BUDGET DEVELOPMENT

The Fiscal Year 2021-22 Budget development was guided by the City Council’s top priorities, which are aimed at increasing environmental sustainability in City operations and the community at large, improving transportation and roadway safety, addressing housing affordability with a focus on socioeconomic diversity, and improving the City’s infrastructure. Due to COVID, the City of Burlingame suffered significant revenue loss. While the City is committed to its long-term priorities, the focus for fiscal year 2021-22 is to continue to provide high-quality municipal services to the community and to prepare for the City’s eventual fiscal recovery.

CITYWIDE BUDGET

In June 2021, the City Council adopted the budget for fiscal year 2021-22 (July 1, 2021 through June 30, 2022) in the amount of $117.7 million, which includes ongoing funding for the City’s public safety, library, parks and recreation, utility, general administration, and internal services support functions, as well as improvements to our roads, facilities, and utility infrastructure.

As depicted in the pie chart, the majority of the City’s expenditures ($63.8 million, or 54%) is attributable to the General Fund, which funds police, fire, library, parks and recreation, engineering, streets and storm drainage maintenance, planning activities, and internal general administration functions. The second largest expenditure of $26.7 million (23%) is to fund the City’s water and sanitary sewer utilities. Throughout the year the utility customers pay for these services. The majority of these revenues is used to purchase water from the San Francisco Public Utilities Commission (SFPUC), collect and treat wastewater, maintain the capital infrastructure, and administer the utilities. In Fiscal Year 2021-22, the City is expected to fund approximately $15.4 million (13%) in capital improvements to rehabilitate our roads and sidewalks, and rehabilitate and replace aging utility infrastructure. Other funds include special revenue funds, debt service fund, internal services funds, and other enterprise funds such as the Parking Fund, Building Fund, and Solid Waste Fund.

CITY COUNCIL

Mayor Ann O’Brien Keighran
Vice Mayor Ricardo Ortiz
Council Member Michael Brownrigg
Council Member Donna Colson
Council Member Emily Beach

ABOUT THE CITY OF BURLINGAME

Year of incorporation 1908
Total Population 29,746 *
Area of City 6.1 square miles
Persons per Household 2.47
Street Miles 84 centerline miles
Sidewalk Miles 116 miles
Streetlights 1800
Street Trees 17140
Park Trees 4640
Species of Trees 300
Parks and Open Spaces 18 (about 115 acres)
Libraries 2
Library Circulation 653,000

*California Department of Finance (2021)
General Fund Revenues

Although fiscal recovery remains uneven and fairly unpredictable, the outlook for the City’s fiscal year 2021-22 budget is more stable than could be foreseen a year ago. Property tax, sales and use tax, and transient occupancy tax (TOT) are the top three revenues for the General Fund. Revenues from property tax are anticipated to remain strong, with a projected $25 million for FY 2021-22. Sales and use tax revenues are expected to stabilize and rebound somewhat. With the roll-out of vaccinations and an easing of public health protocols, further recovery in sales tax receipts across most major industry groups is anticipated.

TOT is dependent on both the occupancy levels and room rates of the City’s hotel stock. TOT revenue is very sensitive to economic trends. In good times both occupancy rates and room rates increase, but during recessionary periods, both go down, which can result in a significant reduction in TOT revenue. Burlingame hotels primarily serve business travelers. Recovery in this sector of the hotel industry is expected to be slower than in other parts of the economy. A full recovery in TOT is not anticipated until fiscal year 2025-26. TOT revenues are projected to be $13.5 million for FY 2021-22, a significant drop from $29.4 million for FY 2018-19 (pre-COVID), but a much better outlook as compared to the estimated $7.5 million TOT for FY 2020-21.