Fiscal Year 2025-27 September Revisions

County of San Mateo | September 23, 2025

“The gratification of wealth is not found in mere possession or in lavish expenditure, but in its wise application.” -Miguel de Cervantes

Budget Landscape

- Strategic Financial Framework
- Federal and State Development
- Contingency Plans

FY 2025-26
September Revisions Summary

FY 2025-26 Summary of Budget and Position Changes All Funds

FY 2025-26	May Recommended	September Revision Adjustments	Adopted Budget	Authorized Positions
All Funds Total	$4.91B	$610M	$5.52B	5,889
Total GF	$3.48B	$527M	$4.01B	4,725
Total NGF	$1.43B	$83M	$1.51B	1,164

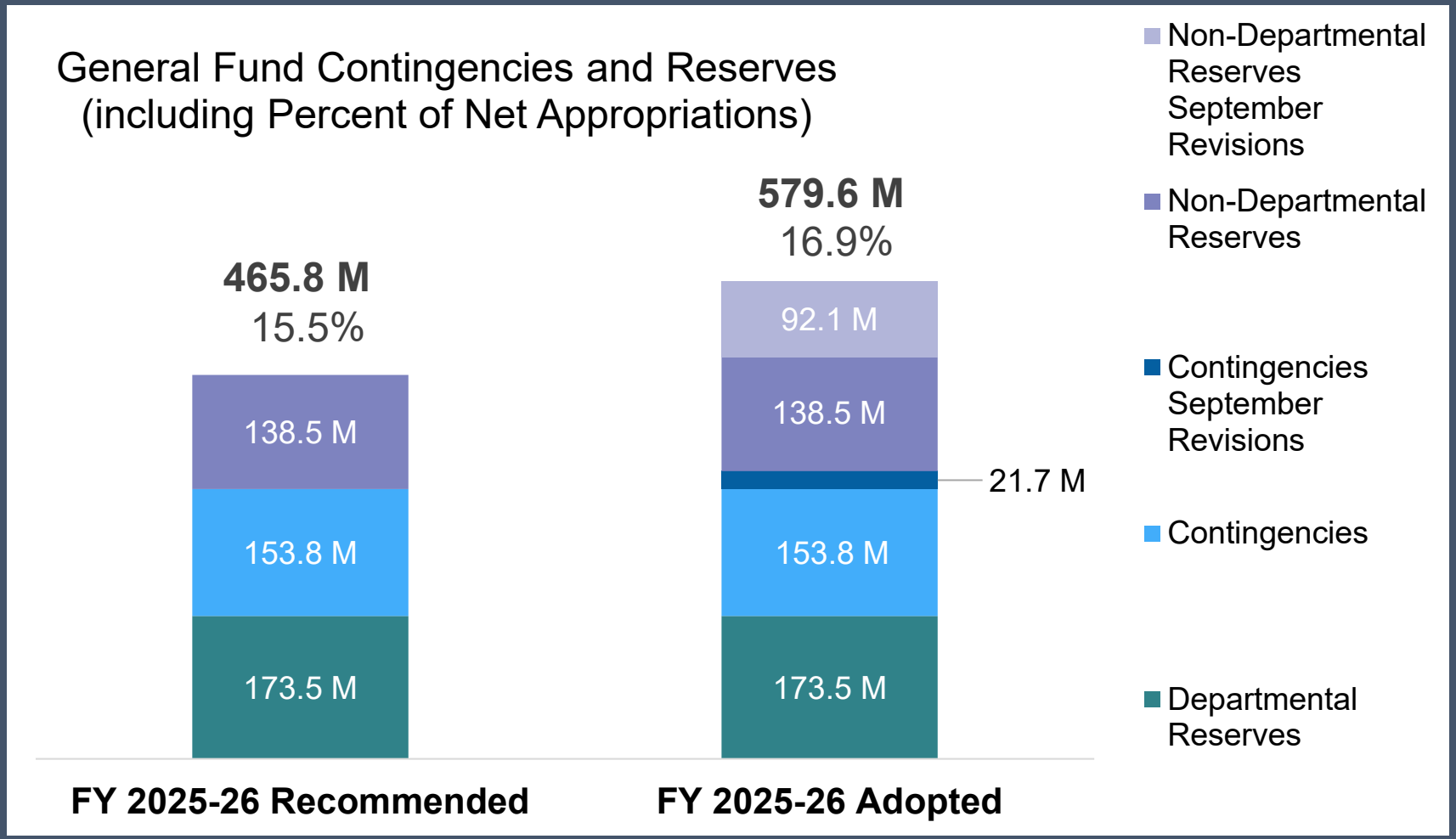
Staffing Adjustments

Department	Changes
District Attorney's Office	6
Sheriff's Office	1
County Health	8
Agriculture/Weights & Measures	6
Department of Public Works	4
Information Services Department	1
Controller's Office & County Health	-2

Key Adjustments

- $307.8M final Fund Balance adjustments
- $91.1M Measure K rollover
- Up to $75M prefunding Other Post Employment Benefits (OPEB)
- $66.8M capital project rollover
- $11.6M new capital projects
- $6.7M increase in health benefit costs
- $3.5M Skyway Building Project

Reserves


General Fund Contingencies and Reserves
(including Percent of Net Appropriations)
465.8 M
15.5%
138.5 M
153.8 M
173.5 M
579.6 M
16.9%
92.1 M
138.5 M
21.7 M
153.8 M
173.5 M
FY 2025-26 Recommended
FY 2025-26 Adopted
Non-Departmental Reserves September Revisions
Non-Departmental Reserves
Contingencies September Revisions
Contingencies
Departmental Reserves

Capital Projects

$83.3M or 17.6% increase from the FY 2025-26 Recommended Budget

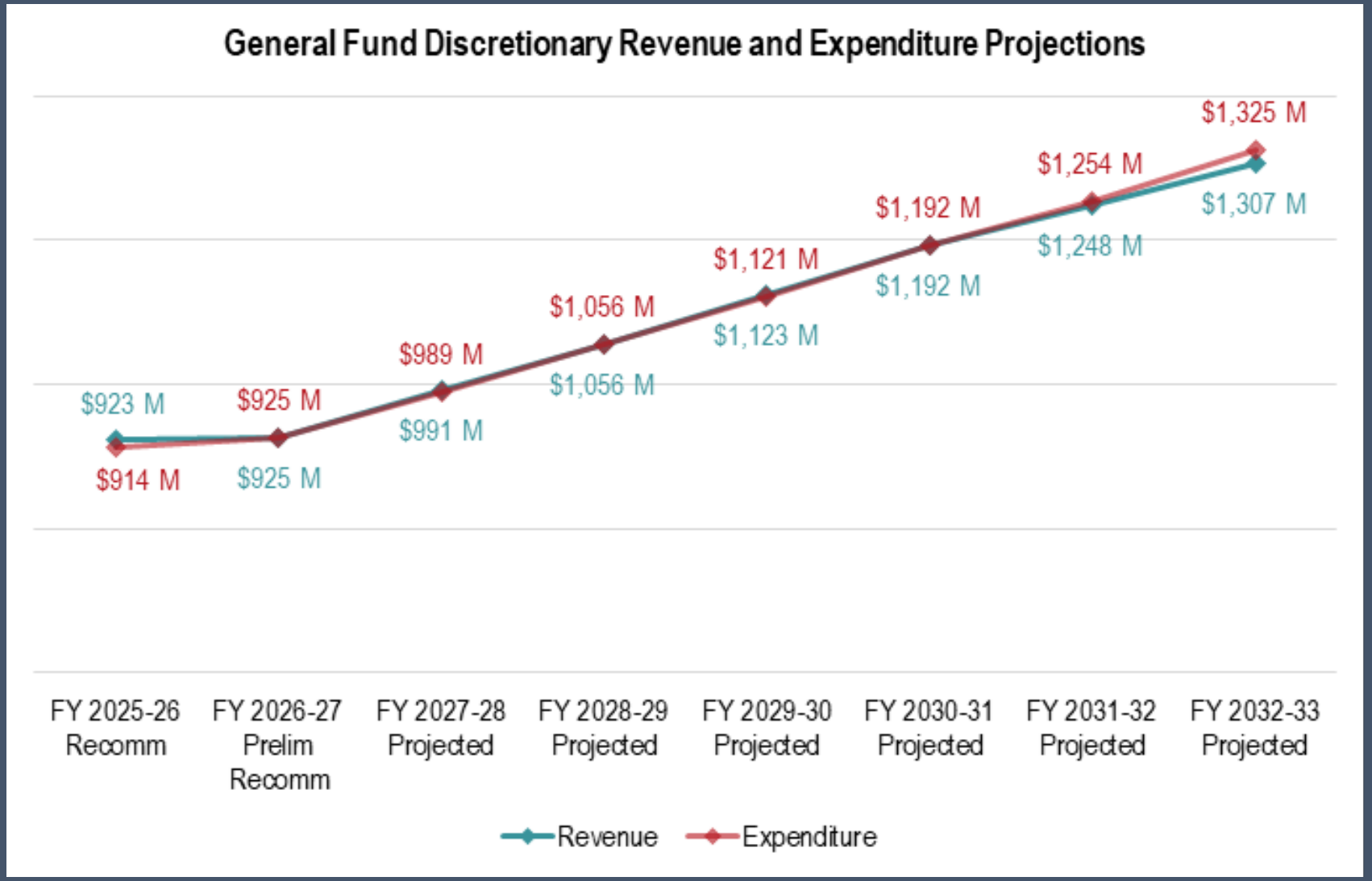
Prefunding Other Post Employment Benefits (OPEB)

- Benefits:
  - Long-term cost savings
  - Investment return growth
  - Improved credit rating
  - Budget stability and predictability

Federal Impacts & VLF

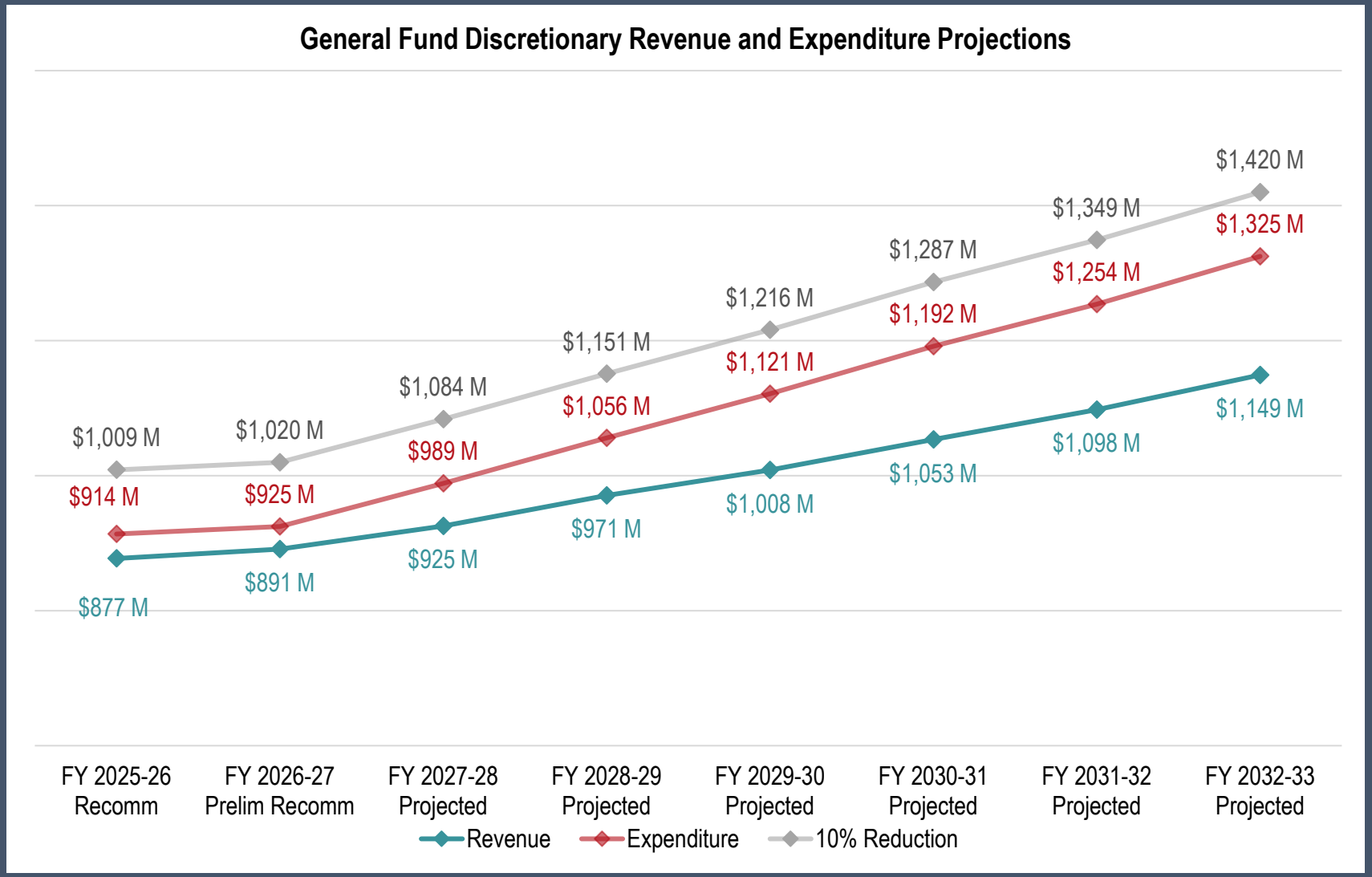
- OBBA federal funding changes
- Potential State cost shifts to County services
- $70.8M projected VLF shortfall for FY 2024-25
- County pursuing reimbursement and litigation

Eight Year Projections (Full VLF)



Eight Year Projections (Reduced VLF)

10% State and Federal Reductions



Key Takeaways

Thank You!

Recommendation

Approve a resolution adopting the final budget revisions for the Fiscal Year 2025-26 Approved Recommended Budget:

A) Adopt a resolution adopting the revised budget of the County of San Mateo as to expenditures for Fiscal Year 2025-26 and making appropriations therefore; and

B) Adopt a resolution adopting the revised budget of the County of San Mateo as to the means of financing for Fiscal Year 2025-26; and

C) Adopt a resolution establishing the appropriation limit for the County of San Mateo for Fiscal Year 2025-26; and

D) Adopt a resolution authorizing an amendment to Master Salary Resolution No. 081316 as per Fiscal Year 2025-26 Adopted budget.