

# NEWS

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For Immediate Release

## Two-Year Spending Plan Prioritizes Homelessness, Emergency Preparation, Equity

*Recommended Budget proposes spending \$7.7 billion over two years*

**Redwood City** – The County of San Mateo’s \$7.7 billion [recommended budget](#) for the next two fiscal years seeks to strengthen the social safety net as the County prepares for an uncertain economic outlook.

Today, County Executive Mike Callagy unveiled the spending plan that will be the subject of three days of public hearings before the Board of Supervisors, [June 26-28, 2023](#).

“While we continue to focus attention on our communities still recovering from COVID-19 as well as fires, floods and other challenges,” Callagy said, “we are also looking ahead to an approach that emphasizes long-term financial stability coupled with investments that build our resilience to whatever emergencies come our way.”

Guided by priorities set by the Board of Supervisors, the blueprint emphasizes investments in sustaining initiatives, not launching new programs. These include:

- Ending homelessness through investments not only in shelters and affordable housing but counseling services, job training and rental assistance.
- Supporting children and families by addressing housing needs for vulnerable families and renewed investments in childhood literacy and foster youth.
- Updating emergency response protocols and protecting communities by targeting investments in preparation and planning for wildfires, flooding, earthquakes and other disasters.

- Ensuring staff are trained to design and deliver services that advance equity – to work intentionally to include communities that have historically been underserved.

This budget comes as residents are experiencing inflation while the business environment is mixed with rising layoffs in key sectors of the local economy and growing commercial real estate vacancies. At the same time, concerns are mounting about state and federal revenues due to a projected budget deficit out of Sacramento and talk of debt default in Washington, D.C.

Callagy said revisions to the budget would come in September, when the financial picture should become clearer.

“This cautious approach allows us to prioritize the most pressing needs of our communities while maintaining the flexibility to adapt to changing circumstances,” Callagy said. “We remain dedicated to serving our residents and will continue to assess the situation as it evolves, making informed decisions that prioritize our Board’s goals which take into account the well-being and continued prosperity of our county.”

### **Highlights**

The total Recommended Budgets (All Funds) are \$4.1 billion for FY 2023-24 and \$3.6 billion for FY 2024-25. The Recommended Budgets for the General Fund are \$2.8 billion in FY 2023-24 and \$2.6 billion in FY 2024-25.

The recommended budget would add 120 new positions – primarily in health services -- for a total of 5,768 positions for all County funds in Fiscal Year 2023-24. Two positions are added in FY 2024-25, and approximately 40 percent of all new positions would be the result of converting extra help and limited term (essentially short-term contracted) positions to permanent positions.

The budget maintains General Fund Reserves and Contingencies above 10 percent, as required by Board policy. Combined General Fund Reserves (including Departmental and Non-Departmental Reserves) are at 15.5 percent for FY 2023-24 and 16.4 percent for FY 2024-25.

The 2023-25 Recommended Budget, along with past budgets, can be found on the website of the [Office of Budget and Performance](#).

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