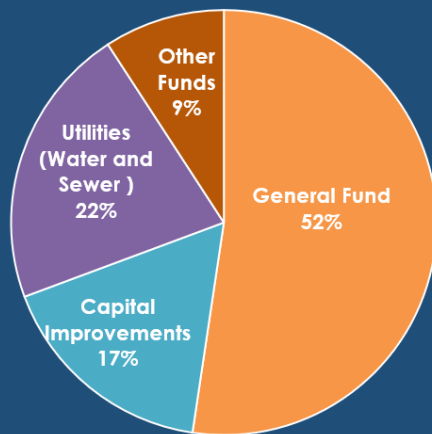


BUDGET DEVELOPMENT

The Fiscal Year 2022-23 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 2022-23 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 2022, the City Council adopted the budget for fiscal year 2022-23 (July 1, 2022 through June 30, 2023) in the amount of \$129.1 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 (\$67.6 million, or 52%) 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 \$27.8 million (22%) 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 2022-23, the City is expected to fund approximately \$21.9 million (17%) 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.

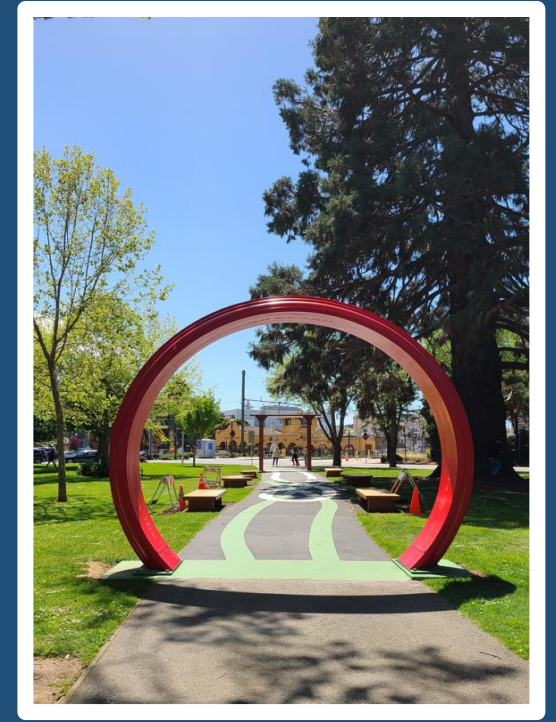
CITY COUNCIL

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

ABOUT THE CITY OF BURLINGAME

Year of incorporation	1908
Total Population	30,283 *
Area of City	6.1 square miles
Persons per Household	2.46
Street Miles	84 centerline miles
Sidewalk Miles	116 miles
Streetlights	1,800
Street Trees	14,473
Park Trees	1,607
Species of Trees	309
Parks and Open Spaces	23
Libraries	2
Library Circulation	550,000

*California Department of Finance (2022)



City of Burlingame

BUDGET IN BRIEF FY 2022-23



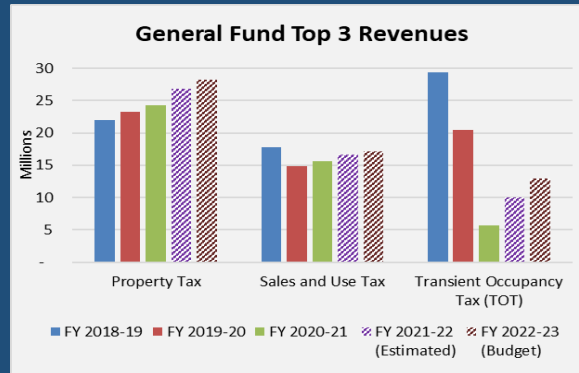
GENERAL FUND BUDGET

	FY 2022-23
General Fund Revenues	\$ 70.6 million
General Fund Expenditures	(67.6 million)
Transfers:	
Support Capital Improvements	(5.2 million)
Pension Trust Fund	(1.3 million)
Other Transfers	(1.8 million)
Net (Deficit)	(\$ 5.2 million)

General Fund revenues are projected to be \$70.6 million for FY 2022-23, a \$3.5 million increase from last year, but still a \$14.0 million decrease as compared to FY 2018-19 (pre-COVID). On the expenditure level, current staffing levels and employee benefits have been maintained. Departmental budgets include anticipated operating cost increases, although travel and meeting budgets remain at lower levels. Support for capital improvements is limited to \$5.2 million to ease the burden on the General Fund. Overall, due to significant revenue loss from the pandemic-induced recession, funding needs will exceed funding resources in FY 2022-23, resulting in a budget deficit of \$5.2 million. The most recent five-year forecast indicates that the General Fund will continue to draw down reserves for the next few years until projected surpluses are achieved in FY 2026-27.

General Fund Revenues

Although fiscal recovery remains uneven and fairly unpredictable, the outlook for the City's fiscal year 2022-23 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 \$28.3 million for FY 2022-23. 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 nearly \$13.0 million for FY 2022-23, a significant drop from \$29.4 million for FY 2018-19 (pre-COVID), but a better outlook as compared to the estimated \$10.0 million TOT for FY 2021-22.

	FY 2022-23
Property Tax	\$ 28,298,000
Sales and Use Tax	17,116,000
Transient Occupancy Tax	12,975,000
Other Taxes	
Franchise Tax	1,590,000
Business Tax	800,000
Real Property Transfer Tax	800,000
State HOPTR	62,000
Licenses & Permits	86,000
Fines, Forfeitures and Penalties	653,000
Use of Money & Property	200,000
Charges for Services	6,356,225
Other Revenue	32,000
State Subventions	165,000
Interest Income	1,500,000
Total General Fund Revenues	\$ 70,633,225

General Fund Expenditures

	FY 2022-23
General Administration	\$ 7,555,604
Public Safety	
Fire + Disaster Preparedness	14,072,647
Police & Dispatch	17,902,932
Parking Enforcement	708,248
Public Works	7,791,188
Community Development	2,238,960
Leisure and Culture	
Aquatics Center	474,000
Library	5,870,691
Parks and Tree Maintenance	6,288,120
Recreation	4,700,850
Total Expenditures	\$ 67,603,240
Transfer to:	
Support Capital Improvements	5,185,000
Pension Trust Fund	1,250,600
Other Transfers	1,746,524
Total Transfers	\$ 8,182,124

General Fund FY 2022-23 Operating Expenditures

