

ADOPTED BIENNIAL BUDGET



FISCAL YEARS
2016 & 2017



Downtown Berkeley Arts District



Berkeley Rose Garden



Berkeley Kite Festival

CITY OF BERKELEY
FY 2016 & FY 2017 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)
Lori Droste (District 8)

City Auditor

Ann-Marie Hogan

City Manager

Christine Daniel

Deputy City Manager

Dee Williams-Ridley

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Special thanks to: Department Directors and their staffs for their assistance and contributions in preparing this document





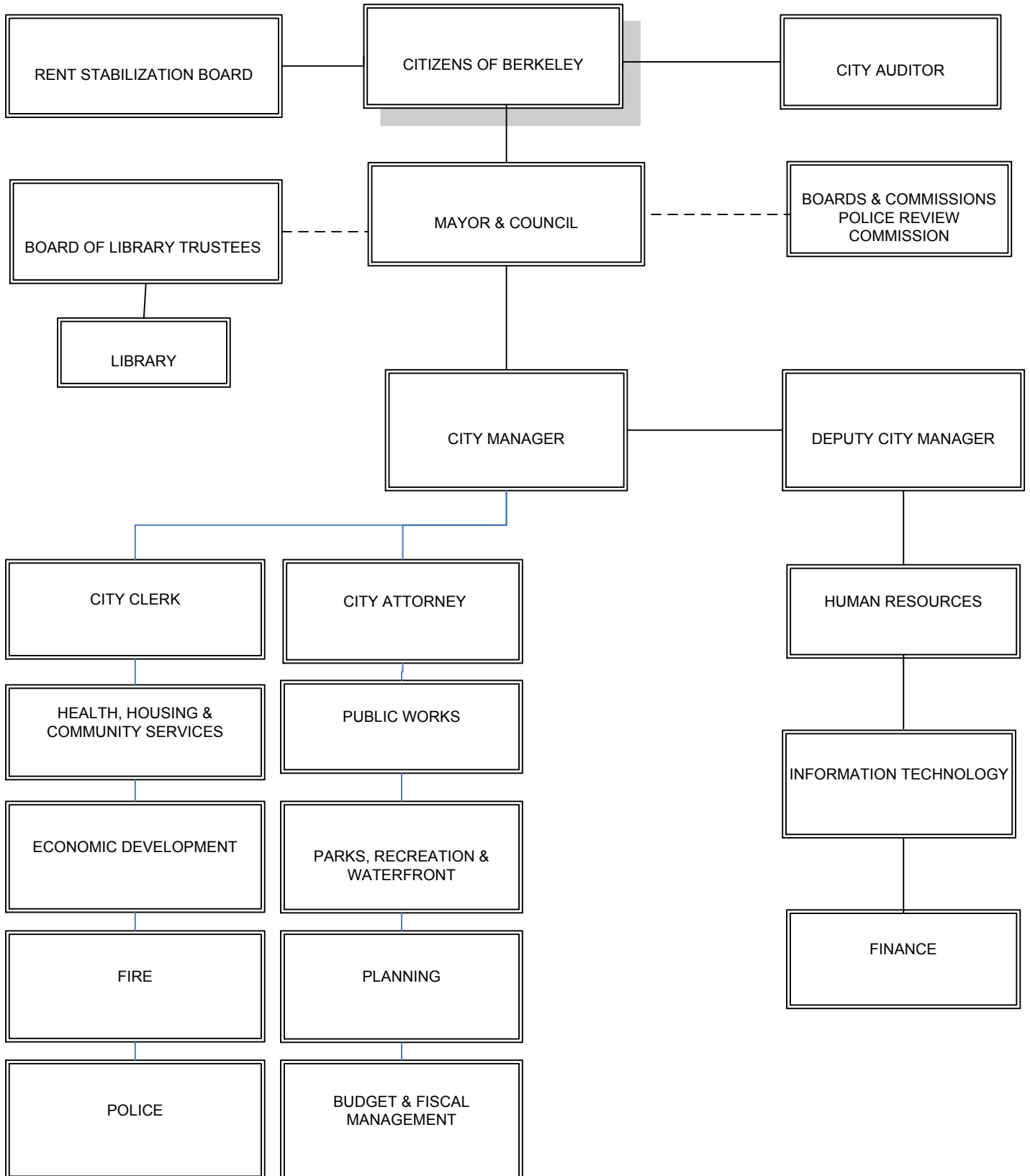
CITY OF

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





GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Berkeley
California**

For the Biennium Beginning

July 1, 2013

Executive Director

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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 the adopted allocation schedule for FY 2016 and a list of adopted special events

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



Office of the City Manager

June 30, 2015

Honorable Mayor and Members of the City Council:

The *FY 2016 & FY 2017 Biennial Budget* was adopted on June 30, 2015. The development of the FY 2016 and FY 2017 Biennial Budget began November 18, 2014, with the information report on the [FY 2014 Year End Review and FY 2015 First Quarter Review](#)¹ Included in the report were the FY 2016 actual and FY 2017 projected CalPERS rates. Since then the Council held six separate work sessions to examine and discuss the following specific budget challenges.

- [Zero Waste Commercial Franchise Study](#),²
- [Projections of Future Liabilities](#),³
- [Sanitary Sewer Rate Study](#),⁴
- [Parks, Recreation & Waterfront Department Capital Improvement and Major Maintenance Needs and 5-Year Plan](#),⁵
- [Public Works Department 5-Year Facilities Capital Improvement Plan and Facility Condition Assessments and Maintenance Management Options](#)⁶ and
- [Community Agency Funding FY 2016-2017](#).⁷

The *Adopted FY 2016 & FY 2017 Biennial Budget* is a stability budget, which means that our projected General Fund revenues are aligned with our expenditures. However, even though FY 2016 and FY 2017 budgets are balanced, we are still facing budgetary

¹ http://www.cityofberkeley.info/Clerk/City_Council/2014/11_Nov/City_Council_11-18-2014_-_Regular_Meeting_Annotated_Agenda.aspx

² http://www.cityofberkeley.info/Clerk/City_Council/2015/02_Feb/City_Council_02-10-2015_-_Special_Meeting_Annotated_Agenda.aspx

³ http://www.cityofberkeley.info/Clerk/City_Council/2015/02_Feb/City_Council_02-24-2015_-_Special_Meeting_Annotated_Agenda.aspx

⁴ http://www.cityofberkeley.info/Clerk/City_Council/2015/03_Mar/City_Council_03-17-2015_-_Special_Meeting_Annotated_Agenda.aspx

⁵ http://www.cityofberkeley.info/Clerk/City_Council/2015/03_Mar/City_Council_03-24-2015_-_Special_Meeting_Annotated_Agenda.aspx

⁶ http://www.cityofberkeley.info/Clerk/City_Council/2015/03_Mar/City_Council_03-24-2015_-_Special_Meeting_Annotated_Agenda.aspx

⁷ http://www.cityofberkeley.info/Clerk/City_Council/2015/04_Apr/City_Council_04-28-2015_-_Special_Meeting_Agenda.aspx

challenges in FY 2018 as we are anticipating a contraction in FY 2017 that will be realized in our economically sensitive revenues in FY 2018.

The budget process assigned resources to address the goals, objectives, and community priorities set by the City Council. The balancing act between projected revenues and escalating expenditures has been challenging. To maintain a balanced budget the City has deferred maintenance on much of its capital infrastructure. In addition, since FY 2009, staffing has been reduced by over 217 FTEs; 184 of those FTEs were eliminated within the past five years. Fiscal Year 2015 was the first year in which there was not a planned permanent reduction in staffing level since 2009. FY 2016 and FY 2017 will be the second and third consecutive years in which there will not be planned permanent reductions in staffing levels. However, we need to continue to be mindful of the need to address deferred maintenance, as well as remain prepared to address the impacts of future cost increases in areas such as health and pension benefits.

As the economy begins to improve so does the City's budgetary outlook. It is important that we continue making fiscally prudent decisions with the future in mind. By staying focused on priority services and long-term responsibilities, we can sustain the City's fiscal health into the future and be better able to meet the needs of the community. We should continue to budget cautiously. Assuming revenues and costs stay within projections, the adopted budget offers stability for the FY 2016 and FY 2017 biennial cycle. This will allow the City organization to steadily continue to deliver quality service to the community and to plan carefully for the future.

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

1. Council Budget Development Policies
2. Current General Fund Budget Situation
 - a. Projected Economic Contraction
 - b. General Fund Forecast
3. FY 2016 & FY 2017 Biennial Budget Financial Summary
 - a. Revenue Projections
 - b. Expenditure Projections
4. Staffing
5. Special Funds - Aligning Resources with Service Delivery
 - a. Department of Health Housing & Community Services
 - b. Department of Public Works
6. FY 2016 and Beyond
 - a. Addressing Unfunded Liabilities
 - b. Additional Bond Capacity
7. The General Fund Balance (Reserve)
8. Capital Improvement Program
9. Tax Rates
10. Citywide Work Plan
11. Conclusion

1. Council Budget Development Policies

While we have established a stability budget for FY 2016 and FY 2017, we still need to continue to develop solutions that resolve the long-term challenges presented by expenditures growing faster than revenues. The Council has adopted budget development policies which have served us well over the long term, and has also established several budget policies that begin to address some of the long-term problems.

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.
- ❖ Transfer Tax in excess of \$10.5 million will be treated as one-time revenue to be used for the City's capital infrastructure needs (fund 610).
- ❖ As the General Fund subsidy to the Safety Members Pension Fund declines over the next several years, the amount of the annual decrease will be used to help fund the new Police Employee Retiree Health Plan (fund 903).

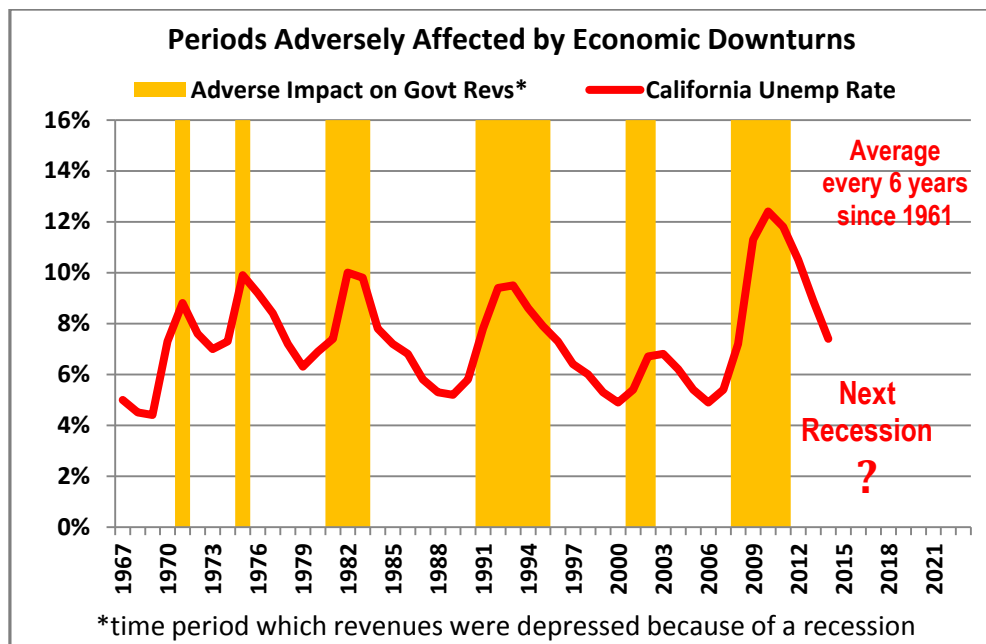
Also, used as a guide to developing the budget is the "fix it first" approach in which we fund current capital improvements before funding new projects.

The adopted budget provides a plan to control costs and maximize the use of City resources. It is a balanced budget and thus does not require further General Fund expenditure reductions. The General Fund, however, is less than half of the City's total budget. Many of the special funds that were struggling are starting to become healthy again due to the City Council and City staff actions over the last several years that have allowed the City to effectively manage and balance its budget as we begin to recover from some very difficult times.

2. Current General Fund Budget Situation (Despite positive outlook, caution is appropriate)

a. Projected Economic Contraction

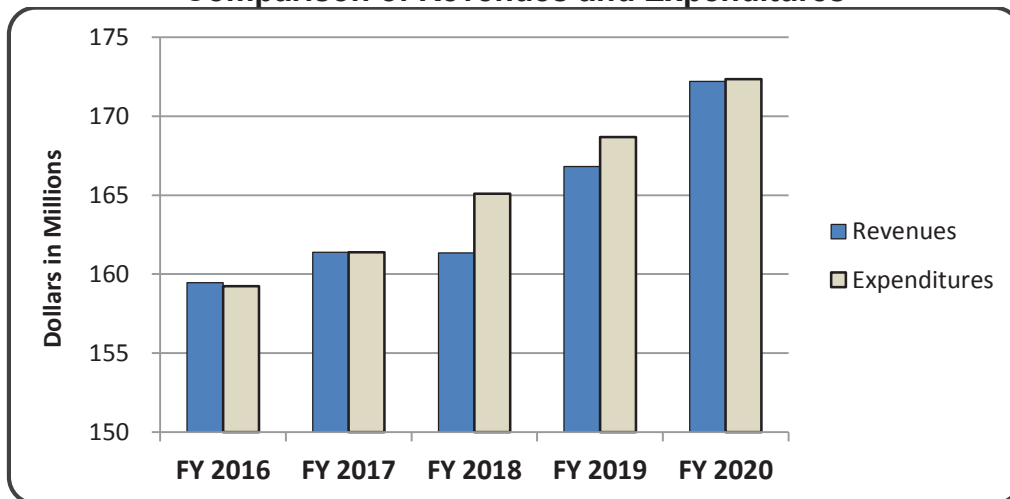
There is no way to predict the timing, magnitude, duration and consequence of the next economic contraction or recession on the various local revenue streams with complete accuracy. However, recessions are cyclical and have occurred on average every 6.5 years since 1928, as noted in the chart below. Recessions occurring after 1945 have peak-to-trough GDP declines ranging from a low of 0.3% to the Great Recession's 4.3% decline, with an average of 2.21%. These declines have had varying impacts on local government revenues (and expenditures). Some revenues like the sales tax (monthly revenues, trued-up quarterly) reflect an immediate impact, while others like the property tax (with an annual lien date) have an effective one-year lag in recognizing economic impacts. So even though we adopted a stability budget in FY 2016 and FY 2017, we are anticipating a slight contraction in economically sensitive revenues in FY 2017 that will be reflected in FY 2018.



b. General Fund Forecast

Below is the General Fund Five-Year Forecast. The revenue streams into the General Fund are the most discretionary in terms of allocation, and are also highly sensitive to economic conditions. The General Fund typically comprises about one-half of the City’s total budget. The remainder of the budget consists of various Special Funds which are restricted in purpose (e.g. Zero Waste, Permit Center, Sewer, Public Health, and Mental Health). The FY 2016 and FY2017 General Fund biennial budget is a stability budget as the General Fund revenues are projected to align with the General Fund expenditures. However, even though revenues are projected to steadily grow, the impact of the projected economic contraction in FY 2017 is realized in FY 2018 and reflected in the chart below.

Five-Year Forecast of General Fund Comparison of Revenues and Expenditures



Controlling expenditures has been and will continue to be a necessity in managing the City’s budget, and labor costs are a critical factor in that approach. Achieving a sustainable balance of both personnel and non-personnel expenditures against reasonable revenue projections will continue to require close attention, especially as we move through new economic cycles.

3. FY 2016 & FY 2017 Biennial Budget Financial Summary

We are looking at a stability budget in FY 2016 and FY 2017. However, included in the adopted biennial budget is a onetime allocation of \$500,000 from the General Fund Reserve (fund balance) to the Sugar Sweetened Beverage Commission process to be repaid to the Reserve from Measure D revenues.

General Fund FY 2016		General Fund FY 2017	
Revenues	Expenditures	Revenues	Expenditures
\$159.5M	\$159.9M	\$161.4M	\$161.5M

The table below summarizes the adopted City expenditure budget for FY 2016 and FY 2017 for all funds, as well as for the General Fund, in comparison with the FY 2015 Adopted Budget. The City's FY 2016 operating budget shows a modest increase of 3 percent on an All Funds basis when compared to FY 2015. The total FY 2016 General Fund operating budget reflects a 4 percent increase from the FY 2015 Adopted General Fund Budget. The FY 2017 General Fund budget projects continuing growth from FY 2015 with a total change over the 2-year period of 5 percent.

All Funds (in millions)	Adopted FY 2015	Adopted FY 2016	% Change	Adopted FY 2017	% Change
Operating Budget	\$ 293.9	\$ 303.0	3%	\$ 301.6	2%
Capital Budget	\$ 29.5	\$ 36.1	22%	\$ 32.9	12%
Total:	\$ 323.4	\$ 339.1	5%	\$ 334.5	3%
General Fund (in millions)	Adopted FY 2015	Adopted FY 2016	% Change	Adopted FY 2017	% Change
Operating Budget	\$ 147.3	\$ 153.0	4%	\$ 154.4	5%
Capital Budget	\$ 7.1	\$ 6.9	-3%	\$ 7.1	0%
Total:	\$ 154.4	\$ 159.9	4%	\$ 161.5	5%

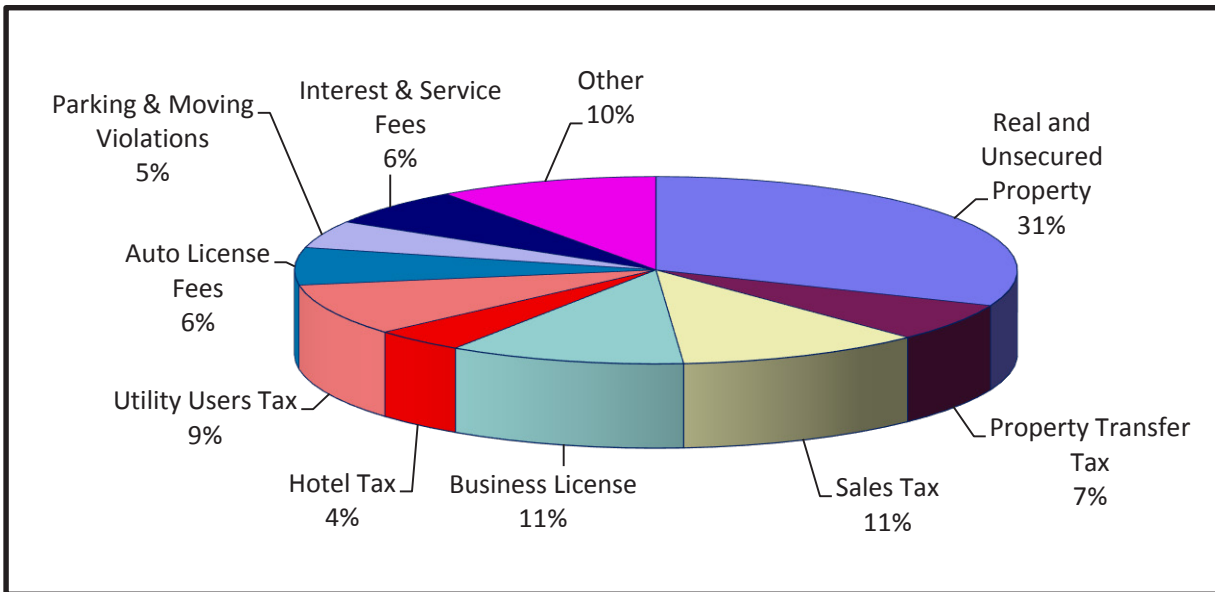
a. Revenue Projections

Several of the underlying budget assumptions are very sensitive to economic changes. While revenues are projected to steadily grow, we are anticipating an economic contraction in FY 2017 which impact will be realized in FY 2018. Staff has developed a model for revenue projections, assisted by consultants who are familiar with the City's historical revenue growth and economic conditions that have impacted that growth. The revenue projections presented in the chart below are limited to the General Fund as those funds are the most discretionary in terms of allocation, and also highly subject to economic conditions. The General Fund typically comprises about one-half of the City's total budget, the remainder of the budget consists of various Special Funds which are restricted in purpose (e.g. Zero Waste, Permit Center, Sewer, Public Health, Mental Health). The chart below provides a summary of total General Fund Revenues projected through FY 2023.

General Fund Revenue Projections									
	FY15 Adopted Budget	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23
Total General Fund Revenues	154.38	159.45	161.39	161.34	166.81	172.22	177.81	181.52	186.33

The chart below shows the percent contribution of the various sources of revenue streams included in the FY 2016 General Fund Budget. Fifty-eight percent of the City’s General Fund revenue is derived from real and unsecured property, transfer, utility, and sales taxes.

**General Fund Revenue Summary
FY 2016 & FY 2017 Adopted Biennial Budget
\$320.8 Million**



Several of the major contributing revenue streams are described in more detail below. Additional detail on General Fund Revenue Projections can be found in the General Fund section of this book.

Property Tax

Real Property Taxes are applied to all taxable real and personal property and are set at 1% of the assessed value. Proposition 13 limited the amount that this tax can be increased to no more than 2% each year. The Alameda County Assessor maintains property tax assessment rolls that account for all property. The City's Property Tax is collected by Alameda County. The City receives approximately 32.57% of the real property tax dollar generated within the City limits. (Berkeley receives a comparatively higher share of the property tax dollar than other cities in Alameda County, many of whom receive about 15% of the tax dollar due to the way that Proposition 13 was implemented in 1978.) The projections above assume a 5.6% increase in property tax in FY 2016 and an annual increase averaging 3.9% through 2023 based on historical trends. For comparison, Berkeley was one of the only cities in Alameda County to survive the recession without a decrease in real property taxes. During the recession, while Berkeley's property tax growth was smaller than in prior years, it did not ever go negative as other cities experienced.

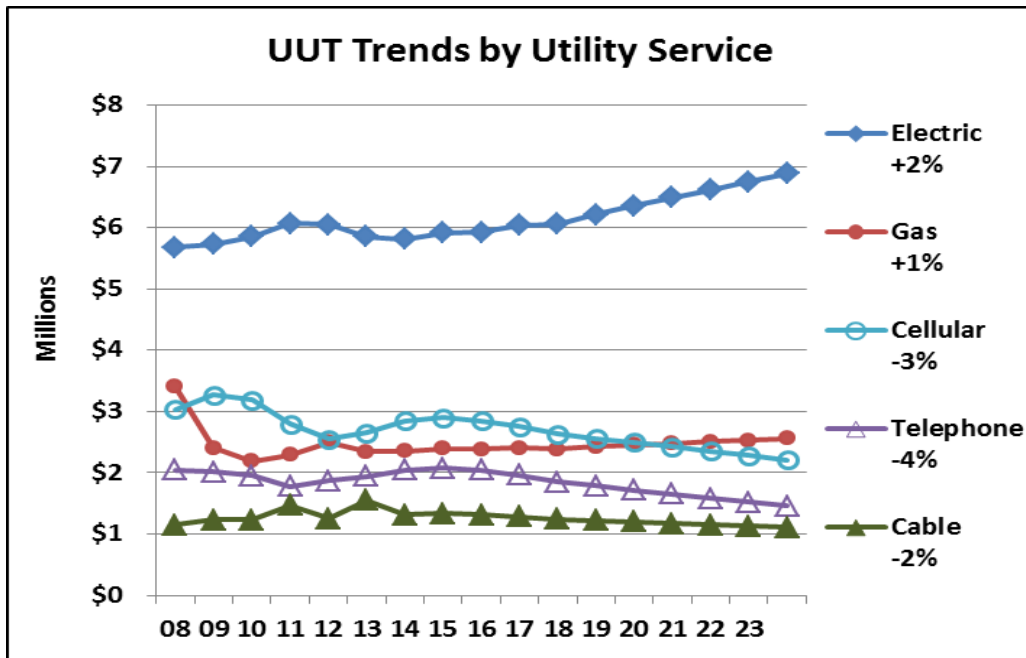
Property Transfer Tax

The Property 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 sales closing process, and remit the funds to Alameda County when sales or transfers are finalized. Alameda County remits the amounts due monthly, and the amounts are credited to the General Fund.

Because Property Transfer Tax is tied directly to real property sales, it is a volatile revenue source, and difficult to predict more than one year at a time. Understanding the volatility of this General Fund revenue stream, Council adopted a policy that Transfer Tax in excess of \$10.5 million is treated as one-time revenue to be transferred to the Capital Improvement Fund for capital infrastructure needs. Therefore, the amount of Property Transfer Tax included in the chart above is set at the baseline level of \$10.5 million annually since any remainder transfers into the Capital Fund.

Utility Users Tax

Utility Users Tax (UUT) is charged at the rate of 7.5% to all users of a given utility (gas, electricity, telephone, cable, and cellular). UUT is Berkeley's 4th largest source of General Fund revenue. Factors that affect the revenue generated by UUT include consumption, PUC rate changes, regulatory actions, evolution of technology and market forces.



Sales Tax

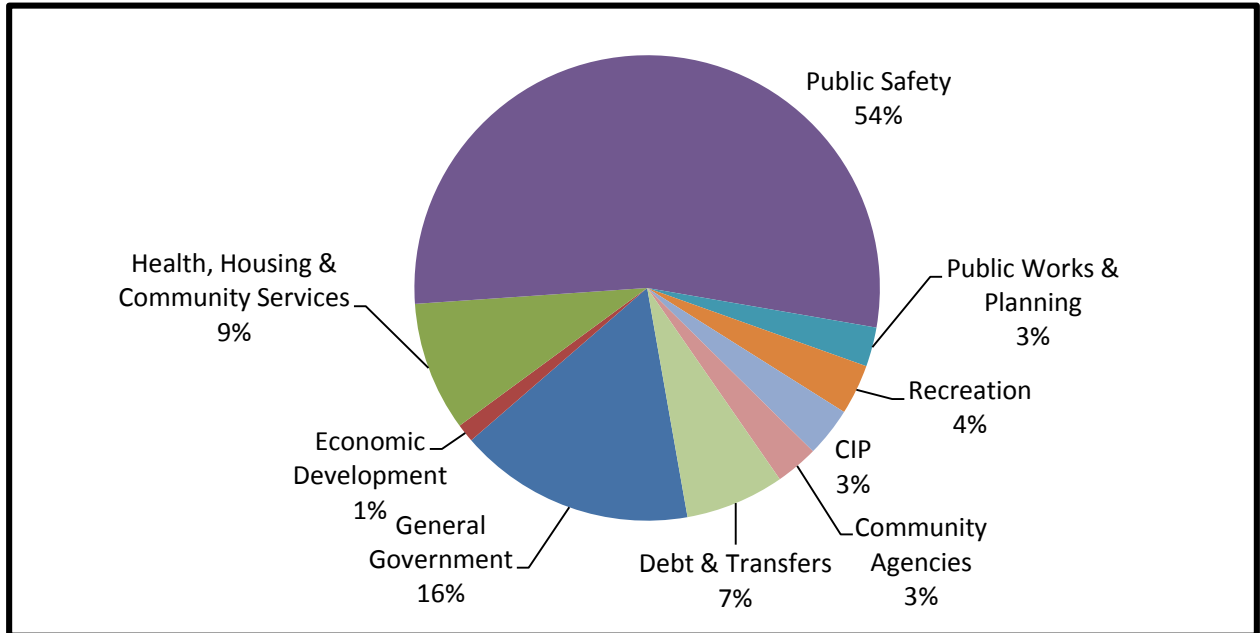
Sales Tax is an excise tax imposed on retailers. The proceeds of sales and use taxes imposed within the boundaries of Berkeley are distributed by the State to various agencies, with the City of Berkeley receiving 1% of the amount collected. City staff review sales tax revenues regularly and compares Berkeley’s performance with other cities in Alameda County, as well as statewide trends. While sales tax is a relatively stable revenue source for Berkeley, with the exception of FY 2012 when the City saw a \$2 million decline, Berkeley is somewhat unique in that 21.3% of its sales tax is from restaurants compared to 13.4% statewide (SF Bay Area is 14.4%). Berkeley otherwise has a generally well diversified sales tax base that is projected to continue to modestly improve over time, although this revenue source is likely to be affected by an economic contraction anticipated in the next couple of years.

b. Expenditure Projections

Salary and benefit costs make up approximately 58 percent of the citywide budget and 74 percent of the General Fund. Controlling labor costs is the primary method to manage expenditures and ensure sustainability of the General Fund. Expenditure controls must also include addressing some underfunded and unfunded employee benefits. As the economy improves, the City has the opportunity to develop a plan to address its long-term obligations in a sustainable way. I will continue to work with the City Unions in an effort to jointly help mitigate the long-term impacts of the City’s underfunded and unfunded benefit liabilities, while at the same time preserving our ability to deliver quality services to the community.

The chart below shows the percent allocation of the General Fund expenditures for both FY 2016 and FY 2017 by service area. Fifty-four percent of the General Fund biennial budget is allocated to Police (36%) and Fire (18%).

**General Fund Expenditures by Service Area
FY 2016 & FY 2017 Adopted Biennial Budget
\$321.3 Million**



California Public Employee Retirement System (CalPERS)

The changes made by CalPERS in the last few years are planned to achieve 100% funding for all plans within a 30-year time period. This means that there will be sufficient funds held in each plan to pay obligations for all inactive (including retirees) and benefits due to prior service for actives. For FY 2016 and FY 2017, the City is using CalPERS' actual rates for FY 2016, CalPERS' projections for FY 2017, and is relying on the outside actuary's projections for FY 2018 through FY 2024.

	FY 2015	PERS Actual FY 2016	PERS Estimates FY 2017	FY 2018*	FY 2019*	FY 2020*	Cumulative Growth from FY 2015
Miscellaneous**	21.9%	24.0%	25.9%	27.2%	28.5%	29.8%	7.9%
Police	46.6%	48.6%	52.1%	53.5%	55.4%	57.1%	10.5%
Fire	33.2%	36.6%	38.8%	40.6%	42.5%	44.4%	11.2%

* Estimates from the City's actuary based on PEPR⁸

** Does not include the City-paid Employee Rate of 8% for Miscellaneous (non-sworn) employees

The rising CalPERS rates alone will increase the City's costs by over \$5.9 million for all funds over the next two-year period. A critical assumption to the rate impacts is the level of confidence we have in the CalPERS annualized rate of return of 7.5%. If returns are less than 7.5%, rates will increase even more.

⁸ Pension reform legislation that was passed in 2012 that is now in effect as of January 1, 2013.

Based on the CalPERS' actuarial valuations as of June 30, 2013, of the City's assets held by CalPERS for the City's plans are currently funded as follows: Miscellaneous 72.4%; Police Safety 62.5%; and Fire Safety 73.5%. Based on the market value of assets, the pension plans combined are about 70% funded.

Medical & Dental Insurance

The City funds medical benefits up to the Kaiser family rate. For those employees that choose Health Net as their provider, the employee pays the difference between the Kaiser and Health Net rate. While we experienced unusually low health rate increases in FY 2015, our outside brokers have advised us to plan for larger increases in the future reflective of historical trends. Since 2005, health premium increases have ranged from 0.5 percent to 20 percent. The 12-year average annual increase for the Kaiser medical active plan has been 8.1 percent per year. The baseline budgets for FY 2016 & FY 2017 reflect the actual rate increase based on the Kaiser medical plan of 2.8 percent in FY 2016 and a projected 5 percent increase in FY 2017. The FY 2016 & FY 2017 baseline budgets reflect an increase in dental costs of 0 percent in FY 2016 and 4 percent in FY 2017. The City's total budget is projected to pay out \$20.1 million in health and dental insurance in FY 2016 and \$20.8 million in FY 2017.

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.

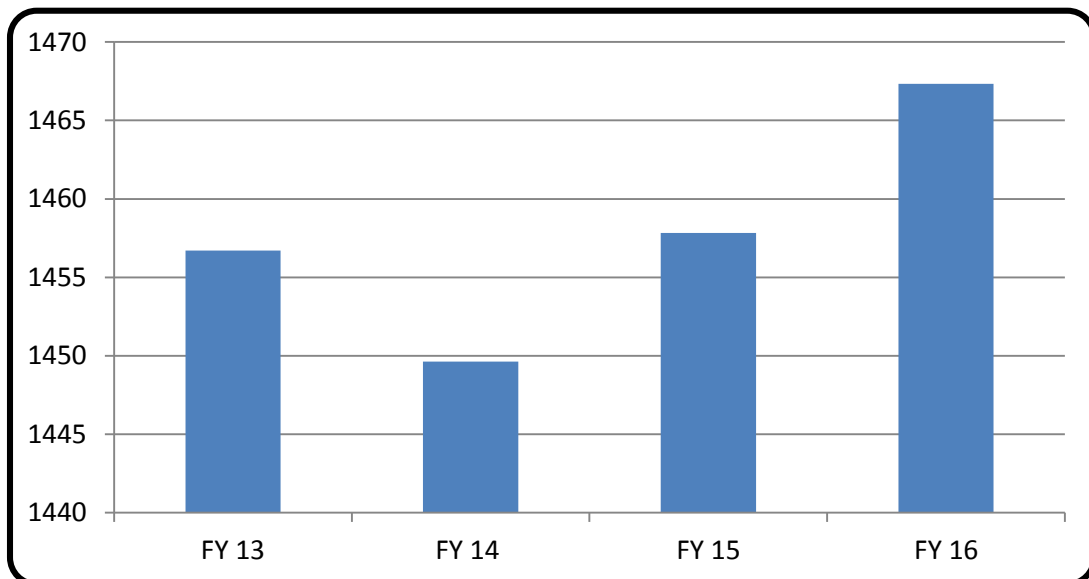
In FY 2002, the City learned that it had achieved a position where it had enough funds in its account with CalPERS that it did not need to pay CalPERS the miscellaneous employee contribution rate for FY 2002. The adopted FY 2002 and FY 2003 Biennial Budget included provisions setting aside approximately six percent of what would have been the contribution for the miscellaneous plan in those years in a dedicated fund to be used for payouts of unused and terminal sick and vacation benefits. In addition, this fund receives an annual transfer of funds based on a percentage of payroll in all funds.

Over the years the fund balance created by the initial transfer in 2002/2003 has been depleted. At the end of FY 2012, expenditures from the fund exceeded revenues by approximately \$500,000 and General Funds were used to cover those costs. In order to correct the shortfall and strengthen the fund, the rates were adjusted for FY 2014. The FY 2014 calculated rates increased from 3.25 percent of base salary for sworn employees to 3.75 and from 1.25 percent of salary for all other employees to 1.90 percent. These updated rates result in \$2.9 million being contributed to this fund in each fiscal year, FY 2016 and FY 2017. In addition, an annual General Fund transfer of \$250,000 is included in the baseline budget of the Sick Leave and Vacation Payout Fund. Additional information on this fund can be found in the Unfunded Liabilities section of this book.

4. Staffing

In FY 2016 employee salary and benefits make up 74 percent of the City's General Fund operating budget and 58 percent of the budget on an all funds basis. Between FY 2009 and FY 2014, staffing was reduced by over 220 FTEs; 184 of those FTEs were eliminated within the previous five years. Fiscal Year 2015 was the first year in which there was not a planned permanent reduction in staffing level since 2009. FY 2016 and FY 2017 will be the second and third consecutive years in which there will not be planned permanent reductions in staffing levels. Rather, the adopted biennial budget includes a number of positions added back into program areas which have recovered such as Mental Health (addressed more thoroughly below) and the Planning Department.

**Number of Full Time Equivalent Employees (FTEs)
FY 2013 to 2016**



The City treats employees fairly and equitably and also has a policy of minimizing the layoff of career employees. Controlling expenditures has been, and will continue to be a necessity in managing the City's budget, and labor costs are a critical factor in that approach. Over the past few years we have used vacant positions to manage our way through the recession. We have kept vacant positions vacant to avoid staff layoffs. As demonstrated in the chart above, we are slowly adding back positions. However, we want to ensure that the positions added to the budget are sustainable through future economic cycles. It is imperative that we continue making fiscally prudent decisions with the future in mind. Achieving a sustainable balance of both personnel and non-personnel expenditures against reasonable revenue projections will continue to require close attention during this biennial budget cycle.

5. Special Funds - Aligning Resources with Service Delivery

The General Fund, however, is less than half of the City's total budget. Many of the special funds that were struggling are starting to become healthy again due to the City Council and City staff actions over the last several years that have allowed the City to effectively manage and balance its budget as we begin to recover from some very difficult times.

a. Department of Health Housing and Community Services

Staff is proud to report on the substantially improved programmatic and fiscal status of the Mental Health (MH) Division of the Health Housing and Community Services Department. The MH Division has undergone substantial changes since an organizational review and evaluation was completed by outside consultants and presented to the City Council on December 7, 2010.

[http://www.cityofberkeley.info/uploadedFiles/Clerk/Level_3 -
City Council/2010/12Dec/2010-12-](http://www.cityofberkeley.info/uploadedFiles/Clerk/Level_3_-_City_Council/2010/12Dec/2010-12-07_Worksession_Item_02_Discussion_of_Mental_Health_Division_Assessmen.pdf)

[07 Worksession Item 02 Discussion of Mental Health Division Assessmen.pdf](http://www.cityofberkeley.info/uploadedFiles/Clerk/Level_3_-_City_Council/2010/12Dec/2010-12-07_Worksession_Item_02_Discussion_of_Mental_Health_Division_Assessmen.pdf)

These changes have resulted in a fiscally solvent and programmatically strong agency. Due to the hard work and perseverance of staff, improved management practices, and an upturn in the economy, the MH Division is able to add ten (10) direct service staff members in FY 2016. This new capacity will allow Berkeley Mental Health (BMH) to be more responsive to the needs of the community.

The City Manager commissioned the 2010 evaluation of BMH due to a number of factors that undermined the financial stability of the division and called into question its long term viability. These factors included:

- a complete depletion of the Realignment fund reserve at the same time as Realignment funds generated through sales tax and Vehicle License Fees were in decline due to the recession; and
- a combined \$6 million audit exception finding by the State Auditor for five audit years beginning FY 2004.

The evaluation provided 58 recommendations to improve the organizational and administrative structure and practices of BMH. If implemented, these changes would stabilize the program financially and improve services to the community. The recommendations focused on three critical areas:

1. Leadership and Management

The report identified an absence of strong leadership in the division, a management practice of “conflict avoidance”, and an organizational structure in which responsibilities overlapped and clarity was lacking. To address this issue, the report recommended ensuring that the leadership clearly understood both the programmatic and fiscal aspects of mental health management and established a structure that “clearly aligns responsibilities with authority and demands accountability for results”. The report further recommended creating an organizational structure with manageable numbers of reporting relationships in order to provide meaningful supervision and ensure accountability. (At this time, in one unit of BMH there was supervisory span of control of 1:24; normal practice is 1:7)

2. Align Operations with Industry Practice and Financial Realities

The report found that BMH was headed for fiscal insolvency. Part of the problem was that expenses were outpacing revenue, a situation familiar to local government during that period. The second factor was operational practices which did not maximize cost reimbursement for Medi-Cal eligible clients. At the time of the report, BMH had a relatively low level of Medi-Cal revenue generation for a number of reasons. Clinical staff needed policies, training and supervision that supported billing a higher percentage of their time for direct Medi-Cal Rehabilitation and Case Management services. Quality Assurance staff needed to establish policies and practices that minimized risk of audit findings by learning from past findings and changing practices to avoid perpetuating the same mistakes. BMH also needed to create better mechanisms for tracking revenue to ensure that revenue projections were reasonable and expenditures were aligned with those projections.

3. Relationship with Alameda County

Berkeley has unique standing as a City operated mental health system. It is a complicated structure in which the City operates as an independent mental health jurisdiction with a direct relationship with the State of California Health Care Services Department in some aspects and in others respects, is essentially a subcontractor to Alameda County. Both fiscally and programmatically, Berkeley cannot successfully manage its mental health program well, and provide quality service to the community, without an excellent relationship with Alameda County. Unfortunately, for many years the relationship was fractured with poor communication and cooperation, mistrust and a financial accounting system that was unworkable.

Since 2010, the Department has successfully tackled all three of these areas. The substantial efforts harnessed the skills and determination, focus and attention of our dedicated staff from front office support to clinicians, to division supervisors and manager, and up to department deputy director and director. The work began by communicating clearly with staff about the current situation, and explaining the

problems and the steps management was taking to move the division forward. These efforts included:

- **Creating a new organizational structure**
 - Created new supervisory positions with clear reporting relationships;
 - Maximized effectiveness and efficiency by changing staff assignments. One example is the creation of the Crisis and Assessment Team (CAT) which utilizes mobile crisis team staff to perform assessments of new clients during down times.

- **Improving revenue generation, revenue projections, alignment of expenses to reasonable estimated revenue**
 - Undertaking Quality Assurance efforts, including creating a managerial position focused on this important function with staff support, conducting regular chart review for clinical quality and regulatory compliance, and ensuring that BMH policies and procedures align with those of Alameda County Behavioral Health Care;
 - Clarifying documentation requirements for staff and ensuring accountability to these standards;
 - Focusing on serving Medi-Cal eligible people and ensuring that clients who are eligible for Medi-Cal are enrolled;
 - Utilizing Medi-Cal billing for all possible areas of treatment. For example, BMH recently began billing Medi-Cal for crisis services, a practice never before undertaken;
 - Accurately forecasting revenue through trend analysis of past years' revenue generation and aligning expenses to actual revenue.

- **Dramatic improvements to our working relationship with Alameda County**
 - A written contract with Alameda County since 2011 more clearly delineated our respective roles and responsibilities. Staff is currently negotiating an updated agreement to better capture the evolving relationship and agreements;
 - Monthly meetings between City and County leadership to ensure cooperation and coordination of services provided by both entities. These meetings include the Mental Health Director, Program Chiefs of Adult, TAY, and the Children's System of Care, as well as Fiscal Leadership from both Alameda County Behavioral Health Care and BMH. The goal of these meetings is to align the two systems so that individuals and families can get the best possible clinical care, as well as to ensure that fiscal and regulatory needs are met for both systems.

A further factor in achieving financial stability was settling the outstanding audit exceptions for Fiscal Years 2004 through 2008. City staff worked in partnership with Alameda County and the State to reduce liabilities by over half, and importantly, also changed the practices that led to the findings. The state recently concluded its 2009 audit of BMH and **had no findings regarding the division's previous issues**. The audit identified one minimal finding on documentation that has been corrected with the adoption of an electronic record system.

The outcome of the 2009 audit is an extremely important accomplishment and metric of success. This was the first audit completed following the years in question and there was significant concern that there could be a new set of challenges resulting in liability for the division. **The 2009 audit had no fiscal findings for the City of Berkeley**. This clean audit demonstrates that the fiscal and clinical practices put into place to rectify previous audit findings were successful. While the Mental Health funds maintain fiscal reserves to mitigate possible future findings, the 2009 audit findings demonstrate solid progress and signal that risk mitigation practices have been successful.

Mental Health Services Act

Another important funding source for BMH is the Mental Health Services Act (MHSA). This funding source is very sensitive to the California economy. As the economy has improved, the City has begun receiving, and is projected to continue to receive, increased MHSA revenue. While ensuring that there is a prudent reserve to sustain programs through an economic downturn, the increased revenue also allows for expansion of mental health programming. In addition to the staffing increases, MHSA will fund a partnership with Alameda County for a new Mental Health Wellness Center in the Berkeley/Albany area that will be open to all residents of Berkeley and Albany who have a mental health concern. The City and County will share in the costs of this center.

The gap between the need for mental health services and our capacity to meet that need is ever growing. Over the last couple of years, staff has listened closely to the community debate about the devastating impact mental illness has on individuals, their families and the community and the need for comprehensive crisis services provided by trained mental health professionals. Additional staffing will allow BMH to address some of these articulated needs through:

- Increased hours of service for the Mobile Crisis Team (MCT) and two teams to work at times of peak need to respond to individuals in the community who are in mental health crisis – expanding on .5 FTE Behavioral Health II Clinician funded by the City Council in FY 2015;
- Creation of a Transitional Outreach Team (TOT) to follow up with individuals who have experienced a mental health crisis in order to ensure that they and their families get connected to the right level of care;
- Expansion of the Crisis, Assessment, and Triage Team (CAT) to allow for more support in linking those who come to BMH for assistance to the correct level of care in the community. Currently, nearly 75% of individuals who come to BMH for an assessment do not meet criteria for BMH service but need services and assistance accessing them;

- Expansion of the Transition Age Youth (TAY), Adult, and Older Adult Full Service Partnership Team (FSP). This treatment team utilize an intensive assertive community treatment model to provide wrap-around services for those over 18 with the highest level of mental health needs;
- Creation of a Children's Full Service Partnership. This new program will add capacity to provide wrap around services for children in Berkeley and Albany who have a very high level of mental health needs;
- Expansion of the Community Care Team (CCT), the largest clinical team at BMH, proving clinical case management and treatment for individuals who have severe and persistent mental illness and functional impairments in their lives;
- Expansion of the Focus On Independence Team (FIT), serving individuals who have severe and persistent mental illness and who have progressed in their treatment and no longer need a higher level of care. The additional staff on the FIT team will allow individuals who are moving forward in their recovery to get needed case management services and connection to community resources to support their overall wellness; and
- Added capacity at the Family, Youth and Children's clinic (FYC), through the addition of a dedicated clinician providing trauma informed care. Trauma informed care is grounded in and directed by a thorough understanding of the effects of trauma and the prevalence of trauma in those who seek mental health services. It utilizes evidence based and best practices models that have been proven to facilitate recovery from trauma and strengthening resiliency. FYC provides trauma informed clinical care to children, teens and families throughout Berkeley and Albany. This new clinician will increase the capacity of FYC staff to better meet the needs for this type of treatment.

Funding for these positions is detailed in the chart below:

Program	Positions	Amount⁹	Funding
MCT	Increase existing .5 Behavioral Health Clinician II to a 1.0 Senior Mental Health Clinician	\$70,438	MHSA
TOT	1.0 Behavioral Health Clinician II, 1.0 Assistant Mental Health Clinician	\$235,517	Medi-Cal/Realignment
CAT	1.0 Assistant Mental Health Clinician	\$97,410	Medi-Cal/Realignment
TAY, Adult, Senior FSP	1.0 Behavioral Health Clinician II	\$138,107	MHSA
Children's FSP	1.0 Behavioral Health Clinician II, 1.0 Assistant Mental Health Clinician, .5 Mid-Level Practitioner	\$322,286	MHSA
CCT	1.0 Community Health Worker	\$85,879	Medi-Cal/Realignment
FIT	1.0 Senior Mental Health Clinician	\$150,438	Medi-Cal/Realignment
FYC	1.0 Behavioral Health Clinician II	\$138,107	Medi-Cal/Realignment
TOTAL	10 FTEs	\$1,238,182	

The recruiting effort for the new staff will focus on creating as diverse a pool of applicants as possible including important outreach to individuals with direct lived experience with a mental illness, and/or experience with family members who have had a mental illness. Staff anticipates these new positions will be filled during the FY 2016 year.

⁹ Costs include salary and benefits calculated at Step C.

b. Department of Public Works

In addition to the City Council and City staff actions, several recent actions by the voters have significantly improved the fiscal picture for Berkeley. The November 2014 voter approval of Berkeley Measure F will benefit the Parks, Recreation & Waterfront Department in terms of additional annual funding for major maintenance and capital expenses for parks facilities. In addition, the approval of Measure BB also in November 2014, which implements a 30 year Transportation Expenditure Plan by renewing the 0.5 percent transportation sales tax approved in 2000 and increasing the tax by 0.5 percent, will benefit the City's streets and roads, as well as pedestrian and bicycle infrastructure. This 1 percent sales tax is managed by the Alameda County Transportation Commission, and Berkeley will receive over \$3 million a year in additional funding as well as capital funding for the Gilman interchange project. Finally, and not to be forgotten, Berkeley voters approved Measure M in November 2012, General Obligation bonds not-to-exceed \$30 million, which are being used to significantly accelerate the implementation of the 5-Year Street Plan and install green infrastructure where appropriate

Measure M

Measure M, the \$30 million streets and green infrastructure bond, was passed by Berkeley voters in November 2012 to accelerate paving and install green infrastructure where appropriate. Staff is implementing Measure M-funded projects over five years from FY 2014 through FY 2018.

In FY 2014, over eight miles were paved, approximately double the annual amount paved prior to passage of Measure M, and five green infrastructure sites were constructed throughout the City at a total cost of approximately \$9 million (all costs herein include Measure M and all other funding sources). Green infrastructure included permeable pavers, bioretention areas, tree well filters, and underground cisterns to treat storm water runoff and reduce localized flooding.

In FY 2015, the City planned to pave approximately 18 miles and construct one large green infrastructure project at a total cost of approximately \$13 million. Four new alternative pavement treatments are being implemented, including rubberized cape seal, rubberized asphalt, fiber microsealing, and full depth reclamation. These alternative treatments are more cost-effective and less environmentally impactful than conventional treatment methods, and they will enable the City to pave more miles with limited funding. The FY 2015 projects will be constructed in summer 2015.

In FY 2016, staff plans to pave approximately 16 miles and install green infrastructure at three sites at a total cost of approximately \$12 million. The planned green infrastructure locations are Rose/Hopkins, University/Shattuck, and Woolsey between Adeline and Tremont.

In FY 2017 and FY 2018, the remaining Measure M funds will be utilized. Based on current projections of the Measure M fund balance, staff anticipates being able to pave approximately 10 miles and install 2-4 green infrastructure sites. The FY 2017 and FY 2018 paving plans including green infrastructure are currently under review by the Public Works Commission and will be presented to Council in fall 2015.

Staff anticipates being able to pave over 50 miles, or approximately one-fifth of the City's streets, and install green infrastructure at 10-15 sites throughout the City, utilizing the additional Measure M funding during the five-year implementation period through FY 2018.

Sanitary Sewer Fund

However, the Sanitary Sewer Fund, which previously maintained a healthy balance primarily through salary savings and other cost savings, was in need of a rate increase in FY 2016. Sanitary sewer fees pay for the costs of operation, maintenance, rehabilitation and improvement of the City's sanitary sewers. In July 2014 the City finalized a Consent Decree (CD) with the US Environmental Protection Agency requiring that the City reduce inflow and infiltration, reduce sanitary sewer overflows, and repair and replace aging sewer pipelines. To satisfy the CD, Berkeley will need to replace an average of 4.2 miles of sewer pipeline annually for the next 12 years, replace all noncompliant manholes, perform condition assessment on 25 miles of sewer annually, and increased required maintenance activities.

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 Council Resolution following a Proposition 218 hearing process. Sewer fees are collected through the payment of the property water bill (EBMUD). Our consultant, Bartle Wells Associates, prepared an initial sustainable Sanitary Sewer rate study that was presented to Council on March 17, 2015, and outlined the steps required to conduct a Proposition 218-compliant rate setting process¹⁰. That rate study has been updated to address the impact of EBMUD's mandated usage decrease.

In June 2015, the City Council approved new Sanitary Sewer service rates for the five year period beginning FY 2016. The new rates fund capital improvements required to maintain the system in full regulatory compliance, while addressing revenue lost to drought-related water conservation. The total effect of the increased sewer rates will vary with the degree of water conservation actually achieved by City residents. Single family residence sewer rates are scheduled to increase 46.0% in FY 2016, with 24.2% in FY 2017, 14.2% in FY 2018, 7.0% in FY 2019, and 3.6% in FY 2020.

6. FY 2016 and Beyond

a. Addressing Unfunded Liabilities

The balancing act between projecting revenues against increasing expenditures is always challenging. The City Council and City staff have taken actions over the last several years that have allowed the City to effectively manage and balance its budget during some very difficult times. Expenditure controls during that period included an absence of cost of living increases for employees, deferred major maintenance and capital improvements in some areas and addressing some employee benefits on a pay-as-you-go basis. As the economy recovers and moves through its next cycle of growth,

¹⁰ http://www.cityofberkeley.info/Clerk/City_Council/2015/03_Mar/City_Council_03-17-2015_-_Special_Meeting_Annotated_Agenda.aspx City Council: 03-17-2015 - Special Meeting Annotated Agenda - City of Berkeley, CA

the City has the opportunity to develop a plan to address its long-term obligations in a sustainable way. On May 29, 2012, the City Council adopted Resolution No 65,748-N.S. "Requiring that the City Manager Develop and Publish a Biennial Report of Current Liabilities and Projections of Future Liabilities."¹¹ This report was presented at the February 19, 2013, Council Worksession. This report has been updated and was presented at the February 24, 2015, Council Worksession¹². The Council has adopted budget development policies which have served us well over the long term, and has also established the following budget policies that begin to address some of the underfunded long-term capital and employee benefit liabilities.

Transfer Tax in excess of \$10.5 million is treated as one-time revenue for capital needs

Transfer Tax in excess of \$10.5 million dollars will be treated as one-time revenue to be used for the City's capital infrastructure needs (fund 610). In FY 2005 Property Transfer Tax revenue increased by over \$3 million. City staff quickly recognized that the revenues received from the real estate boom were not going to be recurring, and did not build this "extra revenue" into the City's recurring, operational budget. Staff performed an analysis of historical Property Transfer Tax revenue and identified \$10.5 million as the City's recurring level for Property Transfer Tax revenue. In FY 2006, the City Council adopted a budget policy that the excess Property Transfer Tax revenue over the \$10.5 million only be used for one-time capital expenditures. This policy has been in place since FY 2006. During the depths of the recession, the wisdom of this policy was effectively proven when transfer tax revenue decreased to as low as \$8 million in FY 2010, \$9.1 million in FY 2011 and then back down to \$8.4 million in FY 2012.

While current real estate activity has increased transfer tax revenue, the volatility of its history has shown that allocating amounts above the most likely recurring revenues to one-time capital projects is prudent. With this current boom generating transfer tax revenue in excess of \$10.5 million, those amounts can be used to fund replacement of the City's very old financial system (FUNDS), as well as various important capital infrastructure needs. Thus, Property Transfer Tax revenue above \$10.5 million will continue to be set aside and allocated to capital asset and infrastructure projects.

Safety Members Pension Fund (SMPF) decrease in funding needs over time will be used to fund the new Police Employee Retiree Health Plan (fund 903)

As the General Fund subsidy to the Safety Members Pension Fund declines over the next several years, the amount of the annual decrease will be used to help fund the new Police Employee Retiree Health Plan (fund 903). The City currently pays the difference between the total SMPF benefits and the amount received from the Massachusetts Mutual Guaranteed Income Contract (GIC). The City will receive declining amounts from the GIC through FY 2019. For FY 2014, the General subsidy to the SMPF was \$568,120. By FY 2018, staff estimates the subsidy will drop below \$100,000, as there are 17 participants remaining in the plan, with ages ranging from 82 to 99, with an

¹¹ http://www.ci.berkeley.ca.us/Clerk/City_Council/2013/02Feb/Documents/2013-02-19_Worksession_Item_01b_Projections_of_Future_Liabilities.aspx

¹² http://www.cityofberkeley.info/Clerk/City_Council/2015/02_Feb/City_Council_02-24-2015_-_Special_Meeting_Annotated_Agenda.aspx

average of 90.7 years. As the subsidy to SMPF declines over the next several years, the amount of the annual decreases will be used to help fund the shortfall in other City retirement plans such as the retiree medical plans.

The two policies above will help address some of the long-term costs in the areas of capital assets, infrastructure, and employee and retiree costs.

b. Additional Bond Capacity

The City's Financial Advisor, NHA Advisors, prepared an analysis of the City's current GO bonding capacity. Based on the existing bond authorizations, outstanding balances and projected tax revenues, the City is likely to have the ability to generate new bond proceeds in the range of \$57M-\$74M and keep the total tax rate near the current level (0.0505%) over the next 30 years. The Council may wish to consider asking staff to develop scenarios for bond debt programs that would keep the taxes paid by property owners level over a course of time. This could mean that as old debt is retired, new debt could be issued for new projects. Staff could develop a timeline for that debt issuance and a list of potential projects for the Council to consider.

The City has established tax rates for the repayment of general obligation bonds each year based on projected bond debt service payments due and the estimated taxable assessed value provided by the County. The City's practice has been to set the appropriate tax rates in June as part of the budget and appropriations process which is prior to the County's final certification of the assessed valuation tax roll. Given the historical supplemental tax revenues and the revisions to the initial projections that the City receives from the County each year, the actual tax revenue calculations tend to come in higher than originally projected (continuing the practice of being conservative). Given that the City's general fund does not guarantee the payment of bond debt service, the tax fund balances have maintained a delinquency reserve component as part of the annual calculation.

With the opportunity to refinance a portion of the City's outstanding general obligation bond, staff believes it is appropriate to apply a portion of the tax fund balances to redeem a portion of the outstanding bonds. The second amendment to the FY 2015 Annual Appropriations Ordinance that went to Council on May 12, 2015, included \$6.3 million that will be used specifically for the redemption of a portion of the City's outstanding general obligation bonds in FY 2015. This allocation of collected property tax revenues will reduce future tax rates and lower the projected annual property tax due from all property owners throughout the City. Additional information on the refinancing was presented to Council on June 9, 2015.

A more detailed discussion of Unfunded Liabilities is included in this Proposed Budget Book under "Financial Summaries," as well as in the [Projections of Future Liabilities](#)¹³ report that went to Council on February 24, 2015.

7. The General Fund Balance (Reserve)

¹³ http://www.cityofberkeley.info/Clerk/City_Council/2015/02_Feb/City_Council_02-24-2015_-_Special_Meeting_Annotated_Agenda.aspx

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 disaster¹⁴. As of December 31, 2014, the available unassigned liquid reserve balance is \$16.9¹⁵ million or 11.0 percent of gross General Fund revenues and 5.4 percent of the Citywide budget. The unassigned liquid and illiquid combined reserve balance is \$21.0 million or 13.6 percent of gross General Fund revenues and 6.75 percent of the Citywide budget. Included in the balance are estimated receivables for grants and other contractual reimbursements for which the General Fund has “fronted” the costs.

8. Capital Improvement Program

The Capital Improvement Program (CIP) for the City represents the spending plan for infrastructure improvements and other specific large-scale recurring infrastructure projects. 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. 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. The chart below reflects only the General Fund contribution to the CIP.

Use of General Fund Capital Improvement Program Reserves

	Adopted FY 2016	Adopted FY 2017	Proposed FY 2018	Proposed FY 2019	Proposed FY 2020	Total
Facilities	2.1	2.2	0.9	0.9	0.9	
Information System*	0.7	0.9	0.9	0.9	0.9	
Parks	0.4	0.4	0.4	0.4	0.4	
Sidewalks	0.6	0.6	0.6	0.6	0.6	
Streets	1.9	1.9	1.9	1.9	1.9	
Transportation	0.2	0.2	0.2	0.2	0.2	
Debt	0.9	0.9	0.9	0.9	0.9	
Total General Fund	6.8	7.1	5.8	5.8	5.8	

¹⁴ GFOA's recommends a reserve sufficient to fund two month's operating expenses.

¹⁵ The General Fund unassigned liquid reserve balance has been reduced by \$3.34 million in anticipation of the FY 2015 property transfer tax revenue in excess of the \$10.5 million that will be transferred to the Capital Improvement Fund (610). The unassigned liquid reserve balance has also been reduced by the \$5.8 million General Fund appropriation included in the Second Amendment to the FY 2015 Annual Appropriations Ordinance going to Council on May 12, 2015.

*\$500,000 annual allocation for FUND\$ replacement is subject to the availability of excess property transfer tax

Note: Not included in the chart above are personnel costs in excess of \$900,000 per year that will ultimately be charged to projects supported by other funds.

9. Tax Rates

The established growth index for the Emergency Medical Services Tax (Paramedic Tax) is the April Consumer Price Index (CPI). The Emergency Services for the Disabled Tax, the Library Tax, Parks 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 assumed an increase of 2% for FY 2016 and FY 2017. For FY 2016, the Personal Income Growth was 3.82% and the April 2015 CPI Increase was 2.436%.

On June 23, 2015, the City Council approved tax rates which resulted in changes to the proposed budgeted revenue. The following tables reflect the changes to revenue beyond the 2 percent increase assumed in the proposed budget. For CPI increases that is an additional .436 percent; for PIG increases that is an additional 1.82 percent.

FY 2016 Funds with Additional Revenue Due to the Increase in the CPI

Fund	Additional FY 2016 Revenue
Paramedic Tax	\$ 11,486

FY 2016 Funds with Additional Revenue Due to the Increase in the PIG

	<u>Additional FY 2016 Revenue PIG</u>
Measure E- Emergency Services for the Disabled	\$ 19,108
Library Tax	\$296,505
Parks Tax	\$179,216
Measure GG- Fire Protection and Emergency Response	\$75,946

10. City Wide Work Plan

The FY 2016 City Wide Work Plan is offered as a way to inform the City Council and the community about the work to be undertaken throughout the year by City staff. Each department reporting to the City Manager submitted a plan describing its core or baseline services. Baseline or core services are those that the City provides on an ongoing basis. Examples include: filling potholes, collecting refuse and recycling, answering phones in the 311 Call Center, caring for shelter animals, investigating crimes, putting out fires and responding to medical calls, maintaining parks, offering recreation programs, operating senior centers, investigating infectious diseases, providing mental health services, inspecting restaurants and processing land use or building permits. Baseline services also include supporting the City's boards and commissions involving over 300 community members who are deeply engaged in the work of the City government. Each department's assigned commissions are noted in their section.

Some Departments also highlight accomplishments from the previous fiscal year so that the Council and the community can evaluate the progress of City services and programs over time. New services have been launched, and others were expanded to serve more people. Miles of streets have been paved. New businesses came to the City. Not only has the City brought in funding from outside sources, stronger controls better manage the funds we already have. The community is being engaged in new ways, increasing transparency and providing new opportunities for volunteers to contribute. The most serious crimes decreased by 25 percent in 2014. These accomplishments strengthened the City organization while delivering our key objective: making Berkeley a better place to live, work, and visit.

The FY 2016 City Wide Work Plan was submitted for Council's review and consideration at the first public hearing on May 12, 2015. The Council accepted the FY 2016 Work Plan along with the adoption of the biennial budget on June 30, 2015.

11. Conclusion

The *Adopted FY 2016 & 2017 Biennial Budget* reflects a stable budget that supports the City's ability to deliver services to the community. However, the goal is to achieve a long-term sustainable fiscal situation. Controlling expenditures has been, and will continue to be, a necessity in managing the City's budget, and labor costs are a critical factor in that approach. Achieving a sustainable balance of both personnel and non-personnel expenditures against reasonable revenue projections will continue to require close attention, especially as we move through new economic cycles. As labor contracts expire at the end of this fiscal year, the City has an opportunity to work with the bargaining units to establish an approach to managing labor costs that will enable stability into the future. The adopted budget reflects our continued commitment to stewarding the public's resources for their benefit and that of future generations. I would like to thank Teresa Berkeley-Simmons, Budget Manager and her staff, Rama Murty, Stacey Johnson, and Melanie Bynes, for their dedication and hard work to develop a

balanced budget, with special thanks to Dee Williams-Ridley, Deputy City Manager; and Henry Oyekanmi, Acting Finance Director, as well as the staff in all of the Departments who assisted with this effort.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Christine Daniel". The signature is written in a cursive, flowing style.

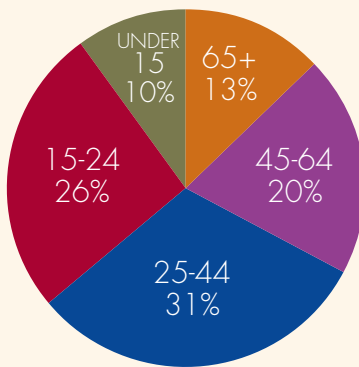
Christine Daniel
City Manager

Community Profile Data Budget Book FY 2016-2017

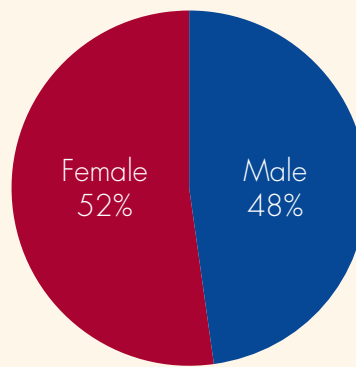


Berkeley Population 116,774 (2013 American Community Survey)

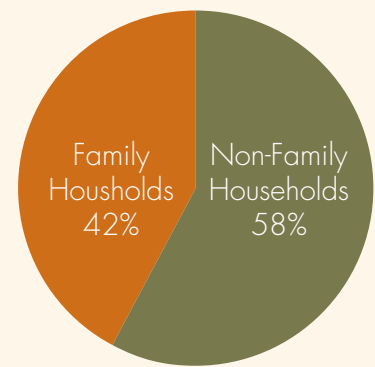
By Age



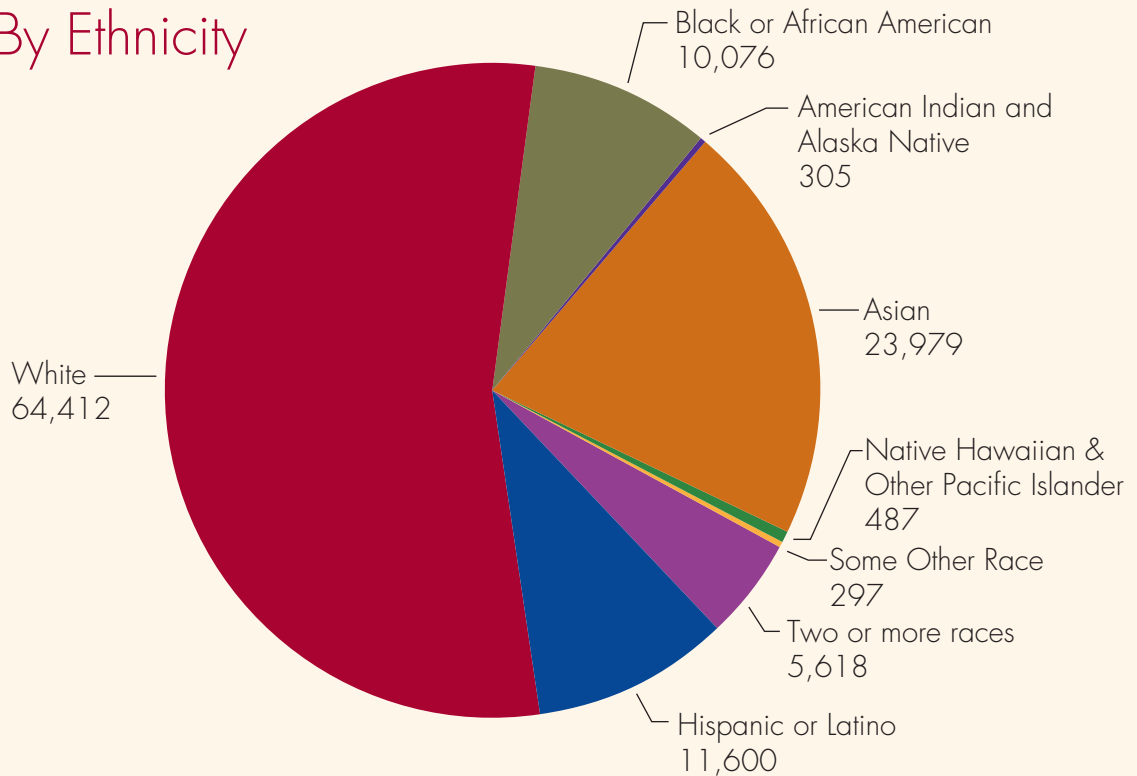
Male/Female



Type of Households



By Ethnicity



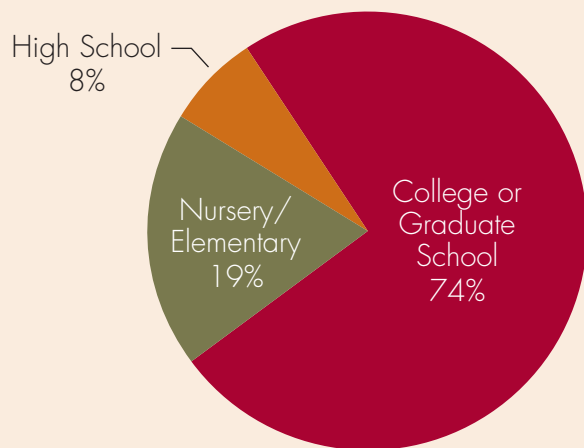
Education (ACS)

Schools in Berkeley

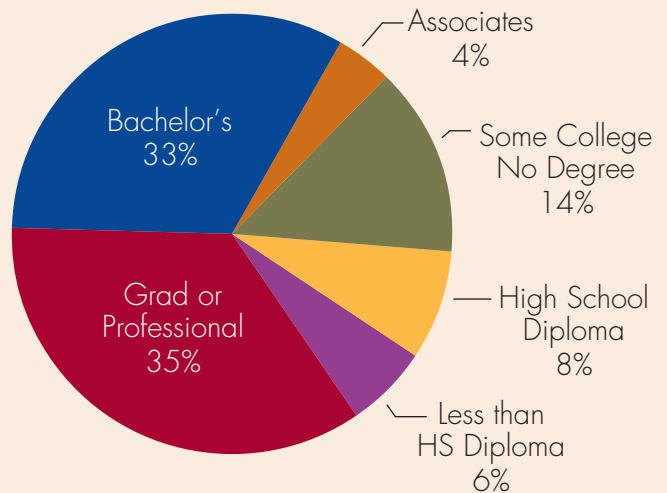
- 11 public elementary schools
- 3 public middle schools
- 2 public high schools (Berkeley High School & B-Tech)
- 1 adult school
- 6 WACS-accredited private elementary/secondary schools
- University of California, Berkeley
- Berkeley City College
- 5 WASC-Accredited Colleges (in addition to Cal and City College)

BUSD, California Department of Education, WASC

Population 3+ years
enrolled in school: 43,875



Educational Attainment of
Population Over 25 Years Old:
74,783 (ACS)



Transit and the Environment

- The community has access to 123 car share vehicles at 56 car share pods, an increase of approximately 35% and 33% respectively between 2010 and 2013.
- Residential electricity consumption and natural gas consumption decreased 16% between 2000 and 2013.
- Commercial electricity consumption decreased 7% between 2000 and 2013.
- Approximately 1,253 solar photovoltaic systems and 88 solar hot water systems were installed in Berkeley between 2000 and 2013.
- Berkeley has seen a 91.6% increase in biking between 2000-2014, with a 9.4% increase between 2013-2014.
- Berkeley has second highest percentage of bike commuters (8.1%) for medium sized cities in the U.S.
- Berkeley has 10 community and 18 school gardens.
- There are 189 Green Certified businesses in Berkeley, approximately 5 percent of the total number of businesses.
- Berkeley residents and businesses have reduced their landfilled waste by 50% between 2000 and 2013.
- Over 79,000 tons of construction and demolition waste has been diverted from landfills between 2008 and 2013.

Employment, Economy, Housing (ACS)

Employment

Median Household income:	\$61,960
Residents 16 and older:	103,587
In labor force	62.1%
Employed:	56.6%
Unemployed:	5.5%
Not in labor force:	37.8%
<small>(e.g. students not looking for work)</small>	

Occupation (ACS)

Management, Tech, Pro:	65%
Service:	11%
Sales & Office:	18%
Construction, Maintenance:	3%
Production & Transportation:	4%

Largest Employers

University of California, Berkeley:	14,629
Lawrence Berkeley National Labs:	3,442
Sutter East Bay (includes Alta Bates Medical Center)	2,452
Berkeley Unified School District:	1,798
<small>(Note: this number includes substitutes, total count of subs is: 586)</small>	
City of Berkeley (Adopted FY 2015)* *:	1,462
Bayer Corporation:	1,330
Kaiser Permanente Medical Group/ Kaiser Foundation Health Plan/ Kaiser Foundation Hospitals:	698
Berkeley Bowl:	534
Berkeley YMCA:	415
Pacific Steel Casting Company:	391
Siemens Corporation:	381
ATA Distribution Services:	320
Berkeley City College:	255
Walgreens:	191

* Provided by the Office of Economic Development

** Includes Library and Rent Stabilization Board

Housing (ACS)

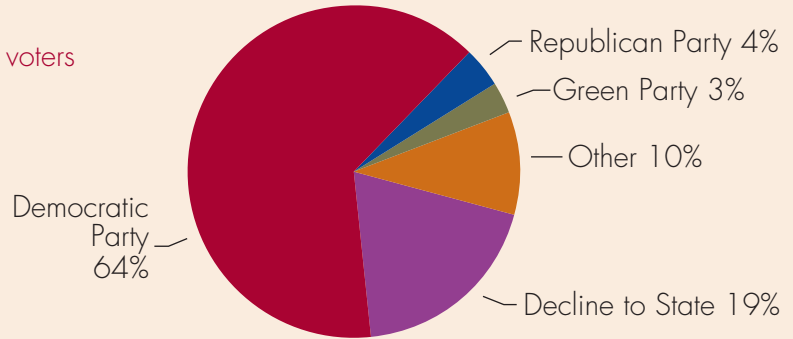
Average sale price of new & existing single-family homes:	\$703,208
Average sale price of new & existing condos:	\$446,100
Total housing units:	49,454
Vacant housing units:	3,425
Occupied housing units:	46,030
Owner-occupied:	18,913 (41%)
Renter-occupied:	27,117 (59%)
Median Rental Market Rates: *	
Studio	\$1,245
1 Bedroom	\$1,595
2 Bedroom	\$2,250
3 Bedroom	\$3,000

* 2014 data provided by the Berkeley Rent Stabilization Board

Community Engagement

Berkeley has
80,963 registered voters

*Alameda County Registrar
of Voters, October 2014*



- Berkeley has approximately 165 Neighborhood Watch groups;
- Berkeley has 94 Disaster Cache 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:

- 2 public swimming pools;
- 2 resident summer camps;
- 105 walking trails;
- 1 skateboard park;
- 1 Adventure Playground
- An urban forest of 51,000 planting sites and 46,000 public trees, an 8 percent increase from 2000
- 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;
- 2 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 expenditures (e.g., capital investments and deferred maintenance);
6. Requiring enterprise and grant funds to balance and new programs to pay for themselves; and
7. Any new expenditure requires new revenue or expenditure reductions.
8. Transfer Tax revenue in excess of \$10.5 million dollars will be treated as one-time revenue to be used for the City's capital infrastructure needs (Fund 610).
9. As the General Fund subsidy to the Safety Members Pension fund declines over the next several years, the amount of the annual decrease will be used to help fund the new Police Employee Retiree Health Plan (Fund 903).

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 2016 & FY 2017 Biennial Budget Development Calendar

Date	Agenda	Action/Topic
February 24, 2015	Workshop	FY 2015 Mid-Year Budget Update & Review of Unfunded Liabilities
March 17, 2015	Workshop	FY 2016 & FY 2017 Priority Setting/Program Discussion: Sewer Fees
March 24, 2015	Workshop	FY 2016 & FY 2017 Priority Setting/Program Discussion: Capital Improvements & Infrastructure
April 28, 2015	Action	Public Hearing on CDBG & ESG Annual Action Plan and proposed funding allocations to community agencies
April 28, 2015	Action	Adopt funding allocations and Annual Action Plan for CDBG and ESG
May 12, 2015	Workshop	FY 2016 & FY 2017 Proposed Biennial Budget
May 12, 2015	Action	Public Hearing #1: Budget
May 26, 2015	Action	Public Hearing #2: Budget & Proposed Fee Increases
June 9, 2015	Action	Council recommendations on budget due to City Manager
June 23, 2015	Action	Council discussion on budget recommendations
June 30, 2015	Action	Adopt FY 2016 & FY 2017 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 Successor Agency (formerly the Berkeley Redevelopment Agency) 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 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; Measure I (2002) for a new animal shelter; Measure FF (2008) for the renovation, construction, seismic, and disabled access improvements, and expansion of program areas at the City's four neighborhood branch libraries; and Measure M (2012) for streets and watershed improvements. Debt Limit information is further detailed in the Financial Summaries section.

Bond Rating

The City currently maintains a tax-backed rating of "Aa2" and "AA+" from Moody's Investors Service and Standard & Poor's respectively. These ratings put the City in the upper echelon of all California cities that maintain tax-backed ratings.

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 re-appropriation 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 2013, FY 2014, FY 2015, and the adopted budget figures for FY 2016 and FY 2017.



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**SUMMARY OF FY 2016 & FY 2017 ADOPTED BUDGET
By Funding Source**

Fund Description	Adopted FY 2016		Adopted FY 2017	
	Revenue ^(b)	Expenses	Revenue ^(b)	Expenses
General Fund Discretionary ^{*(a)}	\$ 159,454,975	\$ 159,862,009	\$ 161,392,576	\$ 161,500,178
Special Revenue Funds				
Emergency Disabled Services	1,090,037	1,090,037	1,111,838	1,111,838
Paramedic Tax ^(a)	3,061,516	3,151,907	3,203,106	3,191,389
Parks Tax ^(a)	11,573,964	11,657,294	11,803,794	11,771,394
Downtown Berkeley Prop & Improv. District	1,000,000	1,000,000	1,000,000	1,000,000
Measure GG - Fire Prep Tax	4,332,251	4,279,409	4,418,896	4,288,847
Street Light Assess. District ^(a)	1,866,961	1,975,472	1,866,961	1,987,871
Solano Avenue Bus. Imp Dist.	35,000	35,000	35,000	35,000
Telegraph Pro Bus. Imp. Dist.	263,000	263,000	263,000	263,000
N. Shattuck Bus. Imp. Dist.	168,550	164,653	168,550	168,550
Berkeley Tourism BID	546,823	546,823	557,759	557,759
Elmwood BID	45,000	45,000	45,000	45,000
Enterprise Funds				
Zero Waste	37,600,783	37,469,371	37,710,238	36,965,088
Marina Operation ^(a)	5,311,066	5,887,539	5,311,066	5,932,756
Sewer ^(a)	12,801,227	17,537,087	12,801,227	15,112,329
Clean Storm Water ^(a)	2,502,740	2,566,842	2,510,569	2,591,580
Private Sewer Lateral	240,501	222,332	240,501	225,834
Permit Service Center	12,238,260	12,157,113	12,544,854	12,309,841
Off Street Parking ^(a)	4,204,428	4,429,334	3,504,428	3,028,421
Parking Meter	9,191,713	8,839,901	9,191,713	8,322,842
Unified Program - Toxics ^(a)	851,868	946,074	851,868	957,201
Building Management (1947 Center St.) ^(a)	2,544,967	2,985,739	2,111,455	3,035,073
Gas / Sales Tax Street Improvement Funds ^(a)	6,042,504	6,459,690	6,042,504	6,507,765
Bonds ^(b)	203,336	1,987,574	203,336	2,088,767
Debt Service Funds	8,179,251	9,741,396	8,143,764	9,716,268
Grant Funds ^(c)	27,856,910	31,912,248	27,750,455	29,975,479
Internal Service Funds	24,380,349	24,042,106	24,382,838	24,196,072
Other Funds				
Capital Improvement Fund ^(a)	5,501,269	8,401,560	5,501,269	8,153,615
Public Liability ^(a)	1,695,888	1,704,680	1,695,888	1,711,563
Library ^(a)	17,200,793	18,438,717	17,539,069	17,111,242
Rent Board ^(a)	4,300,000	4,550,000	4,300,000	4,550,000
Successor Agency ^(a)	1,222,988	1,230,827	1,222,988	1,233,542
Playground Camp ^(a)	1,000,832	1,052,491	1,000,832	1,056,643
Health State Aid Realignment Trust ^(c)	3,703,018	3,751,669	3,703,018	3,768,711
Other Funds ^(a)	4,110,712	4,236,044	4,176,884	4,282,831
Revenue & Expenditure Totals:	\$ 376,323,480	\$ 394,620,938	\$ 378,307,244	\$ 388,754,289

**\$500,000 of the General Fund Reserves (fund balance) allocation to the Sugar Sweetened Beverage projects will be repaid to the General Fund as revenues from Measure D are collected.*

(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.

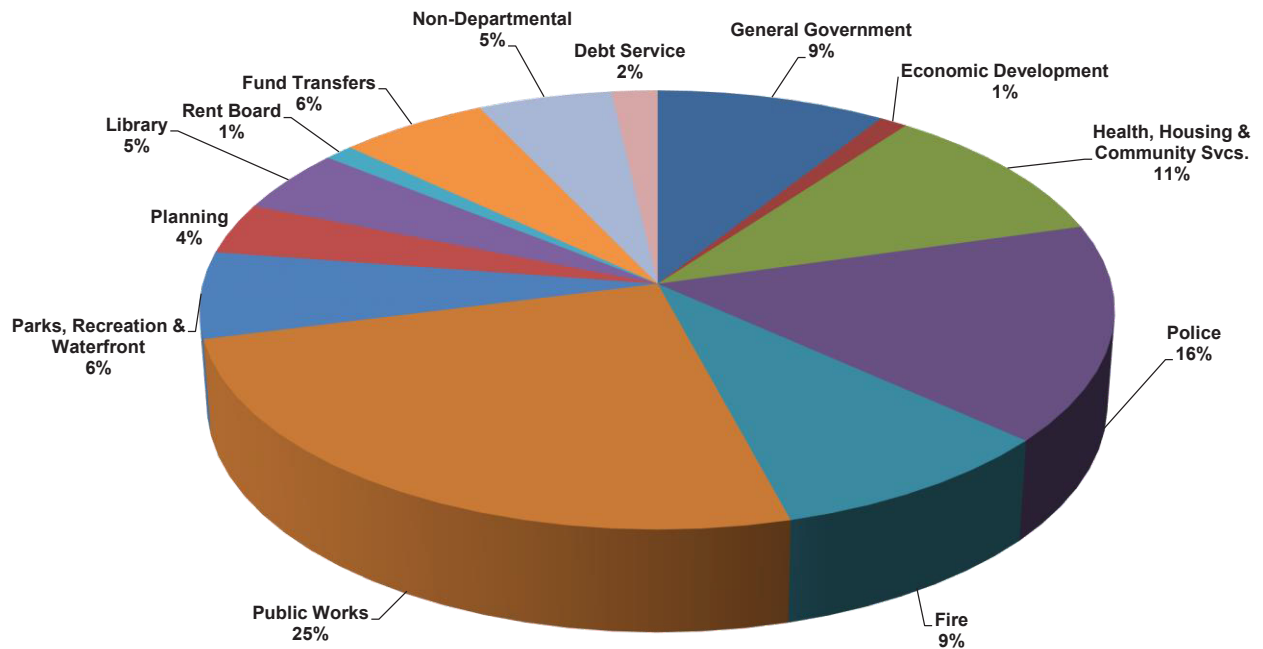
(c) FY 2016 & FY 2017 grant revenues and expenditures will be adjusted to match once award amounts are known.

Summary of Expenditures by Department - All Funds

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
Mayor & Council	1,706,149	1,733,917	1,788,656	1,792,456	1,810,354
Auditor	2,044,256	2,065,354	1,962,336	2,270,374	2,303,519
Police Review Commission	488,526	484,845	555,769	562,803	570,417
City Manager	4,692,692	4,887,010	4,971,041	5,324,144	5,396,740
Office of Economic Development	3,710,268	3,243,496	4,601,743	4,340,946	4,380,179
Information Technology	8,975,620	8,127,798	8,051,698	8,752,909	8,840,617
City Attorney	3,442,297	3,916,746	3,245,138	4,001,225	4,040,002
City Clerk	1,963,304	1,504,701	2,177,080	1,982,311	2,004,248
Finance	6,920,204	6,857,845	6,738,287	7,446,289	7,545,035
Human Resources	2,812,261	2,997,178	2,859,755	3,248,181	3,296,954
Health, Housing & Community Services	34,077,594	34,729,446	33,347,403	41,350,811	40,128,386
Police	57,748,694	59,700,592	60,832,054	62,146,931	63,409,829
Fire	31,244,878	32,273,589	33,826,344	35,843,030	36,273,849
Public Works	92,344,987	89,659,793	95,484,137	100,380,540	96,746,124
Parks, Recreation & Waterfront	24,093,527	23,678,863	22,219,147	25,110,844	24,782,926
Planning	11,175,016	12,480,485	14,492,842	14,629,541	14,819,031
Library	23,743,956	20,326,538	16,453,411	18,854,308	17,523,032
Rent Board	3,985,087	3,826,758	3,936,487	4,550,000	4,550,000
Non-Departmental	55,714,388	49,308,061	58,807,171	52,033,295	50,333,047
Gross Expenditure:	\$370,883,704	\$361,803,015	376,350,499	394,620,938	388,754,289
Berkeley Housing Authority ⁽¹⁾	138,374	25,326			
Gross Appropriations:	371,022,078	361,828,341	376,350,499	394,620,938	388,754,289
Less: Dual Appropriations	(57,759,765)	(54,340,815)	(54,946,292)	(55,525,298)	(54,277,853)
Net Expenditure:	\$313,262,313	\$307,487,526	\$321,404,207	\$ 339,095,640	\$ 334,476,436

(1) Berkeley Housing Authority has been a separate entity since FY 2008. Expenditures in FY 2014 were for City Services and the City was reimbursed by BHA for these expenditures. Starting in FY 2015, the Housing Authority is no longer part of the City's Annual Appropriations Ordinance.

All Funds Expenditures by Department
FY 2016 & FY 2017 Biennial Budget
\$783,375,227 (Gross)
\$673,572,076 (Net)

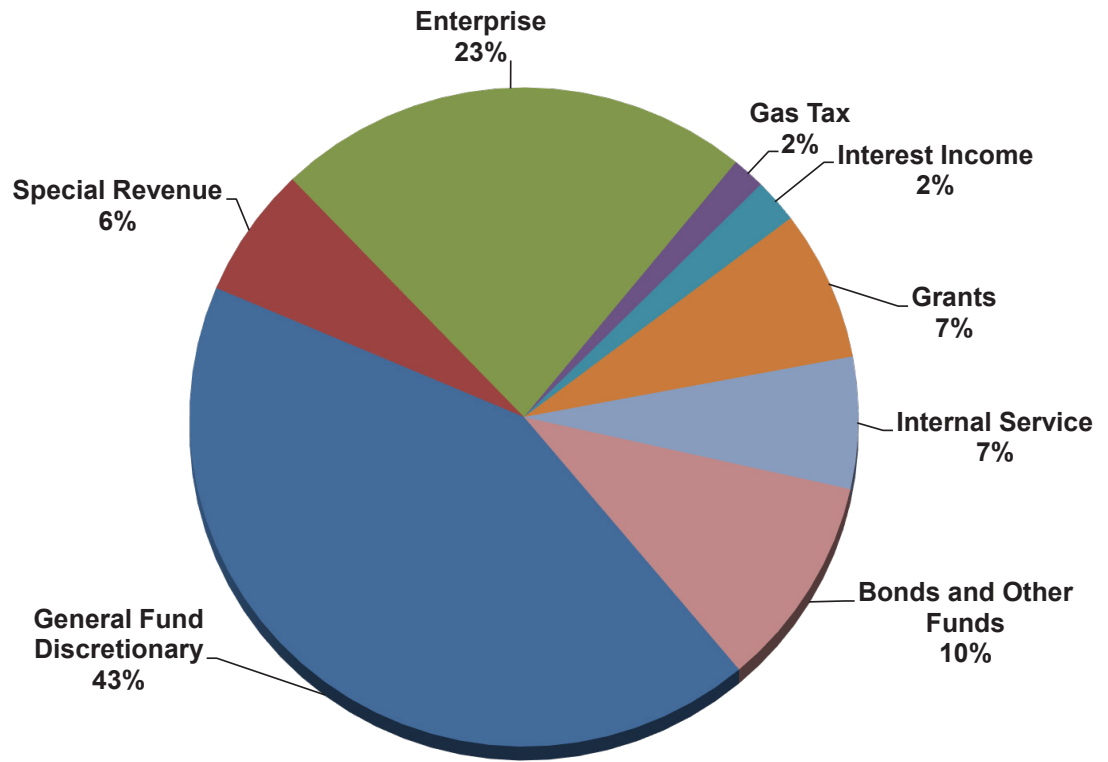


REVENUE BY FUNDING SOURCE

Fund Description	Actual Revenue FY 2014	Actual Revenue FY 2015	Adopted Revenue FY 2016	Adopted Revenue FY 2017
10 General Fund Discretionary	\$155,216,143	\$163,997,992	\$ 159,454,975	\$ 161,392,576
Special Revenue Funds				
18 Emergency Disabled Services	1,032,227	1,063,397	1,090,037	1,111,838
160 Paramedic Assessment/Tax	3,226,626	2,873,397	3,061,516	3,203,106
450 Parks Tax	9,762,684	10,072,764	11,573,964	11,803,794
451 Downtown Berkeley Prop & Improv. District	947,947	971,673	1,000,000	1,000,000
456 Measure GG - Fire Prep Tax	4,130,013	4,273,145	4,332,251	4,418,896
470 Street Light Assess. District	2,065,845	2,068,094	1,866,961	1,866,961
474 Solano Avenue Business Imp. District	28,164	34,200	35,000	35,000
476 Downtown Business Imp. District	10	0	-	-
477 Telegraph Bus Pro Imp District	226,450	231,836	263,000	263,000
478 N. Shattuck Bus. Imp. Dist.	164,558	169,210	168,550	168,550
971 Berkeley Tourism BID	488,864	571,440	546,823	557,759
972 Elmwood BID	0	40,405	45,000	45,000
Enterprise Funds				
820 Refuse	34,101,574	38,641,326	37,600,783	37,710,238
825 Marina Operation	5,478,724	6,229,043	5,311,066	5,311,066
830 Sewer	13,588,024	13,142,808	12,801,227	12,801,227
831 Clean Storm Water	2,316,216	2,323,244	2,502,740	2,510,569
832 Private Sewer Lateral	245,868	142,051	240,501	240,501
833 Permit Service Center	14,087,031	17,012,980	12,238,260	12,544,854
835 Off Street Parking	3,858,118	4,633,420	4,204,428	3,504,428
840 Parking Meter	8,052,253	9,557,936	9,191,713	9,191,713
845 Unified Program - Toxics	792,597	932,779	851,868	851,868
850 Building Management - 1947 Center St.	2,237,128	2,124,231	2,544,967	2,111,455
Gas / SalesTax Street Improvement Funds	6,713,733	6,876,384	6,042,504	6,042,504
Bond Funds				
Measure FF - Branch Libraries	2,639	1,492	-	-
Measure G Bond Capital Imprvmnts	1,032	672	-	-
Measure M - GO St & Wtr Imps	14,975,000	0	-	-
Measure S Bond Capital Imprvmnts	292	17	-	-
640 BJPFA Lease Revenue Bonds	0	0	103,336	103,336
656 00 Mello-Roos - Fire Equipment	100,000	100,000	100,000	100,000
676 Meas I - Animal Shelter	4	5	-	-
Debt Service Funds				
710 Debt Service Fund	473,287	376,792	335,750	296,000
714 09 Measure FF Library Debt Service	1,752,087	1,543,022	1,604,969	1,604,969
720 99 Lease Re Bds BJPFA \$9M	456,963	789,549	500,645	499,333
721 SPL Tax Bds CFD#1 ML-ROOS	991,639	993,521	-	-
723 2002 G.O. Refunding Bonds	1,650,360	1,572,156	1,463,321	1,463,321
Other Debt Service	5,321,667	5,279,555	4,274,566	4,280,141
Grant Funds				
Federal Grants	8,012,853	8,555,780	7,559,973	7,559,973
State/County Grants	22,821,757	26,200,227	19,965,975	19,859,520
Other Grants	255,002	243,488	330,962	330,962
Internal Service Funds				
488 Employee Training Fund	500,000	500,000	500,000	500,000
860 Equipment Replacement ^(a)	3,560,595	4,227,182	4,023,406	4,023,406
865 Equipment Maintenance ^(a)	6,910,069	6,619,496	6,461,013	6,461,013
866 Building Maintenance Fund ^(a)	3,573,407	3,641,417	3,588,738	3,588,738
870 Warehouse	327,822	322,918	225,000	225,000
873 Computer & Server Replacement	384,216	373,020	382,998	382,998
875 Workers Compensation	8,226,975	8,218,450	9,199,194	9,201,683
Other Funds				
610 Capital Improvement Fund	8,222,193	9,648,343	5,501,269	5,501,269
881 Public Liability	1,695,888	1,695,888	1,695,888	1,695,888
301 Library	16,236,039	16,747,095	17,200,793	17,539,069
440 Rent Board	3,899,835	3,930,623	4,300,000	4,300,000
Successor Agency	2,868,432	689,286	1,222,988	1,222,988
330 Playground Camp	6,352,799	1,612,905	1,000,832	1,000,832
958 Hlth State Aid Realign Trust	4,081,366	3,730,207	3,703,018	3,703,018
Other Funds	6,405,333	6,148,649	4,110,712	4,176,884
Revenue Subtotals:	\$398,820,348	\$401,854,381	\$376,323,480	\$378,307,244
Housing Authority	48,649			
Revenue Totals:	\$398,868,997	\$401,854,381	\$376,323,480	\$378,307,244

(a) Revenues will be adjusted in FY 2017 per new internal rate charges

Revenue By Funding Source
FY 2016 & FY 2017
Biennial Budget
\$754,630,724
(Excludes Use of Fund Balances)



AVAILABLE CASH BY FUNDING SOURCE

Fund Description	Balance 7/1/2014	Actual Revenue FY 2015	Actual Expenses FY 2015	Balance 6/30/2015	Adopted Revenue FY 2016	Adopted Expenses FY 2016	Projected Balance 6/30/2016	Adopted Revenue FY 2017	Adopted Expenses FY 2017	Projected Balance 6/30/2017
10 General Fund Discretionary	\$ 31,240,604	\$ 163,997,992	\$ 156,956,254	\$ 38,282,342	\$ 159,454,975	\$ 159,862,009	\$ 37,875,308	\$ 161,392,576	\$ 161,500,178	\$ 37,767,706
Special Revenue Funds										
18 Emergency Disabled Services	489,692	1,063,397	1,052,645	500,444	1,090,037	1,090,037	500,444	1,111,838	1,111,838	500,444
160 Paramedic Tax	378,891	2,873,397	3,063,150	189,138	3,061,516	3,151,907	98,747	3,203,106	3,191,389	110,464
450 Parks Tax	1,874,473	10,072,764	9,413,025	2,534,212	11,573,964	11,657,294	2,450,882	11,803,794	11,771,394	2,483,282
451 Downtown Berkeley Prop & Improv. District	467,750	971,673	1,439,422	1	1,000,000	1,000,000	1	1,000,000	1,000,000	1
456 Measure GG - Fire Prep Tax	2,535,468	4,273,145	3,635,621	3,172,992	4,332,251	4,279,409	3,225,834	4,418,896	4,288,847	3,355,883
470 Street Light Assess. District	432,320	2,068,094	1,463,229	1,037,185	1,866,961	1,975,472	928,674	1,866,961	1,987,871	807,764
471 DST #47 Miller/Stevenson	(258,262)	-	-	(258,262)	-	-	(258,262)	-	-	(258,262)
474 Solano Avenue Business Imp. District	25,349	34,200	29,312	30,237	35,000	35,000	30,237	35,000	35,000	30,237
475 Underground Assess. Districts	(108,871)	108,871	-	-	-	-	-	-	-	-
477 Telegraph Pro Bus. Imp. District	195,849	231,836	228,736	198,949	263,000	263,000	198,949	263,000	263,000	198,949
478 N. Shattuck Bus. Imp. District	36,297	169,210	208,744	(3,237)	168,550	164,653	660	168,550	168,550	660
971 Berkeley Tourism BID	148,895	571,440	515,712	204,623	546,823	546,823	204,623	557,759	557,759	204,623
972 Elmwood BID	14,796	40,405	32,000	23,201	45,000	45,000	23,201	45,000	45,000	23,201
Enterprise Funds										
820 Zero Waste	779,082	38,641,326	33,852,753	5,567,655	37,600,783	37,469,371	5,699,067	37,710,238	36,965,088	6,444,217
825 Marina Operation	1,552,134	6,229,043	5,071,808	2,709,369	5,311,066	5,887,539	2,132,896	5,311,066	5,932,756	1,511,206
830 Sewer	10,783,727	13,142,808	16,047,157	7,879,378	12,801,227	17,537,087	3,143,518	12,801,227	15,112,329	832,416
831 Clean Storm Water	1,004,868	2,323,244	2,467,698	860,414	2,502,740	2,566,842	796,312	2,510,569	2,591,580	715,301
832 Private Sewer Lateral	93,235	142,051	218,529	16,757	240,501	222,332	34,934	240,501	225,834	49,593
833 Permit Service Center	7,370,384	17,012,980	11,766,141	12,617,223	12,238,260	12,157,113	12,698,370	12,544,854	12,309,841	12,933,383
835 Off Street Parking	11,588,010	4,633,420	6,273,011	9,948,419	4,204,428	4,429,334	9,723,513	3,504,428	3,028,421	10,199,520
840 Parking Meter	3,226,239	9,557,936	7,542,596	5,241,579	9,191,713	8,839,901	5,593,391	9,191,713	8,322,842	6,462,262
845 Unified Program (Toxics)	407,050	932,779	876,509	463,320	851,868	946,074	369,114	851,868	957,201	263,781
850 Building Management - 1947 Center St...	3,123,912	2,124,231	3,404,959	1,843,184	2,544,967	2,985,739	1,402,412	2,111,455	3,035,073	478,794
Gas / Sales Tax Street Improvement Funds										
5288,815	6,876,384	6,753,348	5,411,851	6,042,504	6,042,504	6,459,690	4,994,665	6,042,504	6,507,765	4,529,404
Bond Funds										
Measure FF - Branch Libraries	1,421,449	1,492	91,194	1,331,747	-	-	1,331,747	-	-	1,331,747
Measure G Bond Capital Imprvments	734,512	672	225,314	509,870	-	-	509,870	-	-	509,870
Measure M - GO St & Wtr Imps	14,459,925	-	3,380,218	11,079,707	-	1,871,356	9,208,351	-	1,871,489	7,336,862
Measure S Bond Capital Imprvments	43,825	17	35,646	8,196	-	-	8,196	-	-	8,196
640 BJPFA Lease Revenue Bonds	845,587	-	250,000	595,587	103,336	-	698,923	103,336	100,000	200,600
656 00 Mello-Roos - Fire Equipment	70,667	100,000	77,064	93,603	100,000	116,218	77,385	100,000	117,278	60,107
676 Measure I - Animal Shelter	3,916	5	127	3,794	-	-	3,794	-	-	3,794
Debt Service Funds										
710 Debt Service Fund	135,054	376,792	379,508	132,338	335,750	338,382	129,706	296,000	298,632	127,074
714 09 Measure FF Library Debt Service Fund	1,687,551	1,543,022	1,609,714	1,621,255	1,604,969	1,614,759	1,611,465	1,604,969	1,601,659	1,601,775
720 09 Lease Re Bds B,JPFA \$9M	(289,232)	789,549	500,718	(397)	500,645	503,245	(2,997)	499,333	501,933	(5,597)
721 SPL Tax Bds CFDF#1 ML-ROOS	3,490,174	993,521	872,662	3,611,033	-	871,591	2,739,442	-	870,174	1,869,268
723 2002 G.O. Refunding Bonds	1,715,182	1,572,156	1,456,038	1,831,300	1,463,321	1,461,608	1,833,013	1,463,321	1,466,033	1,830,301
Other Debt Service	6,456,996	5,279,555	4,944,645	6,791,906	4,274,566	4,951,811	6,114,661	4,280,141	4,964,837	5,429,965
Grant Funds										
Federal Grants	(219,247)	8,555,780	10,782,164	(2,445,631)	7,559,973	7,324,157	(2,185,277)	7,559,973	7,345,285	(1,970,589)
State/County Grants	14,288,567	26,200,227	19,119,457	21,369,427	19,965,975	24,365,810	16,969,592	19,859,520	22,404,936	14,424,176

AVAILABLE CASH BY FUNDING SOURCE

Fund Description	Balance 7/1/2014	Actual Revenue FY 2015	Actual Expenses FY 2015	Balance 6/30/2015	Adopted Revenue FY 2016	Adopted Expenses FY 2016	Projected Balance 6/30/2016	Adopted Revenue FY 2017	Adopted Expenses FY 2017	Projected Balance 6/30/2017
Other Grants	(140,651)	243,488	250,773	(147,936)	330,962	222,281	(39,255)	330,962	225,258	66,449
Internal Service Funds										
488 Employee Training Fund	319,486	500,000	356,609	462,877	500,000	561,957	400,920	500,000	571,051	329,869
860 Equipment Replacement	6,081,768	4,227,182	2,718,255	7,590,695	4,023,406	5,137,876	6,476,225	4,023,406	5,147,673	5,351,958
865 Equipment Maintenance*	773,049	6,619,496	6,660,766	731,779	6,461,013	7,399,195	(206,403)	6,461,013	7,453,728	(1,199,118)
866 Building Maintenance Fund	(32,936)	3,641,417	3,329,426	279,055	3,588,738	3,809,377	58,416	3,588,738	3,872,321	(225,167)
870 Central Services	(100,346)	322,918	255,585	(33,013)	225,000	365,428	(173,441)	225,000	366,655	(315,096)
873 Computer & Server Replacement	747,655	373,020	434,956	685,719	382,998	383,000	685,717	382,998	383,000	685,715
875 Workers Compensation	20,401,730	8,218,450	5,417,414	23,202,766	9,199,194	6,385,273	26,016,687	9,201,683	6,401,644	28,816,726
Other Funds										
610 Capital Improvement Fund	9,555,830	9,648,343	6,501,034	12,703,139	5,501,269	8,401,560	9,802,848	5,501,269	8,153,615	7,150,502
881 Public Liability	1,558,262	1,695,888	871,784	2,382,366	1,695,888	1,704,680	2,373,574	1,695,888	1,711,563	2,357,899
301 Library	3,602,171	16,747,095	16,016,730	4,332,536	17,200,793	18,438,717	3,094,612	17,539,069	17,111,242	3,522,439
440 Rent Board	742,473	3,930,623	3,961,729	711,367	4,300,000	4,550,000	461,367	4,300,000	4,550,000	211,367
Successor Agency	1,218,134	689,286	3,388,168	(1,480,748)	1,222,988	1,230,827	(1,488,587)	1,222,988	1,233,542	(1,499,141)
330 Playground Camp	5,471,070	1,612,905	1,526,977	5,556,998	1,000,832	1,052,491	5,505,339	1,000,832	1,056,643	5,449,528
958 Hlth State Aid Realignment Trust	134,242	3,730,207	3,502,753	361,696	3,703,018	3,751,669	313,045	3,703,018	3,768,711	247,352
Other Funds	9,080,758	6,148,649	5,121,112	9,430,295	4,110,712	4,236,044	9,304,963	4,176,884	4,282,831	9,199,016
Revenue & Expenditures Total:		401,854,381	376,350,499		376,323,480	394,620,938		378,307,244	388,754,289	

Notes: Most Funds with a negative "Available Balance" indicate a "receivable". For instance, a **grant reimbursement** is pending/in process.

Negative "Available Balances" in the Bond Funds are a result of the requirement to have a 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.

*Plan is being developed to balance the projected deficits in Equipment Maintenance Fund and will be presented as part of the FY 2017 Mid-Biennial Budget Update.

DEBT LIMIT COMPUTATION (June 30, 2015)

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 2015 assessed valuation (less other exemptions)	<u>\$14,233,967,000</u>
Debt limit (15% of assessed value)	2,135,095,000
Amount of debt applicable to the debt limit	<u>84,608,000</u>
Legal debt margin (if Berkeley were a general law city)	<u>\$2,050,487,000</u>

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 (please see notes below for 2015 G.O. Refunding Bonds) are entirely tax-supported and the City has identifiable sources of debt repayment for its governmental revenue bonds, certificates of participation, and its enterprise lease revenue bonds, as follows:

Governmental Revenue Bonds and Certificate of Participation

Description	Principal Outstanding at June 30, 2015	Year of Final Maturity	Debt Service Due in FY 2016	Debt Service Due in FY 2017
Theatre Facility and Park Land Acquisition Bonds	\$5,237,125	2030	\$500,645	\$499,333
Refunding Pension Obligation Bonds	815,000	2018	335,750	296,000
Certificates of Participation for Acquisition and Construction of Animal Shelter	5,445,000	2040	402,063	407,638
Total Governmental Revenue Bonds	\$11,497,125		\$1,238,458	\$1,202,971

- 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

DEBT LIMIT COMPUTATION (June 30, 2015)

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 high compared to the rates currently available in the market.

Also, it should be pointed out that on June 9, 2015, the 2015 General Obligation Refunding Bonds were issued by the City of Berkeley, under provisions of the California Government Code and under a Resolution adopted by the City Council. The Refunding Bonds were issued to refinance the City's outstanding (i) 2002 General Obligation Refunding Bonds, (ii) 2007 Series A General Obligation Refunding Bonds, (iii) City of Berkeley 2007 General Obligation Refunding Bonds, 2007 Series B, and (iv) General Obligation Bonds, Series 2008 (Measure I – Animal Shelter Project). It is anticipated that the Refunding Bonds, in book entry form, will be available for delivery through the facilities of DTC in New York, on or about July 15, 2015.

Enterprise Funds Lease Revenue Bonds

Description	Principal Outstanding at June 30, 2015	Year of Final Maturity	Debt Service Due in FY 2016	Debt Service Due in FY 2017
Garage Improvement Bonds	\$0.00	2022 but the City elected to Pay it off on March 2015. Please see notes below	\$0.00	\$0.00
Certificates of Participation for Acquisition of 1947 Center Street	20,072,875	2034	1,636,868	1,632,579
Total Enterprise Funds Lease Revenue Bonds and COP's	\$20,072,875		\$1,636,868	\$1,632,579

- ❑ 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. The City elected to pay off these bonds in March 2015.
- ❑ 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 building offsets the debt service costs on the COP's. In addition, the City is earning equity in the building. For these reasons, these bonds won't negatively impact current or future City operations.

DEBT LIMIT COMPUTATION (June 30, 2015)

On March 1, 2015, in accordance with the provisions of Article IV of the indenture of Trust dated August 1, 2005, by and among the City of Berkeley (the "City"), the Berkeley Joint Powers Financing Authority (the "Authority") and then Bank of New York Mellon Trust Company (the "Trustee"), the City called for the full optional redemption of all the outstanding principal amount of the \$5,620,000 City of Berkeley Revenue Bonds, 2005 (Garage Improvement Bonds) (the "Bonds") to occur on March 1, 2015 (the "Redemption Date") at the redemption price (the "Price") of 100% of the principal amount thereof together with accrued interest to said Redemption Date. The indentures of Trust allows the City to notify the Trustee, on or before the Redemption Date, of its decision to rescind the proposed redemption if for any reason sufficient funds will not be or are not available on the Redemption Date.

City of Berkeley
FY 2016 - FY 2017 Debt Service Details

Account Number	Account Description	FY 2016	FY 2017	Total
723-9902-470-8210	Principal Payment	1,205,000	1,265,000	2,470,000
723-9902-470-8225	<u>Interest Payment</u>	254,108	198,533	452,640
	2002 GO Refunding Bond(Refunded Measure G Sr A & B)	1,459,108	1,463,533	2,922,640
725-9902-470-8210	Principal Payment	200,000	210,000	410,000
725-9902-470-8225	<u>Interest Payment</u>	134,568	125,868	260,436
	2007 A GO Refunding Bond(Refunded Measure G Sr C)	334,568	335,868	670,436
718-9902-470-8210	Principal Payment	1,565,000	1,625,000	3,190,000
718-9902-470-8225	<u>Interest Payment</u>	1,173,918	1,110,118	2,284,036
	2007B GO Refunding Bond(Refunded Measure S Sr A, B & C)	2,738,918	2,735,118	5,474,036
710-9902-470-8210	Principal Payment	295,000	270,000	565,000
710-9902-470-8225	<u>Interest Payment</u>	40,750	26,000	66,750
	1998 Pension Refunding Bonds	335,750	296,000	631,750
720-9902-470-8210	Principal Payment	262,325	271,693	534,018
720-9902-470-8225	<u>Interest Payment</u>	238,320	227,640	465,960
	2012 Refunding Lease Revenue Bonds(Refunding of 1999 Lease Revenue Bonds)	500,645	499,333	999,978
721-9902-470-8210	Principal Payment	560,000	585,000	1,145,000
721-9902-470-8225	<u>Interest Payment</u>	194,818	169,908	364,725
	2002 Special Tax bonds- Measure Q(Mello Roos)	754,818	754,908	1,509,725
722-9902-470-8210	Principal Payment	35,000	40,000	75,000
722-9902-470-8225	<u>Interest Payment</u>	60,285	58,613	118,898
	2004 Thousand Oaks Hts Ltd. Obligation Improvement Bonds	95,285	98,613	193,898
860-5703-410-8210	Principal Payment	470,177	490,996	961,173
860-5703-410-8225	<u>Interest Payment</u>	82,917	62,098	145,015
	2009 Fire Engine Lease	553,094	553,094	1,106,188
850-9902-470-8210	Principal Payment	857,675	888,307	1,745,982
850-9902-470-8225	<u>Interest Payment</u>	779,192	744,273	1,523,465
	2012 Refunding Lease Revenue Bonds(Refunding of 2003 COP)	1,636,868	1,632,579	3,269,447
825-5903-450-8210	Principal Payment	147,170	153,786	300,956
825-5903-450-8225	<u>Interest Payment</u>	13,543	6,920	20,463
	Notes Payable Harbor Construction # 4	160,713	160,706	321,419
825-5903-450-8210	Principal Payment	150,871	156,896	307,767
825-5903-450-8225	<u>Interest Payment</u>	334,848	328,823	663,671
	Notes Payable Harbor Construction # 5	485,719	485,719	971,438
048-9902-470-8210	Principal Payment	26,000	26,000	52,000
048-9902-470-8225	<u>Interest Payment</u>	10,898	9,565	20,463
	HUD 108 Loan - Adeline Apartments	36,898	35,565	72,463
048-9902-470-8210	Principal Payment	2,000	2,000	4,000
048-9902-470-8225	<u>Interest Payment</u>	17,521	17,500	35,021
	HUD 108 Loan-UNA	19,521	19,500	39,021
938-9902-470-8210	Principal Payment	25,000	27,000	52,000
938-9902-470-8225	<u>Interest Payment</u>	32,360	30,280	62,640
	Savo Island Debt Service	57,360	57,280	114,640
728-9902-470-8210	Principal Payment	10,408	11,111	21,519
728-9902-470-8225	<u>Interest Payment</u>	16,967	16,241	33,208
	Sustainable Financing Energy District	27,376	27,352	54,727
726-9902-470-8210	Principal Payment	170,000	180,000	350,000

City of Berkeley
FY 2016 - FY 2017 Debt Service Details

Account Number	Account Description	FY 2016	FY 2017	Total
726-9902-470-8225	<u>Interest Payment</u>	273,751	267,626	541,377
	2008 GO Bonds-Measure I- Animal Shelter	443,751	447,626	891,377
714-9902-470-8210	Principal Payment	185,000	195,000	380,000
714-9902-470-8225	<u>Interest Payment</u>	475,163	469,463	944,625
	2009 GO Bonds, Measure FF - Branch Libraries	660,163	664,463	1,324,625
714-9902-470-8210	Principal Payment	355,000	365,000	720,000
714-9902-470-8225	<u>Interest Payment</u>	597,906	583,506	1,181,413
	GO Bonds, Series 2010- Measure FF - Branch Libraries	952,906	948,506	1,901,413
729-9902-470-8210	Principal Payment	100,000	110,000	210,000
729-9902-470-8225	<u>Interest Payment</u>	302,063	297,638	599,700
	2010 COP (Animal Shelter)	402,063	407,638	809,700
820-5612-432-8210	Principal Payment	379,072	392,455	771,527
820-5612-432-8225	<u>Interest Payment</u>	30,764	17,381	48,145
	2011 Recycling Carts	409,836	409,836	819,672
730-9902-470-8210	Principal Payment	265,000	280,000	545,000
730-9902-470-8225	<u>Interest Payment</u>	633,075	620,850	1,253,925
	2014 GO Bonds - Measure M - Street & Intergrated Watershed Improvements	898,075	900,850	1,798,925
470-9902-470-8210	Principal Payment	309,506	347,215	656,722
470-9902-470-8225	<u>Interest Payment</u>	63,750	26,042	89,792
	California Energy Commission Loan	373,257	373,257	746,514
	Total Principal	7,575,204	7,892,460	15,467,664
	Total Interest	5,761,485	5,414,882	11,176,367
	Total Debt Service	13,336,690	13,307,341	26,644,031

GANN APPROPRIATIONS LIMITATION
Actual for FY 2015, Projected For FY 2016 AND FY 2017

Fiscal 2014 Gann Appropriation Limitation	\$178,694,201
Add: Fiscal Library Relief Tax	16,345,912
Emergency Medical Services Special Tax	2,640,032
Park Maintenance, City Trees and Landscaping Special Tax	9,865,971
Emergency Paratransit Tax	1,052,122
Disaster Fire Protection Tax	985,734
Fire Protection and Emergency Response and Preparedness	<u>4,186,198</u>
Total Gann Appropriations Limitation FY 2015	213,770,170
Appropriation Subject to Gann Limitation FY 2015	<u>162,421,429</u>
Excess of Limitation Over Appropriation FY 2015	<u><u>\$51,348,741</u></u>
% Under Gann Limit-for FY 2015	<u>24.02%</u>
Fiscal 2015 Gann Appropriation Limitation	\$187,932,691
Add: Fiscal Library Relief Tax	16,617,288
Emergency Medical Services Special Tax	2,687,121
Park Maintenance, City Trees and Landscaping Special Tax	10,043,981
Emergency Paratransit Tax	1,070,929
Disaster Fire Protection Tax	985,734
Fire Protection and Emergency Response and Preparedness	<u>4,256,305</u>
Total Projected Gann Appropriations Limitation FY 2016	223,594,049
Appropriation Subject to Gann Limitation FY 2016	<u>170,551,036</u>
Excess of Limitation Over Appropriation FY 2016	<u><u>\$53,043,013</u></u>
Projected % Under Gann Limit-Projected for FY 2016	<u>23.72%</u>
Fiscal 2016 Gann Appropriation Limitation	\$197,648,811
Add: Fiscal Library Relief Tax	16,949,634
Emergency Medical Services Special Tax	2,740,864
Park Maintenance, City Trees and Landscaping Special Tax	10,224,860
Emergency Paratransit Tax	1,092,347
Disaster Fire Protection Tax	985,734
Fire Protection and Emergency Response and Preparedness	<u>4,341,432</u>
Total Projected Gann Appropriations Limitation FY 2017	233,983,682
Projected Appropriation Subject to Gann Limitation FY 2017	<u>169,818,999</u>
Projected Excess of Limitation Over Appropriation FY 2017	<u><u>\$64,164,683</u></u>
Projected % Under Gann Limit-Projected for FY 2017	27.42%

(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 8, 2016.

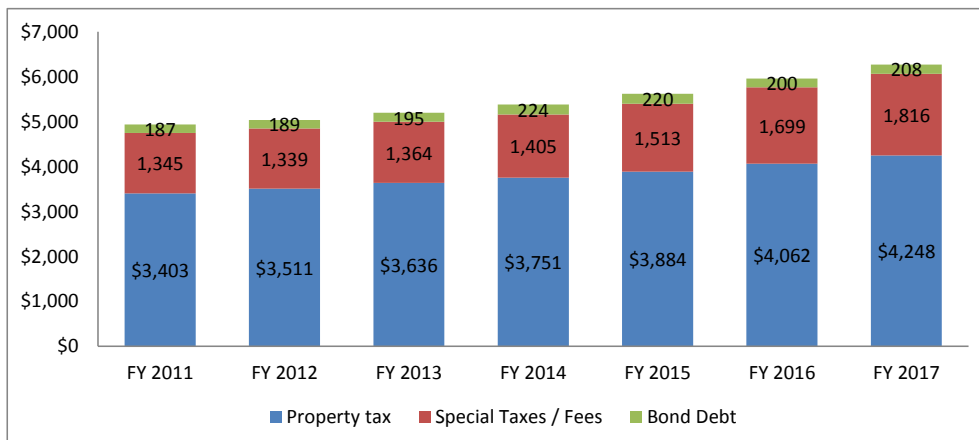
**ANNUAL IMPACT OF CITY OF BERKELEY FEES TAXES ON HOMEOWNER
FY 2011 - FY 2017**

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

Home average square feet = 1900 SF Average Home Assessed Value	ACTUAL				PROJECTION		
	2011	2012	2013	2014	2015	2016	2017
Average Home Assessed Value	\$347,291	\$358,057	\$370,589	\$382,077	\$395,450	\$413,245	\$431,841
Exemption:	-7,000	-7,000	-7,000	-7,000	-7,000	-7,000	-7,000
Average Home Assessed Value (Net)	\$340,291	\$351,057	\$363,589	\$375,077	\$388,450	\$406,245	\$424,841
Property Tax	\$3,403	\$3,511	\$3,636	\$3,751	\$3,884	\$4,062	\$4,248
Measure S - Civic Center Seismic Improvements	68	70	73	75	74	66	69
Measure G - Safety Bldgs Seismic Improvements	44	46	47	49	49	32	34
Measure I - Animal Shelter	7	7	7	8	8	8	8
Measure FF - Library Seismic Seismic Improvements	44	42	44	43	39	32	34
Measure Q - Fire Equipment	24	24	24	24	24	24	24
Measure M - Streets/Watershed	0	0	0	26	27	37	39
TOTAL	187	189	195	224	220	200	208
Sanitary Sewer Fee	245	245	245	245	245	358	444
City Landscaping & Parks Tax	216	222	223	232	239	279	284
Emergency Disabled Services	22	23	24	25	25	26	27
Street Light Assessment District	21	21	21	21	21	21	21
Zero Waste Fees	365	340	347	355	443	457	470
Library Tax	306	314	326	343	353	366	374
Paramedic Tax	58	59	61	62	64	65	67
Fire Protection/Emergency Response	79	81	84	89	90	94	96
Stormwater Program Fee	34	34	34	34	34	34	34
TOTAL	1,345	1,339	1,364	1,405	1,513	1,699	1,816
TOTAL	\$4,935	\$5,038	\$5,195	\$5,381	\$5,618	\$5,961	\$6,272

GENERAL ASSUMPTIONS

- Basic 1% County Property Tax:** based on an average assessed value (City receives 32.5% of the 1%)
- Sanitary Sewer Fee:** 46% increase in FY 2016 and 24.2% increase in FY 2017
- City Landscaping & Parks Tax:** 16.7% increase in FY 2016, 2% increase thereafter
- Emergency Disabled Services:** 3.82% increase in FY 2016, 2% increase thereafter
- Street Light Assessment District:** no increase in FY 2016 and thereafter
- Zero Waste Fees:** 3% increase in FY 2016; 3% increase thereafter
- Library Tax:** 3.82% increase in FY 2016, 2% increase thereafter
- Paramedic Tax:** 2.436% increase in FY 2016, 2% increase thereafter
- Fire Protection/Emergency Response Tax:** 3.82% increase in FY 2016, 2% increase thereafter
- Stormwater Program Fee:** no increase in FY 2016 and thereafter
- Very low income households refund applies to:** Sanitary Sewer Fee, Library, Paramedic, Parks, CFD-1, Fire Protection Taxes & Cleanstorm Water Fee

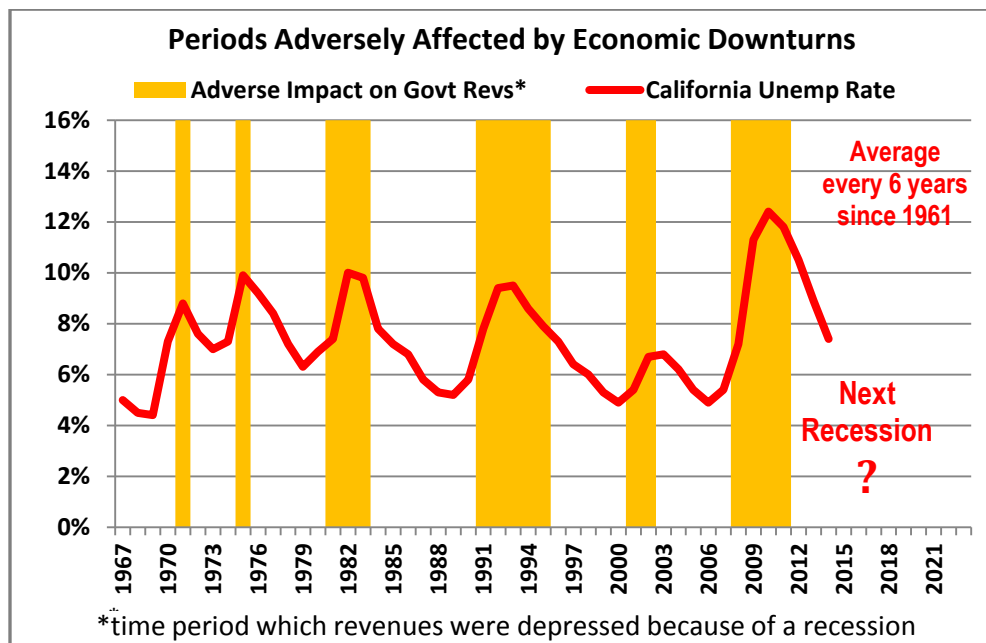


FIVE-YEAR FORECAST ASSUMPTIONS (ALL FUNDS)

One of the adopted Council fiscal policies is long-term planning. We review the budget in the context of a multi-year plan. Completing a five-year forecast for key operating funds is a critical budgetary tool that provides a long-term perspective on Berkeley's ability to achieve financial stability through future economic cycles.

Projected Economic Contraction

There is no way to predict the timing, magnitude, duration and consequence of the next economic contraction or recession on the various local revenue streams with complete accuracy. However, recessions are cyclical and have occurred on average every 6.5 years since 1928, as noted in the chart below. Recessions occurring after 1945 have peak-to-trough GDP declines ranging from a low of 0.3% to the Great Recession's 4.3% decline, with an average of 2.21%. These declines have had varying impacts on local government revenues (and expenditures). Some revenues like the sales tax (monthly revenues, trued-up quarterly) reflect an immediate impact, while others like the property tax (with an annual lien date) have an effective one-year lag in recognizing economic impacts. So even though we are looking at a stability budget in FY 2016 and FY 2017, we are anticipating a slight contraction in economically sensitive revenues in FY 2017.

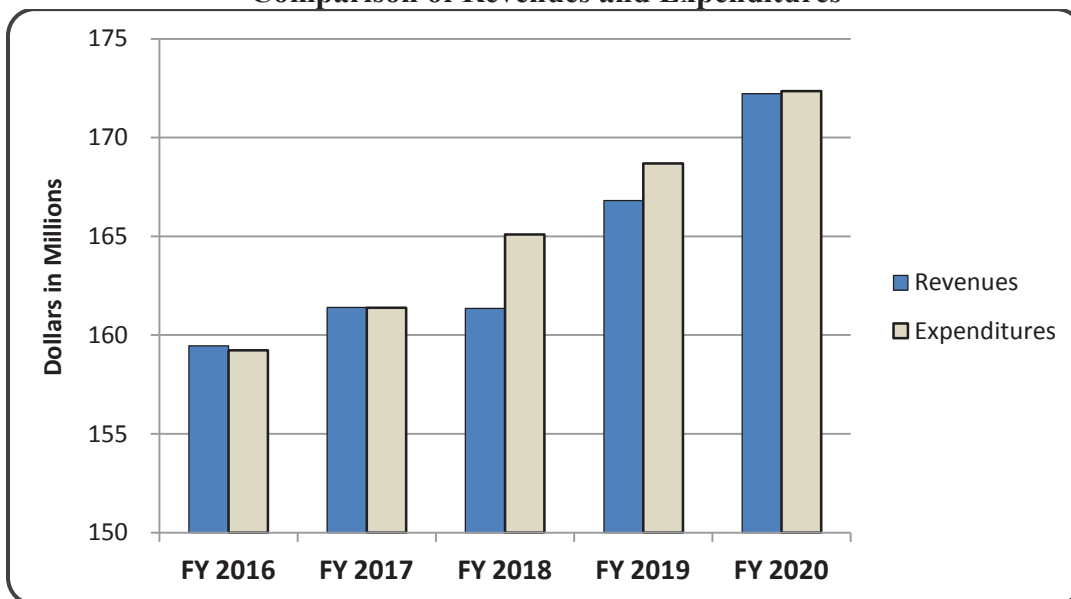


FIVE-YEAR FORECAST ASSUMPTIONS (ALL FUNDS)

General Fund Five-Year Forecast

Below is the General Fund Five-Year Forecast. The revenue streams into the General Fund are the most discretionary in terms of allocations, and are also highly subject to economic conditions. The General Fund typically comprises about one-half of the City's total budget. The remainder of the budget consists of various Special Funds which are restricted in purpose (e.g. Zero Waste, Permit Center, Sewer, Public Health, and Mental Health). The FY 2016 and FY2017 General Fund biennial budget is a stability budget as the General Fund revenues are projected to align with the General Fund expenditures. However, even though revenues are projected to steadily grow, the impact of the projected economic contraction in FY 2017 is realized in FY 2018 and reflected in the chart below.

**Five-Year Forecast of General Fund
Comparison of Revenues and Expenditures**



Controlling expenditures has been and will continue to be a necessity in managing the City's budget, and labor costs are a critical factor in that approach. Achieving a sustainable balance of both personnel and non-personnel expenditures against reasonable revenue projections will continue to require close attention, especially as we move through new economic cycles.

The General Fund, however, is less than half of the City's total budget. Many of the special funds that were struggling are starting to become healthy again due to the City Council and City staff actions over the last several years that have allowed the City to effectively manage and balance its budget as we begin to recover from some very difficult times.

FIVE-YEAR FORECAST ASSUMPTIONS (ALL FUNDS)

In addition, several recent actions by the voters have improved the picture for Berkeley. The November 2014 voter approval of Berkeley Measure F will benefit the Parks, Recreation & Waterfront Department in terms of additional annual funding for major maintenance and capital expenses for parks facilities. In addition, the approval of Measure BB also in November 2014, which implements a 30 year Transportation Expenditure Plan by renewing the 0.5 percent transportation sales tax approved in 2000 and increasing the tax by 0.5 percent, will benefit the City's streets and roads, as well as pedestrian and bicycle infrastructure. This 1 percent sales tax is managed by the Alameda County Transportation Commission, and Berkeley will receive over \$3 million a year in additional funding as well as capital funding for the Gilman interchange project. Finally, and not to be forgotten, Berkeley voters approved Measure M in November 2012, General Obligation bonds not-to-exceed \$30 million, which are being used to significantly accelerate the implementation of the 5-Year Street Plan and install green infrastructure where appropriate

Another important funding source is the Mental Health Services Act (MHSA) which supports the Berkeley Mental Health program. This funding source is very sensitive to the California economy. As the economy has improved, the City has begun receiving, and is projected to continue to receive, increased MHSA revenue. While ensuring that there is a prudent reserve to sustain programs through an economic downturn, the increased revenue also allows for expansion of mental health programming. In addition to staffing increases, MHSA will fund a partnership with Alameda County for a new Mental Health Wellness Center in the Berkeley/Albany area that will be open to all residents of Berkeley and Albany who have a mental health concern. The City and County will share in the costs of this center.

However, the Sanitary Sewer Fund, which previously maintained a healthy balance primarily through salary savings and other cost savings, is now in need of a rate increase in FY 2016. Our consultant, Bartle Wells Associates, prepared an initial sustainable Sanitary Sewer rate study that was presented to Council on March 17, 2015, and outlined the steps required to conduct a Proposition 218-compliant rate setting process¹. That rate study has been updated to address the impact of EBMUD's mandated usage decrease. The updated proposed rates were included in the May 12 2015 agenda packet. The rate increase was approved by the Council on June 30, 2015 meaning the Sanitary Sewer Program will need to defer capital expenditures or substantially reduce maintenance activities. Reducing capital expenditures would have resulted in noncompliance with the Consent Decree; and reducing maintenance would likely have resulted in increased sanitary sewer overflows (SSOs).

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.

¹ http://www.cityofberkeley.info/Clerk/City_Council/2015/03_Mar/City_Council_03-17-2015_-_Special_Meeting_Annotated_Agenda.aspx City Council: 03-17-2015 - Special Meeting Annotated Agenda - City of Berkeley, CA

FIVE-YEAR FORECAST ASSUMPTIONS (ALL FUNDS)

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 significant portion of the General Fund budget. Inflation in the Bay Area has increased on the average of 2.50% over the last five years.

CONSUMER PRICE INDEX

Change from previous year (April to April)

YEAR	% INCREASE
2006	3.2
2007	3.3
2008	2.9
2009	0.8
2010	1.7
2011	2.8
2012	2.1
2013	2.4
2014	2.8
2015	2.4
5 – Year Average	2.50

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

The established growth index for the Emergency Medical Services Tax (Paramedic Tax) is the April Consumer Price Index (CPI). The Emergency Services for the Disabled Tax, the Library Tax, Parks 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 Paramedic Tax was set with a CPI increase of 2.436% for FY 2016. All of the other taxes, except for the Parks Tax which received a voter approved increase in November 2014, were set with a PIG increase of 3.82% for FY 2016. For FY 2017, an increase of 2% is assumed for all tax rates.

Population

Based on data from the 2010 Census, Berkeley's population grew by almost 4% compared to the 2013 American Community Survey (ACS) data. Some revenues, such as Motor Vehicle In-Lieu, are based on population.

Managing Escalating Costs

Salary and benefit costs make up approximately 59 percent of the citywide budget and 76 percent of the General Fund. Five-year forecasts do not include adjustments to personnel expenditures to cover the costs of negotiated compensation packages per the various labor contracts, since they are unknown. However, controlling labor costs is the primary method to manage expenditures and ensure sustainability of the General Fund.

FIVE-YEAR FORECAST ASSUMPTIONS (ALL FUNDS)

California Public Employee Retirement System (CalPERS)

The changes made by CalPERS in the last few years are planned to achieve 100% funding for all plans within a 30-year time period. This means that there will be sufficient funds held in each plan to pay obligations for all inactives (including retirees) and benefits due to prior service for actives. For FY 2016 and FY 2017, the City is using CalPERS' actual rates for FY 2016, CalPERS' projections for FY 2017, and is relying on the outside actuary's projections for FY 2018 through FY 2024.

	FY 2015	PERS Actual FY 2016	PERS Estimates FY 2017	FY 2018*	FY 2019*	FY 2020*	Cumulative Growth from FY 2015
Miscellaneous**	21.9%	24.0%	25.9%	27.2%	28.5%	29.8%	7.9%
Police	46.6%	48.6%	52.1%	53.5%	55.4%	57.1%	10.5%
Fire	33.2%	36.6%	38.8%	40.6%	42.5%	44.4%	11.2%

* Estimates from the City's actuary based on PEPR²

** Does not include the City-paid Employee Rate of 8% for Miscellaneous (non-sworn) employees

The rising CalPERS rates alone will increase the City's costs by over \$5.97 million for all funds over the next two-year period. A critical assumption to the rate impacts is the level of confidence we have in the CalPERS annualized rate of return of 7.5%. If returns are less than 7.5%, rates will increase even more.

Based on the CalPERS' actuarial valuations as of June 30, 2013, of the City's assets held by CalPERS for the City's plans are currently funded as follows: Miscellaneous 72.4%; Police Safety 62.5%; and Fire Safety 73.5%. Based on the market value of assets, the pension plans combined are about 70% funded.

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. While we have experienced unusually low health rate increases in FY 2015, our outside brokers have advised us to plan for larger increases in the future reflective of historical trends. Since 2005, health premium increases have ranged from 0.5 percent to 20 percent. The 12-year average annual increase for the Kaiser medical active plan has been 8.1 percent per year. The baseline budgets for FY 2016 & FY 2017 reflect the actual rate increase based on the Kaiser medical plan of 2.8 percent in FY 2016 and a projected 5 percent increase in FY 2017. The FY 2016 & FY 2017 baseline budgets reflect an increase in dental costs of 0 percent in FY 2016 and 4 percent in FY 2017. The City's total budget is projected to pay out \$20.1 million in health and dental insurance in FY 2016 and \$20.8 million in FY 2017.

² Pension reform legislation that was passed in 2012 that is now in effect as of January 1, 2013.

FIVE-YEAR FORECAST ASSUMPTIONS (ALL FUNDS)

Sick Leave and Vacation Payout Fund

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 2002, the City learned that it had achieved a position where it had enough funds in its account with CalPERS that it did not need to pay CalPERS the miscellaneous employee contribution rate for FY 2002. The adopted FY 2002 and FY 2003 Biennial Budget included provisions setting aside approximately six percent of what would have been the contribution for the miscellaneous plan in those years in a dedicated fund to be used for payouts of unused and terminal sick and vacation benefits. In addition, this fund receives an annual transfer of funds based on a percentage of payroll in all funds.

Over the years the fund balance created by the initial transfer in 2002/2003 has been depleted. At the end of FY 2012, expenditures from the fund exceeded revenues by approximately \$500,000 and General Funds were used to cover those costs. In order to correct the shortfall and strengthen the fund, the rates were adjusted for FY 2014. The FY 2014 calculated rates increased from 3.25 percent of base salary for sworn employees to 3.75 and from 1.25 percent of salary for all other employees to 1.90 percent. These updated rates result in \$2.9 million being contributed to this fund in each fiscal year, FY 2016 and FY 2017. In addition, an annual General Fund transfer of \$250,000 is included in the baseline budget of the Sick Leave and Vacation Payout Fund. Additional information on this fund can be found in the Unfunded Liabilities section of this book.

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 18 member jurisdictions. The City's pool premium 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.

Staffing

The balancing act between projected revenues and escalating expenditures has been challenging. In FY 2016 employee salary and benefits make up 76 percent of the City's General Fund operating budget and 59 percent of the budget on an all funds basis. Since FY 2009, staffing has been reduced by over 220 FTEs; 184 of those FTEs were eliminated within the previous five years. Fiscal Year 2015 was the first year in which there was not a planned permanent reduction in staffing level since 2009. FY 2016 and FY 2017 will be the second and third consecutive years in which there will not be planned permanent reductions in staffing levels. Rather, the adopted biennial budget includes a number of positions added back into program areas which have recovered such as Mental Health and the Planning Department. As the economy begins to improve so does the City's budgetary outlook. However, it is important that we continue

FIVE-YEAR FORECAST ASSUMPTIONS (ALL FUNDS)

making fiscally prudent decisions with the future in mind.

UNFUNDED LIABILITIES (employee benefits) SUMMARY

A term that is often used with respect to long term obligations is “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. Generally, an organization manages a balance between funding a portion of the entire obligation and the associated risk that the obligation 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 cash to be reserved and not available for providing services or meeting other immediate obligations, needs, or desires of the community. Maintaining a careful balance between cash on hand to fund daily operations and liquidity to cover unfunded liabilities is a key challenge for all governments.

The advantage of maintaining 100% funding for all long term obligations at all times is that the organization will almost always be able to meet its obligations whenever demand is made for payment for each liability. The disadvantage is that a far greater portion of the organization’s cash is reserved or tied up, and cannot be used for operations, providing services, or meeting other community needs or desires. The City has a history of prudently balancing its approach to future obligations with its response to current economic variables and will continue to do so.

The City actively manages its unfunded or under-funded liabilities, and completes annual actuarial valuations for most of the benefits. These valuations consider the 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. On May 29, 2012, the City Council adopted Resolution No. 65,748-N.S. “Requiring that the City Manager Develop and Publish a Biennial Report of Current Liabilities and Projections of Future Liabilities.” This report was updated and presented at the February 24, 2015, Council Worksession¹. The following chart indicates the funded status of the City’s various benefits based on the most recent actuarial valuations.

¹ http://www.cityofberkeley.info/Clerk/City_Council/2015/02_Feb/City_Council_02-24-2015_-_Special_Meeting_Annotated_Agenda.aspx

UNFUNDED LIABILITIES (employee benefits) SUMMARY

Name of Plan	Valuation Date	Plan Assets	Estimated Liabilities	Unfunded Liability	% Funded
CalPERS (all plans)*	6/30/13	933.99	1331.19	397.21	70%
Worker's Compensation	6/30/14	19.28	29.60	10.32	65%
Non-sworn Retiree Medical	7/1/14	16.57	44.16	27.59	38%
Police Retiree Health (new)	7/1/14	0.60	45.29	44.69	1%
Police Retiree Income Plan (closed)	6/30/14	6.59	48.29	41.71	14%
Fire Retiree Medical	7/1/14	7.98	13.87	5.89	58%
Safety Members Pension Fund**(closed)	7/1/14	1.25	4.83	3.57	26%
Sick & Vacation payouts	6/30/14	0.97	15.01	14.04	6%
SRIP I Disability	7/1/14	0.00	13.24	13.24	0%
Police Sick Leave Entitlement (closed)	7/1/13	0.00	0.29	0.29	0%
		987.23	1545.77	558.54	64%

*The percent of unfunded liability in the chart above is based on the Market Value of Assets.

Overall, the cumulative total of the City's funding level for its benefit is 64%. The table above lists the City's key benefit categories as well as the unfunded or underfunded 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 are closed to new enrollees and are being phased out such as the SRIP I Disability, the Safety Members Pension Fund, the Police Sick Leave Entitlement and the previous Police Retiree Medical program (which has been replaced with a new retiree medical plan).

California Public Employee Retirement System (CalPERS)

Benefit history & summary

Retirement rates continue to represent one of the most significant citywide budgetary pressures. The City provides retirement benefits for employees through its participation in the California Public Employees' Retirement System (CalPERS). This 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. In 2013, the CalPERS Board voted to change the actuarial model for the pension plans along with certain actuarial assumption upon which rates are based. First, the new model provides that the plans will be 100 percent funded in a fixed 30-year time period. Second, the time period to "smooth out" the impacts of CalPERS' investment losses due to the recession was reduced from 15 years to 5 years. Finally, the rates will be structured in such a way that the first five years will be a "ramp up" period to improve the plans funded percentage. That means that FY2016, 2017, 2018, 2019, and 2020 will have higher rates, and the years following are projected to plateau for some time before decreasing in the last five years of the 30 year funding period.

UNFUNDED LIABILITIES (employee benefits) SUMMARY

In addition, on February 18, 2014, the CalPERS Board voted to retain its current long-term assumed rate of return of 7.5 percent, but adopted new mortality assumptions due to the fact that retirees are living longer. As a result of the new assumptions, the cost of employer contributions increased, again. The new increase will be phased in over a five year period beginning with the FY 2017 rates. CalPERS will notify the City's of its FY 2017 employer contribution rates in the fall of 2015

The City contributes to three plans in the CalPERS system: Miscellaneous Employee Plan, Police Safety Plan, and Fire Safety Plan. Benefits vest after five years of service and are based on the employee's 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. Each of the plans has different rates for the City's annual employer contribution which are generally based on the demographics of the plan participants and the value of investment returns of the City's assets in the CalPERS system. For the Miscellaneous plan, the City pays both the employer share of the contribution and the additional 8%² employee share.

For FY 2016 and FY 2017, the City is using CalPERS' actual rates for FY 2016, CalPERS' projections for FY 2017, and is relying on the outside actuary's projections for FY 2018 through FY 2024.

	FY 2015	PERS Actual FY 2016	PERS Estimates FY 2017	FY 2018*	FY 2019*	FY 2020*	Cumulative Growth from FY 2015
Miscellaneous**	21.9%	24.0%	25.9%	27.2%	28.5%	29.8%	7.9%
Police	46.6%	48.6%	52.1%	53.5%	55.4%	57.1%	10.5%
Fire	33.2%	36.6%	38.8%	40.6%	42.5%	44.4%	11.2%

* Estimates from the City's actuary based on PEPRA³

** Does not include the City-paid Employee Rate of 8% for Miscellaneous (non-sworn) employees

A critical assumption to the rates is the level of confidence we have in the CalPERS annualized rate of return of 7.5%. If returns are less than 7.5%, rates will increase even more.

² New Miscellaneous employees hired on or after January 1, 2013, who were not previously members of CalPERS and are represented by bargaining units that did not have a contract in place as of December 31, 2012, are required to contribute 6.75% to the retirement plan as set forth in the pension reform legislation.

³ Pension reform legislation that was passed in 2012 that is now in effect as of January 1, 2013.

UNFUNDED LIABILITIES (employee benefits) SUMMARY

Funding status

As noted above, the changes made by CalPERS in the last few years are planned to achieve 100% funding for all plans within a 30-year time period. This means that there will be sufficient funds held in each plan to pay obligations for all inactives (including retirees) and benefits due to prior service for actives.

CalPERS calculates the value of the City's plan assets based on the market value of assets (MVA). 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 and reflects the solvency of the plan at that point in time. Below are the funding levels of the three plans in the CalPERS system: Miscellaneous Employee Plan, Police Safety Plan, and Fire Safety Plan.

California Public Employees' Retirement System Annual Valuation Based on the Market Value of the Assets as of June 30, 2013 (dollars in millions)

	Market Value of Assets	Actuarial Liabilities	Unfunded Liability	% Funded
Miscellaneous	565.4	780.7	215.3	72.4
Police	203.8	326.2	122.4	62.5
Fire	164.8	224.3	59.5	73.5
Total	934.0	1331.2	397.2	70.2

Based on the CalPERS' actuarial valuations as of June 30, 2013, of the City's assets held by CalPERS for the City's plans are currently funded as follows: Miscellaneous 72.4%; Police Safety 62.5%; and Fire Safety 73.5%. Based on the market value of assets, the pension plans combined are about 70% funded.

Workers' Compensation

Benefit history & summary

The City is required by law to provide workers' compensation coverage for its employees. 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 should promptly receive the statutory workers' compensation benefits for on-the-job injuries, and in return, the workers' compensation benefits are the exclusive remedy for injured employees against their employer, even if 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.

UNFUNDED LIABILITIES (employee benefits) SUMMARY

Funding status

The City is self insured for workers' compensation. The City began its self-insured worker's compensation program on March 1, 1975. In 2005 the City established a formula for assessing charges across all City departments and programs. Payments are made to the Worker's Compensation Self-Insurance Internal Service Fund by transfers from all City funds. Since that time, the Fund has been able to both pay claims and costs, as well as build up a balance. In FY 2014, the City transferred \$8.2 million into the Fund. The total annual expenditure from the fund, including claims paid and administrative costs as of June 30, 2014 was \$5.7 million. The fund balance as of June 30, 2014 was \$19.3 million.

The actuarial estimate for the program's liability for outstanding claims was \$29.6 million as of June 30, 2014. This represents estimates of amounts to ultimately be paid for reported claims and upon past experience, recent claim settlement trends, and other information. It is the City's practice to obtain an actuarial study on an annual basis for this fund. The actuary recommends that the funding amount be sufficient to bring funding to the 75% to 85% confidence level. In the nine years since the City established the formula for assessing charges to departments, the Fund has achieved a 65.13% funding level, with the balance being increased each year. The funding for this program is a good example of how an underfunded liability can be successfully addressed over time.

Workers Compensation as of June 30, 2014						
Estimated Liability	Plan Assets	Annual Required Contribution	Actual Contribution	Funding Target	Unfunded Liability	% Funded
\$ 29,604,000	\$ 19,280,000	\$ 7,583,000	\$ 8,226,975	between 75% and 85% confidence level	\$ 10,324,000	65.13%

Based on the analysis contained in the most recent actuarial study, rates have been updated for FY 2016 and FY 2017 resulting in an annual contribution of \$9.2 million.

Class Code	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
7706 - Firefighter	10.82%	10.42%	11.70%	11.70%	12.72%	12.72%
7720 - Police	7.98%	7.58%	8.23%	8.23%	8.64%	8.64%
8810 - Office	2.07%	1.67%	1.78%	1.78%	2.03%	2.03%
9410 - Field	4.91%	4.51%	4.72%	4.72%	5.42%	5.42%
9420 - Laborer	18.18%	17.78%	19.96%	19.96%	22.54%	22.54%

Staff 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 65.13% level of funding to be adequate for the City's claim history and annual costs.

UNFUNDED LIABILITIES (employee benefits) SUMMARY

Safety Members Pension Fund (closed plan)

Benefit history & summary

The City maintains the Safety Members Pension Fund (SMPF). This plan is a single-employer defined benefit pension plan for fire and police officers that retired before March 1973. In March 1973 all active fire and police officers were transferred from SMPF to CalPERS. Service and disability retirement benefits from the SMPF are based on a percentage of salary at retirement, multiplied by years of service. Benefits are adjusted annually by either:

- Current active salary increases (based on the same rank at retirement) or
- The income in the California Consumer Price Index (with a 1% minimum and a 3% cap). SMPF also provides surviving spouse benefits.

The SMPF 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.

Funding Status

The City pays SMPF benefits on a pay-as-you-go basis. In February 1989, the Berkeley Civic Improvement Corporation 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 currently pays the difference between the total SMPF benefits and the amount received from the Massachusetts Mutual Guaranteed Income Contract (GIC). The City will receive declining amounts from the GIC through FY 2019. For FY 2014, the General subsidy to the SMPF was \$568,120. There are 18 participants remaining in the plan, with ages ranging from 82 to 99, with an average of 90.7 years.

As the General Fund subsidy to the SMPF declines over the next several years, the amount of the annual decrease is used to help fund the new Police Employee Retiree Health Plan (fund 903). That plan is further discussed below. This fiscal policy was established with the adoption of the FY 2014 & FY2015 Biennial Budget to begin to address the City's underfunded long-term benefit obligations.

UNFUNDED LIABILITIES (employee benefits) SUMMARY

Safety Members Pension Fund Summary of Benefit Payments					
FY	Benefit Payments		Payments from Mass. Mutual GIC		General Fund
2008	\$1,783,940	(1)	-\$832,000	(1)	\$951,940
2009	1,736,185	(1)	-745,376	(1)	990,809
2010	1,666,559	(1)	-665,168	(1)	1,001,391
2011	1,554,836	(1)	-596,000	(1)	958,836
2012	1,338,800	(1)	-539,000	(1)	799,800
2013	1,167,402	(1)	-484,000	(1)	683,402
2014	1,003,120	(1)	-435,000	(1)	568,120
2015	847,160	(2)	-397,201	(1)	449,959
2016	683,280	(2)	-360,091	(1)	323,189
2017	519,400	(2)	-329,000	(1)	190,400
2018	355,520	(2)	-298,000	(1)	57,520
2019	191,640	(2)	-100,000	(1)	91,640
2020	27,760	(2)			27,760
2021	0	(2)			0

(1) Actual amount

(2) Estimated amount based on the average decline in benefit payments over the last two fiscal years

Retiree Medical Benefits:

The City provides post-retirement health insurance benefits in accordance with the Memoranda Agreements between the City and the various collective bargaining units. The City has individual trusts for each bargaining unit that fund the medical plans, as well as a closed plan for Police that provides a cash benefit. In 2012 the City and the Berkeley Police Association agreed to a new Retiree Medical plan that provides health insurance premium payments, rather than the pre-existing cash payments, to retirees. The original plan is now a “closed” plan meaning that employees who retire after September 2012 will receive benefits from the new plan. However, the original plan must still make benefit payments to existing retirees and thus must continue to be funded until those payment obligations cease.

The City obtains actuarial reports for each of these plans about every two years and the City is responsible for investing the assets in these plans. The results of that investment activity are provided to the City Council in the regular Investment Report.

In some cases the City’s actual contribution to each plan on an annual basis is based on the actuarially established “Annual Required Contribution” (ARC) as a percent of payroll. However, some of the plans are funded on a “pay-as-you-go” basis. Funding on a pay-as-you-go basis is sufficient to cover the annual benefit payments made from the

UNFUNDED LIABILITIES (employee benefits) SUMMARY

plan assets, but impacts the ability to achieve the long term funding targets. The City Council may wish to add to the annual contribution to the plans being funded as on a pay-as-you-go basis in order to ensure that the long term funding target is achieved. Each benefit plan is described in detail below.

Retiree Medical Benefit Plan (Non-safety Members)

Benefit history & summary

Effective June 28, 1998, the City adopted the City of Berkeley Retiree Health Premium Assistance Plan (For Non-Safety Members). Employees who retire from the City are eligible for retiree health benefits beginning on or after age 55 if they terminate employment with the City on or after age 50 with at least 8 years of service. Retirees can select from among any of the health plans offered to active employees. A retiree living outside the coverage area of the City's health plans can select an out-of-area health plan.

Benefits are payable for the retiree's lifetime and continue for his or her covered spouse's/domestic partner's lifetime. The City pays the monthly cost of the monthly premiums up to a Participant's applicable percentage of the Base Dollar Amount and subject to annual 4.5% increases as specified in the Retiree Health Premium Assistance Plan document. A Participant's applicable percentage is based on years of service with the City. Contribution amounts are negotiated and vary by bargaining unit.

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

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 4.7%. The funding variance is driven by different benefit levels contained in each of the labor contracts.

As noted above, the City agreed, as part of collective bargaining, to changes in the benefits among the bargaining units and changes in the dollar amount of the City's contributions. For this reason, the assets and liabilities were segregated based on representation units within bargaining organizations and separate plan documents and trust agreements were created to make the plans more manageable in future years and avoid cross subsidization of benefits.

UNFUNDED LIABILITIES (employee benefits) SUMMARY

As of July 1, 2014, the most recent actuarial valuation date, the plan was 37.5% funded. The actuarial accrued liability for benefits was \$44.2 million, and the actuarial value of assets was \$16.6 million, resulting in an unfunded accrued liability of \$27.6 million.

Fire Retiree Health Benefit Plan Sworn Fire Members

Benefit history & summary

The City sponsors a retiree health benefit plan for its Fire employees. To be eligible for benefits, Fire employees must retire from the City on or after July 1, 1997, be vested in a CalPERS pension, and retire from the City on or after age 50. Retirees can select from among any of the health plans offered to active employees. Benefits commence immediately upon retirement, but may also be deferred for a period during which the member is covered under another health insurance plan.

Benefits are payable for the retiree's lifetime and continue for his or her covered spouse's/domestic partner's lifetime. The City makes a contribution toward the medical premium depending on whether the retiree has dependent coverage, and date of retirement. The City's contribution increases 4.5% per year. The City's contribution is prorated based on years of service.

Funding status

Based on 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. 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.

As of July 1, 2014, the most recent actuarial valuation date, the plan was 58% funded. The actuarial accrued liability for benefits was \$13.9 million, and the actuarial value of assets was \$8.0 million, resulting in an unfunded accrued liability of \$5.9 million.

Police Retiree Income Benefit Plan (closed plan)

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. This is referred to as the Police Retiree Income Plan.

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, and the benefits are payable for the retiree's lifetime. This Police Retiree Income Plan is now closed to new retirees and has been replaced by a new plan.

UNFUNDED LIABILITIES (employee benefits) SUMMARY

In 2012 the City and the Berkeley Police Association agreed to a new Retiree Medical plan that provides health insurance premium payments, rather than the pre-existing cash payments, to retirees. The original plan is now a “closed” plan meaning that employees who retire after September 2012 will receive benefits from the new plan. However, the original plan must still make benefit payments to existing retirees and thus must continue to be funded until those payment obligations cease. The City obtains actuarial reports for each of these plans about every two years and the City’s Finance Director is responsible for investing the assets in these plans. The results of that investment activity are provided to the City Council in the Director’s regular Investment Report.

Funding status

The Police Retiree Income Plan (closed) 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.

As of June 30, 2014, the most recent actuarial valuation date, the plan was 13.64 % funded. The actuarial accrued liability for benefits was \$48.3 million, and the actuarial value of assets was \$6.6 million, resulting in an unfunded accrued liability of \$41.7 million.

Police Retiree Health Premium Assistance Plan (new plan)

Benefit history & summary

The Retiree Health Premium Assistance Plan (new plan) replaced the Police Retiree Income Benefit Plan (closed plan) above. To be eligible for benefits, Police employees must retire from the City on or after September 19, 2012, be vested in a CalPERS pension, have ten years of service with the Berkeley Police department, and retire from the City on or after age 50. Benefits commence immediately upon retirement, but may also be deferred for a period during which the member is covered under another health insurance plan.

UNFUNDED LIABILITIES (employee benefits) SUMMARY

Benefits are payable for the retiree's lifetime. The City will pay for employees retiring on or after September 19, 2012, \$600 toward the cost of single party coverage and \$1,200 toward the cost of two party coverage for retirees under age 65 enrolled in the City's Retiree Health plan. For retirees over age 65 the City's share of single/two party coverage is \$382.90 / \$765.80 and retirees must pay the difference of the actual premium cost. The City's share will increase up to 6% per year. The monthly benefit is pro-rated based on years of service

Funding status

On March 10, 2015, the City received an actuarial analysis of the new plan. As of July 1, 2014, the plan was 1.32% funded. The actuarial accrued liability for benefits was \$45.3 million, and the actuarial value of assets was \$600,000, resulting in an unfunded accrued liability of \$44.7 million. Currently, the Annual Required Contribution is \$6.1 million and the expected annual payment (pay- as-you- go) for FY 2016 and FY 2017 is \$183,556 and \$284,825.

The FY2016 & FY 2017 Proposed Biennial Budget includes funding the new plan with savings realized through the decrease in the General Fund subsidy to the Safety Members Pension Fund. This is described above under the Safety Member Pension Fund.

Police Retiree Sick Leave Conversion Plan (closed 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; however, the benefit was closed to new retirees with the creation of the new Police Retiree Health Premium Assistance Plan in 2012.

Benefits are payable based on the retiree's unused accrued sick leave hours upon retirement. The 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.

UNFUNDED LIABILITIES (employee benefits) SUMMARY

Effective December 23, 2012, active members will no longer be eligible to convert sick leave balances to monthly health insurance coverage. This is a closed plan. Retired members on or before this date will continue to receive monthly health insurance benefits under the terms of the plan in effect prior to the change on December 23, 2012.

As of the June 30, 2013 actuarial valuation date there were nine retirees receiving Police Sick Leave Conversion health Benefits. Expected benefit payments for future retirees are zero since current and future active employees are not eligible to convert their sick leave balances to monthly health insurance premiums. Therefore, the Sick Leave Conversion Plan will no longer have a liability for active members.

Funding status

As of July 1, 2013, the actuarial accrued liability for benefits was \$285,145, and the actuarial value of assets was \$0, resulting in an unfunded accrued liability of \$285,145. Currently, the ARC is \$41,957 and the expected annual payment (pay-as-you-go) for FY 2016 and FY 2017 is \$43,628 and \$21,352. As of the July 1, 2013, actuarial valuation date there were nine retirees receiving Police Sick Leave Conversion Health Benefits. Expected benefit payments for future retirees are zero since current and future active employees are not eligible to convert their sick leave balances to monthly health insurance premiums. Benefit payments are projected to decrease annually. The plan is scheduled to be paid off in FY 2027.

Supplementary Retirement and Income Plan (SRIP I Disability - closed plan)

Benefit history & summary

On January 1, 1983, Ordinance No. 5450-N.S., which was codified in the Berkeley Municipal Code under Chapter 4.36.101 et seq., established SRIP I. The SRIP I plan consists of two components: 1) a defined contribution money purchase pension plan adopted in accordance with Sections 401(a) and 501(a) of the internal revenue Code, and 2) an employer paid disability benefit.

The City's administrators of the money purchase pension plan are Hartford Life Insurance and Prudential Retirement Services. The plan is a defined contribution plan whereby the City contributed 5.7% of salary up to a salary of \$32,000 into a disability reserve account for each covered employee. The total assets of SRIP I available for benefits at June 30, 2014, was \$8,087,482, which was comprised of participant accounts. These assets are the property of the individual account holders and not the property of the City.

The disability benefit is for employees hired after January 1, 1983 but prior to July 22, 1988, who became disabled and are entitled to receive a disability income benefit equal to 60% of their highest compensation, reduced by any disability payments they receive from Social Security, State Disability Insurance, or Worker's Compensation. Employees hired after July 21, 1988 are not eligible for benefits under this plan which was closed to new enrollees. Benefits are payable for the disabled participant's lifetime or until recovery from disability. The third party administrator is MidAmerica Administrative & Retirement Solutions, Inc.

UNFUNDED LIABILITIES (employee benefits) SUMMARY

Funding status

On February 11, 2015, the City received the actuarial analysis of the SRIP I plan. Currently, the City pays the monthly cost of the monthly disability benefits on a pay-as-you-go basis. Benefits are payable for the disabled participant's lifetime or until recovery from disability. The unfunded liability for SRIP 1 at July 1, 2014, the date of the last actuarial study was \$13.2 million, with projected benefit payments in FY 2016 and FY 2017 of \$1.5 million and \$1.4 million. As of July 1, 2014, there were a total of 98 closed group participants, 25 active employees and 73 disabled participants receiving benefits. As this too is a closed plan, annual contributions are projected to continue to decrease over time.

Sick and 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.

A major problem with 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. This is true for all employees except Police sworn.

Beginning January 1, 2013, at the end of each calendar year, if a Police sworn employee has an accrued sick leave balance of 200 hours or more, fifty percent of all hours accrued in excess of 200 hours are converted into a cash equivalent. The annual cash conversion is calculated at the employee's current hourly rate. The City pays the annual cash equivalent into an employee's retirement PORAC medical trust account on behalf of the employee. The remaining fifty percent of the sick leave balance in excess of 200 hours is credited into the employee's separate "catastrophic/service time" bank up to a maximum of 500 hours. Upon retirement, the employee forfeits any sick leave hours that have not been converted into an employee's PORAC medical trust or catastrophic/service time" bank.

Funding status

In FY 2002, the City learned that it had achieved a position where it had enough funds in its account with CalPERS that it did not need to pay CalPERS the miscellaneous employee contribution rate for FY 2002. The adopted FY 2002 and FY 2003 Biennial Budget included provisions setting aside approximately six percent of what would have been the contribution for the miscellaneous plan in those years in a dedicated fund to be used for payouts of unused and terminal sick and vacation benefits. In addition, this fund receives an annual transfer of funds based on a percentage of payroll in all funds. The FY 2016 calculated rates are 3.75 percent of base salary for sworn employees and 1.90 percent of salary for all other employees.

UNFUNDED LIABILITIES (employee benefits) SUMMARY

The City's Finance department reported the current reserve balances if available leave hours were converted to cash payments. The sick leave reserve balance as of June 30, 2014, for all current employees was \$2,984,808. The estimated vacation hours reserve balance as of June 30, 2014, was \$12,032,238⁴.

Current contracted actuarial/consultant companies:

Benefit Category	Contractor	Type of Service
CalPERS	Bartel Associates	Actuary
Workers' Compensation	Bickmore Risk Services	Actuary
Retiree Medical Health (all plans)	Milliman	Actuary
Police Retiree SLE	Milliman	Actuary
Safety Members Pension Fund	AON Hewitt	Actuary
SRIP	Milliman	Actuary
All plans as needed	Hansen Bridgett	Tax Counsel

⁴ Capped at 320 hours per each employee except Police and Fire employees.

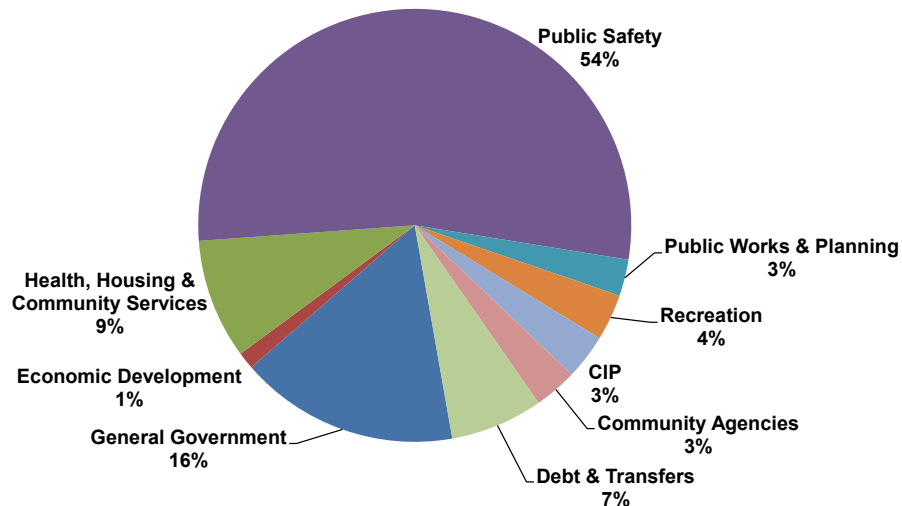


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Summary of Expenditures by Department - General Fund

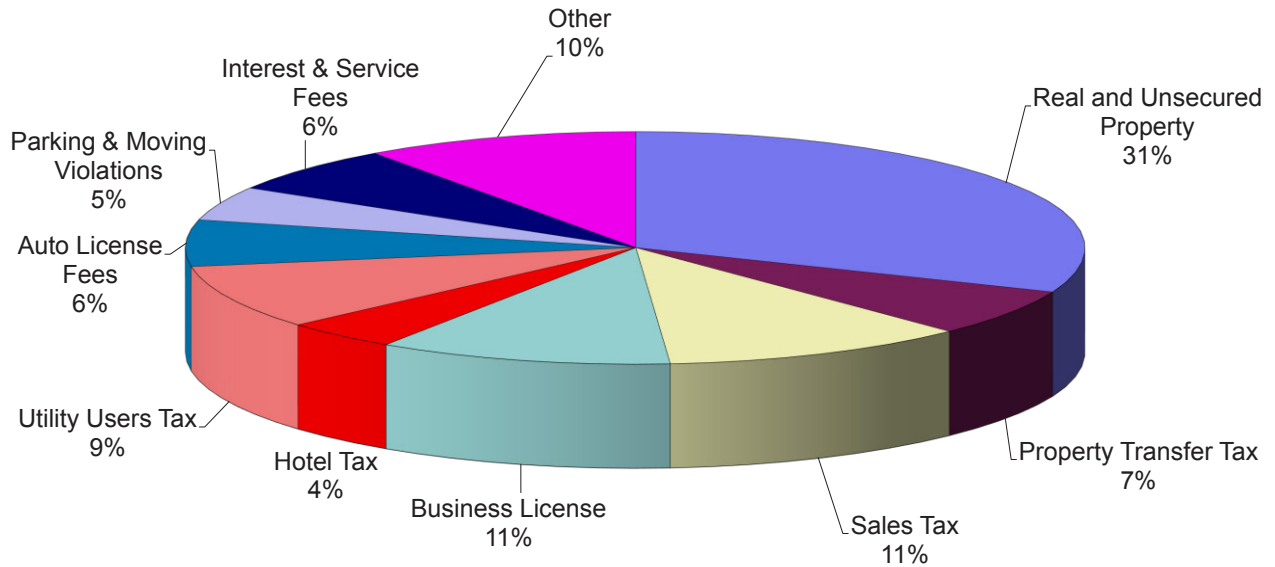
	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
Mayor & Council	1,706,149	1,733,917	1,788,656	1,792,456	1,810,354
Auditor	1,924,656	1,925,222	1,831,294	2,116,882	2,147,259
Police Review Commission	488,526	484,845	555,769	562,803	570,417
City Manager	4,414,612	4,614,527	4,575,484	4,833,991	4,901,792
Office of Economic Development	1,832,488	1,875,736	2,027,452	2,039,208	2,063,458
Information Technology	5,203,863	4,743,945	4,863,199	5,251,456	5,308,370
City Attorney	2,212,760	2,220,327	2,288,013	2,225,084	2,255,910
City Clerk	1,963,304	1,504,701	2,177,080	1,982,311	2,004,248
Finance	5,262,578	5,255,871	5,128,394	5,559,396	5,637,409
Human Resources	1,734,270	1,798,549	1,871,155	1,847,317	1,873,393
Health, Housing & Community Services	11,345,141	11,773,139	11,927,266	12,377,323	12,528,058
Police	55,030,664	55,836,689	57,057,838	57,160,009	58,357,830
Fire	25,405,453	26,422,372	27,116,862	28,315,624	28,692,307
Public Works	2,333,305	2,275,051	2,403,636	2,667,233	2,696,864
Parks, Recreation & Waterfront	5,155,636	5,259,661	5,452,415	5,545,284	5,558,968
Planning	1,513,689	1,629,124	1,604,589	1,683,361	1,707,729
Community Agencies	4,370,342	4,290,107	4,393,571	5,418,199	4,870,939
Non-Departmental	13,889,312	19,469,349	19,893,581	18,484,072	18,514,873
Total General Fund	\$ 145,786,748	\$ 153,113,132	\$ 156,956,254	\$ 159,862,009	\$ 161,500,178

General Fund Expenditures by Service Area FY 2016 & FY 2017 Adopted Biennial Budget \$321,362,187



**FY 2016 AND FY 2017
ADOPTED GENERAL FUND REVENUES
SUMMARY**

	Actual Revenue FY 2013	Actual Revenue FY 2014	Actual Revenues FY 2015	Adopted Revenues FY 2016	Adopted Revenues FY 2017
Real Property Tax	\$40,210,337	\$42,181,381	\$44,187,339	\$46,351,907	\$48,126,587
Property Transfer Tax	11,663,871	14,017,607	15,178,243	10,500,000	10,500,000
Unsecured Property	2,298,523	2,496,321	2,602,010	2,797,777	2,907,777
Sales Tax	15,708,699	16,500,324	16,708,652	18,116,161	17,210,353
Business License	15,266,648	15,370,377	16,102,327	16,762,680	17,097,934
Hotel Tax	5,562,168	6,169,161	7,038,640	6,561,872	6,693,110
Utility Users Tax	14,350,002	14,321,714	14,302,057	14,447,392	14,194,436
Auto. In-Lieu	8,738,116	9,277,702	9,616,322	10,167,383	10,566,772
Parking Fines	8,013,537	6,850,399	6,932,288	7,322,500	7,395,725
Moving Violations	248,798	670,363	673,244	234,600	239,292
Interest	3,320,372	2,465,334	2,650,102	2,470,000	2,346,500
Service Fees	8,170,473	8,463,613	9,556,323	7,991,504	8,143,343
SUB-TOTAL	\$133,551,544	\$138,784,296	\$145,547,547	\$143,723,776	\$145,421,829
Other Revenues	16,711,514	16,431,847	18,450,445	15,731,199	15,970,747
TOTAL	\$150,263,058	\$155,216,143	\$163,997,992	\$159,454,975	\$161,392,576



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.

The City’s Property Tax is collected by Alameda County. The City currently receives approximately 32.57% of the 1% countywide real property tax levied within the City limits, and most of the revenue is received in December and April. These percentages do not take into consideration the contributions made to the former redevelopment projects.

	Agency/Jurisdiction Allocation	% Allocated
Allocation Of County-Wide Property Tax	City of Berkeley	32.57
	County General Fund	15.06
	Schools	42.85
	Special Districts	9.52
	Total 1% Countywide Tax Allocation	100.00

KEY GENERAL FUND REVENUES

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	2012	2013	2014	2015
Taxable Assessed Value (\$1,000)	\$12,407,659	\$12,717,140	\$13,568,104	\$14,116,004
\$ Change Assessed Value (\$1,000)	378,543	309,481	850,964	547,900
% Change Assessed Value	3.15%	2.49%	6.69%	4.04%
% Prop Tax Collected	98.0%	97.60%	98.9%	Not available

FY 2015 Secured Property Tax revenues totaled \$44,187,339, which was \$2,005,958 or 4.76% more than the \$42,181,381 received in FY 2014. The FY 2015 total of \$44,187,339 is \$164,916 more than the adopted budget amount of \$44,352,255.

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.

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 in June each year. The difference between the estimate in June and the actual certification in August is generally small. Real Property Tax revenue is currently projected to grow at 4.51% in FY 2016 and 3.83% in FY 2017. Staff updates these original Adopted Budget projections quarterly.

REAL PROPERTY TAXES	Actual Revenue			Projected Revenue		
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Total Collections	\$40,210,337	\$42,181,381	\$44,187,339	\$46,351,907	\$48,126,587	\$47,574,854
\$ Change	\$1,390,045	\$1,971,044	\$2,005,958	\$2,164,568	\$1,774,680	(551,733)
% Change	3.6%	4.9%	4.8%	4.8%	3.83%	-1.2%

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 2015, Supplemental Tax revenue totaled \$1,445,409, which is an increase of \$314,364 or 27.8% from the \$1,131,045 received in FY 2014. The amount of \$1,445,409 received in FY 2015 was \$685,409 more than the adopted budget amount of \$760,000.

Forecast of Supplemental Real Property Tax Revenue

Supplemental Tax revenues are very volatile and are projected to increase by 5.59% in FY 2016 and 3.83% in FY 2017. Staff updates these original adopted budget projections quarterly.

SUPPLEMENTAL REAL PROPERTY	Actual Revenue			Projected Revenue		
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Total Collections	\$729,792	\$1,131,045	\$1,445,409	\$1,526,207	\$1,584,660	\$1,645,352
\$ Change	159,482	401,253	314,364	80,798	58,453	60,692
% Change	28.0%	55.1%	27.8%	5.59%	3.83%	3.83%

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. 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 one-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 2015, Property Transfer Tax revenue increased \$1,160,636 or 8.3%, to \$15,178,243 from \$14,017,243 received in FY 2014. The increase was due to an increase in the dollar value of property sales for FY 2015, which totaled \$ 1,011,882,867 or \$77,375,734 (8.28) more than the \$934,507,133 in FY 2014. This revenue increase was despite a slight decrease in the number of property sales from 1,010 to 960 with an increase in the average sales price from \$925,255 to \$1,054,045.

KEY GENERAL FUND REVENUES

PROPERTY TRANSFER TAXES *cont.*

Forecast of Transfer Tax Revenue

Staff is forecasting Transfer Tax revenue of \$10.5 million in FY 2017 and FY 2018, net of budgeted seismic retrofit rebates. Staff considered that the Transfer Tax revenue would decrease marginally as the economic outlook seems to be leveling off. Any amounts above this baseline will be non-recurring (one-time) revenue, available for one-time expenditure allocations only.

PROPERTY TRANSFER TAX	Actual Revenue			Projected Revenue		
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Total Collections	\$11,663,871	\$14,017,607	\$15,178,243	\$10,500,000	\$10,500,000	\$9,382,921
\$ Change	3,240,959	2,353,736	1,160,636	(4,678,243)	0	(1,117,079)
% Change	38.5%	20.2%	8.3%	(30.82%)	0%	(10.6%)

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 began to 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 paid increases by the change in gross assessed values of taxable properties.

For FY 2015, VLF revenue totaled \$9,616,322, which is \$338,620 or 3.7% more than the \$9,277,702 received in FY 2014.

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. VLF revenue is tied to the change in gross assessed values of taxable properties, which accounts for the growth reflected in FY 2015 through FY 2017.

VLF	Actual Revenue			Projected Revenue		
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Total Collections	\$8,679,256	\$9,277,702	\$9,616,322	\$10,167,383	\$10,566,772	\$10,455,867
\$ Change	145,341	539,586	338,620	551,061	399,389	(110,905)
% Change	1.7%	6.9%	3.7%	5.73%	3.93%	(1.0)%

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, boats, aircraft 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 FY2015, Unsecured Property Tax revenues totaled \$2,602,010, which was \$105,689 or 4.2% more than the \$2,496,321 received in FY 2014.

Forecast of Personal Property Tax Revenue

Staff is projecting an increase in the Personal Property Tax in FY 2017 and FY 2018 of 3.93%.

PERSONAL PROPERTY TAX	Actual Revenue			Projected Revenue		
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Total Collections	\$2,298,523	\$2,496,321	\$2,602,010	\$2,797,777	\$2,907,777	\$3,022,052

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. However, Proposition 30, temporary Taxes to Fund Education, was approved by voters at the state-wide election on November 6, 2012. This measure provided for an increase in the tax rate of .25% for four years (January 1, 2013 through December 31, 2016).

The total sales tax rate for Alameda County is currently 9.00% and distributed as follows:

Distribution of Sales Tax Collected within Alameda County

Agency	Distribution %
State of California	6.50%
State Public Safety Fund (Proposition 172)	0.50%
State Fiscal Recovery Fund, to pay off Economic Recovery Bonds	.025%
State Education Protection account	0.25%
City of Berkeley (including .25% Triple Flip reimbursement)	1.00%
Alameda County Transportation Improvement Authority	0.50%
Alameda County Essential Health Care Services	0.50%
Alameda County BART	0.50%
Total Sales Tax	9.50%

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

KEY GENERAL FUND REVENUES

SALES TAXES cont.

For FY 2015, Sales Tax revenue totaled \$16,708,652, which is \$208,328 or 1.3% more than the \$16,500,324 received in FY 2014. *The economic segments that accounted for most of the increase were the following: Furniture/Appliances +\$104,253; Restaurants +\$265,556; Recreation Products +\$82,007; and Food Markets +\$74,822; the largest declines were in the following segments: Service Stations -\$98,552; Building Materials Wholesale -\$55,326; Miscellaneous Retail -\$34,088 and Office Equipment -\$23,300.*

Forecast of Sales Tax Revenue

Annual Sales Tax revenue is projected to increase by 1.3% in FY 2015 and 8.3% in FY 2016 and decrease 5% in FY 2017 due to a projected economic contraction.

SALES TAX	Actual Revenue			Projected Revenue		
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Total Collections	\$15,708,699	\$16,500,324	\$16,708,652	\$18,116,161	\$17,210,353	\$17,497,193
\$ Change	798,454	791,625	208,328	1,407,509	(905,808)	286,840
% Change	5.4%	5.1%	1.3%	8.4%	(5%)	1.7%

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 2015, BLT revenue totaled \$16,119,308, which is \$748,931 or 4.9% more than the \$15,370,377 received in FY 2014.

Forecast of Business License Tax Revenue

The BLT revenues are projected to increase by 5.7% in FY 2015, 3.14% in FY 2016 and 2% in 2017.

BUSINESS LICENSE TAX	Actual Revenue			Projected Revenue		
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Total Collection s	\$15,267,280	\$15,370,377	\$16,119,308	\$16,762,680	\$17,097,934	\$17,154,927
\$ Change	(378,644)	103,097	748,931	643,372	335,254	56,993
% Change	(2.4%)	0.7%	4.9%	3.99%	2%	.03%
# of Licenses (calendar year)	12,870	12,922	12,797	12,850	13,052	13,095

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 cities, and is Berkeley's 4th. 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 60% of UUT revenues are generated from gas and electric services and 40% from telecommunications:

UUT revenue in FY 2015 decreased by \$19,657 or (.1%), to \$14,302,057 from the \$14,321,714 received in FY 2014. The \$14,302,057 collected in FY 2015 was \$327,685 or 2.2% less than the adopted budget amount of \$14,629,742.

KEY GENERAL FUND REVENUES

UTILITY USERS TAX *cont.*

Forecast of UUT Revenues

UUT is expected to decrease approximately 1% from FY 2016 to FY2017. This projected decrease is due to expected decreases in cable, telephone and cellular rates, continued growth in electric and gas categories, and flat growth in land-line phones. Projections are based on current trend analysis.

UTILITY USERS TAX	Actual Revenue			Projected Revenue		
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Total Collections	\$14,350,002	14,321,714	14,302,057	\$14,447,392	\$14,194,436	\$14,221,412
\$ Change	114,882	(28,288)	(19,657)	145,335	(252,956)	26,976
% Change	.8%	(.2%)	(.1%)	1.02%	(.0175%)	.19%
Cable	1,550,496	1,266,308	1,327,856	1,341,400	1,317,925	1,219,158
Gas/Elec	8,203,483	8,165,997	8,288,863	8,372,864	8,226,214	8,654,252
Phone	1,943,961	2,043,473	2,102,760	2,124,208	2,087,034	1,784,257
Cellular	2,652,062	2,845,936	2,582,578	2,608,920	2,563,263	2,563,745

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 expired on November 12, 2007. State Bill AB 2987 allows companies to apply for statewide cable television franchises, and the 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, in order 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 FY 2015, Franchise Fee revenue totaled \$1,864,892, which is \$87,002 or 4.9% more than the \$1,777,890 received for in FY 2014.

KEY GENERAL FUND REVENUES

FRANCHISE FEES: CABLE - ELECTRIC – GAS cont.

Forecast of Franchise Fee Revenue

Franchise Fee revenues are projected to increase in FY 2015 and have marginal changes in FY 2016 and FY 2017.

FRANCHISE FEES	Actual Revenue			Projected Revenue		
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Total Collections	\$1,577,739	\$1,77,890	\$1,864,892	\$1,883,541	\$1,902,376	\$1,927,165
Cable	739,913	907,102	995,778	1,005,736	1,015,794	1,025,844
Electric	516,997	527,386	528,197	533,479	538,814	548,692
Gas	320,829	343,402	340,917	344,326	347,769	352,629

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 a “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 \$869,479 or 14.1% in FY 2015 to \$7,038,640, from \$6,169,161 in FY 2014. *There was a double digit growth at half of the 12 major hotels tracked by City staff. Hotel operators indicated they achieved increases in both occupancy rates and average room rates.*

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 were projected to increase at a rate of 10.5% in FY 2015 but increased by 14.1%. FY 2016 and FY 2017 are projected at a rate of 3.7% and 2%.

TRANSIENT OCCUPANCY TAX	Actual Revenue			Projected Revenue		
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Total Collections	\$5,561,261	\$6,169,161	\$7,038,640	\$6,561,872	\$6,693,110	\$6,715,420
\$ Change	643,228	607,900	869,479	(476,768)	131,238	22,310
% Change	13.1%	10.9%	14.1%	(6.7%)	2.0%	.3%

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 2015, Interest Income totaled \$2,650,102, which was \$184,788 or 7.5% more than the \$2,465,314 received in FY 2014. It was also \$50,102 more than the adopted budget amount of \$2,600,000. This revenue source trended as was projected, with the current policy of the Federal Reserve Board (the Feds) continuing to extend its aggressive program to keep short-term rates close to zero and medium-term interest rates at about 1%. As a result, as the high yielding securities held by the City matured, the City achieved a return on investments close to zero percent on the replacement securities that needed to be held in short-term investment vehicles (for liquidity purposes) and approximately 1% for replacement securities with longer maturity dates.

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 Federal Reserve has signaled their intent to start raising interest rates due to the improved economic outlook. At their September 17, 2015 open Market Committee meeting, the Feds decide not to raise interest rates. If the Federal Reserve do increase rates, this will help to increase the city's interest income marginally for the next few years. Staff will continue to monitor these events closely.

INTEREST INCOME	Actual Revenue			Projected Revenue		
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Total Collections	\$3,320,372	\$2,465,334	\$2,650,102	\$2,470,000	\$2,346,500	\$2,229,175

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.

Analysis of Parking Fines

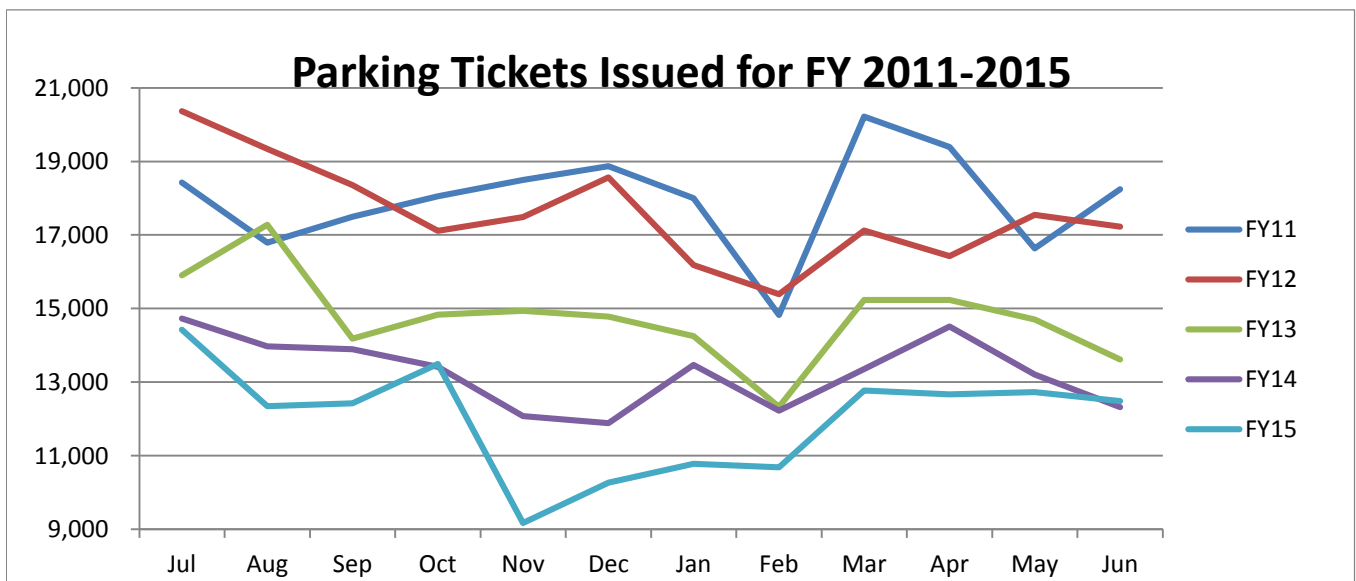
Factors that affect the revenue generated by Parking Fines include:

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

For FY 2015, Parking Fines revenue (excluding booting collections) increased \$81,354 or 1.2% to \$6,931,753, from \$6,850,399 in FY 2014. *This increase in Parking Fines revenue was as a result of collection efforts, even though there was a reduction in ticket writing, from 159,067 in FY 2014 to 144,237 in FY 2015.*

The vehicle booting program, which started in October 2011, declined as expected during FY 2015. During that period, booting collections totaled \$191,097, down \$47,420 or 19.9% from the total of \$238,517 received in FY 2014. The total of \$191,097 received in FY 2015 was \$8,903 less than the adopted budget amount of \$200,000.

After hitting a high of \$11.9 million in revenue and 312,005 tickets written in FY 2007, Parking Fines revenue and ticket writing has declined nearly every year since then. The graph below shows the year-over-year declines in ticket writing from FY 2011 through FY 2015, as follows:



KEY GENERAL FUND REVENUES

PARKING FINE REVENUE	Actual Revenue			Projected Revenue		
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Total Net Regular Collections	\$8,013,537	\$6,850,399	\$6,931,753	\$7,322,500	\$7,395,725	\$7,469,682
Total Booting Collections	468,733	238,517	191,097	150,000	150,000	150,000
Total Collections	8,482,270	7,088,916	7,122,850	7,472,500	7,545,725	7,619,682
\$ Change	(1,002,213)	(1,393,354)	33,934	349,650	73,225	73,957
% Change	(10.6%)	(16.4%)	.05%	5%	.97%	.98%
Parking Citations	177,285	159,067	144,237	168,523	170,207	171,875

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, 2016. 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 2015, Ambulance Fee revenue totaled \$4,313,595, which is \$376,436 or 9.6% more than the \$3,937,159 received in FY 2014. The total of \$4,313,595 collected was \$73,094 less than the adopted budget amount of \$4,386,689.

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. This revenue source is projected to increase by 2.0% in FY 2016 and FY 2017.

AMBULANCE FEES	Actual Revenue			Projected Revenue		
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Total Collections	\$4,134,875	\$3,937,159	\$4,313,595	\$4,474,423	\$4,563,911	\$4,655,189
\$ Change	120,093	(197,716)	376,436	160,828	89,488	91,278
% Change	3.0%	(4.8%)	9.6%	3.7%	2.0%	2.0%



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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
- ❑ Zero Waste 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 either the higher of the rate of inflation (i.e. Bay Area Consumer Price Index (CPI), which is increased at 2.436% for FY 2016, or the Per Capita Personal Income Growth, which increased at 3.82% for FY 2016). The City has no discretion in increasing revenues in these funds without voter-approval. The impacts of the economy on some of our enterprise funds have caused significant revenue losses in the past. Nonetheless, expenditures within these funds have increased 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).

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 was adjusted annually based on the Consumer Price Index (CPI). In the November 2014 election, voters approved a 16.7% increase to the Parks Tax and approved allowing the annual adjustment to the tax rate to be indexed to greater of either the CPI 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.

Analysis

As it stands right now, the fund balance remains healthy through FY 2018. The additional \$1.7 million of revenue from Measure F closes the fund's structural deficit and adds new funds to address high-priority major maintenance projects.

Fund Forecast

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
	Actuals	Actual	Adopted	Adopted	Projected
Beginning Balance	1,753,041	1,874,472	2,534,211	2,450,881	2,483,281
Revenues	9,762,684	10,072,764	11,573,964	11,803,794	12,038,221
Parks Tax	9,664,846	9,964,495	11,491,496	11,721,326	11,955,753
Other Revenue	97,838	108,269	82,468	82,468	82,468
Expenditures	9,641,253	9,413,025	11,657,294	11,771,394	12,088,630
Personnel	7,231,469	6,919,108	7,816,796	7,930,896	8,248,132
Non-Personnel	2,361,690	2,245,982	2,319,560	2,319,560	2,319,560
Capital Improvements	48,094	247,935	1,520,938	1,520,938	1,520,938
Annual Surplus/Shortfall	121,431	659,739	-83,330	32,400	-50,409
Ending Balance	1,874,472	2,534,211	2,450,881	2,483,281	2,432,872

Revenue Assumptions

- Annual tax rate increases are tied to either Bay Area CPI Index or Per Capita Personal Income Growth
- FY 2016 Adopted Revenue includes a 16% increase approved in November 2014 election. This is an additional \$1.7 million of revenue.
- FY 2017 through FY 2018 assumes a 2% increase in Parks Tax

Expenditures Assumptions

- FY 2016 & FY 2017 Adopted Personnel includes no COLA and updated benefit rates.
- FY 2016 & FY 2017 Adopted Capital Improvements includes \$1.2 million for major maintenance projects
- FY 2018 Projected Personnel assumes a 5% increase for salary and benefit costs

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 2014	FY 2015	FY 2016	FY 2017	FY 2018
	Actual	Actual	Adopted	Adopted	Projected
Beginning Balance	3,068,190	3,602,177	4,332,542	3,094,618	3,522,445
Revenues	16,236,039	16,747,095	17,200,793	17,539,069	17,884,110
Library Tax	15,991,855	16,470,657	16,913,793	17,252,069	17,597,110
Other Revenue	244,184	276,438	287,000	287,000	287,000
Expenditures	15,702,052	16,016,730	18,438,717	17,111,242	17,781,478
Personnel	12,501,587	12,888,419	13,212,186	13,404,711	14,074,947
Non-Personnel	1,985,662	1,857,540	2,699,531	2,254,531	2,254,531
Library Materials	1,155,518	1,270,771	1,327,000	1,327,000	1,327,000
Capital Improvements	59,285	0	1,200,000	125,000	125,000
Annual Surplus/Shortfall	533,987	730,365	-1,237,924	427,827	102,633
Ending Balance	3,602,177	4,332,542	3,094,618	3,522,445	3,625,078

Revenue Assumptions

- FY 2016 Library Tax increase set at 3.82% increase
- FY 2017 through FY 2018 assumes a 2% tax increase in Library Tax

Expenditures Assumptions

- FY 2016 & FY 2017 Adopted Personnel includes no COLA and updated benefit rates.
- FY 2016 Adopted Capital Improvements includes funds for addressing major infrastructure issues at Central Library and is expecting to undertake construction activities that will include a dedicated teen space and a reconfigured concordant mapping of collections.
- FY 2018 Projected Personnel assumes 5% increase for salary and benefit costs.

FINANCIAL FORECASTS: OTHER OPERATING FUNDS

PARAMEDIC TAX FUND

The Paramedic Tax generates around \$2.7 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 decreased in FY 2015 and starts to increase in FY 2016 to keep the fund balanced.

Fund Forecast

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
	Actuals	Actual	Adopted	Adopted	Projected
Beginning Balance	189,578	378,895	189,142	98,751	110,468
Revenues	3,226,626	2,873,397	3,061,516	3,203,106	3,217,164
Paramedic Tax	2,590,527	2,669,073	2,698,607	2,752,580	2,807,632
General Fund Subsidy	636,099	204,324	362,909	450,526	409,532
Expenditures	3,037,309	3,063,150	3,151,907	3,191,389	3,327,631
Personnel	2,578,705	2,523,676	2,685,365	2,724,847	2,861,089
Non-Personnel	458,604	539,474	466,542	466,542	466,542
Annual Surplus/Shortfall	189,317	-189,753	-90,391	11,717	-110,468
Ending Balance	378,895	189,142	98,751	110,468	0

Revenue Assumptions

- FY 2016 tax increase set at 2.436%
- FY 2017 through FY 2018 assume a 2% tax increase in Paramedic Tax
- General Fund subsidy reduced in FY 2015 and increases from FY 2016 through FY 2017 and then drops FY 2018.

Expenditures Assumptions

- FY 2016 & FY 2017 Adopted Personnel includes no COLA and updated benefit rates.
- FY 2018 Projected Personnel assumes a 5% increase for salary and benefit costs.

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 2017, there is little money allocated for capital improvements and only limited funding to perform minimal system cleaning and maintenance activities.

Fund Forecast

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted	FY 2018 Projected
Beginning Balance	1,585,097	1,004,865	860,411	796,309	715,298
Revenues	2,316,216	2,323,244	2,502,740	2,510,569	2,518,633
Program revenues	2,069,055	2,068,812	2,111,785	2,111,785	2,111,785
UC In-Lieu Payment	245,975	253,355	260,955	268,784	276,848
General Fund Transfer			130,000	130,000	130,000
Miscellaneous	1,186	1,077			
Expenditures	2,896,448	2,467,698	2,566,842	2,591,580	2,667,984
Personnel	1,625,959	1,505,664	1,503,902	1,528,085	1,604,489
Non-Personnel	837,455	704,309	638,744	638,744	638,744
Capital Improvements	230,021	69,089	200,000	200,000	200,000
Indirect Costs	203,013	188,636	224,196	224,751	224,751
Annual Surplus/Shortfall	-580,232	-144,454	-64,102	-81,011	-149,352
Ending Balance	1,004,865	860,411	796,309	715,298	565,946

Revenue Assumptions

- Fund receives \$200,000 annually (adjusted by CPI) from UC Berkeley settlement agreement for storm drain infrastructure improvements
- Fund begins to receive \$130,000 from the General Fund in FY 2016 for storm response and storm emergency repairs

Expenditures Assumptions

- FY 2016 & FY 2017 Adopted Personnel includes no COLA and updated benefit rates.
- FY 2018 Projected Personnel assumes a 5% increase for salary and benefit costs.

FINANCIAL FORECASTS: OTHER OPERATING FUNDS

STREET LIGHT ASSESSMENT DISTRICT FUND

The Streetlight Assessment District Fund provides for maintenance of the City's 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 from the General Fund (since the defeat of a November 2000 ballot measure to augment funding through a special tax). As a result of the Citywide LED Streetlight replacement project and the energy savings from the conversion, the subsidy has been reduced starting in FY 2016.

Fund Forecast

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
	Actuals	Actual	Adopted	Adopted	Projected
Beginning Balance	84,286	432,322	1,037,187	928,676	928,676
Revenues	2,065,845	2,068,094	1,866,961	1,866,961	1,866,961
Program Revenues	1,383,810	1,382,610	1,352,432	1,352,432	1,352,432
Miscellaneous Revenues	10,383	13,081			
General Fund Subsidy	671,529	671,529	514,529	514,529	514,529
Interest	123	874			
Expenditures	1,717,809	1,463,229	1,975,472	1,987,871	2,030,695
Personnel	667,067	650,357	844,777	856,471	899,295
Non-Personnel	971,686	734,821	1,017,993	1,018,698	1,018,698
Indirect Costs	79,056	78,051	112,702	112,702	112,702
Annual Surplus/Shortfall	348,036	604,865	-108,511	-120,910	-163,734
Ending Balance	432,322	1,037,187	928,676	807,766	764,942

Revenue Assumptions

- Fund revenues are capped by Proposition 218
- General Fund subsidy reduced starting in FY 2016

Expenditures Assumptions

- FY 2016 & FY 2017 Adopted Personnel includes no COLA and updated benefit rates.
- FY 2016 & FY 2017 Adopted Non-Personnel includes funds for repayment of the California Energy Commission loan for the LED Streetlight replacement project.
- FY 2018 Projected Personnel assumes a 5% increase for salary and benefit costs.

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 Measure B fund balance is presently healthy. The Alameda County Transportation Commission (ACTC) is projecting to increase the sales and use tax revenue for FY 2016 by \$191,660 for the streets and road program.

Fund Forecast

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
	Actuals	Actual	Adopted	Adopted	Projected
Beginning Balance	758,885	1,437,820	841,717	1,218,899	1,575,403
Revenues	2,559,610	2,773,641	2,845,580	2,845,580	2,845,580
Program Revenues	2,553,626	2,773,641	2,845,580	2,845,580	2,845,580
Miscellaneous Revenues	5,171				
Interest	813				
Expenditures	1,880,675	3,369,744	2,468,398	2,489,076	2,558,470
Personnel	1,617,652	1,650,343	1,367,193	1,387,871	1,457,265
Non-Personnel	263,023	1,719,401	1,101,205	1,101,205	1,101,205
Annual Surplus/Shortfall	678,935	-596,103	377,182	356,504	287,110
Ending Balance	1,437,820	841,717	1,218,899	1,575,403	1,862,513

Revenue Assumptions

- Alameda County sales tax revenue, from voter-approved reauthorization of Measure B Tax (April 2002 through March 2022), is projected to increase in FY 2016.

Expenditures Assumptions

- FY 2016 & FY 2017 Adopted Personnel includes no COLA and updated benefit rates.
- FY 2016 Projected Personnel assumes a 5% increase for salary and benefit costs.

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

The fund is maintaining and increasing the fund balance over the next few years. This is due primarily to very high construction activity in the City. With the increased activity, the fund is adding several additional positions to help meet the demand for services.

Fund Forecast

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted	FY 2018 Projected
Beginning Balance	2,721,254	7,370,375	12,617,214	12,698,361	12,933,374
Revenues	14,087,031	17,012,980	12,238,260	12,544,854	11,252,442
Building Fees	9,661,592	11,720,512	9,918,285	10,003,948	7,935,084
Land Use Fees	1,595,818	1,760,245	1,367,504	1,490,883	1,478,956
Other	2,829,621	3,532,223	952,471	1,050,023	1,838,402
Expenditures	9,437,910	11,766,141	12,157,113	12,309,841	12,679,413
Personnel	6,809,073	7,654,560	9,314,881	9,451,873	9,924,467
Non-Personnel	1,939,863	3,200,403	1,652,489	1,668,225	1,565,203
Indirect Costs	688,974	911,178	1,189,743	1,189,743	1,189,743
Annual Surplus/Shortfall	4,649,121	5,246,839	81,147	235,013	-1,426,971
Ending Balance	7,370,375	12,617,214	12,698,361	12,933,374	11,506,403

Revenue Assumptions

- FY 2016 revenues assume 5% revenue growth over FY 2015
- FY 2017 revenues assume 5% revenue growth over FY 2016
- FY 2018 revenues assume a decline in revenues from FY 2017

Expenditures Assumptions

- FY 2016 & FY 2017 Adopted Personnel includes no COLA, updated benefit rates, and adds a 1.0 FTE Accounting Specialist II, 1.0 FTE Assistant Planner, 1.0 FTE Associate Planner, 1.0 FTE Principal Planner (3-year, project-based), 1.0 FTE Building Inspector II, 1.0 FTE Building Plans Examiner, and 1.0 FTE Senior Building Plans Examiner
- FY 2018 Projected Personnel assumes 5% increase for salary and benefit costs.

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

Current revenues in the Sanitary Sewer Fund were insufficient to fund the capital improvements, operations, and maintenance required to properly manage our Sanitary Sewer Collection System and comply with new requirements imposed by the Consent Decree entered into with the Environmental Protection Agency in July 2014. In June 2015, the City Council approved new Sanitary Sewer service rates for the five year period beginning FY 2016. The new rates fund capital improvements required to maintain the system in full regulatory compliance, while addressing revenue lost to drought-related water conservation. The total effect of the increased sewer rates will vary with the degree of water conservation actually achieved by City residents. Single family residence sewer rates are scheduled to increase 46.0% in FY 2016, with 24.2% in FY 2017, 14.2% in FY 2018, 7.0% in FY 2019, and 3.6% in FY 2020.

Fund Forecast

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted	FY 2018 Projected
Beginning Balance	12,291,268	10,783,730	7,879,381	3,143,521	832,419
Revenues	13,588,024	13,142,808	12,801,227	12,801,227	12,801,227
Expenditures	15,095,562	16,047,157	17,537,087	15,112,329	15,558,941
Personnel	7,322,685	7,148,288	8,798,191	8,932,244	9,378,856
Non-Personnel	7,772,877	8,898,869	8,738,896	6,180,085	6,180,085
Other Non-Personnel	2,638,975	2,404,441	2,971,204	2,971,204	2,971,204
Capital Improvements	4,134,461	5,510,765	4,504,406	1,945,270	1,945,270
Private Sewer Lateral Transfer	88,218	90,501	90,501	90,501	90,501
Indirect Costs	911,223	893,162	1,172,785	1,173,110	1,173,110
Annual Surplus/Shortfall	-1,507,538	-2,904,349	-4,735,860	-2,311,102	-2,757,714
Ending Balance	10,783,730	7,879,381	3,143,521	832,419	-1,925,295

Revenue Assumptions

- FY 2016 through FY 2018 revenues do not reflect sewer rate increase approved by the City Council on June 30, 2015.

Expenditures Assumptions

- FY 2016 & FY 2017 Adopted Personnel includes no COLA and updated benefit rates.
- FY 2017 Capital Improvement expenditures were reduced by \$2,559,136 to balance the fund in the event a rate increase was not approved. Capital Improvement budget will be increased during the FY 2017 Mid-Biennial Budget Update to reflect increased funding due to the rate increase.
- FY 2018 Projected Personnel assumes a 5% increase for salary and benefit costs.

FINANCIAL FORECASTS: OTHER OPERATING FUNDS

ZERO WASTE FUND

The Zero Waste 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

The Zero Waste Fund gained substantial operational breathing room due to a 24.7% rate increase approved in May 2014, including minimum annual 3% increases going forward. The fund balance will enable the development of a plan to address capital needs at the Transfer Station.

Fund Forecast

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted	FY 2018 Projected
Beginning Balance	-209,592	779,076	5,567,648	5,699,060	6,444,210
Revenues	34,101,574	38,641,325	37,600,783	37,710,238	38,841,545
Expenditures	33,112,906	33,852,753	37,469,371	36,965,088	37,841,981
Personnel	16,114,996	15,568,633	17,285,258	17,537,850	18,414,743
Non-Personnel	15,008,853	16,254,519	16,367,079	16,366,079	16,366,079
Capital Improvements	28,453	136,937	1,502,800	746,600	746,600
Indirect Costs	1,960,604	1,892,664	2,314,234	2,314,559	2,314,559
Annual Surplus/Shortfall	988,668	4,788,572	131,412	745,150	999,565
Ending Balance	779,076	5,567,648	5,699,060	6,444,210	7,443,775

Revenue Assumptions

- FY 2016 & FY 2017 Adopted Revenues include a 3% rate increase per year.

Expenditures Assumptions

- FY 2016 & FY 2017 Adopted Personnel includes no COLA and updated benefit rates.
- FY 2016 Capital Improvements increases by \$728,676 for transfer station projects.
- FY 2018 Projected Personnel assumes a 5% increase for salary and benefit costs.

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 \$6.5 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 started to increase beginning in FY 2015 due to the addition of revenues from the goBerkeley Program.

Fund Forecast

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
	Actual	Actual	Adopted	Adopted	Projected
Beginning Balance	1,780,737	3,226,231	5,241,571	5,593,383	6,462,254
Revenues	8,052,253	9,557,936	9,191,713	9,191,713	9,191,713
Program Revenues	8,052,253	9,557,936	9,191,713	9,191,713	9,191,713
Expenditures	6,606,759	7,542,596	8,839,901	8,322,842	8,092,766
Personnel	3,762,833	3,984,309	4,331,082	4,398,487	4,618,411
Non-Personnel	1,838,926	1,679,815	2,427,010	2,427,010	2,427,010
TXFR to General Fund	1,005,000	1,006,675	1,026,809	1,047,345	1,047,345
TXFR to Off-Street Parking Fund		239,544	700,000		
goBerkeley Expenditures		632,253	355,000	450,000	
Annual Surplus/Shortfall	1,445,494	2,015,340	351,812	868,871	1,098,947
Ending Balance	3,226,231	5,241,571	5,593,383	6,462,254	7,561,201

Revenue Assumptions

- FY 2014 Actual & FY 2015 Actual included revenues from the goBerkeley Pilot Program.
- FY 2016 & FY 2017 Adopted continues the goBerkeley Program in the pilot areas.

Expenditures Assumptions

- FY 2016 & FY 2017 Adopted Personnel includes no COLA, updated benefit rates, and shifts 4 FTE Parking Enforcement Officer position from the General Fund to Parking Meter Fund.
- FY 2016 & FY 2017 Adopted Non-Personnel adds \$280,000 for bank credit card fees and \$355,000 (FY 2016) and \$450,000 (FY 2017) for machinery and equipment for multi-space pay station meter upgrades.
- FY 2016 Adopted Expenditures includes a transfer to the Off-Street Parking Fund to support the Center Street Garage.
- FY 2018 Projected Personnel assumes a 5% increase for salary and benefit costs.

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, the fund has been operating at a deficit for several years, and has been spending down the fund reserve annually to cover increasing operations costs and to fund needed capital and major maintenance work.

Fund Forecast

	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted	FY 2018 Projected
Beginning Balance	1,447,309	1,552,131	2,709,366	2,132,893	1,511,203
Revenues	5,478,724	6,229,043	5,311,066	5,311,066	5,483,994
Berth Rentals	3,529,904	3,500,127	3,458,566	3,458,566	3,631,494
Marina Leases	1,385,943	2,165,804	1,335,000	1,335,000	1,335,000
Interest	1,214	2,104	2,500	2,500	2,500
Other Fees	561,663	561,008	515,000	515,000	515,000
Expenditures	5,373,902	5,071,808	5,887,539	5,932,756	5,905,002
Personnel	3,189,024	2,915,702	3,278,588	3,323,812	3,456,764
Non-Personnel	1,425,050	1,478,846	1,717,207	1,717,207	1,717,207
Capital Improvements	113,396	30,828	245,312	245,312	245,312
Debt Service	646,432	646,432	646,432	646,425	485,719
Annual Surplus/Shortfall	104,822	1,157,235	-576,473	-621,690	-421,008
Ending Balance	1,552,131	2,709,366	2,132,893	1,511,203	1,090,195

Revenue Assumptions

- FY 2016 & FY 2017 Adopted Revenues do not include fee increases approved by the City Council on May 26, 2015.

Expenditures Assumptions

- FY 2016 & FY 2017 Adopted Personnel includes no COLA and updated benefit rates.
- FY 2018 Projected Personnel assumes a 5% increase for salary and benefit costs.

FY 2016 AND FY 2017 POSITION CHANGES SUMMARY DETAIL

	City Attorney	City Auditor	City Clerk	City Manager	OED	Finance	Fire	HHCS	HR	IT	Library	Planning	Police	PRC	PRW	PW	Total
FY 2016 Position Reductions																	
Camps Manager															(1.13)		(1.13)
Landscape Architect															(1.00)		(1.00)
Marina Assistant															(1.00)		(1.00)
FY 2016 Reductions Total															(3.13)		(3.13)
FY 2017 Position Reductions																	
None																	
FY 2017 Reductions Total																	
Total FY 2016 & 2017 Reductions															(3.13)		(3.13)
FY 2016 New Positions/Reallocations																	
Associate Civil Engineer															1.00		1.00
Janitor															1.00	1.00	2.00
FY 2016 Position Adds Total															1.00	1.00	2.00
FY 2017 New Positions/Reallocations																	
None																	
FY 2017 Position Adds Total																	
Total FY 2016 & 2017 New Positions															1.00	1.00	2.00
FY 2016 Hourly Reductions																	
None																	
FY 2016 Hourly Reductions Total																	
FY 2017 Hourly Reductions																	
None																	
FY 2017 Hourly Reductions Total																	
Total FY 2016 & 2017 Hourly Reductions																	
FY 2016 New Hourly Positions																	
None																	
FY 2016 New Hourly Positions																	
None																	
FY 2017 New Hourly Positions																	
None																	
Total FY 2016 & 2017 Hourly Adds																	
TOTAL FY 2016 & 2017 POSITION CHANGES															(2.13)	1.00	(1.13)

Full Time Position Summary

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
City Attorney	12.00	12.00	12.00	12.00	12.00
City Auditor	13.00	13.00	13.00	13.50	13.50
City Clerk	10.00	10.00	9.78	9.78	9.78
City Manager	27.50	27.50	27.50	27.50	27.50
Economic Development	5.85	5.85	5.85	5.85	5.85
Finance	47.00	45.00	45.00	45.00	45.00
Fire Department	139.75	140.00	140.00	140.00	140.00
Health, Housing & Community Services ^(a)	216.80	209.96	207.06	214.78	214.78
Human Resources	20.00	20.00	20.00	20.00	20.00
Information Technology	38.50	37.50	40.50	40.50	40.50
Library	109.18	111.78	113.10	113.28	113.28
Mayor and Council	12.00	12.00	12.00	12.00	12.00
Parks, Recreation & Waterfront	153.33	150.48	150.48	148.10	148.10
Planning ^(a)	58.05	66.30	70.00	76.50	76.50
Police Department	281.20	279.20	279.20	275.20	275.20
Police Review Commission	3.00	3.00	3.00	3.00	3.00
Public Works	287.60	285.60	289.60	292.60	292.60
Rent Board	21.95	20.45	19.75	20.60	20.60
FTE Total	1456.71	1449.62	1457.82	1470.19	1470.19

*It should be noted that the FTE totals may not include all hourly FTEs and may vary. Changes that have occurred during FY 2015 are reflected in the FY 2016 Proposed Update figures.

(a) Effective FY 2014, Rental Housing Safety Program (6.0 FTEs) moved from Health, Housing & Community Services to Planning Department

FY 2016 & FY 2017 POSITION SUMMARY BY DEPARTMENT

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 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 III	6.00	6.00	6.00	6.00	6.00
Legal Office Supervisor	1.00	1.00	1.00	1.00	1.00
Paralegal	1.00	1.00	1.00	1.00	1.00
Senior Legal Secretary	2.00	2.00	2.00	2.00	2.00
TOTAL CITY ATTORNEY	12.00	12.00	12.00	12.00	12.00
CITY AUDITOR'S OFFICE					
Accounting Office Specialist III	1.00	1.00	1.00	1.50	1.50
Accounting Technician	2.00	2.00	2.00	2.00	2.00
Administrative Assistant	1.00	1.00	1.00	1.00	1.00
Audit Manager	1.00	1.00	1.00	1.00	1.00
Auditor I	1.00	1.00	1.00	1.00	1.00
Auditor II	3.00	3.00	3.00	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	13.00	13.00	13.00	13.50	13.50
CITY CLERK'S OFFICE					
Assistant City Clerk	1.00	1.00	1.00	1.00	1.00
Assistant Management Analyst	2.00	2.00	1.78	1.78	1.78
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
Office Specialist III	3.00	3.00	3.00	2.00	2.00
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	10.00	10.00	9.78	9.78	9.78
CITY MANAGER'S OFFICE					
Administrative Assistant	2.00	2.00	2.00	2.00	2.00
Administrative Hearing Examiner	0.50	0.50	0.50	0.50	0.50
Animal Control Officer	4.00	4.00	4.00	4.00	4.00
Animal Services Assistants	3.00	3.00	3.00	3.00	3.00
Animal Services Manager	1.00	1.00	1.00	1.00	1.00
Assistant Planner	1.00	1.00	1.00	1.00	1.00
Assistant to the City Manager	1.00	2.00	2.00	2.00	2.00
Associate Management Analyst	2.00	2.00	2.00	2.00	2.00
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	2.00	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

FY 2016 & FY 2017 POSITION SUMMARY BY DEPARTMENT

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
Deputy City Manager	1.00	1.00	1.00	1.00	1.00
Office Specialist II	1.00	1.00	1.00	1.00	1.00
Office Specialist III	1.00	1.00	1.00	1.00	1.00
Secretary to the City Manager	1.00	1.00	1.00	1.00	1.00
Senior Management Analyst	3.00	2.00	2.00	2.00	2.00
TOTAL CITY MANAGER'S OFFICE	27.50	27.50	27.50	27.50	27.50

OFFICE OF ECONOMIC DEVELOPMENT

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	0.00	0.00	0.00	0.00
Community Services Specialist III		0.85	0.85	0.85	0.85
Economic Development Project Coordinator	1.00	1.00	1.00	1.00	1.00
Manager of Economic Development	1.00	1.00	1.00	1.00	1.00
Office Specialist III	1.00	1.00	1.00	1.00	1.00
TOTAL OFFICE OF ECONOMIC DEVELOPMENT	5.85	5.85	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	3.00	3.00	3.00	3.00	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	1.00
Administrative Secretary	1.00	1.00	1.00	1.00	1.00
Assistant Management Analyst			1.00	1.00	1.00
Associate Management Analyst	1.00	1.00	1.00	1.00	1.00
Buyer	1.00	1.00	1.00	1.00	1.00
Central Services Aide	1.00	1.00	1.00	0.00	0.00
Contract Administrator	1.00	0.00	0.00	0.00	0.00
Customer Service Supervisor	1.00	1.00	1.00	1.00	1.00
Director of Finance	1.00	1.00	1.00	1.00	1.00
Field Representative	4.00	4.00	3.00	3.00	3.00
General Services Manager	1.00	1.00	1.00	1.00	1.00
Mail Services Aide				1.00	1.00
Office Specialist II	12.00	11.00	11.00	11.00	11.00
Office Specialist III	2.00	2.00	1.00	1.00	1.00
Revenue Collection Manager	2.00	2.00	2.00	1.00	1.00
Revenue Development Specialist	1.00	1.00	1.00		0.00
Revenue Development Specialist II				1.00	1.00
Revenue Development Supervisor			1.00	1.00	1.00
Senior Accountant	3.00	3.00	3.00	4.00	4.00
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	47.00	45.00	45.00	45.00	45.00

FIRE DEPARTMENT

Accounting Office Specialist III	3.75	3.00	3.00	3.00	3.00
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FY 2016 & FY 2017 POSITION SUMMARY BY DEPARTMENT

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
Administrative & Fiscal Services Manager	1.00	1.00	1.00	1.00	1.00
Administrative Secretary	1.00	1.00	1.00	1.00	1.00
Assistant Fire Chief	5.00	4.00	2.00	3.00	3.00
Associate Management Analyst	1.00	1.00	1.00	1.00	1.00
Battalion Chief	1.00	2.00	2.00	2.00	2.00
Deputy Fire Chief	1.00	1.00	2.00	1.00	1.00
Deputy Fire Marshal	1.00	1.00	1.00	1.00	1.00
Emergency Services Coordinator	1.00	2.00	2.00	2.00	2.00
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	11.00	0.00	0.00
Fire Captain I/II				29.00	29.00
Fire Chief	1.00	1.00	1.00	1.00	1.00
Fire Lieutenant	19.00	19.00	19.00	0.00	0.00
Fire Marshal				1.00	1.00
Fire Prevention Inspector (Sworn)	1.00	1.00	1.00	1.00	1.00
Fire Prevention Inspector (Civilian)	1.00	1.00	1.00	1.00	1.00
Firefighter	52.00	52.00	52.00	52.00	52.00
Office Specialist II				1.00	1.00
Office Specialist III	3.00	3.00	3.00	2.00	2.00
Paramedic Supervisor I	3.00	3.00	3.00	3.00	3.00
TOTAL FIRE DEPARTMENT	139.75	140.00	140.00	140.00	140.00

HEALTH, HOUSING & COMMUNITY SERVICES

Career Employees:

Accountant I	1.00	1.00	1.00	1.00	1.00
Accounting Office Specialist III	3.00	3.00	3.00	3.00	3.00
Administrative & Fiscal Services Manager		1.00	1.00	1.00	1.00
Administrative Assistant	0.00	0.00	0.00		
Administrative Secretary	1.00	1.00	1.00	1.00	1.00
Assistant Architect	1.00	1.00	1.00	1.00	1.00
Assistant Environmental Health Specialist		1.00	1.00		
Assistant Management Analyst	2.00	2.00	2.00	2.00	2.00
Assistant Mental Health Clinician	3.00	2.90	3.00	6.00	6.00
Associate Management Analyst	5.00	6.00	6.00	6.00	6.00
Associate Planner	1.00	1.00	1.00	1.00	1.00
Behavioral Health Clinician II				22.30	22.30
Clinical Psychologist	0.50	1.00	1.00	0.50	0.50
Comm Services Specialist II	2.00				
Community Development Project Coordinator	3.00	2.00	2.00	3.00	3.00
Community Health Worker	3.00	2.00	2.00	3.00	3.00
Community Health Worker Specialist	10.50	9.80	9.80	9.80	9.80
Community Services & Admin Manager	1.00	0.00	0.00		
Community Service Specialist I	6.00	6.00	6.00	6.00	6.00
Community Services Specialist II	1.00	3.00	3.00	4.00	4.00
Community Services Specialist III	1.00	1.00	1.00	2.00	2.00
Deputy Director of Health, Housing & Community Services	1.00	1.00	1.00	1.00	1.00
Director of Health, Housing & Community Services	1.00	1.00	1.00	1.00	1.00
Employment Program Administrator	1.00	1.00	1.00	1.00	1.00
Environmental Health Supervisor				1.00	1.00
Health Nutrition Program Coordinator	1.00	1.00	1.00	1.00	1.00
Health Officer (Certified)	1.00	1.00	1.00	1.00	1.00

FY 2016 & FY 2017 POSITION SUMMARY BY DEPARTMENT

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
Health Planning, Education & Promotion Supervisor	1.00	1.00	1.00	1.00	1.00
Health Services Program Specialist	5.70	7.00	7.00	7.50	7.50
Health Services Supervisor	2.00	2.00	2.00	2.00	2.00
Housing Inspector	1.00	0.00	0.00		
Housing Inspector (Certified)	3.00	1.00	1.00	1.00	1.00
Housing Inspector Supervisor	1.00	0.00	0.00		
Housing Services Manager	1.00	0.00	0.00		
Manager of Aging Services	1.00	1.00	1.00	1.00	1.00
Manager of Environmental Health	1.00	1.00	1.00	1.00	1.00
Manager of Housing and Community Services		1.00	1.00	1.00	1.00
Manager of Mental Health Services	1.00	1.00	1.00	1.00	1.00
Manager, Family Health & Nursing Services	1.00	1.00	1.00	1.00	1.00
Mealsite Coordinator	0.50	0.50	0.50	1.00	1.00
Mental Health Clinical Supervisor	5.00	5.00	5.00	3.00	3.00
Mental Health Clinician I	0.00	0.00	0.00		
Mental Health Clinician II	6.30	6.30	6.30		
Mental Health Program Supervisor	4.00	4.00	4.00	4.00	4.00
Mid-Level Practitioner	1.20	1.20	1.20	1.60	1.60
Mini Bus Driver	1.60	2.00	2.00	2.00	2.00
Office Specialist II	17.80	16.80	16.80	17.00	17.00
Office Specialist III	7.00	5.00	5.00	5.00	5.00
Office Specialist Supervisor	1.00	1.00	1.00	1.00	1.00
Psychiatric Social Worker I	0.00	0.00	0.00		
Psychiatric Social Worker II	12.60	11.60	10.60		
Psychiatrist II & III	2.10	2.10	2.10	1.50	1.50
Psychiatrist Supervisor	1.00	1.00	1.00	1.00	1.00
Public Health Nurse	10.35	10.35	9.35	9.65	9.65
Registered Environmental Health Specialist	5.00	5.00	5.00	6.00	6.00
Registered Nurse	2.90	2.90	2.90	2.90	2.90
Senior Accountant	1.00				
Senior Behavioral Health Clinician				4.00	4.00
Senior Citizen Center Director	2.00	2.00	2.00	2.00	2.00
Senior Community Development Project Coordinator		1.00	1.00	1.00	1.00
Senior Community Health Specialist	2.00	3.00	3.00	3.00	3.00
Senior Environmental Health Specialist	2.00	2.00	2.00	1.00	1.00
Senior Health Management Analyst	1.00	1.00	1.00	1.00	1.00
Senior Health Services Program Specialist	2.80	2.80	2.80	2.80	2.80
Senior Management Analyst	3.00	3.00	3.00	2.00	2.00
Senior Mental Health Clinician	1.00				
Senior Psychiatric Social Worker	1.00	2.00	2.00		
Senior Public Health Nurse	1.00	0.00	0.00		
Senior Service Aide	0.80				
Senior Service Assistant	3.75	3.75	3.75	3.75	3.75
Senior Weatherization Worker	0.00				
Supervising Public Health Nurse	1.00	2.00	2.00	2.00	2.00
Vector Control Technician	3.00	2.00	1.00	1.00	1.00
Weatherization Worker	0.00				
Total Career Employees	172.40	165.00	162.10	174.30	174.30
Hourly Employees:					
Clinical Psychologist	1.00	0.60	0.60	-	-
Community Services Specialist I & II	0.50	0.50	0.50	-	-
Intern	2.00	2.00	2.00	2.00	2.00

FY 2016 & FY 2017 POSITION SUMMARY BY DEPARTMENT

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
Mealsite Coordinator	1.00	1.00	1.00	-	-
Behavioral Health Clinician I & II	2.00	2.00	2.00	2.00	2.00
Mid-Level Practitioner	3.50	3.50	3.50	3.50	3.50
Mini Bus Driver	1.50	1.50	1.50	0.20	0.20
Physician	0.20	0.20	0.20	0.20	0.20
Psychiatric Social Worker I & II	1.00	1.00	1.00	-	-
Psychiatrist II & III	1.00	1.00	1.00	0.48	0.48
Public Health Program Physician	0.20	0.20	0.20	-	-
Registered Environmental Health Specialist				0.40	0.40
Senior Nutrition Program Supervisor	0.50	0.50	0.50	0.43	0.43
Senior Registered Environmental Health Specialist				0.46	0.46
Senior Service Aide	3.50	4.46	4.46	3.88	3.88
Senior Service Assistant	0.48	0.48	0.48	0.91	0.91
Youth Enrollee Intern	26.02	26.02	26.02	26.02	26.02
Total Hourly Employees	44.40	44.96	44.96	40.48	40.48

TOTAL HEALTH, HOUSING & COMMUNITY SERVICES	216.80	209.96	207.06	214.78	214.78
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HUMAN RESOURCES

Administrative Secretary	1.00	1.00	1.00	1.00	1.00
Associate Human Resources Analyst	2.00	2.00	3.00	3.00	3.00
Benefits Specialist	1.00	1.00	0.00	0.00	0.00
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	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	3.00	3.00	3.00	3.00	3.00
Office Specialist III	2.00	2.00	2.00	2.00	2.00
Senior Human Resources Analyst	1.00	1.00	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

TOTAL HUMAN RESOURCES	20.00	20.00	20.00	20.00	20.00
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INFORMATION TECHNOLOGY

Accounting Office Specialist Supervisor					
Accounting Office Specialist III	1.00	1.00	0.00	0.00	0.00
Administrative Assistant			1.00	1.00	1.00
Applications Programmer/Analyst I	1.00	1.00	2.50	2.50	2.50
Applications Programmer/Analyst II	9.50	9.50	11.00	11.00	11.00
Customer Service Specialist III	8.00	8.00	8.00	8.00	8.00
Customer Service Manager	1.00	1.00	1.00	1.00	1.00
Customer Service Supervisor	1.00	1.00	1.00	1.00	1.00
Director of Information Technology	1.00	1.00	1.00	1.00	1.00
Information Systems Manager	1.00	1.00	1.00	1.00	1.00
Information Systems Specialist	5.00	5.00	5.00	5.00	5.00
Information Systems Support Technician	2.00	2.00	2.00	2.00	2.00
Office Specialist II	1.00	0.00	0.00	0.00	0.00
Senior Information Systems Specialist	3.00	3.00	3.00	3.00	3.00

FY 2016 & FY 2017 POSITION SUMMARY BY DEPARTMENT

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
Senior Systems Analyst	4.00	4.00	4.00	4.00	4.00
TOTAL INFORMATION TECHNOLOGY	38.50	37.50	40.50	40.50	40.50
LIBRARY SERVICES					
Career Employees:					
Accounting Office Specialist III	2.00	2.00	2.00	2.00	2.00
Accounting Office Specialist Supervisor	-	-	-	-	-
Administrative & Fiscal Services Manager	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	1.00	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	-	-
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	2.00	2.00	2.00	3.00	3.00
Information Systems Support Technician	1.00	1.00	1.00	1.00	1.00
Librarian I/II	19.10	19.30	21.30	21.30	21.30
Library Aide	17.25	17.00	13.50	14.00	14.00
Library Assistant	14.50	14.50	14.25	14.25	14.25
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	2.00	2.00	2.00	2.00	2.00
Library Specialist I	3.00	3.00	3.00	3.00	3.00
Library Specialist II	13.30	14.20	12.95	13.55	13.55
Mail Services Aide				1.75	1.75
Office Specialist II	1.00	1.00	1.00	1.00	1.00
Senior Building Maintenance Supervisor			1.00	1.00	1.00
Senior Librarian	2.00	2.00	2.00	2.00	2.00
Supervising Librarian	7.00	7.00	7.00	7.00	7.00
Supervising Library Assistant	9.00	9.00	9.00	9.00	9.00
Tool Lending Specialist	2.08	2.08	2.10	2.10	2.10
Total Career Employees	106.98	107.83	105.85	107.95	107.95
Hourly Employees:					
Library Aides			2.25	1.13	1.13
Library Page	1.40	3.15	4.20	4.20	4.20
Youth Enrollees	0.80	0.80	0.80	0.00	0.00
Total Hourly Employees	2.20	3.95	7.25	5.33	5.33
TOTAL LIBRARY SERVICES	109.18	111.78	113.10	113.28	113.28
MAYOR & COUNCIL					
Assistant to Mayor	3.00	2.00	2.00	2.00	2.00
Secretary to Mayor					
Administrative Secretary					
Legislative Aides	9.00	10.00	10.00	10.00	10.00
TOTAL MAYOR AND COUNCIL	12.00	12.00	12.00	12.00	12.00

FY 2016 & FY 2017 POSITION SUMMARY BY DEPARTMENT

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
PARKS RECREATION & WATERFRONT					
Career Employees:					
Accounting Office Specialist III	3.00	3.00	3.00	3.00	3.00
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
Aquatics Facilities Supervisor	2.00	2.00	2.00	2.00	2.00
Aquatics Specialist II	0.50	0.50	0.50	0.50	0.50
Assistant Recreation Coordinator	3.50	4.00	4.00	3.75	3.75
Associate Civil Engineer				1.00	1.00
Building Maintenance Mechanic	9.00	9.00	9.00	9.00	9.00
Building Maintenance Supervisor	2.00	1.00	1.00	1.00	1.00
Camps Manager	1.38	1.13	1.13	0.00	0.00
Community Services Specialist III	1.00	1.00	1.00	1.00	1.00
Deputy Director of Parks Recreation & Waterfront	1.00	1.00	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
Landscape Architect	1.00	1.00	1.00	0.00	0.00
Landscape Equipment Operator	4.00	4.00	4.00	4.00	4.00
Landscape Gardener	19.00	15.00	15.00	15.00	15.00
Landscape Gardener Supervisor	6.00	4.00	4.00	4.00	4.00
Marina Assistant	4.00	4.00	4.00	3.00	3.00
Office Specialist II	4.00	4.00	4.00	4.00	4.00
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.	7.85	7.25	7.25	7.25	7.25
Recreation Coordinator	6.00	5.00	5.00	5.00	5.00
Recreation Program Supervisor	2.00	3.00	3.00	3.00	3.00
Rosarian	1.00	1.00	1.00	1.00	1.00
Senior Building Maintenance Supervisor		1.00	1.00	1.00	1.00
Senior Forestry Climber	3.00	3.00	3.00	3.00	3.00
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		3.00	3.00	3.00	3.00
Senior Landscape Gardener Supervisor	1.00	1.00	1.00	1.00	1.00
Senior Management Analyst	2.00	2.00	2.00	2.00	2.00
Sports Official	1.50	2.00	2.00	2.00	2.00
Waterfront Manager	1.00	1.00	1.00	1.00	1.00
Total Career Employees	101.73	98.88	98.88	96.50	96.50
Hourly Employees:					
Aquatics Specialist I	3.00	3.00	3.00	3.00	3.00
Aquatics Specialist II	3.00	3.00	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

FY 2016 & FY 2017 POSITION SUMMARY BY DEPARTMENT

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
Cashier Attendant	0.50	0.50	0.50	0.50	0.50
Lifeguard/Swim Instructor	0.00	0.00	0.00	0.00	0.00
Office Specialist II	0.00	0.00	0.00	0.00	0.00
Playground Lead Trainee	1.50	1.50	1.50	1.50	1.50
Recreation Activity Leader	19.00	19.00	19.00	19.00	19.00
Sports Official	2.00	2.00	2.00	2.00	2.00
Sports Field Monitor	1.00	1.00	1.00	1.00	1.00
Vegetation Reduction Supervisor	0.35	0.35	0.35	0.35	0.35
Total Hourly Employees	51.60	51.60	51.60	51.60	51.60
TOTAL PARKS REC & WATERFRONT	153.33	150.48	150.48	148.10	148.10

PLANNING DEPARTMENT

Career Employees:

Accounting Office Specialist II				1.00	1.00
Accounting Office Specialist III	1.00	1.00	1.00	1.00	1.00
Administrative Secretary	1.00	1.00	1.00	1.00	1.00
Assistant Building & Safety Manager			1.00	1.00	1.00
Assistant Management Analyst			1.00	1.00	1.00
Assistant Planner	2.00	2.00	2.70	3.00	3.00
Associate Management Analyst	2.00	2.00	2.00	3.00	3.00
Associate Planner	4.00	4.00	4.00	6.00	6.00
Building and Safety Manager	1.00	1.00	1.00	1.00	1.00
Building Inspector I (certified)	1.00	0.00	0.00	0.00	0.00
Building Inspector II	1.00	1.00	1.00	1.00	1.00
Building Inspector II (certified)	3.00	4.00	4.00	5.00	5.00
Building Plans Engineer				1.00	1.00
Building Plans Examiner				1.00	1.00
Community Services Specialist I	0.50	0.50	0.50	0.60	0.60
Community Services Specialist II	1.00	0.00	0.00	0.00	0.00
Community Services Specialist III	0.85	2.85	2.85	2.70	2.70
Deputy Director of Planning	1.00	1.00	0.00	0.00	0.00
Director of Planning	1.00	1.00	1.00	1.00	1.00
Energy Officer	0.70	0.70	0.70	0.70	0.70
Engineering Inspector	1.00	1.00	1.00	1.00	1.00
Hazardous Material Manager	1.00	1.00	1.00	1.00	1.00
Hazardous Material Specialist II	4.00	4.00	4.00	4.00	4.00
Housing Inspector		1.00	1.00	1.00	1.00
Housing Inspector (Certified)		2.00	2.00	2.00	2.00
Housing Inspector Supervisor		1.00	1.00	1.00	1.00
Land Use Planning Manager	1.00	1.00	1.00	1.00	1.00
Office Specialist II	4.50	5.50	5.50	5.50	5.50
Office Specialist III	3.00	4.00	4.00	4.00	4.00
Permit Center Coordinator	1.00	1.00	1.00	1.00	1.00
Permit Specialist	4.00	5.00	5.00	5.00	5.00
Principal Planner	2.00	2.00	2.00	4.00	4.00
Senior Building Inspector	1.00	1.00	2.00	2.00	2.00
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	1.00	1.00	2.00	1.00	1.00
Senior Permit Specialist	1.00	1.00	1.00	1.00	1.00
Senior Planner	3.50	3.75	3.75	2.00	2.00
Supervising Building Inspector	1.00	1.00	1.00	1.00	1.00

FY 2016 & FY 2017 POSITION SUMMARY BY DEPARTMENT

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
Total Career Employees	53.05	61.30	65.00	71.50	71.50
Hourly Employees:					
Intern	5.00	5.00	5.00	5.00	5.00
TOTAL PLANNING DEPARTMENT	58.05	66.30	70.00	76.50	76.50

POLICE DEPARTMENT

Career Employees:

Administrative & Fiscal Services Manager	0.00	0.00	0.00	1.00	1.00
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
Communications Manager	1.00	1.00	1.00	1.00	1.00
Community Service Officer	16.00	15.00	15.00	15.00	15.00
Community Service Officer Supervisor	4.00	4.00	4.00	4.00	4.00
Crime Analyst	1.00	1.00	1.00	1.00	1.00
Crime Scene Supervisor	1.00	1.00	1.00	1.00	1.00
Office Specialist II	6.00	6.00	6.00	6.00	6.00
Office Specialist III	4.00	4.00	4.00	4.00	4.00
Office Specialist Supervisor	1.00	1.00	1.00	1.00	1.00
Parking Enforcement Manager		1.00	1.00	1.00	1.00
Parking Enforcement Representative	26.00	25.00	25.00	21.00	21.00
Parking Enforcement Supervisor	3.00	2.00	2.00	2.00	2.00
Police Captain	3.00	3.00	3.00	3.00	3.00
Police Chief	1.00	1.00	1.00	1.00	1.00
Police Lieutenant	9.00	9.00	9.00	9.00	9.00
Police Officer	133.00	133.00	133.00	133.00	133.00
Police Sergeant	30.00	30.00	30.00	30.00	30.00
Public Safety Business Manager	1.00	1.00	1.00	0.00	0.00
Public Safety Dispatcher II	28.00	28.00	28.00	28.00	28.00
Supervising Public Safety Dispatcher	4.00	4.00	4.00	4.00	4.00
Total Career Employees	275.00	273.00	273.00	269.00	269.00

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
School Crossing Guard	3.70	3.70	3.70	3.70	3.70
Total Hourly Employees:	6.20	6.20	6.20	6.20	6.20

TOTAL POLICE DEPARTMENT	281.20	279.20	279.20	275.20	275.20
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POLICE REVIEW COMMISSION

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	3.00	3.00	3.00	3.00	3.00

PUBLIC WORKS

Accounting Office Specialist III	4.00	4.00	4.00	4.00	4.00
Administrative & Fiscal Services Manager	1.00	1.00	1.00	1.00	1.00
Administrative Secretary	2.00	2.00	2.00	2.00	2.00

FY 2016 & FY 2017 POSITION SUMMARY BY DEPARTMENT

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
Architect	1.00	1.00	1.00	1.00	1.00
Assistant Architect	1.00	1.00	0.00	0.00	0.00
Assistant Civil Engineer (Reg)	4.00	4.00	4.00	4.00	4.00
Assistant Management Analyst	3.00	3.00	3.00	3.00	3.00
Assistant Plannner				1.00	1.00
Assistant Public Works Engineer	2.00	2.00	2.00	2.00	2.00
Assistant Traffic Engineer	2.00	1.00	1.00	1.00	1.00
Associate Civil Engineer	4.00	4.00	6.00	6.00	6.00
Associate Management Analyst	3.00	3.00	3.00	3.00	3.00
Associate Planner	1.60	1.60	1.60	1.60	1.60
Associate Traffic Engineer	1.00	1.00	1.00	1.00	1.00
Building Inspector II (Certified)	1.00	1.00	1.00	1.00	1.00
Building Maintenance Mechanic	6.00	6.00	5.00	5.00	5.00
Building Maintenance Supervisor			1.00	1.00	1.00
Chief of Party	2.00	2.00	2.00	2.00	2.00
Communications Technician	3.00	3.00	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	3.00	3.00	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	7.00	7.00	7.00	7.00
Engineering Inspector	6.00	6.00	5.00	5.00	5.00
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
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
Janitor	6.00	6.00	6.00	7.00	7.00
Janitor Supervisor	1.00	1.00	1.00	1.00	1.00
Laborer	20.00	20.00	20.00	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	8.00	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	4.00	4.00	4.00	4.00
Office Specialist III	4.00	4.00	4.00	4.00	4.00
Parking Meter Maint & Collection Suprv	1.00	1.00	1.00	1.00	1.00
Parking Meter Maintenance Worker	4.00	5.00	6.00	6.00	6.00
Parking Meter Mechanic	5.00	5.00	5.00	5.00	5.00
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	6.00	6.00	6.00	6.00	6.00
Real Property Administrator	1.00	0.00	0.00	0.00	0.00
Recycling Program Manager	1.00	1.00	1.00	1.00	1.00

FY 2016 & FY 2017 POSITION SUMMARY BY DEPARTMENT

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
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	2.00	3.00	3.00	3.00	3.00
Senior Planner				1.00	1.00
Senior Public Works Supervisor	2.00	2.00	2.00	2.00	2.00
Senior Solid Waste Supervisor	3.00	3.00	3.00	3.00	3.00
Service Technician	4.00	4.00	4.00	4.00	4.00
Sewer Maintenance Assistant Supervisor	7.00	7.00	7.00	7.00	7.00
Skilled Laborer	15.00	15.00	15.00	15.00	15.00
Solid Waste Loader Operator	2.00	2.00	2.00	2.00	2.00
Solid Waste Supervisor	3.00	3.00	3.00	3.00	3.00
Solid Waste Truck Driver	27.00	31.00	33.00	33.00	33.00
Solid Waste Worker	39.00	33.00	34.00	34.00	34.00
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 Engineer	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	6.00	6.00	6.00	6.00	6.00
Traffic Engineering Assistant	1.00	2.00	2.00	2.00	2.00
Traffic Maintenance Supervisor	1.00	1.00	1.00	1.00	1.00
Traffic Maintenance Worker I	3.00	3.00	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
Warehouse Operations Specialist	1.00	1.00	1.00	1.00	1.00
Weighmaster	3.00	3.00	3.00	3.00	3.00
Welder Mechanic	1.00	1.00	1.00	1.00	1.00

TOTAL PUBLIC WORKS	287.60	285.60	289.60	292.60	292.60
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RENT STABILIZATION BOARD

Administrative Staff Assistant	1.00	1.00	1.00	1.00	1.00
Assistant Management Analyst		1.00	1.00	1.00	1.00
Assistant Planner	1.00	1.00	0.00	0.00	0.00
Associate Management Analyst	1.60	1.60	1.75	1.60	1.60
Community Services Specialist I	1.50	1.00	1.00	-	-
Community Services Specialist II	4.00	3.00	3.00	4.00	4.00
Community Services Specialist III	1.00	1.00	1.00	1.00	1.00
Deputy Director Rent Stabilization Program	1.00	1.00	1.00	1.00	1.00
Executive Director Rent Board	1.00	1.00	1.00	1.00	1.00
Hearing Examiner			1.00	2.00	2.00
Office Specialist II	2.00	2.00	2.00	3.00	3.00
Office Specialist III	1.00	1.00	1.00	1.00	1.00
Senior Field Representative	1.00	0.00	0.00	0.00	0.00
Senior Hearing Examiner	1.85	1.85	1.00	0.00	0.00
Senior Legal Secretary	1.00	1.00	1.00	1.00	1.00
Staff Attorney I	2.00	2.00	2.00	2.00	2.00
Staff Attorney III	1.00	1.00	1.00	1.00	1.00

TOTAL RENT STABILIZATION BOARD	21.95	20.45	19.75	20.60	20.60
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TOTAL AUTHORIZED FTEs	1456.71	1449.62	1457.82	1470.19	1470.19
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FY 2016 & FY 2017 BUDGET BALANCING PLAN

The FY 2016 & FY 2017 Balancing Plan addresses the need to provide funding for potential cost of living increases for employees while at the same time reduces expenditures in certain special funds help them balance. The reductions spread across many departments and different funding sources and eliminates 1 position over the two years.

The Balancing Plan 2-Year total for the General Fund proposes \$1.2 million in measures through a combination of recurring cuts and new recurring revenues.

FY 2016 & FY 2017 Two-Year Balancing Plan for the General Fund (dollars in millions)

Balancing Plan	FY 2016	FY 2017	2- Year Total
Reductions	0.9	-	0.9
Revenues	0.3	-	0.3
Total Balancing Plan			1.2

The General Fund reductions are not expected to have any significant service impacts or result in the elimination of programs. At the same time, they provide a potential source of funds for a cost of living increase should labor negotiations result in one being approved.

At the start of the FY 2016 & FY 2017 Biennial Budget Process, there were several special funds that were going into deficit and needed to develop plans to address these shortfalls. The following chart details the significant reduction amounts made in these funds:

Significant Reductions to Special Funds

Fund	Name	Amount
330	Camps Fund	(278,966)
830	Sewer Fund	(170,772)
850	Building Purchases & Management	(122,285)
Total		\$572,023

The balancing measures in these funds were a combination of cost shifts to stronger and healthier funds and reductions in non-personnel expenditures. The Sewer Fund will be conducting a rate increase process over the next few months. In the meantime, capital expenditures in FY 2017 were reduced by \$2.6 million to balance the fund in the event the rate increase is not approved.

The Adopted Balancing Plan is summarized in the following charts over the next few pages:

- Summary by Department
- Summary by Fund

FY 2016 & FY 2017 BUDGET BALANCING PLAN

- Summary by Department and Fund
- Summary by Department and FTEs
- Number of Eliminated Career Positions by Service Area

Following these charts is an Impact Summary section providing a description of the reductions and changes by City service area. In developing their proposed reductions, departments were asked to address the following questions:

1. Are we increasing the risk of fraud by making this budget cut?
2. Will this budget cut hamper our ability to provide the best and most timely information we need for decision-making?
3. Does this budget cut impact our ability to provide oversight of grants, community agencies, vendors, and staff performance?

In providing the details about their reductions and changes, they were asked once again to provide answers to the questions above in these charts.

**FY 2016 And FY 2017 Adopted Balancing Measures
Summary by Department**

Department	FY 2016 FTE	FY 2016 Expense Amount	FY 2016 Revenue Amount	FY 2017 FTE	FY 2017 Expenditure Amount	FY 2017 Revenue Amount	Two Year Total
City Attorney Total	-	-	-	-	-	-	-
City Auditor Total	-	(20,923)	-	-	-	-	(20,923)
City Clerk Total	-	(18,551)	-	-	-	-	(18,551)
City Manager Total	-	-	-	-	-	-	-
Economic Development Total	-	(15,017)	-	-	-	-	(15,017)
Finance Total	-	(7,626)	46,204	-	-	-	(53,830)
Fire Total	-	(194,049)	-	-	-	-	(194,049)
Health Housing & Community Services Total	-	(26,493)	-	-	-	-	(26,493)
Human Resource Total	-	(17,998)	-	-	-	-	(17,998)
Information Technology Total	-	(51,069)	-	-	-	-	(51,069)
Parks, Recreation & Waterfront Total	(2.13)	(257,320)	-	-	-	-	(257,320)
Planning Total	-	-	-	-	-	-	-
Police Total	-	-	250,000	-	-	-	(250,000)
Public Works Total	1.00	3,459,644	633,140	-	1,100,150	991,487	2,986,488
Grand Total	(1.13)	2,850,598	929,344	-	1,100,150	991,487	2,081,238

**FY 2016 And FY 2017 Adopted Balancing Measures
Summary by Fund**

Fund	Fund Name	FY 2016 FTE	FY 2016 Expense Amount	FY 2016 Revenue Amount	FY 2017 FTE	FY 2017 Expenditure Amount	FY 2017 Revenue Amount	Two Year Total
10 Total	General Fund	-	(893,649)	296,204	-	-	-	(1,189,853)
55 Total	Health (General)	-	(22,416)	-	-	-	-	(22,416)
56 Total	Targeted Case Management	-	15,466	-	-	-	-	15,466
61 Total	Alameda County Tay Tip	-	(4,659)	-	-	-	-	(4,659)
65 Total	Health (Short/Doyle)	-	19,443	-	-	-	-	19,443
85 Total	Senior Nutrition (Title III)	-	3,005	-	-	-	-	3,005
86 Total	C.F.P Title X	-	(1,244)	-	-	-	-	(1,244)
150 Total	Vector Control Fund	-	(2,984)	-	-	-	-	(2,984)
165 Total	Alameda County Grants	-	(4,444)	-	-	-	-	(4,444)
178 Total	Family Care Support Program	-	(5,174)	-	-	-	-	(5,174)
330 Total	Camps Fund	(1.13)	(278,966)	-	-	-	-	(278,966)
369 Total	State Transportation Tax	-	138,949	(338,989)	-	(38,885)	-	439,053
391 Total	Measure B Local Streets and Roads	-	(8,685)	191,660	-	(38,885)	-	(239,230)
392 Total	Measure B Bike & Pedestrian	-	10,000	10,329	-	-	-	(329)
397 Total	Measure F Alameda County VRF Streets and Roads	-	-	49,344	-	-	-	(49,344)
450 Total	Parks Tax	-	108,844	-	-	-	-	108,844
470 Total	Street Light Assessment District	-	(375)	(229,283)	-	364,232	-	593,140
610 Total	Capital Improvement	-	(17,383)	-	-	-	-	33,938
805 Total	Shelter+Care HUD	-	5,981	-	-	-	-	5,981
820 Total	Zero Waste	-	846,812	927,260	-	(28,524)	954,324	(1,063,296)
825 Total	Marina Fund	(1.00)	(32,087)	-	-	-	-	(32,087)
830 Total	Sewer Fund	-	(170,772)	-	-	-	-	(170,772)
831 Total	Clean Storm Water	-	130,000	130,000	-	-	-	-
833 Total	Permit Service Center	-	452,516	-	-	-	-	452,516
835 Total	Off-Street Parking	-	1,557,237	-	-	180,420	-	1,737,657
840 Total	Parking Meter	-	845,175	-	-	450,000	-	1,295,175
850 Total	Building Purchases & Management	-	(122,285)	(107,181)	-	190,461	37,163	138,194
860 Total	Equipment Replacement	-	81,442	-	-	-	-	81,442
865 Total	Equipment Maintenance	-	109,959	-	-	-	-	109,959
866 Total	Building Maintenance	1.00	(22,203)	-	-	21,331	-	(872)
881 Total	Public Liability	-	39,270	-	-	-	-	39,270
958 Total	Health State Aid Realignment Trust	-	71,726	-	-	-	-	71,726
959 Total	Tobacco Control Trust	-	(7,855)	-	-	-	-	(7,855)
964 Total	Alameda Abandoned Vehicle Abatement Authority	-	12,190	-	-	-	-	12,190
967 Total	Bio-Terrorism Grant	-	(2,236)	-	-	-	-	(2,236)
Grand Total		(1.13)	2,850,598	929,344	-	1,100,150	991,487	2,081,238

**FY 2016 And FY 2017 Adopted Balancing Measures
Summary by Department and Fund**

Department	Fund	Fund Name	FY 2016 Expense Amount	FY 2016 Revenue Amount	FY 2017 FTE	FY 2017 Expenditure Amount	FY 2017 Revenue Amount	Two Year Total
	10 Total	General Fund	(39,270)	-	-	-	-	(39,270)
	881 Total	Public Liability	39,270	-	-	-	-	39,270
City Attorney Total			-	-	-	-	-	-
	10 Total	General Fund	(20,923)	-	-	-	-	(20,923)
City Auditor Total			(20,923)	-	-	-	-	(20,923)
	10 Total	General Fund	(18,551)	-	-	-	-	(18,551)
City Clerk Total			(18,551)	-	-	-	-	(18,551)
	10 Total	General Fund	(33,938)	-	-	-	-	(33,938)
	610 Total	Capital Improvement	33,938	-	-	-	-	33,938
City Manager Total			-	-	-	-	-	-
	10 Total	General Fund	(15,017)	-	-	-	-	(15,017)
Economic Development Total			(15,017)	-	-	-	-	(15,017)
	10 Total	General Fund	(7,626)	46,204	-	-	-	(53,830)
Finance Total			(7,626)	46,204	-	-	-	(53,830)
	10 Total	General Fund	(272,089)	-	-	-	-	(272,089)
	833 Total	Permit Service Center	78,040	-	-	-	-	78,040
Fire Total			(194,049)	-	-	-	-	(194,049)
	10 Total	General Fund	(106,275)	-	-	-	-	(106,275)
	55 Total	Health (General)	(22,416)	-	-	-	-	(22,416)
	56 Total	Targeted Case Management	15,466	-	-	-	-	15,466
	61 Total	Alameda County Tay Tip	(4,659)	-	-	-	-	(4,659)
	65 Total	Health (Short/Doyle)	19,443	-	-	-	-	19,443
	85 Total	Senior Nutrition (Title III)	3,005	-	-	-	-	3,005
	86 Total	C.F.P Title X	(1,244)	-	-	-	-	(1,244)
	150 Total	Vector Control Fund	(2,984)	-	-	-	-	(2,984)
	165 Total	Alameda County Grants	(4,444)	-	-	-	-	(4,444)
	178 Total	Family Care Support Program	(5,174)	-	-	-	-	(5,174)
	805 Total	Shelter+Care HUD	5,981	-	-	-	-	5,981
	830 Total	Sewer Fund	2,984	-	-	-	-	2,984
	958 Total	Health State Aid Realignment Trust	71,726	-	-	-	-	71,726
	959 Total	Tobacco Control Trust	(7,855)	-	-	-	-	(7,855)
	964 Total	Alameda Abandoned Vehicle Abatement Authority	12,190	-	-	-	-	12,190
	967 Total	Bio-Terrorism Grant	(2,236)	-	-	-	-	(2,236)
Health Housing & Community Services Total			(26,493)	-	-	-	-	(26,493)
	10 Total	General Fund	(17,998)	-	-	-	-	(17,998)
Human Resource Total			(17,998)	-	-	-	-	(17,998)
	10 Total	General Fund	(51,069)	-	-	-	-	(51,069)
Information Technology Total			(51,069)	-	-	-	-	(51,069)
	10 Total	General Fund	(55,111)	-	-	-	-	(55,111)
	330 Total	Camps Fund	(278,966)	-	-	-	-	(278,966)
	450 Total	Parks Tax Fund	108,844	-	-	-	-	108,844
	825 Total	Marina Fund	(32,087)	-	-	-	-	(32,087)
Parks, Recreation & Waterfront Total			(257,320)	-	-	-	-	(257,320)
	10 Total	General Fund	(18,607)	-	-	-	-	(18,607)
	833 Total	Permit Service Center	18,607	-	-	-	-	18,607
Planning Total			-	-	-	-	-	-
	10 Total	General Fund	(210,175)	250,000	-	-	-	(460,175)
	840 Total	Parking Meter	210,175	-	-	-	-	210,175
Police Total			-	250,000	-	-	-	(250,000)
	10 Total	General Fund	(27,000)	-	-	-	-	(27,000)
	369 Total	State Transportation Tax	138,949	(338,989)	-	(38,885)	-	439,053
	391 Total	Measure B Local Streets and Roads	(8,685)	191,660	-	(38,885)	-	(239,230)
	392 Total	Measure B Bike & Pedestrian	10,000	10,329	-	-	-	(329)
	397 Total	Measure F Alameda County VRF Streets and Roads	-	49,344	-	-	-	(49,344)
	470 Total	Street Light Assessment District	(375)	(229,283)	-	364,232	-	593,140
	610 Total	Capital Improvement	(51,321)	-	-	-	-	-
	820 Total	Zero Waste	846,812	927,260	-	(28,524)	954,324	(1,063,296)
	830 Total	Sewer Fund	(173,756)	-	-	-	-	(173,756)
	831 Total	Clean Storm Water	130,000	130,000	-	-	-	-
	833 Total	Permit Service Center	355,869	-	-	-	-	355,869
	835 Total	Off-Street Parking	1,557,237	-	-	180,420	-	1,737,657
	840 Total	Parking Meter	635,000	-	-	450,000	-	1,085,000
	850 Total	Building Purchases & Management	(122,285)	(107,181)	-	190,461	37,163	138,194
	860 Total	Equipment Replacement	81,442	-	-	-	-	81,442
	865 Total	Equipment Maintenance	109,959	-	-	-	-	109,959
	866 Total	Building Maintenance	(22,203)	-	-	21,331	-	(872)
Public Works Total			3,459,644	633,140	-	1,100,150	991,487	2,986,488
Grand Total			2,850,598	929,344	-	1,100,150	991,487	2,081,238

**FY 2016 And FY 2017 Adopted Balancing Measures
Summary by Department and FTEs**

Department	FY 2016 FTE	FY 2017 FTE
Parks, Recreation & Waterfront Total	(2.13)	-
Public Works Total	1.00	-
Grand Total	(1.13)	-

BUDGET IMPACT SUMMARIES

FIRE DEPARTMENT BUDGET IMPACT SUMMARY (FY 2016 & FY 2017)

PROPOSED CHANGES	PROGRAMATIC IMPACTS	ARE WE INCREASING THE RISK OF FRAUD BY MAKING THIS CUT? (Y/N)	WILL THIS BUDGET CUT HAMPER OUR ABILITY TO PROVIDE THE BEST AND MOST TIMELY INFORMATION WE NEED FOR DECISION MAKING? (Y/N)	DOES THIS BUDGET CUT IMPACT OUR ABILITY TO PROVIDE OVERSIGHT OF GRANTS, COMMUNITIES AGENCIES, VENDORS, AND STAFF PERFORMANCE? (Y/N)	LOOKING FORWARD: CORE PROGRAMMATIC ACTIVITIES
Reduce Fire Suppression Overtime Budget	Minimal Impact	N	N	N	The Fire Department will continue to provide comprehensive fire protection, emergency medical services, disaster preparedness, and rescue and other related services to the community.
Fire Prevention Inspector (Civilian) 50% Cost Share with Permit Service Center Fund	This will assume backup responsibilities at the Permit Service Center in the absence of the Fire & Life Safety Plans Checker.	N	N	N	This position will continue to provide fire prevention inspection services.

BUDGET IMPACT SUMMARIES

GENERAL GOVERNMENT BUDGET IMPACT SUMMARY (FY 2016 & FY 2017)

Includes: City Attorney, City Clerk, City Manager, Economic Development, Finance, Human Resources, and Information Technology

PROPOSED CHANGES	PROGRAMATIC IMPACTS	ARE WE INCREASING THE RISK OF FRAUD BY MAKING THIS CUT? (Y/N)	WILL THIS BUDGET CUT HAMPER OUR ABILITY TO PROVIDE THE BEST AND MOST TIMELY INFORMATION WE NEED FOR DECISION MAKING? (Y/N)	DOES THIS BUDGET CUT IMPACT OUR ABILITY TO PROVIDE OVERSIGHT OF GRANTS, COMMUNITIES AGENCIES, VENDORS, AND STAFF PERFORMANCE? (Y/N)	LOOKING FORWARD: CORE PROGRAMMATIC ACTIVITIES
City Attorney: Shift 25% of a Deputy City Attorney III from General Fund to the Public Liability Fund	No impact	N	N	N	The City Attorney's Office will continue to provide legal advice to minimize liability and ensure conformance to legal constraints.
City Clerk: Keep .78 FTE Assistant Management Analyst vacant	No impact	N	N	N	The City Clerk's Department hired an Assistant City Clerk in FY 2014 after the AMA became vacant. Filling the Assistant City Clerk position

BUDGET IMPACT SUMMARIES

GENERAL GOVERNMENT BUDGET IMPACT SUMMARY (FY 2016 & FY 2017)

Includes: City Attorney, City Clerk, City Manager, Economic Development, Finance, Human Resources, and Information Technology

PROPOSED CHANGES	PROGRAMATIC IMPACTS	ARE WE INCREASING THE RISK OF FRAUD BY MAKING THIS CUT? (Y/N)	WILL THIS BUDGET CUT HAMPER OUR ABILITY TO PROVIDE THE BEST AND MOST TIMELY INFORMATION WE NEED FOR DECISION MAKING? (Y/N)	DOES THIS BUDGET CUT IMPACT OUR ABILITY TO PROVIDE OVERSIGHT OF GRANTS, COMMUNITIES AGENCIES, VENDORS, AND STAFF PERFORMANCE? (Y/N)	LOOKING FORWARD: CORE PROGRAMMATIC ACTIVITIES
					will help ensure that the Clerk's Department will continue to provide oversight for legislative proceedings, elections, campaign finance and administration of the Records Management Program
City Manager: Cost shift 20% of an Associate Management Analyst from the General Fund to	No impact	N	N	N	The City Manager's Office will continue to build and maintain an effective City government organization; ensure the effective delivery

BUDGET IMPACT SUMMARIES

GENERAL GOVERNMENT BUDGET IMPACT SUMMARY (FY 2016 & FY 2017)

Includes: City Attorney, City Clerk, City Manager, Economic Development, Finance, Human Resources, and Information Technology

PROPOSED CHANGES	PROGRAMATIC IMPACTS	ARE WE INCREASING THE RISK OF FRAUD BY MAKING THIS CUT? (Y/N)	WILL THIS BUDGET CUT HAMPER OUR ABILITY TO PROVIDE THE BEST AND MOST TIMELY INFORMATION WE NEED FOR DECISION MAKING? (Y/N)	DOES THIS BUDGET CUT IMPACT OUR ABILITY TO PROVIDE OVERSIGHT OF GRANTS, COMMUNITIES AGENCIES, VENDORS, AND STAFF PERFORMANCE? (Y/N)	LOOKING FORWARD: CORE PROGRAMMATIC ACTIVITIES
the Capital Improvement Fund					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.
Economic Development: Reduce professional	Reduce ability to expand or initiate new	N	N	N	Economic Development will continue to expand employment

BUDGET IMPACT SUMMARIES

GENERAL GOVERNMENT BUDGET IMPACT SUMMARY (FY 2016 & FY 2017)

Includes: City Attorney, City Clerk, City Manager, Economic Development, Finance, Human Resources, and Information Technology

PROPOSED CHANGES	PROGRAMATIC IMPACTS	ARE WE INCREASING THE RISK OF FRAUD BY MAKING THIS CUT? (Y/N)	WILL THIS BUDGET CUT HAMPER OUR ABILITY TO PROVIDE THE BEST AND MOST TIMELY INFORMATION WE NEED FOR DECISION MAKING? (Y/N)	DOES THIS BUDGET CUT IMPACT OUR ABILITY TO PROVIDE OVERSIGHT OF GRANTS, COMMUNITIES AGENCIES, VENDORS, AND STAFF PERFORMANCE? (Y/N)	LOOKING FORWARD: CORE PROGRAMMATIC ACTIVITIES
services contracts for Economic Development & Sustainable Development Finance: Reallocate a 1.0 FTE Revenue Collection Manager to a Senior Accountant	marketing efforts and support local sustainable businesses. No impact	N	N	N	and business opportunities for Berkeley residents, entrepreneurs and property owners
		N	N	N	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.

BUDGET IMPACT SUMMARIES

GENERAL GOVERNMENT BUDGET IMPACT SUMMARY (FY 2016 & FY 2017)

Includes: City Attorney, City Clerk, City Manager, Economic Development, Finance, Human Resources, and Information Technology

PROPOSED CHANGES	PROGRAMATIC IMPACTS	ARE WE INCREASING THE RISK OF FRAUD BY MAKING THIS CUT? (Y/N)	WILL THIS BUDGET CUT HAMPER OUR ABILITY TO PROVIDE THE BEST AND MOST TIMELY INFORMATION WE NEED FOR DECISION MAKING? (Y/N)	DOES THIS BUDGET CUT IMPACT OUR ABILITY TO PROVIDE OVERSIGHT OF GRANTS, COMMUNITIES AGENCIES, VENDORS, AND STAFF PERFORMANCE? (Y/N)	LOOKING FORWARD: CORE PROGRAMMATIC ACTIVITIES
Human Resources: Reduce Non-Personnel expenditure	Reduction in expenditures	N	N	N	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.

BUDGET IMPACT SUMMARIES

GENERAL GOVERNMENT BUDGET IMPACT SUMMARY (FY 2016 & FY 2017)

Includes: City Attorney, City Clerk, City Manager, Economic Development, Finance, Human Resources, and Information Technology

PROPOSED CHANGES	PROGRAMATIC IMPACTS	ARE WE INCREASING THE RISK OF FRAUD BY MAKING THIS CUT? (Y/N)	WILL THIS BUDGET CUT HAMPER OUR ABILITY TO PROVIDE THE BEST AND MOST TIMELY INFORMATION WE NEED FOR DECISION MAKING? (Y/N)	DOES THIS BUDGET CUT IMPACT OUR ABILITY TO PROVIDE OVERSIGHT OF GRANTS, COMMUNITIES AGENCIES, VENDORS, AND STAFF PERFORMANCE? (Y/N)	LOOKING FORWARD: CORE PROGRAMMATIC ACTIVITIES
Information Technology: Eliminate 1.0 FTE Senior Systems Analyst	Higher level work will be allocated to the existing managers	N	N	N	The IT Department will continue to deliver innovative, secure, environmentally sound, and cost effective technologies to support City government and facilitate civic participation.
Reallocate 1.0 FTE Applications Programmer Analyst I to a 1.0	Allows for broader scope of complex work to be assigned to the position	N	N	N	

BUDGET IMPACT SUMMARIES

GENERAL GOVERNMENT BUDGET IMPACT SUMMARY (FY 2016 & FY 2017)

Includes: City Attorney, City Clerk, City Manager, Economic Development, Finance, Human Resources, and Information Technology

PROPOSED CHANGES	PROGRAMATIC IMPACTS	ARE WE INCREASING THE RISK OF FRAUD BY MAKING THIS CUT? (Y/N)	WILL THIS BUDGET CUT HAMPER OUR ABILITY TO PROVIDE THE BEST AND MOST TIMELY INFORMATION WE NEED FOR DECISION MAKING? (Y/N)	DOES THIS BUDGET CUT IMPACT OUR ABILITY TO PROVIDE OVERSIGHT OF GRANTS, COMMUNITIES AGENCIES, VENDORS, AND STAFF PERFORMANCE? (Y/N)	LOOKING FORWARD: CORE PROGRAMMATIC ACTIVITIES
FTE Applications Programmer Analyst II Add 1.0 FTE Applications Programmer Analyst II	Creates an opportunity to address backlog of delayed projects	N	N	N	A result of the reclassification and addition of the Applications Programmer Analyst II will enhance service of programmatic activities and offset any negative impact of the elimination of the Senior Systems Analyst.

BUDGET IMPACT SUMMARIES

HEALTH, HOUSING & COMMUNITY SERVICES BUDGET IMPACT SUMMARY (FY 2016 & FY 2017)

PROPOSED CHANGES	PROGRAMATIC IMPACTS	ARE WE INCREASING THE RISK OF FRAUD BY MAKING THIS CUT? (Y/N)	WILL THIS BUDGET CUT HAMPER OUR ABILITY TO PROVIDE THE BEST AND MOST TIMELY INFORMATION WE NEED FOR DECISION MAKING? (Y/N)	DOES THIS BUDGET CUT IMPACT OUR ABILITY TO PROVIDE OVERSIGHT OF GRANTS, COMMUNITIES AGENCIES, VENDORS, AND STAFF PERFORMANCE? (Y/N)	LOOKING FORWARD: CORE PROGRAMMATIC ACTIVITIES
Aging Services: Shift expenses to state and county funding sources	The increase in special funds will be used to absorb additional expenses rather than expand or strengthen services	N	N	N	
Environmental Health: Shift expenses to special fund balance	The balance that has been carried in a special fund will be close to depleted by the end of the two year cycle.	N	N	N	
Housing & Community Services: Reduction in professional services, shift to special fund and decrease in youth hours	The reduction in professional services will impact current staff that will be able to engage these services in fewer projects. The cut	N	N	N	

BUDGET IMPACT SUMMARIES

HEALTH, HOUSING & COMMUNITY SERVICES BUDGET IMPACT SUMMARY (FY 2016 & FY 2017)

PROPOSED CHANGES	PROGRAMATIC IMPACTS	ARE WE INCREASING THE RISK OF FRAUD BY MAKING THIS CUT? (Y/N)	WILL THIS BUDGET CUT HAMPER OUR ABILITY TO PROVIDE THE BEST AND MOST TIMELY INFORMATION WE NEED FOR DECISION MAKING? (Y/N)	DOES THIS BUDGET CUT IMPACT OUR ABILITY TO PROVIDE OVERSIGHT OF GRANTS, COMMUNITIES AGENCIES, VENDORS, AND STAFF PERFORMANCE? (Y/N)	LOOKING FORWARD: CORE PROGRAMMATIC ACTIVITIES
	will result in the reduction of approximately 1,000 hours of work for Youth Works participants. This will be achieved either through fewer participants or minimally fewer hours per participant.				
Public Health: Shift expenses to anticipated increase in special fund	Additional expected realignment revenue will be available to strengthen or expand existing programs.	N	N	N	
Mental Health: Shift expenses to anticipated increase in special fund	Additional expected revenue will be available to strengthen or expand existing programs.	N	N	N	

BUDGET IMPACT SUMMARIES

PARKS, RECREATION & WATERFRONT BUDGET IMPACT SUMMARY (FY 2016 & FY 2017)

PROPOSED CHANGES	PROGRAMATIC IMPACTS	ARE WE INCREASING THE RISK OF FRAUD BY MAKING THIS CUT? (Y/N)	WILL THIS BUDGET CUT HAMPER OUR ABILITY TO PROVIDE THE BEST AND MOST TIMELY INFORMATION WE NEED FOR DECISION MAKING? (Y/N)	DOES THIS BUDGET CUT IMPACT OUR ABILITY TO PROVIDE OVERSIGHT OF GRANTS, COMMUNITIES AGENCIES, VENDORS, AND STAFF PERFORMANCE? (Y/N)	LOOKING FORWARD: CORE PROGRAMMATIC ACTIVITIES
Major Maintenance and Capital Programs: Reallocate a Landscape Architect position to an Associate Civil Engineer	Increases the Department's capacity to manage large, complex capital & major maintenance projects, & leverage resources to complete priority work.	N	N	N	The Department has a substantial backlog of deferred maintenance of existing facilities. The recent passage of Measure F will increase funding available for both capital work and recurring maintenance activities.
Recreation Programs: Eliminate two vacant	Consolidates	N	N	N	The Department will continue

BUDGET IMPACT SUMMARIES

PARKS, RECREATION & WATERFRONT BUDGET IMPACT SUMMARY (FY 2016 & FY 2017)

PROPOSED CHANGES	PROGRAMATIC IMPACTS	ARE WE INCREASING THE RISK OF FRAUD BY MAKING THIS CUT? (Y/N)	WILL THIS BUDGET CUT HAMPER OUR ABILITY TO PROVIDE THE BEST AND MOST TIMELY INFORMATION WE NEED FOR DECISION MAKING? (Y/N)	DOES THIS BUDGET CUT IMPACT OUR ABILITY TO PROVIDE OVERSIGHT OF GRANTS, COMMUNITIES, AGENCIES, VENDORS, AND STAFF PERFORMANCE? (Y/N)	LOOKING FORWARD: CORE PROGRAMMATIC ACTIVITIES
Camp Manager positions	management and supervision of camp programs and responsibilities at the Recreation Program Supervisor level	N			to evaluate program structure as well as content, and work to strategically reduce overhead costs while maintaining direct service to camp program participants. During the planning and rebuilding of the Tuolumne Camp, the long-term staffing structure will be re-evaluated to best serve participant needs.
Decrease hourly staff costs for the Echo Lake camp programs	Camp programs have been reconfigured for the 2015 and 2016 summer seasons.	N	N	N	

BUDGET IMPACT SUMMARIES

PARKS, RECREATION & WATERFRONT BUDGET IMPACT SUMMARY (FY 2016 & FY 2017)

PROPOSED CHANGES	PROGRAMATIC IMPACTS	ARE WE INCREASING THE RISK OF FRAUD BY MAKING THIS CUT? (Y/N)	WILL THIS BUDGET CUT HAMPER OUR ABILITY TO PROVIDE THE BEST AND MOST TIMELY INFORMATION WE NEED FOR DECISION MAKING? (Y/N)	DOES THIS BUDGET CUT IMPACT OUR ABILITY TO PROVIDE OVERSIGHT OF GRANTS, COMMUNITIES, AGENCIES, VENDORS, AND STAFF PERFORMANCE? (Y/N)	LOOKING FORWARD: CORE PROGRAMMATIC ACTIVITIES
	Post camp assessments will be conducted to evaluate the impact on service delivery.				
To balance the Camps Fund, the Department has proposed several cost shifts.	The proposed cost shifts align administrative and supervisory costs with restructured camp program activities.	N	N	N	

BUDGET IMPACT SUMMARIES

PARKS, RECREATION & WATERFRONT BUDGET IMPACT SUMMARY (FY 2016 & FY 2017)

PROPOSED CHANGES	PROGRAMATIC IMPACTS	ARE WE INCREASING THE RISK OF FRAUD BY MAKING THIS CUT? (Y/N)	WILL THIS BUDGET CUT HAMPER OUR ABILITY TO PROVIDE THE BEST AND MOST TIMELY INFORMATION WE NEED FOR DECISION MAKING? (Y/N)	DOES THIS BUDGET CUT IMPACT OUR ABILITY TO PROVIDE OVERSIGHT OF GRANTS, COMMUNITIES, AGENCIES, VENDORS, AND STAFF PERFORMANCE? (Y/N)	LOOKING FORWARD: CORE PROGRAMMATIC ACTIVITIES
Landscape Services Programs: Increase funding for hourly, intermittent staffing in the Landscape and Forestry Divisions	Provides increased services for maintenance of park facilities before and after peak use periods and on evenings and weekends	N	N	N	The Department continues to focus staffing and resource strategies on enhancement of both the appearance and functionality of park facilities to improve park experience for users.
Marina Programs: Eliminate one vacant Marina Assistant position	Decreases staffing for the Marina Operations Division from 4 Marina	N	N	N	The Department is working to manage a structural deficit in the Marina Fund. The proposed balancing strategy

BUDGET IMPACT SUMMARIES

PARKS, RECREATION & WATERFRONT BUDGET IMPACT SUMMARY (FY 2016 & FY 2017)

PROPOSED CHANGES	PROGRAMATIC IMPACTS	ARE WE INCREASING THE RISK OF FRAUD BY MAKING THIS CUT? (Y/N)	WILL THIS BUDGET CUT HAMPER OUR ABILITY TO PROVIDE THE BEST AND MOST TIMELY INFORMATION WE NEED FOR DECISION MAKING? (Y/N)	DOES THIS BUDGET CUT IMPACT OUR ABILITY TO PROVIDE OVERSIGHT OF GRANTS, COMMUNITIES, AGENCIES, VENDORS, AND STAFF PERFORMANCE? (Y/N)	LOOKING FORWARD: CORE PROGRAMMATIC ACTIVITIES
	Assistants to 3. Work will be reallocated to existing staff as part of the Department's restructuring				will reduce recurring load on this fund.

BUDGET IMPACT SUMMARIES

PLANNING & DEVELOPMENT BUDGET IMPACT SUMMARY (FY 2016 & FY 2017)

PROPOSED CHANGES	PROGRAMATIC IMPACTS	ARE WE INCREASING THE RISK OF FRAUD BY MAKING THIS CUT? (Y/N)	WILL THIS BUDGET CUT HAMPER OUR ABILITY TO PROVIDE THE BEST AND MOST TIMELY INFORMATION WE NEED FOR DECISION MAKING? (Y/N)	DOES THIS BUDGET CUT IMPACT OUR ABILITY TO PROVIDE OVERSIGHT OF GRANTS, COMMUNITIES AGENCIES, VENDORS, AND STAFF PERFORMANCE? (Y/N)	LOOKING FORWARD: CORE PROGRAMMATIC ACTIVITIES
11% cost shift of a Senior Planner position from General Fund to the Permit Service Center Fund	None. The cost shift reflects the current and projected change in work duties.	N	N	N	The Planning and Development, Land Use division will continue to staff various commissions, provide effective review and timely issuance of discretionary permits.

BUDGET IMPACT SUMMARIES

POLICE BUDGET IMPACT SUMMARY (FY 2016 & FY 2017)

PROPOSED CHANGES	PROGRAMATIC IMPACTS	ARE WE INCREASING THE RISK OF FRAUD BY MAKING THIS CUT? (Y/N)	WILL THIS BUDGET CUT HAMPER OUR ABILITY TO PROVIDE THE BEST AND MOST TIMELY INFORMATION WE NEED FOR DECISION MAKING? (Y/N)	DOES THIS BUDGET CUT IMPACT OUR ABILITY TO PROVIDE OVERSIGHT OF GRANTS, COMMUNITIES AGENCIES, VENDORS, AND STAFF PERFORMANCE? (Y/N)	LOOKING FORWARD: CORE PROGRAMMATIC ACTIVITIES
New Revenue: False Alarms	New intrusion device permit and increase in false alarm fines to be instituted. Third party vendor will assist with development of ordinance to require alarm permits, manage permitting process, invoice and collect for false alarms on the City's behalf.	N	N	N	Decrease officer responses to calls for false alarms, as well as staff time in processing false alarm responses, billing and all administrative tasks. Improve services to community members with intrusion devices
Inter-Fund Transfer: Shift Two Parking Enforcement Officers	No programmatic impact	N	N	N	Shifting two PEOs from the general fund to the parking

BUDGET IMPACT SUMMARIES

POLICE BUDGET IMPACT SUMMARY (FY 2016 & FY 2017)

PROPOSED CHANGES	PROGRAMATIC IMPACTS	ARE WE INCREASING THE RISK OF FRAUD BY MAKING THIS CUT? (Y/N)	WILL THIS BUDGET CUT HAMPER OUR ABILITY TO PROVIDE THE BEST AND MOST TIMELY INFORMATION WE NEED FOR DECISION MAKING? (Y/N)	DOES THIS BUDGET CUT IMPACT OUR ABILITY TO PROVIDE OVERSIGHT OF GRANTS, COMMUNITIES, AGENCIES, VENDORS, AND STAFF PERFORMANCE? (Y/N)	LOOKING FORWARD: CORE PROGRAMMATIC ACTIVITIES
from the General Fund to Parking Fund					fund will not affect productivity or revenue.

BUDGET IMPACT SUMMARIES

PUBLIC WORKS BUDGET IMPACT SUMMARY (FY 2016 & FY 2017)

PROPOSED CHANGES	PROGRAMATIC IMPACTS	ARE WE INCREASING THE RISK OF FRAUD BY MAKING THIS CUT? (Y/N)	WILL THIS BUDGET CUT HAMPER OUR ABILITY TO PROVIDE THE BEST AND MOST TIMELY INFORMATION WE NEED FOR DECISION MAKING? (Y/N)	DOES THIS BUDGET CUT IMPACT OUR ABILITY TO PROVIDE OVERSIGHT OF GRANTS, COMMUNITIES AGENCIES, VENDORS, AND STAFF PERFORMANCE? (Y/N)	LOOKING FORWARD: CORE PROGRAMMATIC ACTIVITIES
Reduce Zero Waste overtime in anticipation of projected salary increases	Change will be incorporated in division goal to reduce overtime costs.	N	N	N	
Cost shift to realign Electrical staff with the funds whose work they will support.	No impact to services or program; funding being realigned with services provided.	N.	N	N	Staff will be funded by the revenue sources that correspond to their assignments.
Cost shifts 1.50 FTE Electrician to Streetlight Assessment District Fund and freeze the vacant positions.	Due to anticipated decrease in maintenance services as the result of the LED Street Light Conversion project, there is no	N	N	N	Service needs will be continually monitored and reviewed as FY 2016 will be the first full Fiscal Year of the LED St Light Conversion.

BUDGET IMPACT SUMMARIES

PUBLIC WORKS BUDGET IMPACT SUMMARY (FY 2016 & FY 2017)

PROPOSED CHANGES	PROGRAMATIC IMPACTS	ARE WE INCREASING THE RISK OF FRAUD BY MAKING THIS CUT? (Y/N)	WILL THIS BUDGET CUT HAMPER OUR ABILITY TO PROVIDE THE BEST AND MOST TIMELY INFORMATION WE NEED FOR DECISION MAKING? (Y/N)	DOES THIS BUDGET CUT IMPACT OUR ABILITY TO PROVIDE OVERSIGHT OF GRANTS, COMMUNITIES, AGENCIES, VENDORS, AND STAFF PERFORMANCE? (Y/N)	LOOKING FORWARD: CORE PROGRAMMATIC ACTIVITIES
	anticipated impact to services or program.				
Addition of 1.00 FTE Janitor	New position to help with restoring Janitorial service level.	N	N	N	Better service and flexibility to the Janitorial services unit of the Facilities Maintenance program
Addition of debt service payment to California Energy Commission (CEC)	Annual principal and interest payments of CEC loan from the LED Streetlight Conversion project.	N	N	N	Continued additional expense to the Street Light Assessment Fund (duration of 7 to 10 years).

BUDGET IMPACT SUMMARIES

PUBLIC WORKS BUDGET IMPACT SUMMARY (FY 2016 & FY 2017)

PROPOSED CHANGES	PROGRAMATIC IMPACTS	ARE WE INCREASING THE RISK OF FRAUD BY MAKING THIS CUT? (Y/N)	WILL THIS BUDGET CUT HAMPER OUR ABILITY TO PROVIDE THE BEST AND MOST TIMELY INFORMATION WE NEED FOR DECISION MAKING? (Y/N)	DOES THIS BUDGET CUT IMPACT OUR ABILITY TO PROVIDE OVERSIGHT OF GRANTS, COMMUNITIES AGENCIES, VENDORS, AND STAFF PERFORMANCE? (Y/N)	LOOKING FORWARD: CORE PROGRAMMATIC ACTIVITIES
Decrease electricity and gas expenses in Street Light Program.	Lower energy expenses anticipated as a result of the LED Street Light Conversion project.	N	N	N	Projected ongoing lower energy expenses in Street Light Program.
Reduction of miscellaneous professional services in Street Light Program.	Based on historical actuals, no significant impact as long as service remains at historical levels.	N	N	N	Continued service at current and historical levels unless service needs increase.

BUDGET IMPACT SUMMARIES

PUBLIC WORKS BUDGET IMPACT SUMMARY (FY 2016 & FY 2017)

PROPOSED CHANGES	PROGRAMATIC IMPACTS	ARE WE INCREASING THE RISK OF FRAUD BY MAKING THIS CUT? (Y/N)	WILL THIS BUDGET CUT HAMPER OUR ABILITY TO PROVIDE THE BEST AND MOST TIMELY INFORMATION WE NEED FOR DECISION MAKING? (Y/N)	DOES THIS BUDGET CUT IMPACT OUR ABILITY TO PROVIDE OVERSIGHT OF GRANTS, COMMUNITIES AGENCIES, VENDORS, AND STAFF PERFORMANCE? (Y/N)	LOOKING FORWARD: CORE PROGRAMMATIC ACTIVITIES
Increase in miscellaneous professional services expenses in the Off-Street Parking program.	Increase based on higher than baseline historical actuals, plus increase in CMA contract in FY 2016.	N	N	N	Finally aligning adopted budget to historical actuals. FY 2016 one-time increase for CMA contract to help complete the Center Street Garage Reconstruction project.
Increase in maintenance services, credit card fees, other purchased services and machinery equipment budgets in the Off-Street Parking program.	Increase based on historical actuals, no significant impact as long as service remains at historical levels.	N	N	N	Continued service at current and historical levels unless service needs increase.

BUDGET IMPACT SUMMARIES

PUBLIC WORKS BUDGET IMPACT SUMMARY (FY 2016 & FY 2017)

PROPOSED CHANGES	PROGRAMATIC IMPACTS	ARE WE INCREASING THE RISK OF FRAUD BY MAKING THIS CUT? (Y/N)	WILL THIS BUDGET CUT HAMPER OUR ABILITY TO PROVIDE THE BEST AND MOST TIMELY INFORMATION WE NEED FOR DECISION MAKING? (Y/N)	DOES THIS BUDGET CUT IMPACT OUR ABILITY TO PROVIDE OVERSIGHT OF GRANTS, COMMUNITIES AGENCIES, VENDORS, AND STAFF PERFORMANCE? (Y/N)	LOOKING FORWARD: CORE PROGRAMMATIC ACTIVITIES
Decrease in utilities, rentals, and supplies in the Off-Street Parking program.	Decrease based on historical actuals, no significant impact as long as service remains at historical levels.	N	N	N	Continued service at current and historical levels unless service needs increase.
Increase in bank credit card fees in the Parking Meter program.	Increase based on historical actual, no significant impact as long as service remains at historical levels.	N	N	N	Continued service at current and historical levels unless service needs increase.

BUDGET IMPACT SUMMARIES

PUBLIC WORKS BUDGET IMPACT SUMMARY (FY 2016 & FY 2017)

PROPOSED CHANGES	PROGRAMATIC IMPACTS	ARE WE INCREASING THE RISK OF FRAUD BY MAKING THIS CUT? (Y/N)	WILL THIS BUDGET CUT HAMPER OUR ABILITY TO PROVIDE THE BEST AND MOST TIMELY INFORMATION WE NEED FOR DECISION MAKING? (Y/N)	DOES THIS BUDGET CUT IMPACT OUR ABILITY TO PROVIDE OVERSIGHT OF GRANTS, COMMUNITIES AGENCIES, VENDORS, AND STAFF PERFORMANCE? (Y/N)	LOOKING FORWARD: CORE PROGRAMMATIC ACTIVITIES
Addition of one-time funding for multi-space pay station meter upgrades.	Replacement meters and pay stations needed.	N	N	N	Meter upgrades and replacements are necessary every 8 years or so to the Parking Meter program. A meter replacement reserve program is being established.
Increase in the other purchased services budget in the Building Purchases and Management program.	Increase based on historical actuals. No significant impact as long as service levels stays at historical levels.	N	N	N	Continued service at current and historical levels unless service needs increase.

BUDGET IMPACT SUMMARIES

PUBLIC WORKS BUDGET IMPACT SUMMARY (FY 2016 & FY 2017)

PROPOSED CHANGES	PROGRAMATIC IMPACTS	ARE WE INCREASING THE RISK OF FRAUD BY MAKING THIS CUT? (Y/N)	WILL THIS BUDGET CUT HAMPER OUR ABILITY TO PROVIDE THE BEST AND MOST TIMELY INFORMATION WE NEED FOR DECISION MAKING? (Y/N)	DOES THIS BUDGET CUT IMPACT OUR ABILITY TO PROVIDE OVERSIGHT OF GRANTS, COMMUNITIES, AGENCIES, VENDORS, AND STAFF PERFORMANCE? (Y/N)	LOOKING FORWARD: CORE PROGRAMMATIC ACTIVITIES
Decrease in the budget for purchased professional and technical services in the Building Purchases and Management program.	Decrease based on historical actual. No significant impact as long as service levels stays at historical levels.	N	N	N	Continued service at current and historical levels unless service needs increase.
Increase in the budget for purchased professional and technical services in the Building Maintenance program.	Increase based on historical actuals. No significant impact as long as service levels stays at historical levels.	N	N	N	Continued service at current and historical levels unless service needs increase.

BUDGET IMPACT SUMMARIES

PUBLIC WORKS BUDGET IMPACT SUMMARY (FY 2016 & FY 2017)

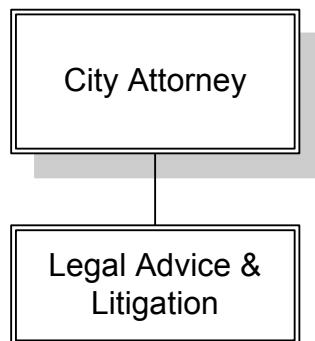
PROPOSED CHANGES	PROGRAMATIC IMPACTS	ARE WE INCREASING THE RISK OF FRAUD BY MAKING THIS CUT? (Y/N)	WILL THIS BUDGET CUT HAMPER OUR ABILITY TO PROVIDE THE BEST AND MOST TIMELY INFORMATION WE NEED FOR DECISION MAKING? (Y/N)	DOES THIS BUDGET CUT IMPACT OUR ABILITY TO PROVIDE OVERSIGHT OF GRANTS, COMMUNITIES, AGENCIES, VENDORS, AND STAFF PERFORMANCE? (Y/N)	LOOKING FORWARD: CORE PROGRAMMATIC ACTIVITIES
Decrease in the budget for outside janitorial services Building Maintenance program.	Decrease based on historical actuals. No significant impact as long as service levels stays at historical levels.	N	N	N	Continued service at current and historical levels unless service needs increase.

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 2014 & FY 2015

Litigation/Claims

- Obtained favorable settlement of lawsuit challenging West Street bike path, that eliminates possibility of future revocation of the easement
- Obtained favorable settlement in library construction litigation (*Arntz*)
- Obtained dismissal of case alleging police misconduct in *Hickman v. Bashan, et al.*
- Obtained dismissal of case alleging police misconduct in *Andrews v. City of Berkeley*
- Obtained favorable final judgment in case alleging police misconduct in *Goldstein v. Bjeldanes*
- Assisted with litigation against and settlement negotiation with DOF challenging DOF's disapproval of redevelopment dissolution actions
- Successfully defended challenge to Residential Preferential Parking ordinance
- Kept claims and judgments payouts to \$705,421 in FY 2014 and under \$120,000 for the first half of FY 2015

Nuisance Abatement/Code Enforcement

- Successfully defended permanent injunction against U-Haul in nuisance abatement action, and obtained \$140,000 attorney fee award
- Successfully defended three lawsuits challenging City's ability to pursue nuisance abatement against illegal marijuana operation
- Rehabilitation of McGee/Dwight completed through receivership, successfully defended two lawsuits challenging abatement and receivership actions
- Brought suit against long-time drug house and negotiated permanent stipulation with occupants to eliminate drug use and sales and problematic behavior
- Assisted BPD with closure of problem property at 2230 Byron Street
- Assisted Building and Safety Division with renewed URM enforcement
- Conducted citation training for Marina and Public Works staff

CITY ATTORNEY'S OFFICE

- Completed successful administrative proceedings to abate 40 Acres marijuana operation

Legislation

- Drafted several ballot measures for November 2014 election
- Assisted Building and Safety Division with 2013 uniform code adoption cycle
- Worked with Public Health on amendments to the Tobacco Control Ordinance, including Smoke free Multi Unit Housing, prohibition on sales of tobacco products at pharmacies, and regulating e-cigarette use

Transactions

- Negotiated return of 125-127 University (formerly Akol Building) to City after expiration of ground lease and facilitated entering into new leases with tenants
- Negotiated & drafted leases for YMTC to use the former bird rescue and model boat buildings as rehearsal space for youth musical theatre program
- Worked with Deputy City Manager to restructure Telegraph-Channing Mall merchants' rents and leases, and to hire property manager
- Drafted lease for use of City Hall Annex
- Clarified various "possessory interest" taxes for tenants of City's buildings

Programs

- Provided extensive legal assistance to Health Divisions during merger and integration of Health Department and Housing & Community Services Department
- Completed negotiations with EPA for 30-year consent decree governing sanitary sewer program
- Completed medical marijuana licensing ordinance and procedures

Key Objectives for FY 2016 & FY 2017

- ❑ Successfully defend lawsuits
- ❑ Provide advice on tax and other revenue measures, and draft ballot measures for November 2016 election

CITY ATTORNEY'S OFFICE

- ❑ Work closely with Planning Department and provide timely support on major project applications and planning efforts
- ❑ Develop medical marijuana cultivation ordinance and help implement dispensary licensing program
- ❑ Maintain high level of timely support for other departments with respect to programs and transactions
- ❑ Conduct regular trainings for staff concerning Brown Act, Public Records Act, subpoenas, enforcement, and other issues of general interest
- ❑ Continue active role in Labor Relations Coordinating Committee
- ❑ Continue active role in contract negotiations
- ❑ Work with City Manager's Office and Planning Department to improve nuisance abatement/code enforcement
- ❑ Continue to support windup of Redevelopment Agency

Significant Changes from Prior Year's Budget

- ❑ Shift 25% of a Deputy City Attorney III from the General Fund to the Public Liability Fund

CITY ATTORNEY'S OFFICE FINANCIAL SUMMARY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
EXPENDITURES					
By Type:					
Salaries and Benefits	2,360,944	2,515,390	2,498,781	2,515,614	2,554,391
Services and Materials	989,596	1,316,665	657,393	1,394,679	1,394,679
Capital Outlay	9,007	2,016	4,422	5,790	5,790
Internal Services	82,750	82,675	84,542	85,142	85,142
Indirect Cost Transfer					
	3,442,297	3,916,746	3,245,138	4,001,225	4,040,002
By Division:					
Administration	354,252	362,012	364,068	329,393	333,294
Legal Advice & Litigation	3,088,045	3,554,734	2,881,070	3,671,832	3,706,708
	3,442,297	3,916,746	3,245,138	4,001,225	4,040,002
By Fund:					
General Fund	2,212,760	2,220,327	2,288,013	2,225,084	2,255,910
Public Liability	1,165,105	1,629,793	871,784	1,704,680	1,711,563
Other	64,432	66,626	85,341	71,461	72,529
	3,442,297	3,916,746	3,245,138	4,001,225	4,040,002

General Fund FTE	9.50	9.50	9.50	9.00	9.00
Total FTE	12.00	12.00	12.00	12.00	12.00



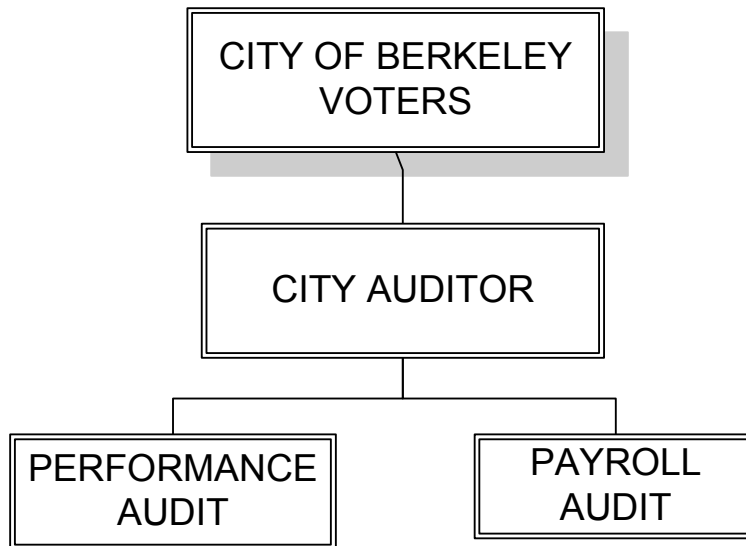
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CITY AUDITOR'S OFFICE

MISSION STATEMENT

Our mission is to be a catalyst for improving City government. Our audits, conducted in accordance with Government Auditing Standards, promote efficiency, effectiveness, and accountability. We provide objective, timely, and accurate information about City program performance to the public, as well as to Council, management, 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

Our elected City Auditor reports to and is accountable to the City of Berkeley voters. We perform our audits in accordance with Government Auditing Standards and make them publically 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 provided efficiently, effectively, and equitably.

We also provide consulting services, and fraud prevention and detection training.

Payroll Audit Division

We are responsible for examining and monitoring City payroll. We closely monitor for accuracy, accountability, and compliance with federal and state regulations, City policies, procedures, and MOUs. Our independent review prevents fraud and ensures compliance.

Major Accomplishments – FY 2014 & 2015

Performance Audit Division Accomplishments

- ❑ We succeeded in our goal to improve City operations, save money, promote transparency and accountability, and deter fraud by issuing seven audits that provided City Council, City management, and the public with independent and objective information on the economy, efficiency, and effectiveness of City programs, activities, and services. Our reports identified how City management can:
 - Prevent theft of City funds
 - Achieve the City's zero waste goals
 - Improve revenue collection
 - Reduce workplace injuries
 - Prevent unnecessary overtime
 - Manage compensatory time
 - Monitor performance
 - Ensure equitable customer service
 - Manage and monitor contracts
- ❑ We rigorously followed up on our open recommendations to ensure implementation. Our efforts prompted City management and City staff to successfully close 62 outstanding recommendations.
- ❑ We improved our audit practices by focusing our audits on uncovering the root cause of performance shortfalls; making stronger recommendations that

CITY AUDITOR'S OFFICE

strengthen operations and procedures on a citywide basis; and using existing data to drive decision making and improve performance.

- We completed an extensive review and assessment of our nonaudit services to ensure our independence, eliminate interdepartmental redundancies, and strengthen our adherence to government auditing standards.

Payroll Audit Division Accomplishments

- We developed and continue to expand on an online tracking system that enables us to better monitor all City Workers' Compensation (WC) cases, past and present. We also developed a comprehensive WC Payroll Manual designed specifically to help City staff navigate the complex City and state rules and regulations that govern WC payments.
- We provided advice and training to departmental payroll staff on payroll and benefits requirements of the seven employee MOUs. Our efforts helped to improve accuracy, timeliness, and transparency of employee compensation.
- We achieved major improvements in accuracy by reducing the number of errors made by operating department staff entering personnel data into the payroll data base. We improved quality control by providing training to staff responsible for payroll and budget transactions. We made these improvements in collaboration with Human Resources.
- We identified requirements for a new electronic time and attendance system and explored replacement of the FUNDS\$ payroll module, with assistance from a consultant and City departments. Moving to an electronic system will allow us to eliminate paper-based time cards, which will decrease errors and increase efficiency.

Key Objectives for FY 2016 & FY 2017

Performance Audit Division Key Objectives

- Provide reliable and objective reports and information about City programs, activities, and services.
- Help City staff and management improve program effectiveness and efficiency.
- Identify system improvements that will reduce risks, remove manual processes, eliminate redundancies, and ensure the validity and accuracy of data.
- Identify policies, practices, and procedures that will help the City achieve its objectives and goals, avoid unnecessary costs, enhance revenue collection, and provide excellent customer service.
- Train City employees on 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 Key Objectives

- Replace the City's manual timekeeping system with a state of the art electronic time and attendance reporting system. Time entry software will: improve tracking cost and labor distribution; reduce employee time reporting errors and time supervisors need to verify hours reported; and eliminate the cost of storing paper time cards. Accounting for grants accounting, billing, and projects will be streamlined.
- Continue research and act as project manager to replace our outdated and multi-patched SunGard/HTE FUND\$ Payroll Module and possibly other FUND\$ modules with a modern integrated system incorporating advanced technology and far greater capabilities.
- Initiate compliance with the new federal "Patient Protection and Affordable Care Act" information reporting requirements. Under the Employer Shared Responsibility Provisions of the Act, employers are required to report certain information on the employees' W-2 forms to the IRS starting in 2016.
- Continue to work with departments to improve the accuracy of documents submitted to Payroll Audit for payment. We must comply with federal and state laws, MOUs and City Administrative Regulations. Getting it right the first time will save time, cost, and effort for everyone involved.

Significant Changes from Prior Year's Budget

- Payroll and administrative staff will provide temporary assistance to other departments if needed to achieve the requested 1 percent General Fund reduction. Although the City Manager has requested across the board permanent cuts to most General Fund budgets, we are recommending only a temporary reduction for our office. This is in line with our previous recommendations regarding the risks of cutting oversight and support services without decreasing workload.
- As we recommended and Council approved in October 2012, the City Manager has asked all department directors to disclose the fraud risks, decision-making risks, and oversight risks associated with their proposed budget cuts. One specific risk of current budget constraints would be underfunding the staff costs of replacing FUND\$ modules, so it will be important to confirm that budget is available if needed.
- We set aside \$321,002 from prior year budgets, and some savings from FY 2015, to implement electronic time entry and contribute toward fund replacement of the FUND\$ payroll module, and for consulting costs for performance audit work. We also set aside \$30,000 in 2015 savings for a payroll related capital expenditure.

CITY AUDITOR'S OFFICE FINANCIAL SUMMARY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
EXPENDITURES					
<i>By Type:</i>					
Salaries and Benefits	1,909,010	1,973,784	1,861,498	2,114,071	2,147,216
Services and Supplies	75,068	32,406	41,049	70,139	69,489
Capital Outlay	1,524	510	1,129	6,453	7,153
Internal Services	58,654	58,654	58,660	79,711	79,661
Indirect Cost Transfer					
	2,044,256	2,065,354	1,962,336	2,270,374	2,303,519
<i>By Division:</i>					
Administration	353,896	339,861	349,579	371,897	377,651
General Audit	781,688	818,521	662,860	878,632	890,508
Payroll Audit	908,672	906,972	949,897	1,019,845	1,035,360
	2,044,256	2,065,354	1,962,336	2,270,374	2,303,519
<i>By Fund:</i>					
General Fund	1,924,656	1,925,222	1,831,294	2,116,882	2,147,259
Workers' Compensation	119,600	140,132	131,042	153,492	156,260
Other Funds					
	2,044,256	2,065,354	1,962,336	2,270,374	2,303,519
<i>General Fund FTE</i>					
	12.30	12.00	12.10	12.50	12.50
<i>Total FTE</i>					
	13.00	13.00	13.00	13.50	13.50



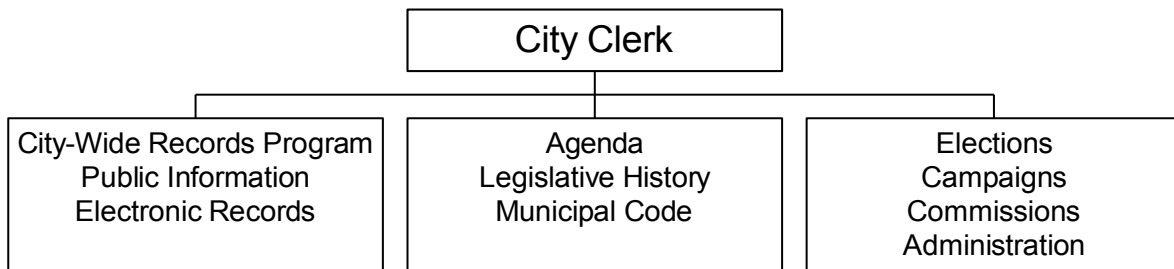
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CITY CLERK DEPARTMENT

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, State Codes, the Charter of the City of Berkeley, and the Berkeley Municipal Code.

ORGANIZATION CHART



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

- ◆ **Berkeley Municipal Code and City Charter**
City Ordinances and Charter provisions
- ◆ **Public Records Index and Records Online Search**
Provides a searchable index of City records, including Resolutions and Ordinances, Minutes, Contracts, and Election Results 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, Calendars, Ranked Choice Voting, and Campaign Finance Information (BERA, Campaign Disclosure Statements).
- ◆ **Commission Information**
Commissioners' Manual, Roster of Commissioners, 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, the Successor Agency to the Redevelopment Agency, and the Joint Powers Financing Authority, 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, the Successor Agency to the Redevelopment Agency, and the Joint Powers Financing Authority, 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 2014 & FY 2015

- Implemented the Paperless Agenda Packet Program using iPads. Saves approximately 127,000 pieces of paper annually and increases productivity and efficiency.
- Became a Passport Acceptance Facility. Provides a valuable service to the community and brings in approximately \$25,000 per year in revenue.
- Successful implementation of mandatory electronic filing of campaign statements to facilitate greater public access to campaign finance information.
- Implemented the FileTrail software system to increase the efficiency, accountability, and accuracy of our physical records management program.
- Entered into a contract for OnBase, a new software system to replace the outdated agenda workflow software and the outdated digital records system.
- Administered November 2014 General Municipal Election for elected officers and local ballot measures. Processed filing paperwork (signature in lieu of filing fee process, nomination process) for over 20 prospective candidates, processed and published to the web campaign statements for over 50 campaign committees. Administered ballot measure process, including arguments and rebuttals, for 7 ballot measures and coordinated voter pamphlet publication with County.
- From June 2013-December 2014, staffed 80 Council meetings (including Regular, Special and Closed Session meetings), and processed 660 resolutions and 81 ordinances.
- Retrieved 664 boxes of records, processed 887 new records accessions, and destroyed 781 boxes.
- Processed 840 passport applications in calendar year 2014.

Key Objectives for FY 2016 & FY 2017

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 – improve the searchable online component of the Records Program which allows internal and external customers to view public records.
- Continued enhancement and efficiencies of the records management process through technology.
- Research and development for additional Citywide imaging projects.
- Streamlining of Citywide Electronic Content Management System.
- Destruction of eligible records pursuant to the Records Retention Schedule.

CITY CLERK DEPARTMENT

Agenda/Legislative History/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, and other boards that are comprised of a majority of members of the City Council. Key objectives include:

- Streamlining of Citywide Electronic Content Management System.
- Improvement in the agenda workflow process through better technology.
- 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:

- Continued outreach and training for the mandatory electronic filing process.
- Enhancement of electronic filing system by engaging vendor in continuous improvement process.

Significant Changes from Prior Year's Budget

- Additional revenues from providing passport services.
- Higher election costs related to additional language requirements and increased administrative costs.

In order to meet the General Fund budget reduction requirements, the City Clerk Department deferred filling three vacant positions. The department will fill two vacant positions in FY 2016 to meet program demands. One position will remain vacant.

CITY CLERK FINANCIAL SUMMARY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
EXPENDITURES					
<i>By Type:</i>					
Salaries and Benefits	1,194,138	1,202,416	1,209,480	1,320,158	1,342,095
Services and Materials	687,068	211,753	880,941	566,703	566,703
Capital Outlay	5,580	14,014	10,151	25,390	25,390
Internal Services	76,518	76,518	76,508	70,060	70,060
Indirect Cost Transfer					
	1,963,304	1,504,701	2,177,080	1,982,311	2,004,248
<i>By Division:</i>					
City Clerk	1,298,130	1,211,935	1,361,496	1,544,080	1,563,100
Elections	665,174	292,766	815,584	438,231	441,148
	1,963,304	1,504,701	2,177,080	1,982,311	2,004,248
<i>By Fund:</i>					
General Fund	1,963,304	1,504,701	2,177,080	1,982,311	2,004,248
	1,963,304	1,504,701	2,177,080	1,982,311	2,004,248

<i>General Fund FTE</i>	10.00	10.00	9.78	9.78	9.78
<i>Total FTE</i>	10.00	10.00	9.78	9.78	9.78



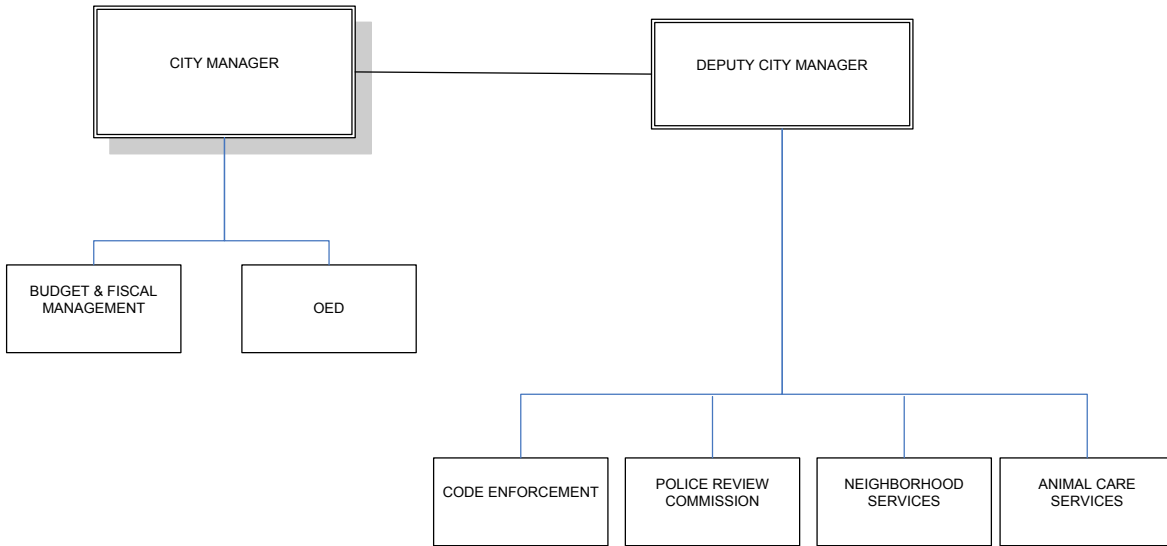
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CITY MANAGER'S OFFICE

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 three Assistants to the City Manager (including one who is the City's Public Information Officer and another who is the City's Chief Resilience Officer), a Senior Management Analyst (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 2014 & FY 2015

- Administration and Neighborhood Services
 - Led multi-departmental efforts that led to the permanent resolution of long-standing problem properties;

CITY MANAGER'S OFFICE

- Responded to calls about neighborhood problems and problem properties and coordinated response efforts across departments;
 - Increased community engagement and partnerships with UC, including Berkeley Project Day, Berkeley Project Month, and the annual Move In/Move Out campaigns;
 - Produced and distributed City's Annual Report on the services offered throughout the lifespan of residents' lives;
 - Responded to Public Records Act requests that required multi-departmental coordination.
 - Worked with a number of departments to implement recommendations and close out at least half of all audits outstanding as of June 30, 2013.
 - Assisted the Berkeley Police Department in implementing use of the social media service Nixle to enable better communication with the community.
- Office of Budget and Financial Management:
- Managed the FY 2014 & FY 2015 Biennial Budget Process and FY 2015 Mid-Biennial Budget Update Process;
 - Received "Distinguished Budget Presentation Award" from the Government Finance Officers Association for the FY 2014 & FY 2015 Adopted Biennial Budget and FY 2014 & FY 2015 Capital Improvement Budget Book
 - Prepared the 2015 biennial report "Projection of future liabilities" including a new section with long term revenue projections; and
 - Held focused budget work sessions with the City Council on City expenditures and revenues and budget issues facing the City.
- Animal Care Services
- In 2014, the In-house veterinary clinic performed 576 procedures on shelter animals. An average of 14 animals each month were treated for non surgical medical ailments.
 - In 2014, the shelter handled 709 cats, 1001 dogs, and 280 other animals such as pocket pets and wildlife. 90% of the dogs and cats were adopted, rescued, or returned to their owner/guardians.
 - Approximately 450 field service calls are completed each month.
 - Total volunteer hours in 2014 were 20,234 and averaged 415 hours per week supporting animals and the shelter.
- Code Enforcement
- Issued 4 notices for substandard and unsafe building
 - Closed 1 illegal medical office
 - Removed 4 illegal shipping containers used for residential purpose
 - Closed 5 illegal cannabis grow operations in commercial districts
 - Collected \$69,000 in Special Assessment Liens

CITY MANAGER'S OFFICE

Key Objectives for FY 2016 & FY 2017

- Continue to plan for long term fiscal health of the City of Berkeley including assessing revenue measure opportunities for 2016;
- Coordinate response to media inquiries to reduce burden on staff and increase responsiveness;
- Continue improvement of web content and functionality to improve access to City information and services and enhance use of social media;
- Receive the "Distinguished Budget Presentation Award" from the Government Finance Officers Association for the FY 2016 & FY 2017 Adopted Biennial Budget and FY 2016 & FY 2017 Capital Improvement Budget Book;
- Increase community resilience by advancing readiness for natural disasters and the impacts of climate change

Significant Changes from Prior Year's Budget

- The 1% Target Reduction was met by shifting 20% of an Associate Management Analyst cost from the General Fund to the Capital Improvement Fund

CITY MANAGER'S OFFICE FINANCIAL SUMMARY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
EXPENDITURES					
<i>By Type:</i>					
Salaries and Benefits	3,955,941	4,142,011	4,236,537	4,497,166	4,569,762
Services and Materials	527,730	559,026	529,020	567,162	567,162
Capital Outlay	15,968	4,935	5,255		
Internal Services	179,999	167,051	186,408	241,715	241,715
Indirect Cost Transfer	13,054	13,987	13,821	18,101	18,101
	4,692,692	4,887,010	4,971,041	5,324,144	5,396,740
<i>By Division:</i>					
Administration	1,438,120	1,573,110	1,648,565	1,831,766	1,858,740
Neighborhood Services	905,909	980,376	981,249	1,102,602	1,116,851
Animal Care Services	1,663,987	1,644,702	1,673,952	1,680,903	1,701,261
Budget & Fiscal Mgmt.	684,676	688,822	667,275	708,873	719,888
	4,692,692	4,887,010	4,971,041	5,324,144	5,396,740
<i>By Fund:</i>					
General Fund	4,414,612	4,614,527	4,575,484	4,833,991	4,901,792
Animal Shelter Fund	99,001	59,706	57,648	52,480	52,480
Zero Waste Fund	34,374	21,283	15,690	48,600	48,600
Permit Service Center	138,213	157,051	132,919	158,379	159,457
Other Funds	6,492	34,443	189,300	230,694	234,411
	4,692,692	4,887,010	4,971,041	5,324,144	5,396,740
General Fund FTE	26.50	26.50	26.50	26.30	26.30
Total FTE	27.50	27.50	27.50	27.50	27.50



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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 business organizations, merchant groups and business improvement districts, and helps 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 actively markets the arts through public receptions, forums, workshops, publications and on-line tools. Staff works with the Civic Arts Commission, the Berkeley Cultural Trust, Visit Berkeley, and the broader business community to promote cultural tourism.

Major Accomplishments – FY 2014 & FY 2015

- ❑ Provided significant business and development assistance to a number of large, regionally-serving retail businesses that opened in Berkeley including Whole Foods, Target and Sports Basement.
- ❑ Worked to retain and expand Berkeley's automobile dealerships:
 - Assisted new McKeivitt Chrysler, Jeep, Dodge, Ram Dealership, McKeivitt 2700 Shattuck.
 - Assisted Berkeley Honda in identifying opportunity sites in Berkeley due to its need to relocate so that it was able to sign a new lease on South Shattuck that will retain important tax base and jobs in Berkeley.
- ❑ Built the branding and marketing strategy for the Berkeley Start-up Cluster (BSC), a program designed to capture emerging U.C. Berkeley spin-outs and promote Berkeley as a location for high growth companies. Products included administration of the website (www.berkeleystartupcluster.com) and production of a regular newsletter which includes event announcements, job openings and news about Berkeley tech company successes. In the fall of 2014, over 140 job openings were recorded in Berkeley startup companies.
- ❑ Provided ongoing organizing and facilitation of the Berkeley Start-up Cluster Advisory Committee, which consists of technologists, tech-investors and serial entrepreneurs who live in Berkeley and are committed to assisting local start-ups and building Berkeley's innovation ecosystem.
- ❑ Worked with Berkeley's 7 coworking spaces to promote shared workspaces as viable options for many startups and entrepreneurs – and promote Berkeley as a center of coworking space in the region.

OFFICE OF ECONOMIC DEVELOPMENT

- ❑ Worked with local partners to attract national coworking conference to Berkeley's Downtown.
- ❑ Worked with property owners to attract an internationally known coworking space operator to lease over 40,000 square feet of empty office space in Downtown.
- ❑ Led organizing, branding and marketing work on behalf of Berkeley/Emeryville BIO, the cluster of bioscience companies in Southwest Berkeley and Emeryville. OED organizes meetups every other month with the City of Emeryville (Berkeley hosts every other event) which includes co-sponsorship from the East Bay Bio Medical Manufacturing Network and Bay Bio.
- ❑ Organized an 8 page insert in the San Francisco Business Times promoting Berkeley/Emeryville BIO that generated great publicity. The insert has been distributed on the web, at bioscience conferences and by the brokerage community.
- ❑ Organized a 28 page market positioning insert in the Business Times that promotes Berkeley's special identity as a "brilliant and booming" city with great traditions/opportunities for entrepreneurship and business success.
- ❑ Generated new economic analysis of business conditions and reports pertaining to: Telegraph Avenue, Berkeley's startup ecosystem, the Adeline Corridor, and Berkeley's food and beverage sector.
- ❑ Assisted local retailers to promote the 'West Berkeley Design LOOP' a project to market West Berkeley as a shopping destination for designers and home owners working on home improvement projects.
- ❑ Partnered with several community partners to generate successful Chancellor's Grant Applications:
 - OED staff worked with Berkeley Design Advocates (BDA) and the Telegraph Business Improvement District (BID) to successfully repurpose a \$100,000 grant for planning and implementation of high-impact streetscape improvements.
 - OED staff partnered with Lifelong Medical and the City's Health Housing and Community Services Department to generate funds that will facilitate re-shelving of South Berkeley liquor stores for the purpose of adding healthy products.
- ❑ Staffed and facilitated the creation of a new BID in the Elmwood neighborhood.
- ❑ Managed the contracts of Berkeley's six business Improvement districts: Downtown, North Shattuck, Elmwood, Telegraph, Solano Avenue and the Citywide Tourism BID.
- ❑ OED staff served on the Board and Finance Committee of the Downtown Berkeley Association, as well as the Board and Executive Committee of the Telegraph BID.
- ❑ Worked with the Lorin Business Association in South Berkeley to provide ongoing support and assist them with creation of their new organizational structure. For the first time the Association has formal bylaws and officers, is

OFFICE OF ECONOMIC DEVELOPMENT

collecting dues from its membership, and has begun working proactively to produce programs and events.

- ❑ Facilitated the relocation of two historic homes in the Telegraph commercial district, increasing the development prospects for three distinct underutilized parcels.
- ❑ Helped broker the purchase of a long-vacant building at Adeline and Alcatraz and the eventual relocation of two essential nonprofit organizations to the space.
- ❑ Continued and deepened partnership with the *Buy Local Berkeley* (BLB) campaign to encourage patronage of locally owned businesses. Expanded holiday promotion to include free mobile coupon with Chinook Book.
- ❑ Facilitated Berkeley companies to become “Bay Area Green Certified Businesses” through a contract with Alameda County. Currently there are 189 Green Certified businesses in Berkeley representing over 5% of Berkeley-based business.
- ❑ Developed, in close coordination with neighbors and block groups on South Sacramento Street, an interdepartmental “Action Plan” to address certain longstanding issues of maintenance and public infrastructure.
- ❑ Worked with the Earth Island Institute to install new artwork on utility boxes along Telegraph Avenue, Adeline Street and Sacramento Street.
- ❑ Generated \$50,000 match funds from the Hewlett Foundation towards updating the City’s Cultural Plan.
- ❑ Worked to arrange the first installations of new temporary public art in the Downtown area.
- ❑ Updated definition of ‘art’ as written in the Berkeley Municipal Code to be consistent with contemporary standards and best practices.

Key Objectives for FY 2016 & FY 2017

- ❑ Help create business conditions that continue to grow Berkeley’s retail tax revenue.
- ❑ Work with the business and development community to generate new job opportunities for Berkeley residents.
- ❑ Attract new regionally-serving businesses that can attract shoppers to Berkeley and increase local tax revenue.
- ❑ Help facilitate new successful hotel development in Berkeley that can address growing regional demand, provide quality jobs for local workers and generate significant new transient occupancy taxes for the City.
- ❑ Work with Berkeley’s automobile dealerships to stay and grow and continue assisting Honda to complete and occupy its new dealership facility on South Shattuck.
- ❑ Support the economic revitalization of Telegraph Avenue and generate new development and business activity in the area by leveraging new policy tools, implementing grant-funded projects, and strengthening the capacity of the Telegraph BID.

OFFICE OF ECONOMIC DEVELOPMENT

- ❑ Work closely with the Planning Department on creation of the Adeline Corridor Plan, especially as regards interfacing with the business and property owner community.
- ❑ Continue active staff engagement with the Lorin Business Association and the Sacramento Merchant Association to assist the economic revitalization of South Berkeley.
- ❑ Strengthen the value of Berkeley Startup Cluster (BSC) as a marketing strategy to attract and support spin-out companies close to campus. In particular:
 - Expand BSC website to include job openings at startups in Berkeley.
 - Participate in and develop the BSC Advisory Committee.
 - Increase the number of co-branded meet-up and networking events in the Downtown.
- ❑ Build on existing efforts to support the incubation, retention and expansion of Berkeley-based companies. In particular:
 - Attract new co-working spaces and other business incubation resources to Berkeley in close coordination with UCB, the Downtown Berkeley Association, the Berkeley Chamber of Commerce and other private partners.
 - 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.
- ❑ Grow and strengthen the networking and marketing effort for Berkeley/Emeryville BIO in close coordination with the City of Emeryville, the East Bay Medical Manufacturing Network, BayBio and other stakeholders.
- ❑ Attract and retain food and beverage production businesses and support the development of a network within this growing cluster.
- ❑ Deepen the partnership between OED and key U.C. Berkeley staff to identify and pursue shared economic development goals adjacent to campus and around the City.
- ❑ Continue administration and active staff support for Berkeley's six Business Improvement Districts as well as other merchant groups and business organizations. Focus particular attention to district branding, vacancy reduction and improved tenant mix.
- ❑ Assist with background research and policy development regarding expansion of gigabit fiber infrastructure in Berkeley.
- ❑ Work with West Berkeley stakeholders to determine feasibility of a Business Improvement District to provide additional commute shuttle resources to the area and other infrastructure improvements such as utility undergrounding and gigabit fiber. If found to be feasible, assist in formation and implementation.

OFFICE OF ECONOMIC DEVELOPMENT

- ❑ Generate new outside grant money for public art by leveraging the City's Public Art Fund.
- ❑ Work with the Civic Arts Commission on development and implementation of a private 'percent for art' program if approved by the City Council.
- ❑ Work with the Earth Island Institute to expand their utility box art program to Berkeley commercial districts that have not yet benefited from it.
- ❑ Identify partnership opportunities for marketing Berkeley that leverages OED's 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.
- ❑ Provide technical assistance (data and mapping) to potential and existing property and business owners.
- ❑ Increase lending activity through the City's Revolving Loan Fund.
- ❑ Provide the Council with regular economic development reports and analyses: two information reports and two workshops per year.

Significant Changes from Prior Year's Budget

The Adopted Budget reduced General Fund support for Economic Development by a total of \$15,017 to meet the 1% General Fund Target Reduction. Funds will be reduced by \$12,017 from the Miscellaneous Professional Services line item which will reduce marketing and program development efforts. An additional \$3,000 will come from funds used to promote local and sustainable businesses.

OFFICE OF ECONOMIC DEVELOPMENT FINANCIAL SUMMARY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
EXPENDITURES					
By Type:					
Salaries and Benefits	887,857	935,333	846,017	904,621	918,085
Services and Materials	2,814,655	2,296,609	3,743,620	3,429,343	3,455,112
Capital Outlay	-	4,209	4,220		
Internal Services	6,719	6,234	6,724	5,719	5,719
Indirect Cost Transfer	1,037	1,111	1,162	1,263	1,263
	3,710,268	3,243,496	4,601,743	4,340,946	4,380,179
By Division:					
Administration	100,229	99,092	100,696	90,864	92,262
Economic Development	2,802,555	2,220,920	3,635,195	3,221,739	3,253,345
Arts Coordination	555,962	582,090	551,574	626,467	629,424
South Berkeley Revitalization	68,163	158,328	129,215	210,645	211,342
Sustainable Development	183,359	183,066	185,063	191,231	193,806
	3,710,268	3,243,496	4,601,743	4,340,946	4,380,179
By Fund:					
General Fund	1,832,488	1,875,736	2,027,452	2,039,208	2,063,458
Loan Funds	71,544	109,452	85,395	156,095	156,095
Business Improvement Districts	1,647,236	1,192,431	2,453,926	2,054,476	2,069,309
Public Art Fund	47,315	47,634	19,806	71,502	71,502
Zero Waste Fund	26,687	18,243	15,164	19,665	19,815
Other Funds	84,998				
	3,710,268	3,243,496	4,601,743	4,340,946	4,380,179
General Fund FTE					
	5.80	5.80	5.80	5.80	5.80
Total FTE					
	5.85	5.85	5.85	5.85	5.85



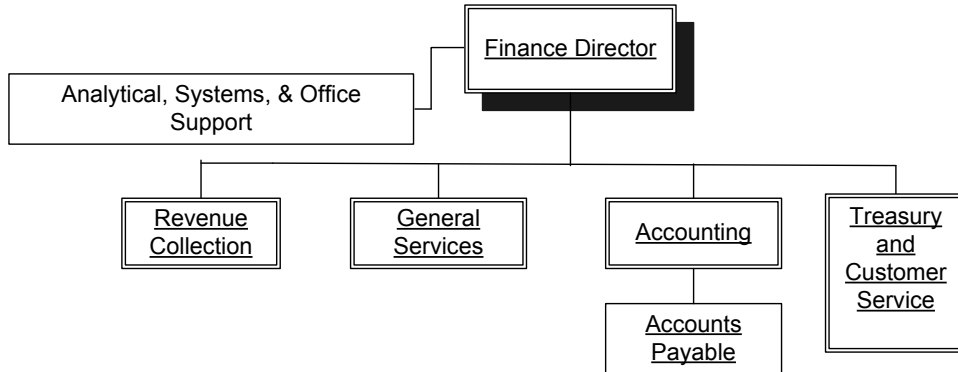
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FINANCE DEPARTMENT

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.

Accounts Payable

The Accounts Payable unit provides services to the City while controlling most disbursements made from City funds, excluding those for investments, payroll and payroll liability, and to the workers' compensation administrator. This unit ensures that all disbursements are timely, accurate, and are made in compliance with all internal controls and established City policies and procedures.

Customer Service

The Customer Service Counter unit provides front line counter service to the community members of Berkeley. They administer the processing of walk-in or drop-in payments for various Citywide billings, issuance and payment processing of business license tax for delinquent and new accounts, issue and receive payments for residential preferential parking permits, provide customer assistance and processing of parking citation payments. Responsible for processing applications for copies of birth, death certificates and assists customers in the community service program for Project 22. This unit prepares and submits all payments received from customers to Treasury for posting in the City's financial system. The staff provides support for updating customer's records in the parking system for the City, maintains records of community service agreements, processes tow and boot releases and account maintenance for parking related payment inquiries.

General Services

General Service manages citywide procurement activities, from issuing and awarding all non-construction bids and Request for Proposals (RFPs), opening all construction bids to obtaining the best competitive pricing for purchases while

FINANCE DEPARTMENT

adhering to the City's purchasing policies. The City's central mail services are also within Finance General Services.

Revenue Collection

The Revenue Collection unit 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.

Treasury

The Treasury operates as a cashiering center for accepting deposits from all City cash acceptance locations and departments. Treasury acts as the main payment processing center for mail in payments for Citywide billing and other revenue sources such as Business License Tax, Hotel Tax, Parking Lot Tax, Franchise Tax, and other various State and Federal payments to the City. The Treasury division administers the petty cash reimbursements for City employees, and the replenishment of the Taxi Scrip funds and Customer Service unit change funds.

Major Accomplishments – FY 2014 & FY 2015

- Office of the Director & Finance Administration
 - Completed the Administrative Regulations (A.R.) which established requirements for preparing, reviewing and approving adjusting journal entries (AJs).
 - Implemented pilot project for EFT payments.
 - Implemented online payments for Zoning permits.
 - Issued Administrative Regulations 3.25 for Payment (Credit and Debit) Card Compliance.
 - Training for Payment Card Compliance
- Accounting
 - Completed the FY 2014 CAFR on time with no audit adjustment, no prior period adjustment and no significant loss in resource.
 - Complied with the Municipalities Continuing Disclosure Cooperation Initiative (MCDC) required by the U.S. Securities and Exchange Commission's Division of Enforcement (the SEC) via our CAFR by sending it to the Electronic Municipal Market Access System (EMMA).
 - Continued with the documentation of subsidiary accounting ledgers for \$58 million notes receivable.
 - Completed bi-annual grants report and provided timely information to the City Manager and Department Heads to focus on the billing and collection efforts for grant activities. Consequently, General funds due decreased significantly from \$6.8 million in FYE 6/30/12 to \$5.3 million in FYE 6/30/13 and to \$2.4 million for FYE 6/30/14.

FINANCE DEPARTMENT

- Developed a standard and efficient process to retrieve payroll information to facilitate timely grant billing and reporting prepared by departments.
- Assisted with redemption and final payment of the Off Street Parking bonds to facilitate financing for a new parking garage.

- Accounts Payable
 - In FY 2014, the Accounts Payable unit prevented \$72,614.16 of erroneous payments from being issued.
 - Enrolled in paperless invoicing when possible with vendors to reduce lost invoices.
 - Created on-line accounts with 26 of our vendors to monitor invoices and payments.
 - Created a process for Wells Fargo Credit Cards to be paid on time and in full each month.
 - EFT pilot payment phase 1 completed.
 - Issued 1099-Miscellaneous forms early.

- Customer Service
 - Implemented an information desk system to improve the flow of customers and increase customer satisfaction.
 - Increased payment acceptance for birth and death certificates and trained staff in applicant take-in for certificate issuance.
 - Implemented Residential Preferential Parking (RPP) renewal online with over 50% participation from RPP customers in the first year

- General Services
 - Since the transition of the Print-Shop to a contract with Minuteman Press, the City continues to realize an average of \$75,700 per year. General Services will continue to monitor yearly expenditures throughout the term of the contract.
 - Implemented the change in the threshold of the Sweatshop Free ordinance from \$25,000 to \$1,000 and continue to monitor its compliance.
 - Completed a RFP process and awarded a new Citywide Security Services contract.
 - Continue to manage the City-wide janitorial contract.
 - Implemented and will continue to monitor a tracking system for the purchase and disposal of all City Fleet vehicles.
 - Assisted all departments in researching additional sources to solicit bids.
 - Get competitive bids and conduct market research to ensure a fair and reasonable price.

- Revenue Collection
 - Implemented Residential Preferential Parking renewals online.
 - Completed the first fiscal year of implementing new business license software (Accela) and continue to work on process enhancements.
 - Completed integration between new Transfer Station software and billing system.

FINANCE DEPARTMENT

- Treasury
 - Updated the Citywide cash handling materials to improve credit card payment acceptance guidelines.
 - Implemented two new cashiering systems which are Etims/Xerox for parking citations and permits and the Accela system for business license tax payments. Continue to work on enhancements to the cashiering system.
 - Accomplished timely payment processing of the Business License Tax renewal and residential parking permit renewals.

Key Objectives for FY 2016 & FY 2017

- Office of the Director & Finance Administration
 - Implement the City's annual Payment Card Industry (PCI) compliance for credit and debit card payments.
 - Implement online payments for Business License, Fire Inspections, Transfer Station billing and Rent Board registration fees.
 - Ensure the City is in compliance with (PCI) standards.
 - Continue to investigate how to generate additional revenue to increase the City's General Fund.
- Accounting
 - Implement GASB 68 on Accounting and Financial Reporting for Pensions.
 - Improve on reporting, such as AAO and Revenue Monitoring.
 - Assume responsibility for Fixed Assets Module.
 - Take part in Enterprise Resource Planning (ERP).
 - Assist Budget Office on Funds Write-offs.
 - Assist Public Works department with financing for the new Center Street Parking Garage
- Accounts Payable
 - EFT payments phase two (2) to include information and additional vendors.
 - PG&E EDI invoices and payments.
 - Invoice review to reduce the number of invoice errors.
 - Continue to enroll in paperless invoices with vendors.
- Customer Service
 - Install and improve customer queuing system, Nemo-Q in the customer service lobby.
 - Improve efficiency by working with Xerox to implement a shopping cart system for processing RPP payments.
- General Services

FINANCE DEPARTMENT

- Continue to implement City-wide agreements to leverage economies of scale for cost savings.
- Roll out a 100% PCF recycled content sustainable paper purchasing program for printing needs.
- Research and pursue other sustainable purchasing opportunities.
- Continue training City staff on purchasing and contracting procedures and processes.
- Continue to manage the printing services contract effectively.
- Research and work on an on-line vendor registration application which will allow vendors to submit applications electronically.
- Continue to monitor compliance with Purchasing Procedures.

- Revenue Collection
 - Review and select new refuse billing software.
 - Implement 2nd phase of new BL software – citizen online access.
 - Continue to research the possibility of sourcing bill printing services.
 - Become more effective at collecting delinquent fees owed to the City.

- Treasury
 - Obtain resources to provide on-going citywide cash handling training. Perform on-going internal control reviews and risk assessments at all City cash handling sites.
 - Continue to work with City Manager and the Office of Economic Development to add participants to the Use Tax Program.
 - Complete collection manual and develop memorandum of understanding agreements with various departments for collection efforts.
 - Implement recommendations on cash handling audit conducted at Parks, Recreation and Waterfront.

Significant Changes from Prior Year's Budget

- Implement changes and improvements based on the City Auditor's audit of Business License Taxes and a management review of the Revenue Collection Division

- Transfer one Senior Field Representative and three Field Representatives from the Revenue Collection division into the Treasury division.

FINANCE DEPARTMENT FINANCIAL SUMMARY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
EXPENDITURES					
By Type:					
Salaries and Benefits	5,751,013	5,779,599	5,611,397	6,170,842	6,269,588
Services and Materials	718,171	622,945	618,270	796,253	796,253
Capital Outlay	9,538	12,900	29,419	33	33
Internal Services	342,468	342,891	378,112	352,460	352,460
Indirect Cost Transfer	99,014	99,510	101,089	126,701	126,701
	6,920,204	6,857,845	6,738,287	7,446,289	7,545,035
By Division:					
Office of the Director	2,166,439	2,211,033	2,063,529	879,386	888,608
Accounting	1,139,355	1,156,273	1,173,206	1,530,039	1,553,057
General Services	1,012,600	1,019,296	984,767	1,151,875	1,166,181
Customer Service	637,586	655,941	1,137,060	1,805,997	1,832,258
Parking	40,000	40,000	25,796	40,000	40,000
Revenue Collection	1,924,224	1,775,320	1,353,929	2,038,992	2,064,931
	6,920,204	6,857,863	6,738,287	7,446,289	7,545,035
By Fund:					
General Fund	5,262,578	5,255,871	5,128,394	5,559,396	5,637,409
Paramedic Assmt Dist	11,724	13,553	14,259	14,101	14,279
Library	11,719	13,553	14,259	14,101	14,279
Rental Housing Safety	22,014	8,237			
Parks Tax	11,718	13,553	14,259	14,101	14,279
Street Light Assmt.	12,941	15,363	16,175	16,172	16,350
Zero Waste Fund	1,000,769	1,003,132	1,013,197	1,159,152	1,174,268
Clean Storm Water	12,962	15,362	16,177	16,172	16,350
Private Sewer Lateral	24,471	9,796	23,614	24,587	25,026
Parking Meter	40,000	40,000	25,796	40,000	40,000
Equipment Replacement	123,771	132,938	134,106	140,871	142,943
Central Services	312,707	257,066	255,585	365,428	366,655
Other Funds	72,830	79,421	82,466	82,208	83,197
	6,920,204	6,857,845	6,738,287	7,446,289	7,545,035

General Fund FTE	36.55	34.50	34.50	34.50	34.50
Total FTE	47.00	45.00	45.00	45.00	45.00

FINANCE DEPARTMENT FINANCIAL SUMMARY

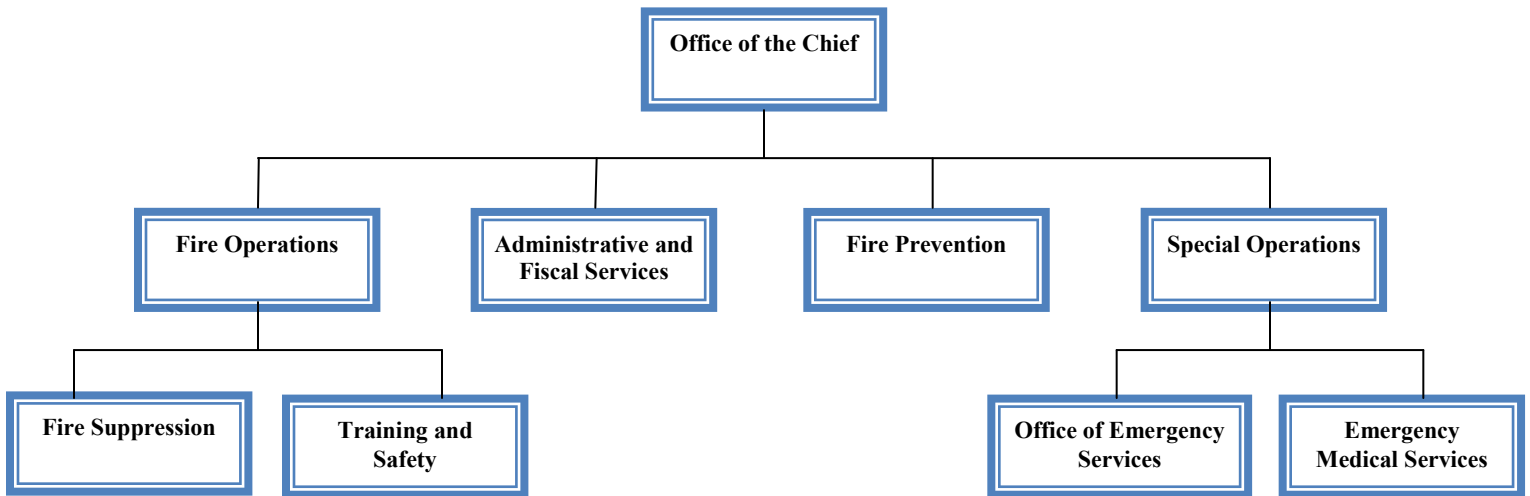
	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
DIVISION/ACTIVITY SUMMARY					
Office of the Director					
Administration	818,136	803,638	783,661	380,811	384,666
Systems Support	568,599	611,154	501,073	498,575	503,942
Treasury	422,993	428,793	404,792		
Accounts Payable	356,711	367,448	374,003		
Division Total	2,166,439	2,211,033	2,063,529	879,386	888,608
FTE Total	12.00	12.00	13.00	3.00	3.00
Accounting					
Administration	1,139,355	1,156,273	1,173,206	1,161,282	1,178,069
Accounts Payable				368,757	374,988
Division Total	1,139,355	1,156,273	1,173,206	1,530,039	1,553,057
FTE Total	7.00	7.00	7.00	10.00	10.00
General Services					
Procurement	699,893	762,230	726,210	786,447	799,526
Mail Services	312,707	257,066	258,557	365,428	366,655
Division Total	1,012,600	1,019,296	984,767	1,151,875	1,166,181
FTE Total	7.00	6.00	6.00	6.00	6.00
Treasury					
Administration				615,739	625,233
Counter/Call Center	637,586	655,941	1,137,060	754,811	764,842
Operations				435,447	442,183
Division Total	637,586	655,941	1,137,060	1,805,997	1,832,258
FTE Total	6.00	5.00	6.00	13.00	13.00
Parking					
Administration	40,000	40,000	25,796	40,000	40,000
Division Total	40,000	40,000	25,796	40,000	40,000
FTE Total	-	-	-	-	-
Revenue Collection					
Billing	1,502,785	1,361,065	1,320,861	1,558,863	1,577,942
Collections	346,791	311,367	22,889	362,599	367,816
Customer Service				150	150
Licensing	74,648	102,888	10,179	117,380	119,023
Division Total	1,924,224	1,775,320	1,353,929	2,038,992	2,064,931
FTE Total	15.00	15.00	13.00	13.00	13.00
Department Total					
FTE Total	47.00	45.00	45.00	45.00	45.00

FIRE DEPARTMENT

MISSION STATEMENT

The Berkeley Fire Department protects life, property, and the environment through emergency response, prevention, and community preparedness.

ORGANIZATION CHART



FIRE DEPARTMENT

Department Overview

Office of the Fire Chief

The Office of the Fire Chief directs four division managers and provides overall direction and policy for the delivery of emergency and support services.

Administrative and Fiscal Services

The Administration and Fiscal Services Division directs the department budget and fiscal policy, administrative systems and procedures, employee training and development.

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.

Fire Operations

Fire Operations Division 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.

Training and Safety

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

Office of Emergency Services

The Office of Emergency Services guides City policy and implements disaster preparedness and response programs, outreach and education, and regional collaboration planning.

Emergency Medical Services

The Emergency Medical Services Division provides Advanced Life Support and staff paramedic transport ambulance units.

Commissions

Disaster and Fire Safety Commission

Major Accomplishments – FY 2014 & FY 2015

- ❑ Updated the job classification minimum requirements and probationary task book requirements for all sworn classifications.
- ❑ Conducted promotional assessment processes for Deputy Fire Chief,

FIRE DEPARTMENT

Assistant Fire Chief, Fire Marshal, Battalion Chief, Fire Captain, and Apparatus Operator and Paramedic Supervisor classifications.

- ❑ Completed recruitment processes for January 2014 and October 2014 fire academies.
- ❑ Supported and assisted with the first fire science program at Berkeley High School, in collaboration with the Berkeley Unified School District.
- ❑ Completed transition to EBRCSA radio system.
- ❑ Implemented and successfully completed 85% of the 2013-2015 departmental strategic plan objectives in FY 2014.
- ❑ Updated Local Hazard Mitigation plan.
- ❑ Updated the Berkeley Fire Code and adopted 2013 California Fire Code.
- ❑ Trained three shift fire inspectors in arson investigation and advanced fire inspection techniques.
- ❑ Updated automatic aid and mutual response area agreements with Albany, El Cerrito, Kensington, Moraga-Orinda, and Lawrence Berkeley National Lab.
- ❑ Implemented Emergency Medical Dispatch program.
- ❑ Completed an EMS response analysis and implemented pilot EMS delivery plan to address increasing call volume.
- ❑ Acquired replacement and additional ambulances to meet increasing demands for emergency medical calls and special events staffing.
- ❑ Increased community participation in disaster preparedness incentive programs through implementation of roll-off dumpster and automatic gas shutoff programs.
- ❑ Developed and implemented a post-service survey program to measure customer satisfaction.
- ❑ Provided training on the City's accounting and budgeting procedures to all fire department employees.
- ❑ Submitted and received additional revenue totaling \$818,393 from Ground Emergency Medical Transportation (GEMT) program.
- ❑ Established contract for a Fire Department Medical Director

Key Objectives for FY 2016 & FY 2017

- ❑ Update strategic plan for FY 2016 to 2018
- ❑ Update Mobile Data Computer software (Mobile CAD 10.2);
- ❑ Upgrade Mobile Data Computer hardware (Data 9-1-1);

FIRE DEPARTMENT

- ❑ Implement Emergency Operations Center operating system improvements and security upgrades;
- ❑ Implement video and teleconferencing capacity
- ❑ Complete installation of Voice Over Internet Protocol (VOiP) phone system at all stations;
- ❑ Drill Tower repair and maintenance;
- ❑ Procure and replace Engines 3, 4, 7, and 402 (Type VI), Hazmat 2;
- ❑ Procure and replace electrocardiogram monitors
- ❑ Fire stations 1 and 2 repair and/or remodel to address security and energy efficiency needs;
- ❑ Update City's Emergency Operations Plan and conduct an EOC exercise;
- ❑ Conduct annual Citywide disaster exercise;
- ❑ Evaluate and analyze findings from Fourth Ambulance Pilot program ;
- ❑ Execute an extension of the First Responder Advanced Life Support contract with Alameda County in FY 2016;
- ❑ Implement automatic defibrillator program;
- ❑ Update the Berkeley Fire Code and adoption of 2016 California Fire Code and amendments.
- ❑ Implement a 360 evaluation program for all personnel;
- ❑ Conduct assessment processes for Apparatus Operator in 2016 and Fire Captain in 2017; and
- ❑ Complete entry-level recruitment process for the January 2017 fire academy.

Significant Changes from Prior Year's Budget

- ❑ Reduction of \$78,040 from the General Fund resulting from personnel cost sharing with the Permit Service Center Fund for a Fire Prevention Inspector (non-sworn) position.
- ❑ Reduce General Fund overtime by \$194,049 and have Measure GG Fund absorb these costs.

FIRE DEPARTMENT FINANCIAL SUMMARY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
EXPENDITURES					
By Type:					
Salaries and Benefits	28,210,558	28,779,933	30,332,804	32,108,719	32,539,538
Services and Materials	1,447,012	1,676,022	1,735,276	1,921,242	1,841,242
Capital Outlay	52,106	266,882	131,029	33,500	33,500
Internal Services	1,535,202	1,550,752	1,627,235	1,779,569	1,859,569
	31,244,878	32,273,589	33,826,344	35,843,030	36,273,849
By Division:					
Office of the Fire Chief	1,293,280	1,622,602	1,529,138	1,665,928	1,604,614
Fire Administrative Services	383,055	363,093	363,161	407,844	414,168
Fire Operations	29,568,543	30,167,894	31,934,045	33,769,258	34,255,067
	31,244,878	32,153,589	33,826,344	35,843,030	36,273,849
By Fund:					
General Fund	25,405,453	26,422,372	27,116,862	28,315,624	28,692,307
Paramedic Tax Fund	2,946,809	3,023,756	3,048,891	3,137,806	3,177,110
CFD #1 Dis Fire Protect Bond	35,377	94,151	77,064	116,218	117,278
Measure GG	2,852,239	2,729,795	3,240,520	3,828,257	3,835,689
Other Funds	5,000	3,515	343,007	445,125	451,465
	31,244,878	32,273,589	33,826,344	35,843,030	36,273,849

General Fund FTE	122.25	120.76	120.76	120.01	120.01
Total FTE	139.75	140.00	140.00	140.00	140.00

FIRE DEPARTMENT FINANCIAL SUMMARY

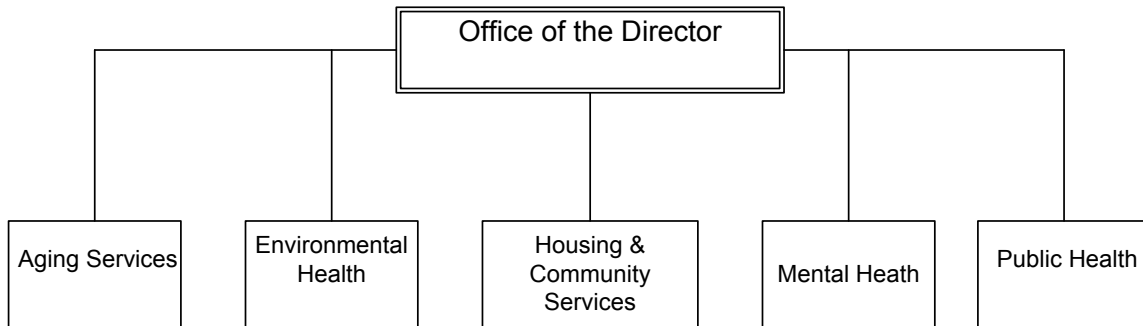
DIVISION/ACTIVITY SUMMARY	FY 2013 Actual	FY 2014 Actual	FY 2015 Adopted	FY 2016 Adopted	FY 2017 Adopted
Office of the Fire Chief					
Administration	542,799	572,560	586,932	605,887	612,898
Disaster Preparedness	750,481	1,050,042	942,206	1,060,041	991,716
Division Total	1,293,280	1,622,602	1,529,138	1,665,928	1,604,614
FTE Total	6.00	6.00	6.00	6.00	6.00
Fire Administrative Services					
Financial Admin. Services	383,055	363,093	363,161	407,844	414,168
Division Total	383,055	363,093	363,161	407,844	414,168
FTE Total	3.75	3.00	3.00	3.00	3.00
Fire Operations					
Administration	702,749	732,718	849,612	852,948	864,646
Suppression/Rescue/Hazard	18,507,580	18,750,301	19,247,185	20,623,787	20,948,121
Fire Prevention	860,696	735,218	700,368	835,308	846,369
Fire Training	661,511	652,629	733,366	757,723	767,329
Emergency Medical Service	8,836,007	9,297,028	10,403,514	10,699,492	10,828,602
Division Total	29,568,543	30,167,894	31,934,045	33,769,258	34,255,067
FTE Total	130.00	131.00	131.00	131.00	131.00
Department Total	31,244,878	32,153,589	33,826,344	35,843,030	36,273,849
FTE Total	139.75	140.00	140.00	140.00	140.00

HEALTH, HOUSING AND COMMUNITY SERVICES DEPARTMENT

MISSION STATEMENT

The Department of Health, Housing, & Community Services' mission is to enhance community life and support health and wellness for all. We are committed to social and environmental justice and to promoting equity in health, housing, and economic opportunity. We collaborate with community partners to build a vibrant and healthy Berkeley.

ORGANIZATION CHART



HEALTH, HOUSING AND COMMUNITY SERVICES DEPARTMENT

Department Overview

Office of the Director and Administration

This office provides overall leadership, policy development, and management for the department; manages the Department's fiscal activities including budgeting, accounting, payroll, purchasing and billings to external funders; contract 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. Staff in this division also works with the public on special events held throughout the City.

Mental Health Services

The Mental Health division provides mental health treatment and prevention 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 performs specialized services such as clinical case management, therapy, wellness and recovery groups, medication support, mobile crisis/emergency response, school-based mental health, homeless outreach, and disaster mental health response and recovery. The division also supports a number of community based organizations in their direct service and prevention efforts.

Public Health Services

The Public Health Division's goal is ensure that everyone in the Berkeley community has an opportunity 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; 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.

HEALTH, HOUSING AND COMMUNITY SERVICES DEPARTMENT

Housing and Community Services

This division 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 also provides rehabilitation assistance to low-income senior and disabled homeowners, provides housing policy planning and refinement of housing regulatory measures; coordinates homeless policy planning activities for those who are homeless or at risk of homelessness and administers the Shelter Plus Care Program, 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 and administers the youth and adult employment services programs.

Aging Services

The Aging Services Division operates two daily activity senior centers and one service center, and provides support services to the community including: educational and recreational day trips, center based and home delivered meals, health, fitness and education classes and activities, socialization opportunities, technology access, volunteer opportunities, case management services, senior injury prevention interventions, and caregiver support and consultation. The division also administers the Berkeley Paratransit Services program for seniors and persons with disabilities.

Major Accomplishments FY 2014 & FY 2015

- HHCS Department Wide
 - Made significant strides in the consolidation of the Housing & Community Services Department and the Health Services Department;
 - Created department-wide Administration and Finance unit to fully consolidate the work of the two former departments;
 - Strengthened HIPAA compliance: Launched online HIPAA training for staff in three divisions, collaborated with City Clerk on City records practices, revised client notices, updated policies;
 - Launched Department-wide “change initiative” to improve HHCS cultural awareness in practice and policy throughout the department.

- Environmental Health
 - Conducted more than 2,349 food safety inspections at restaurants, food markets and other retail food facilities for health compliance;
 - Conducted more than 2,431 inspections at properties with vector violations, abated 36 inoperable vehicles, and baited more than 168 sewer locations to control the rodent population;

HEALTH, HOUSING AND COMMUNITY SERVICES DEPARTMENT

- Secured second and third year funding for a US Food and Drug Administration grant to improve the Retail Food Safety Program using the Voluntary National Retail Food Regulatory Program Standards as a guide;
 - Successfully tested Envision Connect Remote software system on field tablets in Environmental Health to capture work activity in the field.
 - Standardized retail food safety specialist using the rigorous FDA process contained in Standard 2 (Trained Staff) of the FDA Voluntary National Retail Food Regulatory Program Standards.
 - Launched a new data management project with Decade Software to support the FDA Program Standard's risk-based inspection approach.
- Mental Health
- Streamlined the Adult Mental Health Assessment process, allowing Berkeley and Albany residents to receive a comprehensive assessment on same day they request services, and to receive a referral to an internal or external treatment provider by the end of the business week they were assessed. A total of 235 individuals entered mental health treatment during this time period.
 - Partnered with Berkeley Unified School District to provide mental health services in elementary, middle and high schools. This included implementing Cognitive Behavioral Intervention for Trauma in Schools (CBITS), a nationally recognized evidence based practice at Berkeley Technical High School.
 - Responded to over 1500 requests for crisis services with our Mobile Crisis Team.
 - Led a wide variety of peer run and family support activities, empowering mental health consumers and families to direct their own recoveries.
 - Led Mental Health First Aid trainings for community members, supporting everyone's ability to effectively support those with mental health concerns.
 - Provided comprehensive mental health services to over 500 highest need Berkeley and Albany residents;
 - Forged important collaborations between Public Health and Mental Health and Housing Services to better serve Mental Health clients;
- Public Health
- Completed and published the comprehensive 2013 Health Status Report and launched a Public Health Priority-Setting and Priority-Based budgeting process, including identifying preliminary priorities;
 - Expanded the Public Health Division emergency operating center to an HHCS Department wide operations center ("DOC") and increased collaboration with Office of Emergency Services;
 - Implemented Measure GG-funded community emergency preparedness program with first-year activities including two community focus groups, door-to-door bilingual outreach and surveying to assess resident emergency supplies and needs, creation of seven emergency

HEALTH, HOUSING AND COMMUNITY SERVICES DEPARTMENT

- preparedness educational modules for targeted resident demographics, and developing the community “Ambassador” (Leadership) curriculum.
 - Transitioned fully to NEXTGEN electronic health records at all public health clinic sites and qualified for federal incentives for meaningful use of electronic health records;
 - Youth development groups presented health information to over 3,000 middle and high school students;
 - Provided over 2,200 home-visits by public health nurses;
 - Provided developmental screenings to all children enrolled in BUSD preschool programs;
 - Through program evaluation, demonstrated impact of Breathmobile mobile asthma clinic on improving health and school attendance among participating students;
 - Managed reportable infectious disease events in Berkeley, including unprecedented preparation for and monitoring of potential Ebola patients and response to measles resurgence.
 - Incorporated stakeholder input into PH priority-setting, and will work with consultant services for community engagement phase of PH priority-setting in order to finalize PH priorities.
 - Completed formal quantitative and qualitative evaluation of Heart 2 Heart place-based cardiovascular disease prevention program and presented preliminary findings at American Public Health Association national conference;
 - Transitioned Black Infant Health program to new location at re-named West Berkeley Service Center;
 - Implemented Smoke-Free Multi-Unit Housing ordinance, coordinating enforcement with Code Enforcement staff.
- Housing and Community Services
- Continued to integrate performance-based resource allocation and strategic goals with the allocation of funding to community based organizations;
 - Completed work to support the rehabilitation of 74 units of supportive housing for formerly homeless people at UA Homes, and supported the rehabilitation of 75 former public housing units;
 - Continued to assist William Byron Rumford Plaza development in refinancing and rehabilitating 43 units of low income family housing;
 - Initiated the implementation of the City’s new Minimum Wage Ordinance;
 - Implemented a community stakeholder process to redesign the Berkeley homeless system of care;
 - In cooperation with Alameda County and the Cities of Oakland, Albany and Emeryville, developed a new program to outreach to chronically homeless clients accessing winter shelter called North County Housing Connect.

HEALTH, HOUSING AND COMMUNITY SERVICES DEPARTMENT

- Aging
 - Implemented self-registration system to capture participation in centers and emergency contact information.
 - Over 2,500 seniors attended two Senior Centers, participating in about 30,000 classes, events, workshops, groups or day trips.
 - 140 volunteers provided over 15,000 hours of volunteer support for seniors by teaching class, serving meals, and provided general help for seniors in senior centers.
 - Provided more than 1,000 case management encounters to seniors in need of support to access services and resources;
 - Provided over 75,000 meals to City of Berkeley residents through on-site and home delivered meal services;
 - Implemented green recycling in Meals on Wheels and Senior Centers.

Key Objectives for FY 2016 & FY 2017

- HHCS Department Wide
 - Continue to solidify department consolidation focusing on strategic collaborations between department programs;
 - Integrate case management service delivery models in Aging and Public Health Divisions to enhance targeted case management services across the lifespan and improve program sustainability through improved efficiency and standardization of administrative and fiscal processes;
 - Continue to strengthen fiscal stability of department.
 - Continue to work on department wide 'Change Initiative' to increase cultural awareness in practice and policy throughout the department.
- Environmental Health
 - Continue work on the FDA Program Standards Grant to improve the Retail Food Safety Program and meet Program Standard 4 (Uniform Inspection Program) and Program Standard 6 (Compliance and Enforcement).
 - Obtain third party verification audits of FDA Program Standards met.
 - Provide code compliance data to the Open Data Sharing Project.
- Mental Health
 - Partner with Alameda County Behavioral Health Care Services in funding a Mental Health Wellness and Recovery Center for residents of Berkeley and Albany.
 - Implement a new wrap around mental health program for high need youth in Berkeley and Albany.
 - Expand staffing for Mobile Crisis Services, allowing for increased number of mental health crisis responded to.
 - Partner with Public Works on major construction project at the Adult Clinic at 2640 MLK Jr. Way, adding needed seismic upgrades, safety improvements, and more consumer friendly atmosphere.

HEALTH, HOUSING AND COMMUNITY SERVICES DEPARTMENT

- Provide comprehensive mental health services to highest need children, young adults and adults through personalized clinical case management services;
- Public Health
 - Identify and pursue new sources of funding aligned with PH Priority areas of work and refocus existing programmatic funding to focus on identified PH Priorities, as possible within funding constraints.
 - In light of loss of state funding, transition Berkeley's Black Infant Health (BIH) program to a local model to best serve the needs of African American infants and their families, with funding through MCAH, City general funds, and by seeking new funding sources.
 - Continue building Measure GG community preparedness program, with focus on launching emergency preparedness educational modules for audiences in south and west Berkeley, enhancing the "Ambassador" curriculum, developing strategic partnerships to engage youth and cross generational interventions in the community, and further developing the evaluation plan to ensure services are effective and remain current with best practices.
 - Identify resources to support Public Health Accreditation readiness activities, to position the Division to apply for accreditation.
- Housing and Community Services
 - Continue to implement major changes to Berkeley's homeless services system by supporting the creation of a Housing Crisis Resolution Center, and other services that support coordinated intake and assessment;
 - Support the development of new affordable housing in Berkeley, including Harper Crossings, Grayson Street, and Berkeley Way;
 - Continue implementation of monitoring the City's Minimum Wage and Living Wage Ordinances;
 - Continue to support the rehabilitation of public facilities owned by the City of Berkeley and operated by non-profit agencies serving very low-income Berkeley residents; and
 - Continue to place over 245 youth in summer jobs and over 145 in winter and after school jobs.
- Aging Services
 - Continue provision of meal services to seniors, serving over 75,000 meals annually;
 - Continue serving over 2,500 seniors in two activity senior centers;
 - Provide case management services to seniors in need of support, include homeless seniors and seniors at risk of institutional care;
 - Assess community needs and implement paratransit program expansion through support of Measure BB;
 - Provide volunteer opportunities for over 200 volunteers in Senior Centers and Meals on Wheels programs.

HEALTH, HOUSING AND COMMUNITY SERVICES DEPARTMENT

Significant Changes from Prior Year's Budget

- Environmental Health
 - Add one hourly Registered Environmental Health Specialist

- Mental Health
 - Add one Community Health Worker (MHSA funded)

- Housing and Community Services
 - Add one Community Services Specialist II

- Aging Services
 - Restored .50 FTE Mealsite Coordinator position at South Berkeley Senior Center.

**DEPARTMENT OF HEALTH, HOUSING AND COMMUNITY SERVICES FINANCIAL
SUMMARY**

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
EXPENDITURES					
By Type:					
Salaries and Benefits	22,413,664	22,955,154	22,186,837	26,152,187	26,447,129
Services and Materials	10,011,075	10,436,161	9,761,516	11,461,593	11,487,226
Capital Outlay	50,970	62,530	113,632	2,416,464	849,064
Internal Services	1,566,348	1,245,020	1,253,676	1,279,054	1,303,454
Indirect Cost Transfer	35,537	30,581	31,742	41,513	41,513
	<u>34,077,594</u>	<u>34,729,446</u>	<u>33,347,403</u>	<u>41,350,811</u>	<u>40,128,386</u>
By Division:					
Office of the Director	1,368,075	1,433,007	1,346,302	1,878,306	1,900,374
Aging Services	2,641,274	3,047,653	3,341,177	3,182,886	3,220,200
Community Services & Administration	8,339,422	-	-		
Environmental Health	1,983,850	1,986,691	2,127,830	2,281,977	2,312,774
Housing Services	3,040,160	-	-		
Housing & Community Services	-	11,693,512	10,170,826	12,012,167	12,087,200
Mental Health	8,516,140	7,968,299	8,482,276	13,581,901	12,082,735
Public Health	8,188,673	8,600,284	7,878,992	8,413,574	8,525,103
	<u>34,077,594</u>	<u>34,729,446</u>	<u>33,347,403</u>	<u>41,350,811</u>	<u>40,128,386</u>
By Fund:					
General Fund	11,345,141	11,773,139	11,927,266	12,377,323	12,528,058
Capital Improvement Fund	373,402	114,063	60,179	75,184	75,616
Federal Funds	6,488,600	7,415,602	6,575,381	7,106,636	7,129,631
State Funds	11,660,371	11,528,984	11,226,401	17,567,732	16,116,672
County Grants	1,657,522	1,829,819	1,562,242	1,633,186	1,655,509
Local and Foundation Grants	166,757	182,837	46,957	199,400	202,377
Successor Agency	87,494	50,950	36,610	33,164	33,566
Rental Housing Safety	795,347	16,660	1,504		
Measure E Disabled Tax	953,379	1,004,192	1,038,386	1,075,936	1,097,559
Measure B Paratransit	189,601	241,312	260,579	404,763	404,763
Measure GG Fire Prep Tax		182,773	134,943	173,051	174,879
Sewer Fund	252,940	241,579	290,843	357,192	361,248
Permit Service Center	3,690	6,068	6,775	5,232	5,307
Other Funds	103,350	141,468	179,337	342,012	343,201
	<u>34,077,594</u>	<u>34,729,446</u>	<u>33,347,403</u>	<u>41,350,811</u>	<u>40,128,386</u>

General Fund FTE	64.32	63.84	62.95	65.54	65.54
Total FTE	216.80	209.96	207.06	214.78	214.78

**DEPARTMENT OF HEALTH, HOUSING AND COMMUNITY SERVICES
FINANCIAL SUMMARY**

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
DIVISION/ACTIVITY SUMMARY					
Office of the Director					
Administration	1,368,075	1,433,007	1,346,302	1,878,306	1,900,374
Division Total	1,368,075	1,433,007	1,346,302	1,878,306	1,900,374
FTE Total	9.00	17.00	17.00	17.00	17.00
Aging Services					
Aging Services Administration	151,912	249,776	263,722	286,462	290,514
North Berkeley Senior Center	745,309	789,654	704,528	607,888	616,070
South Berkeley Senior Center	577,450	639,895	562,065	471,738	477,556
Social Services	811,190	994,065	1,306,289	1,307,437	1,321,207
Senior Nutritional Program	355,413	374,263	504,573	509,361	514,853
Division Total	2,641,274	3,047,653	3,341,177	3,182,886	3,220,200
FTE Total	25.43	25.99	25.99	23.97	23.97
Community Services & Administration					
Administration	296,531				
Community Services	6,531,345				
Budget & Fiscal	310,499				
Employment Programs	1,201,047				
Division Total	8,339,422	-	-		
FTE Total	39.52				
Environmental Health					
Office of the Manager	629,752	555,287	548,631	495,424	502,800
Environmental Health	668,287	808,621	929,792	940,255	952,736
Abandoned Auto Abatement	123,533	86,900	120,644	164,883	166,712
Vector Control	275,751	267,084	280,843	299,501	303,904
Sewer Emergencies	144,744	148,332	181,494	256,501	259,140
Waste Tire Enforcement	141,783	120,467	66,426	125,413	127,482
Division Total	1,983,850	1,986,691	2,127,830	2,281,977	2,312,774
FTE Total	14.00	14.00	12.00	12.86	12.86
Housing Services					
Housing Development	451,466				
Housing Trust Fund Projects	1,408,739				
Energy Programs	310				
Rental Housing Safety	739,122				
Housing Rehabilitation	440,523				
Division Total	3,040,160	-	-		
FTE Total	12.00				

**DEPARTMENT OF HEALTH, HOUSING AND COMMUNITY SERVICES
FINANCIAL SUMMARY**

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
DIVISION/ACTIVITY SUMMARY cont.					
Housing & Community Services					
Administration		180,397	959,778	1,588,343	1,579,597
Community Services		6,816,748	6,350,145	6,756,677	6,823,146
Employment Services		1,285,145	1,220,147	1,181,939	1,190,896
Housing Development & Rehabilitation		3,411,222	1,640,756	2,485,208	2,493,561
Division Total		11,693,512	10,170,826	12,012,167	12,087,200
FTE Total		42.02	42.02	45.02	45.02
Mental Health					
Office of the Manager	856,842	1,002,219	1,135,223	1,202,547	1,219,087
Mental Health Services Act	3,806,263	2,848,424	3,138,460	6,029,320	4,585,686
Assertive Community Treatment	7,400	534			
Family Youth & Chld Treatment	1,164,139	1,303,068	1,314,925	1,894,660	1,800,211
School Based Services	140,462	3,127			
TAY - FSP	54,846	581			
Crisis Services	911,295	892,044	981,400	1,941,512	2,073,486
Tier 1 IST	1,002,744	1,896,301	1,912,268	2,513,862	2,404,265
Tier 2 Wellness	317,414	17,617			
Tier 3 Community	254,735	4,384			
Division Total	8,516,140	7,968,299	8,482,276	13,581,901	12,082,735
FTE Total	59.60	54.60	53.70	62.28	62.28
Public Health					
Office of the Health Officer	1,746,518	1,939,517	1,697,589	1,904,040	1,930,214
Chronic Disease Education & Health Promotion	959,125	944,024	875,155	689,676	699,021
Nursing/Field Services	2,195,301	2,455,975	2,150,902	2,469,392	2,501,752
Maternal Child Health/School Clinic Services	1,330,930	1,447,557	1,309,289	1,503,856	1,526,095
Adult Health Clinic/AIDS Activities	1,956,799	1,813,211	1,846,057	1,846,610	1,868,021
Division Total	8,188,673	8,600,284	7,878,992	8,413,574	8,525,103
FTE Total	57.25	56.35	56.35	53.65	53.65
Department Total	34,077,594	34,729,446	33,347,403	41,350,811	40,128,386
FTE Total	216.80	209.96	207.06	214.78	214.78



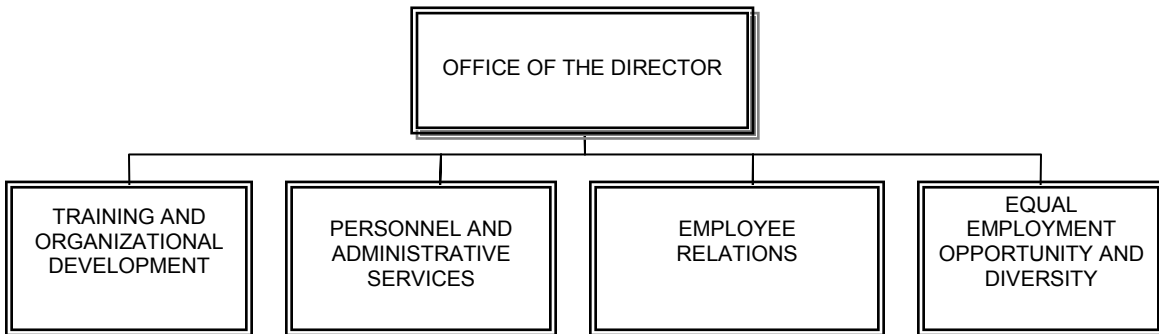
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HUMAN RESOURCES DEPARTMENT

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 Office of the Director provides overall leadership and administrative direction for all of the Human Resources Department activities. The Director of Human Resources acts as the City Manager's representative for all disciplinary and grievance appeals, and serves as Secretary and provides staff support to the Personnel Board as established by Section 119 of the City Charter.

Training and Organizational Development

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

Personnel 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, and administers the classification and compensation plan. It also processes all department requests to fill vacant positions; coordinates the appointment of all new employees; processes all changes in employment status; and maintains electronic and hard copies of all employment records.

Employee Relations

The Employee Relations unit conducts all labor relations activities with six labor organizations; 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 administers the occupational health and safety program 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 and Fair Employment and Housing Act.

Major Accomplishments – FY 2014 & FY 2015

- ❑ Implemented new Citywide Safety Initiative to enhance and sustain a positive safety culture, which resulted in a reduction in the number of job-related injuries and a reduction in the City's Workers' Compensation costs;
- ❑ Developed operational safety protocols and procedures for the Zero Waste Facility in the Public Works Department, to prevent occurrence of accidents and injuries to employees, contractors, and the public;
- ❑ Utilized the detailed loss data analysis information and comparable

HUMAN RESOURCES DEPARTMENT

jurisdiction best practices identified in the Bickmore Risk Services Workers' Compensation Risk Assessment report to provide customized action plans for the Department of Public Works, Police Department, and Fire Department;

- ❑ Conducted accident investigation training for Fire, Police, and Public Works staff, as well as members of the Citywide Safety Committee;
- ❑ Conducted full cycle recruitments and established 56 employment eligible lists in 2014;
- ❑ Increased the number of exams offered to provide job applicants more options to participate in the examination and hiring process, which included scheduling exams on weekdays, week nights, and weekends;
- ❑ Created 32 new merit-system examinations (written, performance, oral board interview, and training and experience exams);
- ❑ Concluded negotiations for new three-year collective bargaining agreement with Service Employees International Union Local 1021 (Community Services & Part-Time Recreation Leaders Association) with no cost of living adjustment for the term of the agreement, and reductions in future liabilities;
- ❑ Concluded negotiations for new three year collective bargaining agreement with Public Employees Union Local One with no cost of living adjustment for the term of the agreement, and reductions in future liabilities;
- ❑ Assisted departments in achieving operational and organizational objectives by establishing or revising 23 job classifications, including new classifications of Fire Marshal; Assistant Building and Safety Manager; Building Plans Engineer; and Revenue Development Supervisor, as well as revisions to the Behavioral Health Clinician classification series, and all sworn Fire Department classifications;
- ❑ Implemented the new Three C's Citywide Training Program based on the results of a Needs Assessment and Employee Survey with content focused on Customer Service, One City Team, and Continuous Learning;
- ❑ Conducted ten-module Management Skills Program for 15 managers and supervisors;
- ❑ Established an Occupational Health Services contract with Muir/Diablo Occupational Medical Group that replaced the City's former provider;
- ❑ Obtained a new Workers' Compensation Medical Clinic for employees injured on-the-job;
- ❑ Implemented the provisions of the Federal Affordable Care Act;

HUMAN RESOURCES DEPARTMENT

- ❑ Established contracts with new Life Insurance and Long Term Disability Insurance carriers for a savings of \$70,000 per year.
- ❑ Completed an RFP and established contracts with two staffing vendors to provide limited-term temporary staff assistance when necessary;
- ❑ Prepared a new Administrative Regulation establishing a formal procedure for the Human Resources Department to administer the use of temporary employment agency staff; and
- ❑ Revised Family Care Leave Administrative Regulation to comply with changes to federal law; and the Catastrophic Leave Administrative Regulation to comport with practices and provisions of the union contracts.

Key Objectives for FY 2016 & FY 2017

- ❑ Continue to incorporate diversity outreach in all recruitment campaigns, and maintain and increase a workforce that values and reflects diversity;
- ❑ Identify and evaluate new recruitment sources including social media;
- ❑ Develop a new Recruitment and Hire Selection Guide for Supervisors and Managers involved in the recruitment and selection process;
- ❑ Complete and issue a revised Equal Employment Opportunity Plan;
- ❑ Conduct an RFP to procure a contractor to provide online Harassment Prevention Training to supervisors and managers;
- ❑ Implement the California Healthy Workplaces, Healthy Families Act of 2014 (sick leave law) that is effective July 1, 2015;
- ❑ Continue creating and delivering customized team-building workshops for departments designed to strengthen group effectiveness;
- ❑ Continue to develop new and enhanced courses in the Citywide Training Program for all employees, and evaluate new programs to ensure they meet targeted learning objectives;
- ❑ Negotiate a successor labor contract with the Berkeley Fire Fighters Association IAFF Local 1227, whose contract is due to expire on June 30, 2015;
- ❑ Negotiate a successor labor contract with Service Employees International Union Local 1021 Maintenance and Clerical Chapter, whose contract is due to expire on July 4, 2015;
- ❑ Negotiate a successor labor contract with Service Employees International

HUMAN RESOURCES DEPARTMENT

Union Local 1021 Community Services & Part-time Recreation Leaders Association Chapter, whose contract is due to expire on June 20, 2015;

- ❑ Negotiate a successor labor contract with Public Employees Union Local One whose contract is due to expire on June 20, 2015;
- ❑ Negotiate a successor labor contract with the International Brotherhood of Electrical Workers Local 1245, whose contract is due to expire on June 20, 2015;
- ❑ Assist the Public Health Division in developing a Code of Safe Practices for health workers during home visits;
- ❑ Develop and update exposure control plans for the Departments of Health, Housing and Community Services; Public Works; Police; and Fire;
- ❑ Partner with Police and Fire management with the goal of incorporating proactive simulation of changes in work environment and/or safety equipment to the Fire Safety and Police Safety training to ultimately avoid employee injury;
- ❑ Develop a new Administrative Regulation establishing policies and procedures for the employment of Interns in City departments; and
- ❑ Revise and update Administrative Regulation 2.13 – Drug and Alcohol Testing Program for City Drivers with Commercial Drivers’ Licenses.

Significant Changes from Prior Year’s Budget

Non-personnel budget is reduced by \$17,998 to meet the General Fund 1% target cut.

HUMAN RESOURCES FINANCIAL SUMMARY

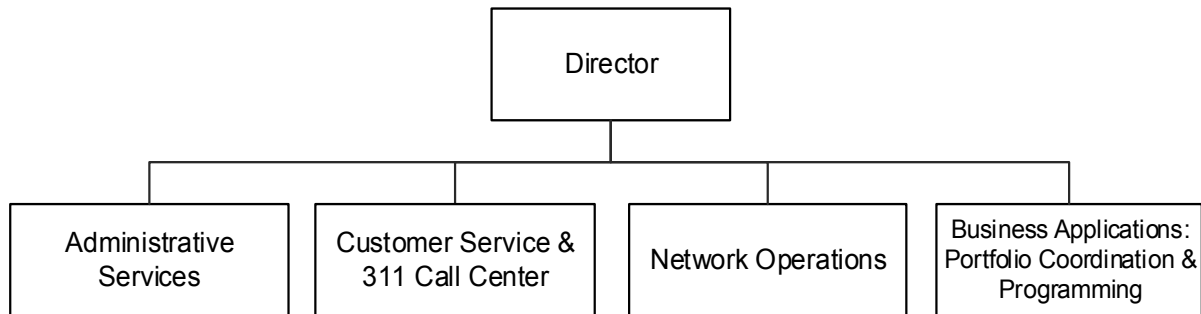
	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
EXPENDITURES					
By Type:					
Salaries and Benefits	2,577,416	2,640,921	2,567,883	2,909,157	2,957,930
Services and Materials	120,183	244,303	182,786	240,760	240,760
Capital Outlay	9,720	8,579	3,718		
Internal Services	104,942	103,375	105,368	98,264	98,264
Indirect Cost Transfer					
	2,812,261	2,997,178	2,859,755	3,248,181	3,296,954
By Division:					
Administration	596,454	751,457	620,253	784,102	793,689
Training & Organizational Development	306,537	373,275	258,701	424,269	432,415
Personnel & Administrative Services	776,652	524,017	753,215	750,289	761,892
Employee Relations	964,271	1,176,179	1,054,236	1,111,910	1,128,603
Equal Employment Opportunity & Diversity	168,347	172,250	173,350	177,611	180,355
	2,812,261	2,997,178	2,859,755	3,248,181	3,296,954
By Fund:					
General Fund	1,734,270	1,798,549	1,871,155	1,847,317	1,873,393
Employee Training Fund	332,398	377,563	289,190	489,583	498,677
Workers' Compensation	745,593	821,066	699,410	911,281	924,884
	2,812,261	2,997,178	2,859,755	3,248,181	3,296,954
General Fund FTE					
	12.20	11.95	11.95	11.85	11.85
Total FTE					
	20.00	20.00	20.00	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

Director and Administrative Services

The Administrative Services Division oversees strategic planning, performance measurement, fiscal management, vendor negotiations, technology contracts, Public Records Act requests, council items, audit reports, work plan prioritization, and performance management.

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), and helps coordinate Citywide Customer Service protocols.

Network Operations

The Division of Network Operations oversees the City's 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 6,000 desktop computers, laptops, phones, and printers. The Network Engineering team is responsible for the performance and security of more than 300 servers, routers, switches, and firewalls that connect 42 separate City locations.

Business Applications: Portfolio Coordination & Programming

Portfolio Coordinators are responsible for helping each department maximize its return on technology investments. Staff assigned to this unit help prioritize, design, improve, and implement workflow systems for client departments. In addition, this unit is responsible for regularly reviewing each department's technology portfolio to help maximize interdepartmental workflow efficiencies.

Programmers develop, maintain, and implement 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 software and automate workflows for each City Department.

INFORMATION TECHNOLOGY

Major Accomplishments for FY 2014 & 2015

Public Safety (Police & Fire)

- Implemented new Parking Citations Management System
- Completed integration with Alameda County Consolidated Records Information Management System (CRIMS)
- Completed Emergency Operations Center (EOC) hardware upgrades
- Implemented new Emergency Services medical vault security system

Public Works

- Implemented new Computerized Maintenance Management System (CMMS) for work orders and sewer asset management
- Implementing new Computerized Maintenance Management System (CMMS) for unknown water and sinkholes
- Implementing mobile use of the Computerized Maintenance Management System (CMMS)
- Integrated Community Relationship Management (CRM) system with SeeClickFix to enable requests for service via mobile devices
- Continued integration of transportation and streetlight maintenance workflows into 311 Call Center and Community Relationship Management (CRM) system

Health, Housing and Community Services

- Implemented new senior center management software for Aging Services Division

Parks, Recreation and Waterfront

- Implemented new Marina Management System for Marina berth rentals
- Expanded Online Reservations to include athletic fields, additional facilities, and sports leagues
- Integrated routine service requests into 311 Call Center and Community Relationship Management (CRM) system
- Implemented GIS portal to manage and maintain Citywide tree inventory

Planning

- Implemented new software system to streamline the zoning certificate process, including online applications and online payment
- Implementing new software system to streamline the building permit process, including application (some online), plan check, inspections, and online payment

INFORMATION TECHNOLOGY

Finance

- Expanded Online Payment services to include several interdepartmental services, including online Marina Berth Payments, Zoning Certificate payments, and Environmental Health payments

Citywide

- Implemented Voice over Internet Protocol (VoIP) phone system
- Upgraded virtual machine infrastructure, Data centers, and Citywide backup systems to meet demand for increased bandwidth, speed, and capacity while reducing marginal costs and increasing energy efficiency
- Implemented Open Data Portal pilot
- Implementing new software system for Agenda Workflow and Enterprise Content Management

Key Objectives for FY 2016 & 2017

Public Safety (Police & Fire)

- Upgrade Mobile Data Computers (MDCs) in 65 Police and 25 fire vehicles.
- Implement Online False Alarm Management system
- Implement new Parking Citation Issuance system
- Implement License Plate Recognition system

Public Works

- Implement new Computerized Maintenance Management System (CMMS) for facilities and streetlights
- Prepare and issue RFP for new Refuse Billing system
- Implement new software system to manage Private Sewer Lateral Program, including online access to Compliance Certificates
- Expand mobile use of the Computerized Maintenance Management System

Health, Housing and Community Services

- Enhance Senior Centers' network infrastructure to improve performance of public computer labs
- Consolidate legacy Health and Housing web pages
- Upgrade Electronic Practice Management and Electronic Health Records system
- Implement mobile use of Mental Health software systems
- Complete Targeted Case Management feasibility study

INFORMATION TECHNOLOGY

Parks, Recreation and Waterfront

- Enhance online services by accepting reservations for additional facility and equipment types
- Integrate Forestry service requests into 311 Call Center and Community Relationship Management (CRM) system
- Integrated Facilities service requests into 311 Call Center and Community Relationship Management (CRM) system
- Migrate to local server to improve performance of new Marina Management System
- Complete move of Recreation offices

Planning

- Enhance online services by accepting applications and payments for additional permit types, and by enabling online inspection scheduling
- Implement Building Energy Savings Ordinance (BESO)
- Implement electronic utility billing for City facilities
- Migrate microfiche records into new Enterprise Content Management system for online access

Finance

- Implement Queue Management software in the Customer Service Center
- Implement Online Payments for Business License renewals
- Implement Online Payments for the Rent Board
- Prepare and issue RFP for Centralized Cashiering
- Update Tax Assessment system

Citywide

- Prepare and issue RFP for new Core Financial system
- Upgrade 311 Call Center and Community Relationship Management (CRM) system
- Implement new software system for Code Enforcement
- Upgrade Enterprise Middleware and related Application Framework
- Upgrade FUND\$ Operating System
- Report to Council on Open Data Portal pilot, with follow up as directed

INFORMATION TECHNOLOGY

Significant Changes from Prior Year's Budget

Starting in FY 2017, an allocation of \$153,000 is being transferred from the General Fund to the Capital Improvement Fund to support a ten-year savings plan for telephone system upgrades as the new system ages. \$500,000 per year is being transferred from the General Fund to the Capital Improvement Fund to incrementally replace FUND\$ on a module by module basis.

INFORMATION TECHNOLOGY FINANCIAL SUMMARY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
EXPENDITURES					
By Type:					
Salaries and Benefits	5,013,076	5,028,309	5,248,942	5,684,114	5,771,822
Services and Materials	2,333,198	1,990,786	1,680,213	1,078,024	1,078,024
Capital Outlay	1,325,223	804,481	798,895	1,617,419	1,617,419
Internal Services	127,707	120,623	126,248	136,703	136,703
Indirect Cost Transfer	176,416	183,599	197,400	236,649	236,649
	8,975,620	8,127,798	8,051,698	8,752,909	8,840,617
By Division:					
Administration	963,151	794,081	843,922	864,507	872,371
Application Development	2,321,087	2,652,703	2,576,151	2,392,164	2,425,391
Network Operations	1,326,249	1,309,696	1,502,993	1,109,172	1,125,713
Cable TV	173,033	271,706	328,478	330,710	330,710
Public Safety Systems	935,550	928,188	758,451	897,352	908,018
Customer Service 311	1,685,903	1,161,439	1,322,265	1,427,140	1,446,550
Capital Improvements	459,882	659,734	634,197	1,680,364	1,680,364
Telecommunications	657,963	157,593	85,241	51,500	51,500
Non-Center Street CIP	452,802	192,658			
	8,975,620	8,127,798	8,051,698	8,752,909	8,840,617
By Fund:					
General Fund	5,203,863	4,743,945	4,863,199	5,251,456	5,308,370
Gas Tax	30,568	26,619	26,842	27,166	27,583
Rental Housing Safety Program	51,250	47,215	47,554	48,107	48,739
Employee Training	45,149	44,721	67,419	72,374	72,374
Capital Improvement Fund	606,404	265,731	264,482	697,364	697,364
Zero Waste Fund	719,303	670,763	688,360	691,459	701,454
Sanitary Sewer Fund	524,166	571,161	513,225	483,791	490,305
Clean Storm Water	161,916	184,887	190,557	196,206	198,910
Permit Service Center	400,776	408,759	454,445	487,663	493,511
Bldg Purchases & Mgmt	452,802	192,658			
Equipment Maintenance	35,049	37,370	38,036	38,132	38,699
Building Maintenance	34,527	37,371	38,037	38,132	38,699
Computer Replacement Fund	285,438	421,623	434,956	383,000	383,000
Other Funds	424,409	474,975	424,586	338,059	341,609
	8,975,620	8,127,798	8,051,698	8,752,909	8,840,617

General Fund FTE	23.90	22.90	24.90	25.00	25.00
Total FTE	38.50	37.50	40.50	40.50	40.50



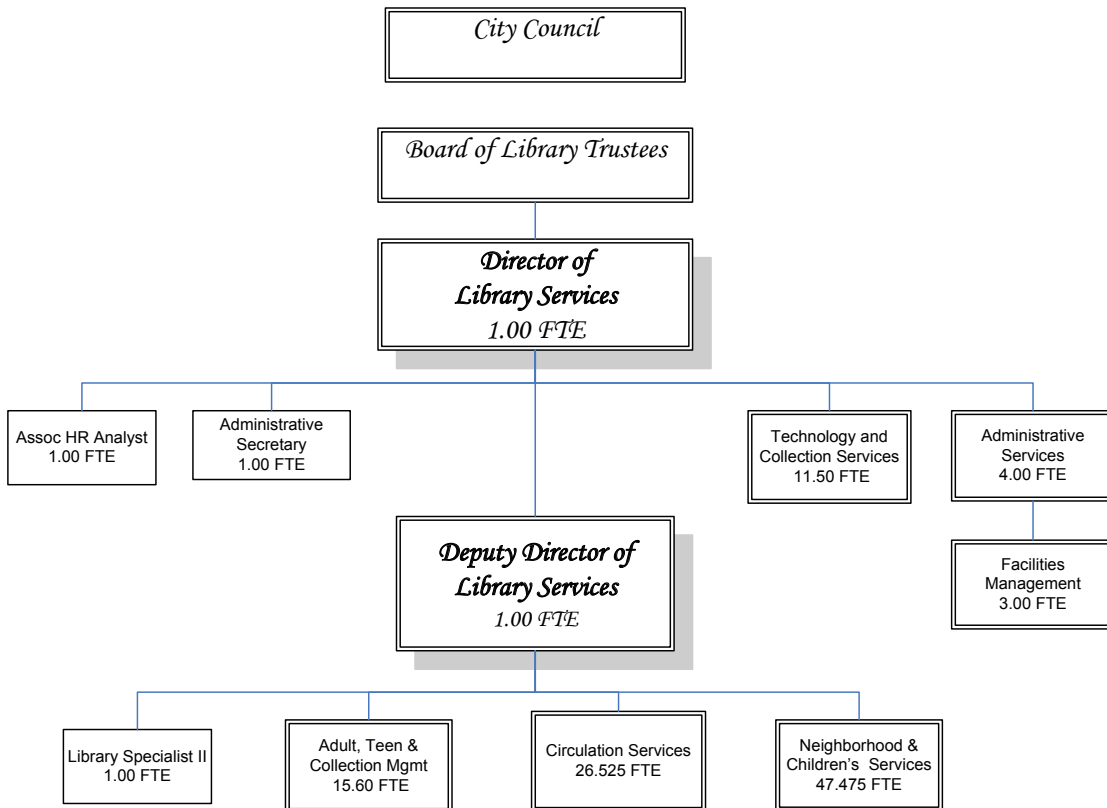
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BERKELEY PUBLIC LIBRARY

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 community. The Library supports independent learning, personal growth, and the individual's need for information. Helpful and expert staff 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

Division Overview

Adult, Teen, and Collection Services

This division encompasses the Art & Music and Reference units at the Central Library and is responsible for providing high-quality public services to the community's adult and teen residents; creating partnerships to use resources more efficiently and reach a wider audience; assisting with the use of electronic resources and tools; and promoting life-long learning. The division enhances the Library's resources by developing collections and services that meet the informational needs of Berkeley's diverse community, inclusive of administering the purchase, selection and ongoing evaluation of library materials – including both physical collections and digital content.

Neighborhood and Children's Services

Neighborhood and Children's Services oversees the four neighborhood branch libraries – Claremont, North, South, and West – and system-wide library services to children, including community programming and partnership development, and collection development of juvenile materials. Children's Services also is responsible for providing early literacy services to children, their caregivers and parents, encompassing an age-appropriate reader's advisory service attuned to reading interests and abilities; and assisting students to succeed in school. The branch libraries deliver full services and programs to Berkeley's neighborhoods, with the added services of the Tool Lending Library at the South Branch Library, 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, computers and enterprise applications. The division also provides computer hardware and software support and training. Technical Services oversees the preparation of library materials for public use, including ordering, cataloging, and physically preparing materials for the Library's five locations.

Circulation Services

The Circulation Services unit serves as the public's primary point of contact and engages in activities that strengthen community relations. The unit ensures library materials are available for circulation on a timely basis; maintains inventory control over all circulating materials; handles financial issues related to circulation; creates and maintains the Library's database of patron accounts; retrieves items on reserve for patrons, inclusive of managing interlibrary loan activities; and coordinates the Library's Books-by-Mail service offered to patrons who are physically unable to come into the Library because of an illness or disability.

BERKELEY PUBLIC LIBRARY

Literacy Services

BerkeleyREADS, adult and family literacy program, provides free confidential tutoring and literacy support services for those aged 16 years and older through goal-directed, one-on-one and/or small group instruction. The family literacy component is an outreach program providing story times, free books, special events, and parent literacy workshops at dispersed community sites serving disadvantaged families.

Facilities Management

Facilities Management maintains the mechanical systems and environs of the five facilities that make up the Berkeley Public Library system by identifying and implementing cost-effective, efficient and “green-friendly” maintenance opportunities.

Finance and Administrative Services

The Finance and Administrative Services division oversees library operations as envisioned by the governing Board of Library Trustees inclusive of personnel records; accounting functions; statistical measurements and reports; and oversight of the Library department’s business contracts and services. The Finance unit manages the Library Tax Fund, the Library Gift Fund, and all other Library revenue and expenditures sources.

Major Accomplishments – FY 2014 & FY 2015

- ❑ 50,275 people attended close to 2,000 Library programs in FY14; approximately 50% of those programs were geared towards children and attended by 27% of overall program attendees;
- ❑ Checkouts of books, videos, recordings, and other items increased to 1.974 million in FY14, a 3% increase over FY13;
- ❑ Fiscal year 2014 visits to the Library topped 1.3 million, in addition to over a million visits to the Library’s website;
- ❑ Over 320,000 informational requests were answered with accuracy by expert librarians;
- ❑ *BerkeleyREADS*, the Library’s adult and family literacy program, offered intensive instruction in basic literacy skills to over 200 adults and 26 families by 140 volunteer tutors who donated over 5,000 hours of their time to help literacy learners achieve their personal learning goals.
- ❑ The new West Branch Library reopened to much fanfare, signifying the completion of the Measure FF branch libraries improvement program and one year later is on target to achieve its goal of Net Zero Energy consumption;
- ❑ LEED (Leadership in Energy and Environmental Design) Gold certification was awarded to the newly built South Branch Library for its environmentally friendly features;
- ❑ The completion of the multi-year Measure FF branch libraries improvement program – on schedule and under budget – was feted with a month-long

BERKELEY PUBLIC LIBRARY

Branch Out celebration of an array of free events and activities that was combined with activities honoring National Library Week in April 2014;

- ❑ The Library designed and launched a new public-use website (<http://berkeleypubliclibrary.org>) built on an open-source platform that easily adapts to tablets and mobile devices without requiring an app to access the Library's dynamic print, music, film and digital collections;
- ❑ Public service hours increased at all four newly refreshed and expanded branches, raising the total number of open hours to 52 hours per week at each branch, fulfilling a long-term budget priority of the Board of Library Trustees;
- ❑ Four new electronic newsletters were launched in the audience interest areas of teens, children, arts and culture and general programs, events and news;
- ❑ A community based strategic planning process commenced, encouraging the citizens to give us their input on a variety of issues in order to better serve the needs of the Berkeley community over the next three years;
- ❑ The Family Place program launched at all Library locations in recognition of the importance of play in a child's development and the annual children's Summer Reading program was opened to preschoolers for the first time ever; and
- ❑ An interior design process for the study of Central Library public spaces was initiated with the first phase completed in FY14, and the second phase consisting of expanding and relocating the teen space began in FY15.

Key Objectives for FY 2016 & FY 2017

- ❑ Identify and prioritize strategic capital improvements, including infrastructure and Central Library repairs and improvements for possible action
- ❑ Maintain the stability of the operating budget and plan for future operational needs – including establishing / maintaining a balanced budget
- ❑ Undertake a marketing campaign to raise the Library's profile in the community
- ❑ Consider options / strategies to increase community partnerships and collaborative opportunities
- ❑ Conduct a technology needs assessment, identify strategic technology improvements, and draft a 3-year Technology Plan for the Library

Significant Changes from Prior Year's Budget

With the full support of the Board of Library Trustees, the Library will be addressing major infrastructure issues at the Central Library and is expecting to undertake construction activities that will include a dedicated teen space and a reconfigured concordant mapping of collections. Additionally, activities

BERKELEY PUBLIC LIBRARY

enunciated in the Strategic Planning process begun in FY 2014 will be launch and pursued.

BERKELEY PUBLIC LIBRARY FINANCIAL SUMMARY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
EXPENDITURES					
By Type:					
Salaries and Benefits	12,042,356	12,552,946	12,901,929	13,213,555	13,405,779
Services and Materials	3,631,243	3,237,174	3,226,481	4,040,689	3,637,189
Capital Outlay	8,050,914	4,522,786	312,441	1,590,000	470,000
Internal Services	19,443	13,632	12,560	10,064	10,064
Indirect Cost Transfer					
	<u>23,743,956</u>	<u>20,326,538</u>	<u>16,453,411</u>	<u>18,854,308</u>	<u>17,523,032</u>
By Division:					
Library Administration	3,824,591	4,222,355	4,128,380	6,256,064	4,780,472
Central Library	5,301,489	5,432,750	5,555,077	5,570,006	5,639,445
Branch Libraries	12,191,436	8,213,266	4,283,217	4,444,934	4,502,307
Technical Services	2,426,440	2,458,167	2,486,737	2,583,304	2,600,808
	<u>23,743,956</u>	<u>20,326,538</u>	<u>16,453,411</u>	<u>18,854,308</u>	<u>17,523,032</u>
By Fund:					
Library Fund	14,667,239	15,681,046	15,992,861	18,411,117	17,083,341
Direct Loan/Inter Library Loan	38,904	46,106	42,992	69,000	69,000
Library Services & Technology	45,515	43,623	58,324	55,691	55,691
Public Library Fund	1,110				
Library Gift Fund	130,749	164,721	189,133	115,000	115,000
Library Foundation	361,513	564,441	78,907	203,500	200,000
Measure FF - Branch Renovations	8,498,926	3,826,601	91,194		
	<u>23,743,956</u>	<u>20,326,538</u>	<u>16,453,411</u>	<u>18,854,308</u>	<u>17,523,032</u>

General Fund FTE					
Total FTE	109.18	111.78	113.10	113.28	113.28

BERKELEY PUBLIC LIBRARY FINANCIAL SUMMARY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
DIVISION/ACTIVITY SUMMARY					
<i>Library Administration</i>					
Administration	1,538,241	1,881,376	1,791,344	2,183,945	1,808,242
Library Information Systems	1,203,676	1,365,054	1,271,700	1,634,635	1,602,779
Facilities	919,845	960,413	1,064,683	1,137,484	1,144,451
Capital Projects	162,829	15,512	653	1,300,000	225,000
Division Total	3,824,591	4,222,355	4,128,380	6,256,064	4,780,472
FTE Total	16.00	16.00	18.00	19.00	19.00
<i>Central Library</i>					
Circulation Services	2,279,277	2,303,697	2,550,840	2,682,009	2,713,698
Children's and Teen Services	1,055,768	1,159,605	1,014,622	873,118	885,696
Art and Music	463,788	523,307	434,707	519,890	526,871
Reference	1,169,922	1,109,266	1,206,124	1,170,492	1,188,040
Literacy Programs	327,842	330,200	342,879	324,497	325,140
Young Adult Programs	4,892	6,675	5,905		
Division Total	5,301,489	5,432,750	5,555,077	5,570,006	5,639,445
FTE Total	48.63	48.15	47.53	46.88	46.88
<i>Branch Libraries</i>					
Administration	8,867,156	4,375,435	141,142	5,490	5,490
North Branch	874,970	997,390	1,153,774	1,166,899	1,181,639
South Branch	620,707	799,307	918,002	1,064,311	1,078,790
West Branch	694,637	813,250	860,083	1,024,931	1,038,590
Claremont Branch	841,730	941,555	916,294	905,343	917,078
Tool Lending	292,236	286,329	293,922	277,960	280,720
Division Total	12,191,436	8,213,266	4,283,217	4,444,934	4,502,307
FTE Total	32.30	35.38	38.08	37.90	37.90
<i>Library Technical Services</i>					
Technical Svcs & Collection Mgmt.	1,177,855	1,015,051	806,929	844,021	854,519
Technical Services	1,248,585	1,443,116	1,679,808	1,739,283	1,746,289
Division Total	2,426,440	2,458,167	2,486,737	2,583,304	2,600,808
FTE Total	12.25	12.25	9.50	9.50	9.50
Department Total	23,743,956	20,326,538	16,453,411	18,854,308	17,523,032
FTE Total	109.18	111.78	113.10	113.28	113.28



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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 Lori Droste, (510) 981-7180

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

MAYOR AND CITY COUNCIL FINANCIAL SUMMARY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
EXPENDITURES					
By Type:					
Salaries and Benefits	1,560,384	1,598,035	1,660,661	1,597,749	1,615,647
Services and Materials	53,249	43,793	36,942	113,526	113,526
Capital Outlay	3,271	2,994	1,953		
Internal Services	89,245	89,095	89,100	81,181	81,181
Indirect Cost Transfer					
	1,706,149	1,733,917	1,788,656	1,792,456	1,810,354
By Division:					
Mayor's Office	513,582	510,846	515,095	552,856	561,057
Council Offices	1,192,567	1,223,071	1,273,561	1,239,600	1,249,297
Exiting Officials					
	1,706,149	1,733,917	1,788,656	1,792,456	1,810,354
By Fund:					
General Fund	1,706,149	1,733,917	1,788,656	1,792,456	1,810,354
	1,706,149	1,733,917	1,788,656	1,792,456	1,810,354

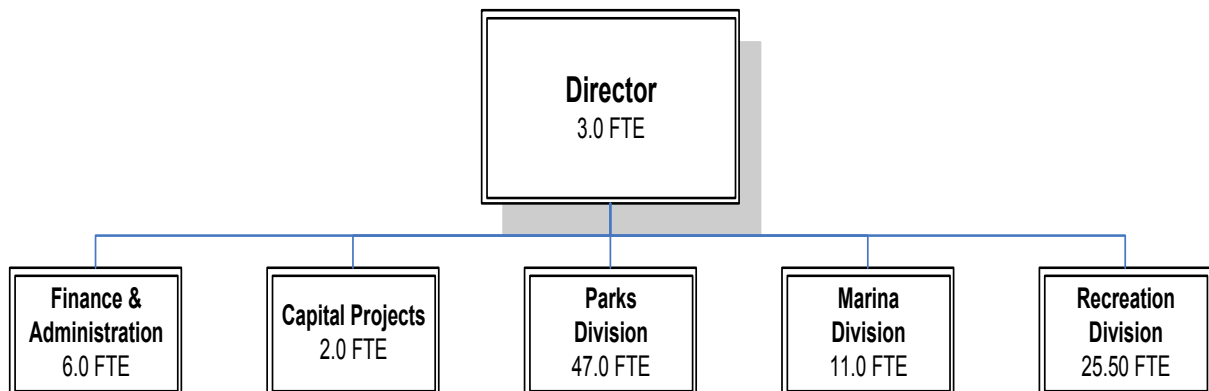
General Fund FTE	12.00	12.00	12.00	12.00	12.00
Total FTE	12.00	12.00	12.00	12.00	12.00

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

Fiscal and Administrative Services

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.

Capital Projects Planning and Design

This division plans and manages capital improvement projects at City-owned parks and waterfront facilities. This includes park and facility planning, grant acquisition, 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 facilities and operates the City's recreation centers, swimming pools and campsites (including resident camps at 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.

2020 Vision

The 2020 Vision for Berkeley's Children and Youth is a community-wide effort to close the academic achievement gap that exists in Berkeley's public schools. Based on national research and best practices, the following key measurable indicators evidenced to impact the racial disproportionality of academic achievement among Berkeley students have been identified.:

- Kindergarten Readiness
- Reading Proficiency by 3rd Grade
- Student Attendance
- Successful Completion of 9th Grade Math Standards
- College & Career Readiness and Success

- Disproportionality in Suspensions and Police Contacts
- Student Engagement

These measures guide the planning and will be used to assess the progress of the initiative.

Major Accomplishments – FY 2014 & FY 2015

- ❑ Completed Bay Trail Extension—Phase One;
- ❑ Resurfaced and renovated tennis courts in Willard Park;
- ❑ Rehabilitated seven sports fields and one park field;
- ❑ Seal coated the Marina pathways and L and M parking lots in Cesar Chavez Park;
- ❑ Refinished wood floor in Live Oak Community Center Social Hall;
- ❑ Remodeled office space at six Recreation Division facilities in order to decentralize the Main Recreation Office;
- ❑ Renovated Echo Lake Camp Dining Hall tresses and structure;
- ❑ Renovated Echo Lake Camp Lodge Deck Foundation;
- ❑ Completed Hazard Mitigation at Berkeley Tuolumne Camp Site following Rim Fire Damage;
- ❑ Developed 2020 Vision Phase III work plans for College-Career Readiness and Success Indicator;
- ❑ Initiated revision of community agency funding process and reporting outcomes for youth serving agencies to bring more into alignment with 2020 Vision goals;
- ❑ Completed Children’s Budget;
- ❑ Planted 633 trees City-wide, and planted 27 trees along Solano Avenue business district and created 28 new tree wells;
- ❑ Established Community All Crew Work Day.
- ❑ Fully implemented “Parks Make Life Better” signage and outreach;
- ❑ Held one Community Tree Planting Day;
- ❑ Held annual Community Park Day in San Pablo Park;
- ❑ Repaired Aquatic Park buildings; provided new electrical service, repaired sewer system, paved parking area, repaired fencing, built ADA access ramps, built stairway, painted buildings, installed safety bollards, improved landscaping and repaired roofs in preparation for new occupancy of three vacant buildings;
- ❑ Completed Municipal Urban Forest Tree Inventory and made data available to the public on the city website;
- ❑ Expanded use of LAGAN for Urban Forestry Tree management;
- ❑ Developed volunteer recruitment and recognition program. Held first annual volunteer award event;
- ❑ Rehabilitated and improved reserve-able picnic areas;
- ❑ Met city drought 10% water reduction goal; reduced water use city wide by over 20% and received water saving recognition award from EBMUD;

- ❑ Secured \$500,000 from State Coastal Conservancy to renovate the East Lot and the south Sailing Cove;
- ❑ Secured \$600,000 from Cosco Busan to build a new public restroom at the South Sailing Cove;
- ❑ Secured \$500,000 from MTC (federal funds) to build segment three of the Bay Trail Extension at the South Sailing Cove;
- ❑ Assumed operation and leasing of 125 – 127 University Ave, with existing five tenants;
- ❑ Developed and re-signed Cesar Chavez Park with updated Parks Rules signs; and implemented public education and outreach program at Cesar Chavez Park;
- ❑ Sourced and implemented new Marina software program to manage berth assignments;
- ❑ Increased enrollment at all four Afterschool Program sites: Willard 18% increase, James Kenney 24% increase, Frances Albrier 55% increase, YAP 71% increase;
- ❑ Increased online activity tracking and registration on ACTIVE for programs such as Berkeley Day Camp, Echo Lake Camp, summer and afterschool Achievers, and youth sports;
- ❑ Continued implementing Kindergarten Readiness Programs after grant funding ended, entered into an Unfunded Partnership with First 5 Alameda County; expanded Pre-K programs to include more ages 0-2 programs;
- ❑ Developed partnership with Special Olympics to expand Therapeutic Recreation program;
- ❑ Expanded Therapeutic Recreation internship program;
- ❑ Developed and implemented new Family Camp program at Echo Lake Camp in response to loss of Tuolumne Camp; and
- ❑ Increased number of campers served at Echo Lake Camp by 102%.

Key Objectives - FY 2016 & FY 2017

- ❑ Complete renovation of Virginia McGee Totland;
- ❑ Complete renovation of Terrace View Park
- ❑ Complete renovation of Ohlone Dog Park
- ❑ Complete renovation of John Hinkel Park picnic area.
- ❑ Complete renovation plan for John Hinkel Park Amphitheater / play structure;
- ❑ Complete renovations for Grove Park basketball and tennis courts;
- ❑ Rehabilitate four sports fields;
- ❑ Complete renovations for James Kenney Siding Replacement and Seismic Upgrade project;
- ❑ Complete renovations for Rose Garden Trellis, Phase I trellis replacement and ADA improvements;
- ❑ Complete renovations for James Kenney Park Play Structure, equipment, seating and picnic area;
- ❑ Complete renovations for Strawberry Creek Park courts;
- ❑ Complete renovations for Willard Play Area equipment and pathways;

- ❑ Complete renovations for John Hinkel Park pathway, play areas and ADA work;
- ❑ Complete improvements to the Marin Circle Fountain and walk area;
- ❑ Complete improvements to the Becky Temko play equipment;
- ❑ Complete major repairs and maintenance on three (3) Echo Lake Camp cabins;
- ❑ Complete major maintenance on the Echo Lake Camp Kitchen in-take / make-up air system;
- ❑ Replace the Echo Lake Camp leach fields;
- ❑ Renovate Glendale Laloma basketball courts;
- ❑ Complete Bay Trail Segment III;
- ❑ Complete South cove parking and access project;
- ❑ Complete assessment of Berkeley Pier;
- ❑ Complete Marina Bait Shop wall replacement;
- ❑ Complete Launch Ramp Barrier Project;
- ❑ Renovate Aquatic Park south pathways;
- ❑ Complete San Pablo electrical meter split;
- ❑ Begin Cesar Chavez Park Master Plan;
- ❑ Represent the City of Berkeley on 2020 Vision planning, implementation, and evaluation activities;
- ❑ Develop and coordinate an evaluation strategy for City of Berkeley youth services;
- ❑ Provide recommendations related to reporting outcomes, best practices, and training needs for City of Berkeley and City funded youth programs;
- ❑ Apply for grant funds to make improvements in the South Sailing Cove;
- ❑ Complete Berkeley Tuolumne Camp Master Plan and enter into new lease with the US Forest Service;
- ❑ Hold 15 or more Community All-Crew Work Days;
- ❑ Maintain / improve water saving measures to meet City drought response goals;
- ❑ Negotiate lease agreements in Aquatic Park facilities which include improvements of the Park buildings;
- ❑ Update and execute lease renewals for Marina properties;
- ❑ Complete the installation of the new Launch Ramp Traffic Control Arms;
- ❑ Expand out of school offerings to middle and high school teens, focusing on college and career readiness;
- ❑ Develop a marketing strategy for maximum recreation program exposure;
- ❑ Improve staff training and professional development opportunities;
- ❑ Reach full inclusion of camps and sports leagues in standard online registration;
- ❑ Establish wireless control of James Kenney Community Center heating, interior lights and sports court and field lighting;
- ❑ Complete Recreation Office decentralization to Community Centers and pools; and
- ❑ Expand Teen offerings at Echo Lake Camp.

Significant Changes from Prior Year's Budget

- Passage of Measure F: In November 2014, Berkeley residents approved a 16.7% increase to the Parks Tax. This is expected to result in an additional \$1.7 million of revenue for the Parks Tax fund, effectively closing the fund's structural deficit and adding significant new funds to address high-priority major maintenance projects.
- Challenges for the Camps Fund: The destruction of the Berkeley Tuolumne Camp (BTC) in the 2013 California Rim Fire created significant challenges for the Camps Fund, which had been reliant on BTC revenues to cover shortfalls in other camp programs. The Camps Fund began FY 2014 with a \$1.46 million reserve, but suffered operating losses of more than \$1 million in FY 14 alone. The Department has taken a number of measures to prevent further depletion of the Fund, including the creation of new programs at Berkeley Echo Lake Camp and cost reduction measures in Camps Fund and Recreation Administration programs.
- Pre-K Power Play: The Department secured \$80,000 in additional funding to expand the successful "0 to 5 / Pre-K / Tots" Program, started through a grant from Alameda County First 5. The program is now fully self-funded, and is being expanded to include 3 additional 10-week Pre-K Power Play programs and facilitated "0-2" parent-child playgroups.
- 2020 Vision Design Team Restructuring: The Berkeley Alliance, which had been responsible for convening the 2020 Vision design team and facilitating coordination between the City, Berkeley Unified School District, and UC Berkeley, has announced its plans to close. Moving forward, staff member Tanya Moore will co-chair the 2020 Vision Design Team with Pat Saddler of BUSD. The City's \$50,000 annual commitment will be maintained, but will be spent out of the Department rather than via contract with the Alliance in support of 2020 Vision related activities.
- Lumina Foundation Grant: In May 2014, the Department was awarded a one year planning grant in the amount of \$20,000 from the Lumina Foundation to increase college and career readiness and success rates, in support of the 2020 Vision for Berkeley's children and youth. In December 2014, Lumina granted the Department an additional \$150,000 to support post-secondary success efforts over the next three years.
- Cosco Busan Grant: The Department received \$950,138 in grant funding from the Cosco Busan oil spill mitigation funds, providing funding for several projects underway in the Marina area including construction of a new restroom, and dock piling replacement.
- Priority Conservation Area Grant: The Department was awarded \$500,000 from the State Coastal Conservancy and \$500,000 from the Metropolitan Transportation Commission to fund development of the Bay Trail Segment 3 and to resurface a Marina parking area.
- Recreation Administration move: Recreation Administration staff has relocated from 1947 Center Street to our neighborhood-based community

centers. The move saves the Department nearly \$100,000 in facility costs at the downtown office, while improving service to community members, who will be able to register for programs in their own neighborhoods. A new recreation office was opened at the Willard Pool site.

- Marina lease revenues: Lease revenues are projected to increase more than 10% in FY15 over the prior year, helping to offset increasing Marina project costs.
- Major maintenance projects completed: The Department started and completed a number of major maintenance projects. Those that are complete or near complete include the Willard tennis courts, Echo Lake dining hall, Virginia McGee Totland play equipment renovations, Terrace View Phase I, Ohlone Dog Park, and Grove basketball and tennis courts.
- Shovel-ready projects: There are approximately six additional projects designed or expected to be designed in FY 2015 that will be ready for construction in FY 2016 and beyond. These park and facility projects will be ready to be funded in the next four years to quickly draw down the new Parks Tax funds that come online in FY 2016.

PARKS RECREATION AND WATERFRONT FINANCIAL SUMMARY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
EXPENDITURES					
By Type:					
Salaries and Benefits	14,999,698	15,181,945	14,292,128	15,702,818	15,907,181
Services and Materials	5,718,766	5,591,150	5,397,795	5,132,986	5,100,705
Capital Outlay	2,037,005	1,625,274	1,180,291	2,815,005	2,315,005
Internal Services	1,018,856	946,476	1,003,547	991,795	991,795
Indirect Cost Transfer	319,202	334,018	345,386	468,240	468,240
	24,093,527	23,678,863	22,219,147	25,110,844	24,782,926
By Division:					
Parks	10,997,342	11,371,319	11,294,276	13,394,486	13,492,011
Marina	6,318,831	5,008,441	4,306,368	5,407,519	4,939,702
Camps & Recreation	6,777,354	7,299,103	6,618,503	6,308,839	6,351,213
	24,093,527	23,678,863	22,219,147	25,110,844	24,782,926
By Fund:					
General Fund	5,155,636	5,259,661	5,452,415	5,545,284	5,558,968
Capital Improvement Fund	395,259	364,076	496,053	400,000	400,000
Federal Grants	61,746	89,146	72,205	95,000	95,000
State/County Grants	2,039,815	506,927	41,667	500,000	
Playground Camp Fund	1,840,506	2,332,793	1,525,752	1,052,491	1,056,643
Other	323,241	384,017	295,879	267,739	267,739
Parks Tax	9,250,968	9,418,642	9,182,208	11,487,354	11,599,411
Measure WW Park Bond Grant	53,863	150,086	218,488		
Zero Waste	127,721	136,265	166,338	162,487	163,066
Marina	4,844,772	5,037,250	4,768,142	5,600,489	5,642,099
	24,093,527	23,678,863	22,219,147	25,110,844	24,782,926
General Fund FTE					
	24.40	23.00	23.00	23.17	23.17
Total FTE					
	153.33	150.48	150.48	148.10	148.10

PARKS RECREATION AND WATERFRONT FINANCIAL SUMMARY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
DIVISION/ACTIVITY SUMMARY					
<i>Parks</i>					
Admininstration	1,397,840	1,511,792	1,538,452	1,761,149	1,754,893
Forestry Services	2,003,485	1,947,128	1,838,469	1,929,549	1,952,113
Landscaping Services	4,546,181	4,592,056	4,254,849	4,722,188	4,769,858
Corp Yard Administration	284,101	426,534	434,945	453,071	459,403
Parks Building and Systems Mtc.	1,231,515	1,339,490	1,331,629	1,451,236	1,469,016
Fire Fuel Management	340,343	326,881	259,290	353,813	355,709
Gilman Sports Field	149,982	128,176	125,036	126,807	126,807
Harrison Sports Field	27,038	44,000	52,080	52,000	52,000
Parks Capital: Plan & Mgmt.	531,144	542,936	619,731	594,673	602,212
Parks Capital: Construction	485,713	512,326	839,795	1,950,000	1,950,000
Division Total	10,997,342	11,371,319	11,294,276	13,394,486	13,492,011
FTE Total	57.35	55.35	55.35	55.35	55.35
<i>Marina</i>					
Administration	566,086	657,114	604,463	625,742	629,952
Marina Maintenance	640,568	546,738	555,306	658,114	664,311
Marina Operations	2,131,575	2,080,306	1,932,133	2,097,417	2,105,586
Marina Recreation Program	423,601	426,528	381,683	484,419	489,446
Marina Landscaping	665,487	665,722	685,768	742,786	751,366
Capital Improvements	1,891,514	632,033	147,015	799,041	299,041
Division Total	6,318,831	5,008,441	4,306,368	5,407,519	4,939,702
FTE Total	18.50	17.00	17.00	16.00	16.00
<i>Camps & Recreation</i>					
Recreation	4,665,657	4,782,596	4,926,504	5,044,836	5,049,449
Young Adult Program	459,431	427,296	399,420	414,109	453,781
Camps	1,652,266	2,089,211	1,292,579	849,894	847,983
Division Total	6,777,354	7,299,103	6,618,503	6,308,839	6,351,213
FTE Total	77.48	78.13	78.13	76.75	76.75
Department Total	24,093,527	23,678,863	22,219,147	25,110,844	24,782,926
FTE Total	153.33	150.48	150.48	148.10	148.10



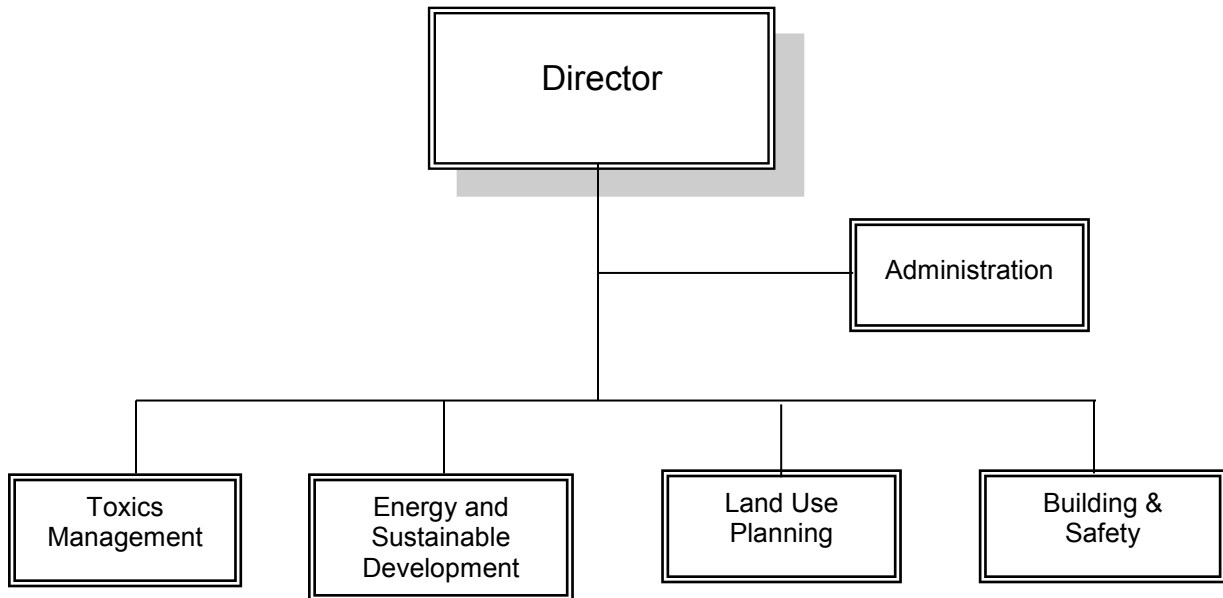
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PLANNING DEPARTMENT

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 documents for conformance to the building and other applicable codes; approves building, plumbing, mechanical and electrical permits; inspects construction projects to ensure conformance with the approved plans and code provisions, investigates work done without permits, and provides code information and interpretation to the public and other city agencies. This division also recommends and implements local code amendments, ordinances, programs to retrofit seismically vulnerable buildings, building safety assessment program, and other regulations. Additionally, this division responds to local emergencies and destructive events to perform safety assessments of buildings or structures involved.

Land Use Planning Division: Policy & Current Planning

This division is responsible for developing and implementing land use policy for the City of Berkeley. The Special Projects Team prepares area plans, such as the Downtown Area Plan and the Adeline Corridor Plan, develops amendments to existing area plans, the Zoning Ordinance, the General Plan, and updates the Housing Element. The Current Projects Team processes 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 also 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 the Berkeley Climate Action Plan; development, maintenance of and training in energy and green building standards; improvements to permitting process to streamline sustainable practices and to accommodate new technologies and methods; leveraging utility ratepayer-funded energy programs; the development and administration of clean energy capital projects in City facilities; responding to regional climate-related policies and opportunities; and staffing the inter-departmental Sustainability Working Group. OESD provides staff support to the Berkeley 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,

PLANNING 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 hazardous materials codes associated with the Governor's Office Emergency Services (Cal OES) and State Fire Marshall within the City of Berkeley. TMD conducts industrial inspections, data gathering and enforcement regulations on: chemical storage; accidental releases; hazardous waste generation (including universal wastes); hazardous waste treatment; pollution prevention; petroleum aboveground storage tanks; underground storage tanks; and household hazardous waste. TMD conducts non-CUPA duties such storm water pollution-prevention and complaint response. TMD also assists with toxicological concerns, and staffs the Community Environmental Advisory Commission. TMD recently lost its authority to clean up contaminated sites but maintains wells permits and reviews developments on contaminated sites.

Major Accomplishments – FY 2014 & FY 2015

- Land Use Planning Division
 - Plans: Submitted the Draft Housing Element Update to HCD for review and comment, and completed the Draft Initial Study. Adopted Local Hazard Mitigation Plan (LHMP).
 - Ordinances and Text Amendments: Adopted changes to Medical Cannabis Ordinance and a new ordinance for dispensaries; and developed selection process for the fourth dispensary. Adopted zoning ordinances for Soft Story Requirements; Civic Center Overlay; Drug Store buffers and controls; Telegraph Avenue FAR increases; and Emergency Shelters, Transitional Housing, and Supportive Housing (per SB2) . Presented to Planning Commission amendments to address Accessory Dwelling Units, Urban Agriculture Incentive Zones, Residential Glare, Check Cashing Stores, Alcohol Permit Findings, and office uses on Telegraph. Reviewed Homeless Shelter compliance per SB2.
 - Zoning Map Changes: Adopted a zoning change from Mixed Use – Light Industrial (MU-LI) to Commercial-West Berkeley (C-W) at 10th Street and Gilman.
 - Downtown Development Projects: Construction in progress – 2024 Durant and 1931-35 Addison; building permit plan check in progress – 1974 University; land use application approved and awaiting building permit submittal – 2133 University (Acheson Commons); land use application and EIR in progress – 2211 Harold Way; land use application submitted – 1951 Shattuck and 2129 Shattuck; community meeting held – 1901 Shattuck (UCB – Berkeley Way West).
 - Southside Development Projects: Construction completed - 2301 Durant. Land use application approved and building permit plan check pending -

PLANNING DEPARTMENT

- 2201 Dwight Way. Pending land use application and EIR – 2539 Telegraph. Historic structures moved – Blood House and Woolley House. Preliminary design review completed and land use application in progress – 2501 Haste (former Berkeley Inn site).
- West Berkeley Development Projects: Land use application approved and building permits submitted - 710 Heinz (parking garage). Land use application approved – 1914 Fourth (Spenger’s Block), 2001 Fourth (redevelopment of Grocery Outlet). Land use application submitted - 811 Carlton (MacCauley Foundry).
 - Other Development Projects: Land use application approved and building permit plan check in progress – 801 Grayson (Bayer facility). Land use application approved and awaiting building permit submittal – 2600 Shattuck (Parker Place); land use application submitted – 2029-35 Blake.
 - UP and AUPs: Completed 207 AUPs and 106 Use Permits
 - Landmarks: Recorded 4 Mills Act contracts. Completed 6 referrals. Hired consultant and initiated Downtown Shattuck Historic Resources Inventory.
- Office of Energy and Sustainable Development (OESD)
- Updated and published annual Climate Action Plan progress metrics
 - In partnership with the Office of Emergency Services, obtained grant funds to develop a community resilience strategy, including funding to cover the cost of the Chief Resilience Officer position and half the salary of an Associate Civil Engineer in the Dept. of Public Works
 - Completed an assessment and financing plan for a citywide LED street lighting conversion and assisted with the implementation of the project
 - Provided green building consultations and technical green building assistance to Permit Service Center customers as part of Interdepartmental Roundtable reviews
 - Provided technical assistance and research for Public Works Capital Projects, including new boilers and cooling tower at 1947 Center St, and energy management software at the Health Clinic and Public Safety Building
 - Provided commissioning work on several new facilities, including the Spring Animal Shelter, Claremont Library, and Zero Net Energy West Berkeley Branch Library, resulting in additional energy savings
 - Implemented a pilot wireless energy management system at the James Kenney Recreation Center
 - Obtained US EPA Energy Star Benchmark Scores for all major city facilities
 - Developed training materials identifying permitting requirements for, ADA access, lead paint mitigation, private sewer lateral, electrical, plumbing and fire code for all CDBG-funded work for grant recipients for commercial and municipal facilities
 - Facilitated training sessions and workshops for Permit Center and Building and Safety staff regarding the 2013 Title 24 Energy Code and the California Green Code revisions

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- Coordinated work for the East Bay Municipal Utilities District Water Smart Award for Civic Center Building and MLK Jr. Park with Parks and Public Works
 - Coordinated Drought Response Plan with Public Works and Parks
 - Identified and coordinated the closure of more than forty water accounts that will save more approximately \$30,000 annually
 - Delivered an ordinance to Council to update the existing energy conservation ordinances
 - In coordination with StopWaste.org and USDN, launched a regional initiative to increase the transparency of energy performance for Commercial Buildings with the Energy Smart Awards and for single family homes with the Home Energy Analyzer
 - Selected as a semi-finalist in the Georgetown University Energy Prize to support implementation of BESO and other energy efficiency programs
 - Obtained a grant from the 11th Hour Project to support a pilot for electric vehicle charging in the public right of way
 - Launched a new pilot program to expand opportunities for charging electric vehicles at home, including allowing for residential curbside charging
 - Obtained a grant from the California Energy Commission to install six dual-port electric vehicle chargers at municipal parking lots and garages.
 - Provided technical and permitting assistance for existing businesses installing electric vehicle charging stations
 - Advised the East Bay Energy Watch regarding deployment of 2013-14 programs and development of future programs
 - Advised the Bay Area Regional Energy Network (BayREN) and the development and deployment of newly funded energy programs
 - Staffed the newly formed inter-departmental Sustainability Working Group
 - Reviewed Environmental Sustainability section of City Council reports and provided feedback to report authors to improve content
- **Toxics Management (TMD)**
- Transferred first set electronic chemical inventory and compliance, monitoring and enforcement (CME) data from 400 Berkeley facilities to Cal/EPA
 - Testing mobile field computers in the field for environmental inspections
 - Transferred oversight authority for California's Used Oil program back to Public Works
 - Completed the Hazardous Materials Commodity Flow Study for bulk chemicals in transportation, as part of the preplanning for spills per requirements of California HSC Section 25503 funded by DOT and Cal OES
 - Completed the Hazardous Materials Commodity Flow Study for bulk chemicals in transportation on road, rail and freeways in Berkeley as part of the preplanning for spills per requirements of California HSC Section 25503

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- Successful completion of latest state audit for Cal/EPA and Cal/OES
- Building and Safety Division
 - Building/Electrical/Mechanical/Plumbing Inspections performed during: (A) FY 2014: 26,379 and (B) FY 2015: 27,533 (averaging 15 - 17 inspections per area inspector per work day);
 - Plan Reviews performed during: (A) FY 2014: 4,499 and (B) FY 2015: 4,649 (averaging 4 reviews per plan checker per work day);
 - Reorganized Building and Safety Division into four units led by unit supervisors;
 - Implemented adoption of 2013 California Building, Electrical, Mechanical, Plumbing, Residential, Energy, and Green Building Standards Codes with local amendments, which became effective 01/01/14.
 - Implemented adoption of the Soft-Story Phase II Mandatory Retrofit Ordinance, which became effective 01/04/14;
 - Developed and presented for approval 3 Urgency Ordinances regarding construction and inspection of exterior elevated elements in multi-unit residential buildings (E3 Program).
 - Performed outreach and conducted enforcement of the Soft-Story building posting requirements to ensure all soft-story building were posted with earthquake warning signs;
 - Developed and published Framework Guidelines for engineers to assist in complying with the Soft-Story Phase II Mandatory Retrofit Ordinance;
 - Presented PACE financing for seismic improvements for Council approval to create a financing option for owners of soft story properties.
 - Intensified enforcement of the Unreinforced Masonry (URM) Ordinance for the 14 properties still remaining on the URM inventory.
 - Launched Building Occupancy Resumption Program (BORP) to enable owners of private buildings to hire licensed engineers to create post-disaster inspection plans for their buildings and to enable the City to deputize these engineers conduct safety assessments and post the buildings with official City of Berkeley placards.
 - Developed post-earthquake emergency inspection reports for the Corp Yard, Fire Stations, and Libraries to facilitate rapid decisions regarding the reoccupancy of essential facilities for continuity of government;
 - Facilitated implementation of state mandated CASp (Certified Accessibility Specialist) staff certification program.
 - Established procedure for phased permitting for large mixed-use projects
 - In coordination with the Department of Public Works implemented newly updated Private Sewer Lateral Ordinance provisions for construction projects over \$60,000.
 - The imaging of Microfiche property files was completed - 50,807 microfiche were scanned containing 1,748,079 million images;
 - Facilitated relocation and implemented incorporation of Housing Code Enforcement and Rental Housing Safety Inspection Unit into the Building and Safety Division;

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- Increased the number of Rental Housing Safety Program (RHSP) proactive residential rental properties inspections;
- Assisted in development of the East Bay Green Corridor Solar Permitting Guidelines.
- Permit Service Center
 - Implemented the new routing system for customers.
 - Continued the appointment system for applications and implemented pre-application appointments for owners, contractors and developers to assist with the plan check review process.
 - In FY 14/15 received or issued 47 large construction projects with over \$1 million in valuation.
 - In FY 14/15 issued 18,040 permits and over 4,566 plans were processed.

Key Objectives for FY 2016 & FY 2017

- Land Use Planning
 - Continue implementation of Accela database, expanding capabilities for monitoring timelines and work load
 - Expand the number of on-line zoning applications
 - Develop and adopt Standard Conditions of Approval
 - Develop and adopt standardized CEQA Thresholds of Significance
 - Systematize and make public Administrative Regulations for the Zoning Ordinance
 - Continue enhanced coordination with Code Enforcement
 - Implement Mills Act Monitoring Program
 - Create and implement Conditions of Approval Monitoring Program for all large development projects
 - Implement division reorganization into four teams: Current Projects, Design & Preservation, Policy and Special Projects
 - Complete the hiring process for Assistant and Associate Planners
 - Document and refine the land use application process in order to improve effectiveness
 - Strengthen project management skills through targeted training, coaching and supervision
 - Complete update of the Housing Element
 - Complete Adeline Corridor Specific Plan
- Office of Energy and Sustainable Development (OESD)
 - Deploy a user-friendly implementation process and systems for the Building Energy Saving Ordinance
 - Conduct outreach with recognition, competition and other social marketing strategies to engage community in reducing building energy use
 - Use data driven analytics from information reported under BESO to inform energy efficiency program design and prioritize resources

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- Continue to implement the Residential Curbside Electric Vehicle Charging Pilot, including increased outreach, analysis, and sharing of findings
- Assist with the implementation of a comprehensive municipal energy and water efficiency upgrade and financing project
- Complete the transition to electronic billing for all municipal PG&E accounts
- Update annual Climate Action Plan progress metrics
- Develop strategies to support more consistent funding for Climate Action Plan implementation
- Prepare procedures and an ordinance to enable on-line solar permitting
- Identify and certify additional facilities for Water Smart awards
- Coordinate drought response management, and track water consumption
- Assist with retro-commissioning of municipal facilities for additional energy savings
- Compete as a semi-finalist in the Georgetown University Energy Prize
- Building and Safety Division
 - Implement Accela Building Permit and Code Enforcement Modules;
 - Implement Electronic Plan Check;
 - Implement relocation to 1947 Center, including finalizing design layout, issuing proper permits, performing inspections, and assisting with the office move;
 - Update B&S standard operating procedures for the Post-Disaster Safety Assessment Program;
 - Implement expedited, streamlined permitting process for small residential rooftop solar energy systems;
 - Perform outreach to over 6,000 property owners and facilitate implementation of Exterior Elevated Elements (E3) Inspection Program in multi-unit residential buildings. The initial inspection certifications are due January 14, 2016 (and every three years thereafter)
 - Continue to manage Soft Story Program and assist property owners with their retrofit efforts. Initiate enforcement activities for any property owners who have not complied with the requirement to apply for a building permit by December 31, 2016;
 - Continue to enforce URM Ordinance for the properties still remaining on the URM inventory;
 - Develop key point inspection reports for post-earthquake emergency inspection for the remaining COB essential and critical facilities. The goal of the program is to facilitate rapid decisions regarding the reoccupancy of essential and critical facilities for continuity of government;
 - Participate in the redesign of the Planning Department website;
 - Intensify enforcement of the self-certification component of the RHSP program as adopted in the BMC Section 12.48.050;
 - Review Rental Housing Safety Program (RHSP) per unit/room annual fees based on RHSP budgetary and staffing needs.

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- Facilitate relocation and integration of the Permit Service Center into the Building and Safety Division
- Permit Service Center
 - Continue outreach to the building community to provide information about the permit process, and to increase opportunities for customer feedback.
 - Implement new software for permits with on-line permitting and electronic plan review.
- Toxics Management Division (TMD)
 - Expand acceptance of electronic data from 400 facilities to fulfill their Cal/EPA and Cal/EMA reporting requirements via web portal (www.BerkeleyCUPA.com)
 - Use mobile computing devices connected in real time to CUPA database for CUPA and storm water inspections
 - Complete the 2015 new Cal/EPA, Cal/OES and State Fire Marshal audit of the hazardous materials programs
 - Resolve staffing shortages and catch up with inspections

Significant Changes from Prior Year's Budget

Personnel budget was increased by \$791,386 due to the following:

- New positions added:
 - Permit Center: Accounting Office Specialist II
 - Land Use Planning: Assistant Planner, Associate Planner, Principal Planner (3-year, project-based)
 - Building and Safety: Building Inspector II, Senior Building Plans Examiner
- Reallocation of existing career positions
 - 2 Senior Planners to Principal Planner
 - 1 Assistant Planner to Associate Planner

PLANNING DEPARTMENT FINANCIAL SUMMARY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
EXPENDITURES					
By Type:					
Salaries and Benefits	8,373,077	9,399,064	10,277,329	11,605,500	11,778,454
Services and Materials	1,938,661	2,094,099	3,071,261	1,700,069	1,716,605
Capital Outlay	46,599	128,808	44,542	34,602	34,602
Internal Services	119,970	148,020	166,562	126,671	126,671
Indirect Cost Transfer	696,709	710,494	933,148	1,162,699	1,162,699
	11,175,016	12,480,485	14,492,842	14,629,541	14,819,031
By Division:					
Office of the Director	1,473,222	1,446,233	1,663,828	1,755,306	1,786,169
Permit Service Center	1,248,716	985,967	1,036,022	1,228,900	1,243,974
Redevelopment	476,278	325,642	333,549	-	-
Toxics Management	1,354,919	1,334,879	1,158,528	1,316,842	1,332,530
Energy & Sustainability	956,096	895,319	849,879	969,322	983,100
Land Use	2,956,229	2,768,786	3,875,814	3,886,214	3,933,720
Building & Safety	2,709,556	4,723,659	5,575,222	5,472,957	5,539,538
	11,175,016	12,480,485	14,492,842	14,629,541	14,819,031
By Fund:					
General Fund	1,513,689	1,629,124	1,604,589	1,683,361	1,707,729
Capital Improvement Fund	13,492	15,773	16,176	18,511	18,732
State/County Grants	17,210	15,154	87,161		
Successor Agency	515,230	449,446	468,079	152,410	154,348
Rental Housing Safety	10,993	946,820	994,757	1,018,917	1,032,910
Parks Tax	26,668	562			
Zero Waste	24,153	22,474	22,549	24,265	24,607
Sewer	30,051	31,848	31,710	33,353	33,825
Clean Storm Water	126,309	126,429	127,483	160,508	162,287
Permit Service Center	7,708,438	8,245,059	10,252,358	10,597,224	10,732,474
Unified Program (CUPA)	970,200	946,551	855,420	940,992	952,119
Other Funds	218,583	51,245	32,560		
	11,175,016	12,480,485	14,492,842	14,629,541	14,819,031

General Fund FTE	10.28	9.73	9.81	9.52	9.52
Total FTE	58.05	66.30	70.00	76.50	76.50

PLANNING DEPARTMENT FINANCIAL SUMMARY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
DIVISION/ACTIVITY SUMMARY					
Office of the Director					
Administration	1,473,222	1,446,233	1,663,828	1,755,306	1,786,169
Division Total	1,473,222	1,446,233	1,663,828	1,755,306	1,786,169
FTE Total	4.00	5.00	6.00	6.00	6.00
Permit Service Center					
Permit Service Center	1,248,716	985,967	1,036,022	1,228,900	1,243,974
Division Total	1,248,716	985,967	1,036,022	1,228,900	1,243,974
FTE Total	7.00	8.00	8.00	9.00	9.00
Redevelopment					
Redevelopment Agency	476,278	325,642	333,549		
Division Total	476,278	325,642	333,549	-	-
FTE Total	1.00			-	-
Toxics Management					
Toxics Management	261,315	261,017	236,805	258,018	261,432
Toxics & Pollution Prev/CUPA	930,230	907,937	752,490	854,773	864,648
Toxics Management/Stormwater	126,309	126,429	127,483	160,508	162,287
PSC Support	37,065	39,496	41,750	43,543	44,163
Division Total	1,354,919	1,334,879	1,158,528	1,316,842	1,332,530
FTE Total	6.50	6.50	6.50	6.50	6.50
Energy & Sustainability					
Energy & Sustainability	956,096	895,319	849,879	969,322	983,100
Division Total	956,096	895,319	849,879	969,322	983,100
FTE Total	4.05	4.05	4.75	5.15	5.15
Land Use					
Administration	237,585	151,561	232,679	233,896	237,004
Land Use Planning	2,718,644	2,617,225	3,643,135	3,652,318	3,696,716
Division Total	2,956,229	2,768,786	3,875,814	3,886,214	3,933,720
FTE Total	21.50	21.75	21.75	24.00	24.00
Building & Safety					
Administration	242,208	252,422	259,101	262,844	265,910
Building & Safety	2,467,348	3,039,643	3,860,654	3,711,870	3,754,970
Engineering Permits		300,724	311,410	323,956	328,464
Fire Plan Checks		242,737	232,820	234,935	237,857
Housing Code Enforcement		888,133	911,237	939,352	952,337
Division Total	2,709,556	4,723,659	5,575,222	5,472,957	5,539,538
FTE Total	14.00	21.00	23.00	25.85	25.85
Department Total	11,175,016	12,480,485	14,492,842	14,629,541	14,819,031
FTE Total	58.05	66.30	70.00	76.50	76.50



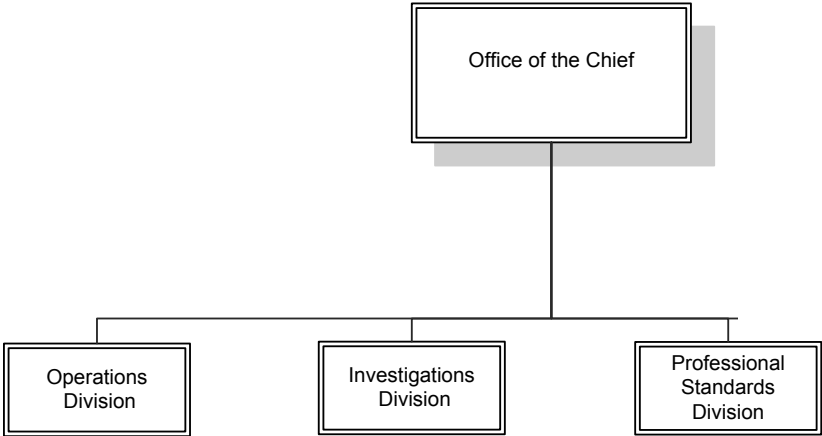
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POLICE DEPARTMENT

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 Officer and Fiscal Services. 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 brings the Berkeley Police Department in line with national standards and best practices. The focus of this Division is improving 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. The Division includes Policy, Audit, Personnel and Training, Records, Court Liaison, Property Room and the Jail.

Operations

The Patrol Division is responsible for the response to calls for service, conducting initial criminal investigations, making arrests, issuing citations, providing crime prevention services and proactive police problem solving to improve the quality of life in the community as well as facilitating Police and Fire responses throughout the community through the Emergency 911 Communications Center. Bicycle Officers, Police Reserves, Area Coordinators, Crisis Intervention Team, Special Response Team, and Explosive Ordinance Disposal Team are all specialized units within the division.

Investigations

The Detective Bureau is responsible for follow-up investigations of homicides, felony assaults, robberies, sexual assaults, domestic violence incidents, sexual assaults on children and minors, residential and commercial burglaries, identity theft, fraud, forgery, elder abuse, among other offenses. The Investigations Division is comprised of the following units: Special Enforcement; Crimes against Persons (Homicide and Robbery), Special victims (Youth and Family Services, Sex Crimes and Domestic Violence), Crimes against Property (Burglary, Fraud and Auto Theft), Crime Analysis; Traffic Bureau (Traffic and Parking Enforcement); Warrant Unit and Crime Scene Unit.

Major Accomplishments - FY 2014 and FY 2015

- ❑ Major crime decreased over 6% to the lowest level in over 50 years.
- ❑ Trained entire department and implemented Fair and Impartial Policing policy and procedures.
- ❑ Expanded Crisis Intervention training

POLICE DEPARTMENT

- ❑ Implemented one of the first double-blind, sequential lineup procedures in the United States in cooperation with the Alameda County DA and Chiefs of Police Association.
- ❑ Conducted first beat analysis in 20 years and implemented fourteen beat configuration after meeting with Berkeley citizens as well as internal City of Berkeley stakeholders.
- ❑ Designed a staffing contingency plan to backfill for long term vacancies in advance with officers from non-patrol units.
- ❑ Increased efficiency and reduced risk of property and evidence handling through 50% reduction of property and evidence inventory.
- ❑ Selected vendor for False Alarm Management ordinance development and on-line administration system.
- ❑ In collaboration with Berkeley Fire and Berkeley Information Technology, installed police computers in each Berkeley Fire Stations.
- ❑ Conducted anti- racial profiling training for all sworn officers.
- ❑ Personnel complaints down over 60% since 2009.
- ❑ Recognized as one of the most representatively diverse police departments in the United States.
- ❑ Continued work on attaining National Law Enforcement Accreditation through CALEA.
- ❑ Passed Jail Medical, Mental Health, Nutrition and Environmental Inspections by both the Public Health Department and the Standards and Training for Corrections Program (STC).
- ❑ Piloted City of Berkeley's first use of social media through NIXLE for community notification.
- ❑ Piloted City of Berkeley's first use of Google Translate on BPD website to reach more members of the community.
- ❑ In conjunction with all departments, began participation in City of Berkeley's first use of Twitter social media.
- ❑ Implemented new emergency medical dispatch procedure in coordination with Alameda County Regional Communications Center.
- ❑ Conducted regional executive and command level training in emergency response to oil car train derailment scenario.
- ❑ Completed comprehensive department self assessment of December. 2014 protest response with detailed set of recommendations.
- ❑ Conducted updated crime prevention and CPTED training for patrol.
- ❑ Hosted first BPD/BFD Joint Public Safety Building Open House since building opened.
- ❑ Cofounded Bay Area Alliance of Public Information Professionals, focused on regional media and information sharing.

Key Objectives for FY 2016 & FY 2017

- ❑ Create multiyear Police Department strategic plan in partnership with key stakeholders.

POLICE DEPARTMENT

- ❑ To enhance trust and legitimacy with our community, review and implement strategies and programs as identified by the President's Task Force on 21st Century Policing.
- ❑ As part of the strategic planning process, develop new Police Department Mission, Vision and Values statements.
- ❑ Proactively prevent criminal activity.
- ❑ Increase community engagement, problem solve and attend community meetings whenever possible and appropriate.
- ❑ Expand social media usage for information sharing and up-to-date mapping.
- ❑ Do not allow Part One Crimes to increase above the current rate; focus on crime prevention and chronic criminals throughout the City of Berkeley.
- ❑ Increase transparency by publishing Berkeley's first ever public-facing Parking Enforcement Operations Manual.
- ❑ Become one of the first police departments in the United States to voluntarily begin collection of both traffic and pedestrian stop demographic data.
- ❑ Begin work with Center for Policing Equity to review and analyze traffic and pedestrian stop demographic data.
- ❑ Train department in procedural justice and police legitimacy.
- ❑ Achieve a closure rate for Part One Crimes that meets or exceeds the national and state average for agencies our size.
- ❑ Complete emergency protocols for evacuation and relocation of Communications Center answering point.
- ❑ Upgrade current VESTA 911 system to address Next Generation 911 (NG9-1-1) to receive data (text and video).
- ❑ Create training plan focused on increasing staff's expertise in the areas of fingerprint examination and identification
- ❑ Acquire technology to produce electronic evidence for prosecution purposes and increase work flow efficiencies.
- ❑ Design annual training plan including renewed emphasis on crime prevention, crime prevention through environmental design (CPTED), crisis intervention training (CIT), community policing and problem solving, de-escalation and police legitimacy.
- ❑ Continue comprehensive policy, procedure and standards revision.
- ❑ Ongoing coordination with the Police Review Commission and the City Attorney's Office on the Lexipol policy project.
- ❑ Implement audit program to identify industry best practices for improving service, efficiency, crime prevention and response, and safety.
- ❑ Reduce employee injuries through implementation of increased Police Department wellness.
- ❑ Maintain appropriate and diverse staffing by hiring and training new sworn and non-sworn employees up to authorized budget levels.
- ❑ Promote traffic safety through DUI and Vehicle Code enforcement working with Public Works and utilizing the Pedestrian Safety Master Plan.
- ❑ Review Uniform Crime Report (UCR) procedures to ensure accurate reporting to State and Federal governments.

POLICE DEPARTMENT

- Assess records management procedures for efficiency and public records release.

Significant Changes from Prior Year's Budget

The FY 2016 & FY 2017 Adopted Budget includes the following significant changes and General Fund savings:

- Implementation of false alarm management system which will generate new revenue of \$250,000 per year from licensing and increase collection efficacy of false alarm fines.
- Cost shifts two Parking Enforcement Officers from the General Fund to the Parking Meter Fund for a total savings of \$210,175.

POLICE DEPARTMENT FINANCIAL SUMMARY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
EXPENDITURES					
By Type:					
Salaries and Benefits	53,404,285	55,250,478	55,910,628	56,484,465	57,747,363
Services and Materials	1,662,783	2,029,805	2,345,071	2,896,073	2,896,073
Capital Outlay	85,682	99,246	102,423	194,817	194,817
Internal Services	2,595,944	2,321,063	2,473,932	2,571,576	2,571,576
Indirect Cost Transfer					
	57,748,694	59,700,592	60,832,054	62,146,931	63,409,829
By Division:					
Office of the Chief	1,387,831	1,402,099	1,422,275	931,856	953,012
Professional Standards	4,911,449	5,464,363	5,678,114	5,679,247	5,776,363
Support Services	9,656,067	8,954,419	4,248,815	4,356,612	4,384,856
Operations	27,427,760	28,926,432	34,781,350	35,608,863	36,425,307
Investigations	14,365,587	14,953,279	14,701,500	15,570,353	15,870,291
	57,748,694	59,700,592	60,832,054	62,146,931	63,409,829
By Fund:					
General Fund	55,030,664	55,836,689	57,057,838	57,160,009	58,357,830
Asset Forfeiture	33,576	127,275	148,600	201,000	201,000
Federal Grants	146,812	125,248	185,062	224,054	224,054
State/County Grants	456,375	1,096,813	879,276	1,689,389	1,719,405
Parking Funds	2,057,053	2,500,898	2,561,278	2,872,479	2,907,540
Other Funds	24,214	13,669			
	57,748,694	59,700,592	60,832,054	62,146,931	63,409,829

General Fund FTE	255.00	249.00	249.00	244.00	244.00
Total FTE	281.20	279.20	279.20	275.20	275.20

POLICE DEPARTMENT FINANCIAL SUMMARY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
DIVISION/ACTIVITY SUMMARY					
Office of the Chief					
Police Administration	563,615	568,020	572,715	63,835	64,051
Public Information	234,860	231,338	230,307	239,026	245,132
Internal Affairs	589,356	602,741	619,253	628,995	643,829
Division Total	1,387,831	1,402,099	1,422,275	931,856	953,012
FTE Total	6.00	6.00	6.00	6.00	6.00
Professional Standards					
Policy & Accreditation	1,134,437	1,187,142	1,254,190	1,249,597	1,280,716
Personnel and Training	2,117,962	1,908,528	2,160,174	2,257,530	2,290,455
Jail Unit	1,659,050	2,368,693	2,263,750	2,172,120	2,205,192
Division Total	4,911,449	5,464,363	5,678,114	5,679,247	5,776,363
FTE Total	10.00	25.00	25.00	26.00	26.00
Police Support Services					
Administration	2,955,223	2,649,670	2,684,538	2,955,967	2,960,380
City Jail Operations	742,253		186		
Central Communications	4,703,217	4,890,242	71,866		
Police Services	1,255,374	1,414,507	1,492,225	1,400,645	1,424,476
Division Total	9,656,067	8,954,419	4,248,815	4,356,612	4,384,856
FTE Total	62.00	45.00	12.00	12.00	12.00
Operations					
Patrol	27,077,289	28,574,354	29,282,228	30,284,259	31,026,225
Police Reserves	350,471	352,078	372,071	212,099	212,099
Central Communications			5,127,051	5,112,505	5,186,983
Division Total	27,427,760	28,926,432	34,781,350	35,608,863	36,425,307
	125.00	126.00	159.00	158.00	158.00
Investigations					
Detectives Bureau	5,195,613	5,227,476	5,171,874	5,131,594	5,257,721
Traffic Bureau	2,039,021	2,107,891	2,212,989	2,321,854	2,367,793
Parking Enforcement	3,525,909	3,706,414	3,473,190	4,108,199	4,153,182
Special Enforcement Unit	2,603,878	2,911,531	2,803,829	2,994,681	3,061,316
Crime Analysis	367,894	401,630	395,284	406,003	414,770
Community Service/Field Support	81,716	74,425	65,653	50,554	50,554
Crime Scene Unit	551,556	523,912	578,681	557,468	564,955
Division Total	14,365,587	14,953,279	14,701,500	15,570,353	15,870,291
FTE Total	78.20	77.20	77.20	73.20	73.20
Department Total					
	57,748,694	59,700,592	60,832,054	62,146,931	63,409,829
FTE Total	281.20	279.20	279.20	275.20	275.20



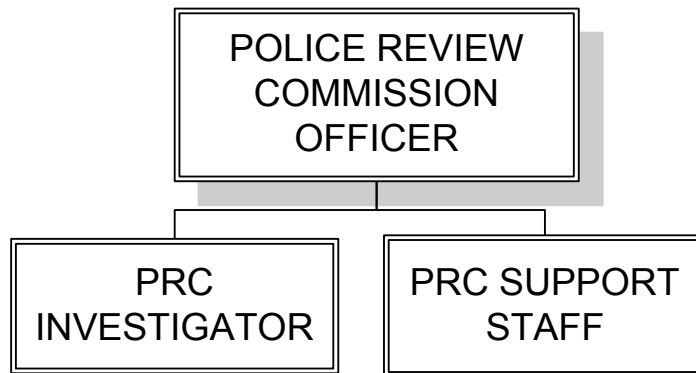
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POLICE REVIEW COMMISSION

MISSION STATEMENT

The general purpose of the Police Review Commission 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 police training and policies, increase professionalism among police officers, and conduct fair and objective investigations, with the goal of maintaining high-quality public safety in Berkeley, and community relationships based on trust and confidence.

Commission

The nine-member Commission meets twice a month at regular business meetings and conducts policy review primarily through subcommittees. Commissioners also hold hearings on complaints (Boards of Inquiry) and provide factual findings to the City Manager and Chief of Police.

- ❑ In 2013, Commissioners held 64 meetings, subcommittee meetings, and Boards of Inquiry.
- ❑ In 2014, Commissioners held 53 meetings, subcommittee meetings, and Boards of Inquiry.

Policy Subcommittees

- ❑ **Drone Subcommittee**
This subcommittee was formed in early 2013 in response to a City Council referral regarding the possible uses of drones in the City of Berkeley. It held a joint town hall meeting and its work culminated in a recommendation from the full Commission to the City Council.
- ❑ **Mutual Aid Pacts Subcommittee**
As it does each year, this subcommittee conducted reviews in 2013 and 2014 of BPD's Mutual Aid Pacts with other law enforcement agencies and organization. Both years, the subcommittees received input from the public before formulating its recommendations to the full Commission, which were then passed on to the Council.
- ❑ **Accreditation Subcommittee**
In 2013, this subcommittee continued its work from the prior year, reviewing BPD policy changes for the BPD's efforts to attain accreditation. The subcommittee presented the first set of policies – over two dozen – for Commission approval in late 2013.
- ❑ **Regulations Subcommittee**
This subcommittee was created in mid-2013 and worked diligently for a year to propose numerous changes to the Regulations for handling complaints against police officers. The bulk of the revisions are intended to streamline the

investigative process; other changes will provide clarity or delete obsolete language.

❑ **Fair & Impartial Policing Subcommittee**

This subcommittee was formed in December 2013 to review proposed General Order B-4, a policy to help the BPD avoid biased policing practices. The full Commission heard testimony about race-biased policing from stakeholders, including the NAACP, the ACLU, the Peace & Justice Commission, and the BPD itself. General Order B-4 became effective in the Fall of 2014 and the PRC anticipates reviewing data that is collected under B-4 later in 2015.

❑ **Wearable Video Cameras Subcommittee**

To address a Council request for an investigation on this topic, the PRC formed this subcommittee in early 2014. Its work was completed in December 2014 and adopted by the full Commission, with a transmittal to the Council the following month.

❑ **Suspicious Activity Reports Subcommittee**

This subcommittee was created in December 2014 to monitor the BPD's suspicious activity reporting, to ensure the reports conform to department policy and do not infringe on constitutional rights.

❑ **Transgender General Order Subcommittee**

The PRC formed this subcommittee in February 2015 to develop a General Order to guide the BPD in its interactions with transgender persons.

Cases

- ❑ In 2013, the PRC received 22 new complaints, closed 25 cases and conducted 9 Boards of Inquiry. Three cases went to mediation.
- ❑ In 2014, the PRC received 18 new complaints, closed 21 cases and conducted 9 Board of Inquiry hearings. Two cases went to mediation.
- ❑ Investigative reports and findings reports from the BOI hearings are forwarded to the City Manager and BPD.
- ❑ 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 are published on the City of Berkeley website at www.CityofBerkeley.info/prc/.

Major Accomplishments – FY 2014 & FY 2015

- ❑ Held a joint Town Hall on Drones with the Peace & Justice Commission in mid-2013 in which five experts and dozens of community members participated.

- ❑ Engaged in community outreach by participating in National Night Out and the Solano Avenue Stroll in 2013 and 2014; at the 2013 Solano Avenue Stroll, advertised the Commission's 40th anniversary. Held a meeting on the University of California campus in 2015 to raise student awareness of the PRC's work.
- ❑ Cleared its backlog of cases in 2014, and since then, have been completing investigations in a timely matter.
- ❑ In 2015, began an investigation and review of policies related to the BPD's response to the December 2014 protests sparked by police-involved killings in Missouri and New York. Due to the magnitude of the task, the PRC met almost every week in May, June, and July 2015. Policies in question involve, among others, crowd management and control, use of force, and mutual aid.
- ❑ Enacted Standing Rules in April 2015 that establish guidelines for undertaking policy reviews and set forth procedures for Commission meetings.
- ❑ PRC Officer attended the National Association for Civilian Oversight of Law Enforcement (NACOLE) training conference in 2014. Three PRC Commissioners, PRC Officer, and PRC Investigator attended Fair and Impartial Policing training hosted by BPD in November 2014.
- ❑ PRC staff, along with the BART Independent Auditor's Office, organized a regional NACOLE forum in March 2015, bringing together staff and commissioners from area civilian oversight agencies, including San Francisco and Oakland, to discuss issues of common concern, such as body camera policies, crowd control, and fair and impartial policing.

Key Objectives for FY 2015 & FY 2016

- ❑ Complete investigation into BPD response to December 2014 protests and related policy reviews.
- ❑ Continue to complete investigation of individual complaints in a timely fashion.
- ❑ Enhance public understanding of how the individual complaint process works.
- ❑ Implement changes to the Regulations.
- ❑ Expand outreach efforts.

Significant Changes from Prior Year's Budget

None

POLICE REVIEW COMMISSION FINANCIAL SUMMARY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
EXPENDITURES					
<i>By Type:</i>					
Salaries and Benefits	423,433	424,395	490,476	495,608	503,222
Services and Materials	24,091	20,421	23,954	26,779	26,779
Capital Outlay	1,086	113	1,419	500	500
Internal Services	39,916	39,916	39,920	39,916	39,916
Indirect Cost Transfer					
	488,526	484,845	555,769	562,803	570,417
<i>By Fund:</i>					
General Fund	488,526	484,845	555,769	562,803	570,417
	488,526	484,845	555,769	562,803	570,417

<i>General Fund FTE</i>	3.00	3.50	3.00	3.00	3.00
<i>Total FTE</i>	3.00	3.50	3.00	3.00	3.00



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DEPARTMENT OF PUBLIC WORKS

MISSION STATEMENT

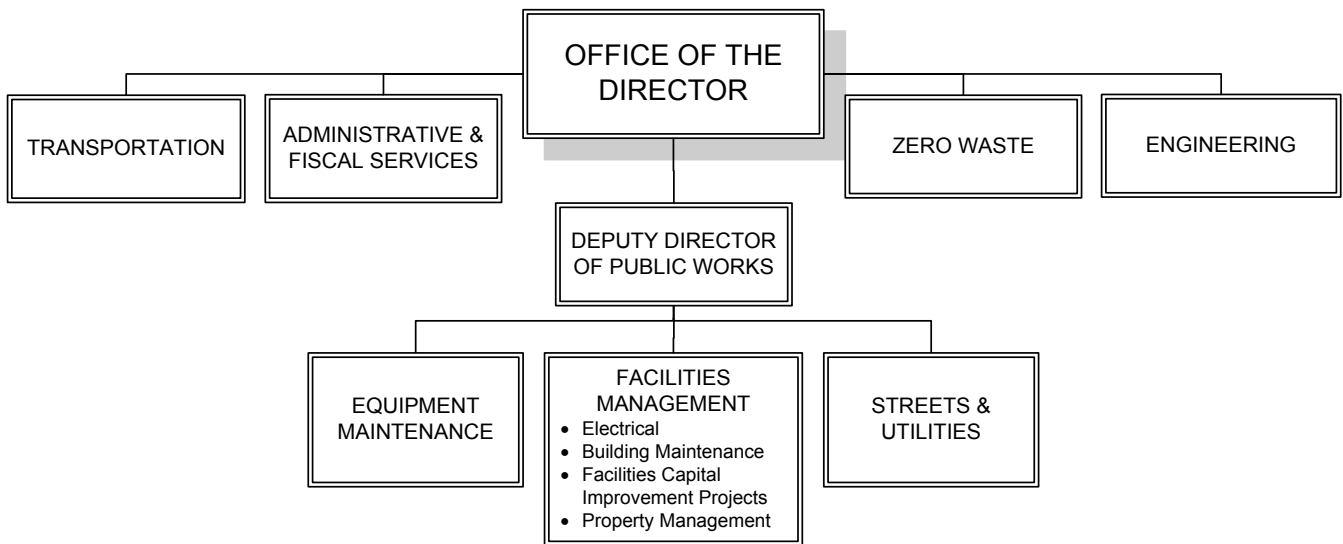
The Public Works Department is committed to providing quality services to the Berkeley community with pride, courtesy, and excellence.

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 2000. The Department was also the first California public works agency to be re-accredited in 2004, 2009 and again in 2014. This process involves an extensive self-assessment of the Department's 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 to all City residents, businesses and property owners, visitors and travelers, and to all City Departments. Public Works is engaged in a Department-wide effort to strengthen our culture of service, and reaffirm our commitment to customer service. We are working to shift our internal culture and realize our vision “to develop a more flexible, responsive, and resilient Department that provides an atmosphere where excellent customer service thrives.”

Public Works includes:

- Zero Waste refuse collection 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;
- Design and construction of traffic facilities and transportation projects;
- Management, replacement and maintenance of core infrastructure, including City streets and sidewalks, sanitary sewer system, street lights and traffic signals, the Berkeley Marina, and the City’s storm drain system and watershed;
- 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 equipment, including both internal and regional public safety radio systems;
- Electrical service for City buildings, street lights and traffic signals, and extending to City parks, marina, bridges and overpasses;
- Full-service maintenance, repairs, and custodial services for all municipal buildings;
- Facilities condition assessment and planning for repairs of existing structures and buildings, and design and construction of new public buildings; and
- Management of leased real property such as office buildings, parking garages, and the Telegraph-Channing retail mall. Public Works also facilitates the acquisition and sale of city property.

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 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. The Deputy Director, based at the City’s Corporation Yard, is responsible for management of the Equipment Maintenance, Facilities Management, and Streets & Utilities Divisions.

DEPARTMENT OF PUBLIC WORKS

Administrative & Fiscal Services

Administrative & Fiscal Services is responsible for the Department's budget and fiscal oversight, compliance and reporting; and analytical support for routine and special projects in all Public Works operating divisions. Division functions include: budget development, implementation and oversight for the annual operating and capital budgets; fund management, fiscal and administrative policy development, and process improvements; contracts administration and grants compliance within Public Works; and purchasing, payroll & accounting services for approximately 292 FTE.

Engineering

Engineering implements the City's capital improvement programs, manages contracts for major construction projects, and oversees the condition of the City's infrastructure; and in coordination with the Planning Department, reviews and regulates private development infrastructure plans and conditions of approval.

Functional units within the Division are: Sewer Rehabilitation and Construction; Sanitary Sewer Regulatory Enforcement, including compliance with the EPA Consent Decree (in collaboration with PW Streets & Utilities); Street Pavement Management – now incorporating Measure M-funded accelerated paving and green infrastructure; Sidewalk Repair; Storm Water and Creeks/Watershed Management; Transportation Projects (in conjunction with PW Transportation); and special projects such as the marina docks and landfill post-closure. 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; coordination of utility service markings; and issuing permits and inspecting all work by outside utility agencies.

Zero Waste

Zero Waste directly operates or manages contracts for all City refuse and recycling services. This includes weekly collection and transfer services for almost 23,000 residential and 3,000 commercial customers for refuse, recyclables and organics/compostables. The Division also manages the City's Transfer Station, which handles waste diversion or disposal of materials delivered by 400 public customers every day.

On an annual basis, Zero Waste collects approximately 60,000 tons of refuse and 40,000 tons of recyclables, construction & demolition debris, plant debris 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 or regional agencies, and/or in response to neighborhood needs, special events, construction, or capital projects. Division services include Transportation Planning and Traffic Engineering for bike and pedestrian programs, transit, transportation demand management, traffic system design and operations, 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.

DEPARTMENT OF PUBLIC WORKS

Facilities Management

Facilities Management incorporates Electrical Maintenance and Radio Shop; Building Maintenance and Janitorial Services; Building and Facilities Capital Improvement Projects; and property management support. This Division maintains 900,000 square feet of public service facilities including fire stations, senior centers, public garages, and multi-storied office buildings. The Electrical unit installs and maintains traffic signals and pedestrian control devices at 134 intersections, and 8,000 streetlights, recently converted to energy and cost-saving LEDs, 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, including interface with the regional public safety radio system; sound systems for the Council Chambers and special events; and radio alarms at sewage lift stations. Another function of this Division is carried out by the City's Environmental Compliance Specialist, who manages and oversees compliance with all regulatory requirements.

Streets & Utilities

Public Works Streets & Utilities 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 3,749 parking meters. In close coordination with Engineering staff, Streets & Utilities conducts preventive cleaning, maintenance and condition assessment of the City's sanitary sewer system to meet and maintain California Water Quality Control Board, and meet Federal EPA Consent Decree requirements.

Equipment Maintenance

Equipment Maintenance operates facilities at both the Corporation Yard and Transfer Station. Staff manage the City's 716 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 in FY 2014 & FY 2015

- ❑ Implemented Public Works' *Strengthening Our Culture of Service* initiative.
- ❑ Enacted new refuse rates to balance Zero Waste operations and incentivize diversion of green waste and recyclables at the household level.
- ❑ Executed the City's Sewer System Asset Management Implementation Plan (AMIP), rehabilitating 8 miles of sanitary sewers.
- ❑ Signed consent decree with U.S. Environmental Protection Agency (EPA) to address sewer replacement.
- ❑ Enacted new sewer rates to secure funds necessary to compliance with the EPA consent decree and mitigation of the financial impacts of drought conservation.
- ❑ Adopt 5-Year Plan for Measure M (street paving/green infrastructure); repaved first five miles and set up five green infrastructure demonstration sites.
- ❑ Resurfaced Allston Way between Milvia Street and Martin Luther King Jr. Way using permeable pavers.

DEPARTMENT OF PUBLIC WORKS

- ❑ Increased residential food waste diversion: improved public outreach to encourage food scrap composting; provided information and pails to new residents.
- ❑ Enhanced public education and staff training to increase diversion of C&D materials.
- ❑ Expanded types of plastics that are accepted for recycling; increased diversion from residential and commercial sectors.
- ❑ Executed contract for Center Street Garage Project Manager; and developed design and financial plan.
- ❑ Implemented goBerkeley, including Value Priced Parking and Transportation Demand Management.
- ❑ Secured funding for Hearst Complete Streets Project and Downtown Berkeley Bart Plaza.
- ❑ Replaced all remaining Duncan single-space parking meters.
- ❑ Implemented automated coin counting for parking meter coin collections.
- ❑ Completed at least 50% of Ashby Avenue (SR 13) 4th Bore Settlement improvements by December 2014.
- ❑ Rolled out new Accela computerized maintenance management system (CMMS) for sewers.
- ❑ Continued reducing equipment replacement backlog.

Work Plan Priorities for FY 2016 & FY 2017

- ❑ Replace Center Street Garage.
- ❑ Downtown Project Delivery Team to coordinate Public Works activity in downtown Berkeley, including the BART Plaza and Hearst Complete Streets.
- ❑ 50% completion of the environmental phase of I-80 Gilman Project.
- ❑ Fully comply with EPA Consent Decree requirements in the Sewer Fund.
- ❑ Finalize installation and implementation of new computerized maintenance management system (CMMS) for the sewer program.
- ❑ Convert goBerkeley from a pilot program to an ongoing Public Works program.
- ❑ Reduce sidewalk repair backlog by 50%.
- ❑ Deliver the 5-Year Paving Plan; continue constructing green infrastructure and paving.
- ❑ Develop and maintain all service level agreements for buildings maintained by Public Works.
- ❑ Develop and implement departmental communication framework.
- ❑ Construct seismic upgrades at James Kenny Recreation Center.
- ❑ Execute new commercial collections operations for Zero Waste.
- ❑ Further Zero Waste's route optimization.
- ❑ Complete renovations of Telegraph/Channing Mall.
- ❑ Complete Telegraph/Channing Mall renovations.
- ❑ Complete renovations to 1947 Center Street & move in Planning Department.
- ❑ Add 50 new streetlights citywide
- ❑ Complete resurfacing of Potter Bay Bolivar.
- ❑ Initiate condition assessment of City retaining walls, tunnels and bridges.

DEPARTMENT OF PUBLIC WORKS

Significant Changes from Prior Year's Budget

- Reduce the Public Works General Fund budget by \$27,000 under a 1% reduction.
- Establishment of \$2.4 million fleet backlog mitigation program and \$3.5 million fleet replacement program over five years beginning FY 2015.
- Integrate newly-approved Measure BB funds into budget.
- Maintain the health of Off Street Parking Fund in the face of temporary closure of the Center Street Garage for reconstruction.
- Use Street Lights Assessment Fund savings from conversion to LED streetlights to fund emergency storm response, hazardous waste cleanup, and other unfunded obligations of the Department.

**DEPARTMENT OF PUBLIC WORKS
FINANCIAL SUMMARY**

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
EXPENDITURES					
By Type:					
Salaries and Benefits	38,535,201	38,797,552	38,037,041	42,371,354	43,021,958
Services and Materials	21,779,410	24,796,364	29,792,989	26,941,232	25,310,892
Capital Outlay	20,488,304	14,662,446	16,254,813	18,722,397	16,066,512
Internal Services	8,631,297	8,503,582	8,610,009	8,810,332	8,810,332
Indirect Cost Transfer	2,910,775	2,899,849	2,789,285	3,535,225	3,536,430
	92,344,987	89,659,793	95,484,137	100,380,540	96,746,124
By Division:					
Office of the Director	805,693	1,059,822	907,180	1,122,673	1,137,795
Administration	2,154,297	2,249,626	2,191,985	2,584,561	2,627,111
General Engineering	16,793,280	17,998,739	22,369,902	10,339,929	10,608,958
Capital Improvement Programs	60,249	65,250	65,250	11,773,220	8,456,884
Facilities Management	12,122,747	9,110,523	10,933,988	9,487,322	9,621,539
Streets and Sanitation	11,015,820	12,883,918	13,077,359	15,348,879	15,511,169
Zero Waste	27,845,832	27,564,063	28,431,840	29,731,302	29,920,550
Equipment Maintenance	11,015,115	9,999,108	7,955,909	10,949,003	10,994,212
Transportation	10,531,954	8,728,744	9,495,840	9,043,651	7,867,906
	92,344,987	89,659,793	95,429,253	100,380,540	96,746,124
By Fund:					
General Fund	2,333,305	2,275,051	2,403,636	2,667,233	2,696,864
Capital Improvement Fund	4,430,374	4,263,991	4,580,950	5,666,311	5,869,767
Federal Grants	19	43	40		
State/County Grants	1,874,597	3,018,233	4,508,165	846,786	848,105
Gas Taxes	6,485,329	4,800,611	6,465,927	6,027,761	6,075,419
Street Light Assessment	1,917,201	1,672,309	1,416,651	1,554,932	1,566,736
Parks Tax	196,271	106,086	105,296	39,996	39,996
Successor Agency		93,081			
Zero Waste	32,262,446	31,240,746	31,914,350	35,363,743	34,833,278
Marina	251,548	210,617	168,762	173,337	175,345
Sanitary Sewer	14,168,605	14,162,756	15,120,878	16,572,250	14,136,450
Equipment Replacement	5,198,865	4,345,140	2,584,149	4,997,005	5,004,730
Equipment Maintenance	6,760,783	6,777,885	6,622,730	7,361,063	7,415,029
Building Maintenance	3,614,235	3,593,677	3,291,389	3,771,245	3,833,622
Bldg Purchase & Management	1,180,043	2,011,858	1,767,661	1,346,258	1,399,879
Bonds-Measure G//Q/R/GG/M	1,253,184	1,952,828	3,891,178	1,871,356	1,971,489
Clean Storm Water	1,926,141	2,569,770	2,133,481	2,193,956	2,214,033
Off Street Parking	2,054,456	2,731,336	3,105,221	4,416,981	3,015,878
Parking Meter Fund	3,499,171	3,026,774	3,671,603	4,164,113	4,290,910
Permit Service Center	340,514	392,826			
Other	2,597,900	414,175	1,732,070	1,346,214	1,358,594
	92,344,987	89,659,793	95,484,137	100,380,540	96,746,124
General Fund FTE	12.42	13.02	13.02	12.52	12.52
Total FTE	287.60	285.60	289.60	292.60	292.60

**DEPARTMENT OF PUBLIC WORKS
FINANCIAL SUMMARY**

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
DIVISION/ACTIVITY SUMMARY					
Office of the Director					
Administration	805,693	849,533	770,108	832,945	843,847
Disability Services		210,289	137,072	289,728	293,948
Division Total	805,693	1,059,822	907,180	1,122,673	1,137,795
FTE Total	4.00	6.00	6.00	6.00	6.00
Administration					
Administration	1,466	1,094	905		
Admin & Fiscal Services	1,442,807	1,508,348	1,387,110	1,750,022	1,780,278
Corp Yar Admin.	440,983	446,000	422,189	452,419	458,125
Customer Service	269,041	294,184	381,781	382,120	388,708
Division Total	2,154,297	2,249,626	2,191,985	2,584,561	2,627,111
FTE Total	14.00	15.00	15.00	15.00	15.00
General Engineering					
Administration	1,016,914	882,445	1,011,715	1,085,449	1,092,013
General Engineering Services	170,590	188,129	196,020	374,243	378,872
Inspection and Permits	597,847	572,952	732,944	1,572,924	1,593,833
Capital Imps: Desgin & Mgmt.	15,007,929	16,355,213	20,429,223	7,307,313	7,544,240
Division Total	16,793,280	17,998,739	22,369,902	10,339,929	10,608,958
FTE Total	30.00	33.00	33.00	33.00	33.00
Capital Improvement Programs					
Capital Imp: Construction Cost	60,249	65,250	65,250	11,773,220	8,456,884
Division Total	60,249	65,250	65,250	11,773,220	8,456,884
FTE Total					
Facilities Management					
Administration	93,746	93,770	93,772	93,727	93,727
Routine Building Maintenance	1,649,375	2,104,927	1,869,456	2,058,053	2,085,637
Environmental Compliance	211,903	229,164	265,743	284,179	286,233
Communication System Maint.	1,019,283	1,113,705	1,175,852	1,233,156	1,245,362
Street Light.Maintenance	2,075,768	2,090,187	4,392,046	1,620,386	1,633,539
Traffic Signal Maintenance	805,626	766,242	506,160	903,005	914,226
Corp.Yard Shared OH Costs	284,631	288,161	291,722	306,258	306,578
General Electric	269,340	184,776	258,546	205,535	208,158
Janitorial Services	1,264,543	1,203,016	1,177,109	1,403,717	1,426,010
Property Management	1,112,445	978,056	860,928	1,074,186	1,116,949
ADA Building Improvements	161,173	10,769	7,500	300,120	300,120
Internal Non-Routine Mtc.	88,369	33,440	28,466	5,000	5,000
External Non-Routine Mtc.	9,032	7,506	6,037		
Capital Projects	3,077,513	6,804	651		
Division Total	12,122,747	9,110,523	10,933,988	9,487,322	9,621,539
FTE Total	41.00	35.00	35.00	36.00	36.00

**DEPARTMENT OF PUBLIC WORKS
FINANCIAL SUMMARY**

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
DIVISION/ACTIVITY SUMMARY cont.					
Streets and Sanitation					
Administration	396,182	389,574	383,025	429,483	432,567
Clean Cities	3,715,601	3,260,253	3,223,123	3,816,838	3,849,758
Sanitary Sewer Maintenance	4,407,148	4,204,066	4,108,554	6,114,836	6,183,738
Storm Drain Maintenance	1,052,412	1,218,859	1,099,253	1,018,871	1,030,215
Traffic Maintenance		911,085	918,692	946,997	958,704
Street Maintenance	1,186,200	1,237,976	1,365,331	1,369,334	1,381,780
Sidewalk Maintenance	245,830	295,458	355,522		
Parking Meter Maintenance	12,447	767,716	861,214	890,726	903,087
Parking Meter Collection		598,931	762,645	761,794	771,320
Division Total	11,015,820	12,883,918	13,077,359	15,348,879	15,511,169
FTE Total	62.00	79.00	80.00	80.00	80.00
Zero Waste					
Administration	827,683	894,495	689,123	804,199	808,591
Residential Refuse Collect Service	4,079,950	4,014,684	3,602,066	4,203,344	4,243,478
Commercial Refuse Collection Service	3,318,636	3,434,985	3,407,546	3,219,393	3,253,336
Roll-Off Container Service	392,234	385,391	422,696	569,305	573,855
Container/Cart Maintenance	439,468	457,623	493,969	455,573	459,231
Litter Collection Service	530,059	543,246	492,466	248,033	249,234
Transfer & Disposal Service	8,348,941	8,527,244	9,089,374	8,969,604	9,020,790
Customer Service	5,822	5,741		7,471	7,471
Special Collections	15,948	26,354	29,142	12,808	12,808
Residential Recycling	7,799,654	7,036,117	889,325	747,547	747,547
Commercial Recycling	2,087,437	2,118,672	890,858	2,163,171	2,181,526
Residential Organics		83,370	6,635,945	6,787,347	6,808,866
Commercial Organics		36,141	1,789,330	1,543,507	1,553,817
Division Total	27,845,832	27,564,063	28,431,840	29,731,302	29,920,550
FTE Total	89.00	87.00	90.00	90.00	90.00
Equipment Maintenance					
Administration	222,868	193,381	239,172	230,337	233,872
at Corp Yard	6,071,393	5,902,786	5,653,668	6,302,172	6,343,846
Equipment Replacement	4,720,854	3,902,941	2,063,069	4,393,494	4,393,494
Equipment Mtc. at Transfer Station				23,000	23,000
Division Total	11,015,115	9,999,108	7,955,909	10,949,003	10,994,212
FTE Total	18.00	18.00	18.00	18.00	18.00
Transportation					
Administration	721,651	607,705	531,535	647,790	655,180
Transportation Planning	1,288,048	1,992,066	2,111,801	709,161	716,222
Traffic Engineering	714,869	733,730	767,999	760,744	774,502
Parking Services	1,636,725	1,364,035	1,800,121	2,388,067	2,491,354
Center Street Garage	514,613	830,866	1,488,212	2,377,989	1,085,101
Telegraph/Channing Garage	1,075,544	1,259,454	1,155,661	1,319,191	1,300,903
Telegraph/Channing Mall	16,121	20,950	77,024	20,694	20,694
Surface Parking Lots	234	79,544	1,521	19,000	21,223
Other Lots/Meter Districts	7,106				
Brower Center/Oxford Garage	169,404	217,508	196,347	229,646	231,358
Capital Projects	1,573,177	1,438,776	1,249,973	566,219	566,219
Traffic Maintenance	1,128,932	49,390	14		
Parking Meter Collection	603,333	89,997			
Repair/Maintenance	1,082,197	29,403	16,294		
Berkeley Way Lot		15,320	99,338	5,150	5,150
Division Total	10,531,954	8,728,744	9,495,840	9,043,651	7,867,906
FTE Total	29.60	12.60	12.60	14.60	14.60
Department Total	92,344,987	89,659,793	95,429,253	100,380,540	96,746,124
FTE Total	287.60	285.60	289.60	292.60	292.60



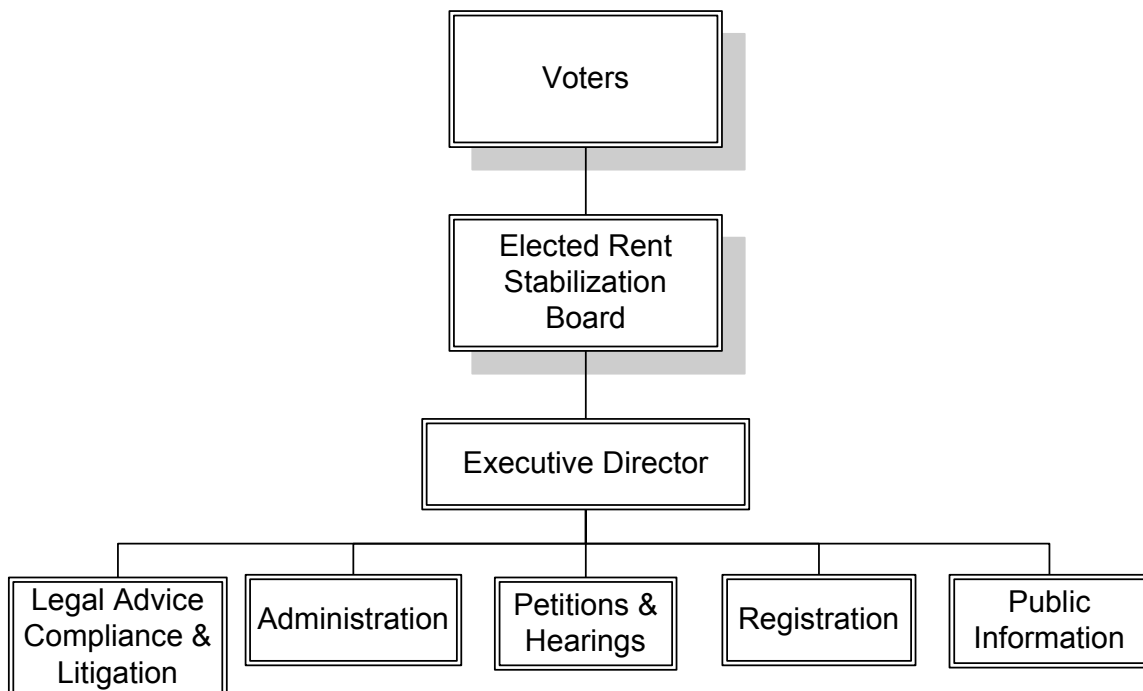
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RENT STABILIZATION PROGRAM

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 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
EXPENDITURES					
By Type:					
Salaries and Benefits	3,060,867	3,050,116	3,187,548	3,425,435	3,478,901
Services and Materials	895,395	734,383	723,585	832,500	832,500
Capital Outlay	10,276	25,438	10,360	9,000	9,000
Internal Services	18,549	16,521	14,994	283,065	229,599
Indirect Cost Transfer					
	3,985,087	3,826,458	3,936,487	4,550,000	4,550,000
By Division:					
Rent Stabilization Board	3,985,087	3,826,758	3,936,487	4,550,000	4,550,000
	3,985,087	3,826,758	3,936,487	4,550,000	4,550,000
By Fund:					
Rent Stabilization Board	3,985,087	3,826,758	3,936,487	4,550,000	4,550,000
	3,985,087	3,826,758	3,936,487	4,550,000	4,550,000

General Fund FTE					
Total FTE	21.95	20.45	19.75	20.60	20.60



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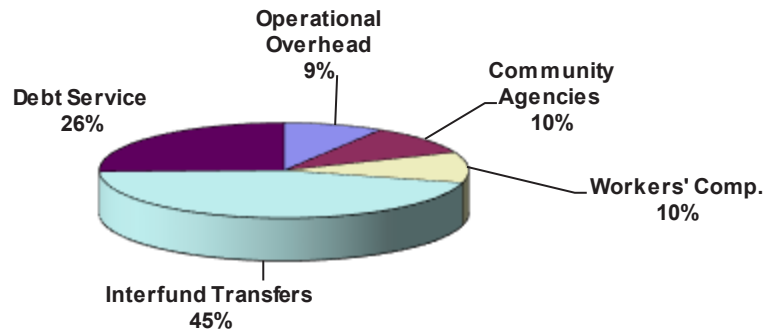
NON-DEPARTMENTAL
(All City funds)

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 2016 & FY 2017 Non-Departmental Adopted Budget
(**\$102,366,342**)



Interfund Transfers Include transfers to:	FY 2016	FY 2017
Capital Project Fund from General Fund	\$ 5,348,269	5,501,269
Debt Service Funds	335,750	296,000
Public Liability Fund from General Fund	1,695,888	1,695,888
Mental Health/Public Health Funds	6,853,668	6,801,668
Other Fund Transfers	9,680,655	8,209,906
Total	23,914,230	22,504,731

NON-DEPARTMENTAL FINANCIAL SUMMARY

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Adopted	FY 2017 Adopted
EXPENDITURES					
By Type:					
Salaries and Benefits					
Services and Materials	55,714,388	49,308,061	58,807,171	52,033,295	50,333,047
Capital Outlay					
Internal Services					
Indirect Cost Transfer					
Total	<u>55,714,388</u>	<u>49,308,061</u>	<u>58,807,171</u>	<u>52,033,295</u>	<u>50,333,047</u>
By Division:					
Operational Overhead	1,418,201	1,323,849	2,220,167	4,343,008	4,630,546
Community Agencies	4,370,342	4,290,107	4,393,571	5,418,199	4,870,939
Workers' Compensation	5,441,767	3,651,790	4,586,962	5,320,500	5,320,500
Debt Service	17,283,480	12,486,660	20,144,319	13,037,358	13,006,331
Interfund Transfers	27,200,598	27,555,655	27,462,152	23,914,230	22,504,731
Total	<u>55,714,388</u>	<u>49,308,061</u>	<u>58,807,171</u>	<u>52,033,295</u>	<u>50,333,047</u>
By Fund:					
General Fund	18,259,654	23,759,456	24,287,152	23,902,271	23,385,812
Capital Improvement	1,151,542	1,059,725	1,061,269	1,510,250	1,057,638
Section 108 HUD Loan	181,278	246,375	4,059,887	56,419	55,065
CDBG	129,600	156,528	138,061	135,558	135,558
UC Settlement	1,183,678	1,167,681	1,109,497	1,043,819	1,075,133
Workers Compensation	5,441,767	3,651,790	4,586,962	5,320,500	5,320,500
Sewer Fund	399,948	88,218	90,501	90,501	90,501
Off Street Parking	453,840	457,850	3,153,648		
Parking Meter	1,005,000	1,005,000	1,246,219	1,726,809	1,047,345
Health State Aid Realignment	2,604,024	2,604,024	2,604,024	2,604,024	2,604,024
Mental Health St. Realignment	2,010,222	1,282,941	843,878	2,296,626	2,244,626
Debt Service	475,892	427,377	379,508	338,382	298,632
09 Measure FF Library Debt Service	1,606,759	1,605,939	1,609,318	1,614,759	1,614,659
CFD#1 Dis Fire Protect Bond	860,555	858,283	858,403	857,490	855,895
2012 Ref Lease Rev Bonds	6,888,270	457,418	500,714	503,245	501,933
Redevelopment Agency					
Successor Agency	2,938,059	2,295,713	2,847,969	1,005,348	1,005,268
2002 G.O. Refunding Bonds	1,457,483	1,456,992	1,456,038	1,461,608	1,466,033
Thousand Oaks Underground	102,011	100,787	101,100	97,723	101,051
GO Ref Bds, 2007 Sr A	279,917	308,122	329,622	335,416	336,716
2015 GORBS	2,741,867	2,745,147	2,736,147	2,739,766	2,735,966
F02 GO Bds Animal Shelter	441,270	440,933	440,500	444,646	448,521
Sustainable Energy Finance	37,117	32,285	48,648	32,237	32,210
2010 COP (Animal Shelter)	414,900	411,680	413,189	403,948	409,523
Measure M GO Street & Water Imp		348,674	875,439	898,075	900,850
Building Purchases & Mgmt	1,242,221	1,886,150	1,637,298	1,639,481	1,635,194
Other	3,407,514	452,973	1,392,180	974,394	974,394
Total	<u>55,714,388</u>	<u>49,308,061</u>	<u>58,807,171</u>	<u>52,033,295</u>	<u>50,333,047</u>

FY 2016 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 Adopted Budget contains appropriation recommendations only for FY 2016. Funding for FY 2017 will be contingent upon Federal funding levels, but the budget plans to continue FY 2016 General Fund funding levels in FY 2017.

Allocation Process

Every two years, the City of Berkeley combines multiple sources of funds into one consolidated *Request for Proposals* (RFP) and allocation process for community agencies. These funds are used to support public services and capital projects that benefit people with incomes at 80% of Area Median Income or below. Health, Housing & Community Services Department staff manages the RFP and allocation process and coordinates the review process among four commissions: the Housing Advisory (HAC), Homeless, Human Welfare and Community Action (HWCAC) and Children, Youth and Recreation (CYRC) Commissions. During this funding process, 61 agencies applied for over \$10.7 million in funding for 120 programs.

Commissioners and City staff reviewed and rated proposals during the months of January and February. The City Manager recommendations are in agreement with the CYRC and Housing Advisory Commission recommendations, differ from the Homeless Commission on recommendations for five of the 42 applications submitted, and the City Manager and the HWCAC are in agreement on the overall funding strategy.

The Adopted Budget approved a three percent increase in the amount of General Fund available for community agency funding for both FY 2016 and FY 2017.

Funding for Arts projects continues to pass through a separate allocation process involving the Civic Arts Commission. Public Health, Mental Health, and Public Works community agency allocations are also allocated through different processes.

Funding Summary

For FY 2016, the City will spend \$9,243,317 in General Funds, Federal Funds, and other funds for community agencies. This amount represents a 13% increase from the \$8,189,568 amount allocated to community agencies in FY 2015.

The FY 2016 Adopted Budget Community Agency Allocation chart shows the FY 2015 allocation amounts and the FY 2016 Adopted allocations approved when the Council adopted the budget on June 30, 2015.

The following charts represent a listing of the entire community agency allocations adopted for FY 2016. These charts show the following:

- ❑ FY 2016 Community Allocations by Service Type
- ❑ FY 2016 Adopted Budget Community Agency Allocations for all funding sources

FY 2016 ADOPTED COMMUNITY AGENCY ALLOCATIONS

FY 2017 funding will be contingent upon federal funding levels and program performance. This adopted budget assumes a continuation of FY 2016 General Fund funding level for FY 2017.

FY 2016 Community Agency Allocations by Service Type

	General Funds	Federal Funds	Other Funds	All Sources
Arts	\$325,733	\$0	\$0	\$325,733
Childcare	613,475	-	-	\$613,475
Community Facilities Improvements	-	258,060	-	\$258,060
Community Media	230,710	-	-	\$230,710
Disability Programs	129,821	140,219	1,075,936	\$1,345,976
Economic Development	546,823	-	-	\$546,823
Employment Training	225,836	25,472	-	\$251,308
Health	807,137	-	-	\$807,137
Homeless	2,385,609	660,481	33,045	\$3,079,135
Housing Dev & Rehab	14,819	380,613	-	\$395,432
Legal/ Advocacy	90,809	34,932	-	\$125,741
Other	138,340	-	-	\$138,340
Recreation	18,573	-	-	\$18,573
Seniors	22,309	-	-	\$22,309
Youth	1,016,471	68,094	-	\$1,084,565
TOTAL	\$6,566,465	\$1,567,871	\$1,108,981	\$9,243,317

Funding by Category	FY 2015 All Sources	FY 2016 All Sources	% Change
Arts	\$325,733	\$325,733	0%
Childcare	\$471,324	\$613,475	30%
Community Facilities Improvements	\$102,108	\$258,060	153%
Community Media	\$230,710	\$230,710	0%
Disability Programs	\$1,319,473	\$1,345,976	2%
Economic Development	\$496,424	\$546,823	10%
Employment Training	\$258,447	\$251,308	-3%
Health	\$341,265	\$807,137	137%
Homeless	\$2,810,197	\$3,079,135	10%
Housing Dev & Rehab	\$395,432	\$395,432	0%
Legal/ Advocacy	\$170,040	\$125,741	-26%
Other	\$216,547	\$138,340	-36%
Recreation	\$18,573	\$18,573	0%
Seniors	\$29,063	\$22,309	-23%
Youth	\$1,004,233	\$1,084,565	8%
	\$8,189,568	\$9,243,317	13%

FY 2016 Community Agency Allocations

Agency/Individual Name	FY 2015 Allocations	FY 2016 Adopted	CDBG	CSBG	ESG	General Fund	Other Funds
Arts							
Berkeley Art Center	86,652	86,652				86,652	
Civic Arts Grants	239,081	239,081				239,081	
Arts Total	325,733	325,733				325,733	
Childcare							
Bay Area Hispano Institute for Advancement - Child Development Program	82,143	82,143				82,143	
Bananas Inc. Child Care Subsidies	250,135	250,135				250,135	
QRIS Services	-	115,000				115,000	
Ephesians Children's Center - Childcare Program	45,507	45,507				45,507	
Healthy Black Families, Inc. Sisters Together Empowering Peers (STEP)	13,759	50,000				50,000	
Nia House Learning Center	33,390	39,999				39,999	
St. John's Child Care	46,390	30,691				30,691	
Childcare Total	471,324	613,475				613,475	-
Community Facilities Improvements							
City of Berkeley Aging Services North and South Berkeley Senior Center Improvements	-	109,350	109,350				
City of Berkeley Public Health Division Ann Chandler Clinic Improvements		36,135	36,135				
Lifelong Medical Care Dental Clinic Flooring	34,493	-					
Over 60s Improvements	43,040	43,000	43,000				
Rebuilding Together Community Facilities	24,575	24,575	24,575				
Youth Sprit Artworks ADA and Other Improvements		45,000	45,000				
Community Facilities Improvements Total	102,108	258,060	258,060				
Community Media							
Berkeley Community Media	230,710	230,710				230,710	
Community Media Total	230,710	230,710				230,710	
Disability Programs							
Bay Area Outreach and Recreation Program Recreational Services for the Disabled	40,608	40,426				40,426	
Berkeley Place	16,985	15,287				15,287	
Bonita House Creative Wellness Center	14,426	12,983				12,983	
Center for Early Intervention on Deafness	5,000	0					
Center for Independent Living: Residential Access Project for Disabled	140,219	140,219	140,219				
Employment	36,607	36,607				36,607	
Easy Does It	1,038,386	1,075,936					1,075,936
Through the Looking Glass	27,242	24,518				24,518	
Disability Programs Total	1,319,473	1,345,976	140,219			129,821	1,075,936
Economic Development							
Berkeley Convention and Visitors Bureau	496,424	546,823				546,823	
Economic Development Total	496,424	546,823				546,823	
Employment Training							
Bread Project	41,165	41,165				41,165	
Inter-City Services	95,036	95,036				95,036	
Multicultural Institute Lifeskills Program	71,394	64,255				64,255	
Rising Sun – Green Energy Training Services	50,852	50,852	25,472			25,380	
Employment Training Total	258,447	251,308	25,472			225,836	
Health							
Lifelong Medical Care: Access for Uninsured (BPC, WBFP, Uninsured)	138,045	124,240				124,240	
Acupuncture Detox Clinic	64,656	58,190				58,190	
Hypertension/Chronic Health Program	80,388	72,349				72,349	
Primary Geriatric Care	43,176	38,858				38,858	
Berkeley Free Clinic Free Women and Transgender Health Care	15,000	13,500				13,500	
Sugar - Sweetened Beverage Berkeley Unified School District		250,000				250,000	
Sugar - Sweetened Beverage Panel (POE)*		250,000				250,000	

FY 2016 Community Agency Allocations

Agency/Individual Name	FY 2015 Allocations	FY 2016 Adopted	CDBG	CSBG	ESG	General Fund	Other Funds
Health Total	341,265	807,137				807,137	
Homeless Services							
Alameda County Homeless Action Center							
Benefits Advocacy	126,349	126,349				106,349	20,000
Alameda County Network of Mental Health Clients							
Daytime Drop-In	89,817	35,722				35,722	
Case Management Tied to Permanent Housing		22,080				22,080	
Representative Payee Services		32,016				32,016	
Berkeley Food & Housing Project							
Case Management Tied to Permanent Housing		74,340				74,340	
Daytime Drop-In (Multi-Service Center)	220,887	64,768				64,768	
Homeward Bound	7,130	0				-	
Housing Crisis Resolution Center (HCRC)		853,606	74,557		199,179	579,870	
Housing Retention Program	63,573	0				-	
Men's Housing Program	180,986	165,536	165,536				
MSC: Case Management Center	10,123	0					
MSC: Winter Shelter	5,986	0				-	
PCEI: Centralized Shelter Reservation Program	34,103	0				-	
Priority Home Program	172,557						
Quarter Meal	45,786	35,786				35,786	
Representative Payee Services	-	33,120				33,120	
Russell Street Supportive Housing Program	13,045	13,045					13,045
Women's Shelter	116,469	116,469				116,469	
Bonita House							
Case Management Tied to Permanent Housing	18,151	18,151				18,151	
Building Opportunities for Self Sufficiency:							
Case Management Tied to Permanent Housing		64,862				64,862	
Daytime Drop-In (MASC)	226,725	84,722				84,722	
Homeless Basic Needs - Showers/Laundry		24,702				24,702	
New Case Management Tied to Permanent		15,820				15,820	
Representative Payee Services		52,440		30,004		22,436	
Sankofa Transitional Housing	26,253	26,253				26,253	
Ursula Sherman Village Singles Shelter	110,277	101,614		101,614			
Ursula Sherman Village Family Transitional	27,706	27,706		27,706			
City of Berkeley EveryOne Home	15,000	15,000				15,000	
Dorothy Day							
Berkeley Emergency Storm Shelter	30,101	30,101				30,101	
Breakfast Program	41,223	41,223				41,223	
Fred Finch Youth Center:							
Turning Point	86,655	86,655				86,655	
Homeless Coordinated Assessment/Intake Project	74,667	0				-	
Lifelong Medical Care:							
COACH Shelter Plus Care Social Worker	58,322	58,322				58,322	
PCEI: Square One Supportive Housing Services	95,330	95,330				95,330	
Supportive Housing Program UA Homes	52,250	52,250				52,250	
New Bridge Foundation	50,000	50,000				50,000	
Options Recovery Services - Detox Services & Day							
Daytime Treatment	38,132	46,200				46,200	
Dual Diagnosis Clinic	114,396	62,328				62,328	
Transitional Housing	39,311	83,311				83,311	
Rubicon							
Workforce Services /Shelter Plus Care	35,266	35,266				35,266	
Telegraph Business Improvement District							
PCEI: Berkeley Host Program	49,139	49,139				49,139	
The Suitcase Clinic	-	9,828				9,828	
Toolworks, Inc. Supportive Housing	47,665	47,665				47,665	
United for Health	9,828	-					
Winter Shelter Program	61,000	0					
Women's Daytime Drop-In Center:							
Bridget Transitional House Case Management	23,838	30,777				30,777	
Case Management Tied to Permanent Housing		35,328	35,328				
Daytime Drop-In Services	140,643	44,840	22,420			22,420	
Domestic Violence Services		26,832				26,832	
Homeless Basic Needs - Meals Program		28,794				28,794	
Homeless Case Management and Health Care Services	135,793	0					

FY 2016 Community Agency Allocations

Agency/Individual Name	FY 2015 Allocations	FY 2016 Adopted	CDBG	CSBG	ESG	General Fund	Other Funds
Homeward Bound	1,750	0					
New Case Management Tied to Permanent		22,080	4,137			17,943	
Winter Shelter	4,850	0					
Youth Engagement Advocacy Housing							
TAY Winter Shelter	109,115	109,115				109,115	
Case Management Tied to Permanent Housing	-	24,288				24,288	
New Case Management Tied to Permanent Hous	-	5,356				5,356	
Homeless Services Total	2,810,197	3,079,135	301,978	159,324	199,179	2,385,609	33,045
Housing Development & Rehabilitation							
Satellite Affordable Housing Associates							
CHDO General Operating Support	refer to HTF	refer to HTF					
Bay Area Community Land Trust	4,991	4,991				4,991	
Community Energy Services Corporation	282,334	282,334	282,334				
Rebuilding Together							
Safe Home Project	98,279	98,279	98,279				
Resources for Community Development							
CHDO General Operating Support	refer to HTF	refer to HTF					
Social Services at Special Needs Housing	9,828	9,828				9,828	
Housing Development & Rehabilitation Total	395,432	395,432	380,613			14,819	
Legal/Advocacy							
East Bay Community Law Center							
Criminal Records Remedies Advocacy	9,618	-				-	
Housing Advocacy	19,235	13,465				13,465	
Neighborhood Justice Clinic	19,225	17,303				17,303	
Fair Housing Counseling	34,932	34,932	34,932				
Family Violence Law Center - Domestic Violence & Homelessness Prevention Project	87,030	60,041				60,041	
Legal/Advocacy Total	170,040	125,741	34,932			90,809	
Other							
Animal Rescue	23,812	23,812				23,812	
Berkeley Alliance	49,147	0					
Berkeley Community Gardening Collaborative	10,123	10,000				10,000	
Berkeley Project	17,000	27,000				27,000	
Eden Information & Referral	35,000	35,000				35,000	
McGee Avenue Baptist Church	16,821	15,139				15,139	
SEEDS Community Resolution Center	56,434	20,000				20,000	
South Berkeley Community Church - Nutrition	8,210	7,389				7,389	
Other Total	216,547	138,340				138,340	
Recreation							
Ephesians Children's Center - Greg Brown Park Supervision	18,573	18,573				18,573	
Recreation Total	18,573	18,573				18,573	
Seniors							
Alzheimer's Services of the East Bay							
Dementia Specific Services	19,235	13,464				13,464	
J-Sei	9,828	8,845				8,845	
Seniors Total	29,063	22,309				22,309	
Youth							
2020 Vision Evaluation, Training and Technical Assistance	87,308	45,000				45,000	
A Better Way							
Mental Health Services for Uninsured Children	59,166	40,000				40,000	
Alive and Free	22,500	-					
Bay Area Community Resources							
Malcolm X School Counseling	17,564	62,000				62,000	
Bay Area Hispano Institute for Advancement - Out of School Time Programs	21,447	21,447				21,447	
Berkeley High School Bridge Program	54,000	54,000				54,000	
Berkeley Youth Alternatives:							
Afterschool Program	26,602	30,000				30,000	
Counseling	17,007	49,674				49,674	
Parks - Youth Employment	28,747	0				-	
Security Camera System		3,000				3,000	

FY 2016 Community Agency Allocations

Agency/Individual Name	FY 2015 Allocations	FY 2016 Adopted	CDBG	CSBG	ESG	General Fund	Other Funds
Biotech Partners – Biotech Academy at Berkeley High	68,094	76,750	68,094			8,656	
Community Alliance for Learning - Writers Coach Connection		20,000				20,000	
Ephesians School-Age Program	39,840	39,840				39,840	
K to College	20,000	20,000				20,000	
Lifelong Medical Care: Rosa Parks Collaborative	44,804	44,804				44,804	
Multicultural Institute Youth Mentoring	33,603	33,603				33,603	
Pacific Center for Human Growth - Safer Schools	23,245	23,245				23,245	
RISE Program	216,039	216,039				216,039	
SEEDS Community Resolution Center - Restorative Justice in Schools	25,000	25,000				25,000	
South Berkeley Community Church - Youth Program	13,272	6,636				6,636	
Stiles Hall	45,312	90,000				90,000	
UC Berkeley							
BUILD Literacy/Cal Corp	56,906	69,750				69,750	
Bridging Berkeley	-	30,000				30,000	
Youth Spirit Artworks							
Vocational Arts Training	33,777	33,777				33,777	
BUSD Homeless Student Program	50,000	50,000				50,000	
Youth Total	1,004,233	1,084,565	68,094			1,016,471	
TOTAL COMMUNITY AGENCY ALLOCATIONS	8,189,568	9,243,317	1,209,368	159,324	199,179	6,566,465	1,108,981

o Community Development Block Grant (CDBG)/Emergency Solutions Grant (ESG)

*Subject to the Sugar – Sweetened Beverage Panel of Experts (POE) allocation.

The \$500,000 for the Sugar-Sweetened Beverage allocation will be repaid to the General Fund as revenues from Measure D are collected.

Street Events and Festivals Adopted FY 2016 And FY 2017 Funding

EVENT NAME	Adopted FY 2013	Adopted FY 2014	Adopted FY 2015	Adopted FY 2016	Adopted FY 2017
Recurring Cash Grants					
Berkeley Arts Festival	10,000	10,000	10,000	10,000	10,000
Black History Month			4,250	4,250	4,250
Cesar Chavez Commemoration	4,500	4,500	4,500	4,500	4,500
Cinco de Mayo	4,000	4,000	4,000	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?	-	-	-	-	-
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	5,000	5,000	5,000	5,000	5,000
Sundays on Telegraph		15,000	15,000	5,000	15,000
Sunday Streets		30,000	30,000	30,000	30,000
TAA World Music Festival	4,500	9,000	9,000	9,000	9,000
Telegraph Avenue Holiday Fair	2,025	2,025	2,025	2,025	2,025
SF Mime Troupe	950	1,450	1,450	1,450	1,450
Miscellaneous/Unallocated	3,375				
Subtotal:	57,440	104,065	108,315	98,315	108,315
Recurring Expenses					
Personnel Overtime	16,200	23,314	23,314	23,314	23,314
Portable Toilets	9,000	11,500	11,500	11,500	11,500
Insurance	10,350	14,000	14,000	14,000	14,000
Subtotal:	35,550	48,814	48,814	48,814	48,814
Total Costs	92,990	152,879	157,129	147,129	157,129

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.

Illiquid Reserve - Includes the portion of the reserve that represents amounts due to the general fund. For example, grant program expenditures fronted by the general fund represent grants receivable. When departments requests reimbursement for their program expenditures, the grant revenues will be used to reimburse the general fund.

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.

Liquid Reserve - Refers to the portion of the general fund reserve that is available for use.

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.

GLOSSARY OF BUDGET TERMS

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.

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

GLOSSARY OF BUDGET TERMS

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.

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

GLOSSARY OF BUDGET TERMS

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 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 terms means as of June 30th (end of the fiscal year).



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