



City of San Bruno, California

City Council Adopted Budget

Fiscal Year 2025-26



Fiscal Year 2025-26

Mission Statement

The City of San Bruno exists to provide exemplary services for our community that enhance and protect the quality of life.

Core Values

- + Integrity
- + Protecting, guarding, and shepherding public resources and interests
- + Teamwork
- + Exemplary service to the community
- + Competent, well-trained employees
- + Friendliness
- + Commitment to the community

Vision Statement

San Bruno will be the Peninsula City of choice in which to live, learn, work, shop and play.



Elected and Appointed Officials As of July 1, 2025

City Council

Rico E. Medina, Mayor
Marty Medina, Vice Mayor, District 4
Sandy Alvarez, Council member, District 1
Tom Hamilton, Council member, District 2
Michael Salazar, Council member, District 3

City Council Appointed Officials

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

City Manager Appointed Officials

Administrative Services Director/CFO, 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
Police Chief, Matt Lethin
Public Works Director, Matthew Lee, P.E.

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Fiscal Year 2025-26

City Manager's Transmittal Letter



Trimming at the Fringes No Longer Cuts It

Honorable Mayor, Members of the City Council, San Bruno residents, and the City workforce,

I am honored to present the Fiscal Year 2025–26 (FY26) Budget, totaling \$287 million citywide, including a **balanced General Fund budget of \$68.8 million** relying on a conceptual 5-year plan that leverages restricted funding for major capital investments, freeing up other funds for operations. The General Fund is the City's primary operating fund and collects all taxes and funds programs including fire, police, park, library, streets, engineering, administration, senior programming and senior nutrition, and some recreation programming. The City's remaining 48 funds are behaving as expected using fund balances where needed to meet the FY26 spending plan. This includes \$126.6 million in the City's Enterprise Funds representing both operations and capital.

This year's theme, "**Trimming at the fringes no longer cuts it,**" highlights both a reckoning with the impacts of the State's overreach in its redirection of local funds and serves as impetus to identify opportunities to fortify the City's fiscal condition for the long term. For several years, San Bruno has implemented strategic budget reductions that focused on maintaining a balanced General Fund budget by making marginal adjustments. These marginal and unsustainable adjustments included use of American Rescue Plan Act (ARPA) funds to support staff positions, delay in capital investments, deferral of equipment replacement, and use reserves for one-time purchases on an ad hoc basis. The consequence of these decisions has been the postponement of necessary expenditures, pushing them further into the future until they reach a critical stage requiring immediate action.

However, this year's budget is built around a candid discussion of the challenges anticipated in the next decade and a conceptual five-year plan that shores up the General Fund. The objective is to ensure that structural decisions made today

do not exacerbate the inevitable need to reduce services and seek voter approval of a new unrestricted revenue measure for General Fund operations. **The City, just like its residents, must live within its means** and the voters have been very supportive of City services in the past with passage of two tax measures, the unrestricted 2019 Measure G ½ cent local sales tax (Measure G) and the restricted 2024 Measure Q General Obligation Bond measures (Measure Q).



Revenue Considerations

The General Fund's revenue base is predominantly comprised of taxes, supporting over 70 percent of annual expenditures. San Mateo County is one of several counties in the state where allocation formulas dictated by the State set the stage for cities to receive less than their entitled Property Tax In-Lieu of Vehicle License Fees (In-Lieu VLF). For San Bruno, specifically, the initial budget development process **anticipated \$7 million** of In-Lieu VLF for FY26. In May, the County published their forecast of the In-Lieu VLF which indicates an estimated In-Lieu VLF shortfall of \$3 million for the City. Moreover, if the current funding allocation methodology persists, staff foresees losing the entirety of In-Lieu VLF within the next five to seven years. The cities and San Mateo County are collaborating to secure legislation that would make all cities and the county whole. However, the State's \$12 billion deficit significantly raises the possibility that the loss of \$3 million In-Lieu VLF will occur in FY26. The definitive outcome of this matter will remain uncertain until the State's final budget decisions are made, which may extend into July.

What is In-Lieu VLF?

The revenue source dates to 2004 when the State permanently reduced the VLF rate from 2% to 0.65% and promised to compensate cities for lost revenue resulting from the State's actions. The State replaced the VLF revenues with a commensurate share of property tax revenues, known as Property Tax In-Lieu of VLF. The amount allocated was based on each jurisdiction's VLF revenue in FY 2004-05 and is adjusted annually based on property tax growth. San Bruno is entitled to \$7 million in FY26. The California Governor's FY26 budget reinstated two-thirds, reducing the In-Lieu VLF shortfall to close to \$1 million for the City.

In-Lieu VLF is the most likely adverse revenue consideration for FY26. Additional revenues at risks exist and cumulatively have the potential to dramatically shift the City's ability to meet its obligations. The threats include the following estimated losses:

- **\$2 million, annually**, in addition to the \$1 million annual loss in FY26 for In-Lieu VLF.
- **\$6 million, annually**, if the California Department of Taxation and Fee Administration prevails in their challenge of the City's tax-sharing agreement.
- **\$2 million, annually**, if the State Controller's findings that a handful of counties, including San Mateo County, have miscalculated Excess Educational Revenue Augmentation Fund (Excess ERAF) distributions.
- **\$3.7 million, annually**, in cardroom taxes and fees pending outcome of lawsuits authorized by 2024 Senate Bill 549 which allows Native American tribes to sue gambling halls across California alleging that those establishments illegally offer card games such as black jack and poker that cut into the tribes' gambling revenues.

These challenges could lead to an annual budget shortfall of nearly \$18.7 million, or over 27% of the General Fund further exacerbating the estimated 10-year revenue loss while the Shops at Tanforan transitions to a mixed-use development. And we cannot overlook the unfulfilled promises of cannabis tax largess by the City's sole retail cannabis operator.

Expenditure Considerations

As a service-based organization, the City’s most invaluable asset is its workforce. Approximately 73 percent of the General Fund is allocated to personnel expenditures, which include the dedicated City staff responsible for public safety and emergency response, street and park maintenance, recreation and senior services, and various other essential services relied upon by residents. Ensuring the delivery of high-quality services necessitates a well-equipped workforce, complete with the necessary tools to perform their duties efficiently and effectively, as well as a competitive salary and benefits package. This budget refrains from proposing to balance financial constraints by deferring investments in our employees’ salaries, benefits, tools, or equipment.

In an abundance of caution, I am evaluating an immediate across-the-board hiring freeze until we have resolution on the State’s In-Lieu VLF backfill or the City moves forward with the conceptual 5-year plan outlined below. This will affect all departments given the City’s current vacancies. The reality is that service reductions are necessary as early as FY26 absent any action by the State on In-Lieu VLF or a reimagining of how the City leverages revenues within its full control.

“San Bruno Triple Flip”

This budget emphasizes resilience and long-term strategy rather than short-term balancing. As with prior years, the City continues to maintain healthy reserves, in-line with the City Council adopted Fund Balance Policy. The base reserves are maintained at 30% of General Fund expenditures and are intended for use during a cyclical economic downturn and unforeseen circumstances. Other reserves are designated for one-time needs according to City Council policy. However, the challenge before us is not solved by drawing down reserves due to the loss of structural revenue and increases in structural expenditures.

Without relying on reserves to balance the budget, staff developed a conceptual 5-year plan (Exhibit 1.1), called the “San Bruno Triple Flip,” to stabilize General Fund finances. This plan includes using: potential grant funding to initiate the Fire Station No. 52 replacement project, Measure Q to leverage bond proceeds for significant investment in City streets, and Measure G to support General Fund operations in code enforcement, fire prevention, and street maintenance.

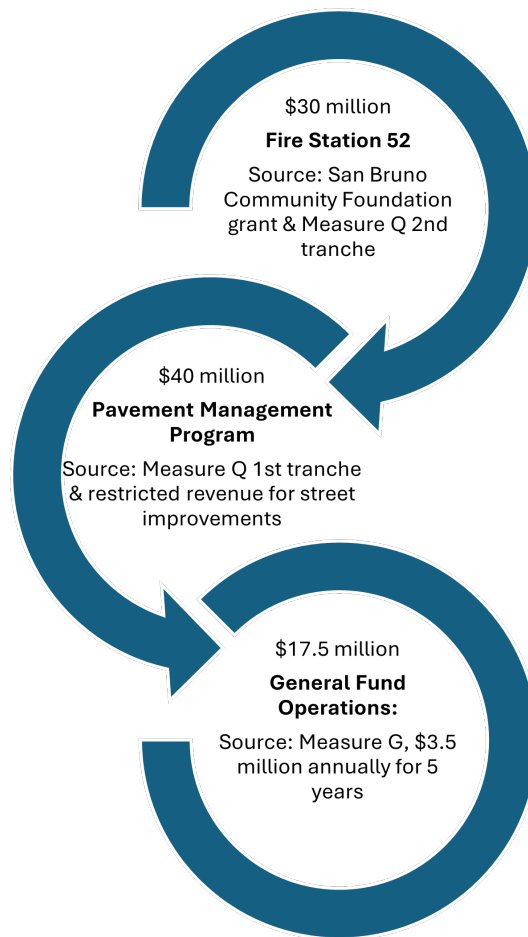


Exhibit 1.1

City Manager’s Transmittal Letter

“San Bruno Triple Flip” (continued)

Flip 1 - \$30 million Fire Station No. 52 replacement:

San Bruno Community Foundation (SBCF) Grant and Measure Q – 2nd tranche

The first phase of the San Bruno Triple Flip is possible due to a potential grant from the SBCF to build a new Fire Station No. 52, which addresses a timing constraint on the use of Measure Q bond proceeds for constructing the new facility. When the initial Measure Q funding plan was presented to Council in March, staff noted that federal tax regulations require that tax-exempt-bond funded projects be substantially completed within three years of bond issuance. Since the City does not yet have a firm location or design for the new fire station, it is unlikely that construction will be completed within the specified time frame. Therefore, staff recommended two smaller bond issuances to meet the cash flow needs of the Fire Station project. With the support of the potential SBCF grant, the planning, design, and initial construction of Fire Station No. 52 can begin without the timing restrictions imposed by the bonds. An updated bond proceeds analysis indicates that issuing approximately \$34 million in 2025/26 would be feasible if the bond proceeds are allocated to eligible Measure Q projects and those projects are substantially complete by 2028/29. It should be noted that if we do this, we will not be able to issue a second tranche for several years.



Flip 2 - \$40 million Pavement Management Program (PMP) using Measure Q 1st Tranche and Streets Restricted Revenues

The second phase of the San Bruno Triple Flip outlines how the City will allocate \$34 million in Measure Q proceeds within three years of bond issuance. Measure Q funds are restricted to capital projects related to stormwater, streets, and fire stations, with streets identified as a primary candidate for utilizing this amount within the given timeframe. Prior to the SBCF grant offer, the preliminary Measure Q spending plan required splitting the first Measure Q tranche between the fire station and the PMP. With the first flip available as described above, the budget includes significant investments in the FY26 PMP, with recommendations to continue these investments in FY27 and FY28 to fully utilize the initial \$34 million tranche of Measure Q bonds within the three-year period. The five-year plan proposes nearly \$40 million for the PMP, funded through a combination of Measure Q and dedicated street revenues such as gas taxes. While this investment may temporarily affect residents, it aims to enhance infrastructure quality over the long term.

Flip 3 - \$3.5 million of Measure G annually to support Code Enforcement, Fire Inspection, and Street Maintenance

The third flip, and the most critical component of the conceptual five-year plan, allocates Measure G funds away from capital investment to code enforcement, fire inspection, and street maintenance, covering both personnel and operational costs. Historically, Measure G has supported a variety of programs, with most of the funding allocated to the annual PMP. With the implementation of the second flip, described above, the City can surpass the robust PMP

City Manager’s Transmittal Letter

Flip 3 (continued)

investment provided by Measure G using Measure Q’s restricted revenue instead. This reallocation releases the \$3.5 million in Measure G funds for other uses. The plan designates \$17.5 million over five years for General Fund operations. If the State addresses the projected \$3 million In-Lieu VLF shortfall in FY26 and beyond, the third flip may not be necessary. For additional information on Measure G projects and services, please refer to the Notable Budget Changes section of this chapter.

Additional Financial Stabilization Considerations

The staff suggests that the City examine two additional financial stabilization strategies for FY26. First, it has been noted that routine equipment replacements such as Automatic Electronic Defibrillators (AEDs), safety gear, and other equipment require annual justification and compete for limited financial resources through the annual budget process. To alleviate the burden of this annual process, staff recommends **reestablishing and updating the equipment reserve fund**, or sinking fund, to provide for replacements of tools and equipment necessary to deliver services to the community outside of the general operating budget. The City could consider using the One-Time Revenue reserve or unassigned fund balance to true-up the sinking fund as of FY26 and then make annual contributions, when possible, to maintain sufficient balance to meet operating needs.

Another potential strategy for future stabilization is considering a **revenue measure on the 2026 General Election ballot**. With adequate preparation to obtain the necessary legislative approvals for an override on the sales tax cap, the City might evaluate the feasibility of implementing another ½ cent sales tax, which could generate an estimated \$3.5 million to support operations and avoid service cuts.

Closing

The upcoming fiscal year will be a pivotal period for the City’s future, requiring difficult decisions. Staff will provide the City Council with quarterly updates and, if necessary, propose budget amendments to adjust the spending plan in response to new information and revenue and expenditure variances. The FY26 budget process highlighted that minor adjustments at the periphery are no longer adequate. Moving forward will require bold decisions and long-term strategic planning, presenting an opportunity to strengthen the City’s financial foundation for San Bruno’s future.

Respectfully submitted,

Alex D. McIntyre
City Manager

Navigating the Budget Document

- Transmittal Letter and Budget Discussion chapters provide the highest level discussion of the FY26 budget outlining key policy considerations.
- Departmental and Capital Improvement Budget chapters provide greater detail on departmental and Capital Improvement Program budgets, highlighting accomplishments, goals, and historical revenue and expenditure trends.
- City Overview, Glossary, and Appendices include information recommended by the Government Finance Officers’ Association to enhance the budget document as a public communication tool.

City Manager's Transmittal Letter

Fiscal Year 2024-25 (FY25) in Review

Opening the Recreation and Aquatic Center

The opening of the San Bruno Recreation and Aquatic Center (RAC) provides a much-needed modern space for residents to engage in fitness, wellness, and community-building activities. It enhances the city's quality of life by offering inclusive recreational opportunities for all ages in a safe and accessible environment. The RAC was also recognized with 2024 Outstanding Architectural Engineering Project awards from both the San Francisco section and the state-level Region 9 of the American Society of Civil Engineers.

Centennial Plaza Opening and Florida Park Construction

The opening of Centennial Plaza revitalizes downtown San Bruno by creating a welcoming public space that encourages community gatherings, outdoor dining, and local events, thereby enhancing the vibrancy of the business district. Similarly, the construction of Florida Avenue Park provides a much-needed neighborhood park and recreational amenities, promoting health, wellness, and social connections among residents of all ages.

Successful Police Chief Recruitment

The City expects its new Police Chief to be sworn in June, marking an effective transition of leadership following a successful, high-profile recruitment.

Implementation of a New Financial Planning & Analysis (FP&A) Software and Human Resources Information System (HRIS)

As part of the ERP replacement project, staff launched a new FP&A system to prepare the FY26 budget and long-range forecast. The system will be instrumental in managing the City's financial resources in the face of future challenges. The new HRIS kicked off in the last quarter of FY25 and provides efficiencies that will reduce manual processes. Both tools selected possess built-in AI tools that will further enhance the system's functionality as technology advances.

Building Permit Process Improvements

Improved the building permit process for customers and staff through the full launch of the new online permitting software for all building permit types, including instant permit issuance for solar and energy storage systems, and the launch of the new coordinated plan review process that improves coordination of interdepartmental plan review with reduced administrative overhead and faster turnarounds for applicants.

Five-Year Long Range Planning Strategy

Held three joint City Council and Planning Commission meetings outlining the Five-Year Long Range Planning Strategy and providing updates on the Tanforan Redevelopment project, the Housing Element certification and implementation efforts, the Metropolitan Transportation Commission's Transit-Oriented Communities (TOC) Policy compliance plan, the Climate Action Plan, Safety Element Update, TCP Financial Feasibility Study, and the Environmental Justice and Open Space Elements.

We Love Paving!

Launching a new paving website, serving as informational hub for residents to learn about the City's paving management program and pothole repair efforts, including City Council presentations, an overview of the City's paving management strategy, including pavement condition index (PCI) ratings and project selection criteria, educational videos, and an introduction to T.E.D., the City's new hot mix pothole patch truck, among various other resources.

Capital Improvement Program (CIP) Resource and Process Revamp

Implementing a prioritization framework that ensures our decisions are equitable, data-driven, and aligned with community priorities.

Regulated Output Streetlight Phase 1 completion

Replacing 150 RO streetlights with solar streetlights in the Crestmoor and Rollingwood neighborhoods to resolve persistent systemic issues within the RO system.

Electrifying the corporation Yard and Installing New EV Chargers

Initiating the electrification of the Corporation Yard by securing grants from Peninsula Clean Energy and PG&E to install EV chargers and support the transition to a zero-emission fleet, with additional chargers installed at key locations throughout the City

EPA grant for I-280/I-380 Stormwater Capture Project

Securing an EPA grant for the I-280/I-380 Stormwater Capture Project, which will improve water quality in San Bruno Creek by capturing and treating stormwater runoff before it reaches the Bay. It will also help protect local groundwater and provide a model for future stormwater capture efforts in the region.

Strategic Investments and Service Priorities

Despite funding challenges, the FY26 Budget incorporates several targeted investments that preserve core services and advance quality-of-life priorities for San Bruno residents:

- **City Council top initiatives for FY26** are fully funded including the launch of the “**Cleanup San Bruno**” initiative, a \$1.46 million program funded by Measure G to improve cleanliness, aesthetics, and neighborhood pride. More information about the City Council’s top priority initiatives for FY26 is included in the Budget Discussion chapter.
- **Contingency funding for labor negotiations**, supporting employee retention, particularly in public safety and highly competitive civil engineering roles.
- **New tools, technology, and field equipment** to modernize operations and enhance community-facing services in public safety departments.
- **Major capital investments** in the City’s aging streets using new revenue from voter approved 2024 Measure Q general obligations bonds and water and wastewater investments funded by utility rate payers. Capital Improvement Program projects are found in the CIP section of this document.



All Funds Budget Summary – FY26

The All Funds Budget Summary report shows each Fund’s financial status by subtracting net revenue or expenditure from estimated funds. For FY26, the budgeted net expenditure is \$90.0 million, mainly for capital programs. Reserve Funds’ expenditures match their policy purposes. The City’s budget assumes full spending of allocated capital project funds to avoid double budgeting.

General Funds						
Fund No.	Name	Est. Beginning Fund Balance	Revenues	Expenditures	Net Revenue (Expenditure)	Est. Ending Fund Balance
001	General Fund	\$13,366,390	\$68,780,250	\$68,775,416	\$4,834	\$13,371,224
002	Budget Stabilization Reserve	11,550,696	-	-	-	11,550,696
003	One-time Revenue	14,361,977	1,000,000	3,726,850	(2,726,850)	11,635,127
004	Contingency Reserve	10,767,436	4,000,000	-	4,000,000	14,767,436
005	Measure G District Sales Tax	1,352,837	3,500,000	3,864,241	(364,241)	988,596
Total General Funds		\$51,399,336	\$77,280,250	\$76,366,507	\$913,743	\$52,313,078
Special Revenue Funds						
101	Gas Tax	\$992,648	\$2,404,846	\$1,940,000	\$464,846	\$1,457,494
102	Measure A Transportation Tax	473,311	1,315,000	1,135,000	180,000	653,311
103	Street Special Revenue	4,429	-	-	-	4,429
104	Measure W Transportation Tax	763,930	492,000	1,125,000	(633,000)	130,930
111	Police Asset Forfeiture	611,777	100,000	115,000	(15,000)	596,777
113	Police Special Revenue	339,109	150,000	150,000	-	339,109
121	Federal/State Grants	(772,344)	206,703	16,000	190,703	(581,641)
122	Solid Waste/Recycling	243,076	268,213	299,923	(31,710)	211,366
131	In-Lieu Fees	3,988,413	30,000	246,081	(216,081)	3,772,332
132	Agency On Aging	(221,471)	395,055	685,339	(290,284)	(511,755)
133	Restricted Revenues	2,477,785	135,000	733,050	(598,050)	1,879,735
136	Emergency Disaster Reserve	966,824	-	-	-	966,824
137	Developer Project Contributions	(44,506)	-	-	-	(44,506)
138	Affordable Housing	10,119,774	-	-	-	10,119,774
141	Community Development	3,245,895	4,922,550	5,333,700	(411,150)	2,834,745
142	Recreation & Aquatic Center	(0)	4,167,401	4,167,401	(0)	-
153	RDA Obligation Retirement Fund	(2,862,701)	-	-	-	(2,862,701)
160	Community Facility Impact Fee	4,013,345	-	41,850	(41,850)	3,971,495
161	Public Safety Impact Fee	22,762	-	-	-	22,762

All Funds Budget Summary – FY26 (continued)

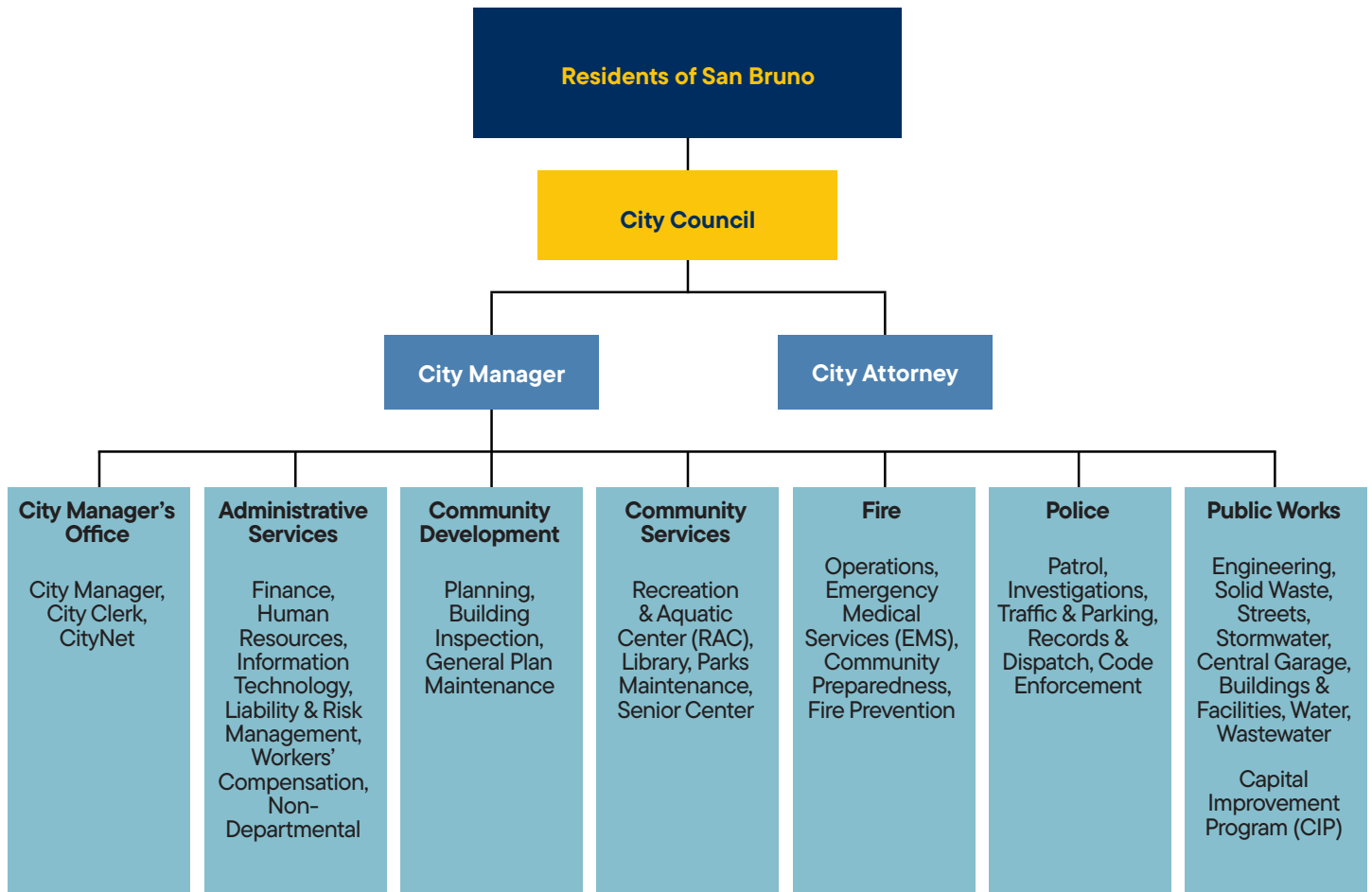
Special Revenue Funds <small>(continued)</small>						
Fund No.	Name	Est. Beginning Fund Balance	Revenues	Expenditures	Net Revenue (Expenditure)	Est. Ending Fund Balance
163	Transportation Facility Impact Fee	\$6,079,518	-	\$135,810	\$(135,810)	\$5,943,708
164	Utility Facility Impact Fee	332,928	-	-	-	332,928
165	Bayhill Area Development Impact Fee	4,214,128	-	-	-	4,214,128
166	Community Benefit Fund	9,566,327	-	-	-	9,566,327
Total Special Revenue Funds		\$45,634,080	\$14,586,768	\$16,124,155	\$(1,537,387)	\$44,096,694
Capital Project Funds						
201	Parks And Facilities Capital	\$14,196,365	\$11,623,135	\$19,574,299	\$(7,951,164)	\$6,245,201
203	Street Improvement Projects	8,086,027	15,256,087	20,415,712	(5,159,625)	2,926,402
207	Technology Capital	2,161,695	-	3,180,032	(3,180,032)	(1,018,337)
299	Measure Q		13,400,000	13,400,000	-	-
Total Capital Project Funds		\$24,444,087	\$40,279,222	\$56,570,042	\$(16,290,820)	\$8,153,267
Enterprise Funds						
611	Water Fund	\$82,279,655	\$20,104,831	\$41,870,847	\$(21,766,016)	\$60,513,639
621	Stormwater Fund	7,750,943	6,745,200	8,488,246	(1,743,046)	6,007,897
631	Wastewater Fund	91,857,090	22,678,579	71,500,040	(48,821,461)	43,035,629
641	Citynet Services Fund	1,065,256	2,490,834	3,571,967	(1,081,133)	(15,877)
651	Parking Fund	(574,833)	1,222,039	1,215,424	6,615	(568,218)
Total Enterprise Funds		\$182,378,111	\$53,241,483	\$126,646,524	\$(73,405,041)	\$108,973,070

All Funds Budget Summary – FY26 (continued)

Internal Service Funds						
Fund No.	Name	Est. Beginning Fund Balance	Revenues	Expenditures	Net Revenue (Expenditure)	Est. Ending Fund Balance
701	Central Garage	\$173,587	\$1,982,986	\$1,717,934	\$265,052	\$438,639
702	Facility Maint.Fund	576,686	2,972,091	2,959,586	12,505	589,191
703	General Equipment Revolving	1,777,365	-	-	-	1,777,365
707	Technology Development	1,079,028	1,870,690	1,845,138	25,552	1,104,580
711	Self Insurance	(3,225,499)	3,382,369	3,369,069	13,300	(3,212,198)
Total Internal Service Funds		\$381,168	\$10,208,136	\$9,891,727	\$316,409	\$697,577
Lease Debt Services						
302	Lease Debt Service	\$1,710	\$1,370,000	\$1,367,283	\$2,717	\$4,427
Total Debt Service Funds		\$1,710	\$1,370,000	\$1,367,283	\$2,717	\$4,427
All Funds		\$304,238,492	\$196,965,860	\$286,966,239	\$(90,000,379)	\$214,238,113



Organizational Chart

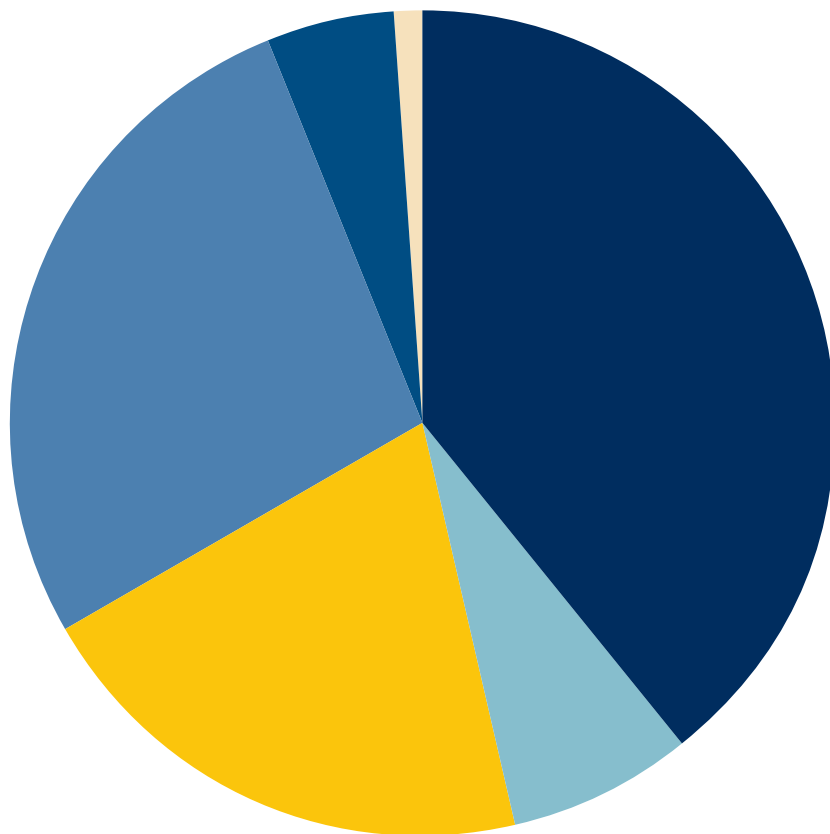


All Funds Revenue and Expenditure by Fund Type – FY26

The City’s total budget amounts to \$293 million. Revenues and expenditures by Fund Type are graphically represented in Exhibits 1.3 and 1.4, classified by their primary funding source. General Funds have no restrictions and serve operational purposes. Special Revenue Funds come with internal or external restrictions on their use, including the second fiscal year of Recreation and Aquatic Center (RAC) and Community Development special revenue funds. Enterprise Funds support business-type operations such as water, wastewater, CityNet, stormwater, and parking. Capital Projects Funds encompass non-Enterprise Fund facilities, parks, streets, and technology projects, with water and wastewater capital expenditures reported under their respective enterprise funds. For a detailed analysis and narrative, please refer to the budget discussion chapter.

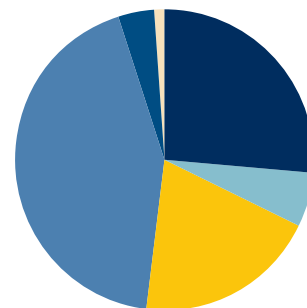
Revenues by Fund Type

- General Funds (39.24%) ■ Internal Service Funds (5.18%)
- Capital Project Funds (20.45%) ■ Debt Service Funds (.70%)
- Enterprise Funds (27.03%) ■ Special Revenue Funds (7.41%)



Expenditures by Fund Type

- Internal Service Funds (3.45%)
- Debt Service Funds (.48%)
- Special Revenue Funds (5.62%)
- General Funds (26.61%)
- Capital Project Funds (19.71%)
- Enterprise Funds (44.13%)



City Manager’s Transmittal Letter

All Funds Appropriations and Personnel, by Department – FY26

The City’s budget is distributed among nine operating departments as well as a non-departmental category. Non-departmental revenue includes taxes and intergovernmental receipts, while expenditures comprise contingencies and the Unfunded Actuarial Liability (UAL) payment required by CalPERS. Exhibit 1.5 outlines the appropriations listed in Exhibits 1.3 and 1.4 by department, along with the staffing allocations for each department. Overall, the FY26 budget allocates funding for 287.0 full-time equivalent (FTE) personnel.

DEPARTMENT	FULL TIME EQUIVALENT (FTE) PERSONNEL	REVENUES	EXPENDITURES	NET REVENUE (EXPENDITURE)
City Council	5.00	\$-	\$2,112,443	\$(2,112,443)
City Manager's Office	7.35	2,370,339	2,369,386	953
City Attorney	-	-	825,204	(825,204)
Administrative Services	21.65	9,509,055	9,751,482	(242,428)
Police	72.00	3,741,293	23,879,817	(20,138,524)
Fire	40.00	563,500	14,046,114	(13,482,614)
Community Development	16.00	4,952,550	6,513,687	(1,561,137)
Public Works	75.00	87,517,268	197,015,044	(107,497,776)
Community Services	36.00	4,230,772	14,407,259	(10,176,487)
CityNet Services	14.00	2,490,834	3,571,967	(1,081,133)
Non-Departmental	-	83,560,249	18,599,098	64,961,151
All Programs	287.00	\$200,935,860	\$293,091,502	\$(92,155,642)

City Manager’s Transmittal Letter

Historical Personnel by Fund Type and Department

Expanding further on full-time equivalent (FTE) personnel listed in Exhibit 1.5, the following exhibit provides the historical FTE personnel by fund type and department.

FUND TYPE	DEPARTMENT	FY22 Authorized	FY23 Authorized	FY24 Authorized	FY25 Authorized	FY26 Budget
General Funds	City Council	5.00	5.00	5.00	5.00	5.00
	City Attorney's Office	1.25	1.25	0.25	-	-
	City Manager's Office	7.00	7.00	7.50	6.50	7.35
	Administrative Services	13.25	15.00	16.25	14.75	15.15
	Police	67.00	69.00	70.00	71.00	72.00
	Fire	37.00	38.00	38.00	39.00	40.00
	Community Development	14.00	14.00	14.00	-	1.15
	Public Works	15.05	18.10	18.95	20.66	21.51
	Community Services	28.00	33.00	36.00	24.45	25.70
General Funds Total		187.55	200.35	205.95	181.36	187.86
Special Revenue Funds	Community Development	-	-	-	16.00	14.85
	Public Works	0.45	0.45	0.45	0.71	0.71
	Community Services	-	-	-	11.55	10.30
Special Revenue Funds Total		0.45	0.45	0.45	28.26	25.86
Enterprise Funds	Public Works	40.00	41.85	42.00	40.41	39.66
	CityNet Services	19.00	17.00	17.00	14.00	14.00
Enterprise Funds Total		59.00	58.85	59.00	54.41	53.66
Internal Service Funds	Administrative Services	4.00	4.25	4.00	4.75	6.50
	Public Works	11.50	11.60	11.60	12.22	13.12
Internal Service Funds Total		15.50	15.85	15.60	16.97	19.62
Grand Total		262.50	275.50	281.00	281.00	287.00

New positions include:

1.0 FTE Facilities Technician I/II – This new position addresses the operational need for dedicated attention to maintaining complex facility systems, for example HVAC, at the newly constructed Recreation and Aquatic Center (RAC). Although the position was previously approved by the City Council as part of the 2023-24 budget, it was not funded due to the delayed opening of the facility.

1.0 FTE Code Enforcement Manager – As part of the “Cleanup San Bruno” initiative, the Code Enforcement Manager will increase staff capacity to handle enforcement needed to address issues such as illegal dumping and other quality of life challenges faced by residents.

1.0 FTE Deputy Fire Marshal – The Deputy Fire Marshal position is required to provide resources to comply with new state mandates arising from the adoption of updated high-fire danger severity zones.

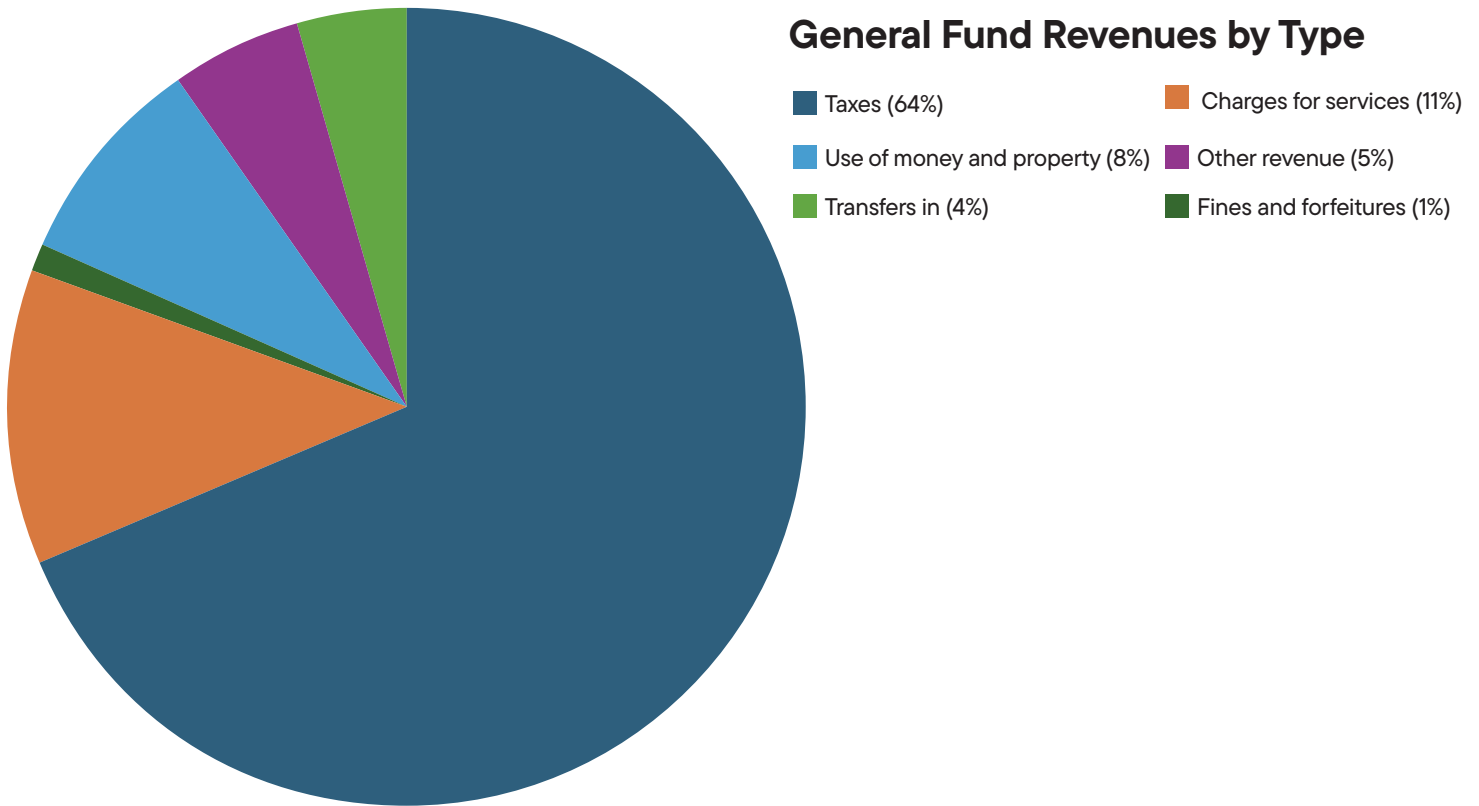
1.0 FTE Principal Special Project Manager (PSPM) – The City currently lacks support for high-level project management within the City Manager’s Office and the Administrative Services Department. To address this gap, the PSPM classification was established in FY25 to create a role for a highly skilled individual contributor to manage crucial projects. These projects include significant investments in workforce development and new business systems and processes, which are designed to enhance the efficiency of the broader city workforce. This position will be a limited duration, three-year provisional term.

2.0 FTE Associate/Senior Engineer – The City’s current Capital Improvement Program (CIP) budget requires increased staff support for both focused projects in the City’s enterprises and non-enterprise supported capital programs.

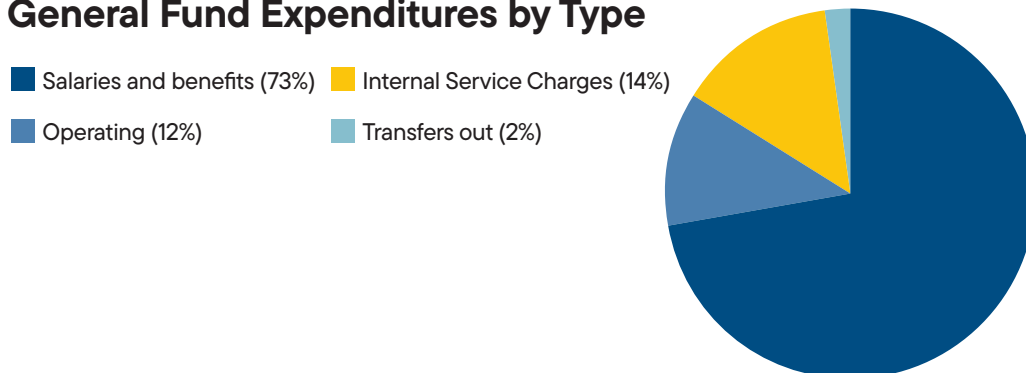
General Fund Revenue and Expenditure by Type – FY26

The General Fund budget is presented in two formats. Exhibits 1.7 and 1.8 on this page show a breakdown of the General Fund revenue and expenditures by type, respectively. Taxes constitute the largest portion of the General Fund’s revenue. Similarly, salaries and benefits represent the largest part of the General Fund’s expenditure, consistent with the City’s function as a service-oriented entity. For further analysis and details, please refer to the budget discussion chapter.

General Fund Revenues by Type



General Fund Expenditures by Type



City Manager’s Transmittal Letter

General Fund Appropriations and Personnel, by Department – FY26

The City’s budget covers nine operating departments and a unique non-departmental category in the General Fund. Non-departmental revenue includes taxes and intergovernmental receipts, while expenditures cover contingencies and the CalPERS-mandated Unfunded Actuarial Liability (UAL) payment. Exhibit 1.9 shows departmental appropriations and staffing as listed in Exhibits 1.7 and 1.8. The FY26 budget funds 187 full-time equivalent (FTE) personnel in the General Fund.

DEPARTMENT	FULL TIME EQUIVALENT PERSONNEL	REVENUES	EXPENDITURES	NET REVENUE (EXPENDITURE)
City Council	5.00	\$-	\$ 317,443	\$ (317,443)
City Manager's Office	7.35	2,370,339	2,369,386	953
City Attorney	-	-	825,204	(825,204)
Administrative Services	15.15	4,255,995	4,537,275	(281,280)
Police	72.00	2,042,551	22,339,930	(20,297,379)
Fire	40.00	563,500	13,846,114	(13,282,614)
Community Development	1.15	-	275,855	(275,855)
Public Works	21.51	1,619,300	4,640,425	(3,021,125)
Community Services	25.70	758,718	9,459,519	(8,700,801)
Non-Departmental	-	57,169,848	10,164,264	47,005,584
All Programs	187.86	\$68,780,250	\$68,775,416	\$4,834

City Manager’s Transmittal Letter

General Fund Reserves

The City Council has established the City’s Fund Balance Policy, providing direction and guidance to City staff regarding the types of authorized Funds, their uses, and General Fund Reserves. The funding levels outlined in the Policy serve as goals, and it is the City’s objective to maintain its reserves at these prescribed levels. Compliance with this policy is reviewed annually by the City Council following the final closing of the City’s financial books for the fiscal year. Detailed financial policies of the City are available online at: www.sanbruno.ca.gov/252/Budget-Financial-Reports

Notable changes in FY26 include a planned increase to the contingency reserve of \$5.5 million resulting from sequestration of tax sharing agreement revenue and unassigned fund balance in Measure G.

RESERVE NAME	TARGET	AS OF 6/30/24	FY25 ESTIMATED ACTUALS	EST. AS OF 6/30/25	FY26 BUDGET	EST. AS OF 6/30/26
Contingency Reserve	10% of General Fund Operating Expenditures	\$10.8	\$4.0	\$14.8	\$4.0	\$14.7
Budget Stabilization Reserve	20% of General Fund Operating Expenditures	11.5	0.1	11.6	-	11.6
One-Time Revenue Reserve	N/A	16.5	\$(2.2)	14.4	(2.8)	11.6
Measure G Unassigned Fund Balance	N/A	2.1	(0.8)	1.3	(1.2)	0.1
Unassigned Fund Balance	N/A	12.8	0.6	13.4	0.0	13.4
Encumbrances	N/A	1.8	(0.6)	1.0	-	1.0
Total		\$56.5	\$1.1	\$57.5	\$0.0	\$57.7

City Manager’s Transmittal Letter

Notable Budget Changes

The City’s budget process commences with departments submitting baseline budget requests, which are distinct from requests for new personnel, operating supplies, equipment, and capital outlay. These baseline budget requests are examined to ensure they accurately represent the amounts necessary to maintain existing services in FY26.

Subsequently, the finance team prepares department personnel budgets to account for salary and benefit increases, merit increases, vacancies, and other factors. Following this, requests for new personnel, operating supplies, equipment, and capital outlay are evaluated based on operational necessity as advised by the department head.

Requests accompanied by offsetting revenue increases or expenditure reductions are given higher priority. For FY26, limited revenue sources necessitate the use of one-time revenue reserves for a series of requests as detailed in Exhibit 1.11

Conceptual 5-Year Plan – “San Bruno Triple Flip”

As previously detailed in this chapter, the San Bruno Triple Flip is a 5-year initiative designed to leverage resources within the City’s control. This initiative aims to ensure the provision and maintenance of services should an In-Lieu VLF shortfall occur and the State fails to compensate for the revenue through their budget process.

Measure G, approved by voters in 2019, established a General Fund half-cent local sales tax to fund essential city services and infrastructure. The tax generates between \$3.5 and \$4.0 million annually revenue is unrestricted and may be used for any governmental purpose at the discretion of the City Council. Since its inception, Measure G has generated significant community investment—approximately \$19.1 million over five years—most notably in pavement management, pandemic-related service continuity, and critical infrastructure such as streetlights, sidewalks, and public safety facilities.

A key component of the San Bruno Triple Flip is the utilization of Measure G District Sales Taxes to finance the following items:

PROJECT/SERVICE	FUNDING (\$ MILLIONS)
City Council Initiatives	
“Cleanup San Bruno” Litter and Illegal Dumping Abatement Task Force, includes 1.0 FTE Code Enforcement Manager	1.46
Community Communications and Engagement Program	0.10
*Phase 2A of the Regulated Output (RO) Streetlight Retrofit Projects (first of three sub-phases)	0.60
* Residential Parking Permit Program (RPPP) Assessment	0.25
* Strategic Analysis of Major City-owned Properties	0.10
Streets Maintenance	
2.0 FTE Maintenance Workers funded in FY22 via General Fund to operate T.E.D. patch truck	0.54
Fire Safety Mitigation	
Augmented Wildfire Mitigation	0.30
Enhanced July 4th Education & Enforcement	0.08
1.0 FTE Deputy Fire Marshal	0.23
Operational Efficiencies	
*0.7 FTE Principal Special Projects Manager (three-year, limited duration provisional employee; balance of FTE funded through chargebacks to non-General Fund sources)	0.20
Total	\$3.86

City Manager’s Transmittal Letter

Use of One-Time Revenue Reserve

The FY26 budget allocates \$3.73 million in one-time expenditures from the City’s One-Time Revenue Reserve which has an estimated balance of \$14.4 million. Of the \$3.73 million FY26 expenditure budget, \$0.74 million will fund equipment for public safety, \$1.37 million will cover the second to last debt service payment on the 2013 Pension Obligation Bonds, and \$1.73 in funding for six Capital Improvement Program (CIP) projects .

PROJECT/SERVICE	FUNDING (\$ MILLIONS)
Police Department	
SWAT LASERS For Rifles, Grappler Pursuit Intervention Device, Less Lethal Launchers for additional patrol vehicles to complete deployment, Flashbang Non-Lethal Distraction Devices for SWAT/Patrol and storage required due to ATF law/rule change, Trauma/First Aid bags for patrol vehicles, Replacement AED batteries/ pads and additional AEDs for patrol vehicles.	0.14
Fire Department	
Auto-extrication equipment (jaws of life), Repairs for reserve trucks, Thermal imaging cameras (TIC), Battalion Chief vehicle	0.48
Non-Departmental	
2nd to final Pension Obligation Bond debt service payment	1.37
Transfer to CIP Budget	
Citywide Baseball Field Lighting and Fencing	0.28
Library Improvement Program	0.10
City Hall Facility Improvement Program	0.90
Dog Park Conceptual Design	0.06
Playground Replacement Program	0.28
RAC Landscaping Improvements	0.12
Total	\$3.73

City Manager's Transmittal Letter

Budget Book Update and Budget Team

Significant progress has been made in transforming the City's budget book since FY24 with the FY25 budget book receiving recognition from the Government Finance Officers' Association and the California Society of Municipal Finance Officers for excellence in budgeting. The FY26 reflects staff's commitment to continuous improvement with new formatting and focused attention on data visualizations, and budget-specific images to illustrate that the budget has tangible San Bruno-specific impacts and results.

The budget book would not be possible without the leadership and commitment demonstrated by the City's executives and managers and, more notably, the diligent project leads listed below:

Core Budget Team

Brian Adam

John Mercado

Dan Jacobson

Department Budgets

Capital Improvement Program - Ana Morales

Community Development - Galen Yusufzai-Boggs

Community Services - Audrey Afe-Tuufuli

Fire - Henry Joves

Police - Leslie Salazar

Public Works - Robert Wood



Fiscal Year 2025-26

Budget Discussion



Introduction

The Budget Discussion chapter provides context for understanding the guiding principles and overall financial framework that shaped the development of the Fiscal Year 2025–26 (FY26) budget. This chapter begins with a narrative overview of the budget development process, including the timeline, key milestones, and the City Council’s role in shaping policy and financial priorities. It then highlights the City Council’s adopted initiatives for FY26, which guide funding decisions and resource alignment across departments. The chapter also presents the City Council’s budget principles—core values that promote transparency, fiscal sustainability, and strategic investment—and concludes with an updated financial forecast that outlines long-term trends, emerging risks, and areas requiring structural attention.

Following this contextual overview, the chapter transitions into an analysis of the City’s fiscal outlook across major fund types. **This includes a review of:**

1. General Fund revenue and expenditure trends, identifying key pressures and growth assumptions;
2. An overview of the City’s Special Revenue Funds, including those tied to development related activities;
3. A summary of planned investments within the Capital Improvement Program (CIP);
4. Financial conditions and outlook for Enterprise Funds, including Water, Wastewater, and Parking;
5. A review of Internal Service Funds that support citywide operations such as fleet and technology; and
6. A summary of Debt Service Funds, which track the repayment of long-term financing instruments.

Budget Awards



GOVERNMENT FINANCE OFFICERS ASSOCIATION

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California**

For the Fiscal Year Beginning

July 01, 2024

Christopher P. Merrill

Executive Director



Budget Process

The City's budget process typically kicks off in October for the Capital Improvement Program and January/February for the operating budgets. Work continues through June when Council takes action to adopt the budget before the end of the fiscal year, June 30th. As an annual effort, the budget is a resource-intensive process that focuses on programmatic and project-specific additions to the historic budget.

The following summarizes the Fiscal Year 2025-26 (FY26) budget process and the essential building blocks requiring City Council action for the City Manager to develop a balanced budget. Each session builds on the previous actions by the City Council in the budget process.

- **City Council Retreat** – January 24, 2025. The City Council retreat provided the opportunity for Council to receive, discuss, and provide direction to City staff on budget principles, City Council priority initiatives, financial forecasts, a Capital Improvement Program (CIP) Budget Preview.
- **FY26 Strategic Initiatives and Budget Principles** – February 11, 2025. City Council adopted the FY26 priority initiatives and budget principles contained in this document.
- **Revenue Measure Oversight Committee** – February 13, 2025. The Revenue Measure Oversight Committee advises the City Council on staff's recommended uses of voter approved local 1/2 cent sales tax (Measure G) in the upcoming fiscal year. City staff recommended, and the Committee accepted, use of Measure G funds to augment the City's pavement management program.
- **5-year financial forecast** – March 11, 2025. To provide additional context to the FY26 budget considerations, City staff presented a 10-year financial forecast based on the best information at the time. The forecast identified a structural operating budget deficit in FY2033-34 between \$18 and \$28 million, depending on State action to shift local tax dollar to other State programs.
- **City Council Review of the Revenue Measure Oversight Committee's Input on Staff's Recommended FY26 Measure G Spending Plan** – March 11, 2025. City Council provided staff with direction to shift approximately \$0.78 million from Measure G to the General Fund operating budget.
- **FY26 City Council Priorities Scope Direction** – April 8, 2025. City staff presented draft project scopes for City Council and community input.
- **Capital Improvement Program (CIP) Budget Presentation** – April 22, 2025. City staff provided an overview of the proposed capital improvement spending, resource allocation for the CIP.
- **Master Fee Schedule Updates** – April 22, 2025. City Council adopted fee increases for all development related activity based on the annual change in the US Bureau of Labor Statistic's Consumer Price Index (CPI-W) for the San Francisco region. The adopted fees take effect on July 1, 2025 and are an integral component of the City's financial stability, especially in the Community Development Special Revenue Fund.

Budget Process (continued)

- **FY26 Budget Book Available for Public Review** - May 20, 2025.
- **FY26 Measure G Spending Plan Review** - May 29, 2025.
- **FY26 City Manager’s Budget Workshop** – June 3, 2025. The City Manager’s budget workshop is a community meeting for members of the public to learn about the City’s finances and overall budget considerations for FY25.
- **FY26 Budget Adoption and Public Hearing for CIP Recommended Budget** - June 24, 2025. The City Council considers the final budget adoption and adoption of enabling resolutions. The City Council also receives a presentation and holds a public hearing for the recommended Capital Improvement Program budget.
- **FY26 Budget-in-Brief** - Week of July 15. City staff publishes a concise overview of the City’s adopted budget and major initiatives for 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 Initiatives

The City Council conducts its annual retreat in January to formally kick off the operating budget development. The retreat provides the opportunity for the Council to receive, discuss, and provide direction to City staff on budget principles, priority initiatives, financial forecasts, and a Capital Improvement Program (CIP) Budget Preview.

FY26 Top Priority Initiatives

“Cleanup San Bruno” Litter and Illegal Dumping – Abatement Task Force (LID-ATF)

The City Council’s top priority for FY26 is addressing litter and illegal dumping (LID) on City-owned lands, medians, and “Hot Spots” on some non-City-owned lands. This scope aligns existing LID programs and leverages the City’s solid waste franchise agreement with Recology and other efforts by Police, Code Enforcement, Public Works, and Community Services.

LID is a major issue in San Bruno, with around 750 annual service requests and over 2 million monthly vehicles contributing to littering. Encampments and limited enforcement tools under state law worsen the problem, especially at recurring “Hot Spots.” Jurisdictional boundaries also delay resolution when debris is found on state or other agency-owned properties.

To tackle these issues, staff recommends the “Cleanup San Bruno” program, which establishes the Litter and Illegal Dumping – Abatement Task Force (LID-ATF). Led by executive sponsors from Police and Public Works, the task force will focus on:

ACTIVITY	DESCRIPTION	COST (in millions)
Hot Spot Management	Targeted surveillance and enforcement.	\$0.38
Municipal Code Updates and Cost Recovery	Strengthen enforcement and support code violation cases.	\$0.04
Abatement and Median Maintenance Services	Expand services through contracts and partnerships.	\$0.60
Right-of-Entry MOUs	Establish agreements with agencies like Caltrans and Caltrain.	\$0.03
Public Education	Launch an awareness campaign with Recology.	\$0.06
	Total	\$1.11

First year funding, \$1.11 million, is from the Measure G District Sales Tax Fund. An annual funding allocation of \$0.8 and \$1.0 million will be required to maintain of the positive impacts of the LID-ATF initiative.

City Council Initiatives (continued)

FY26 Top Priority Initiatives

Communications and Engagement Program

At the recommendation of City staff, the Council identified community engagement as a top priority initiative for FY26. The initiative establishes a Communications and Engagement Program with the primary objective to enhance internal and external communications through strategically utilizing various channels. The proposed 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.

The 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.

Phase 2A of the Regulated Output (RO) Streetlight Retrofit Project

The City Council added the Regulated Output (RO) Streetlight Replacement Project - Phase 2A, the first of a three-year project to replace RO streetlights remaining in the City, to their FY26 top priority initiative list. This project aims to replace the remaining functioning streetlights and poles currently connected to the City's unreliable regulated output circuits with solar-powered streetlights. Phase 1 addressed the most pressing RO Circuits that have recurring failures, phase 2A is focused on the remaining functioning circuits. It is estimated that approximately \$0.2 million will be required annually for ongoing operation and maintenance to ensure the solar streetlights are functional. The estimated FY26 fiscal impact is \$0.6 million and \$0.06 million in outlying years. This project was considered for potential postponement depending on the City's financial situation in FY26.

Strategic Analysis of Major City-owned Properties

The City Council has included the Strategic Analysis of Major City-owned Properties in the FY26 top priority initiatives based on staff's recommendation. The main objective of the strategic analysis report is to conduct a long-term real estate planning study of the City's major property portfolio. These properties include City Hall, the Library, Fire Stations, CityNet Services headquarters, the Carlton Corners Scout House, the Catalpa House, the CityNet Head End facility, the Corporation Yard, downtown parking lots, and potentially underutilized park sites.

The economic analysis will assess the value of these properties based on permitted development potential and the current market. It will analyze the economic feasibility of projects for these properties, including office buildings, industrial buildings, market-rate and affordable housing, hotels, and large-scale mixed-use developments.

The report will provide recommendations on repurposing or selling these properties, either for sale or lease, based on their value, development feasibility, and marketability. Factors considered in evaluating future usage include the condition of existing facilities, feasibility and cost of relocating existing uses, location needs for facilities, interrelationships between City properties, and City policy goals. The report may also assess the cost of acquiring new property for potential relocation sites for City facilities and will identify recommended approaches for each property along with action items and projected phasing/timing for implementation.

City Council Initiatives (continued)

Initiatives Carried Forward from FY24 and FY25

The following 12 initiatives were identified in FY25 and carried forward to FY26. City staff is making progress on the following initiatives as resources allow, however, these initiatives are secondary to top priority initiatives when resources are constrained. City Council adopted the following priorities on February 11, 2025.

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

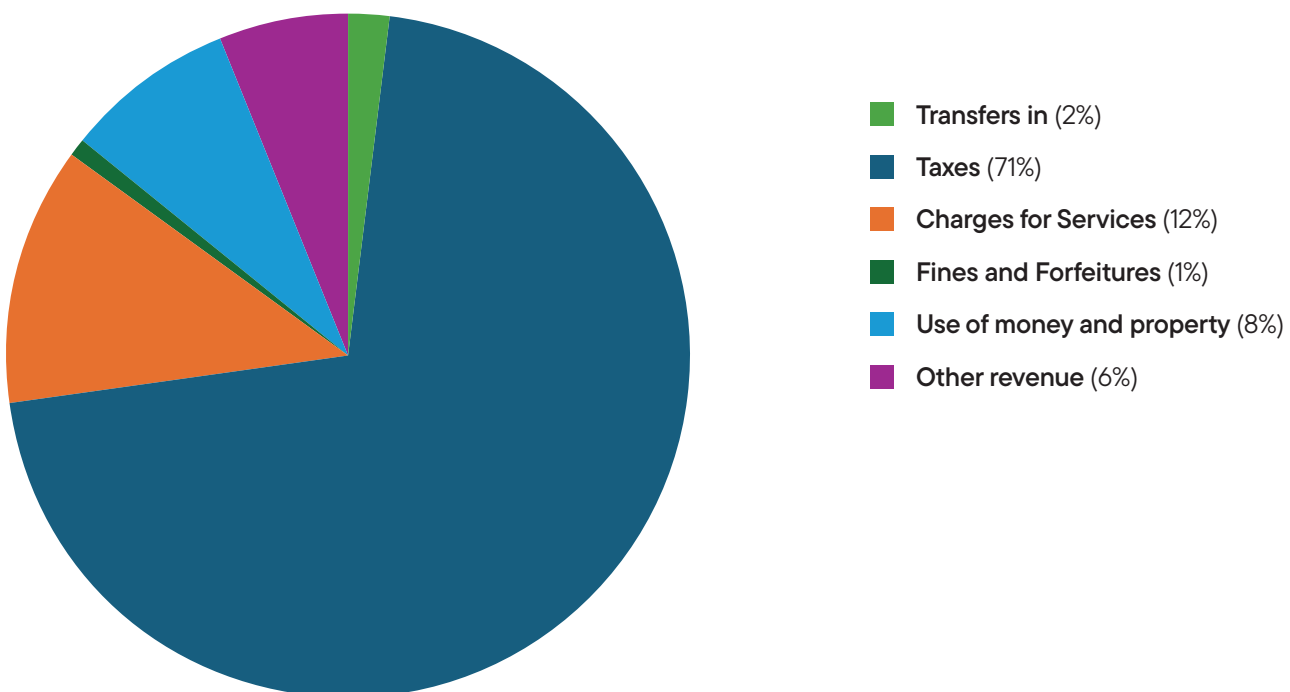
FY26 General Fund Overview

The General Fund is used by the City to account for all financial resources except those required by law or practice to be accounted for in another fund. It supports many of the most visible and essential City services such as police, fire, road maintenance, libraries, and parks maintenance. The General Fund receives most of its revenue from taxes, resulting in volatility due to local and broader economic conditions outside the City's control.

General Fund revenues and expenditures in the budget are distinguished between those associated with a given department and those which exist independent of the structure of the City's operating departments, collectively the non-departmental revenues and expenditures. While the activity of the City's operating departments is explained in greater detail in each corresponding departmental section, the non-departmental categories encompass a variety of financial sources and obligations that extend beyond the scope of individual departments, including tax revenues, grants, and citywide services. The net revenue, or revenues less expenditures, in non-departmental provides the subsidy that allows many of these services to operate and is therefore a critical component of the overall spending plan. Major categories are explained below, along with their outlook in the medium to long term.

General Fund Revenues

The City maintains a medium-term forecast which covers the 10-year window following the end of the current fiscal year and which is used to inform budgetary amounts. All revenue assumptions and projections are reviewed and revised each fiscal year, incorporating newly gathered information since the most recent forecasting cycle. The forecast includes both a mid-point estimate of individual revenue streams as well as upper and lower estimates to better understand the inherent uncertainty and provide adequate context for decision-makers. The graph below illustrates the various sources of General Fund revenues, totaling \$68.5 million.



Budget Discussion

FY26 General Fund Overview (continued)

Total General Fund revenues are projected at \$68.5 million, and taxes represent 70.8% of this total. Property Taxes - Property Tax is the largest source of General Fund revenue, and the FY26 property tax revenue is projected to be \$20.8 million, a modest increase of \$1.4 million from the FY25 estimated actuals. In the long-term plan, the forecast assumes moderate growth supplemented by several known development projects in the pipeline which are expected to increase assessed valuation upon completion. This assumption factors in historic growth rates and the current economic environment. The City's property tax revenue includes several main categories:

Property Taxes are the tax on real property and the structures on that real property, both secured and unsecured. Overall secured property tax, the largest of all City revenues, has increased at a compound average rate of 5.5% annually over the past four fiscal years. The FY26 budget anticipates a 7.0%, \$0.69 million, increase year-over-year.

Excess Educational Revenue Augmentation Fund (Excess ERAF) is a mechanism used by the State to shift funding from local property tax dollars to public schools. When local property tax dollars shifted into ERAF exceed what is necessary to fund the schools, those excess funds are returned to the local taxing entities via Excess ERAF revenue. Excess ERAF has increased an average of 7.0% annually over the past four fiscal years. The FY26 budget anticipates a 3.8%, \$0.01 million, increase year-over-year.

Property Tax In-Lieu of Vehicle License Fees (In-Lieu VLF) represents the swap of VLF for property tax as part of a state-local budget agreement in 2004. The agreement permanently reduced the VLF tax rate from 2% to 0.65%, and the revenue loss was replaced with a similar amount from property tax. However, in recent years, the formula used to calculate In-Lieu VLF and ERAF has resulted in a unique circumstance in San Mateo County where there is insufficient property tax to backfill the losses resulting from the 2004 decision. Affected cities in San Mateo County are lobbying for the State to backfill the In-Lieu VLF shortfall with State General Fund monies; however, the State faces similar budget challenges and may not make the City whole. As a result, while the City is entitled to approximately \$7 million in FY26, the budget assumes a loss of \$1 million. The City anticipates a complete loss of In-Lieu VLF in the next several years without legislative changes to the formulas.

Sales Tax of 9.875% is assessed on every taxable sale in San Bruno, estimated at \$14.1 million in the budget, net of pass-through payments and a sequestration of funds pending litigation with the State over the tax sharing agreement with a major retailer headquartered in San Bruno. Sales tax revenue is currently the second largest single revenue source of the General Fund and one of the most volatile. This funding source is expected to grow at roughly the same rate as the local economy, though some future adjustments have been incorporated into the forecast in anticipation of several sales tax generating businesses. The FY26 budget anticipates a 3.7%, \$0.5 million, increase year-over-year. Of the \$9.875 collected on every \$100 of sales occurring in San Bruno, \$1 goes to the General Fund's operating budget and \$0.5 goes to the Measure G District Tax Fund which is a sub fund of the General Fund.

Transient Occupancy Tax (TOT)/Hotel/Motel Tax is assessed at the rate of 14% on the cost of room rentals at the City's 12 lodging establishments. This revenue source is dependent on both the occupancy levels and room rates of these establishments and is therefore quite sensitive to other economic activity.

Budget Discussion

FY26 General Fund Overview (continued)

Occupancy declined by more than 75% during the COVID-19 pandemic and is expected to once again reach pre-pandemic levels in FY26, budgeted at \$3.7 million.

Regulatory Card Room Tax - On July 12, 2022, City Council approved a requirement for Gambling clubs in San Bruno to pay a quarterly tax per table, as described in the ordinance. Table rates are adjusted annually by CPI in the San Francisco area. This source is expected to be stable and the FY26 budget is \$3.4 million, nearly flat compared to the \$3.3 million estimates for FY25.

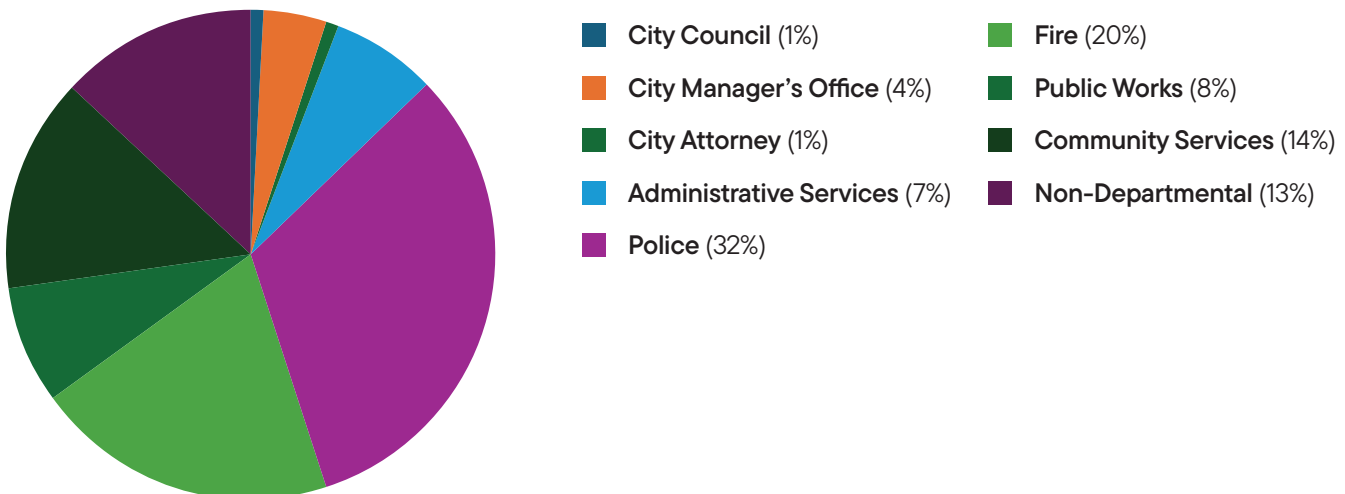
Business License Tax - Business license tax is an annual tax based on prior year gross receipts. The pandemic devastated many sectors of San Bruno's business community and recovery has taken years in some cases. The revenue is fully recovered from the impacts of the pandemic and is projected to grow in FY26.

Use of Money & Property - Use of money and property is expected to increase to \$4.80 million in investment earnings due to health general fund reserve balances.

Departmental Revenue are projected to increase by approximately \$1.5 million over FY25 estimates, despite the transfer of several operating components to Special Revenue Funds. City fees and fully burdened hourly rates effective July 1, 2025 were updated based on the actual change in cost of providing services over the February-to-February change in CPI-W for the San Francisco Bay Area. When reviewing historical revenue, it is important to note that the Community Development Department and the RAC were moved to special revenue funds in order to clearly demonstrate the resources and requirements associated with those programmatic areas. Of particular note, the City received \$0.2 million in restricted revenues to purchase meals to feed hungry seniors at the San Bruno Senior Center in memory of Lumila Branchukova.

General Fund Expenditures

In developing the budgets, departments carefully adhered to the City Council's budget policy to control and contain costs to allow for continued service delivery. The departments were directed to evaluate on-going expenditure line items for necessity and lower cost alternatives. Exhibit 2.3 illustrates General Fund expenditures, totaling \$68.46 million, by programmatic areas.



Budget Discussion

FY26 General Fund Overview_(continued)

Regular and Part-Time Salaries - As a primarily service organization, salaries for full- and part-time staff are the single largest category of expenditures citywide and comprise approximately 45% of the General Fund spending plan at \$31.5 million in FY26. When comparing the FY26 budget to historical personnel costs, the reader should note that the prior years include vacancies which result in salary and benefits savings.

Insurances and Retirement Benefits - Overall insurance and retirement benefits for the General Fund FTE personnel totals \$20.5 million in FY26, an increase of 17 percent over FY25 estimated actual expenditures. Employee retirement benefits total \$13.6 million, or 19.6% of the General Fund expenditures. This amount includes both the ongoing cost of service - the normal cost - and the past differences between expectations and reality - the unfunded liability - which provides a retirement benefit for City workers who do not participate in Social Security. 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.

Supplies, Materials, and Services - The FY26 General Fund budget includes \$1.15 million in expenditures for supplies, materials, and contractual services, representing an increase of 16 percent over the FY25 estimated actuals but \$0.1 million lower than the trailing four-year average. These expenditures support a wide range of operational needs across City departments, including office supplies, safety and field equipment, software licensing, professional and technical services, janitorial and facility maintenance, training, and community-facing programming. The FY26 budget does not incorporate assumptions or contingencies resulting from higher than current inflationary cost pressures, tariff-related pricing on imported goods.

Additionally, the City continues to rely on contractual services in areas where specialized expertise is required, or where direct staffing remains difficult to recruit or retain. These expenses are essential to sustaining daily operations, supporting safe and efficient working conditions, and advancing Council-approved initiatives across the organization.

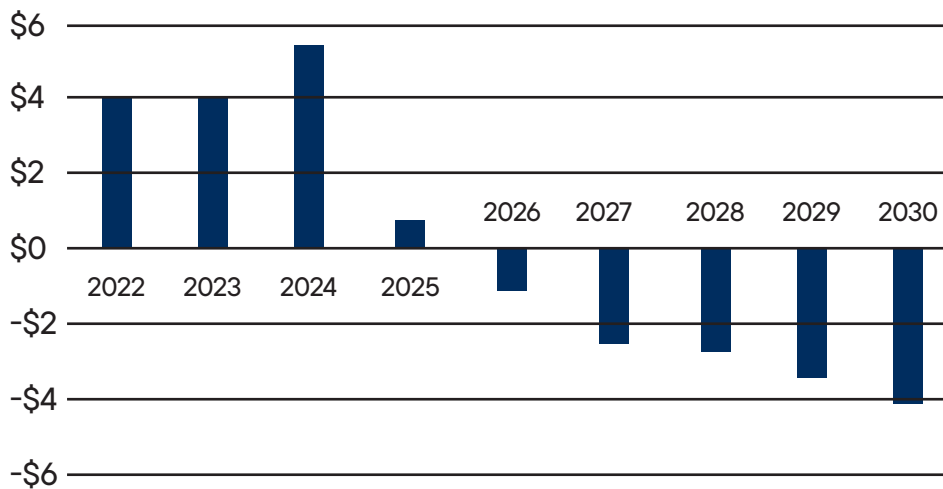
Internal Service Charges and Overhead - The City modified its methodology for general administration overhead in FY26, associating the cost of providing administrative support to the organization with those programs providing the support. Specifically, the City Manager's Office, the City Clerk's Office, and the Administrative Services Department apportion their base costs proportionally to the organization using a combination of staffing and contracted services for the departments. In prior years, this same overhead charge was accomplished through a non-departmental offset, and this change is made primarily for purposes of presentation and clarity for the community. The overhead charges total \$7.4 million in FY26. The internal service charge methodology is largely unchanged from prior years and results in charges of \$5.7 million to the General Fund for services provided through these other funds.



General Fund Outlook and 5-year Forecast

To provide greater context for the General Fund’s long-term outlook, the Administrative Services Department maintains a 5- and 10-year financial forecast which projects available resources and anticipated needs over that time frame. In February, staff advised the City Council of the results of the most recent forecasting activity, which projected a structural deficit of \$1.2 million in FY26 and growing throughout each year of the forecast. While forecasts are dynamic and change each time new information is added, this baseline expectation informed the budget development process.

Resources Over (Under) Requirements in millions



Due to the multi-year nature of forecasts, they are very sensitive to assumptions of all sorts. One key assumption included is that of service levels: the forecast is based on the continuation of services as approved in the most recently adopted budget, with no significant changes to service offerings, assuming operations continue under current conditions, except for planned changes like the RAC opening. The forecast focuses solely on the General Fund and does not provide insight into the City’s multiple Special Revenue, Capital, and Enterprise Funds.

The forecast illustrated in Exhibit 2.1 is unchanged from the presentation made in March, is a composite of all the General Fund elements and displays the historical and forecast surplus/ (deficit) on an annual basis. Several key factors stood out as a result of the forecasting activity, pointing to drivers of the deficit which the budget process must address:

- **One-time Revenues** - No substantial one-time revenues are on the horizon, emphasizing the need for a sustainable revenue generation and fiscal management approach.

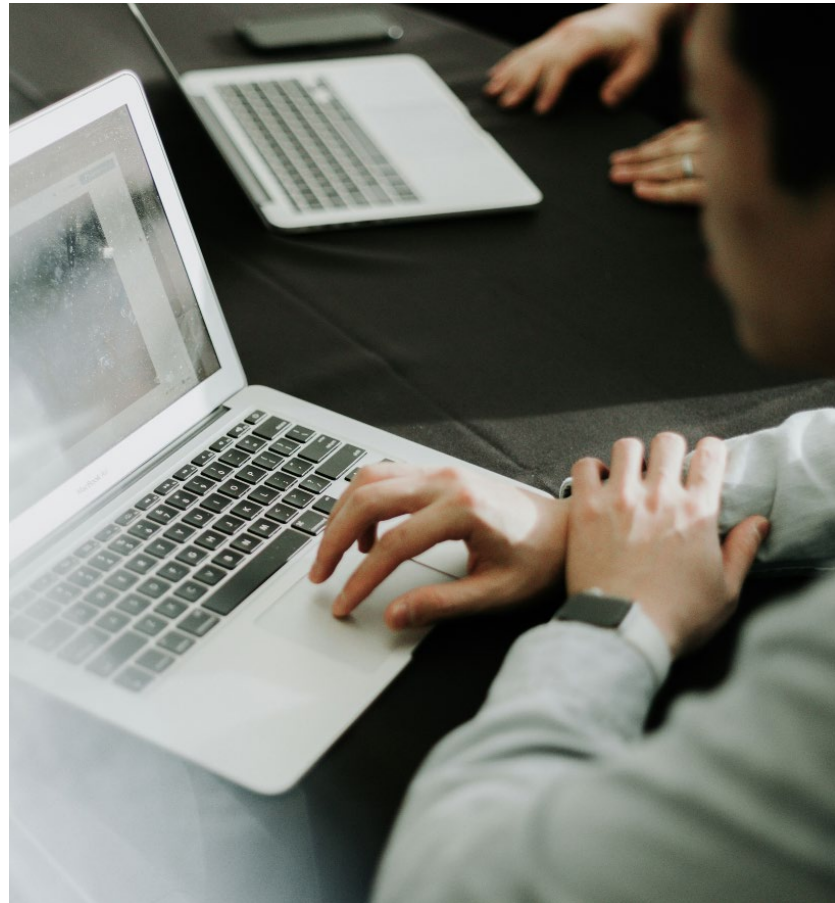
General Fund Outlook and 5-year Forecast (continued)

- **Deferred Maintenance** - A significant challenge is the need to address deferred maintenance for city infrastructure and facilities, totaling \$1.1 billion over the next ten years, pointing to a critical need for prioritizing capital investments and exploring funding options. An important policy consideration is that deferred maintenance costs escalate annually with inflation. A \$1.1 billion unfunded infrastructure need grows by \$33 million each year, using a 3% construction cost inflation estimate.

- **Property tax in-lieu of Vehicle License Fees (In-lieu VLF) and Educational Revenue Augmentation Fund (ERAF)** - In-lieu VLF is a decades-old State action that reduced local agency VLF revenue and backfilled the lost revenue using property taxes, In-Lieu VLF. The complicated formula instituted by the State is results from school funding formulas related to enrollment and growth in local property taxes for five to seven counties in California, including San Mateo County, depending on annual calculations. San Mateo County is one of the original counties in the state to experience the upside down effects of the State's funding formula for schools and In-Lieu VLF.

The County projects that the City will lose \$3 million, of the \$7 million, in structural revenue if the backfill formula remains as-is and the State does not close the gap resulting from their action that effectively shifted local tax dollars to Sacramento. In addition to the In-Lieu VLF, this category includes the net effect of the Educational Revenue Augmentation Fund (ERAF) shift, as estimated by the City's property tax consultants. The forecast assumes the tax consultant's estimate as the base or mid-point, while the pessimistic estimate includes a steady loss of this entire category over ten years. The optimistic estimate includes a +1% growth over the base.

- **Walmart.com Tax sharing agreement** - On April 17, 2023, the California Department of Tax & Fee Administration notified the City and Walmart.com about a \$27.5 million sales tax reallocation to other areas. In response, the City and Walmart contested this decision on October 26, 2023, risking a potential \$15.3 million repayment if unsuccessful. The City has held a portion of recent sales taxes in reserve while the case is resolved, and the revenues presented in the forecast have already incorporated the forward guidance. However, this reserve has contributed to underfunding potential capital improvements and adverse impacts to public safety recruitment.



General Fund Outlook and 5-year Forecast (continued)

The forecast assumes that long-term trends will generally continue, except where a known change is planned. An example would be secured property tax, which sees measurable effects the first year a major development is complete and the value assessed, but whose future increases more closely follow the maximum increase under Proposition 13. The forecast incorporates estimates of future events to the extent that they are known from a timing and magnitude perspective, including these discrete examples:

- **Residential development projects** - These include those at 732-740 El Camino Real, 840 San Bruno Avenue West, and 300 Piedmont Avenue (Former Crestmoor High School site).
- **Commercial development projects** - These include the YouTube office campus expansion and the Tanforan redevelopment projects with incremental gains in the forecast period; however, most activities occurred outside the forecast timeframe.
- **Other commercial elements** - Forecasted events include the Hyundai/Genesis dealership relocating from the former Sears department store at The Shops at Tanforan to a purpose-built facility and a new cannabis retailer, materially affecting sales and business license taxes, respectively.
- **Personnel expenditure increases** - Estimates for annual changes to negotiated agreements with the City's bargaining units, CalPERS pension costs, and other fringe benefits are incorporated.

The complicated landscape of factors impacting the forecast is, if anything, a simplified version of the actual factors impacting the City's financial situation. This complexity underscores the difficult task facing the City Council as it deliberates on its spending plans both in the current year and for future years. The FY26 budget is balanced using a number of measures, including some one-time sources and uses, and represents the first step in finding long-term structural balance to the City's resources and requirements. The forecast will be updated following City Council's direction with the FY26 budget, with the express purpose of providing an early warning system for future decision points.



Budget Discussion

Special Revenue Funds

Special Revenue Funds are independent accounts that have their own assets, liabilities, and fund balance that are restricted, either internally by City Council or externally by law or agreement, to specific purposes. The City maintains multiple Special Revenue Funds and this discussion will only focus on the largest of those Funds.

Community Development Special Revenue Fund

The Community Development Special Revenue Fund (CDSRF) was established in Fiscal Year 2024–25 to create a transparent structure for managing revenues tied to community development services. Its primary purpose is to ensure that surplus revenues collected for designated services, particularly those spanning multiple fiscal years, remain clearly separated from the General Fund's unassigned balance. This is especially important for services like building inspection, where permit fees are collected upfront while the corresponding services may extend over a longer period.

By establishing the CDSRF, the City reinforces its commitment to sound fiscal stewardship and long-term service delivery planning. It recognizes that, in practice, revenue collection and expenditure patterns in this fund will vary from year to year. Surplus years, where revenue exceeds expenditures, are expected to offset deficit years, resulting in a structurally balanced fund over a three- to five-year period, assuming economic conditions remain relatively stable.

For FY26, the CDSRF is projected to generate \$4.9 million in revenue and incur \$5.3 million in expenditures, resulting in a \$0.4 million operating deficit for the year. This outcome aligns with the fund's intended design and reflects the timing differences between when funds are collected and when related services are delivered, rather than indicating a structural shortfall.

Recreation and Aquatic Center Special Revenue Fund

The Recreation and Aquatic Center (RAC) opened in August 2024, and has taken its place as a destination for the San Bruno community advancing recreation, health, and connectedness. The facility provides a wide array of programs and amenities designed to serve all ages and interests, reflecting years of planning and community investment.

While the RAC does not achieve full cost recovery, unlike high cost recovery operations such as Community Development, its significance to the community and the scale of its operations require a high level of financial transparency and oversight. To support this, the City established a dedicated RAC Special Revenue Fund (RACSRF), which allows for the clear tracking of both revenues and expenditures related to the facility. Separating RAC operations from the General Fund enhances visibility into its financial performance and enables long-term fiscal planning tailored to the unique characteristics of the center.

For FY26, the RACSRF is budgeted to operate with a \$1.2 million deficit, requiring a commensurate transfer from the General Fund. This subsidy reflects the City's commitment to providing high-quality recreational services while acknowledging the reality that such a facility is not intended to be financially self-sustaining in its early years. City staff are utilizing a grant from the San Bruno Community Foundation to undertake entrepreneurial initiatives that will aid the RACSRF in minimizing its requirement for General Fund support such as tiered membership levels that include instructor-led classes. Additionally, the City Council approved amendments to the membership and rental rates at the RAC and is projected to raise increased revenues.

Budget Discussion

Special Revenue Funds (continued)

Development Impact Fee Special Revenue Funds

Development Impact Fees (DIFs) are authorized under California Government Code Section 66000 et seq., commonly referred to as AB 1600. These fees are legally restricted and may only be used to finance capital improvements that are needed to accommodate the impacts of new development. In San Bruno, the Development Impact Fee Program was adopted in 2019 following a comprehensive Nexus Study and includes five distinct fee categories: community facilities, public safety, general government, utility infrastructure, and transportation improvements.

Each time a new residential or non-residential project pulls building permits, the City assesses a fee based on the type and intensity of that development. These fees are calculated to maintain the City’s current level of service by expanding capacity in areas such as parks, roads, public buildings, and essential services to mitigate the adverse impacts of increased demand or usage.

The City adjusts parts of its fee schedule annually based on the California Construction Cost Index and deposits collected revenues into separate special revenue funds by fee category. These funds are restricted to capital uses. Each year, the City publishes an AB 1600 Annual Report that details collections, interest earnings, expenditures, and fund balances, providing full transparency into how the fees are managed and spent.

Revenues from the Development Impact Fee Program are transferred to the City’s capital improvement funds to finance eligible projects. Expenditures are tracked carefully to ensure compliance with legal requirements and are applied on a first-in, first-out basis. This method ensures that the oldest revenues are spent first. The most recent AB1600 report is available online at <https://sanbruno.ca.gov/finance>. The following chart summarizes the most recent audited financials for Development Impact Fee Funds.

Development Impact Fee	Beginning Balance, July 1, 2023	2023-2024			Ending Available Balance, June 30, 2024
		Revenue	Expenditure	Increase/ (Decrease) in Available Balance	
Community Facilities	\$6,873,597	\$433,245	\$2,828,708	\$(2,395,463)	\$4,478,135
Public Safety Facilities	\$633,528	\$156,038	\$766,911	\$(610,873)	\$22,655
General Government Facilities	\$967,631	\$49,057	\$640,000	\$(590,943)	\$376,688
Transportation Facilities	\$5,684,491	\$403,858	\$37,500	\$366,358	\$6,050,849
Utility Facilities	\$1,676,977	\$193,149	\$1,538,768	\$(1,345,619)	\$331,358
Affordable Housing	\$9,807,610	\$262,733	-	\$262,733	\$10,070,343
Bayhill Specific Plan Area	\$4,335,605	\$129,084	\$273,750	\$(144,666)	\$4,190,939
Water Capacity	\$318,079	\$182,592	\$293,319	\$(110,727)	\$207,352
Wastewater Capacity	\$(2,472,618)	\$127,760	\$441,440	\$(313,680)	\$(2,786,298)
Grand Total	\$27,824,900	\$1,937,516	\$6,820,397	\$(4,882,880)	\$22,942,020

Budget Discussion

Special Revenue Funds (continued)

Community Benefit Special Revenue Fund

In contrast to Development Impact Fees (DIFs), which are governed by the legal framework of AB 1600 and must be directly tied to the physical impacts of new development, the Community Benefit Special Revenue Fund (CBSRF) collects funds that arise from development agreements or other discretionary arrangements that are not subject to those statutory requirements. These revenues are negotiated between the City and developers and may be used for any lawful governmental purpose, subject to City Council appropriation.

In Fiscal Year 2022–23 (FY23), the City received \$24.5 million in community benefit revenues through its development agreement with YouTube/Google, which was related to a major development in the Bayhill area. This was followed in Fiscal Year 2023–24 (FY24) by an additional \$9.8 million deposited into the CBSRF due to the Southline Development settlement.

These significant one-time revenues provide the City with a unique opportunity to address strategic priorities and long-standing challenges without placing additional burden on taxpayers.

In FY24, the City remedied long-standing debts arising from structural deficits in two Enterprises—CityNet and Stormwater. These enterprise funds accumulated debts to the General Fund, most significantly CityNet, which resulted in general taxpayers subsidizing CityNet customers exceeding \$16 million. To address this, the Council bailed out CityNet by allocating \$21.4 million from the CBSRF to restore the enterprise’s solvency. Like CityNet, Stormwater borrowed funds from the General Fund in recent years, which resulted from insufficient revenue to offset operating needs in the stormwater operations.



Budget Discussion

Special Revenue Funds (continued)

Community Benefit Special Revenue Fund (continued)

This infusion prevented potential service disruptions and public safety hazards and enabled CityNet and Stormwater to fully repay their long-standing debts to the General Fund. The action protected the City's broader fiscal health and ensured that the general taxpayer did not bear enterprise-related costs.

In addition to that critical fiscal intervention, the CBSRF has funded the Huntington Avenue Bike Lane Improvement Project, \$1.5 million, further advancing the City's infrastructure and mobility goals. For FY26, no additional expenditures are proposed from the Community Benefit Fund, allowing the City to preserve its remaining balance for future strategic use.



Budget Discussion

Capital Improvement Program Funds

The City prepares a comprehensive Capital Improvement Program (CIP) which is comprised of 120 projects and total appropriations of \$135.2 million. The budget focuses on new appropriations required in FY26 given that many of the CIP projects span multiple fiscal years and have carryover funds from previous appropriations.

Notable projects completed in FY25 include:

- Slurry Seal Fiscal Year 2023-24
- Regulated Output Streetlight System Replacement – Phase 1
- Transit Corridor improvements
- Winter Storm Hazard Mitigation
- City Hall Roof Replacement

For FY26, the CIP includes \$36.5 million in new appropriations. These appropriations will fund planned improvements span additional replacements to the Regulated Output Streetlight system and pavement to new green stormwater infrastructure and critical water infrastructure maintenance.

PROGRAM	AMOUNT
Facilities	\$3,075,000
Parks	\$2,075,000
Stormwater	\$2,400,000
Streets	\$15,010,000
Technology	-
Wastewater	\$7,500,000
Water	\$6,460,075
GRAND TOTAL	\$36,520,075

2024 Measure Q General Obligation Bonds

Close to half the proposed CIP investments for the coming fiscal year are attributed to future Measure Q General Obligation Bond issuance. As of June 10, 2025, the City intends to issue a first tranche totaling \$34.5 million in late 2025 or early 2026. FY26 funding includes:

- \$2.4 million for stormwater projects, including updates to the storm drain master plan and
- \$13.5 million for the pavement management program

Additional requirements for Measure Q funds include filling critical engineering and project manager roles that help ensure that Measure Q funded projects are completed within the legal timeline for general obligation bonds.

Budget Discussion

Enterprise Funds

The City’s Enterprise operations provide business-type services that are rate and fee supported. To cover the cost of administrative and other services provided through the General Fund operating departments including the City Manager’s Office and Administrative Services, each Enterprise Fund Budget shows an administrative allocation to the General Fund.

The City’s five Enterprise Funds are: Water, CityNet, Wastewater, Parking, and Stormwater.

The status-quo budgeting approach to build expenditure proposals contained in the General Fund applies to Enterprise Fund Budgets. This approach, which requires careful review of each expenditure item, relieves some pressure for further customer rate increases that might otherwise be required to cover cost increases associated with staff time and acquisition of necessary supplies, contract services, and other operating expenses.

The Wastewater and Water Enterprise Funds account for all operational and capital expenditures needed to operate, maintain, and improve these critical utility systems. The Funds operate without tax support as each is funded solely by ratepayers. In February 2023, the City Council reviewed and accepted the Water and Sewer Rate Study. The study includes water and sewer service charges rate recommendation to ensure revenues continue covering operational costs and necessary infrastructure improvements. The City implemented the necessary rate changes to maintain fiscal sustainability, with new rates effective on July 1, 2023 for Wastewater and January 1, 2024 for Water. The following table shows a comparison of the revenues and operating expenditures (less capital outlay, equipment, and debt service payments) for the City’s Enterprise Funds in the prior years as compared with the proposed amount in FY25.

FUND (#)	TYPE	FY24 ACTUALS	FY25 ACTUALS	FY26 BUDGET
Water Fund	Revenues	\$19,190,991	\$17,856,573	\$20,104,831
	Expenditures	\$15,096,106	\$11,124,647	\$14,116,733
	Net Revenue (Expenditure)	\$4,094,885	\$6,731,926	\$5,988,098
Stormwater Fund	Revenues	\$7,152,164	\$1,997,605	\$6,745,200
	Expenditures	\$2,778,715	\$2,139,117	\$2,157,816
	Net Revenue (Expenditure)	\$4,373,449	\$(141,512)	\$4,587,384
Wastewater Fund	Revenues	\$19,814,671	\$16,599,542	\$22,678,579
	Expenditures	\$14,443,463	\$9,389,618	\$13,460,614
	Net Revenue (Expenditure)	\$5,371,208	\$7,209,924	\$9,217,965
CityNet Services Fund	Revenues	\$30,192,770	\$6,164,540	\$2,490,834
	Expenditures	\$8,602,009	\$6,661,223	\$3,571,967
	Net Revenue (Expenditure)	\$21,590,761	\$(496,683)	\$(1,081,133)
Parking Fund	Revenues	\$170,581	\$312,013	\$1,222,039
	Expenditures	\$326,293	\$622,758	\$1,215,424
	Net Revenue (Expenditure)	\$(155,712)	\$(310,745)	\$6,615

Enterprise Funds (continued)

Water Enterprise

The Water Enterprise supplies potable water to residents and business customers from the City's own groundwater pumping operations and from water purchased through the San Francisco Public Utilities Commission (SFPUC). The City's water system includes four production wells and eight storage tanks located throughout the City. The City's average water production capacity is approximately 1,900,000 gallons per day.

Under the terms of the Groundwater Storage and Recovery Agreement among the San Francisco Public Utilities Commission (SFPUC), San Bruno, Daly City and California Water Company the City curtails pumping from its wells to allow replenishment of groundwater levels during periods of time that surface water available through the SFPUC is sufficient to supply the City's entire water delivery requirement. The City does not pay an additional cost for this in lieu water but continues to incur well operating and maintenance costs to regularly exercise the wells and to assure that the wells remain fully operational and can be put into regular service when needed.

For FY26, Water Enterprise costs are anticipated to increase compared to the prior year budget with total operating expenditures of \$12.9 million, up from \$11.2 million in FY25.

Once operating expenditures are covered, the remaining balance will be redirected into the Water Fund Capital Improvement Program to fund the City's system infrastructure replacement and rehabilitation program. That program includes a comprehensive plan and schedule for replacement and rehabilitation of the City's 50- to 100-year-old Water system pumps, storage tanks, pipelines, and other facilities in order to support their ongoing service reliability.

In 2017, the City's Public Financing Authority issued Water Revenue Bonds to finance acquisition of water system improvements to assure sufficient funds are available to complete critical capital projects on schedule. The bonds are payable solely from the revenues of the water system.

Priority water system capital projects planned for significant work and delivery during the coming year include the Main Improvement and Replacement Program that will replace Water main lines throughout a large area of the residential neighborhoods in "the Avenues" east of El Camino Real and the Water Tank Improvement and Replacement Program that will begin construction of the new Cunningham Water Tank. The several infrastructure capital projects planned for significant work during the next 5-years are discussed in detail in the FY26 Capital Improvement Program.

The long-range financial forecast for the Water Enterprise fund is stable, due in large part to rate increases adopted effective January 1, 2024, following the City Council's acceptance of the Water and Sewer Rate Study and subsequent consideration of the proposed rates. These rate increases are needed to yield sufficient



Enterprise Funds (continued)

Water Enterprise (continued)

annual revenues to support ongoing operations and priority capital improvements. The capital projects are large and complex and require multi-million-dollar investments in a short period of time. Capital improvement projects will be evaluated annually, and some may be delayed during the forecast period to sustain the fund's self-supporting status.

Wastewater Enterprise

The Wastewater Enterprise operates and maintains the wastewater collection system throughout the City and provides for the City's 25% shared cost of operating the South San Francisco/San Bruno Wastewater Treatment Plant located in South San Francisco. Total system revenues for FY26 are projected to be \$22.7 million and operating costs are budgeted at \$12.1 million.

The City's operating and capital work programs in the Wastewater Enterprise have continued to be guided in large measure by the requirements of the Regional Water Quality Control Board compliance order and the settlement requirements of the lawsuit brought by San Francisco Baykeepers in 2010. These actions resulted from the City's violations of the stringent requirements of the Federal Clean Water Act prohibiting any release of untreated wastewater making its way to the Bay or another waterway.

Those violations occurred in 2008 and prior. The corrective actions are directed at achieving significant and sustainable reduction in Sanitary Sewer Overflows (SSO's). The City has re-tooled its regular wastewater system maintenance and operational procedures to improve system performance, reduce system overflows and meet the specific requirements and targets of the City's compliance agreements. These revised operational practices include regular video inspection of mainlines to identify locations of potential failure, a spot repair program that provides timely repair to short line segments that are not scheduled for a more comprehensive pipeline replacement and a robust line cleaning program addressing known areas of root intrusion and other potential blockages.

The effort of City staff in implementing improved maintenance and operation practices along with the City's substantial investment in equipment including a dedicated video inspection vehicle and high-pressure vehicles have been successful. So much so that the City has exceeded the specific requirements of the compliance orders in each of the last three years. In a letter dated September 2021, San Francisco Baykeepers informed the City of



Enterprise Funds (continued)

Wastewater Enterprise (continued)

The rate program and the 2017 issuance of Wastewater Revenue Bonds (in conjunction with the Water Enterprise debt issuance), assures adequate funding will be available for the Wastewater program's daily operations and the continuation of the City's aggressive long-term capital improvement program to replace and rehabilitate the collection system facilities and main lines throughout the City. The Wastewater Enterprise also funds the City's portion of operational and capital costs to upgrade and maintain the joint South San Francisco-San Bruno Wastewater Treatment Plant facilities. During the coming year, the Wastewater program's capital project priorities will focus on rehabilitation of the Crestwood Pump Station and replacing aging sewer pipes in the Avenues and Shelter Creek Lane.

The long-range financial forecast for the Wastewater fund is stable. Like the Water enterprise fund, the annual rate increases in future years are necessary to yield sufficient annual revenues to support ongoing operations and priority capital improvements.

Wastewater capital projects are large and complex and require multi-million-dollar investments in a short period of time. Capital improvement projects will be evaluated annually, and some may be delayed during the forecast period to sustain the fund's self-supporting status.

Stormwater Enterprise

The Stormwater Division of Public Works is responsible for maintaining the Stormwater conveyance system, as well as adhering to the requirements outlined in the National Pollutant Discharge Elimination System (NPDES) permit.

Stormwater fees are collected through the County property tax roll, and a minimum of \$46.2 per parcel is assessed for most properties in San Bruno. The City has not been able to collect sufficient revenue to replace or repair the aging stormwater system.

In recent years, many cities have asked voters to approve of a dedicated funding source as the annual property tax assessment has proven to be inadequate to fund ongoing operations and necessary equipment and capital investments to meet federal requirements. In June 2021, the City held an election to increase Storm Drainage and Flood Protection Fee. The initiative was rejected by voters overwhelmingly.

In FY23, the City polled for an infrastructure bond measure for various infrastructure including stormwater infrastructure. The polling indicated that the measure would not be supported by the voters therefore the City did not pursue a bond measure.

In November 2022, the City Council approved a new Solid Waste Franchise Agreement with Recology San Bruno that became effective on January 1, 2023, and provides operating revenue each year to be used exclusively to cover a portion of the street sweeping and catch basin waste removal cleanings cost expended by the City.



Enterprise Funds (continued)

CityNet Services Enterprise

The City provides a broad range of broadband video, data, and voice services to residential and business customers over a cable network consisting of over one hundred miles of fiber optic and coaxial cable throughout the entire San Bruno community. The San Bruno CityNet Services (CityNet) Enterprise also operates local Channel 1 and Channel 10 which broadcasts City Council meetings and informational public service announcements.

As of June 30, 2023, the CityNet Fund had a negative equity balance of \$21.5 million resulting from annual operating losses, including losses of \$0.8 million in FY23, \$0.9 million in FY24, and a projected \$0.9 million in FY25. In December 2023, the City took a strategic step by issuing a Request for Interest to gauge the private-sector's interest in acquiring CityNet's customer base and infrastructure. The move was part of a comprehensive strategy and City Council top priority initiative to ensure the continuity of cable and internet services to the community should CityNet fall into irreparable disrepair and suffer total financial collapse. In May 2024, the City received responses to formal requests for proposals for the acquisition of CityNet. The City received a single bid from Comcast and entered into negotiations for the sale of CityNet. The sale is expected to close by the end of FY25 and the City anticipates a full conversion to Comcast by the end of calendar year 2025.

Parking Enterprise

The Parking Enterprise is responsible for managing the City's parking infrastructure, including metered spaces, parking lots, and overall administration of paid parking services. The program is still in its early stages of implementation, with FY24 serving as the startup year. As such, revenue generation lagged behind operating costs, due in part to the fact that parking fee collections did not begin until the final quarter of FY24. In FY25, revenue collections were challenged by paid parking kiosk malfunctioned due to hardware, software, and vandalism.

Total revenue for first twelve months of the Parking Enterprise's operations was \$1.1 million, while operating costs were higher at \$1.2 million, exclusive of a deferred loan repayment of \$0.5 million to the General Fund. This imbalance is expected to normalize as the program matures, with full-year revenue anticipated in FY26 and beyond. Program costs in the initial year included investments in signage, equipment, staffing, and system development needed to launch the City's new paid parking system. The Parking Fund's long-term strategy includes the development of a sustainable, self-supporting financial model. The FY26 budget is based on a full 12-month revenue cycle and incorporates lessons learned.



Budget Discussion

Internal Service and Equipment Reserve Funds

Internal Service Fund operations provide direct services to support all City departments and City Enterprise Fund operations. The City maintains five Internal Service Funds:

- **Central Garage**
- **Building and Facilities**
- **Vehicle Replacement**
- **Technology**
- **Self-Insurance**

These Internal Service operations are funded through an expenditure allocation that is charged to each user department and enterprise, according to the allocation basis applied. The bases for these ISFs are:

FUND	ALLOCATION METHODOLOGY
Central Garage	<ul style="list-style-type: none">• Specific maintenance needs (exclusive of the Fire Department, which self-maintains) and the prior year’s fuel usage, allocated directly• Pooled garage and supply needs, allocated proportionally to overall vehicle spend
Building and Facilities	<ul style="list-style-type: none">• Janitorial and building maintenance needs, allocated according to historical labor efforts necessary
Vehicle Replacement	<ul style="list-style-type: none">• Specific vehicle needs, allocated directly to the user fund and program
Technology	<ul style="list-style-type: none">• Pooled software, hardware, and support needs allocated to user departments based on the proportion of overall organizational authorized staffing levels (FTEs)
Self-Insurance	<ul style="list-style-type: none">• Workers’ Compensation: Premiums allocated proportionally, based on the Workers’ Compensation Insurance Review Board advisory pure premium rates)• General Liability: Premiums allocated following the same methodology as general overhead, a combination of staffing and contracted service expenditures• Unemployment: Allocated directly based on usage

For FY25, the Internal Service Allocation transfer amounts to \$9.2 million. This amount covers the cost required to support operations of the Central Garage, Building & Facilities Division, and the Information Technology Division. All internal service funds are anticipated to maintain a minimum fund balance equal to 25% of annual operating expenses.

Long-Term Debt

The table below provides an overview of the City’s major debt obligations for FY26, detailing key financing arrangements undertaken to fund essential infrastructure projects and capital improvements. Each debt issue reflects strategic efforts to manage costs, maintain critical assets, and support long-term financial stability while ensuring compliance with repayment schedules and financial covenants.

DEBT ISSUE	DESCRIPTION	FY26 DEBT SERVICE
2013 Pension Obligation Bonds	In 2013, San Bruno borrowed \$13.175 million through a Pension Obligation Bond to reduce its state retirement fund debt interest from 7.5% to just over 4%. The City is repaying this loan annually, with the final payment due in 2027.	\$1.2 million
2022 Fire Pumper Truck	In June 2022, the City signed a \$1,600,000 lease-purchase with Western Alliance Equipment Finance, Inc. for two fire pumper trucks. Payments are due semi-annually on December 1 and June 1 at 3.35% interest. The debt service fund handles the payments, starting December 1, 2022, and ending June 1, 2032.	\$0.2 million
2017 Water Revenue Bonds	In 2017, the San Bruno Public Financing Authority issued \$11.62 million in Series 2017 Water Revenue Bonds to fund the construction of specific improvements to the Water System. Principal payments began on July 1, 2018, and are due annually on July 1. Interest payments are due on July 1 and January 1 each year. The bonds mature on July 1, 2047.	\$0.7 million
2017 Wastewater Revenue Bonds	In 2017, the San Bruno Public Financing Authority issued \$11.62 million in Series 2017 Wastewater Revenue Bonds to fund the construction of specific improvements to the Wastewater System. Principal payments began on July 1, 2018, and are due annually on July 1. Interest payments are due on July 1 and January 1 each year. The bonds mature on July 1, 2047.	\$1.4 million
2013 Wastewater Revenue Refunding Bonds	In 2013, the City paid off \$7.56 million of 2002 Certificates of Participation by placing funds from new 2013 Wastewater Revenue Refunding Bonds in an irrevocable trust for future payments. The escrow fund fully prepaid the 2002 certificates by June 30, 2014. The bonds will mature on July 1, 2032.	\$0.5 million

Fiscal Year 2025-26

History of San Bruno



About

The City of San Bruno takes its name from neighboring San Bruno Mountain, which was named after the explorer Captain Bruno Heceta in 1775 - also known as Saint Bruno the Confessor after his patron saint. The City is located at the crossroads of the two main paths around San Bruno Mountain. These paths were established very early in the area's settlement: Bayshore Road and Mission Road/Railroad. By the 1880's, San Bruno became home to various ranches that supplied livestock and goods to San Francisco residents.

The turn of the 20th century included many changes for San Bruno. The population surged following the Great 1906 San Francisco Fire and Earthquake, which led to the construction of three public schools in six years. On August 7, 1912, El Camino Real in San Bruno became the first paved highway in the State.

Before Tanforan was developed as a shopping center, it began as a horse racing track that also served as an airstrip. The airstrip at Tanforan saw the first airplane flight in the Bay Area by Frenchman Louis Paulhan.

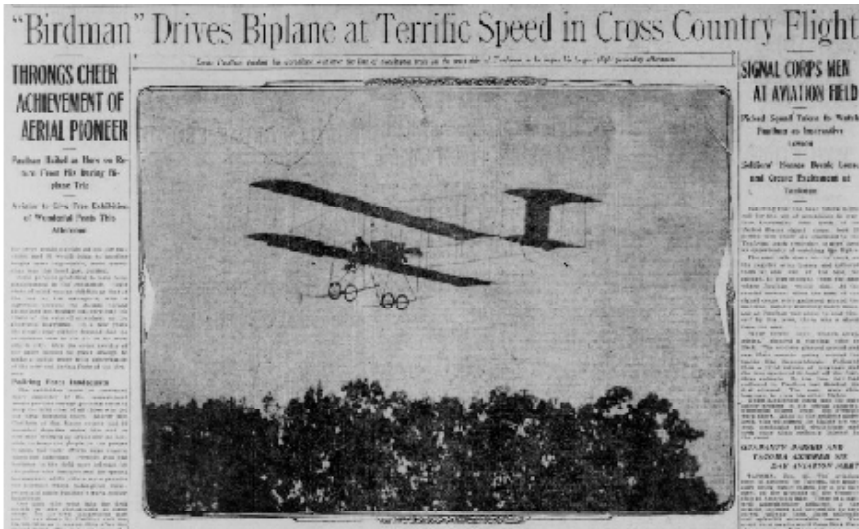


Figure 1



Figure 2

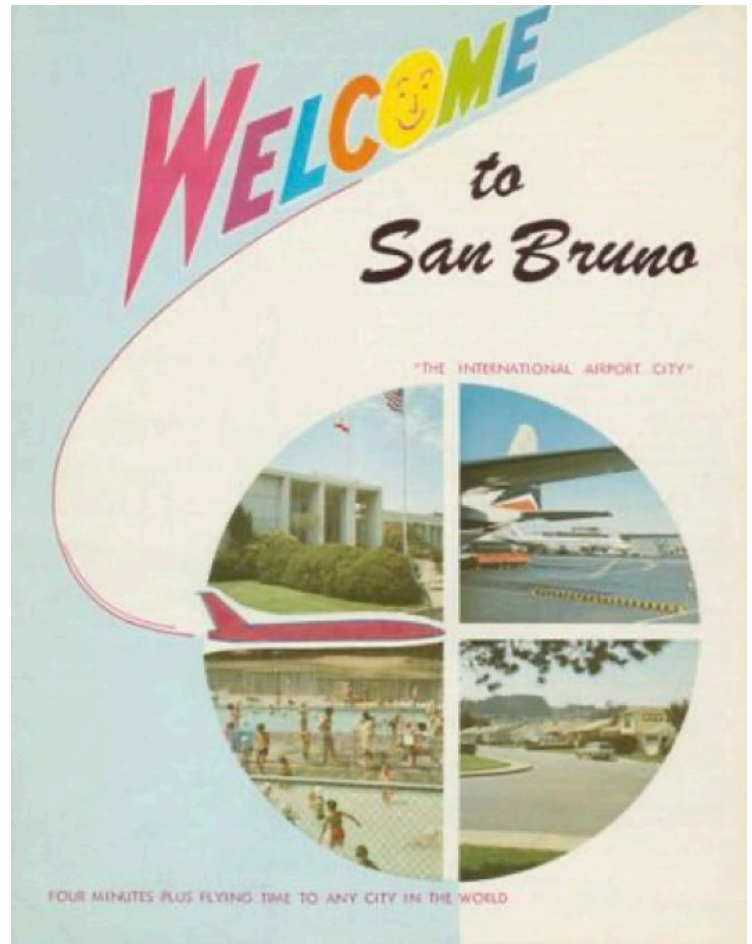
Figure 1 - Ace Drugs on San Mateo Avenue, 1940's
Figure 2 - Huntington Avenue (Northbound) 1960's

Incorporation

On December 23, 1914, the City became an incorporated municipal law agency with a population at the time of approximately 1,400 residents. Louis Traeger, who had moved to San Bruno after the 1906 earthquake was elected as the City's first Mayor. The population passed 1,500 by 1920 and more than doubled to over 3,600 by 1930.

San Bruno was a rural town until the 1940s when two events changed the city dramatically. First, the United States government used the Tanforan horseracing track for the internment of American citizens of Japanese descent during World War II. Subsequently, the United States military established a permanent military presence in the city. Thousands of military personnel went through San Bruno on their way to and from military outposts in the Pacific. Upon their return from war, many decided to settle in the area.

The second event of the 1940s that changed San Bruno was the purchase and development of much of the land owned in the city by the Mills family, founders of the Bank of California. The new owner, George Williams, built houses marketed to military support personnel and veterans returning from service in World War II. Soon after Williams developed the Mills Park Addition, the western hills of San Bruno were also developed with housing. The housing boom that took place between the 1940's and 1960's transformed San Bruno from a town of about 6,500 to a thriving community of over 35,000 by the mid 1960's. Since then, the population has stabilized due to a lack of available land. Currently, there are approximately 45,000 residents in San Bruno.



Closer to the present day

Early in the new millennium, San Bruno found itself at another major crossroads. In 2000, the Bay Area Rapid Transit (BART) system opened a station in San Bruno conveniently linking San Bruno to San Francisco and the East Bay. Also in 2000, the United States Government sold off a majority of its San Bruno navy base to a private developer. In 2005, transformation of the former military installation into a vibrant transit oriented mixed-use development called The Crossing was well underway. The Crossing was completed and comprised of tenant occupied residential housing, senior housing, and commercial space. A new auto dealership is planned to start construction in 2023 on the last remaining vacant lot at The Crossing.

In 2010, the Glenview Fire resulted from a PG&E pipeline explosion. The City completed the reconstruction of the Crestmoor neighborhood rebuild in 2020 including the completion of the new Earl/Glenview Park. Some of the funds received from a settlement with PG&E were used to construct the new Recreation and Aquatic Center, which was opened to the public in August 2024. With the passage of the Downtown and Transit Corridors Economic Enhancement Initiative (Measure N) in 2014, the City Council approved the Transit Corridors Plan (TCP) which will result in economic enhancements in the downtown area and nearby transit corridors on El Camino Real and San Bruno Avenue. One major mixed-use project has been completed to date, with several other development projects planned.

In 2021, Bayhill Specific Plan was approved, along with the Google (YouTube) Phase 1 project. The plan includes circulation, transportation and infrastructure improvements for modernization of the Bayhill Office Park. This district is the current home of YouTube and Walmart.com, the City's largest employers. This first phase of Google's five-phase office campus project includes construction of two office buildings totaling approximately 440,000 square feet at 1300 Bayhill Drive and 1350 Grundy Lane. Grundy Lane will be reconstructed as part of this project. Construction work for both buildings is underway.



Future

Another purpose of the budget document is to outline the resources necessary to maintain the services provided to the community. Community and economic development hinges on continued investment in the infrastructure of San Bruno ensures that current and new residents can continue to enjoy a quality of life and convenience necessary to thrive in the Bay Area. In 2024, voters passed Measure Q, permitting the City to issue general obligation bonds to provide over 60 million dollars of funding for capital improvement and investment over the next several years.

Recently, state and federal governments have begun to shift more costs to local communities. As such, supporting economic development is key to the fiscal sustainability of the city. Development is expected to continue in the Transit Corridors Plan area and Bayhill Specific Plan area in the coming years. The City completed the 2020 Streetscape project – also a council initiative for the previous fiscal year – by adding attractive design features, signage, landscaping and street furnishings on San Mateo Avenue. The previous year also saw the completion of updates to Centennial Plaza, which was unveiled in October 2024.

Most notable is the redevelopment of the 44-acre Shops at Tanforan with a transit-oriented mixed-use village. The future uses for the site are proposed to include a 2 million square foot innovative life science campus, 1,000 housing units as well as new modernized retail space. As tenant businesses at Tanforan depart, construction is all but imminent.

Geography

The City is located approximately 12 miles south of the City of San Francisco and is bordered by the communities of South San Francisco to the north, Millbrae to the south Pacifica to the west and San Francisco International Airport to the east.





Governing Body

The voters of San Bruno directly elect a Mayor and four City Council members. With the exception of the Mayor who is elected to a two-year term, the elected officials serve overlapping four-year terms. The City Council sets policy and exercises legislative authority for the City. By City ordinance, the City Council holds meetings on the second and fourth Tuesday of every month and at such other times as, in the opinion of the City Council, the public interest may require.

City Administration

The City Council appoints the City Manager who appoints other City officials and is charged with overseeing the City's daily operations. Many advisory boards, commissions, and committees assist the City Council in carrying out various aspects and functions of city government.

City Council



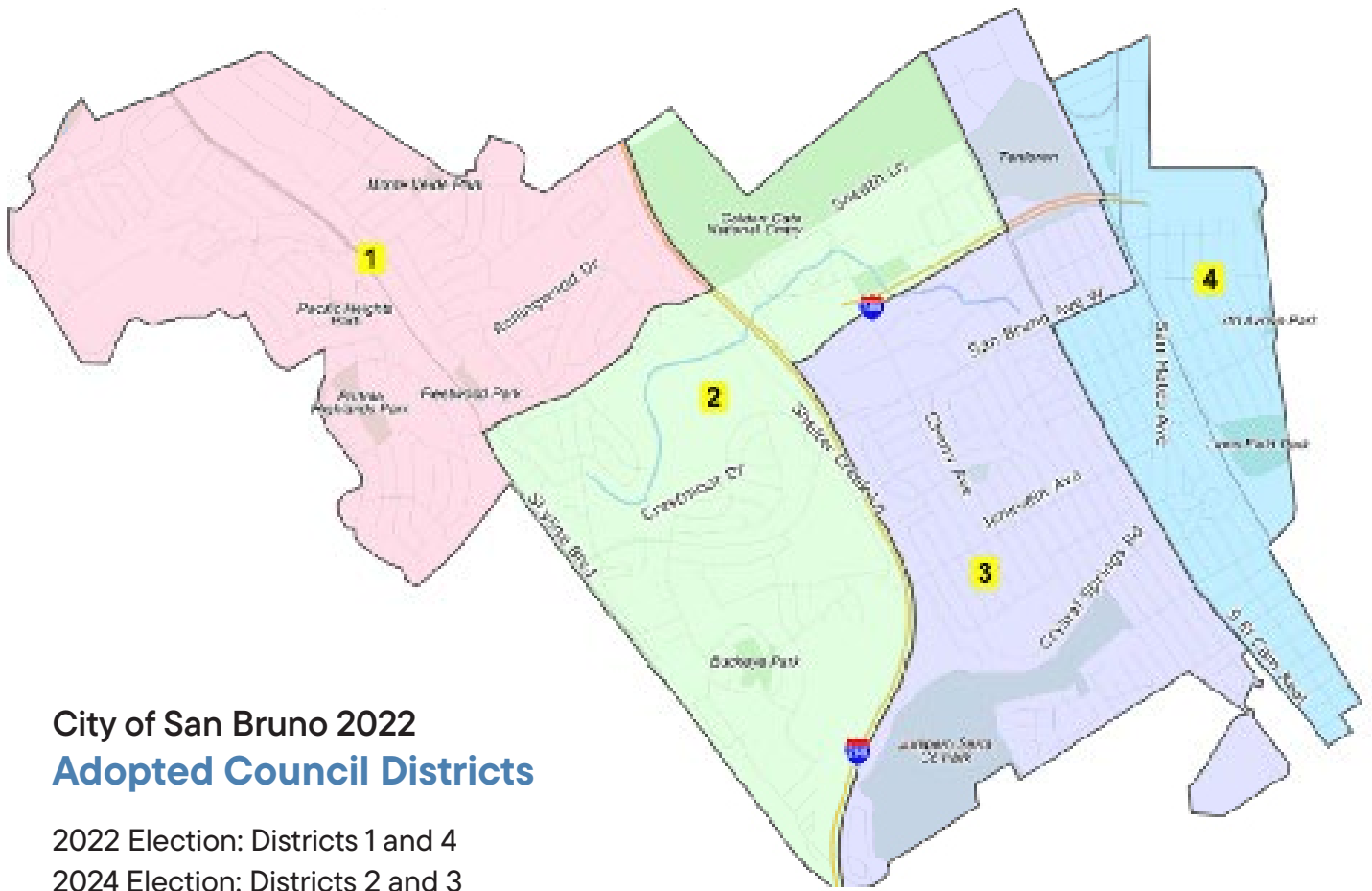
Budget

FY2025-26 Budget

Full-Time Equivalent (FTE) Personnel	REVENUES	EXPENDITURES	NET REVENUE (EXPENDITURE)
5	-	\$2,167,443	\$(2,167,443)

Historical Budget

	2022	2023	2024	2025	2025	2026
Revenue	Actual	Actual	Actual	Budget	Estimated Actual	City Manager Recommended
-	-	-	-	-	-	-
Revenue Total	-	-	-	-	-	-
Expenditures	Actual	Actual	Actual	Budget	Estimated Actual	City Manager Recommended
Salaries and benefits	\$77,781	\$89,629	\$92,248	\$97,832	\$95,396	\$88,231
Operating	\$54,675	\$73,302	\$135,218	\$169,609	\$174,481	\$2,000,850
Internal service charges	-	\$0.05	\$0.20	\$80,548	\$80,547	\$78,362
Total Expenditures	\$132,456	\$162,931	\$227,466	\$347,989	\$350,423	\$2,167,443
Net Revenue (Expenditure)	\$(132,456)	\$(162,931)	\$(227,466)	\$(347,989)	\$(350,423)	\$(2,167,443)



**City of San Bruno 2022
Adopted Council Districts**

2022 Election: Districts 1 and 4
2024 Election: Districts 2 and 3

City Council

The City Council is comprised of five elected officials representing the citizens of San Bruno, whose primary role is to develop policies in order to ensure delivery of high-quality public services to the community.

Overview

The City Council is the governing body of the City of San Bruno. On March 22, 2022, the San Bruno City Council completed its sixth and final public hearing on the district formation process. By adopting Ordinance #1907, the City Council established the City's first district map for City Council elections. The Ordinance implements by-district elections of four City Council Members effective November 2022. Elections are held in November of even-numbered years.

The City of San Bruno's first by-district election began with representatives for Districts 1 and 4 during the November 2022 election. In November 2024, the remaining two districts (2 and 3) held their first district based election. Each district Council Member serves a four-year term and must live in their respective district. The remaining Council Member, the Mayor, is elected every two years.

The City operates under a Council-Manager form of government. The Mayor presides at City Council meetings, held on the second and fourth Tuesdays of each month. The Mayor and Council members act as a collective body to set policies and provide direction for City programs and services to meet the needs and interests of San Bruno residents.

The City Council appoints the City Manager to support the City Council in its policy development functions and oversee management and administration of all City operations to ensure implementation of City Council policies and programs.

The City Council also appoints the City Attorney who serves as the legal advisor to the City Council and staff. As the City's policy-making body, the City Council has the ultimate responsibility to the people of San Bruno and the implementation of all City programs and services. The City Council approves all ordinances, resolutions and major contracts, modifies and approves the budget.

During Fiscal Year 2024-25, the City Council moved its meetings to the community hall on the 2nd floor of the newly opened Recreation and Aquatic Center.

FY2025-26 Goals and Objectives

- Continue the review and approval of all ordinances, resolutions, and major agreements brought forward by staff Continue to develop and maintain City policies to provide high quality public services.
- The Adopted Fiscal Year 2025-26 Top Priority Initiatives are:
 - + Mitigating illegal dumping through the “Cleanup San Bruno” initiative
 - + Establishing a communications and engagement programs
 - + Completing Phase 2A of the Regulated Output (RO) Streetlight Retrofit project
 - + Performing a strategic analysis of major City-owned properties

Performance and Workload Measures	FY23 ACTUALS	FY24 ACTUALS	FY25 EST. ACTUALS	FY26 GOAL
Number of City Council meetings held	72	42	41	35
Number of ordinances approved	56	15	18	15
Number of resolutions approved	116	94	89	100

Fiscal Year 2025-26

City Manager



Budget

FY2025-26 Budget

Full-Time Equivalent (FTE) Personnel	REVENUES	EXPENDITURES	NET REVENUE (EXPENDITURE)
7.35	\$2,370,339	\$2,369,386	\$953

Historical Budget

	2022	2023	2024	2025	2025	2026
Revenue	Actual	Actual	Actual	Budget	Estimated Actual	City Manager Recommended
Charges for services	-	-	-	\$2,000,697	\$2,000,696	\$2,369,389
Licenses and permits	-	-	\$888	-	\$950	\$950
Revenue Total	-	-	\$888	\$2,000,697	\$2,001,646	\$2,370,339
Expenditures	Actual	Actual	Actual	Budget	Estimated Actual	City Manager Recommended
Salaries and benefits	\$1,321,449	\$1,485,519	\$1,769,760	\$1,510,406	\$1,480,276	\$1,857,641
Operating	\$398,318	\$295,913	\$187,166	\$382,973	\$125,500	\$155,800
Internal service charges	\$116,185	\$117,605	\$138,301	\$347,341	\$347,860	\$355,945
Total Expenditures	\$1,835,953	\$1,899,037	\$2,095,227	\$2,240,720	\$1,953,636	\$2,369,386
Net Revenue (Expenditure)	\$(1,835,953)	\$(1,899,037)	\$(2,094,339)	\$(240,023)	\$48,010	\$953

Fiscal Year 2025-26

Divisions

City Clerk

City Net Services





City Manager

The City Manager's Office supports the City Council by guiding the formulation, development, and implementation of City Council directed policies, programs, and projects and coordinates and supervises all City departments and their operations to ensure effective and cost-efficient delivery of City services.

Overview

The City Manager is appointed by the City Council to serve as the chief executive officer of the municipal corporation. The City Manager has overall responsibility for sound, cost effective, and efficient management of all City programs and services. The City Manager supports the City Council by recommending and implementing administrative, fiscal, and operational policies; assuring that the analysis for items presented for City Council action is complete and sufficient to support City Council decision-making; directing a sound personnel management policy and practice to support teamwork, performance excellence, and commitment to public service; overseeing all City services for high quality, customer-focused service delivery; maintaining on-going awareness and participation in legislative programs and proposals affecting San Bruno; facilitating the City Council goals and objectives in response to community needs and interests and according to the highest standards of professionalism; and preparing and presenting a comprehensive annual operating and capital improvements budget.

The primary services provided include:

City Council Policy Development and Strategic Planning - Work with the City Council and staff to facilitate identification and work program planning to ensure equitable delivery of City services, to preserve and enhance community quality of life, and to address emerging community interests, goals, and priorities.

Management and Oversight of Organization - Oversee and ensure delivery of all City services and operations, including critical public safety services, in a customer-focused manner to ensure implementation of City Council policy and priorities in a manner consistent with best management and professional practice.

Community Relations and Outreach - Coordinate with all departments to assure that public information is available to any interested person and provide outreach on topics of importance to a well-informed citizenry and to promote public involvement in City programs and policy development.

Budget Development, Management, and Implementation - Oversee development and delivery of annual budgets and services consistent with City Council strategic, long-term goal setting and budget policies. Evaluate all operations to assure best available methods for cost efficient service delivery.

External Organization Relations - Ensure positive and proactive representation of City interests at regional and statewide organizations.

Economic Development Program - Plan, organize, coordinate, and implement Economic Development program management activities and elements consistent with the City's goals in building a strong local and resilient economy.

FY25 Accomplishments

- Provided regular updates of high interest topics through social media and the City Manager’s eNewsletter
- Supported the update of the 2023-2031 Housing Element Update
- Conducting compensation and class study which is expected to be complete in calendar year 2026
- Completed construction of the new Recreation and Aquatic Center and Centennial Plaza
- Completed sale of CityNet to Comcast, which will be fully executed and all assets sold to Comcast by December 2025

FY26 Goals and Objectives

- Continue to support the San Bruno City Council by providing policy and budget support for their review and consideration to ensure the long sustainability of City services to the San Bruno community
- Develop an annual operating and capital improvement work program to support the City Council approved focus areas, strategic initiatives, and day-to-day services for the San Bruno community
- Lead City departments and staff as work programs are implemented, and ensure high-quality services
- Keep the community informed on high interest projects and important City services through a variety of communication tools
- Pursue economic development opportunities, residential, commercial, and industrial, as part of the long-term fiscal sustainability efforts and needs
- Continue proactive monitoring and management of the City’s resources to ensure fiscal and organizational vitality of services

Performance and Workload Measures	FY23 ACTUALS	FY24 ACTUALS	FY25 EST. ACTUALS	FY26 GOAL
Number of city council agendas prepared	70	43	43	35
Number of staff reports reviewed	263	236	208	250
Number of press releases issued	0	2	6	2



City Clerk

The City Clerk serves as Clerk to the City Council to perform statutory duties prescribed by State Law, including maintenance of all official City meeting minutes, ordinances, and resolutions and serves as the official elections officer. The City Clerk's Office compiles the City Council's meeting agenda and is responsible for posting and publishing all meeting and legal notices.

City Clerk



Overview

The City Clerk’s Office provides the following services:

- Oversight of the City Council legislative processes, including compliance with the Ralph M. Brown Act
- Serve as the Official Elections Officer for local elections
- Provide administrative support to the City Council and serve as the liaison between the City Council and the public
- Generate agendas and meeting minutes for regular and special meetings of the City Council
- Coordination of recruitment and appointments for the City’s Committees, Boards and Commissions
- Continuing oversight of the City’s records management policy
- Act as the City’s compliance filing officer for the Political Reform Act
- Certification of official City documents using the Official City Seal
- Receive claims against the city and certify foreign pension certificates
- Manage and process Public Records Act requests

FY25 Accomplishments

- Coordinated and prepared legal noticing documents as required by law
- Reviewed, organized and maintained City’s historical files
- Successfully completed recruitments for vacancies on Commissions, Boards & Committees, and implemented applicant interviews and appointments with City Council
- Completed safe and sane fireworks oversight instructions to participating groups and collected fees
- Contributed to the migration of the City’s document management software to our new software vendor

FY26 Goals and Objectives

- Conduct recruitments, facilitate interviews and appointments to fill vacancies on Commissions, Boards & Committees
- Revise the City’s retention schedule and do an electronic and physical purge
- Provide transparency to the public regarding all city-held public meetings and updating the City website accordingly
- Continue to review and identify key areas of operations within the City Clerk’s Office to improve efficiency and organization of services

Performance and Workload Measures	FY23 ACTUALS	FY24 ACTUALS	FY25 EST. ACTUALS	FY26 GOAL
Number of meeting minutes transcribed	72	36	48	48
Number of bid openings conducted	5	7	6	6
Number of notarial acts	75	50	29	40
Statement of economic interest forms (Form 700) filed	107	90	100	100
Number of Public Record Act Requests and Subpoenas	184	200	260	250

City Net Services



Budget

FY2025-26 Budget

Full-Time Equivalent (FTE) Personnel	REVENUES	EXPENDITURES	NET REVENUE (EXPENDITURE)
14	\$2,490,834	\$3,571,967	\$(1,081,133.45)

Historical Budget

	2022	2023	2024	2025	2025	2026
Revenue	Actual	Actual	Actual	Budget	Estimated Actual	City Manager Recommended
Charges for services	\$8,557,760	\$8,262,186	\$8,430,067	\$8,726,632	\$6,121,200	\$2,490,834
Use of money and property	-	-	\$213,616	-	\$43,339.20	-
Other revenue	\$235	\$405	\$420	\$300	-	-
Transfers in	\$250,000	\$95,399	\$21,548,667	-	-	-
Revenue Total	\$8,807,995	\$8,357,990	\$30,192,770	\$8,726,932	\$6,164,540	\$2,490,834
Expenditures	Actual	Actual	Actual	Budget	Estimated Actual	City Manager Recommended
Salaries and benefits	\$2,690,275	\$2,985,727	\$3,087,567	\$2,718,980	\$2,439,717	\$1,201,951
Operating	\$5,398,556	\$4,822,003	\$4,209,301	\$4,159,068	\$3,262,470	\$1,445,368
Internal service charges	\$943,138	\$999,669	\$1,237,063	\$959,036	\$959,036	\$924,647.82
Transfers out	\$185,399	\$445,105	\$68,078	-	-	-
Total Expenditures	\$9,217,369	\$9,252,505	\$8,602,009	\$7,837,084	\$6,661,223	\$3,571,967
Net Revenue (Expenditure)	\$(409,374)	\$(894,515)	\$21,590,761	\$889,848	\$(496,683)	\$(1,081,133)

Overview

The CityNet Services Department is responsible for the operations of San Bruno CityNet Services, the City’s telecommunications enterprise and San Bruno Cable Channel 1, the City’s governmental access channel. San Bruno CityNet Services delivers a full suite of video, data, and voice services to residential and business customers on a cable plant consisting of over 100 miles of fiber and coaxial cable. The CityNet Services Department provides a mix of services to more than 7,400 customer homes and businesses in San Bruno.

During Fiscal Year 2025-26, the City of San Bruno will complete its agreement with Comcast and transfer all CityNet customers. As a result of this agreement, the City will no longer manage fiber optic cable infrastructure throughout San Bruno, and all Channel 1 programming will cease. Starting in Fiscal Year 2026-2027, the CityNet Services will be removed as a department.

FY25 Accomplishments

- Coordinated and prepared legal noticing documents as required by law
- Sale of San Bruno CityNet to Comcast closed after completion of due diligence

FY26 Goals and Objectives

- Continue operation of San Bruno CityNet Services through transition phase to Comcast
- Complete transition of San Bruno CityNet Services to Comcast by mid-year 2025-26

Performance and Workload Measures	FY23 ACTUALS	FY24 ACTUALS	FY25 EST. ACTUALS	FY26 GOAL
Service Households	6,250	6,000	5,400	0
Service Calls	1900	1680	1,350	600
New Customer Intake	1250	1075	550	150
Total Homes Served	6650	6000	5,400	0
Total Video Programs Recorded/Live	85	22	10	0

Fiscal Year 2025-26

City Attorney



Budget

FY2025-26 Budget

Full-Time Equivalent (FTE) Personnel	REVENUES	EXPENDITURES	NET REVENUE (EXPENDITURE)
0	-	\$825,204	\$(825,204)

Historical Budget

	2022	2023	2024	2025	2025	2026
Revenue	Actual	Actual	Actual	Budget	Estimated Actual	City Manager Recommended
-	-	-	-	-	-	-
Revenue Total	-	-	-	-	-	-
Expenditures	Actual	Actual	Actual	Budget	Estimated Actual	City Manager Recommended
Salaries and benefits	\$338,154	\$212,893	\$42,200	\$-	\$3,880	\$-
Operating	\$191,360	\$963,687	\$700,738	\$860,450	\$728,108	\$797,825
Internal service charges	\$38,417	\$41,268	\$47,467	\$136,074	\$26,415	\$27,379
Total Expenditures	\$567,931	\$1,217,848	\$790,404	\$996,524	\$758,402	\$825,204
Net Revenue (Expenditure)	\$(567,930)	\$(1,217,848)	\$(790,404)	\$(996,524)	\$(758,402)	\$(825,204)



City Attorney

The City Attorney's Office provides clear, concise, practical, and high-quality legal advice and representation in a timely, effective, and cost-efficient manner; identifies potential legal risks to the City, and in consultation with the City Council and staff develops, implements, and monitors measures to address those risks; and ensures that City ordinances and other legal documents reflect the priorities of the City Council and implement best practices.

Overview

Responsible for the administration of all City-related legal matters:

The primary services provided are:

- Legal Consultation and Support Represent and advise the City Council, Successor Agency to the former San Bruno Redevelopment Agency, Planning Commission, and other Boards and Commissions on legal matters.
- Provide legal advice to City Council, City Manager, and Departments on City matters.
- Respond to requests for public records and subpoenas.
- Manage City-related litigation and claims including appearing on behalf of the City in legal proceedings and directing the defense or prosecution of complex litigation matters assigned to outside counsel.

FY25 Accomplishments

- Supported all City departments and operations to minimize risk and liability by proactive measures and efficiently managing claims and litigation
- Worked with staff to ensure that City interests are addressed in ongoing development projects throughout the City

FY26 Goals and Objectives

- Continue to support all departments and operations to implement City policies and projects in a legally compliant manner and to minimize risk and liability
- Continue to advance the City’s interests in ongoing development projects
- Manage legal resources to ensure the City receives the highest quality services in the most efficient manner to control legal cost Monitor state legislation and provide advice letters on new laws affecting City operations
- Identify opportunities for training to reduce the need to seek assistance from the City Attorney’s Office

Performance and Workload Measures	FY23 ACTUALS	FY24 ACTUALS	FY25 EST. ACTUALS	FY26 GOAL
Number of Claims Received	50	34	36	40
Number of Contracts Reviewed	150	150	150	45

Fiscal Year 2025-26

Administrative Services



Budget

FY2025-26 Budget

Full-Time Equivalent (FTE) Personnel	REVENUES	EXPENDITURES	NET REVENUE (EXPENDITURE)
21.65	\$9,509,055	\$9,751,482	\$(242,428)

Historical Budget

	2022	2023	2024	2025	2025	2026
Revenue	Actual	Actual	Actual	Budget	Estimated Actual	City Manager Recommended
Charges for services	\$3,835,156	\$5,036,514	\$5,315,114	\$6,120,195	\$3,173,496	\$9,509,054.62
Other revenue	-	\$649.32	-	\$2,269,518	-	-
Transfers in	\$258,939	-	-	-	-	-
Revenue Total	\$4,094,095	\$5,037,163	\$5,315,114	\$8,389,713	\$3,173,496	\$9,509,055
Expenditures	Actual	Actual	Actual	Budget	Estimated Actual	City Manager Recommended
Salaries and benefits	\$2,889,786	\$3,188,508	\$3,389,652	\$3,633,607	\$3,282,094	\$4,051,774
Operating	\$4,000,415	\$4,879,747	\$5,384,384	\$5,567,796	\$1,969,949	\$4,751,681
Internal service charges	\$219,738	\$220,919	\$254,244	\$811,712	\$689,096	\$948,027
Total Expenditures	\$7,109,939	\$8,289,174	\$9,028,280	\$10,013,115	\$5,941,139	\$9,751,482
Net Revenue (Expenditure)	\$(3,015,844)	\$(3,252,010)	\$(3,713,166)	\$(1,623,402)	\$(2,767,643)	\$(242,428)

Administrative Services

Divisions

Finance
Human Resources
Information Technology

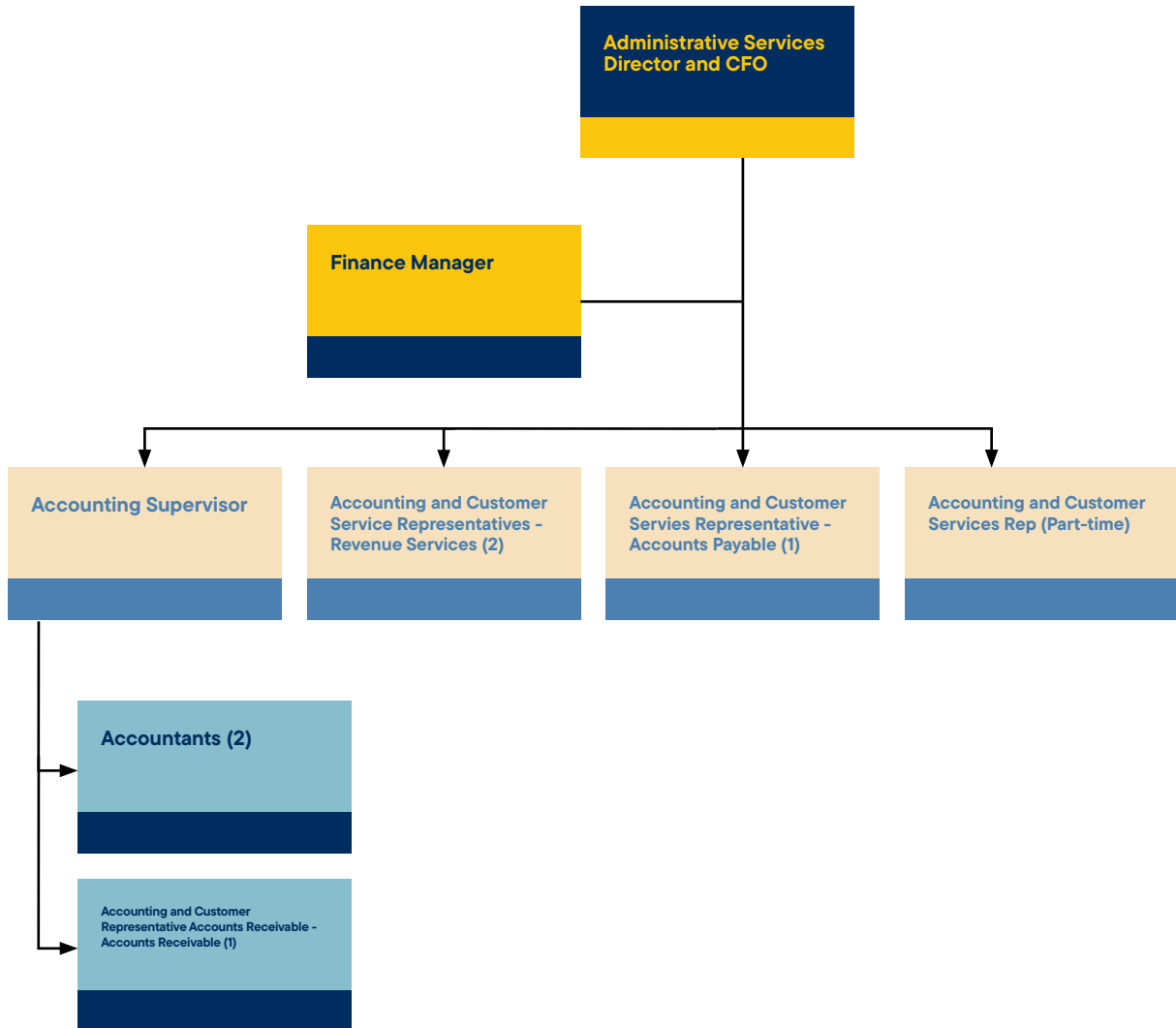




Finance

The Finance Department maintains and enhances the fiscal integrity and financial stability of the City through oversight, management, reporting and protection of all City's financial resources.

Finance



Overview

The Finance Department is responsible for budget development and financial operations of the City. The department ensures that financial activities of the City are accurately recorded and presented in compliance with professional and ethical standards.

The primary services provided include:

Financial Reporting and Accounting

Accurately account for the City's financial condition and provide budget status reports to the City Council. Complete the City's Comprehensive Annual Financial Report, coordinate audits, prepare special reports for State and Federal Agencies, Grant Administrators, and bondholders as required.

Budget

Lead the annual budget development process and support the City Council in their priority setting, budget review, analysis, and adoption of the budget and fiscal priorities. Report on the financial status of the City-to-City Council.

Revenue Management

Generate and manage citywide utility billing and collection for water services. Oversee the business license database and monitor the collection of business license fees and taxes administered by a third-party service provider. Maintain the City's master fee schedule. Issue Invoices and collect other receivables including transient occupancy taxes, reimbursements from developers, sewer charges, cannabis taxes and rental agreements, etc.

Cashiering and Customer Service

Process payments received from customers and post to Cashier Central. Provide customer services in person and on the phone for finance related matters.

Accounts Payable

Provide weekly payment for services and supplies rendered by vendors.

Payroll

Timely and accurately process biweekly payroll for all City employees. Issue quarterly and annual payroll tax filings. Update the payroll system timely to stay compliant with regulatory developments.

Treasury Management

Provide cost-effective financing to the City and ensure statutory and regulatory compliance in continuous disclosures and reporting. Invest City funds in accordance with the Investment Policy and the CA Government Code. Manage the City's banking and custodial relationships and ensure efficient banking transaction execution.

Purchasing and Administration

Administer competitive bids, execute agreements with vendors, issue purchase orders, pay vendor invoices in a timely manner, and implement internal controls through maintaining and updating administrative policies and procedures. Assess business processes for internal control and efficiency improvements.

FY25 Accomplishments

- Officially finalized the transfer of Sewer charge collections to the San Mateo County Tax Collector.
- Closed the San Mateo County Investment Pool and transferred all property tax account collections to the Mateo County Tax Collector, resulting in faster cash turnaround for the City to allow us to invest in higher yield markets.
- Completed the ACFR Annual Comprehensive Financial Report on time.
- Updated Financial Policies and submitted for adoption to the City Council including the fund balance, investments, debt management, award of contract, and delinquent accounts policies.
- Initiated the implementation of a new Human Resources Information System (HRIS).
- Initiated a new set of administrative procedures for the Citywide purchasing processes.
- Successfully Implemented and tested My Government Online (MGO) implementation including it's financial setup of the system. The new process significantly reduced manual permit entries to EDEN, resulting in fewer errors and more efficient cash balancing.
- Updated the City Award of Contracts Policy to streamline City operations.
- Updated accounting and reporting of development impact fees.
- Built a position control tool to streamline payroll operations.
- Implemented Vena Software system to support the development of the FY2025-26 Budget.
- Established a new Administrative Services Department by consolidating Finance, Revenue Services, Human Resources, Information Technology and Risk Management functions.
- Currently developing a delinquent accounts policy aimed at enhancing consistency and improving collections, with completion anticipated before the end of the fiscal year.

FY26 Goals and Objectives

- Exploring the option of transferring delinquent Water and Sewer service charge accounts to the San Mateo County Tax Collector for improved collection efficiency.
- Commence the transition to the new ERP platform.
- Facilitate an organization-wide fiscal sustainability initiative in preparation for the FY27 and FY28 budgets.
- Continue improvement to the City's financial transaction reports and budgets to include best practices.
- Preparing to finalize the transition to Wells Fargo Bank following the ERP system implementation, addressing current system incompatibilities to ensure seamless integration with banking requirements.
- Complete a new set of administrative procedures for the Citywide purchasing processes.
- Fully transition away from eTrakit.
- Continue integration of Public Works fund data into My Government Online (MGO) to ensure all Master Fee Schedule charges are accurately captured, aligning with the successful implementation of Community Development Department (CDD) fund data.

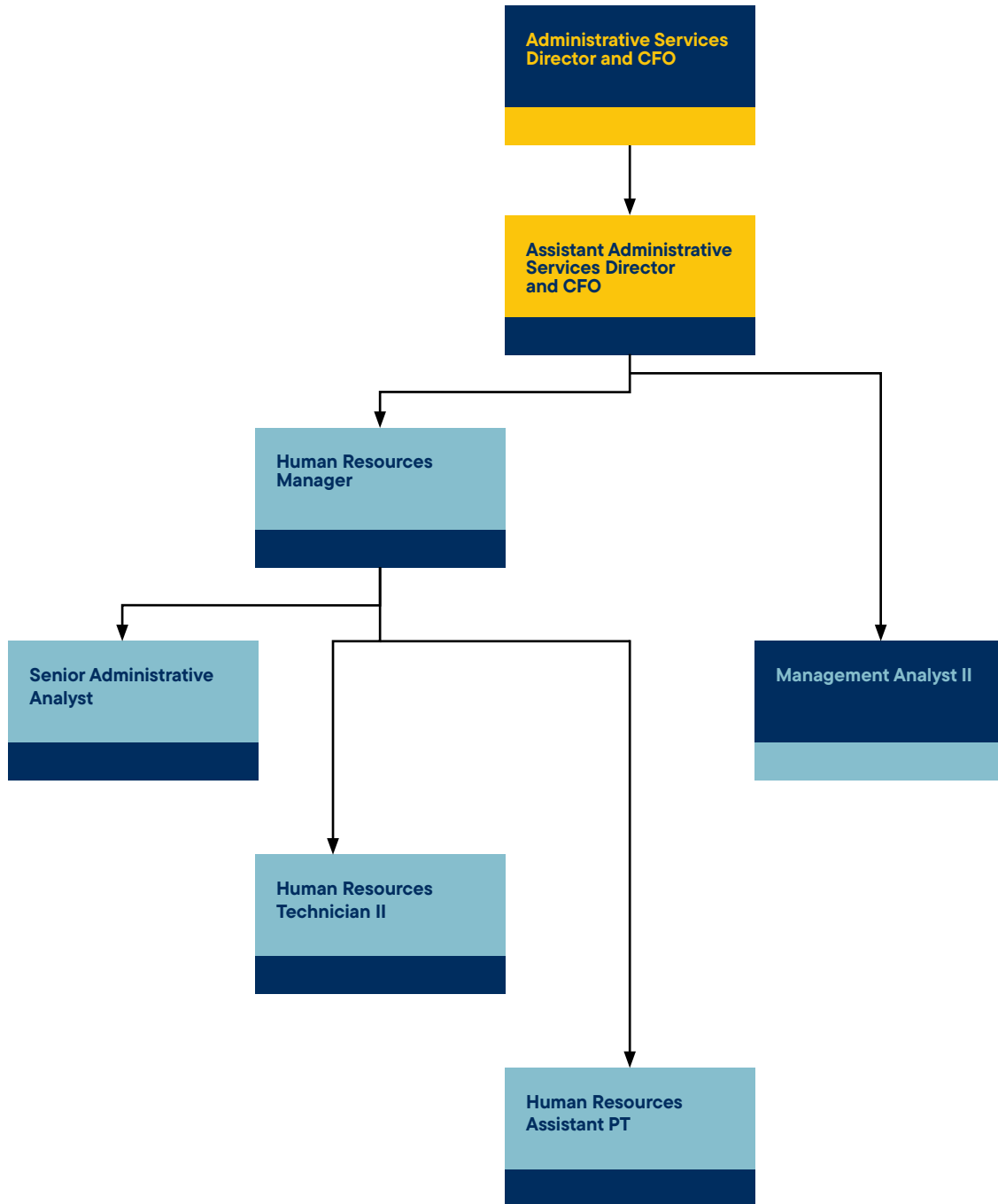
Performance and Workload Measures	FY22 ACTUALS	FY23 ACTUALS	FY24 ACTUALS	FY25 EST. ACTUALS	FY26 GOAL
Number of high-risk internal audit issues identified	0	0	0	0	0
Maintain a credit rating of "very high" or "highest"	YES	YES	YES	YES	YES
The City's budget is adopted by June 30th	YES	YES	YES	YES	YES
General Fund and other reserves are met as defined in the City's Reserve Policy	YES	YES	YES	YES	YES
Finalize the audit and publish the Annual Comprehensive Financial Report (ACFR) within 180 days after the end of the fiscal year	YES	NO	YES	YES	YES
The City's annual financial statements receive an unmodified opinion from the External Auditors with no significant deficiencies or material weaknesses	YES	YES	YES	YES	YES
The City's Annual Comprehensive Financial Report (ACFR) receives the Government Finance Officers Association Award of Excellence in Financial Reporting	YES	NO	N/A	YES	YES
The City's Adopted Budget receives the Government Finance Officers Association (GFOA) Award for Distinguished Budget Presentation	YES	YES	N/A	YES	YES
Number of W-2's issued by January 31	315	346	342	432	440
Number of invoices processed	10,523	11,224	11,095	11,000	11,000
Number of business licenses issued	2,918	3,037	3,179	3,088	3,100
Number of utility bills generated	76,269	74,699	70,132	70,570	70,570



Human Resources

To recruit, develop, and retain a talented, diverse, and engaged workforce while championing equity, ethical stewardship of public resources, and a culture of continuous improvement—all in service to the residents and businesses of San Bruno. We do this by partnering strategically with City leaders, upholding compliance with evolving employment laws, and delivering responsive, people-focused programs that enable every employee to excel.

Human Resources



Overview

Talent Acquisition

- Designs and executes equitable, competency-based recruitments with targeted outreach, selection tools, and tracking to attract diverse, high-caliber candidates and shorten time-to-fill.

Employee Lifecycle (Onboarding, Engagement & Retention)

- Delivers structured onboarding, gathers employee feedback, and drives recognition and pulse-survey action plans to boost morale, inclusion, and long-term retention.

Classification and Compensation

- Human Resources strives to align the classification and compensation structure with industry best practices and market-aligned salary structures to support internal equity, competitive pay, and informed labor negotiation.

Organizational Development and Training

- Coordinates city-wide compliance training, skill-building workshops, and succession planning to strengthen leadership and retain talent.

Benefits Administration

- Delivers comprehensive health, retirement, and leave programs with personalized support and self-service tools, balancing employee value with fiscal stewardship.

Labor and Employee Relations

- The Department represents the City in negotiations and implements negotiated agreements. Human Resources mediates issues with employees, their representatives and management to seek mutually beneficial resolution for issues and continually works towards fostering a positive work environment.

Compliance with State and Federal Employment Law

- Oversees employment-law compliance, safety programs, and workers' comp claims management to protect employees, limit risk, and control costs.

Workers' Compensation Administration

- Promoting workplace safety results in a safe and happy community by administering and supporting a comprehensive and evolving safety program to ensure the safety of employees and citizens and implements policies and procedures to assure a proactive risk management and risk avoidance program for all City operations.

FY25 Accomplishments

- Developed and trained for the implementation of the Workplace Violence Prevention Plan in accordance with Senate Bill 553
- Launched the Special Events Committee and Quarterly Management Meetings to support additional engagement efforts in response to the results of the employee engagement survey
- Developed Human Resources staff in the leave of absence coordination, Americans with Disabilities Act (ADA) accommodation, classifications, workers’ compensation administration
- Provided daily support to San Bruno past, current, and future employees
- Executed annual open enrollment including a Healthcare Benefits Fair and Department Open Enrollment presentation and Q&A
- 457 Training sessions – 1 on 1 Sessions for employees
- Transitioned Workers Compensation to be fully staffed through Human Resources and the third-party administrator
- Assess current Human Resources department structure and create a structure that enhances customer service delivery to better support City Departments
- In partnership with Community Services, continued to recruit part time staff for the new Recreation and Aquatics Center
- Initiated a classification and compensation study consistent with the City Council’s strategic initiatives identified for fiscal year 2024-25
- Completed labor negotiations with one of the six bargaining units that is set to expire in December 2024
- Developed a procedure for Employee Leave of Absence Request and Approval process for efficient review and approval
- Reviewed current processes for the administration of the workers compensation program
- Assessed the processes for implementation of a new Human Resource Information System
- Created and submitted Compensation Guidelines
- Refreshed Recruitment Process and filled several critical roles
- Held public hearing in compliance with state mandated Assembly Bill 2561
- Implemented the Unrepresented Employees Compensation Plan
- Began migration to new Human Capital Management Software

Initiative	FY 2026 DELIVERABLES
Negotiations	Complete labor negotiations with five of the six bargaining units that are set to expire in December 2025.
City-wide Classification & Compensation Study	Consultant-led benchmarking of all classifications, updated job descriptions, and salary ranges aligned to the 75th-percentile market policy.
Complete HRIS Roll-out	City-wide deployment of Employee Self-Service, Manager Self-Service, PAF Management, Open Enrollment, and Performance modules.
Build Full-Scale Onboarding Program	Standardized orientation agenda, 30/60/90-day check-ins, and automated workflows in the HR system.
Recruitment Build Out	Develop and employ recruitment strategies that will increase the diversity of qualified applicants that reflect the City’s demographics.

FY26 Goals and Objectives (continued)

Initiative	FY 2026 DELIVERABLES
Establish City-wide Performance Management Process	Establish a performance cycle that cascades City Council and executive priorities into department and individual goals; launch HR check-ins and year-end reviews; train supervisors on coaching and results documentation.
Training and Staff Development	Coordinate and promote training for staff development, succession planning, and competency skill gaps through local and regional training opportunities.
Policies and regulations	Continue to evaluate current administrative regulations and policies for relevant updates.
Mandatory Training Compliance Operations	Add processes in place to manage current compliance training programs.
Executive HR Data Dashboard	Develop a real-time dashboard showing key metrics—vacancy rates, time-to-fill, turnover, leave usage, and diversity data.

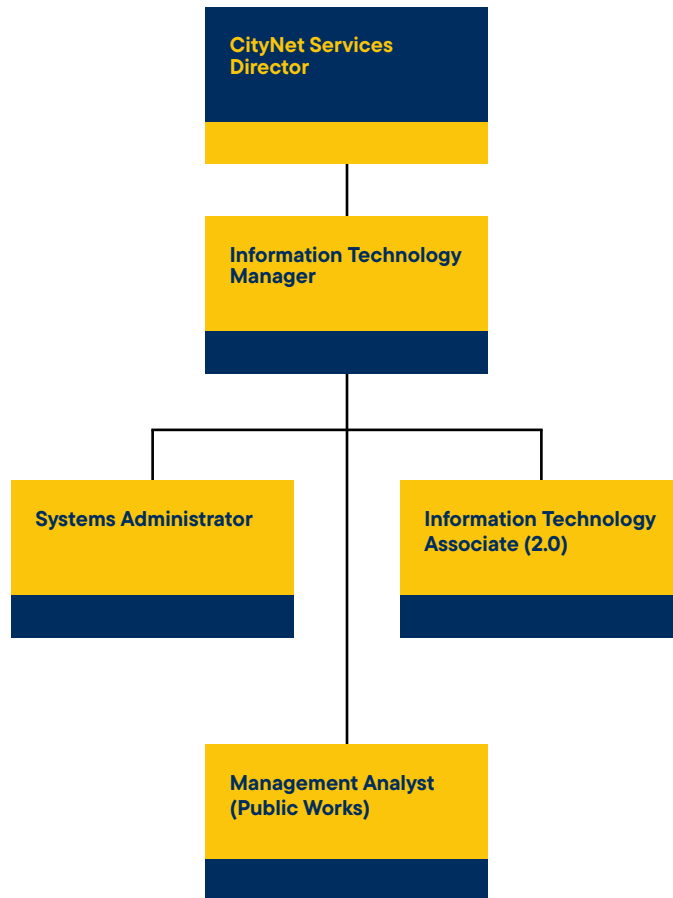
Performance and Workload Measures	FY23 ACTUALS	FY24 ACTUALS	FY25 EST. ACTUALS	FY26 GOAL
Applications Processed	1,000	1,111	1500	1,023
Recruitments Completed	56	51	36	30
New Full-Time Employees Onboarded	44	25	35	25
Seasonal Hires	27	92	76	76
Employee Service Recognitions	30	55	34	35
Personnel Action Forms Processed	1,000	850	780	663
Workers' Compensation Claims Filed	29	22	19	21
Days Lost Due to On-the-Job Injuries	730	695	431	556
# of Hours of Advice & Consultation	N/A	550	550	468



Information Technology

The Information Technology (IT) Division maintains and provides support for over 320 network accounts, over 500 pieces of peripheral equipment, and over 30 network applications on the network system located throughout City Hall and nine satellite locations: Library, Police, Fire Station 51, Fire Station 52, Cable Television, Public Services Corp Yard, Recreation Services, Parks Corp Yard and Senior Center. All users have access to standardized software applications, shared files and folders, email, and the Internet.

Information Technology



Overview

The Information Technology (IT) Division maintains and provides support for over 320 network accounts, over 500 pieces of peripheral equipment, and over 30 network applications on the Citrix Thin-Client network system located throughout City Hall and nine satellite locations: Library, Police, Fire Station 51, Fire Station 52, Cable Television, Public Services Corp Yard, Recreation Services, Parks Corp Yard and Senior Center. All users have access to standardized software applications, shared files and folders, email, and the Internet.

The primary services provided include:

Manage and Maintain the City's Core IT Infrastructure

The IT Division manages the daily operations of all IT systems (network, data center, storage systems, servers, databases, web services) and applies technology 'best practices' to deliver applications and to support business processes throughout the City organization.

Network and Data Security

The IT Division ensures the integrity and security of the City's digital assets and data by focusing on controlling access, detecting and eliminating external and internal cyber threats, and implementing controls to prevent misuse of City information and resources. The Division continually works towards elimination of spam and other threats that may compromise network and users' security.

Centralized Service Desk

The IT Division provides direct support to City employees for a variety of hardware and software products.

Business Applications and Management

The IT Division manages the planning, development, implementation and maintenance of all software systems and evaluates new technologies for operational efficiency.

City Department Solutions Management

The IT Division assists City Departments in meeting their objectives by understanding their business needs, recommending and implementing technology solutions to provide operational effectiveness and efficiency.

Staff Education & Training

The IT Division trains City employees on network features and software to increase users' proficiency with technology and coordinates employee access to other training opportunities for more advanced coursework.

Centralized Phone Management

The Division supports the citywide Voice over Internet Protocol (VOIP) phone system by managing phone extensions, voicemail boxes, and voicemail calling trees, troubleshooting, and maintaining equipment deployed throughout the City. The Division also manages all wireless mobile devices and cellular contracts.

Web Site Development & Administration

The IT Division manages the City's official municipal website to ensure it is an effective online resource to our citizens regarding programs, events, and services offered by the City of San Bruno. The IT Division assists departments to ensure their information on the web is consistent, relevant, and timely.

FY25 Accomplishments

Hardware and Facilities

- Installed CCTV and improved Wi-Fi for 12 citywide sites, including 12 tanks and pump stations for the Public Works department
- Supported the deployment and installation of network and CCTV devices at the Recreation and Aquatic Center
- Supported IT upgrades for Community Development department’s office remodel
- Installed new UPS to support City Hall systems
- Completed Citywide phone upgrade
- Procured reliable satellite internet and enhanced security for SCADA sites
 - Installed new cameras on all Police Department fleet vehicles

Network and Operational Improvements

- Upgraded GIS servers and migrated to the cloud
- Ensured council meetings have hybrid capability
- Implemented MDR (Managed Detection Response)
- Ensured key operations software were updated and compliant
- Migrated Police Department to new, modernized background check application
- Procured and configured IT resiliency solution for backing up critical applications

FY26 Goals and Objectives

In progress

- Migration to new permit application and approval solution
 - Migrate public document repository to modern, cloud-based solution
- Migration of documents from local drive to SharePoint cloud repository
 - Complete IT updates for City Hall remodel

To be started

- Deploy new cybersecurity and efficiency features and key business processes, e.g. expanded multifactor authentication, fingerprinting.
- Migrate from CityNet to new internet service provider for City buildings
- Support Police Department compliance with the CJIS DOJ
- Upgrade Police Department Electrical Panel
- Deploy Asset Management application for Public Works department
- Complete San Bruno network assessment and upgrade
- Complete Citywide operating system update to ensure all devices are secure and supported.
- Upgrade CCTV for Public Works Pipes Truck
- Continue tech refresh for Citywide computers and monitors
- Complete SCADA site network replacement with external providers
- Remove stale and inactive accounts from active directory
- Improve cybersecurity through full adoption of cloud-based mobile device and active directory management

Performance and Workload Measures	FY23 ACTUALS	FY24 ACTUALS	FY25 EST. ACTUALS	FY26 GOAL
Number of software applications supported	35	35	35	40
Number of network servers supported	80	80	80	50
Number of Desktop Computers replaced	62	62	50	50
Network Uptime (Percentage)	100%	100%	100%	100%

Fiscal Year 2025-26

Community Development



Budget

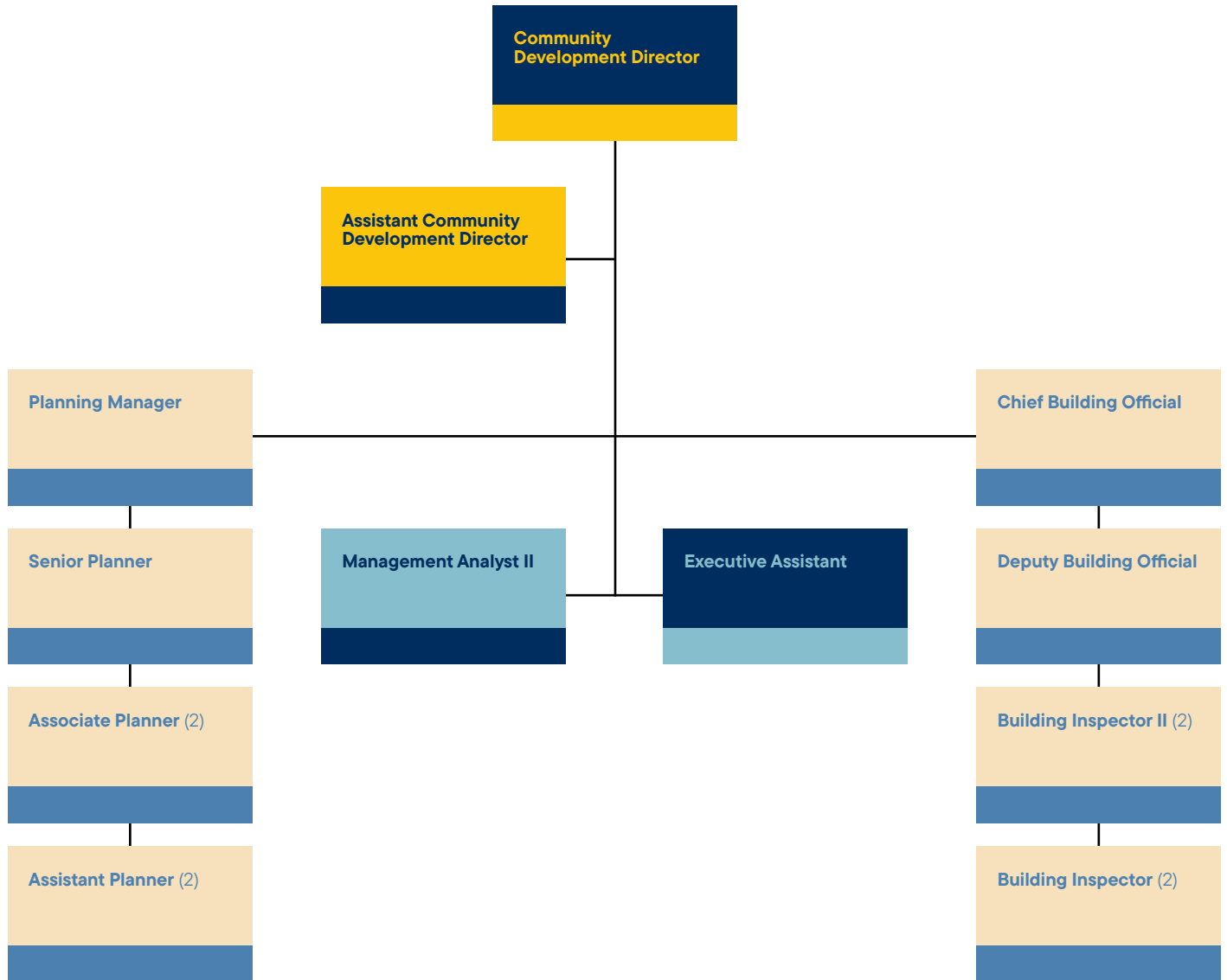
FY2025-26 Budget

Full-Time Equivalent (FTE) Personnel	REVENUES	EXPENDITURES	NET REVENUE (EXPENDITURE)
16	\$4,952,550	\$6,513,687	\$(1,561,137)

Historical Budget

	2022	2023	2024	2025	2025	2026
Revenue	Actual	Actual	Actual	Budget	Estimated Actual	City Manager Recommended
Charges for services	\$583,583	\$1,349,490	\$2,170,482	\$1,376,000	\$2,360,400	\$2,225,300
Licenses and permits	\$2,718,721	\$4,597,375	\$3,952,977	\$3,539,500	\$2,907,000	\$2,669,250
Intergovernmental	\$152,615	\$42,498	\$170,974	-	\$11,839	-
Fines and forfeitures	\$(8,800)	\$(4,500)	-	-	-	-
Use of money and property	\$24,962	\$45,150	\$153,010	\$30,000	\$42,514	\$30,000
Other revenue	\$39,744	\$29,892	\$14,898	\$7,500	\$33,000	\$28,000
Transfers in	-	\$154,500	-	-	-	-
Revenue Total	\$3,510,825	\$6,214,405	\$6,462,342	\$4,953,000	\$5,354,753	\$4,952,550
Expenditures	Actual	Actual	Actual	Budget	Estimated Actual	City Manager Recommended
Salaries and benefits	\$2,067,438	\$2,197,065	\$2,302,121	\$2,342,983	\$2,088,865	\$3,842,857
Operating	\$733,927	\$973,679	\$1,181,824	\$2,897,088	\$1,957,708	\$1,695,375
Internal service charges	\$542,135	\$590,757	\$748,595	\$662,259	\$662,259	\$975,454
Transfers out	\$170,000	\$204,500	-	-	-	-
Total Expenditures	\$3,513,499	\$3,966,001	\$4,232,540	\$5,902,330	\$4,708,832	\$6,513,687
Net Revenue (Expenditure)	\$(2,674)	\$2,248,403	\$2,229,801	\$(949,330)	\$645,921	\$(1,561,137)

Community Development



Divisions

Administration Building Planning





Community Development

Promote the safe and sustainable development of the City of San Bruno, enhancing quality of life and advancing the vision and goals of the community.

Overview

The Department is comprised of the Administration, Planning and Building Divisions, and provides the following primary services.

Public Information

Provide responsive customer service for general and technical inquiries by residents, business owners, developers, design professionals and contractors related to building codes, zoning regulations, business license review, development review processes, policy proposals, and application submittals for building or planning permits.

Building Permits and Inspections

Provide technical review of building permit applications for compliance with State and local building, mechanical, electrical, plumbing and energy codes, as well as Federal accessibility requirements. Issue permits and perform inspections during the construction phase. Provide emergency inspections as needed, and code compliance efforts.

Current Planning

Review land use and development proposals for residential, commercial, office, industrial, public and mixed-use projects for compliance with State, regional and local regulations. Tasks include managing the interdepartmental review of such proposals. Projects can range from large scale projects to smaller projects involving commercial facade changes or additions to single-family homes.

Long Range Planning

Prepare, implement and maintain policy and regulatory documents such as the General Plan, Transit Corridors Specific Plan and zoning regulations within the Municipal Code. Preparation of policy and regulatory documents typically involves active community engagement.

Environmental Review

Ensure City decisions comply with the California Environmental Quality Act to analyze potential environmental impacts of projects and provide required reports to decision-makers.

Housing

Coordinate and manage efforts to provide housing services to the community through regional partnerships. Includes preparation and implementation of the Housing Element.

Planning Commission

Staff and support to the Planning Commission, including preparation of agenda packets, meeting set up and meeting operations.

Administration

Provide leadership and management of department activities including strategic planning, resource development, and budget preparation. Active coordination with City Manager's Office on economic development efforts.

FY25 Accomplishments

- Expanded department leadership by converting a vacant position to Assistant Director, and filing that position.
- Implemented the modernization of City Hall offices in the Community Development Department and a portion of the City Manager’s Office and Administrative Services Department.
- Received City Council direction to merge the Traffic Safety and Parking Committee and Bicycle and Pedestrian Advisory Committee into a new Complete Streets Committee.
- Adoption of the San Mateo County Tobacco Retailer Ordinance.
- Secured the consultant for the City’s comprehensive cost allocation and fee update.

FY26 Goals and Objectives

- Implement the modernization of City Hall offices with the completion of the remainder of the City Manager’s Office, City Attorney’s Office, Administrative Services Department, and Public Works Department.
- Support the Public Works Department in operating the Complete Streets Committee.
- Support the Administrative Services Department with the comprehensive cost allocation and fee update.



FY25 Accomplishments

- Full launch of new permitting software for building permits.
- Launched instant permit issuance for solar and energy storage systems with Solar App+ approval consistent with SB 379.
- Implement coordinated plan review process that will improve coordination of interdepartmental plan review with reduced administrative overhead and faster turnarounds for applicants.
- Implemented new flat fees for over the counter permits to simplify permit fees.
- Provided special inspection services to allow the opening of the Recreation and Aquatics Center.
- Continued YouTube Phase 1, 732-740 ECR, Cardinale, etc inspections.

FY26 Goals and Objectives

- Finalize transition of the building module to the new software system to include enhance data tracking, migration from legacy systems, streamlined permitting for standard applications, and an optimized user interface for better customer experience. Coordinate efforts to implement the Code Enforcement module and transition existing cases into the new platform. Inspections for major projects, including 850 San Bruno Avenue (previously 840), the Hyundai Dealership at 1010 Admiral, and the Crestmoor development.
- Continue to streamline and improve the coordinated plan review process.
- Continue to modify and simplify construction permit fees and create an online fee and valuation calculator.

Performance and Workload Measures	FY23 ACTUALS	FY24 ACTUALS	FY25 EST. ACTUALS	FY26 GOAL
Number of customer inquiries in office (in person, phone, e-mail)	N/A	N/A	13,500*	12,000
Number of building permits applied	N/A	1,591	1,450	1,200
Number of building permits withdrawn/closed (non-issued)	N/A	N/A	20	20
Number of building permits issued	1,656	1,398	1,489	1,100
Number of building inspections performed	13,118	10,120	9,401	8,900
Number of code enforcement inspections	N/A	289	95	100
Average time for permits that do not require plan review	N/A	N/A	1 DAY	1 DAY
Average time for minor plan review (assumes an average of 3 rounds)	N/A	N/A	18 DAYS	18 DAYS
Average time for major plan review (assumes an average of 4 rounds)	N/A	N/A	38 DAYS	38 DAYS

*Based on a sample of customer inquiries

FY25 Accomplishments

- Held three joint City Council and Planning Commission meetings concerning the Five-Year Long Range Planning Strategy.
- City Council adoption of the amended Sixth Cycle Housing Element, and subsequent certification by the State Department of Housing and Community Development.
- Maintained the schedule for the Tanforan Redevelopment entitlement.
- Received City Council and Planning Commission endorsement of a plan for compliance with the Metropolitan Transportation Commission’s Transit-Oriented Communities Policy, and applied for and received \$400,000 in grants for implementation.
- Began development of the Climate Action Plan, TCP Financial Feasibility Study, Environmental Justice Element and Open Space Element.
- Continued development of the Safety Element Update.
- Continued processing of the Amazon project at 1000 San Mateo Avenue.

FY26 Goals and Objectives

- Receive City Council final action on the Tanforan Redevelopment rezoning and environmental impact report.
- Update local zoning regulations and policies to comply with the Metropolitan Transportation Commission’s Transit-Oriented Communities Policy.
- Receive City Council direction on a Land Use Element update to the General Plan to foster development to support the fiscal health of the City.
- Continued implementation of the Housing Element.
- Complete the development and launch of the planning module of the online permitting system.
- Complete the Climate Action Plan and Safety Element Update.
- Continued development of the Environmental Justice and Open Space Element Update.
- Final public hearings for the Amazon project at 1000 San Mateo Avenue.

Performance and Workload Measures	FY23 ACTUALS	FY24 ACTUALS	FY25 EST. ACTUALS	FY26 GOAL
Number of customer inquiries (in person, phone, e-mail)	N/A	N/A	6,225*	6,000
Number of new Planning applications	N/A	N/A	357	300
Number of Planning applications completed, withdrawn or closed	N/A	N/A	636	400
Administrative final action	N/A	N/A	432	390
Administrative final action with hearing	N/A	N/A	9	6
Planning Commission final action	N/A	N/A	6	4
Number of permits issued for new housing units (RHNA)	168	33	379	230
Number of Housing Element programs/actions implemented (in full, partial or ongoing)	N/A	N/A	46	33

Community Services



Budget

FY2025-26 Budget

Full-Time Equivalent (FTE) Personnel	REVENUES	EXPENDITURES	NET REVENUE (EXPENDITURE)
36	\$4,130,773	\$14,407,259	\$(10,276,487)

Historical Budget

	2022	2023	2024	2025	2025	2026
Revenue	Actual	Actual	Actual	Budget	Estimated Actual	City Manager Recommended
Charges for services	\$257,771	\$261,697	\$289,163	\$2,214,175	\$1,452,920	\$2,086,525
Licenses and permits	\$136,676	\$185,494	\$165,077	\$133,100	\$5,000	\$5,000
Intergovernmental	\$214,158	\$119,789	\$148,851	\$1,396,500	\$60,177	\$916,098
Use of money and property	\$145,278	\$110,943	\$136,696	\$607,000	\$20,000	\$245,000
Other revenue	\$(2,940,566)	\$339,557	\$297,404	\$363,500	\$80,086	\$678,150
Transfers in	\$(5,617)	\$672,990	\$207,055	\$61,500	-	\$200,000
Revenue Total	\$(2,192,300)	\$1,690,471	\$1,244,245	\$4,775,775	\$1,618,183	\$4,130,773
Expenditures	Actual	Actual	Actual	Budget	Estimated Actual	City Manager Recommended
Salaries and benefits	\$4,299,436	\$4,749,361	\$5,541,052	\$6,990,734	\$5,783,584	\$8,551,795
Operating	\$1,601,127	\$1,806,507	\$2,012,587	\$2,867,819	\$481,545	\$2,606,340
Internal service charges	\$2,055,265	\$2,120,878	\$2,731,224	\$2,763,303	\$2,763,302	\$3,174,124
Transfers out	\$568,649	\$187,896	-	\$436,500	\$375,000	\$75,000
Total Expenditures	\$8,524,476	\$8,864,642	\$10,284,864	\$13,058,356	\$9,403,431	\$14,407,259
Net Revenue (Expenditure)	\$(10,716,777)	\$(7,174,171)	\$(9,040,618)	\$(8,282,581)	\$(7,785,249)	\$(10,276,487)

Divisions

Library Services
Parks Maintenance
Recreation & Aquatics
Senior Services

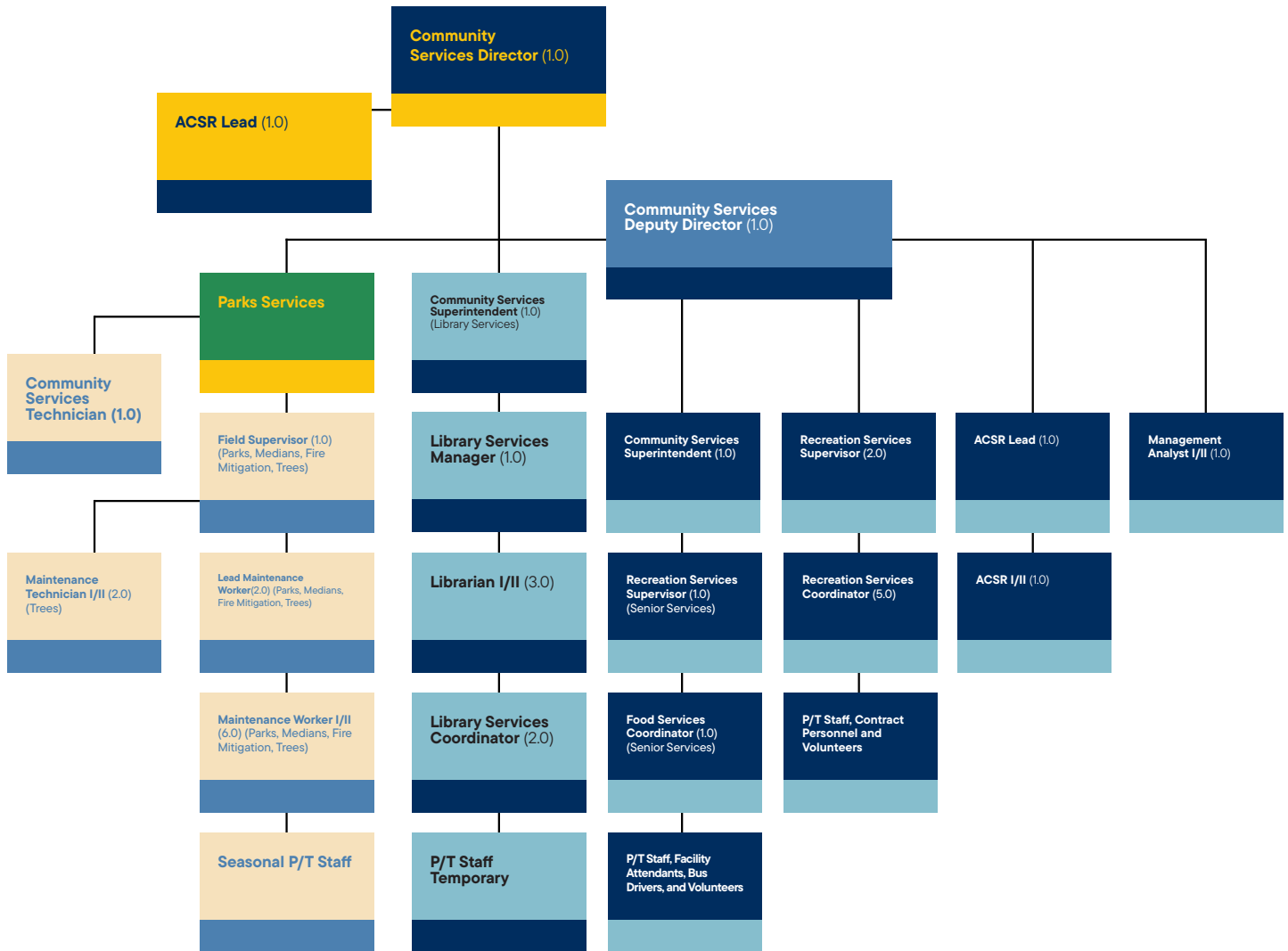




Community Services

Committed to providing quality programs, services, and spaces to benefit the health and well-being of the community.

Community Services



Overview

The Community Services Department continues its commitment to enhancing the quality of life for all San Bruno residents through a diverse array of programs, services, and initiatives. In FY2024-25, the department achieved significant milestones across its four divisions – Library, Parks Maintenance, Recreation and Aquatics, and Senior Services – demonstrably impacting community well-being and engagement. Building upon these successes, the FY2025-26 budget prioritizes strategic investments that expand access, improve service delivery, and foster a stronger sense of community.

A highlight of FY2024-25 was the successful opening of the new Recreation and Aquatics Center (RAC), a state-of-the-art facility that has quickly become a hub for recreation, fitness, and community gatherings. The Library expanded its reach through innovative programming and increased access to digital resources, while Parks Maintenance continued to enhance the city's green spaces and recreational facilities. Senior Services focused on providing comprehensive support to San Bruno's older adults, with a particular emphasis on intergenerational programs and healthy living initiatives.

Enhancing Community Engagement: Through targeted marketing efforts, expanded programming, and strategic partnerships, the department will strive to increase participation in its various programs and initiatives. Reviving community days is a key initiative.

Expanding Access and Equity: The department recognizes the importance of ensuring that all residents have access to its programs and services. Efforts will focus on expanding scholarship opportunities, streamlining processes, and addressing barriers to participation..

Optimizing Service Delivery: The department is committed to continuous improvement, with a focus on streamlining operations, enhancing customer service, and leveraging technology to improve efficiency and effectiveness

Fostering Collaboration: The department will continue to work closely with community partners, local organizations, and other City departments to leverage resources, maximize impact, and address community needs.

By prioritizing these key objectives, the Community Services Department aims to create a vibrant, inclusive, and thriving San Bruno for all. The FY2025-26 budget reflects this commitment, allocating resources strategically to ensure that the department can continue to provide high-quality programs, services, and events that enrich the lives of San Bruno residents.



Overview (continued)

San Bruno Public Library – Provides San Bruno residents and visitors with community lifelong-learning and literacy materials and resources such as instruction, support, and access to internet computers, inhouse Wi-Fi, and Wi-Fi hotspots to help them achieve personal growth goals. The Division also offers an array of educational and personal enrichment services including story times, a homework center, summer reading program, 3D printing and ESL classes as well as special programs and events throughout the year. Provides access to online services such as eBooks, eMagazines, research databases, streaming video, Tutor.com, and museum passes. Through membership in the Peninsula Library System, the San Bruno Public Library offers residents borrowing privileges at libraries throughout San Mateo County. In support of the Culture and Arts Commission, the Division delivers Movies in the Park, Shakespeare in the Park, Art in the Library, and Community Day in the Park Art Project.

Library Services

FY2024-25 Accomplishments

Obtained \$154,500 in grant, gift, and donation funds to support various programs and initiatives; 29% increase from previous year.

- \$16,500 grant from San Bruno Community Foundation to improve reading and early literacy through Library's Summer Reading Program
- \$34,000 3-year grant from San Bruno Community Foundation to support San Bruno-Narita, Japan Sister City Program
- \$6,000 grant from Pacific Library Partnership to install outdoor water bottle filling station & drinking fountain.
- \$5,324 California State Library grant to provide library programming services to Big Lift Inspiring Summers program at Belle Air School, resulting in four programs with 291 attendees and 740 books provided to participants
- \$21,000 grant from California Library Association to provide children's books and promote library services at Food Bank distribution at Belle Air School
- \$15,000 Groundworks Grant to improve History Room storage capacity and flood preparedness, and replaced windows UV film
- \$1,117 from Friends of Library to add 10 literacy backpacks to collection to help children practice and improve reading skills
- \$1,450 from Friends of Library to introduce circulating gaming collection, including 24 video games and 22 board games
- Received enclosed study booth through California State Library valued at \$21,000

Programs

Obtained \$154,500 in grant, gift, and donation funds to support various programs and initiatives; 29% increase from previous year.

- Conducted community survey with 660 respondents rating library collections, facility, programs and access
- Produced 106 Summer Reading Programs with 3,943 total attendees
- 13 SB teens provided 227 hours of summer volunteer experience through Teen Ambassador program resulting in improved leadership and communication skills
- Held first ever Library Card Design Contest with 65 entries resulting in three new library card designs featuring artwork from local youth, teen, and adult artists
- Conducted Student Success Initiative by providing 268 San Bruno high school students with library cards
- Provided homework assistance to 1,395 children at after-school homework center through February
- Re-introduced Baby Storytime in February with 35 babies and caregivers attending first three sessions
- Held weekly Pajama Storytime, Bilingual Storytime, and Toddler Storytime with 1,881 participants through February
- Held winter reading challenge with 300 participants completing Bingo cards based on reading accomplishments
- Introduced Reading Buddies program pairing teen volunteers with children grades K-3 to read and play literacy games, holding 22 sessions and serving 82 children
- Added Hoopla streaming service resulting in 858 items checked out Sept '24-Feb '25
- Introduced portable Makerspace cart with 40 attendees at first event featuring cart
- Offered variety of STEM self-guided activities resulting 1,861 participants
- Conducted Lunar New Year event using \$3,400 from City Art Fund resulting in 200 attendees
- Conducted Juneteenth event using \$9,700 from City Art Fund resulting in 220 attendees
- Conducted Dia de los Muertos event using \$2,344 from City Art Fund resulting in 144 attendees
- Produced Winter Windows Wonderland downtown holiday decorating contest with 20 participating businesses
- Held four Movies-in-the-Park in September with 285 participants
- Conducted Community Art Gallery program, including three art installations of works by local artists

Library Services (continued)

FY2025-26 Goals and Objectives

Provide quality early literacy programming to support lifelong learning for children through weekly Storytimes and monthly family programming.

- Provide quality early literacy programming to support lifelong learning for children through weekly storytimes and monthly family programming
- Obtain at least \$20,000 in grant funding to bolster public programming
- Increase Summer Reading Program participation by at least 10%
- Increase circulating hotspots by 25%, which would result in 60 devices available for checkout
- In response to community survey results, increase evening and Saturday programming by 75%
- Increase Movies in the Parks attendance
- Produce joint Juneteenth event with City of Millbrae
- Support the Culture and Arts Commission by delivering the annual Movies in the Park, Community Art Gallery, Winter Windows Wonderland Contest

Performance and Workload Measures	FY22 ACTUALS	FY23 ACTUALS	FY24 ACTUALS	FY25 EST. ACTUALS	FY26 GOAL
Number of Homework Center attendees	700	1,245	3,557	3,000	3,200
Number of books checked out annually	211,000	258,375	287,902	285,000	290,000
Number of participants in the Summer Reading Program	1,500	3,744	2,602	2,012	2,800
Annual number of special programs	220	361	407	450	470
Number of Storytime attendees	2,100	2,208	3,209	3,300	3,600
Number of reference questions answered	7,500	12,407	20,800	18,000	19,000

Park Maintenance

FY2024-25 Accomplishments

- Completed Centennial Plaza Improvement Project
- Supported the completion and grand opening of the Recreation and Aquatic Center
- Provided support staff for Community Services Department Events: RAC Grand Opening, Holiday Tree Lighting, and Egg Hunt etc.
- Coordinated the Crestmoor Multi-Use Fields Master Plan Project with assistance of landscape architect Callendar Associates.
- Coordinated efforts to determine the repairs necessary to return Posy Fountain to working condition
- Responded to 165 requests on San Bruno Responds/Accela for issues related to trees, parks, and medians
- Developed design and specifications for the San Mateo Avenue Beautification Project including the planters and Posy Park.

Park Maintenance (continued)

- Purchased and installed new banners for San Mateo Ave light poles as part of the Downtown Beautification Project.
- Completed the third year of tree grid pruning contract with West Coast Arborist.
- Received Council approval and award of contract for the Florida Ave Park Construction Project and began construction.
- Completed installation of new scoreboards at Lions Field, Diamonds 2&3, and Greenberg Field.
- Completed a Park Assessment with MIG to determine park needs and establish enhancement and replacement priorities and schedule.
- Complete resurfacing of tennis courts.

FY2025-26 Goals and Objectives

- Provided Emergency response during the winter storm season.
- Continue to support Florida Ave Park Construction Project.
- Support implementation of the San Mateo Avenue Beautification project which includes planters, medians and Posy landscape.
- Continue to work on Crestmoor Field design and implementation in conjunction with Callendar and Associates.
- Complete the renovation of the pathways at Pacific Heights Park.
- Continue to coordinate the Crestmoor Multi-Use Fields Master Plan Project with assistance of landscape architect Callendar Associates.
- Implement formal training program for Parks division, and specialized program for Tree Program and specialized equipment.
- Prioritize amenity replacement projects based on the findings and recommendations of the Park Assessment.
- Proactively identify future projects and funding plans for ongoing maintenance of existing parks and facilities, landscaping and infrastructure.
- Complete the Park Pathway rehabilitation project in Pacific Heights Park,
- Continue to update the aging infrastructure of our irrigation systems in our parks and medians including valves and controllers.
- Continue to provide liaison support for ongoing volunteer cleanup events.
- Complete the third year of grid pruning contract with West Coast Arborist.
- Complete improvements to Posy Park including water feature, landscaping, and amenities.

Performance and Workload Measures	FY23 ACTUALS	FY24 ACTUALS	FY25 EST. ACTUALS	FY26 GOAL
Acres of maintained landscaped areas (parks, city buildings, and school sites)	68	68	68	68
Acres of open space	128	128	128	128
Linear miles of medians maintained	7.35	7.35	7.35	7.35
Number of picnic rentals supported	665	725	750	750
Number of new trees planted	0	62	95	100

Recreation and Aquatics

FY2024-25 Accomplishments

- The new San Bruno Recreation and Aquatic Center successfully opened to the public, marking a significant milestone in the City's commitment to enhancing recreational opportunities for the community.
- A comprehensive evaluation of special events was conducted, resulting in strategic modifications that increased participation and engagement. Signature events such as the Halloween event, Polar Bear Plunge, and Egg Hunt were assessed and refined to better serve the community.
- Facility- and program-specific Emergency Action Plans for all recreation facilities were updated to ensure the highest standards of safety and preparedness.
- A scholarship program, supported by the San Bruno Community Foundation RAC Grant, was established to promote equitable access to RAC programs, allowing broader community participation.
- A comprehensive marketing strategy was developed to promote Community Services Programs, Library Programs, and new RAC offerings, enhancing public awareness and engagement.
- A streamlined onboarding process for new employees was successfully implemented, along with the development of an ongoing training program to support the professional growth of Community Services staff.
- New aquatic programs were introduced at the RAC, including swim lessons, water aerobics, lap swimming, and recreational swimming, further expanding recreational offerings for the community.
- Drop-in sports opportunities were launched at the RAC gymnasium, providing access to basketball, pickleball, and volleyball, fostering increased community engagement in recreational activities.
- San Bruno summer camps successfully returned to City Park, reinstating a beloved program for local youth.
- The RAC construction project was successfully completed, delivering a state-of-the-art recreational facility to the community.

FY2025-26 Goals and Objectives

- To further enhance community engagement and RAC operations, staff will develop membership drives and host marketing events to increase membership sales at the RAC.
- A structured program schedule will be introduced to expand enrichment and fitness class offerings, catering to working adults, seniors, and preschool-aged children.
- A customer service audit program will be established to ensure the highest level of service is consistently provided at the RAC.
- A structured program schedule will be introduced to expand enrichment and fitness class offerings, catering to working adults, seniors, and preschool-aged children.
- A customer service audit program will be established to ensure the highest level of service is consistently provided at the RAC.
- The facility rental process will be streamlined to improve customer experience and optimize staff efficiency.
- The number of special events hosted at the San Bruno Recreation Center, City Park, and Centennial Plaza will be increased to enhance community engagement and participation.
- San Bruno Community Day will be revived as a key initiative to activate the RAC and City Park, fostering a strong sense of community.
- Staff will collaborate with healthcare agencies to establish a reimbursement program for qualified RAC members, increasing accessibility and affordability.
- A comprehensive evaluation of RAC operations will be conducted, with strategic adjustments made to ensure the facility's long-term financial sustainability.

Performance and Workload Measures	FY23 ACTUALS	FY24 ACTUALS	FY25 EST. ACTUALS	FY26 GOAL
Number of participants in afterschool sports programs – Elementary	210	200	80	95
Number of participants in afterschool sports programs – Middle School	335	300	180	200
Number of special events offered	32	10	17	25
Number of participants in summer camp	735	750	500	650
Number of RAC Memberships	N/A	N/A	1,800	2,160
Number of RAC Daily Admissions	N/A	N/A	27,750	32,000
Number of RAC Memberships	N/A	N/A	835	1,100

Senior Services

FY2024-25 Accomplishments

- Retained a new Senior Services Manager whose sole focus is the Senior Services Division and building a team to implement new and expanded programs and services to meet the needs of the senior community.
- Entered into an agreement with a local caterer who provides healthy, county-approved meals to the seniors through the congregate nutrition program.
- Revised the staffing structure for the Congregate Lunch program to better utilize resources, providing a balance between catering and in-house food preparation.
- Held Annual Election for Senior Advisory Board.
- Entered into an MOU with the Nutrition Site Council to provide programs and services to the senior community, including weekday bingo and support of Freddie’s Café.
- Collaborated with the Facilities Department to update the Senior Center staff office area with new paint, carpet, and fixtures allowing for a better use of space.
- Implementation of new intergenerational programming in partnership with Highlands Elementary School: facilitate weekly groups of 6th, 7th, and 8th graders visiting the Senior Center and participating in activities with seniors including bocce, cornhole, minute-to-win-it games, and more. These programs have created strong bonds between the students and seniors, and has both groups looking forward to future events.

FY2025-26 Goals and Objectives

- Retained a new Senior Services Manager whose sole focus is the Senior Services Division.
- Complete the improvements on the bathrooms and lobby of the Senior Center, which will allow for a more welcoming atmosphere and better use of the front desk and lobby areas.
- Revise the Senior Volunteer Program to: have a clear easy onboarding process, better articulate roles and duties, and continued support for current volunteers.
- Expand the volunteer support framework to provide additional staffing and resources for program delivery.

Senior Services (continued)

- Establish collaborative partnerships with new partners (organizations, businesses, educational institutions, etc.) to offer expanded programs and services that meet community needs and wants.
- Add additional value for Senior Center Members through diversified class, special program offerings, and member program rates.
- Create social worker support to better assist seniors with navigating services and addressing individual needs.
- Continue implementing changes for the San Bruno community in alignment with the Age Friendly Task Force.
- Identify gaps in Active Adult and Senior program and service offerings, to better focus our creative programming resources.
- Continue to work with Senior Advisory Board to develop a better understanding of role and responsibility of the Board, and to improve the relationship between staff and Seniors.
- Evaluate and adjust: continuously assess the effectiveness of program offerings through participant feedback, surveys, attendance rates, and outcome measures. Collective data will be used to make data-driven decisions about the effectiveness of programs and to guide future initiatives. This ongoing evaluation will help ensure that the evolving needs of the senior community are met.

Performance and Workload Measures	FY23 ACTUALS	FY24 ACTUALS	FY25 EST. ACTUALS	FY26 GOAL
Annual Visitors	47,226	48,189	50,000	55,000
Annual number of meals served	26,310	25,170	26,000	26,500
Number of referrals and information offered	300	350	350	450
Number of senior special events offered	12	12	15	20
Number of senior trips offered	0	2	4	6



Fiscal Year 2025-26

Fire Department



Budget

FY2025-26 Budget

Full-Time Equivalent (FTE) Personnel	REVENUES	EXPENDITURES	NET REVENUE (EXPENDITURE)
40	\$563,500	\$14,046,114	\$(13,482,614)

Historical Budget

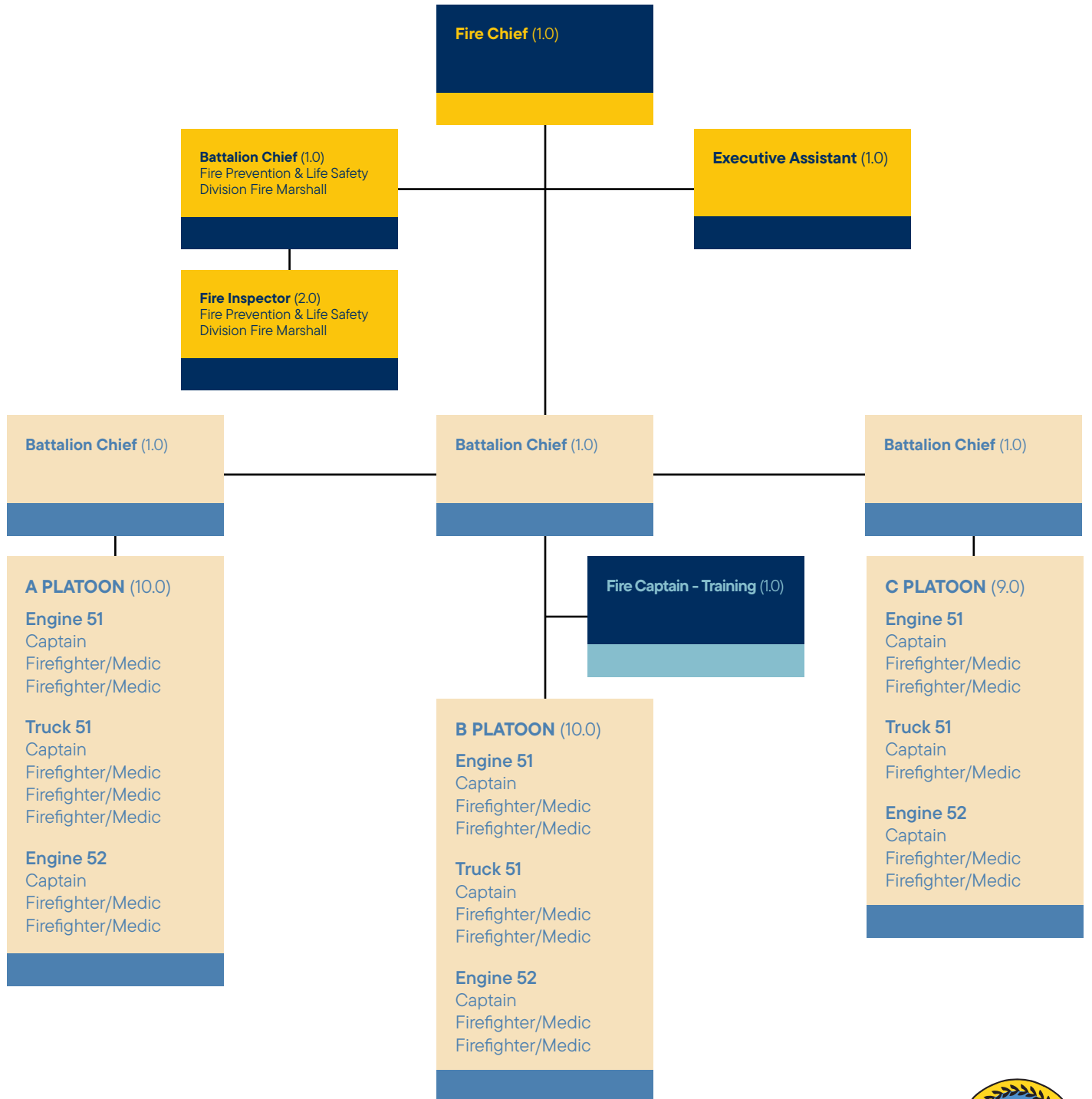
	2022	2023	2024	2025	2025	2026
Revenue	Actual	Actual	Actual	Budget	Estimated Actual	City Manager Recommended
Charges for services	\$776,790	\$1,008,368	\$763,608	\$427,235	\$890,968	\$423,500
Licenses and permits	\$272,963	\$127,249	\$99,169	-	\$32,200	\$75,000
Intergovernmental	-	\$53,634	\$95,454	-	-	-
Other revenue	\$86,220	\$61,549	\$64,479	\$64,969	-	\$65,000
Transfers in	\$42,270	-	-	-	-	-
Revenue Total	\$1,178,243	\$1,250,800	\$1,022,711	\$492,204	\$923,168	\$563,500
Expenditures	Actual	Actual	Actual	Budget	Estimated Actual	City Manager Recommended
Salaries and benefits	\$11,328,267	\$12,122,784	\$12,412,943	\$10,718,918	\$10,854,605	\$11,416,444
Operating	\$750,266	\$772,625	\$874,243	\$928,969	\$916,854	\$994,283
Internal service charges	\$1,362,418	\$1,558,114	\$1,908,148	\$1,563,016	-	\$1,635,388
Transfers out	-	-	-	\$95,000	-	-
Total Expenditures	\$13,440,950	\$14,453,522	\$15,195,334	\$13,305,903	\$11,771,459	\$14,046,114
Net Revenue (Expenditure)	\$(12,262,707)	\$(13,202,723)	\$(14,172,623)	\$(12,813,699)	\$(10,848,291)	\$(13,482,614)



Fire Department

The San Bruno Fire Department provides protection of health, life, and property through emergency response, fire prevention, public education, advanced life support, community preparedness, and fire suppression activities.

Fire Department



Overview

The San Bruno Fire Department provides for the protection and public safety of the community 24 hours a day, 7 days a week, through 5 major divisions. These divisions include the following:

Administration

Supports the day-to-day management of department personnel, apparatus and fire facilities. Also provides support, planning, and budget allocation for personnel, equipment, training, fire prevention, and community preparedness.

Operations

Provides personnel, apparatus, and equipment for emergency responses to fire, medical, hazardous material, and rescue incidents. Oversees maintenance of fire stations, apparatus, equipment, and personal protective equipment. The Department provides these services out of two fire stations, Station 51 at 555 El Camino Real and Station 52 at 1999 Earl Avenue.

Training / Emergency Medical Services (EMS)

In partnership with Central County Training Division to provide EMS and fire-based training to fire personnel and to maintain record keeping and documentation. The division provides standardization in delivery of services and assures compliance with mandated annual training requirements.

Fire Prevention / Life Safety

Provides enforcement of appropriate codes and ordinances, inspections, and fire cause and origin investigation. Provides public information and education programs including home and school fire safety, earthquake preparedness, CPR/AED training, car seat installation, career education, and bike helmet safety.

Community Preparedness

Coordinates the City's disaster preparedness program including upgrading resources in the EOC, participating in annual countywide emergency exercises, training staff in Web EOC and SMC Alert, and providing a Fire Department liaison to assist the Community Preparedness Committee. Provides certified personnel to coordinate Community Emergency Response Training (C.E.R.T.) twice annually to organizations and neighborhoods throughout the community.



FY25 Accomplishments

Personnel

- Provided mandated and specialized training to firefighters in conjunction with the Central San Mateo County Training Division.
- Promotions of 1 Battalion Chief and 1 Fire Captain
- Assigned 1 Fire Captain to the training division
- Hired 2 entry-level firefighters.
- SOC/CRA Recommendation 4
- Provided educational and training opportunities to all Fire Department employees to address succession planning and career development needs.
- SOC/CRA Recommendation 11
- Comprehensive Policy & Procedure Development (Lexipol) in cooperation with Labor & Human Resources.
- SOC/CRA Recommendation 12
- Moved cardio and exercise workout equipment from the apparatus bay at Station 51 and 52.
- SOC/CRA Recommendation 17
- Examined and implement safety initiatives and wellness program to minimize and prevent work-related injuries.
- Implemented and evaluated department and county-wide policies and procedures to address firefighter wellness.
- Continued enforcement of county-wide exposure reduction policies and procedures related to personnel protective equipment (PPE) to reduce Firefighter exposure to carcinogens.
- Partnered with San Bruno Firefighters Association to complete voluntary NFPA 1582 Wellness screenings completed.



Fleet

- Conducted 90 vehicle inspections to maintain legal compliance.
- Conducted A, B, and C vehicle services to maintain compliance.
- Provided training opportunity for three shift mechanics in advanced electrical diagnostics.
- Continued a thorough analysis of all apparatus, vehicle, equipment, and facility replacement needs.

Grants

- SAFER Grant Application to increase Truck Staffing to align with Standards of Cover Study.

Wildfire Mitigation

- Continue to develop a comprehensive Wildland Risk Assessment to provide sound direction for wildfire mitigation for San Bruno.
- Supported approximately 48 days of CCC work for defensible space in Crestmoor Canyon with 20-25 members per day.
- Collaborated with community services to clear approximately 1.2 miles of fire roads.
- Continue work on Citywide Wildfire Mitigation Project & Public Education Programs Covering Fire Safety and Emergency Preparedness.
- Additional development of Story Map on Fire Department website to inform citizens of Crestmoor Canyon Continue to develop a comprehensive Wildland Risk Assessment to provide sound direction for wildfire mitigation for San Bruno.
- Continued work on Crestmoor Wildfire Mitigation Project.
- Continue work on Citywide Wildfire Mitigation Project & Public Education Programs Covering Fire Safety and Emergency Preparedness.
- Continued a Community Chipping Program in cooperation with the San Mateo County Fire Safe Council.

FY25 Accomplishments (continued)

Technology / Innovation Updates (continued)

- Attended the Red Sky Summit 2024 Wildfire Technology.
- Additional development for target hazards in electronic platforms.
- Updated target hazard list to accurately match risk response level. • Evaluated technological improvements related to operational and administrative procedures.
- Collaborated with the Community Services department to support the Santa Tracker application.
- Continue to enhance the use of social media to inform, educate and communicate with members of the public about fire safety and emergency preparedness.
- Evaluated technological improvements related to operational and administrative procedures.

Community Preparedness

- Coordinated all meetings of the San Bruno Emergency Preparedness Committee.
- Held disaster Council Meeting.
- Conducted in person CERT training.
- Conducted in person CERT/Firefighter rehab class including live fire.
- Participated in Countywide Disaster Preparation Day.
- Continued Automated External Defibrillators (AED) safety program management for all city facilities.
- Hold an open house during fire prevention month to showcase the department's programs and provide safety and emergency preparedness information.
- Provide CPR/AED training to city employees and offer quarterly training classes to the community.
- Provided CPR/AED training in cooperation with Via Heart and Parkside Middle School.
- Placed 3 Community AED units and provided CPR training at Lara Field, Lions Field, Commodore Park in cooperation with Via Heart and the San Bruno Community Foundation.
- Continue public safety and community outreach education programs, including Bike Helmet, career education, car seat, smoke detector, fire safety and emergency preparedness.
- Conduct Fire Camp in cooperation with community services.
- Enhanced use of social media to inform, educate and communicate with city staff and members of the community utilizing media sites (SMC Alert, Next Door, Facebook, and City and CERT Websites).



FY25 Accomplishments (continued)

Emergency Response

- Responded out-of-county as part of San Mateo County Strike Teams.
- Collaborated with the Police Department to train on Mobile Command Vehicle.
- Collaborated with the San Bruno Police Department for the UAS program.
- Complete TIMS Training for all new SBFDF Staff.
- Continue to enhance the use of social media to inform, educate and communicate with members of the public about fire safety and emergency preparedness.

Fire Prevention

- Review the current Fire Code and adopt local amendments to increase fire safety and prevention activities within the community. Continue to enhance the use of social media to inform, educate and communicate with members of the public about fire safety and emergency preparedness.
- Continue a proactive and cooperative approach to code enforcement to assure building and fire code compliance in all commercial and residential occupancies. Complete all mandated fire inspections to assure fire code compliance and building safety within the community.



FY26 Goals and Objectives

- Conduct Fire Camp in cooperation with community services.
- Continue to provide educational and training opportunities to all Fire Department employees to address succession planning and career development needs.
- Continue to examine and implement safety initiatives and wellness program to minimize and prevent work-related injuries.
 - Implement and evaluate department and county-wide policies and procedures to address firefighter wellness.
 - Hold an open house during fire prevention month to showcase the department's programs and provide safety and emergency preparedness information.
 - Review the current Fire Code and adopt local amendments to increase fire safety and prevention activities within the community.
 - Continue to enhance the use of social media to inform, educate and communicate with members of the public about fire safety and emergency preparedness.
 - Continue a proactive and cooperative approach to code enforcement to assure building and fire code compliance in all commercial and residential occupancies.
 - Complete all mandated fire inspections to assure fire code compliance and building safety within the community.
 - Provide semi-annual CPR/AED training to city employees and offer quarterly training classes to the community.
- Continue public safety and community outreach education programs, including Bike Helmet, career education, car seat, smoke detector, fire safety and emergency preparedness.
- Continue to develop a comprehensive Wildland Risk Assessment to provide sound direction for wildfire mitigation for San Bruno.
- Provide mandated and specialized training to firefighters in conjunction with the Central San Mateo County Training Division.
- Collaborate with the Police Department to train on Mobile Command Vehicle.
- Continue a thorough analysis of all apparatus, vehicle, equipment, and facility replacement needs.
- Collaborate with the San Bruno Police Department for the UAS program.
- Continue work on Crestmoor Wildfire Mitigation Project.
- Continue work on Citywide Wildfire Mitigation Project & Public Education Programs Covering Fire Safety and Emergency Preparedness.
- Complete TIMS Training for all new SBFDF Staff.
- Complete Water Rescue Training for all new SBFDF Staff.
- SAFER Grant Application to increase Truck Staffing to align with Standards of Cover Study.
- Complete Comprehensive Policy & Procedure Development (Lexipol) in cooperation with Labor & Human Resources.
- Updating target hazard list to accurately match risk response level.



FY26 Goals and Objectives (continued)

Performance and Workload Measures	FY23 ACTUALS	FY24 ACTUALS	FY25 EST. ACTUALS	FY26 GOAL
Emergency calls for service	5,330	5,927	5,116	5,800
Medical Responses	3,258	3,126	3,071	3,200
Structure and other fire related responses	150	121	124	120
Participants completing CERT training	0	100	100	100
Employees and residents trained in CPR/AED	75	50	50	50



Fiscal Year 2025-26

Police



Budget

FY2025-26 Budget

Full-Time Equivalent (FTE) Personnel	REVENUES	EXPENDITURES	NET REVENUE (EXPENDITURE)
72	\$3,741,293	\$23,997,554	\$(20,256,261)

Historical Budget

	2022	2023	2024	2025	2025	2026
Revenue	Actual	Actual	Actual	Budget	Estimated Actual	City Manager Recommended
Charges for services	\$92,327	\$90,910	\$272,694	\$763,713	\$480,155	\$563,713
Intergovernmental	\$540,099	\$805,606	\$490,332	\$528,703	\$568,025	\$545,117
Fines and forfeitures	\$624,437	\$640,491	\$976,221	\$1,623,152	\$1,262,778	\$1,417,195
Use of money and property	\$77,830	\$80,189	\$124,650	\$104,252	\$100,636	\$91,252
Other revenue	\$1,908,144	\$2,286,797	\$2,486,745	\$1,260,029	\$20,455	\$999,016
Transfers in	\$209,774	\$200,000	\$101,170	\$100,000	-	\$125,000
Revenue Total	\$3,452,610	\$4,103,993	\$4,451,812	\$4,379,849	\$2,432,049	\$3,741,293
Expenditures	Actual	Actual	Actual	Budget	Estimated Actual	City Manager Recommended
Salaries and benefits	\$15,351,679	\$17,727,875	\$19,343,021	\$16,636,095	\$15,215,264	\$17,472,088
Operating	\$1,424,580	\$1,844,632	\$2,261,138	\$3,870,722	\$2,862,089	\$2,825,332
Internal service charges	\$2,196,227	\$2,466,994	\$3,114,393	\$3,036,676	\$3,036,675	\$3,550,134
Transfers out	\$369,575	\$218,917	\$100,000	\$100,000	-	\$150,000
Total Expenditures	\$19,342,061	\$22,258,418	\$24,818,552	\$23,643,493	\$21,114,028	\$23,997,554
Net Revenue (Expenditure)	\$(15,889,451)	\$(18,154,426)	\$(20,366,740)	\$(19,263,644)	\$(18,681,979)	\$(20,256,261)



Police

We exist to help create an environment in which ALL PEOPLE live in peace, free from violence, safe from harm, secure in their effects, and confident that appropriate help will be there when they need it most. We strive to contribute to this environment through selfless policing actions that ensure peace, provide safety, and build community in San Bruno and beyond.

Overview

The San Bruno Police Department is a full service policing agency that provides critical public safety services twenty-four hours a day, seven days a week. In addition to protecting life and property, the Department is committed to the prevention of criminal activity through highly visible patrols, systematic gathering and documentation of intelligence information, and the enforcement of laws and regulations throughout the City. The Department also delivers a variety of non-emergency police services. The Department's services include, but are not limited to the following programs:

Patrol

Respond to emergency and non-emergency requests for police assistance and provide enforcement of state and local laws. The Patrol Division is responsible for the prevention of criminal activity and the investigation of criminal acts that lead to successful prosecutions. Patrol duties are carried out in marked patrol vehicles, motorcycles, on foot, and on bicycles.

Investigations and Support Services

Conduct major case management and follow-up investigations that lead to the identification and apprehension of those responsible for criminal acts. The Support Services Section provides a liaison to the schools, resolves chronic quality of life issues in the community, facilitates crime prevention programs such as Neighborhood Watch and the Citizen's Crime Prevention Committee, and assures employees meet mandated training requirements.

Contract Services

Contracts with various public and private agencies allow the Police Department to provide a variety of services that include counseling and diversion programs for at-risk youth, crossing guard services at busy intersections, housing of prisoners, and much more.

Traffic and Parking

Provide enforcement and education of traffic laws, including parking regulations. Officers also investigate traffic collisions and provide recommendations to the City's Engineering Division to enhance traffic and pedestrian safety.

Administration

Obtain information from callers and relay necessary facts to patrol units in the field. This Division provides information and assistance to customers both over the telephone and in person, processes police records, and prepares cases for review by the District Attorney's Office.

Code Enforcement

The San Bruno Code Enforcement Unit was originally created to have primary enforcement responsibility for all Municipal Code violations. Through the years, the Unit had undergone several scope-of-responsibility changes resulting in excessive time spent on several ancillary duties not necessarily focused on quality of life or nuisance issues as was originally intended. In July of 2020 the Unit was transferred to the supervision of the Police Department. The Code Enforcement Unit, currently composed of two Code Enforcement Officers, continues to operate as part of a larger city services workgroup.

The philosophy of the San Bruno Code Enforcement Unit to first seek voluntary compliance in response to these priorities, and resort to enforcement action when compliance is not obtained. Code Enforcement Officers obtain voluntary compliance through communication, education, outreach, and community interaction.

FY25 Accomplishments

Employee Engagement, Retention, and Development

- Continued with and expanded **Chat with the Chief** events
- Continued cost recovery agreements to fund positions
- Sent a Sergeant through Sherman Block Supervisory Leadership Institute (SLI)
- Sent a Lieutenant through POST Management School
- Captains attended CPCA Chief preparation leadership school
- Captain attended and graduated from the FBI National Academy
- Continued to enhance health, wellness, and wellbeing of staff
- Completed career development counseling with all staff

Community Engagement and Crime Prevention

- Deployed measures to combat the opioid epidemic
- Mitigated property theft near BART in San Bruno
- Secured grant funding to combat organized retail theft
- Administered the Underage DUI Education Through Exposure to Repercussions (UDETTER) program
- Administered the Reducing Impact of Drugs on Families (RIDOF) program
- Developed and deployed a Special Response Unit
- Appointed a mental health clinician and launched the CWCRT program
- Deployed a new Juvenile Diversion Program

Process Improvement and Quality Assurance

- Issued a Military Equipment Annual Report
- Streamlined internal review process
- Deployed a key management system
- Established a digital internal room booking management system
- Procured new SMS automatic monitoring device



FY26 Goals and Objectives

Employee Engagement, Retention, and Development

- Expand **Chat with the Chief** events
- Overhire to prepare for pending retirements
- Hire a new Management Analyst
- Continue to enhance health, wellness, and wellbeing of staff
- Construction of Officer rest rooms

Community Engagement and Crime Prevention

- Continue administering the UDETER program
- Continue administering the RIDOF program
- Issue a Military Equipment Annual Report
- Deploy RIPA dashboard on our website

Process Improvement and Quality Assurance

- Continue to enhance the citywide parking enforcement program
- Launch the Radio Encryption and Infrastructure Project
- Deploy newly acquired SMS automatic monitoring device
- Expand digital evidence handling capabilities
- Digitize all personnel files
- Upgrade to the most current body-worn camera technology

Performance and Workload Measures	FY22 ACTUALS	FY23 ACTUALS	FY24 ACTUALS	FY25 EST. ACTUALS	FY26 GOAL
Number of new Crisis Intervention Trained Officers	4	8	8	8	8
Number of DUI Enforcement Programs	8	8	8	20	20
Number of Massage Business Compliance Checks	6	10	10	10	15
Number of Residential / Commercial Burglary Suppression Programs	2	2	2	1	1
Number of Pedestrian Safety / Enforcement Programs	4	6	6	6	8
Number of Vehicle Burglary Suppression Programs	8	6	6	3	3
Number of Criminal Street Gang Enforcement Programs	20	20	20	25	25
Number of Programs Combatting the Sale of Alcoholic Beverages to Minors*	4	4	0	0	8
Number of Programs Combatting the Sale and Use of Tobacco and Vape Products By Minors**	4	4	0	13	13
Number of Saturated Parking Enforcement Programs	10	10	10	15	15
Number of PSAs and other posted videos/messages in Spanish	10	50	50	50	50

* (No external funding FY24 & FY25)

** (No external funding FY24)

Fiscal Year 2025-26

Public Works

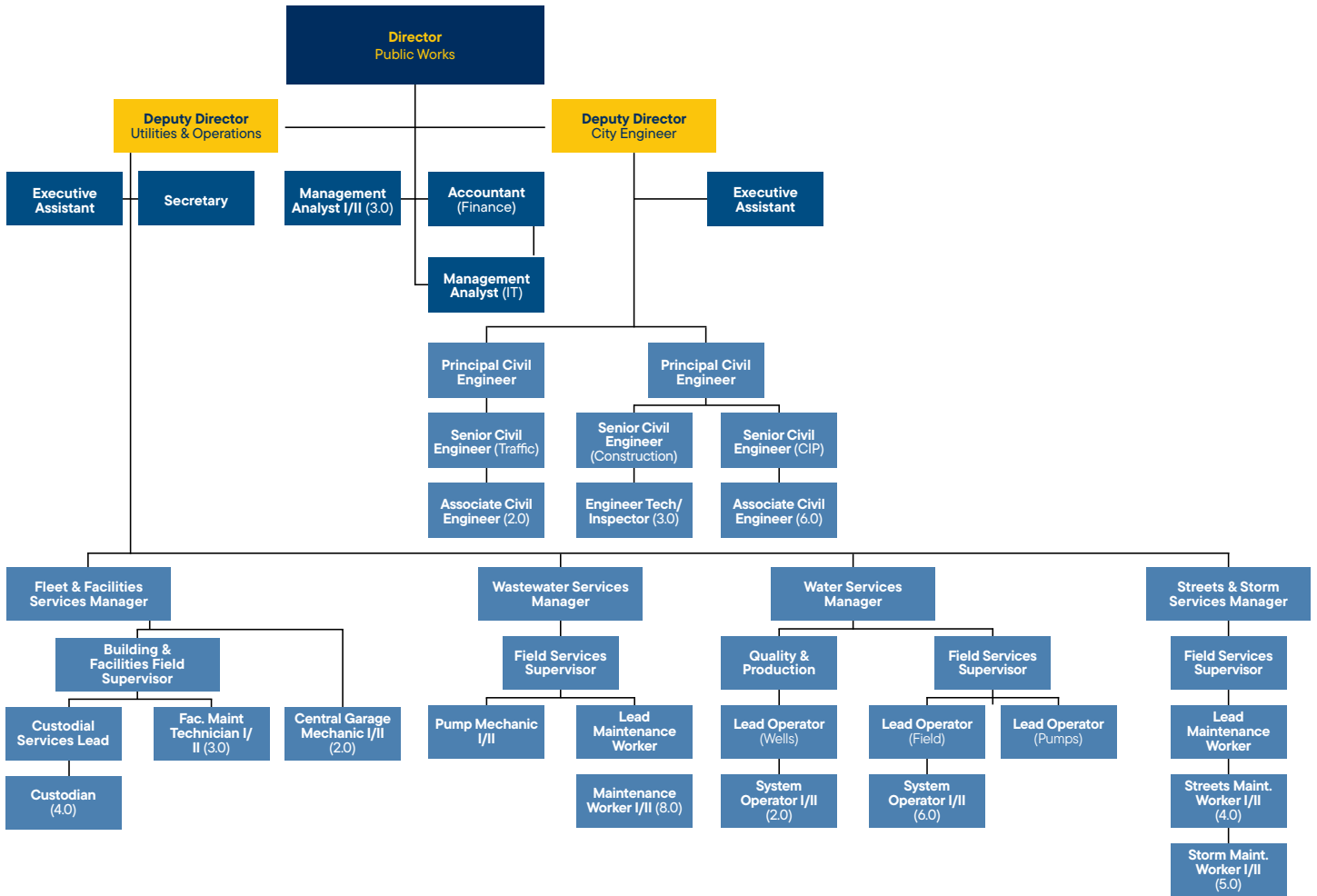


Divisions

Administration & Engineering
Building & Facilities
Central Garage
Solid Waste
Stormwater
Streets Maintenance
Wastewater
Water



Organizational Chart





Public Works Department

The City of San Bruno Public Works Department provides professional, strategic, and cost-effective maintenance and capital improvements to critical City infrastructure, including the delivery of potable water; traffic and transportation; streetlights; wastewater and stormwater collection systems; solid waste recycling and environmental regulatory compliance; and City facilities and fleet.

Budget

FY2025-26 Budget

Full-Time Equivalent (FTE) Personnel	REVENUES	EXPENDITURES	NET REVENUE (EXPENDITURE)
75	\$87,517,268	\$190,617,044	\$(103,099,776)

Historical Budget

	2022	2023	2024	2025	2025	2026
Revenue	Actual	Actual	Actual	Budget	Estimated Actual	City Manager Proposed
Taxes	\$1,921,217	\$1,805,800	\$1,871,185	\$1,977,865	\$871,547	\$1,807,000
Charges for services	\$39,551,101	\$39,281,926	\$40,999,923	\$45,347,216	\$37,585,562	\$47,467,682
Licenses and permits	\$360,201	\$269,285	\$224,517	\$161,000	\$251,400	\$226,600
Intergovernmental	\$2,420,466	\$3,201,578	\$4,145,933	\$6,086,451	\$2,207,149	\$12,420,509
Use of money and property	\$641,889	\$1,203,606	\$2,630,503.46	\$1,747,185	\$2,666,060	\$1,258,579
Other revenue	\$10,603,413	\$23,366,680	\$12,430,979	\$6,694,000	\$849,619	\$3,851,088
Transfers in	\$9,052,619	\$27,865,275	\$24,829,475	\$18,274,636	\$17,426,625	\$20,485,810
Revenue Total	\$64,550,907	\$96,994,150	\$87,132,516	\$80,288,353	\$61,857,962	\$87,517,268
Expenditures	Actual	Actual	Actual	Budget	Estimated Actual	City Manager Proposed
Salaries and benefits	\$8,653,299	\$11,258,695	\$12,382,446	\$12,424,250	\$9,894,984	\$14,879,568
Operating	\$14,582,117	\$20,330,002	\$22,589,631	\$27,460,860	\$17,592,904	\$20,069,520
Internal service charges	\$7,156,496	\$7,470,855	\$10,159,090	\$3,652,510	\$2,275,295	\$4,628,944
Transfers out	\$7,224,758	\$9,374,138	\$9,566,550	\$5,072,533	\$3,742,663	\$16,800,000
Capital outlay	\$15,110,586	\$32,158,410	\$32,283,771	\$49,056,281	\$44,490,838	\$134,239,012
Total Expenditures	\$52,727,255	\$80,592,102	\$86,981,487	\$97,666,434	\$77,996,684	\$190,617,044
Net Revenue (Expenditure)	\$11,823,652	\$16,402,048	\$151,029	\$(17,378,081)	\$(16,138,722)	\$(103,099,776)

Overview

The Department is made up of two sections: Administration & Engineering and Utilities & Operations. The Department is responsible for the management of public assets, including building & facilities, central garage, and streets, stormwater, water and wastewater infrastructure. The Department also maintains compliance with solid waste recycling requirements.

Administration & Engineering

Provides leadership and oversight for all departments programs and serves as the professional engineering resource for the City. The Section coordinates the work activities of each division in the Public Works Department and provides high-level strategic management. This includes preparation of operating and capital budgets, identifying potential outside funding sources for various activities, coordinating with other government agencies to provide critical services, tracking division performance, and reviewing and resolving personnel matters. Work performed includes managing and coordinating the City's Capital Improvement Program through the Capital Projects Division to ensure that current projects are delivered on time through contract execution and monitoring, providing technical and administrative support to the Transportation Safety and Parking Committee (TSPC) to engage and respond to urgent community needs, and performing review and approval of encroachment permit, building permit as relates to public right-of-way, and development applications through the Land Development and Traffic Division to ensure compliance with City Standards and Specifications as well as the regulatory requirements and Subdivision Map Act.

Building & Facilities

Provide routine custodial services, preventative maintenance, and capital improvements at 17 City facilities to ensure a clean, well maintained, and accessible environment for use by the community and City employees. Ensure proper maintenance of all City facilities by City staff and contract services. Coordinate work with user departments throughout the City and collaborate to prioritize projects and allocate limited budgeted resources. Conduct facilities asset management analysis to balance repair and rehabilitation of facilities.



Stormwater

Provides assistance to residents with drainage and runoff issues, maintaining and repairing City owned storm drain infrastructure that includes mains, catch basins, grates, trash capture devices, and valley gutters and responding to illicit discharge into the storm drain system (see Enterprise Funds for more detail).

Water

Ensures the highest quality potable water service by quickly responding to water main/ service leaks and resolving water quality questions and concerns in a timely manner (see Enterprise Funds for more detail).

Wastewater

Provides inspection, maintenance and operation of the City's wastewater infrastructure and provides around-the-clock customer service response to emergency calls related to sewer main and lateral sewer blockages and overflows (see Enterprise Funds for more detail).



Administration and Engineering

Provides leadership and oversight for all departments programs and serves as the professional engineering resource for the City.

Overview

The Department coordinates the work activities of each division in the Public Works Department and provides high-level strategic management. This includes preparation of operating and capital budgets, identifying potential outside funding sources for various activities, coordinating with other government agencies to provide critical services, tracking division performance, and reviewing and resolving personnel matters. Work performed includes managing and coordinating the City's Capital Improvement Program to ensure that current projects are delivered on time through contract execution and monitoring, providing technical and administrative support to the Transportation Safety and Parking Committee (TSPC) to engage and respond to urgent community needs, and performing review and approval of encroachment permit, building permit as relates to public right-of-way, and development applications to ensure compliance with City Standards and Specifications as well as the regulatory requirements and Subdivision Map Act.



FY25 Accomplishments

Completed Design/Study for the following:

- Crestwood Water Pump Station and Water Force Main Replacement
- Cunningham Drive Water Tank and Pressure Regulating Valve Replacement
- Earl Ave / Glenview Ave Sewer Main Feasibility Study
- Huntington Avenue Bicycle and Pedestrian Improvements (Segment I)
- Storm Drain Trash Capture Installation 2025
- Street Rehabilitation Project (2023-24)
- Street Rehabilitation Project (2024-25)
- Storm Drain Trash Capture Installation 2025

Completed Construction for the following:

- City Hall Roof Replacement
- Citywide Slurry Seal Project (2023-24)
- Downtown Parking Program - Meter Installation
- Downtown Receptacle and Newspaper Racks and Enclosures
- Oak Avenue and Crystal Springs Road Intersection Improvements
- Oakmont Manhole Emergency Repair
- Recreation and Aquatics Center
- Regulated Output Streetlight Replacement Project (Phase I)
- San Bruno Bicycle Route Installation
- Street Reconstruction Project (2021-22)
- Street Rehabilitation Project (2022-23)
- Winter Storm 2023 Hazard Mitigation

FY26 Goals and Objectives

Completed Design/Study for the following:

- Accessible Pedestrian Ramps at Various Locations
- Avenues 2-3 Water Main Replacement
- Avenues 3-2 Water Main Replacement
- Avenues 2-3 Sewer Main Replacement
- Avenues 3-2 Sewer Main Replacement
- Bennington Storm Drain Installation
- Citywide Slurry Seal Project (2025-26)
- Earl Ave / Glenview Ave Sewer Main
- Huntington Avenue Bicycle and Pedestrian Improvements (Segment II)
- Lake Drive Water Pump Station Rehabilitation
- Oakmont Drive PRV Replacement
- Overflow Corrugated Metal Pipe Repair/Replacement Behind Cunningham Tank 1
- Portola Watershed Storm Drain Trunk Line Repair
- Princeton Pump Station Generator Replacement
- Regulated Output Streetlight Replacement Project (Phase 2)
- San Bruno Avenue Transit Corridors Phase 1 - Pedestrian Improvements

FY26 Goals and Objectives (continued)

Completed Design/Study for the following:

- Shelter Creek Lane Sewer Improvement
- Sidewalk Repair at Various Locations
- Sneath Lane Water Pump Station Rehabilitation
- Storm Drain Condition Assessment
- Storm Drain Master Plan Update
- Street Pavement Project (2025-26)
- Whitman Pump Station Generator Replacement

Completed Construction for the following:

- Acapella Well Project Phase I
- Avenues 2-1 Sewer Main Replacement Project
- Avenues 2-1 Water Main Replacement Project
- Avenues 2-2 Sewer Main Replacement Project
- Crestmoor Canyon Storm Repair
- Huntington Avenue Bicycle and Pedestrian Improvements (Segment I)
- Regulated Output Streetlight Replacement Project
- Sidewalk Repair at Various Locations
- Storm Drain Trash Capture Installation 2025
- Street Rehabilitation Project (2023-24)
- Street Rehabilitation Project (2024-25)

Performance and Workload Measures	FY23 ACTUALS	FY24 ACTUALS	FY25 EST. ACTUALS
Number of CIP construction projects completed	17	12	12
Number of Engineering CIP projects per in-house project manager	-	-	10
Number of Encroachment Permits processed	390	266	330
Number of Traffic Calming projects implemented	-	-	2



Building & Facilities Division

The Buildings and Facilities provides facilities maintenance, custodial services, and support to all City building and facilities and City Departments.

Overview

The Building and Facilities Division provides safe, efficient, comfortable, and functional buildings and facilities for all users of City facilities. The division is responsible for custodial services, routine preventative maintenance, and repairs at City Hall, Cable Television Office, Police Department, two Fire Stations, Senior Center, Veterans Memorial Recreation Center, San Bruno Pool, Portola Performing Arts Center, Belle Air Community Center, Skyline Activity Center, Catalpa Community Center, Carlton Corners, Firemen’s Hall, Public Services Corporation Yard, Parks Corporation Yard, Library, as well as restrooms and structures at City parks.





The functional program areas of the division are provided through three service areas:

Facility Management and Routine Preventative Maintenance

Ensure proper maintenance of all City facilities by City staff and contract services. Routine maintenance includes regular inspections and scheduled maintenance for emergency generators, heating and cooling systems, fire extinguishers, elevators, alarm systems, electrical systems, mechanized doors, and building

amenities such as doors, flooring, windows, and lighting. The division coordinates work with user departments throughout the City and works in collaboration to prioritize projects and allocate budgeted resources.

Repair Services

Provide repairs to City facilities which occur more routinely as facilities age. These repairs are often unanticipated and occur without warning. Examples include replacement of condensers in cooling systems, equipment part failures in generators, elevators and other electrical systems, and patching aging roofs.

FY25 Accomplishments

- Completed and closed out multiple long-term CIP projects for example, City Hall Roof replacement, Recreation and Aquatic Center (RAC) project close-out, Fire Station 51, and Public Works Corporation Yard painting.
- Continued to streamline asset management and service intervals to maximize lifecycle of mechanical equipment.
- Stood up and implemented RAC building maintenance program which includes but not limited to active asset management and servicing of the build and all related mechanical infrastructure.
- Certified new Facilities Technician for backflow inspections.
- Assisted in City Hall Space Planning efforts.
- Kicked-off design of Senior Center life quality improvements.
- Reconfigured several office spaces in City Hall to fit increased staffing levels.



FY26 Goals and Objectives

- Continue with City Hall space study and occupancy improvement program.
- Complete Senior Center quality of life improvements.
- Assist in planning of replacement of Fire Station No. 52.
- Continue with electrification planning for city owned facilities.
- Continue to reassess citywide properties, specifically focusing on equipment and infrastructure life cycle.
- Fill vacant Facilities Technician Role to help support RAC.

Performance and Workload Measures	FY23 ACTUALS	FY24 ACTUALS	FY25 EST. ACTUALS	FY26 GOAL
Number of work order completed annually	2,400	2,755	2,369	2,400
City Facility Management, Maintenance, and Repair (number of facilities)	-	17	16	16



Central Garage Division

The Central Garage serves the citizens of San Bruno by providing City employees with operable, well-maintained vehicles, and equipment necessary to conduct municipal business



Overview

The Central Garage Division is responsible for managing and maintaining the City's non-Fire vehicles and major equipment, monitoring life-cycle costs and providing recommendations for the vehicle replacement program, development of specifications for and purchase of replacement vehicles, and disposal of City vehicles for salvage value at the end of their serviceable life.

Central Garage Division

The primary services provided include:

Preventive Maintenance and Repair

Provide service and safety inspection every 3,000 miles for 15 police patrol vehicles, service and safety inspections for 131 other vehicles every 5,000 miles or annually, additional safety inspections every 45 to 90 days for safety-sensitive equipment, and routine repair of various large equipment items. Provide timely and cost-effective repairs that are performed in-house or by contract; contract repairs typically include transmission repair, front-end alignment, and body work/painting, as well as warranty or other cost-saving work.

Vehicle Acquisition and Disposal

Supply timely and efficient procurement, set up, and disposal of two to three police patrol vehicles and approximately ten other vehicles annually, including review of opportunities to use alternative fuel vehicles or other opportunities to reduce air pollution.

Support Services

Provide general use vehicles for City employees who do not regularly use a City vehicle in the performance of their duties. Central Garage maintains the City's fuel storage and delivery system. Provide regularly scheduled and custom repair to a wide variety of tools and equipment.



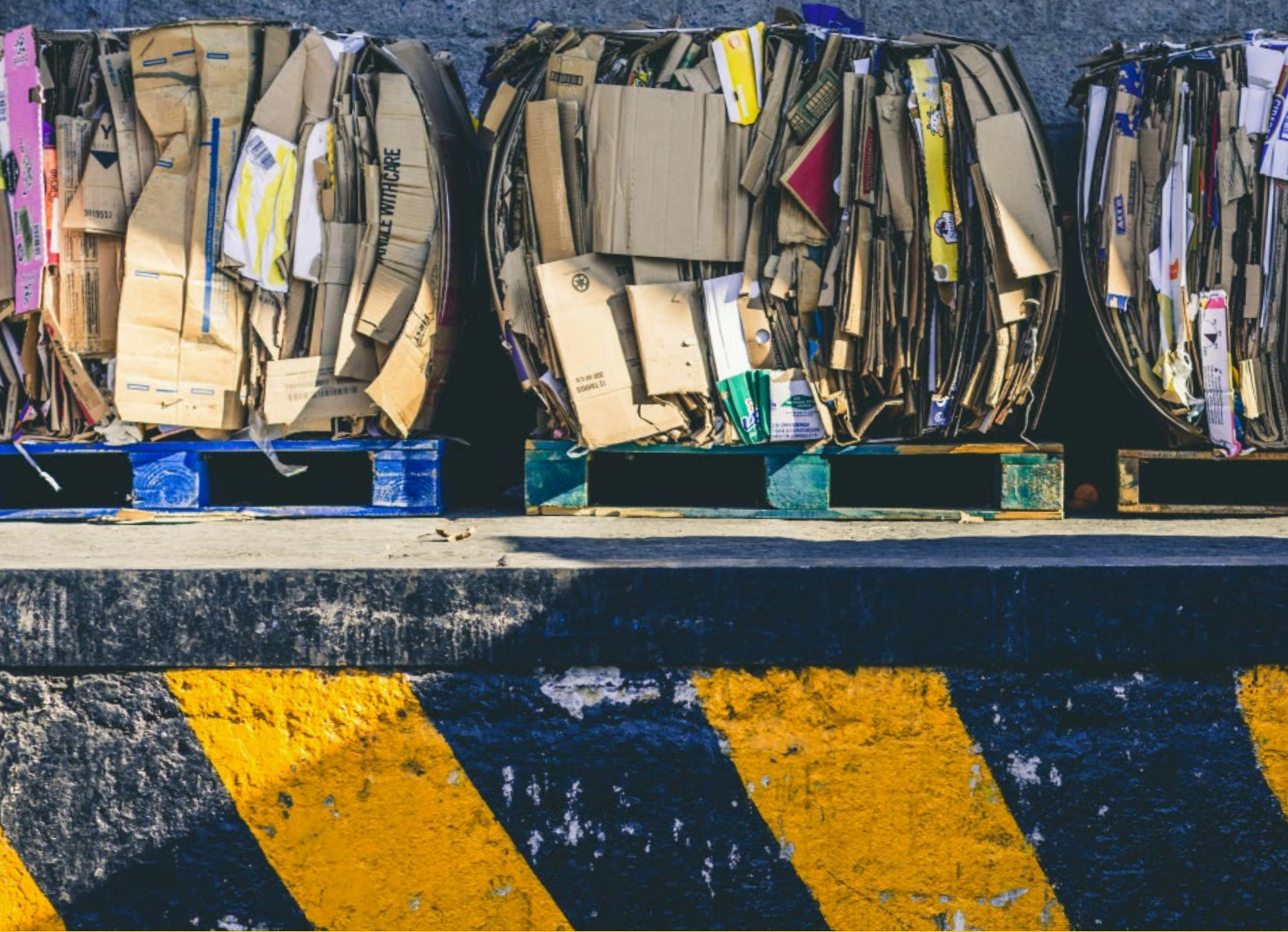
FY25 Accomplishments

- Implemented 3 electric vehicles (EV) into citywide fleet (Police, Public Works, and Fire Departments).
- Increased procurement of hybrid patrol vehicles, substantially reducing fuel consumption of the Police Department fleet. Year-over-year (YOY) gallons of fuel savings: 6,907.
- Awarded grant money to transition Public Works Fleet to Electric – where viable.
- Began design of EV charging infrastructure at the public Works Corporation Yard.
- Began assessment of expanding Fleet EV infrastructure citywide for internal fleet.
- Replaced outdated, inefficient, and costly fleet vehicles with modern fuel-efficient vehicles.
- Adopted new clean truck regulations and testing of diesel vehicles.
- Surplused outdated parts and equipment at auction.

FY26 Goals and Objectives

- Complete Corp Yard Electrification efforts.
- Continue to assess best practices for transition to EV fleet, citywide.
- Continue to re-evaluate fleet life cycle to maximize cost and risk.
- Continue to assess repair efficiency and operations.
- Fill Mechanic II vacancy.

Performance and Workload Measures	FY23 ACTUALS	FY24 ACTUALS	FY25 EST. ACTUALS	FY26 GOAL
Number of vehicles maintained	153	161	158	163
Number of work orders generated	528	581	633	600
Number of work orders generated per mechanic	264	291	317	300
Average vehicle age - Actual (years)	-	8	9	8
Cost Per Mile	-	\$1.62	\$1.43	\$1.40
Number of vehicles replaced per the Approved Annual Budget	12	10	10	14
Total Annual Fuel Consumption, year-over-year (gallons)	-	-	60,099	58,000
Total Annual Diesel Consumption, year-over-year (gallons)	-	-	24,329	23,000



Solid Waste Division

The Solid Waste Fund manages resources used to encourage and promote programs to meet State-mandated goals for diversion of solid waste from California landfills as well as generally engage in activities to achieve greater environmental sustainability.



Overview

The Solid Waste Fund is responsible for compliance with state mandates. The division is funded through a 1% fee assessed on garbage bills for the City's franchised solid waste hauler.

Duties are accomplished through implementation of a number of programs as outlined in the following levels of service:

Discretionary Customer Service Activities

Assists with the implementation of resident and business engagement efforts such as the Green Business program and others. Identify funding opportunities to increase citywide beautification efforts.

Regulatory Compliance

Submit Annual Waste Diversion Report to the California Integrated Waste Management Board that documents the City's compliance with AB 939, SB 1016, and SB 1383.



FY25 Accomplishments

- Coordinated with Recology on waste diversion initiatives and related state trash disposal and recycling requirements.
- Replaced and installed waste and recycling receptacles along San Mateo Avenue and El Camino Real.
- Submitted the Annual Waste Diversion Report to CalRecycle.

FY26 Goals and Objectives

- Work with Recology San Bruno to provide education and outreach to the business and residential community regarding organics collection and State mandated recycling requirements.
- Develop strategies with Recology and CalRecycle to comply with California Assembly Bills (AB) 1826 and 341 - mandatory commercial and organics recycling requirements and SB 1383.
- Submit the Annual Waste Diversion Report to CalRecycle.

Performance and Workload Measures	FY23 ACTUALS	FY24 ACTUALS	FY25 EST. ACTUALS	FY26 GOAL
Pounds of garbage and E-waste collected annually through the City's community clean-up events	-	-	65,000	65,000
Average amount of waste diversion per capita per year	4.5	4.5	4.5	4.5
Percent of non-compliant organic waste recycling participation of commercial customers (State SB 1383 goal is 0%, or full compliance)	-	-	25%	25%



Stormwater Division

The Stormwater Division is committed to providing rapid, professional, and cost-effective street sweeping and stormwater collection system maintenance services.



Overview

The Stormwater Division is responsible for maintaining the Stormwater conveyance system, as well as adhering to the requirements outlined in the National Pollutant Discharge Elimination System (NPDES) Municipal Regional Permit (MRP).

Stormwater Division

These duties are accomplished through implementation of a number of programs as outlined in the following levels of service:

Discretionary Customer Service Activities

Provide sandbags for resident and business owner use during the wet season. Respond to and assist residents with drainage and runoff issues.

Routine Repair and Maintenance

Maintain and repair City owned valley gutters by removing sediment, debris, and vegetation to optimize storm flow. Maintain and repair storm drain mains, catch basins, and grates.

Regulatory Compliance and Best Management Practices

Provide programmed weekly and/or semimonthly street sweeping service in all residential, industrial, and commercial areas of the City. Clean storm grates and trash racks prior to, during, and following storm events to prevent flooding. Implementation of the Long-Term Trash Reduction Plan to comply with the Municipal Regional Permit (MRP) in achieving 100% trash load reduction. Perform quarterly and enhanced cleaning of Full Trash Capture devices to ensure runoff from the Municipal Separate Storm Sewer System (MS4) to receiving waters is controlled to the low trash generation level. Inspect and/or install erosion control materials on hillsides at known slide locations during and after periods of rainfall.



FY25 Accomplishments

- Coordinated and monitored on-going San Francisco Bay Regional Water Quality Control Board (WQCB) Stormwater initiatives and Municipal Regional Stormwater Permit (MRP) compliance measures.
- Completed quarterly and enhanced inspection, maintenance and repairs of Full Trash Capture devices.
- Completed the required MRP annual report.
- Cleaned and inspected 1930 linear feet of City owned and maintained v-ditches.
- Completed video inspection of approximately 13,500 feet of storm drain mains.
- Completed the 12 monthly Downtown sidewalk pressure washing program schedule.
- Initiated new contract for monthly Downtown sidewalk pressure washing program.
- Provided ongoing monitoring, and coordination of San Bruno Underpass flooding.
- Maintained year-round self-serve sand bagging station at City Hall.
- Commenced contract installation of 34 new Full Trash Capture Devices to meet MRP requirements of 100% trash load reduction.
- Responded to the 2024-25 Winter Storm events to protect life and property including emergency repairs, installation of erosion control measures, and canyon debris clean-up.
- Picked up trash and debris at 750 locations.
- Completed emergency storm drain line repairs at various locations.
- Implemented new electronic work order system for tracking, efficiency, and output tracking.

FY26 Goals and Objectives

- Manage and complete spot repairs of priority stormwater collection system locations Coordinate and monitor on-going WQCB Stormwater initiatives.
- Complete quarterly and enhanced trash capture device inspections and cleaning program, to meet requirements of the MRP.
- Complete annual Stormwater Report for WQCB as required by the MRP.
- Continue culvert and storm water main inspection and condition assessment.
- Complete installation of 34 Full Trash Capture Devices to meet MRP requirements of 100% trash load reduction.

Performance and Workload Measures	FY23 ACTUALS	FY24 ACTUALS	FY25 EST. ACTUALS	FY26 GOAL
Number of curb miles swept (Street Sweeping)	5,540	5,540	5,540	5,540
Annual number of catch basins inspected/cleaned	-	-	2,000	2,000
Quarterly number of trash capture devices inspected/cleaned	-	-	1,448	1,448
Annual number of sandbags purchased/provided	-	-	4,000	4,000



Streets Maintenance Division

The City of San Bruno Public Works – Streets Maintenance Division is committed to providing rapid, professional, and cost-effective street and right-of-way maintenance services to the community. Our interaction with the San Bruno community will be courteous, productive, and beneficial.

Overview

The Streets Maintenance Division is responsible for the maintenance and repair of City travel ways and related assets, providing safety for motorists, bicyclists, and pedestrians, as well as a clean appearance for residents and businesses.





This is accomplished through implementation of a number of programs as outlined in the following levels of service:

Discretionary Customer Service Activities

Maintain aesthetics of City right-of-ways with an emphasis on downtown San Mateo Avenue. Periodically clean Susan Drive at the Evergreen Apartments and the Crestmoor Drive overpass. Collect abandoned large debris items (including shopping carts and appliances) on City property and roadways. Participate in annual community involved programs such as the Posy Parade.

Responding to Urgent Community Needs

Collaborate with the Engineering Division and the Traffic Safety and Parking Committee to install new pavement markings, striping, and signage. Maintain existing pavement markings and signage. Provide timely graffiti, trash, and vandalism abatement in public rights-of-way, and collaborate with Code Enforcement to eliminate trash and debris on private property.

Routine Repair and Maintenance

Perform routine pavement maintenance including pothole repairs and full depth spot repairs to prevent large-scale pavement deterioration. Refresh painted red zones, loading zones and accessible parking areas. Refresh painted and thermoplastic traffic legends, stop bars, and crosswalks. Maintain regulatory, warning, and guide signs. Maintain electronic speed monitoring devices and illuminated crosswalks. Respond to and repair roadway defects such as potholes, sinkholes, and separations that hinder safe vehicle travel. Replace damaged and/or weathered metal beam guardrail. Supervise contractors who provide emergency response and preventative maintenance for City owned streetlights and traffic signals.

Regulatory Compliance

Proactively and reactively remove tripping hazards from sidewalks by replacing damaged areas of sidewalk or utilizing grinding methods. Provide above ground identification of City utilities prior to excavations. With the assistance of the Fire Department and San Mateo County Hazmat, remove abandoned hazardous materials from the City right-of-way. Maintain and facilitate the transfer and disposal of hazardous waste stream generated through Public Works equipment, activities, and collection from the public right-of-way.

FY25 Accomplishments

- Completed replacement of damaged streetlight poles due to auto accidents, knock downs, and older poles.
- Completed Phase One of the RO Streetlight Replacement Project.
- Coordinated with contractor to maintain 19 intersections (traffic control devices), Multiple Rectangular Rapid Flashing Beacons, and multiple radar signs.
- Installed five upgraded traffic signal detection cameras and processors.
- Completed replacement and maintenance of the City’s regulatory, warning, school, and parking signs and poles, including graffiti removal.
- Commenced Phase 4 of the Traffic Sign Replacement CIP.
- Assisted with Recology Fall and Spring Cleanup event.
- Assisted in the annual Posy Parade, and the 4th of July celebration.
- Upgraded Sign Shop printer and increased output of constructed traffic signs.
- Implemented the new Hot Asphalt Mix Truck (T.E.D.) and repaired 670 potholes.
- Performed pavement repairs totaling 1,000 square feet.
- Initiated on call thermoplastic and striping maintenance contract.
- Implemented new electronic work order system for tracking, efficiency, and output tracking.

FY26 Goals and Objectives

- Complete Phase 4 of the Traffic Sign Replacement CIP.
- Upgrade additional traffic signal detection cameras, processors, and traffic controllers.
- Assist in the planning and implementation of Phase 2 of the RO Streetlight Replacement Project.
- Assist in implementation of the Litter and Illegal Dumping Task Force initiative.

Performance and Workload Measures	FY23 ACTUALS	FY24 ACTUALS	FY25 EST. ACTUALS	FY26 GOAL
Average Citywide Pavement Condition Rating (0-100)	62	62	63	65
Percentage of budgeted vs. needed funding to achieve a “Good” pavement condition (PCI 75) in 5 years* *(based on \$10.5M needed per year for 5 years vs. actual annual CIP budget)	-	-	51%	105%
Amount of thermoplastic street markings installed (square feet)	630	N/A	6,000	6,000



Water Division

The City of San Bruno Water Division is committed to protecting public health by delivering high quality potable water.

Overview

The Water Division of the Public Works Department is responsible for the efficient and effective operation and maintenance of the Water Supply and Distribution systems, which make up the Water Enterprise Fund activities. The San Bruno water supply system consists of 5 groundwater production wells, 13 pressure zones, 8 storage tanks located at 6 sites, and 5 connections to major transmission pipelines, 4 owned and operated by the San Francisco Public Utility Commission (SFPUC) and one by the North Coast County Water District. The San Bruno water distribution

system consists of 116 miles of pipelines, 9,000 valves, 985 fire hydrants, 8 pumping stations, 8 storage tanks and 13 pressure zones. Through this complex network of interrelated systems, the Water Division maintains and operates the water supply and distribution systems so that water delivered to its customers meets all Federal and State water quality standards, pressure and quantity mandates, and meets secondary standards such as taste and color through active distribution system infrastructure assessment and flushing programs.



The division performs the following services:

Potable Water Production and Delivery

Maintain, rehabilitate, and assure necessary replacement of eight storage tanks and five groundwater wells to ensure a daily average well production of 2.1 million gallons per day (MGD). The city participates in a cooperative ground water storage and recovery with the SFPUC, Daly City, and CalWater to assure the long-term vitality and protection of the Westside Basin Aquifer that underlies San Bruno.

Water Conservation Programs

Participate in water conservation programs with emphasis on public awareness, rebate programs for washing machines and high-efficiency toilets, audits for large landscape owners, host landscaping classes for San Bruno residents, and fund school assembly programs that teach water conservation to help meet State Water Resources Control Board water reduction goals.

Responding to Urgent Community Needs

Ensure the highest customer service by quickly responding to water main/service leaks and daily routine turn on/off requests at the meter. Resolve water quality questions and concerns in a timely manner. The Advanced Water Meter system allows residents and City staff the ability to monitor water uses to help understand usage patterns and billing via the internet.

Routine and Preventative System Repair and Maintenance

Provide daily inspections of water levels and maintain exterior and interior of eight storage tanks on a continuing basis. Conduct monthly and quarterly testing and reporting of water quality that is provided in the yearly consumer confidence report. Provide long-term water system maintenance and operations planning to support necessary system Capital improvements through the Program.



FY25 Accomplishments

- Completed and installed recommended improved security features at water system facilities which may include electronic locks, security cameras, and gates.
- Completed annual Cross-Connection Survey in conjunction with San Mateo County Environmental Services.
- Completed Water Shortage Demand Assessment.
- Managed reduction in groundwater well production with water supply consistent with the Groundwater Storage and Recovery Agreement with the San Francisco Public Utility Commission, Daly City, and Cal Water to allow for storage recovery.
- Completed Annual San Bruno Consumer Confidence Report newsletter of water usage and conservation programs.
- Continued to implement water conservation programs, including low flow toilet and washing machine rebate programs, and lawn-be-gone program.
- Completed annual Water Loss Audit to the State Water Quality Control Board, reporting the City’s amount and sources of City water loss.

FY26 Goals and Objectives

- Update state-mandated annual Drinking Water Emergency Response Plan.
- Update 5-Year Urban Water Management Plan.
- Develop and implement a long-term preventative maintenance program and schedule for City water facilities (i.e., tanks, wells, and pump stations).
- Continue to implement water conservation programs, including low flow toilet and washing machine rebate programs, and lawn-be-gone program.
- Complete annual Water Loss Audit to the State Water Quality Control Board, reporting the City’s amount and sources of City water loss.
- Continue to manage City wells per the Groundwater Storage Recovery with SFPUC.
- Continue to provide reliable drinking water to the community.
- Continue to operate the San Bruno Water System in accordance with state and federal safe drinking water laws and regulations at all times to protect public health.
- Continue to maintain and upgrade the Water System to ensure it reliably supplies and delivers water in accordance with the needs of our customers.

Performance and Workload Measures	FY23 ACTUALS	FY24 ACTUALS	FY25 EST. ACTUALS	FY26 GOAL
Number of main break repairs/broken valve replacements performed	128	92	63	100
Mainline pipes replaced / rehabilitated (lineal feet)	-	-	6,660	1,700
Percentage of water quality tests that meet or exceed state and federal standards	-	-	100%	100%
Miles of water mains flushed (116 system total)	-	-	116	116
Percentage of total valves exercised	-	-	50%	50%
Number of meters calibrated / replaced	-	-	194	10



Wastewater Division

The Wastewater Division is committed to serving the community by providing rapid, professional, and cost-effective maintenance of the wastewater collection system, striving to meet all Environmental Protection Agency and State of California requirements.

Overview

The Wastewater Division of the Public Works Department is responsible for the wastewater collection system throughout the City including all sewer mains, manholes, six lift stations, and two San Mateo County-owned Flood Control District pump stations. In addition, the Division and its employees are directly responsible for adhering to all wastewater discharge requirements, recently revised by the U.S. Environmental Protection Agency and the State Water Resources Control Board.

Wastewater treatment is handled under a Joint Powers Agreement with the City of South San Francisco (SSF). Each day, approximately 3.4 million gallons of effluent are pumped from San Bruno through the Shaw Road Pump Station and treated at the jointly owned SSF/ San Bruno Water Quality Control Facility. The

treatment facility, located on Belle Air Road, just north of the San Francisco International Airport in the City of South San Francisco, is operated and maintained by the City of South San Francisco, which also administers the State-mandated Water Quality Control and Industrial Waste Discharge Program. Treated wastewater is discharged two miles out into San Francisco Bay via a joint outfall pipeline shared by the cities of San Bruno, South San Francisco, Millbrae, Burlingame, Colma, and the San Francisco Airport.



The primary program services include:

Sewer Collection System Maintenance and Operation

Manage non-emergency rehabilitation and replacement of sanitary sewer system components including manholes and main replacement or rehabilitation. Best practices include a computerized work order system, data display of remote sanitary sewer pumping stations, geographic information system (GIS) mapping, closed circuit televising of the collections system, safety training such as confined space entry, and other best practices as determined by Federal and State regulations.

Response to Urgent Community Needs

Provide around-the-clock customer service response to emergency calls related to sewer main and lateral sewer blockages and overflows. Other related service call tasks include root related issues and backflows into private property.

Regulatory Compliance

Provide preventative maintenance on sewer pipe mains, and pump stations. Activities include main line flushing, video inspection, manhole cleaning, pump maintenance, and mechanical rodding. Complete scheduled and emergency repairs of sewer mains, and manholes. Pipe repair tasks include pipe failures, structural decomposition, offsets, root intrusion, cracks, and pipe sagging. Manhole repairs include rim and lid replacement, minor cone failure, and basin failure. Conduct field investigations used to target needed Capital Improvement Projects.

FY25 Accomplishments

- Completed Sanitary Sewer Management Plan (SSMP) 6-year update.
- Completed audit of the Sewer System Management Plan (SSMP).
- Completed at least 24 Grade 3 to 5 (of 0-5 scale) sewer main spot repairs to minimize the number of sewer overflows and to maintain a correct operating system.
- Managed the point-of-sale private sewer lateral inspection and replacement program.
- Completed video inspection of 756 main and manhole locations as part of an on-going sewer video inspection program for continual reliability of the system.
- Updated GIS sewer maps to match newly completed sewer pipeline projects.

FY26 Goals and Objectives

- Complete Sewer Master Plan 10-year update.
- Complete at least 20 Grade 3 to 5 sewer main spot repairs to minimize the number of sewer overflows and to maintain a correct operating system.
- Complete video inspections of 360 sewer main and manhole location as part of the new / recurring video sewer pipe inspection program for continual reliability of the system.
- Manage the point-of-sale private sewer later inspection and replacement program.
- Review and make necessary revisions to the Sanitary Sewer Management Plan based on any new requirements from the State Water Resource Control Board.
- Update GIS sewer maps to match newly completed sewer pipeline projects.

Performance and Workload Measures	FY23 ACTUALS	FY24 ACTUALS	FY25 EST. ACTUALS	FY26 GOAL
Number of mainline pipes replaced, per CIP (lineal feet)	-	-	6,430	13,100
Number of mainlines cleaned (lineal feet)	-	312,000	340,000	340,000
Number of mainline video inspections (lineal feet)	-	115,000	146,450	144,000
Number of mainline chemically root-treated (lineal feet)	-	-	19,600	14,550
Number of point-of-sale inspections requested	-	205	200	200

Non- Departmental

Non-departmental records all revenues and expenditures not directly attributed to any single department or program, the most significant of which are unrestricted revenues such as property taxes. Expenditures include the City's minimum payment toward the unfunded actuarial liability (UAL or unfunded pension liability).



Budget

Historical Budget

	2022	2023	2024	2025	2025	2026
Revenue	Actual	Actual	Actual	Budget	Estimated Actual	City Manager Recommended
Charges for services	\$43,597,545	\$46,426,362	\$49,215,140	\$50,347,324	\$49,416,364	\$47,791,239
Licenses and permits	\$3,233,736	\$3,476,436	\$3,963,658	\$75,000	\$59,504	\$53,856
Intergovernmental	\$35,937	\$31,619,275	\$742,229	-	-	-
Fines and forfeitures	\$11,014,608	\$7,735,934	\$10,439,692	\$5,305,000	\$3,751,982	\$4,201,384
Use of money and property	\$858,081	\$2,065,503	\$4,614,088	\$5,137,200	\$4,296,870	\$5,355,772
Other revenue	\$4,458,262	\$27,016,317	\$19,106,936	\$3,315,000	\$3,168,877	\$15,633,355
Transfers in	\$7,519,192	\$6,987,488	\$31,346,617	\$4,049,575	\$4,705,103	\$8,654,642
Revenue Total	\$70,717,359	\$125,327,316	\$119,428,360	\$68,229,099	\$65,398,701	\$81,690,249
Expenditures	Actual	Actual	Actual	Budget	Estimated Actual	City Manager Recommended
Salaries and benefits	\$738,142	\$742,191	\$426,617	\$8,962,900	\$6,860,777	\$7,821,521
Operating	\$876,290	\$2,688,875	\$1,597,494	\$1,629,431	\$2,851,500	\$4,080,283
Internal service charges	\$(2,991,420)	\$(3,296,660)	\$(4,527,089)	\$24,340	\$26,000	\$51,841
Transfers out	\$8,813,541	\$25,582,740	\$68,245,526	\$16,781,903	\$16,774,065	\$6,745,452
Capital Outlay	-	-	-	-	\$(11,626,179)	-
Total Expenditures	\$7,436,553	\$25,717,146	\$65,742,548	\$27,398,573	\$14,886,163	\$18,699,098
Net Revenue (Expenditure)	\$63,280,807	\$99,610,169	\$53,685,812	\$40,830,526.34	\$50,512,538	\$62,991,151

Fiscal Year 2025-26

Capital Improvement Program Budget



Executive Summary

The Capital Improvement Program (CIP) is the citywide plan for the maintenance and expansion of San Bruno infrastructure spanning technology and parks to water and wastewater facilities.

FY2024-25 AMENDED BUDGET

\$169,414,257

In Fiscal Year 2024-25, the city council approved a CIP budget of \$169 million, including project funds carried over from previous years.

ESTIMATED FY2024-25 ACTUALS

\$70,728,900

For Fiscal Year 2025-26, the CIP includes \$36.5 million in additional proposed improvements and a carry-over of roughly \$99 million, bringing the CIP budget to \$135.2 million.

ESTIMATED CARRY OVER INTO FY26

\$98,685,357

FY2025-26 REQUESTS

\$36,520,075

CITY COUNCIL'S ADOPTED FY2025-26 CIP BUDGET

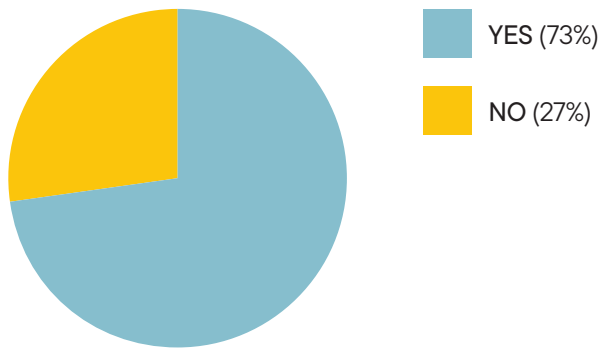
\$135,205,432

Measure Q and One-Time Funding Increases

DESCRIPTION

During the 2024 election, voters approved Measure Q, which enabled the City of San Bruno to sell general obligation bonds to fund capital improvements.

2024 Election Results for Measure Q



Measure Q provides a significant increase to the CIP budget. The proceeds from the sale of general obligation bonds will be used to reimburse spending on projects like:

- Stormwater projects, including updates to the storm drain master plan,
- The pavement management program, and
- Planning for the replacement of Fire Station 52.

Examples of projects completed in Fiscal Year 2024-25

- Slurry Seal Projects for Fiscal Year 2023-24
- The opening of the Recreation and Aquatic Center
- Winter Storm Hazard Mitigation work
- Regulated Output Streetlight System Replacement – Phase 1
- The replacement of the City Hall roof
- Transit Corridor improvements, e.g. accessible ramps, protected bike lanes, along San Bruno and Green streets.

New Projects and Proposed Spending

Proposed capital investments total approximately \$36.52 million. These planned improvements span additional replacements to the Regulated Output Streetlight system and pavement to new green stormwater infrastructure and critical water infrastructure maintenance.

The breakdown of impact to each program and funds are summarized below. The remainder of the CIP budget document includes project summaries with target completion dates (if applicable), financial tables, and tables of funding sources.



Executive Summary

FY2025-26 Budget By Program

(in \$ millions)

PROGRAM	FY2024-25 CARRYOVER	FY2025-26 NEW REQUESTS	RECOMMENDED FY2025-26 BUDGET
Facilities	\$6.11	\$3.08	\$9.19
Parks	\$7.33	\$2.08	\$9.41
Technology	\$2.11	-	\$2.11
Streets	\$7.19	\$15.01	\$22.20
Stormwater	\$3.93	\$2.40	\$6.33
Water	\$43.12	\$6.46	\$49.58
Wastewater	\$28.89	\$7.50	\$36.39

Impact on Funds (in \$ millions)

FUNDING SOURCE	AMOUNT
One-Time Revenue Reserve	\$1.73
Measure G – Gas Tax	\$0.9
Measure Q – General Obligation Bond	\$13.4
Gas Tax (RMRA)	\$0.9
Measure A Transportation Tax	\$1.14
Measure W Transportation Tax	\$1.13
Restricted Revenues	\$0.08
Community Facility Impact Fee	\$0.04
Transportation Facility Impact Fee	\$0.14
Water Enterprise Fund	\$7.92
Wastewater Enterprise Fund	\$7.5
External Grants	\$2.31

UNFUNDED CAPITAL PROJECTS

The proposed CIP budget includes ~\$7 million in anticipated future requests which will be added to the unfunded capital projects total.

Currently, other unfunded capital projects spanning city facilities, stormwater infrastructure, and general improvements total roughly \$1.12 billion.

Facilities

Facilities

FY2024-25 BUDGET

\$7,971,735

ESTIMATED ACTUALS AS OF 6/30/25

\$1,857,948

FY2025-26 NEW REQUESTS

\$3,075,000

Facilities

PROJECT NAME	APPROPRIATIONS TO DATE AS OF FY2024-25 BUDGET	TOTAL APPROVED FUNDING		FUTURE YEARS, UNFUNDED
		ESTIMATED INCEPTION-TO-DATE ACTUALS AS OF 6/30/25	FY2025-26 NEW FUNDING REQUESTS	
City Fleet EV Infrastructure Development and Implementation Project	\$1,026,708	\$8,706	-	\$85,000
City Offices Workspace Update	\$725,000	\$679,268	\$900,000	-
Fire Station 51 Improvement Program	\$116,247	\$108,491	-	\$75,000
Fire Station 52 Replacement Phase 1	\$666,730	\$465,669	\$2,000,000	-
Library Improvement Program	\$64,050	\$56,803	\$100,000	-
Police Station – Radio System	\$5,048,000	\$448,821	-	-
Senior Center Improvement Program	\$325,000	\$90,190	\$75,000	-
Grand Total	\$7,971,735	\$1,857,948	\$3,075,000	\$160,000

Completed or Closed in FY2024-25				
City Hall Improvement Project - Phase 1	\$625,500	\$643,570	-	\$500,000
Recreation and Aquatic Center	\$62,386,222	\$65,152,240	-	-

City Fleet EV Infrastructure Development and Implementation Project

DESCRIPTION

With the passing of “Advanced Clean Fleet or ACF” executive order N-79-20, the State of California has set deadlines for state and local agencies to transition from fossil fuel to zero-emission vehicles. Beginning in 2024, the executive order requires 50% of medium- and heavy-duty truck (8,500lbs GVWR) purchases to be zero-emission vehicles (ZEV) and beginning in 2027, 100% of purchases must be ZEV. This project provides funding for necessary investments in an adequate ZEV charging station infrastructure..

Allocated funds allow the City can take advantage of funding incentives for early implementation, which will help the City negate the cost of planning and implementation of charging infrastructure at a later date.

This project aims to accomplish the following two goals: Research and establish a dedicated strategy specific to each vehicle hub; and begin installation and construction chargers in key areas determined by the masterplan In Fiscal Year 2024-25, four chargers were installed across three vehicle hubs, with costs primarily covered by electric vehicle incentives

DETAILS

INITIAL FUNDING YEAR	2024-25
TARGET COMPLETION FISCAL YEAR	2026-27

FINANCIALS

TOTAL FUNDS	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
\$1,026,708	\$8,706	-	\$85,000

TOTAL FUNDING SOURCES, ALL YEARS	AMOUNT (\$)
C/CAG TFCA Funds	\$745,708
Citywide Development Impact Fees – General Government Facilities Impact Fee Fund	\$190,000
PCE EV Ready Program	\$91,000



City Offices Workspace Update

DESCRIPTION

Constructed in 1952 and remodeled in the early 2000s, City Hall is now at a critical juncture in its lifecycle, necessitating extensive maintenance that was previously postponed. Changes in staffing levels, public services, and organizational structures further underscore the need for updates. This program is designed to upgrade City Hall to meet current standards for ADA compliance, ergonomics, security, and efficiency, benefiting both the workforce and the public. The focus areas include exterior and interior painting, flooring updates, reconfiguration of spaces, enhancement of security measures, and carpet repairs to restore the building's overall condition.

For FY26-27, the plan specifically targets the restoration of exterior and interior paint, along with repairs to flooring and carpets, as key steps in this comprehensive maintenance and upgrade effort.



DETAILS

INITIAL FUNDING YEAR	2022-23
TARGET COMPLETION FISCAL YEAR	2026-27

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
\$725,000	\$679,268	\$900,000	-

TOTAL FUNDING SOURCES, ALL YEARS	AMOUNT (\$)
Citywide Development Impact Fees – General Government Facilities Impact Fee Fund	\$255,000
Citywide Development Impact Fees – Public Safety Facilities Impact Fee Fund	\$450,000
EOC	\$20,000
One-time Revenue Reserve	\$900,000

Fire Station 51 Improvement Program

DESCRIPTION

The San Bruno Fire Department operates from two fire stations, both established in the mid-1950s. These facilities are crucial to the city’s public safety infrastructure, providing housing for on-duty firefighters, storage for emergency vehicles, and essential firefighting equipment. However, Station 51 has faced challenges related to deferred maintenance over the years, negatively impacting the living conditions of the firefighters stationed there. The city plans to allocate capital improvement funds to ensure the Facilities Department has the necessary resources to upgrade Station 51 to meet acceptable living standards.

Since the inception of funding in the 2022-2023 fiscal year, several improvements have been made to maintain the station’s functionality and comfort. These enhancements include repairs for dry rot and termite damage, a complete repainting of the interior and exterior, the installation of updated blackout shades, the implementation of energy-efficient lighting, replacement of flooring throughout the facility, relocation of the gym, and provision of new mattresses for the station.

With the major elements of the building now addressed, the final phase of this project involves replacing the fire station roof, which has surpassed its expected lifespan and is showing signs of deterioration. A new roof will enhance weather protection, energy efficiency, and overall durability, ensuring that the station remains a safe and reliable facility for first responders. Completing this critical work will mitigate the risk of potential structural damage and costly emergency repairs in the future. Staff recommends deferring this work until a replacement plan is identified for Measure Q funded improvements to fire station facilities.



DETAILS

INITIAL FUNDING YEAR	2022-23
TARGET COMPLETION FISCAL YEAR	On-going

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
\$116,247	\$108,491	-	\$75,000

TOTAL FUNDING SOURCES, ALL YEARS	AMOUNT (\$)
Citywide Development Impact Fees - Public Safety Facilities Impact Fee Fund	\$116,247

Fire Station 52 Replacement Phase 1

DESCRIPTION

Following the 2010 PG&E gas pipeline explosion in San Bruno's Crestmoor neighborhood, the City played an active role in several investigative proceedings before the California Public Utilities Commission (CPUC). The City Council previously considered several projects related to the explosion and its aftermath to be completed with any funding that may be available to the City as a result of the disaster. Replacement of Fire Station 52 was identified as the highest priority for use of any such funds.

Constructed in the mid-1950s, Fire Station 52 serves the western half of San Bruno, providing essential emergency services. The station is home to on-duty firefighters, housing their trucks and other critical firefighting equipment. However, it currently faces challenges due to its poor condition and lack of modern amenities necessary for efficient fire service delivery.



The replacement of Fire Station 52 aims to address these challenges by providing new facilities for Fire Department staff and operations. This will ensure the proper storage and security of apparatus and equipment. Additionally, the new station is envisioned to include community-oriented features, such as a neighborhood meeting room and activity space. Phase 1 provides sufficient funding for design. Phase 2 will be budgeted when construction is ready to commence.

DETAILS

INITIAL FUNDING YEAR	2018-19
TARGET COMPLETION FISCAL YEAR	2026-27

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
\$666,730	\$465,669	\$2,000,000	-

TOTAL FUNDING SOURCES, ALL YEARS	AMOUNT (\$)
Citywide Development Impact Fees - Public Safety Facilities Impact Fee Fund	\$395,664
One-time Revenue Reserve	\$271,066
San Bruno Community Foundation Grant	\$2,000,000



Library Improvement Program

DESCRIPTION

This program is focused on maintaining modern building and occupancy standards at the San Bruno Public Library. Additionally, this program is to address a safety concern in the Library’s office area as it relates to temperature of work-spaces.

As of the most recent update this project has made significant strides include the installation of a new roofing system, a converted HVAC system utilizing heat pump technology, carpet replacement, the application of UV window film on the library windows, and a fresh coat of interior paint.

All enhancements focused on occupant comfort and energy efficiency. However, due to the age of the building, staff offices were not originally designed to support many of today’s building systems. This includes proper heating and air conditioning. The staff offices and community room currently have radiant boiler heating and no HVAC, which have posed employee safety issues during cold and or hot days. Additional funding is being requested to finalize and install the proper heating and air conditioning in the employee areas to improve employee working conditions.

DETAILS

INITIAL FUNDING YEAR	2025-26
TARGET COMPLETION FISCAL YEAR	On-going

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
\$64,050	\$56,803	\$100,000	-

TOTAL FUNDING SOURCES, ALL YEARS	AMOUNT (\$)
General Fund Capital Reserve	\$164,050

Police Station – Radio System

DESCRIPTION

This project is focused on modernizing the police department’s land mobile radio (LMR) infrastructure, including all associated electronic hardware, portable, and mobile radios. The upgrade will ensure the equipment is capable of encryption, aligning with the California Department of Justice’s security protocols for safely transmitting protected CJIS/PII data—a critical component of law enforcement operations. In addition to upgrading the technology, this initiative will enhance the physical radio site locations and bring the department’s communications technology up to current public safety industry standards.



The entire project is scheduled for Fiscal Year 2024-25, with plans for both commencement and completion within this period.

DETAILS

INITIAL FUNDING YEAR	2015-16
TARGET COMPLETION FISCAL YEAR	2025-26

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
\$5,048,000	\$435,484	-	-

TOTAL FUNDING SOURCES, ALL YEARS	AMOUNT (\$)
Equipment Reserve Funds	\$448,000
One Time Revenue	\$4,600,000

Senior Center Improvement Program

DESCRIPTION

The San Bruno Senior Center (Center) was originally constructed in 1987. The Center is regularly used for a variety of activities including: a congregate lunch program, enrichment classes, social programs, educational workshops and seminars, and volunteer opportunities for seniors; in addition to being utilized for official City events, and non-profit, and private rentals. Additionally, a door-to-door transportation service is offered by the Center.

As with all heavily used buildings, the facility has experienced substantial wear and tear from daily use and needs to be renovated to meet current needs particularly in the Center’s restroom facilities. Key Improvements will be made to bring the building up to modern-day standards, including remodeling of the restrooms and painting/cosmetic updates to flooring, door hardware, paint, front desk, reception and lobby area.

In FY2024-25 staff contracted with an architectural design firm to initiate these interior design efforts. As of early 2025, design is approximately 20% completed, with construction anticipated to begin in 2025.

DETAILS

INITIAL FUNDING YEAR	2025-26
TARGET COMPLETION FISCAL YEAR	On-going

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
\$325,000	\$46,461	\$75,000	-

TOTAL FUNDING SOURCES, ALL YEARS	AMOUNT (\$)
Senior Bequest Funds	\$400,000

Fiscal Year 2025-26

Parks

Parks

FY2024-25 BUDGET

\$11,308,791

ESTIMATED ACTUALS AS OF 6/30/25

\$3,980,977

FY2025-26 NEW REQUESTS

\$2,075,000

Parks

PROJECT NAME	APPROPRIATIONS TO DATE AS OF FY2024-25 BUDGET	TOTAL APPROVED FUNDING		ANTICIPATED FUTURE REQUESTS
		ESTIMATED INCEPTION-TO-DATE ACTUALS AS OF 6/30/25	FY2025-26 NEW FUNDING REQUESTS	
Athletic Field Scoreboard Replacement	\$58,000	\$32,332	-	-
Civic Center Landscape Improvements	\$50,000	\$30,429	-	-
Citywide Baseball Field Lighting & Fencing Upgrades	\$175,000	-	\$275,000	-
Citywide Wildfire Mitigation & Open Space Management Program	\$837,575	\$488,807	\$300,000	\$1,200,000
Crestmoor Canyon Wildfire Mitigation Program	\$2,025,000	\$690,970	\$1,000,000	-
Crestmoor Fields Phase 1	\$3,550,000	\$109,699	-	-
Dog Park Conceptual Design	-	-	\$75,000	-
Downtown Beautification Project	\$350,000	\$86,263	-	-
Florida Avenue Park	\$2,995,422	\$2,348,727	-	-
Park Pathways	\$432,794	\$175,750	-	-
Playground Replacement	-	-	\$275,000	\$6,000,000
Posy Park Fountain Restoration	\$835,000	\$18,000	-	-
Recreation and Aquatic Center Landscaping Improvement	-	-	\$150,000	-
Grand Total	\$11,308,791	\$3,980,977	\$2,075,000	\$7,200,000

Athletic Field Scoreboard Replacement

DESCRIPTION

The scoreboards located at Diamonds 2 and 3, Lions Field, and Commodore Park have had functional issues over the last several years. The issues range from complete inactivity and disruptions during games to console control problems. These scoreboards have been in place for many years and repair parts are no longer available. Replacing the scoreboards with new updated versions will add to the game experience and provide a level of functionality that is expected from our field users.



DETAILS

INITIAL FUNDING YEAR	2024-25
TARGET COMPLETION FISCAL YEAR	2025-26

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
\$58,000	\$32,332	-	-

TOTAL FUNDING SOURCES, ALL YEARS	AMOUNT (\$)
Baseball and Softball Grant	\$20,000
Community Benefit Fund	\$38,000

Civic Center Landscape Improvements



DESCRIPTION

The San Bruno Civic Center campus includes the City Hall, a pivotal hub for city operations, the San Bruno Library, and the Narita-San Bruno Sister City Plaza. The campus grounds rely on an outdated, water-inefficient, and inadequate landscape irrigation system. Many areas of the campus, including a large expanse of turf, rely on this system for maintenance, which not only consumes substantial water, but also falls short in enhancing the site's visual appeal. Additionally, except for a few trees, the existing plant life is largely overgrown, detracting from the campus's overall aesthetics.

This project will develop and implement an updated irrigation and landscaping plan to revitalize the campus, create additional public spaces for community gatherings, and improve the efficiency of its landscape management systems. The Conceptual Design for this project is complete and the project is tentative pending the Strategic Analysis of City Facilities.

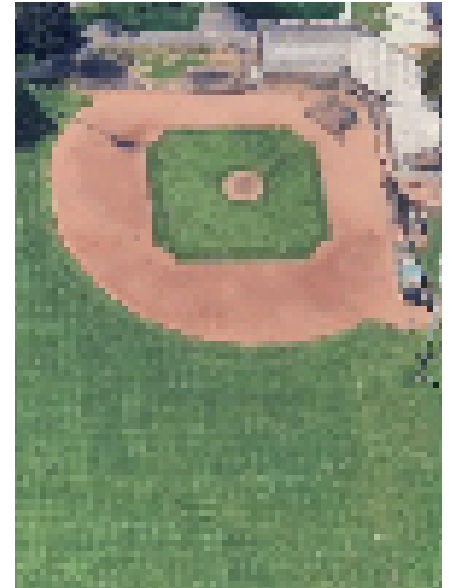
DETAILS

INITIAL FUNDING YEAR	2024-25
TARGET COMPLETION FISCAL YEAR	2027-28

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
\$50,000	\$30,429	-	-

TOTAL FUNDING SOURCES, ALL YEARS	AMOUNT (\$)
Citywide Development Impact Fee - Community Facilities Impact Fee Fund	\$50,000



Parks

PROJECT NUMBER: 51025

Citywide Baseball Field Lighting & Fencing Upgrades

DESCRIPTION

The City’s sports fields including Tom Lara Field, Diamond 2, Diamond 3, and Lion’s Field have relied on metal halide lighting. This lighting type is outdated and challenging to maintain. The upgrade will occur in multiple phases, with Phase 1 currently underway. Lights at Diamond 3 will be replaced during Phase 1, including the replacement of a pole that was damaged during inclement weather.

Funding for Phase 2 includes the comprehensive design and integration of advanced lighting systems and durable fencing at Tom Lara Field and Diamond 2. The project aims to address current inadequacies in infrastructure to enhance visibility and safety for evening games and practice. The proposed upgrades are essential to facilitate increased utilization of the fields, foster community engagement through organized sports, and align with best practices in sports facility design.

DETAILS

INITIAL FUNDING YEAR	2024-25
TARGET COMPLETION FISCAL YEAR	2025-26

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
\$175,000	-	\$275,000	-

TOTAL FUNDING SOURCES, ALL YEARS	AMOUNT (\$)
Community Benefit Fund	\$175,000
One-time Revenue Reserve	\$275,000

Citywide Wildfire Mitigation & Open Space Management Program

DESCRIPTION

The City’s proximity to lands classified as high fire severity zones, along with adjacent open spaces and undeveloped areas close to residential communities, significantly increases wildfire risk. Past wildfires in the Bay Area, including the 1991 Oakland Hills fire and the 2020 CZU Lightning Complex fire, have highlighted this risk, with over 197,482 acres burned and 5,385 structures destroyed, emphasizing the potential threat to our area.

In January 2025 new Fire Hazard Severity Zones were transmitted to the City of San Bruno by Cal Fire, creating new fire hazard severity zones within City limits. These new maps identify new areas that require increased mitigation and come with regulations requiring additional inspections of properties in San Bruno.

To protect the community, the City has initiated comprehensive wildfire mitigation efforts. These include public education campaigns, thorough inspections, streamlined permitting for mitigation measures, and increased staffing to support these activities. A key component is the wildfire mitigation project, aimed at reducing combustible materials to decrease potential wildfire risk and impact to properties and residents.

Annual mitigation projects on City-owned lands are central to these efforts, selected through detailed risk assessments using tools like the No-Harm study to ensure efficient use of resources. In 2021-22 and 2022-23, mitigation focused on high-risk areas such as Piedmont, Buckeye Park, and near the Sneath area of Sweeney Ridge Trail, guided by the No-Harm tool for prioritizing actions. This strategic approach demonstrates the City’s dedication to managing wildfire risks proactively, safeguarding the community and its assets.



DETAILS

INITIAL FUNDING YEAR	2019-20
TARGET COMPLETION FISCAL YEAR	On-going

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
\$837,575	\$488,807	\$300,000	\$1,200,000

TOTAL FUNDING SOURCES, ALL YEARS	AMOUNT (\$)
Community Benefit Fund	\$150,000
FEMA Mitigation Grant	\$196,675
One-time Revenue Reserve	\$90,900
Measure G	\$700,000

Crestmoor Canyon Wildfire Mitigation Program

DESCRIPTION

Crestmoor Canyon, covering 76.6 acres of City-owned land, is located between the Crestmoor and Rollingwood residential areas, and is home to approximately 500 residences. This critical green space, adjacent to a school and City facilities, is also near Sweeney Ridge, a 1,200-acre park managed by the National Parks Service.

Following the 2010 PG&E gas pipeline explosion in the Crestmoor neighborhood, the City has taken steps to address wildfire risks for Crestmoor Canyon. Utilizing \$3 million from PG&E, efforts to enhance wildfire resilience in the canyon have included creating defensible spaces and maintaining fire roads.

In 2019, recognizing the need for a broader strategy, the City Council allocated \$125,000 from the Emergency Disaster Reserve Fund to start a Wildfire Mitigation Plan. This plan goes beyond regular maintenance, focusing on substantial mitigation efforts to protect the community from wildfires, involving collaboration with a consulting firm to meet environmental standards and ensure community safety.

The City is also focused on identifying sustainable funding sources for ongoing vegetation management and fire prevention, underlining the importance of long-term planning and investment in community and environmental protection.

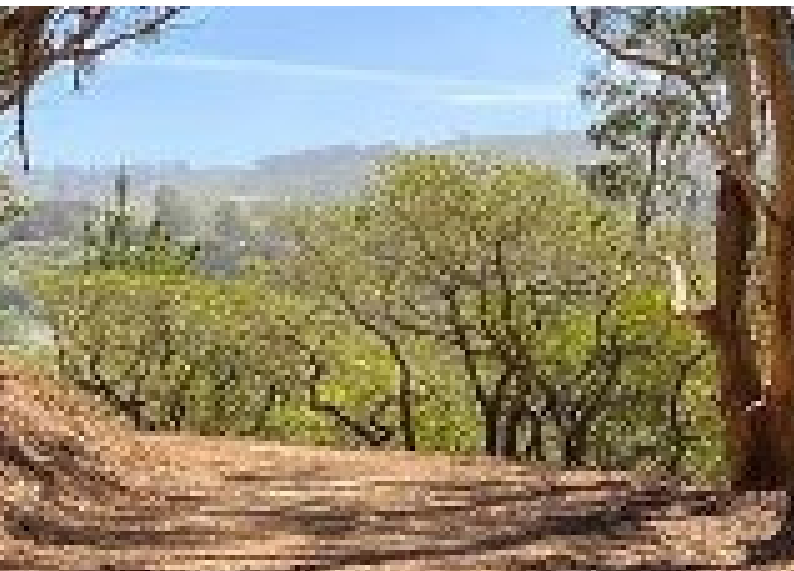
DETAILS

INITIAL FUNDING YEAR	2019-20
TARGET COMPLETION FISCAL YEAR	On-going

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
\$2,025,000	\$690,970	\$100,000	-

TOTAL FUNDING SOURCES, ALL YEARS	AMOUNT (\$)
Emergency Disaster Reserve Fund	\$125,000
One-time Revenue Reserve	\$150,000
PG&E Settlement	\$2,750,000



Crestmoor Fields Phase 1

DESCRIPTION

In 2023, the Crestmoor Fields Multi Use Master Plan was developed and included a Project to dedicate a 6.9-acre portion of the former Crestmoor High School site as new City parkland. The Master Plan provides for the continued use of the site for sports user groups with a large sports field facility. It includes striping for eight artificial turf soccer fields on the 5.3 acres available for field use. To move this project forward in a timely manner, the Master Plan construction will be phased. Phase 1 includes the essential components and infrastructure to allow fields to be utilized for multi-use sports, specifically soccer use as soon as possible.

Phase 1 is proposed to include artificial turf fields consisting of eight striped overlapping soccer fields, a single-stall prefabricated restroom, a concrete pad for use by mobile concessions vendors, paved parking with parking lot security lighting, park security fencing, stormwater bioretention facility, and additional parking with a walking path along the east side of the new Courtland Drive. Additional improvements include concrete curbs, gutters, trash receptacles, regulatory signage, water and sanitary sewer utilities and meters, construction erosion control measures, storm drainage systems, irrigation systems, soil preparation and fine grading, and installation of mulch and planting of trees, shrubs and groundcover and electrical conduit for the future installation of permanent lighting for field use.

The San Bruno Community Foundation approved a \$3.4M Strategic Grant for the Crestmoor Fields Project in December 2024. The City proposes to enter into an Improvement Agreement with the residential project developer to construct Phase 1. The Developer would receive a credit for eligible development impact fees upon completion of the project. Currently, the City’s landscape architect consultant is working on preparing a design development submittal to a 30% level of completion. 100% construction drawings and a bid set are anticipated to be completed later in 2025.



DETAILS

INITIAL FUNDING YEAR	2024-25
TARGET COMPLETION FISCAL YEAR	2027-28

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
\$3,550,000	\$109,699	-	-

TOTAL FUNDING SOURCES, ALL YEARS	AMOUNT (\$)
Community Benefit Fund	\$150,000
San Bruno Community Foundation Grant	\$3,400,000

Dog Park Conceptual Design

DESCRIPTION

The dog exercise area is a part of Commodore Park that was repurposed from an old picnic site to a space for dogs when the City lost its stand-alone dog park at another parcel that was developed into housing. This phase of the project includes conceptual design focused on desired elements to improve the existing dog park or identification of an alternative site for the dog park. The conceptual phase will include an analysis, community outreach, drawings, and schematics of the site. Additional design work will be completed in future years if this project moves forward.

This project was identified in the initial Parks Assessment as a high priority by respondents. Additionally, as staff are witnessing an increase in off-leash dogs in other parks, a fully developed dog park with effective spatial organization can ensure a safe and engaging environment for dogs and their owners.

The uneven surfaces, sloped terrain and remnants of picnic pads make the dog park undesirable to most residents wanting a clear, off-leash area. Additionally, the size of the dog park will need to be studied for potential increase or relocation.

DETAILS

INITIAL FUNDING YEAR	2025-26
TARGET COMPLETION FISCAL YEAR	2026-27

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
-	-	\$75,000	-

TOTAL FUNDING SOURCES, ALL YEARS	AMOUNT (\$)
One-time Revenue Reserve	\$61,050
Citywide Development Impact Fee – Community Facilities Impact Fee Fund	\$13,950



Downtown Beautification Project



DESCRIPTION

The Downtown Beautification Project aims to enhance downtown landscape and signage aesthetics. In March 2024, as the City received a \$350,000 grant from the San Bruno Community Foundation to fund this project.

The project includes the revitalization of the planters along San Mateo Avenue and the replanting of street trees on Jenevein Avenue and the southern end of San Mateo Avenue. This portion of the project will require identification and repair of the lateral irrigation lines, sidewalk work, excavation and replanting of planters, and ongoing maintenance. There are many unknowns with the under-sidewalk irrigation system that will not surface until work has begun. Replanting of the north and south end medians is included. The City is currently working on the design drawings and will then bid the project in Summer 2025.

A separate part of the project that has been completed is the design and production of a new collection of custom themed City street pole banners for various times of the year. **There are three sets of new banners that will be rotated seasonally as follows:**

- Holiday/winter banners for mid-November through mid-January;
- Patriotic/summer banners for Memorial Day through Labor Day; and,
- General San Bruno themed banners for remaining times of the year.

DETAILS

INITIAL FUNDING YEAR	2023-24
TARGET COMPLETION FISCAL YEAR	2025-26

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
\$350,000	\$86,536	-	-

TOTAL FUNDING SOURCES, ALL YEARS	AMOUNT (\$)
San Bruno Community Foundation Grant	\$350,000

Florida Avenue Park

DESCRIPTION

In October 2014, City Council authorized the purchase of 324 Florida Avenue for use as a neighborhood park. Work began in 2016 with demolition and remediation of the property and a community engagement process with local residents in the design of the future park. In October 2016, City Council approved the Florida Park Draft Master Plan. A revised conceptual Florida Park Master Plan design was approved by City Council in September 2019.

Funding was finally secured in 2023, and staff worked with MIG in 2024 to finalize plans and estimates for the construction of Florida Avenue Park, consistent with the conceptual Florida Park Master Plan. The project consists of the construction of new/replacement landscaping, benches, an exercise/fitness court, fencing, lighting, picnic tables, paving, and a playground.

On September 24, 2024, the City Council approved the design for the Florida Park Project and authorized a construction contract with Suarez and Munoz Construction Inc. in an amount not to exceed \$1,343,506. The groundbreaking for the project was in November 2024, and the project is expected to be completed in Fall 2025.

DETAILS

INITIAL FUNDING YEAR	2021-22
TARGET COMPLETION FISCAL YEAR	2025-26

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
\$2,995,422	\$2,348,727	-	-

TOTAL FUNDING SOURCES, ALL YEARS	AMOUNT (\$)
Citywide Development Impact Fees - Community Facilities Impact Fee Fund	\$2,400,000
One-time Revenue Reserve	\$395,422
San Bruno Community Foundation Grant	\$200,000





Parks

PROJECT NUMBER: 60007

Park Pathways

DESCRIPTION

This project includes the rehabilitation of the Pacific Heights Park (PHP) to reconstruct pathways with even surfaces by replacing existing asphalt and reconfiguring the pathways at PHP. These pathway upgrades are part of the ADA Transition Plan and will comply with all ADA standards. This is the final location in the park system to be addressed as part of the ADA Transition Plan. Prior pathway improvement projects have been completed in San Bruno City Park, Commodore Park, and Grundy Park. Excess funds will be utilized to perform as-needed repairs in parks.

The City received a 2018 Parks and Water Bond Act (Proposition 68) Per Capita Grant from the California Department of Parks and Recreation in Fiscal Year 2021-22 in the amount of \$205,635.

The Prop 68 Per Capita Grant fund required that funds be expended by December 31, 2023. City staff filed a request, that was approved, to extend the deadline to expend funds by 2028. The design phase is currently underway, with construction anticipated to be completed in Fall 2025

DETAILS

INITIAL FUNDING YEAR	2021-22
TARGET COMPLETION FISCAL YEAR	2025-26

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
\$432,794	\$175,750	-	-

TOTAL FUNDING SOURCES, ALL YEARS	AMOUNT (\$)
One-time Revenue Reserve	\$227,159
Prop 68	\$205,635

Recreation and Aquatic Center Landscaping Improvement

DESCRIPTION

The construction of the Recreation and Aquatic Center (RAC) coincided with the removal of several trees along Crystal Springs Road due to safety concerns and tree failures. Moreover, the RAC’s adjacency to Crystal Springs Road is at a significant grade. As a result, the RAC’s rear side requires additional landscaping to bring it in harmony with the side facing City Park Way.

This project will update the RAC’s posterior landscape to enhance aesthetic appeal while addressing the topographical challenges posed by the sloped terrain. The proposed design and project will include stump removal, minimal grading, irrigation design and installation, and plantings that balance aesthetics with functional environmental resilience.

This project will improve the aesthetics of the north side of the building and will mitigate ongoing complaints by the public regarding the appearance of the building’s rear area.

DETAILS

INITIAL FUNDING YEAR	2025-26
TARGET COMPLETION FISCAL YEAR	2025-26

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
-	-	\$150,000	-

TOTAL FUNDING SOURCES, ALL YEARS	AMOUNT (\$)
One-time Revenue Reserve	\$122,100
Citywide Development Impact Fee – Community Facilities Impact Fee Fund	\$27,900



Playground Replacement

DESCRIPTION

The majority of San Bruno 22 playgrounds were installed nearly 20 years ago, which exceeds the industry recommended playground life of 12-15 years. Parts for play equipment are becoming more difficult to procure and replace at a reasonable cost. In the initial findings of the Parks Assessment, replacement of playgrounds ranked high among respondents. Playground replacement priority will be based on the overall results from the Parks Assessment.

This proposed project will be a multi-year replacement program to bring all playgrounds up to current standards.

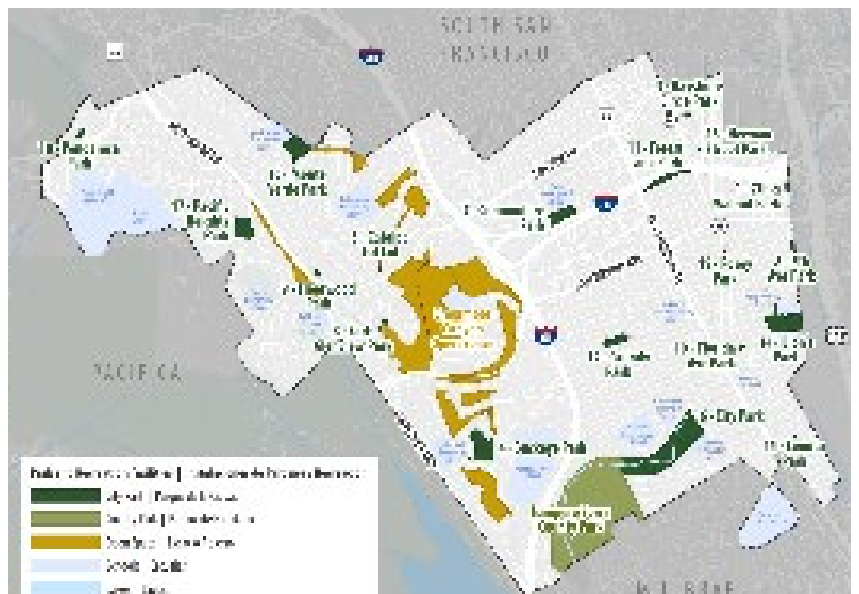
DETAILS

INITIAL FUNDING YEAR	2025-26
TARGET COMPLETION FISCAL YEAR	On-going

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
-	-	\$275,000	\$6,000,000

TOTAL FUNDING SOURCES, ALL YEARS	AMOUNT (\$)
One-time Revenue Reserve	\$275,000

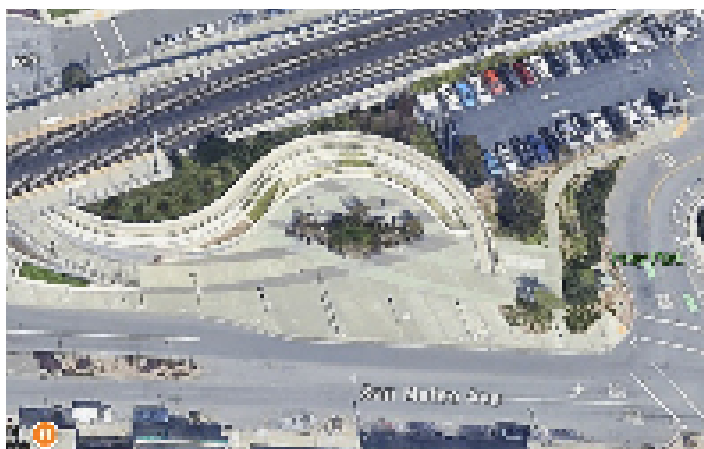


Posy Park Improvements

DESCRIPTION

As part of the 2010 Caltrain San Bruno Grade Separation project, Posy Park was relocated, and a water feature was installed. Posy Park is a street level plaza flanked by concrete staircases and ramping that lead to the Caltrain station platform. It is primarily a hardscaped area with few amenities to encourage public use or engagement. The focal point of the plaza is a large fountain that is inoperative. The issues associated with the fountain include a break in the pipe under two of the upper basins, inadequate water proofing of the fountain resulting in rusting and rebar exposure, and discoloration due to the location of the fountain nozzles.

The City was awarded \$200,000 in Measure K funding from The County of San Mateo in May 2022. The current deadline to utilize the funds is December 31, 2025. In April 2021, the City Council defined a scope of work repurposing the fountain basins as landscaping elements, creating site-specific artwork, and incorporating more purposeful seating elements to bring greater interest to downtown visitors. The proposed improvement project originally intended to transform the hardscaped plaza into an inviting park space to be enjoyed while waiting to meet family, friends, or colleagues who travel through this transportation portal. In October 2024, City Council approved a revised scope of work that includes the repair and restoration of the fountains as functional water features, based on new information presented.



Design work for this project began in Winter 2024, and the project is expected to be completed in late 2025. This project will repair the fountain waterproofing to make the fountain functional. Based on available budget, the project may also include updated furniture and fixtures, landscaping, and bike parking. A separate project includes the design and installation of a new sculpture in the park.

DETAILS

INITIAL FUNDING YEAR	2021-22
TARGET COMPLETION FISCAL YEAR	2025-26

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
\$835,000	\$18,000	-	-

TOTAL FUNDING SOURCES, ALL YEARS	AMOUNT (\$)
Citywide Development Impact Fees - Community Facilities Impact Fee Fund	\$135,000
County Measure K Grant	\$200,000
One-time Revenue Reserve	\$375,000
Public Art Fund	\$125,000

Technology

Technology

FY2024-25 BUDGET

\$3,053,400

ESTIMATED ACTUALS AS OF 6/30/25

\$939,107

FY2025-26 NEW REQUESTS

\$-

Technology

PROJECT NAME	APPROPRIATIONS TO DATE AS OF FY2024-25 BUDGET	TOTAL APPROVED FUNDING		
		ESTIMATED INCEPTION-TO-DATE ACTUALS AS OF 6/30/25	FY2025-26 NEW FUNDING REQUESTS	ANTICIPATED FUTURE REQUESTS
Business Continuity - IT Disaster Recovery Plan	\$250,000	\$198,369	-	-
Computerized Maintenance Management System (CMMS)	\$313,400	-	-	-
EOC Equipment Upgrade	\$150,000	\$129,727	-	-
ERP Upgrade	\$2,000,000	\$486,255	-	-
Online Permit System Upgrade	\$220,000	\$124,756	-	-
RAC Council Chamber and Meeting Room AV Upgrade	\$120,000	-	-	-
Grand Total	\$3,053,400	\$939,107	-	-

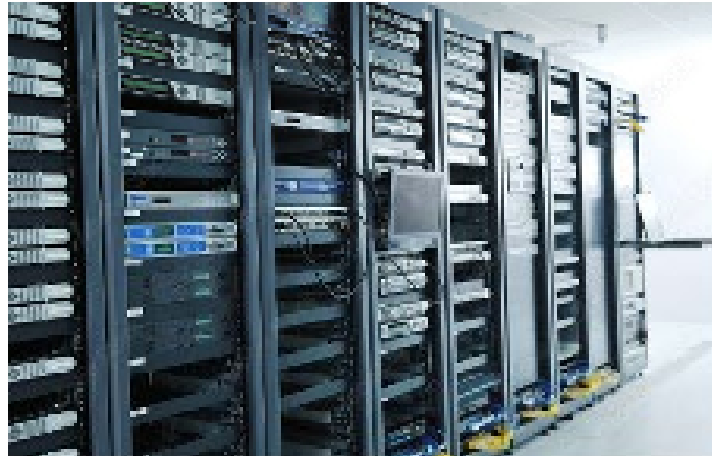
Completed or Closed in FY2024-25				
City Facility CCTV Upgrades	\$226,950	\$230,615	-	-
Senior Center IT Improvements	\$25,000	\$2,192	-	-
Strategic Software Needs Assessment and Upgrade	\$94,700	\$31,004	-	-

Business Continuity - IT Disaster Recovery Plan

DESCRIPTION

The City’s network servers and storage are housed within local City facilities, and despite significant upgrades to network infrastructure, connectivity, security, and backup processes, there remains a critical need for enhanced disaster recovery measures. To address this, the project aims to establish a redundant, off-site location to ensure City operations can continue seamlessly in the event of an emergency or if the current server facilities at City Hall become compromised.

At present, the network’s server infrastructure relies on replication between on-site machines, a system that functions effectively as long as the server room remains intact. However, in the event that the server room is damaged or destroyed, the City would face a complete loss of network services due to the absence of a backup system. To mitigate this risk, the project will introduce an off-site backup solution, engaging a third-party vendor for the implementation of this critical infrastructure enhancement.



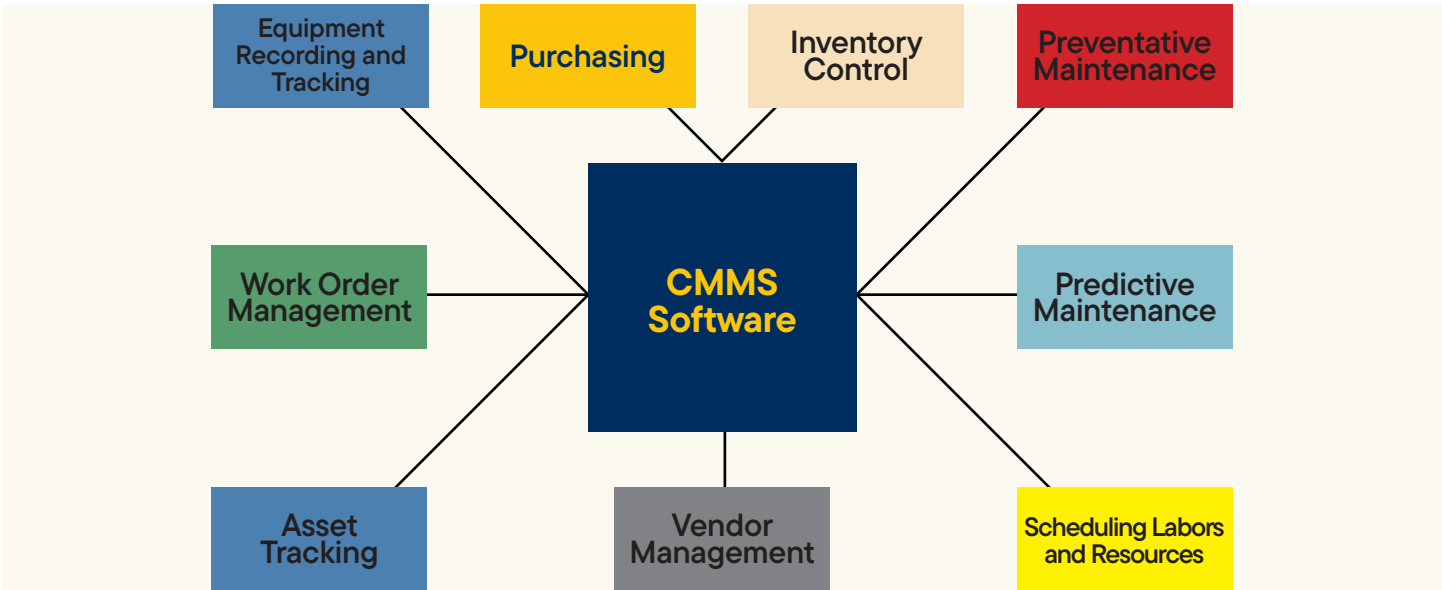
DETAILS

INITIAL FUNDING YEAR	2021-22
TARGET COMPLETION FISCAL YEAR	2026-27

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
\$250,000	\$198,369	-	-

TOTAL FUNDING SOURCES, ALL YEARS	AMOUNT (\$)
American Rescue Plan Act of 2021	\$198,369
One-Time Revenue Reserve	\$51,631



Technology

PROJECT NUMBER: 81027

Computerized Maintenance Management System (CMMS)

DESCRIPTION

The computerized maintenance management system (CMMS) serves as a centralized platform for managing asset data and maintenance activities across the City. This system significantly enhances maintenance operations by optimizing asset utilization and availability. It provides a comprehensive overview of asset conditions, facilitating efficient scheduling, work order creation, and seamless communication across all levels of the organization, from management and field staff to administrators.

By streamlining these processes, the CMMS ensures that maintenance tasks are performed more efficiently and effectively, improving the overall management and lifespan of the City’s assets and infrastructure.

DETAILS

INITIAL FUNDING YEAR	2024-25
TARGET COMPLETION FISCAL YEAR	2026-27

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
\$313,400	\$0	-	-

EOC Equipment Upgrade

DESCRIPTION

The City of San Bruno’s Emergency Operations Center (EOC), situated at City Hall, serves as the critical command center for all City departments during local emergencies or disasters. Currently, the EOC requires significant updates in communication and technology to enhance situational awareness, streamline communication with internal and external staff, facilitate regional coordination, and enable swift, informed decision-making. Moreover, improvements are essential for better engagement with the public during crises.

This upgrade project is comprehensive, aiming to replace outdated technology and introduce new, advanced equipment. A key feature of the update will be the inclusion of mobile capabilities, ensuring the EOC can remain operational and relocate if necessary, especially in scenarios where City Hall is compromised.



DETAILS

INITIAL FUNDING YEAR	2021-22
TARGET COMPLETION FISCAL YEAR	2026-27

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
\$150,000	\$129,727	-	-

TOTAL FUNDING SOURCES, ALL YEARS	AMOUNT (\$)
American Rescue Plan Act of 2021	\$123,379
One-time Revenue Reserve	\$26,621

Enterprise Resource Planning System Replacement

DESCRIPTION

This project replaces the City’s legacy financial and human resources management, approaching its expected end of life in 2027.

In February 2023, the City Council authorized the transition from the legacy system to a more advanced ERP system. In FY24 and FY25, staff began to work to explore a best-of-breed module-my-module replacement rather than a one-size-fits-all ERP. The strategic shift is intended to use systems that receive regular investments and upgrades that provide for ever-changing needs and integration of the latest technology, such as artificial intelligence-powered tools. In FY25, staff focused on financial planning and analysis (FP&A) reporting software and human resources information system (HRIS) implementation, with the FP&A and HRIS linking to the current ERP’s general ledger and payroll modules.

The ERP upgrade is a strategic move to ensure continued efficiency and reliability in managing the City’s core administrative functions. To support this significant upgrade, City Council approved an initial investment of \$700,000 for the project. Recognizing the comprehensive nature of the software transition, an additional \$800,000 was allocated for Fiscal Year 2023-24.

This funding accounts for the transition’s implementation costs, including vendor implementation costs, internal project management, and staff augmentation for data conversion and business process review and improvement.

DETAILS

INITIAL FUNDING YEAR	2021-22
TARGET COMPLETION FISCAL YEAR	2026-27

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
\$2,000,000	\$486,255	-	-

TOTAL FUNDING SOURCES, ALL YEARS	AMOUNT (\$)
American Rescue Plan Act of 2021	\$242,135
One-time Revenue Reserve	\$1,757,865

Online Permit System Upgrade



DESCRIPTION

The City’s Community and Economic Development and Public Works Departments have reviewed a cloud-based permitting solution, My Government Online (MGO), as a potential upgrade and online expansion for our current TrakIT system. MGO offers a modern approach to managing permits, enhancing both efficiency and accessibility through its online platform.

This alternative was considered due to its pricing model, which aligns with our permit volume, making it a cost-effective solution. After analyzing permit issuance data from previous years, the staff projects that the annual cost of adopting MGO would not exceed \$50,000. This expense is anticipated to be covered by funds carried forward in the Capital Improvement Program budget, ensuring a financially responsible transition to a more advanced, cloud-based permitting system.

DETAILS

INITIAL FUNDING YEAR	2019-20
TARGET COMPLETION FISCAL YEAR	2026-27

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
\$220,000	\$124,756	-	-

TOTAL FUNDING SOURCES, ALL YEARS	AMOUNT (\$)
Permit Revenue Technology Fee	\$220,000

RAC Council Chamber and Meeting Room AV Upgrade

DESCRIPTION

The City of San Bruno opened the new Recreation and Aquatic Center (RAC) in the summer of 2024. In addition to being a community hub and recreational center, the RAC is also the new home for the City Council's regular meetings.

This project proposes a comprehensive upgrade to the Community Hall on the 2nd floor of the RAC to support its effective function as a council meeting chamber. Changes include replacing the existing audiovisual technology in the storage closet in the Community Hall to devices compatible with our existing multimedia mixing hardware and supporting a doubled number of usable microphones.

The project will also bring IT improvements to the 2nd floor conference room and classrooms on the 1st floor for a streamlined and secure user experience.



DETAILS

INITIAL FUNDING YEAR	2024-25
TARGET COMPLETION FISCAL YEAR	2025-26

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
\$120,000	-	-	-

TOTAL FUNDING SOURCES, ALL YEARS	AMOUNT (\$)
One-time Revenue Reserve	\$120,000

Fiscal Year 2025-26

Streets

Streets

FY2024-25 BUDGET

\$32,544,487

ESTIMATED ACTUALS AS OF 6/30/25

\$25,355,893

FY2025-26 NEW REQUESTS

\$15,010,000

Streets

PROJECT NAME	APPROPRIATIONS TO DATE AS OF FY2024-25 BUDGET	TOTAL APPROVED FUNDING		ANTICIPATED FUTURE REQUESTS
		ESTIMATED INCEPTION-TO-DATE ACTUALS AS OF 6/30/25	FY2025-26 NEW FUNDING REQUESTS	
Accessible Pedestrian Ramps at Various Locations	\$859,288	\$325,073	\$50,000	-
BART Right-of-way Transfer	\$121,880	\$95,086	-	-
Bicycle and Pedestrian Improvement Program - Huntington Avenue Improvements	\$4,417,000	\$3,997,452	-	-
Bicycle and Pedestrian Improvement Program - Near Mills Park Development	\$100,000	\$397	-	-
Bicycle and Pedestrian Improvement Program - San Bruno Bicycle Route Installation	\$760,000	\$614,667	-	-
Bicycle and Pedestrian Improvements at Bayhill Drive & El Camino Real	\$285,000	-	-	-
Crystal Springs Road Utility Undergrounding Project Phase I	\$1,000,000	\$378,368	-	\$3,800,000
Elm and Linden Avenue Bicycle Boulevards	\$100,000	\$481	-	-
Pedestrian Safety and Traffic-Calming Program - TSPC Studies	\$625,000	\$479,758	-	-
Pavement Management Program	\$20,210,619	\$18,016,819	\$13,000,000	-
Regulated Output Streetlight Replacement Project - Phase 2A	-	-	\$600,000	-
Safe Routes to School High Priority Improvements	\$480,700	\$20,147	-	-
San Bruno Avenue Transit Corridors Phase 1 - Pedestrian Improvements	-	-	\$450,000	-
San Bruno Avenue Transit Corridors Plan	\$150,000	\$20,316	-	-

Fiscal Year 2025-26

PROJECT NAME	APPROPRIATIONS TO DATE AS OF FY2024-25 BUDGET	TOTAL APPROVED FUNDING		ANTICIPATED FUTURE REQUESTS
		ESTIMATED INCEPTION-TO-DATE ACTUALS AS OF 6/30/25	FY2025-26 NEW FUNDING REQUESTS	
Scott Street Grade Separation	\$470,000	\$332,147	-	-
Sidewalk Repair Program	\$1,600,000	\$211,033	\$350,000	-
Signage Replacement Project	\$150,000	\$8,554	-	-
Traeger Traffic Signal Installation	\$250,000	\$1,317	-	-
Traffic Signal Camera Replacement	-	-	\$500,000	-
Traffic Signal Improvements	\$965,000	\$854,278	\$60,000	-
Grand Total	\$32,544,487	\$25,355,893	\$15,010,000	\$3,800,000

Completed or Closed in FY2024-25				
Downtown Parking Program	\$331,000	\$176,427	-	-
Regulated Output Streetlight Replacement Project Phase 1	\$1,107,839	\$1,133,495	-	-
Transit Corridor Pedestrian Connection Project Phase 4	\$604,447	\$575,802	-	-
Pedestrian Safety and Traffic-Calming - Oak and Crystal Springs Avenue	\$1,249,500	\$1,248,928	-	-
Bicycle and Pedestrian Improvements Program - San Bruno Bicycle Route Installation	\$760,000	\$615,225	-	-
Downtown Trash Receptacle, Newspaper Racks, and Enclosures	\$235,000	\$206,957	-	-

Accessible Pedestrian Ramps at Various Locations

DESCRIPTION

This program identifies and prioritizes areas requiring repair and installation of accessible curb ramp improvements, in compliance with the Americans with Disabilities Act (ADA). Work is conducted annually, guided by the General Plan’s “Pedestrian Emphasis Zones”, the Transit Corridors Plan, and recommendations from the then Bicycle and Pedestrian Advisory Committee, now the Complete Streets Committee (CSC).

The ADA Transition Plan was adopted in 2019 and includes a list of recommended locations to install curb ramps throughout the City, primarily in locations without an existing curb ramp or where the ramps do not meet federal ADA specifications. The project work plan includes installation of approximately 20 curb



DETAILS

INITIAL FUNDING YEAR	2008-09
TARGET COMPLETION FISCAL YEAR	On-going

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
\$859,288	\$325,073	\$50,000	-

TOTAL FUNDING SOURCES, ALL YEARS	AMOUNT (\$)
Gas Tax (HUTA)	\$292,500
Measure A	\$542,500
Streets Capital RDA	\$74,288

BART Right-of-way Transfer

DESCRIPTION

As part of the Bay Area Rapid Transit (BART) / San Francisco International Airport Extension Project in the late 1990s, the length of Huntington Avenue approximately between San Bruno Avenue to Sneath Lane was relocated to its present location. After completing the construction of the BART subway, the relocated Huntington Avenue was planned to have been dedicated to the City as a public street, but the process was never completed. The relocated Huntington Avenue is currently within BART jurisdiction and this project will complete the right of way transfer of Huntington Avenue to the City.

City staff is coordinating with BART to complete the process of dedicating the relocated Huntington Avenue for public use as a City Street.



DETAILS

INITIAL FUNDING YEAR	2011-12
TARGET COMPLETION FISCAL YEAR	2025-26

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
\$121,880	\$95,086	-	-

TOTAL FUNDING SOURCES, ALL YEARS	AMOUNT (\$)
One-time Revenue Reserve	\$75,000
Southline Community Benefit Fund	\$46,880

Bicycle and Pedestrian Improvement Program - Huntington Avenue Improvements

DESCRIPTION

This project will implement a component of the San Bruno Walk 'N Bike Plan, a plan adopted on July 28th, 2016 as the first city-wide plan devoted exclusively to non-motorized transportation. The added component improves the pedestrian and bicycle network on Huntington Ave from San Bruno Ave to the entrance of the Centennial Way Trail. Project improvements include narrowing the median to incorporate a two-way cycle track with a concrete barrier, a pedestrian signal at Euclid Ave, traffic signal modifications and to install streetscape improvements such as lighting and sidewalks. Funding for this project is primarily from a federal transportation grant and a San Mateo County Transportation Authority Grant with a matching requirement coming from the City General Fund Capital Reserve.

As of FY25, work was completed on a two-way cycle track on the northbound side of Huntington Avenue from the San Bruno and San Mateo Avenue intersections up to the 380 overpass, including traffic calming and a pedestrian signal at Euclid Avenue.

DETAILS

INITIAL FUNDING YEAR	2018-19
TARGET COMPLETION FISCAL YEAR	2025-26

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
\$4,417,000	\$3,997,452	-	-

TOTAL FUNDING SOURCES, ALL YEARS	AMOUNT (\$)
Southline Community Benefit Fund	\$1,500,000
One-time Revenue Reserve	\$33,000
Measure A	\$570,000
MTC "One Bay area grant" 2	\$914,000
External Grant	\$1,400,000



Bicycle and Pedestrian Improvement Program - Near Mills Park Development

DESCRIPTION

The developers of Mills Park contributed \$100,000 in funding to the City to make bicycle and pedestrian improvements around the Mills Park development. The development project was approved by the City Council in July 2020. Proposed bicycle and pedestrian improvements include the installation of portions of bicycle routes on Linden and Elm Avenues, radar speed feedback signs, and a bus transit bench on the northwest corner of San Bruno Avenue and El Camino Real on San Bruno Avenue. The project elements will be scalable to allow for flexibility to accommodate the funding available.



DETAILS

INITIAL FUNDING YEAR	2021-22
TARGET COMPLETION FISCAL YEAR	2025-26

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
\$100,000	\$397	-	-

TOTAL FUNDING SOURCES, ALL YEARS	AMOUNT (\$)
Developer Contributions - Mills Park	\$100,000

Bicycle and Pedestrian Improvement Program - San Bruno Bicycle Route Installation

DESCRIPTION

This project will implement approximately 18.2 miles of class 3 bike routes identified in the City of San Bruno Walk 'n Bike Plan. The purpose of the project is to improve the environment and neighborhood livability by reducing traffic, air pollution, noise and energy consumption by implementing components of a comprehensive bikeway network and making biking in San Bruno safer, easier and more popular. Improvements consist of shared-lane markings, signage, traffic-calming measures, traffic diverters, and/or speed feedback signs. Locations of implementation are at various locations city-wide.



DETAILS

INITIAL FUNDING YEAR	2021-22
TARGET COMPLETION FISCAL YEAR	On-going

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
\$760,000	\$614,667	-	-

TOTAL FUNDING SOURCES, ALL YEARS	AMOUNT (\$)
Measure A	\$513,240
State Transportation Fund for Clean Air (TFCA)	\$246,760

Bicycle & Pedestrian Improvements at Bayhill Drive & El Camino Real

DESCRIPTION

As part of the Bayhill Specific Plan, pedestrian and bicycle improvements were identified for implementation at the intersection of Bayhill Drive, Euclid Avenue and El Camino Real. Improvements include a new concrete sidewalk bulb-outs, pavement markings across the intersection and a short cycle track to connect the bicycle route on Euclid Ave and Bayhill Drive. These improvements were originally identified in the City's Walk 'n Bike Plan.



DETAILS

INITIAL FUNDING YEAR	2023-24
TARGET COMPLETION FISCAL YEAR	2026-27

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
\$285,000	-	-	-

TOTAL FUNDING SOURCES, ALL YEARS	AMOUNT (\$)
Bayhill Specific Plan Area Development Impact Fee	\$71,250
Measure A	\$213,750

Crystal Springs Road Utility Undergrounding Project Phase I

DESCRIPTION

The California Public Utilities Commission (CPUC) requires Pacific Gas & Electric Company (PG&E) to set aside a portion of their utility receipts each year for use in undergrounding existing overhead utilities, commonly referred to as the “Rule 20A Utility Undergrounding Program” (Rule 20A). The costs for undergrounding under Rule 20A are recovered through electric rates after the project is completed.

On February 11, 2020, the Council established an underground utility district on Crystal Springs Road from El Camino Real to Cunningham Way. Phase I project includes undergrounding approximately 2,200 feet along Crystal Springs Road from Donner Avenue to El Camino Real and Phase II includes undergrounding approximately 1,500 feet along Crystal Springs Road from Donner Ave to Cunningham Way. The estimated construction cost for Phase I is approximately \$4.8 million. Undergrounding the City’s street lights cannot be paid with Rule 20A credits.



DETAILS

INITIAL FUNDING YEAR	2020-21
TARGET COMPLETION FISCAL YEAR	2026-27

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
\$1,000,000	\$378,368	-	\$3,800,000

TOTAL FUNDING SOURCES, ALL YEARS	AMOUNT (\$)
Gas Tax (HUTA)	\$100,000
Rule 20A Allocations	\$900,000

Elm and Linden Avenue Bicycle Boulevards

DESCRIPTION

In line with the City of San Bruno’s Walk ‘n Bike Plan, the proposal to transform Elm and Linden Avenues into key one-way north-south bicycle routes represents a move towards enhancing the city’s bikeability and promoting alternative modes of transportation. This project acknowledges the growing need for safe and accessible bicycle routes in urban settings.

The transition from two-way streets to one-way streets to accommodate this change is significant, requiring a comprehensive traffic circulation study and extensive resident outreach. These steps are crucial to ensure that the project aligns with the overall traffic flow, safety, and community needs while minimizing potential disruptions. Engaging residents early in the design process helps to gather valuable feedback, address concerns, and foster community support for the initiative.

The construction phase of this project will focus on creating a safe and inviting environment for cyclists. This includes the installation of speed humps to calm traffic and reduce vehicle speeds, making the streets safer for cyclists and pedestrians alike. Pavement resurfacing and repair work will ensure a smooth and durable riding surface.

Signage will play a vital role in guiding cyclists and informing motorists of the new road layout. Additionally, the installation of double pavement edge line markings and pavement legends will clearly delineate the bicycle lanes, providing visual cues to all road users.



DETAILS

INITIAL FUNDING YEAR	2015-16
TARGET COMPLETION FISCAL YEAR	2025-26

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
\$100,000	\$481	-	-

TOTAL FUNDING SOURCES, ALL YEARS	AMOUNT (\$)
Measure A	\$100,000

Pavement Management Program



DESCRIPTION

The City of San Bruno’s Pavement Management Program is designed to restore structural integrity, enhance driving conditions, and extend the service life of the City’s roadway network.

Street Reconstruction & Rehabilitation

This component addresses severely deteriorated streets rated in fair to failed condition and beyond the scope of routine maintenance. Work includes the removal and replacement of damaged asphalt concrete to eliminate surface defects, improve safety, and ensure long-term performance. Additional improvements may involve curb, gutter, and sidewalk repairs, as well as updated pavement markings.

Timely investment in these improvements helps prevent more costly repairs, supports roadway safety, and maintains quality of life in our neighborhoods. Without these interventions, road conditions will continue to decline, resulting in increased vehicle damage, safety hazards, and higher future repair costs.

Other work includes preventative maintenance that extends the life of San Bruno’s roadway network and mitigates expensive repairs.

Project funds may also be used for the planning and design of future Pavement Management Program projects.

DETAILS

INITIAL FUNDING YEAR	2021-22
TARGET COMPLETION FISCAL YEAR	On-going

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
\$20,210,619	\$18,016,819	\$13,000,000	-

HISTORICAL FUNDING SOURCE	AMOUNT (\$)
Measure A	\$650,000
Gas Tax (RMRA)	\$4,543,390
Measure W	\$1,400,000
Measure G	\$13,490,729
City of Millbrae	\$126,500

TOTAL FUNDING REQUEST FY2025-26	AMOUNT (\$)
Measure Q General Obligation Bond	\$11,000,000
Gas Tax (RMRA)	\$900,000
Measure W	\$1,100,000

SCAN TO VISIT THE PAVING PROGRAM WEBSITE:



Pedestrian Safety and Traffic-Calming Program - Third-Party Studies

DESCRIPTION

The Complete Streets Committee (CSC) is tasked with reviewing and recommending to the City Council issues related to traffic and parking. Staff from the Public Works Department evaluate the issue and provide recommendations to the CSC for consideration. Depending on the issues identified, consultants that are funded through this project are also procured to assist with collecting data for use in the evaluation.



DETAILS

INITIAL FUNDING YEAR	2007-08
TARGET COMPLETION FISCAL YEAR	On-going

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
\$625,000	\$406,526	-	-

TOTAL FUNDING SOURCES, ALL YEARS	AMOUNT (\$)
Gas Tax (HUTA)	\$275,000
Measure A	\$350,000

Regulated Output Streetlight Replacement Project - Phase 2A

DESCRIPTION

The Regulated Output (R.O.) Streetlight Replacement Project - Phase 2 will replace aging streetlights currently connected to San Bruno’s unreliable regulated output circuits with modern, solar-powered streetlights. The existing system, installed over 75 years ago, uses outdated series circuit technology that causes widespread outages when a single light fails. Frequent breakdowns, corroded conduits, and deteriorating wiring have made the system costly and difficult to maintain. Replacing these streetlights will significantly improve neighborhood safety, enhance nighttime visibility, and increase energy efficiency by eliminating dependency on the unstable R.O. network.

*Note: This project is a City Council strategic initiative for FY26. However, during a July 2025 City Council meeting, councilmembers agreed to postpone this project depending on the City’s financial situation, using these Measure G funds to backfill other strategic initiatives or baseline operations.

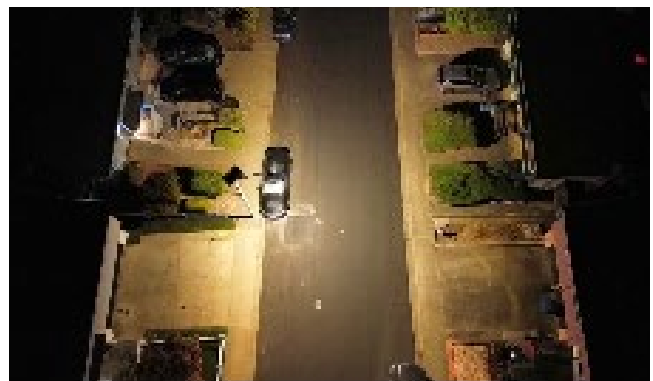
DETAILS

INITIAL FUNDING YEAR	2025-26
TARGET COMPLETION FISCAL YEAR	2026-27

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
-	-	\$600,000*	-

TOTAL FUNDING SOURCES, ALL YEARS	AMOUNT (\$)
Measure G	\$600,000



Safe Routes to School High Priority Improvements

DESCRIPTION

On February 14, 2023, the City Council adopted its Safe Routes to School Plan (Plan). The overall goal of this Plan is to make San Bruno a healthier, safer, more sustainable, and environmentally sound community, with improved air quality and less traffic congestion, by reducing the number of school-related automobile trips. The Plan is a collaboration between the City, 12 schools across San Bruno, and the community, and provides school specific summaries that describe existing conditions and a list of prioritized projects, in addition to training, resources, and customized support to schools. Once implemented, the Plan will benefit students via increased physical activity and associated wellness and learning outcomes, as well as concurrently benefiting students and the community via safety enhancements, reduced vehicle traffic, and reduced air pollution near schools.

As part of the Plan, a list of high priority street improvement projects was identified. The improvements include pedestrian and bicycle facility enhancements as well improvements to signage and pavement markings.



DETAILS

INITIAL FUNDING YEAR	2023-24
TARGET COMPLETION FISCAL YEAR	2026-27

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
\$480,700	\$20,147	-	-

TOTAL FUNDING SOURCES, ALL YEARS	AMOUNT (\$)
Measure A	\$100,000
MTC TDA Article 3	\$380,700



San Bruno Avenue Transit Corridors Phase 1 Pedestrian Improvements

DESCRIPTION

The City of San Bruno Transit Corridors Plan identified the segment of San Bruno Avenue between El Camino Real and Seventh Avenue as corridor to receive pedestrian crossing enhancements. This section of El Camino Real and Seventh Avenue was also identified in the City’s Local Roadway Safety Plan as a high priority corridor.

This project will install Rectangular Rapid Flashing Beacons and Enhanced Crosswalk Markings at two intersections of San Bruno Avenue: Masson Avenue and 5th Avenue.

DETAILS

Initial Funding Year	2025-26
Target Completion Fiscal Year	2026-27

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
-	-	\$450,000	-

TOTAL FUNDING SOURCES, ALL YEARS	AMOUNT (\$)
Citywide Development Impact Fees – Transportation Facilities Impact Fee Fund	\$135,810
HSIP Cycle 12 Grant	\$314,190

San Bruno Avenue Transit Corridors Plan

DESCRIPTION

The City of San Bruno is taking significant steps to enhance the pedestrian experience along San Bruno Avenue, stretching from 7th Avenue to El Camino Real, as a key component of the Transit Corridors Plan. This initiative aims to transform the streetscape into a more pedestrian-friendly environment through a variety of improvements. These enhancements include the resurfacing of pavements, widening of sidewalks to accommodate both pedestrians and potential outdoor activities, the addition of landscaping to beautify the area and create a pleasant walking experience, and the installation of pedestrian-scale lighting to ensure safety and comfort during evening hours.

A critical aspect of this project is the reevaluation of the road layout to include bike lanes, which underscores the city’s commitment to promoting alternative and sustainable modes of transportation. This will involve a significant change in the traffic pattern: reducing the current four lanes of travel to two through lanes with a center left-turn lane. This redesign not only aims to accommodate cyclists but also to slow down traffic, making the area safer for pedestrians and enhancing the overall street environment.

Funding allocated will be dedicated to the preliminary phases of this project, including the preparation of conceptual designs, conducting necessary studies to assess the feasibility and impact of these changes, and engaging in community outreach to gather input and build support for the project.



DETAILS

INITIAL FUNDING YEAR	2023-24
TARGET COMPLETION FISCAL YEAR	2026-27

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
\$150,000	\$20,316	-	-

TOTAL FUNDING SOURCES, ALL YEARS	AMOUNT (\$)
Measure A	\$150,000

Scott Street Grade Separation



DESCRIPTION

The City desires to grade separate the railroad crossing at Scott Street, the last remaining at-grade crossing in San Bruno. San Mateo County Transportation Authority (TA) conducted a Grade Separation Footprint Study to examine six alternatives for separation and track configuration variations grade separation. Due to the proximity of the Scott Street crossing with the South Linden Avenue at-grade rail crossing in the City of South San Francisco, the at-grade crossings cannot be eliminated without affecting the other. The Conceptual Design Project Study Report (PSR) phase commenced in 2016 when the TA awarded \$650,000 in Measure A funds to this project, with \$250,000 allocated to the South Linden Avenue crossing and \$400,000 allocated to the Scott Street crossing. With Caltrain adopting its Business Plan in September 2020 and High-Speed Rail, the number of trains is expected to increase. As part of the PSR, the City contributed local funding for the preparation of a traffic study, which was completed in April of 2021. The City closed Scott Street to vehicular traffic, raised the railroad tracks, and installed a pedestrian/bicycle undercrossing at Scott Street.

In March 2022, the TA awarded \$4.95 million toward the next phase of the project, the Preliminary Engineering/Environmental Clearance (PE/EC) phase. The Cities of San Bruno and South

San Francisco are required to contribute a combined 10% of the total phase costs as local match. The budget funding will be used to complete the PE/EC phase. Design and construction costs are currently unfunded priorities.

DETAILS

INITIAL FUNDING YEAR	2018-19
TARGET COMPLETION FISCAL YEAR	TBD

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
\$470,000	\$332,147	-	-

TOTAL FUNDING SOURCES, ALL YEARS	AMOUNT (\$)
Measure A	\$470,000

Sidewalk Repair Program

DESCRIPTION

The Sidewalk Repair Program is designed to enhance the safety and accessibility of public sidewalks throughout the city. Following a comprehensive survey conducted in fiscal year 2015-16, defects were identified and categorized based on whether they were the responsibility of the city or private property owners. This distinction is crucial, especially for damages not caused by street trees, as these are deemed the responsibility of the property owners next to the sidewalks.

Each year, sidewalks slated for city-led repairs are chosen based on the findings from the initial FY 2015-16 survey, alongside reports from residents. The focus of the program is on repairing uplifts resulting from the growth and expansion of the city’s street trees, prioritizing those areas with the most significant damage first. The determination of project locations and the allocation of budget funds are made annually, ensuring that the most critical repairs are addressed promptly within the limits of the available budget.

Priority is given to sidewalks where the offset was greater than three-quarters of an inch at the time of the initial survey. Additionally, the program is responsive to the community, incorporating locations highlighted through resident participation and concerns into the project scope. Looking forward, the city acknowledges the need for an updated survey to capture any new issues, ensuring that the Sidewalk Repair Program remains adaptive and responsive to the evolving needs of the city’s infrastructure and its residents.



DETAILS

INITIAL FUNDING YEAR	2022-23
TARGET COMPLETION FISCAL YEAR	On-going

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
\$1,600,000	\$211,033	\$350,000	-

TOTAL FUNDING SOURCES, ALL YEARS	AMOUNT (\$)
Gas Tax (HUTA)	\$725,000
Measure A	\$475,000
Private Contribution	\$400,000
One-time Revenue Reserve	\$350,000

Signage Replacement Project

DESCRIPTION

As of June 2014, every public agency is required to have their traffic signs meet the requirements set forth in the CA MUTCD. In order to meet these requirements, the City has assessed each sign for retro-reflectivity and legibility, and determined the sign replacement priority as follows:

- **Priority 1:** STOP signs (STOP, YIELD, ALL WAY signs)
- **Priority 2:** Regulatory, Warning and School signs
- **Priority 3:** Street Name signs and Guide signs
- **Priority 4:** Custom and Parking Signs

Priority 1 and part of Priority 2 have been completed. There are about 500 Priority 2 signs remaining and this project would complete the remaining Priority 2 signs.

DETAILS

INITIAL FUNDING YEAR	2023-24
TARGET COMPLETION FISCAL YEAR	2026-27

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
\$150,000	\$8,554	-	-

TOTAL FUNDING SOURCES, ALL YEARS	AMOUNT (\$)
Measure A	\$150,000



Traeger Traffic Signal Installation

DESCRIPTION

As part of the Bayhill Specific Plan, a study of the intersection of Traeger Ave and San Bruno Ave was found not exceeding the level of service D threshold. This project aims to signalize the intersection which would result in improved operations and meet the level of service D threshold. A fair share calculation determined that the developer would fund 81% of the cost of design and installation of the signal. Development of the Bayhill Specific Plan is underway and the design and installation of the signal will later be initiated.



DETAILS

INITIAL FUNDING YEAR	2023-24
TARGET COMPLETION FISCAL YEAR	2026-27

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
\$250,000	\$1,317	-	-

TOTAL FUNDING SOURCES, ALL YEARS	AMOUNT (\$)
Bayhill Specific Plan Area Development Impact Fee	\$202,500
Measure A	\$47,500



Traffic Signal Camera Replacement

DESCRIPTION

This project includes the replacement of aging traffic camera systems at signalized intersections throughout the City of San Bruno. The work will involve removing outdated camera equipment and installing modern high-definition video detection systems to improve vehicle detection accuracy, optimize signal timing, and support future smart traffic management applications.

The existing traffic camera systems are beyond their typical service life and are no longer reliably detecting vehicles, particularly during adverse weather or low-light conditions. This leads to inefficient signal operations, increased traffic delays, and driver frustration. Additionally, the current equipment is incompatible with modern signal control technology, limiting the City’s ability to implement adaptive traffic management strategies.

If the project is deferred, the City will continue to experience congestion, longer travel times, and potential safety risks due to poor vehicle detection. Delay in completing this work may also result in higher future upgrade costs and lost opportunities for integrating smart city technology.

DETAILS

Initial Funding Year	2025-26
Target Completion Fiscal Year	2025-26

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
-	-	\$500,000	-

TOTAL FUNDING SOURCES, ALL YEARS	AMOUNT (\$)
Measure A	\$500,000

Traffic Signal Improvements

DESCRIPTION

The City operates 17 signalized intersections, with the electronic hardware at these locations designed to last 20 years. However, the majority of these systems are now between 30 to 40 years old, significantly exceeding their expected lifespan. While replacements were made for these signalized locations in the fiscal year 2017-18, there are still 4 signals situated within Caltrans right-of-way that also require updating.

Currently installed traffic signal equipment is being phased out and is not supported. The City is initiating a comprehensive assessment across all 17 signalized intersections. This evaluation will determine which specific pieces of equipment are in urgent need of upgrades to ensure the continued safety and efficiency of the City’s traffic management system.

DETAILS

INITIAL FUNDING YEAR	2020-21
TARGET COMPLETION FISCAL YEAR	2025-26

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
\$965,000	\$854,278	\$60,000	-

TOTAL FUNDING SOURCES, ALL YEARS	AMOUNT (\$)
Gas Tax (HUTA)	\$332,500
Measure A	\$692,500



Fiscal Year 2025-26

Stormwater

Stormwater

FY2024-25 BUDGET

\$5,363,333

ESTIMATED ACTUALS AS OF 6/30/25

\$1,430,731

FY2025-26 NEW REQUESTS

\$2,400,000

Stormwater

		TOTAL APPROVED FUNDING		
PROJECT NAME	APPROPRIATIONS TO DATE AS OF FY2024-25 BUDGET	ESTIMATED INCEPTION-TO-DATE ACTUALS AS OF 6/30/25	FY2025-26 NEW FUNDING REQUESTS	ANTICIPATED FUTURE REQUESTS
2024-2025 Trash Capture Installation Project	\$250,000	-	-	-
Crestmoor Canyon Storm Repair	\$200,000	\$20,474	-	-
Green Stormwater Infrastructure (GSI) Implementation	-	-	\$1,800,000	-
Overflow Corrugated Metal Pipe Repair/ Replacement Behind Cunningham Tank 1	-	-	\$100,000	-
Pipeline Replacement	\$450,000	\$60,974	-	-
Portola Watershed Storm Drain Trunk Line Repair	\$400,000	\$30,368	-	-
Regional Stormwater Capture Project at I-280 and I-380	\$3,663,333	\$1,279,892	-	-
Storm Drain Condition Assessment	\$400,000	\$39,023	-	-
Storm Drain Master Plan	-	-	\$500,000	-
Grand Total	\$5,363,333	\$1,430,731	\$2,400,000	-

Completed or Closed in FY2024-25				
Winter Storm Hazard Mitigation Efforts	\$991,000	\$1,037,136	-	-
Oakmont Manhole Emergency Repair	\$338,000	\$402,552	-	-

2024-2025 Trash Capture Installation Project

DESCRIPTION

This project will install trash capture devices in key areas of the City to catch and hold solids, including small trash, sediments, and cigarette butts, and allow stormwater to continue flowing into San Francisco Bay. This project is intended to comply with Regional Water Quality Control Board requirements to significantly reduce stormwater contaminants entering San Francisco Bay.



DETAILS

INITIAL FUNDING YEAR	2024-25
TARGET COMPLETION FISCAL YEAR	2024-25

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
\$250,000	-	-	-

TOTAL FUNDING SOURCES, ALL YEARS	AMOUNT (\$)
One-time Revenue Reserve	\$250,000

Crestmoor Canyon Storm Repair

DESCRIPTION

During recent storms, about five to eight feet of outboard bench between the wall and the drainage canyon slid into Crestmoor Canyon. There is a risk that a new landslide in this area will pull the storm drainpipe and manhole downslope. In order to reduce the risk to the storm drainpipe and manhole, a cable anchoring the pipe to the wall with a collar will be installed. This preventive measure aims to protect the storm drainpipe and manhole from further landslide threats.



DETAILS

INITIAL FUNDING YEAR	2023-24
TARGET COMPLETION FISCAL YEAR	On-going

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
\$200,000	\$20,474	-	-

Green Stormwater Infrastructure (GSI) Implementation

The Green Stormwater Infrastructure (GSI) Implementation Project will deliver non-regulated GSI improvements throughout San Bruno in alignment with the Municipal Regional Stormwater Permit (MRP) 3.0, Provision C.3.

This project supports the City’s obligation to implement GSI solutions that reduce stormwater runoff and improve water quality by filtering pollutants before they enter local creeks and the San Francisco Bay. Improvements may include the installation of bioretention areas, permeable pavement, and other sustainable stormwater management systems in public spaces and priority retrofit sites.

Compliance with MRP 3.0 is critical to meeting regional stormwater quality standards and protecting waterways. This project will help the City meet regulatory requirements and improve stormwater quality. Without this project, the City risks non-compliance with MRP 3.0, potentially leading to enforcement actions or penalties, while missing an opportunity to improve stormwater resiliency and environmental health.

DETAILS

INITIAL FUNDING YEAR	2025-26
TARGET COMPLETION FISCAL YEAR	On-going

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
-	-	\$1,800,000	-

TOTAL FUNDING SOURCES, ALL YEARS	AMOUNT (\$)
Measure Q General Obligation Bond	\$1,800,000



Overflow Corrugated Metal Pipe Repair/ Replacement Behind Cunningham Tank 1



DETAILS

INITIAL FUNDING YEAR	2025-26
TARGET COMPLETION FISCAL YEAR	2025-26

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
-	-	\$100,000	-

DESCRIPTION

This project involves the repair or replacement of a deteriorating corrugated metal pipe that collects stormwater runoff and overflow from the Cunningham Tank 1 site and conveys it behind residences along Cunningham Way to a catch basin near the Highway 280 on-ramp. The existing pipe is critical to preventing localized flooding by safely diverting water to the City’s storm drain system.

The pipe shows signs of age-related corrosion and structural degradation. Timely repair or replacement of this pipe will ensure continued protection of adjacent residential areas, safeguard public infrastructure, and maintain proper stormwater drainage.

Completing this project now is essential to protecting both the community and the City’s stormwater system.

TOTAL FUNDING SOURCES, ALL YEARS	AMOUNT (\$)
Measure Q General Obligation Bond	\$100,000

Pipeline Replacement

DESCRIPTION

During construction of the San Francisco Public Utilities Commission’s (SFPUC) pipeline near the County Park at Crystal Springs Road, SFPUC’s contractor discovered a broken stormwater pipeline that was leaking. The broken pipeline resulted in erosion near the City and County of San Francisco (CCSF) easement area and El Zanjon Creek. The existing stormwater pipeline connects to the drain inlet within Crystal Springs Road and collects stormwater from the roadway and Crystal Springs Terrace Apartments, then discharges the flow to El Zanjon Creek.

In order to mitigate further erosion and impact to CCSF pipelines and Crystal Springs Road, the stormwater pipeline will need to be replaced from the drain inlet to El Zanjon Creek. The hillside will also be restored. The cost for the design and construction of the new stormwater pipeline and erosion mitigation efforts is estimated to be approximately \$450,000, including a contingency cost.



DETAILS

INITIAL FUNDING YEAR	2020-21
TARGET COMPLETION FISCAL YEAR	On-going

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
\$450,000	\$60,974	-	-

TOTAL FUNDING SOURCES, ALL YEARS	AMOUNT (\$)
Citywide Development Impact Fees - Utilities Facilities Impact Fee Fund	\$439,080
One-time Revenue Reserve	\$10,920

Portola Watershed Storm Drain Trunk Line Repair

DESCRIPTION

During the December 2022 winter storm, the Portola watershed storm drain trunk line, positioned within the Caltrans right-of-way between Sneath Lane and State Route 35, experienced a failure that led to the formation of a substantial sinkhole. Although emergency repairs to the sinkhole and affected sections of the storm drainpipe have been carried out, there remains about 200 linear feet of corroded corrugated metal pipe that necessitates either replacement or rehabilitation to ensure the integrity of the stormwater management system.



DETAILS

INITIAL FUNDING YEAR	2023-24
TARGET COMPLETION FISCAL YEAR	On-going

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
\$400,000	\$30,368	-	-

TOTAL FUNDING SOURCES, ALL YEARS	AMOUNT (\$)
Citywide Development Impact Fees - Utilities Facilities Impact Fee Fund	\$400,000

Regional Stormwater Capture Project at I-280 and I-380

DESCRIPTION

This is a regional stormwater capture project within San Bruno which is to collect, detain and treat stormwater at an open space in the Caltrans right-of-way between the I-280/I-380 interchange from a storm drain that serves portions of the Rollingwood, Crestmoor, Portola Highlands, and Pacific Heights neighborhoods of San Bruno.

This project has the potential to supplement groundwater supplies, alleviate downstream flooding, and improve water quality in San Bruno Creek. This project will treat runoff from a total of 942 acres.

The City has secured a \$200,000 grant through EPA’s Water Quality Improvement Fund and \$913,333 through the California Natural Resources Agency (CNRA) towards preliminary design of this project. All conceptual design details will be explored in greater detail during a feasibility analysis.



DETAILS

INITIAL FUNDING YEAR	2019-20
TARGET COMPLETION FISCAL YEAR	On-going

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
\$3,663,333	\$1,279,892	-	-

TOTAL FUNDING SOURCES, ALL YEARS	AMOUNT (\$)
CNRA Fund	\$913,333
Community Benefit Fund	\$150,000
EPA STAG	\$2,400,000
EPA WQIF	\$200,000

Storm Drain Condition Assessment

DESCRIPTION

In 2014, the City released its Storm Drain Master Plan (Plan). However, the City’s stormwater program had insufficient funds to move forward with the recommendations identified in the Plan. This new effort will be a targeted and strategic update to the 2014 Plan, where the City will identify priority locations and work with a consultant to assess each location and determine an engineering cost for the needed repair.

DETAILS

Initial Funding Year	2023-24
Target Completion Fiscal Year	On-going

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
\$400,000	\$39,023	-	-

TOTAL FUNDING SOURCES, ALL YEARS	AMOUNT (\$)
Citywide Development Impact Fees - Utilities Facilities Impact Fee Fund	\$400,000

Storm Drain Master Plan

DESCRIPTION

The Storm Drain Master Plan project will update the City of San Bruno’s existing plan, last completed in 2014, to evaluate the current condition and capacity of the City’s stormwater infrastructure. This update will assess system performance under modern storm events, identify areas prone to flooding, and recommend capital improvements to enhance stormwater management and climate resiliency.

The City’s drainage system faces growing challenges due to aging infrastructure and more frequent severe weather events, making this plan essential to help prioritize critical upgrades and improve flood protection for homes, businesses, and public facilities.

A timely update will position the City to better secure grant funding, plan for future projects, and enhance community resilience to storm events. The updated Master Plan will provide up-to-date data and strategies to adequately address evolving stormwater challenges, improve system efficiency, and enhance capital improvements.

DETAILS

INITIAL FUNDING YEAR	2025-26
TARGET COMPLETION FISCAL YEAR	2027-28

FINANCIALS

FY2024-25 BUD-GET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
-	-	\$500,000	-

TOTAL FUNDING SOURCES, ALL YEARS	AMOUNT (\$)
Measure Q General Obligation Bond	\$500,000



Water

Water

FY2024-25 BUDGET

\$56,526,015

ESTIMATED ACTUALS AS OF 6/30/25

\$13,403,360

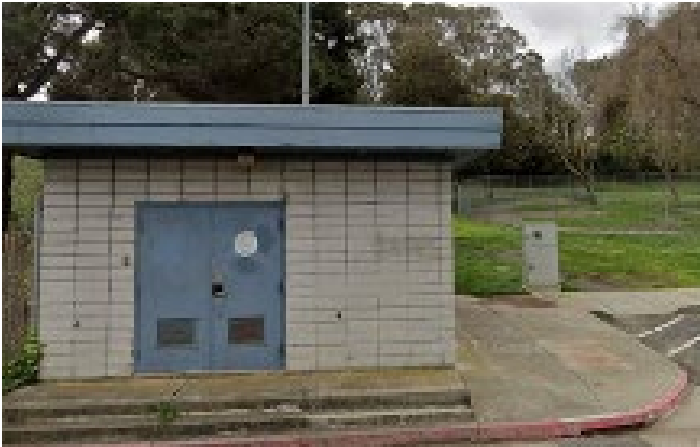
FY2025-26 NEW REQUESTS

\$6,460,075

Water

PROJECT NAME	APPROPRIATIONS TO DATE AS OF FY2024-25 BUDGET	TOTAL APPROVED FUNDING		ANTICIPATED FUTURE REQUESTS
		ESTIMATED INCEPTION-TO-DATE ACTUALS AS OF 6/30/25	FY2025-26 NEW FUNDING REQUESTS	
Acappella Well Project (Commodore Park Well Replacement)	\$8,348,016	\$2,635,326	-	-
Pressure Regulator Station Improvement & Replacement Program	\$1,822,019	\$114,892	-	-
Water Main Improvement and Replacement Program	\$3,505,000	\$4,021,895	-	-
Water Pump Station Improvement & Replacement Program	\$10,993,058	\$1,331,101	-	-
Water Quality Well System Upgrades & Sweeney Ridge Tank Chlorine Generator Installation	\$600,000	\$147,548	-	-
Water Storage Tank Refurbishment	-	-	\$3,600,000	-
Water Tank Improvement and Replacement Program	\$29,980,746	\$4,067,878	\$2,860,075	-
Well Rehabilitation Program	\$1,277,176	\$1,082,720	-	-
Grand Total	\$56,526,015	\$13,403,360	\$6,460,075	-

Acappella Well Project (Commodore Park Well Replacement)



DETAILS

INITIAL FUNDING YEAR	2009-10
TARGET COMPLETION FISCAL YEAR	2025-26

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
\$8,348,016	\$2,635,326	-	-

DESCRIPTION

This project replaces the Commodore Park Well, which is more than 25 years old and is one of the City’s oldest wells. Despite regular maintenance and rehabilitation of this well, it ceased operation in June 2010. A feasibility analysis was performed to determine a potential replacement well site. The Acappella Site adjacent to The Crossing/San Bruno was identified as the location that will result in optimum combination of water quality and production rate.

The construction of the test well was completed in fiscal year 2014-15. The design of the well facilities will be completed in two separate phases. The first phase consists of completing the design and construction of a production well and the second phase consists of design and construction of the well facilities. Additional property adjacent to the well site was acquired in fiscal year 2016-17 which resolved ingress and egress issues.

Pressure Regulator Station Improvement & Replacement Program

DESCRIPTION

This program funds improvement and reconstruction of the City water system’s 30 pressure regulator stations. These stations allow reduction of the high incoming water pressure to a normal distribution pressure for delivery to homes and businesses. Regulating stations reduce the stress placed on water distribution equipment, increase system reliability and longevity, and provide residents and businesses with consistent water pressure. A condition assessment of the regulating stations was completed in fiscal year 2016-17.

DETAILS

INITIAL FUNDING YEAR	2005-06
TARGET COMPLETION FISCAL YEAR	On-going

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
\$1,822,019	\$114,892	-	-



Water Main Improvement and Replacement Program

DESCRIPTION

This program will replace the City’s water main lines over a 20-year period. The schedule to replace individual pipeline segments is guided by the Water Master Plan, which determined project priorities using water leak reports, maintenance history, fire flow analysis, condition, and capacity of pipelines. Project locations that are scheduled to be completed within the next five years include the eastern portion of the City south of 1-380, also known as “The Avenues”



DETAILS

INITIAL FUNDING YEAR	2005-06
TARGET COMPLETION FISCAL YEAR	On-going

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
\$3,505,000	\$4,021,895	-	-

Water Pump Station Improvement & Replacement Program



DETAILS

INITIAL FUNDING YEAR	2009-10
TARGET COMPLETION FISCAL YEAR	On-going

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
\$10,993,058	\$1,331,101	-	-

DESCRIPTION

The City maintains eight pump stations, which are crucial for distributing water across thirteen different pressure zones. This program is designed to finance the comprehensive overhaul of the water pumping infrastructure, including the replacement of critical components like pumps and motors, installation of backup generators, and enhancements to security measures. Additionally, it covers the costs associated with the demolition of outdated pump stations and the construction of new facilities to ensure reliable water delivery.

Water Quality Well System Upgrades & Sweeney Ridge Tank Chlorine Generator Installation

DESCRIPTION

Well Water Quality Testing System Upgrades:

This project will install new water quality testing equipment at all City wells (Corporation Yard, Lions Field, City Park, and Forest Lane).

Project work includes:

- 1) Installation of Residual Control System (RCS) units, with multiple probes that test and analyze various water quality categories; and
- 2) Replacing older and outdated chemical feed pump systems that release chemicals into well holding tanks to maintain water quality levels. Both systems will be connected to the City’s SCADA real-time computer monitoring system.

Sweeney Ridge Tank Chlorine Generator Installation:

This project will install a new generator system that will convert salt into chlorine used to maintain water quality. This tank is located at a very remote location, and currently liquid chlorine must be trucked in daily. This new equipment will measure out and provide more reliable and consistent chlorine levels and requires less crew and equipment to maintain.



DETAILS

INITIAL FUNDING YEAR	2022-23
TARGET COMPLETION FISCAL YEAR	On-going

FINANCIALS

FY2024-25 BUD-GET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
\$600,000	\$147,548	-	-

Water Storage Tank Refurbishment



DETAILS

INITIAL FUNDING YEAR	2025-26
TARGET COMPLETION FISCAL YEAR	2026-27

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
-	-	\$3,600,000	-

DESCRIPTION

The Water Storage Tank Refurbishment Project will rehabilitate four critical water storage tanks—Tanks 6, 6A, 9, and 10—by performing interior and exterior rust repair and applying new protective coating systems. These tanks are vital components of San Bruno’s potable water distribution system, supporting water storage capacity, fire protection, and daily service demands for the community.

The existing protective coatings have deteriorated over time, exposing steel surfaces to corrosion that threatens the structural integrity and long-term functionality of the tanks. Completing this work will extend the service life of the tanks, safeguard water quality, and ensure reliable water supply during peak demand periods and emergencies.

Timely investment in this critical infrastructure will help protect public health, maintain system reliability, and avoid significantly higher future rehabilitation costs.

Water Tank Improvement and Replacement Program

DESCRIPTION

The City operates eight water tanks as part of its water distribution system. This program funds tank replacement, seismic retrofits, rehabilitation of tanks, and other significant modifications to the existing water tanks. The updated Water Master Plan prioritizes future tank modifications, rehabilitation, and replacement efforts based on the needs of the system.

Delaying these efforts could lead to increased risks, including tank failures during seismic events, reduced water quality, and interruptions in water service. Such outcomes could compromise the City's ability to provide consistent and safe water to residents and respond effectively during emergencies.

Currently, efforts are concentrated on finalizing the designs for the Cunningham and Sweeney Ridge Tanks and initiating the design for the Princeton Tank.



DETAILS

INITIAL FUNDING YEAR	2004-05
TARGET COMPLETION FISCAL YEAR	On-going

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
\$29,980,746	\$4,067,878	\$2,860,075	-

Well Rehabilitation Program



DETAILS

INITIAL FUNDING YEAR	2009-10
TARGET COMPLETION FISCAL YEAR	On-going

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
\$1,277,176	\$1,082,720	-	-

DESCRIPTION

This program provides comprehensive preventative maintenance and repairs for all five of the City's wells. The three main tasks at each well include rehabilitating the underground well infrastructure every 10 years, inspection and evaluation of the pumps and motors every 5 years and replacing the filtration media every 10 years. The Commodore Well is currently inactive awaiting construction of a replacement well and will eventually be included in the rotating rehabilitation schedule.

Fiscal Year 2025-26

Wastewater

Wastewater

FY2024-25 BUDGET

\$52,646,496

ESTIMATED ACTUALS AS OF 6/30/25

\$23,760,884

FY2025-26 NEW REQUESTS

\$7,500,000

Wastewater

PROJECT NAME	APPROPRIATIONS TO DATE AS OF FY2024-25 BUDGET	TOTAL APPROVED FUNDING		ANTICIPATED FUTURE REQUESTS
		ESTIMATED INCEPTION-TO-DATE ACTUALS AS OF 6/30/25	FY2025-26 NEW FUNDING REQUESTS	
Crestwood Pump Station Improvement and Replacement	\$7,550,000	\$549,909	-	-
Sewer Master Plan	\$850,000	\$640,676	-	-
Wastewater Main Improvement & Replacement Program	\$21,070,000	\$11,946,842	\$4,000,000	-
Water Quality Control Plant Upgrades	\$ 23,176,496	\$10,623,457	\$3,500,000	-
Grand Total	\$52,646,496	\$23,760,884	\$7,500,000	-

Crestwood Pump Station Improvement and Replacement

DESCRIPTION

The City operates six sanitary sewer pump (lift) stations that convey sewage from homes and businesses to the City of South San Francisco Shaw Road Pump Station and subsequently to the Water Quality Control Plant located in South San Francisco. This program includes planning, design, and construction for improvement or replacement of pump stations and associated force main pipelines.



DETAILS

INITIAL FUNDING YEAR	2009-10
TARGET COMPLETION FISCAL YEAR	2026-27

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
\$7,550,000	\$549,909	-	-

Sewer Master Plan



DETAILS

INITIAL FUNDING YEAR	2023-24
TARGET COMPLETION FISCAL YEAR	2025-26

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
\$850,000	\$640,676	-	-

DESCRIPTION

In 2014, the City released its Sewer Master Plan (Plan), with a target of updating the Plan every 10 years. In Fiscal Year 2025-26 this Plan will be 11 years old and is therefore in need of an update. This project will include the creation of an updated Plan including an updated list of projects and recommendations.

Updating the Sewer Master Plan is essential to ensure that the City continues to address current and future infrastructure needs effectively. An updated Plan will provide a comprehensive assessment of the sewer system and prioritize projects that align with regulatory requirements, environmental sustainability, and community growth.

The updated Plan will support effective resource allocation, identify unaddressed system deficiencies, and ensure compliance with regulatory standards. These improvements may reduce operational costs and mitigate costly infrastructure failures.

Wastewater Main Improvement & Replacement Program

The work plan for this program includes design and construction for replacement of the sewer main segments identified as priorities in the 2014 Sewer Master Plan and replacement or rehabilitation of corroded sewer main thereby reducing the potential of sanitary sewer overflows. Sewer main replacements are scheduled in the following areas: Crestwood Drive, Shelter Creek Lane, Earl Avenue, Glenview Drive, and in the eastern portion of the City south of I-380, known as “the Avenues.” The main focus of the replacement program is to complete projects identified in the Sewer Master Plan to meet established regulatory deadlines and resolve system deficiencies.

Timely replacement and rehabilitation of sewer mains are critical to maintaining the integrity of the wastewater infrastructure, protecting public health, and ensuring compliance with environmental regulations. Addressing these system deficiencies will prevent costly emergency repairs, reduce the risk of sanitary sewer overflows, and improve overall service reliability for the community.

Failure to complete these projects could result in increased frequency of sanitary sewer overflows, leading to environmental damage, regulatory penalties, and public health risks. Additionally, deferred maintenance may escalate repair costs over time and further compromise the efficiency and reliability of the sewer system.

DETAILS

INITIAL FUNDING YEAR	2005-06
TARGET COMPLETION FISCAL YEAR	On-going

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
\$21,070,000	\$11,946,842	\$4,000,000	-



Water Quality Control Plant Upgrades

DESCRIPTION

The City is responsible for the safe and effective collection and treatment of sanitary sewer discharge by City residents and businesses. For over 70 years, the City of San Bruno and the City of South San Francisco have jointly owned and operated the Water Quality Control Treatment Plant (WQCP) located in South San Francisco to treat the sanitary discharge of both cities. As the cities have grown and regulatory requirements have evolved, the treatment plant has grown in both capacity and complexity.

In the latest effort to meet regulatory requirements and a long-term sustainability plan, the two cities approved a Facility Update Plan in 2011. This plan recommended a series of improvements over the next 30 years ensuring treatment plant reliability to comply with the U.S. Environmental Protection Agency and the State Water Resources Control Board, and to generate additional clean energy to offset power consumption costs.

Significant upcoming projects include Digester and Wet Weather Improvements, Secondary Clarifiers Rehabilitation, Switchgear and Cogen Controls Upgrades, Sea Level Rise Planning, Plant-wide Painting program, and replacements of the Effluent Storage Basin Liner and Sodium Hypochlorite Storage Tank.

DETAILS

Initial Funding Year	2011-12
Target Completion Fiscal Year	On-going

FINANCIALS

FY2024-25 BUDGET	EST. ACTUALS AS OF JUNE 30, 2025	FY2025-26 BUDGET REQUEST	ANTICIPATED FUTURE REQUESTS
\$23,176,496	\$10,623,457	\$3,500,000	

Unfunded Capital Projects

Unfunded Capital Projects

This section of the capital budget identifies needs for capital repair or replacement that currently do not have a designated long-term funding source. Given the limited resources available to fund these types of improvements, a determination of the most essential areas will be necessary to ensure that the most critical infrastructure needs are addressed.

PROJECT TITLE	TOTAL PROJECT COST
City Facilities Rehabilitation	\$401,775,390
Stormwater Infrastructure Improvements	\$387,076,300
Other Improvements	\$299,375,635
Grand Total	\$1,087,567,325

Facility Rehabilitation

This project provides information for City facilities that currently serve the public as venues for a variety of activities and programs and serve as the administrative offices for essential City functions. The City does not have a long-term funding mechanism for the rehabilitation of these facilities. As these facilities age, it is essential that the City plan for their rehabilitation and eventual replacement. The projected needs/renovations to ensure the continuing functionality of the existing facilities are outlined below and are included in the five-year Capital Improvement Program.

PROJECT TITLE	TOTAL PROJECT COST
City Hall Civic Center	\$93,457,000
Parks Corporation Yard	\$15,076,360
Fire Station No. 51	\$22,902,100
Fire Station No. 52	\$69,158,180
Library	\$102,802,700
Police Plaza	\$56,402,840
Public Works Corporation Yard	\$13,279,110
Senior Center	\$28,037,100
Grand Total	\$401,115,390

Fiscal Year 2026-30 Summary of Unfunded Capital Projects

Stormwater

The City receives approximately \$600,000 annually from Stormwater National Pollutant Discharge Elimination System (NPDES) drainage fees applied against all parcels and collected with the property tax. The revenues are only enough to cover Stormwater's day-to-day operations. To accomplish the City's long-term goals as described in the Stormwater Master Plan, the City will need to develop a sustainable funding mechanism to complete Stormwater infrastructure improvement projects.

PROJECT TITLE	TOTAL PROJECT COST
Priority 1 Collection System Projects	\$321,440,730
Priority 2 Collection System Projects	
Regional Stormwater Capture Project at I-280 and I-380	\$40,053,000
Green Infrastructure	\$15,487,160
Crystal Springs Road Box Culvert Relocation	\$10,095,410
Grand Total	\$387,076,300

Fiscal Year 2026-30 Summary of Unfunded Capital Projects

Other

Other Improvements include miscellaneous capital projects that do not have a designated funding source at this time.

PROJECT TITLE	TOTAL PROJECT COST
ADA Transition Plan	\$9,612,720
Application & Infrastructure Upgrades to Existing Base Platforms	\$878,085
Citywide Basic Software Update	\$3,081,000
Citywide Paving	\$61,620,000
Downtown Parking Garage	\$28,838,160
Pedestrian Bridge	\$1,324,830
San Mateo Avenue Streetscape Plan	\$30,604,600
Scott Street Grade Separation	\$163,416,240
Grand Total	\$299,375,635

Appendix

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Fiscal Year 2025-26

Glossary of Terms



Glossary of Terms

Accounting Period - The City of San Bruno's fiscal year is divided into 12 accounting periods. Each accounting period is a month and may have two or three pay periods.

Accounting System - The total structure of records and procedures which identify, record, classify, summarize and report information on the financial position and results of operations of a government.

Accrual Basis of Accounting - A method of accounting in which transactions are recognized at the time they are incurred, as opposed to when cash is received and spent.

Accomplishment - Programs and activities successfully completed in the prior fiscal year.

Adopted Budget - The annual City budget as approved by City Council on or before June 30 for the fiscal year beginning July 1. This adopted budget establishes the legal authority for the expenditure of funds.

Amended Budget - The Adopted Budget plus/minus any mid-year City Council actions.

Americans with Disabilities Act (ADA) - Americans with Disabilities Act, Public Law 336 of the 101st Congress, enacted July 26, 1990. The ADA prohibits discrimination and ensures equal opportunity for persons with disabilities in employment, State and local government services, public accommodations, commercial facilities, and transportation. It also mandates the establishment of telecommunications device for the deaf (TDD)/telephone relay services.

Appropriation - A legal authorization granted by the City Council to make expenditures and to incur obligations for specific purposes. For purposes of the Capital Improvement Program budget, appropriations are automatically renewed, for the life of the project, unless altered or revoked. For the operating budget, the unexpended and unencumbered appropriations lapse at the end of the fiscal year.

Appropriations Limit - Proposition 4 approved by the voters in 1980 limits the amount of money that cities may spend each year. This limit is set each year based on the amount that was appropriated in 1978-79 and adjusted each year for population growth and a cost-of-living factor.

Appropriation Ordinance - The official enactment by the City Council to establish legal authority for City officials to expend and obligate resources.

Assessed Valuation - (Related to Gann Limit Appropriation). A valuation set upon real estate or other property by the County Assessor which approximates fair-market value of real or personal property. In California, the assessed valuation is subject to ad valorem tax levy is governed by Proposition 13 and ABS (1978).

Asset Type - Capital assets are generally large and expensive and expected to last for at least one year but may be required for decades of public use and include complex underground water distribution and wastewater collection systems to buildings, parks, streets, and bridges.

Asset Management - Asset management is a strategic, comprehensive approach that involves systematic data collection and the analysis to provide City management with a framework for making sound decisions each fiscal year. Asset managers must make decisions on when and how to inspect, maintain, repair, renew, and replace a diverse set of existing facilities in a cost-effective manner.

Balanced Budget - A balanced budget is defined as a budget where the anticipated operating revenues and other financing resources including carryover of outstanding encumbrances from prior year are equal to or exceed operating expenditures.

Budget - A plan of financial operation embodying an estimate of proposed expenditures for a given period of time and the proposed means of financing them. San Bruno's operating budget encompasses a fiscal year from July 1 through June 30.

Glossary of Terms

Budget Amendment - The Council has the sole responsibility for adopting the City's budget and may amend or supplement the budget at any time after adoption. The City Manager has the authority to approve administrative adjustments to the budget as outlined in the Financial Policies set by Council.

Budgetary Basis - This refers to the basis of accounting used to estimate financing sources and uses in the budget. This generally takes one of three forms: cash, accrual or modified accrual.

Building Permit Fee - Fee required for new construction or for any alteration or addition to a residence or commercial building. The fee is based on valuation. Electrical or plumbing/mechanical work also requires a similar permit with an itemized fee schedule.

Business License Tax - A type of excise tax imposed on businesses for the privilege of conducting business in the community. The tax is most commonly based on gross receipts or levied at a flat rate.

Capital Assets - Assets of significant value and having a useful life of greater than two years (the term Fixed Assets is also used).

Capital Budget - A plan of proposed capital expenditures and the appropriations to finance them. The capital budget is usually enacted as part of the complete annual budget that includes both an operating component and a capital component. The capital budget should be based on a Capital Improvement Program (CIP) and is typically the first year of a multi-year CIP.

Capital Improvement Project - Projects which purchase or construct capital assets. Typically capital improvements projects include new street improvements, park equipment replacements, major construction of public facilities, water, wastewater and stormwater infrastructure replacements, major maintenance/repair projects such as street resurfacing or modifications to public facilities, and the acquisition of real property such as land.

Capital Improvement Program (CIP) - A comprehensive five-year plan of implementing proposed capital projects which identifies priorities as to need, cost, and method of financing during the next five years. The first year of the CIP is typically adopted as the annual capital budget.

Capital Projects Fund - Fund type used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

Capital Outlay - Expenditure for the acquisition of equipment and furniture with a useful life of two or more years and an acquisition cost of \$10,000 or more per unit. Capital Outlay is budgeted in the operating budget.

Carryover Appropriations - Unexpended project cost previously appropriated and designated for future design/construction activities. Carryover appropriations include encumbered funds dedicated to approved service or construction contracts as well as unencumbered funds for future planned work efforts.

Certificates of Participation (COP) - Debt instrument, commonly called COP that provides long-term financing through a lease or through an installment agreement.

Community Development Block Grant - Federal grant allocated according to pre-determined formulas and for use within a pre-approved broad functional area such as the CDBG.

Consumer Price Index (CPI) - A statistical description of price levels provided by the United States Department of Labor. The change in this index from year to year is used to measure the cost of living and economic inflation.

Contingency - An amount set aside for emergency or unanticipated expenditures and revenue shortfalls.

Contractual Services - Services rendered to a government by private firms, individuals, or other governmental agencies. Examples include maintenance agreements and professional consulting services.

Glossary of Terms

Debt Service - Payment of interest and repayment of principal to holders of the City's debt instruments.

Debt Service Fund - A government fund type used to account for the accumulation of resources and the payment of, principal and interest on the City's bonds, Certificates of Participation (C.O.P.), and other long-term obligations.

Department - A major organizational unit of the City, which has been assigned overall management responsibility for an operation or a group of related operations within a functional area. In San Bruno, Department Heads are the chief administrators within a department. Program Managers typically report to either the Department Head or his/her assistant.

Development Impact Fees - Fees placed on the development of land or conditions required for the approval of a development project such as the donation ("dedication" or "exaction") of certain lands (or money) to specific public uses. The fees are typically justified as an offset to the future impact that development will have on existing infrastructure.

Division - An organizational unit within a City department.

Educational Revenue Augmentation Fund (ERAF) - Accounts established by the state legislature to receive shifts of property tax revenues from cities, counties, special districts and redevelopment agencies. The additional ERAF property tax revenues to schools enable the state to reduce support from the state general fund, thereby saving the state billions of dollars annually.

Encumbrances - An anticipated expenditure committed for the payment of goods and services not yet received or paid for. They are commitments against an approved budget for unperformed (executed) contracts for goods and services. They cease to be encumbrances when the obligations are paid or otherwise terminated.

Enterprise Fund - 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 fees and charges or where the City Council has decided that periodic determination of net income is appropriate.

Equipment Charges - Charges or "rental fees" charged to user departments to defray the cost of maintaining the equipment used and to replace the equipment when it exceeds its useful life.

Equity - The net assets of a fund (i.e. the assets less the liabilities on a fund balance sheet).

Expenditure - The payment of cash for an asset obtained or goods and services obtained. Note: An encumbrance is not an expenditure; an encumbrance reserves funds to be expended. (See Encumbrances.)

Expense - Charges incurred for operations, maintenance, interest or other charges.

Fee - A charge to the consumer for the cost of providing a particular service. California government fees may not exceed the estimated reasonable cost of providing the particular service or facility for which the fee is charged, plus overhead.

Fines, Forfeitures and Penalties - Revenues received and/or bail monies forfeited upon conviction of a misdemeanor or municipal infraction.

Fiscal Year - The period designated by the City for the beginning and ending of financial transactions. The fiscal year begins July 1 and ends June 30.

Fixed Assets - Assets of long-term character that are intended to continue to be held or used, such as land, buildings, machinery, furniture or other equipment. The city has defined such assets as those with an expected life in excess of two years and an acquisition cost in excess of \$10,000.

Forfeiture - See fines, forfeitures and penalties.

Franchise Act of 1937 - Like the Broughton Act, restricts franchise collections to 2% of gross annual receipts, but includes a minimum fee of 1/2% of gross annual receipts for electric franchises or 1 % of gross annual receipts for gas or water franchises operating within the city limits.

Glossary of Terms

Franchise Fee - A regulatory fee charged to a franchisee for “rental” or “toll” for the use of city streets and rights-of-way utility companies for the privilege of doing business in the City of San Bruno, i.e. garbage franchise fee, gas and electric franchise fee, and Cable TV franchise fee.

Full-Service City - A city that is financially responsible for the major categories of municipal services including police, fire, planning and parks services. San Bruno is a full-service City.

Full Time Equivalent (FTE) - The numeric equivalent of a staff position based on the amount of time that a regular, full-time employee normally works in a year. Full-time employees are paid for 2,080 hours in a year equating 1.0 FTE. Correspondingly, a part-time employee who worked 1,040 hours would equate to 0.5 FTE.

Fund - Municipal governments organize and operate their accounting systems on a fund basis. A fund is an independent financial and accounting entity with a self-balancing set of accounts used to record all financial transactions relating to revenues, expenditures, assets and liabilities related to the specific purpose for which the fund was created

Fund Balance - The amount of financial resources immediately available for use. Generally, this represents the difference between unrestricted current assets over current liabilities. Fund Balance is future classified as designated, undesignated, reserved, and unreserved.

Fund Classifications - One of the three categories (governmental, proprietary, and fiduciary) used to classify fund types.

Fund Type - One of eleven classifications into which all individual funds can be categorized. Governmental fund types include the general fund, special revenue funds, debt service funds, capital projects funds, and permanent funds. Proprietary fund types include enterprise funds and internal service funds. Fiduciary fund types include pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds, and agency funds.

Gann Limit (Proposition 4 - 1979) - This initiative, now Article XIII B of the state Constitution, was drafted to be a companion measure to Proposition 13, Article XIII A of the Constitution. Article XIII B limits growth in government spending to changes in population and inflation.

Gas Tax - Share of revenue derived from the State taxes on gasoline.

General Fund - The primary operating fund of the City. It is used to account for financial resources that are not legally or contractually required to be accounted for in another fund. With the exception of subvention or grant revenues restricted for specific uses, General Fund resources can be utilized for any legitimate governmental purpose.

General Law City - A city that has not adopted a charter and is therefore bound by the state’s general laws, even with respect to municipal affairs. In contrast, charter cities have authority over “municipal affairs,” trumping state law governing the same topic. General Obligation (G.O.) Bonds - Bonds issued through a governmental entity which have the legal authority to levy a tax on real and personal property located within the governmental boundaries at any rate necessary to collect enough money each year to pay for principal and interest due.

General Revenue - Those revenues that are not associated with a specific expenditure, such as property taxes (other than voter approved indebtedness), sales tax, and business license tax.

General Tax - A tax imposed for general governmental purposes, the proceeds of which are deposited into the general fund. A majority vote of the electorate is required to impose, extend or increase any general tax. See also “special tax.”

Government Accounting Standards Board (GASB) - A standard-setting body, associated with the Financial Accounting Foundation, which prescribes standard accounting practices for governmental organizations.

Glossary of Terms

Governmental Funds - Funds generally used to account for tax-supported activities. There are five different types of governmental funds: the general fund, special revenue funds, debt service funds, capital projects funds and permanent funds.

Grants - Contributions of cash or other assets from another governmental agency to be used or expended for a specified purpose, activity or facility.

Highway Users Tax Account (HUTA) - State transportation revenues from motor vehicle fuel taxes allocated to state and local governments by formula.

Hotel/Motel Tax - also known as Transient Occupancy Tax - Tax levied by cities on persons staying 30 days or less in room(s) in a hotel, inn, motel, or other lodging facility. The tax is currently 12% of receipts.

Infrastructure - The physical assets of a government (i.e. streets, water and sewer systems, public buildings and parks).

Investment Earnings - Income resulting from the prudent investment of idle cash. The types of investments are controlled by the City's Investment Policy in accordance with the California Government Code.

Investment Portfolio - The collection of securities held by an individual or institution.

Internal Service Funds - Proprietary fund type that may be used to account for any activity that provides goods or services to other funds, departments, or agencies of the City on a cost reimbursement basis.

Joint Powers Authority - The Joint Exercise of Powers Act authorizes local public agencies to exercise common powers and to form joint powers authorities ("JPAs") for purpose of jointly receiving or providing specific services.

Legal Level of Budgetary Control - The lowest level at which a government's management may not reallocate resources without special approval from the legislative body.

Levy - (verb) To impose taxes, special assessments or service charges for the support of governmental activities; (noun) the total amount of taxes, and/or special assessments and/or service charges imposed by a governmental agency.

Line Item - The description of an object of expenditure, i.e. salaries, supplies, contract services, etc. **Liquidity** - The ability to convert assets or securities into cash promptly with minimum risk of principal.

Licenses and Permits - A charge designed to reimburse city for costs of regulating activities being licensed, such as licensing of bicycles, etc.

Local Agency Investment Fund (LAIF) - A special fund in the state treasury. Local governments may deposit in this fund through the state treasurer for investment purposes.

Maintenance of Effort (MOE) - A requirement, often as a condition of an intergovernmental subvention or supplemental tax, to maintain a level of spending at a certain level. Maintenance of Effort requirements are intended to prevent or limit the use of the additional revenues to supplant existing revenues such that the new revenues result in an increase in the level of program spending and services.

Materiality - The magnitude of an omission or misstatement of accounting information that, in the light of surrounding circumstance, makes it probable that the judgment of a reasonable person relying on the information would have been changed or influenced by the omission or misstatement. The objective of accountability in governmental financial reporting requires materiality to be judged in both a quantitative and qualitative manner (involves such issues as legal and contractual compliance).

Measure G - a local sales tax of 0.5% approved by voters in 2019. Revenue use is approved by the Measure G Revenue Oversight Committee.

Glossary of Terms

Measure Q - A general obligation bond measure approved by voters in 2024. The revenue from bond sales will be used to fund street maintenance, stormdrain improvements, and seismic retrofits to or replacement of fire stations and related infrastructure.

Modified Accrual Basis - A basis of accounting in which revenues are recognized when measurable and available and expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and accumulated unpaid vacation, sick pay and other employee benefit amounts, which are recognized as expenditures to the extent they have matured.

Motor Vehicle Fuel Tax - An excise tax, applied per gallon, on fuel used to propel a motor vehicle or aircraft. Use of tax is limited to research, planning, construction, improvement, maintenance and operation of public streets and highways or public mass transit guide ways.

Motor Vehicle License Fee (VLF) - A fee for privilege of operating a vehicle on public streets. VLF is levied annually at 2 percent of the market value of motor vehicles and is imposed by the state "in lieu" of local property taxes. VLF is also called Motor Vehicle in-Lieu Tax.

Net Position - The equity associated with (the difference between) general government wide assets and liabilities.

Proprietary Fund equity is also classified as Net Positions. Net Positions are future classified as restricted and unrestricted.

Non-Departmental - This department has the sole purpose of accounting for all expenditures that the City cannot specifically designate to any operating department.

Operating Budget - The operating budget provides a plan for current expenditures and the proposed means of financing them. In a broader sense, the annual operating budget is a statement of what services the municipality will deliver to its citizens.

Ordinance - A formal legislative enactment by the City Council. It has the full force and effect of law within City boundaries unless pre-empted by a higher form of law. An Ordinance has a higher legal standing than a Resolution and is typically codified in a city's municipal code.

PERS - acronym for State of California's Public Employee's Retirement System (PERS) for the City's employees. Prior-Year Encumbrances - Obligations from previous fiscal years in the form of purchase orders or contracts. They cease to be an encumbrance when the obligations are paid or otherwise terminated.

Property Tax - An ad valorem tax imposed on real property (land and permanently attached improvements) and tangible personal property (movable property).

Property Tax In Lieu of VLF - Property tax shares and revenues allocated to cities and counties beginning in FY2004-05 as compensation for Vehicle License Fee (VLF) revenues, previously allocated to cities and counties by the State. Referred to in the statute as "vehicle license fee adjustment amounts."

Proprietary Funds - Funds that focus on the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. There are two different types of proprietary funds: enterprise funds and internal service funds.

Reimbursement for State Mandated Costs - Article XIII B, Section 6 of the California Constitution which requires the state to reimburse local agencies for the cost of state-imposed programs. Process is commonly called "SB 90" after its original 1972 legislation.

Recreation Fees - Charges for services provided to participants of Community and Recreation Services' classes, activities, and recreational sports.

Regulatory Fee - A charge imposed on a regulated action to pay for the cost of public programs or facilities necessary to regulate a business or other activity or mitigate the impacts of the fee payer on the community. A regulatory fee does not include

Glossary of Terms

a charge on a property or a property owner solely due to property ownership.

Rents and Concessions - Charges for rentals of City facilities.

Reserves - An account which the City uses either to set aside revenues that it does not need to spend in the current fiscal year or to earmark revenues for a specific future purpose such as to protect the City from emergencies or unanticipated expenditures.

Resolution - A special or temporary order of a legislative body requiring less formality than an ordinance. Restricted Net Positions - net positions with constraints placed on the use either by:

- 1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or
- 2) law through constitutional provisions or enabling legislation.

Revenue - Sources of income that the City receives during a fiscal year. Examples of revenue include taxes, intergovernmental grants, charges for services, resources carried forward from the prior year, operating transfers from other funds, and other financing sources such as the proceeds derived from the sale of fixed assets.

Sales Tax - Of the \$0.09 sales tax paid on every \$1.00 spent when shopping in San Bruno, approximately \$0.01 is returned to the City.

Secured Property - As the property tax is guaranteed by placing a lien on the real property, secured property is that real property in which the value of the lien on the real property and personal property located thereon is sufficient to assure payment of the tax.

Securities - Investment instruments such as bonds, stocks and other instruments of indebtedness or equity.

Service Charges - Charges imposed to support services to individuals or to cover the cost of providing such services. The fees charged are limited to the cost of providing the service or regulation required (plus overhead).

Service Level Enhancements - New program expenditures or capital equipment, which a City department adds to their basic budget to enhance the quality and/or quantity of service they provide the public.

Supplies and Contractual Services - The category of line items that describe non-salary and non capital outlay expenditures.

Special Revenue Fund - Used to account for specific revenues that are legally or otherwise set aside for restricted use e.g. gas tax receipts are set aside in such a fund to be used solely for street improvements.

Supplemental Appropriation - An additional appropriation made by the governing body after the budget year has started.

Tax - Compulsory charge levied by a government for the purposes of financing services performed for the common benefit of the people. This term does not include specific charges made against particular persons or property for current or permanent benefit, such as special assessments.

Tax Rate - The amount of tax applied to the tax base. The rate may be flat, incremental or a percentage of the tax base, or any other reasonable method.

Teeter Plan - Enacted in 1949, an alternative method for allocating delinquent property tax revenues, authorized by Revenue and Taxation Code section 4701, in which the County Auditor allocates property tax revenues based on the total amount of property taxes billed, but not yet collected. The county government then collects and keeps the delinquency, penalty and interest payments. The City of San Bruno is on the teeter plan.

Transfers In/Out - Amounts transferred from one fund to another to assist in financing the services for the recipient fund.

Transient Occupancy Tax (TOT) - Tax levied by cities on persons staying 30 days or less in a room(s) in a hotel, inn, motel, tourism home, non-membership campground or other lodging facility.

Glossary of Terms

Undesignated Unreserved Fund Balance - Available expendable financial resources in a governmental fund that are not the object of tentative management plans (designations).

Unrestricted Net Positions - That portion of net positions that is neither restricted nor invested in capital assets (net of related debt).

Unsecured Property - As the property tax is guaranteed by placing a lien on the real property, unsecured property is that real property in which the value of the lien is not sufficient to assure payment of the property tax.

Use Tax - A tax imposed on the use or storage of tangible personal property when sales tax is not paid.

User Fee - Fees charged for the use of a public service or program such as for recreation programs or public document retrieval. User fees for property-related services are referred to as property-related fees.

Utility Connection Fee - Utility connection fees or capacity fees are imposed on the basis of a voluntary decision to connect to a utility system or to acquire the right to use additional capacity.

Vehicle License Fee (VLF) - VLF is fee for privilege of operating vehicle on public streets. VLF is levied annually at 2% of the market value of motor vehicles and is imposed by the state "in lieu" of local property taxes. VLF is also called Motor Vehicle in-Lieu Tax. See VLF in Lieu Property Tax Swap.

Yield - The annual rate of return on an investment, expressed as a percentage of the investment.

Fiscal Year 2025-26

City of San Bruno- Financial Policies



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RESOLUTION NO. 2025 - 30

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN BRUNO
AMENDING CITY OF SAN BRUNO FINANCIAL POLICIES FOR AWARD OF CONTRACT,
COST RECOVERY, EXPENSE REIMBURSEMENT, DEBT MANAGEMENT, FUND
BALANCES, AND INVESTMENTS**

WHEREAS, the City Council is the legislative body for the City of San Bruno and the San Bruno Public Financing Authority, and serves as the Board of Directors of the Successor Agency to the San Bruno Redevelopment Agency (such entities collectively referred to as the "City"); and

WHEREAS, best practices encourage regular review of the City's financial policies to ensure their efficacy, relevance to current operations, and compliance with rules, regulations, and laws; and

WHEREAS, assembling financial policies into a single document, approved by the City Council, titled City of San Bruno Financial Policies ("Policies"), improves transparency in the City's financial management; and

WHEREAS, City Council conducted its annual review of the Policies and adopted Resolution No. 2024-54 on June 25, 2024, to amend the Policies which includes Award of Contract, Debt Management, Fund Balance, and Investment Policies to ensure compliance with legal requirements, best practices, and operational needs of the City; and

WHEREAS, City Council authorized an exception to the Investment Policy with the adoption of Resolution No. 2024-02 on November 12, 2024, to allow the purchase of certain securities with a maximum maturity of ten (10) years, longer than the default statutory limit of five (5) years, to diversify the City's investment portfolio; and

WHEREAS, City Council adopted Resolution No. 2021-51 on June 22, 2021 establishing the User Fee Cost Recovery Policy and staff recommends renaming the policy to "Cost Recovery Policy" and including it in the Policies; and

WHEREAS, City Council adopted Resolution No. 2007-40 on April 24, 2007 amending the Official Function and Other Expense Reimbursement Policy which is required by Government Code sections 53232.2 and 53233.3, and staff recommends renaming the policy to "Expense Reimbursement Policy" and including it in the Policies; and

WHEREAS, City staff has conducted the annual comprehensive review of the Policies listed above to ensure that the Policies are compliant with legal requirements and government finance best practices and staff recommends multiple amendments; and

WHEREAS, the recommended Award of Contract Policy amendments provide clarity over policy language, updates the City Manager's signing authority to \$85,000 as authorized by the policy, and updates bidding thresholds for California Uniform Public Construction Cost Accounting Act as authorized under state law; and

Fiscal Year 2025-26

WHEREAS, the recommended Cost Recovery Policy amendments overhaul the policy to ensure compliance with state law, reflect current practices, provide policy guidance to establish user fees, and authorize fee waiver and discount programs to promote the Recreation and Aquatic Center; and

WHEREAS, the recommended Debt Management Policy amendments align with state and federal compliance and disclosure requirements; and

WHEREAS, the recommended Expense Reimbursement Policy amendments update the list of authorized organizations, update expense and allowance rates, and provide greater guidance on typical travel expenses; and

WHEREAS, the recommended Fund Balance Policy amendments ensure compliance with best practices and operational needs of the City and make other minor changes; and

WHEREAS, the recommended Investment Policy amendments incorporate the maximum maturity authorized under Resolution 2024-102, and remains consistent with State law and, for added safety and liquidity, retain a more restrictive list of eligible investments and maximum caps in eligible investments than state law.

WHEREAS, the City Council, being fully advised and informed and having fully reviewed the recommended changes to City Council adopted financial policies, finds and determines that the City of San Bruno's Financial Policies for Award of Contract, Cost Recovery, Expense Reimbursement, Debt Management, Fund Balances, and Investments should be adopted and prepared in final form;

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of San Bruno hereby amends the City of San Bruno's Financial Policies for Award of Contract, Cost Recovery, Expense Reimbursement, Debt Management, Fund Balances, and Investments, to read as provided in the Policies attached as Exhibit A hereto.

Exhibit A: Financial Policies

—oOo—

I hereby certify that foregoing **Resolution No. 2025 - 30** was introduced and adopted by the San Bruno City Council at a regular meeting on April 8, 2025, by the following vote:

AYES: Councilmembers: Alvarez, Hamilton, Salazar, M. Medina, Mayor R. Medina

NOES: Councilmembers: None

ABSENT: Councilmembers: None



Lupita Huerta, City Clerk

Award of Contract Policy

Resolution No. 2025-30

Adopted April 8, 2025



I. Purpose

The City of San Bruno Award of Contract Policy establishes efficient procedures for the acquisition of supplies, services, equipment, and technology at the lowest possible cost commensurate with quality needed, to exercise positive financial control over purchases, to clearly define authority for the purchasing function and to assure the quality of purchases. Approval of City budget appropriations by the City Council authorizes expenditure of City funds in accordance with that appropriation and the established level of city services.^{1 2}

II. Delegation of Authority

The City Manager is designated as the City's purchasing officer³, responsible for developing and implementing administrative guidelines aligned with this policy's purpose. The City Manager may delegate their authority at their sole discretion.

III. Award of Contract

The purchasing officer has the authority to issue purchase orders and award contracts, including contract amendments, for goods or services in accordance with Section VII. City Council approval is necessary for:

1. All contracts that do not conform to the City's standard form of agreement,
2. Contracts for goods and services in an amount exceeding the signing authority (see Section IV below) for which costs are not (a) budgeted, nor (b) passed through, and
3. Public projects over \$270,000.

IV. Signing Authority

The purchasing officer's signing authority adjusts each July 1 based on the annual change for the previous calendar year for the California Construction Cost Index (CCCI), as reported by California Department of General Services (DGS^{4 5}.) The signing authority through June 30, 2025, is \$92,000. Effective July 1, 2025, the signing authority is \$95,000.

The purchasing officer is authorized to execute multi-year agreements, provided the contract does not exceed five full fiscal years and terminates on or before June 30⁶ in the final year of the contract.

V. Standard Form Agreements

The purchasing officer may only execute standard form agreements unless the City Council authorizes an exception in advance. The purchasing officer can modify insurance requirements of

¹ San Bruno Municipal Code (SBMC) [Section 2.12.060.i](#)

² SBMC [Section 2.44.010](#)

³ SBMC [Section 2.44.020](#)

⁴ [DGS California Construction Cost Index CCCI](https://www.dgs.ca.gov/RES/RES/Resources/Page-Content/Real-Estate-Services-Division-Resources-List-Folder/DGS-California-Construction-Cost-Index-CCCI) <https://www.dgs.ca.gov/RES/RES/Resources/Page-Content/Real-Estate-Services-Division-Resources-List-Folder/DGS-California-Construction-Cost-Index-CCCI>

⁵ Upon adoption in 2024, base year signing authority is \$92,000 and CCCI index is 8054, respectively. Annual adjustments round up to the next increment of \$1,000 and, if the CCCI experiences a negative change in any year, the signing authority valuations will remain unchanged.

Award of Contract Policy

Adopted April 8, 2025

standard form agreements after consultation with the City's risk manager to establish an insurance requirement commensurate with the City's risk exposure. The City Manager, with the concurrence of the City Attorney, may revise standard form agreements as necessary.

VI. Exceptions

The following are exempt from award of contract, signing authority, and standard form agreement requirements:

1. Cooperative purchasing agreements⁶, Emergency contracts⁷, and Sole/single source purchases⁸, in accordance with San Bruno Municipal Code Chapter 2.44.
2. Utility bill payments, payments to other governmental agencies, personnel and benefit expenditures (e.g., medical premiums, retirement payments, workers' compensation insurance premiums, staff backfill, etc.), routine non-service-related purchases such as furniture, fixtures, equipment, and vehicles where only a purchase order is required.
3. Discrete professional or contract services under \$15,000 are exempt from the standard form agreement requirements provided sufficient available budgetary funds, and the department receives a purchase order.

⁶ SBMC [Section 2.44.110](#)
⁷ SBMC [Section 2.44.120.a](#)
⁸ SBMC [Section 2.44.120.b](#)

Award of Contract Policy

Adopted April 8, 2025

VII. Award Authority and Bid Requirements Summary

Category	Standard Form Agreement	Amount	Bid requirement	Approving Authority
Budgeted and pass-through expenditures	Unmodified	\$30,000 or less ⁹	Informal Bid	Department Head
		\$30,001 to \$100,000	Informal Bid	City Manager
		\$100,001 to budgeted authority or pass-through reimbursement agreement	RFP/RFQ	
	Modified	\$100,000 or less	Informal Bid	City Council
		Greater than \$100,000	RFP/RFQ	
Public Projects ¹⁰ 112	Unmodified	\$30,000 or less ⁹	Informal Bid	Department Head
		\$30,001 to \$75,000	Informal Bid	City Manager
		\$75,001 to \$220,000	Informal Bid	
		\$220,001 to \$270,000	Formal Bid	
	N/A	Greater than \$270,000	Formal Bid	City Council

VIII. Policy Review and History

The Award of Contracts Policy shall be reviewed annually by the Chief Financial Officer and readopted by City Council resolution. All changes, except CCI adjustments to the City Manager's signing authority, must be part of the annual reoption.

Action	Date	Notes
Policy adoption by resolution	April 8, 2025	Resolution No. 2025-30
Policy adoption by resolution	June 25, 2024	Resolution No. 2024-54
Policy adoption by resolution	February 13, 2024	Resolution No. 2024-14

⁹ City Manager may modify the "amount" and "approving authority" administratively, at their discretion.

¹⁰ SBMC [Section 2.44.070](#)

¹¹ Public Project limits for informal bids are set by Public Contract Code (PCC) Section 22001, et seq. under the California Uniform Public Construction Cost Accounting Act (CUPCCAA), and will adjust with CUPCCAA.

¹² Limits established by CUPCCAA, effective January 1, 2025 (continued on next page)

- ¹³ (a) For public projects of \$75,000 or less, the City may perform the project by force account, by negotiated contract, or by purchase order (this is an increase for the former limit of \$60,000 or less); modified Standard Form Agreements require City Council approval.
- For public projects of \$220,000 or less, the City may award the project by using its informal bidding procedures (this is an increase from the former limits of \$200,000 or less); modified Standard Form Agreements require City Council approval.
- For public projects of \$220,000 or more, the City must award the project by formal bidding procedures; modified Standard Form Agreements require City Council approval.
- In the event all of the bids are in excess of \$220,000, the City Council may award the contract at \$235,000 or less to the lowest responsible bidder if it determines the cost estimate of the public agency was reasonable.

Cost Recovery Policy

Resolution No. 2025-30

Adopted April 8, 2025



I. Purpose

This policy ensures sustainable resource allocation by recovering costs for services, programs, and facilities. It promotes financial accountability and transparency, requiring those who benefit from services to offset City costs according to City Council policy direction. This cost recovery framework helps maintain high-quality services, reduces reliance on general-purpose revenues, and allocates resources more effectively to meet community needs.

II. Guiding Principles

The guiding principles for the creation of an effective cost recovery policy are as follows:

- Accessibility, fairness, and affordability based on the category of service and benefit level.
- Improved efficiency in the cost of providing programs, services and facilities.
- Financial sustainability by achieving established cost recovery targets.

III. Cost Recovery Considerations

When establishing user fees and determining cost recovery levels, it is crucial to recognize that personnel expenses are the main factor influencing the cost of city services. Typically, these personnel costs rise each year unless a decision is made to reduce or eliminate certain community services. Accordingly, annual adjustments are recommended to avoid subsidy of services using general purpose revenues.

In evaluating cost recovery levels, the following policy consideration may be taken into account:

A. Community-Wide Versus Specific Service

The level of cost recovery considers the community-wide versus specific service nature of the program or activity. The use of general-purpose revenues is appropriate for community-wide services, while user fees are appropriate for services provided directly to the payor.

B. Service Recipient Versus Service Driver

After considering community-wide versus specific service, the concept of service recipient versus service driver is considered. The development review applicant, as the requesting party, is the driver of development review costs, and as such, cost recovery from the applicant is appropriate.

C. San Bruno Residents vs. Non-Residents

Because non-residents generally contribute less to the City's general-purpose taxes than residents, non-residents should pay the full cost of a service unless policy or compelling market conditions encourage a subsidy.

D. Availability of the Service in the Current Marketplace

Some specific services, to the extent they are readily available to San Bruno residents in the current marketplace, may require less than full cost recovery to compete with the market.

E. Effect of Pricing on the Demand for Services

The level of cost recovery and related fee for services can significantly affect the demand and

Cost Recovery Policy

Adopted April 8, 2025

subsequent level of services provided. At full cost recovery, this ensures that the City is providing service for which there is genuinely a market (e.g. planning permit fees). Higher levels of cost recovery can impact the participation, of certain services valued by the community (e.g. recreation programs). For such services, fee for services analyses may determine that some services require subsidy to achieve the City Council's overall policy objectives for the service.

IV. Cost Recovery Levels

Based on the principles and considerations above, the following Cost Recovery Levels have been established:

- A. **Full Cost Recovery or Near Full Cost Recovery (80 - 100%)**
Full cost recovery or near full cost recovery is used for fees that 1) Provide a specific benefit to the fee payor, or 2) The service is regulatory in nature and cover the cost of issuing licenses and permits, performing investigations, inspections, and audits, and administrative enforcement. Services that have a desired 100% full cost recovery may have subsidies due to rounding or when large increases are split up over multiple years.
- B. **Medium Cost Recovery (40-79%)**
Medium cost recovery is used for fees that 1) Promote healthy activities and educational enrichment to the community, or 2) Provide a balanced individual and community benefit and should be priced accordingly. Due to a strong connection between fee amounts and participation levels common for fees in this range, market considerations and usage characteristics are key factors to consider.
- C. **Low Cost Recovery (0-39%)**
Low cost recovery is used for fees for which the City wants to encourage use of the service.

V. Cost Recovery Fee Adjustments

The City shall strive to conduct a comprehensive user fee study every four to seven years to determine the full cost of service delivery. Actual cost recovery levels are subject to City Council approval following legal requirements for establishing user fees.

At least once annually, the City shall prepare a Master Fee Schedule of all fees charged by the City. Fees shall increase, to the maximum extent allowed by law, by a minimum of the year-over-year increase in City personnel costs from December to December. This practice ensures that fees do not fall behind due to rising service delivery costs between comprehensive user fee studies.

In order to simplify fee levels for customers, fees are rounded up to the next dollar.

VI. Cost Recovery Expectations by Fund Type

The City maintains 49 independent funds across multiple fund types. The cost recovery goal for each Fund type is as follows:

- **General Fund** – The General Fund primarily supports services that provide significant

Cost Recovery Policy

Adopted April 8, 2025

community benefits, such as public safety, libraries, parks, and streets. As a result, most services funded by the General Fund are unlikely to achieve cost recovery.

- **Special Revenue Funds** – This is the City's most common fund type. Special Revenue Funds have dedicated revenue sources for the services they provide and often come with legal restrictions on how that revenue can be used. All Special Revenue Funds are expected to achieve full cost recovery, unless managing the fund requires a level of City staff time that cannot be fully recovered by fees in any one period and necessitates a subsidy from the General Fund.
- **Capital Funds** – These funds cover the costs associated with capital improvements, which include contractual and professional services, goods and materials, as well as direct charges for staff services performed by City employees. When staff perform services on a capital project, the subject employee's fully burdened rate shall be charged to the applicable capital project based on time records, effectively achieving full cost recovery. Some grant funded projects may limit overhead allocations which will result in a subsidy.
- **Enterprise Funds** – The City's Enterprise Funds operate as business-type activities that must achieve full cost recovery. This includes covering general administrative overhead and direct charges for services provided by City staff, which are accounted for in other funds.
- **Internal Service Funds** – The City's Internal Service Funds account for centralized shared services needed to deliver and operate public services. Examples of centralized services include information technology and facilities. Internal services are allocated to service delivery budgets based on estimated usage, thereby achieving full cost recovery from eligible non-general fund sources.

General Administration Allocation

General administrative allocations distribute non-departmental costs related to managing the City, such as City Council, City Clerk, City Attorney, City Manager, Finance and Human Resources. These allocations ensure service delivery departments share administrative expenses and that user fees more accurately reflect the true cost of service delivery in the City of San Bruno.

VII. Fee Waivers & Discounts

Fee waivers and discounts are permissible in the following instances:

- To encourage use of the Recreation and Aquatics Center (RAC), the Community Services Director may create promotional programs offering specific fee waivers or discounts for a limited time to City residents. Promotional programs must be pre-approved by the Administrative Services Director and City Manager. City officials, employees, and their families are not eligible for promotional programs or rates unless approved by City Council.
- As provided in Memoranda of Understanding between the City and an eligible Partner organization.

VIII. Policy Review and History

The Cost Recovery Policy shall be adopted by resolution of the City Council. The policy shall be reviewed annually by the Chief Financial Officer, and any modifications made as a result must be approved by the City Council.

Cost Recovery Policy

Adopted April 8, 2025

Action	Date	Notes
Policy adoption by resolution	April 8, 2025	Resolution No. 2025-30
Policy adoption by resolution	June 22, 2021	Resolution No. 2021-51

Debt Management Policy

Resolution No. 2025-30

Adopted April 8, 2025



I. Purpose

The purpose of the Debt Management Policy is to organize and formalize debt issuance and management related policies and procedures for the City of San Bruno ("City") and the San Bruno Public Financing Authority ("Authority"). The debt policies and procedures are subject to and limited by applicable provisions of Federal and state law and by prudent debt management principles.

II. Scope

This Debt Policy intends to comply with Government Code Section 8855(i), adopted on October 10, 2017, and readopted on June 25, 2024, will apply to all future debt considerations and issuances for which the City Council acts as the legislative body for the City and the Authority.

III. Objectives

- Maintain cost-effective access to the capital markets through prudent fiscal management policies and practices
- Ensure debt service commitments are made through effective planning and cash management
- Ensure compliance with all applicable Federal and state securities laws
- Achieve the highest practical credit ratings within the context of the City's financing needs and financing capabilities
- Ensure all debt is structured to protect both current and future taxpayers, ratepayers, and constituents of the City
- Ensure that the City's debt is consistent with the City's planning goals and objectives and capital improvement program or budget.

IV. Delegation of Authority

This Policy governs issuance and management of all future debt issued by the City and the Authority. This Policy will be reviewed and updated periodically as necessary with changes approved by the City Council. The City Council is responsible for overall policy direction of this Policy, as well as the authorization of each debt financing. The City Manager's designee will be responsible for implementation of the Policy, as well as its day-to-day administration.

The City recognizes this Policy provides guidance and structure for the decisions and management of the City's debt. However, changes in capital markets, city programs, and other unforeseen circumstances may arise that are not addressed in this Policy. In these cases, management flexibility is appropriate and modifications or exceptions may be necessary to achieve the City's goals.

Debt Management Policy

Adopted April 8, 2025

V. Debt Issuance

1. Purpose of Debt Issuance

The City's debt management program will consider debt issuance when public policy, generational equity, and economic efficiency provide a benefit to the City.

The City will utilize debt obligations and will give due consideration to all available funding sources, including available cash reserves, available current revenues, potential future revenue sources, potential grants, and all other financing sources legally available to be used for such purposes. Expenditure of bond proceeds are expected to fund major, non-recurring expenses, including financing of costs related to capital project planning and design, environmental, land acquisition, real property, and equipment acquisition; the construction or renovation of buildings, permanent structures, and infrastructure; financing costs related to the debt issuance, capitalized interest, necessary or financially prudent debt service reserves, or other costs as permitted by law. Refunding or refinancing existing debt obligations are acceptable uses of bond proceeds.

2. Types of Debt

The City will evaluate the use of appropriate financial alternatives available as permitted. These alternatives will be considered in order to secure the most cost advantageous financing alternative available while limiting the City's risk exposure. Types of debt may include, but are not limited to:

- Lease revenue bonds
- Certificates of Participation
- Revenue bonds
- Land-secured financing, i.e., special tax and assessment bonds
- General Obligation bonds
- Refunding/refinancing existing debt
- Lease purchase transactions
- Tax increment financings to the extent permitted under state law
- Tax and revenue anticipation bonds or notes

Debt may be publicly issued or privately placed, and may be issued on either a long-term basis or short-term basis consistent with the provisions of this Policy.

Additionally, the City will also consider the advantages of negotiated or competitive bond sale and recognizes that a standard, all-purpose approach to debt financing does not serve the best interest of the City. The City will consider the unique combination of factors such as the type of debt needed, funding stream, and market conditions to structure each debt issuance.

3. Debt Structuring Practices

The maximum term of any debt issuance will not exceed the useful life of the assets funded from the financing. Capitalized interest and deferral of principal may be considered but not required during construction of a debt-funded project. Fixed rate debt is preferred, but the City may consider the appropriateness of variable rate debt when considering financial market conditions and risk factors.

4. Financing Options

In general, debt may be issued to fund new projects or to refinance existing debt.

Debt Management Policy

Adopted April 8, 2025

- **New Debt**

New debt issuances are used to generate funding for capital projects. These funds will be used for necessary land acquisitions, capital construction, equipment related financing costs, and other necessary expenses.

- **Refinancing Existing Debt**

Periodic reviews of the City's outstanding debt will be undertaken by the Finance Department to determine refunding opportunities.

Refunding bonds are issued to retire all or a portion of an outstanding bond issue, typically to secure lower interest rates and to reduce overall debt service costs. Alternatively, some refunding is undertaken for reasons other than to achieve cost savings, such as to restructure debt service payments, to change the type of debt instruments being used, or to eliminate undesirable covenants.

A present value savings analysis will be prepared to identify the economic effects of any refunding being considered by the City. The savings from any particular refunding should generally be at least 3% of the refunded principal amount, net of all transaction expenses. This 3% savings target may be waived by the City upon a finding that such a refunding is in the City's best overall financial interest and shall not be applicable for refunding transactions that are not solely undertaken to achieve cost savings.

5. Integration with City Capital Improvement Plan and Budgets

The City is committed to long-term financial planning, maintaining appropriate reserves levels, and employing prudent practices in governance, management, and budget administration. The City maintains a multi-year Capital Improvement Program to establish and monitor priorities for projects. The City strives to integrate its debt issuances with the goals of the CIP by timing the issuance of debt to ensure that projects are available when needed in furtherance of the City's public purposes and in a timely manner to avoid having to make unplanned expenditures for capital improvements or equipment from its General Fund budget.

6. Policy Goals

The City is committed to long-term financial planning, maintaining appropriate reserves levels and employing prudent practices in governance, management and budget administration. It is a policy goal of the City to protect taxpayers, ratepayers and constituents by utilizing conservative financing methods and techniques so as to obtain the highest practical credit ratings (if applicable) and the lowest practical borrowing costs.

The City will comply with applicable state and federal law as it pertains to the maximum term of debt and the procedures for levying and imposing any related taxes, assessments, rates, and charges.

7. Consultants

The City will, when appropriate and given the specific requirements of the financing, secure the services of independent municipal advisors, underwriters, disclosure counsel, bond counsel, appraisal services, and other service providers.

8. Investment of Bond Proceeds

Bond proceeds will be invested according to the City-adopted Investment Policy or the Bond Fiscal Agreement, if applicable.

Debt Management Policy

Adopted April 8, 2025

9. Ongoing Administration and Internal Controls

When issuing debt, in addition to complying with the terms of this Debt Policy, the City will comply with any other applicable policies regarding initial bond disclosure, continuing disclosure, post-issuance compliance, and investment of bond proceeds.

The City will accurately account for all debt-related activity. These records will be designed to ensure that the City maintains compliance with all debt covenants, as well as state and Federal laws. The City will maintain a system of reporting interest earnings that relates to and complies with Internal Revenue Code requirements relating to rebate, yield limits and arbitrage.

10. Ongoing Compliance

- State Law

In accordance with Government Code Section 8855(f), (g), and (h), for each debt issued by the City or Authority, City staff will make the required filings with the California Debt and Investment Advisory Commission (CDIAC) – both initially and on an ongoing basis.

- Federal Securities Law

In accordance with SEC Rule 15c2-12, for each publicly offered debt issued by the City or Authority for which a continuing disclosure certificate is executed by the City, City staff will make the required disclosures to the Electronic Municipal Market Access (EMMA) system. For any questions, City staff will contact disclosure counsel.

- Federal Tax Law

In accordance with federal tax law requirements applicable to tax-exempt debt, for each debt issued by the City or Authority intended to be tax-exempt to the holders thereof, City staff will follow the requirements set forth in the tax certificate and/or arbitrage certificate related thereto. For any questions, City staff will contact bond counsel.

11. Adoption by Legislative Body

In accordance with applicable State law, the City and the Authority will adopt this policy. In implementing this policy from time to time, interpretations and variations may be made at the discretion of the City Manager in the best interests of the City.

VI. Policy Adoption

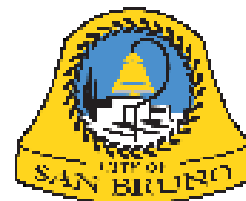
The Debt Management Policy shall be adopted by resolution of the City Council. The Policy shall be reviewed annually by the Chief Financial Officer, and any modifications made as a result must be approved by the City Council.

Action	Date	Notes
Policy adoption by resolution	April 8, 2025	Resolution No. 2025-30
Policy adoption by resolution	June 25, 2024	Resolution No. 2024-54
Policy adoption by resolution	October 10, 2017	Resolution No. 2017-93

Expense Reimbursement Policy

Resolution No. 2025-30

Adopted 8, 2025



I. Purpose

The purpose of this policy is to satisfy the requirements of Government Code sections 53232.2 and 53233.3. City Council adopted Resolution 2007-40 on April 24, 2007, authorizing this policy with the following findings:

WHEREAS, members of City legislative bodies (as defined in Cal. Gov't Code Section 53234 and 54952) may be reimbursed for actual and necessary expenses incurred in the performance of official duties; and

WHEREAS, effective January 1, 2006, local agencies that have the authority to reimburse legislative body members for expenses incurred in the performance of their official duties must adopt, in a public meeting, written expense policies that specify the types of occurrences that will be reimbursable. The policy may also set reasonable reimbursement rates or else default to Internal Revenue Service rates (Cal. Gov't Code Section 53232.2 and 53232.3); and

WHEREAS, in addition to reimbursement for functions and activities specified under California law, attendance at meetings and events of certain organizations are an integral part of service as a legislative body member for the City in representing the City's interests. Reimbursement of the costs of attendance at these events and meetings to the members of the legislative body is made in order to advance the public and corporate purposes of the City of San Bruno and are therefore appropriate and should be authorized.

II. Definitions

City Officials – City Officials refers to Members of the City Council and Planning Commission, and the City Manager and City Attorney. "Employee" refers to all City Manager appointed personnel.

City business – City business means attending events, meetings, conventions, conferences, seminars, and other activities that achieve the authorized purposes outlined in Section III of this policy.

III. Authorized Purposes

In addition to expenses for functions and activities specified by California law, authorized purposes refers to the following:

- Communicating with representatives of local, regional, state and national government on City adopted policy positions;
- Attending informational and educational meetings, conventions, conferences, seminars, and events designed to improve officials' skill and information levels;

Expense Reimbursement Policy

Adopted April 8, 2025

- Participating in regional, state and national governmental, community-based, and professional organizations whose activities affect the City's interests;
- Recognizing service to the City (for example, thanking a longtime employee with a retirement gift or celebration of nominal value and cost);
- Attending City events;
- Implementing a City-approved strategy for attracting or retaining businesses to the City, which will typically involve at least one staff member;
- All other activities reasonably related to a legislative or governmental purpose.

IV. Authorized Organizations

Expenses incurred for City business with the following organizations are expressly approved:

Governmental Organizations:

- Any Federal, State, County, City, School or Special District, or Joint Powers Authority organization.

Community-based Organizations

- Art Council of San Mateo County
- Bay Area Council
- Bay Area Water Users Association
- Beautification Task Force
- Friends of the Library
- League of Women Voters
- Lions Club
- North County Council of Cities
- Peninsula Conflict Resolution Center
- Redwood City-San Mateo County Chamber of Commerce
- Rotary International
- San Bruno Police Association
- San Bruno Professional Firefighters Association
- San Mateo County Convention and Visitors Bureau
- San Mateo County Council of Cities
- San Mateo County Economic Development Association
- San Mateo County Housing Endowment and Regional Trust
- Shelter Network of San Mateo County
- Sustainable San Mateo County
- Teamsters Local 856

Professional Organizations:

Any professional organization focused on services provided by the City of San Bruno examples include, but are not limited to:

- American Planning Association (APA)
- American Public Works Association (APWA)
- California Fire Chiefs Association

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- California Police Chiefs Association
- California Public Employers Labor Relations Association (CalPELRA)
- Government Finance Officers Association (GFOA)
- International City/County Management Association (ICMA)
- League of California Cities
- Municipal Information Systems Association of California (MISAC)
- Municipal Management Association of Northern California (MMANC)
- National League of Cities
- Project Read
- Public Library Association
- Sister Cities International
- U.S. Conference of Mayors

V. Expense and Allowance Rates

Expense and allowances rates for travel, meals, lodging, and other actual and necessary expenses incurred in the performance of City business shall use published U.S. General Services Agency (GSA) rates, except as set forth below:

Transportation

Expenses for transit are authorized including costs for airfare, train fare, rental car, public transit, ride-sharing service, taxi, and shuttle. Travel should take place during regular business hours, when possible, utilize the most direct and efficient mode of transportation available whenever possible and use government or group rates when available. Use of a privately owned vehicle for travel receives mileage reimbursement at the GSA's "privately owned vehicle (POV) mileage reimbursement rate" in effect on the dates of travel and in-lieu of actual gas, depreciation, insurance, and other costs resulting from the use of a privately owned vehicle. Mileage reimbursement is for the lesser of the distance between the destination and (a) the starting location or b) the official's or employee's worksite or residence in San Bruno. Paid parking and bridge or road tolls are fully reimbursed when travelling by car.

Meals

Meals and Incidental Expenditures (M&IE) per diem allowances are provided based on the GSA's per diem rates for the destination. A per diem allowance is given instead of fully accountable expense reimbursements. M&IE expenses that exceed the per diem rate are not reimbursed.

Lodging

Overnight lodging is allowable for official business when travel distance makes same-day return impractical, event start times require arrival one day prior, or multi-day events necessitate an extended stay. Lodging costs may not exceed the maximum group rate published by the conference or activity sponsor provided that lodging at the group rate is available at the time of booking. If such rate is not available, every effort shall be made to identify lodging at a comparable rate to the conference or activity sponsor published rate. Optional room charges including, but not limited to, food, beverage, entertainment, and resort services are not eligible expenses.

Other expenses

Meeting, convention, conference, seminar, and event registration fees are authorized expenses. As required by Cal. Gov't Code Section 53232.2(f), all expenses that do not fall within this policy or the Internal Revenue Service reimbursable rates shall require pre-approval approved by the City Council in a public meeting.

Expense Reimbursement Policy

Adopted April 8, 2025

VI. Reporting

The City shall provide expense report forms to be filed by City officials and employees for actual and necessary expenses incurred on behalf of the City in the performance of City business and shall document that expenses meet this policy for expenditure of public resources. Such expense reports shall be submitted as soon as practicable after incurring the expense, and absent unique circumstances, not later than sixty (60) days after incurring the expense. The report will include receipts documenting each travel and lodging expense. Meals & Incidental Expenses (M&IE) per diems shall be automatically calculated by the City's finance division upon advance request or report reconciliation. All such documents are public records subject to disclosure under the California Public Records Act.

Payment for eligible expenses may be processed in the following methods:

- **Advances** – City officials and employees may request advances of the meal per diems and mileage reimbursement no sooner than 10 business days in advance of incurring the expense. Lodging and transportation costs may be paid in advance directly by the City to secure the lowest possible rate.
- **Reimbursements** – Upon satisfactory completion of the expense report reconciliation, City officials and employees will receive reimbursement for eligible expenditures through the City's accounts payable process.

City officials shall provide brief reports on meetings attended at the expense of the City at the next regular meeting of the legislative body.

VII. Training

Each City official shall receive two hours of ethics training relevant to their public service every two years in accordance with the requirements of Cal. Gov't Code Section 53235.

VIII. Policy Review and History

The Expense Reimbursement Policy shall be adopted by resolution of the City Council. The Policy shall be reviewed annually by the Chief Financial Officer, and any modifications made as a result must be approved by the City Council.

Action	Date	Notes
Policy adoption by resolution	April 8, 2025	Resolution No. 2025-30
Policy adoption by resolution	April 24, 2007	Resolution No. 2007-40
Policy adoption by resolution	January 10, 2006	Resolution No. 2006-02

Fund Balance Policy

Resolution No. 2025-30

Adopted April 8, 2025

I. Purpose

The Fund Balance Policy ("Policy") of the City of San Bruno shall establish the foundation for designation of monies to reserve funds that support the City Council's commitment to ensuring financial stability and sustainability of operations during times of fiscal constraint and emergency situations. The establishment of designated reserve funds is an important step towards developing and maintaining a long-term financial plan that provides reasonable funding resources for the City's current and future needs.

II. Objectives

The Policy is intended to meet the following objectives:

- A. **Governmental Accounting Standards Board (GASB) Implementation** - The Policy implements GASB Statement Number 54 (GASB 54) which is applicable to the City effective July 1, 2010. The purpose of GASB 54 is to provide greater clarity and transparency in financial reporting, making it easier for stakeholders to understand how restricted funds are being managed and ensuring that they are used for their designated purposes. This helps in promoting accountability and responsible financial management within the government.
- B. **Ensure financial stability** - The establishment of a Policy ensures that financial resources are available to allow for the continuation of services in the event of significant economic downturn or catastrophic events. It provides assurances to residents and bondholders of City debt that the City is well prepared to deal with times of potential uncertainty. One of the many takeaways that have come from the tragic September 9, 2010 gas pipeline explosion in the Crestmoor Neighborhood is the potential financial exposure the City could face in a disaster situation. Funds set aside for City costs associated with the response and recovery to catastrophic events provide some assurances that the City is prepared when the unexpected may occur.
- C. **Ensure that one-time revenues are used for one-time expenditures** - The City receives one-time revenues for a variety of reasons, including the sale of City property and agreements with developers to provide community benefit funding outside of established fees. Best practice is for one-time or non-recurring revenues to be utilized for one-time or non-recurring expenditures to ensure that ongoing financial commitments are not made that cannot be sustained over time. A typical use of one-time revenues is funding for capital improvement projects.
- D. **Establish funding for unfunded liabilities** - The creation of reserve funds provides an opportunity for the City to evaluate its needs and the resources available to fund future and current liabilities. Examples of unfunded liabilities include unfunded pension and accrued leave liabilities.

III. Delegation of Authority

Management responsibility for compliance with the Policy belongs to the City Manager or their designee, who shall report to the City Council annually on this Policy. The City Manager or their designee, is responsible for ensuring that the Policy is implemented in the City's general ledger, audited financial reports, and budgets.

Fund Balance Policy

Adopted April 8, 2025

IV. Fund Balance Classifications

Effective July 1, 2010, GASB 54 requires that government financial statements categorize fund balance into one of five designations: non-spendable, restricted, committed, assigned, and unassigned.

- A. The Non-Spendable Fund Balance category comprises resources that are temporarily unavailable to be expended during the current period. This category includes funds loaned to another entity or funds extended as loans to other City funds, whether through formal agreements or year-end journal entries designed to address negative fund balances in other funds. The accounting treatment for informal loans necessitates recording them as either "interfund receivable" or "interfund payable" amounts. Specifically:
 - a. "Interfund payables" Amounts: Indicate a liability on the financial statements of the receiving fund.
 - b. "Interfund receivables" Amounts: Indicate an asset on the financial statements of the fund providing the funds."Interfund receivables/ payables" amounts shall be reported to City Council as part of the mid-year financial update or upon the issuance of the Annual Comprehensive Financial Report (ACFR), in which the interfund amounts are termed as "due to/from other funds" for the short-term amounts and "advances to/from other funds" for the amounts that will be repaid over multiple years for better clarity.
- B. Restricted fund balances report amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions or by enabling legislation.
- C. Committed fund balances are amounts constrained to specific purposes by the City Council either by ordinance, resolution, or minute order. Reported as committed, amounts cannot be used for any other purpose unless the City Council takes the same highest-level action to remove or change the constraint. The City's General Fund Reserves are adopted through this policy by Resolution and are reported as a Committed fund balance in the financial statements.
- D. Assigned fund balances are amounts the City intends to use for a specific purpose with intent expressed by the City Council, the City Manager, or a body to which the City Council delegates the authority.
- E. Unassigned fund balances report the amounts that are available in the General Fund for any purpose authorized by City Council. Other funds may not have unassigned fund balances.

The order in which the City spends fund balances when there is more than one classification is available for a particular purpose shall be: restricted, assigned, committed, and unassigned.

V. 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 (except the Recreation and Aquatic Center), public works and streets maintenance, legal and administrative services. The General Fund

Fund Balance Policy

Adopted April 8, 2025

also accounts for reserves, Measure G funds, American Rescue Plan Act funds, and developer contributions not for a specific purpose.

VI. 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.

VII. Use of Unassigned Fund Balance

When recurring revenues exceed expenditures in a given year, the net increase in fund balance posts to unassigned fund balance unless City Council directs that all or a portion of unassigned fund balance be used in the following manner(s):

- A. Replenish or increase an existing reserve
- B. Make additional discretionary contributions toward unfunded liabilities, including:

Fund Balance Policy

Adopted April 8, 2025

- i. Pension Unfunded Actuarial Liability (UAL)
- ii. Accrued leave
- iii. Equipment and facilities replacement

VIII. Special Revenue Funds

Special Revenue Funds are established to collect money that must be used for a specific project or purpose. This type of fund provides an extra level of accountability and transparency to taxpayers that demonstrates that their tax dollars, their payment of fees, and the receipt of other revenues will go toward the intended purpose. Special Revenue Fund balances are designated as "Restricted" fund balance.

- A. In Lieu Fees – This is a legacy fund used to account for housing, underground utilities, and park in-lieu fees, the fund will close when the fund balance is fully exhausted.
- B. Area Agency on Aging - Accounts for grant funding of senior services.
- C. Federal/State Grants - Accounts for activities for the City's grants not otherwise accounted for in a separate fund.
- D. 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.
- E. Police Asset Seizure – Accounts for state augmentation funds to be used for safety programs.
- F. Police – Accounts for Police revenues to be used on special law enforcement programs.
- G. SB322 Recycling/Litter Clean-up – Accounts for SB322 funds to be used on recycling and litter clean-up programs.
- H. Restricted Revenues – Accounts for donations, bequests, and fees collected for specific purposes.
- I. Streets – Accounts for funds dedicated to street improvement and mitigation.
- J. City of San Bruno as Successor Housing Agency – Accounts for housing assets and functions previously performed by the former Redevelopment Agency.
- K. 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.
- L. Disaster Recovery – Accounts for funds from Pacific Gas and Electric Company (PG&E) Trust to rebuild the Crestmoor/Glenview neighborhood.
- M. 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.
- N. Community Facilities Impact Fee - Accounts for funds received to be used for parkland acquisition and library, park, and recreation improvements,
- O. Public Safety Facilities Impact Fee - Accounts for funds to be utilized for police and fire capital facilities and equipment.
- P. General Government Facilities Impact Fee – Accounts for funds to be expended only for community facilities and equipment necessary to maintain general government functions.
- Q. Utilities Facilities Impact Fee - Accounts for funds to be expended for water, sewer, storm drainage, and telecommunications infrastructure and equipment.
- R. Transportation Facility Impact Fee - Accounts for funds utilized by the City for transportation infrastructure.
- S. Bayhill Area Development Impact Fee - Accounts for funds to be expended by the city to fund improvements to public infrastructure necessary to accommodate growth consistent with the Bayhill Specific Plan.

Fund Balance Policy

Adopted April 8, 2025

- T. **Affordable Housing Fund** - Accounts for affordable housing commercial linkage impact fees for commercial development projects and affordable housing in-lieu fees or other funds collected under the Affordable Housing Program Ordinance.
- U. **Community Benefit** - Accounts for funds collected from property owners under negotiated agreements.
- V. **Community Development** - Accounts for activities of the Community Development Department including the City's planning and building permit operations.
- W. **Recreation & Aquatics** - Accounts for the activities of City Recreation and Aquatic Center programs.

IX. Capital Program Funds

Capital Program Funds report major capital acquisition and construction separately from the City's ongoing operating activities. Capital Program Fund balances are designated "Restricted" fund balance.

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

X. Debt Service Funds

Debt Service Funds set aside resources to meet current and future long-term debt service requirements including principal and interest.

- A. **Debt Service Fund: General** - Accounts for funds related to the 2011 and 2012 fire apparatus lease purchase and 2013 Pension Obligation Bond.

XI. Enterprise Funds

Enterprise 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. Enterprise funds are distinguished from Special Revenue Funds by their user charge self-sufficiency, whereas Special Revenue Funds may receive subsidies.

- A. **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.
- B. **Stormwater Fund** - 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.

Fund Balance Policy

Adopted April 8, 2025

- C. **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.
- D. **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.
- E. **Parking Fund** - To account for the paid parking and contracted services for enhanced enforcement program.

XII. Internal Service Funds

Internal Service Funds are used to finance and account for special activities and services performed by a designated department for other departments in the City on a cost reimbursement basis. The concept of major funds does not extend to internal service funds because they do not do business with outside parties. For the Statement of Activities, the net revenues or expenses of each internal service fund is eliminated by netting them against the operations of the other City departments, which generated them. The remaining balance sheet items are consolidated with these same funds in the Statement of Net Position.

- A. **Central Garage** - To account for the cost of vehicle acquisition and disposal, preventative maintenance and repair, and support services for the City's fleet.
- B. **Self-Insurance** - To account for the City's coverage for Workers' Compensation and General Liability insurance.
- C. **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.
- D. **Facilities Management** - To account for the cost of custodial services, facility management and preventative maintenance, and repair services for the City's facilities.

XIII. 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. Restricted for: Individuals, organizations, and other governments, Net position held in trust.

The City holds the 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.

Fund Balance Policy

Adopted April 8, 2025

XIV. Policy Review and History

Annual Review - This reserve policy shall be reviewed by the City Council at a public meeting annually to ensure its consistency with the overall objectives, review target funding levels, appropriation and/or transfers between reserves. Amendments and modifications to the policy shall be approved by the City Council prior to implementation.

Mid-year Review – City staff shall report due to/from and unassigned balances for City Council review.

Action	Date	Notes
Adopted by resolution	April 8, 2025	Resolution No. 2025-30
Adopted by resolution	June 25, 2024	Resolution No. 2024-54
Adopted by resolution	October 24, 2023	Resolution No. 2023-109
Adopted by resolution	January 22, 2013	Resolution No. 2013-11

Investment Policy

Resolution No. 2025-30

Adopted April 8, 2025



I. Purpose

The Council has adopted this Investment Policy ("Policy") in order to establish the investment scope, objectives, delegation of authority, standards of prudence, reporting requirements, internal controls, eligible investments and transactions, diversification requirements, risk tolerance, and safekeeping and custodial procedures for the investment of the unexpended funds of the City. All such investments shall be made in accordance with the Policy and in compliance with the California Government Code.

II. Scope

The provisions of this Policy shall apply to all financial assets of the City and the Successor Agency to the Redevelopment Agency of the City of San Bruno, as accounted for in the City's annual comprehensive financial report, with the exception of bond proceeds, which shall be governed by the provisions of the related bond indentures or resolutions, and monies received through the Irrevocable Trust Agreement with PG&E.

All cash shall be pooled for investment purposes. The investment income derived from the pooled investment account shall be allocated to the contributing funds based upon the proportion of the respective average balances relative to the total pooled balance in the investment portfolio.

III. Objectives

City and Successor Agency funds shall be invested in accordance with all applicable City policies and codes, California statutes, and Federal regulations, and in a manner designed to accomplish the following objectives, which are listed in priority order:

- A. **Safety of principal:** Investments will be made in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, the City will diversify its investments by investing funds among a variety of securities with independent returns.
- B. **Liquidity standard:** The investment portfolio will remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated.
- C. **Return on investment:** The investment portfolio shall be structured to attain a market-average rate of return through economic cycles, taking into account the investment risk constraints for safety and liquidity needs.

IV. Delegation of Authority

Investment Policy

Adopted April 8, 2025

Authority to manage the City's investment program is derived from California Government Code, Sections 41006 and 53600 et seq. The City Council is responsible for the management of the City's funds, including the administration of the Investment Policy. Responsibility for the cash management of the City's funds is hereby delegated to the Administrative Services Director/Chief Financial Officer. Staff members in the Finance division may be assigned to perform the day-to-day treasury activities related to the investment of City funds. No person may engage in an investment transaction except as expressly provided under the terms of this Policy.

The City may utilize the services of an investment adviser registered under the Investment Advisers Act of 1940, so long as it can be demonstrated that these services produce a net financial advantage or necessary protection of the City's financial resources. The adviser shall follow this Policy and such other written instructions as provided. The use of professional investment advisers is subject to City review and overriding discretion, which will be exercised as needed. External investment advisers may be granted discretion to purchase and sell investment securities in accordance with the Investment Policy.

V. Prudent Investor Standard

The standard of prudence to be used for managing the City's investments shall be California Government Code Section 53600.3, the prudent investor standard, which states that, "When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency. Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law."

The City recognizes that market prices of securities will vary depending on economic and interest rate conditions at any point in time. It is further recognized that in a well-diversified investment portfolio, occasional measured losses may occur due to economic, bond market, or individual security credit events. These occasional declines in value must be considered within the context of the overall investment program objectives and the resultant long-term rate of return.

The Chief Financial Officer and other individuals assigned to manage the investment portfolio, acting within the intent and scope of this Policy and other written procedures, and exercising due diligence, shall be relieved of personal responsibility and liability for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely manner and appropriate action is taken to control adverse developments.

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Adopted April 8, 2025

VI. Internal Controls

The Chief Financial Officer has established a system of internal controls to ensure compliance with the investment policies and procedures of the City, the Successor Agency, and the California Government Code. Such controls are designed to prevent losses of public funds arising from fraud, employee error, and misrepresentation by third parties, or imprudent actions by employees of the City. Investment decisions are made by the Chief Financial Officer or his/her designee and executed by staff of the Finance division. All wire transfers initiated by Finance division staff members must be approved and transmitted by the Chief Financial Officer or his/her designee. Proper documentation obtained from confirmation and cash disbursement wire transfers is required for each investment transaction. Timely bank reconciliation is conducted to ensure proper handling of all transactions.

The investment portfolio and all related transactions are reviewed and balanced to appropriate general ledger accounts by Finance division staff on a monthly basis. An independent analysis by an external auditor shall be conducted annually to review and perform procedure testing on the City's cash and investments. The Chief Financial Officer shall review and ensure compliance with investment processes and procedures.

VII. Ethics and Conflict of Interests

In accordance with California Government Code Sections 1090 et seq. and 87100 et seq., officers and employees of the City will refrain from any activity that could conflict with the proper execution of the investment program or which could impair their ability to make impartial investment decisions, and all investment personnel shall subordinate their personal investment transactions to those of the City. In addition, City Council members, the City Manager, and Chief Financial Officer shall comply with the reporting requirements of California Government Code Section 87203 and regulations of the Fair Political Practices Commission and file a Statement of Economic Interest annually.

Investment Policy

Adopted April 8, 2025

VIII. Authorized Investments

All investments and deposits of the City shall be made in accordance with California Government Code Sections 16429.1, 53600-53609, and 53630-53686. Within the investments permitted by the Code, the City seeks to further restrict eligible investments to the guidelines listed below. In the event a discrepancy is found between the Policy and the Code, the more restrictive parameters will take precedence. Percentage holding limits and minimum credit quality listed in this section apply at the time the security is purchased.

Investments Type	Aggregate Maximum % of Portfolio	Per Issuer Maximum % of Portfolio	Maximum Maturity	Credit Quality
A. US Treasury Bills, Bonds, Notes			5 years	TSY
B. Federal Agency or US Government Sponsored Enterprise obligations	75%, with no more than 20% of securities held being callable	40%	5 years	TSY
C. Medium-term notes	20%	5%	5 years	A
D. Negotiable certificates of deposit	15%	5%	5 years	Short-term: A-1 Long-term: A
E. Non-negotiable certificates of deposit	15%	5%	3 years	FDIC insured; collateralized above FDIC limit
F. Prime commercial paper	25%	5%	270 days	A or A-1; depending on type of commercial entity, see policy
G. Eligible banker's acceptances	15%	5%	180 days	A-1
H. Repurchase agreements	10%	5%	30 days	
I. Local Agency Investment Fund (LAIF)	State limit	N/A	N/A	N/A
J. San Mateo County Pool	20%	N/A	N/A	N/A
K. California Joint Powers Authority (JPA) pooled investment programs	20%	N/A		
L. Money Market Funds	40%	15%	N/A	AAA
M. Obligations of the State of California or any local agency within the State, and registered treasury notes or bonds of the other 49 states	20%	5%	5 years	Short-term: A-1 Long-term: A

Investment Policy

Adopted April 8, 2025

Any investment currently held at the time the policy is adopted that does not meet the new policy guidelines can be held until maturity and shall be exempt from the current policy. At the time of the investment's maturity or liquidation, such funds shall be reinvested only as provided in the current policy.

An appropriate risk level shall be maintained by primarily purchasing securities that are of high quality, liquid, and marketable. The portfolio shall be diversified by security type and institution to avoid incurring unreasonable and avoidable risks regarding specific security types or individual issuers. The authorized investments are described below.

- A. United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the full faith and credit of the United States are pledged for the payment of principal and interest. There is no limitation on the percentage of the portfolio that can be invested in this category. The maximum maturity shall not exceed five years.
- B. Federal agency or United States government-sponsored enterprise ("GSE") obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises. The aggregate investment in federal agency securities/GSEs shall not exceed 75 percent of the City's total portfolio, and the securities of any one federal agency/GSE shall not exceed 40 percent of the City's total portfolio. The maximum percent of agency callable securities in the portfolio shall be 20 percent. The maximum maturity shall not exceed five years.
- C. Medium-term notes issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States and rated in a rating category of "A" or the equivalent or better by a Nationally Recognized Statistical Rating Organization (NRSRO). The aggregate investment in medium-term notes shall not exceed 20 percent of the City's total portfolio, and no more than 5 percent of the City's total portfolio shall be invested in the medium-term notes of any one issuer. The maximum maturity shall not exceed five years.
- D. Negotiable certificates of deposit or deposit notes issued by a nationally- or state-chartered bank, a savings association, or a federal association (as defined by Section 5102 of the Financial Code), or a state or federal credit union. Eligible negotiable certificates of deposit in amounts up to the FDIC insured limit do not require any credit ratings. Amounts above the FDIC insured limit must be issued by institutions that have long-term obligations rated in a rating category of "A" or its equivalent or better by at least one NRSRO, or have short-term obligations rated "A-1" or its equivalent or higher by an NRSRO. No more than 5 percent of the City's total portfolio shall be invested in the negotiable certificates of deposit of any one issuer, and the aggregate investment in negotiable certificates of deposit shall not exceed 15 percent of the City's total portfolio. The maximum maturity shall not exceed five years.
- E. Non-negotiable certificates of deposit with a maturity not exceeding three years from the date of trade settlement in state- or nationally-chartered banks or savings banks that are insured by the FDIC, subject to the limitations of California Government Code Section 53638. Amounts in excess of FDIC insurance coverage shall be secured in accordance with California Government Code Section 53652. No more than 5 percent of the City's total portfolio shall be invested in the deposits of any one bank. The aggregate investment in non-negotiable certificates of deposit shall not exceed 15 percent of the City's total portfolio. The maximum maturity shall not exceed three years.
- F. Prime commercial paper with a maturity not exceeding 270 days from the date of trade settlement with the highest ranking or of the highest letter and number rating as provided for by an NRSRO. The entity that issues the commercial paper shall meet all of the following conditions

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- J. The City may invest in the San Mateo County Investment Pool established by the San Mateo County Treasurer for the benefit of local agencies (as established in California Code Section 53684). No more than 20 percent of the market value of the City's total portfolio may be invested in this category.
- K. The City may invest in other pooled investment programs which are California Joint Powers Authorities established to provide California public agencies with professional investment services (California Code Section 53601 (p)). No more than 20 percent of the market value of the City's total portfolio may be invested in this category.
- L. Shares of beneficial interest issued by a diversified management company that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1 et seq.). Provided that the money market funds are "no-load" (no commission or fee shall be charged on purchases or sales of shares); (2) have a constant daily net asset value per share of \$1.00; (3) have a rating of "AAA" or the equivalent by at least two NRSROs or have retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience managing money market mutual funds with assets under management in excess of five hundred million dollars (\$500,000,000). No more than 10 percent of the City's total portfolio shall be invested in any one issuer and the aggregate investment in money market funds shall not exceed 20 percent of the City's total portfolio.
- M. Obligations of the State of California or any local agency within the State, including bonds payable solely out of revenues from a revenue-producing property owned, controlled, or operated by the State or any local agency or by a department, board, agency, or authority of the State or any local agency.

Registered treasury notes or bonds of any of the other 49 states in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 states, in addition to California.

Securities in this section must have a short-term rating of "A-1" or the equivalent or better by an NRSRO or a long-term rating in the category of "A" or the equivalent or better by an NRSRO. No more than 5 percent of the City's total portfolio shall be invested in any one municipal issuer, and the aggregate investment in municipal bonds shall not exceed 20 percent of the City's total portfolio. The maximum maturity shall not exceed five years.

IX. Prohibited Investment Vehicles and Practices

State law notwithstanding, any investments not specifically described herein are prohibited, including, but not limited to, futures and options. In accordance with Government Code Section 53601.6, investment in inverse floaters, range notes, or mortgage derived interest-only strips is prohibited. Investment in any security that could result in a zero-interest accrual if held to maturity is prohibited. Trading securities for the sole purpose of speculating on the future direction of interest rates is prohibited. Purchasing or selling securities on-margin is prohibited. The use of reverse repurchase agreements, securities lending, or any other form of borrowing or leverage is prohibited. The purchase of foreign currency denominated securities is prohibited. Local governments that are not Qualified Institutional Buyers (QIB) as defined by the Securities and Exchange Commission are prohibited from purchasing Private Placement Securities. The SEC defines a QIB as having at least \$100,000,000 in securities owned and invested.

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Adopted April 8, 2025

X. Selection of Broker/Dealers

The Chief Financial Officer shall maintain a list of broker/dealers approved for investment purposes, and it shall be the policy of the City to conduct transactions only with those authorized firms. To be eligible, a firm must be licensed by the State of California as a broker/dealer as defined in Section 25004 of the California Corporations Code, and:

- A. Be recognized as a Primary Dealer by the Federal Reserve Bank of New York, or
- B. Report voluntarily to the Federal Reserve Bank of New York, or
- C. Qualify under Securities and Exchange Commission (SEC) Rule 15c3-1 (Uniform Net Capital Rule).

Each authorized broker/dealer shall be required to submit and annually update a City-approved broker/dealer information request form. The Chief Financial Officer shall maintain a list of the broker/dealers that have been approved by the City, along with each firm's most recent broker/dealer information request form.

If the City has not engaged the support services of an outside investment advisor while in the process of executing a particular transaction, the authorized broker/dealer(s) shall provide certification of having received and reviewed this Policy. For transactions initiated through an investment advisor, the investment advisor may use their own list of approved broker/dealers and financial institutions, which it will maintain and review periodically.

The City may purchase commercial paper from direct issuers even though they are not on the approved broker/dealer list as long as they meet the criteria outlined in Item F of the Authorized Investments section of this Policy.

XI. Competitive Transactions

Each investment transaction shall be competitively transacted with authorized broker/dealers. At least three broker/dealers shall be contacted for each transaction, and their bid and offering prices shall be recorded.

If the City is offered a security for which there is no other readily available competitive offering, then the Chief Financial Officer will document quotations for comparable or alternative securities. When purchasing original issue instrumentality securities, no competitive offerings will be required as all dealers in the selling group offer those securities at the same original issue price.

XII. Selection of Banks

The Chief Financial Officer shall maintain a list of banks approved to provide depository and other banking services for the City. To be eligible for authorization, a bank shall qualify as a depository of public funds in the State of California as defined in California Government Code Section 53630.5, shall be a member of the FDIC, and shall secure all deposits exceeding FDIC insurance coverage in accordance with California Government Code Section 53652.

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Adopted April 8, 2025

XIII. Safekeeping and Custody

The Chief Financial Officer shall select a bank to provide safekeeping and custodial services for the City, in accordance with the provisions of Section 53608 of the California Government Code. A City-approved safekeeping agreement shall be executed with the custodian bank prior to utilizing that bank's safekeeping services. The custodian bank will be selected on the basis of its ability to provide satisfactory safekeeping services and the competitive pricing of those services.

The purchase and sale of securities and repurchase agreement transactions shall be settled on a delivery-versus-payment basis. All securities shall be perfected in the name of the City. Sufficient evidence to title shall be consistent with modern investment, banking, and commercial practices.

All investment securities will be delivered by either book entry or physical delivery and will be held by the City's custodian bank, its correspondent bank, or its Depository Trust Company (DTC) participant account.

XIV. Maximum Maturity

To the extent possible, investments shall be matched with anticipated cash flow requirements and known future liabilities.

The City will not invest in securities maturing more than five (5) years from the date of trade settlement, unless the City Council has by resolution granted authority to make such an investment, either specifically or as a part of an investment program approved by the City Council no less than three months prior to the investment.

Beginning February 13, 2025, City Council Resolution No. 2024-102 authorized the investment of surplus funds in Local Agency Bonds, United States Treasury Obligations, State Obligations, and United States Agency Obligations with a maximum maturity exceeding five (5) years but not to exceed ten (10) years with an aggregate maximum value of such investments being five percent (5%) of the City's investment portfolio on the date of purchase, through June 30, 2025. Authority to exceed the maximum maturity is extended to June 30, 2026.

XV. Risk Management and Diversification

Credit risk is the risk that a security or a portfolio will lose some or all its value due to a real or perceived change in the ability of the issuer to repay its debt. The City will mitigate credit risk by adopting the following strategies:

- A. The diversification requirements included in the "Authorized Investments" section of this policy are designed to mitigate credit risk in the portfolio.
- B. No more than 15 percent of the total portfolio may be deposited with or invested in securities issued by any single issuer unless otherwise specified in this policy.
- C. The City may elect to sell a security prior to its maturity and record a capital gain or loss in order to manage the quality, liquidity, or yield of the portfolio in response to market conditions or the City's risk preferences.
- D. If the credit ratings of any security owned by the City are downgraded to a level below the quality required by the Investment Policy, it will be the City's policy to review the credit situation and make a determination as to whether to sell or retain such securities in the portfolio.
 - i. If a security is downgraded, the Chief Financial Officer will use discretion in determining whether to sell or hold the security based on its current maturity, the economic outlook for the issuer, and other relevant factors.
 - ii. If a decision is made to retain a downgraded security in the portfolio, its presence in the portfolio will be monitored and reported monthly to the City Council.

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Adopted April 8, 2025

XVI. Mitigating Market Risk in the Portfolio

Market risk is the risk that the portfolio value will fluctuate due to changes in the general level of interest rates. The City recognizes that over time, longer-term portfolios have the potential to achieve higher returns. On the other hand, longer-term portfolios have higher volatility of return. The City will mitigate market risk by providing adequate liquidity for short-term cash needs, and by making longer-term investments only with funds that are not needed for current cash flow purposes.

The City further recognizes that certain types of securities, including variable rate securities, securities with principal paydowns prior to maturity, and securities with embedded options, will affect the market risk profile of the portfolio differently in different interest rate environments. Therefore, the City adopts the following strategies to control and mitigate its exposure to market risk:

- A. The City will maintain a minimum of six months of budgeted operating expenditures in short-term investments to provide sufficient liquidity for expected disbursements.
- B. The maximum stated final maturity of individual securities in the portfolio will be five (5) years, except as otherwise stated in this policy.
- C. The duration of the portfolio will generally be approximately equal to the duration (typically, plus or minus 20 percent) of a market benchmark, an index selected by the City based on the City's investment objectives, constraints, and risk tolerances.

XVII. Portfolio Performance

The investment portfolio shall be designed to attain a market rate of return throughout budgetary and economic cycles, taking into account prevailing market conditions, risk constraints for eligible securities, and cash flow requirements. An appropriate benchmark or benchmarks will be established against which portfolio performance shall be compared on a regular basis. When comparing the performance of the City's portfolio, its rate of return will be computed net of all fees and expenses.

XVIII. Monthly Reporting

Monthly, the Chief Financial Officer shall submit to the City Council a report on the investment earnings and performance results of the City's investment portfolio. The report shall include the following information:

- A. Investment type, issuer, date of purchase and maturity, par value, and dollar amount invested in all securities, investments, and monies held by the City;
- B. A description of the funds, investments, and programs;
- C. A market value as of the date of the report (or the most recent valuation as to assets not valued monthly) and the source of the valuation;
- D. A statement of compliance with this Policy or an explanation for non-compliance;
- E. A statement of the City's ability to meet expenditure requirements for six months, and an explanation of why money will not be available if that is the case; and
- F. A statement of transactions made during the month.

Investment Policy

Adopted April 8, 2025

XIX. Policy Review and History

The Investment Policy shall be adopted by resolution of the City Council. The Policy shall be reviewed annually by the Chief Financial Officer, and any modifications made as a result must be approved by the City Council.

Action	Date	Notes
Policy adoption by resolution	April 8, 2025	Resolution No. 2025-30
Policy exception - authorization for maximum maturity not to exceed 10 years	November 12, 2024	Resolution No. 2024-102
Policy adoption by resolution	June 25, 2024	Resolution No. 2024-54
Policy adoption by resolution	September 12, 2023	Resolution No. 2023-103
Policy adoption by resolution	December 8, 2020	Resolution No. 2020-97