I. City Manager’s Welcome & Retreat Goal/Objectives
II. Citywide Budget and Fiscal Condition Overview
III. Financial Summaries
IV. Department Operating Budgets
V. Capital Improvement Program (CIP) Budget
VI. Equipment & Vehicles
VII. Debt Service
VIII. Questions & Next Steps
<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>Schedule</th>
</tr>
</thead>
<tbody>
<tr>
<td>I.</td>
<td>City Manager’s Welcome &amp; Retreat Goal/Objectives</td>
<td>10:00 - 10:15</td>
</tr>
<tr>
<td>II.</td>
<td>General Trends and Budget Overview</td>
<td>10:15 - 10:30</td>
</tr>
<tr>
<td>III.</td>
<td>General Fund - Financial Summary &amp; Department Operating Budget</td>
<td>10:30 - 11:45</td>
</tr>
<tr>
<td></td>
<td>Break</td>
<td>11:45 - 12:00</td>
</tr>
<tr>
<td>IV.</td>
<td>Enterprise Funds - Financial Summary &amp; Department Operating Budget</td>
<td>12:00 - 1:30</td>
</tr>
<tr>
<td>V.</td>
<td>Internal Service Funds – Department Operating Budget</td>
<td>1:30 – 2:00</td>
</tr>
<tr>
<td></td>
<td>Break</td>
<td>2:00 - 2:15</td>
</tr>
<tr>
<td>VI.</td>
<td>Capital Improvement Program (CIP) Budget</td>
<td>2:15 - 3:15</td>
</tr>
<tr>
<td>VII.</td>
<td>Equipment &amp; Vehicles</td>
<td>3:15 - 3:45</td>
</tr>
<tr>
<td>VIII.</td>
<td>Debt Service</td>
<td>3:45 - 4:00</td>
</tr>
<tr>
<td>IV.</td>
<td>Questions &amp; Next Steps</td>
<td>4:00 - 5:00</td>
</tr>
</tbody>
</table>
I. City Manager’s Introduction & Retreat
Goal/Objectives
“The Budget is the key to the City. If you want to see what the City cares about, look at how they allocate the money.”

- Robert Bobb

❖ Simple Ground Rules
  - Respect fellow Councilmembers, staff, and the public
  - Look forward, not behind
  - Ask questions!

❖ Thanks for the commitment to your community
Budget Retreat Objectives

I. Receive the City Manager’s Proposed Operating and Capital Budget for Fiscal Year 2019-20

II. Understand the City’s fiscal condition

III. Receive updates on achievements, strategic initiatives and challenges for each department

IV. Ask questions!
Depart this room...

➢ with a deeper understanding of the City of San Bruno’s operating and capital budgets

➢ with knowledge of the immediate and long-term fiscal challenges facing the General Fund and Enterprise Funds

➢ empowered to articulate the City’s fiscal condition and the FY2019-20 proposed budget to your constituents

➢ feeling satisfied that your questions were addressed or will be addressed by the next budget meeting on June 11
Mission Statement
The City of San Bruno exists to provide exemplary services for our community that enhance and protect the quality of life.

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

Values
The City of San Bruno values:
❖ Integrity;
❖ Protecting, guarding and shepherding public resources and interests;
❖ Teamwork;
❖ Exemplary service to the community;
❖ Competent, well-trained employees;
❖ Friendliness; and
❖ Commitment to the community.
City Council Priority Focus Areas (not in any order of preference)

- Implement Transit Corridor Vision to Revitalize Downtown and Commercial Corridor
- Assure Rehabilitation & Replacement of Critical Community Facilities and Infrastructure
- Grow City Revenues to Assure On-Going Fiscal Stability and Economic Vitality
- Continue to Strengthen Community Connections and Engagement
- Protect and Improve Community Aesthetics and Safety
- Continue Proactive Planning for the Future of San Bruno
- Organizational Health and Employee Success

Source: City of San Bruno, City Council presentation February 26, 2019
Budget Process Overview
Budgetary Process and Administration

- Each May the City Manager submits to the City Council a proposed operating and capital budget for the following fiscal year.
- Public meetings are conducted to obtain public comments.
- Budgets are adopted by City Council in June, and the new budget takes effect on July 1st.
- Expenditures may not legally exceed budgeted appropriations.
- Quarterly and Mid-year reviews of an adopted budget are conducted annually.

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
## High-level Budget Development Calendar

<table>
<thead>
<tr>
<th>Date</th>
<th>Major Milestone / Tasks</th>
</tr>
</thead>
<tbody>
<tr>
<td>February 11</td>
<td>CM budget instructions to departments</td>
</tr>
<tr>
<td><strong>February 26</strong></td>
<td><strong>Council Study Session: Budget priorities and schedule review with City Council</strong></td>
</tr>
<tr>
<td>March-April</td>
<td>Staff Budget Development <em>(various internal dates)</em></td>
</tr>
<tr>
<td><strong>April 9</strong></td>
<td><strong>Council Study Session: Finalize City Council Priority Focus Areas and Strategic Initiatives and Revenue/Expense Projection Update</strong></td>
</tr>
<tr>
<td>Week of May 20</td>
<td>Budget &amp; Potential Revenue Measure Community Meetings</td>
</tr>
<tr>
<td>May 24</td>
<td>City Manager Recommended Budget Submitted to Council</td>
</tr>
<tr>
<td><strong>May 29</strong></td>
<td><strong>Council Study Session/Retreat on Proposed Budget</strong></td>
</tr>
<tr>
<td>June 11</td>
<td>Council Study Session on Proposed Budget and 1st Budget Hearing</td>
</tr>
<tr>
<td>June 25</td>
<td>2nd Budget Hearing and Adoption FY2019-20 Operating and CIP Budget</td>
</tr>
</tbody>
</table>

*Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20*
Budget Challenges

- Significant backlog of deferred capital maintenance projects
  - $6 million annual deficit in the City’s road repair program
- Existing Operational Deficit
- Rising Personnel Benefit Costs
  - Health Insurance
  - Pension Costs
- Expiring Collected Bargaining Agreements
- Cable Enterprise Fund Deficit
- Stormwater Enterprise Fund Challenges
- Needed Personnel Investment
- IT System Maintenance and Investments
- Equipment and Vehicle funding
- Pressure on Fund Balances and Reserves

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
Comprehensive Fiscal Sustainability Project

- Develop a comprehensive understanding of the financial pressures and constraints on the City’s General Fund, today and into the foreseeable future.

- 3 goals
  - Understand Our Fiscal Challenge
  - Articulate Our Fiscal Challenge
  - Develop & Implement Strategies

Source: City of San Bruno, City Council presentation November 27, 2018
Comprehensive Fiscal Sustainability Project

Source: City of San Bruno, City Council presentation November 27, 2018
Improving our fiscal sustainability
Steps the City has taken thus far to improve fiscal stability include:

- Established Development Impact Fees (*ensures developers pay their fair share*)
- Standardized and modernized billing practices
- Implemented budgetary and expenditure controls and operational efficiencies
- Developed Cable Enterprise Business Plan
- Long-range Forecasts for General Fund and Other Major Funds

Complete

- Assessing User Fees and Permit Charges (*to more accurately reflect City costs*)
- Auditing property tax, hotel room tax, and business license tax payers
- Implementing Cable Enterprise Business Plan
- Developing Short-term Rental Ordinance
- Analyzing surplus and underutilized City property for potential sale or reuse

In Progress
• Status-Quo Budget, with minimal enhancements
  • Strive to maintain operational budgets at current levels
  • Zero-based budget for contract services, tools and equipment, dues and memberships, publications and subscriptions, and meetings and conferences
  • Limit increases to items necessary to maintain current operational levels
    • i.e. *okay to include increases for contractual agreements*
  • General Fund reserve accounts to be funded to policy target
  • Any additional budget enhancement proposals must align to a City Council Priority Focus Area

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
II. General Trends and Budget Overview
General Trend & Stats
Population Trends

- San Bruno’s population has seen a modest increase over the last 10 years, growing 12.4% since 2009

**City Population**
**Years 2009 - 2018**

<table>
<thead>
<tr>
<th>Year</th>
<th>Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>40,993</td>
</tr>
<tr>
<td>2010</td>
<td>41,157</td>
</tr>
<tr>
<td>2011</td>
<td>42,018</td>
</tr>
<tr>
<td>2012</td>
<td>43,259</td>
</tr>
<tr>
<td>2013</td>
<td>43,984</td>
</tr>
<tr>
<td>2014</td>
<td>44,311</td>
</tr>
<tr>
<td>2015</td>
<td>45,861</td>
</tr>
<tr>
<td>2016</td>
<td>46,036</td>
</tr>
<tr>
<td>2017</td>
<td>45,965</td>
</tr>
<tr>
<td>2018</td>
<td>46,085</td>
</tr>
</tbody>
</table>

Source: CA Department of Finance, estimates for January 1 of each year
City’s 2018 Median Household Effective Buying Income is 162% of national average

56% of housing units in San Bruno are occupied by the owner

Median Household Effective Buying Income 2014 - 2018

Housing Activity

- Upward trend in home prices
- City’s October Median Home Sale price was $1,027,500 compared to County’s $1,329,250

**Median Home Sale Prices**

**Years 2014 - 2018**

<table>
<thead>
<tr>
<th>Year</th>
<th>San Bruno</th>
<th>San Mateo County</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>$650,000</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>2015</td>
<td>$700,000</td>
<td>$1,100,000</td>
</tr>
<tr>
<td>2016</td>
<td>$750,000</td>
<td>$1,200,000</td>
</tr>
<tr>
<td>2017</td>
<td>$800,000</td>
<td>$1,300,000</td>
</tr>
<tr>
<td>2018</td>
<td>$850,000</td>
<td>$1,400,000</td>
</tr>
</tbody>
</table>

Note: Median prices as of October of each year
Source: Corelogic
San Bruno’s unemployment rate is below the State and national unemployment rates
Current annual average unemployment equal to 2.30%

*Reflects average monthly unemployment rate through October 2018
Source: Bureau of Labor Statistics
## Principal Employers

<table>
<thead>
<tr>
<th>Employer</th>
<th>Number of Employees</th>
<th>Percentage of Total Employment (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>You Tube, Inc.*</td>
<td>2,000</td>
<td>7.43%</td>
</tr>
<tr>
<td>Walmart eCommerce</td>
<td>2,000</td>
<td>7.43%</td>
</tr>
<tr>
<td>Skyline College</td>
<td>782</td>
<td>2.91%</td>
</tr>
<tr>
<td>Artichoke Joe's Casino</td>
<td>415</td>
<td>1.54%</td>
</tr>
<tr>
<td>Target Store 1054</td>
<td>300</td>
<td>1.12%</td>
</tr>
<tr>
<td>San Bruno Park School District**</td>
<td>272</td>
<td>1.01%</td>
</tr>
<tr>
<td>City of San Bruno</td>
<td>230</td>
<td>0.86%</td>
</tr>
<tr>
<td>Lowe's HIW, Inc.</td>
<td>168</td>
<td>0.62%</td>
</tr>
<tr>
<td>Sears, Roebuck &amp; Co**</td>
<td>167</td>
<td>0.62%</td>
</tr>
<tr>
<td>JC Penney Co</td>
<td>154</td>
<td>0.57%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>6,488</td>
<td>24.12%</td>
</tr>
</tbody>
</table>

*Includes FT, TVCs and Interns

**Includes both full and part time employees

Note: Totals may not add due to rounding

Source: FY 2017-18 CAFR
Principal Employers
FY2019-20 Budget Stats

$188M All Fund Budget

$50M General Fund Budget

267 FTE Positions
<table>
<thead>
<tr>
<th>Good News</th>
<th>Bad News</th>
<th>Challenges</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Strategic Priorities identified</td>
<td>• Declining fund balances</td>
<td>• 4 union contracts to be negotiated</td>
</tr>
<tr>
<td>• Key positions filled</td>
<td>• Many unfunded priorities</td>
<td>• Rising pension costs</td>
</tr>
<tr>
<td>• Development pipeline</td>
<td>• Cable Deficit</td>
<td>• FY19-20 makes progress towards Fiscal</td>
</tr>
<tr>
<td>• Strong economy</td>
<td>• Stormwater Deficit</td>
<td>Sustainability, but additional steps and</td>
</tr>
<tr>
<td></td>
<td></td>
<td>strategies needed</td>
</tr>
</tbody>
</table>

The Good News, The Bad News & The Challenges Ahead...

27
Notable changes in the Proposed FY2019-20 Budget

- General Fund Deficit significantly reduced
  - High-level Summary: Revenues grow 8% compared to last year, and expenditures increase by 5% compared to last year

- Creation of long-range forecasts for the General Fund and Enterprise Funds

- Enhancement Requests included in the Proposed Budget Totals

- Enhancement Requests linked to City Council Priority Focus Areas
III. Financial Summaries
III. General Fund - Financial Summary
Long Range Financial Plan Overview

- Why it’s important!
  - Fiscally conservative and prudent practice
  - Provides context for evaluating budget decisions

- Major funds
  - General Fund (including Capital Reserve)
  - Enterprise Funds (Water, Wastewater, Stormwater & Cable)

- Assumptions
  - Prior year actual and budget changes
  - Future rate and policy assumptions
  - Economic development assumptions for revenue and service delivery
32

General Fund Long Range Financial Plan

- 3-6% rate increases for major tax/revenue sources
- Conservative assumption for development projects
- 5% personnel cost increases
- No significant service level changes

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
### General Fund Summary

**FY2018-19**
- **Adopted Budget**: $2,172,101
- **Estimated Actual**: $2,172,101
- **Proposed Budget**: $2,445,773

**FY2019-20**
- **Surplus / (Deficit)**: $2,445,773
- **Ending Fund Balance**: $2,069,396

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning Fund Balance</td>
<td>$2,172,101</td>
<td>$2,172,101</td>
<td>$2,445,773</td>
</tr>
<tr>
<td>Total Operating Revenues</td>
<td>46,110,332</td>
<td>47,102,037</td>
<td>50,111,247</td>
</tr>
<tr>
<td>Total Operating Expenditures</td>
<td>(47,041,436)</td>
<td>(46,828,366)</td>
<td>(50,487,625)</td>
</tr>
<tr>
<td>Surplus / (Deficit)</td>
<td>(931,103)</td>
<td>273,672</td>
<td>(376,377)</td>
</tr>
<tr>
<td>Ending Fund Balance</td>
<td>$1,240,998</td>
<td>$2,445,773</td>
<td>$2,069,396</td>
</tr>
</tbody>
</table>

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
General Fund Summary

**General Fund Revenues**

- Taxes: 66.0%
- Department Revenues: 17.6%
- Other Revenue: 8.7%
- Use of Money & Property: 1.9%
- Franchises: 3.8%
- Operating Transfers: 1.9%

**General Fund Expenditures**

- Public Safety: 56%
- General Administration: 10%
- Transfer to Other Funds: 2%
- Non-Departmental: 1%
- Community Services: 17%
- Community Development: 7%
- Public Works: 7%
- Non-Departmental: 1%

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
## General Fund Revenues

<table>
<thead>
<tr>
<th>Revenue Source</th>
<th>FY2018-19 Amended Budget</th>
<th>FY2018-19 Estimated Actual</th>
<th>FY2019-20 Proposed Budget</th>
<th>% Change in Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taxes</td>
<td>$31,288,691</td>
<td>$32,369,403</td>
<td>$33,097,802</td>
<td>6%</td>
</tr>
<tr>
<td>Franchises</td>
<td>1,869,096</td>
<td>1,857,128</td>
<td>1,903,000</td>
<td>2%</td>
</tr>
<tr>
<td>Use of Money &amp; Property</td>
<td>1,312,000</td>
<td>1,432,452</td>
<td>961,691</td>
<td>-27%</td>
</tr>
<tr>
<td>Allocation &amp; Other Revenues</td>
<td>4,991,362</td>
<td>4,897,704</td>
<td>5,345,636</td>
<td>7%</td>
</tr>
<tr>
<td>Department Revenues</td>
<td>6,743,906</td>
<td>6,545,349</td>
<td>8,803,119</td>
<td>31%</td>
</tr>
<tr>
<td>Total</td>
<td>$46,205,055</td>
<td>$47,102,037</td>
<td>$50,111,247</td>
<td>8%</td>
</tr>
</tbody>
</table>

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
Sales Tax Example

Sample Sales Tax Eligible Purchase in San Bruno

Sub-total $75.00
Sales Tax (8.75%) $6.56
Total Sale $81.56

Sales Tax Paid: $6.56

- State of California $4.50 (69%)
- County/Districts $1.31 (20%)
- City of San Bruno $0.75 (11%)

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th>Total General Fund Taxes per Capita FY2018-19 Adopted Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Daly City</td>
<td>$566.25</td>
</tr>
<tr>
<td>Pacifica</td>
<td>$658.81</td>
</tr>
<tr>
<td><strong>San Bruno</strong></td>
<td><strong>$664.45</strong></td>
</tr>
<tr>
<td>San Mateo</td>
<td>$1,051.42</td>
</tr>
<tr>
<td>Redwood City</td>
<td>$1,145.41</td>
</tr>
<tr>
<td>South San Francisco</td>
<td>$1,177.39</td>
</tr>
<tr>
<td>Burlingame</td>
<td>$2,053.03</td>
</tr>
</tbody>
</table>

Source: City of San Bruno, City Manager's Proposed Budget FY2019-20
Top Sales Tax Generators

- Top 25 sales tax generators in San Bruno (alphabetical order)

- Recent Trends
  - Strong service station tax from gas and oil price increases
  - Auto Dealer sales peak last year
    - State-wide trend
    - Recent shift to more leases
  - Average yearly sales tax increase to San Bruno at 1.1%

Source: City of San Bruno, Quarterly Sales Tax Report
Transient Occupancy Tax

Staybridge Suites, 94
Ritz Inn, 23
Regency Inn, 32
Ramada Limited, 58
Super 8 Motel, 54
Bayhill Inn, 24
Budget Motel, 29
Comfort Inn & Suite, 29
Howard Johnson (Hotel Aura), 49
Gateway Inn, 30
Days Inn, 48
Courtyard by Marriot, 147

Source: City of San Bruno, Transient Occupancy Operator Tax Filings
Potential Revenue Measure on November 2019 Ballot

- Brings San Bruno Inline with Peer Communities in San Mateo County
  - The Cities of Belmont, Burlingame, Redwood City, San Mateo, and South San Francisco have add-on sales taxes.
  - Other San Mateo County cities are considering sales taxes for 2020.

- Broadest and Most Equitable Tax Base
  - Sales tax is paid visitors on applicable transactions vs. most other tax types and by residents.

- Significant Revenue Generation
  - $2,000,000 (1/4 cent) to $4,000,000 (1/2 cent) per year vs. $1,500,000 or less for most other revenue measure types.

Source: City of San Bruno, City Council Presentation February 19, 2019
Dedicated Local Funding
- The funding from any sales tax would be entirely local to San Bruno and not subject to County or State raids.

San Bruno Voters Have Been Supportive of County Sales Taxes
- Voters have supported recent County sales taxes (Measure W and Measure K) at rates needed to pass a local sales tax in San Bruno.

A Sales Tax Allows San Bruno Voters to Decide the Future of San Bruno
- Ultimately the Council can only place a revenue measure on the ballot. Whether a revenue measure passes is up to the San Bruno community.

Source: City of San Bruno, City Council Presentation February 19, 2019
**Election Cycle Timeline**

<table>
<thead>
<tr>
<th>Date</th>
<th>Item</th>
</tr>
</thead>
<tbody>
<tr>
<td>February – April 2019</td>
<td>Conduct community priorities survey</td>
</tr>
<tr>
<td>April 23, 2019</td>
<td>Present community priorities survey results at City Council Meeting</td>
</tr>
<tr>
<td>May – July 2019</td>
<td>Public education and outreach to San Bruno community</td>
</tr>
<tr>
<td>June – July 2019</td>
<td>Internal ballot measure planning and preparation</td>
</tr>
<tr>
<td>July 16, 2019</td>
<td>City Council ballot ordinance – 1&lt;sup&gt;st&lt;/sup&gt; reading (introduction)</td>
</tr>
<tr>
<td>July 23, 2019 *</td>
<td>City Council ballot ordinance – 2&lt;sup&gt;nd&lt;/sup&gt; reading (action item)</td>
</tr>
<tr>
<td>August 8, 2019</td>
<td>Last day to place a measure on the ballot for November 2019</td>
</tr>
<tr>
<td>November 5, 2019</td>
<td>Election day (absentee ballots mailed week of October 7&lt;sup&gt;th&lt;/sup&gt;)</td>
</tr>
<tr>
<td>April 1, 2020</td>
<td>New tax takes effect if ballot measure passes</td>
</tr>
</tbody>
</table>

* 2/3 vote (or 4 of 5) for City Council approval for measure to be placed on the ballot.

Source: City of San Bruno, City Council Presentation February 19, 2019
Revenue Enhancement Strategies

- Development Impact Fee Program
- Fee Study & Indirect Cost Plan
- Audits
  - Business License Tax
  - Transient Occupancy Tax (TOT)
  - Sales Tax
  - Property Tax
- Utility Billing Process Improvements
- Short-term rentals
- Sale of City-owned property

Source: City of San Bruno, City Manager's Proposed Budget FY2019-20
## General Fund Expenditures

<table>
<thead>
<tr>
<th>Department</th>
<th>FY2018-19 Amended Budget</th>
<th>FY2018-19 Estimated Actual</th>
<th>FY2019-20 Proposed Budget</th>
<th>% Change in Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Government</td>
<td>$5,035,772</td>
<td>$4,877,479</td>
<td>$5,442,221</td>
<td>8%</td>
</tr>
<tr>
<td>Police</td>
<td>18,612,932</td>
<td>17,715,479</td>
<td>19,643,409</td>
<td>6%</td>
</tr>
<tr>
<td>Fire</td>
<td>11,064,055</td>
<td>10,965,939</td>
<td>11,757,080</td>
<td>6%</td>
</tr>
<tr>
<td>Public Works</td>
<td>3,706,081</td>
<td>3,688,678</td>
<td>3,985,771</td>
<td>8%</td>
</tr>
<tr>
<td>Community &amp; Economic Development</td>
<td>3,733,240</td>
<td>3,543,793</td>
<td>3,693,932</td>
<td>-1%</td>
</tr>
<tr>
<td>Community Services</td>
<td>9,070,570</td>
<td>8,661,185</td>
<td>9,721,758</td>
<td>7%</td>
</tr>
<tr>
<td>Non-Departmental</td>
<td>(2,931,818)</td>
<td>(2,623,906)</td>
<td>(3,756,546)</td>
<td>28%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$48,290,832</strong></td>
<td><strong>$46,828,366</strong></td>
<td><strong>$50,487,625</strong></td>
<td><strong>5%</strong></td>
</tr>
</tbody>
</table>

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
Expenditure Pressures

- Union MOU negotiations
- Rising pension costs
- Health and other insurance costs
- County costs for 2 elections
- CPI on contracts
- IT software maintenance
- Mandates (ADA, etc.)

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
## Labor Contracts

<table>
<thead>
<tr>
<th>Labor Union</th>
<th>Members</th>
<th>Contract Expiration Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>San Bruno Management Employees Association</td>
<td>7</td>
<td>December 31, 2019</td>
</tr>
<tr>
<td>Mid-Management Bargaining Unit</td>
<td>34</td>
<td>December 31, 2019</td>
</tr>
<tr>
<td>Teamsters Local 856, IBT – Miscellaneous</td>
<td>93</td>
<td>December 31, 2019</td>
</tr>
<tr>
<td>Public Safety Mid-Management Bargaining Unit</td>
<td>15</td>
<td>December 31, 2019</td>
</tr>
<tr>
<td>San Bruno Professional Firefighters Association</td>
<td>29</td>
<td>December 31, 2020</td>
</tr>
<tr>
<td>San Bruno Police Bargaining Unit</td>
<td>50</td>
<td>December 31, 2020</td>
</tr>
<tr>
<td>Unrepresented</td>
<td>9</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>237</td>
<td></td>
</tr>
</tbody>
</table>

Source: City of San Bruno, Human Resources as of May 16, 2019
Pension Costs - Nationwide

Liabilities and assets for major U.S. public pensions

$4 trillion

Liabilities
Assets

Note: Data cover 109 major pensions for which 2018 data is available.
Source: Boston College Center for Retirement Research
The CalPERS Pension Buck

As of June 2018, CalPERS’ income over the last 20 years demonstrates that every dollar spent on public employee pensions comes from the following sources:

- 59¢ CalPERS investment earnings
- 28¢ CalPERS employers
- 13¢ CalPERS members

CalPERS Members

As of June 30, 2018

- 38% School members
- 31% Public Agency members
- 31% State members

CalPERS’ January 19, 2017 Circular Letter on Increased Contribution Rates

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>6/30/2016</td>
<td>2018-19</td>
<td>0.25%-0.75%</td>
<td>0.5%-1.25%</td>
<td>2%-3%</td>
<td>2%-3%</td>
</tr>
<tr>
<td>6/30/2017</td>
<td>2019-20</td>
<td>0.5%-1.5%</td>
<td>1.0%-2.5%</td>
<td>4%-6%</td>
<td>4%-6%</td>
</tr>
<tr>
<td>6/30/2018</td>
<td>2020-21</td>
<td>1.0%-3.0%</td>
<td>2.0%-5.0%</td>
<td>10%-15%</td>
<td>10%-15%</td>
</tr>
<tr>
<td>6/30/2019</td>
<td>2021-22</td>
<td>1.0%-3.0%</td>
<td>2.0%-5.0%</td>
<td>15%-20%</td>
<td>15%-20%</td>
</tr>
<tr>
<td>6/30/2020</td>
<td>2022-23</td>
<td>1.0%-3.0%</td>
<td>2.0%-5.0%</td>
<td>20%-25%</td>
<td>20%-25%</td>
</tr>
<tr>
<td>6/30/2021</td>
<td>2023-24</td>
<td>1.0%-3.0%</td>
<td>2.0%-5.0%</td>
<td>25%-30%</td>
<td>25%-30%</td>
</tr>
<tr>
<td>6/30/2022</td>
<td>2024-25</td>
<td>1.0%-3.0%</td>
<td>2.0%-5.0%</td>
<td><strong>30%-40%</strong></td>
<td><strong>30%-40%</strong></td>
</tr>
</tbody>
</table>

Source: CalPERS
(www.calpers.ca.gov) & City Manager’s Department Pension Sustainability Working Group
White Paper January 2019
Pension Costs – San Mateo County

Pension Funded Ratio per CalPERS Valuation Report
All Cities in San Mateo County
Valuation Report for June 30, 2017
Average – 72.8%

Source: San Mateo County Pension Funded Per CalPERS Report, Self-Reported from Cities
Pension Costs – San Bruno

Unfunded PERS Pension Liability

Employer Contribution & Percent of Total
All Plans

Source: City of San Bruno, CalPERS Valuation Reports
## General Fund Reserves

<table>
<thead>
<tr>
<th>Reserve Type</th>
<th>Reserve Policy Target</th>
<th>FY2018-19 Estimated Ending Balance</th>
<th>FY2019-20 Budget Ending Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>$1,500,000</td>
<td>$2,445,773</td>
<td>$2,069,396</td>
</tr>
<tr>
<td>General Fund Reserve</td>
<td>25% of annual, budget expenditures</td>
<td>$12,525,666</td>
<td>$12,768,488</td>
</tr>
<tr>
<td>General Fund Capital Reserve</td>
<td>Goal of $5,000,000</td>
<td>$5,809,444</td>
<td>$5,368,377</td>
</tr>
<tr>
<td>Emergency Disaster Fund</td>
<td>Target of $3,000,000</td>
<td>$3,198,517</td>
<td>$3,283,517</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>$23,979,400</strong></td>
<td><strong>$23,489,777</strong></td>
</tr>
</tbody>
</table>

Source: City of San Bruno, City Manager's Proposed Budget FY2019-20
## Reserves – Cash Balances

<table>
<thead>
<tr>
<th>Reserve Type</th>
<th>FY2019-20 Budget Ending Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total General Fund Reserves</td>
<td>$23,314,677</td>
</tr>
<tr>
<td>Cable Enterprise Fund Deficit</td>
<td>(16,069,621)</td>
</tr>
<tr>
<td><strong>General Fund Reserves – Cash Balance</strong></td>
<td>7,245,056</td>
</tr>
<tr>
<td>Equipment Reserve</td>
<td>3,802,494</td>
</tr>
<tr>
<td>One-Time Revenue</td>
<td>318,555</td>
</tr>
<tr>
<td>Parks &amp; Facilities Capital</td>
<td>1,936,456</td>
</tr>
<tr>
<td>Streets Capital</td>
<td>2,639,615</td>
</tr>
<tr>
<td>Technology Capital</td>
<td>64,082</td>
</tr>
<tr>
<td><strong>Total Reserves – Cash Balance</strong></td>
<td><strong>$16,006,258</strong></td>
</tr>
</tbody>
</table>

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
## Capital Fund Balances Summary

<table>
<thead>
<tr>
<th>Fund</th>
<th>Type</th>
<th>FY2018-19 Estimated Ending Balance</th>
<th>FY2019-20 Budget Ending Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund Capital Reserve</td>
<td>Unrestricted</td>
<td>$5,809,444</td>
<td>$5,368,377</td>
</tr>
<tr>
<td>Parks &amp; Facilities Capital</td>
<td>Unrestricted</td>
<td>3,788,651</td>
<td>1,936,456</td>
</tr>
<tr>
<td>Development Impact Fees</td>
<td>Restricted</td>
<td>0</td>
<td>6,742,981</td>
</tr>
<tr>
<td>Gas Tax - Streets</td>
<td>Restricted</td>
<td>766,468</td>
<td>623,711</td>
</tr>
<tr>
<td>Measure A – Street &amp; Sidewalk Maintenance</td>
<td>Restricted</td>
<td>825,990</td>
<td>290,990</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>$11,190,553</strong></td>
<td><strong>$14,962,515</strong></td>
</tr>
</tbody>
</table>

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
General Fund Capital Reserve
Long Range Financial Plan

Long-Range Financial Forecast
General Fund Capital Reserve

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated Actual</td>
<td>Budget</td>
<td>Forecast</td>
<td>Forecast</td>
<td>Forecast</td>
<td>Forecast</td>
</tr>
<tr>
<td>Source: City of San Bruno, City Manager's Proposed Budget FY2019-20</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
# General Fund Capital Reserve

<table>
<thead>
<tr>
<th></th>
<th>FY2018-19 Amended Budget</th>
<th>FY2018-19 Estimated Actual</th>
<th>FY2019-20 Proposed Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning Fund Balance</td>
<td>$8,108,710</td>
<td>$8,108,710</td>
<td>$5,809,444</td>
</tr>
<tr>
<td>Total Revenues</td>
<td>3,938</td>
<td>3,938</td>
<td>3,063</td>
</tr>
<tr>
<td>Total Expenditures</td>
<td>(3,247,277)</td>
<td>(2,303,204)</td>
<td>(444,130)</td>
</tr>
<tr>
<td>Operating Surplus / (Deficit)</td>
<td>(3,243,339)</td>
<td>(2,299,266)</td>
<td>(441,067)</td>
</tr>
<tr>
<td>Ending Fund Balance</td>
<td>$4,865,371</td>
<td>$5,809,444</td>
<td>$5,368,377</td>
</tr>
</tbody>
</table>

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
III. Financial Summaries - Positions
Position Summary (FY2019-20 FTEs)

- General Government, 24.50
- Police, 69.00
- Fire, 36.00
- Community Services, 31.95
- Community & Economic Development, 16.00
- Public Works Admin, Engineering & Streets, 12.40
- Water, Stormwater, Wastewater & Solidwaste, 41.25
- Internal Services, 15.90
- Cable, 20.00
- Water, Stormwater, Wastewater & Solidwaste, 41.25

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
## Position Summary

<table>
<thead>
<tr>
<th>Department</th>
<th>FY2016-17 Budget</th>
<th>FY2017-18 Budget</th>
<th>FY2018-19 Budget</th>
<th>FY2019-20 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>179.20</td>
<td>185.45</td>
<td>188.35</td>
<td>189.85</td>
</tr>
<tr>
<td>Special Revenue Funds</td>
<td>2.45</td>
<td>0.95</td>
<td>0.45</td>
<td>0.45</td>
</tr>
<tr>
<td>Internal Service Funds</td>
<td>13.40</td>
<td>14.40</td>
<td>14.40</td>
<td>15.90</td>
</tr>
<tr>
<td>Enterprise Funds</td>
<td>58.70</td>
<td>58.70</td>
<td>60.80</td>
<td>60.80</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>253.75</strong></td>
<td><strong>259.50</strong></td>
<td><strong>264.00</strong></td>
<td><strong>267.00</strong></td>
</tr>
</tbody>
</table>

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
III. Financial Summaries - Enhancements
# Enhancement Summary

<table>
<thead>
<tr>
<th>Fund</th>
<th>Ongoing Costs</th>
<th>One-Time Costs</th>
<th>New Revenue/Expense Savings</th>
<th>Net Impact on Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>$563,087</td>
<td>$58,613</td>
<td>$50,500</td>
<td>$571,199</td>
</tr>
<tr>
<td>Central Garage</td>
<td>88,840</td>
<td>25,000</td>
<td></td>
<td>63,840</td>
</tr>
<tr>
<td>Building &amp; Facilities</td>
<td>109,625</td>
<td>36,250</td>
<td></td>
<td>145,875</td>
</tr>
<tr>
<td>Technology</td>
<td>50,220</td>
<td>30,000</td>
<td></td>
<td>80,220</td>
</tr>
<tr>
<td>Water</td>
<td>100,000</td>
<td>630,000</td>
<td></td>
<td>730,000</td>
</tr>
<tr>
<td>Wastewater</td>
<td>15,000</td>
<td></td>
<td></td>
<td>15,000</td>
</tr>
<tr>
<td>Cable</td>
<td></td>
<td>7,000</td>
<td></td>
<td>7,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$728,057</strong></td>
<td><strong>$703,250</strong></td>
<td><strong>$60,000</strong></td>
<td><strong>$1,371,307</strong></td>
</tr>
</tbody>
</table>

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
## Enhancements

<table>
<thead>
<tr>
<th>Dept.</th>
<th>Enhancement</th>
<th>Ongoing Costs</th>
<th>One-Time Costs</th>
<th>New Revenue/Expense Savings</th>
<th>Net Impact on Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finance</td>
<td>Investment consulting services</td>
<td>$8,000</td>
<td></td>
<td></td>
<td>$8,000</td>
</tr>
<tr>
<td>Finance</td>
<td>Municipal Financial Advisor consulting services</td>
<td>$6,000</td>
<td></td>
<td></td>
<td>$6,000</td>
</tr>
<tr>
<td>Building</td>
<td>In-house contracts plan examiner</td>
<td>$47,320</td>
<td></td>
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<td>$47,320</td>
</tr>
<tr>
<td>Building</td>
<td>Assistant Planner</td>
<td>$97,516</td>
<td></td>
<td></td>
<td>$97,516</td>
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<tr>
<td>Building</td>
<td>Permit technician</td>
<td>$79,955</td>
<td></td>
<td></td>
<td>$79,955</td>
</tr>
<tr>
<td>Recreation</td>
<td>Community Day in the Park</td>
<td>$56,785</td>
<td>$35,000</td>
<td>$21,785</td>
<td></td>
</tr>
</tbody>
</table>

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
## Enhancements

<table>
<thead>
<tr>
<th>Dept.</th>
<th>Enhancement</th>
<th>Ongoing Costs</th>
<th>One-Time Costs</th>
<th>New Revenue/Expense Savings</th>
<th>Net Impact on Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parks</td>
<td>Parks &amp; Facilities Services Manager (0.50 FTE)</td>
<td>$64,125</td>
<td></td>
<td></td>
<td>$64,125</td>
</tr>
<tr>
<td>Library</td>
<td>Saturday additional service</td>
<td>$4,671</td>
<td></td>
<td></td>
<td>$4,671</td>
</tr>
<tr>
<td>Central Garage</td>
<td>Mechanic</td>
<td>$88,840</td>
<td>$25,000</td>
<td>$63,840</td>
<td></td>
</tr>
<tr>
<td>Building &amp; Facilities</td>
<td>Parks &amp; Facilities Services Manager (0.50 FTE)</td>
<td>$63,625</td>
<td></td>
<td></td>
<td>$63,625</td>
</tr>
<tr>
<td>Building &amp; Facilities</td>
<td>ADA transition plan</td>
<td></td>
<td></td>
<td>$36,250</td>
<td>$36,250</td>
</tr>
<tr>
<td>Building &amp; Facilities</td>
<td>Fire alarm system testing &amp; inspection</td>
<td>$46,000</td>
<td></td>
<td></td>
<td>$46,000</td>
</tr>
</tbody>
</table>

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
## Enhancements

<table>
<thead>
<tr>
<th>Dept.</th>
<th>Enhancement</th>
<th>Ongoing Costs</th>
<th>One-Time Costs</th>
<th>New Revenue/Expense Savings</th>
<th>Net Impact on Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technology</td>
<td>Replace Citrix with Microsoft Office 365</td>
<td>$44,220</td>
<td></td>
<td></td>
<td>$44,220</td>
</tr>
<tr>
<td>Technology</td>
<td>Digitized plan check review system</td>
<td></td>
<td>$30,000</td>
<td></td>
<td>$30,000</td>
</tr>
<tr>
<td>Technology</td>
<td>Satellite phones</td>
<td>$6,000</td>
<td></td>
<td></td>
<td>$6,000</td>
</tr>
<tr>
<td>Water</td>
<td>Water master plan update</td>
<td></td>
<td>$200,000</td>
<td></td>
<td>$200,000</td>
</tr>
<tr>
<td>Water</td>
<td>Tank inspection, cleaning &amp; sediment removal</td>
<td></td>
<td>$100,000</td>
<td></td>
<td>$100,000</td>
</tr>
<tr>
<td>Water</td>
<td>State-mandated drinking water emergency response plan</td>
<td></td>
<td>$80,000</td>
<td></td>
<td>$80,000</td>
</tr>
</tbody>
</table>

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
## Enhancements

<table>
<thead>
<tr>
<th>Dept.</th>
<th>Enhancement</th>
<th>Ongoing Costs</th>
<th>One-Time Costs</th>
<th>New Revenue/Expense Savings</th>
<th>Net Impact on Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water</td>
<td>Water main citywide leak detection assessment</td>
<td>$50,000</td>
<td></td>
<td>$50,000</td>
<td></td>
</tr>
<tr>
<td>Water</td>
<td>Contract repair</td>
<td>$200,000</td>
<td></td>
<td>$200,000</td>
<td></td>
</tr>
<tr>
<td>Water</td>
<td>Contract concrete repair</td>
<td>$100,000</td>
<td></td>
<td>$100,000</td>
<td></td>
</tr>
<tr>
<td>Wastewater</td>
<td>State-mandated air quality assessment</td>
<td>$15,000</td>
<td></td>
<td>$15,000</td>
<td></td>
</tr>
<tr>
<td>Cable</td>
<td>Community promotions</td>
<td>$7,000</td>
<td></td>
<td>$7,000</td>
<td></td>
</tr>
</tbody>
</table>

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
Enhancements Not Included

- Comprehensive fiscal sustainability consulting
- Fire Captain position upgrade (Prevention Management)
- Economic Development Coordinator
- Comprehensive wildland fire hazard mitigation

Source: City of San Bruno, City Manager's Proposed Budget FY2019-20
IV. Department Operating Budgets
Jovan D. Grogan
City Manager
City Council Overview

5.00 Part-time positions

Develops policies

Governing body

Represents the residents

Appoints City Manager

Source: City of San Bruno, City Manager's Proposed Budget FY2019-20
Accomplishments

- Represents the City on several County and Regional Agency Boards and Committees
- Transitioned newly hired City Manager & City Clerk
- Conducted goal and priority setting meetings
- Conducted a well-attended Community Day event

Strategic Initiatives

- Review and adopt strategic initiatives
- Hold November 2019 municipal election
- Support staff in implanting strategic initiatives and priority projects

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
<table>
<thead>
<tr>
<th>Item</th>
<th>FY2018-19 Amended Budget</th>
<th>FY2019-20 Proposed Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Departmental Revenues / Recovery</td>
<td>$89,794</td>
<td>$102,550</td>
</tr>
<tr>
<td>Expenditures</td>
<td>$183,052</td>
<td>$167,582</td>
</tr>
<tr>
<td>General Fund Subsidy</td>
<td>$93,258</td>
<td>$65,032</td>
</tr>
</tbody>
</table>

**Notable Budget Changes & Service Level Challenges**

- Health insurance cost increases
- Moved FOCUS newsletter to City Manager
- Minor professional association membership increases

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
City Clerk’s Office

Melissa Thurman
City Clerk
## City Clerk Overview

<table>
<thead>
<tr>
<th>2.0 FTEs</th>
<th>Records the actions &amp; proceedings</th>
<th>Administers City’s Record Management Program</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maintain San Bruno Municipal Code</td>
<td>Official Elections Officer</td>
<td>Administrative Support to City Council</td>
</tr>
<tr>
<td>City’s Compliance filing officer</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Accomplishments

▪ Completed ordinance & resolution imaging
▪ Implemented software for CA Fair Political Practices Commission
▪ Hosted voting center for elections
▪ Completed recruitments for Commissions, Boards & Committees

Strategic Initiatives

▪ Implement public records request software with City Attorney
▪ Implement Agenda Management software
▪ Conduct local election in November 2019

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
City Clerk Budget

<table>
<thead>
<tr>
<th>Item</th>
<th>FY2018-19 Amended Budget</th>
<th>FY2019-20 Proposed Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Departmental Revenues / Recovery</td>
<td>$123,186</td>
<td>$140,687</td>
</tr>
<tr>
<td>Expenditures</td>
<td>$352,806</td>
<td>$623,338</td>
</tr>
<tr>
<td>General Fund Subsidy</td>
<td>$229,620</td>
<td>$482,651</td>
</tr>
</tbody>
</table>

Notable Budget Changes & Service Level Challenges

- $261K cost increase for November 2019 and March 2020 elections
- Minor costs for books for minutes & ordinances
- Training for conferences and workshops

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
City Manager Overview

4.00 FTEs

Supports City Council by guiding formulation of policies

Management and Oversight of Organization

City Council Policy Development & Strategic Planning

Community Relations & Outreach

Budget Development, Management & Implementation

External Organization Relations

Source: City of San Bruno, City Manager's Proposed Budget FY2019-20
Accomplishments

- Assisted City Council in hiring a new City Manager and vital positions throughout the City
- Conducted a review of Cable Enterprise
- Conducted ribbon cutting at Earl-Glenview Park
- Continued support of the Bayhill Specific Plan
- Initiated the Comprehensive Fiscal Sustainability Project
- Worked with Senior Leadership & City Council on developing strategic initiatives
- Essential of Emergency Management Training for Senior Team

Strategic Initiatives

- Develop annual program to support City Council Priority Focus Areas
- Pursue various parking strategies for downtown and residential neighborhoods
- Oversee planning for the new Recreation & Aquatic Center
- Close out the Crestmoor Neighborhood Rebuild Project

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
### City Manager Budget

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<th>Item</th>
<th>FY2018-19 Amended Budget</th>
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### Notable Budget Changes & Service Level Challenges

- Salary step, health & pension increases
- Moved FOCUS newsletter from City Council
- Minor increases from annual employee meeting

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
City Attorney Overview

2.00 FTEs

Legal Consultation & support

Identifies potential risks to the City

Respond to public records & subpoenas

Manage City related-litigations & claims

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
City Attorney
Accomplishments & Strategic Initiatives

**Accomplishments**

- Draft ordinances for inclusionary housing, cable rates, telecommunications, development impact fees and municipal code updates
- Support the City’s efforts with CPUC proceedings involving PG&E
- Complied with increasing number of Public Records Act (PRA) requests
- Legal review & development of documents for development proposals

**Strategic Initiatives**

- Municipal code revision
- Develop community benefit agreement for City projects

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
## Notable Budget Changes & Service Level Challenges

- Salary step, health & pension increases
- Additional legal expenses for cell sites and other litigation

### Departmental Revenues / Recovery

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<td>$253,691</td>
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Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
Human Resources Overview

- 2.50 FTEs
- Recruitment & Retention of Quality Employees
- Classification & Compensation
- Employee Training & Development
- Employee Appreciation
- Employee Labor Relations
- Benefits Administration
- Compliance with State & Federal Employment Law
- Risk Management, Return to Work & Workers’ Compensation

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
Human Resources

Accomplishments & Strategic Initiatives

Accomplishments

▪ Successfully conducted 30 recruitments and onboarded 35 new full-time employees
▪ Enhanced safety training program
▪ Expanded annual health fair
▪ Recommended 3 new job descriptions

Strategic Initiatives

▪ Negotiate 4 bargaining unit successor agreements
▪ Review coverage and cost of supplemental benefits
▪ Research workers’ compensation administrator options to enhance claims and cost management
▪ Continue to review current processes to improve and streamline for efficiency

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
## Human Resources Budget

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### Notable Budget Changes & Service Level Challenges

- Salary step, health & pension increases
- Additional consulting support for Union negotiations
- Increase to the pre-employment medical exam account

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
Finance Department

Keith DeMartini
Director
Finance Overview

10.00 FTEs
- Maximize revenue, reduce costs, support increased efficiencies
- Maintains fiscal integrity, internal controls & financial soundness

Financial Reporting & Accounting
- Operating & Capital Budget, Long Range Financial Planning
- Utility, Business License & Garbage Services & Rate Review

Purchasing, Accounts Payable & Receivable, Grant Management
- Payroll
- Banking & Investments

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
Accomplishments & Strategic Initiatives

**Accomplishments**

- New purchasing policy effective 5/1/19
- New Development Impact Fee program effective 5/1/19
- Issued CAFR with no material weaknesses or deficiencies
- Garbage rate review at reduced rate
- Property, sales, business license and transient occupancy tax audits underway
- Prepared the annual operating and CIP budget, including long-range financial forecasting

**Strategic Initiatives**

- Comprehensive Fiscal Sustainability - revenue enhancements
- Cost Allocation Plan (CAP) and User Fee (UF) Study
- Internal Control improvements (purchasing, cash, payroll, utility billing and business licenses)

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
Finance Budget

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**Notable Budget Changes & Service Level Challenges**

- Salary step, health & pension increases
- Removal of 1-time audit services in FY2018-19
- Minor increases for certifications, training and memberships
- Staffing to support on-going operations, special projects and process improvements
- System challenges and business processes and practices

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
Ed Barberini
Chief
Police Overview

69.00 FTEs

Preserves community peace

Build Trust & Mutual Respect

Patrol

Traffic & Parking

Investigations & Support Services

Administration

Records & Dispatch Services

Contract Services

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
Police Accomplishments

Accomplishments

- Fully implemented body-worn cameras, in-car video, and a digital evidence management solution
- Implemented paperless processes to submit cases and evidence to the District Attorney’s Office
- Continued to provide an entirely new community outreach program designed to deter underage drinking; U-Deter was an overwhelming success, and has become a test model for future programs via Mothers Against Drunk Driving (MADD) nationwide.

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
Police Accomplishments

Accomplishments

- Maintained regular drunk driving enforcement details to increase public awareness and participated in the Countywide Saturated Traffic Enforcement Program (STEP) to enhance traffic safety through enforcement and education
- Conducted massage establishment business compliance checks and several burglary suppression operations
- Expanded hours of parking enforcement
- Developed a Bayhill Business Park Stakeholders Group that meets regularly to discuss security related issues

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
Police Accomplishments

Accomplishments

- Completed a long-term training program that outlines mandated, essential and desirable training requirements for the department. These training requirements are constantly changing and our efforts will continue.

- Completed mindfulness and resiliency training to all staff and continued to provide Crisis Intervention (CIT) and de-escalation training. Several officers successfully utilized skills learned in these courses while handling calls for service involving people experiencing a mental health crisis.

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
Police Accomplishments

Accomplishments

- Trained additional officers to expand the bicycle patrol program for enforcement and outreach purposes at community events, the Downtown corridor, Tanforan Mall, etc. to enhance safety and connections with the community
- Issued all personnel safety tourniquets and NARCAN and provided the applicable training
- Completed the After Action Report for the YouTube Shooting Incident
- Conducted site assessments, training, and exercises at City Hall as well as Parkside and Capuchino Schools. Hosted and completed Rescue Task Force Training

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
Police Accomplishments

Accomplishments

- Facilitated numerous Community Oriented Policing events throughout the past year to include; Coffee with a Cop, “MADD Bay Area Walk Like MADD” Event Special Olympics Torch Run, Special Olympics Tip-A-Cop Fundraiser
- Participated in literacy programs with the San Bruno Park School District and San Bruno Library
- Continued the development of neighborhood watch groups

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
## Police Budget

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### Notable Budget Changes & Service Level Challenges

- Cost of Living, salary step, health & pension increases
- Removed 1-time training and vehicle items from FY2018-19
- Additional contribution to County Animal Care Shelter Facility and services
- Increased internal allocations and charges

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
Police Strategic Initiatives

Strategic Initiatives

- Enhance Traffic Safety and Prevent Impaired Driving
- Development of Internal Support Processes for Police Personnel
- Conduct Site Assessments and Response Plans for Critical Locations
- Replacement of the Police Department Public Safety Radio Infrastructure
- Expand Services to Homeless in an Effort to Secure Permanent Housing
- Development of a Public Safety Unmanned Aircraft System (UAS)
- Secure a Public Safety Incident Command Vehicle
- Promote the Registering of Personal Surveillance Cameras with the Police Department
- Expand the San Bruno Police Reserve Program
- Ensure Compliance of Specific Business Types Identified by Code
- Secure Employee Parking Lot at the Police Department

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
Fire Department

Dave Cresta
Chief
Fire Overview

36.00 FTEs

Station 51 – One Advanced Life Support Engine Company

Station 51 – One Advance Aerial Life Support Truck Company

Station 52 – 1 Advanced Life Support Engine Company

Protect health, life and property

Fire prevention, public education

Emergency medical services

Community preparedness

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
Fire Accomplishments

Accomplishments

- Completed succession planning training
- Implemented countywide exposure reduction policies
- Adopted local amendments to Fire Code
- Responded to out-of-county strike teams
- Completed 480 state-mandated inspections
- Evaluated records management system
- Conduct analysis of all apparatus, vehicles, equipment and facility replacement needs

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
Fire Strategic Initiatives

Strategic Initiatives

- Expand use of tracking software to streamline billing for fire prevention services
- Communications with community using website and social media
- Emergency Operations Center (EOC) Training
- Emergency Shelter Equipment
- Implement new records management system
- Wildland risk assessment
- Procedures to reduce firefighter exposure to carcinogens

Source: City of San Bruno, City Manager's Proposed Budget FY2019-20
Fire Budget

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Notable Budget Changes & Service Level Challenges

- Increased permit & plan check fees from development
- Cost of Living, salary step, health & pension increases
- Additional health screening & testing
- Increased internal allocations and charges

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
Public Works Administration & Engineering Overview

- **6.70 FTEs**
- **Maintenance & Capital Improvements to Infrastructure**
- **Professional Engineering Resource**
- **High Level Strategic Management**
- **Management & Coordination of Capital Improvement Program**
- **Technical & Administrative Support to Traffic, Safety & Parking Committee**
- **Respond to Urgent Community Needs**

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
Accomplishments

- Completed design/study for 20 projects, including sewer & water replacements, pump stations and meters
- Completed construction for 11 projects, including pressure regulators, downtown parking lot rehab and water & sewer replacements

Strategic Initiatives

- Rehabilitate or replace critical facilities and infrastructure

Source: City of San Bruno, City Manager's Proposed Budget FY2019-20
Public Works Admin & Engineering Budget

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Notable Budget Changes & Service Level Challenges

- Salary step, health & pension increases
- Additional commercial business inspection, surveys, geotechnical engineering & traffic studies
- Support of Sea Level Rise Agency

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
Jimmy Tan
Director
Streets Overview

- **5.70 FTEs**
- **Street & right-of-way maintenance services**
- **Customer Service Activities**
- **Respond to Urgent Community Needs**
- **Routine Repair & Maintenance**
- **Regulatory compliance**

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
Streets
Accomplishments & Strategic Initiatives

Accomplishments

- Traffic signal rehabilitation at 6 intersections
- Replaced 113 signs, straightened 26 bent poles, straightened 41 signs and replaced 73 damaged poles
- Repaired 58 streetlight outages

Strategic Initiatives

- Provide highest quality network of pavement possible at available funding level
- Maintain roadways to prevent surface damage
- Enhance aesthetic appeal of roadway

Source: City of San Bruno, City Manager's Proposed Budget FY2019-20
# Streets Budget

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## Notable Budget Changes & Service Level Challenges

- Salary step, health & pension increases
- Anticipated reduction to supplies and equipment

Source: City of San Bruno, City Manager's Proposed Budget FY2019-20
Darcy Smith
Director
Planning Overview

- **6.25 FTEs**
- **Bayhill Specific Plan**
- **Innovative Economic Development & Land Use**
- **Zoning Code Updates, Parking & Streetscape Plans**
- **Development Project Review**
- **Large projects, residential additions, accessory dwelling units (ADUs)**
- **Review building permits**

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
Planning
Accomplishments & Strategic Initiatives

Accomplishments

▪ Completed Downtown Parking Management Plan
▪ Progress completing Bayhill Specific Plan and YouTube Phase I Entitlement
▪ Progress completing Zoning Code update and small wireless facilities ordinance
▪ Initiated San Mateo Avenue Streetscape Plan
▪ Development project entitlements and building permit activity

Strategic Initiatives

▪ Downtown Parking Management Plan
▪ Downtown Streetscape Plan
▪ Zoning Code Update
▪ Bayhill Specific Plan and YouTube Phase 1 Entitlement
▪ Economic Development Program
▪ Small Wireless Facilities in Public Right-of-Way

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
## Planning Budget

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### Notable Budget Changes & Service Level Challenges

- Realign FY2019-20 revenues to expected activity
- Fee study – cost recovery for development activities
- Modification of current 1-time enhancements from FY2018-19 to address workload
- Business process improvements
- High profile and timely strategic initiatives

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
Building Overview

9.75 FTEs

Building permit processing – increased activity

Plan check review and inspections

Review planning application submittals for development projects

Code Enforcement

Respond to complaints, identify and resolve violations

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
Building
Accomplishments & Strategic Initiatives

Accomplishments

- Deployed digital handheld devices with upgraded software to Building Inspectors and Code Enforcement Officers to improve field operation efficiencies
- Deployed “soft launch” of online permit submittals for routine permit applications
- Adoption of floodplain hazard management ordinance
- Development impact fee implementation
- Added 1 Code Enforcement Officer
  - Opened 332 cases and closed 302 cases

Strategic Initiatives

- Floodplain Hazard Management Ordinance
- Implement Online Permitting through e-TRAKit

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
Building Budget

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Notable Budget Changes & Service Level Challenges

- Increased permit revenue for large development projections in the pipeline with multi-year activity
- Salary step, health & pension increases
- Increased plan check and inspection activity
- Modification of current 1-time enhancements to address workload and reduce costs

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
Joanne Magrini
Director
Recreation Overview

- **4.90 FTEs**
  - Community Engagement
  - New parks & Recreational Facilities
  - Youth programs

- **Programs, Services, Community events & activities**
  - Benefit health & well-being of the community
  - Enrichment Classes
  - Special Events

- **International Friendship Exchange Program**
  - Aquatic Activities

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
Accomplishments

- Expanded After School Adventures program
- Recreation & Aquatic Center (RAC) support through design phase
- Implemented new registration and reservation software system

Strategic Initiatives

- RAC construction drawings and secure temporary facilities
- Recreation registration software upgrade to include automated renewal payments for ASA programs
- Staff scheduling software implementation

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
# Recreation Budget

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### Notable Budget Changes & Service Level Challenges

- Increased after school program revenue but reduced aquatic, sports and other revenue assumptions
- Salary step, health & pension increases
- Minimum wage impact effective January 1st

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
Recreation & Aquatic Center

- PG&E pipeline explosion in 2010
- Restitution payment to rebuild the Crestmoor neighborhood
- San Bruno Community Foundation formed:
  - $50 Million allocated to a new Recreation & Aquatic Center
- Conceptual design complete, including an indoor pool, gymnasium, fitness & weights, classrooms and staff offices
- Schematic design is underway
- Construction is expected to begin in late 2020

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
Joanne Magrini
Director

Community Services Department
Parks Division
Parks Overview

- 15.55 FTEs
- Maintenance of City Parks, facilities and schools sites
- Care & Cultivation of Landscaping
- Trees Maintenance
- Supports Beautification Task Force

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
Parks

Accomplishments & Strategic Initiatives

Accomplishments

▪ Completed construction of Earl/Glenview Park
▪ Completed restoration of park pathways at Grundy & Commodore Park
▪ Collaborated with Public Works to complete final phase and installation of landscaping improvements in medians on San Bruno Ave

Strategic Initiatives

▪ Commodore Dog Park Master Plan and Revitalization
▪ Florida Ave Park
▪ West Coast Arborist Tree Planting Grant Project

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
Parks Budget

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**Notable Budget Changes & Service Level Challenges**

- 0.50 FTE Parks & Facilities Services Manager enhancement
- Attrition savings and salary step, health & pension increases
- Minor increases for parks and restrooms supplies

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
Senior Services Overview

- Promote Active, Healthy and engaged community seniors
- Special Events, activities & services
- Senior Nutrition services
- Senior transportation services
- Parks & Trees Maintenance

3.65 FTEs
Senior Center
Accomplishments & Strategic Initiatives

Accomplishments

▪ Lift, stage curtains and bench dedication installation
▪ Held memorial bocce tournament and offered new hula dancing class
▪ Offered additional performances, safety demonstrations and educational seminars during the lunch program

Strategic Initiatives

▪ ADA compliance year one implementation
▪ Introduce the charitable bequest program
▪ Increase the number of voluntary supporter memberships

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
Senior Center Budget

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Notable Budget Changes & Service Level Challenges

- Salary step, health & pension increases
- Minimum wage impact effective January 1st

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
Joanne Magrini
Director
Library Overview

- 7.85 FTEs
- Life-long learning & Literacy materials & resources
- Educational & Personal Enrichment services
- Special Programs & Events
- Online Services
- Support Culture & Arts Commission Events

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
Accomplishments

▪ Conducted weekly outreach visits to Senior Center to issue library cards and check out materials
▪ Introduced Winter Reading Program
▪ Launched automated renewals program

Strategic Initiatives

▪ Automated renewals program
▪ 3D Printing Program
▪ Food for Fines program
▪ Installation of equipment for electronic devices

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
Library Budget

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<tr>
<th>Item</th>
<th>FY2018-19 Amended Budget</th>
<th>FY2019-20 Proposed Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Departmental Revenues / Recovery</td>
<td>$73,000</td>
<td>$67,698</td>
</tr>
<tr>
<td>Expenditures</td>
<td>$2,385,328</td>
<td>$2,514,985</td>
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<tr>
<td>General Fund Subsidy</td>
<td>$2,312,328</td>
<td>$2,447,287</td>
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</tbody>
</table>

Notable Budget Changes & Service Level Challenges

- Overdue fines no longer assessed on hold materials
- Salary step, health & pension increases
- Minimum wage impact effective January 1st
- Increased selection of e-books due to popularity
- Additional Saturday programming

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
IV. Enterprise Funds - Financial & Operating Summaries
Public Works Department
Water Division

Jimmy Tan
Director
Water Overview

17.95 FTEs

Potable Water Production & Delivery

Water Conservation Programs

Respond to Urgent Community Needs

Routine & Preventative System Repair & Maintenance

Regulatory Compliance

Source: City of San Bruno, City Manager's Proposed Budget FY2019-20
Water Long Range Financial Plan

Long-Range Financial Forecast
Water Enterprise Fund

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
## Water Enterprise

<table>
<thead>
<tr>
<th></th>
<th>FY2018-19 Amended Budget</th>
<th>FY2018-19 Estimated Actual</th>
<th>FY2019-20 Proposed Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Beginning Fund Balance</strong></td>
<td>$18,861,279</td>
<td>$18,861,279</td>
<td>$26,882,473</td>
</tr>
<tr>
<td><strong>Total Operating Revenues</strong></td>
<td>15,742,594</td>
<td>15,914,914</td>
<td>16,583,260</td>
</tr>
<tr>
<td><strong>Total Operating Expenditures</strong></td>
<td>(9,485,874)</td>
<td>(8,268,194)</td>
<td>(10,027,198)</td>
</tr>
<tr>
<td><strong>Operating Surplus / (Deficit)</strong></td>
<td>6,256,720</td>
<td>7,646,720</td>
<td>6,556,062</td>
</tr>
<tr>
<td><strong>Total CIP, Debt Proceeds, &amp; Equipment</strong></td>
<td>(14,597,654)</td>
<td>374,474</td>
<td>(18,925,813)</td>
</tr>
<tr>
<td><strong>Ending Fund Balance</strong></td>
<td>$10,520,345</td>
<td>$26,882,473</td>
<td>$14,512,722</td>
</tr>
</tbody>
</table>

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
Water Accomplishments & Strategic Initiatives

**Accomplishments**

- Completed annual water report and water loss audit with state water board
- Completed San Bruno Consumer Confidence Report newsletter of water usage and conservation programs

**Strategic Initiatives**

- Update Water Master Plan
- Advanced Water Meter
- Arbor Court pressure regulating valve replacement
- Multiple Avenues Water Replacement
- Lake Drive, Princeton, Sneath and Whitman Pump Stations
- Cunningham Drive & Sweeney Ridge Tank Replacement Project
- Glenview, Piedmont, Rollingwood and Oakmont Drive Pressure Regulating Station Replacement

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
## Water Budget

<table>
<thead>
<tr>
<th>Item</th>
<th>FY2018-19 Amended Budget</th>
<th>FY2019-20 Proposed Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Departmental Revenues</td>
<td>$15,742,594</td>
<td>$16,583,260</td>
</tr>
<tr>
<td>Expenditures</td>
<td>$9,985,274</td>
<td>$10,458,368</td>
</tr>
<tr>
<td>Surplus / (Deficit)</td>
<td>$5,757,320</td>
<td>$6,124,892</td>
</tr>
</tbody>
</table>

### Notable Budget Changes & Service Level Challenges

- Additional revenues from 5% rate increase and higher returns on investments
- Attrition savings and salary step, health & pension increases
- Enhancements: water master plan, tank inspections, water emergency response plan and leak detection assessment

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
Wastewater Overview

16.80 FTEs

Sewer Collection System Maintenance & Operation

Maintenance of Wastewater Collection System

Response to Urgent Community Needs

Regulatory Compliance

Source: City of San Bruno, City Manager's Proposed Budget FY2019-20
Wastewater Long Range Financial Plan

Long-Range Financial Forecast
Wastewater Enterprise Fund

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
## Wastewater Enterprise

<table>
<thead>
<tr>
<th></th>
<th>FY2018-19 Amended Budget</th>
<th>FY2018-19 Estimated Actual</th>
<th>FY2019-20 Proposed Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Beginning Fund Balance</strong></td>
<td>$15,827,894</td>
<td>$15,827,894</td>
<td>$20,691,679</td>
</tr>
<tr>
<td><strong>Total Operating Revenues</strong></td>
<td>17,663,327</td>
<td>18,158,355</td>
<td>18,621,632</td>
</tr>
<tr>
<td><strong>Total Operating Expenditures</strong></td>
<td>(8,786,493)</td>
<td>(7,893,478)</td>
<td>(9,116,241)</td>
</tr>
<tr>
<td><strong>Operating Surplus / (Deficit)</strong></td>
<td>8,876,834</td>
<td>10,264,877</td>
<td>9,505,391</td>
</tr>
<tr>
<td><strong>Total CIP, Debt Proceeds, &amp; Equipment</strong></td>
<td>(4,506,511)</td>
<td>(5,401,092)</td>
<td>(14,798,366)</td>
</tr>
<tr>
<td><strong>Ending Fund Balance</strong></td>
<td>$20,198,216</td>
<td>$20,691,679</td>
<td>$15,398,704</td>
</tr>
</tbody>
</table>

Source: City of San Bruno, City Manager's Proposed Budget FY2019-20
Wastewater
Accomplishments & Strategic Initiatives

Accomplishments

▪ Fewer sewer overflows than maximum allowable by SF Baykeeper
▪ Completed 360 video inspections of sewer pipes and manholes
▪ Completed 212 sewer lateral inspections

Strategic Initiatives

▪ Multiple Avenue sewer replacement project
▪ Crystal Springs Road sewer replacement project

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
## Wastewater Budget

<table>
<thead>
<tr>
<th>Item</th>
<th>FY2018-19 Amended Budget</th>
<th>FY2019-20 Proposed Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Departmental Revenues</td>
<td>$17,663,327</td>
<td>$18,621,632</td>
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<tr>
<td>Expenditures</td>
<td>$10,211,959</td>
<td>$10,364,132</td>
</tr>
<tr>
<td>Surplus / (Deficit)</td>
<td>$7,451,368</td>
<td>$9,461,715</td>
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</table>

### Notable Budget Changes & Service Level Challenges

- Additional revenues from 5% rate increase and higher returns on investments
- Attrition savings and salary step, health & pension increases
- Increased SSF Plant operating and capital cost support

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
Jimmy Tan
Director
Stormwater Overview

6.05 FTEs

Street Sweeping & Stormwater Collection

Customer Service Activities

Routine Repair & Maintenance

Regulatory Compliance & Best Management Practices

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
Stormwater Long Range Financial Plan

Long-Range Financial Forecast

Stormwater Enterprise Fund

<table>
<thead>
<tr>
<th>Year</th>
<th>Estimated Actual</th>
<th>Budget</th>
<th>Forecast</th>
<th>Forecast</th>
<th>Forecast</th>
<th>Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2018-19</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY2019-20</td>
<td></td>
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<td>FY2020-21</td>
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<td>FY2021-22</td>
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<tr>
<td>FY2023-24</td>
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</tbody>
</table>

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
## Stormwater Enterprise

<table>
<thead>
<tr>
<th></th>
<th>FY2018-19 Amended Budget</th>
<th>FY2018-19 Estimated Actual</th>
<th>FY2019-20 Proposed Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Beginning Fund Balance</strong></td>
<td>$1,819,291</td>
<td>$1,819,291</td>
<td>$1,546,482</td>
</tr>
<tr>
<td><strong>Total Operating Revenues</strong></td>
<td>688,000</td>
<td>677,308</td>
<td>679,000</td>
</tr>
<tr>
<td><strong>Total Operating Expenditures</strong></td>
<td>(1,597,751)</td>
<td>(1,336,300)</td>
<td>(1,222,784)</td>
</tr>
<tr>
<td><strong>Operating Surplus / (Deficit)</strong></td>
<td>(909,751)</td>
<td>(658,992)</td>
<td>(543,784)</td>
</tr>
<tr>
<td><strong>Total CIP, Debt Proceeds, &amp; Equipment</strong></td>
<td>(406,936)</td>
<td>386,184</td>
<td>(799,446)</td>
</tr>
<tr>
<td><strong>Ending Fund Balance</strong></td>
<td>$502,603</td>
<td>$1,546,482</td>
<td>$203,252</td>
</tr>
</tbody>
</table>

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
Stormwater
Accomplishments & Strategic Initiatives

Accomplishments

▪ Awarded contract for 3 collection system locations
▪ Completed video inspection of more than 3,000 feet of storm pipeline and 8,300 feet of culverts
▪ Responded to and picked up trash at 1,650 locations
▪ Installed 188 trash capture devices

Strategic Initiatives

▪ Spyglass Drive Storm Drain Improvements
▪ Green Infrastructure Plan

Source: City of San Bruno, City Manager's Proposed Budget FY2019-20
### Stormwater Budget

<table>
<thead>
<tr>
<th>Item</th>
<th>FY2018-19 Amended Budget</th>
<th>FY2019-20 Proposed Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Departmental Revenues</td>
<td>$938,000</td>
<td>$679,000</td>
</tr>
<tr>
<td>Expenditures</td>
<td>$1,597,751</td>
<td>$1,222,784</td>
</tr>
<tr>
<td>Surplus / (Deficit)</td>
<td>($659,751)</td>
<td>($543,784)</td>
</tr>
</tbody>
</table>

### Notable Budget Changes & Service Level Challenges

- Salary step, health & pension increases
- Removed 1-time expense for CCTV assessment work
- Purchase sweeper using Streets equipment reserve
- Inadequate funding to support on-going operations

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
Cable Department

Sandeep Krishnamurthy
Director
# Cable Overview

<table>
<thead>
<tr>
<th>20.00 FTEs</th>
<th>Broadband Services</th>
<th>Customer Care &amp; Support</th>
</tr>
</thead>
<tbody>
<tr>
<td>Optimized Delivery System</td>
<td>High Speed Internet Service</td>
<td>Wi-Fi Internet Service</td>
</tr>
<tr>
<td>Voice Over Internet Protocol Phone Service (VoIP)</td>
<td>Commercial Voice &amp; Data Services</td>
<td>Local Origination Programming</td>
</tr>
</tbody>
</table>

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
Cable Long Range Financial Plan

Long-Range Financial Forecast
Cable Enterprise Fund

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>($18,000,000)</td>
<td>($16,000,000)</td>
<td>($14,000,000)</td>
<td>($12,000,000)</td>
<td>($10,000,000)</td>
<td>($8,000,000)</td>
</tr>
<tr>
<td>Expenditures</td>
<td>($2,000,000)</td>
<td>($4,000,000)</td>
<td>($6,000,000)</td>
<td>($8,000,000)</td>
<td>($10,000,000)</td>
<td>($12,000,000)</td>
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</tbody>
</table>

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
# Cable Enterprise

<table>
<thead>
<tr>
<th></th>
<th>FY2018-19 Amended Budget</th>
<th>FY2018-19 Estimated Actual</th>
<th>FY2019-20 Proposed Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning Fund Balance</td>
<td>($14,706,114)</td>
<td>($14,706,114)</td>
<td>($15,654,149)</td>
</tr>
<tr>
<td>Total Operating Revenues</td>
<td>10,926,411</td>
<td>9,845,415</td>
<td>9,907,120</td>
</tr>
<tr>
<td>Total Operating Expenditures</td>
<td>(11,048,417)</td>
<td>(10,248,505)</td>
<td>(9,437,608)</td>
</tr>
<tr>
<td>Operating Surplus / (Deficit)</td>
<td>(122,006)</td>
<td>(403,090)</td>
<td>469,512</td>
</tr>
<tr>
<td>Total CIP, Debt Proceeds, &amp; Equipment</td>
<td>(12,546,608)</td>
<td>(544,944)</td>
<td>(884,984)</td>
</tr>
<tr>
<td>Ending Fund Balance</td>
<td>($27,374,728)</td>
<td>($15,654,149)</td>
<td>($16,069,621)</td>
</tr>
</tbody>
</table>

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
Cable Accomplishments

**NEW MARKET LEADING PACKAGES LAUNCHED**
Internet plus local TV at low prices.

**NEW LOOK & FEEL**
Updated TV Guide on Set Top Boxes now available

**NEW LANGUAGES NOW AVAILABLE IN BASIC**
New Chinese, Filipino and Korean channels now included in Basic Programming. Spanish channels already available.

**LOW COST PHONE**
$7.50/month phone line now available!

**NEW RATE CARD**
Now available

**PERFORMANCE IMPROVEMENTS**
Increased internet capacity, speeds and reliability.

**NEW LOGO AND MARKETING**
Rebranding and Campaign Planning under implementation

**NEW COST CONTROLS**
Card Processor changed – 30% savings
Phone line costs lowered – 59% cheaper
Network monitoring costs lowered – 52% lower

**CHANNEL 1**
Upgrades under review.
Cable Strategic Initiatives

**Strategic Initiatives**

- Community Fiber Upgrade
- Repayment of Cable Loan from General Fund
- Channel 1 Updates

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
## Cable Budget

<table>
<thead>
<tr>
<th>Item</th>
<th>FY2018-19 Amended Budget</th>
<th>FY2019-20 Proposed Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Departmental Revenues</td>
<td>$10,926,411</td>
<td>$9,907,120</td>
</tr>
<tr>
<td>Expenditures</td>
<td>$11,052,355</td>
<td>$9,792,698</td>
</tr>
<tr>
<td>Surplus / (Deficit)</td>
<td>($125,944)</td>
<td>$114,422</td>
</tr>
</tbody>
</table>

### Notable Budget Changes & Service Level Challenges

- Revenue increases from new rate card and focus on Internet business, reductions in Cable, pay-per-view and digital services
- Salary step, health & pension increases
- Increased maintenance expenses
- Contract cost savings from recent renegotiations
- Removal of equity transfer to the General Fund
- First budgeted annual operating surplus in recent years
- Aging fleet of vehicles

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
Fiber-To-The-Home - MFDs

- Peninsula Place, Crystal Spring Terrance & Shelter Creek fibers projects have been completed.
- Installation cost - $2.2M
- Subscribers generate $2M annual revenue and 26% revenue growth to date.

<table>
<thead>
<tr>
<th>PROPERTY</th>
<th>UNITS</th>
<th>SUBSCRIBERS (% PENETRATION)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Peninsula Place</td>
<td>860</td>
<td>488 (57%)</td>
</tr>
<tr>
<td>Crystal Springs</td>
<td>437</td>
<td>367 (84%)</td>
</tr>
<tr>
<td>Shelter Creek</td>
<td>1,296</td>
<td>911 (70%)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>2,593</td>
<td>1,766 (68%)</td>
</tr>
</tbody>
</table>

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
IV. Department Operating Budgets
Internal Service Departments
## Internal Service Fund Reserves

<table>
<thead>
<tr>
<th>Reserve Type</th>
<th>Reserve Policy Target</th>
<th>FY2018-19 Ending Balance</th>
<th>FY2019-20 Policy Target</th>
<th>FY2019-20 Ending Balance</th>
<th>Budget Percent of Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central Garage</td>
<td>25% of annual, budget expenditures</td>
<td>$10,261</td>
<td>$199,598</td>
<td>$199,598</td>
<td>100%</td>
</tr>
<tr>
<td>Building &amp; Facilities</td>
<td>25% of annual, budget expenditures</td>
<td>$58,192</td>
<td>$380,067</td>
<td>$380,067</td>
<td>100%</td>
</tr>
<tr>
<td>Technology</td>
<td>25% of annual, budget expenditures</td>
<td>$213,285</td>
<td>$245,235</td>
<td>$245,235</td>
<td>100%</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>$281,738</td>
<td>$824,900</td>
<td>$824,900</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
Jimmy Tan
Director
Central Garage Overview

3.35 FTEs

Provide Employees with Operable, Well-Maintained Vehicles

Preventive Maintenance & Repair

Vehicle Acquisition & Disposal

Support Services

Source: City of San Bruno, City Manager's Proposed Budget FY2019-20
Central Garage
Accomplishments & Strategic Initiatives

Accomplishments

▪ Coordinate the purchase of 25 vehicles to maintain a reliable City fleet
▪ Completed a new vehicle replacement policy

Strategic Initiatives

▪ Continue to provide maintenance to City’s vehicles
▪ Reduce maintenance completion time

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
Central Garage Budget

<table>
<thead>
<tr>
<th>Item</th>
<th>FY2018-19 Amended Budget</th>
<th>FY2019-20 Proposed Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Departmental Revenues / Recovery</td>
<td>$587,000</td>
<td>$810,000</td>
</tr>
<tr>
<td>Expenditures</td>
<td>$655,253</td>
<td>$798,391</td>
</tr>
<tr>
<td>Central Garage Fund Support</td>
<td>$68,253</td>
<td>($11,609)</td>
</tr>
</tbody>
</table>

Notable Budget Changes & Service Level Challenges

- Cost increases for fuel, parts and supplies
- More expensive to repair large diesel trucks
- Additional Garage Mechanic Position

Source: City of San Bruno, City Manager's Proposed Budget FY2019-20
Joanne Magrini
Director

Community Services Department
Building & Facilities Division
Building & Facilities Overview

- **8.55 FTEs**
- **Maintenance & Management for 17 facilities**
- **Custodial, maintenance & repair**
- **Management & Supervision of Construction Projects**
- **Oversee Implementation of ADA Transition Plan**

Source: City of San Bruno, City Manager's Proposed Budget FY2019-20
Building & Facilities
Accomplishments & Strategic Initiatives

Accomplishments

▪ Collaborated with Public Works for the completion of the new deck at the Senior Center
▪ LED lightbulb upgrade at City facilities to reduce energy costs
▪ Managed roof replacement at Fire Station 52
▪ Library generator connection to City Hall back-up

Strategic Initiatives

▪ ADA Compliance at City buildings and facilities
▪ Conduct citywide facilities needs assessment
▪ Conduct roof and HVAC repairs at City facilities

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
# Building & Facilities Budget

<table>
<thead>
<tr>
<th>Item</th>
<th>FY2018-19 Amended Budget</th>
<th>FY2019-20 Proposed Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Departmental Revenues / Recovery</td>
<td>$1,300,271</td>
<td>$1,514,000</td>
</tr>
<tr>
<td>Expenditures</td>
<td>$1,259,321</td>
<td>$1,520,269</td>
</tr>
<tr>
<td>Building &amp; Facilities Fund Support</td>
<td>($40,950)</td>
<td>$6,269</td>
</tr>
</tbody>
</table>

## Notable Budget Changes & Service Level Challenges

- Increased costs for janitorial supplies, maintenance, uniforms and safety items
- Increased costs for HVAC maintenance and testing
- 0.50 FTE Parks & Facilities Services Manager enhancement

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
Information Technology Division

Tami Yuki
Assistant City Manager
Technology Overview

3.00 FTEs

- Manage & Maintain City's Core IT Infrastructure
- Network & Data Security
- Centralized Service Desk
- Business Applications & Management
- City Department Solutions Management
- Centralized Phone Management
- Website Development & Administration

Source: City of San Bruno, City Manager's Proposed Budget FY2019-20
Technology
Accomplishments & Strategic Initiatives

Accomplishments
- Replaced end-of-life network equipment
- Upgraded desktop malware protection software
- Implement on-line permit system
- Initiate scan and digitize engineering drawings project

Strategic Initiatives
- Conduct strategic software needs assessment
- Migration to “paperless” office plan
- Upgrade conference rooms & City Hall mobile computing infrastructure
- Implement network security monitoring & alert system

Source: City of San Bruno, City Manager's Proposed Budget FY2019-20
# Technology Budget

<table>
<thead>
<tr>
<th>Item</th>
<th>FY2018-19 Amended Budget</th>
<th>FY2019-20 Proposed Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Departmental Revenues / Recovery</td>
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<td>Expenditures</td>
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</tr>
<tr>
<td>Technology Fund Support</td>
<td>$102,118</td>
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</tbody>
</table>

## Notable Budget Changes & Service Level Challenges

- Salary step, health & pension increases
- Additional professional services for GIS project
- Additional equipment for PC replacement citywide
- Review Citrix system for replacement

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
Self Insurance Fund

Keith DeMartini
Director
Worker’s Compensation Claims

- Self-insurance covers medical, disability, salary continuation and legal costs
- General & Enterprise Fund contributions

General Liability

- Joint Power Authority member, public liability & physical damage
- General & Enterprise Fund contributions

Unemployment Insurance

- Employee obligations mandated by the State
- General & Enterprise Fund contributions

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
Self Insurance
Accomplishments & Strategic Initiatives

Accomplishments

▪ Provides insurance protection for workers’ compensation, public liability & physical damage claims
▪ Provides employer obligations for State unemployment insurance
▪ Only 24 claims received in FY2018-19 – lower than the prior 2 fiscal years

Strategic Initiatives

▪ Maintain adequate coverage at competitive cost

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
Self Insurance Budget

<table>
<thead>
<tr>
<th>Item</th>
<th>FY2018-19 Amended Budget</th>
<th>FY2019-20 Proposed Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Departmental Revenues / Recovery</td>
<td>$2,078,568</td>
<td>$2,246,554</td>
</tr>
<tr>
<td>Expenditures</td>
<td>$2,246,554</td>
<td>$2,444,844</td>
</tr>
<tr>
<td>Self Insurance Fund Support</td>
<td>$167,986</td>
<td>$198,290</td>
</tr>
</tbody>
</table>

Notable Budget Changes & Service Level Challenges

- Increased workers’ compensation by $70K
- Increased General Liability premiums by $118K
- Reduced unemployment claims by $10K

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
V. Capital Improvement Program (CIP)
<table>
<thead>
<tr>
<th>Fund</th>
<th>Carryover Appropriations</th>
<th>FY2019-20 Funding Request</th>
<th>FY2019-20 Project Funding</th>
<th>Total 5-Year Program</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water</td>
<td>$26,076,937</td>
<td>$1,862,706</td>
<td>$27,939,643</td>
<td>$55,349,643</td>
</tr>
<tr>
<td>Wastewater</td>
<td>27,218,557</td>
<td>7,565,543</td>
<td>34,784,100</td>
<td>77,164,100</td>
</tr>
<tr>
<td>Stormwater</td>
<td>799,446</td>
<td>500,000</td>
<td>1,299,446</td>
<td>5,249,446</td>
</tr>
<tr>
<td>Cable</td>
<td>10,413,020</td>
<td>(10,003,126)</td>
<td>409,894</td>
<td>1,209,894</td>
</tr>
<tr>
<td>Parks &amp; Facilities</td>
<td>17,172,591</td>
<td>3,072,927</td>
<td>20,245,518</td>
<td>67,050,518</td>
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<tr>
<td>Police Department</td>
<td>133,310</td>
<td>390,000</td>
<td>523,310</td>
<td>523,310</td>
</tr>
<tr>
<td>Streets</td>
<td>3,412,191</td>
<td>3,329,193</td>
<td>6,741,384</td>
<td>11,023,384</td>
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<tr>
<td>Technology</td>
<td>36,697</td>
<td>105,000</td>
<td>141,697</td>
<td>3,341,697</td>
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<tr>
<td>Total</td>
<td>$85,262,749</td>
<td>$6,822,243</td>
<td>$92,084,992</td>
<td>$220,911,992</td>
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</tbody>
</table>

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
## Recently Completed Projects

<table>
<thead>
<tr>
<th>Fund</th>
<th>Project</th>
<th>Defunded Amount</th>
<th>Defunded Back To</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water</td>
<td>San Mateo Avenue</td>
<td>$137,294</td>
<td>Water</td>
</tr>
<tr>
<td>Wastewater</td>
<td>Spyglass Pump Station</td>
<td>84,457</td>
<td>Wastewater</td>
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<tr>
<td>Cable</td>
<td>Fiber to the Home for Multiple Dwelling</td>
<td>312,126</td>
<td></td>
</tr>
<tr>
<td>Parks &amp; Facilities</td>
<td>Civic Center Improvements</td>
<td>8,822</td>
<td>General Fund</td>
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<tr>
<td>Parks &amp; Facilities</td>
<td>Wood Carving Restoration</td>
<td>95,385</td>
<td>Capital Reserve</td>
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<tr>
<td>Streets</td>
<td>Caltrain – Grade Separation</td>
<td>674,007</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>$1,312,091</strong></td>
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</tr>
</tbody>
</table>

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
Earl/Glenview Park
## Additional Funding to Existing Projects

<table>
<thead>
<tr>
<th>Fund</th>
<th>Project</th>
<th>FY2019-20 New Request</th>
</tr>
</thead>
<tbody>
<tr>
<td>Streets</td>
<td>Pavement Management – 2019 Street Rehabilitation</td>
<td>$750,000</td>
</tr>
<tr>
<td>Streets</td>
<td>Pavement Management – 2019 Slurry Seal</td>
<td>500,000</td>
</tr>
<tr>
<td>Streets</td>
<td>FY2019-20 Sidewalk Repair</td>
<td>200,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>$1,450,000</strong></td>
</tr>
</tbody>
</table>

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
## New Projects

<table>
<thead>
<tr>
<th>Fund</th>
<th>Project</th>
<th>FY2019-20 New Request</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stormwater</td>
<td>Crestmoor Canyon Slope Stability Project</td>
<td>$300,000</td>
</tr>
<tr>
<td>Stormwater</td>
<td>Regional Stormwater Capture Project</td>
<td>200,000</td>
</tr>
<tr>
<td>Parks &amp; Facilities</td>
<td>City Facilities Door Access &amp; Management System</td>
<td>0</td>
</tr>
<tr>
<td>Police</td>
<td>Dispatch &amp; Records Ergonomic Updates</td>
<td>150,000</td>
</tr>
<tr>
<td>Technology</td>
<td>Strategic Software Needs Assessment &amp; Upgrade</td>
<td>50,000</td>
</tr>
<tr>
<td>Technology</td>
<td>Data Security Business Continuity, Disaster</td>
<td>50,000</td>
</tr>
<tr>
<td></td>
<td>Recovery Improvement</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>$750,000</strong></td>
</tr>
</tbody>
</table>

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
## Defunded Projects

<table>
<thead>
<tr>
<th>Fund</th>
<th>Project</th>
<th>Defunded Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cable</td>
<td>Fiber to the Home - Citywide</td>
<td>$10,000,000</td>
</tr>
<tr>
<td>Parks &amp; Facilities</td>
<td>City Hall Landscaping</td>
<td>30,000</td>
</tr>
<tr>
<td>Parks &amp; Facilities</td>
<td>City Tree Management</td>
<td>121,678</td>
</tr>
<tr>
<td>Parks &amp; Facilities</td>
<td>Fireman’s Hall Roof Replacement</td>
<td>30,000</td>
</tr>
<tr>
<td>Parks &amp; Facilities</td>
<td>Library Generator</td>
<td>50,000</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td></td>
<td><strong>$10,231,678</strong></td>
</tr>
</tbody>
</table>

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
## CIP Summary – 5 Year Plan

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Water</td>
<td>$27,939,643</td>
<td>$16,150,000</td>
<td>$6,600,000</td>
<td>$4,460,000</td>
<td>$200,000</td>
<td>$55,349,643</td>
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<tr>
<td>Wastewater</td>
<td>34,784,100</td>
<td>21,860,000</td>
<td>7,210,000</td>
<td>9,810,000</td>
<td>3,500,000</td>
<td>77,164,100</td>
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<tr>
<td>Stormwater</td>
<td>1,299,446</td>
<td>2,450,000</td>
<td>1,500,000</td>
<td></td>
<td></td>
<td>5,249,446</td>
</tr>
<tr>
<td>Cable</td>
<td>409,894</td>
<td>200,000</td>
<td>200,000</td>
<td>200,000</td>
<td>200,000</td>
<td>1,209,894</td>
</tr>
<tr>
<td>Parks &amp; Fac</td>
<td>20,245,518</td>
<td>30,305,000</td>
<td>16,500,000</td>
<td></td>
<td></td>
<td>67,050,518</td>
</tr>
<tr>
<td>Police</td>
<td>523,310</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>523,310</td>
</tr>
<tr>
<td>Streets</td>
<td>6,741,384</td>
<td>2,282,000</td>
<td>1,000,000</td>
<td>500,000</td>
<td>500,000</td>
<td>11,023,384</td>
</tr>
<tr>
<td>Technology</td>
<td>141,697</td>
<td>1,100,000</td>
<td>1,100,000</td>
<td>1,000,000</td>
<td></td>
<td>3,341,697</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$92,084,992</strong></td>
<td><strong>$74,347,000</strong></td>
<td><strong>$34,110,000</strong></td>
<td><strong>$15,970,000</strong></td>
<td><strong>$4,400,000</strong></td>
<td><strong>$220,911,992</strong></td>
</tr>
</tbody>
</table>

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
CIP Summary – 5 Year Plan

Water Mains

Water Pump Stations

Sewer Mains

Water Tanks

Water Well Rehab

Storm Trash Capture

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
## FY21-24 - Underfunded Projects

<table>
<thead>
<tr>
<th>Fund</th>
<th>Project</th>
<th>FY2020-21 CIP Plan</th>
<th>FY2021-22 CIP Plan</th>
<th>FY2022-23 CIP Plan</th>
<th>FY2023-24 CIP Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stormwater</td>
<td>Spyglass Drive Storm Drain</td>
<td>$1,500,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stormwater</td>
<td>Trash Capture Device</td>
<td>200,000</td>
<td>1,500,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Park &amp; Fac</td>
<td>City Facilities – Main Counter Security</td>
<td>40,000</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Park &amp; Fac</td>
<td>City Facilities – Door Access &amp; Management</td>
<td>100,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Park &amp; Fac</td>
<td>Commodore Dog Park</td>
<td>40,000</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Park &amp; Fac</td>
<td>Fire Station 52 Replacement</td>
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<td>8,000,000</td>
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<td></td>
</tr>
<tr>
<td>Park &amp; Fac</td>
<td>Park Pathways</td>
<td>125,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Streets</td>
<td>Accessible Pedestrian Ramps</td>
<td>100,000</td>
<td>100,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Streets</td>
<td>Bicycle &amp; Pedestrian Improve</td>
<td>1,002,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Streets</td>
<td>Pedestrian Safety &amp; Traffic-Calming</td>
<td>100,000</td>
<td>100,000</td>
<td>100,000</td>
<td>100,000</td>
</tr>
</tbody>
</table>

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
# FY21-24 - Underfunded Projects (cont.)

<table>
<thead>
<tr>
<th>Fund</th>
<th>Project</th>
<th>FY2020-21 CIP Plan</th>
<th>FY2021-22 CIP Plan</th>
<th>FY2022-23 CIP Plan</th>
<th>FY2023-24 CIP Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Streets</td>
<td>Sidewalk Repair Program</td>
<td>400,000</td>
<td>400,000</td>
<td>400,000</td>
<td>400,000</td>
</tr>
<tr>
<td>Streets</td>
<td>Streetlight Pole Replacement</td>
<td>400,000</td>
<td>400,000</td>
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<td></td>
</tr>
<tr>
<td>Streets</td>
<td>Traffic Signal Rehab</td>
<td>280,000</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Technology</td>
<td>Strategic Software Needs Assessment &amp; Upgrade</td>
<td>1,000,000</td>
<td>1,000,000</td>
<td>1,000,000</td>
<td></td>
</tr>
<tr>
<td>Technology</td>
<td>Data Security, Business Continuity, Disaster Recovery</td>
<td>100,000</td>
<td>100,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>$5,387,000</strong></td>
<td><strong>$11,600,000</strong></td>
<td><strong>$1,500,000</strong></td>
<td><strong>$500,000</strong></td>
</tr>
</tbody>
</table>

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
FY21-24 - Underfunded Projects (cont.)

Fire Station 52

Bike & Pedestrian Improvements

Software Upgrades

Park Pathways

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
FY24-25 & Beyond - Unfunded Projects

Capital projects with no dedicated funding source

- ADA Transition Plan projects
- City-Wide Paving
- Crestmoor Canyon Fire Safety Improvements & Trails
- Pedestrian Bridge
- San Mateo Avenue Streetscape Plan
- Street Light Replacement – RO Streetlight System

Source: City of San Bruno, City Manager's Proposed Budget FY2019-20
FY24-25 & Beyond - Unfunded Projects

Major City facility and capital projects

- City Hall Civic Center
- Fireman’s Hall Roof Replacement
- Fire Station No. 51
- Library
- Parks Maintenance Yard
- Police Plaza
- Public Works Corporation Yard
- Stormwater Collection System projects
- Cable Fiber to the Home (FTTH)
- Downtown Parking Garage
- Regional Stormwater Capture Project at I-280 and I-380
- Scott Street Grade Separation

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
VI. Equipment & Vehicles
Equipment Reserve

- **Equipment Reserve Fund**
  - For General Fund departments only
  - Used to fund heavy equipment, furniture, fixtures and vehicles
  - $340,600 annual allocation into the fund from departments
  - $4.2M estimated ending balance at end of FY2018-19

- **FY2019-20 Funding Status**
  - Current balance represents **64%** of the target.
  - Current annual allocation represents **38%** of the target.

- **Next Steps**
  - Separate funds for equipment, furniture and vehicles
  - Create similar “fund” for enterprise and other departments
  - Develop complete inventory & consider additional funding

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
# Equipment & Vehicle Requests

<table>
<thead>
<tr>
<th>Fund</th>
<th>Equipment</th>
<th>Vehicles</th>
<th>FY2019-20 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cable Fund</td>
<td></td>
<td>$120,000</td>
<td>$120,000</td>
</tr>
<tr>
<td>General Fund Equipment Reserve</td>
<td>6,700</td>
<td>440,000</td>
<td>446,700</td>
</tr>
<tr>
<td>Water &amp; Wastewater Funds</td>
<td></td>
<td>100,000</td>
<td>100,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$6,700</strong></td>
<td><strong>$660,000</strong></td>
<td><strong>$666,700</strong></td>
</tr>
</tbody>
</table>

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
VII.  Debt Service
Debt Summary

- Debt Management policy adopted October 2017
  - Issue debt when it’s economically efficient
  - Integration with Capital Improvement Plan
  - Consider refinancing with debt service savings greater than 3.0% of refunded principal

- Recent Debt Transactions
  - 2017 Water & Wastewater Bonds
  - 2018 Loan to Cable for Routers
  - 2019 COP Refinancing of Police Facility

- AAA Credit Rating for the City

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
## 2019 Lease Revenue Bond – Police Facility

- **S&P Credit Rating:** AA+
- “Very High Grade Credit” rating
- Very strong economy
- Strong management
- Good financial policies and practices
- Strong budgetary performance with operating surpluses
- Strong budget flexibility and liquidity

### Credit Rating Scale

<table>
<thead>
<tr>
<th>Credit Grade</th>
<th>Moody's</th>
<th>Fitch</th>
<th>S&amp;P</th>
</tr>
</thead>
<tbody>
<tr>
<td>Highest grade credit</td>
<td>Aaa</td>
<td>AAA</td>
<td>AAA</td>
</tr>
<tr>
<td>Very high grade credit</td>
<td>Aa1, Aa2, Aa3</td>
<td>AA+, AA, AA-</td>
<td>AA+, AA, AA-</td>
</tr>
<tr>
<td>High grade credit</td>
<td>A1, A2, A3</td>
<td>A+, A, A-</td>
<td>A+, A, A-</td>
</tr>
<tr>
<td>Good credit grade</td>
<td>Baa1, Baa2, Baa3, Baa4</td>
<td>BBB+, BBB, BBB-</td>
<td>BBB+, BBB, BBB-</td>
</tr>
<tr>
<td>Speculative grade credit</td>
<td>Ba1, Ba2, Ba3</td>
<td>BB+, BB, BB-</td>
<td>BB+, BB, BB-</td>
</tr>
<tr>
<td>Very speculative credit</td>
<td>B1, B2, B3</td>
<td>B+, B, B-</td>
<td>B+, B, B-</td>
</tr>
<tr>
<td>Substantial risks - In default</td>
<td>Caa1, Caa2, Caa3, Ca</td>
<td>CCC, CC, C, RD, D</td>
<td>CCC+, CCC, CCC-, CC, C, D</td>
</tr>
</tbody>
</table>

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
# Debt Metrics

- Low debt burden with additional debt capacity
- All metrics are favorable compared to targets

<table>
<thead>
<tr>
<th>Metric</th>
<th>Target</th>
<th>Fund</th>
<th>FY2019-20 Proposed Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debt Level</td>
<td>&lt;$2,000 per capita and &lt;3% debt to market value assessed properties</td>
<td>General Fund</td>
<td>$346.95</td>
</tr>
<tr>
<td>Debt Service Burden</td>
<td>&lt;8% of Total General Fund expenditures</td>
<td></td>
<td>0.19%</td>
</tr>
<tr>
<td>Rapid debt amortization</td>
<td>&gt;65% within 10 years</td>
<td></td>
<td>4.7%</td>
</tr>
<tr>
<td>Debt Service Coverage</td>
<td>1.25 annual net revenue over debt service</td>
<td>Water Enterprise</td>
<td>94%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Wastewater Enterprise</td>
<td>10.77</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>4.87</td>
</tr>
</tbody>
</table>

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
# Debt Portfolio

<table>
<thead>
<tr>
<th>Debt</th>
<th>Year of Issuance</th>
<th>Year of Maturity</th>
<th>Original Amount</th>
<th>Outstanding Principal*</th>
<th>Interest Rate</th>
<th>Annual Debt Service FY2018-19 Total</th>
<th>Annual Debt Service FY2019-20 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Revolving Fund with City of South San Francisco</td>
<td>2003</td>
<td>2023</td>
<td>$9,104,859</td>
<td>$2,212,543</td>
<td>Varies</td>
<td>$589,551</td>
<td>$589,551</td>
</tr>
<tr>
<td>State Revolving Fund with City of South San Francisco</td>
<td>2007</td>
<td>2026</td>
<td>$7,147,177</td>
<td>$2,911,011</td>
<td>Varies</td>
<td>$458,471</td>
<td>$458,471</td>
</tr>
<tr>
<td>Pension Obligation Bonds (POBs)</td>
<td>2013</td>
<td>2027</td>
<td>$13,175,000</td>
<td>$7,965,000</td>
<td>4.05%</td>
<td>$1,179,931</td>
<td>$1,180,350</td>
</tr>
<tr>
<td>Wastewater Revenue Refunding Bonds</td>
<td>2013</td>
<td>2033</td>
<td>$6,955,000</td>
<td>$5,575,000</td>
<td>3% - 4.25%</td>
<td>$538,275</td>
<td>$530,775</td>
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<tr>
<td>Cable Fiber to the Home Loan for Multi-Dwelling Units</td>
<td>2016</td>
<td>2023</td>
<td>$1,170,000</td>
<td>$659,936</td>
<td>0.525%</td>
<td>$170,269</td>
<td>$170,270</td>
</tr>
<tr>
<td>Fire Apparatus Lease Purchase Financing</td>
<td>2017</td>
<td>2022</td>
<td>$1,873,846</td>
<td>$444,214</td>
<td>1.89%</td>
<td>$182,754</td>
<td>$182,754</td>
</tr>
<tr>
<td>Wastewater Revenue Bonds</td>
<td>2017</td>
<td>2047</td>
<td>$24,470,000</td>
<td>$24,225,000</td>
<td>3% to 5%</td>
<td>$1,244,700</td>
<td>$1,426,500</td>
</tr>
<tr>
<td>Water Revenue Bonds</td>
<td>2017</td>
<td>2047</td>
<td>$11,615,000</td>
<td>$11,495,000</td>
<td>3% to 5%</td>
<td>$594,400</td>
<td>$678,100</td>
</tr>
<tr>
<td>Cisco Router Lease Purchase</td>
<td>2018</td>
<td>2022</td>
<td>$1,630,339</td>
<td>$1,283,408</td>
<td>3.75%</td>
<td>$352,027</td>
<td>$352,026</td>
</tr>
<tr>
<td>Lease Revenue Bond (Police)</td>
<td>2019</td>
<td>2031</td>
<td>$4,670,000</td>
<td>$4,670,000</td>
<td>2.39%</td>
<td>$0</td>
<td>$508,056</td>
</tr>
</tbody>
</table>

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
VIII.  Next Steps
# Next Steps

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>Date</th>
<th>Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>I.</td>
<td>City Council Budget Retreat</td>
<td>May 29</td>
<td>10:00am – 5:00pm</td>
</tr>
<tr>
<td>II.</td>
<td>City Council Study Session</td>
<td>June 11</td>
<td>5:30pm – 7:00pm</td>
</tr>
<tr>
<td>III.</td>
<td>City Council Adoption</td>
<td>June 25</td>
<td>7:00pm</td>
</tr>
</tbody>
</table>

Source: City of San Bruno, City Manager’s Proposed Budget FY2019-20
THE END