

City of Foster City
Analysis of General Fund Reserves
With and Without Various Developments

Among the sites identified by the School District is vacant land directly adjacent to City Hall. Utilizing this land for a school rather than developing it as a residential/commercial site would impact the future financial health of the City.

This analysis below shows the projected positive effect on the City's budget of three major proposed developments:

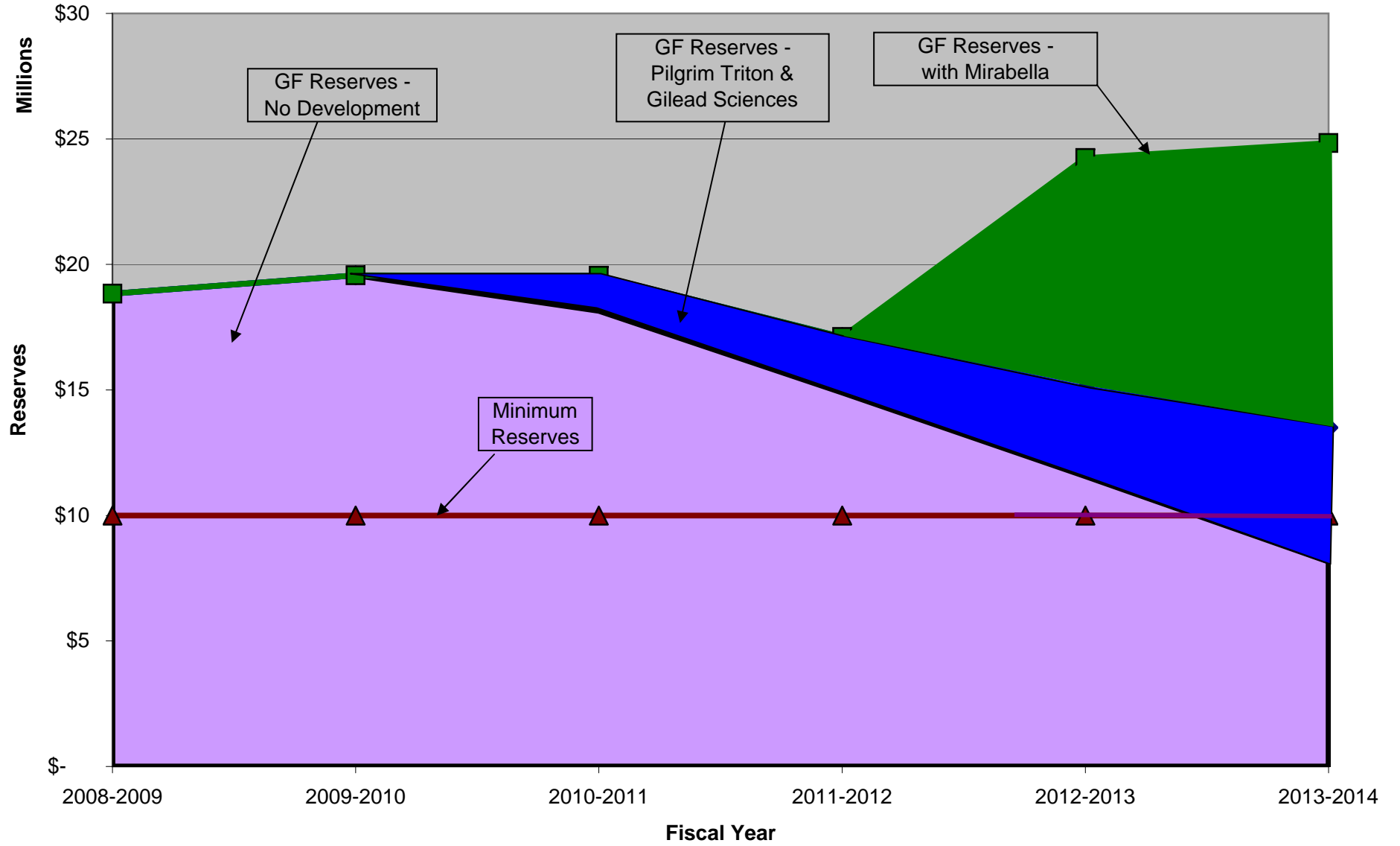
- Mirabella San Francisco Bay/Parkview Plaza
- Pilgrim Triton Master Plan
- Gilead Sciences Campus Master Plan

Without these projects, the City is projected to annually spend \$2 million more than it receives in revenue in order to maintain services starting in Fiscal Year 2011-2012. City services include Police, Fire, Parks & Recreation, Streets, Lagoons and Community Development services and many others.

Revenues from the Mirabella / Parkview Plaza project, along with those from the Pilgrim Triton and Gilead Sciences projects, are important to avert a structural deficit. The alternatives are finding other revenue sources, like higher taxes and fees, or cutting services to reduce expenditures.

In addition to funding for services, the City continues to look for on-going funding sources for capital improvement projects such as park replacement and some infrastructure improvements.

General Fund Reserves With and Without Various Developments



GF Reserves - No Development
 GF Reserves - Pilgrim-Triton & Gilead
 GF Reserves - with Mirabella
 Minimum Reserves