

**BERKELEY CITY COUNCIL BUDGET & FINANCE COMMITTEE
REGULAR MEETING MINUTES**

**Thursday, September 14, 2023
10:00 AM**

2180 Milvia Street, Berkeley, CA 94704

1619 Edith Street, Berkeley, CA 94703 – Teleconference Location

Committee Members:

Mayor Jesse Arreguin, Councilmembers Rashi Kesarwani and Kate Harrison
Alternate: Councilmember Sophie Hahn

This meeting will be conducted in a hybrid model with both in-person attendance and virtual participation. For in-person attendees, face coverings or masks that cover both the nose and the mouth are encouraged. If you are feeling sick, please do not attend the meeting in person.

Remote participation by the public is available through Zoom. To access the meeting remotely using the internet: Join from a PC, Mac, iPad, iPhone, or Android device: Use URL - <https://cityofberkeley-info.zoomgov.com/j/1612170326>. If you do not wish for your name to appear on the screen, then use the drop down menu and click on "rename" to rename yourself to be anonymous. To request to speak, use the "raise hand" icon on the screen. To join by phone: Dial **1-669-254-5252 or 1-833-568-8864 (Toll Free)** and Enter Meeting ID: **161 217 0326**. If you wish to comment during the public comment portion of the agenda, press *9 and wait to be recognized by the Chair.

To submit a written communication for the Committee's consideration and inclusion in the public record, email policycommittee@berkeleyca.gov.

Written communications submitted by mail or e-mail to the Budget & Finance Committee by 5:00 p.m. the Friday before the Committee meeting will be distributed to the members of the Committee in advance of the meeting and retained as part of the official record.

MINUTES

Roll Call: 10:07 a.m.

Present: Kesarwani, Harrison, Arreguín

Absent: None

Public Comment on Non-Agenda Matters – 3 speakers.

Minutes for Approval

Draft minutes for the Committee's consideration and approval.

1. **Minutes - June 22, 2023**

Action: M/S/C (Harrison/Arreguín) to approve the minutes of June 22, 2023.

Vote: All Ayes.

Committee Action Items

The public may comment on each item listed on the agenda for action as the item is taken up. The Chair will determine the number of persons interested in speaking on each item. Up to ten (10) speakers may speak for two minutes. If there are more than ten persons interested in speaking, the Chair may limit the public comment for all speakers to one minute per speaker.

Following review and discussion of the items listed below, the Committee may continue an item to a future committee meeting, or refer the item to the City Council.

Committee Action Items

2. **Accept the Risk Analysis for Long-Term Debt (Bonding Capacity) Report provided by Government Finance Officers Association** *(Item contains supplemental material)*

From: City Manager

Referred: April 26, 2022

Due: September 30, 2023

Recommendation: Accept the report titled 'Risk-Based Analysis and Stress Test of Long-Term Debt Affordability' as provided by the Government Finance Officers Association (GFOA). This report is based on their research and development of a risk-modeling tool to address issuing long-term debt related to City of Berkeley Vision 2050.

On April 26, 2022, the City Council referred this item to the City Manager and Budget & Finance Committee to return to Council with recommendations or analysis on as many of the following items as possible by October 2022, if feasible. 1)

Consideration of reserves policies for operational funds other than the General Fund; 2) Potential reduction of the maximum indebtedness rate from 15% of assessed property value down to 4-8% range; 3) A new policy to not incur indebtedness when interest rates go above 5% or a different specific threshold; 4) Tools for increased transparency for taxpayers; 5) Updated report and discussion of pension and healthcare costs; 6) Refer the full Report to the Budget & Finance Committee for consideration.

Financial Implications: None

Contact: Henry Oyekanmi, Finance, (510) 981-7300

Action: 0 speakers. Presentation made and discussion held. Item deadline extended to February 29, 2024 at the request of the author. Item continued to a future meeting.

Committee Action Items

3. Recommendation on Climate, Building Electrification, and Sustainable Transportation Budget Priorities for Fiscal Year 2023 and 2024

From: Energy Commission

Referred: May 23, 2023

Due: November 7, 2023

Recommendation: The Energy Commission recommends that the Berkeley City Council prioritize and include in the City's budget for the Fiscal Years Ending (FYE) 2023 and 2024 several staff positions, pilot projects, investments in electric vehicles and charging infrastructure, and other measures to ensure that the City's budget is aligned with and provides adequate and needed funding to implement the City's adopted Climate Action Plan, Electric Mobility Roadmap, Building Emissions Saving Ordinance, 2019 ban on gas in new construction, and the Existing Buildings Electrification Strategy.

Financial Implications: See report

Contact: Billi Romain, Commission Secretary, (510) 981-7400

Action: 2 speakers. M/S/C (Arreguin/Harrison) to send the item to the City Council with a qualified positive recommendation, and that the Council consider the following:

1. Planning Department's request to continue funding the position of Green Building Program Manager.
2. Specific recommendations in the item around integrating low carbon mobility into the Street Maintenance budget.
3. For the one-time funded pilot programs and positions, assess their effectiveness and consider on-going funding.
4. Direction to staff to look at grant opportunities, in particular the Federal Inflation Reduction Act, to create charging infrastructure particularly at the Zero Waste Facility as the transfer station is being rebuilt.

Vote: All Ayes.

4a. Referral of Two Health Educator Positions to the COB FY 2024 Budget Process

From: Peace and Justice Commission

Referred: April 11, 2023

Due: September 26, 2023

Recommendation: Refer to the budget process a request for estimated \$150,000 annually, beginning in FY 2024 or as early as the AAO #2 process in spring 2023, for staffing, materials, and supplies to be able to more broadly and flexibly conduct health education, prevention, and outreach to reduce health disparities, as proposed by the Peace and Justice Commission.

Financial Implications: See report

Contact: Okeya Vance-Dozier, Commission Secretary, (510) 981-7100

Action: See action for Item 4b.

Committee Action Items

- 4b. Companion Report: Referral of two health educator positions to the COB FY 2024 budget process**
From: City Manager
Referred: April 11, 2023
Due: September 26, 2023
Recommendation: Refer to the Peace and Justice Commission's request for \$150,000 annually for staffing, materials, and supplies for health education and outreach to the Budget and Finance Policy Committee for further deliberation.
Financial Implications: None
Contact: Peter Radu, City Manager's Office, (510) 981-7000
Action: 3 speakers. M/S/C (Harrison/Kesarwani) to send the commission item and companion report to the City Council with a negative recommendation, express thanks to the Peace and Justice Commission for their work, and recognize that there is a need for community- and school-based public health outreach, and that the City should consider the recommendation after the completion of the community health assessment.
Vote: All Ayes.
- 5. Investment Report Update - Investment Policies of Other Jurisdictions**
From: City Manager
Contact: Henry Oyekanmi, Finance, (510) 981-7300
Action: 0 speakers. Discussion held. Item continued to a future meeting.
- 6. COVID-19 Emergency Rental Assistance; Presentation from the Eviction Defense Center**
From: City Manager
Contact: Lisa Warhuus, Health, Housing, and Community Services, (510) 981-5400
Action: 2 speakers. Presentation made and discussion held.
- 7. Audit Recommendation Status - Berkeley Police: Improvements Needed to Manage Overtime and Security Work for Outside Entities**
From: City Manager
Referred: May 23, 2023
Due: November 7, 2023
Contact: Jennifer Louis, Police, (510) 981-5900
Action: 2 speakers. Presentation made and discussion held. Item continued to a future meeting.

Councilmember Kesarwani absent 12:02 – 12:17 p.m.

Committee Action Items

8. **Audit Status Reports: Fleet Replacement Fund Short Millions & Rocky Road: Berkeley Streets at Risk and Significantly Underfunded**
From: City Manager
Recommendation: *On May 23, 2023, the City Council referred to the Budget and Finance Policy Committee to prioritize funding to the vehicle replacement fund to make up the shortfall over time in order to stabilize the fund.*
Financial Implications: See report
Contact: Liam Garland, Public Works, (510) 981-6300
Action: 1 speaker. Item continued to a future meeting.

Unscheduled Items

These items are not scheduled for discussion or action at this meeting. The Committee may schedule these items to the Action Calendar of a future Committee meeting.

- None

Items for Future Agendas

- None

Adjournment

Action: M/S/C (Arreguín/Harrison) to adjourn the meeting.

Vote: Ayes – Harrison, Arreguín; Noes – None; Abstain – None; Absent – Kesarwani.

Adjourned at 12:17 p.m.

I hereby certify that the foregoing is a true and correct record of the Budget & Finance Committee meeting held on September 14, 2023.

Rose Thomsen, Deputy City Clerk