

City of San Leandro

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City Budget Hits Key Financial Milestones Despite COVID-19 Pandemic

City financial statements reported a remarkable budget year for the City— overcoming severe shocks from COVID-19 upon the City organization and the community. The San Leandro City Council recently examined the completed audit of the 2020-21 City of San Leandro Financial Statements. This independent audit by an outside firm evaluated the financial statements as fairly portraying the City’s financial position for the fiscal year ending June 30, 2021. While regular budget and financial updates are reviewed by the City Council Finance Committee and City Council, the City Council received confirmation in the 206-page audit report that 2020-21 was a fiscally significant year. The City made wise financial choices on decisions within its control. Below are some key financial highlights.

- The City continued recording a positively balanced budget again in 2020-21, despite an unprecedented jolt from COVID-19.
- San Leandro’s economy outperformed other nearby locales.
- The 2020-21 General Fund budget stabilized a revenue/expenditure balance.
- The City Council-backed and voter-approved measures helped boost sales tax and property transfer tax revenues restored anticipated revenues depleted by COVID-19 impacts.
- The City Council seized the opportunity to establish the Pension Trust Fund intended to buy down the unfunded portion of employee pension liabilities, reducing City expenditures over the long run. The City’s employee retiree healthcare plan achieved a healthy funding ratio because of a proactive funding strategy.
- Final revenues, exceeding expenditures in 2020-21, allow the City to focus on needed one-time investments such as significant long-term capital project spending and reductions in outstanding municipal debt.

“It is a comfortable feeling knowing our staff and City Council focused on the immediate financial issues and priority community services,” stated Mayor Pauline Cutter. “Less than ten years ago, the effects of the Great Recession were just starting to wane.” Cutter added, “Now moving to the next crisis, the COVID-19 pandemic, required focus, compassion, and hard work. City administration and City Council have met this ongoing challenge. Working together as a team generated these key accomplishments.”

The City’s current year budget provides resources to fund a variety of services, including the use of American Rescue Plan Act stimulus funds for the following: emergency preparedness and response, food insecurity support, public facility upgrade, fair housing support, at-risk youth

programs, digital literacy training for individuals and households, homelessness services, street cleanliness programs, economic development, and business assistance, and investments in broadband infrastructure. Resource allocation reflects City Council and community priority and strategies to help residents and businesses to recover from the combined health, social, and economic impact of the pandemic.

Although the financial outlook is positive, uncertainty is brewing, as the war in Ukraine potentially has negative economic impacts on the City and other municipalities across the country. Higher interest rates, inflationary pressures, and other economic concerns have City officials closely monitoring the potential financial ramifications.

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The City of San Leandro is one of the most diverse cities in the nation located at the center of the dynamic San Francisco Bay Area. With a vibrant community of more than 89,000 residents, San Leandro is proud of its well-maintained neighborhoods, excellent public libraries, twenty-one public parks, quality local schools, and a wide range of shopping, dining, and entertainment options. The City also encompasses a large industrial area that is home to a thriving advanced manufacturing industry. Visit sanleandro.org to learn more. To receive City press releases, meeting agendas or other notifications by email, sign up at www.sanleandro.org/portal.