



# Financial Highlights

*County of San Mateo, Fiscal Year Ended June 30, 2004*

## Table of Contents

|   |            |
|---|------------|
| Who We Are                                      | 2          |
| Controller's Forecast                           | 3          |
| Property & Taxes                                | 4          |
| Key Indicators of the Local Economy             | 5          |
| Financial Condition and Activity                | 6          |
| Revenues  | 8          |
| Expenses  | 9          |
| Service Efforts &<br>Accomplishments Highlights | 10         |
| About the Popular Annual<br>Financial Report    | Back cover |

## Board of Supervisors

Mark Church, President, First District  
Jerry Hill, Second District  
Richard S. Gordon, Third District  
Rose Jacobs Gibson, Fourth District  
Michael D. Nevin, Fifth District

## County Manager

John L. Maltbie

## County Controller

Tom Huening,  
Certified Public Accountant (CPA),  
Certified Public Finance Officer (CPFO)

Visit the County's website at  
[www.co.sanmateo.ca.us](http://www.co.sanmateo.ca.us)

View "Financial Highlights" online at  
[www.co.sanmateo.ca.us/controller/pafr](http://www.co.sanmateo.ca.us/controller/pafr)

E-mail us your comments at  
[thuening@co.sanmateo.ca.us](mailto:thuening@co.sanmateo.ca.us)

The information in this report is derived from the County's *Comprehensive Annual Financial Report* (CAFR). The CAFR is available at all public libraries in the County and Controller's website:  
[www.co.sanmateo.ca.us/controller/cafr](http://www.co.sanmateo.ca.us/controller/cafr).

## The Year in Review

This report highlights the significant financial and economic activities of San Mateo County, California, for the fiscal year (FY) ended June 30, 2004.

## Economic Indicators

Signs of economic recovery appeared in FY 2003-04 as the unemployment rate dropped, tourism began rebounding and commercial vacancy rates declined. Sales tax revenue decreased slightly compared to FY 2002-03 indicating that retail sales remained flat.

## Financial Indicators

Despite signs of economic recovery, the County still faces financial challenges. The County will lose \$6.7 million to the State for each of the next two years due to the swap of property tax revenue and vehicle license fees. Continuing subsidies to the San Mateo Medical Center (SMMC), which provides medical care for the indigent, also negatively impact the County finances. The subsidies for FY 2003-04 were \$62.3 million.

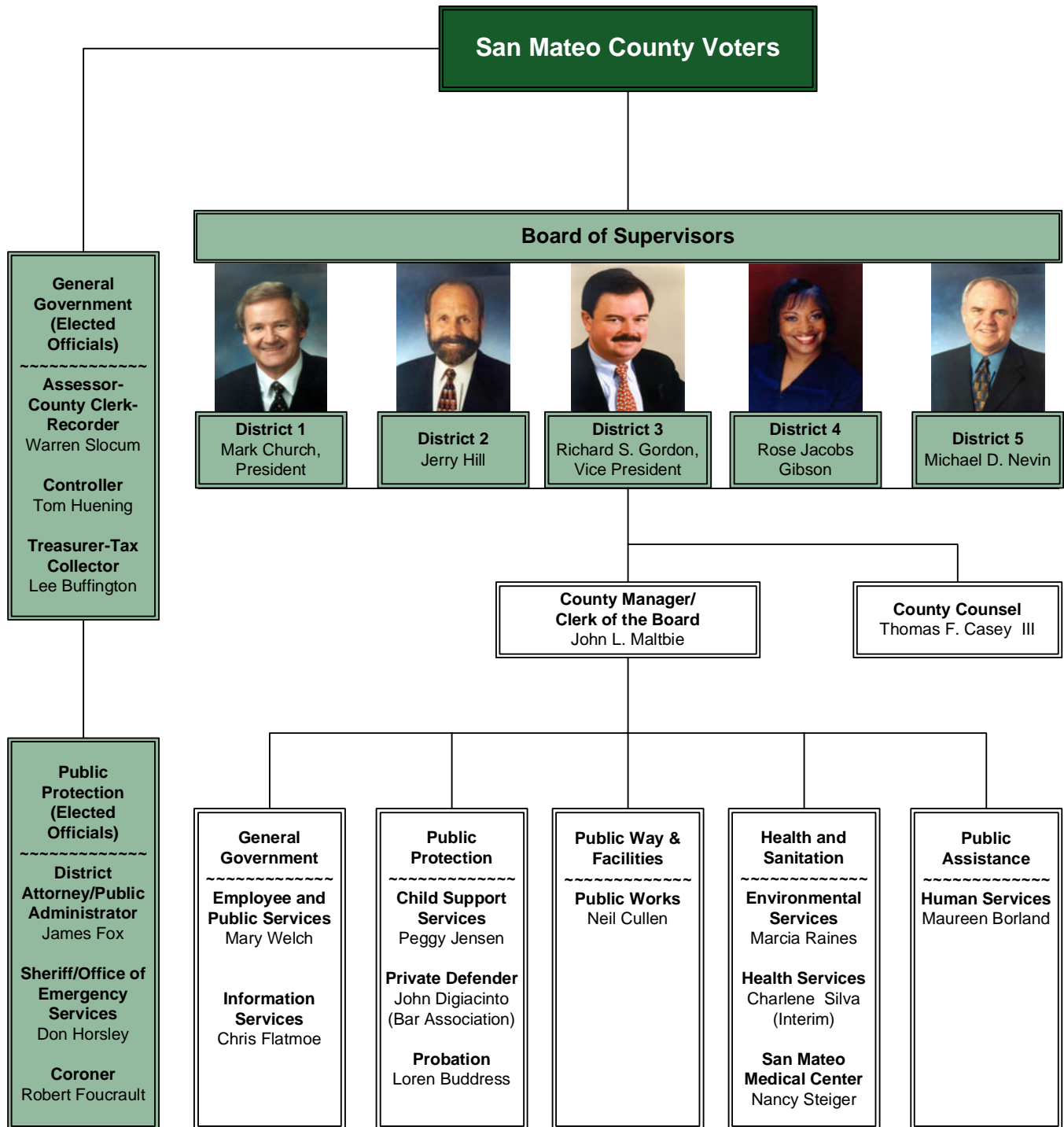


San Mateo Baylands

*Published December 1, 2004*

*by Controller Tom Huening, CPA, CPFO (650) 363-4777*

# Who We Are



San Mateo County is governed by an elected Board of Supervisors, which sets policy and administers County government by ordinances and regulations. In addition to the five Board seats, the County has six elected officials: the Assessor-County Clerk-Recorder, Controller, Treasurer-Tax Collector, District Attorney/Public Administrator, Sheriff and Coroner. All other department heads are appointed. The above organization chart is arranged according to the County's various functional units.

# Controller's Forecast

## Economic Indicators Brighten

San Mateo County's economic performance for FY 2003-04 showed slow but steady improvements. The County was pleased to see signs of an improving business climate.

Tourism, a key industry in the local economy, was on the upswing. Hotel occupancy rates increased from 55% to 62%, a 7% improvement. Total passenger volume at San Francisco International Airport was 31.6 million, a 6.4% increase over the prior year and the first increase since FY 1999-00.

The unemployment rate dropped to 4.5% from the prior year's 5.16%, marking the first decrease since FY 2000-01. Commercial vacancy rates improved to 21.6% from 24.8% in the prior year.

The residential real estate market continued to sizzle. The number of single-family homes on the market increased by 9% over the prior year. The median price for a single-family home in San Mateo County rose to \$746,500 in the first half of 2004. However, the hot real estate market is a double-edged sword for the County. While an active market and soaring home prices resulted in increased property tax and property transfer tax revenues for local governments, the present housing costs have pushed homeownership out of reach for many working families.

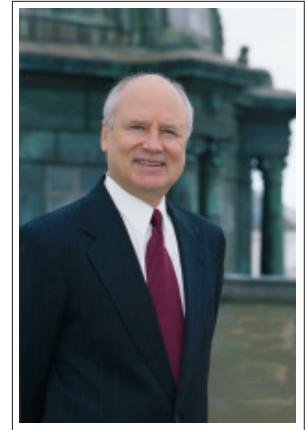
### *"Region's top beef: economy*

*Transportation's reign as Bay Area's biggest woe is over"*

San Francisco Chronicle December 11, 2003

Although the economy is gradually recovering, it has not boosted local consumer confidence. In a poll conducted by the Bay Area Council in November 2003, Bay Area residents cited the economy as the most important problem facing the Bay Area. This is a change from the past seven years when transportation was the top concern. In San Mateo County, 33% of residents polled listed the economy as their most important concern compared to 8% just twelve months earlier. A decline in County sales tax revenues in FY 2003-04 indicates that consumers are still keeping a tight grip on their wallets.

Despite the decline in sales tax revenues, the County's overall tax revenues increased by 20.4% over the prior year. This is primarily due to the increase in property transfer tax revenues and a property tax refund of \$24.8 million received from the Education Revenue Augmentation Fund.



### *"State budget cuts hurt most at the local level"*

San Mateo County Times June 24, 2004

While the local economy shows signs of recovery, the County still faces significant financial challenges. The rising cost of health care has translated into escalating subsidies for the San Mateo Medical Center, which provides medical care for the indigent. In FY 2003-04, the County provided a total subsidy of \$62.3 million from its General Fund to help the Medical Center offset costs. Furthermore, due to the State's continuing budget crisis, the County must also subsidize State spending. As part of the property tax and vehicle license fee swap, the County will lose \$6.7 million to the State's coffers in FY 2004-05 and FY 2005-06.

San Mateo County still faces lean times in the near future. Despite a steady up tick in most economic indicators, the County's recovery is expected to lag that of the business sector. Fortunately, San Mateo County will weather this period through proper planning and resourceful leadership.

Sincerely,

A handwritten signature in black ink that reads "Tom Huening". The signature is written in a cursive, flowing style.

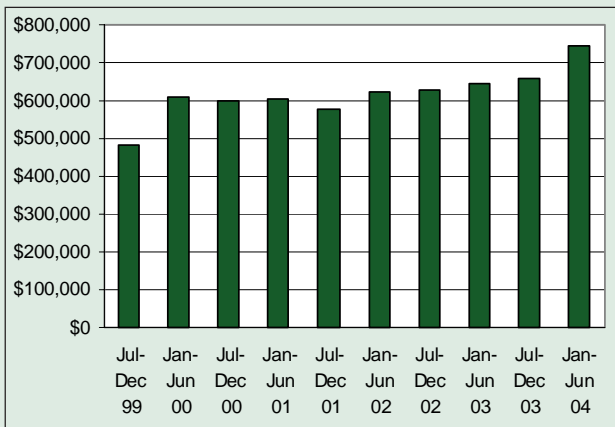
Tom Huening, CPA, CPFO  
Controller

# Property & Taxes

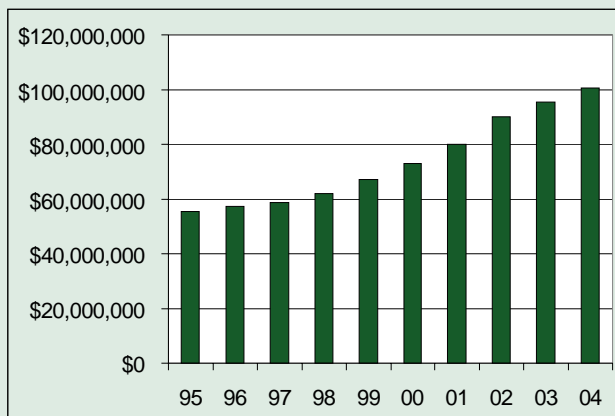
## Top 10 Property Tax Taxpayers (FY 2004)

|                             | Taxable Assessed Value<br>(millions) | % of Total<br>Assessed Value |
|-----------------------------|--------------------------------------|------------------------------|
| United Airlines             | \$2,559                              | 2.68%                        |
| Genentech Inc.              | 1,341                                | 1.40%                        |
| Pacific Gas & Electric      | 556                                  | 0.58%                        |
| Oracle Corporation          | 526                                  | 0.55%                        |
| SBC (formerly Pacific Bell) | 431                                  | 0.45%                        |
| Sun Microsystems            | 384                                  | 0.40%                        |
| American Airlines           | 320                                  | 0.34%                        |
| Pacific Shores Development  | 305                                  | 0.32%                        |
| Tyco Electronics Corp       | 225                                  | 0.24%                        |
| Slough BTC LLC              | 208                                  | 0.22%                        |

## Median Price for a Single Family Home in San Mateo County



## Total Taxable Assessed Value of Property in San Mateo County (in thousands)



## Commercial Real Estate

The County has 41.4 million square feet (sq. ft.) of net rentable office space. Although full economic recovery is not expected in the near future, positive signs of stabilization and a trend toward recovery began during FY 2003-04. Compared to the prior year, there has been a slight increase in the demand for office space. However, new commercial development projects remain at a halt. At the close of the year, Class A office space rate was offered at \$2.32/sq. ft./mo. and Class B at \$2.02/sq. ft./mo., slight increases compared to the prior year. Although the vacancy rate remains high at 21.6%, it has declined compared to last year's rate of 24.8%.

## Residential Real Estate

The Bay Area remains one of the highest priced regions in the state and among the highest in the nation for home prices. On average, home sellers received 100% of the listed price. The number of single-family homes on the market increased by 9% and condominiums by 24% when compared to last year.

*"Affordable housing harder to find"*

San Mateo County Times January 28, 2004

Home ownership still remains out of reach for many service employees, teachers, public safety employees and trades people. According to the Tri-County Apartment Association, average rent and occupancy rate for rentals were comparable with last year. This past year, the average rent rate was \$1,378 while occupancy rates for rentals averaged 93%. Based on supply and demand, projections indicate there will be a housing deficit of 16,669 units by 2010. Affordable housing remains a significant challenge for residents, employers and policymakers.

## Property Tax Revenue

The total taxable assessed value of both real and personal property for FY 2003-04 was \$100.7 billion, an increase of 5.2% or about \$5.0 billion more than the previous year. This is reflected in the annual property taxes levied of \$943 million in FY 2003-04 and an active real estate market.

# Key Indicators of the Local Economy

## Tourism and Travel

Airports Council International passenger traffic rankings for FY 2003-04 indicate San Francisco International Airport (SFO) is the 11th largest airport in the nation for passenger travel. Since early 2004, traffic at SFO has gradually rebounded from the combined effects of the technology recession, September 11th terrorist attack, United Airlines bankruptcy, SARS epidemic and Iraq War. During FY 2003-04, total passenger volume was 31.6 million, a 6.4% increase over the prior year. However, continued decline in cargo and mail traffic and parking use indicate that the recovery is not uniform across all airport-related businesses. The average number of employees in the Airport Transportation industry in the San Francisco Metropolitan Area (San Francisco, San Mateo and Marin) as of June 30, 2004 was 16,533, a 2,383 or 13% decline when compared to the prior year.

*“Virgin USA lands at SFO after long courtship”*  
The Independent June 12, 2004

During FY 2003-04 Virgin USA, a fledgling low-cost carrier and subsidiary of Virgin Atlantic Airways, announced that it would establish its operational headquarters at SFO in mid 2005. In June 2004, Air New Zealand launched new service from SFO to Auckland, the first new international carrier SFO has added in five years. In addition, Hong Kong-based Cathay Pacific Airlines announced it would relocate its headquarters from Los Angeles to San Francisco.

US Airways, which flies from SFO to Pittsburgh and Philadelphia, Pennsylvania, and Charlotte, North Carolina, sought Chapter 11 bankruptcy subsequent to FY 2003-04, for the second time in two years. Other carriers have also downsized.

The hotel industry has shown early signs of recovery. Average occupancy rate was 62% compared to 55% in the prior year, while the average room rate declined by \$6.94. Total room revenue of \$292.1million represents an increase of \$13.7 million for the fiscal year.

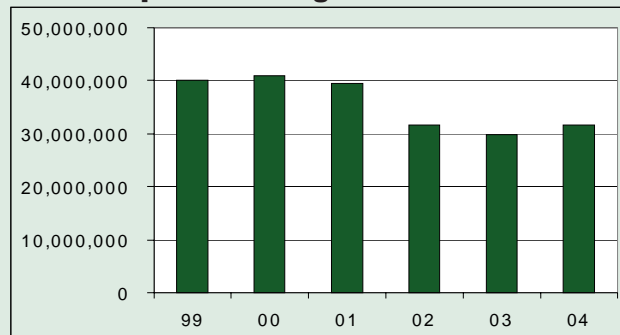
## Unemployment

The County’s unadjusted unemployment rate averaged 4.5% for FY 2003-04, down from 5.16% for FY 2002-03. This compares with an unadjusted unemployment rate of 6.5% for California and 5.8% for the nation.

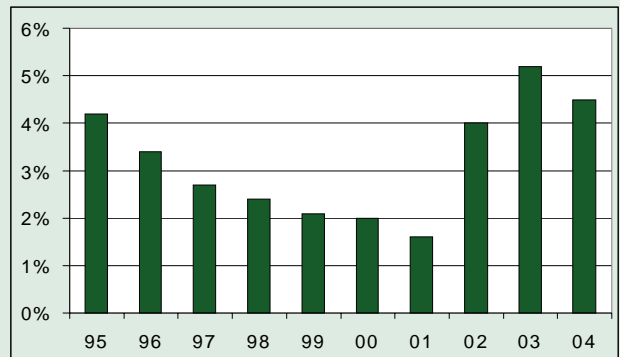
## Retail Sales

County sales tax revenue decreased by \$120,000, or 0.8%, when compared to the prior fiscal year. Cautious consumer spending caused retail sales to remain relatively flat.

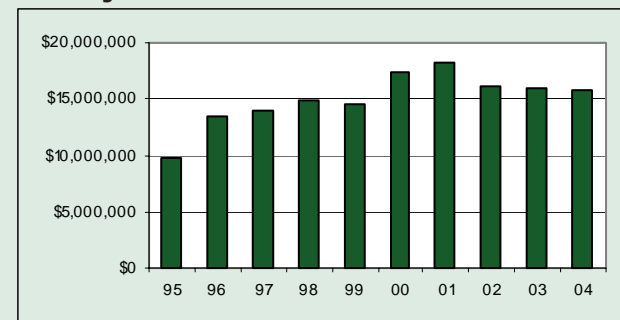
**Total Airport Passengers**



**Unemployment Rate**



**County Sales Tax Revenue**



# Financial Condition and Activity

## Government-wide Financial Statements

Government-wide Financial Statements provide readers with a broad overview of the County's finances, similar to a private-sector business. The government-wide financial statements are comprised of the Statement of Net Assets and the Statement of Activities.

Both of these statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or in part a portion of their costs through user fees and charges (business-type activities).

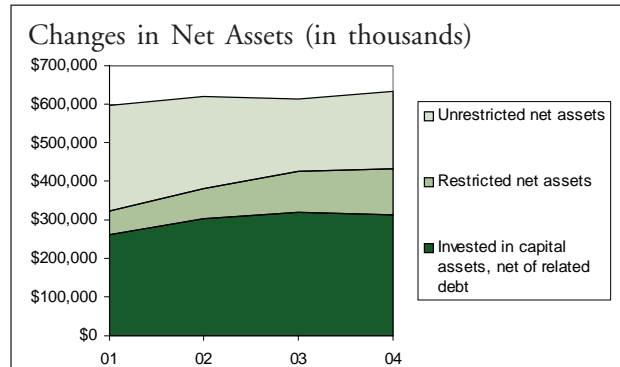
The Statement of Net Assets (Table 1) presents information on all of the County's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the County's financial position is improving or deteriorating.

The County's net assets fall into three categories:

- 49% of net assets are investment in capital assets, less related debt. Capital assets (land, buildings, infrastructure and equipment) are used to provide services to citizens; consequently, these assets are not available for future spending.
- 19% are restricted net assets. These resources are subject to external restrictions on how they are used.
- 32% are unrestricted net assets. These resources may be used to meet the County's ongoing obligations

to citizens and creditors.

The County's net assets increased by 3.48% during FY 2003-04, largely as a result of increases in property taxes and miscellaneous revenues. Compared to the prior fiscal year, the County's overall financial position has improved.



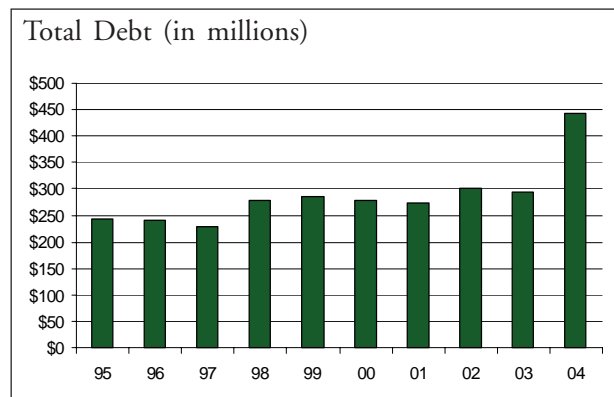
The Statement of Activities (Table 2) provides information on how the County's net assets changed during FY 2003-04, regardless of the timing of related cash flows. Thus, the statement reports revenues and expenses for some items that will only result in cash flows in a future fiscal period (e.g. uncollected taxes).

- The County's total revenues increased by 7.36%, or \$65 million, from \$887 million to \$952 million.
- The County's total expenses increased by 8.61%, or \$74 million, from \$857 million to \$931 million.
- Total revenues surpassed total expenses by \$21 million.

## Outstanding Debt

In FY 2003-04, the County's total debt increased by \$148 million to \$443 million. The increase was primarily caused by the issuance of \$155 million of lease revenue bonds to finance the construction of a Youth Services Center.

The County Debt Limit Ordinance limits annual debt service payments to 4% of the average annual County total budget for the current and the preceding four fiscal years. The County's cost to service this debt was \$24 million in FY 2003-04, well below the legal debt service limit (maximum allowable) of \$42 million.



# Financial Condition and Activity

**Table 1: Statement of Net Assets as of June 30, 2004**

(Amounts in thousands)

|  | Governmental<br>Activities |            | Business-type<br>Activities |           | Total      |            | Variance |
|--|----------------------------|------------|-----------------------------|-----------|------------|------------|----------|
|  | 2004                       | 2003       | 2004                        | 2003      | 2004       | 2003       |          |
| <b>Assets:</b>                                     |                            |            |                             |           |            |            |          |
| Current and other assets                           | \$ 774,186                 | \$ 578,699 | \$ 17,598                   | \$ 18,094 | \$ 791,784 | \$ 596,793 | 32.67%   |
| Capital assets                                     | 577,954                    | 561,603    | 41,217                      | 40,476    | 619,171    | 602,079    | 2.84%    |
| Total assets                                       | 1,352,140                  | 1,140,302  | 58,815                      | 58,570    | 1,410,955  | 1,198,872  | 17.69%   |
| <b>Liabilities:</b>                                |                            |            |                             |           |            |            |          |
| Current and other liabilities                      | 178,584                    | 153,050    | 18,524                      | 15,370    | 197,108    | 168,420    | 17.03%   |
| Long-term liabilities                              | 565,238                    | 404,763    | 14,772                      | 13,190    | 580,010    | 417,953    | 38.77%   |
| Total liabilities                                  | 743,822                    | 557,813    | 33,296                      | 28,560    | 777,118    | 586,373    | 32.53%   |
| <b>Net assets:</b>                                 |                            |            |                             |           |            |            |          |
| Invested in capital assets,<br>net of related debt | 271,872                    | 281,735    | 39,797                      | 38,836    | 311,669    | 320,571    | -2.78%   |
| Restricted   | 117,165                    | 84,038     | 4,167                       | 3,219     | 121,332    | 87,257     | 39.05%   |
| Unrestricted                                       | 219,281                    | 216,716    | (18,445)                    | (12,045)  | 200,836    | 204,671    | -1.87%   |
| Total net assets                                   | \$ 608,318                 | \$ 582,489 | \$ 25,519                   | \$ 30,010 | \$ 633,837 | \$ 612,499 | 3.48%    |

**Table 2: Statement of Activities for Year Ended June 30, 2004**

(Amounts in thousands)

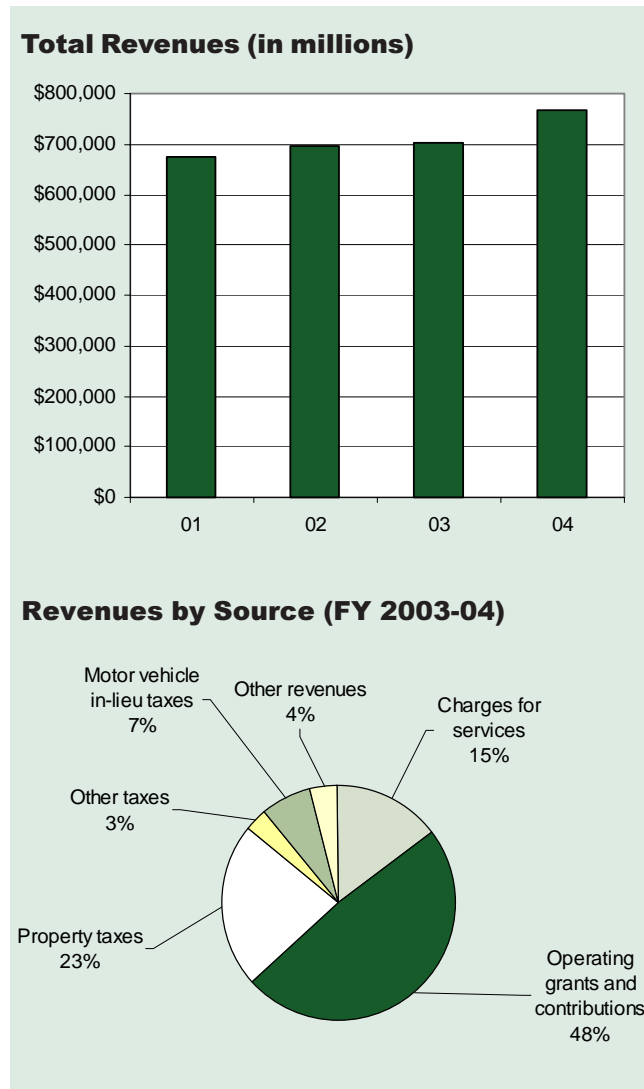
|  | Governmental<br>Activities |            | Business-type<br>Activities |           | Total      |            | Variance |
|--|----------------------------|------------|-----------------------------|-----------|------------|------------|----------|
|  | 2004                       | 2003       | 2004                        | 2003      | 2004       | 2003       |          |
| <b>Revenues:</b>                                 |                            |            |                             |           |            |            |          |
| <b>Program revenues:</b>                         |                            |            |                             |           |            |            |          |
| Charges for services                             | \$ 115,065                 | \$ 108,204 | \$ 101,615                  | \$ 90,453 | \$ 216,680 | \$ 198,657 | 9.07%    |
| Operating grants and contributions               | 368,896                    | 343,808    | 75,280                      | 84,657    | 444,176    | 428,465    | 3.67%    |
| Capital grants and contributions                 | 3,304                      | 18         | 3,680                       | 5,839     | 6,984      | 5,857      | 19.24%   |
| <b>General revenues:</b>                         |                            |            |                             |           |            |            |          |
| Property taxes                                   | 176,853                    | 141,582    | -                           | -         | 176,853    | 141,582    | 24.91%   |
| Other taxes                                      | 24,414                     | 23,444     | -                           | -         | 24,414     | 23,444     | 4.14%    |
| Motor vehicle in-lieu taxes                      | 52,799                     | 49,785     | -                           | -         | 52,799     | 49,785     | 6.05%    |
| Unrestricted interest and<br>investment earnings | 6,995                      | 23,329     | 252                         | 719       | 7,247      | 24,048     | -69.86%  |
| <b>Security lending activities:</b>              |                            |            |                             |           |            |            |          |
| Securities lending income                        | 850                        | 588        | 16                          | 31        | 866        | 619        | 39.90%   |
| Securities lending expenses                      | (720)                      | (525)      | (12)                        | (27)      | (732)      | (552)      | 32.61%   |
| Miscellaneous                                    | 20,293                     | 13,890     | 2,300                       | 849       | 22,593     | 14,739     | 53.29%   |
| Total revenues                                   | 768,749                    | 704,123    | 183,131                     | 182,521   | 951,880    | 886,644    | 7.36%    |
| <b>Expenses:</b>                                 |                            |            |                             |           |            |            |          |
| General government                               | 60,845                     | 60,667     | -                           | -         | 60,845     | 60,667     | 0.29%    |
| Public protection                                | 242,405                    | 224,777    | -                           | -         | 242,405    | 224,777    | 7.84%    |
| Public ways and facilities                       | 22,657                     | 21,546     | -                           | -         | 22,657     | 21,546     | 5.16%    |
| Health and sanitation                            | 157,452                    | 152,449    | -                           | -         | 157,452    | 152,449    | 3.28%    |
| Public assistance                                | 182,914                    | 172,014    | -                           | -         | 182,914    | 172,014    | 6.34%    |
| Education  | 145                        | 190        | -                           | -         | 145        | 190        | -23.68%  |
| Recreation                                       | 7,397                      | 7,685      | -                           | -         | 7,397      | 7,685      | -3.75%   |
| Interest on long-term liabilities                | 17,023                     | 14,603     | -                           | -         | 17,023     | 14,603     | 16.57%   |
| San Mateo Medical Center                         | -                          | -          | 164,972                     | 131,243   | 164,972    | 131,243    | 25.70%   |
| Airports   | -                          | -          | 1,706                       | 1,744     | 1,706      | 1,744      | -2.18%   |
| Coyote Point Marina                              | -                          | -          | 1,250                       | 1,153     | 1,250      | 1,153      | 8.41%    |
| Housing Authority                                | -                          | -          | 71,776                      | 68,695    | 71,776     | 68,695     | 4.49%    |
| Total expenses                                   | 690,838                    | 653,931    | 239,704                     | 202,835   | 930,542    | 856,766    | 8.61%    |
| Change in net assets before transfers            | 77,911                     | 50,192     | (56,573)                    | (20,314)  | 21,338     | 29,878     | -28.58%  |
| Transfers  | (52,082)                   | (29,403)   | 52,082                      | 29,403    | -          | -          | 0.00%    |
| <b>Change in net assets</b>                      | 25,829                     | 20,789     | (4,491)                     | 9,089     | 21,338     | 29,878     | -28.58%  |
| Net assets - beginning                           | 582,489                    | 561,700    | 30,010                      | 20,921    | 612,499    | 582,621    | 5.13%    |
| Net assets - ending                              | \$ 608,318                 | \$ 582,489 | \$ 25,519                   | \$ 30,010 | \$ 633,837 | \$ 612,499 | 3.48%    |

These statements are presented in conformity with generally accepted accounting principles. Detailed information can be found in the County's *Comprehensive Annual Financial Report*, which is available at County libraries and online at [www.co.sanmateo.ca.us/controller/cafr](http://www.co.sanmateo.ca.us/controller/cafr).

# Revenues

## Governmental Activities - Revenues

Total revenues for the governmental activities were \$768.8 million this year, which was 9.2% or \$64.6 million more than the prior year. Approximately 86% of the revenues come from three major sources: 1) operating grants and contributions, 2) property taxes, and 3) charges for services.



### Operating Grants & Contributions (\$369 million, 48% of total revenues – governmental activities)

The majority of operating grants and contributions come from the federal and state governments. These revenues support most of state-mandated services such as mental health care, public safety services, and public assistance. The monies help people attain low-cost housing, find jobs, and obtain health care. In FY 2003-04, operating grants and contributions increased 7.3% or \$25 million. Most of the increase was state funding to cover an increased number of participants in social welfare programs such as Medi-cal and CalWorks.

### Property Taxes (\$177 million, 23% of total revenues – governmental activities)

Property taxes are generated locally, and consist of real property taxes, personal property taxes, and property transfer taxes. In FY 2003-04, property taxes increased 24.9% or \$35 million. A \$24.8 million property tax refund from the Education Revenue Augmentation Fund accounted for most of the increase.

### Charges for services (\$115 million, or 15% of the total revenues – governmental activities)

Charges for services include candidate filing fees, returned check charges, tax administration fees, private defender fees, geotechnical fees, agricultural inspection fees, fingerprinting, lab fees, and other charges for services. In FY 2003-04, charges for services increased 6.3% or \$6.9 million.

## Business-type Activities – Revenues

The County operates four programs that are classified as business-type activities: San Mateo Medical Center (SMMC), Airports, Coyote Point Marina, and Housing Authority. In FY 2003-04, total revenues for the business-type activities increased slightly, \$0.6 million or 0.3%. The revenues from business-type activities rely to a significant extent on fees charged to external parties.

The information provided on pages 8 and 9 is presented in conformity with generally accepted accounting principles. Detailed information can be found in the County's *Comprehensive Annual Financial Report*, which is available at County libraries and online at [www.co.sanmateo.ca.us/controller/cafr](http://www.co.sanmateo.ca.us/controller/cafr).



## Governmental Activities – Expenses

Total expenses for the governmental activities were \$690.8 million, which was \$36.9 million or 5.7% more than the prior year. Approximately 84% of the total expenses related to services provided for 1) public protection, 2) public assistance, and 3) health and sanitation.

### Public Protection (\$242 million, or 35% of total expenses – governmental activities)

Public protection expenses include costs incurred by the Sheriff, District Attorney, Probation, Coroner, County Fire, and Public Safety Communications (911 Dispatch). Public protection expenses increased 7.9%, or \$17.6 million, over the prior year. Negotiated increase in salaries and benefits resulted in most of this increase.

### Public Assistance (\$183 million, or 26% of total expenses – governmental activities)

The County provides public assistance programs such as alcohol and drug services, low-cost housing and homeless services, job search and training, Family Resource Centers in schools and community center, CalWORKs (cash assistance for families with kids), and Foster Care. Public assistance expenses increased 6.3%, or \$10.9 million, over the prior year. The rising costs of social welfare programs accounted for most of this increase.

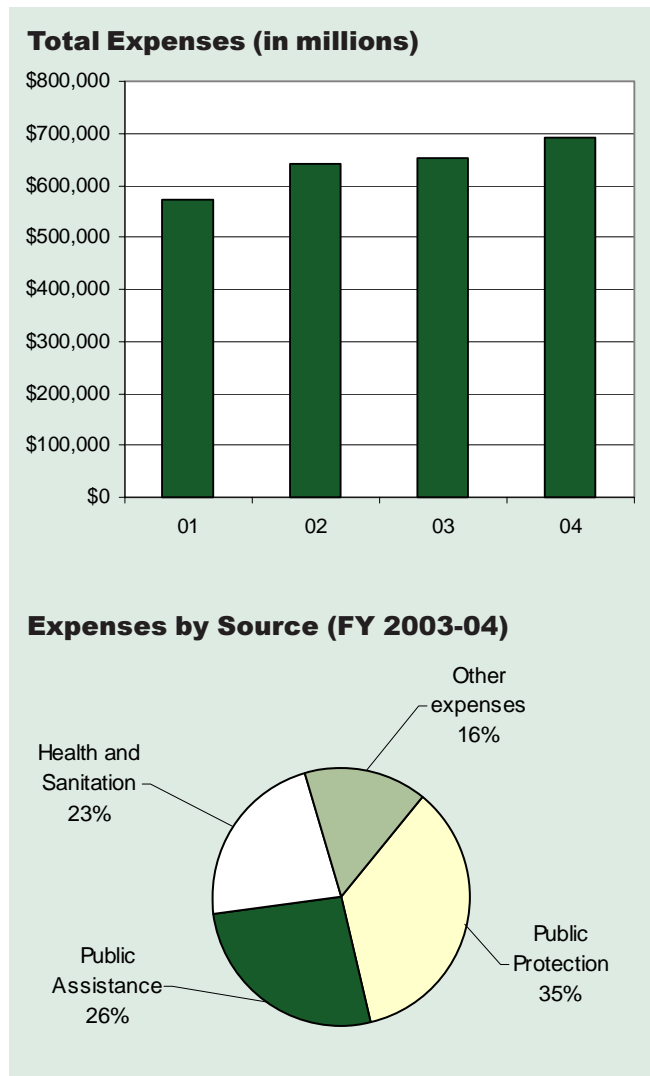
### Health and Sanitation (\$157 million, or 23% of total expenses – governmental activities)

Health and sanitation expenses include costs associated with mental health services, the Prenatal to Three Initiative, environmental health services, the AIDS program, and health services in the jails. Health and sanitation expenses increased 3%, or \$5 million, over the prior year. The increase was primarily caused by increases in salaries and benefits as well as pharmacy and drug expenses.

## Business-type Activities – Expenses

In FY 2003-04, total expenses increased 18.2% or \$36.9 million. Most of the increase in expenses was incurred by SMMC. Over a year, SMMC's expenses increased 25.7% or \$33.7 million. The increase is principally comprised of a \$26.1 million increase in salaries and benefits and a \$7.5 million increase in service charges.

Providing medical care for the indigent through operation of SMMC continues to be a financial challenge. Historically, four out of the five past years, SMMC has exceeded its budgeted subsidy amount resulting in increased subsidies from the General Fund in those years. For the fiscal year ended June 30, 2004, General Fund subsidies to SMMC were \$62.3 million.



# Service Efforts & Accomplishments Highlights

---

## Public Protection

### Child Support Services

In FY 2003-04, Child Support Services (CSS) opened over 3,200 cases and provided ongoing services to 12,000 families. Approximately \$30.3 million was collected on behalf of 22,000 dependents. The percent of cases with payments toward current support is 76% and 59% of current support dollars owed were paid.

The County is ranked 13th in the state for current support collections. Among those counties with caseloads over 10,000, the County is ranked 2nd in the state for current support collections. CSS collects arrearages until the debt is paid in full, which can take a number of years in some cases. The County is ranked 5th in the state with payments on about 65% of its cases with arrears.

### County Radio Project

The Sheriff's Radio System upgrade project was completed early July 2004. The upgrade resulted in bundling a number of radio frequencies in a "pipeline" and allowing multiple conversations between agencies and units to take place simultaneously. The system improves the efficiency and effectiveness of all of the emergency response agencies in the County.

## Health and Sanitation

### San Mateo Medical Center

In March 2004, San Mateo Medical Center opened the Ron Robinson Senior Care Center located at 222 West 39th Avenue, San Mateo.

---

*"Senior Care Center opens today*

*Medical center to offer 'one-stop' care for elderly patients."*

*San Francisco Examiner, March 15, 2004*

---

This healthcare clinic specially caters to the complex healthcare needs of seniors and older adults. An in-depth assessment of the community's needs indicated there were not enough medical providers and systems to care for this fast growing segment of the population.

## Healthy Kids

During FY 2003-04, the County provided health insurance to approximately 33,370 children. The Health Services Agency in partnership with the Human Services Agency has aggressively enrolled children in

medical insurance programs including Medi-Cal, Healthy Families and the new County Healthy Kids program.



For FY 2003-04, the Board allocated \$1.5 million for the Healthy Kids Program, which has a total budget of \$4.2 million. As of June 2004, Healthy Kids had enrolled 4,970 children, representing nearly 90% of those originally estimated to be eligible for the program. Approximately 81% of the enrolled children are from families with incomes below 250% of the federal poverty level. Nearly all are undocumented and therefore do not qualify for Medi-Cal or Healthy Families.

## Network of Care

In December 2003, the Mental Health Division of the Health Services Agency launched its Network of Care for Mental Health website, an online information site developed for individuals, families and agencies concerned with mental health and emotional wellness.

The Network provides comprehensive information about public and private mental health services in San Mateo County. In addition to up-to-date news articles, this website offers access to an online mental health library, chat rooms, and secure, confidential folders for storing personal information related to health care. The website development project was sponsored by a grant from the State. San Mateo is the third California county to initiate the Network of Care for Mental Health. The website is available at [sanmateo.networkofcare.org](http://sanmateo.networkofcare.org).

# Service Efforts & Accomplishments Highlights

---

## Bio-Terrorism Preparation

The Health Services Agency led bio-terrorism and communicable disease prevention efforts, which included developing smallpox pre and post event plans, leading a Countywide response exercise, providing bio-terrorism training and education to the hospital staff first responders (police, fire, ambulance) and the community, and acquiring and managing a local pharmaceutical stockpile.

## Aging and Adult Services

Aging and Adult Services, a division of the Health Services Agency, began implementation of a state pilot project for a uniform assessment of home and community-based services for the elderly and dependent adults. The program also enhanced the continuum of services available to seniors and adults with disabilities through the collaborative effort of the Medical Center, the Ron Robinson Care Center and the Burlingame Long-Term Care Center.



## Public Ways and Facilities

### Sustainable Buildings Guide

The County sponsored the development and publication of the *San Mateo Countywide Sustainable Buildings Guide and Checklist*, which is now offered at 17 of the 21 jurisdictions in the County.

*“San Mateo continues green trend with new main library”*

*San Francisco Chronicle, September 19, 2003*

The guide encourages architects, residents, and builders to design and build buildings using less material, as well as recycled and environmental friendly materials. The guide also promotes the idea of recycling at the construction site to reduce the environmental impact of new construction and renovation.

## Recycling

The County has stepped up its efforts to promote recycling Countywide. RecycleWorks, the County’s recycling and composting program, encourages residents to recycle, reuse, and otherwise practice “green” strategies in their daily lives. RecycleWorks promotes its agenda by operating a comprehensive website ([www.recycleworks.org](http://www.recycleworks.org)), a hotline, and numerous outreach and public education programs.

The County’s internal efforts at recycling continue to be impressive as well. Through the program’s efforts, 64 tons of Spanish roof tiles from the old Crime Lab and 27 tons of material from the Crystal Springs Center were reused. Mixed paper recycling in County facilities topped 530 tons this year compared to 100 tons in the prior fiscal year, and 107 tons of bottles and cans were collected for recycling.

## Public Assistance

### Child Welfare Services Redesign

In 2000, the Governor’s Office and the California Legislature created the Child Welfare Services Stakeholders Group (CWSSG). Their objective was to examine the current child welfare services in California, build on effective child welfare practices, and recommend system changes to improve outcomes for children and families. Through CWSSG’s efforts, a long-term strategic plan to bring the new vision of child welfare services to counties was created, called the Child Welfare Services (CWS) Redesign Initiative.

In July 2003, the Children and Family Services Division of the Human Services Agency began the planning phase of the local CWS Redesign Initiative by assembling an oversight committee and convening community information meetings. Among five other counties, the County was selected by the California Department of Social Services to first implement the planning activities of CWS Redesign Initiative in phases by June 2008.

# About the Popular Annual Financial Report

**Award for  
Outstanding  
Achievement in  
Popular Annual  
Financial Reporting**

PRESENTED TO

COUNTY OF SAN MATEO  
CALIFORNIA

For the fiscal year ending  
June 30, 2003



*Nancy L. Ziehl*  
President  
*Jeffrey L. Esch*  
Executive Director

This *Financial Highlights* publication provides the public with an easy to read overview of the County's financial condition. The information contained in this report is derived from the County of San Mateo's *Comprehensive Annual Financial Report* (CAFR). The CAFR contains more detailed information about the County's finances, and copies of the report are available at all public libraries and the Controller's website, [www.co.sanmateo.ca.us/controller/cafr](http://www.co.sanmateo.ca.us/controller/cafr).

I hope you will take the time to provide us with your thoughts or ideas for improvement after reading this year's report. Drop me a note at the address below, call the office at (650) 363-4777, or e-mail me at [thuening@co.sanmateo.ca.us](mailto:thuening@co.sanmateo.ca.us). I look forward to hearing from you.

A handwritten signature in black ink that reads "Tom Huening".

The Government Finance Officers Association (GFOA) has given San Mateo County an Award for Outstanding Achievement in Popular Annual Financial Reporting for its Financial Highlights report for the fiscal year ended June 30, 2003. The Award is valid for a period of one year only. We believe our current report continues to meet Award Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

Controller Tom Huening, CPA, CPFO  
County of San Mateo  
555 County Center, 4th Floor  
Redwood City, CA 94063