



Office of the City Manager

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ACTION CALENDAR
May 25, 2021

To: Honorable Mayor and Members of the City Council
From: Dee Williams-Ridley, City Manager
Submitted by: Rama Murty, Acting Budget Manager
Subject: FY 2022 Proposed Budget and Proposed Budget Public Hearing #1

RECOMMENDATION

Accept the FY 2022 Proposed Budget for review and consideration by the City Council and final adoption on June 29, 2021 and conduct Public Hearing #1 on the FY 2022 Proposed Budget.

CURRENT SITUATION AND ITS EFFECTS

This report provides the Council with the FY 2022 Proposed Budget for review and consideration and for final adoption on June 29, 2021. Following the staff presentation on the FY 2022 Proposed Budget, staff is asking the Council to conduct Public Hearing #1 on the budget.

The FY 2022 Proposed Budget process began in December 2020, almost 9 months after the COVID-19 pandemic began and the shelter-in-place orders were implemented. At that time, staff decided to shift from a regular 2 Year budget process to a 1 Year budget process for FY 2022. This decision was made to provide time to evaluate the impacts of COVID-19 on the local economy and finances and to develop an understanding of the impacts of vaccines.

Through the use of American Rescue Plan Funds to cover General Fund revenue losses suffered in FY 2020 and FY 2021, the City has been able to balance the FY 2022 General Fund budget. Staff has also balanced the FY 2022 General Fund budget by continuing certain one-time deferrals and is reviewing revenue projections as more data becomes available. The FY 2022 General Fund budget funds critical needs in both operations and infrastructure.

The FY 2022 Proposed Budget also uses American Rescue Plan Funds to address significant revenue losses to the Marina Fund, both the On-Street and Off-Street Parking Funds, Camps Fund, and the Gilman Sports Field Fund.

The FY 2022 Proposed Budget Book (Attachment 1) is organized into the following sections:

1. Budget Message
2. Financial Summaries
3. General Fund
4. Other Fund Forecasts
5. Staffing
6. Strategic Plan
7. Department Narratives
8. Performance Measures
9. Capital Improvement Program
10. Community Agencies

The document contains an overview in the beginning describing each section and has hyperlinks so that each section can be accessed easily.

Over the next month, staff will be working closely with the Budget & Finance Policy Committee and the Council on the FY 2022 Proposed Budget. A schedule of the meetings and dates is as follows:

FY 2022 Budget Calendar	
Date	Action/Topic
May 25, 2021	<ul style="list-style-type: none"> • FY 2022 Proposed Budget Presentation • Public Hearing #1: Budget • FY 2022 Proposed Fee Increases
May 27, 2021	<ul style="list-style-type: none"> • Budget & Finance Policy Committee Meeting
June 1, 2021	<ul style="list-style-type: none"> • Public Hearing #2: Budget • Last date for formal budget referrals to the FY 2022 Budget Process • Council recommendations on budget due to the City Manager
June 10, 2021	<ul style="list-style-type: none"> • Budget & Finance Policy Committee Meeting
June 15, 2021	<ul style="list-style-type: none"> • Council discussion on budget recommendations
June 24, 2021	<ul style="list-style-type: none"> • Budget & Finance Policy Committee Meeting
June 29, 2021	<ul style="list-style-type: none"> • Adopt FY 2022 Proposed Budget & FY 2022 Annual Appropriations Ordinance

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 FY 2021, the City has an opportunity to work with its bargaining units to establish an approach to managing costs that will enable stability into the future.

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 well into the future and be better able to meet community needs. The proposed budget reflects our continued commitment to stewarding the public's resources for their benefit and that of future generations.

The FY 2022 Proposed Budget is a Strategic Plan Priority Project, advancing our goal to provide an efficient and financially-health City government.

ENVIRONMENTAL SUSTAINABILITY

Actions included in the budget will be developed and implemented in a manner that is consistent with the City's environmental sustainability goals and requirements.

CONTACT PERSON

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**NOTICE OF PUBLIC HEARING
BERKELEY CITY COUNCIL**

FY 2022 PROPOSED BUDGET PUBLIC HEARING #1

The City Manager’s Office is proposing a public hearing for the FY 2022 Proposed Budget which is being presented to the City Council.

The hearing will be held on May 25, 2021 at 6:00 p.m. The hearing will be held via videoconference pursuant to Governor’s Executive Order N-29-20.

A copy of the agenda material for this hearing will be available on the City’s website at www.CityofBerkeley.info as of May 13, 2021. **Once posted, the agenda for this meeting will include a link for public participation using Zoom video technology.**

For further information, please contact **Rama Murty** at (510) 981-7044.

Written comments should be mailed directly to the City Clerk, 2180 Milvia Street, Berkeley, CA 94704, or emailed to council@cityofberkeley.info in order to ensure delivery to all Councilmembers and inclusion in the agenda packet.

Communications to the Berkeley City Council are public record and will become part of the City’s electronic records, which are accessible through the City’s website. **Please note: e-mail addresses, names, addresses, and other contact information are not required, but if included in any communication to the City Council, will become part of the public record.** If you do not want your e-mail address or any other contact information to be made public, you may deliver communications via U.S. Postal Service. If you do not want your contact information included in the public record, please do not include that information in your communication. Please contact the City Clerk at 981-6900 or clerk@cityofberkeley.info for further information.

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I hereby certify that the Notice for this Public Hearing of the Berkeley City Council was posted at the display case located near the walkway in front of the Maudelle Shirek Building, 2134 Martin Luther King Jr. Way, as well as on the City’s website, on May 13, 2021.

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Mark Numainville, City Clerk