

NEWS

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For Immediate Release

Board of Supervisors Approve \$6.3 Billion Two-Year Spending Plan *COVID-19 recovery efforts and equity shape 2021-23 Recommended Budget*

Redwood City — The San Mateo County Board of Supervisors today approved a \$6.3 billion two-year budget shaped by the COVID-19 pandemic, the structural inequities it brought to the forefront and the innovations developed to continue providing critical services.

The spending plan for Fiscal Years 2021-22 and 2022-23 prioritizes an accelerated effort to end homelessness, improve childhood literacy, upgrade infrastructure to better serve the community, improve the quality of life through major upgrades to County parks and hiring a new chief equity officer to coordinate countywide social equity efforts.

“To me, this budget is a moral document. How we spend this \$6.3 billion should reflect this Board’s values. And I know this Board values equity,” said Board President David J. Canepa.

The two-year spending plan adds a net total of 26 positions in FY 2021-22 and no additional positions in FY 2022-23, bringing total County employment to 5,642 positions. A hiring freeze implemented in the beginning of the pandemic that allowed the County to avoid layoffs due to COVID-19 will end July 1, 2021.

The approved general fund budget is \$2.2 billion in FY 2021-22, a decrease of approximately \$210 million over the previous year primarily due to the end of one-time funding sources related to the pandemic such as the Coronavirus Aid, Relief and Economic Security (CARES) Act funding. The general fund budget is \$2 billion in FY 2022-23. Reserves are above 10 percent in each year.

County Health is in a much stronger financial position, showing a structural deficit reduced to \$23 million for FY 2022-23 thanks to \$7 million in one time solutions. Additional measures will be proposed to address the remaining gap next year.

The Board approved the spending plan after three days of presentations by departments. The hearings provided the opportunity to not only to lay out their fiscal needs but also highlight success stories and creativity borne out of necessity due to COVID-19 and a desire to implement an equity lens.

The Planning and Building Department, for example, launched video inspections and made changes to its procurement process to increase access for minority-owned businesses and those in disadvantaged communities. Taking a cue from the Great Plates Delivered meal delivery program launched during the COVID-19 pandemic, the Human Services Agency is implementing a program that allows some CalFresh recipients to purchase prepared meals from restaurants.

“We need to continue to evolve in this county,” said County Manager Mike Callagy. “The pandemic has moved us light years ahead ... and it’s amazing how creative these departments have become to think about equity and look at the way they do business through a new lens.”

Callagy said the County will emerge stronger than before from the pandemic because of our diversity and strong housing market but urged the Board to use caution because of lingering uncertainty over how the economy ultimately recovers. He also thanked the Board for its ongoing compassion during the COVID crisis, illustrated by emergency funds allocated to help residents survive and a desire to confront the disparities in the communities the County serves.

“We are a different organization than we were two years ago on many fronts,” Callagy said.

Priorities Approved in Recommended Budget Include:

- Reach a “Functional Zero” level of homelessness by funding the operations of three hotels purchased during the pandemic to provide intense services for persons experiencing homelessness and vulnerable seniors. Funds were also approved to build a navigation center.
- Improve early childhood literacy and school attendance by committing \$16.2 million in Measure K funds over two years to The Big Lift, a partnership with schools, libraries, and community partners.
- Replace the aging Cordilleras mental health facility with a modern campus to provide care for adults with severe mental illness
- Enhance the quality of life for all with major upgrades to Coyote Point, Memorial and Flood parks and continue to convert the 56-acre Tunitas Creek beach property into the newest County Park.

The Board will adopt the final budget in September 2021 after considering any proposed revisions. The complete recommended budget is available [here](#). Video footage of each budget hearing will be posted [here](#).

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