pension liability, less the pension plan’s fiduciary net position. The net pension liability of each of the Miscellaneous Plan is measured as of June 30, 2023, using an annual actuarial valuation as of June 30, 2022 rolled forward to June 30, 2023 using standard update procedures.

City of San Bruno
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

8. PUBLIC EMPLOYEES' RETIREMENT SYSTEM, Continued

C. CalPERS Miscellaneous Plan, Continued

Changes in Net Pension Liability - The changes in Net Pension Liability for the Miscellaneous Plan are as follows:

| | Increase (Decrease) | | |
|---|----------------------------|-----------------------------------|-------------------------------------|
| | Total Pension Liability | Plan Fiduciary Net Position | Net Pension Liability (Asset) |
| Balance at June 30, 2022 (Measurement Date) | \$ 169,293,048 | \$ 113,388,220 | \$ 55,904,828 |
| Changes in the year: | | | |
| Service cost | 2,772,551 | | 2,772,551 |
| Interest on the total pension liability | 11,553,741 | | 11,553,741 |
| Changes of benefit terms | 201,350 | | 201,350 |
| Changes in assumptions | - | | - |
| Differences between actual and expected experience | 1,002,142 | | 1,002,142 |
| Net Plan to plan resource movement | | - | - |
| Contribution - employer | | 5,939,643 | (5,939,643) |
| Contribution - employee | | 1,143,911 | (1,143,911) |
| Net investment income | | 7,041,795 | (7,041,795) |
| Benefit payments, including refunds of employee contributions | (8,874,582) | (8,874,582) | - |
| Administrative expense | | (83,380) | 83,380 |
| Other Miscellaneous Income/Expense | | - | - |
| Net changes | 6,655,202 | 5,167,387 | 1,487,815 |
| Balance at June 30, 2023 (Measurement Date) | \$ 175,948,250 | \$ 118,555,607 | \$ 57,392,643 |

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents the City's proportionate share of the net pension liability, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage point lower or one-percentage point higher than the current rate:

| | |
|-----------------------|---------------|
| 1% Decrease | 5.90% |
| Net Pension Liability | \$ 80,847,382 |
| Current Discount Rate | 6.90% |
| Net Pension Liability | \$ 57,392,643 |
| 1% Increase | 7.90% |
| Net Pension Liability | \$ 38,097,815 |

City of San Bruno
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

8. PUBLIC EMPLOYEES' RETIREMENT SYSTEM, Continued

C. CalPERS Miscellaneous Plan, Continued

Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions - For the year ended June 30, 2024, the City recognized pension expense of \$9,305,474 for the Miscellaneous Plan. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|-----------------------------------|----------------------------------|
| Pension contributions subsequent to measurement date | \$ 6,373,267 | \$ - |
| Differences between actual and expected experience | 584,584 | 25,953 |
| Changes in assumptions | 1,428,733 | - |
| Net difference between projected and actual earnings on plan investments | 5,323,246 | - |
| Total | <u>\$ 13,709,830</u> | <u>\$ 25,953</u> |

A total of \$6,373,267 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2025. Other amounts reported as deferred inflows of resources related to pensions will be recognized as a reduction to pension expense (income) as follows:

| Year Ended June 30 | |
|-----------------------|--------------|
| 2025 | \$ 2,755,049 |
| 2026 | 688,343 |
| 2027 | 3,724,169 |
| 2028 | 143,049 |

D. CalPERS Safety Plan

Plan Description - All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (CalPERS Plan) administered by the California Public Employees' Retirement System (CalPERS). The CalPERS Plan consists of individual rate plans (benefit tiers) within a miscellaneous risk pool and a safety risk pool. CalPERS Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous risk pools. Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under GASB Statement No. 68. The City sponsors two rate plans (two safety). Benefit provisions under the Plan are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

City of San Bruno
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

8. PUBLIC EMPLOYEES’ RETIREMENT SYSTEM, Continued

D. CalPERS Safety Plan, Continued

Benefits Provided - CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members who must be public employees, and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50, with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost-of-living adjustments for each plan are applied as specified by the Public Employees’ Retirement Law.

The Safety Plan provisions and benefits in effect at June 30, 2024, are summarized as follows:

| | Safety | |
|--|-----------------------------|--------------------------------|
| | Prior to January 1, 2013 | On or after January 1, 2013 |
| Hire Date | | |
| Benefit formula | 3% @ 50 | 2.7% @ 57 |
| Benefit vesting schedule | 5 service years | 5 service years |
| Benefit payments | monthly for life | monthly for life |
| Retirement age | 50 - 55 | 50 - 57 |
| Monthly benefit, as a % of eligible compensation | 3.0% | 2.0% - 2.7% |
| Required employee contribution rates | 9.0% | 13.0% |
| Required employer contribution rates | 27.110% | 13.540% |
| Required UAL payment | \$4,322,799 | \$15,178 |

CalPERS collects employer contributions for the CalPERS Plan as a percentage of payroll for the normal cost portion as noted in the rates above and as a dollar amount for contributions toward the unfunded liability. The dollar amounts are billed on a monthly basis or can be prepaid in full no later than July 31. The City’s required contribution for the unfunded liability for the Safety Plan was \$4,337,977 in fiscal year 2024.

Contributions - Section 20814(c) of the California Public Employees’ Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the CalPERS Plan are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the measurement period ended June 30, 2023, contributions to the Safety Plan were \$6,866,039.

City of San Bruno
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

8. PUBLIC EMPLOYEES’ RETIREMENT SYSTEM, Continued

D. CalPERS Safety Plan, Continued

Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions – For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Safety Plan and additions to/deductions from the Safety Plan’s fiduciary net position have been determined on the same basis as they are reported by the CalPERS Financial Office. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

As of June 30, 2024, the City reported net pension liability for its proportionate share of the net pension liability of the Safety Plan of \$66,463,634.

The City’s net pension liability for the Safety Plan is measured as the proportionate share the total net pension liability of the CalPERS Plan. The net pension liability is measured as of June 30, 2023, and the total pension liability for the CalPERS Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022 rolled forward to June 30, 2023 using standard update procedures. The City’s proportion of the net pension liability was based on the City’s plan liability and asset-related information where available, and proportional allocations of individual plan amounts as of the valuation date where not available.

The City’s proportionate share of the net pension liability as of the measurement dates June 30, 2022 and 2023 were as follows:

| | <u>Safety Plan</u> |
|------------------------------|-------------------------|
| Proportion - June 30, 2022 | 0.53661% |
| Proportion - June 30, 2023 | <u>0.53276%</u> |
| Change - Increase (Decrease) | <u><u>-0.00385%</u></u> |

City of San Bruno
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

8. PUBLIC EMPLOYEES' RETIREMENT SYSTEM, Continued

D. CalPERS Safety Plan, Continued

For the year ended June 30, 2024, the City recognized pension expense of \$10,429,900 for the Safety Plan. On June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|--------------------------------------|-------------------------------------|
| Pension contributions subsequent to measurement date | \$ 7,350,579 | \$ - |
| Differences between actual and expected experience | 4,879,655 | 417,750 |
| Changes in assumptions | 3,878,907 | - |
| Net differences between projected and actual earnings on plan investments | 9,095,530 | - |
| Change in Employer's Proportion | 1,484,419 | 136,831 |
| Differences between actual contributions and proportional contributions | 823,587 | 1,994,356 |
| Total | <u>\$ 27,512,677</u> | <u>\$ 2,548,937</u> |

A total of \$7,350,579 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense (income) as follows:

| Year Ending June 30, | |
|-------------------------|--------------|
| 2025 | \$ 5,731,614 |
| 2026 | 4,112,480 |
| 2027 | 7,515,195 |
| 2028 | 253,872 |

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the City's proportionate share of the net pension liability, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage point lower or one-percentage point higher than the current rate:

| | Safety |
|-----------------------|---------------|
| 1% Decrease | 5.90% |
| Net Pension Liability | \$ 95,369,683 |
| Current Discount Rate | 6.90% |
| Net Pension Liability | \$ 66,463,634 |
| 1% Increase | 7.90% |
| Net Pension Liability | \$ 42,830,881 |

City of San Bruno
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

8. PUBLIC EMPLOYEES’ RETIREMENT SYSTEM, Continued

D. CalPERS Safety Plan, Continued

Pension Plan Fiduciary Net Position - Detailed information about the pension plan’s fiduciary net position is available in the separately issued CalPERS financial reports.

9. OTHER POST-EMPLOYMENT DEFINED BENEFIT PLAN

Plan Description - The City of San Bruno contracts with the Teamsters Local #856 Health and Welfare Trust Fund to provide health benefits to both active and retired employees as a defined benefit plan. The City provides no direct financial contribution towards retiree health benefits; however, due to retirees and active employees being insured in the same pool, it indirectly subsidizes their premiums through payments for current employees.

Eligibility: - Employees (and their dependents) are eligible for retiree health benefits if they retire from the City on or after age 55 with at least 10 years of service (with 12 continuous months prior to date of retirement) and are eligible for a CalPERS pension. Membership of the plan consisted of the following at June 30, 2024:

| | |
|------------------|-------------------|
| Current Retirees | 105 |
| Active employees | <u>230</u> |
| Total | <u><u>335</u></u> |

Premiums for eligible retirees vary based on years of service, plan selected, eligibility for Medicare, and the number of eligible dependents covered under the retiree medical program, with monthly premiums up to \$708 for retiree-only and up to an additional \$708 per eligible dependent.

City’s Funding Policy - The Teamsters Local #856 Health and Welfare Trust Fund determines the contribution requirements of the City. The contribution required to be made under City Council and labor agreement requirements is based on a pay-as-you-go basis (i.e., as medical insurance premiums become due). For fiscal year 2022-23 the City’s actual contribution to the Teamsters Local #856 Health and Welfare Fund was \$7,070,813, which includes the calculated benefit cost for the City’s retirees and the cost of implicit subsidies where applicable.

Annual OPEB Cost and Net OPEB Liability - The City’s annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC). The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The City does not record a net OPEB liability due to the inability to obtain information from the Teamsters Local #856 Health and Welfare Trust Fund in order to measure the liability.

City of San Bruno
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

10. CONTINGENCIES

The City participates in a number of Federal, State and County programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grantor program regulations, the City may be required to reimburse the grantor government. As of June 30, 2024, some amounts of grant expenditures have not been audited, but the City believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any individual governmental funds or the overall financial condition of the City.

11. LITIGATION

The City is a defendant in a number of lawsuits which have arisen in the normal course of business. While substantial damages are alleged in some of these actions, their outcome cannot be predicted with certainty.

On April 17, 2023 the California Department of Tax & Fee Administration (CDTFA) issued a reallocation notice to the City and Walmart.com USA (Walmart) in the amount of approximately \$27.5 million which states that certain sales tax should be reallocated to other jurisdictions. The City and Walmart filed a Verified Petition for Writ of Mandate and Complaint for Declaratory and Injunctive Relief on October 26, 2023 to find the City's allocation of local sales taxes is proper. If the City and Walmart lose the case, the City would owe up to approximately \$20.9 million to the CDTFA to be redistributed.

12. PRIOR PERIOD ADJUSTMENTS

In the fiscal year ended June 30, 2024, the City's Street Improvement Capital Project Fund (previously reported with nonmajor governmental funds) met the criteria to be reported as a major fund. Conversely, the Stormwater Enterprise Fund previously reported as a major fund did not meet the criteria to for major funds and is now reported as nonmajor.

Additionally, the City made two error corrections in fiscal year 2024. The first correction was a reclassification of capital assets from the water fund to the sewer fund due to the Water Fund paying for and capitalizing Wastewater fund assets. There was no effect on fund balance for this change, but the prior year capital assets were overstated by \$744,019, and cash was understated by \$744,019 in the Water Fund. Likewise, cash was overstated by \$744,019 and capital assets were understated by \$744,019 in the Wastewater fund for the fiscal year ended June 30, 2023.

The second correction was to capitalize prior year accounts payables related to capital projects. In the fiscal year 2023, the City recognized expenses of \$1,705,541 in the Water Fund and \$385,782 in the Wastewater Fund instead of capitalizing those amounts. Therefore, expense was overstated by those amounts, and capital assets were understated by \$1,704,541 in the Water Fund and \$385,782 in the Wastewater Fund.

Please see the following page for the effect on fund balance and net position for these changes.

City of San Bruno
Notes to Basic Financial Statements
For the Year Ended June 30, 2024

12. PRIOR PERIOD ADJUSTMENTS, Continued

Fund Statements

| | Street Improvement Capital Projects | Water | Wastwater | Stormwater | Nonmajor Governmental | Nonmajor Enterprise |
|---------------------------------------|--|----------------------|----------------------|--------------|--------------------------|------------------------|
| June 30, 2023, as previously reported | \$ - | \$ 71,069,732 | \$ 77,380,483 | \$ 4,426,208 | \$ 25,112,907 | \$ (2,490) |
| Change from nonmajor to major fund | 14,442,411 | - | - | - | (14,442,411) | - |
| Change from major to nonmajor fund | - | - | - | (4,426,208) | - | 4,426,208 |
| Error correction | - | 1,705,541 | 385,782 | - | - | - |
| June 30, 2023, as restated | <u>\$ 14,442,411</u> | <u>\$ 72,775,273</u> | <u>\$ 77,766,265</u> | <u>\$ -</u> | <u>\$ 10,670,496</u> | <u>\$ 4,423,718</u> |

Government-wide Statements

| | Business-type Activities |
|---------------------------------------|-----------------------------|
| June 30, 2023, as previously reported | \$ 134,748,617 |
| Error correction | 2,091,323 |
| June 30, 2023, as restated | <u>\$ 136,839,940</u> |

**REQUIRED
SUPPLEMENTARY INFORMATION**

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City of San Bruno

Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

General Fund

For the year ended June 30, 2024

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|---------------------|-----------------------|----------------------|---|
| | Original | Final | | |
| REVENUES: | | | | |
| Taxes | \$ 37,481,527 | \$ 37,831,527 | \$ 45,201,975 | \$ 7,370,448 |
| Licenses and permits | 6,744,562 | 7,344,562 | 9,226,757 | 1,882,195 |
| Intergovernmental and grants | 6,252,705 | 6,252,705 | 10,603,420 | 4,350,715 |
| Charges for services | 4,992,405 | 4,992,405 | 4,288,484 | (703,921) |
| Fines and forfeitures | 1,082,360 | 1,082,360 | 973,565 | (108,795) |
| Use of money and property | 3,248,161 | 3,293,092 | 7,802,726 | 4,509,634 |
| Other revenues | 7,379,653 | 7,379,653 | 8,062,262 | 682,609 |
| Total revenues | 67,181,373 | 68,176,304 | 86,159,189 | 17,982,885 |
| EXPENDITURES: | | | | |
| Current: | | | | |
| General government | 10,054,329 | 10,469,531 | 8,632,785 | 1,836,746 |
| Public safety | 35,900,400 | 36,146,006 | 36,271,472 | (125,466) |
| Public works | 2,850,181 | 3,322,959 | 2,143,316 | 1,179,643 |
| Streets | 2,578,626 | 2,620,378 | 2,423,858 | 196,520 |
| Parks and recreation | 8,524,248 | 8,670,941 | 6,576,173 | 2,094,768 |
| Library | 2,491,410 | 2,504,010 | 2,303,670 | 200,340 |
| Community and economic development | 4,304,068 | 5,509,747 | 3,364,108 | 2,145,639 |
| Capital outlay | 652,000 | 1,861,465 | 881,804 | 979,661 |
| Total expenditures | 67,355,262 | 71,105,037 | 62,597,186 | 8,507,851 |
| REVENUES OVER (UNDER) EXPENDITURES | | | | |
| | (173,889) | (2,928,733) | 23,562,003 | 26,490,736 |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers in | 1,022,585 | 29,607,301 | 4,204,266 | (25,403,035) |
| Transfers out | (1,367,118) | (35,675,156) | (11,661,913) | 24,013,243 |
| Proceeds from sale of property | - | 4,700,000 | 4,705,755 | 5,755 |
| Total other financing sources (uses) | (344,533) | (1,367,855) | (2,751,892) | (1,384,037) |
| Net change in fund balances | \$ (518,422) | \$ (4,296,588) | 20,810,111 | \$ 25,106,699 |
| FUND BALANCES: | | | | |
| Beginning of year | | | 40,027,096 | |
| End of year | | | <u>\$ 60,837,207</u> | |

City of San Bruno

Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Developer Agreements and Impact Fees Fund For the year ended June 30, 2024

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|---------------------|------------------------|----------------------|---|
| | Original | Final | | |
| REVENUES: | | | | |
| Licenses and permits | \$ 1,435,387 | \$ 1,435,387 | \$ 11,064,354 | \$ 9,628,967 |
| Use of money and property | 10,000 | 10,000 | 1,242,046 | 1,232,046 |
| Total revenues | 1,445,387 | 1,445,387 | 12,306,400 | 10,861,013 |
| EXPENDITURES: | | | | |
| Current: | | | | |
| General government | 34,225 | 56,674 | 22,449 | 34,225 |
| Total expenditures | 34,225 | 56,674 | 22,449 | 34,225 |
| REVENUES OVER (UNDER) EXPENDITURES | 1,411,162 | 1,388,713 | 12,283,951 | 10,895,238 |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers in | - | 125,000 | 125,000 | - |
| Transfers out | - | (31,230,048) | (31,230,048) | - |
| Total other financing sources (uses) | - | (31,105,048) | (31,105,048) | - |
| Net change in fund balances | \$ 1,411,162 | \$ (29,716,335) | (18,821,097) | \$ 10,895,238 |
| FUND BALANCES: | | | | |
| Beginning of year | | | 54,693,021 | |
| End of year | | | <u>\$ 35,871,924</u> | |

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City of San Bruno
Required Supplementary Information
For the year ended June 30, 2024

Miscellaneous Plan

Schedule of Changes in the Net Pension Liability and Related Ratios - Last 10 Years

| Measurement Period | 2014 | 2015 | 2016 |
|--|-----------------------|-----------------------|-----------------------|
| TOTAL PENSION LIABILITY | | | |
| Service cost | \$ 2,202,577 | \$ 2,097,851 | \$ 2,139,755 |
| Interest | 7,873,939 | 8,305,341 | 8,778,896 |
| Differences between expected and actual experience | - | 505,056 | 934,779 |
| Changes of benefit terms | - | - | - |
| Changes in assumptions | - | (2,047,078) | - |
| Benefit payments, including refunds of employee contributions | (4,768,345) | (5,034,556) | (5,302,771) |
| Net change in the total pension liability | 5,308,171 | 3,826,614 | 6,550,659 |
| Total pension liability - beginning | 106,268,748 | 111,576,919 | 115,403,533 |
| Total pension liability - ending (a) | \$ 111,576,919 | \$ 115,403,533 | \$ 121,954,192 |
| PLAN FIDUCIARY NET POSITION | | | |
| Contributions - employer | \$ 2,379,268 | \$ 2,511,337 | \$ 2,864,024 |
| Contributions - employee | 1,401,279 | 968,827 | 995,641 |
| Net investment income | 12,458,355 | 1,866,002 | 415,562 |
| Plan to plan resource movement | - | - | - |
| Benefit payments, including refunds of employee contributions | (4,768,345) | (5,034,556) | (5,302,771) |
| Administrative expense | - | (94,139) | (50,953) |
| Other miscellaneous income (expense) | - | (4) | (1,791) |
| Net change in plan fiduciary net position | 11,470,557 | 217,467 | (1,080,288) |
| Plan fiduciary net position - beginning | 71,916,986 | 83,387,543 | 83,605,010 |
| Plan fiduciary net position - ending (b) | \$ 83,387,543 | \$ 83,605,010 | \$ 82,524,722 |
| Net pension liability - ending (a) - (b) | \$ 28,189,376 | \$ 31,798,523 | \$ 39,429,470 |
| Plan fiduciary net position as a percentage of the total pension liability | 74.74% | 72.45% | 67.67% |
| Covered payroll | \$ 11,454,637 | \$ 11,746,858 | \$ 12,768,781 |
| Net pension liability as a percentage of covered payroll | 246.10% | 270.70% | 308.80% |

Notes to the Schedule:

Benefit Changes: The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Changes in Assumptions: In 2022, CalPERS reduced the discount rate to 6.9% from 7.15%. In 2018, demographic assumptions and inflation rate were changed in accordance with the CalPERS Experience Study and Review of Assumptions December 2017. There were no changes in the discount rate. In 2017, the accounting discount rate reduced from 7.65% to 7.15%. In 2016, 2018, 2019, and 2020, there were no changes. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5% (net of administrative expense) to 7.65% (without a reduction for pension plan administrative expense). In 2014, amounts were based on the 7.5% discount rate.

| | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|----|--------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| \$ | 2,531,862 | \$ 2,492,070 | \$ 2,432,199 | \$ 2,514,610 | \$ 2,603,128 | \$ 2,806,527 | \$ 2,772,551 |
| | 9,108,648 | 9,431,890 | 9,905,673 | 10,324,053 | 10,739,952 | 11,107,354 | 11,553,741 |
| | (667,604) | (431,451) | 1,352,032 | - | 613,120 | (100,106) | 1,002,142 |
| | - | - | - | - | - | - | 201,350 |
| | 7,626,708 | (862,136) | - | 856,075 | - | 5,510,831 | - |
| | (5,571,094) | (6,041,230) | (7,198,215) | (7,569,113) | (7,789,485) | (8,387,442) | (8,874,582) |
| | 13,028,520 | 4,589,143 | 6,491,689 | 6,125,625 | 6,166,715 | 10,937,164 | 6,655,202 |
| | 121,954,192 | 134,982,712 | 139,571,855 | 146,063,544 | 152,189,169 | 158,355,884 | 169,293,048 |
| \$ | <u>134,982,712</u> | <u>\$ 139,571,855</u> | <u>\$ 146,063,544</u> | <u>\$ 152,189,169</u> | <u>\$ 158,355,884</u> | <u>\$ 169,293,048</u> | <u>\$ 175,948,250</u> |
| \$ | 3,286,539 | \$ 3,493,382 | \$ 4,025,948 | \$ 4,630,765 | \$ 5,012,295 | \$ 5,379,704 | \$ 5,939,643 |
| | 1,021,113 | 1,025,190 | 1,014,107 | 1,144,051 | 1,051,962 | 1,106,909 | 1,143,911 |
| | 9,203,409 | 7,685,495 | 6,290,148 | 5,016,150 | 23,324,110 | (9,370,622) | 7,041,795 |
| | - | (223) | - | - | - | - | - |
| | (5,571,094) | (6,041,230) | (7,198,215) | (7,569,113) | (7,789,485) | (8,387,442) | (8,874,582) |
| | (121,842) | (140,779) | (68,577) | (141,202) | (103,132) | (77,704) | (83,380) |
| | - | (267,342) | 223 | - | - | - | - |
| | 7,818,125 | 5,754,493 | 4,063,634 | 3,080,651 | 21,495,750 | (11,349,155) | 5,167,387 |
| | 82,524,722 | 90,342,847 | 96,097,340 | 100,160,974 | 103,241,625 | 124,737,375 | 113,388,220 |
| \$ | <u>90,342,847</u> | <u>\$ 96,097,340</u> | <u>\$ 100,160,974</u> | <u>\$ 103,241,625</u> | <u>\$ 124,737,375</u> | <u>\$ 113,388,220</u> | <u>\$ 118,555,607</u> |
| \$ | <u>44,639,865</u> | <u>\$ 43,474,515</u> | <u>\$ 45,902,570</u> | <u>\$ 48,947,544</u> | <u>\$ 33,618,509</u> | <u>\$ 55,904,828</u> | <u>\$ 57,392,643</u> |
| | 66.93% | 68.85% | 68.57% | 67.84% | 78.77% | 66.98% | 67.38% |
| \$ | 12,661,824 | \$ 12,736,637 | \$ 13,803,211 | \$ 14,427,436 | \$ 14,301,123 | \$ 14,353,672 | \$ 15,988,755 |
| | 352.55% | 341.33% | 332.55% | 339.27% | 235.08% | 389.48% | 358.96% |

City of San Bruno
Required Supplementary Information
For the year ended June 30, 2024

Schedule of Pension Plan Contributions - Last 10 Years

| | <u>2015</u> | <u>2016</u> | <u>2017</u> |
|---|--------------------|--------------------|--------------------|
| <u>Miscellaneous Plan</u> | | | |
| Contractually required contribution | \$ 2,379,268 | \$ 2,864,024 | \$ 3,286,539 |
| Contributions in relation to the contractually required contributions | <u>(2,379,268)</u> | <u>(2,864,024)</u> | <u>(3,286,539)</u> |
| Contribution deficiency (excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Covered payroll | \$ 11,746,858 | \$ 12,768,781 | \$ 12,661,824 |
| Contributions as a percentage of covered payroll | 20.25% | 22.43% | 25.96% |

Notes to Schedule:

| | | | |
|----------------|-----------|-----------|-----------|
| Valuation date | 6/30/2012 | 6/30/2013 | 6/30/2014 |
|----------------|-----------|-----------|-----------|

Methods and assumptions used to determine contribution rates:

| | |
|-------------------------------|--|
| Actuarial cost method | Entry Age Normal Cost Method |
| Amortization method | Level percentage of payroll, closed |
| Remaining amortization period | 15 years as of valuation date |
| Asset valuation method | 5-year smoothed market |
| Inflation | 2.75% for 2015 to 2019, 2.625% for 2020 and 2.50% for 2021 to 2022 |
| Salary increases | Varies by entry age and service |
| Investment rate of return | 7.50% for 2015 to 2018, 7.375% for 2019, 7.25% for 2020, and 7.00% for 2021 and 2022, net of pension plan investment expense, including inflation. |
| Retirement age | The probabilities of Retirement are based on the CalPERS Experience Study. |
| Mortality | The probabilities of mortality are based on the CalPERS Experience Study. Pre-retirement and Post-retirement mortality rate include 20 years of projected mortality improvement using Scale AA published by the Society of Actuaries for 2015 to 2018. For 2019 to 2022, pre-retirement age. |

| 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| \$ 3,493,382 | \$ 4,025,948 | \$ 4,630,765 | \$ 5,012,295 | \$ 5,366,996 | \$ 5,944,790 | \$ 6,373,267 |
| (3,493,382) | (4,025,948) | (4,630,765) | (5,012,295) | (5,366,996) | (5,944,790) | (6,373,267) |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| \$ 12,736,637 | \$ 13,803,211 | \$ 14,427,436 | \$ 14,301,123 | \$ 14,353,672 | \$ 15,988,755 | \$ 18,474,567 |
| 27.43% | 29.17% | 32.10% | 35.05% | 37.39% | 37.18% | 34.50% |
| 6/30/2015 | 6/30/2016 | 6/30/2017 | 6/30/2018 | 6/30/2019 | 6/30/2020 | 6/30/2021 |

City of San Bruno
Required Supplementary Information
For the year ended June 30, 2024

Schedule of the City's Proportionate Share of the Net Pension Liability - Last Ten Fiscal Years

Safety Plan

| Fiscal Year End: | 6/30/2015 | 6/30/2016 | 6/30/2017 |
|--|--------------|---------------|---------------|
| Measurement Date | 6/30/2014 | 6/30/2015 | 6/30/2016 |
| City's proportion of the net pension liability | 0.00000% | 0.43667% | 0.44803% |
| City's proportionate share of the net pension liability | \$ - | \$ 29,972,706 | \$ 38,768,137 |
| City's covered payroll (plan year) | \$ 8,296,958 | \$ 8,733,422 | \$ 9,215,379 |
| City's proportionate share of the net pension liability as a percentage of its covered payroll | 0.00% | 343.20% | 420.69% |
| Fiduciary net position as a percentage of the total pension liability | 79.82% | 78.40% | 74.06% |

Notes to the schedule:

The CalPERS discount rate increased from 7.5% to 7.65% in fiscal year 2016, decreased from 7.65% to 7.15% in fiscal year 2018, and decreased from 7.15% to 6.9% in fiscal year 2023.

The CalPERS mortality assumptions were adjusted in fiscal year 2019.

| 6/30/2018 | 6/30/2019 | 6/30/2020 | 6/30/2021 | 6/30/2022 | 6/30/2023 | 6/30/2024 |
|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 6/30/2017 | 6/30/2018 | 6/30/2019 | 6/30/2020 | 6/30/2021 | 6/30/2022 | 6/30/2023 |
| 0.44960% | 0.46924% | 0.47762% | 0.49200% | 0.63963% | 0.53661% | 0.53276% |
| \$ 44,587,858 | \$ 45,216,872 | \$ 48,942,165 | \$ 53,531,797 | \$ 34,593,086 | \$ 61,982,346 | \$ 66,463,634 |
| \$ 9,360,496 | \$ 8,768,759 | \$ 9,259,344 | \$ 9,977,457 | \$ 9,800,218 | \$ 11,785,003 | \$ 13,053,713 |
| 476.34% | 515.66% | 528.57% | 536.53% | 352.98% | 525.94% | 509.16% |
| 73.31% | 75.26% | 75.26% | 75.10% | 88.29% | 76.68% | 76.21% |

City of San Bruno
Required Supplementary Information
For the year ended June 30, 2024

Schedule of Pension Plan Contributions - Last 10 Years

| | 2015 | 2016 | 2017 |
|---|--------------|--------------|--------------|
| Safety Plan | | | |
| Contractually required contribution (actuarially determined) | \$ 2,600,052 | \$ 1,681,684 | \$ 3,203,722 |
| Contributions in relation to contractually required contributions | (2,600,052) | (1,681,684) | (3,203,722) |
| Contribution deficiency (excess) | \$ - | \$ - | \$ - |
| Covered payroll | \$ 8,733,422 | \$ 9,215,379 | \$ 9,360,496 |
| Contributions as a percentage of covered payroll | 29.77% | 18.25% | 34.23% |

Notes to the Schedule:

Methods and assumptions used to determine contribution rates:

| | | | |
|---|-----------------|--------------|--------------|
| Valuation date (for contractually required contribution): | 6/30/2012 | 6/30/2013 | 6/30/2014 |
| Actuarial cost method: | Entry Age | Entry Age | Entry Age |
| Amortization method: | (1) | (1) | (1) |
| Assets valuation method: | 15 Year | Market Value | Market Value |
| | Smoothed Market | | |
| | Method | | |
| Inflation: | 2.75% | 2.75% | 2.75% |
| Salary increases: | (2) | (2) | (2) |
| Investment rate of return: | 7.50% | 7.50% | 7.50% |
| Retirement age: | (3) | (3) | (3) |
| Mortality: | (4) | (4) | (4) |

- (1) Level percentage of payroll, closed
- (2) Depending on age, service, and type of employment
- (3) 50 for all plans, with the exception of 52 for Miscella:
- (4) Mortality assumptions are based on mortality rates r CalPERS Board.

| 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| \$ 3,682,068 (3,682,068) | \$ 4,282,040 (4,282,040) | \$ 4,978,130 (4,978,130) | \$ 5,482,002 (5,482,002) | \$ 6,153,419 (6,153,419) | \$ 6,866,039 (6,866,039) | \$ 7,350,579 (7,350,579) |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| \$ 8,768,759 41.99% | \$ 9,259,344 46.25% | \$ 9,977,457 49.89% | \$ 9,800,218 55.94% | \$ 11,785,003 52.21% | \$ 13,053,713 52.60% | \$ 14,830,412 49.56% |

| 6/30/2015 Entry Age (1) Market Value | 6/30/2016 Entry Age (1) Market Value | 6/30/2017 Entry Age (1) Market Value | 6/30/2018 Entry Age (1) Market Value | 6/30/2019 Entry Age (1) Market Value | 6/30/2020 Entry Age (1) Market Value | 6/30/2021 Entry Age (1) Market Value |
|---|---|---|---|---|---|---|
| 2.75% (2) | 2.75% (2) | 2.63% (2) | 2.50% (2) | 2.50% (2) | 2.50% (2) | 2.50% (2) |
| 7.50% (3) | 7.375% (3) | 7.25% (3) | 7.00% (3) | 7.00% (3) | 7.00% (3) | 7.00% (3) |
| (4) | (4) | (4) | (4) | (4) | (4) | (4) |

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resulting from the most recent CalPERS Experience Study adopted by the

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SUPPLEMENTARY INFORMATION

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City of San Bruno
Combining Balance Sheet
General Fund
June 30, 2024

| | General Fund Operating and Reserves | Measure G | General Fund Totals |
|---|---|---------------------|---------------------------|
| ASSETS | | | |
| Cash and investments | \$ 52,649,132 | \$ 1,403,726 | \$ 54,052,858 |
| Cash and investments with fiscal agent | 53,082 | - | 53,082 |
| Receivables: | | | |
| Taxes | 8,057,055 | 739,906 | 8,796,961 |
| Accounts | 91,112 | - | 91,112 |
| Interest | 723,898 | - | 723,898 |
| Loans | 885,047 | - | 885,047 |
| Other | 1,552,472 | - | 1,552,472 |
| Due from other funds | 1,671,225 | - | 1,671,225 |
| Advances to other funds | 2,000,000 | - | 2,000,000 |
| Total assets | \$ 67,683,023 | \$ 2,143,632 | \$ 69,826,655 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | | | |
| Liabilities: | | | |
| Accounts payable and accrued liabilities | 5,512,618 | - | 5,512,618 |
| Unearned revenue | 98,133 | - | 98,133 |
| Other liabilities | 1,228,558 | - | 1,228,558 |
| Total liabilities | 8,989,448 | - | 8,989,448 |
| Fund Balances: | | | |
| Nonspendable | 2,885,047 | - | 2,885,047 |
| Assigned | 18,161,142 | - | 18,161,142 |
| Unassigned | 37,647,386 | 2,143,632 | 39,791,018 |
| Total fund balances | 58,693,575 | 2,143,632 | 60,837,207 |
| Total liabilities, deferred inflows of resources and fund balances | \$ 67,683,023 | \$ 2,143,632 | \$ 69,826,655 |

City of San Bruno
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
General Fund
For the year ended June 30, 2024

| | General Fund Operating and Reserves | Measure G | Intra-Fund Transactions Elimination | General Fund Totals |
|---|---|--------------------|---|---------------------------|
| REVENUES: | | | | |
| Taxes | \$ 41,266,231 | \$ 3,935,744 | \$ - | \$ 45,201,975 |
| Licenses and permits | 9,226,757 | - | - | 9,226,757 |
| Intergovernmental and grants | 10,603,420 | - | - | 10,603,420 |
| Charges for services | 4,288,484 | - | - | 4,288,484 |
| Fines and forfeitures | 973,565 | - | - | 973,565 |
| Use of money and property | 7,802,726 | - | - | 7,802,726 |
| Other revenues | 8,062,262 | - | - | 8,062,262 |
| Total revenues | 82,223,445 | 3,935,744 | - | 86,159,189 |
| EXPENDITURES: | | | | |
| Current: | | | | |
| General government | 8,632,785 | - | - | 8,632,785 |
| Public safety | 36,271,472 | - | - | 36,271,472 |
| Public works | 2,143,316 | - | - | 2,143,316 |
| Streets | 2,423,858 | - | - | 2,423,858 |
| Parks and recreation | 6,576,173 | - | - | 6,576,173 |
| Library | 2,303,670 | - | - | 2,303,670 |
| Community and economic development | 3,364,108 | - | - | 3,364,108 |
| Capital outlay | 881,804 | - | - | 881,804 |
| Total expenditures | 62,597,186 | - | - | 62,597,186 |
| REVENUES OVER (UNDER) | | | | |
| EXPENDITURES | 19,626,259 | 3,935,744 | - | 23,562,003 |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers in | 29,062,700 | 459,701 | (25,318,135) | 4,204,266 |
| Transfers out | (33,380,048) | (3,600,000) | 25,318,135 | (11,661,913) |
| Capital contributions | - | - | - | - |
| Proceeds from sale of property | 4,705,755 | - | - | 4,705,755 |
| Loss on retirement of capital assets | - | - | - | - |
| Proceeds from long-term debt | - | - | - | - |
| Total other financing sources (uses) | 388,407 | (3,140,299) | - | (2,751,892) |
| Net change in fund balances | 20,014,666 | 795,445 | - | 20,810,111 |
| FUND BALANCES: | | | | |
| Beginning of year | 38,678,909 | 1,348,187 | - | 40,027,096 |
| End of year | \$ 58,693,575 | \$ 2,143,632 | \$ - | \$ 60,837,207 |

City of San Bruno
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
General Fund
For the year ended June 30, 2024

| | General Fund Operating and Reserves | | | |
|---|--|-----------------------|----------------------|----------------------|
| | Original Budget | Final Budget | Actual | Variance |
| REVENUES: | | | | |
| Taxes | \$ 34,200,138 | \$ 34,550,138 | \$ 41,266,231 | \$ 6,716,093 |
| Licenses and permits | 6,744,562 | 7,344,562 | 9,226,757 | 1,882,195 |
| Intergovernmental | 6,252,705 | 6,252,705 | 10,603,420 | 4,350,715 |
| Charges for services | 4,992,405 | 4,992,405 | 4,288,484 | (703,921) |
| Fines and forfeitures | 1,082,360 | 1,082,360 | 973,565 | (108,795) |
| Use of money and property | 3,248,161 | 3,293,092 | 7,802,726 | 4,509,634 |
| Other revenues | 7,379,653 | 7,379,653 | 8,062,262 | 682,609 |
| Total revenues | 63,899,984 | 64,894,915 | 82,223,445 | 17,328,530 |
| EXPENDITURES: | | | | |
| Current: | | | | |
| General government | 10,054,329 | 10,469,531 | 8,632,785 | 1,836,746 |
| Public safety | 35,900,400 | 36,146,006 | 36,271,472 | (125,466) |
| Public works | 2,850,181 | 3,322,959 | 2,143,316 | 1,179,643 |
| Streets | 2,578,626 | 2,620,378 | 2,423,858 | 196,520 |
| Parks and recreation | 8,524,248 | 8,670,941 | 6,576,173 | 2,094,768 |
| Library | 2,491,410 | 2,504,010 | 2,303,670 | 200,340 |
| Community and economic development | 4,304,068 | 5,509,747 | 3,364,108 | 2,145,639 |
| Capital outlay | 652,000 | 1,861,465 | 881,804 | 979,661 |
| Total expenditures | 67,355,262 | 71,105,037 | 62,597,186 | 8,507,851 |
| REVENUES OVER (UNDER) EXPENDITURES | (3,455,278) | (6,210,122) | 19,626,259 | 25,836,381 |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers in | 1,022,585 | 29,147,600 | 29,062,700 | (84,900) |
| Transfers out | (1,367,118) | (32,055,974) | (33,380,048) | (1,324,074) |
| Proceeds from sale of property | - | 4,700,000 | 4,705,755 | 5,755 |
| Total other financing sources (uses) | (344,533) | 1,791,626 | 388,407 | (1,403,219) |
| Net change in fund balances | \$ (3,799,811) | \$ (4,418,496) | 20,014,666 | \$ 24,433,162 |
| FUND BALANCES: | | | | |
| Beginning of year | | | 38,678,909 | |
| End of year | | | <u>\$ 58,693,575</u> | |

| Measure G | | | | Intrafund Eliminations | General Fund Totals | | | |
|--------------------|-----------------|--------------|------------|---------------------------|---------------------|-----------------|---------------|---------------|
| Original Budget | Final Budget | Actual | Variance | Actual | Original Budget | Final Budget | Actual | Variance |
| \$ 3,281,389 | \$ 3,281,389 | \$ 3,935,744 | \$ 654,355 | \$ - | \$ 37,481,527 | \$ 37,831,527 | \$ 45,201,975 | \$ 7,370,448 |
| - | - | - | - | - | 6,744,562 | 7,344,562 | 9,226,757 | 1,882,195 |
| - | - | - | - | - | 6,252,705 | 6,252,705 | 10,603,420 | 4,350,715 |
| - | - | - | - | - | 4,992,405 | 4,992,405 | 4,288,484 | (703,921) |
| - | - | - | - | - | 1,082,360 | 1,082,360 | 973,565 | (108,795) |
| - | - | - | - | - | 3,248,161 | 3,293,092 | 7,802,726 | 4,509,634 |
| - | - | - | - | - | 7,379,653 | 7,379,653 | 8,062,262 | 682,609 |
| 3,281,389 | 3,281,389 | 3,935,744 | 654,355 | - | 67,181,373 | 68,176,304 | 86,159,189 | 17,982,885 |
| - | - | - | - | - | 10,054,329 | 10,469,531 | 8,632,785 | 1,836,746 |
| - | - | - | - | - | 35,900,400 | 36,146,006 | 36,271,472 | (125,466) |
| - | - | - | - | - | 2,850,181 | 3,322,959 | 2,143,316 | 1,179,643 |
| - | - | - | - | - | 2,578,626 | 2,620,378 | 2,423,858 | 196,520 |
| - | - | - | - | - | 8,524,248 | 8,670,941 | 6,576,173 | 2,094,768 |
| - | - | - | - | - | 2,491,410 | 2,504,010 | 2,303,670 | 200,340 |
| - | - | - | - | - | 4,304,068 | 5,509,747 | 3,364,108 | 2,145,639 |
| - | - | - | - | - | 652,000 | 1,861,465 | 881,804 | 979,661 |
| - | - | - | - | - | 67,355,262 | 71,105,037 | 62,597,186 | 8,507,851 |
| 3,281,389 | 3,281,389 | 3,935,744 | 654,355 | - | (173,889) | (2,928,733) | 23,562,003 | 26,490,736 |
| - | 459,701 | 459,701 | - | (25,318,135) | 1,022,585 | 29,607,301 | 4,204,266 | (25,403,035) |
| - | (3,619,182) | (3,600,000) | 19,182 | 25,318,135 | (1,367,118) | (35,675,156) | (11,661,913) | 24,013,243 |
| - | - | - | - | - | - | 4,700,000 | 4,705,755 | 5,755 |
| - | (3,159,481) | (3,140,299) | 19,182 | - | (344,533) | (1,367,855) | (2,751,892) | (1,384,037) |
| \$ 3,281,389 | \$ 121,908 | 795,445 | \$ 673,537 | - | \$ (518,422) | \$ (4,296,588) | 20,810,111 | \$ 25,106,699 |
| | | 1,348,187 | | - | | | 40,027,096 | |
| | | \$ 2,143,632 | | \$ - | | | \$ 60,837,207 | |

City of San Bruno
Combining Balance Sheet
Developer Agreements and Impact Fees Fund
June 30, 2024

| | General Impact Fees | Affordable Housing | Community Services | Public Safety |
|---|------------------------|-----------------------|-----------------------|------------------|
| ASSETS | | | | |
| Cash and investments | \$ 4,289 | \$ 10,433,090 | \$ 4,478,134 | \$ 22,655 |
| Total assets | \$ 4,289 | \$ 10,433,090 | \$ 4,478,134 | \$ 22,655 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | | | | |
| Liabilities: | | | | |
| Accounts payable and accrued liabilities | 4,289 | - | - | - |
| Deposits payable | - | 362,746 | - | - |
| Total liabilities | 4,289 | 362,746 | - | - |
| Fund Balances: | | | | |
| Restricted | - | 10,070,344 | 4,478,134 | 22,655 |
| Assigned | - | - | - | - |
| Total fund balances | - | 10,070,344 | 4,478,134 | 22,655 |
| Total liabilities, deferred inflows of resources and fund balances | \$ 4,289 | \$ 10,433,090 | \$ 4,478,134 | \$ 22,655 |

| General Government | Transportation | Utilities Facilities | Bayhill Specific Plan Area | Community Benefit | Developer Agreements and Impact Fees Fund Totals |
|--------------------|----------------|----------------------|----------------------------|-------------------|--|
| \$ 376,688 | \$ 6,050,849 | \$ 331,358 | \$ 4,894,453 | \$ 11,264,753 | \$ 37,856,269 |
| \$ 376,688 | \$ 6,050,849 | \$ 331,358 | \$ 4,894,453 | \$ 11,264,753 | \$ 37,856,269 |
| - | - | - | - | - | 4,289 |
| - | - | - | 703,514 | 913,796 | 1,980,056 |
| - | - | - | 703,514 | 913,796 | 1,984,345 |
| 376,688 | 6,050,849 | 331,358 | 4,190,939 | - | 25,520,967 |
| - | - | - | - | 10,350,957 | 10,350,957 |
| 376,688 | 6,050,849 | 331,358 | 4,190,939 | 10,350,957 | 35,871,924 |
| \$ 376,688 | \$ 6,050,849 | \$ 331,358 | \$ 4,894,453 | \$ 11,264,753 | \$ 37,856,269 |

City of San Bruno
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Developer Agreements and Impact Fees Fund
For the year ended June 30, 2024

| | General Impact Fees | Affordable Housing | Community Services | Public Safety |
|---|------------------------|-----------------------|-----------------------|---------------|
| REVENUES: | | | | |
| Licenses and permits | \$ - | \$ - | \$ 274,146 | \$ 20,525 |
| Use of money and property | - | 262,733 | 159,098 | 10,513 |
| Total revenues | - | 262,733 | 433,244 | 31,038 |
| EXPENDITURES: | | | | |
| Current: | | | | |
| General government | - | - | 22,449 | - |
| Total expenditures | - | - | 22,449 | - |
| REVENUES OVER (UNDER) | | | | |
| EXPENDITURES | - | 262,733 | 410,795 | 31,038 |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers in | - | - | - | 125,000 |
| Transfers out | - | - | (2,806,259) | (766,911) |
| Total other financing sources (uses) | - | - | (2,806,259) | (641,911) |
| Net change in fund balances | - | 262,733 | (2,395,464) | (610,873) |
| FUND BALANCES: | | | | |
| Beginning of year | - | 9,807,611 | 6,873,598 | 633,528 |
| End of year | \$ - | \$ 10,070,344 | \$ 4,478,134 | \$ 22,655 |

| General Government | Transportation | Utilities | Facilities | Bayhill Specific Plan Area | Community Benefit | Intra-Fund Transactions Elimination | Developer Agreements and Impact Fees Fund Totals |
|--------------------|----------------|-------------|--------------|----------------------------|-------------------|-------------------------------------|--|
| \$ 29,810 | \$ 254,954 | \$ 162,793 | \$ - | \$ 10,322,126 | \$ - | \$ 11,064,354 | |
| 19,247 | 148,904 | 30,356 | 129,084 | 482,111 | - | 1,242,046 | |
| 49,057 | 403,858 | 193,149 | 129,084 | 10,804,237 | - | 12,306,400 | |
| - | - | - | - | - | - | 22,449 | |
| - | - | - | - | - | - | 22,449 | |
| 49,057 | 403,858 | 193,149 | 129,084 | 10,804,237 | - | 12,283,951 | |
| - | - | - | - | - | - | 125,000 | |
| (640,000) | (37,500) | (1,538,768) | (273,750) | (25,166,860) | - | (31,230,048) | |
| (640,000) | (37,500) | (1,538,768) | (273,750) | (25,166,860) | - | (31,105,048) | |
| (590,943) | 366,358 | (1,345,619) | (144,666) | (14,362,623) | - | (18,821,097) | |
| 967,631 | 5,684,491 | 1,676,977 | 4,335,605 | 24,713,580 | - | 54,693,021 | |
| \$ 376,688 | \$ 6,050,849 | \$ 331,358 | \$ 4,190,939 | \$ 10,350,957 | \$ - | \$ 35,871,924 | |

City of San Bruno

Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Street Improvement Capital Projects Fund For the year ended June 30, 2024

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|------------------|------------------------|----------------------|---|
| | Original | Final | | |
| REVENUES: | | | | |
| Intergovernmental | \$ - | \$ 380,700 | \$ 438,408 | \$ 57,708 |
| Other revenues | - | 326,500 | (23,410) | (349,910) |
| Total revenues | - | 707,200 | 414,998 | (292,202) |
| EXPENDITURES: | | | | |
| Current: | | | | |
| Streets | - | - | 870 | (870) |
| Capital outlay | - | 29,351,431 | 10,117,501 | 19,233,930 |
| Total expenditures | - | 29,351,431 | 10,118,371 | 19,233,060 |
| REVENUES OVER (UNDER) EXPENDITURES | | | | |
| | - | (28,644,231) | (9,703,373) | 18,940,858 |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers in | - | 10,127,893 | 9,748,027 | (379,866) |
| Transfers out | - | (1,083,899) | (767,117) | 316,782 |
| Total other financing sources (uses) | - | 9,043,994 | 8,980,910 | (63,084) |
| Net change in fund balances | \$ - | \$ (19,600,237) | (722,463) | \$ 18,877,774 |
| FUND BALANCES: | | | | |
| Beginning of year | | | - | |
| Restatement | | | 14,442,411 | |
| Beginning of year, as restated | | | 14,442,411 | |
| End of year | | | <u>\$ 13,719,948</u> | |

City of San Bruno

Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Parks and Facilities and Technology Capital Improvement For the year ended June 30, 2024

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|------------------|------------------------|--------------------|---|
| | Original | Final | | |
| REVENUES: | | | | |
| Intergovernmental | \$ - | \$ 500,000 | \$ 12,103,247 | \$ 11,603,247 |
| Charges for services | - | 196,675 | - | (196,675) |
| Total revenues | - | 696,675 | 12,103,247 | 11,406,572 |
| EXPENDITURES: | | | | |
| Current: | | | | |
| Capital outlay | - | 31,126,974 | 20,645,920 | 10,481,054 |
| Total expenditures | - | 31,126,974 | 20,645,920 | 10,481,054 |
| REVENUES OVER (UNDER) EXPENDITURES | - | (30,430,299) | (8,542,673) | 21,887,626 |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers in | - | 7,787,168 | 9,240,635 | 1,453,467 |
| Transfers out | - | (2,279,919) | (2,109,889) | 170,030 |
| Total other financing sources (uses) | - | 5,507,249 | 7,130,746 | 1,623,497 |
| Net change in fund balances | \$ - | \$ (24,923,050) | (1,411,927) | \$ 23,511,123 |
| FUND BALANCES: | | | | |
| Beginning of year | | | 10,631,133 | |
| End of year | | | \$ 9,219,206 | |

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NONMAJOR GOVERNMENTAL FUNDS

Nonmajor Special Revenue Funds:

In Lieu - Accounts for funds received to substitute for standard fees utilized for particular purposes.

Agency on Aging - Accounts for funds for senior services.

Federal/State Grants - Accounts for activities for the City's grants.

Gas Tax - Accounts for funds received and expended for street maintenance purposes as defined in sections 2103, 2105, 2106, 2107.5 of the Streets and Highway Code.

Police Asset Seizure - Accounts for state augmentation funds to be used for safety programs.

Police - Accounts for Police revenues to be used on special law enforcement programs.

SB322 Recycling/Litter Clean-up - Accounts for SB322 funds to be used on recycling and litter clean-up programs.

Restricted Revenues - Accounts for donations and fees collected for specific purposes.

Bequests - Accounts for funds bequested to the City.

Streets - Accounts for funds dedicated to street improvement and mitigation.

City of San Bruno as Successor Housing Agency - Accounts for housing assets and functions previously performed by the former Redevelopment Agency.

Measure A Transportation Tax - Accounts for funds received to be used for local transportation purposes. The revenues consist primarily of revenues received from Measure A sales tax passed to the City by San Mateo County.

Disaster Recovery - Accounts for funds from Pacific Gas and Electric Company (PG&E) Trust to rebuild the Crestmoor/Glenview neighborhood.

Measure W Transportation Tax - Accounts for funds received to be used for local transportation purposes. The revenues consist primarily of revenues received from Measure W sales tax passed to the City by San Mateo County.

Community Development - Accounts for the activities of the Community Development Department including the City's planning and building permit operations.

Debt Service Fund:

General - Accounts for funds related to the 2011 and 2017 fire apparatus lease purchase, 2013 Pension Obligation Bond, and 2018 router lease purchase principal and interest payments.

City of San Bruno
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2024 (with comparative totals for June 30, 2023)

| | Special Revenue Funds | | | |
|---|-----------------------|------------------|----------------------|-------------------|
| | In-Lieu | Agency on Aging | Federal/State Grants | Gas Tax |
| ASSETS | | | | |
| Cash and investments | \$ 4,122,279 | \$ - | \$ 1,424 | \$ - |
| Cash and investments with fiscal agent | - | - | - | - |
| Receivables: | | | | |
| Taxes | - | - | - | 329,826 |
| Interest | - | - | - | - |
| Other | - | 47,816 | 56,174 | - |
| Other assets | - | - | - | - |
| Total assets | \$ 4,122,279 | \$ 47,816 | \$ 57,598 | \$ 329,826 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | | | | |
| Liabilities: | | | | |
| Accounts payable and accrued liabilities | 13,167 | 64,644 | 74,454 | - |
| Due to other funds | - | 173,638 | 592,098 | 263,920 |
| Interest payable | - | - | - | - |
| Deposits payable | - | - | - | - |
| Unearned revenue | - | - | - | - |
| Advances from other funds | - | - | - | - |
| Total liabilities | 13,167 | 238,282 | 666,552 | 263,920 |
| Deferred Inflows of Resources | | | | |
| Unavailable revenue | - | - | - | - |
| Total deferred inflows of resources | - | - | - | - |
| Fund Balances: | | | | |
| Restricted | 4,109,112 | - | - | 65,906 |
| Committed | - | - | - | - |
| Unassigned | - | (190,466) | (608,954) | - |
| Total fund balances | 4,109,112 | (190,466) | (608,954) | 65,906 |
| Total liabilities, deferred inflows of resources and fund balances | \$ 4,122,279 | \$ 47,816 | \$ 57,598 | \$ 329,826 |

| Special Revenue Funds | | | | | |
|-----------------------|-------------------|--|---------------------|-----------------|--|
| Police Asset Seizure | Police | SB 322 Recycling/Litter Clean-up | Restricted Revenues | Street | |
| \$ 658,857 | \$ 203,693 | \$ 511,364 | \$ 2,268,216 | \$ 4,408 | |
| - | - | - | - | - | |
| - | - | - | - | - | |
| - | - | - | 18,007 | - | |
| - | - | 14,893 | 24,288 | - | |
| - | - | - | 3,628,657 | - | |
| <u>\$ 658,857</u> | <u>\$ 203,693</u> | <u>\$ 526,257</u> | <u>\$ 5,939,168</u> | <u>\$ 4,408</u> | |
| 8,283 | - | 10,909 | 24,928 | - | |
| - | - | - | - | - | |
| - | - | - | - | - | |
| - | - | - | - | - | |
| - | - | - | - | - | |
| <u>8,283</u> | <u>-</u> | <u>10,909</u> | <u>24,928</u> | <u>-</u> | |
| - | - | - | 3,147,900 | - | |
| - | - | - | 3,147,900 | - | |
| 650,574 | 203,693 | 515,348 | 2,766,340 | 4,408 | |
| - | - | - | - | - | |
| - | - | - | - | - | |
| <u>650,574</u> | <u>203,693</u> | <u>515,348</u> | <u>2,766,340</u> | <u>4,408</u> | |
| <u>\$ 658,857</u> | <u>\$ 203,693</u> | <u>\$ 526,257</u> | <u>\$ 5,939,168</u> | <u>\$ 4,408</u> | |

City of San Bruno
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2024 (with comparative totals for June 30, 2023)

| | Special Revenue Funds | | | |
|---|-------------------------------------|---------------------------------|---------------------------|---------------------------------|
| | City as Successor Housing Agency | Measure A Transportation Tax | Disaster Recovery Fund | Measure W Transportation Tax |
| ASSETS | | | | |
| Cash and investments | \$ 700,649 | \$ - | \$ - | \$ 1,007,414 |
| Cash and investments with fiscal agent | - | - | - | - |
| Receivables: | | | | |
| Taxes | - | - | - | 100,361 |
| Interest | - | - | - | - |
| Other | - | - | - | - |
| Other assets | - | - | - | - |
| Total assets | \$ 700,649 | \$ - | \$ - | \$ 1,107,775 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | | | | |
| Liabilities: | | | | |
| Accounts payable and accrued liabilities | - | - | - | - |
| Due to other funds | - | 72,149 | - | - |
| Interest payable | - | - | - | - |
| Deposits payable | - | - | - | - |
| Unearned revenue | - | - | - | - |
| Advances from other funds | - | - | - | - |
| Total liabilities | - | 72,149 | - | - |
| Deferred Inflows of Resources | | | | |
| Unavailable revenue | - | - | - | - |
| Total deferred inflows of resources | - | - | - | - |
| Fund Balances: | | | | |
| Restricted | 700,649 | - | - | 1,107,775 |
| Committed | - | - | - | - |
| Unassigned | - | (72,149) | - | - |
| Total fund balances | 700,649 | (72,149) | - | 1,107,775 |
| Total liabilities, deferred inflows of resources and fund balances | \$ 700,649 | \$ - | \$ - | \$ 1,107,775 |

| Special Revenue Fund | Debt Service Fund | Nonmajor Funds Totals | |
|--------------------------|----------------------|--------------------------|----------------------|
| | | 2024 | 2023 |
| Community Development | General | | |
| \$ 2,403,255 | \$ 110,223 | \$ 11,991,782 | \$ 27,047,092 |
| - | 150 | 150 | 213 |
| - | - | 430,187 | 396,275 |
| - | - | 18,007 | - |
| - | - | 143,171 | 108,313 |
| - | - | 3,628,657 | 3,363,030 |
| <u>\$ 2,403,255</u> | <u>\$ 110,373</u> | <u>\$ 16,211,954</u> | <u>\$ 30,914,923</u> |
| - | 94,809 | 291,194 | 1,156,152 |
| - | - | 1,101,805 | 1,450,548 |
| - | 13,855 | 13,855 | 17,416 |
| - | - | - | - |
| - | - | - | - |
| - | - | - | - |
| <u>-</u> | <u>108,664</u> | <u>1,406,854</u> | <u>2,624,116</u> |
| - | - | 3,147,900 | 3,177,900 |
| - | - | 3,147,900 | 3,177,900 |
| - | - | 10,123,805 | 26,598,853 |
| 2,403,255 | 1,709 | 2,404,964 | - |
| - | - | (871,569) | (1,485,946) |
| <u>2,403,255</u> | <u>1,709</u> | <u>11,657,200</u> | <u>25,112,907</u> |
| <u>\$ 2,403,255</u> | <u>\$ 110,373</u> | <u>\$ 16,211,954</u> | <u>\$ 30,914,923</u> |

City of San Bruno
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the year ended June 30, 2024 (with comparative totals for June 30, 2023)

| | Special Revenue Funds | | | |
|---|-----------------------|---------------------|-------------------------|--------------------|
| | In-Lieu | Agency on Aging | Federal/State Grants | Gas Tax |
| REVENUES: | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ - |
| Licenses and permits | 140,157 | - | - | - |
| Intergovernmental | - | 148,851 | 323,569 | 2,344,628 |
| Charges for services | - | - | - | - |
| Fines and forfeitures | - | - | - | - |
| Use of money and property | 98,924 | 21 | 6,912 | 20,267 |
| Other revenues | - | 65,728 | 40,513 | - |
| Total revenues | 239,081 | 214,600 | 370,994 | 2,364,895 |
| EXPENDITURES: | | | | |
| Current: | | | | |
| General government | - | - | 386,498 | - |
| Public safety | - | - | 383,489 | - |
| Streets | - | - | - | 3,000 |
| Parks and recreation | - | 397,933 | - | - |
| Library | - | - | - | - |
| Community and economic development | 112,279 | - | 100,000 | - |
| Capital outlay | - | - | - | - |
| Debt service: | | | | |
| Principal | - | - | - | - |
| Interest and fiscal charges | - | - | - | - |
| Total expenditures | 112,279 | 397,933 | 869,987 | 3,000 |
| REVENUES OVER (UNDER) | | | | |
| EXPENDITURES | 126,802 | (183,333) | (498,993) | 2,361,895 |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers in | 197,055 | - | 1,352,099 | - |
| Transfers out | - | - | - | (2,988,061) |
| Proceeds from long-term debt | - | - | - | - |
| Total other financing sources (uses) | 197,055 | - | 1,352,099 | (2,988,061) |
| Net change in fund balances | 323,857 | (183,333) | 853,106 | (626,166) |
| FUND BALANCES: | | | | |
| Beginning of year | 3,785,255 | (7,133) | (1,462,060) | 692,072 |
| Restatement | - | - | - | - |
| Beginning of year, as restated | 3,785,255 | (7,133) | (1,462,060) | 692,072 |
| End of year | \$ 4,109,112 | \$ (190,466) | \$ (608,954) | \$ 65,906 |

Special Revenue Funds

| Police Asset Seizure | Police | SB 322 Recycling/Litter Clean-up | Restricted Revenues | Street |
|----------------------|------------|--|---------------------|----------|
| \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | 247,216 | - |
| - | 186,159 | 127,858 | 15,083 | - |
| - | - | - | 51,042 | - |
| 51,119 | - | - | - | - |
| 17,922 | 5,281 | 11,643 | 350,766 | 110 |
| - | - | 155,248 | 185,713 | - |
| 69,041 | 191,440 | 294,749 | 849,820 | 110 |
| - | - | - | 19,536 | - |
| 226,809 | - | - | 35,576 | - |
| - | - | 188,595 | - | - |
| - | - | - | 41,073 | - |
| - | - | - | 61,416 | - |
| - | - | - | 9,069 | - |
| - | - | - | - | - |
| - | - | - | - | - |
| 226,809 | - | 188,595 | 166,670 | - |
| (157,768) | 191,440 | 106,154 | 683,150 | 110 |
| 1,170 | - | - | - | - |
| - | (100,000) | (37,500) | - | (75,000) |
| - | - | - | - | - |
| 1,170 | (100,000) | (37,500) | - | (75,000) |
| (156,598) | 91,440 | 68,654 | 683,150 | (74,890) |
| 807,172 | 112,253 | 446,694 | 3,705,799 | 79,298 |
| - | - | - | (1,622,609) | - |
| 807,172 | 112,253 | 446,694 | 2,083,190 | 79,298 |
| \$ 650,574 | \$ 203,693 | \$ 515,348 | \$ 2,766,340 | \$ 4,408 |

City of San Bruno
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the year ended June 30, 2024 (with comparative totals for June 30, 2023)

| | Special Revenue Funds | | | |
|---|-------------------------------------|---------------------------------|---------------------------|---------------------------------|
| | City as Successor Housing Agency | Measure A Transportation Tax | Disaster Recovery Fund | Measure W Transportation Tax |
| REVENUES: | | | | |
| Taxes | \$ - | \$ 1,295,819 | \$ - | \$ 575,366 |
| Licenses and permits | - | - | - | - |
| Intergovernmental | - | - | - | - |
| Charges for services | - | - | - | - |
| Fines and forfeitures | - | - | - | - |
| Use of money and property | - | 27,614 | - | 26,637 |
| Other revenues | - | - | - | - |
| Total revenues | - | 1,323,433 | - | 602,003 |
| EXPENDITURES: | | | | |
| Current: | | | | |
| General government | - | - | - | - |
| Public safety | - | - | - | - |
| Streets | - | - | - | - |
| Parks and recreation | - | - | - | - |
| Library | - | - | - | - |
| Community and economic development | - | - | - | - |
| Capital outlay | - | - | - | - |
| Debt service: | | | | |
| Principal | - | - | - | - |
| Interest and fiscal charges | - | - | - | - |
| Total expenditures | - | - | - | - |
| REVENUES OVER (UNDER) | | | | |
| EXPENDITURES | - | 1,323,433 | - | 602,003 |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers in | - | 215,410 | - | 92,006 |
| Transfers out | - | (2,549,615) | (13,261) | (461,600) |
| Proceeds from long-term debt | - | - | - | - |
| Total other financing sources (uses) | - | (2,334,205) | (13,261) | (369,594) |
| Net change in fund balances | - | (1,010,772) | (13,261) | 232,409 |
| FUND BALANCES: | | | | |
| Beginning of year | 700,649 | 938,623 | 13,261 | 875,366 |
| Restatement | - | - | - | - |
| Beginning of year, as restated | 700,649 | 938,623 | 13,261 | 875,366 |
| End of year | \$ 700,649 | \$ (72,149) | \$ - | \$ 1,107,775 |

| Special Revenue Fund | Capital Projects Fund | Debt Service Fund | Nonmajor Funds | |
|-----------------------|-----------------------|-------------------|----------------|---------------|
| Community Development | Street Improvement | General | Totals | |
| | | | 2024 | 2023 |
| \$ - | \$ - | \$ - | \$ 1,871,185 | \$ 1,805,800 |
| 750,623 | - | - | 1,137,996 | 1,208,562 |
| - | - | - | 3,146,148 | 3,348,743 |
| - | - | - | 51,042 | 40,843 |
| - | - | - | 51,119 | 451,793 |
| 54,086 | - | 265 | 620,448 | 329,972 |
| - | - | - | 447,202 | 342,555 |
| 804,709 | - | 265 | 7,325,140 | 7,528,268 |
| - | - | - | 406,034 | 1,757,639 |
| - | - | - | 645,874 | 313,482 |
| - | - | - | 191,595 | 72,277 |
| - | - | - | 439,006 | 300,569 |
| - | - | - | 61,416 | 32,020 |
| 24,063 | - | - | 245,411 | 52,911 |
| - | - | - | - | 3,160,857 |
| - | - | 1,146,790 | 1,146,790 | 1,446,246 |
| - | - | 217,131 | 217,131 | 290,595 |
| 24,063 | - | 1,363,921 | 3,353,257 | 7,426,596 |
| 780,646 | - | (1,363,656) | 3,971,883 | 101,672 |
| - | - | 1,382,118 | 3,239,858 | 14,069,206 |
| - | - | - | (6,225,037) | (5,881,615) |
| - | - | - | - | - |
| - | - | 1,382,118 | (2,985,179) | 8,187,591 |
| 780,646 | - | 18,462 | 986,704 | 8,289,263 |
| - | 14,442,411 | (16,753) | 25,112,907 | 16,823,644 |
| 1,622,609 | (14,442,411) | - | (14,442,411) | - |
| 1,622,609 | - | (16,753) | 10,670,496 | 16,823,644 |
| \$ 2,403,255 | \$ - | \$ 1,709 | \$ 11,657,200 | \$ 25,112,907 |

City of San Bruno

Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual In-Lieu For the year ended June 30, 2024

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|-------------------|-------------------|---------------------|---|
| | Original | Final | | |
| REVENUES: | | | | |
| Licenses and permits | \$ 350,000 | \$ 350,000 | \$ 140,157 | \$ (209,843) |
| Use of money and property | 26,000 | 26,000 | 98,924 | 72,924 |
| Total revenues | 376,000 | 376,000 | 239,081 | (136,919) |
| EXPENDITURES: | | | | |
| Current: | | | | |
| Community and economic development | 252,350 | 252,350 | 112,279 | 140,071 |
| Total expenditures | 252,350 | 252,350 | 112,279 | 140,071 |
| REVENUES OVER (UNDER) EXPENDITURES | 123,650 | 123,650 | 126,802 | 3,152 |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers in | - | 197,055 | 197,055 | - |
| Total other financing sources (uses) | - | 197,055 | 197,055 | - |
| Net change in fund balances | \$ 123,650 | \$ 320,705 | 323,857 | \$ 3,152 |
| FUND BALANCES: | | | | |
| Beginning of year | | | 3,785,255 | |
| End of year | | | \$ 4,109,112 | |

City of San Bruno

Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Agency on Aging

For the year ended June 30, 2024

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|--------------------|---------------------|---------------------|---|
| | Original | Final | | |
| REVENUES: | | | | |
| Intergovernmental | \$ 170,000 | \$ 170,000 | \$ 148,851 | \$ (21,149) |
| Use of money and property | - | - | 21 | 21 |
| Other revenues | 72,000 | 72,000 | 65,728 | (6,272) |
| Total revenues | 242,000 | 242,000 | 214,600 | (27,400) |
| EXPENDITURES: | | | | |
| Current: | | | | |
| Parks and recreation | 253,868 | 353,868 | 397,933 | (44,065) |
| Total expenditures | 253,868 | 353,868 | 397,933 | (44,065) |
| REVENUES OVER (UNDER) EXPENDITURES | (11,868) | (111,868) | (183,333) | (71,465) |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers out | (1,500) | (1,500) | - | 1,500 |
| Total other financing sources (uses) | (1,500) | (1,500) | - | 1,500 |
| Net change in fund balances | \$ (13,368) | \$ (113,368) | (183,333) | \$ (69,965) |
| FUND BALANCES: | | | | |
| Beginning of year | | | (7,133) | |
| End of year | | | \$ (190,466) | |

City of San Bruno

Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Federal/State Grants For the year ended June 30, 2024

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|------------------|---------------------|---------------------|---|
| | Original | Final | | |
| REVENUES: | | | | |
| Intergovernmental | \$ 167,158 | \$ 1,877,655 | \$ 323,569 | \$ (1,554,086) |
| Use of money and property | - | - | 6,912 | 6,912 |
| Other revenues | - | - | 40,513 | 40,513 |
| Total revenues | 167,158 | 1,877,655 | 370,994 | (1,506,661) |
| EXPENDITURES: | | | | |
| Current: | | | | |
| General government | - | 446,500 | 386,498 | 60,002 |
| Public safety | 164,657 | 1,676,905 | 383,489 | 1,293,416 |
| Community and economic development | - | - | 100,000 | (100,000) |
| Total expenditures | 164,657 | 2,123,405 | 869,987 | 1,253,418 |
| REVENUES OVER (UNDER) EXPENDITURES | 2,501 | (245,750) | (498,993) | (253,243) |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers in | - | 1,352,099 | 1,352,099 | - |
| Total other financing sources (uses) | - | 1,352,099 | 1,352,099 | - |
| Net change in fund balances | \$ 2,501 | \$ 1,106,349 | 853,106 | \$ (253,243) |
| FUND BALANCES: | | | | |
| Beginning of year | | | (1,462,060) | |
| End of year | | | <u>\$ (608,954)</u> | |

City of San Bruno

Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Gas Tax For the year ended June 30, 2024

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|------------------|---------------------|--------------------|---|
| | Original | Final | | |
| REVENUES: | | | | |
| Intergovernmental | \$ - | \$ 2,105,667 | \$ 2,344,628 | \$ 238,961 |
| Use of money and property | - | 12,556 | 20,267 | 7,711 |
| Total revenues | - | 2,118,223 | 2,364,895 | 246,672 |
| EXPENDITURES: | | | | |
| Current: | | | | |
| Streets | - | 3,060 | 3,000 | 60 |
| Total expenditures | - | 3,060 | 3,000 | 60 |
| REVENUES OVER (UNDER) EXPENDITURES | | | | |
| | - | 2,115,163 | 2,361,895 | 246,732 |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers in | - | 306,084 | - | (306,084) |
| Transfers out | - | (3,055,689) | (2,988,061) | 67,628 |
| Total other financing sources (uses) | - | (2,749,605) | (2,988,061) | (238,456) |
| Net change in fund balances | \$ - | \$ (634,442) | (626,166) | \$ 8,276 |
| FUND BALANCES: | | | | |
| Beginning of year | | | 692,072 | |
| End of year | | | <u>\$ 65,906</u> | |

City of San Bruno

Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Police Asset Seizure

For the year ended June 30, 2024

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|---------------------|---------------------|-------------------|---|
| | Original | Final | | |
| REVENUES: | | | | |
| Fines and forfeitures | \$ 103,000 | \$ 103,000 | \$ 51,119 | \$ (51,881) |
| Use of money and property | 500 | 500 | 17,922 | 17,422 |
| Total revenues | 103,500 | 103,500 | 69,041 | (34,459) |
| EXPENDITURES: | | | | |
| Current: | | | | |
| Public safety | 226,762 | 331,568 | 226,809 | 104,759 |
| Total expenditures | 226,762 | 331,568 | 226,809 | 104,759 |
| REVENUES OVER (UNDER) EXPENDITURES | (123,262) | (228,068) | (157,768) | 70,300 |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers in | - | 1,170 | 1,170 | - |
| Total other financing sources (uses) | - | 1,170 | 1,170 | - |
| Net change in fund balances | \$ (123,262) | \$ (226,898) | (156,598) | \$ 70,300 |
| FUND BALANCES: | | | | |
| Beginning of year | | | 807,172 | |
| End of year | | | \$ 650,574 | |

City of San Bruno

**Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Police**

For the year ended June 30, 2024

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|------------------|------------------|-------------------|---|
| | Original | Final | | |
| REVENUES: | | | | |
| Intergovernmental | \$ 150,000 | \$ 150,000 | \$ 186,159 | \$ 36,159 |
| Use of money and property | 1,000 | 1,000 | 5,281 | 4,281 |
| Total revenues | 151,000 | 151,000 | 191,440 | 40,440 |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers out | (100,000) | (100,000) | (100,000) | - |
| Total other financing sources (uses) | (100,000) | (100,000) | (100,000) | - |
| Net change in fund balances | \$ 51,000 | \$ 51,000 | 91,440 | \$ 40,440 |
| FUND BALANCES: | | | | |
| Beginning of year | | | 112,253 | |
| End of year | | | <u>\$ 203,693</u> | |

City of San Bruno

Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

SB 322 Recycling/Litter Clean-up

For the year ended June 30, 2024

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|--------------------|---------------------|-------------------|---|
| | Original | Final | | |
| REVENUES: | | | | |
| Intergovernmental | \$ 10,952 | \$ 10,952 | \$ 127,858 | \$ 116,906 |
| Use of money and property | 2,500 | 2,500 | 11,643 | 9,143 |
| Other revenues | 95,550 | 95,550 | 155,248 | 59,698 |
| Total revenues | 109,002 | 109,002 | 294,749 | 185,747 |
| EXPENDITURES: | | | | |
| Current: | | | | |
| Streets | 129,135 | 193,886 | 188,595 | 5,291 |
| Total expenditures | 129,135 | 193,886 | 188,595 | 5,291 |
| REVENUES OVER (UNDER) EXPENDITURES | (20,133) | (84,884) | 106,154 | 191,038 |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers out | - | (37,500) | (37,500) | - |
| Total other financing sources (uses) | - | (37,500) | (37,500) | - |
| Net change in fund balances | \$ (20,133) | \$ (122,384) | 68,654 | \$ 191,038 |
| FUND BALANCES: | | | | |
| Beginning of year | | | 446,694 | |
| End of year | | | \$ 515,348 | |

City of San Bruno

Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Restricted Revenues

For the year ended June 30, 2024

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|---------------------|-----------------------|---------------------|---|
| | Original | Final | | |
| REVENUES: | | | | |
| Licenses and permits | \$ 861,375 | \$ 861,375 | \$ 247,216 | \$ (614,159) |
| Intergovernmental | - | - | 15,083 | 15,083 |
| Charges for services | 41,000 | 41,000 | 51,042 | 10,042 |
| Use of money and property | 206,500 | 206,500 | 350,766 | 144,266 |
| Other revenues | 81,000 | 81,000 | 185,713 | 104,713 |
| Total revenues | 1,189,875 | 1,189,875 | 849,820 | (340,055) |
| EXPENDITURES: | | | | |
| Current: | | | | |
| General government | 21,200 | 28,800 | 19,536 | 9,264 |
| Public safety | - | 81 | 35,576 | (35,495) |
| Parks and recreation | 8,000 | 8,000 | 41,073 | (33,073) |
| Library | 15,100 | 15,100 | 61,416 | (46,316) |
| Community and economic development | 70,000 | 132,000 | 9,069 | 122,931 |
| Total expenditures | 114,300 | 183,981 | 166,670 | 17,311 |
| REVENUES OVER (UNDER) EXPENDITURES | 1,075,575 | 1,005,894 | 683,150 | (322,744) |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers in | - | 140,469 | - | (140,469) |
| Transfers out | - | (2,206,613) | - | 2,206,613 |
| Total other financing sources (uses) | - | (2,066,144) | - | 2,066,144 |
| Net change in fund balances | \$ 1,075,575 | \$ (1,060,250) | 683,150 | \$ 1,743,400 |
| FUND BALANCES: | | | | |
| Beginning of year | | | 3,705,799 | |
| Restatement | | | (1,622,609) | |
| Beginning of year, as restated | | | 2,083,190 | |
| End of year | | | <u>\$ 2,766,340</u> | |

City of San Bruno

Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Street

For the year ended June 30, 2024

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|------------------|--------------------|-------------------|---|
| | Original | Final | | |
| REVENUES: | | | | |
| Use of money and property | \$ - | \$ 1,377 | \$ 110 | \$ (1,267) |
| Total revenues | - | 1,377 | 110 | (1,267) |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers out | - | (75,000) | (75,000) | - |
| Total other financing sources (uses) | - | (75,000) | (75,000) | - |
| Net change in fund balances | \$ - | \$ (73,623) | (74,890) | \$ (1,267) |
| FUND BALANCES: | | | | |
| Beginning of year | | | 79,298 | |
| End of year | | | \$ 4,408 | |

City of San Bruno

Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

City as Successor Housing Agency

For the year ended June 30, 2024

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|-----------------------------|------------------|-------|-------------------|---|
| | Original | Final | | |
| Net change in fund balances | \$ - | \$ - | - | \$ - |
| FUND BALANCES: | | | | |
| Beginning of year | | | 700,649 | |
| End of year | | | \$ 700,649 | |

City of San Bruno

Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Measure A Transportation Tax

For the year ended June 30, 2024

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|------------------|----------------|-------------------|---|
| | Original | Final | | |
| REVENUES: | | | | |
| Taxes | \$ - | \$ 1,235,156 | \$ 1,295,819 | \$ 60,663 |
| Use of money and property | - | 21,659 | 27,614 | 5,955 |
| Total revenues | - | 1,256,815 | 1,323,433 | 66,618 |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers in | - | 220,678 | 215,410 | (5,268) |
| Transfers out | - | (2,527,672) | (2,549,615) | (21,943) |
| Total other financing sources (uses) | - | (2,306,994) | (2,334,205) | (27,211) |
| Net change in fund balances | \$ - | \$ (1,050,179) | (1,010,772) | \$ 39,407 |
| FUND BALANCES: | | | | |
| Beginning of year | | | 938,623 | |
| End of year | | | \$ (72,149) | |

City of San Bruno

Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Disaster Recovery Fund

For the year ended June 30, 2024

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|------------------|--------------------|-------------------|---|
| | Original | Final | | |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers out | \$ - | \$ (13,260) | \$ (13,261) | \$ (1) |
| Total other financing sources (uses) | - | (13,260) | (13,261) | (1) |
| Net change in fund balances | <u>\$ -</u> | <u>\$ (13,260)</u> | <u>(13,261)</u> | <u>\$ (1)</u> |
| FUND BALANCES: | | | | |
| Beginning of year | | | 13,261 | |
| End of year | | | <u>\$ -</u> | |

City of San Bruno

Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Measure W Transportation Tax

For the year ended June 30, 2024

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|------------------|------------|-------------------|---|
| | Original | Final | | |
| REVENUES: | | | | |
| Taxes | \$ - | \$ 548,940 | \$ 575,366 | \$ 26,426 |
| Use of money and property | - | 9,035 | 26,637 | 17,602 |
| Total revenues | - | 557,975 | 602,003 | 44,028 |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers in | - | 92,006 | 92,006 | - |
| Transfers out | - | (461,600) | (461,600) | - |
| Total other financing sources (uses) | - | (369,594) | (369,594) | - |
| Net change in fund balances | \$ - | \$ 188,381 | 232,409 | \$ 44,028 |
| FUND BALANCES: | | | | |
| Beginning of year | | | 875,366 | |
| End of year | | | \$ 1,107,775 | |

City of San Bruno
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Community Development
For the year ended June 30, 2024

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|------------------|--------------|-------------------|---|
| | Original | Final | | |
| REVENUES: | | | | |
| Licenses and permits | - | - | 750,623 | 750,623 |
| Use of money and property | - | - | 54,086 | 54,086 |
| Total revenues | - | - | 804,709 | 804,709 |
| EXPENDITURES: | | | | |
| Current: | | | | |
| Community and economic development | - | - | 24,063 | (24,063) |
| Total expenditures | - | - | 24,063 | (24,063) |
| REVENUES OVER (UNDER) | | | | |
| EXPENDITURES | - | - | 780,646 | 780,646 |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers in | - | 2,086,760 | - | (2,086,760) |
| Total other financing sources (uses) | - | 2,086,760 | - | (2,086,760) |
| Net change in fund balances | \$ - | \$ 2,086,760 | 780,646 | \$ (1,306,114) |
| FUND BALANCES: | | | | |
| Beginning of year | | | - | |
| Restatement | | | 1,622,609 | |
| Beginning of year, as restated | | | 1,622,609 | |
| End of year | | | \$ 2,403,255 | |

City of San Bruno

Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

General Debt Service Fund

For the year ended June 30, 2024

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|-----------------------|-----------------------|--------------------|---|
| | Original | Final | | |
| REVENUES: | | | | |
| Use of money and property | \$ - | \$ - | \$ 265 | \$ 265 |
| Total revenues | - | - | 265 | 265 |
| EXPENDITURES: | | | | |
| Current: | | | | |
| Debt service: | | | | |
| Principal | 1,146,790 | 1,146,790 | 1,146,790 | - |
| Interest and fiscal charges | 220,328 | 220,328 | 217,131 | 3,197 |
| Total expenditures | 1,367,118 | 1,367,118 | 1,363,921 | 3,197 |
| REVENUES OVER (UNDER) | | | | |
| EXPENDITURES | (1,367,118) | (1,367,118) | (1,363,656) | 3,462 |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers in | - | 15,000 | 1,382,118 | 1,367,118 |
| Total other financing sources (uses) | - | 15,000 | 1,382,118 | 1,367,118 |
| Net change in fund balances | \$ (1,367,118) | \$ (1,352,118) | 18,462 | \$ 1,370,580 |
| FUND BALANCES: | | | | |
| Beginning of year | | | (16,753) | |
| End of year | | | \$ 1,709 | |

NONMAJOR ENTERPRISE FUNDS

Stormwater - To account for storm drain system maintenance, street sweeping and other related activities to the citizens of San Bruno. Funding comes from customers connected to the City's sewer system, due to extensive infiltration and intrusion to the City's sewer system and street sweeping charges.

Parking - To account for parking fees on City streets and at City parking lots.

City of San Bruno
Combining Statement of Net Position
Nonmajor Enterprise Funds
June 30, 2024 (with comparative totals for June 30, 2023)

| | Stormwater | Parking | Totals | |
|---|---------------------|---------------------|---------------------|-------------------|
| | | | 2024 | 2023 |
| ASSETS | | | | |
| Current Assets: | | | | |
| Cash and investments | \$ 2,495,637 | \$ 1,075,880 | \$ 3,571,517 | \$ - |
| Receivables: | | | | |
| Taxes | 74,953 | - | 74,953 | - |
| Accounts | 174,492 | - | 174,492 | - |
| Other | - | 1,896 | 1,896 | - |
| Total current assets | 2,745,082 | 1,077,776 | 3,822,858 | - |
| Noncurrent: | | | | |
| Capital assets: | | | | |
| Nondepreciable capital assets | 1,396,642 | - | 1,396,642 | - |
| Depreciable capital assets | 7,431,305 | 794,146 | 8,225,451 | - |
| Accumulated depreciation | (1,973,384) | (105,886) | (2,079,270) | - |
| Net capital assets | 6,854,563 | 688,260 | 7,542,823 | - |
| Total noncurrent assets | 6,854,563 | 688,260 | 7,542,823 | - |
| Total assets | 9,599,645 | 1,766,036 | 11,365,681 | - |
| DEFERRED OUTFLOWS OF RESOURCES | | | | |
| Deferred amount on pensions | 196,283 | - | 196,283 | - |
| Total deferred outflows of resources | 196,283 | - | 196,283 | - |
| LIABILITIES | | | | |
| Current liabilities: | | | | |
| Accounts payable and accrued liabilities | 158,603 | 30,122 | 188,725 | 2,490 |
| Compensated absences - current | 3,756 | - | 3,756 | - |
| Total current liabilities | 162,359 | 30,122 | 192,481 | 2,490 |
| Noncurrent liabilities: | | | | |
| Advances from other funds | - | 2,000,000 | 2,000,000 | - |
| Compensated absences | 27,726 | - | 27,726 | - |
| Net pension liability | 821,689 | - | 821,689 | - |
| Long-term debt | - | - | - | - |
| Total noncurrent liabilities | 849,415 | 2,000,000 | 2,849,415 | - |
| Total liabilities | 1,011,774 | 2,030,122 | 3,041,896 | 2,490 |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Deferred amount on pensions | 371 | - | 371 | - |
| Total deferred inflows of resources | 371 | - | 371 | - |
| NET POSITION | | | | |
| Net investment in capital assets | 6,854,563 | 688,260 | 7,542,823 | - |
| Unrestricted | 1,929,220 | (952,346) | 976,874 | (2,490) |
| Total net position | \$ 8,783,783 | \$ (264,086) | \$ 8,519,697 | \$ (2,490) |

City of San Bruno
Combining Statement of Revenues, Expenses and Changes in Net Position
Nonmajor Enterprise Funds
For the year ended June 30, 2024 (with comparative totals for June 30, 2023)

| | Stormwater | Parking | Totals | |
|--|------------------|------------------|------------------|----------------|
| | | | 2024 | 2023 |
| OPERATING REVENUES: | | | | |
| Charges for services: | | | | |
| Other service charges | \$ 556,358 | \$ 160,536 | \$ 716,894 | \$ - |
| Other operating revenue | 2,100,743 | - | 2,100,743 | - |
| Total operating revenues | 2,657,101 | 160,536 | 2,817,637 | - |
| OPERATING EXPENSES: | | | | |
| Distribution | 2,035,734 | - | 2,035,734 | - |
| Facilities maintenance | - | 326,291 | 326,291 | 2,490 |
| Depreciation and amortization | 226,088 | 105,886 | 331,974 | - |
| Total operating expenses | 2,261,822 | 432,177 | 2,693,999 | 2,490 |
| Operating income (loss) | 395,279 | (271,641) | 123,638 | (2,490) |
| NONOPERATING REVENUES (EXPENSES): | | | | |
| Investment income | 36,667 | 10,045 | 46,712 | - |
| Total nonoperating revenues (expenses) | 36,667 | 10,045 | 46,712 | - |
| Income before contributions and transfers | 431,946 | (261,596) | 170,350 | (2,490) |
| CONTRIBUTIONS AND TRANSFERS: | | | | |
| Transfers in | 4,458,397 | - | 4,458,397 | - |
| Transfers out | (532,768) | - | (532,768) | - |
| Total contributions and transfers | 3,925,629 | - | 3,925,629 | - |
| Change in net position | 4,357,575 | (261,596) | 4,095,979 | (2,490) |
| NET POSITION: | | | | |
| Beginning of year | - | (2,490) | (2,490) | (2,637,521) |
| Restatements | 4,426,208 | - | 4,426,208 | - |
| Beginning of year, as restated | 4,426,208 | (2,490) | 4,423,718 | (2,637,521) |
| End of year | \$ 8,783,783 | \$ (264,086) | \$ 8,519,697 | \$ (2,640,011) |

City of San Bruno
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the year ended June 30, 2024 (with comparative totals for June 30, 2023)

| | | | Totals | |
|--|---------------------|---------------------|---------------------|-------------|
| | | | 2024 | 2023 |
| | Stormwater | Parking | | |
| CASH FLOWS FROM OPERATING ACTIVITIES: | | | | |
| Cash receipts from customers | \$ 2,414,256 | \$ 158,640 | \$ 2,572,896 | \$ - |
| Cash payments to suppliers for goods and services | (2,792,018) | (298,659) | (3,090,677) | - |
| Cash (payments) receipts to employees for services | 21,701 | - | 21,701 | - |
| Net cash provided by (used in) operating activities | (356,061) | (140,019) | (496,080) | - |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES: | | | | |
| Loans from other funds | - | 2,000,000 | 2,000,000 | - |
| Loan repayments to other funds | (642,426) | - | (642,426) | - |
| Transfers received from other funds | 4,458,397 | - | 4,458,397 | - |
| Transfers paid to other funds | (532,768) | - | (532,768) | - |
| Net cash provided by (used in) noncapital financing activities | 3,283,203 | 2,000,000 | 5,283,203 | - |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES: | | | | |
| Acquisition and construction of capital assets | (468,172) | (794,146) | (1,262,318) | - |
| Net cash provided by (used in) capital and related financing activities | (468,172) | (794,146) | (1,262,318) | - |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | | | |
| Investment income (expense) | 36,667 | 10,045 | 46,712 | - |
| Net cash provided by (used in) investing activities | 36,667 | 10,045 | 46,712 | - |
| Net cash flows | 2,495,637 | 1,075,880 | 3,571,517 | - |
| CASH AND INVESTMENTS - Beginning of year | - | - | - | - |
| CASH AND INVESTMENTS - End of year | \$ 2,495,637 | \$ 1,075,880 | \$ 3,571,517 | \$ - |
| RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES: | | | | |
| Operating income (loss) | \$ 395,279 | \$ (271,641) | \$ 123,638 | (2,490) |
| Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities: | | | | |
| Depreciation and amortization | 226,088 | 105,886 | 331,974 | - |
| (Increase) decrease in current assets: | | | | |
| Taxes receivable | (74,953) | - | (74,953) | - |
| Accounts receivable | (167,892) | - | (167,892) | - |
| Other receivable | - | (1,896) | (1,896) | - |
| (Increase) decrease in deferred outflows of resources | 21,285 | - | 21,285 | - |
| Increase (decrease) in liabilities: | | | | |
| Accounts payable and accrued liabilities | (756,284) | 27,632 | (728,652) | 2,490 |
| Due to other funds | | | - | - |
| Unearned revenue | | | - | - |
| Compensated absences | (20,353) | - | (20,353) | - |
| Net pension liability | 21,300 | - | 21,300 | - |
| Increase (decrease) in deferred inflows of resources | (531) | - | (531) | - |
| Net cash provided by (used in) operating activities | \$ (356,061) | \$ (140,019) | \$ (496,080) | \$ - |

INTERNAL SERVICE FUNDS

Central Garage - To account for the cost of vehicle acquisition and disposal, preventative maintenance and repair, and support services for the City's fleet.

Self-Insurance - To account for the City's coverage for Workers' Compensation and General Liability insurance.

Technology Development - To account for the cost of maintaining the City's IT infrastructure, network and data security, business applications and management, and providing a centralized service desk.

Facilities Management - To account for the cost of custodial services, facility management and preventative maintenance, and repair services for the City's facilities.

City of San Bruno
Combining Statement of Net Position
Internal Service Funds
June 30, 2024 (with comparative totals for June 30, 2023)

| | Central Garage | Self-Insurance | Technology Development | Facilities Maintenance |
|--|------------------|-----------------------|------------------------|------------------------|
| ASSETS | | | | |
| Current Assets: | | | | |
| Cash and investments | \$ 54,232 | \$ 2,611,400 | \$ 731,403 | \$ 372,764 |
| Cash and investments with fiscal agent | - | 91,119 | - | - |
| Receivables: | | | | |
| Accounts | - | 199 | - | - |
| Total current assets | 54,232 | 2,702,718 | 731,403 | 372,764 |
| Noncurrent: | | | | |
| Capital assets: | | | | |
| Depreciable capital assets | - | - | 35,381 | 146,679 |
| Accumulated depreciation | - | - | (27,325) | (42,376) |
| Net capital assets | - | - | 8,056 | 104,303 |
| Total noncurrent assets | - | - | 8,056 | 104,303 |
| Total assets | 54,232 | 2,702,718 | 739,459 | 477,067 |
| LIABILITIES | | | | |
| Current liabilities: | | | | |
| Accounts payable and accrued liabilities | 27,888 | 197,718 | 39,063 | 77,461 |
| Compensated absences - current | 3,650 | - | 7,303 | 15,126 |
| Claims and judgements - current | - | 1,316,000 | - | - |
| Total current liabilities | 31,538 | 1,513,718 | 46,366 | 92,587 |
| Noncurrent liabilities: | | | | |
| Compensated absences | 10,350 | - | 57,364 | 87,993 |
| Claims payable | - | 4,284,000 | - | - |
| Total noncurrent liabilities | 10,350 | 4,284,000 | 57,364 | 87,993 |
| Total liabilities | 41,888 | 5,797,718 | 103,730 | 180,580 |
| NET POSITION | | | | |
| Net investment in capital assets | - | - | - | 104,303 |
| Unrestricted | 12,344 | (3,095,000) | 635,729 | 192,184 |
| Total net position | \$ 12,344 | \$ (3,095,000) | \$ 635,729 | \$ 296,487 |

| Totals | |
|-----------------------|-----------------------|
| 2024 | 2023 |
| \$ 3,769,799 | \$ 2,744,262 |
| 91,119 | 91,119 |
| 199 | 449 |
| <u>3,861,117</u> | <u>2,835,830</u> |
| 182,060 | 171,319 |
| <u>(69,701)</u> | <u>(59,094)</u> |
| 112,359 | 112,225 |
| 112,359 | 112,225 |
| <u>3,973,476</u> | <u>2,948,055</u> |
| 342,130 | 410,055 |
| 26,079 | 26,401 |
| 1,316,000 | 1,118,000 |
| <u>1,684,209</u> | <u>1,554,456</u> |
| 155,707 | 100,881 |
| 4,284,000 | 3,905,000 |
| 4,439,707 | 4,005,881 |
| <u>6,123,916</u> | <u>5,560,337</u> |
| 104,303 | 112,225 |
| <u>(2,254,743)</u> | <u>(2,724,507)</u> |
| <u>\$ (2,150,440)</u> | <u>\$ (2,612,282)</u> |

City of San Bruno
Combining Statement of Revenues, Expenses and Changes in Net Position
Internal Service Funds
For the year ended June 30, 2024 (with comparative totals for June 30, 2023)

| | Central Garage | Self-Insurance | Technology Development | Facilities Maintenance |
|--|-----------------|------------------|---------------------------|---------------------------|
| OPERATING REVENUES: | | | | |
| Charges for services: | | | | |
| Other service charges | \$ 888,545 | \$ 3,646,532 | \$ 1,668,582 | \$ 2,143,887 |
| Other operating revenue | - | - | - | 13,240 |
| Total operating revenues | 888,545 | 3,646,532 | 1,668,582 | 2,157,127 |
| OPERATING EXPENSES: | | | | |
| Central garage | 914,802 | - | - | - |
| Insurance expenses | - | 3,627,989 | - | - |
| Technology support | - | - | 1,496,517 | - |
| Facilities maintenance | - | - | - | 1,999,029 |
| Depreciation and amortization | - | - | 2,685 | 7,922 |
| Total operating expenses | 914,802 | 3,627,989 | 1,499,202 | 2,006,951 |
| Operating income (loss) | (26,257) | 18,543 | 169,380 | 150,176 |
| CONTRIBUTIONS AND TRANSFERS: | | | | |
| Transfers in | 100,000 | - | - | 50,000 |
| Total contributions and transfers | 100,000 | - | - | 50,000 |
| Change in net position | 73,743 | 18,543 | 169,380 | 200,176 |
| NET POSITION: | | | | |
| Beginning of year | (61,399) | (3,113,543) | 466,349 | 96,311 |
| End of year | \$ 12,344 | \$ (3,095,000) | \$ 635,729 | \$ 296,487 |

| Totals | |
|-----------------------|-----------------------|
| 2024 | 2023 |
| \$ 8,347,546 | \$ 7,300,833 |
| 13,240 | 649 |
| <u>8,360,786</u> | <u>7,301,482</u> |
| 914,802 | 971,084 |
| 3,627,989 | 3,059,462 |
| 1,496,517 | 1,315,296 |
| 1,999,029 | 1,922,473 |
| 10,607 | 7,928 |
| <u>8,048,944</u> | <u>7,276,243</u> |
| <u>311,842</u> | <u>25,239</u> |
| 150,000 | - |
| <u>150,000</u> | <u>-</u> |
| 461,842 | 25,239 |
| <u>(2,612,282)</u> | <u>(2,637,521)</u> |
| <u>\$ (2,150,440)</u> | <u>\$ (2,612,282)</u> |

City of San Bruno
Combining Statement of Cash Flows
Internal Service Funds
For the year ended June 30, 2024 (with comparative totals for June 30, 2023)

| | Central Garage | Self-Insurance | Technology Development | Facilities Maintenance |
|--|--------------------|---------------------|---------------------------|---------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES: | | | | |
| Cash received from interfund services provided | \$ 888,545 | \$ 3,646,782 | \$ 1,668,582 | \$ 2,157,127 |
| Cash payments to suppliers for goods and services | (933,314) | (3,065,885) | (1,481,776) | (1,993,783) |
| Cash reimbursements for loss claims | - | - | - | - |
| Net cash provided by (used in) operating activities | (44,769) | 580,897 | 186,806 | 163,344 |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES: | | | | |
| Transfers received from other funds | 100,000 | - | - | 50,000 |
| Net cash provided by (used in) noncapital financing activities | 100,000 | - | - | 50,000 |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES: | | | | |
| Acquisition and construction of capital assets | - | - | (10,741) | - |
| Net cash provided by (used in) capital and related financing activities | - | - | (10,741) | - |
| Net cash flows | 55,231 | 580,897 | 176,065 | 213,344 |
| CASH AND INVESTMENTS - Beginning of year | (999) | 2,121,622 | 555,338 | 159,420 |
| CASH AND INVESTMENTS - End of year | \$ 54,232 | \$ 2,702,519 | \$ 731,403 | \$ 372,764 |
| RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES: | | | | |
| Operating income (loss) | \$ (26,257) | \$ 18,543 | \$ 169,380 | \$ 150,176 |
| Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities: | | | | |
| Depreciation and amortization | - | - | 2,685 | 7,922 |
| (Increase) decrease in current assets: | | | | |
| Accounts receivable | - | 250 | - | - |
| Increase (decrease) in liabilities: | | | | |
| Accounts payable and accrued liabilities | (23,224) | (14,896) | (22,695) | (7,110) |
| Compensated absences | 4,712 | - | 37,436 | 12,356 |
| Claims liability | - | 577,000 | - | - |
| Net cash provided by (used in) operating activities | \$ (44,769) | \$ 580,897 | \$ 186,806 | \$ 163,344 |

| Totals | |
|--------------|--------------|
| 2024 | 2023 |
| \$ 8,361,036 | \$ 7,300,384 |
| (7,474,758) | (7,219,462) |
| - | 649 |
| 886,278 | 81,571 |
| | |
| 150,000 | |
| | |
| 150,000 | - |
| | |
| (10,741) | (118,826) |
| | |
| (10,741) | (118,826) |
| 1,025,537 | (37,255) |
| 2,835,381 | 2,872,636 |
| \$ 3,860,918 | \$ 2,835,381 |

| | |
|------------|-----------|
| \$ 311,842 | 25,239 |
| 10,607 | 7,928 |
| 250 | (449) |
| (67,925) | 20,323 |
| 54,504 | 33,530 |
| 577,000 | (5,000) |
| \$ 886,278 | \$ 81,571 |

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Statistical Section

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CITY OF SAN BRUNO
Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)

| | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Governmental activities | | | | | |
| Net investments in capital assets | \$ 47,667,730 | \$ 50,836,407 | \$ 54,014,157 | \$ 59,084,356 | \$ 66,352,484 |
| Restricted | 16,592,413 | 12,444,902 | 15,727,642 | 18,264,533 | 18,534,689 |
| Unrestricted | (35,591,299) | (34,557,594) | (42,133,843) | (41,778,351) | (47,316,623) |
| Total governmental activities net position | <u>\$ 28,668,844</u> | <u>\$ 28,723,715</u> | <u>\$ 27,607,956</u> | <u>\$ 35,570,538</u> | <u>\$ 37,570,550</u> |
| Business-type activities | | | | | |
| Net investments in capital assets | \$ 57,076,442 | \$ 67,316,388 | \$ 70,539,432 | \$ 37,167,066 | \$ 42,964,412 |
| Restricted | 11,218,527 | 7,002,450 | 14,463,523 | 12,485,588 | 30,544,816 |
| Unrestricted | 45,857,915 | 60,313,938 | 56,075,909 | 24,681,478 | 12,419,600 |
| Total business-type activities net position | <u>\$ 68,294,969</u> | <u>\$ 74,318,838</u> | <u>\$ 85,002,955</u> | <u>\$ 90,632,226</u> | <u>\$ 101,202,254</u> |
| Primary government | | | | | |
| Net investments in capital assets | \$ 104,744,172 | \$ 118,152,795 | \$ 124,553,589 | \$ 96,251,422 | \$ 109,316,896 |
| Restricted | 16,592,413 | 12,444,902 | 15,727,642 | 18,264,533 | 46,227,715 |
| Unrestricted | (24,372,772) | (27,555,144) | (27,670,320) | (29,292,763) | (16,771,807) |
| Total primary government net position | <u>\$ 96,963,813</u> | <u>\$ 103,042,553</u> | <u>\$ 112,610,911</u> | <u>\$ 85,223,192</u> | <u>\$ 138,772,804</u> |
| | | | | | |
| | <u>2020</u> | <u>2021</u> | <u>2022</u> | <u>2023</u> | <u>2024</u> |
| Governmental activities | | | | | |
| Net investments in capital assets | \$ 69,271,484 | \$68,788,202 | \$ 80,545,096 | \$ 102,207,599 | \$ 123,061,965 |
| Restricted | 22,102,576 | 22,782,488 | 53,426,528 | 75,224,281 | 49,911,286 |
| Unrestricted | (55,052,523) | (50,077,211) | (70,032,132) | (18,552,818) | 3,768,610 |
| Total governmental activities net position | <u>\$ 36,321,537</u> | <u>\$ 41,493,479</u> | <u>\$ 63,939,492</u> | <u>\$ 158,879,062</u> | <u>\$ 176,741,861</u> |
| Business-type activities | | | | | |
| Net investments in capital assets | \$ 53,787,761 | \$ 58,888,940 | \$ 58,458,807 | \$ 65,375,009 | \$ 73,473,142 |
| Restricted | 15,720,390 | 4,123,199 | 1,918,591 | 1,936,756 | 1,963,235 |
| Unrestricted | 38,067,371 | 54,765,741 | 56,540,216 | 63,438,253 | 71,509,907 |
| Total business-type activities net position | <u>\$ 110,603,967</u> | <u>\$ 120,344,318</u> | <u>\$ 130,410,600</u> | <u>\$ 134,748,617</u> | <u>\$ 167,408,644</u> |
| Primary government | | | | | |
| Net investments in capital assets | \$ 123,059,245 | \$ 127,677,142 | \$ 139,003,903 | \$ 167,582,608 | \$ 196,535,107 |
| Restricted | 37,822,966 | 26,905,687 | 55,345,119 | 77,161,037 | 51,874,521 |
| Unrestricted | (13,956,707) | 7,254,968 | 1,070 | 48,884,034 | 95,740,877 |
| Total primary government net position | <u>\$ 146,925,504</u> | <u>\$ 161,837,797</u> | <u>\$ 194,350,092</u> | <u>\$ 293,627,679</u> | <u>\$ 344,150,505</u> |

CITY OF SAN BRUNO
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

| | <u>2015</u> | <u>2016</u> | <u>2017</u> |
|---|----------------------|----------------------|----------------------|
| Expenses | | | |
| Governmental activities: | | | |
| General government | \$ 10,813,390 | \$ 6,632,727 | \$ 7,944,081 |
| Public safety | 21,206,573 | 24,334,371 | 25,201,102 |
| Public works | 863,706 | 929,223 | 1,032,599 |
| Highways and streets | 3,009,303 | 3,450,979 | 4,001,200 |
| Parks and recreation | 5,562,181 | 5,611,296 | 5,929,836 |
| Library | 1,731,305 | 1,799,797 | 1,937,465 |
| Community development | 2,265,895 | 2,526,383 | 2,791,309 |
| Interest expense | 416,914 | 403,839 | 387,374 |
| Total governmental activities expenses | <u>45,869,267</u> | <u>45,688,615</u> | <u>49,224,966</u> |
| Business-type activities: | | | |
| Water | 9,378,993 | 10,098,091 | 9,717,392 |
| Stormwater | 905,074 | 607,817 | 606,627 |
| Wastewater | 10,265,939 | 10,921,203 | 12,033,285 |
| Cable Television | 11,002,694 | 11,240,247 | 11,655,651 |
| Parking | - | - | - |
| Total business-type activities expenses | <u>31,552,700</u> | <u>32,867,358</u> | <u>34,012,955</u> |
| Total primary government expenses | <u>\$ 77,421,967</u> | <u>\$ 78,555,973</u> | <u>\$ 83,237,921</u> |
| Program Revenues | | | |
| Governmental activities: | | | |
| Charges for services: | | | |
| General government | \$ 2,837,224 | \$ 3,468,619 | \$ 3,534,173 |
| Public safety | 1,637,659 | 1,906,214 | 2,019,187 |
| Public works | 86,752 | 165,037 | 475,379 |
| Highways and streets | 17,977 | 17,204 | 16,500 |
| Parks and recreation | 1,471,537 | 1,490,268 | 1,533,722 |
| Library | 96,969 | 86,593 | 92,709 |
| Community development | 1,759,620 | 1,547,278 | 1,832,185 |
| Operating grants and contributions | 11,433,248 | 3,053,574 | 7,352,434 |
| Capital grants and contributions | 391,523 | 227,381 | 133,241 |
| Total governmental activities program revenues | <u>19,732,509</u> | <u>11,962,168</u> | <u>16,989,530</u> |
| Business-type activities: | | | |
| Charges for services: | | | |
| Water | 12,304,017 | 12,688,039 | 14,251,650 |
| Stormwater | 839,852 | 652,195 | 1,035,641 |
| Wastewater | 15,016,113 | 15,879,501 | 15,803,116 |
| Cable Television | 9,288,345 | 9,253,900 | 9,880,781 |
| Parking | - | - | - |
| Total business-type activities program revenues | <u>37,448,327</u> | <u>38,473,635</u> | <u>40,971,188</u> |
| Total primary government program revenues | <u>\$ 57,180,836</u> | <u>\$ 50,435,803</u> | <u>\$ 57,960,718</u> |

| 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| \$ 8,186,106 | \$ 8,429,310 | \$ 9,606,933 | \$ 8,441,787 | \$ 6,413,721 | \$ 12,014,857 | \$ 11,797,858 |
| 27,448,567 | 29,772,551 | 31,788,329 | 32,515,036 | 32,410,681 | 28,793,275 | 40,661,541 |
| 1,797,113 | 2,332,672 | 1,566,728 | 3,131,204 | 1,618,481 | 2,059,383 | 2,586,715 |
| 3,512,681 | 3,505,727 | 4,224,797 | 4,081,082 | 4,949,093 | 7,012,289 | 9,943,745 |
| 6,156,634 | 6,147,260 | 5,817,710 | 4,814,770 | 6,574,959 | 6,179,928 | 7,262,037 |
| 2,094,990 | 2,093,683 | 2,458,480 | 2,298,623 | 2,156,600 | 2,287,233 | 2,374,855 |
| 2,887,538 | 2,955,685 | 3,057,191 | 2,652,300 | 2,857,883 | 3,249,383 | 3,591,682 |
| 380,311 | 388,594 | 373,262 | 324,944 | 296,821 | 270,665 | 217,131 |
| <u>52,463,940</u> | <u>55,625,482</u> | <u>58,893,430</u> | <u>58,259,746</u> | <u>57,278,239</u> | <u>61,867,013</u> | <u>78,435,564</u> |
| 11,416,387 | 11,290,539 | 12,137,204 | 12,697,845 | 11,643,075 | 16,179,423 | 16,288,579 |
| 1,011,466 | 1,677,767 | 2,287,138 | 1,375,960 | 1,641,787 | 2,042,242 | 2,262,271 |
| 12,380,908 | 11,781,728 | 12,926,033 | 12,879,291 | 12,989,348 | 15,117,460 | 17,532,875 |
| 12,492,354 | 12,183,104 | 11,053,095 | 9,927,716 | 9,440,513 | 9,073,317 | 8,717,915 |
| - | - | - | - | - | 2,490 | 432,177 |
| <u>37,301,115</u> | <u>36,933,138</u> | <u>38,403,470</u> | <u>36,880,812</u> | <u>35,714,723</u> | <u>42,414,932</u> | <u>45,233,817</u> |
| <u>\$ 89,765,055</u> | <u>\$ 92,558,620</u> | <u>\$ 97,296,900</u> | <u>\$ 95,140,558</u> | <u>\$ 92,992,962</u> | <u>\$104,281,945</u> | <u>\$123,669,381</u> |
| \$ 3,693,098 | \$ 3,713,293 | \$ 3,859,492 | 4,735,876 | \$ 5,362,419 | \$ 5,262,092 | \$ 7,523,530 |
| 2,275,753 | 2,551,241 | 2,120,724 | 2,134,812 | 3,290,386 | 3,924,353 | 4,287,281 |
| 308,461 | 301,330 | 421,557 | 708,024 | 574,911 | 342,698 | 323,780 |
| 17,092 | 17,228 | 17,474 | 17,900 | 18,000 | 18,700 | 18,700 |
| 1,482,588 | 1,683,629 | 742,258 | 283,124 | 1,271,240 | 370,336 | 419,003 |
| 93,014 | 26,855 | 17,101 | 772 | 6,756 | 8,444 | 12,734 |
| 1,847,569 | 2,635,631 | 2,860,417 | 2,704,804 | 3,653,585 | 38,159,877 | 7,081,477 |
| 13,445,214 | 6,440,037 | 2,231,014 | 7,722,800 | 5,881,477 | 33,764,892 | 23,302,874 |
| 1,408,402 | 1,936,614 | 7,735,245 | 3,108,476 | 10,342,801 | 23,660,274 | 12,561,974 |
| <u>24,571,191</u> | <u>19,305,858</u> | <u>20,005,282</u> | <u>21,416,588</u> | <u>30,401,575</u> | <u>105,511,666</u> | <u>55,531,353</u> |
| 15,312,217 | 17,037,634 | 16,936,737 | 17,777,900 | 16,774,287 | 16,964,116 | 17,954,725 |
| 645,507 | 648,323 | 650,555 | 655,608 | 1,054,326 | 935,728 | 2,657,101 |
| 16,748,382 | 17,732,648 | 18,230,960 | 18,470,837 | 19,378,136 | 19,526,658 | 18,543,371 |
| 9,983,780 | 9,739,499 | 9,303,573 | 9,017,048 | 8,566,131 | 8,267,064 | 8,432,677 |
| - | - | - | - | - | - | 160,536 |
| <u>42,689,886</u> | <u>45,158,104</u> | <u>45,121,825</u> | <u>45,921,393</u> | <u>45,772,880</u> | <u>45,693,566</u> | <u>47,748,410</u> |
| <u>\$ 67,261,077</u> | <u>\$ 64,463,962</u> | <u>\$ 65,127,107</u> | <u>\$ 67,337,981</u> | <u>\$ 76,174,455</u> | <u>\$151,205,232</u> | <u>\$103,279,763</u> |

CITY OF SAN BRUNO
Changes in Net Position
(continued)
Last Ten Fiscal Years
(Accrual Basis of Accounting)

| | <u>2015</u> | <u>2016</u> | <u>2017</u> |
|---|------------------------|------------------------|------------------------|
| Net Revenues (Expenses) | | | |
| Governmental activities | \$(26,136,758) | \$(33,726,447) | \$(32,235,436) |
| Business-type activities | 5,895,627 | 5,606,277 | 6,958,233 |
| Total net revenues (expenses) | <u>\$ (20,241,131)</u> | <u>\$ (28,120,170)</u> | <u>\$ (25,277,203)</u> |
| | | | |
| General Revenues and Other Changes in Net Position | | | |
| Governmental activities: | | | |
| Taxes: | | | |
| Property taxes, levied for general purposes | \$ 8,844,431 | \$ 9,500,264 | \$ 9,968,404 |
| Transient occupancy tax | 3,162,479 | 3,316,369 | 3,286,913 |
| Franchise tax | 2,125,938 | 1,960,997 | 1,823,810 |
| Sales tax, including subvention | 8,556,002 | 8,377,896 | 8,777,377 |
| Cardroom taxes | 1,694,580 | 1,735,696 | 1,781,208 |
| Other taxes | 2,867,616 | 2,514,851 | 2,492,886 |
| Intergovernmental: | | | |
| State motor vehicle in-lieu tax, including subvention | 3,764,990 | 4,016,571 | 4,329,287 |
| State highway user tax | 1,270,588 | 976,525 | 887,258 |
| Use of money and property | 1,596,447 | 1,640,673 | 1,248,861 |
| Miscellaneous and extraordinary items | 274,320 | - | - |
| Transfers | <u>(1,768,413)</u> | <u>(258,524)</u> | <u>(3,476,327)</u> |
| Total governmental activities | <u>32,388,978</u> | <u>33,781,318</u> | <u>31,119,677</u> |
| | | | |
| Business-type activities: | | | |
| Use of money and property | 174,855 | 159,068 | 249,557 |
| Transfers | <u>1,768,413</u> | <u>258,524</u> | <u>3,476,327</u> |
| Total business-type activities | <u>1,943,268</u> | <u>417,592</u> | <u>3,725,884</u> |
| | | | |
| Total primary government | <u>\$ 34,332,246</u> | <u>\$ 34,198,910</u> | <u>\$ 34,845,561</u> |
| | | | |
| Change in Net Position | | | |
| Governmental activities | \$ 6,252,220 | \$ 54,871 | \$ (1,115,759) |
| Business-type activities | 7,838,895 | 6,023,868 | 10,684,117 |
| Restatement | - | - | - |
| Total primary government | <u>\$ 14,091,115</u> | <u>\$ 6,078,739</u> | <u>\$ 9,568,358</u> |

| <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> | <u>2023</u> | <u>2024</u> |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|----------------------|-----------------------|
| \$(27,892,749) | \$(36,319,624) | \$(38,888,148) | \$(36,843,158) | \$(26,876,664) | \$ 43,644,653 | \$(22,904,211) |
| 5,388,771 | 8,224,966 | 6,718,355 | 9,040,581 | 10,058,157 | 3,278,634 | 2,514,593 |
| <u>\$(22,503,978)</u> | <u>\$(28,094,658)</u> | <u>\$(32,169,793)</u> | <u>\$(27,802,577)</u> | <u>\$(16,818,507)</u> | <u>\$ 46,923,287</u> | <u>\$(20,389,618)</u> |
| | | | | | | |
| \$ 10,515,309 | \$ 11,846,367 | \$ 12,212,891 | \$ 12,618,447 | \$ 14,532,727 | \$ 14,931,681 | \$ 15,417,048 |
| 3,424,660 | 3,628,979 | 2,617,524 | 1,247,467 | 2,408,999 | 3,459,947 | 3,558,287 |
| 1,835,943 | 1,839,359 | 1,861,256 | 1,798,673 | 1,624,176 | 1,705,417 | 2,076,227 |
| 8,332,044 | 8,764,449 | 9,281,920 | 17,780,042 | 21,549,194 | 20,928,603 | 20,818,065 |
| 1,843,532 | 1,904,512 | 1,974,980 | 2,035,009 | 2,220,592 | 3,181,236 | 3,333,236 |
| 2,607,258 | 2,213,593 | 1,972,392 | 2,045,462 | 2,277,785 | 2,219,479 | 4,028,690 |
| | | | | | | |
| 4,576,283 | 4,909,295 | 5,013,326 | 3,180,581 | 7,646,019 | 5,314,866 | 5,584,474 |
| 1,243,782 | 1,811,108 | 1,844,231 | 1,852,026 | - | - | - |
| 1,159,121 | 2,121,974 | 2,130,318 | (341,249) | (6,715,096) | (541,036) | 11,237,201 |
| - | - | - | - | - | - | - |
| 317,399 | (720,000) | (1,269,703) | (201,358) | 600,381 | 94,724 | (25,286,218) |
| <u>35,855,331</u> | <u>38,319,636</u> | <u>37,639,135</u> | <u>42,015,100</u> | <u>46,144,777</u> | <u>51,294,917</u> | <u>40,767,010</u> |
| | | | | | | |
| 557,899 | 1,625,062 | 1,413,655 | 498,412 | 608,506 | 1,154,107 | 2,767,893 |
| (317,399) | 720,000 | 1,269,703 | 201,358 | (600,381) | (94,724) | 25,286,218 |
| <u>240,500</u> | <u>2,345,062</u> | <u>2,683,358</u> | <u>699,770</u> | <u>8,125</u> | <u>1,059,383</u> | <u>28,054,111</u> |
| | | | | | | |
| <u>\$ 36,095,831</u> | <u>\$ 40,664,698</u> | <u>\$ 40,322,493</u> | <u>\$ 42,714,870</u> | <u>\$ 46,152,902</u> | <u>\$ 52,354,300</u> | <u>\$ 68,821,121</u> |
| | | | | | | |
| \$ 7,962,582 | \$ 2,000,012 | \$ (1,249,013) | \$ 5,171,942 | \$ 19,268,113 | \$ 94,939,570 | \$ 17,862,799 |
| 5,629,271 | 10,570,028 | 9,401,713 | 9,740,351 | 10,066,282 | 4,338,017 | 30,568,704 |
| - | - | - | - | - | - | 2,091,323 |
| <u>\$ 13,591,853</u> | <u>\$ 12,570,040</u> | <u>\$ 8,152,700</u> | <u>\$ 14,912,293</u> | <u>\$ 29,334,395</u> | <u>\$ 99,277,587</u> | <u>\$ 50,522,826</u> |

CITY OF SAN BRUNO
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

| | Fiscal Year June 30, | | | | |
|------------------------------------|----------------------|---------------------|---------------------|---------------------|---------------------|
| | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> |
| General Fund | | | | | |
| Nonspendable | \$ 690,344 | \$ 3,529,925 | \$ 2,749,851 | \$ 1,657,895 | \$ - |
| Restricted | - | - | - | - | - |
| Committed | - | 19,639,289 | 15,726,434 | 20,306,330 | 21,462,554 |
| Assigned | 188,263 | 2,130,681 | 265,888 | 143,505 | 1,101,021 |
| Unassigned | <u>11,023,626</u> | <u>3,552,485</u> | <u>5,833,164</u> | <u>6,050,669</u> | <u>6,590,744</u> |
| Total general fund | <u>\$11,902,233</u> | <u>\$28,852,380</u> | <u>\$24,575,337</u> | <u>\$28,158,399</u> | <u>\$29,154,319</u> |
| All Other Governmental Funds | | | | | |
| Nonspendable | \$ - | \$ 90,000 | \$ 90,000 | \$ - | \$ - |
| Restricted | 14,762,188 | 12,444,902 | 15,727,642 | 18,264,533 | 18,501,668 |
| Committed | 10,240,271 | 3,059,683 | 3,082,506 | 3,216,534 | - |
| Unassigned | <u>(80,929)</u> | <u>0</u> | <u>-</u> | <u>(719)</u> | <u>-</u> |
| Total all other governmental funds | <u>\$24,921,530</u> | <u>\$15,594,585</u> | <u>\$18,900,148</u> | <u>\$21,480,348</u> | <u>\$18,501,668</u> |

| | Fiscal year June 30, | | | | |
|------------------------------------|----------------------|---------------------|---------------------|---------------------|---------------------|
| | <u>2020</u> | <u>2021</u> | <u>2022</u> | <u>2023</u> | <u>2024</u> |
| General fund: | | | | | |
| Nonspendable | \$ - | \$14,415,651 | \$15,316,895 | \$16,679,225 | \$ 2,885,047 |
| Restricted | - | - | - | - | - |
| Committed | 21,109,020 | - | - | - | - |
| Assigned | 611,383 | 30,408,528 | 26,045,126 | 15,910,896 | 18,161,142 |
| Unassigned | <u>5,644,420</u> | <u>(9,442,918)</u> | <u>5,234,248</u> | <u>7,436,975</u> | <u>39,791,018</u> |
| Total general fund | <u>\$27,364,823</u> | <u>\$35,381,261</u> | <u>\$46,596,269</u> | <u>\$40,027,096</u> | <u>\$60,837,207</u> |
| All other governmental funds: | | | | | |
| Non-spendable | \$ - | \$ - | \$ - | \$ - | \$ - |
| Restricted | 22,102,576 | 22,782,488 | 53,426,528 | 75,224,281 | 49,911,286 |
| Committed | - | - | - | - | 2,404,964 |
| Assigned | - | - | - | 24,713,580 | 19,023,597 |
| Unassigned | <u>-</u> | <u>(16,928)</u> | <u>(36,617,622)</u> | <u>(9,500,800)</u> | <u>(871,569)</u> |
| Total all other governmental funds | <u>\$22,102,576</u> | <u>\$22,765,560</u> | <u>\$16,808,906</u> | <u>\$90,437,061</u> | <u>\$70,468,278</u> |

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CITY OF SAN BRUNO
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

| | <u>2015</u> | <u>2016</u> | <u>2017</u> |
|---|---------------------|---------------------|---------------------|
| Revenues | | | |
| Taxes | \$ 26,085,900 | \$ 26,272,319 | \$ 26,952,603 |
| Licenses and permits | 3,691,818 | 3,451,841 | 3,981,683 |
| Intergovernmental | 4,574,638 | 4,787,432 | 5,061,978 |
| Charges for services | 3,134,354 | 3,398,555 | 3,405,255 |
| Fines and Forfeitures | 605,704 | 698,463 | 1,132,649 |
| Use of money and property | 1,618,634 | 1,674,729 | 1,272,582 |
| Other revenues | 10,489,406 | 8,467,574 | 10,445,009 |
| Total revenues: | <u>50,200,454</u> | <u>48,750,913</u> | <u>52,251,759</u> |
| Expenditures | | | |
| General Government | 8,091,630 | 5,966,987 | 6,256,661 |
| Public safety | 21,894,204 | 22,978,100 | 23,159,049 |
| Public works | 1,028,427 | 895,218 | 852,334 |
| Highways and streets | 1,736,206 | 1,537,442 | 1,700,057 |
| Parks and recreation | 5,493,030 | 5,301,162 | 4,967,433 |
| Library | 1,724,112 | 1,758,937 | 1,841,983 |
| Community Development | 2,268,181 | 2,509,152 | 2,690,910 |
| Capital outlay | 225,737 | 5,137,379 | 7,844,120 |
| Debt service: | | | |
| Principal | 818,289 | 829,272 | 1,939,282 |
| Interest | 399,660 | 386,635 | 368,929 |
| Total expenditures | <u>43,679,476</u> | <u>47,300,284</u> | <u>51,620,758</u> |
| Reconciliation of Government Revenues | | | |
| Less expenditures to fund equity | | | |
| Revenues over (under) expenditures | 6,520,978 | 1,450,629 | 631,001 |
| Extraordinary item | - | - | - |
| Other financing sources (Transfer in) | 7,893,696 | 24,558,269 | 6,354,831 |
| Other financing sources (Transfer out) | (9,788,375) | (18,385,696) | (9,831,158) |
| Other financing sources (Capital lease) | - | - | 1,873,846 |
| Other financing sources (uses): | | | |
| Proceeds from sale of property | - | - | - |
| Proceeds of debt issued (refunds) | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balances ⁽³⁾ | <u>\$ 4,626,299</u> | <u>\$ 7,623,202</u> | <u>\$ (971,480)</u> |
| Debt service as a percentage of noncapital expenditures | 2.8% | 2.9% | 5.3% |

| <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> | <u>2023</u> | <u>2024</u> |
|---------------------|-----------------------|---------------------|---------------------|---------------------|----------------------|--------------------|
| \$ 27,836,907 | \$ 30,183,994 | \$ 29,841,240 | \$ 37,397,196 | \$ 44,256,905 | \$ 46,012,683 | \$ 47,073,160 |
| 3,893,645 | 4,807,519 | 3,850,848 | 5,135,532 | 6,093,601 | 40,065,556 | 21,429,107 |
| 5,441,457 | 6,193,125 | 6,809,578 | 6,154,618 | 13,464,391 | 11,092,673 | 26,291,223 |
| 3,301,524 | 3,689,192 | 2,918,239 | 2,093,216 | 3,997,199 | 4,636,795 | 4,339,526 |
| 7,009,636 | 1,345,048 | 1,115,456 | 824,466 | 783,915 | 1,078,325 | 1,024,684 |
| 1,189,135 | 2,277,193 | 2,349,974 | (250,036) | (6,658,443) | 329,244 | 9,665,220 |
| 11,436,819 | 9,396,817 | 12,481,391 | 12,194,820 | 14,008,403 | 53,579,817 | 8,486,054 |
| <u>60,109,123</u> | <u>57,892,888</u> | <u>59,366,726</u> | <u>63,549,812</u> | <u>75,945,971</u> | <u>156,795,093</u> | <u>118,308,974</u> |
| 6,220,529 | 6,151,598 | 6,526,050 | 7,055,055 | 8,020,370 | 10,465,883 | 9,061,268 |
| 24,877,089 | 26,538,743 | 27,536,184 | 28,682,296 | 30,693,706 | 34,619,832 | 36,917,346 |
| 984,844 | 1,255,226 | 1,447,402 | 1,540,457 | 1,551,310 | 2,053,186 | 2,143,316 |
| 1,494,003 | 1,605,936 | 1,928,545 | 1,644,167 | 1,870,115 | 2,127,432 | 2,616,323 |
| 5,717,215 | 5,795,227 | 5,844,760 | 4,838,508 | 5,164,289 | 5,744,341 | 7,015,179 |
| 2,038,896 | 2,067,693 | 2,105,201 | 1,957,533 | 2,094,036 | 2,250,227 | 2,365,086 |
| 2,856,118 | 2,934,136 | 3,043,416 | 2,649,788 | 2,838,991 | 3,251,228 | 3,609,519 |
| 8,675,937 | 12,649,502 | 6,172,424 | 4,498,002 | 18,577,288 | 28,272,567 | 31,645,225 |
| 1,035,038 | 1,411,245 | 1,358,246 | 1,398,135 | 1,357,151 | 1,446,246 | 1,146,790 |
| 363,591 | 343,660 | 356,404 | 315,091 | 277,303 | 290,595 | 217,131 |
| <u>54,263,260</u> | <u>60,752,966</u> | <u>56,318,632</u> | <u>54,579,032</u> | <u>72,444,559</u> | <u>90,521,537</u> | <u>96,737,183</u> |
| 5,845,863 | (2,860,078) | 3,048,094 | 8,970,780 | 3,501,412 | 66,273,556 | 21,571,791 |
| - | - | - | - | - | - | - |
| 8,730,402 | 8,404,503 | 10,231,738 | 12,170,782 | 12,083,255 | 30,679,744 | 26,557,786 |
| (8,413,003) | (9,124,503) | (11,501,441) | (12,462,140) | (11,926,313) | (30,585,020) | (51,994,004) |
| - | 1,630,339 | - | - | - | - | - |
| - | - | - | - | - | - | 4,705,755 |
| - | - | - | - | 1,600,000 | 690,702 | - |
| - | - | - | - | 1,600,000 | 690,702 | - |
| <u>\$ 6,163,262</u> | <u>\$ (1,949,739)</u> | <u>\$ 1,778,391</u> | <u>\$ 8,679,422</u> | <u>\$ 5,258,354</u> | <u>\$ 67,058,982</u> | <u>\$ 841,328</u> |
| 3.1% | 3.6% | 3.4% | 3.4% | 3.0% | 2.8% | 1.9% |

City of San Bruno, California
Assessed Value and Estimated Actual Value of Taxable Property

For the last ten fiscal years

| Fiscal Year End | Total | | | | | | | Total | | Estimated | | Total Direct Tax Rate (c) |
|-----------------|--------------------------|-------------------------|-------------------------|--------------------|------------------|--------------------|--------------------|--------------------|-----------------------|-----------|--|---------------------------|
| | Residential Property (a) | Commercial Property (a) | Industrial Property (a) | Other Property (a) | Secured Property | Unsecured Property | Total Assessed (b) | Total Assessed (b) | Full Market Value (b) | | | |
| 2015 | 4,706,427,833 | 1,030,026,318 | 57,511,431 | 63,017,548 | 5,856,983,130 | 191,476,425 | 6,048,459,555 | 6,048,459,555 | 6,048,459,555 | 1.0000 | | |
| 2016 | 5,014,371,175 | 1,104,091,897 | 58,749,109 | 63,704,550 | 6,240,916,731 | 186,926,223 | 6,427,842,954 | 6,427,842,954 | 6,427,842,954 | 1.0000 | | |
| 2017 | 5,359,750,309 | 1,226,598,661 | 75,276,105 | 68,634,181 | 6,730,259,256 | 209,798,255 | 6,940,057,511 | 6,940,057,511 | 6,940,057,511 | 1.0000 | | |
| 2018 | 5,646,827,286 | 1,357,155,853 | 77,211,922 | 72,559,603 | 7,153,754,664 | 212,376,474 | 7,366,131,138 | 7,366,131,138 | 7,366,131,138 | 1.0000 | | |
| 2019 | 6,036,268,674 | 1,503,692,754 | 78,754,420 | 77,125,479 | 7,695,841,327 | 193,402,416 | 7,889,243,743 | 7,889,243,743 | 7,889,243,743 | 1.0000 | | |
| 2020 | 6,402,789,888 | 1,635,452,776 | 81,593,747 | 93,290,564 | 8,213,126,975 | 191,580,394 | 8,404,707,369 | 8,404,707,369 | 8,404,707,369 | 1.0000 | | |
| 2021 | 6,805,415,098 | 1,810,368,170 | 83,857,367 | 134,679,313 | 8,834,319,948 | 144,575,709 | 8,978,895,657 | 8,978,895,657 | 8,978,895,657 | 1.0000 | | |
| 2022 | 7,107,728,273 | 1,790,875,440 | 144,928,994 | 131,588,023 | 9,175,120,730 | 130,101,776 | 9,305,222,506 | 9,305,222,506 | 9,305,222,506 | 1.0000 | | |
| 2023 | 7,589,901,022 | 1,988,665,638 | 151,056,673 | 127,238,414 | 9,856,861,747 | 101,307,134 | 9,958,168,881 | 9,958,168,881 | 9,958,168,881 | 1.0000 | | |
| 2024 | 7,983,580,801 | 2,408,574,971 | 156,279,283 | 78,034,047 | 10,626,469,102 | 107,490,029 | 10,733,959,131 | 10,733,959,131 | 10,733,959,131 | 0.0000 | | |

Source: California Municipal Statistics and County Assessor Data

(a) Other property assessed value included residential, commercial and industrial property before 2008

(b) The State Constitution requires property to be assessed at one hundred percent of the most recent purchase price, plus an increment of no more than two percent annually, plus any local over-rides. These values are considered to be full market values.

(c) California cities do not set their own direct tax rate. The State Constitution establishes the rate at 1% and allocates a portion of that amount, by an annual calculation, to all the taxing entities within a tax rate area.

City of San Bruno, California
Direct and Overlapping Property Tax Rates
 For the last ten fiscal years
 (rate per \$100 of assessed value)

| Fiscal Year | Direct Rates | | Overlapping Rates | | Total Tax Rate |
|-------------|--------------|--------------|-------------------|-------------------|----------------|
| | Basic Rate | Total Direct | School Districts | Special Districts | |
| 2015 | 1.0000 | 1.0000 | 0.0983 | 0.0000 | 1.0983 |
| 2016 | 1.0000 | 1.0000 | 0.0929 | 0.0000 | 1.0929 |
| 2017 | 1.0000 | 1.0000 | 0.0910 | 0.0000 | 1.0910 |
| 2018 | 1.0000 | 1.0000 | 0.0900 | 0.0000 | 1.0900 |
| 2019 | 1.0000 | 1.0000 | 0.0801 | 0.0000 | 1.0801 |
| 2020 | 1.0000 | 1.0000 | 0.1148 | 0.0000 | 1.1148 |
| 2021 | 1.0000 | 1.0000 | 0.1112 | 0.0000 | 1.1112 |
| 2022 | 1.0000 | 1.0000 | 0.1103 | 0.0000 | 1.1103 |
| 2023 | 1.0000 | 1.0000 | 0.1026 | 0.0000 | 1.1026 |
| 2024 | 1.0000 | 1.0000 | 0.0934 | 0.0000 | 1.0934 |

Source: California Municipal Statistics

City of San Bruno, California
Principal Property Taxpayers
 Current Year and Nine Years Ago

| | 2023-2024 | | | | | 2014-2015 | | | | |
|--------------------------------------|----------------|------------------|--------------------|------|------------------|--|---------------------------|--------------------|------|------------------|
| | Property Owner | Primary Land Use | Assessed Valuation | Rank | Total(1) % of | Property Owner | Primary Land Use | Assessed Valuation | Rank | Total(2) % of |
| Google Inc. | | Office Building | 1,093,280,306 | 1 | 10.29% | The Gap Inc. | Office Building | 160,343,499 | 1 | 2.74% |
| Crystal Springs Associates | | Apartments | 187,850,051 | 2 | 1.77% | ASN Tanforan Crossing I & II LLC | Apartments | 140,111,496 | 2 | 2.39% |
| ASN Tanforan Crossing I & II LLC | | Apartments | 166,173,950 | 3 | 1.56% | Bayhill Four Associates | Office Building | 134,431,311 | 3 | 2.30% |
| Walmart Stores Inc. | | Office Building | 142,569,679 | 4 | 1.34% | Tanforan Park Shopping Center LLC | Shopping Center | 125,223,760 | 4 | 2.14% |
| ARE-San Francisco No. 96 Holding LLC | | Shopping Center | 137,893,165 | 5 | 1.30% | San Bruno III Financing LP | Apartments | 86,390,440 | 5 | 1.47% |
| ARE-San Francisco No. 95 Holding LLC | | Shopping Center | 128,316,000 | 6 | 1.21% | Behringer Harvard Acappella LP | Industrial and Commercial | 59,061,703 | 6 | 1.05% |
| Behringer Harvard Acappella LP | | Apartments | 112,645,551 | 7 | 1.06% | CREA-San Bruno LLC | Apartments | 57,265,401 | 7 | 0.86% |
| ARE-San Francisco No. 94 Holding LLC | | Shopping Center | 108,930,442 | 8 | 1.03% | San Bruno Towne Center Partnership | Office Building | 52,700,000 | 8 | 0.79% |
| San Bruno III Financing LP | | Apartments | 102,168,604 | 9 | 0.96% | Aimco San Bruno Apartments Partners LP | Shopping Center | 42,828,910 | 9 | 0.61% |
| Amazon.com Services LLC | | Industrial | 86,301,755 | 10 | 0.81% | | Apartments | 36,089,849 | 10 | 0.60% |
| Subtotal | | | \$ 2,266,129,503 | | 21.33% | | | \$ 894,446,369 | | 14.95% |

Total Local Secured Assessed Valuation:

(1) Fiscal Year 2023-24 10,626,469,102

(2) Fiscal Year 2014-15 5,856,983,130

Source(s): Financial Statements and California Municipal Statistics, Inc.

City of San Bruno, California
Schedule of Top 40 Business License Taxpayers
(Listed in Alphabetical Order)
For the year ended June 30, 2024

Name

| | |
|--|----------------------------|
| ALL SHORES | 135 EL CAMINO REAL |
| AT HOME SUPPORT SENIOR CARE LLC | 1590 EL CAMINO REAL K-J |
| CBRE INC. | 1111 BAYHILL DR 270 |
| CENTURY THEATERS INC.#494 | 1188 EL CAMINO REAL |
| COURTYARD BY MARRIOTT SAN FRANCISCO AIRPORT | 1050 BAYHILL DR |
| CRESTMoor AUTO CENTER | 2901 SAN BRUNO AVE W |
| CVS/PHARMACY #9807 | 10 BAYHILL SHOPPING CENTER |
| EL CAMINO VALERO-GAS | 800 EL CAMINO REAL |
| ENTERPRISE RENT A CAR CO. OF SAN FRANCISCO LLC | 734 SAN BRUNO AVE E |
| GRAND ELECTRIC CONSTRUCTION CO. INC. | 133 TANFORAN AVE |
| GRAND GAS | 2101 SAN BRUNO AVE W |
| HYUNDAI OF SAN BRUNO / GENESIS OF SAN BRUNO | 1178 EL CAMINO REAL |
| INTERFRESH INC. | 901 SNEATH LN 215 |
| JACK'S RESTAURANT & BAR | 1050 ADMIRAL CT |
| JCPENNEY | 1122 EL CAMINO REAL |
| LOWE'S HOME CENTERS LLC | 1340 EL CAMINO REAL |
| LUCKY #748 | 1322 EL CAMINO REAL |
| LUNARDI'S MARKET | 2801 SAN BRUNO AVE W |
| MARKEN BROKERAGE SERVICES LLC | 1051 SNEATH LN |
| MARSHALL'S #492 | 1268 EL CAMINO REAL |
| NEXT PETROLEUM | 2001 ROLLINGWOOD DR |
| RECOLOGY SAN BRUNO | 101 TANFORAN AVE |
| RMC MOTORCARS | 444 EL CAMINO REAL |
| SAN BRUNO BB MOBIL | 717 SAN BRUNO AVE E |
| SAN BRUNO DIALYSIS | 841 SAN BRUNO AVE W |
| SAN BRUNO GAS | 401 SAN MATEO AVE |
| SAN BRUNO SHELL- GAS STATION | 798 EL CAMINO REAL |
| SAN BRUNO SKILLED NURSING | 890 EL CAMINO REAL |
| SAN BRUNO TOWNE CENTER | 1 SAN BRUNO TOWNE CTR |
| SPECIALTY TOBACCO OUTLET | 1230 EL CAMINO REAL L |
| STRATFORD SCHOOL | 2322 CRESTMOOR DR |
| TARGET STORE T1054 | 1150 EL CAMINO REAL |
| THE PERMANENTE MEDICAL GROUP | 901 EL CAMINO REAL |
| THE PERMANENTE MEDICAL GROUP TAX DEPT. | 801 TRAEGER AVE |
| VICTORY HONDA OF SAN BRUNO | 345 EL CAMINO REAL |
| VICTORY TOYOTA OF SAN BRUNO | 222 SAN BRUNO AVE E |
| VINCE'S SHELL FISH CO. INC | 1063 MONTGOMERY AVE |
| WALGREENS #2939 | 333 EL CAMINO REAL |
| WELCH FAMILY PARTNERSHIP LLC | 383 SAN BRUNO AVE W |
| YOU TUBE INC. | 901 CHERRY AVE |

Source : City of San Bruno Business Tax

City of San Bruno, California
Property Tax Levies and Collections
For the last ten fiscal years

| Fiscal Year Ended June 30, | Taxes Levied for the Fiscal Year | Collected within the Fiscal Year of the Levy | | Collections in Subsequent Years | Total Collections to Date | |
|----------------------------|----------------------------------|--|--------------------|---------------------------------|---------------------------|--------------------|
| | | Amount | Percentage of Levy | | Amount | Percentage of Levy |
| 2015 | 5,477,246 | 5,477,246 | 100% | - | 5,477,246 | 100% |
| 2016 | 5,812,961 | 5,812,961 | 100% | - | 5,812,961 | 100% |
| 2017 | 6,241,601 | 6,241,601 | 100% | - | 6,241,601 | 100% |
| 2018 | 6,783,529 | 6,783,529 | 100% | - | 6,783,529 | 100% |
| 2019 | 7,059,221 | 7,059,221 | 100% | - | 7,059,221 | 100% |
| 2020 | 7,609,212 | 7,609,212 | 100% | - | 7,609,212 | 100% |
| 2021 | 8,003,597 | 8,003,597 | 100% | - | 8,003,597 | 100% |
| 2022 | 8,596,769 | 8,596,769 | 100% | - | 8,596,769 | 100% |
| 2023 | 8,942,061 | 8,942,061 | 100% | - | 8,942,061 | 100% |
| 2024 | 9,625,893 | 9,625,893 | 100% | - | 9,625,893 | 100% |

Source: City financial records

Note: Amounts reported and collected under the Teeter Plan in which all taxes are distributed to the City in the year of the levy with County of San Mateo retaining any interest or penalties on uncollected balances.

City of San Bruno, California
Ratios of Outstanding Debt by Type
For the last ten fiscal years

| Governmental Activities | | | | | | | |
|----------------------------|----------------|--------------------------|-----------------------------------|----------------------------|-------------------|----------------------------------|------------|
| Fiscal Year Ended June 30, | Capital Leases | Pension Obligation Bonds | Fire Apparatus 2017 Capital Lease | Cable Router Capital Lease | 2022 Fire Engines | Subscription Based IT Agreements | Subtotal |
| 2014 | 176,562 | 11,791,267 | - | - | - | - | 11,967,829 |
| 2015 | 143,273 | 11,025,785 | - | - | - | - | 11,169,058 |
| 2016 | 109,001 | 10,250,302 | - | - | - | - | 10,359,303 |
| 2017 | 73,719 | 9,454,820 | 784,846 | - | - | - | 10,313,385 |
| 2018 | 37,395 | 8,644,338 | 616,132 | - | - | - | 9,297,865 |
| 2019 | - | 7,808,856 | 444,214 | 1,283,408 | - | - | 9,536,478 |
| 2020 | - | 6,948,374 | 269,031 | 980,344 | - | - | 8,197,750 |
| 2021 | - | 6,062,892 | 90,522 | 665,719 | - | - | 6,819,133 |
| 2022 | - | 5,142,410 | - | 339,090 | 1,600,000 | 280,502 | 7,362,002 |
| 2023 | - | 4,191,928 | - | - | 1,462,844 | 698,701 | 6,353,473 |
| 2024 | - | 3,206,446 | - | - | 1,426,436 | 398,540 | 5,031,422 |

| Business-type Activities | | | | | | | | Debt As Percent of Personal Income | | | |
|----------------------------|--|-----------------------------------|--------------------------|---------------------|-----------------------------------|--|------------|------------------------------------|------------|-----------------|------------------------------------|
| Fiscal Year Ended June 30, | Wastewater Certificates of Participation | Wastewater Revenue Refunding Bond | Wastewater Revenue Bonds | Water Revenue Bonds | Cable TV Capital Lease Obligation | City of South San Francisco Sewer Plant Loan | Subtotal | Total Primary Government | Population | Debt Per Capita | Debt As Percent of Personal Income |
| 2015 | - | 6,986,758 | - | - | - | 8,571,181 | 15,557,939 | 26,726,997 | 44,409 | 601.84 | 2.3% |
| 2016 | - | 6,708,883 | - | - | - | 7,741,648 | 14,450,531 | 24,809,834 | 45,360 | 546.95 | 1.5% |
| 2017 | - | 6,426,008 | - | - | - | 6,890,896 | 13,316,904 | 23,630,289 | 45,295 | 521.70 | 1.4% |
| 2018 | - | 6,128,132 | 27,096,017 | 12,861,644 | - | 6,018,384 | 52,104,177 | 61,402,042 | 46,085 | 1,332.37 | 3.3% |
| 2019 | - | 5,825,258 | 26,763,483 | 12,700,089 | - | 5,123,552 | 50,412,382 | 59,948,860 | 45,257 | 1,324.63 | 3.1% |
| 2020 | - | 5,512,381 | 26,235,949 | 12,448,534 | - | 4,205,832 | 48,402,697 | 56,600,446 | 45,454 | 1,245.22 | 2.8% |
| 2021 | - | 5,184,506 | 25,693,415 | 12,191,980 | - | 3,264,637 | 46,334,537 | 53,153,670 | 44,936 | 1,182.87 | 2.5% |
| 2022 | - | 4,846,630 | 25,135,881 | 11,930,425 | - | 2,299,366 | 44,212,302 | 51,574,304 | 42,656 | 1,209.08 | 2.2% |
| 2023 | - | 4,493,753 | 24,563,347 | 11,658,870 | - | 1,724,756 | 42,440,726 | 48,794,199 | 42,054 | 1,160.27 | 1.8% |
| 2024 | - | 4,130,879 | 23,970,813 | 11,377,315 | - | 14,087,155 | 53,566,162 | 58,597,584 | 42,152 | 1,390.15 | 1.9% |

| Fiduciary Funds | | |
|----------------------------|-------------------------------|--------------------------|
| Fiscal Year Ended June 30, | Certificates of Participation | 2019 Lease Revenue Bonds |
| 2015 | 6,895,000 | - |
| 2016 | 6,610,000 | - |
| 2017 | 6,310,000 | - |
| 2018 | 5,995,000 | - |
| 2019 | - | 5,299,064 |
| 2020 | - | 4,956,642 |
| 2021 | - | 4,579,220 |
| 2022 | - | 4,186,798 |
| 2023 | - | 3,784,376 |
| 2024 | - | 3,366,954 |

Source: City financial records

City of San Bruno, California
Direct and Overlapping Governmental Activities Debt
June 30, 2024

| | | | |
|---|---------------|----------------|-----------------|
| 2023-2024 Assessed Valuation: | \$ | 10,734,126,257 | |
| | | | |
| | | Total Debt | City's Share of |
| Overlapping Tax and Assessment Debt: | | 6/30/24 | Debt 6/30/24 |
| San Mateo Community College District | \$ | 682,237,216 | 3.488% |
| South San Francisco Unified School District | | 303,407,351 | 0.973 |
| San Mateo Union High School District | | 703,110,767 | 10.038 |
| San Bruno Park School District | | 74,264,276 | 96.593 |
| Millbrae School District | | 44,634,527 | 3.349 |
| | | | 1,494,810 |
| Total overlapping tax and assessment debt | \$ | | 170,555,749 |
| | | | |
| Ratios to 2023-24 Assessed Valuation: | | | |
| Total Overlapping Tax and Assessment Debt | | | 1.59% |
| | | | |
| Direct and Overlapping General Fund Debt: | | | |
| San Mateo County General Fund Obligations | \$565,146,645 | 3.488% | 19,712,315 |
| San Mateo County Board of Education Certificates of Participation | 5,735,000 | 3.488 | 200,037 |
| San Mateo County Flood and Sea LRR District General Fund Obligations | 13,065,000 | 6.158 | 804,543 |
| South San Francisco Unified School District General Fund Obligations | 2,560,000 | 0.973 | 24,909 |
| San Bruno Park School District General Fund Obligations | 1,450,000 | 96.593 | 1,400,599 |
| City of San Bruno Fire Engines 2022 Lease | 1,321,054 | 100 | 1,321,054 |
| City of San Bruno Pension Obligation Bonds | 3,265,000 | 100 | 3,265,000 |
| San Mateo County Mosquito and Vector Control District General Fund Obligations | 3,404,654 | 3.488 | 118,754 |
| | | | \$26,847,211 |
| Total direct and overlapping general fund debt | | | |
| Overlapping Tax Increment Debt (Successor Agency) | | | |
| City of San Bruno Lease Revenue Bonds | 3,000,000 | 100.00% | 3,000,000 |
| Total overlapping tax increment debt (Successor Agency) | | | \$3,000,000 |
| | | | |
| Total Direct Debt | | | 4,586,054 |
| Total Overlapping Debt | | | 195,816,906 |
| | | | \$ 200,402,960 |
| Combined Total Debt ⁽²⁾ | | | (2) |
| | | | |
| Ratios to Adjusted Assessed Valuation: | | | |
| Total Direct Debt (\$4,586,054) | | | 0.04% |
| Combined Total Debt | | | 1.87% |
| | | | |
| Ratios to Redevelopment Successor Agency Incremental Valuation (\$2,228,060,893): | | | |
| Total Overlapping Tax Increment Debt | | | 0.13% |

(1) The percentage of overlapping debt applicable to the city is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the city divided by the district's total taxable assessed value.

(2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue, and tax allocation bonds and non-bonded capital lease obligations.

Source: California Municipal Statistics & City Financial Statement

City of San Bruno, California
Legal Debt Margin Information
 Last Ten Fiscal Years
 (in thousands of dollars)

Legal Debt Margin Calculation for Fiscal Year 2024 ⁽¹⁾

| | |
|---|----------------|
| Gross Assessed Valuation | ##### |
| Bonded Debt Limit (3.75% of Assessed Value) | 402,529,735 |
| Less Amount of Debt Applicable to Limit | - |
| Legal Bonded Debt Margin | \$ 402,529,735 |

| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|--|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Debt limit | \$ 906,586 | \$ 967,607 | \$ 260,349 | \$ 275,518 | \$ 295,778 | \$ 315,178 | \$ 336,709 | \$ 348,946 | \$ 373,438 | \$ 402,530 |
| Total net debt applicable to limit | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Legal debt margin | \$ 906,586 | \$ 967,607 | \$ 260,349 | \$ 275,518 | \$ 295,778 | \$ 315,178 | \$ 336,709 | \$ 348,946 | \$ 373,438 | \$ 402,530 |
| Total net debt applicable to the limit as a percentage of debt limit | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |

Note:

(1) California Government Code, Section 43605 sets the debt limit at 15% of gross assessed valuation. The Code section was enacted when assessed valuations were based on 25% of full market value. This has since changed to 100% of full market value. Thus, the limit shown is 3.75% (one-fourth the limit of 15%).
 FY2016-17 and onwards, the debt limit is at 3.75%.
 Source: California Municipal Statistics

City of San Bruno, California

Pledged Revenue Coverage

For the last ten fiscal years

| Business-type Activities | | | | | | |
|---|----------------------------------|---|-----------------------------|--------------|-----------|----------|
| Fiscal Year Ended June 30, | Gross Revenues ⁽¹⁾ | Less: Operating Expenses ⁽²⁾ | Net Available Revenue | Debt Service | | Coverage |
| | | | | Principal | Interest | |
| 2013 Wastewater Revenue Refunding Bonds | | | | | | |
| 2015 | 15,087,098 | 7,947,063 | 3,248,307 | 290,000 | 289,538 | 5.60 |
| 2016 | 15,954,642 | 8,355,894 | 7,598,748 | 260,000 | 281,288 | 14.04 |
| 2017 | 15,923,694 | 9,305,503 | 6,618,191 | 265,000 | 273,081 | 12.30 |
| 2018 | 17,032,182 | 8,431,394 | 8,600,788 | 280,000 | 263,875 | 15.81 |
| 2019 | 18,643,453 | 8,039,977 | 10,603,476 | 285,000 | 253,275 | 19.70 |
| 2020 | 18,947,384 | 8,955,800 | 9,991,584 | 295,000 | 241,675 | 18.62 |
| 2021 | 18,710,405 | 8,990,002 | 9,720,403 | 310,000 | 229,188 | 18.03 |
| 2022 | 19,677,857 | 9,111,455 | 10,566,402 | 320,000 | 217,200 | 19.67 |
| 2023 | 20,103,735 | 11,340,620 | 8,763,115 | 335,000 | 204,263 | 16.25 |
| 2024 | 19,814,671 | 13,109,785 | 6,704,886 | 345,000 | 188,100 | 12.58 |
| 2017 Wastewater Revenue Bonds | | | | | | |
| 2018 | 17,032,182 | 8,431,394 | 8,600,788 | - | - | - |
| 2019 | 18,643,453 | 8,039,977 | 10,603,476 | 245,000 | 1,073,309 | 8.04 |
| 2020 | 18,947,384 | 8,955,800 | 9,991,584 | 440,000 | 993,100 | 6.97 |
| 2021 | 18,710,405 | 8,990,002 | 9,720,403 | 455,000 | 979,675 | 6.78 |
| 2022 | 19,677,857 | 9,111,455 | 10,566,402 | 470,000 | 963,450 | 7.37 |
| 2023 | 20,103,735 | 11,340,620 | 8,763,115 | 485,000 | 944,350 | 6.13 |
| 2024 | 19,814,671 | 13,109,785 | 6,704,886 | 505,000 | 924,500 | 4.69 |
| 2017 Water Revenue Bonds | | | | | | |
| 2018 | 15,561,896 | 8,819,147 | 6,742,749 | - | - | - |
| 2019 | 17,721,522 | 9,032,331 | 8,689,191 | 120,000 | 509,394 | 13.81 |
| 2020 | 17,614,884 | 9,715,615 | 7,899,269 | 210,000 | 471,250 | 11.60 |
| 2021 | 18,031,439 | 10,443,967 | 7,587,472 | 215,000 | 464,875 | 11.16 |
| 2022 | 17,078,773 | 9,486,358 | 7,592,415 | 220,000 | 457,250 | 11.21 |
| 2023 | 17,540,442 | 13,984,614 | 3,555,828 | 230,000 | 448,250 | 5.24 |
| 2024 | 19,017,550 | 19,760,919 | (743,369) | 240,000 | 438,850 | (1.10) |

Note:

⁽¹⁾ Gross revenues include nonoperating interest income

⁽²⁾ Operating expenses do not include interest, depreciation, or amortization expenses.

Source: City financial records

City of San Bruno, California
Demographic and Economic Statistics
 Last ten calendar years

| Year | Population (1) | San Mateo County | | | | | |
|------|-------------------|------------------------|----------------------------------|--------|------------------------|-------------------------|-------------------------|
| | | Total | Per | Median | **School Enrollment | County | City |
| | | Personal Income (2) | Capita Personal Income (2) | | | Unemployment Rate(4) | Unemployment Rate(4) |
| 2015 | 44,409 | 1,165,025,706 | 26,234 | 38.5 | 3,900 | 3.2% | 3.1% |
| 2016 | 45,360 | 1,609,096,610 | 36,458 | 38.7 | 3,833 | 3.4% | 3.3% |
| 2017 | 45,295 | 1,730,842,888 | 38,213 | 39.2 | 3,774 | 3.0% | 2.9% |
| 2018 | 46,085 | 1,873,078,740 | 40,644 | 39.2 | 3,854 | 2.2% | 2.3% |
| 2019 | 45,257 | 1,940,212,847 | 42,871 | 39.3 | 3,692 | 1.7% | 1.8% |
| 2020 | 45,454 | 2,026,702,952 | 44,588 | 39.6 | 3,679 | 11.1% | 13.4% |
| 2021 | 44,936 | 2,162,634,872 | 48,127 | 39.3 | 3,462 | 6.9% | 8.1% |
| 2022 | 42,656 | 2,358,010,883 | 55,280 | 38.8 | 3,210 | 1.7% | 1.9% |
| 2023 | 42,054 | 2,711,565,802 | 64,478 | 39.0 | 3,110 | 2.7% | 2.6% |
| 2024 | 42,152 | 3,040,679,201 | 72,136 | 39.0 | 3,058 | 2.9% | 2.9% |

Source: 2020-21 and prior, previously published ACFR Report

Source: Avenu Insights & Analytics

1) Population projections are provided by the State Department of Finance Projections.

2) Income data is provided by the U.S. Census Bureau, 2010 American Community Survey

3) Median age reflects the U.S. Census data estimation table

**School enrollment reflects the total number of students enrolled in Capuchino High & San Bruno Park Elementary School District

4) Unemployment rates are provided by the EDD, Labor Market Information Division
 San Mateo County

City of San Bruno, California

Principal Employers

Current Year and Nine Years Ago

| Employer | 2023-24 | | | 2014-15 | | |
|------------------------------------|---------------|------|--------------------------------|---------------|------|--------------------------------|
| | Employees | Rank | Percentage of Total Employment | Employees | Rank | Percentage of Total Employment |
| You Tube, Inc | 2,647 | 1 | 9.88% | 1,329 | | 5.03% |
| Walmart eCommerce Corporate Office | 2,165 | 2 | 8.08% | | | |
| Skyline College | 465 | 3 | 1.74% | 243 | | 0.92% |
| Artichoke Joe's Casino | 425 | 4 | 1.59% | 385 | | 1.46% |
| City of San Bruno | 271.5 | 5 | 1.01% | 200 | | 0.76% |
| San Bruno Park School District | 201 | 6 | 0.75% | 245 | | 0.93% |
| Target Store | 178 | 7 | 0.66% | 249 | | 0.94% |
| Lowe's HIW, Inc | 171 | 8 | 0.64% | 200 | | 0.76% |
| Capuchino High School (SMUHSD) | 122.89 | 9 | 0.46% | | | |
| Church of the Highlands | 96 | 10 | 0.36% | | | |
| Lash Group, Inc. | | | | 300 | | 1.14% |
| Sears, Roebuck & Co | | | | 229 | | 0.87% |
| BJ's Restaurant and Brewhouse | | | | 160 | | 0.61% |
| Total Top Employers | 6,742 | | 25.16% | 3,540 | | 13.41% |
| Total City Labor (1) | 26,800 | | | 26,400 | | |

Source: Avenu Insights & Analytics

Source 2014: Previously published ACFR Report

Results based on direct correspondence with city's local businesses.

*Business has not responded to Avenu's inquires, previous year count applied.

(1) Total City Employment provided by EDD Labor Force Data.

Note: Employee count from City's Budget FY23-24. Does not include "Other" General Funds count.

City of San Bruno, California

Full-time Equivalent City Employees by Function/Program

Last Ten Fiscal Years

(Fiscal year ended June 30)

| Function/Program | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| General Fund | | | | | | | | | | |
| City Council | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 |
| City Clerk | 1.75 | 1.75 | 1.75 | 1.75 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| City Treasurer | 1.00 | 1.00 | 1.00 | 0.50 | - | - | - | - | - | - |
| Legal Services | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 | 0.25 |
| City Manager | 3.00 | 3.00 | 3.00 | 3.00 | 4.00 | 4.00 | 4.00 | 3.00 | 3.50 | 4.50 |
| Human Resources | 2.25 | 2.25 | 2.25 | 2.25 | 2.25 | 2.25 | 2.25 | 2.25 | 3.25 | 4.25 |
| Finance | | | | | | | | | | |
| Administration | 5.00 | 5.00 | 5.50 | 5.50 | 5.00 | 5.00 | 5.00 | 5.00 | 7.00 | 8.00 |
| Revenue Services | 5.00 | 5.00 | 4.50 | 4.50 | 5.00 | 5.00 | 5.00 | 5.00 | 4.00 | 3.50 |
| Police | 62.50 | 62.50 | 64.00 | 65.00 | 69.00 | 69.00 | 72.00 | 64.00 | 66.75 | 68.50 |
| Fire | 33.30 | 33.40 | 35.00 | 35.00 | 36.00 | 36.00 | 36.00 | 32.00 | 34.25 | 35.50 |
| Public Works | | | | | | | | | | |
| Admin. & Engineering | 6.70 | 6.70 | 6.70 | 6.70 | 6.70 | 6.70 | 5.65 | 7.35 | 10.60 | 11.55 |
| Streets Maintenance | 5.70 | 5.80 | 5.80 | 5.80 | 5.70 | 5.70 | 5.65 | 4.70 | 5.25 | 5.90 |
| Community Development | | | | | | | | | | |
| Planning | 4.50 | 4.25 | 5.75 | 5.25 | 6.25 | 5.25 | 5.25 | 5.50 | 6.00 | 6.50 |
| Building | 7.50 | 7.75 | 8.25 | 8.75 | 8.75 | 10.75 | 7.75 | 6.50 | 6.50 | 6.50 |
| Parks & Recreation Services | | | | | | | | | | |
| Recreation | 4.75 | 4.90 | 4.90 | 4.90 | 4.90 | 4.90 | 4.95 | 3.95 | 5.05 | 11.55 |
| Parks Maintenance | 14.30 | 13.05 | 13.05 | 13.05 | 15.05 | 15.05 | 14.85 | 10.85 | 15.50 | 12.35 |
| Senior Services | 3.45 | 3.75 | 3.65 | 3.65 | 3.65 | 3.65 | 3.90 | 2.90 | 2.90 | 3.15 |
| Library Services | 7.55 | 7.75 | 7.85 | 7.85 | 7.85 | 7.85 | 7.80 | 7.30 | 7.30 | 7.45 |
| Subtotal | 174.50 | 174.10 | 179.20 | 179.70 | 188.35 | 189.35 | 188.30 | 168.55 | 186.10 | 196.45 |
| Other General Funds | | | | | | | | | | |
| American Rescue Plan Act | - | - | - | - | - | - | - | 19.00 | 14.25 | 9.50 |
| Subtotal | - | - | - | - | - | - | - | 19.00 | 14.25 | 9.50 |
| Special Revenues | | | | | | | | | | |
| Solid Waste | 0.35 | 0.45 | 0.45 | 0.45 | 0.45 | 0.45 | 0.45 | 0.45 | 0.45 | 0.45 |
| Subtotal | 0.35 | 0.45 | 0.45 | 0.45 | 0.45 | 0.45 | 0.45 | 0.45 | 0.45 | 0.45 |
| Internal Services | | | | | | | | | | |
| Central Garage | 2.35 | 2.35 | 2.35 | 2.35 | 2.35 | 2.35 | 2.60 | 2.60 | 2.65 | 2.65 |
| Buildings and Facilities | 6.45 | 7.05 | 7.05 | 7.05 | 8.05 | 8.05 | 8.85 | 8.90 | 8.95 | 8.95 |
| Technology Support | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 3.25 | 3.50 |
| Self-Insurance | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 0.50 |
| Subtotal | 12.80 | 13.40 | 13.40 | 13.40 | 14.40 | 14.40 | 15.45 | 15.50 | 15.85 | 15.60 |
| Enterprise Funds | | | | | | | | | | |
| Water Enterprise | 17.45 | 17.45 | 17.95 | 17.95 | 17.95 | 17.95 | 17.95 | 18.20 | 19.10 | 19.20 |
| Stormwater Enterprise | 4.15 | 3.95 | 3.95 | 3.95 | 6.05 | 6.05 | 6.05 | 6.05 | 6.10 | 6.10 |
| Wastewater Enterprise | 16.30 | 16.30 | 16.80 | 16.80 | 16.80 | 16.80 | 16.80 | 15.75 | 16.65 | 16.70 |
| Cable Enterprise | 20.00 | 20.00 | 20.00 | 20.00 | 20.00 | 20.00 | 20.00 | 19.00 | 17.00 | 17.00 |
| Subtotal | 57.90 | 57.70 | 58.70 | 58.70 | 60.80 | 60.80 | 60.80 | 59.00 | 58.85 | 59.00 |
| Glenview Funds | | | | | | | | | | |
| Crestmoor (Glenview) Recovery | 3.70 | 3.70 | 2.00 | 0.50 | - | - | - | - | - | - |
| Subtotal | 3.70 | 3.70 | 2.00 | 0.50 | - | - | - | - | - | - |
| Total Positions (all funds) | 249.25 | 249.35 | 253.75 | 252.75 | 264.00 | 265.00 | 265.00 | 262.50 | 275.50 | 281.00 |

Source: Adopted City Budget

Note: The City began to report Full Time Equivalent Employees by Function in 2004

City of San Bruno, California
Operating Indicators by Function/Program
 Last Ten Fiscal Years
 (Fiscal year ended June 30)

| Function/Program | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Police | | | | | | | | | | |
| Calls for Service | 32,610 | 36,144 | 31,333 | 42,057 | 47,429 | 44,684 | 41,406 | 42,260 | 44,712 | 40,809 |
| Physical arrests | 1,224 | 1,280 | 1,311 | 1,087 | 1,627 | 1,240 | 845 | 1,331 | 1,436 | 1,392 |
| Parking violations** | 8,794 | 11,675 | 15,525 | 14,205 | 18,252 | 9,848 | 13,396 | 9,969 | 12,285 | 18,422 |
| Traffic collisions | 464 | 452 | 384 | 325 | 338 | 237 | 233 | 217 | 189 | 181 |
| Moving citations | 2,144 | 2,221 | 2,225 | 2,424 | 2,447 | 2,199 | 1,953 | 1,363 | 1,387 | 1,492 |
| Fire | | | | | | | | | | |
| Number of stations | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Number of calls answered | 3,159 | 3,574 | 4,288 | 3,874 | 4,006 | 4,236 | 4,092 | 5,486 | 5,938 | 5,468 |
| Number of inspection conducted** | 1,375 | 1,420 | 1,360 | 1,307 | 1,415 | 1,621 | 1,444 | 1,110 | 1,026 | 958 |
| Public Works | | | | | | | | | | |
| Street repair (sq. ft.) | 14,697 | 861,150 | 145,204 | 539,343 | 816,331 | 80,999 | 29,457 | 227,300 | 4,860 | 822,434 |
| Potholes repaired | 2,185 | 1,618 | 2,333 | 1,442 | 1,905 | 2,546 | 2,735 | 1,694 | 1,745 | 5,000 |
| Sidewalk repair (sq. ft) | 14,980 | 651 | 262 | 119,922 | 3,624 | 8,001 | 2,003 | 16,950 | 5,555 | 4,627 |
| Sidewalk curb & gutter repair (ft) | 1,397 | 109 | 886 | 26,041 | 700 | 1,269 | 1,234 | 1,650 | 2,050 | 5,363 |
| Street light poles replaced | 14 | 9 | 13 | 65 | 44 | 50 | 10 | 5 | 38 | 1 |
| Community Development: | | | | | | | | | | |
| Plans checks | 527 | 553 | 445 | 549 | 688 | 622 | 162 | 846 | 846 | 1,242 |
| Permits Issued | 1,339 | 1,622 | 1,500 | 1,468 | 1,455 | 1,276 | 1,471 | 1,589 | 1,589 | 1,496 |
| Parks & recreation: | | | | | | | | | | |
| Picnic rentals | 954 | 859 | 842 | 888 | 820 | 532 | 107 | 771 | 566 | 733 |
| Number of trees planted | 120 | 75 | 100 | 100 | 100 | 71 | 100 | 83 | 0 | 62 |
| Linear miles of medians maintained | 7.35 | 7.35 | 7.35 | 7.35 | 7.35 | 7.35 | 7.35 | 7.35 | 7.35 | 7.35 |
| Library: | | | | | | | | | | |
| Library circulation | 354,047 | 329,210 | 337,671 | 334,711 | 353,015 | 294,333 | 165,059 | 525,389 | 297,317 | 329,187 |
| Library visits | 219,343 | 182,263 | 179,150 | 190,466 | 205,851 | 161,907 | 10,813 | 120,398 | 129,104 | 127,889 |
| Water | | | | | | | | | | |
| New service connections | 263 | 285 | 363 | 243 | 282 | 238 | 299 | 161 | 703 | 337 |
| Gallons purchased(millions of gallons) | 477 | 507 | 948 | 950 | 1,102 | 907 | 2,647 | 374 | 733 | 1,152 |
| Stormwater | | | | | | | | | | |
| Number of curb miles swept | 5,540 | 5,540 | 5,540 | 5,540 | 5,540 | 5,540 | 5,540 | 5,540 | 5,540 | 5,540 |
| Number of catch basins cleaned and inspected | 1,223 | 1,223 | 1,223 | 1,550 | 2,120 | 2,680 | 2,680 | 2,680 | 2,680 | 2,680 |
| Cable | | | | | | | | | | |
| Number of Internet service subscribers | 6,111 | 6,337 | 6,460 | 6,600 | 7,260 | 7,109 | 7,300 | 6,650 | 6,250 | 5,896 |
| Number of new customer installations | 1,121 | 1,208 | 1,031 | 1,200 | 1,500 | 1,112 | 1,112 | 1,350 | 1,061 | 295 |

* Historical data is not available

**Calendar year as of October 31

Source: Various City department records. Started tracking by function in 2011

City of San Bruno, California
Capital Asset Statistics by Function/Program

Last Nine Fiscal Years
(Fiscal year ended June 30)

| Function/Program | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Public Safety | | | | | | | | | | |
| Number of police stations | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Number of fire stations | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Public Works | | | | | | | | | | |
| Miles of streets | 89 | 89 | 89 | 89 | 89 | 89 | 89 | 89 | 89 | 89 |
| Average Citywide Pavement Condition Index (PCI) Score | 65 | 64 | 62 | 61 | 66 | 62 | 65 | 64 | 64 | 64 |
| Miles of Sidewalk | 178 | 178 | 178 | 178 | 178 | 178 | 178 | 178 | 178 | 178 |
| Number of street lights | * | * | * | * | 1,909 | 1,909 | 1,909 | 41 | 41 | 41 |
| Number of traffic signals | 17 | 17 | 17 | 17 | 17 | 17 | 17 | 17 | 17 | 17 |
| Number of street signs | * | * | * | * | 4,943 | 5,240 | 5,245 | 439 | 439 | 439 |
| Water | | | | | | | | | | |
| Miles of water mains | * | * | * | * | 120 | 120 | 120 | 120 | 120 | 120 |
| Number of fire hydrants | * | * | * | * | 949 | 949 | 950 | 985 | 985 | 985 |
| Number of water wells | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 5 | 5 | 5 |
| Number of pump stations | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 |
| Number of water tanks | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 |
| Number of pressure regulator stations | 26 | 26 | 26 | 26 | 26 | 26 | 26 | 13 | 13 | 13 |
| Wastewater/Sewer | | | | | | | | | | |
| Miles of sanitary sewers main | * | * | * | * | 89 | 89 | 89 | 87 | 87 | 87 |
| Miles of sewer lift (pump) stations | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 |
| Stormwater | | | | | | | | | | |
| Number of storm sewer main | 36 | 36 | 36 | 36 | 36 | 36 | 36 | 36 | 36 | 36 |
| Number of trash capture devices | 55 | 55 | 55 | 55 | 277 | 284 | 287 | 293 | 296 | 296 |
| Leisure and Culture | | | | | | | | | | |
| Number of parks | 18 | 18 | 18 | 18 | 18 | 18 | 19 | 19 | 19 | 19 |
| Acres of maintained landscaped areas | 96 | 96 | 96 | 96 | 97 | 97 | 97 | 97 | 97 | 97 |
| Acres of open space | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 | 128 |
| Number of trees | * | 4,700 | 6,300 | 6,300 | 6,777 | 6,777 | 6,777 | 6,777 | 6,777 | 6,777 |
| Number of libraries | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Number of senior centers | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Number of recreation center facilities | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |

Note:
* Historical data is not available
Source: City of San Bruno

City of San Bruno

San Bruno, California

*Independent Accountants' Report on
Agreed-Upon Procedures Applied to
Appropriations Limit Schedule*

For the year ending June 30, 2025



INDEPENDENT ACCOUNTANTS' REPORT

To the Honorable Mayor and City Council
of the City of San Bruno
San Bruno, California

We have performed the procedures enumerated below on the accompanying Appropriations Limit Schedule of the City of San Bruno (City) for the fiscal year ending June 30, 2025. The City's management is responsible for the accompanying Appropriations Limit Schedule.

The City has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the requirements of Section 1.5 of Article XIII-B of the California Constitution. Additionally, the League of California Cities (as presented in the publication entitled Agreed-upon Procedures Applied to the Appropriations Limitation Prescribed by Article XIII-B of the California Constitution) has agreed to and acknowledged that the procedures performed are appropriate for their purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures performed and our findings are described below:

1. We obtained the completed worksheets used by the City to calculate its appropriations limit for the fiscal year ending June 30, 2025, and determined that the limit and annual calculation factors were adopted by resolution of City Council. We also determined that the population and inflation options were selected by a recorded vote of City Council.

Finding: No exceptions were noted as a result of our procedures.

2. For the accompanying Appropriations Limit Schedule, we added the prior year's limit to the total adjustments, and agreed the resulting amount to the current year's limit.

Finding: No exceptions were noted as a result of our procedures.

3. We agreed the current year information presented in the accompanying Appropriations Limit Schedule to corresponding information in worksheets used by the City.

Finding: No exceptions were noted as a result of our procedures.

4. We agreed the prior year appropriations limit presented in the accompanying Appropriations Limit Schedule to the prior year appropriations limit adopted by the City Council during the prior year.

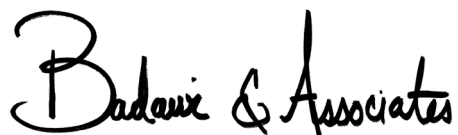
Finding: No exceptions were noted as a result of our procedures.

To the Honorable Mayor and Members of City Council
of the City of San Bruno
San Bruno, California

We were engaged by the City to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the accompanying Appropriation Limit Schedule. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the City Council and management of the City and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record, and its distribution is not limited.

The image shows a handwritten signature in black ink that reads "Badawi & Associates". The signature is written in a cursive, flowing style.

Badawi & Associates, CPAs
Berkeley, California
February 5, 2025

City of San Bruno
Appropriations Limit Schedule
For the year ending June 30, 2025

| | <u>Amount</u> | <u>Source</u> |
|---|-----------------------------|-----------------------------|
| A. Appropriations limit for the year ended June 30, 2024 | \$ 53,641,794 | Prior year schedule |
| B. Calculation factors: | | |
| 1. Population increase % | 0.995 | State Department of Finance |
| 2. Inflation increase (deflation decrease) | <u>1.0362</u> | State Department of Finance |
| 3. Total adjustment factor % | 1.0310 | B1 * B2 |
| C. Annual adjustment increase | \$ 1,663,915 | [(B3-1)*A] |
| D. Other adjustments: | | |
| Loss responsibility (-) | - | N/A |
| Transfers to private (-) | - | N/A |
| Transfers to fees (-) | - | N/A |
| Assumed responsibility (+) | - | N/A |
| E. Total adjustments | <u>1,663,915</u> | (C+D) |
| F. Appropriations limit for the year ending June 30, 2025 | <u><u>\$ 55,305,709</u></u> | (A+E) |

City of San Bruno
Notes to Appropriations Limit Schedule
For the year ending June 30, 2025

1. PURPOSE OF LIMITED PROCEDURES REVIEW

Under Article XIII B of the California Constitution (the Gann Spending Limitation Initiative), California governmental agencies are restricted as to the amount of annual appropriations from proceeds of taxes. Effective for years beginning on or after July 1, 1990, under Section 1.5 of Article XIII B, the annual calculation of the appropriations limit is subject to this agreed upon procedures engagement.

2. METHOD OF CALCULATION

Under Section 10.5 of Article XIII B, for fiscal years beginning on or after July 1990, the appropriations limit is required to be calculated based on the limit for the fiscal year 1986-1987, adjusted for the inflation and population factors discussed in Notes 3 and 4 below.

3. INFLATION FACTORS

A California governmental agency may use as its inflation factor either the annual percentage change in the 4th quarter per capita personal income (which percentage is supplied by the State Department of Finance), or the percentage change in the local assessment roll from the preceding year due to the change of local nonresidential construction. The factor adopted by the City for the fiscal year 2025 represents the change in per capita income in the State of California.

4. POPULATION FACTORS

A California governmental agency may use as its population factor either the annual percentage change of the jurisdiction's own population, or the annual percentage change in population in the County where the jurisdiction is located. The factor adopted by the City for fiscal year 2025 represents the population change in the County.

5. OTHER ADJUSTMENTS

A California government agency may be required to adjust its appropriations limit when certain events occur, such as the transfer of responsibility for municipal services to, or from, another government agency or private entity. The City had no such adjustments for the fiscal year ending June 30, 2025.

City of San Bruno

Measure A Fund
San Bruno, California

*Independent Accountant's Report on
Management's Assertion*

For the year ended June 30, 2024



City of San Bruno
Measure A Transportation Tax Fund
For the year ended June 30, 2024

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| Schedule of Receipts and Disbursements | 2 |
| Management's Report on Compliance with the Agreement for Distribution of San Mateo County Measure A Funds for Local Transportation Purposes | 3 |

INDEPENDENT ACCOUNTANT'S REPORT

To the Honorable Mayor and Members of the City Council
of the City of San Bruno
San Bruno, California

We have examined management's assertion, that the accompanying receipts and disbursements are in compliance with the *Agreement for Distribution of San Mateo County Measure A Funds for Local Transportation Purposes in accordance with the 2004 Measure A* between the City of San Bruno (City) and the San Mateo County Transportation Authority entered into on March 10, 2009, and that the City complied with the requirements of the Agreement during the year ended June 30, 2024. Management is responsible for its assertion. Our responsibility is to express an opinion on management's assertion based on our examination.

Our examination was conducted in accordance with attestation standards established by the AICPA. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether management's assertion is fairly stated, in all material respects. An examination involves performing procedures to obtain evidence about management's assertion. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of management's assertion, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

In our opinion, management's assertion that the accompanying receipts and disbursements are in compliance with the Agreement between the City and the San Mateo County Transportation Authority entered into on March 10, 2009, and that the City complied with the requirements of the Agreement during the year ended June 30, 2024, is fairly stated, in all material respects.



Badawi & Associates, CPAs
Berkeley, California
February 5, 2025

City of San Bruno
Measure A Transportation Tax Fund
Schedule of Receipts and Disbursements
For the year ended June 30, 2024

Receipts:

| | |
|--|--------------|
| Sales and Use Taxes | \$ 1,295,819 |
| Interest Income (loss) | 27,614 |
| Transfers in from Street Improvement Fund for unused amounts | 215,410 |
| | <hr/> |
| Total Receipts | 1,538,843 |
| | <hr/> |

Disbursements:

Transfers out to Street Improvement Fund for:

| | |
|--|---------|
| Traffic Signal Rehabilitation Program | 50,000 |
| Pedestrian/Traffic Calming TSPC Studies | 75,000 |
| Safe Routes to School Plan | 18,865 |
| Pedestrian/Traffic Calming - Oak/Crystal | 449,500 |
| Bicycle Route Installation | 145,000 |
| Pavement Management Program - 2023-24 Slurry Seal | 375,000 |
| FY2023-24 Sidewalk Repair Project | 250,000 |
| San Bruno Avenue Transit Corridors Plan | 150,000 |
| Elm and Linden Avenue Bicycle Boulevards | 100,000 |
| Traeger Traffic Signal Installation | 47,500 |
| Bike/Pedestrian Improvement - Bayhill Dr/El Camino | 213,750 |
| Safe Routes to School High Priority Improvements | 100,000 |
| Signage Replacement Project | 150,000 |
| Accessible Curb Ramps | 50,000 |

Transfer out to Parks and Facilities and Technology Capital Improvement Fund for:

| | |
|-------------------------------|-----------|
| Recreation and Aquatic Center | 375,000 |
| | <hr/> |
| Total disbursements | 2,549,615 |
| | <hr/> |

| | |
|------------------------------------|----------------|
| Receipts over (under) disbursement | \$ (1,010,772) |
| | <hr/> <hr/> |



February 5, 2025

San Mateo County Transportation Authority
1250 San Carlos Avenue
San Carlos, California 94070

Re: Management’s Report on Compliance with the Agreement for Distribution of San Mateo County Measure A Funds for Local Transportation Purposes

The City of San Bruno (City) is responsible for complying with the Agreement for Distribution of San Mateo County Measure A Funds for Local Transportation Purposes (Agreement) between the City and the San Mateo County Transportation Authority entered into March 10, 2009. The Agreement states that in return for receiving an annual allocation of a specified portion of the retail transaction and use tax approved by Measure A – San Mateo County Transportation Expenditure Plan (the Measure), the City, in use of these funds, shall “refrain from substituting funds provided to it pursuant to this Agreement for property tax funds which are currently being used to fund existing local transportation programs and limit the use of said funds to the improvement of local transportation, including streets and road improvements.”

With respect to compliance with the Agreement, management attests to the following for the year ended June 30, 2024:

- Management is responsible for establishing and maintaining an effective internal control with respect to compliance with the Agreement.
- Management is responsible for complying with the Agreement.
- Management has evaluated the City’s compliance with requirements of the Agreement; and
- All Transactions, as summarized in the attached Schedule of Receipts and Disbursements for the fiscal year ended June 30, 2024, are in compliance with the Agreement.

DocuSigned by:
Alex D. McIntyre
B0012F785GGB4C4...

Alex D. McIntyre
City Manager

DocuSigned by:
Nick Pegueros
8783F2EF5A30407...

Nick Pegueros
Chief Financial Officer

City of San Bruno

Measure W Fund
San Bruno, California

*Independent Accountant's Report on
Management's Assertion*

For the year ended June 30, 2024



City of San Bruno
Measure W Transportation Tax Fund
For the year ended June 30, 2024

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INDEPENDENT ACCOUNTANT'S REPORT

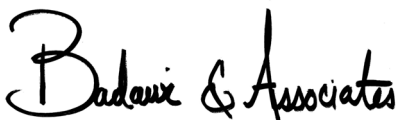
To the Honorable Mayor and Members of the City Council
of the City of San Bruno
San Bruno, California

We have examined management's assertion that the accompanying receipts and disbursements are in compliance with the *Agreement for Distribution of San Mateo County Measure W Funds for Local Transportation Purposes* (Agreement) between the City of San Bruno (City) and the San Mateo County Transportation Authority entered into on September 24, 2019, and that the City complied with the requirements of the Agreement during the year ended June 30, 2024. Management is responsible for its assertion. Our responsibility is to express an opinion on management's assertion based on our examination.

Our examination was conducted in accordance with attestation standards established by the AICPA. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether management's assertion is fairly stated, in all material respects. An examination involves performing procedures to obtain evidence about management's assertion. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of management's assertion, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

In our opinion, management's assertion that the accompanying receipts and disbursements are in compliance with the Agreement between the City and the San Mateo County Transportation Authority entered into on September 24, 2019, and that the City complied with the requirements of the Agreement during the year ended June 30, 2024, is fairly stated, in all material respects.



Badawi & Associates, CPAs
Berkeley, California
February 5, 2025

City of San Bruno
Measure W Transportation Tax Fund
Schedule of Receipts and Disbursements
For the year ended June 30, 2024

Receipts:

| | |
|---|----------------|
| Sales and Use Taxes | \$ 575,366 |
| Interest Income (loss) | 26,637 |
| Transfer in from Street Improvement Fund for unused amounts | <u>92,006</u> |
| Total Receipts | <u>694,009</u> |

Disbursements:

Transfer out to Street Improvement Fund:

| | |
|---|----------------|
| Pavement Management Program - 23-24 Slurry Seal | <u>461,600</u> |
| Total disbursements | <u>461,600</u> |

Receipts over (under) disbursement \$ 232,409



February 5, 2025

San Mateo County Transportation Authority
1250 San Carlos Avenue
San Carlos, California 94070

Re: Management’s Report on Compliance with the Agreement for Distribution of San Mateo County Measure W Funds for Local Transportation Purposes

The City of San Bruno (City) is responsible for complying with the Agreement for Distribution of San Mateo County Measure W Funds for Local Transportation Purposes (Agreement) between the City and the San Mateo County Transportation Authority entered into on September 24, 2019. The Agreement states that in return for receiving an annual allocation of a specified portion of the retail transaction and use tax approved by San Mateo County Congestion Relief Plan, the City, in use of these funds, shall not be used to replace funds previously provided for public transportation investments, and that City will limit the use of funds provided pursuant to this Agreement to invest in major arterial and local roadway improvements in key congested areas throughout the County, focusing on improving safety, reducing congestion, and supporting all modes of travel on the County's roadway system.

With respect to compliance with the Agreement, management attests to the following for the year ended June 30, 2024:

- Management is responsible for establishing and maintaining an effective internal control with respect to compliance with the Agreement.
- Management is responsible for complying with the Agreement.
- Management has evaluated the City’s compliance with requirements of the Agreement; and
- All Transactions, as summarized in the attached Schedule of Receipts and Disbursements for the fiscal year ended June 30, 2024, are in compliance with the Agreement.

DocuSigned by:
Alex D. McIntyre
B0012F785GCB4G4...

Alex D. McIntyre
City Manager

DocuSigned by:
Nick Pegueros
8783F2EF5A30407...

Nick Pegueros
Chief Financial Officer



City Council Agenda Item Staff Report

CITY OF SAN BRUNO

DATE: February 11, 2025

TO: Honorable Mayor and Members of the City Council

FROM: Alex D. McIntyre

PREPARED BY: Darcy Smith, Assistant City Manager

SUBJECT: Consider Adoption of an Ordinance Entitled “An Ordinance of the City Council of the City of San Bruno Repealing San Bruno Municipal Code Chapter 10.24 (Municipal Cable Television And Communications System) and Amending Chapter 10.28 (State Video Franchises) and Finding Such Action Exempt from the California Environmental Quality Act”

BACKGROUND:

On January 28, 2025, the City Council unanimously voted to introduce an ordinance that, if enacted, would repeal provisions in Chapter 10.24 governing CityNet, the City’s municipal cable television and communications system, upon its sale to Comcast, and amend Chapter 10.28 to fully exercise the regulatory authority that the city retains over holders of state video franchises such as Comcast under DIVCA, including to collect franchise fees and public, educational and governmental access (PEG) fees.

DISCUSSION:

The purpose of this consent calendar agenda item is for the City Council to consider adoption of an ordinance repealing San Bruno Municipal Code Chapter 10.24 (Municipal Cable Television And Communications System) and Amending Chapter 10.28 (State Video Franchises) and Finding Such Action Exempt from the California Environmental Quality Act.

No changes have been made to the ordinance since introduction. The ordinance is presented as Attachment 1. If adopted, the Ordinance will take effect and be in force 30 days after its adoption; provided, however, that Section 3 shall not be effective until the “Closing Date,” as such term is defined pursuant to the Asset Purchase Agreement by and between Comcast of California IX, Inc. and the City, pursuant to which the City will sell and Comcast will purchase the system.

FISCAL IMPACT:

There is no fiscal impact from adoption of the Ordinance.

ENVIRONMENTAL IMPACT:

The action is not a project subject to CEQA. City Council’s action is not considered a “Project” per CEQA Guidelines and therefore no further environmental analysis is required.

RECOMMENDATION:

Adopt an Ordinance Entitled “An Ordinance of the City Council of the City of San Bruno Repealing Chapter 10.24 (Municipal Cable Television And Communications System) and Amending Chapter 10.28 (State Video Franchises) and Finding Such Action Exempt from the California Environmental Quality Act.”

ALTERNATIVES:

1. Do not adopt the Ordinance.
2. Continue the item and direct staff to make modifications to the ordinance.

ATTACHMENTS:

1. Ordinance

ORDINANCE NO. ____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SAN BRUNO REPEALING SAN BRUNO MUNICIPAL CODE CHAPTER 10.24 (MUNICIPAL CABLE TELEVISION AND COMMUNICATIONS SYSTEM) AND AMENDING CHAPTER 10.28 (STATE VIDEO FRANCHISES) AND FINDING SUCH ACTION EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

THE CITY COUNCIL OF THE CITY OF SAN BRUNO DOES ORDAIN AS FOLLOWS:

Section 1. The City Council hereby makes the following findings in support of the proposed Municipal Code amendments:

- A. The City of San Bruno (the “City”) owns and operates a municipal cable television and communications system, known as San Bruno CityNet Services (the “System”), operated pursuant to and in accordance with Chapter 10.24 of the San Bruno Municipal Code; and
- B. The City proposes to enter into that certain Asset Purchase Agreement (the “APA”) by and between Comcast of California IX, Inc. (“Comcast”) and the City, pursuant to which the City will sell and Comcast will purchase the System; and
- C. Upon the closing of the sale to Comcast, Comcast will operate the System pursuant to its state video franchise issued by the California Public Utilities Commission, and the City will exercise its authority pursuant Chapter 10.28 to regulate Comcast as a video service provider operating within the city.
- D. In the APA, the City represents that effective as of the closing of the sale to Comcast the City will repeal Chapter 10.24 regarding the creation and operation of the System, and amend Chapter 10.28 to set the PEG fee in an amount that does not exceed 1%; and
- E. The City desires to make additional updates to Chapter 10.28 in connection with its regulation of video service providers holding state video franchises and operating within the city pursuant to that franchise.

Section 2. Editorial guidance. The following non-substantive editorial style is used. Words that are underlined are additions and words with a line through are deleted.

In addition, the Code publisher will arrange definitions and other changes alphabetically to conform to the Code’s current style and will, as needed, re-order numbering and lettering changes caused by these amendments. The City Clerk and the City Attorney are authorized to work with the Code Publisher to effectuate non-substantive amendments to ensure consistency as to form and style of the Code.

Further, the code publisher is directed to substitute the name of an office and/or position wherever possible rather than use a gender pronoun without further or formal amendments.

Section 3. Chapter 10.24 (Municipal Cable Television and Communications System) of Title 10 (Municipal Services) of the Municipal Code is hereby deleted in its entirety.

Section 4. Section 10.28.020 (State video franchise and PEG fees) of Chapter 10.28 (State Video Franchises) of Title 10 (Municipal Services) of the Municipal Code is hereby amended to read as follows:

A. Any state video franchise holder operating within the boundaries of the city shall pay a fee to the city equal to five percent of the "gross revenue" of that state video franchise holder. Gross revenue, for the purposes of this chapter, shall have the definition set forth in California Public Utilities Code Section 5860.

B. Any state video franchise holder operating within the boundaries of the city shall pay a PEG fee equal to one percent of the "gross revenue" of that state video franchise holder to the city or the city's designee for support of public, educational, and/or governmental (PEG) purposes that are consistent with state and federal law. In 2008 the PEG fee shall be one dollar and twenty-five cents per subscriber per month. The PEG fee shall thereafter be adjusted effective January 1st of each year, based upon the prior December's Consumers Price Index, All Urban Consumers (CPI-U, all items) for the San Francisco-Oakland-San Jose area, index base period: 1982-84=100. To the extent reauthorization is required by law, this chapter, including the PEG fee in the amount of one percent (1%) of the state franchise holder's gross revenues, is automatically reauthorized as to each affected state video franchise holder upon the expiration of any state franchise. Any and all reauthorizations shall be effective for so long as such reauthorization is required by law.

C. The City Manager shall promptly send any state franchise holder that notifies the City that it intends to provide video service in the City a copy of this Ordinance and a notice designating the person to whom the state franchise fee and PEG fee payments should be made.

D. The franchise fee and the PEG fee required pursuant to this section shall each be paid to the City quarterly, in a manner consistent with California Public Utilities Code section 5860. The state franchise holder shall deliver to the City, by check or other means specified by the City, a payment for the franchise fee and a separate payment for the PEG fee not later than forty-five (45) days after the end of each calendar quarter. Each payment made shall be accompanied by a summary explaining the basis for the franchise fees, containing such information as the City Manager may require consistent with DIVCA.

E. In the event a state franchise holder fails to make payments required by this Section on or before the due dates specified in this Section, the City shall impose a late charge at the rate per year equal to the highest prime lending rate during the period of delinquency, plus one percent (1%).

Section 5. Section 10.28.040 (Customer service penalties) of Chapter 10.28 (State Video Franchises) of Title 10 (Municipal Services) of the Municipal Code is hereby amended to read as follows:

A. The holder of a state video franchise shall comply with all applicable state and federal customer service and protection standards pertaining to the provision of video service.

B. The city manager or the manager's designee shall monitor and enforce the compliance of state video franchise holders with respect to state and federal customer service and protection standards. The city manager or the manager's designee will provide the state

video franchise holder written notice of any material breaches of applicable customer service standards, and will allow the state video franchise holder thirty days from the receipt of the notice to remedy the specified material breach. Material breaches not remedied within the thirty-day time period will be subject to the following penalties to be imposed by the city:

1. For the first occurrence of a violation, a fine of up to five hundred dollars may be imposed for each day the violation remains in effect, not to exceed one thousand five hundred dollars for each violation.

2. For a second violation of the same nature within twelve months, a fine of up to one thousand dollars may be imposed for each day the violation remains in effect, not to exceed three thousand dollars for each violation.

3. For a third or further violation of the same nature within twelve months, a fine of up to two thousand five hundred dollars may be imposed for each day the violation remains in effect, not to exceed seven thousand five hundred dollars for each violation.

C. A state video franchise holder may appeal a penalty assessed by the city manager to the city council within sixty days of the initial assessment. The city council shall hear all evidence and relevant testimony and may uphold, modify or vacate the penalty. The city council's decision on the imposition of a penalty shall be final.

Section 6. Chapter 10.28 (State Video Franchises) of Title 10 (Municipal Services) of the Municipal Code is hereby amended by adding the following Sections to read as follows:

10.28.060 Lease of City-owned network.

In the event a state franchise holder leases access to a network owned by the City, the City may set a franchise fee for access to the City-owned network separate and apart from the franchise fee charged to state franchise holders pursuant to Section 10.28.020, which fee shall otherwise be payable in accordance with the procedures established by this Chapter, unless the City specifies a different payment procedure.

10.28.070 Construction in the public rights of way.

A. Except as expressly provided in this Chapter, the provisions of Title 8 of this Code, and all City administrative rules and regulations developed pursuant to Title 8, as now existing or as hereafter amended, shall apply to all work performed by or on behalf of a state franchise holder in any public rights of way.

B. Prior to commencing any work for which a permit is required by Title 8 of this Code, a state franchise holder shall apply for and obtain a permit in accordance with the provisions of Title 8. A permit application is complete when the state franchise holder has complied with all applicable laws and regulations, including but not limited to all City administrative rules and regulations, and all applicable requirements of Division 13 of the California Public Resources Code, section 21000, and following, (the California Environmental Quality Act) and preparation of plans and specifications as required by the director of public works.

C. The director of public works shall, in the exercise of reasonable discretion as permitted by state law, either approve or deny a state franchise holder's application for any permit

required under Title 8 within sixty (60) days of receiving a complete permit application from the state franchise holder.

D. If the director of public works denies a state franchise holder's application for a permit, the director of public works shall, at the time of notifying the applicant of denial, furnish to the applicant a detailed explanation of the reason or reasons for the denial.

E. A state franchise holder that has been denied a permit by final decision of the Director of public works may appeal to the City Council with the time frame set forth and consistent with the provisions contained in Chapter 1.32 of this Code. The director of public works shall transmit to the Council all maps, diagrams, records, papers, and files that constitute the record in the action from which the appeal was taken.

F. The issuance of a permit under Title 8 of this Code is not a franchise, and does not grant any vested rights in any location in the public rights of way, or in any particular manner of placement within the rights of way. A permit to place cabinets and similar appurtenances aboveground may be revoked and the permittee required to place facilities underground, upon reasonable notice to the permittee.

10.28.080 Participation with other utilities.

Each state franchise holder shall cooperate in the planning, locating and construction of its network in utility joint trenches or common duct banks with other telecommunications providers.

10.28.090 Underground Services Alert.

Each state franchise holder shall be a member of the regional notification center for subsurface installations (Underground Services Alert) and shall field mark, at its sole cost and expense, the locations of its underground network facilities upon notification in accordance with the requirements of Section 4216 of the California Government Code, and any other applicable law.

10.28.100 Emergency Alert Systems.

Each state franchise holder shall comply with the emergency alert system requirements of the Federal Communications Commission in order that emergency messages may be distributed over the state franchise holder's network.

10.28.110 Rights reserved.

The rights reserved to the City under this Chapter, are in addition to all other rights of the City whether reserved by this Chapter, or authorized by other applicable law, and no action, proceeding or exercise of a right shall affect any other rights which may be held by the City.

10.28.120 Compliance with Chapter.

Nothing contained in this Chapter exempts a state franchise holder from compliance with all ordinances, rules or regulations of the City now in effect or which may be hereafter adopted which are not inconsistent with this Chapter or California Public Utilities Code section 5800, and following.

Section 7. Pursuant to Title 14 of the California Code of Regulations, Section 15061(b)(3) (common-sense exemption) and 15378(b)(5) (activities excluded from the definition of "project"),

consideration of this Ordinance is exempt from the requirements of the California Environmental Quality Act (CEQA).

Section 8. If any section, subsection, clause or phrase of this Ordinance is for any reason held to be invalid, such decision shall not affect the validity of the remaining portion or sections of the Ordinance. The City Council of the City of San Bruno hereby declares that it would have adopted the Ordinance and each section, subsection, sentence, clause or phrase thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared unconstitutional.

Section 9. This Ordinance shall take effect and be in force 30 days after its adoption; provided, however, that Section 3 shall not be effective until the "Closing Date," as such term is defined pursuant to the APA.

Section 10. The City Clerk shall publish this Ordinance according to law.

Rico E. Medina, Mayor

ATTEST:

Lupita Huerta, City Clerk

APPROVED AS TO FORM:

Trisha Ortiz, City Attorney

---oO---

I hereby certify that foregoing **Ordinance No. _____**
was introduced at a regular meeting of the San Bruno City Council on
January 28, 2025 and adopted by the San Bruno City Council at a regular meeting on
_____, 202_, by the following vote:

AYES: Councilmembers:

NOES: Councilmembers:

ABSENT: Councilmembers:

Lupita Huerta, City Clerk



City Council Agenda Item Staff Report

CITY OF SAN BRUNO

DATE: February 11, 2025

TO: Honorable Mayor and Members of the City Council

FROM: Alex D. McIntyre, City Manager

PREPARED BY: Peter Gilli, Community Development Director

SUBJECT: Consider Introducing, Reading by Title Only and Waiving a Further Reading of an Ordinance Entitled “An Ordinance of the City Council of the City of San Bruno Adopting by Reference Chapter 4.98 of the San Mateo County Ordinance Code (Tobacco Retailer Permit); Repealing and Replacing in its Entirety San Bruno Municipal Code Chapter 6.52 (Tobacco Retailer Permit) in Connection with such Adoption; and Finding the Amendment Exempt from the California Environmental Quality Act” and Set Public Hearing on Adoption of Ordinance for February 25, 2025

BACKGROUND:

From 2009 to 2022, the City of San Bruno utilized services from the San Mateo County Health Department for licensing and renewal administration, inspections, monitoring, and enforcement for Tobacco Retailers. The process established in Chapter 6.52 of the San Bruno Municipal Code requires Tobacco Retailers to obtain permits from San Mateo County Health before obtaining a business license and zoning clearance to operate in the City of San Bruno. Thirteen other jurisdictions utilized the County’s Tobacco Retailer services as well.

In July 2022, the County of San Mateo (County) placed a hold on all new permits and renewals while the County worked to update their regulations. Based on data reported by the County in December 2023, the City of San Bruno had 34 tobacco retailers when the County paused new permits and renewals. These businesses are shown in Map of 2022 San Bruno Tobacco Retailers and Buffers (Attachment 3).

In May 2023, the County of San Mateo Board of Supervisors adopted a new Ordinance regarding Tobacco Retailer’s Permits. The public policy basis for adoption of the new Ordinance is included in the recitals of the adopted San Mateo County Chapter 4.98 – Tobacco Retailer Permit Regulations (Attachment 2). This includes reported levels of the use of tobacco by youth and documented sales of tobacco by retailers to underage decoys as part of the San Mateo County Sheriff’s Office coordinated undercover enforcement operations. The County also cites that strong enforcement and monitoring of retailer compliance with tobacco control policies is necessary to achieve reductions in youth tobacco sales. The County Board of Supervisors considers the new County regulations to be appropriate and necessary to implement best practices in tobacco prevention in order to protect the health, safety, and welfare of residents. Key components are:

- Buffers for new tobacco retailer permits between other retailers and youth-populated areas. Existing tobacco retailers within buffers are allowed to remain; and
- Prohibition of e-smoking; any tobacco sales at pharmacies, and any flavored tobacco (includes hookah).

If the City adopts the County's updated regulations without any local amendments, then the County will provide the administration, inspections, monitoring and enforcement services for businesses within the city limits at no cost to the City. The buffers affect many of the tobacco retailers with valid permits as of 2022, but the County's regulations allow those businesses to continue operation as long as they comply with revised regulations about product sales and maintain annual renewals. Seven cities within San Mateo County have adopted the new County tobacco regulations: Brisbane, Colma, East Palo Alto, Menlo Park, Millbrae, San Carlos and San Mateo.

Since the City depended on the County for administrating the County's Tobacco Retailer program in the past, staff brought an agenda item to City Council on February 27, 2024 to set a hearing date to consider adoption of the County's updated regulations.

Flavored Tobacco Prohibition

The updated County regulations completely prohibit flavored tobacco. The owners of Paradise Hookah Lounge at 591 San Mateo Avenue spoke at the February 2024 hearing, requesting the City not adopt the County regulations because it would require their business to close. Several speakers noted the importance of tobacco regulations for the community, but did not want to force an existing business to close.

The City Council agreed to table the item to allow further communication with the County. Councilmember Hamilton reached out to members of the Board of Supervisors requesting changes to the County ordinance that would allow existing hookah establishments to receive a permit. Staff for the Supervisors prepared an amendment to allow a permit for an existing hookah operation, provided that the business consistently complied with all State, County and local requirements. This would have allowed Paradise Hookah Lounge to obtain a County permit and remain in operation.

This amended ordinance was anticipated to be considered by the Board of Supervisors in late 2024. However, just prior to the expected hearing, County staff determined that Paradise Hookah Lounge did not have required State licenses/permits. This lapse in required licenses meant that the proposed amendments would not apply to Paradise Hookah Lounge and it would not be eligible to operate under the amended ordinance.

The City informed the owners of the business in mid-December, who then subsequently applied for and received their State license. But since there was a lapse, Paradise Hookah Lounge would not have been allowed under the proposed County amendments. The County tabled the amended ordinance and has not provided the City with any expectation they will revisit the situation.

DISCUSSION:

Since the City does not expect the County to amend their regulations in the near future, the City Council is left with three options, each with key disadvantages:

1. **No Tobacco Retailer Regulations.** City Council could take no action, thereby resulting in the City having no enforceable tobacco retailer regulations. There would be no additional monitoring, enforcement or limitations on new retailers beyond standard State licenses. This could increase the likelihood of under-age sales, an influx of new retailers, and an overall reduction in public health. According to County staff, the City already has a greater number of tobacco retailers per capita than average in the County. Therefore, staff does not recommend this option.
2. **Adopt the County Regulations.** This action would provide the community with the monitoring and enforcement from County services at no added cost to the City, while also limiting the number of new establishments. From a public health perspective, this provides the community with the best health benefit of the three options. From a fiscal perspective, using the County program requires no additional cost to the City, which is the best fiscal option. The disadvantage is this option will require Paradise Hookah Lounge to completely revamp their operation or close immediately.
3. **Create a Local Program.** City Council can direct staff to create a local ordinance pursuant to which the City would be responsible for permitting, monitoring and enforcement of tobacco retailers. Whereas the County Health Department has expertise and experience in regulating tobacco retailers, the City does not. A local regulatory program would be duplicative of, less effective than, and more costly than the County's program. The cost of a City regulatory program is estimated to be about \$250,000 annually, reflecting added staff and administrative overhead. Trying to fully recover the cost of this work would equate to nearly \$8,500 per year per tobacco retailer, which is significantly more than the County's fee of around \$1,000. Staff believes the County fee is so much lower than the City estimates the cost would be because (1) the County benefits from economies of scale for having many more retailers to regulate, and (2) because the County funds part of the program costs from other revenue sources, possibly including subsidizing part of the program costs with general fund revenues from taxpayers.

The City can create a local program that allows Paradise Hookah Lounge to remain, but that would require all other tobacco retailers to pay significantly more in annual fees, or the City Council would have to subsidize part of the costs from the general fund, which means taxpayer money will be used to support a program to keep a single business in operation. While staff is sympathetic to the needs of this business, staff questions whether the costs of this program to support a single business is a responsible use of the City's general fund. Therefore, staff does not recommend this option.

Notification

Prior to the February 2024 action, the City mailed a notice to all businesses with existing Tobacco Retailer Permits with the County as of 2022, including Paradise Hookah Lounge, informing them of the County's amended regulations and this agenda item where City Council would consider continuing to utilize County services by adopting the new County regulations. In addition, staff visited Paradise Hookah Lounge and spoke to the owners directly.

Prior to this proposed action, the City mailed another notice to the same list of business owners, and a specific letter to Paradise Hookah Lounge in December 2024. The notice to the business owners identified January 28, 2025 as the agenda date. Due to internal workloads, this item was moved to February 11, 2025. The owners of the hookah lounge were specifically informed of the February date.

FISCAL IMPACT:

Adopting the County regulations would have minimal fiscal impact as there would be no on-going costs to the City for monitoring and enforcement of the regulations. Creating a local program would result in an estimated annual cost of \$250,000, some of which may require use of the general fund.

ENVIRONMENTAL IMPACT:

Adopting the County regulations would be exempt from the California Environmental Quality Act (CEQA) pursuant to Title 14 of the California Code of Regulations, Section 15061(b)(3) and 15378 (b)(5) in that it is not a Project that has the potential for causing a significant effect on the environment. If no action is taken, there would also be no potential environmental impact. If City Council directs staff to create a local program, the CEQA determination of that program will be included in a future agenda item.

RECOMMENDATION:

Introduce, Read by Title Only and Waive a Further Reading of an Ordinance Entitled “An Ordinance of the City Council of the City of San Bruno Adopting by Reference Chapter 4.98 of the San Mateo County Ordinance Code (Tobacco Retailer Permit); Repealing and Replacing in its Entirety San Bruno Municipal Code Chapter 6.52 (Tobacco Retailer Permit) in Connection with such Adoption; and Finding the Amendment Exempt from the California Environmental Quality Act” and Set Public Hearing on Adoption of Ordinance for February 25, 2025.

ALTERNATIVES:

- 1) Take no further action; or
- 2) Direct staff to prepare a local tobacco retailer ordinance that differs from the County regulations.

ATTACHMENTS:

1. Ordinance
2. San Mateo County Chapter 4.98 – Tobacco Retailer Permit Regulations
3. Map of 2022 San Bruno Tobacco Retailers and Buffers

ORDINANCE NO. ____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SAN BRUNO ADOPTING BY REFERENCE CHAPTER 4.98 OF THE SAN MATEO COUNTY ORDINANCE CODE (TOBACCO RETAILER PERMIT); REPEALING AND REPLACING IN ITS ENTIRETY SAN BRUNO MUNICIPAL CODE CHAPTER 6.52 (TOBACCO RETAILER PERMIT) IN CONNECTION WITH SUCH ADOPTION; AND FINDING THE AMENDMENT EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

WHEREAS, the City of San Bruno currently authorizes personnel from the County of San Mateo to administer and enforce Municipal Code Chapter 6.52 (Tobacco Retailer Permit) on behalf of the City; and

WHEREAS, the San Mateo County Board of Supervisors found that a stronger local licensing system for tobacco retailers is appropriate to ensure that retailers comply with tobacco control laws and business standards of the County of San Mateo in order to protect the health, safety, and welfare of our residents, and adopted Ordinance No. 4878 (“Ordinance”) to amend San Mateo County Code of Ordinances Chapter 4.98 – Tobacco Retailer Permit on May 23, 2023; and;

WHEREAS, a local licensing system for tobacco retailers is appropriate to ensure that retailers comply with tobacco control laws and business standards to protect the health, safety, and welfare of San Bruno residents;

WHEREAS, San Mateo County has indicated it will continue to administer a tobacco retailer permit program for those cities which adopt the County's same comprehensive ordinance in its entirety; and

NOW, THEREFORE, the City Council of the City of San Bruno does ordain as follows:

SECTION 1. Chapter 6.52 – Tobacco Retailer Permit, is hereby repealed and replaced with the following:

Chapter 6.52 TOBACCO RETAILER PERMIT

6.52.010 Adoption.

The city adopts by reference Chapter 4.98 of the San Mateo County Code of Ordinances, titled “Tobacco Retailer Permit” in its entirety, as such chapter now exists and as such chapter may be amended in the future by the San Mateo County Board of Supervisors, for the purpose of regulating tobacco retailers.

6.52.020 Authorization of enforcement.

The Director is hereby authorized to administer and enforce this chapter on behalf of the city, within the jurisdiction of this city. For the purposes of this chapter, “Director” means the Chief of San Mateo County Health, or designee.

6.52.030 Suspension or Revocation of Permit.

A. Grounds for Suspension or Revocation.

(1) A Tobacco Retailer Permit may be suspended or revoked, as set forth below in subdivision B., if any court of a competent jurisdiction determines, or the Director finds, based on a preponderance of the evidence after notice and opportunity for the Tobacco Retailer to be heard, that either of the following violations have occurred:

- i. After the Permit was issued it is determined that the Application for the Permit is incomplete or inaccurate.
- ii. The Tobacco Retailer or Tobacco Retailer's agent has violated any of the requirements, conditions, or prohibitions of this Chapter or any applicable local, state, or federal tobacco-related law.

(2) Notwithstanding the foregoing, a Tobacco Retailer Permit shall be suspended or revoked, for the maximum time periods and as set forth in subdivision B., if any court of competent jurisdiction determines, or the Director finds, based on a preponderance of evidence and after notice and opportunity for the Tobacco Retailer to be heard, that the Tobacco Retailer, or any agent or employee of the Tobacco Retailer, has Sold Tobacco Products to any Person(s) under the age of 21 years.

B. Time Period of Suspension of Permit.

- (1) Upon the first violation within any sixty (60) month period, the Permit to Sell Tobacco Products may be suspended for up to 30 days.
- (2) Upon the second violation within any sixty (60) month period, the Permit to Sell Tobacco Products may be suspended for up to 90 days.
- (3) Upon the third violation within any sixty (60) month period, the Permit to Sell Tobacco Products may be suspended for up to one year.
- (4) Upon the fourth violation within any sixty (60) month period, the Permit to Sell Tobacco Products shall be revoked. If a Permit is revoked, the Retailer shall not be eligible for a new Permit for a period of five (5) years after the effective date of revocation.

6.52.040 Administrative Fine.

A. Grounds for Fine. A fine shall be imposed on a Tobacco Retailer upon findings made by the Director, based on a preponderance of the evidence, that any Tobacco Retailer, or any agent or employee of the Tobacco Retailer, has violated any of the requirements, conditions, or prohibitions of this Chapter. A fine shall be imposed in the maximum amounts set forth in subsection B. of this section upon findings made by the Director that the Tobacco Retailer, or any agent or employee of the Tobacco Retailer, has Sold any Tobacco Product to any Person(s) under the age of 21 years. Any administrative fine shall be imposed solely against the Tobacco Retailer, not the Tobacco Retailer's employees or agents.

B. Amount of Fine. Upon written findings made by the Director under subsection A., the person or entity holding the Tobacco Retailer Permit shall be subject to an administrative fine for each such violation as follows:

- (1) A fine not exceeding five hundred dollars (\$500) for a first violation within a sixty (60) month period; and
- (2) A fine not exceeding one thousand dollars (\$1,000) for each subsequent violation within a sixty (60) month period.

C. Each day that Tobacco Products are Sold or offered for Sale without a Permit or otherwise in violation of this Chapter shall constitute a separate violation. A finding of "offered for Sale" in violation of this Chapter will be made if Tobacco Products are either actually Sold and/or displayed in the retail establishment, or if advertisements offering to Sell Tobacco Products are visible to customers.

SECTION 2. California Environmental Quality Act (CEQA). Pursuant to Title 14 of the California Code of Regulations, Section 15061(b)(3) and 15378 (b)(5), that consideration of this

Ordinance is exempt from the requirements of the California Environmental Quality Act (CEQA) in that it is not a Project that has the potential for causing a significant effect on the environment.

SECTION 3. Severability. If any provision, clause, sentence or paragraph of this chapter or the application thereof to any person or circumstances shall be held invalid, such invalidity shall not affect the other provisions of this chapter which can be given effect without the invalid provision or application, and to this end the provisions of this chapter are declared to be severable.

SECTION 4. Effective Date. The City Clerk shall certify to the adoption of this ordinance and shall cause a summary thereof to be published in a newspaper of general circulation at least five (5) days prior to the meeting at which the proposed ordinance is to be adopted and shall post a certified copy of the proposed ordinance in the office of the City Clerk, and within fifteen (15) days of its adoption, shall cause a summary of it to be published, including the vote for and against the same, and shall post a certified copy of the adopted ordinance in the office of the City Clerk, in accordance with California Government Code Section 36933.

ATTEST:

Rico E. Medina, Mayor

Lupita Huerta, City Clerk

APPROVED AS TO FORM:

Trisha Ortiz, City Attorney

---oOo---

I hereby certify that the foregoing **Ordinance No. _____**
was introduced at a regular meeting of the San Bruno City Council on
_____, 2025, and adopted by the San Bruno City Council at a regular meeting on
_____, 2025, by the following vote:

AYES: Councilmembers:

NOES: Councilmembers:

ABSENT: Councilmembers:

Lupita Huerta, City Clerk

ORDINANCE NO. _____

BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF CALIFORNIA

* * * * *

**AN ORDINANCE REPEALING CHAPTERS 4.95, 4.98, AND 4.99, AND ADOPTING A
NEW CHAPTER 4.98 OF TITLE 4 OF THE SAN MATEO COUNTY ORDINANCE
CODE TO CONSOLIDATE AND CLARIFY EXISTING DEFINITIONS AND ENACT
ADDITIONAL REQUIREMENTS FOR TOBACCO RETAILER PERMITS**

The Board of Supervisors of the County of San Mateo, State of California,
ORDAINS as follows:

SECTION 1. Findings.

The Board of Supervisors finds and determines that:

- (a) A local licensing system for tobacco retailers is appropriate to ensure that retailers comply with tobacco control laws and business standards of the Board of Supervisors, to protect the health, safety, and welfare of San Mateo County residents.
- (b) Despite the state's efforts to limit youth access to tobacco, youth are still able to access tobacco products, as evidenced by the following:
 - 1. In California, over 67% of current and former adult smokers started smoking by the age of 18;¹
 - 2. In a survey taken in 2019-20, 28.6% of California high school students reported that they had used a tobacco product and 9.7% of students reported that they had used tobacco in the last 30 days;² and
 - 3. According to the 2019-20 California Student Tobacco Survey, for San Mateo County, the prevalence of the use of vaping devices among high school students was 8.7%.³
- (c) California retailers continue to sell tobacco to underage consumers, evidenced by the following:
 - 1. According to the 2019-20 California Student Tobacco Survey, among current underaged vapers, 51.2% reported paying for their vapes. Of those who paid for their vapes, 27.1% reported buying them from a retail store;⁴
 - 2. In the Bay Area, 21.6% of licensed tobacco retailers sold tobacco products to underage decoys in 2019;⁵ and

3. In 2019, the San Mateo County Sheriff's Office coordinated undercover enforcement operations and found that 25 out of 289 visits to retailers by underage decoys resulted in tobacco sales to youth decoys.
- (d) The tobacco industry's price discounting strategies, such as coupons and multiple-package discounts, are popular among consumers, with more than half of adults using some price minimization strategy. In California, individuals who use price minimization strategies save an average \$1.04 per pack (or 18.6% off the total price per pack).⁶
 - (e) The density and proximity of tobacco retailers influence smoking behaviors, including the number of cigarettes smoked per day.⁷
 - (f) Adults who smoke have a harder time quitting when residential proximity to tobacco retailers is smaller⁸ and density is higher.⁹
 - (g) Policies to reduce tobacco retailer density have been shown to be effective¹⁰ and may reduce or eliminate inequities in the location and distribution of tobacco retailers.
 - (h) Strict enforcement of policies prohibiting retail sales of cigarettes to youth, sales of cigarettes via vending machines, and other means through which youth gain access to tobacco in the commercial settings can limit their opportunities to obtain these products.¹¹
 - (i) Strong policy enforcement and monitoring of retailer compliance with tobacco control policies (e.g., requiring identification checks) is necessary to achieve reductions in youth tobacco sales.¹²
 - (j) The Board of Supervisors has a substantial interest in protecting youth and underserved populations from the harms of tobacco use.
 - (k) The Board of Supervisors finds that a stronger local licensing system for tobacco retailers is appropriate to ensure that retailers comply with tobacco control laws and business standards of the County of San Mateo in order to protect the health, safety, and welfare of our residents.
 - (l) As lessons are learned with implementation of licensing systems throughout the State, it is appropriate to update existing County regulations to ensure that the County implements best practices in tobacco prevention.

SECTION 2. Chapters 4.95, 4.98 and 4.99 of the San Mateo County Ordinance Code are hereby repealed and replaced in their entirety by a new Chapter 4.98 to be numbered and entitled and to read as follows:

Chapter 4.98 - TOBACCO RETAILER PERMIT

4.98.100 - Definitions.

- (a) "Characterizing Flavor" means a distinguishable taste or aroma, or both, other than the taste or aroma of tobacco, imparted by a Tobacco Product or any byproduct produced by the Tobacco Product. Characterizing flavors include, but are not limited to, tastes or aroma relating to any fruit, chocolate, vanilla, honey, candy, cocoa, dessert, alcoholic beverage, menthol, mint, wintergreen, herb, or spice. A Tobacco Product shall not be determined to have a Characterizing Flavor solely because of the use of additives or flavorings or the provision of ingredient information. Rather, it is the presence of a distinguishable taste or aroma, or both, as described in the first sentence of this definition, that constitutes a Characterizing Flavor.
- (b) "Constituent" means any ingredient, substance, chemical, or compound, other than tobacco, water, or reconstituted tobacco sheet that is added by the manufacturer to a Tobacco Product during the processing, manufacture, or packing of the Tobacco Product.
- (c) "Consumer" means a person who purchases a Tobacco Product for consumption.
- (d) "Coupon" means any voucher, rebate, card, paper, note, form, statement, ticket, image, or other issue, whether in paper, digital, or other form, used for commercial purposes to obtain an article, product, service, or accommodation without charge or at a discounted price.
- (e) "Director" means the Chief of San Mateo County Health, or designee.
- (f) "Distinguishable" means perceivable by either the sense of smell or taste.
- (g) "Electronic Smoking Device" means any device that may be used to deliver any aerosolized or vaporized substance to the person inhaling from the device, including, but not limited to, an e-cigarette, e-cigar, e-pipe, vape pen, or e-hookah. Electronic smoking device includes any component, part, or accessory of the device, and also includes any substance that may be aerosolized or vaporized by such device, whether or not the substance contains nicotine, and whether natural or synthetic. "Electronic Smoking Device" does not include any product that has been approved by the United States Food and Drug Administration for sale as a tobacco cessation product or for other therapeutic

purposes where such product is marketed and sold solely for such an approved purpose.

- (h) "Flavored Tobacco Product" means any Tobacco Product that contains a Constituent that imparts a Characterizing Flavor.
- (i) "Full Retail Price" means the price listed for a Tobacco Product on its Packaging or on any related shelving, advertising, or display where the Tobacco Product is sold or offered for Sale, plus all applicable taxes and fees if such taxes and fees are not included in the listed price.
- (j) "Labeling" means written, printed, pictorial, or graphic matter upon any Tobacco Product or any of its packaging.
- (k) "Packaging" means a pack, box, carton, or container of any kind or, if no other container, any wrapping (including cellophane) in which a Tobacco Product is sold, or offered for Sale, to a Consumer.
- (l) "Permit" or "Tobacco Retailer Permit" means a valid permit issued by the Director to a Person to act as a Tobacco Retailer.
- (m) "Person" means any natural person, partnership, cooperative association, corporation, personal representative, receiver, trustee, assignee, or any other entity.
- (n) "Pharmacy" means any retail establishment in which the profession of pharmacy is practiced by a pharmacist licensed by the State of California in accordance with the Business and Professions Code and where prescription pharmaceuticals are offered for Sale, regardless of whether the retail establishment Sells other retail goods in addition to prescription pharmaceuticals.
- (o) "Sale" or "Sell" means transfer to, exchange, barter, or distribute for a commercial purpose.
- (p) "Self-Service Display" shall be defined as the open display or storage of Tobacco Products in a manner that is physically accessible to the general public without the assistance of the retailer or employee of the retailer and a direct face-to-face transfer between the purchaser and the retailer or employee of the retailer. A vending machine is a form of self-service display.
- (q) "Tobacco Paraphernalia" means any item designed or marketed for the consumption, use, or preparation of Tobacco Products.
- (r) "Tobacco" or "Tobacco Product(s)" means:

- (1) any product containing, made of, or derived from tobacco or nicotine, whether natural or synthetic, that is intended for human consumption or is likely to be consumed, whether inhaled, absorbed, or ingested by any other means, including but not limited to, a cigarette, a cigar, pipe tobacco, chewing tobacco, snuff, or snus;
 - (2) any electronic smoking device and any substances that may be aerosolized or vaporized by such device, whether or not the substance contains nicotine, and whether natural or synthetic; or
 - (3) any component, part, or accessory of (1) or (2), whether or not any of these contains tobacco or nicotine, whether natural or synthetic, including but not limited to filters, rolling papers, blunt or hemp wraps, hookahs, mouthpieces, and pipes.
 - (4) "Tobacco Product" does not include any product that has been approved by the United States Food and Drug Administration for sale as a tobacco cessation product or for other therapeutic purposes where such product is marketed and sold solely for such an approved purpose.
- (s) "Tobacco Product Flavor Enhancer" means a product designed, manufactured, produced, marketed or Sold to produce a Characterizing Flavor when added to a Tobacco Product.
- (t) "Tobacco Retailer" means any Person who Sells, or offers for Sale, Tobacco Products. This definition is without regard to the quantity of Tobacco Products sold or offered for Sale.
- (u) "Youth-Populated Area" means a parcel of real property that is occupied, in whole or in part, by any of the following:
- (1) a private or public school that educates children in grades kindergarten through high school;
 - (2) a library that is open to the public;
 - (3) a playground that is open to the public;
 - (4) a youth center, defined as a facility where children ages 6 to 17 come together for programs and activities;
 - (5) a recreation facility open to the public, defined as an area, place, structure, or other facility that is used either permanently or temporarily for community recreation, even though it may be used for other purposes. "Recreation facility" includes, but is not limited to, a gymnasium, playing court, playing field, and swimming pool;

- (6) a public or private college or university that serves as an institution for education beyond the high school level;
- (7) a licensed child-care facility or preschool, other than a small-family day care home or a large-family daycare home as defined in California Health & Safety Code § 1596.78.

4.98.110 - Requirement for a Permit.

- (a) No Tobacco Retailer or other Person shall Sell or offer for Sale any Tobacco Product without a current and valid Tobacco Retailer Permit from San Mateo County for each location where such activities are conducted.
- (b) Permits are valid for one year and must be timely renewed annually by the Permit holder in order to continue to sell or offer for sale any Tobacco Product. A Retailer must obtain a separate Permit for each location at which any Tobacco Product will be sold, offered for sale or distributed. A Permit that is not renewed in a timely manner shall expire at the end of its term, and the Tobacco Retailer must obtain a new Permit prior to any further sale, offer for sale, or distribution of any Tobacco Product.
- (c) No Tobacco Retailer shall violate, or cause or allow the Tobacco Retailer's agents or employees to violate, any provision of this Chapter or any other local, state, or federal law applicable to Tobacco Products or Tobacco Retailing.
- (d) Tobacco Retailers are responsible for the actions of their employees and agents relating to the sale, offer to sell, and furnishing of tobacco products at the retail location. The sale of any tobacco product by an employee shall be considered an act of the tobacco retailer and the permit holder shall be responsible for any monetary penalties levied.
- (e) Nothing in this Chapter shall be construed to penalize the purchase, use, or possession of a Tobacco Product by any Person not engaged in Tobacco Retailing.

4.98.120 - Permit is Nontransferable.

- (a) Tobacco Retailer Permits are nontransferable as between Persons, locations, or otherwise. Any attempted transfer shall render the Permit null and void.
- (b) Notwithstanding any other provision of this Chapter, prior violations of this Chapter at a location shall continue to be counted against that location and Permit ineligibility and suspension periods shall continue to apply to that location unless:

- (1) One hundred percent of the interest in the stock, assets, or income of the business, other than a security interest for the repayment of debt, has been transferred to the new owner(s); and
- (2) The County is provided with clear and convincing evidence, including an affidavit, that the business has been acquired in an Arm's Length Transaction. An Arm's Length Transaction, for the purposes of this section, means a transaction in which two or more unrelated and unaffiliated parties agree on the transfer in question; the parties act independently and in their own self-interest; and the parties have equal bargaining power and symmetric information, leading the parties to agree upon fair-market terms.

4.98.130 - Permit Conveys a Limited, Conditional Privilege.

Nothing in this Chapter shall be construed to grant any Person or entity obtaining and maintaining a Permit any status or right other than the limited, conditional privilege to Sell Tobacco Products and act as a Tobacco Retailer at the location in the County identified on the face of the Permit for the period of time shown on the Permit. All Permits are issued subject to the County's right to amend this Chapter from time to time, and Retailers shall comply with all provisions of this Chapter, as amended.

4.98.140 - Application, Issuance and Renewal Procedure.

- (a) Application for a Tobacco Retailer's Permit or the renewal of a Tobacco Retailer Permit shall be submitted in the name of the Person proposing to conduct retail sales of Tobacco Products, referred to herein as the "Applicant," and shall be signed by such Person or an authorized agent thereof. All applications shall be submitted to the Director on a form supplied by the Director and contain, at a minimum, the following information:
 - (1) The name, address, and telephone number of the Applicant;
 - (2) The business name, address, and telephone number of the location where Tobacco Products are proposed to be sold, offered for sale or distributed by the Applicant; and
 - (3) Proof that the location for which a Tobacco Retailer's Permit is sought has been issued a valid state license for the sale of Tobacco Products, if the Tobacco Retailer sells products that require such license;
 - (4) A statement whether or not the Tobacco Retailer or any agent of the Retailer has been found to have violated this Chapter or other applicable law governing Tobacco Products or Tobacco Retailing and, if so, the dates and locations of all such violations within the previous five years; and

- (5) Such other information as the Director determines is necessary for implementation of this Chapter.
- (6) An application for a new or renewal Permit will be denied if there are any outstanding fines or late fees issued by the Director, or during any period of suspension.
- (7) It is the responsibility of each Permit holder to be informed regarding all laws applicable to Tobacco Retailing, including those laws affecting the issuance of a Tobacco Retailer Permit. No Permit holder may rely on the issuance of a Permit as a determination by San Mateo County that the Permit holder has complied with all laws applicable to Tobacco Retailing. A Permit issued contrary to this Chapter or any other law, or on the basis of false or misleading information supplied by the Applicant, shall be revoked. Nothing in this Chapter shall be construed to vest in any person or entity obtaining or maintaining a Tobacco Retailer's Permit any status or right to act as a Tobacco Retailer in contravention of any provision of law.

4.98.150 - Display of Permit.

Upon receipt of an application for a Tobacco Retailer Permit in compliance with the requirements of this Chapter, the Director or designee may issue a Permit which, if issued, must be prominently displayed in a publicly visible location at the location where Tobacco Product Sales are conducted and permitted.

4.98.160 - Prohibitions Regarding Coupons, Discounts, Pharmacies, Flavored Tobacco, and Electronic Smoking Devices.

- (a) No Tobacco Retailer shall do any of the following:
 - (1) Honor or redeem, or offer to honor or redeem, a Coupon to allow a Consumer to purchase a Tobacco Product for less than Full Retail Price;
 - (2) Sell any Tobacco Product to a Consumer through a multiple package discount or otherwise provide any such product to a Consumer for less than the Full Retail Price in consideration for the purchase of any Tobacco Product or any other item; or
 - (3) Provide any free or discounted item to a Consumer in consideration for the purchase of any Tobacco Product.
- (b) No Person, Tobacco Retailer or other legal entity shall sell or distribute to a person any electronic smoking device that delivers natural or synthetic nicotine or any other substance(s) to the person inhaling from the device. This includes

any component, part, or accessory intended or reasonably expected to be used with the electronic device, whether or not sold separately.

- (c) No Person or Tobacco Retailer shall sell or offer to sell any Flavored Tobacco Product or Tobacco Product Flavor Enhancer. There shall be a rebuttable presumption that a Tobacco Product is a Flavored Tobacco Product if a manufacturer or any of the manufacturer's agents or employees, in the course of their agency or employment, has made a statement or claim directed to consumers or to the public that the Tobacco Product has or produces a Characterizing Flavor including, but not limited to, text, color, and/or images on the product's labeling or packaging that are used to explicitly or implicitly communicate that the Tobacco Product has a Characterizing Flavor.
- (d) No Pharmacy or Pharmacy employee or agent shall sell or offer to sell any Tobacco Product. The Director shall not issue any new, or renew any existing, Tobacco Retailer Permit for any Pharmacy.
- (e) Subdivisions (b) and (c) of this Section shall not apply to the duty-free stores located at the San Francisco International Airport.

4.98.170 - Packaging and Labeling.

No Tobacco Retailer or other Person shall Sell or offer for Sale any Tobacco Product to any Consumer unless the Tobacco Product (1) is Sold in the original manufacturer's Packaging intended for Sale to Consumers; (2) conforms to all applicable federal Labeling requirements; and (3) conforms to all applicable child-resistant packaging requirements.

4.98.180 - Self-Service Displays Prohibited; On-Site, In-Person Sales Required.

- (a) Tobacco Retailing by means of a Self-Service Display is prohibited
- (b) All Sales of Tobacco Products and Tobacco Paraphernalia shall be conducted in-person, over the counter, in the permitted location.

4.98.190 - Notice of Minimum Age for Purchase of Tobacco Products.

Tobacco Retailers shall post conspicuously, at each point of purchase, a notice stating that Selling Tobacco Products to anyone under 21 years of age is illegal and subject to penalties. The form and content of such notice shall be subject to the approval of the Director.

4.98.200 - Positive Identification Required.

No Tobacco Retailer or other Person shall Sell or offer to Sell a Tobacco Product to another Person without first verifying by means of government-issued photographic

identification that the recipient is at least the minimum legal sales age required under state law to purchase a Tobacco Product.

4.98.210 - Minimum Age for Individuals Selling Tobacco Products.

No Tobacco Retailer shall allow, at its Retail location, any individual who is younger than 21 years of age to Sell or offer to Sell Tobacco Products.

4.98.220 - Display or Offers to Sell Tobacco Products Without Tobacco Retailer Permit Prohibited.

A Tobacco Retailer without a current valid Permit:

- (a) Shall keep all Tobacco Products out of public view. The public display of Tobacco Products in violation of this provision shall constitute Tobacco Retailing without a Permit.
- (b) Shall not display any advertisement relating to Tobacco Products that offers the Sale of such products from the Tobacco Retailer's location.

4.98.230 - Limits on Eligibility for a Permit.

- (a) No Tobacco Retailer's Permit may be issued to authorize Tobacco Retailing at or from other than a fixed location. For example, Sales by Persons on foot or from vehicles or other forms of mobile vending are prohibited.
- (b) No Tobacco Retailer's Permit may be issued to authorize Sales of Tobacco Products at a temporary event, such as flea markets and farmers' markets.
- (c) No new Tobacco Retailer Permit may be issued to authorize Tobacco Product Sales at any location within 1,000 feet of a Youth-Populated Area, as measured by a straight line from the nearest point of the property line of any parcel on which a Youth-Populated Area is located and any point along the property line of the parcel on which the Permit applicant has or proposes to locate the business.
- (d) No new Tobacco Retailer's Permit may be issued for a location which is within 500 feet of a location already occupied by another Tobacco Retailer, as measured by a straight line from the nearest point of the property line of the parcel on which the applicant's business is located to the nearest point of the property line of the parcel on which an existing Tobacco Retailer's business is located.
- (e) Tobacco Retailers with a current and valid Permit as of the date of adoption of this ordinance shall be exempt from subsections (c) and (d) of this Section unless the existing Tobacco Retailer fails to timely renew the Permit prior to its annual expiration.

- (f) The Sale of Tobacco Products and accessories is prohibited in County owned structures and in any area of a structure leased by the County, wherever located.

4.98.240 - Fees for Permit.

Tobacco Retailers shall pay all applicable fees at the rates set forth in section 5.64.070 of this ordinance code. Fees shall be used by the Director to administer and enforce this Chapter.

4.98.250 - Enforcement.

- (a) The Director or the Director's designee shall enforce this Chapter consistent with the provisions herein.
- (b) Violations of this Chapter may be criminally prosecuted as infraction(s) or misdemeanor(s) at the discretion of the prosecuting attorney as the interests of justice require.
- (c) This Section shall not be interpreted to limit the applicable civil or administrative remedies available under law.

4.98.260 - Public Nuisance.

Any violation of this Chapter is hereby declared a public nuisance, subject to all applicable civil, administrative, and criminal remedies and penalties according to the provisions and procedures of contained in this Ordinance Code and state law, including but not limited to, an action for abatement or injunctive relief

4.98.270 - Compliance Monitoring.

- (a) Compliance with this Chapter shall be monitored by the Director. In addition, any peace officer may enforce the provisions of this Chapter. The Director may designate additional persons to monitor and facilitate compliance with this Chapter.
- (b) Individuals designated to enforce the provisions of this Chapter shall inspect each Tobacco Retailer at least two times during each twelve-month period to determine if the Tobacco Retailer is complying with all applicable laws. Compliance checks shall take place during normal business hours, with or without notice. If a violation has occurred, the Tobacco Retailer shall be inspected again within three months. All permitted premises must be open to inspection by designated persons during regular business hours.

- (c) Nothing in this section shall create a right of action in any Tobacco Retailer or other person or entity against the County or its agents.

4.98.290 - Suspension or Revocation of Permit.

- (a) Grounds for Suspension or Revocation.

- (1) A Tobacco Retailer Permit may be suspended or revoked, as set forth below in subdivision (b), if any court of a competent jurisdiction determines, or the Director finds, based on a preponderance of the evidence after notice and opportunity for the Tobacco Retailer to be heard, that either of the following violations have occurred:

- i. After the Permit was issued it is determined that the Application for the Permit is incomplete or inaccurate.
- ii. The Tobacco Retailer or Tobacco Retailer's agent has violated any of the requirements, conditions, or prohibitions of this Chapter or any applicable local, state, or federal tobacco-related law.

- (2) Notwithstanding the foregoing, a Tobacco Retailer Permit shall be suspended or revoked, for the maximum time periods and as set forth in subdivision (b), if any court of competent jurisdiction determines, or the Director finds, based on a preponderance of evidence and after notice and opportunity for the Tobacco Retailer to be heard, that the Tobacco Retailer, or any agent or employee of the Tobacco Retailer, has Sold Tobacco Products to any Person(s) under the age of 21 years.

- (b) Time Period of Suspension of Permit.

- (1) Upon the first violation within any sixty (60) month period, the Permit to Sell Tobacco Products may be suspended for up to 30 days.

- (2) Upon the second violation within any sixty (60) month period, the Permit to Sell Tobacco Products may be suspended for up to 90 days.

- (3) Upon the third violation within any sixty (60) month period, the Permit to Sell Tobacco Products may be suspended for up to one year.

- (4) Upon the fourth violation within any sixty (60) month period, the Permit to Sell Tobacco Products shall be revoked. If a Permit is revoked, the Retailer shall not be eligible for a new Permit for a period of five (5) years after the effective date of revocation.

- (c) Effective Date of Suspension or Revocation.

Within ten (10) calendar days of the hearing, the Director shall issue written findings and an order regarding the suspension or revocation, which order will be effective ten (10) calendar days from the date such order was sent by certified mail to the Retailer, unless a timely appeal is filed in accordance with subsection (d).

(d) Appeal of Suspension or Revocation.

The decision of the Director is appealable to the San Mateo County Licensing Board and the procedural rules of the San Mateo County Licensing Board shall govern hearings on all appeals of suspensions and revocations.

- (1) An appeal must be in writing, be addressed to the Director and be hand-delivered to the offices of the Division of Environmental Health.
- (2) An appeal must be received by the Director before the effective date of suspension or revocation provided by subsection (c) in order to be considered.
- (3) The filing of a timely appeal will stay a suspension or revocation pending a decision on the appeal by the San Mateo County Licensing Board.
- (4) The decision of the San Mateo County Licensing Board shall be a final administrative order, with no further administrative right of appeal.

4.98.300 - Administrative Fine.

(a) Grounds for Fine. A fine shall be imposed on a Tobacco Retailer upon findings made by the Director, based on a preponderance of the evidence, that any Tobacco Retailer, or any agent or employee of the Tobacco Retailer, has violated any of the requirements, conditions, or prohibitions of this Chapter. A fine shall be imposed in the maximum amounts set forth in subsection (b) of this section upon findings made by the Director that the Tobacco Retailer, or any agent or employee of the Tobacco Retailer, has Sold any Tobacco Product to any Person(s) under the age of 21 years. Any administrative fine shall be imposed solely against the Tobacco Retailer, not the Tobacco Retailer's employees or agents.

(b) Amount of Fine. Upon written findings made by the Director under subsection (a), the person or entity holding the Tobacco Retailer Permit shall be subject to an administrative fine for each such violation as follows:

- (1) A fine not exceeding five hundred dollars (\$500) for a first violation within a sixty (60) month period; and

(2) A fine not exceeding one thousand dollars (\$1,000) for each subsequent violation within a sixty (60) month period.

(c) Each day that Tobacco Products are Sold or offered for Sale without a Permit or otherwise in violation of this Chapter shall constitute a separate violation. A finding of "offered for Sale" in violation of this Chapter will be made if Tobacco Products are either actually Sold and/or displayed in the retail establishment, or if advertisements offering to Sell Tobacco Products are visible to customers.

(d) Fine Procedures. Notice of the fine shall be served on the Tobacco Retailer by certified mail. The notice shall contain a description of the facts upon which the asserted violation is based and an advisement of the right to request a hearing before the Director contesting the imposition of the fine. Said hearing must be requested within ten calendar days of the date appearing on the notice of the fine. The decision of the Director shall be a final administrative order, with no administrative right of appeal.

(a) Failure to Pay Fine. If a fine imposed pursuant to this Chapter is not paid within 30 calendar days from the date appearing on the notice of the fine or of the notice of determination of the Director after the review provided for under subdivision (c) of this Section, the fine may be referred to a collection agency within or external to the County. In addition, any outstanding fines must be paid prior to the issuance of any new Permit or renewal of a Permit.

4.98.310 - Enforcement of this Chapter in Cities.

The Director may administer and enforce the provisions of this Chapter on behalf of any city located within San Mateo County, within the jurisdictional boundaries of that city, if the city council of that city does each of the following:

(a) Adopts, and makes part of its municipal code:

(1) This Chapter 4.98 in its entirety by reference; or

(2) An ordinance that contains each of the provisions of this Chapter 4.98 verbatim with no additional provisions not included in this Chapter 4.98; and

(b) Authorizes, by ordinance or resolution, the Director to administer and enforce, on behalf of that city, the provisions of this Chapter as adopted pursuant to subsection (a) of this section.

SECTION 3. It is the intent of the Board of Supervisors of the County of San Mateo to supplement applicable state and federal law and not to duplicate or contradict such law and this ordinance shall be construed consistently with that intention. If any provision of this Chapter or the application of such provision to any person or in any circumstances shall be held invalid, the remainder of this Chapter, or the application of such provision to person or in circumstances other than those as to which it is held invalid, shall not be affected thereby.

SECTION 4. Except as otherwise provided, this ordinance shall apply only to the unincorporated area of San Mateo County.

SECTION 5. This ordinance shall be effective thirty days after adoption.

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Tobacco Retailers with County Permits as of 2022

- 1 Crestmoor Gas & Food Inc**
2901 San Bruno Ave W
**currently Ecoro Gas*
- 2 7 Eleven**
2020 Hollingwood Drive
- 3 Chevron**
2001 Hollingwood Drive
- 4 76**
2000 Hollingwood Drive
- 5 7 Eleven**
2100 Crestmoor Drive
- 6 San Bruno Kwik Save**
2101 San Bruno Ave W
**currently Grand Gasoline*
- 7 Lucky's**
1322 El Camino Real
- 8 Specialty Tobacco Outlet**
1230 El Camino Real #L
- 9 Beverages & More Inc**
1262 El Camino Real
- 10 Tanforan Shell**
1199 El Camino Real
**currently Hungry Planet*
- 11 Double AA El Camino**
800 El Camino Real
- 12 La Dora Liquors & Deli**
604 San Bruno Ave
- 13 San Bruno Shell**
798 El Camino Real
- 14 Exotic Vapes & CBD**
711 Kains Ave
- 15 Saye Cayetano Mini Market**
875 Huntington Ave
- 16 Sam's Food Market**
895 San Mateo Ave
- 17 Mini Mart**
297 San Bruno Ave E
- 18 76 Mart**
717 San Bruno Ave E
- 19 San Bruno Veleo**
310 San Bruno Ave E
- 20 Artichoke Joe's Casino**
659 Huntington Ave
- 21 Grand Leader Market**
600 San Mateo Ave
- 22 7 Eleven**
105 Angus Ave W
- 23 Los Primos Produce and Market**
599 San Mateo Ave
- 24 Paradise Hookah Lounge**
591 San Mateo Ave
- 25 San Bruno Liquors**
542 San Mateo Ave
- 26 Exotic Puff N Stuff**
484 San Mateo Ave
- 27 Speedy Spot**
701 Jenevain Ave
- 28 San Bruno Gas**
401 San Mateo Ave
- 29 Walgreens Company**
333 El Camino Real
- 30 Cigarettes Cheaper**
292 El Camino Real
- 31 Liquor Locker**
185 El Camino Real
- 32 San Bruno Arco**
1799 El Camino Real
- 33 Mid East Market**
1776 El Camino Real
- 34 The Twilight Zone**
1630 El Camino Real

1,000 ft Buffer as required by County Ordinance Chapter 4.98.100

Youth-Populated Area

As defined by San Mateo County Ordinance Chapter 4.98.100

