
CITY OF BERKELEY
FY 2012 & FY 2013 ADOPTED BIENNIAL BUDGET

ELECTED OFFICIALS

Mayor

Tom Bates

Councilmembers

Linda Maio (District 1)
Darryl Moore (District 2)
Max Anderson (District 3)
Jesse Arreguin (District 4)
Laurie Capitelli (District 5)
Susan Wengraf (District 6)
Kriss Worthington (District 7)
Gordon Wozniak (District 8)

City Auditor

Ann-Marie Hogan

City Manager

Philip Kamlarz

Deputy City Manager

Christine Daniel

Research and Preparation by:
The Office of Budget & Fiscal Management

Teresa Berkeley-Simmons, Budget Manager
Rama Murty, Senior Management Analyst
Stacey Johnson, Associate Management Analyst
Vanee Bartholomew, Administrative Assistant

Special thanks to: Bob Hicks, Finance Director and Mary Kay Clunies-Ross, Public Information Officer





CITY OF

BERKELEY

As City of Berkeley employees our mission is to provide quality service to our diverse community; promote an accessible, safe, healthy, environmentally sound and culturally rich city; initiate innovative solutions; embrace respectful, democratic participation; respond quickly and effectively to neighborhood and commercial concerns; and do so in a fiscally sound manner.

CITY OF BERKELEY

ORGANIZATIONAL CHART

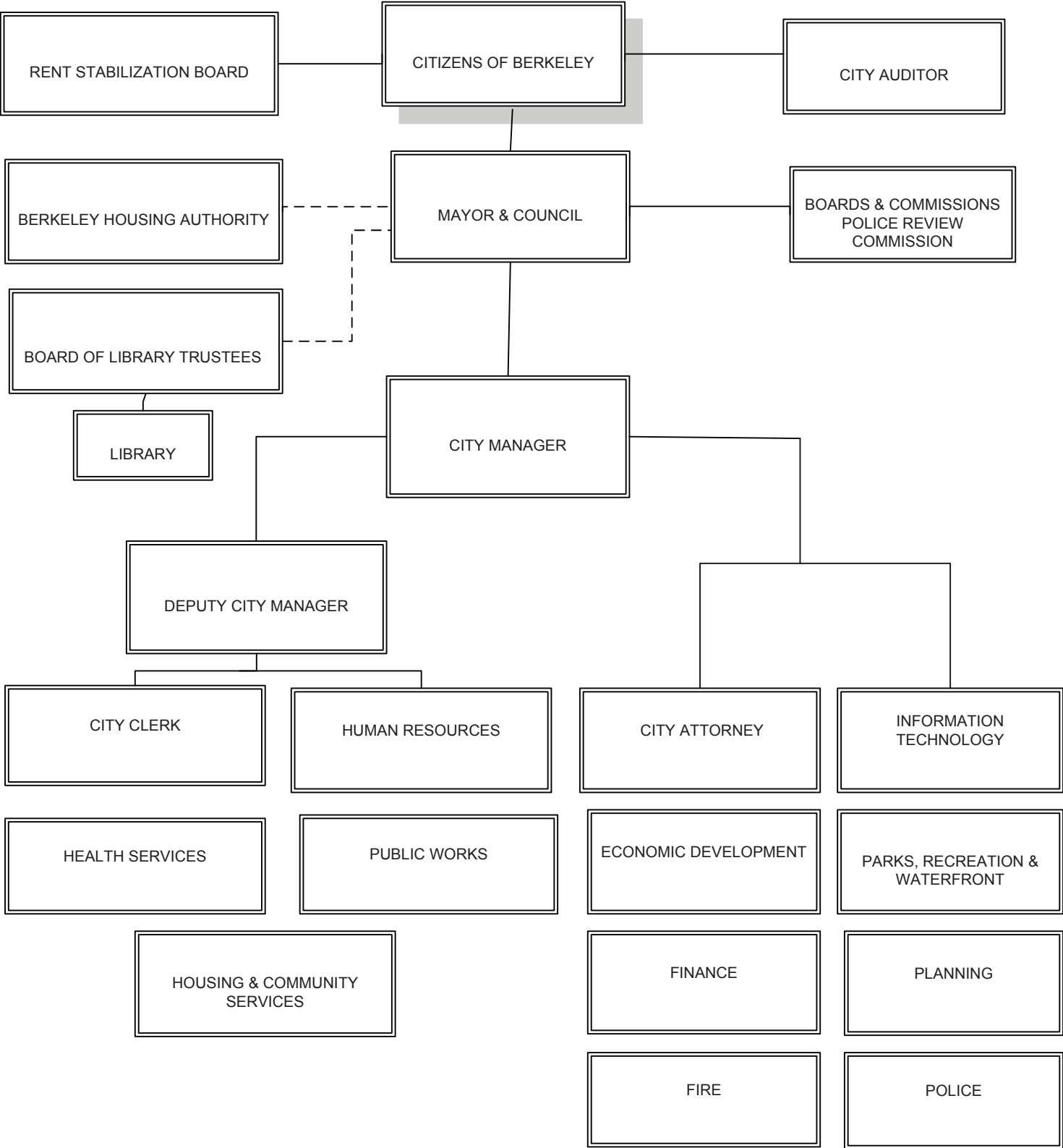


TABLE OF CONTENTS

Budget Message	1
Community Profile	19
Budget Guide	23
Financial Summaries	29
General Fund	61
Other Funds	85
Staffing	97
Balancing Plan	115
Department Budgets	145
City Attorney	145
City Auditor	149
City Clerk	155
City Manager	161
Economic Development	167
Finance	173
Fire	181
Health Services	187
Housing & Community Services	197
Human Resources	205
Information Technology	211
Berkeley Public Library	219
Mayor and Council	225
Parks Recreation & Waterfront	227
Planning	233
Police	241
Police Review Commission	247
Public Works	253
Rent Board	263
Non-Departmental	267
Community Agencies	269
Glossary	277

BUDGET BOOK GUIDE

The purpose of the City of Berkeley's budget is to serve as a "blueprint" for providing City services and as a working financial plan for the fiscal year. It also represents the official organizational plan by which, City policies, priorities, and programs are implemented. The budget provides the means to communicate to the residents, businesses, and employees about how the City's financial sources are used to provide services to the community. The budget includes both the operating costs to manage the City and the capital improvement projects that the City plans to undertake during the fiscal year.

Below is a brief outline of the contents of the budget book:

Budget Message: City Manager's transmittal letter to the City Council that details the budget, including budget issues and policies that lead to the development of the budget

Community Profile: Overview and information about the City of Berkeley

Budget Guide: Information on the Budget Policies and Process and the Budget Development Calendar

Financial Summary: Summary financial analyses and provides a summary of assumptions used in creating the Five-Year Forecasts

General Fund: City's discretionary General Fund summaries of expenditures and revenues and detailed summaries of key General Fund revenues

Other Funds: Financial Forecasts for the City's key non-General Fund operating funds.

Staffing: Detailed staffing information, both at the summary level and by department.

Balancing Plan: Summary information on the City's budget balancing plan by department and funding source and impacts of the reductions

Department Budgets: For each City department, includes departments' organization chart, explanations of department operations, significant accomplishments, key objectives for the upcoming fiscal years, and detailed expenditure and financial data

Community Agencies & Special Events: Summary of the community-based organization funding process and adopted allocation schedule for FY 2012 and list of adopted special events

Glossary: A list of terms used in the book and definitions for them



This page left intentionally blank



Office of the City Manager

July 2011

Honorable Mayor and Members of the City Council:

The *FY 2012 & FY 2013 Biennial Budget* was adopted on June 28, 2011. The development of this budget began with the presentation of the City's work plan in October 2010. The Council then had eight separate workshops and two public hearings to examine and discuss the economic climate, revenue projections, state and federal cuts, and the serious deficits facing services provided by the Health, Housing, and Public Works Departments.

Because our community, like almost every other California community, continues to struggle towards economic recovery, this biennial budget required us to make some difficult tradeoffs. This budget reflects a change in how we provide some services, either in scope or delivery. By making these choices now, we can ensure that a more resilient, more flexible City organization exists to provide quality services into the future. Preserving a fiscally healthy organization has always been a City value as we work to balance the immediate and long-term service needs of our residents.

The commitment of the City Council and City staff to residents' health and welfare is an underlying goal of this budget. The last several years have been very difficult for many Berkeley families, and staff has spent hundreds of hours working to preserve services to residents. In some cases, such as more efficient waste collection efforts and the continuing growth of the 311 Call Center and Online Service Center, this process is leading to better services. In other cases, we have had to make some difficult recommendations about which services to reduce or eliminate.

As we have seen at the state level, a budget that fails to plan for future service needs may be balanced, but it fails to serve the community. To avert that kind of failure, this budget also includes the consideration of economic forecasts, our long-term liabilities, and rising costs. Because of the anticipated slow national economic recovery, these aren't problems that can be solved in a single biennial budget. But by staying focused on needed services and our long-term responsibilities, we can preserve the City's fiscal health for the future and be better able to meet the needs of residents.

The information that follows is a summary of some of the revenue and cost-driven challenges that we are facing in this biennial budget, as well as an overview of the proposed solutions.

Below is an outline to help you and members of the public navigate this information.

1. Council Budget Development Policies
2. Current Budget Situation
 - a. National Economy
 - b. State Budget Impacts
3. Overall View of the Plan to Balance the City's Budget
 - a. General Fund Balancing Plan
 - b. All Funds Balancing Plan
 - c. Impacts on Staff and Services
4. Adopted Biennial Budget Financial Summary
5. General Fund Forecast
6. FY 2012 & FY 2013 Adopted Balancing Measures
 - a. Revenue Projections
 - b. Expenditure Projections
 - c. Lower Costs and Identify New Revenue
 - d. Special Funds (Uncertainties)
7. Aligning Resources with Service Delivery
 - a. Housing Department
 - b. Health Department
 - c. Public Works (Solid Waste Division)
8. An Uncertain Future: FY 2012 & Beyond
 - a. The General Fund Reserve
 - b. Addressing Long-Term Uncertainties
9. Capital Improvement Program
10. Tax Rates
11. Citywide Work Plan
12. Conclusion

1. Council Budget Development Policies

While we face immediate budget shortfalls, we need to avoid short-term solutions that do not resolve the long-term problem. This two-year budget addresses the immediate budget shortfall and begins to address the long-term problem. However, we must continue to look ahead and plan for the long-term financial issues the City faces.

The budget includes some difficult choices. These choices are necessary to balance the budget over the next two years and preserve the ability to respond to financial challenges such as continued healthcare and CalPERS retirement cost increases.

The Council has adopted budget development policies which have served us well over the long term, and the proposed Budget abides by those important policies.

The fiscal policies adopted by the Council include:

- ❖ Focusing on the long-term fiscal health of the City by adopting a two-year budget and conducting multi-year planning;
- ❖ Building a prudent reserve;
- ❖ Developing long-term strategies to reduce unfunded liabilities;
- ❖ Controlling labor costs while minimizing layoffs;
- ❖ Allocating one-time revenue for one-time expenses;
- ❖ Requiring enterprise and grant funds to balance and new programs to pay for themselves; and
- ❖ Any new expenditure requires revenue or expenditure reductions.

Also, used as a guide to developing the budget is the “fix it first” approach in which we fund current capital improvements before funding new projects.

This budget provides a plan to control costs and maximize City resources. It eliminates the \$12.2 million deficit for FY 2012 and \$13.3 million in FY 2013. The budget includes over \$5 million in recurring General Fund expenditure cuts and approximately \$1.2 million in new revenue over two years. This budget places us in a better position to face the projected deficit in FY 2014.

2. The Current Budget Situation

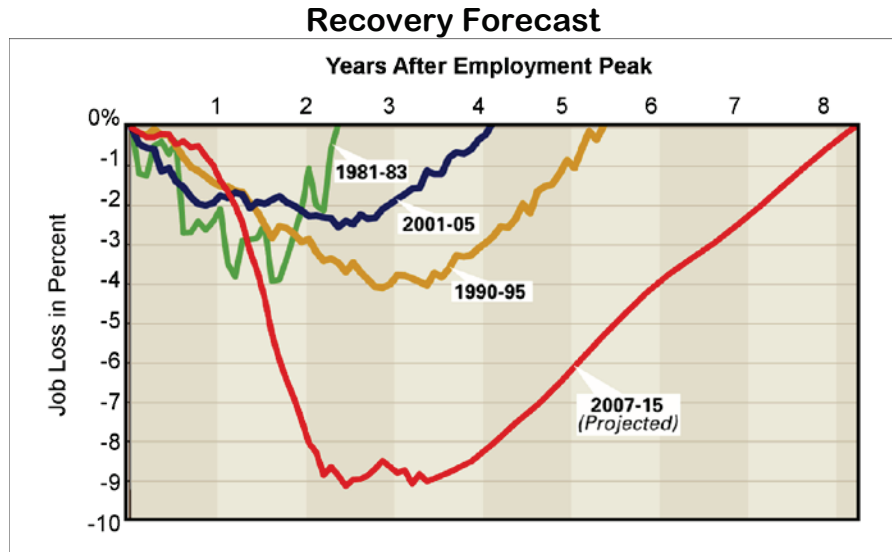
a. The National Economy

The national recession that began in 2008 is the longest recession since World War II and the most severe downturn since the Great Depression. Economic forecasts indicate a slow recovery, compared to past economic rebounds. As illustrated in the chart below, while other recessions took two to five years to recover, the current downturn is projected to last eight years.

The slow recovery results from a combination of (1) excess inventories of residential and commercial real estate, (2) severely depressed economic confidence among both individuals and firms, (3) for many consumers, a considerably weakened financial capacity to spend and invest, and (4) lack of employment opportunities.

The national economy directly impacts our state and local economies. Like many organizations with a mission to provide for a staff and livable city with services, such as garbage and recycling collection, fire response, police protection, road repair, safe and functional parks, recreation and waterfront facilities, and health education and treatment, opportunities for jobs and affordable housing the majority of our budget is personnel costs.

For the first couple of years of this recession, we successfully managed the changing economic tide. We avoided major layoffs by managing vacancies, and reducing services that had the least impact while anticipating an economic rebound. However, the expected rebound has not yet materialized, and all indicators continue to confirm that the recovery will be a slow one.



Source: Legislative Analyst's Office

b. State Budget Impacts

The economic crisis that faces the nation, state, and region directly impacts Berkeley. The state's ongoing inability to solve its budget gap presents a very challenging and uncertain future for Berkeley. For several years California's general fund has been operating with a structural deficit. On June 30, 2011, the Governor signed the 2011-12 California State Budget (SB 87) dropping General Fund spending to the lowest level since 1972-1973. The budget recognizes that, since the May Revision, California's tax revenues have increased, providing billions of dollars to help close the \$26.6 billion budget gap. Current projections are that \$4 billion in additional revenue will be collected during the next fiscal year. As a safeguard, however, if these revenues are not realized, billions of dollars in additional cuts will be triggered to maintain a balanced budget.

Although the drastic reductions in the state's social safety net will likely have a dramatic impact on Berkeley residents, so far, the immediate budgetary impacts seem to be about \$800,000 in revenue reductions: \$400,000 for redevelopment, and \$400,000 in state mandated cost reimbursement.

3. Overall View of the Plan to Balance the City's Budget

a. General Fund Balancing Plan

Before imposing any balancing measures, the General Fund alone faces estimated deficits of \$3 million in FY 2012 and \$4 million in FY 2013. The Balancing Plan 2-year total for the General Fund proposes \$6.1 million in measures through a combination of recurring cuts and new recurring revenue. Approximately \$5.6 million is recurring.

**FY 2012 and FY 2013 Two-Year
Balancing Plan for the General Fund
(dollars in millions)**

Balancing Plan	FY 2012	FY 2013	2-Year Total
Reductions	3.5	1.4	4.9
Revenues	1.0	0.2	1.2
Total Balancing Plan			6.1

b. All Funds Balancing Plan

The General Fund, however, is less than half of the City's total budget. The projected shortfall for all funds (the General Fund plus all special funds) is \$12.2 million in FY 2012 increasing to \$13.3 in FY 2013 without balancing measures. The measures included in the budget address that shortfall, and the reductions are spread across multiple departments and funding sources. (A discussion of specific service impacts on certain funds, including Housing, Health and Refuse funds, follows.)

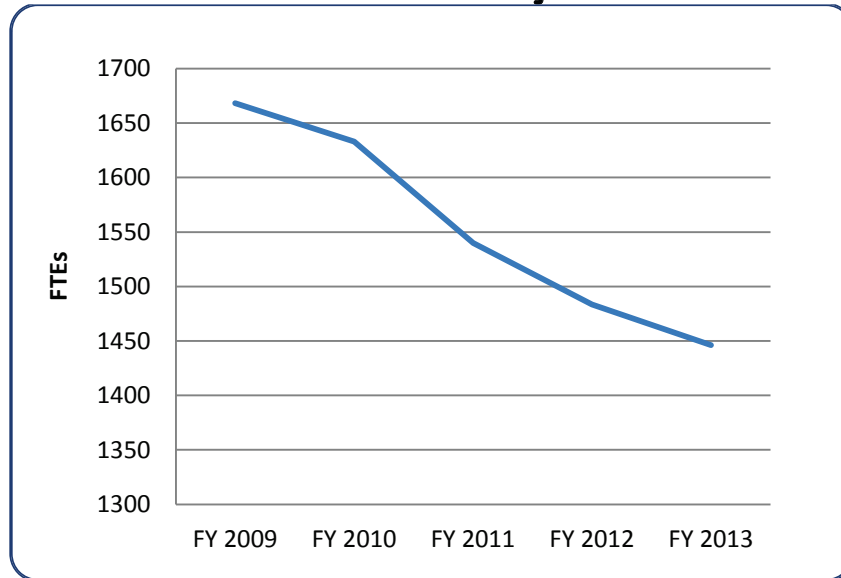
**FY 2012 and FY 2013 Two-Year
Balancing Plan for All Funds
(dollars in millions)**

Balancing Plan	FY 2012	FY 2013	2-Year Total
Reductions	8.4	3.8	12.2
Revenues	1.2	1.9	3.1
Total Balancing Plan			15.5

c. Impacts On Staff and Services

When cities are forced to cut costs, it's impossible to avoid reducing or eliminating some services. Between FY 2009 and FY 2011, the number of non-uniformed personnel decreased by about 10%. By 2013, the number of non-uniformed personnel is projected to decrease by 16%. Between FY 2009 and FY 2013, over 212 positions (sworn and non-sworn) will have been eliminated. We have worked to implement reductions to prevent major cuts to frontline services, but services were, and still will be, impacted.

Number of Full Time Equivalent Employees (FTEs) FY 2009 to FY 2011 and Projected to 2013



The City has a total projected deficit for all funds of \$12.2¹ million going into FY 2012, which will require the elimination of over 79 positions (net) over the next two years. We prepared for these anticipated reductions by not filling vacant positions; unfortunately, those vacancies are not adequate to respond to the projected deficits, as filled positions are also affected. Moreover, the situation can worsen depending upon further federal and state cuts.

The pressure on the City's budget due to outside forces, including reductions proposed at the federal and state levels, as well as the local economy, is staggering. There are not sufficient resources to fund all program demands and employee costs. While we will work to minimize service impacts to the community, the dramatic cut in staff will have a significant impact on City operations and will require a fundamental change in the way the City provides certain ongoing key services.

The City has a policy of treating employees fairly and equitably and of also minimizing the layoff of career employees. The current budget situation with declining revenue in the General Fund and other critical funds will result in a significant reduction in force unless measures are taken to reduce costs. The City Council directed me to meet with representatives of the City's Unions to see if it was possible to negotiate an agreement to mitigate a large scale reduction in force. I have met with representatives of several unions and have reached tentative agreements, which result in one-time net savings of \$1.02 million and ongoing savings of \$546,000.

¹ At the March 22, 2011 Council meeting this estimated deficit was \$12.5 million. The difference of \$300 thousand is due to a change in the budget estimate for CDBG, which ranged from a low of 7.5 percent to a high of 25 percent. The actual federal reduction amount was 16.8 percent.

When all Unions representing non-sworn employees' units agree to changes to how CalPERS benefits are paid and include a second tier of retirement benefit for new employees, additional savings will be achieved. In addition, discussions with the Police Association are currently underway to reduce retirement costs which are necessary to maintain public safety services.

4. Adopted Biennial Budget Financial Summary

The table below summarizes the proposed City expenditure budget for FY 2012 and FY 2013 for all funds, as well as for the General Fund, in comparison with the FY 2011 Updated Adopted Budget. The City's operating budget is decreasing by about 4%, which is somewhat offset by the increase in capital expenses. The total FY 2012 proposed General Fund budget reflects a small increase from the Adopted FY 2011 budget (calculated at 2%). The FY 2013 General Fund budget projects mild growth from FY 2012 with a total change over the 2-year period of 3%, primarily driven by an increase in capital projects.

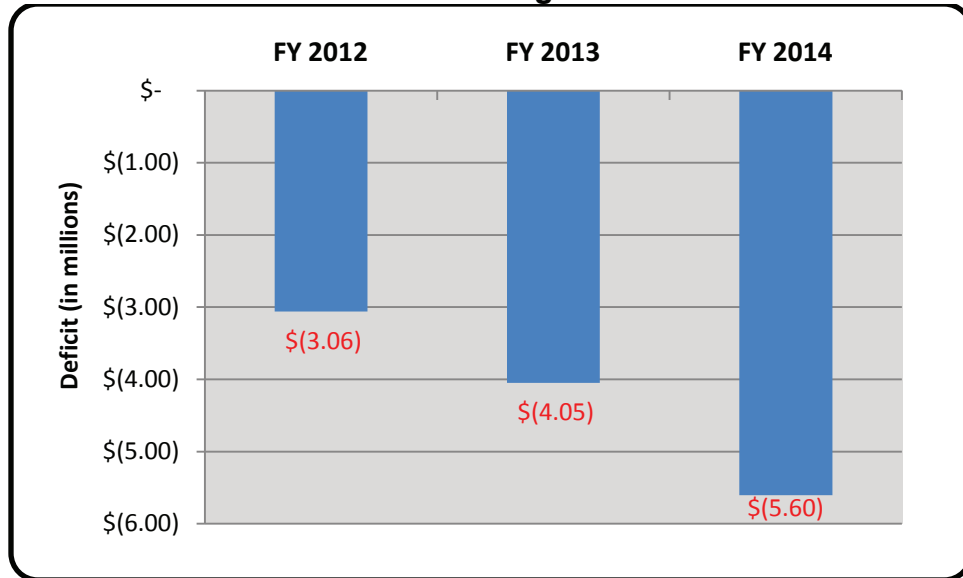
All Funds (in millions)	Adopted FY 2011	Adopted FY 2012	% Change	Adopted FY 2013	% Change
Operating Budget	\$ 281.0	\$ 263.6	-6%	\$ 289.1	3%
Capital Budget	\$ 37.2	\$ 50.5	36%	\$ 25.9	-30%
Total:	\$ 318.2	\$ 314.1	-1%	\$ 315.0	-1%

General Fund (in millions)	Adopted FY 2011	Adopted FY 2012	% Change	Adopted FY 2013	% Change
Operating Budget	\$ 140.9	\$ 139.8	-1%	\$ 142.9	1%
Capital Budget	\$ 5.2	\$ 9.8	88%	\$ 9.6	85%
Total:	\$ 146.1	\$ 149.6	2%	\$ 152.5	4%

5. General Fund Forecast

Below is the Forecasted General Fund Deficit – without balancing measures. While the FY 2012 and FY 2013 projections anticipate a mild recovery of the local economy, revenue reductions and escalating costs have resulted in a projected General Fund structural deficit of \$3 million in FY 2012 that grows to almost \$6 million by FY 2014, primarily due to rising pension and health care costs.

Forecasted General Fund Deficit Without Balancing Measures



These projections assume the following:

- No additional federal or state cuts
- No funding for new programs
- No funding for Berkeley Housing Authority operations
- No further decreases in revenue
- No cost of living (salary) increase in FY 2013

The City is legally obligated to adopt a balanced budget. In order to bring the FY 2012 and FY 2013 budgets into balance, measures to align revenues and expenditures must be considered. In addition, we must begin to address the 2014 deficit and provide funding for capital and other unfunded liabilities.

6. FY 2012 & FY 2013 Balancing Measures

This biennial budget balances the forecasted two-year General Fund deficit of \$3 million in FY 2012 and \$4 million in FY 2013 primarily through expenditure reductions. Department directors were asked to provide recurring General Fund reductions totaling 6 percent for the two-year budget. For other major funds that appeared to be going into deficit in the long run, department directors were required to develop a strategy to fix the structural deficit and balance the fund. Since the bulk of the City's costs are labor costs, the expenditure reduction plans result in the proposed elimination of staff positions. The City has been holding positions vacant for some time in anticipation of these needs but given the size of the projected deficits, filled, career positions are also affected. The chart below reflects the positions proposed for reduction by service area.

Adopted Number of Eliminated Career Positions by Service Area		
Department	FY 2012 FTE*	FY 2013 FTE*
City Attorney Total	(1.00)	-
City Auditor Total	(1.00)	-
City Clerk Total	(1.00)	-
City Manager Total	-	(0.30)
Economic Development Total	-	-
Finance Total	(1.00)	(1.00)
Fire Total	-	-
Health Services Total	(19.50)	(4.90)
Housing & Community Services Total	(9.09)	-
Human Resources Total	(1.00)	-
Information Technology Total	-	(1.00)
Library Total	(5.39)	-
Parks Recreation & Waterfront Total	(3.00)	-
Planning & Development Total	(2.00)	(1.00)
Police Total	(9.00)	(4.00)
Police Review Commission Total	-	-
Public Works Total	(3.75)	(8.00)
Grand Total	(56.73)	(20.20)
<i>*FTE Amounts include Career and Hourly Reductions and Additions per the Balancing Plan</i>		

The budget attempts to maintain priority programs and services within the parameters of our fiscal challenges and need to make expenditure reductions. As part of the balancing measures Fire, for the most part, was excluded from the cuts because of Measure GG, which enables the City to keep fire stations open and improve emergency medical response and disaster preparedness. Police costs were about 50% of the balance. Currently, there are 11 vacant officer positions. In keeping with the Council's policy of controlling labor costs while minimizing layoffs, we are seeking alternatives to reduce costs in order to retain current strength of 183 officers, such as employee salary and benefit savings.

a. Revenue Projections

Several of the underlying budget assumptions are very sensitive to economic changes and assume a mild economic recovery in FY 2012 and FY 2013. This includes assuming that Property Transfer Tax revenue rebounds from the forecasted FY 2011 level of \$9 million back up to \$10 million in FY 2012. This is still a much lower amount than the City has realized in the past. For example, in FY 2007, the Property Transfer Tax revenue topped out at \$16.4 million. The FY 2011 level of \$9 million represents a 45 percent decline from four years ago. Because the Property Transfer Tax is tied to all real property sales, it is volatile and difficult to predict more than one year at a time.

A revenue measure in FY 2013 that focused on capital improvements in some of the major program areas such as Parks, Streets, Clean Storm Water, and Streetlights, could help resolve some of the funding issues in those program areas. For reference, an annual parcel tax of \$52 will yield about \$2.1 million to support some of these major programs.

Public Works will be developing information to support a projected rate increase based on new operational structure and costs; the resulting revenue from such a rate increase could be available for FY 2013.

b. Expenditure Projections (Escalating)

The combination of decreasing revenues and escalating costs results in a projected shortfall for all funds of \$12.2 million in FY 2012 and \$13.3 million in FY 2013. Rising pension and health care costs are primary contributors to the projected General Fund deficit in FY 2012 and FY2013.

Fiscal Year 2012 & Fiscal Year 2013 CalPERS Rates (All Funds)

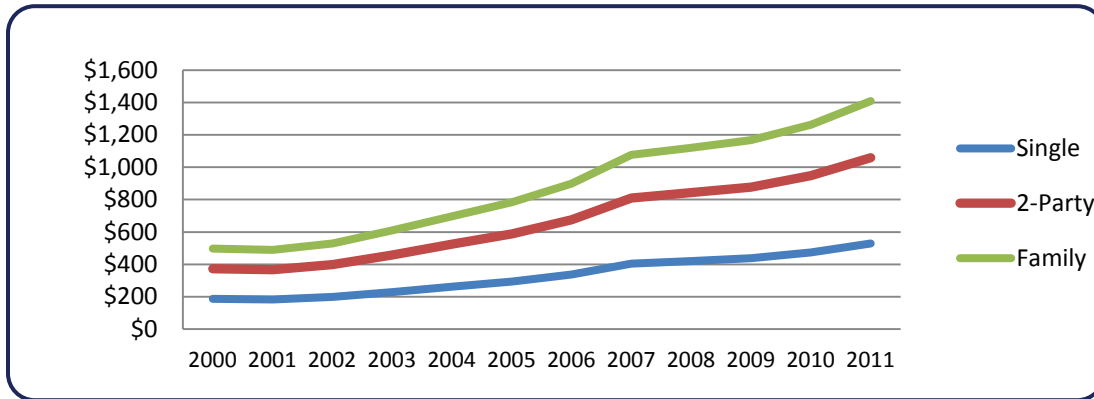
	FY 2011 Actual	FY 2012 PERS Actual	FY 2013 PERS Projected	% Increase*	\$ Increase* (in millions)
Police	36.0%	40.4%	41.9%	16.4%	\$ 1.46
Fire	24.7%	28.6%	30.7%	24.3%	\$.922
Miscellaneous	16.3%	19.0%	19.9%	22.1%	\$ 4.38

*Two year increase from FY 2011 to FY 2013

The rising CalPERS rates alone will increase the City’s costs by almost \$7 million over the next two-year period. The rates are projected to continue to rise in FY 2014: 46.6% for Police, 36.5% for Fire, and 22.9% for Miscellaneous. To help alleviate the budget pressures at the state and local levels, the momentum to change contributions into the CalPERS system is rapidly growing. Change requires both short term solutions (employees pay a greater share of increased costs) and long term solutions (increase retirement age for new employees with a reduced payout percentage). Changes to contributions towards pension costs could save the City millions of dollars each year and retain services as an alternative to cuts.

In addition, health care costs continue to escalate. Since 2000, health premium increases have ranged from 4 percent to 20 percent, averaging about 11 percent per year. The actual Kaiser rate increase for FY 2011 was 12.79 percent. Total health care costs increased over 70 percent in six years going from \$9.5 million in FY 2005 to a projected \$16.3 million in FY 2011.

Kaiser S-1 Plan Health Insurance Rate Increases



c. Lower Costs and Identify New Revenue

Costs control and service cuts are not the only solutions. The City is working hard to develop creative ways to allow services to continue with fewer resources including:

- ❑ 311 Customer Service Call Center and the Online Service Center (www.cityofberkeley.info/onlineservicecenter/);
- ❑ Achieving zero waste goals at lower costs, reducing costs to pick-up refuse; and improving collection efforts;
- ❑ Reorganizing our patrol assignments by putting officers where they are most needed;
- ❑ Realigning our mental and public health programs to respond to changes in funding;
- ❑ Evaluating our current use of resources and identifying areas for improvement including revenue collections and space utilization;
- ❑ Supporting the Berkeley Housing Authority's assessment of its ongoing staffing needs;
- ❑ Evaluating the impacts of working with other jurisdictions;
- ❑ Establishing an investment pool to identify ways to generate additional cost savings or revenue growth;
- ❑ Consolidating City Boards and Commissions;
- ❑ Reviewing employee contracts with a goal of reducing employee costs;
- ❑ Evaluating land use changes to encourage economic development;
- ❑ Sale of surplus property;
- ❑ Voluntary Time Off (VTO) days (primarily non uniformed staff);
- ❑ Worker's Compensation & Retiree Medical cost containment;
- ❑ New sidewalk repair program (shared responsibility with property owner); and
- ❑ Continued selective hiring freeze.

d. Special Funds (Uncertainties)

Several other major funds were identified as going into deficit in the long run.

Department directors developed strategies to fix the structural deficits and balance the

funds. Enterprise and grant funds were required to balance and new programs were required to pay for themselves.

Special Funds Facing Structural Deficits in FY 2012

• Public and Mental Health	(\$2-3 million)
• Refuse	(\$2-3 million)
• Permit Service Center	(\$.75 million)
• Clean Storm Water	(\$1.25 million)
• Federal (CDBG, CSBG, weatherization) ²	<u>(\$.900 – 1.2 million)</u>
Total	(\$9.2 million)

The levels at which these funds will continue in the coming budget cycle are uncertain and highly volatile given the economic and political situation. Some members of Congress have targeted many of these funds for significant reduction or elimination in both the current fiscal year and the next fiscal year.

Absent the structural changes required for a sustainable budget, primarily changes to employee compensation, the City will be forced to shift funds from other important programs, including public safety, to pay for rising pension and health care costs. The City’s projected deficit can get significantly worse if the Governor’s projected revenues fail to materialize.

Dramatic cuts in staffing will have a significant impact on our service level. The balancing plan includes a number of reorganization efforts to align our reduced resources with service delivery at a lower cost.

The budget proposes significant program reorganization in the Housing Department, Health Department, and in the Public Works Department. The service and operations impacts of the initial recommendations proposed by the departments have been discussed with labor and the commissions.

7. Aligning Resources with Service Delivery

a. Housing Department (\$.900 – 1.2 million structural deficit)

Aging Services

The Aging Service Division receives most of its funding from General Fund and Target Case Management (TCM). Under TCM, the department will bill the state for Medi-Cal reimbursement for services provided to eligible seniors. The more encounters provided, the more the department can bill for these much needed services. The Housing

² The White-House initially proposed a 7.5 percent cut to Community Block Grant programs, and the proposed balancing measures assumes a 7.5 percent cut. However, elected representatives at the Federal level recently agreed to a higher 16.8 percent budget reduction in Community Development Block Grant programs.

Department has been spending more from TCM funds than it takes in, and covering operational costs from the reserve which will soon be depleted. Our proposal aligns expenditures with expected revenue.

Under the proposal, the North and South Berkeley Senior Centers will continue to offer a weekly schedule of classes, social events, outings, and a daily hot lunch. The West Berkeley Senior Center will transition from being open to the public, to becoming a service site for individual case management sessions. West Berkeley Senior Center will continue to serve seniors just not as a daily activity center. The Housing staff will create a social services team dedicated to working closely with individual seniors.

The proposal strengthens our ability to serve the seniors with the highest need who require more intensive services as well as services provided in their homes. This shift not only improves service delivery, it also increases revenue by having staff whose time is dedicated to billable activities. The two other senior centers are also strengthened since staff will be able to fully focus on coordinating activities, and providing the daily on-site hot meal.

Transportation services will be maintained. The City will provide rides to West Berkeley Senior Center seniors who want to participate in the activities offered at other sites.

Other impacts:

- ❑ The Weatherization Program is proposed to be eliminated in January 2012, once calendar 2011 contracts expire.
- ❑ General Fund reductions and reduced federal sources for community agency contracts; recommendations were brought to Council on April 26th.

Community Services (Federal Funding)

This budget also reflects changes being made to the community agency funding, which is provided by a mix of City, state and federal funds. On February 14, 2011, the president presented to Congress a \$3.7 trillion budget proposal for fiscal year 2012. The proposal includes a combination of freezes in federal spending and tax increases for high income earners, beginning in 2013 and savings of \$1.1 trillion over the next decade.

State and local governments took significant hits in this budget proposal, with severe reductions to several long standing City programs. The Housing Department administers federal funding through community agency partners to the lowest income members of our community. The levels at which these funds will continue in the coming budget cycles are highly volatile, given the economic and political situation. Some members of Congress have targeted many of these funds for significant reduction or elimination in both the current fiscal year and the next fiscal year.

b. Health Department (\$2 - 3 million structural deficit)

Mental Health Division

The Mental Health Division is planning a restructuring to be implemented in FY 2012 in response to its revenue challenges, as described to the City Council at the December 7, 2010, Work Session.

There will be a division-wide restructuring creating greater community access to handle, Youth, & Crisis Services. There will also be improved baseline productivity standards and increased assessment of objective and client-centered level of care determinations.

There will also be an increased use of client-centered, brief treatment, psycho-education, group therapy, referrals and other supports (as well as intensive services for clients in greatest need). However, there will be a reduction in services of high intensity supports (i.e., intensive services treatment, a more comprehensive and expensive form of mental health support).

The Mental Health Division will also increase the focus on wellness recovery and resiliency, prevention, consumer and family centered services; peer and consumer positions and activities; and greater outreach to state defined underserved ethnic communities through MHSA supportive services.

Public Health Division

The Public Health Division is also impacted by the reductions. There will be reduced direct client services. The Public Health Clinic will decrease to 3 days a week and will not include routine immunizations. There will be narrower nursing case management eligibility standards, and vital statistics customer service hours (birth and death certificates) will be reduced by an additional day a week.

Communicable disease control activities will be limited to the highest risk diseases. Development, implementation, and enforcement of policies related to smoking, healthy eating, and lead exposures will be reduced. Responding to future Public Health emergencies (such as H1N1) will require immediate reduction of day-to-day operations. Program evaluation capacity will also decrease.

There will also be reduced community health promotion services. Public Health staff will participate in fewer community health events. Neighborhood-based outreach and education will decrease in frequency and intensity, and there will be increased reliance on partnerships with other community service providers to meet community needs.

Although there are significant changes to how the Health Department will provide services, staff is committed to maintaining the highest quality of services to the community with a focus on those services which are most critical and serve those most in need.

c. Public Works (Solid Waste Division: \$2 - 3 million structural deficit)

The City contracted with a consultant to recommend strategies to reduce the operation costs in the Solid Waste Division of the Public Works Department. The report was presented to the City Council on March 8, 2011.

As previously reported to Council, the Public Works Department has struggled to balance revenues with expenses in the Refuse Fund since revenues began to erode at the end of FY 2009. Facing a projected \$4 million deficit in FY 2010 we aggressively controlled costs and deferred both maintenance and capital improvement expenditures. To address the projected deficit in FY 2011, we implemented close to \$2 million in recurring reductions at the start of the fiscal year.

The FY 2011 adopted budget anticipated that an inter-fund loan would be needed to cover the Refuse Fund deficit for the FY 2011 fiscal year and a substantial loan is also anticipated for FY 2012. While the current year's savings help reduce this year's projected deficit, these savings are mostly one-time measures and the Refuse Fund still faces a structural problem next fiscal year that will require the implementation of recurring expenditure reductions. In addition, the recycling fee terminates in FY 2011 resulting in a \$1 million reduction in revenue and an increase to the FY 2012 projected deficit.

To balance the fund we are phasing in one person trucks. This will require a capital equipment purchase for 19 solid waste trucks. We are also developing a plan for residential and commercial rate increases effective for FY 2013. We are modifying contracts with several major vendors to reflect the change in service that they will provide. Additionally, staff will release an RFP for disposal (landfill) services with the intent of achieving lower per ton disposal fees. With these proposed changes we anticipate that the deficit in the Refuse fund will be eliminated by the end of FY 2013.

8. An Uncertain Future: FY 2012 & Beyond

Actions to balance the federal and state budgets along with the ongoing struggling economy may worsen the biennial budget picture. While we plan over a multi-year horizon, the high level of uncertainty and volatility makes projections difficult. The General Fund Reserve is one mechanism to help deal with the uncertainties we face.

a. The General Fund Reserve

The City Council's current policy is to maintain the reserve at 8 percent of gross General Fund revenues. The reserve provides some flexibility to address one-time priority programs, smooth out economic swings, buffer the loss of state and federal revenues, and to support City operations in the event of a catastrophic event (such as an earthquake) . An 8 percent reserve would fund City operations for about 30 days in the event of a catastrophic disaster. During recent years, Council has adopted policies to

increase the reserve balance and set funds aside to buffer state cut-backs and economic uncertainties, provide economic incentives, and offset future retirement costs.

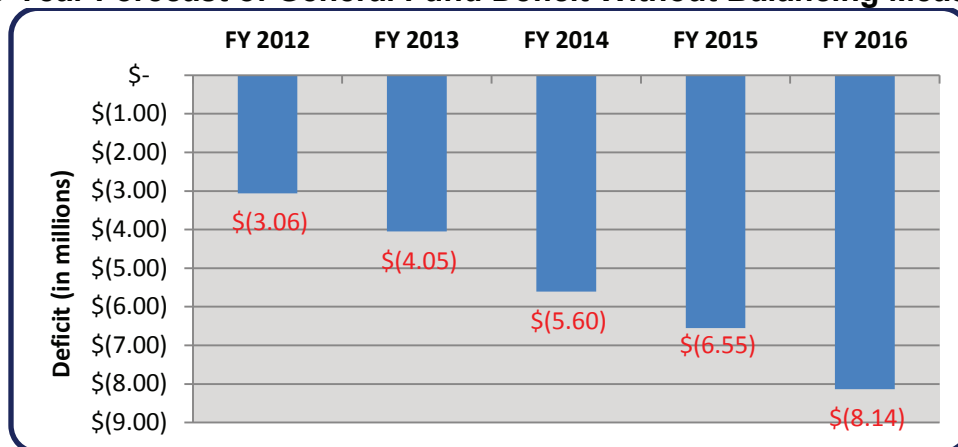
The available unassigned liquid reserve balance is 8.3 percent of gross General Fund revenues or \$12.1 million. The undesignated reserve balance is 10.5 percent or \$15.3 million. The difference is primarily grant receivables that the City has to advance that it may take several years to collect. Historically, there have been write-offs. Such a write-off permanently reduces the reserve. While our 10.5 percent reserve balance is good, the current statewide standard for a city our size is a 15% reserve balance.

b. Addressing Long-Term Uncertainties

We know that FY 2012 will bring higher retirement costs to the City. One of the adopted Council fiscal policies is long-term planning. We continue to review the budget in the context of a multi-year plan. Since we anticipate significant cost increases in FY 2012 and beyond, we continue to update projections.

Below is the General Fund Five-Year forecast – without balancing measures. Revenue losses and escalating costs have resulted in a projected General Fund structural deficit of \$3 million in FY 2012 that grows to \$4 million FY 2013 with deficit projections growing to over \$8 million in FY 2016.

Five-Year Forecast of General Fund Deficit Without Balancing Measures



These projected deficits do not include other needs such as capital and unfunded liabilities. In order to resolve the forecasted structural deficits recurring expenditure reductions are proposed.

Given the fiscal uncertainties of the federal and state budgets, we will likely return to Council for a mid-year update. The reductions we make now will help the City better navigate through future budget challenges. Savings realized in FY 2013 could be used to strengthen our reserve fund, buffer the impact of the anticipated increased CalPERS rates in future years, or as a loan to help fund the capital equipment purchase for the solid waste trucks required to eliminate the deficit in the Refuse fund.

9. Capital Improvement Program

The Capital Improvement Program (CIP) for the City represents the spending plan for infrastructure improvement and other specific large-scale recurring purchases. The City's ability to fund its CIP program is limited by the total available resources that are competing with other community priorities. However, years of limited funding and deferred maintenance have resulted in an aging City infrastructure that needs repair and improvement. We have been taking away from capital improvements in a way that is not sustainable. Therefore, no General Fund reductions are proposed for capital improvements and all available fund balance has been programmed for expenditure. CIP funding resources include the General Fund and a number of other special revenue funds, as well as grants and loans. The separate CIP book contains more detail about the City's Capital Improvement Program.

Use of General Fund Capital Improvement Program Reserves

	FY 2011	FY2012	FY 2013	FY 2014	FY 2015	Total
Facilities	1.0	1.1	1.1	1.1	1.1	
Ratcliff Building Shortfall	0.8					
Council Chambers		0.4				
Secure Old City Hall		0.1				
Information Systems	0.3	0.3	0.2	0.2	0.2	
Server Room	0.8					
VOIP		1.0				
Parks	0.4	0.4	0.4	0.4	0.4	
Sidewalks	0.6	0.6	0.6	0.6	0.6	
Streets	2.7	2.7	2.7	2.3	2.3	
Clean Storm Water CIP	0.7	0.7	0.7			
Transportation	0.3	0.3	0.3	0.3	0.3	
Refuse*		1.5	2.9			
Debt	0.7	0.7	0.7	0.7	0.7	
	8.3	9.8	9.6	5.6	5.6	38.9

* \$1.5 improvements to other infrastructure and \$2.9 million onetime loan for equipment – Repayment programmed for storm improvements starting in FY 2014.

10. Tax Rates

The established growth index for the Parks Tax and the Emergency Medical Services Tax (Paramedic Tax) is the April Consumer Price Index (CPI). The Emergency Services for the Disabled Tax, the Library Tax, and the Measure GG Fire Services and Disaster Preparedness Tax growth is either the higher of the CPI or the Personal Income Growth (PIG). The proposed budget assumes an increase of 1.5% for FY 2012 and FY 2013. The April CPI numbers will not be available till the middle of May and PIG numbers usually come out in early May. Once these figures are available, staff will inform the Council on the figures and the impacts on the budget.

11. Citywide Work Plan

The Citywide Work Plan provides a tool that allows Council to review the ongoing work of the City organization and allocate its limited resources toward its most important projects and needs. The FY 2011 Citywide Work Plan was discussed with the Council in October 2010. On June 7, 2011, the FY 2012 Citywide Work Plan was submitted for the Council's review and consideration. On June 28, 2011, Council accepted the Citywide Work Plan. The Work Plan is a working document which describes baseline, or core services, as well as the special projects of each Department. As staffing resources change, the City's ability to continue baseline services as currently configured will also change, as will the ability to absorb new special projects. The Council will be asked to accept the FY 2012 Work Plan along with the adoption of the biennial budget.

12. Conclusion

The FY 2012 & FY 2013 Biennial Budget reflects a balancing plan that controls costs and plans for the future. The budget balances the two-year budget through a combination of recurring expense cuts and proposed new revenue. Although change is difficult and sacrifices are being made, this budget reflects the City's commitment to long-term fiscal strength and preserving a healthy organization for future generations.

I look forward to the challenge of the upcoming fiscal years as I work with the City Council, boards and commissions, City departments, labor, community agencies, and the community to ensure the City of Berkeley continues to provide quality services to its residents.

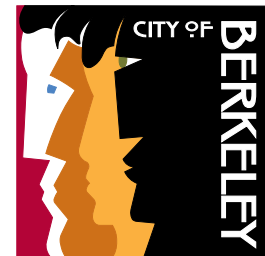
I would like to personally thank Teresa Berkeley-Simmons, Budget Manager and her staff (Rama Murty, Stacey Johnson, and Vanee Bartholomew) for their dedication and hard work to develop a balanced budget with special thanks to Christine Daniel, Deputy City Manager; Bob Hicks, Finance Director; and Mary Kay Clunies-Ross, Public Information Officer.

Respectfully Submitted,



Philip Kamlarz
City Manager

Community Profile Data Budget Book FY 2012-2013



2010 Census data was used when possible, but as of this printing, only population, race and housing information has been released. When the 2010 Census data was not available, the data is from the American Community Survey (ACS) 5-year estimates from 2005-09. The ACS is a nationwide survey conducted by the US Census Bureau, and while the survey gathers a wider variety of information than the official census, only a portion of the population is surveyed at a time. Because of this sampling, the data may be less accurate in some cases, and varies from the 2010 census count.

Note:
Percentages may not always total 100 due to rounding.

Berkeley Population 112,580 (2010 Census)

Male 49.3% (ACS)
Female 50.7% (ACS)
Median Age: 33.6 years

Age Distribution (ACS)

Age	Berkeley	US
65+	11%	13%
45-64	24%	25%
25-44	28%	28%
18-24	24%	9%
Under 18	13%	25%

Types of Households (ACS)

Type	Berkeley	US
Married Family Couples	33%	50%
Other Families	12%	17%
People Living Alone	38%	27%
Other non-Family Households	18%	6%

By Ethnicity (2010 Census)

Total Population 112,580

One race	105,586
White	66,996
Black or African American	11,241
American Indian and Alaska Native	479
Asian	21,690
Native Hawaiian & Other Pacific Islander	186
Some other race	4,994
Two or more races	6,994

Residents who also identify as Hispanic or Latino (of any race): 12,209

Education (ACS estimate)

Berkeley population: 100,887

Total US population: 301,461,533

Based on ACS estimate

Population 3+ years enrolled in school: 39,891

79,887,998

Nursery/elementary school: 18.6%

51%

High school: 8.6%

22%

College or graduate school: 72.8%

27%

Schools in Berkeley

11 public elementary schools

3 public middle schools

2 public high schools (BHS & B-Tech)

1 adult school

6 WACS-accredited private elementary/secondary schools

University of California, Berkeley

Berkeley City College

5 WASC-Accredited Colleges (in addition to Cal and City College)

BUSD, California Department of Education, WASC

Educational Attainment of Population Over 25 Years Old

Population = 64,230 (ACS)

Education Level	Berkeley	US
Grad or Professional	37%	10%
Bachelors	31%	17%
Associates	4%	7%
Some college, no degree	13%	20%
HS Diploma	9%	29%
Less than HS Diploma	6%	16%

Transit and the Environment

- Car Share locations increased from 5 in 2002 to more than 50 now;
- Residential: Electricity consumption decreased 8% and natural gas consumption decreased 15% between 2000-08;
- Commercial: Electricity consumption decreased 4% and natural gas consumption decreased 2% between 2000-08;
- Approximately 700 solar photovoltaic systems and 80 solar hot water systems were installed in Berkeley as of 2009;
- Berkeley is only 8% of Alameda County's population, but more than 37% of the county's population of people who walk and ride bikes to work;
- Berkeley has 36 miles of designated bike routes, including 10 miles of bike lanes and 6 miles of bike paths;
- There are 165 Green Certified businesses in Berkeley, approximately 5% of the total number of businesses;
- Berkeley has the highest food-recycling participation in the county, reducing landfill waste by 19% since the collection program began; and
- Berkeley residents and businesses divert more than 57,000 tons of recyclables and compostables away from landfills every year.

Employment, Economy, Housing (ACS)

Median Household income:	\$59,097
Average Household income:	\$87,723
Residents 16 and older:	89,550
In labor force	60%
Employed:	56%
Unemployed*:	4%
Not in labor force:	40% (e.g. students not looking for work)

Occupation (ACS)

Management, Tech, Pro:	60%
Service:	10%
Sales & Office:	10%
Construction, Maintenance:	4%
Production & Transportation:	4%

**California Employment Development Department reports
10% Berkeley unemployment for December 2010*

Largest Employers

University of California, Berkeley:	23,524
Lawrence Berkeley National Labs:	4,200
Alta Bates Medical Center (2009):	3,100
City of Berkeley (proposed FY 2012)*:	1,485
Bayer Corporation:	1,476
Berkeley Unified School District:	1,200
Kaiser Permanente Medical Group:	700
Berkeley Bowl:	400
Pacific Steel Casting Company:	350
Andronico's Market:	291
Berkeley City College:	290

**Includes Library and Rent Stabilization Board*

Housing (ACS)

Median sale price of new & existing single-family homes:	\$659,000
Median sale price of new & existing condos:	\$434,750 (2010, RealQuest)
Total housing units:	43,636
Vacant:	3,557
Occupied:	40,079
Owner-occupied:	18,062 (45%)
Renter-occupied:	22,017 (55%)
Single family:	48%
2 to 4 units:	20%
5 to 9 units:	10%
10+ units:	21%
Average Rental Rates:*	
Studio	\$950
1 Bedroom	\$1,250
2 Bedroom	\$1,660
3 Bedroom	\$2,395

**2010 average for rent-controlled apartments, Berkeley Rent Stabilization Board*

Community Engagement

Berkeley has 78,631 registered voters

Democratic Party:	66%
Republican Party:	5%
Green Party:	3%
Other:	4%
Decline to State:	22%

Alameda County Registrar of Voters, October 2010

- Berkeley has approximately 165 Neighborhood Watch groups.
- Berkeley has 52 Disaster Cache (neighborhood preparedness) groups.
- Public meeting notices, agendas and meeting-related documents are online, and many audio and DVD recordings are also available.
- Live and archived Council meetings can be watched on the City's website. They are also broadcast by KPFB, 89.3 FM and cable channel 33.

Other Amenities

Berkeley has:

- 3 public swimming pools;
- 3 resident summer camps;
- 105 walking trails;
- 1 skateboard park;
- 1 Adventure Playground;
- An urban forest of 46,000 public trees (an 8% increase from 2000) and 5,000 more sites for planting;
- 15 sports fields;
- 17 acres of off leash dog parks;
- 242 acres of public open space;
- 52 parks, 4 community centers, 1 clubhouse, and 20 community gardens;
- A public marina with berths for 1,000 boats, a small-boat launch ramp, 3 public small boat docks, the Shorebird Nature Center, and a mile-long fishing pier;
- More than 80 acres of state park and easy access to 2,077-acre Tilden Park;
- 3 senior-service facilities that provide activities, meals, and social services.

Berkeley is home to more than 200 arts and cultural organizations, making it one of the most artistically dense cities in the Bay Area. Those diverse organizations include museums, art galleries, dance, music and performance groups, and many more.

For information about the programs and services offered by the City of Berkeley, please call (510) 981-CITY or visit us online at:

www.CityofBerkeley.info

BUDGET POLICIES & PROCESS

The City's budget is a reflection of City policies, goals, and priorities. The fiscal policies adopted by the Council provide the framework for the City's budget development, and include:

1. Focusing on the long-term fiscal health of the City by adopting a two-year budget and conducting multi-year planning;
2. Building a prudent reserve ;
3. Developing long-term strategies to reduce unfunded liabilities;
4. Controlling labor costs while minimizing layoffs;
5. Allocating one-time revenue for one-time expenses;
6. Requiring enterprise and grant funds to balance and new programs to pay for themselves; and
7. Any new expenditure requires revenue or expenditure reductions.

Budget Development Process

The budget process assigns resources to the goals, objectives, and community priorities set by the City Council. New programs are added based on Council service and program priorities. Under the City Charter, the City Manager prepares and recommends to the City Council an operating budget and a capital improvements budget for consideration and adoption

Since FY 2000, the City of Berkeley has prepared and adopted a Biennial Budget. The biennial budget cycle begins with the development of the Budget Development Instructions including policy directives. A budget development calendar is also prepared and presented to Council for the subsequent year's budget preparation. The City Manager reviews and evaluates the baseline budgets and supplemental requests to determine whether they fulfill City Council goals and objectives, improve management effectiveness and service delivery, or increase productivity.

The City Manager then develops a balanced budget proposal for submission to the Mayor and City Council no later than the first Monday in May or at a date set in May through Council authorization. Copies of the City Manager's Proposed Budget are also distributed to all Boards and Commissions and City Departments and are made available to the general public.

The City Council holds public meetings to discuss the proposed budget, including two or more formal public hearings. Budget amendments are considered for incorporation into the proposed budget prior to the formal budget adoption. A Five-Year Forecast is developed to match long-term outcomes with projected resources. This allows for matching resources with long-term policy initiatives that extend beyond the two-year budget cycle.

BUDGET POLICIES & PROCESS

FY 2012 & FY 2013 Biennial Budget Development Calendar

Date	Agenda	Action/Topic
October 26	Workshop	FY 2011 Citywide Workplan Review
October 26	Consent	Adopt FY 2012 & FY 2013 Budget Development Calendar
December 7	Information	FY 2010 Year End Review
December 7	Consent	FY 2011 First amendment to the Annual Appropriations Ordinance and updated FY 2012 & FY 2013 Budget Development Calendar
December 7	Workshop	FY 2011 First quarter update & economic impact (revenue and State budget)/ FY 2012 & FY 2013 Priority Setting /Program Discussion Mental Health
December 14	Workshop	Review of the Workplan in context of fiscal realities
January 18	Workshop	Review of Unfunded Liabilities
February 15	Workshop	FY 2012 & FY 2013 Priority Setting
February 15	Action	FY 2011 Mid-year Update; FY 2012 & FY2013 Budget Forecast
March 8	Workshop	Solid Waste Recycling Assessment Report
March 22	Workshop	FY 2012 & FY 2013 Preliminary recommendations and strategies
March 29	Workshop	Capital Improvement Program
April 26	Action	Public Hearing on CDBG & ESG Annual Action Plan and proposed funding allocations to community agencies
May 3	Workshop	FY 2012 & FY 2013 Proposed Biennial Budget
May 3	Action	Adopt funding allocations and Annual Action Plan for CDBG and ESG
May 17	Action	Public Hearing #1: Budget & Fees
May - June	n/a	Community Meeting(s)
June 7	Action	Public Hearing #2: Budget & Fees
June 14	Action	Council recommendations on budget due to City Manager
June 28	Action	Adopt FY 2012 & FY 2013 Biennial Budget & Tax Rates

BUDGET PRACTICES

The Reporting Entity

The City of Berkeley, California was originally incorporated as a town in 1878 and as a City in 1909. On January 30, 1909, the people of the City adopted a City Charter under which it currently operates (as amended). The City maintains a Council-Manager form of government and provides the following services as authorized by the City Charter: public safety (police and fire); highways and streets; sanitation; social services; public improvements; planning and zoning; and general services. The financial responsibilities of the City also include the Berkeley Redevelopment Agency, the Berkeley Housing Authority, and the Rent Stabilization Board.

Fund Accounting

A fund is a separate fiscal and accounting entity with a separate set of accounting records. City funds are organized within fund groups that include General Funds, Special Revenue Funds, Enterprise Funds, Internal Service Funds, Grant Funds, Bond Funds, Debt Service Funds, and Trust Funds. For example, a separate fund within the Grant Funds category is used to account for the funds received by the City through the Federal Community Development Block Grant (CDBG) Program.

The use of Fund Accounting is one of the basic requirements of generally accepted accounting principles (GAAP) for government and one of the major differences between government and commercial accounting. It requires separate record keeping for each individual fund that a government uses.

Accounting Practices

The accounting and reporting policies of the City conform to generally accepted accounting principles (“GAAP”) applicable to state and local governments. Generally accepted accounting principles for local governments include those principles prescribed by the Governmental Accounting Standards Board (“GASB”), which includes all statements and interpretations of the National Council on Governmental Accounting unless modified by the GASB, and those principles prescribed by the American Institute of Certified Public Accountants in the publication entitled Audits of State and Local Governmental Units.

Basis of accounting refers to the timing of when revenues and expenditures are reported in the financial statements. The governmental fund types and agency funds use the modified accrual basis of accounting. Under this method, revenues are recognized when they become both measurable and available.

All proprietary fund types and pensions trust funds use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Debt Limit

As a Charter City, the City of Berkeley is not subject to the debt limit restrictions that govern general law cities in California. Nonetheless, the City is well below that debt limit even with the recent passage of several bond measures: Measure G (1992) for the seismic retrofit of fire stations, the Public Safety Building, and fire safety improvements; Measure S (1996) for the seismic strengthening and renovation of the Library, Civic

BUDGET PRACTICES

Center, and various downtown improvements; Measure Q (2000) for the purchase of Firefighting Equipment; and Measure I (2002) for a new animal shelter. This is further detailed in the Financial Summary section.

Bond Rating

The City has an above average bond rating. Our most recent general obligation bond issue received an “Aa3” rating from Moody’s and an “AA+” rating from Standard and Poor’s. These ratings place the City of Berkeley among the top-rated municipalities in California. Only 17 of 480 California cities have a higher rating.

Budgetary Basis of Accounting

The budgetary basis of accounting determines when a government charges expenditures against an adopted budget appropriation, or when it credits revenue to its funds for budgeting purposes. Although the City presents financial statements in its Comprehensive Annual Financial Report (CAFR) in accordance with GAAP, the budget is adopted on a modified cash basis. The major areas of difference between the two basis of accounting are as follows:

- ❑ For budgetary purposes, revenues are recorded when received. Under GAAP, revenues are recorded when earned.
- ❑ For budgetary purposes, interfund loans and repayments (i.e., “interfund transfers”) are recorded as expenditures and revenues. Under GAAP, these transactions are reclassified as increases or reductions in the “due to/due from” accounts.
- ❑ In recognition of these differences, companion financial statements are presented in the CAFR according to the budgetary basis of accounting and a detailed schedule is provided that reconciles the results of applying the two different basis of accounting.

Appropriation Authority

The City Council adopts the budget by June 30 through the passage of an Annual Appropriation Ordinance (AAO). This ordinance sets expenditure limits at the fund level for the City’s General Fund, special funds, debt service funds, capital projects funds, enterprise funds, and all internal service funds except the Payroll Deduction Trust Fund, the Catastrophic Loss Trust Fund, Retiree Medical Trust Funds, and the Pension Annuity Fund.

Throughout the year, supplemental appropriations are approved through amendments to the AAO, and require a two-thirds super-majority vote of the City Council. The City Manager is authorized to transfer budgeted amounts between departments or programs within any fund. The Council must approve any transfer that alters the total appropriations of any fund.

All appropriated amounts lapse at year end and are subject to re-appropriation in the following fiscal year, subject to City Council approval.

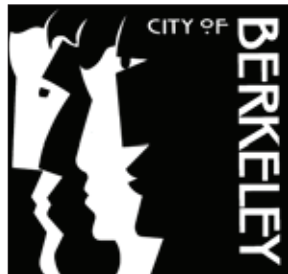
BUDGET PRACTICES

Encumbrances

Encumbrance accounting is used to designate funds for purchase orders, contracts and other commitments until actually expended. Encumbrances outstanding at year-end are carried into the next fiscal year, but the related budget authority is subject to reappropriation by Council.

The Budget as a Living Document

The budget is intended to be a flexible document representing revenue and expenditure data. The current document presents audited actual data for FY 2009, FY 2010, and FY 2011 and the adopted budget figures for FY 2012 and FY 2013.



This page left intentionally blank

**SUMMARY OF FY 2012 & FY 2013 ADOPTED BUDGET
By Funding Source**

Fund Description	Adopted FY 2012		Adopted FY 2013	
	Revenue ^(b)	Expenses	Revenue ^(b)	Expenses
General Fund Discretionary	\$ 149,408,992	\$ 149,576,309	\$ 152,615,449	\$ 152,549,344
Special Revenue Funds				
Emergency Disabled Services	928,104	928,104	946,667	946,667
Paramedic Tax	2,965,280	3,074,321	3,166,600	3,135,672
Parks Tax ^(a)	9,164,890	9,946,841	9,346,499	10,025,304
Downtown Berkeley Prop & Improv. District	1,192,884	1,192,884	1,192,884	1,192,884
Measure GG - Fire Prep Tax	3,724,352	5,087,593	3,798,839	3,095,431
Street Light Assess. District ^(a)	1,877,257	1,974,846	2,020,317	2,007,848
Downtown Business Imp. Dist.	250,000	250,000	250,000	250,000
Telegraph Pro Bus. Imp. Dist.	263,000	263,000	263,000	263,000
N. Shattuck Bus. Imp. Dist.	166,466	166,466	166,466	166,466
Enterprise Funds				
Refuse	36,386,698	35,343,407	36,177,305	35,450,238
Marina Operation ^(a)	4,988,888	5,865,863	4,988,888	5,946,523
Sewer ^(a)	14,516,014	17,758,863	14,516,014	18,005,930
Clean Storm Water	2,225,305	2,132,832	2,236,167	2,163,547
Private Sewer Lateral	225,362	225,362	230,957	230,957
Permit Service Center ^(a)	8,181,629	8,684,573	8,581,878	8,716,915
Off Street Parking	2,912,378	2,673,813	2,912,378	2,639,381
Parking Meter	5,773,658	5,619,933	5,773,658	5,712,143
Unified Program - Toxics ^(a)	665,500	807,860	665,500	823,228
Building Management (1947 Center St.) ^(a)	3,051,128	5,383,865	3,051,128	3,402,474
Gas / Sales Tax Street Improvement Funds	5,949,209	5,999,347	5,949,209	6,093,470
Bonds ^(b)	109,336	2,813,695	104,836	1,733,438
Debt Service Funds	10,145,160	10,509,328	10,170,351	10,673,627
Grant Funds [©]	28,411,692	29,000,584	25,593,244	28,211,603
Internal Service Funds ^(a)	22,489,641	26,784,159	22,353,337	20,538,982
Other Funds				
Capital Improvement Fund ^(a)	5,667,000	7,056,451	5,667,000	7,022,249
Public Liability	1,556,325	1,496,200	1,556,157	1,505,780
Library ^(a)	14,711,055	14,923,334	14,999,566	15,143,873
Rent Board	3,815,000	3,950,000	3,815,000	3,950,000
Redevelopment Agency ^(a)	721,085	943,313	721,085	949,634
Playground Camp ^(a)	1,913,000	2,305,838	1,913,000	2,346,921
Hlth State Aid Realign Trust	3,603,018	3,822,890	3,603,018	3,643,114
Other Funds	2,816,616	2,907,917	3,277,062	3,342,950
Revenue & Expenditure Subtotals:	\$ 350,775,922	\$ 369,469,791	\$ 352,623,459	\$ 361,879,593
Housing Authority	3,146,191	3,232,293	3,146,191	3,285,244
Revenue & Expenditure Totals:	\$ 353,922,113	\$ 372,702,084	\$ 355,769,650	\$ 365,164,837

(a) Revenues do not reflect use of fund balances which are added to balance revenues with appropriations.

(b) Revenues for Bond Projects collected in prior fiscal years.

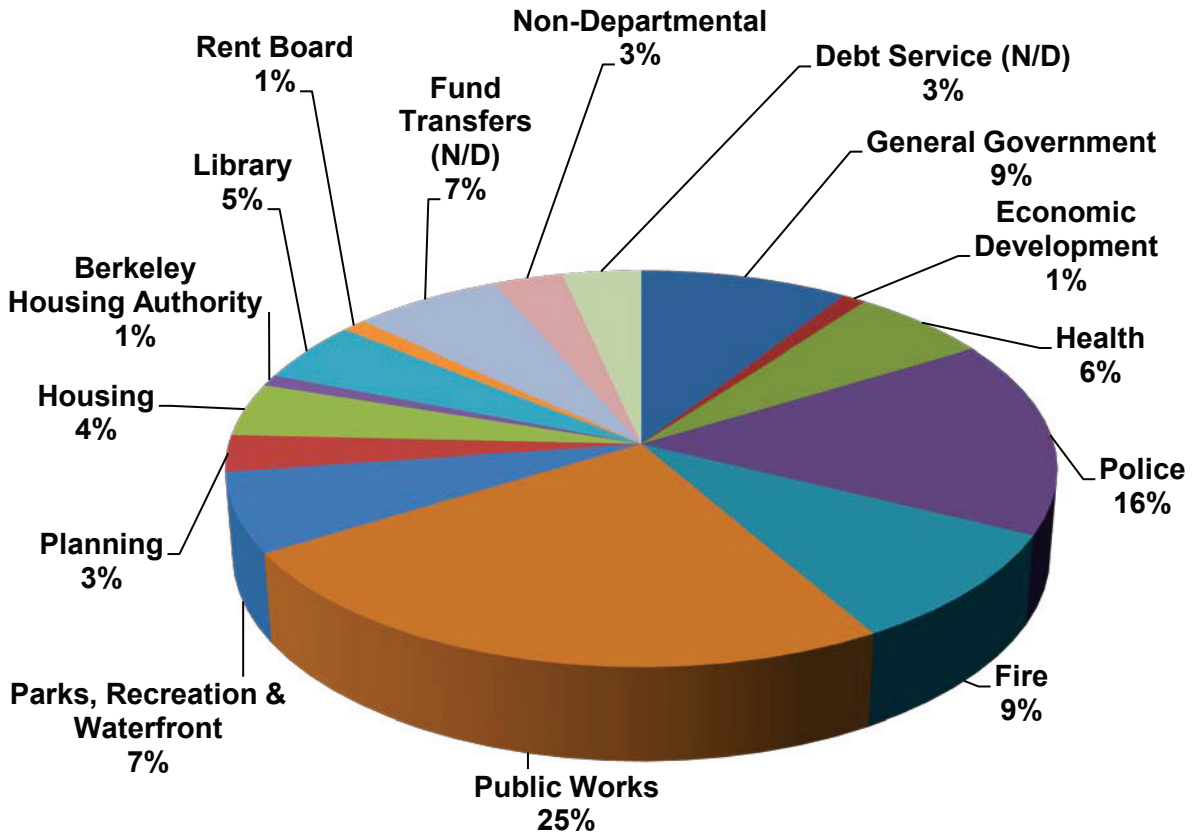
© FY 2012 & FY 2013 grant revenues and expenditures will be adjusted to match once award amounts are known.

Summary of Expenditures by Department - All Funds

	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2013 Adopted
Mayor & Council	1,589,920	1,597,283	1,641,215	1,725,630	1,752,305
Auditor	1,933,211	1,992,554	1,888,753	2,162,735	2,215,391
Police Review Commission	551,384	433,919	457,672	537,129	547,479
City Manager	7,613,786	7,526,187	4,712,635	4,907,219	4,969,339
Office of Economic Development	3,237,664	3,085,611	2,450,930	3,892,523	3,893,527
Information Technology	5,076,770	5,688,738	7,896,573	8,105,531	8,067,560
City Attorney	3,354,119	3,606,120	3,546,313	3,659,362	3,717,770
City Clerk	1,676,613	1,446,880	2,010,283	1,917,743	1,940,118
Finance	6,261,943	6,332,317	6,846,962	7,527,427	7,470,145
Human Resources	3,322,189	3,229,803	2,894,562	3,085,618	3,146,048
Health Services	29,346,051	23,940,367	22,285,848	22,653,989	22,456,170
Police	53,606,428	55,407,497	56,887,625	58,841,866	59,285,399
Fire	30,047,821	34,140,809	31,028,934	35,188,537	33,769,731
Public Works	91,382,453	89,809,102	88,664,464	92,565,154	88,539,863
Parks, Recreation & Waterfront	21,670,916	22,284,787	22,606,810	24,213,951	23,906,532
Planning	13,337,969	13,051,481	11,162,993	11,020,951	11,091,469
Housing & Community Services	12,964,762	23,033,267	16,893,834	16,049,734	15,932,584
Library	14,130,551	15,635,829	17,249,049	18,166,258	17,822,826
Rent Board	3,546,249	3,496,145	3,647,540	3,930,496	3,930,162
Non-Departmental	51,699,437	42,102,891	48,004,141	49,197,938	47,305,175
Gross Expenditure:	\$ 356,350,236	\$ 357,841,587	352,777,136	369,349,791	361,759,593
Berkeley Housing Authority ⁽¹⁾	2,329,958	1,986,317	1,798,592	3,352,293	3,405,244
Gross Appropriations:	358,680,194	359,827,904	354,575,728	372,702,084	365,164,837
Less: Dual Appropriations	(60,350,287)	(44,827,351)	(49,261,780)	(58,648,159)	(50,214,547)
Net Expenditure:	\$ 298,329,907	\$ 315,000,553	\$ 305,313,948	\$ 314,053,925	\$ 314,950,290

(1) Berkeley Housing Authority has been a separate entity since FY 2008

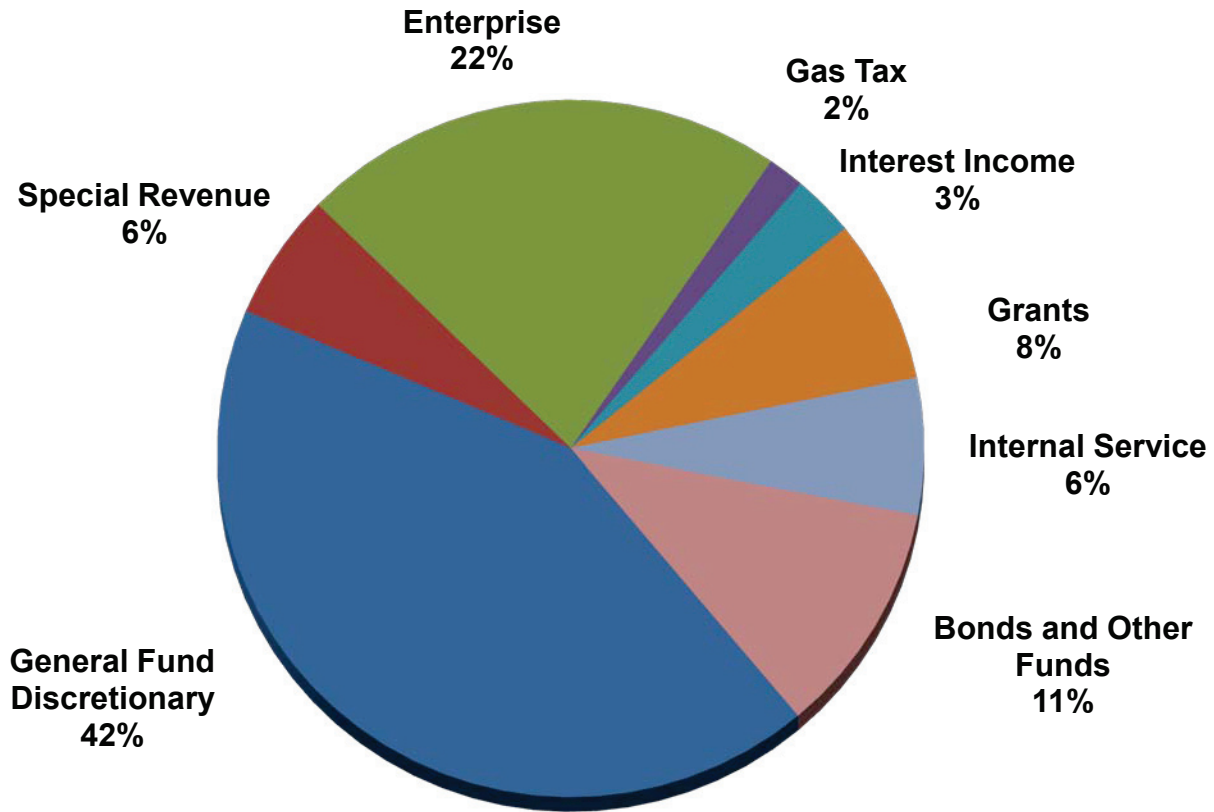
All Funds Expenditures by Department
FY 2012 & FY 2013 Biennial Budget
\$737,866,921 (Gross)
\$629,004,215 (Net)



REVENUE BY FUNDING SOURCE

Fund Description	Actual Revenue FY 2010	Actual Revenue FY 2011	Adopted Revenue FY 2012	Adopted Revenue FY 2013
10 General Fund Discretionary	\$139,684,838	\$144,438,108	\$ 149,408,992	\$ 152,615,449
Special Revenue Funds				
18 Emergency Disabled Services	891,431	912,577	928,104	946,667
160 Paramedic Assessment/Tax	2,816,018	3,305,283	2,965,280	3,166,600
450 Landscape Assessment/Parks Tax	8,835,497	9,019,666	9,164,890	9,346,499
451 Downtown Berkeley Prop & Improv. District			1,192,884	1,192,884
455 Fire Assessment District	1,746			
456 Measure GG - Fire Prep Tax	5,216,154	3,675,913	3,724,352	3,798,839
470 Street Light Assess. District	1,878,043	1,897,944	1,877,257	2,020,317
471 DST #47 Miller/Stevenson	160	0	-	-
472 Sustainable Energy Finance District	155,549	0	-	-
474 Solano Avenue Business Imp. District	73	1,607	-	-
475 Underground Assess. Districts	0	0	-	-
476 Downtown Business Imp. District	325,583	322,294	250,000	250,000
477 Telegraph Bus Pro Imp District	211,031	226,182	263,000	263,000
478 N. Shattuck Bus. Imp. Dist.	163,907	170,413	166,466	166,466
Enterprise Funds				
820 Refuse	32,337,424	33,402,982	36,386,698	36,177,305
825 Marina Operation	5,074,593	4,770,993	4,988,888	4,988,888
830 Sewer	13,177,575	13,003,115	14,516,014	14,516,014
831 Clean Storm Water	2,061,613	2,679,536	2,225,305	2,236,167
832 Private Sewer Lateral	39,300	114,750	225,362	230,957
833 Permit Service Center	7,179,927	7,748,929	8,181,629	8,581,878
835 Off Street Parking	2,888,226	3,146,434	2,912,378	2,912,378
840 Parking Meter	5,341,467	5,881,686	5,773,658	5,773,658
845 Unified Program - Toxics	730,040	747,530	665,500	665,500
850 Building Management - 1947 Center St.	2,922,623	3,012,604	3,051,128	3,051,128
Gas / SalesTax Street Improvement Funds	5,274,583	5,444,708	5,949,209	5,949,209
Bond Funds				
Measure FF - Branch Libraries	13,641	16,457,013	6,000	1,500
Measure G Bond Capital Imprvmnts	128,888	54,609	-	-
Measure S Bond Capital Imprvmnts	29,176	15,589	-	-
640 BJPFA Lease Revenue Bonds	0	0	103,336	103,336
656 00 Mello-Roos - Fire Equipment	2,016	30	-	-
676 Meas I - Animal Shelter	-170,837	3,807	-	-
Debt Service Funds				
710 Debt Service Fund	579,789	605,544	533,410	473,250
714 09 Measure FF Library Debt Service	1,430,743	1,340,848	1,554,669	1,604,969
720 99 Lease Re Bds BJPFA \$9M	451,858	690,951	650,000	650,000
721 SPL Tax Bds CFD#1 ML-ROOS	978,088	985,740	-	0
723 2002 G.O. Refunding Bonds	1,509,598	1,333,619	1,463,321	1,463,321
Other Debt Service	7,051,767	5,930,613	5,943,760	5,978,811
Grant Funds				
Federal Grants	16,145,154	11,360,405	8,515,970	8,296,190
State/County Grants	27,400,526	29,182,303	19,714,585	17,115,917
Other Grants	315,616	323,423	181,137	181,137
Internal Service Funds				
488 Employee Training Fund	0	0	500,000	500,000
860 Equipment Replacement	2,725,121	3,205,027	2,844,125	2,844,125
865 Equipment Maintenance	6,380,930	7,554,377	6,478,387	6,478,387
866 Building Maintenance Fund	3,380,760	3,473,811	3,528,514	3,528,514
870 Warehouse	579,704	389,945	544,147	544,147
873 PC Replacement	383,000	382,252	382,998	382,998
875 Workers Compensation	8,561,372	8,601,052	8,211,470	8,075,166
Other Funds				
610 Capital Improvement Fund	3,317,913	3,998,525	5,667,000	5,667,000
881 Public Liability	1,778,476	1,703,476	1,556,325	1,556,157
301 Library	14,152,275	14,482,269	14,711,055	14,999,566
440 Rent Board	3,808,926	3,909,345	3,815,000	3,815,000
Redevelopment Agency	1,263,769	927,051	721,085	721,085
330 Playground Camp	1,949,602	2,257,879	1,913,000	1,913,000
958 Hlth State Aid Realign Trust	3,615,337	3,569,423	3,603,018	3,603,018
Other Funds	10,918,048	2,986,177	2,816,616	3,277,062
Revenue Subtotals:	\$355,888,657	\$369,648,357	\$350,775,922	\$352,623,459
Housing Authority	1,647,015	1,617,448	3,146,191	3,146,191
Revenue Totals:	\$357,535,672	\$371,265,805	\$353,922,113	\$355,769,650

Revenue By Funding Source
FY 2012 & FY 2013
Biennial Budget
\$709,691,763
(Excludes Use of Fund Balances)



AVAILABLE CASH BY FUNDING SOURCE

Fund Description	Balance 7/1/2010	Actual Revenue FY 2011	Actual Expenses FY 2011	Balance 6/30/2011	Adopted Revenue FY 2012	Adopted Expenses FY 2012	Projected Balance 6/30/2012	Adopted Revenue FY 2013	Adopted Expenses FY 2013	Projected Balance 6/30/2013
10 General Fund Discretionary	\$ 18,834,384	\$ 144,438,108	\$ 145,689,783	\$ 17,582,709	\$ 149,408,992	\$ 149,576,309	\$ 17,415,392	\$ 152,615,449	\$ 152,549,344	\$ 17,481,497
Special Revenue Funds										
18 Emergency Disabled Services	458,088	912,577	928,726	441,939	928,104	928,104	441,939	946,667	946,667	441,939
160 Paramedic Tax	(339,324)	3,305,283	2,779,726	186,233	2,965,280	3,074,321	77,192	3,166,600	3,135,672	108,120
450 Parks Tax	2,494,486	9,019,666	9,117,848	2,996,304	9,164,890	9,946,841	1,614,353	9,346,499	10,025,304	935,548
451 Downtown Berkeley Prop & Improv. District	-	-	-	-	1,192,884	1,192,884	-	1,192,884	1,192,884	-
456 Measure GG - Fire Prep Tax	1,609,605	3,675,913	2,645,447	2,640,071	3,724,352	5,087,593	1,276,830	3,798,839	3,095,431	1,980,238
470 Street Light Assess. District	260,891	1,897,944	2,047,889	110,946	1,877,257	1,974,846	13,357	2,020,317	2,007,848	25,826
471 DST #47 Miller/Stevenson	(165,951)	-	89,140	(255,091)	-	-	(255,091)	-	-	(255,091)
472 Sustainable Finance Energy District	(3,531)	-	1,378	(4,909)	-	-	(4,909)	-	-	(4,909)
474 Solano Avenue Business Imp. District	1,532	1,607	-	3,139	-	-	3,139	-	-	3,139
475 Underground Assess. Districts	(108,871)	-	-	(108,871)	-	-	(108,871)	-	-	(108,871)
476 Downtown Business Imp. District	76,339	322,294	250,000	148,633	250,000	250,000	148,633	250,000	250,000	148,633
477 Telegraph Pro Bus. Imp. District	18,772	226,182	168,788	76,166	263,000	263,000	76,166	263,000	263,000	76,166
478 N. Shattuck Bus. Imp. District	84,370	170,413	177,435	77,348	166,466	166,466	77,348	166,466	166,466	77,348
Enterprise Funds										
820 Refuse	424,899	33,402,982	33,113,160	714,721	36,386,698	35,343,407	1,758,012	36,177,305	35,450,238	2,485,079
825 Marina Operation	3,147,090	4,770,993	5,651,244	2,266,839	4,988,888	5,865,863	1,389,864	4,988,888	5,946,523	432,229
830 Sewer	16,749,346	13,003,115	13,719,582	16,032,879	14,516,014	17,758,863	12,790,030	14,516,014	18,005,930	9,300,114
831 Clean Storm Water	304,309	2,679,536	2,227,444	756,401	2,225,305	2,132,832	848,874	2,236,167	2,163,547	921,494
832 Private Sewer Lateral	(265,900)	114,750	186,582	(337,732)	225,362	225,362	(337,732)	230,957	230,957	(337,732)
833 Permit Service Center	2,973,037	7,748,929	8,578,610	2,143,356	8,181,629	8,684,573	1,640,412	8,581,878	8,716,915	1,505,375
835 Off Street Parking	8,698,934	3,146,434	2,593,209	9,252,159	2,912,378	2,673,813	9,490,724	2,912,378	2,639,381	9,763,721
840 Parking Meter	247,944	5,881,686	5,163,687	965,943	5,773,658	5,619,933	1,119,668	5,773,658	5,712,143	1,181,183
845 Unified Program (Toxics)	821,815	747,530	758,772	810,573	665,500	807,860	668,213	665,500	823,228	510,485
850 Building Management - 1947 Center St.	8,758,130	3,012,604	3,193,832	8,576,902	3,051,128	5,383,865	6,244,165	3,051,128	3,402,474	5,892,819
Gas / Sales Tax Street Improvement Funds										
3,884,590	5,444,708	6,161,352	3,167,946	5,949,209	5,999,347	3,117,808	5,949,209	6,093,470	2,973,547	
Bond Funds										
Measure FF - Branch Libraries	8,510,959	16,457,013	2,837,258	22,130,714	6,000	2,003,516	20,133,198	1,500	1,553,438	18,581,260
Measure G Bond Capital Imprvmnts	2,964,998	54,609	608,201	2,411,406	-	-	2,411,406	-	-	2,411,406
Measure S Bond Capital Imprvmnts	899,988	15,589	78,198	837,379	-	-	837,379	-	-	837,379
640 BJJFA Lease Revenue Bonds	1,731,911	-	117,124	1,614,787	103,336	630,179	1,087,944	103,336	-	1,191,280
656 00 Mello-Roos - Fire Equipment	1,468,558	30	1,408,779	59,809	-	180,000	(120,191)	-	180,000	(300,191)
676 Measure I - Animal Shelter	3,525,571	3,807	2,038,141	1,491,237	-	-	1,491,237	-	-	1,491,237
Debt Service Funds										
710 Debt Service Fund	96,970	605,544	608,141	94,373	533,410	533,410	94,373	473,250	473,250	94,373
714 09 Measure FF Library Debt Service Fund	1,007,242	1,340,848	881,311	1,466,779	1,554,669	1,554,669	1,466,779	1,604,969	1,604,969	1,466,779
720 99 Lease Re Bds BJJFA \$9M	645,874	690,951	634,463	702,362	650,000	623,488	728,874	650,000	626,863	752,011
721 SPL Tax Bds CFD#1 ML-ROOS	3,561,449	985,740	771,174	3,776,015	-	773,060	3,002,955	-	769,069	2,233,886
723 2002 G.O. Refunding Bonds	1,555,150	1,333,619	1,454,247	1,434,522	1,463,321	1,463,853	1,433,990	1,463,321	1,458,870	1,438,441
Other Debt Service	7,482,390	5,930,613	5,899,228	7,513,775	5,943,760	5,560,848	7,896,687	5,978,811	5,740,606	8,134,892
Grant Funds										
Federal Grants	(1,622,145)	11,360,405	10,803,864	(1,065,604)	8,515,970	8,302,606	(852,240)	8,296,190	8,397,265	(953,315)
State/County Grants	(1,591,668)	29,182,303	23,711,554	3,879,081	19,714,585	19,892,826	3,700,840	17,115,917	19,632,374	1,184,383
Other Grants	(157,151)	323,423	502,776	(336,504)	181,137	805,152	(960,519)	181,137	181,964	(961,346)

AVAILABLE CASH BY FUNDING SOURCE

Fund Description	Balance 7/1/2010	Actual Revenue FY 2011	Actual Expenses FY 2011	Balance 6/30/2011	Adopted Revenue FY 2012	Adopted Expenses FY 2012	Projected Balance 6/30/2012	Adopted Revenue FY 2013	Adopted Expenses FY 2013	Projected Balance 6/30/2013
Internal Service Funds										
488 Employee Training Fund	425,617	-	417,068	8,549	500,000	498,835	9,714	500,000	503,959	5,755
860 Equipment Replacement	6,765,779	3,205,027	1,958,433	8,012,373	2,844,125	6,726,102	4,130,396	2,844,125	2,323,131	4,651,390
865 Equipment Maintenance	(545,317)	7,554,377	6,468,055	541,005	6,478,387	6,460,465	558,927	6,478,387	6,548,923	488,391
866 Building Maintenance Fund	303,298	3,473,811	3,577,073	200,036	3,528,514	3,818,565	(90,015)	3,528,514	3,901,370	(462,871)
870 Central Services	29,677	389,945	533,103	(113,481)	544,147	697,009	(266,343)	544,147	617,058	(339,254)
873 Computer & Server Replacement	293,356	382,252	191,115	484,493	382,998	383,000	484,491	382,998	383,000	484,489
875 Workers Compensation	10,814,495	8,601,052	5,658,919	13,756,628	8,211,470	8,200,183	13,767,915	8,075,166	6,261,541	15,581,540
Other Funds										
610 Capital Improvement Fund	11,068,426	3,998,525	5,298,148	9,768,803	5,667,000	7,056,451	8,379,352	5,667,000	7,022,249	7,024,103
881 Public Liability	1,611,520	1,703,476	1,494,339	1,820,657	1,556,325	1,496,200	1,880,782	1,556,157	1,505,780	1,931,159
301 Library	1,461,884	14,482,269	14,403,344	1,540,809	14,711,055	14,923,334	1,328,530	14,999,566	15,143,873	1,184,223
440 Rent Board	770,549	3,909,345	3,647,540	1,032,354	3,815,000	3,950,000	897,354	3,815,000	3,950,000	762,354
Redevelopment Agency	2,154,922	927,051	1,432,420	1,649,553	721,085	943,313	1,427,325	721,085	949,634	1,198,776
330 Playground Camp	959,911	2,257,879	1,975,227	1,242,563	1,913,000	2,305,838	849,725	1,913,000	2,346,921	415,804
958 Hlth State Aid Realign Trust	349,069	3,569,423	4,130,243	(211,751)	3,603,018	3,822,890	(431,623)	3,603,018	3,643,114	(471,719)
Other Funds	11,250,491	2,986,177	4,230,767	10,005,901	2,816,616	2,907,917	9,914,600	3,277,062	3,342,950	9,848,712
Revenue & Expenditure Subtotals:		369,648,357	353,013,887		350,775,922	369,469,791		352,623,459	361,879,593	
Berkeley Housing Authority	-	1,617,448	1,634,168	(16,720)	3,146,191	3,232,293	(102,822)	3,146,191	3,285,244	(241,875)
Revenue & Expenditures Total:		371,265,805	354,648,055		353,922,113	372,702,084		355,769,650	365,164,837	

Notes: Most Funds with a negative "Available Balance" indicate a "receivable". For instance, a **grant reimbursement** is pending/in process. A plan to reduce the total amount and length of time these receivables remain outstanding is described in the Five Year Strategic Plan.

Negative "Available Balances" in the Bond Funds are a result of the requirement to have budget in order to encumber construction contracts. However, bonds are issued and the proceeds are deposited into these Funds in accordance with the project's "cash flow" needs.

Working on balancing all other funds with negative fund balances.

DEBT LIMIT COMPUTATION (March 31, 2011)

The City of Berkeley is a charter city and, as such, does not have a debt limit. However, if it were a general law city, its legal debt limit and debt limit margin would be the following:

Total FY 2011 assessed valuation (less other exemptions)	<u>\$12,148,131,291</u>
Debt limit (15% of assessed value)	1,822,219,694
Amount of debt applicable to the debt limit	<u>84,700,000</u>
Legal debt margin (if Berkeley were a general law city)	<u>\$1,737,519,694</u>

In addition, to the total general obligation bonds outstanding of \$68,700,000 as of June 30, 2010, the voters have authorized a general obligation measure (Measure FF) of \$16,000,000 for the library branches), which is included in the total amount of debt applicable to the debt limit above.

Effects of Existing Non-Tax-Supported Debt levels on Current and Future City Operations

The City's existing debt levels are not expected to significantly impact current operations since the general obligation bonds are entirely tax-supported and the City has identifiable sources of debt repayment for its governmental revenue bonds and its enterprise lease revenue bonds and certificates of participation, as follows:

Governmental Revenue Bonds

Description	Principal Outstanding at June 30, 2010	Year of Final Maturity	Debt Service Due in FY 2012	Debt Service Due in FY 2013
WBIP Tax Allocation Refunding Bonds	\$4,210,000	2015	\$947,780	\$948,418
Theatre Facility and Park Land Acquisition Bonds	7,460,000	2029	620,888	624,263
Refunding Pension Obligation Bonds	2,755,000	2018	533,410	473,250
WBIP Subordinated Tax Allocation Bonds-BRA	1,000,000	2012	0.00	0.00
Total Governmental Revenue Bonds	\$15,425,000		\$2,102,078	\$2,045,931

- WBIP Tax Allocation Refunding Bonds: These bonds will not negatively impact current or future City operations since they are entirely supported by tax increment revenues.

DEBT LIMIT COMPUTATION (March 31, 2011)

- Theatre Facility and Park Land Acquisition Bonds: These bonds will not negatively impact current or future City operations since they have been supported by Capital Improvement Fund transfers since FY 2001. The bonds were issued to help address two City priorities: (1) Obtaining land to build playgrounds and (2) supporting the arts, through the construction of a new Berkeley Repertory Theatre.
- Refunding Pension Obligation Bonds: These bonds were issued to purchase a Guaranteed Investment Contract (GIC) and risk agreement that provides pension benefit payments to members of the Safety Members Pension Fund. These bonds won't negatively impact current or future City operations since the city has a legal obligation to pay the pension benefits. If the City had not incurred the liability to purchase the GIC, the City would have to use General Fund cash to fund the pension benefits. In addition, the income earned on the GIC (9.68%) is double the rates currently available in the market.

Also, it should be pointed out that on December 1, 2003, the City significantly reduced its non-tax-supported debt level by paying off \$20.5 million in 1996 Refunding Lease Revenue Bonds, in order to save the General Fund annual debt service subsidy payments of over \$1 million through FY 2015.

Enterprise Funds Lease Revenue Bonds and COP's

Description	Principal Outstanding at June 30, 2010	Year of Final Maturity	Debt Service Due in FY 2012	Debt Service Due in FY 2013
Garage Improvement Bonds	\$4,235,000	2022	\$456,624	\$451,124
Certificates of Participation for Acquisition of 1947 Center Street	26,080,000	2033	1,887,011	1,886,811
Certificates of Participation for Acquisition and Construction of Animal Shelter	5,750,000	2040	314,475	412,975
Total Enterprise Funds Lease Revenue Bonds and COP's	\$36,065,000		\$2,658,110	\$2,750,910

- Garage Improvement Bonds: These bonds won't negatively impact current or future City operations since they are entirely supported by fees from the parking garages and mall leases.
- Certificates of Participation for Acquisition of 1947 center street building: The purchase of this building was viewed as a prudent financial decision because it gave the City the opportunity to house several City departments that were leasing space. The elimination of these lease costs plus the lease income from other tenants in the

DEBT LIMIT COMPUTATION (March 31, 2011)

building offsets the debt service costs on the COP's. In addition, the City is building equity in the building. For these reasons, these bonds won't negatively impact current or future City operations.

- Certificates of Participation to finance a portion of the acquisition and construction of an animal shelter. The building will be leased by the city with an amount sufficient to pay to the trustee the principal and interest due.

City of Berkeley
FY 2011 - FY 2013 Debt Service Details

Account Number	Account Description	FY 2011	FY 2012	FY 2013	Total
723-9902-470-8210	Principal Payment	965,000	1,005,000	1,040,000	4,820,000
723-9902-470-8225	<u>Interest Payment</u>	488,134	456,353	416,370	2,448,759
	2002 GO Refunding Bond(Refunded Measure G Sr A & B)	1,453,134	1,461,353	1,456,370	7,268,759
725-9902-470-8210	Principal Payment	60,000	45,000	120,000	470,000
725-9902-470-8225	<u>Interest Payment</u>	165,818	163,193	159,068	837,090
	2007 A GO Refunding Bond(Refunded Measure G Sr C)	225,818	208,193	279,068	1,307,090
718-9902-470-8210	Principal Payment	1,535,000	1,335,000	1,390,000	7,760,000
718-9902-470-8225	<u>Interest Payment</u>	1,470,593	1,405,518	1,351,018	7,418,815
	2007B GO Refunding Bond(Refunded Measure S Sr A, B & C)	3,005,593	2,740,518	2,741,018	15,178,815
710-9902-470-8210	Principal Payment	470,000	420,000	380,000	2,345,000
710-9902-470-8225	<u>Interest Payment</u>	135,500	113,410	93,250	696,373
	1998 Pension Refunding Bonds	605,500	533,410	473,250	3,041,373
720-9902-470-8210	Principal Payment	225,000	225,000	240,000	1,115,000
720-9902-470-8225	<u>Interest Payment</u>	407,025	395,888	384,263	2,032,665
	99 Lease Rev Bonds(Park/Theatre)	632,025	620,888	624,263	3,147,665
721-9902-470-8210	Principal Payment	460,000	480,000	495,000	2,310,000
721-9902-470-8225	<u>Interest Payment</u>	298,311	280,211	260,951	1,484,916
	Measure Q(Mello Roos)	758,311	760,211	755,951	3,794,916
722-9902-470-8210	Principal Payment	30,000	30,000	35,000	155,000
722-9902-470-8225	<u>Interest Payment</u>	68,388	65,810	64,573	335,475
	2004 Thousand Oaks Hts Ltd. Obligation Improvement Bonds	98,388	95,810	99,573	490,475
010-9902-470-8210	Principal Payment	-	-	-	364,624
010-9902-470-8225	<u>Interest Payment</u>	-	-	-	22,497
					387,121
860-5703-410-8210	Principal Payment	170,306	395,361	412,868	1,340,551
860-5703-410-8225	<u>Interest Payment</u>	152,000	157,733	140,226	641,037
	2009 Fire Engine Lease	322,306	553,094	553,094	1,981,588
835-9902-470-8210	Principal Payment	285,000	300,000	305,000	1,435,000
835-9902-470-8225	<u>Interest Payment</u>	166,243	156,624	146,124	828,125
	Off-Street Parking Fund(2005 Series A Revenue Bonds)	451,243	456,624	451,124	2,263,125
715-9902-470-8210	Principal Payment	785,000	810,000	840,000	3,930,000
715-9902-470-8225	<u>Interest Payment</u>	165,255	137,780	108,418	815,643
	BRA - 2005 Refunding Tax Allocation Bonds	950,255	947,780	948,418	4,745,643
850-9902-470-8210	Principal Payment	695,000	720,000	745,000	3,490,000
850-9902-470-8225	<u>Interest Payment</u>	1,189,946	1,167,011	1,141,811	5,938,811
	2003 Certificates of Participation (1947 Center St Bldg Purchases)	1,884,946	1,887,011	1,886,811	9,428,811
825-5903-450-8210	Principal Payment	118,097	123,411	128,965	591,628
825-5903-450-8225	<u>Interest Payment</u>	42,616	37,302	31,748	211,937
	Notes Payable Harbor Construction # 4	160,713	160,713	160,713	803,565
825-5903-450-8210	Principal Payment	-	-	-	-
825-5903-450-8225	<u>Interest Payment</u>	226,418	276,612	-	666,616
	Notes Payable Harbor Construction # 5	226,418	276,612	-	666,616
301-9102-450-8210	Principal Payment	-	-	-	108,468
301-9102-450-8225	<u>Interest Payment</u>	-	-	-	2,924
	Library Equipment Lease				111,391

City of Berkeley
FY 2011 - FY 2013 Debt Service Details

Account Number	Account Description	FY 2011	FY 2012	FY 2013	Total
048-9902-470-8210	Principal Payment	26,000	26,000	26,000	130,000
048-9902-470-8225	<u>Interest Payment</u>	17,001	15,884	14,701	84,612
	HUD 108 Loan - Adeline Apartments	43,001	41,884	40,701	214,612
048-9902-470-8210	Principal Payment	151,000	161,000	172,000	759,000
048-9902-470-8225	<u>Interest Payment</u>	27,136	20,428	12,847	131,419
	BHA -- HUD 108 Loan	178,136	181,428	184,847	890,419
716-9902-470-8210	Principal Payment	17,000	18,000	20,000	86,000
716-9902-470-8225	<u>Interest Payment</u>	40,680	39,280	37,760	202,960
	Savo Island Debt Service	57,680	57,280	57,760	288,960
728-9902-470-8210	Principal Payment	8,436	9,006	9,614	27,055
728-9902-470-8225	<u>Interest Payment</u>	18,970	18,472	17,941	69,634
	Sustainable Financing Energy District	27,406	27,478	27,554	96,689
726-9902-470-8210	Principal Payment	135,000	140,000	150,000	425,000
726-9902-470-8225	<u>Interest Payment</u>	300,263	295,450	290,375	1,188,714
	2008 GO Bonds-Measure I- Animal Shelter	435,263	435,450	440,375	1,613,714
714-9902-470-8210	Principal Payment		150,000	155,000	305,000
714-9902-470-8225	<u>Interest Payment</u>	503,888	501,638	497,063	1,925,294
	2009 GO Bonds, Measure FF - Branch Libraries	503,888	651,638	652,063	2,230,294
714-9902-470-8210	Principal Payment	-	255,000	315,000	570,000
714-9902-470-8225	<u>Interest Payment</u>	376,628	648,031	637,906	1,662,566
	GO Bonds, Seires 2010- Measure FF - Branch Libraries	376,628	903,031	952,906	2,232,566
729-9902-470-8210	Principal Payment	-	-	100,000	100,000
729-9902-470-8225	<u>Interest Payment</u>	208,776	314,475	312,975	836,226
	2010 COP (Animal Shelter)	208,776	314,475	412,975	936,226
820-5612-432-8210	Principal Payment	160,730	329,948	341,598	832,277
820-5612-432-8225	<u>Interest Payment</u>	44,188	79,887	68,238	192,313
	2011 Recycling Carts	204,918	409,836	409,836	1,024,590
	Total Principal	6,296,570	6,977,727	7,421,044	33,469,602
	Total Interest	6,513,775	6,746,989	6,187,625	30,675,419
	Total Debt Service	12,810,345	13,724,716	13,608,668	64,145,022

GANN APPROPRIATIONS LIMITATION
Actual for FY 2010, FY 2011, and FY 2012

Fiscal 2009 Gann Appropriation Limitation	\$142,430,172
Add: Fiscal Library Relief Tax	13,655,619
Emergency Medical Services Special Tax	2,297,124
Park Maintenance, City Trees and Landscaping Special Tax	8,587,570
Emergency Paratransit Tax	889,152
Disaster Fire Protection Tax	969,652
Fire Protection and Emergency Response and Preparedness	<u>5,400,000</u>
Total Gann Appropriations Limitation FY 2010	<u>174,229,289</u>
Appropriation Subject to Gann Limitation FY 2010	<u>148,601,765</u>
Excess of Limitation Over Appropriation FY 2010	<u>\$25,627,524</u>
% Under Gann Limit-for FY 2010	<u>14.71%</u>
Fiscal 2010 Gann Appropriation Limitation	\$152,693,690
Add: Fiscal Library Relief Tax	14,272,406
Emergency Medical Services Special Tax	2,394,261
Park Maintenance, City Trees and Landscaping Special Tax	8,984,034
Emergency Paratransit Tax	918,251
Disaster Fire Protection Tax	969,652
Fire Protection and Emergency Response and Preparedness	<u>3,684,812</u>
Total Projected Gann Appropriations Limitation FY 2011	183,917,106
Appropriation Subject to Gann Limitation FY 2011	<u>144,796,242</u>
Excess of Limitation Over Appropriation FY 2011	<u>\$39,120,864</u>
Projected % Under Gann Limit-Projected for FY 2011	<u>21.27%</u>
Fiscal 2011 Gann Appropriation Limitation	\$158,511,320
Add: Fiscal Library Relief Tax	14,425,555
Emergency Medical Services Special Tax	2,419,952
Park Maintenance, City Trees and Landscaping Special Tax	9,080,436
Emergency Paratransit Tax	928,104
Disaster Fire Protection Tax	969,652
Fire Protection and Emergency Response and Preparedness	<u>3,724,352</u>
Total Projected Gann Appropriations Limitation FY 2012	190,059,371
Projected Appropriation Subject to Gann Limitation FY 2012	<u>150,292,421</u>
Projected Excess of Limitation Over Appropriation FY 2012	<u>\$39,766,950</u>
Projected % Under Gann Limit-Projected for FY 2012	20.92%

(1) The GANN Limit override to raise the spending limit for the special taxes are required to be renewed by voters every four years. The date the next GANN Limit override is to be submitted to voters is November 6, 2012.

ANNUAL IMPACT OF CITY OF BERKELEY FEES TAXES ON HOMEOWNER

FY 2007 - FY 2013

(excludes other jurisdictions: School District, Peralta College, etc.)

Home average square feet = 1900 SF	ACTUAL				PROJECTION		
	2008	2009	2010	2011	2012	2013	2014
Average Home Assessed Value	\$330,500	\$337,110	\$343,852	\$347,291	\$358,057	\$370,589	\$387,265
Exemption:	-7,000	-7,000	-7,000	-7,000	-7,000	-7,000	-7,000
Average Home Assessed Value (Net)	\$323,500	\$330,110	\$336,852	\$340,291	\$351,057	\$363,589	\$380,265
Property Tax	\$3,235	\$3,301	\$3,369	\$3,403	\$3,511	\$3,636	\$3,803
Measure S - Civic Center Seismic Improvements	94	89	84	68	70	73	76
Measure G - Safety Bldgs Seismic Improvements	52	46	45	44	46	47	49
Measure I - Animal Shelter	0	46	3	7	7	13	13
Measure FF - Library Seismic Seismic Improvements	0	0	37	44	42	44	46
Measure Q - Fire Equipment	24	24	24	24	24	24	24
Sanitary Sewer	245	245	245	245	245	252	260
Parks Tax	205	211	212	216	222	225	229
Emergency Disabled Services	21	22	22	22	23	23	23
Street Light Assessment District	21	21	21	21	21	21	21
Refuse Disposal*	271	271	325	365	340	354	368
Library Tax	286	298	301	306	314	319	324
Paramedic Tax	58	56	57	58	60	60	61
Fire Protection/Emergency Response	0	0	116	79	81	82	84
Stormwater Program Fee	34	34	34	34	34	34	34
TOTAL	\$4,543	\$4,664	\$4,895	\$4,935	\$5,039	\$5,207	\$5,414

GENERAL ASSUMPTIONS

Very low income households refund applies to: Sanitary Sewer Fee, Library, Paramedic, Parks, CFD-1, Fire Protection Taxes & Cleanstorm Fee

Basic 1% County Property Tax: based on an average assessed value (City receives 32.5% of the 1%)

Sanitary Sewer Fee: \$0 increase in FY 2010 - FY 2012, 3% increase thereafter

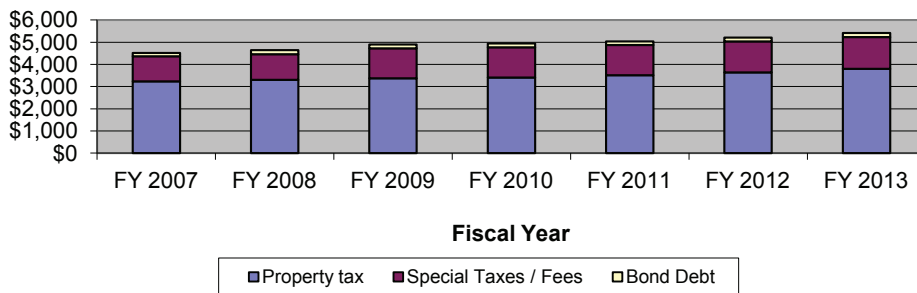
Parks & Paramedic Tax: 2.821% increase in FY 2012, 1.5% increase thereafter

Emergency Disabled & Library Tax: 2.821% increase in FY 2012, 1.5% increase thereafter

Fire Protection/Emergency Response Tax: 2.821% increase in FY 2012, 1.5% increase thereafter

Refuse Fees: FY12 - no Diversion Fee & 2.8% increase; 4-8% increase FY 2013

Impact of City Taxes and Fees on Average Homeowner

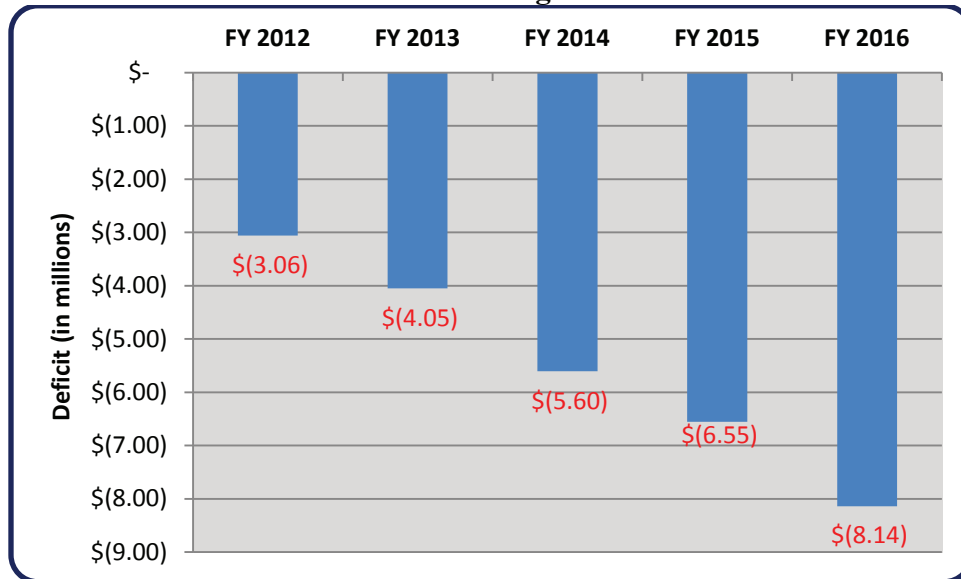


FIVE-YEAR FORECAST ASSUMPTIONS (ALL FUNDS)

One of the adopted Council fiscal policies is long-term planning. We continue to review the budget in the context of a multi-year plan. Since we anticipate significant cost increases in FY 2012 and beyond, we continue to update projections.

Below is the General Fund Five-Year forecast – without balancing measures. Revenue losses and escalating costs have resulted in a projected General Fund structural deficit of \$3 million in FY 2012 that grows to \$4 million FY 2013 with deficit projections growing to over \$8 million in FY 2016.

**Five-Year Forecast of General Fund Deficit
Without Balancing Measures**



These projected deficits do not include other needs such as capital and unfunded liabilities. In order to resolve the forecasted structural deficits recurring expenditure reductions are proposed.

A five-year forecast for key operating funds is a budgetary tool that provides a multi-year view of revenues and expenditures. The combination of decreasing revenues and escalating costs results in a projected shortfall for all funds of \$12.2 million in FY 2012 and \$13.3 million in FY 2013. The balancing measures included in the proposed budget address the shortfall and result in total savings of \$15.3 million in FY 2013.

**FY 2012 and FY 2013 Two-Year
Balancing Plan for All Funds
(dollars in millions)**

Balancing Plan	FY 2012	FY 2013	2-Year Total
Reductions	8.4	3.8	12.2
Revenues	1.2	1.9	3.1
Total Balancing Plan			15.3

FIVE-YEAR FORECAST ASSUMPTIONS (ALL FUNDS)

However, it appears that there is not much relief in the future. Deficits will continue to grow. Therefore, we must continue to plan with an eye toward all of the economic indicators that affect the City.

The General Fund and Other Funds sections of this book include detailed discussions of five-year forecasts for the General Fund and other key operating funds supported by special taxes, assessments, and fees. A five-year forecasting model enables the Council to act more strategically and to understand the long-term impact of its decisions.

For example, a decision to fund a recurring expenditure of \$100,000 a year may at first seem less costly than funding a one-time capital expenditure of \$200,000. But, over a five-year period, the recurring expenditure has a \$500,000 cost as opposed to the \$200,000 one-time capital expenditure.

Given the State required restrictions on raising new revenues for all new or increased taxes (Proposition 218), it is particularly important to understand the long and short-term fiscal impact of policy decisions.

- ❑ What are the long-term fiscal consequences of employee pay and benefit policies?
- ❑ What are the long-term impacts of continuing to defer maintenance?
- ❑ Should the voters be asked to approve tax increases to support capital improvements in major program areas such as Parks, Street, Clean Storm Water, Streetlights, or focus strictly on public safety, or some combination of these program areas?

The five-year forecast also serves to identify potential future impacts that require fiscal planning. Early planning for changes in baseline expenditures is needed to ensure continued financial stability for the organization. Examples of such issues in the FY 2012 & FY 2013 Adopted Budget include:

- ❑ Increases in CalPERS retirement contribution rates
- ❑ Impacts from a weak economy and resultant revenue losses
- ❑ Impacts from Federal and State budget cuts

A variety of assumptions and factors drive the forecast, such as labor costs, inflation, federal and state spending cuts, statewide initiatives, short-term tax shortfalls, and unforeseen emergencies. These assumptions impact revenue and expenditure projections and variations can cause wide swings in budget balancing strategies.

Inflation

Inflation is an important factor, directly impacting City revenues and expenditures. Inflation-sensitive revenue, such as sales and business license taxes, make up a

FIVE-YEAR FORECAST ASSUMPTIONS (ALL FUNDS)

significant portion of the General Fund budget. Inflation in the Bay Area has increased on the average of 2.30% over the last five years.

CONSUMER PRICE INDEX

Change from previous year (April to April)

YEAR	% INCREASE
2003	2.2
2004	0.5
2005	2.1
2006	3.2
2007	3.3
2008	2.9
2009	0.8
2010	1.7
2011	2.8
5-Year Average	2.30

U.S. Bureau of Labor Consumer Price Index All Urban Consumer

The established growth index for the Parks Tax and the Emergency Medical Services Tax (Paramedic Tax) is the April Consumer Price Index (CPI). The Emergency Services for the Disabled Tax, the Library Tax, and the Measure GG Fire Services and Disaster Preparedness Tax growth is either the higher of the CPI or the Personal Income Growth (PIG). As a result of the April CPI being higher than the PIG, all of the adopted tax rates for FY 2012 were set with an increase of 2.821%. For FY 2013, an increase of 2% is assumed for all tax rates.

Population

Based on data from the 2010 Census, Berkeley's population grew by almost 5% compared to the 2005-07 American Community Survey (ACS) data. Some revenues, such as Motor Vehicle In-Lieu, are based on population.

Staffing Costs

Salary and benefit costs make up approximately 80% of the citywide budget. Five-year forecasts include adjustments to cover the costs of negotiated compensation packages per the various labor contracts. Plan increases for this biennial budget include:

- Civilian: 3% FY 2012 and zero cost of living increase in FY 2013
- Fire: Zero cost of living increase in FY 2012 and FY 2013
- Police: Zero cost of living increases in FY 2012 and FY 2013

The City's projected revenue growth is not expected to keep up with increases in salaries and benefits – representing a structural deficit and the need for recurring expenditure reductions.

FIVE-YEAR FORECAST ASSUMPTIONS (ALL FUNDS)

Escalating Costs in FY 2012 & FY 2013

The combination of increasing costs and decreasing revenues results in a projected shortfall for all funds of funds of \$12.2 million in FY 2012 and \$13.3 million in FY 2013. Rising pension and health care costs are primary contributors to the projected General Fund deficits.

CalPERS

The rising CalPERS rates alone will increase the City's costs by almost \$7 million (for all funds) over the next two-year period. The rates are projected to continue to rise in FY 2014: 22.9% for Miscellaneous , 46.6% for Police, and 36.5% for Fire.

	FY 2011	FY 2012 PERS Actual	FY 2013 PERS Projected	FY 2014*	FY 2015*	FY 2016*	Cumulative Growth from FY 2011	% Growth from FY 2011
Miscellaneous	16.3%	19.0%	19.9%	22.9%	24.6%	26.5%	10.2%	62.6%
Police	36.0%	40.4%	41.9%	46.6%	49.4%	52.4%	16.4%	45.6%
Fire	24.7%	28.6%	30.7%	36.5%	40.1%	43.8%	18.8%	71.7%

*Based on estimates from the City's actuary

Medical & Dental Insurance

The City funds medical benefits up to the Kaiser family rate. For those employees that chose Health Net as their provider, the employee pays the difference between the Kaiser and Health Net rate. The Adopted Budget for FY 2012 & FY 2013 reflects the Kaiser medical insurance rate at a 15% increase per calendar year. The actual Kaiser rate increase for FY 2011 was 12.79%.

Budgeted dental insurance rates reflect a 10% increase in FY 2012 and a 10% increase in FY 2013.

These rate increases and resultant costs have a significant impact on the City's budget. The City's total budget is projected to pay out \$19.90 million in health and dental insurance in FY 2012 and \$22.68 million in FY 2013.

Legal and Liability Costs

Claims in excess of \$350,000 are covered by the Bay Cities Liability pool, in which the City is one of 19 member jurisdictions. The City's pool premium, approximately \$1.2 million per year, is established through an annual actuarial analysis. The City is self-insured for liability claims below \$350,000, as well as certain labor-related claims. The City maintains a Catastrophic Loss Fund and a Public Liability Fund to deal with these types of costs. The Bay Cities insurance premium is funded primarily from the Catastrophic Loss Fund.

External Factors

The pressure on the City's budget due to outside forces, including reductions proposed at the Federal and State levels, as well as the local economy, is staggering. There are not sufficient resources to fund all program demands and employee costs. While we will

FIVE-YEAR FORECAST ASSUMPTIONS (ALL FUNDS)

work to minimize service impacts to the community, this level of reduction will require significant changes to the way we do business in certain key operating areas.

Local Economy

General economic conditions in the region have a notable impact on the City's General Fund revenues. Overall, General Fund revenues are projected to grow at a nominal rate of 1%-4% per year over the five years.

State Budget

For several years California's general fund has been operating with a structural deficit. The economic recession has made this problem worse by further reducing income to the State's General Fund while demand for services have increased. In February 2009, temporary tax increases were established to fill the gap. Most of these taxes expire at the end of June 2011.

Although the drastic reductions in the state's social safety net will likely have a dramatic impact on Berkeley residents, so far, the immediate budgetary impacts seem to be about \$800,000 in revenue reductions: \$400,000 for redevelopment and \$400,000 in state mandated cost reimbursement.

Federal Budget

On February 14, 2011, the President presented to Congress a \$3.7 trillion budget proposal for fiscal year 2012. The proposal includes a combination of freezes in federal spending and tax increases for high income earners, beginning in 2013 and savings of \$1.1 trillion over the next decade.

State and local governments took significant hits in this budget proposal, with severe reductions to several long standing City programs. The Housing and Community Services Department (Housing Department) has relied upon a number of federally administered funding sources to provide services directly and through community agency partners to the lowest income members of our community. In FY 2012 the entire reduction in federal funding is approximately \$1 million but most likely will continue to decline. The levels at which these funds will continue in the coming budget cycle are uncertain and highly volatile given the economic and political situation. Some members of Congress have targeted many of these funds for significant reduction or elimination in both the current fiscal year and the next fiscal year.

Significant Changes to City Operations

The impacts of escalating costs combined with revenue reductions result in a projected structural deficit in the General Fund and several of the major funds. In order to correct the City's projected structural deficits recurring expenditure reductions are needed. The reductions will require the City to modify the way we do business. The most significant impacts of these changes exist in the Housing Department, the Health Department, and the Public Works Department.

FIVE-YEAR FORECAST ASSUMPTIONS (ALL FUNDS)

Housing Department

- ❑ Convert the West Berkeley Senior Center to a supportive services center. Aging staffing will be reorganized to support this change.
- ❑ Eliminate the Weatherization Program in January 2012, once the calendar 2011 contracts expire.
- ❑ There will be General Fund reductions and reduced federal resources available for community agency contracts.

Health Department

Mental Health

- ❑ Division-wide restructuring creating greater community access to Adult, Youth, & Crisis Services; increased baseline productivity standards; and increased assessment of objective and client-centered Level of Care determinations.
- ❑ Reduction in services of high intensity supports (i.e., intensive services treatment, a more comprehensive and expensive form of mental health support). Increased use of client-centered, brief treatment, psycho-education, group therapy, referrals and other supports (as well as intensive services for clients in greatest need).
- ❑ Increased focus on wellness recovery and resiliency, prevention, consumer and family centered services; peer and consumer positions and activities; and increased outreach to state defined underserved ethnic communities through MHSA supportive services.

Public Health

- ❑ Reduced direct client services.
- ❑ Reduced population health services.
- ❑ Reduced community health promotion services.

Public Works (Refuse Division)

- ❑ Phase in one person trucks.
- ❑ Modify contracts with several major vendors to reflect the change in service that they will provide.
- ❑ Modify the disposal (landfill) contracts by going out to bid for longer term contracts resulting in lower per ton disposal fees.
- ❑ Proposed revenue enhancement in FY 2013 through a rate increase.

UNFUNDED LIABILITIES (employee benefits) SUMMARY

Unfunded liabilities are defined as identifiable obligations of an organization for which the organization does not have 100% of the funding (cash or other assets) set aside to cover the cost should all obligations become immediately due. Generally, an organization manages a balance between funding a portion of all of those obligations and the associated risk that the obligations will be due at the same time. This balance is considered the practical and responsible approach since payment demands of these obligations rarely, if ever, occur simultaneously. The alternative would be to 100% fund the obligations causing a great portion of the City's cash to be reserved and not available for funding City services and operations.

The City actively manages its unfunded or under-funded liabilities, and completes annual actuarial valuations for most of the benefit accounts. These valuations consider economic, demographic and historical composition of the benefit programs and establish amounts that the City should set aside each year to fund its benefit-related financial obligations. In today's economic climate it is critical that the City continue to manage its liabilities to ensure long-term fiscal stability. We will work with our actuary to establish funding goals to prefund the benefit over a 30 year amortization period, which is consistent with some of our other liabilities.

Unfunded Liabilities (6/30/10) (in millions)	Actuarial Assets	Actuarial Liabilities	Unfunded Liability	% Funded
CalPERS (all plans)*	882.62	1087.73	205.11	81%
Worker's Compensation	10.80	23.39	12.59	46%
Non-sworn Retiree Medical**	5.45	22.13	16.68	25%
Police Retiree Medical	5.93	61.48	55.55	10%
Fire Retiree Medical**	3.46	9.34	5.89	37%
Safety Members Pension Fund	2.63	6.90	4.27	38%
Sick & Vacation payouts	0.25	14.89	14.64	2%
SRIP I Disability**	0.00	13.05	13.05	0%
Police Sick Leave Entitlement	0.00	2.09	2.09	0%
	\$911.13	\$1,241.00	\$329.87	73%

*The percent of unfunded liability in the chart above is based on the Actuarial Value of the Assets, which assumes smoothing over time. If the Market Value of Assets is used to perform the calculation the CalPERS funded liability status would be 59%.

** At July, 1, 2008, the date of the last actuarial study.

In order to prevent losing ground on the funded levels due to CalPERS investment losses, CalPERS will require the City to increase its contributions. As the market value of the assets decreases the City's annual contribution rate will increase to make up the difference. Overall, the cumulative total of the City's funding level for its benefit is 73%. However, there are several benefit categories that have low funding levels. The table above lists the City's key benefit categories as well as the unfunded liability. Each of these benefits differ in how their funding methodology is structured; some are considered "pay as you go" and others are pre-funded to achieve a certain level of funding within a specified period of time. Several of the benefit programs have closed to new enrollees and are being phased out, such as the SRIP I Disability and the Safety Members Pension Fund.

UNFUNDED LIABILITIES (employee benefits) SUMMARY

California Public Employee Retirement System (CalPERS)

Benefit history & summary

Retirement rates continue to represent one of the most significant citywide budgetary pressures and the City's retirement plans represent the largest of the City's benefit liabilities. This budgetary pressure is felt by the State of California as well as the over 2,000 public entities statewide that contract with CalPERS for pension benefits. The California Public Employees' Retirement System (CalPERS) is a defined benefit pension plan funded by a combination of employee contributions that are set by statute and employer contributions that fluctuate from year to year based on an annual actuarial valuation performed by CalPERS. When CalPERS performs its actuarial analysis, it uses data two years previous; for example, the employer rates for Fiscal Year 2012 are based on data as of June 30, 2009. An outside actuary reviews the City's rates each year and advises the City on the funded status of the plans and projects employer rates for future years.

The City contributes to three plans: Police Safety Plan, Fire Safety Plan, and Miscellaneous Employee plan (all non-sworn employees). All full-time and part-time benefited employees are required to participate in CalPERS. Benefits vest after five years of service and are based on the employees' years of service, age at time of retirement and single highest year of compensation. The three plans are independent of one another with different contract plan amendments negotiated over the years through the collective bargaining process. Assets and liabilities of each plan are segregated with no cross subsidization from one plan to another.

CalPERS employer rates will increase dramatically over the next few years due to large investment losses in Fiscal Years 2008 and 2009. While original forecasts have improved slightly due to some investment gains, losses for FY 2009 were -24.8%. CalPERS assumes a 7.75% positive rate of return, so this negative performance directly impacts the rates employers pay so that the aggregate loss in Fiscal Year 2009 was -32.55%. On March 16, 2011, the CalPERS Board of Administration voted to maintain the assumed 7.75% rate of return on investment rather than lowering it to 7.50% as recommended by CalPERS staff.

In October 2010, CalPERS provided the City with revised rates for FY 2012 and projected rates for FY 2013 and 2014 based on the investment and demographic data as of June 30, 2009. They are included below – as well as forecasted rate increases as projected by the City's actuary through FY 2016. Previously, CalPERS had issued an update that explained their Board approved rate methodology to deal with the magnitude of employer rate increases. This involves segregating the investment losses incurred in FY 2008 and FY 2009, phasing in over three years the impact of these losses on employer rates, and amortizing the investment losses over a 30-year period.

Funding status

A critical assumption to the rate impacts is the level of confidence we have in the CalPERS annualized rate of return of 7.75%. If returns are less than 7.75%, rates will increase even more. The table below illustrates the dramatic rate increases to Berkeley based on the 7.75% rate of return.

UNFUNDED LIABILITIES (employee benefits) SUMMARY

	FY 2011	FY 2012 PERS Actual	FY 2013 PERS Projected	FY 2014*	FY 2015*	FY 2016*	Cumulative Growth from FY 2011	% Growth from FY 2011
Miscellaneous	16.3%	19.0%	19.9%	22.9%	24.6%	26.5%	10.2%	62.6%
Police	36.0%	40.4%	41.9%	46.6%	49.4%	52.4%	16.4%	45.6%
Fire	24.7%	28.6%	30.7%	36.5%	40.1%	43.8%	18.8%	71.7%

*Based on estimates from the City's actuary

CalPERS calculates plan assets in two different methods, 1) the actuarial value of assets and, 2) the market value of assets. According to CalPERS, the actuarial value of assets used for funding purposes is obtained through an asset smoothing technique where investment gains and losses are partially recognized in the year they are incurred with the remainder recognized over subsequent years. The market value of assets values the assets based on the current value of assets held by the plan at the end of a fiscal year used for valuation purposes and reflects the short-term solvency of the plan.

CalPERS has now begun the process of phasing in over a three year period to account for the investment losses that occurred in FY 2008 and 2009. Based on the most recent actuarial valuation from CalPERS the market value of assets for the three Berkeley pension plans had investment losses of over \$200 million from the period of June 30, 2008 to June 30, 2009. CalPERS experienced a positive rate of return on investment in Fiscal Year 2010 of 13.3% but the gain will be spread out over a 15 year period and be on an asset base that has been reduced by over \$200 million. Based on the market value of assets, the pension plan is 59% funded. However, the actuarial value of assets presents a different picture with a less precipitous decline in the funded status of the plans with increases in both the actuarial value of assets and the entry age normal actuarial liabilities. Based on the actuarial value of assets, the pension plan is 81% funded.

Retirement rate volatility and the City's liability

As discussed above, the City will experience significant increases in its CalPERS employer retirement contributions and CalPERS has implemented a smoothing methodology to assist local agencies in dealing with these increases. While this does help with the employer contribution costs, it results in increased unfunded actuarial accrued liability (UAAL). Looking back over the last ten years, the City's UAAL has grown from a super-funded status (i.e., enough assets in the plan to pay all retirement benefits for current employees as well as all retirees) to the current unfunded level in 10 years.

In the late 1990's CalPERS communicated to local contracting agencies that cities were "super-funded" and that CalPERS did not anticipate significant rate increases, also indicating the enhancing benefits would be affordable. This has proven not to be true and the volatility of CalPERS employer rates has negatively impacted the City's budget and will continue to do so for the foreseeable future.

UNFUNDED LIABILITIES (employee benefits) SUMMARY

Workers' Compensation

Benefit history & summary

Workers' compensation system is a no-fault system, meaning that injured employees need not prove the injury was someone else's fault in order to receive workers' compensation benefits for an on-the-job injury. The workers' compensation system is premised on a trade-off between employees and employers -- employees are supposed to promptly receive the limited statutory workers' compensation benefits for on-the-job injuries, and in return, the limited workers' compensation benefits are the exclusive remedy for injured employees against their employer, even when the employer negligently caused the injury. The workers' compensation system has an extensive statutory scheme for determining compensability, payment and provision of benefits and payment for various medical and legal services that are part of treating the injured worker.

Funding status

The City is self insured for workers' compensation. Payments are made to the Workers' Compensation Self-Insurance Fund by transfers from all City funds. The amount of payments made by City funds into the Workers' Compensation Self Insurance Fund are determined by an actuarial analysis conducted by an outside actuary. These accruals represent estimates of amounts to ultimately be paid for reported claims and upon past experience, recent claim settlement trends and other information. Funds are available to pay claims and administrative costs of the program on a pay-as-you-go basis. It is important to understand that payments on indemnity claims may be made over a very long period of time. For example, the City is still making payments in 2011 on a claim that occurred in 1976.

Reduction of the incidences and severity of workplace injuries and acceleration of early and safe return to work for injured workers are key strategies in achieving lower benefit costs. Council has made the reduction of workers' compensation claims a major priority for staff. Based on the most recent workers' compensation actuarial study there has been an aggregate decrease in anticipated loss development which has resulted in a decrease in the estimates of the ultimate losses. This has been seen for the most part in the most recent five fiscal years.

Based on the analysis contained in the most recent actuarial study, rates have been updated for FY 2012 and FY 2013, resulting in a total contribution of \$8.4 million for both FY 2012 and FY 2013. City claims and costs have trended downward over the last several years, resulting in reduced rates, while maintaining a reserve toward our unfunded liability.

Class Code	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
7706 - Firefighter	8.68%	8.68%	8.68%	10.82%	10.82%
7720 - Police	8.46%	8.46%	8.46%	7.98%	7.98%
8810 - Office	2.21%	2.21%	2.21%	2.07%	2.07%
9410 - Field	8.32%	8.32%	8.32%	4.91%	4.91%

UNFUNDED LIABILITIES (employee benefits) SUMMARY

Staff now prepares regular status reports for Council regarding the City's Workers' Compensation experience. We have accrued a fund balance based on rates established through actuarial analysis and consider the current 46% level of funding to be adequate for the City's claim history and annual costs. It is the City's practice to obtain an actuarial study on an annual basis.

Safety Members Pension Fund (closed plan)

Benefit history & summary

The Safety Members Pension Fund (SMPF) is a single-employer defined benefit pension plan for fire and police officers who retired before March 1973. In March 1973, all active fire and police officers were transferred from SMPF to CalPERS. The SMPF is closed to new enrollees as any Police Officer or Fire Fighter hired after March 1973 was enrolled in CalPERS. The Safety Members Pension Board administers the plan. The authority under which benefit provisions are established or may be amended is the Berkeley Municipal Code chapters 4.20, 4.24, 4.28 and 4.32. At June 30, 2010, the date of the most recent actuarial valuation, there were 28 retired members and surviving spouses who average over 90 years old.

Service and disability retirement benefits are based on a percentage of salary at retirement, multiplied by years of service. Benefits are adjusted annually by either (1) current active salary increases (based on the same rank at retirement); or, (2) the increase in the California Consumer Price Index (with a 1% minimum and a 3% cap). SMPF also provides surviving spouse benefits.

Funding Status

The City pays SMPF benefits on a pay-as-you-go basis. In February 1989, the Berkeley Civic Improvement Corporation (BCIC) purchased, on behalf of the City, a Guaranteed Income Contract (GIC) from Mass Mutual. This contract provides annual payments through 2018 and an annual guaranteed 9.68% rate of return (net of expenses). The City pays the difference between actual benefit payments and contract provided annual payments, from the General Fund. Additional amounts may be paid, in 2008 through 2017, under a Risk Agreement to compensate the City for the difference between the amounts paid by the City to its pensioners and the actuarially determined amounts.

Government Accounting Standards Board Statement No. 27 requires the City to determine the plan's annual pension cost (APC) based on the most recent actuarial valuation. The APC equals the plan's annual required contribution (ARC), adjusted for historical differences between the ARC and amounts contributed. The actuary has determined the City's annual required contribution and amounts contributed. The actuary has determined the City's ARC is the greater of (a) a 20-year amortization of the unfunded actuarial liability, or (b) actual benefit payments made for the year.

For the year ended June 30, 2010, the City's ARC was \$1,666,558 and was equal to the benefit payments during the year. The City contributed this amount for the year through a \$665,168 payment from the GIC plus \$1,001,390 paid from the General Fund. The actuarial liability was determined using the projected unit credit actuarial cost method. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The amortization period of the unfunded actuarial liability ends June 30, 2017.

UNFUNDED LIABILITIES (employee benefits) SUMMARY

Retiree Medical Benefit Plan: Non-sworn employees

Benefit history & summary

Beginning June 28, 1998, the City made available a Retiree Health Premium Assistance Plan (Retiree Medical) to each qualifying employee and his/her spouse or domestic partner. The plan design was established through benefit and actuarial consultants as well as tax counsel. The intent by the City and its unions was to establish the benefit and prefund the benefit over a 30 year amortization period. The plan design includes, but is not limited to, an eight year City of Berkeley CalPERS service vesting period, a sliding scale of percentage the City will contribute based on years of service between eight and twenty years, and a cap of employer contributions to premium payments at 4.5% per fiscal year. The retiree is required to pay the difference between the City's monthly contribution and the actual monthly insurance premium charged by the health plan he/she has elected for retiree medical coverage.

Funding status

Based on sound actuarial advice at the time of original plan design, the plan was structured to cap the annual employer contribution to 4.5% and to pre-fund these benefits at a 70% level using a 30-year amortization. We are roughly 12 years into the life of these plans and are funding based on this strategy. The rate of increase in health care premiums has outpaced the amount the City contributes so the retiree must pay a higher proportion of the premium costs.

The City provides these post-retirement health insurance benefits in accordance with labor contracts between the City and various collective bargaining units. The labor contracts all have language that provides that if the City's funding of this benefit is insufficient to fully fund the retiree medical benefits, the City shall not be required to increase its funding. In the event that there are insufficient funds in the trust to cover the City's contribution, the City and the unions agree to meet and confer regarding the City's distribution of its contribution. The City's strategy for funding the Retiree Health Premium Assistance Plan is to fund based on a level percentage of payroll which varies generally between 1% and 3%.. The funding variance is driven by different benefit levels contained in each of the labor contracts.

The City funds its contributions to the Retiree Health Premium Assistance Plan as a level percentage of salary based on actuarial analysis. In past fiscal years, the City's contributions to this benefit were similar for almost all of the non-sworn bargaining units. However, through the latest rounds of collective bargaining, the City agreed to significant changes in the benefits among the bargaining units and changes in the dollar amount of the City's contributions. For this reason, a decision was reached to segregate the assets and liabilities based on representation units within bargaining organizations and create separate plan documents and trust agreements to make the plans more manageable in future years and avoid cross subsidization of benefits.

In August 2004, the Governmental Accounting Standards Board (GASB) issued Statement No. 45, Accounting and Financial Reporting for Employers for Post-employment Benefits other than Pensions (GASB 45 – OPEB). This new standard requires government employers to account for post-employment benefits other than pensions during an employee's employment service with the City, instead of during

UNFUNDED LIABILITIES (employee benefits) SUMMARY

retirement on a “pay-as-you-go” basis. The City is in full compliance with this requirement. The City Council authorized the City Manager at the May 18, 2010, meeting to execute and implement a new Internal Revenue Code Section 115 trust to replace the prior grantor trust.

On June 24, 2009, the City received an actuarial study of the Retiree Health Premium Assistance Plan as of July 1, 2008, and has calculated the required Annual Required Contribution (ARC), the Annual Other Post Employment Benefit (OPEB) Expenses and the Net OPEB obligation in accordance with GASB 45. This actuarial study segregated plan assets and liabilities among seven different plans and established funding levels for each plan based on the difference in benefit levels.

Staff intends to contract for a new actuarial study based on data effective June 30, 2010. This will allow us to review the segregated plans and determine whether funding levels are appropriate.

Retiree Medical Benefit Plan: Sworn Fire employees

Benefit history & summary

The Fire Retiree Medical Benefit provides assistance with the payment of medical premiums for retired and former sworn fire employees, plus spouse or domestic partner assistance for former employees who retired after July 1, 1997. Eligibility is based on years of service with the Berkeley Fire Department with a vesting period of ten years and the retiree must be at least 50 years of age unless the employee retired as a result of disability.

The benefit amount the City contributes toward payment of the medical premiums is determined by a sliding scale based on years of sworn service with the Berkeley Fire Department and ranges from 25% for 10 years of service up to 100% after 25 years of service. The contribution is tied to the Kaiser single or two party rates for employees who retired on or after July 1, 2006. Like the non-sworn retiree medical benefit, the City's contribution increase is capped at 4.5% per calendar year. For employees employed prior to July 1, 2006 but after July 1, 1997, contribution amounts are tied to the Health Net Senior Advantage or Health Net Standard rate as applicable.

Funding status

Based on sound actuarial advice at the time of original plan design, the plan was structured to cap the annual employer contribution to 4.5% and to pre-fund these benefits at a 70% level using a 30-year amortization. We are roughly 14 years into the life of these plans and are funding based on this strategy. The rate of increase in health care premiums has outpaced the amount the City contributes so the retiree must pay a higher proportion of the premium costs.

The City provides this post-retirement health insurance benefit, in accordance with labor contracts between the City and the Berkeley Fire Fighters Association/I.A.F.F. Local 1227. The City's strategy for funding the retiree health benefit is to fund based on a level percentage of payroll, which is currently 4.6% of payroll based on the actuarial analysis performed Milliman.

UNFUNDED LIABILITIES (employee benefits) SUMMARY

On May 13, 2009, the City received an actuarial study of the Fire Employees Retiree Health Plan as of July 1, 2008 and has calculated the required Annual Required Contribution (ARC), the Annual Other Post Employment Benefit (OPEB) Expenses and the Net OPEB obligation in accordance with GASB 45. Staff intends to contract for a new actuarial study based on data effective June 30, 2010.

Retiree Medical Benefit Plan: Sworn Police employees

Benefit history & summary

The Berkeley Police Association negotiated a post employment benefit in 1989 that was intended to provide assistance for the payment of medical insurance premiums, with payments commencing 10 years after the employee retired.

Through the negotiation process, in 1997, the waiting period for receipt of the benefit was reduced from 10 years after retirement to 5 years after retirement; and in 2007, it was further amended to reduce the waiting period to 2 years after retirement. The program has a 10 year vesting period. The amount the City pays is tied to the active two-party Kaiser rate until the death of the retiree and spouse/domestic partner. There is currently no limit to the City's contribution.

There is a sliding scale on the percentage the City is required to pay the retiree and spouse/domestic partner. For former sworn Police employees who retired prior to July 2007, the City contributes 25% of the active two-party Kaiser rate after 10 years of service. This percentage increases to 100% after 25 years of service. For former sworn Police employees who retired after July 2007, the City contributes 25% of the active two-party Kaiser rate after 10 years of service, and this percentage increases to 100% after 20 years of service.

Funding status

Although this benefit is based on medical premiums, it is paid directly to the retired Police and spouse/domestic partner regardless of whether they are enrolled in the City's retiree medical plan. Benefits are paid from a Section 401(a) trust and are taxable to retirees when they are received. The Section 401(a) trust was written by outside tax counsel and a Determination Letter was obtained from the Internal Revenue Service. Therefore, this plan is considered a supplemental income benefit plan subject to accounting requirements defined by the Government Accounting Standards Board (GASB) Statement No. 27, Accounting and Financial Reporting by Employers for Pensions.

Because the benefit is post-employment cash payments to the retiree and spouse/domestic partner, the City makes tax deductions before any payments are made under the plan. Representatives of the City have met with representatives of the Police Association numerous times and explained why this practice is potentially an inefficient use of the benefit if the retiree intends to pay medical benefits with the proceeds. However, some Police retirees use the post-employment cash for other purposes.

On January 5, 2011, the City received an actuarial analysis of the Police Retiree Income Plan as of July 1, 2010. This valuation establishes the required Annual Required Contribution (ARC), the Annual Other Post Employment Benefit (OPEB) Expenses and the Net OPEB obligation in accordance with GASB 27. Currently, the ARC is

UNFUNDED LIABILITIES (employee benefits) SUMMARY

\$4,760,824 and the City's annual contribution is \$1,287,117. Because the City is not making the full ARC due to budgetary constraints, the benefit is considerably underfunded. Staff recognizes that the current structure of the benefit is poor and has included it as part of discussions with the Police Association during the current contract negotiations.

Police Retiree Sick Leave Entitlement (SLE) plan

Benefit history & summary

The City's 1984 to 1989 Memorandum Agreement with the Berkeley Police Association provided that effective July 1, 1984, a retiring employee could elect health insurance coverage, at City expense, at the Kaiser two-party rate up to a sum not to exceed his/her daily rate at the time of retirement, in lieu of the sick leave payout provided elsewhere in the contract. At that time there was no retiree medical coverage for any employees and a similar benefit was negotiated with other unions and for unrepresented employees. For all employees this benefit ceased with the creation of a formal retiree medical benefit in the late 1990s. Police retained this benefit in 1989 when they negotiated their separate retiree supplemental income benefit plan discussed above.

The language in the labor contract has evolved over time for the purpose of gaining clarity of the intent of the benefit. The current memorandum of understanding provides that the duration of medical coverage will be computed as follows: the payout amount, after taxes are deducted, shall be divided by the monthly cost in effect on the date of retirement (including both the cost to the City and the cost to the employee) of the medical plan in which the employee is enrolled on the date of retirement. That computation will produce the number of months for which the City will pay, and the payout of any residual amount. A trust fund account will be established by the City in its accounting records for each retiree who elects this option. The retiree's individual account will be reserved and available for premium payments until exhausted.

Funding status

The City is required to have an actuarial valuation done of this benefit under the provisions of GASB 45. On February 15, 2011, the City received an actuarial valuation performed by Milliman Inc., for plan assets and liabilities as of July 1, 2010. As of July 1, 2010, there were 29 retirees receiving benefits under this plan. The benefit should be funded by the value of the sick leave forfeited to fund this benefit plus additional contributions based on the actuarial analysis. Based on actuarial analysis, Milliman recommended that a change in actuarial assumptions from 100% participation to 50% participation at time of retirement. This change in assumptions has had a beneficial effect on the funded status of the plan. The estimated actuarial accrued liability was reduced by approximately \$1.9 million as a result of this change in assumptions. The actuarial analysis recommends that the funding should be 1.52% of covered payroll. Milliman has used a 15 year amortization period for this benefit. This benefit is currently being discussed with the Police Association during the current contract negotiations.

UNFUNDED LIABILITIES (employee benefits) SUMMARY

SRIP I Disability (closed plan)

Benefit history & summary

Non-sworn employees were enrolled in both Social Security and in CalPERS prior to January 1980. On May 13, 1980, the City Council authorized the City Manager to begin the process of withdrawing non-sworn employees from Social Security. On March 30, 1982 non-sworn employees voted to withdraw from Social Security and accept the alternate Supplementary Retirement and Income Plan (SRIP I). On January 1, 1983, Ordinance No. 5450-N.S. established SRIP I, which consist of two (2) separate components. The first component is a money purchase pension plan established under Internal Revenue Code Section 401(a). The second component of SRIP I is a disability benefit that was intended to substitute for the disability benefit provided under Social Security.

Funding status

The City self-insured for SRIP I disability payments. SRIP I was closed to new participants on July 1, 1988, and there are only 44 active employees so future liability is limited. There are currently 78 former employees receiving disability benefits under this plan and benefits cease with the death of the former employee. This plan has no reserves and relies on annual contributions from the General Fund as well as other funds. An actuarial analysis has determined that there is a \$14 million unfunded liability. Five-year projections assume that costs will not exceed a 3.0% inflation projection. The City is having Milliman conduct an actuarial study of this benefit effective June 30, 2010.

Sick & Vacation Payout Fund

Benefit history & summary

It is the City's policy to permit employees to accumulate earned but unused vacation and sick leave benefits. The City records the cost of vested vacation and sick leave as "earned." Earned vacation and sick leave that is taken during the year is payable from the fund(s) to which the employee's salary or wage is charged. The vested sick and vacation balances for employees who retire or otherwise leave the City are paid from the Sick Leave and Vacation Payouts Fund at the time of departure.

In FY 2005, the Budget Office created a special fund to cover the liability incurred by the accrual of excess sick and vacation benefits. As employees leave the City, these earned balances are paid to the employee. In past years this payout was unbudgeted. A major problem with unfunded vacation and sick leave obligations is that liabilities are calculated at any point in time on the basis of the highest rates earned by the employee. Therefore, the unpaid liability for each employee goes up with every COLA, step increase, and/or promotion, and is difficult to project at any one point in time, as the amounts do not remain static. The City has not performed an actuarial valuation of this benefit.

Funding status

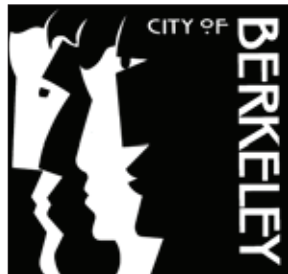
The City funds the benefits fund through a percentage of payroll at 3.25% of base salary for sworn employees and 1.25 % of salary for all other employees. Department budgets are not directly charged for payouts of unused and terminal sick and vacation benefits. Rather, these costs are paid from the Sick & Vacation Accrual Fund.

UNFUNDED LIABILITIES (employee benefits) SUMMARY

The bigger percent for sworn employees is due to the large outstanding liability and number of upcoming retirements from the sworn ranks. In addition, the budget proposes to allocate an additional \$250,000 in FY 2012 and in FY 2013 to the fund to help cover the costs of upcoming sworn personnel retirements.

Current contracted actuarial/consultant companies:

Benefit Category	Contractor	Type of Service
CalPERS	Bartel Associates (John Bartel)	Actuary
Workers' Compensation	Bickmore Risk Services & Consulting	Actuary
Workers' Compensation	Farley Consulting Services	Claims audit
Retiree Medical Health (all plans)	Milliman	Actuary
Police Retiree SLE	Milliman	Actuary
All plans as needed	Hansen Bridgett	Tax Counsel



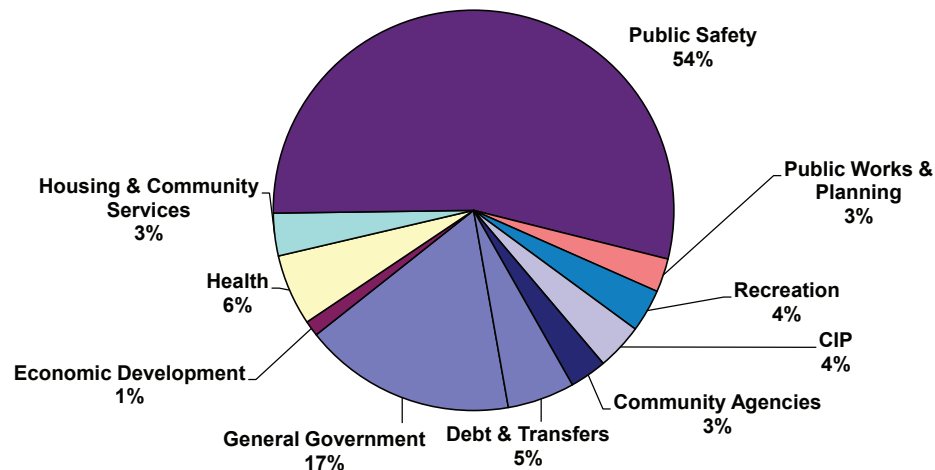
This page left intentionally blank

Summary of Expenditures by Department - General Fund

	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2013 Adopted
Mayor & Council	1,589,920	1,597,283	1,641,215	1,725,630	1,752,305
Auditor	1,792,982	1,844,327	1,780,856	2,048,840	2,097,624
Police Review Commission	551,384	433,919	457,672	537,129	547,479
City Manager	6,786,897	6,575,879	4,431,675	4,600,210	4,716,367
Office of Economic Development	2,200,092	2,174,250	1,762,322	1,885,242	1,886,002
Information Technology	4,012,227	4,529,007	5,658,667	5,559,720	5,533,209
City Attorney	1,829,257	2,039,305	1,912,003	2,109,098	2,156,789
City Clerk	1,676,613	1,446,880	2,010,283	1,917,743	1,940,118
Finance	4,467,893	4,509,850	5,022,946	5,390,910	5,380,931
Human Resources	2,160,384	2,104,845	1,835,569	1,853,369	1,891,189
Health Services	10,290,601	6,869,701	6,530,462	6,703,613	6,749,733
Police	49,368,800	51,632,219	53,473,876	54,465,928	54,841,190
Fire	24,371,324	24,149,637	25,568,053	26,872,321	27,384,864
Public Works	3,191,985	2,631,777	2,641,401	2,620,608	2,500,863
Parks, Recreation & Waterfront	5,878,756	5,548,860	5,950,067	5,220,516	5,232,164
Planning	1,803,934	1,676,801	1,509,064	1,520,621	1,549,134
Housing & Community Services	1,517,486	5,189,676	5,149,070	5,195,122	5,148,743
Community Agencies	4,817,370	4,818,506	5,007,619	4,513,904	4,513,904
Non-Departmental	19,478,893	12,205,918	13,302,212	14,835,785	16,726,736
Subtotal:	\$147,786,798	\$141,978,640	\$ 145,645,032	\$ 149,576,309	\$ 152,549,344
Berkeley Housing Authority ⁽¹⁾	548,359	264,552	44,751		
Total General Fund	\$148,335,157	\$142,243,192	\$ 145,689,783	\$ 149,576,309	\$ 152,549,344

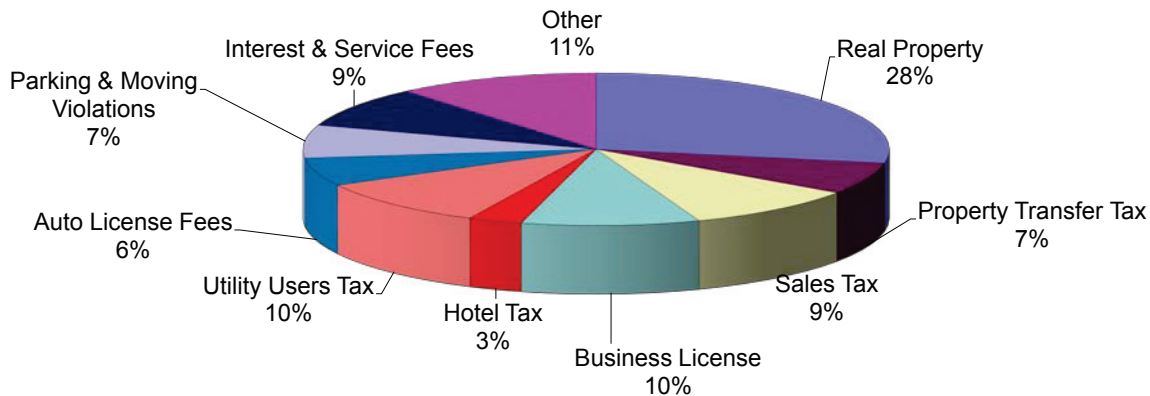
(1) Berkeley Housing Authority has been separate entity since FY 2008.

General Fund Expenditures by Service Area FY 2012 & FY 2013 Biennial Budget \$302,125,653



**FY 2012 AND FY 2013
ADOPTED GENERAL FUND REVENUES
SUMMARY**

	Actual Revenue FY 2009	Actual Revenue FY 2010	Actual Revenue FY 2011	Adopted Revenue FY 2012	Adopted Revenue FY 2013
Real Property	\$36,635,911	\$37,400,654	\$37,638,086	\$38,991,947	\$40,356,665
Property Transfer Tax	8,043,064	7,987,670	9,126,631	10,000,000	10,500,000
Unsecured Property	2,468,138	2,350,521	2,341,601	2,455,252	2,455,252
Sales Tax	14,237,320	12,693,183	14,218,084	14,298,072	14,727,014
Business License	13,388,579	13,505,958	13,955,148	14,671,795	14,946,522
Hotel Tax	3,711,655	3,647,693	4,164,608	4,435,109	4,523,811
Utility Users Tax	14,658,959	14,412,076	14,396,426	15,083,771	15,385,447
Auto. In-Lieu	8,396,886	8,545,142	8,819,730	8,900,073	9,167,076
Parking Fines	10,029,602	9,021,035	9,098,431	9,785,000	10,078,550
Moving Violations	491,365	333,629	289,864	600,000	600,000
Interest	4,550,515	5,388,379	5,447,352	5,550,000	5,550,000
Service Fees	6,791,668	6,508,372	7,689,367	7,451,201	7,638,900
SUB-TOTAL	\$123,403,662	\$121,794,312	\$127,185,328	\$132,222,220	\$135,929,237
Other Revenues	18,097,483	17,890,526	17,252,780	17,186,772	16,686,212
TOTAL	\$141,501,145	\$139,684,838	\$144,438,108	\$149,408,992	\$152,615,449



New Revenue:

Sale of Property - \$500,000

Increase business license tax rate to maximum rate for large non-profits - \$100,000

Increase sales tax revenue resulting from additional activity - \$135,000 in FY 2012 and \$180,000 in FY 2013.

Health Fee Increases - \$25,000

Downtown Parking Meter Increase - \$105,000

KEY GENERAL FUND REVENUES

REAL PROPERTY TAXES

Under the State Constitution, Real Property Taxes (Property Taxes) are applied to all taxable real and personal property (i.e., possessory interest, and other personal property considered to be permanently attached to the property), and are set at 1% of the assessed value. The Alameda County Assessor maintains property tax assessment rolls that account for all property. Property Taxes are adjusted per the following:

- ❑ The assessed value of real property that has not changed ownership increases by the change in the California Consumer Price Index up to a maximum of 2% per year.
- ❑ Property that changes ownership; is substantially altered; is newly constructed; “state-assessed” rather than “local-assessed” property; and personal property (i.e., possessory interest, and other personal property considered to be permanently attached to the property), is assessed at the full market value in the first year, and subject to the 2% cap, thereafter.

In 1979, in order to mitigate the loss of Property Tax revenues after approval of Proposition 13, the State legislature approved AB 8. This action was approved to provide a permanent method for allocating the proceeds from the 1% property tax rate, by allocating revenues back to local governments based on their historic shares of property tax revenues. As part of the State’s 1993-94 budget, the AB 8 formula was altered requiring another ongoing shift in City Property Tax revenue to K-12 schools and community colleges (Education Revenue Augmentation Fund or ERAF).

Proposition 1A, enacted in November 2004, provides protection for local property taxes, sales taxes, and VLF revenues by prohibiting the State Legislature from taking any action that would:

- ❑ Reduce the local Bradley Burns Uniform sales and Use Tax rate or alter its allocation.
- ❑ Decrease VLF revenue from the 0.65% rate without providing replacement funding.
- ❑ Shift property taxes from cities, counties or special districts except under certain circumstances.

However, under Proposition 1A, the State was given the ability to “borrow” local revenues to be paid back within three years with interest. The State’s FY 2010 budget was passed on July 28, 2009, and one budget bill that passed (AB x414) suspended Proposition 1A and authorized the borrowing of \$1.9 billion in property tax funds from local governments and shifted them to supplemental revenue augmentation funds to be used for K-12 schools, courts, prisons, Medi-Cal, and hospitals. Berkeley’s share of that amount borrowed was approximately \$4.2 million. Another budget bill (AB x415) instructed county auditors to shift 8 percent of each local government’s share of property taxes to the Supplemental Revenue Augmentation Fund. The bill also requires the State to repay the borrowed funds by June 30, 2013, and contains language to allow local governments to securitize the loans made to the State (i.e., issue bonds collateralized by the loans to be repaid to cities by the state), and caps the interest that can be paid on the bonds at 8 percent. If a city participates in the securitization program, the State will pay the cost of their interest up to 8 percent. If a city decides not to securitize the loan, the State will pay the city an interest rate to be determined by the State Controller not to exceed 6 percent. In FY 2010, the City of Berkeley participated in the securitization program and received the exact amount borrowed by the State under

KEY GENERAL FUND REVENUES

REAL PROPERTY TAXES *cont.*

Proposition 1A. As a result, the State's borrowing had no impact on the financial position of the City in FY 2010.

The City's Property Tax is collected by Alameda County. The City currently receives approximately 32.58% of the 1% countywide real property tax levied, and most of the revenue is received in December and April.

Allocation Of County- Wide Property Tax	Agency/Jurisdiction Allocation	% Allocated
	City of Berkeley	32.58
	County General Fund	14.77
	Schools	43.14
	Special Districts	9.51
	Total 1% Countywide Tax Allocation	100.00

Analysis of Real Property Tax

Factors that affect the revenue generated by property taxes are:

- ❑ Changes in assessed values, which are caused by inflation adjustments up to 2%, construction activity, and sales of properties;
- ❑ Economic growth in the Bay Area; and
- ❑ The rate of collection.

Changes in Taxable Assessed Values & Collection Rate

Description	2009	2010	2011	2012
Taxable Assessed Value (\$1,000)	\$11,798,590	\$11,965,357	\$12,029,116	\$12,407,659
\$ Change Assessed Value (\$1,000)	636,734	166,767	63,759	378,543
% Change Assessed Value	6.9%	1.4%	.5%	3.15%
% Prop Tax Collected	95.4%	96.9%	Not available	Not available

FY 2011 Secured Property Tax revenues totaled \$37,638,086, which was \$237,432 or .6% more than the \$37,400,654 received in FY 2010. The FY 2011 total of \$37,638,086 is \$709,538 less than the adopted budget amount of \$38,347,624. The FY 2011 revenue shortfall resulted from a cost of living adjustment for this revenue source of negative .24%, instead of the 2% expected.

The growth in annual property tax revenues is generally close to the growth in annual assessed values. Differences between the two result primarily from reassessment refunds and changes in delinquency rates.

KEY GENERAL FUND REVENUES

REAL PROPERTY TAXES *cont.*

Forecast of Property Tax Revenue

The revenue projection for Real Property Tax revenue is primarily based on the annual County Assessor's Office estimate of assessed values, which is provided before May 10th each year. The difference between the estimate in May and the actual certification in August is generally small. The FY 2012 Real Property Tax revenue is currently projected at \$38.9 million as the City experienced growth of approximately 3.5% in assessed value, primarily related to ownership changes and a .75% cost of living increase. Staff is beginning to see growth in assessed value again, primarily due to increases in sales of properties where the sales price is greater than the prior year's assessed value. Staff updates these original Adopted Budget projections quarterly.

REAL PROPERTY TAXES	Actual Revenue			Projected Revenue		
	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Total Collections	\$36,635,911	\$37,400,654	\$37,638,086	\$38,955,419	\$40,318,859	\$42,133,207
\$ Change	\$1,918,609	\$764,743	\$237,407	\$1,317,333	\$1,363,440	\$1,814,348
% Change	5.5%	2.1%	.63%	3.5%	3.5%	4.5%

KEY GENERAL FUND REVENUES

SUPPLEMENTAL REAL PROPERTY TAXES

Supplemental Taxes are the result of the reassessment of property as of the 1st day of the month following either an ownership change or completion of new construction. In most cases, this reassessment results in one or more supplemental tax bills being sent to the property owner during the year, in addition to the annual property tax bill.

The Assessor determines the new value of the property based on the current market, and then calculates the difference between the new value (set at the time of purchase or completion of new construction) and the old value (set on January 1st of the previous fiscal year). The result is the supplemental assessment value. Once the new assessed value of a property has been determined, the Assessor will send a notification of the amount to be assessed to the owner.

Analysis of Supplemental Real Property Tax

Factors that affect the revenue generated by Supplemental Taxes are the sales of real property and/or new construction in the City that occurs after the assessment lien date (of January 1st) until the end of the fiscal year, June 30th.

For FY 2011, Supplemental Tax revenue totaled \$654,455, which is an increase of \$54,744 or 9.1% from the \$599,711 received in FY 2010.

Forecast of Supplemental Real Property Tax Revenue

Supplemental Tax revenues are projected to recover in FY 2012 through FY 2014, as property sales increase from depressed levels.

SUPPLEMENTAL REAL PROPERTY	Actual Revenue			Projected Revenue		
	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Total Collections	\$1,109,577	\$599,711	\$654,455	\$1,600,000	\$1,600,000	\$1,600,000
\$ Change	(797,754)	(509,866)	54,744	945,545	0	0
% Change	(41.8%)	(46.0%)	9.1%	144.4%	0	0

KEY GENERAL FUND REVENUES

PROPERTY TRANSFER TAXES

The Property Transfer Tax (Transfer Tax) rate set by the City of Berkeley is 1.5% of the value of consideration paid for the documented sale of real property or any transfer of interest in real property. The tax is due when the documents of transfer are recorded with the County. Title companies collect the tax as part of the sale closing process, and remit the funds to Alameda County when sales or transfers are finalized. Penalties are imposed on delinquent payments, and interest is charged from the date of delinquency until paid. Alameda County remits the amounts due monthly, and the amounts are credited to the General Fund.

Seismic Retrofit Rebate Program. In Berkeley, a portion of Transfer Taxes are used to fund the City's Seismic Retrofit Rebate Program for residential housing built prior to 1989. Upon transfer of a qualifying residential property, the buyer may voluntarily choose to reserve up to 1/3 of the total Transfer Tax to perform voluntary seismic upgrades as specified by the City.

Property owners have up to one year after the recording of the sale to complete the seismic work and file for the rebate. An extension for good cause may be requested in writing up to one year past the original deadline date, provided the request is made prior to the 1-year filing deadline.

Analysis of Property Transfer Tax

Because Property Transfer Tax is tied directly to all real property sales, it is a volatile revenue source, and difficult to predict more than one year at a time. Factors that affect the revenue generated by Transfer Taxes are the sale price of property and the frequency with which property is sold. These immediate factors are driven by the availability of mortgage loans, the level of long-term interest rates, the supply and demand for real estate in Berkeley, and general economic growth in the Bay Area.

For FY 2011, Property Transfer Tax revenue increased \$1,123,960 or 14.1%, to \$9,111,630, from \$7,987,670 received in FY 2010. The increase was due to an increase in property sales for FY 2011, which totaled \$641,890,900, or \$70,450,151 (12.3%) more than the \$571,440,749 in FY 2010. In addition, the number of property sales were flat at 824 in FY 2011 and 819 in FY 2010.

KEY GENERAL FUND REVENUES

PROPERTY TRANSFER TAXES *cont.*

Forecast of Transfer Tax Revenue

Staff forecasted a rebound in Transfer Tax revenues in FY 2011 and FY 2012, to \$9 million and \$10 million, respectively (net of budgeted seismic retrofit rebates). However, it should be noted that those levels of Transfer Tax revenue will still be below the City's baseline of \$10.5 million. This was considered to be a level staff did not believe that Transfer Tax revenue would drop below, and any amounts above this baseline were considered to be non-recurring (one-time) revenue, available for one-time expenditure allocations only.

PROPERTY TRANSFER TAX	Actual Revenue			Projected Revenue		
	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Total Collections	\$8,043,064	\$7,987,670	\$9,111,630	\$10,000,000	\$10,500,000	\$10,500,000
\$ Change	(4,563,725)	(55,394)	1,123,960	888,370	500,000	0
% Change	(36.2%)	(.7%)	14.1%	9.7%	5%	0%

KEY GENERAL FUND REVENUES

VEHICLE IN-LIEU TAX / LICENSE FEES (VLF)

Motor Vehicle In-Lieu Tax (VLF) is a tax imposed by the State on the ownership of a registered vehicle. VLF is collected by the State Department of Motor Vehicles (DMV) and more than 95% of these fees are divided equally between counties and cities, and their aggregate shares are distributed in proportion to the respective populations of the cities and counties. The State withholds less than 5% of these fees for the support of the Department of Motor Vehicles. Until 1998-99, the annual license fee was 2% of the market value of the vehicle as determined by the DMV. In 1998-99, the State reduced the license fees by 25%, but agreed to backfill local jurisdictions for this loss in revenue.

In 2004, the Governor lowered the annual VLF to 0.65%, from 2.0%. In the budget agreement between the Governor and cities and counties, the Governor agreed to backfill the 1.35% difference in VLF with property taxes from the Education Revenue Augmentation Fund (ERAF), in exchange for cities and counties taking cuts of \$350 million in FY 2005 and FY 2006. Berkeley's share of the cut was \$1.83 million in both FY 2005 and FY 2006. Beginning in FY 2006, this property tax in lieu of VLF will grow at the same rate as the change in gross assessed valuation of taxable property in the City from the prior year.

Analysis of VLF

Factors that have affected the revenue generated by VLF in the past include the sales of new vehicles in California, DMV administrative costs, and the proportion of Berkeley's population to the total for the State and County. Starting in FY 2006, the rate of growth in the assessed values of properties also impacted VLF revenues, as the amount of the VLF backfill paid increased by the change in gross assessed values of taxable properties.

For FY 2011, VLF revenue totaled \$8,819,690, which is \$274,548 or 3.2% more than the \$8,545,142 received in FY 2010. The FY 2011 total included a one-time payment of late fees and penalties on vehicle registrations totaling \$265,509 that had accumulated over a period of four years. In the future, the amounts will be paid annually.

Forecast of VLF Revenue

VLF revenue projections are based on trend analysis, growth in assessed value and communications with the State Controller's Office staff about new vehicle sales and DMV administrative costs reported. Approximately 95% of VLF revenue is tied to the change in gross assessed values of taxable properties, which accounts for the growth reflected in FY 2011 through FY 2014.

VLF	Actual Revenue			Projected Revenue		
	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Total Collections	\$8,396,887	\$8,545,142	\$8,819,690	\$8,849,279	\$9,114,757	\$9,433,774
\$ Change	381,584	148,255	274,548	29,589	265,478	319,017
% Change	4.8%	1.8%	3.2%	.3%	3.0%	3.5%

KEY GENERAL FUND REVENUES

PERSONAL PROPERTY TAXES (Unsecured Property)

Personal property tax is assessed at the rate of 1% of the market value on a business' personal property, such as office furniture, machinery and other equipment. The tax is billed and collected by Alameda County in a single installment due August 31st, and most of the amount due to the City is remitted in September and credited to the General Fund.

Analysis of Personal Property Taxes

Factors that affect the revenue generated by taxes on personal property are business capital expenditures growth, and the collection rate. The growth in annual personal property tax revenues should generally be close to the growth in annual assessed values, except for significant changes in collection rates. In addition, prior years' personal property levies collected in the current year and refunds are included in the total and can cause significant variances.

For FY2011, Unsecured Property Tax revenues totaled \$2,341,601, which was \$8,920 or .4% less than the \$2,350,521 received in FY 2010.

Description	Changes in Taxable Assessed Values and Collection Rate			
	2008	2009	2010	2011
Assessed Value (\$1,000) *	\$606,725	\$ 671,874	\$720,105	\$677,755
\$ Change Assessed Value	13,803	65,149	48,231	(42,350)
% Change Assessed Value	2.3%	10.7%	7.2%	(5.9)%
Property Taxes Levied	2,163,960	2,348,294	2,477,914	Not Available Yet
% Prop Tax Collected	95.4%	94.1%	94.4%	Not Available Yet

Trend Of Primary Variables

Forecast of Personal Property Tax Revenue

Projections anticipate minor revenue growth in FY 2012 and no growth in FY 2013 and FY 2014.

PERSONAL PROPERTY TAX	Actual Revenue			Projected Revenue		
	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Total Collections	\$2,468,138	\$2,350,521	\$2,341,601	\$2,441,601	\$2,441,601	\$2,441,601

KEY GENERAL FUND REVENUES

SALES TAXES

Sales Tax is an excise tax imposed on retailers for the privilege of selling or leasing tangible personal property. The Use Tax is an excise tax imposed for the storage, use, or other consumption of tangible personal property purchased from any retailer. The proceeds of sales and use taxes imposed within the boundaries of Berkeley are distributed by the State to various agencies, with the City of Berkeley receiving 1% of the amount collected. In March 2004, voters of California approved Proposition 57, the California Economic Recovery Bond Act. Legislative provisions implementing Proposition 57 provide for a swapping of ¼ cent to be used by the State to repay the bonds, effective July 1, 2004. The so called “triple flip” provisions consist of (a) a reduction of the Bradley Burns Local Sales and Use Tax rate by ¼% in tandem with a new ¼% state rate to fund fiscal recovery bond repayment; (b) repayment to cities and counties with additional local property tax previously allocated to local schools; and (c) repayment to local schools with State general funds.

Effective April 1, 2009, the State sales and use tax rate was increased by 1%, from 8.75% to 9.75%. This 1% tax rate increase expired on July 1, 2011.

The total sales tax rate for Alameda County is currently 8.75% and distributed as follows:

Distribution of Sales Tax Collected within Alameda County

Agency	Distribution %
State of California	5.50%
State Public Safety Fund (Proposition 172)	0.5%
City of Berkeley (including .25% Triple Flip reimbursement)	1.0%
Alameda County	0.25%
Alameda County Transportation Improvement Authority	0.5%
Alameda County Essential Health Care Services	0.5%
Alameda County BART	0.5%
Total Sales Tax	8.75%

Analysis of Sales Tax

Factors that affect the revenue generated by Sales Tax include:

- ❑ Overall economic growth in the Bay Area and competition from neighboring cities;
- ❑ Growth rate of specific dominant commercial/industrial sectors in Berkeley;
- ❑ Berkeley’s business attraction/retention efforts, especially on retail establishments; and
- ❑ Catalog and Internet sales
- ❑ Success of the City’s Use Tax project

KEY GENERAL FUND REVENUES

SALES TAXES *cont.*

For FY 2011, Sales Tax revenue totaled \$14,218,082, which is \$1,524,899 or 12.0% more than the \$12,693,183 received in FY 2010. The economic segments that accounted for most of the increase were the following: Furniture/Appliance \$33,784; Recreation products \$26,247; Drug Stores \$28,985; restaurants \$213,836; Food markets \$41,523; Service Stations \$72,794; New auto sales \$ 75,500; Chemical products; Light industry \$62,304; and one-time adjustments of approximately \$239,000 related to electronic products and health care.

Forecast of Sales Tax Revenue

Annual Sales Tax revenue increased 12% in FY 2011, and is projected to increase by 2.2% in FY 2012 and 3.0% in FY 2013 and FY 2014.

SALES TAX	Actual Revenue			Projected Revenue		
	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Total Collections	\$14,237,319	\$12,693,183	\$14,218,082	\$14,534,125	\$14,970,149	\$15,419,254
\$ Change	(547,889)	(1,544,137)	1,524,899	316,043	436,024	449,105
% Change	(3.7%)	(10.8%)	12.0%	2.2%	3.0%	3.0%

KEY GENERAL FUND REVENUES

BUSINESS LICENSE TAX

A tax receipt (colloquially called a “business license”) is issued each year upon payment of a Business License Tax (BLT), which is either a fixed amount or based on a varying percentage of the prior year’s gross receipts, depending on the type of business. The Business License must be renewed on January 1st each year, and the required tax is delinquent if paid after February 28th.

Analysis of Business License Tax

Factors that affect the BLT revenue are:

- ❑ Number of business renewals;
- ❑ Commercial and industrial growth rates;
- ❑ Attraction/loss of businesses;
- ❑ Economic growth in the Bay Area; and
- ❑ Results of Finance BLT collection activity; and the City Auditor’s and Finance Department audit programs.

For FY 2011, BLT revenue totaled \$13,955,148, which is \$449,190 or 3.3% more than the \$13,505,958 received for the same period in FY 2010. The Finance Department has an aggressive program to increase the General Fund revenue base, especially Business License Taxes. The BLT increase reported for FY 2011 is almost totally accounted for by the BLT collections of \$413,057 generated by Finance Department BLT audits. In addition, the City received approximately \$139,000 more in Cannabis Club Business License Taxes in FY 2011, as a result of the passage of the ballot measure in November 2010.

Forecast of Business License Tax Revenue

The BLT revenues increased by 3.3% in FY 2011, and are projected to increase by 5.1% in FY 2012, and 1.9% in FY 2013 and FY 2014.

BUSINESS LICENSE TAX	Actual Revenue			Projected Revenue		
	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Total Collections	\$13,388,579	\$13,505,958	\$13,955,148	\$14,671,795	\$14,946,522	\$15,226,744
\$ Change	(174,289)	117,379	449,190	716,647	274,727	280,222
% Change	(1.3%)	.9%	3.3%	5.1%	1.9%	1.9%
# of Licenses (calendar year)	12,819	12,447				

KEY GENERAL FUND REVENUES

UTILITY USERS TAX

Utility Users Tax (UUT) has generally been a steady and reliable source of General Fund revenue for most governmental entities, and is generally the 2nd largest source of GF revenue. Utility Users Tax is charged at the rate of 7.5% to all users of a given utility (electricity, gas, telephone, cable, and cellular), other than the corporation providing the utility (a utility company's consumption of all utilities used in the production or supply of their service is not taxed). The tax is not applicable to State, County, or City agencies, or to insurance companies and banks.

Analysis of UUT

Some factors that affect the revenue generated by UUT are:

- ❑ Consumption/use of gas, electricity, telecommunication services, cable, and cellular;
- ❑ Regulatory actions, including deregulation and re-regulation;
- ❑ PUC rate changes;
- ❑ Market forces;
- ❑ Evolution of technology; and
- ❑ Legislative actions at State and Federal levels

About 58% of UUT revenues are generated from gas and electric services and 42% from telecommunications:

Electricity. Electricity rates are expected to be higher, but reductions in usage should partially offset the effect of the rate increases.

Gas. Gas rates are expected to be higher, but reductions in usage should partially offset the effect of the rate increases. The estimated changes in gas prices are based on the Gas Rate Forecast information provided by PG&E.

UUT revenue in FY 2011 decreased by \$15,650 or .1%, to \$14,396,426 from the \$14,412,076 received in FY 2010.

KEY GENERAL FUND REVENUES

UTILITY USERS TAX *cont.*

Forecast of UUT Revenues

UUT is expected to increase approximately 3.0% in FY 2012 and by 2.0% in FY 2013 and FY2014. This is due to continued growth in cable and cellular telephone categories, which is partially offset by a continuing decline in land-line phones. Projections are based on current trend analysis, rate changes and consultation with the City's Energy Officer.

UTILITY USERS TAX	Actual Revenue			Projected Revenue		
	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Total Collections	\$14,658,959	\$14,412,076	\$14,396,426	\$14,828,319	\$15,124,885	\$15,427,383
\$ Change	(661,934)	(246,883)	(15,650)	431,893	301,676	307,708
% Change	(4.3%)	(1.7%)	1.6%	3.0%	2%	2%
Cable	1,236,456	1,230,076	1,468,366	1,541,784	1,618,874	1,699,818
Gas/Elec	8,140,922	8,040,001	8,359,942	8,527,141	8,612,412	8,698,537
Phone	2,014,908	1,956,500	1,773,075	1,773,075	1,773,075	1,773,075
Cellular	3,266,673	3,185,499	2,795,043	2,986,319	3,120,524	3,255,953

KEY GENERAL FUND REVENUES

FRANCHISE FEES: CABLE - ELECTRIC - GAS

Cable Franchise.

Prior to the passage of State Bill AB2987, Federal and State laws allowed cities to grant franchises to cable companies to use the public right-of-way (PROW) to install and provide video service. The cable company, in turn, applied for a permit to install the video facilities. The permit also allowed for maintenance work once the installation was complete. Under the current franchise agreement, the cable company pays Berkeley an annual franchise fee of 5% of gross revenues, in quarterly installments. In addition, they support the Public Access Channel programming (B-TV). The cable franchise expires on November 12, 2007. The recently passed State Bill AB 2987 allows companies to apply for statewide cable television franchises, and the new bill maintains the City's 5% franchise fee. In addition to the 5% franchise fee, the bill allows the City to receive an additional fee of 1% of the gross revenue for Public, Educational and Government (PEG) purposes.

Electric & Gas Franchises.

These franchise fees (ultimately paid by the consumer) are variable fees based on gross receipts for the sale of electricity or gas within the City, and is the greater of these two calculations:

1. Electric or Gas Franchise Ordinance: 2% of gross receipts attributable to miles of line operated; or
2. 1937 Act Computations: gross receipts within the City times 0.5%.

Electric/Gas franchise fees are paid annually to the General Fund. Electric and gas franchise payments are based on two methods of calculating gross receipts. The electric/gas company must complete both calculations, and the payment made is the greater amount. In addition, the PUC approved a franchise fee surcharge since PG&E no longer handles all energy service, and to prevent cities from losing franchise revenue generated by third parties. The surcharge is an estimate of the amount of revenues generated by third parties multiplied by the franchise fee rate.

Analysis of Franchise Fees

For the last several years, up until FY 2010, Cable had experienced double-digit growth in revenues, while gas and electric had flat revenues, with an upward bias. In FY 2010, cable revenue dipped slightly and gas fell sharply.

For FY 2011, Franchise Fee revenue totaled \$1,769,899, which is \$78,747 or 4.7% more than the \$1,691,152 received for in FY 2010.

KEY GENERAL FUND REVENUES

FRANCHISE FEES: CABLE - ELECTRIC – GAS cont.

Forecast of Franchise Fee Revenue

Franchise Fee revenues are projected to increase slightly from FY 2012 through FY 2014.

FRANCHISE FEES	Actual Revenue			Projected Revenue		
	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Total Collections	\$1,848,246	\$1,691,152	\$1,769,899	\$1,805,297	\$1,805,297	\$1,841,403
Cable	878,851	875,026	913,097	931,359	931,359	958,002
Electric	482,236	482,374	511,087	521,309	521,309	522,137
Gas	487,160	333,752	345,715	352,629	352,629	361,264

KEY GENERAL FUND REVENUES

TRANSIENT OCCUPANCY TAXES

Transient Occupancy Tax (TOT) is assessed at the rate of 12% on the room charge for rental of transient lodging when the period of occupancy is 30 days or less. This is sometimes referred to as “hotel tax.” Hotel guests pay the 12% tax.

Analysis of TOT

Factors that affect the revenue generated by TOT are: the number of hotel rooms available for occupancy; their level of occupancy; and the average room rates charged. Economic cycles that impact personal or business discretionary spending also impact travel, and thus affect the number of occupied rooms in a particular economic cycle.

Transient Occupancy Tax (TOT) revenue increased by \$391,893 or 14.9% at the nine months point in FY 2011 to \$3,019,187, from \$2,627,294 for the same period in FY 2010. This increase was due to a major hotel coming back on line after extensive renovations and expansion of their facility last year. The increase in revenue from this hotel accounted for most of the TOT revenue increase for the period.

Forecast of TOT Revenue

The Adopted Budget TOT revenue forecast is based on projections for the 12 largest hotels (TOT = number of rooms times hotel’s estimate of occupancy rate times average room rate). Revenues are currently projected to increase at a rate of 16.7% in FY 2011, 4.2% in FY 2012 and 2.0% in FY 2013 and FY 2014.

TRANSIENT OCCUPANCY TAX	Actual Revenue			Projected Revenue		
	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Total Collections	\$3,711,655	\$3,647,693	\$4,164,608	\$4,435,109	\$4,523,811	\$4,614,287
\$ Change	421,917	(63,962)	516,915	270,501	88,720	90,476
% Change	11.8%	(1.7)%	14.2%	6.5%	2.0%	2.0%

KEY GENERAL FUND REVENUES

INTEREST INCOME

The City employs a strict cash management program to ensure that all available funds are invested to earn the maximum yield consistent with safety and liquidity. Invested money is pooled and each of the funds receives interest income based on its share of monthly net cash balances. Short-term securities are purchased at a discount (the interest income earned by the City is the difference between the price paid by the City and the par value of the bonds). Long-term securities purchased by the City pay an interest coupon (generally semi-annually). Interest is allocated from the General Fund each month to other designated City funds, based on their net cash balances.

Analysis of Interest Income

For FY 2011, Interest Income totaled \$5,442,408, which is \$54,029 or 1.0% more than the \$5,388,379 received in FY 2010. It was also \$492,408 more than the adopted budget amount of \$4,950,000.

Forecast of Interest Income

Interest Income projections are made by taking the existing investments and multiplying by the effective yield, and adding the calculation for estimated interest income on future investments (estimate of amounts to be invested in the various maturities, times the estimate of the applicable interest rate). The interest rate environment for last year and this year has been an extremely difficult one to invest in because the Federal Reserve forced short-term rates to fall to a rate close to zero and implemented a \$1.85 trillion program to buy Treasuries and mortgage-backed securities in order to get mortgage rates down to 4.5%. This has caused many cities' interest income to be cut in half, or worse.

Berkeley's interest income is expected to remain stable for two reasons: (1) the City Council adopted investment policies in the past that allow Staff the flexibility to quickly react to dramatic changes in the market, and (2) Staff was able to react to the dramatic changes made by the Fed in the last two years, and locked in yields on medium-term investments that are more than twice the yields currently available in the market.

KEY GENERAL FUND REVENUES

INTEREST INCOME cont.

INTEREST INCOME	Actual Revenue			Projected Revenue		
	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Total Collections	\$4,550,515	\$5,388,379	\$5,442,408	\$5,550,000	\$5,550,000	\$5,550,000

KEY GENERAL FUND REVENUES

PARKING FINES

AB 408 decriminalized parking violations, changing punishment from a criminal penalty to a civil liability. In doing so, it substituted a system of citations and civil penalties, to be adjudicated by an administrative structure within the city or other agency rather than the court system. This structure was intended to allow cities more control and efficiency in the administration of parking fines. To the extent possible, issuing agencies within the same county standardize their parking penalties.

Analysis of Parking Fines

Factors that affect the revenue generated by Parking Fines include:

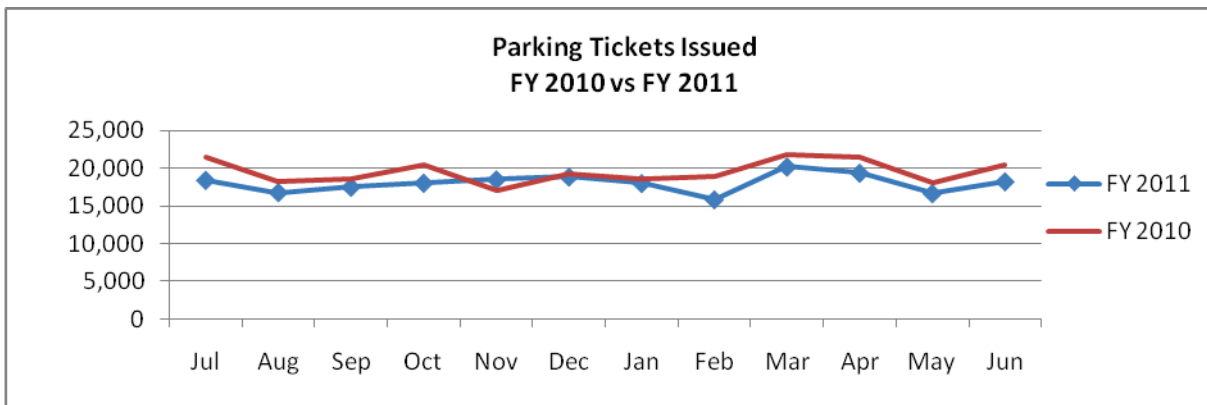
- ❑ Amounts established for payment of parking tickets and related charges
- ❑ Number of working parking meters
- ❑ Level of community service participation
- ❑ Collections using a professional collections agency and also registration holds with DMV and/or liens with the Franchise Tax Board

For FY 2011, Parking Fines revenue decreased \$53,567 or 5.9% to \$9,074,481, from \$9,021,035 for in FY 2010. Staff had expected an increase in this revenue source in FY 2011 as a result of the \$5/ticket increase effective October 1, 2009, approved by Council. However, the decline in ticket writing more than offset the impact of raising the ticket prices. Staff lowered the FY 2011 projection by \$500,000, from the adopted budget amount of \$9.7 million to \$9.2 million, due to the continued decline in ticket writing as reflected in the chart above. However, the actual results were nearly \$200,000 below that revised level. After showing year-over-year declines in every month in FY 2010, year-over-year ticket writing has declined in every month of FY 2011, except for November, with an overall decline of 7.6%, as follows:

Month	FY 2011	FY 2010	Diff	% Diff
July	18,429	21,412	-2,983	-13.90%
August	16,787	18,285	-1,498	-8.20%
September	17,495	18,505	-1,010	-5.50%
October	18,049	20,451	-2,402	-11.70%
November	18,492	17,079	1,413	8.30%
December	18,867	19,271	-404	-2.10%
January	17,996	18,573	-577	-3.10%
February	15,813	18,880	-3,067	-16.20%
March	20,219	21,754	-1,535	-7.10%
April	19,388	21,543	-2,155	-10.00%
May	16,638	18,134	-1,496	-8.20%
June	18,240	20,401	-2,161	-10.60%
Total	216,413	234,288	-17,875	-7.60%

KEY GENERAL FUND REVENUES

PARKING FINE REVENUE	Actual Revenue			Projected Revenue		
	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Total Net* Collections	\$10,029,602	\$9,021,035	\$9,098,431	\$9,785,000	\$10,078,550	\$10,380,907
\$ Change	(157,712)	(1,008,567)	77,396	710,519	293,550	302,357
% Change	(1.5%)	(10.1%)	.9%	7.8%	3.0%	3.0
Parking Citations	285,865	234,288	216,413			



Forecast of Parking Fine Revenue

Revenue projections are based on: an estimate of valid tickets issued times the average ticket price times the collection rate (including use of a collection agency, registration holds with DMV and/or liens with the Franchise Tax Board) minus Jail Construction Fund payments.

KEY GENERAL FUND REVENUES

AMBULANCE FEES

By agreement with Alameda County, the City of Berkeley is the exclusive provider of all emergency ground ambulance service within the City limits. The contract began in July 1, 1999 and has been extended to October 31, 2011. The specific ambulance fee depends on the type of service delivered. Clients and clients' insurance companies are billed monthly by an outside agency (ADPI) that also maintains the City's accounts receivable subsidiary records. The Fire Department receives the remitted amounts and the revenues are credited to the General Fund.

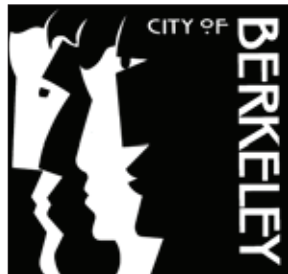
Analysis of Ambulance Fees

For FY 2011, Ambulance Fee revenue totaled \$3,763,603, which is \$214,302 or 6.0% more than the \$3,549,301 received in FY 2010.

Forecast of Ambulance Fee Revenue

Projections are based on trend analysis and discussions with Fire Department staff for estimates of each type of service, and the total collections rate. Staff lowered the FY 2011 projection from the adopted budget amount of \$3,919,150, primarily due to lower MediCal reimbursement rates. This revenue source is projected to decrease by 5.4% in FY 2012, and to increase by 3.0% in FY 2013 and FY 2014.

AMBULANCE FEES	Actual Revenue			Projected Revenue		
	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Total Collections	\$3,421,832	\$3,549,301	\$3,763,603	\$3,559,453	\$3,666,237	\$3,776,224
\$ Change	441,611	127,469	214,302	(204,150)	106,784	109,987
% Change	14.8%	3.7%	6.0%	(5.4%)	3.0%	3.0%



This page left intentionally blank

FINANCIAL FORECASTS: OTHER OPERATING FUNDS

INTRODUCTION

This section contains financial forecasts for eleven of the City's key operating funds, which can be described in these broad categories:

SPECIAL REVENUE/GRANT FUNDS are revenue sources legally restricted to a specific purpose, service or program and include tax-based revenues:

- ❑ Parks Tax Fund
- ❑ Library Tax Fund
- ❑ Paramedic Tax Fund

SPECIAL ASSESSMENT FUNDS account for revenues and expenditures related to the financing of public improvements or services:

- ❑ Clean Storm Water Fund
- ❑ Streetlight Assessment District Fund
- ❑ Measure B Fund

ENTERPRISE FUNDS are used to support the expenditures of a specific service or program and revenue is derived through the collection of the fees associated with providing the service/program.

- ❑ Permit Service Center
- ❑ Sanitary Sewer Fund
- ❑ Refuse Fund
- ❑ Parking Meter Fund
- ❑ Marina Enterprise Fund

A number of these funds face shortfalls and require balancing measures to close these gaps. Revenue growth is limited by statutory "caps" on certain funds, specifically, the Clean Storm Water and the Streetlight Assessment funds since revenues have been essentially frozen since the passage of Proposition 218. Several "special tax" revenue funds are limited in terms of revenue growth to the rate of inflation (i.e. Bay Area Consumer Price Index (CPI), which increased by 2.821% for FY 2012. The City has no discretion in increasing revenues in these funds without voter-approval. The impacts of the economy on our enterprise funds, particularly the Refuse, Permit Service Center and Parking Meter funds have caused significant revenue losses. Nonetheless, expenditures within these funds are projected to increase as a result of many of the same factors that impact the General Fund (e.g., salary cost-of-living increases, health benefit costs and retirement costs).

Public & Mental Health Funds

There are a number of other key operating funds that are not represented in this section, specifically the public and mental health funds. Given State budget reductions and revenue losses due to the economy, these projections are very dynamic.

While the budget includes significant reductions in the public health and mental health funds, these reductions only address known funding losses – not any additional cuts from the State.

FINANCIAL FORECASTS: OTHER OPERATING FUNDS

PARKS TAX FUND

This is a special tax charged to Berkeley property owners on a square foot basis and is used to fund the maintenance of parks, city trees, and landscaping in the City of Berkeley. Berkeley voters approved the tax in May 1997 to replace the Landscape Assessment District. The tax rate was initially set by the voters and is adjusted annually based on the Consumer Price Index (CPI). Revenue is based on a square footage calculation and is collected through the property tax bill.

Analysis

As it stands right now, the fund balance remains healthy through FY 2014. Available fund balance is being reduced by an annual shortfall and balancing measures will be needed to address this gap.

Fund Forecast

	FY 2011	FY 2012	FY 2012	FY 2013	FY 2013	FY 2014
	Actual	Adopted	Projected	Adopted	Projected	Projected
Beginning Balance	2,494,485	2,396,303	2,396,303	1,614,352	1,662,457	1,059,290
Revenues	9,019,666	9,164,890	9,239,045	9,346,499	9,422,137	9,608,892
Parks Tax	8,939,377	9,080,436	9,154,591	9,262,045	9,337,683	9,524,437
Other Revenue	80,289	84,454	84,454	84,454	84,454	84,455
Expenditures	9,117,848	9,946,841	9,972,891	10,025,304	10,025,304	10,149,906
Personnel	6,893,384	7,306,694	6,380,995	7,497,341	7,497,341	7,621,943
Non-Personnel	2,179,123	2,392,960	2,606,353	2,280,776	2,280,776	2,280,776
Capital Improvement	45,341	247,187	985,543	247,187	247,187	247,187
Annual Surplus/Shortfall	-98,182	-781,951	-733,846	-678,805	-603,167	-541,014
Ending Balance	2,396,303	1,614,352	1,662,457	935,547	1,059,290	518,276

Revenue Assumptions

- Annual tax rate increases are tied to Bay Area CPI Index only
- FY 2012 tax set at 2.821% increase
- FY 2013 through FY 2014 assumes a 2% increase in Parks Tax

Expenditures Assumptions

- FY 2012 personnel include approved total compensation increases per labor contracts.
- FY 2012 projected capital expenditures assumes capital funds for the Corporation Yard Ratcliff Building project will be spent
- FY 2013 and FY 2014 personnel assume no total compensation increase due to conclusion of labor contracts
- FY 2013 personnel assumes 0.9% PERS rate increase
- FY 2014 personnel assumes 3.0% PERS rate increase

FINANCIAL FORECASTS: OTHER OPERATING FUNDS

LIBRARY TAX FUND

The Library Tax Fund provides funding for the Berkeley Public Library system. The primary source of revenue to the fund is the Library Tax, which was originally established in 1980 and reauthorized in 1988. The City Council sets the tax rate annually through an ordinance and the tax rate is indexed to the greater of either the Bay Area Consumer Price Index or the per capita Personal Income Growth in California. Revenue is based on a square footage calculation and is collected through the property tax bill. Additional revenue to this fund includes the collection of library fees.

Fund Forecast

	FY 2011 Actual	FY 2012 Adopted	FY 2012 Projected	FY 2013 Adopted	FY 2013 Projected	FY 2014 Projected
Beginning Balance	1,461,884	1,540,809	1,540,809	1,328,530	1,314,081	1,297,096
Revenues	14,482,269	14,711,055	14,836,370	14,999,566	15,126,888	15,449,226
Library Tax	14,187,090	14,425,555	14,550,870	14,714,066	14,841,888	15,138,726
Other Revenue	295,179	285,500	285,500	285,500	285,000	310,500
Expenditures	14,403,344	14,923,334	15,063,098	15,143,873	15,143,873	15,358,655
Personnel	11,932,448	12,000,447	12,000,447	12,248,953	12,248,953	12,463,735
Non-Personnel	1,659,762	1,947,887	2,093,651	1,919,920	1,919,920	1,919,920
Library Materials	811,134	900,000	900,000	900,000	900,000	900,000
Capital Improvements	-	75,000	69,000	75,000	75,000	75,000
Annual Surplus/Shortfall	78,925	-212,279	-226,728	-144,307	-16,985	90,571
Ending Balance	1,540,809	1,328,530	1,314,081	1,184,223	1,297,096	1,387,667

Revenue Assumptions

- FY 2012 Library Tax increase set at 2.821% increase in Bay Area CPI
- FY 2013 through FY 2014 assumes a 2% tax increase in Library Tax

Expenditures Assumptions

- FY 2012 personnel include approved total compensation increases per labor contracts.
- FY 2013 and FY 2014 personnel assume no total compensation increase due to conclusion of labor contracts
- FY 2013 personnel assumes 0.9% PERS rate increase
- FY 2014 personnel assumes 3.0% PERS rate increase

FINANCIAL FORECASTS: OTHER OPERATING FUNDS

PARAMEDIC TAX FUND

The Paramedic Tax generates around \$2.1 million per year to support the City's Paramedic and Emergency Medical Response services for Berkeley residents. Revenues are collected through a square footage tax on property owners. The tax rate can only be adjusted annually based on the Consumer Price Index (CPI) in the immediate San Francisco Bay Area.

Analysis

Due to the revenue increases being capped by CPI increases and expenditures growing at a higher rate, this fund has experienced significant deficits in the past fiscal years. An annual General Fund subsidy is required to balance the fund. This fluctuates based on staffing composition and related costs. The subsidy decreases in FY 2012 but increase in FY 2013 and FY 2014 to keep the fund balanced.

Fund Forecast

	FY 2011	FY2012	FY 2012	FY2013	FY 2013	FY2014
	Actual	Adopted	Projected	Adopted	Projected	Projected
Beginning Balance	-339,324	186,233	186,233	77,192	20,008	108,120
Revenues	3,305,283	2,965,280	2,908,096	3,166,600	3,115,665	3,114,668
Paramedic Tax	2,379,283	2,419,952	2,443,399	2,468,351	2,492,267	2,542,112
General Fund Subsidy	926,000	545,328	464,697	698,249	623,398	572,556
Expenditures	2,779,726	3,074,321	3,074,321	3,135,672	3,135,672	3,222,788
Personnel	2,374,587	2,641,563	2,641,563	2,702,914	2,702,914	2,790,030
Non-Personnel	405,139	432,758	432,758	432,758	432,758	432,758
Carryover						
Annual Surplus/Shortfall	525,557	-109,041	-166,225	30,928	-20,007	-108,120
Ending Balance	186,233	77,192	20,008	108,120	0	0

Revenue Assumptions

- FY 2012 tax increase set at 2.821%
- FY 2013 through FY 2014 assume a 2% tax increase in Paramedic Tax
- Subsidy decreases in FY 2012 but increases in FY 2013 and FY 2014 to keep the fund balanced.

Expenditures Assumptions

- FY 2012 does not include any total compensation increases for sworn personnel per MOU
- FY 2012 personnel includes new PERS rate increase
- FY 2013 personnel assumes a 2.01% PERS rate increase
- FY 2014 personnel assumes a 5.8% PERS rate increase

FINANCIAL FORECASTS: OTHER OPERATING FUNDS

CLEAN STORM WATER FUND

The Clean Storm Water fund provides the funding for the maintenance and improvement of the City's storm water drainage system to reduce the pollutants in storm water from entering local creeks and the Bay. Revenue to this fund is from the collection of fees charged to every owner of real property in the city of Berkeley and is collected through property taxes.

Analysis

Clean Storm Water Fund revenues are fee-supported and are capped at 1996 levels by Proposition 218, set at flat \$34 fee per year. Without a fee increase, which can only be implemented through a 2/3 approval vote of Berkeley citizens, revenues remain flat and the fund is only able to support basic storm drain maintenance. While the fund is balanced through FY 2014, there is little money allocated for capital improvements and only limited funding to perform minimal system cleaning and maintenance activities.

Fund Forecast

	FY 2011	FY 2012	FY 2012	FY 2013	FY 2013	FY2014
	Actual	Adopted	Projected	Adopted	Projected	Projected
Beginning Balance	304,309	756,401	756,401	848,874	530,695	564,504
Revenues	2,679,536	2,225,305	2,450,407	2,236,167	2,236,167	2,243,331
Program revenues	2,042,464	1,993,450	1,993,450	1,997,356	1,997,356	1,997,356
UC In-Lieu Payment	636,725	231,855	456,957	238,811	238,811	245,975
Interest	347	0	0	0	0	0
Expenditures	2,227,444	2,132,832	2,676,113	2,163,547	2,202,358	2,232,888
Personnel	1,169,794	1,141,858	1,141,858	1,171,800	1,171,800	1,192,488
Non-Personnel	657,818	790,974	837,250	791,747	791,747	794,425
Capital Expenditure	399,832	200,000	697,005	200,000	238,811	245,975
Annual Surplus/Shortfall	452,092	92,473	-225,706	72,620	33,809	10,443
Ending Balance	756,401	848,874	530,695	921,494	564,504	574,947

Revenue Assumptions

- Fund receives \$200,000 annually (adjusted by CPI) from UC Berkeley settlement agreement for storm drain infrastructure improvements

Expenditures Assumptions

- FY 2012 personnel include approved total compensation increases per labor contracts.
- FY 2013 and FY 2014 personnel assume no total compensation increase due to conclusion of labor contracts
- FY 2013 personnel assumes 0.9% PERS rate increase
- FY 2014 personnel assumes 3.0% PERS rate increase

FINANCIAL FORECASTS: OTHER OPERATING FUNDS

STREET LIGHT ASSESSMENT DISTRICT FUND

The Streetlight Assessment District Fund provides for maintenance of the City's traffic signals and pedestrian control devices at 126 of the City's intersections and 7,860 streetlights along the public streets, parking lots, pathways, recreation facilities, and marina. Revenue to this fund is collected through annual property taxes and is capped by Prop 218, allowing for no rate increase to this assessment without voter approval.

Analysis

Since 2000, this fund has required annual subsidy of \$516,000 from the General Fund (since the defeat of a November 2000 ballot measure to augment funding through a special tax). A combination of balancing measures and an increase in the General Fund subsidy is being used to keep the fund balanced through FY 2014.

Fund Forecast

	FY 2011 Actual	FY2012 Adopted	FY 2012 Projected	FY2013 Adopted	FY 2013 Projected	FY2014 Projected
Beginning Balance	260,891	110,946	110,946	13,357	5,134	28,498
Revenues	1,897,944	1,877,257	1,888,152	2,020,317	2,031,212	1,987,408
Program Revenues	1,381,940	1,348,788	1,359,683	1,348,788	1,359,683	1,359,683
General Fund Subsidy	516,000	528,469	528,469	671,529	671,529	627,725
Interest	4					
Expenditures	2,047,889	1,974,846	1,993,964	2,007,848	2,007,848	2,015,906
Personnel	965,735	963,582	961,782	995,992	995,992	1,011,672
Non-Personnel	957,993	892,566	913,484	892,566	892,566	892,566
Indirect Costs	124,161	118,698	118,698	119,290	119,290	111,668
Annual Surplus/Shortfall	-149,945	-97,589	-105,812	12,469	23,364	-28,498
Ending Balance	110,946	13,357	5,134	25,826	28,498	0

Revenue Assumptions

- Fund revenues are capped by Proposition 218
- FY 2011 revenue includes a \$516,000 General Fund subsidy
- From FY 2012 through FY 2014, the subsidy is increased to keep the fund balanced

Expenditures Assumptions

- FY 2012 personnel include approved total compensation increases per labor contracts.
- FY 2012 - FY 2014 includes \$140,000 in recurring reductions
- FY 2013 and FY 2014 personnel assume no total compensation increase due to conclusion of labor contracts
- FY 2013 personnel assumes 0.9% PERS rate increase
- FY 2014 personnel assumes 3.0% PERS rate increase

FINANCIAL FORECASTS: OTHER OPERATING FUNDS

MEASURE B SALES TAX FUND

The Measure B Sales Tax fund is used to fund capital projects for local streets and roads. A separate Measure B Fund provides revenue for bike and pedestrian safety improvements. The collection of a half-cent sales tax (April 1, 2002 through March 2022) is disbursed to the City of Berkeley and other local jurisdictions on a quarterly basis.

Analysis & Revenue Projections

The Alameda County Transit Improvement Authority (ACTIA) increased the sales and use tax revenue in FY 2011 by \$195,000 for the streets and road program.

Fund Forecast

	FY 2011	FY 2012	FY 2012	FY 2013	FY 2013	FY 2014
	Actual	Adopted	Projected	Adopted	Projected	Projected
Beginning Balance	1,325,460	1,985,234	1,985,234	2,275,158	1,241,547	1,747,715
Revenues	2,589,428	2,609,298	2,611,283	2,609,298	2,610,540	2,199,046
Program Revenues	2,177,428	2,197,298	2,199,283	2,197,298	2,198,540	2,199,046
General Fund CIP subsidy	412,000	412,000	412,000	412,000	412,000	
Expenditures	1,929,654	2,319,374	3,354,970	2,360,940	2,104,372	2,125,027
Personnel	1,104,661	1,471,014	1,221,956	1,512,580	1,256,012	1,276,666
Non-Personnel	824,993	848,360	2,133,014	848,360	848,360	848,361
Annual Surplus/Shortfall	659,774	289,924	-743,687	248,358	506,168	74,019
Ending Balance	1,985,234	2,275,158	1,241,547	2,523,516	1,747,715	1,821,734

Revenue Assumptions

- Alameda County sales tax revenue, from voter-approved reauthorization of Measure B Tax (April 2002 through March 2022), reflected an increase in FY 2011. FY 2012 through FY 2014 assumes this increase remains the same.
- FY 2011 – FY 2013 includes a \$412,000 transfer from the Capital Improvement Fund to pay for a .5 FTE Electrician and 1.0 FTE Traffic Maintenance Worker and for Streets Capital Improvement projects

Expenditures Assumptions

- FY 2012 personnel include approved total compensation increases per labor contracts.
- FY 2013 and FY 2014 personnel assume no total compensation increase due to conclusion of labor contracts
- FY 2013 personnel assumes 0.9% PERS rate increase
- FY 2014 personnel assumes 3.0% PERS rate increase

FINANCIAL FORECASTS: OTHER OPERATING FUNDS

PERMIT SERVICE CENTER FUND

The Permit Service Center Fund serves as the fund for the collection of zoning fees, building fees, and plan check fees. The fees are established by the City Council through a public hearing and adoption of a resolution establishing a fee schedule.

Analysis & Revenue Projections

While the fund currently maintains a positive fund balance, it does reflect an annual operating shortfall that is offset by using available fund balance. The number of major development projects is less than previous years leading to a significant decrease in revenues. The FY 2012 and FY 2013 Adopted Budget eliminates the structural deficit over the next two years.

Fund Forecast

	FY 2011 Actual	FY 2012 Adopted	FY 2012 Projected	FY 2013 Adopted	FY 2013 Projected	FY 2014 Projected
Beginning Balance	2,973,037	2,143,356	2,143,356	1,640,410	1,147,236	1,012,199
Revenues	7,748,929	8,181,627	8,181,627	8,581,878	8,581,878	8,998,492
Building Fees	5,076,886	4,890,110	4,890,110	5,134,616	5,134,616	5,391,347
Land Use Fees	1,121,899	1,474,745	1,474,745	1,548,482	1,548,482	1,625,906
Other	1,550,144	1,816,772	1,816,772	1,898,780	1,898,780	1,981,239
Expenditures	8,578,610	8,684,573	9,177,747	8,716,915	8,716,915	8,837,899
Personnel	6,398,958	6,570,947	6,570,947	6,613,444	6,613,444	6,734,428
Non-Personnel	2,179,652	2,113,626	2,606,800	2,103,471	2,103,471	2,103,471
Annual Surplus/Shortfall	-829,681	-502,946	-996,120	-135,037	-135,037	160,593
Ending Balance	2,143,356	1,640,410	1,147,236	1,505,373	1,012,199	1,172,792

Revenue Assumptions

- FY 2012 Adopted revenues assume 5% revenue growth over FY 2011
- FY 2013 Adopted revenues assume 5% revenue growth over FY 2012
- FY 2014 Projected revenues assume 5% revenue growth over FY 2013

Expenditures Assumptions

- FY 2012 and FY 2013 Adopted Budget reduces total expenditures by \$317,869 over the two-year period
- FY 2012 personnel include approved total compensation increases per labor contracts.
- FY 2013 and FY 2014 personnel assume no total compensation increase due to conclusion of labor contracts
- FY 2013 personnel assumes 0.9% PERS rate increase
- FY 2014 personnel assumes 3.0% PERS rate increase

FINANCIAL FORECASTS: OTHER OPERATING FUNDS

SANITARY SEWER FUND

Sanitary sewer fees pay for the costs of operation, maintenance, rehabilitation and improvement of the City's sanitary sewers. Sewer service fees are charged to users of the City's sanitary system and are calculated on each hundred cubic feet of water used by each water account serving the premises as established by City Council Resolution. Sewer fees are collected through the payment of the property water bill (EBMUD).

Analysis & Revenue Projections

FY 2010 began an increased level of rehabilitation and maintenance project spending that continues through FY 2014. In addition, we expect significant cost increases related to implementing new permit mandates.

Fund Forecast

	FY 2011 Actual	FY 2012 Adopted	FY 2012 Projected	FY 2013 Adopted	FY 2013 Projected	FY 2014 Projected
Beginning Balance	16,749,346	16,032,879	16,032,879	12,790,030	10,266,015	6,470,041
Revenues	13,003,115	14,516,014	13,979,109	14,516,014	14,097,926	13,965,067
Expenditures	13,719,582	17,758,863	19,745,973	18,005,930	17,893,900	18,048,702
Personnel	6,344,690	9,001,650	8,703,944	9,242,566	8,834,267	8,982,246
Non-Personnel	7,374,892	8,757,213	11,042,029	8,763,364	9,059,633	9,066,456
Other Non-Personnel	2,242,807	3,049,267	3,382,993	3,049,435	2,894,358	2,894,358
CIP	4,258,597	4,504,406	6,503,908	4,504,406	4,504,406	4,504,406
New Permitting Requirements					500,000	500,000
Indirect Costs	873,488	1,203,540	1,155,128	1,209,523	1,160,869	1,167,692
Annual Surplus/Shortfall	-716,467	-3,242,849	-5,766,864	-3,489,916	-3,795,974	-4,083,635
Ending Balance	16,032,879	12,790,030	10,266,015	9,300,114	6,470,041	2,386,406

Revenue Assumptions

- The forecast includes does not increase sewer fees
- The forecast includes revenue increases due to pooled interest and connection fees
- Positive fund balance offsets the annual operating shortfall

Expenditures Assumptions

- FY 2012 personnel include approved total compensation increases per labor contracts.
- FY 2013 and FY 2014 personnel assume no total compensation increase due to conclusion of labor contracts
- FY 2013 personnel assumes 0.9% PERS rate increase
- FY 2014 personnel assumes 3.0% PERS rate increase

FINANCIAL FORECASTS: OTHER OPERATING FUNDS

REFUSE FUND

The Refuse Fund was created to support the activities related to the removal of waste in the City of Berkeley. Fees for disposal of waste at the City's transfer station and refuse fees charged to owners of premises and places in the City from which garbage is collected generate revenue to this fund. Refuse charges are either collected through the payment of property tax bills or directly paid to the City of Berkeley. Refuse collection fees are established by resolution of the City Council and the conduct of a majority protest process under Proposition 218. Fee amounts are currently determined by the size and number of receptacles, and the frequency of service.

Analysis & Revenue Projections

In FY 2009, the Refuse Fund experienced a significant decline in revenues that resulted in the fund balance being reduced by \$3.5 million. Controlling costs in FY 2010 resulted in a slight increase in the fund balance at the end of FY 2010. Close to \$2.0 million in recurring reductions were implemented at the start of FY 2011 to address the fund deficit. The FY 2012 and FY 2013 Adopted Budget addresses the structural deficit and balance the fund through rate increases, position reductions, gradually shifting to one person trucks over two years, reducing contracts with major vendors, and an inter-fund loan in FY 2013.

Fund Forecast

	FY 2011 Actual	FY 2012 Adopted	FY 2012 Projected	FY 2013 Adopted	FY 2013 Projected
Beginning Balance	424,899	714,721	714,721	1,758,012	-1,333,534
Revenues	33,402,982	32,926,698	32,306,260	34,577,305	34,208,177
Expenditures	33,113,160	35,343,407	34,354,515	35,450,238	34,061,163
Personnel	15,583,661	16,116,586	16,116,586	15,769,799	15,547,500
Non-Personnel	17,328,349	16,943,304	16,347,929	17,267,522	17,215,294
CIP	201,150	2,283,517	1,890,000	2,412,917	1,298,369
Annual Surplus/Shortfall	289,822	-2,416,709	-2,048,255	-872,933	147,014
Ending Balance	714,721	-1,701,988	-1,333,534	885,079	-1,186,520
Inter-fund Loan:		3,460,000		1,600,000	1,333,534
Revised Ending Balance	714,721	1,758,012	-1,333,534	2,485,079	147,014

Revenue Assumptions

- FY 2012 Adopted assumed an inter-fund loan of \$3,460,000 to eliminate the projected deficit in FY 2011.
- FY 2012 revenues includes a 2.8% CPI increase for residential, commercial, food waste, city departments, and exempt agencies rates and \$100,000 in new revenue for 6 months from residential route audits
- FY 2013 revenues assume a 2% rate increase as well as \$200,000 in new revenue from residential route audits

Expenditures Assumptions

- FY 2012 personnel include approved total compensation increases per labor contracts.
- FY 2013 and FY 2014 personnel assume no total compensation increase due to conclusion of labor contracts
- FY 2013 personnel assumes 0.9% PERS rate increase
- FY 2014 personnel assumes 3.0% PERS rate increase

FINANCIAL FORECASTS: OTHER OPERATING FUNDS

PARKING METER FUND

Parking Meter revenue is generated through coin deposits made by hourly parkers and “pay and display” parking meters from the City’s eight parking meter routes. The collection of this revenue currently generates almost \$5 million annually, and provides the funding for the maintenance, collection and enforcement of parking meters.

Analysis

The Parking Meter Fund is maintaining a healthy fund balance and is starting to experience an increase in revenues after several years of declining revenues. The addition of single space meters and new Pay and Display machines have helped increase meter revenues. It is assumed that this increase in revenue will continue in the coming years and that no balancing measures will be needed at this time.

Fund Forecast

	FY 2011 Adopted	FY 2012 Adopted	FY 2012 Projected	FY 2013 Adopted	FY 2013 Projected	FY 2014 Projected
Beginning Balance	247,944	965,943	965,943	1,119,668	1,062,889	1,162,885
Revenues	5,881,686	5,773,658	6,002,962	5,773,658	6,002,962	6,002,962
Program Revenues	5,881,686	5,773,658	6,002,962	5,773,658	6,002,962	6,002,962
Expenditures	5,163,687	5,619,933	5,906,016	5,712,143	5,902,966	5,957,078
Personnel	3,082,234	3,249,077	3,335,160	3,341,287	3,432,110	3,486,222
Non-Personnel	1,281,453	1,265,856	1,265,856	1,265,856	1,265,856	1,265,856
TXFR to General Fund	800,000	905,000	905,000	905,000	905,000	905,000
Meter replacement		200,000	400,000	200,000	300,000	300,000
Annual Surplus/Shortfall	717,999	153,725	96,946	61,515	99,996	45,884
Ending Balance	965,943	1,119,668	1,062,889	1,181,183	1,162,885	1,208,769

Revenue Assumptions

- FY 2012 proposes .25 per hour meter increase for downtown area meters for funds for the Downtown Berkeley Property and Business Improvement District

Expenditures Assumptions

- FY 2012 personnel include approved total compensation increases per labor contracts.
- FY 2013 and FY 2014 personnel assume no total compensation increase due to conclusion of labor contracts
- FY 2013 personnel assumes 0.9% PERS rate increase
- FY 2014 personnel assumes 3.0% PERS rate increase
- FY 2012 & FY 2013 increases transfer to General Fund from \$800,000 to \$905,000 reflecting a \$.25 per hour meter increase to pay for City participation in the Downtown Berkeley Property and Business Improvement District

FINANCIAL FORECASTS: OTHER OPERATING FUNDS

MARINA FUND

The Berkeley Marina is part of San Francisco Bay and therefore, the property is owned by the State of California. The City holds the Marina in trust for the State and by law the Marina is required to be a self-supporting financial entity. Fees generated from vessels that berth at the Marina, along with the commercial ground leases within the Marina zone, provide the revenue that funds the operations of the Marina.

Analysis

The Marina Fund currently maintains a positive fund balance. However, repayment of an existing loan from the Department of Boating and Waterways as well as ongoing infrastructure improvements such as dock and float replacements and dredging will reduce this reserve. The current economic environment may adversely impact the Marina's revenue from berth rentals and percentage of gross sales.

Fund Forecast

	FY 2011	FY 2012	FY 2012	FY 2013	FY 2013	FY2014
	Actual	Adopted	Projected	Adopted	Projected	Projected
Beginning Balance	3,147,090	2,266,839	2,266,839	1,389,864	552,968	-265,704
Revenues	4,770,993	4,988,888	5,027,751	4,988,888	4,869,751	5,092,149
Berth Rentals	2,989,044	3,247,746	3,100,000	3,247,746	3,100,000	3,255,000
Marina Leases	1,263,303	1,319,335	1,347,944	1,319,335	1,347,944	1,415,342
Interest	60,332	46,600	46,600	46,600	46,600	46,600
Other Fees	458,314	375,207	533,207	375,207	375,207	375,207
Expenditures	5,651,244	5,865,863	6,741,623	5,946,523	5,688,423	5,739,884
Personnel	3,126,472	3,145,108	3,204,854	3,223,531	3,204,854	3,256,314
Non-Personnel	1,563,160	1,593,912	1,481,810	1,596,149	1,356,727	1,356,727
Capital Improvements	574,481	426,843	1,408,527	426,843	426,843	426,843
Debt Service	387,131	700,000	646,432	700,000	700,000	700,000
Annual Surplus/Shortfall	-880,251	-876,975	-1,713,871	-957,635	-818,672	-647,735
Ending Balance	2,266,839	1,389,864	552,968	432,229	-265,704	-913,439

Revenue Assumptions

- FY 2012 & FY 2013 adopted revenues figures do not include fee increases approved by Council on May 17, 2011. Proposal established a new rate schedule in Marina increasing berth and skiff fees up to 6.7%, increase houseboat live aboard fees by 20%, increase monthly and seasonal small boat launch ramp fees by 20%, eliminate the waiting list fee, establish special rate for limited access berths, establish new fees for food and merchandise booths, and establish new discounts for multiple berth rentals
- No fee increase assumed for FY 2013
- 5% fee increase assumed for FY 2014

Expenditures Assumptions

- FY 2012 personnel include approved total compensation increases per labor contracts.
- FY 2013 and FY 2014 personnel assume no total compensation increase due to conclusion of labor contracts
- FY 2013 personnel assumes 0.9% PERS rate increase
- FY 2014 personnel assumes 3.0% PERS rate increase

FY 2012 AND FY 2013 POSITION CHANGES SUMMARY DETAIL

	Attorney	Auditor	City Clerk	City Manager	OED	Finance	Fire	Health Services	Housing & Comm Svcs.	HR	IT	Library	Planning	Police	PRC	PRW	PW	Total
FY 2012 Position Reductions																		
Accountant I									(1.00)									(1.00)
Accounting Office Specialist III		(1.00)																(1.00)
Administrative & Fiscal Services Manager								(2.00)										(2.00)
Assistant Architect									(0.50)									(0.50)
Assistant Management Analyst			(1.00)						(1.00)					(1.00)				(2.00)
Associate Human Resources Analyst																		(2.00)
Associate Management Analyst																		(2.00)
Associate Management Analyst																(1.00)		(2.00)
Building Maintenance Mechanic																		-
Clinical Psychologist								(1.00)										(1.00)
Community Health Worker								(1.00)										(1.00)
Community Services Officer														(1.00)				(1.00)
Community Services Specialist I								(1.00)										(1.00)
Hazardous Material Specialist II													(1.00)					(1.00)
Home Energy Administrator									(1.00)									(1.00)
Landscape Architect																(1.00)		(1.00)
Legal Office Supervisor	(1.00)																	(1.00)
Librarian I												(0.80)						(0.80)
Library Assistant												(0.60)						(0.60)
Library Services Manager												(1.00)						(1.00)
Library Special Services Coordinator												(1.00)						(1.00)
Library Specialist II												(0.50)						(0.50)
Mental Health Clinician I								(1.00)										(1.00)
Mental Health Clinician II								(1.75)										(1.75)
Mini Bus Driver									(0.60)									(0.60)
Nutritionist								(0.75)										(0.75)
Office Specialist II						(1.00)		(2.00)	(1.50)					(1.00)				(5.50)
Parking Enforcement Officer														(1.00)				(1.00)
Police Officer														(5.00)				(5.00)
Psychiatric Social Worker I								(5.00)										(5.00)
Psychiatric Social Worker II								(3.50)										(3.50)
Public Health Nurse								(2.00)										(2.00)
Recreation Program Supervisor																(1.00)		(1.00)
Senior Citizen Center Director								(1.00)										(1.00)
Senior Health Services Program Specialist																		(1.00)
Senior Librarian												(1.00)						(1.00)
Senior Management Analyst													(1.00)					(1.00)
Senior Mental Health Clinician								(2.00)										(2.00)
Senior Psychiatric Social Worker								(2.00)										(2.00)
Senior Service Assistant									(1.00)									(1.00)
Senior Weatherization Worker									(1.00)									(1.00)
Solid Waste Worker																	(3.00)	(3.00)
Tool Lending Specialist												(0.50)						(0.50)

FY 2012 AND FY 2013 POSITION CHANGES SUMMARY DETAIL

	Attorney	Auditor	City Clerk	City Manager	OED	Finance	Fire	Health Services	Housing & Comm Svcs.	HR	IT	Library	Planning	Police	PRC	PRW	PW	Total
Total FY 2012 & 2013 Hourly Reductions	-	-	-	-	-	-	-	-	(0.96)	-	-	(2.50)	-	-	-	-	-	(3.46)
FY 2012 New Hourly Positions																		
Library Page												1.05						
Senior Services Assistant									0.47									0.47
FY 2013 New Hourly Positions																		
None									0.47			1.05						0.47
FY 2013 New Hourly Positions																		
None																		
Total FY 2012 & 2013 Hourly Adds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
									0.47			1.05						1.52
TOTAL FY 2012 & 2013 POSITION CHANGES*	(1.00)	(1.00)	(1.00)	(0.30)	-	(2.00)	-	(24.40)	(9.09)	(1.00)	(1.00)	(5.40)	(3.00)	(13.00)	-	(3.00)	(11.75)	(76.94)

*Difference between Full-Time Position Summary FTE decrease of 79.92 and Position Summary Changes Detail amount of 76.94 is due to hourly FTE changes.

Full Time Position Summary

	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2013 Adopted
City Attorney	13.00	13.00	13.00	12.00	12.00
City Auditor	14.00	14.00	14.00	13.00	13.00
City Clerk	11.00	11.00	11.00	10.00	10.00
City Manager	51.80	49.30	27.30	27.30	27.00
Economic Development	9.85	7.85	5.85	5.85	5.85
Finance	50.50	47.00	49.00	48.00	47.00
Fire Department	136.75	139.75	139.75	139.75	139.75
Health	279.30	194.54	158.28	142.35	138.45
Housing & Community Services	30.63	96.76	96.26	85.64	79.45
Human Resources	23.00	23.00	21.00	20.00	20.00
Information Technology	27.00	30.50	40.00	40.00	39.00
Library	120.36	115.53	113.78	109.70	109.70
Mayor and Council	12.00	12.00	12.00	12.00	12.00
Parks, Recreation & Waterfront	164.48	165.33	161.33	157.33	157.33
Planning	74.05	65.55	59.05	58.55	57.55
Police Department	304.20	301.20	294.70	285.70	281.70
Police Review Commission	4.00	3.50	3.50	3.50	3.50
Public Works	325.00	326.00	301.00	296.25	288.00
Rent Board	19.30	18.30	19.85	19.45	19.45
FTE Total	1670.22	1634.11	1540.65	1486.37	1460.73

*It should be noted that the FTE totals may not include all hourly FTEs and may vary. Changes that have occurred during FY 2011 are reflected in the FY 2012 figures.

FY 2012 & FY 2013 POSITION SUMMARY BY DEPARTMENT

	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2013 Adopted
CITY ATTORNEY'S OFFICE					
Career Employees:					
Assistant City Attorney	1.00	1.00	1.00	1.00	1.00
City Attorney	1.00	1.00	1.00	1.00	1.00
Deputy City Attorney II	2.00	2.00	-		
Deputy City Attorney III	5.00	5.00	6.00	6.00	6.00
Legal Office Supervisor	1.00	1.00	1.00		
Paralegal			1.00	1.00	1.00
Senior Legal Secretary	3.00	3.00	3.00	3.00	3.00
TOTAL CITY ATTORNEY	13.00	13.00	13.00	12.00	12.00
CITY AUDITOR'S OFFICE					
Accounting Office Specialist III	3.00	2.00	2.00	1.00	1.00
Accounting Technician	2.00	2.00	2.00	2.00	2.00
Administrative Assistant		1.00	1.00	1.00	1.00
Administrative Secretary	1.00	-			
Audit Manager	1.00	1.00	1.00	1.00	1.00
Auditor I	1.00	2.00	2.00	1.00	1.00
Auditor II	2.00	2.00	2.00	3.00	3.00
City Auditor	1.00	1.00	1.00	1.00	1.00
Deputy Auditor for Payroll Mgmt	1.00	1.00	1.00	1.00	1.00
Senior Auditor	2.00	2.00	2.00	2.00	2.00
TOTAL CITY AUDITOR'S OFFICE	14.00	14.00	14.00	13.00	13.00
CITY CLERK'S OFFICE					
Assistant City Clerk	1.00	1.00	1.00	1.00	1.00
Assistant Management Analyst	3.00	3.00	3.00	2.00	2.00
City Clerk	1.00	1.00	1.00	1.00	1.00
Deputy City Clerk	1.00	1.00	1.00	1.00	1.00
Office Specialist II	1.00	1.00	0.00	0.00	0.00
Office Specialist III	2.00	2.00	3.00	3.00	3.00
Records Assistant	1.00	1.00	1.00	1.00	1.00
Records Manager	1.00	1.00	1.00	1.00	1.00
TOTAL CITY CLERK'S OFFICE	11.00	11.00	11.00	10.00	10.00
CITY MANAGER'S OFFICE					
Administrative Assistant		1.00	1.00	1.00	1.00
Accounting Office Specialist III	1.00	0.00	0.00	0.00	0.00
Accounting Office Specialist Supervisor		1.00	0.00	0.00	0.00
Administrative Hearing Examiner	0.80	0.80	0.80	0.80	0.50
Administrative Secretary	2.00	2.00	1.00	1.00	1.00
Animal Control Officer	3.00	4.00	4.00	4.00	4.00
Animal Services Assistants	3.00	2.50	2.50	2.50	2.50
Animal Services Manager	1.00	1.00	1.00	1.00	1.00
Assistant Planner		1.00	1.00	1.00	1.00
Assistant to the City Manager	2.00	3.00	1.00	1.00	1.00
Associate Management Analyst	3.00	3.00	2.00	2.00	2.00

FY 2012 & FY 2013 POSITION SUMMARY BY DEPARTMENT

	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2013 Adopted
Budget Manager	1.00	1.00	1.00	1.00	1.00
City Manager	1.00	1.00	1.00	1.00	1.00
Code Enforcement Officer II	3.00	2.00	2.00	2.00	2.00
Code Enforcement Supervisor	1.00	1.00	1.00	1.00	1.00
Community Services Specialist I	1.00	1.00	1.00	1.00	1.00
Customer Service Specialist III	9.00	8.00	0.00	0.00	0.00
Customer Service Manager	1.00	0.00	0.00	0.00	0.00
Customer Service Supervisor	1.00	1.00	0.00	0.00	0.00
Deputy City Manager	2.00	2.00	1.00	1.00	1.00
Field Representative		1.00	0.00	0.00	0.00
Office Specialist II	7.00	6.00	1.00	1.00	1.00
Office Specialist III	1.00	1.00	1.00	1.00	1.00
Office Specialist Supervisor	1.00	0.00	0.00	0.00	0.00
Secretary to the City Manager	1.00	1.00	1.00	1.00	1.00
Senior Animal Control Officer	1.00	0.00	0.00	0.00	0.00
Senior Management Analyst	5.00	4.00	3.00	3.00	3.00

TOTAL CITY MANAGER'S OFFICE	51.80	49.30	27.30	27.30	27.00
------------------------------------	--------------	--------------	--------------	--------------	--------------

OFFICE OF ECONOMIC DEVELOPMENT

Assistant Management Analyst	2.00	2.00	0.00	0.00	0.00
Civic Arts Coordinator	1.00	1.00	1.00	1.00	1.00
Community Development Project Coordinator	1.00	1.00	1.00	1.00	1.00
Community Services Specialist II	0.85	0.85	0.85	0.85	0.85
Economic Development Project Coordinator	1.00	1.00	1.00	1.00	1.00
Employment Programs Administrator	1.00	0.00	0.00	0.00	0.00
Manager of Economic Development	1.00	1.00	1.00	1.00	1.00
Office Specialist II	1.00	0.00	0.00	0.00	0.00
Office Specialist III	1.00	1.00	1.00	1.00	1.00

TOTAL OFFICE OF ECONOMIC DEVELOPMENT	9.85	7.85	5.85	5.85	5.85
---	-------------	-------------	-------------	-------------	-------------

FINANCE DEPARTMENT

Accountant I	1.00	1.00	1.00	1.00	1.00
Accountant II	2.00	2.00	2.00	2.00	2.00
Accounting Manager	1.00	1.00	1.00	1.00	1.00
Accounting Office Specialist III	5.00	4.00	4.00	4.00	3.00
Accounting Office Specialist Supv	3.00	3.00	3.00	3.00	3.00
Accounting Technician		1.00	1.00	1.00	1.00
Administrative Secretary	1.00	1.00	1.00	1.00	1.00
Assistant Management Analyst	2.00	1.00	0.00	0.00	0.00
Associate Management Analyst			1.00	1.00	1.00
Buyer	1.00	1.00	1.00	1.00	1.00
Central Services Aide	1.50	1.50	1.00	1.00	1.00
Central Services Supervisor	1.00	1.00	0.00	0.00	0.00
Central Services Technician	1.00	1.00	0.00	0.00	0.00
Contract Administrator	1.00	1.00	1.00	1.00	1.00
Customer Service Supervisor	-		1.00	1.00	1.00
Director of Finance	1.00	1.00	1.00	1.00	1.00
Field Representative	5.00	4.00	4.00	4.00	4.00
General Services Manager	1.00	1.00	1.00	1.00	1.00
Office Specialist II	13.00	10.50	13.00	12.00	12.00
Office Specialist III	1.00	1.00	2.00	2.00	2.00

FY 2012 & FY 2013 POSITION SUMMARY BY DEPARTMENT

	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2013 Adopted
Revenue Collection Manager	1.00	1.00	1.00	1.00	1.00
Revenue Development Officer	1.00	1.00	1.00	1.00	1.00
Revenue Development Specialist		1.00	1.00	1.00	1.00
Senior Accountant	3.00	3.00	3.00	3.00	3.00
Senior Buyer	2.00	2.00	2.00	2.00	2.00
Senior Field Representative	1.00	1.00	1.00	1.00	1.00
Systems Accountant	1.00	1.00	1.00	1.00	1.00
TOTAL FINANCE DEPARTMENT	50.50	47.00	49.00	48.00	47.00

FIRE DEPARTMENT

Accounting Office Specialist III	3.75	3.75	3.75	3.75	3.75
Administrative & Fiscal Services Manager			1.00	1.00	1.00
Administrative Secretary	1.00	1.00	1.00	1.00	1.00
Assistant Fire Chief	5.00	6.00	6.00	5.00	5.00
Associate Management Analyst	1.00	1.00	1.00	1.00	1.00
Battalion Chief				1.00	1.00
Deputy Fire Chief	1.00	1.00	1.00	1.00	1.00
Deputy Fire Marshal	1.00	1.00	1.00	1.00	1.00
Emergency Services Coordinator		1.00	1.00	1.00	1.00
Fire and Life-Safety Plans Examiner	1.00	1.00	1.00	1.00	1.00
Fire Apparatus Operator	33.00	33.00	33.00	33.00	33.00
Fire Captain	10.00	10.00	10.00	10.00	10.00
Fire Chief	1.00	1.00	1.00	1.00	1.00
Fire Lieutenant	18.00	19.00	19.00	19.00	19.00
Fire Prevention Inspector	1.00	1.00	1.00	1.00	1.00
Fire Prevention Inspector (Civilian)		1.00	1.00	1.00	1.00
Fire Prevention Inspector II EMT	1.00				
Firefighter	52.00	52.00	52.00	52.00	52.00
Office Specialist III	3.00	3.00	3.00	3.00	3.00
Paramedic Supervisor I	3.00	3.00	3.00	3.00	3.00
Senior Budget Specialist	1.00	1.00	0.00	0.00	0.00
TOTAL FIRE DEPARTMENT	136.75	139.75	139.75	139.75	139.75

HEALTH SERVICES

Career Employees:

Accountant I				1.00	1.00
Accounting Office Specialist III	2.00	1.00	1.00	1.00	1.00
Accounting Office Specialist Sup	1.00	1.00	0.00	0.00	0.00
Administrative Assistant			1.00	1.00	1.00
Administrative Secretary	1.00	1.00	0.00	0.00	0.00
Assistant Environmental Health Specialist	1.00	1.00	0.00	0.00	0.00
Assistant Management Analyst	1.00	1.00	1.00	1.00	1.00
Assistant Mental Health.Clinician	3.90	2.90	2.90	2.90	2.90
Associate Management Analyst	4.00	4.00	4.00	3.00	3.00
Clinical Psychologist	1.50	2.50	2.50	1.50	1.50
Community Health Worker	8.75	5.00	3.00	3.00	3.00
Community Health Worker Specialist	13.00	10.30	9.80	10.50	10.10
Community Services Specialist I	1.00	2.00	2.00	0.00	-
Community Services Specialist II	3.00	2.00	2.00	2.00	2.00
Deputy Director of Health	1.00	1.00	1.00	1.00	1.00

FY 2012 & FY 2013 POSITION SUMMARY BY DEPARTMENT

	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2013 Adopted
Director of Health	1.00	1.00	1.00	1.00	1.00
Health Admin/Financial Spec	1.00	2.00	2.00	0.00	0.00
Health Educator	1.75	1.00	0.00	0.00	0.00
Health Nutrition Program Coordinator	0.75	0.75	0.00	1.00	1.00
Health Officer (Certified)	1.00	1.00	1.00	1.00	1.00
Health Planning, Education & Promotion Supervisor			1.00	1.00	1.00
Health Services Program Specialist	14.40	9.50	7.70	6.70	6.70
Health Services Supervisor	4.00	2.00	2.00	2.00	2.00
Information System Specialist	1.00	0.00	0.00	0.00	0.00
Information Systems Support Technician	1.00	0.00	0.00	0.00	0.00
Manager of Aging Services	1.00	0.00	0.00	0.00	0.00
Manager of Environmental Health	1.00	1.00	1.00	1.00	1.00
Manager, Family Health & Nursing Services			1.00	1.00	1.00
Manager of Health Promotion	1.00	0.00	0.00	0.00	0.00
Manager of Mental Health Services	1.00	1.00	1.00	1.00	1.00
Mealsite Coordinator	1.00	0.00	0.00	0.00	0.00
Mental Health Clinician I	2.00	2.00	1.50	0.50	0.00
Mental Health Clinician II	6.80	8.80	9.30	6.90	6.90
Mental Health Clinical Supervisor				4.00	4.00
Mental Health Program Supervisor	4.00	5.00	5.00	4.00	4.00
Mid-Level Practitioner	1.20	1.20	1.20	1.20	1.20
Mini Bus Driver	3.80	0.00	0.00	0.00	0.00
Nutritionist	0.60	0.75	0.75	0.00	0.00
Office Specialist II	28.62	20.23	16.60	14.80	13.80
Office Specialist III	6.60	6.00	5.00	5.00	5.00
Office Specialist Supervisor	2.00	2.00	1.00	1.00	1.00
Psychiatric Social Worker I	9.90	10.40	9.40	1.00	1.00
Psychiatric Social Worker II	8.60	8.30	8.30	9.60	9.60
Psychiatrist II & III	2.05	2.30	2.30	2.30	2.30
Psychiatrist Supervisor	0.50	0.50	0.50	0.50	0.50
Public Health Nurse	19.65	15.95	14.95	11.95	10.95
Public Health Program Physican (Cert)	1.00	1.00	0.00	0.00	0.00
Registered Environmental Health Specialist	5.00	5.00	5.00	5.00	5.00
Registered Nurse	2.70	2.70	2.70	2.90	2.90
Senior Citizen Center Director	3.00	0.00	0.00	0.00	0.00
Senior Community Health Specialist	3.55	3.60	2.00	2.00	2.00
Senior Environmental Health Specialist	2.00	2.00	2.00	2.00	2.00
Senior Health Management Analyst	2.00	1.00	1.00	1.00	1.00
Senior Health Services Program Specialist	6.75	9.00	4.00	3.00	2.00
Senior Management Analyst	1.00	1.00	1.00	2.00	2.00
Senior Mental Health Clinician	3.00	2.00	2.00	1.00	1.00
Senior Psychiatric Social Worker	4.00	3.00	2.00	0.00	0.00
Senior Public Health Nurse	1.00	3.00	1.00	1.00	1.00
Senior Service Aide	0.80	0.00	0.00	0.00	0.00
Senior Service Assistant	7.00	0.00	0.00	0.00	0.00
Senior Systems Analyst	1.00	1.00	1.00	0.00	0.00
Supervising Public Health Nurse	3.00	1.00	1.00	1.00	1.00
Vector Control Technician	3.00	3.00	3.00	3.00	3.00
Youth Services Advisor	2.00	0.00	0.00	0.00	0.00
Total Career Employees	221.17	175.68	151.40	130.25	126.35
Hourly Employees:					
Assistant Mental Health Clinician	0.42	0.00	-		

FY 2012 & FY 2013 POSITION SUMMARY BY DEPARTMENT

	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2013 Adopted
Clerical Aide	1.00				
Clinical Psychologist	0.26				
Community Health Worker	4.67	4.58	0.88		
Community Health Worker Specialist	1.58	2.28	0.37		
Community Services Specialist I & II	1.04	0.18	0.08	0.50	0.50
Health Educator	0.60				
Hlth. Services Program Specialist	1.83	1.54			
Home Services Aide	0.50				
Information Systems Support Technician	1.00	0.65			
Information Systems Specialist			0.20	0.20	0.20
Intern	0.34	0.91	1.04	2.00	2.00
Mental Health Clinician I&II	3.03	1.15	1.00	2.00	2.00
Mid-Level Practioner	0.87	1.58	1.20	3.50	3.50
Mini Bus Driver	2.35	0.00	-		
Office Specialist I& II	3.30	0.68	-		
Physician	0.17	0.37	0.17	0.20	0.20
Psychiatric Social Worker I & II	1.38	1.00	0.39	1.00	1.00
Psychiatrist II & III	0.57	0.50	0.15	1.00	1.00
Public Health Nurse	2.20	1.41	0.58		
Public Health Program Physician		0.15	0.03	0.20	0.20
Registered Nurse	0.50		0.11		
Senior Community Health Specialist	1.00				
Sr. Health Services Program Specialist	0.70				
Senior Health Management Analyst			0.10		
Senior Management Analyst	0.40	0.84	0.28		
Senior Public Health Nurse	0.40				
Senior Service Aide/Assist	2.42	0.00			
Seniors Nutrition Program Supervisor	0.60	0.00			
Youth Enrollee	25.00	1.04	0.30	1.50	1.50
Total Hourly Employees	58.13	18.86	6.88	12.10	12.10
TOTAL HEALTH SERVICES	279.30	194.54	158.28	142.35	138.45

HOUSING & COMMUNITY SERVICES

Career Employees:

Accountant I	1.00	1.00	1.00	0.00	0.00
Accountant II	1.00	0.00	0.00	0.00	0.00
Accounting Office Specialist III	1.00	2.00	2.00	2.00	2.00
Administrative Secretary	1.00	1.00	1.00	1.00	1.00
Assistant Architect	1.00	1.00	1.00	0.50	0.50
Assistant Management Analyst	1.00	2.00	2.00	1.50	1.00
Assistant Mental Health Clinician		1.00	1.00	0.00	0.00
Associate Management Analyst	3.80	2.80	2.00	2.00	2.00
Associate Planner		1.00	1.00	1.00	1.00
Community Development Project Coordinator	3.00	3.00	3.00	3.00	3.00
Community Service Specialist I	-	0.00	2.00	6.00	6.00
Comm Services Specialist II	2.50	3.00	2.00	2.00	2.00
Community Services Spec. III	-	1.00	1.00	1.00	1.00
Community Services & Admin Manager		1.00	1.00	1.00	1.00
Director of Housing & Community Services	1.00	1.00	1.00	1.00	1.00
Employment Program Administrator		1.00	1.00	1.00	1.00
Housing Inspector	1.00	1.00	1.00	1.00	1.00
Housing Inspector (Certified)	2.00	2.00	3.00	3.00	3.00

FY 2012 & FY 2013 POSITION SUMMARY BY DEPARTMENT

	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2013 Adopted
Housing Inspector Supervisor	1.00	1.00	1.00	1.00	1.00
Housing Services Manager	1.00	1.00	1.00	1.00	1.00
Manager of Aging Services		1.00	1.00	1.00	1.00
Manager of Program Planning & Administration	1.00	0.00	0.00	0.00	0.00
Meal Site Coordinator		1.00	0.75	0.50	0.50
Mental Health Clinical Supervisor				1.00	1.00
Mini Bus Driver		2.60	2.60	1.60	1.60
Office Specialist II	3.00	6.00	5.50	4.00	4.00
Office Specialist III		2.00	2.00	2.00	2.00
Senior Accountant		1.00	1.00	1.00	1.00
Senior Citizen Center Director		3.00	3.00	2.00	2.00
Senior Health Services Program Specialist		0.75	0.80	0.80	0.80
Senior Mangement Analyst	1.00	1.00	2.00	1.00	1.00
Senior Psychiatric Social Worker		1.00	1.00	0.00	0.00
Senior Service Aide		0.80	0.80	0.80	0.80
Senior Service Assistant		6.75	6.75	3.75	3.75
Senior Planner	0.85	0.00	0.00	0.00	0.00
Senior Weatherization Worker	1.00	1.00	1.00	0.50	0.00
Weatherization Supervisor	1.00	1.00	1.00	0.00	0.00
Weatherization Worker	1.00	1.00	1.00	0.50	0.00
Youth Services Advisor		2.00	0.00	0.00	0.00
Total Career Employees	30.15	58.70	58.20	49.45	47.95
Hourly Employees:					
Mealsite Coordinator		1.16	1.16	1.00	1.00
Mini Bus Driver		2.49	2.49	1.50	1.50
Office Specialist III	0.48	0.48	0.48	0.00	0.00
Senior Service Aide		3.91	3.91	3.50	3.50
Senior Service Assistant		0.18	0.18	0.48	0.48
Senior Nutrition Program Supervisor		0.63	0.63	0.50	0.50
Youth Enrollee Intern		29.21	29.21	29.21	24.52
Total Hourly Employees	0.48	38.06	38.06	36.19	31.50
TOTAL HOUSING & COMMUNITY SERVICES	30.63	96.76	96.26	85.64	79.45

HUMAN RESOURCES

Administrative Secretary	1.00	1.00	1.00	1.00	1.00
Associate Human Resources Analyst	3.00	3.00	3.00	2.00	2.00
Benefits Specialist	1.00	1.00	1.00	1.00	1.00
Director of Human Resources	1.00	1.00	1.00	1.00	1.00
Equal Employment Opportunity & Diversity Officer	1.00	1.00	1.00	1.00	1.00
Human Resources Manager	1.00	1.00	1.00	1.00	1.00
Human Resources Technician			2.00	2.00	2.00
Information Systems Support Technician	1.00	1.00	1.00	1.00	1.00
Occupational Health & Safety Coordinator	1.00	1.00	1.00	1.00	1.00
Occupational Health & Safety Specialist	1.00	1.00	1.00	1.00	1.00
Office Specialist II	4.00	4.00	3.00	3.00	3.00
Office Specialist III	3.00	3.00	2.00	2.00	2.00
Office Specialist Supervisor	1.00	1.00	0.00	0.00	-
Senior Human Resources Analyst	2.00	2.00	1.00	1.00	1.00
Training Officer	1.00	1.00	1.00	1.00	1.00
Workers Compensation Analyst	1.00	1.00	1.00	1.00	1.00

FY 2012 & FY 2013 POSITION SUMMARY BY DEPARTMENT

	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2013 Adopted
TOTAL HUMAN RESOURCES	23.00	23.00	21.00	20.00	20.00
INFORMATION TECHNOLOGY					
Accounting Office Specialist Supervisor			1.00		
Applications Programmer/Analyst I		3.00	1.00	0.00	0.00
Applications Programmer/Analyst II	11.00	10.00	9.00	9.00	9.00
Customer Service Specialist III			7.00	8.00	8.00
Customer Service Manager			1.00	1.00	1.00
Customer Service Supervisor			1.00	0.00	0.00
Director of Information Technology	1.00	1.00	1.00	1.00	1.00
Field Representative			1.00	1.00	1.00
Information Systems Manager				1.00	1.00
Information Systems Specialist	6.00	4.00	4.00	5.00	5.00
Information Systems Support Technician		4.00	4.00	4.00	3.00
Office Specialist II			1.00	1.00	1.00
Senior Information Systems Specialist	7.00	6.50	5.00	5.00	5.00
Senior Systems Analyst			3.00	4.00	4.00
Supervising Systems Analyst	2.00	2.00	1.00	0.00	0.00
TOTAL INFORMATION TECHNOLOGY	27.00	30.50	40.00	40.00	39.00

LIBRARY SERVICES

Career Employees:

Accounting Office Specialist III	1.00	1.00	1.00	1.00	1.00
Accounting Office Specialist Supervisor	1.00	1.00	1.00	1.00	1.00
Administrative Secretary	1.00	1.00	1.00	1.00	1.00
Associate Human Resources Analyst	1.00	1.00	1.00	1.00	1.00
Building Maintenance Mechanic	2.00	1.00	1.00	1.00	1.00
Building Maintenance Supervisor	1.00	1.00	1.00	1.00	1.00
Central Services Aide	1.75	1.75	1.75	1.75	1.75
Circulation Services Manager	1.00	1.00	1.00	1.00	1.00
Deputy Director of Library Services	1.00	1.00	1.00	1.00	1.00
Director of Library Services	1.00	1.00	1.00	1.00	1.00
Information Systems Specialist	3.00	3.00	3.00	3.00	3.00
Librarian I/II	20.40	18.90	18.90	19.10	19.10
Library Administrative Manager	1.00	1.00	1.00	1.00	1.00
Library Aide	18.93	18.50	18.50	18.13	18.13
Library Assistant	18.10	15.60	15.10	14.50	14.50
Library Info Systems Administrator	1.00	1.00	1.00	1.00	1.00
Library Literacy Program Coordinator	1.00	1.00	1.00	1.00	1.00
Library Services Manager	3.00	3.00	3.00		
Library Special Services Coordinator	1.00	1.00	1.00	2.00	2.00
Library Specialist I	3.00	3.00	3.00	3.00	3.00
Library Specialist II	14.05	14.05	13.80	13.30	13.30
Office Specialist II	2.00	1.00	1.00	1.00	1.00
Senior Librarian	3.00	3.00	3.00	2.00	2.00
Supervising Librarian	7.00	7.00	7.00	7.00	7.00
Supervising Library Assistant	10.00	10.00	9.00	9.00	9.00
Tool Lending Specialist	2.13	2.13	2.13	2.08	2.08
Total Career Employees	120.36	113.93	112.18	107.85	107.85

Hourly Employees::

FY 2012 & FY 2013 POSITION SUMMARY BY DEPARTMENT

	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2013 Adopted
Library Page				1.05	1.05
Youth Enrollees		1.60	1.60	0.80	0.80
Total Hourly Employees	0.00	1.60	1.60	1.85	1.85
TOTAL LIBRARY SERVICES	120.36	115.53	113.78	109.70	109.70

MAYOR & COUNCIL

Assistant to Mayor	3.00	3.00	3.00	3.00	3.00
Secretary to Mayor					
Administrative Secretary					
Legislative Aides	9.00	9.00	9.00	9.00	9.00
TOTAL MAYOR AND COUNCIL	12.00	12.00	12.00	12.00	12.00

PARKS RECREATION & WATERFRONT

Career Employees:

Accounting Office Specialist III	2.95	2.95	2.95	2.95	2.95
Accounting Office Specialist Supervisor	1.00	1.00	1.00	1.00	1.00
Administrative & Fiscal Services Manager			1.00	1.00	1.00
Administrative Secretary	1.00	1.00	1.00	1.00	1.00
Aquatics Coordinator	1.00	0.00	0.00		
Aquatics Facilities Supervisor	1.50	2.00	2.00	2.00	2.00
Aquatics Specialist II				0.50	0.50
Assistant Recreation Coordinator	4.50	4.50	3.50	3.50	3.50
Associate Management Analyst			1.00	0.00	0.00
Building Maintenance Mechanic	9.00	9.00	9.00	9.00	9.00
Building Maintenance Supervisor	2.00	2.00	2.00	2.00	2.00
Camps Manager	1.38	1.13	1.13	1.38	1.38
Community Services Specialist III			1.00	1.00	1.00
Director of Parks & Waterfront	1.00	1.00	1.00	1.00	1.00
Forestry Climber	4.00	4.00	4.00	4.00	4.00
Forestry Climber Supervisor	1.00	1.00	1.00	1.00	1.00
Forestry Technician	1.00	1.00	1.00	1.00	1.00
Harbormaster	1.00	1.00	1.00	1.00	1.00
Information Systems Specialist		1.00	0.00	0.00	0.00
Landscape Architect	2.00	2.00	2.00	1.00	1.00
Landscape Equipment Operator	4.00	4.00	4.00	4.00	4.00
Landscape Gardener	19.00	19.00	19.00	19.00	19.00
Landscape Gardener Supervisor	6.00	6.00	6.00	6.00	6.00
Lifeguard/Swim Instructor	0.50	0.50	0.50	0.00	0.00
Marina Assistant	4.00	4.00	4.00	4.00	4.00
Office Specialist II	3.00	5.00	5.00	4.00	4.00
Office Specialist III	1.00	1.00	0.00	0.00	0.00
Parks Superintendent	1.00	1.00	1.00	1.00	1.00
Principal Planner	1.00	1.00	1.00	1.00	1.00
Recreation & Youth Svcs Manager	1.00	1.00	1.00	1.00	1.00
Recreation Activity Ldr.	8.10	8.10	8.10	7.85	7.85
Recreation Coordinator	6.00	6.00	6.00	6.00	6.00
Recreation Programs Administrator	-				
Recreation Program Supervisor	3.00	3.00	3.00	2.00	2.00
Rosarian	1.00	1.00	1.00	1.00	1.00
Senior Forestry Climber	3.00	3.00	3.00	3.00	3.00

FY 2012 & FY 2013 POSITION SUMMARY BY DEPARTMENT

	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2013 Adopted
Senior Forestry Supervisor	1.00	1.00	1.00	1.00	1.00
Senior Groundskeeper	1.00	1.00	1.00	1.00	1.00
Senior Landscape Gardener Supervisor	1.00	1.00	1.00	1.00	1.00
Senior Management Analyst	3.00	3.00	2.00	2.00	2.00
Sports Official	1.50	1.50	1.50	1.50	1.50
Waterfront Manager	1.00	1.00	1.00	1.00	1.00
Youth Service Advisor	2.00	1.00	0.00	0.00	0.00
Total Career Employees	106.43	107.68	105.68	101.68	101.68
Hourly Employees:					
Aquatics Specialist I			3.00	3.00	3.00
Aquatics Specialist II			3.00	3.00	3.00
Camp Staff Supervisor	1.15	1.15	1.15	1.15	1.15
Camp Staff Leader	4.75	4.75	4.75	4.75	4.75
Camp Staff Member	13.50	13.50	13.50	13.50	13.50
Camp Medical Staff Member	0.35	0.35	0.35	0.35	0.35
Camp Maintenance Mechanic	1.50	1.50	1.50	1.50	1.50
Camps Manager	0.00	0.00	0.00	0.00	0.00
Cashier Attendant	0.50	0.50	0.50	0.50	0.50
Laborer	1.05	1.05	1.05	1.05	1.05
Landscape Gardener Trainee	1.00	1.00	1.00	1.00	1.00
Lifeguard/Swim Instructor	6.00	6.00	0.00	0.00	0.00
Office Specialist II	0.40	0.00	0.00	0.00	0.00
Playground Lead Trainee	1.50	1.50	1.50	1.50	1.50
Recreation Activity Leader	20.00	20.00	19.00	19.00	19.00
Sports Official	4.00	4.00	2.00	2.00	2.00
Sports Field Monitor			1.00	1.00	1.00
Swim Center Aide/Manager	2.00	2.00	2.00	2.00	2.00
Vegetation Reduction Supervisor	0.35	0.35	0.35	0.35	0.35
Total Hourly Employees	58.05	57.65	55.65	55.65	55.65
TOTAL PARKS REC & WATERFRONT	164.48	165.33	161.33	157.33	157.33

PLANNING DEPARTMENT

Career Employees:

Accounting Office Specialist III	1.00	1.00	1.00	1.00	1.00
Administrative Secretary	1.00	0.00	0.00	1.00	0.00
Applications Programmer Analyst I	1.00	0.00	0.00	0.00	0.00
Assistant Planner	4.00	3.00	2.00	3.00	3.00
Associate Management Analyst	2.00	2.00	2.00	2.00	2.00
Associate Planner	5.00	4.00	4.00	4.00	4.00
Building and Safety Manager	1.00	1.00	1.00	1.00	1.00
Building Inspector I (certified)	3.00	3.00	2.00	3.00	3.00
Building Inspector II	1.00	1.00	1.00	1.00	1.00
Building Inspector II (certified)	3.00	2.00	2.00	1.00	1.00
Community Services Specialist I	0.50	0.50	0.50	0.50	0.50
Community Services Specialist II		1.00	1.00	1.00	1.00
Community Services Specialist III	0.85	0.85	0.85	0.85	0.85
Deputy Director of Planning	1.00	1.00	1.00	1.00	1.00
Director of Planning	1.00	1.00	1.00	1.00	1.00
Economic Development Project. Coordinator	1.00	1.00	0.00	0.00	0.00
Energy Officer	0.70	0.70	0.70	0.70	0.70
Engineering Inspector	2.00	2.00	1.00	1.00	1.00

FY 2012 & FY 2013 POSITION SUMMARY BY DEPARTMENT

	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2013 Adopted
Hazardous Material Manager	1.00	1.00	1.00	1.00	1.00
Hazardous Material Specialist II	5.00	5.00	5.00	4.00	4.00
Information Systems Specialist	1.00	0.00	0.00	0.00	
Land Use Planning Manager	1.00	1.00	1.00	1.00	1.00
Office Specialist II	5.00	5.00	5.00	4.00	4.00
Office Specialist III	2.00	3.00	3.00	3.00	3.00
Office Specialist Supervisor	2.00	0.00	0.00	0.00	0.00
Permit Center Coordinator	1.00	1.00	1.00	1.00	1.00
Permit Specialist	6.00	6.00	4.00	4.00	4.00
Principal Planner	3.00	2.00	2.00	2.00	2.00
Senior Building Inspector (Housing)	1.00	1.00	1.00	1.00	1.00
Senior Building Plans Engineer	2.00	2.00	2.00	2.00	2.00
Senior Building Plans Examiner	1.00	1.00	1.00	1.00	1.00
Senior Management Analyst	2.00	2.00	2.00	1.00	1.00
Senior Permit Specialist			1.00	1.00	1.00
Senior Planner	6.00	4.50	3.00	3.50	3.50
Supervising Building Inspector	1.00	1.00	1.00	1.00	1.00
Total Career Employees	69.05	60.55	54.05	53.55	52.55
Hourly Employees:					
Intern	5.00	5.00	5.00	5.00	5.00
TOTAL PLANNING DEPARTMENT	74.05	65.55	59.05	58.55	57.55

POLICE DEPARTMENT

Career Employees:

Administrative Assistant	1.00	1.00	1.00	1.00	1.00
Assistant Management Analyst	2.00	2.00	2.00	2.00	2.00
Associate Human Resources Analyst			1.00	0.00	0.00
Associate Management Analyst	1.00	1.00	0.00	0.00	0.00
Communications Manager				1.00	1.00
Community Service Officer	17.00	17.00	18.00	17.00	17.00
Community Service Officer Supervisor	4.00	4.00	4.00	4.00	4.00
Community Services Specialist I	0.50	0.00	0.00	0.00	0.00
Crime Analyst	1.00	1.00	1.00	1.00	0.00
Crime Scene Supervisor	1.00	1.00	1.00	1.00	1.00
Office Specialist II	13.00	10.50	8.00	8.00	6.00
Office Specialist III	5.00	5.00	5.00	4.00	3.00
Office Specialist Supervisor	2.00	2.00	2.00	2.00	2.00
Parking Enforcement Representative	27.00	27.00	27.00	26.00	26.00
Parking Enforcement Supervisor	3.00	3.00	3.00	3.00	3.00
Police Captain	4.00	3.00	3.00	3.00	3.00
Police Chief	1.00	1.00	1.00	1.00	1.00
Police Lieutenant	9.00	11.00	10.00	9.00	9.00
Police Officer	140.00	140.00	138.00	133.00	133.00
Police Sergeant	32.00	31.00	30.00	30.00	30.00
Public Safety Business Manager	1.00	1.00	1.00	1.00	1.00
Public Safety Dispatcher II	28.00	28.00	28.00	28.00	28.00
Senior Crime Scene Technician	1.00	1.00	0.00	0.00	0.00
Supervising Public Safety Dispatcher	4.00	4.00	4.00	4.00	4.00
Total Career Employees	297.50	294.50	288.00	279.00	275.00

FY 2012 & FY 2013 POSITION SUMMARY BY DEPARTMENT

	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2013 Adopted
Hourly Employees:					
Juvenile Bureau Counselor	0.50	0.50	0.50	0.50	0.50
Police Aide	2.00	2.00	2.00	2.00	2.00
Public Safety Dispatcher II	0.20	0.20	0.20	0.20	0.20
Reserve Police Officer, Level I	0.30	0.30	0.30	0.30	0.30
School Crossing Guard	3.70	3.70	3.70	3.70	3.70
Volunteer Coordinator	0.00	0.00	0.00	0.00	0.00
Total Hourly Employees:	6.70	6.70	6.70	6.70	6.70

TOTAL POLICE DEPARTMENT	304.20	301.20	294.70	285.70	281.70
--------------------------------	---------------	---------------	---------------	---------------	---------------

POLICE REVIEW COMMISSION

Office Specialist II	1.00	0.50	0.50	0.50	0.50
Office Specialist III	1.00	1.00	1.00	1.00	1.00
Police Review Commission Officer	1.00	1.00	1.00	1.00	1.00
PRC Investigator	1.00	1.00	1.00	1.00	1.00

TOTAL POLICE REVIEW COMMISSION	4.00	3.50	3.50	3.50	3.50
---------------------------------------	-------------	-------------	-------------	-------------	-------------

PUBLIC WORKS

Career Employees:

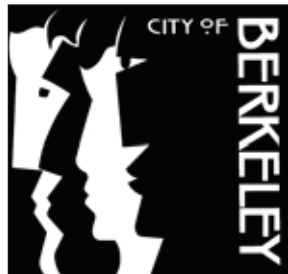
Accounting Office Specialist III	4.00	4.00	4.00	4.00	4.00
Administrative & Fiscal Services Manager			1.00	1.00	1.00
Administrative Secretary	2.00	2.00	2.00	2.00	2.00
Architect	1.00	1.00	1.00	1.00	1.00
Assistant Architect	1.00	1.00	1.00	1.00	1.00
Assistant Civil Engineer (Reg)	4.00	3.00	3.00	4.00	4.00
Assistant Management Analyst	2.00	2.00	2.00	3.00	3.00
Assistant Public Works Engineer	3.00	3.00	2.00	2.00	2.00
Assistant Traffic Engineer	2.00	2.00	2.00	2.00	2.00
Associate Civil Engineer	5.00	5.00	5.00	4.00	4.00
Associate Management Analyst	6.00	5.00	5.00	3.00	3.00
Associate Planner	1.60	1.60	1.60	1.85	1.60
Associate Traffic Engineer	1.00	1.00	1.00	1.00	1.00
Building Inspector I (Certified)	1.00	1.00	1.00	1.00	1.00
Building Maintenance Mechanic	7.00	7.00	7.00	6.00	6.00
Chief of Party	2.00	2.00	2.00	2.00	2.00
Communications Technician	4.00	4.00	3.00	3.00	3.00
Community Development Project Coord.	1.00	1.00	1.00	1.00	1.00
Concrete Finisher	3.00	3.00	3.00	3.00	3.00
Construction Equipment Operator	4.00	4.00	3.00	3.00	3.00
Container Maintenance Welder	2.00	2.00	2.00	2.00	2.00
Deputy Director of Public Works	1.00	1.00	1.00	1.00	1.00
Director of Public Works	1.00	1.00	1.00	1.00	1.00
Disability Services Specialist	2.00	2.00	2.00	2.00	2.00
Drafting Aide	1.00	1.00	1.00	1.00	1.00
Drafting Technician	2.00	2.00	2.00	2.00	2.00
Electrical Parts Technician	1.00	1.00	1.00	1.00	1.00
Electrician	8.00	8.00	8.00	8.00	8.00
Engineering Inspector	6.00	6.00	6.00	6.00	6.00
Environmental Compliance Specialist	1.00	1.00	1.00	1.00	1.00
Equipment Superintendent	1.00	1.00	1.00	1.00	1.00

FY 2012 & FY 2013 POSITION SUMMARY BY DEPARTMENT

	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2013 Adopted
Facilities Maintenance Superintendent	1.00	1.00	1.00	1.00	1.00
Field Representative	1.00	1.00	1.00	1.00	1.00
Groundskeeper	1.00	1.00	1.00	0.00	0.00
Janitor	7.00	7.00	6.00	6.00	6.00
Janitor Supervisor	1.00	1.00	1.00	1.00	1.00
Junior Public Works Engineer	1.00	0.00	0.00	0.00	0.00
Laborer	20.00	21.00	19.00	20.00	20.00
Lead Communication Technician	1.00	1.00	1.00	1.00	1.00
Lead Electrician	3.00	3.00	3.00	3.00	3.00
Manager of Engineering	1.00	1.00	1.00	1.00	1.00
Mechanic	9.00	8.00	8.00	8.00	8.00
Mechanic Lead	1.00	1.00	1.00	1.00	1.00
Mechanic Supervisor	2.00	2.00	2.00	2.00	2.00
Mechanical Sweeper Operator	5.00	5.00	5.00	5.00	5.00
Office Specialist II	4.00	5.00	4.00	4.00	4.00
Office Specialist III	4.00	5.00	4.00	4.00	4.00
Office Specialist Supervisor	1.00	1.00	0.00	0.00	0.00
Parking Meter Maint & Collection Suprv	1.00	1.00	1.00	1.00	1.00
Parking Meter Maintenance Worker	4.00	5.00	4.00	4.00	4.00
Parking Meter Mechanic	3.00	5.00	5.00	5.00	5.00
Parking Meter Mechanic Trainee	1.00	0.00	0.00	0.00	0.00
Parking Services Manager	1.00	1.00	1.00	1.00	1.00
Principal Planner	1.00	1.00	1.00	1.00	1.00
Public Works Maintenance Superintendent	1.00	1.00	1.00	1.00	1.00
Public Works Supervisor	7.00	6.00	6.00	6.00	6.00
Real Property Administrator	1.00	1.00	1.00	1.00	1.00
Recycling Program Manager	1.00	1.00	1.00	1.00	1.00
Senior Budget Specialist	1.00	1.00	0.00	0.00	0.00
Senior Building Inspector	1.00	1.00	1.00	1.00	1.00
Senior Building Maintenance Supervisor	1.00	1.00	1.00	1.00	1.00
Senior Drafting Technician	1.00	1.00	1.00	1.00	1.00
Senior Electrical Supervisor	1.00	1.00	1.00	1.00	1.00
Senior Equipment Supervisor	1.00	1.00	1.00	1.00	1.00
Senior Management Analyst	3.00	2.00	2.00	2.00	2.00
Senior Public Works Supervisor	2.00	3.00	2.00	2.00	2.00
Senior Solid Waste Supervisor	2.00	2.00	3.00	3.00	3.00
Service Technician	5.00	5.00	4.00	4.00	4.00
Sewer Maintenance Assistant Supervisor	7.00	7.00	7.00	7.00	7.00
Skilled Laborer	17.00	16.00	15.00	15.00	15.00
Solid Waste Loader Operator	2.00	2.00	1.00	1.00	1.00
Solid Waste Supervisor	4.00	4.00	3.00	3.00	3.00
Solid Waste Truck Driver	30.00	30.00	27.00	27.00	27.00
Solid Waste Worker	50.00	50.00	47.00	44.00	37.00
Solid Waste/Recycling Manager	1.00	1.00	1.00	1.00	1.00
Supervising Civil Engineer	3.00	3.00	3.00	3.00	3.00
Supervising Traffic Engineeer	1.00	1.00	1.00	1.00	1.00
Survey Technician	1.00	1.00	1.00	1.00	1.00
Tractor Trailer Driver	8.00	8.00	6.00	6.00	6.00
Traffic Engineering Assistant	-	1.00	1.00	1.00	1.00
Traffic Maintenance Supervisor	1.00	1.00	1.00	1.00	1.00
Traffic Maintenance Worker I	4.00	4.00	3.00	3.00	3.00
Traffic Maintenance Worker II	2.00	2.00	2.00	2.00	2.00
Transportation Manager	1.00	1.00	1.00	1.00	1.00

FY 2012 & FY 2013 POSITION SUMMARY BY DEPARTMENT

	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2013 Adopted
Warehouse Operations Specialist	2.00	2.00	1.00	1.00	1.00
Watershed Resources Specialist	1.00	1.00	1.00	1.00	0.00
Weighmaster	3.00	4.00	3.00	3.00	3.00
Welder Mechanic	1.00	1.00	1.00	1.00	1.00
Total Career Employees	321.60	322.60	297.60	292.85	284.60
Hourly Employees:					
Chief of Party					
Engineering Inspector	1.40	1.40	1.40	1.40	1.40
Intern					
Traffic Maintenance Worker I	2.00	2.00	2.00	2.00	2.00
Total Hourly Employees	3.40	3.40	3.40	3.40	3.40
TOTAL PUBLIC WORKS	325.00	326.00	301.00	296.25	288.00
RENT STABILIZATION BOARD					
Administrative Staff Assistant	1.00	1.00	1.00	1.00	1.00
Assistant Planner				1.00	1.00
Assistant Management Analyst	2.00	2.00	-		
Associate Management Analyst	1.00	1.00	3.00	1.60	1.60
Community Services Specialist I	1.00	1.00	1.00	1.00	1.00
Community Services Specialist II	2.00	2.00	2.00	2.00	2.00
Community Services Specialist III				1.00	1.00
Deputy Director Rent Stabilization Program			1.00	1.00	1.00
Executive Director Rent Board	1.00	1.00	1.00	1.00	1.00
Information Systems Specialist	1.00	0.00	-		
Office Specialist II	2.00	2.00	2.00	2.00	2.00
Office Specialist III	2.00	2.00	2.00	2.00	2.00
Senior Field Representative	1.00	1.00	1.00	1.00	1.00
Senior Hearing Examiner	2.30	2.30	2.85	1.85	1.85
Senior Planner			1.00		
Staff Attorney I			1.00	2.00	2.00
Staff Attorney II	1.00	1.00	1.00	0.00	0.00
Staff Attorney III	2.00	2.00	-	1.00	1.00
TOTAL RENT STABILIZATION BOARD	19.30	18.30	19.85	19.45	19.45
TOTAL AUTHORIZED FTEs	1670.22	1634.11	1540.65	1486.37	1460.73



This page left intentionally blank

FY 2012 and FY 2013 BUDGET BALANCING PLAN

In the absence of balancing measures, the budget projections for FY 2012 and FY 2013 estimate General Fund deficits of \$3 million and \$4 million in each year, respectively. Those estimates do not include additional deficits in other special funds such as Refuse or Health. The Balancing Plan 2-year total for the General Fund proposes \$6.1 million in measures through a combination of recurring cuts and new recurring revenue.

FY 2012 and FY 2013 Two-Year Balancing Plan for the General Fund (dollars in millions)

Balancing Plan	FY 2012	FY 2013	2-Year Total
Reductions	3.5	1.4	4.9
Revenues	1.0	0.2	1.2
Total Balancing Plan			6.1

The national recession, along with rising pension and health care costs, are primary contributors to the projected deficits. The combination of decreasing revenues and increasing costs results in a projected shortfall for all funds of \$12.2 million in FY 2012 increasing to \$13.3 in FY 2013 without balancing measures. The measures included in the proposed budget address the shortfall and places us in a better position to address the FY 2014 deficit. Savings realized in FY 2013 could be used to buffer the impact of the anticipated increased CalPERS rates in future years or as a loan to help fund the capital equipment purchase for the solid waste trucks required to eliminate the deficit in the Refuse fund.

FY 2012 and FY 2013 Two-Year Balancing Plan for All Funds (dollars in millions)

Balancing Plan	FY 2012	FY 2013	2-Year Total
Reductions	8.4	3.8	12.2
Revenues	1.2	1.9	3.1
Total Balancing Plan			15.3

However, it appears that there is not much relief in the future. Deficits will continue to grow. Therefore, we must continue to plan with an eye toward all of the economic indicators that affect the City.

FY 2012 and FY 2013 BUDGET BALANCING PLAN

These reductions spread across many departments and different funding sources, and required the elimination of over 77 positions (net) over the next two years. When budget cuts of this magnitude occur, the impacts of the cuts vary by the service area from having little impact to a significant reduction or in some cases elimination of programs. The information in the Impact Summary section of the Proposed Biennial Budget presents a summary of some of the major reductions by City service area and a brief description of the related service impact.

Because our community continues to experience the effects of a delayed economic recovery, this biennial budget requires us to make tough choices and tradeoffs. It reflects a change in how we do business so that we can ensure that a more resilient, more flexible City organization continues into the future. Actions taken by Council during these difficult times will allow the City to effectively manage and balance its budget, and remain fiscally healthy enough to respond to future economic conditions.

The *Impact Statements: Worst Case Scenarios* for the Housing and Community Services Department and the Department of Health Services have also been included. It is difficult to predict how the federal budget will impact the City's fiscal year 2013 budget. However, given the continued debate regarding the fate of the CDBG program it is likely that CDBG will continue to be targeted for reductions. Other proposals by elected representatives at the Federal level include reductions to WIC, MCAH, and the elimination of FPACT.

**FY 2012 And FY 2013 Adopted Balancing Measures
Summary by Department**

Department	FY 2012 FTE	FY 2012 Expense Amount	FY 2012 Revenue Amount	FY 2013 FTE	FY 2013 Expense Amount	FY 2013 Revenue Amount	Two-Year Total
City Attorney Total	(1.00)	(109,713)	-	-	-	-	(109,713)
City Auditor Total	(1.00)	(95,649)	-	-	-	-	(95,649)
City Clerk Total	(1.00)	(127,807)	-	-	(16,500)	-	(144,307)
City Manager Total	-	(87,333)	-	(0.30)	(41,472)	-	(128,805)
Economic Development Total	-	395	105,000	-	(53,837)	-	(158,442)
Finance Total	(1.00)	(142,765)	-	(1.00)	(146,488)	-	(289,253)
Fire Total	-	(57,936)	-	-	(58,093)	-	(116,029)
Health Services Total	(19.50)	(2,698,002)	25,000	(4.90)	(762,038)	-	(3,485,040)
Housing & Community Services Total	(9.09)	(948,356)	-	-	-	-	(948,356)
Human Resources Total	(1.00)	(127,194)	-	-	-	-	(127,194)
Information Technology Total	-	(32,761)	-	(1.00)	(172,925)	-	(205,686)
Library Total	(5.39)	(477,284)	-	-	(186,025)	-	(663,309)
Parks Recreation & Waterfront Total	(3.00)	(514,626)	-	-	(35,000)	-	(549,626)
Planning & Development Total	(2.00)	(511,391)	-	(1.00)	(140,502)	-	(651,893)
Police Total	(9.00)	(1,617,928)	-	(4.00)	(538,163)	-	(2,156,091)
Police Review Commission Total	-	(15,245)	-	-	-	-	(15,245)
Public Works Total	(3.75)	(729,826)	291,176	(8.00)	(1,545,113)	1,706,485	(4,272,601)
Z-Non Departmental Total	-	(135,418)	735,000	-	(126,786)	180,000	(1,177,204)
Grand Total	(56.73)	(8,428,838)	1,156,176	(20.20)	(3,822,942)	1,886,485	(15,294,442)

**FTE Amounts include Career and Hourly Reductions and Additions per the Balancing Plan*

**FY 2012 And FY 2013 Adopted Balancing Measures
Summary by Fund**

Fund	Fund Name	FY 2012 FTE*	FY 2012 Expense Amount	FY 2012 Revenue Amount	FY 2013 FTE*	OT/R	FY 2013 Expense Amount	FY 2013 Revenue Amount	Two-Year Total
10 Total	General Fund	(19.95)	(3,540,384)	986,176	(8.30)		(1,432,723)	180,000	(6,139,283)
55 Total	Health (General) Fund	(0.95)	(108,966)	-	(0.50)		(74,212)	-	(183,178)
56 Total	Targeted Case Management	(0.70)	(148,595)	-	-		-	-	(148,595)
061 Total	TAY-TIP	-	(90,744)	-	-		-	-	(90,744)
063 Total	Mental Health Services Act	0.00	672,603	-	-		-	-	672,603
065 Total	Short-Dovle Medi-Cal	(12.25)	(1,942,427)	-	-		-	-	(1,942,427)
066 Total	EPSDT	(1.00)	(21,740)	-	-		-	-	(21,740)
067 Total	SAMHSA Grant	-	(26,945)	-	-		-	-	(26,945)
150 Total	Vector Control Fund	-	(34,060)	-	-		-	-	(34,060)
164 Total	Health (Private Grants)	-	(48,657)	-	-		-	-	(48,657)
165 Total	Alameda County Fund	-	126,134	-	(0.97)		(144,706)	-	(18,572)
228 Total	Alameda County Children Family Commission	-	77,338	-	(0.43)		(79,366)	-	(2,028)
231 Total	Domestic Violence Fund	-	(29,827)	-	-		-	-	(29,827)
301 Total	Library Tax	(5.39)	(477,284)	-	-		(186,025)	-	(663,309)
330 Total	Camps Fund	(1.00)	42,986	-	-		25,654	-	68,640
351 Total	Community Action Program	(0.035)	(89,530)	-	-		-	-	(89,530)
352 Total	ECIP	(1.11)	(105,979)	-	-		-	-	(105,979)
353 Total	DOE Weatherization	(0.24)	(15,164)	-	-		-	-	(15,164)
354 Total	LIHEAP	(0.94)	(75,718)	-	-		-	-	(75,718)
355 Total	PG&E	-	55,543	-	-		-	-	55,543
357 Total	ARRA Stimulus	(0.50)	(84,309)	-	-		-	-	(84,309)
362 Total	State 2106	-	(25,355)	-	-		-	-	(25,355)
363 Total	State 2107	-	(14,351)	-	-		-	-	(14,351)
364 Total	State 2107.5	-	39,706	-	-		-	-	39,706
370 Total	CDBG	(1.32)	(192,521)	-	-		-	-	(192,521)
371 Total	Waste Tire Enforcement	-	(8,347)	-	-		-	-	(8,347)
375 Total	Rental Housing Safety Program	(0.15)	(13,612)	-	-		-	-	(13,612)
393 Total	Measure B - Paratransit	(0.04)	(4,974)	-	-		-	-	(4,974)
405 Total	CA OTS Grant	-	(93,034)	-	-		(35,279)	-	(128,312)
450 Total	Parks Tax	(1.00)	(237,630)	-	-		-	-	(237,630)
470 Total	Streetlight Assessment	-	(140,041)	-	-		-	-	(140,041)
610 Total	Capital Improvement Fund	-	(1,456)	-	-		(52,636)	-	(54,092)
614 Total	MTC Fund	0.25	38,651	-	-		6,255	-	44,906
805 Total	Shelter + Care HUD	(0.055)	(6,840)	-	-		-	-	(6,840)
806 Total	Shelter + Care County	(0.02)	(2,487)	-	-		-	-	(2,487)
820 Total	Refuse	(4.00)	(686,903)	170,000	(7.00)		(1,368,711)	1,706,485	(3,932,100)
825 Total	Marina Fund	-	(73,336)	-	-		-	-	(73,336)
830 Total	Sewer Fund	0.30	68,947	-	-		-	-	68,947
831 Total	Clean Storm	(0.15)	(50,779)	-	-		-	-	(50,779)
832 Total	Private Sewer Laterals	0.20	23,258	-	-		-	-	23,258
833 Total	Permit Service Center	(0.04)	(182,648)	-	(0.50)		(135,221)	-	(317,869)
845 Total	Unified Program (CUPA)	(0.69)	(87,223)	-	-		-	-	(87,223)
850 Total	Building Purchases & Mgt.	(0.20)	42,549	-	-		-	-	42,549
866 Total	Building Maintenance	(0.80)	(55,855)	-	-		-	-	(55,855)
875 Total	Workers Compensation	(0.85)	(81,301)	-	-		-	-	(81,301)
958 Total	Public Health Realignment	(4.10)	(848,720)	-	(2.50)		(366,250)	-	(1,214,969)
959 Total	Tobacco Fund	-	27,503	-	-		3,950	-	31,453
964 Total	Alameda Abandoned Vehicle Abatement Authority	-	8,684	-	-		-	-	8,684
967 Total	Bio-Terrorism Grant	-	(4,999)	-	-		16,327	-	11,327
Grand Total		(56.73)	(8,428,838)	1,156,176	(20.20)		(3,822,942)	1,886,485	(15,294,442)

*FTE Amounts include Career and Hourly Reductions and Additions per the Balancing Plan

**FY 2012 And FY 2013 Adopted Balancing Measures
Summary by Department and Fund**

Department	Fund	Fund Name	FY 2012 FTE*	FY 2012 Expense Amount	FY 2012 Revenue Amount	FY 2013 FTE*	FY 2013 Expense Amount	FY 2013 Revenue Amount	Two-Year Total
	10 Total	General Fund	(1.00)	(109,713)	-	-	-	-	(109,713)
City Attorney Total			(1.00)	(109,713)	-	-	-	-	(109,713)
	10 Total	General Fund	(0.15)	(14,348)	-	-	-	-	(14,348)
	875 Total	Workers Compensation	(0.85)	(81,301)	-	-	-	-	(81,301)
City Auditor Total			(1.00)	(95,649)	-	-	-	-	(95,649)
	10 Total	General Fund	(1.00)	(127,807)	-	-	(16,500)	-	(144,307)
City Clerk Total			(1.00)	(127,807)	-	-	(16,500)	-	(144,307)
	10 Total	General Fund	-	(87,333)	-	(0.30)	(41,472)	-	(128,805)
City Manager Total			-	(87,333)	-	(0.30)	(41,472)	-	(128,805)
	10 Total	General Fund	-	395	105,000	-	(53,837)	-	(158,442)
Economic Development Total			-	395	105,000	-	(53,837)	-	(158,442)
	10 Total	General Fund	(1.00)	(142,765)	-	(1.00)	(146,488)	-	(289,253)
Finance Total			(1.00)	(142,765)	-	(1.00)	(146,488)	-	(289,253)
	10 Total	General Fund	-	(57,936)	-	-	(58,093)	-	(116,029)
Fire Total			-	(57,936)	-	-	(58,093)	-	(116,029)
	10 Total	General Fund	(1.20)	(385,858)	25,000	(0.50)	(88,758)	-	(499,616)
	55 Total	Health (General) Fund	(0.95)	-\$108,966	-	(0.50)	(74,212)	-	(183,178)
	061 Total	TAY-TIP	-	(90,744)	-	-	-	-	(90,744)
	063 Total	Mental Health Services Act	0.00	672,603	-	-	-	-	672,603
	065 Total	Short-Doyle Medi-Cal	(12.25)	(1,942,427)	-	-	-	-	(1,942,427)
	066 Total	EPSDT	(1.00)	(21,740)	-	-	-	-	(21,740)
	067 Total	SAMHSA Grant	-	(26,945)	-	-	-	-	(26,945)
	150 Total	Vector Control Fund	-	(34,060)	-	-	-	-	(34,060)
	164 Total	Health (Private Grants)	-	(48,657)	-	-	-	-	(48,657)
	165 Total	Alameda County Fund	-	126,134	-	(0.97)	(144,706)	-	(18,572)
	228 Total	Alameda County Children Family Commission	-	77,338	-	(0.43)	(79,366)	-	(2,028)
	231 Total	Domestic Violence Fund	-	(29,827)	-	-	-	-	(29,827)
	371 Total	Waste Tire Enforcement	-	(8,347)	-	-	-	-	(8,347)
	405 Total	CA OTS Grant	-	(93,034)	-	-	(35,279)	-	(128,312)
	614 Total	MTC Fund	-	-	-	-	6,255	-	6,255
	830 Total	Sewer Fund	-	34,060	-	-	-	-	34,060
	958 Total	Public Health Realignment	(4.10)	(848,720)	-	(2.50)	(366,250)	-	(1,214,969)
	959 Total	Tobacco Fund	-	27,503	-	-	3,950	-	31,453
	964 Total	Alameda Abandoned Auto Abatement	-	8,684	-	-	-	-	8,684
	967 Total	Bio-Terrorism Grant	-	(4,999)	-	-	16,327	-	11,327
Health Services Total			(19.50)	(2,698,002)	25,000	(4.90)	(762,038)	-	(3,485,040)
	10 Total	General Fund	(4.48)	(292,936)	-	-	-	-	(292,936)
	56 Total	Targeted Case Management	(0.70)	(148,595)	-	-	-	-	(148,595)
	351 Total	Community Action Program	(0.035)	(89,530)	-	-	-	-	(89,530)

**FY 2012 And FY 2013 Adopted Balancing Measures
Summary by Department and Fund**

Department	Fund	Fund Name	FY 2012 FTE*	FY 2012 Expense Amount	FY 2012 Revenue Amount	FY 2013 FTE*	FY 2013 Expense Amount	FY 2013 Revenue Amount	Two-Year Total
	352 Total	ECIP	(1.11)	(105,979)	-	-	-	-	(105,979)
	353 Total	DOE Weatherization	(0.24)	(15,164)	-	-	-	-	(15,164)
	354 Total	LIHEAP	(0.94)	(75,718)	-	-	-	-	(75,718)
	370 Total	CDBG	(1.32)	(192,521)	-	-	-	-	(192,521)
	375 Total	Rental Housing Safety Program	(0.15)	(13,612)	-	-	-	-	(13,612)
	393 Total	Measure B - Paratransit	(0.04)	(4,974)	-	-	-	-	(4,974)
	805 Total	Shelter + Care HUD	(0.055)	(6,840)	-	-	-	-	(6,840)
	806 Total	Shelter + Care County	(0.02)	(2,487)	-	-	-	-	(2,487)
Housing & Community Services Total			(9.09)	(948,356)	-	-	-	-	(948,356)
	10 Total	General Fund	(1.00)	(127,194)	-	-	-	-	(127,194)
Human Resources Total			(1.00)	(127,194)	-	-	-	-	(127,194)
	10 Total	General Fund	-	(32,761)	-	(1.00)	(120,289)	-	(153,050)
	362 Total	State 2106	-	(25,355)	-	-	-	-	(25,355)
	363 Total	State 2107	-	25,355	-	-	-	-	25,355
	610 Total	Capital Improvement Fund	-	-	-	-	(52,636)	-	(52,636)
Information Technology Total			-	(32,761)	-	(1.00)	(172,925)	-	(205,686)
	301 Total	Library Tax	(5.39)	(477,284)	-	-	(186,025)	-	(663,309)
Library Total			(5.39)	(477,284)	-	-	(186,025)	-	(663,309)
	10 Total	General Fund	(1.00)	(246,646)	-	-	(60,654)	-	(307,300)
	330 Total	Camps Fund	(1.00)	42,986	-	-	25,654	-	68,640
	450 Total	Parks Tax	(1.00)	(237,630)	-	-	-	-	(237,630)
	825 Total	Marina Fund	-	(73,336)	-	-	-	-	(73,336)
Parks Recreation & Waterfront Total			(3.00)	(514,626)	-	-	(35,000)	-	(549,626)
	10 Total	General Fund	(0.62)	(191,087)	-	(0.50)	(5,281)	-	(196,368)
	355 Total	PG&E	-	55,543	-	-	-	-	55,543
	357 Total	ARRA Stimulus	(0.50)	(84,309)	-	-	-	-	(84,309)
	610 Total	Capital Improvement Fund	-	(1,456)	-	-	-	-	(1,456)
	820 Total	Refuse	-	3,416	-	-	-	-	3,416
	831 Total	Clean Storm	(0.15)	(23,627)	-	-	-	-	(23,627)
	833 Total	Permit Service Center	(0.04)	(182,648)	-	(0.50)	(135,221)	-	(317,869)
	845 Total	Unified Program (CUPA)	(0.69)	(87,223)	-	-	-	-	(87,223)
Planning & Development Total			(2.00)	(511,391)	-	(1.00)	(140,502)	-	(651,893)
	10 Total	General Fund	(9.00)	(1,617,928)	-	(4.00)	(538,163)	-	(2,156,091)
Police Total			(9.00)	(1,617,928)	-	(4.00)	(538,163)	-	(2,156,091)
	10 Total	General Fund	-	(15,245)	-	-	-	-	(15,245)
Police Review Commission Total			-	(15,245)	-	-	-	-	(15,245)
	10 Total	General Fund	0.50	44,196	121,176	(1.00)	(176,402)	-	(253,383)
	363 Total	State 2107	-	(39,706)	-	-	-	-	(39,706)
	364 Total	State 2107.5	-	39,706	-	-	-	-	39,706
	470 Total	Streetlight Assessment	-	(140,041)	-	-	-	-	(140,041)
	614 Total	MTC Fund	0.25	38,651	-	-	-	-	38,651
	820 Total	Refuse	(4.00)	(690,319)	170,000	(7.00)	(1,368,711)	1,706,485	(3,935,516)
	830 Total	Sewer	0.30	34,887	-	-	-	-	34,887
	831 Total	Clean Storm	0.00	(27,151)	-	-	-	-	(27,151)

**FY 2012 And FY 2013 Adopted Balancing Measures
Summary by Department and Fund**

Department	Fund	Fund Name	FY 2012 FTE*	FY 2012 Expense Amount	FY 2012 Revenue Amount	FY 2013 FTE*	FY 2013 Expense Amount	FY 2013 Revenue Amount	Two-Year Total
	832 Total	Private Sewer Laterals	0.20	23,258	-	-	-	-	23,258
	850 Total	Building Purchases & Mgt.	(0.20)	42,549	-	-	-	-	42,549
	866 Total	Building Maintenance	(0.80)	(55,855)	-	-	-	-	(55,855)
Public Works Total	General Fund		(3.75)	(729,826)	291,176	(8.00)	(1,545,113)	1,706,485	(4,272,601)
	10 Total	General Fund	-	(135,418)	735,000	-	(126,786)	180,000	(1,177,204)
Z-Non Departmental Total			-	(135,418)	735,000	-	(126,786)	180,000	(1,177,204)
Grand Total			(56.73)	(8,428,838)	1,156,176	(20.20)	(3,822,942)	1,886,485	(15,294,442)

**FTE Amounts include Career and Hourly Reductions and Additions per the Balancing Plan*

**FY 2012 And FY 2013 Adopted Balancing Measures
Summary by Department and FTEs**

Department	FY 2012 FTE*	FY 2013 FTE*
City Attorney Total	(1.00)	-
City Auditor Total	(1.00)	-
City Clerk Total	(1.00)	-
City Manager Total	-	(0.30)
Finance Total	(1.00)	(1.00)
Health Services Total	(19.50)	(4.90)
Housing & Community Services Total	(9.09)	-
Human Resources Total	(1.00)	-
Information Technology Total	-	(1.00)
Library Total	(5.39)	-
Parks Recreation & Waterfront Total	(3.00)	-
Planning & Development Total	(2.00)	(1.00)
Police Total	(9.00)	(4.00)
Public Works Total	(3.75)	(8.00)
Grand Total	(56.73)	(20.20)

**FTE Amounts include Career and Hourly Reductions
and Additions per the Balancing Plan*

FY 2012 And FY 2013 Adopted Balancing Measures Number of Eliminated Career Positions by Service Area

Service Area	FY 2012		FY 2013	
	Filled	Vacant	Filled	Vacant
General Government	(1.00)	(4.00)	(1.30)	(1.00)
Police*	(1.00)	(8.00)	(1.00)	(3.00)
Public Works	(1.00)	(4.00)	(8.00)	
Parks Recreation & Waterfront	(3.00)			
Library	(2.50)	(2.90)		
Health Services	(11.75)	(14.25)	(4.90)	-
Housing	(6.00)	(3.60)		
Planning		(2.00)	(1.00)	
Totals	(26.25)	(38.75)	(16.20)	(4.00)

*Includes anticipated vacancies

This chart reflects **eliminated** career positions only. It does not include any proposed added career positions, or proposed addition or elimination of any hourly positions. Net decrease of 85.20 FTEs.

BUDGET IMPACT SUMMARIES

GENERAL GOVERNMENT BUDGET IMPACT SUMMARY (FY 2012 & FY 2013) **Includes: City Attorney, City Auditor, City Clerk, City Manager, Finance, Human Resources, and Information Technology**

PROPOSED CHANGES	PROGRAMMATIC IMPACTS	GUIDING PRINCIPLES IN DECISION MAKING	LOOKING FORWARD: CORE PROGRAMMATIC ACTIVITIES
<p>City Attorney</p> <ul style="list-style-type: none"> • FY 12 Eliminate vacant Legal Office Supervisor (1.0 FTE) 	<ul style="list-style-type: none"> ➤ Work will be absorbed by other staff. 	<ul style="list-style-type: none"> ➤ Focus on eliminating vacant positions ➤ Propose proportional reductions in general government to reductions in direct services 	<ul style="list-style-type: none"> ➤ The City Attorney's Office will continue to provide legal advice to minimize liability and ensure conformance to legal constraints.
<p>City Auditor</p> <ul style="list-style-type: none"> • FY 12 Eliminate vacant Accounting Office Specialist (1.0 FTE) 	<ul style="list-style-type: none"> ➤ Duties distributed to other staff 	<ul style="list-style-type: none"> ➤ Perform services at levels consistent with standards and practices 	<ul style="list-style-type: none"> ➤ The City Auditor's Office will continue to provide independent oversight of City operations in support of its mission to be a catalyst for improving City government.
<p>City Clerk</p> <ul style="list-style-type: none"> • FY 12 Eliminate vacant Assistant Management Analyst (1.0 FTE) 	<ul style="list-style-type: none"> ➤ Duties distributed to other staff 	<ul style="list-style-type: none"> ➤ Optimize fiscal, administrative, and operational efficiencies in order to maintain resources for the community ➤ Maintain an appropriate balance of front-line/support staff and management/supervision 	<ul style="list-style-type: none"> ➤ The City Clerk's Department will continue to provide oversight for legislative proceedings, elections, campaign finance and administration of the Records Management Program.
<p>City Manager</p> <ul style="list-style-type: none"> • No Cost of Living increase for City Manager or Deputy City Manager • City Manager to take 12 VTO days and Budget Manager to take 5 VTO days as leave without pay • FY 13 Reduce .80 Administrative Hearing Officer to .50 	<ul style="list-style-type: none"> ➤ Cost savings; no workload impact ➤ Cost savings; other staff will cover workload as needed ➤ The decrease in parking citations should correspond with decreased hearings. 		<ul style="list-style-type: none"> ➤ The City Manager's Office will continue to build and maintain an effective City government organization; ensure the effective delivery of services; provide management direction and support for the planning, implementation, and evaluation of all city programs; and ensure coordination and consistency in implementing policies and programs approved by the City Council.

BUDGET IMPACT SUMMARIES

GENERAL GOVERNMENT BUDGET IMPACT SUMMARY (FY 2012 & FY 2013) **Includes: City Attorney, City Auditor, City Clerk, City Manager, Finance, Human Resources, and Information Technology**

PROPOSED CHANGES	PROGRAMMATIC IMPACTS	GUIDING PRINCIPLES IN DECISION MAKING	LOOKING FORWARD: CORE PROGRAMMATIC ACTIVITIES
<p>Finance</p> <ul style="list-style-type: none"> • FY 12 Eliminate filled Office Specialist II (1.0 FTE) • FY 13 Eliminate filled Accounting Office Specialist II (1.0 FTE) <p>Human Resources</p> <ul style="list-style-type: none"> • FY 12 Eliminate vacant Associate Human Resources Analyst (1.0 FTE) <p>Information Technology</p> <ul style="list-style-type: none"> • FY 13 Eliminate Information Systems Support Technician (1.0) 	<ul style="list-style-type: none"> ➤ Impact primarily on classification work which will not be performed by City staff. Other projects may have delayed completion. ➤ Delayed completion of IT projects serving City customer departments 		<ul style="list-style-type: none"> ➤ The Finance Department will continue to safeguard City assets, maximize revenues, manage the business of City programs and provide accurate, timely and complete financial information. ➤ The Human Resources Department will continue to ensure that the City employs fair and equitable HR policies and procedures; that recruitment and hiring of diverse and skilled applicants is done on the basis of individual qualifications and that employees are provided with ongoing development opportunities. ➤ The IT Department will continue to deliver innovative, secure, environmentally sound, and cost effective technologies to support City government and facilitate civic participation.

BUDGET IMPACT SUMMARIES

HEALTH BUDGET IMPACT SUMMARY (FY 2012 & FY 2013)

PUBLIC HEALTH			
PROPOSED CHANGES	PROGRAMMATIC IMPACTS	GUIDING PRINCIPLES IN DECISION MAKING	LOOKING FORWARD: CORE PROGRAMMATIC ACTIVITIES
<p><u>FY 12 Reductions</u></p> <ul style="list-style-type: none"> • Transfer of RN (Registered Nurse) to MH (1.0 FTE) • Elimination of vacant PHNs (Public Health Nurse) (2.0 FTE) • Elimination of Sr. HSPS (Sr. Health 	<p><u>Scope and depth of anticipated impacts:</u></p> <ul style="list-style-type: none"> ➤ Reproductive and Sexual Health services at the PH Clinic will decrease to 3 days/week. ➤ Immunization clinic services will be discontinued, with possible exceptions in the event of an outbreak or epidemic. ➤ Communicable Disease control activities will be limited to the highest risk diseases, with more responsibility shifted to health care providers and to organizations at which outbreaks occur, including UC Berkeley and Berkeley City College. ➤ Immunization clinic services will be discontinued, with possible exceptions in the event of an outbreak or epidemic. ➤ Nursing case management services will be available only to those who meet narrower eligibility standards. Nurse-of-the-Day calls will be handled by a message line with return calls. ➤ Communicable Disease control activities will be limited to the highest risk diseases, with more responsibility shifted to health care providers and to organizations at which outbreaks occur, including UC Berkeley and Berkeley 	<p><u>In planning our reductions, we made strategic commitments to:</u></p> <ul style="list-style-type: none"> ➤ Retain essential services for which there is no viable, accessible alternative; ➤ Assess services through the lens of eliminating health inequities in Berkeley; ➤ Perform mandated services at levels consistent with state standards and practices; ➤ Optimize fiscal, administrative, and operational efficiencies in order to direct maximum resources to the community; ➤ Utilize the current organizational structure, designed to expand and contract as needed; ➤ Maintain an appropriate balance of front-line/support staff and management/supervision; ➤ Reduce expenditures in accordance with the most over-burdened funding sources. ➤ Balance activities between direct service and prevention. Prevention efforts focus 	<p><u>Essential Services:</u></p> <ul style="list-style-type: none"> ➤ Deliver field nursing services and case management services which are focused, effective, and target those most in need ➤ Wrap-around support for pregnant and parenting teens and African American families (BIH and Vera Casey programs) ➤ Focus resources on the Heart 2 Heart neighborhood-based health inequities work, building on established trusting relationships and programming (including monthly van; mini-grants; response to community needs) ➤ Collaborate with the 2020 Vision initiative to address educational and health inequities in Berkeley ➤ Build upon Public Health Preparedness Program initiatives to address preparedness in vulnerable populations (preparing S&W Berkeley) ➤ Address key health issues such as obesity, smoking, HIV, and injuries through outreach and education in the community with partners such as Head Start, schools, churches, recreation centers/programs, Berkeley Youth Alternatives, and others. ➤ Provide health services on-site at schools to meet the unique needs of adolescents through the Berkeley High School Health Center and B-Tech Health Clinic

BUDGET IMPACT SUMMARIES

HEALTH BUDGET IMPACT SUMMARY (FY 2012 & FY 2013)

PUBLIC HEALTH			
PROPOSED CHANGES	PROGRAMMATIC IMPACTS	GUIDING PRINCIPLES IN DECISION MAKING	LOOKING FORWARD: CORE PROGRAMMATIC ACTIVITIES
<p>Services Program Specialist) (1.0 FTE)</p> <ul style="list-style-type: none"> • Elimination of OS II (Office Specialist II) (1.0 FTE) • Elimination of vacant AFSM (Administrative & Fiscal Services Manager) (1.0 FTE) • Elimination of vacant MHC (Mental Health Clinician) (1.0 FTE) • Elimination of Nutritionist (.75 FTE) • Elimination of CHW (Community Health Worker) (1.0 FTE) • <u>Addition</u> of HNPC (Health Nutrition Program Coordinator) (1.0 FTE) <p><u>FY13 reductions</u></p> <ul style="list-style-type: none"> • 1-OSII • 1-Sr HSPS • 1-HSPS • 1-PHN <p>Operating expenditure reductions make up the</p>	<p>City College.</p> <ul style="list-style-type: none"> ➤ Reproductive and Sexual Health services at the PH Clinic will decrease to 3 days/week. ➤ Nursing case management services will be available only to those who meet narrower eligibility standards. Nurse-of-the-Day calls will be handled by a message line with return calls. <p>Cumulative effect of remaining impacts is a result of the proposed loss of multiple positions.</p> <ul style="list-style-type: none"> ➤ We will participate in fewer community health events. Staff will be less available as speakers, educators, and collaborators to provide health information and support for behavior change. ➤ Neighborhood-based outreach and education services will be reduced in frequency and intensity. ➤ Work to develop, implement and enforce policies and activities related to smoking, healthy eating, lead exposures, and other health issues will be reduced. ➤ Public Health's program evaluation capacity will be diminished. 	<p>on early and “upstream” interventions, developing communities in which everyone has the opportunity to make healthy choices.</p>	<ul style="list-style-type: none"> ➤ Provide essential safety net services at the 830 University Public Health Clinic ➤ Build upon workforce development initiatives providing training opportunities for staff, students, and volunteers (UCB; UCSF; BCC; BHS/B-Tech; Youthworks; etc.) <p><u>Mandated services</u></p> <ul style="list-style-type: none"> ➤ Respond to Communicable disease events in our community, in partnership with local health care providers and institutions, while prioritizing the most urgent conditions. ➤ Create Berkeley's 2012 Health Status Report to fulfill the essential public health function of monitoring and reporting on the health of our community, and inform future public health planning to meet local needs. ➤ Maintain mandated functions including physician Health Officer, Director of Nursing, and qualified health educator. <p><u>Efficiencies and fiscal responsibility</u></p> <ul style="list-style-type: none"> ➤ Optimize leveraging of funds: ensure that funds are “matched” to the fullest extent possible; ensure that we draw down maximum available funds in each program; ➤ Ensure timeliness and completeness of reporting/invoicing;

BUDGET IMPACT SUMMARIES

HEALTH BUDGET IMPACT SUMMARY (FY 2012 & FY 2013)

PUBLIC HEALTH			
PROPOSED CHANGES	PROGRAMMATIC IMPACTS	GUIDING PRINCIPLES IN DECISION MAKING	LOOKING FORWARD: CORE PROGRAMMATIC ACTIVITIES
<p>additional reductions necessary to meet the total reduction targets.</p>	<ul style="list-style-type: none"> ➤ Responding to future Public Health emergencies (such as H1N1) will require immediate reduction of day-to-day operations. ➤ Vital statistics customer service hours (for obtaining birth and death certificates) will be reduced by an additional day per week. ➤ Public Health will increasingly rely on partnerships with other community service providers to meet community needs. ➤ The net impact of these reductions, will, despite our best efforts, be an added burden for community members already bearing the burden of health inequities. 		<ul style="list-style-type: none"> ➤ Strategic use of program evaluation to continually improve the effectiveness of our work, and ensure internal and external accountability; ➤ Partnerships will take on an even bigger role in our work, with an emphasis on ensuring that each partner makes the best possible use of resources. <p style="margin-left: 20px;"><u>New Initiatives:</u></p> <ul style="list-style-type: none"> ➤ Recruit and hire WIC Director. This will bring us into compliance with state guidelines and improve service delivery. ➤ Implement electronic practice management system at all clinic sites (summer 2011), with electronic health record implementation to follow. This will improve billing efficiencies and quality control.

BUDGET IMPACT SUMMARIES

HEALTH BUDGET IMPACT SUMMARY (FY 2012 & FY 2013)

MENTAL HEALTH BUDGET IMPACT SUMMARY			
ITEM AREA(S)	BENEFITS	LIMITATIONS	PROGRAM MODIFICATIONS
<p>↓Direct Client Services (Or related supports)</p> <ul style="list-style-type: none"> • Elimination of vacant clinical/ team leader/ admin positions across division (net 5.75 FTE) 	<ul style="list-style-type: none"> ➤ Provides new opportunity to re-evaluate current deployment patterns, service team and other programming to address limited staffing capacity and meet need for organizational restructuring. 	<ul style="list-style-type: none"> ➤ Reduced capacity to support high intensity clients (children, youth, & adults); and ➤ Reduced team leadership (Senior position) at Adult Services. 	
<ul style="list-style-type: none"> • Elimination of 5.0 FTE PSWI positions • {4.0 FTE @ Adult Services Programs (ASP); 1.0 FTE @ Family, Youth, & Children's Services (FYC)} 	<ul style="list-style-type: none"> ➤ PSWI positions unable to generate Medi-Care revenue based upon lack of license—thereby disabling positions to recoup maximum amount of revenue to be generated by this classification; ➤ Decrease in administrative costs associated with mandatory supervision and oversight of work performed by unlicensed clinicians; ➤ Elimination of PSWI positions can enable reassignment of cases as needed, with an increase in baseline productivity requirements across division (billing standards)—thereby mitigating this staffing reduction; and ➤ Reduction in services to high intensity clients (more expensive form of mental health support); shift to use of client centered brief-treatment, psycho- 	<ul style="list-style-type: none"> ➤ Reduced capacity to support high intensity clients; and ➤ Temporary Reduction in supports provided to Full Service Partners (MHSA FSP Programs) until other staff can be redeployed in order to meet contractual and state MHSA program plan. 	<ul style="list-style-type: none"> ➤ ASP 1.0 FTE PSWI (Homeless Outreach Services). Redeployment in services indicated in order to continue to support Public Commons for Everyone Initiative (PCEI) and homeless services operations. ➤ Redeployments required in order to service Full Service Partners (MHSA FSP Programs) per state guidelines and contractual agreements.

BUDGET IMPACT SUMMARIES

HEALTH BUDGET IMPACT SUMMARY (FY 2012 & FY 2013)

MENTAL HEALTH BUDGET IMPACT SUMMARY			
ITEM AREA(S)	BENEFITS	LIMITATIONS	PROGRAM MODIFICATIONS
	education, referrals and other supports (as well as intensive services for clients in greatest need).		
<ul style="list-style-type: none"> • Elimination of 1.0 FTE MHClinI position 	<ul style="list-style-type: none"> ➤ MHClinI position unable to generate Medi-Care revenue based upon lack of license—thereby disabling positions to recoup maximum amount of revenue to be generated by this classification; ➤ Decrease in administrative costs associated with mandatory supervision and oversight of work performed by unlicensed clinicians; and ➤ Elimination of MHClinI position can enable reassignment of cases as needed, with an increase in baseline productivity requirements across division (billing standards)—thereby mitigating this staffing reduction. 	<ul style="list-style-type: none"> ➤ Reduction in School-based services & Outpatient Clinical Services to children/youth. 	
<ul style="list-style-type: none"> • Elimination of 1.0 FTE CSS I position 	<ul style="list-style-type: none"> ➤ Decrease in administrative costs associated with mandatory supervision and oversight of work performed by unlicensed staff. 	<ul style="list-style-type: none"> ➤ Temporary Reduction in supports provided to Full Service Partners (MHSA FSP Programs) until other staff can be redeployed in order to meet MHSA programming plan; and ➤ Temporary Reduction in Educational or Vocation Supports provided to clients through MHSA funding until job function may be re-assigned. 	<ul style="list-style-type: none"> ➤ ASP- 1.0 FTE CSSI (Employment Services). Redeployment of staff required as is an MHSA service support; 3.0 FTE PSWI (Intensive Service Teams). Reduction in ASP intensive services indicated;

BUDGET IMPACT SUMMARIES

HEALTH BUDGET IMPACT SUMMARY (FY 2012 & FY 2013)

MENTAL HEALTH BUDGET IMPACT SUMMARY			
ITEM AREA(S)	BENEFITS	LIMITATIONS	PROGRAM MODIFICATIONS
<ul style="list-style-type: none"> • Elimination of 1.0 FTE OSII position 	<ul style="list-style-type: none"> ➤ Clerical/ administrative staffing will more appropriately meet current program needs (ASP); result in opportunity to re-evaluate current staff assignments related to clerical operations. 	<ul style="list-style-type: none"> ➤ Decreased clerical/ administrative support to overall division operations; and ➤ Reduced coverage for client and community customer service activities. 	<ul style="list-style-type: none"> ➤ 1.0 FTE OSII (Administrative Support to intensive service teams). Reduction in work load due to electronic billing system makes impact of staffing reduction nominal. No redeployment necessary
<p>↑ Increase in Crisis Services <i>(Formally Mobile Crisis)</i></p>	<ul style="list-style-type: none"> ➤ Expansion of Crisis Services to include increased capacity for community outreach and engagement (Mobile Crisis); ➤ Increased opportunity for engagement with local COB departments; ➤ Increase in on-duty and crisis supports within/across division; and ➤ Decreased response time and greater follow-up capability for individuals supported through Mobile Crisis/ On-Duty Crisis Services/ Homeless Outreach Programs. 	<ul style="list-style-type: none"> ➤ Redeployment of staff from other Intensive Service Teams within division will correspondingly further reduce overall division capacity to provide high-intensity supports. 	<ul style="list-style-type: none"> ➤ FYC & ASP- Staffing patterns will be re-evaluated to determine manner by which to redeploy staff from intensive or school-based treatment programs to Crisis Services. ➤ Caseloads of re-assigned clinical staff must be re-assessed to determine how they may be supported alternatively (or by whom) in case ongoing services are still clinically indicated.

BUDGET IMPACT SUMMARIES

HOUSING BUDGET IMPACT SUMMARY (FY 2012 & FY 2013)

PROPOSED CHANGES	PROGRAMMATIC IMPACTS	GUIDING PRINCIPLES IN DECISION MAKING	LOOKING FORWARD: CORE PROGRAMMATIC ACTIVITIES
<p><u>FY 12 Reductions:</u></p> <ul style="list-style-type: none"> • Aging Services: Eliminate 2.59 FTE in July 2011 (1.6 FTE currently vacant) • Aging Services: Reallocate 5.0 FTE in July 2011 • Eliminate Weatherization program (5 FTE, 2 of which are currently vacant) • Housing Administration: Eliminate 2.5 FTE in July 2011 	<p><u>Scope and depth of anticipated impacts:</u></p> <ul style="list-style-type: none"> • The West Berkeley Senior Center is proposed to be converted to a supportive service hub and Aging staffing reorganized to support this change. • The Weatherization Program is proposed to be eliminated in January 2012, once calendar 2011 contracts expire. • Reduced administrative capacity • Community Agency Cuts: General Fund reductions and reduced federal sources for community agency contracts: HCSD will bring recommendations on April 26. 	<p><u>In planning our reductions, we made strategic commitments to:</u></p> <ul style="list-style-type: none"> • Analyze current service delivery model, current needs of residents, future needs of residents, service usage at all locations, and revenue/ funding reimbursement issues and opportunities. • Considered other options for residents to have access to similar services offered by other agencies. 	<p><u>Essential Services:</u></p> <p>Community Agency/ Federal Program Cuts: Cuts to the entitlement at the federal level have significant impact. In addition to the entitlement other sources of revenue fund CDBG activities.</p> <p>These other revenue sources including program income and carryover are not included in the entitlement amount. It is still far too early to predict the level at which the federal government will fund CDBG for the City's FY 2013. However, with the level of debate and the willingness on both sides of the aisle to cut CDBG, we are predicting an additional 25% cut from FY 2012 levels.</p>

BUDGET IMPACT SUMMARIES

PLANNING AND DEVELOPMENT BUDGET IMPACT SUMMARY (FY 2012 & FY 2013)

PROPOSED CHANGES	PROGRAMMATIC IMPACTS	GUIDING PRINCIPLES IN DECISION MAKING	LOOKING FORWARD: CORE PROGRAMMATIC ACTIVITIES
<p><u>FY 12 reductions</u></p> <ul style="list-style-type: none"> • Transfer Associate Planner to PW-Transportation, for 2 year temporary position (1.0FTE); half reduction from General Fund (Policy Planning); half from Fund 833 (Projects) • Elimination of Senior Management Analyst (1.0FTE) • Elimination of Hazardous Materials Specialist II (1.0FTE) 	<p><u>Scope and depth of anticipated impacts:</u></p> <ul style="list-style-type: none"> ➤ Both counter & plan check hours per staff person will increase. ➤ Loss of staff resource will primarily increase staff time to process zoning and condo conversion permits. ➤ Backlog of projects “waiting” to be processed will increase. ➤ Staff resources to implement climate initiatives and seek grant funding will be significantly reduced. ➤ Technical support for Decade (CUPA management software) will be put on the supplier or, failing that, outsourced to technical contractors. ➤ Evaluate whether to discontinue grant programs that are not mandated by State law. ➤ Reduce response to non-essential complaints. 	<p><u>In planning our reductions, we made strategic commitments to:</u></p> <ul style="list-style-type: none"> ➤ Consider staffing needs of both Land Use and Transportation Planning divisions ➤ Reduce personnel expenditures temporarily without laying off a staff person ➤ Minimize adverse impacts on the Policy Group within the Land Use Division ➤ Create the least amount of adverse impact on remaining staff. ➤ Minimize customer service impact at the counter and in Plan Check. ➤ Retain essential services for which there is no viable, accessible alternative. ➤ Perform mandated services at levels consistent with state standards and practices. ➤ Comply with state regulatory requirements regarding hazardous materials & waste, contaminated site remediation, stormwater pollution prevention, and emergency pre-planning. 	<p><u>New initiatives:</u></p> <ul style="list-style-type: none"> ➤ Economic recovery will increase permit applications and thus revenue. ➤ Returning staff person will help reduce permit processing time. ➤ Less grant funded work to implement climate initiatives due to fewer grant applications. ➤ Less technical support for software ➤ Reduce or eliminate grant applications, including used oil recycling and household hazardous waste if there are not adequate resources to manage while also meeting state-mandated responsibilities. ➤ Further reduce response capabilities.

BUDGET IMPACT SUMMARIES

PLANNING AND DEVELOPMENT BUDGET IMPACT SUMMARY (FY 2012 & FY 2013)

PROPOSED CHANGES	PROGRAMMATIC IMPACTS	GUIDING PRINCIPLES IN DECISION MAKING	LOOKING FORWARD: CORE PROGRAMMATIC ACTIVITIES
<p><u>FY 13 reductions</u></p> <ul style="list-style-type: none"> • Elimination of Administrative Secretary (1.0FTE) 	<ul style="list-style-type: none"> ➤ Elimination of Administrative Secretary will affect overall ability to process projects, respond to customer concerns, and prepare Commission and Council information. 	<ul style="list-style-type: none"> ➤ Reduce impacts on administrative staff through efficiencies such as increasing on-line information and by issuing postcard public hearing notices, ➤ Reduce admin staff resources commensurate with increased administrative efficiencies. ➤ Minimize impacts on required core programs. 	<ul style="list-style-type: none"> ➤ Database to track permit information and applications on line by the end of FY12, improving staff efficiency and customer access to information.

BUDGET IMPACT SUMMARIES

POLICE DEPARTMENT BUDGET IMPACT SUMMARY (FY 2012 & FY 2013)

PROPOSED CHANGES	PROGRAMMATIC IMPACTS	GUIDING PRINCIPLES IN DECISION MAKING	LOOKING FORWARD: CORE PROGRAMMATIC ACTIVITIES
<p><u>FY 12 reductions</u></p> <ul style="list-style-type: none"> • Elimination of vacant Police Officers (5.0 FTE) • Elimination of vacant Office Specialist II (1.0 FTE) • Elimination of vacant HR Analyst (1.0 FTE) • Elimination of vacant Parking Enforcement Officer (1.0 FTE) • Elimination of vacant Community Services Officer (1.0 FTE) • Elimination of Neighborhood Association Dumpster Program • Conduct prisoner transport during regular duty hours 	<p><u>Scope and depth of anticipated impacts:</u></p> <ul style="list-style-type: none"> ➤ Current vacancies will become permanent cuts. ➤ Patrol coverage will be decreased. ➤ Public Counter closure hours will be extended, delays in processing public records requests, warrants, subpoenas, and report copy requests will occur. ➤ Delays in POST compliance records processing, in-house training and department personnel records management. ➤ Dumpster program will no longer be available through the Police Department for Neighborhood Clean-up. ➤ Patrol services will be diminished as officers transport prisoners in the afternoon to court and the County Jail. 	<p><u>In planning our reductions, we made strategic commitments to:</u></p> <ul style="list-style-type: none"> ➤ Reduce crime; ➤ Continue to be full service police department; ➤ Perform mandated services at levels consistent with state standards and practices; ➤ Optimize fiscal, administrative, and operational efficiencies in order to direct maximum resources to the community; ➤ Redesign the current beat and staffing structure to provide ability to more efficiently police city; ➤ Maintain an appropriate balance of front-line/support staff and management/supervision; ➤ Reduce expenditures for non-baseline activities. 	<p><u>Essential Services:</u></p> <ul style="list-style-type: none"> ➤ Safeguard life and property. ➤ Enforce Federal, State and local laws to maintain civil order, conduct preventive patrol, investigations, traffic control and enforcement, criminalistics, crime prevention, drug enforcement, and abuse prevention. ➤ Reduce Part 1 crimes by 10% annually. ➤ Maintain a closure rate for Part One Crimes that meet or exceed the national average for agencies our size ➤ Reduce injury collisions by 10% annually ➤ Utilize technology to create and improve information sharing and other system improvements. ➤ Ensure a strong community communications network exists. ➤ Develop and maintain a close working relationship with bordering police agencies. ➤ Ensure adequately staffed, mandated trained personnel to accomplish department mandates. <p><u>Mandated services</u></p> <ul style="list-style-type: none"> ➤ The functions of the Police Department are defined in Berkeley Municipal Code

BUDGET IMPACT SUMMARIES

POLICE DEPARTMENT BUDGET IMPACT SUMMARY (FY 2012 & FY 2013)

PROPOSED CHANGES	PROGRAMMATIC IMPACTS	GUIDING PRINCIPLES IN DECISION MAKING	LOOKING FORWARD: CORE PROGRAMMATIC ACTIVITIES
<ul style="list-style-type: none"> • Elimination of Compensatory Overtime <p><u>FY13 reductions</u></p> <ul style="list-style-type: none"> • Elimination of Office Specialist III (1.0 FTE) • Elimination of Office Specialist II (2.0 FTE) • Elimination of Crime Analyst (1.0 FTE) • Elimination of Compensatory Overtime 	<ul style="list-style-type: none"> ➤ Elimination of compensatory overtime will reduce the need for backfill throughout the department. Current curtailment of compensatory time is limited to Jail and Communications Center, in FY12 and FY13, the curtailment will extend to other divisions. ➤ The loss of our Crime Analyst will impact our ability to track crime trends, respond quickly to crime series, and efficiently deploy resources. It will also negatively impact our ability to respond to Public Information Act requests, Council and City Manager requests for information, and media requests. The tasks will be handled by police officers rotating through the assignment. 		<p style="text-align: center;">Section 2.64.050 as follows:</p> <ul style="list-style-type: none"> ➤ The maintenance of law and order in the City. ➤ The enforcement in the City of all laws of the United States and of the State of California, and all ordinances of the City, except when such enforcement is by such law, ordinance or the Charter of the City made the responsibility of another officer or department, or when such enforcement is the responsibility of a state or federal agency or officer. ➤ The administration of the City jail and the care, custody and control of prisoners. ➤ The management of the parking enforcement function, which shall enforce parking regulations in the City. ➤ The operation of the communications center for police, fire and other emergency communications. ➤ The performance of such other functions as may be assigned by the City Manager or prescribed by ordinance of the Council or by applicable state law. (Ord. 5964-NS § 1, 1990: Ord. 5434-NS § 2 (part), 1982: Ord. 4940-NS § 1 (part), 1976: Ord. 3350-NS (part), 1953: Ord. 3069-NS § 9.05, 1949) <p><u>Efficiencies and fiscal responsibility</u></p>

BUDGET IMPACT SUMMARIES

POLICE DEPARTMENT BUDGET IMPACT SUMMARY (FY 2012 & FY 2013)

PROPOSED CHANGES	PROGRAMMATIC IMPACTS	GUIDING PRINCIPLES IN DECISION MAKING	LOOKING FORWARD: CORE PROGRAMMATIC ACTIVITIES
			<ul style="list-style-type: none"> ➤ Manage department funds and guarantee internal and external accountability. ➤ Strategic use of program evaluation to continually improve the operational effectiveness, ➤ Seek and obtain funding from other sources for initiatives which support the Police Department mission. <p><u>New initiatives:</u></p> <ul style="list-style-type: none"> ➤ Fully implement data dashboard project to provide all managers platform for timely data analysis to ensure best utilization of resources.

BUDGET IMPACT SUMMARIES

PUBLIC WORKS BUDGET IMPACT SUMMARY (FY 2012 & FY 2013)

PROPOSED CHANGES	PROGRAMMATIC IMPACTS	GUIDING PRINCIPLES IN DECISION MAKING	LOOKING FORWARD: CORE PROGRAMMATIC ACTIVITIES
<p><u>FY 12 changes</u></p> <p>Reduction of Clean Cities Downtown Area overtime budget</p> <p>Addition of 1.0 FTE Engineering Inspector position (and associated non-personnel costs for the 50% of the position performing utility/contract inspections)</p>	<p><u>Scope and depth of anticipated impacts:</u></p> <p>No significant impact expected as the budget was increased in FY 07 and has not been fully spent each fiscal year. Work will be absorbed by existing staff with remaining budget.</p> <p>50% of the position would perform utility and contract inspections. 30% of the position would perform sewer inspections related to EPA compliance. 20% of the position would perform inspections for the Private Sewer Laterals Program. There is a need for increased oversight of utility activities, particularly cellular facilities. In addition, new sewer programs and regulations require the collection, management, and reporting of new categories of technical data to demonstrate compliance with all of the mandates.</p>	<p>Current service levels will be maintained while reducing General Fund appropriation</p> <p>Utility work sites have historically been inspected on a spot-check basis, whereas, due to staff limitations, it is impossible to inspect every site. An additional position would ensure that an increased number of sites are inspected, and each inspection would be more thorough, providing the benefit to the community of increased safety, better customer service, and improved traffic thoroughfares. The additional staff resource would also provide reserve capacity for peak periods of utility agency activity, particularly when wireless providers begin rapid new upgrade deployments.</p>	<p>Limited ability to increase services</p> <p>The 50% of the position and associated non-personnel costs charged to the General Fund for utility and contract inspections would be fully revenue generating since all inspections would be billed to the outside utility agencies. The 50% of the position allocated to the Sanitary Sewer and Private Sewer Laterals Programs would allow the City to meet the EPA compliance mandates.</p>
<p>Cost shift of .50 FTE Electrician position to 25% Building Purchases & Management Fund and 25% Building Maintenance Fund</p>	<p>Response time to service calls (electrical problems other than street light and traffic signal outages) will expand from 1-2 days to 2-3</p>	<p>Will help reduce the Streetlight Assessment Fund deficit while re-lamping and special projects in City buildings</p>	<p>Decreased responsiveness to streetlight and traffic signal outages, street light lens cleaning, and relamping</p>

BUDGET IMPACT SUMMARIES

PUBLIC WORKS BUDGET IMPACT SUMMARY (FY 2012 & FY 2013)

PROPOSED CHANGES	PROGRAMMATIC IMPACTS	GUIDING PRINCIPLES IN DECISION MAKING	LOOKING FORWARD: CORE PROGRAMMATIC ACTIVITIES
	<p>days. Response time to street light outages will expand from 5-7 days to 7-9 days. Street light lens cleaning and re-lamping will occur on a City-wide 4.5-year cycle instead of a 4-year cycle resulting in increased service calls for street light outages. Alternatively, with over 800,000 square feet of City space to maintain, Facilities Maintenance will be better able to meet City facilities' electrical needs. Approximately 30% of the facilities' mechanical repairs involve an interface with an Electrician.</p>	<p>will move at a faster pace.</p>	
<p>Reduction of various Electrical division non-personnel line items</p>	<p>No significant impacts to service delivery are expected as the various line items have not historically been spent</p>	<p>Will help reduce the Streetlight Assessment Fund deficit</p>	<p>Can't increase services without voter approval to increase assessment</p>
<p>Reallocate 1.0 FTE Groundskeeper position to 1.0 FTE Laborer position</p>	<p>The position was bumped to Public Works from another department as part of a previous budget reduction, but the department does not have any Groundskeeper work. A Laborer position would be utilized for sanitary sewer maintenance.</p>	<p>Laborer can be utilized in the sanitary sewer maintenance program</p>	
<p>Elimination of 1.0 FTE vacant Building Maintenance Mechanic position</p>	<p>Facilities maintenance and repairs have been delayed due to the vacant position. Eliminating the position will result in the continued delay of non-electrical facilities maintenance and repairs.</p>	<p>Will partially offset the costs of shifting a needed .50 FTE Electrician to Facilities Maintenance</p>	<p>Facilities maintenance and repairs will continue to be delayed.</p>

BUDGET IMPACT SUMMARIES

PUBLIC WORKS BUDGET IMPACT SUMMARY (FY 2012 & FY 2013)

PROPOSED CHANGES	PROGRAMMATIC IMPACTS	GUIDING PRINCIPLES IN DECISION MAKING	LOOKING FORWARD: CORE PROGRAMMATIC ACTIVITIES
Increase .60 FTE Associate Planner to .85 FTE	Increasing the existing employee's time will enable the City implement new grants and conduct pilot programs to test methods of managing parking and travel demand to reduce motor vehicle travel and greenhouse gas emissions.	Increased personnel costs fully funded by grants	
Eliminate 3.0 FTE vacant Solid Waste Worker positions	Low impact due to the consolidation of residential refuse collection routes in FY 11.	Focus on reducing the Refuse Fund deficit	Operational restructuring of Solid Waste will continue to occur over the next 2 to 3 fiscal years.
Eliminate 1.0 FTE vacant Associate Management Analyst position in Solid Waste	Other positions will absorb work as appropriate.	Focus on reducing the Refuse Fund deficit	
<u>FY13 changes</u>			
Reduction of Traffic Maintenance division overtime budget	No significant impact is expected as the budget has not been spent in two fiscal years. Work will be absorbed by existing staff with remaining budget.	Maintain current service levels while reducing General Fund appropriation	Limited ability to increase services
Eliminate 7.0 FTE Solid Waste positions	Staffing changes align with implementation of one person trucks in FY 13.	Restructure Solid Waste operations to improve efficiency and eliminate Refuse Fund deficit	

IMPACT STATEMENTS: WORST CASE SCENARIOS

Housing & Community Services Department

On March 22, 2011 the Housing & Community Services Department (HCS) presented its budget proposal during a special work session. The department's budget was based upon the White House proposed budget which included a 7.5 percent reduction to the CDBG entitlement available during the city's fiscal year 2013. On April 14, 2011, the federal government adopted a budget which reduces CDBG by approximately 16.8 percent. Funds available also are reduced due to new entitlement jurisdictions receiving funding each year.

CDBG reductions result in less funding available for community projects and less money to support staff. The Council adopted level for CDBG-funded public services includes a reduction of \$36,118 from FY 2011 levels. However, the bulk of the loss of CDBG shows up in a significant reduction in funds available for the Housing Trust Fund from \$554,601 in FY 2011 to \$64,285 in FY 2012. CDBG also supports City staff to oversee the program and the amount of funds available for these activities is a percentage of the overall entitlement. There will be approximately \$127,245 less funding available to administer the CDBG program than in FY 2011. This will result in the reduction of an additional .5 FTE in the HCS Department.

It is difficult to predict how the federal budget will impact the City's fiscal year 2013 budget. However, given the continued debate regarding the fate of the CDBG program it is likely that CDBG will continue to be targeted for reductions. If we experience an additional 25 percent cut to the entitlement and maintain program income levels in fiscal year 2013, the result would be \$735,128 less available overall: 1) \$138,617 less for public services; 2) \$147,026 less for program administration; and 3) \$449,485 less for housing activities including the Housing Trust Fund and public facility improvements.

At the same time as funds available to support CDBG-eligible activities are cut, reporting and monitoring requirements are increasing. For this reason, a cut this deep would profoundly impact the City's ability to manage the regulations attached to this funding and we would need to dramatically change the way the city allocates CDBG including reducing the number of agencies we fund and eliminating another city-operating CDBG-funded program.

FY 2012 will be a transitional year for the City's CDBG funded programs. In order to brace for additional funding reductions in FY 2013 and even to sustain the FY 2012 reduced entitlement amount, significant adjustments in program prioritization, design and delivery will need to be undertaken during the coming year. It is imperative to develop a model for program delivery that reduces the administrative burden to a level commensurate with the decrease in available resources for administering the program.

IMPACT STATEMENTS: WORST CASE SCENARIOS

In FY 2012 the entire reduction in federal funding is approximately \$1 million but most likely will continue to decline. The levels at which these funds will continue in the coming budget cycle are uncertain and highly volatile given the economic and political situation. Some members of Congress have targeted many of these funds for significant reduction or elimination in both the current fiscal year and the next fiscal year.

Department of Health Services

The Department of Health Services is anticipating some cuts to federally funded programs in FY 2012. The budget compromise included approximately 3 percent in discretionary cuts to the Centers for Disease Control and Prevention (CDC) and Health and Human Services (HHS). It will be up to these agencies to determine where and how to implement these reductions so the actual impact on local public health programs will remain unknown for the next month or two. The Department anticipated a reduction in some funds in its preparation of the FY 2012 budget proposal and should be able to accommodate these reductions without a significant change in staff or services. The budget compromise left intact two of the larger funding sources utilized in the Public Health Department: FPACT which funds family planning services at the two clinics, and WIC which provides nutrition services for women and young children.

Based on an analysis of the Federal budget proposals, in FY 2013, more federally funded programs could be impacted including WIC; FPACT; Public Health Emergency Preparedness (PHEP); and Maternal, Child, and Adolescent Health (MCAH) programs.

The White House budget proposal would result in a \$47,000 reduction in funds for the PHEP program. In anticipation of these cuts, we already reduced the PHEP anticipated revenue by \$15,000. An additional \$32,000 reduction in revenue would necessitate the elimination of 0.2-0.5 FTE in this program and an associated reduction in program activities.

Other proposals by elected representatives at the Federal level include reductions to WIC, MCAH, and the elimination of FPACT. Our response if these proposed cuts were to occur is as follows:

WIC \$60,000 reduction: We would propose to make this reduction from management level and/or DHS admin (analyst) level support, rather than front-line service providers. At this level this would be a reduction of approximately 0.4 FTE.

MCAH \$15,000 reduction: We would make this reduction in operating expenses.

FPACT reduction of \$760,000: This reduction assumes complete elimination of FPACT funding, and hence elimination of Reproductive and Sexual Health clinical services at all of our sites (Berkeley High School, B-Tech, and PH Clinic). Staffing to provide those services would be eliminated, as follows:

IMPACT STATEMENTS: WORST CASE SCENARIOS

- Career mid-level providers: 0.5 FTE + 0.6 FTE = 1.1 FTE (\$180,000 approx)
- Hourly mid-level providers: 6 hourly positions (\$200,000 approx) Hourly physicians: 2 positions (\$20,000 approx)
- Laboratory & supplies: \$175,000 (approx)
- Remaining \$185,000 reduction would be an additional reduction of 1.0-1.5 FTE of career staff (depending on classification)
- Note that under the FFACT elimination scenario, we would anticipate continuing non-FFACT services at our sites (Health Education, Mental Health, WIC, First Aid at BHS, etc.—but details of services, funding, and staffing would require a more in-depth analysis).



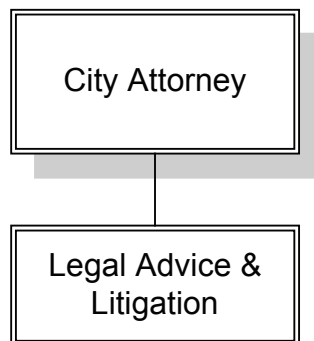
This page left intentionally blank

CITY ATTORNEY'S OFFICE

MISSION STATEMENT

The mission of the City Attorney's Office is to ensure that the City operates within legal constraints and minimizes its legal liability while accomplishing its goals as determined by the City Council and voters. The office strives to advance the City's legal interest by aggressively prosecuting and defending civil actions or by settling claims and suits, based on an impartial evaluation of their merits, and by giving impartial advice to staff.

ORGANIZATION CHART



CITY ATTORNEY'S OFFICE

Major Accomplishments – FY 2010 & FY 2011

- **Litigation**
 - Closure and sale of 1610 Oregon Street;
 - Negotiated favorable settlements in the following cases:
 - 3095 Telegraph laundromat case
 - sex, gender and sexual orientation harassment/discrimination lawsuit brought by a former firefighter;
 - Prevailed in six police civil liability lawsuits via summary judgment motions, motions to dismiss, and a voluntary dismissal;
 - Successfully defended a race, age and disability discrimination lawsuits involving 11 employees;
 - Prevailed in six out of six unfair practice charges filed by various unions with the California Public Relations Board;
 - Successfully defended revocation of U-Haul use permit through U.S. Supreme Court; and
 - Successfully defended challenges to approval of projects at 1200 Ashby Avenue and 2707 Rose Street.

- **Ordinances**
 - Drafted a repeal and reenactment of the Massage Therapy Ordinance in order to conform to new state law;
 - Worked closely with Council subcommittee on medical marijuana issues, resulting in adoption of ballot measures in November 2010;
 - Substantially revised Community Noise Ordinance; and
 - Substantially revised Bingo Ordinance.
 - Open Government Ordinance?

- **Transactions/Finance/Personnel**
 - Worked closely with personnel in various departments to negotiate complex contracts, including the Fire Department on the purchase of a \$4.7 million dollar Mobile Fire Protection System to provide water for firefighting during a disaster, and the Police and Information Technology departments on the purchase of a \$2 million dollar public safety software system; and
 - Worked closely to with Health Services and Berkeley Mental Health on Medi-Cal audit and various safety matters, including obtaining restraining order to protect employees.

- **Support**
 - Supported various departments in terminating or forcing the resignations of more than 12 employees for performance reasons;
 - Provided legal support for successful City efforts to stave off layoffs, including Side Letter Agreements with the Unions and numerous individual agreements with individual employees;
 - Provided legal support to the Redevelopment Agency for relocation of tenants at 1654 Fifth Street, allowing the Agency to sell the property at market rate;

CITY ATTORNEY'S OFFICE

- Provided legal support to Code Enforcement staff resulting in the closure of the bingo parlor at 1284 San Pablo Avenue;
- Worked closely with Housing Department in developing affordable housing nexus fee; and
- Drafted four ballot measures with no challenges to ballot question or impartial analysis.

Key Objectives for FY 2012 & FY 2013

- Successfully defend lawsuit challenging expenditure of Measure FF funds on branch libraries;
- Provide advice on tax and other revenue measures and other policies to assist the City to resolve projected budget deficits, including major revision of refuse and sewer fees, special tax and infrastructure improvements.
- Obtain favorable outcome in library construction litigation case;
- Continue to work closely with Planning Department on Downtown Area Plan, Southside Plan and West Berkeley project;
- Continue to increase and enhance support to other departments with respect to transactions;
- Conduct regular trainings for staff concerning Brown Act, Public Records Act, subpoenas, enforcement, and other issues of general interest;
- Increase support to Fair Campaign Practices Commission to enable oversight of open government ordinance; and
- Continue active role in Labor Relations Coordinating Committee and support of contract negotiations to manage personnel budget reduction.
- Develop ordinance to transfer sidewalk repair and maintenance responsibility to property owner, for additional funding of \$300,000 to increase sidewalk repairs.

Significant Changes from Prior Year's Budget

- Eliminated a 1.0 FTE Deputy City Attorney II position in FY 2011 and created a paralegal position funded equally by City Attorney's Office and Parks, Recreation & Waterfront Department.
- Eliminate a vacant 1.0 FTE Supervising Legal Secretary position in FY 2012 for a General Fund savings of \$109,713.

CITY ATTORNEY'S OFFICE FINANCIAL SUMMARY

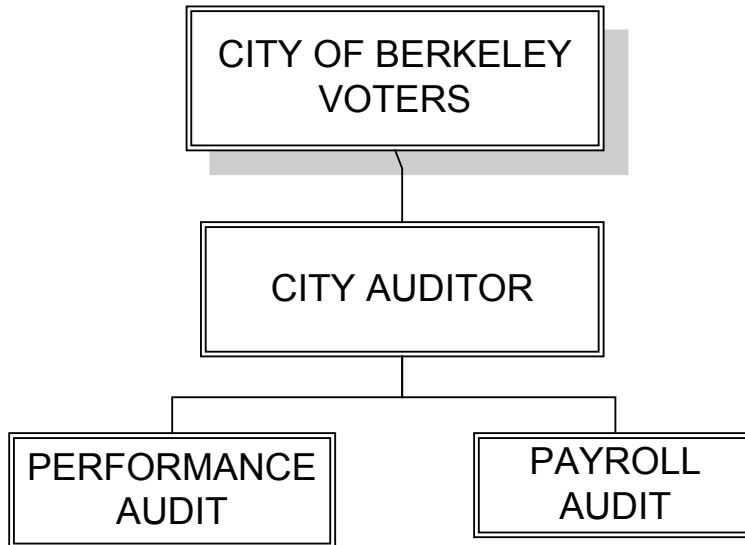
	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2013 Adopted
EXPENDITURES					
<i>By Type:</i>					
Salaries and Benefits	2,060,909	2,155,409	2,160,188	2,327,229	2,385,450
Services and Materials	1,209,898	1,374,672	1,305,828	1,242,039	1,242,039
Capital Outlay	3,168			5,790	5,790
Internal Services	80,144	76,039	80,297	84,304	84,491
Indirect Cost Transfer					
	3,354,119	3,606,120	3,546,313	3,659,362	3,717,770
<i>By Division:</i>					
Administration	420,505	427,063	315,843	298,679	308,574
Legal Advice & Litigation	2,933,614	3,179,057	3,230,470	3,360,683	3,409,196
	3,354,119	3,606,120	3,546,313	3,659,362	3,717,770
<i>By Fund:</i>					
General Fund	1,829,257	2,039,305	1,912,003	2,109,098	2,156,789
Public Liability	1,523,070	1,566,815	1,494,339	1,496,200	1,505,780
Other	1,792		139,971	54,064	55,201
	3,354,119	3,606,120	3,546,313	3,659,362	3,717,770
<i>General Fund FTE</i>					
	10.00	10.00	9.50	9.50	9.50
<i>Total FTE</i>					
	13.00	13.00	13.00	12.00	12.00

CITY AUDITOR'S OFFICE

MISSION STATEMENT

The mission of the City Auditor's Office is to be a catalyst for improving City government. Our audits promote efficiency, effectiveness, and accountability. We provide objective, timely, and accurate information about City program performance to the public as well as Council and staff. Our public reporting of recommendations for improvement helps Berkeley residents hold City government accountable for stewardship of public resources.

ORGANIZATION CHART



CITY AUDITOR'S OFFICE

Department Overview

Performance Audit Division

The elected City Auditor reports to and is accountable to the City of Berkeley voters. Audits are performed in accordance with Government Auditing Standards and are available on our web site at: www.CityofBerkeley.info/Auditor. We independently assess whether City funded services and operations:

- ❑ Are managed properly.
- ❑ Achieve their objectives and desired outcomes.
- ❑ Are being provided efficiently, effectively, and equitably.

We also perform revenue audits and provide consulting services and fraud prevention and detection training.

Payroll Audit Division

Payroll Audit provides independent review of payroll information compiled by management in the departments, and seeks to continuously improve the effectiveness, efficiency, and integrity of Citywide payroll delivery.

Major Accomplishments – FY 2010 & 2011

Performance Audit Division

- ❑ Recommendations from our 2010 audits found opportunities for cost savings and recovered revenue of over half a million dollars. More than half of that figure was recurring; over five years, results are conservatively estimated at over \$2 million. Business license audits, contract monitoring, and “Utilization of Public Works Sewer Staff Could Be Improved” were high-impact reports for 2010.
- ❑ Thirteen reports to Council in 2010 included 92 recommendations for improving:
 - Protection of mental health patient assets
 - Property tax collection
 - Long term savings in workers’ compensation and wellness
 - Inventory controls
 - Avoidance of duplicate payments
 - Performance measurement and management.
- ❑ We also audited the Housing Department’s procedures for compliance with Federal stimulus funding requirements and were pleased to report that controls were in place. We had no negative findings and no recommendations for Housing.

CITY AUDITOR'S OFFICE

- 2011 reports that attracted substantial interest from the public and action from Management included “Employee Benefits: Tough Decisions Ahead” and the Police property and evidence room report. Audits issued or underway in 2011 include over 70 specific actions to improve City performance in:
 - Safeguarding controlled substances
 - Contract monitoring
 - Equipment and vehicle replacement
 - Fuel usage monitoring
 - Billing and Collection controls
 - Evaluating and monitoring employee benefit costs.

Payroll Audit Division

- The division compiled detailed recommendations for Public Safety to consolidate the number of payroll codes in use. Implementation would increase transparency and decrease costs by improving efficiency, accuracy, and compliance with Federal and State laws. Twenty-two recommendations were prepared for the Fire Department, and twenty-seven for the Police Department.
- The on-line City Payroll Manual was revised, expanded and updated. Employees, payroll clerks and supervisors have immediate access to the numerous and complex City rules, regulations, policies and precedent governing payroll processing.

Key Objectives for FY 2012 & FY 2013

Performance Audit Division

- Help City staff improve monitoring of the effectiveness and efficiency of programs.
- Identify system improvements to reduce risks and avoidable costs.
- Provide reliable and objective reports and information about City programs and services.
- Improve timeliness of report issuance and actions taken to help staff, the City Council, and Berkeley residents make informed decisions.
- Identify opportunities for enhancing revenue collection and efficiencies.
- Ensure that all City employees complete training in their responsibility to avoid and report fraud, waste, and abuse of City resources.

CITY AUDITOR'S OFFICE

- Actively work with departments and the City Manager to identify and remove barriers to successful implementation of audit recommendations.

Payroll Audit Division

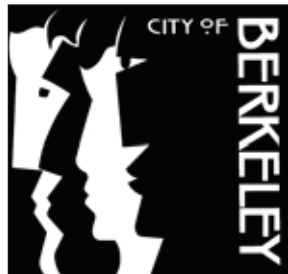
- Provide the City with realistic recommendations to improve, standardize, and simplify employee pay and benefits. This will reduce administrative costs and increase the accuracy and transparency of employee compensation.
- Move to increasingly process and maintain payroll documentation electronically, rather than on paper. This will not only create cost savings but will reduce the City's impact on the environment. Transition to distributed time entry would also reduce staff time and payroll errors and allow for better cost accounting, but is still an unfunded project in the Information Technology Master Plan for 2011.
- Provide City departments with more detailed and comprehensive custom payroll reports so that management has better tools to monitor the overall health of City programs, as well as pay and benefits.

Significant Changes from Prior Year's Budget

- We assisted in balancing the City budget by eliminating one position from Payroll Audit when the incumbent retired. To some extent, this reduction in force will increase the risk of improper payments to employees and vendors. However, some work process improvements should help mitigate this risk. These improvements were the result of several years of partnering with Human Resources. Reducing re-work and minimizing duplication of effort will streamline employee transaction processing and reduce resources needed.

CITY AUDITOR'S OFFICE FINANCIAL SUMMARY

	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2013 Adopted
EXPENDITURES					
<i>By Type:</i>					
Salaries and Benefits	1,825,663	1,885,990	1,766,607	2,028,804	2,081,124
Services and Supplies	34,130	48,769	34,692	68,210	68,210
Capital Outlay	13,524		24,791	7,153	7,153
Internal Services	59,894	57,795	62,663	58,568	58,904
Indirect Cost Transfer					
	1,933,211	1,992,554	1,888,753	2,162,735	2,215,391
<i>By Division:</i>					
Administration	317,589	326,653	334,565	352,867	365,164
General Audit	722,511	759,209	689,067	871,572	889,351
Payroll Audit	893,111	906,692	865,121	938,296	960,876
	1,933,211	1,992,554	1,888,753	2,162,735	2,215,391
<i>By Fund:</i>					
General Fund	1,792,982	1,844,327	1,780,856	2,048,840	2,097,624
Workers' Compensation	140,229	148,227	107,897	113,895	117,767
Other Funds					
	1,933,211	1,992,554	1,888,753	2,162,735	2,215,391
General Fund FTE	12.65	12.65	12.65	12.20	12.20
Total FTE	14.00	14.00	14.00	13.00	13.00



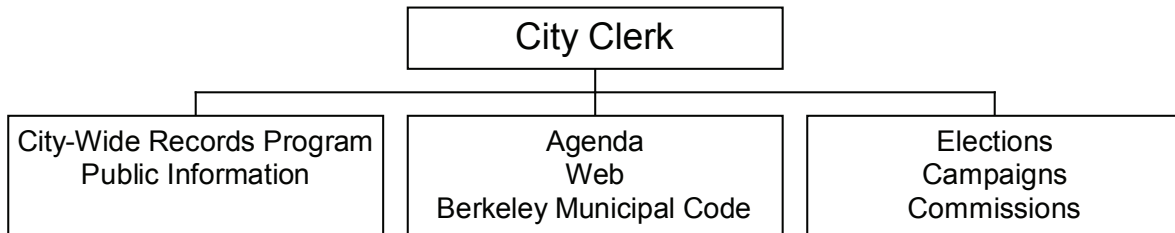
This page left intentionally blank

CITY CLERK DEPARTMENT

MISSION STATEMENT

Provide Citywide oversight for legislative proceedings and professional support to the City Council, City Manager and City Staff. As the Elections Official and Filing Officer, administer municipal elections, campaign finance and conflict of interest regulations. As the Records Manager, administer the Citywide Records Management Program to maintain integrity of documented actions of the legislative bodies, and accessibility to the public. Perform all mandated functions under the United States Constitution, the Constitution of the State of California Codes, and the Charter of the City of Berkeley.

ORGANIZATION CHART



The following information is easily accessible on the City's Website at <http://www.CityofBerkeley.info>

- ◆ **Berkeley Municipal Code and City Charter**
City Ordinances and Charter provisions
- ◆ **Public Records Index**
Provides a searchable index of City records, including Resolutions and Ordinances, along with the City's policy on Records and access to information.
- ◆ **Council ePacket and Videostream**
Includes links to the complete agenda reports and live streaming and archived videos of City Council meetings.
- ◆ **Election Information**
Includes general Election Information, Campaign Information (BERA, Campaign Disclosure Statements)
- ◆ **Commission Information**
Commissioners' Manual, Application Information, Commissioner Training Workshop Video and Materials

CITY CLERK DEPARTMENT

Department Overview

Council and Commission Support

City Clerk staff prepares the Council agendas and agenda packets for the City Council and the Redevelopment Agency, and provides for the captioning and indexing of meeting video streams. The City Clerk administers the commission appointment process, maintains the information regarding the commission rules and regulations, and serves as an advisor for commission secretaries.

Legislative History

The City Clerk attends the meetings of the City Council and Redevelopment Agency and maintains the legislative history of the City, including the Charter and the Municipal Code.

Public Information and Records

The Department provides general information and services to the public including: 1) administration of the Domestic Partnership Registry; 2) codification of the Municipal Code; and 3) a Guide for the Public on How to Access Information and Records. Citizens are welcome to visit the City Clerk Department to research and review legislative, candidate and ballot measure information, campaign and conflict of interest filings, and other public information. City Clerk staff maintain a broad range of information on the City's website at <http://www.cityofberkeley.info/clerk/>.

Citywide Records Management

The City Clerk is the Records Manager for the City and as such, maintains the City's Records Retention Schedule and provides departments with guidance on the best practices of records management. The City Clerk contracts with an off-site records storage facility where inactive City records are stored.

Campaign and Conflict Law

The City Clerk is the local Filing Officer for the State of California. All local campaign committees are required to file campaign statements with the City Clerk. All designated employees, elected officials and appointed commissioners are required to file conflict of interest statements with the City Clerk. The City Clerk maintains regulations and forms under the State's Political Reform Act and Berkeley's Election Reform Act.

Elections

The City Clerk is the Election Official and administers the City's elections including: 1) the nomination process for candidates; 2) processing of petitions and ballot measures; 3) coordination with the Alameda County Registrar of Voters for regular elections; and 4) conducting special elections.

CITY CLERK DEPARTMENT

Major Accomplishments – FY 2010 & FY 2011

- Administered November 2010 General Municipal Elections for elected officers and local ballot measures. Processed filing paperwork (signature in lieu of filing fee process, nomination process) for over 33 prospective candidates, and processed and published to the web campaign statements for over 27 campaign committees. Administered ballot measure process, including arguments and rebuttals, for three ballot measures and coordinated voter pamphlet publication with County;
- Successful implementation of new Ranked-Choice Voting system for municipal elections, including extensive voter education program;
- From July 2009-present, staffed 79 Council meetings (including Regular, Special and Closed Session meetings), and processed 953 resolutions and 79 ordinances. Imaged and indexed 26,485 documents into the Citywide content management system, retrieved 2,940 boxes of records, processed 3,001 new records accessions, and destroyed 1,188 boxes;
- Converted the City Charter to a more user-friendly online searchable format to provide more efficient public access;
- Increased compliance through online filing for campaign reports;
- Conducted several Agenda Review Workflow System Users Group meetings and one-on-one trainings; and
- Conducted Comprehensive training for Commission secretaries – 100% attendance.

Key Objectives for FY 2012 & FY 2013

Records/Public Information:

The Records and Public Information Unit is responsible for the management and operation of the Citywide Records Management Program, including the offsite records storage facility and access to public records.

- Maintenance and Administration of Records Online - the searchable online component of the Records Program, which allows internal and external customers to view public records;
- Research and development for Citywide imaging projects;
- Revision of the Citywide Records Retention Schedule;
- Creation and publication of Records Unit Policies and Procedures manual;
- Citywide staff training for Records Online/ records retrieval procedures; and
- Destruction of eligible records pursuant to the Records Retention Schedule.

CITY CLERK DEPARTMENT

Agenda/Web Page/Berkeley Municipal Code:

The Agenda Unit is responsible for the management of the Citywide automated agenda workflow process and the meeting management for the City Council, Agenda Committee, Redevelopment Agency and other boards that are comprised of a majority of members of the City Council. Key objectives include:

- Preparation for Open Government Ordinance;
- Conduct Citywide training and quarterly user-group meetings to allow feedback and update users on new meeting management functions and processes;
- Streamlining of Citywide Electronic Content Management System; and
- Update and revisions of information materials for public meetings.

Elections/Campaigns/Commissions:

The Elections Unit is responsible for the administration of elections, the initiative process, campaign reporting, conflict of interest disclosure, ethics training, and the City's commission member process. Key objectives include:

- Additional Ranked Choice Voting voter education and outreach for the November 2012 election;
- Update Commission Manual to reflect changes in policy and clarification of commission rules; and
- Plan and execute municipal redistricting process based on 2010 Census data

Significant Changes from Prior Year's Budget

- ❑ Eliminate a vacant 1.0 FTE Assistant Management Analyst position in FY 2012
- ❑ Eliminate hard copy agendas for City Councilmembers in FY 2013

CITY CLERK FINANCIAL SUMMARY

	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2013 Adopted
EXPENDITURES					
By Type:					
Salaries and Benefits	1,151,058	1,163,001	1,161,494	1,270,762	1,309,469
Services and Materials	419,136	191,048	769,445	509,751	509,751
Capital Outlay	17,353	9,469	2,461	25,390	25,390
Internal Services	89,066	83,362	76,883	111,840	95,508
Indirect Cost Transfer					
	1,676,613	1,446,880	2,010,283	1,917,743	1,940,118
By Division:					
City Clerk	1,171,440	1,139,529	1,128,757	1,522,238	1,539,899
Elections	505,173	307,351	881,526	395,505	400,219
	1,676,613	1,446,880	2,010,283	1,917,743	1,940,118
By Fund:					
General Fund	1,676,613	1,446,880	2,010,283	1,917,743	1,940,118
	1,676,613	1,446,880	2,010,283	1,917,743	1,940,118

General Fund FTE	10.00	11.00	11.00	10.00	10.00
Total FTE	10.00	11.00	11.00	10.00	10.00



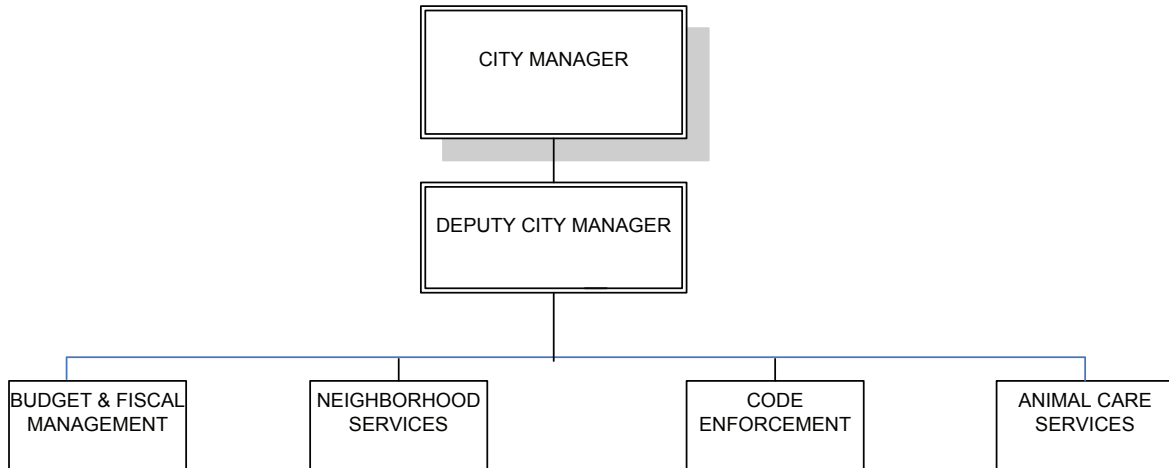
This page left intentionally blank

CITY MANAGER'S OFFICE

MISSION STATEMENT

As City of Berkeley employees our mission is to provide quality services to our diverse community; promote an accessible safe, healthy, environmentally sound and culturally rich city; initiate innovative solutions; embrace respectful democratic participation; respond quickly and effectively to neighborhood and commercial concerns; and do so in a fiscally sound manner.

ORGANIZATION CHART



CITY MANAGER'S OFFICE

Department Overview

Administration and Neighborhood Services

The Administrative Unit includes the City Manager and Deputy City Manager, as well as two senior management analysts (one of whom is the City's Public Information Officer and the other who handles Public Records Act requests to the City), and three administrative staff who support the City Manager's office as well as the Mayor and Council. This unit also includes the two staff members in Neighborhood Services who work on Citywide and neighborhood problems with the City Council, citizens, and external organizations and the Administrative Hearing officer, who handles appeals on parking tickets and other administrative citations.

Berkeley Animal Care Services

Animal Care Services provides field services for the cities of Berkeley and Albany, and shelters animals from Berkeley, Albany, Piedmont, and Emeryville. The services include the enforcement of city ordinances related to animals, removal of killed or injured wildlife, impoundment of stray pets, and investigation of animal-related neglect, cruelty, nuisance and bite cases. The City's shelter houses domestic animals from the cities of Berkeley, Albany, Emeryville, and Piedmont and provides not only a safe haven for these homeless pets, but also adoption services, advice on animal-related topics, lost and found pet reports, and free or low-cost spay/neuter vouchers for Berkeley residents' dogs and cats.

Code Enforcement

The Code Enforcement Unit includes the Code Enforcement Supervisor, two Code Enforcement Officers and one Assistant Planner. The unit is responsible for the enforcement of violations of the Berkeley Municipal Code, including zoning violations, graffiti, illegal businesses, blight, illegal units and accessory uses, signage and illegal dumping.

Office of Budget and Fiscal Management

The Budget Office is responsible for the preparation, development and management of the City's Budget and for reviewing and analyzing all fiscal issues that impact the City. The Budget Office also processes payroll for the Mayor and Council, School Board, City Attorney's Office, City Clerk's Office, Information Technology, and Human Resources, in addition to all other units of the City Manager's Office.

Major Accomplishments – FY 2010 & FY 2011

- Administration and Neighborhood Services
 - Led multi-departmental effort to develop and implement Open Government Ordinance;

CITY MANAGER'S OFFICE

- Led multi-departmental efforts that led to the sale and permanent resolution of long-standing problem properties;
 - Responded to hundreds of calls about neighborhood problems and problem properties and coordinated response efforts across departments;
 - Increased community engagement and partnerships with UC, including Berkeley Project Day (1,785 volunteers at 61 sites), Berkeley Project Month (381 volunteers, 18 sites over three days) and the annual Move In/Move Out campaigns;
 - Coordinated efforts of City, university, school district, community-based organizations and U.S. Census Bureau to encourage strong 2010 Census response;
 - Continued support of Public Commons for Everyone Initiative efforts that maintained 100% housing retention for individuals in PCEI programs;
 - Coordinated response of approximately four to five media requests a day;
 - Produced and distributed City's Annual Report on budget and programs; and
 - Responded to Public Records Act requests that required multi-departmental coordination.
- Office of Budget and Financial Management:
- Managed the FY 2010 & FY 2011 Biennial Budget Process and the FY 2011 Mid-Biennial Budget Update process; and
 - Improved citywide fiscal analysis through enhanced multi-year forecasting models
 - Held focused budget work sessions with the City Council on City expenditures and revenues and budget issues facing the City.
- Animal Shelter
- Broke ground on construction of new Animal Shelter at 1 Bolivar Drive;
 - Sustained low euthanasia rates, despite approximate nine percent increase in number of dogs entering the shelter; and
 - Increased number of volunteers at the shelter. Volunteers spend an average of 380 hours a week supporting animals and the shelter.
- Code Enforcement
- Collected \$20,300 from bank-owned blighted and vacant properties;
 - Closed unlawful bingo operation;
 - Closed unlawful massage parlor operations;
 - Collected a \$6,000 penalty and closed an unlawful recycling operation;
 - Placed \$18,400 in Special Assessment Liens for Code Violations;
 - Removed 36 hazardous and unsafe sidewalk-mounted news racks;
 - Issued 16 violation notices to hair and nail salons operating without business licenses;
 - Issued 9 Blight Notices to vacant properties; and
 - Collected \$8,316 in permit fees for a development project.

CITY MANAGER'S OFFICE

Key Objectives for FY 2012 & FY 2013

- ❑ Continue efforts to restructure the organization to align with priority services with available resources while improving work processes and customer service;
- ❑ Continue to plan for long term fiscal health of the City of Berkeley;
- ❑ Open the Dona Spring Animal Shelter in Fall 2011;
- ❑ Coordinate implementation of Open Government Ordinance;
- ❑ Coordinate response to media inquiries to reduce burden on staff and increase responsiveness;
- ❑ Continued improvement of web content and functionality to improve access to City information and services;
- ❑ Receive the "Distinguished Budget Presentation Award" from the Government Finance Officers Association for the FY 2012 & FY 2013 Adopted Biennial Budget and FY 2012 & FY 2013 Capital Improvement Budget Book; and
- ❑ Coordinate and oversee with the Human Resources Department the negotiations of new labor contracts with the City's labor unions;
- ❑ Work with Berkeley Unified School District to move Council Chambers;
- ❑ Lead study to optimize space utilization of City resources;
- ❑ Review PLA.

Significant Changes from Prior Year's Budget

- ❑ The 311 Customer Service Call Center was transferred to Information Technology to facilitate greater integration with City technology systems.
- ❑ Reduce .80 FTE Administrative Hearing Officer to .50 FTE in FY 2013 for a savings of \$41,472.
- ❑ City Manager's Office staff will continue to take a number of VTO days without pay, and the City Manager and Deputy City Manager will not take the Cost of Living Adjustment in FY 12. Projected savings from these measures is \$30,130.

CITY MANAGER'S OFFICE FINANCIAL SUMMARY

	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2013 Adopted
EXPENDITURES					
<i>By Type:</i>					
Salaries and Benefits	5,957,901	5,926,651	3,971,161	4,115,507	4,177,375
Services and Materials	1,211,526	1,208,131	517,927	559,040	559,040
Capital Outlay	15,510	1,009	3,093		
Internal Services	330,260	285,625	204,018	215,801	215,969
Indirect Cost Transfer	98,589	104,771	16,436	16,871	16,955
	<u>7,613,786</u>	<u>7,526,187</u>	<u>4,712,635</u>	<u>4,907,219</u>	<u>4,969,339</u>
<i>By Division:</i>					
Administration	1,919,178	1,981,549	1,589,331	1,601,267	1,592,638
Neighborhood Services	1,154,797	1,054,694	981,090	1,082,180	1,105,354
Customer Service	2,584,372	2,472,331	10,516		
Animal Care Services	1,295,289	1,369,792	1,488,507	1,528,287	1,559,748
Budget & Fiscal Mgmt.	660,150	647,821	643,191	695,485	711,599
	<u>7,613,786</u>	<u>7,526,187</u>	<u>4,712,635</u>	<u>4,907,219</u>	<u>4,969,339</u>
<i>By Fund:</i>					
General Fund	6,786,897	6,575,879	4,431,675	4,600,210	4,716,367
Animal Shelter Fund	32,995	31,579	98,193	42,000	42,000
Capital Improvement Fund	10,690				
Refuse Fund	532,699	504,684	36,959	48,600	48,600
Sanitary Sewer Fund	50,892	114,472			
Clean Storm Water	50,891	108,348			
Permit Service Center	148,722	147,894	144,225	158,649	162,372
Other Funds		43,331	1,583	57,760	
	<u>7,613,786</u>	<u>7,526,187</u>	<u>4,712,635</u>	<u>4,907,219</u>	<u>4,969,339</u>
<i>General Fund FTE</i>					
	43.40	41.90	26.30	26.30	26.00
<i>Total FTE</i>					
	51.80	49.30	27.30	27.30	27.00



This page left intentionally blank

OFFICE OF ECONOMIC DEVELOPMENT

MISSION STATEMENT

The purpose of the Office of Economic Development (OED) is to expand employment and business opportunities for Berkeley residents, entrepreneurs and property owners through business retention and attraction; to generate a healthy business climate that maintains and enhances the environmental quality of the City, produces tax revenues to support civic goals and provides goods and services for the Berkeley populace; to support artistic and cultural activities for the community and generate new arts resources; and to ensure equal opportunities for minorities, women, and disabled persons in these endeavors.

ORGANIZATION CHART



OFFICE OF ECONOMIC DEVELOPMENT

Department Overview

Business Services

The Business Services Division of OED works to grow, retain and attract businesses in Berkeley, support new entrepreneurship and innovation in emerging economic sectors, assist a variety of representative business organizations business improvement districts, and help guide developers in creating new commercial and mixed-use space. This division also engages in a variety of marketing and district identity efforts, policy development initiatives, and promotion of sustainable business practices through assorted of programs and services.

Civic Arts Program

The Civic Arts division administers the 1.5% for Public Art Program, the Civic Arts Grant Program and marketing of the arts through publicity, forums, workshops, publications and on-line tools. Staff works with the Civic Arts Commission, the Berkeley Cultural Trust, and the business community to promote cultural tourism.

Major Accomplishments – FY 2010 & 2011

- ❑ Provided a range of business and development assistance including that leading to the retention and expansion of Bayer, Weatherford BMW, the Shattuck Hotel and the repurposing of the Flint Ink site;
- ❑ Created, and now administer, a listing service of available commercial property in Berkeley. This service is available on the OED website and through LocateInBerkeley.com;
- ❑ Co-founded the Berkeley Start-up Cluster (BSC) as a way to capture emerging U.C. spin-outs and promote Downtown, working with the U.C. Office of Technology Licensing, the Downtown Berkeley Association (DBA), the Telegraph BID and the Berkeley Chamber of Commerce (www.berkeleystartupcluster.com);
- ❑ Worked with the City of Oakland to expand and implement the Enterprise Zone Program for West Berkeley as of December 1, 2009;
- ❑ Refined OED's GIS-based retail inventory that enables staff to produce vacancy rate reports and do analyses/modeling of retail business trends by sub-sector, location, neighborhood district, size, etc.;
- ❑ Developed an Economic Impact template to evaluate the potential economic benefits of new businesses and development projects;
- ❑ Worked closely with Planning staff on economic and policy analysis for the West Berkeley Project;
- ❑ Partnered with the *Buy Local Berkeley* campaign to encourage local patronage of locally owned businesses. *Buy Local Berkeley* now has over 450 participating businesses, a Website, a Twitter feed, and Facebook page, and e-mail subscribers of over 5,000 residents who receive monthly local shopping updates;

OFFICE OF ECONOMIC DEVELOPMENT

- ❑ Facilitated 47 local companies as first-time “Bay Area Green Certified Businesses”;
- ❑ Assisted the Downtown Berkeley Association (DBA) in strategic planning and implementation efforts leading to establishment of a new Downtown Property-Based Business Improvement District targeted to begin in 2011;
- ❑ Worked with the North Shattuck Association to renew the Property-Based Business Improvement District for 2011-2021;
- ❑ Worked with the Freight and Salvage coffeehouse to facilitate approximately \$2,100,000 worth of New Market Tax Credits. This returned \$631,000 to the City’s General Fund;
- ❑ Worked with the Ecology Center to organize a successful 6th Annual Berkeley Green Gathering event at Berkeley City College, bringing in a record 225 attendees;
- ❑ Provided City staff leadership critical to the ongoing implementation of the East Bay Green Corridor Partnership, including serving on its Steering Committee, chairing its Business Development Committee, and assisting with development of its website and e-newsletter;
- ❑ Worked with the City of Emeryville to create the Berkeley/ Emeryville Bioscience Cluster, an emerging industry cluster in Southwest Berkeley;
- ❑ Received EDA approval to expand the boundaries for the City’s Revolving Loan Fund and worked with the Loan Administration Board to revise the out-of-date Administrative Plan;
- ❑ Implemented façade grant program targeted to the Adeline, Sacramento, San Pablo and University Corridors resulting in 9 completed façade renovations;
- ❑ Completed first construction phase of the environmental public art project in the Berkeley Marina in co-operation with the Audubon Society and funded by a \$100,000 grant from the Open Circle Foundation;
- ❑ Obtained \$8,000 grant from the Open Circle Foundation for the implementation of the youth art component of ‘60 Boxes,’ a Downtown utility box youth public art project;
- ❑ Completed survey in conjunction with the Cultural Mapping Project of the Hewlett Foundation which established that there are more than 200 legitimate arts nonprofits in Berkeley;
- ❑ Assisted Library Board of Trustees in a competition to choose public art for the new Claremont and North Berkeley branch libraries; and
- ❑ Worked with the California Data Project of the Pew Charitable Trust to capture financial data on all Berkeley arts nonprofits.

Key Objectives for FY 2012 & 2013

- ❑ Help create business conditions that grow Berkeley’s retail tax revenue by 10 percent;
- ❑ Work with the business and development community to generate new job opportunities for Berkeley residents;

OFFICE OF ECONOMIC DEVELOPMENT

- ❑ Attract five new regionally-serving businesses that can attract shoppers to Berkeley and increase local tax revenue;
- ❑ Retain and expand Berkeley's existing auto dealerships;
- ❑ Develop the Berkeley Start Up Cluster (BSC) as a marketing strategy for the near-to-campus area to help capture new and emerging spin-out companies;
- ❑ Build on existing efforts to support the incubation, retention and expansion of Berkeley-based companies. In particular:
 - Work with the UCB, the Downtown Berkeley Association, the Berkeley Chamber of Commerce and other private partners to create a Downtown business Incubator.
 - Work with the development community, QB3 East Bay, U.C. Berkeley, LBNL, and other stakeholders on the growth and capture of emerging Bioscience companies in West Berkeley;
- ❑ Continue working with the East Bay Green Corridor Partnership on program development to support green business growth and promote green/clean business clusters in Berkeley and the region;
- ❑ Continue implementation of the East Bay Arts Corridor to facilitate regional marketing of artists and cultural resources and the generation of new foundation arts grants;
- ❑ Continue administration and active staff support for Berkeley's four Business Improvements Districts as well as other merchant groups and business organizations;
- ❑ Continue active staff engagement with the Adeline and Sacramento Merchant Associations to address infrastructure and economic issues to assist the economic revitalization of South Berkeley;
- ❑ Develop an economic development strategy for Telegraph Avenue;
- ❑ Work with the Planning Department on implementation of the West Berkeley Project and assist with large site marketing and development activity;
- ❑ Facilitate the Green Certification of 10 Berkeley hotels;
- ❑ Generate \$100,000 in new grant money for public art by leveraging the City's Public Art Fund;
- ❑ Organize the 7th Annual Green Gathering;
- ❑ Identify partnership opportunities for marketing Berkeley that leverages OED's marketing budget and promotes Berkeley's commercial districts, its place in the regional economy, and its high quality of life;
- ❑ Work with the Berkeley Chamber of Commerce, Visitberkeley.org and other business organizations on initiatives to improve Berkeley's business climate and image as a business location;
- ❑ Bring the new Berkeley Revolving Loan Fund Administrative Plan to the Council for adoption;
- ❑ Map all the performing arts groups in Berkeley with assistance from the Flora and William Hewlett Foundation;
- ❑ Provide technical assistance (data and mapping) to potential and existing property and business owners; and
- ❑ Continue to build the City's data infrastructure to produce regular economic development reports and analyses.

OFFICE OF ECONOMIC DEVELOPMENT

Significant Changes from Prior Year's Budget

The Adopted Budget reduces General Fund support for Economic Development by a total of \$108,442 over two years. In FY 2012, the reductions amount to \$54,605 and include a \$33,827 reduction to marketing and program development efforts, a \$2,500 reduction to South Berkeley advertising funds, a \$8,530 reduction in funds used to promote local and sustainable businesses, and a \$9,748 reduction representing a 3 percent cut to both Civic Arts grant funding and the Berkeley Art Center contract.

In FY 2013, there will be further reductions in the same categories: a \$35,381 reduction in marketing and program development; a \$4,500 reduction in South Berkeley advertising; a \$4,500 reduction in promotion of local and sustainable businesses, and a \$9,456 reduction representing a 3 percent cut to both Civic Arts Grant funding and the Berkeley Arts Center contract.

OFFICE OF ECONOMIC DEVELOPMENT FINANCIAL SUMMARY

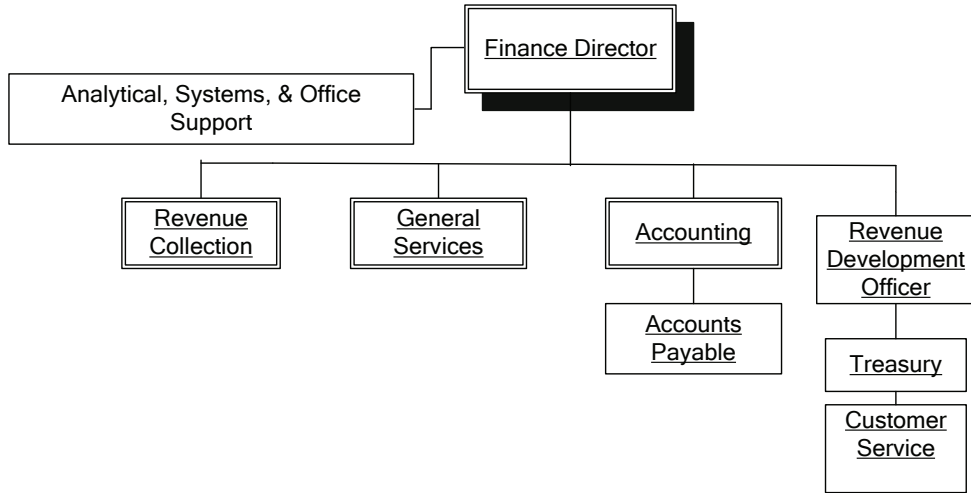
	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2013 Adopted
EXPENDITURES					
By Type:					
Salaries and Benefits	1,274,610	970,060	841,708	871,541	893,817
Services and Materials	1,880,082	2,105,407	1,599,399	3,014,361	2,992,916
Capital Outlay	2,309	137	1,587		
Internal Services	77,259	9,001	7,206	5,551	5,719
Indirect Cost Transfer	3,404	1,006	1,030	1,070	1,075
	3,237,664	3,085,611	2,450,930	3,892,523	3,893,527
By Division:					
Administration	91,079	92,197	95,364	74,184	77,072
Adult Employment	309,673	3,253			
Economic Development	1,902,625	2,068,470	1,526,023	2,961,363	2,943,272
Arts Coordination	730,431	671,155	576,309	568,346	588,164
South Berkeley Revitalization	65,400	76,719	91,891	114,762	111,620
Sustainable Development	138,456	173,817	161,343	173,868	173,399
	3,237,664	3,085,611	2,450,930	3,892,523	3,893,527
By Fund:					
General Fund	2,200,092	2,174,250	1,762,322	1,885,242	1,886,002
First Source	54,742	1,197			
Loan Funds	49,775	6,145	4,775	56,095	56,095
Business Improvement Districts Measure S	763,328	764,049	596,223	1,872,350	1,872,350
Public Art Fund	122,213	79,264	74,801	60,870	60,870
Refuse Fund	47,514	11,187	12,472	17,966	18,210
Other Funds		49,519	337		
	3,237,664	3,085,611	2,450,930	3,892,523	3,893,527
General Fund FTE	9.00	7.60	5.80	5.80	5.80
Total FTE	9.85	7.85	5.85	5.85	5.85

FINANCE DEPARTMENT

MISSION STATEMENT

The Finance Department conducts all of our responsibilities with integrity, warrant and receive the trust of colleagues and constituents, and to positively support the delivery of quality services to fulfill the City's mission and citywide priorities. Within the framework of full disclosure and quality customer service, our principal obligations are to safeguard City assets, maximize revenues, manage the business of City programs, and provide accurate, timely, and complete financial information.

ORGANIZATION CHART



FINANCE DEPARTMENT

Department Overview

The Finance Department provides direct services to the entire Berkeley community of residents and businesses, and support services to all City departments.

Office of the Director & Finance Administration

This division serves as the City's Chief Financial Officer, Investment Manager, and City Treasurer. This division provides revenue and economic forecasting and other information to City policymakers and stakeholders; manages the City and retiree medical plan investment portfolios, debt issues, revenue audits and Use Tax Project; and provides business administration and technical assistance to City departments.

Accounting

Accounting maintains the City's general ledger, and prepares the City's internal and external financial statements and reports. Accounting is responsible for all bank reconciliations, development of the indirect cost allocation plans, and quality control review on accounting transactions entered by all departments. Accounting also prepares all required State Controller, payroll, and sales tax returns.

Revenue Collection

The Revenue Collection Division provides billing and collection services for refuse and most other City services; prepares the City's and Berkeley Unified School District's (BUSD's) special property tax rolls for inclusion on the annual property tax bill; processes Transfer Tax, Seismic Retrofit, low-income, private sewer lateral refunds; prepares and processes annual business license renewals and residential parking permits; processes new business licenses; administers and issues taxi, street vendor, massage, and food vendor permits; redeems taxi scrip; and maintains the City's land database.

General Services

General Services manages citywide procurement activities, from issuing and awarding all non-construction bids and Request For Proposals (RFPs), to obtaining the best competitive pricing for purchases while adhering to the City's purchasing policies. The City's central mail services are also within Finance General Services.

Major Accomplishments – FY 2010 & FY 2011

- Office of the Director & Finance Administration
 - Achieved a rate of return on the City's investment portfolios significantly higher than most cities in California;
 - Implemented check scanning technology in Treasury for depositing high value checks;
 - Increased credit/debit card acceptance locations resulting in increased collection rate and less bank fees;

FINANCE DEPARTMENT

- Online Payment – This project was revitalized and moving forward. Convenience fee rate was successfully re-negotiated with a \$2 rate reduction, from \$6.95 to \$4.95 and this rate will be locked in for two years, in lieu of the normal six-month rate review;
- Generated new General Fund revenue through revenue audits, as follows:

REVENUE CATEGORY	FY 2010	FY 2011 YTD	TOTAL
Business License	\$ 687,564	\$ 253,352	\$ 940,916
Transient Occupancy Tax	40,833	26,978	67,811
Parking Lot Tax	35,601	7,059	42,660
Transfer Tax	45,955	207	46,162
Use Tax	24,907	2,839	27,746
TOTAL	\$ 834,860	\$ 290,435	\$1,125,295

- Increased the size of the FY 2011 Tax and Revenue Anticipation Note (TRAN) borrowing by \$25 million and prepaid the FY 2011 Public Employee Retirement System (PERS). By pre-paying the retirement payments, the City received a 3.7% discount (7.26% annualized), which amounted to a savings of approximately \$1 million.
- Accounting
 - Completed the FY 2009 CAFR by the end of September 2010;
 - Successfully defended the City against the State Board of Equalization (BOE) in an audit of the period 10/1/06-9/30/09 with no audit findings. In the previous BOE audit, the City was fined more than \$83,446 by BOE for failing to withhold and remit the proper amount of sales tax; and
 - Created a monthly database that could be accessed by all departments. It provided management with a quick overview of the budget situation for each month that closed, enabling management to address significant budget variations in a timelier manner.
- General Services
 - Completed Business Analysis of Print Shop and prepared/awarded RFP to utilize outside resources; and
 - Worked with Commission on Labor to pass a Sweatshop Free Ordinance.
- Revenue Collection
 - Implemented the new special tax for Fire/Emergency Preparedness;
 - Worked in conjunction with Information Technology and Fire to implement new Red Alert Fire Inspection billing system; and
 - Collected over \$250,000 in past due utility permit inspection fees.

FINANCE DEPARTMENT

Key Objectives for FY 2012 & FY 2013

- Office of the Director & Finance Administration
 - Achieve an above-average rate of return on the City's investment portfolios;
 - All payment accounts required by Wells Fargo and Payment Card Industry (PCI) are now PCI compliant; the accounts have all the necessary safeguards to credit card and bank account confidential information. This is the first time that the Payment Card Security Council requires merchants to be PCI compliant, and Finance took the lead to make sure that the City stays on top of the situation;
 - Lead review of revenue collections to identify opportunities for improvements and efficiencies;
 - Online Payment – This project was revitalized and moving forward. A pilot project for some bill payments will start once a contract is signed;
 - Become more effective collecting delinquent amounts due to the City;
 - Obtain resources to provide ongoing citywide cash handling training, and to perform ongoing internal control reviews and risk assessments at all City cash handling sites;
 - To implement electronic deposits using Automated Clearing House for customer payments; and
 - Generate \$400,000 in new General Fund revenue from revenue audits and Use Tax project.

- Accounting
 - Implement Government Accounting Standards Bureau Statement #54, Fund Balance Reporting and Governmental Fund Type Definitions for the City's FY 2011 Comprehensive Annual Financial Report (CAFR).

- General Services
 - Continue to implement Citywide agreements to leverage economies of scale for cost savings;
 - Research and analyze the benefits of E-procurement;
 - Conduct quarterly training of City staff on purchasing and contracting procedures and processes;
 - Manage the printing and mailing services of Minuteman Press effectively and for the benefit of all City departments, for a savings of approximately \$100,000 annually;
 - Work on the on-line vendor registration application which will allow vendors to submit applications electronically; and
 - Acquire the Award of Excellence in procurement.

- Revenue Collection
 - In conjunction with Administration, Treasury and the Information Technology (IT) Department, implement an improved web payment to enable citizens to make payment to the City via the web, including refuse and other City-billed services;

FINANCE DEPARTMENT

- Expand lockbox services;
 - Select and implement new Business License software;
 - Implement new transfer station billing system in conjunction with Public Works and Information Technology;
 - Implement new billing interfaces for False Alarm, Hazardous Materials, and Health and Tobacco Permit fees; and
 - Implement a property based Downtown Business Improvement District billing (if approved by affected property owners).
- Customer Service
- To improve internal controls through effective monitoring of processes and resources in order to provide adequate safeguards for liquid City assets;
 - Evaluate the parking ticket system for embedded controls, streamline processes, increase internal controls and payment reconciliation; and
 - Continue to improve customer service levels by increasing staff training, implementing process changes, acquiring tools to provide more efficient service, and finding resolutions to inadequate resources.

Significant Changes from Prior Year's Budget

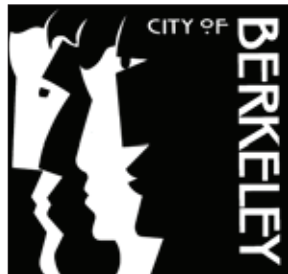
- Eliminate a 1.0 FTE Office Specialist II in Revenue Collection in FY 2012 for savings of \$96,929.
- Eliminate a 1.0 FTE Accounting Office Specialist III in Accounting in FY 2013 for a savings of \$146,488.
- Eliminate overtime budget in Accounting and Revenue Collection and reduce non-personnel budget in all divisions for FY 2012 for a savings of \$29,406.
- Implement changes and improvements based on the collections study.

FINANCE DEPARTMENT FINANCIAL SUMMARY

	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2013 Adopted
EXPENDITURES					
By Type:					
Salaries and Benefits	5,030,765	5,115,970	5,681,415	6,039,049	5,980,162
Services and Materials	809,335	754,789	720,266	943,027	943,027
Capital Outlay	8,589	14,544	6,335	2,533	2,533
Internal Services	289,937	344,773	331,504	423,111	424,119
Indirect Cost Transfer	123,317	102,241	107,442	119,707	120,304
	6,261,943	6,332,317	6,846,962	7,527,427	7,470,145
By Division:					
Office of the Director	1,842,343	1,858,302	1,888,334	1,913,440	1,967,904
Accounting	1,104,208	1,150,698	1,173,658	1,259,507	1,146,135
General Services	1,313,305	1,383,933	1,274,397	1,568,144	1,507,849
Customer Service	83,437	19,064	479,557	703,818	719,791
Parking	43,000	42,000	40,000	40,000	40,000
Revenue Collection	1,875,450	1,878,320	1,990,846	2,042,518	2,088,466
Real Estate	200	-	170	-	-
	6,261,943	6,332,317	6,846,962	7,527,427	7,470,145
By Fund:					
General Fund	4,467,893	4,509,850	5,022,946	5,390,910	5,380,931
Paramedic Assmt Dist	7,419	12,718	10,175	12,849	13,118
Library	7,409	12,685	10,173	12,849	13,118
Rental Housing Safety	13,414	8,822	30,838	-	-
Parks Tax	7,410	12,633	10,166	12,849	13,118
Street Light Assmt.	8,620	14,578	11,389	14,735	15,013
Refuse Fund	977,926	904,177	962,368	1,097,624	1,124,076
Clean Storm Water	8,618	14,573	11,790	14,735	15,013
Private Sewer Lateral	20,742	22,414	23,367	24,393	25,182
Off Street Parking	200				
Parking Meter	43,000	42,000	40,000	40,000	40,000
Equipment Replacement	107,592	113,782	116,334	132,994	135,589
Central Services	543,705	606,305	533,103	697,009	617,058
Other Funds	47,995	57,780	64,313	76,480	77,929
	6,261,943	6,332,317	6,846,962	7,527,427	7,470,145
General Fund FTE					
	49.00	33.50	38.50	37.50	36.50
Total FTE					
	50.50	47.00	49.00	48.00	47.00

FINANCE DEPARTMENT FINANCIAL SUMMARY

	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Proposed	FY 2013 Proposed
DIVISION/ACTIVITY SUMMARY					
Office of the Director					
Administration	666,489	663,217	691,495	592,075	614,444
Systems Support	396,518	399,979	388,868	440,533	447,077
Treasury	368,911	376,228	392,662	422,400	434,660
Accounts Payable	410,425	418,878	415,309	458,432	471,723
Division Total	1,842,343	1,858,302	1,888,334	1,913,440	1,967,904
FTE Total	13.00	13.00	13.00	13.00	13.00
Accounting					
Administration	1,104,208	1,150,698	1,173,658	1,259,507	1,146,135
Division Total	1,104,208	1,150,698	1,173,658	1,259,507	1,146,135
FTE Total	8.00	8.00	8.00	8.00	7.00
General Services					
Procurement	747,394	777,628	741,294	871,135	890,791
Mail Services	271,463	303,318	345,175	379,297	383,389
Print Services	294,448	302,987	187,928	317,712	233,669
Division Total	1,313,305	1,383,933	1,274,397	1,568,144	1,507,849
FTE Total	9.50	9.50	7.00	7.00	7.00
Customer Service					
311	83,437	18,934			
Counter/Call Center			479,557	703,818	719,791
Licensing		130			
Division Total	83,437	19,064	479,557	703,818	719,791
FTE Total	2.00	-	6.00	6.00	6.00
Parking					
Administration	43,000	42,000	40,000	40,000	40,000
Division Total	43,000	42,000	40,000	40,000	40,000
FTE Total	-	-	-	-	-
Revenue Collection					
Billing	1,191,879	1,278,190	1,398,585	1,485,353	1,518,494
Collections	402,197	414,012	419,764	445,250	455,789
Customer Service	97,563	8,440	1,526	150	150
Licensing	183,811	177,678	170,971	111,765	114,033
Division Total	1,875,450	1,878,320	1,990,846	2,042,518	2,088,466
FTE Total	18.00	16.50	15.00	14.00	14.00
Real Estate					
Real Estate Management	200		170	-	-
Division Total	200	-	170	-	-
FTE Total					
Department Total	6,261,943	6,332,317	6,846,962	7,527,427	7,470,145
FTE Total	50.50	47.00	49.00	48.00	47.00



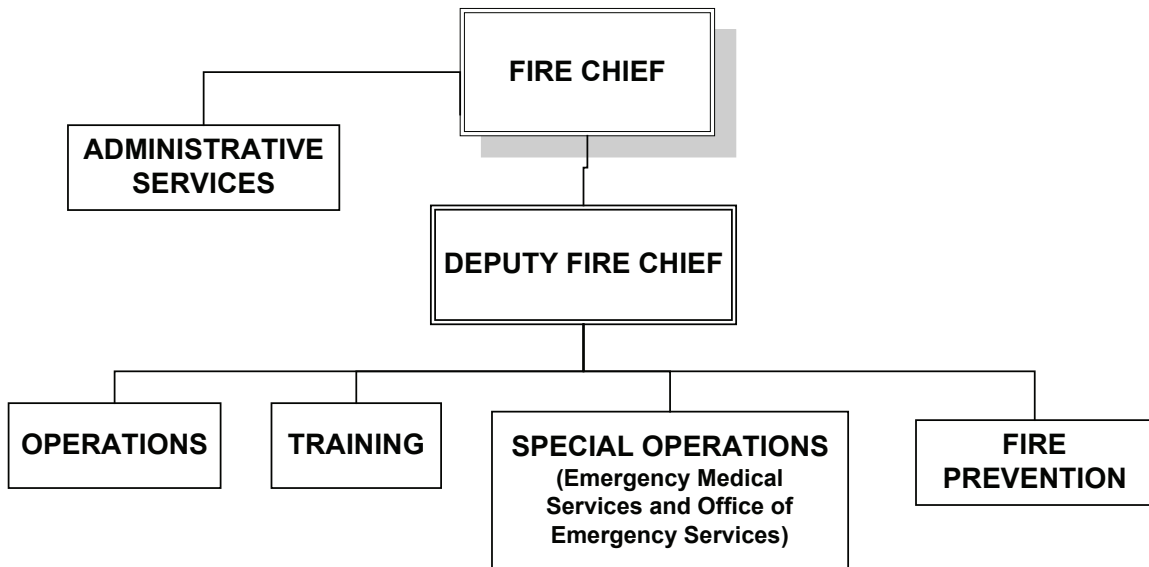
This page left intentionally blank

FIRE DEPARTMENT

MISSION STATEMENT

We serve the Berkeley Community with Courage, Honor, Integrity and Pride.

ORGANIZATION CHART



FIRE DEPARTMENT

Department Overview

Fire Administration

The Office of the Fire Chief directs the department in field operations, budget and fiscal policy, administrative systems and procedures, employee training and development, and other administrative activities. Financial Administrative Services provides fiscal services to both the Police and Fire Departments in payroll, accounting, purchasing, contracts, billing, and refunds.

Fire Operations

Fire Operations provide emergency services in fire suppression, emergency medical and rescue response, emergency service response, hazardous materials response, fire alarm response, and all other emergency calls.

Fire Prevention

The Fire Prevention Division plans, organizes and implements all Fire Department prevention and inspection programs, including fire and arson investigations, vegetation management, hazard abatement, code enforcement, public fire safety education, plan checking, and evaluation and development of codes and ordinances.

Special Operations – Emergency Medical Services and Office of Emergency Services

Emergency Medical Services provides Advanced Life Support (ALS) and staff paramedic transport ambulance units. The Office of Emergency Services guides City policy and implements disaster preparedness and response programs, outreach and education, and regional collaboration planning.

Training

The Training Division provides all the required department training to comply with local, county, state, and federal mandates.

Major Accomplishments – FY 2010 & FY 2011

- ❑ Completed purchase of the above-ground auxiliary firefighting water system (Measure Q);
- ❑ Expanded Community Emergency Response Training (CERT) program for Berkeley residents, community and faith-based organizations (Measure GG);
- ❑ Implementation of Advanced Life Support (ALS) paramedics on engine companies (Measure GG);
- ❑ Enhanced staffing to the Division of Training (Measure GG);
- ❑ Completed recruitment and outreach program for entry-level firefighter/paramedic positions;
- ❑ Updated and implemented fire prevention inspection and billing schedule; and
- ❑ Development and implementation of Strategic Plan.

FIRE DEPARTMENT

Key Objectives for FY 2012 & FY 2013

- ❑ Complete construction of warehouse that houses the above-ground auxiliary firefighting water system (Measure Q);
- ❑ Replace radio interoperability equipment for both Police and Fire (Measure GG);
- ❑ Continue to enhance the Disaster Preparedness Cache Program (Measure GG);
- ❑ Update Fire Department automatic aid and mutual response area agreements;
- ❑ Complete FEMA grant award requirements for purchase of a Type III Wildland engine;
- ❑ Update Local Hazard Mitigation plan;
- ❑ Complete study and assessment of 48/96 staffing schedule;
- ❑ Update and complete contract for ALS transport and FRALS;
- ❑ Administer Recruit Academy for 9 new entry-level firefighters in 2012;
- ❑ Design and deliver Emergency Operations Center (EOC) training and functional exercise; and
- ❑ Continue on-going outreach and recruitment efforts to ensure diverse workforce.

Significant Changes from Prior Year's Budget

For FY 2012 and FY 2013, the Fire Department's General Fund overtime budget was reduced by a total of \$116,029. These costs will be shifted to the Measure GG Tax Fund.

In February 2010, ALS paramedics were placed on engine companies throughout the Berkeley community. This service enhancement allows the delivery of ALS services to all segments of the community and was made possible by the passage of Measure GG, the Fire Protection & Emergency Response & Preparedness Tax.

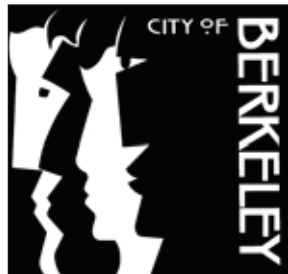
FIRE DEPARTMENT FINANCIAL SUMMARY

	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2013 Adopted
EXPENDITURES					
By Type:					
Salaries and Benefits	25,709,955	26,591,357	27,929,506	29,568,575	30,157,101
Services and Materials	1,383,619	1,571,220	1,402,121	3,888,866	1,881,366
Capital Outlay	1,347,775	4,333,355	125,236	244,150	244,150
Internal Services	1,606,472	1,644,877	1,572,071	1,486,946	1,487,114
	30,047,821	34,140,809	31,028,934	35,188,537	33,769,731
By Division:					
Office of the Fire Chief	867,829	967,394	1,114,760	1,389,464	1,421,291
Fire Administrative Services	363,095	373,064	389,588	447,116	458,097
Fire Operations	28,816,897	32,800,351	29,524,586	33,351,957	31,890,343
	30,047,821	34,140,809	31,028,934	35,188,537	33,769,731
By Fund:					
General Fund	24,371,324	24,149,637	25,568,053	26,872,321	27,384,864
Paramedic Tax Fund	3,504,614	2,881,124	2,769,551	3,061,472	3,122,554
CFD #1 Dis Fire Protect Bond	1,475,555	4,155,215	136,204	180,000	180,000
Measure GG	651,717	2,954,833	2,555,126	5,074,744	3,082,313
Other Funds	44,611				
	30,047,821	34,140,809	31,028,934	35,188,537	33,769,731

General Fund FTE	118.06	122.25	122.25	123.25	123.25
Total FTE	136.75	139.75	139.75	139.75	139.75

FIRE DEPARTMENT FINANCIAL SUMMARY

DIVISION/ACTIVITY SUMMARY	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2013 Adopted
Office of the Fire Chief					
Administration	523,558	547,013	535,444	525,855	541,200
Disaster Preparedness	344,271	420,381	579,316	863,609	880,091
Division Total	867,829	967,394	1,114,760	1,389,464	1,421,291
FTE Total	3.00	6.00	6.00	6.00	6.00
Fire Administrative Services					
Financial Admin. Services	363,095	373,064	389,588	447,116	458,097
Division Total	363,095	373,064	389,588	447,116	458,097
FTE Total	3.75	3.75	3.75	3.75	3.75
Fire Operations					
Administration	580,994	619,214	643,256	715,460	728,136
Suppression/Rescue/Hazard	19,586,877	22,050,633	19,100,887	22,015,779	20,335,618
Fire Prevention	636,809	705,915	846,988	927,247	947,112
Fire Training	488,625	643,249	677,688	673,561	688,813
Emergency Medical Service	7,523,592	8,781,340	8,255,767	9,019,910	9,190,664
Division Total	28,816,897	32,800,351	29,524,586	33,351,957	31,890,343
FTE Total	130.00	130.00	130.00	130.00	130.00
Department Total	30,047,821	34,140,809	31,028,934	35,188,537	33,769,731
FTE Total	136.75	139.75	139.75	139.75	139.75



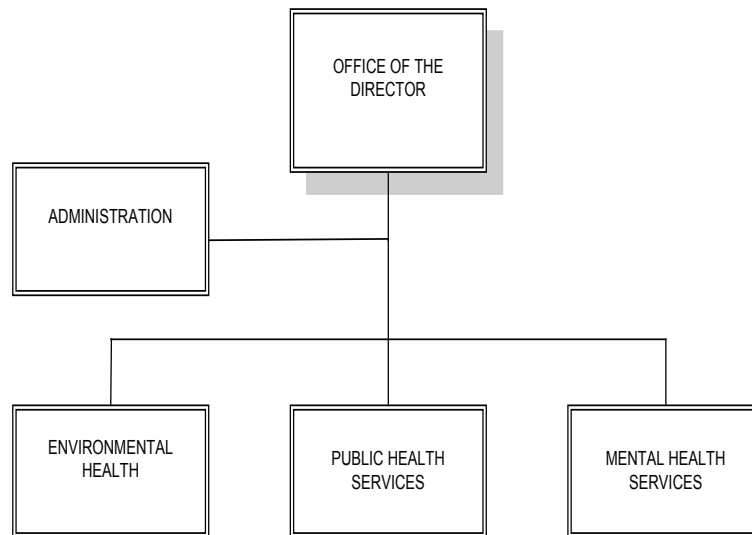
This page left intentionally blank

DEPARTMENT OF HEALTH SERVICES

MISSION STATEMENT

The mission of the Department of Health Services is to protect and improve public health and the quality of life for individuals and families in Berkeley through innovative policies, effective services, and strong community partnerships.

ORGANIZATION CHART



DEPARTMENT OF HEALTH SERVICES

Department Overview

Office of the Director and Administration

This office provides overall leadership and management for the department; manages the Department's fiscal activities including budgeting, accounting, payroll, purchasing and billings to external funders; contract administration; and personnel administration.

Environmental Health Services

This division provides disease prevention and control services with an emphasis on education and enforcement by conducting environmental health inspections at regulated facilities, abating public nuisances, and working with various partners to protect and improve the health and well being of the community.

Mental Health Services

This division provides mental health prevention and intervention services with a focus on high-risk adults, transition age youth, children and families. Community based service supports are also provided and include coordination of housing, consumer and family services, and employment or vocational supports. Working closely with other City departments and community partners, the Division operates specialized services such as Drop-in Crisis and Brief Treatment Services, Medication Support, Intensive Case Management, Mobile Crisis/Emergency Response, School-Based Mental Health, Homeless Outreach, and Disaster Mental Health Response and Recovery.

Public Health Services

The Public Health Division's goal is ensure that everyone in the Berkeley community has an opportunity to make choices that lead to a long and healthy life, regardless of income, education, or racial/ethnic background. Public health provides community-wide protection against communicable diseases and emerging health threats; health services at the Berkeley High School Health Center and Berkeley Technology Academy; community-based health promotion and chronic disease prevention services; support for at-risk African American mothers and their infants; nursing case management services in the community; reproductive and sexual health services at the Public Health clinic; linkage and referrals to health care services; HIV testing and counseling; nutrition education and services including WIC; services and policy work addressing public health issues such as tobacco use, lead poisoning prevention, and oral health; support for pregnant and parenting teens; and works closely with BUSD and the community to support healthy early childhood development and school-related health issues. Through these activities the Division strives to eliminate health inequities in Berkeley.

Major Accomplishments – FY 2010 & 2011

- ❑ Conducted more than 2,360 food safety inspections at restaurants, food markets and other retail food facilities for health compliance;

DEPARTMENT OF HEALTH SERVICES

- ❑ Abated more than 740 properties with vector violations, removed 47 inoperable vehicles, and baited more than 980 sewer locations to control rodent population;
- ❑ Significantly reduced cost of medications for uninsured clients by assisting clients in applying for free medications through the Patient Assistance Programs administered by pharmaceutical companies.
- ❑ Expanded clinical and supported mental health services to transition age youth in Berkeley and across Alameda County;
- ❑ Introduced Family Advocacy services to increase family participation in service planning and provided appropriate support for mentally ill adults, children and youth;
- ❑ Provided new homeless outreach and engagement services through the “Public Commons for Everyone” initiative, working with community partners to secure housing for several high-risk homeless individuals;
- ❑ Increased services for Medi-Cal eligible youth and offered a broader range of services to school-age children and young adults; and
- ❑ Implemented targeted interventions to reduce disparities in access to clinic-based mental health services for Latinos;
- ❑ Partnered with Berkeley Unified School District (BUSD), Alameda County, Community Based Organizations, and other Stakeholders through the Alcohol, Tobacco, and Other Drug Joint Taskforce (COB/BUSD);
- ❑ Conducted over 30 annual communicable disease investigation and control interventions (for infectious diseases like tuberculosis, measles, whooping cough, food-borne illnesses, and meningitis) involving hundreds of individuals at Berkeley preschools, restaurants, recreational facilities, schools, institutions of higher education, businesses, and health care facilities.
- ❑ Implemented H1N1 Flu response including diverse outreach, public communication, and education. Provided H1N1 vaccination at two major community flu clinics, all 16 BUSD schools, and 40 smaller community venues;
- ❑ Provided whooping cough (pertussis) immunizations for household contacts of newborn infants, in order to protect vulnerable infants during California’s whooping cough epidemic.
- ❑ Youth development groups presented health information to over 3,000 middle and high school students annually;
- ❑ Completed American Recovery and Reinvestment Act-funded renovation of the Public Health and WIC Clinic at 830 University Avenue;
- ❑ Completed Heart 2 Heart (H2H) community assessment with residents and partners. Results presented to partners, community, potential funders; H2H activities included 5 mini-grants to community groups, and monthly H2H van services and education addressing community-identified needs;
- ❑ Demonstrated that over 60% of patients with high blood pressure attending the collaborative LifeLong/Public Health hypertension drop-in clinic experienced significant improvement in their blood pressure;
- ❑ Provided over 1,900 nursing home visits;
- ❑ Black Infant Health (BIH) program collaborated with community groups to provide donations for over 20 BIH families. BIH Community Advisory Board

DEPARTMENT OF HEALTH SERVICES

- expanded its membership and role in supporting BIH activities in the community;
- ❑ Completed implementation of electronic communicable disease reporting, making us one of the leading local Public Health jurisdictions in adopting this new state system;
- ❑ With City Office of Emergency Services, revised Community Emergency Response Training (CERT) curricula to better meet the needs of vulnerable communities. In collaboration with LifeLong Medical Care, facilitated application for McGee Avenue Baptist Church to locate an emergency supply kit in South Berkeley; and
- ❑ Participated in the 2020 Vision planning process, focused on the critical relationships between health and education.

Key Objectives for FY 2012 & FY 2013

- ❑ Continue refining budget development process to be revenue-driven.
- ❑ Increase knowledge and participation by program staff in budget development and monitoring.
- ❑ Increase timeliness of reporting and invoicing.
- ❑ Reach resolution on potential State Audit disallowance of certain MediCal expenditures for period of FY 03-04 through 06-07.
- ❑ Implement a new data management system to streamline health inspection services and facilitate environmental health program activity tracking and reporting;
- ❑ Implement a restructuring within Berkeley Mental Health (BMH) to create greater community access to adult, youth, and crisis services;
- ❑ Implement reorganization strategies for the Mental Health Division to improve administrative and clinical functioning;
- ❑ Increase baseline productivity standards within BMH and enhance current fiscal and administrative operating procedures;
- ❑ Improve and standardize mental health clinical assessment procedures, and objective client-centered Level of Care determinations;
- ❑ Implement an overall reduction in mental health services of high intensity supports (i.e., intensive services treatment, a more comprehensive and expensive form of mental health support) to instead focus on primary use of client-centered, brief treatment, psycho-education, group therapy, referrals and other supports (as well as intensive services for clients in greatest need);
- ❑ Increased mental health focus on Wellness Recovery and Resiliency, Prevention, Consumer and Family Centered Services; Peer and Consumer positions and activities; and outreach to populations identified by the Mental Health Services Act (MHSA);
- ❑ Enter into a new contract for pharmacy services with a provider who can assist in reducing costs for medications for uninsured clients.
- ❑ Continue implementation of “Everyone Home” 10-year plan to end homelessness;
- ❑ Continue to enhance mental health services for transition age youth in Berkeley and for other MHSA target populations;

DEPARTMENT OF HEALTH SERVICES

- ❑ Expand prevention and early intervention services to address mental health problems in historically underserved groups;
- ❑ Continue to evaluate revenue enhancement project at BHS/B-Tech;
- ❑ Pursue options for new Alcohol and Other Drug (AOD) funding to better serve Berkeley Youth;
- ❑ Ongoing MHSA service program reviews and stakeholder feedback from MHSA Advisory Committee and community;
- ❑ Integrate MHSA programs and adapt to revenue reductions anticipated over the next four years;
- ❑ Identify and implement strategies for increased community partnerships that provide integrated mental health service experiences for people with multiple problems and disabilities;
- ❑ Strengthen community based partnerships with local mental health organizations;
- ❑ Continue to strengthen the partnership and collaborative relationship with Alameda County Behavioral Health Care Services Agency by adopting a master contract agreement and achieve policy/procedural consistency on day-to-day operations as appropriate;
- ❑ Focus resources on the Heart 2 Heart neighborhood-based health inequities work, building on established relationships and programming, and seeking on-going sustainable funding for this collaborative;
- ❑ Optimize leveraging of funds, ensuring that funds are “matched” to the fullest extent possible and that we draw down maximum program funds;
- ❑ Provide wrap-around support for pregnant and parenting teens and African-American families (BIH and Vera Casey programs);
- ❑ Issue Berkeley’s 2012 Health Status Report to fulfill the essential public health function of monitoring and reporting on the health of our community, and inform future public health planning to meet local needs;
- ❑ Implement changes in Targeted Nursing case management to meet new state and federal requirements;
- ❑ Collaborate with the 2020 Vision initiative to address educational and health inequities in Berkeley;
- ❑ Address key health issues such as obesity, smoking, HIV, and injuries through community outreach and education with partners organizations;
- ❑ Respond to communicable disease events, in coordination with local health care providers and institutions, prioritizing the most urgent;
- ❑ Coordinate public health emergency preparedness with City departments, community and regional partners, and residents;
- ❑ Implement electronic practice management system at the public health clinics, followed by electronic health records—improving efficiencies and quality control;
- ❑ Provide health services on-site at schools to meet the unique needs of adolescents at Berkeley High School Health Center and B-Tech Academy; and
- ❑ Work with the Mayor’s Task Force on Health to respond to opportunities and challenges of Health Care Reform and the on-going economic crisis.

DEPARTMENT OF HEALTH SERVICES

Significant Changes from Prior Year's Budget

- General Fund reductions for FY 2012 and FY 2013 were accomplished through a combination of position reductions and eliminations and cost-shifting portions of some administrative and program staff onto more stable funding streams. The Department is no longer able to rely on its Realignment Reserves as they have been depleted over time due to declining revenues and increased expenditures.
- Uncertainty regarding the short- and long-term implications of the State and Federal budget has impacted how the Department plans for ongoing program and service delivery.
- The reduction in staff will have an impact on direct client services. Some services will be offered fewer days per week, eligibility criteria will be narrowed, and there will be a reduced range of services. However, the Department remains committed to maintaining the highest quality of services to the community with a focus on those services which are most critical and serve those most in need.
- The Public Health Division budget proposal reduces the budget by \$1.7 million over two years (\$1.3 million in FY 2012 and \$0.4 million in FY 2013). These reductions address structural deficits in the Public Health Realignment fund and grant-funded programs, and meet the General Fund target reductions.
- The Mental Health Division's proposed reorganization plan addresses its reduction in State resources as well as its MediCal Fund structural deficit, provides a variety of supports to more widely address the needs of its clients and families, and offers more fiscally sustainable services that may meet the individual needs of consumers experiencing a range of significant behavioral health issues. Total reductions are \$1.9 million.

DEPARTMENT OF HEALTH SERVICES FINANCIAL SUMMARY

	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2013 Adopted
EXPENDITURES					
By Type:					
Salaries and Benefits	24,363,892	20,784,735	18,832,803	18,604,506	18,434,539
Services and Materials	3,266,834	2,048,929	1,832,163	2,899,435	2,867,812
Capital Outlay	155,896	46,890	54,377	53,783	55,883
Internal Services	1,510,820	1,034,755	1,537,354	1,064,541	1,066,053
Indirect Cost Transfer	48,609	25,058	29,151	31,724	31,883
	<u>29,346,051</u>	<u>23,940,367</u>	<u>22,285,848</u>	<u>22,653,989</u>	<u>22,456,170</u>
By Division:					
Office of the Director	662,945	516,446	594,109	479,584	495,238
Administrative Services	1,341,356	895,956	682,636	551,657	563,845
Environmental Health	1,855,207	1,790,747	1,831,724	2,202,285	2,250,385
Mental Health	9,711,839	9,197,557	9,583,461	9,761,241	9,866,077
Public Health	11,938,693	11,537,313	9,593,486	9,659,222	9,280,625
Seniors/Recreation	2,938,343	1,209	432	-	-
Adult and Youth Employment	897,668	1,139	-	-	-
	<u>29,346,051</u>	<u>23,940,367</u>	<u>22,285,848</u>	<u>22,653,989</u>	<u>22,456,170</u>
By Fund:					
General Fund	10,290,601	6,869,701	6,530,462	6,703,613	6,749,733
Capital Improvement Fund					
CDBG					
Federal Funds	337,776	588,416	297,550	175,489	179,564
State Funds	16,291,634	14,308,645	13,167,000	13,514,016	13,438,260
County Grants	1,560,829	1,564,455	1,751,725	1,850,640	1,667,609
Local and Foundation Grants	518,146	396,722	290,993	112,663	115,933
Refuse	141,453				
Sewer Fund	205,612	212,428	248,118	297,568	305,071
Other Funds					
	<u>29,346,051</u>	<u>23,940,367</u>	<u>22,285,848</u>	<u>22,653,989</u>	<u>22,456,170</u>

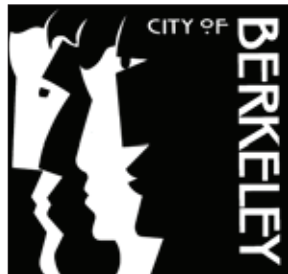
General Fund FTE	69.21	43.58	40.48	38.72	37.92
Total FTE	277.30	193.54	158.28	141.35	137.45

DEPARTMENT OF HEALTH SERVICES FINANCIAL SUMMARY

	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2013 Adopted
DIVISION/ACTIVITY SUMMARY					
DHS Administration					
Office of the Director	662,945	516,446	594,109	479,584	495,238
Division Total	662,945	516,446	594,109	479,584	495,238
FTE Total	4.49	4.49	3.00	3.00	3.00
DHS Administrative Services					
Financial Admin Services	1,278,633	835,031	629,569	447,793	459,866
Special Events	62,723	60,925	53,067	103,864	103,979
Division Total	1,341,356	895,956	682,636	551,657	563,845
FTE Total	11.00	7.00	6.48	4.20	4.20
Environmental Health					
Office of the Manager	452,129	445,753	469,467	678,537	694,703
Environmental Health	746,273	675,800	655,958	716,244	732,593
Abandoned Auto Abatement	93,033	101,172	112,307	156,477	160,495
Vector Control	318,870	292,676	303,494	311,124	319,551
Sewer Emergencies	101,478	97,735	122,477	171,382	175,274
Waste Tire Enforcement	143,424	177,611	168,021	168,521	167,769
Division Total	1,855,207	1,790,747	1,831,724	2,202,285	2,250,385
FTE Total	15.00	14.00	13.00	14.00	14.00
Mental Health					
Office of the Manager	1,789,968	1,701,270	1,561,638	1,979,351	2,029,490
Mental Health Services Act	1,575,732	1,947,861	2,713,543	3,591,117	3,631,977
Adult Outpatient	107,487	113,708	3,520		
Assertive Community Treatment	1,097,739	1,038,712	1,166,896	779,542	792,699
Family Youth & Child Treatment	1,906,388	1,627,644	1,578,516	1,491,311	1,518,429
Crisis Services	1,910,379	1,829,693	1,228,581	1,071,315	1,091,801
Intensive Case Management	1,184,180	938,954	1,330,767	848,605	801,681
Mental Health Homeless Program	139,966	(285)			
Division Total	9,711,839	9,197,557	9,583,461	9,761,241	9,866,077
FTE Total	71.04	71.38	66.64	57.30	56.80
Public Health					
Office of the Health Officer	2,372,392	2,278,120	1,875,617	1,718,395	1,624,534
Chronic Disease Education & Health Promotion	2,178,378	1,498,587	1,200,840	929,634	911,156
Nursing/Field Services	3,046,470	3,678,822	3,117,965	3,070,842	2,793,531
Maternal Child Health/School Clinic Services	2,234,745	2,130,946	1,480,943	1,703,784	1,734,186
Adult Health Clinic/AIDS Activities	2,106,708	1,950,838	1,918,121	2,236,567	2,217,218
Division Total	11,938,693	11,537,313	9,593,486	9,659,222	9,280,625
FTE Total	114.02	96.67	69.15	63.85	60.45

DEPARTMENT OF HEALTH SERVICES FINANCIAL SUMMARY

	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2013 Adopted
DIVISION/ACTIVITY SUMMARY cont.					
<i>Aging Services</i>					
Senior Programs	2,938,343	1,209	432		
Division Total	2,938,343	1,209	432	-	-
FTE Total	29.54				
<i>Adult and Youth Employment</i>					
Youth Employment	897,668	1,139			
Division Total	897,668	1,139	-	-	-
FTE Total	32.21				
Department Total	29,346,051	23,940,367	22,285,848	22,653,989	22,456,170
FTE Total	277.30	193.54	158.27	142.35	138.45



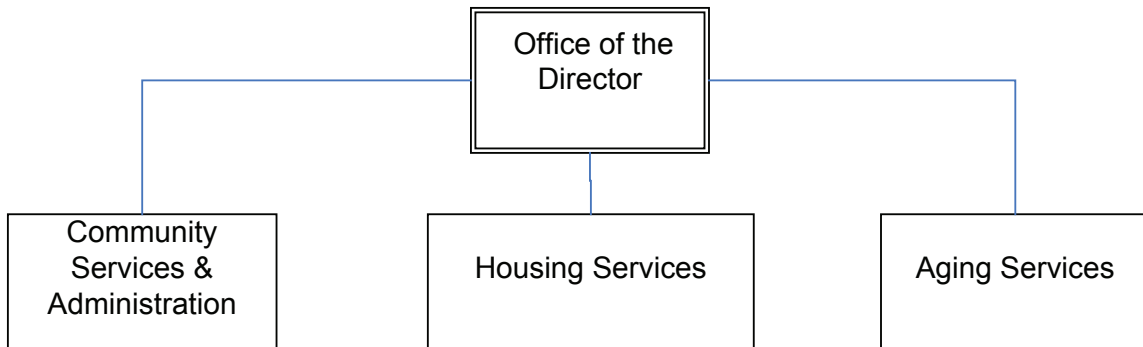
This page left intentionally blank

HOUSING AND COMMUNITY SERVICES DEPARTMENT

MISSION STATEMENT

The mission of the Housing & Community Services Department is to produce, preserve, and support affordable housing in order to help meet the housing needs of Berkeley residents, especially those who are low-income, homeless, seniors, disabled, or have special needs. The Department's mission is also to help seniors remain as healthy, productive, and independent as possible in the community and to help Berkeley residents overcome poverty and related barriers through the direct provision of services and through the administration of contracts with a wide range of community organizations and programs. Specifically, the Department provides comprehensive services to Berkeley's senior population to support them through the aging process. The Department also provides housing code enforcement for the Berkeley community, paratransit services for seniors and disabled, housing to disabled homeless individuals and families, workforce development for adults and youth and assists Berkeley citizens in housing rehabilitation.

ORGANIZATION CHART



HOUSING AND COMMUNITY SERVICES DEPARTMENT

Department Overview

Community Services & Administration

The division provides housing policy planning and refinement of housing regulatory measures, and budget and fiscal oversight for the Housing and Community Services Department. The division coordinates the allocation and monitoring of funds to community agencies providing a broad range of housing and supportive services to low-income community members funded through General Fund and a variety of state and federal sources. The division includes homeless policy planning activities and the coordination of housing and supportive services for those who are homeless or at risk of homelessness and administers the Shelter Plus Care Program. The division also provides youth and adult employment services.

Housing Services

Housing Services partners with local housing developers to increase funding for the development and rehabilitation of affordable housing in Berkeley by leveraging the Housing Trust Fund and monitors all affordable housing developments and inclusionary housing units to assure compliance with federal, state and local regulations. The division provides rehabilitation assistance to low-income senior and disabled homeowners, and enforces the housing code for approximately 25,000 rental units and rooms through the Rental Housing Safety Program.

Aging Services

The Division on Aging operates two senior centers and provides support services to the community including: targeted case management, mental health consultation, senior care giving and injury prevention, center based and home delivered meals, health and fitness, social services, transportation, arts and cultural events, socialization, technology access, outreach, volunteer and employment opportunities, entertainment and recreation. In FY 2012, the division will assume a greater role in the administration of the Berkeley Paratransit Services program for seniors and persons with disabilities and the Senior Disabled Rehabilitation Loan Program.

Major Accomplishments FY 2010 & FY 2011

- FY 2010
 - Initiated a stakeholder input process for revisions to the Rental Housing Safety Program for increased effectiveness and financial self-sufficiency;
 - Integrated aging services and employment programs into the Housing and Community Services Department;
 - Expanded Weatherization activities significantly to make use of new resources available through the American Recovery and Reinvestment Act (ARRA);
 - Implemented new activities under the ARRA;

HOUSING AND COMMUNITY SERVICES DEPARTMENT

- Completed first round of monitoring all Housing Trust Funds projects to ensure compliance with HUD HOME regulations;
 - Developed and began implementation of a Monitoring Plan for Inclusionary Housing units;
 - Strengthened the common measures applied to City-funded training programs by implementing indicators that will be used to monitor and evaluate effectiveness of the agencies;
 - Increased number of private sector placement for YouthWorks participants by placing six youth in subsidized private sector summer jobs using ARRA funds. Seven youth were placed in unsubsidized employment, including six at Berkeley Bowl West and one was permanently hired upon completion of the ARRA-funded program;
 - Provided a minimum of 700 targeted case management encounters supporting seniors with accessing needed services and resources;
 - Provided a minimum of 72,000 meals to City of Berkeley residents through on-site and home delivered meal services; and
 - Began an update of the Relocation Ordinance.
- FY 2011
- Secured \$11.4 million in New Market Tax Credits to complete construction of the Ed Roberts Campus, a one-stop service center for people with disabilities;
 - Began construction of 15 units of supportive housing at Harmon Gardens apartments for low income homeless youth aging out of foster care;
 - Began major rehabilitation of 35 units of supportive permanent housing at Erna P. Harris Courts for formerly homeless adults;
 - Began the development of an Asset Management Program with operators of affordable housing projects;
 - Completed a countywide, multi-jurisdiction process to develop outcomes for use in homeless housing and service program contracts;
 - Received authorization from City Council for changes to the Rental Housing Safety Program for increased effectiveness and financial self-sufficiency;
 - Competed successfully for new federal Shelter Plus Care grant (HOAP) to serve homeless seniors;
 - Implemented a new online program from City Data Services that manages the community agency allocation process, community agency reporting and monitoring;
 - Engaged the 2020 Vision for Youth community process to work towards developing outcomes and tools for measuring success of youth programs funded through the community agency allocation process;
 - Completed nexus study for proposed affordable housing impact fee;
 - Placed 15 youth in the YouthWorks Program in subsidized private sector summer jobs using ARRA funds;
 - Began implementation of the Community Workforce Agreement;
 - Continued update of the Relocation Ordinance;

HOUSING AND COMMUNITY SERVICES DEPARTMENT

- Expended American Recovery and Reinvestment Act (ARRA) funds (CDBG-R, CSBG-R, Homeless Prevention and Rapid Rehousing (HPRP), and weatherization);
- Provided more than 700 targeted case management encounters supporting seniors with accessing needed services and resources; and
- Provided a minimum of 72,000 meals to City of Berkeley residents through on-site and home delivered meal services.

Key Objectives for FY 2012 & FY 2013

- FY 2012
 - Complete remaining American Recovery and Reinvestment Act (ARRA) Homeless Prevention and Rapid Rehousing Program (HPRP) funded activities;
 - Transition the Weatherization program to an outside nonprofit provider on January 1, 2012, once the current calendar year's Department of Energy (DOE) and Low Income Home Energy Assistance Program (LIHEAP) contracts come to an end. DOE and LIHEAP are a small and decreasing portion of the program's budget, and eliminating the program is necessary to address the large and growing need for General Funds to sustain the program;
 - Assist Savo Island Cooperative Housing in refinancing and rehabilitating 57 units of low income family housing;
 - Convert the West Berkeley Senior Center into a hub for supportive services, while continuing traditional programming at the North and South Berkeley Senior Centers. Spurred by the need to reduce expenses due to the depletion of the Targeted Case Management (TCM) reserve, and to address continuing declines in TCM-billable services, this change will realign services with the needs of an aging population of seniors, and maintain the availability of all-day services in the City;
 - Restructure departmental programs in response to dramatic reductions in state and federal funds available for housing and community services programs;
 - Restructure the manner in which funds are allocated to community agencies and contracts are monitored to reflect staff reductions.
 - Work with city-funded community based organization to assist them in leveraging other funding and coordinating their efforts to achieve greater efficiencies;
 - Coordinate the Department's work effort with the 2020 Vision with YouthWorks and community agency providers to develop, implement and report common outcome measures, integrate best practices and assess and respond to training needs;
 - Complete changes to the Rental Housing Safety Program: amend Berkeley Municipal Code to incorporate a carbon monoxide detector requirement, and implement citations for noncompliance with Schedule A;
 - Revise First Source/local hiring policy to strengthen its effectiveness;

HOUSING AND COMMUNITY SERVICES DEPARTMENT

- Continue to implement and monitor the Community Workforce Agreement (CWA), working closely with the building trades and the Department of Public Works;
 - Present proposed changes to the Relocation Ordinance to the City Council for adoption;
 - Sell City-owned property on 9th Street;
 - Work with IT and Finance as needed to upgrade the Rental Housing Safety Program (RHSP) FUND\$ module, a top tier priority in this year's FUND\$ replacement plan;
 - Provide a minimum of 1,000 targeted case management encounters supporting seniors with accessing needed services and resources;
 - Implement revised Targeted Case Management policies and regulations to better serve seniors in need;
 - Add a congregate meal location to the senior on-site meal program;
 - Increase services offered at the Senior Centers to meet the changing needs of the aging population;
 - Expand and standardize comprehensive volunteer program; and
 - Provide a minimum of 72,000 meals to City of Berkeley residents through on-site and home delivered meal services.
- FY 2013
- Develop a new financing mechanism for the Senior and Disabled Rehab Loan program using CDBG and CalHOME in partnership with private or foundation financing;
 - Negotiate an agreement with California Housing and Community Development Department to preserve the 47 affordable units at University Avenue Cooperative Housing;
 - Begin work on rehabilitation of 74 units of supportive housing at UA Homes;
 - Assist Strawberry Creek Lodge in refinancing and rehabilitating 150 units of low income senior housing;
 - Assist William Byron Rumford Plaza development in refinancing and rehabilitating 43 units of low income family housing;
 - Assist Oregon Park in completing the refinancing and rehabilitation of 60 units of low income senior housing;
 - Implement departmental changes in response to dramatic reductions in state and federal funds available for housing and community services programs;
 - Continue to work with city-funded community based organization to assist them in leveraging other funding and coordinating their efforts to achieve greater efficiencies;
 - Continue to integrate performance-based resource allocation and strategic goals with the allocation of funding to community based organizations;
 - Coordinate the Department's work effort with the 2020 Vision with YouthWorks and community agency providers to develop, implement and

HOUSING AND COMMUNITY SERVICES DEPARTMENT

report common outcome measures, integrate best practices and assess and respond to training needs;

- Provide a minimum of 1,000 targeted case management encounters supporting seniors with accessing needed services and resources;
- Further increase and expand services offered to the growing senior population; and
- Provide a minimum of 72,000 meals to City of Berkeley residents through on-site and home delivered meal services.

Significant Changes from Prior Year's Budget

Balancing measures FY 2012 total \$948,356.

- In FY 2012, a vacant 1.0 FTE Office Specialist II position and a vacant HOME Energy Administrator position were eliminated in the Weatherization program, as a cost saving measure.
- When the Weatherization program ends on December 31, 2011, 3.0 FTE positions will be eliminated: a Senior Weatherization Worker, a Weatherization Worker, and an Assistant Management Analyst.
- In FY 2012, Aging Services' Targeted Case Management (TCM) reserve will be depleted. Converting the West Berkeley Senior Center into a hub for supportive services and continuing traditional programming at the other centers will require eliminating 2.5 FTE career positions and .45 FTE reduction in hourly staff, and reclassifying 5.0 FTE positions to focus exclusively on providing TCM-billable services.
- In FY 2012, additional General Fund balancing measures included reducing an Assistant Architect to 0.5 FTE and elimination of a 1.0 FTE Accountant I.
- Revenue decreased because one-time American Recovery and Reinvestment Act (ARRA) funds were depleted and, CDBG was significantly reduced.
- In FY 2012, a 1.0 FTE Senior Management Analyst, temporarily funded to work on stimulus programs, has been eliminated.
- In FY 2012, funding for housing subsidies increased due to the new Shelter Plus Care (HOAP) grant.
- In FY 2012, the amount of stipends for youth employment has been reduced by \$22,166 to reflect past actual expenditures and as a budget balancing measure.

HOUSING AND COMMUNITY SERVICES DEPARTMENT FINANCIAL SUMMARY

	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2013 Adopted
EXPENDITURES					
By Type:					
Salaries and Benefits	3,728,427	7,543,909	7,658,503	7,455,387	7,415,227
Services and Materials	9,056,182	14,807,069	8,538,399	7,954,863	7,878,410
Capital Outlay	22,183	53,931	51,274	11,150	9,650
Internal Services	155,667	623,972	642,755	616,060	616,964
Indirect Cost Transfer	2,303	4,386	2,903	12,274	12,333
	12,964,762	23,033,267	16,893,834	16,049,734	15,932,584
By Division:					
Office of the Director	417,719	428,437	437,786	350,550	360,971
Community Services & Admin.	6,903,194	9,040,310	9,505,677	8,858,302	8,788,890
Housing Services	5,622,360	10,498,043	3,989,198	3,773,078	3,680,707
Aging Services	21,299	3,066,477	2,961,173	3,067,804	3,102,016
	12,964,572	23,033,267	16,893,834	16,049,734	15,932,584
By Fund:					
General Fund	1,517,486	5,189,676	5,149,070	5,195,122	5,148,743
Capital Improvement Fund	260,162	129,527	363,324	202,912	206,827
Federal Grants	7,049,692	12,303,934	8,153,589	7,347,677	7,341,932
State/County Grants	1,551,029	1,533,626	1,212,531	1,096,733	970,799
Berk. Redev. Agency	12,469	78,999	32,999	116,123	118,545
Measure E Disabled Tax	828,501	777,672	918,515	915,255	933,549
Inclusionary Housing	35,636	48,076			
Rental Housing Safety	679,419	694,743	791,278	895,650	917,325
Measure B Paratransit	175,952	168,206	153,422	166,182	178,855
Rent Stabilization					
Refuse Fund	-	13,557	258		
Permit Service Center	4,467	6,061	6,193	6,666	6,741
Other Funds	849,949	2,089,190	112,655	107,414	109,268
	12,964,762	23,033,267	16,893,834	16,049,734	15,932,584

General Fund FTE	8.23	30.27	28.95	26.43	25.10
Total FTE	30.63	96.76	96.26	85.64	79.45

HOUSING AND COMMUNITY SERVICES DEPARTMENT FINANCIAL SUMMARY

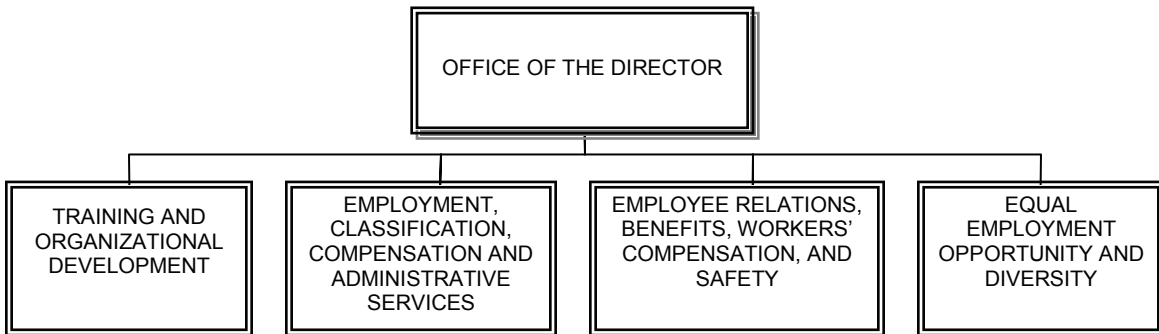
	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2013 Adopted
DIVISION/ACTIVITY SUMMARY					
Office of the Director					
Administration	417,719	428,437	437,786	350,550	360,971
Division Total	417,719	428,437	437,786	350,550	360,971
FTE Total	2.00	2.00	2.00	2.00	2.00
Community Services & Administration					
Administration	234,261	245,802	209,184	267,635	275,118
Community Agency	2,540,868	2,982,109	3,425,915	2,493,381	2,424,893
Program Planning	493,011	657,851	666,244	782,119	800,240
Budget & Fiscal	390,728	448,860	463,084	394,106	402,316
Program Management	311,404	304,862	272,581	290,223	248,535
Homeless Services	2,820,376	3,090,966	3,117,908	3,332,089	3,322,797
Youth Employment	112,348	1,006,890	1,043,210	944,600	953,746
Adult Employment	198	302,970	307,551	354,149	361,245
Division Total	6,903,194	9,040,310	9,505,677	8,858,302	8,788,890
FTE Total	14.63	50.49	48.21	46.21	41.52
Housing Services					
Housing Development	493,764	713,743	630,024	720,844	715,270
Housing Trust Fund Projects	3,458,785	8,138,528	1,276,748	1,123,337	1,516,004
Energy Programs	688,604	567,817	680,375	540,956	62,379
Rental Housing Safety	631,850	617,161	723,195	773,150	791,081
Housing Rehabilitation	349,357	460,794	678,856	614,791	595,973
Division Total	5,622,360	10,498,043	3,989,198	3,773,078	3,680,707
FTE Total	14.00	14.00	16.00	12.00	10.50
Aging Services					
Aging Services Administration	2,851	249,623	231,096	369,252	378,238
Senior Centers	10,210	1,825,005	1,869,533	1,570,221	1,602,842
Meals Program	1,297	332,648	324,839	503,016	481,264
Targeted Case Management	5,450	500,536	372,446	486,102	497,442
Information & Assistance	1,007	100,165	97,991	87,583	90,342
Rentals	484	58,500	65,268	51,630	51,888
Division Total	21,299	3,066,477	2,961,173	3,067,804	3,102,016
FTE Total		30.27	30.05	25.43	25.43
Department Total					
FTE Total	30.63	96.76	96.26	85.64	79.45

HUMAN RESOURCES DEPARTMENT

MISSION STATEMENT

The Human Resources Department strives to ensure that the City employs fair and equitable human resources policies and procedures; recruitment and hiring is made on the basis of individual qualifications for the position and represents diverse and skilled applicants; provides employees with pertinent and ongoing development opportunities; and represents the City Council and City Manager on all employee relations matters.

ORGANIZATION CHART



HUMAN RESOURCES DEPARTMENT

Department Overview

Office of the Director

The director provides administrative direction, priority setting and management to all of the activities of the Human Resources Department. The Office of the Director also includes the Transaction Unit that processes all changes in employment status, and maintains electronic and hard copies of all employment records of the City. The Director of Human Resources serves as the City's chief negotiator for labor relations with six recognized labor organizations, acts as the City Manager's representative for all disciplinary and grievance appeals, and serves as the City's representative with the Bay Cities Joint Powers Insurance Authority that provides public liability coverage for the City. Serves as Secretary and provides staff support to the Personnel Board which was established by Section 119 of the City Charter.

Training and Organizational Development

The Training and Organizational Development unit oversees the Citywide Training Program, Leadership Development Program, Management Skills Program, New Employee Orientation Program, and the Tuition Reimbursement Program. On request, organizational development services are also provided.

Employment, Classification, Compensation and Administrative Services

In accordance with the Personnel Ordinance and the Personnel Rules and Regulations, this unit conducts all merit-based recruitment and examination activities for the City, and administers the City's classification and compensation plan. It also processes all City departments' requests to fill temporary and career vacant positions, coordinates the appointment of all new City employees.

Employee Relations, Benefits, Workers' Compensation and Safety

This unit conducts all labor relations activities with six labor organizations and advises department staff on labor contract interpretation, Federal and State employment law, and human resources policies and procedures. It also provides and administers the health and welfare benefit program, administers the City's workers' compensation program including providing administrative oversight to the third party administrator, and provides training and worksite monitoring to ensure a safe workplace.

Equal Employment Opportunity and Diversity

The EEO Office administers and enforces the City's discrimination complaint process, diversity efforts as they pertain to recruitment and retention, and meeting the provisions of the Americans with Disabilities Act.

Major Accomplishments – FY 2010 & FY 2011

- ❑ Improved operational efficiencies by automating the hiring process lifecycle; and by receiving 99.3% (6,282) of all job applications online during FY10 – FY11;
- ❑ Completed first Police Officer examination using NEOGOV system that

HUMAN RESOURCES DEPARTMENT

resulted in the City receiving 1,064 applications, all filed on line. The examination process, which consisted of a written examination, physical ability test and oral board interview, resulted in establishment of an eligibility list of 192 persons with representation in all demographic categories;

- ❑ Completed first Firefighter/Paramedic examination using NEOGOV system that resulted in the City receiving 1,026 applications all filed on line. The examination process, which consisted to a written examination and physical ability test, resulted in establishment of an eligibility list of 357 persons with representation in all demographic categories;
- ❑ Implemented Online Benefits Open Enrollment using BenefitsBridge software which allowed employees to make their benefit elections online. This reduced manual processing of forms and paperwork and electronically interfaced directly with benefit carriers;
- ❑ Implemented online Supervisor's Guide as a resource for managers and supervisors;
- ❑ Implemented the Layoff Procedure that required sending first and second layoff notices to approximately 65 employees and scheduling meetings with 58 of these employees and their union representatives to discuss options for retreat and flexible placement. This required mapping potential position reductions, and educating City staff and the Personnel Board on the specific steps of the procedure. In conjunction with the City Manager's office and City Attorney's office, negotiated and implemented a multifaceted plan to avoid having to terminate employees for at least 9 months in Fiscal Year 2010. As a result, modified rules for voluntary time off and a reduced work schedule taking into consideration various rules and regulations including the Fair Labor Standards Act;
- ❑ Improved internal equities by completing a classification project that established a new Administrative and Fiscal Manager classification and abolished three redundant classifications;
- ❑ Forty supervisors/managers completed the Management & Supervisory Skills Program (Fall 2009 – Spring 2010), making for a cumulative total of 80 participants. The Management Skills Program (MSP) ensures City of Berkeley supervisors/managers have the skills and information they need to be effective. Data from post program surveys of all MSP participants and their supervisors indicated high satisfaction and high post-program application of skills and concepts learned in the program. An additional 24 supervisors will complete the MSP by the end of April 2011;
- ❑ Developed and delivered first workshop of three-part series for Management Skills Program graduates, entitled "Leading in Tough Times." This MSP grad series is designed to continue the skill development of participants, as well as provide an opportunity for MSP grads to continue to network and share supervisory strategies with one another;

HUMAN RESOURCES DEPARTMENT

- ❑ Partnered with the Information Technology Department to launch new Advanced Customer Service training series designed to strengthen the customer service skills of employees who interact with the public on a daily basis.
- ❑ Implemented Back Safety training program targeting high hazard occupations and occupation involving considerable lifting and bending in the Library, Public Works, Parks, Recreation and Waterfront, Police and Fire Departments.
- ❑ Established an Accident Investigation and Prevention Committee to ensure a complete accident investigation is conducted of every lost time or property damage accident.
- ❑ Implemented elements of the Safety Training Calendar contained in the Injury and Illness Program, including but not limited to, courses in Defensive Driving for Commercial and non-Commercial Driver, Excavation, Trenching & Shoring, Office Ergonomics and Accident Investigation.
- ❑ Established standing safety committees in the Library, Public Works and Parks, Recreation and Waterfront.
- ❑ Revised Administrative Regulation 2.7 (Workers' Compensation Policies and Procedures) to reflect changes in administrative practices to emphasize the supervisor's responsibility to submit workers' compensation claims information on a timely basis. Training was conducted on the revised Administrative Regulation for departmental contact and front line supervisors.
- ❑ In conjunction with the Fire Chief and her staff, successfully concluded negotiations with representatives of the Berkeley Fire Fighters Association/I.A.F.F. Local 1227 on a Side Letter of Agreement to implement First Responder Advanced Life Support (FRALS) which places a fully qualified Paramedic on every fire engine and truck company 24 hours a day, 7 days a week. Funding for this program came from the voter-approved Measure GG.
- ❑ Concluded negotiations for new two year collective bargaining agreement with the Berkeley Fire Fighters Association/I.A.F.F. Local 1227 with no cost of living adjustment for the term of the agreement;
- ❑ Negotiate a successor labor contract with the Berkeley Police Association whose contract is due to expire on June 25, 2011; and
- ❑ Provided staff support for 10 meetings of the Personnel Board who undertook discussion and made recommendations on 42 substantive items.

Key Objectives for FY 2012 & FY 2013

- ❑ Conduct a classification analysis for the purpose of developing a new journey level accounting office specialist classification, and study and allocate

HUMAN RESOURCES DEPARTMENT

appropriate existing positions to the new classification;

- ❑ Revise and update the plan to implement an Emergency Volunteer Center in the event of a disaster activation by the Emergency Operations Center;
- ❑ Implement a new employee on-boarding process to improve efficiencies by allowing new employees to complete new hire processing online;
- ❑ Revise the City's Affirmative Action Plan
- ❑ Assist with outreach to increase and maintain diversity;
- ❑ Conduct another session of the Management Skills Program (Fall 2011 – Spring 2012);
- ❑ Develop two additional workshops for Management Skills Program graduate series;
- ❑ Negotiate a successor labor contract with the Berkeley Fire Fighters Association whose contract is due to expire on June 23, 2012;
- ❑ Negotiate a successor labor contract with Service Employees International Union Local 1021 Maintenance and Clerical Units whose contract is due to expire on June 23, 2012;
- ❑ Negotiate a successor labor contract with Service Employees International Union Local 1021 Community Services and the Part-Time Recreation Leaders Association Units whose contract is due to expire on June 23, 2012;
- ❑ Negotiate a successor labor contract with Public Employees Union Local 1 whose contract is due to expire on June 23, 2012; and
- ❑ Negotiate a successor labor contract with the International Brotherhood of Electrical Workers Union Local 1245 whose contract is due to expire on June 23, 2012.

Significant Changes from Prior Year's Budget

Eliminates an Associate Human Resources Analyst position in Fiscal Year 2012 for a General Fund savings of \$127,194. The Office Specialist II position originally scheduled for elimination at the beginning of Fiscal Year 2011 was eliminated in April 2011 for a recurring savings of \$82,435.

HUMAN RESOURCES FINANCIAL SUMMARY

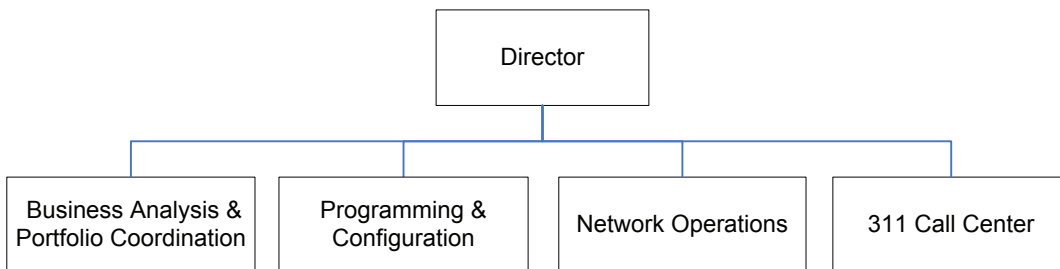
	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2013 Adopted
EXPENDITURES					
By Type:					
Salaries and Benefits	2,868,058	2,926,898	2,602,735	2,722,576	2,782,838
Services and Materials	316,349	184,615	149,255	256,349	256,349
Capital Outlay	8,326	3,166	30,196		
Internal Services	129,456	115,124	112,376	106,693	106,861
Indirect Cost Transfer					
	<u>3,322,189</u>	<u>3,229,803</u>	<u>2,894,562</u>	<u>3,085,618</u>	<u>3,146,048</u>
By Division:					
Administration	491,422	447,497	469,913	441,047	451,604
Training	383,794	352,172	319,490	380,792	384,575
Employee Mgmt/Admin Services	1,424,725	1,369,111	1,086,582	1,098,078	1,120,935
Employee Relations	872,984	903,939	859,788	994,715	1,014,003
Equal Employment Opp Prgs.	149,264	156,284	158,789	170,986	174,931
	<u>3,322,189</u>	<u>3,229,003</u>	<u>2,894,562</u>	<u>3,085,618</u>	<u>3,146,048</u>
By Fund:					
General Fund	2,160,384	2,104,845	1,835,569	1,853,369	1,891,189
Employee Training Fund	424,499	394,496	362,281	426,461	431,585
Refuse Fund	27,277				
Sanitary Sewer Fund	15,677				
Equipment Maintenance	1,038				
Workers' Compensation	693,314	730,462	696,712	805,788	823,274
Other Funds					
	<u>3,322,189</u>	<u>3,229,803</u>	<u>2,894,562</u>	<u>3,085,618</u>	<u>3,146,048</u>
General Fund FTE					
	15.20	15.20	13.20	12.20	12.20
Total FTE					
	23.00	23.00	21.00	20.00	20.00

INFORMATION TECHNOLOGY

MISSION STATEMENT

The Department of Information Technology (DoIT) provides leadership in the delivery of innovative, secure, environmentally sound, and cost-effective technologies to support all City departments and facilitate civic participation.

ORGANIZATION CHART



INFORMATION TECHNOLOGY

Department Overview

Customer Service & 311 Call Center

The Division of Customer Service provides community members with access to City services and information via the 311 Call Center and Online Service Center (www.CityOfBerkeley.info/OnlineService). In addition, this unit collects payments for all City departments, manages correspondence sent to *City of Berkeley Customer Service* (CustomerService@CityOfBerkeley.info), administers Parking Citation processing, and helps coordinate Citywide Customer Service protocols.

Network Operations

The Division of Network Operations oversees the City's entire network infrastructure and provides 24x7 support for mission-critical systems, including public safety MDTs (mobile data terminals) and the 911 dispatch center. This unit's Help Desk provides front-line support and training for over 165 software systems and 1,500 desktop computers, laptops, and printers. The Network Engineering team is responsible for the performance and security of more than 150 servers, routers, switches, and firewalls that connect 36 separate locations.

Programming & Configuration

The Division of Programming & Configuration develops, maintains, and implements software applications across a variety of technology platforms, including the City's financial system (FUND\$), web services (.NET/JAVA), and geographic information systems (GIS). In addition, this unit is responsible for the City's centralized database administration and data security protocols. Working closely with Portfolio Coordinators, this unit relies upon expert business analysis to upgrade and automate workflow systems for each City Department.

Business Analysis & Portfolio Coordination

The Division of Business Analysis & Portfolio Coordination is responsible for helping each department maximize its return on technology investments. Staff assigned to this unit help prioritize, design, and implement technology-based workflow improvement projects for client departments. In addition, this unit is responsible for regularly reviewing each department's technology portfolio to help ensure that technology resources are allocated in a manner that helps the City maximize operational efficiency across all departments.

Major Accomplishments for FY 2010 & FY 2011

- Citywide:
 - Created Online Service Center at www.CityOfBerkeley.info/OnlineService;
 - Redesigned the City's geographic information system (GIS), expanding analysis tools for City staff, as well as community access to data at www.CityOfBerkeley.info/MapRoom and www.CityOfBerkeley.info/DataCatalog; and

INFORMATION TECHNOLOGY

- Implemented Green IT program, decreasing server and desktop electricity consumption by 14% and reducing the number of hardware units by 37%.
- Police:
 - Completed implementation of new Public Safety software suite;
 - Implemented digital evidence storage and security system; and
 - Configured web-based service for community members to submit police reports at www.CityOfBerkeley.info/OnlinePoliceReport.
- Fire:
 - Implemented fire inspection system and billing interface;
 - Upgraded ambulance electrocardiogram (EKG) transmission system; and
 - Installed mobile data terminals in fire trucks.
- Public Works:
 - Implemented route optimization software (“Route Smart”) to help improve the efficiency of commercial and residential refuse routes;
 - Developed sanitary sewer monitoring and preventive maintenance system to comply with EPA directive;
 - Upgraded mobile sewer inspection vehicle and pipe inspection system; and
 - Integrated routine solid waste, graffiti, potholes, illegal dumping, parking meters, and sidewalk make-safe support into 311 Call Center and Community relationship Management (CRM) system workflow.
- Parks, Recreation, & Waterfront:
 - Integrated Forestry services into 311 Call Center and CRM system;
 - Installed Tree Inventory System to track, monitor health, and report maintenance of all trees on City property and in public rights-of-way;
 - Implemented a new Wireless Network to help the Berkeley Marina remain economically competitive in the bay area; and
 - Developed system to monitor and track Parks facility maintenance.
- Planning:
 - Completed vendor selection for new software to help streamline permitting, design review, land use, and plan check processes;
 - Implemented toxics management software to help enforce State and City hazardous materials regulations;
 - Installed online Solar Map at www.CityOfBerkeley.info/SolarMap to provide community information on potential energy generation;
 - Developed software to support the Money for Energy Efficiency (ME2) program; and
 - Developed online interactive map of all active building permits at www.CityOfBerkeley.info/PPop.

INFORMATION TECHNOLOGY

- Health Services:
 - Integrated routine Vital Statistics services into 311 Call Center and Community Relationship Management (CRM) system;
 - Implemented new software to support Environmental Health programs, including food inspections, smoking pollution, vector control, and noise ordinance enforcement;
 - Updated Berkeley Outbreak Management System (BOMS), consolidating 72 separate databases to one centralized system to track, monitor, and report on public health outbreaks; and
 - Began installation of new Electronic Health Records system, to improve operations at Citywide Health Clinics and streamline billing.

- Housing and Community Services:
 - Integrated Household Energy Assistance Program (HEAP) into 311 Call Center and Community Relationship Management (CRM) system; and
 - Implemented ServTraq software to support weatherization program.

- Finance:
 - Integrated routine Finance and Revenue Collections services into 311 Call Center and Community Relationship Management (CRM) system;
 - Implemented new tax assessment system to facilitate revenue transfer from Alameda County;
 - Developed Franchise Tax Board reporting for business licenses;
 - Supported online payment system evaluation and selection; and
 - Completed vendor selection for new business license system to increase customer service and optimize revenue collections.

- Rent Board:
 - Completed design and vendor selection for new Rent Tracking System (RTS) to replace 20 year old, outdated software;
 - Implemented Document Management System;
 - Developed tracking system to allow Rent Board staff to monitor building permits that may impact tenants;
 - Implemented fee and penalty calculator to replace manual system and allow for more consistent operations; and
 - Integrated Rent Board services into 311 Call Center and CRM system.

- City Attorney:
 - Integrated routine City Attorney services into 311 Call Center and Community Relationship Management (CRM) system.

- City Clerk:
 - Integrated routine City Clerk services into 311 Call Center and Community Relationship Management (CRM) system.

INFORMATION TECHNOLOGY

- Human Resources:
 - Integrated routine Human Resources services into 311 Call Center and Community Relationship Management (CRM) system.
 - Developed automated total compensation reporting tools to streamline reporting and analysis.
- City Manager:
 - Integrated routine Community Inquiry, Neighborhood Services, and Code Enforcement services into 311 Call Center and Community Relationship Management (CRM) system.

Key Objectives for FY 2012 & FY 2013

- Citywide
 - Replace the City's aged telephone system with an updated and more cost-effective Voice over Internet Protocol (VoIP) system;
 - In cooperation with Public Works, complete energy efficiency, capacity, and emergency preparedness upgrades in the City's two server rooms;
 - Implement standardized data analysis and business intelligence tools for use by all departments as part of the Citywide data warehousing program; and
 - Further expand Community Relationship Management (CRM), Interactive Voice Response, Online Service Center, Online Payments, and 311 Call Center to help support operations in all departments;
- Police:
 - Optimize the use of data warehousing and data analysis tools to support comparative statistics (COMPSTAT) program; and
 - Implement upgraded server infrastructure to support new programs, including vehicle immobilization ("booting") and COMPSTAT.
- Fire:
 - Implement new Emergency Medical Response system to improve paramedic operations and ambulance billing; and
 - Support Emergency Operations Center (EOC) improvements, including hardware, software, and communication tools for use in an emergency.
- Public Works:
 - Complete Implementation of new Transfer Station software, including modules for weighing, routing, and billing for refuse services;
 - Complete software selection for asset management system; and
 - Integrate routine Transportation, Engineering, and Streetlight services into 311 Call Center and Community Relationship Management (CRM).
- Parks, Recreation & Waterfront:
 - Complete data system design for the Citywide 2020 Vision project to report progress in closing Berkeley's educational achievement gap.

INFORMATION TECHNOLOGY

- Planning:
 - Complete implementation of a new software system to streamline land use, permitting, design review, and plan check processes; and
 - Integrate routine Permit Service Center services into 311 Call Center and Community Relationship Management (CRM) system.
- Health Services:
 - Complete implementation of Electronic Health Records System;
 - Implement pharmacy assistance registration system for low-income patients; and
 - Integrate routine Environmental Health services into 311 Call Center and Community Relationship Management (CRM) system.
- Finance:
 - Implement new software to manage business licenses, facilitate online registration, and provide advanced tools to optimize revenue collections;
 - Implement Online Payment system; and
 - Implement online parking permit system, allowing routine renewals via the City's website.
- Rent Board:
 - Complete implementation of Rent Tracking System (RTS) to replace 20 year old, outdated software.

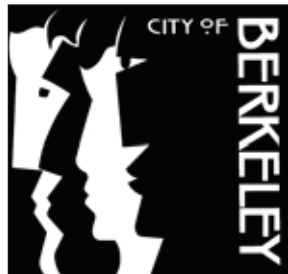
Significant Changes from Prior Year's Budget

- As of July 1 2010, the Division of Customer Service/311 Call Center (12 staff positions) was relocated from the City Manager's Office to the Department of Information Technology.
- In response to the Citywide General Fund deficit, the Department of Information Technology has reduced its budget by 3% in FY 2012, and an additional 3% in 2013, for a total recurring reduction of \$205,686;
- Reorganization of 311 Customer Service;
- Transfer 5 FTE to Finance, for a savings of \$492,583

INFORMATION TECHNOLOGY FINANCIAL SUMMARY

	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2013 Adopted
EXPENDITURES					
By Type:					
Salaries and Benefits	3,444,728	3,591,502	4,807,325	5,182,691	5,210,210
Services and Materials	1,162,671	1,240,868	2,267,867	1,455,076	1,411,076
Capital Outlay	263,080	678,388	535,398	1,140,055	1,117,419
Internal Services	126,079	111,422	190,138	131,987	132,155
Indirect Cost Transfer	80,212	66,558	167,845	195,722	196,700
	<u>5,076,770</u>	<u>5,688,738</u>	<u>7,968,573</u>	<u>8,105,531</u>	<u>8,067,560</u>
By Division:					
Administration	916,686	896,513	1,006,173	710,444	599,286
Application Development	1,696,986	1,668,944	1,844,589	1,949,668	1,989,489
Customer Service	1,145,145	1,290,613	1,158,610	1,105,944	1,134,058
Cable TV	290,988	230,710	230,688	230,710	230,710
Public Safety Systems	805,793	1,207,481	1,130,927	786,423	801,676
Customer Service 311		12,583	2,093,540	2,039,342	2,081,977
Capital Improvements	171,172	331,894	459,907	1,233,000	1,180,364
Telecommunications	50,000	50,000	44,139	50,000	50,000
	<u>5,076,770</u>	<u>5,688,738</u>	<u>7,968,573</u>	<u>8,105,531</u>	<u>8,067,560</u>
By Fund:					
General Fund	4,012,227	4,529,007	5,658,667	5,559,720	5,533,209
Gas Tax	22,905	26,088	106,688	51,327	52,401
Rental Housing Safety Program	43,934	46,615	45,422	45,755	46,616
Employee Training	56,398	95,775	54,787	72,374	72,374
Capital Improvement Fund	161,084	312,058	268,792	250,000	197,364
Refuse Fund	25,584	73,239	591,049	608,389	624,811
Sanitary Sewer Fund	99,253	124,342	339,780	514,134	524,987
Clean Storm Water	71,394	59,248	156,365	181,740	186,056
Permit Service Center	458,642	310,484	297,203	301,062	305,975
Bldg Purchases & Mgmt					
Equipment Maintenance	21,597	22,510	23,553	25,355	25,862
Building Maintenance	21,597	22,512	23,552	25,355	25,862
Computer Replacement Fund			119,115	383,000	383,000
Other Funds	82,155	66,860	211,600	87,320	89,043
	<u>5,076,770</u>	<u>5,688,738</u>	<u>7,896,573</u>	<u>8,105,531</u>	<u>8,067,560</u>

General Fund FTE	21.00	23.00	25.00	24.90	23.90
Total FTE	27.00	30.50	40.00	40.00	39.00



This page left intentionally blank

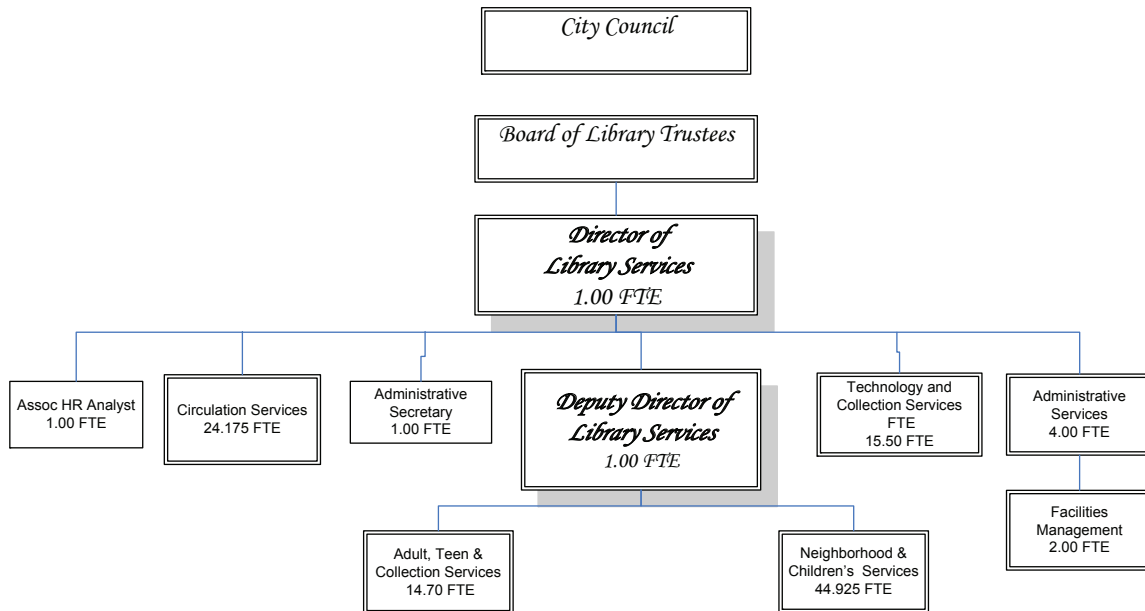
BERKELEY PUBLIC LIBRARY

MISSION STATEMENT

The Berkeley Public Library (BPL) supports the individual's right to know by providing free access to information. The Central Library and four neighborhood branch libraries are committed to developing collections, resources, and services that meet the cultural, informational, recreational, and educational needs of Berkeley's diverse, multi-cultural community. The Library supports independent learning, personal growth, and the individual's need for information. Helpful and expert staff welcomes the opportunity to provide quality library services and programs. The Berkeley Public Library – an institution shaped by Berkeley's traditions, characteristics, and environment – belongs to the entire community.

ORGANIZATION CHART

Berkeley Public Library
All Divisions
109.70 Total FTE



BERKELEY PUBLIC LIBRARY

Division Overview

Adult, Teen, and Collection Services

The Adult, Teen, and Collection Services division encompasses the Art & Music and Reference services at the downtown Central Library, the Outreach program, and system-wide services to the community's teens. This division also administers the budgeting, selection and ongoing evaluation of library materials – including both physical collections and digital content. The Outreach Program delivers library materials to patrons who are unable to physically come to the Library because of an illness or disability. Outreach service is provided to individual homes, senior centers, assisted living/care facilities, and nursing homes.

Neighborhood and Children's Services

Neighborhood and Children's Services oversees the four neighborhood branch libraries – Claremont, North, South, and West – and library services to children under 14, including community programming and development of the juvenile materials collections. The branch libraries deliver full services and programs into Berkeley's neighborhoods, with the added services of the Tool Lending Library at the South Branch, ensuring convenient access to information, materials, and public programs throughout the community.

Information Technology and Technical Services

The Library Information Technology and Technical Services division manages the Library's networks, servers, desktop computers, and enterprise applications such as the Innovative Interfaces Library Catalog. The division also provides computer hardware and software support and training. Technical Services oversees all aspects of the preparation of library materials for public use, including ordering, cataloging, and physically preparing all materials for the Library's five locations.

Circulation Services

The Circulation Services unit makes available library materials for circulation, maintains inventory control over all circulating materials, maintains physical collections, handles financial issues relating to circulation, and serves as the primary public contact and community relations interface within the Library.

Literacy Services

Berkeley READS provides free confidential tutoring and literacy support services for those aged 16 years and older. One-on-one support with volunteer tutors is provided through small group instruction and/or outreach tutoring. *English Literacy Instruction* is provided to immigrants through the development of reading/writing/life skills; *Families for Literacy*, an outreach program providing storytimes, free books, special events, and parent literacy workshops at community sites, serves disadvantaged families.

BERKELEY PUBLIC LIBRARY

Facilities Management

The Library's Facilities department maintains the physical plant and mechanical systems of the five buildings that make up the Berkeley Public Library system.

Finance and Administrative Services

The Finance and Administrative Services division manages the Library Tax Fund, the Library Gift Fund, and all other Library revenue sources and expenditures. It also administers and executes purchasing, contracts, and payroll functions within the Library.

Major Accomplishments – FY 2010 & FY 2011

- ❑ Over 2 million books, videos, recordings, and other items were borrowed by 95,917 registered borrowers – a 35% increase since 2006; and over 40,000 persons attended 1675 public events;
- ❑ The Library adapted to a changing economic environment with services and programs that provide the tools for maintaining citizens' own economic stability. Checkouts and borrower counts have jumped as patrons eschew purchases and instead turn to the Library's free collections. Program attendance is up among all age groups as more Berkeleyans take advantage of the Library's many free events. Thousands use Library computers and high-speed WiFi networks;
- ❑ Library materials are delivered upon request directly to users' most preferred Library location: last year, delivery requests for 222,206 different books, DVDs, CDs, audio books, and tools were filled. This service continues to thrive, with ever greater usage each passing year;
- ❑ More than one and a half million visits were made to the Library, in addition to over a million visits to the Library's "electronic branch," www.berkeleypubliclibrary.org; and
- ❑ *Berkeley READS*, the Library's adult and family literacy program, offered intensive instruction in basic literacy skills to 206 adults and 221 children under 18 as they reached to achieve their personal learning goals.

Key Objectives for FY 2012 & FY 2013

- ❑ Confirm the stability of the operating budget and plan for what is on the horizon operationally, to include establishing / maintaining a balanced budget;
- ❑ Monitor and manage the Measure FF bond program;
- ❑ Maximize the effectiveness of services; and
- ❑ Pursue establishment of a reserve fund.

Significant Changes from Prior Year's Budget

The Berkeley Public Library continually reviews the Library Tax Fund as it strives to align daily operational expenses with Fund receipts balancing the annual

BERKELEY PUBLIC LIBRARY

change in the supporting tax rate with that of expenditures. Alternative sources of revenue such as grants and donations, which primarily support Library programs, are tracked, monitored, and maintained, and new sources pursued. Consistent with the FY 2012 and FY 2013 priorities established by the Board of Library Trustees the Library reorganized the reporting structure of several divisions and is implementing the FY 2012-13 Library Work Plan, including revising and extending the Library's Strategic Plan. The Measure FF Fund's budget looks toward significant ongoing activities as all four neighborhood branch libraries undergo major construction improvement. The North and Claremont branch libraries are expected to reopen to the public in early 2012; and the South and West branches similarly following a year later. The Berkeley Public Library Foundation is in full swing on the Branch Libraries' Furniture, Fixtures & Equipment Capital Campaign Fund with a goal of raising \$3 million.

BERKELEY PUBLIC LIBRARY FINANCIAL SUMMARY

	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2013 Adopted
EXPENDITURES					
By Type:					
Salaries and Benefits	11,385,208	11,729,095	12,022,300	12,084,043	12,332,567
Services and Materials	2,609,434	3,672,254	3,785,598	3,618,639	3,389,897
Capital Outlay	128,243	225,533	1,431,215	2,453,037	2,089,739
Internal Services	7,666	8,947	9,936	10,539	10,623
Indirect Cost Transfer					
	14,130,551	15,635,829	17,249,049	18,166,258	17,822,826
By Division:					
Library Administration	3,228,852	3,257,780	3,836,027	3,830,195	3,785,244
Central Library	5,116,414	5,126,172	5,176,979	5,503,344	5,523,945
Branch Libraries	3,456,337	5,071,824	6,089,106	6,503,866	6,166,714
Technical Services	2,328,948	2,180,053	2,146,937	2,328,853	2,346,923
	14,130,551	15,635,829	17,249,049	18,166,258	17,822,826
By Fund:					
Library Fund	13,649,195	13,768,755	14,385,348	14,898,337	15,118,458
Direct Loan/Inter Library Loan	97,674	170,235	29,659	76,000	76,000
Library Services & Technology	68,595	68,420	39,785	29,930	34,930
Public Library Fund	114,674	5,790			
Library Gift Fund	178,700	164,648	266,951	158,475	40,000
Library Foundation - FF & E/Donations			255	1,000,000	1,000,000
Measure FF - Branch Renovations	9,277	1,457,981	2,527,051	2,003,516	1,553,438
Other Funds	12,436				
	14,130,551	15,635,829	17,249,049	18,166,258	17,822,826
General Fund FTE					
Total FTE	120.36	114.90	113.78	109.70	109.70

BERKELEY PUBLIC LIBRARY FINANCIAL SUMMARY

	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2013 Adopted
DIVISION/ACTIVITY SUMMARY					
<i>Library Administration</i>					
Administration	1,352,986	1,414,865	1,568,517	1,401,189	1,419,330
Library Information Systems	1,020,572	1,006,308	955,749	1,209,601	1,227,303
Facilities	786,123	824,068	849,584	930,259	938,469
Capital Projects	69,171	12,539	462,177	289,146	200,142
Division Total	3,228,852	3,257,780	3,836,027	3,830,195	3,785,244
FTE Total	17.00	16.00	16.00	16.00	16.00
<i>Central Library</i>					
Circulation Services	2,041,899	2,010,060	2,039,003	2,200,020	2,232,968
Children's and Teen Services	1,137,613	1,180,704	1,181,743	1,053,039	1,021,491
Art and Music	638,338	679,513	651,572	783,751	788,862
Reference	954,085	927,972	979,097	1,131,190	1,147,885
Literacy Programs	320,213	320,204	308,009	327,021	332,739
Young Adult Programs	24,266	7,719	17,555	8,323	
Division Total	5,116,414	5,126,172	5,176,979	5,503,344	5,523,945
FTE Total	52.58	50.63	50.25	48.90	48.90
<i>Branch Libraries</i>					
Administration	11,307	1,468,906	2,530,626	3,011,006	2,558,928
North Branch	771,132	785,540	818,343	864,524	910,535
South Branch	640,704	656,857	680,121	715,650	728,991
West Branch	724,514	771,553	777,178	829,061	842,440
Claremont Branch	773,382	821,570	820,646	826,642	865,929
Special Services	271,739	287,600	193,131	500	
Tool Lending	263,559	279,798	269,061	256,483	259,891
Division Total	3,456,337	5,071,824	6,089,106	6,503,866	6,166,714
FTE Total	35.55	33.85	33.85	32.30	32.30
<i>Library Technical Services</i>					
Technical Svcs & Collection Mgmt.	2,328,561	2,179,848	2,146,937	1,136,538	1,168,250
Technical Services	387	205		1,192,315	1,178,673
Division Total	2,328,948	2,180,053	2,146,937	2,328,853	2,346,923
FTE Total	15.23	14.43	13.68	12.50	12.50
Department Total	14,130,551	15,635,829	17,249,049	18,166,258	17,822,826
FTE Total	120.35	114.90	113.78	109.70	109.70

MAYOR AND COUNCIL

The Berkeley City Council consists of a Mayor and eight (8) Councilmembers. The City is divided into eight Council districts, which are used for the election of Councilmembers. The Mayor is elected citywide. The Mayor is the President of the Council and votes as an individual ninth member.

Following is a list of the current Council including their office telephone numbers.

Mayor Tom Bates, (510) 981-7100

District 1 - Councilmember Linda Maio, (510) 981-7110

District 2 - Councilmember Darryl Moore, (510) 981-7120

District 3 - Councilmember Maxwell Anderson, (510) 981-7130

District 4 - Councilmember Jesse Arreguin, (510) 981-7140

District 5 - Councilmember Laurie Capitelli, (510) 981-7150

District 6 - Councilmember Susan Wengraf, (510) 981-7160

District 7 - Councilmember Kriss Worthington, (510) 981-7170

District 8 - Councilmember Gordon Wozniak, (510) 981-7180

The Councilmembers' Office Budgets are annually adjusted by the CPI. The Mayor does not collect a salary.

MAYOR AND CITY COUNCIL FINANCIAL SUMMARY

	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2013 Adopted
EXPENDITURES					
By Type:					
Salaries and Benefits	1,426,173	1,465,736	1,504,971	1,523,933	1,549,684
Services and Materials	67,559	44,111	45,290	112,986	112,986
Capital Outlay	8,563	1,059	2,668		
Internal Services	87,625	86,377	88,286	88,711	89,635
Indirect Cost Transfer					
	1,589,920	1,597,283	1,641,215	1,725,630	1,752,305
By Division:					
Mayor's Office	491,343	489,733	507,400	544,645	557,339
Council Offices	1,098,577	1,107,550	1,133,815	1,180,985	1,194,966
Exiting Officials					
	1,589,920	1,597,283	1,641,215	1,725,630	1,752,305
By Fund:					
General Fund	1,589,920	1,597,283	1,641,215	1,725,630	1,752,305
	1,589,920	1,597,283	1,641,215	1,725,630	1,752,305

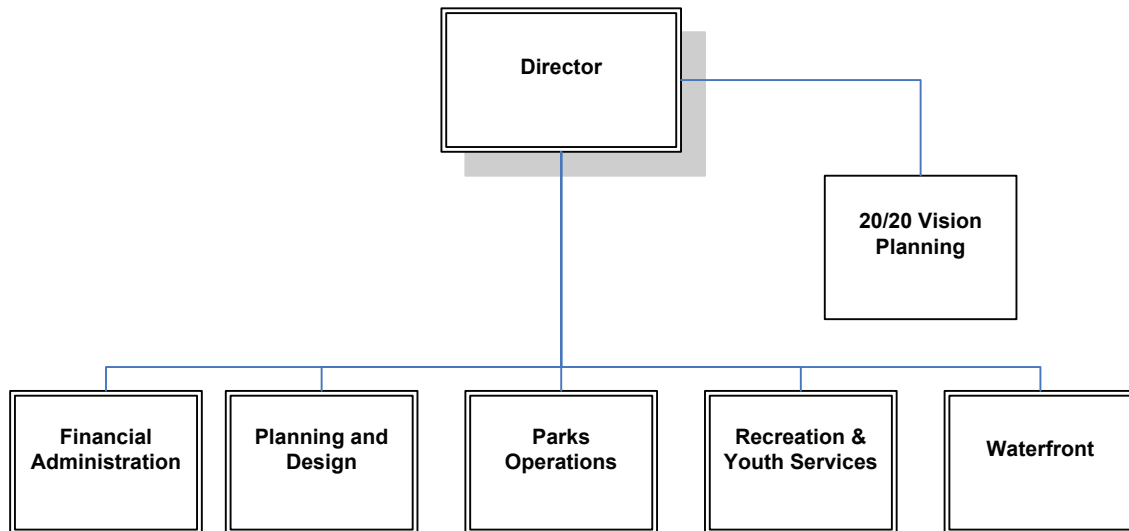
General Fund FTE	12.00	12.00	12.00	12.00	12.00
Total FTE	12.00	12.00	12.00	12.00	12.00

PARKS, RECREATION & WATERFRONT

MISSION STATEMENT

The mission of the Parks Recreation and Waterfront Department is to provide quality park, recreation and waterfront facilities, and related programs and services that are safe and functional while enhancing the urban environment. We also plan, construct, maintain and improve the City's parks, waterfront, recreation facilities, public trees and urban forest. We commit to being an effective and efficient organization with a well-trained workforce that values quality, pride in our work, public service, and a positive work climate with respect for each other and ourselves. We strive to engage the community in the implementation of this mission.

ORGANIZATION CHART



Department Overview

Financial Administration

Administrative Services provides overall management of departmental functions, including budgeting, payroll and purchasing services, contracts, accounting, Council processes, departmental communications, publications, departmental policies and procedures and grant administration.

20/20 Vision

The 2020 Vision for Berkeley's Children and Youth is a strategic, community-wide effort grounded in the knowledge that creativity and intellect are evenly distributed at birth, regardless of race or gender. Despite this, Berkeley Public Schools have one of the worst academic achievement gaps along racial lines in the state of California, along with the second highest dropout rate in Alameda County at 27%. This is unacceptable. As a result, Berkeley has taken definitive action by developing an initiative called The 2020 Vision for Berkeley's Children and Youth. 2020 Vision is collaboration between the City, the Berkeley Unified School District, U.C. Berkeley, West Ed, parents, community organizations and community members to address issues that result in lower academic success and worse life outcomes for African American and Latino students. What is clear is that academic success is not just about school districts and academics. Success requires a focus on the whole child. Therefore the partners in the 2020 Vision are working together to improve the success of African American and Latino students through social/emotional, health, psychological and academic methods.

Planning and Design

This division plans and manages capital improvement projects at City-owned parks and related facilities. This includes park and facility planning, permitting, environmental review, design and construction management.

Park Operations

Park Operations maintains and enhances the City's 52 parks, including playgrounds, sport fields, and buildings. The Division also maintains over 40,000 public trees, as well as medians and pathways city-wide for the benefit of the Berkeley community.

Recreation and Youth Services

This division provides a wide variety of unique and traditional recreational opportunities for all Berkeley citizens, with a concentration on youth. The division administers its programs in City parks and programs and operates the City's recreation centers, swimming pools and campsites (including Tuolumne and Echo Lake).

Waterfront

This division operates and maintains the Berkeley Marina, which is the largest marina in the Bay Area and its related facilities, including Cesar Chavez Park, the Shorebird Nature Center, and the Adventure Playground. This division also manages agreements with Marina businesses, leases, boats and berths in the Marina.

Major Accomplishments – FY 2010 & FY 2011

- ❑ Creation of 2020 Vision's measurable indicators for Phase II;
- ❑ Development of 2020 Vision Design Team;
- ❑ In collaboration with BUSD and the Berkeley Alliance, conducted outreach to over 150 childcare providers and parents of pre-school aged children;
- ❑ Completed construction for phase IIA Gilman Street Fields that includes one softball field and additional parking and related site amenities;
- ❑ Completed the San Pablo Park Backstop extension;
- ❑ Installed the San Pablo Park entrance sign;
- ❑ Completed construction of environmental classroom replacement at the Shorebird Nature Center;
- ❑ Applied and awarded grants for Bay Trail Extension totaling to \$2,283,000;
- ❑ Actively protected, restored and enhanced wildlife habitat in Aquatic Park, Mortar Rock Park and John Hinkel Park;
- ❑ Completed the first round of the Berkeley Urban Reforestation Planting grant;
- ❑ Improved facilities in Aquatic Park;
- ❑ Development and implementation of new Middle School programs (Justice in Action, Young and Summer Achievers);
- ❑ Implementation of the Pre-K program funded by Alameda's First 5;
- ❑ Completion of Echo Lake ADA entrance;
- ❑ Completion of the Tuolumne cabin replacements;
- ❑ Provided the Summer Lunch Program to over 45,000 kids;
- ❑ Expanded the Teen Program;
- ❑ Completed the construction for B&C Docks funded through a loan with the Department of Boating and Waterways;
- ❑ Removed and replaced 48 wooden pilings with concrete piles; and 20 concrete floats;
- ❑ Replaced 72 rental storage lockers;
- ❑ Initiated Wi-Fi service throughout the Marina;
- ❑ Installed the "Open Circle" public art project in Cesar Chavez Park; and
- ❑ Successfully coordinated July 4th and Berkeley Kite Festival event.

Key Objectives for FY 2012 & FY 2013

- ❑ To represent the City of Berkeley on 20/20 Vision planning, implementation, and evaluation activities;

- ❑ Develop and coordinate an evaluation strategy for City of Berkeley youth services;
- ❑ Develop and implement data management system (in conjunction with IT) for collection of evaluation data from youth programs;
- ❑ To provide recommendations related to reporting outcomes, best practices, and training needs for City of Berkeley and City funded youth programs;
- ❑ Develop and implement customer feedback mechanism and maintain and update Youth Services and 2020 Vision Website;
- ❑ Staff the Early Childhood Education Commission;
- ❑ Construction of the first segment of the Bay Trail Extension;
- ❑ Relocation of South Dry storage;
- ❑ Reconstruction of L&M lot in Marina;
- ❑ Paving of South and Skates parking lots in the Marina;
- ❑ Replacement of the street and pier lights with LED in the Marina;
- ❑ Float replacements;
- ❑ Completion of the Citywide Park Accessibility Master Plan;
- ❑ Renovation of James Kenney Park play area;
- ❑ Completion of the Ohlone Dog Park drainage and surfacing improvements;
- ❑ Completion of Virginia-McGee Totland renovation;
- ❑ Renovation of John Hinkel Park Amphitheater;
- ❑ Strawberry Creek renovation;
- ❑ Glendale LaLoma Park renovation;
- ❑ Cordornices Creek play area safety upgrades;
- ❑ Promote public awareness of urban tree benefits and values through the newly developed tree inventory database;
- ❑ Complete the second round of the Environmental Enhancement and Mitigation Caltrans Program (EEMP) planting grant;
- ❑ Protect, restore and enhance wildlife habitat in Aquatic Park;
- ❑ Rehabilitate six sports fields; and
- ❑ To negotiate lease agreements in Aquatic Park facilities which include improvements of the buildings.

Significant Changes from Prior Year's Budget

- ❑ General Fund reductions were accomplished by restructuring Recreation's administrative positions through cost-shifting portions of some administrative function and elimination of a full time position. It also includes closure of the Berkeley High School Warm Water Pool in December 2011.
- ❑ Camp Fund's baseline was increased as a result of the restructuring, which will be covered partly by an adopted fee increase.
- ❑ Reduction in Parks Tax comes from elimination of a full-time position in Planning and Design as well as the hourly budget for Landscape Division.
- ❑ Marina Enterprise Fund was reduced as a result of partial cost-shifting of positions in the Financial Administration and Office of the Director.
- ❑ Classes requiring a special fee were fully budgeted in FY 2012 and FY 2013.

PARKS RECREATION AND WATERFRONT FINANCIAL SUMMARY

	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2013 Adopted
EXPENDITURES					
By Type:					
Salaries and Benefits	14,558,852	15,197,726	15,417,183	15,753,043	16,101,541
Services and Materials	4,717,687	4,380,682	4,551,722	5,072,501	5,076,200
Capital Outlay	1,188,310	1,300,024	1,178,037	1,880,421	1,253,411
Internal Services	888,624	1,056,740	1,093,273	1,129,162	1,094,666
Indirect Cost Transfer	317,443	349,615	366,595	378,824	380,714
	<u>21,670,916</u>	<u>22,284,787</u>	<u>22,606,810</u>	<u>24,213,951</u>	<u>23,906,532</u>
By Division:					
Parks	10,603,480	10,885,644	10,923,588	11,752,107	11,334,190
Marina	3,848,346	4,011,687	4,280,504	5,113,969	5,178,907
Camps & Recreation	7,219,090	7,387,456	7,402,718	7,347,875	7,393,435
	<u>21,670,916</u>	<u>22,284,787</u>	<u>22,606,810</u>	<u>24,213,951</u>	<u>23,906,532</u>
By Fund:					
General Fund	5,878,756	5,548,860	5,950,067	5,220,516	5,232,164
Capital Improvement Fund	723,935	559,322	237,416	400,000	400,000
Federal Grants	94,501	89,562	84,993	100,000	100,000
State/County Grants	416,180	348,557	216,037		
Playground Camp Fund	1,810,002	1,711,058	1,975,227	2,305,838	2,346,921
Other	88,533	67,589	18,864	64,128	64,419
Parks Tax	8,343,851	9,012,695	8,983,435	9,720,084	9,909,087
Measure WW Park Bond Grant			203,691	627,010	
Refuse	144,719	152,162	152,268	158,890	160,279
Marina	4,140,313	4,794,982	4,784,812	5,617,485	5,693,662
Building Purchases & Mgmt.	30,126				
	<u>21,670,916</u>	<u>22,284,787</u>	<u>22,606,810</u>	<u>24,213,951</u>	<u>23,906,532</u>

General Fund FTE	27.95	27.95	24.40	24.12	23.91
Total FTE	164.48	165.33	161.33	157.33	157.33

PARKS RECREATION AND WATERFRONT FINANCIAL SUMMARY

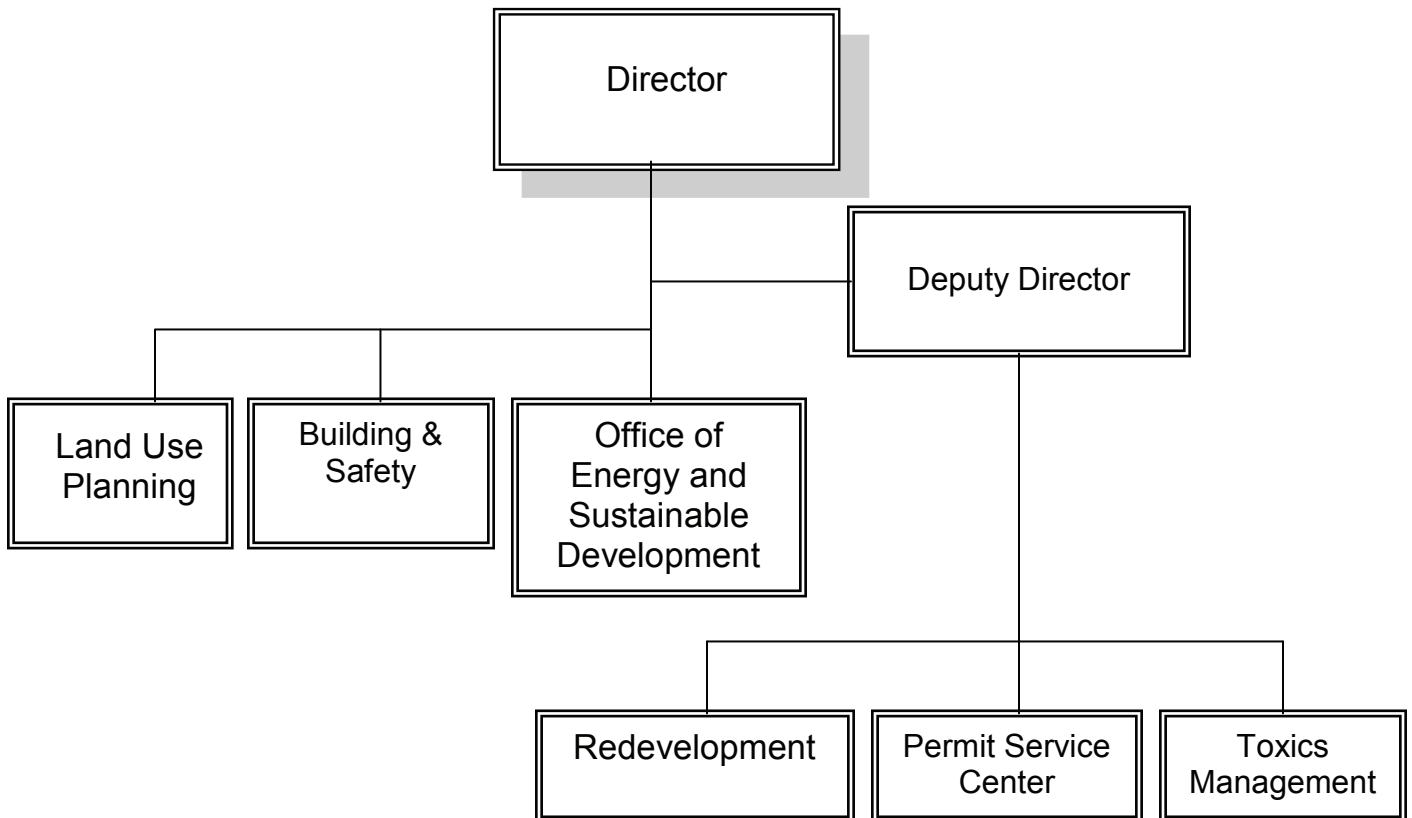
	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2013 Adopted
DIVISION/ACTIVITY SUMMARY					
<i>Parks</i>					
Admininstration	1,044,771	1,156,952	1,335,649	1,536,532	1,573,239
Forestry Services	1,501,604	1,704,765	1,631,956	1,784,285	1,820,122
Landscaping Services	4,150,395	4,295,640	4,398,737	4,501,518	4,586,897
Corp Yard Administration	228,055	342,850	370,145	422,282	431,023
Parks Building and Systems Mtc.	1,029,912	1,010,289	1,119,454	1,199,669	1,224,619
Fire Fuel Management	328,905	357,421	374,195	408,324	414,875
Parks Capital: Plan & Mgmt.	573,328	563,495	624,836	622,487	633,415
Parks Capital: Construction	1,746,510	1,454,232	1,068,616	1,277,010	650,000
Division Total	10,603,480	10,885,644	10,923,588	11,752,107	11,334,190
FTE Total	60.87	60.35	61.00	59.35	59.35
<i>Marina</i>					
Administration	649,381	642,896	595,129	582,316	588,646
Marina Maintenance	681,156	645,092	690,370	773,002	788,445
Marina Operations	1,677,472	1,638,027	1,808,400	2,181,429	2,199,444
Marina Recreation Program	374,026	411,793	455,414	465,085	475,325
Marina Landscaping	565,508	618,758	651,601	677,137	692,047
Capital Improvements	(99,197)	55,121	79,590	435,000	435,000
Division Total	3,848,346	4,011,687	4,280,504	5,113,969	5,178,907
FTE Total	20.00	19.00	19.00	18.50	18.50
<i>Camps & Recreation</i>					
Recreation	4,866,472	5,178,832	5,090,621	4,831,756	4,863,361
Young Adult Program	594,955	531,216	451,108	450,962	456,246
Camps	1,757,663	1,677,408	1,860,989	2,065,157	2,073,828
Division Total	7,219,090	7,387,456	7,402,718	7,347,875	7,393,435
FTE Total	83.61	85.98	81.33	79.48	79.48
Department Total	21,670,916	22,284,787	22,606,810	24,213,951	23,906,532
FTE Total	164.48	165.33	161.33	157.33	157.33

PLANNING DEPARTMENT

MISSION STATEMENT

Make Berkeley a better place to live and work by partnering with the community to plan for and manage its physical, cultural, economic, and environmental future.

ORGANIZATION CHART



PLANNING DEPARTMENT

Department Overview

Building and Safety Division

This division reviews proposed construction plans for conformance to the building and other applicable codes; approves building, plumbing, mechanical and electrical permits; inspects construction projects to ensure conformance with minimum standards, and investigates work done without permits. This division also recommends and implements ordinances to retrofit seismically vulnerable buildings.

Land Use Planning Division: Policy & Current Planning

This division is responsible for developing and implementing land use policy for the City of Berkeley. The Policy Group prepares area plans, such as the Downtown Area Plan and the Southside Plan, and develops amendments to existing area plans, the Zoning Ordinance, and the General Plan. Current Planning regulates land use development applications to ensure conformance with the Zoning Ordinance and the General Plan, and conducts environmental review of proposed development projects in conformance with the California Environmental Quality Act (CEQA). The Division provides staff support to the Planning Commission, Zoning Adjustments Board, Landmarks Preservation Commission, Design Review Committee, and Medical Cannabis Commission.

Office of Energy and Sustainable Development

The Office of Energy and Sustainable Development (OESD) develops policies and implements programs to promote sustainable resource practices and reduce energy, and water use and the associated greenhouse gas emissions in both City operations and the Berkeley community. These activities include the development, implementation and monitoring of a climate action plan, development and maintenance of and training in energy and green building standards; implementation of the ARRA-funded money for Energy Efficiency Program; implementation of the utility ratepayer-funded Multifamily Energy Solutions Project; and the development and administration of clean energy capital projects in City facilities. OESD provides staff support to the Energy Commission.

Permit Service Center

This division issues building permits and routes plans to the various reviewing City departments, providing a one-stop service to the public for development applications. The PSC also reviews and issues permits for the Fire Department, Public Works, Health, Engineering and Traffic Divisions. The PSC collects all monies for the Planning Department.

Toxics Management Division (TMD)

TMD is a State-Certified Unified Program Agency (CUPA), responsible for implementing, inspecting and enforcing California Environmental Protection Agency (Cal EPA) and Emergency Management Agency (Cal EMA) programs dealing with hazardous materials and hazardous wastes, within the City of

PLANNING DEPARTMENT

Berkeley. TMD conducts inspections, data gathering and enforcement of businesses for implementation of state codes dealing with chemical storage and accidental release, hazardous waste generation (including universal wastes), hazardous waste treatment, pollution prevention, aboveground and underground storage tank management and household hazardous waste. TMD conducts non-CUPA duties such as soils and groundwater remediation, and storm water pollution-prevention. It also responds to community complaints, assists the City with toxicological concerns, and staffs the Community Environmental Advisory Commission.

Redevelopment

The Redevelopment Division provides coordination planning, finance, and implementation of capital projects and affordable housing in the West Berkeley (Fourth Street near Hearst Street) and Savo Island (Milvia/Adeline near Stuart Street) Redevelopment Areas for the Berkeley Redevelopment Agency (BRA). The BRA is a separate entity from the City, and is supported by a portion of property taxes from the areas served.

Major Accomplishments – FY 2010 & FY 2011

- The Land Use Planning Division completed the Housing Element, zoning amendments to further economic development in the Downtown, and a Downtown Area Plan (subsequently rescinded). The Division has made significant progress on a revised Downtown Area Plan the Southside Plan, and the West Berkeley Project. All three of these major projects will be completed by the end of FY2011, with the exception of follow-up Zoning Ordinance amendments to implement the Downtown Area Plan scheduled for completion in Fall 2011. The Current Planning Group has completed land use permits for two major mixed-use development projects, one on Shattuck Avenue and a second on Telegraph. The Division has provided public access through the City's web site to the public records for all of the current zoning projects, including the current status of these projects.

- The Office of Energy and Sustainable Development
 - Received the 2010 Innovation in Green Community Planning Award from the American Planning Association (APA) California Chapter for the Berkeley Climate Action Plan;
 - Developed and maintains 30 metrics illustrating progress toward Climate Action Plan goals;
 - Developed and launched the ARRA-funded Money for Energy Efficiency (ME2) Program, processing 631 applications;
 - Launched and received additional US Department of Energy grant funding for the Smart Solar program and published a solar map and calculator on the web to encourage solar energy installations;
 - Received a \$265,000 grant to develop policy and program options for capturing deeper energy and cost savings in multifamily housing;

PLANNING DEPARTMENT

- Supervised the installation of energy efficiency improvement projects in municipal sites saving an estimated \$17,000 in annual energy costs and provided energy efficiency consultations for other capital projects;
 - Conducted over 300 green building consultations with contractors and homeowners seeking building and zoning permits;
 - Conducted workshops for home owners and service providers on Residential Home Performance to market benefits of energy upgrades and promote incentive programs; and
 - Conducted training on 2008 Energy Code effective 2010 and streamlined processes for permit application and review for energy efficiency measures.
- The Toxics Management (TMD)
- Implemented a data management system for all CUPA sites;
 - Developed and tested a web-based portal for electronic submittals of chemical inventory information as soon to be required for all CUPA agencies;
 - Improved its enforcement program during the last year, conducting several in-house administrative enforcement orders;
 - Took responsibility for the above-ground petroleum storage program (previously managed by Cal EPA); and
 - Continued implementation of the used oil program and supported six Berkeley facilities that accept used oil from the public.
- The Building and Safety Division
- Continued to provide most inspections on the day requested despite reductions in staff;
 - Resolved several major code enforcement cases in conjunction with the City Attorney's Office;
 - Imaged over 16,000 building permit documents in conjunction with the Clerk's office and prepared approximately 4,000 additional documents for imaging;
 - Continued Phase I of the soft story building assessment program, resulting in 122 (46%) engineering reports approved, 46 (17%) incomplete reports filed and 55 (20%) soft story buildings retrofitted since inception of the program; and
 - Continued to improve efficiency in operations by streamlining procedures including expiring permits, indexing records, imaging, and in conjunction with IT, developed GIS tools to balance work load among inspectors.
- The Permit Service Center continued the new appointment system for applications and implemented pre-application appointments for owners, contractors and developers to assist with the plan check review process.
- The Redevelopment Agency completed the West Berkeley Circulation Master Plan and Quiet Zone Report, made significant progress toward disposition of the three Agency-owned properties and with a grant, installed bike lockers at

PLANNING DEPARTMENT

the Rail Stop and contracted for signs directing people to Fourth Street and Aquatic Park.

Key Objectives for FY2012 & FY2013

- Land Use Planning
 - Complete all implementation tools for the Downtown Area Plan (i.e., zoning and design guidelines);
 - Amend the Zoning Ordinance to allow for streamlined zoning approval of new businesses;
 - Create the Administrative Regulations for the revised Master Use Permit process, and other elements of the West Berkeley Project;
 - Implement a new database for tracking land use permit actions and records; and
 - Continue to process entitlement applications in a timely manner.

- Office of Energy and Sustainable Development (OESD)
 - Update the community greenhouse gas emissions inventory as well as the published Climate Action Plan progress metrics;
 - Process \$675,000 in ARRA-funded ME2 incentives;
 - Leverage existing Capital Project funds with PG&E's interest-free On Bill financing Program, to allow repayment of energy efficiency projects on existing energy bills without raising the amount of the monthly bill payment;
 - Complete energy efficiency upgrades of several municipal facilities, including lighting at the North Berkeley Senior Center, Center Street Garage, fire stations and recreation centers;
 - Provide green building consultations and technical green building assistance to Permit Service Center customers;
 - Prepare final RECO amendment and finalize on line application process;
 - Define a set of policy and program solutions designed to capture energy and cost savings in the multifamily market; and
 - Obtain additional grant funds to support implementation of the Climate Action Plan.

- Building and Safety Division
 - Recommend mandatory retrofit standards for soft story buildings and if approved by council, staff and set up program;
 - Begin implementation of new Permit and Inspection Tracking software;
 - Complete enforcement of remaining 17 un-retrofitted URM buildings; and
 - Continue staff training all new codes, effective 1/1/11, with focus on California Green Building and Residential Codes.

- Permit Service Center
 - Continue outreach to the building community to provide information about the permit process and to increase opportunities for customer feedback.

PLANNING DEPARTMENT

- Toxics Management Division (TMD)
 - Initiate the full-scale web portal for electronic submittals; and
 - Integrate all CUPA programs through a new Cal EPA compliant data gathering and dissemination system.

Significant Changes from Prior Year's Budget

This adopted budget reflects the following:

- Elimination of a Permit Specialist, Building Inspector I, HazMat Specialist II and a Senior Management Analyst.
- General Fund reductions for FY2012 and FY2013 were accomplished through increased referral of citizen complaints to other responsible State and local agencies, and cost shifts to available grant funding in the Office of Energy and Sustainable Development for a savings of \$191,087.
- The Planning Department is working to manage a \$.5M structural deficit in the Permit Service Center fund and has proposed a comprehensive set of balancing measures that will reduce spending, cost-shift where appropriate to alternate funds, and realign service priorities.

PLANNING DEPARTMENT FINANCIAL SUMMARY

	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2013 Adopted
EXPENDITURES					
By Type:					
Salaries and Benefits	9,260,266	8,781,987	8,314,615	8,350,767	8,430,702
Services and Materials	2,697,775	3,147,805	1,835,830	1,710,439	1,710,839
Capital Outlay	106,802	69,234	19,653	18,265	18,265
Internal Services	147,462	131,677	113,406	95,141	95,329
Indirect Cost Transfer	1,125,664	920,778	879,489	846,339	836,334
	13,337,969	13,051,481	11,162,993	11,020,951	11,091,469
By Division:					
Office of the Director	1,544,817	1,453,144	1,500,063	1,495,247	1,516,212
Permit Service Center	1,409,258	1,265,379	1,258,020	1,274,438	1,302,651
Redevelopment	760,829	1,557,065	542,993	435,269	437,534
Toxics Management	1,289,148	1,350,066	1,254,501	1,247,378	1,265,355
Energy & Sustainability	1,261,448	1,334,570	1,071,381	721,989	745,023
Land Use	3,896,668	3,282,630	2,828,120	3,061,873	2,989,719
Building & Safety	3,175,801	2,808,627	2,707,915	2,784,757	2,834,975
	13,337,969	13,051,481	11,162,993	11,020,951	11,091,469
By Fund:					
General Fund	1,803,934	1,676,801	1,509,064	1,520,621	1,549,134
Capital Improvement Fund	31,871	31,154	8,018	17,563	17,876
State/County Grants	142,222	325,463	86,190	19,937	20,346
Berk. Redev. Agency	784,700	1,581,269	580,907	489,322	492,579
Rental Housing Safety	10,178	10,103	10,272	11,385	11,616
Parks Tax	24,801	23,823	24,881	27,767	28,520
Sustainable Energy Fin Dist.	178,461	159,596	1,378		
UC Settlement	320,916	40,366			
Refuse	15,626	18,333	17,654	22,998	23,579
Sewer	27,895	27,126	28,311	31,575	32,347
Clean Storm Water	141,290	143,926	142,978	154,373	157,261
Private Sewer Lateral					
Permit Service Center	8,945,172	8,014,870	7,642,755	7,862,211	7,878,029
Unified Program (CUPA)	714,999	769,204	749,695	807,860	823,228
Other Funds	195,904	229,447	360,890	55,339	56,954
	13,337,969	13,051,481	11,162,993	11,020,951	11,091,469

General Fund FTE	10.31	11.22	9.79	10.99	10.73
Total FTE	74.05	65.55	59.05	58.55	57.55

PLANNING DEPARTMENT FINANCIAL SUMMARY

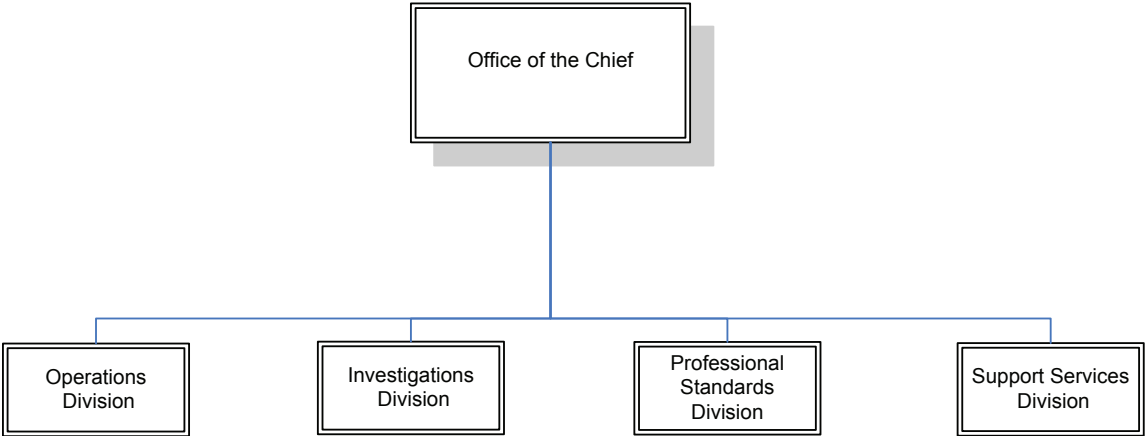
	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2013 Adopted
DIVISION/ACTIVITY SUMMARY					
Office of the Director					
Administration	1,544,817	1,453,144	1,500,063	1,495,247	1,516,212
Division Total	1,544,817	1,453,144	1,500,063	1,495,247	1,516,212
FTE Total	5.00	4.00	4.00	4.00	4.00
Permit Service Center					
Permit Service Center	1,409,258	1,265,379	1,258,020	1,274,438	1,302,651
Division Total	1,409,258	1,265,379	1,258,020	1,274,438	1,302,651
FTE Total	9.00	8.00	7.00	7.00	7.00
Redevelopment					
Redevelopment Agency	760,829	1,557,065	542,993	435,269	437,534
Division Total	760,829	1,557,065	542,993	435,269	437,534
FTE Total	2.00	2.00	1.00	1.00	1.00
Toxics Management					
Toxics Management	405,219	410,269	340,857	278,793	285,330
Toxics & Pollution Prev/CUPA	714,999	769,084	738,724	766,044	780,535
Toxics Management/Stormwater	141,290	143,926	142,978	154,373	157,261
PSC Support	27,640	26,787	31,942	48,168	42,229
Division Total	1,289,148	1,350,066	1,254,501	1,247,378	1,265,355
FTE Total	7.00	7.00	7.00	6.00	6.00
Energy & Sustainability					
Energy & Sustainability	1,261,448	1,334,570	1,071,381	721,989	745,023
Division Total	1,261,448	1,334,570	1,071,381	721,989	745,023
FTE Total	3.05	5.05	5.05	4.05	4.05
Land Use					
Administration	208,247	215,233	283,197	243,897	240,539
Land Use Planning	3,688,421	3,067,397	2,544,923	2,817,976	2,749,180
Division Total	3,896,668	3,282,630	2,828,120	3,061,873	2,989,719
FTE Total	30.00	23.50	21.00	22.50	21.50
Building & Safety					
Administration	223,882	228,014	231,946	254,957	259,717
Building & Safety	2,951,919	2,580,613	2,475,969	2,529,800	2,575,258
Division Total	3,175,801	2,808,627	2,707,915	2,784,757	2,834,975
FTE Total	18.00	16.00	14.00	14.00	14.00
Department Total	13,337,969	13,051,481	11,162,993	11,020,951	11,091,469
FTE Total	74.05	65.55	59.05	58.55	57.55

POLICE DEPARTMENT

MISSION STATEMENT

In partnership with a culturally diverse community, the Berkeley Police Department is committed to the effective suppression of crime and drug-related activity, and to providing a safe and secure environment through vigorous law enforcement. The department will strive to identify and solve problems that threaten the quality of life in our community.

ORGANIZATION CHART



POLICE DEPARTMENT

Department Overview

Office of the Chief

The Office of the Chief provides overall leadership and administrative oversight for the Police Department. The Office includes the Chief of Police, the Internal Affairs Bureau and the Public Information Bureau. The primary focus of the office is to reduce crime and maintain the accountability of the Department and the respect of the community it serves within the established budget.

Professional Standards

The Professional Standards Division, which includes Personnel and Training, brings the Berkeley Police Department in line with national standards and best practices. The focus of this Division is improving on systems to reduce obstacles to accomplishing our mission. This Division will work to streamline what can sometimes be overly burdensome procedures and make us more effective.

Support Services

The Support Services Division is responsible for providing assistance to all units in the Police Department, as well as facilitating Police and Fire responses throughout the community through the Communications Center. The Division encompasses the following units: Budget and Fiscal Services, Records, Jail Operations, Communications Center, and Property Room. The Division is committed to providing quality service and response.

Operations

The Patrol Division is responsible for the response to calls for service, conducting initial investigations, making arrests, issuing citations and proactive police problem solving to improve the quality of life in the community. The Area Coordinators have been assigned to work with Area Commanders (Patrol Lieutenants) in Operations. This change will allow better coordination and information sharing among operational units. It also provides Area Coordinators access to more resources, increases accountability in addition to expanded coordinated responses to community concerns. The Bicycle Detail, Police Reserves, Crowd Management Team, Barricaded Subject Hostage Negotiation Team, and Explosive Ordinance Disposal Team are all specialized units within the division.

Investigations

The Investigation Division is comprised of the Detective Bureau, Special Enforcement Unit, Crime Analysis Unit, Traffic Bureau (traffic and parking enforcement), and the Crime Scene Unit. A number of Detective Units and staff have been relocated. One example is Homicide and Robbery, who previously worked separately, are now combined into a joint Crimes Against Persons Unit with the team working out of the same office. The Special Enforcement Unit/Drug Task Force has been placed under the Investigations Division which

POLICE DEPARTMENT

will serve to improve communications and ensure better coordination among all field and investigative units.

The Crime Analysis Unit has been expanded and moved into a single office. We recognize that a small percentage of people commit a large percentage of crimes and this change will allow us to more carefully focus our limited resources on times, places, and people who have the greatest impact on the community. We are working to better utilize data and information when making both sound tactical and strategic decisions. Having timely information and analysis is one of the most effective ways we can get there.

Major Accomplishments - FY 2010 and FY 2011

- ❑ Implemented a number of changes to the organization. The overall purpose of these changes improved communication and information sharing across functions and coordinated resources where they most effectively address BPD operational needs, crime and victimization, community concerns and crime prevention efforts.

The reorganization include consolidating a number of Patrol and Investigations functions, formalizing the Information Sergeant's (PIO) position, creation of a new Professional Standards Division under Captain Cynthia Harris, promotion of Captain Erik Upson who is now commanding the Operations Division, assigning Captain Dennis Ahearn to command the Investigations Division and folding the previous Support Services Division and specific units of the Field Support Division into one Support Services Division under the direction of PSBM Lynne Ohlson.

- ❑ Berkeley's Part 1 crime rate in 2010 decreased 8.8% from the previous year, the largest decrease in a decade.
- ❑ Civilian Communications Manager replaced a Lieutenant in the Communications Center for a savings of \$80,280.
- ❑ Implemented Compstat model of policing which promotes accountability through accurate and timely intelligence to develop effective tactics for rapid deployment of resources to end criminal activity and prevent resurgence through relentless follow-up and assessment.
- ❑ Implemented on-line crime reporting module for selected criminal activity.
- ❑ Police and Life Academy for Youth (PLAY): Special Victims Unit Sergeant Jennifer Louis worked with University of California Police Department (UCPD) Lieutenant Adán Tejada and the Berkeley Boosters/ PAL to develop a local youth academy. The course exposes Berkeley youth to a variety of topics from law enforcement practices and career opportunities, to emergency preparedness, crime prevention and developing relationships with the departments.

POLICE DEPARTMENT

Key Objectives for FY 2012 & FY 2013

- ❑ Reduce Part I Crimes by 10% throughout the City of Berkeley.
- ❑ Maintain a closure rate for Part One Crimes that meet or exceed the national average for agencies our size.
- ❑ Achieve CALEA accreditation.
- ❑ Implement comprehensive, emergency radio system in compliance with federal guidelines for interoperability with multiple jurisdictions and joint operations.
- ❑ Complete the implementation of the Public Safety Technology System, which will include In Field Reporting, false alarm and case management.
- ❑ Maintain appropriate and diverse staffing by hiring and training new sworn and non-sworn employees.
- ❑ Reorganize Parking Enforcement Unit.
- ❑ Review jail operations and increase cost effectiveness;
- ❑ Implement LPR technology for increased enforcement efficiencies.
- ❑ Promote traffic safety through DUI and Vehicle Code enforcement working with Public Works to address the Pedestrian Safety Master Plan.

Significant Changes from Prior Year's Budget

The FY 2012 & FY 2013 Adopted Budget includes the following significant changes and General Fund savings:

FY 2012

- ❑ Eliminate five sworn officers for a total savings of \$1,015,929.
- ❑ Eliminate an Office Specialist II and a Human Resource analyst for a total savings of \$241,032.
- ❑ Eliminate a Parking Enforcement Officer and a Community Service Officer for a total savings of \$223,824.
- ❑ Eliminate compensatory overtime for a total savings of \$54,042.
- ❑ Conduct prisoner transport during regular duty hours for a total savings of \$77,555.

FY 2013

- ❑ Eliminate two Office Specialist II for a total savings of \$182,238.
- ❑ Eliminate an Office Specialist III for a savings of \$105,659.
- ❑ Eliminate compensatory overtime for a savings of \$102,068.
- ❑ Eliminate a Crime Analyst for a savings of \$148,198.

The savings resulting from reduced staffing costs will help offset the increasing CalPERS costs.

POLICE DEPARTMENT FINANCIAL SUMMARY

	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2013 Adopted
EXPENDITURES					
By Type:					
Salaries and Benefits	48,935,105	50,813,060	52,198,606	53,333,566	53,776,931
Services and Materials	1,814,515	1,786,611	1,973,247	2,453,145	2,453,145
Capital Outlay	362,178	346,528	86,645	434,722	434,722
Internal Services	2,494,630	2,461,298	2,629,127	2,620,433	2,620,601
Indirect Cost Transfer					
	53,606,428	55,407,497	56,887,625	58,841,866	59,285,399
By Division:					
Office of the Chief	1,169,112	4,133,939	2,319,858	886,161	922,082
Professional Standards	4,602,265	132,391	2,656,762	2,887,145	2,921,570
Support Services	13,739,332	14,269,294	11,693,921	12,279,347	12,202,201
Operations	24,007,031	24,902,374	27,113,905	28,376,155	28,714,694
Investigations	10,088,688	11,969,499	13,103,179	14,413,058	14,524,852
	53,606,428	55,407,497	56,887,625	58,841,866	59,285,399
By Fund:					
General Fund	49,368,800	51,632,219	53,473,876	54,465,928	54,841,190
Asset Forfeiture	14,081	6,242	19,231	200,000	200,000
Federal Grants	587,950	199,314	370,517	295,695	295,695
State/County Grants	657,303	1,017,041	849,105	1,465,715	1,487,655
Parking Funds	2,978,294	2,552,681	2,174,896	2,414,528	2,460,859
	53,606,428	55,407,497	56,887,625	58,841,866	59,285,399

General Fund FTE	274.00	274.50	269.00	259.00	255.00
Total FTE	304.20	301.20	294.70	285.70	281.70

POLICE DEPARTMENT FINANCIAL SUMMARY

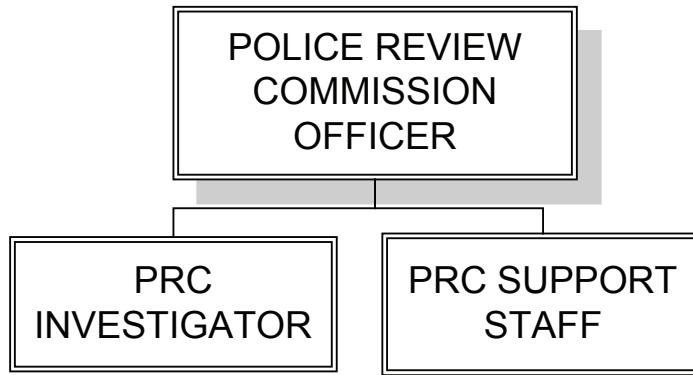
	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2013 Adopted
DIVISION/ACTIVITY SUMMARY					
Office of the Chief					
Police Administration	650,745	446,782	520,711	41,646	62,539
Inspection & Controls	5,053	3,142,521	1,232,042	244,562	247,948
Internal Affairs	513,314	544,636	567,105	599,953	611,595
Division Total	1,169,112	4,133,939	2,319,858	886,161	922,082
FTE Total	6.00	9.00	8.00	6.00	6.00
Professional Standards					
Bureau of Inspections	2,406,954	116,330			
Policy & Accreditation			961,031	1,156,092	1,174,643
Personnel and Training	2,195,311	16,061	1,695,731	1,731,053	1,746,927
Division Total	4,602,265	132,391	2,656,762	2,887,145	2,921,570
FTE Total	7.00		8.00	8.00	8.00
Police Support Services					
Administration			1,989,227	3,250,162	3,256,659
City Jail Operations	2,150,676	2,290,815	2,666,421	2,789,946	2,858,022
Central Communications	4,522,189	4,651,433	4,653,386	5,032,630	5,140,654
Police Services	3,074,046	2,841,813	1,426,437	1,206,609	946,866
Detective Bureau	3,039,213	3,479,328	785,447		
Youth Services Bureau	953,208	1,005,905	173,003		
Division Total	13,739,332	14,269,294	11,693,921	12,279,347	12,202,201
FTE Total	96.70	94.20	88.70	68.70	65.70
Operations					
Patrol	23,726,963	24,660,292	26,824,756	28,195,893	28,534,172
Police Reserves	280,068	242,077	289,149	180,262	180,522
Special Enforcement		5			
Division Total	24,007,031	24,902,374	27,113,905	28,376,155	28,714,694
	129.30	126.30	122.30	125.30	126.30
Investigations					
Field Service Administration	11,286	1,772,976			
Detectives Bureau			4,113,025	4,785,140	4,871,669
Traffic Bureau	2,114,544	1,752,510	1,892,923	1,901,346	1,931,489
Parking Enforcement	3,751,649	3,988,932	3,696,729	3,969,262	4,061,679
Special Enforcement Unit	2,463,781	2,675,183	2,372,084	2,854,070	2,899,117
Community Service Bureau	1,657,156	1,709,128			
Crime Analysis			542,581	368,878	216,744
Community Service/Field Support	90,272	70,770	11		
Crime Scene Unit			485,826	534,362	544,154
Division Total	10,088,688	11,969,499	13,103,179	14,413,058	14,524,852
FTE Total	65.20	71.70	67.70	77.70	75.70
Department Total					
	53,606,428	55,407,497	56,887,625	58,841,866	59,285,399
FTE Total	304.20	301.20	294.70	285.70	281.70

POLICE REVIEW COMMISSION

MISSION STATEMENT

The general purpose of this Ordinance is to provide for community participation in setting and reviewing police department policies, practices, and procedures and to provide a means for prompt, impartial, and fair investigation of complaints brought by individuals against the Berkeley Police Department.

ORGANIZATION CHART



POLICE REVIEW COMMISSION

Division Overview

The PRC strives to improve the professional standards of BPD, so that the quality of public safety in Berkeley is based on public trust and confidence.

Commission

The nine-member Commission meets twice a month at Regular business meetings and participates in policy review through subcommittees. Commissioners also conduct boards of inquiry and provide factual findings to the City Manager and Chief of Police.

- ❑ In 2009, Commissioners held 55 meetings and conducted other Commission-related activities or 4.6 activities per month.
- ❑ In 2010, Commissioners held 40 meetings and conducted other Commission-related activities or 3.3 activities per month.

Policy Subcommittees

- ❑ **Search of Homes and Third Parties Subcommittee:** This subcommittee was formed after the Commission noticed a pattern of complaints from parents and grandparents alleging improper search, because of a suspect living in their home. The subcommittee worked with a BPD representative to review how police conduct probation and parole searches and their impact on third parties.

On September 9, 2009, the Subcommittee submitted five policy recommendations to BPD. On July 26, 2010, BPD provided the PRC with comments from the policy recommendations, which the Commission accepted. The PRC staff plans to send the final draft of the revisions in February 2011 to the Commission.

- ❑ **Officer-Involved Shooting Policy Subcommittee:** This subcommittee was established on February 27, 2008 after an officer-involved shooting occurred. The subcommittee worked with a BPD representative to review officer tactics and analyze best practices when police use deadly force. On May 28, 2009, the Subcommittee forwarded policy recommendations to BPD. On October 20, 2009, BPD provided comments on PRC's policy recommendations.

On October 28, 2009, the Commission accepted the Subcommittee's recommendations. BPD postponed making any changes to policies until the new Chief was appointed. In 2010, the PRC provided BPD with the Commission's policy recommendations. The PRC is awaiting BPD's response, which is expected to be provided in early 2011.

- ❑ **Crowd Control Policy Subcommittee:** This subcommittee was formed in 2008 after a series of demonstrations at the Marine Recruitment Center led to crowd control issues with police. The PRC received a petition of 50 signatures requesting a public hearing on crowd control. Commissioners met

POLICE REVIEW COMMISSION

with the City Manager and the Chief of Police to discuss the petitioners' concerns. The subcommittee then worked with a BPD representative to draft a crowd control policy and approved a final draft of BPD's General Order C-64, Crowd Management and Control.

- ❑ **Regulations Review Subcommittee:** This subcommittee reviewed the Regulations and worked with the Berkeley Police Association and BPD to revise PRC's procedures. The subcommittee met throughout 2009 and the Commission approved the current revised regulations in 2010.
- ❑ **Mutual Aid Pacts and Agreements Subcommittee:** This subcommittee reviewed BPD's Mutual Aid Pacts and Agreements with other law enforcement agencies when they enter Berkeley or work with BPD to perform law enforcement operations. The subcommittee worked with a BPD representative and Jim Chanin to discuss rescinded federal and other agreements. On February 24, 2010, the Commission voted to approve the Mutual Aid Pacts and send them to City Council for approval with the suggestion that the Pacts be made available online. In 2011, the Commission will review these Pacts to determine if there are any changes.
- ❑ **Authority - Limits and Discretionary Use:** This subcommittee reviewed BPD's decision to rescind General Order A-1, Authority – Limits and Discretionary Use. The policy outlined how officers should use the "least intrusive action" when exercising discretion in the performance of police officer duties. Commissioners met with a BPD representative and members of the City Manager's Office to discuss what worked for BPD and PRC and to clarify the PRC's concerns.

BPD reinstated General Order A-1 and included language that stated, "The quality of police service depends upon the manner in which it is exercised. It is the policy of the Berkeley Police Department that sworn officers should always seek to **be courteous and respectful, exercise sound discretion in the performance of their duties, and enforce laws in a fair and impartial manner.**" (Bold areas indicate revised language)

Cases

- ❑ In 2009, the PRC received 30 complaints, closed 38 cases and conducted 10 Boards of Inquiry.
- ❑ In 2010, the PRC received 29 complaints, closed 32 cases and conducted 9 Boards of Inquiry.
- ❑ Investigative reports and factual findings from the hearings are forwarded to the City Manager and BPD.
- ❑ The PRC focuses on policy development, problem solving, education, counseling and if necessary, administrative hearings.

POLICE REVIEW COMMISSION

- The PRC prepares an annual statistical report detailing the Commission's work, the types of complaints against BPD and how the complaints were resolved. Statistical reports for the last several years have been published on the City of Berkeley website at www.CityofBerkeley.info/prc/.

Major Accomplishments – FY 2010 & FY 2011

- **Policy:** In 2009, PRC had six policy subcommittees that worked with representatives of BPD and community members to improve BPD's policies and procedures. The Commission forwarded policy recommendations to BPD in the areas of Officer-Involved Shootings, Crowd Control, Search of Homes and Third Parties and Authority – Limits and Discretionary Use. In 2010, PRC had 5 policy subcommittees.
- **Training:** In 2010, the Commission received training on Lesbian, Gay, Bisexual and Transgender Issues related to police, Biased-Based Policing, Racially Biased Policing, Mental Health Programs and Services, and Communication Dispatch Reports.
- **Commission:** In 2009, the Commission held a half day retreat to strategically plan long and short-term goals.
- **Outreach:** In 2009 and 2010, Commissioners attended National Night Out and worked with the BART Police Department Review Committee to set up a civilian review board.
- **Student Internship:** In 2009 and 2010, PRC provided internship opportunities to students at U.C. Berkeley. Cal in Local Government awarded the PRC as the "Internship Site of the Year."

Key Objectives for FY 2012 & FY 2013

- Complete investigation of the most serious cases within 120 days.
- Finalize a procedures manual for staff on investigating complaints.
- Resolve more complaints against police officers through mediation.
- Improve outreach efforts and develop an outreach work plan.
- In 2011, the Commission plans to hold a retreat for strategic planning on goals and to receive training on Commission rules and hearings.

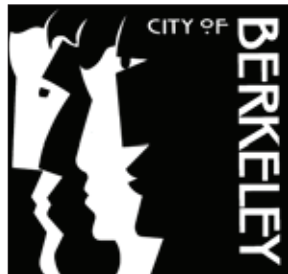
Significant Changes from Prior Year's Budget

No significant proposed impacts.

POLICE REVIEW COMMISSION FINANCIAL SUMMARY

	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2013 Adopted
EXPENDITURES					
<i>By Type:</i>					
Salaries and Benefits	491,249	377,548	402,838	466,399	476,581
Services and Materials	24,938	13,169	12,637	29,100	29,100
Capital Outlay	1,730	1,502	104	500	500
Internal Services	33,467	41,700	42,093	41,130	41,298
Indirect Cost Transfer					
	551,384	433,919	457,672	537,129	547,479
<i>By Fund:</i>					
General Fund	551,384	433,919	457,672	537,129	547,479
	551,384	433,919	457,672	537,129	547,479

<i>General Fund FTE</i>	4.00	3.50	3.50	3.50	3.50
<i>Total FTE</i>	4.00	3.50	3.50	3.50	3.50



This page left intentionally blank

DEPARTMENT OF PUBLIC WORKS

MISSION STATEMENT

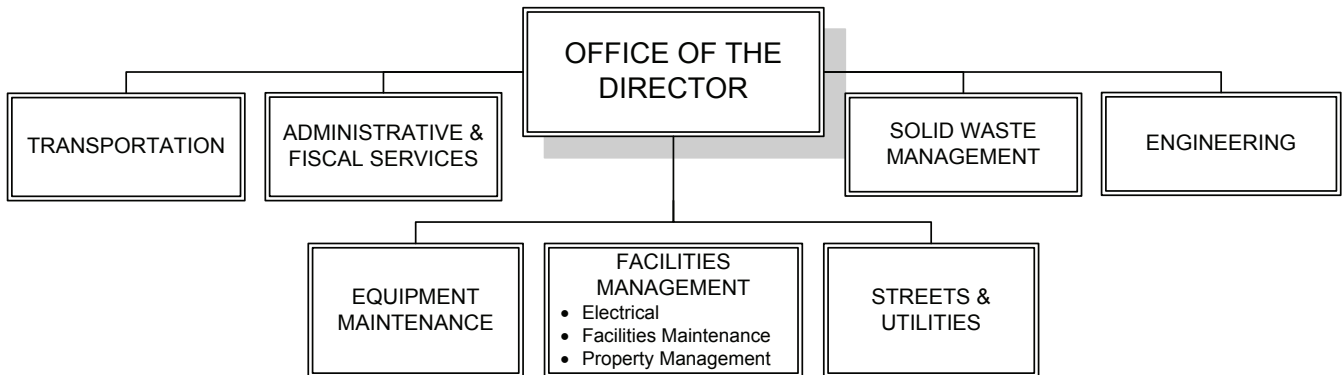
The Public Works Department strives to provide quality services to the Berkeley Community with pride, courtesy, and commitment.

ACCREDITATION



The Berkeley Public Works Department was the first public works department in California to achieve national accreditation, awarded by the American Public Works Association in December 2000. The Department was also the first California public works agency to be re-accredited (2004), and received its most recent re-accreditation in January 2009. This process involves an extensive self-audit and compliance with hundreds of management "best practices," and a site visit and evaluation by outside public works professionals.

ORGANIZATION CHART



DEPARTMENT OF PUBLIC WORKS

Department Overview

The Public Works Department delivers programs and services directly to all City residents, businesses and property owners, to anyone who travels through or spends any time in Berkeley, and to all City Departments.

Public Works includes:

- Solid Waste and Recycling services for residential and commercial customers, and those who bring materials to our Transfer Station;
- Transportation planning for transit, pedestrians, bikes and vehicles, along with parking management, and traffic engineering and controls;
- Management and maintenance of a vast array of infrastructure, including City streets and sidewalks, storm water and sanitary sewers and drains, construction projects, and the Berkeley Marina;
- Procurement, maintenance and disposal of vehicles and equipment for all Departments, from the sidewalk “green machine” and sewer-sucking Vactor, to Police cars and Fire rigs;
- Operation of all City radio communications, systems, equipment and individual personnel and vehicle units;
- Electrical operations to City buildings, street lights and traffic signals;
- Full-service maintenance for all municipal buildings, and
- Management of all City-owned or leased real property, including office buildings, parking garages, and the Telegraph-Channing retail mall.

Public Works also represents Berkeley at various regional and professional agencies, and staffs the following City Commissions: Commission on Disability; Transportation Commission; Zero Waste Commission; and, the Public Works Commission.

Divisions

Office of the Director

The Director’s Office provides Department-wide leadership, management oversight, and policy and service direction to Public Works divisions for overall operations and implementation; information technology projects; audits and accreditation management; disability compliance and programs coordination; and employee labor relations, training and development. As of mid-FY 2011, the Director’s role includes operations management in order to cover the vacant Deputy Director for Operations position, which is responsible for the Equipment Maintenance, Facilities Management, and Streets & Utilities Divisions.

Administrative & Fiscal Services

Administrative & Fiscal Services is responsible for the Department’s administrative systems, budget and fiscal oversight, compliance and reporting; and analytical support for routine and special projects in all Public Works operating divisions. Functions within the Division include: budget development, implementation and oversight for the annual operating and capital budgets totaling \$125 million; Fund management, fiscal and administrative policy development, and process improvements; contracts administration and grants compliance within Public Works; and Purchasing, Payroll & Accounting Services for 8 Divisions and 300 FTE.

DEPARTMENT OF PUBLIC WORKS

Engineering

Engineering implements the City's capital improvement programs, manages contracts for major building projects, and has responsibility for City infrastructure oversight; and in coordination with the Planning Department, reviews and regulates private development infrastructure plans and conditions of approval.

The functional units within the Division are: Sewer Rehabilitation and Construction; Sanitary Sewer Regulatory Enforcement, working with the PW Streets & Utilities Division; Street Paving; Sidewalk Repair; Storm Water and Creeks/Watershed Management; Building and Facilities Projects; and Transportation Projects in conjunction with the Department's Transportation Division. Engineering is also responsible for mapping and capturing location data in a geographic information system (GIS) for City streets, sidewalks, traffic devices, sewers, storm drains, utilities, and the Marina; provides utility service markings to prevent outages; and issues and inspects permits for utility excavations.

Solid Waste Management

Solid Waste Management (SWM) directly operates or manages contracts for all City refuse and recycling services. SWM includes weekly collection and transfer services to 22,900 residential and 3,000 commercial customers for recyclables and organics/compostables, and the Division handles waste diversion or disposal of materials delivered to the Transfer Station by 400 public customers every day.

On an annual basis, SWM collects approximately 50,000 tons of refuse and 40,000 tons of recyclables and food waste; accepts another 50,000 tons at the Transfer Station; oversees contracts for collection, sorting and marketing of recyclable materials; and transports what's left to landfills outside the City.

Transportation

The Transportation Division develops and implements the City's transportation plans and policies, often in collaboration with other City Departments and/or in response to neighborhood needs, special events, construction, or capital projects. Transportation services include Planning and Engineering, and provide bike and pedestrian planning, transit, and transportation demand management; and traffic engineering design and operation services, along with traffic calming and parking; and development review and plan checking support for the Planning Department. The Parking Services unit oversees policy and operation of on- and off-street parking facilities; manages contracts for the City's three municipal parking garages; and plans and procures hardware and recommends pricing plans for all parking meter locations.

Facilities Management

Facilities Management incorporates three principal functions: Electrical Maintenance and Radio Shop; Facilities/Building Maintenance and Janitorial Services; and Property Management Services. This Division maintains 900,000 square feet of public service facilities including fire stations, and senior centers, public garages, and multi-storied office buildings. Property Management is responsible for tenant management, negotiations and management of over 50 leases, real property transactions, and space planning. The Electrical unit installs and maintains traffic signals and pedestrian control devices at 134 intersections and 8,000 streetlights along public streets, parking lots, pathways, and recreation facilities; and installs and maintains the City's police and fire vehicle radios, sirens, lighting, and radio system infrastructure; sound

DEPARTMENT OF PUBLIC WORKS

systems for the Council Chambers and special events; and radio alarms at sewage lift stations. Environmental Compliance is another function related to this Division, and the City's Environmental Compliance Specialist manages and oversees compliance with all regulatory requirements, and provides direct support and resources for related events.

Streets & Utilities

The Streets & Utilities Division maintains and repairs the City's 653 miles of streets, 388 miles of sanitary sewers, 78 miles of storm water system, and 300 miles of sidewalks and pathways, including oversight of the Clean City Program. Working with Transportation Engineering and Parking Services, this Division maintains and installs traffic signs, pavement markings, and is responsible for collections, maintenance and repair of 2,400 parking meters. In close coordination with Engineering Division staff, Streets & Utilities conducts preventive cleaning and maintenance of the City's sanitary sewer system to meet and maintain California Water Quality Control Board and Federal EPA requirements.

Equipment Maintenance

Equipment Maintenance operates facilities at both the Corporation Yard and Transfer Station. Staff manage the City's 662 fleet vehicles, heavy duty trucks and large equipment, including public safety, fire, and alternative fuel vehicles and equipment. The Division provides all related maintenance, repair and purchases; conducts annual safety inspection of taxis; and working with the Environmental Compliance Specialist, monitors underground fuel tanks.

Major Accomplishments – FY 2010 & FY 2011

- ❑ Constructed new Marina dock B & C, including new grant funded sewer pump-out station.
- ❑ Replaced over 50 damaged marina piles.
- ❑ Replaced south sailing basin middle dock.
- ❑ Replaced approximately 100 damaged concrete floats at the Marina.
- ❑ Completed design and construction of 9th Street multi-purpose path project.
- ❑ Completed University Avenue pavement rehabilitation from 4th Street to Oxford Street including traffic signal video detection at 6th Street and at Sacramento Street.
- ❑ Completed Sewer System Management Plan (SSMP) and other required plans mandated by EPA as part of the EPA Administrative Order.
- ❑ Repaired major sinkhole areas and mitigated other flooding hazards.
- ❑ Renovated 830 University Avenue Health Clinic.
- ❑ Constructed new Fire Warehouse.
- ❑ Obtained \$12.2 million in grant funds for transportation projects.
- ❑ Updated traffic calming policy and began Speed Table Pilot Program.
- ❑ Expanded Speed Feedback sign installation program.
- ❑ Completed approximately 65,000 linear feet of pavement striping on City streets.
- ❑ Adopted City Pedestrian Plan.
- ❑ Completed Ed Roberts Campus/Ashby BART transportation improvements.
- ❑ Opened expanded Downtown Bike Station and install on-street bike parking.
- ❑ Started new residential recycling split cart collection.
- ❑ Purchased new scale house software.
- ❑ Purchased and installed routing software.
- ❑ Reduced overtime costs in the Solid Waste division by rerouting and maximizing the number of stops per route.

DEPARTMENT OF PUBLIC WORKS

- ❑ Saved \$200,000 through the negotiation of new landfill contracts.
- ❑ Reduced disposal costs and increased diversion rates by sending cleaner construction and debris loads to processor.
- ❑ Created and implemented a comprehensive Sanitary Sewer Management Plan.
- ❑ Reduced sanitary sewer overflows from 73 in 2008 and 39 in 2009, to 16 in calendar year 2010.
- ❑ Responded to and implemented a sewer cleaning and inspection plan approved by the EPA.
- ❑ Trained and certified key staff in Pipe Assessment Certification Program to provide comprehensive assessments of pipe-line operating conditions.
- ❑ Established a chemical root foaming process and contract to address sewer root blockage issues, the primary cause of sewer overflows, and chemically treated 1.6 miles of the sewer collection system.
- ❑ Built sandbag berm at Codornices Creek to reduce flooding during storms.
- ❑ Removed over 225 tons of debris from the storm drain system that would otherwise end up in the Bay.
- ❑ Improved our process/ procedures for responding for BPD assistance for civil unrest / protests to provide better communication and back-up services for BPD.
- ❑ 562 meter posts installed in South Berkeley and on San Pablo/ University project.

Key Objectives for FY 2012 & FY 2013

- ❑ Start and complete Sacramento Street Rehabilitation from Dwight to Ashby with partial funding of \$955,000 in Federal grant funds.
- ❑ Complete design of BART Plaza project.
- ❑ Implement new programs required by EPA & State Water Boards.
- ❑ Finish the Watershed Management Plan.
- ❑ Complete renovation of Facilities Maintenance Building (Ratcliff Building).
- ❑ Complete the upgrades of the City's two data centers.
- ❑ Complete construction of the new Animal Shelter.
- ❑ Complete Project Study Report for I-80/Gilman Interchange.
- ❑ Trial installation of wireless traffic detection at signal controlled intersections.
- ❑ Complete improved design for San Pablo /Ashby intersection.
- ❑ Replace 1,569 obsolete single space parking meters with wireless credit card enabled single space and multi-space meters.
- ❑ Contract new garage operator and upgrade parking and revenue control equipment.
- ❑ Complete construction of 9th Street Bicycle Boulevard Extension.
- ❑ Update Bicycle Plan.
- ❑ Implement Safe Routes to Schools projects and programs.
- ❑ Complete West Street multi-use path.
- ❑ Construct State Route 13 corridor improvements for 4th Bore Settlement.
- ❑ Increase outreach to businesses and residential customers to recycle more.
- ❑ Consolidate residential garbage collection routes to result in 2 fewer routes each day.
- ❑ Implement new scale house software.
- ❑ Calera Concrete (Trial Project): Begin using new green technology cement for appropriate sidewalk replacement projects to help reduce the City of Berkeley's carbon footprint.
- ❑ Radio system upgrade to meet requirements for narrow-banding and Public Safety Communications interoperability.

DEPARTMENT OF PUBLIC WORKS

- Eliminate deficit in the Refuse Fund by:
 - Issuing RFP's and entering into new landfill and construction & demolition debris disposal contracts;
 - Reviewing and proposing new Refuse rates to be implemented in FY 13.
 - Restructuring Solid Waste operations to include one-person collection vehicles on residential and commercial routes

Significant Changes from Prior Year's Budget:

- Reduced Clean Cities Downtown Area and Traffic Maintenance division overtime without a significant impact to services;
- Filled 1 FTE Engineering Inspector position to perform revenue generating utility and contract inspections, to perform sewer inspections for Environmental Protection Agency compliance, and to perform inspections of private sewer laterals as part of the new requirements;
- Eliminated 1 FTE vacant Building Maintenance Mechanic and cost shifted a .50 FTE Electrician from the Streetlight Assessment Fund onto the two Building Maintenance Funds; and
- Implement \$5.6 million of grant-funded Transportation projects over 2 years.
- In FY 2012 eliminate 4 vacant FTE in the Solid Waste Division to assist in reducing the Refuse Fund deficit.
- In FY 2013, eliminate 7 FTE in the Solid Waste Division in order to implement the one person truck operational change in Refuse Collection which will enable elimination of the Refuse Fund deficit.

**DEPARTMENT OF PUBLIC WORKS
FINANCIAL SUMMARY**

	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2013 Adopted
EXPENDITURES					
By Type:					
Salaries and Benefits	36,180,001	37,160,222	37,560,870	40,104,853	40,235,810
Services and Materials	25,254,156	24,238,215	22,519,760	22,238,087	23,214,131
Capital Outlay	18,776,492	17,832,264	17,082,253	19,596,693	14,567,604
Internal Services	7,764,104	7,389,438	8,435,549	7,312,914	7,313,922
Indirect Cost Transfer	3,407,700	3,188,963	3,066,032	3,312,607	3,208,396
	91,382,453	89,809,102	88,664,464	92,565,154	88,539,863
By Division:					
Office of the Director	767,578	724,149	674,691	588,821	612,345
Administration	2,122,182	2,085,089	2,047,895	2,363,954	2,417,992
General Engineering	5,350,648	13,039,913	15,578,672	7,167,160	7,131,547
Capital Improvement Programs	9,967,045	5,547,575	265,551	9,301,008	9,301,008
Facilities Management	14,053,901	12,921,792	17,156,582	12,970,033	11,699,242
Streets and Sanitation	10,039,980	10,286,599	10,227,942	11,706,202	11,938,202
Solid Waste Management	27,115,230	26,719,942	27,593,206	28,011,319	29,405,091
Equipment Maintenance	9,866,315	8,085,255	7,324,122	11,945,252	7,606,477
Transportation	12,099,574	10,398,788	7,795,803	8,511,405	8,427,959
	91,382,453	89,809,102	88,664,464	92,565,154	88,539,863
By Fund:					
General Fund	3,191,985	2,631,777	2,641,401	2,620,608	2,500,863
Capital Improvement Fund	6,631,723	3,215,672	3,249,065	5,035,976	5,050,182
Federal Grants	83,325	3,425,515	1,202,822		
State/County Grants	5,475,128	7,384,982	2,904,612	641,619	644,368
Gas Taxes	4,630,223	4,046,866	5,953,977	5,781,838	5,862,214
Street Light Assessment	1,963,438	1,900,165	2,007,741	1,930,474	1,962,613
Parks Tax	97,490	104,886	84,489	166,034	54,024
Berkeley Redev. Agency		159,261	486,101		
Refuse	31,017,717	30,543,044	31,340,132	33,388,940	33,450,683
Marina	496,564	555,574	838,805	214,421	218,215
Sanitary Sewer	10,932,152	13,295,614	13,102,785	16,915,586	17,143,525
Equipment Replacement	4,321,827	2,984,011	1,842,099	6,593,108	2,187,542
Equipment Maintenance	6,689,195	6,282,520	6,444,502	6,435,110	6,523,061
Building Maintenance	3,601,384	3,470,755	3,553,521	3,735,450	3,875,508
Bldg Purchase & Management	1,008,189	1,082,855	1,305,428	1,496,854	1,515,663
Bonds-Measure G/Q/R/I	3,303,809	1,763,412	4,114,227	630,179	
Clean Storm Water	2,364,240	2,079,493	1,915,723	1,781,984	1,805,217
Off Street Parking	2,296,500	2,402,754	2,107,544	2,206,739	2,177,617
Parking Meter Fund	2,302,487	1,744,566	2,123,549	2,229,876	2,275,141
Permit Service Center	422,781	362,024	388,234	355,985	363,798
Other	552,296	373,356	1,057,707	404,373	929,629
	91,382,453	89,809,102	88,664,464	92,565,154	88,539,863
General Fund FTE	13.47	13.52	13.52	13.42	12.42
Total FTE	325.00	326.00	301.00	296.25	288.00

**DEPARTMENT OF PUBLIC WORKS
FINANCIAL SUMMARY**

	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2013 Adopted
DIVISION/ACTIVITY SUMMARY					
Office of the Director					
Administration	767,578	724,149	674,691	588,821	612,345
Division Total	767,578	724,149	674,691	588,821	612,345
FTE Total	4.00	4.00	4.00	4.00	4.00
Administration					
Administration	(183)	5,766	1,081	1,098	1,098
Admin & Fiscal Services	1,332,331	1,404,305	1,494,875	1,702,295	1,740,964
Corp Yar Admin.	499,377	449,339	336,369	434,277	442,299
Customer Service	290,657	225,679	215,570	226,284	233,631
Division Total	2,122,182	2,085,089	2,047,895	2,363,954	2,417,992
FTE Total	15.00	15.00	14.00	14.00	14.00
General Engineering					
Administration	826,623	841,775	815,940	989,077	997,096
General Engineering Services	494,116	450,182	363,990	530,302	540,426
Inspection and Permits	115,473	543,599	653,260	1,044,811	1,067,432
Capital Imps: Desgin & Mgmt.	3,914,436	11,204,357	13,745,482	4,602,970	4,526,593
Division Total	5,350,648	13,039,913	15,578,672	7,167,160	7,131,547
FTE Total	35.40	32.40	31.40	31.40	30.40
Capital Improvement Programs					
Capital Imp: Construction Cost	9,967,045	5,547,575	265,551	9,301,008	9,301,008
Division Total	9,967,045	5,547,575	265,551	9,301,008	9,301,008
FTE Total					
Facilities Management					
Administration	119,118	90,835	93,729	93,727	93,727
Routine Building Maintenance	2,168,547	1,906,665	2,212,274	2,528,287	2,562,043
Environmental Compliance	113,247	247,909	256,420	265,076	267,899
Communication System Maint.	805,741	808,646	851,863	797,867	817,486
Street Light.Maintenance	2,056,268	2,034,891	2,186,430	2,058,396	2,095,034
Traffic Signal Maintenance	813,273	787,188	769,839	1,003,391	1,030,009
Corp.Yard Shared OH Costs	289,648	264,215	274,290	303,031	303,031
General Electric	212,313	201,763	203,987	278,899	286,521
Janitorial Services	1,177,591	1,109,011	1,193,970	1,116,946	1,141,146
Property Management	1,070,822	991,094	1,029,535	1,062,269	1,130,782
ADA Building Improvements	138,917	145,822	138,718	445,797	449,554
Internal Non-Routine Mtc.	11,551	100,412	158,210		
External Non-Routine Mtc.	3,994	107	5,359		
Capital Projects	5,072,790	4,233,234	7,781,958	3,016,347	1,522,010
Non-Center Street CIP	81				
Division Total	14,053,901	12,921,792	17,156,582	12,970,033	11,699,242
FTE Total	44.00	45.00	43.00	42.00	42.00

**DEPARTMENT OF PUBLIC WORKS
FINANCIAL SUIMMARY**

	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2013 Adopted
DIVISION/ACTIVITY SUMMARY cont.					
Streets and Sanitation					
Administration	459,305	356,222	379,136	404,162	408,860
Clean Cities	3,684,422	3,623,467	3,247,798	3,551,695	3,610,193
Sanitary Sewer Maintenance	3,502,589	3,979,622	4,049,186	5,770,552	5,902,799
Storm Drain Maintenance	1,223,267	1,222,669	1,218,206	769,722	782,544
Street Maintenance	1,170,397	1,104,619	1,097,620	1,210,071	1,233,806
Sidewalk Maintenance			235,996		
Division Total	10,039,980	10,286,599	10,227,942	11,706,202	11,938,202
FTE Total	67.00	66.00	62.00	62.00	62.00
Solid Waste Management					
Administration	774,668	832,548	849,098	1,098,843	1,822,069
Residential Collect Service	3,965,230	3,805,571	3,818,417	3,643,316	5,221,626
Commercial Collection Service	3,320,517	3,358,624	3,634,578	3,831,132	3,534,847
Roll-Off Container Service	328,349	284,345	360,056	471,687	481,543
Container/Cart Maintenance	592,416	582,360	467,364	261,124	265,396
Litter Collection Service	704,529	654,259	520,499	543,350	553,327
Transfer & Disposal Service	9,073,289	8,255,445	9,059,892	9,213,784	8,968,173
Recycling Services	7,956,359	8,460,976	468,336	1,127,019	1,128,397
Customer Service	399,873	417,270	227,848	134,960	138,988
Special Collections		46,778	74,688	31,499	31,656
Residential Recycling		12,629	6,152,524	5,744,857	5,301,290
Commercial Recycling		9,137	1,959,906	1,909,748	1,957,779
Division Total	27,115,230	26,719,942	27,593,206	28,011,319	29,405,091
FTE Total	107.00	109.00	97.00	93.00	86.00
Equipment Maintenance					
Administration	178,685	194,647	206,417	190,269	195,013
at Corp Yard	4,481,864	5,293,601	5,718,661	5,686,511	5,759,118
Equipment Replacement	3,884,850	2,473,770	1,374,226	6,068,472	1,652,346
Equipment Mtc. at Transfer Station	1,320,916	123,237	24,818		
Division Total	9,866,315	8,085,255	7,324,122	11,945,252	7,606,477
FTE Total	21.00	20.00	18.00	18.00	18.00
Transportation					
Administration	588,974	615,587	569,312	703,129	712,413
Transportation Planning	535,444	585,784	566,101	860,858	1,392,037
Traffic Engineering	821,529	875,449	843,919	889,547	910,557
Parking Management	164,925	241,368	260,098	271,189	277,401
Center Street Garage	434,281	470,730	543,658	739,585	496,809
Telegraph/Channing Garage	1,099,667	1,140,699	1,141,689	1,355,417	1,090,938
Telegraph/Channing Mall	1,070	12,403	5,260	17,694	17,694
Surface Parking Lots	115,554	168,420	28,262	28,864	28,864
Other Lots/Meter Districts	110		4,344		
Brower Center/Oxford Garage	55,416	26,344	156,948	292,700	133,249
Capital Projects	4,191,907	3,847,235	801,338	300,000	300,000
Traffic Maintenance	1,552,840	936,951	1,173,589	1,275,895	1,255,856
Parking Meter Collection	476,152	461,026	524,288	523,212	537,003
Repair/Maintenance	2,061,705	1,016,792	1,176,997	1,253,315	1,275,138
Division Total	12,099,574	10,398,788	7,795,803	8,511,405	8,427,959
FTE Total	31.60	34.60	31.60	31.85	31.60
Department Total	91,382,453	89,809,102	88,664,464	92,565,154	88,539,863
FTE Total	325.00	326.00	301.00	296.25	288.00



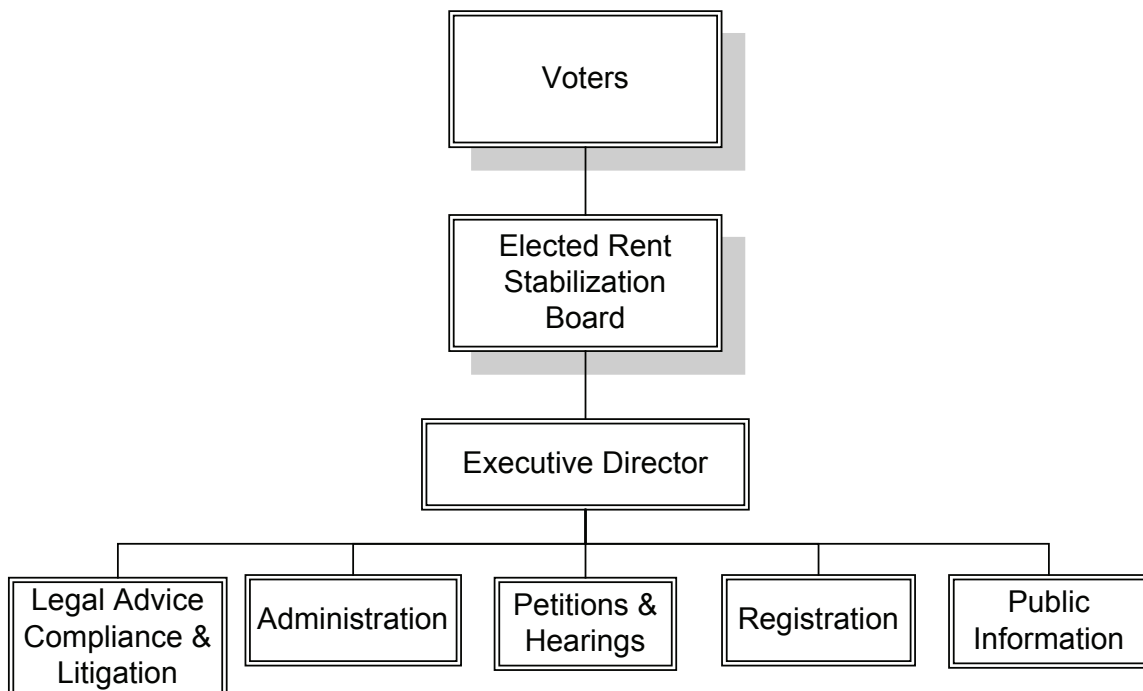
This page left intentionally blank

RENT STABILIZATION PROGRAM

MISSION STATEMENT

The mission of the Rent Stabilization Program is to regulate residential rent increases and protect against unwarranted rent increases and evictions while providing a fair return to property owners. The Rent Stabilization Board and Program works to ensure compliance with legal obligations related to rental housing and to advance the housing policies of the City with regard to low and fixed income persons, minorities, students, disabled, and the aged.

ORGANIZATION CHART



Note: The Rent Stabilization Program budget is adopted by the Rent Stabilization Board. A copy of the Board's detail budget is available by contacting the Rent Stabilization Program. The Rent Stabilization Fund is included in the City's appropriation ordinance.

RENT STABILIZATION PROGRAM

Department Overview

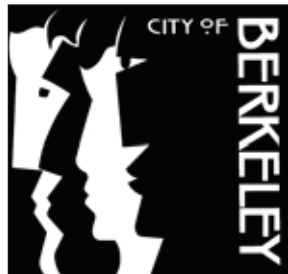
The purpose of the Rent Stabilization Ordinance is to provide stability in the lives of tenants while guaranteeing property owners a fair return on their investment. The stability is generated from regulated rent increases and protections against evictions that lack a good cause. An elected Rent Board governs the Rent Stabilization Ordinance. The Rent Stabilization Ordinance is administered by the Rent Stabilization Program, which is comprised of four divisions: Public Information/Registration, Hearings, Legal, and Administration. We focus our efforts on education, counseling, mediation and, when necessary, administrative hearings.

Berkeley has developed the most knowledgeable tenants and owners in the country via regular public presentations, mass mailings, extensive literature and topical articles and a very popular web page. Each month, counselors assist nearly 1,000 clients by phone, email or in person. Housing counselors provide informal mediation and a more formal mediation service is available with hearing examiners. Hearing examiners also conduct approximately 175 formal hearings a year in which a written decision is issued that is binding on the owner and the tenant.

RENT STABILIZATION BOARD FINANCIAL SUMMARY

	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2013 Adopted
EXPENDITURES					
By Type:					
Salaries and Benefits	2,722,575	2,732,753	2,864,685	3,122,496	3,121,994
Services and Materials	789,148	722,739	757,425	784,647	784,647
Capital Outlay	10,202	21,990	3,864	3,500	3,500
Internal Services	24,324	18,663	21,566	19,853	20,021
Indirect Cost Transfer					
	3,546,249	3,496,145	3,647,540	3,930,496	3,930,162
By Division:					
Rent Stabilization Board	3,546,249	3,496,145	3,647,540	3,930,496	3,930,162
	3,546,249	3,496,145	3,647,540	3,930,496	3,930,162
By Fund:					
Rent Stabilization Board	3,546,249	3,496,145	3,647,540	3,930,496	3,930,162
	3,546,249	3,496,145	3,647,540	3,930,496	3,930,162

General Fund FTE					
Total FTE	19.30	18.30	19.85	19.45	19.45



This page left intentionally blank

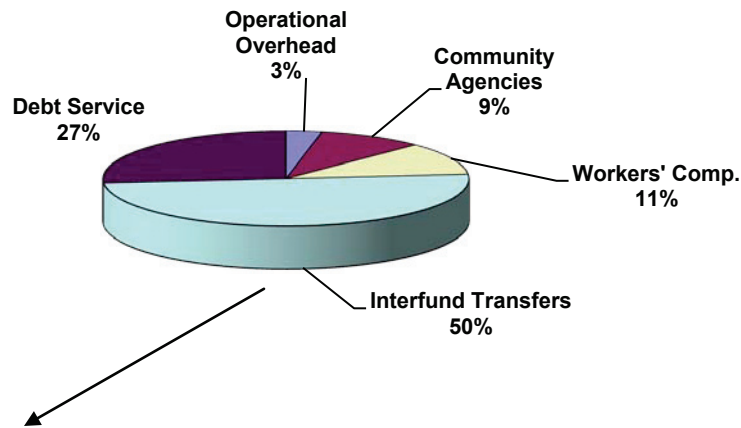
NON-DEPARTMENTAL (All City funds)

The Non-Departmental budget contains critical pieces of the City budget not attributable to a single program or department. The largest component of this budget is the transfer of funds or money from one fund to another, such as a General Fund transfer to the Capital Improvement Fund. Because most transfers are budgeted in two separate funds, the Non-Departmental budget and in an operating Department budget, they are considered “dual appropriations.” Dual appropriations, amounts that are designated in different areas, are balanced in the budget for a net appropriation amount.

Other components of the Non-Departmental budget include:

- Debt service costs for General Obligation Bonds
- Lease Purchase Agreements
- Certificates of Participation (C.O.P.s)
- The General Fund allocation for Community-Based Organizations
- General overhead costs such as Property Insurance and School Board Salaries

FY 2012 & FY 2013 Non-Departmental Adopted Budget (\$96,503,113)



Interfund Transfers Include transfers to:	FY 2012	FY 2013
Capital Project Fund from General Fund	\$ 5,637,000	5,637,000
Debt Service Funds	533,410	473,250
Public Liability Fund from General Fund	1,556,325	1,556,157
Mental Health/Public Health Funds	6,637,612	6,637,612
Other Fund Transfers	10,777,669	8,775,904
Total	25,142,016	23,079,923

NON-DEPARTMENTAL FINANCIAL SUMMARY

	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Adopted	FY 2013 Adopted
EXPENDITURES					
By Type:					
Salaries and Benefits					
Services and Materials	51,699,437	42,102,891	48,004,141	49,197,938	47,305,175
Capital Outlay					
Internal Services					
Indirect Cost Transfer					
Total	<u>51,699,437</u>	<u>42,102,891</u>	<u>48,004,141</u>	<u>49,197,938</u>	<u>47,305,175</u>
By Division:					
Operational Overhead	1,250,081	1,152,620	1,364,618	1,518,017	1,518,017
Community Agencies	4,817,370	4,818,506	5,007,619	4,513,904	4,513,904
Workers' Compensation	5,861,964	5,151,212	4,854,230	5,320,500	5,320,500
Debt Service	12,630,428	12,983,352	12,829,061	12,703,501	12,872,831
Interfund Transfers	27,139,594	17,997,201	23,948,613	25,142,016	23,079,923
Total	<u>51,699,437</u>	<u>42,102,891</u>	<u>48,004,141</u>	<u>49,197,938</u>	<u>47,305,175</u>
By Fund:					
General Fund	24,296,263	17,024,424	18,309,831	19,349,689	21,240,640
Capital Improvement	1,240,197	410,898	1,171,533	1,150,000	1,150,000
Section 108 HUD Loan	216,212	219,018	280,970	214,548	225,548
CDBG	195,903	195,903	279,903	195,903	195,903
UC Settlement			1,592,361	231,855	238,811
Workers Compensation	6,432,338	5,151,980	4,854,310	7,280,500	5,320,500
Off Street Parking	461,838	452,958	454,282	459,424	453,924
Parking Meter	400,000	600,000	800,000	905,000	905,000
Equipment Maintenance	22,497				
Mental Health St. Realignment	2,551,897	2,604,024	2,604,024	2,604,024	2,604,024
Health State Aid Realignment	2,604,024	2,551,897	4,484,051	2,080,570	2,080,570
Debt Service	761,388	676,203	608,141	533,410	473,250
Measure G Bond Debt Service					
09 Measure FF Library Debt Service		423,501	881,311	1,554,669	1,604,969
CFD#1 Dis Fire Protect Bond	792,278	763,161	760,894	760,211	755,951
Theater Fac/Park Acq BJPF					
99 Lease Re Bds BJPFA \$9M	645,231	639,886	634,463	623,488	626,863
Redevelopment Agency	2,087,287	2,444,862	2,185,726	2,038,859	2,039,977
2002 G.O. Refunding Bonds	1,452,683	1,447,446	1,454,247	1,463,853	1,458,870
Thousand Oaks Underground	368,491	100,333	99,328	95,810	99,573
GO Ref Bds, 2007 Sr A	336,417	255,292	226,667	208,193	279,068
GO Ref Bds, 2007 Sr B	3,415,442	3,277,942	3,006,442	2,740,518	2,741,018
F02 GO Bds Animal Shelter	330,320	303,420	436,058	435,450	440,375
Sustainable Energy Finance		14,251	30,868	27,478	27,555
2010 COP (Animal Shelter)			210,721	314,475	412,975
Measure FF - Branch Renovations	35,425		310,207		
Computer Replacement Fund	265,053	187,518			
Building Purchases & Mgmt	1,898,827	1,888,650	1,888,404	3,887,011	1,886,811
Other	889,426	469,324	439,399	43,000	43,000
Total	<u>51,699,437</u>	<u>42,102,891</u>	<u>48,004,141</u>	<u>49,197,938</u>	<u>47,305,175</u>

FY 2012 ADOPTED COMMUNITY AGENCY ALLOCATIONS

The City of Berkeley prides itself in its support of community-based organizations and the incredible extension of critical services these agencies provide Berkeley citizens. The proposed budget contains appropriation recommendations only for FY 2012. Funding for FY 2013 will be contingent upon Federal funding levels, but the budget plans to continue FY 2012 General Fund funding levels in FY 2013.

Allocation Process

Every two years, the City of Berkeley combines multiple sources of funds into one consolidated RFP and allocation process. These funds are used to support public services and capital projects that benefit people with incomes at 80% of Area Median Income or below. Housing and Community Services Department staff manages the RFP and allocation process and coordinates the review process four commissions participate in: the Housing Advisory (HAC), Homeless, Human Welfare and Community Action (HWCAC) and Parks and Recreation Commissions. The consolidated allocation process began in October 2010. Below is a chronology of the process:

- October 20, 2010: Joint public hearing on community needs convened by the four review Commissions;
- November 1, 2010: RFP for CDBG, ESG, CSBG, HOME and General Fund released and a technical assistance workshop conducted to explain the application and the process;
- December 8, 2010: Proposals received from 61 community agencies (9 of these new to City funding) and the Housing & Community Services and Parks & Recreation Departments requesting approximately \$8.9 million in funding;
- January through March 2011: The four review Commissions and City staff reviewed applications, heard oral presentations, made site visits to applicants and discussed and scored proposals with the use of common scoring criteria and other factors.

For this RFP round, Housing & Community Services Department staff implemented a new online application process which allowed applicants to apply via the internet, and enabled City staff and Commissioners to review proposals online. City staff made hard copies of applications available to those Commissioners who did not have internet access, and hard-copy printouts of all applications were available to the public at the Housing & Community Services Department and at the Main Library. Aside from one agency which asked for and received an accommodation to submit a hard copy of its application, all agencies were able to successfully apply online.

Review Commissions were directed to develop recommendations within the level of funding projected to be available for community agency programs in FY 2012.

FY 2012 ADOPTED COMMUNITY AGENCY ALLOCATIONS

The Adopted Budget included a General Fund reduction for community agencies by three percent (\$135,418) in Fiscal Year 2012 and by an additional three percent (\$126,786) in FY2013, for a total reduction of \$262,204 over two years.

While the allocation process resulted in funding for community agencies for the next two fiscal years, the City Manager recommended achieving the total reduction in FY 2012. Taking the cuts in one year reduced administrative costs for city and agency staff by avoiding amending contracts in year two. That said, next year the City may need to re-evaluate available revenue to support the second year funding and may have to re-visit funding levels. All commissions agree with this approach.

Funding for Arts projects continues to pass through a separate allocation process involving the Civic Arts Commission. The Health and Public Works Departments' community agency allocations are also allocated through different processes.

Funding Summary

For FY 2012, the City will spend \$7,723,487 in General Funds, Federal Funds, and other funds for community agencies. This amount represents a 7% decrease from the \$8,305,825 amount allocated to community agencies in FY 2011.

The FY 2012 Adopted Budget Community Agency Allocation chart shows the FY 2011 allocation amounts and the FY 2012 Adopted allocations approved when the Council adopted the budget on June 28, 2011.

The following charts represent a listing of the entire community agency allocations adopted for FY 2012. These charts show the following:

- FY 2012 Community Allocations by Service Type
- FY 2012 Adopted Budget Community Agency Allocations for all funding sources

FY 2013 funding will be contingent upon federal funding levels and program performance. This adopted budget assumes a continuation of FY 2012 General Fund funding level for FY 2013.

FY 2012 Community Agency Allocations by Service Type

	General Funds	Federal Funds	Other Funds	All Sources
Arts	\$315,188	\$0	\$0	\$315,188
Childcare	541,621	-	-	\$541,621
Community Facilities Improvements	-	148,703	-	\$148,703
Community Media	213,210	-	17,500	\$230,710
Disability Programs	149,307	142,675	915,255	\$1,207,237
Economic Development	369,592	-	-	\$369,592
Employment Training	114,531	219,507	-	\$334,038
Health	266,191	-	-	\$266,191
Homeless	2,336,654	454,265	20,000	\$2,810,919
Housing Dev & Rehab	5,078	397,279	-	\$402,357
Legal/ Advocacy	48,920	35,544	-	\$84,464
Other	239,831	-	-	\$239,831
Recreation	18,898	-	-	\$18,898
Seniors	29,572	-	-	\$29,572
Youth	724,165	-	-	\$724,165
TOTAL	\$5,372,759	\$1,397,973	\$952,755	\$7,723,487

Funding by Category	FY 2011 All Sources	FY 2012 All Sources	% Change
Arts	\$324,936	\$315,188	-3%
Childcare	\$584,616	\$541,621	-7%
Community Facilities Improvements	\$173,220	\$148,703	-14%
Community Media	\$230,710	\$230,710	0%
Disability Programs	\$1,192,707	\$1,207,237	1%
Economic Development	\$362,346	\$369,592	2%
Employment Training	\$375,963	\$334,038	-11%
Health	\$270,222	\$266,191	-1%
Homeless	\$3,107,720	\$2,810,919	-10%
Housing Dev & Rehab	\$545,199	\$402,357	-26%
Legal/ Advocacy	\$95,534	\$84,464	-12%
Other	\$231,184	\$239,831	4%
Recreation	\$19,383	\$18,898	-2%
Seniors	\$41,388	\$29,572	-29%
Youth	\$750,698	\$724,165	-4%
	\$8,305,825	\$7,723,487	-7%

FY 2012 Community Agency Allocations - All Funds

Agency/Individual Name	FY 2011 Allocations	FY 2012 Adopted	CDBG	CSBG	ESG	General Fund	Other Funds
Arts							
Berkeley Art Center	70,838	68,713				68,713	
Civic Arts Grants	254,098	246,475				246,475	
Arts Total	324,936	315,188	-		-	315,188	\$0
Childcare							
Bay Area Hispano Institute for Advancement	110,619	108,252				108,252	
Berkeley-Albany Licensed Day Care Operators	266,750	261,043				261,043	
Ephesians Children's Center - Childcare Program	91,015	89,068				89,068	
Nia House Learning Center	35,608	34,846				34,846	
St. John's Child Care	49,470	48,412				48,412	
Sick Child Care Program	31,154	-				-	
Childcare Total	584,616	541,621	-		-	541,621	-
Community Facilities Improvements							
Alzheimer's Services of the East Bay Electrical Upgrades	7,200	0					
Berkeley Food & Housing Project North County Women's Center Renovations	49,000	23,703	20,000		3,703		
Lifelong Medical Care West Berkeley Family Practice Upgrades	95,020	-					
Multicultural Institute 7th Street Facility Upgrades		60,000	60,000				
Rebuilding Together Community Facilities	22,000	25,000	25,000				
Women's Daytime Drop-In Center Facility Improvements		40,000			40,000		
Community Facilities Improvements Total	173,220	148,703	105,000		43,703	-	-
Community Media							
Berkeley Community Media	230,710	230,710				213,210	17,500
Community Media Total	230,710	230,710	-		-	213,210	17,500
Disability Programs							
Bay Area Outreach and Recreation Program Fitness Access for People with Physical Disabilities	31,466	30,379				30,379	
Recreation, Transportation & Outreach to People with Disabilities	12,000	12,000				12,000	
Berkeley Place	17,660	17,282				17,282	
Bonita House Creative Wellness Center	15,000	14,679				14,679	
Center for Independent Living: Residential Access Project for Disabled	142,675	142,675	142,675				
Blind Services (one-year only)	23,053	10,000				10,000	
Employment	40,999	37,248				37,248	
Easy Does It	881,529	915,255					915,255
Through the Looking Glass	28,325	27,719				27,719	
Disability Programs Total	1,192,707	1,207,237	142,675		-	149,307	915,255
Economic Development							
Berkeley Convention and Visitors Bureau	362,346	369,592				369,592	
Economic Development Total	362,346	369,592	-		-	369,592	
Employment Training							
Biotech Partners – Biotech Academy at Berkeley	71,063	71,063	71,063				
Bread Project	46,105	41,886				41,886	
Inter-City Services	132,819	96,701	96,701				
Multicultural Institute Employment and Training	74,233	72,645				72,645	
Rising Sun – Green Energy Training Services	51,743	51,743	51,743				
Employment Training Total	375,963	334,038	219,507		-	114,531	-
Health							
Lifelong Medical Care: Access for Uninsured (BPC, WBFP, Uninsured)	143,534	140,463				140,463	
Elder Care/Over 60 Clinic	44,892	43,932				43,932	
Hypertension/Chronic Health Program	81,796	81,796				81,796	
Health Total	270,222	266,191	-		-	266,191	-
Homeless Services							
Alameda County Homeless Action Center SSI Advocacy Project	74,552	74,552				54,552	20,000
PCEI -SSI Advocacy	75,660	53,660				53,660	
Alameda County Network of Mental Health Clients Berkeley Drop-In Center	88,480	88,480				88,480	
Shelter Plus Care Administration	2,910	2,910				2,910	

FY 2012 Community Agency Allocations - All Funds

Agency/Individual Name	FY 2011 Allocations	FY 2012 Adopted	CDBG	CSBG	ESG	General Fund	Other Funds
Berkeley Food & Housing Project							
Case Management Center	10,300	10,300				10,300	
Men's Overnight Assistance Center	184,156	184,156	184,156				
Multi-Service Center	200,750	200,750				200,750	
Quarter Meal	46,588	46,588				46,588	
Russell Street Supportive Housing Program	13,274	13,274				13,274	
Shelter Plus Care Administration	24,006	24,006				24,006	
Winter Shelter	6,091	6,091				6,091	
Women's Shelter	118,509	118,509				118,509	
Housing Retention Program	159,754	159,754				159,754	
PCEI: Centralized Shelter Reservation	57,700	34,700				34,700	
Bonita House							
Supported Living	14,969	14,969				14,969	
Shelter Plus Care Administration	3,500	3,500				3,500	
Building Opportunities for Self Sufficiency:							
Multi-Agency Service Center (MASC)	179,225	179,225		70,000		109,225	
MASC Health & Human Services Locker Program Contract	40,255	40,255				40,255	
Harrison House Singles/Recovery Services	112,208	112,208		16,778	10,126	85,304	
Harrison House Family Shelter	54,904	28,191				28,191	
Harrison House Sankofa Transitional Housing		26,713				26,713	
Shelter Plus Care Administration	13,095	13,095				13,095	
City of Berkeley EveryOne Home	15,000	15,000				15,000	
City of Oakland - Winter Shelter Program	61,000	61,000				61,000	
Dorothy Day							
Berkeley Emergency Storm Shelter	16,490	16,490				16,490	
Trinity Church Breakfast	30,861	30,861				30,861	
Trinity Church Lease	19,264	9,864				9,864	
Eden Council for Hope and Opportunity:							
Senior Home Equity Conversion	5,150	-					
Family Violence Law Ctr - Family Violence & Homelessness Prev	54,538	-					
Family Violence Law Ctr - Domestic Violence Advocacy Project	34,016	-					
Family Violence Law Center - Domestic Violence & Homelessness Prevention Project		88,554			42,869	45,685	
Fred Finch Youth Center:							
Turning Point	88,173	88,173				88,173	
Lifelong Medical Care:							
Acupuncture Detox Clinic (\$21,700 is one year)	89,367	66,700				66,700	
COACH Shelter Plus Care Social Worker	53,931	53,931				53,931	
Supportive Housing Program UA Homes	53,166	53,166				53,166	
Shelter Plus Care Administration	5,413	5,413				5,413	
PCEI: Square One Supportive Housing	97,000	97,000				97,000	
New Bridge Foundation	95,788	85,000				85,000	
Options Recovery Services - Detox Services & Day							
Case Manager/Housing Benefits Coordinator	44,000	40,000				40,000	
Day Treatment Program	38,800	38,800				38,800	
Dual Diagnosis Clinic	116,400	116,400				116,400	
Rubicon							
Workforce Services	36,028	32,731				32,731	
Work Maturity Training Program	56,260	56,260				56,260	
Shelter Plus Care Administration	3,153	3,153				3,153	
Telegraph Business Improvement District							
PCEI: Berkeley Host Program	194,000	100,000				100,000	
Toolworks, Inc. Supportive Housing	48,500	48,500				48,500	
United for Health	15,500	10,000				10,000	
Women's Daytime Drop-In Center:							
Health & Housing Support Services	38,777	38,777	24,583			14,194	
Housing Case Management	73,192	73,192	73,192				
Bridget Transitional House Case Management	24,256	24,256				24,256	
Shelter Plus Care Administration	5,852	5,852				5,852	
Winter Shelter Program	4,935	4,935				4,935	
Youth Engagement Advocacy Housing							
Youth Emergency Assistance Hostel	111,026	111,026			32,561	78,465	
PCEI: Transition Age Youth Program	97,000	0				-	
Homeless Services Total	3,107,720	2,810,919	281,931	86,778	85,556	2,336,654	20,000
Housing Development & Rehabilitation							
Affordable Housing Associates							
CHDO General Operating Support	60,000	refer to HTF					-

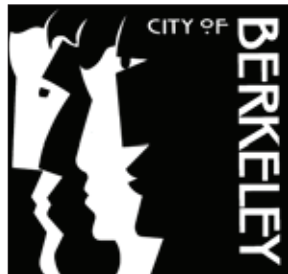
FY 2012 Community Agency Allocations - All Funds

Agency/Individual Name	FY 2011 Allocations	FY 2012 Adopted	CDBG	CSBG	ESG	General Fund	Other Funds
Bay Area Community Land Trust (one year only)	-	5,078				5,078	
Community Energy Services Corporation	319,199	287,279	287,279				
Rebuilding Together							
Safe Home Project	96,000	100,000	100,000				
Resources for Community Development							
Rehab of U.A. Homes and U.A. Coop	60,000	refer to HTF					
Social Services & Special Needs	10,000	10,000	10,000				
Housing Development & Rehabilitation Total	545,199	402,357	397,279		-	5,078	-
Legal/Advocacy							
Cooperative Center Federal Credit Union							
Education for Financial Literacy	10,000	-					
East Bay Community Law Center							
Criminal Records Remedies Advocacy	10,000	9,786				9,786	
Housing Advocacy	20,000	19,572				19,572	
Neighborhood Justice Clinic	19,990	19,562				19,562	
Fair Housing Agency	35,544	35,544	35,544				
Legal/Advocacy Total	95,534	84,464	35,544		-	48,920	-
Other							
Animal Rescue	24,978	24,229				24,229	
Berkeley Alliance	59,946	58,148				58,148	
Ecology Center Urban Agriculture & Healthy Food	10,300	10,300				10,300	
Eden Information & Referral	35,000	35,000				35,000	
McGee Avenue Baptist Church	17,490	17,116				17,116	
Sisters Together Empowering Peers (STEPS)		14,000				14,000	
SEEDS Community Resolution Center	74,933	72,685				72,685	
South Berkeley Community Church - Nutrition	8,537	8,354				8,354	
Other Total	231,184	239,831	-		-	239,831	-
Recreation							
Ephesians Children's Center - Greg Brown Park Supervision	19,383	18,898				18,898	
Recreation Total	19,383	18,898	-		-	18,898	-
Seniors							
Alzheimer's Services of the East Bay							
Dementia Specific Services	20,000	19,572				19,572	
J-Sei (formerly Japanese American Services of the East Bay) (one year only)	21,388	10,000				10,000	
Seniors Total	41,388	29,572	-		-	29,572	-
Youth							
Bay Area Community Resources							
Malcolm X School Counseling	18,800	18,330				18,330	
Berkeley Boosters:							
Police Activities League Youth Development	125,527	120,939				120,939	
Berkeley Organizing Congregations for Action - Safe Community Partnerships Program (one year only)		10,000				10,000	
Berkeley Youth Alternatives:							
Afterschool Program	28,474	27,762				27,762	
Counseling	18,204	17,749				17,749	
Parks - Youth Employment (one year only)	57,030	30,000				30,000	
East Bay Asian Youth Center - RISE Program	237,650	225,459				225,459	
Lifelong Medical Care:							
Rosa Parks Collaborative	47,957	46,758				46,758	
Multicultural Institute Youth Mentoring	35,968	35,069				35,069	
Pacific Center for Human Growth - Safer Schools Project	24,881	24,259				24,259	
South Berkeley Community Church - Children's Art and Dinner Project	7,000	13,850				13,850	
Stiles Hall	48,500	47,288				47,288	
UC Berkeley - CalCorps Public Service Center	50,207	48,952				48,952	
Waterside Workshop (formerly Tinkers)							
Youth Boat Building	12,500	12,500				12,500	
Youth Bike Mechanics	10,000	10,000				10,000	
YMCA Berkeley - South Berkeley							
Healthy Minds, Healthy Lifestyles Project	28,000	0					
Youth Spirit Artworks	30,000	35,250				35,250	
Youth Total	750,698	724,165	-		-	724,165	-
TOTAL COMMUNITY AGENCY ALLOCATIONS	8,305,825	7,723,487	1,181,936		129,259	5,372,759	952,755

o Community Development Block Grant (CDBG)/Emergency Shelter Grant (ESG)

Street Events and Festivals
Adopted FY 2012 and FY 2013 Funding

EVENT NAME	Adopted FY 2009	Adopted FY 2010	Adopted FY 2011	Adopted FY 2012	Adopted FY 2013
Recurring Cash Grants					
Berkeley Arts Festival	10,000	10,000	10,000	10,000	10,000
Cesar Chavez Commemoration	4,500	4,500	4,500	4,500	4,500
Cinco de Mayo	4,050	4,050	4,050	4,000	4,000
Earth Day	4,050	4,050	4,050	4,050	4,050
Elmwood Festival	2,700	2,700	2,700	2,700	2,700
How Berkeley Can You Be?	8,100	8,100	8,100	-	-
Indigenous Peoples' Day	4,050	4,050	4,050	4,050	4,050
Juneteenth Festival	4,050	4,050	4,050	4,050	4,050
Poetry Festival	3,240	3,240	3,240	3,240	3,240
Solano Stroll	5,000	5,000	5,000	5,000	5,000
Stonewall Festival	5,400	5,400	5,400	5,000	5,000
TAA World Music Festival	4,500	4,500	4,500	4,500	4,500
Telegraph Avenue Holiday Fair	2,025	2,025	2,025	2,025	2,025
International Food Festival					
SF Mine Troupe	950	950	950	950	950
Run for Peace					
Miscellaneous/Unallocated	3,375	3,375	3,375	3,375	3,375
Subtotal:	65,990	65,990	65,990	57,440	57,440
			17,550		
FY 2011 Adjusted			48,440	57,440	57,440
Recurring Expenses					
Personnel Overtime	16,200	16,200	16,200	16,200	16,200
Portable Toilets	9,000	9,000	9,000	9,000	9,000
Insurance	10,350	10,350	10,350	10,350	10,350
Subtotal:	35,550	35,550	35,550	35,550	35,550
Total Recurring Funding:	101,540	101,540	101,540	92,990	92,990
Adjustments			(17,550)	-	-
Total Costs	101,540	101,540	83,990	92,990	92,990



This page left intentionally blank

GLOSSARY OF BUDGET TERMS

Accounting System - The total set of records and procedures used to record, classify, and report information on the financial status and operations of an entity.

Activity - A unit of budgetary accountability and control that encompasses specific and distinguishable lines of work performance for the purpose of accomplishing a function for which the City is responsible.

Adopted Budget - The budget document formally approved by the City Council.

Allocated Costs – A method for allocating overhead time and other expenses to activities that provide direct services.

Allotments - Management allocation of appropriated funds subject to legal constraints.

Appropriation - An authorization granted by the City Council to make expenditures and to incur obligations for purposes specified in the Appropriation Ordinance. An appropriation is usually for a fixed amount and time limited, and must be expended before the deadline.

Assessed Valuation - A valuation set upon real estate or other property by the County Assessor and the State as a basis for levying taxes.

Authorized Positions - Positions approved by the City Council which may or may not have funding (see Budgeted Positions).

Base Budget – Those resources necessary to meet an established and existing service level.

Basis of Budgeting - Basis of budgeting refers to the method used for recognizing revenues and expenditures in budget. The City uses the modified accrual basis of accounting for budgetary purposes, which is in compliance with Generally Accepted Accounting Principles.

Beginning Fund Balance - Fund balance available in a fund from the end of the prior year for use in the following year.

Bond - A City may raise capital funds by issuing a written promise to pay a specified sum of money, called the face value or principal amount; at a specified date or dates in the future, together with the periodic interest at a specified rate.

Bond Interest and Redemption - Payment of interest and principal on an obligation resulting from the issuance of bonds.

Budget - A planning and controlling document for financial operation with estimates of proposed expenditures and revenues for a given period of time, usually one year. A plan or action expressed in figures.

Budget Calendar - The schedule of key dates or milestones that a government follows in the preparation and adoption of the budget.

GLOSSARY OF BUDGET TERMS

Budget Document - The official written statement prepared by the budget office and supporting staff.

Budget Message - A general written description summarizing the proposed budget. The budget message explains principal budget issues against the background of financial experience in recent years and presents recommendations made by the City Manager.

Budget Modification - A change of expenditure levels and corresponding resources needed to accomplish an existing service level or unanticipated service. All budget modifications are reflected in the current year budget and are approved by the City Council through the Annual Appropriations Ordinance.

Budgeted Positions - The number of full-time equivalent positions to be funded in the budget. Example: Funding of two half-time positions would equal one full-time equivalent position.

Budget Supplement - A request for an increase or decrease in an existing service level (over and above the base budget).

Capital Improvement Budget - A plan for capital expenditures and the means of financing them, to be incurred each year over a fixed period of years, to meet capital needs arising from long-term work program. Included are expenditures made for land, building, permanent public works projects, major reconstruction or renovation of structures, and major landscaping or park improvements.

Capital Outlays - Expenditures for the acquisition of capital assets.

Carry-over Balance - Balance of funds brought forward from prior years.

CDBG - The Community Development Block Grant (CDBG) is a federal program for the development of housing and community projects. Funds are awarded to community based agencies on an annual basis to carry out these activities

City Charter - Legal authority approved by the voters of the City of Berkeley under the State of California Constitution establishing the government organization.

Community Agencies - Non-City agencies in Berkeley which provide public services with some financial assistance from the City. These monies may come either from the General Fund, CSBG or CDBG.

Contingency - Funds appropriated by the City Council for unforeseen needs.

Consultants - Fees paid to outside individuals who provide advice or services.

Debt Service - Actual cost of interest and principal on bond maturities as well as revenue anticipation notes.

Description - Contains a list of the typical activities of programs.

Department - An organizational unit comprised of divisions or programs. It is

GLOSSARY OF BUDGET TERMS

possible for a department to be comprised of only one division.

Discretionary Revenue - Money that the City Council has the authority to allocate for any purpose. Often refers to the General Fund, as opposed to Special Funds.

Division - A functional grouping of related activities within a department. There are usually several activities within a division.

Dual Appropriation - Revenue that is initially budgeted for receipt in one fund and subsequently transferred for expenditure in another fund.

Employee Benefits - The cost to the City for contribution to employee retirement, social security, health and workers' compensation programs.

Employee Years - The number of positions that full-time employees would occupy during a regular work period. For example, two half-time employees would constitute one employee year.

Encumbrance - Funds not yet expended and are delegated or set aside in anticipation of an expenditure in the form of a purchase order, contract, or other commitment, chargeable to an appropriation. These funds cease to be an encumbrance when paid.

Enterprise Fund - Established to finance and account for the operation and maintenance of facilities and services which are predominately self-supporting by user charges.

Expenditure - Designates the cost of goods delivered or services rendered, whether paid or unpaid. Where accounts are kept on the accrual or modified accrual basis of accounting, costs are recorded when goods are received or services rendered. Where accounts are kept on a cash basis, expenditures are recognized when the cash payments are made.

Fair Market Value - The value of a piece of real estate in the open market. Used to determine the assessed value of property for taxing purposes.

Fees - A charge to cover the cost of services (e.g., building inspection fee, zoning fee, etc.).

Fiscal Year - A twelve-month period of time to which the budget applies. For the City of Berkeley, this period is from July 1 through June 30.

Fixed Asset - A tangible item of a long-term character such as land, buildings, furniture, and other equipment with a unit cost in excess of \$5,000.

Fringe Benefits - Benefits to City employees, in addition to salaries, paid by the City. These benefits include social security, pensions, workers' compensation, unemployment compensation, life and health insurance.

Full Time Equivalency (FTE) - One or more employee positions totaling one full year of service or approximately 2080 hours a year.

Fund - A independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or

GLOSSARY OF BUDGET TERMS

other resources, together with all related liabilities, obligations, reserves and equities which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations.

Fund Balance – Within a specific operating fund, the net of expenditures and revenues.

Funding Source – Identifies fund(s) that will provide resources for City expenditures.

Gas Tax Fund – This fund is required by State law to account for gas tax revenues received from the State and expended for construction and maintenance of City streets.

General Fund - The primary fund of the City used to account for all revenues and expenditures of the City not legally restricted as to use.

General Obligation Bond - A bond whose repayment is guaranteed by pledging all the assets and revenues of a government agency.

General Plan – The General Plan is a long-range planning document that provides the City a framework for action and the direction in which to focus that action. General Plan Elements are areas in which the City has elected to administer and manage the delivery of services to its community.

General Revenue - General sources of income the City collects and receives into the Treasury for public use (e.g., property tax). There are no restrictions as to the use of these monies - often referred to as Discretionary Revenue.

Grant - A contribution from one government unit to another, usually made for a specific purpose and time period.

Interfund Transfers - Monies appropriated from one fund to another fund. This is done to reimburse the fund for expenses or to finance the operation of the other fund.

InterDepartmental Charges - Departments charging to perform or provide specific services to other City departments on a cost for services basis. The services performed are charged to the using department.

Internal Service Funds – These are funds used to account for the financing of goods or services provided by one department or program to other departments or programs of the City on a cost-reimbursement basis.

Lost Time - A measure used by departments to measure excessive absenteeism. It is derived by adding an employee's sick time, workers' compensation, and any other unpaid absences.

Mandate (Mandated Services) – A legal requirement, usually imposed by State or Federal law. This term is used to refer to City services, which are provided to comply with State or Federal laws.

Materials, Supplies and Services - Expenditures for materials, supplies and related services which are ordinarily consumed within a fiscal year and which are not included in department inventories.

GLOSSARY OF BUDGET TERMS

Municipal Code - A book that contains City Council approved ordinances presently in effect. The Code defines City policies in various categories.

Objectives - Identifies the desired results of the activities of a program.

Operating Budget – A programmatic, financial, and organizational plan for furthering the goals of the City Council through departments of the City, which does not include capital improvement projects.

Operating Expenses – Expenses incurred as a result of day-to-day operations.

Ordinance - A formal legislative enactment by the City Council. It has the full force and effect of law within the City boundaries unless it is in conflict with any higher form of law, such as a State statute or constitutional provision. An ordinance has higher legal standing than a resolution. A law set forth by a government authority, specifically, a municipal regulation.

Performance Indicator – A performance indicator is a measurement designed by a reasoning process to determine whether or not a service objective has been met. It measures the effectiveness of achieving the objective or how well the objective has been accomplished.

PERS - Public Employees Retirement System. - A pension plan administered by the State of California for government agencies.

Personnel Expenditures - Salaries and wages paid to employees.

Program Revenues – Revenues received by a department as a result of the services or operations of that department (such as user fees), which are used to finance the related services or programs. Program Revenue is not discretionary (general-purpose) revenue.

Property Tax – California State Constitution Article XIII A provide that the combined maximum property tax rate on any given property equal 1% of its assessed value unless an additional amount has been approved by voters for special taxes or general obligation bonds. The County assesses properties, bills and collects these property taxes. The County remits the City's share, including all penalties and interest.

Property Transfer Tax – This tax is levied at a rate of \$1.50 per \$100 of the value of consideration of equity value transferred. The County collects the tax and the City receives the revenues. The City can use up to one third of the revenue for seismic retrofits. Revenues are dependent on how frequently the property is transferred and on the accrued value at the time of transfer.

Proposed Budget - The working document for the fiscal year under discussion.

Purchase Order - Authorizes the delivery of specific goods or services, and incurrence of debt for them.

GLOSSARY OF BUDGET TERMS

Redevelopment Agency Fund - This fund accounts for the activities of the Redevelopment Agency of the City, which was created by the City Council and carry out redevelopment plans for designated areas of the City.

Refuse Fund – This fund accounts for the revenues and expenses related to refuse collection and solid waste disposal services.

Repairs and Maintenance - Expenditures for repairs and maintenance of all equipment and supplies, buildings, structures and grounds.

Reserve - An account used to earmark a portion of the fund balance as legally segregated for a specific use.

Resolution - A special order of the City Council that requires less legal formality than an ordinance in terms of public notice and the number of public readings prior to approval.

Restricted Use Funds – Funds designated for use for a specific purpose.

Revenue Bonds - A type of bond usually issued to construct facilities. The bonds are repaid from revenue produced by the operation of those facilities.

Revenues - Amounts estimated to be available for appropriation during the fiscal year. Included are carry-over balances and new revenues.

Salary Savings - That percentage or dollar amount of salaries which can be

expected to be unspent during the fiscal year due to vacancies and employees receiving less than the top-step pay of the classification.

Sales Tax - The City receives one percent of the 9.75% of taxes assessed on retail sales or leases of tangible personal property in the City.

Secured Taxes - Taxes levied on real properties in the City which are "secured" by liens on the properties.

Service Level – Indicates a project's effect on existing levels of service provision or identifies a new service to be provided to the public.

Special Assessment Fund - A fund used to account for the financing of public improvements or services deemed to benefit primarily the properties against which special assessments are levied.

Special District - Independent unit of local government generally organized to perform a single function.

Specialized Services - Services that are not otherwise categorized, such as title searches, police work for private parties, consultant fees, library materials, fringe benefits and loans.

Spending Limitation (Gann Limit) – Article XIII B of the California Constitution establishes a spending limitation on government agencies within California. The spending limit is a mandated calculation of how much the City is allowed to expend in one fiscal year. The amounts of appropriations subject to the limit are budgeted proceeds of taxes. The total of these

GLOSSARY OF BUDGET TERMS

budgeted revenues cannot exceed the total appropriations limit. Annually, local governments may increase the appropriate limit by a factor comprised of the change in population combined with the California inflation rate as determined by the State Finance Department.

Supplemental Assessment- An assessment of real property occurring after the real property lien date of January 1st of each year as a result of new construction or a change in ownership. The assessor determines the new value of the property based on current market values, and then calculates the difference between the new value and the old value set on January 1st.

Tax Levy - Amount of tax dollars raised by the imposition of the tax rate on the assessed valuation of property.

Tax Rate - The amount of tax levied for each \$100 of assessed valuation.

Transient Occupancy Tax - A 12% tax is levied on charges for occupancy of hotel and motel rooms for stays of 30 days or less. The City's lodging industry is largely dedicated to serving its industrial base.

Transportation - Transportation and travel-related expenses incurred in the performance of official City business.

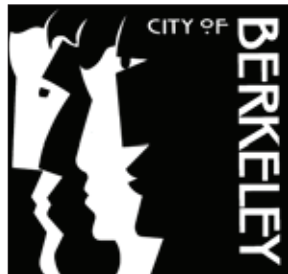
Unfunded (Supplemental) Requests - An item for which funding is not included by the City Administrator due to financial limitations, not because the request lacks merit. The Council may act to include them in the final budget, which

may require reordering of budget priorities.

Unfunded Liabilities - Unfunded liabilities are defined as identifiable obligations of an organization for which the organization does not have 100% of the funding (cash or other assets) set aside to cover the cost should all obligations become immediately due.

Utility Users Tax – A 7.5% tax is levied on utility billings for gas and electric and intra-state telephone services.

Year-End – This term means as of June 30th (end of the fiscal year).



This page left intentionally blank