

# County Manager Releases Recommended Budget

**REDWOOD CITY, Calif.** – San Mateo County Manager David S. Boesch has released a balanced \$1.69 billion Recommended Budget for Fiscal Year 2011-12.

The Recommended Budget reduces spending by \$129 million from the current year and eliminates 208 positions. Although painful, the reductions are necessary due to declining revenues from local taxes, the State and other sources.

“This budget strives to balance the needs of the community with the reality that sacrifices must be made to align our spending with our resources,” Boesch said. “What is significant is that we have asked our employees to work with us to achieve our goal and they have done so.”

The Recommended Budget would authorize 5,271 positions, down 9.8 percent or 573 from the 2008-09 fiscal year. Approximately 65 of the 208 positions recommended for elimination are filled. To minimize layoffs, the County is using early retirement and voluntary separation incentives to reduce staff and is working to move employees into vacant positions.

To balance the budget, Boesch recommends reducing programs and services by \$29 million and using \$47.5 million in General Fund reserves and \$5.5 million in Proposition 172 (public safety sales tax) funds.

The Recommended Budget is the fourth installment in the five-year plan designed to restore a structural balance by FY 2012-13. That means the County will then spend within its means without drawing down reserves. Boesch cautioned that if the County does not stay on track to reduce spending, the County would continue to use reserves and virtually run out of all reserves in 2015.

The Board of Supervisors will begin four days of public hearings on the Recommended Budget starting Monday, June 20. The new fiscal year begins July 1.

To help close the gap between expenditures and revenues, the County has over the past year made significant progress. The County has:

- In partnership with labor organizations reduced labor costs by \$13 million annually by freezing salaries, instituting new retirement tiers and increasing the amount of contributions to benefits, among other steps.
- Developed new service models that have consolidated departments, as in Public Works absorbing Parks, and partnered with cities to share public safety and other services to operate more efficiently.
- Eliminated vacant positions to minimize layoffs and reduce the budget by millions.

- Instituted numerous cost-savings programs to reduce operating expenses while protecting services, improved management of facilities and fleet vehicles and cut down on energy and paper.

The Recommended Budget can be found online at <http://www.co.sanmateo.ca.us/budget>

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