

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

**Thursday, June 9, 2022  
10:00 AM**

Committee Members:

Mayor Jesse Arreguin, Councilmembers Kate Harrison and Lori Droste  
Alternate: Councilmember Rashi Kesarwani

**PUBLIC ADVISORY: THIS MEETING WILL BE CONDUCTED EXCLUSIVELY THROUGH  
VIDEOCONFERENCE AND TELECONFERENCE**

Pursuant to Government Code Section 54953(e) and the state declared emergency, this meeting of the City Council Budget & Finance Committee will be conducted exclusively through teleconference and Zoom videoconference. The COVID-19 state of emergency continues to directly impact the ability of the members to meet safely in person and presents imminent risks to the health of attendees. Therefore, no physical meeting location will be available.

To access the meeting remotely using the internet: Join from a PC, Mac, iPad, iPhone, or Android device: Use URL - <https://us02web.zoom.us/j/85306172119> . 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 **1-669-900-9128 or 1-877-853-5257 (Toll Free)** and Enter Meeting ID: **853 0617 2119**. If you wish to comment during the public comment portion of the agenda, press \*9 and wait to be recognized by the Chair.

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.

# AGENDA

**Roll Call:** 10:02 a.m. All present.

**Public Comment on Non-Agenda Matters – 4 speakers.**

## Minutes for Approval

*Draft minutes for the Committee's consideration and approval.*

### 1. Minutes - May 19, 2022 and May 26, 2022

**Action:** M/S/C (Droste/Arreguin) to approve the minutes of May 19, 2022 and May 26, 2022.

**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.*

### 2. Discussion on Proposed Biennial Budget & CIP Recommendations From: City Manager

Contact: Sharon Friedrichsen, Budget Manager, (510) 981-7000

**Action:** 11 speakers. Presentation made and discussion held.

Councilmember Harrison absent 12:02 – 12:09 p.m.

### 3. Council Fiscal Policies From: City Manager

Contact: Sharon Friedrichsen, Budget Manager, (510) 981-7000

**Action:** 0 speakers. M/S/C (Droste/Arreguin) to accept the staff recommendation and send the item to Council with a positive recommendation.

**Vote:** Ayes – Droste, Arreguin; Noes – None; Abstain – None; Absent - Harrison.

## Committee Action Items

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

**From: Energy Commission**

**Referred: April 11, 2022**

**Due: September 26, 2022**

**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

Item continued to next meeting on June 23, 2022.

**5. Budget Referral and Updated Guidelines and Procedures for City Council Office Staff Expenditures**

**From: Councilmember Bartlett (Author), Councilmember Robinson (Co-Sponsor), Councilmember Harrison (Co-Sponsor), Councilmember Taplin (Co-Sponsor)**

**Referred: May 24, 2022**

**Due: November 8, 2022**

**Recommendation:** Refer to the Budget and Finance Committee to consider updates to the guidelines and procedures for City Council office budget expenditure accounts with regards to City Council staff salaries and fringe benefits expenditures and an accompanying Budget Referral of approximately \$1,226,619.52 for the FY 22-23 June Budget process.

**Financial Implications:** See report

Contact: Ben Bartlett, Councilmember, District 3, (510) 981-7130

Item continued to next meeting on June 23, 2022.

## 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.*

### 6. **Accept the Risk Analysis for Long-Term Debt (Bonding Capacity) Report provided by Government Finance Officers Association**

**From: City Manager**

**Referred: April 26, 2022**

**Due: October 11, 2022**

**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

### 7. **Discussion and Development of Criteria and Timing for AAO Process**

**From: Mayor Arreguin**

Contact: Jesse Arreguin, Mayor, (510) 981-7100

The Mayor requested that this item be removed from the agenda.

## Items for Future Agendas

- **Discussion of items to be added to future agendas**

## Adjournment

**Action:** M/S/C (Arreguin/Droste) to adjourn the meeting.

**Vote:** Ayes – Droste, Arreguin; Noes – None; Abstain – None; Absent - Harrison.

Adjourned at 12:09 p.m.

I hereby certify that this is a true and correct record of the Budget & Finance Committee meeting held on June 9, 2022.

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April Richardson, Assistant City Clerk

## **Communications**

*Communications submitted to City Council Policy Committees are on file in the City Clerk Department at 2180 Milvia Street, 1st Floor, Berkeley, CA, and are available upon request by contacting the City Clerk Department at (510) 981-6908 or [policycommittee@cityofberkeley.info](mailto:policycommittee@cityofberkeley.info).*